Half Yearly Report

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ACAL plc

(Acal plc, a specialist provider of technology products and services across Europe and South Africa, today announces its unaudited results for the six months ended 30 September 2009)

Interim Results for the six months to 30 September 2009

	2009	2008
Revenue	**£71.5m**	£79.8m
Operating (loss)/profit* excluding exceptional items**	**£(1.8)m**	£1.0m
(Loss)/profit before tax and exceptional items	**£(2.3)m**	£1.2m
Loss before tax	**£(2.7)m**	£(8.0)m
Basic (loss)/earnings per share excluding exceptional items	**(9.5)p**	2.4p
Basic loss per share	**(10.5)p**	(30.3)p
Interim dividend per share	**2.33p**	3.50p
Net cash	**£23.0m**	£16.9m

** Operating (loss)/profit - (loss)/profit before interest, tax, the Group's share of result of associated companies and exceptional items*

*** Exceptional items of £0.4 million charge (2008: £9.2million charge) as per note 4 to the interim statement*

Highlights

- **Shareholders approve acquisition of BFi OPTiLAS S.A.S.**

The acquisition (if approved by French authorities) will double electronic sales and create Europe's leading specialist electronics and photonics distributor

- **Appointment of Non-Executive Director - Ian Fraser, Group Chief Executive of Brammer Plc**
- **Strong cash position - £23.0m at 30 September 2009 (2008: £16.9m)**
- **Interim dividend of 2.33p being one third of the full year 2008/9 dividend (2008: 3.50p)**
- **Gross Margin increased by 1.5 points to 27.4% (2008: 27.2%) compared to second half 2008**

- **Operating expenses reduced by annualised savings of £4.4m, 10%**
- **Working capital reduced by £6.2m (24.0%) from 31 March 2009**

Nick Jefferies, Chief Executive Officer, commented:

"Given the adverse trading conditions, we have taken decisive action to reduce operating expenses, increase gross margins and control working capital and cash flow; all of which have shown significant progress during the first half.

Following the acquisition of Service Source Europe Limited in January 2009, it has been successfully integrated into the Supply Chain division which has made good progress in eliminating losses in a customer contract and winning two new contracts.

With the proposed acquisition of BFi OPTiLAS we will create the leading specialist electronics and photonics distributor in Europe and enable operational synergies in excess of £4.3m (€5.0m).

We continue to manage the business tightly, and are confident that the Group is now well positioned to benefit from any improvement in market conditions."

For further information:-

Acal plc
Richard Moon - Chairman 01483 544500
Nick Jefferies - Chief Executive 01483 544500

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

Notes to Editors:

The Acal Group is a leading technology-based specialist distributor in Europe providing sales, marketing and other services through three Divisions: Electronics, Supply Chain and Medical. The Electronics Division distributes electronic products to industrial manufacturing and design companies. The Supply Chain Division supplies new and refurbished IT, EPOS and ATM spare parts to service providers while the Medical Division supplies advanced medical equipment to public and private healthcare providers. Acal has operating companies in the UK, Netherlands, Belgium, Germany, France, Italy, South Africa, Spain and Scandinavia.

ACAL plc

Unaudited Interim Results for the six months to 30 September 2009

Chairman's Statement

Results

Despite the loss incurred in the first half year we have made good progress in what has been a challenging environment. Since the end of March operating expenses have been reduced, gross margins increased and working capital reduced.

During the first half year, working capital has been reduced by £6.2m (24.0%), with inventories reduced by £3.7m, after adjusting for the impact of foreign exchange. At 30 September 2009, the Group had net cash balances of £23.0m (2008: £16.9m), compared to £24.5m at 31 March 2009.

Revenue from continuing operations in the six months to 30 September 2009 decreased by 10.4% to £71.5m (2008: £79.8m). At constant exchange rates and excluding the

impact of the acquisition of Service Source Europe Limited, however, revenue decreased by £18.4m (22.1%).

Adjusted operating result from continuing operations before exceptional items decreased from a profit of £1.0m to a loss of £1.7m. This compares to a prior year second half loss of £0.6m in the financial year ended 31 March 2009. Gross margins improved to 27.4% compared to 25.9% in the prior year second half, and 27.2% in the prior year first half.

Adjusted loss before tax from continuing operations, before exceptional items, was £1.9m (2008: profit £1.3m). The loss before tax reduced from a loss £8.0m at September 2008 to a loss of £2.7m.

The tax charge reflects tax payable on profits of certain Group companies that cannot be relieved by Group losses.

(Loss)/earnings per share before exceptional items were (9.5) pence (2008: 2.4 pence), and including exceptional items were (10.5) pence (2008: (30.3) pence).

Dividend

As stated in the 2009 annual report and accounts, the Board continues to keep dividend policy under review but is cognisant of the importance of dividends to shareholders. The Board intends to continue to make dividend payments as appropriate. In setting future dividends the Board will take account of available resources, current trading conditions and the prospects of attaining an appropriate level of cover in the foreseeable future.

The Directors have declared an interim dividend of 2.33 pence per share (2008: 3.50 pence per share). The dividend is payable on 22 January 2010 to shareholders registered on 30 December 2009.

Proposed acquisition of Financière BFi OPTiLAS S.A.S ("BFi OPTiLAS")

On 29 October 2009, the Company announced the proposed acquisition of BFi OPTiLAS, a privately owned specialist electronics and photonic component distributor, similar in size to Acal's Electronics division and operating in the same geographic areas.

The consideration payable is €10 million in cash plus 2 million Acal shares. The acquisition was overwhelmingly approved by Acal's shareholders on 19 November 2009 but remains subject to the approval of the French authorities, which is expected no later than 16 December 2009.

Whilst approximately 50% of Acal's electronics division revenue is derived from the UK, approximately 85% of BFi OPTiLAS's revenue is derived from mainland Europe, of which half comes from Germany and France.

The acquisition will create the leading specialist electronics distributor in Europe, with sufficient scale in the key European markets to serve our customers and suppliers profitably. Through combining the operations and back office functions, operational synergies in excess of £4.3m (€5.0m) are planned.

Board appointment

I am delighted to announce today the appointment, effective from 1 January 2010, of an additional Non-Executive Director, Ian Fraser, Group Chief Executive of Brammer plc ("Brammer"). Prior to joining Brammer in 1998, Ian was Group Managing Director of Reliance Security Group plc and spent much of his earlier career with Raychem Corporation in senior management positions. We look forward to working with him as a colleague and benefiting from his wise counsel.

Summary

Strong measures have been taken to reposition the business for the future with decisive actions being taken in existing businesses, as well as the transformational acquisition in the Electronics division. The Board believes that the Group is now well positioned for the future and will benefit from any improvement in economic conditions.

Richard Moon
Chairman
25 November 2009

Operating Review

Divisional results

The divisional performance in each of the half years ended 30 September 2009 and 2008 and for the year ended 31 March 2009 is set out below:

	Six months ended 30 September 2009		Six months ended 30 September 2008		Year ended 31 March 2009	
	Revenue £m	**Adjusted Operating loss £m**	Revenue £m	Adjusted Operating profit £m	Revenue £m	Adjusted Operating profit £m
Electronics	**39.4**	**(1.5)**	51.3	1.4	103.7	0.9

Supply Chain	**29.2**	**0.6**	25.1	0.5	54.2	1.1
Medical	**2.9**	**0.3**	3.4	0.5	7.5	1.0
Unallocated costs	**-**	**(1.1)**	-	(1.4)	-	(2.6)
	71.5	**(1.7)**	79.8	1.0	165.4	0.4

Adjusted Operating profit is stated before share-based payments, the amortisation of intangible assets and exceptional items.

Electronics

Reported revenues decreased by 23.2% and 26.6% at constant exchange rates. Over the same period the European electronics component distribution market declined by 25.3% (at constant currency), according to the IDEA (International Distribution of Electronics Association) industry association. Underlying revenues (excluding the termination of the Linear Technology franchise) compared favourably, declining by around 17%.

Significant actions have been taken to reduce costs - there has been a further reduction in headcount from 316 to 293 and the operating expense run-rate has been reduced by some £4.4m (18%) during the first six months of the year. A significant amount of work has been put in to reducing inventories resulting in a reduction of £4.9m over the six months (£3.7m pre exchange rate translation impact).

The losses suffered by the division in the earlier part of the half year have reduced to a current break even position. There has been a stabilisation in orders received which has resulted in a stabilisation in revenues.

We expect to see improvements in performance in the second half of the year as we implement our strategy of specialisation and as cost reductions and business improvements take effect.

Supply Chain

In April 2009, we completed the acquisition of the remaining 25% of Service Source Europe Limited ("SSE") for a consideration of £1 million.

Since the initial acquisition in January 2009 of SSE, the new management team has successfully merged the trading activities the Supply Chain division and SSE. Good progress has been made, with losses on a customer contract having been eliminated and contract terms shortened whilst a review of future profitability was undertaken. This will lead to an ending of the contract around the end of the financial year unless further extensions are negotiated.

Adjusting for the impact of the SSE acquisition, revenue is down around 13.1% on the prior half year. The banking crisis, in particular, has impacted demand within our ATM parts subsidiary. However, we have seen improved performance within our German subsidiary as new contract business has been won.

Medical

Vertec Scientific specialises in the supply of high quality radiology and bone densitometry equipment.

Revenues declined by 14.7% (£0.5m) to £2.9m while operating profit declined by £0.2m to £0.3m.

The larger part of the division's revenue is derived in the UK but it also has a subsidiary in South Africa. Performance in the UK, in particular, has been slower in the first six months than in recent years as our customers within the NHS have deferred budgeted spend into the second half year.

Finance

Net interest charge (excluding IAS 19 charge) was £0.2m compared to a net income of £0.3m in 2008. The reduction in income reflects the decline in interest rates through the second half of last year and into the current year. The Group also incurs some interest expense on overseas borrowings.

Net cash was £23.0m compared with £24.5m at 31 March 2009, a reduction of £1.5m. Working capital, net of exchange, reduced by £6.2m in the period, reflecting the lower revenues and the steps taken to improve our working capital to sales ratio. Gross of exchange, working capital reduced by £7.0m.

Gross capital expenditure of £0.4m was more than offset by the proceeds arising from a property sale of £1.2m. There was also a cash outflow of £1.0m as the Group acquired the remaining 25% of Service Source Europe Limited.

Equity attributable to shareholders at 30 September 2009 was £53.9m.

Current trading and outlook

The Group has been operating at around breakeven during September and October. Group orders during October and the first half of November showed a continuing improvement and a positive book to bill ratio. In the electronics division, sales have stabilised as indicated in our July Interim Management Statement, and we expect sales to increase towards the end of the second half as the improved order rate flows through. The manufacturing PMI (Purchasing Managers' Index) data for UK, France and Germany show an improvement with monthly sequential growth, which supports this view.

BFi OPTiLAS has seen similar trends in October and November.

Although still uncertain, economic conditions appear to be improving slightly. As a result, we expect to see continuing performance improvements in the second half of the year as cost reductions and trading improvements take effect.

Summary and strategic direction

We have taken decisive action to reduce operating expenses, increase gross margins and control working capital and cash flow; all of which have shown significant progress during the first half.

Following the acquisition of Service Source Europe Limited in January 2009, it has been successfully integrated into the Supply Chain division which has made good progress in eliminating losses in a customer contract and winning two new contracts.

With the proposed acquisition of BFi OPTiLAS we will create the leading specialist electronics and photonics distributor in Europe and enable operational synergies in excess of £4.3m (€5.0m).

We continue to manage the business tightly, and are confident that the Group is now well positioned to benefit from any improvement in market conditions.

N Jefferies

Chief Executive

25 November 2009

Independent Review Report to Acal plc

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2009 which comprises the Condensed Consolidated Income Statement, Condensed Consolidated Statement of Comprehensive income, Condensed Consolidated Balance sheet, Condensed Consolidated Cash Flow Statement and related notes 1 to 11. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with guidance contained in ISRE 2410 (UK and Ireland) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

Directors' Responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 2, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2009 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

Ernst & Young LLP

London

25 November 2009

Condensed consolidated income statement
for the six months ended 30 September 2009

	notes	**Unaudited six months ended 30 Sept 2009 £m**	Unaudited six months ended 30 Sept 2008 £m	Audited year ended 31 Mar 2009 £m
Continuing operations				
Revenue	3	**71.5**	79.8	165.4
Cost of sales		**(51.9)**	(58.1)	(121.5)
Gross profit		**19.6**	21.7	43.9

Selling and distribution costs		**(12.1)**	(11.9)	(26.8)
Administrative expenses		**(9.5)**	(8.9)	(61.2)
Other operating income		**0.2**	0.9	16.7
Other operating expenses		**(0.4)**	(5.0)	-
Operating loss	3	**(2.2)**	(3.2)	(27.4)
Analysed between:				
Adjusted operating (loss)/profit		**(1.7)**	1.0	0.4
Share based payments		**(0.1)**	-	(0.1)
Exceptional items	4	**(0.4)**	(4.2)	(27.7)
Share of post-tax losses from associates		**-**	-	(0.1)
Impairment of associate investment		-	(5.0)	(5.4)
Finance costs		**(0.6)**	(0.6)	(1.1)
Finance revenue		**0.1**	0.8	1.4
Loss before tax		**(2.7)**	(8.0)	(32.6)
Analysed between:				
Adjusted(loss)/ profit		**(1.9)**	1.3	0.8
Share based payments		**(0.1)**	-	(0.1)
IAS 19 charge for pension finance cost		**(0.3)**	(0.1)	(0.2)
Exceptional items	4	**(0.4)**	(9.2)	(33.1)
Taxation		**(0.1)**	-	(4.4)
Analysed between:				
Taxation before exceptional items		**(0.2)**	(0.5)	(1.4)
Exceptional items		**0.1**	0.5	(3.0)
Loss after taxation for the period		**(2.8)**	(8.0)	(37.0)
Attributable to:				
Equity holders of the parent		**(2.8)**	(8.0)	(37.1)
Minority interests		**-**	-	0.1
		(2.8)	(8.0)	(37.0)
(Loss)/earnings per share	8			
Continuing operations				
Basic - before exceptional items		**(9.5)p**	2.4p	(3.8)p
Basic - after exceptional items		**(10.5)p**	(30.3)p	(140.5)p
Diluted - before exceptional items		**(9.5)p**	2.4p	(3.8)p
Diluted - after exceptional items		**(10.5)p**	(30.3)p	(140.5)p
Dividends				
Dividends per share declared in respect of period		**2.33p**	3.50p	7.00p
Dividends per share paid in period		**3.50p**	14.70p	18.20p
Dividends paid in period		**£0.9m**	£3.9m	£4.8m

Condensed consolidated statement of comprehensive income

for the six months ended 30 September 2009

	Unaudited six months ended 30 Sept 2009 £m	Unaudited six months ended 30 Sept 2008 £m	Audited year ended 31 Mar 2009 £m
Loss for the period	**(2.8)**	(8.0)	(37.0)
Actuarial loss on defined benefit pension scheme	**-**	-	(3.0)
Deferred tax relating to pension scheme	**-**	-	0.8
Foreign currency translation differences	**(0.7)**	0.4	1.6
Other comprehensive (loss)/income for the period, net of tax	**(0.7)**	0.4	(0.6)
Total comprehensive (loss)/income for the period, net of tax	**(3.5)**	(7.6)	(37.6)
Total comprehensive (loss)/income for the period, net of tax attributable to:			
Equity holders of the parent	**(3.5)**	(7.6)	(37.7)
Minority interests	**-**	-	0.1
	(3.5)	(7.6)	(37.6)

Condensed consolidated balance sheet

at 30 September 2009

	notes	**Unaudited at 30 Sept 2009 £m**	Unaudited at 30 Sept 2008 £m	Audited at 31 March 2009 £m
Non-current assets				
Property, plant and equipment		**3.6**	4.4	4.7
Goodwill		**14.2**	49.2	13.5
Intangible assets		**1.5**	0.9	1.5
Investments in associates		**-**	0.6	-
Other financial assets		**-**	0.3	-
Deferred tax assets		**3.0**	3.1	2.6
		22.3	58.5	22.3
Current assets				
Inventories		**19.9**	23.0	24.7
Trade and other receivables		**29.6**	36.5	39.5
Current tax assets		**0.9**	0.3	0.4
Cash and cash equivalents		**28.1**	24.1	33.2
		78.5	83.9	97.8
Total assets		**100.8**	142.4	120.1
Current liabilities				
Trade and other payables		**(29.8)**	(35.0)	(37.5)
Short-term borrowings		**(5.1)**	(7.2)	(8.6)
Current tax liabilities		**(3.8)**	(3.6)	(5.1)
Provisions		**(1.0)**	(2.2)	(2.5)
		(39.7)	(48.0)	(53.7)
Non-current liabilities				
Long-term borrowings	10	**-**	-	(0.1)
Pension liability		**(5.4)**	(3.3)	(5.7)
Deferred tax liabilities		**(0.4)**	(0.6)	(0.5)
Provisions		**(1.4)**	(1.2)	(1.5)
		(7.2)	(5.1)	(7.8)
Total liabilities		**(46.9)**	(53.1)	(61.5)
Net assets		**53.9**	89.3	58.6
Equity				
Share capital	11	**1.3**	1.3	1.3
Share premium account	11	**38.0**	38.0	38.0
Other reserves	11	**5.8**	5.3	6.5
Retained earnings	11	**8.8**	44.7	12.4
Equity attributable to equity holders of the parent		**53.9**	89.3	58.2
Equity minority Interest		**-**	-	0.4
Total Equity	11	**53.9**	89.3	58.6

Condensed consolidated cash flow statement
for the six months ended 30 September 2009

	Unaudited six months ended 30 Sept 2009 £m	Unaudited six months ended 30 Sept 2008 £m	Audited year ended 31 Mar 2009 £m
Loss for the period	**(2.8)**	(8.0)	(37.0)
Taxation expense	**0.1**	-	4.4
Share of results from associates	**-**	-	0.1
Impairment of goodwill and associates	**-**	9.2	47.2
Net finance costs/(revenue)	**0.4**	(0.2)	(0.3)
Depreciation of property, plant and equipment	**0.6**	0.6	1.3

Amortisation of intangible assets	**0.1**	0.3	0.6
Change in provisions	**(1.6)**	(1.3)	(0.7)
Gain on disposal of businesses and investments	**-**	-	(15.9)
Gain on disposal of property, plant and equipment	**(0.3)**	-	-
Pension scheme funding	**(0.6)**	(0.6)	(1.3)
Equity-settled share-based payment expense	**0.1**	-	-
Operating cash flows before changes in working capital	**(4.0)**	-	(1.6)
Decrease/(increase) in inventories	**3.7**	(2.8)	(0.2)
Decrease/(increase) in trade and other receivables	**9.3**	(0.2)	3.0
(Decrease)/increase in trade and other payables	**(6.8)**	0.1	(3.6)
Decrease/(increase) in working capital	**6.2**	(2.9)	(0.8)
Cash generated/(absorbed) by from operations	**2.2**	(2.9)	(2.4)
Interest paid	**(0.3)**	(0.6)	(0.8)
Income taxes paid	**(2.5)**	(1.6)	(3.4)
Net cash flow from operating activities	**(0.6)**	(5.1)	(6.6)
Cash flows from investing activities			
Acquisition of shares in subsidiaries	**(1.0)**	-	(2.9)
Net overdrafts acquired with subsidiaries	**-**	-	(1.5)
Proceeds from sale of other financial assets	**-**	-	15.1
Purchases of property, plant and equipment	**(0.4)**	(0.7)	(1.2)
Proceeds from sale of property, plant, equipment and intangibles	**1.2**	0.1	0.2
Purchases of intangible assets	**(0.1)**	(0.1)	(0.2)
Interest received	**0.1**	0.8	1.4
Dividends received from associates	**-**	0.2	0.2
Net cash flow from investing activities	**(0.2)**	0.3	11.1
Cash flows from financing activities			
Repayments of borrowings	**(0.1)**	-	(0.1)
Dividends paid to company's shareholders	**(0.9)**	(3.9)	(4.8)
Net cash flow from financing activities	**(1.0)**	(3.9)	(4.9)
Net decrease in cash and cash equivalents	**(1.8)**	(8.7)	(0.4)
Cash and cash equivalents at beginning of period	**24.8**	25.8	25.8
Effect of exchange rate fluctuations	**0.1**	(0.1)	(0.6)
Cash and cash equivalents at end of period	**23.1**	17.0	24.8
Reconciliation to cash and cash equivalents in the balance sheet			
Cash and cash equivalents shown above	**23.1**	17.0	24.8
Add back overdrafts	**5.0**	7.1	8.4
Cash and cash equivalents shown within current assets in the balance sheet	**28.1**	24.1	33.2

Notes to the interim results
for the six months ended 30 September 2009

1. Corporate information

Acal plc is a company incorporated and domiciled in England and Wales. The Company's ordinary shares are traded on the London Stock Exchange. The condensed interim financial statements consolidate the financial statements of Acal plc, entities controlled by the Company (its subsidiaries) and include the Group's share of the results of associates.

2. Basis of preparation and accounting policies

The condensed consolidated interim financial statements for the six months to 30 September 2009 have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and IAS34 'Interim Financial Reporting' as adopted by the European Union. They do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year to 31 March 2009, which were prepared in accordance with IFRS as adopted by the European Union. The condensed consolidated interim financial statements are unaudited and were approved by the Board of Directors for issue on 25 November 2009.

The results for the year to 31 March 2009 are based on full audited financial statements prepared in accordance with IFRS as adopted by the European Union. These financial statements were filed with the Registrar of Companies and contain a report of the auditors, which does not contain a statement under sections 237 (2) or (3) of the Companies Act 1985 and is unqualified. The consolidated financial statements of the Group for the year ended 31 March 2009 are available on request from the Company's registered office or on its website.

Adjusted operating profit

The Directors believe that there are items, additional to the exceptional items shown on the face of the income statement that require separate presentation in the financial statements to assist readers' full understanding of the underlying performance of the Group. The face of the income statement now presents adjusted operating profit and adjusted profit before tax and reconciles these to operating profit and profit/(loss) before tax as required to be presented under the applicable accounting standards. The term adjusted profit is not defined under IFRS and may not be comparable with similarly titled profit measures reported by other companies. It is not intended to be a substitute for, or superior to, GAAP measurement of profit.

Significant accounting policies

The accounting policies adopted are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2009.

3. Segmental reporting

Segmental information is presented in respect of the Group's business segments, which are the primary basis of segmental reporting. This format reflects the Group's management and internal reporting structures. Inter-segment revenue is insignificant.

Six months to 30 September 2009

	Electronics £m	**Supply Chain £m**	**Medical £m**	**Unallocated £m**	**Total £m**
Revenue	**39.4**	**29.2**	**2.9**	**-**	**71.5**
Segment result	(1.5)	0.6	0.3	(1.1)	(1.7)
Share based payments	-	-	-	(0.1)	(0.1)
Exceptional item - restructuring	-	(0.1)	-	(0.3)	(0.4)
Net finance costs	-	-	-	(0.5)	(0.5)
Share of post-tax profits from associates	-	-	-		-
(Loss)/profit before taxation	(1.5)	0.5	0.3	(2.0)	(2.7)
Taxation					(0.1)
Loss for the period					**(2.8)**

Six months to 30 September 2008

	Electronics £m	Supply Chain £m	Medical £m	Unallocated £m	Total £m
Revenue	51.3	25.1	3.4	-	79.8
Segment result	1.4	0.5	0.5	(1.4)	1.0
Exceptional items	-	-	-	(9.2)	(9.2)
Net finance revenue	-	-	-	0.2	0.2
Share of post-tax profits from associates	-	-	-	-	-
Profit/(loss) before taxation	1.4	0.5	0.5	(10.4)	(8.0)
Taxation					-
Loss for the period					(8.0)

Year to 31 March 2009

	Electronics £m	Supply Chain £m	Medical £m	Unallocated £m	Total £m
Revenue	103.7	54.2	7.5	-	165.4
Segment profit/(loss) before exceptionals	0.9	1.1	1.0	(2.6)	0.4
Share based payments	-	(0.1)	-	-	(0.1)
Exceptional item - goodwill impairment	(29.7)	(12.1)	-	-	(41.8)
Exceptional item - restructuring	(1.3)	(0.1)	-	(1.2)	(2.6)
Exceptional item - other	(5.4)	-	-	16.7	11.3
Net finance revenue	-	-	-	0.3	0.3
Share of post-tax losses of associates	(0.1)	-	-	-	(0.1)
(Loss)/profit before taxation	(35.6)	(11.2)	1.0	13.2	(32.6)
Taxation					(4.4)
Loss for the year					(37.0)

4. Exceptional items

	Six months ended 30 Sept 2009 £m	Six months ended 30 Sept 2008 £m	Year ended 31 Mar 2009 £m
Other Operating Income:			
Write back of unutilised provision for retained obligations	**-**	0.8	0.8
Profit on disposal of other financial assets	**-**	**-**	15.9
	-	0.8	16.7
Administrative expenses			
Impairment of goodwill	**-**	(4.2)	(41.8)
Termination and restructuring costs	**(0.4)**	(0.8)	(2.6)
	(0.4)	(5.0)	(44.4)
Net operating exceptional costs	**(0.4)**	(4.2)	(27.7)
Non Operating Costs:			
Impairment of associate investment	**-**	(5.0)	(5.4)
	(0.4)	(9.2)	(33.1)
Tax on exceptional items	**0.1**	0.5	(3.0)
Total continuing exceptional items	**(0.3)**	(8.7)	(36.1)

5. Post balance sheet events

Proposed acquisition of BFi OPTiLAS:

On 29 October 2009, the Company announced the proposed acquisition of BFi OPTiLAS, a privately owned specialist electronics and photonic component distributor, similar in size to Acal's Electronics division and operating in the same geographic areas.

The consideration payable is €10 million in cash plus 2 million Acal shares. The acquisition was approved by Acal's shareholders on 19 November 2009 but remains subject to the approval of the French authorities.

BFi OPTiLAS is a similar specialised distributor of electronic and photonic products and in all the geographic areas in which it operates, Acal also has operations. Whereas about 50% of Acal's business is in the United Kingdom, the majority of BFi OPTiLAS's business is derived from mainland Europe.

6. Taxation

The effective tax rate on (loss)/profit before tax, excluding the share of post-tax profits from associates and exceptional items, for the six months to 30 September 2009 is (11.3) % (2008: 45.3%, year to 31 March 2009: (13.5)%).

The effective rates for the period have been calculated by applying the Group's best estimates of the effective tax rate for the current year.

7. Dividends

The directors have declared an interim dividend of 2.33 pence per share (2008: 3.50 pence) payable on 22 January 2010 to shareholders on the register at 30 December 2009. In accordance with IAS 10, this dividend has not been reflected in the interim results. The amount of this interim dividend is £0.6 million (2008: £0.9 million).

8. (Loss)/earnings per share

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	Six months ended 30 Sept 2009 £m	Six months ended 30 Sept 2008 £m	Year ended 31 Mar 2009 £m
(Loss)/profit for the period from continuing operations attributable to equity holders of the parent - before exceptionals	**(2.5)**	0.7	(1.0)
Exceptional items net of tax	**(0.3)**	(8.7)	(36.1)
Loss for the year attributable to equity holders of the parent	**(2.8)**	(8.0)	(37.1)
Weighted average number of shares for basic earnings per share	**26.4m**	26.4m	26.4m
Effect of dilution - share options	**0.8m**	-	-
Adjusted weighted average number of shares for diluted earnings per share	**27.2m**	26.4m	26.4m

At the period end there were 1.0 million ordinary share options in issue that could potentially dilute earnings per share in the future, of which 0.8 million are currently dilutive (2008: 0.9 million in issue and nil dilutive, 31 March 2009: 1.5 million in issue and nil dilutive). No adjustment has been made for the dilutive impact in the current year as this would decrease the reported loss per share.

9. Movements in net cash

	Six months ended 30 Sept 2009	Six months ended 30 Sept 2008	Year ended 31 Mar 2009
	£m	£m	£m
Net decrease in cash and cash equivalents	**(1.8)**	(8.7)	(0.4)
Cash outflow from repayment of borrowings	**0.2**	0.1	0.1
Effect of exchange rate fluctuations	**0.1**	(0.1)	(0.6)
Decrease in net cash	**(1.5)**	(8.7)	(1.1)
Net cash at beginning of the period	**24.5**	25.6	25.6
Net cash at end of the period	**23.0**	16.9	24.5

10. Pensions

The pension liability relates to the Sedgemoor Group Pension Fund which was brought into the Group on the acquisition of the Sedgemoor Group in 1999. The fund, which is a defined benefit scheme, is operated as a 'paid up' pension scheme with only pensioners and deferred members.

Following the actuarial valuation as at 31 March 2006, which showed a funding shortfall of £6.2 million, the Fund's Trustee, having reviewed its rights under the Scheme, agreed with Sedgemoor Limited ('the Company') a recovery plan based on extra contributions from the Company aimed at eliminating the shortfall by November 2012.

The IAS 19 liability at 31 March 2009 was £5.7 million. We are currently in the process of the triennial pension scheme valuation review after which discussions will be held with the Trustee regarding the level of ongoing contributions. The valuation should be finalised before the year end.

11. Equity attributable to equity holders of the parent

	Share capital	Share premium	Merger reserve	Translation reserve	Retained earnings	Total	Minority interests	Total equity
	£m	£m	£m	£m	£m	£m	£m	£m
At 1 April 2009	**1.3**	**38.0**	**3.0**	**3.5**	**12.4**	**58.2**	**0.4**	**58.6**
Total recognised income and expense	**-**	**-**	**-**	**(0.7)**	**(2.8)**	**(3.5)**	**-**	**(3.5)**
Share-based payments	**-**	**-**	**-**	**-**	**0.1**	**0.1**	**-**	**0.1**
Dividends paid	**-**	**-**	**-**	**-**	**(0.9)**	**(0.9)**	**-**	**(0.9)**
Acquisition of minority interests	**-**	**-**	**-**	**-**	**-**	**-**	**(0.4)**	**(0.4)**
At 30 September 2009	**1.3**	**38.0**	**3.0**	**2.8**	**8.8**	**53.9**	**-**	**53.9**
At 1 April 2008	1.3	38.0	3.0	1.9	56.5	100.7	-	100.7
Total recognised income and expense	-	-	-	0.4	(8.0)	(7.6)	-	(7.6)
Share-based payments	-	-	-	-	0.1	0.1	-	0.1
Dividends paid	-	-	-	-	(3.9)	(3.9)	-	(3.9)
At 30 September 2008	1.3	38.0	3.0	2.3	44.7	89.3	-	89.3
At 1 April 2008	1.3	38.0	3.0	1.9	56.5	100.7	-	100.7
Total recognised income and expense	-	-	-	1.6	(39.3)	(37.7)	0.1	(37.6)
Dividends paid	-	-	-	-	(4.8)	(4.8)		(4.8)
Minority interests of subsidiary acquired	-	-	-	-	-	-	0.3	0.3
At 31 March 2009	1.3	38.0	3.0	3.5	12.4	58.2	0.4	58.6

STATEMENT OF DIRECTORS' RESPONSIBILITIES

This interim report complies with the Disclosure and Transparency Rules (DTR) of the United Kingdom's Financial Services Authority in respect of the requirements to produce a half yearly financial report. This interim report is the responsibility of, and has been approved by, the Directors of Acal plc.

The Directors confirm that to the best of their knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 as adopted by the European Union;

- the interim report includes a fair review of the information required by DTR 4.2.7 (indication of important events during the first six months of the financial year and a description of the principal risks and uncertainties for the second six months of the financial year); and

- the interim report includes a fair review of the information required by DTR 4.2.8 (disclosure of any material related party transactions and changes therein).

On behalf of the Board

R Moon
Chairman

25 November 2009

FORWARD LOOKING STATEMENTS

This report may contain certain statements about the future outlook for Acal plc. Although we believe our expectations are based on reasonable assumptions, any statements about future outlook may be influenced by factors that could cause actual outcomes and results to be materially different.

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