

Press Release
Stockholm, 25 October 2018

Ferronordic signs new agreements for Contracting Services

Ferronordic has signed the largest Contracting Services agreement so far in the company's history. The project is made for the Russian mining company GV Gold and will last for three years, starting during the fourth quarter 2018. It involves approx. 25 machines and more than 100 employees, mainly machine operators. The agreement encompasses excavating and transporting earth and rock at a gold mine in the northern part of the Irkutsk region in Siberia.

"This project is very important to us, not only because it is our largest so far, but also because it is large customer that is now choosing to use our services again. We strongly believe in Contracting Services and see increased demand for this type of services", says Ferronordic's CEO, Lars Corneliusson.

Ferronordic has also signed an agreement for a smaller project outside of Murmansk in northwestern Russia. Ferronordic has recently finalized a project for another customer in the same area. The new project can therefore be started with personnel and machines that are already located in the area. This project is also expected to commence during the end of 2018.

Contracting Services means a significant customer integration where Ferronordic provides its own machines with operators and management resources for the customer. The service, for which remuneration is based on the amount of earth and rock delivered, has become an increasingly important part of the company's operations.

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 77 outlets and more than 850 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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