

Q2



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14

First half year and  
second quarter



Report first half year and second quarter 2014

# Strong order intake, profitability still challenging

- \* Air defence order from KONGSBERG
- \* Continued revenue growth, but profitability remains challenging
- \* Arendal downsizing
- \* New CEO appointed

## Air defence order from KONGSBERG

Kitron Arendal received an order from Kongsberg Defence & Aerospace for military communications equipment. The order is related to contracts KONGSBERG has signed with Raytheon for supplying the NASAMS air-defence system to Oman. The order has a value for Kitron of NOK 80.7 million, and will be fulfilled in 2014 and 2015.

The order backlog increased by NOK 151.5 million in the quarter and ended at NOK 858.8 million, which is an increase of NOK 112.8 million compared to last year. Increases from both last year and in the quarter are primarily within Defence Aerospace and split between Norway and the US. The US increase is related to current customers and products and reflects an increase in activity in this market.

## Continued revenue growth, but profitability remains challenging

Kitron's revenue for the second quarter was NOK 457.1 million, which is an increase of 6.2 per cent compared to the same period last year. 2.5 per cent of the growth is due to currency translation effects in consolidation.

Operating profit (EBIT) was reduced from NOK 9.3 million to NOK 6.9 million in the second quarter.

Year-on-year revenue growth is not as strong as in the first quarter, when total growth was 15.2 per cent, including a currency translation effect in consolidation of 4.9 per cent. The sequential growth from the first to the second quarter is also lower than last year. EBIT has increased compared to the first quarter this year, primarily due to higher volumes and a reduction in indirect costs. Margins, however, continue to be challenging. For Norway, the weakened Norwegian krone has during 2014 negatively affected profitability. In addition, some customer projects have had lower profitability than previously expected.

Looking to other parts of Kitron, the development is decidedly more positive, compared to last year. The activities in Lithuania show growth in revenue of 39.2 per cent and increase in EBIT margin to 7.5 per cent

(6.9 per cent). China shows growth of 34.9 per cent and an increase in EBIT margin to 8.4 per cent (0.6 per cent). The other sites are also showing increased EBIT levels for the quarter, but less significant.

Operational cash flow amounted to NOK 9.5 million for the quarter, which is a reduction of NOK 20.8 million, compared to the same period last year. Revenue growth is the main reason for reduced cash flow.

## Arendal downsizing

During the second quarter, the profitability at Arendal, Norway, has given further cause for concern. EBIT is at minus NOK 7.6 million, compared to positive NOK 6.3 million last year. The net margin for Arendal has followed a strongly negative trend, partly caused by the development of the Norwegian krone but also some projects that have had lower profitability than expected. The downsizing of the operation has also caused some inefficiency that has a temporary negative impact on profitability.

The current plans imply a reduction of 85 in the number of employees during 2014. At the end of June, 40 of these have already left the company. Only parts of the initiated actions had a cost effect in the second quarter. The main focus in the third quarter will be to ensure that the effects of the initiated actions are fully realized and to initiate further actions to improve profitability.

## New CEO appointed

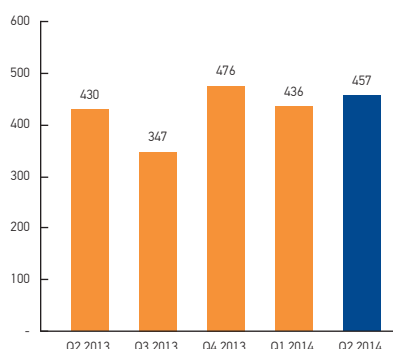
Peter Nilsson is appointed new CEO of Kitron ASA and will take up his position in November 2014 at the latest. Peter Nilsson has held several senior and executive leadership positions for Swedish and US companies: PartnerTech, Rimaster, Sanmina, and Ericsson, latest as President, Electronics Technology Division, at PartnerTech AB. Nilsson is trained in industrial business management and production engineering and has a degree in Industrial Management from Gävle University College (Gävle, Sweden).

## Key figures

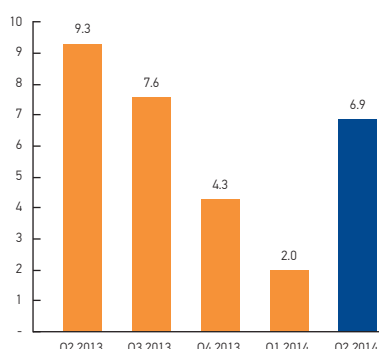
NOK million	Q2 2014	Q2 2013	Change	30.06.2014	30.06.2013	Change	31.12.2013
Revenue	457.1	430.3	26.8	892.9	808.6	84.3	1 631.6
EBIT	6.9	9.3	(2.4)	8.9	13.3	(4.4)	25.1
Order backlog	858.8	746.0	112.8	858.8	746.0	112.8	718.1
Operating cash flow	9.5	30.3	(20.8)	(7.9)	14.4	(22.3)	31.9
Net working capital	504.9	485.5	19.4	504.9	485.5	19.4	521.7



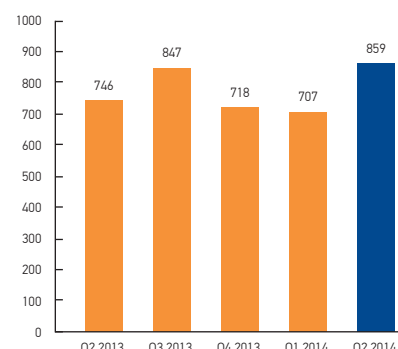
**REVENUE Group**  
NOK million



**EBIT Group**  
NOK million



**ORDER BACKLOG Group**  
NOK million



**Revenue**

Kitron's revenue in the second quarter was 6.2 per cent higher than in the same period last year, and amounted to NOK 457.1 million (NOK 430.3 million). Revenue in the market sector Defence/ Aerospace was down 4.1 per cent, Energy/Telecoms was up 36.7 per cent, Industry increased by 12.6 per cent, Medical equipment increased by 7.0 per cent and Offshore/Marine was down 10.9 per cent compared to the second quarter of 2013.

Revenue in the Norwegian operation represented 44.2 per cent of Kitron's gross revenue during the second quarter (52.8 per cent). The Swedish operation represented 22.0 per cent of the group (20.6 per cent) and Kitron's operation in Lithuania provided for 22.2 per cent (17.1 per cent).

Kitron's revenue in the second quarter of 2014 was distributed as follows:

	Q2 2014	Q2 2013
Defence/Aerospace	20 %	(22 %)
Energy/Telecoms	15 %	(12 %)
Industry	26 %	(24 %)
Medical equipment	24 %	(24 %)
Offshore/Marine	15 %	(18 %)

Revenue from customers in the Swedish market represented a 45.3 per cent share of the total revenue during the second quarter (41.9 per cent). The Norwegian market represented 43.2 per cent of Kitron's total revenue in the second quarter (49.7 per cent).

**Gross and net margin**

The gross margin in the second quarter 2014 was reduced compared to the second quarter last year and amounted to 34.7 per cent (38.6 per cent). The net margin decreased from 22.6 per cent to 20.0 per cent in the same period last year. The reasons behind the margin decrease are mixed and relate both to changes in product mix, back sales of material, price pressure on products and currency rate effects.

**Profit**

Kitron's operating profit (EBIT) in the second quarter was NOK 6.9 million, which was a decrease of NOK 2.4 million compared with the same period last year (NOK 9.3 million).

Profit before tax and discontinued operations in the second quarter of 2014 was NOK 4.1 million, which was a decrease of NOK 6.1 million compared to the same period last year.

The company's total payroll expenses in the second quarter were NOK 5.7 million lower than the corresponding period in 2013. The relative payroll costs went from 27.3 per cent of revenue in second quarter 2013 to 24.4 per cent of revenue in the second quarter this year. Other operating costs decreased to 6.3 per cent of revenue in the second quarter of 2014 (7.1 per cent).

During the quarter net financial costs amounted to NOK 2.7 million. This was an increase of NOK 3.7 million compared to the same period last year. The main reason for the increase was currency effects on intra-group financial loans.

**Balance sheet**

Kitron's gross balance as of 30 June 2014 amounted to NOK 1 078.2 million, against NOK 1 018.3 million at the same time in 2013. Equity was NOK 473.3 million (NOK 464.9 million), corresponding to an equity ratio of 43.9 per cent (45.7 per cent).

Inventory was NOK 357.7 million as of 30 June 2014 (NOK 341.7 million). Inventory turns was up from 3.7 in the second quarter 2013 to 3.9 in the second quarter 2014.

Trade debtors and other receivables amounted to NOK 411.2 million at the end of the second quarter of 2014. The corresponding amount at the same time in 2013 was NOK 360.3 million.

The group's reported interest-bearing debt amounted to NOK 274.3 million as of 30 June 2014. Interest-bearing debt at the end of the second quarter 2013 was NOK 265.7 million.

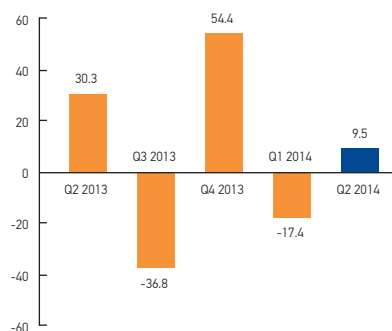
Cash flow from operational activities for the second quarter of 2014 was NOK 9.5 million (NOK 30.3 million). Kitron's cash and bank credit as of 30 June 2014 comprised the following:

NOK million	
Cash and cash equivalents	20.9
Drawings on the overdraft facility	(70.6)
Restricted bank deposits	(10.3)
<b>Total</b>	<b>(60.0)</b>

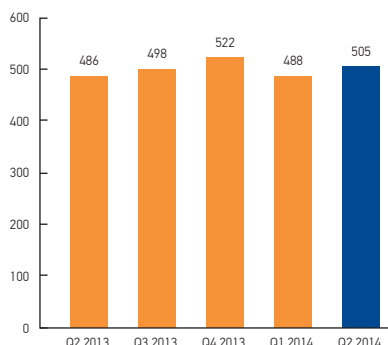
Available liquidity (unrestricted bank deposits and unused credit lines) amounted to NOK 145.8 million at the end of the second quarter, versus NOK 151.8 million at the same time in 2013. The overall credit line as of 30 June 2014 was NOK 205.8 million versus NOK 203.9 million at the same time last year.



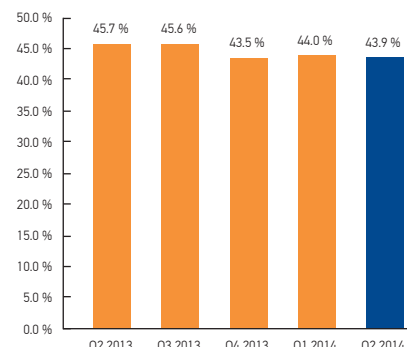
**OPERATING CASH FLOW Group**  
NOK million



**NET WORKING CAPITAL Group**  
NOK million



**EQUITY RATIO Group**  
Per cent



**Revenue business entities**

NOK million	Q2 2014	Q2 2013	Change	30.06.2014	30.06.2013	Change	31.12.2013
Norway	225.3	250.1	(24.8)	451.9	469.6	(17.7)	924.6
Sweden	112.0	97.5	14.5	219.2	182.3	36.9	382.5
Lithuania	112.9	81.1	31.8	207.7	162.8	44.9	329.9
Others	59.3	44.6	14.7	100.0	79.1	20.8	165.3
Group and eliminations	(52.4)	(43.0)	(9.4)	(85.9)	(85.2)	(0.6)	(170.8)
<b>Total group</b>	<b>457.1</b>	<b>430.3</b>	<b>26.8</b>	<b>892.9</b>	<b>808.6</b>	<b>84.3</b>	<b>1 631.6</b>

**EBIT business entities**

NOK million	Q2 2014	Q2 2013	Change	30.06.2014	30.06.2013	Change	31.12.2013
Norway	(7.5)	6.3	(13.9)	(8.2)	8.0	(16.2)	23.9
Sweden	2.7	2.1	0.6	5.8	3.8	1.9	10.4
Lithuania	8.5	5.6	2.9	14.2	11.9	2.3	20.1
Others	2.3	(1.7)	4.0	0.8	(5.1)	5.8	(19.2)
Group and eliminations	0.9	(3.1)	4.0	(3.7)	(5.4)	1.7	(10.1)
<b>Total group</b>	<b>6.9</b>	<b>9.3</b>	<b>(2.4)</b>	<b>8.9</b>	<b>13.3</b>	<b>(4.4)</b>	<b>25.1</b>

**Order backlog business entities and market sectors**

NOK million	Defence/ Aerospace	Energy/ Telecoms	Industry	Medical equipment	Offshore/ Marine	Total
Norway	254.4	-	27.6	79.5	98.1	459.6
Sweden	9.7	50.4	19.1	65.3	-	144.5
Lithuania	4.2	16.2	97.9	11.1	2.8	132.1
Other	99.5	(0.1)	20.4	2.9	-	122.6
<b>Total group</b>	<b>367.8</b>	<b>66.5</b>	<b>165.0</b>	<b>158.7</b>	<b>100.9</b>	<b>858.8</b>

**Revenue geographic markets**

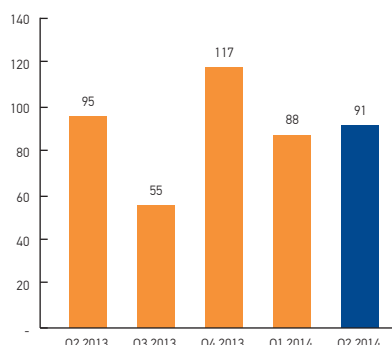
NOK million	Q2 2014	Q2 2013	Change	30.06.2014	30.06.2013	Change	31.12.2013
Norway	197.4	213.8	(16.5)	387.4	402.4	(15.0)	786.9
Sweden	206.9	180.2	26.7	406.0	335.8	70.2	690.8
Rest of Europe	25.0	17.3	7.7	47.5	36.0	11.5	81.6
USA	26.6	18.4	8.2	50.1	33.1	17.0	69.7
Others	1.2	0.5	0.6	1.9	1.4	0.6	2.7
<b>Total group</b>	<b>457.1</b>	<b>430.3</b>	<b>26.8</b>	<b>892.9</b>	<b>808.6</b>	<b>84.3</b>	<b>1 631.6</b>

**Full time employees**

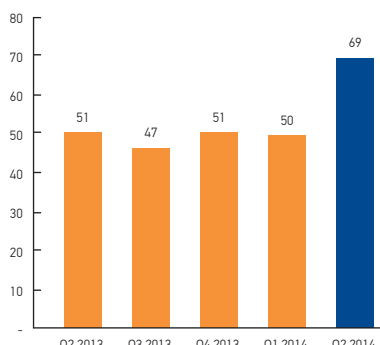
	30.06.2014	30.06.2013	Change
Norway	484	513	(29)
Sweden	138	138	-
Lithuania	420	337	83
Other	173	175	(2)
<b>Total group</b>	<b>1 214</b>	<b>1 163</b>	<b>52</b>



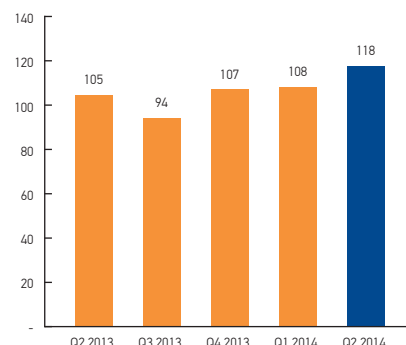
**REVENUE Defence/Aerospace**  
NOK million



**REVENUE Energy/Telecoms**  
NOK million



**REVENUE Industry**  
NOK million



**Organisation**

The Kitron workforce corresponded to 1 214 full-time employees on 30 June 2014. This represents an increase of 52 since the second quarter of 2013. The increase is mainly related to the operations in Lithuania, while there is a decrease of the workforce in Norway.

**Market**

Order intake in the quarter was NOK 602.5 million, which is 43.9 per cent higher than for the second quarter 2013. The order backlog ended at NOK 858.8 million, which is 15.1 per cent higher than the same period last year.

Four-quarter moving average order intake was up from NOK 405.5 million at the beginning of the second quarter to NOK 451.5 million at the end of the quarter. Kitron's order backlog generally includes four months customer forecast plus all firm orders for later delivery.

**Defence/Aerospace**

The Defence/Aerospace sector consists of three main product divisions: military and civil avionics, military communication and weapon control systems.

The Defence/Aerospace sector revenue is reduced slightly by 4.0 per cent compared to last year, but is increased with 4.0 per cent compared to the first quarter 2014. The order backlog at NOK 367.8 million is increased with NOK 147.6 million during the quarter. Compared to last year, the order backlog is increased by NOK 98.8 million.

The increase in the quarter is primarily from orders from KONGSBERG of supply of communication equipment into the NASAMS Air-Defence System and electronics modules into their remote Weapon Guidance system (RWS). In addition, there is an increase in the backlog of the overhaul and repair operations in the US.

**Energy/Telecoms**

Within the Energy/Telecoms sector Kitron offers clients particular expertise in manufacturing products such as transmission systems, high frequency microwave modules, radio frequency (RF) and remote measurement of electrical metering.

The Energy/Telecoms sector revenues increased by 36.7 per cent compared to last year, primarily driven by project deliveries in Sweden. The order backlog is NOK 66.5 million, a decrease of NOK 30 million compared to the quarter 2014 but NOK 4.8 million over last year. The reduction in order backlog is primarily due to above project deliveries.

**Revenue market sectors**

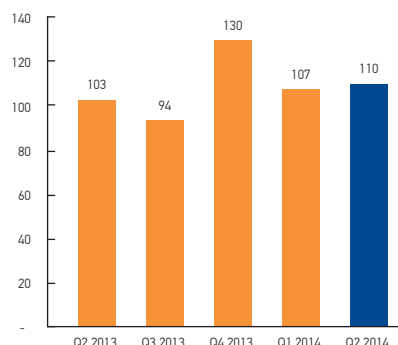
NOK million	Q2 2014	Q2 2013	Change	30.06.2014	30.06.2013	Change	31.12.2013
Defence/Aerospace	91.2	95.1	(3.9)	178.8	164.0	14.8	336.4
Energy/Telecoms	69.3	50.7	18.6	119.2	91.2	28.0	188.3
Industry	117.9	104.7	13.1	226.3	205.2	21.0	407.0
Medical equipment	110.0	102.8	7.3	217.3	198.1	19.1	422.6
Offshore/Marine	68.7	77.1	(8.4)	151.4	150.1	1.3	277.3
<b>Total group</b>	<b>457.1</b>	<b>430.3</b>	<b>26.8</b>	<b>892.9</b>	<b>808.6</b>	<b>84.3</b>	<b>1 631.6</b>

**Order Backlog market sectors**

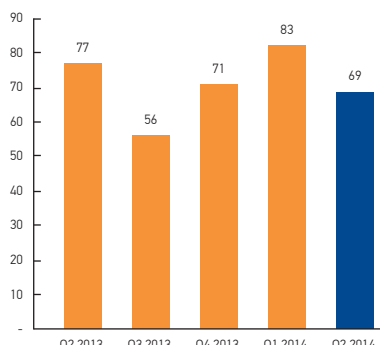
NOK million	30.06.2014	30.06.2013	Change	31.12.2013
Defence/Aerospace	367.8	269.0	98.8	217.5
Energy/Telecoms	66.5	61.7	4.8	59.2
Industry	165.0	154.3	10.7	173.3
Medical equipment	158.7	132.0	26.7	144.7
Offshore/Marine	100.9	129.1	(28.2)	123.5
<b>Total group</b>	<b>858.8</b>	<b>746.0</b>	<b>112.8</b>	<b>718.1</b>



**REVENUE Medical equipment**  
NOK million



**REVENUE Offshore/Marine**  
NOK million



**Industry**

Within the Industry sector Kitron operates and delivers a complete range of services within industrial applications like automation, environmental, material warehousing and security. The Industry sector consists of three main product areas: control systems, electronic control units (ECU) and automats.

The industry sector shows a revenue increase of 12.5 per cent compared to last year. The sector shows growth in the quarter in Lithuania and China whereas there is a slight reduction in Norway and Sweden compared to last year. The order backlog is up NOK 10.5 million from last quarter and last year, following the revenue pattern.

**Medical equipment**

The Medical equipment sector consists of three main product areas: ultrasound and cardiology systems, respiratory medical devices and Lab/IVD (In-Vitro Diagnostics).

Revenue in the medical sector has improved by 7.0 per cent compared to last year, the increase coming within the Swedish market. Order backlog is up NOK 19.3 million from last quarter, and increased by NOK 26.7 million compared to last year, again related to the Swedish market.

**Offshore/Marine**

Kitron divides the Offshore/Marine sector into three main areas; subsea production systems, oil and gas exploration equipment and navigation, positioning, automation and control systems for the marine sector.

The Offshore/Marine sector revenue decreased by 10.8 per cent compared to last year. The order backlog is NOK 100.9 million and at the same level as last quarter but reduced by NOK 28.2 million compared to last year. The decline is in the Norwegian market.

**Outlook**

Kitron expects a positive development in the Swedish and German markets, with growth for the factories in Sweden and Lithuania. Growth is also expected in China and the US, whereas a lower volume is expected in the Norwegian operation.

Kitron expects growth in revenue in 2014, partly explained by development in foreign exchange. The growth has been significant in the first half of the year, while the expectations for the second half of 2014 are closer to the level in 2013.

In spite of revenue growth, profitability is not satisfactory for the first half year and actions are initiated to rectify the situation and target improved profitability.

The board emphasizes that every assessment of future conditions necessarily involves an element of uncertainty.

Board of directors, Kitron ASA Oslo, 22 July 2014

**Condensed profit and loss statement**

NOK 1 000	Q2 2014	Q2 2013	30.06.2014	30.06.2013	31.12.2013
Revenue	457 088	430 317	892 892	808 608	1 631 598
Cost of materials	298 588	263 259	568 179	488 988	998 069
Payroll expenses	111 645	117 373	236 557	228 231	443 428
Other operational expenses	28 906	30 478	59 767	59 221	126 338
Other gains / (losses)	(2 480)	(1 057)	(2 355)	(1 253)	331
<b>Operating profit before depreciation and impairments (EBITDA)</b>	<b>15 468</b>	<b>18 150</b>	<b>26 035</b>	<b>30 914</b>	<b>64 095</b>
Depreciation and impairments	8 587	8 845	17 181	17 659	38 971
<b>Operating profit (EBIT)</b>	<b>6 881</b>	<b>9 305</b>	<b>8 853</b>	<b>13 255</b>	<b>25 123</b>
Net financial items	(2 741)	935	(8 040)	(2 131)	(10 750)
<b>Profit (loss) before tax</b>	<b>4 140</b>	<b>10 241</b>	<b>814</b>	<b>11 124</b>	<b>14 373</b>
Tax	267	2 458	(1 353)	1 960	6 045
<b>Profit (loss) for the period</b>	<b>3 873</b>	<b>7 783</b>	<b>2 166</b>	<b>9 164</b>	<b>8 328</b>
Earnings per share-basic	0.02	0.04	0.01	0.05	0.05
Earnings per share-diluted	0.02	0.04	0.01	0.05	0.05



## Condensed balance sheet

NOK 1 000	30.06.2014	30.06.2013	31.12.2013
<b>ASSETS</b>			
Goodwill	26 786	26 786	26 786
Other intangible assets	34 307	40 105	37 475
Tangible fixed assets	123 011	124 822	122 695
Deferred tax assets	104 335	102 539	101 824
<b>Total fixed assets</b>	<b>288 440</b>	<b>294 253</b>	<b>288 781</b>
Inventory	357 715	341 655	367 454
Accounts receivable and other receivables	411 216	360 263	381 039
Cash and cash equivalents	20 857	22 143	51 387
<b>Total current assets</b>	<b>789 788</b>	<b>724 060</b>	<b>799 879</b>
<b>Total assets</b>	<b>1 078 228</b>	<b>1 018 313</b>	<b>1 088 660</b>
<b>LIABILITIES AND EQUITY</b>			
Equity	473 328	464 869	473 708
<b>Total equity</b>	<b>473 328</b>	<b>464 869</b>	<b>473 708</b>
Deferred tax liabilities	1 072	1 069	1 072
Loans	29 128	39 436	36 966
Pension commitments	8 552	10 982	8 552
<b>Total long-term liabilities</b>	<b>38 752</b>	<b>51 487</b>	<b>46 589</b>
Accounts payable and other current liabilities	318 849	275 652	285 376
Loans	245 185	226 305	279 902
Other provisions	2 114	-	3 084
<b>Total current liabilities</b>	<b>566 148</b>	<b>501 957</b>	<b>568 362</b>
<b>Total liabilities and equity</b>	<b>1 078 228</b>	<b>1 018 313</b>	<b>1 088 660</b>

## Condensed cash flow statement

NOK 1 000	Q2 2014	Q2 2013	30.06.2014	30.06.2013	31.12.2013
Net cash flow from operational activities	9 469	30 277	(7 897)	14 386	31 934
Net cash flow from investment activities	(13 998)	(8 233)	(14 989)	(13 134)	(26 725)
Net cash flow from financing activities	(3 491)	(21 350)	(10 033)	(24 117)	(23 604)
Change in cash and bank credit	(8 020)	695	(32 919)	(22 864)	(18 395)
Cash and bank credit opening balance	(50 463)	(31 632)	(27 585)	(5 815)	(5 815)
Currency conversion of cash and bank credit	(1 559)	(1 123)	463	(3 381)	(3 375)
<b>Cash and bank credit closing balance</b>	<b>(60 042)</b>	<b>(32 060)</b>	<b>(60 042)</b>	<b>(32 060)</b>	<b>(27 585)</b>

## Consolidated statement of comprehensive income

NOK 1 000	Q2 2014	Q2 2013	30.06.2014	30.06.2013	31.12.2013
Profit (loss) for the period	3 873	7 783	2 166	9 164	8 328
Actuarial gain / losses	-	-	-	-	(502)
Currency translation differences and other changes	847	(13 876)	(2 547)	(10 483)	16 399
<b>Total comprehensive income for the period</b>	<b>4 720</b>	<b>(6 093)</b>	<b>(380)</b>	<b>(1 318)</b>	<b>24 225</b>
<b>Allocated to shareholders</b>	<b>4 720</b>	<b>(6 093)</b>	<b>(380)</b>	<b>(1 318)</b>	<b>24 225</b>

## Changes in equity

NOK 1 000	30.06.2014	30.06.2013	31.12.2013
Equity opening balance	473 708	466 187	466 187
Profit (loss) for the period	2 166	9 164	8 328
Other comprehensive income for the period	(2 547)	(10 483)	16 489
Dividends	-	-	(17 296)
<b>Equity closing balance</b>	<b>473 328</b>	<b>464 869</b>	<b>473 708</b>



## Notes to the financial statements

### Note 1 – General information and principles

The condensed consolidated financial statements for the second quarter of 2014 have been prepared in accordance with International Financial Accounting Standards (IFRS) and IAS 34 for interim financial reporting. Kitron has applied the same accounting policies as in the consolidated financial statements for 2013. The interim financial statements do not include all the information required for a full financial report and should therefore be read in conjunction with the consolidated financial statements for 2013, which were prepared in accordance with the Norwegian Accounting Act and IFRS, as adopted by the EU. The consolidated financial statements for 2013 are available upon request from the company and at [www.kitron.com](http://www.kitron.com)

### Note 2 – Estimates

The preparation of the interim financial statements requires the use of evaluations, estimates and assumptions that affect the application of the accounting principles and amounts recognised as assets and liabilities, income and expenses. The actual results may deviate from these estimates. The important assessments underlying the application of Kitron's accounting policy and the main sources of uncertainty are the same for the interim financial statements as for the consolidated statements for 2013.

### Note 3 – Financial risk management

Kitron's business exposes the company to financial risks. The purpose of the company's procedures for risk management is to minimise possibly negative effects caused by the company's financial arrangements. There has been no change of impact or material incidents in 2014.

### Note 4 – Other gains and losses

Other gains and losses consist of net currency gains and losses.

## Responsibility statement


We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January to 30 June 2014 has been prepared in accordance with IAS 34 - Interim Financial Reporting, and gives a true and fair view of the group's assets, liabilities, financial

position and profit or loss as a whole. We also confirm, to the best of our knowledge, that the interim management report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the condensed

set of financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties transactions.

Asker, 22 July 2014


  
Tuomo Lähdesmäki  
Chair

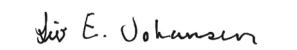
  
Arne Solberg  
Deputy chair


  
Martynas Cesnavicius

  
Siri Hatlen

  
Päivi Marttila

  
Bjørn Gottschlich  
Employee elected board member

  
Liv Johansen  
Employee elected board member

  
Elisabeth Jacobsen  
Employee elected board member

  
Dag Songedal  
Interim CEO





# Kitron

Your ambition. Our passion.

Kitron ASA  
Olav Brunborgs vei 4  
P.O. BOX 97  
NO-1375 Billingstad  
Norway

**Kitron** is a medium-size Electronics Manufacturing Services company. The company has manufacturing facilities in Norway, Sweden, Lithuania, Germany, China and the US and has about 1 200 employees. Kitron manufactures both electronics that are embedded in the customers' own product, as well as box-built electronic products. Kitron also provides high-level assembly (HLA) of complex electromechanical products for its customers.

**Kitron** offers all parts of the value chain: from design via industrialisation, manufacturing and logistics, to repairs. The electronics content may be based on conventional printed circuit boards or ceramic substrates.

**Kitron** also provides various related services such as cable harness manufacturing and components analysis, and resilience testing, and also source any other part of the customer's product. Customers typically serve international markets and provide equipment or systems for professional or industrial use.