

NOTE's Interim Report January–March 2018

Financial performance January–March

- Sales increased by 11% to SEK 308.0 (277.1) million.
- Operating profit amounted to SEK 16.8 (30.4) million, and adjusted for non-recurring items in the first quarter of the previous year of SEK +15.7 million net, operating profit increased to SEK 16.8 (14.7) million.
- Operating margin was 5.5% (11.0%). Adjusted for non-recurring items in the first quarter of the previous year, operating margin expanded by 0.2 percentage points to 5.5% (5.3%).
- Profit after financial items was SEK 15.0 (29.1) million.
- Profit after tax of SEK 12.3 (26.9) million, corresponding to SEK 0.43 (0.93) per share.
- Cash flow after investments amounted to SEK 13.3 (77.8) million, or SEK 0.46 (2.70) per share. In the first quarter of the previous year cash flow had a positive impact of some SEK 40 million from the sales of the property in Lund.

CEO's comment

"NOTE noted continued growth and improved profitability during the first quarter compared to last year. The interest in our offering is great and we gain further confidence through expanded partnerships in our already strong customer base and from new customers. During the first quarter, the sales increased by 11% to SEK 308 million. Our order books continued to grow, which supports positive developments in the near future.

Increased sales, especially in Western Europe, contributed to a strong growth of the first quarter operating profit to SEK 16.8 million. Adjusted for last year's positive non-recurring items, it resulted in a 15% improvement in earnings and the operating margin was strengthened by 0.2 percentage points to 5.5%.

We are financially well-equipped for the future – our balance sheet is one of the strongest in the industry sector with an equity to assets ratio of 47%, far above the target of 30%," says Per Ovrén, CEO and President.

NOTE's Interim Report for January–March is now available in PDF format at the web site, www.note.eu, and attached to this message. 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 1,208 million; the group has approximately 950 employees. NOTE is listed on Nasdaq Stockholm. For more information, please go to www.note.eu.

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