

Press Release
Stockholm, 11 January 2019

Ferronordic becomes importer of Volvo CE products to Russia instead of Volvo

Ferronordic and Volvo Construction Equipment (Volvo CE) have agreed that Ferronordic shall take over the responsibility for the importation of Volvo CE machines and spare parts to Russia. Currently this is handled by AO Volvo Vostok, the Volvo Group's operating entity in Russia.

This means that the current agreements between Ferronordic and Volvo Vostok will be replaced by new agreements between Ferronordic and Volvo Construction Equipment AB. At the same time, Ferronordic will take over Volvo CE's central parts inventory in Moscow. The change will be implemented gradually during the first half of 2019 and is not expected to have any material impact on Ferronordic's profitability or working capital.

"This is an important strategic step for Ferronordic. We become responsible for yet another part of the Russian distribution chain and deepen our cooperation with Volvo CE even further", says Lars Corneliusson, CEO of Ferronordic.

About Ferronordic

Ferronordic is the authorized dealer of Volvo Construction Equipment, Terex Trucks, Dressta, Mecalac and Rottne in Russia. In certain parts of the country, Ferronordic has also been appointed aftermarket dealer for Volvo and Renault Trucks and dealer for Volvo Penta. The company began its operations in 2010 and has expanded rapidly across Russia. The company is well established in all federal districts with 79 outlets and over 1,000 employees. Ferronordic's vision is to be regarded as the leading service and sales company in the CIS markets. The ordinary shares in Ferronordic are listed on Nasdaq Stockholm.

www.ferronordic.com

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