



*English convenience translation of Swedish original. In case of discrepancies between the Swedish original and the English translation, the Swedish original shall prevail.*

## **THE BOARD OF DIRECTORS' PROPOSAL FOR DIVIDEND AND THE MOTIVATED STATEMENT THEREON**

The Annual Report will be presented to the Annual General Meeting on 9 May 2017 with the following proposal for dividend:

At the disposal for the AGM:

SEK

Profit brought forward by the beginning of the year	513 827 024
Dividend	- 95 414 978
Net profit for the year	774 147

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Profit carried forward by the end of the year	419 186 193
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Proposal for dividend

Taken the company's strong cash flow and lower net debt into consideration, the Board proposes that the Annual General Meeting on 9 May 2017 resolves to pay a dividend of 1,40 SEK per share, giving a total dividend of 107 MSEK and that the record date for the right to dividend should be 11 May 2017, with the dividend expected to be distributed to the shareholders on 16 May 2017.

The Board's objective is to distribute 30 percent of the net profit taken the company's capital structure, acquisition needs and long-term financing requirements into consideration. The dividend policy intends to create a balance between the shareholders' interest of receiving long term return and the financial flexibility for Lindab to continue to invest to deliver on the strategy. Proposed dividend amounts to approximately 35 percent of the net profit. The company has during the last three years in average annually distributed 32 percent of the net profit, which is in line with the dividend policy.

The restricted equity is fully covered after the proposed dividend. Proposed dividend amounts to 9 percent of the company's equity and 3 percent of the consolidated equity. After the distribution of the dividend, the company's and the group's equity/asset ratios are approximately 32 and 51 percent respectively.

The company's and the group's equity/asset ratios are considered to be good compared to the industry. The Board finds that the company and the group will be able to assume future business risks and can be expected to fulfill their short- and long term obligations. The dividend will not have a detrimental impact on the company's capacity to make required investments.

The Board finds that the proposed dividend is justifiable considering the requirements the nature, scope and risks of the operations pose on the size of the company's and the group's



equity as well as the company's and the group's consolidation requirements, liquidity and position in general.

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Båstad in March 2017

The Board of Directors