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## REPORT ON THE FOURTH QUARTER 2019

- Net sales for the quarter were SEK 3,919 m (4,070); a decrease of -4%, of which -9% was organic growth.
- Operating profit before depreciation and amortization (EBITDA) for the quarter was SEK 445 m (469), representing a margin of 11.4% (11.5%).
- Operating profit (EBIT) before items affecting comparability for the quarter was SEK 298 m (420), representing a margin of 7.6% (10.3%).
- Items affecting comparability for the quarter were SEK -60 m (-92), of which SEK -80 m related to restructuring costs in the quarter from the global restructuring program presented in the interim report for the third quarter 2019.
- Operating profit (EBIT) for the quarter was SEK 238 m (328), representing a margin of 6.1% (8.1%).
- Cash flow for the quarter was SEK 679 m (-906). Operating cash flow was SEK 918 m (859).
- Profit for the quarter was SEK 47 m (136).
- Earnings per share for the quarter were SEK 0.16 (0.46).
- The Board of Directors propose a dividend of SEK 2.20 (2.15) per share for 2019.

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### CEO COMMENT

"2019 was an important year for Dometic. It was a year in which we clearly embarked on the journey of transforming as a company, started to execute on many strategic initiatives across the entire organization and raised our ambitions by establishing new financial targets.

Our strategy is the foundation for actions taken during the year. Despite a challenging trading environment in areas of our business and US trade tariffs, we have managed to deliver 1 percent net sales growth for the full year. We also demonstrated a strong ability to react immediately to changing market conditions by taking actions leading to continued high profitability and the best operating cash flow in the history of Dometic. At the same time, we have increased our investments in innovation, in building the commercial organization for the new growth areas and in IT to become even more competitive in the years to come. We achieved our ambitious targets relating to the innovation index and SKU reduction for the year.

Since the announcement of the global restructuring program in connection with the report for the third quarter 2019, we have shifted two more production lines from China to the new manufacturing site in Mexico, consolidated one manufacturing site in Americas and initiated the closure of two manufacturing sites in EMEA. A total of 10 sites and around 200 employees have been affected during the quarter. In January, we took further action in the US, affecting one manufacturing site and around 200 employees. We remain confident that we will deliver on the previously communicated target of estimated annualized effects on earnings of approximately SEK 400 m when fully implemented, with full impact in the middle of 2022. The execution of this program will allow us to reach our financial targets and take full advantage of the many opportunities ahead.

As we enter 2020, we will continue to drive improvements in all areas in line with our strategy. We will continue to invest in new growth opportunities and innovation, while persisting with our efforts to reduce complexity, execute on the global restructuring program and improve efficiency every day in 2020. The many actions across the entire organization will demand full attention in order to secure successful and timely execution.

*Juan Vargues President and CEO*

**Short-term outlook:** *The near-term demand for Dometic's products is expected to remain challenging.*

### PRESENTATION OF THE REPORT

Analysts and media are invited to participate in a telephone conference at 10.00 (CET) January 31, 2020, during which President and CEO, Juan Vargues, and CFO, Stefan Fristedt, will present the report and answer questions.

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Webcast URL and presentation are available at [www.dometic.com](http://www.dometic.com).

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### FOR FURTHER INFORMATION, PLEASE CONTACT

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### ABOUT DOMETIC

Dometic is a global market leader in branded solutions for mobile living in the areas of Food & Beverage, Climate, Power & Control and Other Applications. Dometic operates in the Americas, EMEA and Asia Pacific, providing products for use in recreational vehicles, pleasure and workboats, trucks and premium cars and for a variety of other uses. Our motivation is to create smart and reliable products with outstanding design. We sell our products in approximately 100 countries and we have a global distribution and dealer network in place to serve the aftermarket. Dometic employs approximately 7,200 people worldwide, had net sales of approximately SEK 18.5 billion in 2019 and is headquartered in Stockholm, Sweden.