PRESCIENT
LIMITED
(Previously PBT Group Ltd)

Prescient Limited (formerly PBT Group Limited)
(Incorporated in the Republic of South Africa)
(Registration number 1936/008278/06)
ISIN: ZAE000163531
Share code: PCT
("Prescient" or "the company")

REVIEWED INTERIM RESULTS FOR THE 6 MONTHS ENDED 30 SEPTEMBER 2012

Highlights

- Listing of Prescient on the JSE in August 2012
- Local assets under management and administration of R87.1 billion, and EUR5.47 billion internationally
- Earnings per share of 4.24c per share
- Interim dividend of 3.30c per share

Condensed consolidated statement of financial position

Condensed consolidated statement of financial position

	Reviewed 30 Sep 2012 R'000	Reviewed 30 Sep 2011 R'000	Audited 31 March 2012 R'000
Assets			
Non-current assets	6 521 309	4 867 510	4 941 986
Equipment	11 904	8 640	7 569
Investment property	18 162		
Goodwill and intangible assets	463 984	67 348	69 348
Deferred tax asset	1 166	972	1 379
Long-term loans receivable	35 515	39 474	31 332
Investment in associate	4 288		2 225
Financial assets at fair value through profit or loss	113 048	53 683	46 702
Linked investments backing policyholder funds	5 873 242	4 697 393	4 783 431
Current assets	1 300 284	279 987	672 804
Inventories	19 795		
Trade and other receivables	153 885	29 430	17 855
Amounts owing by clearing houses	418 099	212 405	298 882
Amounts owing from clients	487 329		300 996
Taxation receivable	3 651	3 392	2 240
Cash and cash equivalents	217 525	34 760	52 831
Total assets	7 821 593	5 147 497	5 614 790

Equity			
Share capital	1	1	1
Share premium	601 656	53 308	53 308
Treasury shares	(10 435)	(17 849)	(13 038)
Equity reserve	35 405		
Translation reserve	(435)		
Retained income	93 105	105 706	63 963
Total equity attributable to owners of the Company	719 297	141 166	104 234
Non-controlling interests	3 923		
Total equity	723 220	141 166	104 234
Non-current liabilities	6 074 232	4 758 760	4 837 867
Deferred tax liability	5 208	587	4 130
Policyholder investment contract liabilities	5 873 242	4 697 393	4 782 822
Long-term loans payable	195 782	60 780	50 915
Current liabilities	1 024 141	247 571	672 689
Trade, other payables and provisions	95 638	39 139	38 951
Amounts owing to clearing houses	31 326		47 454
Amounts owing to clients	873 791	208 432	545 541
Current tax payable	9 844		3 824
Shareholders for dividend			36 919
Bank overdraft	13 542		
Total liabilities	7 098 373	5 006 331	5 510 556
Total equity and liabilities	7 821 593	5 147 497	5 614 790

Earnings per share

	Reviewed 30 Sep 2012	Reviewed 30 Sep 2011
Weighted average number of shares in issue during the period	1 196 554 992	1 088 791 091
Weighted average number of shares potentially in issue	1 196 554 992	1 088 791 091
	R'000	R'000
Earnings attributable to shareholders	50 811	43 112
Non-controlling interest	(58)	
Earnings attributable to ordinary shareholders	50 753	43 112
Headline earnings attributable to ordinary shareholders	50 753	43 112
Actual number of shares in issue at the end of the period	1 555 531 687	1 120 596 744

Condensed consolidated statement of changes in equity

	Attributable to owners of the Company								
	Share capital R'000	Share premium R'000	Translation reserve R'000	Treasury shares R'000	Equity reserve R'000	Retained income R'000	Total R'000	Non-controlling interest R'000	Total equity R'000
Balance at 1 April 2011	1	53 308		(19 246)		100 394	134 457	(49)	134 408
Total comprehensive income for the period									
Profit for the period						43 112	43 112		43 112
Total comprehensive income for the period						43 112	43 112		43 112
Transactions with owners recognised directly in equity									
Contributions by and distributions to owners of the Company									
Treasury shares sold				1 397			1 397		1 397
Dividends declared during the period						(36 170)	(36 170)		(36 170)
Total contributions by and distributions to owners of the Company				1 397		(36 170)	(34 773)		(34 773)
Changes in ownership interests in subsidiaries									
Acquisition of non-controlling interests						(1 630)	(1 630)	49	(1 581)
Total changes in ownership interests in subsidiaries						(1 630)	(1 630)	49	(1 581)
Total transactions with owners of the Company				1 397		(37 800)	(36 403)	49	(36 354)
Balance at 30 September 2011	1	53 308		(17 849)		105 706	141 166		141 166
Balance at 1 April 2012	1	53 308		(13 038)		63 963	104 234		104 234
Total comprehensive income for the period									
Profit for the period						50 811	50 811	(58)	50 753
Total other comprehensive income			(435)				(435)		(435)
Total comprehensive income for the period			(435)			114 774	154 610	(58)	154 552
Transactions with owners recognised directly in equity									
Contributions by and distributions to owners of the Company									
Treasury shares sold				2 603			2 603		2 603
Issue of ordinary shares related to business combinations		548 348			35 405		583 753		583 753
Total contributions by and distributions to owners of the Company		548 348		2 603	35 405		586 356		586 356
Changes in ownership interests in subsidiaries									
Acquisition of non-controlling interests						(21 669)	(21 669)	3 981	(17 688)
Total changes in ownership interests in subsidiaries						(21 669)	(21 669)	3 981	(17 688)
Total transactions with owners of the Company		548 348		2 603	35 405	(21 669)	564 687	3 981	568 668
Balance at 30 September 2012	1	601 656	(435)	(10 435)	35 405	93 105	719 297	3 923	723 220

Condensed consolidated statement of cash flows

	Six months reviewed 30 Sep 2012 R'000	Six months reviewed 30 Sep 2011 R'000
Cash flows from operating activities		
Profit before taxation	71 188	64 932
Non-cash movements and adjustments to profit before tax	(9 687)	(2 478)
Changes in working capital	(24 990)	(24 149)
Dividends received	721	1 333
Dividends paid	(36 919)	(36 170)
Interest received	6 315	4 076
Interest paid	(5 471)	(2 445)
Tax paid	(27 137)	(20 000)
Net cash outflow from operating activities	(25 980)	(14 901)
Cash inflow from investing activities	85 438	2 710
Cash inflow from financing activities	90 040	5 229
Net increase/(decrease) in cash and cash equivalents	149 498	(6 962)
Effect of exchange rate fluctuations on cash held	1 654	329
Cash and cash equivalents at 31 March	52 831	41 393
Cash and cash equivalents at 30 September	203 983	34 760

Condensed consolidated segment report

	Financial services		IT services		Group	
	Six months reviewed 30 Sep 2012 R'000	Six months reviewed 30 Sep 2011 R'000	Six months reviewed 30 Sep 2012 R'000	Six months reviewed 30 Sep 2011 R'000	Six months reviewed 30 Sep 2012 R'000	Six months reviewed 30 Sep 2011 R'000
Segment external revenue	195 663	140 736	27 873		223 536	140 736
Segment profit before tax	65 272	64 932	5 916		71 188	64 932

Notes to the condensed consolidated interim financial statements
During the period under review there were two significant transactions that have had a material impact on the financial position and performance of Prescient Limited and its subsidiaries ("Prescient" or "Group"). On 31 May 2012 Prescient Holdings (Proprietary) Limited ("Prescient Holdings") purchased the entire issued capital of AIB Asset Management Holdings (renamed Prescient Investment Management (Ireland) ("Prescient Ireland")). The details of the acquisition are included in the note on acquisitions.

In addition, Prescient Holdings listed on the JSE through a reverse acquisition of PBT Group Limited ("PBT"). This transaction is defined as a reverse acquisition in terms of IFRS 3 Business Combinations. This results in the legal acquiree (Prescient Holdings) becoming the accounting acquirer whilst the legal acquirer (PBT) becomes the accounting acquiree. The transaction was concluded on the listing date, 20 August 2012. The listed entity was renamed Prescient Limited and the share code was changed from PBT to PCT. In addition, the Group acquired Prescient Capital (Proprietary) Limited ("Prescient Capital") on the listing date.

Basis of preparation and accounting policies Statement of compliance
The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, as well as the AC 500 Standards as issued by the Accounting Practices Board or its successor, the requirements of the South African Companies Act, Act 71 of 2008 and the Listings Requirements of the JSE. The condensed consolidated interim financial statements do not include all of the information required for full annual financial statements.

These condensed consolidated interim financial statements have been prepared in accordance with the historical cost basis except for certain financial instruments and investment property which are stated at fair value. The condensed consolidated interim financial statements are presented in South African Rand, which is the functional currency of the Company and has been rounded to the nearest thousand. No new standards, interpretations or amendments, which are relevant to the Group's operations, became effective during the period.

The accounting policies applied in the presentation of the condensed consolidated interim financial statements are in accordance with International Financial Reporting Standards and are consistent with those presented in the previous annual financial statements.

These reviewed condensed consolidated interim results were prepared under the supervision of Michael Buckham, CA (SA) CFA (Financial Director) and approved by the Board of Directors on 29 November 2012.

Judgements and estimates
Preparing the interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial report significant judgements made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2012.

Related party transactions
The Group entered into various intercompany transactions with related parties in the ordinary course of business.

Subsequent events
With the exception of the items disclosed in this report there were no material events subsequent to the reporting date.

Review of operations
Prescient Holdings listed on the JSE, in the Financial Services sector, through a reverse acquisition into PBT Group Limited on 20 August 2012.

In addition, the six months to 30 September 2012 were highlighted by numerous expansion initiatives resulting in structural changes to the Group. The most significant of these initiatives was the purchase of the Dublin-based investment management business, AIB Asset Management Holdings (renamed Prescient Ireland) by Prescient Holdings on 31 May 2012.

This set of condensed consolidated interim results includes six months of operations for Prescient Holdings, four months of operations for Prescient Ireland and one month of operations for PBT.

Financial services
The investment management, administration and stock broking businesses remain stable and the core part of operations. For four of the six months under review, the equity market remained relatively flat delivering a return of less than 4%. Lower equity returns have been a feature since the start of 2011 with the equity market delivering similar returns to cash from January 2011 to July 2012. This resulted in lower performance from the Prescient Positive Return strategy as there were no opportunities to lock in equity gains while the fund continued to pay for capital protection. This led to outflows from certain institutional clients. The strategy focusses on delivering capital preservation for clients and has done so consistently over time, while also delivering inflation- beating results. The improvement in equity market returns from August 2012 reflected positively in fund performance. The investment philosophy at Prescient Investment Management (Proprietary) Limited ("PIM") focusses on risk management for clients and hence Positive Return remains a core strategy. Pricing conditions, particularly the cost of protection, have continued to improve for this strategy since the start of the year. PIM had assets under management ("AUM") of R75.2 billion at 30 September 2012 (September 2011: R86.3 billion).

Subsequent to the September 2012 interim period, PIM announced that it had given notice on the four mandates managed for Nedgroup Investments (Proprietary) Limited("Nedgroup"). PIM had a retail distribution relationship with Nedgroup where some of PIM's flagship retail products were sold under the Nedgroup brand. PIM has come to a point in its development and growth strategy where consolidating all flagship funds under its own brand is key. This paves the way for PIM to market and sell its flagship and other core products directly to the retail market. With the proposed retirement reform in South Africa, the Group believes the ownership of all products and building a strong brand is essential.

During the period under review, PIM was the first African institution to be awarded a Qualified Foreign Institutional Investor ("QFII") licence which allows the Group to invest directly in mainland Chinese "A" shares. The legal processes are expected to be complete in early 2013 when PIM will open its Prescient China Balanced Fund to the market.

Administration outsourcing has continued to grow strongly with third party assets under administration totalling R11.9 billion as at 30 September 2012 (September 2011: R6.0 billion). Growth came from continued inflows from existing co-name partner clients and an increase in the number of new outsourced relationships. The administration business continues to invest in technology and has been able to deliver on all new reporting requirements, including Regulation 28 of the South African Pension Funds Act and Dividend Withholding Tax.

Prescient Securities (Proprietary) Limited ("Prescient Securities") performed well in a very competitive market. The stock broking industry continues to see downward pressure on brokerage rates coupled with upward pressure on trading costs.

Prescient Securities' stature as a niche player in the South African stock broking industry was once again affirmed with a strong performance in the following 2012 industry surveys: Financial Mail Rating of the Analysts (Equities and Derivatives) and the Spire Awards (Fixed Income and Derivatives). Highlights from these surveys include the following ratings:

- #2 Resources Small & Medium Market Cap Companies
- #2 Financial and Industrial Small & Medium Market Cap Companies
- #3 Electronic and Electrical Equipment
- #3 Derivatives Research: (#1 unweighted)
- #3 Derivatives Trading
- #1 Best Agency Broker: IR Derivatives Volumetric
- #1 Best Agency Broker: FX Volumetric
- #3 Best Agency Broker: Cash Bonds

Overall results for Financial Services: Revenue increased by 39.0% to R195.7 million (September 2011: R140.7 million) with the acquisition of Prescient Ireland contributing R49.9 million to total revenue and R4 million to profit before tax. Profit before tax for Financial Services increased by 0.5% to R65.3 million(September 2011: R64.9 million). Included in the current period is a significant non-recurring expense of R6.6 million relating to a lease breakage cost for the operating premises of Prescient Ireland.

IT Services
The reverse listing of Prescient Holdings resulted in PBT's results being consolidated for one month only. These were strong results and amounted to a profit contribution to the Group of R5.9 million before taxation.

Acquisitions of subsidiaries and non- controlling interests
On 31 May 2012 the Group obtained control of Prescient Ireland by acquiring the entire issued share capital of the company for an initial R72.2 million, with a further contingent amount of R16.6 million. The Prescient Ireland acquisition was financed by way of an external loan. The acquisition is a continuation of the Group's expansion into the international market and will diversify the Group's earnings and client base. PIM's risk management and asset allocation skills fit well in the Irish market, where retirement funds' assets are still predominantly defined benefit and largely underfunded.

Prescient Ireland's AUM at 30 September 2012 was EUR5.47 billion.

The total Prescient Ireland acquisition price was based on a percentage of AUM. The initial payment constituted half of the acquisition price and AUM was ring-fenced at the time. The Group will pay a contingent consideration amount on 31 May 2013 and 30 November 2013 based on the value of ring-fenced AUM at those dates. At the date of acquisition management believed that the value of the contingent consideration would be R16.6 million. The total acquisition price, including the contingent consideration, is R88.8 million

On 20 August 2012 PBT acquired the entire issued share capital of Prescient Holdings and was classified as a reverse acquisition in terms of IFRS 3 Business Combinations and therefore PBT is treated as the accounting acquiree. PBT was acquired for a consideration of R470.5 million and the net assets at acquisition are reflected in the table below. PBT offers IT services to a diverse client base across South Africa, the rest of Africa and Australia. These services primarily include healthcare administration systems and consulting and implementation of data and management information software.

On listing date there was also an acquisition of Prescient Capital, an investment holding company with interests in property-holding companies and a Dublin-based investment administrator. Prescient Capital was acquired for a consideration of R71.7 million.

Other acquisitions of subsidiaries include:

- A 75% investment in Greenfields Institute of Business ("GIB"), 50% of which was acquired through Prescient Capital and a direct acquisition of 25% for a consideration of R6.2 million. GIB provides marketing research and consulting services to large corporates.
- 51% of Cyberpro Consulting ("Cyberpro") for a consideration of R6.5 million. Cyberpro is a leading Microsoft Certified software services company, and
- 100% of BI Blue Consulting ("BI Blue") for a consideration of R8 million. BI Blue offers business intelligence services to assist clients in harnessing data to improve decision-making.

If all acquisitions had taken place at the beginning of the period under review, revenue of the Group would have increased by R155.5 million and profit before tax would have increased by R15.7 million.

The purchase price, in excess of the value of net identifiable assets, has been provisionally determined as goodwill. The allocation between intangible assets and goodwill will be determined during the following financial period.

R'000	Prescient Ireland	PBT	Prescient Capital	Other
Cash and cash equivalents	79 522	83 983	4 366	5 344
Financial assets at fair value through profit or loss	213	43 811	17 279	131
Investments in associate			7 435	
Equipment	2 280	2 136	136	319
Investment property			17 967	
Intangible assets	14 679	29 408	7 629	
Deferred tax asset	197		93	44
Trade and other receivables	55 775	57 871	1 267	5 778
Long-term loans receivable		14 850	1 233	911
Inventories		20 516		
Taxation receivable		3 826		700
Current tax payable	(8 193)	(5 565)		
Trade, other payables and provisions	(86 811)	(18 775)	(575)	(3 083)
Long-term loans payable		(14 037)	(191)	(487)
Deferred tax liability		(5 283)		
Bank overdraft		(13 233)		(97)
Total net identifiable assets	57 662	199 508	56 639	9 560

Provisional goodwill arising from the acquisitions has been recognised as follows:

R'000	Prescient Ireland	PBT	Prescient Capital	Other
Total consideration transferred	72 224	470 466	71 732	25 911
Contingent consideration payable	16 578			
Non-controlling interests				9 605
Total net identifiable assets	(57 662)	(199 508)	(56 639)	(9 560)
Goodwill	31 140	270 958	15 093	29 956

Dividend
An interim dividend of 3.3 cents per share, in respect of the six months ended 30 September 2012, was declared on 29 November 2012. A portion of the gross dividend is being paid out of pre-acquisition earnings in the context of the reverse acquisition by Prescient Holdings.

Bianually, the directors will consider the payment of a dividend, taking into account prevailing circumstances and future cash and capital requirements of the Group in order to determine the appropriate dividend in respect of a particular financial reporting period.

There are 1 576 346 232 shares in issue at the dividend declaration date, of which 24 273 180 are held as treasury shares. The total dividend amount payable is R52.0 million (Interim 2011: Prescient Holdings paid a net dividend of R36.2 million).

This is a dividend as defined in the Income Tax Act, 1962, and is payable from income reserves. Dividends declared after 31 March 2012, are no longer subject to the 10% Secondary Tax on Companies (STC) regime, which levied the tax on the declaring company, but are now subject to a 15% Dividends Tax (DT) which is a withholding tax levied on non-exempt shareholder recipients of the dividend. The net dividend payable to shareholders who are subject to dividend tax is 2.805 cents per share, while it is 3.3 cents per share to those shareholders who are exempt from dividend tax. Prescient's income tax reference number is 9725/148/71/3.

In compliance with the listing requirements of the JSE Limited, the following dates are applicable:

Last day to trade cum dividend	Thursday, 13 December 2012
Shares trade ex dividend	Friday, 14 December 2012
Record date	Friday, 21 December 2012
Payment date	Monday, 24 December 2012

Share certificates may not be dematerialised or rematerialized between Friday, 14 December 2012 and Friday, 21 December 2012, both dates inclusive.

Prospects

Financial Services
The prospects for continued growth in existing products, the international expansion of the Group, the QFII licence as well as the expanded range of Prescient products in the retail market has opened the doors for a number of exciting growth opportunities into the future. The investment philosophy at PIM will continue to be applied consistently across all mandates to ensure that we deliver certainty and stability to clients. This philosophy is being implemented at Prescient Ireland and we believe that the methodology is well suited to the Irish pension fund market.

Furthermore, the administration capability at Prescient will allow for strong growth in third party administration. With our systems and people, we believe we are well placed for growth in a market that requires strong administration functionality and the ability to deliver on growing reporting and regulatory demands.

Prescient Securities continues to focus on monetising its rated research and trade offering and to explore initiatives to increase market share as a niche BEE stockbroker.

IT Services
The foundation for further growth has been cemented with the implementation of the BI Blue and Cyberpro acquisitions. IT Services comfortably exceeded its aim of deriving more than 50% of its income from international operations and this should again be achieved for the next six months. Trading conditions remain buoyant and the company is well positioned to benefit from its leading position in data and information management and healthcare software services.

Changes to the Board of Directors
During the period under review the following changes were made to the board of directors: Heather Sonn, Keneilwe Moloko and Zane Meyer were appointed as independent non-executive directors and Pierre De Wet resigned as a director on 10 July 2012. Furthermore there was a change in responsibility of directors with the appointment of Michael Buckham as Financial Director and Murray Louw as Chief Executive.

External audit review
The external auditors, KPMG Inc., reviewed the condensed consolidated statement of financial position of Prescient Limited as at 30 September 2012 and the related condensed consolidated statements of comprehensive income, changes in equity and cash flows for the period then ended, and other explanatory notes, from which this information has been extracted. The review has been conducted in accordance with the International Standard on Review Engagements 2410. Copies of the unqualified report of KPMG Inc. are available for inspection at the registered office of the Company.

Forward-looking statements
This announcement contains certain forward-looking statements with respect to the financial condition and results of the operations of Prescient Limited that, by their nature, involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future. These may relate to future prospects, opportunities and strategies. If one or more of these risks materialise, or should underlying assumptions prove incorrect, actual results may differ from those anticipated. By consequence, none of the forward-looking statements have been reviewed or reported on by the Group's auditors.

Company information
Directors: M Kaplan (Chairman Independent Non-executive), AM Louw (CEO), M Buckham (Financial Director), H Sonn (Independent Non-executive), K Moloko (Independent Non-executive), R van Rooyen (Non-executive), Z Meyer (Independent Non-executive)

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Sponsor: Bridge Capital Advisors (Proprietary) Limited
Transfer secretaries: Link Market Services
JSE share code: PCT
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