

ROBIT PLC STOCK EXCHANGE RELEASE 18 OCTOBER 2018 AT 13.00 A.M.

ROBIT PLC BUSINESS REVIEW JANUARY- SEPTEMBER 2018

In accordance with its disclosure policy, Robit Plc publishes annually a half-year financial report and a financial statements release. In addition, the company publishes net sales data for the first and third quarters.

Robit group's third quarter net sales fell by 10 per cent to EUR 20.8 million (EUR 23.1 million in Q3/2017). Net sales declined in the Down the Hole -business in Australasia and in the North American Top Hammer business. Exchange rates had no material impact on the quarter's net sales.

Unaudited net sales for January-September 2018 fell by 2.7 per cent to EUR 63.9 million (EUR 65.7 million for January-September 2017). The negative impact of exchange rates on net sales was EUR 2.9 million, which means that in comparable currencies net sales were at the previous year's level.

Previously reported restructuring activities have been carried out as planned and the profit improvement will be realized in full during 2019. The company will continue to develop the distributor network in line with its strategy. Net sales increase is essential and company has free production capacity. Well-functioning production at the Korean plant has shortened delivery times, which will improve customer satisfaction and conditions for new customer acquisition and also reduce the need for inventory in the company's supply chain.

The company's business has developed weaker than planned in the third quarter, as a result of which the company changed its profit guidance in a release published on 15 October 2018. According to Robit's updated view, euro-denominated EBITA profitability for 2018 (excluding items affecting comparability) will fall significantly short of the previous year's level, if market demand remains at the current level and no unforeseen disruptions arise in the market.

ROBIT PLC

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Robit is a strongly internationalized growth company selling and servicing global customers in drilling consumables for applications in mining, construction and contracting, tunnelling and well drilling. The company's offering is divided into three product and service range: Top Hammer and Down-the-Hole products as well as Digital Services. Robit has 19 own sales and service points as well as active sales networks in 115 countries. The manufacturing units are located in Finland, South Korea, Australia, UK and USA.

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