Nortech's Q4 Profits Up 71% YoY

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MINNEAPOLIS -- Nortech Systems today reported fourth-quarter net income rose 71% over last year to \$234,783.

For the period ended Dec. 31, the electronics manufacturing services provider reported net sales of \$29.1 million, up 6% from last year. Operating income was up 71% to \$466,432.

For the year ended Dec. 31, contract printed circuit board assembler reported net sales of \$114.2 million, up 14%. Operating income rose 25% to \$1.5 million, and net income was up 137% tp \$1.2 million, including a non-operating gain, net of tax, of \$528,007, related to the company's acquisition of the EMS operations of **Winland Electronics.**

"Our 2011 fiscal year finished with solid momentum," said Mike Degen, Nortech president and CEO. "Fourth-quarter results, in particular, benefited from sales attributed to our Winland acquisition, a favorable product mix and continued cost improvements in our manufacturing operations and supply chain.

"We're pleased with the progress made in the second half of the year on the continued integration of our two most recent acquisitions. The life sciences/medical products facility is beginning to gain traction while our newest EMS contract manufacturing facility retained and expanded its customer base."

Organic sales showed mixed results in 2011. Industrial customers were impacted by softness in the semiconductor market and the sluggish economy. Medical OEM customers showed more resilience to economic pressures and defense demand stabilized.