

RESULTS FOR THE PERIOD ENDED 31 AUGUST 2014



PSG GROUP LIMITED

SUM-OF-THE-PARTS VALUE of R118,49 per share as at 10 October 2014

RECURRING HEADLINE EARNINGS increased by 30% to 252,7 cents per share

HEADLINE EARNINGS increased by 31% to 312,9 cents per share

INTERIM DIVIDEND increased by 28% to 55 cents per share

OVERVIEW

PSG Group Ltd ("PSG" or "group") is an investment holding company consisting of underlying investments that operate across a diverse range of industries which include financial services, banking, private equity, agriculture and education. PSG's market capitalisation (net of treasury shares) is approximately R20bn, with its largest investment a 28,3% 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 81% of the value is calculated using JSE-listed share prices, while other investments are included at market-related valuations. At 31 August 2014, the SOTP value per PSG share was R109,52 (28 February 2014: R95,01). At 10 October 2014, the SOTP value was R118,49 per share.

Asset/Liability	Feb 2012 Rm	Feb 2013 Rm	Feb 2014 Rm	Aug 2014 Rm	% of total
Capitec*	5 978	6 128	5 989	6 912	29%
PSG Konsult*	1 483	2 237	4 004	5 219	22%
Curro*	1 118	2 607	4 660	4 795	20%
Zeder*	1 067	1 412	1 698	2 435	10%
PSG Private Equity†	728	681	949	1 078	4%
Thembeka Capital†	570	899	1 243	1 415	6%
PSG Corporate (incl. PSG Capital)††	338	383	383	600	2%
Other investments (incl. cash)††	684	1 505	1 122	1 767	7%
Total assets	11 966	15 852	20 048	24 221	100%
Perpetual pref funding*	(1 188)	(1 163)	(1 393)	(1 447)	
Other debt††	(463)	(845)	(615)	(624)	
Total SOTP value	10 315	13 844	18 040	22 150	
Shares in issue (net of treasury shares) (m)	184,5	190,5	189,9	202,3	
SOTP value per share (rand)	55,92	72,67	95,01	109,52	
Net asset value per share (rand)	26,50	32,62	37,48	43,20	

* Listed on the JSE Ltd

† SOTP value

†† Valuation

RECURRING HEADLINE EARNINGS

	Year ended		Six months ended	
	Feb 2014 Rm	Aug 2013 Rm	Change	Aug 2014 Rm
Capitec	571	275	21%	332
PSG Konsult	163	70	31%	92
Curro	21	8	88%	15
Zeder	125	38	79%	68
PSG Private Equity	51	26	(38%)	16
Thembeka Capital	23	8	100%	16
PSG Corporate (incl. PSG Capital)	7	2	(50%)	1
Other	38	16	25%	20
Recurring headline earnings before funding	999	443	26%	560
Funding	(181)	(87)	(2%)	(85)
Recurring headline earnings	818	356	33%	475
Non-recurring items	191	82	38%	113
Headline earnings	1 009	438	34%	588
Non-headline items	43	13	n/a	(13)
Attributable earnings	1 052	451	27%	575
Weighted average number of shares in issue (net of treasury shares) (m)	183,0	183,1		187,9
Earnings per share (cents)				
- Recurring headline	446,9	194,3	30%	252,7
- Headline	551,3	239,0	31%	312,9
- Attributable	574,9	246,2	24%	305,8
Dividend per share (cents)	133,0	43,0	28%	55,0

Operating profit before finance costs and taxation increased by 34% to R1,2bn, mainly as a result of improved performance from our underlying investments and the first-time consolidation of selected subsidiaries.

PROSPECTS

PSG is fortunate to have a quality asset portfolio with significant investment opportunities that should continue yielding above average returns in future.

DIVIDEND

Ordinary shares

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 a gross interim dividend of 55 cents (2013: 43 cents) for the six months ended 31 August 2014.

The company will be utilising secondary tax on companies credits amounting to 1 cent per ordinary share and, as a result, the taxable interim dividend per share will amount to 54 cents per share. The dividend amount, net of South African dividend tax of 15% equating to 8,1 cents per share, is therefore 46,9 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 218 873 454, and the income tax reference number of the company is 9950080714. The ordinary dividend will be paid from income reserves.

The salient dates of this dividend distribution are:

Last day to trade cum dividend	Friday, 31 October 2014
Trading ex dividend commences	Monday, 3 November 2014
Record date	Friday, 7 November 2014
Payment date	Monday, 10 November 2014

Share certificates may not be dematerialised or rematerialised between Monday, 3 November 2014 and Friday, 7 November 2014, both days included.

UNAUDITED FINANCIAL RESULTS

This announcement contains only a summary of the information of the full announcement made on SENS on Monday, 13 October 2014, 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 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
13 October 2014

PSG GROUP LIMITED: Registration number: 1970/008484/06 JSE share code: PSG ISIN code: ZAE000013017
DIRECTORS: JF Mouton (Chairman)*, PE Burton^, ZL Combi^, J de V du Toit^, MM du Toit^, FJ Gouws+, WL Greeff (FD)*, JA Holtzhausen*, MJ Jooste^ (Alt: AB la Grange), JJ Mouton+, PJ Mouton (CEO)*, CA Otto^, W Theron+
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SPONSOR: PSG Capital
AUDITOR: PricewaterhouseCoopers Inc.