Interim Management Statement

Released : 19 Jul 2012

RNS Number : 9986H
Acal PLC
19 July 2012

7.00AM, 19 July 2012

Acal plc
Interim Management Statement

Acal plc (LSE: ACL, "Acal" or "The Group"), Europe's leading specialist electronics supplier, is today issuing its first Interim Management Statement for the year ending 31 March 2013, which covers the period 1 April 2012 to date.

As expected, the difficult economic conditions continued into the first quarter. However, the successful implementation of the Group's specialist strategy continues to make progress, resulting in further market share gains and gross margin improvements.

Orders improved during the quarter and into July, with levels for June and July to date being similar to last year on a like for like basis[1]. First quarter Group sales reduced by 12% year on year on a like for like basis[1] as expected, being against a record prior year comparator. The impact of this sales reduction was partly mitigated by gross margin improvements and underlying operating cost reductions of 9% following the actions reported last year. As a result, performance for the first quarter was in line with management's expectations.

All acquisitions are performing well and as expected.

With two thirds of the business being outside the UK, the Group is subject to the translation impact of the declining value of the Euro. In the first quarter, the Euro weakened 9% relative to sterling compared with the average rate for the first quarter of last year resulting in a 6% impact on both reported sales and earnings.

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

Nick Jefferies, Group Chief Executive commented:

"Orders grew through the quarter and are now at similar levels as this stage last year. The Group strategy of electronics specialisation continues to make progress despite the challenging economic conditions and manufacturing cyclicality, with improving sales mix and gross margins combined with the flow through of cost savings achieved last year.

Development of the new electronics web platform is on track for launch in the second half and will provide a sector leading local language marketing capability with which to reach new customers.

Whilst mindful of economic conditions, the Group remains well positioned with a growing pipeline of new opportunities which will accelerate growth when market conditions improve."

For further information please contact:

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Notes to the Interim Management Statement

1. Like for like orders and sales are at constant exchange rates, including acquisitions for the whole of the comparative period (except any acquired during the year) and excluding any disposals. Also excluded are orders and sales from non-specialist lines discontinued in the first half last year.

2. 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

Acal is a European specialist provider of technology products and services providing sales, marketing, engineering, design and other services through two divisions: Electronics and Supply Chain. The Electronics division is Europe's leading specialist supplier 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, the Nordic region and South Korea.

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