

Press Release
Danderyd, Sweden, 12 March 2008

NOTE acquires mechanical engineering provider

NOTE has signed a letter of intent to acquire all the shares of a mechanical engineering company in Järfälla, outside Stockholm. This acquisition is part of enhancing NOTE's customer offering to cut its customers' time to market further. The company has sophisticated technological equipment and specialist know-how in cutting machining. Its products and associated services are supplied to the nuclear, telecom and other industries. Annualised sales are currently some SEK 25 m, and this business has about 20 employees.

"The company has accumulated a valuable customer base over a number of years, as well as skills in sophisticated high-precision cutting machining. That's why we view this acquisition as an excellent opportunity to add more mechanical engineering skills to our already strong customer offering in electronics," commented Arne Forslund, NOTE's CEO and President, "demand for the production of complete products is in high growth. We are now securing our market positioning by upgrading our capacity for quickly developing sophisticated mechanical prototypes close to the customer. Accordingly, this take-over is fully in line with our long-term Nearsourcing initiative, which targets volume growth and increased profitability while simultaneously reducing the risks of our operations. This new business is expected to make a long-term contribution to increased growth, while benefiting our operating profit in the current year. We expect this deal to be completed in the coming days."

"To satisfy customer needs for cost-efficient mechanical components, we've been working actively on screening and developing a wide range of top-class mechanical engineering providers in low-cost countries for several years. We are now taking another step to sharpen our skills and add to our materials sourcing with a mechanical engineering business close to our customers. This company will change corporate name to NOTE Components Järfälla AB and will be integrated with our material sourcing company Note Components in Gdansk and China as soon as possible," added Knut Pogost, CSO and President of NOTE Components.

"The market for mechanical and electronics products is evolving rapidly," responded Kjell Tengmo, former owner, "and my organization has thorough know-how in metal cutting. I look forward to developing our role as a significant supplier of sophisticated prototypes and mechanical components alongside a strong supplier like NOTE."

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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 2007 totalled SEK 1,744 m, and the NOTE group has approximately 1,200 employees. Read more at: www.note.se

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