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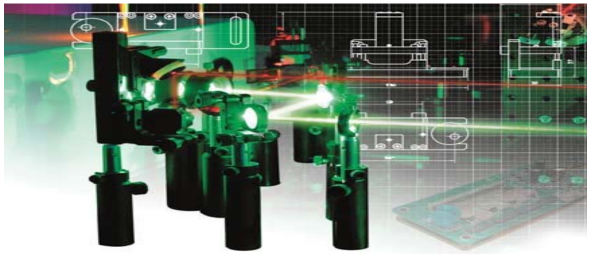
PRELIMINARY RESULTS

Year ended 31 March 2011

1 June 2011


Agenda

■ Introduction	Richard Moon
■ Overview & current trading	Nick Jefferies
■ Financial review	Simon Gibbins
■ Operating review	Nick Jefferies

Introduction

- Specialisation strategy is delivering significant improvements in performance
- Sales growth and return to overall profitability
- Integration of BFi OPTiLAS completed successfully to plan
- Acquisition of Compotron GmbH for £7.1m(1)
- Acquisition of Hectronic AB for £1.2m
- Final dividend increased by 10% to 5.14p (from 4.67p)
  - Full year dividend up 6.7% to 7.47p (from 7.0p)
- Further growth opportunities, organically and by acquisition

1. Compotron was acquired for an upfront consideration of £5.2m, a working capital settlement of £0.5m plus up to an additional £1.4m earn out subject to performance targets

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Overview of Results

	FY 2010/11	FY 2009/10
Revenue	**£265m**	£182m
Underlying Operating Profit/(Loss)[1]	**£7.4m**	£(0.7)m
Underlying Profit/(Loss) before Tax[1]	**£7.1m**	£(0.9)m
Profit/(loss) before Tax	**£1.9m**	£(6.3)m
Underlying diluted EPS[1]	**18.6p**	(6.3)p
Fully diluted EPS	**5.7p**	(24.5)p
Dividend per Share	**7.47p**	7.0p

- Reported revenue up 46%
- Strong return to overall profitability
- Underlying operating profit up 64% sequentially
  - H2 £4.6m, H1 £2.8m
- Pre exceptional cashflow of £2.6m

1. Underlying operating profit excludes exceptionals, Compotron earn out and amortisation of acquired intangibles; includes LTIPs

H2 Highlights

- Strong like for like sales growth continues
  - Group +17%, Electronics +22%
- Gross margin up by 0.8 ppts to 28.5%
  - Up by 0.2 ppts sequentially
- Operating expense to sales ratio reduced 1.5 ppts in a year to 25.2%
- Working capital efficiency improved to 12.0% of sales (H1: 12.7%)
- Integration of Bfi Optilas completed successfully
  - Synergies of £4.4m (€5.3m)
- Compotron acquisition performing well and ahead of plan
- Sale of ATM Parts Ltd (loss making business of Supply Chain Division) for £0.7m
- Post year end - Acquisition of Hectronic AB strengthens Nordic business and brings additional specialist technologies

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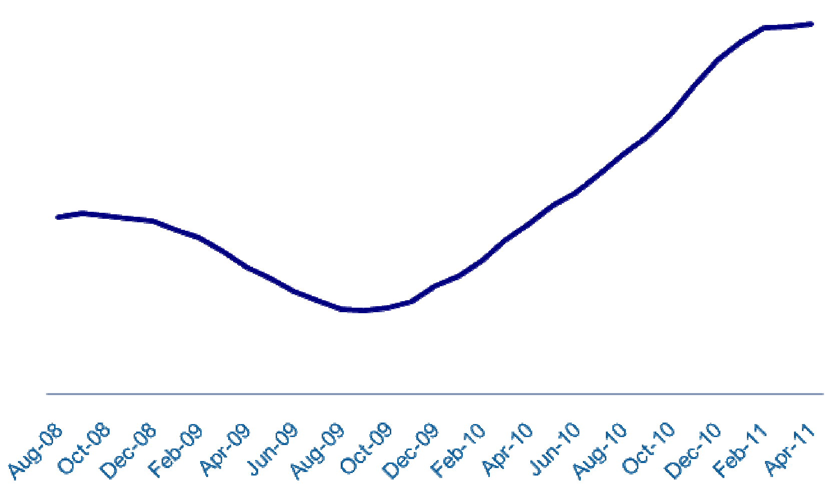
Current trading

Electronics customer order pipeline



- Electronics order book up 20% on prior year at year end
  - 46% ahead of two years prior (like for like)
- Continued positive book to bill ratio since year end
- Sales and profit momentum continues into 2011/12
- Positive market environment with recovery in electronic manufacturing

Note: Six month rolling average customer order book like for like at constant currency,
Orders are like for like at constant currency including acquisitions and disposals

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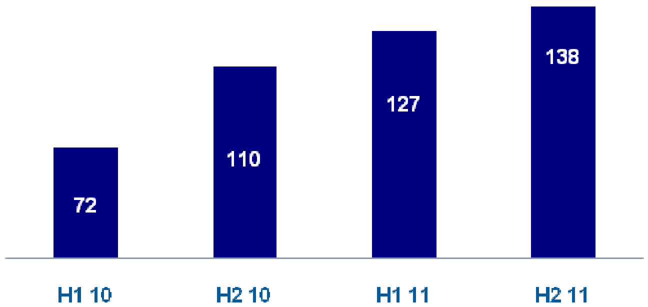
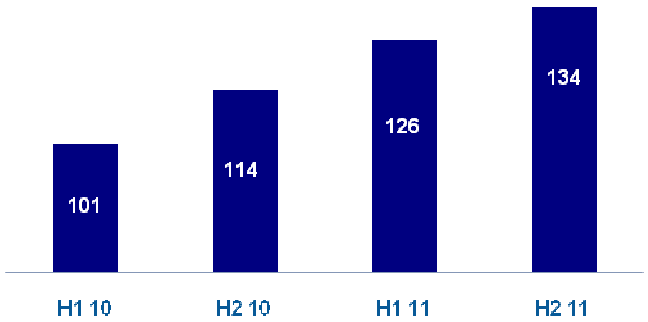
Sales Growth Continues

Reported Sales



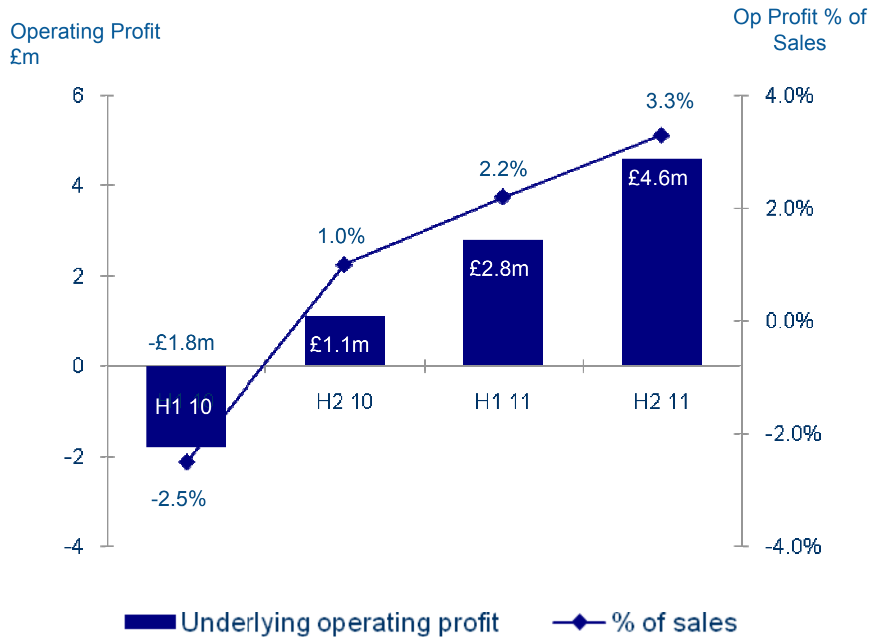
Like for Like Sales



- Continuing growth in Group Sales:-
  - FY reported sales up 46%
  - FY like for like[1] sales up 21%
  - H2 like for like sales up 17%
- Driven by Electronics
  - FY sales up 27% (like for like)
  - H2 sales up 22% (like for like) against strong comparators

1. Like for like is at constant exchange rates, including BFi acquisition and excluding Compotron acquisition, ATM Parts disposal and an ASC non core contract terminated last year.

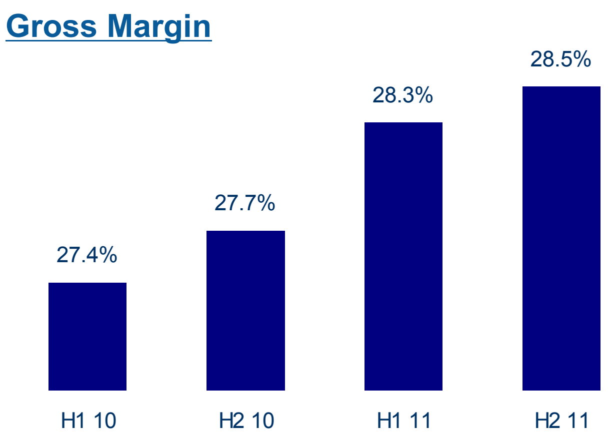
Further Improvements in Operating Profitability

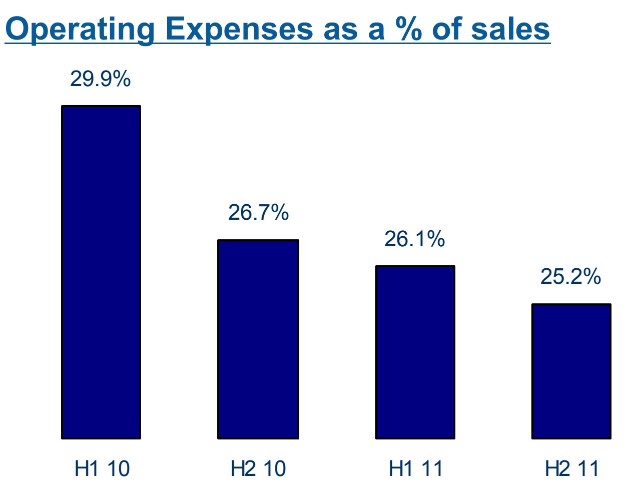


- H2 operating profit[1] increased to £4.6m
  - Up £1.8m since H1 to 3.3% operating margin
- Full year operating profit £7.4m
  - Operating margin of 2.8%

1. Underlying operating profit excludes exceptionals, Compotron earn out and amortisation of acquired intangibles; includes LTIPs

Increasing Gross Margins and Operational Efficiency Improvement





- Specialisation driving further gross margin improvements
  - GM increases 0.2% points over H1 11
  - Full year GM up 0.8% to 28.4%
- Operating expense ratio reduced by a further 0.9% points in 6 months
  - 0.6% operational efficiency
  - 0.3% integration synergies
- BFi integration synergies delivered
  - £1.7m in H2 (annualised at £4.4m)
  - £3.0m in FY (£1.3m in H1)

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Divisional Performance

£m	H2 10		H1 11		H2 11		Sales Growth		
	Sales	Operating Margin %	Sales	Operating Margin %	Sales	Operating Margin %	Reported H2	Like for Like v H2 10	Like for Like v H1 11
Electronics	73.0	1.8%	96.5	3.6%	**106.3**	**5.3%**	46%	22%	6%
Supply Chain	32.8	2.1%	27.2	1.8%	**27.1**	**2.6%**	-17%	6%	6%
Medical	4.3	11.6%	3.6	13.9%	**4.1**	**17.1%**	-5%	-5%	14%
Unallocated(2)		-1.3%		-1.3%		**-1.7%**			
Total	110.1	1.0%	127.3	2.2%	**137.5**	**3.3%**	25%	17%	6%

- Electronics – strong sales & tight cost control delivering continuing margin growth
- Supply Chain – profitability improving with shift to higher margin contracts
- Medical – strong profitability driven by South Africa
- HO strengthened to support growth strategy

1. Like for like is at constant exchange rates, including BFi acquisition full year, and excluding Compotron, ATM Parts disposal and an ASC non core contract terminated last year
2. As a percentage of sales

Strong Earnings Performance

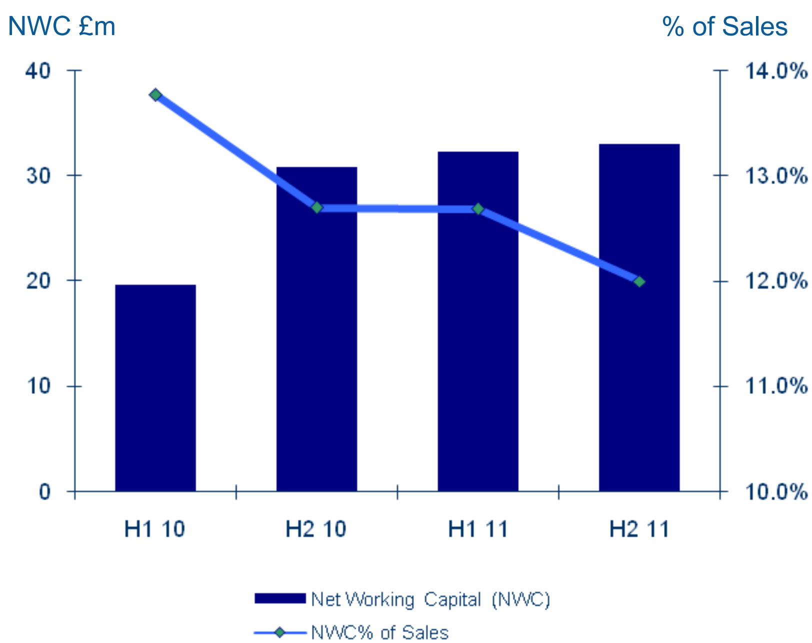
£m	H2 10	H1 11	H2 11
Operating Profit[1]	1.1	**2.8**	**4.6**
Finance costs[2]	0.0	**(0.2)**	**(0.1)**
PBT	1.1	**2.6**	**4.5**
Effective tax rate	45%	**23%**	**23%**
PAT	0.6	**2.0**	**3.5**
Underlying EPS (p)	2.4	**6.8**	**11.8**
IFRS adj to PBT	(4.7)	**(3.0)**	**(2.2)**
IFRS PBT	(3.6)	**(0.4)**	**2.3**
IFRS EPS (p)	(14.0)	**(0.7)**	**6.4**

£m	FY 10	FY 11
Operating Profit[1]	(0.7)	**7.4**
Underlying EPS (p)	(6.3)	**18.6**
IFRS EPS (p)	(24.5)	**5.7**

- Tax
  - FY effective tax rate of 23%
  - Tax loss utilisation; £18m remain
- Underlying EPS
  - H2 EPS of 11.8p up 74% over H1
  - FY EPS at 18.6p
- IFRS adjs[1][2] (FY: £5.2m), mainly:
  - BFi integration (£3.6m)
    - £6.0m in total
  - Compotron costs[3] (£0.5m)
  - ASC restructuring (£0.6m)
- IFRS EPS of 5.7p for the FY – return to overall profitability

1. Underlying operating profit excludes exceptionals (FY11 £4.4m), Compotron earn out (FY11 £0.2m) and amortisation of acquired intangibles (FY 11 £0.3m)
2. Underlying finance costs excludes IAS 19 pension finance cost (FY 11 £0.3m)
3. Compotron costs comprise earn out (£0.2m), amortisation of intangibles (£0.1m) and exceptional acquisition costs (£0.2m). Total earn out is up to £1.4m payable in Jan 2013; £1.9m of intangible amortised over 5 years.

Tight Working Capital Management



- Net working capital at 12.0% of sales for H2
  - 0.7% improvement on prior year
- Stock turns up to 7.9x from 7.4x (FY10) reflecting specialisation strategy
- Inventory of £25m – the same as 2 yrs ago
  - £100m more sales

Improving Cash Generation

	H1 11	H2 11	Total
Operating Cash[1]	3.7	5.4	9.1
Interest, tax	0.7	(1.1)	(0.4)
Dividends	(1.3)	(0.7)	(2.0)
Funding/Tax	(0.6)	(1.8)	(2.4)
Working capital	(2.9)	0.1	(2.8)
Capex	(0.4)	(0.9)	(1.3)
Investments	(3.3)	(0.8)	(4.1)
Pre exceptional CF	**(0.2)**	**2.8**	**2.6**
Exceptionals	(3.4)	(1.8)	(5.2)
Acquisitions [2]		(4.4)	(4.4)
Cash flow	**(3.6)**	**(3.4)**	**(7.0)**

- Cash generated in H2 of £2.8m pre exceptionals
  - Post exceptional cash of £1.0m
- Acquisitions/disposals[2] – mainly:
  - £4.3m net payment for Compotron[3]

	FY 11
Cash - 31 Mar 10	13.9
H2 cash flow	(7.0)
FX	(0.2)
Cash - 31 Mar 11	**6.7**

- Average Q4 2011 net borrowings of £0.5m
  - £20m in committed working capital facilities

1. Operating Cash is Underlying Operating Profit (£7.4m) plus non cash items - D&A (£1.4m) and LTIPs (£0.3m)
2. Comprises Compotron (£5.2m upfront less £0.9m cash acquired), IT Solutions revision (£0.7m) less net receipt from sale of ATM Parts (£0.6m)
3. Up to £1.9m payable re Compotron at 31 March - £0.5m for working capital (paid Apr 11) and up to £1.4m earn out in Jan 13.

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Summary Financial Highlights

- Strong sales performance continues
  - H2 Group sales up 17% over last year like for like (Electronics up 22%)
- Ongoing gross margin improvement
  - Up 1.1% in 18 months
- Further improved operational leverage
  - Integration synergies delivered
  - Operating margin up 1.1% to 3.3% in 6 months
- Delivering profits and generating cash
  - Underlying EPS at 18.6p (11.8p in H2)
  - IFRS EPS at 5.7p to return to overall profitability
  - £1.0m cash generation in H2 (covering exceptionals)
- Tight working capital management
  - NWC% of sales down to 12.0%
- Increasing our final dividend – up 10% to 5.14p (from 4.67p)

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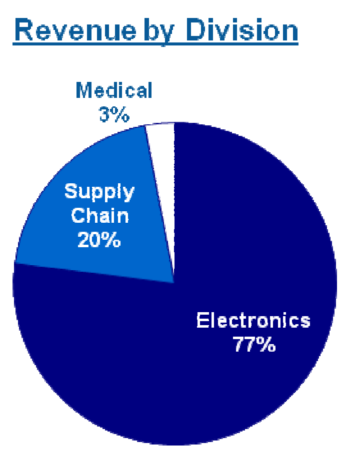
Acal Group overview

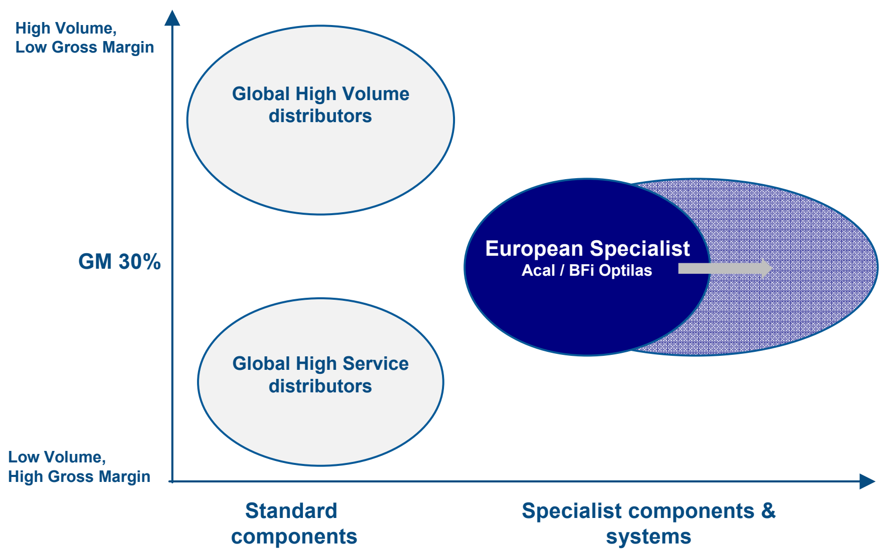
Electronics	Medical	Supply Chain
Electronic & Laser components	Medical imaging equipment	IT spare parts outsourcing
(11 European Countries)	(UK & South Africa)	(UK & Germany)

- European supplier of specialist technologies
  - Operate in market niches
  - Growing organically and acquisitively
- Electronics Division accounts for 80% of profits
  - Niche products into technically demanding applications
  - Supply to industrial manufacturing
  - Differentiated by
    - Product range and features
    - Technical capabilities of staff
    - Bespoke capabilities for customers



Differentiated Electronics strategy is delivering results

Competitive landscape

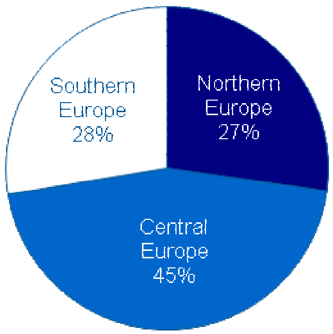


Clear strategy with 3 priorities

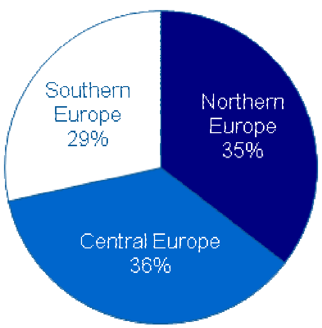
1. Grow presence in key European markets
2. Expand specialist product offer
3. Increase operational efficiency

Established presence in European markets

European Market



Acal Electronics revenue



Market

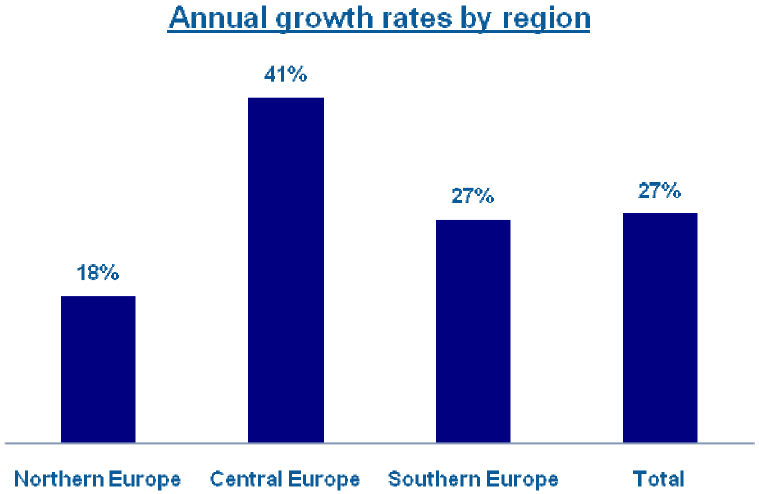
- Central Europe accounts for almost half of market
  - Germany one third of total
- UK, France, Italy & Nordic account for around 12% each

Acal

- Significant presence in each market
- Balanced profile overall
  - Further growth in Germany & Nordic

Central Europe defined as Germany, Benelux, Austria, Switzerland
Northern Europe – UK & Nordic
Southern Europe – Italy, France, Spain & Portugal
Source : Europartners

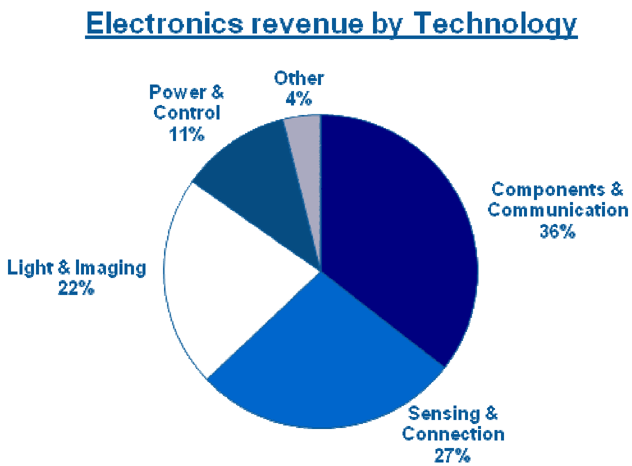
Electronics – Significant growth in all regions

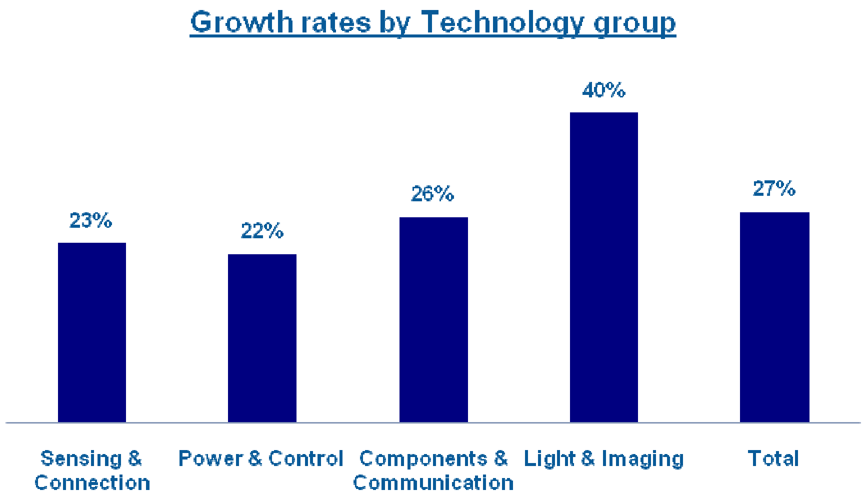


- Continued strong growth in all countries
- Germany leads with >40% growth
- Southern Europe rebound
- Manufacturing recovery

Central Europe defined as Germany & Benelux
Northern Europe – UK & Nordic
Southern Europe – Italy, France, Spain & Portugal

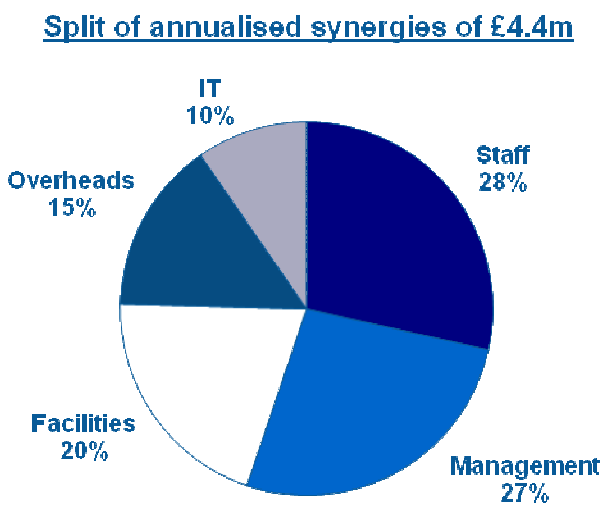
Significant growth in all technologies





- Broad portfolio of specialist technologies
- Strong growth in all areas

Integration of Bfi Optilas has delivered £4.4m (€5.3m,10%) operational expense savings



Annualised savings

- £2.4m from headcount reduction
  - Half from management roles
  - Half from finance & administrative roles
- £1m from facility consolidation
  - 5 regional offices closed
    - (Munich, Stuttgart, Paris, Milan, Madrid)
  - 1 warehouse closed (Eindhoven)
- £0.6m from general & administrative
  - eg Insurance policy consolidation
- £0.4m from IT consolidation

Customer case study – Antenna system

- Acal's role:
  - Joint development of a bespoke antenna and control system
  - Project management
  - Supply all hardware
  - 'In field' installation
  - Operator training
  - Ongoing maintenance

Customer case study – Laser System

- Laser systems for industrial applications
  - Engraving
  - Micro-perforation
  - Micro-cutting
  - Micro-welding

- Acal’s role:
  - Supporting customer design

  - Translating system needs into component recommendations

  - Supply key components
    - Laser
    - Beam management
    - Control board & software

- High degree of system customisation

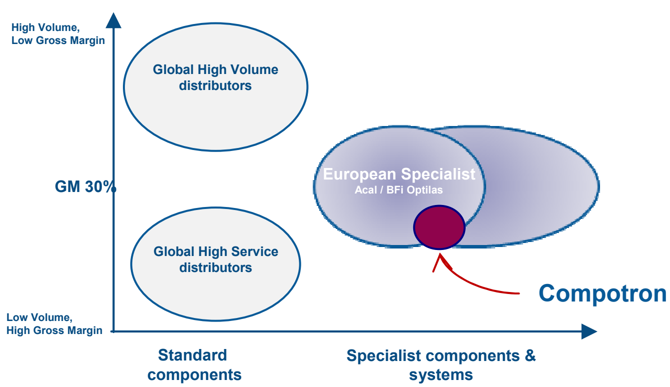
Courtesy of Laseo

Customer case study – Digital Video Capture

- Digital Video Capture for transport security
  - Bus, tube and train transportation
- Challenging environment with bespoke requirements
  - Physical – Vibration, shock, heat
  - High Performance for video streaming
- Acal's role:
  - Supporting customer design
    - Selection of components
    - Software development support
    - Joint development of bespoke camera
  - Supply key components
    - Main microprocessor
    - Camera & housing

The acquisition of Compotron brings expertise in additional specialist communication technologies

Competitive landscape



- Specialist supplier of
  - Radio Frequency & Microwave components
  - Fibre optic transceivers
- Based in Germany with 22 staff
  - Industrial electronic customer base
  - Very high degree of bespoke product sales
- Complements Acal's Communications business
  - Sales expansion throughout Europe
- Acquired for £7.1m cash
  - £5.7m upfront, £1.4m earn out
  - Earnings enhancing

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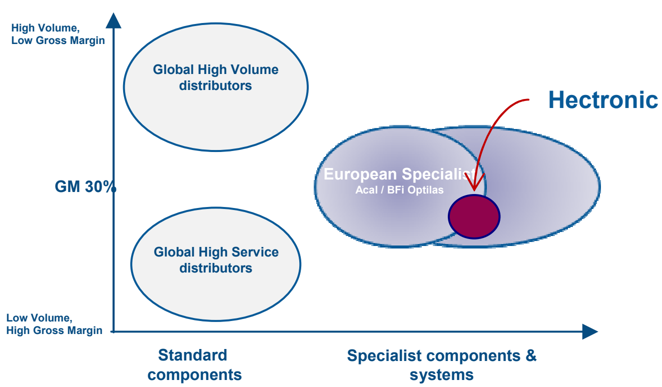
The acquisition of Hectronic brings expertise in additional industrial computing technologies

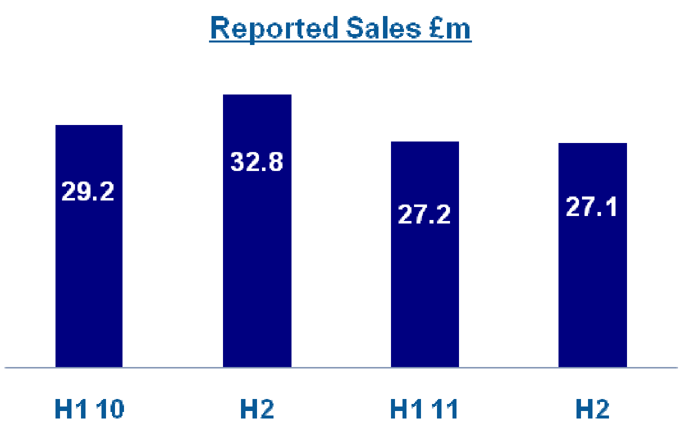
HECTRONIC
an acal group company

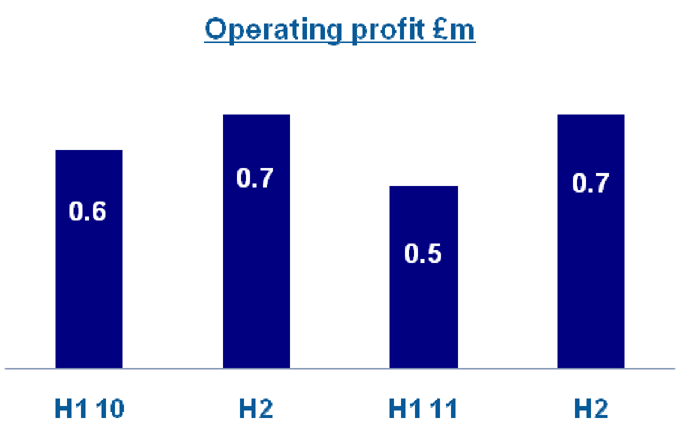
Competitive landscape



- Specialist supplier of industrial ('embedded') computing technology
  - In house design to customer specification
  - Outsourced manufacturing
- Based in Sweden with 27 staff, (19 engineers)
  - Customers include Ericsson, Saab, Volvo
- Complements Acal's existing UK Microsystems business
  - Sales expansion throughout Europe
- Acquired for £1.2m cash
  - Earnings neutral in first year
  - Enhancing thereafter

Supply Chain Division



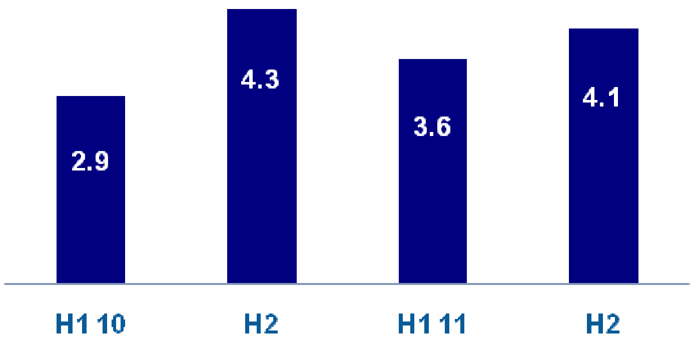


- Like for like annual sales growth of 5%[1]
- Headline profitability stable
  - Significant improvement in underlying profitability
- New business generation
  - Outsourcing contract generated £0.5M sales in H2
  - New contracts group won £0.5M new annual contracts in H2
- Operational improvements
  - Closed 1 warehouse & engineering centre
  - Integrated all three UK sites onto one IT platform
- Sale of ATM Parts Ltd (loss making business of Supply Chain Division) for £0.7m

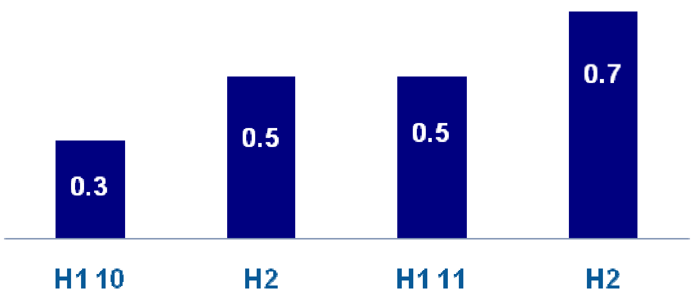
1. Like for like sales exclude ATM Parts and a non core contract terminated at the end of last year.

Medical Division

Reported Sales



Operating profit £m



- Annual sales growth of 7%(1)
  - Strong growth in South Africa offsets continued softness in UK
- 50% growth in profitability
  - UK cost reductions
- Will be included within Electronics division reporting going forward

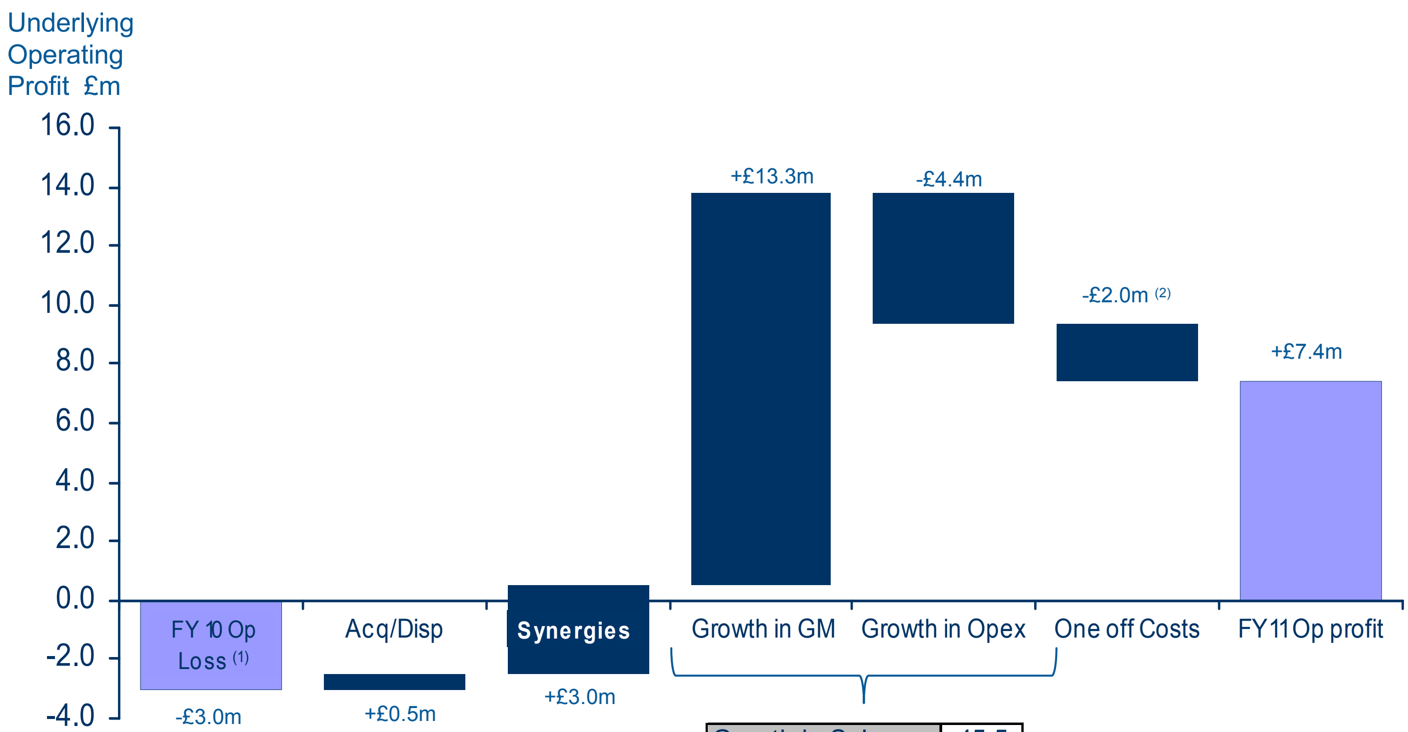
1. Like for like 5%

Summary & Outlook

- Performance improvement on all fronts
  - Strategy delivering results
  - Successful integration of BFi
- Strong foundation for further growth
- Further acquisition opportunities
  - Seller & buyer expectations more closely aligned
- Favourable market environment
- Trading and outlook encouraging

APPENDIX

Return to Operating Profitability



Growth in Sales	45.5

Growth in GM	13.3
Growth in Opex	(4.4)
Op profit on growth	8.9

20% Return on growth

1. Like for like loss is at constant exchange rates, including BFi acquisition full year and excluding terminated ASC non core contract, ATM Parts and Compotron
2. Comprises stretch bonuses paid in 2010/11 and salary sacrifice in 2009/10

Like for Like Sales – 2010/11

	H1 11				Growth over H1 10	
	Reported Sales	FX	ASC	Like for Like	Reported Sales	Like for Like
Electronics	96.5	0.7		97.2	145%	32%
Supply Chain	27.2	0.1	-1.8	25.5	-7%	5%
Medical	3.6	0.0		3.6	24%	20%
Total	127.3	0.8	-1.8	126.3	78%	25%

Reported		
FY 10	FY 11	Growth
112.4	202.8	80%
62.0	54.3	-12%
7.2	7.7	7%
181.6	264.8	46%

	H2 11				Growth over H2 10	
	Reported Sales	FX	Electronics	Like for Like	Reported Sales	Like for Like
Electronics	106.3	-0.6	-2.6	103.1	46%	22%
Supply Chain	27.1	-0.1		27.0	-17%	6%
Medical	4.1	0.0		4.1	-5%	-5%
Total	137.5	-0.7	-2.6	134.2	25%	17%

Like for Like		
FY 10	FY 11	Growth
157.9	200.3	27%
49.8	52.5	5%
7.3	7.7	5%
215.0	260.5	21%

- Like for Like Sales for 2010/11 are Reported IFRS Sales adjusted to:-
  - Include constant exchange rates
  - Exclude ATM Parts (disposed in the 2010/11)
  - Exclude Compotron only acquired in Q4 2010/11

Like for Like Sales – 2009/10

	H1 10				
	Reported Sales	FX	Electronics	ASC	Like for Like
Electronics	39.4	-0.1	34.1		73.4
Supply Chain	29.2	-0.2		-4.7	24.3
Medical	2.9	0.1			3.0
Total	71.5	-0.2	34.1	-4.7	100.7

	H2 10				
	Reported Sales	FX	Electronics	ASC	Like for Like
Electronics	73.0	-1.9	13.4		84.5
Supply Chain	32.8	-0.5		-6.8	25.5
Medical	4.3				4.3
Total	110.1	-2.4	13.4	-6.8	114.3

- Like for Like Sales for 2009/10 are Reported IFRS Sales adjusted to:-
  - Include constant exchange rates
  - Include BFi sales for the full period (included in reported sales from 1 Dec 2009)
  - Exclude ATM Parts (disposed in the 2010/11) and a large non core contract terminated by Supply Chain

Underlying to IFRS Reconciliation

6m/e 31 Mar 2011 (£m)

	Underlying	Excep.	Amort	Earn out	IAS19	**IFRS**
Gross profit	39.2					39.2
S&D costs	(19.8)					(19.8)
Admin expenses	(14.8)	(1.5)	(0.3)	(0.2)		(16.8)
Operating Profit	4.6	(1.5)	(0.3)	(0.2)		2.6
Net finance costs	(0.1)				(0.2)	(0.3)
Profit before tax	4.5	(1.5)	(0.3)	(0.2)	(0.2)	2.3
Taxation	(1.0)	0.6				(0.4)
Profit after tax	3.5	(0.9)	(0.3)	(0.2)	(0.2)	1.9
Fully diluted EPS (p)	12.8					6.4

6m/e 30 Sept 2010 (£m)

	Underlying	Excep.	IAS19	**IFRS**
Gross profit	36.0			36.0
S&D costs	(19.3)			(19.3)
Admin expenses	(13.5)	(2.9)		(16.4)
Other op expenses	(0.4)			(0.4)
Operating Profit	2.8	(2.9)		(0.1)
Net finance costs	(0.2)		(0.1)	(0.3)
Profit before tax	2.6	(2.9)	(0.1)	(0.4)
Taxation	(0.6)	0.8	0.0	0.2
Profit after tax	2.0	(2.1)	(0.1)	(0.2)
Fully diluted EPS (p)	6.8			(0.7)

- Management believe that "Underlying profitability" is a useful measure of the underlying profitability of the business.
- Excluded from IFRS results are:-
  - exceptional costs (restructuring and integration)
  - Earn out on acquisitions
  - IAS 19 pension finance charge related to a legacy scheme
  - Amortisation on acquired intangibles
- Share based payments are included in underlying profits

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Underlying to IFRS Reconciliation (Cont)

6m/e 31 Mar 2010 (£m)

	Underlying	Excep.	Amort	IAS19	IFRS
Gross profit	30.5				30.5
S&D costs	(16.3)				(16.3)
Admin expenses	(13.1)	(4.3)	(0.1)		(17.5)
Operating Profit	1.1	(4.3)	(0.1)		(3.3)
Net finance costs	0.0			(0.3)	(0.3)
Profit before tax	1.1	(4.3)	(0.1)	(0.3)	(3.6)
Taxation	(0.5)	0.2		0.1	(0.2)
Profit after tax	0.6	(4.1)	(0.1)	(0.2)	(3.8)
Fully diluted EPS (p)	2.4				(14.0)

6m/e 30 Sept 2009 (£m)

	Underlying	Excep.	IAS19	IFRS
Gross profit	19.6			19.6
S&D costs	(12.1)			(12.1)
Admin expenses	(9.5)			(9.5)
Other op income	0.2			0.2
Other op expenses		(0.4)		(0.4)
Operating Profit	(1.8)	(0.4)		(2.2)
Net finance costs	(0.2)		(0.3)	(0.5)
Profit before tax	(2.0)	(0.4)	(0.3)	(2.7)
Taxation	(0.3)	0.1	0.1	(0.1)
Profit after tax	(2.3)	(0.3)	(0.2)	(2.8)
Fully diluted EPS (p)	(8.7)			(10.5)

Exceptional Items

	H1 10	H2 10	H1 11	H2 11
BFi integration		2.4	2.3	**1.3**
Other restructuring	0.1	1.4	0.2	**0.6**
Director Terminations	0.3	0.1		
Goodwill impairment		0.3		
ATM asset w/down			0.4	
Investment sale		0.1		
Write-back of unutilsed provisions				**-0.6**
Compotron acquisition cost				**0.2**
Total Exceptionals	0.4	4.3	2.9	**1.5**

END