

7 March 2012

LPA GROUP PLC

("LPA" or the "Group")

AGM Statement and Trading Update

At the AGM of the Group, to be held at 12:00 p.m. today, Michael Rusch, Chairman, will make the following statement regarding current trading:

"Ladies and gentlemen, further to the comments made in the preliminary announcement in January I am pleased to report continuing progress during the second quarter of our financial year. January was stronger than expected and February has continued this trend. This, together with our substantial order book for delivery during March should lead to a satisfactory result for the first half, which, while it is unlikely to quite match last year's result, will provide a good base for the achievement of expectations for the year as a whole.

"The delays in the rail refranchising process have been well documented and have affected short-term demand, however the level of tendering activity across our business has increased significantly in recent weeks, which is encouraging for both the near and medium term.

"After several years of reduced activity a combination of the Department for Transport, Transport for London, Network Rail, London Underground and The Association of Train Operating Companies has announced very substantial levels of investment over the period to 2019. Some highlights are: 4,100 additional railway carriages including 1,200 for Thameslink, 600 for Inter City Express and 600 for CrossRail. Separately up to 1,400 carriages will be upgraded or life extended. In addition London Underground plan to acquire 2,780 new carriages for the Deep Tube Programme. With approval from the Office of the Rail Regulator, Network Rail plan to invest £37bn during the same period. This combined with substantial planned investment in rail in our export markets gives us confidence that our business is well positioned for future growth.

"Additionally we have an excellent position in the aerospace and aircraft ground support and infrastructure markets to supplement our ambitions.

"Our LED Lighting business is experiencing increasing interest in its LumiSeries of LED based lighting products for applications in railway carriages, rail infrastructure including stations and tunnels, general infrastructure and commercial applications. LPA Transport+ continues to generate increasing interest in our turnkey project capability.

"I would also remind shareholders that we have a factory extension to build, a development site with outline planning permission to sell, a factory to upgrade and a business to relocate during the current year.

"We are very excited about these opportunities and challenges and look forward to the future with great anticipation."

ENQUIRIES:

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