

## COMPANY ANNOUNCEMENT

**Datatrak Holdings plc**

## Interim Directors' Statement

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Date of Announcement	26 May 2009
Reference	96/2009
Listing Rule	LR 9.51 et seq

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This is a company announcement being made by the Company in compliance with Listing Rule 9.51 et seq of the Listing rules:

## QUOTE

**Interim Directors' Statement**

As highlighted in the unaudited half-yearly report for December 2008, activity on the international markets was significantly affected by the global downturn. In order to mitigate this slow-down in business a concerted effort was taken to further reduce operating costs. Due to the fact that the Group had already reduced the major infrastructural costs to a bare minimum by mid-2008, the company decided to embark on a number of new measures to further manage costs.

All development efforts are now being focused on those areas which are seen to have the greatest potential for cash generation, this has required the company to restructure its development capacity and focusing it more on cash-generating projects without losing any of its vital development resources.

We have actively sought to maintain our sales effort in the various markets where we are already present but have suspended the plan to infiltrate new markets until the international situation is more positive. As part of our drive to reduce our sales and administration costs, we have significantly downsized both our teams in these departments. A collaborative effort to generate new leads and sales are now coming from senior management and our overseas partners.

Departments which did not make a significant contribution to margin have been shut-down and management reduced. A number of resources have been reassigned to ensure high levels of cover in those areas which make up the Group's core business.

As can be seen major effort has been made towards maintaining our cash flow. Revenue streams from major projects have been preserved despite the current economic downturn and we have secured a significant loan from our bank guaranteed by the company and the major shareholder. Increasing revenue, managing costs and increasing cash flow will remain a key focus for the company.

## UNQUOTE



Louis de Gabriele  
Company Secretary