

AEA Technology plc (“AEA” or “the Company”)

Interim Management Statement and Proposed Placing of 5,814,610 new ordinary shares in the Company at 115 pence per share to raise £6.7m before expenses

Interim Management Statement

AEA will hold its Annual General Meeting today at 14:00 and is publishing its first Interim Management Statement for the period from 1 April 2007 to 25 July 2007, as required by the UK Listing Authority's Disclosure and Transparency Rules.

AEA continues to see strong growth opportunities in the UK, Europe and the US. Orders received so far this year are at levels that will allow AEA to achieve year-end management expectations. To date revenues are up 12% compared to the same period last year.

Progress is also being made on reducing AEA's dependence on UK Government procurement cycles through continued growth both internationally and in the private sector. The Group continues to build on the stable financial position that resulted from last year's successful management actions. Net debt as at 30 June 2007 was £22.3m (2006: £37.7m).

The outlook for the Group remains positive and AEA is confident about the prospects for the full year.

Proposed Placing of 5,814,610 new ordinary shares in the Company at 115 pence per share to raise £6.7m before expenses

AEA is pleased to announce that it is today placing 5,814,610 new ordinary shares of 12 2/9 pence each in the capital of the Company (the “Placing Shares”) at a price of 115 pence per share (“the Placing”). The Placing, which is being undertaken by Oriel Securities Limited, represents approximately 4.9 per cent of AEA's existing issued share capital and is expected to raise approximately £6.7m (before expenses).

The Placing Shares will be placed with institutional investors at a price of 115 pence per Placing Share, representing a premium of 2.2 per cent to AEA's closing middle market price of 112.5 pence as at 25 July 2007.

AEA is looking to grow the business both organically and by acquisition. The funds raised from the Placing are intended to be used to help the Company achieve this growth and provide it with greater financial flexibility.

The Placing Shares will be issued credited as fully paid and will rank equally in all respects with the existing ordinary shares of AEA, including the right to receive all future dividends and other distributions. Application will be made for the Placing Shares to be admitted to the Official List and to be admitted to trading by London Stock Exchange plc on its market for listed securities (“Admission”). The Placing is conditional on the passing of certain share capital resolutions at the Company's AGM to be held today. The Placing is also conditional on Admission becoming effective, which is expected to take place on 1 August 2007. The Placing is not being underwritten.

For further information:

Madano Partnership 020 7593 4000
Matthew Moth

IR Focus 020 7593 4215
Neville Harris

Oriel Securities Limited 020 7710 7600
Simon Bragg
Gareth Price

The latest published financial information on AEA is available at www.aeat.com

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This announcement does not constitute an offer to sell or the solicitation of an offer to acquire ordinary shares in the share capital of AEA.

The information contained in this announcement is not for release, publication or distribution to persons in the United States, Australia, France, Canada, Japan, New Zealand or the Republic of South Africa. This announcement is not an offer of securities for sale into the United States. The Placing Shares have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold, directly or indirectly, in the United States absent registration or an exemption from registration. The Placing Shares have not been and will not be registered with any regulatory authority of any state within the United States. There will be no public offer of securities in the United States.

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