Acquisition

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Acal PLC
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ACAL plc

(A leading pan-European, value added distributor providing specialist design-in, sales and marketing services for international suppliers)

Acquisition of Computer Parts International Limited

Acal plc announces the acquisition of 70% of the issued share capital of Computer Parts International Limited ("CPI") from its management and 3i Group plc.

CPI's principal activity is the provision of service parts and related logistics services for mid-range and higher-end computers. It is based in the UK and approximately 70% of its sales are in the UK with the rest mainly in Continental Europe and the USA.

During its financial year ended 30 June 2002 it had sales of £14.1m and profit before taxation of £1.0 million. At 30 June 2002 the net tangible assets of CPI were £2.2 million.

The consideration for the acquisition of Acal's 70% interest was £5.8 million and was paid for in cash. The remaining 30% of CPI's shares ("the Remaining Shares") will continue to be held by its management and employees ("the Remaining Shareholders"). The Remaining Shareholders will have the option to sell the Remaining Shares to Acal at an aggregate consideration of between £2.5 million and £7.3 million depending upon the future performance of CPI and Acal will have the option to buy the Remaining Shares for an aggregate consideration of £7.3 million. If these options are not exercised or exercisable then any purchase of the Remaining Shares will be by negotiation at the time.

Commenting on the acquisition, John Curry, Chairman of Acal plc said:-

"CPI has established a reputation for reliability and high service standards in a business which is complementary to Acal's IT Parts Services business. We look forward to working with the CPI team to grow and develop the business both in the UK and globally, and expect the acquisition to be earnings enhancing."

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Notes to Editors:-

1 The Acal Group is a leading European, value-added distributor providing specialist design-in, sales and marketing services for international suppliers in the fields of Electronic Components, Information Technology Products, IT Parts Services and Industrial Controls. Its value-added philosophy and geographic coverage enables Acal to provide specialist knowledge and support to customers on a pan-European basis.

2 Design-in is the process by which Acal's sales engineers work with customers and suppliers to procure components which meet the specific technical and performance needs of the customers.

3 Acal has operating companies in the UK, Netherlands, Belgium, Germany, France, Italy, Scandinavia and the USA.

This information is provided by RNS
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