



## Q1 2019 INTERIM STATEMENT

### **ROY Ceramics SE: The results of the first quarter continue to reflect the transitional phase**

*Hungen, 31 May 2019* – During the first three months of the 2019 financial year, Roy Ceramics SE did not generate any notable revenue from the sale of sanitary ware products. In the field of real estate activities, notable sales in the amount of EUR 759,000 were achieved.

The planned net loss of EUR 3.5 million for the first three months of 2019 reflects the lack of current income from the sanitary ware field, combined with continuing costs and planned depreciations for the machinery and property. Rental income rose significantly from EUR 665,000 to EUR 759,000, or 14%, compared with the prior-year period. However, expenditures for the development of real estate projects also experienced a corresponding rise overall.

Due to the activities in the field of real estate, in particular from the rental activities of Kirby Interchange, ROY Ceramics SE achieved higher sales revenue in the first three months of the 2019 financial year. In the field of sanitary ware, no sales have so far been achieved. This is largely attributable to delays in setting up production together with the prior OEM.

### **Financial position**

The fixed assets of ROY Ceramics SE amounted to EUR 102.0 million as at the end of the first quarter 2019 (31 December 2018: EUR 102.7 million). Fixed assets predominantly consist of real estate and property, plant and equipment. Current assets of EUR 12.8 million are primarily bank balances and other receivables. The Group's equity amounted to EUR 97.6 million as at 31 March 2019 (31 December 2018: EUR 98.3 million).



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### **Forecast**

The information in the forecast report contained in the 2018 group management report continues to apply for ROY Ceramics SE.

### **Sanitary ware**

The partnership with the OEM manufacturer in Thailand unfortunately proceeded more slowly than we had hoped, and for this reason, we terminated the relationship for the planned smart toilets. We now plan to enter into a new partnership with an OEM manufacturer in eastern Europe. We still plan to produce high-quality urinals and smart toilets under the ROY brand.

### **Real estate**

The real estate projects continue to develop well. The largest projects of the Group and its partners, the 3300 Main development project, are on schedule. Kirby Interchange was able to increase its occupancy rate. In addition, we expect to receive the final building approvals for our project in Jurupa Valley shortly.

### **Events after the reporting date**

No notable events

### **About ROY Ceramics SE**

Until the sale of the operating subsidiaries in China, ROY Ceramics SE was a manufacturer of high-quality sanitary and bathroom fittings for use in the medium- and high-priced premises. ROY



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Ceramics SE is planning to get actively involved in the field of sanitary ware again. Since 2017, the real estate area has constituted a second business segment. The main focus of our property projects is in Houston, Texas (USA) and Los Angeles, California (USA).

**For further information, please contact us at:**

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