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Press release from ÅF Pöyry AB

ÅF Pöyry provides an update on the effects of COVID-19 and announces measures

Following the recent market development due to COVID-19, ÅF Pöyry has initiated measures to mitigate future effects on the business. Activities include short-term work allowances, postponed investments and further cost reductions.

ÅF Pöyry has broad exposure to a number of industries and markets, and deliveries to the majority of clients are still unaffected. However, the automotive segment in Sweden is affected, and recently three large clients announced a temporary reduction in working hours. As a consequence, some 1 000 consultants will be placed on short-term work allowances, most of them connected to the automotive segment. The automotive segment represents approximately 9% of the total revenue in ÅF Pöyry.

In addition, short-term work allowances will also be applied for administrative employees, where relevant.

The cost savings programme of SEK 120m announced in the previous interim report will be increased, in order to achieve further effects in the short and the long term. The investment programme connected to the systems platform will be reviewed and adapted to the current situation.

"We're following developments closely and taking necessary steps to minimise negative effects. Right now, we're seeing a reduction of volumes at a few automotive clients, and we are taking action with short-term allowances to adapt the business to the needs of our clients. Despite the uncertainty in the market, we see a continued high demand for sustainable solutions", says Jonas Gustavsson, President and CEO at ÅF Pöyry.

ÅF Pöyry has already announced a withdrawal of the proposed dividend, due to COVID-19, and a renewal of the company's credit facilities to further strengthen its financial position.

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