

UNAUDITED GROUP RESULTS FOR THE SIX MONTH PERIOD ENDED 31 AUGUST 2011  
21 November 2011

RGT - RGT Smart Market Intelligence Limited - Unaudited group results for the six month period ended 31 August 2011

RGT SMART MARKET INTELLIGENCE LIMITED  
(Incorporated in the Republic of South Africa)  
(Registration number: 2008/014367/06)  
Share Code: RGT ISIN: ZAE000143715  
("RGT SMART" or "the company")

UNAUDITED GROUP RESULTS FOR THE SIX MONTH PERIOD ENDED 31 AUGUST 2011

Financial Performance Highlights

Highlights for the period 28 February 2011 to August 2011 are as follows:

	August 2011	August 2010
Revenue	15 972 549	12 984 479
Gross profit	12 512 865	9 336 279
Total costs	(13 386 185)	(10 612 179)
Profit Before Tax	2 751 671	2 412 078
Profit after Tax	1 901 719	1 809 123
Headline Earnings	1 901 719	1 778 133
Headline Earnings per Share (HEPS)	0.3803	0.4553

Overview:

\* Revenue is up by 23%

\* Total costs are up by 26%

\* Headline earnings up by 6.5%

\* The group reflected a positive cash flow of R9.9m in the period under review.

HEPS down by 16.5%

An increase in the number of weighted average shares in issue up by 21.9%. The board presents its unaudited results for the six months ended 31 August 2011 below, together with audited results for the year ended 28 February 2011 and unaudited results for the six months ended 31 August 2010.

Condensed consolidated statement of financial position

Figures in Rand	Unaudited six months ended 31 August 2011 R'000	Audited 28 February 2011 R'000	Unaudited six months ended 31 August 2010 R'000
Assets			
NonCurrent Assets	26 226	24 021	23 603
Property, plant and equipment	2 564	748	502
Goodwill	17 449	17 449	17 449
Intangible assets	5 682	5 586	5 204
Deferred tax	531	238	448
Current Assets	12 973	4 352	4 094
Trade and other receivables	2 979	2 931	2 107
Current tax asset	-	1	-
Cash and cash equivalents	9 994	1 420	1 987
Total Assets	39 199	28 373	27 697

Equity and Liabilities			
Equity			
Share capital	13 271	4 024	4 024
Retained earnings	16 733	14 080	12 582
Total Equity	30 004	18 104	16 606
Liabilities			
Non-Current Liabilities			
Loans from shareholders	879	1 365	1 913
Deferred tax	1 546	1 421	1 237
Current Liabilities			
Loans from shareholders	1 035	979	1 174
Other financial liabilities	-	2 470	2 695
Current tax payable	156	1	629
Operating lease liability	315	31	19
Trade and other payables	2 729	2 154	1 364
Revenue received in advance	1 189	1 336	1 140
Provisions	1 346	512	920
Total Liabilities	9 195	10 269	11 091
Total Equity and Liabilities	39 199	28 373	27 697

#### Condensed consolidated statement of comprehensive income

Figures in Rand	Unaudited six months ended 31 August 2011 R'000	Audited 28 February 2011 R'000	Unaudited six months ended 31 August 2010 R'000
Revenue	15 973	27 704	12 984
Cost of sales	(3 460)	(7 195)	(3 648)
Gross profit	12 513	20 509	9 336
Other income	16	61	-
Operating expenses	(9 804)	(15 392)	(6 654)
Operating profit before interest	2 725	5 178	2 682
Investment revenue	149	57	40
Finance costs	(122)	(480)	(310)
Profit before taxation	2 752	4 755	2 412
Taxation	(850)	(1 449)	(603)
Profit after taxation	1 902	3 306	1 809
	1 902	3 306	1 809
Profit for the period			
Attributable to:			
Equity holders of the parent	1 902	3 306	1 809
Minority interest	-	-	-
Profit for the period	1 902	3 306	1 809

Headline earnings reconciliation (R'000)	1 902		3 306		1 809	
Profit attributable to owners of the parent						
Adjusted for:						
(Profit)/Loss on disposal of property, plant and equipment	-		(31)		(31)	
Headline earnings for the period	1 902		3 275		1 778	
Per share information						
Headline earnings per share (cents)	0.38		0.83		0.46	
Diluted headline earnings per share (cents)	0.38		0.72		0.46	
Basic earnings per share (cents per share)	0.38		0.84		0.46	
Diluted earnings per share (cents per share)	0.38		0.72		0.46	
Weighted average number of shares in issue ('000)	500 000		395 268		390 518	
Condensed consolidated statement of cash flows						
Figures in Rand	Unaudited		Audited		Unaudited	
	six months ended 31 August 2011		28 February 2011		six months ended 31 August 2010	
	R'000		R'000		R'000	
Cash generated from operating activities	3 857		3 699		2 747	
Cash used in investing activities	(2 381)		(2 031)		(1 046)	
Cash generated by/(used in) financing activities	7 098		(195)		339	
Total cash movement for the period	8 574		1 473		2 040	
Cash at the beginning of the year	1 420		(53)		(53)	
Total cash at end of the period	9 994		1 420		1 987	
Condensed consolidated statement of changes in equity						
Figures in Rand	Equity reserve	Share capital	Share premium capital	Total share	Retained Earnings	Total Equity
	(37	3 808	35 480	1 789	10 773	12 563
Balance 499) at 01 March 2010						
Changes for the period:						
Profit for the period	-	-	-	-	1 809	1 809
Issue of shares	-	570	5 130	5 700	-	5 700
Transfer share issue costs to share premium	-	-	(438)	(438)	-	(438)
Treasury shares held by subsidiary	-	(378)	(2 649)	(3 027)	-	(3 027)
Total changes	-	192	2 043	2 235	1 809	4 044

Balance at 31 August 2010	(37 499)	4 000	37 523	4 024	12 582	16 607
Profit for the period	-	-	-	-	1 497	1 497
Total changes	-	-	-	-	1 497	1 497
Balance at 01 March 2011	(37 499)	4 000	37 523	4 024	14 080	18 104
Changes for the period:						
Profit for the period	-	-	-	-	1 902	1 902
Issue Of shares	-	622	5 598	6 220	-	6 220
Treasury Shares sold	-	378	2 649	3 027	751	3 778
Total changes	-	1 000	8 247	9 247	2 653	11 900
Balance at 31 August 2011	(37 499)	5 000	45 770	13 271	16 733	30 003

#### BASIS OF PREPARATION

The board of directors is pleased to present the company's unaudited interim results for the period ended 31 August 2011. The accounting policies adopted for purposes of this report comply, and have been consistently applied in all material respects with International Financial Reporting Standards ("IFRS") and the abridged financial statements have been prepared in accordance with the requirements of IAS 34 (Interim Financial Reporting).

The same accounting policies and methods of computation have been followed as compared to the prior year. The results have not been audited or reviewed.

#### INDUSTRY AND BUSINESS OVERVIEW

RGT SMART is an investment holding company engaged in market intelligence and data analysis in all aspects and related activities and operates in South Africa. RGT SMART has two wholly-owned subsidiaries namely; KA SMART, which focuses on the Group's management consultancy portion of the business and RGT which focuses on the Group's statistical information for the automotive industry.

During the period under review, the two subsidiary companies were moved into one operational unit, which set-up and unity is working well.

The Group, together with Lightstone (Proprietary) Limited ("Lightstone"), Signio (Proprietary) Limited and Conclude (Proprietary) Limited have established a joint venture, CarStats (Proprietary) Limited to develop a data-driven, statistically robust vehicle valuation and risk management platform for the South African automotive industry. The platform will offer a range of on-line and batch-based services, and will become a significant reference for data relating to motor vehicles, for dealers, Insurance Companies, Banks, Finance Companies, and the General Public.

#### FINANCIAL RESULTS

While market conditions in these first six months made for a challenging trading situation the group has held its own and as the Motor Industry emerges cautiously from recessionary times the Company is optimistic about the Group's future prospects.

Income Statement

Group turnover for the period was R15 942k compared to R 12 984k in 2010, an increase of 23%. Total expenditure increased by 26% when compared to 2010. This related mainly to increased staffing costs with a focus on sales and new product development. Profit after tax increased to R1 901k from R1 809k in the prior period.

Headline earnings increased to R1 901k in 2011 compared with R1 778k in 2010.

This is an increase in HEPS of 6.5%.

Cost of sales decreased from being 26.7% of turnover in 2010 to 21.7% in 2011 leading to improved gross profit for the Group.

#### Cash flow and Liquidity

The cash received from the share issue and sale of treasury shares in relation to the change in control to Halls has significantly improved the Group's current ratio.

The Group reflected a positive cash flow of R9.9 million compared with R2 million in 2010.

#### Balance Sheet

The balance sheet remains sound. Typical of many companies in the services sector, the largest assets on the balance sheet are intangible.

Share capital was increased by the shares issued in terms of the change in control to Halls during the period. The proceeds from the change in control cash injection were used to repay certain debts. SEGMENTAL

#### REPORTING

The Group has adopted IFRS 8 Operating Segments as its segmental reporting standard which requires an entity to report financial and descriptive information about its reportable segments, which are operating segments or the aggregation of operating segments that meet specified criteria. Operating segments are components of an entity in respect of which separate financial information is available is evaluated regularly by management. For management purposes, the Group is organised into the following segments:

For the six month period ended 31 August 2011	Market research	Statistics	Total for reportable segments
External revenue	7 392	8 581	15 973
Internal revenue	-	43	43
Total revenue	7 392	8 624	16 016
Cost of sales	(1 929)	(1 574)	(3 503)
Personnel costs	(2 005)	(2 318)	(4 323)
Lease rentals	(329)	(447)	(776)
Other costs	(1 863)	(1 918)	(3 781)
EBITDA	1 266	2 367	3 633
Depreciation and amortization	(269)	(170)	(439)
Finance income	-	1	1
Finance costs	(9)	(121)	(130)
Profit before tax	988	2 077	3 065
Segment assets	6 532	22 359	28 891
	All other Segments	Elimination of intersegment transactions	Total RGT SMART

External revenue	-	-	15 973
Internal revenue	3 060	(3 104)	-
Total revenue	3 060	(3 104)	15 973
Cost of sales	-	44	(3 460)
Personnel costs	(2 410)	-	(6 733)
Lease rentals	(35)	-	(811)
Other costs	(1 054)	3 060	(1 775)
EBITDA	(439)	-	3 194
Depreciation and amortization	(29)	-	(469)
Finance income	277	(129)	149
Finance costs	(122)	129	(122)
Profit before tax	(313)	-	2 752
Segment assets	10 308	-	39 199

Geographical information has not been presented as the company operates in South Africa only.

Revenue from external customers for each product and service, or each group of similar products and services has not been presented, as the information is not available and the cost to develop it would be excessive. The Group does not earn revenue in excess of 10% from one single customer, and as such does not place reliance on a single customer or group of customer for its continued existence.

#### ISSUES OF SHARES AND CHANGE IN CONTROL

In terms of a change in control circular dated 14 June 2011, the Company issued 215 512 128 new ordinary shares to H.L. Halls and Sons Investments (Proprietary) Limited ("Halls"). This change in control triggered a mandatory offer in terms of the Takeover Regulations (the then Securities Regulations Panel Code) which uptake of the mandatory offer resulted in Halls obtaining a further 42 916 444 ordinary shares.

With the total 258 428 572 shares, Halls achieved a total shareholding in RGT SMART of 51.68% making Halls the controlling shareholder. The Halls shareholding will be held by Halls' subsidiary Lightstone.

Halls, through Lightstone, invested in the Company to assist in building RGT SMART's business using capabilities, data and technology available to Halls through its strategic investments in Halls and Lightstone and other intellectual property and technology based organisations, facilitate collaboration between

RGT SMART and various subsidiaries and associates of Halls to create value for all collaborating parties and add value to the product and service offerings provided to RGT SMART's customers.

Other than the above mentioned issue, there were no further shares issued during the period under review.

#### ACQUISITIONS AND DISPOSALS

There were no acquisitions or disposals during the period under review. Due to the cash resources within the Company, the Company will be looking for suitable strategic acquisitions going forward in addition to building the staffing complement for organic growth.

#### DIRECTOR CHANGES

Subsequent to the year end and during the interim period ended 31 August 2011, the following changes to the board occurred:

Director	Date appointed
S Pretorius*#	1 March 2011
A Miller*	1 June 2011
Non-executive* Independent#	

The current board of directors consists of:

Director	Date appointed
A Da Costa*#	12 June 2008
P De Vantier (CEO)	12 June 2008
C Reed (FD)	12 June 2008
N Bruton	12 June 2008
C Moodliar*#	5 May 2010
T Hayter*#	9 September 2010
S Pretorius*#	1 March 2011
A Miller*	1 June 2011
Non-executive* Independent#	

Further to the SENS announcement published on 30 September 2011, it has been agreed that Mr Reed would continue his service as financial director.

#### SHARE CAPITAL

As at 31 August 2011, there were 500 000 000 issued ordinary shares and no unissued ordinary shares. The Company will consider increasing its authorised share capital in the event that any new shares are required to be issued.

#### DIVIDEND

No interim dividend has been declared. The Board may consider the declaration of a dividend at year end.

#### LITIGATION

There is no litigation pending against the company or its subsidiaries, which is expected to have a material impact on the results of the company.

#### CONTINGENT LIABILITIES

At the balance sheet date the Group does not have any contingent liabilities.

#### SUBSEQUENT EVENTS

There are no material events subsequent to the period end that require reporting.

#### NOTIFICATION TO SHAREHOLDERS IN TERMS OF SECTION 45 OF THE COMPANIES ACT 71 OF 2008 ("THE ACT")

In accordance with Section 45(5) of the Act, notification is given to shareholders of the Company that a loan of up to R1.7 million to an associate of the Company was approved by the board.

The board of directors have considered the solvency and liquidity of the Company before having approved the above-mentioned loan.

#### FUTURE PROSPECTS

The directors are exceedingly pleased with the investment by Lightstone, besides substantial improvements to the company balance sheet Lightstone and other Halls subsidiaries bring a wealth of knowledge and expertise exploitation of many synergies between the sister companies is expected to open up a number of exciting opportunities.

This existing business is sound, profitable, cash flow generative with annuity business that continues to grow steadily.

By order of the Board  
Mr AA Da Costa  
Chairman

Mr PB De Vantier  
Chief Executive Officer

Cliff Reed  
Financial Director

21 November 2011  
Johannesburg

Registered Office

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Directors

AA Da Costa\*#(Chairman), PB De Vantier(CEO), CW Reed (FD), NS Bruton, CJ Moodliar\*#, TB Hayter\*#, S Pretorius\*#, A Miller\*

\* Non-executive, #Independent

Designated Advisor Transfer Office

Arcay Moela Sponsors Link Market Services (Proprietary)

(Proprietary) Limited Limited

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