



A merger that creates an entirely Swedish manufacturer of electronics among the 100 million \$ companies

NOTE and Xperi merge with exchange of shares. Both companies has several manufacturing plants of their own and they belong to the few manufacturers of electronics that still are expanding. The merger creates an entirely Swedish manufacturer of electronics with 600 employees and operations in four parts of the world.

NOTE operate mainly in the Stockholm area, Gothenburg and the west part of Sweden, while Xperi has their customers mainly in the Malmö area and the southern part of Sweden. – There is a strong demand from the market for us to be present at the dynamic Skåne region. We are therefore very pleased to be able to merge with one of the most successful companies in the area, says Sten Dybeck, CEO of NOTE.

More secured production and increased flexibility

Kjell-Ake Andersson, President of Xperi, welcomes the merger. – This merger creates a lot of advantages for Xperi; for example, the security for our customers is increased by the possibilities of continues production, and the future investments of Xperi are enhanced, he says. Within the NOTE group of companies Xperi will be one of the largest companies and change their name to NOTE Xperi. Kjell-Ake Andersson remains as President of NOTE Xperi AB, and will be a member of the board in the holding company of NOTE.

Strengthened positions within material purchase

Within advanced production of electronics the cost for material is often close to 70% of the value of the final product. – To be a strong actor as material purchaser is extremely important, especially since we see that the components value of the product value continue to increase. The groups company for purchasing of material, NOTE Components, will therefore be an important support for our future growth, says Kjell-Ake Andersson. – After the merger we will continue to be the local electronic producer in the southern part of Sweden. As an example we can now offer the Swedish customers production close to the market in four parts of the world via the network ems-ALLIANCE where NOTE is one of the members.

Possibilities also in the Baltic States and Central Europe

NOTE as well as Xperi has parallel with their manufacturing in Sweden also expanded in their nearby countries; Xperi has operations in Lithuania, NOTE is active in Poland. Besides cost-effective manufacturing of production, intensive products, mechanical products, plastic and boards are obtained. – Our comparisons show obvious similarities as well as differences within the foreign activities. – We will therefore streamline the activities to reduce the costs and obtain logistic advantages, Kjell-Ake Andersson finishes.

The merged company will have a turnover of SEK 900 m. The group plan for the introduction to the stock market no later than 2005. Next on the schedule is a so called "Roadshow" to both manufacturers customers with information about the new possibilities opened by this merger.

About NOTE

NOTE is the only Swedish owned global EMS (Electronics Manufacturing Services) supplier. NOTE are today located in Sweden in Kista, Norrtelje, Torsby, Gothenburg and Gdansk in Poland. NOTE focus on a high degree of service by flexibility and being close to the customer on the market. Since six years NOTE is listed on the Swedish newspaper Svenska Dagbladets list over Swedens fastest growing companies.

About Xperi

Xperi is one of Swedens leading EMS-suppliers and offer a broad spectrum of services for construction, industrialization and manufacturing of advanced electronics , especially within the areas medicine, industrial electronics and communication technique.

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