

Interim Report January–March 2017



Interim Report Q1, 2017

Financial performance in January–March

- Sales were SEK 277.1 (279.1) million. Excluding divestments, sales increased by 4%.
- Operating profit was SEK 30.4 (14.2) million, and adjusted for non-recurring items, operating profit increased to SEK 14.7 (14.2) million.
- Operating margin was 11.0% (5.1%), and adjusted for non-recurring items, operating margin expanded by 0.2 percentage points to 5.3% (5.1%).
- Profit after financial items increased to SEK 29.1 (12.9) million.
- Profit after tax was up to SEK 26.9 (10.2) million, corresponding to SEK 0.93 (0.35) per share.
- Cash flow after investments increased to SEK 77.8 (27.1) million, or SEK 2.70 (0.94) per share.

Events in the year

Extraordinary General Meeting 2017

An Extraordinary General Meeting (EGM) on 20 January 2017, convened as a result of changes to NOTE's ownership structure, elected Johan Hagberg, John Hedberg and Per Ovrén to the Board and re-elected Kjell-Åke Andersson and Bahare Hederstierna as Board members for the period until the Annual General Meeting (AGM) for the current year. John Hedberg was elected Chairman.

Call options for senior managers

From its own holdings, NOTE's largest shareholder Creades AB has issued call options to senior managers of NOTE. These call options relate to 2% of the total number of outstanding NOTE shares. Pricing is on market terms, and the options run until 8 November 2017 inclusive.

Sale of property in Lund, southern Sweden

NOTE's industrial premises in Lund were sold to Estancia Bostad AB in March. The purchase price, which has been paid in full, was SEK 44.0 million. Simultaneously, a multi-year lease contract was signed with NOTE Lund as tenant. The transaction had a SEK 20.6 million positive effect on NOTE's operating profit in the first quarter.

New CEO and President

Per Ovrén has been appointed as NOTE's new CEO and President, succeeding Stefan Hedelius, who has decided to resign. The company's CFO Henrik Nygren will serve as Interim CEO and President from 1 May until Per takes up his position, which will be as soon as possible.

CEO's comments

Focus on profitable sales growth

NOTE is one of the most competitive electronics manufacturers in the Nordics, and a stable business partner for Swedish and international customers that need sophisticated electronics production and logistics solutions. NOTE's sharp focus on ensuring first-class quality and delivery precision is one of its success factors. Our positive progress continued in the first quarter, and we're now working actively on continuing to evolve in Europe and on other markets offering high potential.

Progress in the first quarter

Year to date, conditions can be considered fairly stable on most of our European markets. We saw continued high activity in Sweden and Finland, while progress in the UK was slower. In the first half-year last year, we achieved fantastic sales and earnings performance in our Chinese business. At the beginning of the year, the market for some of our major Chinese customers was cooler, which had a negative impact on sales. Nevertheless, there is good reason to believe that our sales growth in China will recover momentum going forwards. Positive is the very brisk start for our unit in Estonia this year—sales in the first quarter were at record levels, and we recently took a decision to significantly expand the capacity of our electronics manufacture in Estonia.

For the first quarter, our sales were SEK 277 (279) million. The impact of exchange rate fluctuations was marginal, and adjusted for the sale of our Norwegian operation in the second quarter of the previous year, we achieved sales growth of over 4%.

We secured several new business customers, as well as new and exciting projects for current business customers in our already-strong customer base. Accordingly, we see good potential to increase market shares with new business and current customers. We have a wealth of opportunities, not least after the successes we achieved in recent years in the medtech and defence segments. Apart from our traditional customer base, we're also working on a raft of exciting projects in the Internet of Things (IoT), and with several start-ups.

Maintaining a flexible and efficient cost base is critical to profitability in our sector. In parallel with our continued methodical improvement work, we took several successful initiatives on our cost side last year, which are paying off this year. In the first quarter, we drilled down into another of our units in Sweden, which resulted in a number of efficiency measures on the process and staffing sides. In the short term, and mainly as a result of these actions, our first-quarter operating profit was charged with restructuring costs of some SEK 5 million. But I'm convinced this will sharpen our customer focus and profitability going forward. In addition, to strengthen our Balance Sheet further, we sold our industrial property in Lund, which had a positive impact on first-quarter operating profit of over SEK 20 million—our first-quarter operating profit was SEK 30.4 (14.2) million. Adjusted for the above non-recurring items, underlying operating profit was SEK 14.7 million, and operating margin was 5.3%. Against the background of us making very robust progress last year, especially in China, we're very pleased to have succeeded in expanding our operating margin by another 0.2 percentage points.



We're searching continuously for improvements –and always maintain our focus on quality and delivery precision for customers.

The efficient management of working capital is a critical success factor for continued sales growth. Accordingly, we are working on a focused footing in the short and long term to improve the efficiency of the utilisation of our working capital. Intelligent and thought-through logistics setups with customers are vital to our own, and our customers', financing and cash flow. Including the property sale, our cash flow after investments was SEK 77.8 million, or SEK 2.70 per share. We are very well placed financially for our future. Our liquidity position is very good and our Balance Sheet remains one of the sector's strongest with an equity to assets ratio of 45.2%.

Future

We are retaining our future strategy—focused on expanding partnerships with our existing customers, simultaneously with selectively securing new business customers in PCBAs production and box build projects.

Because this is the final Interim Report I'm writing as CEO and President of NOTE, I can say that the company is facing continued positive progress, and I'd like to take this opportunity to thank our customers, employees and other stakeholders for an excellent collaboration.

Stefan Hedelius

Sales and results of operations

Sales, January–March

NOTE sells to a large customer base, essentially active in engineering, communication, medtech, defence and advanced consumer electronics. Its customer base consists of global corporations active on the world market, as well as localised enterprises whose primary sales are in northern Europe.

The demand for NOTE's services progressed positively in the first quarter of the year. In Western Europe, sales growth was healthy in Sweden and Finland, while sales in the UK remained low. As a result of very positive demand from several major multinational customers, progress in China was very brisk in the first half-year 2016. Year to date this year, sales in China were down on the previous year. Operations in Estonia, another of NOTE's major units, achieved very high sales growth in the first quarter.

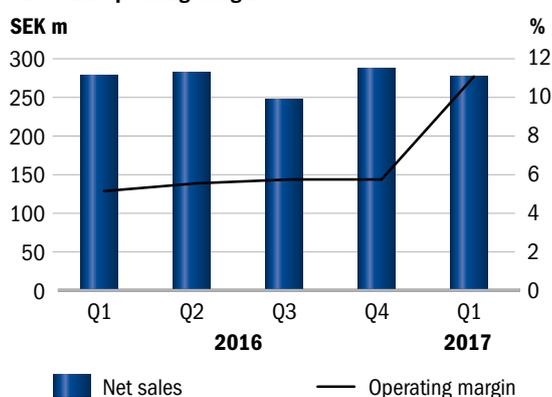
NOTE endeavours to secure long-term customer relations and partnerships. In the period, several closer collaborations on new product generations were established with a range of customers in NOTE's already-strong customer base.

NOTE has also been working intensively for some time on expanding its customer base further, to boost sales and capacity utilisation in the group's units. As a result of these marketing initiatives, NOTE secured many new customer relationships. Most of these new customers are European and Asian SMEs. Several of these partnerships, which usually start with industrialisation services (service sales, prototyping and pilot series), have now resulted in batch production and higher volumes.

Sales were SEK 277.1 (279.1) million in the first quarter. The impact of exchange rate fluctuations was marginal, and adjusted for the sale of the Norwegian operation in the previous year, sales growth for comparable units was just over 4%. The increased sales consisted of new products to existing customers, as well as the progressive impact of higher volumes to new business customers.

The 15 largest customers in sales terms represented 60% (60%) of group sales. Similar to the previous year, no single customer (group) generated more than about 10% (10%) of total sales.

Sales and operating margin



Operating profit for the first quarter 2017 includes non-recurring effects of SEK 15.7 million. The underlying operating margin was 5.3%.

The group's order book, consisting of a combination of fixed orders and customer forecasts, corroborated positive sales progress at the end of the period.

Results of operations, January–March

In order to keep sharpening competitiveness and create the potential for profitable sales growth, NOTE has been conducting methodical improvement work at all units for several years. This work is conducted locally at each unit and through a number of group-wide projects. Over and above initiatives to expand and develop its customer offering, NOTE's focus is on measures that improve delivery precision and quality, as well as cost and working capital rationalisation. In tandem with this process, NOTE is progressively implementing a business-specific ERP system in the group's units. This new, group-wide system is operational at all Swedish units, and also went live at its plant in Estonia at the end of March. This process is helping enable further rationalisation by harmonising processes and systems support across the group's units.

In the first quarter, gross margin was 11.3% (11.7%). However, adjusted for non-recurring costs, gross margin expanded by 0.2 percentage points to 11.9%, mainly as a result of continued rationalisation.

Sales and administration overheads for the period were SEK 19.9 (17.5) million, or 7.2% (6.3%) of sales, of which 0.4 percentage points consisted of non-recurring items. Selling expenses in the first quarter of the previous year were relatively low as a result of a settlement with a former CEO.

Other operating expenses/income, which normally consist of revaluations of foreign currency assets and liabilities, were SEK 19.0 (–1.0) million, of which the effect of the property sale in Lund was SEK 20.6 million. NOTE conducts fairly extensive management of foreign currencies, primarily USD and EUR.

Operating profit in the first quarter was SEK 30.4 (14.2) million. Underlying operating profit, adjusted for the property sale and non-recurring costs, increased by SEK 0.5 million to SEK 14.7 (14.2) million. Computed on the same basis, operating margin expanded by 0.2 percentage points to 5.3% (5.1%).

Net financial income/expense in the period was unchanged at SEK –1.3 (–1.3) million.

Profit after financial items was SEK 29.1 (12.9) million, corresponding to a profit margin of 10.5% (4.6%).

Profit after tax was SEK 26.9 (10.2) million, or SEK 0.93 (0.35) per share. The tax expense for the period corresponded to 8% (21%) of profit before tax.

Cash flow and financial position

Cash flow

Competing successfully in the high mix/low to medium volume market segment sets high standards on flexible manufacture, the effective supply of materials and the ability to deliver custom logistics solutions. Accordingly, NOTE face is a big challenge to continuously improve its business methods and internal processes in these segments. This challenge is especially apparent during new project start-ups, and in rapid demand upturns and downturns. This relates mainly to the complexity of materials supply and changing lead-times of electronic components and other production material.

The global market for electronic components can be considered relatively cyclical. Progress at the beginning of the year remained fairly stable. However, some increase in lead-times for electronics components was apparent in the period. The supply of materials remained good, which benefitted NOTE's materials planning and logistics.

NOTE maintains a sharp focus on continuous rationalisation of its utilisation of working capital. However, capital tied up in stock, including customer advances for materials, was up 10% on the corresponding period of the previous year. For comparable units, the increase was about 15%, mainly a result of the new logistics setup implemented last autumn, which includes storage of finished goods close to the production facility of one of the group's major multinational customers. Allowing for increased production and sales volumes, the rate of inventory turnover was consistent with the previous year's level.

Accounts receivable—trade, which for natural reasons, reduced on year-end, were 3% higher at the end of the first quarter than the corresponding point of the previous year. Through focused efforts, NOTE was able to maintain customer credit terms at about the same level as the previous year.

Equity to assets ratio

45.2%

Cash flow after investments

+77.8 SEK million

Accounts payable—trade mainly relate to sourced electronic components and other production materials. NOTE is working actively to keep evolving its partnership model for suppliers, which involves changes including concentrating sourcing on fewer, quality-assured suppliers. This has contributed to more efficient utilisation of working capital. Accounts payable—trade were 13% higher than the corresponding period of the previous year.

The combination of a reduced need for working capital resulting from rationalisation and seasonally lower sales in the first quarter, and the property sale in Lund, helped cash flow for the period after investments to improve to SEK 77.8 (27.1) million, corresponding to SEK 2.70 (0.94) per share.

Equity to assets ratio

According to NOTE's externally communicated financial targets, its equity to assets ratio should not fall below 30%. The equity to assets ratio at the end of the period was 45.2% (44.5%). The proposed dividend of SEK 20.2 million would reduce the equity to assets ratio by some 3 percentage points.

Liquidity and investments

Liquidity and net debt

NOTE puts a sharp focus on measures that continue to improve the group's liquidity and cash flow. In the first quarter, NOTE sold its industrial premises in Lund, while simultaneously signing a multi-year lease contract with NOTE Lund as tenant. The group's available cash and cash equivalents, including un-utilised overdraft facilities, was SEK 198.0 (114.4) million at the end of the period. Factored accounts receivable—trade were approximately SEK 118 (104) million. Net debt at the end of the period was SEK -17.9 (55.9) million.

Investments

Capital expenditure on fixed assets was SEK 2.5 (1.8) million, or 0.9% (0.6%) of sales. Investments primarily consisted of projects to increase efficiency and quality. To satisfy greater demand for electronics production at the group's unit in Estonia, NOTE took a decision to invest in a new sophisticated surface mounting line. The new equipment is based on the same technology used at sites including the facility in China. This surface mounting line is scheduled to come on stream by the summer. Plan depreciation and amortisation in the period amounted to SEK 3.7 (3.6) million.

Parent company

The parent company, NOTE AB (publ), is primarily focused on the management, coordination and development of the group. Revenue for the period was SEK 10.1 (6.9) million, and mainly related to intra-group services. Selling expenses in the first quarter of the previous year were positively impacted on a non-recurring basis by a settlement with a former CEO. Net financial income/expense includes SEK 2.3 (-) million of dividends received from subsidiaries. Profit after tax was SEK 33.0 (0.1) million.

Extraordinary General Meeting 2017

An EGM on 20 January 2017, convened as a result of changes to NOTE's ownership structure, elected Johan Hagberg, John Hedberg and Per Ovrén to the Board and re-elected Kjell-Åke Andersson and Bahare Hederstierna as Board members for the period until the Annual General Meeting (AGM) for the current year. John Hedberg was elected Chairman.

Transactions with related parties

There were no transactions with related parties in the first quarter.

Significant operational risks

NOTE is one of the leading manufacturing and logistics partners for the manufacture of electronics-based products in northern Europe. NOTE has especially strong market positioning in the high mix/low to medium volume market segment, i.e. products in small to mid-size batches that require a high level of technological competence and flexibility. NOTE produces PCBAs, sub-assemblies and box build products. NOTE's offering covers the complete product lifecycle, from design to after-sales.

NOTE's Nearsourcing initiative, which is intended to increase sales growth while limiting overheads and capital expenditure in high-cost countries, is one way to mitigate the risks in operations.

For a more detailed review of the group's operational and financial risks, refer to the Risks section on page 13, the Report of the Directors on page 26, as well as note 24, Financial risks and finance policy, on page 44 of NOTE's Annual Report for 2016.

NOTE's operations set relatively high standards on working capital financing. Accordingly, it puts a sharp focus on managing its liquidity risk.

Accounting and valuation principles

NOTE observes International Financial Reporting Standards (IFRS) as endorsed by the European Union. Significant accounting and valuation principles are stated on pages 34–36 of the Annual Report for 2016. The group's Interim Report has been prepared in accordance with the Swedish Annual Accounts Act and IAS 34, Interim Financial Reporting. The parent company observes RFR2.

All amounts are in millions of Swedish kronor (SEK million) unless otherwise stated.

Discrepancies between reports

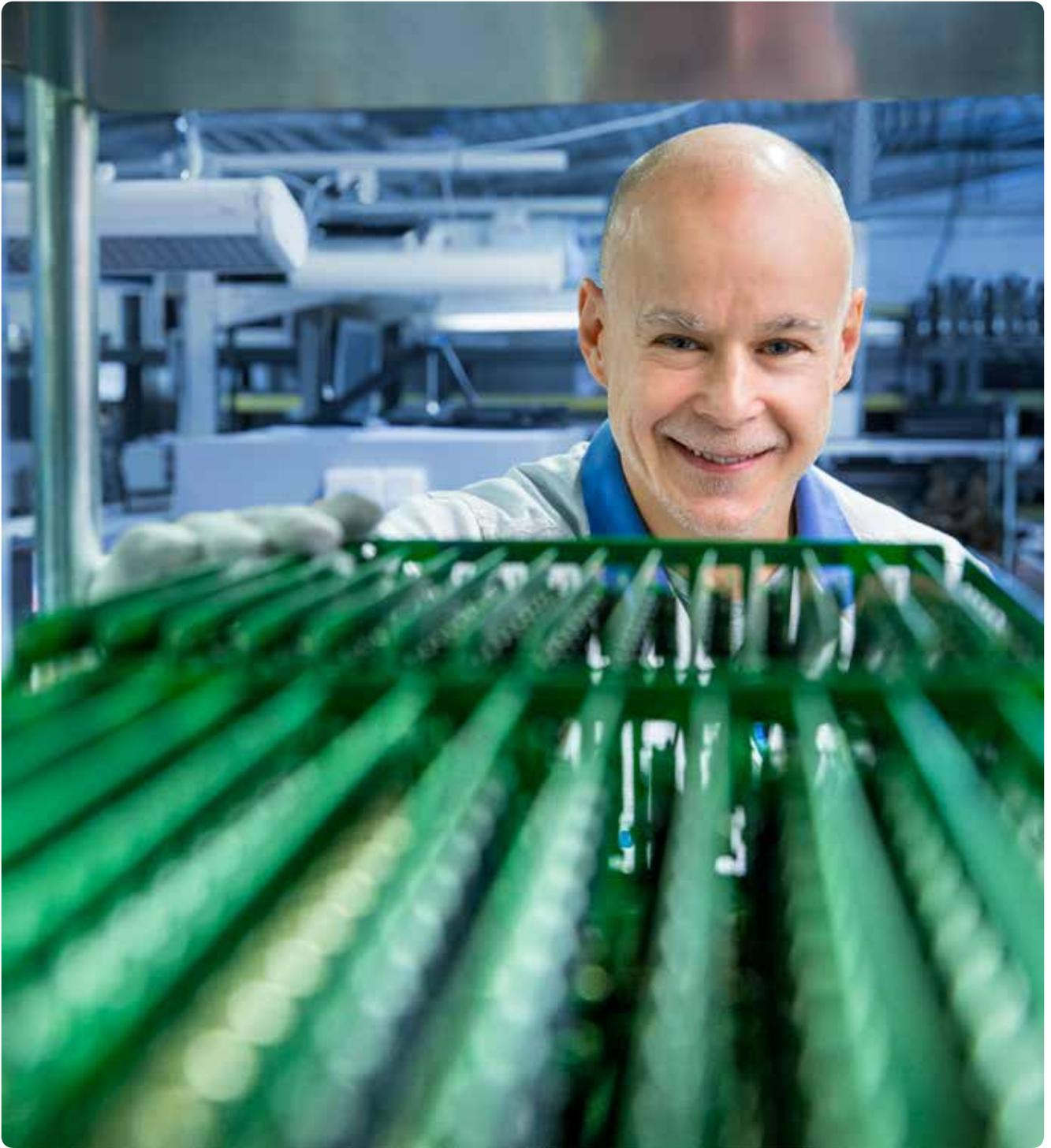
Swedish and English-language versions of this Report have been produced. In the event of any discrepancy between the two, the Swedish version shall apply.

Audit review

As in previous years, the Interim Report for the first quarter has not been subject to review by the company's auditor.

Danderyd, Sweden, 19 April 2017

Stefan Hedelius, CEO and President



Consolidated six-year summary

SEK million	Rolling 12 mth.	2016	2015	2014	2013	2012
Net sales	1,096.1	1,098.1	1,121.5	964.0	907.0	1,029.2
Gross margin	11.9%	12.0%	10.9%	10.6%	8.0%	9.0%
Operating margin	7.0%	5.5%	4.0%	3.3%	1.0%	2.5%
Profit margin	6.5%	5.0%	3.5%	3.0%	0.1%	1.9%
Cash flow after investing activities	91.6	40.9	5.2	2.5	-2.0	97.0
Cash flow per share, SEK	3.17	1.42	0.18	0.09	-0.07	3.36
Equity per share, SEK	11.91	11.01	9.94	9.36	8.25	9.02
Return on operating capital	22.5%	16.1%	12.9%	10.1%	3.1%	7.9%
Return on equity	19.3%	14.9%	12.4%	9.7%	0.3%	4.9%
Equity to assets ratio	45.2%	45.8%	43.3%	44.1%	44.0%	45.2%
Average number of employees	952	987	940	893	847	884
Net sales per employee, SEK 000	1,151	1,113	1,193	1,080	1,071	1,164

Consolidated quarterly summary

SEK million	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1
Net sales	277.1	288.2	248.4	282.4	279.1
Gross margin	11.3%	12.3%	11.2%	12.6%	11.7%
Operating margin	11.0%	5.7%	5.7%	5.5%	5.1%
Profit margin	10.5%	5.2%	5.2%	4.8%	4.6%
Cash flow after investing activities	77.8	3.2	6.5	4.1	27.1
Cash flow per share, SEK	2.70	0.11	0.23	0.14	0.94
Equity per share, SEK	11.91	11.01	10.55	10.09	10.26
Equity to assets ratio	45.2%	45.8%	44.7%	44.4%	44.5%
Average number of employees	870	916	988	1,047	1,016
Net sales per employee, SEK 000	319	315	251	270	275

Financial definitions

Key figures, besides IFRS, published in this Interim Report

Average number of employees	Average number of employees calculated on the basis of hours worked.
Cash flow per share	Cash flow after investments divided by the number of shares at end of the period.
Equity per share	Equity divided by the number of shares at end of the period.
Equity to assets ratio	Equity as a percentage of total assets.
Gross profit margin	Gross profit as a percentage of net sales.
Net debt	Interest-bearing liabilities and provisions less cash and cash equivalents.
Net sales per employee	Net sales divided by the average number of full-time employees.
Operating capital	Total assets less cash and cash equivalents, non-interest bearing liabilities and provisions.
Operating margin	Operating profit as a percentage of net sales.
Profit margin	Profit after financial items as a percentage of net sales.
Return on equity	Net profit as a percentage of the average equity for the most recent twelve-month period.
Return on operating capital	Operating profit as a percentage of the average operating capital for the most recent twelve-month period.

Consolidated Income Statement

SEK million	2017 Q1	2016 Q1	Rolling 12 mth.	2016 full year
Net sales	277.1	279.1	1,096.1	1,098.1
Cost of goods and services sold	-245.8	-246.4	-965.8	-966.4
Gross profit	31.3	32.7	130.3	131.7
Selling expenses	-13.8	-9.9	-46.2	-42.3
Administrative expenses	-6.1	-7.6	-28.0	-29.5
Other operating income/expenses	19.0	-1.0	20.3	0.3
Operating profit	30.4	14.2	76.4	60.2
Net financial income/expenses	-1.3	-1.3	-5.7	-5.7
Profit after financial items	29.1	12.9	70.7	54.5
Income tax	-2.2	-2.7	-8.8	-9.3
Profit after tax	26.9	10.2	61.9	45.2

Consolidated Statement of Other Comprehensive Income

SEK million	2017 Q1	2016 Q1	Rolling 12 mth.	2016 full year
Profit after tax	26.9	10.2	61.9	45.2
Other comprehensive income				
Items that can be subsequently reversed in the income statement:				
Exchange rate differences	-1.0	-1.2	6.3	6.1
Cash flow hedges	0.0	0.0	0.0	0.0
Tax on hedges and exchange rate difference	0.0	0.1	-0.3	-0.2
Total other comprehensive income after tax	-1.0	-1.1	6.0	5.9
Comprehensive income after tax	25.9	9.1	67.9	51.1

Earnings per share

	2017 Q1	2016 Q1	Rolling 12 mth.	2016 full year
Number of shares at end of period (000)	28 873	28,873	28,873	28,873
Weighted average number of shares (000)	28 873	28,873	28,873	28,873
Earnings per share, SEK	0.93	0.35	2.14	1.57

Consolidated Balance Sheet

SEK million	2017 31 March	2016 31 March	2016 31 dec
Assets			
Goodwill	70.3	70.3	70.4
Other intangible assets	10.0	9.7	10.0
Property, plant and equipment	53.4	63.7	65.3
Deferred tax assets	3.0	7.3	5.0
Other financial assets	1.6	1.5	1.6
Total non-current assets	138.3	152.5	152.3
Inventories	229.3	208.7	206.3
Accounts receivable–trade	234.3	227.2	249.8
Other current receivables	16.8	20.1	14.5
Cash and bank balances	142.5	56.8	71.6
Total current assets	622.9	512.8	542.2
TOTAL ASSETS	761.2	665.3	694.5
Equity and liabilities			
Equity	343.9	296.2	318.0
Liabilities			
Long-term interest-bearing liabilities	6.2	9.0	6.8
Deferred tax liabilities	1.4	2.4	2.5
Total non-current liabilities	7.6	11.4	9.3
Current interest-bearing liabilities	118.8	103.8	125.2
Accounts payable–trade	204.5	180.8	171.3
Other current liabilities	86.4	73.1	70.7
Total current liabilities	409.7	357.7	367.2
TOTAL EQUITY AND LIABILITIES	761.2	665.3	694.5

Consolidated Change in Equity

SEK million	2017 Q1	2016 Q1	Rolling 12 mth.	2016 full year
Opening equity	318.0	287.1	296.2	287.1
Comprehensive income after tax	25.9	9.1	67.9	51.1
Dividend	-	-	-20.2	-20.2
Closing equity	343.9	296.2	343.9	318.0

Consolidated Cash Flow Statement

SEK million	2017 Q1	2016 Q1	Rolling 12 mth.	2016 full year
Operating activities				
Profit after financial items	29.1	12.9	70.7	54.5
Reversed depreciation and amortisation	3.7	3.6	14.9	14.8
Other non-cash items	-17.4	5.9	-25.1	-1.8
Tax paid	-1.2	-4.6	3.0	-0.4
Change in working capital	22.2	11.1	-7.4	-18.5
Cash flow from operating activities	36.4	28.9	56.1	48.6
Cash flow from investing activities	41.4	-1.8	35.5	-7.7
Cash flow from financing activities	-6.8	-16.7	-7.1	-17.0
Change in cash and cash equivalents	71.0	10.4	84.5	23.9
Cash and cash equivalents				
At beginning of period	71.6	47.3	56.8	47.3
Cash flow after investing activities	77.8	27.1	91.6	40.9
Cash flow from financing activities	-6.8	-16.7	-7.1	-17.0
Exchange rate difference in cash and cash equivalents	-0.1	-0.9	1.2	0.4
Cash and cash equivalents at end of period	142.5	56.8	142.5	71.6
Un-utilised credits	55.5	57.6	55.5	55.5
Available cash and cash equivalents	198.0	114.4	198.0	127.1

Operating segments

Western Europe, previously called Nearsourcing Centres, consist of units located in geographical regions with high industrial activity and innovation standards in Sweden, Finland and the UK. These units provide advanced production technology services in close collaboration with customers, such as component selection, developing test equipment, prototyping and serial production.

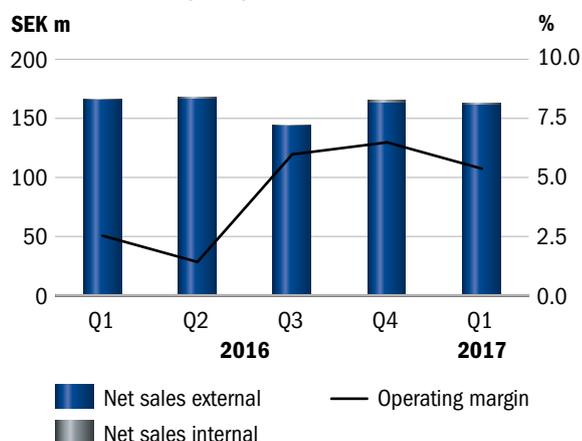
Rest of World, previously called Industrial Plants, located in

Estonia and China, are close to large end markets and in regions with strong traditions of production and high competence levels. In addition to development-oriented services, these units also offer cost-efficient volume production of PCBAs and box build products.

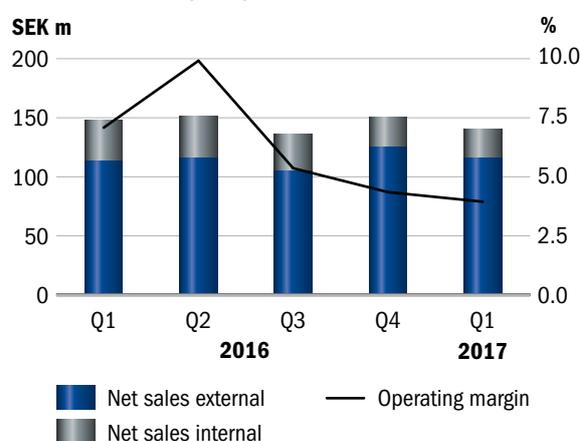
Intra-Group are group-wide business support functions in the parent company and for the sourcing operations in NOTE Components.

SEK million	2017 Q1	2016 Q1	Rolling 12 mth.	2016 full year
WESTERN EUROPE				
External net sales	161.5	165.4	634.2	638.1
Internal net sales	1.3	1.3	6.2	6.2
Operating profit	8.7	4.1	30.2	25.6
Operating margin	5.3%	2.5%	4.7%	4.0%
Inventories	120.7	104.7	120.7	106.6
External accounts receivable—trade	126.0	124.0	126.0	126.2
Average number of employees	275	334	288	298
REST OF WORLD				
External net sales	115.6	113.7	461.9	460.0
Internal net sales	24.9	34.6	117.5	127.2
Operating profit	5.5	10.4	34.1	39.0
Operating margin	3.9%	7.0%	5.9%	6.6%
Inventories	108.6	104.0	108.0	99.7
External accounts receivable—trade	107.7	102.8	107.7	123.2
Average number of employees	576	665	645	670
INTRA-GROUP				
Internal net sales	-26.2	-35.9	-123.7	-133.4
Operating profit	16.2	-0.3	12.1	-4.4
External accounts receivable—trade	0.6	0.4	0.6	0.4
Average number of employees	19	17	19	19

Sales and operating margin Western Europe



Sales and operating margin Rest of World



Parent Company Income Statement

SEK million	2017 Q1	2016 Q1	Rolling 12 mth.	2016 full year
Net sales	10.1	6.9	35.0	31.8
Cost of services sold	-5.0	-4.2	-16.9	-16.1
Gross profit	5.1	2.7	18.1	15.7
Selling expenses	-4.8	-0.5	-15.3	-11.0
Administrative expenses	-3.0	-2.5	-11.7	-11.2
Other operating income/expenses	33.3	0.0	18.2	-15.1
Operating profit	30.6	-0.3	9.3	-21.6
Net financial income/expenses	2.4	0.4	9.2	7.2
Profit after financial items	33.0	0.1	18.5	-14.4
Appropriations	-	-	-	-
Profit before tax	33.0	0.1	18.5	-14.4
Income tax	-	-	-3.8	-3.8
Profit after tax	33.0	0.1	14.7	-18.2

Parent Company Statement of Other Comprehensive Income

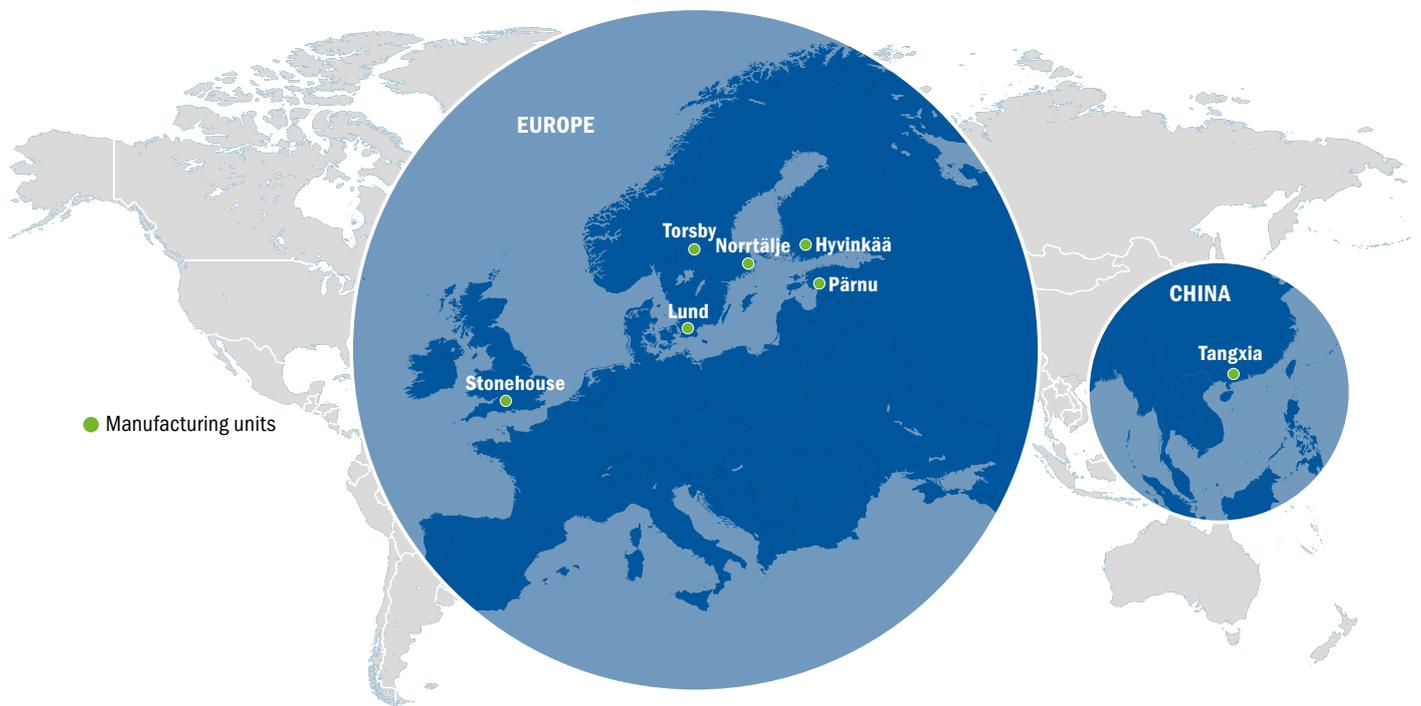
SEK million	2017 Q1	2016 Q1	Rolling 12 mth.	2016 full year
Profit after tax	33.0	0.1	14.7	-18.2
Other comprehensive income				
Items that can be subsequently reversed in the income statement:				
Fair value reserve	-0.2	-0.4	0.8	0.6
Tax on fair value reserve	0.0	0.1	-0.3	-0.2
Total other comprehensive income after tax	-0.2	-0.3	0.5	0.4
Comprehensive income after tax	32.8	-0.2	15.2	-17.8

Parent Company Balance Sheet

SEK million	2017 31 March	2016 31 March	2016 31 dec
Assets			
Intangible assets	1.3	0.8	1.2
Property, plant and equipment	0.2	0.1	0.2
Deferred tax assets	-	1.3	-
Long-term receivables from group companies	4.7	36.1	9.6
Financial non-current assets	221.4	248.6	221.4
Total non-current assets	227.6	286.9	232.4
Receivables from group companies	27.2	45.0	43.9
Other current receivables	1.9	3.0	1.5
Cash and bank balances	97.2	11.5	34.9
Total current assets	126.3	59.5	80.3
TOTAL ASSETS	353.9	346.4	312.7
Equity and liabilities			
Equity	248.2	253.2	215.4
Liabilities			
Liabilities to group companies	85.8	81.8	79.5
Other current liabilities and provisions	19.9	11.4	17.8
Total current liabilities	105.7	93.2	97.3
TOTAL EQUITY AND LIABILITIES	353.9	346.4	312.7

Parent Company Change in Equity

SEK million	2017 Q1	2016 Q1	Rolling 12 mth.	2015 full year
Opening equity	215.4	253.4	253.2	253.4
Comprehensive income after tax	32.8	-0.2	15.2	-17.8
Dividend	-	-	-20.2	-20.2
Closing equity	248.2	253.2	248.2	215.4



This is NOTE

Vision

NOTE—the customer's obvious manufacturing and logistics partner.

Business concept

NOTE is a leading northern European manufacturing and logistics partner with an international platform for manufacturing electronics-based products that require high technology competence and flexibility through product lifecycles.

Business targets and strategy

NOTE will be the best collaboration partner in the industry with leading-edge delivery precision and quality for competitive total cost.

To make the market's most competitive offering, NOTE should actively contribute to safeguarding customers' value chains and sharpening their competitiveness through flexibility, competence, professionalism and good profitability.

Geographical presence

NOTE is organised to address its customers' varying needs optimally. Operations in Sweden, Finland and the UK deliver sophisticated production technologies services in close collaboration with customers, such as component selection, developing test equipment, prototyping and serial production.

NOTE offers development-oriented services and cost-efficient volume manufacture of PCBAs and box build products in China and Estonia.

Financial information

NOTE AB (publ)
Corporate ID no. 556408-8770

Calendar

Interim Report, Jan–Jun	17 July 2017
Interim Report, Jan–Sep	17 Oct 2017

Ordering financial information

Financial and other relevant information can be ordered from NOTE. Out of consideration for the environment, a subscription service is readily available from NOTE's website.

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