

**SOFTWARE RADIO TECHNOLOGY PLC  
("SRT" or the "Group")**

**INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009**

Software Radio Technology plc, the AIM-quoted developer of maritime identification and tracking technologies, announces its unaudited interim results for the six months ended 30 September 2009.

During the first six months, SRT has started to see the fruits of its long term strategy. Revenues have increased by 122% to £2.1 million whilst the loss for the period reduced from £402,000 to £31,000 compared to the first six months of last year. Net cash balances increased by 32% from £535,000 at 31 March 2009 to £705,000 at 30 September 2009.

SRT is focused on the development of high performance, complex, low cost maritime identification and tracking solutions with a particular focus on AIS (Automatic Identification System). AIS has become the system of choice for authorities and mariners around the world thus creating a global market for AIS products. SRT's evolving range of AIS solutions enables companies seeking to address this diverse global market in leisure, commercial and homeland security, to do so quickly and with minimal risk and investment. The increase in AIS projects and mandates around the world and therefore demand for SRT's solutions, has been the primary driver for the acceleration in the growth. However, so far, relatively few of the announced and expected AIS mandates have come into effect and therefore SRT continues to invest for the future.

SRT has invested heavily in the development of new AIS technologies and products with the objective of significantly improving and broadening its product range. This year has seen the introduction of a miniature low cost AIS receiver module and in Q2 2010 SRT will start production of a new Class A unit. The addition of these products enables SRT to address all segments of the global AIS market and is expected to provide additional revenue streams from 2010 with good margins.

The outlook for the AIS market is encouraging. Countries around the world, from South Korea and China to India, USA, EU and Turkey are either actively implementing or planning national mandates for the use of AIS devices on hundreds of thousands of vessels. Since 2005, SRT has worked to develop low cost, flexible technologies and embed them within a wide variety of customer products. The Group's customer base continues to grow, with established brands and sales channels in the global marine markets.

The Board therefore believes that SRT is well positioned to benefit from the expected increasing demand for AIS products, as demonstrated by the revenue growth we are reporting. However, the global AIS market remains in its early stages with most mandates yet to take effect and many more still in the planning stage. Therefore future revenues remain difficult to predict accurately and may be subject to significant fluctuations, upwards or downwards.

Finally I would like to take this opportunity to thank all our staff for their tireless, passionate and innovative work, without which SRT would not have been able to develop market leading technologies and establish itself as the leading provider of AIS solutions in the world today.

Nick Jolliffe  
Chairman

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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009**

	Notes	Six months ended 30 Sep 2009 Unaudited £	Six months ended 30 Sep 2008 Unaudited Re-presented* £	Year ended 31 Mar 2009 Audited £
<b><u>Continuing operations</u></b>				
Revenue		2,093,574	944,611	2,516,489
Cost of sales		(1,423,684)	(724,673)	(1,565,649)
<b>Gross profit</b>		<b>669,890</b>	<b>219,938</b>	<b>950,840</b>
Administrative expenses		(975,950)	(698,127)	(2,224,313)
Other net operating income		167,273	-	-
<b>Operating loss before share based payments</b>		<b>(138,787)</b>	<b>(478,189)</b>	<b>(1,273,473)</b>
Share based payments charge	2	(58,403)	(99,750)	(42,130)
<b>Operating loss after share based payments</b>		<b>(197,190)</b>	<b>(577,939)</b>	<b>(1,315,603)</b>
Investment revenues		491	28,345	33,441
<b>Loss before income tax</b>		<b>(196,699)</b>	<b>(549,594)</b>	<b>(1,282,162)</b>
Income tax credit		165,662	147,710	147,710
<b>Loss for the period from continuing operations</b>		<b>(31,037)</b>	<b>(401,884)</b>	<b>(1,134,452)</b>
<b><u>Discontinued operations</u></b>				
<b>Loss for the period from discontinued operation</b>		<b>-</b>	<b>(1,217,518)</b>	<b>(11,043,473)</b>
<b>Loss for the period (including discontinued operation)</b>		<b>(31,037)</b>	<b>(1,619,402)</b>	<b>(12,177,925)</b>
<b>Loss per share (basic and diluted):</b>	3			
Continuing operations		<b>(0.03)p</b>	(0.41)p	(1.2)p
Discontinued operations		-	(1.25)p	(11.3)p
Continuing and discontinued operations		<b>(0.03)p</b>	(1.66)p	(12.5)p

\* Re-presented – see note 1

**CONSOLIDATED BALANCE SHEET  
AS AT 30 SEPTEMBER 2009**

	Notes	As at 30 Sep 2009 Unaudited £	As at 30 Sep 2008 Unaudited £	As at 31 Mar 2009 Audited £
<b>Assets</b>				
<b>Non-current assets</b>				
Intangible assets		1,137,593	7,563,373	908,365
Investments		-	351,586	-
Property, plant and equipment		86,260	430,925	82,090
<b>Total non-current assets</b>		<b>1,223,853</b>	<b>8,345,884</b>	<b>990,455</b>
<b>Current assets</b>				
Inventories		709,372	848,314	897,981
Trade and other receivables		354,982	3,867,366	651,854
Cash and cash equivalents		704,926	1,581,533	535,692
<b>Total current assets</b>		<b>1,769,280</b>	<b>6,297,213</b>	<b>2,085,527</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Trade and other payables		(289,085)	(1,350,272)	(399,300)
<b>Total current liabilities</b>		<b>(289,085)</b>	<b>(1,350,272)</b>	<b>(399,300)</b>
<b>Total liabilities</b>		<b>(289,085)</b>	<b>(1,350,272)</b>	<b>(399,300)</b>
<b>Net assets</b>		<b>2,704,048</b>	<b>13,292,825</b>	<b>2,676,682</b>
<b>Shareholders' funds</b>				
Ordinary shares		97,818	97,818	97,818
Share premium		15,387,084	15,387,084	15,387,084
Other reserves	4	5,490,596	5,490,596	5,490,596
Retained earnings		(18,271,450)	(7,682,673)	(18,298,816)
<b>Total funds</b>		<b>2,704,048</b>	<b>13,292,825</b>	<b>2,676,682</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009**

	Share Capital	Share Premium	Retained Earnings	Other Reserves	Total
	£	£	£	£	£
<b>Balance at 1 April 2008</b>	<b>97,818</b>	<b>15,387,084</b>	<b>(6,163,021)</b>	<b>5,490,596</b>	<b>14,812,477</b>
Loss for the period	-	-	(1,619,402)	-	(1,619,402)
Employee share options scheme – value of employee services	-	-	99,750	-	99,750
<b>Balance at 30 September 2008</b>	<b>97,818</b>	<b>15,387,084</b>	<b>(7,682,673)</b>	<b>5,490,596</b>	<b>13,292,825</b>
Loss for the period	-	-	(10,558,523)	-	(10,558,523)
Employee share options scheme – value of employee services	-	-	(57,620)	-	(57,620)
<b>Balance at 31 March 2009</b>	<b>97,818</b>	<b>15,387,084</b>	<b>(18,298,816)</b>	<b>5,490,596</b>	<b>2,676,682</b>
Loss for the period	-	-	(31,037)	-	(31,037)
Employee share options scheme – value of employee services	-	-	58,403	-	58,403
<b>Balance at 30 September 2009</b>	<b>97,818</b>	<b>15,387,084</b>	<b>(18,271,450)</b>	<b>5,490,596</b>	<b>2,704,048</b>

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009**

	Notes	Six months ended 30 Sep 2009 Unaudited £	Six months ended 30 Sep 2008 Unaudited Re-presented* £	Year ended 31 Mar 2009 Audited £
<b><u>Continuing operations</u></b>				
<b>Net cash from operating activities</b>	5	460,251	(288,723)	(896,609)
Interest received		491	28,345	33,441
Corporation tax received		165,662	147,710	147,710
<b>Net cash from operating activities</b>		<b>626,404</b>	<b>(112,668)</b>	<b>(715,458)</b>
<b><u>Investing activities</u></b>				
Purchase of intangible fixed assets		(433,665)	(224,404)	(213,496)
Purchase of property, plant and equipment		(23,505)	(37,985)	(59,463)
<b>Net cash used in investing activities</b>		<b>(457,170)</b>	<b>(262,389)</b>	<b>(272,959)</b>
<b>Net increase/(decrease) in cash and cash equivalents from continuing operations</b>		<b>169,234</b>	<b>(375,057)</b>	<b>(988,417)</b>
<b><u>Discontinued operation</u></b>				
Cash flows from operating activities		-	(381,091)	(336,331)
Cash used in investing activities		-	(1,167,803)	(1,645,044)
<b>Net decrease in cash from discontinued operation</b>		<b>-</b>	<b>(1,548,894)</b>	<b>(1,981,375)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>		<b>169,234</b>	<b>(1,923,951)</b>	<b>(2,969,792)</b>
Cash and cash equivalents at beginning of period		535,692	3,505,484	3,505,484
<b>Cash and cash equivalents at end of period</b>		<b>704,926</b>	<b>1,581,533</b>	<b>535,692</b>

\*Re-presented – see note 1

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**1. Accounting Policies**

*Basis of preparation*

The interim financial information in this report has been prepared using accounting policies consistent with IFRS as adopted by the European Union. IFRS is subject to amendment and interpretation by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) and there is an ongoing process of review and endorsement by the European Commission. The financial information has been prepared on the basis of IFRS that the Directors expect to be adopted by the European Union and applicable as at 31 March 2010.

The accounting policies are consistent with those of the annual financial statements for the year ended 31 March 2009.

On 31 December 2008, the Board decided to discontinue the Group's professional mobile radio division and accordingly placed its 100% subsidiary, SRT PMR Technology Ltd, into Administration. This operation was not classified as discontinued as at September 30, 2008 and the comparative income statement and cash-flows have therefore been re-presented to show the discontinued operation separately from the continuing operations.

*Non-statutory accounts*

The financial information for the year ended March 31 2009 set out in this interim report does not constitute the Group's statutory accounts for that period. The statutory accounts for the year ended 31 March 2009 have been delivered to the Registrar of Companies. The auditors reported on those accounts; their report was unqualified, did not contain a statement under either Section 237 (2) or Section 237 (3) of the Companies Act 1985 and did not include references to any matters to which the auditor drew attention by way of emphasis.

The financial information for the 6 months ended 30 September 2009 and 30 September 2008 is unaudited.

The interim financial statements will be available to download on the Company's website [www.softwarerad.com](http://www.softwarerad.com).

**2. Share-based payment**

In line with the requirements of IFRS 2, the Group has recognised the following profit and loss charges in respect of issued share options:

	Six months ended 30 Sep 2009 Unaudited £	Six months ended 30 Sep 2008 Unaudited £	Year ended 31 Mar 2009 Audited £
Share options – profit and loss charge	58,403	99,750	42,130

**3. Earnings per share**

The basic and diluted earnings per share have been calculated using the loss for the period of £31,037 (six months ended September 30, 2008 – loss of £1,619,402; year ended March 31, 2009 loss of £12,177,925) divided by the weighted average number of ordinary shares in issue of 97,817,107 (six month ended September 30, 2008 and year ended March 31, 2009 – 97,817,107).

**4. Other Reserves**

Other reserves consist of: Capital Redemption Reserve £2,857 (2008: £2,857), Warrants Reserve £62,400 (2008: £62,400) and Merger Reserve £5,425,339 (2008: £5,425,339). There were no movements during the period.

**5. Cash from Operations**

	Six months ended 30 Sep 2008 Unaudited £	Six months ended 30 Sep 2008 Unaudited Re-presented* £	Year ended 31 Mar 2009 Audited £
<b>Operating loss</b>	<b>(197,190)</b>	<b>(577,939)</b>	<b>(1,315,603)</b>
Depreciation of property, plant and equipment	19,335	9,148	21,315
Amortisation of intangible fixed assets	204,437	160,187	401,027
Share-based payment charge	58,403	99,750	42,130
(Increase)/decrease in inventories	188,609	(379,059)	(751,197)
Decrease in trade and other receivables	296,872	1,300,255	1,606,219
(Decrease) in trade and other liabilities	(110,215)	(901,065)	(1,131,051)
Impairment of intangible fixed assets	-	-	230,551
<b>Net cash generated / (used) in operations</b>	<b>460,251</b>	<b>(288,723)</b>	<b>(896,609)</b>

\*Re-presented – see note 1