



Impact of covid-19 on Lindab

The coronavirus (covid-19) and the extensive countermeasures implemented by local authorities in Europe will have a financial impact on the Lindab Group.

The ventilation company Lindab has the construction industry as its primary target group. Lindab's sales is concentrated to Europe with less than two percent of sales outside Europe. Sales is primarily affected by the activity in European construction projects, with emphasis on the countries in Northern Europe. Lindab's assessment is that revenue in the first quarter will only be affected to a lesser extent by covid-19. Impact during the rest of the year, given the uncertain situation, is difficult to estimate but it will have a dampening effect on sales.

"We see a decrease in order intake for our project business, as construction projects are delayed or postponed." says Ola Ringdahl, CEO of Lindab. "At present, most European construction sites are open, but the pace of construction is slowing down, especially in the countries affected by far-reaching lockdowns, such as Italy, France and Belgium. More countries are expected to introduce stricter measures, and that is increasing uncertainty for whether construction projects can proceed as planned. Lindab's factories and retail networks in Italy, France and Belgium have been forced to close or will have reduced capacity. It is difficult to estimate the extent to which we will be affected in the future as we do not know how long each country's efforts will last."

Lindab is today present in Europe with 128 branches in 31 countries and more than 3,000 independent retailers. The largest markets are the Nordic region and the UK, which together represent about 50 percent of sales. Lindab's goal is to keep factories, distribution and sales channels open as long as possible. Lindab's business operations are currently running in all countries, with a few exceptions.

"Lindab is proud to be a supplier that customers can trust. We want to keep our delivery promises during this turbulent time period and we will do our utmost to stay open. We have a positive team spirit within the company where employees support each other and help where needed. The safety and health of our customers and employees are top priority and we have put in place far-reaching measures to ensure that the virus is not being spread.", continues Ola Ringdahl.

Deliveries within Europe may be delayed due to increased border controls. With its 30 production facilities around Europe, Lindab has good opportunities to reduce production disruptions. Lindab continues to deliver on customer orders.

Lindab has also initiated measures to reduce costs and to utilize the support measures implemented by several European countries.

Lindab has a strong financial position. Improvements in efficiency in 2018 and 2019 have resulted in a solid balance sheet and a strong result. As a precautionary measure, to give Lindab financial leeway, the Board of Directors has proposed the dividend to be reduced from the original proposal. Dividend 2020 is proposed to be at the same level as last year. The changed dividend proposal was communicated in a separate press release on 23 March 2020.

The development is closely monitored and Lindab adjusts its measures in accordance with the advice and regulations of local authorities. Information about the Lindab Group's impact on covid-19 will be regularly published on Lindab's website www.lindabgroup.com.



Contact

Ola Ringdahl
President and CEO
E-mail: ola.ringdahl@lindab.com
Phone: +46 (0) 431 850 00

Malin Samuelsson
CFO
E-mail: malin.samuelsson@lindab.com
Phone: +46 (0) 431 850 00

Catharina Paulcén
Corporate Communications
E-mail: catharina.paulcen@lindab.com
Mobile: +46 (0) 701 48 99 65

Lindab in brief

Lindab develops, manufactures, markets and distributes products and system solutions for simplified construction and improved indoor climate. The products are characterised by high quality, ease of assembly, energy efficiency and environmentally friendly design and are delivered with high levels of service. Altogether, this provides greater customer value.

The Group had sales of SEK 9,872 m in 2019 and is established in 31 countries with approximately 5,200 employees. The main market is non-residential construction, which accounts for 80 percent of sales, while residential construction accounts for 20 percent of sales. During 2019, the Nordic region accounted for 43 percent, Western Europe for 35 percent, CEE/CIS (Central and Eastern Europe) for 21 percent and Other markets for 1 percent of total sales.

The share is listed on the Nasdaq Stockholm List, Mid Cap, under the ticker symbol LIAB.

Attachments

[Impact of covid-19 on Lindab](#)