

17 December 2009

Update in relation to GUD's takeover offer for Breville

Breville Group Limited (**Breville**) notes the announcement made yesterday by the Australian Competition and Consumer Commission that it will oppose the proposed acquisition by G.U.D. Holdings Limited (**GUD**) of Breville.

GUD's takeover offer for Breville is subject to a condition that:

"Either between the Announcement Date and the end of the Offer Period (each inclusive) the ACCC has not commenced or threatened to commence legal proceedings seeking orders to restrain the acquisition of Breville Shares by GUD, or, before the end of the Offer Period, GUD has received notice in writing from the ACCC stating, or stating to the effect, that:

- (1) the ACCC does not propose to intervene or seek to prevent the acquisition of Breville Shares by GUD; or*
- (2) the ACCC does not seek to impose conditions on the acquisition of Breville Shares by GUD or require undertakings from GUD or any member of the GUD Group in relation to the acquisition of Breville Shares*

and that notice has not been withdrawn, revoked or amended."

On the available information, it appears that this condition may not be capable of being satisfied. Breville will keep shareholders informed of any developments.

In the meantime, the Board continues to recommend that shareholders reject GUD's takeover offer for the reasons set out in Breville's Target's Statement, including that the Independent Expert concluded that GUD's offer is neither fair nor reasonable. Breville's trading has continued to improve since the Target's Statement was issued, with Breville's performance in November ahead of the Board's expectations.

The Board also reminds shareholders who have accepted GUD's takeover offer that they continue to be entitled to withdraw their acceptances.

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