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Brait Fund IV a significant vote of confidence

Brait, one of the most experienced private equity investors in South Africa, today announced the launch of Africa's largest private equity fund to date, the R6.1 billion (US\$ 880 million) Brait Fund IV.

Brait executive director, John Gnodde said "this is a significant vote of confidence in South Africa as an investment destination. International investment into private equity has a ten year time horizon. This means investors have taken a look at the medium term outlook for South Africa and they like what they see."

Gnodde said "after 18 months of intensive roadshows, presentations and detailed due diligence by investors, Brait Fund IV was oversubscribed and succeeded in attracting almost double its targeted level of funds".

Brait Fund IV follows the success of Brait's prior funds. Brait Fund III at \$409 million, raised in 1999, was then the largest private equity fund in South Africa and is ahead of its targeted internal rate of return of 30%.

Brait Fund IV, which includes a \$200 million debt facility, has been supported by some of the world's largest private equity investors including US and European pension funds, endowments, family offices and fund of fund investors as well as by major South African pension funds and institutions. Over 70% of the Brait Fund IV investor base was sourced internationally.

Gnodde credits a range of factors to the successful fund raising exercise.

"As can be seen by the present level of private equity interest, South Africa is an attractive prospect for the asset class. This is largely due to a growing economy and access to international debt markets. Coupled to this are the strong track records of the larger private equity players in South Africa.

"Most importantly, South Africa has exceptional entrepreneurs and strong management teams who are building great businesses" said Gnodde.

Brait Fund IV will invest private equity capital of between R 100 million and R1 billion per transaction into various private equity transactions. The companies could be both privately owned or publicly listed across most sectors.

Brait Group Chief Executive, Antony Ball, said "this is a significant milestone in the history of Brait and provides a solid foundation for the private equity business going forward".

MVision Private Equity Advisors acted as exclusive international placement agent.

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