



NASDAQ OMX Copenhagen A/S
PO Box 1040
DK-1007 Copenhagen K

Roskilde, 15 May 2014

RIAS A/S

HALF-YEAR REPORT FOR THE PERIOD

1 October 2013 – 31 March 2014

CVR 44 06 51 18

Company Announcement No 7 of 15 May 2014



Contents

Management's Review	3
Management's Statement.....	9
Statement of Comprehensive Income	10
Balance Sheet	11
Statement of Changes in Equity	12
Cash Flow Statement	13
Notes	14

Management's Review

Company Announcement No 7 of 15 May 2014

The Board of Directors has today adopted the Half-year Report for the period 1 October 2013 – 31 March 2014.

The half-year in outline:

Operations

- Revenue increased by 23% to DKK 130.7k. The development during the first half-year has been influenced by a more stable development in both the Danish and the European economy despite limited growth on the Danish market. The positive development in the Company covers a differentiated trend. For example, the after-effects of the autumn storms in October/November increased the sale of, particularly, the companies' roof-related products. Furthermore, the mild winter affected building activities positively.
- Also export-oriented industrial enterprises showed progress, whereas domestic industrial demand did not show the same increasing trend. The processing department saw a reasonable increase in its activities during recent months; thus, overall, the industry division showed positive growth.
- The deviation in capacity costs is primarily attributable to higher costs in connection with increased sales activities in strategic, selected areas as well as increased costs for staff development at all levels in the Company.
- For the second half-year, the Company expects a continued positive development in sales, which are, however, also traditionally higher in the second half-year. The export and processing activities initiated during the last financial year are also expected to contribute positively to the development.

Based on the above, the Board of Directors expects a profit for the financial year 2013/14 of approximately DKK 7-10 million before tax compared with a profit last year of DKK 2.4 million before tax.

In a comment to the Half-year Report, Mr Henning Hess, CEO says:

"The growth in sales and earnings is attributable to a generally satisfactory development where we have, among other things, increased our market shares in Denmark and expanded our activities in Scandinavia. One year ago, the half-year results were affected by increased investments in sales promoting activities, and we are now reaping the benefits of these investments.

We are increasing our market shares and, at the same time, the tone of the Danish market is more positive. One of the reasons is that countries such as Greece, Portugal and Spain show increased stability; another reason is that Danish consumers are no longer so worried about the development on the European and the global markets."

Financing

During the first half-year, the Company has had negative cash flows from operating activities of DKK 8,649k. This is partially due to increasing results, but is primarily due to increased inventories and receivables.

Investments

Total net investments for the period in intangible assets, property, plant and equipment and fixed asset investments amounted to DKK 501k in the first half-year 2013/14 compared to net sales of DKK 110k in the first half-year 2012/13. In the first half-year 2013/14, investments consisted of warehouse operating equipment.

Expectations for the second half-year 2013/14

The mild winter and the rebuilding needs following the autumn storms resulted in a more active first half-year than expected. The Board of Directors expects the high level of activity on the Danish market to continue. Moreover, the investments made to ensure a more active sales effort as well as investments in export and processing are expected to result in a profit for the year in the range of DKK 7-10 million before tax.

Thus, the Company maintains the positive profit expectation announced on 28 January 2014.

Roskilde, 15 May 2014


Henning Hess
CEO

Financial Highlights

Income statement (DKK million)	1/10-2013- 31/3-2014	1/10-2012- 31/3-2013	1/10-2012- 30/9-2013
Revenue	130.7	105.9	238.2
Cost of sales	90.2	73.8	165.1
Gross profit	40.5	32.1	73.1
Capacity costs	36.8	33.9	65.7
Depreciation and amortisation	2.1	2.5	4.9
Profit/loss before financial income and expenses	1.6	-4.3	2.5
Financial income	0.1	0.1	0.2
Financial expenses	0.2	0.2	0.3
Profit/loss before tax	1.5	-4.4	2.3
Tax on profit/loss for the period	0.2	-1.1	-0.5
Net profit/loss for the period	1.3	-3.3	2.8
Balance sheet, end of period (DKK million)			
Non-current assets	103.1	107.0	104.7
Current assets	95.7	81.0	98.7
Assets	198.8	188.0	203.4
Equity	154.8	152.0	158.1
Non-current liabilities	10.2	10.8	10.3
Current liabilities	33.8	25.2	35.0
Liabilities and equity	198.8	188.0	203.4
Cash flows (DKK million)			
Cash flows from operating activities	-8.7	-7.9	10.1
Cash flows from investing activities	-0.5	0.1	0.2
Cash flows from financing activities	-4.6	-2.3	-2.3
Total cash flows	-13.8	-10.1	8.0
Average number of full-time employees	86	94	92

Financial ratios:			
Accounting ratios:			
Gross margin	31%	30%	31%
Profit margin	1%	-4%	1%
Solvency ratio, end of period	78%	81%	78%
Share ratios:			
Earnings per DKK 100 share	7	-14	12
Earnings per DKK 100 share, diluted	7	-14	12
Book value per DKK 100 share, end of period	671	659	686
Market price per DKK 100 share, end of period	500	450	495

Earnings per share (EPS) and diluted earnings per share (EPS-D) are calculated in accordance with IAS 33 "Earnings per share". Other financial ratios have been calculated in accordance with "Recommendations and Financial Ratios 2010" issued by the Danish Society of Financial Analysts.

Definitions of financial ratios:

Gross margin is calculated as gross profit in % of revenue.

Profit margin is calculated as profit/loss before financials and tax in % of revenue.

Book value per DKK 100 share is calculated as equity end of period divided by 1/100 of the share capital.

Earnings per DKK 100 share are calculated as profit/loss for the period divided by 1/100 of the share capital after deduction of the Company's holding of own shares end of period.

Diluted earnings per DKK 100 share are calculated as profit/loss for the period divided by 1/100 of the share capital after deduction of the Company's holding of own shares end of period – diluted.

Solvency ratio is calculated as equity end of period in % of balance sheet total end of period.

Development in the Company's activities

Revenue for the period increased by DKK 24,780k from DKK 105,920k in 2012/13 to DKK 130,700k in 2013/14.

Sales for the period in the industry division increased by DKK 7,624k from DKK 81,578k in 2012/13 to DKK 89,202k in 2013/14. Generally, we have seen a more stable development in both the Danish and the European economy despite limited growth on the Danish market.

Sales in the construction division increased by DKK 17,156k from DKK 24,342k in 2012/13 to DKK 41,498k in 2013/14. The sector was influenced by the after-effects of the autumn storms in October/November which increased the sale of roof-related products.

Gross profit for the period increased by DKK 8,316k from DKK 32,142k in 2012/13 to DKK 40,458k in 2013/14. The gross margin ratio increased to 30.9% in 2013/14 compared to 30.3% in the first half-year 2012/13.

Capacity costs for the period increased by DKK 2,857k from DKK 33,899k in 2012/13 to DKK 36,756k in 2013/14.

Depreciation and amortisation decreased by DKK 397k from DKK 2,515k in the first half-year 2012/13 to DKK 2,118k in the first half-year 2013/14.

Net financial expenses for the period, DKK 84k in 2012/13, decreased by DKK 7k, amounting to DKK 77k in 2013/14.

Profit/loss before tax shows a profit of DKK 1,515k in the first half-year 2013/14 compared to a loss of DKK 4,356 in the first half-year 2012/13.

Net profit/loss after tax shows a profit of DKK 1,259k in the first half-year 2013/14 compared to a loss of DKK 3,284k in the first half-year 2012/13.

Balance sheet and capital resources

Compared to 31 March 2013, the balance sheet total at 31 March 2014 increased by DKK 10,537k to DKK 198,567k.

Intangible assets decreased from DKK 60,813k at 31 March 2013 to DKK 59,797k at 31 March 2014. The reduction in intangible assets is due to amortisation. The most material intangible asset is goodwill of DKK 53,085k, which is attributable to the acquisition of the activities of Rodena A/S and Nordisk Plast A/S. An impairment test of the goodwill values was performed at 30 September 2013. No impairment test was performed in connection with the Half-year Report.

Property, plant and equipment decreased by DKK 3,049k to DKK 43,110k from DKK 46,159k.

Current assets increased by DKK 14,620k to DKK 95,678k from DKK 81,058k.

Inventories decreased from DKK 37,528k at 31 March 2013 to DKK 36,022k at 31 March 2014. Receivables increased from DKK 38,606k to DKK 50,299k.

Total liabilities increased from DKK 36,013k to DKK 44,013k. Current liabilities increased from DKK 25,236k to DKK 33,804k.

Cash flows

Operating activities:

Cash flows from operating activities decreased from DKK -7,911k in the first half-year 2012/13 to DKK -8,649k in the first half-year 2013/14, which is primarily attributable to a change in working capital from the beginning to the end of the period related to receivables, trade payables and other payables, but deducted with the increased results.

Investing activities:

Cash flows from investing activities decreased from DKK 110k in the first half-year 2012/13 to DKK -501k in the first half-year 2013/14. During the period, new investments were made in warehouse operating equipment.

Cash at bank and in hand increased by DKK 4,322k to DKK 7,995k at 31 March 2014 from DKK 3,673k at 31 March 2013. The capital resources are considered satisfactory.

Special risks

Operating risks

Unforeseen price fluctuations and discontinuation of trade with large customers may affect the Company adversely with regard to expected earnings for the year, but such risks are normal in a trading enterprise.

Financial risks

The Company does not speculate in financial risks, and thus the management of the Company solely focuses on managing financial risks that are a direct consequence of the Company's operations and financing.

The Company has no derivative financial instruments.

Interest rate risks

The Company does not enter into interest rate agreements to hedge against interest rate exposure as moderate changes in the level of interest will not have any material effect on earnings.

Credit risks

The Company's credit risks relate to trade receivables.

It is the Company's policy to take out credit insurance in respect of trade receivables to the extent possible. Trade receivables are assessed on a current basis, and provisions are made when necessary.

Foreign exchange risks

The Company is only to a limited extent exposed to exchange rate developments. Almost all trading takes place in DKK or EUR. As the foreign exchange risk relating to DKK/EUR is considered very small, the Company does not hedge its net debt in foreign currency.

Liquidity risks

The Company only has debts falling due within one year, see the balance sheet. Payment of the amount, DKK 33.8 million, can be fully covered by payments from receivables.

Knowledge resources

The Company has specific knowledge and competence within the area of trade in plastic semi-manufactures.

The Company attaches importance to attracting, retaining and contributing to the development of well-educated and motivated employees who can participate in safeguarding one of our core values, namely that of providing our customers with the best service.

During the first half-year 2013/14, the Company's number of full-time employees averaged 86, a decrease of 8 compared to the first half-year 2012/13.

Environment

The Company continuously strives to limit environmental impact. However, the environmental impact is in itself insignificant as the activities of the Company mainly comprise the distribution and sale of plastic semi-manufactures, but not manufacturing.

The Company is not involved in any environmental lawsuits.

Research and development activities

The Company has no specific research activities, but is continuously developing its business and competence.

Shareholder information

Share capital:

The Company's share capital, DKK 23,063k, is distributed on DKK 3,125k A shares and DKK 19,938k B shares.

A shares, which are non-negotiable instruments, carry 10 votes per DKK 100 share, see article 11 of the Articles of Association. B shares, which are negotiable instruments, carry 1 vote per DKK 100 share, see article 11 of the Articles of Association.

The shares are listed on NASDAQ OMX Copenhagen A/S.

The Board of Directors and the Executive Board do not hold any shares in RIAS A/S.

Any amendment of the Company's Articles of Association requires 2/3 of the share capital to be represented at the General Meeting, and the proposed amendment must be adopted by 2/3 both of the votes cast and of the share capital represented at the General Meeting.

Contact, Investor Relations:

For more information concerning investor relations and the share market, please contact:

Henning Hess, CEO
Tel: +45 46 77 00 00
E-mail: hh@rias.dk

Management's Statement

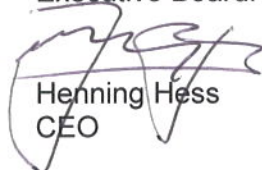
The Board of Directors and the Executive Board have today considered and adopted the Half-year Report of RIAS A/S for the period 1 October – 31 March 2014.

The Half-year Report, which has not been audited or reviewed by the Company's auditor, is prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU as well as Danish disclosure requirements for listed companies.

In our opinion, the Half-year Report gives a true and fair view of the financial position at 31 March 2014 of the Company and of the results of the Company's operations and cash flows for the period 1 October 2013 – 31 March 2014.

Moreover, in our opinion, Management's Review gives a true and fair view of the development in the Company's activities and finances, the results for the period and the Company's financial position as a whole as well as a description of the most significant risks and elements of uncertainty to which the Company is exposed.

Roskilde, 15 May 2014
Executive Board:



Henning Hess
CEO

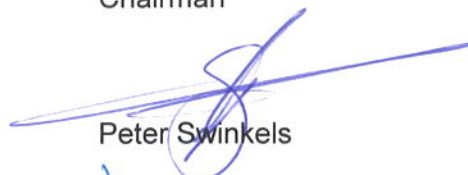
Board of Directors:



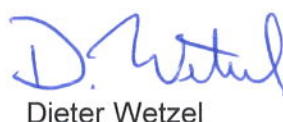
Jürgen Westphal
Chairman



Steen Raagaard Andersen
Vice-chairman



Peter Swinkels



Dieter Wetzel



Lars Jessen



Søren Koustrup

Statement of Comprehensive Income

Amounts in DKK '000	Note	1/10 2013- 31/3 2014	1/10 2012- 31/3 2013	1/10 2012- 30/9 2013
Revenue	3	130,700	105,920	238,195
Cost of sales		90,242	73,778	165,050
Gross profit		40,458	32,142	73,145
Distribution expenses		29,172	27,006	52,623
Administrative expenses		9,702	9,408	18,052
Profit/loss before financial income and expenses		1,584	-4,272	2,470
Financial income		67	88	240
Financial expenses		144	172	350
Profit/loss before tax		1,507	-4,356	2,360
Tax on profit/loss for the period		256	1,072	-480
Net profit/loss for the period		1,251	-3,284	2,840
Other comprehensive income		0	0	0
Comprehensive income for the period		1,251	-3,284	2,840

Earnings per share:

Earnings per share	7	-14	13
Earnings per share, diluted	7	-14	13

Balance Sheet

Amounts in DKK '000	Note	31/3 2014	31/3 2013	30/9 2013
<u>Assets</u>				
Non-current assets				
Intangible assets	4	59,780	60,813	60,304
Property, plant and equipment	5	43,333	46,159	44,427
Total non-current assets		103,113	106,972	104,731
Current assets				
Inventories	6	36,022	37,528	28,567
Receivables	7	50,299	38,606	45,954
Prepayments		1,362	1,251	2,424
Cash at bank and in hand		7,995	3,673	21,758
Total current assets		95,678	81,058	98,703
Total assets		198,792	188,030	203,434
<u>Liabilities and equity</u>				
Equity		154,779	152,017	158,141
Liabilities				
Non-current liabilities				
Deferred tax		10,209	10,777	10,305
Total non-current liabilities		10,209	10,777	10,305
Current liabilities				
Credit institutions		0	0	0
Trade payables and other payables	8	33,452	25,236	33,924
Corporation tax		352	0	1,064
Dividends payable		0	0	0
Total current liabilities		33,804	25,236	34,988
Total liabilities		44,013	36,013	45,293
Total liabilities and equity		198,792	188,030	203,434

Other notes 9 - 11

Statement of Changes in Equity

1 October 2013 – 31 March 2014

	Share capital	Revaluation reserve	Retained earnings	Proposed dividend	Total
Equity at 1 October 2013	23,063	1,898	128,567	4,613	158,141
Comprehensive income for the period	0	0	1,251	0	1,251
Dividend paid	0	0	0	-4,613	-4,613
Equity at 31 March 2014	23,063	1,898	129,818	0	154,779

1 October 2012 – 31 March 2013

	Share capital	Revaluation reserve	Retained earnings	Proposed dividend	Total
Equity at 1 October 2012	23,063	1,898	130,340	2,306	157,607
Comprehensive income for the period	0	0	-3,284	0	-3,284
Dividend paid	0	0	0	-2,306	-2,306
Equity at 31 March 2013	23,063	1,898	127,056	0	152,017

Cash Flow Statement

Amounts in DKK '000	1/10 2013 - 31/3 2014	1/10 2012 - 31/3 2013
Net profit/loss for the period	1,251	-3,284
Adjustment for non-cash operating items etc:		
Tax on profit/loss for the period	256	-1,072
Depreciation and amortisation	2,118	2,515
Profit or loss on sale of property, plant and equipment and financial assets	0	-2
Financial income	-67	-88
Financial expenses	144	172
Cash flows from operating activities before changes in working capital	3,702	-1,759
Adjustment for changes in working capital:		
Changes in inventories	-7,455	-6,464
Changes in receivables (and prepayments)	-3,283	4,371
Changes in trade payables and other payables	-472	-2,169
Cash flows before financial income and expenses and tax	-7,508	-6,021
Financial income, paid	67	88
Financial expenses, paid	-144	-172
Corporation tax paid	-1,064	-1,806
Cash flows from operating activities	-8,649	-7,911
Purchase of intangible assets	0	0
Purchase of property, plant and equipment	-501	-43
Sale of property, plant and equipment	0	153
Purchase of financial assets	0	0
Cash flows from investing activities	-501	110
Dividend paid	-4,613	-2,306
Debt to credit institutions, paid	0	0
Cash flows from financing activities	-4,613	-2,306
Cash flows for the period	-13,763	-10,107
Cash and cash equivalents at 1 October	21,758	13,780
Cash and cash equivalents at 31 March	7,995	3,673

Notes

Note 1. Accounting policies

The Half-year Report is prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU as well as Danish disclosure requirements for listed companies.

The accounting policies applied are the same as those applied for the Financial Statements 2012/13.

The Financial Statements 2012/13 include a full description of the accounting policies, to which reference is made.

Change of accounting policies

RIAS A/S has implemented the accounting standards and interpretations that come into force for financial statements beginning on or after 1 October 2013. None of these have affected the recognition or measurement in the Half-year Report 2013/14, nor are they at present expected to affect the financial reporting of the Company significantly in the future.

Note 2. Estimates

The preparation of the Half-year Report requires Management to make accounting estimates that affect the application of the accounting policies as well as the recognition of assets, liabilities, income and expenses. Actual results may differ from such estimates.

When preparing the Half-year Report, the most material estimates made by Management in connection with the application of the accounting policies and the most material uncertainty in this respect are the same as in connection with the preparation of the Financial Statements for 2012/13, to which reference is made.

Note 3. Revenue

	1 st half-year 2013/14	1 st half-year 2012/13
Sales, Industry	89,202	81,578
Sales, Construction	41,498	24,342
	130,700	105,920

Sales outside Denmark amount to 6% of the Company's revenue. All non-current assets are placed in Denmark.

Sales are distributed on a large number of different products and customers. No single customer accounts for more than 10% of total sales.

Note 4 – Intangible assets

	Goodwill	Customer relations	IT software	Total
Cost at 1 October 2013	53,085	1,000	22,901	76,986
Additions for the period	0	0	0	0
Cost at 31 March 2014	53,085	1,000	22,901	76,986
Amortisation at 1 October 2013	0	-349	-16,333	-16,682
Amortisation for the period	0	-31	-493	-524
Amortisation at 31 March 2014	0	-380	-16,826	-17,206
Carrying amount at 31 March 2014	53,085	619	6,075	59,780
Cost at 1 October 2012	53,085	1,000	22,814	76,899
Additions for the period	0	0	0	0
Cost at 31 March 2013	53,085	1,000	22,814	76,899
Amortisation at 1 October 2012	0	-287	-15,188	-15,475
Amortisation for the period	0	-31	-580	-611
Amortisation at 31 March 2013	0	-318	-15,768	-16,086
Carrying amount at 31 March 2013	53,085	682	7,046	60,813

Note 5 – Property, plant and equipment

	Land and buildings	Plant and machinery	Fixtures and fit- tings, tools and equipment	Total
Cost at 1 October 2013	61,906	14,513	22,896	99,315
Additions for the period	0	501	0	501
Disposals for the period	0	0	0	0
Cost at 31 March 2014	61,906	15,014	22,896	99,816
Depreciation at 1 October 2013	-26,131	-11,184	-17,573	-54,888
Depreciation for the period	-374	-427	-794	-1,595
Reversed depreciation on disposals for the period	0	0	0	0
Depreciation at 31 March 2014	-26,505	-11,611	-18,367	-56,483
Carrying amount at 31 March 2014	35,401	3,403	4,529	43,333

Cost at 1 October 2012	61,906	14,349	25,066	101,321
Additions for the period	0	0	44	44
Disposals for the period	0	0	-642	-642
Cost at 31 March 2013	61,906	14,349	24,468	100,723
Depreciation at 1 October 2012	-25,381	-10,246	-17,522	-53,149
Depreciation for the period	-374	-469	-1,059	-1,902
Reversed depreciation on disposals for the period	0	0	487	487
Depreciation at 31 March 2013	-25,755	-10,715	-18,094	-54,564
Carrying amount at 31 March 2013	36,151	3,634	6,374	46,159

Note 6. Inventories

Inventories are specified as follows:

	31/3 2014	31/3 2013
Goods for resale	39,071	40,887
Write-down at 1 October	-2,869	-3,381
Write-downs for the period	-75	22
Write-down at 31 March	-3,049	-3,359
	36,022	37,528

Note 7. Receivables

	<u>31/3 2014</u>	<u>31/3 2013</u>
Trade receivables	47,315	37,046
Receivables from group enterprises	88	88
Other receivables	<u>2,896</u>	<u>1,472</u>
	<u>50,299</u>	<u>38,606</u>
Write-down for bad debts is specified as follows:		
Write-down at 1 October	-928	-851
Write-downs for the period	<u>-176</u>	<u>-105</u>
Write-down at 31 March	<u>-1,104</u>	<u>-956</u>

Note 8. Trade payables and other payables

	<u>31/3 2014</u>	<u>31/3 2013</u>
Trade payables	15,172	10,986
Payables to group enterprises	186	224
Accrued VAT	5,331	3,892
Holiday pay accrual	5,268	3,823
Other payables	<u>7,495</u>	<u>6,311</u>
	<u>33,452</u>	<u>25,236</u>

Note 9. Contingencies and other financial commitments

Since the issue of the Financial Statements 2012/13, there have been no significant changes that have not been disclosed in this Half-year Report.

Note 10. Related parties and related party transactions

There have been no significant changes with regard to related parties or the type and scope of related party transactions compared to that disclosed in the Financial Statements 2012/13.

Note 11. Subsequent events

After the Half-year Report balance sheet date, no significant events have occurred that have not been incorporated and sufficiently disclosed in this Half-year Report.