



8 July 2013

## **LRM Briefing Script for Furniture Employees**

This briefing is to update you on the negotiations and due diligence which Remploy has been conducting with Metalliform Holdings Ltd the preferred bidder for the Furniture business.

As can happen during the due diligence phase, Metalliform have now advised the Company that they are unable to continue with their original bid for the entire business. Metalliform have retained an interest in certain aspects of the business.

As a result, Metalliform are no longer the preferred bidder and Remploy is re-opening discussions with other bidders who submitted Best and Final Offers for the Furniture business or its assets.

We will talk to all of these organisations about whether they wish to submit revised bids. The bids would then be evaluated to assess whether there is a viable bid which could go forward to detailed negotiations and due diligence.

KPMG are managing the sale process on Remploy's behalf and make recommendations to the Remploy Board.

The Company has to make sure that the bidding process is conducted fairly and carefully and this means that negotiations can take some time. We are doing our best to complete discussions as soon as we can.

We cannot say yet when we will be able complete discussions with the other bidders. Whilst it is unlikely that we will be able to complete further negotiations and due diligence by 31 July, which was our original date for completion, it remains our intention to complete this commercial process by September.

Remploy and all bidders have signed Non-Disclosure Agreements to ensure that the process remains confidential to protect commercially sensitive information.

Because of this, the Company cannot for the moment disclose the identity of the bidders still in the Commercial Process.

We would like to thank all employees for their continued help and commitment during this complicated process. Your support and understanding has made sure that we continue to carry on our business in the usual professional manner. Thank you.

We will keep you updated on developments. If you have any questions or concerns you can speak to me or XX (the HR person at the site)

You can also talk to the Employee Helpline on 0800 0286257 or the Employee Assistance Programme (EAP) on 0800 282193 which provides free advice on a wide range of subjects.