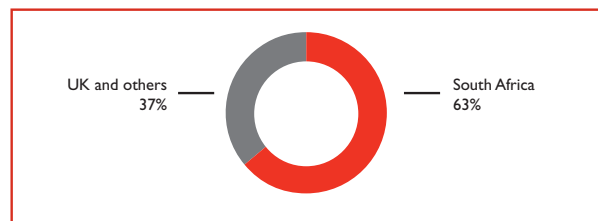


Financial Highlights

^ EBITDA up 26% to R24,2 million (2009: R19,3 million)

^ Adjusted EPS up 55% to 4,8 cents per share (2009: 3,1 cents per share)

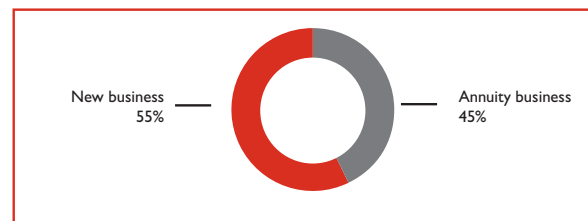
REVENUE BY GEOGRAPHY



REVENUE BY BUSINESS ACTIVITY



ANNUITY REVENUE VS NEW BUSINESS


CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

[for the six months ended 31 January 2010]

	Unaudited Six months ended 31 January 2010 R'000	Unaudited Six months ended 31 January 2009 R'000	Audited Twelve months ended 31 July 2009 R'000
Revenue	220 208	232 087	464 632
Earnings before interest, taxation, depreciation and amortisation (EBITDA)	24 212	19 260	57 280
Depreciation and amortisation	(8 364)	(11 121)	(14 879)
- Depreciation	(2 317)	(2 187)	(3 391)
- Amortisation	(6 047)	(8 934)	(11 488)
Profit from operations	15 848	8 139	42 401
Finance income	142	769	1 282
Finance costs	(11 345)	(7 458)	(27 741)
- Interest paid	(5 377)	(8 898)	(17 938)
- Foreign exchange (losses)/profit on loan to subsidiary	(5 968)	1 440	(9 803)
Other financial items	(750)	-	(7 075)
Profit before taxation	3 895	1 450	8 867
Taxation	(1 852)	(918)	(3 172)
Profit for the period	2 043	532	5 695
Attributable to:			
- owners of the parent	1 875	1 669	6 630
- minority interest	168	(1 137)	(935)
Profit for the period	2 043	532	5 695
Total comprehensive income for the period	2 043	532	5 495
Total comprehensive income attributable to			
- owners of the parent	1 875	1 669	6 630
- minority interest	168	(1 137)	(935)
Total comprehensive income for the period	2 043	532	5 695
Earnings per share (cents)	0,8	0,7	2,9
Diluted earnings per share (cents)	0,8	0,7	2,9
Weighted average numbers of shares on which - earnings per share is based ('000)	227 997	227 306	227 076
- diluted earnings per share is based ('000)	227 997	227 306	227 076
Number of ordinary shares in issue	242 102	242 102	242 102
Reconciliation between earnings and headline earnings			
Profit for the period attributable to ordinary shareholders	1 875	1 669	6 630
Profit on disposal of assets	-	(30)	(30)
Headline earnings	1 875	1 639	6 600
Headline earnings per share (cents)	0,8	0,7	2,9
Reconciliation between earnings and adjusted earnings			
- Profit for the period attributable to ordinary shareholders	1 875	1 669	6 630
- Amortisation (after taxation)	4 151	6 358	7 806
- Unrealised losses on derivatives (after taxation)	540	-	5 094
- Foreign exchange losses/(gains) on group loans (after taxation)	4 297	(1 037)	7 058
Adjusted earnings	10 863	6 990	26 588
Adjusted earnings per share (cents)	4,8	3,1	11,7
Net asset value per share (cents)	66,6	69,3	67,7
Net asset value per share net of treasury (cents)	70,7	73,8	72,3

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

[at 31 January 2010]

	Unaudited 31 January 2010 R'000	Unaudited 31 January 2009 R'000	Audited 31 July 2009 R'000
ASSETS			
Non-current assets	231 790	287 362	248 261
Property, plant and equipment	7 586	7 627	6 859
Goodwill	133 562	122 159	140 394
Intangible assets	55 373	118 648	64 418
Deferred taxation	35 269	38 928	36 590
Current assets	163 839	133 712	143 384
Inventories	3 721	2 896	4 040
Trade and other receivables	131 649	89 123	81 739
Taxation	143	3 591	-
Cash and cash equivalents	28 326	38 102	57 605

COMMENTARY

[for the six month period ended 31 January 2010]

GENERAL REVIEW

The first half of the year was a positive period for SecureData during which it continued to progress its vision of being a significant provider of Information Risk Management ("IRM") solutions and services in Europe, Middle East and Africa ("EMEA").

Group EBITDA increased 26% to R24,2 million from R19,3 million. Turnover decreased 5% to R220 million, primarily due to the negative effect of a stronger Rand on the reporting of results achieved by MIS Corporate Defence Solutions ("MIS-CDS"), the group's United Kingdom based subsidiary. Net borrowings at 31 January 2010 stood at R45,9 million, up from R33,0 million at the prior year end due to poorer working capital management.

The earnings per share ("EPS") and headline earnings per share ("HEPS") include the following items:

- R6,0 million (2009: R8,9 million) amortisation of intangible assets created by the group's acquisitions. This charge is unrealised and has no effect on group cash flow;
- R6,0 million foreign exchange loss (2009: R1,4 million foreign exchange profit) on inter-group loans, which reflects the difference in Rand to Sterling exchange rate, between when the loan was made in order to acquire MIS-CDS, and the present exchange rate. This expense is unrealised and has no effect on group cash flow; and
- R0,75 million loss (2009: R Nil) on foreign exchange forward contracts, entered into to settle outstanding creditor payments by the group, at a time of great Rand volatility. As at 31 January 2010 these losses were unrealised. These contracts which relate to future periods, will be realised during the course of the current and the next financial year.

Together these non-operational and primarily unrealised non-cash items, reduced EPS and HEPS by 4,0 cents per share, making both EPS and HEPS poor indicators of the group's operational performance. The resulting adjusted EPS, which ignores these items, is 4,8 cents per share (2009: 3,1 cents).

Working capital management was negatively affected by a significant increase in debtors with debtors days outstanding increasing to 94 days from 50 days at the year-end. This increase can largely be attributed to late payment by two major blue chip customers. Management continues to place particular emphasis on working capital management.

OPERATIONAL AND SEGMENTAL REVIEW

SecureData operates subsidiaries in three major groupings:

SecureData Africa

	Six months to 31 January 2010 R'000	Six months to 31 January 2009 R'000	% Growth	Twelve months to 31 July 2009 R'000
Revenue	131 868	131 966	(0,1)	265 910
EBITDA	16 322	10 005	63,1	36 842
EBITDA margin (%)	12,4	7,6	63,2	13,9

SecureData Africa markets and distributes leading IRM products in South Africa and the rest of the continent.

Although revenue was flat, the product portfolio review and cost management initiatives launched in the previous year continued to bear fruit in the first half, with EBITDA improvement of 63% and the EBITDA margin improving to 12,4% from 7,6%. This is a robust performance and management is confident that SecureData Africa is now stable and well positioned to seek additional revenue growth, whilst maintaining this strong margin performance.

MIS-CDS

	Six months to 31 January 2010 R'000	Six months to 31 January 2009 R'000	% Growth	Twelve months to 31 July 2009 R'000
Revenue	78 561	89 269	(12,0)	176 754
EBITDA	5 539	5 288	4,7	13 925
EBITDA margin (%)	7,1	5,9	20,3	7,9

	Six months to 31 January 2010 £'000	Six months to 31 January 2009 £'000	% Growth	Twelve months to 31 July 2009 £'000
Revenue	6 285	5 690	10,5	12 190
EBITDA	443	337	31,5	960
EBITDA margin (%)	7,1	5,9	20,3	7,9

MIS-CDS is one of the largest and longest established independent information security solution providers in the United Kingdom.

Inventories	3 721	2 896	4 040
Trade and other receivables	131 649	89 123	81 739
Taxation	143	3 591	–
Cash and cash equivalents	28 326	38 102	57 605
Total assets	395 629	421 074	391 645
EQUITY AND LIABILITIES			
Equity	177 286	188 345	181 100
Share capital	242	242	242
Share premium	115 234	115 234	115 234
Treasury share reserve	(22 215)	(21 377)	(22 215)
Share-based payment equity	3 496	2 882	3 096
Foreign currency translation reserve	(19 464)	(6 357)	(14 386)
Retained earnings	83 924	77 088	82 049
Equity attributable to owners of the parent	161 217	167 712	164 020
Minority interest	16 069	20 633	17 080
Non-current liabilities	71 393	118 328	89 785
Long-term loans	56 829	84 968	72 602
Deferred taxation	14 564	33 360	17 183
Current liabilities	146 950	114 401	120 760
Trade and other payables	122 467	97 773	90 605
Taxation	2 183	2 938	5 015
Derivative financial instruments	4 939	–	7 075
Short-term loans	17 361	13 690	18 065
Total equity and liabilities	395 629	421 074	391 645

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

[for the six months ended 31 January 2010]

	Unaudited Six months ended 31 January 2010 R'000	Unaudited Six months ended 31 January 2009 R'000	Audited Twelve months ended 31 July 2009 R'000
Share capital	242	242	242
Share premium	115 234	115 234	115 234
Treasury share reserve	(22 215)	(21 377)	(22 215)
Balance at beginning of the period	(22 215)	(23 586)	(23 586)
Own shares acquired by subsidiary	–	–	(838)
Own shares sold by subsidiary	–	2 209	2 209
Share based payment equity	3 496	2 882	3 096
Balance at beginning of the period	3 096	2 482	2 482
Share based payment transactions during the period	400	400	614
Foreign exchange conversion reserve	(19 464)	(6 357)	(14 386)
Balance at beginning of the period	(14 386)	(8 174)	(8 174)
Foreign exchange movements during the period	(5 078)	1 817	(6 212)
Retained earnings	83 924	77 088	82 049
Balance at beginning of the period	82 049	75 419	75 419
Profit for the period	1 875	1 669	6 630
Equity attributable to owners of the parent	161 217	167 712	164 020
Minority interest	16 069	20 633	17 080
Balance at beginning of the period	17 080	21 770	21 770
Recognised income for the period	168	(1 137)	(935)
Foreign exchange movements	(1 179)	–	(3 755)
Total capital and reserves	177 286	188 345	181 100

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

[for the six months ended 31 January 2010]

	Unaudited Six months ended 31 January 2010 R'000	Unaudited Six months ended 31 January 2009 R'000	Audited Twelve months ended 31 July 2009 R'000
Cash flow from operating activities	(9 166)	15 803	35 472
Profit before taxation	3 895	1 450	8 867
Adjustments not affecting the flow of funds	17 831	18 600	49 603
Operating income before working capital changes	21 726	20 050	58 470
Decrease in working capital	(17 730)	(2 294)	(2 133)
Cash generated from operations	3 996	17 756	56 337
Finance income	142	769	1 282
Finance costs	(5 377)	(413)	(17 938)
Taxation paid	(7 927)	(2 309)	(4 209)
Cash flow from investing activities	(3 044)	(5 960)	(3 558)
Cash flow from financing activities	(16 477)	(13 251)	(12 923)
Own share acquired by subsidiary	–	–	(838)
Own shares sold by subsidiary	–	2 209	2 209
Loans repaid	(16 477)	(15 460)	(14 294)
(Decrease)/Increase in cash equivalents	(28 687)	(3 408)	18 991
Foreign exchange movements in cash balances	(592)	–	(2 896)
Cash and cash equivalents at beginning of the period	57 605	41 510	41 510
Cash and cash equivalents at end of the period	28 326	38 102	57 605

EBITDA margin (%)	7,1	5,9	20,3	7,9
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MIS-CDS is one of the largest and longest established independent information security solution providers in the United Kingdom.

In Sterling terms MIS-CDS posted a solid performance with 11% revenue growth and a pleasing 32% EBITDA growth aided by EBITDA margin strengthening to over 7%. The relative strengthening of the Rand over this period however has reduced this performance in Rand terms to a decline in revenue and lower EBITDA growth of 5%. Management is confident that MIS-CDS will continue to show improving margin and earnings performance in the coming period despite ongoing economic uncertainty in the United Kingdom.

SensePost

	Six months to 31 January 2010 R'000	Six months to 31 January 2009 R'000	% Growth	Twelve months to 31 July 2009 R'000
Revenue	9 779	10 851	(9,9)	21 968
EBITDA	2 351	3 967	(40,7)	6 513
EBITDA margin (%)	24,0	36,6	(34,4)	29,6

SensePost provides independent information security assessment services. Based in South Africa, the company is a recognised leader in this niche market and boasts a blue-chip client base spanning five continents.

SensePost posted revenue of R9,8 million, and although the EBITDA margin was lower than that of the comparable period last year, it remains very strong at 24% reflecting the specialist, high value nature of the company's service offering. The decline in operating performance is primarily due to ongoing investment in the company's offshore operations and the significant portion of SensePost revenues that are generated outside South Africa.

STRATEGIC REVIEW

The group continues to have a significant presence in the EMEA IRM market, continues to be cash generative, and operating margins continue to improve.

The IRM market has historically proven to be quite resilient during downturns in the economic cycle and although it remains difficult to predict to what extent the current financial market turmoil will impact buyer activity, the board of directors believes the group is well positioned to take advantage of attractive opportunities within the IRM sector well into the future.

SUBSEQUENT EVENTS

The board of directors is not aware of any material matters or circumstances arising since the end of the interim period and up to the date of this report.

DIRECTORATE

There have been no changes to the board of directors during the period under review.

BASIS OF PREPARATION

These condensed interim consolidated financial statements have been prepared in accordance with the recognition and measurement requirements of International Financial Reporting Standards and the presentation and disclosure requirements of IAS 1 – Presentation of Financial Statements, IAS 34 – Interim Financial Reporting, the Companies Act, 1973 (Act 61 of 1973), as amended, and with the Listings Requirements of the JSE Limited. The accounting policies applied in the preparation of these condensed interim financial statements conform with the requirements of International Financial Reporting Standards, and are consistent with those applied in the annual financial statements for the year ended 31 July 2009. These interim financial statements have not been audited or reviewed by the group's auditors.

For and on behalf of the board

PR Pretorius

Chairman

DTK Brazier

Chief Executive Officer

17 March 2010

SecureData Holdings Limited

Incorporated in the Republic of South Africa

(Registration number 1998/010017/06)

Share code: SDH ISIN: ZAE000096368

("SecureData" or "the group")

Directors:

PR Pretorius* (Chairman), DTK Brazier (Chief Executive Officer), JG du Toit (Financial Director), A Aitken†

N Mthembu†, YT Moerane*, S Murray†, P Sneddon*

*Independent non-executive director †Non-executive director

Company secretary:

Merchantec (Proprietary) Limited

Registered office:

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10 Muswell Road South, Bryanston, 2021

(PO Box 4673, Rivonia, 2128)

Transfer secretaries:

Computershare Investor Services (Proprietary) Limited

70 Marshall Street, Johannesburg, 2001

(PO Box 61051, Marshalltown, 2107)

Sponsor:

Merchantec Capital

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