

NOTE's Interim Report January–June 2011

Q2 – Sales growth continues, operating margin 7.2% and positive cash flow

Financial Performance April–June

- Sales increased by 9% to SEK 326.8 (298.6) million.
- The operating profit was SEK 23.5 (-3.8) million.
- The operating margin was 7.2% (-1.3%).
- The profit after financial items was SEK 21.2 (-5.9) million.
- The profit after tax was SEK 15.5 (-11.4) million, or SEK 0.54 (-0.48) per share.
- Cash flow after investments was SEK 14.5 (-54.9) million, or SEK 0.50 (-2.32) per share.

Financial Performance January–June

- Sales increased by 12% to SEK 638.6 (572.0) million.
- The operating profit was SEK 35.8 (-56.3) million. The result for the first half 2010 included structural and other non-recurring costs of approximately SEK -44 million.
- The operating margin was 5.6% (-9.8%).
- The profit after financial items was SEK 30.5 (-61.0) million.
- The profit after tax was SEK 21.4 (-55.1) million, or SEK 0.74 (-2.79) per share.
- Cash flow after investments was SEK 23.5 (-40.6) million, or SEK 0.82 (-2.06) per share.

Retrospective and significant events

Extensive restructuring complete

Structural measures decided in the first quarter last year encompassing relocation and closure of production in Skänninge, Sweden, and Tauragé, Lithuania, were completed as planned in December 2010. Furthermore, the operations at Gdansk, Poland, were closed and the 50% holding in electronics factory NOTEFideltronik in Krakow, Poland, was divested. Some SEK -47 million restructuring and other non-recurring costs were charged to 2010 full-year result.

Divestment of NOTE Tauragé

An Extraordinary General Meeting on 21 June approved the Board's proposal to divest all the shares in NOTE Tauragé UAB, Lithuania. Electronics production at NOTE Tauragé was closed down at year-end as part of the restructuring measures. The transaction was completed to accelerate the cost-efficient liquidation of the legal entity.

The Japan disaster

A significant proportion of global electronics components production takes place in Japan. Given the extent of the earthquake in the first quarter and its consequences, there is a risk of further disruption to the electronics components market. So far, the impact on NOTE's operation has been very limited.

NOTE's Interim Report for January–June is now available in PDF format on the corporate web site, www.note.eu, and attached to this message. The Interim Report for January–October will be published on 20 October.

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About NOTE

NOTE is one of the leading manufacturing partners for outsourced electronics production in the Nordics. NOTE produces PCBs, sub-assemblies and box build products. NOTE's offering covers the whole product lifecycle, from design to after-sales. NOTE has a presence in Sweden, Norway, Finland, the UK, Estonia and China. In 2010, net sales were SEK 1,211 million; the group has approximately 1,000 employees. NOTE is listed on the NASDAQ OMX Stockholm Exchange. For more information, please go to www.note.eu.