

INTERIM REPORT FOR Q1 2015/16

(01 OCTOBER 2015 – 31 DECEMBER 2015)

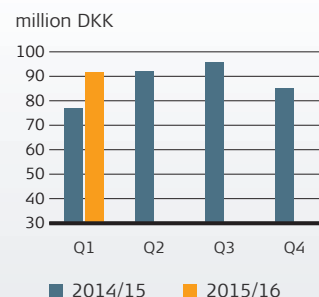
Growth in revenue and increased profit

The Supervisory Board of RTX A/S has today considered and adopted the Group's interim report for the first quarter of the 2015/16 financial year (covering the period 01.10.2015 – 31.12.2015).

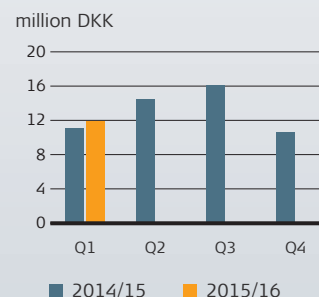
SUMMARY OF THE FIRST QUARTER OF THE FINANCIAL YEAR 2015/16 FOR THE RTX GROUP

- Net revenue amounted to DKK 91.8 million in the first quarter of the 2015/16 financial year corresponding to a revenue increase of 19.7% compared to last year's net revenue of DKK 76.7 million. Growth over the quarter was positively affected by the positive exchange rate for USD. Adjusted for foreign exchange effects, revenue growth was 6.8%.
- Revenue apportioned across RTX's business units is as follows:
 - ProTelecom rose by DKK 9.9 million corresponding to an increase of 19.5%. The revenue growth is driven by an increase in orders of handsets to customers in the segment for large-scale communication systems and by an increase in handset orders for customers in the segment targetted at small and medium-sized communication systems.
 - Design Services increased revenue by DKK 5.1 million corresponding to an increase of 20.3%. During the first quarter of the 2015/16 financial year, the business unit experienced continued growth in demand for customer-financed development projects. The revenue growth, however, both stems from the business unit's core business, and also from the unit's scalable sales of customer-adapted modules.
- The Group's gross profit increased from DKK 44.7 million to DKK 54.2 million and as a consequence of the revenue mix, the Group's gross margin increased from 58.3% to 59.0%.
- Capacity costs were affected by provisions for non-recurring costs. Provisions amount to DKK 3.4 million.

REVENUE PER QUARTER



EBIT PER QUARTER



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RTX
WIRELESS WISDOM™

- Operating profit (EBIT) totalled DKK 12.1 million compared to DKK 11.2 million last year corresponding to growth of 7.6%.
- The Group's cash flow from operating activities for the first quarter was DKK 2.6 million compared to DKK 5.8 million for the same period last year.
- As communicated in Announcement no. 76/2015 of 23 December 2015, RTX has entered an agreement concerning the sale of the company's premises in Nørresundby. The contract means that RTX transferred the property with effect from 1 January 2016. RTX will continue as a tenant in part of the property for a minimum of 10 years. The deal is bringing in a value on par with the book value of DKK 71.5 million.
- The development in the first quarter of the financial year confirms the expectations announced in connection with the Annual Report for 2014/15 (c.f. Announcement no. 65/2015 of 25 November 2015) in which RTX expects revenue in the range of DKK 365-380 million and EBIT in the range of DKK 54-60 million and an EBITDA in the range of DKK 58-66 million.

RTX A/S

Peter Thostrup
Chairman

Jacob Vittrup
Acting CEO

ENQUIRIES AND FURTHER INFORMATION:

Acting CEO
Jacob Vittrup,
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APPENDICES

Interim report for Q1 2015/16 comprising:

- Group financial highlights and key ratios
 - Management report
 - Group income statement
 - Statement of comprehensive income
 - Group balance sheet
 - Group equity statement
 - Group cash flow statement
 - Notes
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On Friday, 29 January 2016 at noon, RTX will hold a meeting for investors and analysts at ABG Sundal Collier, Forbindelsesvej 12, 2100 Copenhagen.

At this meeting, the Company's management will comment on the Group's interim report for the first quarter of 2015/16.

To register for the meeting, please email rind.danielsson@abgsc.dk.

GROUP FINANCIAL HIGHLIGHTS AND KEY RATIOS

(NON-AUDITED)

Amounts in DKK million	Q1 2015/16	Q1 2014/15	01.10.14- 30.09.15
INCOME STATEMENT ITEMS			
Revenue	91.8	76.7	349.5
Gross profit	54.2	44.7	196.2
Operating profit/loss (EBIT)	12.1	11.2	52.3
EBITDA	13.4	12.8	59.0
EBITDA %	14.6%	16.7%	16.9%
Net financials	0.6	1.5	0.7
Profit/loss before tax (EBT)	12.6	12.7	53.0
Profit/loss for the period	12.6	12.7	48.9
BALANCE SHEET ITEMS			
Cash and current asset investments	130.8	109.9	136.9
Total assets	349.3	311.8	343.1
Equity	276.5	238.2	265.9
Liabilities	72.8	73.6	77.2
OTHER KEY FIGURES			
Development costs (own) before capitalization	6.4	5.1	22.7
Capitalized development costs	-	0.3	2.7
Depreciation, amortization and impairment	1.3	1.6	6.7
Cash flow from operations	2.6	5.8	53.2
Cash flow from investments	-1.5	-0.9	-46.5
Investments in property, plant and equipment	1.3	0.5	3.1
Increase/decrease in cash and cash equivalents	-6.1	1.4	-11.0
KEY RATIOS			
Growth in net turnover (percentage)	19.7	11.9	21.2
Profit margin (percentage)	13.1	14.6	15.0
Return on invested capital (percentage)	6.5	6.6	29.9
Return on equity (percentage)	4.6	5.4	19.8
Equity ratio (percentage)	79.2	76.4	77.5
EMPLOYMENT			
Average number of full-time employees	172	160	166
Revenue per employee ¹⁾ (DKK '000)	534	480	2,105
Operating profit/loss per employee ¹⁾ (DKK '000)	70	70	315
SHARES			
Average number of shares in circulation ('000)	8,621	8,587	8,621
Average number of diluted shares ('000)	9,092	9,012	9,084
SHARE DATA, DKK PER SHARE AT DKK 5			
Profit/loss for the period (EPS), per share ¹⁾	1.5	1.5	5.7
Profit/loss for the period, diluted (DEPS), per share ¹⁾	1.4	1.4	5.4
Dividends, per share (DKK)	-	-	2.0
Equity value, per share	32.1	27.9	30.7
Listed price, per share	80.0	57.0	87.0

Note: The Group's financial year runs from 1 October to 30 September.

Definitions of the key ratios used are stated in the annual report for 2014/15 in the accounting policies.

¹⁾ Not annualized.

MANAGEMENT REPORT

COMMENTS ON DEVELOPMENTS FOR THE FIRST QUARTER OF THE 2015/16 FINANCIAL YEAR

WITH REFERENCE TO THE GROUP'S FINANCIAL FIGURES FOR THE FIRST QUARTER OF 2015/16

The Group posted revenue of DKK 91.8 million for the first quarter of the 2015/16 financial year compared to DKK 76.7 million for the same period last year, which corresponds to an increase of 19.7%.

ProTelecom posted a revenue increase of DKK 9.9 million, corresponding to 19.5%, for the first quarter 2015/16. The first quarter increase was driven by a revenue increase for handsets for large communication systems for the company's major Enterprise customers as well as an increase in handsets for small and medium-sized corporate systems. The newly launched handset, which has been specially designed for use in dusty and humid environments, has been well received by the market. A similar product variant is expected to be launched in the second quarter of the financial year to another of the company's major Enterprise customers.

The business unit Design Services, posted revenue of DKK 30.4 million for the first quarter, corresponding to an increase of 20.3% compared to last year. The business unit's module business of customer-adapted modules is experiencing significant growth, but there is also continued growth in demand for customer-financed development projects.

Both business units have a significant portion of their revenue and sales costs in USD. Consequently, the revenue increase is also affected by the rate of USD being at a significantly higher level during the quarter compared to last year. Excluding the effects of the higher USD rate, overall revenue growth for the quarter was 6.8%.

The revenue growth resulted in an increase in gross profit of DKK 9.5 million for the first quarter 2015/16. As a consequence of the revenue mix, the Group's gross margin increased from 58.3% for the first quarter of 2014/15 to 59.0% for the first quarter of 2015/16.

Overhead costs (i.e. other external costs and staff costs) amounted to DKK 40.8 million, which is DKK 8.5 million higher than last year. There are three main reasons for the increase. The quarter was affected by provisions of DKK 3.4 million for redundancy costs. The increased activity level and the growing order book have meant that RTX has increased staffing levels compared to last year. The rising exchange rate has made the operation of the subsidiaries in the USA and Hong Kong slightly more expensive measured in DKK.

Development costs totalled DKK 6.4 million for the first quarter compared to last year's figure of DKK 5.1 million.

As planned, depreciation fell from DKK 1.6 million in the first quarter of 2014/15 to DKK 1.3 million for the first quarter of 2015/16.

Operating profit (EBIT) for the first quarter of 2015/16 was DKK 12.1 million against DKK 11.2 million for the same period last year.

Net financial income and expenses resulted in an income of DKK 0.6 million compared to the same period last year when net financial income and expenses resulted in an income of DKK 1.5 million. The changes are mainly the result of foreign exchange fluctuations for USD.

Profit for the period before tax for the first quarter of 2015/16 amounted to DKK 12.6 million compared to a profit of DKK 12.7 million for the same period last year.

Profit for the period after tax for the first quarter of 2015/16 amounted to DKK 12.6 million compared to DKK 12.7 million for the same period last year.

In the first quarter, the company used the authorization from the Annual General Meeting to undertake further share buybacks during the quarter, which had a negative impact on equity. The equity ratio amounted to 79.2% at the end of the first quarter compared to 76.4% last year. The Group's balance sheet total was DKK 349.3 million at the end of the first quarter. This is a rise of DKK 37.5 million compared to the same time last year. Of the total rise, securities and cash at bank and in hand total DKK 20.9 million.

The increase in receivables and inventory of DKK 18.4 million is due to the higher activity level.

The rise in activity over the quarter had an overall negative impact on working capital. Despite the negative effect, the Group posted a positive cash flow from operating activities in the first quarter of 2015/16 of DKK 2.6 million compared to DKK 5.8 million for the first quarter of 2014/15.

Shareholder focused initiatives adopted by the Company's Annual General Meeting affected the Group's total cash flow by DKK 3.5 million in the first quarter of 2015/16.

The Group's total cash funds and current securities less bank debt totaled DKK 130.8 million at the end of the quarter, which is a rise of DKK 20.9 million compared to the same period last year.

OUTLOOK FOR THE 2015/16 FINANCIAL YEAR

The Management expects revenue to be in the range of DKK 365-380 million and EBIT to be between DKK 54-60 million. EBITDA is expected to be between DKK 58-66 million for the 2015/16 financial year.

The outlook is based on the crucial assumption that foreign exchange rates continue at a relatively unchanged level.

RISKS AND UNCERTAINTIES FOR THE REMAINDER OF THE 2015/16 FINANCIAL YEAR

Statements on future conditions

The above statements on the Group's future conditions, including, in particular, future revenue and operating profit (EBIT), reflect the Management's current outlook and carry some uncertainty. These statements can be affected by a number of risks and uncertainties which mean that actual developments can be different from the indicated outlook. These risks and uncertainty factors include – but are not limited to – general business and economic conditions, dependence on partners, the time of delivery of components, integration of acquired companies and foreign exchange and interest rate fluctuations.

FINANCIAL CALENDAR

Expected publication of financial information for the financial year 2015/16:

10 May 2016

Interim report for Q2 2015/16

25 August 2016

Interim report for Q3 2015/16

29 November 2016

Annual report 2015/16

STATEMENT BY THE MANAGEMENT ON THE INTERIM REPORT

The Supervisory Board and the Executive Board have today considered and adopted the interim report of RTX A/S for the first quarter of the financial year 2015/16 (covering the period 1 October to 31 December 2015).

The interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU and further Danish disclosure requirements for the interim reporting for

listed companies. The interim report has not been audited or reviewed by the Company's auditor.

We consider the applied accounting policies appropriate for the interim report to provide, in our opinion, a true and fair view of the Group's assets, liabilities and financial position as at 31 December 2015 and of its financial performance and cash flow for the first quarter of 2015/16.

We consider Management's review to give a true and fair view of the Group's activities and finances, profit/loss for the period and the Group's financial position as a whole, as well as a true and fair description of the most material risks and uncertainties facing the Group.

Nørresundby, 26 January 2016

EXECUTIVE BOARD

Jacob Vittrup
Acting CEO

SUPERVISORY BOARD

Peter Thostrup
Chairman

Jesper Mailind
Deputy Chairman

Katrin Calderon

Thomas Sieber

Jens Hansen

Rune Strøm Jensen
Employee representative

Flemming Vendbjerg Andersen
Employee representative

Kurt Heick Rasmussen
Employee representative

GROUP INCOME STATEMENT

(NON- AUDITED)

Amounts in DKK '000	Note	Q1 2015/16	Q1 2014/15	01.10.14- 30.09.15
Revenue	3	91,829	76,733	349,502
Value of work transferred to assets	4	-	325	2,685
Costs of sales etc.		-37,661	-32,027	-153,266
Other external expenses		-10,178	-7,417	-33,584
Staff costs		-30,597	-24,805	-106,299
Depreciation, amortization and impairment	4	-1,324	-1,594	-6,746
Operating profit/loss (EBIT)		12,069	11,215	52,292
Financial income	5	691	1,660	2,221
Financial expenses	5	-126	-207	-1,557
Profit/loss before tax		12,634	12,668	52,956
Tax of profit/loss for the period		-26	-4	-4,055
Profit/loss for the period after tax		12,608	12,664	48,901
Profit/loss per share (EPS)				
Profit/loss for the period (DKK)		1.5	1.5	5.7
Profit/loss for the period, diluted (DKK)		1.4	1.4	5.4

STATEMENT OF COMPREHENSIVE INCOME

(NON-AUDITED)

Amounts in DKK '000	Q1 2015/16	Q1 2014/15	01.10.14- 30.09.15
Profit/loss for the period	12,608	12,664	48,901
Items that can be reclassified subsequently to the income statement			
Exchange rate adjustments of foreign subsidiaries	785	909	3,236
Fair value adjustment of short-term current asset investments	-258	-301	-490
Other comprehensive income, net of tax	527	608	2,746
Comprehensive income for the period	13,135	13,272	51,647

GROUP BALANCE SHEET

(NON-AUDITED)

Amounts in DKK '000	31 Dec. 2015	31 Dec. 2014	30 Sept. 2015
Assets			
Own completed development projects	2,809	3,387	3,681
Own ongoing development projects	-	325	-
Goodwill	7,797	7,797	7,797
Intangible assets	10,606	11,509	11,478
Land and buildings		72,431	-
Plant and machinery	2,936	1,549	2,008
Other fixtures, tools and equipment	1,848	1,377	1,727
Leasehold improvements	72	178	53
Tangible assets	4,856	75,535	3,788
Deposits	584	408	560
Deferred tax assets	36,916	38,844	36,900
Other long-term assets	37,500	39,252	37,460
Total long-term assets	52,962	126,296	52,726
Inventories	25,870	11,116	24,377
Trade receivables	53,712	52,701	45,399
Contract development projects in progress	9,284	7,751	9,088
Income taxes	137	442	134
Other receivables	2,721	1,225	1,493
Accruals	2,307	2,370	1,452
Receivables	68,161	64,489	57,566
Short-term current asset investments	73,878	34,378	73,818
Cash at bank and in hand	56,942	75,537	63,090
Assets held for sale	71,528	-	71,528
Total short-term assets	296,379	185,520	290,379
Total assets	349,341	311,816	343,105

GROUP BALANCE SHEET

(NON-AUDITED)

Amounts in DKK '000	31 Dec. 2015	31 Dec. 2014	30 Sept. 2015
Equity and liabilities			
Share capital	45,687	44,374	45,687
Share premium account	296,090	294,230	296,090
Retained earnings	-65,261	-100,425	-75,871
Equity	276,516	238,179	265,906
Mortgage debt	-	10,527	-
Provisions	951	537	395
Long-term liabilities	951	11,064	395
Current portion of long-term mortgage debt	-	1,305	-
Trade payables	32,238	28,674	26,178
Contract development projects in progress	785	2,722	2,513
Income taxes	148	485	2,123
Provisions	6,390	3,145	3,911
Employee bonds	-	1,855	-
Other payables	23,644	24,387	29,686
Short-term liabilities	63,205	62,573	64,411
Liabilities related to assets held for sale	8,669	-	12,393
Total liabilities	72,825	73,637	77,199
Total equity and liabilities	349,341	311,816	343,105

EQUITY STATEMENT FOR THE GROUP

(NON-AUDITED)

Amounts in DKK '000	Share capital	Share premium	Retained earnings	Total
Equity at 1 October 2014	44,374	294,230	-111,039	227,565
Profit/loss for the period	-	-	12,664	12,664
Exchange rate adjustments of foreign subsidiaries	-	-	909	909
Fair value adjustment of short-term current asset investments	-	-	-301	-301
Other comprehensive income	-	-	608	608
Comprehensive income for the period	-	-	13,272	13,272
Share-based remuneration	-	-	494	494
Acquisition of treasury shares	-	-	-3,152	-3,152
Other transactions	-	-	-2,658	-2,658
Equity at 31 December 2014	44,374	294,230	-100,425	238,179
Equity at 1 October 2015	45,687	296,090	-75,871	265,906
Profit/loss for the period	-	-	12,608	12,608
Exchange rate adjustments of foreign subsidiaries	-	-	785	785
Fair value adjustment of short-term current asset investments	-	-	-258	-258
Other comprehensive income	-	-	527	527
Comprehensive income for the period	-	-	13,135	13,135
Share-based remuneration	-	-	954	954
Acquisition of treasury shares	-	-	-3,479	-3,479
Other transactions	-	-	-2,525	-2,525
Equity at 31 December 2015	45,687	296,090	-65,261	276,516

Share capital of DKK 45,686,690 consists of 9,137,338 shares at DKK 5.

The Group holds 516,556 treasury shares at 31 December 2015 (373,977 shares at 31 December 2014).

There are no shares carrying special rights.

GROUP CASH FLOW STATEMENT

(NON-AUDITED)

Amounts in DKK '000	Q1 2015/16	Q1 2014/2015	01.10.14- 30.09.15
Operating profit/loss (EBIT)	12,069	11,215	52,292
Reversal of items with no effect on cash flow			
Depreciation, amortization and impairment	1,324	1,594	6,746
Other items with no effect on cash flow	1,973	1,342	8,516
Change in working capital			
Change in inventories	-1,493	-23	-14,779
Change in receivables	-10,592	-6,923	789
Change in trade payables etc.	769	-3,021	-1,085
Cash flow from operating activities	4,050	4,184	52,479
Financial income received	691	1,660	2,221
Financial expenses paid	-126	-207	-1,557
Income taxes paid	-1,975	137	64
Cash flow from operations	2,640	5,774	53,207
Investments in own development projects	-	-325	-2,685
Acquisition of property, plant and equipment	-1,273	-539	-3,073
Deposits on leaseholds	-23	-	-116
Acquisition of short-term bonds	-1,142	-	-40,661
Income from sale of short-term asset investments	960	-	-
Cash flow from investments	-1,478	-864	-46,535
Repayment of long-term liabilities	-3,831	-323	-1,293
Income from capital increase	-	-	3,173
Acquisition of treasury shares	-3,479	-3,152	-11,078
Paid dividend	-	-	-8,875
Dividend for treasury shares	-	-	389
Cash flow from financing activities	-7,310	-3,475	-17,684
Increase/decrease in cash and cash equivalents	-6,148	1,435	-11,012
Cash and cash equivalents at the beginning of the period, net	63,090	74,102	74,102
Cash and cash equivalents at the end of the period, net	56,942	75,537	63,090
Cash and cash equivalents at the end of the period, net, is composed as follows:			
Cash at bank and in hand	56,942	75,537	63,090
Bank debt	-	-	-
Cash and cash equivalents at the end of the period, net	56,942	75,537	63,090

NOTES

1. ACCOUNTING POLICIES

The interim report is presented in accordance with IAS 34, Interim Financial Reporting, and further Danish disclosure requirements for interim reporting for listed companies. An interim report has not been prepared for the Parent.

The accounting policies applied in this interim report are consistent with those applied in the Company's annual report for 2014/15, which was presented in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies. We refer to the annual report for 2014/15 for a more detailed description of the accounting policies.

The applied accounting policy is unchanged compared to the annual report for 2014/15. New or amended standards and interpretations becoming effective for the financial year 2015/16 have no material impact on the interim report.

2. ESTIMATES AND ASSUMPTIONS

The preparation of interim reports requires management to make financial estimates and assumptions that affect the application of accounting policy and recognised assets, obligations, income and expenses. Actual results might be different from these estimates.

The material estimates that management makes when applying the accounting principles of the Group, and the material uncertainty connected with these estimates and assumptions are unchanged in the preparation of the interim report compared to the preparation of the annual report as per 30 September 2015.

NOTES

3. SEGMENT INFORMATION

Amounts in DKK '000	Q1 2015/16	Q1 2014/2015	01.10.14- 30.09.15
Revenue, business segments			
Design Services	30,372	25,247	110,195
ProTelecom	60,533	50,637	235,902
Non-allocated items	924	849	3,405
Total	91,829	76,733	349,502
EBIT			
Design Services	6,159	4,225	15,473
ProTelecom	12,303	9,340	45,704
Non-allocated items	-6,393	-2,350	-8,885
Total	12,069	11,215	52,292
Segment assets			
Design Services	25,951	23,812	28,241
ProTelecom	73,309	60,268	62,544
Non-allocated items	250,081	227,736	252,320
Total	349,341	311,816	343,105
Revenue, geographical segments			
Denmark	1,932	2,956	10,370
France	23,017	24,147	94,021
Germany	11,458	8,892	51,763
Holland	22,979	12,560	67,527
Other Europe	7,541	6,653	37,133
Asia and Australia	9,259	8,841	41,758
USA	14,492	10,241	40,509
Other North and South America	62	1,501	2,489
Africa	1,089	942	3,932
Total	91,829	76,733	349,502

Revenue is broken down by geographical area according to customer location. The Group balance sheet illustrates that the Group's assets are mainly owned by the parent company in Denmark. The geographical split of the assets is thus mainly in Denmark.

NOTES

4. GROUP DEVELOPMENT COSTS

Amounts in DKK '000	Q1 2015/16	Q1 2014/15	01.10.14- 30.09.15
Development costs before capitalization	6,367	5,071	22,708
Capitalized	-	-325	-2,685
Total amortization and impairment losses on development projects	872	741	3,131
Development costs recognized in the profit/loss account	7,239	5,487	23,154

5. GROUP FINANCIAL ITEMS

Amounts in DKK '000	Q1 2015/16	Q1 2014/15	01.10.14- 30.09.15
Interest income	-	114	69
Interest income from bonds available for sale	224	-	716
Exchange rate gains, net	348	1,546	1,393
Exchange rate gains on bonds	119	-	-
Other interest income	-	-	43
Financial income	691	1,660	2,221
Interest costs	29	62	178
Exchange rate loss on bonds	-	-	1,032
Other financial costs	97	145	347
Financial expenses	126	207	1,557