Fourth Quarter

◊ Signs of improvement despite continuously weak Russian economy
  ◇ Positive GDP growth
  ◇ Construction activity started to grow for the first time in years
◊ Clear increase in the market for new construction equipment
  ◇ 30% growth in Q4 (mainly smaller machines)
  ◇ 2016 total market slightly higher than in 2015
◊ However, the lack of capital remained and resulted in several construction projects being cancelled or postponed
Fourth Quarter (cont’d)

◊ New brands development
  ◊ Ten Terex dump trucks and our first Dressta bulldozer sold
  ◊ Appointment as distributor for Rottne forestry machines in December
  ◊ New brands create exciting opportunities to grow the business
  ◊ Opportunity to utilize the network further to sell other complementary products

◊ The product mix was favorable during the quarter and we managed to deliver a strong result
  ◊ Significant improvements of revenue and profitability
  ◊ Strong operating cash flow
Fourth Quarter (cont’d)

- Looking forward there is reason for some optimism
- Most forecasts predict that the Russian economy will continue to recover
  - Reasonable to expect that the market for construction equipment will do the same
- High pent-up demand in the market – strong underlying demand
- Recovery will depend on several factors that are difficult to predict
  - Financial sector sanctions
  - Oil price
Important events

◊ Proposed new chairman
  ◇ On 27 January 2017 it was announced that our chairman, Per-Olof Eriksson, has declined re-election at the AGM 2017
  ◇ The nomination committee proposes Staffan Jufors as new board member and new board chairman
  ◇ Staffan Jufors was managing director of Volvo Penta 1998-2004 and president of Volvo Trucks 2004-2011

◊ Extraordinary general meeting 22 March
  ◇ On 17 February it was announced that the board intends to convene an EGM on 22 March 2017
  ◇ Proposed dividend on preference shares in an amount of SEK 55 per preference share
  ◇ Notice of the EGM will be made on or about 27 February 2017
Important events (cont’d)

◊ Customer claim
  ◊ The customer claim of SEK 14m that was received in April 2016 was rejected by the court of first instance
  ◊ The counterparty has accepted this and in February 2017 agreed to pay off its outstanding debt

◊ Impairment/write-off
  ◊ SEK 13m related to two land plots in Ekaterinburg and Petrozavodsk
  ◊ SEK 6m related to CRM system under development

◊ Reclassification of depreciation
  ◊ Depreciation reclassified from General and Administrative expenses to Selling expenses and Cost of Goods Sold
### Q4 2016 Profit & Loss

<table>
<thead>
<tr>
<th>SEK MM</th>
<th>Q4 2016</th>
<th>Q4 2015</th>
<th>% Change SEK</th>
<th>% Change RUB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Units</td>
<td>176</td>
<td>225</td>
<td>(22%)</td>
<td>(22%)</td>
</tr>
<tr>
<td>Revenue</td>
<td>537</td>
<td>400</td>
<td>34%</td>
<td>20%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>108</td>
<td>83</td>
<td>30%</td>
<td>16%</td>
</tr>
<tr>
<td>% Margin</td>
<td>20.0%</td>
<td>20.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>45</td>
<td>32</td>
<td>44%</td>
<td>29%</td>
</tr>
<tr>
<td>% Margin</td>
<td>8.5%</td>
<td>7.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBIT*</td>
<td>39</td>
<td>24</td>
<td>65%</td>
<td>48%</td>
</tr>
<tr>
<td>% Margin</td>
<td>7.3%</td>
<td>6.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Income*</td>
<td>31</td>
<td>13</td>
<td>130%</td>
<td>103%</td>
</tr>
<tr>
<td>Net Debt/(Cash)</td>
<td>(173)</td>
<td>(82)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Excludes one-off expenses in Q4 2016 and amortization of transaction related intangibles.

- Number of units sold down 22%
- New units sold down 17%
- Used units sold down 38%
- Revenue up 34% (20% increase in rubles)
- Equipment sales up 30%
- Aftermarket sales up 33%
- Slightly lower gross margin
- OPEX growth half of GP growth
- 1.3%-point increase in operating profit margin
- Net financial income
- Strong increase in net income (+100%)
- Positive earnings per ordinary share
- Strong net cash position
# 2016 Profit & Loss

<table>
<thead>
<tr>
<th>SEK MM</th>
<th>2016</th>
<th>2015</th>
<th>% Change SEK</th>
<th>% Change RUB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Units</td>
<td>693</td>
<td>749</td>
<td>(7%)</td>
<td>(7%)</td>
</tr>
<tr>
<td>Revenue</td>
<td>1 658</td>
<td>1 469</td>
<td>13%</td>
<td>21%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>366</td>
<td>324</td>
<td>13%</td>
<td>22%</td>
</tr>
<tr>
<td>% Margin</td>
<td>22.1%</td>
<td>22.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>154</td>
<td>128</td>
<td>20%</td>
<td>30%</td>
</tr>
<tr>
<td>% Margin</td>
<td>9.3%</td>
<td>8.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBIT*</td>
<td>132</td>
<td>87</td>
<td>52%</td>
<td>65%</td>
</tr>
<tr>
<td>% Margin</td>
<td>7.9%</td>
<td>5.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Income*</td>
<td>106</td>
<td>49</td>
<td>115%</td>
<td>142%</td>
</tr>
<tr>
<td>Net Debt/(Cash)</td>
<td>(173)</td>
<td>(82)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Total sold units decreased 7%
- New units sold down 8%
- Used units sold down 5%
- Revenue increased 13% (21% increase in rubles)
  - Equipment sales up 10%
  - Aftermarket sales up 13%
- Reduction in total operating expenses
  - Same level in ruble
- 2%-points increase in operating profit margin
- Net financial income
- Net income more than doubled
- Positive earnings per ordinary share
- Strong cash flow

* Excludes one-off expenses in Q4 2016 and amortization of transaction related intangibles.
Strong result despite weak market

- Revenue (SEK m)
- Operating Margin

Operating Profit (SEK m)
- 2011: 94
- 2012: 67
- 2013: 89
- 2014: 102
- 2015: 87
- 2016: 132

* Operating Profit and Operating Margin exclude one-off expenses in Q4 2016 and amortization of transaction related intangibles.
## Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; Cash Equivalent</td>
<td>199</td>
<td>175</td>
</tr>
<tr>
<td>Debt</td>
<td>-</td>
<td>86</td>
</tr>
<tr>
<td>Financial leases</td>
<td>26</td>
<td>8</td>
</tr>
<tr>
<td><strong>Net debt</strong></td>
<td>(173)</td>
<td>(82)</td>
</tr>
<tr>
<td>Working capital</td>
<td>110</td>
<td>97</td>
</tr>
<tr>
<td>% of Revenue</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>Shareholders Equity</td>
<td>442</td>
<td>322</td>
</tr>
<tr>
<td>Total Assets</td>
<td>1,033</td>
<td>808</td>
</tr>
<tr>
<td>Equity/Assets</td>
<td>43%</td>
<td>40%</td>
</tr>
</tbody>
</table>
## Cash Flow

<table>
<thead>
<tr>
<th></th>
<th>Q4 2016</th>
<th>Q4 2015</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SEK MM</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash flow from:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Activities</td>
<td>121</td>
<td>73</td>
<td>141</td>
<td>234</td>
</tr>
<tr>
<td>of which change in working capital</td>
<td>85</td>
<td>54</td>
<td>18</td>
<td>133</td>
</tr>
<tr>
<td>Investing Activities</td>
<td>(10)</td>
<td>3</td>
<td>(5)</td>
<td>8</td>
</tr>
<tr>
<td><strong>Cash Flow before Financing Activities</strong></td>
<td>111</td>
<td>77</td>
<td>136</td>
<td>242</td>
</tr>
<tr>
<td>Financing Activities</td>
<td>(30)</td>
<td>(28)</td>
<td>(155)</td>
<td>(211)</td>
</tr>
<tr>
<td><strong>Cash Flow (before FX fluctuations)</strong></td>
<td>81</td>
<td>49</td>
<td>(19)</td>
<td>31</td>
</tr>
</tbody>
</table>
Outlook – CEO comment

“Because of the signs we have seen during the fourth quarter, we are somewhat more optimistic regarding the short-term recovery of the market. Even though we do not expect a recovery similar to the one we experienced in 2010-11 we do believe the market will continue to grow in 2017. We continue to be optimistic about the future of our business as the long-term fundamentals in the Russian construction equipment market remain strong.”
Overview

- Authorized dealer of Volvo Construction Equipment, Terex Trucks, Dressta and Rottne in Russia
- Distribution and sales of new and used construction equipment, sales of parts as well as providing services and technical support
- Core focus is the Volvo CE brand, a high-quality construction equipment manufacturer and the number one brand in Russia
- Distribution portfolio expanded to include other brands such as Volvo and Renault Trucks (aftermarket) and Volvo Penta

Development

<table>
<thead>
<tr>
<th>Year</th>
<th>Employees</th>
<th>Revenue (SEK M)</th>
<th>outlets</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>326</td>
<td>1 184(1)</td>
<td>12</td>
</tr>
<tr>
<td>2016</td>
<td>782</td>
<td>1 658</td>
<td>69</td>
</tr>
</tbody>
</table>

(1) Annualized

Revenue per segment

- Other; 3.8%
- Aftermarket; 34.1%
- Equipment sales; 62.0%
- Road Construction; 16%
- Forestry; 21%
- Oil & Gas; 3%
- General Construction and Other; 22%
- Quarries & Aggregates; 10%
- Mining; 28%

Financial development (SEKm)

- 2011: 2,421
- 2012: 2,403
- 2013: 2,483
- 2014: 2,335
- 2015: 1,469
- 2016: 1,658

Operating Margin:
- 2011: 3.9%
- 2012: 2.8%
- 2013: 3.6%
- 2014: 4.4%
- 2015: 5.9%
- 2016: 7.9%
Market demand drivers

- Old and inefficient equipment
- Underlying market activity
- Aftermarket development
- End user maturity drives outsourcing trend
- Substitution effect

Strong market fundamentals in the Russian construction equipment market, underpinned by significant needs for infrastructure investments and replacements of old machinery.