

Embargoed Release: 0700 hrs 16 December 2009

21st Century Technology plc (“21st Century”, “the Company” or “the Group”)

COMPLETION OF STRATEGIC REPOSITIONING AS PUBLIC TRANSPORT CCTV AND MONITORING SYSTEMS SPECIALIST AND PRE-CLOSE TRADING UPDATE

DISPOSAL OF DATATOOL AND CESSATION OF INSURANCE VEHICLE INSTALLATION SERVICES IN LINE WITH ITS STRATEGY TO REPOSITION THE GROUP

21ST Century, the vehicle installation service provider supplying public transport CCTV and other monitoring systems, today announces the disposal of its Datatool business and the cessation of Insurance Vehicle Installation Services, completing the repositioning of the Group. The Group also issues the following pre-close trading update relating to the year ending 31 December 2009.

Profit from continuing activities

21st Century is pleased to report that the performance of its continuing public transport CCTV and monitoring systems operations remain in line with City profit expectations which were revised upward in September this year.

Throughout the period the Group has continued to win new contracts and expand its operations, as set out in previous announcements. During the year to 31 December 2009, the Group's Public Transport Monitoring Systems business has made a major contribution with sales of EcoManager in the UK and CCTV sales in Europe performing well. We have also seen a growth in CCTV sales to Go-Ahead, having secured a three year contract estimated to be worth around £6m in sales.

Disposal of Datatool and cessation of Insurance Vehicle Installation Services

The disposal of Datatool, the motorcycle alarm and accessories business, has been made by way of an asset sale comprising principally goodwill, stock and tooling to Scorpion Automotive Limited (“Scorpion”), a private company based in Chorley, Lancashire.

In the six months to 30 June 2009, Datatool made a small loss after allocation of central overheads on sales of just over £0.8m.

Scorpion is to pay cash consideration of £0.5m for the Datatool business (including £0.1m of stock and tooling at cost). £0.4m of the total consideration was paid on completion (15 December 2009) with the balance payable within 60 days. Scorpion is also to acquire further Datatool stock at cost from the Group including committed forward orders in place at the date of completion. Scorpion will pay for this stock in tranches as the stock is delivered with the final tranche scheduled for delivery in June 2010.

The Company also announces today that it is to cease its Insurance Vehicle Installation Services from early in the New Year. Before the Group repositioned itself into the public transport CCTV market, the nationwide insurance replacement of stolen in-car hi-fi was a major contributor to the Group's results. However, with the advent of improved vehicle security and the introduction of in-car entertainment systems which are built into the dashboard, this business has been in steady decline. Sales in this division fell by 50% to just £0.8m (representing less than 12% of total Group turnover) in the six months to 30 June 2009 compared to £1.6m in the same period last year. While breakeven was achieved by the division in H1 this year; management forecasts indicated sales would continue to fall and that the division would inevitably move into losses. Consequently after consulting with customers and staff, the decision was taken by the Board to cease activities in this sector.

Following the disposal of Datatool and the cessation of Insurance Vehicle Installation Services, the Group will incur reorganisation costs of £0.25m and will make exceptional provision for remaining obsolete stock of £0.15m. The carrying value of the Datatool goodwill of £0.5m will also be written off against the net proceeds from its disposal.

The net cash proceeds from the disposal of Datatool after deduction of reorganisation costs will be applied to reduce the Group's bank borrowing.

Peter Ward, Chairman of 21st Century, said:

"Today's announcement marks the final stage in our strategy to exit from our legacy businesses and reposition the Group as a leading public transport CCTV and monitoring supplier. The write off of the capitalised Datatool goodwill and reorganisation costs will result in a loss on these discontinued activities; but our continuing operations remain in line with City profit expectations. We have also reached a further significant milestone following the disposal of Datatool, in that our net debt which peaked at £10 million has reduced to zero for the first time in over ten years.

These actions will allow us to focus our management and financial resources on further developing our public transport CCTV and other monitoring systems business. In particular, we are keen to build upon the success of our award winning EcoManager black-box driver monitoring system which has generated significant fuel savings, reduced emissions, improved safety and lowered maintenance costs for our customers."

Ends

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Notes to editors

Launched in 1993, the company began as Toad plc and was focused on the distribution of in-car entertainment systems and vehicle security products. Under the stewardship of Chairman Peter Ward, former Chairman and CEO of Rolls Royce Motors and Cunard Line, who joined the board at the end of 2001, the company's strategy has been to reposition itself away from its legacy businesses into markets with better growth potential while leveraging its core strengths - nationwide field force of vehicle electrical engineers, call centre and distribution facilities.

In line with this strategy, in 2005 the company took a controlling stake in 21st Century Crime Prevention Services Limited which recently merged with fellow subsidiary, Toad (UK) Limited, to form 21st Century Technology Solutions Limited.

The holding company was renamed "TG21 plc" in 2005 and, to reflect the repositioning of the group, changed this name to "21st Century Technology plc" in June 2009.

21st Century is the preferred supplier of on-board CCTV systems for Arriva UK Bus and the Go-Ahead Group and has pioneered the use of WiFi with on-board CCTV systems. Transport for London commissioned the company to undertake a trial of '**LiveView**' - a system which transmits live CCTV pictures from on board the bus to a public transport and police control centre. 21st Century was also the first company to successfully launch **Automatic Video Downloads** and a bus CCTV monitoring system (**Heartbeat™**) which allow the CCTV manager to remotely download CCTV footage from the bus to his computer and check that all the CCTV systems fitted to his buses are fully operational, without leaving his desk. The company's overhead camera passenger counting device, known as **PAS – Passenger Analysis System**, links to the ticket machine and enables bus operators to analyse specific bus route ticket sales and passenger numbers.

21st Century's **EcoManager** product has made a significant contribution to sales since its launch in July 2008. The EcoManager black-box system is aimed at reducing fuel and maintenance costs, reducing emissions and improving safety for bus operators by monitoring individual driving styles against fuel consumption. Following a successful trial, in April 2009 Arriva UK committed to install the device on all their new buses and to retrofit a large proportion of their existing fleet. In November 2009 Arriva North West and Merseytravel won the industry recognised Alexander Dennis Award for Innovation following their installation of the EcoManager system which yielded fuel savings of up to 12% and associated CO2 emission reductions.