

Press Release
Danderyd, Sweden, 15 January 2008

NOTE takes the next step in its strategic transformation

Last autumn, NOTE started up new joint venture plants in China and Poland to increase its production capacity in cost-efficient countries. Transferring labour-intensive production to these countries is a natural step to create cost-efficiency for the customers. As a consequence, NOTE is issuing redundancy notices to a total of 124 employees in Sweden.

"Since early 2006, we have worked extensively on our unique forward-looking Nearsourcing™ business model, targeting a combination of volume growth and cost-efficient production for our customers. Our intention is to increase profitability, while simultaneously reducing the risks of our operations. These activities intensified after our new Board was appointed last spring," commented Arne Forslund, NOTE's CEO and President.

"We increased our production capacity further last autumn, by starting up joint venture plants with Philippine EMS provider Ionics EMS in China and Fideltronik in Poland," continued Mr. Forslund, "we've now built up the capacity and skills for continued growth, and to relocate more labour-intensive production to cost-efficient countries. Thus the headcount downsizing we are now conducting in our Swedish facilities at Skellefteå, Norrtälje, Skänninge and Lund is one consequence of our long-term strategy".

"NOTE's profitability have grown briskly in recent years. We expect the current headcount downsizing to be progressive over forthcoming quarters. The savings should generate their full profit impact and exert a positive effect on margins as early as this autumn."

"The trend towards increased outsourcing of electronics production is a strong one, and we expect it to offer good growth opportunities on existing markets. Consistent with the start-up of our Nearsourcing™ operation in NOTE Oslo, we also intend to increase our presence on new geographical markets, which will contribute to further growth in the long term," concluded Mr. Forslund.

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About NOTE

"Our business concept is to produce electronics from design to after-market close to our customers." NOTE is one of the Nordic region's leading contract manufacturers of electronics and is established in Sweden, Finland, Norway, the UK, Estonia, Lithuania, Poland and China. Net sales for 2006 totalled SEK 1,742 m, and the NOTE group has approximately 1,200 employees. Read more at: www.note.se

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