

Press Release
Stockholm, Sweden, 19 October 2020

NOTE's Interim Report January–September 2020

Financial performance July–September

- Sales amounted to SEK 433 (434) million.
- Operating profit was up by 14% to SEK 36 (32) million.
- Operating margin widened by 1.0 percentage points to 8.3% (7.3%).
- Profit after net financial items increased by 15% to SEK 33 (30) million.
- Profit after tax increased by 27% to SEK 28 (22) million, corresponding to SEK 0.98 (0.81) per share.
- Cash flow after investments of SEK 1 (1) million, or SEK 0.04 (0.04) per share.

Financial performance January–September

- Sales increased by 10% to SEK 1,408 (1,277) million.
- Operating profit was up by 25% to SEK 111 (89) million.
- Operating margin widened by 0.9 percentage points to 7.9% (7.0%).
- Profit after net financial items increased by 25% to SEK 103 (83) million.
- Profit after tax increased by 27% to SEK 84 (66) million, corresponding to SEK 2.99 (2.37) per share.
- Cash flow after investments increased to SEK 128 (-21) million, or SEK 4.51 (-0.75) per share.

CEO's comment – 10% organic growth and strengthened margins despite a weaker market.

"We continue to see a very strong development in Sweden, Finland and Estonia, especially from customers in industrial and medtech. However, the extensive shutdown of the British economy is slowing our speed, which for the period overall limited our growth in Western Europe to 16% and 10% overall.

In terms of results, our positive trend continued. Mainly as a result of growth, good cost development after implemented efficiencies and a strong development in Western Europe, not least in Sweden and Finland, operating profit increased by 25% to SEK 111 million. The operating margin strengthened by almost 1 percentage point to 7.9%.

It is also gratifying that with the good growth and the positive earnings trend, we are also delivering strong cash flows. So far this year, cash flow, after investments, amounts to SEK 128 (-21) million, corresponding to SEK 4.51 per share. For the most recent 12-month period, cash flow amounts to SEK 224 million, or SEK 7.89 per share.

We continue to win new customers and projects in a convincing way. The order situation is strong and about 10% over last year. During Q4, however, we expect continued fluctuations in volumes in ongoing customer assignments due to the current pandemic. After that, we continue to see very good opportunities to reach our long-term growth target of 10% per year", says Johannes Lind-Widestam, CEO and President.

NOTE's Interim Report for January–September is now available in PDF format on the corporate web site, www.note.eu, and attached to this message. Today at 10.00 CET, NOTE organises a telephone conference for analysts, media and investors, where CEO and President Johannes Lind-Widestam presents the report. NOTE's year-end report will be published on 28 January 2021.

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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 1,891 million; the group has approximately 1,100 employees. NOTE is listed on Nasdaq Stockholm. For more information, please go to www.note.eu.

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