

### **Ekotechnika GmbH publishes audited consolidated financial statements for 2013/14 and interim financial statements for 2014/15**

Walldorf, 30 June 2015 –Ekotechnika GmbH, the German holding company of the EkoNiva-Technika Group, the largest dealer of international agricultural machinery in Russia, today published the audited consolidated financial statements for the past financial year 2013/14 (30 September 2014) and the consolidated interim financial statements for the first half of 2014/15 (31 March 2015). The consolidated figures for 2013/14 had been subject to change and the audit, which has now been completed. The financial statements were prepared on a going concern basis and certified by Ernst & Young with an unqualified opinion. PwC had previously reviewed and confirmed the company's ability to be restructured in the context of a restructuring report ("Sanierungsgutachten" – "IDW S6 report").

The consolidated figures for the financial year 2013/14 have changed compared to the preliminary figures published in March 2015. These changes primarily result from adjustments of the sales revenues in the context of the audit.

2013/14 Group sales revenues declined by 19.5% to EUR 171 million (previous year: EUR 212.4 million). Due to lower sales revenues, earnings before interest, taxes, depreciation and amortisation (EBITDA) decreased by 19.1% from EUR 19.4 million to EUR 15.7 million. Earnings before interest and taxes (EBIT) dropped 88.8% to EUR 1.9 million. This includes goodwill amortisation of EUR 10.5 million. The consolidated net loss for the year amounted to EUR 27.0 million (previous year: EUR -0.7 million).

Group equity was negative as of 30 September 2014 and amounted to EUR -26.0 million (30 September 2013: EUR 0.5 million). At the level of the single entity, Ekotechnika GmbH, substantial write-downs of loan receivables and the carrying amounts of equity investments were required. Ekotechnika GmbH's equity capital was negative, at approx. EUR -53 million, as of 30 September 2014.

In the first half of 2014/15 (31 March 2015), Ekotechnika GmbH generated consolidated sales revenues of EUR 45.8 million, down 30% on the same period of the previous year. The decline reflects the continued difficult situation in the Russian market for agricultural machinery. The sharp drop in the RUB/EUR exchange rate also played an important role. Earnings before interest and taxes (EBIT) remained stable at EUR -1.1 million and were positively influenced by

both the reduced costs resulting from the operational restructuring and the exchange rate effects. The result for the first six months amounted to EUR -16.8 million, compared to EUR -10.6 million in the previous year. The negative exchange rate effects resulting from the depreciation of the rouble totalled EUR 13.1 million (previous year: EUR 6.2 million).

The negative business trend in the past financial year and the first half of 2014/15 is attributable to the significant deterioration in the framework conditions for the sale of agricultural machinery in Russia, which, in turn, is due to the massive depreciation of the Russian rouble and the sharp increase in financing costs. Against this background, the company is implementing financial restructuring measures with the consent of the bondholders' meeting dated 6 May 2015.

The audited consolidated financial statements for 2013/14 and the interim financial statements for 2014/15 are available on the website of Ekotechnika GmbH at [www.ekotechnika.de/en/investor-relations/documents.html](http://www.ekotechnika.de/en/investor-relations/documents.html).

## **About Ekotechnika**

Walldorf-based Ekotechnika GmbH 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 & Co., the world's leading manufacturer in this field. In addition, Ekotechnika sells equipment from another 11 market-leading manufacturers. Its main business is in selling new equipment such as tractors but also milking equipment and precision farming technology. In addition, the company sells spare parts and provides service and maintenance. Ekotechnika's founder and main shareholder is Stefan Dürr, who has been active in the Russian farming sector since the late eighties and has been instrumental in its modernisation 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 545 people and generates sales of EUR 173 million in 2013/2014.

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