

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 31 August 2017 was R261.05, being 8.4% higher than the R240.87 reported as at 28 February 2017;

2. For the six-month period ended 31 August 2017:
- Recurring headline earnings per share will be between 410 cents and 414 cents, being between 0.4% lower and 0.5% higher than the 411.8 cents reported for the six-month period ended 31 August 2016;
 - Headline earnings per share will be between 360 cents and 365 cents, being between 22.4% and 23.5% lower than the 470.5 cents reported for the six-month period ended 31 August 2016; and
 - Attributable earnings per share will be between 384 cents and 390 cents, being between 18.4% and 19.6% lower than the 477.8 cents reported for the six-month period ended 31 August 2016.

The six-month period under review saw satisfactory recurring headline earnings performance from PSG's core investments offset by Zeder's weaker performance, being largely invested in the food and related sectors that were negatively affected by particularly tough trading conditions.

Headline earnings per share decreased following Zeder's lower contribution and marked-to-market losses incurred on Dipeo's investment portfolio, as opposed to marked-to-market profits achieved in the comparative period last year.

Attributable earnings per share decreased by a smaller margin than headline earnings per share mainly due to non-headline gains made on businesses sold during the period under review.

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 unaudited results for the six-month period ended 31 August 2017 will be published on or about 11 October 2017.

Stellenbosch
6 October 2017

Sponsor
PSG Capital