

# Ritchie Bros. sells record US\$3.57 billion of equipment at 2008 auctions

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VANCOUVER, Dec. 22 /CNW/ - Vancouver-based Ritchie Bros. Auctioneers (NYSE and TSX: RBA) conducted its final unreserved auctions of 2008 last week and is pleased to announce a preliminary gross auction proceeds estimate of US\$3.57 billion for the year. This represents a 12% increase over 2007 gross auction proceeds, making this the largest year in the Company's 50-year history. Ritchie Bros. ([www.rbauction.com](http://www.rbauction.com)), the world's largest auctioneer of industrial equipment, plans to release its full audited financial statements and Management's Discussion and Analysis for 2008 on February 26, 2009.

Ritchie Bros. conducted 193 unreserved industrial auctions in 13 countries throughout North America, Europe, the Middle East, Asia and Australia in 2008. The Company also conducted 147 unreserved agricultural auctions in 2008. During its last auction week of 2008, Ritchie Bros. attracted thousands of on-site and online bidders to several auctions, including the US\$26 million auction at its permanent auction site in North East, Maryland and the US\$21 million auction at its permanent auction site in Olympia, Washington (both held December 16 & 17, 2008).

"We are very pleased with our 12% gross auction proceeds growth in 2008," said Peter Blake, Ritchie Bros. CEO. "We continued to grow our business and set records at our auction sites around the world, in spite of the global economic turmoil. When economies around the world took a sudden and dramatic downturn at the start of our fourth quarter, some of our customers decided to delay selling their idle or surplus equipment until the market found its level. We've seen more pricing stability at our auctions in recent weeks, which gives comfort to potential consignors and bodes well for 2009. We deliver value to our customers at all points in the economic cycle; however, demand for our services is probably highest in periods of economic turbulence. Unlike most other sales channels, our unreserved auctions provide almost instant liquidity and global fair market value for equipment sellers. When

demand is volatile and unpredictable, sellers need access to the widest possible array of bidders, and that's what we offer."

Mr. Blake continued: "We faced unusual currency headwinds during the last quarter of 2008 that negatively impacted our reported fourth quarter gross auction proceeds by about US\$55 million. The Canadian dollar, Euro and Australian dollar all experienced significant erosion compared to the U.S. dollar during the period. We continued to see strong gross auction proceeds growth in Canada, Europe and Australia, where we conduct auctions in non-U.S. currencies. However, we report our consolidated results in U.S. dollars, and some of that growth is muted when we convert these non-U.S. dollar amounts from the local currency into U.S. dollars. Mitigating that effect is the fact that roughly 60% of our operating costs on an annual basis are in non-U.S. currencies, meaning our consolidated operating costs reported in U.S. dollars benefited from these currency fluctuations."

Results for the Company's unreserved industrial auctions for the past two years were:

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Industrial auctions - totals for year	Year ended December 31, 2008	Year ended December 31, 2007
Number of auctions	193	183
Bidder registrations	277,000	254,000
Buyers	84,000	80,000
Lots	253,000	261,000
Consignments	37,000	35,000

The decrease in the number of lots sold by the Company in 2008 reflects a different mix of items sold compared to the prior year, as well as efforts by the Company to be more efficient in the sale of lower valued items (e.g. combining low value lots). Results for the Company's average industrial auction in the past two years were:

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Average industrial auction	Year ended December 31, 2008	Year ended December 31, 2007
Gross auction proceeds	US\$17.4 million	US\$16.7 million
Lots	1,280	1,450
Consignors	187	190
Bidders	1,410	1,390

In 2008, Ritchie Bros. sold a record amount of equipment and trucks to online bidders using its real-time internet bidding service. Almost 16,000 online bidders from 85 countries purchased more than US\$700 million of equipment

and trucks from Ritchie Bros. auctions in 2008, an increase of 17 percent over record 2007 results. In 2008, online bidders represented approximately 29 percent of the total number of bidders at Ritchie Bros. industrial auctions. Online bidders were winner or runner-up bidder on 30 percent of the lots offered online at these auctions.

Since introducing its real-time internet bidding service in 2002, Ritchie Bros. has sold almost US\$2.5 billion of equipment to online bidders. More than 99,000 people from 181 countries are registered and approved to use this service.

In 2008, Ritchie Bros. paid dividends of over US\$35.6 million, an increase of 14% compared to 2007. In December 2008, Standard & Poor's named Ritchie Bros. to the S&P/TSX Composite Index.

Ritchie Bros. set 12 regional gross auction proceeds records in 2008, including:

- Orlando, Florida - site of the largest auction in Ritchie Bros. history, with US\$190 million in gross auction proceeds (February 19 - 23, 2008)
- Fort Worth, Texas - US\$57 million (March 5, 6 & 7)
- Las Vegas, Nevada - US\$54 million (March 13, 14 & 15)
- North East, Maryland - US\$42 million (April 2 & 3)
- Caorso, Italy - site of the largest Italy auction in company history (April 5)
- Brisbane, Australia - site of the largest Australia auction in company history, AU\$55 million (US\$52 million) - (June 24 & 25)
- Atlanta, Georgia - US\$60 million (June 26 & 27)
- Albuquerque, New Mexico - regional record (June 30)
- Melbourne, Australia - regional record (September 18)
- Moncofa, Spain - site of the largest Spain auction in company history, (euro)30 million (US\$38 million) - (November 19, 20 & 21)
- Toluca, Mexico - site of the largest Mexico auction in company history (December 2)
- Saint Aubin sur Gaillon, France - site of the largest France auction in company history (December 2 & 3)
- Ritchie Bros. also conducted its first ever auction in Poland in November.

One of Ritchie Bros.' strategic initiatives involves expanding and improving its international network of auction sites. The Company made significant headway on this front in 2008, celebrating the grand opening of new permanent auction sites in Kansas City, Missouri and Saint Aubin sur Gaillon (Paris), France, as well as the establishment of a new regional auction unit in Las Vegas, Nevada. The Company also relocated its regional auction units in Melbourne, Australia to a larger site in nearby Geelong, and Sagunto, Spain to a larger site in nearby Moncofa.

Ritchie Bros. has new or replacement permanent auction sites currently under construction in Houston, Texas; Minneapolis, Minnesota; Grande Prairie, Alberta; London, Ontario; and Mexico City, Mexico. The Company also recently purchased land in Vancouver, BC and Tokyo, Japan on which it intends to build a replacement and a new permanent auction site respectively, as well as approximately 74 acres of land for the expansion of its permanent auction site in Orlando, Florida.

In 2008, Ritchie Bros. rolled out a free collaborative web site for the equipment industry at [www.ritchiewiki.com](http://www.ritchiewiki.com); in addition to more than 700 articles about equipment, the wiki contains the world's largest equipment specification engine, with specifications for more than 10,000 different pieces of equipment.

Ritchie Bros. will conduct its first unreserved auction in 2009 at its regional auction unit in Las Vegas, Nevada on February 6 & 7. In February, Ritchie Bros. will conduct its first six-day auction at its permanent auction site in Orlando, Florida. For more information, visit [www.rbauction.com](http://www.rbauction.com).

Gross auction proceeds represent the total proceeds from all items sold at the Company's auctions. The Company's definition of gross auction proceeds may differ from those used by other participants in its industry. It is not a measure of the Company's financial performance, liquidity or revenue and is not presented in the Company's consolidated financial statements. The Company believes that auction revenues, which are the most directly comparable financial statement measure, and certain other line items are best understood by considering their relationship to gross auction proceeds. Auction revenues represent the revenues the Company earns in the course of conducting its auctions. The portion of the Company's gross auction proceeds that it does not retain is remitted to the Company's customers who consign the items it sells at its auctions.

#### Forward-looking Statements

The discussion in this press release relating to future operating periods contains forward-looking statements (as defined in Section 21E of the Securities Exchange Act of 1934, as amended) that involve risks and uncertainties, including, in particular, statements regarding the effect on the Company's 2009 results of recent stability at its auctions and the impact of currency fluctuations on the Company's auction revenues, operating costs and net earnings. These risks and uncertainties include: the numerous factors that influence the supply of and demand for used equipment; fluctuations in the market values of used equipment; actions of competitors; conditions in local and regional markets; and other risks and uncertainties as detailed from time to time in the Company's SEC and Canadian securities filings, including the Company's Management's Discussion and Analysis of Financial Condition and Results of Operations for the quarter ended September 30, 2008, available on the SEC, SEDAR and Company's web sites. Actual results may differ materially from those forward-looking statements. The Company does not undertake any obligation to update the information contained herein, which speaks only as of this date.

About Ritchie Bros.

Established in 1958, Ritchie Bros. Auctioneers (NYSE and TSX: RBA) is the world's largest industrial auctioneer, selling more equipment to on-site and online bidders than any other company in the world. The Company has over 110 locations in more than 25 countries including 38 auction sites worldwide. Ritchie Bros. sells, through unreserved public auctions, a broad range of used and unused industrial assets, including equipment, trucks and other assets utilized in the construction, transportation, agricultural, material handling, mining, forestry, petroleum and marine industries. The Company maintains a web site at [www.rbauction.com](http://www.rbauction.com) and sponsors an equipment wiki at [www.RitchieWiki.com](http://www.RitchieWiki.com).

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