

25 July 2012

LPA GROUP PLC

Acquisition of Factory

LPA Group PLC ('LPA' or 'the Group'), the LED lighting and electro-mechanical system manufacturer and distributor, announces the acquisition of an existing 44,000 sq. ft. factory at Shire Hill, Saffron Walden, a short distance from its existing Tudor Works facility in Saffron Walden, Essex, for a gross consideration of £1.3m satisfied from existing loan facilities.

LPA recently submitted an outline planning application for the construction of 24 houses on the Tudor Works site.

The Shire Hill facility will be the subject of significant additional expenditure on refurbishment and renewal to bring it up to modern standards. This is expected to be completed by mid-2013.

Shire Hill will become LPA's main centre for electro-mechanical system manufacture and will provide opportunity for expansion in the future.

LPA has 65 employees located at Tudor Works and it is expected that all of these employees will transfer to the Shire Hill facility, which was previously a furniture factory, once refurbishment has completed.

LPA's electro-mechanical systems are mainly used in the transport sector, principally on passenger trains and at airports, and are exported to many countries throughout the world, particularly in Asia and Australasia.

Peter Pollock, LPA's Chief Executive, commented:

'The acquisition of the Shire Hill facility is a major step forward in our development plans for the Group. Tudor Works, Saffron Walden is close to the end of its useful life. Our team at Tudor Works has exercised considerable skill in overcoming the vagaries of the facility to design and manufacture world class products economically. We hope that, following the refurbishment of, and relocation to Shire Hill, those skills can be focussed on the further development of our business and to secure future employment for our people in Saffron Walden.'

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