

4 November 2011

LPA GROUP PLC ("LPA" or the "Group")

Update on planning situation at Saffron Walden

Further to the statement in its Annual Report that Tudor Works, its property in Saffron Walden, was being prepared for sale, LPA, the LED lighting and electro-mechanical engineering group, reports progress to date.

Tudor Works is currently the Group's head office and home of LPA Industries, which manufactures electro-mechanical connectors, stand-by power supplies and electrical connection equipment used in the railway industry and at airports. The 1.4 acre freehold site is located within a residential area of Saffron Walden, is approaching 100 years old and is nearing the end of its useful life.

The Group wishes to secure the future of the LPA Industries business by retaining the expertise of its employees and relocating it to a suitable alternative site in the town. Consultation with residents living near the Tudor Works site has indicated support for its residential redevelopment.

Following meetings with Planning Officers at Uttlesford District Council, LPA was invited to informally present its proposals to the Council's Planning Committee. As a consequence of the positive reception it received, LPA is now preparing an application for Outline Planning Consent to redevelop Tudor Works for residential use.

Offers to acquire Tudor Works have been received from a number of house-builders interested in redeveloping the site for residential use. Any one of these offers, if accepted, would represent a substantial surplus over the £0.5m book value shown in the balance sheet. LPA is currently working with its advisers to secure a satisfactory outcome.

LPA has identified an existing factory in Saffron Walden, which would potentially provide suitable long term accommodation for LPA Industries and for the Group's head office. The Group is currently carrying out due diligence on this factory and will issue further updates on the planning and relocation situation as appropriate.

Peter Pollock, Chief Executive, commented:

"I am pleased by the support we have received for our proposed re-location in Saffron Walden. Securing the future of LPA Industries in Saffron Walden and realising value from a sale of Tudor Works are two major objectives of the Board which, due to circumstances beyond our control have taken a long time to progress, but should be reflected in enhanced shareholder value."

ENQUIRIES:

LPA Group plc

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