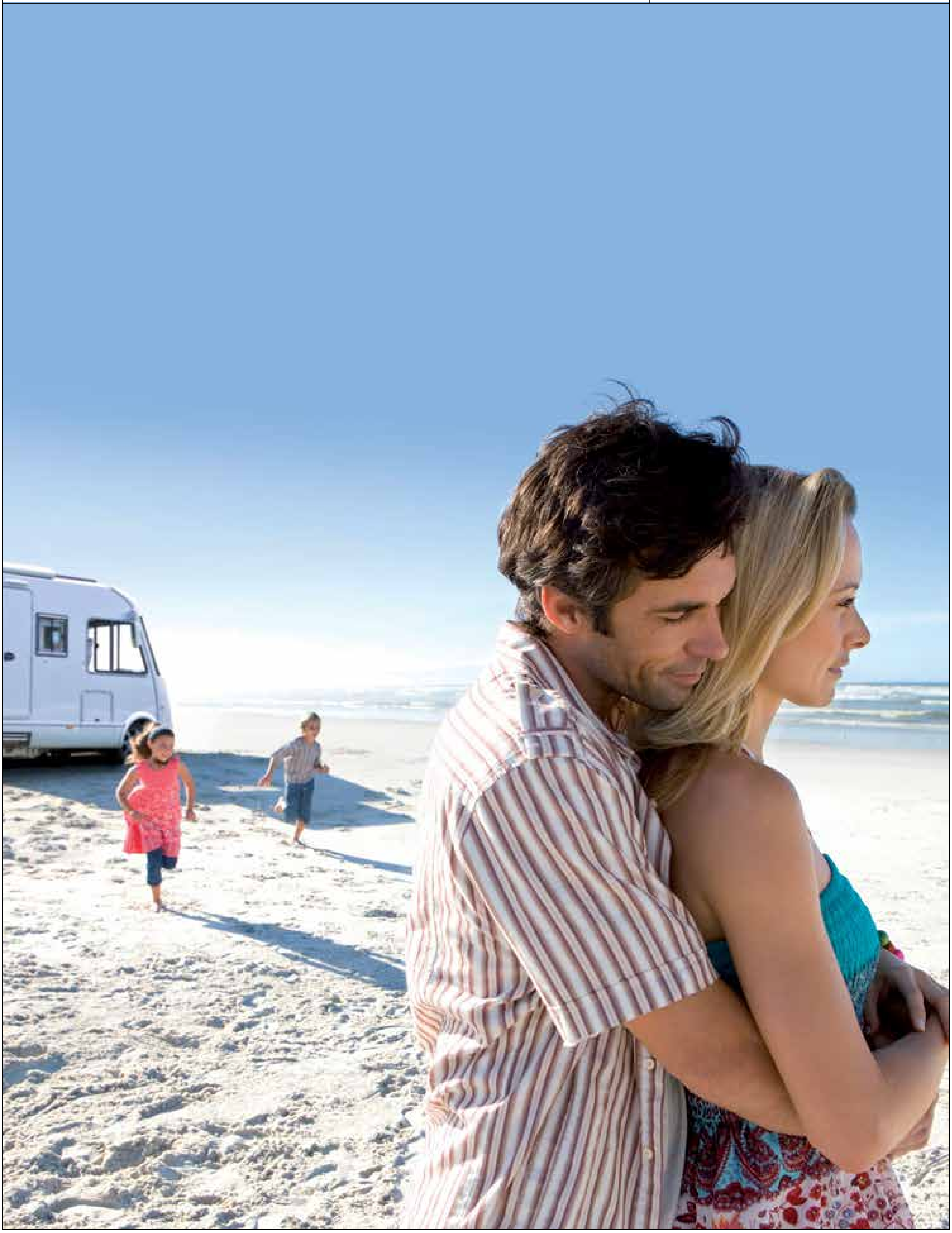
Annual Report
2012

Dometic GROUP



RV COMFORT

AUTOMOTIVE COMFORT


MARINE COMFORT
DOMETIC GROUP
CORE COMPETENCES


SPECIAL COMFORT
DOMETIC GROUP
CORE COMPETENCES

Content

Dometic Group in brief

PASSIONATE ABOUT COMFORT

- Dometic Group is a customer oriented, leading provider of innovative comfort products for the recreational vehicle, automotive and marine markets.
- Dometic Group markets a broad product portfolio which includes, awnings, sanitation systems, absorption technology and compressor based refrigerators, thermo-electric coolers, air conditioners, lighting, mobile power equipment, comfort and safety solutions, windows, doors and portable refrigerators/freezers. In addition, Dometic Group manufactures special refrigerators and other products for leisure comfort, hotels, offices, cruise liners and medical applications.
- The Group serves industry clients as well as the aftermarket with a complete range of products designed to bring comfort and convenience to people on the move. The Group sells its products through multiple distribution channels under well-established brand names Dometic and WAECO.
- Dometic Group products are sold in almost 100 countries around the globe, and the majority are manufactured in its own production facilities – in Asia Pacific, Europe and the US.

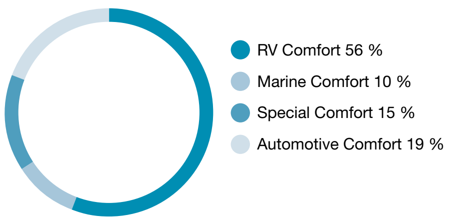
HIGHLIGHTS 2012

- Net sales amounted to SEK 7 922 million compared to SEK 7 941 million in 2011. In constant currency it was an increase of 4 percent.
- EBIT before items affecting comparability amounted to SEK 962 million – a decline of 16 percent in constant currency compared to 2011.
- Operating cash flow increased from SEK 794 million to SEK 984 million in 2012.
- New president and CEO Roger Johansson was appointed November 8.
- New CFO Per Carlsson was appointed August 13.
- In 2012, Dometic Group had an average of 6 400 employees (6 652).
- The Group increased sales in North America by 10 percent and in APAC with 2 percent compared to 2011. Sales in Europe decreased by 7 percent and with varied magnitude in different countries.
- During 2012 the Group continued to drive efficiencies in several areas, including our manufacturing footprint activities for cost-efficient production, continued efforts in purchasing and reductions in staff, particularly the administrative functions in Europe.
- Important product launches during the year were among others a new awning-family for RV, Europe, a new range of compressor fridge/freezers (CFX) with the lowest energy consumption and the highest performance ever and the Gold Series Air handlers from Marine that facilitate an easier and more flexible installation.

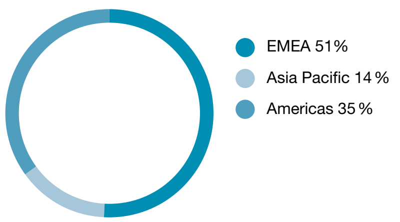
HIGHLIGHTS AFTER YEAR-END

- During the second part of 2012, CEO and Group management initiated a strategic review. Key issues like growth, earnings, operations, innovation, market presence and sales were addressed. The new strategy, which aims to grow sales and strengthen customer relationship, will be implemented in 2013. Key strategies are to expand OEM strongholds, grow aftermarket and retail business, accelerate new geographies and capture operational synergies. In order to better execute the strategy a new organization is effective from February 1st. It will have a regional set-up to bring operations closer to the customers.
- Dometic Group decided to divest assets relating to Dometic Umformtechnik GmbH in Rudersdorf, Germany. The reason for the divestment was that there were limited synergies between Dometic Group and the factory of Dometic Umformtechnik and that resources can be better utilized in the core business.

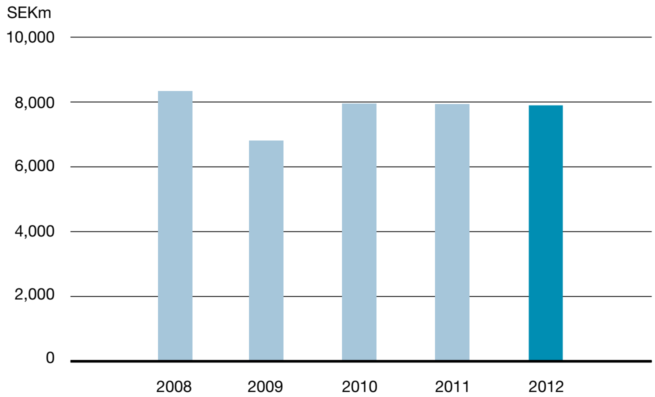
NET SALES PER BUSINESS AREA, %



NET SALES PER REGION, %



NET SALES DOMETIC GROUP



CEO comments – Retained market positions in a challenging market

Despite the downturn of the international business cycle and the ensuing financial turmoil, Dometic Group managed to retain sales at the same level as 2011. Net sales in constant currency amounted to SEK 7 922 million compared to SEK 7 941 million in 2011. EBITDA before items affecting comparability amounted to SEK 1 143 million, corresponding to a margin of 14.4 percent. This is lower than the previous year's 16.5 percent, mainly due to an unfavorable geographic and product mix, currency effects, and higher startup and warranty costs. Our operating cash flow increased from SEK 794 million to SEK 984 million in 2012 due to the improvement of our working capital.

In the fall we revised our strategy, and we have confirmed our direction for the future to be even more competitive. In 2012 we also took important measures to continue to improve our manufacturing footprint and to strengthen our logistics and purchasing functions. In addition, the divisions of the Dometic Group launched a number of innovative new products, which were well-received by the market.

CHALLENGING MARKET CONDITIONS

Conditions in our markets have become increasingly challenging, especially during the second half of the year. The downturn of the economy has made our customers more cautious, which had a negative effect on our sales in Europe. Sales for the six nations representing approximately 80 percent of the total European RV market decreased by about 6 percent during the year. Sales were affected by the less favorable European markets.

In contrast to Europe, the North American market developed favorably during the year. For instance, the RV market continued to be strong and RV OEM shipments to dealers were up by 13 percent during the year. Dometic Group benefitted from the positive momentum in North America. The marine market in the US developed less favorably, especially in the segment of 30–60 foot boats, due to the market conditions, but our sales were only marginally affected, partly due to growth in the aftermarket segment.

In Asia Pacific, we increased sales in Australia by making good inroads with the RV OEM customers, partly through the introduction of new products like windows and doors. In addition, the new high-performing CFX line of portable fridges and freezers within the Leisure Comfort segment was positively received by the market.

MIXED DEVELOPMENT FOR THE BUSINESS AREAS

From a business area perspective, RV Comfort performed adequately with growth in North America and APAC, while Europe was more sluggish. Automotive Comfort had a more challenging year with a good start to 2012 but a decline in the latter half of the year. The OEM business was negatively affected by the volume decline of heavy commercial truck and passenger cars, and by lower aftermarket demand in certain European markets. However, the introduction of new products for agricultural and heavy duty commercial trucks improved sales in North America. Sales for Marine Comfort decreased slightly as OEM sales were down in general, offset by an overall increase in the aftermarket. Sales for Special Comfort decreased slightly, with Medical Systems improving its sales significantly, while Leisure Comfort and Lodging Comfort declined.

IMPROVED OPERATIONAL EFFICIENCY

During 2012 we continued to drive efficiencies in several areas, including our manufacturing footprint activities for cost-efficient production, continued efforts in purchasing and reductions of staff, particularly in the administrative functions. In addition, we concluded a divestment of our factory in Rudersdorf, Germany, during first quarter 2013 which will have a positive effect on our proforma operating margins.

We have experienced operational issues in a few of our European plants that have generated problems for some of our customers. First and foremost our priority is to rectify these issues and return to our normal high service levels to protect and regain the trust of our customers.

REVISED STRATEGY AND A NEW ORGANIZATION

The Dometic Group is known for its industry leadership, reliable and high-quality products, entrepreneurial spirit, and customer orientation. Market conditions have become increasingly challenging and our growth targets have not been met. During the summer of 2012 Group management initiated a strategic review that involved large parts of the organization across all functions and geographical locations. Through the review we have set clear targets for growth and improved profitability for the years to come. The revised strategy calls out a number of key areas like strengthening our strong OEM position, growing the aftermarket and retail business, and investing in high potential geographical markets. In addition, we will secure operational synergies and build one Dometic Group with welldefined decisionmaking and accountability.

As the new CEO for Dometic Group, I consider this new strategic direction to be essential to our future success. To execute the strategy in an efficient way, we have decided on a new organization. Some of the major changes are the introduction of three regions with the purpose of serving our regional and local customers even better. The former Leisure Tech division will be divided into Product Innovation and Operations to improve product focus and operational efficiency. With the new organization, we will significantly increase the pace of product development and secure quality, reliability, and responsiveness to the demands of the customers.

OPPORTUNITIES IN AN UNCERTAIN MARKET

The market outlook for 2013 is uncertain. The conditions in Europe remain challenging, while the market sentiment in North America remains buoyant. We continue to see opportunities for growth in the emerging markets. Although I expect that we will operate in an unpredictable market, There will also be many opportunities. We will strive to retain our strong positions in existing markets while continuing to explore new markets. We will put increased efforts to improve our presence in the aftermarket business. A lot of new products will be launched in 2013, that will create good opportunities to grow sales and strengthen our market presence. We will also make sure to improve our operational efficiency and capture synergies.

Roger Johansson

I place high expectations on management as well as on all employees, but also on myself. We have many challenges to deal with and lots of hard work ahead of us. Our unrivaled market positions, global presence, broad product portfolio, committed owners, and entrepreneurial spirit give us all opportunities to be even more successful in the future.

Roger Johansson
PRESIDENT AND CEO

Strategy, market, and structure

KEY MARKET DRIVERS

Factors that affect the Group's business include:

Consumer sentiment – Customer optimism improves discretionary spending, while poor economic conditions depress consumer sentiment and negatively affect leisure products.

GDP growth – The leisure products industry is correlated with general economic factors, especially GDP growth and employment levels.

Availability of financing – The leisure products market is affected by the availability of financing to the retail/consumer market and wholesale/dealer market.

Popularity of leisure activities – The growing popularity of outdoor activities as a component of vacations and as a lifestyle may contribute to an increase in sales of RVs, pleasure boats, and related leisure products. A recent indication of this trend is the increasing popularity of RV use among young families.

Demographic trends – Long-term demographic trends support an upsurge in the RV segment, especially in the US. Consumers aged 45 and over are the core target demographic for RVs, and that demographic group continues to grow in the US as the baby boomer generation moves closer to retirement age.

MARKET DEVELOPMENT

During 2012 the downturn of the international business cycle and the ensuing financial turmoil affected the leisure market. This was particularly notable in parts of Europe, where many of the markets were struggling with debts and high unemployment rates. The debt crisis has made it more difficult for OEM and retail customers to find proper financing for their operations when producing caravans, motor homes, or pleasure boats. There were more positive developments in the North American and Asia Pacific markets due to more favorable macroeconomic conditions. When the poor market conditions in Europe return to normal levels, the Dometic Group is well-positioned to capitalize on this growth.

KEY SUCCESS FACTORS

Key success factors for the Group are its leading market position, excellent customer relations, and wide and innovative product range. For example, Dometic Group is viewed as the number one mobile comfort supplier for its product categories to the RV segment in all geographical areas. With respect to own manufactured products, the Group is the leading supplier to the automotive aftermarket in the EU, to the marine segment in all geographical areas, and to the leisure comfort segment in the EU. The Group is also considered to be the number one supplier of traditional absorption minibars to hotels and of portable cold chain equipment for vaccine storage and transport, as well as a major supplier of medical refrigerators/freezers to the medical industry.

Strategic direction

EXPAND OEM STRONGHOLD

GROW AM/RETAIL BUSINESS

ACCELERATE NEW GEOGRAPHIES

CAPTURE OPERATIONAL SYNERGIES

BUILD ONE DOMETIC

VISION

Dometic Group's vision is to be the preferred strategic partner in mobile comfort for its customers.

BUSINESS CONCEPT

Dometic Group has a clearly defined business concept as the preferred strategic partner in mobile comfort for its customers by adding value to their products and services. To secure and improve this world-leading market position, Dometic Group is now strengthening its aftermarket presence and products.

A REVISED STRATEGY

During the summer of 2012, Dometic Group management initiated a process to review the company's business strategy due to the changing market conditions. Key issues like growth, earnings, operations, innovation, market presence, and sales were addressed. The process involved a large part of the organization across all geographical locations and functions, and the outcome has set a clear direction for the future.

STRATEGIES

To be able to reach these targets, the Dometic Group has developed the following strategies:

- Expand OEM stronghold – The Group will secure its base through sales of high-quality, reliable products and stimulate growth with new products that also support the aftermarket business.
- Grow aftermarket and retail business – The Group needs to optimize distribution and grow retrofits, accessories, parts, and consumables.
- Accelerate new geographical areas – The Group will continue to make investments in high-potential countries like Russia, China, and Brazil with carefully selected products and offerings.
- Capture operational synergies – The Group will execute manufacturing footprint optimization in a controlled way with the right cost structure and agility to meet customer demand. In addition, the Group will capture efficiency gains in warehousing, logistics, and purchasing with strong organizational coordination.
- Build one Dometic Group – The Group will improve its business model and work as a more integrated team with well-defined decision-making, delegation of responsibilities, and enhanced entrepreneurial spirit.

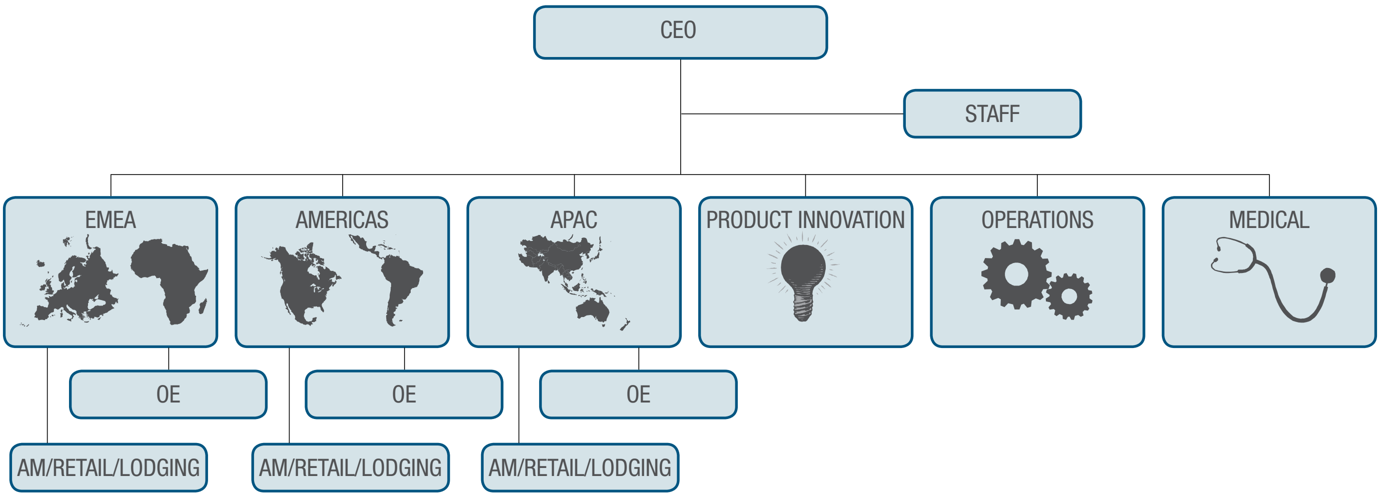
A NEW ORGANIZATION

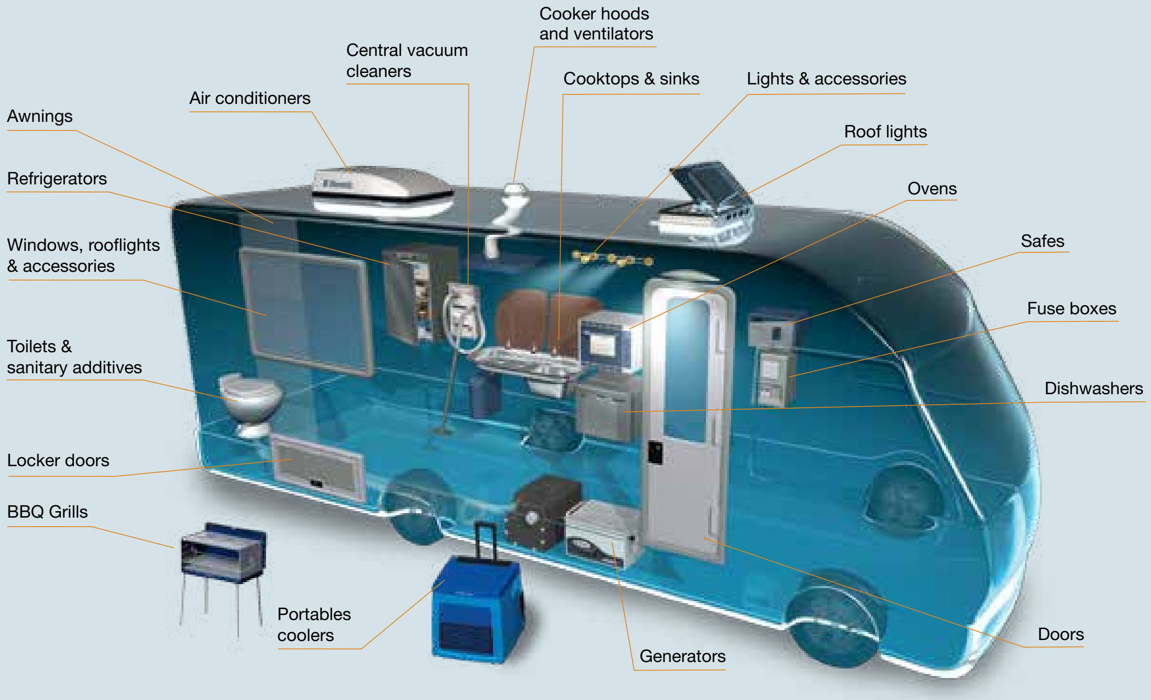
To be able to execute this new strategy in the most effective way, the Group has developed and decided upon a new organization. This means that:

- Sales will be divided into three regions—EMEA, the Americas, and APAC—with responsibility for profitability and strengthened focus on customer segments. With three regions, the Group can better serve customers, who mostly are regional and local companies.
- The Leisure Tech division will be divided into Product Innovation and Operations to improve product focus and operational efficiency. With the new organization, the Group will significantly increase the pace of product development, strengthen the link between Product Development and Sales, and secure long-term planning to enable synergies across the product ranges. The Group will continue its development of an optimal manufacturing structure with improved cost efficiency, quality, reliability, and responsiveness to the demands of the customers.
- The Medical division remains a separate business. Medical Systems has a unique product offering and customers that are quite different from the rest of the Group's customers.
- There will be a smaller Group Management with clear responsibilities.

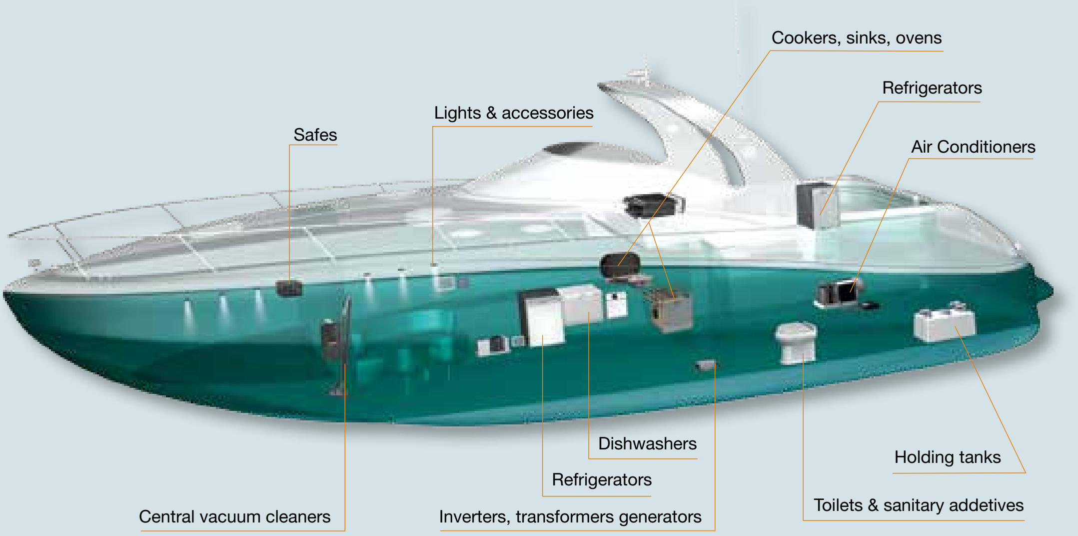
Important principles for the new organization will be to link strategy, organization, and accountability together with a strong focus on the customer.

New organization – Highlights





RV COMFORT



MARINE COMFORT

AUTOMOTIVE COMFORT

Innovation[1]

BRINGING NEW INNOVATIVE PRODUCTS TO THE MARKET QUICKER

Bringing new products to the market quicker than competitors is a must for the Dometic Group. Every year the Group invests about 2 percent of net sales, or close to SEK 200 million, into product development. The development of new innovative products is a process requiring close interaction with customers.

The Group is striving to develop new applications for current products in addition to introducing new innovative products to traditional markets. The Dometic Group has acquired many companies during the past 40 years, bringing new technologies and applications to the Group. Often the products from the acquired companies have only been sold regionally. The Group undertakes to make these offerings global.

PRODUCT AREA CATEGORIES FOR BETTER COORDINATION

The Leisure Tech division will be divided into Product Innovation and Operations to improve product focus and operational efficiency. With the new organization, the Group will significantly increase the pace of product development, strengthen the link between Product Development and Sales, and secure long-term planning to enable synergies across the product ranges. The Group will continue its development of an optimal manufacturing structure with improved cost efficiency, quality, reliability, and responsiveness to the demands of the customers.

Product Innovation is responsible for product development for the business segments. Product innovation is organized into different product area categories, to match the needs of the specific business segments but at the same time consider applicability for other segments. For instance, with small variations, a new drawer refrigerator designed for Marine applications could satisfy the needs of other business segments, such as Commercial and Passenger Vehicles OE and Lodging. With the new Product Innovation organization, the Group has a better coordination, ensuring more development for a similar investment, with greater synergies for the products between different customer markets.

With improved coordination and exchange of information, the Group can develop new products and applications quicker to satisfy a variety of customers needs.

CLOSE INTERACTION WITH CUSTOMERS

The product development process includes close interaction between customers and Dometic Group representatives. Sales companies, factories and commercial divisions are all involved. New functions, new design, and lower product costs are some important objectives for product development. A clear development process–Dometic Product Development Process (DPDP)–is then used to ensure that performance, time, and cost goals are fulfilled.

OPERATIONAL FOCUS 2013

The focus for 2013 will be to further improve the development process and also strengthen the organization, particularly in areas related to last year's production transfers. At some future date changes in the production footprint can be expected, but the Product Innovation organization will ensure close contact with markets and customers. A particular focus will be to continue the close dialogue between the customers and the Group on how products and applications can be improved. In addition, a number of new products and applications will be launched during the year.

PRODUCTS LAUNCHED IN 2012

During the year several new innovative products were launched. Three examples are presented here.

1 Leisure Tech will be divided into Operations and Product Innovation 1 February 2013

WAECO COOL FRIDGE/FREEZER CFX BOXES

Compressor fridge/freezer with Energy class A++ and temperatures down to –22°C. Its specially developed high performance compressor and extra strong insulation has reduced the energy consumption by up to 35 percent compared to its predecessors. Can be used with 12/24 volts DC and 100–240 volts AC.

GOLD SERIES AIR HANDLERS

Completely redesigned for easier installation and improved performance, Gold Series air handlers incorporate many innovative features. A rust-free, positive-flow drain pan quickly removes condensated water. Ultra-quiet “WhisperCool” DC blowers (AU-DC models) are available. Breathe Easy air purifier can be integrated for cleaner, healthier air right from the blower.

EUROPEAN RV AWNING

A new type of awning for European caravans and motor homes. Dometic Premium Awning can be used without support legs. The highly durable shoulder of steel making other support redundant. Quick and easy to use, electric or manual. The electric awning is equipped with a wind sensor that allows the user to leave the motor home with the awning extended. A strong wind and the awning is automatically withdrawn.

Innovation based on customer insight

Enrico Paci, Technical Manager, at the Dometic Group in Italy

Enrico Paci, inventor of Freshlight R&D and Technical Manager of Dometic Group Italy. Enrico Paci is responsible for development of European air conditioners. The facility where he works is also a service point for customers.

“We have a very close dialogue with the customers about what they like and don’t like and that is really valuable when you work with product development,” says Enrico. Even though the climate in Italy can be very hot, Enrico and his team noticed that it was hard to sell air conditioners. Customers didn’t like the fact that the only way to install an air conditioner was to put it where the roof light is placed. “The air conditioner made it too dark inside the vehicle. One day we had the idea of putting the air-conditioner around the roof light. We combined light from the roof with efficient air conditioning. Development started immediately and today we are selling thousands of units.”

Business area RV Comfort [1]

HIGHLIGHTS FOR 2012

- **Net sales in RV OEM increased by 2 percent in constant currency to SEK 3 331 million compared with SEK 3 256 million 2011.
  Net sales in RV Aftermarket increased by 1 percent in constant currency to SEK 1 135 million compared with SEK 1 119 million 2011.**
- **Sales in Europe started strong in the first half of the year, but lost momentum in the second half as consumer confidence was affected by the general economic downturn. There was a strong recovery year-on-year in the US RV market, while the Australian market was less benign.**
- **The RV business area launched among others a new generation of framed windows, new European awnings and in the US market the new price competitive "Sport" awning, the Penguin II – a restyled air conditioning unit with improved performance, and a portable foldable solar panel.**
- **The market for converted vans increased considerably throughout Europe and already represents of 30 percent of the motor home category. It is regarded as a multipurpose vehicle that can be used both for professional and leisure purposes. Dometic offers a wide range of compact appliances also for this vehicle category.**

Joachim Kinscher
President
RV OEM

PERFORMANCE 2012

RV Comfort developed slightly better than the overall market in all core regions—Europe, Australia, and the Americas. There are a couple of reasons behind the positive development: winning market shares, as in the UK for fridges and toilets, or launching new products, especially in the US and Australia.

In North America, RV Comfort grew significantly both in the OEM and aftermarket business. In Central Europe, RV Comfort grew most notably in the aftermarket segment but also in some OEM markets. In the UK, RV Comfort made good inroads to existing OEM customers and gained market share by product variants – tailor made for needs of the UK market. Germany also developed well although the export portion of the German RV industry was more sluggish. In France and Italy the subdued demand affected OEM sales. RV Comfort increased its market penetration in Australia and successfully gained market share by new kitchen appliances, windows and doors.

The lower demand for RVs in Europe has affected the RV Comfort's sales negatively. The softening of the European volumes is expected to continue during 2013. Dometic Group has therefore addressed the new volume reality and adjusted its capacity to the new levels.

All aftermarkets developed reasonably well during 2012—partly driven by various market initiatives by the Group, such as open house shows, dealer support, and especially products of the month promotions. The positive development was also supported by the increased worldwide sales of secondhand vehicles, which demonstrates that the RV lifestyle is "in" and popular.

Dometic Group launched the new framed window family, a new Heki product generation, and the D-Luxe window. The facelift of the European cassette toilet CT 4000 was well-received by the market. RV Comfort was successful with air conditioners and generators despite the economic conditions. The new European cassette awning received various listings and is now part of the Europe aftermarket dealer product offering.

In the US, RV Comfort started strong with a better than expected demand for portable generators. The business area also launched the full plastic toilet series 300, which immediately gained market share. Another important product launch was the new price competitive "Sport" awning positioned as response to the market request. A new modern roof top air conditioner was

1 RV OEM will remain as a regional focus whilst the aftermarket segment will be included in the general Aftermarket, Retail and Lodging businesses from 1 February 2013

Business area RV Comfort

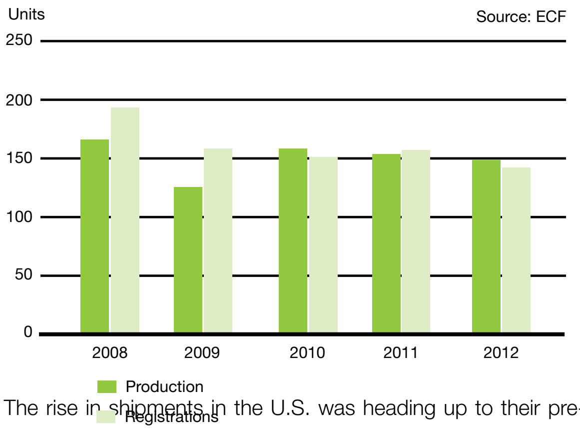
also introduced—a restyled unit with improved performance. This was a US/China joint development product and was introduced to the market in late January 2012.

In Australia, RV Comfort entered a completely new product segment; foldable solar panel for outer power supply. The Group also started to distribute an extended appliances offering, such as coolers and sinks, under the Dometic brand.

MARKET DEVELOPMENT

The European market decreased by 6 per cent during 2012. Consumers in Europe and Australia have increased their demand for well-equipped and high-end motor homes above 1,400 kg. Europe especially favors the mid-price segment of motor homes. The European market for converted vans increased considerably and already consists of 30 percent of the motor home category. Vans are regarded as multi-purpose vehicles that can be used for professional purposes during the week and for leisure activities during weekends and vacation.

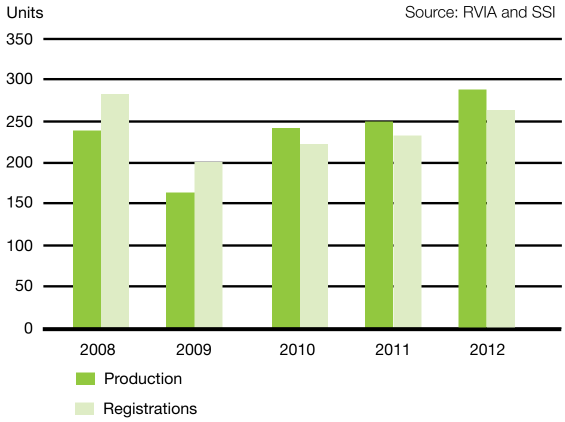
EUROPEAN RV PRODUCTION VS REGISTRATIONS (IN 000S OF UNITS) 2008–2012



The rise in shipments in the U.S. was heading up to their previous peak with 286 000 units by year-end 2012. This was a nearly 13 per cent gain over the 2011 level with a total of 252 000 units and include double digit gains in conventional travel trailers and type A motorhomes.

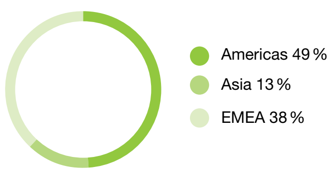
Households owning an RV grew to 8,9 million during the year. RV continues to be popular and nearly 15 per cent of all Americans went camping in 2012.

US RV PRODUCTION VS REGISTRATIONS (IN 000S OF UNITS) 2008–2012

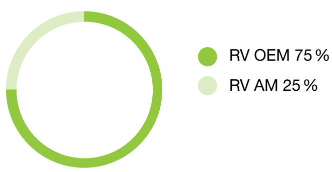


BUSINESS AREA – RV COMFORT

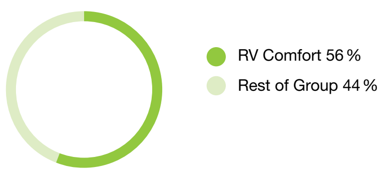
RV COMFORT BY GEOGRAPHIC MARKETS



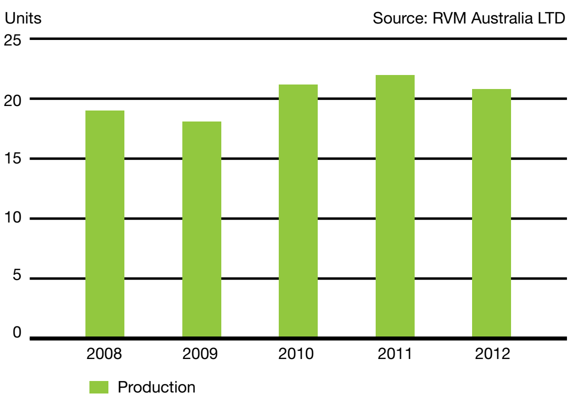
RV COMFORT BY CHANNEL



RV COMFORT SHARE OF GROUP NET SALES



AUSTRALIAN RV PRODUCTION
(IN 000S OF UNITS) 2008–2012



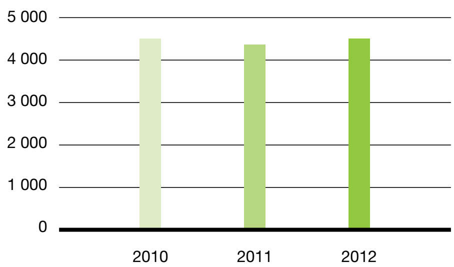
Globally the different RV associations launched programs for further promoting the RV lifestyle to new customers. Both RVIA (the Recreational Vehicle Industry Association) and CIVD (The Caravaning Industry Association) in Central Europe and ECF are supported by Dometic Group and have initiated a TV campaign. The measures taken are a positive signal for the industry, and Dometic Group expects both OEM and AM to benefit from it.

OPERATIONAL FOCUS 2013

The US RV market is forecasted to grow, partly due to active couples and younger families. The European RV Market is expected to continue on a relatively low level as long as the Euro debt crisis continues and the unemployment remains high.

Australia is expected to stabilize on the 2012 volume. Some growth is expected from the RV rental businesses in Australia and New Zeeland. Dometic Group will continue to grow from introduction of new products especially designed to meet the Australian demand—new trailer door, microwave oven, ovens combination, entrance door, and others. The Dometic Group also expects a favorable development, from a low level, in the growing markets of China and Korea, as well as in Russia, Eastern Europe, South America and South Africa.

NET SALES, SEKm



RV PRODUCTS

RV OEM provides manufacturers of trailers and motor homes (OEM customers) with products such as awnings, air conditioners, refrigerators, ovens, stoves, windows, lights, doors, sanitation systems, generators, sinks, and cooktops. RV Comfort serves the RV aftermarket with products such as awnings, air conditioners, windows and doors, refrigerators, portable fridges/freezers, electronic products, kitchen sinks, cooktops, and ovens. Features that are central to product development include environmental friendliness, light weight, and reduced energy consumption. However, these elements have to be combined with end-user requirements for increased comfort and ease of operation, something that the innovative products of the Dometic Group are well suited for.

Business area RV Comfort

FACTS

OFFERINGS AND COMPETITIVE ADVANTAGES – OEM

RV OEM offers a complete product portfolio to the manufacturers of caravans and motor homes. The development and design of new products are often conducted in close cooperation with customers. Product design is becoming increasingly important to customers. Other important competitive advantages are products that are easy to operate, high-quality, trouble-free, and weight-optimized.

OFFERINGS AND COMPETITIVE ADVANTAGES – AFTERMARKET

RV AM offers a full range of products that complement each other and provide solutions that enhance comfort and safety for end users. For instance, Dometic Group offers a package comprised of a generator, an air conditioner, and a power net core system that provides end users with extra comfort, service, and safety. Upgrading the motor home or trailer with products from Dometic Group will make the end users' outdoor life more enjoyable. In addition, the worldwide distribution from local warehouses facilitates prompt and effective deliveries.

CUSTOMERS

RV Comfort has an aftermarket distribution network that includes wholesalers, dealers, retailers, and technical service companies. In total, there are approximately 12,000 market partners in the international market. Dealers are serving more than 15.6 million RVs in operation around the globe and are primarily specialist shops where end users buy trailers or motor homes and comfort products. Retail shops offer many different types of outdoor products, including those from the Dometic Group. Technical service companies offer service to end customers requiring repair or exchange of products for their trailers and motor homes.

Ultimately, both the RV OEM and RV AM businesses exist to support the manufacturers and the millions of RV end users. Although Western Europe and the US are the two largest markets, interest in RVs has increased from a low level in Asia/Pacific (outside Australia/New Zeeland), South America, and Eastern Europe. Being the preferred development partner and equipment manufacturer/supplier in these new RV markets is a prerequisite for the future growth of Dometic Group.

RV customer case

FENDT CARAVAN

The German caravan producer, Fendt Caravan is an important customer of the Dometic Group. Fendt Caravans produces high-end caravans and sell them all over Europe. CEO, Mr Förtsch has mostly good things to say about Dometic's RV offering and products.

"What comes to mind for our customer when Dometic's brand is mentioned is related to air conditioners and refrigerators. That is Dometic to them, but we know that Dometic Group produces much more. I think they can broaden their reputation. Dometic has developed a good understanding for the problems that can occur, both for producers and end-customers and is a trendsetter. I specially appreciate that they are very easy to contact, for example they have a strong presence at all events and fairs. An excellent service offering supports their sales force. Some products have not been completely ready to enter the market, but Dometic, due to their service, have managed that in the end. Dometic differs slightly from their competitors in that they have a special offering for the RV business and a mutual problem solving attitude. On Fendt Caravan we would like to see Dometic more engaged in cooling and heating, and bring further innovations to our vehicles."

Business area Automotive Comfort [1]

HIGHLIGHTS FOR 2012

- **Net sales in Automotive OEM were down by 2 percent in constant currency at SEK 661 million compared with SEK 673 million in 2011. Net sales in Automotive Aftermarket decreased by 7 percent in constant currency to SEK 844 million compared with SEK 912 million in 2011.**
- **Net Sales in Automotive OEM increased in the first half of 2012. The decrease of sales started in the second half of 2012 in the premium car segment, especially for the consumer end-market in China, followed by the truck market and then the agricultural market.**
- **Autmotive Comfort launched several new products in 2012 that contributed to growth in both the OEM and Aftermarket divisions. Most successful was the split-unit parking cooler for MAN, which won two awards.**
- **Automotive OEM and Aftermarket participated successfully in the 2012 Hannover IAA Truck show.**

Carsten Isenberg President Automotive OEM

Heiner Schmalz President Automotive AM

PERFORMANCE 2012

The decrease of Automotive Comfort net sales 2012 represents about half of the market downturn. The Automotive OEM market continued its growth from 2011 during the first half of 2012.

The second half of 2012 showed cumulative decreasing sales, starting in the premium car segment, followed by the truck market, and subsequently in the agricultural market during the last quarter.

Automotive Comfort experienced a contraction in sales in Central Europe as the general market for new passenger cars and commercial vehicles slowed down. The aftermarket segment in Central and Southern Europe was also affected by the lower market demand.

The aftermarket was volatile and Dometic Group sales decreased by 7 percent.

Automotive Aftermarket's segment Specialty Vehicles was flat, while market conditions were more challenging for the other segments. Dometic Group is the only company offering the complete range needed in the Specialty Vehicles segment and is one of the reasons why sales were stable in this category.

In the heavy truck segment, sales decreased by 9 percent, mainly due to fewer heavy truck registrations. The car and repair shop segment experienced declining sales.

A number of new products were launched during 2012. One of the most successful was the split-unit truck parking cooler for MAN trucks. MAN gave Dometic AM the "supplier of the year" award, and the product also won the red dot European design award for automotive comfort. The split-unit cooler competed for this award against 4 200 other products. These, and other, new products contributed to growth, especially in North America.

Several products were also launched to reinforce the "one-stop shopping" strategy within Dometic Aftermarket—for example, a rear video system, a rear parking alarm sensor, chargers, and car alarm systems.

1 Automotive OEM was renamed Commercial and Passenger Vehicle (CPV OE) from 1 February 2013.
The Aftermarket business was included in the general Aftermarket, Retail and Lodging business.

Automotive OEM benefits from the trend in the car market and in the agriculture market to use cooling devices in new and different applications. In 2012 Automotive OEM launched new premium cooling applications for the new Mercedes Benz M-Class, Range Rover and Range Rover Sport, Bentley, and Rolls Royce and a new compressor fridge for the global John Deere Harvester cabin.

The factory in Rudersdorf, Germany, manufacturing metal parts to the automotive first and second tier suppliers, was divested in Q1 2013.

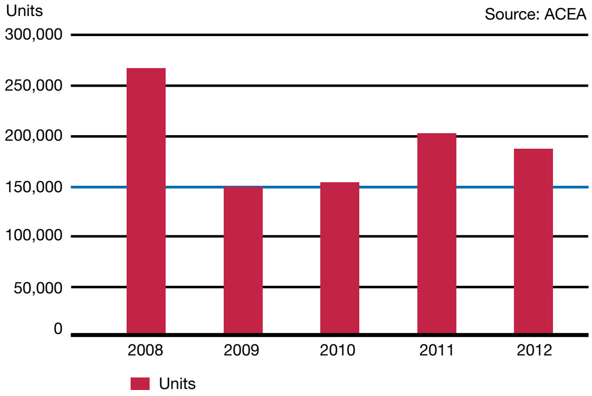
Automotive OEM and Aftermarket participated in the 2012 Hannover IAA Truck show. The Division´s global presence was highlighted and several contacts were generated with both existing and new customers.

Business area Automotive Comfort

MARKET DEVELOPMENT

The Automotive OEM market can be split into mobile refrigeration and mobile electronics. Mobile refrigerators make up the largest part of the market. Sales of electronic OEM products (DC/AC inverters, microwaves, rear video systems, etc.) is an important product category. Sales of OEM truck air conditioners, used as "engine off" parking coolers and directly installed at the assembly line of the manufacturer, represent another key product. The largest segment is heavy duty trucks and agricultural equipment in Western Europe and the Americas.

EUROPEAN HEAVY COMMERCIAL VEHICLES REGISTRATIONS 2008–2012 (IN 000S OF UNITS)



Heavy truck registration decreased by 9 percent in Europe and increased in the US by 14 percent. Forecasts from European commercial vehicle manufacturers for 2013 are cautious.

The premium car market is expected to follow the long term passenger car growth trend in China. Dometic Group is the market leader with premium cooling solutions in this segment.

The trend in the automotive aftermarket goes from product offering to solutions and systems, where Dometic Group is particularly strong.

The most important end-markets for car applications are Asia (mainly China), Central and Eastern Europe (mainly Russia), and the Americas (mainly the US). The most important end-markets for agriculture vehicle applications are Europe (mainly Germany), the Americas (mainly the US), and South America (mainly Brazil). China will remain the main growth market for the division's customers. The other BRIC countries, in line with their increasingly expanding economies, will continue to increase in importance.

The most important geographical markets for the Aftermarket division are in Central Europe, followed by the Nordic and Benelux regions. In addition, China constitutes an increasing aftermarket for automotive products since the emergence of an affluent middle class has caused their fleet of vehicles to grow quickly. The division has developed its presence in the BRIC countries with successful start-ups in Brazil and India and growth in Russia.

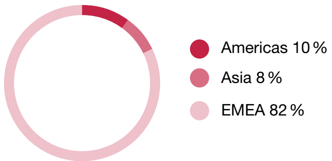
OPERATIONAL FOCUS 2013

The overall trend of the European economy is not supporting the development of the business area. The Automotive OEM division will therefore focus on growth, especially in the US and Asia, and protect its current position in Europe. Several new products will also be launched for Premium passenger vehicles as well as for Commercial and Special vehicles. In addition, the division will implement existing products from the Aftermarket division into the OEM business. Innovative product development will be another key driver for the year.

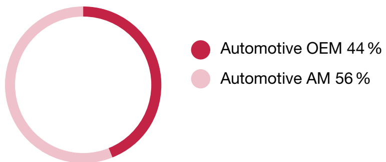
The operational focus for the Aftermarket division will be to grow by targeting geographical white spots (such as North and South America), continuing to grow sales and presence in Eastern Europe (Russia and Poland), and also following auto repair shop equipment customers in their main international markets, including the Middle East and China.

BUSINESS AREA – AUTOMOTIVE COMFORT

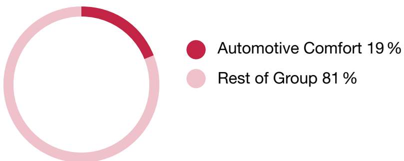
AUTOMOTIVE COMFORT BY GEOGRAPHIC MARKETS



AUTOMOTIVE COMFORT BY CHANNEL



AUTOMOTIVE COMFORT SHARE OF GROUP NET SALES



Some growth can be generated from regulation changes—for example, in the food transport and catering cold chain. New regulation concerning cooling agent in vehicle air conditioning systems will also generate new business for Air-con Service stations.

FACTS

OFFERINGS AND COMPETITIVE ADVANTAGES – OEM

The Automotive OEM division offers standard and customized products to manufacturers of Passenger vehicles, Commercial vehicles, Construction machinery, and Agricultural vehicles. Dometic Group has extensive experience in these sectors and has strong customer relationships with all of the leading manufacturers. The products are characterized by high quality, superior performance, and easy installation and operation. The Automotive OEM division's primary competitive advantage is close customer contacts. The engineering team is centralized in Emsdetten, Germany and operates globally with the OEM customers. A significant portion of the products is produced in Dometic Group factories in China. Dometic Group sales companies conduct support, service, and sales. In doing so, the division is able to closely monitor the market environment, delivery requirements, and the changing requirements of end customers, and in turn ensure the OEM customer receives superior service, cost-effective products, and state-of-the-art product innovation.

OFFERINGS AND COMPETITIVE ADVANTAGES – AFTERMARKET

The Automotive Aftermarket division is one of the leading suppliers of comfort products to the automotive market and car repair shops. The division offers a wide range of products for the aftermarket, including niche products for cars and commercial vehicles as well as special vehicles (agricultural and construction vehicles, fire trucks, etc). In addition, products include auto repair shop equipment for the service and maintenance of built-in airconditioning systems.

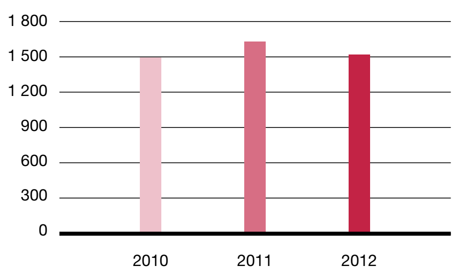
The Automotive Aftermarket division is the market leader in its chosen fields, by focusing on reliability in quality, service, and after-sales support. The division has a global presence with own production facilities in China, Germany, and Italy. The fact that Dometic Group continuously develops, produces, and markets new and improved products for the automotive market is a distinct competitive advantage. Another reason for Dometic Group's success in the aftermarket is the combination of dedicated, knowledgeable employees and the strong partnerships between the division's sales organization and its customers. Furthermore, the division is unique in offering a complete range of power and electronic accessories.

CUSTOMERS

Automotive OEM's customers include premium passenger vehicle manufacturers and the main commercial, agricultural, and construction vehicle producers, such as the AUDI, BMW, Daimler Group, Ford Group, Peugeot, AGCO Group, Land Rover, John Deere, Volvo, Scania, MAN, and Volkswagen.

Aftermarket customers consist of automotive retail chains, automotive repair shops, and special vehicle builders. The customers are nationwide wholesalers such as ATR, Temot International, Auto Distribution, GAU, and premium car and truck manufacturers. Automotive aftermarket retailers and repair shop chains such as Norauto and ATU also play an important part.

NET SALES, SEKm



AUTOMOTIVE PRODUCTS

The Dometic Group offers a complete range of solutions, including powerful yet energy-efficient air conditioning systems, customized refrigerators, inverters, and generators. Dometic's generators are ideal for providing electricity for equipment, tools, or car accessories when no electricity source is available. Generators can be installed under the floor, in the cabin, or in an external storage compartment. Considering the aftermarket, some of the most successful products in the passengercar segment include wireless remote controls, cool boxes, and electronics. For the truck market, Dometic Group offers an extensive range of heating and cooling system products. In the area of commercial vehicles, such as ambulances, buses, and trucks, Dometic Group develops and sells camera systems for vehicle reversing, heating and cooling systems, air conditioners, and sanitation products.

Automotive Comfort Customer Case

AUDI A8

The German automaker Audi started to manufacture and marketing the Audi A8 in 1994. Being Audi's flagship, the model competes with other luxury cars.

The current model of Audi A8, D4, has, like previous models, a cool box from Dometic, placed between the two back seats. The box holds two 1-liter bottles lying down, and there are space for additional cans and glasses.

Audi sees Dometic products as good and reliable. An outstanding product service contributes to that judgment. The ongoing relation with Audi has now lasted for over eight years and is characterized by Audi as professional, quick and fair.

"From my perspective, the products I know are very good, the service as well and my personal contacts outstanding. With better brand recognition among consumers I think Dometic can improve further", says Mr Bleise, responsible purchase manager at Audi.

Business area Marine Comfort [1]

Highlights for 2012

- Net sales in Marine OEM decreased by 5 percent in constant currency to SEK 444 million compared with SEK 467 million 2011. Net sales in Marine Aftermarket increased by 2 percent in constant currency to SEK 301 million compared with SEK 296 million 2011.
- Sales in Marine Aftermarket increased by 4 percent in the US. In Europe sales were flat and in Asia Pacific (mainly in Australia) sales decreased by 8 percent.
- Marine Comfort launched several new products in 2012 that will help to grow business in the workboat market as well as the cooling and sanitation segments.
- Marine Comfort carried out a sustained campaign to increase Aftermarket's system sales in Europe. In certain European territories, Aftermarket system sales grew by 30 percent as a result of the campaign.

Frank Marciano
President
Marine Comfort

PERFORMANCE 2012

Marine Comfort has significant differences between different geographical markets. In total the OEM business decreased while the Aftermarket business grew.

OEM sales in the US were affected by lower demand in the cruiser segment. Economic conditions affected sales of 30-60 feet cruisers negatively, which is an important part of Dometic Marine's OEM sales. In the US, Europe, and Australia, sales of these boats decreased by more than 10 percent. Markets, like the UK, that have been resilient until now are forecasting lower sales in 2013. The cruiser market is supposed to hit bottom in 2013.

Some high-cost countries have started to discount boats for export, affecting OEM production in low-cost countries, like Turkey.

OEM sales in the mega yacht segment were strong, but not sufficient to compensate for the loss in the cruiser segment.

Marine Aftermarket grew sales globally by 2 percent despite increased competition in Europe. In the US, the most important market, sales increased by 4 percent.

Marine Aftermarket increased system sales of air conditioning and sanitation systems in Europe. System sales generate higher margins and are common in the US market, but in Europe focus has up to now been on product sales. Sales to commercial vessels grew strongly in this area.

Brazil is a market with huge potential, even if it declined somewhat in 2012. Many European boat builders have put manufacturing plants in Brazil. The Dometic Group is strategically well positioned with a good distribution and service network.

Product launches in 2012 were primarily directed toward the workboat segment to further expand the product offering and increase the ability to grow this business. Most important was the expansion of the Dura Sea air-cooled air conditioners. Marine Comfort now offers larger sizes—up to 10 tons on the marine based split gas platform—and a commercial grade rooftop air conditioner based on an existing RV air conditioner platform.

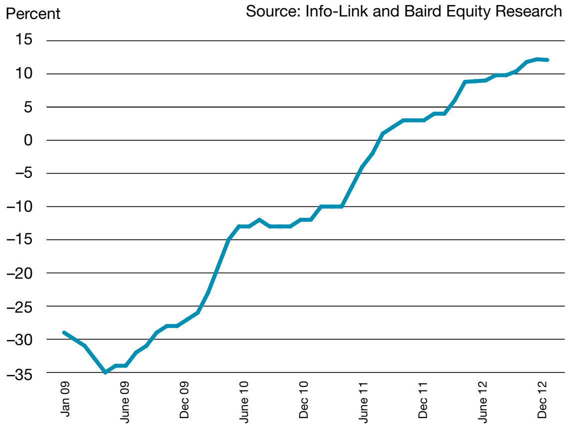
Improvements and new versions of many products for the cruiser segment were introduced 2012, including new and improved versions of chillers, air handlers, water jet toilet systems, and a larger ice machine.

The Dometic Group participates in boat shows and commercial conferences and provides technical training schools globally. These activities are important to maintain and grow the business. Internet marketing and social media initiatives continued during 2012.

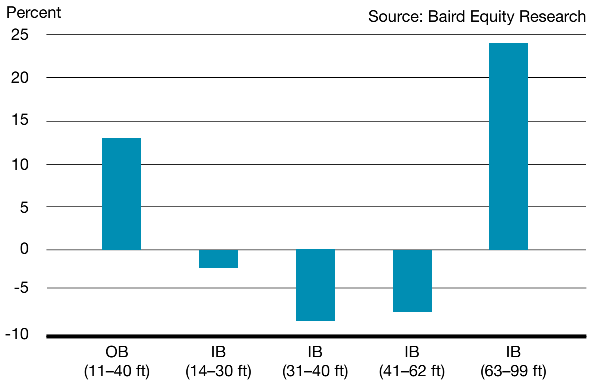
1 Marine OEM will remain as a regional focus whilst the aftermarket segment will be included in the general Aftermarket, Retail and Lodging business from 1 February 2013.

Business area Marine Comfort

ROLLING TWELWE MONTHS NEW POWERBOATS >15' SALES (2009–2012) (% CHANGE IN UNIT SALES)



POWERBOAT CATEGORY GROWTH FOR 2012 (PER CENT)



MARKET DEVELOPMENT

Rolling twelve months to December for new registrations for powerboats larger than 15 feet in the bellwether states increased by 12 percent. The bellwether states, which are geographically dispersed, represent roughly half of the total US boat market. The middle of the market (30–60 feet boats), which historically has been the boat size targeted by Marine Comfort, declined year to date.

The most important geographical markets for products are the US and Europe, both for the OEM and the aftermarket. However, the Dometic Group is also strong in the Asia Pacific region and undertook growth initiatives in Eastern Europe, India, and South America.

The marine market in China is starting to develop. A Chinese company bought a major European boat builder, and infrastructure as marinas in China is improving. Dometic Group is well positioned to capture the anticipated growth in the medium term.

In addition to geographical expansion, growth opportunities exist in the mid-sized commercial marine sector where the division holds a less than 10 percent global market share. An increasing trend in demand is noted above all for workboats in the US, China, Europe, and the Middle East.

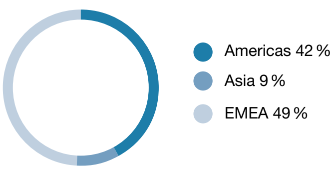
The suspension of oil drilling in the Gulf of Mexico was lifted during 2012. Growth is anticipated in the commercial sector there relating to support vessels.

The aftermarket in the US primarily consists of system dealers, and in Europe, marine retail stores. Since Marine Comfort is relatively strong in the OEM business compared to the aftermarket it sees great opportunities for growth in this segment. In the European aftermarket, Marine Comfort is focused on improving sales of air conditioning systems. The success of Aftermarket system sales in 2012 is expected to continue in 2013.

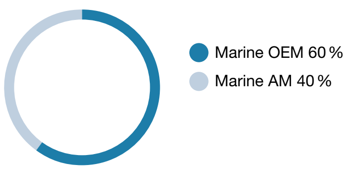
1 "The Bellwether group of states are amongst the biggest and most geographically dispersed. As such, they represent the best indication of where the entire country is going. States like Florida, Texas, California, Michigan and New York. Collectively, they comprise roughly half of the U.S. boat market."

BUSINESS AREA – MARINE COMFORT

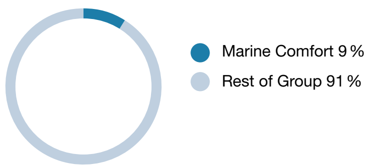
MARINE COMFORT BY GEOGRAPHIC MARKETS



MARINE COMFORT BY CHANNEL



MARINE COMFORT SHARE OF GROUP NET SALES



OPERATIONAL FOCUS 2013

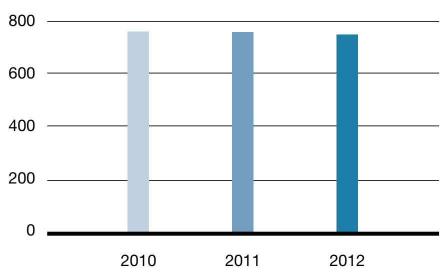
One challenge is the anticipated downturn on production of 30-60 foot pleasure boats globally due to the economic conditions. If there is a global recession, production of pleasure boats can be suppressed into 2014.

In addition to the market challenges, the low cost competition is here to stay. Marine Comfort has competed successfully in this new environment and will continue to focus on providing the best overall value to its customers.

In this market the objectives for 2013 are generating modest growth and keeping the market shares on existing markets. There are possibilities for growing the market share in workboats on a global scale. There are also possibilities for penetration on new geographical markets such as India/Sri Lanka/China, Eastern Europe and Brazil.

Marine Aftermarket will continue to drive system sales and launch new products in Europe during 2013. The trend for people to keep their boats longer will drive more product replacements.

NET SALES, SEKm



MARINE PRODUCTS

Air conditioning systems, sanitation systems, holding tank systems, cookers, ovens, sinks, cool boxes, refrigerators, freezers, dishwashers, grills, inverters, safes, vacuum cleaners, crushed ice systems, generators, and battery charging systems for boats between 30 and 200 feet.

Business area Marine Comfort

FACTS

OFFERINGS AND COMPETITIVE ADVANTAGES

Marine Comfort sells products primarily to the pleasure boat OEM and the Marine Aftermarket. The product offering includes: air conditioning systems, sanitation systems, refrigerators, refrigeration systems, galley equipment and power systems. The largest product group is air conditioning systems, where Dometic Group enjoys a strong position in the global market. Marine Comfort is also targeting the commercial marine sector, such as tugboats, coast guard, and patrol boats, where it sees an increasing global potential.

Marine Comfort prides itself on developing and training quality service technicians all over the world to support its products. This is particularly important in the marine business since boats travel throughout the world, and are imported and exported between continents. As a result, Dometic's worldwide service network is a major selling point for all of its products.

Marine Aftermarket expanded through the aggressive launch of new product offerings and the implementation of pull-through marketing promotions.

Success factors for Marine Comfort are a global customer service network, OEM technical support, strong distribution, and innovative product offerings.

CUSTOMERS

In the OEM market, Dometic Group has very strong relationships with the major boat and yacht builders of the world by developing engineering solutions for their system needs and then delivering innovative, quality products on time.

Marine Customer Case

SUNSEEKER INTERNATIONAL LIMITED

Sunseeker is an international brand well known for its luxury motor yachts. The company started 1979 and builds their yachts in Dorset, England. Sunseeker's boats range in size from 40 ft to 155 ft, and a number of these crafts have been featured in various James Bond movies.

The extensive Sunseeker dealer network spans the globe, providing world-class service to meet the dient's needs. If there is a problem, Sunseeker expects their suppliers to be able to service these demands. Dometic Marine's global service organization fulfills this requirement.

Dometic provides Sunseeker with air conditioning and refrigerators across the model range, as well as sanitation products and holding tanks, safes and small inverters on selected models. The products are seen as very suitable for the application Sunseeker uses them in, coupled with good after sales and service support.

Sunseeker recognizes Dometic as a strong brand within air conditioning. Other Dometic products are selected when there is a technical and commercial advantage in terms of price and/or ability for customization. Products also need to be compact and lightweight and have a reasonable cost while maintaining quality.

Dometic also provides technical support to Sunseeker from the development of a new model, through build and then into the commissioning of the products. A good working relationship with suppliers is important for Sunseeker and Dometic is proud to live up to these demands.

Business area Special Comfort – Medical Systems

Highlights for 2012

- **Net sales in Medical Systems increased by 10 percent in constant currency to SEK 246 million compared with SEK 223 million 2011.**
- **The main driver for Cold Chain growth was one large order from Pakistan. Blood safety also enjoyed good growth in 2012 due to delivery of a new project in Mexico.**
- **The division experienced positive sales development in Asia and the Americas, while sales in Europe decreased.**
- **Dometic Group launched the Solar Direct Drive–a new health center refrigerator powered by solar panels.**
- **Substantial potential for replacement growth in Cold Chain with the introduction of new vaccines needing bigger storage capacities and temperature traceability.**

Pascal Vannier
President
Medical Systems

PERFORMANCE 2012

Large system sales (e.g., Cold Chain and Blood Safety), experienced positive development and were not influenced by the economic downturn. One explanation is that these budgets are engaged one or two years in advance. Medical Refrigeration was affected by the economic downturn in Europe due to budget restrictions or delays.

Africa remains the main continent for system sales and represents about 30 percent of the division's sales. Sales in Asia and Latin America improved substantially, thanks to efforts invested in segments like Blood Transfusion with the Dometic Biolog solution for traceability.

MARKET DEVELOPMENT

The main driver for growth will be in the Cold Chain area by addressing the specific demands of new vaccines needing bigger storage capacities and temperature traceability. There are around 300 000 traditional Cold Chain products installed that will need replacement in the next five years. Absorption technology will partly be replaced by solar driven solutions. Medical Systems has invested in R&D and can offer unique solar systems that operate with no batteries and no regulators.

OPERATIONAL FOCUS 2013

Medical Systems' top priority will be to keep its leading position in the Cold Chain area. The division will launch two new products within the SDD (Solar Direct Drive) range to meet the substantial demand. The division will also strengthen its position in Blood Transfusion by offering specific features like blood traceability.

Within Medical Refrigeration the division will start to operate the first two Biolog projects placed in Mexico and Luxembourg. These two projects will be worldwide references and will open up projects on standby. Furthermore, the Gold range, medical refrigerators/freezers, will be upgraded with state-of-the-art IT features like touchpad screens and wireless communication.

The addition of two regional managers will strengthen Medical System's position in Asia and Latin America.

FACTS
OFFERINGS AND COMPETITIVE ADVANTAGES

Dometic Group is the world leader in human vaccine cold chain equipment and is the only company in the world to offer a complete product range. The Group's strength lies in the cooling technology that has been developed to ensure a high and stable level of quality and to meet stringent safety regulations. In international projects, Dometic Group is not only considered a supplier but also a solid partner offering the best quality products and solutions on the market. In addition, the division offers two essential services: local support and training. The product range has expanded significantly in recent years and now includes:

- Cold Chain for the transport and storage of vaccines.
- Blood Chain for the transport and storage of blood products for civilian use and for military purposes.
- Biomedical refrigeration for hospitals, clinics, research centers, and the biotech and pharmaceuticals industries.
- Blood Safety for blood transfusions, transport and storage, traceability, and the global management of blood components.

CUSTOMERS

Medical Systems' customers are international aid organizations, hospitals, laboratories, pharmacies, blood banks, research centers, pharmaceutical companies, biotech companies, and universities. Examples of these customers include WHO, UNICEF, World Bank, EFS (French Blood Transfusion), GlaxoSmithKline, Sanofi, Institut Pasteur and Novartis.

MEDICAL SYSTEMS PRODUCTS

Medical Systems offers portable cooling boxes and stationary cabinets for the storage of vaccines, blood, pharmaceuticals, and samples. Dometic Group also offers an extensive range of coolers, freezers, and deep freezers for the pharmaceutical industry, laboratories, and blood centers. The product offering includes an ecologically friendly line of medical refrigerators. These products have repeatedly been proven to offer better temperature performance than alternatives from competitors.

Business area Special Comfort – Leisure Comfort[1]

Highlights for 2012

- Net sales in Leisure Comfort decreased by 2 percent in constant currency to SEK 714 million compared with SEK 729 million 2011.
- In the Asia Pacific region the division had sales of double-digit growth compared to 2011, offsetting a slow development in Europe.
- The main new product was the high-performing CFX line of portable fridge/freezers, which was successfully launched in Australia in October, and the rest of the world during the fall of 2012 for the spring/summer season 2013.
- Overall, consumer confidence is expected to be moderate also in 2013, but markets like Southeast Asia and China are expected to have strong growth, and there are niches like wine cellars that are less affected by overall economic environment.

Heiner Schmalz
President
Leisure Comfort

PERFORMANCE 2012

The Leisure Comfort division declined negligibly in a slow market. Asia Pacific which is a combination of a stronghold in Australia and a high-growth market in Asia is holding up very well with double-digit growth versus 2011, partly offsetting a slower development in Europe.

LEISURE COMFORT IS DIVIDED INTO THREE SEGMENTS:

The Active Outdoor segment has the high-performing portable fridge/freezers as its core product. The Leisure Comfort division launched the CFX line—a complete new product generation of portable compressor cooling boxes—in Australia in October. This strongly contributed to the overall performance this year and will continue to impact 2013. Along with the CFX, several accessories were launched, including plug-and-play solar power, wireless remote control, and protective cover.

The Hospitality segment is centered around wine cellars and coolers, 3-way fridges, silent fridges, and mini fridges. The business is focused on niche applications, and the product range has been selectively broadened, which led to double-digit growth in wine cellars.

The Modern Cooling business is mainly thermoelectric coolers with high volumes and a lean service model. The 2012 major update was the A-class cooler with significantly improved energy efficiency in line with the European EUP legislation.

In Europe, the major market is Germany, where the division has a strong position in Hospitality and Modern Cooling. Competition has increased, and Leisure Comfort has responded with stronger market presence, product improvement, and selected range extensions. In Asia Pacific, the position in the Australian Active Outdoor market is very strong and further cemented by the very well received CFX range; Leisure Comfort is also strengthening its position in the Chinese, Indian, and Southeast Asian Modern Cooling segments.

During the fall of 2012, Leisure Comfort was running Europe-wide biweekly campaigns promoting different consumer products before the next generation arrives in the spring. Sales were boosted by more than 100 percent in the targeted product areas.

MARKET DEVELOPMENT

The Leisure Comfort consumer is present in niche markets where general economic development is not the only influencing factor. Still, economic uncertainty hampered the business, since many products are big-ticket-item leisure products. The segment where general economic development has the strongest influence is within Modern Cooling, which, after a strong 2011, had some struggles in 2012, also due to increasingly hard competition.

The most influential external factor in Europe is the EUP legislation, where Leisure Comfort's products are among the highest performing in the industry. Legislation is becoming increasingly strict, which will benefit the Dometic Group in the long run since the division is already ahead with its A++ cooler and high-performing silent fridges.

1 Leisure Comfort will be included in the general Aftermarket, Retail and Lodging business from 1 February 2013.

OPERATIONAL FOCUS 2013

Consumer confidence is expected to be moderate also next year, and the poor summer in 2012 led to excess customer inventory of cooling boxes, which will affect 2013 sales. Still, there are geographies, e.g., Southeast Asia and China, that are expected to enjoy strong growth, and there are niches like wine cellars, that are less affected by overall economic environment.

As most of Leisure Comfort's presence is in Europe and Asia Pacific today, the major market focus for 2013 will be North America's Active Outdoor segment. Leisure Comfort will grow primarily in portable fridge/freezers as well as high-end passive coolers that are sold through specialty hunting/fishing/outdoor/4x4 stores. The division is also in the process of relocating production to China for some of its key Hospitality products and will launch updated and even more cost-competitive products in 2013.

FACTS

OFFERINGS AND COMPETITIVE ADVANTAGES

Within the Leisure Comfort division, you can find everything and anything needed for your comfort during leisure times – cooling and cooking of food, cooling or heating of beverages, sanitation solutions, and power supply. It does not matter whether you are in your car, in your cottage, go camping, have a picnic, spend a day at the beach, do active outdoor or indoor sports, do tailgating before that great game, go hiking, or just have a nice relaxed time in your own back yard. Because your leisure time should not be less convenient than the rest of your life – rather the opposite.

In this market, Dometic Leisure Comfort has a strong competitive advantage given our deep competence within cooling and the fact that we master all cooling technologies: passive, thermoelectric, absorption, and compressor driven. Our global presence enables us to offer a broad product range even within niche markets that do not provide enough scale for our local or regional competitors. Taken together with our truly global manufacturing, logistics, and sales footprint, we can secure a cost competitive as well as quality secured product portfolio delivered all the way to the end consumers, wherever they are in the world.

CUSTOMERS

The Active Outdoor products are mainly sold directly through specialist retailers, who actively work with consumers to find the right choice for any active outdoor need. The consumer is someone with an active spare time, who does not want to give up the comforts of everyday life just because he/she is away from home.

The Hospitality products are sold through kitchen and hospitality focused specialty stores and distributors, often both online and offline. The end consumer is often a wine connoisseur or small businesses in the hospitality segment.

The Modern Cooling customers are mass retailers, and they display thermoelectric and passive cooling as a season product with high visibility during a limited time of the year. The consumers are a broad range of people, often with the desire to own a cost effective cooling solution for their car or picnic.

LEISURE COMFORT PRODUCTS

Within the Active Outdoor segment, Dometic Group offers a wide range of portable fridge/freezers from below 10 liter DC only versions with seat belt latch for secure use in your car, to above 100 liter top-of-the-line AC/DC versions with separate fridge, freezer compartments, cooling capacity down to –22 degrees C, USB outlet, wireless remote control, and stainless steel clip on/clip off hinges. These products are complemented by high-end passive coolers, outdoor cooking products, and accessories. In addition, campers and cottage owners find use of portable sanitation, power generators, 3-way fridges and portable coolers for off-the-grid usage (can be powered by grid power, DC power, or LPG).

In the Hospitality segment, our top-of-the line noise and vibration free wine cellars for long-term storage in controlled humidity offers a unique opportunity for wine connoisseurs to securely age their wine even when living downtown Tokyo or somewhere else without access to underground cellars. Small hospitality businesses/organizations use the noiseless minicool fridges to keep in the same area where people sleep, watch TV, or work.

The Modern Cooling product is a thermoelectric or passive coolbox or coolbag. These come in several shapes and forms, colors and patterns, with wheels or without, as boxes or mini fridges, as backpacks, bike bags, or shopping bags. The latest news is the Keith Haring Pop Art collection which will be available during a limited time to enhance the breadth of our design offering.

Business area Special Comfort – Lodging Comfort[1]

Highlights for 2012

- **Net sales in Lodging Comfort decreased by 7 percent in constant currency to SEK 246 million compared with SEK 265 million 2011.**
- **Lodging Comfort saw an increase in the replacement business while the new hotel project segment decreased due to a market shift towards two- and three-star hotels. Sales increased in Asia Pacific and Benelux but were more challenging in Southern European countries, Central Europe, and the Americas.**
- **Lodging Comfort launched several new products, such as new generation hotel room safes, low-energy-consuming thermoelectric minibars, and a furniture safe.**
- **Dometic Group was awarded with the Gold Star Award from the magazine TOP HOTEL during the INTERNORGA Show in Hamburg.**

Henner Lambrecht
President
Lodging Comfort

PERFORMANCE 2012

Lodging Comfort saw an increase in replacement business, while the new hotel project segment decreased. This is due to more two- and three-star hotels being built, hotels that do not normally have safes or minibars.

Lodging Comfort had strong development of sales in Asia Pacific and Benelux due to an increase in hotel projects and better penetration in the elderly home and hospital market segments. Sales decreased in Southern European countries, Central Europe, and the Americas due to, among other reasons, the financial crisis and fewer new build projects.

1 Lodging will be included in the general Aftermarket, Retail and Lodging business from 1 February 2013.

A new generation of hotel room safes, low-energy thermoelectric minibars, a furniture safe, and a Mobicool label minibar range for China were launched during the year.

Dometic was awarded with the Gold Star Award from the magazine TOP HOTEL during the INTERNORGA Show in Hamburg in March 2012. The INTERNORGA is an important show for companies offering products and services to the hospitality industry. More than 105 companies applied for the award in 10 different categories. Dometic was awarded with first place in the category “usability” for the unique and innovative Drawer minibar DM 50, which was introduced in August 2011.

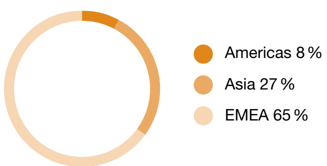
MARKET DEVELOPMENT

Volumes in the markets of minibars and safes for the lodging segment are driven by new projects and replacements in existing hotel rooms and cruise liners.

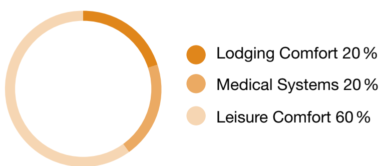
The hotel industry from a global perspective is going through a period of recovery. Most KPIs (Key Performance Indicators) such as revenue per available room and occupancy are positive in most

BUSINESS AREA – SPECIAL COMFORT

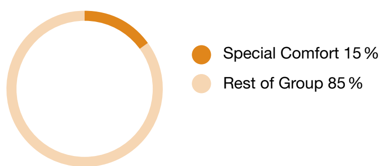
SPECIAL COMFORT BY GEOGRAPHIC MARKETS



SPECIAL COMFORT BY CHANNEL



SPECIAL COMFORT SHARE OF GROUP NET SALES



of the territories. Key growth areas for new hotel construction are Asia Pacific, the Middle East and Russia. There is a general trend towards lower-cost hotels as a result of construction activities favoring two- and three-star hotel projects. Financing for new projects remains challenging, which is another reason for a global reduction in the new build project pipeline. Most hotels are trying to analyze low-cost possibilities for replacing old equipment.

The European Union's new energy efficiency regulation is favorable for thermoelectric cooling technology products. With the launch of the Dometic Group's A+ energy consuming thermoelectric minibars in the third quarter of 2012, Dometic Group was able to offer products that are in line with the legislation and customer demand.

Automatic minibars are still a product group of key importance. Many international hotel groups have decided to primarily invest in automatic minibars. Dometic increased its sales efforts in this product segment during the second half of the year with positive results, including the biggest single automatic minibar order for a prestigious hotel project in Istanbul, Turkey.

OPERATIONAL FOCUS 2013

Important product launches will include new product concept targeting the lower star rated market segments. In addition, a next generation of automatic minibars will be introduced. There is a growing demand for and interest in these types of products, especially with international hotel groups.

Lodging Comfort will increase its sales focus in North America and South America. A healthy and growing Brazilian hotel Industry preparing for major events in 2014 and 2016 is a key opportunity for Lodging Comfort with its broad product portfolio. The Dometic Group will also strengthen its position in the Chinese hotel industry with additional salespeople and a closer network of distributors.

FACTS
OFFERINGS AND COMPETITIVE ADVANTAGES

Dometic Group has been active in the market for hotel products for more than 40 years. The division is a system solution provider and primarily sells noiseless and vibration-free refrigerators as well as safes for in-room use to the hotel and cruise line sector. Over the years, Dometic has supplied customers with more than 5 million minibars. Dometic Group has a global presence and is a world leader in minibars based on the absorption cooling technology. This environmentally friendly technology is very attractive to the segment since most hotels promote green thinking. Dometic minibars reduce energy consumption substantially and thus save operational costs.

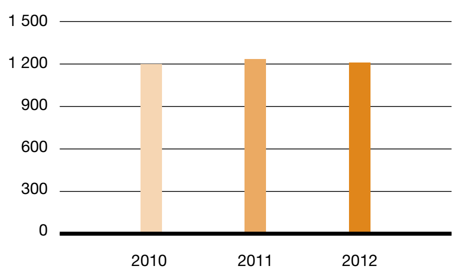
The Group's focus on innovative products is reflected in a number of ways, such as the self-diagnosis system for minibars, which is a system that indicates which component of the minibar needs repair or service. Other examples are the Cooling Unit Control System for controlling and monitoring the cooling performance during its lifetime.

Dometic Group also produces and sells other innovative products, including a wide range of safes for in-room use in hotels. The safes have outstanding safety features including a web-based emergency opening system. Other competitive advantages are design and user-friendliness.

CUSTOMERS

The customers of the division comprise three main segments: independent hotels, international hotel chains and cruise ship companies. In addition there are a number of other customer categories such as furniture manufacturers, shipyards, homes for the elderly, student homes, architects and interior designers. Examples of customers with which Dometic Group has central agreements include the following hotel chains: Accor, Four Seasons, Marriott Kempinski, Mövenpick, Starwood, Shangri La, Sol Melia, and Hilton. For the cruise ship sector, customers include Meyer shipyard, Disney, RCCL, Oceania and P&O.

NET SALES, SEKm



LODGING COMFORT PRODUCTS

The division primarily sells noiseless and vibration-free refrigerators to the hotel and cruise ship sectors, but also has a diverse range of other innovative hotel products, such as small safes and door locks.

Operations (formerly Leisure Tech)[1]

Highlights for 2012

- **The Filakovo factory in Slovakia was refurbished into a modern assembly plant for, among other things, cooking appliances and sinks for RVs. In addition, the factory produces awnings and service stations for automotive air conditioners.**
- **The production in Jaszbereny, Hungary moved to more modern premises within Jaszbereny. The plant supplies the Group with small refrigerators, compact refrigerators, minibars, and cooling boxes.**
- **The production in Emsdetten, Germany was transferred to other plants within the Group. The Emsdetten facility is now focusing on central warehousing for the European aftermarket.**
- **A lot of work was done to continue to strengthen the central purchasing organization. Other key matters during the year have been to improve the Group's capital management, with less capital being tied up through better planning and inventory control.**
- **Several new products were launched, such as an European RV awning, a new light-weighted RV air conditioner, air handlers for chilled water and a range of compressor fridge/freezer boxes.**

Håkan Ekberg President Operations

DESCRIPTION OF OPERATIONS

Operations manufactures products in some 20 plants in Asia Pacific, Europe, and the US, and employs about 5 000 people around the world. Contract manufacturing by leading partners is also used to further expand the product range.

For logistical efficiency, large orders for Dometic Group's OEM customers, such as motorhome and caravan manufacturers, are delivered directly by the manufacturing entities. Deliveries of spare parts and aftermarket products are primarily handled through central warehouses.

The procurement of materials and externally produced components account for approximately 70 percent of the unit's production-related expenses. Accordingly, supply management has been organized such that some local purchasing managers have become responsible for the Group's collective purchases in certain categories, such as electronics and traded products. In addition to this, there is regional coordination for commodities that overlap two or more factories.

PERFORMANCE IN 2012

2012 was quite a difficult year, with the market being affected by the downturn of the global economy. The demand from customers weakened, particularly in Europe, and the Group strived to adjust its production capacity accordingly.

Operations focused on improving the Group's logistic function, which entails anything from forecasting and planning by the market companies to inventory control and improved service to the customers. The facility in Emsdetten, Germany was further strengthened as the European distribution center. Production was moved from Emsdetten to plants in Hungary, Slovakia, Luxemburg, and China, and the central warehousing capacity was expanded. Emsdetten will serve as the hub for the European aftermarket, in close collaboration with the sales organization. In Goshen, Indiana, Dometic Group has its central warehousing for the US market together with nine other local warehouses spread across the USA, Canada, and Mexico.

The plant in Filakovo, Slovakia was refurbished and the production in Jaszbereny, Hungary was transferred to new modern facilities within Jaszbereny. The Dometic Group now has two highly modern factories in Eastern Europe primarily serving the European market. In the longer term, the two modern plants have the capacity to serve the Group's growing business.

1 As of 1 February 2013 Leisure Tech is divided into two parts, Operations and Product Innovation.
2 Dometic Group concluded a divestment of the factory during the first quarter 2013.

LOCATION	Main Product	Area (m²)	Employees (FTE)
China			
Shenzhen (2 factories)	Automotive and portable cooling, power electronics	35 500	1 248
Zhuhai (2 factories)	Mid- and small-size refrigerators, air conditioners for truck and RV	40 000	1 139
Germany			
Siegen	Minibar and RV refrigerators	22 500	366
Krautheim	Windows and doors for RV	27 000	347
Emsdetten	Air conditioners for trucks, A/C service stations , special c refrigerators	5 000	158
Dillenburg	Lights	1 500	14
Rudersdorf[2]	Automotive parts	10 000	122
Hungary			
Jaszbereny	Small refrigerators and cool boxes	15 000	218
Italy			
Bassano	Cooking appliances	10 000	107
Forli	Generators and air conditioners	4 000	46
Condaria	Marine air conditioners	2 700	44
Luxemburg			
Hosingen	Medical refrigeration	30 000	136
Slovakia			
Filakovo	Cooking appliances, sinks	14 000	202
Spain			
Girona	Safes	1 200	10
Sweden			
Tidaholm	Subsupplier to Krautheim (windows)	10 000	93
USA			
Pompano Beach, Florida	Marine A/C systems	8 000	167
LaGrange, Indiana	Awnings	17 000	236
Elkhart, Indiana	Refrigerators	21 455	374
Big Prairie, Ohio	Sanitation systems	6 000	65

STRATEGY

- Increase the rate of product development.
- Reduce product costs through rationalization and continuous efficiency improvements.
- Increase delivery efficiency through shorter lead times, centralization of finished goods inventories, and pull-through systems, such as Kanban.
- Reduce working capital through fewer facilities, better inventory management, and other capital rationalization programs.
- Perform continuous quality improvement activities.

OPERATIONAL FOCUS 2013

First and foremost our focus will be on getting back stability in delivery and quality in some areas where we have challenges in a few of our European plants.

The Leisure Tech division will be divided into Product Innovation and Operations to improve product focus and operational efficiency. With the new organization, the Group will significantly increase the pace of product development, strengthen the link between Product Development and Sales, and secure long-term planning to enable synergies across the product ranges.

During 2013 Operations will continue to focus on capacity planning in order to respond to changing market demand. The Group will strive to increase its flexibility to either downscale or upscale its production capacity depending on the market situation. This will help to manage inventory and therefore working capital in the Group.

Operations will also continue efforts to create an optimized purchase organization suitable for Dometic's factory footprint. The focus will be to have a good base of reliable and cost-competitive suppliers of quality components.

Human Resources

STRENGTHENING OUR LEADERSHIP

Among important achievements in 2012 were the recruitment of key personnel and the preparation of a new organization. By the end of the year, the management team decided on a new strategic direction for the Group. The new organization, which will support the new strategy, was implemented 1 February 2013. The Group also recruited several new executives, such as CEO, CFO, President Operations and regional managers in the Operations division for the US and European markets. In 2012, five employees from the 2011 High Potential Development Program were promoted within the Group.

SUPPORT OF GROWTH AND OPERATIONAL EFFICIENCY

An important Human Resources responsibility is supporting the long-term growth of the Group by ensuring that there are competent and motivated personnel for different positions. Closely related to long-term growth is continuously measuring the restructuring and operational efficiency.

In 2012, Human Resources devoted substantial time and resources to recruiting and developing key personnel as part of the factory footprint process. The transfer of production between our facilities on three continents where the Group has production is a key element of achieving an efficient factory footprint and entails handling a number of human resource issues. For example, new or rebuilt factories were established in Slovakia, Sweden and Hungary—requiring new personnel who were trained in technical skills as well as company norms and values.

In addition to these efficiency initiatives, the outlook for Europe in 2013 coupled with the weaker-than-expected results for 2012 led to a cost reduction initiative in Europe that will reduce running costs.

NURTURING MANAGERIAL AND LEADERSHIP TALENT

Developing and nurturing leadership talent is immensely important for the Group and its future development. During 2012, for the third consecutive year, the Chinese Emerging Talent Program sent ten Chinese employees to spend two weeks in Europe working with colleagues in such various functions as purchasing, marketing, product development, and administration, and with various units such as sales companies, factories, and headquarters. The program benefitted both the Chinese participants and their colleagues in Europe by giving a better understanding of business processes, establishing new contacts, and exchanging experiences.

In 2012, Dometic Group assessed the results of its 2011 High Potential Program. Several of last year's participants have assumed new positions in the Group as part of their career development. During the fall of 2012, several members of the High Potential Program were selected to contribute to the development of the Group's new strategic direction by being members of one of the various strategy teams.

Christina Schwarzer, product manager

Creating a better understanding and stimulating the cooperation for innovation

Christina Schwarzer, product manager at Dometic WAECO International GmbH, was one of the participants in the Global Emerging Talent Program during 2012. The overall goal of the program is to get a deep insight into the company's, main markets, leadership, innovation, and in addition, stimulate cooperation within the Dometic Group. The participants also learnt to know about the most important markets and about the importance of innovation and where innovation is needed.

The Global Emerging Talent Program started in September 2012 and went on for the rest of the year. 20 employees from more than 12 different countries participated in the program. The participants represented different positions and various functions such as sales, marketing, product management, production and product development.

THREE MODULES

The program was divided into three modules. The first one included visits to the head quarter in Stockholm, Sweden and the distribution center in Emsdetten, Germany. In this module the Dometic Group's challenges, business and innovation strategies were presented to the participants. It also included some lessons about the individual market characteristics, cultural singularities and differences, as well as information about the countries´politics and history.

During the second module the group went to Pompano Beach, Florida to learn from the Marine Division about the US market, market success cases, innovation, leadership and communication. This module was not only filled with very interesting presentations from leading managers of several marine divisions, but also included customer and marina visits.

The final module was in China where participants visited Hong Kong, Shenzhen and Zhuhai.

"We had the chance to listen to so many interesting presentations and gained a lot of fantastic new experiences, remembering the marina visit, being on that unbelievable huge yacht and seeing our products running", says Christina Schwarzer.

The Global Emerging Talent Program is another forum for nurturing leadership talent that was introduced in 2012. More than 100 employees applied for the program's 20 positions. Passion for exploring is the overriding theme, and the 20 participants from 12 different countries represented all of the Group's divisions. The focus of the program was on building knowledge about Dometic Group and its operations, key markets and customers, and the importance of innovation and leadership.

INCREASING ENGLISH LANGUAGE SKILLS

During 2012, the Group piloted a comprehensive, webbased English language training program in Hungary. The results of the pilot exceeded expectations, and participants enhanced their English skills at twice the average rate for similar programs. The English language skills program was expanded to Japan and China at the end of the year, and participants who joined will receive tailored training for a year.

CHALLENGES FOR 2013

In 2013 the main focus will be to implement the new group strategy and organization. All employees need to understand the new goals and strategy and what they mean for the organization and the individual. Human Resources has also developed a template for performance management to be used throughout the organization. The overall operational objectives need to be broken down into goals for different units and for individuals. The Group will also continue to implement the various development programs. This will ensure that the Group will continue to strengthen its leadership to support both the growth strategy and operational efficiency.

Dominic Ongeche, Territory Manager

Dometic means less bureaucracy and quick decision-making

Dominic Ongeche, (one of the 2011 HIPO's promoted in 2012) Territory Manager Dometic Group South Africa & Sub Saharan Africa says: Dometic Group is like a small company, even though it is international. This means there is less bureaucracy and a quick decision-making process, both within the company and with decisions of how to serve customers. Dometic Group can develop a lot, which I think can be both challenging and rewarding.

How would you describe the company culture?
It is a culture that invites you as an employee to participate and to be engaged. It is also a culture of concern and respect for the staff. Dometic Group doesn't have a very control oriented culture. Management delegates responsibility and gives people freedom to act. At the same time, the employees are expected to execute with reasonable speed.

What do you think is good leadership?
Management should be able to communicate clear visions and translate those into action plans. A good leader should also be able to inspire and engage people and create opportunities for personal development. In addition, I think ethics and integrity are key values for a successful leadership. I think most of the characteristics of good leadership apply to Dometic Group. The Dometic Group leadership also embraces the concepts of instilling a business mindset throughout the organization and delivering results.

What are the career opportunities within Dometic Group?
Based on my experience and what I see now, the Group encourages its employees to take on more of a leadership-type role within the Group. As the company grows, there should be ample possibilities to move to different positions in various geographical regions.

Sustainability

CREATING LONG-TERM VALUE FOR CUSTOMERS, EMPLOYEES, SHAREHOLDERS AND OTHER STAKEHOLDERS.

The Dometic Group is committed to operate responsibly in order to achieve a sound social and environmental development. We are continually striving to minimize the environmental impact of our products and our production, to optimize utilization of resources, to strengthen the environmental awareness among our staff and business partners, and to be a good neighbor in the communities in which we operate.

All activities must be conducted with respect and consideration of labor and human rights, ethical business behavior as well as the environment as outlined in the Dometic Group's Code of Conduct. Our behavior in one place has impact on how our performance is regarded in another, which underlines the importance of applying equally high standards everywhere regardless of location.

ENVIRONMENTAL RESPONSIBILITY

The Dometic Group's environmental work is based on a lifecycle approach which incorporates design, production, use and disposal. The company has a long history of collecting and monitoring environmental data from production sites.

Mitigating climate change

Climate change is the major environmental issue of today. A decrease in the use of fossil fuels, together with higher energy efficiency is necessary to reduce climate impact. There is a significant potential to increase energy efficiency for organizations, which also has positive effects on costs.

During 2012 the Dometic Group developed an energy saving program that will be launched in January 2013. The goal is to achieve an energy reduction of 15 percent over the coming four years, with 2012 as the baseline. A short term target of a reduction of 3.75 percent has been adopted for 2013.

All Dometic Group factories are included in the program, and each factory will appoint a team member for the energy saving program, define a list of actions to reach targets and report energy data on a monthly basis. To facilitate the reporting and follow-up, a web-based software tool will be implemented.

Eliminating hazardous substances

Since 2006 the RoHS (Restriction of Hazardous Substances) Directive restricts the use of lead, mercury, cadmium, hexavalent chromium and two types of brominated flame retardants in electrical and electronic equipment placed on the EU market. As of January 2013 RoHS II, which replaces the original RoHS Directive, enters into force. RoHS II is a CE marking directive and products will have to meet more stringent administrative requirements to demonstrate compliance with the new harmonized standard. The scope of RoHS II has been extended and during 2012 a reassessment of all Dometic Group products has been made, in order to identify additional products that will fall within the scope of the new directive.

To be able to demonstrate that the new requirements defined in the standard are met, the Dometic Group's suppliers have been requested to confirm compliance through providing a signed supplier declaration or through a signed Dometic Group Supply Agreement when such exists.

SOCIAL RESPONSIBILITY

Dometic Group's social responsibility work includes people development (described in the Human Resources' section of this report), health and safety, human rights and doing business with suppliers in a responsible way.

Introducing workplace standard

The Dometic Group is in the process of developing a global Workplace Standard which clarifies and specifies the management practices required to meet the Group's sustainability codes and policies. Defining a Workplace Standard is an important step towards maintaining and improving a high standard internally as well as at suppliers, but will also support identifying and managing risks.

To be able to monitor sustainability performance, an assessment tool reflecting the Workplace Standard requirements will be implemented. As a first step, the assessment tool will be used for internal audits to build knowledge and experience and later on to measure sustainability performance and compliance with the Workplace Standard among suppliers.

GOVERNANCE

The sustainability practices are primarily guided by the Dometic Group Code of Conduct and Environmental Policy together with supporting policies and programs for implementation. The Director of Group Sustainability and Regulatory Affairs coordinates the sustainability work at Group level. The factories worldwide each have an environmental coordinator who is responsible for the local implementation of environmental strategies as well as for following environmental regulations and other local requirements.

Code of Conduct

The Board of Directors approved a revised Code of Conduct in 2011. It defines the minimum requirements regarding human rights, employment, workplace practices, environment and ethical business behavior for the Dometic Group's operations as well as for the supply chain.

The Code has been communicated to all employees. A Code of Conduct training program was launched in 2012.

In addition, all suppliers and subcontractors to the Dometic Group are required to comply with the Code, which is an integrated part of the Dometic Group Supply Agreement.

During 2013 the implementation of the Code will continue, internally as well as throughout the supply chain.

Environmental policy

The environmental work is based on a life cycle approach, incorporating design, production, use and end-of-life. The Dometic Group strives to reduce the environmental impact of all activities and products and is committed to the efficient use of natural resources and to sustainable development. All Dometic Group factories with more than 50 employees are expected to maintain ISO 14001 certification of their operations. Smaller factories must work according to an internal Dometic standard.

RESULTS AND ACHIEVEMENTS 2012

- A global energy saving program was initiated, with the goal to reduce energy consumption with 15 per cent over the coming four years.
- The development of a global Workplace Standard and a related assessment tool was initiated, to enable monitoring of sustainability performance internally as well as at suppliers.
- Administrative routines meeting RoHS II requirements were introduced.
- Collection of annual environmental data from factories continued.

Management comments – Operating and financial review

INTRODUCTION

All amounts are in million Swedish krona (SEK million) unless otherwise stated.

The Board of Directors and the President of Dometic Group AB (publ) (former Frostbite 1 AB (publ)), company registration number 556829-4390, hereby submit the following consolidated financial statements covering the period 1 January to 31 December, 2012.

Dometic Group AB (publ) is a subsidiary of Frostbite Holding AB, Sweden. Frostbite Holding AB owns 91 percent and Frostbite I S.a.r.l., Luxembourg, 9 percent of the company. The company is ultimately controlled by EQT V Limited, a limited liability company organized under the laws of the Island of Guernsey, with registered office at National Westminster House, Le Truchot, St. Peter Port, Guernsey GY1 3RA, Guernsey, acting in its capacity as general partner of EQT V (General Partner) LP, in turn acting in its capacity as (1) general partner of the EQT V (No. 1) Limited Partnership and EQT V (No. 2) Limited Partnership; (2) agent for and on behalf of Investor Investment Northern Europe Limited; and (3) manager of the EQT V Co-Investment Scheme. ("EQT V").

OPERATIONS AND ORGANIZATION

Dometic Group ("Dometic", "Dometic Group", "the Group") is a customer driven, world-leading provider of leisure products for the caravan, motor home, automotive, truck and marine markets. Dometic supply the industry and after market with a complete range of air conditioners, refrigerators, awnings, cookers, sanitation systems, lighting, mobile power equipment, comfort and safety solutions, windows, doors and other equipment that makes leisure life more comfortable away from home.

Dometic also provides specially designed refrigerators for hotel rooms, offices, for transport and storage of medical products and for storing wine.

Dometic products are sold in almost 100 countries and are produced mainly in wholly owned production facilities around the world.

The Group structure comprises four business areas; Recreation Vehicle Comfort, Marine Comfort, Automotive Comfort and Special Comfort (Medical System, Lodging Comfort and Leisure Comfort). The Group's production, product development, supply management, logistics and warehouse management is organized within the Leisure Tech Division.

Dometic Group has approximately 6 400 employees at more than 50 production sites and sales offices around the world. The headquarter of the Group is located in Solna, Sweden.

SIGNIFICANT EVENTS

On 10 October 2012 EQT V made an additional investment in the Company of SEK 225 million. In addition Dometic Group entered into a revised financing package with the senior lending banks providing further flexibility. The principal changes were an adjustment of certain covenant levels and an increased capital expenditure facility of SEK 300 million.

Roger Johansson started as President and CEO on 8 November 2012.

THE OPERATIONS, RESULT AND POSITION OF DOMETIC

The net sales amounted to SEK 7 922 million (5 190). Operating profit before items affecting comparability amounted to SEK 934 million (699). After items affecting comparability the operating profit amounted to SEK 858 million (636). Items affecting comparability, in total SEK –76 million (–63), include cost related to a global cost reduction initiative SEK –60 million (–), loss from sale of assets and liabilities SEK –60 million (–), reversal of previous expected restructuring costs SEK 55 million and transaction related costs SEK –11 million (–63).

Cash flow from operating activities amounted to SEK 289 million (-90). The cash flow was negatively impacted by payment of non-recurring operational expenses of SEK 90 million (81). In addition the cash flow was negatively impacted by items affecting comparability of SEK 39 million (46). Before these non-recurring items the cash flow from operating activities amounted to SEK 418 million (415).

The operating profit amounted to SEK 858 million (636), corresponding to a margin of 11 (12) percent. The later part of 2012 was impacted by product start-up and quality issues resulting in higher manufacturing and warranty costs which have also affected the margins.

Research and development costs amounted to SEK 157 million (111), or 2 (2) percent of net sales.

ENVIRONMENTAL IMPACT

Dometic undertakes production at some 20 factories in Asia Pacific, Europe and the US. Manufacturing comprises mainly assembly of components made by suppliers. Other processes include processing of metal, sheet metal and plastic, welding, vacuum forming, foaming and painting.

The product portfolio consist of absorption refrigerators and air conditioning systems, windows, doors and other equipment for caravans and motor homes and refrigerators and many other types of accessories/appliances to the automotive industry and absorption refrigerators for care facilities, institutions and hotels. The most important environmental aspects primarily constitute energy consumption, noise and waste. Studies of the total environmental impact of the Group's during their entire lifetime, i.e. from production and use to recycling, indicate that the greatest environmental impact is generated when the products are used. The Group has a long history of collecting and monitoring environmental data from production sites. All Dometic Group factories with more than 50 employees are expected to maintain ISO 14001 certification of their operations.

At the end of 2012 Dometic operated one factory in Sweden. No permit is required by authorities for this plant. No significant non-compliance with Swedish environmental legislation was reported in 2012. Manufacturing units in other countries adjust their operations, apply for necessary permits and report to the authorities in accordance with local legislation. The permits cover e.g. thresholds or maximum permissible values for air- and waterborne emissions and noise.

Dometic products are affected by legislation in various markets principally involving energy consumption, producer responsibility for recycling, and restriction and management of hazardous substances. Dometic continuously monitors changes in legislation and both product development and manufacturing are adjusted to reflect these changes.

INVESTMENTS

Investments in tangible fixed assets, for the period amounted to SEK 190 million (116) of which SEK 99 million (53) refers to machinery and equipment and SEK 42 million (6) to buildings. Construction in progress and advances of SEK 49 million (57) are also included.

CASH FLOW AND FINANCIAL POSITION

Cash flow from operating activities before non-recurring items of SEK 129 million (505), amounted to SEK 418 million (415). During the period, assets totalling SEK 11 million (9) were divested.

In accordance with the bank agreement, the Group has repaid SEK 729 million (7 737) of the long-term interest bearing liabilities. (The amount for 2011 includes refinancing of the long term interest bearing liabilities.)

Interest-bearing liabilities, excluding pension provisions, amounted to SEK 8 642 million (9 087). The debts are expressed in EUR, USD, AUD and SEK. The strengthening of the Swedish krona has entailed a positive exchange rate difference of SEK 150 million (-186) in comparison to the beginning of the financial year.

Group cash and cash equivalents at the year-end totalled SEK 476 million (762). In addition, the Group has unutilized loan facilities of SEK 343 million (357) for financing the operating activities. For further information on the term of the loans, see note 20.

The equity ratio amounted to 23 (23) percent.

FINANCIAL RISK MANAGEMENT

The Dometic Group's financial activities are centralized to a central treasury department ("Group Treasury"), to capitalize on economies of scale and synergies as well as to minimize financial risks. In accordance with the treasury policy, Group Treasury is the centre of excellence and authority in financial matters within the Group, it supports and advises the subsidiaries regarding the management of financial risks and performs financial activities, cost-efficient and professionally, on an aggregate level. The treasury policy serves as a basic framework for the daily financial operations of the Dometic Group. The treasury policy is reviewed on an annual basis by the Board of Directors.

The acquisition by EQT V was funded by borrowings under a new senior facilities agreement and the issuance of PIK Notes. The amounts granted on the senior facilities amount to SEK 6 344 million (6 904). This financing package is conditioned on the fulfilment of financial and commercial obligations which are assessed on an on-going basis. The covenants that are assessed each quarter are: interest cover ratio, debt cover ratio, cash cover ratio and capital expenditure. In addition, there are undertakings to measure on an on-going basis the quota of assets and EBITDA that are found in companies pledged by the lenders. Further, the revolving credit facility must be unutilized during five subsequent days per year. All financial and commercial undertakings were upheld during 2012. Unutilized loan facilities under the revolving credit facility amount to SEK 343 million (357). Other unused facilities include a capex facility of SEK 300 million and local facilities of SEK 206 million.

Other financial risks are described in note 3.

SIGNIFICANT EVENTS AFTER THE FINANCIAL YEAR

As a result of a strategic review the organization will change to a regional setup effective 1 February 2013.

Dometic Group entered into an agreement to divest the assets relating to Dometic Umformtechnik GmbH. Dometic Umformtechnik GmbH produces metal products and parts, for applications in the automotive, household appliances and office equipment industries. Costs related to the divestment have been charged in the income statement 2012.

On 30 January 2013 Dometic Group AB (publ) received an unconditional shareholder's contribution in an amount of SEK 1 142 million through a conversion of the shareholder loan previously granted to Dometic Group AB (publ).

OUTLOOK

Assuming no major changes in the external environment in 2013, demand for the Group's products is expected to remain strong in North America and Asia Pacific whereas the Europe market is expected to remain a challenge.

Key ratios

AMOUNTS IN SWEDISH MILLION KRONA (SEKm)	2012	2011
Result		
Revenue	7 922	5 190
Amortisations, depreciations and impairment	–181	–123
EBITDA before items affecting comparability	1 115	822
EBITDA	1 039	759
EBIT	858	636
Margins		
Operating margin, % EBITDA before items affecting comparability	14%	16%
Operating margin, %, EBITDA	13%	15%
Operating margin, %, EBIT	11%	12%
Key ratios on return		
Return on operational capital	7%	5%
Return on operational capital, excl. Goodwill	23%	17%
Financial position		
Total assets	14 831	15 631
Interest bearing debt	9 038	9 448
Equity	3 374	3 620
Capital employed	12 412	13 068
Operational capital	11 936	12 305
Equity ratio, %	23	23
Employees		
Average number of employees (FTE)	6 400	6 947
Revenue per employee	1.24	0.75

DEFINITIONS

EBIT	Operating profit.
Operating margin EBITDA	EBITDA divided with revenue.
Operating margin EBIT	EBIT divided with revenue.
Profit margin	Net profit as a margin of revenue.
Return on operational capital	EBIT / Operational capital.
Capital employed	Owners Equity plus interest bearing debt.
Equity ratio	Owners Equity divided with total assets.
Interest bearing debt	Liabilities to credit institutions plus liabilities to related parties plus derivative financial liabilities plus provisions for pensions.
Operational capital	Interest bearing debt plus equity minus liquid funds.
FTE	Full time equivalent

Consolidated income statement

ALL AMOUNTS IN SWEDISH MILLION KRONA (SEKm)	Note	2012-01-01 2012-12-31	2011-05-04 2011-12-31
Revenue	5	7 922	5 190
Cost of goods sold		–5 277	–3 408
Gross profit		**2 645**	**1 782**
Sales expenses		–901	–585
Administrative expenses		–619	–395
Research and development costs		–157	–111
Other operating income and expense	9	–34	8
Items affecting comparability		–76	–63
Operating profit	6,7,8	**858**	**636**
Financial income	10	29	12
Financial expenses	10	–857	–833
Loss from financial items		**–828**	**–821**
Profit/Loss before income tax		**30**	**–185**
Taxes	11	–121	–54
Loss for the year		**–91**	**–239**
Loss for the period attributable to owners of the parent		–91	–239

Consolidated statement of comprehensive income

ALL AMOUNTS IN SWEDISH MILLION KRONA (SEKm)	Note	2012-01-01 2012-12-31	2011-05-04 2011-12-31
Loss for the year		–91	–239
Other comprehensive income			
Cash flow hedges	3	–22	–54
Currency translation differences		–358	411
Other comprehensive income for the year		**–380**	**357**
Total comprehensive income for the year		**–471**	**118**
Total comprehensive profit for the period attributable to owners of the parent		**–471**	**118**

Consolidated balance sheet

AMOUNTS IN SWEDISH MILLION KRONA (SEKm)	Note	2012-12-31	2011-12-31
ASSETS			
Non-current assets			
Goodwill	13	8 283	8 668
Trademarks	13	2 021	2 114
Other intangible assets	13	72	66
Buildings and land	14	836	861
Machinery and other technical installations	14	356	335
Equipment and installations	14	141	126
Construction in progress and advance payments	14	52	45
Deferred tax assets	11	82	83
Derivatives	3	5	–
Other non-current assets	12	54	46
Total non-current assets		**11 902**	**12 344**
Current assets			
Inventories	15	1 479	1 514
Trade receivables	16	669	730
Receivables related parties		14	0
Current tax assets		29	27
Other current assets		164	189
Prepaid expenses and accrued income	17	98	65
Cash and cash equivalents		476	762
Total current assets		**2 929**	**3 287**
TOTAL ASSETS		**14 831**	**15 631**

Consolidated balance sheet, cont.

AMOUNTS IN SWEDISH MILLION KRONA (SEKm)	Note	2012-12-31	2011-12-31
EQUITY	28		
Equity attributed to owners of the parent			
Share capital		1	1
Reserves		–23	357
Retained earnings, including net profit/loss		3 396	3 262
TOTAL EQUITY		**3 374**	**3 620**
LIABILITIES			
Non-current liabilities			
Liabilities to credit institutions	20, 22, 23	6 847	7 241
Liabilities to related parties	20, 22, 23	1 133	1 032
Deferred tax liabilities	11	674	693
Provisions for pensions	18	315	307
Other provisions	19	184	199
Total non-current liabilities		**9 153**	**9 472**
Current liabilities			
Liabilities to credit institutions	20, 22, 23	662	814
Trade payables		626	608
Current tax liabilites		111	99
Advance payments from customers		10	13
Derivatives	3	81	54
Other provisions	19	263	318
Other current liabilities		155	158
Accrued expenses and prepaid income	21	396	475
Total current liabilities		**2 304**	**2 539**
TOTAL EQUITY AND LIABILITIES		**14 831**	**15 631**

Consolidated statement of changes in equity

Change in Group equity

		Attributable to owners of the parent			
AMOUNTS IN SWEDISH MILLION KRONA (SEKm)	Note	Share capital	Other reserves	Retained earnings	Total equity
Opening balance 2011-05-04	28	**1**			**1**
Loss for the period				–239	–239
Other comprehensive income					
Cash flow hedges	3		–54		–54
Currency translation differences			411		411
Total comprehensive income			**357**	**–239**	**118**
Transactions with owners					
Shareholder's contribution				4 215	4 215
Dividend				–714	–714
Total transactions with owners				**3 501**	**3 501**
Closing balance 2011-12-31		**1**	**357**	**3 262**	**3 620**
Opening balance 2012-01-01	28	**1**	**357**	**3 262**	**3 620**
Loss for the period				–91	–91
Other comprehensive income					
Cash flow hedges	3		–22		–22
Currency translation differences			–358		–358
Total comprehensive income			**–380**	**–91**	**–471**
Transactions with owners					
Shareholders contribution				225	225
Total transactions with owners				**225**	**225**
Closing balance 2012-12-31		**1**	**–23**	**3 396**	**3 374**

Consolidated statement of cash flow

ALL AMOUNTS IN SWEDISH MILLION KRONA (SEKm)	Note	2012-01-01 2012-12-31	2011-05-04 2011-12-31
Cash flows from operating activities			
Operating profit		858	636
Adjustments for non-cash items	24	204	–36
Received interest		29	12
Paid interest		–538	–205
Other financial items paid		–30	–10
Income taxes paid		–88	–157
Cash flow from operating activities before changes in working capital		**435**	**240**
Changes in working capital			
Changes in inventories		2	175
Changes in accounts receivables		42	375
Changes in accounts payables		42	–273
Cash flow related to acquired non recurrent operational costs		–90	–81
Cash flow related to acquired transaction costs		–	–378
Changes in other receivables/liabilities		–142	–148
Changes in working capital		**–146**	**–330**
Net cash flow from operating activities		**289**	**–90**
Cash flow from investing activities			
Acquisition of subsidiaries, net of cash acquired		–	–3 183
Investments in intangible assets		–38	–17
Investments in tangible fixed assets		–190	–116
Proceeds from sale of tangible fixed assets		11	9
Other fixed financial items		–13	–6
Net cash flow from investing activities		**–230**	**–3 313**
Cash flow from financing activities			
Shareholder's contribution		225	4 215
Borrowings from credit institutions		182	7 713
Repayment of loans from credit institutions		–729	–7 737
Changes in bank overdraft		–	237
Borrowings from affiliated parties		–	966
Transaction costs related to borrowings		–	–540
Dividends paid to equity holders of the parent		–	–714
Net cash flow from financing activities		**–322**	**4 140**
Cash flow for the year		**–263**	**737**
Cash and cash equivalents at beginning of year		762	1
Exchange differences on cash and cash equivalents		–23	24
Cash and cash equivalents at end of year	**24**	**476**	**762**

Notes to the consolidated financial statements

NOTE 1 GENERAL INFORMATION

Dometic Group AB (publ), with corporate identity number 556829-4390 is a Swedish Holding company incorporated on 1 December 2010 as a limited liability company. The address of the headquarter is Hemvärnsgatan 15, 171 54 Solna, Sweden.

These Group consolidated financial statements cover the period 1 January to 31 December 2012. Comparative figures cover the period from acquisition date, 4 May 2011, to 31 December 2011.

Dometic Group is a customer driven, world-leading provider of leisure products for the caravan, motor home, automotive, truck and marine markets. The Group supplies the industry and after market with a complete range of air conditioners, refrigerators, awnings, cookers, sanitation systems, lightning, mobile power equipment, comfort – and safety solutions, windows, doors and other equipment that makes leisure life more comfortable away from home.

Dometic also provides specially designed refrigerators for hotel rooms, offices, for transport and storage of medical products and for storing wine. Dometic Group also supplies a wide range of workshop equipment for service and maintenance of built-in air conditioners.

The products are sold in almost 100 countries and are produced mainly in wholly owned production facilities around the world.

These Group consolidated financial statements were authorized for issue by the Board of Directors on 25 March 2013.

Unless otherwise stated, all amounts are reported in million Swedish krona (SEK million).

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied, unless otherwise stated.

2.1 BASIS OF PREPARATION

The consolidated financial statements of Dometic Group AB (publ), have been prepared in accordance with International Financial Reporting Standards (IFRS) and Interpretations as adopted by the European Union. The consolidated financial statements have been prepared under the historical cost convention, as modified financial assets and financial liabilities, including derivative instruments, at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

2.1.1 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

New and amended standards adopted by Dometic:
There are no IFRS or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 January 2012 that would be expected to have a material impact on the Group.

Standards, amendments and interpretations to existing standards that are not yet effective and not applied in advance by Dometic:
The Dometic Group's assessment of the impact of these new standards and interpretations is set out below.

IAS 19 AMENDMENT TO IAS 19, 'EMPLOYEE BENEFITS'

These amendments eliminate the corridor approach and recognize all actuarial gains and losses in OCI as they occur. All past service costs shall immediately be recognized. Interest cost and expected return on plan assets will be replaced by a net amount that is calculated by applying the discount rate to the net defined benefit liability (asset). The Group complies with the amendment as from 1 January 2013. The closing value 2012 of the net defined benefit liability for the Group increases by SEK 74 million, to SEK 385 million, as a result of the amended IAS 19.

IFRS 9 'FINANCIAL INSTRUMENTS'

IFRS 9 replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. It requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortized cost. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement. Dometic is yet to assess IFRS 9's impact and intends to adopt the standard no later than the accounting period beginning on or after 1 January 2015.

IFRS 10 'CONSOLIDATED FINANCIAL STATEMENTS'

IFRS 10 defines the principle of control, and establishes controls as the basis for consolidation. The new standard is applicable as from 1 January 2013 and will not have any significant impact on the Financial Statement for Dometic.

IFRS 12 'DISCLOSURES OF INTERESTS IN OTHER ENTITIES'

IFRS 12 includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. Dometic has no material investments in an associate companies, the new standard, applicable from 1 January 2013, will have limited impact on the financial statements.

IFRS 13 'FAIR VALUE MEASUREMENT'

IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. The new standard is applicable as from 1 January 2013 but will only have minor impact on the Financial Statement for Dometic.

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

2.2 CONSOLIDATION

(a) Subsidiaries
Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for the business combinations. The consideration of an acquisition is measured, as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. Acquisition-related costs are expensed as incurred. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquire either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Inter-company transactions, balances and unrealized gains and losses on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Associates
Associates are companies over which the Group has significant influence but not control, generally accompanying a shareholding of between 20 percent and 50 percent of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognized at cost.

The carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. The Group's share of post-acquisition profit or loss is recognized in the income statement and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income with a corresponding adjustment to the carrying amount of the investment.

Profits and losses resulting from transactions between the Group and its associate are recognized only to the extent of unrelated investor's interests in the associates.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.3 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the Group Management and the Board of Directors.

2.4 FOREIGN CURRENCY TRANSLATION

(a) Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates - 'the functional currency'. The consolidated financial statements are presented in Swedish krona (SEK), which is the Group's presentation currency.

(b) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement, except when deferred in equity as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within financial net. All other foreign exchange gains and losses are presented in the income statement within the operating result.

(c) Group companies
The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
(1) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
(2) income and expenses for each income statement are translated at average exchange rates and
(3) all resulting exchange differences are recognized as a separate component of equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.5 PROPERTY, PLANT AND EQUIPMENT

Land and buildings comprise mainly factories and offices. Land and buildings are entered at acquisition value, reduced by subsequent depreciation of buildings.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

• Buildings	20–40 years
• Machinery	8–15 years
• Vehicles	3–5 years
• Furniture, fittings and equipment	3–8 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the income statement.

2.6 INTANGIBLE ASSETS

(a) Goodwill
Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Separately recognized goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(b) Trademarks
Acquired trademarks are shown at historical cost. All trademarks within Dometic with a value on the balance sheet have been identified as part of the strategic planning process. As there currently are no plans to phase out any of these trademarks they have been determined to have an indefinite useful life. The trademarks are not depreciated but are tested for impairment annually.

(c) Other intangible assets
Expenditures for patents, rights etc. are capitalized and amortized on a straight line basis over their estimated useful lives.

Research expenditures are recognized as an expense as incurred. Expenditures for development projects are capitalized as intangible assets to the extent that these expenditures are very likely to generate future financial benefit. Other development expenditures that do not meet the criteria for capitalization are recognized as an expense as incurred. Expenditures for development projects that are capitalized are amortized on a linear basis during the period when the expected benefits are estimated to benefit Dometic and from the time when commercial production begins. The depreciation period equals five years.

2.7 IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested annually for impairment. Assets subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.8 NON-CURRENT ASSETS (OR DISPOSAL GROUPS) HELD FOR SALE

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through as sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

2.9 FINANCIAL ASSETS

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables. The classification of financial instruments is determined at initial recognition and the purpose of the transaction determines how to categorize the instrument. Financial instruments reported in the balance sheet include cash and cash equivalents, securities, other financial receivables, trade receivables, trade payables, loans and derivatives.

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss is initially recognized at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognized when the rights to receive cash flows from investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value whilst loans and receivables are carried at amortized cost using the effective interest method.

(a) Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorized as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(b) Trade receivables and other receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities later than 12 months after the balance sheet date. The Group's loans and receivables comprise trade receivables and other receivables as well as cash and cash equivalents in the balance sheet.

2.10 DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The derivatives in Dometic hedge a particular risk associated with a recognized asset or liability or a highly probable forecast transaction (cash flow hedge).

Cash flow hedge
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The gain or loss relating to the ineffective portion is recognized immediately in the income statement.

Amounts accumulated in equity are reversed in the income statement in the periods when the hedged item affects profit or loss. The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings are recognized in the financial net. The gain or loss relating to the ineffective portion is recognized in the income statement. The deferred amounts are ultimately recognized in cost of sales. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the income statement.

2.11 INVENTORIES

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labor, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Costs of inventories include the transfer from equity of any gains/losses on qualifying cash flow hedges purchases of raw materials.

2.12 TRADE RECEIVABLES

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that Dometic will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the value of estimated future non-collectible part of the asset. The carrying amount of the asset is reduced through the use of a reserve account, and the amount of the loss is recognized in the income statement within sales expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against sales expenses in the income statement.

2.13 CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

2.14 SHARE CAPITAL

Ordinary shares are classified as equity. Where any Group company purchases the company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the company's equity holders.

2.15 TRADE PAYABLES

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

2.16 BORROWINGS

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates. See 2.21 for description of accounting for borrowing costs.

Borrowings are classified as current liabilities unless the Group has right to defer settlement of the liability for at least 12 months after the balance sheet date.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

2.17 CURRENT AND DEFERRED INCOME TAX

The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in equity under other comprehensive income. In this case the tax is also recognized in equity under other comprehensive income.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.18 EMPLOYEE BENEFITS

(a) Pension obligations
Group companies operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Group has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution

plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for unrecognized past-service costs and unrecognized gains and losses. The defined benefit obligation is calculated annually by independent actuaries using the Projected Unit Credit Method. The corridor method is applied which means that only the portion of the aggregate gains and losses that exceed the greater of 10 percent of the present value of the obligations or 10 percent of the fair value of plan assets are recognized in profit or loss over the remaining expected average service period of the plan participants. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability. Past-service costs are recognized immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time. In this case, the past-service costs are amortized on a straight-line basis over the vesting period.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Other post-employment obligations
Some Group companies provide post-retirement healthcare benefits. The anticipated costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. These obligations are valued annually by independent qualified actuaries.

(c) Termination benefits
Termination benefits are payable when employment is terminated by the Group before the planned retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the balance sheet date are discounted to their present value.

(d) Bonus plans
The Group recognizes a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

2.19 PROVISIONS

Provisions for environmental restoration, restructuring costs and legal claims are recognized when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Allocation for managing of waste in accordance with the WEEE Directive (Waste Electrical and Electronic Equipment)
According to the WEEE Directive, the producer is financially responsible for recycling this type of waste. The Directive draws a distinction between waste from private homes and professional customers. Different countries implement different systems for collecting and recycling household related waste, usually collective system. In most cases, these systems are sufficient and a provision is not necessary. A provision is made based on local arrangements and assumptions regarding future costs for collection and recycling.

ELV - Directive for End-of-Life Vehicles
ELV stipulates that producers of vehicles are financially responsible for collecting and recycling these. In conjunction with this type of recycling it is possible that the Dometic Group will be affected by costs relating to some products delivered for installation in private cars and trailers. The provision is based on assumptions of future costs for collection and recycling.

2.20 REVENUE RECOGNITION

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(a) Sales of goods
Sales of goods are recognized when a Group entity has delivered products to the OEM/retailer, the OEM/retailer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the acceptance of the products. Delivery does not occur until the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the OEM/retailer, and either the OEM/retailer has accepted the products in accordance with the sales agreement, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Sales are recorded based on the price specified in the sales agreements, net of the estimated discounts and returns at the time of sale. Accumulated experience is used to estimate and provide for the discounts and returns. The discounts are assessed based on anticipated annual purchases. No element of financing is deemed present as the sales are normally made with a credit term of 30-60 days, which is consistent with the market practice.

(b) Interest income
Interest income is recognized on a time-proportion basis using the effective interest method.

2.21 ITEMS AFFECTING COMPARABILITY

Income and expenses related to non-recurring events, occurring on an irregular basis and affecting comparability between the periods, are recognized as items affecting comparability. See note 6 for specification of non-recurring items.

2.22 LEASES

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

Leases of property, plant and equipment in which the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term liabilities. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

2.23 BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other cost that an entity incurs in connection with the borrowing of funds.

NOTE 3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Dometic Group's operations are exposed to different financial risks, including the effects of price changes in the loan and capital markets. To manage these risks efficiently, Dometic has established guidelines in the form of a treasury policy that serves as the basic framework for the daily financial operations of the Group. The treasury policy clarifies the distribution of responsibility for financial risk management between the Board of Directors, the CEO, the CFO, the Group Treasurer and the subsidiaries. The treasury policy specifies the financial risks Dometic are exposed to and how they should be managed.

Risk management is carried out by a central treasury department ("Group treasury") under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board of Directors provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

CURRENCY RISK

Dometic Group is a global Group with operations in a large number of countries throughout the world. The Group is exposed to transaction risks at the time of purchasing and selling as well as conducting financial transactions. The transaction exposure is primarily related to the EUR, USD, AUD, SEK and CNY. Important flows are China/Hong Kong sales to Europe, USA and Australia, sales from Europe to Australia and USA. The Group uses, from time to time, currency forward agreements to limit this risk.

Dometic Group is also exposed to translation exposure. Translation exposure causes a risk that changes in foreign exchange rates will have a negative impact on the value of Dometic's net assets (equity) and income in foreign currency. The translation risk is an accounting risk that arises when the Group accounts are consolidated, as an effect on Group equity capital. The Dometic Group policy governing translation exposure is not to hedge the translation exposure to net foreign assets (equity). However, the translation exposure shall be limited by matching the currency of the external debt to the currency of Dometic's foreign net assets. As of 31 December 2012, 37 (35) percent of the Group's borrowings were in EUR, 23 (26) percent in USD and 23 (25) percent in AUD. Loans in other currencies amount to approximately 17 (14) percent of total loans.

INTEREST RATE RISK

Dometic Group's interest risks arise from long-term loans. Since the Group does not hold any substantial interest-bearing assets, the Group's income and cash flow from current business operations are essentially independent from changes in market interest rates.

The Group analyzes its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run only for liabilities that represent the major interest-bearing position.

The Group is subject to interest rate risks through changes in the interest market and therefore has additional cash flow exposure. The interest rate risks are managed centrally by the Group treasury function in accordance with the treasury policy. The purpose is to reduce the negative effects of interest rate changes on net interest costs and cash flow by using interest swaps, interest floors, and interest caps. The Group has hedged 67 (68) percent of cash flow exposure on its senior facility term loans by using interest swaps to move from floating interest rate to fixed interest rate. Interest is normally paid quarterly, therefore the floating interest rate on loans, and the floating leg of the swaps are set quarterly.

CASH FLOW HEDGES

In accordance with the Dometic Group's treasury policy, the Group has hedged part of its cash flow exposure, by way of currency forward agreements, interest rate swaps and commodity hedges with external counterparts, as reported below.

DERIVATIVE FINANCIAL INSTRUMENTS

	2012-12-31			2011-12-31		
Currency (maturity)	**Amount LOCm**	**Amount mSEK**	**Interest rate**	**Amount LOCm**	**Amount SEKm**	**Interest rate**
AUD (2014)	142	959	4,3%	155	1 090	4,3%
EUR (2014)	95	819	2,3%	104	932	2,3%
USD (2014)	273	1 777	1,1%	299	2 060	1,1%

Dometic Group is exposed to price risks for raw materials such as iron, copper, aluminum and components in which these metals are included. This risk also affects plastics in which petroleum forms the base. To limit the price risk of this type, the Group may enter into short-term contracts with some of the suppliers of raw material. As of 31 December 2012 no such contracts were in place.

	2012-12-31			2011-12-31		
Commodity (unit)	**Maturity**	**Unit amount/ Weight**	**Average SEK/Unit**	**Maturity**	**Unit amount/ Weight**	**Average SEK/Unit**
Steel (ton)	–	–	–	2012	25	7,935
Other (ton)	–	–	–	2012	50	7,214

DERIVATIVE FINANCIAL INSTRUMENTS

2011-12-31

	Nominal value	Assets	Liabilities
Current derivative financial instruments			
Interest rate swaps – cash flow hedges	4 083	–	–55
Currency forwards – cash flow hedges	10	1	–
Commodity hedges	1	–	0
Total		**1**	**–55**
Less non-current portion:		–	–
Current portion		**1**	**–55**

2012-12-31

	Nominal value	Assets	Liabilities
Current derivative financial instruments			
Interest rate swaps – cash flow hedges	3 555	–	–74
Currency forwards – cash flow hedges	1 049	5	–7
Commodity hedges	–	–	–
Total		**5**	**–81**
Less non-current portion:		–	–
Current portion		**5**	**–81**

SENSITIVITY ANALYSIS

A sensitivity analysis on the Group's largest transactional flows would show that a 5% change in currencies against each other would have a transaction effect on the Group net cash flow of approximately SEK 48 million, excluding the impact of hedging.

Regarding the currency risk on the senior term loans, a change of 1 percent in the respective currencies, with all other variables held constant, profit after tax would be impacted by SEK 51 million (60). This is a result of foreign exchange gains/losses of translation for the EUR, USD and AUD denominated borrowings. The effect from EUR would be 6 (7), from USD 22 (26) and from AUD 23 (27).

At 31 December 2012, a 1 percent change of interest rates on senior term loans, with all other variables held constant, the profit after tax would be impacted by SEK 6 million (20), mainly as a result of higher interest expense on floating rate borrowings.

FINANCIAL CREDIT RISK

Financial assets carry an element of risk that counterparties may be unable to fulfill their payment obligations. This exposure arises from the investments in liquid funds and from derivative positions with positive unrealized results against banks and other counterparties. Dometic Group mitigates this risk by holding cash primarily in well-rated counterparties with a long-term rating of A or better. At 31 December 2012, the financial credit risk was equal to the balance sheet value of cash and cash equivalents of SEK 476 million (762). All derivative transactions are covered by ISDA netting agreements to reduce the credit risk. No credit losses were incurred during 2012, neither on external investments nor on derivative positions.

LIQUIDITY RISK

Liquidity risks are managed by the Group by ensuring to have sufficient liquid means and current investments with a liquid market, available financing through contracted credit facilities, and the possibility to close market positions. Because of the dynamic nature of the business activities, the Group ensures flexibility by maintaining agreements on retractable credit status.

To maintain control over the liquidity and to ensure that the Group has enough cash to make major payments such as interest payments and amortizations on the senior facility term loans, the companies report to management a weekly cash balance stating the actual cash in the company. Also, a liquidity forecast of eight weeks is reported to management on bi-weekly basis. In addition to these reports, a cash flow cover covenant is calculated on a quarterly basis and reported to the banks as part of the finance agreements.

The table below analyzes the Group's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

AT 31 DECEMBER 2011	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Borrowings	995	942	2 722	11 463
Derivative financial instruments	16	14	9	–
Forward foreign exchange contracts	0	–	–	–
Trade and other payables	608	–	–	–
Total	**1 619**	**956**	**2 731**	**11 463**

AT 31 DECEMBER 2012	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Borrowings	873	889	2 355	7 794
Derivative financial instruments	41	31	0	–
Forward foreign exchange contracts	2	–	–	–
Trade and other payables	626	–	–	–
Total	**1 542**	**920**	**2 355**	**7 794**

CAPITAL RISK

Dometic Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group has, through its financing agreements, to be compliant with bank covenants. The covenant ratios are Cash flow cover, Interest cover, Debt cover, and Capital expenditure. A breach of the bank covenants would technically put the Group in an event of default. In such an event the Lenders under the financing agreements have the right to accelerate the debts. In such an event a negotiated solution between Owners, Lenders and Group management would be sought in order to keep the Group as a going concern.

	2012-12-31	2011-12-31
Total borrowing (note 20)	8 642	9 087
Less: cash and cash equivalents	–476	–762
Net debt	8 166	8 325
Total equity	3 374	3 620
Total capital	**11 540**	**11 944**
Gearing ratio	**71%**	**70%**

FAIR VALUE ESTIMATION

Making fair value estimations require different kind of input on how to determine the fair values. The different levels have been defined as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Other observable data for the asset or liability than quoted prices included in Level 1, either directly, i.e. as price quotations, or indirectly, i.e. derived from prices.

Level 3: Data for the asset or liability that is not based on observable market data. Within the Dometic Group the only financial instruments measured at fair value are derivative financial instruments, which fall into the level 2 category.

NOTE 4 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In order to prepare the accounting records in accordance with proper accounting standards, estimates and assumptions affecting reported amounts in the annual report must be made. Fair outcome can differ from these estimations and assumptions. Areas where estimates and assumptions are of significant importance to the Group are presented below.

IMPAIRMENT TEST OF GOODWILL AND TRADEMARKS

In accordance with IFRS, the need for impairment of goodwill and trademarks is reviewed annually. These reviews are based on a survey of the recovered value estimated on the basis of management's calculations of future cash flow based on business plans and budgets/forecasts. Further information on assumptions and sensitivity are presented in note 13.

IMPAIRMENT TEST OF DEFERRED TAX ASSETS

In accordance with IFRS, the need for impairment is reviewed annually. These reviews are based on a survey where future earnings in each country, based on business plans and forecasts. The possibility of making use of underlying costs/losses for tax purposes is evaluated.

ASSUMPTIONS UPON PENSION AND POST RETIREMENT COMMITMENTS

The value of the pension commitments depends on the assumptions made by management, and used by actuaries when calculating these amounts. These assumptions include discount rate, inflation, salary trends, and long-term returns on investments, development of pensions over time, mortality, trends in cost of health care, and other factors. The actuarial assumptions are updated annually. Actuarial results that differ from the assumptions accumulate and are written off over future periods and therefore affect the reported costs and commitments in future periods. See note 18 for further information about assumptions made in the calculation of pensions and pension commitments.

WARRANTY OBLIGATION

Within Dometic's line of business many products are covered by a warranty, which is included in the price and valid for a predetermined amount of time. Provisions for warranties are calculated based on past experience of costs for repairs, etc. In addition, provisions are made for warranties of goodwill nature and extended warranties.

PROVISIONS FOR RECALLED PRODUCTS

Provisions for recalled products are estimations of future cash flow required to regulate commitments. Such estimations are based on the nature of the recall, the legal process, and the likely extent of damages as well as the progress of the process. Furthermore, consideration is taken of opinions and recommendations from legal advisors and other advice regarding the outcome of the process and experiences from similar cases.

NOTE 5 SEGMENT INFORMATION

The operating segments are determined based on the reports regularly reviewed by Group Management. The business is organized in a way where Group Management considers the business mainly from a market perspective. The performance of the segments is primarily assessed based on sales and operating profit. The markets are Recreational Vehicle Comfort ("RV Comfort"), Automotive Comfort, Marine Comfort and Special Comfort. Each segment markets a cohesive product range and is geographically spread out throughout the world.

Net sales are mainly related to product sales.

Assets and liabilities are not allocated per reporting segments and as such assets and liabilities are not presented in the following table.

GEOGRAPHIC REGIONS

The group is divided into three geographic regions; EMEA, Americas and Asia Pacific. The information regarding income for each region is based on where the customers are located. The information regarding the assets is based on geographic regions, where the assets are located. External nets sales in Sweden amounts to SEK 208 million (251) and Fixed assets to SEK 39 million (88).

Consolidated operating segments
4 May 2011–31 December 2011

	RV Comfort	Automotive Comfort	Marine Comfort	Special Comfort[1]	Unallocated	Total
External net sales	2 809	1 074	491	816	–	5 190
Operating profit	355	124	72	85	–	636
Financial income					12	12
Financial expense					–833	–833
Taxes					–54	–54
Loss for the period						**–239**

Consolidated operating segments
2012

	RV Comfort	Automotive Comfort	Marine Comfort	Special Comfort[1]	Unallocated	Total
External net sales	4 466	1 505	745	1 206	–	7 922
Operating profit	492	183	40	143	–	858
Financial income					29	29
Financial expense					–857	–857
Taxes					–121	–121
Loss for the period						**–91**

1) Medical System, Lodging Comfort and Leisure Comfort

Consolidated Geographic regions
4 may 2011–31 December 2011

	EMEA	Americas	Asia Pacific	Total
External net sales	2 861	1 615	714	5 190
Fixed assets [2]	5 935	4 065	2 261	12 261

2012

	EMEA	Americas	Asia Pacific	Total
External net sales	4 082	2 753	1 087	7 922
Fixed assets [2]	5 821	3 824	2 170	11 815

2) As of the end of the period
No single customer represents more than 10% of total net sales.

NOTE 6 OPERATING EXPENSES SPECIFIED ACCORDING TO TYPE

EXPENSES BY NATURE	2012–01-01 2012–12-31	2011–05-04 2011–12-31
Raw materials and manufacturing supplies	–3 922	–2 668
Employee benefit expenses	–1 720	–1 105
Transport expenses	–271	–146
Amortisation, depreciation and impairment (Note 13 and 14)	–181	–123
Warrany costs	–187	–103
Sales promotion, external	–144	–69
Other	–639	–354
Total	**–7 064**	**–4 568**

EXPENSES BY FUNCTION	2012–01-01 2012–12-31	2011–05-04 2011–12-31
Cost of goods sold	–5 277	–3 408
Sales expenses	–901	–585
Administrative expenses	–619	–395
Research and development expenses	–157	–111
Other operating income	8	14
Other operating expenses	–42	–6
Items affecting comparability [1]	–76	–63
Total	**–7 064**	**–4 554**

1) Items affecting comparability, in total SEK –76 million (–63), include cost related to a global cost reduction initiative SEK –60 million (–), loss from sale of assets and liabilities SEK –60 million (–), reversal of previous expected restructuring costs SEK 55 million and transaction related costs SEK –11 million (–63).

NOTE 7 LEASING AGREEMENTS

Lease charges for assets held via operational lease agreements, such as leased premises, machinery, computer and office equipment are reported in operating expenses and amount to SEK 87 million (55).

Future minimum lease charges for non-cancellable operational lease agreements at nominal values fall due as follows:

	2012-12-31	2011-12-31
Within 1 year	80	69
1–5 years	125	135
over 5 years	28	31
Total	**233**	**235**

Future lease income for non-cancellable at nominal values fall due as follows:

	2012-12-31	2011-12-31
Within 1 year	2	2
1–5 years	1	6
over 5 years	–	1
Total	**3**	**9**

Lease income amounts to SEK 2 million (2) and relates primarily to leasing of factory premises.

NOTE 8 EMPLOYEE BENEFIT EXPENSES

EMPLOYEE BENEFITS	2012–01-01 2012–12-31	2011–05-04 2011–12-31
Wages and salaries	1 427	913
Social security costs	222	146
Pension costs - defined contribution plans	41	22
Pension costs - defined benefit plans	30	24
Total	**1 720**	**1 105**

Average number of employees during the period 1 January 2012 to 31 December 2012 was 6 400 (6 947).

EMPLOYEE BENEFITS	2012–01-01 2012–12-31	2011–05-04 2011–12-31
Salaries and other short-term benefits	38	28
Post-employment benefits	7	4
Total key management	**45**	**32**

Management includes the Board of Directors, CEO and other members of Group management.

NOTE 9 OTHER OPERATING INCOME AND EXPENSES

OTHER OPERATING INCOME	2012–01-01 2012–12-31	2011–05-04 2011–12-31
Exchange rate difference	–	9
Revenue from leasing	2	2
Gain on disposal of fixed assets	2	3
Other	4	–
Total	**8**	**14**

OTHER OPERATING EXPENSES	2012–01-01 2012–12-31	2011–05-04 2011–12-31
Exchange rate difference	–20	–3
Loss on disposal of fixed assets	–1	–1
Other	–21	–2
Total	**–42**	**–6**
Other operating income and expenses	**–34**	**8**

NOTE 10 FINANCIAL INCOME AND EXPENSES

	2012–01-01 2012–12-31	2011–05-04 2011–12-31
Financial income		
Interest income	29	12
	29	**12**
Financial expenses		
Exchange rate difference, net	150	–186
Amortization capitalized long-term financing expenses	–84	–65
Interest expenses		
–Borrowing, credit institutions	–756	–492
–Borrowing, related parties	–101	–66
Interest expenses on pension liabilities and expected return on plan assets (note 18)	–13	–13
Other finance expenses	–53	–11
	–857	**–833**
Loss from financial items	**–828**	**–821**

NOTE 11 TAX ON NET INCOME FOR THE PERIOD AND DEFERRED TAX

	2012–01-01 2012–12-31	2011–05-04 2011–12-31
Current tax on profit for the year	–106	–43
Current tax in respect of prior year	–1	2
Deferred tax expense relating to origination and reversal of temporary differences	–14	–13
Total Expense	**–121**	**–54**

The differences between income tax expense and an estimated tax expense based on current tax rates are as follows:

	2012–01-01 2012–12-31	2011–05-04 2011–12-31
Profit (loss) before income tax	30	-185
Income tax calculated in accordance with the Group's current tax rate[1)]	–9	56
Non-taxable income	18	16
Non-deductible expenses	–32	–34
Withholding tax	–11	–
Change in tax rates	1	1
Temporary differences for which no deferred income tax was recognised	24	–
Tax losses for which no deferred income tax asset was recognised	–111	–95
Tax adjustments in respect of prior years	–1	2
Not recognised, tax income regarding deficit deductions	0	0
Total expense	**–121**	**–54**

1) Weighted average tax rate for the Group is: 30% 30%

Temporary differences exist when the reported value and the fiscal value of the assets or liabilities are different. The Group's temporary differences have resulted in deferred tax income and deferred tax relating to the following items:

	2012–01-01 2012–12-31	2011–05-04 2011–12-31
Deferred tax assets		
Deductible goodwill amortisation	28	26
Pension commitments	55	27
Tax loss carry-forwards	12	–
Other provisions	20	56
Internal profit in inventories	20	20
Other	21	3
Total deferred tax assets	**156**	**132**
Netting of assets/liabilities	–74	–49
Net deferred tax asset	**82**	**83**
Deferred tax liabilities		
Provisions to untaxed reserves	–45	–43
Difference between reported and fiscal values, trademarks	–614	–643
Difference between reported and fiscal values, fixed assets	–75	–40
Other	–14	–16
Total deferred tax liabilities	**–748**	**–742**
Netting of assets/liabilities	74	49
Net deferred tax liabilities	**–674**	**–693**
Net deferred tax	**–592**	**–610**

Change in net deferred tax liabilities:

	2012–01-01 2012–12-31	2011–05-04 2011–12-31
Opening balance	–610	–
Acquired in business combinations	–	–552
Tax income (expense) during the period recognised in profit or loss	–14	–13
Exchange rate differences	32	–45
Closing balance	**–592**	**–610**

Due to the uncertainties of the value, no deferred tax asset has been recognized on the effective portion of changes in the fair value of derivatives which have been recognized in other comprehensive income. At the end of the period, total tax losses carry forward for which no deferred tax asset is recognized are estimated to SEK 2 290 million (1 799). The reason for not recognizing a deferred tax asset on these losses is due to uncertainties in the deductible value.

An annual review is made whereby future earnings in each country, based on business plans and forecasts, are compared with the costs/losses that formed the basis of the deferred tax asset. If future earnings are expected to be low, an evaluation of the need of impairment of recognized deferred tax assets is performed.

NOTE 12 OTHER NON-CURRENT ASSETS

	2012–12-31	2011–12-31
Bonds and other securities	5	9
Environmental promissory note	8	11
Shares and participation in associated companies	2	2
Present value for life assurance	27	24
Other long-term receivables	12	3
Closing book value	**54**	**46**

NOTE 13 INTANGIBLE ASSETS

2011-05-04–2011-12-31	Trademarks	Research and development	Rights, Patents etc.	Goodwill	Total
Aquired in business combinations	1 999	89	116	8 176	10 380
Investments	–	14	3	–	17
Sales and disposals	–	–20	–	–	–20
Exchange differences	115	–	6	492	613
Closing accumulated acquisition cost	**2 114**	**83**	**125**	**8 668**	**10 990**
Aquired in business combinations	–	–49	–94	–	–143
Sales and disposals	–	20	–	–	20
Amortisation for the year	–	–12	–7	–	–19
Closing accumulated amortisation	**–**	**–41**	**–101**	**–**	**–142**
Opening net book value	–	–	–	–	–
Closing net book value	**2 114**	**42**	**24**	**8 668**	**10 848**

2012	Trademarks	Research and development	Rights, Patents etc.	Goodwill	Total
Opening balance	2 114	83	125	8 668	10 990
Investments	–	26	12	–	38
Sales and disposals	–	–16	–16	–	–32
Exchange differences	–93	–	–5	–385	–483
Closing accumulated acquisition cost	**2 021**	**93**	**116**	**8 283**	**10 513**
Opening amortisation	–	–41	–101	–	–142
Sales and disposals	–	16	13	–	29
Amortisation for the year	–	–20	–8	–	–28
Exchange differences	–	–	4	–	4
Closing accumulated amortisation	**–**	**–45**	**–92**	**–**	**–137**
Opening net book value	2 114	42	24	8 668	10 848
Closing net book value	**2 021**	**48**	**24**	**8 283**	**10 376**

Amortization SEK 28 million (19) on research and development and rights, patents etc. has been charged to cost of goods sold SEK 3 million (4), marketing expenses SEK 3 million (0) administrative expenses SEK 2 million (3) and research and development (R&D) costs SEK 20 million (12).

The primary portion of investments in R&D includes internally generated capitalized development costs.

IMPAIRMENT TEST ON GOODWILL AND INTANGIBLE ASSETS WITH INDEFINITE LIFETIME

The group holds assets with indefinite life in form of Goodwill and Trademarks. Goodwill is allocated to the cash generating units (CGU) of the Group. These are Recreation Vehicle Comfort, SEK 4 772 million (4 994), Automotive Comfort, SEK 1 433 million (1 499), Marine Comfort, SEK 1 112 million (1 164), and Special Comfort, SEK 966 million (1 011). Trademarks amount to SEK 2 021 million (2 114) and are divided between Dometic, WAECO, Mobicool, Marineair, Cruiseair, Sealand and Condaria. On a yearly basis, or whenever indications of impairment arise, an impairment test of Goodwill and Trademarks is performed. The recoverable amount for goodwill has been established using a value-in-use method (VIU). The calculations are based on management forecasts of estimated future cash flows for a 5 year period. The forecasts are built up from the estimate of the units within each CGU. The estimates are based on reasonable assumptions of important areas such as volume, price and mix which will create a basis for future growth and gross margin. These figures are set in relation to historic figures and external reports on market growth. The growth rate beyond the forecast period has been set to 2.5 percent which represents the long term growth in the company's markets. The discount rate before tax that has been used is 14.1 percent. This discount rate has been used for all CGUs since the risk profile is considered to be similar. The recoverable amount exceeds the book value for all CGUs.

A sensitivity analysis indicates that approximately 0.5 percent change in the discount rate, would change the value of future cash flows by approximately SEK 0.9 billion. A 0.5 percent change in growth rate beyond the forecast period would change the value of future cash flows by approximately SEK 0.7 billion. Such changes in the value of future cash flows would not affect current book value. Management has assessed that changes in important variables such as market share and -growth, FX rates, raw material prices and other factors, would not have such large effects that they would each reduce the recoverable amount to an amount lower than the book value.

NOTE 14 PROPERTY, PLANT AND EQUIPMENT

2011-05-04–2011-12-31	Land and land improvements	Buildings	Machinery and other technical installations	Equipment and installations	Construction in progress	Advance payments	Total
Aquired in business combinations	202	976	1 617	569	47	19	3 430
Investments	–	6	32	21	35	22	116
Sales and disposals	–	–1	–28	–19	–	–	–48
Reclassifications	14	46	24	5	–69	–20	–
Exchange differences	3	40	40	18	7	4	112
Closing accumulated acquisition cost	**219**	**1 067**	**1 685**	**594**	**20**	**25**	**3 610**
Aquired in business combinations	–5	–246	–1 242	–438	–	–	–1 931
Sales and disposals	–	1	22	18	–	–	41
Depreciation for the year	–	–20	–56	–28	–	–	–104
Exchange differences	–	–11	–11	–9	–	–	–31
Closing accumulated depreciation	**–5**	**–276**	**–1 287**	**–457**	**–**	**–**	**–2 025**
Aquired in business combinations	–39	–104	–63	–11	–	–	–217
Exchange differences	–	–1	–	–	–	–	–1
Closing accumulated impairment	**–39**	**–105**	**–63**	**–11**	**–**	**–**	**–218**
Opening net book value	–	–	–	–	–	–	–
Closing net book value	**175**	**686**	**335**	**126**	**20**	**25**	**1 367**

2012	Land and land improvements	Buildings	Machinery and other technical installations	Equipment and installations	Construction in progress	Advance payments	Total
Opening balance	219	1 067	1 685	594	20	25	3 610
Investments	0	42	46	53	37	12	190
Sales and disposals	–	–3	–78	–34	–1	0	–116
Reclassifications	–	1	33	14	–25	–23	–
Exchange differences	–8	–39	–80	–28	8	–1	–148
Closing accumulated acquisition cost	**211**	**1 068**	**1 606**	**599**	**39**	**13**	**3 536**
Opening depreciation	–5	–276	–1 287	–457	–	–	–2 025
Sales and disposals	–	3	76	33	–	–	112
Depreciation for the year	–	–33	–78	–42	–	–	–153
Exchange differences	–	12	64	19	–	–	95
Closing accumulated depreciation	**–5**	**–294**	**–1 225**	**–447**	**–**	**–**	**–1 971**
Opening impairment	–39	–105	–63	–11	–	–	–218
Impairment charge for the year	–	–	38	–	–	–	38
Closing accumulated impairment	**–39**	**–105**	**–25**	**–11**	**–**	**–**	**–180**
Opening net book value	175	686	335	126	20	25	1 367
Closing net book value	**167**	**669**	**356**	**141**	**39**	**13**	**1 385**

Depreciation expenses SEK 153 million (104) has been charged to cost of goods sold SEK 128 million (90), sales expenses SEK 7 million (2), administrative expenses SEK 17 million (11) and R&D costs SEK 1 million (1).

NOTE 15 INVENTORIES

	2012-12-31	2011-12-31
Acquisition value inventories		
Raw materials and consumables	572	603
Products in progress	53	89
Finished products	1 025	1 031
Advances to suppliers	5	7
Total inventories before provisions	**1 655**	**1 730**

	2012-12-31	2011-12-31
Revaluation of inventories		
Raw materials and consumables	–38	–53
Products in progress	–4	–4
Finished products	–133	–159
Advances to suppliers	0	0
Total provisions	**–175**	**–216**

	2012-12-31	2011-12-31
Book value inventories		
Raw materials and consumables	534	550
Products in progress	49	85
Finished products	891	872
Advances to suppliers	5	7
Total book value	**1 479**	**1 514**

NOTE 16 ACCOUNTS RECEIVABLE – TRADE

	2012-12-31	2011-12-31
Trade receivables	721	792
Less: provision for impairment of trade receivables	–52	–62
Trade receivables - net	**669**	**730**

Movements on the group provision for impairment of trade receivables are as follows:

	2012-12-31	2011-12-31
Opening balance	–62	–
Provision acquired in business combination	–	–59
Provision for receivables impairment	–11	–4
Receivables written off during the period as uncollectible	1	4
Unused amounts reversed	19	1
Reclassification	–	–4
Exchange rate differences and other changes	1	0
Closing provision for impairment of trade receivables	**–52**	**–62**

	2012-12-31	2011-12-31
Ageing analysis of accounts receivable		
Accounts receivable, not due	569	634
Past due:		
– Less than two months	83	74
– 2–6 months	15	35
– 6–12 months	16	18
– More than 1 year	38	31
Total past due	152	158
Whereof impaired	–52	–62
Closing book value, net	**669**	**730**

CREDIT RISK

Credit risk is divided into two categories: credit risk in accounts receivables and financial credit risk (see note 3, financial risk management and financial instruments).

The Group has no significant concentration of credit risks. The Group has established policies to ensure that products are sold to clients with favorable payment histories. In the Group, with all its subsidiaries, credit reports are used to evaluate and establish credit limits on new clients. For a large part of Europe, Dometic uses credit insurance to limit the credit risk and to get credit information regarding clients.

Letters of credits are used as a method for securing payments from customers operating in emerging markets, in particular markets with unstable political and/or economic environments. By having banks, confirming the letters of credit, the political and commercial credit risk exposures to the Group are mitigated.

Provisions for impairment of trade receivables are assessed on a regular basis.

NOTE 17 PREPAID EXPENSES AND ACCRUED INCOME

	2012-12-31	2011-12-31
Prepaid rent	5	4
Prepaid insurance	37	17
Prepaid financing expenses	13	0
Prepaid market expenses	7	7
Prepaid personnel expenses	4	4
Prepaid administrative expenses	6	6
Prepaid consumable supplies	14	22
Prepaid costs, other	3	3
Accrued income, other	9	2
Closing book value	**98**	**65**

NOTE 18 PROVISIONS FOR PENSIONS

Provision for pensions includes remuneration to employees after completed service, such as pension sickness benefits and other remuneration. These are secured either through payments to insurance companies or authorities who thereby assume obligations against the employees, known as defined contribution plans, or, in case the obligation remains within the Group, through defined benefit plans. The largest defined benefit plans are in the US and Germany.

The commitments for retirement plans and family pension regarding employees in Sweden are secured through insurance in Alecta. According to a statement (UFR 3) issued by the Swedish Financial Reporting Board this constitutes a defined benefit plan including several employers. For the financial period, sufficient information to use an accounting approach for defined benefit plans was not available. This plan is accounted for as a defined contribution plan. At the end of 2012, Alecta reports a plan surplus of 129 percent (113). Such surplus reflects the fair value of Alecta's plan assets as a percentage of plan commitments, measured in accordance with Alecta's actuarial assumptions which are different from those under IAS 19. Alecta's surplus may be distributed to the policy holders and/or the insurees.

Regarding defined benefit plans, the Group's costs and the value of outstanding obligations are calculated using actuarial calculations that aim to establish the current value of obligations issued. The Dometic Group applies what is known as the corridor-method, where unrealized actuarial profits or losses exceeding 10 percent of the value of outstanding obligations at the end of the year are written off over the collective average remaining employment period. The administered assets principally consist of shares and interest-bearing securities. No administered assets consist of financial instruments in Dometic or assets that are used within the Dometic Group.

	2012-12-31	2011-12-31
Balance sheet obligations for:		
Defined benefit pension plan	311	307
	311	**307**
Income statement charge for:		
Cost of defined benefit pension plans	30	24
Expenses of other plans	41	22
	71	**46**

The amounts recognized in the balance sheet are determined as follows:

	2012-12-31	2011-12-31
Present value of funded or partly funded obligations	552	506
Present value of plan assets	–187	–174
Net liabilities relating to funded obligations	**365**	**332**
Present value of unfunded obligations	20	20
Unrecognised actuarial losses	–74	–44
Net liability in the balance sheet	**311**	**307**

Reconciliation to the balance sheet		
Defined benefit pension plan, net	311	307
Other pensions	4	0
Provision for pensions	**315**	**307**

The movement in the defined benefit obligation over the year is as follows:

	2012–01-01 2012–12-31	2011–05-04 2011–12-31
Opening balance	**526**	**–**
Acquired in business combinations	–	450
Current service cost	14	11
Interest cost	24	21
Actuarial losses/(gains)	55	37
Exchange difference	–25	21
Benefits paid	–22	–14
Settlements	–	0
Closing book value	**572**	**526**

The movement in the fair value of plan assets of the year is as follows:

	2012–01-01 2012–12-31	2011–05-04 2011–12-31
Opening balance	**174**	**–**
Acquired in business combinations	–	156
Actual return on plan assets	10	9
Actuarial (losses)/gains	5	-12
Exchange differences	-9	13
Employer contributions	14	13
Benefits paid	-7	-6
Closing book value	**187**	**174**

	2012-12-31	2011-12-31
Present value of defined benefit obligation	572	526
Fair value of plan assets	187	174
Deficit in the plans	**385**	**352**

NOTE 18 PROVISIONS FOR PENSIONS CONT.

The amounts recognised in the income statement are as follows:

	2012–01-01 2012–12-31	2011–05-04 2011–12-31
Current service cost	14	11
Interest cost	24	21
Expected return on plan assets	–11	–8
Net actuarial losses recognised during the year	4	–
Depreciation on unrecognised past service cost	–1	0
Gain/Losses on curtailment	0	0
Costs attributable to defined benefit plans	**30**	**24**
Costs attributable to defined contribution plans	41	22
Total costs as reported in the income statement	**71**	**46**

Interest cost on retirement benefit obligation and expected return on plan assets are recognized within financial items. Remaining items are recognized in operating profit within costs of goods sold, sales- or administrative expenses depending on the function of the employee. Of the cost for defined contribution plans, SEK 8 million (6) has been charged by Alecta.

The principal actuarial assumptions were as follows:

	2012-12-31	2011-12-31
Discount rate, %	4.0%	4.3%
Expected return on plan assets, %	6.3%	6.2%
Future salary increases, %	2.9%	2.9%

	2012-12-31	2011-12-31
The actual return on plan assets was:	10	9

NOTE 19 OTHER PROVISIONS

2011-12-31	Guarantee commitments	Environmental reserve	Recall reserve	Restructuring reserve	Other provisions	Total
Acquired in business combinations	176	76	86	181	454	973
Charged to the income statement:						
– Additional provisions	18	5	–	–	6	29
– Unused amounts reversed	–24	–13	–	–	–8	–45
Used during year	–27	–	–16	–57	–333	–433
Exchange differences	9	–2	1	–	1	9
Closing book value	**152**	**66**	**71**	**159**	**69**	**517**

	Guarantee commitments	Environmental reserve	Recall reserve	Restructuring reserve	Other provisions	Total
Non-current	90	31	29	141	27	318
Current	62	35	42	18	42	199
Closing book value	**152**	**66**	**71**	**159**	**69**	**517**

2012-12-31	Guarantee commitments	Environmental reserve	Recall reserve	Restructuring reserve	Other provisions	Total
Opening balances	152	66	71	159	69	517
Charged to the income statement:						
– Additional provisions	104	16	–	110	17	247
– Unused amounts reversed	–11	–50	–13	–16	–25	–115
Used during year	–91	–1	–16	–69	–13	–189
Exchange differences	–7	–1	–1	–2	–1	–13
Closing book value	**147**	**30**	**41**	**182**	**47**	**447**

	Guarantee commitments	Environmental reserve	Recall reserve	Restructuring reserve	Other provisions	Total
Non-current	47	29	31	51	26	184
Current	100	1	10	131	21	263
Closing book value	**147**	**30**	**41**	**182**	**47**	**447**

For further information regarding critical accounting estimates and assumptions regarding provisions – see note 4.

NOTE 20 LIABILITIES TO CREDIT INSTITUTIONS AND RELATED PARTIES

As of 31 December, the Dometic Group's outstanding liabilities to credit institutions and related parties were:

	2012-12-31	2011-12-31
Non-current		
Senior term loans	4 990	5 642
Loans from related parties	1 133	1 032
PIK notes	2 095	1 921
Accrued interest	42	39
Other bank loans	27	21
Amortised costs	–307	–382
	7 980	**8 273**
Current		
Senior term loans	711	758
Other bank loans	36	149
Short term portion of amortised costs	–85	–93
	662	**814**
Total borrowings	**8 642**	**9 087**

The amount granted on the Senior facilities in the Dometic Group amounts to SEK 6 344 million (6 904) of which SEK 5 701 million (6 400) was utilized per 31 December 2012. The amount granted on local facilities in the Dometic Group amounts to SEK 257 million (236) of which SEK 63 million (170) was utilized per 31 December 2012.

Of the long-term borrowings, excluding future capitalized interests on the PIK Notes and shareholder loan, SEK 6 271 million (6 432) falls due for payment more than 5 years after the balance sheet date.

The Group's long-term borrowing is principally under credit frameworks with long advance commitments but with short-term fixing of interest terms, so these have been assessed as having a fair value corresponding to the reported value.

According to the senior facilities agreement the Group has to be compliant with financial covenants. The covenants comprises i) interest cover, ii) debt cover, iii) cash cover, and iv) capital expenditure. All financial and commercial undertakings were upheld during 2012.

TRANSACTION SUMMARY

On 4 May, 2011 EQT V purchased the entire share capital of DHAB II S.a.r.l., a holding company for the Dometic Group (the "Acquisition"). The acquisition follows a financial restructuring of the Group's business that occurred in 2009 which resulted in the transfer of equity ownership to a consortium of lenders. The acquisition was funded by borrowings under a new senior facilities agreement and the issuance of the Notes.

The new senior facilities agreement, as per the acquisition date, includes four facilities, (i) a SEK 2 750 million senior secured term loan facility A, (ii) a SEK 2 950 million senior secured term loan facility B, (iii) a SEK 300 million senior secured capital expenditure facility and (iv) a SEK 600 million senior secured revolving credit facility. The Notes´ issuance was constituted by an issuance € 202 million of 12.75 percent Senior PIK Notes due 2019 (the "Notes").

The carrying amounts of the group's senior term loans are denominated in the following currencies:

	2012-12-31	2011-12-31
EUR	3 334	3 316
USD	2 105	2 473
AUD	2 105	2 422
Other currencies	294	150
Total	**7 838**	**8 361**
whereof current	711	758
Total non-current	**7 127**	**7 603**

NOTE 20 LIABILITIES TO CREDIT INSTITUTIONS CONT.

2011-12-31	Currency	SEKm	All-in Interest rate 2)	Margin	Final payment year
Senior secured term loan A					
– Dometic Group Services AB	EUR	181	6.08%	4.50%	2017
– Dometic Group Services AB	USD	1 182	4.93%	4.50%	2017
– Dometic Group Services AB	AUD	1 157	9.21%	4.50%	2017
– Dometic Deutschland GmbH	EUR	354	6.08%	4.50%	2017
Senior secured term loan B					
– Dometic Group Services AB	EUR	224	6.82%	5.00%	2018
– Dometic Group Services AB	USD	1 290	5.44%	5.00%	2018
– Dometic Group Services AB	AUD	1 265	10.00%	5.00%	2018
– Dometic Deutschland GmbH	EUR	360	6.82%	5.00%	2018
Senior secured term capex facility					
– Dometic Group Services AB	SEK	150	7.14%	4.50%	2017
Senior secured term revolving credit facility					
– Dometic Group Services AB	EUR	237	6.00%	4.50%	2017
Senior PIK Notes					
– Dometic Group AB (publ)1)	EUR	1 960	12.75%		2019
Total		**8 360**			

2012-12-31	Currency	SEKm	All-in Interest rate 2)	Margin	Final payment year
Senior secured term loan A					
– Dometic Group Services AB	EUR	139	4.70%	4.50%	2017
– Dometic Group Services AB	USD	886	4.81%	4.50%	2017
– Dometic Group Services AB	AUD	886	7.99%	4.50%	2017
– Dometic Deutschland GmbH	EUR	270	4.70%	4.50%	2017
Senior secured term loan B					
– Dometic Group Services AB	EUR	215	5.20%	5.00%	2018
– Dometic Group Services AB	USD	1 219	5.31%	5.00%	2018
– Dometic Group Services AB	AUD	1 219	8.49%	5.00%	2018
– Dometic Deutschland GmbH	EUR	346	5.20%	5.00%	2018
Senior secured term capex facility					
– Dometic Group Services AB	SEK	294	5.80%	4.50%	2017
Senior secured term revolving credit facility					
– Dometic Group Services AB	EUR	227	4.70%	4.50%	2017
Senior PIK Notes					
– Dometic Group AB (publ)1)	EUR	2 137	12.75%		2019
Total		**7 838**			

1) Including accrued interest.
2) Interest rate on the Senior facilities consists of margin + current IBOR interest rate + the bank's mandatory cost (if any), The Group is entitled to fix the interest on the senior facilities for a maximum interest period of 6 months.

NOTE 21 ACCRUED EXPENSES AND PREPAID INCOME

	2012-12-31	2011-12-31
Prepaid income for extended guarantee period	16	19
Accrued employee-related items	144	168
Accrued bonus from customers	38	38
Accrued interest	53	135
Accrued production costs	29	26
Accrued administrative expenses	27	27
Accrued marketing expenses	39	27
Accrued finance expenses	14	1
Product liability claims	14	19
Other	22	15
Total	**396**	**475**

NOTE 22 PLEDGED ASSETS

	2012-12-31	2011-12-31
For own liabilities and provisions:		
Net assets pledged for liabilities[1]	3 365	3 620
	3 365	**3 620**

Consolidated net assets pledged for the Group´s facility term loans. The conditions for the borrowings under the senior facilities agreement state that the Group has to be compliant to covenants. In the event that the covenants are not complied to, the lenders have the right to accelerate the securities.

Shares/participation rights in the following companies are pledged.

Consolidated
Condaria 87 S.r.l.
DHAB II S.à r.l.
DHAB III S.à r.l.
Dometic AB
Dometic Australia Pty Ltd.
Dometic Benelux B.V.
Dometic Corporation
Dometic Deutschland GmbH
Dometic GmbH
Dometic Group Services AB
Dometic Holding AB
Dometic Holding S.A.
Dometic International AB
Dometic Italia Group S.r.l.
Dometic Italy S.r.l.
Dometic Koncern AB
Dometic Light Systens GmbH
Dometic Luxembourg S.à r.l.
Dometic S.à r.l.
Dometic Scandinavia AB
Dometic Seitz GmbH
Dometic Sweden AB
Dometic UK Ltd
Dometic Umformtechnik GmbH
Dometic Waeco International GmbH
Dometic Waeco Pty Ltd
Mobicool International Ltd
Mobigroup Australia Pty Ltd
Mobigroup Holding Ltd
SMEV S.r.l.
Waeco Group Holding B.V.
Waeco Impex Ltd.

NOTE 23 CONTINGENT LIABILITIES

The following companies have pledged guarantees for the syndicated loan facilities under the senior facilities agreement amounted to SEK 7 861 million (8 370) and loans held with related parties (Frostbite Holding AB and Frostbite I S.à.r.l.) to SEK 1 133 million (1 032). The pledged guarantees for the senior facilities are related to borrowings SEK 7 838 million (8 360) and Letter of credits SEK 23 million (10). In addition to the amount shown above, the guarantee commitments cover unutilized credits issued on balance sheet date amounting to SEK 644 million (504). For further reference see note 20.

Guarantors are:
Condaria 87 S.r.l.
DHAB II S.à r.l.
DHAB III S.à r.l.
Dometic AB
Dometic Australia Pty Ltd.
Dometic Benelux B.V.
Dometic Corporation
Dometic Deutschland GmbH
Dometic GmbH
Dometic Group Services AB
Dometic Holding AB
Dometic Holding S.A.
Dometic International AB
Dometic Italia Group S.r.l.
Dometic Italy S.r.l.
Dometic Koncern AB
Dometic Light Systens GmbH
Dometic Luxembourg S.à r.l.
Dometic S.à r.l.
Dometic Scandinavia AB
Dometic Seitz GmbH
Dometic Sweden AB
Dometic UK Ltd
Dometic Umformtechnik GmbH
Dometic Waeco International GmbH
Dometic Waeco Pty Ltd
Mobicool International Ltd
Mobigroup Australia Pty Ltd
Mobigroup Holding Ltd
SMEV S.r.l.
Waeco Group Holding B.V.
Waeco Impex Ltd.

In addition, Mobicool (Shenzhen) Co Ltd guarantees the borrowings in Mobicool (Zhuhai) Co Ltd and Zhuhai UCT Electronics Co Ltd. Other bank guarantees held in the Group amounts to:

	2012-12-31	2011-12-31
Bank guarantees for borrowings in the group	8	12
	8	**12**

Bank guarantees concern right of recourse for transferred receivables.

NOTE 24 CASH FLOW DETAILS

Cash and cash equivalents	2012-12-31	2011-12-31
Cash and cash equivalents include:		
Cash on hand and balances with banks	476	762
Total cash and cash equivalents	**476**	**762**

Adjustments for non-cash items	2012-12-31	2011-12-31
Depreciation and amortisation (Note 13, 14)	181	123
Exchange rate differences	–25	–80
Changes in provision and reserves	49	–76
Capital loss/gain on sale of fixed assets	–1	–3
Total non-cash items	**204**	**–36**

NOTE 25 SHARES IN GROUP COMPANIES

Company name	Reg. no.	Domicile	Proportion of equity in %	Booked value SEKm
Dometic Koncern AB	556829-4424	Solna, Sweden	100	4 427

Company name	Reg. no.	Domicile	Proportion of equity in %
Indirect shareholdings			
Dometic Holding Pty Ltd	ACN 097 111 594	Australia	100
Dometic Pty Ltd	ACN 004 947 488	Australia	100
Dometic Waeco Pty Ltd	ACN 123 171 399	Australia	100
Mobigroup Australia Pty Ltd	ACN 105 417 481	Australia	100
Dometic Australia Pty Ltd	ACN 086 366 305	Australia	100
Dometic Austria GmbH	FN290460y	Austria	100
Dometic do Brasil Ltda	04.935.880/0001-49	São Paolo, Brazil	100
Norceram Products Inc.	3074451	Ottawa Ontario, Canada	100
Guangzhou Wanbao UCT Compressor Co Ltd	008556	China	100
Zhuhai UCT Electronics Co Ltd	440 400 400 022 221	China	100
Mobicool Electronics (Shenzhen) Co Ltd	440 301 503 313 206	China	100
Shenzhen Leimi Textile Co Ltd	440 307 105 161 627	China	100
Mobicool Electronics (Zhuhai) Co Ltd	440 400 400 007 941	China	100
Dometic Denmark AS	25705130	Denmark	100
Dometic Finland Oy	0885413-1	Vantaa, Finland	100
Dometic SAS	438.636.425.00037	Senlis, France	100
Dometic Deutschland GmbH	HR B 5557	Siegen, Germany	100
Dometic Seitz GmbH	HR B 7731	Krautheim, Germany	100
Dometic GmbH	HR B 5558	Siegen, Germany	100
Dometic Light Systems GmbH	HR B 7855	Siegen, Germany	100
Dometic Unformtechnik GmbH	HR B 7730	Wilnsdorf, Germany	100
Dometic Dienstleistungs GmbH	HR B 7887	Siegen, Germany	100
Dometic Marketing Solutions GmbH	HR B 3843	Emsdetten, Germany	100
Dometic Waeco International GmbH	HR B 3716	Emsdetten, Germany	100
Mobigroup Holding Ltd	17208219-000-07	Hong Kong	100
Mobicool International Ltd	14979283-000-02-10-1	Hong Kong	100
U C T Ltd	33068257-000-07	Hong Kong	100
United Cooling Technologies Ltd	33068249-000-07-10-4	Hong Kong	100
Waeco Impex Ltd	22342626-000-03	Hong Kong	100
Ching Lai Enterprises Ltd	5743245-000-08	Hong Kong	100
Dometic Zrt.	Cg. 16-10-001727	Jászberény, Hungary	100
Dometic Italy Group S.r.l	03548250400	Forli, Italy	100
Dometic Italy S.r.l	00718330400	Forli, Italy	100
Condaria '87 S.r.l	08934890156	Milano, Italy	100
SMEV S.r.l.	03410350247	Italy	100

NOTE 25 SHARES IN GROUP COMPANIES , CONT.

Company name	Reg. no.	Domicile	Proportion of equity in %
Mobicool Europe s.r.l	AL - 0221001 / 02037730062	Italy	100
Dometic KK	0104-01-045566	Tokyo, Japan	100
Dometic Holding SA	B 94 593	Hosingen, Luxembourg	100
Dometic Sarl	B 91 535	Hosingen, Luxembourg	100
DHAB II S.à.r.l	B 148161	Luxembourg	100
DHAB III S.à.r.l	B 148162	Luxembourg	100
Dometic Luxembourg S.à.r.l	B 166303	Luxembourg	100
Dometic MX, S de RL de CV	DMX011121UB6	Juárez Chihuahua, Mexico	100
Waeco Group Holding B.V.	6050846	Netherlands	100
Dometic Benelux B.V	20051965	Netherlands	100
Dometic New Zealand Ltd	2084564	New Zealand	100
Dometic Norway AS	841914422	Norway	100
Dometic Poland sp. z o.o.	0000374897	Poland	100
Dometic RUS LLC	1107746208338	Russia	100
Dometic Pte Ltd	2000-03050-K	Singapore	100
Dometic Slovakia s.r.o.	31617298	Filakovo, Slovakia	100
Dometic Cramer SR, Sro	36622265	Filakovo, Slovakia	100
Dometic (Pty) Ltd	1973/010155/07	Sandton, South Africa	100
Dometic Spain S.L.	B82837071	Madrid, Spain	100
Dometic Group Services AB	556829-4416	Solna, Sweden	100
Dometic Holding AB	556677-7370	Solna, Sweden	100
Dometic International AB	556598-2666	Solna, Sweden	100
Dometic Sweden AB	556598-2674	Solna, Sweden	100
Dometic AB	556014-3074	Solna, Sweden	100
Sibir International AB	556171-6878	Solna, Sweden	100
Dometic Seitz AB	556528-1093	Tidaholm, Sweden	100
Dometic Scandinavia AB	556305-2033	Göteborg, Sweden	100
Dometic Switzerland AG	CH-020.3.906.004-9	Frauenfeld, Switzerland	100
Dometic Middle East FZCO	2774	Dubai, United Arab Emirates	100
Dometic UK Ltd	04190363	Luton, United Kingdom	100
Dometic Corporation	3951108	Delaware, United States	100
Dometic CN, Inc.	3543464	Delaware, United States	100
Dometic Mexico, LLC	3457538	Delaware, United States	100

NOTE 26 EVENTS AFTER THE BALANCE SHEET DATE

As a result of a strategic review the organization will change effective 1 February 2013.

Dometic Group entered into an agreement to divest the assets relating to Dometic Umformtechnik GmbH. Dometic Umformtechnik GmbH produces metal products and parts, for applications in the automotive, household appliances and office equipment industries.

On 30 January 2013 Dometic Group AB (publ) received an unconditional shareholder's contribution in an amount of SEK 1 142 million through a conversion of the shareholder loan previously granted to Dometic Group AB (publ).

NOTE 27 TRANSACTIONS WITH RELATED PARTIES

Dometic Group AB (publ) is owned to 91 percent by Frostbite Holding AB, Sweden, and the remaining 9 percent by Frostbite I S.a.r.l., Luxembourg.

The Group is ultimately controlled by EQT V. Professional services, amounting to SEK 10 million (17), are charged to the Group by EQT V.

Related party transactions include borrowings specified in note 20, and interest expenses disclosed separately in note 10. Other current assets include a short term receivable, SEK 14 million (14), from Frostbite Holding AB.

Shares in subsidiaries are specified in note 25. All transactions between group companies are eliminated in the consolidated accounts.

NOTE 28 SHARE CAPITAL AND OTHER PAID – IN CAPITAL

The parent company's share capital comprises SEK 500 000 divided into 5 000 000 fully paid shares. The quotient value is SEK 0.1 per share.

	Number of shares	Ordinary share capital	Other paid in capital	Total
New share issue	5 000 000	1	–	1
Shareholders contribution	–	–	4 215	4 215
Dividend to shareholders	–	–	–714	–714
At 31 december 2011	**5 000 000**	**1**	**3 501**	**3 502**
Shareholders contribution	–	–	225	225
At 31 december 2012	**5 000 000**	**1**	**3 726**	**3 727**

NOTE 29 BUSINESS COMBINATIONS

Acquisition 2011

On 4 May 2011, Dometic Group AB (publ) acquired, through its subsidiary Dometic Group Services AB, 100 percent of DHAB II S.à.r.l. with its subsidiaries. The acquired group has been included in the consolidated accounts from this date.

	2011-05-04
Consideration at 4 May 2011	
– Cash	4 239
Total consideration transferred	**4 239**

Recognized amounts of identifiable assets acquired and liabilities assumed

Cash and cash equivalents	1 056
Trademarks (note 13)	1 999
Other intangible assets (note 13)	62
Tangible assets (note 14)	1 282
Financial assets	40
Inventories	1 567
Trade- and other receivables, net *	1 302
Borrowings	–7 766
Deferred tax liabilities, net (note 11)	–552
Retirement benefit obligations (note 18)	–294
Other provisions (note 19)	–973
Trade and other payables	–1 660
Total identifiable net assets	**–3 937**
Goodwill	8 176
Total	**4 239**
Cash settled consideration	–4 239
Cash and cash equivalents acquired	1 056
Change in cash due to the business combinations	**–3 183**

The net sales for the period the acquired business have been included in the consolidated accounts, 4 May 2011 through 31 December 2011, amounts to SEK 5 190 million and the net result for the period amounts to SEK –239 million. The net result includes acquisition related costs of SEK 63 million, shown as items affecting comparability in the consolidated income statement.

Had the acquisitions taken place on 1 January 2011 and thereby covered a full calendar year corresponding to this company's future financial year, it is estimated that the consolidated sales would have been SEK 7 941 million and the net result for the year would have been a loss of SEK 537 million.

*) Acquired trade receivables is shown at a net amount and includes provisions for estimated impairment of trade receivables at an amount of SEK 59 million.

Stockholm 25 March 2013

Michael Treschow
CHAIRMAN OF THE BOARD

Fredrik Åtting

Roger Johansson
PRESIDENT AND CEO

Peter Grafoner

Albert Gustafsson

Samir Kamal

Rainer Schmückle

Magnus Yngen

Lennart Freeman

Our Auditor's Report was submitted on 25 March 2013

PricewaterhouseCoopers AB

Magnus Brändström
AUTHORIZED PUBLIC ACCOUNTANT

Auditor's report

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF DOMETIC GROUP AB (PUBL) REG NUMBER: 556829-4390

REPORT ON THE CONSOLIDATED ACCOUNTS

We have audited the accompanying consolidated financial statements of Dometic Group AB (publ) and its subsidiaries, which comprise the consolidated balance sheet as at 31 December 2012 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes. The consolidated accounts of the Company are included in the printed version of this document on pages 42–74.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR FOR THE CONSOLIDATED ACCOUNTS

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these consolidated accounts in accordance with International Financial Reporting Standards, as adopted by the EU, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of consolidated accounts that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the accompanying consolidated accounts give a true and fair view of the financial position of Dometic Group AB (publ) and its subsidiaries as at 31 December 2012 and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the EU.

Stockholm 25 mars 2013
PricewaterhouseCoopers AB

Magnus Brändström
AUTHORIZED PUBLIC ACCOUNTANT

Proforma consolidated statement

For Dometic Group the calendar year 2011 was divided in two separate accounting periods, January to April reflecting the old owner structure i.e. DHAB II S.à.r.l. (the old holding company for the Dometic Group) respectively May to December reflecting the new owner structure i.e. Dometic Group AB (publ).

The comparative figures in the Consolidated Financial Statements (page 42–74) reflect the accounting period 4 May to 31 December 2011. Comments below and the following Proforma Consolidated Statements refer to full calendar year 2011 (January–December) irrespectively of owner structure in order to describe business performance. All information related to 2012 is consistent throughout the Annual Report.

The Proforma Consolidated Statements comprise estimated results for the comparative year as if the acquisition had been completed at 1 January 2011 instead of 4 May 2011. The Proforma Consolidated Income Statement includes result from the operating business for the calendar year 2011. However, certain items are classified according to statutory regulations which diverge from the operating presentation elsewhere in this document. Costs directly related to the closing of the transaction have been excluded from the comparative numbers in the Proforma Consolidated Income Statement as they would have been accrued before closing.

CONSOLIDATED INCOME STATEMENT; NET SALES AND OPERATING PROFIT

The net sales of the Group amounted to SEK 7 922 million (7 941). Adjusted for currency effects, sales growth is flat (6.4 percent).

Operating profit before items affecting comparability amounted to SEK 934 million (1 177). After items affecting comparability the operating profit amounted to SEK 858 million (442). Items affecting comparability, in total SEK –76 million (–675), include cost related to a global cost reduction initiative SEK –60 million (–), loss from sale of assets and liabilities SEK –60 million (–), reversal of previous expected restructuring costs SEK 55 million and transaction related costs SEK –11 million (–272). For 2011 Items affecting comparability includes SEK 128 million in costs related to planned restructuring of production; impairment of inventory, intangible/tangible assets and accounts receivables amounted to SEK 149 million; extra ordinary warranty costs SEK 87 million and other non-recurrent operational costs SEK 39 million.

INVESTMENTS

Investments in tangible fixed assets to SEK 190 million (162) of which SEK 99 million (87) referred to machinery and equipment and SEK 42 million (9) referred to land and buildings. Construction in progress and advances are also included for SEK 49 million (66).

CASH FLOW

The Group's net cash flow from operating activities amounted to SEK 289 million (neg. 500). During the year, assets totalling SEK 11 million (14) were divested.

In accordance with the bank agreement, the Group has repaid SEK 729 million (7 742). For 2011 SEK 7 735 million relates to the refinancing of the long term interest bearing liabilities.

Group cash and cash equivalents at the year-end totalled to SEK 476 million (762). In addition, the Group has unutilised loan facilities of SEK 343 million (357) for financing the operating activities.

Proforma consolidated Income statement

AMOUNTS IN SWEDISH MILLION KRONA (SEKm)	Actual 2012[1] 2012-01-01 2012-12-31	Proforma 2011[2] 2011-01-01 2011-12-31
Revenue	7 922	7 941
Cost of goods sold	–5 277	–5 192
Gross profit	**2 645**	**2 749**
Sales expenses	–901	–891
Administrative expenses	–619	–583
Research and development costs	–157	–164
Other operating income and expenses	–34	6
Items affecting comparability	–76	–675
Operating profit	**858**	**442**
Financial income	29	18
Financial expenses	–857	–934
Loss from financial items	**–828**	**–916**
Profit/Loss before income tax	**30**	**–474**
Taxes	–121	–63
Loss for the year	**–91**	**–538**

1) Represents the consolidated financial statements of Dometic Group AB (publ).

2) Proforma table represents the combination of DHAB II S.à.r.l. and Dometic Group AB (publ) on a proforma basis since financial information is only available from 4 May 2011 for Dometic Group AB (publ).

Proforma consolidated balance sheet

AMOUNTS IN SWEDISH MILLION KRONA (SEKm)	2012-12-31	2011-12-31
ASSETS		
Non-current assets		
Goodwill	8 283	8 668
Trademarks	2 021	2 114
Other intangible assets	72	66
Buildings and land	836	861
Machinery and other technical installations	356	335
Equipment and installations	141	126
Construction in progress and advance payments	52	45
Deferred tax assets	82	83
Derivatives	5	–
Other non-current assets	54	46
Total non-current assets	**11 902**	**12 344**
Current assets		
Inventories	1 479	1 514
Trade receivables	669	730
Receivables related parties	14	0
Current tax assets	29	27
Other current assets	164	189
Prepaid expenses and accrued income	98	65
Cash and cash equivalents	476	762
Total current assets	**2 929**	**3 287**
TOTAL ASSETS	**14 831**	**15 631**
EQUITY	**3 374**	**3 620**
LIABILITIES		
Non-current liabilities		
Liabilities to credit institutions	6 847	7 241
Liabilities to related parties	1 133	1 032
Deferred tax liabilities	674	693
Provisions for pensions	315	307
Other provisions	184	199
Total non-current liabilities	**9 153**	**9 472**
Current liabilities		
Liabilities to credit institutions	662	814
Trade payables	626	608
Current tax liabilites	111	99
Advance payments from customers	10	13
Derivatives	81	54
Other provisions	263	318
Other current liabilities	155	158
Accrued expenses and prepaid income	396	475
Total current liabilities	**2 304**	**2 539**
TOTAL EQUITY AND LIABILITIES	**14 831**	**15 631**

Proforma consolidated statement of cash flows

AMOUNTS IN SWEDISH MILLION KRONA (SEKm)	**Actual 2012[1]** 2012-01-01 2012-12-31	**Proforma 2011[2]** 2011-01-01 2011-12-31
Cash flows from operating activities		
Operating profit	858	442
Adjustments for non-cash items	204	–65
Received interest	29	18
Paid interest	–538	–269
Other financial items paid	–30	–116
Income taxes paid	–88	–202
Cash flow from operating activities before changes in working capital	**435**	**–192**
Changes in working capital		
Changes in inventories	2	–109
Changes in accounts receivables	42	–43
Changes in accounts payables	42	–4
Changes in reserves related to non-recurrent costs	–90	–45
Changes in other receivables/liabilities	–142	–107
Changes in working capital	***–146***	***–308***
Net cash flow from operating activities	**289**	**–500**
Acquisition of subsidiaries	–	–2 681
Investments in intangible assets	–38	–28
Investments in tangible fixed assets	–190	–162
Proceeds from sale of tangible fixed assets	11	14
Other fixed financial items	–13	–6
Net cash flow from investing activities	**–230**	**–2 863**
Cash flow from investing activities		
Equity received from shareholders	225	4 215
Borrowings from credit institutions	182	7 713
Repayment of loans from credit institutions	–729	–7 742
Changes in bank overdraft	–	237
Borrowings from affiliated parties	–	966
Transaction costs related to borrowings	–	–540
Dividends paid to equity holders of the parent	–	–714
Net cash flow from financing activities	**–322**	**4 135**
Cash flow for the year	**–263**	**772**
Cash and cash equivalents at beginning of year	762	1
Exchange differences on cash and cash equivalents	–23	–11
Cash and cash equivalents at end of year	**476**	**762**

1) Represents the consolidated financial statements of Dometic Group AB (publ).
2) Proforma table represents the combination of DHAB II S.à.r.l. and Dometic Group AB (publ) on a proforma basis since financial information is only available from 4 May 2011 for Dometic Group AB (publ).

Risk Factors

The risks described below are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially adversely affect our business, financial condition or results of operations.

RISKS RELATED TO OUR BUSINESS

A downturn in the economy could affect consumer purchases of leisure items and adversely affect our sales, profitability and financial condition.

Our business is primarily focused on products that are considered discretionary items for consumers, especially vehicles into which our products are installed. Consumer purchases of discretionary items tend to decline during economic downturns when disposable income is lower. Since the 1970s, major deteriorations in the global financial markets or any challenging condition in the macroeconomic environment has negatively impacted consumer spending and we believe has adversely affected the sales of our products. The leisure goods industry is particularly susceptible to general economic conditions because sales of leisure consumer products, such as RVs and leisure boats, depend on discretionary consumer spending. Accordingly, we are particularly vulnerable to economic downturns or other adverse events that have a negative effect on consumer confidence in any of the markets in which we operate (whether as a result of actual or perceived economic slowdowns).

The volatility and disruption of the capital and credit markets and adverse changes in the global economy may negatively impact our customers' ability to access financing, which may adversely affect our sales, profitability and financial condition.

From 2007 through 2009, the capital and credit markets experienced severe volatility and disruption. Significant declines in the housing market during that period, coupled with high levels of unemployment, have resulted in significant write-downs of asset values by financial institutions and a decline in the availability of financing for consumers who sought to purchase our products. The improvement in the availability of financing from banks and financial providers was a major driver for the recent recovery in the sales of many of our products, including in our RV segment. Because a majority of our customers rely on financing to purchase our products, especially in the RV OEM segment, we may be especially impacted by the limited availability of credit for consumers. If such market disruptions re-emerge, our business, financial condition, results of operations and cash flows could be adversely affected.

Our management team has recently undergone significant changes and we may experience difficulties or delays integrating our new executive level employees into our organization.

Our success depends to a significant degree upon the continued contributions of our executive officers and key employees as well as our ability to successfully integrate new executive officers into our organization. Several of our top management are in new positions. Since the beginning of 2012 Fredrik Möller, the former CEO, and Ulf Berghult, the former CFO, have each announced their resignation from the Company to pursue opportunities elsewhere. Mr Möller was replaced by Magnus Yngen as Acting President and CEO until Roger Johansson started on November 8. Ulf Berghult was replaced by Per Carlsson on August 13.

Changes in weather patterns and seasonal weather fluctuations may adversely affect our operating results and financial condition.

Weather fluctuations may adversely affect our operating results and our ability to maintain our sales volume. A majority of our sales are characterized by higher demand in the summer seasons, particularly in the northern hemisphere with a sharp drop in sales during August and December due to the holiday seasons. This is particularly true in our Aftermarket sales, but less so for our OEM sales. Our operations may be adversely affected by unseasonably cool weather in the months of May to July, which has the effect of diminishing customer demand for our products and decreasing our sales volumes. In addition, our cash requirements for the year typically peak in May, which is before our summer sales period. Because we purchase raw materials and build up inventory in advance of the summer selling season, our expense levels are substantially based on our expectations for future revenues. If we do not achieve our expected revenue levels during the subsequent selling season, our results are likely to be adversely affected. Our judgments may not be accurate, and may result in an inability to satisfy customer demands because of insufficient inventory.

Our ability to meet customer demand may be limited by unanticipated shifts in customer demand or delivery failures by our suppliers.

Though we have flexible manufacturing operations that can respond to surges in demand, even with all of our facilities running at full production, we could potentially be unable to satisfy an unanticipated period of exceptionally high demand. Also, certain of our products have a long order to delivery lead time of between 45 and 65 days, which inhibits our capacity to respond quickly to changes in customer demand. Further, our ability to meet customer demand may be limited by supply constraints of key materials. Demand may also increase or decrease drastically as a result of a change in customers' taste and desire for certain products. Customers of our products often consider the process of owning and using an RV a lifestyle choice rather than only a specific holiday alternative.

Design or manufacturing defects in our products or other defects may cause us to incur material costs and/or reputational issues as a result of product recalls or reworks.

In the event we produce a product that is alleged to contain a design or manufacturing defect, we could be required to incur costs related to recalling or reworking that product. In the event of a product recall we typically create recall reserves to cover the estimated costs until completion of a recall. Despite seeking to provide significant recall provisions, a recall would divert managerial and financial resources and may adversely affect our reputation with our customers as a manufacturer of safe, quality products, which may have a material adverse effect on our business. Also, our product liability insurance policies have limits that, if exceeded, may result in substantial costs that would have an adverse effect on our results of operations. In addition, warranty claims are not covered by our product liability insurance and certain product liability claims may also not be covered by our product liability insurance. Even if a product liability claim is not successful or is not fully pursued, the negative publicity surrounding a product recall or any assertion that our products caused property damage or personal injury could damage our brand identity and our reputation with existing and potential customers and have a material adverse effect on our business, financial condition and results of operations.

The nature of our operations exposes us to operational risks in the form of service interruptions caused by breakdowns in machinery and industrial accidents or liabilities in respect of operations from acquired entities.

We operate numerous production facilities across the globe. It cannot be ruled out that machines located at one or more of these facilities may fail, leading to interruptions in service. These interruptions in service may cause product delivery delays, which cannot be absorbed by other facilities. It is also possible that repeated or extended delays could damage our reputation and thus lead to a loss of customers. Operating machinery also carries the risk of industrial accidents, which could injure, or even kill, employees.

If we fail to continue to innovate and provide customers with design features that meet their expectations our competitiveness in the marketplace, financial condition, results of operations and cash flows may be adversely affected.

We must continue to invest in research and development in connection with the innovation and design of our products in order to attract and retain consumers. If we are unable to anticipate consumer preferences, especially in the RV and Marine segments, or if we are unable to modify our products in line with customer needs, we may lose customers or become subject to greater pricing pressures and our operating results may also suffer. Any failure on our part to innovate and design new products or modify existing products may hurt our brands and could result in a decrease in our net revenue.

We are subject to stringent environmental and other regulatory requirements, which may change or which we may result in additional costs or liability, or restrict our operations.

We conduct our business within a strict environmental regime designed to protect the environment and relating to the use of and human exposure to hazardous materials, but we may be exposed to potential liabilities and increased compliance costs. These evolving laws and regulations may require expenditures over a long period of time to control environmental effects at current and former operating sites, including facilities that we have acquired from third-parties. Our failure to comply with these increasingly stringent laws and regulations exercised through an extensive body of European Union and national legislation of the countries in which we operate could subject us to future liabilities or result in the limitation or suspension of the sale or production of product.

We incur, and expect to continue to incur, capital and operating costs to comply with the applicable environmental laws and regulations, the technical requirements of which are becoming increasingly complex and stringent and therefore more difficult to comply with. These laws may also provide for strict liability for damage to natural resources or threats to public health and safety, which can render a party liable without proof of negligence or fault and, if imposed by way of fine or penalty, is generally not something for which insurance can be procured. We may also be liable for clean-up costs and replacement costs and subject to litigation claims under these regimes. Stricter enforcement of existing laws and regulations, the introduction of new laws and regulations, the discovery of previously unknown contamination or the imposition of new or increased requirements could require us to incur costs or become the basis of new or increased liabilities that could reduce earnings and cash available for operations and, as a result, adversely affect our business, financial condition or results of operations.

Our international operations subject us to risks associated with foreign currency fluctuations and local government regulation.

We earn revenues, pay expenses, own assets and incur liabilities in countries using currencies other than the Swedish Kronor. Because our consolidated financial statements are presented in Swedish Kronor, we must translate revenues, income and expenses, as well as assets and liabilities, into Swedish Kronor at exchange rates in effect during or at the end of each reporting period. Therefore, increases or decreases in the value of the Swedish Kronor against other major currencies may affect our net operating revenues, operating income and the value of balance sheet items denominated in foreign currencies. In part to mitigate such risks, we moved our Swedish production to the US and closer to the end user, thereby realigning our cost and revenue base to provide a better natural hedge against future currency fluctuations. Because of the geographic diversity of our operations, weaknesses in some currencies might be offset by strengths in others over time. There is no assurance, however, that fluctuations in foreign currency exchange rates, particularly the strengthening of the Swedish Kronor against major currencies, would not materially affect our financial results. In addition to the currency exchange risks inherent in operating in foreign countries, our international sales and operations, including our purchases of raw materials from international suppliers, are subject to risks associated with changes in local government laws, regulations and policies, including those related to tariffs and trade barriers, investments, taxation, exchange controls, and employment regulations.

Business areas and markets 2012

Within the four business areas detailed in the table below, the Dometic Group services two main customer channels: OEMs (including our Lodging Comfort and Medical Systems), and customers in the Aftermarket (including Leisure Comfort), which are mainly dealers, distributors and special vehicle manufacturers. As further detailed in the table below, the Group currently sells its products in three operating geographies: EMEA, the Americas and Asia Pacific.

		RV Comfort	Automotive Comfort	Marine Comfort	Special Comfort	Total
TOTAL	**2012 Net sales (in SEK million)**	**4 466**	**1 505**	**745**	**1 206**	**7 922**
	As % of 2012 Sales	**56%**	**19%**	**10%**	**15%**	**100%**
	EMEA	38%	82%	49%	65%	**51%**
	Americas	49%	10%	42%	8%	**35%**
	Asia Pacific	13%	8%	9%	27%	**14%**
OEM	**2012 Net sales (in SEK million)**	**3 331**	**661**	**444**	**492**	**4 928**
	As % of 2012 Sales	**42%**	**8%**	**6%**	**6%**	**62%**
	EMEA	39%	74%	59%	74%	**49%**
	Americas	47%	20%	30%	10%	**38%**
	Asia Pacific	14%	6%	11%	16%	**13%**
AFTERMARKET	**2012 Net sales (in SEK million)**	**1 135**	**844**	**301**	**714**	**2 994**
	As % of 2012 Sales	**14%**	**11%**	**4%**	**9%**	**38%**
	EMEA	35%	88%	35%	58%	**56%**
	Americas	54%	3%	59%	7%	**29%**
	Asia Pacific	11%	9%	6%	35%	**15%**

Operational units and customer channels

DIVISIONS	Key Products	Brand Names	Key Customers
RV OEM	Air conditioners, windows, doors, lighting, refrigerators, refrigerator/freezers, cookers, sinks, hobs, generators, inverters, transformers, awnings, cooker hoods, sanitation systems, dishwashers and microwave ovens.	Dometic	RV OEMs
RV AFTERMARKET	Same as RV OEM and portable version of most RV OEM products; safes, barbecue grills, rear-video cameras and sanitation chemicals.	Dometic, WAECO	RV dealers,
CPV OE	Built-in coolers and refrigerators, inverters and metal parts.	Dometic	Premium car, truck OEMs
AUTOMOTIVE AFTERMARKET	Automotive accessories such as rooftop air conditioners, central locking systems, speed control inverters, air conditioner service stations and replacement parts for air conditioners.	WAECO	Retail chains, dealers, car workshops
MARINE OEM	Air conditioners, refrigerators, sanitation systems, electronics, generators, galley equipment, portable coolers, microwave ovens, central vacuum cleaners and air purifiers.	Marine Air Systems, Condaria, Cruisair, Sea-Land, WAECO, Dometic	Marine OEMs
MARINE AFTERMARKET	Air conditioners, refrigerators, sanitation systems, electronics, generators, galley equipment, portable coolers, microwave ovens, central vacuum cleaners and air purifiers.	Marine Air Systems, Condaria, Cruisair, Sealand, WAECO, Dometic	Dealers, distributors
LEISURE COMFORT	Compact refrigerators, portable boxes, wine cellars, wine coolers, water purifiers, air conditioners, portable coolers and LPG refrigerators.	Mobicool, WAECO	Retail chains, DIY dealers
LODGING COMFORT	Minibars and safes.	Dometic	Hotels, Cruise Liners
MEDICAL SYSTEMS	Cold-chain equipment, blood-chain equipment, medical refrigerators, freezers and ultra freezers.	Dometic, Sibir	UN, government health institutions, research institutions

The Board of Directors

Michael Treschow
Chairman
Chairman of the boards of Unilever N.V. and Unilever PLC.
Member of the Supervisory board of ABB Ltd. Board member of Knut and Alice Wallenberg Foundation. Member of the Royal Academy of Engineering Sciences. Earned a Master of Science from the Institute of Technology, Lund, Sweden. Chairman of the board of AB Electrolux from 2004 to 2007. Before joining Electrolux in 1997 as Chief Executive Officer, Michael Treschow was President and Chief Executive Officer of Atlas Copco AB.

Rainer E. Schmückle
Board Member
President Seating Components and COO Automotive Experience at Johnsson Controls.
Operating partner at Advent International Private Equity. Member of the board at several publically traded as well as privately held companies. Graduated in Industrial Engineering at the University of Karlsruhe, Germany.
2005 to 2010 COO at Mercedes Benz Cars in Germany.

Lennart R. Freeman
Board Member
Independent Consultant.
Over 30 years of managerial and executive experience, with companies such as SAAB, Exxon and Swedish Match.
Lennart R. Freeman holds an MBA from the Stockholm School of Economics. Various positions within the Swedish Match organization ending up as President of Swedish Match North America and Executive Vice President for Swedish Match AB.

Dr. Peter Grafoner
Board Member
Independent Consultant & Senior advisor of EQT Private Equity, Stockholm.
More than 30 years of top executive positions in companies such as AEG AG, Mannesmann VDO AG and Linde AG.
Peter Grafoner holds a Doctor´s degree in Engineering from the University of Dortmund, Germany.
Other assignments: Board member of Symrise AG, Board member of SKF AB, Chairman of VTI Technologies OY and President of the Board of Scania Schweiz AG.

Samir Kamal
Board Member
Partner at EQT Partners AB, Stockholm.
Board member of Lundhags AB and Granngården AB.
Master of Science in Economics and Business Administration from the Stockholm School of Economics and a B.Sc. in Electrical and Electronics Engineering from the Imperial College, London.
1995-2004 Kamal worked with Carnegie Investment Bank, focusing on M&A. During 2004-2006, Partner at Industri Kapital.

Fredrik Åtting
Board Member
Partner at EQT Partners, Hong Kong.
Fredrik Åtting holds a Master of Science degree from the Stockholm School of Economics.
Fredrik Åtting joined EQT Partners in 1994 and was part of the team forming the firm. He was Head of EQT Asia between 2009 and 2012.
Prior to joining EQT Partners, Fredrik worked at Enskilda Securities, Corporate Finance in Stockholm.

Albert Gustafsson
Board Member
Mr. Gustafsson joined EQT Partners in 2006.
Prior Mr. Gustafsson worked at Lehman Brothers in London firstly within M&A and subsequently within Debt Capital Markets.
Mr. Gustafsson holds a B.Sc. in Business Administration from Gothenburg School of Economics and Commercial Law.

Niklas Ringby
Deputy
Associate at EQT Partners AB, Stockholm.
Niklas Ringby holds a M.Sc. in Economics and Business Administration from the Stockholm School of Economics. In addition Niklas Ringby holds a M.Sc. in Industrial Engineering and Management from the Royal Institute of Technology in Stockholm.
Prior to EQT Niklas Ringby worked for four years at Boston Consulting Group latest as Project Leader in the Stockholm office.

Magnus Yngen
Board Member
More than 25 years experience from managerial and top executive positions in companies such as Kennametal, Electrolux and Husqvarna.
Magnus Yngen holds a M.Sc. and Licentiate in Technology from the Royal Institute of Technology in Stockholm.
Executive Vice President at AB Electrolux 2002-2008 and CEO and President of Husqvarna AB 2008-2011.

Group Management

Roger Johansson
President and CEO
Acting Head of Product Innovation

Per Carlsson
CFO

Joachim Kinscher
President of EMEA

Tat Li
President of APAC

Frank Marciano
President of Americas

Valerie Binner
Head of HR

Håkan Ekberg
Head of Operations

Charlotta Grähs
Group General Counsel

Henrik Gustafsson
Head of Strategy and M&A

Addresses

Sales Companies

AUSTRALIA
Dometic Pty Ltd.
PO Box 1140
3169 Clayton
South Victoria
Australia
Tel +61 3 9239 1000
Fax +61 3 9239 1099
Email dometic@dometic.com.au

WAECO Pacific Pty Ltd.
PO Box 2495
4220 Burleigh
BC QLD
Australia
Tel +61 7 55 07 6000
Fax +61 7 55 07 6001
Email sales@waeco.com.au

AUSTRIA
Dometic Austria GmbH
Neudorferstrasse 108
2353 Guntramsdorf
Austria
Tel +43 2236 9080 70
Fax +43 2236 9080 7060
Email info@dometic.at

BELGIUM
Dometic Benelux B.V.
Branch Office Belgium
Zinkstraat 13
1500 Halle
Belgium
Tel +32 2 359 80 40
Fax +32 2 359 80 50
Email info@dometic.be

BRAZIL
Dometic do Brasil LTDA
Avenida Paulista 1754
Conj. 151
Sp 01310-920 Sao Paulo
Brazil

CANADA
Dometic Corporation
Dometic Corporation
46 Zatonski Avenue, Unit 2
Brantford
Ontario
N3T 5L8
Canada
Tel +1 519 720 9578
Fax +1 519 720 9590

DENMARK
Dometic Denmark A/S
Nordensvej 15
Taulov
7000 Fredericia
Denmark
Tel +45 75 58 59 66
Fax +45 75 58 63 07
Email info@dometic.dk

FINLAND
Dometic Finland OY
Mestarintie 4
FI-01730 Vantaa
Finland
Tel +358 20 7 41 32 20
Fax +358 9 7 59 37 00
Email info@dometic.fi

FRANCE
Dometic S.A.S
Z.A du Pré de la Dame Jeanne
B.P. 5
60128 Plailly
France
Tel +33 3 44 63 35 00
Fax +33 3 44 63 35 18
Email info@dometic.fr

GERMANY
Dometic GmbH
In der Steinweise 16
570 74 Siegen
Germany
Tel +49 271 692 0
Fax +49 271 692 300
Email info@dometic.de

Dometic WAECO International GmbH
Industriegebiet Süd
Hollefeldstrasse 63
482 82 Emsdetten
Germany
Tel +49 2572 879 0
Fax +49 2572 879 300
Email info@dometic-waeco.de

HONG KONG
Dometic Group Asia Pacific
Dometic Group Asia Pacific
Suites 2207-2211, 22/F
Tower 1, The Gateway
25 Canton Road
Tsim Sha Tsui
Kowloon
Hong Kong
Tel +852 2461 1386
Fax +852 2466 5553
Email info@dometic.com.hk

HUNGARY
Dometic Zrt.
Necsőtelep 1
5100 Jászberény
Hungary
Tel +36 57 415 999
Fax +36 57 415 817
Email info@dometic.hu

ITALY
Condaria '87 S.r.l.
Via Vesuvio 18
20054 Nova Milanese (MI)
Italy
Tel +39 03 624 4182
Fax +39 03 624 52226
E-mail condaria@tin.it

Dometic Italy S.r.l
Turin Sales Office
Strada Carignano 48 bis
10024 Moncalieri (TO)
Italy
Tel +39 011 645045
Fax +39 011 645047
Email info@dometic.it

Dometic Italy S.p.a.
Forlì Sales Office
Via Virgilio 3
47122 Forlì (FC)
Italy
Tel +39 0543 754 901
Fax +39 0543 754 982
Email info@dometic.it

Dometic Italy S.r.l
Bologna Sales Office
Via Gazzani 8/2
40012 Calderara di Reno (BO)
Italy
Tel +39 0543 754901
Fax +39 0543 754983
E-mail vendite@dometic.it

SMEV S.r.l.
Via Apollonio 11
36061 Bassano del Grappa (VI)
Italy
Tel +39 0424 500 006
Fax +39 0424 506 161
Email info@smev.com

JAPAN
Dometic KK
Maekawa-Shibaura Bldg. #2
2-13-9, Shibaura,
Minato-ku
108-0023 Tokyo Japan
Tel +81 3 5445 33 33
Fax +81 3 5445 33 39
Email info@dometic.jp

LUXEMBOURG
Dometic Sárl
17 Op der Hei
9809 Hosingen
Luxembourg
Tel +352 9207 311
Fax +352 9207 31542
Email info@dometic.lu

MEXICO
Dometic MX S DE RL DE CV
Circuito Médicos
No. 6 Local 1
Colonia Ciudad Satélite
CP 53100 Naucalpan de Juárez
Estado de México
Mexico
Tel +5255 5374 4108
Tel +5255 5374 4106
Fax +5255 5393 4683
Email info@dometic.com.mx

NETHERLANDS
Dometic Benelux B.V.
Ecustraat 3
4879 NP Etten-Leur
Netherlands
Tel +31 76 5029 000
Fax +31 76 5029 090
Email info@dometic.nl

NEW ZEALAND
Dometic New Zealand Ltd
PO Box 13502
Johnsonville
Wellington 6440
New Zealand
Tel +64 4 232 3898
Fax +64 4 232 3878
Email customerservices@dometic.co.nz

NORWAY
Dometic Norway AS
Postboks 2073
3202 Sandefjord
Norway
Tel +47 33 428 450
Fax +47 33 428 459
Email info@dometic.no

POLAND
Dometic Poland Sp. z o.o.
Ul. Puławska 435 A
02-801 Warszawa
Poland
Tel +48 22 414 3200
Fax +48 22 414 3201
Email info@dometic.pl

PORTUGAL
Beloura Business Center
Rua dos Navegantes,
Bloco 3, 1ºA
2710-297 Sintra
Tel +35 121 924 4173
Fax +35 121 924 3206
Email info@dometic.pt

RUSSIA
Dometic RUS LLC
Komsomolskaya Sq 6-1
107 140 Moscow
Russia

SLOVAKIA
Dometic Slovakia s.r.o
Tehelná 8
98601 Filakovo
Slovakia
Tel +421 47 4319 100
Fax +421 47 4319 144

SOUTH AFRICA
Dometic (Pty) Ltd
South & Sub-Saharan Africa
1st Floor Corporate Park
4-6 Skeen Boulevard
Bedfordview
2008 Johannesburg
South Africa
Tel +27 11 450 4978
Fax +27 11 450 4976
Email info@dometic.co.za

SPAIN
Dometic Spain S.L.
Avenida Sierra del Guadarrama 16
Villanueva de la Cañada
28691 Madrid
Spain
Tel +34 902 111 042
Fax +34 900 100 245
Email info@dometic.es

SWEDEN
Dometic Scandinavia AB
Gustaf Melins gata 7
421 31 Västra Frölunda
Sweden
Tel +46 31 734 11 00
Fax +46 31 734 11 01
Email sales@dometic.se

SWITZERLAND
Dometic Switzerland AG
Riedackerstrasse 7 A
8153 Rümlang
Switzerland
Tel +41 44 8 18 7171
Fax +41 44 8 18 7191
Email info@dometic.ch

UNITED ARAB EMIRATES
Dometic Middle East FZCO
P.O. Box 17860, Jebel Ali Free Zone
SD 6 near R/A #12
United Arab Emirates
Tel +971 4 8833858
Fax +971 4 8833868
Email info@waeco.ae

UNITED KINGDOM
Dometic UK Ltd
Dometic House - The Brewery
Blandford St Mary
Dorset DT11 9LS
United Kingdom
Tel +44 844 626 0133
Fax +44 844 626 0143
Email info@dometic.co.uk

USA
Dometic Corporation
9100 Shelbyville Road
Suite 120
Louisville, KY 40222
Tel +1 574 294 2511
Fax +1 574 293 9686
Email customersupport-center@dometicusa.com
Production Sites
List sorted by country

Factories

CANADA
Dometic Norceram Products Inc.
5429 Farran Pt. Road, Hwy #2
P.. Box 370
Ontario KOC 1MO
Ingleside
Canada
Tel +1 613 537 2262
Fax +1 613 537 9438

CHINA
Mobicool Electronic (Shenzhen) Co Ltd
39 Fangkeng Lu (Pinghu I)
32 Hengling Er Jie (Pinghu II)
Pinghu, Longgang
Shenzhen
China
Tel +86 756 763 0098

Mobicool Electronic (Zhuhai) Co Ltd
18 Jin Hu Lu
Qing Wan Industrial district
San Zao, Jin Wan
Zhuhai
China
Tel +86 756 763 0098

GERMANY
Dometic GmbH
In der Steinweise 16
570 74 Siegen
Germany
Tel +49 271 692 0
Fax +49 271 692 300
Email info@dometic.de

Dometic Light Systems GmbH
Dillenburger Strasse 59
356 85 Dillenburg
Germany
Tel +49 2771 817 00
Fax +49 2771 817 070

Dometic Seitz GmbH
Altkrautheimer Strasse 28
742 38 Krautheim
Germany
Tel +49 6294 907 0
Fax +49 6294 907 40

Dometic WAECO International GmbH
Industriegebiet Süd
Hollefeldstrasse 63
482 82 Emsdetten
Germany
Tel +49 2572 879 0
Fax +49 2572 879 300
Email info@dometic-waeco.de

HUNGARY
Dometic Zrt.
Necső telep 1
5100 Jászberény
Hungary
Tel +36 57 416 371
Fax +36 57 415 817
Email info@dometic.hu

ITALY
Condaria '87 S.r.l.
Via Vesuvio 18
20054 Nova Milanese (MI)
Italy
Tel +39 03 624 4182
Fax +39 03 624 52226

Dometic Italy S.r.l
Forlì Sales Office
Via Virgilio 3
47122 Forlì (FC)
Italy
Tel +39 0543 754 901
Fax +39 0543 754 982
Email info@dometic.it

SMEV S.r.l.
Via Apollonio 11
36061 Bassano del Grappa (VI)
Italy
Tel +39 0424 500 006
Fax +39 0424 506 161
Email info@smev.com

LUXEMBOURG
Dometic Sárl
17 Op der Hei
9809 Hosingen
Luxembourg
Tel +352 9207 311
Fax +352 9207 31542
Email info@dometic.lu

SLOVAKIA
Dometic Slovakia s.r.o
Tehelná 8
98601 Filakovo
Slovakia
Tel +421 47 4319 100
Fax +421 47 4319 144

SPAIN
Dometic Spain S.L.
Carrer De la Riera, 10
Pol. Ind. Les Ferreríes
17459 Campllong
Girona
Spain
Tel +34 972 244 033
Fax +34 972 244 293
Email info@dometic.es

SWEDEN
Dometic Seitz AB
Östra Ringvägen
522 35 Tidaholm
Sweden
Tel +46 502 178 70
Fax +46 502 178 71
Email info.seitz@dometic.se

USA
Dometic Corporation
509 S. Poplar Street
La Grange
Indiana 46761
USA
Tel +1 260 463 2191
Fax +1 260 463 7734

Dometic Corporation
Sanitation Systems
13128 State Rt 226
Big Prairie Ohio 44611
USA
Tel +1 330 496 3211
Fax +1 330 496 3097

Dometic Corporation
Environmental Systems
2000 N. Andrews Av. Ext.
Pompano Beach, Florida 33069
Florida
USA
Tel +1 954 973 2477
Fax +1 954 979 4414

Dometic Corporation
PO Box 490
Elkhart
Indiana 46515
USA
Tel +1 574 294 2511
Fax +1 574 293 9686

Dometic Corporation
Headquarters
9100 Shelbyville Rd
Suite 120 Louisville
Ky 40222
USA
Tel +1 502 873 3500

GRAYLING PRODUCTION: SJÖ&BERG PRINTING: ELANDERS PHOTOS: DOMETIC, ISTOCPHOTO

Dometic GROUP

www.dometicgroup.com