



REVIEWED FINANCIAL RESULTS FOR THE YEAR ENDED 28 FEBRUARY 2009

CONDENSED CONSOLIDATED INCOME STATEMENT

	28 Feb 2009 R'000	% Change	29 Feb 2008 R'000
Income			
Commission and fee income	733,779		637,462
Other operating income	20,301		36,585
Investment income	66,865		51,434
Fair value gains and losses on financial instruments	1,765		530
<i>Total income</i>	822,710	13.3%	726,011
Expenses			
Operating expenses	(655,952)		(577,297)
Net income from operating activities	166,758	12.1%	148,714
Finance charges	(36,197)		(28,396)
Share of profits of associate companies	1,764		928
Net income before taxation	132,325	9.1%	121,246
Taxation	(33,859)		(29,934)
Net income of the group	98,466	7.8%	91,312
Attributable to:			
Ordinary shareholders	97,093		89,766
Attributable to outside shareholders	1,373		1,546
	98,466	7.8%	91,312

ADDITIONAL INFORMATION

Headline earnings reconciliation			
Attributable to ordinary shareholders	97,093		89,766
Non-headline items	(276)		(2,706)
Headline earnings	96,817	11.2%	87,060
Earnings per share (cents)			
- attributable	13.24	7.2%	12.36
- headline	13.21	10.3%	11.98
Number of shares (million)			
- in issue	733		732
- weighted average	733		727
Distribution to shareholders (cents)			
- total	8.8		7.9
- interim	2.8		2.4
- final	6.0		5.5

CONDENSED CONSOLIDATED BALANCE SHEET

	28 Feb 2009 R'000	29 Feb 2008 R'000
Assets		
Property, plant and equipment	21,142	15,990
Intangible assets	233,255	191,729
Goodwill	251,482	224,613
Investment in associates	8,190	23,631
Financial assets	303,596	147,919
Contracts for difference	300,104	146,097
Other	3,492	1,822
Deferred income tax	8,182	7,315
Inventories	28	28
Receivables	389,886	329,252
Contracts for difference	282,110	216,508
Other	107,776	112,744
Loans and advances	52,927	34,877
Cash and cash equivalents	196,248	45,253
Total assets	1,464,936	1,020,607
Equity		
Ordinary shareholders' funds	443,938	406,081
Minority interests	2,493	2,509
Total equity	446,431	408,590
Liabilities		
Borrowings	806,127	436,129
Contracts for difference and other collateral	746,117	380,164
Promissory notes	15,000	-
Other	45,010	55,965
Deferred income tax	49,929	41,563
Provisions for other liabilities and charges	9,081	15,337
Trade and other payables	138,955	99,325
Current income tax liabilities	14,413	19,663
Total liabilities	1,018,505	612,017
Total equity and liabilities	1,464,936	1,020,607

ADDITIONAL INFORMATION

Net asset value per share (cents)	60.6	55.5
-----------------------------------	------	------



REVIEWED FINANCIAL RESULTS FOR THE YEAR ENDED 28 FEBRUARY 2009

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

	28 Feb 2009 R'000	29 Feb 2008 R'000
Ordinary shareholders' funds at beginning of period	406,081	343,816
Shares issued	2,519	16,029
Movement in fair value reserve	(309)	92
Net income for period	97,093	89,766
Translation reserve	(661)	354
Capital reduction	-	(43,976)
Dividend paid	(60,785)	-
Ordinary shareholders' funds at end of period	443,938	406,081
Minority interests at beginning of period	2,509	2,928
Net income for period	1,373	1,546
Other movements	(14)	149
Dividend paid	(1,375)	(2,114)
Minority interests at end of period	2,493	2,509
Total equity at end of period	446,431	408,590

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	28 Feb 2009 R'000	29 Feb 2008 R'000
Cash retained from operating activities	55,798	187,195
- Profit before tax	132,325	121,246
- Adjusted for non-cash items	48,200	61,383
- Change in working capital	(48,626)	64,931
- Interest paid	(36,197)	(28,396)
- Income tax paid	(39,904)	(31,969)
Cash used in investing activities	(207,374)	(257,643)
Cash flow retained from financing activities	342,223	75,519
Net increase in cash and equivalents	190,647	5,071
Cash and cash equivalents at beginning of period	5,298	227
Cash and cash equivalents at end of period	195,945	5,298
Cash and cash equivalents consists of:		
Petty cash	77	64
Current and cheque accounts (Note 1)	191,536	43,192
Short-term deposits	4,635	1,997
Bank overdrafts	(303)	(39,955)
	195,945	5,298

Notes to the Cash Flow Statement

- Cash balance may vary significantly depending on cash held at the Stockbroking business, mainly due to the timing of the close of the JSE in terms client settlements. Above balance includes R149.209 million in respect of Stockbroking business cash (2008: R2.576 million).



Notes

Basis of presentation and accounting policies

The condensed consolidated financial statements for the year ended 28 February 2009 are prepared in accordance with International Financial Reporting Standards (IFRS) IAS34 – Interim Financial Reporting. These are the Group's condensed consolidated financial statements for the period for which annual financial statements will be prepared in terms of IFRS. The condensed consolidated financial statements do not include all of the information required by IFRS for full annual financial statements. The principal accounting policies used in preparing the reviewed results for the year ended 28 February 2009 are consistent with those applied in the annual financial statements for the year ended 29 February 2008.

Highlights

The year under review has been a successful one for the Group. We have focused on delivering on our goals of systematic growth and financial targets to continue to add value to our shareholders. Our consistent financial growth provides a strong track record and a solid base which the group can leverage from during this time of opportunities:

- The Group's headline earnings per share increased by 10.28%. Turnover, consisting of commission and other operating income, increased by 12.05% to R755.8 million.
- Growth in headline earnings amounted to 11.21%.
- Funds under administration decreased to R43.6 billion (year-on-year decrease of 17.3% vs JSE all share decrease of 39.8%) and short-term premiums increased to R1,400 million on an annualized basis.

Following the 2009 financial year-end, the Group made a significant acquisition, in the form of T-Sec, as described below. During the forthcoming year PSG Konsult will seek to expand on existing client bases, and to effectively incorporate the recent acquisitions into the company's structure and operations, so as to harness the synergies that exist between these entities.

PSG Konsult regards BEE as imperative to conducting business in the present South African socio-economic environment and is committed to the Charter and the principles embodied therein.

Significant acquisitions

Effective 1 February 2009, PSG Konsult Ltd (through its subsidiaries PSG Konsult Financial Planning (Pty) Ltd and Online Securities Ltd) acquired the private client stockbroking division of T-Sec for a consideration of R66,350,000.

The acquisition is subject to Competition Commission approval which is set as a suspensive condition to the transaction. In line with the requirements of IFRS 3, Business Combinations, the acquisition will only be recognized in the Group's accounting records upon fulfillment of all suspensive conditions.

The consideration will be settled in cash in 2 tranches:

- tranche 1 amounting to R35,175,000 payable on the later of 1 February 2009 and Competition Commission approval – the “effective date”.
- tranche 2 within 12 months of the effective date (expected April 2010).

The consideration payable is subject to a profit guarantee against the purchase consideration. In the event that the profit guarantee is not achieved, the purchase consideration will be adjusted as stipulated in the respective purchase agreements.

Share and debt issues

As reported at the previous financial year-end the Group acquired the book of business and technical know-how of short-term insurance administrator, Brosist for a consideration of R15 million. An initial payment was made on 1 March 2008 through the issue of 1,111,112 PSG Konsult shares at R1.80 per share, and a cash payment of R9.5 million. All actions in connection with the issuance of the 1,111,112 shares have been successfully executed.

As partial funding for the acquisition of T-Sec, 2 separate tranches of PN's were issued 2 & 3 March 2009 respectively, for a total consideration of R30 million. These instruments mature on 2 June 2009 and carries interest at 11.017%. The Board regarded the issuance of promissory notes as an appropriate means to raise cost-effective capital.

In addition to the promissory notes issued above, PSG Konsult Ltd obtained a loan of R40 million from PSG Group, the proceeds of which will be applied in part settlement of the T-Sec acquisition. The loan carries interest at the PSG Group's overdraft rate plus 50 basis points and is repayable in bi-annual installments of R6,666,667 each, with interest settled monthly.



People

At year-end PSG Konsult had 197 (2008 : 189) offices with 506 (2008 : 491) financial planners, stockbrokers and short-term insurance brokers. Our professional associates (accountants and attorneys) numbered 290 (2008 : 288).

During March 2009 an unfortunate instance of fraud was uncovered at one of the Group's subsidiaries. The extent of the fraud has been quantified and was an isolated incident. Appropriate action has been taken. Any related potential shortfall/loss is insured and fully covered under existing policies.

Review opinion

PricewaterhouseCoopers Incorporated's unmodified review report on the condensed consolidated financial statements contained in this provisional report is available for inspection at the company's registered office.

Distribution to shareholders

A dividend of 2.8 cents per share (2008: capital distribution of 2.4c) was made to shareholders at the interim stage. The directors have declared a final dividend of 6.0 cents per share (2008 : 5.5 cents) for a total dividend of 8.8 cents per share (2008 : 7.9 cents) in respect of the year ended 28 February 2009.

Last day of registration

Friday, 24 April 2009

Day of payment

Thursday, 7 May 2009

On behalf of the board

Jaap du Toit

Chairman

Hermanus
8 April 2009

Willem Theron

Chief Executive Officer