

# Ritchie Bros. announces completion of acquisition and strategic investment

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- Acquisition of remaining 49% equity stake of Ritchie Bros. Financial Services completed; secures full control of this profitable, growing and scalable business
- Minority Investment made in Machinio Corp. – a global aggregator of used equipment listings catering to all equipment sellers and buyers

VANCOUVER, July 12, 2016 /CNW/ - Ritchie Bros., the world's largest industrial auctioneer and a leading equipment distributor (NYSE & TSX: RBA) is pleased to announce that it has completed its acquisition of the outstanding minority interest of Ritchie Bros. Financial Services, and has made a strategic investment in Machinio Corp. – a global search engine for finding, buying and selling equipment. These corporate development initiatives are expected to help position Ritchie Bros. for future growth and further extend our involvement in the digital innovation of the equipment industry.

"Ritchie Bros. Financial Services is an important component of our full-service offering, catering to the financing needs of equipment buyers – including those purchasing through Ritchie Bros. auctions and EquipmentOne, where financing permits more customers to bid with the power of cash. As we continue to execute on our financial services growth strategy, we expect to help more customers by further expanding our reach and penetration across all our current and future sales channels," said Ravi Saligram, CEO Ritchie Bros.

He continued, "Our investment in Machinio demonstrates our desire to find even more ways to support the equipment industry and serve the various needs of equipment owners. Machinio's scalable model uses innovative technologies to provide buyers with the widest assortment of equipment listings on the web, while also driving lead

generation for equipment sellers."

## Acquisition of the Minority Interest of Ritchie Bros. Financial Services

Ritchie Bros. is pleased to confirm that its previously announced acquisition of the outstanding 49% minority interest in Ritchie Bros. Financial Services ("RBFS") has now completed, for cash consideration of CAD\$53.9 million (US\$41.1 million). Additional compensation may be provided to the former shareholders of the minority interest, contingent upon certain operating performance targets being achieved over the next three years. Jim Case will continue leading the business as it executes its growth strategy.

In 2015, RBFS received more than US\$1 billion of credit applications and facilitated US\$222 million in equipment financing for Ritchie Bros. customers – representing 31% growth in funded loans compared to 2014, and 116% growth compared to 2013. RBFS acts as an intermediary with select lending partners to find financing solutions for customers purchasing equipment, including loans and lease-to-own programs. RBFS does not utilize Ritchie Bros. capital in its financing activities.

## Investment in Machinio

As part of the Company's strategy of investing in equipment distribution channels, Ritchie Bros. has made a minority investment in Machinio Corp. – a global search engine for finding, buying and selling equipment. With more than one million items listed for sale, Machinio provides equipment buyers with the most comprehensive database of available used machinery covering construction, farming, metal working, processing, packaging, material handling, and woodworking equipment. Machinio receives over three million page views each month from more than 400,000 unique website viewers from 190 countries. Machinio also offers equipment sellers the ability to advertise equipment for sale directly on their site for a fee, and also offers superior ad placements to premium clients. Since May 2015, the company has quadrupled its number of premium clients.

Ritchie Bros. was the lead investor in a Series A round of financing, raising gross proceeds of \$3.0 million for Machinio. All other terms of the minority investment are confidential. The investment is not considered to be material to Ritchie Bros.' financial results. Machinio, based in Chicago, continues to operate as an independent business that caters to the needs of all equipment buyers and sellers.

## About Ritchie Bros. Financial Services

Ritchie Bros. Financial Services provides equipment buyers with the confidence to make offers on equipment, trucks and other industrial assets, with pre-approved loans and financing arrangements. The business finances all brands of equipment and provides equipment buyers with the option to purchase assets at Ritchie Bros. auctions, Ritchie Bros. EquipmentOne, or through other sales channels. Ritchie Bros. Financial Services has arrangements with a diverse group of financial partners to provide lending solutions that meet the specific needs of equipment owners and dealers. Services offered include pre-approved commercial equipment financing, re-financing, and

leasing, as well as equipment dealer financing. Learn more at: [rbauction.com/financing](http://rbauction.com/financing).

## About Machinio

Machinio is a global search engine for finding, buying, and selling used machinery and equipment. With more active listings than any other website, Machinio is the most comprehensive real-time database of for-sale listings.

Machinio connects hundreds of thousands of buyers each month with thousands of used machinery dealers from all over the world. Having launched in late 2012, Machinio is now the fastest growing online platform for used machinery. Learn more at [machinio.com](http://machinio.com).

## About Ritchie Bros.

Established in 1958, Ritchie Bros. (NYSE and TSX: RBA) is the world's largest industrial auctioneer, and one of the world's largest sellers of used equipment for the construction, transportation, agriculture, energy, mining, forestry and other industries. Ritchie Bros.™ asset management and disposition solutions include live unreserved public auctions with on-site and online bidding; EquipmentOne™, an online auction marketplace; Mascus, a global online equipment listing service; private negotiated sales through Ritchie Bros. Private Treaty; and a range of ancillary services, including financing and leasing through Ritchie Bros. Financial Services. Ritchie Bros. has operations in 19 countries, including 44 auction sites worldwide. Learn more at [rbauction.com](http://rbauction.com), [EquipmentOne.com](http://EquipmentOne.com), [mascus.com](http://mascus.com), [rbauction.com/privatetreaty](http://rbauction.com/privatetreaty) and [rbauction.com/financing](http://rbauction.com/financing).

SOURCE Ritchie Bros. Auctioneers

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