

C H BAILEY PLC
Announcement 06/10/08

Closure of Midway Precision business

The Board of C H Bailey Plc announces that it has reluctantly decided to close its Midway Precision engineering business, which since 1 April 2008 has formed a division of Bailey Industrial Engineering Limited. The closure is expected to become effective by mid - October 2008.

The Midway Precision business has experienced declining volumes in recent years and has not been profitable. Its forward order book is now very light, and the directors do not foresee any significant recovery in the business.

Charles Bailey, managing director of CH Bailey, said: "We very much regret having to take this step, which will lead to a number of job losses. However, in the current climate, the Board believes that the Group has no option but to focus its resources on those parts of the business which have better prospects."

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