ANNUAL REPORT 2013
FINANCIAL REVIEW

Dometic GROUP

For your convenience we have divided the 2013 Annual Report into two separate sections, a Business Review and a Financial Review.

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Financial Review

Management comments — Operating and financial review

ALL AMOUNTS ARE IN MILLION SWEDISH KRONA (SEK MILLION) UNLESS OTHERWISE STATED.
THE BOARD OF DIRECTORS AND THE PRESIDENT OF DOMETIC GROUP AB (PUBL.), COMPANY REGISTRATION NUMBER 556829-4390, HEREBY SUBMIT THE FOLLOWING CONSOLIDATED FINANCIAL STATEMENTS COVERING THE PERIOD 1 JANUARY TO 31 DECEMBER, 2013.

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 Group”, “the Group”) is a customer driven, world-leading provider of leisure products for the Recreational Vehicles (RV), Marine and Commercial and Passenger Vehicles (CPV) markets. We 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.

We also provide specially designed refrigerators for hotel rooms, offices and for transport and storage of medical products.

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

The Group was re-organized during the year and is since February 2013 organized into three Regions: Europe, Middle East and Africa (EMEA), Americas, Asia Pacific (APAC), and the global Division: Medical. Production is managed by Global Operations and Product development is managed by Product Management and Innovation (PMI). The business is conducted in six business areas: RV, Marine, CPV, Retail, Lodging and Medical.

Dometic Group has approximately 6,200 (6,400) employees at more than 50 production sites and sales offices around the world. The head office of the Group is located in Solna, Sweden.

Significant Events

On January 30th 2013 Dometic Group received an unconditional shareholder’s contribution in an amount of SEK 1 ,142 million through a conversion of the shareholder loan.

On August 5th and October 15th 2013 EQT V made an additional investment in the Company of SEK 275 million and SEK 125 million respectively. In addition Dometic Group entered into a revised financing package with the senior lending banks with an adjusted amortization scheme from 2014 and onwards.

The operations, result and position of Dometic Group

The performance of the Group during 2013 was characterized by a continued challenging market in Europe, especially in the RV segment. North America showed a strong growth and also Asia Pacific contributed positively to the development compared to the 2012.

The net sales amounted to SEK 7,808 million (7,922). Operating profit before items affecting comparability amounted to SEK 952 million (937). After items affecting comparability the operating profit amounted to SEK 905 million (861) corresponding to a margin of 12 (11) percent. Items affecting comparability, in total SEK –47 million (–76), include costs related to a productivity program SEK 13 million, restructuring cost SEK 12 million, costs related to recall of products SEK 14 million and losses from sale of assets and liabilities SEK 8 million. Research and development costs amounted to SEK 175 million (157), or 2 (2) percent of the net sales.

Cash flow from operating activities, including paid interest and taxes, amounted to SEK 300 million (289). The cash flow was negatively impacted by payment of non-recurring operational expenses from previous year of SEK 72 million (90). In addition the cash flow was negatively impacted by items affecting comparability of SEK 29 million (39). Before these non-recurring items the cash flow from operating activities amounted to SEK 401 million (418).

Environmental impact

Dometic Group undertakes production at some 17 wholly owned factories in Americas, EMEA and APAC. Manufacturing comprises mainly assembly of components sourced from external 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 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 products 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.

Our manufacturing units 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 re-cycling, and restriction and management of hazardous substances. Dometic continuously monitors changes in legislation and both product development and manufacturing incorporate any required legal changes.

Investments

Investments in tangible fixed assets, for the period amounted to SEK 145 million (190) of which SEK 72 million (99) refers to machinery and equipment and SEK 5 million (42) to buildings. Construction in progress and advance payments of SEK 68 million (49) are also included.

Cash flow and financial position

Cash flow from operating activities, including paid interest and taxes, and before non-recurring items of SEK 101 million (129), amounted to SEK 401 million (418). During the period, assets of SEK 12 million (11) were divested.

In accordance with the bank agreement, the Group has repaid SEK 484 million (729) of the long-term interest bearing liabilities. In addition to this, further repayments of SEK 296 million was repaid on short-term interest bearing liabilities.

Interest-bearing liabilities, excluding pension provisions, amounted to SEK 7,258 million (8,642). The debts are expressed in EUR, USD, AUD CNY and SEK. The strengthening of the Swedish krona has entailed a positive exchange rate difference of SEK 235 million (150) in comparison to the beginning of the financial year.

Group cash and cash equivalents at the year-end amounted to SEK 539 million (476). In addition, the Group has unutilized loan facilities under the revolving credit facility of SEK 536 million (343) , and local facilities of SEK 130 million (192). For further information on the term of the loans, see note 20.

The equity ratio amounted to 34 (22) 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 center 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 aggregated 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 5,479 million (6,344). 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 at year-end 2013 are debt cover ratio, liquidity and capital expenditure. From the second quarter 2014, interest cover ratio and cash cover ratio are also assessed on a quarterly basis. 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 2013.

Other financial risks are described in note 3.

Significant events after the financial year

During the first quarter 2014 Per-Nicklas Höglund (Executive Vice President of Strategy, Group Projects and M&A) and Mattias Nordin (Head of Product Management and Innovation) joined Dometic Group, both of them are also members of the Group Management.

No other significant events have occurred after the end of the period.

Key ratios

AMOUNTS IN SWEDISH MILLION KRONA (SEKm)	2013	2012
Result		
Revenue	7,808	7,922
EBITDA before items affecting comparability	1,132	1,118
EBITDA	1,085	1,042
EBIT before items affecting comparability	952	937
EBIT	905	861
Margins		
Operating margin, % EBITDA before items affecting comparability	15	14
Operating margin, % EBITDA	14	13
Operating margin, % EBIT before items affecting comparability	12	12
Operating margin, % EBIT	12	11
Return on operating capital		
Return on operational capital, %	7	7
Return on operational capital, excl. goodwill and trademarks, %	45	53
Financial position		
Total assets	15,052	14,843
Interest bearing debt	7,646	9,105
Equity	5,189	3,312
Capital employed	12,835	12,417
Operational capital	12,296	11,941
Equity ratio, %	34	22
Employees		
Average number of employees	6,247	6,400
Revenue per employee	1.25	1.24

DEFINITIONS

EBITDA	Operating profit before depreciations, amortisations and impairment
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

Consolidated income statement

SEKm	Note	2013-01-01 2013-12-31	2012-01-01 2012-12-31
Revenue	5	7,808	7,922
Cost of goods sold		–5,121	–5,277
Gross profit		**2,687**	**2,645**
Sales expenses		–1,062	–901
Administrative expenses		–457	–616
Research and development costs		–175	–157
Other operating income and expense	9	–41	–34
Items affecting comparability		–47	–76
Operating profit	6, 7, 8	**905**	**861**
Financial income	10	58	29
Financial expenses	10	–646	–860
Profit/Loss from financial items		**–588**	**–831**
Profit/Loss before income tax		**317**	**30**
Taxes	11	75	–121
Profit/Loss for the year		**392**	**–91**
Profit/Loss for the year attributable to owners of the parent		392	–91

Consolidated statement of comprehensive income

SEKm	Note	2013-01-01 2013-12-31	2012-01-01 2012-12-31
Profit/Loss for the year		392	–91
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit plans, net		–2	–17
Items that may be reclassified subsequently to profit or loss:			
Cash flow hedges	3	49	–22
Currency translation differences		–104	–358
Other comprehensive income for the year		**–57**	**–397**
Total comprehensive income for the year		**335**	**–488**
Total comprehensive income for the period attributable to owners of the parent		**335**	**–488**

Consolidated balance sheet

SEKm	Note	2013-01-01 2013-12-31	2012-01-01 2012-12-31
ASSETS			
Non-current assets			
Goodwill	13	8,273	8,283
Trademarks	13	2,018	2,021
Other intangible assets	13	66	72
Buildings and land	14	808	836
Machinery and other technical installations	14	343	356
Equipment and installations	14	139	141
Construction in progress and advance payments	14	62	52
Deferred tax assets	11	155	94
Derivatives	3	14	5
Other non-current assets	12	43	54
Total non-current assets		**11,921**	**11,914**
Current assets			
Inventories	15	1,563	1,479
Trade receivables	16	762	669
Receivables related parties		22	14
Current tax assets		19	29
Other current assets		145	164
Prepaid expenses and accrued income	17	81	98
Cash and cash equivalents		539	476
Total current assets		**3,131**	**2,929**
TOTAL ASSETS		**15,052**	**14,843**

Consolidated balance sheet, cont.

SEKm	Note	2013-01-01 2013-12-31	2012-01-01 2012-12-31
EQUITY	28		
Equity attributed to owners of the parent			
Share capital		1	1
Reserves		–78	–23
Retained earnings, including net profit/loss		5,266	3,334
TOTAL EQUITY		**5,189**	**3,312**
LIABILITIES			
Non-current liabilities			
Liabilities to credit institutions	20, 22, 23	7,060	6,847
Liabilities to related parties	20, 22, 23	–	1,133
Deferred tax liabilities	11	502	674
Provisions for pensions	18	355	389
Other provisions	19	100	184
Total non-current liabilities		**8,017**	**9,227**
Current liabilities			
Liabilities to credit institutions	20, 22, 23	198	662
Trade payables		581	626
Current tax liabilites		264	111
Advance payments from customers		12	10
Derivatives	3	38	81
Other provisions	19	217	263
Other current liabilities		121	155
Accrued expenses and prepaid income	21	415	396
Total current liabilities		**1,846**	**2,304**
TOTAL EQUITY AND LIABILITIES		**15,052**	**14,843**

Consolidated statement of changes in equity

		ATTRIBUTABLE TO OWNERS OF THE PARENT			
SEKm	**Note**	**Share capital**	**Other reserves**	**Retained earnings**	**Total equity**
Opening balance 2012-01-01	28	**1**	**357**	**3,262**	**3,620**
Effects of changes in accounting policy	11, 18			–45	–45
Restated balance		**1**	**357**	**3,217**	**3,575**
Loss for the period				–91	–91
Other comprehensive income					
Remeasurements of defined benefit plans, net	11, 18			–17	–17
Cash flow hedges, net	3		–22		–22
Currency translation differences			–358		–358
Total comprehensive income			**–380**	**–108**	**–488**
Transactions with owners					
Shareholder's contribution				225	225
Total transactions with owners				**225**	**225**
Closing balance 2012-12-31		**1**	**–23**	**3,334**	**3,312**
Opening balance 2013-01-01	28	**1**	**–23**	**3,334**	**3,312**
Profit for the period				392	392
Other comprehensive income					
Remeasurements of defined benefit plans, net	11, 18			–2	–2
Cash flow hedges, net	3		49		49
Currency translation differences			–104		–104
Total comprehensive income			**–55**	**390**	**335**
Transactions with owners					
Shareholders contribution				1,542	1,542
Total transactions with owners				**1,542**	**1,542**
Closing balance 2013-12-31		**1**	**–78**	**5,266**	**5,189**

Consolidated statement of cash flow

SEKm	Note	2013-01-01 2013-12-31	2012-01-01 2012-12-31
Cash flows from operating activities			
Operating profit		905	861
Adjustments for non-cash items	24	222	201
Received interest		15	29
Paid interest		–366	–538
Other financial items paid		–43	–30
Income taxes paid		–36	–88
Cash flow from operating activities before changes in working capital		**697**	**435**
Changes in working capital			
Changes in inventories		–102	2
Changes in accounts receivables		–92	42
Changes in accounts payables		–64	42
Changes in other working capital		–139	–232
Changes in working capital		**–397**	**–146**
Net cash flow from operating activities		**300**	**289**
Cash flow from investing activities			
Investments in intangible assets		–22	–38
Investments in tangible fixed assets		–145	–190
Proceeds from sale of tangible fixed assets		12	11
Other fixed financial items		8	–13
Net cash flow from investing activities		**–147**	**–230**
Cash flows from financing activities			
Shareholder's contribution		400	225
Borrowings from credit institutions		320	182
Repayment of loans from credit institutions		–780	–729
Transaction costs related to borrowings		–30	–
Net cash flow from financing activities		**–90**	**–322**
Cash flow for the year		**63**	**–263**
Cash and cash equivalents at beginning of year		476	762
Exchange differences on cash and cash equivalents		0	–23
Cash and cash equivalents at end of year	24	**539**	**476**

Notes to the consolidated financial statements

1 General information

Dometic Group AB (publ) and its subsidiaries (together “Dometic” or “the Group”) serves the market with a complete range of air conditioners, refrigerators, awnings, cookers, sanitation, lightning, mobile power equipment, windows, doors and other comfort and safety products that make life away from home more comfortable. The products are sold in almost 100 countries and are mainly produced in wholly owned production facilities around the world.

The company is a limited liability company with corporate identity number 556829-4390. The address of its registered office is Hemvärnsgatan 15, 171 54 Solna, Sweden.

These consolidated financial statements cover the period 1 January to 31 December 2013 (comparative figures 1 January to 31 December 2012) and were authorized for issue by the Board of Directors on 25 March 2014.

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

2 Summary of significant accounting policies

The most 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. Standards or interpretations that are not applicable for the Group are not included in below summary.

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 for the financial year 2013:

Amendment to IAS 19, ‘Employee benefits’

This amendment eliminates the corridor approach and recognizes 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 are replaced by a net amount that is calculated by applying the discount rate to the net defined benefit liability (asset). The new principles are applied retroactively and the opening balance at 1 January 2013 has been restated. The comparative figures for 2012 have also been adjusted. For 2012 the net pension liability has been increased by SEK 74 million. OCI has been decreased by SEK 62 million, net of deferred tax. The effect on the net result for 2012 was nil.

Amendment to IAS 1, ‘Financial statement presentations’

The changes of this standard that affect Dometic’s financial statement is the requirement that items presented in ‘other comprehensive income’ (OCI) shall be clustered based on whether they are potentially reclassifiable to profit or loss.

The below new and amendments were adopted by the EU and came into effect in 2013. None of these had any significant impact on the Groups’s financial reporting.

- Amendment to IFRS 7, ‘Financial instruments: Disclosures’
- IFRS 10, ‘Consolidated financial statements’
- IFRS 12, ‘Disclosures of interests in other entities’
- IFRS 13, ‘Fair value measurement’
- IAS 27 (revised), ‘Separate financial statements’
- IAS 28 (revised), ‘Investments in associates and joint ventures’

Note 2 Summary of significant accounting policies cont.

New standards and interpretations not yet adopted:
A number of new standards and amendments to standards and interpretations are effective for the financial year 2014, and have not been applied in preparing these consolidated financial statements. Most of these are not expected to have any effect on the consolidated financial statements. The following are expected to have some impact even though it is not considered to be significant:

IFRS 9 'Financial instruments'
The standard 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.

Amendment to IAS36, 'Impairment of assets'
The amendment states additional disclosures to be presented for an individual non-financial asset or a cash-generating unit, for which an impairment loss has been recognized or reversed during the period.

Amendment to IAS39, 'Financial instruments: Recognition and measurement'
The amendment includes further definitions when and if it is not an expiration or termination of a hedging instrument when it is replacement or similar into another hedging instrument.

IFRIC 21, 'Levies'
The interpretation sets out the accounting for an obligation to pay a levy that is not income tax and it addresses what the obligating event is that gives rise to pay a levy and when should a liability be recognised. Dometic is not currently subjected to significant levies so the impact on the Group is not material.

There are no other IFRSs 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. 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 acquiree 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.

Note 2 Summary of significant accounting policies cont.

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 Dometic'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 in other comprehensive income.

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	6–15 years
• Vehicles	5 years
• Furniture, fittings and equipment	3–10 years

The assets' 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. Any impairment is recognized immediately as an expense and is not subsequently 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.

Note 2 Summary of significant accounting policies cont.

(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 recognised 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
Dometic 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

Note 2 Summary of significant accounting policies cont.

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 the operating result. 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, raw materials, direct labour, 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.

2.12 Trade receivables

Trade receivables are recognized initially at invoiced value. A provision for impairment of trade receivables is established when there is objective evidence that Dometic Group 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 2.23 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.

Note 2 Summary of significant accounting policies cont.

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. Dometic has both defined benefit and defined contribution plans.

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.

The defined benefit plan typically 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. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. 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. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognized immediately in income.

(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.

(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.

Note 2 Summary of significant accounting policies cont.

2.19 Provisions

Provisions for environmental restoration, restructuring costs and legal claims are recognized when: the company 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. Provisions are not recognized for future operating losses.

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.

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 Dometic'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. Dometic 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 an entity has delivered products to the customer, who 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 customer, and either the customer has accepted the products in accordance with the sales agreement, the acceptance provisions have lapsed, or the company 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 Dometic 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 are depreciated over the shorter of the useful life of the asset and the lease term.

Note 2 Summary of significant accounting policies cont.

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.

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 Group 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, which is updated and approved annually by the Board of Directors, stipulates the rules and limitations for the management of financial risks throughout the Group.

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.

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 and CNY. Important flows are China/Hong Kong sales to Europe, USA and Australia and sales from Europe to Australia. As far as possible, transaction exposure is concentrated to the countries where the manufacturing entities are located. This is achieved by invoicing the sales entities in their respective functional currency from the manufacturing entities. The Group hedges the transaction exposure for a period of up to 12 months.

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 Group's foreign net assets. As of 31 December 2013, 46 percent (37) of the Group's borrowings were in EUR, 25 percent (23) in USD and 22 percent (23) in AUD. Loans in other currencies amount to approximately 7 percent (17) of total loans.

Interest rate risk

The Dometic Group is through both the outstanding debt portfolio (senior facility term loans and local loans) as well as interest bearing assets exposed to interest rate risk. Interest rate risk is defined as the risk that changes in interest rates will have on Group earnings and cash flow. Dometic Group's interest rate 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 interest rate risks are managed centrally by the Group treasury function in accordance with the treasury policy. To limit the interest rate risk, the outstanding debt portfolio has a maximum interest period of 6 months and in the case of interest bearing assets, the fixed interest rate period are matched against the closest debt maturity. Further the Group has hedged 70 percent (67) 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 and interest rate swaps with external counterparts, as reported below.

Note 3 Financial risk management and financial instruments cont.

Interest swaps per currency

	2013-12-31			2012-12-31		
Currency (maturity)	**Amount LOCm**	**Amount mSEK**	**Interest rate,%**	**Amount LOCm**	**Amount mSEK**	**Interest rate,%**
AUD (2014)	128	743	4,3	142	959	4,3
EUR (2014)	86	775	2,3	95	819	2,3
USD (2014)	247	1,611	1,1	273	1,777	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 2013 no such contracts were in place.

Market value derivatives

At 31 December 2012	**Nominal value**	**Assets**	**Liabilities**
Current derivative financial instruments			
Interest rate swaps — cash flow hedges	3,555	–	-74
Currency forwards & options — cash flow hedges	1,049	5	-7
Total		**5**	**-81**
Less non-current portion:		–	–
Current portion		**5**	**-81**

At 31 December 2013	**Nominal value**	**Assets**	**Liabilities**
Current derivative financial instruments			
Interest rate swaps — cash flow hedges	3,128	–	-33
Currency forwards & options — cash flow hedges	1,087	14	-5
Total		**14**	**-38**
Less non-current portion:		–	–
Current portion		**14**	**-38**

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 (48), 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 42 million (51). 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 4 (6), from USD 20 (22) and from AUD 18 (23).

At 31 December 2013, 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 17 million (6), 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 fulfil 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 high credit rating.

Note 3 Financial risk management and financial instruments cont.

At 31 December 2013, the financial credit risk was equal to the balance sheet value of cash and cash equivalents of SEK 539 million (476). All derivative transactions are covered by ISDA netting agreements to reduce the credit risk. No credit losses were incurred during 2013, 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 liquidity covenant is calculated on a quarterly basis and reported to the banks as part of the finance agreements.

The table below analyses 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 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	–	–
Forward foreign exchange contracts	2	–	–	–
Trade and other payables	626	–	–	–
Total	**1,542**	**920**	**2,355**	**7,794**

At 31 December 2013	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Borrowings	438	452	5,197	5,310
Derivative financial instruments	39	–	–	–
Forward foreign exchange contracts	–9	–	–	–
Trade and other payables	581	–	–	–
Total	**1,049**	**452**	**5,197**	**5,310**

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 share-holders 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 at year-end 2013 are debt cover, liquidity and capital expenditure. From the second quarter 2014, interest cover ratio and cash cover ratio are also assessed on a quarterly basis. 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.

	2013-12-31	2012-12-31
Total borrowing (note 20)	7,258	8,642
Less: cash and cash equivalents	-539	-476
Net debt	**6,719**	**8,166**
Total equity	5,189	3 312
Total capital	**11,908**	**11,478**
Gearing ratio	**56 %**	**71 %**

Note 3 Financial risk management and financial instruments cont.

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.

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 of 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. See note 18 for further information about assumptions made in the calculation of pensions and pension commitments.

Warranty obligation

Within Dometic Group'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.

5 Segment information

The Group was re-organized during the year and is since February 2013 organized into three regions; Europe, Middle East and Africa (EMEA), Americas and Asia Pacific (APAC) and the global division; Medical.

The segment reporting is based on above. As Medical only represent a very small share of the Group's activities and does not meet the quantitative thresholds required by IFRS, it is not reported separately but included in the region EMEA.

The performance of the segments is primarily assessed based on sales and operating profit. 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 benefit of the assets are consumed.

Consolidated operating segments

2012	EMEA	Americas	APAC	Unallocated	Total
External net sales	4,143	2,732	1,047	–	7,922
Operating profit	378	219	264	–	861
Financial, net				–831	–831
Taxes				–121	–121
Loss for the period					**–91**
Net assets [1]	5,605	3,728	3,188	–	12,521

2013	EMEA	Americas	APAC	Unallocated	Total
External net sales	3,928	2,826	1,054	–	7,808
Operating profit	342	336	227	–	905
Financial, net				–588	–588
Taxes				75	75
Profit for the period					**392**
Net assets [1]	5,683	3,751	3,209	–	12,643

No single customer represents more than 10 percent of total net sales.

1) Net assets at the end of the period excluding financial assets and liabilities and deferred taxes.

6 Operating expenses specified according to type

Expenses by nature	2013-01-01 2013-12-31	2012-01-01 2012-12-31
Raw materials and manufacturing supplies	–4,010	–3,922
Employee benefit expenses (Note 8)	–1,580	–1,704
Transport expenses	–231	–271
Amortisation, depreciation and impairment (Note 13 and 14)	–180	–181
Warrany costs	–172	–187
Sales promotion, external	–146	–144
Other	–584	–652
Total	**–6,903**	**–7,061**

Expenses by function	2013-01-01 2013-12-31	2012-01-01 2012-12-31
Cost of goods sold	–5,121	–5,277
Sales expenses	–1,062	–901
Administrative expenses	–457	–616
Research and development expenses	–175	–157
Other operating income	29	8
Other operating expenses	–70	–42
Items affecting comparability [1]	–47	–76
Total	**–6,903**	**–7,061**

1) Items affecting comparability, in total SEK –47 million (–76), include cost related to a productivity program SEK 13 million, restructuring cost SEK 12 million, cost related to recall of products SEK 14 million and loss from sale of assets and liabilities SEK 8 million.

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 84 million (87).

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

	2013-12-31	2012-12-31
Within 1 year	68	80
1–5 years	105	125
over 5 years	25	28
Total	**198**	**233**

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

	2013-12-31	2012-12-31
Within 1 year	3	2
1–5 years	4	1
over 5 years	3	–
Total	**10**	**3**

Lease income amounts to SEK 3 million (2) and relates primarily to lease of factory premises.

8 Employee benefit expense

Employee benefits	2013-01-01 2013-12-31	2012-01-01 2012-12-31
Wages and salaries	1,390	1,427
Social security costs	166	222
Pension costs — defined contribution plans	37	41
Pension costs — defined benefit plans	–13	14
Total	**1,580**	**1,704**

Average number of employees during the period 1 January 2013 to 31 December 2013 was 6,247 (6,400).

Key management compensation	2013-01-01 2013-12-31	2012-01-01 2012-12-31
Salaries and other short-term benefits	42	38
Post-employment benefits	13	7
Total key management	**55**	**45**

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

9 Other operating income and expenses

Other operating income	2013-01-01 2013-12-31	2012-01-01 2012-12-31
Revenue from leasing	3	2
Gain on disposal of fixed assets	7	2
Insurance reimbursement for recall	5	–
Warranty income	4	–
Other	10	4
Total	**29**	**8**

Other operating expenses	2013-01-01 2013-12-31	2012-01-01 2012-12-31
Rental contract deficit	–3	–
Loss on disposal of fixed assets	–	–1
Exchange rate difference	–38	–20
Other	–29	–21
Total	**–70**	**–42**
Other operating income and expenses	**–41**	**–34**

10 Financial income and expenses

	2013-01-01 2013-12-31	2012-01-01 2012-12-31
Financial income		
Group contribution	8	–
Interest income	50	29
	58	**29**
Financial expenses		
Interest expenses		
– Borrowing, credit institutions	–733	–756
– Borrowing, related parties	–8	–101
Interest expenses on pension liabilities and expected return on plan assets (note 18)	–15	–16
Amortisation capitalised long-term financing expenses	–98	–84
Exchange rate difference, net	235	150
Other finance expenses	–27	–53
	–646	**–860**
Loss from financial items	**–588**	**–831**

11 Tax on net income for the period and deferred tax

	2013-01-01 2013-12-31	2012-01-01 2012-12-31
Current tax on profit for the year	–200	–106
Current tax in respect of prior year	6	–1
Deferred tax expense relating to origination and reversal of temporary differences	269	–14
Total income/expense	**75**	**–121**

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

	2013-01-01 2013-12-31	2012-01-01 2012-12-31
Profit (loss) before income tax	317	30
Income tax calculated in accordance with the Group's current tax rate[1]	–95	–9
Non-taxable income	22	18
Non-deductible expenses	–16	–32
Withholding tax	0	–11
Revaluation of deferred tax related to trademarks	167	–
Other revaluation and recognition of deferred tax related to prior year	158	–
Change in tax rates	0	1
Temporary differences for which no deferred income tax was recognized	–72	24
Tax losses for which no deferred income tax asset was recognized	–95	–111
Tax adjustments in respect of prior years	6	–1
Total income/expense	**75**	**–121**

1) Estimated average tax rate in the group is:	30%	30%

Note 11 Tax on net income for the period and deferred tax cont.

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 assets and liabilities attributable to the following:

	2013-01-01 2013-12-31	2012-01-01 2012-12-31
Deferred tax assets		
Deductible goodwill amortisation	30	28
Pension commitments	49	67
Tax loss carry-forwards	58	12
Other provisions	49	20
Inventories, including internal profit in inventories	48	20
Other	33	21
Total deferred tax assets	**267**	**168**
Netting of assets/liabilities	–112	–74
Net deferred tax asset	**155**	**94**

	2013-01-01 2013-12-31	2012-01-01 2012-12-31
Deferred tax liabilities		
Provisions to untaxed reserves	–	–45
Difference between reported and fiscal values, trademarks	–444	–614
Other intangible assets	–62	–
Difference between reported and fiscal values, fixed assets	–98	–75
Other	–10	–14
Total deferred tax liabilities	**–614**	**–748**
Netting of assets/liabilities	112	74
Net deferred tax liabilities	**–502**	**–674**
Net deferred tax	**–347**	**–580**

Change in net deferred tax liabilities:

	2013-01-01 2013-12-31	2012-01-01 2012-12-31
Opening balance	–580	–610
Effect of changes in accounting policy	–	9
Restated balance	–580	–601
Deferred tax recognized in equity	–38	3
Tax income (expense) during the period recognized in profit or loss	269	–14
Exchange rate differences	2	32
Closing book value	**–347**	**–580**

At the end of the period, total tax losses carry forward for which no deferred tax asset is recognized are estimated to SEK 2,561 million (2,290). The reason for not recognizing a deferred tax asset on these losses are 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.

12 Other non-current assets

	2013-12-31	2012-12-31
Bonds and other securities	6	5
Environmental promissory note	8	8
Shares and participation in associated companies	2	2
Present value for life assurance	26	27
Other long-term receivables	1	12
Closing book value	**43**	**54**

13 Intangible assets

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**

2013	Trademarks	Research and development	Rights, Patents etc.	Goodwill	Total
Opening balance	2,021	93	116	8,283	10,513
Investments	–	15	7	–	22
Sales and disposals	–	-20	–	–	-20
Exchange differences	-3	–	3	-10	-10
Closing accumulated acquisition cost	**2,018**	**88**	**126**	**8,273**	**10,505**
Opening amortisation		-45	-92		-137
Sales and disposals		20	–		20
Amortisation for the year		-18	-10		-28
Reclassification		2	-1		1
Exchange differences		–	-4		-4
Closing accumulated amortisation		**-41**	**-107**		**-148**
Opening net book value	2,021	48	24	8,283	10,376
Closing net book value	**2,018**	**47**	**19**	**8,273**	**10,357**

Note 13 Intangible assets cont.

Amortization SEK 28 million (28) on research and development and rights, patents etc. has been charged to cost of goods sold SEK 6 million (3), marketing expenses SEK 4 million (3), administrative expenses SEK – million (2) and research and development costs SEK 18 million (20).

The primary portion of investments in research and development includes internally generated capitalized development expenses.

Impairment test on goodwill and intangible assets with indefinite lifetime

Dometic Group holds assets with indefinite life in form of goodwill, in addition there are acquired trademarks in the Group that are judged to have an indefinite useful life. Goodwill and trademarks are allocated to the cash generating units (CGUs) of the Group. In line with the Group's new organizational structure that was implemented in February 2013, CGUs for the Group have been changed into the three Regions: EMEA, Americas and APAC and the global Division: Medical. The total goodwill amounts to SEK 8,273 million (8,283) and are distributed to; Europe SEK 2,980 million (2,647), Americas SEK 2,644 million (2,647), Asia Pacific SEK 2,231 million (2,233) and Medical SEK 418 million (419). The trademarks identified and measured are Dometic, WAECO, Mobicool, Marineair, Cruiseair, Sealand and Condaria. These are well-established trademarks within their respective markets which the Dometic Group intends to retain and further develop. The total trademarks amount to SEK 2,018 million (2,021) and are distributed to; Europe SEK 788 million (789), Americas SEK 514 million (515), Asia Pacific SEK 618 million (618) and Medical SEK 98 million (98).

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. The calculations are based on management forecasts of estimated future cash flows for a five 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 0.7 billion. A 0.5 percent change in growth rate beyond the forecast period would change the value of future cash flows by approximately SEK 0.6 billion. Such changes in the value of future cash flows would not affect current book value. Management has assessed that expected 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.

14 Property, plant and equipment

2012	Land and land improve-ments	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	–	42	46	53	37	12	190
Sales and disposals	–	-3	-78	-34	-1	–	-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**

2013	Land and land improve-ments	Buildings	Machinery and other technical installations	Equipment and installations	Construction in progress	Advance payments	Total
Opening balance	211	1,068	1,606	599	39	13	3,536
Investments	–	5	37	35	40	28	145
Sales and disposals	-7	-44	-108	-36	–	-2	-197
Exchange differences	3	34	94	23	-44	-12	97
Closing accumulated acquisition cost	**207**	**1,063**	**1,629**	**621**	**35**	**27**	**3,581**
Opening depreciation	-5	-294	-1,225	-447			-1,971
Sales and disposals	–	14	77	32			123
Depreciation for the year	–	-35	-73	-44			-152
Exchange differences	–	-8	-41	-12			-61
Closing accumulated depreciation	**-5**	**-323**	**-1,262**	**-471**			**-2,061**
Opening impairment	-39	-105	-25	-11			-180
Impairment charge for the year	1	9	1				11
Closing accumulated impairment	**-38**	**-96**	**-24**	**-11**			**-169**
Opening net book value	167	669	356	141	39	13	1 385
Closing net book value	**164**	**644**	**343**	**139**	**35**	**27**	**1 351**

Note 14 Property, plant and equipment cont.

Depreciation expenses SEK 152 million (153) has been charged to cost of goods sold SEK 138 million (128), sales expenses SEK 9 million (7), administrative expenses SEK 4 million (17) and research and development costs SEK 1 million (1).

15 Inventories

Acquisition value inventories	2013-12-31	2012-12-31
Raw materials and consumables	567	572
Products in progress	65	53
Finished products	1,074	1,025
Advances to suppliers	30	5
Total inventories before provisions	**1,736**	**1,655**

Provisions for obsolete inventories	2013-12-31	2012-12-31
Raw materials and consumables	–45	–38
Products in progress	–2	–4
Finished products	–126	–133
Total provisions	**–173**	**–175**

Book value inventories	2013-12-31	2012-12-31
Raw materials and consumables	522	534
Products in progress	63	49
Finished products	948	891
Advances to suppliers	30	5
Total book value	**1,563**	**1,479**

16 Accounts receivable — trade

	2013-12-31	2012-12-31
Trade receivables	809	721
Less: provision for impairment of trade receivables	–47	–52
Trade receivables — net	**762**	**669**

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

	2013-12-31	2012-12-31
Opening balance	–52	–62
Provision for receivables impairment	–10	–11
Receivables written off during the period as uncollectible	5	1
Unused amounts reversed	12	19
Exchange rate differences and other changes	–2	1
Closing provision for impairment of trade receivables	**–47**	**–52**

Note 16 Accounts receivable – trade cont.

Ageing analysis of accounts receivable	2013-12-31	2012-12-31
Accounts receivable, not due	619	569
Past due:		
– Less than two months	109	83
– 2–6 months	27	15
– 6–12 months	12	16
– More than 1 year	42	38
Total past due	**190**	**152**
Whereof impaired	–47	–52
Closing book value, net	**762**	**669**

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 favourable 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.

17 Prepaid expenses and accrued income

	2013-12-31	2012-12-31
Prepaid rent	4	5
Prepaid insurance	33	37
Prepaid financing expenses	6	13
Prepaid market expenses	8	7
Prepaid personnel expenses	3	4
Prepaid administrative expenses	6	6
Prepaid consumable supplies	6	14
Prepaid costs, other	6	3
Accrued income, other	9	9
Closing book value	**81**	**98**

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

Note 18 Provisions for pensions cont.

(UFR 3) issued by the Swedish Financial Reporting Board this constitutes a defined benefit plan including several employers. The Group's participation in the plan is considered to be immaterial. 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 2013, Alecta reports a plan surplus of 148 percent (129). 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 administered assets principally consist of fixed income instruments, equities and real estates funds. No administered assets consist of financial instruments in Dometic or assets that are used within the Dometic Group.

Through its defined benefit pension plans and post-employment medical plans the Group is exposed to some risks, of which the most significant are:

a) Assets volatility
The plan liabilities are calculated using a discount rate set with reference to corporate bond yields; if plan assets underperform this yield, this will create a deficit.

b) Changes in bond yields
A decrease in corporate bond yields will increase plan liabilities.

c) Inflation risk
The pension obligations are linked to inflation, and higher inflation will lead to higher liabilities. The plan assets are partly either unaffected by (fixed interest bonds) or loosely correlated with (equities) inflation, meaning that an increase in inflation will also increase the deficit.

d) Life expectancy
The majority of the pension plans' are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities.

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

	2013-12-31	**2012-12-31**
Present value of funded or partly funded obligations	551	552
Present value of plan assets	–201	–187
Net liabilities relating to funded obligations	**350**	**365**
Present value of unfunded obligations	5	20
Net liability in the balance sheet	**355**	**385**
Reconciliation to the balance sheet		
Defined benefit pension plan, net	355	385
Other pensions	–	4
Provision for pensions	**355**	**389**

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

	2013-01-01 2013-12-31	**2012-01-01 2012-12-31**
Opening balance	**572**	**526**
Current service cost	15	14
Interest cost	22	24
Remeasurement	–23	55
Benefits paid	–23	–22
Settlements	–28	–
Exchange difference	16	–25
Closing book value	**551**	**572**

Note 18 Provisions for pensions cont.

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

	2013-01-01 2013-12-31	2012-01-01 2012-12-31
Opening balance	**187**	**174**
Interest income	7	8
Remeasurement	13	7
Employer contributions	1	14
Benefits paid	–10	–7
Exchange differences	3	–9
Closing book value	**201**	**187**

The amounts recognised in the income statement are as follows:

	2013-01-01 2013-12-31	2012-01-01 2012-12-31
Current service cost	15	14
Interest cost, net	15	16
Settlement	–28	–
Costs attributable to defined benefit plans	**2**	**30**
Costs attributable to defined contribution plans	37	41
Total costs as reported in the income statement	**39**	**71**

Interest cost on retirement benefit obligation and interest income 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 7 million (8) has been charged by Alecta. The amount is expected to be immaterial changed for 2014.

Principal actuarial assumptions	2013-12-31	2012-12-31
Discount rate,%	3.8	4.0
Future salary increases,%	2.9	2.9

19 Other provisions

2012	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**

2013	Guarantee commitments	Environmental reserve	Recall reserve	Restructuring reserve	Other provisions	Total
Opening balances	147	30	41	182	47	447
Charged to the income statement:						
– Additional provisions	75	4	39	34	8	160
– Unused amounts reversed	-6	-1	–	–	-2	-9
Used during year	-85	–	-36	-154	-7	-282
Exchange differences	1	1	-1	1	-1	1
Closing book value	**132**	**34**	**43**	**63**	**45**	**317**

	Guarantee commitments	Environmental reserve	Recall reserve	Restructuring reserve	Other provisions	Total
Non-current	33	34	0	6	27	100
Current	99	0	43	57	18	217
Closing book value	**132**	**34**	**43**	**63**	**45**	**317**

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

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:

	2013-12-31	2012-12-31
Non-current		
Senior term loans	4,739	4,990
Loans from related parties	–	1,133
Senior PIK notes	2,482	2,095
Accrued interest	50	42
Other bank loans	12	27
Amortised costs	–223	–307
	7,060	**7,980**
Current		
Senior term loans	188	711
Other bank loans	110	36
Short term portion of amortised costs	–99	–85
	198	**662**
Total borrowings	**7,258**	**8,642**

The amount granted on the Senior facilities in the Dometic Group amounts to SEK 5,479 million (6,344) of which SEK 4,943 million (5,701) was utilized per 31 December 2013. The amount granted on local facilities in the Dometic Group amounts to SEK 252 million (255) of which SEK 122 million (63) was utilized per 31 December 2013.

Of the long-term borrowings, excluding future capitalized interests on the PIK Notes, SEK 2,532 million (6,271) 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 at year-end 2013 comprises i) debt cover, ii) liquidity, and iii) capital expenditure.

Transaction summary

On 14 June 2013 Dometic Group entered into a revised financing package with its senior lending banks providing further flexibility. The principal changes included an adjustment on certain covenant levels and a revised amortization profile.

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

	2013-12-31	2012-12-31
EUR	3,493	3,334
USD	1,905	2,105
AUD	1,626	2,105
Other currencies	434	294
Total	**7,459**	**7,838**
whereof current	188	711
Total non-current	**7,271**	**7,127**

The Group's definition of interest bearing debt SEK 7,646 million (9,105) includes the following items: Senior loans SEK 7,459 million (7,838), Loans from related parties SEK – million (1,133), Other bank loans SEK 122 million (63), Amortised costs SEK –322 million (–392), derivative financial liabilities related to interest rate swaps SEK 33 million (74), and provisions for pensions SEK 355 million (389).

Note 20 Liabilities to credit institutions and related parties cont.

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**			

2013-12-31	Currency	SEKm	All-in interest rate, % [2]	Margin,%	Final payment year
Senior secured term loan A					
– Dometic Group Services AB	EUR	111	4.68	4.50	2018
– Dometic Group Services AB	USD	684	4.68	4.50	2018
– Dometic Group Services AB	AUD	584	7.15	4.50	2018
– Dometic Deutschland GmbH	EUR	218	4.68	4.50	2018
Senior secured term loan B					
– Dometic Group Services AB	EUR	225	5.22	5.00	2018
– Dometic Group Services AB	USD	1,221	5.22	5.00	2018
– Dometic Group Services AB	AUD	1,042	7.65	5.00	2018
– Dometic Deutschland GmbH	EUR	362	5.22	5.00	2018
Senior secured term capex facility					
– Dometic Group Services AB	SEK	434	5.53	4.50	2018
Senior secured term revolving credit facility					
– Dometic Group Services AB	EUR	45	4.73	4.50	2017
Senior PIK Notes					
– Dometic Group AB (publ) [1]	EUR	2,532	12.75		2019
Total		**7,459**			

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.

21 Accrued expenses and prepaid income

	2013-12-31	2012-12-31
Prepaid income for extended guarantee period	14	16
Accrued employee-related items	159	144
Accrued bonus from customers	56	38
Accrued interest	56	53
Accrued production costs	29	29
Accrued administrative expenses	39	27
Accrued marketing expenses	30	39
Accrued finance expenses	0	14
Product liability claims	15	14
Other	17	22
Total	**415**	**396**

22 Pledged assets

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.

For own liabilities and provisions:	2013-12-31	2012-12-31
Net assets pledged for liabilities	5,179	3,365
	5,179	**3,365**

Shares/participation rights in the following companies are pledged:

Consolidated		
Condaria '87 S.r.l.	Dometic Holding AB	Dometic Sweden AB
DHAB II S.à r.l.	Dometic Holding SA	Dometic UK Ltd
DHAB III S.à r.l.	Dometic International AB	Dometic Umformtechnik GmbH
Dometic AB	Dometic Italy S.r.l.	Dometic Waeco International GmbH
Dometic Australia Pty Ltd.	Dometic Light Systems GmbH	Dometic Waeco Pty Ltd
Dometic Benelux B.V.	Dometic Pty Ltd	Mobicool International Ltd
Dometic Corporation	Dometic S.à r.l.	Mobigroup Holding Ltd
Dometic Deutschland GmbH	Dometic Scandinavia AB	SMEV S.r.l.
Dometic GmbH	Dometic Seitz GmbH	Waeco Group Holding B.V.

23 Contingent liabilities

The following companies have pledged guarantees for the syndicated loan facilities under the senior facilities agreement amounting to SEK 7,475 million (7,861) and loans held with related parties (Frostbite Holding AB and Frostbite I S.à.r.l.) to SEK 0 million (1,133). The pledged guarantees for the senior facilities are related to borrowings SEK 7,459 million (7,838) and Letter of credits SEK 16 million (23). In addition to the amount shown above, the guarantee commitments cover unutilized credits issued on balance sheet date amounting to SEK 536 million (644). For further reference see note 20.

Guarantors are:

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

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

	2013-12-31	2012-12-31
Bank guarantees for borrowings in the group	4	8
	4	**8**

Bank guarantees concern right of recourse for transferred receivables.

24 Cash flow details

Cash and cash equivalents	**2013-12-31**	**2012-12-31**
Cash and cash equivalents include:		
Cash on hand and balances with banks	539	476
Total cash and cash equivalents	**539**	**476**

Adjustments for non-cash items	**2013-12-31**	**2012-12-31**
Depreciation and amortisation (Note 13, 14)	180	181
Exchange rate differences	-41	-25
Changes in provision and reserves	90	46
Capital loss/gain on sale of fixed assets	-7	-1
Total non-cash items	**222**	**201**

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	5,969

Indirect shareholdings, company name	Reg. no.	Domicile	Proportion of equity in %
Dometic Waeco Pty Ltd	ACN 123 171 399	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 Co.	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. R.C.S SENLIS	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 Umformtechnik 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
Dometic Zrt.	Cg. 16-10-001727	Jászberény, Hungary	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
Dometic KK	0104-01-045566	Tokyo, Japan	100
Dometic Holding SA	B 94 593	Hosingen, Luxembourg	100
Dometic S.à.r.l.	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 Spolka Z Ograniczona	0000374897	Poland	100
Dometic RUS LLC	1107746208338	Russia	100
Dometic Pte Ltd	2000-03050-K	Singapore	100

Note 25 Shares in group companies cont.

Dometic Slovakia s.r.o.	31617298	Filakovo, Slovakia	100
Dometic Cramer SR, s.r.o.	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

26 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 – million (10), are charged to the Group by EQT V.

On January 30th 2013 Dometic Group received an unconditional shareholder's contribution in an amount of SEK 1,142 million through a conversion of the shareholder loan.

During the year EQT V made an additional investment in the Company of SEK 400 million.

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 22 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.

27 Share capital and other paid in capital

	Number of shares	Ordinary share capital	Other paid in capital	Total
New share issue	5,000,000	1	0	1
Aquired in business combinations	0	0	0	0
Shareholders contribution	–	–	4,440	4,440
Dividend to shareholders	–	–	–714	–714
At 31 December 2012	**5,000,000**	**1**	**3,726**	**3,727**
Shareholders contribution	–	–	1,542	1,542
At 31 December 2013	**5,000,000**	**1**	**5,268**	**5,269**

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.

Signatures

Stockholm 25 March 2014

Fredrik Cappelen
CHAIRMAN OF THE BOARD

Roger Johansson
PRESIDENT AND CEO

Peter Grafoner

Albert Gustafsson

Harry Klagsbrun

Rainer Schmückle

Magnus Yngen

Lennart Freeman

Our Auditor's Report was submitted on 25 March 2014

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 statement of financial position as at 31 December 2013 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information. The consolidated accounts of the Company are included in the printed version of this document on pages 3–42.

Management's responsibility for the consolidated financial statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements 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 financial statements 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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 consolidated financial statements present fairly, in all material respects, the financial position of Dometic Group AB (publ) and its subsidiaries as at 31 December 2013 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 March 2014
PricewaterhouseCoopers AB

Magnus Brändström
AUTHORIZED PUBLIC ACCOUNTANT

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.

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 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 Krona. 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 Krona 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.


KONA
STINKY
Dometic

PRODUCTION: Sthlm Kommunikation & IR PRINT: Pipeline Nordic

Dometic GROUP

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