Acquisition

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Acal plc

Acquisition of German Specialist Electronics business

Acal plc (LSE: ACL, "Acal" or the "Group"), a leading European specialist electronics supplier, today announces the acquisition of RSG Electronic Components GmbH ("RSG") for an upfront cash consideration of €3.0m (£2.5m) before expenses and a deferred cash consideration of €0.25m (£0.2m) payable after 18 months. RSG has been acquired from its managing director, Mr H Gotta, who will remain with the business. The acquisition is being funded from Acal's existing resources.

RSG is a German based supplier and specialist distributor of custom power solutions, designing and supplying products such as a custom power supply for wind turbine blade pitch control systems, and a power unit for high power industrial lasers. The company, which has 15 staff, will form a separate business unit within Acal's Electronics division and will retain its strong independent brand identity.

RSG's revenues for the year ended 31 December 2012 were €4.8m (£4.0m) and it generated a pre tax profit of €0.7m (£0.6m). Gross assets at 31 December 2012, excluding cash balances which will not be acquired, were €0.8m (£0.7m). The acquisition is expected to be earnings enhancing on an underlying profits basis for the Group's year ending 31 March 2014. This does not constitute a profit forecast.

Nick Jefferies, Group Chief Executive of Acal plc said:

"The acquisition of RSG will enhance Acal's power capabilities in Germany, bringing a successful track record of providing specialised power solutions to industrial customers. As part of the enlarged group, RSG will gain access to our 20,000-strong customer base across Europe whilst Acal will benefit from RSG's customisation and design capabilities. We are delighted to welcome RSG into the Group, as we continue to pursue our goal of becoming an international market leader in specialist electronics."

For further information please contact:

Acal plc		
Nick Jefferies	Group Chief Executive	01483 544 500
Simon Gibbins	Group Finance Director	
College Hill		020 7457 2020
Mark Garraway		
Helen Tarbet		

Notes to Editors:

About Acal plc

Acal is a European leader in advanced technology solutions through two divisions: Electronics and Supply Chain.

The Electronics division provides specialist electronic, photonic and medical products, manufacturing, design, engineering and marketing services to the industrial and healthcare sectors. It is the only such provider with an infrastructure to deliver a broad complementary range of specialist products and bespoke solutions across Europe. The Electronics division has completed seven acquisitions in the last four years, more than trebling its specialist revenues. Acal's strategy is to further enhance its leadership position through organic growth, complementary acquisitions and continued enhancement of its custom service capabilities. The division has operating companies across Europe including the UK, Germany, France, Benelux, Italy, Poland, Spain and the Nordic region as well as Asia (China and South Korea) and Africa (South Africa). Businesses comprise Acal BFi, Hectronic, MTC, Myrra Group, Stortech, Vertec and Young Electronics Group.

The Supply Chain division provides inventory optimisation and outsource solutions to leading technology service providers.

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

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