

Press Release
Stockholm, 27 January 2017

The nomination committee proposes Staffan Jufors as new chairman of the board

The nomination committee of Ferronordic Machines, consisting of Rune Andersson, representing Mellby Gård AB, Håkan Eriksson (chairman), representing Skandinavkonsult i Stockholm AB, Per-Olof Eriksson, representing shareholders that are members of the board or employees of the Group, and Daniel Nyhrén, representing Creades AB, has informed the company of the following:

The chairman of the board, Per-Olof Eriksson, has declined re-election at the annual general meeting in May 2017. The nomination committee therefore proposes to the annual general meeting that Staffan Jufors be elected as a new board member and the new chairman of the board.

Staffan Jufors, born 1951, was the managing director of Volvo Penta 1998-2004 and the president of Volvo Trucks 2004-2011. He is currently a member of the board of Haldex AB, ÅF AB and Akelius Residential Property AB, as well as the foundation Nordens Ark. He has a masters degree in business administration from the Gothenburg School of Economics. Staffan Jufors owns 70,000 ordinary shares and 1,200 preference shares in Ferronordic Machines (through companies). Staffan Jufors is independent of the company, the management and larger shareholders.

"I have been the chairman of Ferronordic Machines since the company's foundation in 2010. During this time, the company has developed into a mature organization that has proved that its business model holds even during extremely difficult market conditions. I am approaching 80 years and think it is a good time to pass the baton onwards. I have great respect for Staffan Jufors and regard him as an excellent candidate to chair the board of Ferronordic Machines," comments Per-Olof Eriksson.

Staffan Jufors comments: *"It will be very exciting to be the chairman of Ferronordic Machines' board, a company that I have followed since its foundation. Per-Olof Eriksson and the rest of the board, together with the management and the staff, have done an excellent job, especially during the recent economic downturn in Russia."*

Other proposals from the nomination committee will be announced in connection with the notice to the annual general meeting.

About Ferronordic Machines

Ferronordic Machines is the authorized dealer of Volvo Construction Equipment and Terex Trucks in Russia. It is also the official distributor of Dressta and Rottne in Russia. Ferronordic Machines has also been appointed aftermarket dealer for Volvo and Renault Trucks as well as dealer for Volvo Penta in certain parts of Russia. The company began its operations in 2010 and has expanded rapidly across Russia. The company is well established in all federal districts with over 70 outlets and almost 800 employees. The vision of Ferronordic Machines is to be regarded as the leading service- and sales company in the CIS markets. The preference shares of Ferronordic Machines are listed on NASDAQ OMX First North Premier. The company has appointed Avanza Bank AB as its Certified Advisor.

www.ferronordic.ru

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