Interim Management Statement

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ACAL plc
("Acal" or "the Group")

SECOND INTERIM MANAGEMENT STATEMENT
PERIOD COMMENCING 1 OCTOBER 2009
DIRECTORATE CHANGE

Acal plc, a specialist provider of technology products and services across Europe and South Africa, is today issuing its second Interim Management Statement for the year ending 31 March 2010, which covers the period commencing 1 October 2009 to date and includes the quarter ended 31 December 2009.

The Board is pleased to report that since September 2009, trading has improved with the Group now operating profitably. The Group's balance sheet remains robust with a net cash position.

Electronics

The backlog of orders has increased at a better rate than expected, being 16% higher than the low point of April 2009, and 3% higher year on year (on a consistent basis, unadjusted for currency exchange rate movements). This is starting to translate into improved sales, which in January were around 8% higher than the previous quarter's monthly average. Orders received in the months of December and January continued at the improved level and with a positive book to bill ratio. We expect the improving sales rate to continue throughout the second half.

BFi Optilas ("BFi") is seeing a similar improvement.

Supply Chain and Medical

As indicated in the interim results, the Supply Chain division will disengage from a major customer contract at the end of the financial year. As previously stated, losses on this contract have already been eliminated. Underlying Supply Chain sales remain stable although margins are coming under pressure.

Trading in the Medical division also remains stable, with sales having increased year on year. As indicated in our interim statement, spending within our UK customers in the NHS has increased in the second half of the year, although we remain

cautious for the remainder of the year, as speculation of further spending cut backs continues.

The following material events or transactions impacted the Group during the period covered by this interim management statement.

Acquisition of BFi

On 18 December, the Group completed the acquisition of BFi for a consideration of €10 million and the issue of 2 million Ordinary Shares. The acquisition has doubled the Group's electronic sales which now account for around 70% of Group sales.

BFi has already exceeded our expectations in the initial period of ownership, and the process of integrating its operations with the rest of the division is progressing well.

Purchase and Leaseback of offices and warehouse in Eindhoven

On 31 December 2009, the Group completed the purchase, sale and leaseback of its offices and warehouse in Eindhoven. This generated a cash inflow of €0.6 million with the profit on sale being amortised over the life of the revised lease agreement.

Directorate Change

The Group also announces today that Malcolm Cooper, Group Finance Director, has resigned for personal reasons with immediate effect. Until a permanent replacement is found, Paul Neville, Group Commercial Director, will be acting Group Finance Director.

Nick Jefferies, Chief Executive Officer commented:

"The return to profitability has been achieved by taking decisive actions to reduce operating expenses and increase gross margins. Improving sales trends are now also starting to take effect. We continue to manage the business tightly, and are cautiously optimistic of a sustained improvement in market conditions.

We are very pleased to welcome BFi Optilas to the Acal group and are focussedon delivering the significant synergies as we build Europe's leading specialist Electronics and Photonics distributor.

I would like to thank Malcolm Cooper for his valuable contribution to Acal over the last ten years, and wish him well for the future."

For further information:-

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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.

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 the Nordic region.

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

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