

Breville

20 February 2013

Manager, Company Announcements,
Australian Securities Exchange Limited,
Level 4, 20 Bridge Street,
Sydney NSW 2000

**Half Year Ended 31 December 2012
Appendix 4D**

Attached is a copy of the Breville Group Limited Appendix 4D including Independent Review Report and Auditor's Independence Declaration for the Half Year Ended 31 December 2012.

Yours faithfully



Mervyn Cohen
Company Secretary
Breville Group Limited

Telephone: (02) 9384 8100

Breville Group Limited

ABN 90 086 933 431

Appendix 4D – Half year report


Note: The numbering marked with [] within this half year report is consistent with the numbering used in the guidelines issued by the Australian Stock Exchange (ASX) under ASX Listing Rule 4.2A.3.

Current reporting period [1]: half year ended 31 December 2012

Previous corresponding period [1]: half year ended 31 December 2011

Results for announcement to the market

	Percentage change		to	Amount A\$'000
	Up or down	%		
Total revenues [2.1]	Up	13.2%		264,421
Earnings before interest, tax, depreciation & amortisation (EBITDA)	Up	10.1%		49,738
Earnings before interest and tax (EBIT)	Up	10.2%		46,107
Net profit after income tax for the half year attributable to members [2.2] [2.3]	Up	7.8%		31,692
Dividends [2.4]	Date paid / payable [5]	Amount per security [2.4]	Franked amount per security at 30% tax [2.4]	Amount per security of foreign source dividend [5]
Interim dividend				
Current reporting period	10 APR 2013	14.0¢	9.5¢	0.0¢
Previous corresponding period	5 APR 2012	12.5¢	12.5¢	0.0¢
The record date for determining entitlements to the interim dividend [2.5]: 20 March 2013				
Dividend reinvestment plan [6]				
The dividend reinvestment plan will not be in operation for the current reporting period interim dividend.				
Brief explanation [2.6]				
Please refer to the commentary in the review of results and operations section of the directors' report.				
For further explanation please refer to the ASX report announcement accompanying this half year report.				

Net tangible assets [3]		
	Current period	Previous corresponding period
Net tangible assets per security	96.42¢	82.76¢
Control gained or lost over entities [4]		
The group has not gained or lost control of any entities during the half year ended 31 December 2012.		
Total dividend paid / payable [5]		
	Current period A\$'000	Previous corresponding period A\$'000
Final dividend paid	14,961	9,107
Associates and joint venture entities [7]		
The group held no interests in associates or joint ventures during the half year ended 31 December 2012.		
For foreign entities, which set of accounting standards are used in compiling the report [8]		
Not applicable.		
Compliance statement		
The results for announcement to the market should be read in conjunction with the attached half year report for the half year ended 31 December 2012.		
No review dispute or qualification is contained in the attached independent review report for the half year ended 31 December 2012 [9].		
Sign here:		
	<hr/> Mervyn Cohen Company secretary	
Date:	<hr/> 20 February 2013	

Breville Group Limited

ABN 90 086 933 431

Half year report

FOR THE HALF YEAR ENDED

31 December 2012

Corporate information	4
Directors' report	5
Statement of comprehensive income	6
Statement of financial position	7
Cash flow statement	8
Statement of changes in equity	9
Notes to the half year report	10
Directors' declaration	17
Independent review report	18
Auditor's independence declaration	20

Corporate information

This half year report covers the consolidated entity comprising Breville Group Limited and its subsidiaries (company or group).

A description of the group's operations and of its principal activities is included in the review of results and operations and principal activities in the directors' report on page 5. The directors' report is unaudited and does not form part of the financial report.

Directors

John Schmoll
Non-executive chairman

Steven Fisher
Non-executive director

Dean Howell
Non-executive director

Steven Klein
Non-executive director

Samuel Weiss
Non-executive director

Company secretary

Mervyn Cohen

Registered office and principal place of business

Building 2
Port Air Industrial Estate
1A Hale Street
Botany NSW 2019
Telephone: (+61 2) 9384 8100

Company websites

www.brevillegroup.com
www.breville.com
www.kambrook.com.au

ABN

Breville Group Limited ABN 90 086 933 431

Share register

Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000

Enquiries with Australia: (02) 8280 7111
Enquiries outside Australia: (+61 2) 8280 7111
Website: www.linkmarketservices.com.au

Auditors

Ernst & Young
680 George Street
Sydney NSW 2000

Bankers

Australia and New Zealand Banking Group Limited
20 Martin Place
Sydney NSW 2000

Directors' report

The board of directors of Breville Group Limited has pleasure in submitting its report in respect of the financial half year ended 31 December 2012.

Directors

The names of the company's directors in office during the half year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

John Schmoll	Non-executive chairman
Steven Fisher	Non-executive director
Dean Howell	Non-executive director
Steven Klein	Non-executive director
Samuel Weiss	Non-executive director

Review of results and operations

Revenues of the consolidated entity for the half year to 31 December 2012 were \$264,421,000 which was up 13.2% from the revenues for the previous corresponding half year (2011: \$233,599,000).

The group's profit after tax attributable to shareholders for the half year to 31 December 2012 was \$31,692,000. This was up 7.8% on the previous corresponding half year result of \$29,386,000.

The basic earnings per share for the consolidated entity was 24.36 cents per share (2011: 22.59 cents per share).

Principal activities

During the half year, the principal activities of the consolidated entity were the innovation, development, marketing and distribution of small electrical appliances in the consumer products industry. The consolidated entity operated in the principal markets of Australia, the United States of America, Canada, New Zealand and Hong Kong.

Rounding

The amounts contained in this report and in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the company under ASIC class order 98/100. The company is an entity to which the class order applies.

Auditor's independence declaration

Attached on page 20 is a copy of the auditor's declaration provided under section 307C of the Corporations Act 2001 in relation to the review for the half year ended 31 December 2012. This auditor's declaration forms part of this directors' report.

Signed in accordance with a resolution of the directors.



John Schmoll
Non-executive chairman

Sydney
20 February 2013

Statement of comprehensive income

for the half year ended 31 December 2012

	Half year ended 31 Dec 2012 \$'000	Half year ended 31 Dec 2011 \$'000
Revenue	264,421	233,599
Other income	584	91
Cost of sales	(164,335)	(143,107)
Employee benefits expenses	(24,781)	(24,237)
Premises, lease & utilities expenses	(5,827)	(5,655)
Advertising expenses	(12,787)	(9,121)
Other expenses	(7,537)	(6,394)
Earnings before interest, tax, depreciation & amortisation (EBITDA)	49,738	45,176
Depreciation & amortisation expenses	(3,631)	(3,335)
Earnings before interest and tax (EBIT)	46,107	41,841
Finance costs	(810)	(878)
Finance income	686	435
Profit before income tax	45,983	41,398
Income tax expense	(14,291)	(12,012)
Net profit after income tax for the half year attributable to members of Breville Group Limited	31,692	29,386
Other comprehensive income/(loss)		
<i>Items that may be reclassified to profit or loss</i>		
Foreign currency translation differences for foreign operations	159	791
Net change in fair value of cash flow hedges	(339)	2,910
Income tax on other comprehensive income/(loss)	497	(867)
Other comprehensive income for the half year, net of income tax	317	2,834
Total comprehensive income for the half year attributable to members of Breville Group Limited	32,009	32,220
	Cents	Cents
Earnings per share for profit attributable to the ordinary equity holders of the parent entity:		
- basic earnings per share	24.36	22.59
- diluted earnings per share	24.36	22.59

The accompanying notes form an integral part of this statement of comprehensive income.

Statement of financial position

as at 31 December 2012

	Note	31 Dec 2012 \$'000	30 June 2012 \$'000	31 Dec 2011 \$'000
Current assets				
Cash and cash equivalents	3, 6	51,898	53,095	31,655
Trade and other receivables		125,467	73,579	128,620
Inventories		76,781	61,596	58,777
Other financial assets		55	479	421
Current tax assets		-	476	113
Other assets		2,800	3,298	1,028
Total current assets		257,001	192,523	220,614
Non-current assets				
Plant and equipment	4	4,299	3,875	3,990
Deferred tax assets		13,902	12,462	11,865
Intangible assets – other	5	45,032	45,298	44,968
Intangible assets – goodwill		24,558	24,558	24,558
Total non-current assets		87,791	86,193	85,381
Total assets		344,792	278,716	305,995
Current liabilities				
Trade and other payables		95,922	63,679	91,505
Borrowings	6	11,973	57	7,919
Current tax liabilities		9,453	9,580	7,884
Provisions		9,197	7,120	6,761
Other financial liabilities		11	17	146
Total current liabilities		126,556	80,453	114,215
Non-current liabilities				
Borrowings	6	9,755	6,019	182
Deferred tax liabilities		6,224	6,251	6,132
Provisions		7,231	8,581	8,274
Total non-current liabilities		23,210	20,851	14,588
Total liabilities		149,766	101,304	128,803
Net assets		195,026	177,412	177,192
Equity				
Issued capital	7	140,050	138,760	140,050
Reserves		(15,190)	(14,783)	(15,959)
Retained earnings		70,166	53,435	53,101
Total equity		195,026	177,412	177,192

The accompanying notes form an integral part of this statement of financial position.

Cash flow statement

for the half year ended 31 December 2012

	Note	Half year ended 31 Dec 2012 \$'000	Half year ended 31 Dec 2011 \$'000
Cash flows from/(used in) operating activities			
Receipts from customers		324,724	261,964
Payments to suppliers and employees		(308,996)	(245,291)
Finance costs paid		(810)	(893)
Income tax paid		(13,649)	(8,769)
Finance income received		686	435
Net cash flows from operating activities		1,955	7,446
Cash flows used in investing activities			
Proceeds from sale of plant and equipment	4	28	5
Purchase of plant and equipment	4	(728)	(407)
Purchase of intangible assets	5	(2,812)	(1,808)
Net cash flows used in investing activities		(3,512)	(2,210)
Cash flows from/(used in) financing activities			
Net proceeds from borrowings		15,578	7,796
Proceeds from issue of shares	7(a)	-	112
Irretrievable cash contributions paid to the Trustee of the Breville Group Performance Share Plan Trust to acquire ordinary shares	7 (b)	(200)	-
Equity dividends paid	2(a)	(14,961)	(9,107)
Net cash flows from/(used in) financing activities		417	(1,199)
Net (decrease)/increase in cash and cash equivalents		(1,140)	4,037
Cash and cash equivalents at beginning of the half year		53,082	27,564
Net foreign exchange difference		(44)	(1)
Cash and cash equivalents at end of the half year	3	51,898	31,600

The accompanying notes form an integral part of this cash flow statement.

Statement of changes in equity

for the half year ended 31 December 2012

	Note	Issued capital \$'000	Reserves \$'000	Retained earnings \$'000	Total equity \$'000
At 1 July 2011		135,642	(14,886)	32,822	153,578
Foreign currency translation reserve		-	791	-	791
Cash flow hedges		-	2,910	-	2,910
Income tax on items taken directly to equity		-	(867)	-	(867)
Net gain recognised directly in equity		-	2,834	-	2,834
Profit for the half year		-	-	29,386	29,386
Total recognised income for the half year		-	2,834	29,386	32,220
Dividends paid	2(a)	-	-	(9,107)	(9,107)
Issue of ordinary shares - exercise of options	7(a)	112	-	-	112
Transferred to participants of the performance rights plan	7(b)	4,296	(4,296)	-	-
Share-based payments		-	389	-	389
At 31 December 2011		140,050	(15,959)	53,101	177,192
At 1 July 2012		138,760	(14,783)	53,435	177,412
Foreign currency translation reserve		-	159	-	159
Cash flow hedges		-	(339)	-	(339)
Income tax on items taken directly to equity		-	497	-	497
Net gain recognised directly in equity		-	317	-	317
Profit for the half year		-	-	31,692	31,692
Total recognised income for the half year		-	317	31,692	32,009
Dividends paid	2(a)	-	-	(14,961)	(14,961)
Ordinary shares acquired by the Trustee of the Breville Group Performance Share Plan Trust	7(b)	(200)	-	-	(200)
Transferred to participants of the performance rights plan	7(b)	1,490	(1,490)	-	-
Share-based payments		-	766	-	766
At 31 December 2012		140,050	(15,190)	70,166	195,026

The accompanying notes form an integral part of this statement of changes in equity.

Notes to the half year report

for the half year ended 31 December 2012

Note 1. Basis of preparation of the half year financial report

(a) Corporate information

The financial report of Breville Group Limited (the company) for the half year ended 31 December 2012 was authorised for issue in accordance with a resolution of the directors on 20 February 2013. Breville Group Limited is a for profit company incorporated in Australia and limited by shares, which are publicly traded on the Australian Stock Exchange (ASX).

The nature of the operations and principal activities of the group are described in the directors' report.

(b) Summary of significant accounting policies

The half year consolidated financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The half year report should be read in conjunction with the annual report of Breville Group Limited as at 30 June 2012.

It is also recommended that the half year report be considered together with any public announcements by Breville Group Limited and its controlled entities during the half year ended 31 December 2012 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

Where necessary, comparatives have been reclassified and repositioned for consistency with current half year disclosures, this includes reporting operating cash flows from customers and to suppliers on a gross basis for the current reporting period and the comparative period.

(i) Basis of accounting

The half year consolidated financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134 *Interim Financial Reporting*.

The half year financial report has been prepared on a historical cost basis, except for derivative financial instruments that have been measured at fair value.

The amounts contained in this report have been

rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the company under ASIC class order 98/100. The company is an entity to which the class order applies.

For the purpose of preparing the half year financial report, the half year has been treated as a discrete reporting period.

(ii) Significant accounting policies

The half year consolidated financial statements have been prepared using the same accounting policies used in the annual financial statements for the year ended 30 June 2012.

From 1 July 2012 the Breville Group applied amendments to AASB 134 *Interim Financial Reporting* as outlined in AASB 2011-9 *Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income*. The change in accounting policy relates only to disclosures.

Other new standards that are applicable for the first time for the December 2012 half-year report did not affect the Breville Group's accounting policies or any of the amounts recognised in the financial statements.

(iii) Basis of consolidation

The half year consolidated financial statements comprise the financial statements of Breville Group Limited and its subsidiaries as at 31 December 2012 (the group).

(c) Seasonality of operations

The financial performance of the group is exposed to seasonality in the volume of sales; such that the company's financial performance is historically weighted in favour of the half year to 31 December. This seasonality is a reflection of the additional retail sales generated during the Christmas trading period each year.

This seasonality in the volume of sales also generally results in a higher level of receivable and inventory balances at the half year compared to year end, resulting in a higher working capital requirement and lower operating cash flows at the half year.

Notes to the half year report (continued)

for the half year ended 31 December 2012

	Half year ended 31 Dec 2012 \$'000	Half year ended 31 Dec 2011 \$'000
Note 2. Dividends		
(a) Dividends on ordinary shares paid during the half year to equity holders		
Final franked dividend for financial year ended 30 June 2012 of 11.5 cents per share (2011: final franked dividend for financial year ended 30 June 2011 of 7.0 cents per share)		
Dividend paid in cash	14,961	9,107
Total final dividend	14,961	9,107
(b) Dividends proposed and not recognised as a liability to equity holders		
Partially franked interim dividend for the financial year ending 30 June 2013 of 14.0 cents per share (9.5 cents franked) (2012: fully franked 12.5 cents per share)		
	18,213	16,262
Note 3. Cash and cash equivalents		
For the purposes of the cash flow statement, cash and cash equivalents comprise the following:		
Cash and cash equivalents	51,898	31,655
Borrowings (current) – bank overdraft	-	(55)
Total cash and cash equivalents	51,898	31,600

Note 4. Plant and equipment

Acquisitions, disposals and impairment

During the half year ended 31 December 2012, the group capitalised items into plant and equipment with a cost of \$1,473,000 (2011: \$496,000). Plant and equipment with a net book value of \$9,000 were disposed of by the group during the half year ended 31 December 2012 (2011: \$9,000), resulting in a profit on disposal of \$19,000 (2011: loss \$4,000). Plant and equipment with a net book value of \$nil was impaired by the group during the half year ended 31 December 2012 (2011: \$500,000).

Note 5. Intangible assets – other

Additions

During the half year ended 31 December 2012, the group capitalised items into intangible assets – other (including computer software and development costs) with a cost of \$2,347,000 (2011: \$1,767,000).

Notes to the half year report (continued)

for the half year ended 31 December 2012

	Half year ended 31 Dec 2012 \$'000	Half year ended 31 Dec 2011 \$'000
Note 6. Borrowings		
Current	11,973	7,919
Non-current	9,755	182
Total borrowings	21,728	8,101

The net cash position of the group at 31 December 2012 amounted to \$30,170,000 (2011: net cash position of \$23,554,000).

	Half year ended 31 Dec 2012 \$'000	Half year ended 31 Dec 2011 \$'000
Note		
Note 7. Issued capital		
Ordinary shares – issued	140,050	140,050
Ordinary shares – held by the Breville Group Performance Share Plan Trust	-	-
Total contributed equity	140,050	140,050

	Half year ended 31 Dec 2012		Half year ended 31 Dec 2011	
Note	Number of shares	\$'000	Number of shares	\$'000
(a) Movements in ordinary issued shares during the half year:				
Beginning of the half year	130,095,322	140,050	129,995,322	139,938
Movements during the half year				
Exercise of options - cash	-	-	100,000	112
End of the half year	130,095,322	140,050	130,095,322	140,050

(i) During the half year nil options were exercised. (2011: 100,000 options were exercised resulting in the issue of 100,000 ordinary shares. The average value placed on these issues was \$1.12).

Notes to the half year report (continued)

for the half year ended 31 December 2012

		Half year ended 31 Dec 2012		Half year ended 31 Dec 2011	
Note		Number of shares	\$'000	Number of shares	\$'000
Note 7. Issued capital (continued)					
(b) Movements in ordinary shares held by the Breville Group Performance Share Plan Trust:					
Beginning of the half year		(303,000)	(1,290)	(1,282,000)	(4,296)
Movements during the half year					
Ordinary shares acquired by the Breville Group Performance Share Plan Trust during the half year - cash		(i) (34,500)	(200)	-	-
Ordinary shares transferred to participants of the Breville Group Performance Share Plan		(ii) 337,500	1,490	1,282,000	4,296
End of the half year		-	-	-	-

- (i) During the half year the Trustee of the Breville Group Performance Share Plan Trust acquired 34,500 ordinary shares (2011: nil) in order to fulfil its obligations under the Breville Group Performance Share Plan. The average value placed on these acquisitions was \$5.81 per share.
- (ii) During the half year the Trustee of the Breville Group Performance Share Plan Trust transferred 337,500 ordinary company shares to participants (2011: 1,282,000) in order to fulfil its obligations under the Breville Group Performance Rights Plan.

Notes to the half year report (continued)

for the half year ended 31 December 2012

Note 8. Operating segments

The following tables present the revenue and profit information regarding operating segments for the half year periods ended 31 December 2012 and 31 December 2011.

	Australia Distribution \$'000	North America Distribution \$'000	New Zealand Distribution \$'000	International Distributors \$'000	Other \$'000	Total \$'000
Half year ended 31 December 2012						
Revenue						
Sale of goods	114,628	99,081	16,318	21,666	-	251,693
Commission Income	-	12,728	-	-	-	12,728
Inter segment revenue	125	-	-	4,025	12,652	16,802
Total segment revenue	114,753	111,809	16,318	25,691	12,652	281,223
Inter segment elimination						(16,802)
Total consolidated revenue						264,421
Results						
EBITDA	14,784	26,000	2,657	7,476	(1,179)	49,738
Depreciation & amortisation	(528)	(186)	(9)	(5)	(2,903)	(3,631)
EBIT	14,256	25,814	2,648	7,471	(4,082)	46,107
Finance revenue	611	24	45	6	-	686
Finance costs	(248)	(424)	(72)	(66)	-	(810)
Profit before income tax – Segment profit	14,619	25,414	2,621	7,411	(4,082)	45,983

Notes to the half year report (continued)

for the half year ended 31 December 2012

Note 8. Operating segments (continued)

	Australia Distribution \$'000	North America Distribution \$'000	New Zealand Distribution \$'000	International Distributors \$'000	Other \$'000	Total \$'000
Half year ended 31 December 2011						
Revenue						
Sale of goods	111,841	74,840	15,230	19,721	-	221,632
Commission Income	-	11,967	-	-	-	11,967
Inter segment revenue	116	-	-	3,089	10,311	13,516
Total segment revenue	111,957	86,807	15,230	22,810	10,311	247,115
Inter segment elimination						(13,516)
Total consolidated revenue						233,599
Results						
EBITDA	14,224	22,803	2,335	6,049	(235)	45,176
Depreciation & amortisation	(633)	(222)	(11)	(6)	(2,463)	(3,335)
EBIT	13,591	22,581	2,324	6,043	(2,698)	41,841
Finance revenue	375	21	39	-	-	435
Finance costs	(437)	(377)	(93)	(71)	100	(878)
Profit before income tax – Segment profit	13,529	22,225	2,270	5,972	(2,598)	41,398

Notes to the half year report (continued)

for the half year ended 31 December 2012

Note 9. Commitments and contingencies

Since 31 December 2012, there has been no material change of any contingent liabilities or contingent assets.

Note 10. Events after the balance sheet date

There are no other matters or circumstances that have arisen since the end of the half year, which significantly affected or may affect the operation of the consolidated entity.

Directors' declaration

In accordance with a resolution of the directors of Breville Group Limited, I state that:

In the opinion of the directors:

- (a) the financial report of the consolidated entity is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the board



John Schmoll
Non-executive chairman

Sydney
20 February 2013

To the members of Breville Group Limited,

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Breville Group Limited, which comprises the condensed statement of financial position as at 31 December 2012, the condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Breville Group Limited and the entities it controlled during the half-year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

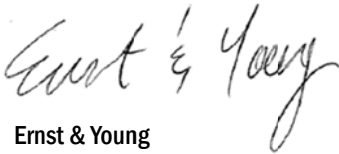
Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Breville Group Limited is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A handwritten signature in cursive script that reads 'Ernst & Young'.

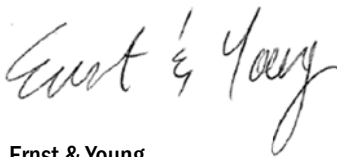
Ernst & Young

A handwritten signature in cursive script that reads 'Schalk Barnard'.

Schalk Barnard
Partner
Sydney
20 February 2013

Auditor's Independence Declaration to the Directors of Breville Group Limited

In relation to our review of the financial report of Breville Group Limited for the half-year ended 31 December 2012, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

A handwritten signature in cursive script that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in cursive script that reads 'Schalk Barnard'.

Schalk Barnard
Partner
20 February 2013