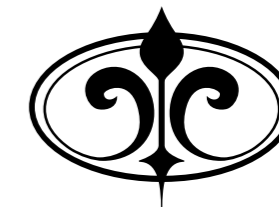


RESULTS FOR THE SIX MONTHS ENDED 31 AUGUST 2016



PSG GROUP LIMITED

RECURRING HEADLINE EARNINGS ↑ 16% to 412 cents per share

INTERIM DIVIDEND ↑ 25% to 125 cents per share

SOTP VALUE of R228,32 per share as at 7 October 2016

R1,7bn CASH AVAILABLE FOR FURTHER 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 R46bn, with its largest investment a 30,7% interest in Capitec. The six-month period under review saw satisfactory performance from the majority of PSG's core 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 90% of the value is calculated using JSE-listed share prices, while other investments are included at market-related valuations. At 31 August 2016, the SOTP value per PSG share was R206,01 (29 February 2016: R186,67). At 7 October 2016, the SOTP value was R228,32 per share.

Asset/Liability	28 Feb 2015	29 Feb 2016	31 Aug 2016	7 Oct 2016	% of total
	Rm	Rm	Rm	Rm	
Capitec*	14 549	16 820	20 673	24 183	47%
Curro*	6 236	9 773	9 519	10 749	21%
PSG Konsult*	5 710	5 441	5 687	5 516	11%
Zeder*	3 712	2 815	3 591	5 244	10%
PSG Private Equity*	1 246	1 367	1 729	1 766	3%
Dipeo*	603	557	689	741	1%
PSG Corporate (incl. PSG Capital)**	1 398	1 510	1 418		
Other assets (incl. cash and pref investments)^	2 031	4 358	3 580	3 497	7%
Total assets	35 485	42 641	46 886	51 696	100%
Perpetual pref funding*	(1 411)	(1 309)	(1 367)	(1 341)	
Other debt^	(679)	(949)	(950)	(958)	
Total SOTP value	33 395	40 383	44 569	49 397	
Shares in issue (net of treasury shares) (m)	204,5	216,3	216,3	216,3	
SOTP value per share (R)	163,28	186,67	206,01	228,32	

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

Note: PSG's live SOTP is available at www.psggroup.co.za.

RECURRING HEADLINE EARNINGS

	Six months ended		Year ended	
	31 Aug 2015	Change %	31 Aug 2016	29 Feb 2016
	Rm		Rm	Rm
Capitec	451		538	989
Curro	29		47	58
PSG Konsult	116		132	254
Zeder	75		79	212
PSG Private Equity	47		49	113
Dipeo			(3)	(28)
PSG Corporate (incl. PSG Capital)	41		38	69
Other (mainly pref div income)	46		51	101
Recurring headline earnings before funding	805	16	931	1 768
Funding (net of interest income)	(84)		(49)	(148)
Recurring headline earnings	721	22	882	1 620
Non-recurring items	139		126	(250)
Headline earnings	860	17	1 008	1 370
Non-headline items	2		16	113
Attributable earnings	862	19	1 024	1 483
Weighted average number of shares in issue (net of treasury shares) (m)	203,4	5	214,2	205,7
Earnings per share (cents)				
- Recurring headline	354,5	16	411,8	787,8
- Headline	422,8	11	470,5	666,2
- Attributable	423,7	13	477,8	721,1
Dividend per share (cents)	100,0	25	125,0	300,0

Profit before finance costs and taxation increased by 21% to R2,1bn, mainly as a result of improved performance from our underlying investments and the first-time consolidation of certain subsidiaries.

PROSPECTS

We believe PSG's investment portfolio should continue yielding above average returns. PSG currently has R1,7bn cash available for further investments.

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 125 cents (2015: 100 cents) from income reserves for the six months ended 31 August 2016.

The interim dividend amount, net of South African dividend tax of 15%, is 106,25 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 230 778 549, and the income tax number of the company is 9950080714.

The salient dates of this dividend distribution are:

Last day to trade cum dividend	Tuesday, 1 November 2016
Trading ex dividend commences	Wednesday, 2 November 2016
Record date	Friday, 4 November 2016
Payment date	Monday, 7 November 2016

Share certificates may not be dematerialised or rematerialised between Wednesday, 2 November 2016 and Friday, 4 November 2016, both days inclusive.

UNAUDITED FINANCIAL RESULTS

This short-form announcement contains only a summary of the information of the full announcement made on the Stock Exchange News Services ("SENS") on Wednesday, 12 October 2016, 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 the company's 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
12 October 2016

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

DIRECTORS: JF Mouton (Chairman)*, PE Burton*, ZL Combi*, FJ Gouws*, WL Greeff (FD)*, JA Holtzhausen*, MJ Jooste* (Alt: AB la Grange), B Mathews*, JJ Mouton*, PJ Mouton (CEO)*, CA Otto*
*Executive *Non-executive ^Independent non-executive

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TRANSFER SECRETARY: Computershare Investor Services (Pty) Ltd, 70 Marshall Street, Johannesburg, 2001; PO Box 61051, Marshalltown, 2107

SPONSOR: PSG Capital

AUDITOR: PricewaterhouseCoopers Inc.