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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 9, 2017

**Ritchie Bros. Auctioneers Incorporated**

(Exact Name of Registrant as Specified in Its Charter)

Canada  
(State or other jurisdiction of  
incorporation)

001-13425  
(Commission File Number)

N/A  
(I.R.S. Employer Identification)

9500 Glenlyon Parkway, Burnaby, British Columbia, Canada V5J0C6  
(Address of principal executive offices) (Zip Code)

(778) 331-5500  
(Registrant's Telephone Number, Including Area Code)

N/A  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a -12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d -2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e -4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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**Item 2.02 Results of Operations and Financial Condition**

On November 9, 2017, Ritchie Bros. Auctioneers Incorporated (the “Company”) issued a press release announcing its financial results for the third quarter ended September 30, 2017. A copy of the press release is furnished as Exhibit 99.1 to this report.

In accordance with General Instruction B.2 of Form 8-K, the information in Item 2.02 of this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

**Item 8.01 Other Events**

On November 9, 2017, the Company announced that its board of directors declared a quarterly cash dividend of \$0.17 per common share, payable on December 20, 2017 to shareholders of record on November 29, 2017.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

| Exhibit Number       | Description                                                                                           |
|----------------------|-------------------------------------------------------------------------------------------------------|
| <a href="#">99.1</a> | <a href="#">News release, dated November 9, 2017 issued by Ritchie Bros. Auctioneers Incorporated</a> |

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: November 9, 2017

Ritchie Bros. Auctioneers Incorporated

By: /s/ Darren Watt

Darren Watt

*General Counsel & Corporate Secretary*

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## EXHIBIT INDEX

| Exhibit Number | Description |
|----------------|-------------|
|----------------|-------------|

|                      |                                                                                                       |
|----------------------|-------------------------------------------------------------------------------------------------------|
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|----------------------|-------------------------------------------------------------------------------------------------------|

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## Ritchie Bros. reports third quarter 2017 results

**VANCOUVER, November 9, 2017** – Ritchie Bros. Auctioneers Incorporated (NYSE & TSX: RBA, the “Company” or “Ritchie Bros.”) reports results for the three and nine months ended September 30, 2017.

The Company also announced today a new reportable segment and a resulting change to its segmented information. The changes are due to a shift in how the Company manages and evaluates its business operations after its merger with IronPlanet (the “Merger”), which closed on May 31, 2017. The Company now distinguishes between revenues generated from transactional asset disposition services and those from other non-transactional services. The following table illustrates the placement of key channels and services:

| Auctions and Marketplaces segment                                                                                   | Other services                                                                                                                   |
|---------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| <u><b>Live on site auctions</b></u>                                                                                 | <u><b>Online listing service</b></u>                                                                                             |
| Includes: Ritchie Bros. live unreserved on site auctions, Cat® Auctions, Kruse Energy, Xcira                        | Includes: Mascus                                                                                                                 |
| <u><b>Online auctions and marketplaces</b></u>                                                                      | <u><b>Support businesses</b></u>                                                                                                 |
| Includes: IronPlanet, EquipmentOne, Marketplace <sup>e</sup> , GovPlanet, TruckPlanet, Ritchie Bros. Private Treaty | Includes: Ritchie Bros. Financial Services, Asset Appraisal Services, Equipment Refurbishment, Ritchie Bros. Logistical Services |

### Third Quarter 2017 Highlights:

*(All figures are presented in U.S. dollars)*

During the quarter, the Company generated \$141.0 million of revenues, an increase of 9% versus the same quarter last year with \$10.3 million of net income attributable to stockholders versus a net loss of \$5.1 million in the third quarter of 2016. Diluted EPS attributable to stockholders was \$0.09 including \$3.6 million of acquisition-related costs and \$10.6 million of interest expense compared to diluted loss per share attributable to stockholders of \$0.05 in the third quarter of 2016.

- Consolidated Revenues up 9% to \$141.0 million versus third quarter 2016
- Consolidated Revenue Rate<sup>1</sup> was 13.84%, a 94-basis point increase from the third quarter of 2016
- Auctions and Marketplaces segment revenues up 8% with segment Revenue Rate<sup>1</sup> up 66 basis points (“bps”) to 12.78% versus third quarter 2016
- Revenue from other services of \$10.8 million; an increase of 39% compared to the third quarter of 2016
- \$97.2 million of net cash provided by operating activities through the first nine months of 2017
- Declared quarterly dividend of \$0.17 per common share
- Gross Transaction Value (“GTV”)<sup>1</sup> of \$1,019.3 million, a 2% increase compared to the third quarter of 2016

“Our third quarter revenues declined on a like-for-like basis versus prior year, which is primarily related to the significant equipment supply shortage especially in the U.S., as dealers and end users continue to experience high equipment utilization rates. We faced a tough comparable quarter due to the massive Columbus auction last year, as well as growing pains of sales force integration and execution, as our legacy RB and IP teams learn to sell each others’ offerings. On a positive note, the combination of RB and IP continued to deliver sequential revenue rate improvement. We achieved strong double-digit growth in our International business, particularly Europe, and in RBFS, Mascus and ancillary services. We remain optimistic about the long-term value creation prospects of the combination with IronPlanet and are laser-focused on regaining growth momentum” said Ravi Saligram, Chief Executive Officer of Ritchie Bros.

<sup>1</sup> GTV represents the total proceeds from all items sold at the Company’s auctions and online marketplaces and, effective August 1, 2017, no longer includes EquipmentOne buyer’s premiums. The Company has also retrospectively restated GTV to exclude GTV from the Company’s Asset Appraisal Services, which are not included in the Company’s Auctions and Marketplaces segment. GTV attributable to Asset Appraisal Services was \$8.0 million during the third quarter of 2017 and \$3.1 million during the second quarter of 2017. GTV is not a measure of financial performance, liquidity, or revenue, and is not presented in the Company’s consolidated financial statements. Auctions and Marketplaces segment Revenue Rate is calculated as segment revenues divided by GTV. Consolidated Revenue Rate is calculated as total, consolidated revenues divided by GTV.

Saligram continued, “our multi-channel live on site and online portfolio and technology platform afford us a unique ability to optimize our use of capital and to scale our business efficiently. As we evolve our integration efforts, we are launching a comprehensive initiative to transform our auction operations to align and enable our multi-channel go-to-market sales approach and achieve structural cost efficiencies. A first step in this process is to optimize our live auction network by rationalizing sites with marginal returns and focusing resources on our high volume sites, while increasing the usage of our weekly featured online auction throughout the year; specifically we plan to cease operations at five live auction sites in North America by year end. Our sales coverage will remain unchanged and our sales teams will continue to serve customers in these regions through both our closest live auction site and our online solutions.”

## Financial Overview

(Unaudited)

| (in U.S. \$ millions, except EPS)                                                 | Three months ended September 30, |           |                | Nine months ended September 30, |            |                |
|-----------------------------------------------------------------------------------|----------------------------------|-----------|----------------|---------------------------------|------------|----------------|
|                                                                                   | Better/(Worse)                   |           |                | Better/(Worse)                  |            |                |
|                                                                                   | 2017                             | 2016      | 2017 over 2016 | 2017                            | 2016       | 2017 over 2016 |
| Revenues                                                                          | \$ 141.0                         | \$ 128.9  | 9%             | \$ 431.7                        | \$ 419.6   | 3%             |
| Selling, general and administrative expenses                                      | \$ 85.3                          | \$ 68.3   | (25%)          | \$ 230.3                        | \$ 209.4   | (10%)          |
| Acquisition-related costs                                                         | \$ 3.6                           | \$ 5.4    | 34%            | \$ 35.2                         | \$ 7.2     | (388%)         |
| Impairment loss                                                                   | \$ -                             | \$ 28.2   | 100%           | \$ 8.9                          | \$ 28.2    | 68%            |
| Operating income                                                                  | \$ 16.9                          | \$ 2.3    | 641%           | \$ 67.4                         | \$ 95.1    | (29%)          |
| Adjusted operating income (non-GAAP measure) <sup>2</sup>                         | \$ 16.9                          | \$ 30.5   | (45%)          | \$ 91.6                         | \$ 123.3   | (26%)          |
| Operating income margin                                                           | 12.0%                            | 1.8%      | 1020bps        | 15.6%                           | 22.7%      | -710bps        |
| Adjusted operating income margin (non-GAAP measure) <sup>3</sup>                  | 12.0%                            | 23.7%     | -1170bps       | 21.2%                           | 29.4%      | -820bps        |
| Net income (loss) attributable to stockholders                                    | \$ 10.3                          | \$ (5.1)  | 300%           | \$ 38.3                         | \$ 64.0    | (40%)          |
| Adjusted net income attributable to stockholders (non-GAAP measure) <sup>4</sup>  | \$ 10.3                          | \$ 21.3   | (52%)          | \$ 59.4                         | \$ 90.4    | (34%)          |
| Diluted earnings (loss) per share attributable to stockholders                    | \$ 0.09                          | \$ (0.05) | 280%           | \$ 0.35                         | \$ 0.60    | (42%)          |
| Diluted adjusted EPS attributable to stockholders (non-GAAP measure) <sup>5</sup> | \$ 0.09                          | \$ 0.20   | (55%)          | \$ 0.55                         | \$ 0.84    | (35%)          |
| GTV                                                                               | \$ 1,019.3                       | \$ 998.9  | 2%             | \$ 3,173.1                      | \$ 3,294.5 | (4%)           |
| Auctions and Marketplaces segment:                                                |                                  |           |                |                                 |            |                |
| Revenues                                                                          | 130.2                            | 121.1     | 8%             | 400.6                           | 395.2      | 1%             |
| Revenue Rate                                                                      | 12.78%                           | 12.12%    | 66bps          | 12.62%                          | 12.00%     | 62bps          |

Adjusted (non-GAAP) figures for the three and nine months ended September 30, 2017 in the table above include the impact of \$3.6 million (\$0.03 per diluted share) and \$19.9 million (\$0.18 per diluted share) of pre-tax acquisition-related costs, respectively. Segmented information, which includes segment revenues and profits, can be found in the tables on pages 11 through 13 of this News Release.

<sup>2</sup> Adjusted operating income is a non-GAAP measure. The Company uses income statement and balance sheet performance scorecards to align the Company's operations with its strategic priorities. The Company concentrates on a limited number of metrics to ensure focus and to facilitate quarterly performance discussions. The income statement scorecard includes the performance metric, adjusted operating income. The Company believes that comparing adjusted operating income for different financial periods provides useful information about the growth or decline of operating income for the relevant financial period. The Company calculates adjusted operating income by eliminating from operating income the pre-tax effects of significant non-recurring items that the Company does not consider to be part of its normal operating results, such as acquisition-related costs, management reorganization costs, severance, retention, gains/losses on sale of certain property, plant and equipment, impairment losses, and certain other items, which the Company refers to as 'adjusting items'. Adjusted operating income is reconciled to the most directly comparable GAAP measures in the Company's consolidated financial statements under "Non-GAAP Measures" below.

- <sup>3</sup> The Company's income statement scorecard includes the performance metric, adjusted operating income margin, which is a non-GAAP measure. The Company believes that comparing adjusted operating income margin for different financial periods provides useful information about the growth or decline of its operating income for the relevant financial period. The Company calculates adjusted operating income margin by dividing adjusted operating income (non-GAAP measure) by revenues. Adjusted operating income margin is reconciled to the most directly comparable GAAP measures in the Company's consolidated financial statements under "Non-GAAP Measures" below.
- <sup>4</sup> Adjusted net income attributable to stockholders is a non-GAAP financial measure. The Company believes that comparing adjusted net income attributable to stockholders for different financial periods provides useful information about the growth or decline of the Company's net income attributable to stockholders for the relevant financial period, and eliminates the financial impact of adjusting items the Company does not consider to be part of its normal operating results. Adjusted net income attributable to stockholders represents net income attributable to stockholders excluding the effects of adjusting items and is reconciled to the most directly comparable GAAP measures in the Company's consolidated financial statements under "Non-GAAP Measures" below.
- <sup>5</sup> Diluted adjusted EPS attributable to stockholders is a non-GAAP financial measure. The Company believes that comparing diluted adjusted EPS attributable to stockholders for different financial periods provides useful information about the growth or decline of the Company's diluted EPS attributable to stockholders for the relevant financial period, and eliminates the financial impact of adjusting items the Company does not consider to be part of its normal operating results. Diluted adjusted EPS attributable to stockholders is calculated by dividing adjusted net income attributable to stockholders (non-GAAP measure), net of the effect of dilutive securities, by the weighted average number of dilutive shares outstanding. Diluted adjusted EPS attributable to stockholders is reconciled to the most directly comparable GAAP measures in the Company's consolidated financial statements under "Non-GAAP Measures" below.

### **Results of operations – third quarter and year-to-date update**

*For the three and nine months ended September 30, 2017*

**Gross Transaction Value ("GTV")** increased \$20.5 million, or 2%, compared to the third quarter of 2016. The increase is primarily due to the Merger and the resulting increase in online marketplace GTV, as well as a positive impact of foreign exchange rates over the comparative period. Increases in GTV from the Merger were offset by overall lower equipment supply in the market and higher equipment utilization rates in key industry sectors leading to a decrease in the number of auction lots, as well as some lower sales productivity as the Company completes the integration of its sales teams post-Merger. On a year-to-date basis, GTV decreased \$121.4 million, or 4% versus the same period last year.

During the third quarter of 2017, the Company continued to actively pursue the use of underwritten commission contracts from a strategic perspective and when the opportunity arose, only entering into such contracts when the risk/reward profile of the terms were agreeable. The volume of underwritten commission contracts decreased to 18% of GTV in the third quarter of 2017 from 27% in the third quarter of 2016, primarily due to the pressure on used equipment market supply volume. The tight supply of used equipment resulted in less opportunity for the Company to pursue underwritten commission contracts.

**Revenues** increased \$12.2 million, or 9%, compared to the third quarter of 2016. This increase is primarily due to the performance of live onsite auction activities in Europe and Australia, as well as the Merger and increases in revenues from other value-added services, including Ritchie Bros. Financial Services ("RBFS"). Consolidated Revenue Rate increased 94 basis points to 13.84% versus the same period last year due to the Merger and the growth in non-GTV related services. On a year-to-date basis, revenues increased \$12.1 million, or 3%, versus the third quarter of 2016 with Consolidated Revenue Rate increasing by 87 basis points to 13.61% versus the same period last year.

**Costs of services** increased \$4.8 million to \$19.6 million from \$14.8 million in the third quarter of 2016. This increase is primarily due to costs associated with the Company's inspection and appraisal activities, which increased as a result of the Merger, as well as an increase in the number of agricultural auctions over the comparative period. On a year-to-date basis, costs of services increased \$4.2 million, or 8% compared to the same period last year.

**Selling, general and administrative ("SG&A") expenses** increased \$17.0 million, or 25%, compared to the third quarter of 2016. This increase is primarily due to the Merger, including increased headcount, travel costs, and search engine fees associated with the online marketplace channel, as well as merit increases and higher bank fees attributable to the new credit facility. On a year-to-date basis, SG&A expenses increased \$20.9 million or 10% versus the same period last year.

**Acquisition-related costs** consist of operating expenses directly incurred as part of a business combination, due diligence, and integration planning – including those related to the IronPlanet Merger – and continuing employment costs that are recognized separately from the Company's business combinations. Third quarter 2017 and 2016 acquisition-related costs were \$3.6 million and \$5.4 million, respectively, and consisted primarily of costs associated with the Merger. Year-to-date acquisition-related costs were \$35.2 million versus \$7.2 million during the first nine months of 2016.

**Operating income** increased \$14.6 million, or 641%, to \$16.9 million compared to \$2.3 million in the third quarter of 2016. This improvement was primarily due to a \$28.2 million impairment loss recognized in the third quarter of 2016 together with higher third quarter 2017 revenues, and partially offset by higher third quarter 2017 SG&A expenses, costs of services, and depreciation and amortization (“D&A”) expenses. On a year-to-date basis, operating income decreased \$27.7 million, or 29%, to \$67.4 million compared to the first nine months of 2016.

**Net income attributable to stockholders** increased \$15.4 million, or 300%, compared to the third quarter of 2016. This improvement is primarily due to the increase in operating income and lower income tax expense, partially offset by higher interest expense. The lower income tax expense was primarily due to the lower estimated annual effective tax rate for the full 2017 year, which was caused by a greater proportion of earnings taxed in jurisdictions with lower tax rates, as well as the impact of revised estimates of the tax deductibility of stock option compensation expenses and acquisition-related costs. Also, the comparative period reflected the impact of a non-deductible goodwill impairment loss recorded in the third quarter of 2016. The increases in interest expense were due to the increased indebtedness to fund the Merger. On a year-to-date basis, net income attributable to stockholders decreased \$25.7 million, or 40% compared to first nine months of 2016.

Primarily for the same reasons noted above, **diluted EPS attributable to stockholders** was \$0.09 compared to diluted loss per share attributable to stockholders of \$0.05 in the third quarter of 2016. On a year-to-date basis, diluted EPS attributable to stockholders decreased 42% to \$0.35 from \$0.60 in the first nine months of 2016.

## **Results by segment**

### ***Auctions and Marketplaces segment***

**Gross Transaction Value.** GTV increased \$20.5 million, or 2%, in the third quarter of 2017 compared to the third quarter of 2016. The increase is primarily due to the Merger and the resulting increase in online marketplace GTV, as well as a positive impact of foreign exchange rates over the comparative period. On a year-to-date basis, GTV decreased \$121.4 million, or 4%, compared to the nine months ended September 30, 2016. The decrease in GTV on a year-to-date basis is primarily due to the decrease in GTV generated by the live on site auction channel compared to the first nine months of 2016, partially offset by the Merger and a positive impact of foreign exchange rates over the comparative period. The live on site auction channel GTV decrease is primarily due to a decrease in the number of industrial and agricultural auction lots and changes in the auction calendar in the nine months ended September 30, 2017 compared to the same period in 2016.

**Revenue** . Segment revenue increased 8% to \$130.2 million compared to \$121.1 million in the third quarter of 2016 primarily for the same reasons noted above in the consolidated revenue commentary. Segment Revenue Rate improved 66 basis points to 12.78% in the third quarter of 2017, primarily due to the Merger, which resulted in higher buyer transaction and listing fees from the online marketplace channel.

On a year-to-date basis, segment revenue increased 1% to \$400.6 million compared to \$395.2 million in the nine months ended September 30, 2016. Segment Revenue Rate increased 62 basis points to 12.62% in the first nine months of 2017, primarily due to the Merger and improved performance on underwritten transactions. The impact of the improved Revenue Rate on segment revenues was partially offset by the impact of lower GTV.

**SG&A expenses** . Segment SG&A expenses increased \$16.6 million, or 25%, compared to the third quarter of 2016 primarily for the same reasons noted above in the consolidated SG&A expense commentary. On a year-to-date basis, segment SG&A expenses increased \$19.6 million, or 10%, compared to the first nine months of 2016.



## *Other services*

**Revenue** from other services grew \$3.0 million, or 39%, compared to the third quarter of 2016. This increase is primarily due to the Merger, which added \$1.4 million of Asset Appraisal Services (“AAS”) revenue in the third quarter of 2017, as well as increases in revenue from RBFS and Mascus. On a year-to-date basis, revenue from other services grew \$6.8 million, or 28%, compared to the first nine months of 2016. RBFS segment revenues increased \$2.6 million and the Merger added \$1.9 million of AAS revenue in the first nine months of 2017.

**RBFS operating segment.** RBFS segment revenues were \$3.4 million, a 20% increase compared to the \$2.9 million in the third quarter of 2016. Funded volume, which represents the amount of lending brokered by RBFS, increased 15% from \$56.3 million in the third quarter of 2016 to \$65.0 million. RBFS segment profit increased 9% over the same comparative period to \$1.7 million from \$1.5 million.

On a year-to-date basis, RBFS segment revenues were \$11.5 million, a 29% increase compared to the \$8.9 million in the first nine months of 2016. Funded volume increased 13% from \$191.6 million in the first nine months of 2016 to \$216.2 million. RBFS segment operating profit increased 31% over the same comparative period to \$6.4 million from \$4.9 million.

## **Site Closures**

The Company announced today a series of actions to streamline its auction site portfolio and intensify efforts to operationalize and enable its growing multi-channel program. The actions include closure of the following five North American auction sites by the end of 2017: Grande Prairie in Canada and Raleigh-Durham, St. Louis, Manchester, and Albuquerque in the United States.

## **Dividend Information**

### **Quarterly dividend**

The Company declares a quarterly cash dividend of \$0.17 per common share payable on December 20, 2017 to shareholders of record on November 29, 2017.

### **Q3 2017 Earnings Conference Call**

Ritchie Bros. is hosting a conference call to discuss its financial results for the quarter ended September 30, 2017, at 8:00 am Pacific time / 11:00 am Eastern time / 4:00 pm GMT on November 10, 2017. A replay will be available shortly after the call.

Conference call and webcast details are available at the following link:

<https://investor.ritchiebros.com>

## **About Ritchie Bros.**

Established in 1958, Ritchie Bros. (NYSE and TSX: RBA) is a global asset management and disposition company, offering customers end-to-end solutions for buying and selling used heavy equipment, trucks and other assets. Operating in a multitude of sectors, including construction, transportation, agriculture, energy, oil and gas, mining, and forestry, the Company's selling channels include: **Ritchie Bros. Auctioneers**, the world's largest industrial auctioneer offering live on site auction events with online bidding; **IronPlanet**, an online marketplace with featured weekly auctions and providing its exclusive IronClad Assurance® equipment condition certification program; **EquipmentOne**, an online auction marketplace; Mascus, a leading European online equipment listing service; and **Ritchie Bros. Private Treaty**, offering privately negotiated sales. The Company also offers sector-specific solutions including **GovPlanet**, **TruckPlanet**, and **Kruse Energy Auctioneers**, plus equipment financing and leasing through **Ritchie Bros. Financial Services**. For more information about the unprecedented choice provided by Ritchie Bros., visit [RitchieBros.com](http://RitchieBros.com).

## Forward-looking Statements

This news release contains forward-looking statements and forward-looking information within the meaning of applicable U.S. and Canadian securities legislation (collectively, “forward-looking statements”), including, in particular, statements regarding future financial and operational results, including integration efforts with IronPlanet gaining momentum and accelerating growth, ceasing live on site auction activities at five auction sites in North America, the use or continued development of technology assets, the effects on the Company’s performance of changing foreign exchange rates, and payment of dividends. Forward-looking statements are statements that are not historical facts and are generally, although not always, identified by words such as “expect”, “plan”, “anticipate”, “project”, “target”, “potential”, “schedule”, “forecast”, “budget”, “estimate”, “intend” or “believe” and similar expressions or their negative connotations, or statements that events or conditions “will”, “would”, “may”, “could”, “should” or “might” occur. All such forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Forward-looking statements necessarily involve assumptions, risks and uncertainties, certain of which are beyond the Company’s control, including the numerous factors that influence the supply of and demand for used equipment; economic and other conditions in local, regional and global sectors; the Company’s ability to successfully integrate IronPlanet, and to receive the anticipated benefits of the Merger; and the risks and uncertainties set forth in the Company’s Annual Report on Form 10-K for the year ended December 31, 2016 and the Company’s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2017, which are available on the SEC, SEDAR, and the Company websites. The foregoing list is not exhaustive of the factors that may affect the Company’s forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate, and actual results may differ materially from those expressed in, or implied by, these forward-looking statements. Forward-looking statements are made as of the date of this news release and the Company does not undertake any obligation to update the information contained herein unless required by applicable securities legislation. For the reasons set forth above, you should not place undue reliance on forward-looking statements.

**GTV and Selected Condensed Consolidated Financial Information**
**GTV and condensed consolidated income statements – third quarter**

(Expressed in thousands of United States dollars, except share and per share amounts)

(Unaudited)

| Three months ended September 30,                           | 2017 |             | 2016 |             |
|------------------------------------------------------------|------|-------------|------|-------------|
| GTV                                                        | \$   | 1,019,322   | \$   | 998,859     |
| Revenues                                                   | \$   | 141,047     | \$   | 128,876     |
| Costs of services, excluding depreciation and amortization |      | 19,583      |      | 14,750      |
|                                                            |      | 121,464     |      | 114,126     |
| Selling, general and administrative expenses               |      | 85,335      |      | 68,293      |
| Acquisition-related costs                                  |      | 3,587       |      | 5,398       |
| Depreciation and amortization expenses                     |      | 14,837      |      | 10,196      |
| Gain on disposition of property, plant and equipment       |      | (42)        |      | (570)       |
| Impairment loss                                            |      | -           |      | 28,243      |
| Foreign exchange loss                                      |      | 816         |      | 281         |
| Operating income                                           | \$   | 16,931      | \$   | 2,285       |
| Other income (expense):                                    |      |             |      |             |
| Interest income                                            |      | 517         |      | 369         |
| Interest expense                                           |      | (10,558)    |      | (934)       |
| Equity income (loss)                                       |      | (109)       |      | 213         |
| Other, net                                                 |      | 184         |      | 247         |
|                                                            |      | (9,966)     |      | (105)       |
| Income before income taxes                                 | \$   | 6,965       | \$   | 2,180       |
| Income tax expense                                         |      | (3,358)     |      | 7,180       |
| Net income (loss)                                          | \$   | 10,323      | \$   | (5,000)     |
| Net income (loss) attributable to:                         |      |             |      |             |
| Stockholders                                               |      | 10,261      |      | (5,137)     |
| Non-controlling interests                                  |      | 62          |      | 137         |
|                                                            | \$   | 10,323      | \$   | (5,000)     |
| Earnings (loss) per share attributable to stockholders:    |      |             |      |             |
| Basic                                                      | \$   | 0.10        | \$   | (0.05)      |
| Diluted                                                    | \$   | 0.09        | \$   | (0.05)      |
| Weighted average number of share outstanding:              |      |             |      |             |
| Basic                                                      |      | 107,120,618 |      | 106,622,376 |
| Diluted                                                    |      | 108,178,303 |      | 107,525,051 |

**GTV and condensed consolidated income statements – year-to-date**

(Expressed in thousands of United States dollars, except share and per share amounts)

(Unaudited)

| Nine months ended September 30,                            | 2017         | 2016         |
|------------------------------------------------------------|--------------|--------------|
| GTV                                                        | \$ 3,173,050 | \$ 3,294,463 |
| Revenues                                                   | \$ 431,732   | \$ 419,626   |
| Costs of services, excluding depreciation and amortization | 53,987       | 49,821       |
|                                                            | 377,745      | 369,805      |
| Selling, general and administrative expenses               | 230,287      | 209,395      |
| Acquisition-related costs                                  | 35,162       | 7,198        |
| Depreciation and amortization expenses                     | 37,047       | 30,560       |
| Gain on disposition of property, plant and equipment       | (1,071)      | (1,017)      |
| Impairment loss                                            | 8,911        | 28,243       |
| Foreign exchange loss (gain)                               | (7)          | 332          |
| Operating income                                           | \$ 67,416    | \$ 95,094    |
| Other income (expense):                                    |              |              |
| Interest income                                            | 2,459        | 1,354        |
| interest expense                                           | (27,311)     | (3,357)      |
| Equity income (loss)                                       | (158)        | 1,209        |
| Other, net                                                 | 4,045        | 1,214        |
|                                                            | (20,965)     | 420          |
| Income before income taxes                                 | \$ 46,451    | \$ 95,514    |
| Income tax expense                                         | 7,982        | 29,929       |
| Net income                                                 | \$ 38,469    | \$ 65,585    |
| Net income attributable to:                                |              |              |
| Stockholders                                               | 38,273       | 63,979       |
| Non-controlling interests                                  | 196          | 1,606        |
|                                                            | \$ 38,469    | \$ 65,585    |
| EPS attributable to stockholders:                          |              |              |
| Basic                                                      | \$ 0.36      | \$ 0.60      |
| Diluted                                                    | \$ 0.35      | \$ 0.60      |
| Weighted average number of share outstanding:              |              |              |
| Basic                                                      | 106,993,358  | 106,595,088  |
| Diluted                                                    | 108,069,624  | 107,221,390  |

**Condensed consolidated balance sheets**

(Expressed in thousands of United States dollars, except share data)

(Unaudited)

|                                                                                                                                         | September 30,<br>2017 | December 31,<br>2016 |
|-----------------------------------------------------------------------------------------------------------------------------------------|-----------------------|----------------------|
| <b>Assets</b>                                                                                                                           |                       |                      |
| Current assets:                                                                                                                         |                       |                      |
| Cash and cash equivalents                                                                                                               | \$ 224,474            | \$ 207,867           |
| Restricted cash                                                                                                                         | 89,846                | 50,222               |
| Trade and other receivables                                                                                                             | 212,330               | 52,979               |
| Inventory                                                                                                                               | 46,333                | 28,491               |
| Advances against auction contracts                                                                                                      | 9,983                 | 5,621                |
| Prepaid expenses and deposits                                                                                                           | 16,422                | 19,005               |
| Assets held for sale                                                                                                                    | 654                   | 632                  |
| Income taxes receivable                                                                                                                 | 21,413                | 13,181               |
|                                                                                                                                         | 621,455               | 377,998              |
| Property, plant and equipment                                                                                                           | 530,495               | 515,030              |
| Equity-accounted investments                                                                                                            | 7,287                 | 7,326                |
| Restricted cash                                                                                                                         | -                     | 500,000              |
| Deferred debt issue costs                                                                                                               | 4,054                 | 6,182                |
| Other non-current assets                                                                                                                | 7,198                 | 4,027                |
| Intangible assets                                                                                                                       | 261,122               | 72,304               |
| Goodwill                                                                                                                                | 669,646               | 97,537               |
| Deferred tax assets                                                                                                                     | 28,607                | 19,129               |
|                                                                                                                                         | \$ 2,129,864          | \$ 1,599,533         |
| <b>Liabilities and Equity</b>                                                                                                           |                       |                      |
| Current liabilities:                                                                                                                    |                       |                      |
| Auction proceeds payable                                                                                                                | \$ 360,517            | \$ 98,873            |
| Trade and other payables                                                                                                                | 132,045               | 124,694              |
| Income taxes payable                                                                                                                    | 1,277                 | 5,355                |
| Short-term debt                                                                                                                         | 8,567                 | 23,912               |
| Current portion of long-term debt                                                                                                       | 16,985                | -                    |
|                                                                                                                                         | 519,391               | 252,834              |
| Long-term debt                                                                                                                          | 800,900               | 595,706              |
| Share unit liabilities                                                                                                                  | 2,444                 | 4,243                |
| Other non-current liabilities                                                                                                           | 18,118                | 14,583               |
| Deferred tax liabilities                                                                                                                | 62,068                | 36,387               |
|                                                                                                                                         | 1,402,921             | 903,753              |
| Contingencies                                                                                                                           |                       |                      |
| Contingently redeemable performance share units                                                                                         | 7,230                 | 3,950                |
| Stockholders' equity:                                                                                                                   |                       |                      |
| Share capital:                                                                                                                          |                       |                      |
| Common stock; no par value, unlimited shares authorized, issued and outstanding shares: 107,180,726<br>(December 31, 2016: 106,822,001) | 135,919               | 125,474              |
| Additional paid-in capital                                                                                                              | 38,907                | 27,638               |
| Retained earnings                                                                                                                       | 584,263               | 601,071              |
| Accumulated other comprehensive loss                                                                                                    | (44,354)              | (67,126)             |
| Stockholders' equity                                                                                                                    | 714,735               | 687,057              |
| Non-controlling interest                                                                                                                | 4,978                 | 4,773                |
|                                                                                                                                         | 719,713               | 691,830              |
|                                                                                                                                         | \$ 2,129,864          | \$ 1,599,533         |

**Condensed consolidated statements of cash flows**

(Expressed in thousands of United States dollars)

(Unaudited)

| Nine months ended September 30,                                                            | 2017       | 2016      |
|--------------------------------------------------------------------------------------------|------------|-----------|
| Cash provided by (used in):                                                                |            |           |
| Operating activities:                                                                      |            |           |
| Net income                                                                                 | \$ 38,469  | \$ 65,585 |
| Adjustments for items not affecting cash:                                                  |            |           |
| Depreciation and amortization expenses                                                     | 37,047     | 30,560    |
| Inventory write down                                                                       | 778        | 2,284     |
| Impairment loss                                                                            | 8,911      | 28,243    |
| Stock option compensation expense                                                          | 10,996     | 4,025     |
| Equity-classified PSU expense                                                              | 1,871      | 1,222     |
| Deferred income tax recovery                                                               | (9,583)    | (5,838)   |
| Equity loss (income) less dividends received                                               | 158        | (1,209)   |
| Unrealized foreign exchange (gain) loss                                                    | (1,011)    | 586       |
| Change in fair value of contingent consideration                                           | (2,194)    | -         |
| Gain on disposition of property, plant and equipment                                       | (1,071)    | (1,017)   |
| Debt issue cost amortization                                                               | 2,058      | -         |
| Other, net                                                                                 | 239        | -         |
| Net changes in operating assets and liabilities                                            | 10,547     | 36,980    |
| Net cash provided by operating activities                                                  | 97,215     | 161,421   |
| Investing activities:                                                                      |            |           |
| Acquisition of IronPlanet, net of cash acquired                                            | (675,851)  | -         |
| Acquisition of Mascus                                                                      | -          | (28,123)  |
| Acquisition of Petrowsky                                                                   | -          | (6,250)   |
| Acquisition of contingently redeemable NCI                                                 | -          | (41,092)  |
| Acquisition of NCI                                                                         | -          | (226)     |
| Property, plant and equipment additions                                                    | (8,086)    | (12,600)  |
| Intangible asset additions                                                                 | (20,482)   | (12,041)  |
| Proceeds on disposition of property, plant and equipment                                   | 3,487      | 3,259     |
| Other, net                                                                                 | (667)      | (243)     |
| Net cash used in investing activities                                                      | (701,599)  | (97,316)  |
| Financing activities:                                                                      |            |           |
| Issuances of share capital                                                                 | 7,934      | 20,702    |
| Share repurchase                                                                           | -          | (36,726)  |
| Dividends paid to stockholders                                                             | (54,558)   | (52,303)  |
| Dividends paid to NCI                                                                      | (41)       | (3,436)   |
| Proceeds from short-term debt                                                              | 6,850      | 52,584    |
| Repayment of short-term debt                                                               | (22,793)   | (28,641)  |
| Proceeds from long-term debt                                                               | 325,000    | 46,572    |
| Repayment of long-term debt                                                                | (104,729)  | (46,568)  |
| Debt issue costs                                                                           | (12,624)   | (844)     |
| Repayment of finance lease obligations                                                     | (1,565)    | (1,282)   |
| Other, net                                                                                 | (129)      | 332       |
| Net cash provided by (used in) financing activities                                        | 143,345    | (49,610)  |
| Effect of changes in foreign currency rates on cash, cash equivalents, and restricted cash | 17,270     | 6,656     |
| Cash, cash equivalents, and restricted cash:                                               |            |           |
| Increase (decrease)                                                                        | (443,769)  | 21,151    |
| Beginning of period                                                                        | 758,089    | 293,246   |
| Cash, cash equivalents, and restricted cash, end of period                                 | \$ 314,320 | 314,397   |

## Segmented information

(Expressed in thousands of United States dollars)

(Unaudited)

|                                                                 | Three months ended September 30, 2017 |           |              | Nine months ended September 30, 2017 |           |              |
|-----------------------------------------------------------------|---------------------------------------|-----------|--------------|--------------------------------------|-----------|--------------|
|                                                                 | Auctions and<br>Marketplaces          | Other     | Consolidated | Auctions and<br>Marketplaces         | Other     | Consolidated |
| Revenues                                                        | \$ 130,242                            | \$ 10,805 | \$ 141,047   | \$ 400,565                           | \$ 31,167 | \$ 431,732   |
| Costs of services, excluding D&A                                | (18,383)                              | (1,200)   | (19,583)     | (51,948)                             | (2,039)   | (53,987)     |
| Selling, general and administrative ("SG&A") expenses           | (81,964)                              | (3,371)   | (85,335)     | (220,555)                            | (9,732)   | (230,287)    |
| Impairment loss                                                 | -                                     | -         | -            | (8,911)                              | -         | (8,911)      |
| Segment profit                                                  | \$ 29,895                             | \$ 6,234  | \$ 36,129    | \$ 119,151                           | \$ 19,396 | \$ 138,547   |
| Acquisition-related costs                                       |                                       |           | (3,587)      |                                      |           | (35,162)     |
| D&A expenses                                                    |                                       |           | (14,837)     |                                      |           | (37,047)     |
| Gain on disposition of Property, plant and equipment<br>("PPE") |                                       |           | 42           |                                      |           | 1,071        |
| Foreign exchange gain (loss)                                    |                                       |           | (816)        |                                      |           | 7            |
| Operating income                                                |                                       |           | \$ 16,931    |                                      |           | \$ 67,416    |
| Other expense                                                   |                                       |           | (9,966)      |                                      |           | (20,965)     |
| Income tax recovery (expense)                                   |                                       |           | 3,358        |                                      |           | (7,982)      |
| Net income                                                      |                                       |           | \$ 10,323    |                                      |           | \$ 38,469    |

|                                  | Three months ended March 31, 2017 |          |              | Three months ended June 30, 2017 |           |              |
|----------------------------------|-----------------------------------|----------|--------------|----------------------------------|-----------|--------------|
|                                  | Auctions and<br>Marketplaces      | Other    | Consolidated | Auctions and<br>Marketplaces     | Other     | Consolidated |
| Revenues                         | \$ 115,677                        | \$ 8,822 | \$ 124,499   | \$ 154,646                       | \$ 11,540 | \$ 166,186   |
| Costs of services, excluding D&A | (12,587)                          | (226)    | (12,813)     | (20,978)                         | (613)     | (21,591)     |
| SG&A expenses                    | (67,392)                          | (3,183)  | (70,575)     | (71,199)                         | (3,178)   | (74,377)     |
| Impairment loss                  | -                                 | -        | -            | (8,911)                          | -         | (8,911)      |
| Segment profit                   | \$ 35,698                         | \$ 5,413 | \$ 41,111    | \$ 53,558                        | \$ 7,749  | \$ 61,307    |
| Acquisition-related costs        |                                   |          | (8,627)      |                                  |           | (22,948)     |
| D&A expenses                     |                                   |          | (10,338)     |                                  |           | (11,872)     |
| Gain on disposition of PPE       |                                   |          | 721          |                                  |           | 308          |
| Foreign exchange gain            |                                   |          | 730          |                                  |           | 93           |
| Operating income                 |                                   |          | \$ 23,597    |                                  |           | \$ 26,888    |
| Other expense                    |                                   |          | (5,849)      |                                  |           | (5,150)      |
| Income tax expense               |                                   |          | (7,315)      |                                  |           | (4,025)      |
| Net income                       |                                   |          | \$ 10,433    |                                  |           | \$ 17,713    |

|                                  | Three months ended September 31, 2016 |          |              | Three months ended December 31, 2016 |           |              |
|----------------------------------|---------------------------------------|----------|--------------|--------------------------------------|-----------|--------------|
|                                  | Auctions and<br>Marketplaces          | Other    | Consolidated | Auctions and<br>Marketplaces         | Other     | Consolidated |
| Revenues                         | \$ 121,111                            | \$ 7,765 | \$ 128,876   | \$ 136,598                           | \$ 10,171 | \$ 146,769   |
| Costs of services, excluding D&A | (14,493)                              | (257)    | (14,750)     | (16,035)                             | (206)     | (16,241)     |
| SG&A expenses                    | (65,346)                              | (2,947)  | (68,293)     | (72,212)                             | (1,922)   | (74,134)     |
| Impairment loss                  | (28,243)                              | -        | (28,243)     | -                                    | -         | -            |
| Segment profit                   | \$ 13,029                             | \$ 4,561 | \$ 17,590    | \$ 48,351                            | \$ 8,043  | \$ 56,394    |
| Acquisition-related costs        |                                       |          | (5,398)      |                                      |           | (4,631)      |
| D&A expenses                     |                                       |          | (10,196)     |                                      |           | (10,301)     |
| Gain on disposition of PPE       |                                       |          | 570          |                                      |           | 265          |
| Foreign exchange loss            |                                       |          | (281)        |                                      |           | (1,099)      |
| Operating income                 |                                       |          | \$ 2,285     |                                      | \$        | 40,628       |
| Other expense                    |                                       |          | (105)        |                                      |           | (5,648)      |
| Income tax expense               |                                       |          | (7,180)      |                                      |           | (7,053)      |
| Net income (loss)                |                                       |          | \$ (5,000)   |                                      | \$        | 27,927       |

  

|                                  | Three months ended March 31, 2016 |          |              | Three months ended June 30, 2016 |           |              |
|----------------------------------|-----------------------------------|----------|--------------|----------------------------------|-----------|--------------|
|                                  | Auctions and<br>Marketplaces      | Other    | Consolidated | Auctions and<br>Marketplaces     | Other     | Consolidated |
| Revenues                         | \$ 125,659                        | \$ 6,286 | \$ 131,945   | \$ 148,458                       | \$ 10,347 | \$ 158,805   |
| Costs of services, excluding D&A | (15,313)                          | -        | (15,313)     | (19,407)                         | (351)     | (19,758)     |
| SG&A expenses                    | (65,706)                          | (1,404)  | (67,110)     | (69,915)                         | (4,077)   | (73,992)     |
| Segment profit                   | \$ 44,640                         | \$ 4,882 | \$ 49,522    | \$ 59,136                        | \$ 5,919  | \$ 65,055    |
| Acquisition-related costs        |                                   |          | (1,197)      |                                  |           | (603)        |
| D&A expenses                     |                                   |          | (10,080)     |                                  |           | (10,284)     |
| Gain on disposition of PPE       |                                   |          | 246          |                                  |           | 201          |
| Foreign exchange gain (loss)     |                                   |          | 683          |                                  |           | (734)        |
| Operating income                 |                                   |          | \$ 39,174    |                                  | \$        | 53,635       |
| Other income                     |                                   |          | 352          |                                  |           | 173          |
| Income tax expense               |                                   |          | (9,532)      |                                  |           | (13,217)     |
| Net income                       |                                   |          | \$ 29,994    |                                  | \$        | 40,591       |



|                                  | Nine months ended September 30, 2016 |           |              | Year ended December 31, 2016 |           |              |
|----------------------------------|--------------------------------------|-----------|--------------|------------------------------|-----------|--------------|
|                                  | Auctions and<br>Marketplaces         | Other     | Consolidated | Auctions and<br>Marketplaces | Other     | Consolidated |
| Revenues                         | \$ 395,228                           | \$ 24,398 | \$ 419,626   | \$ 531,826                   | \$ 34,569 | \$ 566,395   |
| Costs of services, excluding D&A | (49,213)                             | (608)     | (49,821)     | (65,248)                     | (814)     | (66,062)     |
| SG&A expenses                    | (200,967)                            | (8,428)   | (209,395)    | (273,179)                    | (10,350)  | (283,529)    |
| Impairment loss                  | (28,243)                             | -         | (28,243)     | (28,243)                     | -         | (28,243)     |
| Segment profit                   | \$ 116,805                           | \$ 15,362 | \$ 132,167   | \$ 165,156                   | \$ 23,405 | \$ 188,561   |
| Acquisition-related costs        |                                      |           | (7,198)      |                              |           | (11,829)     |
| D&A expenses                     |                                      |           | (30,560)     |                              |           | (40,861)     |
| Gain on disposition of PPE       |                                      |           | 1,017        |                              |           | 1,282        |
| Foreign exchange loss            |                                      |           | (332)        |                              |           | (1,431)      |
| Operating income                 |                                      |           | \$ 95,094    |                              | \$        | 135,722      |
| Other income (expense)           |                                      |           | 420          |                              |           | (5,228)      |
| Income tax expense               |                                      |           | (29,929)     |                              |           | (36,982)     |
| Net income                       |                                      |           | \$ 65,585    |                              | \$        | 93,512       |

### Selected Data

(Unaudited)

### Selected balance sheet data

| (in U.S. \$000's)    | September 30,<br>2017 | December 31,<br>2016 |
|----------------------|-----------------------|----------------------|
| Current assets       | \$ 621,455            | \$ 377,998           |
| Current liabilities  | 519,391               | 252,834              |
| Working capital      | \$ 102,064            | \$ 125,164           |
| Total assets         | \$ 2,129,864          | \$ 1,599,533         |
| Long-term debt       | 817,885               | 595,706              |
| Stockholders' equity | 714,735               | 687,057              |

### Selected operating data

| As at and for the nine months ended September 30,     | 2017    | 2016    |
|-------------------------------------------------------|---------|---------|
| Auctions and Marketplaces segment Revenue Rate        | 12.62%  | 12.00%  |
| Number of consignments at industrial auctions         | 41,950  | 39,250  |
| Number of bidder registrations at industrial auctions | 404,000 | 395,500 |
| Number of buyers at industrial auctions               | 100,650 | 101,000 |
| Number of lots at industrial auctions                 | 276,000 | 294,000 |
| Number of permanent auction sites                     | 39      | 39      |
| Number of regional auction sites                      | 6       | 6       |
| Total auction sites                                   | 45      | 45      |
| Number of industrial auctions                         | 169     | 162     |
| Number of revenue producers                           | 434     | 354     |
| Number of territory managers                          | 372     | 304     |

## Average industrial auction data

| Nine months ended September 30, | 2017            | 2016            |
|---------------------------------|-----------------|-----------------|
| GTV                             | \$ 17.1 million | \$ 18.4 million |
| Bidder registrations            | 2,390           | 2,442           |
| Consignors                      | 248             | 243             |
| Lots                            | 1,637           | 1,802           |

## Non-GAAP Measures

This news release makes reference to various non-GAAP measures. These measures do not have a standardized meaning and are, therefore, unlikely to be comparable to similar measures presented by other companies. The presentation of this financial information, which is not prepared under any comprehensive set of accounting rules or principles, is not intended to be considered in isolation of, or as a substitute for, the financial information prepared and presented in accordance with generally accepted accounting principles.

The following tables present adjusted operating income (non-GAAP measure) and adjusted operating income margin (non-GAAP measure) results for the three and nine months, respectively, ended September 30, 2017 and 2016, as well as reconcile those metrics to operating income, revenues, and operating income margin, which are the most directly comparable GAAP measures in, or calculated from, the consolidated income statements:

| (in U.S. \$000's)                                   | Three months ended September 30, |            |                |
|-----------------------------------------------------|----------------------------------|------------|----------------|
|                                                     |                                  |            | Change         |
|                                                     | 2017                             | 2016       | 2017 over 2016 |
| Operating income                                    | \$ 16,931                        | \$ 2,285   | 641%           |
| Pre-tax adjusting item:                             |                                  |            |                |
| Impairment loss                                     | -                                | 28,243     | (100%)         |
| Adjusted operating income (non-GAAP measure)        | 16,931                           | 30,528     | (45%)          |
| Revenues                                            | \$ 141,047                       | \$ 128,876 | 9%             |
| Operating income margin                             | 12.0%                            | 1.8%       | 1020bps        |
| Adjusted operating income margin (non-GAAP measure) | 12.0%                            | 23.7%      | -1170bps       |

| (in U.S. \$000's)                                   | Nine months ended September 30, |            |                |
|-----------------------------------------------------|---------------------------------|------------|----------------|
|                                                     |                                 |            | Change         |
|                                                     | 2017                            | 2016       | 2017 over 2016 |
| Operating income                                    | \$ 67,416                       | \$ 95,094  | (29%)          |
| Pre-tax adjusting items:                            |                                 |            |                |
| Accelerated vesting of assumed options              | 4,752                           | -          | 100%           |
| Acquisition and finance structure advisory          | 9,063                           | -          | 100%           |
| Severance and retention                             | 1,447                           | -          | 100%           |
| Impairment loss                                     | 8,911                           | 28,243     | (68%)          |
| Adjusted operating income (non-GAAP measure)        | 91,589                          | 123,337    | (26%)          |
| Revenues                                            | \$ 431,732                      | \$ 419,626 | 3%             |
| Operating income margin                             | 15.6%                           | 22.7%      | -710bps        |
| Adjusted operating income margin (non-GAAP measure) | 21.2%                           | 29.4%      | -820bps        |

The first nine months 2017 adjusting items were \$4.8 million (\$4.8 million after tax, or \$0.04 per diluted share) of stock option compensation expense related to the accelerated vesting of certain IronPlanet stock options assumed as part of the Merger, \$9.1 million (\$6.6 million after tax, or \$0.06 per diluted share) of acquisition and finance structure advisory costs, \$1.4 million (\$0.9 million after tax, or \$0.01 per diluted share) of severance and retention costs in a corporate reorganization that followed the Merger, and an \$8.9 million (\$6.6 million after tax, or \$0.06 per diluted share) impairment loss recognized on various technology assets.

The third quarter and first nine months 2016 adjusting item was a \$28.2 million (\$26.4 million after tax, or \$0.25 per diluted share) impairment loss on the Company's EquipmentOne reporting unit goodwill and customer relationships.

The following tables present adjusted net income attributable to stockholders (non-GAAP measure) and diluted adjusted EPS attributable to stockholders (non-GAAP measure) results for the three and nine months ended September 30, 2017 and 2016, as well as reconciles those metrics to net income (loss) attributable to stockholders, the effect of dilutive securities, the weighted average number of dilutive shares outstanding, and diluted earnings (loss) per share attributable to stockholders, which are the most directly comparable GAAP measures in the consolidated income statements:

| (in U.S. \$000's, except share and per share data)                   | Three months ended September 30, |             |                |
|----------------------------------------------------------------------|----------------------------------|-------------|----------------|
|                                                                      |                                  |             | Change         |
|                                                                      | 2017                             | 2016        | 2017 over 2016 |
| Net income (loss) attributable to stockholders                       | \$ 10,261                        | \$ (5,137)  | 300%           |
| Pre-tax adjusting items: Impairment loss                             | -                                | 28,243      | (100%)         |
| Deferred income tax effect of adjusting items:                       |                                  |             |                |
| Impairment loss                                                      | -                                | (1,798)     | (100%)         |
| Adjusted net income attributable to stockholders (non-GAAP measure)  | \$ 10,261                        | \$ 21,308   | (52%)          |
| Effect of dilutive securities                                        | \$ -                             | \$ -        | -              |
| Weighted average number of dilutive shares outstanding               | 108,178,303                      | 107,525,051 | 1%             |
| Diluted earnings (loss) per share attributable to stockholders       | \$ 0.09                          | \$ (0.05)   | 280%           |
| Diluted adjusted EPS attributable to stockholders (non-GAAP measure) | \$ 0.09                          | \$ 0.20     | (55%)          |

| (in U.S. \$000's, except share and<br>per share data)                | Nine months ended September 30, |             |                   |
|----------------------------------------------------------------------|---------------------------------|-------------|-------------------|
|                                                                      |                                 |             | Change            |
|                                                                      | 2017                            | 2016        | 2017 over<br>2016 |
| Net income attributable to stockholders                              | \$ 38,273                       | \$ 63,979   | (40%)             |
| Pre-tax adjusting items:                                             |                                 |             |                   |
| Accelerated vesting of assumed options                               | 4,752                           | -           | 100%              |
| Acquisition and finance structure advisory                           | 9,063                           | -           | 100%              |
| Severance and retention                                              | 1,447                           | -           | 100%              |
| Impairment loss                                                      | 8,911                           | 28,243      | (68%)             |
| Current income tax effect of adjusting items:                        |                                 |             |                   |
| Acquisition and finance structure advisory                           | (2,447)                         | -           | 100%              |
| Severance and retention                                              | (564)                           | -           | 100%              |
| Deferred income tax effect of adjusting items:                       |                                 |             |                   |
| Impairment loss                                                      | (2,361)                         | (1,798)     | 31%               |
| Current income tax adjusting item:                                   |                                 |             |                   |
| Change in uncertain tax provision                                    | 2,290                           | -           | 100%              |
| Adjusted net income attributable to stockholders (non-GAAP measure)  | \$ 59,364                       | \$ 90,424   | (34%)             |
| Effect of dilutive securities                                        | \$ (50)                         | \$ -        | 100%              |
| Weighted average number of dilutive shares outstanding               | 108,069,624                     | 107,221,390 | 1%                |
| Diluted EPS attributable to stockholders                             | \$ 0.35                         | \$ 0.60     | (42%)             |
| Diluted adjusted EPS attributable to stockholders (non-GAAP measure) | \$ 0.55                         | \$ 0.84     | (35%)             |

The first nine months 2017 adjusting items were \$4.8 million (\$4.8 million before tax, or \$0.04 per diluted share) of stock option compensation expense related to the accelerated vesting of certain IronPlanet stock options assumed as part of the Merger, \$6.6 million (\$9.1 million before tax, or \$0.06 per diluted share) of acquisition and finance structure advisory costs, \$0.9 million (\$1.4 million before tax, or \$0.01 per diluted share) of severance and retention costs in a corporate reorganization that followed the Merger, and a \$6.6 million (\$8.9 million before tax, or \$0.06 per diluted share) impairment loss recognized on various technology assets during the second quarter of 2017. In addition, there was a \$2.3 million (or \$0.02 per diluted share) charge related to the change in uncertain tax provisions incurred in the first quarter of 2017.

The third quarter and first nine months 2016 adjusting item was a \$26.4 million (\$28.2 million before tax, or \$0.25 per diluted share) impairment loss on the Company's EquipmentOne reporting unit goodwill and customer relationships.

**For further information, please contact:**

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