



Nolato AB (publ) press release 28 April 2010

Nolato: Strong growth and healthy earnings

In today's three-month interim report, Nolato has reported strong growth and healthy earnings. Sales rose by 23 % to SEK 746 million (606), while operating income (EBITA) increased to SEK 63 million (16). Earnings per share were SEK 1.71 (0.15).

“Demand has been high during the quarter, and all three business areas are showing growth and good profitability,” says Hans Porat, President and CEO of Nolato.

Nolato Medical's sales rose by 4% (by 7%, excluding currency effects) to SEK 186 million, with operating income (EBITA) of SEK 23 million (24). Changes in volumes were in line with market growth. As previously announced, capacity is being increased in Hörby by 3,700 m² in order to create the optimum production structure. This is expected to be complete at the end of the year.

Nolato Telecom's sales rose by a full 42% (by 55%, excluding currency effects) to SEK 320 million, with operating income (EBITA) of SEK 32 million (0). Capacity utilisation has been high during the period which, together with an almost entirely new product mix, has had a positive impact on earnings. The new production unit in Chennai, India, is now operational and developing well.

Nolato Industrial saw sales rise by 17% to SEK 241 million, while operating income increased to SEK 17 million (-1). Demand has risen within most customer segments, albeit from very low levels during the corresponding period in 2009.

“We are pleased to note that our business areas have made progress during the recession, and have won market shares,” adds Mr Porat.

Nolato continues to enjoy a strong financial position. Cash flow after investments was SEK 0 million (56). This reduction is due to a temporary high need for working capital within Nolato Telecom. Net debt stood at SEK 44 million (28).

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. The average number of employees during the first quarter was 7,448.

Nolato's shares are quoted on the Nasdaq OMX Nordic Exchange, Stockholm Small Cap, Information Technology.

www.nolato.com