

**SOFTWARE RADIO TECHNOLOGY PLC
(AIM: SRT)**

PRE-CLOSE TRADING UPDATE

Software Radio Technology plc (“SRT” or the “Company”), the AIM-quoted provider of maritime domain technologies, products and solutions, today issues its pre-close trading update for the year ended 31 March 2014.

The Company expects, subject to audit, to report revenue of £6 million and a loss before tax of £1.5 million for the year ended 31 March 2014.

During the period the Company continued its long term investment programme into new core technologies, derivative platform products and customised products. This resulted in the launch and commencement of deliveries of a comprehensive AIS AtoN product range incorporating two product families, Express and Carbon, as well as customised platform products for the leisure and commercial marine markets. SRT has established a global AtoN reseller network through which the first sales have been achieved and work continues to gain traction in this market segment.

In October 2013, the Company acquired GeoVS Limited which has now been fully integrated within the SRT operations structure as a development group focused on providing display solutions built around the core 3D digital reality technology.

The core distribution network grew during the year, but core business was lower than expected due to general economic conditions and the slower rollout of some of the commercial mandates in the EU and US, which tend to have an effect on the growth rate of non-mandated purchases of AIS.

Whilst business generated from mandates and projects during the year was minimal due to the timing of these opportunities, there has been material progress towards implementation by the relevant authorities. This is demonstrated by the US\$6.75 million Frame Order that has been announced separately today and we expect to see further significant orders arising over the next 12 months. However the lumpy and unpredictable nature of this revenue stream will remain a challenge for SRT in terms of stock planning and setting market expectations.

Simon Tucker, CEO, commented: “This year has undoubtedly been challenging and we are disappointed with the timing of some of the projects. However, on the ground the global marine domain awareness market, across all segments, is providing more opportunities than ever before. In a little over a decade AIS has moved from a niche technology for large ships to one that is being integrated into the marine domain to sit alongside radar across multiple applications, and as a result of our continuing investment in technology, product platforms and customer networks, SRT is centrally positioned to benefit from this long term trend.”

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About SRT:

The Software Radio Technology plc group develops advanced radio communications technologies which are used to create a range of product platforms and then further customised for specific customer and market requirements. SRT product solutions enable a growing global network of over 150 customers to provide a wide variety of solutions addressing maritime safety, efficiency and security. For further information please visit: www.softwarerad.com

About AIS:

AIS is a real time mesh network technology which provides constantly updated data on the identity and movement of vessels and other marine objects. The AIS device uses positioning technologies such as GPS, GLONASS or COMPASS to calculate dynamic data on the position and movement of the vessel, which is instantly fused with static data identifying the vessel on which it is located.

This information is broadcast on defined radio frequencies whilst simultaneously receiving similar messages from other AIS devices within range. This provides each AIS device with a constant feed of real time information on the surrounding marine domain. For further information please visit:

www.srt-marine.com