

# LPA GROUP PLC

## Trading update

***LPA Group plc ("LPA" or the "Group"), the LED lighting and electro-mechanical system manufacturer and distributor, announces its selection for two new rail lighting projects and, following the successful relocation of its connector business to Light and Power House, a potential reorganisation of its electro-mechanical activities.***

LPA is pleased to announce that its wholly owned subsidiary LPA Excil Electronics has been selected to supply LED based lighting on two major rail vehicle projects, in the Middle East and Australia, with a combined value of £3.3m.

Orders received in the year to 30 September 2014 amounted to £18.5m, the highest figure since 2009. This excludes both of the projects noted above, as well as two aerospace programmes and the Hitachi Intercity Express Programme announced previously. These additional projects represent long term business expected to be worth more than £15.0m to the Group, with significant deliveries expected to commence in 2016.

Following the successful relocation of its connector business to Light and Power House in July, the Group is exploring options to further reorganise its electro-mechanical activities with a consultation process presently being undertaken over the possible closure of its Clacton based metal fabrication facility and the creation of some additional capacity at Light and Power House. Subject to the outcome of the consultation, a provision for costs (estimated to be up to £0.2m) may be included in the accounts for the year ended 30 September 2014.

In future, the Group will focus investment on the development of three activities: LED lighting, connection systems and high added value distribution, all serving the rail, aerospace and defence markets. Given the strength of the order book and its positioning in growing markets, the Group expects to deliver strong growth in the medium term.

Peter Pollock, Chief Executive, comments:

***"We have set ourselves a number of major challenges to achieve and have made good progress so far. These new contracts and further investment planned at Light and Power House and our LED lighting facility should put the Group in a stronger position to exploit opportunities in the future."***

**7 October 2014**

### **ENQUIRIES:**

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