

NOTE's Interim Report January–March 2017

Financial performance January–March

- Sales were SEK 277.1 (279.1) million. Excluding divestments, sales increased by 4%.
- Operating profit was SEK 30.4 (14.2) million, and adjusted for non-recurring items, operating profit increased to SEK 14.7 (14.2) million.
- Operating margin was 11.0% (5.1%), and adjusted for non-recurring items, operating margin expanded by 0.2 percentage points to 5.3% (5.1%).
- Profit after financial items increased to SEK 29.1 (12.9) million.
- Profit after tax was up to SEK 26.9 (10.2) million, corresponding to SEK 0.93 (0.35) per share.
- Cash flow after investments increased to SEK 77.8 (27.1) million, or SEK 2.70 (0.94) per share.

CEO's comment

"Our positive progress in the first quarter continued. We secured several new customers, as well as new and exciting projects in our already-strong customer base.

Sales increased in Sweden and Finland. In China, the market for some of our major customers was cooler. However, there is good reason to believe that our sales growth in China will recover momentum going forwards. Positive is the very brisk start for our unit in Estonia, one of our larger units, this year—sales in the first quarter were at record levels.

For the first quarter sales were SEK 277 million. Adjusting for the divestment of our Norwegian entity, we achieved sales growth of over 4%. Our Operating profit increased by SEK 16.2 MSEK to SEK 30.4 million. The Operating profit had positive impact from the divestment of industrial property, and negative from restructuring costs, primarily at one of our Swedish sites. Adjusting for these non-recurring items, underlying Operating profit increased by SEK 0,5 million to SEK 14.7 million, and operating margin expanded by 0.2 percentage points to 5,3%, which was positive.

Including the property sale, our cash flow after investments increased some SEK 50 million to SEK 77,8 million, or SEK 2.70 per share. We are well placed financially for the future—our Balance Sheet remains one of the sector's strongest with an equity to assets ratio of 45.2%", says Stefan Hedelius, CEO and President.

NOTE's Interim Report for January–March is now available in PDF format on the corporate web site, www.note.eu, and attached to this message. The Interim Report for January–June will be published on 17 July.

For more information, please contact:
Stefan Hedelius, CEO and President, tel. +46 (0)76 100 0731
Henrik Nygren, CFO, tel. +46 (0)70 977 0686

About NOTE

NOTE is one of the leading Northern European manufacturing and logistics partners for production of electronics-based products. NOTE produces PCBAs, subassemblies and box build products. NOTE's offering covers the complete product lifecycle, from design to after-sales. NOTE has a presence in Sweden, Finland, the UK, Estonia and China. Net sales in the last 12 months were SEK 1,096 million; the group has approximately 900 employees. NOTE is listed on Nasdaq Stockholm. For more information, please go to www.note.eu.

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