



Nasdaq OMX  
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### **Interim report**

The development in the company's third quarter of the accounting year 2017/18 has been positive and overall progressed as expected. However compared to the first half year, where we saw a much differentiated trend, where the industrial sector's revenue increased and the revenue in the building & constructions sectors has decreased, the third quarter has overall shown a positive increase in turnover in all areas.

The sound development of the Industry Division reflects the fact that the activities in the industrial sector, among other our processing department, have increased and that, consequently the demand for the technical plastic products has been increasing. The sale of advertising-based products has shown a very positive development though with a continued high pressure on margins.

This development is equally divided on the domestic based as well as export oriented customers. The revenue in the processing department is following the expected plans and is contributing positively to the profit of the company.

The revenue in the company's building & construction sector has developed better than expected and thereby more than compensated for the declining turnover from the first half year. A higher activity can be observed in the building merchants and DIY shops within the company's products. However, the earning margin remains under pressure as a result of the fierce competition, but has slightly increased in the third quarter.

The company is still seeing an effect of the increased prices on plastic raw- and semicast materials in the third quarter, which is expected to last minimum the rest of the year. This effect has also led to slightly increased revenue in primarily the Industry Division.

Capacity costs are slightly increasing, which among others is caused by increasing prices on transport which we have not been able to transfer fully to the market. A further explanation is the continuing investments in the strategic development of the export and processing department. However the continued efforts of developing and streamlining the organization has to some extent compensated for the higher investments in the third quarter of the accounting year 2017/18



Based on the above mentioned the Board of RIAS expects a result in the upper end of the expectations for the accounting year 2017/18 of DKK 8,0-9,5 million before tax (EBIT) against a EBIT result of DKK 8,4 million in the previous year.

Yours faithfully  
RIAS A/S

A blue ink signature of Henning Hess, written in a cursive style.

Henning Hess