Interim Management Statement

Released : 09 Feb 2015

RNS Number : 3427E
Acal PLC
09 February 2015

For Release
7.00am, 9 February 2015

Acal plc
Interim Management Statement

Acal plc (LSE: ACL, "Acal" or "the Group"), a leading international supplier of customised electronics to industry, is today issuing its second interim management statement for the year ending 31 March 2015, which covers the period 1 October 2014 to date.

Group reported sales for the period increased by over 30% and by over 40% at constant exchange rates[1] ("CER"). On a like-for-like basis[2], underlying growth rates in Custom Distribution and in Design & Manufacturing are consistent with those of the first half.

Acal BFi's website is making good progress with web generated new business almost doubling in the third quarter when compared with the first half of the year. Additionally, cumulative user registrations have increased by 28% since September.

Our cross-selling activities have identified a range of opportunities around the wider Group and continue to develop positively. Whilst levels are still relatively small, the trends are encouraging with third quarter orders between group companies having grown by over 30% compared with average levels for the first half.

Noratel, which was acquired on 17 July 2014, is performing well. Orders grew by 6%, whilst sales were in line with last year's pre-acquisition period (both on a CER basis). In addition to cross-selling activities, the operational efficiencies previously identified are in the process of being implemented.

Foss, which was acquired on 7 January 2015 for an initial consideration of £10.1m, has made a good start. The acquisition was funded through Acal's existing debt facilities and resulted in a Group gearing ratio[3] of 1.6 at the end of January 2015.

Nick Jefferies, Group Chief Executive, commented:

"The second half of the year is progressing well. Organic trading is performing as expected, as are the recent acquisitions, which are generating new sales opportunities and further operational efficiencies around the Group. With a continuing robust order book in excess of £80m, we remain on track to deliver strong growth in underlying earnings per share for the year in line with our expectations, despite the economic conditions."

For further information please contact:

Acal plc
Nick Jefferies - Group Chief Executive
Simon Gibbins - Group Finance Director 01483 544 500

Peel Hunt (Corporate Broker)
Justin Jones 020 7418 8900
Mike Bell

Instinctif
Mark Garraway 020 7457 2020
Helen Tarbet

Notes

1. Unless stated, growth rates refer to the comparable prior year period. The average sterling rate of exchange has strengthened 7% against the Euro for the 4 months ended 31 January 2015 compared to the same period last year (rising from €1.19 to €1.27) negatively affecting reported sales and earnings for this period by around 7%.

2. Like-for-like growth for the Group is calculated at constant exchange rates excluding this year's acquisitions of Noratel and Foss, and excluding YEG and RSG which were acquired during last year.

3. The Group gearing ratio is defined as net debt at 31 January 2015 over underlying EBITDA for the 12 months ended 31 January 2015 (adjusted for a full year's inclusion of the underlying EBITDA of acquisitions).

4. This interim management statement is based upon unaudited management accounts and has been prepared solely to provide additional information on trading to the shareholders of Acal plc. It should not be relied on by any other party for other purposes. Certain statements made in this update are forward-looking statements. Such statements have been made by the Directors in good faith using information available up until the date that they approved this Statement. Forward-looking statements should be regarded with caution because of the inherent uncertainties in economic trends and business risks.

Notes to Editors:

About Acal plc

Acal is a leading supplier of customised electronics to industry. It designs, manufactures and distributes customer-specific electronic products and solutions to 20,000 industrial manufacturers and is listed on the London Stock Exchange (LSE: ACL).

Acal has two divisions: Custom Distribution and Design & Manufacturing. The majority of its sales comes from products and solutions which are either created uniquely for a customer or sourced exclusively. Acal works across a range of technologies, namely Communications & Sensors, Electromechanical, Imaging & Photonics, Microsystems & Displays, and Power & Magnetics.

Acal operates through the following wholly-owned businesses: Acal BFi, Foss, Hectronic, MTC, Myrra, Noratel, RSG, Stortech and Vertec. It has operating companies and manufacturing facilities in a number of markets, including the UK, Germany, France, the Nordic region, Benelux, Italy, Poland, Slovakia and Spain, as well as in Asia (China, India, Sri Lanka and South Korea), the US and South Africa.

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

END

IMSBRGDDLBGBGUL