

COMPANY ANNOUNCEMENT

Datatrak Holdings p.l.c. (THE 'COMPANY')

Announces its Interim Results for the period ended 30 June 2007

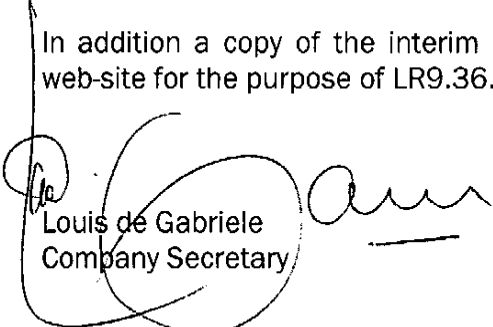
Date of Announcement	27 August 2007
Reference	4/07
Listing Rule	LR8.7.21

This is a company announcement being made by the Company in compliance with Chapter 8 of the Listing rules:

Approval of Interim Accounts

At a meeting of the directors of the Company held on the 27 August 2007 the board of directors approved the interim financial statements of the Company for the financial period ended 30 June 2007. A copy of the preliminary statement of the interim results is attached to this announcement in accordance with the requirements of LR8.7.21.

In addition a copy of the interim accounts has been published on the Company's web-site for the purpose of LR9.36.4.


Louis de Gabriele
Company Secretary

Datatrak Holdings p.l.c.

30 June 2007

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Datatrak Holdings p.l.c.

30 June 2007

Datatrak Holdings p.l.c.

Directors' Report pursuant to Listing Rule 9.44.2

For the six months ended 30 June 2007

The Directors present their report in accordance with the requirements of Listing Rule 9.44.2

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Datatrak Holdings p.l.c.

Directors' Report pursuant to Listing Rule 9.44.2

For the six-months ended 30 June 2007

The Directors present their report in accordance with the requirements of MFSA Listing Rule 9.44. This report, which shall be read in conjunction with the Condensed Consolidated Interim Financial Statements for the six months ended 30 June 2007, including the Notes thereto, forms part of the Half-Yearly Report of Datatrak Holdings p.l.c., drawn up in terms of the requirements of Listing Rules 9.42 to 9.53.

Principal Activities

The Company holds investments in subsidiaries engaged in providing tracking services, geographical information systems and related services.

Review of Performance

The Group registered a turnover of Lm623,838 (2006: Lm708,917) over the six months ended 30 June 2007. The decrease in turnover over 2006 has been mainly brought about by marginal decreases in revenue by all the subsidiaries with the exception of Datatrak Solutions Ltd which registered a marginally higher revenue. A loss before tax of Lm55,726 (2006: Profit before tax of Lm52,397) was reported by the Group, after deducting depreciation and amortization costs of Lm154,685 (2006: Lm129,537) and net finance costs of Lm33,231 (2006: Lm12,615).

Group profit mainly decreased due to the increase in amortisation on DispatchIT, which started being amortised in June 2006, an increase in wages and salaries due to the increase in number of employees within Datatrak Solutions Ltd in order to service international clients, and an increase in finance costs due to the interest on the new loans utilised by Datatrak Solutions and Datatrak Holdings plc.

In the first half of 2007 there was also an increase in marketing costs, of which Lm40,000 relate to market penetration and business development activities in Italy.

New product development and significant events

In June 2007, CI OmniBridge (CI) one of the market leaders in the field of fleet management, offering sophisticated and scalable asset management solutions aimed at vehicle fleets of all sizes and one of the leading partners of Siemens VDO Automotive (SVDO), acquired the Datatrak world-wide business from SVDO. This included the purchase of UK-Datatrak, Fleet Telematics and One Stop Shop business from SVDO's UK trading subsidiary. CI is one of three companies within the South African based holding company, Control Instruments Group Limited, which has been listed on the Johannesburg Stock Exchange since 1987. Through this take-over, CI now has product ranges sold in over 80 countries, and boasts of an installed base of over 300,000 units and 30,000 connections. With this acquisition, CI takes over all commercial relationships and contractual agreements that SVDO had with Datatrak Holdings p.l.c. and its subsidiaries. Given the past business relationships with CI and following encouraging talks held between the two parties throughout the first six months of 2007, the acquisition should have a positive effect on the Group's future international business. CI specialise in the use of GSM/3G communications and GPS positioning integrated with in-car telemetry. The focus of this enhanced technology is in sync with Datatrak Solutions' strategic approach to the market and will exert further pressure on upgrading the current Datatrak technology.

The past 6 months have seen Datatrak Solutions Limited working towards consolidating its sales channel network in Italy. Eight partners have signed up on a non-exclusive basis to promote, market and sell Datatrak Solutions Limited's packaged systems including TrakIT, DispatchIT and RouteIT.

Datatrak Holdings p.l.c.

Directors' Report pursuant to Listing Rule 9.44.2 (continued)

For the six-months ended 30 June 2007

Considerable effort has been placed in defining a tight strategic relationship with ACI Informatica, an IT company within the ACI (Automobile Club Italia) Group, considered to be a megalith in Italian business circles. This is viewed by Datatrak Solutions Limited as a long term investment in its efforts to establish a presence in Italy.

Business development efforts aimed towards the Spanish market also started in the first half of 2007. Non-disclosure agreements have been exchanged between Datatrak Solutions Limited and a significant Spanish Partner, which should result in a sales partnership agreement being finalised in the second half of 2007. Technical discussions have also commenced with the Spanish Partner.

Datatrak Online (DOL) has continued to achieve and surpass its targets. The number of commissioned vehicles as at the end of June 2007 exceeded seven thousand (7000) with prospects for the rest of the year looking good. The first half of 2007 also saw a new version of Datatrak Online (DOL) being developed. This version uses some of the latest technologies and strives to lever the extensive knowledge garnered from previous versions of DOL.

Datatrak Solutions Limited's flag ship product DispatchIT is also undergoing a major technology refresh. This is directed at making the product even more flexible to suit datatrak's wider target market, as well as ensuring that the product can be easily marketed and sold by the Group's increasing number of partners. The version is still under development and should reach the beta testing stage in the third quarter of 2007. It will incorporate all the current functionality together with some cutting edge enhancements which the Company is confident will quickly turn into important Unique Selling Points for the product.

DispatchIT attracted two more important clients from the UK, with contracts signed with Euro Car Parts Ltd and Fisher Scientific Ltd, with the former booking 450 licenses. These contracts will yield significant recurrent revenues as they come on stream. Trials are also ongoing at a number of clients in the UK and Italy, with promising prospects.

In February, the Cultural Heritage Inventory Management System (CHIMS) developed by Datatrak Solutions Limited was officially launched. This product, which incorporates some of the core Datatrak GIS technologies, was extremely well received by the client. Talks are underway to develop a version of the application which will ensure Malta's cultural wealth is accessible by everyone over the Internet.

Datatrak IT Services Ltd's performance continued to improve, especially through the services related to solutions sold in Malta, together with an increase in activity in surveying and mapping. The long term improvement in service delivery continued with the start up of operations by the Premiere Post Ltd. Revenue from services sold improved, however compared to the first half of 2006, total revenue fell marginally due a one time hardware sale of Lm88,000 registered in May 2006.

The GIS team has been involved in further enhancing Datatrak's Map Component. This technology will allow all our applications to use a common improved component. This is independent of the underlying map provision. Datatrak's clients will enjoy a mapping experience which is cutting edge while remaining cost effective. Development of this Map Component is nearing its final stages and a version has already been incorporated in the new release of DOL. Datatrak's digital mapping efforts on vehicle satellite navigation for Malta and Gozo came to fruition in April 2007, where the first such maps for the islands were launched at the Motor Fair. This product was developed in conjunction with Medcomms Ltd and runs on Garmin Units.

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Directors' Report pursuant to Listing Rule 9.44.2 (continued)

For the six-months ended 30 June 2007

The number of vessels being monitored via the Vessel Monitoring System (VMS) has continued to grow and has now surpassed 100. The possibilities of entering the international market with this product are being explored and initial contacts have been made to verify its feasibility. The liberalisation process within the EU's Fisheries Authorities will be beneficial to Datatrak because this would open doors for the use of VMS by other fishing fleets, a practice which is currently restricted.

Work in relation to the Supply and Licence Agreement with Datatrak Nigeria has continued. Discussions between Datatrak Nigeria Ltd (DNL) and Datatrak MENA Limited are still ongoing in relation to the possible acquisition by DNL of a Datatrak LF/UHF network, with the operating licenses and financing as the outstanding items.

Datatrak Systems Ltd marginally increased its client base despite competition in the tracking sector. The one off taxi meter installation project was carried out in 2006 with most of the one time revenues realised in 2006, therefore revenues in 2007 fell marginally primarily because there was no corresponding project in 2007, even though maintenance work and modifications to the Taxi fleet are ongoing.

The Second Half of 2007

For the second half of 2007 it is anticipated that revenues from the local market will be in line with the trend in the first half. On the international front, it is anticipated that the Group, through its subsidiary DSol will conclude an important strategic alliance in Italy with ACI Informatica SpA which will see its products marketed across Italy. Such an alliance should complement the existing sales channel partnership agreement between the two companies. Revenues from the Italian market are expected to be registered towards the end of 2007.

Moreover, the first Spanish Sales Channel Partnership agreement should be concluded by the end of 2007 with a view to actively market Datatrak's products in Spain, as from early 2008.

The second half of 2007 will see the completion of implementation activities for DispatchIT in the UK with regards to sales made in the last quarter of 2006 and the first half of 2007. It is also anticipated that DOL subscriptions will increase as more of the CI clients will be migrated to DOL.

The period July to December 2007, will see the release of the latest DOL version, as well as the new version of DispatchIT. Discussions with regard to the new version of CHIMS should also be concluded and development of this high profile release will commence. During this period Datatrak's product implementation team will continue to ensure that product deployment goes smoothly. The trial at Euro Car Parts, a significant client which is contracted to use DispatchIT on 450 devices, which started in June 2007 and which is currently continuing with success, will be signed off during this period, thus significantly improving recurring revenues for Datatrak Solutions Limited.

Datatrak Holdings p.l.c.

Directors' Report pursuant to Listing Rule 9.44.2 (continued)

For the six-months ended 30 June 2007

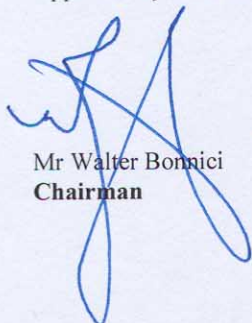
Due to the continued commitment towards marketing the Group's key products and the necessity for further software research and development to keep our products ahead of the competition, financing always remains a key issue. The Group has been financed by its major shareholders, its bank and Malta Enterprise which has enabled the group to continue developing its product portfolio and marketing reach.

Additional financing will be required in the second half of 2007 to enable Datatrak Systems Limited to upgrade its base tracking technology to a nation-wide GPS/GPRS coverage and Datatrak Solutions Limited to expand its product portfolio and invest in higher levels of marketing in Italy, Spain, France and China. Moreover, Datatrak MENA Limited will require financing in order to conclude its plan to sell a Datatrak network in Nigeria.

Notwithstanding the particular stage of negotiation with respect to the Nigerian contract, the Board of Directors is of the view that a number of pending matters remain to be concluded before an enforceable agreement is executed and that further material delay would significantly dampen the Board's confidence in successfully concluding the contract in the near future. In such an event, LF-UHF networking equipment held by the Group in anticipation for use within an LF-UHF tracking network in Nigeria and other assets relating to the DSL cash generating unit, may need to be written down to a value that excludes the cash flows from the Nigerian project. The effect of such a write-down could be in the region of Lm1.8 to Lm2.8 million with a direct consequential impact on the net asset value of the Group. In such an event, an extraordinary general meeting would be convened to explain the reason and effect of this write-down together with proposals for restructuring the Group. In any case, the Board is of the opinion that the DNL prospect will continue to be pursued due to the Nigerian market's potential.

The challenge to attract and retain key IT personnel means that the Group's payroll will remain substantial and while reductions have been made in peripheral areas, the competitive nature of the business leads us to offer packages which help us protect our key resource, our people. This also puts a further onus on the need to procure adequate financing.

Approved by the Board on 27 August 2007 and signed on its behalf by:



Mr Walter Bonnici
Chairman



Mr Joseph Spiteri
Director

Datatrak Holdings p.l.c.

Condensed Consolidated Interim Income Statement

For the six-months ended 30 June 2007

	The Group	
	01.01.07 to 30.06.07	01.01.06 to 30.06.06
	Lm	Lm
Revenue	623,838	708,917
Purchases and other directly attributable costs	(121,180)	(220,140)
Changes in inventory	(8,535)	(1,843)
Other income	5,600	-
Wages	(210,575)	(170,720)
Depreciation and amortisation	(154,685)	(129,537)
Other expenses	(93,615)	(107,662)
Marketing costs	(56,127)	(14,003)
Net financing costs	(33,231)	(12,615)
Share of results of associate	(7,216)	-
(Loss)/Profit before tax	(55,726)	52,397
Tax income	15,800	7,307
(Loss)/Profit for the period	(39,926)	59,704
(Loss)/Profit attributable to:		
Equity holders of the parent	(76,960)	(34,174)
Minority interest	37,034	93,878
(Loss)/Profit for the period	(39,926)	59,704
Loss per share	(0c5)	(0c2)

Datatrak Holdings p.l.c.

Condensed Consolidated Interim Balance Sheet

As at 30 June 2007

	The Group	
	30.06.07	31.12.06
	Lm	Lm
Assets		
Property, plant and equipment	874,794	908,171
Intangible assets	1,418,438	1,365,376
Investment in associate	16,049	-
Deferred tax asset	920,492	904,692
Total non-current assets	<u>3,229,773</u>	<u>3,178,239</u>
Inventories	61,169	50,594
Trade and other receivables	753,679	1,352,015
Tax recoverable	3,082	3,082
Cash at bank and in hand	46,698	33,171
	<u>864,628</u>	<u>1,438,862</u>
Non-current assets classified as held for sale	536,558	536,558
Total current assets	<u>1,401,186</u>	<u>1,975,420</u>
Total assets	<u><u>4,630,959</u></u>	<u><u>5,153,659</u></u>


Datatrak Holdings p.l.c.

Condensed Consolidated Interim Balance Sheet

As at 30 June 2007

	The Group	
	30.06.07	31.12.06
	Lm	Lm
Equity		
Issued capital	1,594,950	1,594,950
Share premium	988,590	988,590
Retained earnings	451,586	528,546
	-----	-----
Total equity attributable to equity holders of the parent	3,035,126	3,112,086
Minority Interest	277,118	240,084
	-----	-----
Total Equity	3,312,244	3,352,170
	-----	-----
Liabilities		
Interest-bearing loans and borrowings	187,530	217,738
	-----	-----
Total non-current liabilities	187,530	217,738
	-----	-----
Interest-bearing loans and borrowings	172,315	670,627
Trade and other payables	958,870	913,124
	-----	-----
Total current liabilities	1,131,185	1,583,751
	-----	-----
Total liabilities	1,318,715	1,801,489
	-----	-----
Total equity and liabilities	4,630,959	5,153,659
	=====	=====

The Condensed Consolidated interim financial statements set out on pages 5 to 11 were approved by the Board of Directors on 27 August 2007 and were signed on its behalf by:



Mr Walter Bonnici
Chairman



Mr Joseph Spiteri
Director

Datatrak Holdings p.l.c.

Condensed Consolidated Interim Statements of Changes in Equity

For the six-months ended 30 June 2007

	Attributable to equity holders of the parent			Total	Minority Interest	Total Equity
	Share Capital	Share Premium	Accumulated loss/Retained earnings			
	Lm	Lm	Lm			
The Group						
At 1 January 2006	1,594,950	3,235,608	(1,644,017)	3,186,541	110,352	3,296,893
(Loss)/Profit for the period	-	-	(34,174)	(34,174)	93,878	59,704
At 30 June 2006	<u>1,594,950</u>	<u>3,235,608</u>	<u>(1,678,191)</u>	<u>3,152,367</u>	<u>204,230</u>	<u>3,356,597</u>
At 1 January 2007	1,594,950	988,590	528,546	3,112,086	240,084	3,352,170
(Loss)/Profit for the period	-	-	(76,960)	(76,960)	37,034	(39,926)
At 30 June 2007	<u>1,594,950</u>	<u>988,590</u>	<u>451,586</u>	<u>3,035,126</u>	<u>277,118</u>	<u>3,312,244</u>

Datatrak Holdings p.l.c.

Condensed Consolidated Interim Statements of Cash Flows

For the six-months ended 30 June 2007

	The Group	
	01.01.07 to 30.06.07	01.01.06 to 30.06.06
	Lm	Lm
Cash flows from operating activities		
Cash receipts from customers	719,690	525,080
Cash paid to suppliers and employees	(580,091)	(518,345)
Cash generated from operations	139,599	6,735
Interest received	21,942	20,450
Interest paid	(17,782)	(19,085)
Income taxes received	1,155	-
Net cash from operating activities	144,914	8,100
Cash flows from investing activities		
Acquisition of property, plant and equipment	(19,412)	(39,633)
Payments for intangibles	(154,962)	(128,556)
Investment in associate	(23,265)	-
Proceeds from maturity of financial assets	515,000	-
Advances (to)/by shareholder	(50,248)	4,792
Exchange gain on investing activities	-	764
Net cash from/(used in) investing activities	267,113	(162,633)
Cash flows from financing activities		
Advances by Government entity	-	54,455
Advances by related parties	78,022	133,532
Repayment of advances by related parties	(33,655)	(95,675)
Net cash from financing activities	44,367	92,312
Net increase/(decrease) in cash and cash equivalents	456,394	(62,221)
Cash and cash equivalents at 1 January	(540,195)	(490,130)
Cash and cash equivalents at end of period	(83,801)	(552,351)

Datatrak Holdings p.l.c.

Notes to the Condensed Consolidated Interim Financial Statements

For the six-months ended 30 June 2007

1 Reporting entity

Datatrak Holdings p.l.c. ("the Company") is a company domiciled in Malta. The condensed consolidated interim financial statements of the Company as at and for the six months ended 30 June 2007 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associate.

2 Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with accounting standards adopted for use in the EU for interim financial statements (EU adopted IAS 34 *Interim Financial Reporting*).

These condensed consolidated interim financial statements have been extracted from the unaudited and unreviewed group management accounts for the six months ended 30 June 2007.

The interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the financial statements of Datatrak Holdings p.l.c. as at and for the year ended 31 December 2006.

The condensed consolidated interim financial statements were approved by the Board of Directors on 27 August 2007.

The consolidated financial statements of the Group as at and for the year ended 31 December 2006 are available upon request from the Company's registered office at F26, Mosta Technopark, Mosta, Malta.

3 Going concern

These condensed consolidated interim financial statements have been prepared on the going concern basis which is dependent upon the successful outcome of the projects referred to in note 28 of the 2006 Annual Report and Financial Statements. The directors are of the opinion that profits and cash flows expected from the successful outcome of these projects are sufficient to meet present and future commitments and liabilities of the company as these fall due.

4 Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its financial statements as at and for the year ended 31 December 2006.

Datatrak Holdings p.l.c.

Notes to the Condensed Consolidated Interim Financial Statements

For the six-months ended 30 June 2007

5 Estimates

The preparation of consolidated interim financial statements 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 these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the 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 December 2006.

6 Subsequent events

In July 2007 Datatrak Nigeria Ltd was granted a licence by the Nigerian Communication Commission under Section 32 of the Nigerian Communications Act 2003, to provide and operate Public Mobile Communications - Vehicular Tracking Services within all of Nigeria. Meanwhile our Nigerian Partners with the help of Datatrak MENA Limited personnel are holding negotiations with financial institutions in Nigeria to acquire the best financial package in order to ensure a successful conclusion to the project.

Although all efforts are being directed in order to conclude all the necessary agreements and negotiations, it is management's opinion that should the Nigerian deal not be concluded in the very near future, LF/UHF networking equipment held in anticipation of a sale in Nigeria and other assets relating to the DSL cash generating unit may need to be written down to a value that excludes the cash flows from the Nigerian project. The effect of such a write-down could be in the region of Lm1.8 to Lm2.8 million with a direct consequential impact on the net asset value of the Group. Notwithstanding management's confidence in the eventual conclusion of the contract, management believes that the write down would be warranted to present clearly the financial state of affairs in such an event.

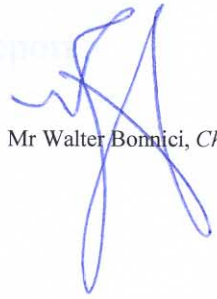
Datatrak Holdings p.l.c.

Statement pursuant to Listing Rule 9.44.3 issued by the Listing Authority

I hereby confirm that to the best of my knowledge as follows:

- the condensed consolidated interim financial statements give a true and fair view of the financial position of the Group as at 30 June 2007, as well as of the financial performance and cash flows for the said period, fully in compliance with the accounting standards adopted for use in the EU for interim financial statements (EU adopted IAS 34, *Interim Financial Reporting*); and
- the Interim Directors' report includes a fair review of the information required in terms of Listing Rule 9.44.2

Unaudited Half-Yearly Report
30 June 2007



Mr Walter Bonnici, *Chairman*