

NEWS RELEASE



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XCEL Power in Manufacturing Supply Contract with Domino UK

Domino UK has selected XCEL Power Systems as a Tier One manufacturing partner. Under a recently agreed Supply Contract, XCEL's UK manufacturing facility will provide a turnkey solution for a key sub-assembly, to be integrated into Domino's world leading continuous inkjet printers. These are used for printing variable data, such as best before dates, batch codes or traceability data onto products in a wide variety of industries. This new business stream will provide significant additional revenue for XCEL, expected to be worth in excess of £750,000 per annum.

XCEL already provide a sub-contract manufacturing service for their customers in the defence and aerospace markets, but the agreement with Domino represents a conscious move by the Company's management to diversify, offering manufacturing services to other industries requiring high reliability solutions.

XCEL are pursuing lean manufacturing techniques across the business, and have recently completed a significant investment program, including the commission of a new surface mount and Reflow Oven facility. These changes at XCEL reflect a strong emphasis on cost reduction in their traditional defence markets, and a desire to provide their expertise in high quality manufacturing services to other UK companies at a very competitive rate.

Richard Weller, XCEL's General Manager said, "We regard opportunities in the high reliability industrial sector as an important part of our future growth strategy. The contract with Domino is significant, and shows that we are able to offer a competitive solution. Making changes in manufacturing now to enhance our competitive edge will enable us to offer the best possible combination of cost, quality and service to customers in all of our chosen markets".

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