

**7.00am, 8 Jan 2016**

**Acal plc**

**Acquisition of Contour Holdings Limited**

Acal plc (LSE: ACL, "Acal" or the "Group"), a leading international supplier of customised electronics to industry, today announces the acquisition of Contour Holdings Limited and its affiliate Contour Electronics Asia Limited (together defined as "Contour"), a UK based designer and manufacturer of custom cabling and connector products, for an initial consideration of £17.0m on a debt free, cash free basis, before expenses.

The initial consideration comprises £14.0m in cash, funded from the Group's existing debt facilities, and the issue to the vendors of new ordinary shares of 5p each in Acal ("New Ordinary Shares") to the value of £3.0m. Deferred consideration of £1.0m is payable in April 2019, subject to certain conditions and additional contingent consideration of up to £6.0m will be payable after July 2019, subject to Contour achieving agreed growth targets. The acquisition is expected to be immediately enhancing to underlying earnings.

Contour designs and manufactures custom cabling assemblies and connectors for use in industrial and medical applications. Engineering and low volume production is located at Contour's facility in Hampshire in the UK with higher volume production undertaken through partners in Asia. The addition of Contour to Acal's cabling capability will more than double the Group's revenues in this technology area.

The business, which has grown strongly over recent years, will operate within Acal's Design & Manufacturing division whilst retaining its distinct brand identity. Contour's revenues for the year ended 30 June 2015 were £10.7m generating a pre-tax profit of £1.1m on a reported basis, and an underlying profit before tax<sup>(1)</sup> of £1.8m. Gross assets at 30 June 2015 were £5.1m.

Contour has been acquired from its shareholders, Nick Foster and Ian Aldridge, who are both Directors of Contour and will continue in their roles.

Application will be made for admission of 1.08 million New Ordinary Shares to the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's main market for listed securities ("Admission"). It is expected that Admission will become effective at 08:00 am on 14 January 2016.

Nick Jefferies, Group Chief Executive of Acal plc, said:

"The acquisition of Contour continues our strategy of building a differentiated Group with higher operating margins by buying high quality, growing design and manufacturing businesses.

Contour has a long established track record of producing high quality custom cabling and connectors for UK based industrial and medical customers. As part of the Acal Group, they will gain access to our wider international customer base.

We have known the Directors of Contour for several years and are delighted to welcome the entire team into the Group."

For further information please contact:

**Acal plc**

Nick Jefferies - Group Chief Executive  
Simon Gibbins - Group Finance Director

01483 544 500

**Instinctif**

Mark Garraway  
Helen Tarbet  
James Gray

020 7457 2020

**Notes**

1. Underlying profit before tax is reported profit before tax excluding exceptional items and shareholder costs.

**Notes to Editors:**

**About Acal plc**

Acal is a leading international supplier of customised electronics to industry. It designs, manufactures and distributes customer-specific electronic products and solutions to 25,000 industrial manufacturers and is listed on the London Stock Exchange (LSE: ACL).

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

Acal operates through the following wholly-owned businesses: Acal BFi, Contour, Flux, 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, South Korea and Thailand), the US and South Africa.