

ANNUAL REPORT

2015/16



CONTENTS

HIGHLIGHTS	4
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MANAGEMENT'S REVIEW	5
Introduction	
Financial highlights	
Presentation of the Board of Directors and the Executive Board	
Selected activities in the past year	
Review	
Financial review	
Shareholder information and corporate governance	
Company information	
The history of RIAS	
<hr/>	
FINANCIAL STATEMENTS 2015/16	26
Statement of comprehensive income	
Balance sheet	
Statement of changes in equity	
Cash flow statement	
Note to the Financial Statement	
<hr/>	
MANAGEMENT'S STATEMENT	44
<hr/>	
INDEPENDENT AUDITOR'S REPORT	45
<hr/>	



WE WANT TO BE SEEN AS A FLEXIBLE AND SERVICE-MINDED ORGANISATION

Today, RIAS's organisation is even more robust than in the financial year 2014/15 when a number of restructuring efforts took place. In the financial year just ended, a trimmed and dedicated organisation has succeeded in maintaining and expanding our focus on creating value for our customers and increasing earnings.

Creation of value is a consequence of RIAS having full control of the internal processes that are to create external results. A very good example is our procedure in connection with inventory inquiries. Via an iPad, a RIAS salesperson can log into our inventory system and immediately inform the customer about the stock position of a requested article. This improves customer service and has also reduced the number of phone calls to our sales support by 30 per cent.

This example is just one of many that together have made it possible for us to increase our gross profit concurrently with increased customer focus through optimised flexibility and speed.

We want to be seen as a flexible and service-minded supplier and, therefore, surveying our customers about their RIAS experience remains a pivotal part of our development. Did the customer get the correct article? Was it delivered on time? Was the contact to our employees top notch? In this way, we are able to make adjustments, if required. In that

connection, we are pleased to be the benchmark for other companies in the thyssenkrupp Group.

RIAS is a robust company. Profit before tax for the year amounted to DKK 7.9 million based on sales of DKK 266 million. We improved our contribution margin as, for example in cooperation with our suppliers, our procurement department has organised purchases even better than in previous years.

Full scale in Sweden

In recent years, we have worked on gaining a foothold in the Swedish market, and we have now hit the market full scale with four employees and own office in Stockholm, including naturally complete sales promotion material in Swedish to obtain the best possible customer contact.

Sales to our Swedish customers have developed positively, and we benefit from RIAS also in the Swedish market being the supplier of semi-finished plastic products with the most extensive programme.

3D first mover

Our production department, RIPRO, should also be mentioned as new opportunities for this department continue to arise. Therefore, we continue to invest in the department, which in the financial year has acquired both a five-sheet cutter that, without cutting up the

sheet, is able to further process whole sheets. We have moreover acquired one of Denmark's most advanced 3D printers and want to be first mover in the 3D printing market. We have noted that a wide range of different industries worldwide use components produced by 3D printers. The scope of application is wide - from the aviation and the car industries to suppliers of prosthetic devices that replace amputated limbs. 3D printing is moreover one of the areas where RIAS benefits from being a part of the thyssenkrupp Group, which also in the processing area allocates very large sums to the development of new products for our customers.

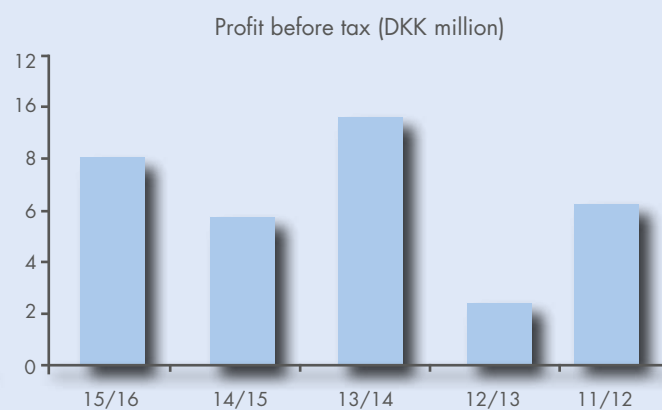
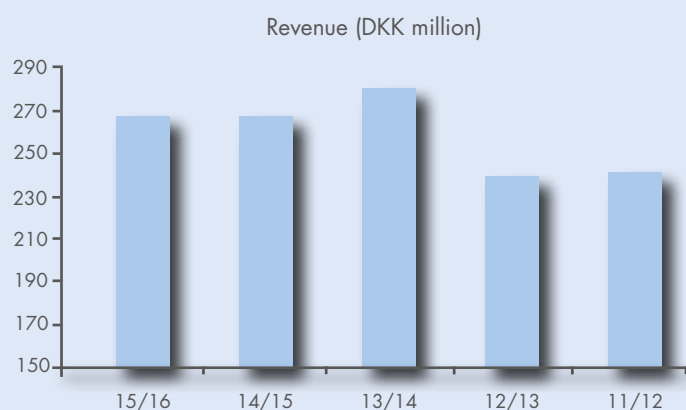
At the end of this financial year, we are pleased to note, as in previous years, that RIAS remains the top supplier of semi-finished plastic products in Denmark and, moreover, that our entry into the Swedish market has manifested our commitment to expanding our market segment.

Henning Hess
CEO
RIAS A/S

MANAGEMENT'S REVIEW

Financial highlights

	2015/16	2014/15	2013/14	2012/13	2011/12
Income statement (DKK million)					
Revenue	266.2	265.8	279.4	238.2	240.1
Cost of sales	184.8	185.0	195.7	165.1	164.4
Gross profit	81.5	80.8	83.7	73.1	75.7
Capacity costs	68.9	70.6	69.8	65.7	64.8
Depreciation and amortisation	4.3	4.3	4.2	4.9	4.6
Profit before financial income and expenses	8.3	5.9	9.7	2.5	6.3
Net financials	-0.4	-0.3	-0.2	-0.2	-0.1
Profit before tax	7.9	5.6	9.5	2.3	6.2
Corporation tax	1.7	1.3	2.3	-0.5	1.9
Net profit for the year	6.3	4.3	7.2	2.8	4.3
Balance sheet at 30 September (DKK million)					
Non-current assets	100.3	99.5	102.6	104.7	109.6
Current assets	108.3	101.5	103.0	98.7	87.8
Assets	208.6	201.0	205.6	203.4	197.4
Equity	162.5	160.5	160.7	158.1	157.6
Deferred tax	9.4	9.7	10.0	10.3	11.8
Short-term liabilities	36.7	30.8	34.9	35.0	27.9
Liabilities and equity	208.6	201.0	205.6	203.4	197.4
Cash flows (DKK million)					
Cash flows from operating activities	15.8	3.7	4.3	10.1	10.6
Cash flows from investing activities	-4.7	-0.8	-1.8	0.2	-0.1
Including investments in property, plant and equipment of	-4.7	-0.5	-1.9	-0.3	-1.0
Cash flows from financing activities	-4.2	-4.6	-4.6	-2.3	-3.0
Total cash flows	6.9	-1.7	-2.1	8.0	7.5
Average number of fulltime employees	92	95	90	92	89



MANAGEMENT'S REVIEW

Ratios

	2015/16	2014/15	2013/14	2012/13	2011/12
Gross margin					
Gross margin	31%	30%	30%	31%	32%
Profit margin	3%	2%	3%	1%	3%
Return on assets	5%	3%	5%	1%	3%
Profit per DKK 100 share	27	20	31	12	19
Dividend per DKK 100 share	20	18	20	20	10
Equity value per DKK 100 share	705	697	697	686	683
Return on equity before tax	5%	4%	6%	1%	4%
Return on equity after tax	4%	3%	4%	2%	3%
Solvency ratio	78%	80%	78%	78%	80%
Market price per DKK 100 share at 30 September	390	460	503	495	475

The ratios have been calculated in accordance with the "Recommendations and Ratios 2015" issued by the Danish Society of Financial Analysts, except for profit per share which has been calculated in accordance with IAS 33.

Definition of financial ratios:

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

Profit margin is calculated as profit before financials in percentage of revenue.

Return on assets is calculated as profit before financials in percentage of average operating assets for the year, ie of total assets less cash at bank and in hand and fixed asset investments.

Profit per DKK 100 share is calculated as profit for the year divided by 1/100 of the share capital after deduction of the Company's holding of treasury shares at 30 September.

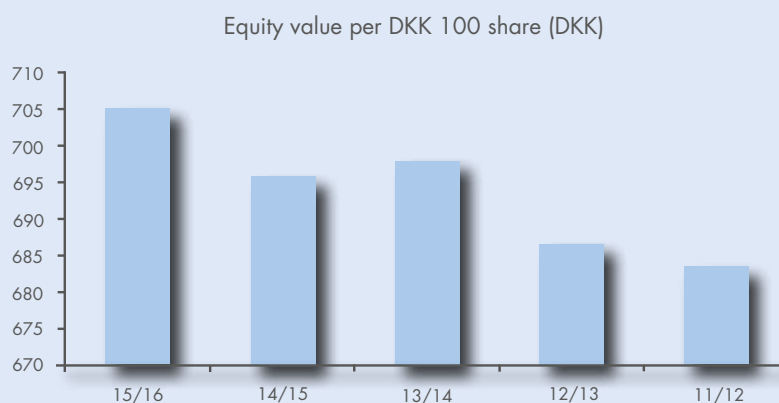
Dividend per DKK 100 share is calculated as dividend divided by 1/100 of the share capital after deduction of the Company's holding of treasury shares at 30 September.

Equity value per DKK 100 share is calculated as equity at 30 September divided by 1/100 of the share capital after deduction of the Company's holding of treasury shares at 30 September.

Return on equity before tax is calculated as profit before tax in percentage of average equity for the year.

Return on equity after tax is calculated as net profit for the year in percentage of average equity for the year.

The solvency ratio is calculated as equity at 30 September in percentage of total assets at 30 September.



MANAGEMENT'S REVIEW

Board of Directors



Jürgen Westphal
Chairman

Joined the Board of Directors
in January 2010

Directorships in other companies:
CEO, thyssenkrupp Plastics GmbH,
Essen, Germany

Chairman for the board of Directors:
thyssenkrupp Plastics GmbH, Essen ,
Germany

Röhm Italia S.r.l., Garbagnate
Milanese, Italy

Neomat AG, Beromünster/Luzern,
Switzerland

Notz Plastics AG, Brügg, Switzerland

thyssenkrupp Plastic Ibérica SL
Massalfassar (Valencia), Spain

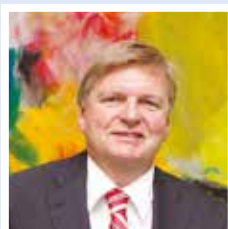
Member of the board of Directors:
Röhm Italia S.r.l., Garbagnate
Milanese, Italy

thyssenkrupp Plastics Belgium nv/sa,
Belgium

Ferona Thyssen Plastics s.r.o., Velká
Bystrice, Olomouc, Czech Republic
thyssenkrupp Materials Nederland
B.V., Amsterdam, Netherlands

Counselor

thyssenkrupp Materials Austria GmbH,
Austria



Dieter Wetzel
Member of the Board of Directors

Joined the Board of Directors
in January 2010

Directorships in other companies:
Financial Manager, thyssenkrupp
Plastics GmbH, Essen , Germany

Member of the Board of Directors
thyssenkrupp Plastics Belgium nv/sa,
Belgium



Steen Raagaard Andersen
Vice-chairman

Joined the Board of Directors
in January 2011

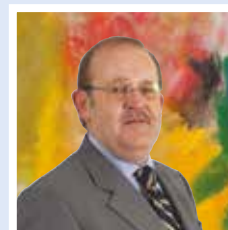
Directorships in other companies:
Partner, Lund Elmer Sandager, Copenhagen

Member of the board of Directors:

1887 A/S
1887 Consult A/S
1887 LAB ApS
Action International A/S
Audio Media A/S
Brdr. Rønje Holding A/S
Copenhagen Partners A/S
Ejendomsselskabet Nørrebrogade 43 A/S
Frank Sæbø Hansen Holding A/S
Genius Access A/S
IHR Holding A/S
Junker - Projektudvikling A/S
Kapitalformidlingsinstituttet A/S
Kongeeegen A/S
Kontant Foto A/S
Living House Copenhagen A/S
Lægeforeningens Boligers Fond
Margrethegaardens legat
Moos A/S
Nensius A/S
RIAS A/S
Santropa A/S

Member of the Executive Board of:

Ejendomsselskabet
Nørrebrogade 43 A/S



Peter Swinkels
Member of the Board of Directors

Joined the Board of Directors
in January 2011

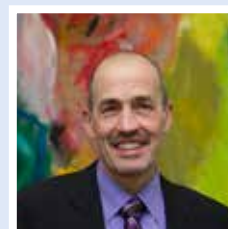
Directorships in other companies:
Member of the board of Directors:
thyssenkrupp Materials Nederland
B.V., Amsterdam, Netherlands

Member of the Executive Board of:
thyssenkrupp Plastics Belgium nv/sa,
Belgium



June Svendsen
Member of the Board of Directors
Employee representative

Joined the Board of Directors
in December 2014



Søren Koustrup
Member of the Board of Directors
Employee representative

Joined the Board of Directors
in December 2011

MANAGEMENT'S REVIEW

Management



Henning Hess
CEO

Member of the Board of Directors:
Mira Byggeprodukter A/S



Anders Topp
Division Manager
Building & Construction



Henrik Just Kristiansen
Division Manager
Industry/Viscom/RIPRO



Dannie Michaelsen
CFO



Britta Hvalsø Olsen
HR Manager

RIAS LEADS THE WAY IN 3D PRINTING

One of Denmark's most advanced 3D printers puts RIAS in the lead in the production of plastic components.

With its Stratasys 3D printer, RIAS has gained traction as one of the pioneers in a technology that holds undreamt of possibilities for a large number of industries. The printer, which is one of the most advanced of its kind in the Danish market, makes it possible for RIAS to provide components for such widely different areas as manufacturers of prosthetic devices, spare parts for the car industry as well as machine components for the food and the aviation industries.

- The only limit is your imagination. We can see that right now the 3D printing market is growing by more than 25 percent, and we want to be first mover in the Danish market, says Henning Hess, CEO at RIAS A/S.

One of our first productions was delivered to Canada where components

from RIAS are included in scanners used by the library service.

The expensive printer is located in RIAS's production department which is also where specialists and extensive machinery solve highly specialised assignments. The printer is just the most recent feature.

A good reply to industry needs

The Stratasys 3D printer is for example characterised by printing at constant high heat, which ensures that the product to be printed gets a homogeneous and robust structure, and RIAS can offer 3D printing in a wide range of materials that are approved for both food and aviation.

In the world market, companies like Mercedes-Benz and Siemens have already made their mark with 3D printed

spare parts for cars and trains, respectively, and in the aviation industry, 3D printing meets the manufacturers' demands for light and durable products.

- As a part of the thyssenkrupp Group, we benefit from the development work that our colleagues in other countries carry out together with some of the world's largest companies, and we are therefore able to draw on the latest knowledge in the area.

This also means that we can offer the SLS (selective laser sintering) and SLM (selective laser melting) printing technologies that the group companies in Germany have invested in. In Denmark we also have a good working relationship with researchers and students at the Technical University of Denmark, says Henning Hess.

Many advantages

One of the advantages of 3D printing is the possibility of reducing our inventory of components that may never be used.





- For example, a car manufacturer with an outdated technology will have to have a spare parts inventory, whereas with the 3D printer we are able to produce the spare part when and if the need arises. Another example is the holders for the headsets that pilots use. If the holder breaks, the headset must be replaced by a new and expensive headset, but thanks to the 3D printer we can produce the spare part and save the airline a considerable expense.

- The same quick response is an obvious advantage when it comes to the printing of prosthetic devices and bone parts; in very little time, the precise technology can ensure that the amputated patient can get a correctly fitted prosthesis, says Henning Hess.

Less work

Another technology benefit is the printer's ability to produce complex, hollow components.

- Plastic is already a good material as lightness and resistance to breakage go hand in hand, and with the printer we can also produce complex and hollow components, which reduces the weight further, says Henning Hess.

The possibility of printing in one working cycle also implies that products with a number of elements that were previously assembled in the assembly department are now finished the moment they leave the printer. This saves man-hours.

As an additional advantage, the printer works with certified plastic, which is important to different customer categories who must be able to document all stages of the generation of a product.

Growth is in the industrial sector

At first, the expectations were high with regard to 3D printers for the private sector, but the development has shown that strong growth was in the

industrial sector. RIAS is now part of this development.

Read more about RIAS's production department here: www.rias.dk/ripro

Photo:

The 3D printer is one of the most advanced of its kind in Denmark and gives RIAS new opportunities of providing the industrial sector with machine parts and spare parts in such widely different areas as cars, planes and medico.

The turbine wheel on the above photo is one of the results of the printer's ability to produce complicated structures.

The 3D printer meets the industry's precision requirements for machine components. On the left, you see a spraying nozzle.



LEDON AND RIAS IN COMMON EFFORT TO DEVELOP NEW PLAYGROUND PRODUCTS

Since 1969, the company Ledon domiciled in the southern part of Jutland has provided the Danish and foreign markets with playground equipment. The industry is highly characterised by the development of new products, and the cooperation with RIAS contributes to giving the family business in Arnum insight into new materials and technologies.

With an export share of 75 per cent, the Danish manufacturer of playground equipment Ledon in Arnum in the southern part of Jutland leaves its mark on childcare centres, housing associa-

tions and homeowners' associations in approximately 25 countries. Today the company that was founded by Leo Donbæk in 1969 is headed by three generations: Leo Donbæk, Founder, is

today a member of the Board of Directors, his son, Tom Donbæk, is CEO and Tom Donbæk's daughter, Simone Donbæk, works in marketing and product development.

From plywood to polyethylene

The cooperation with RIAS is based primarily on the supply of polyethylene sheets in different shapes and colours, says Tom Donbæk, CEO.

- 20 years ago, we developed the sheet together. In the middle of 1990's, play-

ground equipment was typically made of plywood, but this is a vulnerable material. If a child hits the plywood with a stone, it will quickly be damaged and, subsequently, moist will cause the sheet to decay. We wanted to replace the plywood with polyethylene sheets but the problem was that only one side of the sheets available was nice to look at. Together with RIAS, we however succeeded in creating a sheet with two visually appealing sides that met our performance criteria.

Product development

Ledon is in an industry that is highly characterised by product development, and all the year round three staff members are engaged in finding new products and uses for Ledon's product range. Approximately once a year, Ledon and RIAS moreover together assess any new materials that might be of interest to Ledon.

- That is one of the reasons why we are a customer of RIAS; in this way we are not alone in keeping our eyes and ears open for any new opportunities. This also applies to insight into what is happening in other industries. Can we, for example, draw on knowledge and experience from agriculture or the car industry? We have seen that a product which we had wanted for five years

suddenly appeared because the car industry needed it – and we benefitted from it, says Tom Donbæk.

Lars Vollmers, Key Account Manager, RIAS, agrees:

- We would like to be the extended arm into the plastic industry and cooperate about optimising Ledon's business. At the same time, we appreciate that Tom Donbæk and his staff are good at challenging us in the process of coming up with new ideas.

Primarily Europe

Ledon's large 75 per cent export share goes primarily to Europe, but some of the company's products also go to the Far East. Scandinavia is a world hub for the development and production of playground equipment, not least because the Scandinavian countries have a highly developed childcare institution sector with a great demand for playground equipment.

The production takes place mainly at the domicile in Arnum where Ledon has 3,000 square metres of modern warehouse, production and administration facilities under one roof. Sales in Denmark are effected directly to the customers whereas, abroad, Ledon has a network of partners and agents.

Read more about RIAS industry here: www.rias.dk/industri

Photo:

Playground equipment is intended to be used and needs to be robust. Since 1969, Ledon has provided high-quality playground equipment to the Danish and international markets.

Ledon and RIAS have worked closely together for 20 years. The cooperation implies, for example, that RIAS keeps Ledon updated about the development of new materials.





IT PAYS TO BE READY FOR CHANGE

RIAS viskom, the department for visual communication, continues to grow and exceeds expected results for the financial year.

Products for LED lighting continue their increase from last year. A wooden sheet has been successfully launched, and the lightweight sheet SMART-X maintains its growth.

Therefore, all in all, it has been a good year for RIAS viskom, which works in the market for visual communication. According to Henrik Just Kristiansen,

Division Manager, the success is due to the Company's strong focus on having a product range that matches the trade pattern of its customer group – the sign industry and, generally, the creative industry.

LED lights are a hit

- We regularly carry out customer surveys to make sure that we are on the right track in a changing market. In

recent years, we have been successful in marketing LED lights as they complement our acrylic products for illuminated signs, says Henrik Just Kristiansen.

- Our customers have really embraced this energy efficient solution combined with our products where the content of pigment substances has been optimised in order to spread the LED light. We have built up core competence in LED and have been in close dialogue with many of our customers in order to design exactly that creative solution which our customers may pass on to their customers.

RIAS – now also with wood

RIAS is known for having an even very wide range of semi-finished plastic products. During the year, we put a new and very different product on the shelves: BANOVA® made of sustainably sourced wood. The choice of material makes the BANOVA® sheet 50-70 per cent lighter than traditional plywood sheets, and it is dimensionally stable.

- Why is a plastic company suddenly marketing wooden products? This is again based on our wish to be at the leading edge of the market, says Henrik Just Kristiansen. There is nothing wrong with plastic, but we are not fanatic, and we have a customer segment that demands different materials on which they can print directly and which they can process in their existing machinery. Plastic remains our main product, but we are prepared to break the frame. It is important to us that our customers can use the product, and that we are able to process it. BANOVA® has its own niche in the market. I see it as an attractive supplement that will create additional sales.

It takes innovation

Henrik Just Kristiansen adds that sometimes you need to take a chance with a product that the market may not yet be ready for.

- It is our drive for innovation that creates growth. We are good at finding products that supplement our existing products. In the market for visual communication, you really need to be creative and innovative. Our products are often used by companies that themselves introduce new products several times a year. Therefore, as a supplier, you are in a strong position if you are open and think new ideas that your competitors have not yet thought about, says Henrik Just Kristiansen.

He expects that at some point Banova will be followed up by other new products that will also surprise the industry. However, at the same time RIAS Viskom is always considering how to improve existing products or use them in new contexts.

Everything from the same place

SMART-X, which is also a relatively new RIAS product, has shown sound growth in the year. It is a lightweight sheet made of polystyrene, lighter than PVC and well suited for many of the processing methods that our customers use.

SMART-X is not a new product in the same way as Banova, but it is again an example of RIAS's readiness to take in new products. Acrylic remains our main product for visual communication, and it has been in the market

since 1933; however, also in this respect our preparedness for change is demonstrated.

- We have launched acrylic products that go hand in hand with the new LED lighting technology. But we also focus on providing our customers with accessory products such as adhesives, cleaning and polishing agents that are used for acrylic to a large extent. Our strategy is to have the widest range in the market. The name of the game is to make it simple for our customers so that they can get everything from the same place, says Henrik Just Kristiansen.

Read more about RIAS visual communication here:
www.rias.dk/viskom

Photo:

A mix of new and known products plays an important part in maintaining and developing RIAS's position as supplier for the visual communication market. In recent years, acrylic products have been supplemented by LED solutions, the lightweight sheet SMART-X and the brand new BANOVA® wooden sheet.



SWEDEN – A PROMISING MARKET FOR RIAS

Having the widest product range in the market and having established a competent organisation have ensured RIAS a good position in the Swedish market.

RIAS has seen sales increasing by 20 per cent each year over the past three years and has gradually gained a foothold in the Swedish market. During the financial year, this position has been further expanded making it possible for RIAS to reach even more customers.

The interest is there

For Anders Topp, Division Manager at RIAS, it has been a very positive experience to head the work of ensuring the Swedish sales organisation a good foothold in Sweden.

- We have been met with considerable interest and open doors, and we can see that new customers are prepared to test us. We typically start out with small deliveries and get to know each other, then the business relationship expands.

We are fully aware that we cannot expect to have a dominating market share after just a few years in the market, but one of the benefits we can offer our Swedish customers is the widest product range in the market. We are the supplier with the largest selection of thermos roofing, trapezoidal sheets, sheets for hobby use and special products such as soft tiles, and we have a very wide range of technical plastic. The extensive product range therefore implies that we are able to meet the demands of a customer who would otherwise have to do business with two or three different suppliers in order to get the same products.

It started with building & construction

Originally, products from our building & construction department were offered to the Swedish market, but the

interest in products for industry and visual communication as well as processed products from RIPRO has also manifested itself to a degree that Swedish customers now have access to the full RIAS programme. This applies to, for example, the Roofing Calculator, which has been a great success in Denmark since 2011 and which is being developed on an ongoing basis.

Reliable organisation

The build-up of the Swedish sales organisation is essential for our reliability and impact. Per-Olof Ekstrand, Sales Manager, has been employed by RIAS to head the Swedish organisation. He has previously been working for a competing enterprise and, therefore, has thorough knowledge of the market.

- Besides his industry knowledge, Per-Olof has extensive product knowledge that creates great value for our customers.

The Swedish organisation moreover includes two sales persons who together





with Per-Olof Ekstrand cover the entire RIAS product range. We also have a fourth Swedish employee at our head office in Roskilde who acts as backup for the Swedish colleagues and, moreover, two Danish employees work as salespersons for selected industries in the southern part of Sweden.

We are RIAS Sweden

- Today we can quite rightly say that we are not only a Danish company with activities in Sweden, but that we are actually RIAS Sweden. An important element of this is that all sales promotion material is in Swedish, and that our website is also in Swedish so that our customers can get a full overview of our product range and services without any problems, says Anders Topp.

RIAS's customers in the Swedish market include DIY centres such as BAUHAUS

and jem & fix. The two chain stores have in total more than 50 centres in Sweden, and these large customers are part of the explanation of Swedish sales in building-related products now constituting a double digit percentage of total sales in building & construction, says Anders Topp, Division Manager.

Read more about RIAS Sweden here: www.rias.se

*Photo:
With the opening of the new Swedish head office in Stockholm, RIAS marks its continued expansion in the Swedish market. Sales in Sweden have been steadily increasing since the first year*

and include for example deliveries to large chain stores such as BAUHAUS and jem & fix. Today, RIAS has four Swedish employees who, headed by Per-Olof Ekstrand, Sales Manager, provide services to an increasing number of customers. They are moreover assisted by two Danish sales persons who provide services to the South Swedish market. The photos show the opening of the office facilities when the symbolic ribbon was cut by (from the left) Per-Olof Ekstrand, Sales Manager, Henning Hess, CEO, and Anders Topp, Division Manager.



FIVE SUCCESSFUL YEARS WITH THE ROOFING CALCULATOR

Since the introduction in 2011, the Roofing Calculator has developed into a popular tool which quickly and uncomplicatedly guides our customers towards the finished roof solution.

What is the roof for the carport, the terrace, patio or the conservatory to look like? Since 2011, RIAS has made it easy for our customers to make a quick and uncomplicated calculation themselves of the elements that are needed to reach the desired result. Now the Roofing Calculator has been further developed to include pitched and arcshaped roof solutions.

Keep it simple

The simplicity of the Roofing Calculator is the key explanation for its success. There are only four steps to the final order form showing all the components for the roof and, at the same time, you get an updated picture on your computer, tablet or mobile that clearly shows rafters, battens, joints, attachments to other buildings, fascia boards, etc.

The Roofing Calculator is moreover so user-friendly constructed that it is, for example, impossible to place rafters too far apart or roof sheets so that they will curve due to too wide a span. The Roofing Calculator adjusts the details during the short process so that the finished list of components for the patio or the carport includes exactly the elements required for a visually good-looking and structurally correct roof.

More options

- The first version of the Roofing Calculator was only intended for flat roofs, but with the option of making calcula-

tions for arc-shaped and pitched roofs, we are able to meet the strong demands from consumers and DIY centres for more variations, says Anders Topp, Division Manager of building & construction.

The Roofing Calculator has gained such good grounds in the market that a number of RIAS's customers among DIY centres include the Roofing Calculator in their web environment along with the RIAS products in the database. For the DIY centres, the Roofing Calculator offers the clear advantage that the staff need not be 100 per cent into every detail about all the elements of a thermal roof; the information is a ready available in the database and, thus, the Roofing Calculator makes it easy for the individual staff member to give professional advice.

User-friendly

- It is clear that consumers become still more self-reliant, and every day we receive phone calls from DIY centres where a customer has obtained a calculation number after having used the Roofing Calculator. The Roofing Calculator also makes it easier for consumers to work with different alternatives and obtain different offers so that they can decide where they want to make their purchases, and whether they want one or the other solution, says Anders Topp.



Satisfied timber merchants

Lavpris Træ in Næstved, Køge, Slagelse and Hillerød is one of the timber merchants using the Roofing Calculator. Michael Ravn, who owns Lavpris Træ together with Christian Ravn, says that all staff members have their own login so that the individual timber yard is also able to serve more customers at the same time.

- We have also put the Roofing Calculator on our web shop so that our customers may be served there and quickly get an overview. The Roofing Calculator is quick and easy to work with, and there is naturally also the great benefit that we are able to provide our customers with an overview and a price on Saturdays or other days when RIAS is not open. It is a great advantage that we do not need to call RIAS; we are able, together with the customer, to manage the entire process from design to the final offer here and now.

Also for the Swedish market

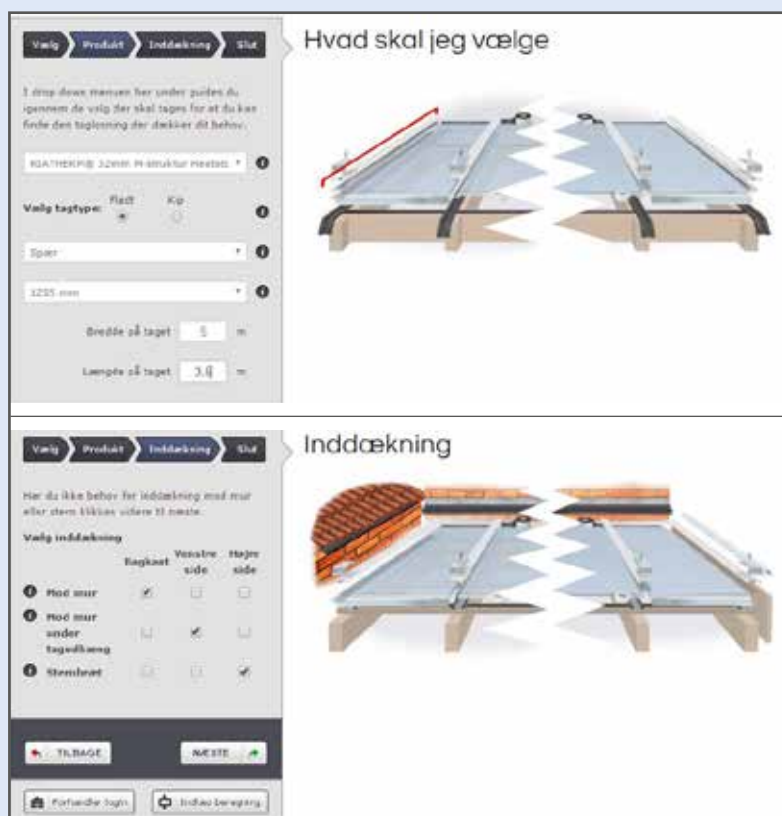
After RIAS's initiative in 2011, a number of competitors have launched roofing calculators, but none of them have a product range as large as RIAS's. The RIAS Roofing Calculator is also available in Swedish.

Anders Topp sees the Roofing Calculator as an example of a development that is going to accelerate:

- Everybody can use the Roofing Calculator, and you do not need to be a trained builder or a specialist in a DIY centre. Moreover, the accessibility is optimal. The only thing you need is a mobile, a tablet or a computer, and it is precisely such user-friendly solutions that make us able to build an even stronger customer awareness about RIAS.

Read more about RIAS building & construction here:
www.rias.dk/byggeri

Photo:
Lavpris Træ Hillerød is one of the timber merchants that have adopted the Roofing Calculator and incorporated it into the company's own web shop. Frank Torben Knudsen, timber yard salesman, and his colleagues each have their own login so that Lavpris Træ is able to serve more customers on the Roofing Calculator at the same time.



**Have a look
at tagberegning.rias.dk**

**Here you can easily calculate
which parts are needed for your
thermo roof.**

MANAGEMENT'S REVIEW

Review

Mission

RIAS's mission is to provide plastic materials of high quality in Scandinavia.

The Company operates in the two following product areas:

- Sale, processing and distribution of semi-finished plastic products to all sectors of the building and construction industry.
- Sale, processing and distribution of semi-finished plastic products to the industrial and the public sector.

Long-term objective

The long-term objective of RIAS A/S is to increase our market value through organic growth and to give our shareholders a competitive return on invested capital.

It is the Company's objective to maintain our position as the largest supplier within semi-finished plastic products in Denmark.

Operations

In total, revenue increased by 0.2% compared to 2014/15. Revenue increased by DKK 438k from DKK 265,806k in 2014/15 to DKK 266,244k in 2015/16.

In 2015/16, the Company realised a profit before tax of DKK 7,904k compared to DKK 5,630k in 2014/15, which corresponds to an increase of 40.4%.

A summary of our expectations for 2015/16 published in the Annual Report for 2014/15 shows that the Company has fully met the announced earnings expectations, which was a profit before tax of between DKK 7-9 million. This should, not least, be seen in the light of the very competitive market and, thus, increasing pressure from competitors.

Financing

In 2015/16, the Company's operating cash flows were positive at DKK 15,752k, and at 30 September 2016 the Company remains free of any debt to credit institutions.

Investments

In 2015/16, the Company made a number of current investments in fixtures and fittings, tools and equipment to ensure the continued development of the Company's activities. The investments amount to DKK 4,722k.

Expectations to 2016/17

Despite the continued low level of activity in the economy, we will continue to focus on optimising the organisation and maintaining growth in market shares and earnings in the financial year 2016/17. Based on this, the Board of Directors expects a profit before tax in the range of DKK 7-9 million for the financial year 2016/17.

Special risks

Operating risks

Unforeseen price fluctuations and discontinuation of trade with major 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 the Company's management of such risks focuses exclusively on managing financial exposures that are a direct consequence of the operations and financing of RIAS A/S. The Company has no derivative financial instruments.

Interest rate risks

The Company does not enter into interest rate positions to hedge against interest rate exposures as moderate changes in the interest rate level will have no material effect on earnings.

Credit risks

The Company's credit risks relate to trade receivables.

The Company's policy is 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 to the extent necessary.

Foreign exchange risks

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

Liquidity risks

The Company only has debt which falls due within one year, cf. the balance sheet.

payment of this debt, DKK 36.7 million, can be fully covered by payments from receivables and bank deposits.

Intellectual capital

The Company has specific knowledge and competencies within the area of trade in semi-finished plastic products.

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

On average, the Company has employed 92 fulltime employees in 2015/16, which is 3 less more than in 2014/15. The Company had 94 fulltime employees at 30 September 2016, which is two more than at 30 September 2015.

The environment

The Company strives to limit its environmental impact at any time.

The environmental impact in itself is, however, insignificant as the Company's activities comprise mainly distribution and sale of semi-finished plastic products but not any production.

The Company is not involved in any environmental cases.

Research and development activities

The Company has no separate research activities but develops its business and competencies on a current basis.

Incentive programmes

The Company does not have any incentive programmes.

Subsequent event

No events materially affecting the Company's Financial Statements for 2015/16 have occurred after the balance sheet date.

MANAGEMENT'S REVIEW

Financial Review

Income statement

Revenue

Revenue increased by DKK 438k from DKK 265,806k in 2014/15 to DKK 266,244k in 2015/16.

Revenue in the Industry Division increased by DKK 1,504k from DKK 174,139k in 2014/15 to DKK 175,643k in 2015/16. The year began with increasing demand mainly driven by domestic demand in the advertising business but towards the end of the year the demand was slightly decreasing. Production realized a slightly lower turnover compared to last year.

Revenue in the Building & Construction Division decreased by DKK 1,065k from DKK 91,667k in 2014/15 to DKK 90,602k in 2015/16, corresponding to a decrease of 1.2%. The decrease is partly due to a weak turnover on roof related building supply and is a result of a general lack of growth in the building supply stores.

Gross profit

Gross profit increased compared to 2014/15 despite of a very competitive market.

Distribution and administrative expenses

Expenses decreased by DKK 1,719k from DKK 74,924k in 2014/15 to DKK 73,205k in 2015/16, corresponding to an decrease of 2.3%. This is partly due to less staff during the year.

Financial income and expenses

Net financials showed an expense of DKK 380k in 2015/16 compared to DKK 253k in 2014/15.

Tax on profit for the year

The effective tax rate for 2015/16 is 20.96% compared to 23.5% in 2014/15 which primarily is due to a change in deferred tax as a consequence of changed tax rate in calculating deferred tax.

Net profit for the year

The net profit for 2015/16 is DKK 6,247k compared to DKK 4,309k in 2014/15.

Balance sheet

Intangible assets

Intangible assets have decreased from DKK 59,101k at 30 September 2015 to DKK 57,899k at 30 September 2016. The most important intangible asset is goodwill of DKK 53,085k, which relates to the acquisition of the activities of Rodena A/S and Nordisk Plast A/S. The goodwill values have been subjected to an impairment test, which is described in detail in note 10 to the Financial Statements.

Software amounts to DKK 4,351k at 30 September 2016 compared to DKK 5,399k at 30 September 2015.

Property, plant and equipment

Property, plant and equipment have increased from DKK 40,467k at 30 September 2015 to DKK 42,415k at 30 September 2016. The increase is due to investment in new machines which have been done in order to secure the continued development of the activities.

Inventories

Inventories decreased by DKK 2,349k from DKK 30,629k at 30 September 2015 to DKK 28,280k at 30 September 2016, corresponding to an decrease of 7.7%. The Company focuses on a current basis on adjustment inventories to match the existing market.

Receivables

Receivables increased by DKK 1,969k from DKK 49,789k at 30 September 2015 to DKK 51,758k at 30 September 2016, which primarily is attributable to the increased activity level in the second half of the year.

Liabilities

Liabilities increased by DKK 5,607k from DKK 40,503k at 30 September 2015 to DKK 46,110k at 30 September 2016, corresponding to an increase of 13.8%. The increase is mainly due to increase in trade debtors and company tax

Cash flows

Operating activities

Cash flows from operating activities increased by DKK 12,004k from DKK 3,748k in 2014/15 to DKK 15,752k in 2015/16. The change in cash flows relates to changes in the working capital.

Investing activities

Cash flows from investing activities increased by net DKK 3,886k from net investment of DKK 836k in 2014/15 to a net investment of DKK 4,722k in 2015/16.

Liquidity resources

The Company's total cash at bank and in hand has increased by DKK 6,879k from a deposit of DKK 17,897 at 30 September 2015 to a deposit of DKK 24,776 at 30 September 2016.

MANAGEMENT'S REVIEW

Shareholder Information and Corporate Governance

Shareholder information

Statutory Statement on Corporate Governance under section 107b of the Danish Financial Statements Act

Company Management believes that corporate governance is a key element and currently seeks to improve the Company's management structure. The overall framework for the Management of RIAS A/S has been planned with a view to ensuring that the Company meets its obligations towards shareholders, customers, employees, authorities and other stakeholders in the best possible way and that long-term value creation is supported.

The Board of Directors of RIAS A/S currently works on ensuring that the Company complies with the policies and procedures laid down by the Committee of Corporate Governance which NASDAQ Copenhagen requires be applied. The Board of Directors discusses how the Company's corporate governance in practice at any time ensures that the management of RIAS A/S meets the highest standard and that the work of the Board of Directors supports the Company's future business potential. Openness is a key factor.

The Board of Directors has chosen to publish the Statutory Statement on Corporate Governance under section 107b of the Danish Financial Statements Act on the Company's website.

Links to the Statutory Statement on Corporate Governance:

Current Statement (2016):
<http://www.riasnordic.com/cg/2016/>

Committee of Corporate Governance:
<https://corporategovernance.dk/sites/default/files/anbefaling-for-god-selskabsledelse-2013-senest-opdateret-november-2014.pdf>

Thus, the Board of Director's overall position on the recommendations for corporate governance of NASDAQ Copenhagen may be found on RIAS A/S's website. The Statutory Statement on Corporate Governance covers the financial period 1 October 2015 to 30 September 2016 and forms a part of Management's Review.

In this connection, RIAS A/S has chosen to compare the Company's Statutory Statement on Corporate Governance with the recommendations issued by the Committee on 6 May 2013 in order to provide the best possible overview of the recommendations with which RIAS A/S fully complies and

the recommendations which the Company has chosen not to follow or which are still in the implementation process.

Work and responsibilities of the Board of Directors

The work of the Board of Directors has been laid down in rules of procedure which are assessed at least once a year. Thus, RIAS A/S meets the recommendations for members and the rules of procedure to be aligned with the requirements of the Company. The Board of Directors holds meeting four times a year or more frequently, if required. This process ensures that Management is able to react quickly and efficiently to external factors. In the financial year 2015/16, five meetings were held, including the Company's Annual General Meeting.

Composition of the Board of Directors

The Board of Directors consists of six members of whom two are employee representatives. The board members elected at the General Meeting are elected for one year at a time.

The Board of Directors has considered the personal capacity of each board member and finds that they perform their work on the Board of RIAS A/S in an appropriate manner – despite the fact that none of the board members elected at the General Meeting are independent as defined by the recommendations.

Executive Board

The Executive Board is appointed by the Board of Directors, and the Board of Directors determines the employment terms of the Executive Board. The Executive Board is responsible for the day-to-day operation of RIAS A/S, including the Company's development and results of activities and operations as well as internal affairs. The Board of Directors' delegation of responsibilities to the Executive Board has been laid down in the Company's rules of procedure and by the rules of the Danish Companies Act. The Executive Board of RIAS A/S consists of one person.

Remuneration to the Board of Directors and the Executive Board

The Board of Directors has adopted a very simple remuneration policy for both the Board of Directors and the Executive Board. The remuneration policy does not comprise any incentive programmes or other variable components.

The Board of Directors of RIAS A/S is not comprised by any bonus or option schemes.

The total annual remuneration to the Board of Directors is approved by the General Meeting in connection with the adoption of the Annual Report.

In 2015/16, the remuneration to the Executive Board consisted of a base salary including the usual benefits such as company car and telephone.

The employment terms of the Executive Board, including remuneration and resignation terms, are considered in accordance with the general standards for such positions.

Audit Committee

The Board of Directors of RIAS A/S also acts as Audit Committee.

The overall purpose of the Audit Committee is to minimise the risk of material misstatement of financial information – internally and externally. In practice, this is done by analysing the internal control environment, financial reporting, audit, accounting policies applied and presentation of interim financial statements and financial statements in general.

The Audit Committee focuses on a continued development of the control environment and a continuous assessment of procedures and financial and accounting issues of material importance to the financial information. The external auditors may be called in to participate in a meeting with the Audit Committee. Five meetings were held in 2015/16.

Statutory Statement on Corporate Social Responsibility under section 99(a) and (b) of the Danish Financial Statements Act

RIAS A/S wants to carry on its activities in a responsible manner and continuously works on creating a linkage between the Company's strategy and responsibility with respect to the society in which the Company operates. For RIAS A/S, the work relating to corporate social responsibility is an ongoing process, and in 2015/16 the Company continued to focus on such work and to structure the required internal processes.

Based on an assessment of materiality, the Company is working on areas such as staff, environment, suppliers and anti-corruption. On the next page, we describe the overall policy for how the policy has been turned into action and, where possible, what has been achieved.

Social conditions

Securing good social conditions for its employees is an important element for the Com-

MANAGEMENT'S REVIEW

Shareholder Information and Corporate Governance

pany. Each month, we follow up on absence due to illness to improve job satisfaction. Overall, the Company is working on currently ensuring the best possible working environment. As in previous years, the Company is very conscious about the health of its employees, and during the year external consultancy has been evaluating all the work stations.

Working environment is also a part of yearly talks with employees and in a survey related to employee satisfaction from which the result is finalized end December. The company cooperate together with an employee group with employees from different departments and here social aspects and working environment are topics that are discussed.

Environment

The Company's impact on the environment is limited and mainly consists of PVC waste from products and CO₂ consumption related to the Company's buildings. The Company is making a targeted effort to reduce the environmental impact from PVC waste, and the Company cooperates with the Wuppi organisation which collects and disposes of PVC waste in a sustainable way. RIAS's share is included together with other plastic distributors in Denmark. No specific figures per distributor are available and, therefore, we are not able to state any result.

Moreover, the Company has initiated a project with a view to reducing the energy consumption by introducing various cost reduction measures both in warehouses, production and the administration. In 2015/16 the company invested in LED lightning which has been one of the reasons to a Kwh reduction with 10% compared to last year.

Suppliers and human rights

The Company typically enters into long-term supplier relations, and the suppliers are primarily located in Europe. Apart from financial and quality assessments, the overall assessment of a supplier also includes an assessment of whether the supplier shows general social responsibility, including that the supplier does not use child labour etc. All suppliers are requested to fulfill a Supplier Compliance questionnaire once a year which among other issues includes questions in regards to human rights. In the fiscal year only suppliers who fulfill the requirements has been used.

Anti-corruption

The Company has implemented a whistleblower hotline where employees have the possibility of informing impartial persons in a law firm about breach or suspicion of breach of law, including corruption or cartel formation. The hotline has not received

any calls in 2015/16. The management has also not via other ways been informed about issues relating to corruption.

All new employees must conduct an online training in Antitrust and Anti-corruption within the first 3 months of their employment and all employees are frequently being updated in Antitrust and Anti-compliance.

In the fiscal year all new employees have conducted the online training and the company has conducted two online compliance training sessions for all employees who could be disposed to corruption or antitrust issues in their daily work. Compliance is also a topic in all board meetings. Any or are aware of such issues.

Policy on the composition of the Board of Directors and the Executive Board

The members of the Board of Directors are elected based on their overall competences; however, it is also the aim of the Board of Directors to have a more equal gender composition on the Board of Directors and to have 15% female representation on the Board within 4 years. Currently the board of directors consists of 4 members, all of whom are men. The current board of directors are on election every year but during last election no suitable women was found and therefore no changes has been done. As the registered Executive Board consists of only one member at present, no target for gender composition has been set for the Executive Board.

It is the staff policy of RIAS A/S that the ratio of women in other management bodies is to be increased.

RIAS A/S intends to take the following action to obtain a more equal gender composition in the other management bodies:

- Work towards having minimum 25% female managers in the Company with in four years. This is done by using recruiting companies to find the best suited candidates and make sure that possible candidates also includes women. In 2015/16 one person has been replaced in the management team. A recruiting company was used in this process and one man was hired. End 2015/16 the ratio of women in the management team is 20% and therefore an increase compared to last year (14,3%). One woman has joined the middle management team and therefore the ratio is 11,11 % compared to 0% last year.
- Make the Company attractive to executives of both genders, eg by ensuring a staff policy which promotes the career opportunities of women and men.
- Create a framework for the career devel-

opment of the individual person through networks with executives in other companies.

Share capital

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

The A-shares, which are non-negotiable, carry 10 votes per DKK 100 share, see clause 11 of the articles of association. The B-shares, which are negotiable, carry 1 vote per DKK 100 share, see clause 11 of the articles of association.

The B-shares are listed on NASDAQ Copenhagen, and at 30 September 2016 the price corresponding to the market price of the B-shares was DKK 77.8 million.

The Company has more than 170 shareholders registered by name.

The following shareholders have stated that they own 5% or more of the total capital: thyssenkrupp Facilities Service GmbH, Germany, a nominal amount of DKK 3,125,000 A-shares and a nominal amount of DKK 9,363,000 B-shares, corresponding to 54.15% of the total capital. thyssenkrupp Facilities Service GmbH holds 79.34% of the votes.

SmallCap Danmark A/S, a nominal amount of DKK 5,796,800 B-shares, corresponding to 25.13% of the total capital. SmallCap Danmark A/S holds 11.32% of the votes.

The Board of Directors and the Executive Board do not hold any shares in the Company.

According to authorisation of the General Meeting, the Company may acquire treasury shares for up to 10% of the share capital until 18 January 2018. The purchase price for these shares cannot deviate by more than 10% from the market price from time to time.

"Change of control" clauses

The Company has an agreement with thyssenkrupp about the use of SAP. If the control of the Company changes due to an implemented takeover bid, the Company expects however to be able to re-establish an appropriate new agreement about the use of SAP in such a situation.

Agreements between the Company and its Management imply that if they resign or are dismissed without valid reason or if their position is cut due to a takeover bid, the period of notice will be extended by six months.

MANAGEMENT'S REVIEW

Shareholder Information and Corporate Governance

Amendment of the articles of association

An amendment of the Company's articles of association requires that 2/3 of the share capital is represented at the General Meeting and that the proposed amendment is adopted by both 2/3 of the votes cast and of the share capital represented at the General Meeting.

Annual General Meeting

The Annual General Meeting will be held on 25 January 2017, at 10.00 am CET, at the Company's address, Industrivej 11, Roskilde, Denmark.

Proposals for the General Meeting:

- The Board of Directors proposes that for the financial year 2015/16 dividend be distributed to the shareholders in the amount of DKK 20 per DKK 100 share of the share capital at 30 September 2016 of DKK 23,063,000, corresponding to a total proposed dividend of DKK 4,612,600.
- The Board of Directors proposes to the General Meeting that the present elected board members be reelected.

Expected Stock Exchange Announcements in 2016/17

RIAS A/S expects to publish the following Stock Exchange Announcements:

- | | |
|-------------------|--|
| 14 December 2016: | Announcement of financial results 2015/16 |
| 24 January 2017: | Announcement of interim results |
| 25 January 2017: | Annual General Meeting |
| 17 May 2017: | Announcement of results for the first six months |
| 23 August 2017: | Announcement of interim results |

Contact person – Investor relations

Inquiries concerning investor relations and the share market may be directed at:
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E-mail: hh@rias.dk

Company information

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DK-4000 Roskilde

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Facsimile: +45 46 77 00 10
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Email: info@rias.dk
VAT no.: 44065118
Founded: 1 February 1959
Municipality of registered office: Roskilde

Board of Directors

Jürgen Westphal	(Chairman)
Steen Raagaard Andersen	(Vice-chairman)
Peter Swinkels	(Board Member)
Dieter Wetzel	(Board Member)
June Svendsen	(Employee Representative)
Søren Koustrup	(Employee Representative)

Executive Board

Henning Hess, CEO

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

MANAGEMENT'S REVIEW

The history of RIAS

- 1959** Knud E. Jacobsen establishes RIAS (Roskilde Industri Aktieselskab) in Roskilde. The Company manufactures formed acrylic sheets.
- 1963** The activities are supplemented by distribution of semi-finished plastic products.
- 1973** Subsidiary is established in Stockholm.
- 1975** Subsidiary is established in Oslo.
- 1985** RIAS is listed on the Copenhagen Stock Exchange.
- 1987** The family of Knud E. Jacobsen sells the controlling interest to the Finnish Amer Group.
- 1990** The Amer Group sells its shareholding to Thyssen Handelsunion AG, Germany. In the following months and years, the activities of the foreign subsidiaries are discontinued and, hereafter, RIAS concentrates on its core activity in the Danish market.
- 1997** RIAS expands its leading position in the Danish market for semi-finished plastic products by taking over the plastic activities of Tibnor Danmark.
- 1999** RIAS takes over the processing enterprise Akni Plast, now called RIPRO (RIAS Produktion), as part of the strategy to offer customers high-quality craftsmanship and industrial processing of semi-finished plastic products, including laser cutting, milling, folding, drilling, gluing and polishing.
- 2002** RIAS takes over the activities of RODENA and thus strengthens its position significantly as a supplier of plastic and related products for DIY markets in Scandinavia.
- 2006** A modern warehouse of 2400 sqm is opened, and all activities are concentrated at Industrivej in Roskilde. At the same time, the administration is renovated and expanded with new meeting facilities and reception area.
- 2008** RIAS takes over all shares of Nordisk Plast.
- 2009** Nordisk Plast opens a new modern warehouse of 6,000 sqm as well as administration premises in Assentoft near Randers.
- 2010** RIAS merges with the subsidiary Nordisk Plast at the beginning of October 2010.
- 2013** RIAS establishes a sales organisation in Sweden.

FINANCIAL STATEMENTS 2015/16

STATEMENT OF COMPREHENSIVE INCOME

Statement of comprehensive income 1 October to 30 September

Amounts in DKK '000

Note		2015/16	2014/15
3	Revenue	266,244	265,806
	Cost of sales	184,755	184,999
	Gross profit	81,489	80,807
4-5	Distribution expenses	55,508	56,769
4-5	Administrative expenses	17,697	18,155
	Profit before financial income and expenses	8,284	5,883
6	Financial income	166	160
7	Financial expenses	546	413
	Profit before tax	7,904	5,630
8	Corporation tax	-1,657	-1,321
	Net profit for the year	6,247	4,309
	Other comprehensive income	0	0
	Total comprehensive income	6,247	4,309
9	Earnings per share		
	Earnings per DKK 100 share	27.09	18.68
	Earnings per DKK 100 share, diluted	27.09	18.68

BALANCE SHEET

Balance sheet assets at 30 September

Amounts in DKK '000

Note		2016	2015
	Assets		
	Non-current assets		
10	Intangible assets		
	Goodwill	53,085	53,085
	Customer relations	463	526
	Software	4,351	5,399
		57,899	59,010
11	Property, plant and equipment		
	Land and buildings	33,533	34,281
	Plant and machinery	6,438	3,654
	Other fixtures and fittings, tools and equipment	2,444	2,532
		42,415	40,467
	Total non-current assets	100,314	99,477
	Current assets		
12	Inventories	28,280	30,629
13	Receivables	51,758	49,789
	Prepayments	3,514	3,147
	Cash at bank and in hand	24,776	17,897
	Total current assets	108,329	101,462
	Total current assets	208,643	200,939

BALANCE SHEET

Balance sheet liabilities and equity at 30 September

Amounts in DKK '000

Note		2016	2015
	Liabilities and equity		
14	Equity		
	Share capital	23,063	23,063
	Revaluation reserve	1,898	1,898
	Retained earnings	132,958	131,324
	Proposed dividend	4,613	4,151
	Equity	162,532	160,436
	Liabilities		
	Non-current liabilities		
15	Deferred tax	9,387	9,657
	Total non-current liabilities	9,387	9,657
	Current liabilities		
16	Trade payables and other payables	34,817	30,725
	Corporation tax	1,907	121
	Total current liabilities	36,724	30,846
	Total liabilities	46,111	40,503
	Total liabilities and equity	208,643	200,939
17	Contingencies and other financial commitments		
18-23	Other notes		

STATEMENT OF CHANGES IN EQUITY

Amounts in DKK '000

	Share capital	Revaluation reserve	Retained earnings	Proposed dividend	Total
2015/16					
Equity at 1 October 2015	23,063	1,898	131,324	4,151	160,436
Change in equity in 2015/16					
Total comprehensive income	0	0	6,247	0	6,247
Dividend paid to shareholders	0	0	0	-4,151	-4,151
Proposed dividend to shareholders	0	0	-4,613	4,613	0
Total changes in equity in 2015/16	0	0	1,634	462	2,096
Equity at 30 September 2016	23,063	1,898	132,958	4,613	162,532
2014/15					
Equity at 1 October 2014	23,063	1,898	131,166	4,613	160,740
Change in equity in 2014/15					
Total comprehensive income	0	0	4,309	0	4,309
Dividend paid to shareholders	0	0	0	-4,613	-4,613
Proposed dividend to shareholders	0	0	-4,151	4,151	0
Total changes in equity in 2014/15	0	0	158	-462	-304
Equity at 30 September 2015	23,063	1,898	131,324	4,151	160,436

CASH FLOW STATEMENT

Amounts in DKK '000

	2015/16	2014/15
Net profit for the year	6,247	4,309
Adjustment for non-cash operating items etc:		
Tax on profit for the period	1,657	1,321
Depreciation and amortisation	3,885	4,252
Profit or loss on sale of property, plant and equipment and financial assets	0	-272
Financial income	-166	-160
Financial expenses	546	413
Cash flows from operating activities before changes in working capital	12,169	9,863
Changes in inventories	2,349	1,847
Changes in receivables (and prepayments)	-2,606	-2,059
Changes in trade payables and other payables	4,092	-1,486
Cash flows before financial income and expenses and tax	16,004	8,165
Financial income, paid	82	160
Financial expenses, paid	-192	-413
Corporation tax paid	-142	-4,164
Cash flows from operating activities	15,752	3,748
Purchase of intangible assets	0	-665
Purchase of property, plant and equipment	-4,722	-443
Sale of property, plant and equipment	0	272
Cash flows from financing activities	-4,722	-836
Cash and cash equivalents at 30 September	-4,151	-4,613
Cash flows from financing activities	-4,151	-4,613
Cash flows for the year	6,879	-1,701
Cash and cash equivalents at 1 October	17,897	19,598
Cash and cash equivalents at 30 September	24,776	17,897

NOTES

Note 1. Accounting policies

RIAS A/S is a public limited company registered in Denmark. The Annual Report covers the period 1 October 2015 – 30 September 2016.

The Annual Report of RIAS A/S for 2015/16, which comprises Management's Review and Financial Statements for the period 1 October 2015 – 30 September 2016, is prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

On 14 December 2016, the Board of Directors and the Executive Board discussed and adopted the Annual Report of RIAS A/S for 2015/16. The Annual Report will be presented to the shareholders of RIAS A/S for adoption at the Annual General Meeting on 25 January 2017.

Basis of preparation

The Annual Report is presented in DKK rounded off to the nearest DKK 1,000.

The Annual Report is prepared under the historical cost convention.

The accounting policies described below have been applied consistently for the financial year and for the comparative figures.

Change of accounting policies

RIAS A/S has implemented the international standards and interpretations effective for the period 1 October 2015 – 30 September 2016.

None of the new standards and interpretations have affected recognition and measurement in 2015/16; thus, profit, diluted earnings per share and balance sheet items have not been affected.

Description of accounting policies

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction or at an approximate rate. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies are translated at the exchange rates at the balance

sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the date of contracting the receivable or payable or the rates in the latest Annual Report are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are translated at the exchange rates at the transaction date.

Income statement

Revenue

The sale of goods for resale and finished goods is recognised in revenue provided that delivery and transfer of risk have been made to the buyer before year end and provided that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration exclusive of VAT and indirect taxes collected on behalf of a third party. All types of discounts provided are recognised in revenue as deductions.

Cost of sales

Cost of sales comprises costs incurred to achieve revenue for the year. This includes direct and indirect costs for raw materials and consumables.

Distribution expenses

Distribution expenses comprise expenses incurred for the distribution of goods sold during the year and for sales campaigns etc conducted in the year. This includes expenses for sales staff, advertising and fair costs as well as depreciation and impairment losses.

Administrative expenses

Administrative expenses comprise expenses incurred in the year for Management and administration, including expenses for administrative staff and office premises as well as depreciation and impairment losses. Also provisions for bad debts are included.

Financial income and expenses

Financial income and expenses comprise interest, price/exchange gains and losses as well as impairment of securities, debt and transactions in foreign currencies. Also extra payments and repayments under the on-account taxation scheme are included.

Tax on profit for the year

RIAS A/S is jointly taxed with all Danish companies in the thyssenkrupp Group. The current Danish corporation tax is distributed among the jointly tax companies in proportion to their taxable incomes.

The jointly tax companies are comprised by the joint taxation scheme.

The tax for the year consists of current tax and movements in deferred tax for the year. The tax relating to the profit for the year is recognised in the income statement, whereas the tax directly relating to items recognised in equity is recognised directly in equity.

Balance Sheet

Intangible assets

Goodwill is recognised initially at cost in the balance sheet. Subsequently, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised.

The carrying amount of goodwill is allocated to the Company's cash generating units at the date of takeover.

Other intangible assets are measured at cost less accumulated amortisation and less any accumulated impairment losses. Other intangible assets are amortised on a straight-line basis over the expected useful lives, which are:

Customer relations	16 years
Software	5-10 years

Property, plant and equipment

Land and buildings, plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Subsequent expenses, eg. to replace parts of an item of property, plant and equipment, are recognised in the carrying amount of the asset in question when it is probable that payment will result in future economic benefits to the Company. The replaced parts are derecognised in the balance sheet and the carrying amount is transferred to the income statement. All other expenses for ordinary re-

NOTES

pair and maintenance are recognised in the income statement as incurred.

The cost of an aggregate asset is broken down by separate components which are depreciated individually if the useful lives of the individual components are not the same. Property, plant and equipment are depreciated on a straight-line basis over the expected useful lives of the assets, which are:

Office and warehouse buildings	10 - 30 years
Plant and machinery	8 - 10 years
Other fixtures and fittings, tools and equipment	3 - 10 years

The residual value of office and warehouse buildings is reassessed on a current basis and is at present 40% of cost.

Land is not depreciated.

The basis for depreciation is calculated taking into account the residual value of the asset and is reduced by any impairment losses. The residual value is determined at the date of acquisition and is reassessed annually. Where the residual value exceeds the carrying amount of the asset, depreciation ceases.

In the event of changes to the depreciation period or the residual value, the effect on depreciation is recognised prospectively as a change of accounting estimate.

Depreciation is recognised in the income statement under distribution and administrative expenses, respectively.

Impairment of non-current assets

Goodwill is tested for impairment on an annual basis, for the first time before the end of the year of acquisition.

The carrying amount of goodwill is tested for impairment in the cash-generating unit to which the goodwill has been allocated and is written down to the recoverable amount over the income statement if the carrying amount is higher than the recoverable amount. The recoverable amount is stated as the net present value of future net cash flows from the enterprise or the activity (cash-generating unit) to which the goodwill is allocated.

The carrying amounts of other non-current assets are reviewed on an annual basis to determine whether there is any indication of impairment. If so, the recoverable amount of the asset is calculated. The re-

coverable amount is the higher of the fair value of the asset less estimated costs to sell and value in use.

Value in use is calculated as the net present value of expected future cash flows from the asset or the cash-generating unit of which the asset forms part.

Impairment losses are recognised where the carrying amount of an asset or a cash-generating unit exceeds the recoverable amount of the asset or the cash-generating unit. Impairment losses are recognised in the income statement under distribution and administrative expenses, respectively. Impairment of goodwill is recognised on a separate line in the income statement.

Impairment of goodwill is not reversed. Impairment of other assets is reversed to the extent that assumptions and estimates underlying the impairment change. Impairment losses are reversed only where the new carrying amount of the asset does not exceed the carrying amount that the asset would have had after depreciation if the asset had not been impaired.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The cost of goods for resale equals landed cost with addition of any customs.

The net realisable value of inventories is calculated at selling price with deduction of costs to sell and is determined allowing for marketability, obsolescence and development in expected sales sum.

Receivables

Receivables are measured at amortised cost. Provisions for bad debts are made if it is assessed that objective evidence of impairment of an individual receivable has occurred.

Impairment is calculated as the difference between the carrying amount and the expected cash flows, including the net realisable value of any security received.

Prepayments

Prepayments are measured at cost.

Equity

Dividend

Dividend is recognised as a liability at

the time of adoption at the Annual General Meeting (the time of declaration). Dividend expected to be distributed for the year is disclosed as a separate equity item.

Reserve for revaluation

Reserve for revaluation comprises value adjustments relating to reassessment of the value of buildings in connection with transition to the Danish Financial Statements Act.

Current tax and deferred tax

Current tax liabilities and receivables are recognised in the balance sheet at the amount calculated on the taxable income for the year adjusted for tax on taxable incomes for prior years and for taxes paid on account.

Deferred tax is measured under the balance sheet liability method in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences relating to goodwill not amortisable for tax purposes and other items in respect of which temporary differences – expect for business acquisitions - have arisen at the time of acquisition without affecting the profit for the year or the taxable income. In cases where the computation of the tax base may be made according to different tax rules, deferred tax is measured on the basis of the Management's intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are recognised under other non-current assets at the value at which they are expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity and jurisdiction.

Deferred tax assets relating to tax liabilities are set off if the Company has a legal right to set off current tax liabilities and assets or intends to either settle current tax liabilities or assets on a net basis or to realise the assets and liabilities at the same time.

Deferred tax is measured on the basis of the tax rules and tax rates in the countries concerned that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes to deferred tax due to changed tax rates are

NOTES

recognised in the statement of comprehensive income for the year.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Provisions are measured based on the Management's best estimate of the amount expected to be required to settle the obligation.

Financial liabilities

Loans from credit institutions etc are recognised initially at fair value net of transaction expenses incurred. Subsequently, the financial liabilities are measured at amortised cost using the "effective interest method"; the difference between the proceeds and the nominal value is recognised in financial expenses in the income statement over the loan period.

Leases

For accounting purposes, leases are classified as either finance leases or operating leases.

A lease is classified as a finance lease when substantially all risks and rewards of owning the leased asset are transferred to the lessee. All other leases are classified as operating leases.

Lease payments relating to operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Cash flow statement

The cash flow statement shows cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated under the indirect presentation method as profit after tax adjusted for non-cash operating items, changes in working capital, interest received and paid and corporation tax paid.

Cash flows from investing activities comprise cash flows from acquisition and disposal of intangible assets, property, plant and equipment and other non-current assets as well as acquisition and disposal of securities which are not included in cash and cash equivalents.

Cash flows from financing activities comprise changes to the raising of loans, repayment of interest-bearing debt as well as dividend distribution to shareholders.

Cash and cash equivalents comprise cash at bank and in hand as well as short-term special-term deposits which may easily be converted into cash and which are subject to only immaterial risks of value changes.

Segment reporting

The Company has one operating segment and carries on activities within two product areas:

- Sale, processing and distribution of semi-finished plastic products to all sectors of the building and construction industry (Building & Construction).
- Sale, processing and distribution of semi-finished plastic products to the industrial and the public sector (Industry).

The operating segment consists of two sales departments for Building & Construction and Industry, respectively, which are supported by a number of joint functions such as purchasing, logistics and production, and the purchased products are used for re-sale in both Industry and Building & Construction. There are also a number of employees who carry out production and processing of products for both Industry and Building & Construction, and this also applies to employees in the two sales offices. Based on this, Management has assessed that RIAS A/S only has one operating segment.

Financial ratios

Earnings per share and diluted earnings per share are calculated in accordance with IAS 33.

Other ratios have been calculated in accordance with the "Recommendations and Ratios 2015" issued by the Danish Society of Financial Analysts.

Note 2. Estimates and assessments

The uncertainty of estimates

Calculation of the carrying amount of certain assets and liabilities requires estimates, judgements and assumptions with respect to future events.

The estimates and assumptions made are, among other things, based on historical experience and other factors which Management deems justifiable in the circumstances, but which are inherently uncertain and unpredictable. The assumptions may be incomplete or inaccurate, and unexpected events or circum-

stances may arise. Due to the risks and uncertainties to which the Company is subject the actual results may deviate from the estimates made.

It may be necessary to change previous estimates due to changes in the circumstances on which the previous estimates were based or due to new knowledge or subsequent events.

Estimates which are material to the financial reporting are made by, among other means, valuation and impairment test of goodwill, receivables and write-down of inventories.

Impairment test of goodwill

In connection with the annual impairment test of goodwill, or when indication of impairment occurs, it is assessed whether the Company will be able to generate adequate positive future net cash flows to support the value of goodwill and other net assets. The carrying amount of goodwill is DKK 53 million.

Due to the nature of the business, the estimate of expected future cash flows covers many years, which naturally gives rise to uncertainty.

The impairment test is described in detail in note 10.

Write-down for inventory obsolescence

The estimation uncertainty with respect to inventories relates to write-down to net realisable value. During 2015/16 a regulation has been done due to scrapping of already written off material.

The Company continues to focus on further improvement of the inventory control which is supported by changes to the ERP system and procedures.

The write-down for obsolescence amounts to DKK 2,922k and is further described in note 12.

NOTES

Amounts in DKK '000

	2015/16	2014/15
Note 3. Revenue		
Revenue, Industry	175,643	174,139
Revenue, Building and construction	90,602	91,667
	266,244	265,806

Sales outside Denmark amount to 8,6% of the Company's revenue. All non-current assets are placed in Denmark.

The Group's products are mainly sold to Danish customers. 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. Depreciation and amortisation

Depreciation and amortisation are included in distribution expenses as follows:

Amortisation of intangible assets	38	41
Depreciation of property, plant and equipment	2,680	2,697
	2,718	2,738

Depreciation and amortisation are included in administrative expenses as follows:

Amortisation of intangible assets	1,074	1,027
Depreciation of property, plant and equipment	93	487
	1,167	1,514

Total depreciation and amortisation	3,885	4,252
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Note 5. Staff

Wages and salaries	38,162	38,722
Pensions, defined contribution plan	4,916	5,315
Remuneration to the Executive Board	1,937	2,023
Pension to the Executive Board	162	162
Fee to the Board of Directors	90	90
Other social security expenses	1,048	1,087
	46,315	47,399

Average number of fulltime employees	92	95
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Number of fulltime employees at 30 September	94	92
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Total remuneration to the Executive Board	2,098	2,185
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Total remuneration to the Executive Board and the Board of Directors	2,189	2,275
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The CEO has 1 year notice period in case of a termination of the contract. In case of a take over the period is 1.5 year

Note 6. Financial income

Interest, cash at bank and in hand, etc	82	141
Exchange gains	84	19
	166	160

Note 7. Financial expenses

Interest, credit institutions etc	192	137
Exchange losses	354	276
	546	413

NOTES

Amounts in DKK '000

	2015/16	2014/15
Note 8. Corporation tax		
Current tax for the year	1,927	1,634
Deferred tax for the year	-270	-313
	1,657	1,321
22% tax calculated on profit for the year	1,739	1,323
Tax effect of non-deductible costs	17	32
Adjustment of deferred tax due to reduction of the tax rate	99	-34
	1,657	1,321
Effective tax rate	20,96%	23.5%
Note 9. Earnings per share		
Net profit for the year	6,247	4,309
Average number of shares, DKK 100	230,630	230,630
Earnings per DKK 100 share	27.09	18.68
Earnings per DKK 100 share, diluted	27.09	18.68

NOTES

Amounts in DKK '000

Note 10. Intangible assets	Goodwill	Customer relations	Software	Total
Cost at 1 October 2015	53,085	1,000	23,624	77,709
Additions for the year	0	0	0	0
Disposals for the year	0	0	0	0
Cost at 30 September 2016	53,085	1,000	23,624	77,709
Amortisation at 1 October 2015	0	-475	-18,223	-18,698
Amortisation for the year	0	-62	-1,050	-1,112
Reversed depreciations on the disposals og the year	0	0	0	0
Amortisation at 30 September 2016	0	-537	-19,273	-19,810
Carrying amount at 30 September 2016	53,085	463	4,351	57,899
Cost at 1 October 2014	53,085	1,000	22,990	77,075
Additions for the year	0	0	665	665
Disposals for the year	0	0	-31	-31
Cost at 30 September 2015	53,085	1,000	23,624	77,701
Amortisation at 1 October 2014	0	-412	-17,250	-17,662
Amortisation for the year	0	-63	-992	-1,055
Reversed depreciations on the disposals og the year	0	0	19	19
Amortisation at 30 September 2015	0	-475	-18,223	-18,698
Carrying amount at 30 September 2015	53,085	525	5,401	59,011

Impairment test

Goodwill

The most material intangible asset is goodwill of DKK 53,085k, which is attributable to the acquisitions of the activities in Rodena A/S and Nordic Plastic A/S. At 30 September 2016, Management tested the carrying amount of goodwill for required write-down for impairment based on the allocation made to the cash-generating unit of the cost of goodwill. In Management's opinion, RIAS A/S has only one cash-generating unit, which is the legal entity.

Amounts in DKK '000

	2016	2015
RIAS A/S	53,085	53,085

The recoverable amount is based on the value in use determined by using expected net cash flows on the basis of approved budgets for a three-year period as well as substantiated projections for the remaining period.

Key assumptions

A discount rate after tax of 8.2% (2014/15: 8.2%) has been applied, which is unchanged compared to previous years as, in Management's assessment, this is in line with the risk profile of RIAS A/S.

Revenue estimate for the budget period is based on approved budget and forecast for the next three years, based on managements experience and expectations to the future. Revenue growth in the budget period is based on expectations of an increase in revenue of 10% which will, among other things, be achieved through our activities in Sweden, where we can see that the market is growing.

After this period, a growth rate of 1-2% in year 4 and 5 and a growth rate of 2% in the terminal period (2014/15: 2%) is estimated. In Management's assessment this is a realistic level of growth for the building and construction market as well as the industrial sector, in which RIAS A/S is operating.

EBIT is estimated with a steady increase from the current level of DKK 8.3 million to DKK 14.3 million in the terminal period. The increase is coming from increased sales, effectivity and cost savings together with an increased focus on improvement in cluster purchase with thyssenkrupp, which were already launched in 2015/16

Sensitivity analysis

The difference between the calculated recoverable amount, DKK 172.8 million, and the carrying amount of equity, DKK 162.5 million, is DKK 10.3 million.

In the Management's assessment the discount rate before tax may increase to 8.7% or growth in the terminal period may fall to 1.4% (all other things being equal) without the carrying amount of goodwill exceeding its recoverable amount.

Our expectations of an increase in EBIT to DKK 14.3 million in the terminal period constitute a key assumption of the impairment test. EBIT may decrease to DKK 13,2 million in the terminal period before write-down for impairment is required.

NOTES

Amounts in DKK '000

	Land and buildings	Plant and machinery	Other fixtures and fittings tools and equipment	Total
Note 11. Property, plant and equipment				
Cost at 1 October 2015	61,906	13,745	21,240	96,891
Additions for the year	0	3,736	986	4,722
Disposals for the year	0	0	0	0
Cost at 30 September 2016	61,906	17,481	22,226	101,613
Depreciation at 1 October 2015	-27,626	-10,091	-18,708	-56,425
Depreciation for the year	-747	-952	-1,074	-2,773
Reversed depreciation on disposals for the year	0	0	0	0
Depreciation at 30 September 2016	-28,373	-11,043	-19,782	-59,198
Carrying amount at 30 September 2016	33,533	6,438	2,444	42,415

Cost at 1 October 2014	61,906	13,719	22,197	97,822
Additions for the year	0	253	190	443
Disposals for the year	0	-227	-1,147	-1,374
Cost at 30 September 2015	61,906	13,745	21,240	96,891
Depreciation at 1 October 2015	-26,878	-9,343	-18,381	-54,602
Depreciation for the year	-747	-975	-1,474	-3,197
Reversed depreciation on disposals for the year	0	227	1,147	1,374
Depreciation at 30 September 2015	-27,625	-10,091	-18,708	-56,425
Carrying amount at 30 September 2015	34,281	3,654	2,532	40,466

Note 12. Inventories

Inventories are specified as follows:

	2016	2015
Goods for resale	30,454	33,215
Work in progress	748	511
Inventories at 30 September	31,202	33,726
Write-down at 1 October	-3,097	-3,054
Reversed write-down made in previous years	175	0
Write-down for the year	0	-43
Write-down at 30 September	-2,922	-3,097
	28,280	30,629

Adjustments relating to write-down of inventories are included in cost of sales.

NOTES

Amounts in DKK '000

Note 13. Receivables	2016	2015
Trade receivables	49,187	48,950
Receivables from group enterprises	1,833	0
Other receivables	738	839
	51,758	49,789
Insured trade receivables	37,791	33,125
Trade receivables not insured	11,222	15,390
Trade receivables at 30 September	49,013	48,515
Provisions for bad debts are specified as follows:		
Provisions at 1 October	-248	-607
Realised in the year	85	431
Reversed	2	35
Provisions for the year	-221	-109
Provisions at 30 September	-382	-250
Moreover, trade receivables which are overdue at 30 September but not provided for are included as follows:		
Period overdue:		
Up to 30 days	1,856	1,540
Between 30 and 90 days	349	117
More than 90 days	266	44
	2,471	1,701
Including insured receivables of	1,525	717

Provisions for bad debts are made on a current basis. Adjustments to the provisions are included in distribution expenses.

NOTES

Note 14. Equity

Share capital

The Company's share capital of DKK 23,063k is distributed on DKK 3,125k A-shares and DKK 19,938k B-shares. The share capital is fully paid up. The A-shares, which are non-negotiable, carry 10 votes per DKK 100 share, see clause 11 of the articles of association.

The B-shares, which are negotiable, carry 1 vote per DKK 100 share, see clause 11 of the articles of association.

Capital management

RIAS A/S assesses on a current basis the need to adjust the capital structure to balance the high requirements to return on equity against the increased uncertainty related to loan capital. The equity share of total assets was 80% at 30 September 2016 (30 September 2015: 80%). The solvency ratio target is 70-80%.

The target for return on equity is 8-10%. Realised return on equity before tax was 4% in 2015/16 (2014/15: 4%).

It is RIAS A/S's dividend policy that the shareholders should earn a return on their investments in the form of price increases and dividend which exceed a risk-free bond investment. Payment of dividend should be made with consideration to the required consolidation of equity as basis for the Company's continued expansion.

Dividend

Dividend of DKK 4,613k (2014/15: DKK 4,151k) is proposed, corresponding to dividend per share of DKK 20 (2014/15: DKK 18).

On 29 January 2016, RIAS A/S paid dividend to its shareholders of DKK 4,151k (2013/14: DKK 4,151k), corresponding to dividend per share of DKK 18 (2014/15: DKK 18).

The distribution of dividend to the shareholders of RIAS A/S has no tax consequences for RIAS A/S.

	Amounts in DKK '000	
	2016	2015
Note 15. Deferred tax		
Balance at 1 October	9,657	9,970
Adjustment for the year of deferred tax	-270	-313
Balance at 30 September	9,387	9,657
Deferred tax relates to:		
Buildings	4,596	4,558
Operating equipment	413	443
Intangible assets	4,311	4,579
Other temporary differences	67	77
	9,387	9,657

NOTES

Amounts in DKK '000

	2016	2015
Note 16. Trade payables and other payables		
Trade payables	14,071	10,139
Payables to group enterprises	302	46
Accrued VAT	4,404	5,004
Holiday pay obligation	4,919	4,776
Accrued promotion expenses	7,362	5,736
Other payables	3,759	5,023
	34,817	30,724

The Company has no payables to the Parent Company.

Note 17. Contingencies and other financial commitments

The Company is a party to a few pending complaints. In the Management's opinion, the outcome of these complaints will not affect the Company's financial position except for the receivables and commitments, which have been recognised in the balance sheet at 30 September 2016.

The Company as lessee

The Company leases properties and operating equipment under operating leases.

The lease term is typically a period of between two to six years with the possibility of extension after expiry. Under the terms of the leases there are no conditional lease payments.

Payments under interminable operating leases appear as follows:

	2016	2015
0-1 year	3,545	4,137
1-5 years	2,067	1,966
	5,612	6,103

For 2015/16 DKK 4,596 has been recognised in the Company's income statement. (2014/15: tkr. 4.251)

Note 18. Fees to auditors appointed at the General Meeting

	2016	2015
PWC:		
Statutory audit	375	375
Tax advisory services	32	26
Non-audit services	286	126
	693	527

NOTES

Note 19. Financial risks

Financial risks

The Company does not speculate in financial risks, and the Company's management of such exposures focuses exclusively 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 positions to hedge against interest rate exposures as moderate changes in the interest rate level will have no material effect on the Company's earnings and equity. The sensitivity to interest rate risks is low and mainly relates to cash at bank and in hand and overdraft facilities. Optimisation is currently made to ensure that deposits are set off against drawings on overdraft facilities thus minimising interest expenses.

Credit risks

The Company's credit risks relate to trade receivables which arise when the Company carries through sales in respect of which prepayments are not received. The Company's policy for assuming credit risks implies that all customers are credit rated upon creation and on a current basis. If the credit rating of the customer is not satisfactory, separate security in respect of the sale is required. The primary instrument to hedge unsecured payments is to take out credit insurance which covers up to 90% of the total receivable exclusive of VAT. Credit insurance is taken out with Euler Hermes credit insurance. If credit insurance cannot be taken out in respect of a customer, the customer is carefully assessed based on internal credit limits, or prepayment is requested.

The management of the credit exposure is based on internal customer credit limits. The credit limits are determined on the basis of the creditworthiness of the customers with consideration to the current market situation.

Provisions for bad debts are made to the extent necessary.

Only banks with low risk are being used.

Amounts in DKK '000

Classes of financial assets and liabilities	2015/16	2014/15
Financial assets:		
Lending and receivables	51,758	49,789
Cash at banks	24,778	17,897
Financial liabilities:		
Financial liabilities at amortised cost	34,817	30,725

Foreign exchange risks

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

Liquidity risks

The Company's liquidity reserve consists of cash holdings. The Company's aim is to have adequate liquidity resources to be able to carry on appropriate operating activities in case of liquidity fluctuations.

The Company only has debt which falls due within one year, cf. the balance sheet. The payment of this debt, DKK 33.8 million, can be fully covered by payments from receivables.

NOTES

Note 20. Related parties and related party transactions

Controlling interest: thyssenkrupp Facilities Services GmbH, which holds all the A-shares of RIAS A/S, exercises control over the Company.

RIAS A/S has registered the following shareholders as holding 5% or more of the share capital:

- 54.15% thyssenkrupp Facilities Services GmbH

Other related parties:

The Company's related parties comprise the Company's Board of Directors and the Executive Board and family members of these persons. Moreover, related parties include the thyssenkrupp Group.

There have been no transactions with the Board of Directors, the Executive Board, senior officers, significant shareholders or other related parties, except for the payment of remuneration, including legal assistance.

The Annual Report of the ultimate Consolidated Financial Statements in which RIAS A/S is included as a subsidiary may be obtained from: thyssenkrupp AG, thyssenkrupp Allee 1, 45143 Essen, Germany, or may be obtained at: <http://www.thyssenkrupp.com/en/investor/index.html>

	Amounts in DKK '000	
	2015/16	2014/15
Trade with companies in thyssenkrupp:		
Other income	1,833	1,813
Sale of goods and services	77	70
Purchase of goods and services	3,865	3,151
There are no transactions with the Parent Company		
Payables to companies in thyssenkrupp	214	47
Receivables with companies in thyssenkrupp	1,833	0
Legal assistance from Lund Elmer Sandager (Board Member)	214	267

Note 21. Subsequent events

No material events have occurred after 30 September 2016.

Note 22. Accounting regulation

A number of new IFRS and interpretations have been issued which RIAS A/S are not required to follow in connection with the preparation of the Annual Report for 2015/16. The IFRS in scope are IFRS 9 Financial instruments, IFRS 15 Revenue og IFRS Leasing. It will be investigated which effect the new IFRS and interpretations will have.

Note 23. Contingent liabilities

The Company is jointly and severally liable for the tax on the Danish jointly taxed income. thyssenkrupp Elevator A/S acts as administration company in the Danish joint taxation. Accrued corporation tax in the Danish joint taxation amounts to DKK 3,799k at 30 September 2016.

MANAGEMENT'S STATEMENT

Management's Statement

The Board of Directors and the Executive Board have today considered and adopted the Annual Report of RIAS A/S for 2015/16.

The Annual Report has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for listed companies.

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 September 2016 and of the results of the Company operations and cash flows for the financial year 1 October 2015 – 30 September 2016.

In our opinion, Management's Review provides a true and fair account of the development of Company's activities and financial

circumstances, the profit for the year, cash flows and financial position as well as a description of the most material risks and uncertainties that may affect the Company.

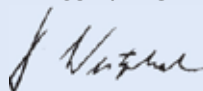
We recommend that the Annual Report be adopted at the Annual General Meeting.

Roskilde, the 14th of December 2016



Henning Høss
CEO

EXECUTIVE BOARD



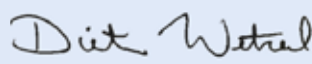
Jürgen Westphal
Chairman



Steen Raagaard Andersen
Vice-chairman



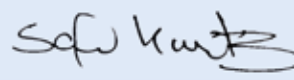
Peter Swinkels
Board Member



Dieter Wetzel
Board Member



June Svendsen
Employee representative



Søren Koustrup
Employee representative

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of RIAS A/S

Report on the Financial Statements

We have audited the Financial Statements of RIAS A/S for the financial year 1 October 2015 – 30 September 2016 which comprise statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including summary of significant accounting policies. The Financial Statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies, and for such internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The audit has not resulted in any qualification.

Opinion

In our opinion, the Financial Statements give a true and fair view of the Company's financial position at 30 September 2016 and of the results of the Company's operations and cash flows for the financial year 1 October 2015 – 30 September 2016 in accordance with International Financial Reporting Standards as

adopted by the EU and Danish disclosure requirements for listed companies.

Statement on Management's Review

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in Management's Review is consistent with the Financial Statements.

Hellerup, the 14th of December 2016

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab
VAT no. 33771231



Jens Otto Damgaard
State Authorised Public Accountant



Lasse Hartlev
State Authorised Public Accountant

for some it is just plastic
- for us it represents 100,000 opportunities



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