

Press Release
Danderyd, Sweden, 20 October 2008

NOTE's restructuring continues

NOTE is continuing its restructuring and focus on Nearsourcing consistently. One part of these efforts is to transfer labour-intensive production and sourcing services to cost-efficient countries. Measures have now been taken to downsize employee headcount in Sweden by a further total of approximately 100 employees.

"So far this year we've been vigorously implementing NOTE's re-alignment with the consistent aim of realizing our new Nearsourcing strategy," commented Arne Forslund, NOTE AB's CEO and President, "we began modifying our organizational resources back in the spring, mainly in Sweden, as we created the right conditions to transfer labour-intensive production and sourcing services to our units whose cost base benefits our customers and ourselves."

"As part of NOTE's ongoing re-alignment and rationalization process, in the first half-year we issued redundancy notices to 200 staff, or just over 25% of the employee headcount in Sweden. We are now taking the next step, which we think will downsize our staffing in Sweden by another 100 or so. This current intended staff downsizing is mainly a consequence of our long-term strategy, and the fact that during the autumn, we will be introducing a new, more efficient organizational structure for our future. These measures will cut our costs, while also reducing business risks and our cyclicity. We will have a far better cost base at year-end than we did at the start of the year."

"Moreover, the manufacturing market outlook has deteriorated. Thus year-to-date sales to existing customers are somewhat lower than planned. But with our goal-oriented focus on Nearsourcing, we're creating the right of prospects of sales growth. Despite weaker market conditions for existing customers, we've noted a positive trend-break since the summer, significantly increasing our sales to new customers and new markets. This is very positive for our long-term sales performance."

"Based on our strong position in the market, our ambition is to keep starting up new Nearsourcing centres on new geographical markets," concluded Mr. Forslund.

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About NOTE

"Our business concept is to produce electronics from design to after-sales, close to our customers." NOTE is one of the Nordic region's leading service providers in production and logistics relating to electronics-based products. NOTE has a presence in Sweden, Norway, Finland, the UK, Estonia, Lithuania, Poland and China. In 2007, net sales were MSEK 1,744; the group has approximately 1,200 employees. For more information, go to www.note.eu