

RESULTS FOR THE SIX MONTHS ENDED 31 AUGUST 2015



PSG GROUP LIMITED

RECURRING HEADLINE EARNINGS increased by **42%** to **355 cents** per share

SUM-OF-THE-PARTS VALUE of **R209,35** per share as at 7 October 2015

INTERIM DIVIDEND increased by **82%** to **100 cents** per share

STRONG OPERATIONAL PERFORMANCE FROM ALL INVESTMENTS

OVERVIEW

PSG Group Ltd ("PSG") is an investment holding company consisting of underlying investments that operate across a diverse range of industries which include banking, education, financial services, food and related business, and private equity. PSG's market capitalisation (net of treasury shares) is approximately R50bn, with its largest investment a 30,7% interest in Capitec. The six-month period under review saw strong performance from all of PSG's key investments.

RESULTS

The two key benchmarks which PSG believes to measure performance by are *sum-of-the-parts* ("SOTP") value and *recurring headline earnings* per share.

SOTP

The calculation of the SOTP value is simple and requires limited subjectivity as 83% of the value is calculated using JSE-listed share prices, while other investments are included at market-related valuations. At 31 August 2015, the SOTP value per PSG share was R196,85 (28 February 2015: R163,28). At 7 October 2015, the SOTP value was R209,35 per share.

Asset/Liability	28 Feb 2014 Rm	28 Feb 2015 Rm	31 Aug 2015 Rm	7 Oct 2015 Rm	% of total
Capitec*	5 989	14 549	17 134	19 694	43%
Curro*	4 660	6 236	7 515	8 120	18%
PSG Konsult*	4 004	5 710	6 635	6 168	14%
Zeder*	1 698	3 712	3 797	3 719	8%
PSG Private Equity*	949	1 246	1 394	1 380	3%
Dipeo (previously Thembeka)*	1 243	603	789	821	2%
PSG Corporate (incl. PSG Capital)**	383	1 398	3 312	3 312	7%
Other assets (incl. cash and pref investments)^	1 122	2 031	2 392	2 373	5%
Total assets	20 048	35 485	42 968	45 587	100%
Perpetual pref funding*	(1 393)	(1 411)	(1 363)	(1 398)	
Other debt^	(615)	(679)	(1 053)	(1 062)	
Total SOTP value	18 040	33 395	40 552	43 127	
Shares in issue (net of treasury shares) (m)	189,9	204,5	206,0	206,0	
SOTP value per share (R)	95,01	163,28	196,85	209,35	

* Listed on the JSE Ltd * SOTP value ** Valuation ^ Book value

RECURRING HEADLINE EARNINGS

	Year ended		Six months ended		Aug 2015 Rm
	Feb 2015 Rm	Aug 2014 Rm	Change %	Aug 2015 Rm	
Capitec	729	332			451
Curro	31	15			29
PSG Konsult	214	92			116
Zeder	152	62			75
PSG Private Equity	59	16			47
Dipeo (previously Thembeka)	45	16			
PSG Corporate (incl. PSG Capital)	38	1			41
Other	51	20			46
Recurring headline earnings before funding	1 319	554	45		805
Funding	(177)	(85)			(84)
Recurring headline earnings	1 142	469	54		721
Non-recurring items	432	113			139
Headline earnings	1 574	582	48		860
Non-headline items	(14)	(13)			2
Attributable earnings	1 560	569	51		862
Weighted average number of shares in issue (net of treasury shares) (m)	192,3	187,9	8		203,4
Earnings per share (cents)					
- Recurring headline	593,6	249,4	42		354,5
- Headline	818,6	309,7	37		422,8
- Attributable	811,3	302,7	40		423,7
Dividend per share (cents)	200,0	55,0	82		100,0

Profit before finance costs and taxation increased by 52% to R1,7bn, mainly as a result of improved performance from our underlying investments and the first-time consolidation of subsidiaries.

PROSPECTS

We believe PSG's investment portfolio should continue yielding above average returns in future.

DIVIDEND

PSG's policy remains to pay up to 100% of free cash flow as an ordinary dividend, of which one third is payable as an interim and the balance as a final dividend at year-end. The directors have resolved to declare an interim gross dividend of 100 cents (2014: 55 cents) for the six months ended 31 August 2015.

The interim dividend amount, net of South African dividend tax, is 85 cents per share for those shareholders that are not exempt from dividend tax. The number of ordinary shares in issue at the declaration date is 221 778 549, and the income tax number of the company is 9950080714.

The salient dates for this dividend distribution are:

Last day to trade cum dividend	Friday, 30 October 2015
Trading ex dividend commences	Monday, 2 November 2015
Record date	Friday, 6 November 2015
Payment date	Monday, 9 November 2015

Share certificates may not be dematerialised or rematerialised between Monday, 2 November 2015 and Friday, 6 November 2015, both days inclusive.

UNAUDITED FINANCIAL RESULTS

This announcement contains only a summary of the information of the full announcement made on SENS on Monday, 12 October 2015, and is the responsibility of the directors. Please refer to the full announcement for additional information. The full announcement is available for viewing on PSG's website at www.psggroup.co.za or may be requested and obtained in person, at no charge, at the registered office of the company and its sponsor during office hours. Any investment decisions by investors and/or shareholders should be based on consideration of the full announcement made on SENS.

On behalf of the board

Jannie Mouton
Chairman

Piet Mouton
Chief executive officer

Wynand Greeff
Financial director

Stellenbosch
12 October 2015

PSG GROUP LTD: Registration number: 1970/008484/06
JSE share code: PSG ISIN code: ZAE000013017

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SPONSOR: PSG Capital

AUDITOR: PricewaterhouseCoopers Inc