

Full-year guidance for 2018/19 maintained

Interim report – Q2 2018/19 (the period 1 November 2018 – 30 April 2019)

Roblon

Roblon A/S
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The Board of Directors of Roblon A/S has today considered and approved the interim report for Q2 2018/19

Highlights for the Roblon Group for H1 2018/19:

- Order intake of DKKm 131.9 (DKKm 82.0).
- Order book at 30 April 2019 of DKKm 70.8 (DKKm 23.1).
- Revenue of DKKm 112.2 (DKKm 108.5).
- Operating loss (EBIT) of DKKm 37.0 (profit of DKKm 10.8).
- Loss before tax of DKKm 35.0 (profit of DKKm 12.4).
- Loss after tax for continuing operations of DKKm 27.3 (profit of DKKm 9.8).

As described in Company Announcement no. 5/2019 on 12 April 2019, the loss before tax for H1 2018/19 was adversely affected by a DKKm 18.5 loss relating one of the Group's customers, wind turbine manufacturer Senvion. The loss covers write-off of the residual value of intangible assets, expected loss on inventories and impairment losses on receivables. A company announcement issued by Senvion on 17 April 2019 on the injection of financial resources to continue the production of wind turbines was not sufficient grounds for Roblon to change the financial dispositions relating to Senvion.

Outlook for 2018/19:

Roblon's company announcement no. 5/2019 of 12 April 2019 reported that deliveries to wind turbine industry customer Senvion had been halted due to the customer's financial difficulties. These difficulties were deemed severe enough for Roblon's Management to make a major downgrade of Roblon's full-year guidance. Management thus revised the full-year 2018/19 forecast to revenue in the region of DKKm 270 (2017/18: DKKm 221.8) and a loss before tax of DKKm 20 (2017/18; a profit of DKKm 9.6). Management maintains this guidance after H1 2018/19.

For Q3 2018/19, Management forecasts revenue of around DKKm 69 and profit before tax of around DKKm 0.

In Q4, revenue is expected at around DKKm 88.8, corresponding to nearly a third of the forecast full-year revenue. Based on the expected revenue and product mix, a profit of around DKKm 15 is forecast for Q4. The conditions for this Q4 forecast to be met are in place. The conditions include a normal production order intake level in the remaining part of the financial year that can be realised as revenue during the quarter.

Frederikshavn, 27 June 2019

Roblon A/S

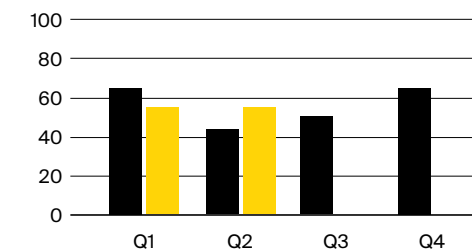
Jørgen Kjær Jacobsen
Chairman of the Board

Lars Østergaard
Managing Director and CEO

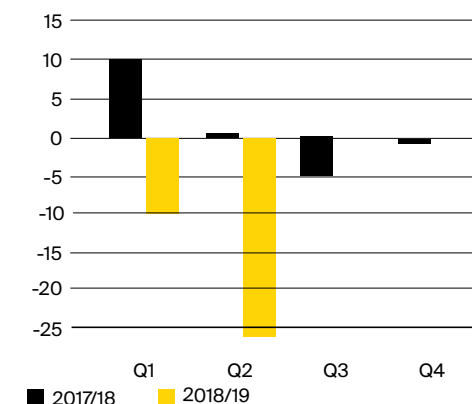
Enquiries regarding this announcement should be addressed to:

Managing Director and CEO Lars Østergaard, tel. +45 9620 3300

Quarterly revenue (DKKm)



Quarterly EBIT (DKKm)



Financial highlights

for the Roblon Group

	Unit	Q2 2018/19 ¹	Q2 2017/18 ¹	Q1-Q2 2018/19 ¹	Q1-Q2 2017/18 ¹	FY 2017/18 ¹
Orders						
Order intake	DKKm	80.7	33.3	131.9	82.0	226.9
Order book	DKKm	70.8	23.1	70.8	23.1	54.7
Income statement						
Revenue	DKKm	57.2	44.6	112.2	108.5	221.8
Gross profit	DKKm	22.3	23.5	41.3	54.6	97.5
Operating profit/loss (EBIT)	DKKm	-26.3	0.3	-37.0	10.8	5.8
Financial income, net	DKKm	1.8	0.6	2.0	1.6	3.8
Profit/loss before tax from continuing operations	DKKm	-24.5	0.9	-35.0	12.4	9.6
Profit/loss for the period from continuing operations	DKKm	-19.1	0.8	-27.3	9.8	7.7
Profit/loss for the period from discontinued operations	DKKm	-	7.7	-	7.2	6.9
Profit/loss for the period	DKKm	-19.1	8.5	-27.3	17.0	14.5
Balance sheet						
Cash and securities	DKKm	66.4	116.9	66.4	116.9	122.3
Total assets	DKKm	238.8	279.9	238.8	279.9	290.8
Equity	DKKm	203.5	249.2	203.5	249.2	248.3
Working capital	DKKm	57.5	66.3	57.5	66.3	55.9
Cash flow statement						
Cash flow from operating activities	DKKm	-21.6	18.0	-25.0	24.6	37.1
Cash flow from investing activities	DKKm	5.0	-30.3	27.9	-15.2	-22.2
Of which investment in marketable securities	DKKm	12.4	-43.5	42.1	-26.1	-26.5
Of which investment in property plant and equipment	DKKm	-4.7	8.4	-8.0	7.5	6.0
Cash flow from financing activities	DKKm	-1.9	-1.9	-17.9	-17.9	-17.9
Cash flow for the period	DKKm	-18.5	-14.2	-15.0	-8.5	-3.0

	Unit	Q2 2018/19 ¹	Q2 2017/18 ¹	Q1-Q2 2018/19 ¹	Q1-Q2 2017/18 ¹	FY 2017/18 ¹
Ratios						
Book-to-bill ratio	%	141.1	74.7	117.6	75.6	102.3
Revenue growth	%	28.3	-14.6	3.4	25.3	11.7
Gross margin	%	39.0	52.7	36.8	50.3	44.0
EBIT margin	%	-46.0	0.7	-33.0	10.0	2.6
ROIC/return on average invested capital ²	%	-81.3	0.9	-57.2	16.2	4.7
Equity ratio	%	85.2	89.0	85.2	89.0	85.4
Return on equity ²	%	-33.6	1.3	-24.0	7.8	5.8
Employment³						
Average no. of full-time employees	No.	162	92	129	91	96
Gross profit per full-time employee	DKKm	0.1	0.3	0.3	0.6	1.0
Per share ratios						
Earnings per DKK 20 share (EPS) ²	DKK	-10.7	4.8	-15.3	9.5	8.1
Price/earnings ratio (PE)	DKK	-16.8	65.6	-11.8	33.1	32.2
Cash flow from operations per DKK 20 share	DKK	-12.1	10.1	-14.0	13.8	20.7
Book value of shares ²	DKK	113.8	139.4	113.8	139.4	139.0
Market price per share	DKK	180.0	315.0	180.0	315.0	261.0
Price/book value		1.6	2.3	1.6	2.3	1.9

¹ The interim report has not been audited or reviewed by the company's auditors.

² The ratio is calculated on a full-year basis.

³ Continuing operations.

The ratios are defined in note 37 to the 2017/18 annual report, Financial ratio definitions and formulas.

Management's review

Consolidated income statement

The Roblon Group has the following two product groups:

- **FOC** (comprising cable materials and cable machinery for the fibre optic cable industry)
- **Composite** (comprising composite materials for onshore and offshore industries)

In Company Announcement no. 5/2019 of 12 April 2019, the Group's forecast for H1 2018/19 was a loss before tax of around DKKm 38.5. The Group realised H1 revenue in line with expectations and a loss before tax of DKKm 35.

Order intake

The Group's order intake in H1 2018/19 was DKKm 131.9, against DKKm 82 in the year-earlier period. The improvement was in large part related to the intake of Composite orders, previously referred to as postponed project orders.

For Q2 2018/19, the Group's order intake was DKKm 80.7, against DKKm 33.3 in the year-earlier period. The improvement was mainly related to increased intake of orders in the Composite product group.

Revenue

For H1 2018/19, Roblon realised revenue of DKKm 112.2, against DKKm 108.5 in H1 2017/18. The DKKm 3.7 improvement related more or less equally to FOC and Composite.

In Q2 2018/19, revenue rose to DKKm 57.2 (2017/18: DKKm 44.6) and the improvement was attributable to the FOC product group.

Operating profit/loss (EBIT)

For H1 2018/19, Roblon realised an operating loss (EBIT) of DKKm 37, against a profit of DKKm 10.8 in the year-earlier period. Realised EBIT for H1 2018/19 was impacted in the amount of DKKm 18.5 by the operational and financing issues of the customer Servnion.

Moreover, EBIT for H1 2018/19 was adversely affected by the development in product mix, an increase in staff costs and an increase in other external costs.

EBIT for Q2 2018/19 was a loss of DKKm 26.3, against a profit of DKKm 0.3 in the year-earlier period. Realised EBIT for Q2 2018/19 included a recognised loss of DKKm 18.5 concerning Servnion.

Profit/loss before tax

For H1 2018/19, the Group posted a loss before tax of DKKm 35, against a profit of DKKm 12.4 for

the year-earlier period.

Profit/loss for the period from continuing operations

For H1 2018/19, Roblon realised a loss on continuing operations of DKKm 27.3, against a profit of DKKm 9.8 for the year-earlier period.

Gross profit and gross margin

The Group's gross profit amounted to DKKm 41.3, down DKKm 13.3 compared with the same period of 2017/18. Realised gross profit/loss for H1 2018/19 was adversely impacted by a DKKm 8.4 inventory write-down relating to the previously mentioned loss on the customer Servnion.

The gross margin for H1 2018/19 was 36.8%, against 50.3% in the same period last year. The Servnion inventory write-down reduced the gross margin for H1 2018/19 by 7.5 percentage points. Another factor in the lower gross margin was the negative development in product mix with a relatively higher cost of sales.

Other external costs

Other external costs amounted to DKKm 26.2, which was an increase of DKKm 9.4 compared with last year. The increase was due to increased costs relating to an external service partner in the USA, minor acquisitions, etc. for production due to a significantly higher level of activity in the US subsidiary. Other factors behind the increase were increased travel expenses and selling costs and the loss on trade receivables (Servnion).

Staff costs

Staff costs rose from DKKm 24.3 in H1 2017/18 to DKKm 41.7 in H1 2018/19. The increase was mainly due to the takeover of production staff in the US subsidiary, who were previously sourced via external partner, and further recruitments in Roblon US. Staff costs were furthermore affected by the product mix for the period.

Depreciation, amortisation and impairment

The Group's depreciation, amortisation and impairment amounted to DKKm 14.3, which was an increase of DKKm 9.7 compared with last year. Of the overall increase, DKKm 8.5 was a write-off of the residual value of intangible assets relating to investments in the wind project (Servnion). The rest of the increase related to depreciation, amortisation and impairment of intangible assets and property, plant and equipment added through the Group's investments in the US subsidiary.

Net financial items

Financial items amounted to net income of DKKm 2.0, against DKKm 1.6 in the same period of 2017/18.

Tax

Tax is calculated at a rate of 22% of profit for the year before tax.

Consolidated balance sheet

Total assets for the Group amounted to DKKm 238.8 at 30 April 2019, a DKKm 41.1 drop from

DKKm 279.9 at 30 April 2018.

The Group's working capital at 30 April 2019 amounted to DKKm 57.5, reduced by DKKm 8.8 from DKKm 66.3 at 30 April 2018.

Total investments in intangible assets amounted to DKKm 6.2 for H1 2018/19, against DKKm 11.8 last year. Investments in property, plant and equipment increased to DKKm 8.0 in H1 2018/19 from DKKm 7.3 in the year-earlier period.

As reported in Company Announcement no. 5/2019 of 12 April 2019, Roblon recognised a write-off of the residual value of intangible assets, an expected loss on inventories and an impairment loss on receivables relating to Servion in the total amount of DKKm 18.5. Roblon furthermore regularly performed impairment tests of the investment in Roblon US. These impairment tests did not give rise to any further adjustments to the financial statements.

The Group's equity stood at DKKm 203.5 at 30 April 2019, against DKKm 249.2 at the same date last year. The equity ratio at 30 April 2019 was 85.2%, against 89.0% last year.

Consolidated cash flows

The Group's net cash flow from operating activities in H1 2018/19 was an outflow of DKKm 25, against an inflow of DKKm 24.6 last year.

Securities were sold in H1 2018/19, resulting in a net cash inflow of DKKm 27.9 from the Group's investing activities, against a net cash outflow of DKKm 15.2 last year.

The net cash flow from financing activities, related to dividend payments, was an outflow of DKKm 17.9 in H1 2018/19, in line with last year.

Capital resources

At 30 April 2019, marketable securities and net cash amounted to DKKm 69.9, against DKKm 116.9 last year. In addition to this, Roblon has an undrawn credit facility of DKKm 10.0 with the Group's bankers.

Matters of note in the first six months of 2018/19

In Company Announcement no.5/2019 of 12 April 2019, Roblon reported that one of the Group's largest customers, German wind turbine manufacturer Servion, was in financial difficulty and had announced to the public that it was exploring options for a reconstruction of the company's business.

This situation poses significant uncertainty for Roblon's 2018/19 revenue and earnings. As a consequence, Management has written off and expensed the full residual value of intangible assets related to investments amounting to DKKm 8.5 and Roblon's working capital related to the

Servion exposure amounting to DKKm 10. The total adverse effect on Roblon's performance for H1 2018/19 was thus DKKm 18.5.

As a further consequence, no revenue or earnings from Servion have been included in the Group's revenue and earnings forecast for the second half of 2018/19.

These matters were a contributing factor to the downgrade of Management's full-year revenue and earnings guidance for 2018/19, as stated in Company Announcement no. 5/2019.

On 17 April 2019, however, Servion secured a financing commitment of EURm 100 from its lenders to stabilise its operations and explore the possibilities of continuing the company's business operations. In the meantime, Roblon's Management has been informed that the Servion Group's production has been resumed and will continue to some extent. Roblon's Management has not so far been able to obtain more specific information on any forecasts or a resolution to the matter of Roblon's substantial claims.

In accordance with the contract with Servion, Roblon has calculated preliminary claims in terms of costs incurred due to reduced production at Servion's blade factory and non-performance of the agreed minimum purchases in the first year of the project contract for the period

April 2018 to April 2019. Moreover, Roblon bases its claims on the fact that Servion is not currently purchasing the agreed volumes, and that additional claims for compensation will be made with respect to the remaining two years of the project contract expiring in April 2021 if Servion fails to purchase the agreed volumes during that period.

The above-mentioned substantial claims covering Roblon's loss are payable under the project contract. As a result of the financial and economic uncertainty concerning Servion's situation, Management has not recognised the above claims in the financial statements for H1 2018/19 or in its full-year guidance for 2018/19.

Outlook for 2018/19

Roblon's company announcement no. 5/2019 of 12 April 2019 reported that deliveries to wind turbine industry customer Servion had been halted due to the customer's financial difficulties. These difficulties were deemed severe enough for Roblon's Management to make a major downgrade of Roblon's full-year guidance. Management thus revised the full-year 2018/19 forecast to revenue in the region of DKKm 270 (2017/18: DKKm 221.8) and a loss before tax of DKKm 20 (2017/18: a profit of DKKm 9.6). Management maintains this guidance after H1 2018/19.

For Q3 2018/19, Management forecasts revenue of around DKKm 69 and profit before tax of around DKKm 0.

In Q4, revenue is expected at around DKKm 88.8, corresponding to nearly a third of the forecast full-year revenue. Based on the expected revenue and product mix, a profit of around DKKm 15 is forecast for Q4. The conditions for this Q4 forecast to be met are in place. The conditions include a normal production order intake level in the remaining part of the financial year that can be realised as revenue during the quarter.

Forward-looking statements

The above forward-looking statements, in particular revenue and earnings projections, are inherently uncertain and subject to risk. Many factors are beyond Roblon's control and, consequently, actual results may differ significantly from the projections expressed in this interim report. Such factors include, but are not limited to, changes in market and competitive situation, changes in demand and purchasing behaviour, foreign exchange and interest rate fluctuations and general economic, political and commercial conditions.

Roblon's sales are characterised by a structure based on project sales. This makes it difficult at any given time to forecast future revenue for a specific period, i.e. three-month, six-month or 12-month periods.

Financial calendar

11/9 2019:	Interim report for Q3 2018/19
20/12 2019:	Preliminary statement 2018/19
23/1 2019:	Annual General Meeting

Announcements – NASDAQ Copenhagen

During the period 1 November 2018 to 27 June 2019, the company sent the following announcements to NASDAQ Copenhagen; these can be found on the company's website, www.roblon.com.

No. 11/2018:	Downgrade 2017/18
No. 12/2018:	Preliminary Statement 2017/18
No. 13/2018:	Notice convening AGM
No. 1/2019:	Decisions of the Annual General Meeting
No. 2/2019:	Interim report for Q1 2018/19
No. 3/2019:	Managers' transactions
No. 4/2019:	Managers' transactions
No. 5/2019:	Downgrade 2018/19

Statement by the Management

The Board of Directors and the Executive Management have today considered and approved the interim report of Roblon A/S for the first six months of the 2018/19 financial year (the period 1 November 2018 to 30 April 2019).

Executive Management

Lars Østergaard
Managing Director and CEO

Carsten Michno
Chief Financial Officer (CFO)

Kim Müller
Chief Operating Officer (COO)

The interim report, which has not been audited or reviewed by the company's auditor, is presented in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional requirements under the Danish Financial Statements Act.

Board of Directors

Jørgen Kjær Jacobsen
Chairman

Ole Lønsmann Andersen
Deputy Chairman

Peter Sloth Vagner Karlsen

It is our opinion that the interim financial statements give a true and fair view of the Group's assets, liabilities and financial position as of 30 April 2019 and of the results of the Group's operations and cash flows for the first six months of the 2018/19 financial year.

Randi Toftlund Pedersen

Nita Svendsen
Employee representative

Flemming Nielsen
Employee representative

Furthermore, in our opinion the management's review includes a fair review of the development and performance of the Group's business, results for the period and the Group's financial position together with a description of the principal risks and uncertainties that the Group faces.

Frederikshavn, 27 June 2019

Consolidated income statement

for the period 1 November 2018 to 30 April 2019

DKKm	Note	Q2 2018/19	Q2 2017/18	Q1-Q2 2018/19	Q1-Q2 2017/18	FY 2017/18
Revenue	4	57.2	44.6	112.2	108.5	221.8
Cost of sales		-34.9	-21.1	-70.9	-53.9	-124.3
Gross profit		22.3	23.5	41.3	54.6	97.5
Work carried out for own account and capitalised		1.3	0.6	2.7	1.2	3.1
Other operating income		0.5	0.4	1.2	0.7	2.2
Other external costs		-16.0	-9.3	-26.2	-16.8	-35.2
Staff costs		-22.9	-12.5	-41.7	-24.3	-51.6
Depreciation, amortisation and impairment		-11.5	-2.4	-14.3	-4.6	-10.2
Operating profit/loss (EBIT)		-26.3	0.3	-37.0	10.8	5.8
Financial income, net		1.8	0.6	2.0	1.6	3.8
Profit/loss before tax (PBT)		-24.5	0.9	-35.0	12.4	9.6
Tax on profit/loss for the period		5.4	-0.1	7.7	-2.6	-1.9
Profit/loss for the period from continuing operations		-19.1	0.8	-27.3	9.8	7.7
Profit/loss for the period from discontinued operations		-	7.7	-	7.2	6.9
Profit/loss for the period		-19.1	8.5	-27.3	17.0	14.6
Earnings per share (DKK)						
Earnings per share (EPS), continuing operations		-10.7	0.4	-15.3	5.5	4.3
Earnings per share, diluted (EPS-D), continuing operations		-10.7	0.4	-15.3	5.5	4.3

Consolidated statement of comprehensive income

for the period 1 November 2018 to 30 April 2019

DKKm	Note	Q2 2018/19	Q2 2017/18	Q1-Q2 2018/19	Q1-Q2 2017/18	FY 2017/18
Profit/loss for the period		-19.1	8.5	-27.3	17.0	14.6
<i>Items that may be recycled to profit or loss:</i>						
Fair value adjustment of available-for-sale financial assets		0.2	-0.9	0.4	-1.8	-1.7
Foreign exchange adjustment of foreign subsidiaries		0.5	0.7	-	-0.9	0.7
Tax on other comprehensive income		-0.1	0.2	-0.1	0.4	0.4
Comprehensive income		-18.5	8.5	-27.0	14.7	14.0

Consolidated balance sheet

at 30 April 2019

DKKm	Note	30/04/2019	30/04/2018	31/10/2018
ASSETS				
Completed development projects		0.6	1.4	1.0
Development projects in progress		5.5	4.1	5.0
Trademarks, licenses and customer relations		7.8	16.7	17.1
Other intangible assets		10.2	1.4	4.6
Intangible assets		24.1	23.6	27.7
Land and buildings		21.6	23.6	22.7
Plant and machinery		22.3	20.7	21.7
Other fixtures and fittings, tools and equipment		1.1	1.1	0.9
Property, plant and equipment in progress		6.3	1.4	2.1
Property, plant and equipment		51.3	46.8	47.4
Financial assets		-	1.4	-
Total non-current assets		75.4	71.8	75.1
Inventories		38.0	39.8	41.5
Trade receivables		40.3	44.2	47.8
Corporation tax receivable		8.8	-	-
Other receivables		6.4	7.2	4.0
Securities		69.9	111.0	110.8
Cash and cash and cash equivalents		-	5.9	11.5
Total current assets		163.4	208.1	215.6
TOTAL ASSETS		238.8	279.9	290.7

DKKm	Note	30/04/2019	30/04/2018	31/10/2018
EQUITY AND LIABILITIES				
Share capital		35.8	35.8	35.8
Other reserves		-1.4	-3.4	-1.7
Retained earnings		169.1	216.8	214.3
Equity		203.5	249.2	248.4
Deferred tax		4.6	4.9	4.6
Other provisions		0.6	0.8	0.4
Total non-current liabilities		5.2	5.7	5.0
Overdraft facility		3.5	-	-
Advance payments from customers		1.4	1.0	2.3
Trade payables		16.8	16.5	27.1
Income tax		-	0.9	0.4
Other payables		8.4	6.6	7.5
Total current liabilities		30.1	25.0	37.3
Total liabilities		35.3	30.7	42.3
TOTAL EQUITY AND LIABILITIES		238.8	279.9	290.7

Consolidated statement of changes in equity

DKKm	Share capital	Currency translation reserve	Reserve for available-for-sale financial assets	Retained earnings	Proposed dividends	Total equity
H1 2018/19						
Equity at 1 November 2018	35.8	-1.6	-0.1	196.4	17.9	248.4
Comprehensive income for the period						
Profit/loss for the period	-	-	-	-27.3	-	-27.3
Other comprehensive income	-	-	0.3	-	-	0.3
Total comprehensive income for the period	-	-	0.3	-27.3	-	-27.0
Transactions with owners						
Dividends paid	-	-	-	-	-17.9	-17.9
Equity at 30 April 2019	35.8	-1.6	0.2	169.1	-	203.5
H1 2017/18						
Equity at 1 November 2017	35.8	-2.3	1.2	199.8	17.9	252.4
Comprehensive income for the period						
Profit/loss for the period	-	-	-	17.0	-	17.0
Other comprehensive income	-	-0.9	-1.4	-	-	-2.3
Total comprehensive income for the period	-	-0.9	-1.4	17.0	-	14.7
Transactions with owners						
Dividends paid	-	-	-	-	-17.9	-17.9
Equity at 30 April 2018	35.8	-3.2	-0.2	216.8	-	249.2

DKKm	Share capital	Currency translation reserve	Reserve for available-for-sale financial assets	Retained earnings	Proposed dividends	Total equity
2017/18						
Equity at 1 November 2017	35.8	-2.3	1.2	199.8	17.9	252.4
Comprehensive income for the period						
Profit/loss for the period	-	-	-	-3.4	17.9	14.5
Other comprehensive income	-	0.7	-1.3	-	-	-0.6
Total comprehensive income for the period	-	0.7	-1.3	-3.4	17.9	13.9
Transactions with owners						
Dividends paid	-	-	-	-	-17.9	-17.9
Equity at 31 October 2017	35.8	-1.6	-0.1	196.4	17.9	248.4

Statement of cash flows

for the period 1 November 2018- 30 April 2019

DKKkm	Spec.	Q2 2018/19	Q2 2017/18	Q1-Q2 2018/19	Q1-Q2 2017/18	FY 2017/18
Operating profit/loss (EBIT) from continuing operations		-26.3	0.3	-37.0	10.8	5.8
Operating profit/loss (EBIT) from discontinued operations		-	-0.2	-	-0.8	-0.8
Operating profit/loss (EBIT)		-26.3	0.1	-37.0	10.0	5.0
Adjustment for non-cash items	A	21.4	2.8	24.4	4.6	10.1
Change in working capital	B	-16.4	15.2	-12.0	14.7	25.8
Cash generated from operations		-21.3	18.1	-24.6	29.3	40.9
Financial income received		1.3	2.0	1.2	2.6	3.6
Financial expenses paid		-0.1	-	-0.1	-	-
Income tax paid		-1.5	-2.1	-1.5	-7.3	-7.3
Cash flow from operating activities		-21.6	18.0	-25.0	24.6	37.2
Purchase of intangible assets		-2.7	-10.4	-6.2	-11.8	-16.6
Sale of intangible assets		-	5.2	-	5.2	5.2
Purchase of securities		-0.9	-46.1	-3.3	-46.7	-60.0
Sale of securities		13.3	2.6	45.4	20.6	33.5
Proceeds from sale of division		-	10.0	-	10.0	9.6
Purchase of property, plant and equipment		-4.7	-6.3	-8.0	-7.3	-9.3
Sale of property, plant and equipment		-	14.7	-	14.8	15.3
Cash flow from investing activities		5.0	-30.3	27.9	-15.2	-22.3
Dividends paid		-1.9	-1.9	-17.9	-17.9	-17.9
Cash flow from financing activities		-1.9	-1.9	-17.9	-17.9	-17.9
Change in cash and cash equivalents		-18.5	-14.2	-15.0	-8.5	-3.0
Cash and cash equivalents at beginning of period		15.0	20.1	11.5	14.6	14.6
Value adjustment of cash and cash equivalents		-	-	-	-0.2	-0.1
Cash and cash equivalents at end of period		-3.5	5.9	-3.5	5.9	11.5

DKKkm	Q2 2018/19	Q2 2017/18	Q1-Q2 2018/19	Q1-Q2 2017/18	FY 2017/18
Spec. A: Adjustments for non-cash items					
Depreciation, amortisation and impairment	11.5	2.4	14.3	4.9	10.5
Provisions	-0.1	0.1	0.1	0.1	-0.3
Foreign exchange adjustment	-0.1	0.3	-0.1	-0.4	-0.1
Transfers regarding write-off of inventories and receivables relating to Servion	10.1	-	10.1	-	-
	21.1	2.8	24.4	4.6	10.1
Spec. B: Change in working capital					
Change in inventories	7.6	36.9	3.5	36.5	32.7
Change in receivables	-7.2	-10.2	5.0	-2.8	0.7
Adj., current portion of seller financing	-	1.3	-	1.3	-
Change in current liabilities	-6.7	-12.8	-10.4	-20.3	-7.6
Transfers to adjustments for non-cash items regarding write-off of inventories and receivables relating to Servion	-10.1	-	-10.1	-	-
	-16.4	15.2	-12.0	14.7	25.8

Notes to the financial statements

1. Accounting policies
2. Estimates
3. Seasonality
4. Segment information

Note 1 – Accounting policies

The interim report is presented in accordance with IAS 34 “Interim Financial Reporting” as adopted by the EU and Danish disclosure requirements for listed companies. No interim report has been prepared for the parent company.

The accounting policies applied in the interim report are consistent with those applied in Roblon’s annual report for 2017/18, which was prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies. For a more detailed description of the accounting policies, see the annual report for 2017/18.

New or amended standards and interpretations which have come into force effective for the financial year 2018/19 have no effect on recognition and measurement.

Note 2 – Estimates

The preparation of interim reports requires Management to make accounting estimates that will affect the accounting policies and recognised assets, liabilities, income and costs. Actual results may differ from these estimates.

The most significant estimates made by Management in applying the Group’s accounting policies and the most significant uncertainties associated

therewith in preparing the condensed interim report are identical to those applying to the preparation of the annual report for 2017/18.

Note 3 – Seasonality

The Group’s activities in the interim report have not been affected by seasonal or cyclical fluctuations.

Note 4 – Segment reporting

Roblon’s management reporting is based on one segment comprising the following product groups:

- FOC (comprising cable materials and cable machinery for the fibre optic cable industry)
- Composite (comprising composite materials for onshore and offshore industries)

DKKkm	Q2 2018/19	Q2 2017/18	Q1-Q2 2018/19	Q1-Q2 2017/18	FY 2017/18
4. Segment reporting, continued					
Revenue from external customers:					
By product groups					
FOC	36.9	25.3	65.6	64.2	125.5
Composite	20.3	19.3	46.6	44.3	96.3
Total	57.2	44.6	112.2	108.5	221.8
By geographical markets					
Denmark	1.4	0.5	1.9	8.1	12.3
United Kingdom	9.3	9.9	14.5	21.6	37.0
Portugal	4.2	-	25.9	-	17.6
Rest of Europe	15.2	10.4	24.9	31.9	54.6
Asia	6.7	3.4	9.6	5.3	15.6
Brazil	3.8	9.8	3.9	19.3	27.8
Latin America	4.8	2.8	9.1	8.5	17.0
USA	11.8	7.8	22.4	13.8	39.9
Total	57.2	44.6	112.2	108.5	221.8

Of the Group’s non-current assets, DKKm 56.5 were located in Denmark (2017/18: DKKm 45.3) and DKKm 18.9 in North America (2017/18: DKKm 26.5).

The Group’s revenue largely derived from the sale of goods.

Of the Group’s total revenue, DKKm 25.9 could be attributed to a single customer (2017/18: DKKm 21.1). Revenue from single customers constituted more than 10% of the Group’s total revenue for H1 2018/19 and 2017/18, respectively.