

PSG GROUP LIMITED

Incorporated in the Republic of South Africa
Registration number: 1970/008484/06
Share code: PSG
ISIN number: ZAE000013017
("PSG")

PSG FINANCIAL SERVICES LIMITED

Incorporated in the Republic of South Africa
Registration number: 1919/000478/06
Share code: PGFP
ISIN number: ZAE000096079

SUM-OF-THE-PARTS ("SOTP") VALUE AND RECURRING HEADLINE EARNINGS

PSG, an investment holding company, continues to use the SOTP value and recurring headline earnings per share benchmarks to provide management and investors with a realistic and transparent way of evaluating PSG's performance.

PSG's SOTP value is calculated using the quoted market prices for all JSE-listed investments, and market-related valuations for unlisted investments.

PSG's recurring headline earnings is the sum of its effective interest in that of each of its underlying investments. The result is that investments in which PSG holds less than 20% and are generally not equity accountable in terms of accounting standards, are included in the calculation of consolidated recurring headline earnings. One-off items are excluded from recurring headline earnings.

RESTATEMENT OF COMPARATIVES

The comparative results for the six-month period ended 31 August 2014 have been restated following Capespan's, a subsidiary of Zeder Investments, change in the accounting treatment of an existing lease arrangement, as well as the early adoption of amendments to its accounting for bearer plant biological assets.

The aforementioned restatements had the following impact on PSG's results for the previous financial period ended 31 August 2014:

- Recurring headline earnings per share amounts to 249.4 cents instead of 252.7 cents;

- Headline earnings per share amounts to 309.7 cents instead of 312.9 cents; and
- Attributable earnings per share amounts to 302.7 cents instead of 305.8 cents.

It should be noted that the aforementioned restatements were already accounted for in PSG's audited financial results for the year ended 28 February 2015. The full particulars of the aforementioned restatements will be included in the announcement containing PSG's unaudited financial results for the six months ended 31 August 2015.

TRADING STATEMENT

In terms of the Listings Requirements of the JSE Limited, a listed company is required to publish a trading statement as soon as it becomes reasonably certain that the financial results for the next period to be reported on will show a 20% or more difference from those of the previous corresponding period.

PSG hereby advises that a reasonable degree of certainty exists that:

1. Its SOTP value per share as at 31 August 2015 was R196.85, being 20.6% higher than the R163.28 reported as at 28 February 2015;
2. Its SOTP value per share as at 7 October 2015 was R209.35;
3. For the six-month period ended 31 August 2015:
 - Recurring headline earnings per share will be between 352 cents and 357 cents, being between 41.1% and 43.1% higher than that of the six-month period ended 31 August 2014;
 - Headline earnings per share will be between 419 cents and 425 cents, being between 35.3% and 37.2% higher than that of the six-month period ended 31 August 2014; and
 - Attributable earnings per share will be between 420 cents and 426 cents, being between 38.8% and 40.7% higher than that of the six-month period ended 31 August 2014.

The increase in recurring headline earnings per share was mainly as a result of strong earnings growth from Capitec and PSG Konsult.

Headline earnings per share increased by a smaller margin than recurring headline earnings per share mainly due to lower marked-to-market gains achieved on equity securities held by Zeder Investments and Dipeo Capital, a BEE investment holding company emanating from the PSG/Thembeke scheme of arrangement, in which PSG holds a 49% interest.

Attributable earnings per share increased by a higher margin than headline earnings per share mainly due to non-headline gains made on the disposal of investments in associated companies.

This financial information has not been reviewed or reported on by the auditor of PSG. The unaudited results for the six-month period ended 31 August 2015 will be published on or about 12 October 2015.

Stellenbosch
8 October 2015

Sponsor
PSG Capital