

20 January 2014

Press Release

Newmark Security plc

("Newmark" or the "Company")

Trading Update

Newmark Security plc (AIM:NWT), a leading provider of electronic and physical security systems, is pleased to announce a positive trading update, in advance of releasing its interim results for the six months ended 31 October 2013 by the end of this month.

The interim results will show group revenue above market expectations, due to orders being received, particularly from the Post Office, earlier than expected but it was considered by the Board that over the full year, results would have remained broadly in line with budget. However, recent further orders from the Post Office, the finalisation of a substantial one-off contract for a foreign embassy together with a healthy order book, mean the Board is confident that full year revenues will be substantially ahead of market expectations.

Against this positive news however, the Board has carried out a review of the carrying value of development costs relating to the cash in transit box and is anticipating impairing the remaining £0.8 million of costs in the half year accounts. The trials of our cash in transit box were successful and our client was impressed with its reliability and ergonomic design. However, due to their budget cuts, it is unlikely that any substantial order would be received from them in the near future. Furthermore, with developments from our competitors and the earlier than anticipated introduction of polymer notes in the UK requiring further development work, the Board has taken the decision to write off these costs. The Group will however, continue to market our box through existing and new customers.

- Ends -

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Notes to editors

Newmark Security PLC is a leading provider of electronic and physical security systems, which focus on personal security and the safety of assets. Operating through two established and wholly owned divisions, Grosvenor Technology (Electronic) and Safetell (Asset Protection), the Group listed on AIM in 1997.

Founded in 1989 Grosvenor Technology provides state of the art access control and data acquisition systems delivered via its reputable JANUS access control platform and its CUSTOM brand data-collection terminals. The next generation and recently launched SATEON software is a brand new and innovative access control concept which for the first time ever, even though it is 100% browser based, is truly without compromise in function, style, or performance. Grosvenor Technology clients include BAE Systems, UK Air Traffic Control, BSkyB, Merrill Lynch, Bank of America, M & S, Morrisons, Tesco, Network Rail, government departments and many universities. More information can be found at www.grosvenortechnology.com

Offering staff and asset protection since 1987, Safetell is the UK's leading provider of fixed and reactive security screens, reception counters, cash management systems and associated security equipment. Safetell's customers range from leading blue chip organisations to single sites including banks and building societies, police forces and the Post Office, local authorities and government departments, forecourt retailers and supermarket chains. More information can be found at www.safetell.co.uk