

**Very strong performance by the Group**

Today's report by Nolato for the third quarter of 2017 shows very strong performance by the Group.

- Sales rose by 69% to SEK 1,749 million (1,036)
- Operating profit (EBITA) doubled to SEK 209 million (104)
- The EBITA margin was 11.9% (10.0)
- Profit after tax was SEK 153 million (79)
- Earnings per share were SEK 5.82 (3.00)
- Cash flow after investments was SEK 308 million (SEK 19 million excluding acquisitions)

Adjusted for currency and acquisitions, consolidated sales growth was a very strong 57%.

Integrated Solutions sales amounted to SEK 819 million (343), which when adjusted for currency is an exceptionally strong increase of 143%. Operating profit (EBITA) rose to SEK 105 million (29) and the EBITA margin was a very strong 12.8% (8.5).

"The focus on expanding this business area's customer and product base has shown very positive development in the second and third quarters. This applies in particular for the new Vaporiser Heating Products (VHP), within the e-cigarette segment," commented Nolato President and CEO Christer Wahlquist. "Very high launch volumes were supplied in the quarter, and these have also continued in the fourth quarter. Mobile phone projects also enjoyed good volumes."

Medical Solutions sales rose to SEK 459 million (395), which adjusted for currency and acquisitions is an increase of 6%. Operating profit (EBITA) was SEK 60 million (52), with an EBITA margin of 13.1% (13.2).

"Sales increased in both Medical Devices and Pharma Packaging," said Christer Wahlquist. "Most customer segments enjoyed good growth."

Industrial Solutions sales rose to SEK 473 million (301); adjusted for currency and acquisitions, sales increased by a very strong 27%. Operating profit (EBITA) increased to SEK 47 million (30) and the EBITA margin was 9.9% (10.0).

"Volumes have developed well in almost all industry segments, particularly automotive and hygiene," noted Christer Wahlquist. "Advanced market positions and a high level of invoicing for development work and production equipment for forthcoming production contributed to the strong growth."

Significantly higher earnings and a reduction in working capital have resulted in strong cash flow after investments. On an accumulated basis for the nine-month period, it amounted to SEK 339 million (SEK 110 million excluding acquisitions, SEK 94 million including acquisitions). Nolato's financial position remains solid, but debt has increased as a result of higher activity and growth. Net debt at the end of the quarter was SEK 324 million (51) and the equity/assets ratio was 42% (58).

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*Nolato is a Swedish group with operations in Europe, Asia and North America. We develop and manufacture products in polymer materials such as plastic, silicone and TPE for leading customers within medical technology, pharmaceuticals, telecom, automotive, hygiene and other selected industrial sectors. Nolato's shares are listed on Nasdaq Stockholm in the Mid Cap segment, where they are included in the Industrials sector.*

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