Interim Management Statement

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Acal plc
First Interim Management Statement

Acal plc (LSE : ACL, "The Group"), the European specialist provider of technology products and services, is today issuing its Interim Management Statement for the year ending 31st March 2012, which covers the period April 1st 2011 to date.

The Board is pleased to report that the year has started well with Group reported sales up 8% year on year. The Electronics division, which now includes the Group's Medical business and accounts for 82% of Group sales, increased reported sales by 13% year on year and the backlog of orders by around 9%. Sales in the Supply Chain business (18% of Group sales) were flat year on year (excluding the disposal of ATM Parts Ltd).

Gross margin has continued to increase, being above the 28.5% reported for the second half of last year. Within Electronics, and in line with the previously communicated strategy, we have accelerated our sales development of specialist, higher value add products, and reduced sales activities of general products with less differentiation, with the aim of further improving gross margins, albeit initially at lower sales growth rates.

There have been no significant changes to the Group's financial position during the period.

Acquisition of Hectronic

As previously announced, on 1 June 2011, the Group acquired Hectronic AB ("Hectronic"), a specialist provider of embedded computing technology, for an up front cash consideration of £1.2m. The acquisition is expected to be earnings neutral for this year and earnings enhancing from then on.

Nick Jefferies, Group Chief Executive commented:

"The year has started well with Electronics sales growth of 13% at higher margins. The acquisition of Hectronic has strengthened our business in the Nordic region, further enhancing our position as the leading specialist Electronics distributor in Europe.

Although economic conditions continue to be uncertain, the Board remains confident that our strategy for growth both organically and by further targeted acquisitions will continue to build long term value for shareholders."

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Notes to the Interim Management Statement
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:

About Acal plc

The Acal Group is a European specialist provider of technology products and services providing sales, marketing, engineering and other services through two divisions: Electronics and Supply Chain. The Electronics Division is Europe's leading specialist distributor of electronic and photonic products to industrial manufacturing and design companies. The Supply Chain Division provides inventory optimisation and outsource solutions to leading technology service 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
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