Trading Update

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Acal plc
Trading Update

Acal plc (LSE: ACL, "Acal" or "the Group"), a leading international supplier of customised electronics to industry, today issues a trading update for the year ending 31 March 2017, covering the 3 month period from 1 October 2016 to 31 December 2016.

Trading in the third quarter was in line with management expectations. Group sales[1] increased by 21% and by 5% CER, with orders up 4% CER. As expected, organic sales[2] for the quarter improved, being flat with last year compared with a 7% decline in the first half. The Group remains on track to deliver positive organic growth in the final quarter.

Gross margins remain firm and ahead of last year, and operating costs continue to be tightly managed. We maintain our earnings forecast for the full year.

Net debt at 31 December 2016 was £41.1m with a Group gearing ratio[3] of 1.9 times, in line with the position as reported at the half year ended 30 September 2016.

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Notes

1. Growth rates refer to the comparable prior year period unless stated.

2. Organic growth for the Group is calculated at Constant Exchange Rates ("CER"), including the pre-acquisition periods of Flux, Contour, and Plitron which were acquired last financial year (on 5 November 2015, 7 January 2016 and 1 February 2016 respectively) and excluding Acal BFi Spain which was closed during the quarter ended 31 December 2016. The average sterling rate of exchange weakened 14% against the Euro for the 3 months ended 31 December 2016 compared with the average rate for the second half last year, weakened 16% against the US Dollar and weakened 14% against Nordic currencies on average.

3. Group gearing is defined as net debt divided by underlying EBITDA, annualised for acquisitions.

4. This trading update 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 update. Forward-looking statements should be regarded with caution because of the inherent uncertainties in economic trends and business risks.

5. The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation. Upon the publication of this announcement via a regulatory information service, this inside information is now considered to be in the public domain.

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 comes from products and solutions which are created specifically for a customer. Acal works across a range of technologies, namely Communications & Sensors, Power & Magnetics, Electromechanical & Cabling, Microsystems, and Imaging & Photonics.

Acal operates through the following wholly-owned businesses: Acal BFi, Contour, Flux, Foss, Hectronic, MTC, Myrra, Noratel, Plitron, 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 and Slovakia as well as in Asia (China, India, South Korea, Sri Lanka and Thailand), North America (the US and Canada) and South Africa.

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