

Good growth and stable results in the beginning of the year – measures taken in order to reduce the effects of the corona pandemic – the Board of Directors withdraws its previous proposal on distribution of dividend

During January and February, Bufab has experienced only marginal effects on its income and earnings due to the corona pandemic. Suppliers, customers and Bufab's subsidiaries in 28 countries have worked well, with some minor disruptions. Even Bufab's operations in China and Singapore, which have been most exposed, have continued to operate with good results. During the first two months of the year, Bufab's turnover growth amounted to 20% and the profit was the same as last year.

The rapid development of the pandemic in North America and Europe the last weeks is, however, very unpredictable. Therefore, the company has taken extensive measures in order to secure the health and security for its employees, customers and suppliers, as well as for decreasing the risk of spreading the virus. The development also affects our customers operations and may risk leading to lower incomes for Bufab going forward. On those grounds, Bufab has accelerated ongoing programs for enhancing efficiency and savings, in order to lower its cost and increase its flexibility. The company is closely following the development and will take further measures if and when such become necessary.

Against this background, the Board of Directors of Bufab has decided to withdraw its previously communicated proposal for the Annual General Meeting 2020 on distribution of dividend of 2.75 SEK (2.50) per share, but instead propose that there shall be no distribution of dividend. The Board of Directors' opinion is that in the prevailing conditions, it is important that the company's financial solidity and financial position is as good as possible ahead of potential future challenges and possibilities.

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This information is such that Bufab AB (publ) is obliged to disclose in accordance with the EU's Market Abuse Regulation. The information was submitted for publication by the aforementioned contacts on 18 March 2020 at 2:30 p.m. CET.

About Bufab

Bufab AB (publ), Corporate Registration Number 556685-6240, is a trading company that offers its customers a full-service solution as Supply Chain Partner for sourcing, quality control and logistics for C-Parts (screws, nuts, etc.). Bufab's Global Parts Productivity™ customer offering aims to improve productivity in the customers' value chain for C-Parts.

Bufab was founded in 1977 in Småland and is an international company with operations in 28 countries. The head office is located in Värnamo, Sweden, and Bufab has about 1,400 employees. Bufab's net sales for 2019 amounted to SEK 4.3 billion and the operating margin was 8.8 percent. The Bufab share is listed on Nasdaq Stockholm, under the ticker "BUFAB". Please visit www.bufab.com for more information.