

Press Release
Stockholm, 14 July 2016

Ferronordic Machines becomes official distributor of Dressta

Ferronordic Machines has entered into a distribution agreement with LiuGong Dressta Machinery under which Ferronordic Machines is appointed the official distributor of Dressta-branded bulldozers and pipelayers in all of Russia. The new partnership adds to Ferronordic Machines' product offering a full range of crawler bulldozers and crawler pipelayers.

Headquartered in Stalowa Wola, Poland, Dressta is a global manufacturer of dozers and pipelayers. With a heritage of cooperation and licensing agreements with International Harvester Company and Clark Equipment, Dressta has nearly 70 years of experience in designing and manufacturing bulldozers and other construction equipment. Since 2012, Dressta is owned by LiuGong Machinery Co.

Throughout its long history, Dressta has a proven track record in the CIS markets, having delivered around 14,000 units of machinery in Russia and the CIS. As the official distributor, Ferronordic Machines will also take over responsibility for the aftermarket support of the existing machinery population of Dressta bulldozers and pipelayers in Russia.

Lars Corneliusson, CEO & President of Ferronordic Machines, commented on the agreement: *"The addition of Dressta bulldozers fits perfectly into our offering of products from Volvo CE and Terex Trucks, and will notably improve our ability to offer full-package solutions to our customers. This appointment is fully in line with our strategy to use our extensive dealer network to distribute complementary products".*

Howard Dale, Chairman of the Board of Directors of LiuGong Dressta Machinery, said of the appointment: *"We are very pleased to have Ferronordic Machines on board in our global network: a fully-fledged and dedicated distributor and leading service provider in the CIS region. I have no doubts that this partnership will be beneficial for our customers in the region."*

About Ferronordic Machines

Ferronordic Machines is the authorized dealer of Volvo Construction Equipment and Terex Trucks in Russia. It is also the official Russian distributor of Dressta. In certain regions of Russia, Ferronordic Machines has also been appointed aftermarket dealer for Volvo and Renault Trucks and dealer for Volvo Penta. Ferronordic Machines began its operations in 2010 and has since then expanded rapidly across Russia. The company is well established in all federal districts with almost 70 outlets and approximately 700 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.com

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Ferronordic Machines discloses the information herein pursuant to the Securities Markets Act and/or the Financial Instruments Act. The information was submitted for publication on 14 July 2016, 17:45 CET.