

UNAUDITED INTERIM FINANCIAL RESULTS For the six months ended 29 February 2016

HIGHLIGHTS

- + Revenue growth of 24%
- + EPS and HEPS growth of 51%
- + Assets under Administration increased to R 84.3 billion
- + Assets under Management increased to R 21.0 billion
- + Assets under Advice increased to R 13.5 billion

1. Nature of business

The Efficient Group is a diversified financial services group focused on providing professional advice, custom-designed products and quality service across the entire financial services value chain. Its offering includes financial planning services, financial products, value-added financial services and solutions, asset administration, asset management and asset consulting, which are offered to clients throughout South Africa.

The acquisition of ARX Investment Partners (Pty) Ltd, which was subsequently renamed Select Manager, in March 2015 impacted positively on the results for the reporting period and should be taken into account when analysing the results for the six months ended 29 February 2016. The acquisition included Select Manager and its subsidiaries, Stead Wealth Management ("Stead"), Exceed Asset Management and Exceed Private Clients, collectively Exceed ("Exceed"). Please refer to our 2015 Integrated Report for more detail on the acquisition.

2. Business segments

The operating structure of the Group provides for three business divisions which are made up as follows:

1. Financial Services

- a. Efficient Advise
- b. Efficient Wealth
- c. Stead Wealth Management
- d. Exceed Asset Management
- e. Exceed Private Clients
- f. AS Sure Investments (associate)

2. Investments

- a. Boutique Investment Partners ("BIP")
- b. Boutique Collective Investments ("BCI")
- c. Efficient Select
- d. Select Manager
- e. Rudarius Capital Management (associate)

3. Services and Solutions

- a. Naviga Solutions
- b. Efficient Board of Executors

The Financial Services division delivers comprehensive financial planning solutions and to distribute associated proprietary and external financial products to identified target markets through a national network of financial advisors. Since the previous reporting period the Financial Services division has been extended with the acquisition of Stead and Exceed.

The Services and Solutions division delivers customised, value-added financial services and solutions to corporate and institutional clients. Naviga Solutions offers an integrated value proposition by consolidating various investment products, services and systems currently used by various Efficient Group business units in order to create an end-to-end value proposition for financial advisors that actively promotes best practice financial planning and investment principles. Efficient Board of Executors, a new business unit that was launched at the start of the Group's financial year, provides fiduciary services, including specifically the drafting of wills and the administration of deceased estates, to clients.

The investments division administers, manages and consults on proprietary and co-branded collective investments for both retail and institutional investors. During the second half of the 2015 financial year the investment division was augmented by the acquisition of Select Manager, which increased the Group's asset management capacity.

3. Commentary

Despite the 1.1% contraction by the JSE All Share Index over the six months ended 29 February 2016, the Group increased assets under advice, assets under administration and assets under management, which resulted in satisfying performance on a consolidated group level. The good performance of the Group for the reporting period is specifically a result of:

- + the successful integration of businesses acquired during the previous two years, both in the financial services- and investment division, and
- + the increase in assets under advice, assets under administration and assets under management.

	Feb-16	Feb-15	Aug-15
Assets under advice	R 13.5 billion	R 10.4 billion	R 12.7 billion
Assets under administration	R 84.3 billion	R 50.9 billion	R 63.2 billion
Assets under consulting	R 24.5 billion	R 21.9 billion	R 24.0 billion
Assets under management	R 21.0 billion	R 15.3 billion	R 18.2 billion

Financial Services

Assets under advice grew by 6% to R 13.5 billion over the reporting period. This is on the back of the successful roll-out of our investment value propositions to clients of the financial services businesses and the integration of the acquisitions done in this division during the second half of the 2015 financial year.

Investments

The investments division reported profit after tax for the period of R 16 million, an increase of 291% compared to the prior comparative period. The increase in profit is directly related to the growth in assets through organic and acquisitive growth. Assets under administration, for the six months ended 29 February 2016, grew by 33% to R 84.3 billion, assets under consulting increased by 2% to R 24.5 billion, and assets under management increased by 15% to R21.0 billion.

Services and Solutions

At the end of the reporting period this division had R 5.3 billion (February 2015: R 6.2 billion) of assets under management. The lower assets under management resulted in a decrease in profit for the period. Efficient Board of Executors drafted approximately 300 wills for clients of the Group in its first three months of operation. The successful roll-out of this service offering is an important step in enhancing our comprehensive value proposition to our clients and in securing both current assets and future assets under management.

4. Financial results

Statement of Comprehensive Income

The Group generated a net profit after tax of R 19 million for the six months ended 29 February 2016 (**"the reporting period"**), compared to an after tax profit of R 12 million for the six months ended 28 February 2015 (**"comparative period"**).

The Group reported headline earnings of R 19 million for the reporting period (February 2015: R 13 million). Headline earnings per share increased by 51% from 14.11 cents for the comparative period to 21.26 cents for the reporting period.

Revenue increased by 24% from R 345 million to R 428 million. The increase can be attributed to the following factors:

- + Organic growth in the Investments division, with a specific focus on the increase of assets under administration,
- + The inclusion of the results of Select Manager in the Investment division and that of Stead and Exceed in the financial services division.

Performance fees as a percentage of total revenue is 1% compared to 3% for the comparative period, which confirms that the Group's dependency on performance fees has decreased considerably over the last few years. Performance fees earned were lower than in the comparative period due to most of our performance fee earning products having absolute benchmarks (CPI +), whilst the equity markets in which these products invest, i.e. the JSE All Share Index, had flat to negative returns over the reporting period.

Variable expenses consist mainly of commissions paid to our financial advisors who deliver products and services to a retail and corporate client base, as well as the asset and

liability administration costs of BCI. The increase in these expenses is attributable to and in line with our expansion and growth in revenue. The Groups' gross margin increased from 29% to 31%. The increase in margin can be explained by the higher margins earned by Select Manager and its subsidiaries and the benefit of lower variable cost due to the increase in assets under administration.

The increase in fixed expenses relates to the inclusion of the acquisitions made in the previous financial year.

The profit share provision is linked to the financial performance of Efficient Invest in accordance with an agreement with the Efficient Invest management team. Efficient Invest consists of BIP and BCI. The staff incentive provision is based on employee and business unit performance, in-line with the Group's Remuneration Policy. The increases in the profit share and staff incentive provisions are in-line with the higher operating profit reported by Group business units.

Non-cash flow expenses relate to the amortisation of intangible assets and depreciation of equipment. Customer related intangible assets account for the bulk of the assets acquired in the Select Manager transaction and amortisation of this intangible asset explains the increase in non-cash flow expenses.

Income from Associates is boosted by the profits from AS Sure Investment Services and Rudarius Capital Management.

Investment income includes interest received on cash generated through operations, and finance costs relate to the costs associated with external funding to provide for the increased working capital requirements of the Group. The fair value adjustment of liabilities is mainly due to a liability raised on the conclusion of the Select Manager transaction.

Operating expenses consist of:

R'000	Unaudited Six Months ended 29-Feb-16	Unaudited Six Months ended 28-Feb-15	% Change	Audited Year ended 31-Aug-15
Operating expenses	(404 063)	(330 075)	22%	(683 599)
- Variable expenses	(293 729)	(245 968)	19%	(489 875)
- Fixed expenses	(60 538)	(48 499)	25%	(108 955)
- Profit share and staff incentives provision	(40 672)	(29 602)	37%	(70 442)
- Non-cash flow expenses	(9 124)	(6 006)	52%	(14 327)

Cash flow

The Group generated cash of R 34 million from operations before taking into account the movement in working capital.

5. Business segmental results

Financial Services

The core business of this division entails the delivery of comprehensive financial planning services for the benefit of individual and corporate clients. This is achieved through the provision of an integrated financial planning solution to appropriately address clients' requirements for Financial Planning, Asset Finance, Investment Management, Life and Business Assurance, Short-term Insurance, Stockbroking and Cash Management. The distribution network increased to 116 financial advisors (100 for the comparative period) through organic growth and the acquisition of Stead and Exceed as part of the Select Manager transaction.

The financial services division reported revenue growth of 41% for the period under review. The increase is directly related to the expansion of the distribution network. Variable costs increased in line with the growth in revenue. The increase in fixed expenses is related to the acquisition of Stead and Exceed.

The profitability of the financial services division has improved from a break-even position in the comparative period to a profit of R 4 million. We expect the profitability of the financial services division to continue to improve as a result of the economies of scale.

Services and Solutions

The core business of this division is collective investment scheme administration, fund and private client wealth management and investment consultation. This business segment reported revenue of R 15 million for the reporting period (February 2015: R 18 million) and a profit after tax of R 7 million (February 2015: R 10 million) for the period under review. The lower profit is a result of a decrease in assets under management due to the restructuring of portfolios and lower fees earned on these portfolios.

Investments

The core business of this division includes model portfolio and multi-managed fund solutions, which have been subjected to a rigorous quantitative and qualitative due diligence process that is tailored for financial planners, individuals and institutional clients' needs. This business division reported revenue of R 376 million for the period under review. Margins increased during the comparative period and are in line with the increase in activities in this segment. The increase in expenses relates to the Select Manager acquisition. This business division posted a profit after tax of R 16 million for the reporting period compared to a profit of R 4 million for the comparative period. The growth in this division has been primarily in the high volume, low-margin asset administration business, impacting on the overall profitability of this division. The success and the growth of this division is structured on the performance of the core management team.

Acquisition activities and subsequent events

The two main premises from where the Group operates are situated in Hazelwood, Pretoria and in Bellville, Cape Town. The Group's Head Office and a part of the Financial Services division are housed in the Pretoria office. The Investment division and another part of the Financial Services division operate from the Cape Town office. To ensure sustainability and continuity, the Group acquired the Cape Town office for an amount of R22 million. The purchase price will be settled in cash on date of registration of the property in the purchasing entity's name by utilisation of a bond to be registered over the property. It is expected that the property will be registered in the name of the Group during this financial year. It is also the intention of the Group to acquire the Pretoria property and to refurbish the office within the next 8 to 12 months.

6. Strategy

With its expansionary and progressive strategy, as outlined in the company's previous Integrated Report, Efficient Group remains well positioned for future growth.

Our key focus areas remain:

- + To optimise return on capital employed,
- + To drive the organic growth of our core businesses and to enhance continuity across our business divisions, and
- + Positioning Efficient Select to enter the institutional asset management space.

7. Dividends

Dividends are declared at the discretion of the board of directors after taking the financial position of the company into consideration. As a guideline, 80% of free cash flow is paid as a dividend. The free cash flow of the Group was significantly reduced by the acquisition activities of the Group in terms of the Select Manager transaction and working capital loan repayments. Based on this policy and the lower free cash flow the directors determined that 1.58824 cents per share dividend will be paid to shareholders. A dividend of 5.88235 cents per share was paid for the comparative period.

The salient dates for this dividend payment are as follows:

Last date to trade "cum" dividend	Friday, 20 May 2016
Securities trade "ex" dividend	Monday, 23 May 2016
Record date	Friday, 27 May 2016
Payment date	Monday, 30 May 2016

Share certificates may not be dematerialised or rematerialized between Monday, 23 May 2016 and Friday, 27 May 2016, both days inclusive. The dividend will be transferred to dematerialised shareholders' CSDP/broker accounts on Monday, 30 May 2016. Certificated shareholders' dividend payments will be posted on or paid to certificated shareholders' bank accounts on or about, Monday, 30 May 2016.

Shareholders are advised of the following additional information:

- + the dividend has been declared out of profits generated during the reporting period
- + the local dividend tax rate is 15%;
- + the gross local dividend amount is 1.58824 cents per share;
- + the net local dividend amount for shareholders:
 - + exempt from payment of dividend tax is 1.58824 cents per share
 - + liable to pay the dividends tax is 1.35000 cents per share
- + the issued share capital of the company is 90 592 973 shares; and
- + the company's tax reference number is 9071679170.

9. Changes to the board of directors

There were no changes to the board of directors during the reporting period.

Steve Booyesen
Chairman

05 May 2016

Heiko Weidhase
Chief Executive Officer

8. Basis of preparation

The interim results for the six months ended 29 February 2016 are presented on a consolidated basis and are prepared in accordance with the recognition and measurement requirements of International Financial Reporting Standards and presentation and disclosure requirements of IAS 34 (Interim Financial Reporting), the JSE Listings Requirements, the Companies Act of South Africa and the SAICA Financial Reporting Guides as issued by the Accounting Practices Board. The accounting policies applied are consistent with those applied in the previous interim period and previous financial year-end, except where indicated differently. No material events occurred after the interim period which requires an adjustment to the financial information. These interim results have not been reviewed or reported on by the Group's auditors, KPMG Inc. The summarised unaudited interim financial results are prepared by Anton de Klerk, the Chief Financial Officer of Efficient Group.

SUMMARISED STATEMENT OF COMPREHENSIVE INCOME

R'000	Unaudited Six Months ended 29-Feb-16	Unaudited Six Months ended 28-Feb-15	% Change	Audited Year ended 31-Aug-15
Revenue	428 235	344 556		716 179
Asset management fees	54 349	7 132	>100%	26 066
Asset administration and consultation fees	309 399	266 144	16%	535 323
Financial services income	62 288	70 189	(11%)	154 336
Other	2 199	1 091	>100%	454
Operating expenses	(404 063)	(330 075)		(683 599)
Variable expenses	(293 729)	(245 968)	19%	(489 875)
Fixed expenses	(60 538)	(48 499)	25%	(108 955)
Profit share and staff incentives provision	(40 672)	(29 602)	37%	(70 442)
Non-cash flow expenses	(9 124)	(6 006)	52%	(14 327)
Operating profit	24 172	14 481		32 580
Dividends received	120	24	>100%	258
Finance income	6 375	3 412	87%	7 126
Finance cost	(1 588)	(1 963)	(19%)	(2 711)
Profit on sale of equipment	23	-	>100%	82
Profit on sale of share in associate	-	-	-	2 607
Profit on sale of financial advisory client base	-	-	-	73
Fair value adjustment of investments designated at fair value through profit or loss	(219)	250	(>100%)	(57)
Other income	461	240	92%	765
Impairment of intangible asset	-	-	-	(420)
Impairment of investment in associate	-	-	-	(869)
Share of profits from associates, net of taxation	822	536	53%	1 808
Remeasurement of liabilities at fair value through profit or loss	-	-	-	3 097
Fair value adjustment of liabilities	(3 569)	-	>100%	(2 830)
Profit before taxation	26 597	16 980		41 509
Taxation	(7 340)	(4 947)	48%	(12 207)
Profit for the period	19 257	12 033		29 302
Other comprehensive income				
Items that may subsequently be reclassified to profit or loss				
Unrealised fair value adjustment of available-for-sale financial assets, net of taxation	145	362	(60%)	(101)
Total comprehensive income for the period	19 402	12 395		29 201
<i>Profit for the period attributable to</i>				
Equity holders of the parent	19 226	12 779	50%	30 681
Non-controlling interest	31	(746)	>100%	(1 379)
	19 257	12 033		29 302
<i>Total comprehensive income for the period attributable to</i>				
Equity holders of the parent	19 371	13 141	47%	30 580
Non-controlling interest	31	(746)	>100%	(1 379)
	19 402	12 395		29 201
Number of shares in issue at the end of the period ('000)	90 593	90 593		90 593
Weighted average number of ordinary shares in issue at the end of the period, net of treasury shares ('000)	90 365	90 593		90 472
Diluted weighted average number of shares, net of treasury shares ('000)	90 365	90 593		90 472
Basic and diluted earnings per share (cent)	21,28	14,11	50,8%	33,91
Headline and diluted headline earnings per share (cent)	21,26	14,11	50,7%	33,91
<i>Headline and diluted headline earnings are calculated as follows</i>				
Attributable earnings	19 226	12 779		30 681
Impairment of intangible asset	-	-		420
Profit on sale of equipment	(23)	-		(82)
Taxation on profit on sale of equipment	6	-		23
Profit on sale of share in associate	-	-		(2 607)
Impairment of investment in associate	-	-		869
Profit on sale of financial advisor client base	-	-		(73)
Taxation on profit on sale of financial advisor client base	-	-		14
Headline and diluted headline earnings	19 209	12 779		29 245

SUMMARISED STATEMENT OF FINANCIAL POSITION

R'000	Unaudited as at 29-Feb-16	Unaudited as at 28-Feb-15	Audited as at 31-Aug-15
Assets			
<i>Non-current assets</i>			
Property and equipment	3 549	2 361	4 103
Goodwill	153 505	66 353	153 274
Intangible assets	134 346	97 670	140 965
Investments	1 313	7 877	1 657
Equity accounted investments	11 252	17 341	10 913
Long-term receivables	1 504	3 204	1 898
Deferred tax	19 834	9 256	20 081
	325 303	204 062	332 891
<i>Current assets</i>			
Related party loans	-	-	39
Trade and other receivables	81 089	64 084	74 255
Cash and cash equivalents	68 056	31 316	53 833
Investments	1 340	22 832	41 931
Short-term portion of long-term receivables	692	708	1 377
Tax receivable	2 214	378	976
	153 391	119 318	172 411
Total assets	478 694	323 380	505 302
<i>Equity and liabilities</i>			
Equity attributable to equity holders of the parent	205 715	180 044	191 915
Share capital and share premium	150 325	150 325	150 325
Treasury shares	(389)	(149)	(389)
Fair-value adjustment reserve	142	460	(3)
Accumulated income	55 637	29 408	41 982
Non-controlling interest	(2 389)	(1 787)	(2 420)
Total equity	203 326	178 257	189 495
<i>Non-current liabilities</i>			
Long-term liabilities	128 304	44 962	129 050
Deferred tax	94 705	20 298	95 226
	33 599	24 664	33 824
<i>Current liabilities</i>			
Related party loans	147 064	100 161	186 757
	958	-	-
Trade and other payables	113 615	86 853	136 687
Short-term portion of long-term liabilities	28 923	7 650	47 940
Taxation payable	3 568	5 658	2 130
Total liabilities	275 368	145 123	315 807
Total equity and liabilities	478 694	323 380	505 302
Net asset value per share (cent)	227,08	198,74	212,38
Net tangible asset value per share (cent)	(54,59)	46,79	(71,30)

SEGMENTAL ANALYSIS

R'000	Financial Services	Services and Solutions	Investments	Other	Total
For the six months ended 29 February 2016:					
Revenue	74 297	14 839	376 341	(37 242)	428 235
External	68 736	249	357 826	1 424	428 235
Inter-segment	5 561	14 590	18 515	(38 666)	-
Profit/(loss) for the period	3 674	6 891	16 120	(7 428)	19 257
Assets	45 144	18 346	133 954	281 250	478 694
Liabilities	47 613	3 990	91 288	132 477	275 368

For the six months ended 28 February 2015:

Revenue	52 813	17 977	283 501	(9 735)	344 556
External	52 813	11 077	280 493	173	344 556
Inter-segment	-	6 900	3 008	(9 908)	-
Profit/(loss) for the period	41	10 318	4 120	(2 446)	12 033
Assets	36 600	15 813	119 906	151 061	323 380
Liabilities	44 936	8 364	86 539	5 284	145 123

For the year ended 31 August 2015:

Revenue	118 363	35 974	645 918	(84 076)	716 179
External	111 537	1 398	602 790	454	716 179
Inter-segment	6 826	34 576	43 128	(84 530)	-
Profit/(loss) for the period	383	18 623	19 348	(9 052)	29 302
Assets	45 410	20 802	189 236	249 854	505 302
Liabilities	53 983	5 048	122 750	134 026	315 807

Other consists of consolidation entries, amortisation of intangible assets, C&A F Financial Services, Efficient Capital, Efficient Select Swaziland, Efficient Share Incentive Scheme Trust, Efficient Board of Executors and Efficient Group. All operations take place in southern Africa.

SUMMARISED STATEMENT OF CHANGES IN EQUITY

R'000	Share capital and share premium	Treasury shares	Fair-value adjustment reserve	Accumulated income	Total	Non-controlling interest	Total Equity
Balance at 31 August 2014	150 325	(149)	98	18 441	168 715	(1 041)	167 674
Dividends declared	-	-	-	(1 812)	(1 812)	-	(1 812)
Total comprehensive income for the period							
- Profit/(loss)	-	-	-	12 779	12 779	(746)	12 033
- Other comprehensive income	-	-	362	-	362	-	362
Balance at 28 February 2015	150 325	(149)	460	29 408	180 044	(1 787)	178 257
Repurchase of company's own equity instruments	-	(240)	-	-	(240)	-	(240)
Dividends declared	-	-	-	(7 140)	(7 140)	-	(7 140)
Total comprehensive income for the period							
- Profit/(loss)	-	-	-	19 714	19 714	(633)	19 081
- Other comprehensive income	-	-	(463)	-	(463)	-	(463)
Balance at 31 August 2015	150 325	(389)	(3)	41 982	191 915	(2 420)	189 495
Dividends declared	-	-	-	(5 571)	(5 571)	-	(5 571)
Total comprehensive income for the period							
- Profit	-	-	-	19 226	19 226	31	19 257
- Other comprehensive income	-	-	145	-	145	-	145
Balance at 29 February 2016	150 325	(389)	142	55 637	205 714	(2 389)	203 326

SUMMARISED STATEMENT OF CASH FLOWS

R'000	Unaudited Six Months ended 29-Feb-16	Unaudited Six Months ended 28-Feb-15	Audited year ended 31-Aug-15
Cash flows from operating activities			
Cash generated by operations before changes in working capital	33 739	20 728	44 534
<i>Changes in working capital</i>			
Increase in trade and other receivables	(6 834)	(7 577)	(12 501)
(Decrease)/increase in trade and other payables	(23 072)	22 367	70 381
Interest received	3 833	35 518	102 414
Interest paid	6 375	3 412	7 126
Taxation paid	(1 588)	(1 963)	(2 711)
Dividends received	(7 118)	(8 210)	(35 070)
Dividends received	622	24	1 121
Net cash inflow from operating activities	2 124	28 781	72 880
Cash flows from investing activities			
Acquisition and disposal of businesses	(1 094)	(281)	(12 239)
Long-term loan repayment from associate	-	168	-
Decrease in long-term receivable	1 079	704	1 727
Acquisition of investments	-	(23 336)	(37 225)
Proceeds on disposal of investments	40 861	-	-
Proceeds on disposal of equipment	-	-	160
Proceeds on disposal of investment in associate	-	-	8 743
Acquisition of intangible assets	(777)	-	(7 048)
Acquisition of equipment	(288)	(410)	(2 826)
Net cash inflow/(outflow) from investing activities	39 781	(23 155)	(48 708)
Cash flows from financing activities			
(Decrease)/increase in long-term liabilities	(23 108)	(6 050)	3 483
Decrease in loans from non-controlling shareholders of subsidiaries	-	-	(195)
Increase/(decrease) in related party loans	997	-	(39)
Dividends paid	(5 571)	(1 812)	(7 140)
Net cash outflow from financing activities	(27 682)	(7 862)	(3 891)
Movement in cash and cash equivalents for the period	14 223	(2 236)	20 281
Cash and cash equivalents at the beginning of the period	53 833	33 552	33 552
Cash and cash equivalents at the end of the period	68 056	31 316	53 833

ANALYSIS OF FINANCIAL ASSETS AND LIABILITIES

The fair values of financial assets and liabilities measured at fair value in the statement of financial position can be summarised as follows:

Unaudited at 29 February 2016 R'000	FAIR VALUE HIERARCHY LEVEL			Total
	Level 1	Level 2	Level 3	
Financial assets				
<i>Financial assets at fair value through profit or loss</i>				
Unit-linked investments	1 340	-	-	1 340
<i>Available-for-sale financial assets</i>				
Unit-linked investments	1 313	-	-	1 313
	<u>2 653</u>	<u>-</u>	<u>-</u>	<u>2 653</u>
Financial liabilities				
<i>Financial liabilities at fair value through profit or loss</i>				
Business acquisition forward purchase liabilities	-	-	(92 096)	(92 096)
	<u>-</u>	<u>-</u>	<u>(92 096)</u>	<u>(92 096)</u>

FAIR VALUE HIERARCHY LEVEL				
Unaudited at 28 February 2015 R'000	Level 1	Level 2	Level 3	Total
Financial assets				
<i>Financial assets at fair value through profit or loss</i>				
Unit-linked investments	28 173	-	-	28 173
<i>Available-for-sale financial assets</i>				
Unit-linked investments	2 536	-	-	2 536
	30 709	-	-	30 709
Financial liabilities				
<i>Financial liabilities at fair value through profit or loss</i>				
Business acquisition forward purchase liabilities	-	-	(3 097)	(3 097)
	-	-	(3 097)	(3 097)

FAIR VALUE HIERARCHY LEVEL				
Audited at 31 August 2015 R'000	Level 1	Level 2	Level 3	Total
Financial assets				
<i>Financial assets at fair value through profit or loss</i>				
Unit-linked investments	41 931	-	-	41 931
<i>Available-for-sale financial assets</i>				
Unit-linked investments	1 657	-	-	1 657
	43 588	-	-	43 588
Financial liabilities				
<i>Financial liabilities at fair value through profit or loss</i>				
Business acquisition forward purchase liabilities	-	-	(110 342)	(110 342)
	-	-	(110 342)	(110 342)

There were no transfers of any financial instruments between fair value hierarchy levels 1, 2 and 3 during any of the reporting periods.

The carrying values of all financial instruments not presented at fair value on the statement of financial position are reasonable approximations of their fair values.

Valuation techniques and inputs used in the fair value measurement of level 3 financial instruments

Business acquisition forward purchase liabilities

Business acquisition forward purchase liabilities are valued at the present value of the expected payments set out in the contracts, discounted using discount rates between 6.60% and 9.80%.

The unobservable inputs used for calculating the forward purchase liability fair values include budgets and forecasts with estimated annual profit growth rates, the conversion ratio of independent financial advisor book buys and free cash flows.

R'000	Unaudited as at 29-Feb-16	Unaudited as at 28-Feb-15	Audited as at 31-Aug-15
Opening balance	(110 342)	(3 096)	(3 096)
Business acquisitions	-	-	(107 513)
(Losses)/gains for the period recognised in profit or loss	(3 569)	-	267
Settlements	21 815	-	-
Closing balance	(92 096)	(3 096)	(110 342)

EFFICIENT + GROUP

Think Efficient. Realise potential.

Non-executive directors: S Booysen*, Z Cele*, L Taylor*, J Rosen*, J Mabena, A du Preez (* Independent)

Alternate director: T du Preez (for A du Preez).

Executive directors: DD Roodt, H Weidhase, AT de Klerk, R Walton and C Burger.

Registered address: 81 Dely Road, Hazelwood, 0081

Business address: 81 Dely Road, Hazelwood, Pretoria, 0081

Company secretary: Jonathan Nyahuye

Transfer secretaries: Link Market Services South Africa (Pty) Ltd

Sponsor: Java Capital

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