



Investor Presentation:

Results for the year ended 28 February 2015

09 April 2015



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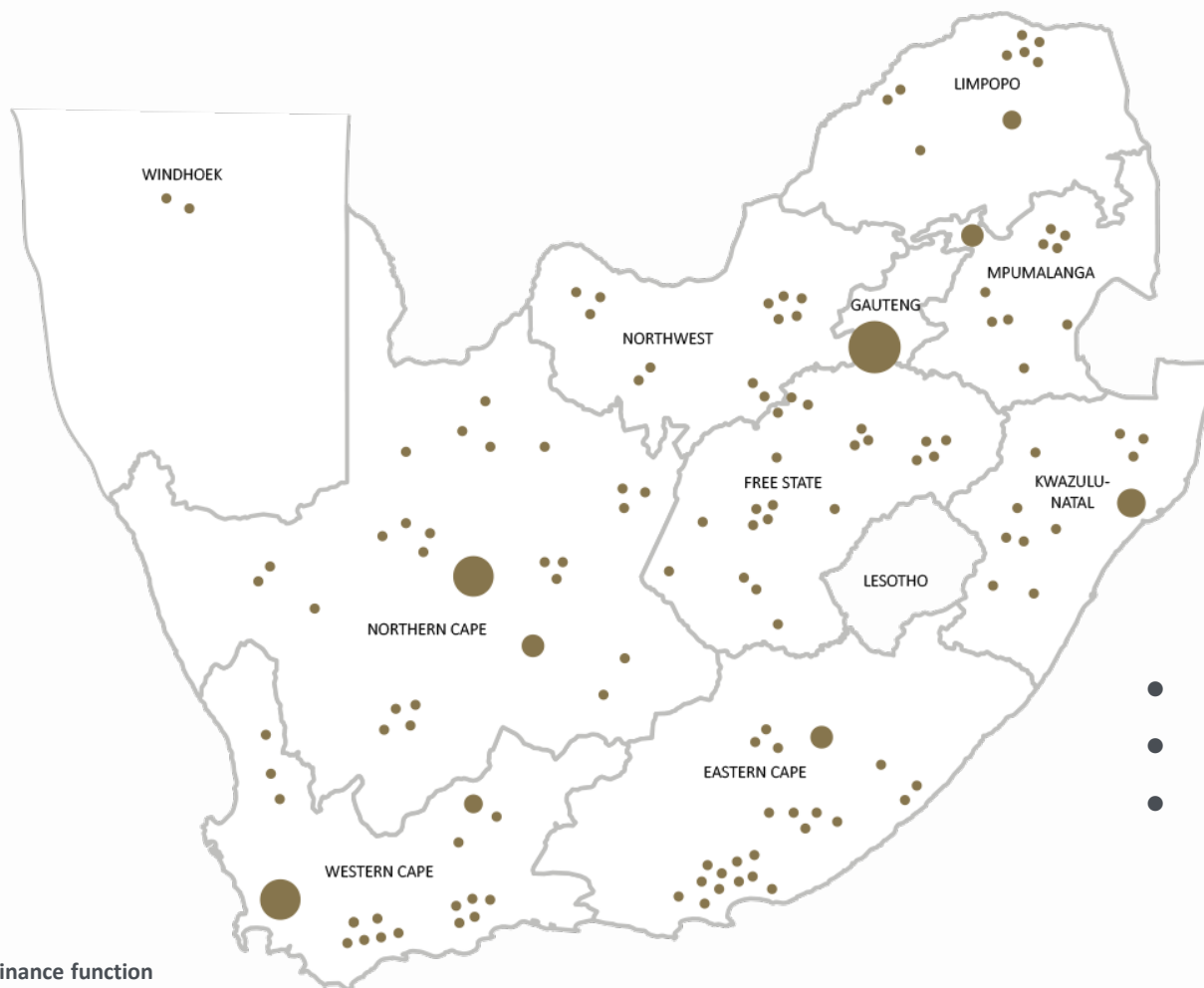
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01 Group overview

A great company

Wealthy clients serviced where they reside



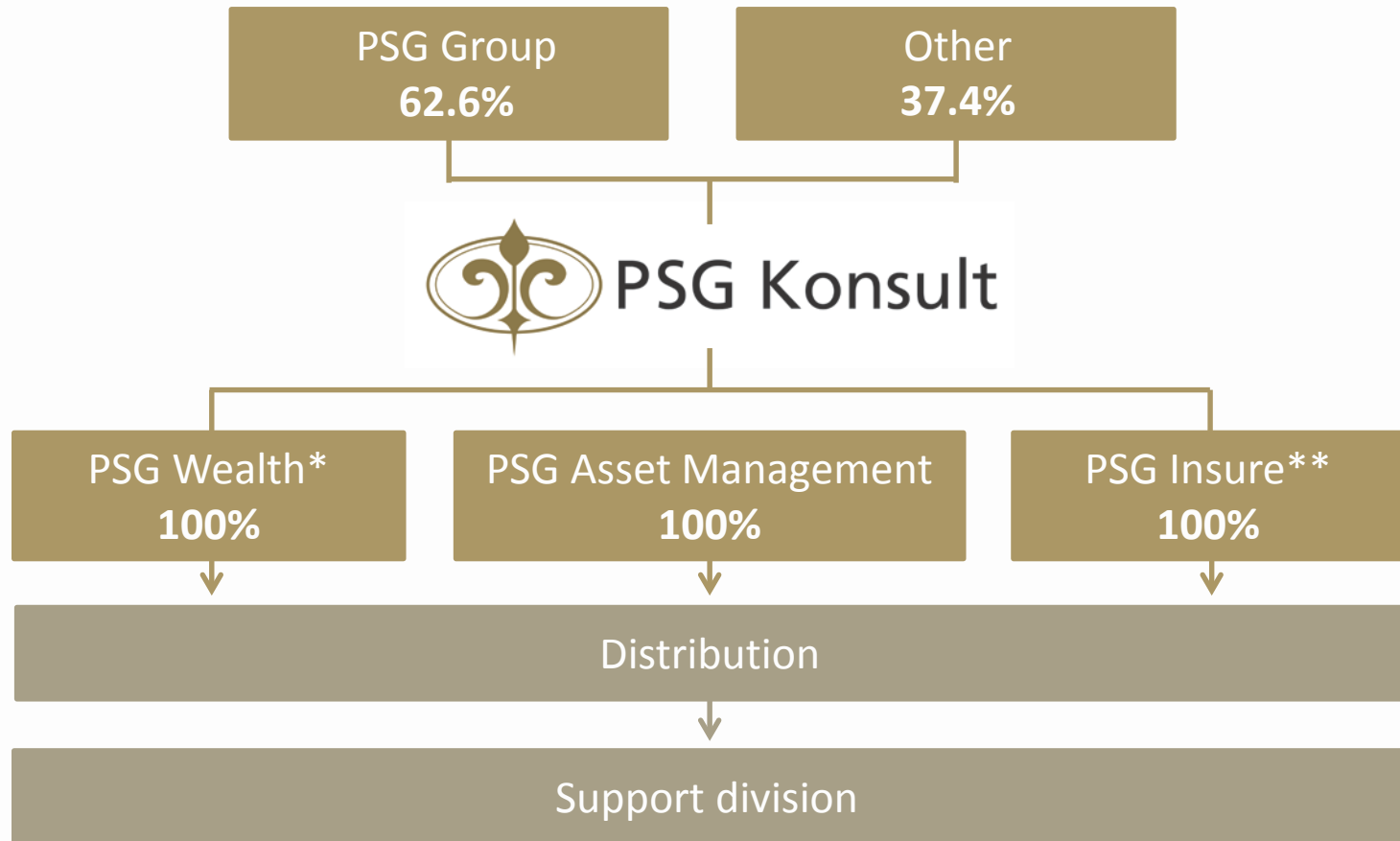
- 193 offices
- 659 advisers
- 150 000+ clients

Source : PSG Finance function

Strong adviser network – Bedrock of firm



PSG Structure



* Includes PSG Employee Benefits

** Includes Western National Insurance



02 Consolidated results – YE February 2015

FY 2015 financial results overview

Recurring headline earnings per share grew by 31% year-on-year

Consolidated results	FY 2013 Rm	%Δ	FY 2014 Rm	%Δ	FY 2015 R m
Revenue *	1,846	39%	2,557	18%	3,015
PBT	136	182%	384	37%	525
Headline earnings	174	40%	244	39%	339
- Recurring headline earnings	174	44%	251	36%	341
- Non recurring headline earnings	(1)	-	(7)	(71%)	(2)
Weighted average number of shares (million)	1,132	8%	1,221	3%	1,261
HEPS (Rand Cents)	15.4	30%	20.0	35%	26.9
Recurring HEPS (Rand Cents)	15.4	34%	20.6	31%	27.0

Assets under management (Rand billion)	81	38%	112	27%	142
Assets under administration (Rand billion)	180	31%	235	31%	308

* Total income per IFRS includes consolidated fund and policyholder related income



Headline earnings by division

Total recurring headline earnings growth of 36% year on year...

Headline earnings *	FY 2013 Rm	%Δ	FY 2014 Rm	%Δ	FY 2015 Rm
Wealth	127	28%	162	40%	227
Asset Management	31	74%	54	51%	82
Insure	16	75%	28	7%	^30
Total	174	40%	244	39%	339

Recurring Headline earnings*	FY 2013 Rm	%Δ	FY 2014 Rm	%Δ	FY 2015 Rm
Wealth	124	31%	162	41%	228
Asset Management	31	74%	54	52%	82
Insure	19	84%	35	(11%)	^31
Total	174	44%	251	36%	341

* All overhead costs are fully allocated

Source : PSG Finance function

^ Adverse impact of dilution in shareholding in Western from 90% to 60% = R5.2 m



Financial trend

We always look at a 10-year rolling track record...

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	CAGR %	FY 2014	FY 2015	YoY Gwth %
AUA (Rbn)	21	43	53	44	72	97	139	180	235	308	31%	235	308	31%
Premiums (Rbn)	0.4	0.8	1.0	1.4	1.5	1.6	1.6	2.1*	2.5	2.8	24%	2.5	2.8	14%
Revenues (Rm)	246	540	726	823	901	1,018	1,604	1,846	2,557	3,015	32%	2,557	3,015	18%
Headline earnings (Rm)	17	46	87	97	90	92	162	174	244	339	39%	244	339	39%
Shares in issue (m)	379	695	732	733	730	733	1,072	1,210	1,221	1,261	14%	1,221	1,261	3%
Headline earnings per share (cents)	4.4	8.2	12.0	13.2	12.3	12.5	15.2	15.4	20.0	26.9	22%	20.0	26.9	35%

* Includes Western National Premiums from Nov 2012.



03 Divisional performance

Our Focus

<p>High quality Advice</p> <p>✓</p>	<p>Product & Service Excellence</p> <p>✓</p>	<p>Superb Platforms</p> <p>✓</p>
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Wealth plans

Growing and protecting Clients Wealth

Excellence in
products & services

Top advisers

Superb platform

Wealth management assets overview

Wealth assets split (Rm)	FY 2014	Market movement	Net flows	FY 2015	%Δ
Third party funds *	32 699	3 297	3 440	39 436	21%
PSG Multi Managed	27 367	3 449	6 652	37 468	37%
Discretionary **	24 627	4 329	4 368	33 324	35%
Total managed assets	84 693	11 075	14 460	110 228	30%
Non discretionary	117 031	47 066	-1 392	162 705	39%
Third party administration	10 150	958	-2 438	8 670	-15%
Total wealth assets	211 874	59 099	10 630	281 603	33%

Source: PSG Wealth

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* Includes PSG single managed funds of R3.1bn for FY2014 and R4.8bn for FY2015

** Includes R1.7bn of non-fee generating assets



Wealth - excellence in products & services

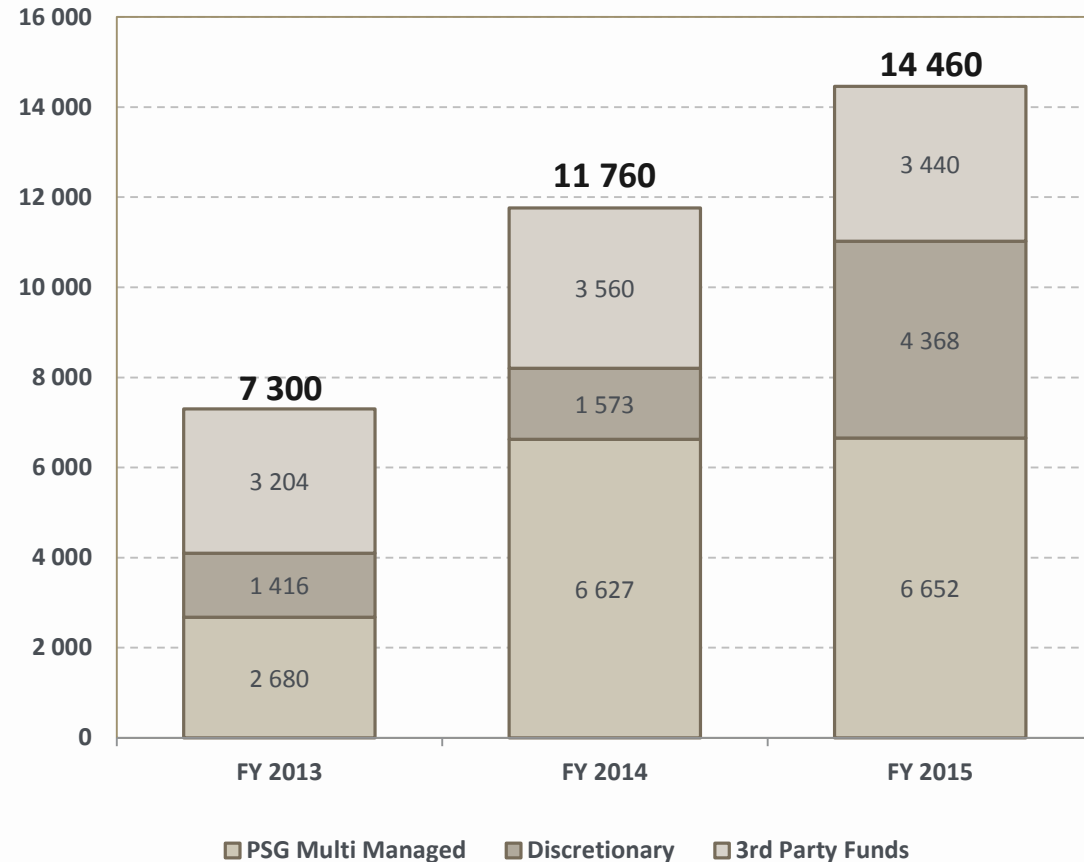
Sound growth in new business...

Independent process with advisers' oversight (both funds and securities)

Review all counterparties

Negotiation with product providers

Year-on-year Wealth managed asset net flows (Rm)



Source: PSG Wealth



Wealth - top advisers

Quality advisers delivering quality advice...

Wealth advisers *	FY 2013	FY 2014	FY 2015
Balance – Opening	390	400	422
Net new acquisitions	10	22	28
Balance – Closing	400	422	450
Growth	3%	6%	7%

* PSG Employee Benefits advisers have been included above

- up scale existing offices via new hires
- greater penetration selected area
- growth in number of advisers & average book size
 - financial advisers new home at PSG – unlocking and creating value for clients and themselves
 - well positioned to support advisers: Open architecture, stable systems, risk & regulatory compliance allowing advisers to focus on client interaction

Source: PSG Wealth



Asset management plans

Net new money at acceptable margin

Asset management assets overview

Focused marketing

Investment performance

Superb platform

AM assets split (Rm)	FY 2014	Market movement	Net flows	FY 2015	%Δ
PSG Single manager	11 515	1 932	4 985	18 432	60%
PSG Money market and related assets	2 260	15	-43	2 232	-1%
PSG Segregated Portfolios	2 012	181	955	3 148	56%
Total assets under management	15 787	2 128	5 897	23 812	51%
PSG Wealth administered assets *	27 500	3 316	6 652	37 468	36%
PSG White Label **	5 731	754	-3 040	3 445	-40%
Total AM assets	49 018	6 198	9 509	64 725	32%

Source: PSG Asset Management

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* Excluded from total PSG assets under administration to eliminate duplication

** During the year PSG decided to cancel all White Label contracts

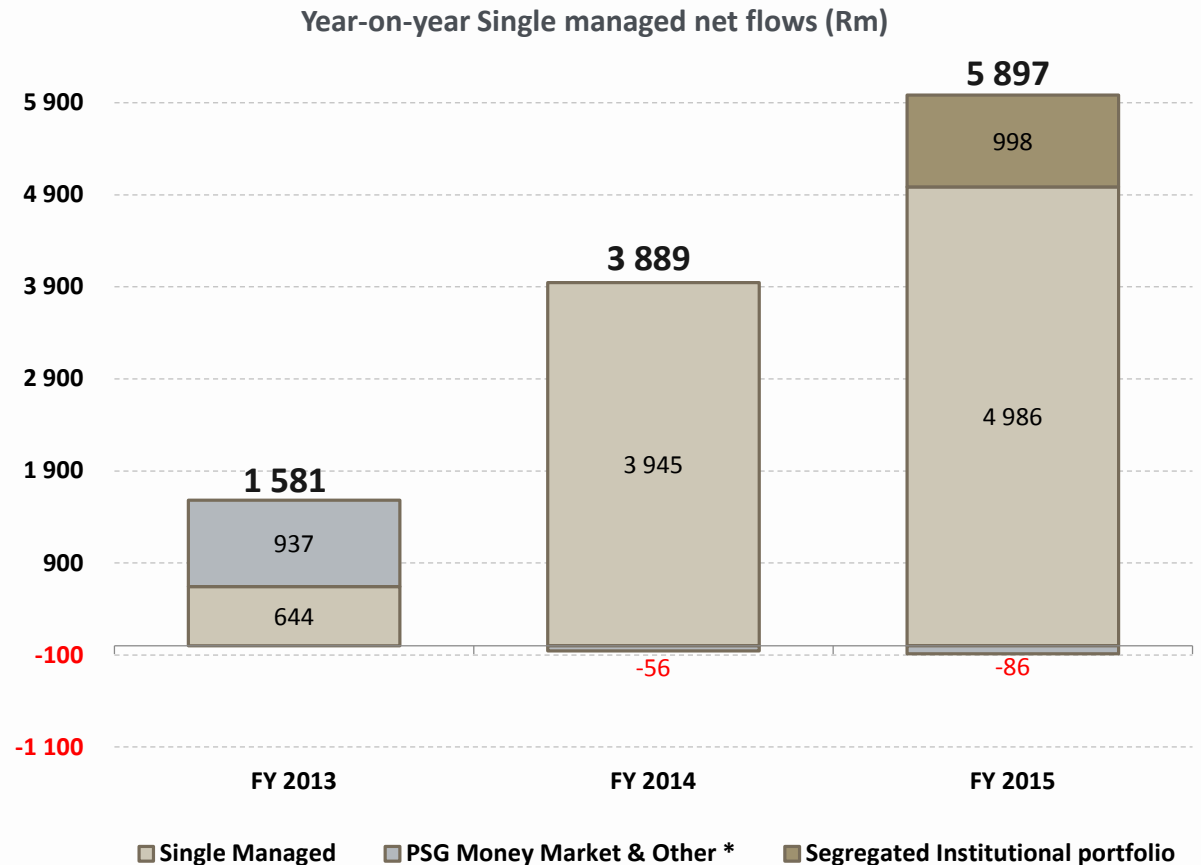


Asset management - focused marketing

'Brick by Brick' strategy...

Our Approach

- Long-term assets (Retail emphasis)
- Getting adequate margins
- Protect our capacity



* Includes private clients and segregated money market portfolios

Source: PSG Asset Management & PSG Wealth



Asset management - investment performance

Consistent process across funds and over time...

Single manager funds		Feb 2015 Performance	1-year rank	3-year rank	5-year rank	10-year rank
PSG Flexible	Rank		32	13	9	3
	Return		14.55%	19.20%	18.93%	18.04%
PSG Equity A	Rank		65	1	3	10
	Return		16.06%	24.46%	21.62%	18.15%
PSG Balanced A	Rank		46	23	14	11
	Return		13.95%	17.28%	15.47%	13.86%
PSG Stable	Rank		72	41		
	Return		9.09%	11.51%		



Tower Watson survey for December 2014: PSG Balance Fund lowest in terms of absolute risk!



Insure management plans

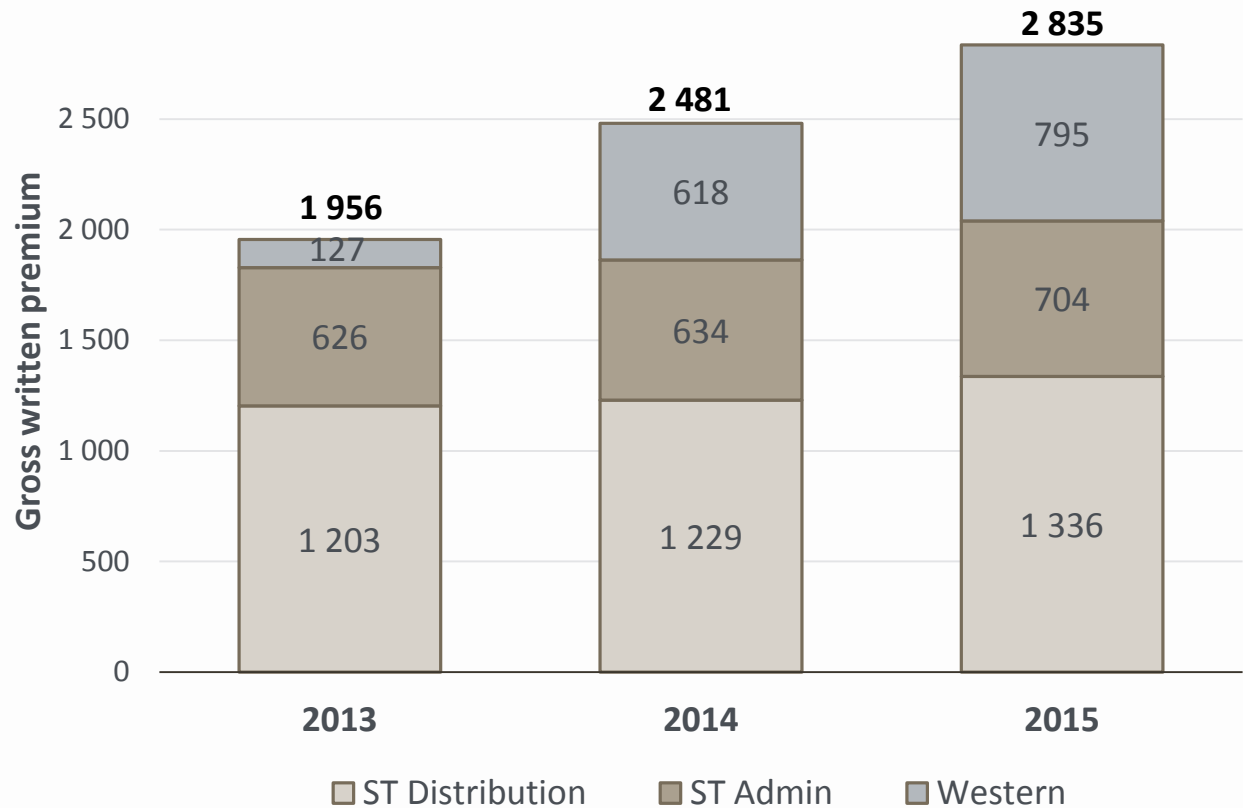
Grow gross written premium income

Top advisers

Excellence in underwriting

Superb platform

PSG Insure gross written premium (Rm)



Western acquisition – Nov'12

Source : PSG Insure



Insure - ST Distribution & ST Administration

Quality advice on a quality platform

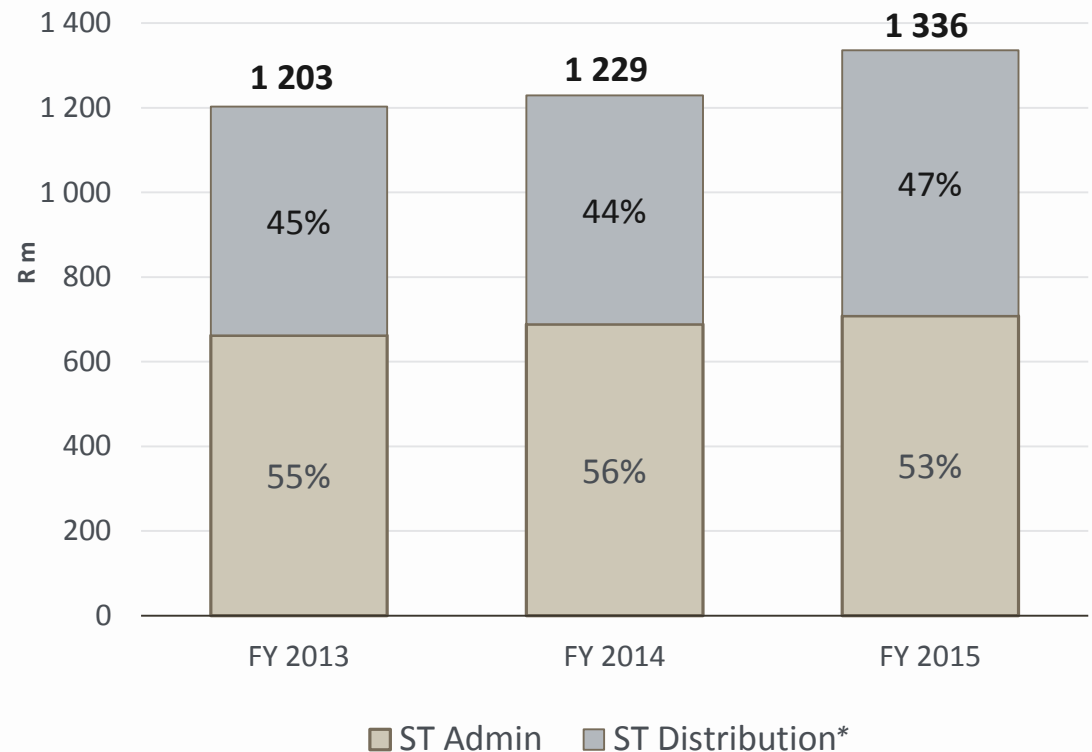
ST Distribution

- Growing adviser base
- Focus on commercial >10% growth
- Advisers increasing their use of the platform

ST Administration

- Platform service to PSG distribution network

Year-on-year PSG Insure gross written premium (R m)



* Annual average % of ST Distribution premiums on the Platform



Insure - Western National

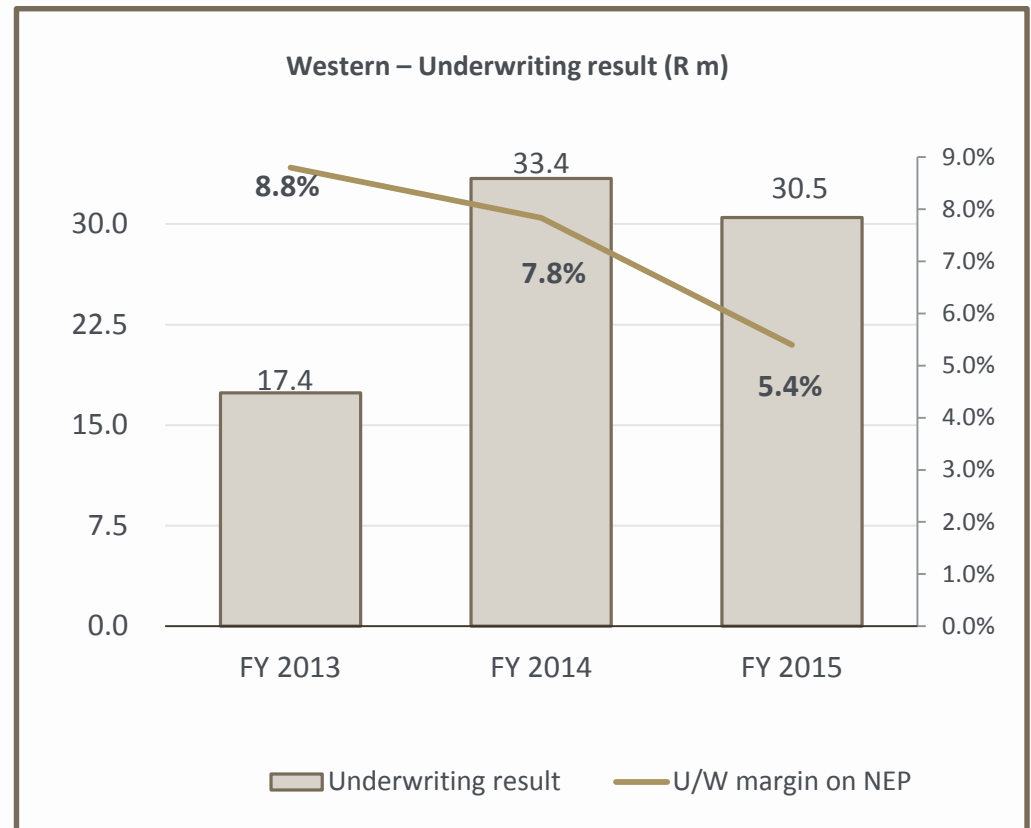
Underwriting income

Key differentiators

- Highly personalised service to brokers
- Focus on commercial business

Excellence in underwriting

- Healthy insurance float level > R500m
- Limited insurance and investment risk retention levels

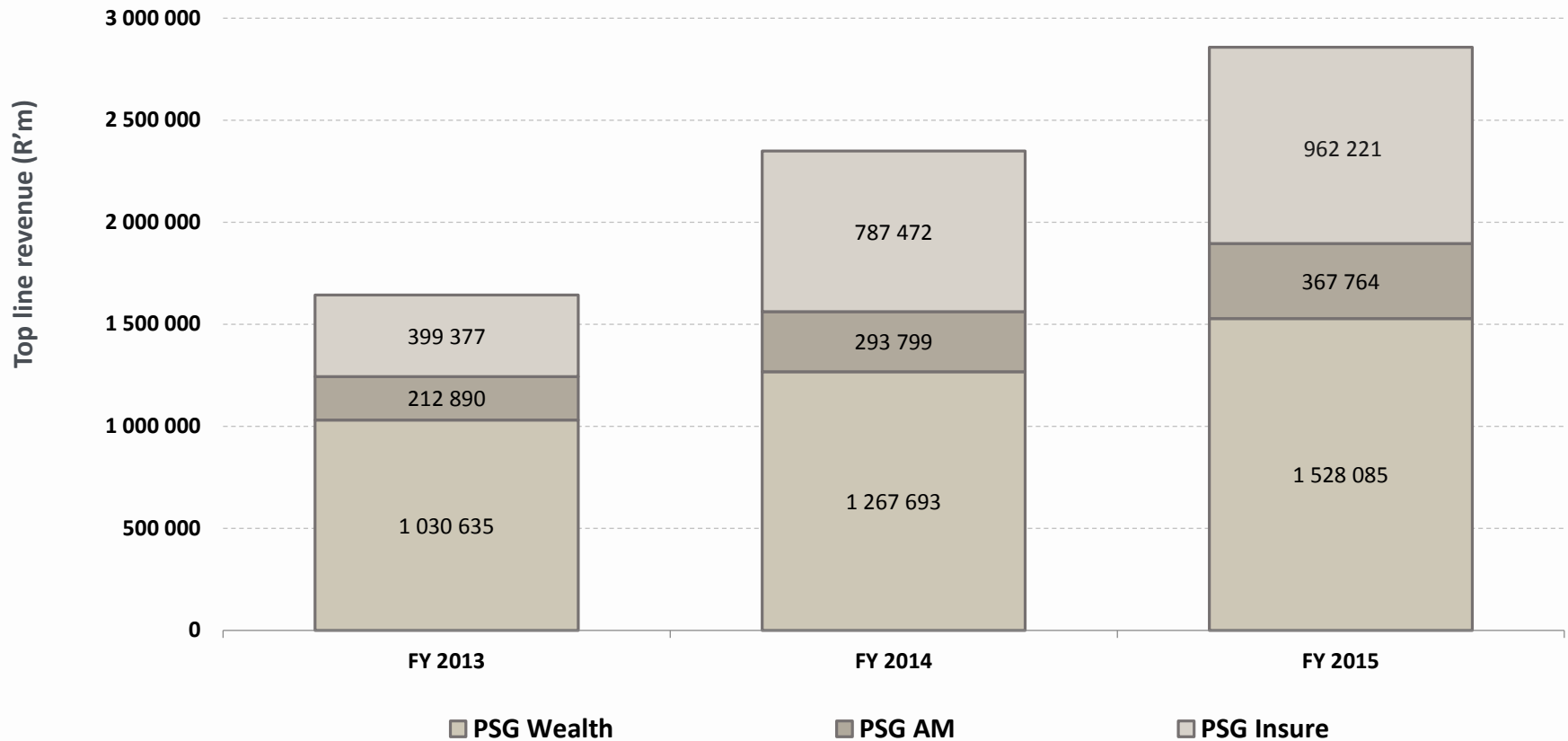


- Underwriting margin results for FY 2013 represents Western's full year actual underwriting results for comparative illustrative purposes. PSG however only acquired Western in Nov-12, therefore actual reported results in FY 2013 was for only a 4 month period.



Top line focus

Core operations (excl. consolidated fund and policyholder related income)

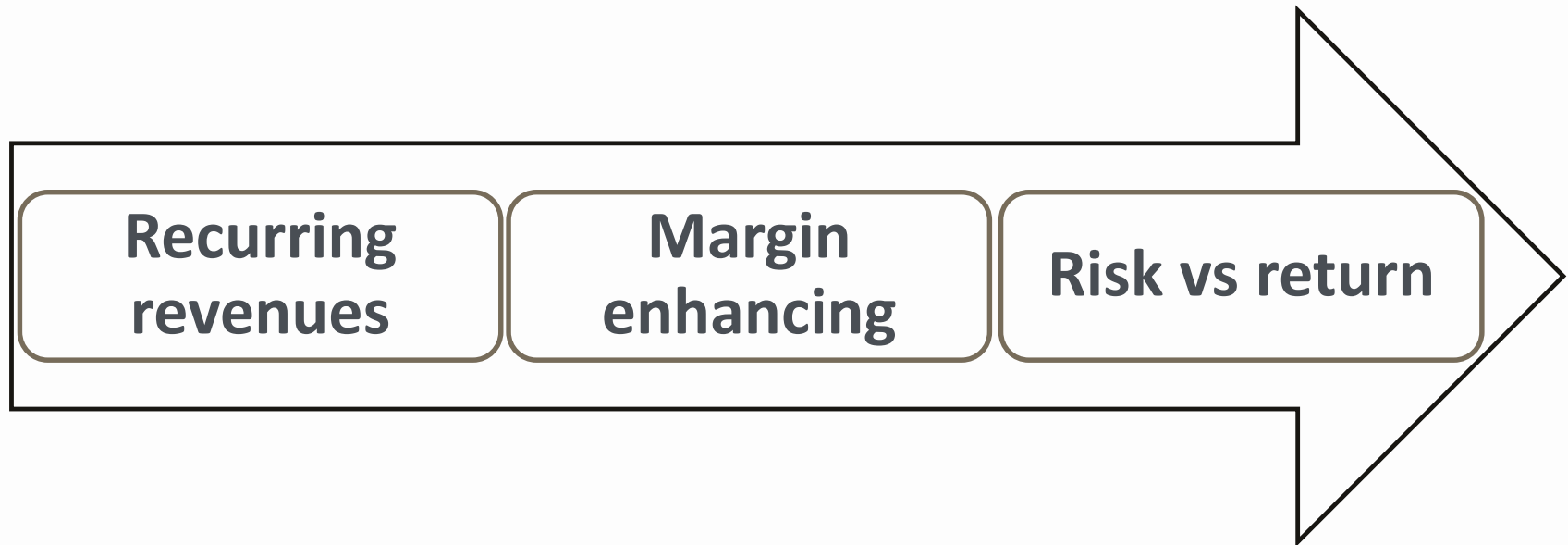


Total core revenue per division (excluding inter-segment income) , Western National insurance premium income included from Nov 2012



04 2016 Focus

Reducing Risk



	<u>FY 14</u>	<u>FY 15</u>		<u>FY 14</u>	<u>FY 15</u>		<u>FY 14</u>	<u>FY 15</u>
Perf fees/HE	10.7%	7.2%	Op margin	13.2%	14.9%	ROE	24.4%	26.4%
Recurring HEPS	20.6c	27.0c	C:I %	63.8%	60.6%	Debt : Equity	9.4%	0.9%

Source: Finance Team



Year in Review

Execution of strategy aligned to 3 core business principles

**Recurring
revenue**

Revenue vs Risk

**Optimise profit
margins**

Sustainable earnings

- Top line growth & profit margins (Net new money)
- Disposed: Academy & Gap cover business (Focus on core)
- Optimise cash (repaid debt / credit rating upgrade)

Undue risk acceptable profit margins

- Exiting white labels & Third party admin (Profit margin & Risk)
- Counter party exposure (Evaluate & monitor risk)
- Insure investment risk (Short duration assets)
- ABIL – Navigating turbulent markets (Keeping client investment safe)



Year in Review

Execution focus areas

**Recurring
revenue**

Revenue vs Risk

**Optimise profit
margins**

IT Integration

- Single sign on
- myPractice
- Upgrade admin systems / Business process automation
- Client MIS

Strategic Priorities

- Growing the PSG brand
- Building institutional shareholder base
- B-BBEE score card



Year in Review

Regulatory reform changes

**Recurring
revenue**

Revenue vs Risk

**Optimise profit
margins**

New legislation

- SAM, TCF, POPI, RDR, Twin Peaks
- Added to costs (New appointments and investment in systems)
- Staff retention via deferred compensation

New regulation implementation preparation

- Early adopters and active engagement with regulators
- Resources diverted to deal with new regulations

RDR

- Disruption of status quo
- Require level playing fields: Advice, platforms & products



Financial performance

Optimise risk adjusted returns

PSG Konsult	FY 2011 R 000's	%Δ	FY 2012 R 000's	%Δ	FY 2013 R 000's	%Δ	FY 2014 R 000's	%Δ	FY 2015 R 000's
Headline Earnings	91 510	78%	162 282	7%	173 808	41%	244 485	39%	339 261
Average equity	501 508	21%	608 782	35%	822 928	22%	1 003 777	29%	1 290 848
Interest bearing debt	206 266	-15%	175 165	-22%	135 952	-21%	110 618	-87%	14 273
<u>Key statistics</u>									
Return on equity (%)	21.1%		26.7%		21.1%		24.8%		26.4%
Debt equity (interest bearing debt) (%)	41.1%		23.5%		14.3%		9.4%		0.9%
Credit rating	BBB		BBB		BBB		BBB		BBB+

Delivered enhanced sustainable shareholders returns with less financial leverage

05 Investor returns

PSG Konsult's TRI

PSG Konsult performed better than JSE ALSI during tough times.....

Investment of R100 000 in PSG Konsult shares on 11 April 2005, and reinvesting all dividends received and other distributions over period vs R100 000 invested on JSE ALSI

Date	Number of PSG Konsult shares	PSG Konsult investment (R)	Annual growth In investment	JSE ALSI Total Return Index	JSE ALSI Investment (R)	Annual growth in investment
2005-04-11	250 000	100 000		1 311	100 000	
2006-02-28	260 725	286 797	187%	1 926	146 929	47%
2007-02-28	297 398	490 706	71%	2 670	203 678	39%
2008-02-28	309 914	526 854	7%	3 255	248 335	22%
2009-02-28	327 703	426 014	(19%)	2 032	154 988	(38%)
2010-02-28	351 652	509 895	20%	3 013	229 848	48%
2011-02-28	373 653	597 845	17%	3 723	284 027	24%
2012-02-28	395 168	790 336	32%	4 082	311 393	10%
2013-02-28	423 359	1 206 573	53%	4 870	371 546	19%
2014-02-28	438 861	2 194 304	82%	5 981	456 251	23%
2015-02-28	446 344	3 222 606	47%	6 946	529 912	16%
		3 222 606			529 912	
CAGR			42.1%			18.4%

Source : PSG Finance function



Trading Statistics

Creating shareholder value

Statistic	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
No. of shares in issue (millions)	733	730	733	1 072	1 210	1 222	1 262
No. of shares traded (millions)	1.7	6.7	9.5	14.9	21.2	31.4	61.8
% of shares traded	0.2%	0.9%	1.3%	1.4%	1.8%	2.6%	4.9%
Market capitalisation (Rm)	953	1 059	1 173	2 145	3 447	6 110	9 115
Value of shares traded (Rm)	2	9	13	24	47	129	429
% of market cap traded	0.3%	0.8%	1.1%	1.1%	1.4%	2.1%	4.7%
Number of trades	103	125	191	272	726	2 369	11 878



END | thank you

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