

Wednesday 31st December 2008

SOFTWARE RADIO TECHNOLOGY PLC ("SRT" or the "Company")

Trading Update

SRT plc ("The Company") regrets to announce that one of its two subsidiaries, SRT PMR Technology Limited ("SRT PMR") has been placed into administration with immediate effect.

Further to the announcement made on 19th December, as a result of delayed payments from customers SRT PMR has a funding gap. Unfortunately it has not been possible to secure the additional finance required and the Board of SRT PMR Technology Limited has reluctantly decided that it was not able to continue to trade as a going concern. Therefore, as required by law, the Board of SRT PMR have appointed Andrew Tate and Nedim Ailyan of insolvency practitioners Abbott Fielding as Joint Administrators to SRT PMR from Wednesday 31st December 2008.

As a result of this action, SRT plc expects to make significant write downs at the year end to reflect the investment made by SRT plc into SRT PMR Technology Limited. Except for the aforementioned write down, the appointment of administrators to SRT PMR does not affect SRT plc or its other trading subsidiary, SRT Marine Technology Limited which are separate legal entities to SRT PMR, continue to trade normally and are sufficiently funded.

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