Interim Management Statement

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ACAL plc

Interim Management Statement
Period commencing 1 April 2009

Acal plc is today issuing its Interim Management Statement which covers the period commencing 1 April 2009 to date and includes the quarter ended 30 June 2009.

Since our preliminary results announcement, market conditions have remained difficult, with limited visibility. However, we have seen a stabilisation of orders received and an improvement in gross margins in the electronics division. We expect this to lead to a stabilisation in revenues after the summer period. Purchasing Manager Indices are showing some improvement, albeit from a low level, which supports this view.

Since the acquisition of Service Source Europe in January, and despite similar revenue pressures, the Supply Chain division has made significant progress; losses on a major contract have been eliminated and back office systems have been integrated with significant cost reductions being realised.

Whilst the performance for the first half year will reflect the difficult market conditions, we expect to see improvements in performance in the second half as cost reductions and business improvements take effect.

We continue to focus on implementing the specialisation strategy set out in our preliminary results, and managing our cost base and working capital. We retain a significant net cash balance, which positions us well for future opportunities.

Material transactions in the quarter were:

On 9 April 2009, we acquired the remaining 25% of the share capital of Service Source Europe Limited for a consideration of £1 million.

On 22 May 2009, we completed the disposal of a vacant property in Leicester for a consideration of £1.18 million. This will result in an exceptional profit of £250,000.

Enquiries

Acal plc
Nick Jefferies ~ Chief Executive 01483 544500
Malcolm Cooper ~ Finance Director 01483 544500

Cubitt Consulting
Brian Coleman-Smith 020 7367 5100
James Verstringhe 07802 724400
Nicola Krafft

Notes to the Interim Management Statement

(a) This Interim Management Statement has been prepared solely to provide additional information to the shareholders of Acal plc, as a body, in order to meet the requirements of the UK Listing Authority's Disclosure and Transparency Rules.

(b) The Interim Management Statement may contain forward-looking statements which:

- have been made by the directors in good faith based on the information available to them up to the time of their approval of this statement; and
- should be treated with caution due to inherent uncertainties, which are beyond Acal's ability to control or estimate precisely and include both economic and business risk factors, underlying such forward looking information.

Notes to Editors

Acal is a specialist provider of technology products and services with three divisions: Electronics, Supply Chain and Medical. Acal has 17 principal trading companies of which 8 are in mainland Europe, 8 in the United Kingdom and one in South Africa. The Group employed on average 736 people during 2008/9.

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

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