

### **Ekotechnika AG publishes consolidated financial statements for FY 2016/17**

- **Group sales revenues at EUR 148.1 million (previous year: EUR 117.2 million)**
- **EBIT of EUR 11.6 million (previous year: EUR 5.3 million)**
- **Operating business stabilizes**
- **Conservative forecast for FY 2017/18**

Walldorf, 29 January 2018 – Ekotechnika AG, the German holding company of the EkoNiva-Technika Group, the largest dealer of international agricultural machinery in Russia, generated Group sales revenues of EUR 148.1 million in the financial year 2016/17 (30 September). This represents an increase of 26.4% compared to the previous year (EUR 117.2 million). Revenue growth was primarily driven by an increased number of new (and especially higher priced) units sold, such as tractors and combines, the rising demand for spare parts as well as by a general increase in sales prices. While sales were lower at the beginning of the fiscal year 2016/17 than in the same period of the previous year, the situation improved considerably in the further course of the year due to good harvest results and the recovery of the ruble. At the same time, close attention was paid to strict cost control. The operative result (EBIT) reached EUR 11.6 million during the reporting period (previous year: EUR 5.3 million). Consolidated net income amounted to EUR 8.6 million, compared to EUR 62.3 million in the previous year. However, the previous year's result was largely determined by non-recurring financial income of EUR 60.3 million from the debt-to-equity swap executed in November 2015. As of the balance sheet date on 30 September 2017, Group equity amounted to EUR 21.0 million (previous year: EUR 12.6 million), which corresponds to a balance sheet total of EUR 83.8 million (previous year: EUR 72.8 million) representing an equity ratio of 25.1% (previous year: 17.3%).

Stefan Dürr, member of the Executive Board of Ekotechnika AG: "We are very satisfied with the past financial year. Sales of John Deere agricultural machinery are returning to normal and with Väderstad we were able to win back an important supplier. Moreover, we are currently designing a special organizational unit for the development of smart farming solutions in order to participate more strongly in the potential of this future market. This holds a great opportunity for Russian agroholdings, and their huge agricultural areas in particular, to optimize costs in arable farming and thus become even more competitive on the world market."

# EKOTECHNIKA

In view of the long-standing and trustful cooperation with John Deere, the management of the EkoNiva Group plans to further expand this partnership in 2018. The objective is to meet the demand for increasingly complex and highly interconnected agricultural machinery solutions and services through close collaboration between manufacturer and dealer and a clear focus on end customers.

For the current financial year 2017/2018, the management expects revenues to decline to between EUR 122 and 126 million after a highly successful year in 2016/2017. The planned sales volume comprises 236 tractors and 39 combines. In addition, the management expects gross profit of between EUR 20 and 24 million and EBIT of around EUR 7 million.

Björne Drechsler, member of the Executive Board of Ekotechnika AG: "We have adopted a conservative planning approach to our forecast for the financial year 2017/2018, partly due to low grain and sugar prices. However, the first quarter shows a significantly stronger sales trend, so that the decline in sales for the full year is likely to be lower than initially planned. This particularly applies against the background of the persistently strong ruble exchange rate, which is currently moving further away from the annual planning figure of 73 rubles/euro. We were also able to improve the processes within our company. In the current year, we will further optimize the ERP and CRM systems in order to make the organization more efficient."

The full 2016/17 consolidated financial statements will shortly be available on the website of Ekotechnika AG at <http://www.ekotechnika.de/en/investor-relations.html>.

## About Ekotechnika

Walldorf-based Ekotechnika AG is the German holding company of the Ekoniva-Technika Group, the largest distributor of agriculture equipment in Russia. The company's single most important supplier is John Deere, the world's leading manufacturer in this field. Ekotechnika's main business lies in selling new equipment such as tractors and combines but also soil tillage machines and precision farming technology. In addition, the company sells spare parts and provides service and maintenance. Ekotechnika's founder and board member is Stefan Dürr, who has been active in the Russian farming sector since the late eighties and has been instrumental in its modernization over the past two decades. In 2011 the equipment business was separated from the farming business, which now operates independently under the name Ekosem-Agrar. Operating 12 locations in attractive Russian farming regions, Ekotechnika today employs around 500 people and generated sales of more than EUR 140 million in 2016/2017. The Ekotechnika stock is listed on the Primärmarkt of the Düsseldorf stock market (ISIN: DE000A161234).

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