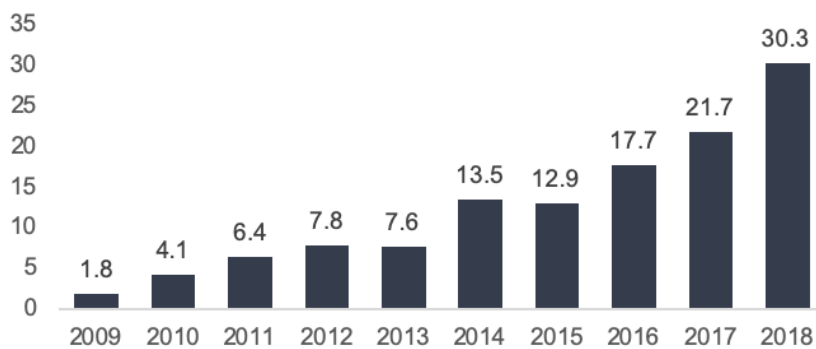


Updated 09-09-2019

ALTAS AUTO, one of Europe's leading manufacturers of minibuses based in Vilnius district, Lithuania, announced an increase in its production capacities and improved financial performance in its end-of-year 2018 report. The company's annual turnover increased by 28 percent and its annual vehicle output soared by 60 percent compared to 2017 levels. Throughout the past decade of its existence, the company has demonstrated a steady growth, increasing its revenue from € 1.8 million to € 30.3 million generated last year. The company's EBITDA (earnings before interest, taxes, depreciation and amortization) was calculated to be € 1 million last year.

The company's turnover (million euros)  
in the last 10 years



ALTAS AUTO is active in 18 foreign markets and the latter represented the largest export share, a trend observed each year. Last year, the greatest number of standard-line buses was exported to Israel (20 percent), Great Britain (17 percent), Finland (16 percent),

Norway (14 percent) and Sweden (13 percent). ALTAS AUTO has been one of the leading suppliers of minibuses in Scandinavia for several years in a row despite the fact that the company's exports to this region only accounted for 43 percent of its total sales last year.

City transit buses, business-class buses and tour buses accounted for the largest portion of total sales. Last year, the company also implemented large-scale projects for manufacturing police and ambulance vehicles. The output of these vehicles grew by one-third compared to 2017 reaching 391 units in 2018. Since its inception, ALTAS AUTO has designed and manufactured at total of nearly 2,000 ambulance and police vehicles today used in Finland, Sweden, Jordan, Latvia, Estonia, and Moldova.

## No fear of Brexit

ALTAS AUTO's exports to Great Britain in 2018 accounted for 17 percent of its total sales. However, the company is not too concerned with the potential risks of Brexit scenario as its export sales also come from non-EU countries. According to the company's representatives, some technical issues may arise during the transition period until the market adapts to the changes, but they do not expect major problems and will not abandon export plans to this market. On the contrary, this year, the company will start preparations for adapting ALTAS Viator to the UK market. Production of the new model is expected to start in 2020.

## Investments in innovations and international fairs bring competitive advantage

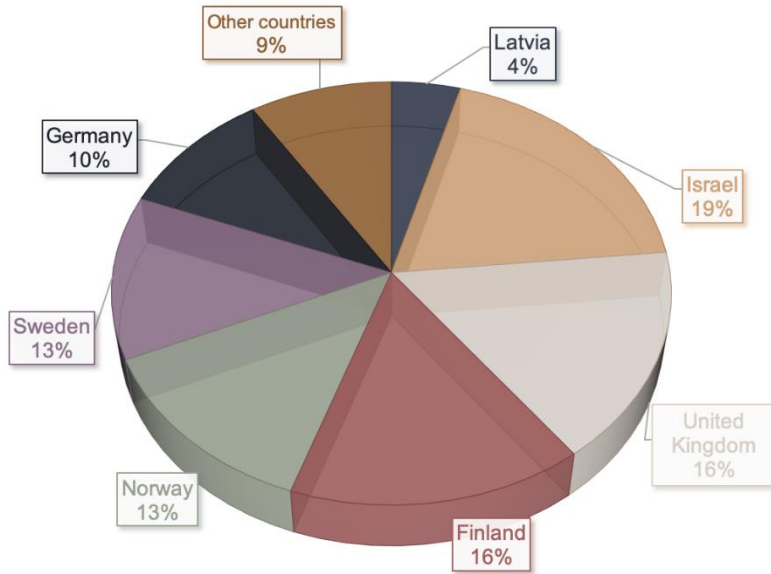
ALTAS AUTO makes large investments in the development of new technology and innovative programmes that facilitate the management of business and manufacturing processes. The company currently uses 11 different programmes or their modules. In 2018, the company invested around €1 million in these tools and expects to allocate the same amount this year.

The minibus market in all European countries faces fierce competition, especially those of Eastern Europe and Turkey, with some manufacturers focusing on lower product price as they utilize cheaper labour force. In order to stand out and offer competitive quality, large investments are required not only in the field of technology but also in self-promotion. In 2018, the company participated in some of the largest exhibitions in the industry. Participation in Persontrafik in Sweden and in IAA in Hanover cost almost € 140,000 in investment, excluding the expenses for designing the products on display.

## Exports expected to grow by more than one-third and a second production line set to be launched in 2019

Our strategic goal for the year 2019 is to increase our export sales by almost one-third and to continue streamlining our business processes. For this purpose, we plan to launch a second standard production line. Our priorities remain the same in terms of foreign markets. As a strategic partner of Volkswagen for the production of minibuses, the company also plans to launch several new bus modifications to be supplied by Volkswagen to its dealers around the world.

## Key export markets by production units (2018)



## Production sales (2018)

