

FAMOUS BRANDS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1969/004875/06)

Share code: FBR

ISIN code: ZAE000053328

("Famous Brands" or "the Company" or "the Group")

TRADING STATEMENT FOR THE SIX MONTHS ENDED 31 AUGUST 2018

Famous Brands is satisfied that a reasonable degree of certainty exists that the financial results of the Group for the six months ended 31 August 2018 ("the review period") will differ by at least 20% from those reported for the six months ended 31 August 2017 ("the prior comparable period"), and thus is in a position to issue this trading statement in terms of Section 3.4(b)(i) of the Listings Requirements of the JSE Limited.

BACKGROUND

On 16 August 2018, the Group published a voluntary performance update ("the update") for its South African (SA) and Rest of Africa and Middle East (AME) regions for the five-month period ended 31 July 2018, as well as for the Group's GBK Restaurants Limited ("GBK") business, for the 22-week period ended 29 July 2018.

The update advised that the Group's results for the six months ended 31 August 2018 were expected to be stronger than those reported in the prior comparable period, primarily due to an improved performance by the SA and AME operations which would record a solid increase in operating profit; however, GBK would report a larger operating loss than in the prior comparable period.

RESULTS

There has been no change to the information provided in the voluntary performance update, and accordingly, an improved performance will be reported at Group operating profit level, while GBK has recorded an operating loss of GBP2.6 million (2017: GBP872 000) for the review period.

In light of the continued adverse trading conditions and sustained underperformance of GBK, shareholders are advised that the decision has been taken by the board of directors ("the Board") to recognise an impairment of R874 million (pre-tax) at Group level. The post-tax amount is R760 million. The Board is of the opinion that this impairment value is prudent in the current situation.

For the six months ended 31 August 2018, the Group's basic headline earnings per share ("HEPS") compared to the prior comparable period are expected to be within the range of 175 cents per share to 194 cents per share (2017: 170 cents per share), being an approximate increase of 3% to 14%.

The Basic loss per share is expected to be within the range of 566 cents per share to 623 cents per share; this is an approximate decrease of 431% to 465%, compared to the prior comparable period's Basic earnings of 171 cents per share.

The Group's results for the review period will be released on SENS on or about Monday, 29 October 2018.

A live audio webcast of the results will be held at 10h00 (SAST) on 29 October 2018.

To pre-register link to:

<https://ccwebcast.eu/links/famousbrands181029/list.php>

The financial information on which this trading statement is based has not been reviewed or reported on by the Group's external auditors.

Shareholders are reminded that the Company is trading under a cautionary announcement as released on 17 August 2018 and on 28 September 2018.

15 October 2018

Midrand

Sponsor

The Standard Bank of South Africa Limited