

11 October 2006

AEA Technology plc Pre-close trading update and Board change

AEA Technology plc is today providing an update on trading prior to entering its close period ahead of its interim results announcement scheduled for 14th December 2006.

The results for the six months to 30th September 2006 are forecast to be in line with expectations.

Following the sale of a portfolio of companies and the Rail Business in September, AEA is now focused solely on its growing Energy and Environment Business.

The business in the UK continues to perform well with new orders in the first half at around £34 million, a 17% increase on the same period in 2005. Double-digit sales growth has been achieved, and cash performance has been strong. Key contract wins during the period included SAFED (Safe and Fuel Efficient Driving for Vans) for the Department of Transport; also Envirowise and The Measurement and Analysis of Ozone Levels for DEFRA.

A new office has been established in Romania to exploit opportunities in Central and Eastern European states looking to accede to membership of the European Union.

Andrew McCree, Chief Executive of AEA Technology plc, said:-

"The new AEA has made good progress in the first six months of the year. The financial performance has been strong and, as we promised, we are continuing to reduce central costs towards our target of £3 million per annum. AEA is now in a strong position to take advantage of the many exciting opportunities arising from increasing concern about climate change and energy security. We are increasing our investment in organic growth and are seeking appropriate acquisitions.

We remain confident about the prospects for the year as a whole."

Board Changes

Following the successful completion of AEA's financial and business restructuring and consequent simplification of the Group, David Lindsay will step down from the Board as Group Finance Director from today. Alice Cummings, currently Deputy Group Finance Director, has been appointed to the Board to replace him with immediate effect.

Andrew McCree said:-

"I would like to pay tribute to David for both his personal support and his hard work on behalf of the Company, particularly in the last two years when so much has been accomplished. I wish him well for the future. At the same time I am pleased to welcome Alice to the Board. I am confident that she will make a strong contribution going forward."

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