

Very high profitability and solid financial position

Nolato's report for the second quarter of 2015, which is published today, posts the company's strongest ever individual quarter.

- Sales rose by 33% to SEK 1,280 million (965)
- Operating profit (EBITA) increased to SEK 167 million (100)
- Strong EBITA margin of 13.0% (10.4)
- Profit after tax was SEK 125 million (81)
- Earnings per share were SEK 4.75 (3.08)
- Cash flow after investments was SEK -52 million (33)

"It's very encouraging that our strategic work, which is focussing on innovation, quality and productivity, is generating results. We are constantly making market position gains and are becoming an increasingly important partner for many of our customers," said Nolato President and CEO Hans Porat.

Nolato Medical's sales were SEK 365 million (343) and its EBITA was SEK 47 million (46). The EBITA margin was 12.9% (13.4).

"Packaging volumes remained low in Eastern Europe, while price adjustments resulting from lower raw material prices had a negative impact on sales," noted Hans Porat. "Other segments were stable. Our development operations experienced high project activity and healthy capacity utilisation, which is enabling future growth."

Nolato Telecom's sales rose to SEK 584 million (344). EBITA increased to SEK 101 million (30) and the EBITA margin rose to a very strong 17.3% (8.7).

"Several of our customers' mobile phone models have been successful on the consumer market, which generated the significant growth in the quarter. High volumes and a favourable product mix with a low proportion of materials, in combination with high efficiency and capacity utilisation, explains the very strong margin," said Hans Porat.

Nolato Industrial's sales rose to SEK 332 million (279) and its EBITA to SEK 34 million (30). The EBITA margin was 10.2% (10.8).

"It's pleasing that volumes in the automotive segment have continued to increase, and our growing market share in this business area is having a positive effect," noted Hans Porat.

Cash flow was affected by higher working capital needs resulting from the increased activity and positive development of sales. Cash flow after investments amounted to SEK -52 million (33). Nolato is showing very high profitability, with return on capital employed of 31.6% (24.1) over the last twelve months.

At the end of the quarter, net debt stood at SEK 101 million (37), with an equity/assets ratio of 49% (51).

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Nolato is a Swedish group operating in Europe, Asia and North America. We develop and manufacture products made from polymer materials such as plastic, silicone and TPE for leading customers in medical technology, pharmaceuticals, telecoms, automotive, hygiene and other selected industrial sectors. Nolato shares are listed on Nasdaq Stockholm, where Nolato is a Mid Cap company in the Industrials sector.

The information is such which Nolato AB is obliged to disclose under the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. This information was made public on 21 July 2015 at 2.30 pm.