

**Press release**

15 November 2019

## **Elanders implements cost-cutting and streamlining program in the German operations**

As part of our continuous work to improve the overall profitability in the Group Elanders will implement a cost-cutting and streamlining program during the fourth quarter. This will primarily affect the German operations in Elanders' subgroup LGI, which is part of the business area Supply Chain Solutions. The program that was initiated by the new President of LGI, Bernd Schwenger, is a natural progression of the reorganization of LGI he started in the third quarter. The streamlining program is focused on cutting overhead costs and increasing internal efficiency. This will mainly be achieved through measures that reduce indirect costs such as those for administration or other supporting functions. At the same time the number of senior officers will be diminished to shorten decision-making avenues, which will both raise efficiency and reduce overhead costs.

“During 2019 we have managed to improve margins in several of our companies. I believe that with these cost-cutting measures we create a platform that further strengthen our competitiveness and enables us to continue improve margins”, says Magnus Nilsson, President and CEO of Elanders.

One-off costs of some MSEK 60 will be charged to the result for the fourth quarter in connection with the implementation of the program. The program is calculated to generate the same amount in yearly savings going forward starting from 2020.

**For further information, please contact**

Magnus Nilsson, President and CEO, telephone: +46 31 750 07 50

Andréas Wikner, CFO, telephone: +46 31 750 07 50

*This information is information that Elanders AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 08:00 CET on 15 November 2019.*