

COMPANY ANNOUNCEMENT

Datatrak Holdings plc

Interim Directors' Statement

Date of Announcement	19/05/2008
Reference	79/2008
Listing Rule	LR9.51-9.53

This is a company announcement being made by the Company in compliance with Chapter 9 of the Listing rules:

Interim Directors' Statement

As stated by Datatrak Holdings plc in a Company Announcement published on the 15th May 2008, the restructuring transaction approved during the EGM held in April 2008 has formally come into effect. This restructuring process will allow the Group to proceed with its growth plans on an international level, whilst allowing it not to have any future projected positive results being diluted. The announced forecasted Group revenue for 2008 was estimated to slightly surpass the €4 million mark. Such an anticipated level of revenue was based on the assumptions, that (a) existing revenues generated from existing multi-year contracts in Malta and the United Kingdom will remain on the same levels as in 2007, and (b) that the revenues anticipated to materialise from the Italian market will come on stream together with an increase in market share in the United Kingdom.

In the UK, Datatrak Holdings plc through its subsidiary Datatrak Solutions Ltd continued to register a steady performance during the first 4 months of 2008 in terms of Pound Sterling denominated sales, notwithstanding the prevailing economic situation in the UK. UK sales in relation to Datatrak On-line continued to grow as anticipated in the company's forecasts, whilst negotiations with two multinational clients operating from the UK for the use of DispatchIT are reaching the final stages. These two upcoming sales are also viewed as important strategic sales as they can potentially spill over into other European countries. Maintenance and support contracts and consultancy contracts in relation to RouteIT have also been secured. As revenue denominated in Pound Sterling is moving according to forecasts, it should be noted that the prevailing weakening of the Pound Sterling against the Euro should be kept into consideration.

datatrak holdings plc

The Italian subsidiary of Datatrak Solutions Ltd, Datatrak Italia srl, kicked off in full swing with its marketing efforts, with a number of on-going DispatchIT trials with potential clients. The trial stage is the post proposal and final stage prior to the clients accepting to move forward with the purchase of DispatchIT licenses. As opposed to the situation with the UK currency, the change-over of the Maltese Lira to the Euro eliminated completely the exchange rate risks.

It was also anticipated that a modest level of revenue in 2008 would be realised from the Dutch market, through the sale of DispatchIT licenses (Dutch version). This anticipation is projected to be realised in the second half of 2008, whereby two client trials will take place in June 2008. Datatrak Solutions Ltd also initiated the implementation of the second phase of its Marketing Plan for the penetration of the Italian, Spanish and French region through the recruitment of a Product and Solutions Manager specifically assigned for the Spanish market, whilst the Company is currently concluding the Spanish versions of its solutions.

The Group's tracking operator, Datatrak Systems Ltd, incremented its total vehicle tracked fleet in the first months of 2008, with the adjudication of a five year tender for a major customer. Notwithstanding increased tracked vehicles, revenue generated from the sale and leasing of tracking equipment and vehicle tracking services in the local market is not expected to increase as pricing had to be adjusted due to market forces driving prices down.

Moreover, Datatrak Systems Ltd, initiated its migration process of all its connected vehicles to GPS/GPRS technology, which will result in lower levels of operational costs. Other local revenues generated from projects and services (such as the Vessel Monitoring System) other than those generated from vehicle tracking services are anticipated to remain at the 2007 levels.

Overall, the operational performance of the Group in the first four months of 2008 is in line with the anticipated forecasts for the period.

Signed



Louis de Gabriele
Company Secretary