



KEY INTERIM FINANCIAL RESULTS

UNAUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED 31 AUGUST 2012

	31 Aug '12	% Change	31 Aug '11	29 Feb '12
Revenue* (R'000)	733 321	8.6	675 324	1 378 941
Headline earnings (R'000)	76 985	21.9	63 149	162 282
Headline earnings per share (cents)	7.2	22.0	5.9	15.2
Adjusted headline earnings per share (cents)**	8.1	17.4	6.9	17.2
Net asset value per share (cents)	68.2	10.4	61.8	67.9
Funds under administration (Rbn)	91.5	29.4	70.7	87.8
Funds under management (Rbn)	52.7	5.0	50.2	51.2

* Revenue consists of commission and other fee and other operating income

**Headline earnings adjusted for amortisation of intangibles, net of non-controlling interest and tax

ADDITIONAL INFORMATION

Headline earnings reconciliation

Attributable to owners of the parent	78 019	-	62 343	154 322
Non-headline items	(1 034)	-	806	7 960

Headline earnings for the period

	76 985	21.9	63 149	162 282
- Recurring	72 610	20.0	60 532	151 305
- Non-recurring	4 375	67.2	2 617	10 977

Earnings per share (cents)

- Attributable / diluted	7.3	25.9	5.8	14.4
- Headline / diluted	7.2	22.0	5.9	15.2
- Recurring headline / diluted	6.8	21.4	5.6	14.1

Number of shares (thousand)

- in issue	1 072 301	-	1 072 301	1 072 301
- weighted average	1 072 301	-	1 072 301	1 070 689

Distribution to shareholders (cents)

- total	3.5	16.7	3.0	10.3
- interim	3.5	16.7	3.0	3.0
- final	-	-	-	7.3

Segmental reporting

Headline earnings

PSG Konsult Financial Planning	42 521	7.0	39 733	82 856
PSG Konsult Corporate	4 207	10.0	3 824	11 716
PSG Online	13 287	4.8	12 680	29 648
PSG Asset Management	31 237	78.6	17 494	54 371
Unallocated segments	(14 267)	34.8	(10 582)	(16 309)
	76 985	21.9	63 149	162 282

COMMENTARY ON RESULTS FOR THE INTERIM REPORTING PERIOD ENDED 31 AUGUST 2012

The PSG Konsult Group continued its growth momentum from the previous financial year. The positive results were primarily driven by strong earnings from PSG Asset Management and steady contributions from the Group's other major business segments.

The Group's financial indicators listed below, clearly proves the value of the Group's diversified income streams and its focus on creating sustainable annuity income:

- Revenue, consisting of commission and other operating income, increased by 8.6% to R733.3 million (2011: R675.3 million).
- Recurring headline earnings increased by 20% to R72.6 million (2011: R60.5 million).
- Headline earnings increased by 21.9% to R77.0 million (2011 : R63.2 million).
- Headline earnings per share increased by 22.0% to 7.2 cents per share.
- Adjusted headline earnings per share increased by 17.4% (adjusted for impact of amortisation) to 8.1 cents per share.
- Funds under administration increased to R144.2 billion (Feb 2012: R139 billion).
- Short-term premiums decreased to R1 300 million (2011: R1 550 million) on an annualized basis (mainly due to the sale of the 3rd party short-term administration book of business).

	31 Aug '12 R'000	% Change	31 Aug '11 R'000
Headline earnings	76 985	21.9%	63 149
- Recurring	72 610	20.0%	60 532
- Non-recurring	4 375	67.2%	2 617

The Group's focus forward will be to maximise growth in recurring earnings.

Acquisitions:

Effective 1 March 2012, the Company acquired a stake in Western Group Holdings Limited, a short-term insurance company. Negotiations have been concluded to increase the stake held in Western, which is subject to regulatory approvals.

Awards/Performance:

We are proud to report that PSG Online has won the Business Day Investors Monthly Stockbroker of the Year award for the second consecutive year.

People

At the period-end PSG Konsult had 228 offices with 621 financial planners, portfolio managers, stockbrokers and asset managers. Our professional associates (accountants and attorneys) totaled 375.

Right offer

The Group embarked on a rights offer during August/September 2012. The salient features of the offer were as follows:

- A partially underwritten, non-renounceable, transferable rights offer.
- Number of rights offer shares offered in terms of the offer: 107,230,121.
- Ratio entitlement: 1 rights offer share for every 10 ordinary shares held.
- Issue price per rights offer share: 175 cents
- Total amount to be raised: R187,652,711
- Number of ordinary shares in issue after the rights issue: 1,179,531,333

The purpose of the rights offer was to fund known and planned acquisitions, including but not limited to the acquisition of an increased stake in Western Group Holdings Limited and to fund capital adequacy requirements within the Group.

The rights offer opened on 31 August 2012 and closed on 14 September 2012.

Looking forward

The Group's strategy going forward will be to unlock value for its shareholders through the following:

- Utilising the synergies between its business segments to create business development opportunities, including a simplified organisational structure.
- Extending the Group's sharing in the value chain with a focus on the short-term insurance and asset management markets.
- Position the Group through its comprehensive range of services and products as a fully fledged financial services group.

The business will be taken forward under its main business activities, being wealth management, asset management and insurance.

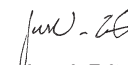
Given the extent of non-recurring Headline Earnings generated in the second half of FY2012, our expectation is that growth in the second half of the current financial year (FY2013) might not match the growth achieved up to the interim reporting date (31 August 2012).

Dividend

The Board resolved to make a dividend payment to shareholders of 3.5 cents per share (2011: 3.0 cents per share) in respect of the six months ended 31 August 2012. The dividend has been declared from distributable reserves and will be subject to the new dividend withholding tax at 15% which was introduced on 1 April 2012. The following are the salient dates for payment of the dividend:

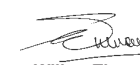
Last day to trade (cum-dividend)	Friday, 14 September 2012
Last day of registration (T+5)	Friday, 21 September 2012
Date of payment	Thursday, 25 October 2012

On behalf of the board



Jaap du Toit
Chairman

Hermanus
4 October 2012



Willem Theron
Chief Executive Officer