

2 March 2005

Centurion Electronics plc

Trading Update

The Board of Centurion Electronics plc ("Centurion" or the "Company"), the UK market leader in the field of in-car audio-visual entertainment, is pleased to announce that, despite challenging retail trading conditions over the Christmas period, current orders are at a level which leads the board to anticipate that the performance for the year to 30 September 2005 will be broadly in line with market expectations after adjustment for certain non-recurring items referred to below.

Orders from certain of the Company's high street retail clients were lower than anticipated during the first four months of the year, which include the important Christmas trading period. However, the Company has seen a significant increase in orders in the last few weeks and prospects are significantly improved. At the same time the sales generation resulting from Centurion's expansion into Europe, which was announced last year, is now generating significant new sales orders.

However, the lower level of sales has resulted in the Company carrying higher levels of stock than forecast. This has been compounded by certain issues that the Company has identified in its supply chain management, most significant of which being inaccurate stock purchase procedures, which have led to a potential stock write down in the current year which is expected to be up to £1.4m. These issues are being addressed by Stephen Benger, the interim Supply Chain Director appointed in November 2004. The appointment of Keith Davis as full time Supply Chain Director was announced on 31 January 2005.

The full impact is still being assessed by Management and further details will be given as soon as possible.

Discussions with a number of car manufacturers are continuing in expectation of orders for incorporation in new models later this year and beyond, as well as further orders for existing models. The Company hopes to announce further details shortly.

The Board emphasises that despite the supply chain issues outlined above the underlining performance of the business is strong and there will be no on-going negative impact on the Company's results.

Chris Rhodes
Centurion Electronics

Tel: 01707 330550

Russell Cook
Charles Stanley & Co. Ltd

Tel: 020 7739 8200

Jeremy Carey / Claire Melly
Tavistock Communications

Tel: 020 7920 3150