

Announcement February 2009

C H BAILEY PLC

Sale of business and assets of Modular Automation International Limited

The Board of C H Bailey, Plc (“C H Bailey” or the “Company”) announced on 30 January 2009 that an Administrator had been appointed to its 79% owned subsidiary Modular Automation International Limited (“Modular Automation”).

The Company has been informed by the Administrator that the business, goodwill, plant, equipment and part of the inventory of Modular Automation were sold on 24 February 2009 to Expert Modular Automation Limited, a newly formed company, for a cash consideration of £65,000. These proceeds together with further amounts yet to be realized, principally from the collection of trade and other receivables, will be applied by Modular Automation to settle its trade and other payables.

Modular Automation is a manufacturer of bespoke automated assembly machines. In the year ended 31 March 2008, Modular Automation reported revenues of £5.9 million and a loss before tax of £0.2 million. At 30 September 2008, Modular Automation had gross assets of £1.1 million and net liabilities of £0.8 million.

Modular Automation will remain in administration pending the collection of outstanding receivables and the settlement of payables. This is likely to take some considerable time and it is not practicable at present to give an accurate estimate of the overall financial impact on the C H Bailey Group of the disposal and winding-up of this subsidiary’s business.

Enquiries:

C H Bailey, Plc
Charles Bailey, Chairman,
Tel: 01633 262961

Arden Partners plc
Richard Day
Tel: 020 7398 1632

Colin Smith
Tel: 0121 423 8940