

COMPANY ANNOUNCEMENT

Datatrak Holdings plc

Interim Directors' Statement

Date of Announcement	19 November 2008
Reference	91/2008
Listing Rule	LR9.51

The following is a company announcement issued by Datatrak Holdings p.l.c. pursuant to Chapter 9 of the Listing Rules:

Interim Directors' Statement

As announced by the Company during the last AGM, the Group is now structured having distinct business units, each addressing a particular market offering and clearly delineating the core business activities of the Group. During the second half of the year, the Group introduced three new business units, each of which being complementary to the existing business units of the Group, and in synch with the Group focus of being an end-to-end solutions provider.

The three business units that came into being as from August 2008 cover the following areas: (i) International ICT Projects (ii) ICT Solutions and (iii) Business and IT Consultancy. With regards to the latter, a subsidiary company (Datatrak Business Consultancy Limited) was established in October 2008 with Datatrak Holdings plc owning 75% of the business. As the three business units are in start-up mode, it is not envisaged that significant revenues will be registered in 2008.

The non-audited Interim Financial Statement for the period 1 Jan 2008 till 30 June 2008 stated that due to the complexity of the restructuring transaction, the restructuring itself shifted certain targets by 6 months, whilst on the UK front, the weakening of the UK Sterling against the Euro had a material effect on the Euro Denominated Group Results. Internationally, the Group's strategy of geographical market diversification came into being in the third quarter of 2008, with conclusion of the first non-UK based contracts. Such diversification should allow the group to minimise exchange rate risk and possibly dilute as much as possible, effects of the international economic slow-down.

In the UK, the third quarter of 2008 saw the Group secure a further multi year contract for the use of DispatchIT, however the effect of this contract will be registered in 2009. Monthly revenues from Datatrak On-line registered marginal increases, in line with the Group's forecast.

In Italy, the Italian subsidiary of the Group, Datatrak Italia srl, registered its first contracts in the third quarter of 2008. Revenues for the latter, however are expected to materialise in 2009.

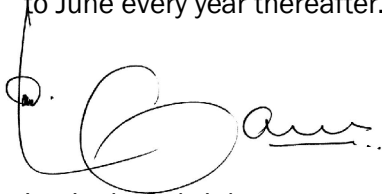
Other international markets which the Group has been targeting since January 2008 are the Dutch and Libyan market. In Libya, the first sales were registered in the third quarter of 2008, whereby the registered revenues covered in full all marketing and set-up costs incurred in Libya. In the Netherlands; the trial-to-buy trials are still on-going.

Locally, the Group continued to register further subscriptions with its tracking service, thus continuing to increase its customer base. As anticipated, competition in this area continued to persist, thus placing pricing pressures on the market operators, including Datatrak. Datatrak had anticipated this situation and invested in newer technology that allowed it to be very competitive.

In the third quarter, other local revenues generated from projects and services (such as the Vessel Monitoring System) other than those generated from vehicle tracking services, were in line with the sales forecasts.

Overall, the operational performance of the Group (January to October 2008) compared to the same period in 2007 saw an improvement in turnover, notwithstanding the incurred GBP-EURO exchange rate loss. Costs registered a slight increase due to an increase in the Group's human resource complement. All other items are in line with the January to October 2007 costs.

The Board of Directors approved that the Financial Year End of the Group shall change from 31st December to 30th June with immediate effect. Such a change in the financial year was necessary so as to red circle the '6 month, one time' effect of the Group restructuring process mentioned above, and thus depict post-restructuring results in a full year. In this context, the post-restructuring year will run from January 2008 to June 2009, and will subsequently run from July to June every year thereafter.



Louis de Gabriele
Company Secretary