

## **NOTE's Interim Report January–March 2020**

### **Financial performance January–March**

- Sales increased by 17% to SEK 475 (405) million.
- Operating profit was up by 24% to SEK 33 (27) million.
- Operating margin widened by 0.4 percentage points to 7.0% (6.6%).
- Profit after financial items increased by 13% to SEK 28 (25) million.
- Profit after tax improved by 11% to SEK 22 (20) million, corresponding to SEK 0.80 (0.73) per share.
- Cash flow after investments amounted to SEK 63 (2) million, or SEK 2.26 (0.07) per share.

### **CEO's comment – The year has begun better than expected**

*“During Q1, we increased sales by 17% to the new record level of SEK 475 million. The growth was fully organic. Sales were adversely affected by approximately SEK 20 million (5%) of our extended production shutdown in China and disruptions in the supply of electronics components, both directly attributable to the spread of the coronavirus. Our underlying growth was thus just over 20%.*

*Profit wise we continued our positive trend. Operating profit increased by 24% to SEK 33 million, and the operating margin expanding by 0.4 percentage points to 7.0%, our highest level ever for Q1. The development was particularly strong in Sweden, Finland and Estonia.*

*A positive earnings trend combined with streamlining in the working capital area contributed to a strong cash flow. NOTE is financially well equipped with an equity ratio of 41% and with very good liquidity.*

*The order backlog continued to grow at the rate we expected and was 22% above last year's level. With the current relatively good supply of electronics components and given our strong order situation with many new projects in the ramp-up phase, there are good opportunities that sales in the second quarter will amount to about SEK 500 million, which corresponds to growth clearly exceeding 10%. However, we follow the future development of the corona situation and its impact on NOTE, our customers and suppliers carefully and with great humility,”* says Johannes Lind-Widestam, CEO and President.

NOTE's Interim Report for January–March is now available in PDF format at the web site, [www.note.eu](http://www.note.eu), and attached to this message. Today at 10.00 CET, NOTE organises a telephone conference for analysts, media and investors, where President and CEO Johannes Lind-Widestam presents the report. The Interim Report for January–June will be published on 16 July.

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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 1,830 million; the group has approximately 1,100 employees. NOTE is listed on Nasdaq Stockholm. For more information, please go to [www.note.eu](http://www.note.eu).*

*This information is such information that NOTE AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of Johannes Lind-Widestam, at 8:30 a.m. CET on 23 April 2020.*