



PRESS RELEASE FOR THE YEAR ENDED DECEMBER 31st, 2018

(Regulated information – published on 14th March 2019 at 5.45 p.m.)

- **Shareholders' equity per share: € 68.59 (+8.5%)**
- **Annual result: € 182 million (+7%)**
- **Proposed distribution of € 0.94 per share (+10.6%)**

MANAGEMENT REPORT

Ladies and gentlemen,

The net profit of BREDERODE for the 2018 financial year was € 182 million, up 7% over that of the previous year.

The *Private Equity* portfolio is the source of this favourable result. Its annual performance, expressed in IRR terms (Internal Rate of Return) was 20.6%.

By contrast, the fine results achieved in the portfolio of listed securities at the end of the first three quarters were suddenly reversed with the deep and widespread downturn in stock prices during the fourth quarter. Consequently, the IRR of the listed portfolio for the full financial year fell to 0.9%. This modest performance compares very favourably, however, with the main European and international indices.

In one year, the net asset value of BREDERODE rose from € 63.22 to € 68.59, an increase that, taking into account the distribution of € 0.85 per share to shareholders in the course of the financial year, represents a 10% growth. During the same period, the profit per share rose from € 5.79 to € 6.22.

The Board of Directors decided, at the meeting held on March 11th 2019, to propose to the General Meeting of May 8th to vote in favour of a distribution to shareholders of € 0.94 per share. Such a distribution would make it possible to strengthen shareholders' equity by € 155 million. If the General Meeting approves this proposal, this would represent an increase of 10.6% in the remuneration of shareholders and the 16th consecutive annual increase.

Comments by sector of activity.

Private Equity

In an increasingly globalised world in full expansion, BREDERODE has continued to be selective in its choice of managers and of funds before making a commitment. Tighter discipline in this regard remains all the more essential given the abundance of liquidity and of new initiatives, as well as a frenetic search for yield. This has led certain investors to lower their expectations or become less exacting in the terms demanded to participate in new projects. BREDERODE thus seeks to maintain its tight requirements and a rigorous discipline as regards to due diligence.

The figures that follow achieve new heights and attest to the ongoing activity of BREDERODE in 2018 in *Private Equity* :

(in € million)	31 December 2018	31 December 2017	Evolution
New investments	237.16	225.56	+5%
Disposals	255.46	214.25	+19%
Change in fair value	189.98	71.91	+164%
Investments at the end of the financial year	1.049.48	877.79	+20%
New commitments (*)	380.27	307.94	+23%
Uncalled commitments	893.71	698.69	+28%

(*) At historical exchange rates

Changes in fair value were positively impacted in 2018 by the strength of the American dollar against the euro (+4.5%). In the absence of that element, the change in fair value of the *Private Equity* portfolio would have been € 164 million.

For information, the performance of BREDERODE in *Private Equity* over the past ten years, drawn up in accordance with IFRS standards and based on net annual cash flows, is as follows:

(in € million)	10 years	5 years	3 years	1 year
Value at the beginning of the period	308.77	517.67	719.28	877.79
Cash flow during the period	200.65	117.00	5.25	8.64
Value at the end of the period	1,049.48	1,049.48	1,049.48	1,049.48
IRR (Internal Rate of Return)	16.5%	20.0%	13.7%	20.6%

Portfolio of Listed Companies

The quality of the various elements in the BREDERODE portfolio was generally confirmed over the course of the months, in line with the news coming from the companies we carefully selected with a long-term perspective. The balance between growth securities and defensive securities has been maintained.

The sum of net dividends received from the listed portfolio increased once again, rising from € 24.2 million to € 26.04 million (8%).

Financial structure

At the end of the financial year, BREDERODE and its subsidiaries had a net financial debt position of € 20.3 million (as compared to € 4 million at the end of 2017). They had confirmed credit lines totalling € 88 million (as compared to € 60 million in the previous year).

Miscellaneous

During the period under review, there have been no related-party transactions that significantly influenced the financial position or the results of BREDERODE .

Outlook for the current financial year

Given its role as an international investor in risk capital, the future results of BREDERODE will continue to be affected by the evolution of the political and economic situation worldwide.

The board of directors believes that, unless there is a major negative event, prospects for the current financial year are positive.

It also reaffirms its policy of steadily growing distributions to its shareholders.

KEY FIGURES OF BREDERODE'S INDIVIDUAL (NON-CONSOLIDATED) FINANCIAL STATEMENTS (IFRS)

(in € million)	31 December 2018	31 December 2017
Shareholders' equity of Brederode	2,010.18	1,852.79
Profit for the period	182.29	169.67
Amounts distributed to shareholders	24.91	22.57
Adjusted figures per share (in €)		
Shareholders' equity of Brederode	68.59	63.22
Profit for the period	6.22	5.79
Amounts distributed to shareholders	0.85	0.77
Market price at the end of the period	50.40	49.69
Ratios		
Return on equity (1)	9.4%	9.5%
Yield on the Brederode share (2)	1.7%	1.5%
Number of shares used in the profit		
For shareholder equity and basic earnings	29,305,586	29,305,586

- (1) Return on equity: Results for the period / average shareholder equity. This ratio measures the internal profitability of a company.
- (2) Yield: gross amount distributed to shareholders during the period / the market price at the end of the financial year. This ratio is used in evaluating listed equities. It measures its profitability without taking into account the rate of growth of its shareholder equity.

KEY FIGURES RELATED TO THE INVESTMENT ACTIVITIES OF BREDERODE AND ITS SUBSIDIARIES

(in € million)	31 December 2018	31 December 2017
Financial assets at fair value	2,011.07	1,846.91
- Private Equity	1,049.48	877.79
- Listed portfolio	961.59	969.12
Result from portfolio management (1)	178.89	178.72

(1) Starting with the 2018 financial year, dividends earned on listed securities are presented net of withholding tax. In the past, withholding taxes were recognised separately from the result from portfolio management. On a pro forma basis, the 2017 result from portfolio management would have been € 176.42 million.

(in € million)	31 December 2018	31 December 2017
Private Equity at the beginning of the period	877.79	794.57
Investments	237.16	225.56
Disposals (1)	-255.46	-214.25
Change in fair value (1)	189.98	71.91
Private Equity at the end of the period	1,049.48	877.79
Listed portfolio at the beginning of the period	969.12	872.94
Investments	24.01	39.69
Disposals	-14.76	-33.06
Change in fair value	-16.78	89.56
Listed portfolio at the end of the period	961.59	969.12
Total portfolio managed by Brederode and its subsidiaries	2,011.07	1,846.91

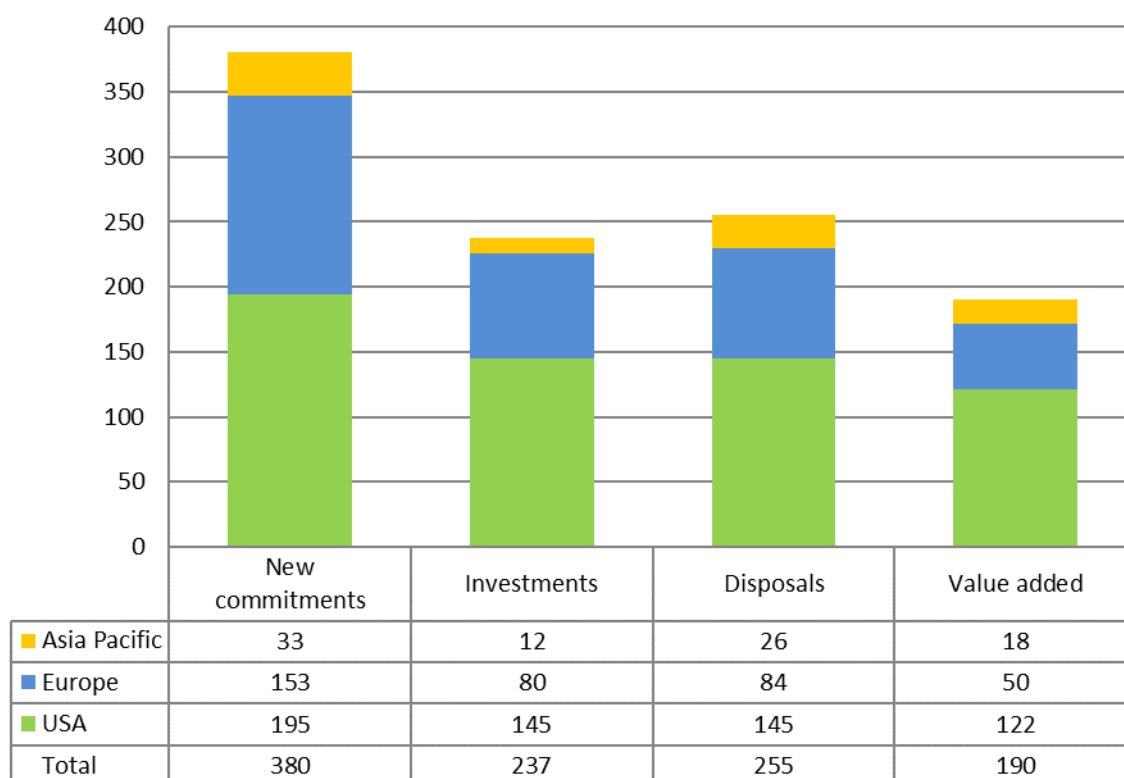
(in € million)	31 December 2018	31 December 2017
Result from <i>Private Equity</i> management	169.22	62.81
Result from <i>listed portfolio</i> management (2)	9.67	115.92
Result from portfolio management of Brederode and its subsidiaries	178.89	178.72

(1) From the 2018 financial year onwards, dividends and interest distributed by *Private Equity* funds were recognised as partial divestments. This change in presentation has no effect on the results, since it is compensated by a corresponding change in fair value. For the year 2017 financial statements (pro forma), divestments in *Private Equity* amounted to € -221.12 million, and the change in fair value was € 78.77 million.

(2) Those figures include net dividends received of € 26.04 million in 2018 and € 24.22 million in 2017 respectively.

PRIVATE EQUITY PORTFOLIO

Summary of Private Equity activities in 2018 (in € million)



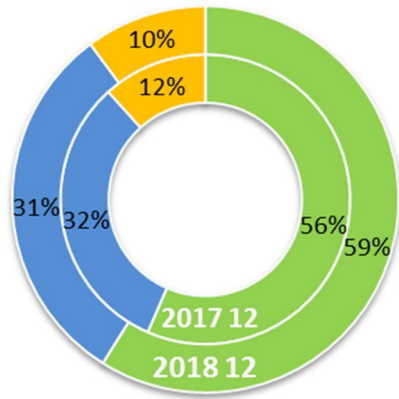
Movements in uncalled commitments

(in € million)	31 December 2018	31 December 2017
Commitments at the beginning of the period	698,69	673,44
Variation in existing commitments	-185,25	-282,69
New commitments (*)	380,27	307,94
Commitments at the end of the period	893,71	698,69

(*) At historical exchange rates.

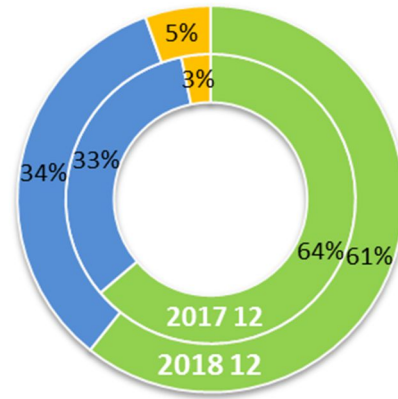
Geographical breakdown

Current investments



■ USA ■ Europe ■ Asia Pacific

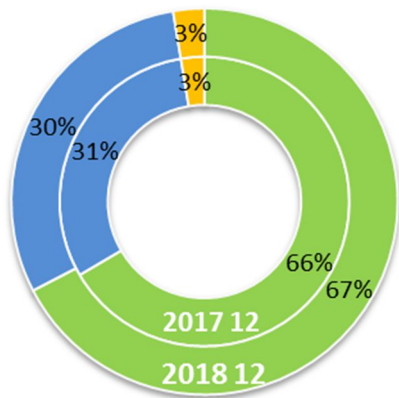
Uncalled commitments



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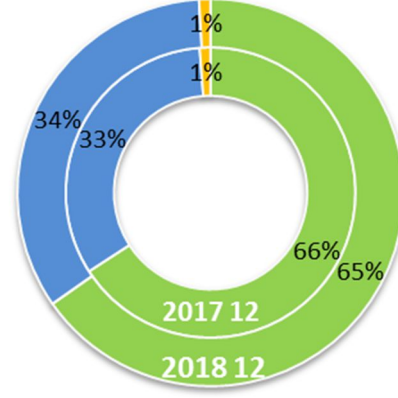
Breakdown by currency

Current investments



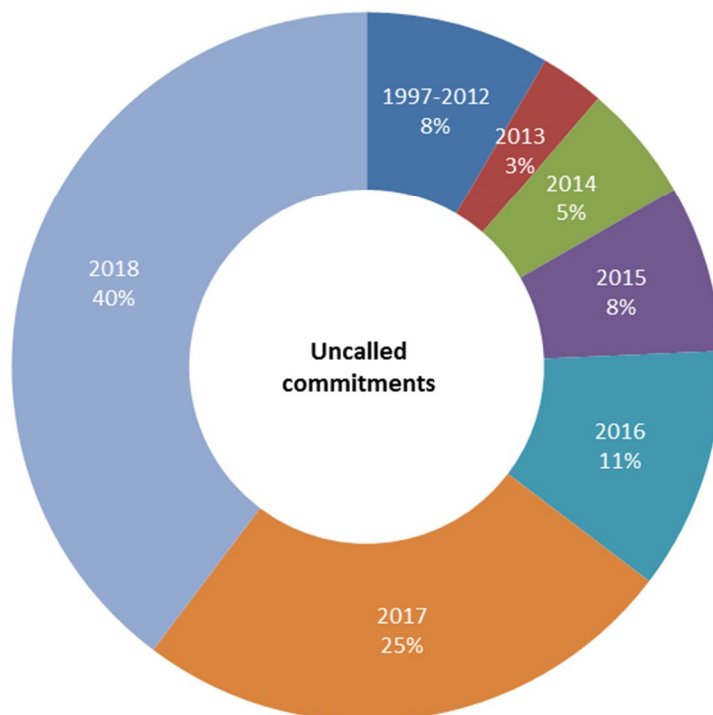
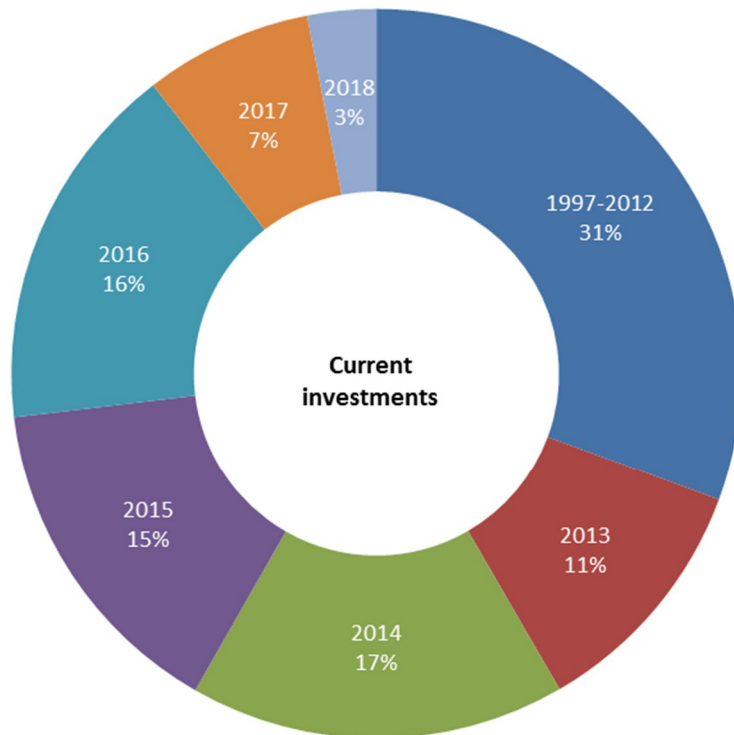
■ USD ■ EUR ■ OTHERS

Uncalled commitments



■ USD ■ EUR ■ OTHERS

**Breakdown of commitments by year of subscription to the funds
(‘vintage year’)**



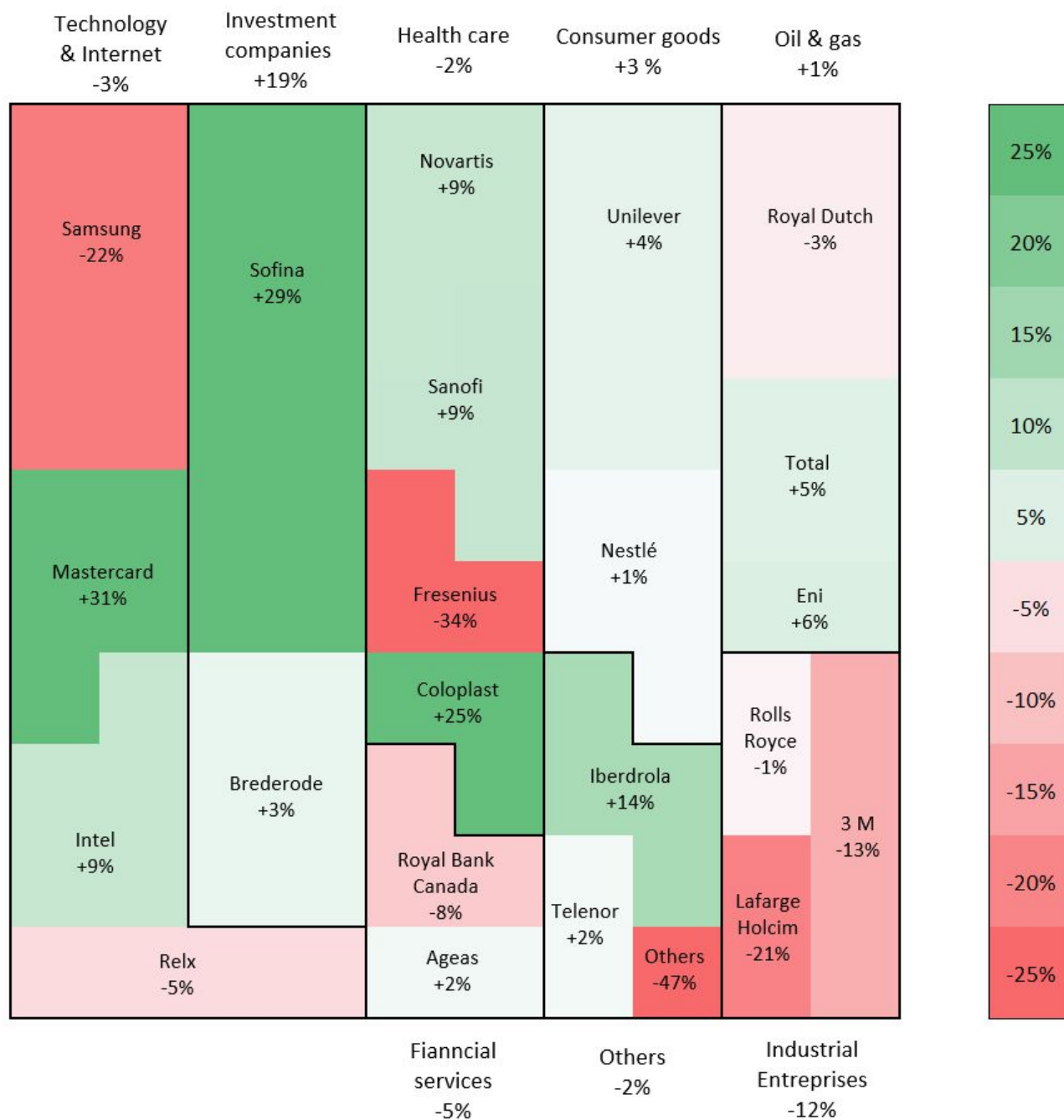
List of Private Equity General Partners
(in € million)

Names	Investments at fair value	Uncalled commitments	Total commitments
CARLYLE	45.67	87.63	133.30
ARDIAN	56.38	74.17	130.55
PROVIDENCE	58.74	52.44	111.17
BAIN	61.89	41.56	103.45
HIG	45.22	52.23	97.45
L CATTERTON	51.17	30.60	81.78
VISTA	35.45	41.99	77.44
CAPITAL TODAY	53.95	16.38	70.33
EQT	34.96	31.06	66.02
APOLLO	22.64	41.66	64.30
TRITON	17.75	39.56	57.31
UPFRONT	44.60	12.65	57.25
AMERICAN SECURITIES	18.85	36.21	55.05
PAI	22.18	23.56	45.73
STIRLING SQUARE	27.68	17.43	45.11
BC	30.03	13.53	43.56
CITIC	22.64	19.49	42.13
HGGC	31.57	10.46	42.03
TRILANTIC	21.00	17.29	38.29
SUN	10.94	24.94	35.88
GENSTAR	26.78	8.80	35.59
ARLINGTON	27.48	7.96	35.44
STONEPOINT	25.94	4.78	30.73
CUBERA	15.99	14.16	30.15
JF LEHMAN	23.27	4.39	27.66
Others	216.71	168.78	385.49
TOTAL	1,049.48	893.71	1,943.19

The top 25 General Partners included in this list represent 80% of the total commitments

LISTED PORTFOLIO

Total performance in 2018 (including dividends)



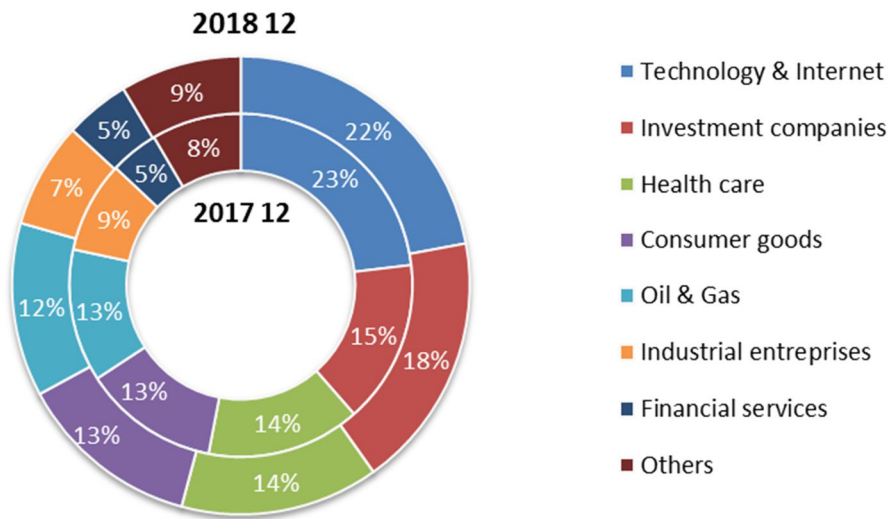
Main holdings in the portfolio of listed securities

Securities	31 December 2017	Acquisitions (Disposals)	Change in fair value	31 December 2018	Performance (1)	Number of shares	Allocation
(in € million)							
Technology & Internet	223.89		-11.73	212.16	-3.2%		22.1%
Samsung Electronics (GDR)	99.89		-24.17	75.72	-21.7%	100,000	7.9%
Mastercard	41.52		12.68	54.20	31.1%	328,950	5.6%
Intel	43.38		2.81	46.19	8.8%	1,127,000	4.8%
Relx	39.10		-3.05	36.05	-5.5%	1,994,965	3.7%
Investment companies	149.58	-1.02	25.59	174.14	18.5%		18.1%
Sofina	89.73		23.71	113.43	28.6%	684,152	11.8%
Brederode	59.86	-1.02 ⁽²⁾	1.88	60.71	3.2%	1,204,575	6.3%
Health care	140.38		-5.70	134.67	-1.6%		14.0%
Fresenius SE	42.05		-14.66	27.39	-33.9%	646,191	2.8%
Novartis	44.01		2.60	46.61	8.8%	625,000	4.8%
Sanofi	33.77		1.79	35.56	8.9%	470,000	3.7%
Coloplast	20.55		4.57	25.12	25.0%	310,000	2.6%
Consumer goods	124.02		0.20	124.22	2.8%		12.9%
Unilever	75.69		0.74	76.43	3.7%	1,611,788	7.9%
Nestlé	48.33		-0.54	47.79	1.2%	674,872	5.0%
Oil and gas	121.65	1.22	-4.63	118.25	1.2%		12.3%
Royal Dutch Shell	59.75	0.70	-4.58	55.87	-2.7%	2,177,438	5.8%
Total	37.76	0.52	0.04	38.33	4.7%	829,911	4.0%
ENI	24.14		-0.09	24.05	5.5%	1,749,000	2.5%
Industrial firms	83.50	-1.02	-10.88	71.60	-12.1%		7.4%
3M	43.12		-6.56	36.56	-13.2%	219,722	3.8%
Rolls Royce	20.02	-0.28 ⁽²⁾	-0.28	19.46	-1.4%	2,097,207	2.0%
Lafarge-Holcim	20.36	-0.74 ⁽²⁾	-4.04	15.58	-20.6%	433,486	1.6%
Financial services	44.25	3.81	-4.08	43.98	-4.6%		4.6%
Royal Bank of Canada	26.43	3.81	-3.46	26.78	-8.4%	447,200	2.8%
Ageas	17.83		-0.62	17.20	1.9%	437,750	1.8%
Miscellaneous	81.86	6.26	-5.55	82.57	-1.8%		8.6%
Iberdrola	41.31	4.17	4.09	49.57	13.7%	7,060,987	5.2%
Telenor	25.38		-1.47	23.91	1.6%	1,420,000	2.5%
Other holdings < € 10 MM	15.16	2.09	-8.16	9.09	-47.3%	n.a.	0.9%
TOTAL	969.12	9.25	-16.78	961.59	0.9%		100%

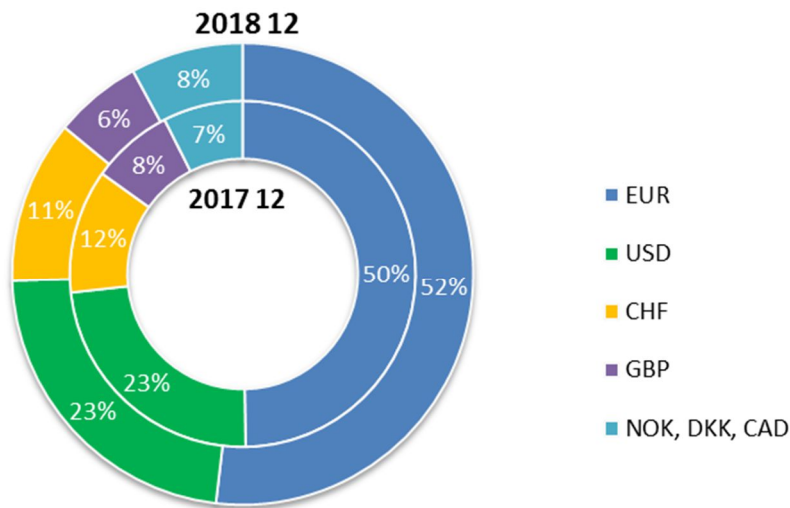
(1) Indicative performance taking into account the net dividends received

(2) Reimbursement of capital or equivalent

Breakdown of the listed portfolio by industry



Breakdown of the listed portfolio by currency



NET ASSETS HELD BY BREDERODE AND ITS SUBSIDIARIES

The following table provides details of the contribution of the main assets and liabilities of Brederode and its subsidiaries to shareholders' equity as expressed in BREDERODE's separate financial statements.

(in € million)	31 December 2018	31 December 2017
NON CURRENT ASSETS	2,032.32	1,857.37
Intangible assets	10.05	7.77
Fixed assets	1.73	1.78
Non-current financial assets	2.011.07	1.846.91
- Private Equity Portfolio	1.049.48	877.79
- Listed Portfolio	961.59	969.12
Other non-current assets	9.47	0.92
CURRENT ASSETS	37.95	30.32
Cash and cash equivalents	22.73	23.32
Tax receivable	2.81	3.26
Receivables and other current assets	12.41	3.74
TOTAL ASSETS	2,070.28	1,887.69
NON CURRENT LIABILITIES	-0.07	-1.13
CURRENT LIABILITIES	-60.00	-33.75
Short term debt	-43.00	-27.42
Debts arising from purchases of financial assets	-12.23	-1.20
Tax due	-2.56	-2.57
Other current liabilities	-2.22	-2.55
TOTAL LIABILITIES	-60.08	-34.87
THIRD PARTY SHARE (minority shareholders)	-0.02	-0.02
TOTAL NET ASSETS	2,010.18	1,852.79

CONTRIBUTIONS TO THE INCOME FROM ASSETS HELD BY BREDERODE AND ITS SUBSIDIARIES

The following table provides details of the contribution of the main assets and liabilities of Brederode and its subsidiaries to the income as expressed in the separate Financial Statements of Brederode.

(in € million)		31 December 2018	31 December 2017
A. Portfolio management	(1)	178.89	178.72
B. Other operating income and expenses	(2)	0.78	-5.87
OPERATING RESULT		179.67	172.86
C. Net financial Income (expenses)		2.77	0.47
E. Taxes	(1)	-0.15	-3.66
PROFIT FOR THE PERIOD		182.29	169.67

- (1) Starting with the 2018 financial year, dividends and interest earned are presented net of withholding tax. In the pro forma statements of the 2017 financial year, dividends and interest earned amounted to € 24.22 million, while taxes on net income were € 1.60 million.
- (2) This includes all general expenses attributable to Brederode and its subsidiaries for a total of € 2.6 million for the 2018 financial year and € 2.5 million for the 2017 financial year, that is, 0.1% of the portfolio.

OUTLOOK FOR THE YEAR IN PROGRESS

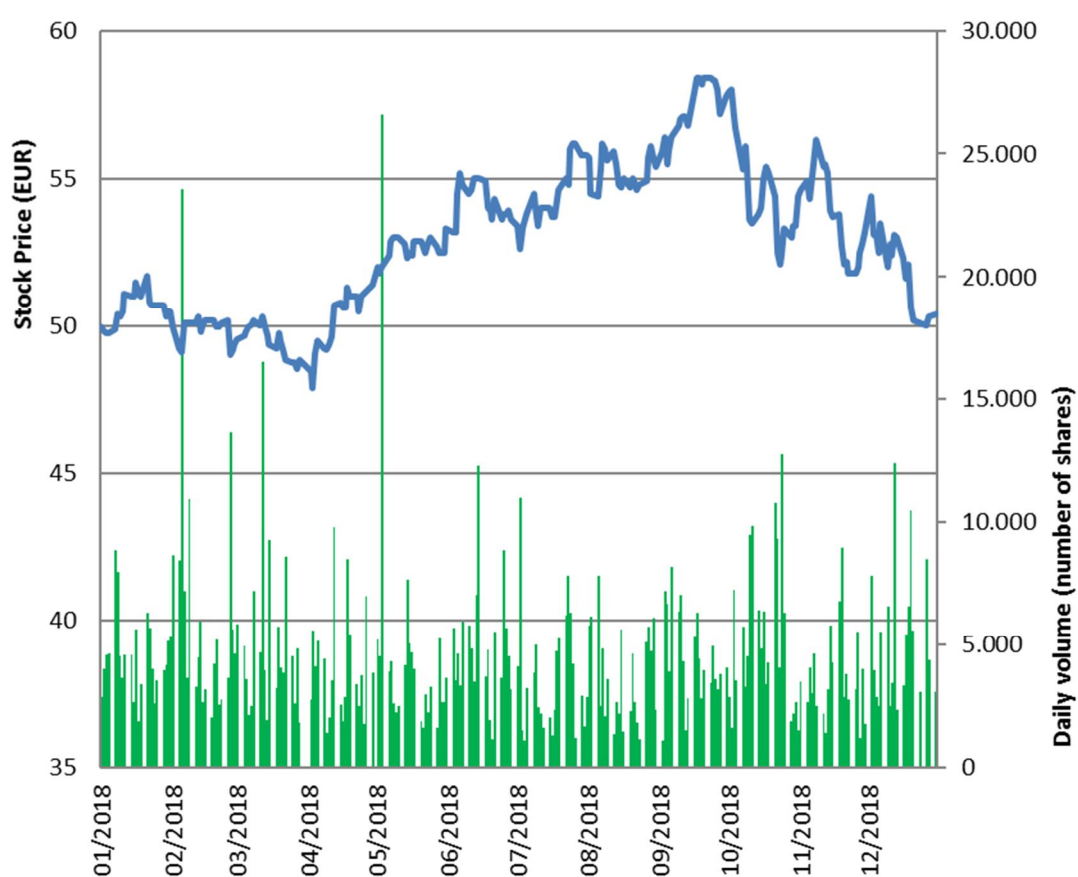
As previously indicated, in the absence of major unforeseeable events, the Board expects favorable results to continue in the current year.

BREDERODE SHARE

The shares of Brederode are traded on the regulated markets of EURONEXT Brussels and the LUXEMBOURG STOCK EXCHANGE.

The share price of Brederode rose 3% during the financial year (taking into account the distribution of € 0.85 in May 2018) with a volume traded of 1.2mn shares (1.3mn in 2017) i.e. an average daily volume of 4,636 shares (5,082 in 2017).

**Evolution of the share price of Brederode (EUR)
and daily volume (number of shares)
since January 1st, 2018**



**INDIVIDUAL (NON-CONSOLIDATED)
FINANCIAL STATEMENTS FOR BREDERODE S.A.**

(IAS 27)

INDIVIDUAL (NON-CONSOLIDATED) STATEMENT OF FINANCIAL POSITION

(in € million)	Notes	31 December 2018	31 December 2017
NON-CURRENT ASSETS		2,010.24	1,852.75
Subsidiaries at fair value	(1)	2,010.24	1,852.75
CURRENT ASSETS		0.92	0.29
Other current assets			0.29
Cash and cash equivalents		0.92	0.01
TOTAL ASSETS		2,011.16	1,853.04
TOTAL SHAREHOLDERS' EQUITY		2,010.18	1,852.79
Issued share capital		182.71	182.71
Share premium	(2)	687.02	711.93
Statutory reserves		1.15	-
Profit carried forward		957.00	788.48
Result for the financial year		182.29	169.67
NON-CURRENT LIABILITIES			
CURRENT LIABILITIES		0.98	0.25
Other current liabilities		0.98	0.25
TOTAL LIABILITIES		2,011.16	1,853.04
Number of shares at the end of the period		29,305,586	29,305,586
Shareholders' equity per share (in €)		68.59	63.22

INDIVIDUAL (NON-CONSOLIDATED) INCOME STATEMENT (IFRS)

(in € million)	Notes	31 December 2018	31 December 2017
Change in fair value of subsidiary	(3)	157.49	146.84
Profit from management of investment entity		157.49	146.84
Other operating income and expenses		24.81	22.83
Operating result		182.30	169.67
Net financial income (expenses)		0.00	0.00
Tax on the net result		0.00	0.00
Profit for the period		182.29	169.67
Profit per share			
Weighted number of shares		29,305,586	29,305,586
Net profit per share (in €)		6.22	5.79

INDIVIDUAL (NON-CONSOLIDATED) FINANCIAL STATEMENT OF CHANGES IN EQUITY

(in € million)	Notes	Capital	Share premium	Reserves	Reported results	Total
Balance on 1st January 2017		182.71	734.49		788.48	1,705.69
- distribution to shareholders	(2)		-22.57			-22.57
- result for the year					169.67	169.67
Balance on 31st December 2017		182.71	711.93		958.15	1,852.79
Balance on 1st January 2018		182.71	711.93		958.15	1,852.79
- distribution to shareholders	(2)		-24.91			-24.91
- allocation to statutory reserves				1.15	-1.15	
- result for the year					182.29	182.29
Balance on 31st December 2018		182.71	687.02	1.15	1,139.29	2,010.18

INDIVIDUAL (NON-CONSOLIDATED) STATEMENT OF CASH FLOWS

(in € million)	Notes	31 December 2018	31 December 2017
Operating activities			
Pre-tax profit for the year		182.30	169,67
Taxes for the year		0.00	0,00
Net profit for the financial year		182.29	169,67
Change in fair value	(3)	-157.49	-146,84
Gross cash-flow		24.80	22,83
Change in working capital requirements		1.02	-0,27
Cash flow resulting from operating activities		25.82	22,56
Investment activities			
Cash flow from investment activities			
Financing activities			
Distribution to shareholders	(2)	-24.91	-22,57
Cash flow resulting from financing activities		-24.91	-22,57
Net movement in cash in cash and cash equivalents		0.91	0,00
Cash and cash equivalents on 1st January		0,01	0.01
Cash and cash equivalents on 31st December		0,92	0.01

NOTES

Accounting and consolidation methods

The financial statements are drawn up in accordance with the International Financial Reporting Standards, as published and adopted by the European Union effective 31 December 2018.

The standards, amendments and interpretations that entered into force on January 1ST, 2018 had a significant impact on the presentation of the summary financial statements. These changes are detailed in the following note.

Brederode had not opted for early adoption of those standards, amendments and interpretations that have been published but were not yet in force on 31 December 2018.

(1) Subsidiaries

As at 1 January 2018, Brederode S.A. held 100% of Algol S.à.r.l., which in turn held 99.99% of Geysers S.A., which held both 100% of Greenhill S.A. and 100% of Brederode International S.à.r.l. The latter, in turn, held 100% of Athanor Ltd. In 2018, Brederode International S.à.r.l. transferred 100% of Athanor Ltd to Geysers S.A. No other change were made to the subsidiaries' shareholding structure.

By way of reminder, as of January 1st, 2016 the direct and indirect subsidiaries are no longer consolidated. From that date onward, the fair value of assets and liabilities of the subsidiaries, including the portfolio of Private Equity and listed shares, is indirectly included in the valuation of its direct subsidiary appearing on the asset side of the individual financial statements of Brederode S.A., in accordance with IAS 27. The fair value change of that direct subsidiary is recognised in net profit, in accordance with IFRS 9.

Fair value hierarchy

The fair value measurements are attributed according to a hierarchy comprising three levels: level 1 is for directly observable data; level 2 applies to data that are only indirectly observable and may require adjustments to be taken into account; level 3 relates to unobservable data.

Since accounting for the subsidiary Algol relies on unobservable data, fair value measurement of this asset, which constitutes more than 99 % of Brederode's total assets, has been classified as level 3. As far as the statements for the 2017 financial year are concerned, there has been no transfer to levels 1 or 2 during the financial year.

Transactions with related companies

During the year under review, Brederode S.A. did not carry out any transaction with Holdicam S.A., its majority shareholder.

(2) Share premiums

The general meeting of shareholders held on May 9th, 2018 approved the partial reimbursement of the share premium, in the amount of € 0.85 gross per share. It was paid out on 23 May 2018.

(3) Fair value variations in the subsidiaries

This affects the only subsidiary directly held by Brederode S.A., namely, Algol S.à r.l.
The change in fair value in indirectly held subsidiaries and of the assets and liabilities they hold are accounted for in the fair value change of Algol.

DECLARATION BY EXECUTIVE MANAGEMENT

In the name and on behalf of Brederode, we hereby confirm that, to the best of our knowledge:

- a) This set of separate summary financial statements, drawn up in accordance with the applicable body of accounting standards, gives a true and fair view of the assets and liabilities, the financial position and the profits or losses of Brederode;*
- b) The management report contains a faithful presentation of important events and the principal related party transactions during the financial year as well as their effect on the set of separate financial statements, as well as a description of the principal risks and uncertainties for the financial year.*

Luxembourg, March 11th, 2019

A. van der Mersch
Managing Director

L. Santambrogio
Managing Director

*The annual report in French is the original text.
Dutch and English translations are available.
In case of discrepancies, the French text shall prevail.*

AUDITOR'S OPINION

The auditor has confirmed that the audit work has not revealed material corrections that should be applied to the accounting figures provided in this press release