



NOTE adapts for continued expansion

NOTE, one of Scandinavia's leading contract manufacturers of electronics, is adapting its organization as part of the company's Europe Strategy. The Group is strengthening and hiring new staff for its materials management and purchasing functions in Central Europe. A total of 195 employees at the Norrtälje, Lund and Borås plants are, at the same time, being given notice.

NOTE's goal is to be one of Europe's leading contract manufacturers of electronics within five years. As part of this strategy, which involves continuing to become established in European markets, NOTE is now siting the bulk of its volume production at the Group's Central European production facilities (so-called "Industrial Plants"). These units will also assume full responsibility for the purchasing and management of their own materials, thereby simplifying their links with other countries.

"We have previously handled these functions from Sweden," says NOTE Group President Erik Stenfors. "Now we're refining our business model by handling high-value technology-intensive services locally, i.e. near our customers, while volume production will be done mainly in Central Europe. The fact that we are doing this now is related to the eastward expansion of the EU last spring, which eliminated some key trade barriers."

A total of 195 employees were given notice today at the plants in Norrtälje, Lund and Borås as a result of the move.

"It is extremely unfortunate to have to let people go," says Erik Stenfors. "But at the same time, it is important to bear in mind that this adaptation means that we can continue our commitment to our Swedish plants in terms of both investment and staffing. Production that requires customer proximity will always stay in Sweden, and we will be able to continue to hire in Sweden in other functions and areas of competence."

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About NOTE

NOTE is one of Sweden's leading contract manufacturers of electronics, and offers specialized expertise in electronics production throughout the entire

value chain: from design and development through manufacturing to the aftermarket. The NOTE group is established in Sweden, UK, Poland and Lithuania.

Net sales for 2003 totaled MSEK 859, with a profit before tax of MSEK 63. The Group has approximately 950 employees. NOTE is listed on the Stockholm Stock Exchange O-List.

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