Chairman's Statement Radio Taxis Group Interim Accounts for half year ended 31st May 2012

Financial Performance
During the first six months of the year our turnover fell by 3.8% to £17.6m and as a consequence our overall operating loss is (£176k) compared to a (£66k) loss in 2011. The net loss is (£220k) compared to (£99k) last year.

Margins have risen to 25.1% from 23.2% due to movement in the mix of jobs away from the low margin financial sector.

We have invested significantly in both the Zeus and chip and pin rollout and this is reflected in the increase in our administrative costs and capital investment but also our additional operating income compared to the corresponding period last year.

Trading conditions
The first six months of the year were somewhat disappointing, partly as a consequence of the loss of the UBS taxi account and also somewhat because of the Euro Zone crisis as well as the lack of bank lending to SME's in the market place; and this has considerably affected our corporate business.

As in the previous year, the municipal markets (train companies, local government etc.) have remained comparatively stable while the consumer market (i.e. cash and credit card journeys) have seen substantial growth.

During the half year the Group fitted around 1000 taxis with the new Zeus GPRS Mobile Data Terminal and also around 900 cabs with the VeriFone EMV chip and pin machine and we are pleased with the results so far in terms of additional work for drivers and greater payment choices for customers.

Outlook more optimistic
In the face of these tough trading conditions, however, the management team are optimistic about the second half of the year.

This is because of the securing for the Group under the One Transport banner, of the LOCOG (London Organising Committee for the Olympic Games) contract to supply and manage shuttle transport for London2012. There have also been significant orders coming in from other sources for the period of the games.

Geoffrey Riesel
Chairman & CEO, Radio Taxis Group Limited

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE SIX MONTHS ENDED 31 MAY 2012

	NOTES	Six months ended 31 May 2012 Unaudited	Six months ended 31 May 2011 Unaudited
		£ 000's	**£ 000's**
Turnover		*17,605*	*18,307*
Cost of Sales		*(13,186)*	*(14,064)*
Gross Profit		*4,419*	*4,243*
Administrative Expenses		*(4,773)*	*(4,332)*
Other Operating Income		*178*	*23*
Operating (Loss)/Profit		*(176)*	*(66)*
Interest Receivable		*-*	*-*
Interest Payable		*(44)*	*(33)*
Loss on Ordinary Activities before Taxation		*(220)*	*(99)*
Tax on Loss on Ordinary Activities		*-*	*-*
Loss for the period		*(220)*	*(99)*
Basic Loss per Share	*2*	*(10.8p)*	*(4.8p)*

There were no recognised gains or losses for 2012 or 2011 other than those included in the Profit and Loss Account and therefore no separate statement of total recognised gains and losses has been presented.

CONSOLIDATED BALANCE SHEET AS AT 31 MAY 2012

	As at 31 May 2012 Unaudited £ 000's	As at 30 November 2011 Audited £ 000's	As at 31 May 2011 Unaudited £ 000's
FIXED ASSETS			
Intangible Assets	*280*	*298*	*309*
Tangible Assets	*3,410*	*3,235*	*3,046*
	3,690	*3,533*	*3,355*
CURRENT ASSETS			
Debtors	*5,307*	*7,035*	*5,778*
Investments	*-*	*-*	*-*
Cash at Bank and in Hand	*34*	*231*	
	5,341	*7,266*	*5,786*
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	*(7,641)*	*(9,199)*	*(7,665)*
NET CURRENT LIABILITIES	*(2,300)*	*(1,933)*	*(1,879)*
TOTAL ASSETS LESS CURRENT LIABILITIES	*1,390*	*1,600*	*1,476*
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	*(459)*	*(449)*	*(439)*
NET ASSETS	*931*	*1,151*	*1,037*
CAPITAL AND RESERVES			
Called up Share Capital	*20*	*20*	*20*
Share Premium Account	*2,209*	*2,209*	*2,209*
Investments – own shares	*(2)*	*(2)*	*(2)*
Profit and Loss Account	*(1,296)*	*(1,076)*	*(1,190)*
Equity Shareholders' Funds	*931*	*1,151*	*1,037*

CONSOLIDATED CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 31 MAY 2012

	Notes	Six months ended 31 May 2012 Unaudited £ 000's	Six months ended 31 May 2011 Unaudited £ 000's
Net cash inflow from operating activities		*496*	*397*
Returns on investments and servicing of finance		*(43)*	*(33)*
Capital expenditure and financial investment			
- Purchase of tangible fixed assets		*(568)*	*(254)*
Cash (outflow)/inflow before financing		*(115)*	*110*
Financing		*-*	*-*
(Decrease)/Increase in cash in the period		*(115)*	*110*
Reconciliation of net cash flow to movement in net debt			
(Decrease)/Increase in cash in the period	*3*	*(115)*	*110*
Cash outflow from decrease in debt and lease financing		*-*	*-*
Changes in net funds resulting from cash flow		*(115)*	*110*
Loan note		*-*	*-*
Movement in net debt in the year		*(115)*	*110*
Net debt at 1.12.2011	*3*	*(2,885)*	*(1,993)*
Net debt at 31.5.2012	*3*	*(3,000)*	*(1,883)*

NOTES

1. BASIS OF PREPARATION

The financial information for the six month period to 31 May 2012 does not constitute statutory accounts within the meaning of the Companies Act 2006. The financial information for the period ended 30 November 2010 has been extracted from the Group's statutory audited accounts for that year.

The accounting policies remain unchanged from those set out in the Group's statutory accounts for the year ended 30 November 2011.

2. LOSS PER SHARE

Basic loss per share is calculated by dividing the loss attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period.

	Six months ended 31 May 2012 Unaudited £ 000's	**Six months ended 31 May 2011 Unaudited £ 000's**
Loss for the period	*(220)*	*(99)*
Weighted average number of ordinary shares (000's)	*2,037*	*2,037*
Basic loss per share	*(10.8p)*	*(3.2p)*

3. ANALYSIS OF CHANGES IN NET DEBT

000's	**At 1.12.2011 £ 000's**	**Cashflows £ 000's**	**At 31.5.2011 £**
Cash at bank and in hand	*231*	*(197)*	*34*
Bank overdraft	*(3,116)*	*82*	*(3,034)*
TOTAL	*(2,885)*	*(115)*	*(3,000)*