

Continued good development and strong financial position

In today's nine-month interim report for 2011, Nolato reports good growth for Nolato Medical and Nolato Industrial, while Nolato Telecom continues to record weak volumes.

“The EBITA margin for the third quarter was 7.5%, whilst the return on capital employed was 15%. These figures are almost on a par with the long-term profitability targets of 8% and 15% respectively,” notes Nolato's CEO Hans Porat.

The Group's sales amounted to SEK 718 million (887), operating income EBITA to SEK 54 million (67) and earnings per share to SEK 1.37 (1.78).

Nolato Medical increased its sales by 9% to SEK 220 million (202). The operating income EBITA was SEK 25 million (25).

“Volumes remained good during the quarter and in line with market growth,” says Hans Porat. To facilitate further expansion within Nolato Medical, we have decided to extend the production facility in Hungary by 3,500 square metres.

Nolato Telecom's sales halved to SEK 220 million (444), including the resale of touch screens of approx. SEK 5 million (60). Operating income was SEK 7 million (32).

“Demand for the existing product portfolio within the mobile phone sector remained weak,” comments Hans Porat.

Nolato Industrial's sales rose by 16% to SEK 279 million (241), and the operating income EBITA increased by 24% to SEK 26 million (21).

“Demand has remained strong and has increased within most customer segments,” says Hans Porat. As we announced previously, a small production facility has been established in Romania and production there is proceeding as planned.

Nolato's financial position remains strong. At the end of the third quarter, net debt was SEK 66 million (199), and the equity/assets ratio was 52% (48). Cash flow for the nine months of 2011 amounted to SEK 123 million (75, excluding acquisitions).

For further information, please contact:
Hans Porat, President and CEO, 46 431 442294
Per-Ola Holmström, CFO, 46 431 442293

The Nolato Group is a high-tech developer and manufacturer of polymer product systems for leading customers in medical technology, telecom, hygiene, automotive products and other selected industrial sectors.

Nolato's shares are quoted on the Nasdaq OMX Nordic Exchange, Stockholm Mid Cap, Information Technology. www.nolato.com

Nolato AB discloses the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication at 2.30 pm on 26 October 2011.