Final Results

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Acal PLC
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ACAL plc

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

Announcement of Preliminary Results for the Year Ended 31 March 2004

FINANCIAL HIGHLIGHTS:-	2004	2003	Change
Turnover	£268.9m	£272.1m	-1.2%
EBITA (pre associated companies)	£14.2m	£16.7m	-15.0%
Profit before tax:-			
Before goodwill amortisation and loss/profit on termination/sale of operations	£12.7m	£15.6m	-18.6%
After goodwill amortisation and loss/profit on termination/sale of operations	£9.2m	£13.4m	-31.3%
Earnings per share:-			
Before goodwill amortisation and loss/profit on termination/sale of operations	31.8p	39.1p	-18.7%
After goodwill amortisation and loss/profit on termination/sale of operations	18.4p	30.7p	-40.1%
Dividends per share	21.0p	20.1p	+4.5%

- UK profits maintained year-on-year
- Continuing strong gross margin performance
- Dividend growth continued
- CPI, acquired in May 2003, performing in line with expectations
- Major supplier wins
- Action taken to close loss-making IT Parts subsidiary in Netherlands
- Growing geographic coverage in Eastern Europe and Iberia, and through Associate in Asia

Continued...

Commenting on the results John Curry, Chairman said:-

"The Group has continued to produce a good return on trading assets despite the difficult economic climate which has persisted during the year.

The outlook is starting to look less difficult, with signs that economic activity has picked up in the US and Asia, and that this is spreading to Western Europe."

For further information:-

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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, IT 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, Spain, Scandinavia and the USA. Westech Electronics, an associated company, is based in Singapore and covers the Far East region.

CHAIRMAN'S STATEMENT

Overview of Results

The Group has continued to produce a good return on trading assets in spite of a decline in sales and profits in the difficult economic climate which has persisted. The year's sales fell to £269m from £272m - excluding last year's disposal and this year's acquisition, the fall in sales was just over 1% in sterling terms. This produced operating profit before goodwill and associated companies of £14.2m compared to £16.7m - a reduction of 15%. The shortfall was in Continental Europe as profit was maintained in the UK on a like-for-like basis.

Although sales fell by 1% in sterling terms, underlying overheads increased by 4% in sterling terms. However, if we take out the effect of changes in exchange rates sales would be 4% down and overheads would show a marginal increase as detailed in the Financial Review.

Though we generally controlled overheads, we were probably not aggressive enough in cutting costs when our expectation of demand was not achieved in some of our Continental European companies. However, we continue to show improvements in gross margin by focussing on our added value business and because of the sale of a lower margin business and purchase of a higher margin business; gross margin this year has improved from 24.8% to 25.9%.

Profit before goodwill amortisation and exceptionals was £12.7m (2003: £15.6m). This reflects the fall in operating profit of £2.5m described above, and an increase in interest of £0.4m (largely due to FRS 17). With taxation at 34.1% this has translated into earnings per share before goodwill amortisation and exceptionals of 31.8p per share (2003: 39.1p per share).

A more detailed analysis of the results is set out in the Operations and Financial Reviews.

Dividend

The Board is recommending a final dividend per share of 14p net per share (2003: 13.4p), making a total of 21p (2003: 20.1p) for the year. This is an increase of 4.5% on last year and continues ahead of inflation reflecting our confidence in the future. We have continued growth in dividends even though profits are down,

as we believe that dividends are an important part of shareholder return.

Strategy

Acal remains a technology distribution group focussed on Electronic and Industrial Components, IT Products and IT Parts Services. The IT divisions now account for over 50% of our sales and profits.

Geographically, our roots are in Western Europe, but in the last decade we have extended our long-term global view with investments in the Far East, and more recently partnerships in Eastern Europe. These areas in time will become materially important to the Group.

Corporate Governance

This year we are reporting a year earlier than we need on how we are meeting the provisions of the revised Combined Code on Corporate Governance issued by the Financial Reporting Council, for which we were already well positioned.

We continue to strive for the highest standards of corporate governance, but to formalise and communicate procedures and have them reported on by auditors is expensive and time consuming for key executives. Nevertheless, we aim to achieve the standards our shareholders expect and we expect of ourselves without forgetting that the creation of wealth is also high on our shareholders' list of priorities.

Board Composition

We were pleased to welcome Graham Williams who joined the Board as a Non-executive Director in December 2003 and has already made a valuable contribution. David Channing-Williams retired from the Board at the end of the financial year and we thank him for his contribution during the five years he served.

The Nominations Committee has looked closely at those directors due for re-election and following an appraisal process and performance review of the Board, I am pleased to recommend Graham Williams for election following his appointment last year. Though Rhys Williams has reached the age of 70 and has served ten years on the Board, your Board feel that he has retained his independence. Furthermore, it would not be in the shareholders' best interest to lose his wise counsel, judgement and constructive criticism and therefore I am pleased to recommend his re-election. The Board under the leadership of the Senior Independent Director carried out an appraisal of me, as Chairman, and has approved my standing for re-election.

Employees

We have had another tough year, and the Board is grateful for the hard work and loyalty of our team. It is at times like these you appreciate the efforts of your colleagues who continue to give of their best and go the extra mile.

Prospects

The outlook is starting to look less difficult, with order growth in the component business and signs that economic activity has picked up in the U.S. and Asia and that this is spreading to Western Europe. However, there are still three areas of concern - global terrorism remains a serious risk, and the major changes and uncertainties in currency markets are not conducive to positive investment decisions. Finally, the long period of low interest rates is likely to be over, and there is risk of inflation and high oil prices, inhibiting growth which has shown some signs of pick up.

Nevertheless, we feel that after a long period of reducing sales we should see some progress in the second half of this year because year-on-year order decline ceased six months ago and there are signs of year-on-year order growth - though at times rather patchy. This coupled to some key supplier wins in the last twelve months should provide the growth necessary to produce improving results.

John Curry

7 June 2004

In the difficult environment of the past year, Electronic Components and Industrial Controls have maintained profits with a shortfall in the IT divisions. In spite of pressure, gross margins have been maintained or improved in all divisions and increased by more than 1% overall from 24.8% to 25.9%, which in part compensates for the lower level of sales. As yet we have only limited evidence of product shortages and consequential price increases, although we do expect this to be more pronounced later this year, essentially in the Electronic Components Division.

We have seen some improvement in the last six months in order levels and book-to-bill ratios. However, monthly order and sales figures have varied considerably which reflects the uncertainty in our customers' markets, particularly in Continental Europe.

During the year we managed costs tightly but with hindsight not sufficiently vigorously in some of the Continental European operations. Whilst we remain committed to our investment in people and our IT systems, which are critical for the provision of service and support levels to both suppliers and customers, we continue to work to ensure the right balance.

Electronic Components

The Electronic Components activities of the Group maintained EBITA (Earnings before interest, taxation and amortisation of goodwill) at £3.4m despite a small decrease in overall sales, from £93.3m to £91.9m. Maintaining this performance was entirely due to the UK businesses where gross margin improvements and effective cost reductions, coupled with the UK critical mass, enabled an important overall improvement. As has been stated previously, the UK has been somewhat ahead of Continental Europe in the recovery cycle and whilst the second half improvement is only slight, it has now begun.

During the year the rationalisation of the distribution channels of our suppliers has continued and we have been able to take on new complementary suppliers and extend our geographical coverage with others.

We have also taken advantage of the increase in available business in markets which are showing growth, particularly in the areas of defence, aerospace and security. Whilst the telecoms market, which has the potential to be, and was historically our largest market, is not yet exhibiting significant growth, we have been able to secure key supplier status with three of Europe's major telecoms infrastructure companies. With one we are their first distributor and with another their only distributor. The agreements with these companies cover many products and allow our customers to be able to rely on Acal for establishing and maintaining local supply, buffer inventory and guaranteed delivery lead times, plus forecast demand patterns for our suppliers. This support extends not only to European manufacturing locations but also to those used by our customers as far afield as China and South America and clearly demonstrates the additional value that a specialised distributor can provide to both the customer's supply chain and the manufacturers we represent.

Early in the year we established a series of relationships in Eastern Europe which extends our Pan-European coverage to important new markets for many of our existing suppliers and in February we formed a new business in Madrid to concentrate on the Spanish and Portuguese markets.

Industrial Controls

Although sales were virtually unchanged in sterling terms, EBITA grew 27% from £1.1m to £1.4m.

The highlights of the year have been two-fold - the growth of sales in Asia Pacific, an area in which we have been investing for the past three years, and a major sales success with a manufacturer of refrigeration units for marine containers. These sales are predominantly of electric proportional valves which provide superior refrigerant flow and close control of temperature with resulting benefits for the food supply industry worldwide.

The medical instrumentation business also had another successful year with an increase in EBITA.

IT Products

Sales in our IT Products Division have grown 5% from £94.5m (excluding the Cisco business which was sold in the prior year) to £99.2m. EBITA has reduced 35% from £6.9m to £4.5m. This reduction was largely as a result of the smallest of our IT activities, that of networking, security and computer components, which had a torrid year including £0.5m of bad debts. Following a critical analysis we are focusing on added value, have merged this activity with the successful Acal Value Added Services business and are now working towards adding complementary

product lines which we need.

Headway, our document management and imaging business, experienced similar sales year-on-year with a very small reduction in EBITA. This reduction was all in the first half of the year and we have seen recovery across all geographies in the second half, although there remains scope for further improvement in the year ahead.

Major achievements in the year included the supply of some 260 document scanners to Deutsche Telekom in Germany, and 400 into the French Government employment agency. In the UK major projects included the supply of product and services into Northern Rock, Abbey National, Lloyds Registrars and the NHS among others.

Acal Storage Networking ("ASN"), previously known as Fibre Channel Solutions has again been one of Acal's successes with a further increase in sales and EBITA. The business continues to be centred on the UK and Germany and illustrates well the benefits of the focused and qualified Acal team who provide all the necessary pre and post sales technical support to the EMEA-wide customer base which now involves sales to 48 countries.

Key customers for ASN's products and services are the major OEMs, particularly EMC and Storagetek. The major markets in the year have been those of telecommunications and banking, however the wider acceptance of ASN's technology means that growth is not limited to these sectors alone.

IT Parts Services

This division had sales growth of 5% from £56.1m to £59.1m and an EBITA reduction of 8% from £5.3m to £4.9m. Computer Parts International ("CPI"), the business we bought in May 2003, performed in line with expectations producing sales of £9.8m and EBITA of £1.2m. However, the other parts of the division showed a decline year-on-year with losses being made in France and Netherlands and ATM moving to a lower and more sustainable gross margin. As a consequence, the French business has been considerably downsized, and with the reduced potential in the Netherlands that operation is being closed. The costs of closure are £600,000 and have been charged in the year's profit and loss account.

Although the results for the year have been disappointing, there have been a number of positive achievements which enable us to expect profitable growth in the year ahead. These include the expansion of our relationship with Lexmark, where we are now responsible for warranty management of all Lexmark's sales in Germany, and are beginning to work with their service partners in France. This is shortly to be followed by an extension into Eastern Europe.

Unisys have expanded their business with EAF in the UK to the newly acquired CPI, and this will also extend to France and Germany.

Finally, a new 'branding initiative' has been established to market the companies under the Acal IT Parts Services banner in recognition of the fact that an increasing number of customers are working with each of the companies in this division - EAF, ATM and CPI.

Acal IT Systems

The extension of the ERP system has continued throughout the year with just one further major country implementation to come. We now have a stable, resilient, scaleable platform on which to build further enhancements for the benefit of our customers and suppliers.

Tony Laughton

7 June 2004

FINANCIAL REVIEW

Results for the Year

The table below shows the performance of Acal's divisions in each of the years ended 31 March 2004 and 2003:-

	2004	2003

	SALES		EBITA*		SALES		EBITA*	
	£M	as % of Group	£M	as % of Sales	£M	as % of Group	£M	as % of Sales
Electronic Components	91.9	34%	3.4	3.7%	93.3	34%	3.4	3.7%
Industrial Controls	18.7	7%	1.4	7.5%	18.9	7%	1.1	5.8%
Components TOTAL	110.6	41%	4.8	4.3%	112.2	41%	4.5	4.0%
IT Products	99.2	37%	4.5	4.6%	103.8	38%	6.9	6.6%
IT Parts Services	59.1	22%	4.9	8.2%	56.1	21%	5.3	9.4%
IT TOTAL	158.3	59%	9.4	5.9%	159.9	59%	12.2	7.6%
	268.9	100%	14.2	5.3%	272.1	100%	16.7	6.1%

(*EBITA being calculated as operating profit excluding goodwill amortisation and the Group's share of associated undertakings.)

The relative contribution to sales of the Group's Components and IT businesses remained unchanged from last year at 41% and 59% respectively.

During the year sterling has, on average, been approximately 7% weaker as compared to the Euro and approximately 10% stronger as compared to the US Dollar. The table below shows the effect of exchange rate movements as well as acquisitions and disposals on the Group's sales during the year.

	SALES	
	£m	Change
Year ended 31 March 2003	272.1	
Net effect of Acquisitions/Disposals	0.5	
Effect of exchange rate movements	8.2	+3%
Underlying change	-11.9	-4%
Year ended 31 March 2004	268.9	-1%

The global economic downturn of the last three years has affected the profitability of the Group's businesses in Continental Europe more severely than those in the UK. Accordingly, exchange rates had no material effect on the Group's profits.

The benefits of Acal's focus on value-added distribution have continued to show in the gross margins being achieved. Overall gross margin strengthened to 25.9% as compared to 24.8% in the previous year. Each of the Group's four divisions has contributed to this achievement by improving or maintaining its gross margin.

Group companies have contained overheads at similar levels as the prior year (at constant exchange rates) whilst endeavouring to ensure that Acal's long-term growth strategy and "design-in" efforts are not adversely affected by any cost-saving measures adopted. The table below shows the change in net operating expenses (excluding goodwill amortisation).

	Net Operating Expenses (excluding goodwill amortisation)	
	£m	Change
Year ended 31 March 2003	50.9	
Net effect of Acquisitions/Disposals	2.7	+5.3%
Effect of exchange rate movements	1.6	+3.1%
Underlying change	0.2	+0.4%
Year ended 31 March 2004	55.4	+8.8%

Westech is our main associated company and distributes electronic components in the Far East. It has continued to develop its geographic coverage of the Far East and to grow its product portfolio and has seen sales growth in recent months. The contribution of associated companies to Group operating profit at

£0.4m was similar to that in the prior year.

The charge for goodwill amortisation increased from £2.8m last year to £2.9m this year as a result of the acquisition of CPI.

In March 2004, we announced the closure of the IT Parts Services business in the Netherlands. The estimated costs of this closure are £600,000 and have been charged in the profit and loss account for the year ended 31 March 2004. The previous year had benefited from a profit of £575,000 on the sale of the Group's Cisco Distribution Business.

Net interest cost (before FRS 17 financing cost of £0.3m) at £1.6m was similar to that in the previous year (when there was no FRS 17 financing cost) and was covered 9 times (2003: 10 times) by operating profit before goodwill amortisation.

The Group's effective tax rate for the year ended 31 March 2004, based on profit before taxation and amortisation of goodwill was 34.1% as compared to 33.2% in the previous year.

The interim and proposed final ordinary dividends for the year will absorb £5.5m and are covered 1.4 times by attributable profit before amortisation of goodwill.

Pensions

It has always been Acal's policy that all its pension schemes should be of the defined contribution type so that the extent of the Group's financial obligations can be clearly ascertained. However, when Sedgemoor Limited, then a listed public company, was acquired in June 1999, it brought with it certain defined benefit schemes, the principal one of which is the Sedgemoor Group Pension Fund ("the Sedgemoor Scheme"). Soon after the acquisition the Sedgemoor Scheme was curtailed and all future service accrual ceased.

Last year we adopted FRS 17 relating to pension schemes. The effect in respect of the Sedgemoor Scheme was that a net pension liability of £5.9m was recognised in the financial statements. The net liability at 31 March 2004 was lower, at £4.8m, reflecting primarily the appreciation of investments as a result of stronger stock markets and contributions made.

Working Capital and Balance Sheet

Considerable emphasis is placed on managing the Group's balance sheet, particularly in times of economic downturn. Acal has a model for this process which is based on comparing each item of trading assets to the three-month moving average of sales (TMMA). The table below shows the model and how the actual position compared with the model. For example, it shows that our target for stock is that it should represent 1.2 months of sales whereas the actual level of stock at 31 March, both in 2004 and 2003, represented 1.1 months of sales.

	Target Model TMMA Ratio	31 March 2004 TMMA Ratio	31 March 2003 TMMA Ratio
Trading Fixed Assets	0.5	0.6	0.6
Current Assets:-			
Stock	1.2	1.1	1.1
Debtors	2.3	2.1	2.3
Current Liabilities:-			
Creditors	(2.2)	(2.1)	(2.3)
Tax	(0.2)	(0.1)	(0.1)
TOTAL Trading Assets	1.6	1.6	1.6

(Note: This trading assets model excludes goodwill, investments, net debt/cash and long-term liabilities)

The Group's operating companies have continued to build upon their success in managing stock during the economic downturn with the overall level coming down to £23.6m at 31 March 2004 (including stock acquired with CPI) compared with £24.4m the year before and a peak level of £40m in May 2001. This success has been achieved without the need for any exceptional provision or write-off.

Return on average capital employed (which is calculated using operating profit before goodwill amortisation, and net assets excluding goodwill and adding back net debt) was 38% compared to 43% last year. We believe that this was a satisfactory performance in a period of economic downturn.

Capital expenditure for the year was £3.7m (2003: £3.9m) representing a return to more normal levels after the higher expenditure of a few years ago on the Group's new ERP system. The programme implementing the new system is now nearing completion.

Shareholders' funds at 31 March 2004 were £67.7m, after goodwill amortisation of £2.9m (2003: £2.8m), compared to £68.0m a year before, and net debt at 31 March 2004 was £15.2m (22.5% of shareholder funds) as compared to £13.4m (19.7% of shareholder funds) a year earlier. This is after expenditure of £6m on the acquisition of CPI in May 2003.

Jim Virdee

7 June 2004

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Audited Consolidated Profit and Loss Account
for the Year ended 31 March 2004

	Year ended 31 March				
				2004	2003
	Ongoing Activities £'000	Terminated Operation £'000	Acquisition £'000	Total £'000	£'000
Turnover Note 2.					
Ongoing activities	256,423	-	-	256,423	256,511
Operations terminated/ sold	-	2,703	-	2,703	15,630
Acquisition	-	-	9,794	9,794	-
	256,423	2,703	9,794	268,920	272,141
Operating Profit					
Excluding goodwill amortisation	13,068	(131)	1,246	14,183	16,710
Goodwill amortisation	(2,730)	-	(195)	(2,925)	(2,774)
Group Operating Profit (excluding Associates)	10,338	(131)	1,051	11,258	13,936
Group Share of Operating Profits of Associates	430	-	-	430	440

Total Operating Profit (including Associates)					
Excluding goodwill amortisation	13,500	(131)	1,246	14,615	17,152
Goodwill amortisation	(2,732)	-	(195)	(2,927)	(2,776)
	10,768	(131)	1,051	11,688	14,376
(Loss)/Profit on termination/ sale of operations	-	(600)	-	(600)	575
Net interest payable and similar charges - group	(1,606)	12	(259)	(1,853)	(1,452)
Net interest payable - associates	(42)	-	-	(42)	(108)
Profit before Taxation					
Excluding goodwill amortisation	11,852	(719)	987	12,120	16,167
Goodwill amortisation	(2,732)	-	(195)	(2,927)	(2,776)
Profit on Ordinary Activities before Taxation	9,120	(719)	792	9,193	13,391
Tax on Profit on Ordinary Activities					
United Kingdom				(3,792)	(3,400)
Overseas				(200)	(1,889)
Associates				(146)	(73)
				(4,138)	(5,362)
Profit after Taxation					
Excluding goodwill amortisation				7,982	10,805
Goodwill amortisation				(2,927)	(2,776)
Profit on Ordinary Activities after Taxation				5,055	8,029
Minority interest				(206)	-

Profit Attributable to Ordinary Shareholders	4,849	8,029
Dividends on Ordinary Shares	(5,548)	(5,262)
Retained (Loss)/ Profit for the Year	(699)	2,767
Earnings per Share	18.4p	30.7p
Diluted Earnings per Share	18.4p	30.6p
Earnings per Share Excluding Goodwill Amortisation	29.6p	41.3p
Earnings per Share Excluding Goodwill Amortisation and loss/ profit on termination/ sale of operations	31.8p	39.1p
Dividends per share	21.0p	20.1p

The results for the year and prior year relate wholly to continuing operations

ACAL plc

Audited Consolidated Balance Sheet
as at 31 March 2004

	At 31 March	
	2004 £'000	2003 £'000
FIXED ASSETS		
Intangible assets	46,859	46,287
Tangible assets	14,101	13,827
Investments	6,429	6,028
	67,389	66,142
CURRENT ASSETS		
Stocks	23,610	24,443
Debtors	50,779	53,242
Cash at bank and in hand	10,828	20,246
	85,217	97,931
CREDITORS:		
Amounts falling due within one year	(57,644)	(65,413)
NET CURRENT ASSETS	27,573	32,518
TOTAL ASSETS LESS CURRENT LIABILITIES	94,962	98,660

CREDITORS:		
Amounts falling due after more than one year	(20,341)	(22,487)
PROVISIONS FOR LIABILITIES AND CHARGES	(1,256)	(2,279)
NET ASSETS - excluding pension liability	73,365	73,894
Net pension liability	(4,816)	(5,931)
NET ASSETS - including pension liability	68,549	67,963
CAPITAL AND RESERVES		
Called up share capital	1,318	1,309
Share premium account	37,805	37,109
Revaluation reserve	323	334
Profit and loss account and other reserves	28,230	29,211
EQUITY SHAREHOLDERS' FUNDS	67,676	67,963
Minority interest	873	-
TOTAL CAPITAL EMPLOYED	68,549	67,963

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Audited Summary Cash flow Statement for the Year ended 31 March 2004

	Year ended 31 March	
	2004 £'000	2003 £'000
OPERATING ACTIVITIES		
Operating profit	11,258	13,936
Depreciation and other non cash items	6,348	6,146
Decrease in working capital	2,216	3,492
NET CASH INFLOW FROM OPERATING ACTIVITIES	19,822	23,574
Dividends from associated undertakings	54	82
Net interest paid	(1,853)	(1,527)
Tax paid	(4,921)	(7,250)
Net expenditure on tangible fixed assets and investments	(3,857)	(4,869)
Net cash flow from acquisitions and disposals	(6,272)	(3,920)
Equity dividends paid	(5,365)	(4,935)
NET CASH (OUTFLOW)/INFLOW BEFORE FINANCING	(2,392)	1,155
(Decrease)/increase in debt and finance leases	(3,811)	6,570
Issue of share capital	705	328
NET (DECREASE)/ INCREASE IN CASH	(5,498)	8,053
Reconciliation of net cash flow to movements in net debt		
NET (DECREASE)/ INCREASE IN CASH	(5,498)	8,053
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	3,811	(6,570)
Issue of loan notes	-	(1,616)
Debt acquired with subsidiary		
New finance leases	-	(257)
Translation differences	-	(13)
	(133)	(123)

MOVEMENT IN NET DEBT	(1,820)	(526)
Net debt at beginning of the period	(13,404)	(12,878)
Net debt at end of the period	(15,224)	(13,404)

Consolidated Statement of
Total Recognised Gains and Losses

	Year ended 31 March	
	2004	2003
	£'000	£'000
Profit attributable to shareholders	4,849	8,029
Actuarial gain/(loss) on pension scheme	1,212	(7,150)
Deferred tax relating to pension scheme	(478)	1,911
Net (loss)/gain on currency translation	(1,027)	1,646
Total recognised gains and losses for the financial period	4,556	4,436

Notes:-

1 The preliminary results were approved by the Board on 7 June 2004. The financial information set out above does not constitute the Company's statutory accounts for the year ended 31 March 2004 or 2003, but is derived from those accounts. Statutory accounts for 2003 have been delivered to the Registrar of Companies whereas those for 2004 will be delivered following the Company's Annual General Meeting. The auditors have reported on those accounts; their reports were unqualified and did not contain a statement under section 237 (2) or (3) of the Companies Act 1985.

2 EAF Nederland BV is in the final stages of being closed, the closure having been announced on 29 March 2004. The results of this operation are shown under "Terminated Operation". Turnover of EAF Nederland BV and the Group's Cisco distribution business, which was sold in October 2002, has been shown under "Operations terminated/sold".

3 These preliminary results have been prepared in accordance with the accounting policies normally adopted by the Company.

4 The final dividend is payable on 26 July 2004 to shareholders on the register on 18 June 2004.

5 Earnings per share for the year to 31 March 2004 have been calculated on the profit attributable to ordinary shareholders of £4,849,000 using the weighted average number of ordinary shares in issue during the period.

6 The Annual Report and Accounts will be mailed to shareholders on or before 25 June 2004. Copies will also be available from: -

Acal plc
2 Chancellor Court
Occam Road
Surrey Research Park
Guildford GU2 7AH

The results will not be advertised in any newspaper

Ends

This information is provided by RNS
The company news service from the London Stock Exchange