



Nasdaq OMX
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Interim report

The development in the third quarter of the financial year 2018/19 has been above the level of last year's turnover and the profit on level with the expectation. RIAS A/S has thereby fulfilled the expectations for the first nine months of the financial year 2018/19. The positive development is spread over all areas, however still with a stronger decrease in the product groups for the visual communication sector, as an exception.

Especially the domestic industry demand has positive impact on revenue, and the export sector is on the same level as last year. This together has been the engine of a positive development in the industry sales, whereby only the product groups for the visual communications sector is declining. Third quarter has been impacted by the increasingly worries from Brexit and the trade war developing further, but also the economic development in the closer export countries. In general the climate in Denmark is still positive based on a sufficient order horizon.

The turnover in the Building and Construction sector has developed better as expected and on a higher level as last year. This also shows that the Building & Construction division has been able to regain the sales and is now back on a higher level as before the crisis, which is considered positive. The climate in the DIY sector is positive and the shops are expecting a slightly positive development for 2020.

The turnover and profit in Sweden has also developed as expected and on a higher level as 2017/18. Despite we face a tough competitive market we have been able to increase our profit margin.

The processing area is developing as expected and on a higher level than last year.

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 optimizing the processes and in the strategic development of the export and processing department.

Based on this background the Board of RIAS A/S now expects a EBIT level for the accounting year 2018/19 of DKK 9,0–10,0 million compared to a EBIT of DKK 9,1 million last year.

Kind regards
RIAS A/S

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

Henning Hess