

PSG GROUP LIMITED

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

PSG FINANCIAL SERVICES LIMITED

Incorporated in the Republic of South Africa
Registration number: 1919/000478/06
JSE share code: PGFP
ISIN code: 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. Once-off items are excluded from recurring headline earnings.

TRADING STATEMENT

In terms of the Listings Requirements of the JSE, 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 28 February 2017 was R240.87, being 29% higher than the R186.67 reported as at 29 February 2016;

2. For the year ended 28 February 2017:

- Recurring headline earnings per share will be between R9.20 and R9.30, being between 16.8% and 18.0% higher than the R7.88 reported for the year ended 29 February 2016;
- Headline earnings per share will be between R9.95 and R10.05, being between 49.4% and 50.9% higher than the R6.66 reported for the year ended 29 February 2016; and
- Attributable earnings per share will be between R10.05 and R10.15, being between 39.4% and 40.8% higher than the R7.21 reported for the year ended 29 February 2016.

The year under review saw resilient recurring headline earnings performance from the majority of PSG's core investments.

Headline earnings per share increased by a higher margin than that of recurring headline earnings per share mainly due to marked-to-market profits achieved on Dipeo's investment portfolio, as opposed to marked-to-market losses incurred in the prior year.

Attributable earnings per share increased by a smaller margin than headline earnings per share mainly due to the non-recurrence of non-headline dilution gains made from an accounting perspective on associates in the prior year.

PSG's live SOTP is available on its website at www.psggroup.co.za.

This financial information has not been reviewed or reported on by the auditor of PSG. The reviewed results for the year ended 28 February 2017 will be published on or about 19 April 2017.

Stellenbosch
12 April 2017

Sponsor
PSG Capital