

Press Release

Värnamo, October 5, 2018

Bufab acquires Rudhäll Industri AB

Bufab has acquired the Swedish company Rudhäll Industri AB ("Rudhäll") including its three wholly owned subsidiaries ("Rudhäll Group"), (see <http://www.rudhall.se/sv-SE>), with annual sales of approximately SEK 210 million.

The Rudhäll Group is a producer and distributor of components and other C-parts to the Swedish and European markets, specialized in advanced machined components. It consists of three units in Sweden and one in China. Approximately half of the total sales refers to distribution and about half to in-house production. Rudhäll was founded in 1952, and has since 2004 been owned and run by its current Managing Director, Jesper Emanuelsson. Under his leadership, the company has expanded organically and via acquisitions to an international supply chain partner to customers across many industries. In 2017, Rudhäll Group had 74 employees and sales of approximately SEK 210 million with a 9% normalized operating margin.

"It gives me great pleasure to announce that Rudhäll Group is joining the Bufab Group. Rudhäll Group is known as a strong niche player in the Swedish and European markets. Over the past one and a half years, we have gotten to know Jesper and his team well, and see great similarities with Bufab in their solution-oriented, entrepreneurial approach to creating customer value. We are confident that the Rudhäll Group will continue to grow and thrive as a member of the Bufab Group. At the same time, we think that the acquisition will further strengthen Bufab's offering to our customers with enlarged product portfolio, additional in-house production know-how as well as increased sourcing capabilities in China", says Johan Lindqvist, MD Bufab Sweden AB and segment director Bufab Segment Sweden.

"By joining Bufab, we will be able to continue to improve our customer service and grow our business in the same way we have for many years, but now with increased resources. It will be business as usual, with the same high ambition level. I am pleased to continue as Managing Director of Rudhäll, and together with the whole team I look forward to the cooperation with the Bufab team globally", says Jesper Emanuelsson, Managing Director of Rudhäll and Rudhäll Group.

The acquisition will be financed within Bufab's existing credit facilities. The purchase price amounts to approximately SEK 100 million on an enterprise value basis of which the majority will be paid upon closing of the transaction. The transaction will close and take effect immediately, and will be reported within Bufab's segment Sweden.

Bufab will book total acquisition-related costs of approximately 5 MSEK in the third quarter of 2018. The Rudhäll Group is expected to contribute marginally to Bufab's earnings per share starting from the fourth quarter of 2018.

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This information is information that Bufab 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 person set out above, at 08:00 p.m. CET on 5 October 2018.

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, Sweden and today is an international company with operations in 27 countries. The head office is located in Värnamo, Sweden, and Bufab has about 1,200 employees. Bufab's net sales for the past 12 months amounted to SEK 3.5 billion and the operating margin was 10 percent. The Bufab share is listed on Nasdaq Stockholm, under the ticker "BUFAB". Please visit www.bufab.com for more information.