



UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 AUGUST 2006

ABRIDGED GROUP INCOME STATEMENTS

	31 Aug 2006 R'000	31 Aug 2005 R'000	28 Feb 2006 R'000
Income			
Commission and fee income	188,214	101,853	239,511
Other operating income	2,389	394	6,754
Investment income	2,487	735	1,584
Fair value gains and losses on financial instruments	-	-	623
Total income	193,090	102,982	248,472
Expenses	(159,902)	(90,597)	(221,131)
Net income from operating activities	33,188	12,385	27,341
Finance charges	(3,728)	(460)	(1,813)
Share of profits of associate company	153	-	-
Net income before taxation	29,613	11,925	25,528
Taxation	(9,918)	(3,796)	(7,763)
Net income of the group	19,695	8,129	17,765
Attributable to:			
Ordinary shareholders	19,145	7,109	17,128
Minority shareholders	550	1,020	637
	19,695	8,129	17,765
Earnings per share (cents)			
- Attributable	3.8	1.9	4.7
- Headline	3.8	1.9	4.4

ADDITIONAL INFORMATION

Headline earnings reconciliation

Net income attributable to ordinary shareholders	19,145	7,109	17,128
Adjusted for:			
- Profit on disposal of available-for-sale assets	-	-	(529)
Headline earnings for the period	19,145	7,109	16,599

Number of shares (million)

- in issue	531,620	373,397	379,061
- weighted average	503,755	373,397	376,206

ABRIDGED GROUP BALANCE SHEETS

	31 Aug 2006 R'000	31 Aug 2005 R'000	28 Feb 2006 R'000
Assets			
Fixed assets	6,942	2,281	3,722
Intangible assets	301,929	76,827	105,473
Deferred income tax	3,419	4,956	4,433
Investment in associates	948	-	-
Equity securities	1,457	1,689	1,479
Loans and receivables	30,919	12,303	23,565
Cash and cash equivalents	25,237	17,711	21,279
Total assets	370,851	115,767	159,951
Equity			
Ordinary shareholders' equity	187,976	63,987	73,398
Minority interests	762	2,319	764
Total equity	188,738	66,306	74,162
Liabilities			
Deferred income tax	24,521	5,086	7,670
Borrowings	5,500	4,757	19,081
Payables and provisions	139,577	35,896	55,185
Current income tax liabilities	12,515	3,722	3,853
Total liabilities	182,113	49,461	85,789
Total equity and liabilities	370,851	115,767	159,951

ADDITIONAL INFORMATION

Net asset value per share (cents)	35.4	17.1	19.4
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ABRIDGED STATEMENTS OF CHANGES IN OWNERS' EQUITY

	31 Aug 2006 R'000	31 Aug 2005 R'000	28 Feb 2006 R'000
Ordinary shareholders' funds at beginning of period	73,398	61,629	60,358
Shares issued	103,605	-	3,399
Movement in fair value reserve	(22)	103	168
Net income for the period	19,145	7,109	17,128
Distribution to shareholders	(8,150)	(4,854)	(7,655)
Ordinary shareholders' funds at end of period	187,976	63,987	73,398
Minority interests	762	2,319	764
Beginning of period	764	972	829
Net income for period	550	1,020	637
Other movements	-	812	(478)
Distribution to shareholders	(552)	(485)	(224)
Total equity at end of period	188,738	66,306	74,162

ABRIDGED GROUP CASH FLOW STATEMENTS

	31 Aug 2006 R'000	31 Aug 2005 R'000	28 Feb 2006 R'000
Cash retained from operating activities	22,494	19,788	38,986
Cash utilised in investment activities	(79,321)	(37,600)	(48,396)
Cash flow from financing activities	60,785	17,431	12,588
Net increase / (decrease) in cash and cash equivalents	3,958	(381)	3,178
Cash and cash equivalents at beginning of period	21,279	18,092	18,101
Cash and cash equivalents at end of period	25,237	17,711	21,279

NOTES

Basis of presentation and accounting policies

The results for the six months ended 31 August 2006 have been prepared in accordance with the accounting policies for the year ended 28 February 2006.

Review of results and operations

Over the past six months PSG Konsult has continued to concentrate its efforts on those areas which we believe to be critical in building a profitable and sustainable business. Following the successful merger and integration of Multinet and Topexec, headline earnings increased by 100% from 1.9 cents per share to 3.8 cents per share during the period under review.

Funds under administration increased to R23 billion and PSG Konsult now has 397 financial planners and stockbrokers operating from 168 offices throughout Southern Africa.

In terms of a rights offer the company successfully raised R85 920 398 by the issue of 126 353 526 shares during March 2006.

Acquisitions

During the period under review the group acquired all the share capital in Multinet Makelaars (Pty) Ltd and Topexec Management Bureau (Pty) Ltd (w.e.f. 21 April 2006) for a total purchase price of R180m. Multinet specializes in providing short-term advice and products to its clients while Topexec does the administration services.

An initial payment was made through the issue of 26 205 883 PSG Konsult shares at 68 cents per share and a cash payment of R81.1m. The remaining balance will be settled in 2 instalments, 28 February 2007 and 31 August 2007.

The acquired businesses contributed revenues of R35.9m and a net profit of R10.9m to the group for the period from 21 April 2006 to 31 August 2006. The valuation of the intangible assets acquired is in the process of being finalised. The estimated value of the intangible assets is R58m (consisting of customer relationships and brand names) and goodwill, as a result of expected synergies and the value of the assembled workforce, is R121m.

It was announced in the press on 29 August 2006 that PSG Konsult has acquired Advance Wealth Management for R96.8 million with effect from 1 October 2006, pending the approval by the Competition Commission. We believe that clients will benefit greatly from the acquisition, especially with regard to the broadening and supplementation of professional financial expertise.

The transaction will be paid for by the issue of 38 617 886 PSG Konsult shares and R49.3m in cash.

Distribution to shareholders

The board has resolved to make a distribution to shareholders of 1.7 cents per share in respect of the six months ended 31 August 2006.

The following are the salient dates for the payment of the distribution:

Last day of registration	06 October 2006
Day of payment	20 October 2006

On behalf of the board


Jaap du Toit
Chairman


Willem Theron
CEO

Hermanus
06 October 2006