

CENBRIT

2019

Interim financial report – 1st quarter



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“We had a good start to the year with like-for-like revenue growth of 6%. EBITDA for Q1 amounted to DKKm 11, which is DKKm 6 above Q1 2018, adjusted for the impact from the new lease accounting standard. The development in Q1, which is low season for Cembrit, confirms our outlook for 2019.”

Jørn Mørkeberg Nielsen
CEO

Other highlights:

- Outlook for 2019 set out in the 2018 Annual Report (page 22)
- Available liquidity at the end of Q1 2019 was DKKm 27, which was in line with expectations
- The Q2 interim report will be published at the end of August 2019

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Financial highlights

	Q1 2019	Q1 2018	FY 2018
	DKK (000)	DKK (000)	DKK (000)
INCOME STATEMENT			
Revenue	353.723	340.016	1.654.710
Gross profit	80.839	78.475	425.795
Earnings before interest, tax, depr. and amort. (EBITDA)	11.496	(1.521)	112.009
CASH FLOW			
Cash flow from operation before tax	(42.485)	(69.111)	89.625
Cash flow from investments	(10.084)	(6.362)	(62.214)
BALANCE SHEET			
Total assets	1.908.917	1.874.267	1.763.002
Equity	421.391	509.330	459.700
Working capital	249.410	292.303	198.482
Net Interest-bearing debt	896.118	860.042	806.397
FINANCIAL RATIOS			
Gross margin	22,9%	23,1%	25,7%
EBITDA margin	3,2%	-0,4%	6,8%
Equity ratio	22,1%	27,2%	26,1%

Financial ratios are calculated as defined in the 2018 Annual Report.

IFRS 16, the new lease accounting standard, was implemented in Q1 2019. The comparative figures for Q1 2018 and FY 2018 in the above table have not been restated. Further information is provided on page 4 and in note 2.

Business review

The financial development in Q1 2019 with EBITDA of DKKm 11.5 (Q1 2018: DKKm -1.5) was in line with Management's expectations and supports the outlook for 2019 set out in the 2018 Annual Report. Adjusted for the new lease accounting standard, EBITDA for Q1 2019 was up DKKm 6 on Q1 2018.

The sales pattern for Cembrit's products is seasonal. Revenue is traditionally highest in the second and third quarters and lowest in the first quarter. It is not only revenue that is impacted by seasonality in the business, but also the key figures EBITDA and working capital. At the start of the year, inventory is built up to cover the quarters with the highest demand.

The performance of the plant in Hungary improved significantly during 2018, with improved yield (the percentage of products produced that are in line with the quality control measures established by Cembrit), more stable production and lower costs. By the end of 2018, the yield was on a par with Cembrit's other plants, and the performance in Q1 2019 corroborates the 2018 development. To improve the logistics setup and support Cembrit's CSR agenda, the Danish warehouse operation has been transferred from Aalborg to Vojens in the southern part of Jutland. This proved more challenging than expected, but delivery performance is now back on track. Delivery performance with respect to our customers is key to Cembrit and, accordingly, additional resources have been allocated to the new warehouse in Vojens to ensure further improvements. Fixed costs (sales and distribution costs and administrative costs) amounted to DKKm 69.3 for Q1 2019, down DKKm 10.7 or 13% on Q1 2018.

New lease accounting standard

IFRS 16, the new lease accounting standard, was implemented in the first quarter of 2019. IFRS 16 requires all leases – except for short-term leases and leases of low-value assets – to be recognised in the balance sheet as a right-of-use asset and lease liability measured at the present value of future lease payments. The right-of-use asset is subsequently depreciated over the lease term in a similar way to other assets such as property, plant and equipment, and interest on the lease liability is calculated in a similar way to finance leases under IAS 17 Leases.

The comparative Q1 2018 and full-year 2018 figures have not been restated. EBITDA for Q1 2019, adjusted in line with IFRS 16 Leases, was DKKm 4.7. The DKKm 13 improvement in EBITDA shown in the income statement (Q1 2019: DKKm 11.5 compared to DKKm -1.5 for Q1 2018), adjusted in line with the change in lease accounting, was DKKm 6.2 (like-for-like EBITDA). Further information on IFRS 16 is included in note 2.

Cash flow from operation before tax was DKKm -42.5 (Q1 2018: DKKm -69.1). Cash flow is negatively impacted by the seasonality mentioned above, with lower sales and inventory building for the next two quarters. The year-on-year improvement in cash flow from operation before tax was DKKm 26.6 and relates mainly to improved earnings for Q1 2019 compared to Q1 2018 and reduced cash tied up in working capital (down DKKm 13.0). Initiatives to further improve working capital are a focus area for 2019.

Revenue

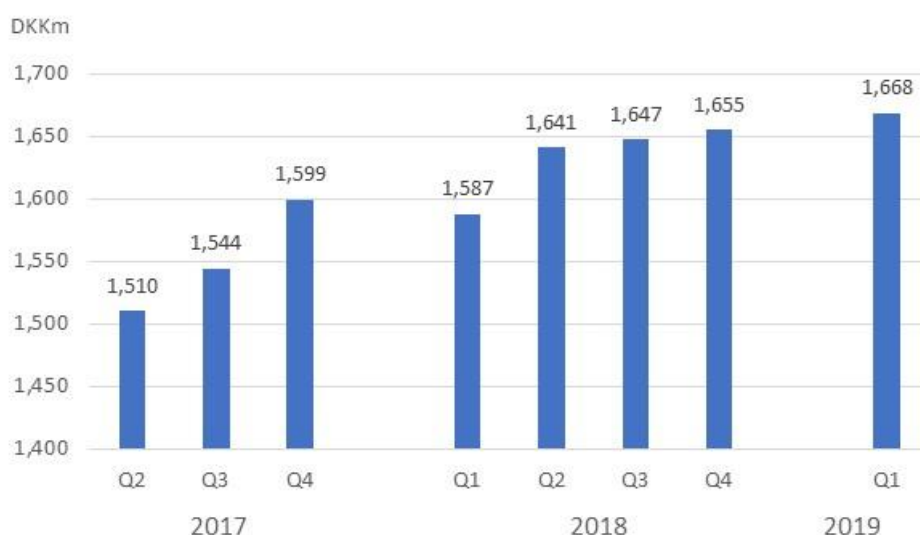
Revenue grew by DKKm 13.7 or nominal 4% in Q1 2019 compared to Q1 2018. Cembrit phased out some products and markets in 2018. Adjusted for these, the like-for-like revenue growth was 6%.

Cembrit has three product segments: Facade/function boards, Roofing and Other. The Facade/function boards segment increased by nominal 4.8%, Roofing by nominal 3.5% and Other by nominal 3.3% from Q1 2018 to Q1 2019.

Revenue for Q1 2019 amounted to DKKm 353.7, up DKKm 13.7 on Q1 2018. The main part of the increase related to Denmark, Western Europe (excluding the UK and Ireland) and Other at DKKm 26.3. The UK and Sweden were the main negative contributors at DKKm 14.2.

The sales pattern for Cembrit's products is seasonal as mentioned above. The graph below shows LTM (last 12 months) revenue on a quarterly basis, taking the seasonality in Cembrit's revenue into account. It shows that Cembrit's revenue growth is stable.

Quarterly development in revenue, LTM



EBITDA

The revenue increases – together with the improved performance of the plant in Hungary, cost savings and the new lease accounting standard (further information on page 4) – have improved

EBITDA from DKKm -1.5 in Q1 2018 to DKKm 11.5 in Q1 2019, with an equivalent improvement in the EBITDA ratio from -0.4% for Q1 2018 to 3.2% for Q1 2019.

The graph below shows EBITDA, LTM by quarter, taking the seasonality in Cembrit's business into account. The graph shows the positive development during 2018, which continued in Q1 2019.

Quarterly development in EBITDA, LTM



The EBITDA, LTM for Q1 2019 of DKKm 125 is an increase of DKKm 13 on Q4 2018. DKKm 6.8 of this increase relates to the new accounting standard. The EBITDA, LTM ratio for Q1 2019 was 7.5%, an improvement of 6.8% compared to Q4 2018.

Costs of a special nature in relation to Cembrit's activities are shown as Special non-recurring items in the income statement. These amounted to DKKm 1.8 for Q1 2019 (Q1 2018: DKKm 5.8) and are specified in further detail in note 6.

Loss after tax for Q1 2019 was DKKm 33.8, compared to a loss of DKKm 39.5 for Q1 2018.

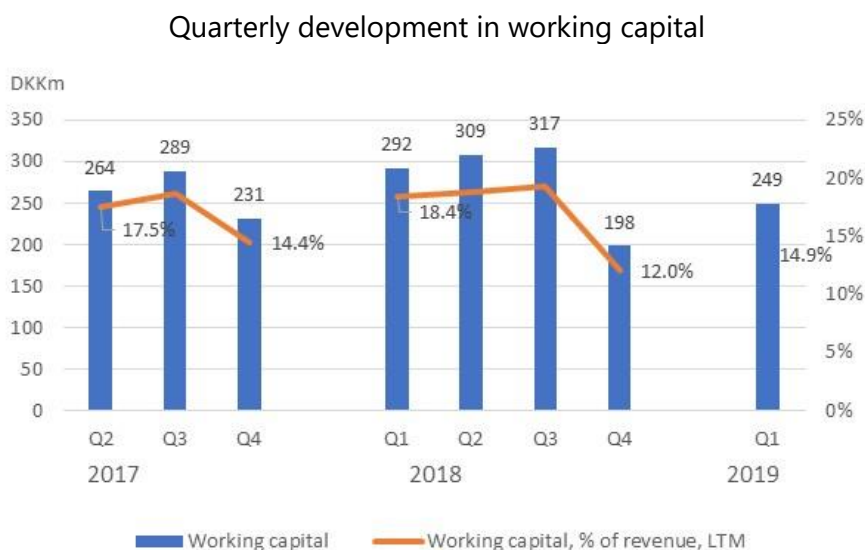
Cash flow

Cash flow from operation before tax Q1 2019 showed a strong year-on-year improvement of 39%, from DKKm -69.1 in Q1 2018 to DKKm -42.5 in Q1 2019. Inventory building in Q1 to cater for the increase in demand in the high season (Q2 and Q3) was the main factor in the negative cash flow for Q1.

The main working capital focus is on inventory, accounts receivable and accounts payable. Compared to Q1 2018, Cembrit has reduced inventory by DKKm 73.6, which has a positive impact on cash flow. Accounts payable have been reduced by DKKm 15.5 and accounts receivable have been increased

by DKKm 4.9, which has a negative impact on cash flow. The increase in accounts receivable relates mainly to the increased revenue for Q1 2019 compared to Q1 2018.

The graph below shows working capital in DKKm at quarter-end and working capital as a percentage of revenue, LTM.



Working capital at the end of Q1 2019 was DKKm 249, an improvement of DKKm 43 on Q1 2018. Working capital as a percentage of revenue, LTM has fallen to 14.9% from 18.4% at the end of Q1 2018.

Available liquidity at the end of Q1 2019 was DKKm 27.2, compared to DKKm 108.5 at the end of Q4 2018. This development was mainly the result of increased working capital as mentioned above and was in line with Management's expectations. The high sales season (Q2 and Q3) will improve cash flow and available liquidity going forward.

Equity

Equity at the end of Q1 2019 was DKKm 421.4, equivalent to an equity ratio of 22.1% (Q1 2018: 27.2%).

DISCLAIMER

This interim financial report contains forward-looking statements. Such statements are subject to risks and uncertainties, as various factors, many of which are beyond the control of Cembrit Group A/S, may cause actual developments and results to differ materially from the expectations expressed in this report.

Presentation of the Group

Cembrit is a leading European manufacturer and distributor of fibre-cement products and offers a wide range of products and solutions for roofing as well as exterior and interior cladding.

Besides delivering building materials, Cembrit provides complete installation systems as well as technical solutions for residential houses, holiday cottages, commercial, industrial and agricultural buildings, offices and public buildings, including for both new build and renovation projects.

Fibre cement is a light, strong and flexible composite building and construction material in which cement is reinforced with cellulose fibres. It boasts several attractive product features, including low maintenance, high durability and a competitive price level.

The fibre-cement product category has historically been gaining market share relative to rival building materials products.

The Group operates production facilities in the Czech Republic, Finland, Hungary and Poland. In addition to manufacturing facilities, the Group has warehouses in Europe and covers the majority of Western and Eastern Europe through its sales entities or indirect sales.

Cembrit produces first-class fibre-cement products. Cembrit's products and solutions offer exciting new design opportunities for creating attractive, durable settings for people's lives.

Further details are included in the 2018 Annual Report and on Cembrit's website, www.cembrit.com.

Statement by Management

The Board of Directors and the Executive Board have considered and adopted the Interim Financial Report of Cembrit Group A/S for the 3-month period ended 31 March 2019.

The Interim financial report, which has not been audited or reviewed by the Company auditor, has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union and additional Danish disclosure requirements for interim reports of listed companies.

In our opinion, the interim financial statements give a true and fair view of Cembrit Group A/S's assets, equity, liabilities and financial position at 31 March 2019 and the results of the Group's activities and cash flow for the period 1 January to 31 March 2019.

We also find that the Business review, together with the notes, provides a fair statement of developments in the activities and financial situation of the Group, the financial results for the period, the general financial position of the Group, and a description of the major risks and elements of uncertainty faced by the Group.

Copenhagen, 28 May 2019

Executive Board

Jørn Mørkeberg Nielsen
CEO

Karsten Riis Andersen
CFO

Board of Directors

Kent Arentoft
Chairman

Denis Viet-Jacobsen

Jan Warrer

Johan Cervin

Sigge Haraldsson

Consolidated income statement

	Q1 2019 DKK (000)	Q1 2018 DKK (000)	FY 2018 DKK (000)
Revenue	353.723	340.016	1.654.710
Cost of goods sold	(272.884)	(261.541)	(1.228.915)
Gross profit	80.839	78.475	425.795
Sales and distribution costs	(52.188)	(59.021)	(240.458)
Administrative costs and net other operating income	(17.155)	(20.976)	(73.328)
Earnings before interest, tax, depr. and amort. (EBITDA)	11.496	(1.521)	112.009
Special non-recurring items	(1.777)	(5.826)	(30.803)
Depreciation and impairment of tangible assets	(23.642)	(22.251)	(85.806)
Earnings before amort. and impairm. of intangible assets (EBITA)	(13.924)	(29.598)	(4.600)
Amortisation and impairment of intangible assets	(4.732)	(2.352)	(18.690)
Earnings before interest and tax (EBIT)	(18.656)	(31.950)	(23.291)
Financial items, net	(18.711)	(14.121)	(75.797)
Earnings before tax (EBT)	(37.368)	(46.072)	(99.088)
Tax on profit/loss for the period	3.516	6.531	14.533
Profit/loss for the period	(33.852)	(39.541)	(84.555)

Consolidated statement of comprehensive income

	Q1 2019 DKK (000)	Q1 2018 DKK (000)	FY 2018 DKK (000)
Profit/loss for the period	(33.852)	(39.541)	(84.555)
Other comprehensive income			
Items that can be reclassified to the income statement:			
Foreign exchange adjustment regarding foreign operations	(3.381)	(329)	(7.465)
Value adjustments of hedging instruments:			
Value adjustment for the period	34	1.915	(31)
Value adjustments transferred to revenue	(190)	(660)	(1.583)
Value adjustments transferred to production costs	(184)	1.331	1.630
Value adjustments transferred to balance sheet items	(937)	0	3.056
Tax on other comprehensive income	201	(345)	(449)
Other comprehensive income for the period after tax	(4.457)	1.912	(4.842)
Comprehensive income for the period	(38.309)	(37.628)	(89.397)
Comprehensive income for the period attributable to:			
Shareholders in Cembrit Group A/S	(38.309)	(37.628)	(89.397)
	(38.309)	(37.628)	(89.397)

Consolidated cash flow statement

	Q1 2019 DKK (000)	Q1 2018 DKK (000)	FY 2018 DKK (000)
EBIT from income statement	(18.656)	(31.950)	(23.291)
Depreciation and impairment of tangible assets	18.395	22.251	85.806
Amortisation and impairment of intangible assets	4.732	2.352	18.690
Depreciation of leased assets	5.247	0	0
Gain/loss on sold assets and other adjustments	(4.147)	320	(243)
Total adjusted EBITDA	5.571	(7.027)	80.962
Change in provisions	(562)	(1.569)	(5.782)
Change in working capital	(47.494)	(60.515)	14.445
Cash flow from operation before tax	(42.485)	(69.111)	89.625
Corporation tax paid	(6.990)	(7.740)	(12.534)
Cash flow from operating activities	(49.475)	(76.851)	77.091
Investments in intangible assets	(782)	(3.554)	(8.787)
Investments in tangible assets	(9.302)	(2.466)	(52.796)
Total investments	(10.084)	(6.020)	(61.583)
Disposal of intangible assets	0	0	0
Disposal of tangible assets	0	12	318
Total disposals	0	12	318
Change in other financial assets	0	(354)	(949)
Cash flow from investments	(10.084)	(6.362)	(62.214)
Cash flow from operating and investing activities	(59.559)	(83.213)	14.877
Other	0	0	(4)
Capital increases	0	90.000	92.139
External banks	3.416	2.389	(2.413)
Financial payments received and made	(19.773)	(15.215)	(62.014)
Leasing	(10.354)	(75)	(291)
Changes in NIBD	2.054	833	(12.450)
Cash flow from financing activities	(24.657)	77.932	14.967
Change in cash funds	(84.216)	(5.282)	29.844
Cash and cash pool balance at beg. of the period	34.578	6.785	6.785
Foreign exchange adjustments	12	(1.048)	(2.051)
Change in cash funds	(84.216)	(5.282)	29.844
Cash and cash pool balance at the end of the period	(49.626)	455	34.578

Consolidated balance sheet – Assets

	31.03.2019	31.03.2018	31.12.2018
	DKK (000)	DKK (000)	DKK (000)
Intangible assets	164.365	179.828	168.652
Property, plant and equipment	1.022.338	936.235	919.894
Other financial assets	1.304	707	1.304
Deferred tax assets	116.724	95.137	108.747
Total non-current assets	1.304.731	1.211.906	1.198.598
Inventories	290.983	364.623	297.370
Accounts receivable	239.452	234.589	185.954
Prepaid expenses	16.855	13.033	20.823
Other receivables	34.477	41.100	25.680
Cash	22.419	9.017	34.578
Total current assets	604.186	662.361	564.404
Total assets	1.908.917	1.874.267	1.763.002

Consolidated balance sheet – Equity and liabilities

	31.03.2019	31.03.2018	31.12.2018
	DKK (000)	DKK (000)	DKK (000)
Share capital	71.524	71.524	71.524
Reserves	349.867	437.806	388.176
Total shareholders' equity	421.391	509.330	459.700
Deferred tax liabilities	60.262	64.573	61.284
Provisions	50.586	55.142	49.153
Pension liabilities and other liabilities	2.442	2.169	2.441
Bond issued	839.735	850.956	837.681
Lease liability	81.382	656	441
Long-term liabilities	1.034.407	973.495	951.000
Pension liabilities and other liabilities	231	287	231
Lease liability	27.568	313	314
Other provisions	14.595	15.838	16.501
External banks	77.249	15.208	1.807
Accounts payable	152.987	168.537	172.887
Current tax liabilities	9.459	12.744	8.851
Prepayments from customers	333	2.551	217
Other short-term liabilities	170.698	175.963	151.494
Short-term liabilities	453.119	391.441	352.301
Total liabilities	1.487.526	1.364.937	1.303.302
Total equity and liabilities	1.908.917	1.874.267	1.763.002

Statement of changes in equity

DKK (000)	Share capital	Foreign exchange adjustment	Value adjustment of hedging	Non distribut- able reserves	Retained earnings	Proposed dividend	Total
Equity at 1 January 2019	71.524	11.835	452	5.382	370.507	0	459.700
Comprehensive income for the period							
Profit/loss for the period					(33.852)		(33.852)
Other comprehensive income							
Foreign exchange adjustments regarding foreign operations		(3.381)					(3.381)
Value adjustments of hedging instruments:							
Value adjustments for the period			34				34
Value adjustments transferred to revenue			(190)				(190)
Value adjustments transferred to production costs			(184)				(184)
Value adjustments transferred to balance sheet items			(937)				(937)
Tax on other comprehensive income			201				201
Other comprehensive income, total	0	(3.381)	(1.077)	0	0	0	(4.457)
Comprehensive income for the year	0	(3.381)	(1.077)	0	(33.852)	0	(38.309)
Capital increase							0
Equity at 31 March 2019	71.524	8.454	(625)	5.382	336.655	0	421.391
Equity at 1 January 2018	41.860	19.300	(2.171)	5.382	392.587	0	456.958
Comprehensive income for the period							
Profit/loss for the period					(39.541)		(39.541)
Other comprehensive income							
Foreign exchange adjustments regarding foreign operations		(329)					(329)
Value adjustments for the period			1.915				1.915
Value adjustments transferred to revenue			(660)				(660)
Value adjustments transferred to production costs			1.331				1.331
Value adjustments transferred to balance sheet items			0				0
Tax on other comprehensive income			(345)				(345)
Other comprehensive income, total	0	(329)	2.241	0	0	0	1.913
Comprehensive income for the year	0	(329)	2.241	0	(39.541)	0	(37.628)
Capital increase	29.664				60.336		90.000
Equity at 31 March 2018	71.524	18.971	70	5.382	413.382	0	509.330

Notes

1 Update of material risk factors

No significant changes in risk factors have been identified that will affect the Group in the coming quarter. Risk will always play an important part in our business, and identifying, mitigating and managing risk are in focus in our day-to-day work. The key risks are: safety, market, production, raw materials and energy, foreign exchange rates and human resources. Detailed descriptions of these risks are provided in the 2018 Annual Report.

The sales pattern is seasonal, with revenue highest in the second and third quarters and lowest in the first quarter. Further information is included in the Business review.

2 Accounting policies

The Interim financial report has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union and additional Danish disclosure requirements for listed companies.

Except as stated below, the recognition and measurement principles applied in preparing the Interim financial report are consistent with those applied in preparing the 2018 Annual Report. The 2018 Annual Report provides a full description of the accounting policies.

The Q1 2019 Interim financial report has not been audited or subject to a review by the auditors.

Changes in accounting policies

Cembrit has adopted all new or revised and amended International Financial Reporting Standards (IFRSs) and interpretations (IFRICs) issued by IASB and endorsed by the EU effective for the financial year 2019. The new lease accounting standard (IFRS 16) was implemented for the first quarter. This requires all leases – except for short-term leases and leases of low-value assets – to be recognised in the balance sheet as a right-of-use asset and lease liability measured at the present value of future lease payments. The right-of-use asset is subsequently depreciated over the lease term in a similar way to other assets such as property, plant and equipment, and interest on the lease liability is calculated in a similar way to finance leases under IAS 17 Leases.

For the first quarter, the implementation of IFRS 16 has positively impacted EBITDA by DKKm 6.8, EBIT by DKKm 0.6 and operating cash flow by DKKm 5.8. Non-current assets as of 31 March 2019 have increased by DKKm 115 and net interest-bearing debt by DKKm 108. The impact is in line with the expectations disclosed in the 2018 Annual Report.

The Cembrit Group's leases primarily comprise forklift trucks, cars, and rental of warehouses and premises.

The comparative figures for Q1 2018 and full-year 2018 have not been restated and follow IAS 17 instead of IFRS 16.

3 Significant estimates and assessments by Management

Preparation of the Interim financial report requires Management to make estimates and assumptions – which might deviate from actual results – that affect the reported amounts and disclosures in the financial statements and in the notes.

Management bases its estimates on historical experience and other assumptions considered relevant at the time. These estimates and assumptions form the basis for the recognised carrying amounts of assets and liabilities and the derived effects on the income statement and other comprehensive income. The actual result may deviate over time.

The estimates made, and the underlying assumptions are reconsidered on an ongoing basis.

4 Credit facilities and available liquidity

	Q1 2019 DKK (000)	Q1 2018 DKK (000)	FY 2018 DKK (000)
Bond issued	839,735	837,681	837,681
Credit facilities	82,025	82,025	82,025
Total facilities	921,760	919,706	919,706
Cash	22,419	9,017	34,578
Utilised	-916,984	-852,889	-845,778
Available liquidity	27,195	75,834	108,506

The bond amount to be repaid was DKKm 855.6 (EURm 115) at the end of Q1 2019 and the transaction costs, which are amortised, were DKKm 15.9 (Q4 2018: DKKm 18.5). Accordingly, the carrying amount of the bond loan was DKKm 839.7 at the end of Q1 2019 (Q4 2018: DKKm 837.7).

Available liquidity decreased by DKKm 81.3 in Q1 2019 as a result of the build-up of working capital related to the seasonality of the business. Increased demand in Q2 and Q3 will decrease working capital and improve available liquidity going forward.

5 Segment information

The internal reporting framework used for reporting on revenue and expenses to the General Management Team and the Board of Directors has been chosen to reflect Cembrit's global

functional responsibility setup. This setup consolidates functions by type, and Management reviews the Group's results to assess performance. Thus, there is only one operating segment, which is unchanged from year-end 2018.

The Group operates primarily in the European market. The geographical distribution of revenue is based on the country in which the goods are delivered.

	Q1 2019	Q1 2018	FY 2018
	<u>DKK (000)</u>	<u>DKK (000)</u>	<u>DKK (000)</u>
Revenue by geographical area			
Denmark	94,218	82,753	484,178
United Kingdom	46,093	55,308	236,907
Sweden	38,852	43,850	174,568
Nordic (excl. Denmark and Sweden) and Ireland	91,459	89,824	423,559
Western Europe (excl. United Kingdom and Ireland)	56,134	48,455	211,320
Other	26,968	19,826	124,178
	<u>353,723</u>	<u>340,016</u>	<u>1,654,710</u>
Revenue by product group			
Roofing	153,249	148,093	737,522
Façade/function boards	158,321	151,114	712,364
Other	42,153	40,809	204,824
	<u>353,723</u>	<u>340,016</u>	<u>1,654,710</u>
Assets by geographical area			
Denmark	156,871	82,124	102,259
Nordic (excl. Denmark), the UK and Ireland	292,140	250,106	235,513
Easten Europe	719,499	749,291	718,423
Other	18,193	34,542	32,351
	<u>1,186,703</u>	<u>1,116,063</u>	<u>1,088,546</u>

The adoption of IFRS 16 Leases has increased assets by geographical area for Q1 2019 specified above by DKKm 115. Further information about IFRS 16 is included in note 2.

6 Special non-recurring items

Special non-recurring items are used in connection with presentation of the income statement to distinguish consolidated EBITDA from exceptional items so as to give a true and fair view of the Group's operational activities.

A high level of Management attention is applied to ensure that only exceptional items not associated with the ordinary operations of the Group are classified as special non-recurring items. The same classification is used for the internal reporting to the Board of Directors. Special non-recurring items provide insight into the running of the business and how the business is monitored by Management.

Special non-recurring items are disclosed in the income statement. They comprise income and costs and are specified below:

	Q1 2019	Q1 2018	FY 2018
	DKK (000)	DKK (000)	DKK (000)
Sales activities	0	3,266	10,000
M&A activities	0	0	5,727
Restructuring	1,777	2,560	15,076
	1,777	5,826	30,803

In the 2018 Annual Report, inventory write-down totalling DKKm 10 was recognised in special non-recurring items (further details are included in note 5 in the 2018 Annual Report). There were no material changes to the inventory write-down in Q1 2019.

7 Financial risks and derivative financial instruments

Cembrit's financial risk exposure is unchanged compared to the disclosure in the consolidated financial statements in the 2018 Annual Report.

8 Events after the balance sheet date

No events have occurred after the balance sheet date that will have a material impact on the parent company's or the Cembrit Group's financial position.