

Interim Report Q3 2017/2018

The Board of Directors of Rovsing A/S has today considered and approved the Interim Report for the third quarter (1 January – 31 March 2018) of the financial year 2017/18. The Interim Report is not audited.

Financial performance

In the third quarter of the financial year 2017/18, Rovsing's revenue amounted to DKK 8.3 million, compared to DKK 9.3 million in the same period last financial year. The decrease in revenue was expected and primarily caused by lower activity level in ESA driven projects as already stated in the Annual Report for 2016/17.

EBITDA for the third quarter amounted to DKK 0.3 million (2016/2017 DKK -0.1 million). The positive development in EBITDA can be partly attributed to revenues from delayed projects originally expected to have been realized in the first quarter of the current financial year, and partly from positive effects from the new strategy which includes a comprehensive cost cutting programme, an adaption of the organization according to the current activity level and an agreement regarding a reduction of Rovsing's rental costs.

Highlights of the first nine month of the financial year 2017/2018

- Revenue of DKK 19.9 million (2016/2017 DKK 29.0 million)
- EBITDA of DKK -2.6 million (2016/2017 DKK 0.5 million)
- Cash flow from operations DKK -4.7 million (2016/2017 DKK -8.2 million)

Cash flow from operations has improved with DKK 3.5 million compared to the first nine month of the last financial year and is primarily attributed to a positive development in working capital and partly by the implemented cost saving initiatives as mentioned above

Given the performance of the first nine months of the financial year, management continues to implement cost saving initiatives together with efficiency adjustments and improvements to the order book in order to improve the overall profitability. These initiatives and the organization changes mentioned in Announcement no. 275 are being initiated in the current financial year and are expected to take full effect in the next financial year.

As mentioned in Announcement no. 275, Rovsing has secured a new credit line to strengthen the capital structure of the company. The utilization of the credit line is continuing according to schedule in order to improve the financial foundation for Rovsing's activities.

Outlook for 2017/18

Based on the actions carried out by the management with support by the Board of Directors, the adjusted full-year outlook for the financial year 2017/18 is maintained, i.e. a revenue in the range of DKK 26 to 28 million and EBITDA in the range of DKK - 2 to - 4 million.

Further information

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