

- **Operating profit increased with 152% to SEK 12,2 m. (4,8).
Income before tax increased with 128% to SEK 9 m. (3,9).**
- **Net turnover increased with 70% to SEK 252,6 m. (148,2)
during the period**
- **Continuously strong amount of incoming orders**
- **Important investments in surface assemble equipment in
both the Norrtelje and the Torsby factory**

The business

The NOTE group of companies is one of Sweden's leading EMS-suppliers and moreover the only Swedish owned global electronic manufacturer. The group consists of six limited companies; NOTE AB, NOTE Norrtelje AB, NOTE Torsby AB, NOTE Gdansk Sp z o.o, NOTE Components AB and NOTE Development AB. For information regarding the different companies activities, please pay a visit to the web.site of the group of companies; **www.note.se**. NOTE is furthermore the initiator to and member of EMS Alliance – a worldwide network of electronic manufacturers that offers global production.

Turnover and earnings

The groups net turnover amounts to SEK 252,6 m. during the first half year whereas The Norrtelje factory contributed with SEK 209 m. (148,2) and the Torsby factory with SEK 43 m. (0). Income after financial entries increased to SEK 9 m. (3,9) for the group. Goodwill allowances with SEK 0,7 m. (0) are included in the result. NOTE Norrtelje provided the main part of the result.

* The Torsby factory was owned the first half year 2000 by Trienta Elektronik AB and had a turnover of SEK 24 m.

Investments

During the second quarter SEK 4,9 m. was invested in surface assemble equipment. The main part of the investment are leasing financed. The Norrtelje factory thereby increases their actual capacity ("through-put") with 50%. Included in the investment for the Norrtelje factory is an optical inspection equipment (AOI).

The Torsby factories part of the investment consists of an advanced 3-dimensional screen printer to meet continued demand for advanced placement of components. Further investments in surface assemble equipment will be carried out during the second half year 2001.

Activities during the second quarter

NOTE tecknade i maj ett samarbetsavtal med Epsilon AB (dävarande *Sigma Innovation AB*) – ett bolag som arbetar med avancerad produktutveckling.

Via avtalet erbjuder nu NOTE även tjänster inom området elektronikkonstruktion. För att accentuera det nya tjänsteområdet arrangerade NOTE i maj en konferens under temat "Konstruera för produktion".

Staff

Average full year employed personal within the group June 30 was 331 persons.

Prospective for year 2001

Due to the times of receding trade within telecommunication there is a general uncertainty within the electronic industry. In spite of that NOTE's volume of incoming orders has remained strong.

My previous estimation of the half year result stands firm and implies a turnover of slightly more than SEK 500 m. (350) and an substantial improved profit.

Next financial report

Financial report for the third quarter 2001 will be published October 25.

Norrtälje August 7, 2001



Sten Dybeck
President

STATEMENT OF INCOME FOR THE GROUP OF COMPANIES IN SUMMARY

Amount in Millions of kronor	2001 Jan. – June
Net turnover	252,6
Costs of products and services sold	- 219,0
Gross income	33,6
Cost of sales	-8,4
Administrative expenses	-13,0
Operating profit	12,2
Financial entries	-3,2
Income after financial items	9,0
Tax	-1,7
Profit for the period	7,3

FINANCIAL STATEMENT FOR THE GROUP OF COMPANIES IN SUMMARY

Millions of kronor	2001 June 30
ASSETS	
Fixed assets	28,2
<i>Current assets</i>	
Stock	91,9
Accounts receivable	105,9
Other current assets	6,5
Total Current assets	204,3
Total assets	232,5
OWNERS EQUITY AND DEBTS	
Owners equity	27,3
Allocations	1,8
Long-term liabilities	89,9
<i>Short-term liabilities</i>	
Due to suppliers	80,7
Other short-term liabilities	32,8
Total short-term liabilities	113,5
Total owners equity and liabilities	232,5

Business ratio* in percent	2001	2001	2000
	June 30	March 31	Dec. 31
Operating margin	4,8	3,7	2,9
Profit margin	3,6	2,6	2,3
Return on capital employed	20,2	17,7	11,8
Solidity	11,7	11,5	10,7

^{*)} From year 2001 the periods for accounting statements has been changed from 4 months period to quarterly statements.

This report has not been subject for examination by the group of companies authorised public accountants.

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