



TRAKM8 HOLDINGS PLC
 (“Trakm8” or “the Group”)

Unaudited Interim Results
for the six months ended 30 September 2009

Highlights

	Six months to 30 September 2009 Unaudited	Six months to 30 September 2008 Unaudited	Year to 31 March 2009 Audited
	£'000	£'000	£'000
Turnover	1,706	1,995	3,679
Gross Profit	1,138	1,106	2,162
Gross Profit %	66.7%	55.4%	58.8%
Earnings before interest, depreciation & amortisation	244	(197)	(104)
Profit / (loss) before tax	100	(352)	(402)
Net cash and cash equivalents	444	(134)	99
Net assets	1,554	1,227	1,182

- Focus on higher margin products results in reversal of previous year's losses
- Gross profit margin increased by 11% on equivalent period last year
- EBITDA of £0.24m and profit before tax of £0.1m
- Cash improved by £0.34m with net cash of £0.44m at the period end
- Successful launch of Trakm8 Swift5

Dawson Buck, Chairman, said “It is particularly pleasing to present our latest interim results that confirm the Group’s return to profitability despite a trading environment universally acknowledged as challenging. Our focus on technological innovation along with the delivery of high quality and excellent value fleet solutions to our customers emphasises the growing Trakm8 brand influence within the industry.”

For further information, please visit www.trakm8.com or contact:

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Chairman's Statement

The first six months of this financial year have continued the positive trends established in the second half of last year. Although revenue in the period reduced by 14% to £1.71m (2008: £1.99m), the focus on higher margin products and customers in conjunction with the cost reduction initiatives taken last year have resulted in a profit before tax of £0.10m (2008: loss £0.35m).

The Company generated a positive cash flow from trading during the period and in addition improved the balance sheet in May 2009 with a placing of 4,454,046 new ordinary shares to raise approximately £0.27 million (after expenses). Our net cash position at the end of September 2009 was £0.44m (2008: net overdraft £0.13m).

The launch of the next generation Trakm8 Swift server side application has been very well received with the majority of our customers seeing the advantages of migrating to this improved service.

Operational Review

During the period the Group started to deliver units as part of the E.ON contract announced on 25 March 2009. There has been an expansion of the customer base and new marketing initiatives, and these together with the launch of Trakm8 Swift 5, are delivering positive results.

The market conditions have continued to be difficult with the SME sector contracting, particularly as a result of the lack of availability of lease finance. Trakm8 has responded by offering a range of low cost entry products with no long term commitments. The failure of weaker competitors has also provided opportunities to expand our customer base.

Trakm8 has made good progress in increasing the number of units in service operating on the Trakm8 Swift platform. This creates an increasing base of recurring monthly revenue, which provides a greater predictability to future income. Trakm8's accounting policy is to not recognise the benefit of these sales in advance but to do so over the life of the contract to match the delivery of the goods and services.

The Group continues to invest heavily in technology, development of web based solutions, onboard CANbus (controller area network), and mapping software. In addition, considerable progress has been made on the government funded projects. These projects are jointly funded and have applications that benefit the long term product portfolio of the Group.

Outlook

The Group is confident that the business is now established on a firmer financial and operational base. The management team and staff are working well as a team. Trakm8 now has an exceptionally strong product and service offering and is one of the very few telematics companies that is a complete system owner. This is seen as a major commercial advantage when prospective customers are looking at complex integrations into their legacy IT systems.

The marketing initiatives implemented should ensure the Trakm8 solutions continue to increase market penetration resulting in further improvements to our levels of recurring revenues.

The market for smarter management solutions in logistics and fleet management is benefiting from increasingly cost effective telematics based products and services. Trakm8 is well placed to benefit from this trend.

**DAWSON BUCK
CHAIRMAN**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the six months to 30 September 2009

	<i>Note</i>	Six months to 30 September 2009 Unaudited	Six months to 30 September 2008 Unaudited	Year to 31 March 2009 Audited
Continuing operations		£'000	£'000	£'000
Revenue		1,706	1,995	3,679
Cost of sales		(568)	(889)	(1,517)
Gross profit		1,138	1,106	2,162
Other income		284	275	473
Operating expenses		(1,314)	(1,719)	(3,018)
Operating profit /(loss)		108	(338)	(383)
Finance income		-	3	3
Finance costs		(8)	(17)	(31)
Profit /(loss) before taxation		100	(352)	(411)
Taxation		-	-	9
Profit / (loss) attributable to the equity shareholders of the parent		100	(352)	(402)
Basic profit / (loss) per share (pence)	4	0.6	(2.6)	(2.9)
Diluted profit / (loss) per share (pence)	4	0.6	(2.6)	(2.9)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months to 30 September 2009

	Six months to September 2009 Unaudited	Six months to 30 September 2008 Unaudited	Year to 31 March 2009 Audited
	£'000	£'000	£'000
Total equity at beginning of period	1,182	1,573	1,573
Profit / (Loss) for the period	100	(352)	(402)
Shares issued	270	-	-
Exchange difference on translation of overseas operations	-	-	1
IFRS 2 share based payments	2	6	10
Total equity at end of period	1,554	1,227	1,182

CONSOLIDATED BALANCE SHEET
as at 30 September 2009

	30 September 2009 Unaudited	30 September 2008 Unaudited	31 March 2009 Audited
	£'000	£'000	£'000
Non-current assets			
Intangible assets	1,236	1,478	1,358
Plant, property and equipment	444	460	443
	1,680	1,938	1,801
Current assets			
Inventories	110	123	159
Trade and other receivables	621	856	700
Current tax	-	-	9
Cash and cash equivalents	444	264	100
	1,175	1,243	968
Current liabilities			
Trade and other payables	(1,006)	(1,225)	(1,270)
Borrowings	(54)	(449)	(59)
	(1,060)	(1,674)	(1,329)
Current assets less current liabilities	115	(431)	(361)
Total assets less current liabilities	1,795	1,507	1,440
Non-current liabilities			
Borrowings	(223)	(262)	(240)
Deferred tax	(18)	(18)	(18)
	(241)	(280)	(258)
Net assets	1,554	1,227	1,182
Equity			
	<i>Note</i>		
Called up share capital	5	188	139
Share premium		1,719	1,358
Shares to be issued		-	140
Merger reserve		510	510
Share based payment reserve		60	58
Translation Reserve		204	203
Retained loss		(1,127)	(1,177)
Total equity attributable to the equity shareholders of the parent		1,554	1,227
		1,227	1,182

CONSOLIDATED CASH FLOW STATEMENT
for the six months to 30 September 2009

		Six months to 30 September 2009 Unaudited	Six months to 30 September 2008 Unaudited	Year to 31 March 2009 Audited
	<i>Note</i>	£'000	£'000	£'000
Cash flows from operating activities	6	112	(257)	(17)
Cash flows from investing activities				
Proceeds on disposal of property, plant and equipment		-	-	20
Purchases of property, plant and equipment		(5)	(3)	(2)
Net cash used in investing activities		(5)	(3)	18
Cash flows from financing activities				
Repayment of loans		(31)	(27)	(55)
Proceeds from share issue		269	-	-
Net cash used in financing activities		238	(27)	(55)
Net increase / (decrease) in cash and cash equivalents		345	(287)	(54)
Cash and cash equivalents at beginning of period		99	439	153
Cash and cash equivalents at end of period		444	(134)	99

Notes to the financial information (unaudited)

- The financial information contained in this interim statement has not been audited or reviewed by the Company's auditor and does not constitute statutory accounts as defined in section 240 of the Companies Act 1985 or Section 434 of the Companies Act 2006. The Directors approved and authorised this interim statement on 18 November 2009. The financial information for the full preceding year is extracted from the statutory accounts for the financial year ended 31 March 2009. Those accounts, upon which the auditor issued an unqualified opinion, have been delivered to the Registrar of Companies.
- Trakm8 Holdings PLC is a public limited company incorporated in the United Kingdom under the Companies Act 1985. The Company is domiciled in the United Kingdom and its ordinary shares are traded on the Alternative Investment Market ("AIM").
- As permitted this Interim Report has been prepared in accordance with UK AIM Rules for Companies and not in accordance with IAS 34 "Interim Financial Reporting" and therefore is not fully in compliance with IFRS. IAS 1 (revised 2007) became effective for periods beginning on or after 1 January 2009. The revised standard has introduced a number of terminology changes and has resulted in a number of changes in presentation and disclosure. There has been no effect on the reported results or previous financial position of the Group.
- Profit / (loss) per ordinary share

	Six months to 30 September 2009 Unaudited	Six months to 30 September 2008 Unaudited	Year to 31 March 2009 Audited
	£'000	£'000	£'000
Profit / (loss) after taxation	100	(352)	(402)

Weighted average number of ordinary shares in issue

	No. '000	No. '000	No. '000
Basic	17,569	13,617	13,857
Diluted	17,620	- ¹	- ¹

¹ The diluted loss per share has not been calculated as this would reduce the reported loss per share for the period.

- On 8 May 2009, the Company issued 4,454,046 new ordinary shares at a price of 6.5 pence per share with existing shareholders and Directors to raise approximately £0.27m net of expenses.

On 7 August 2009, the Company issued 453,516 new ordinary shares in relation to the acquisition of PJSoft s.r.o. ("PJ Soft") as disclosed in the announcement on 7 August 2007. The shares were issued in satisfaction of the second and final equity based deferred consideration payment due to the vendors of PJ Soft.

6. Reconciliation of cash flows from operating activities:

	Six months to 30 September 2009 Unaudited £'000	Six months to 30 September 2008 Unaudited £'000	Year to 31 March 2009 Audited £'000
Net profit / (loss) before taxation	100	(352)	(411)
Adjustments for:			
Depreciation	14	21	39
Bank and other interest charges	8	14	28
Amortisation of intangible assets	122	120	240
Gain on disposal of property, plant and equipment	-	-	(8)
Share based payment expense	2	6	10
Operating cashflows before movement in working capital	246	(191)	(102)
Retranslation of overseas operations	-	-	1
Movement in inventories	50	23	(13)
Movement in trade and other receivables	79	(46)	109
Movement in trade and other payables	(264)	(62)	(17)
Cash generated from / (used in) operations	111	(276)	(22)
Interest paid	(8)	(17)	(31)
Interest received	-	3	3
Income taxes received	9	33	33
Net cash generated from / (used in) operating activities	112	(257)	(17)

7. Copies of the report are available at the Companies website www.trakm8.com and also from the registered office of Trakm8 Holdings PLC. The address of the registered office is: Lydden House, Wincombe Business Park, Shaftesbury, Dorset, SP7 9QJ.