

28 July 2015

Petards Group plc
("Petards" or "the Group")

Trading Update

Petards, the AIM quoted developer of advanced security and surveillance systems, is pleased to provide an update on trading following the end of its financial half year on 30 June 2015.

The Group has continued to trade profitably in line with the Board's expectations for the six months ended 30 June 2015. Margins for the first half of the year will be significantly higher than those for the corresponding period in 2014 on lower revenues, reflecting the changed product mix which last year included a substantial amount of lower margin hardware deliveries to the MOD in respect of the RAF's SMRE project.

Petards' interim results for the six months ended 30 June 2015 will be announced on 8 September 2015.

Raschid Abdullah, Chairman of Petards Group plc said: "Trading for the first half year provides support for the Board's strategy of developing Petards' profitability and cash generation from a solid base. In line with current contracted customer delivery schedules, revenues for 2015 as a whole are anticipated to be weighted towards the second half year. While it is too early in the second half of the year to predict with accuracy the result for the year, the strength of the contracted customer delivery schedules gives the Board confidence for a satisfactory outcome."

****ENDS****

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Notes

Petards is a cash generative global supplier of products to original equipment manufacturers ('OEMs'), system integrators and end users in the rail, security and defence markets in new build, refurbishment and retrofit applications. The Company delivers ruggedised electronic solutions including video and sensor data surveillance, radio communications and threat simulation systems on mobile platforms. Petards offers a range of services, supporting its own and third party systems, spanning custom development, manufacturing, commissioning, maintenance and obsolescence management. Further information on its three product areas is included below:

Transport

Petards' market-leading eyeTrain technology provides leading edge products for on-board train video and sensing solutions, including Driver Only Operation Systems, Passenger Counting Systems, Saloon and Drivers View Video and Condition Based Monitoring. These systems have been chosen for installation on thousands of rail vehicles around the globe, helping to reduce operating costs, increase safety and improve passenger satisfaction.

Emergency Services

Petards' ProVida is one of the world's leading in-car police speed detection, surveillance and ANPR (Automatic Number Plate Recognition) brands, comprising four components: In-Car Video, Speed Enforcement, ANPR Systems and ANPR cameras. As well as Petards' systems being used by many of the UK's police forces, the brand has stretched to over 20 countries.

Defence

Petards provide a range of specialist engineering services to the defence sector. The Company has established a strong reputation for being a responsive, flexible and reliable partner in delivering challenging military programmes. Petards excels in the disciplines of Communications and Information Systems, Electronic Countermeasure Systems, Ruggedised Electronic Control Systems and in the provision of Engineering Services to UK MoD and other NATO countries.