

Press Release  
Kista, Sweden, 12 March 2020

## **Continued strong development in NOTE during the first quarter of 2020**

**NOTE continues to develop strongly despite the concerns about the spread of the Coronavirus. For the last two weeks, the production at NOTE's plant in China has been running at full capacity. With a loss of sales in the quarter of about SEK 20 million, primarily caused by an extended production stoppage in China, sales in Q1 are estimated to amount to SEK 460-470 million, corresponding to a growth of about 15%. Despite the loss of sales and additional costs in connection with the prolonged production shutdown at the plant in China, the operating margin is still expected to continue to develop strongly.**

*"Of course, we view the Corona situation very seriously. At the beginning of the year, we took many measures in respect of the emerging situation. In January, we introduced a number of restrictions internally regarding travel, meetings and external visits. In connection with the Chinese New Year in January, the plant in China was closed for a week longer than usual. In close cooperation with local authorities, a number of precautions were taken to prevent the spread of the virus before the plant was reopened for production on 10 February. The personnel at the plant in China has gradually returned and the production has been running for two weeks at the regular high rate. Demand for electronics production in China remains high, and we expect to be able to catch up production loss from the extended shutdown, mainly through increased overtime, in the coming quarter.*

*At the same time, a close dialogue is held with suppliers, not least regarding PCBs, to identify and limit disruptions of deliveries to our plants and consequential delays to our customers. Some incoming material delays have occurred, which has resulted in more re-planning of production than normal. Priorities have, of course, been made by working in partnership with the customers concerned. Of course, it is difficult to foresee all possible supply disruptions and component shortages moving forward. So far this year, the availability of electronics components and other production materials has been relatively good despite the problems surrounding Corona.*

*We have a high customer order booking for delivery during Q2 and onwards and are working intensively to ensure continued good availability of materials. We follow the future development of Corona and its impact on NOTE, our customers and suppliers carefully and with a large respect for the situation",* says Johannes Lind-Widestam, CEO and President.

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### **About NOTE**

*NOTE is one of northern Europe's leading EMS partners, producing 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 1,760 million; the group has approximately 1,092 employees. NOTE is listed on Nasdaq Stockholm. For more information, please go to [www.note.eu](http://www.note.eu).*

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