



INTERIM PRESENTATION - FIRST QUARTER, 2016

 **Dometic**  
GROUP

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## PRESENTERS

ROGER JOHANSSON - PRESIDENT & CEO

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PER-ARNE BLOMQUIST - CFO

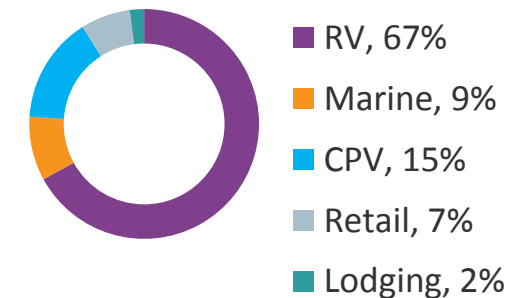
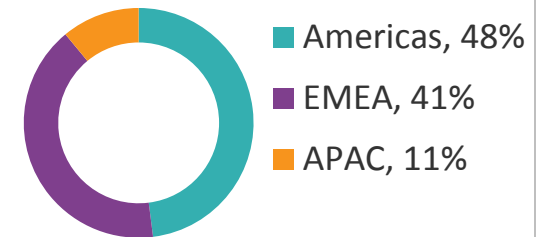
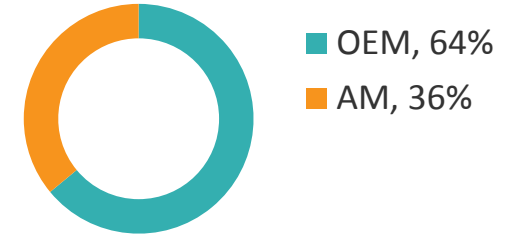
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**ROGER JOHANSSON, PRESIDENT & CEO**

# 2016 Q1 highlights

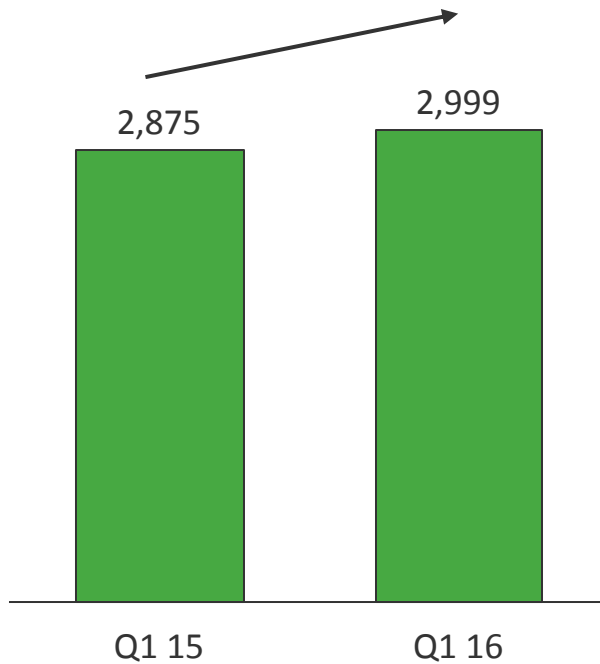
- Organic growth 5% and EBIT improvement of 17%.
- Cash flow development according to plan.
- Margin improvement in seven out of eight businesses.
- RVOEM in Europe outpacing the market.
- Americas RVOEM growth below market, but strong RVAM sales.
- Strong retail sales in Australia.
- Operational improvement initiatives yields result.
- Improved leverage 2.4x EBITDA. (6.6x).
- On April 22<sup>nd</sup>, information was received about a class action complaint against Dometic in the US.



# Q1 2016

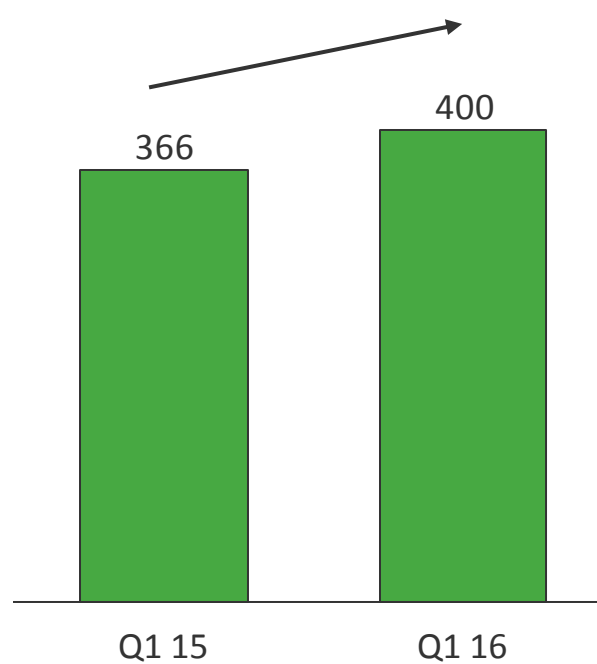
## Sales (SEKm)

4% (3% comparable currency)  
Organic: 5%

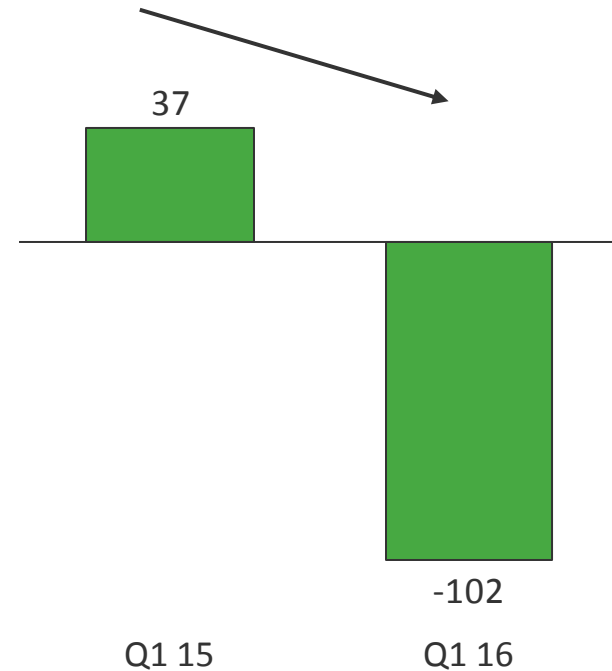


## EBIT bef. i.a.c (SEKm)

9% (8% comparable currency)



## Operating Cash Flow (SEKm)

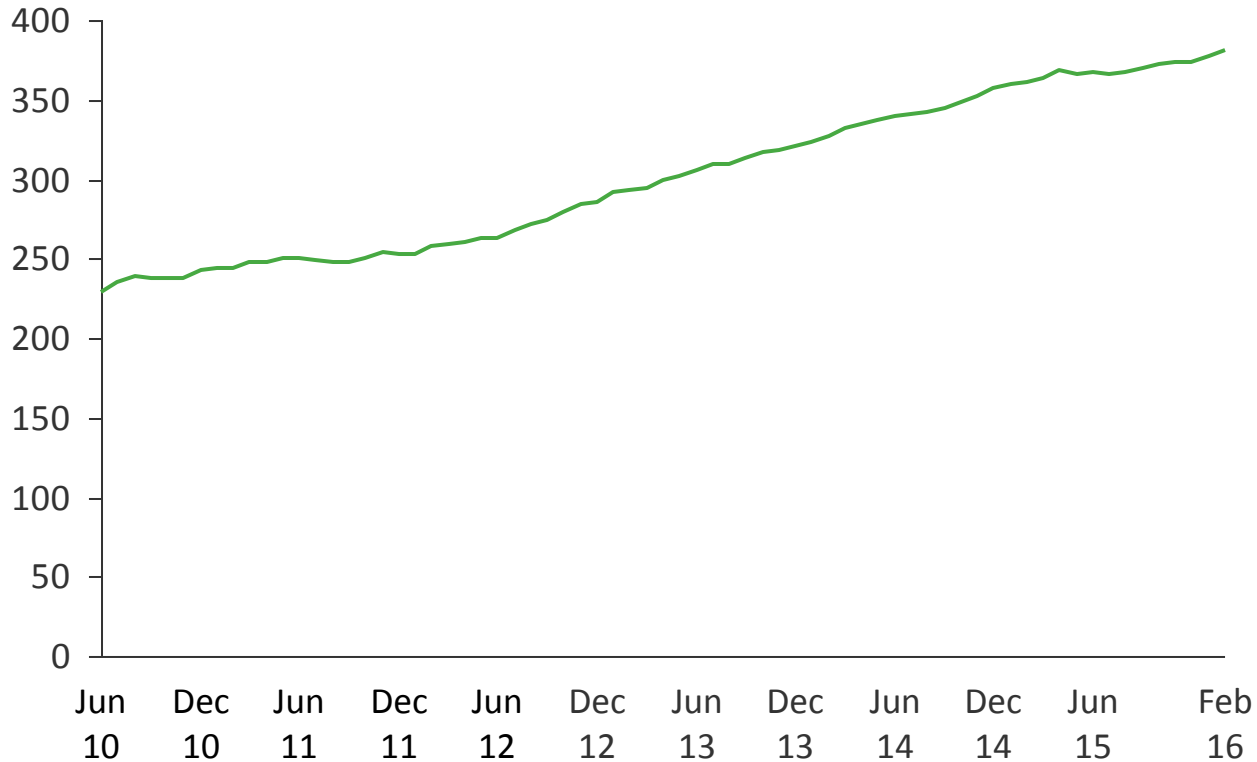


## Key Ratios

SEKm		Q1 2016	Q1 2015	LTM 2016	FY 2015
Sales	Net sales	2,999	2,875	11,610	11,486
	Growth, %	4.3	43.7	19.9	30.4
	Organic growth, %	5.1			7.7
Profitability	EBIT before i.a.c. %	13.3	12.7	12.5	12.3
	EBITDA before i.a.c. %	15.8	15.3	15.0	14.8
Capital efficiency	Core working capital, to sales, %*	21.5	23.2	21.5	21.3
	Return on operating capital	33.3	36.2	33.3	35.9
Cash flow	Operating cash flow	-102	37	1,251	1,390
EPS	Earnings per share	1.00		3.94	3.49

# US RV Market - OEM Shipments

## Rolling Twelve Months (000s units)

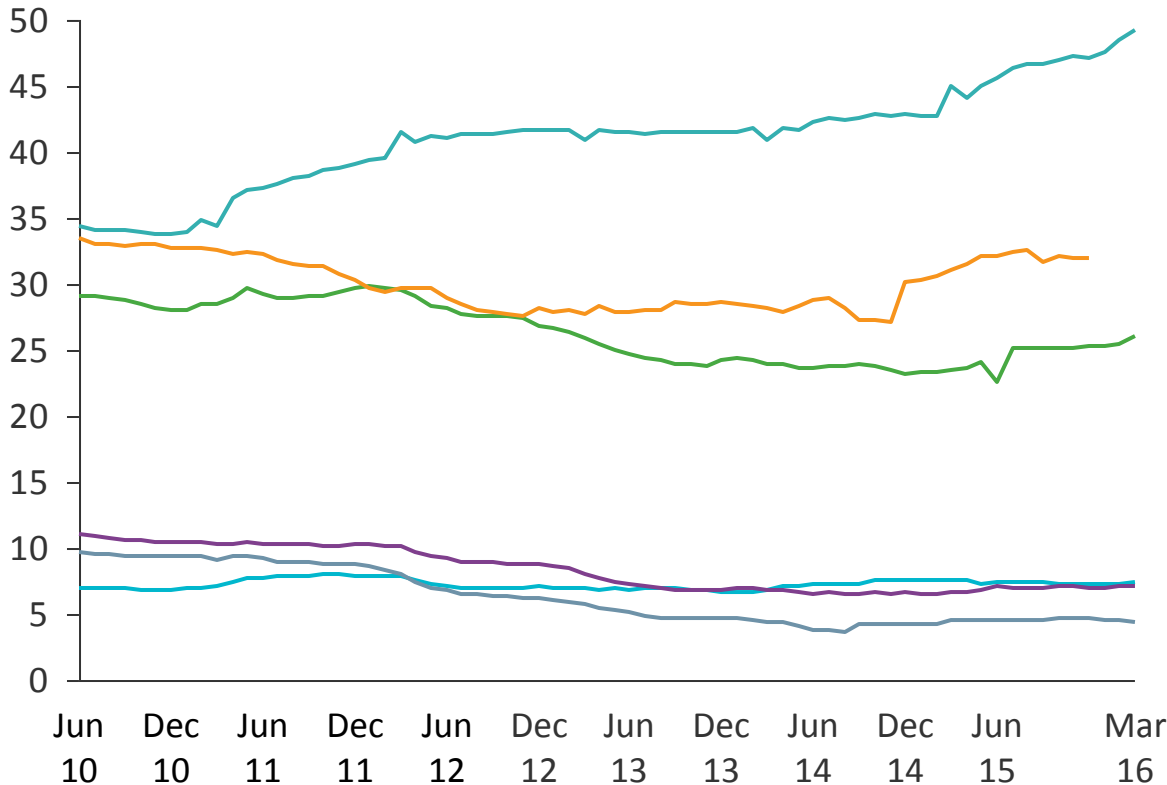


## OEM Shipments:

- YTD February +11%
- Rolling three months February: 95,500 units (87,300) +9%
- LTM February 2016: 381,200 units (361,000) +6%

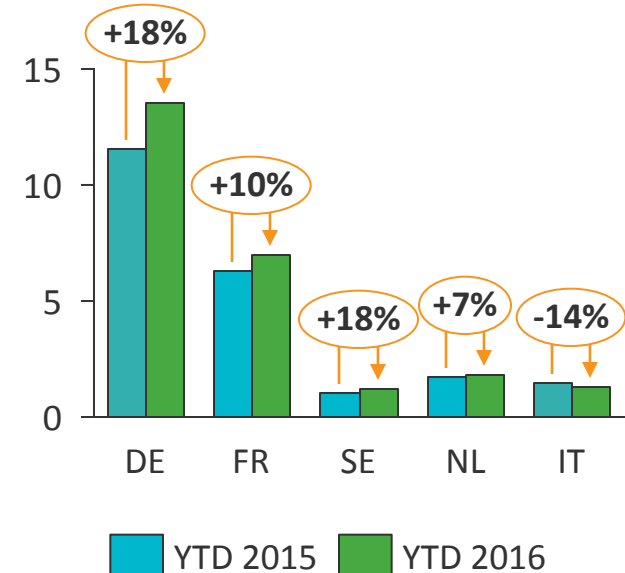
# Europe RV Market Registrations

## Rolling Twelve Months (000s units)



— DE — FR — SE — UK — NL — IT

- Rolling three months March: 26,900 units (22,000) +13%\*
- LTM March 2016: 94,200 units (87,200) +8%\*

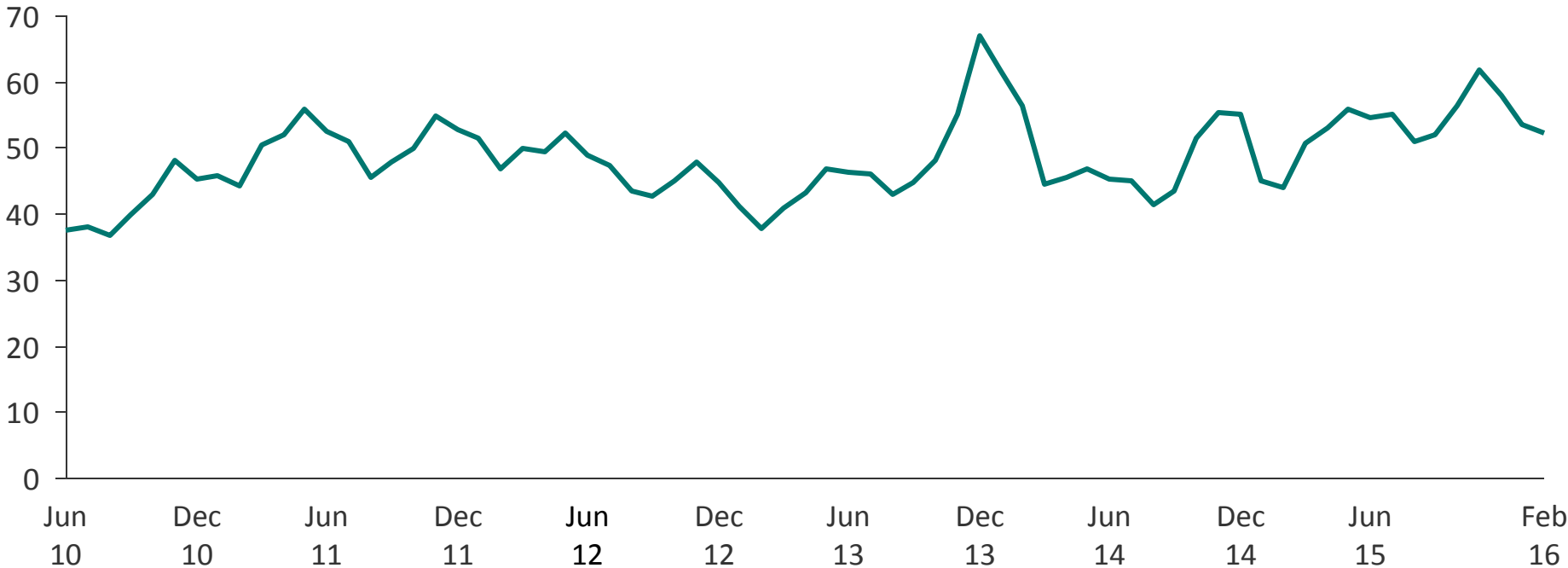


■ YTD 2015 ■ YTD 2016



# Europe Trucks (above 16 tons) Registrations

Rolling Three Months (000s units)

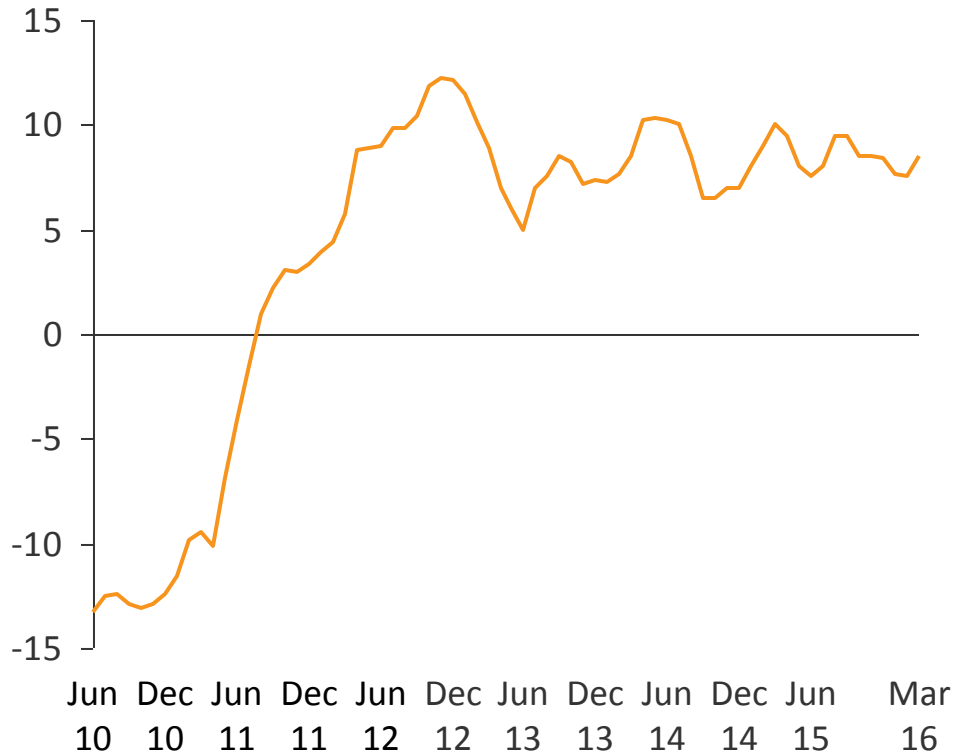


- Rolling three months February: 52,200 units (43,800) +19%
- LTM February: 220,700 units (187,400) +18%

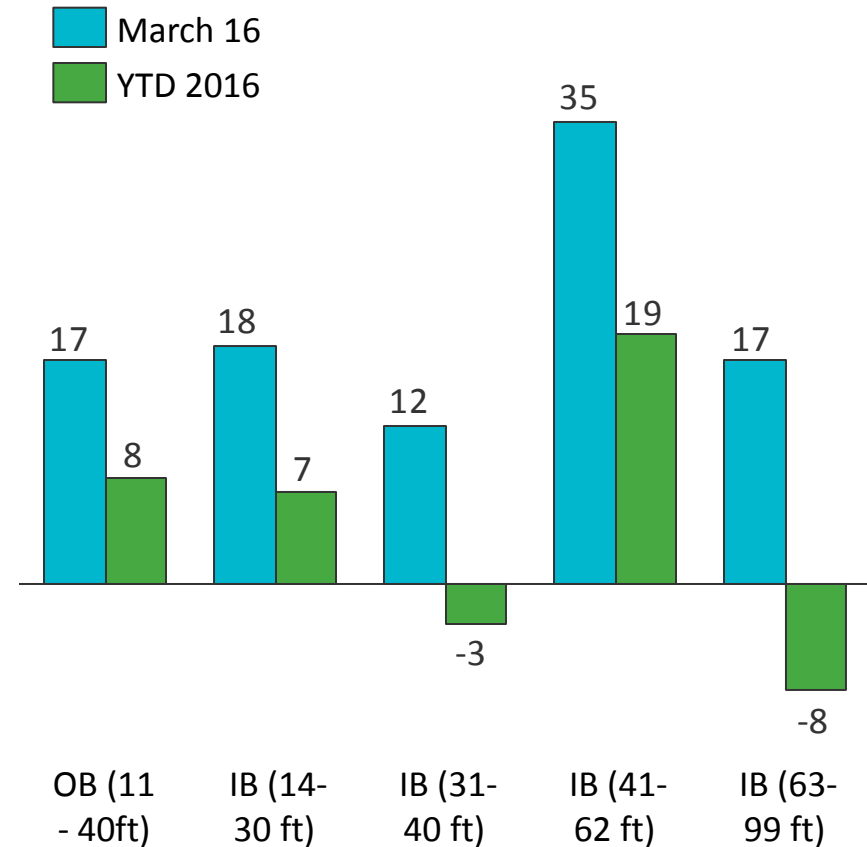
# US Powerboat Sales

## Rolling Twelve Months Change (%)

- Rolling twelve months March 2016: 8.5%



## Power boat category (%)



# AMERICAS

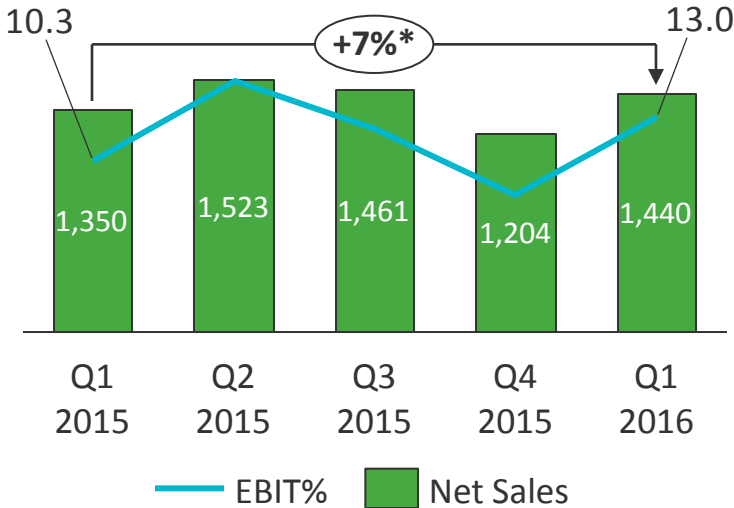
## LOCATIONS



## Q1 HIGHLIGHTS

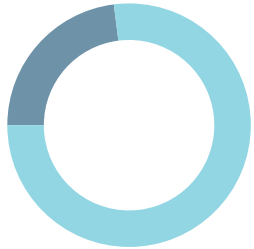
- Continued growth in RV market
- Strengthened margins
- Successful launch of Blizzard NXT
- Atwood distribution structure aligned with Dometic's.

## NET SALES & EBIT %



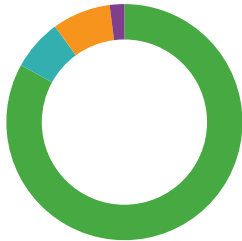
## BREAKDOWN OF SALES

### By sales channel



- AM, 23%
- OEM, 77%

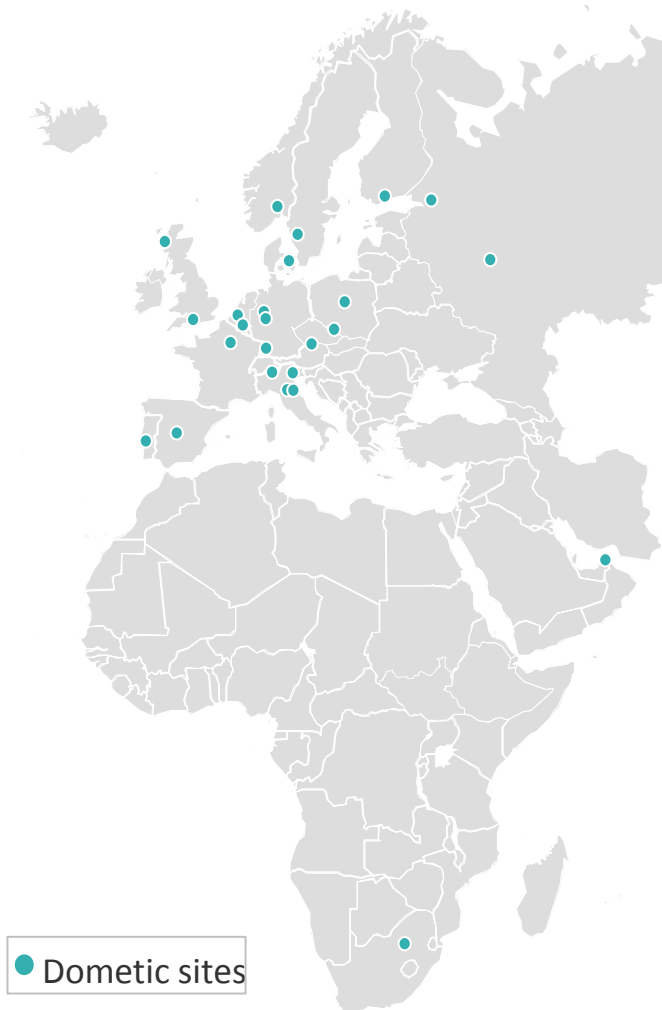
### By business area



- RV, 83%
- CPV, 7%
- Marine, 8%
- Other, 2%

# EMEA

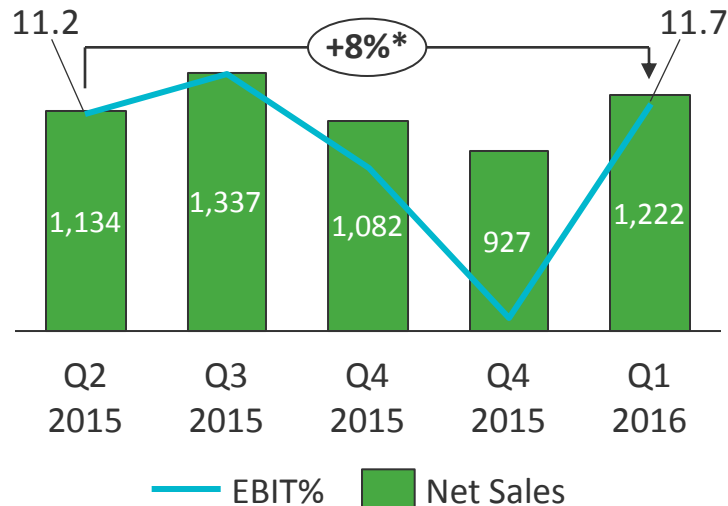
## LOCATIONS



## Q1 HIGHLIGHTS

- Strong momentum in RV market.
- RVOEM sales double digit growth.
- AC service stations driving CPV growth.
- Marine OEM business growth in UK, France and Italy.
- SG&A efficiency program yielding result.

## NET SALES & EBIT %



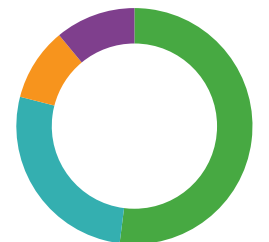
## BREAKDOWN OF SALES

### By sales channel



- AM, 46%
- OEM, 54%

### By business area



- RV, 52%
- CPV, 27%
- Marine, 10%
- Other, 11%

# APAC

## LOCATIONS

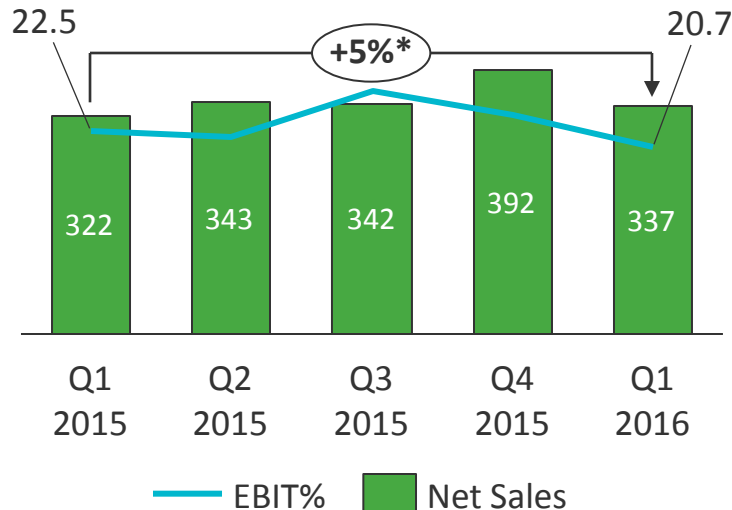


● Dometic sites

## Q1 HIGHLIGHTS

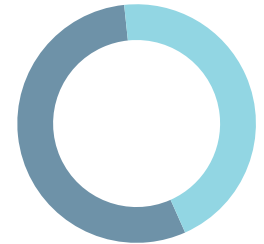
- Strong retail sales in Australia, driven by new products and accounts.
- Slow start of the year in RVOEM, but outpacing Australian market.
- Strengthened gross margins.
- Positive development in Japan.
- New head of Region – Chialing Hsueh.

## NET SALES & EBIT %



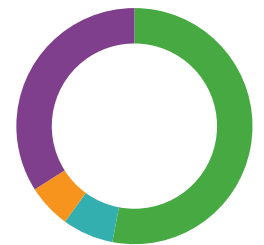
## BREAKDOWN OF SALES

### By sales channel



■ AM, 55%  
■ OEM, 45%

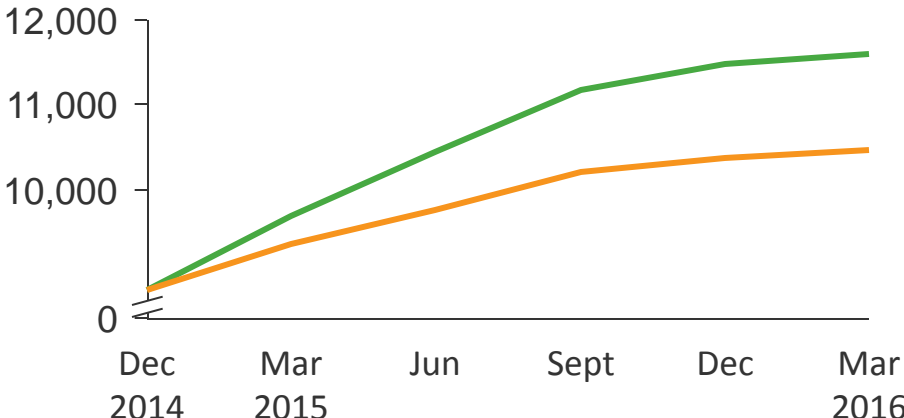
### By business area



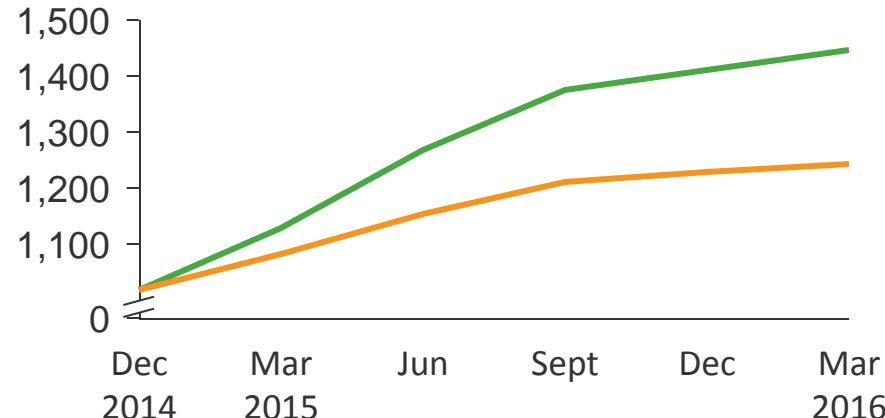
■ RV, 53%  
■ CPV, 7%  
■ Marine, 6%  
■ Other, 34%

# Dometic Group Trends

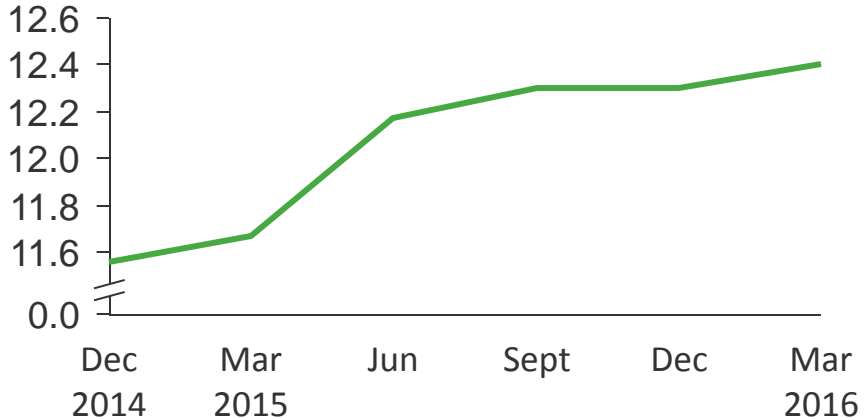
### Sales (msek)



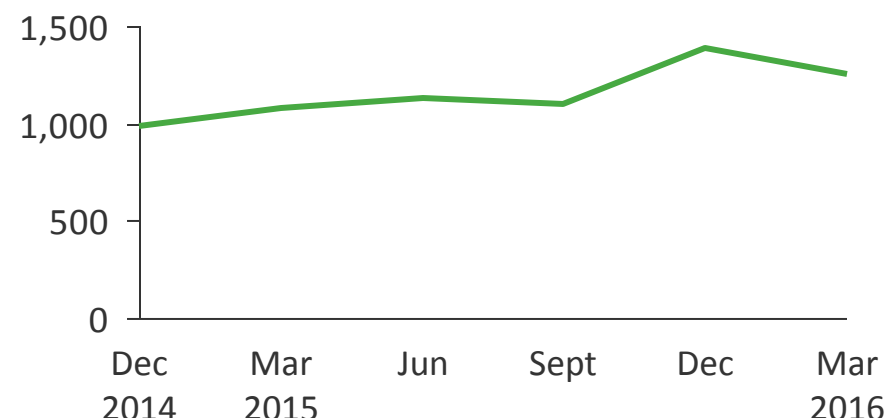
### EBIT bef. i.a.c (msek)



### EBIT bef. i.a.c (%)



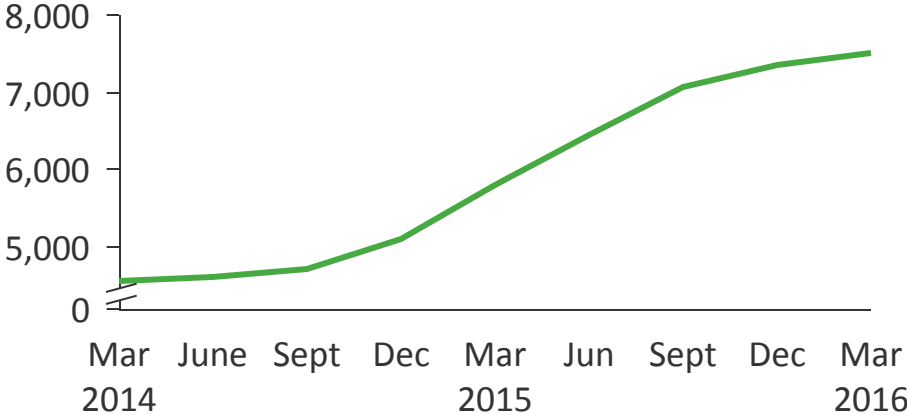
### Operating cash flow (msek)



# Business Area Sales Development

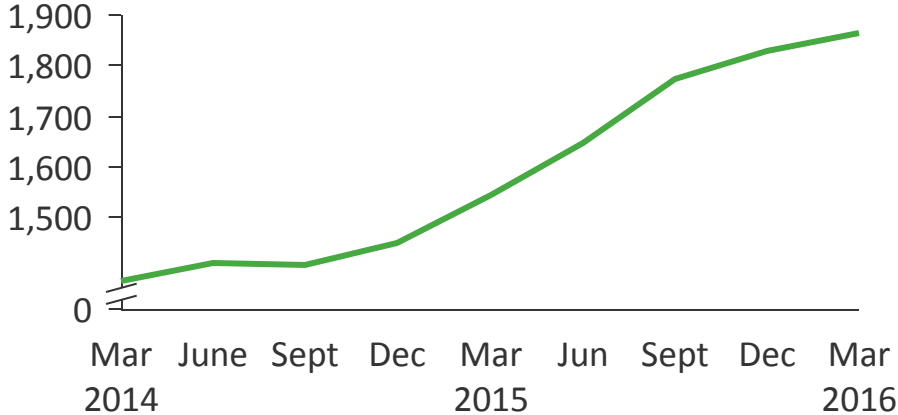
## RV

+30%  
(19% CC)



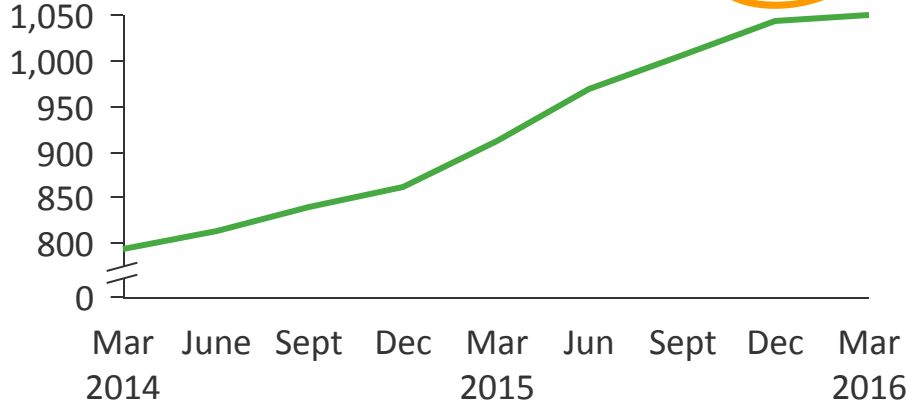
## CPV

+21%  
(17% CC)



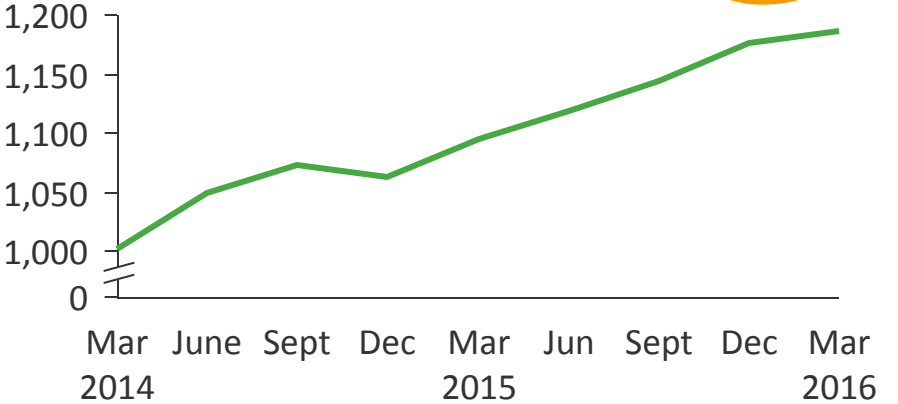
## Marine

+15%  
(5% CC)



## Other

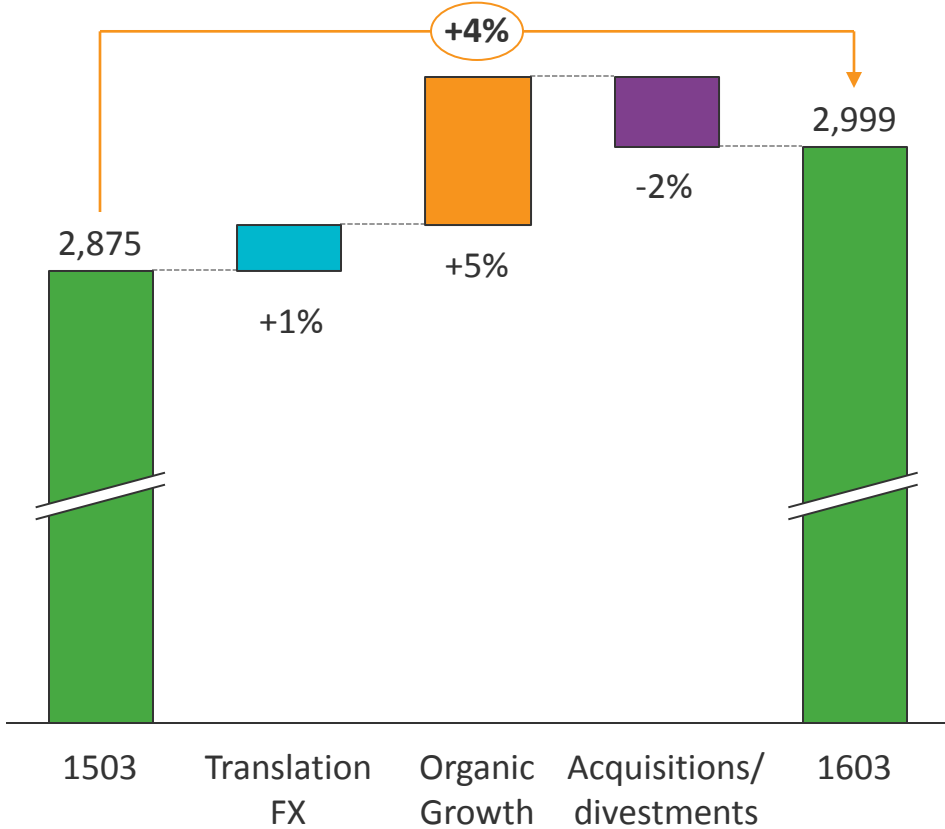
+8%  
(4% CC)



**PER-ARNE BLOMQUIST, CFO**



# Dometic Group Net Sales Bridge Q1 (SEKm)



## Translation FX details

	Net Sales	Share of impact	FX change
USD	58	124%	4%
EUR	2	4%	0%
AUD	-10	-21%	-4%
HKD	2	3%	4%
GBP	-1	-2%	-2%
CNY	0	0%	0%
Other	-4	-9%	
<b>Total</b>	<b>47</b>		<b>1%</b>

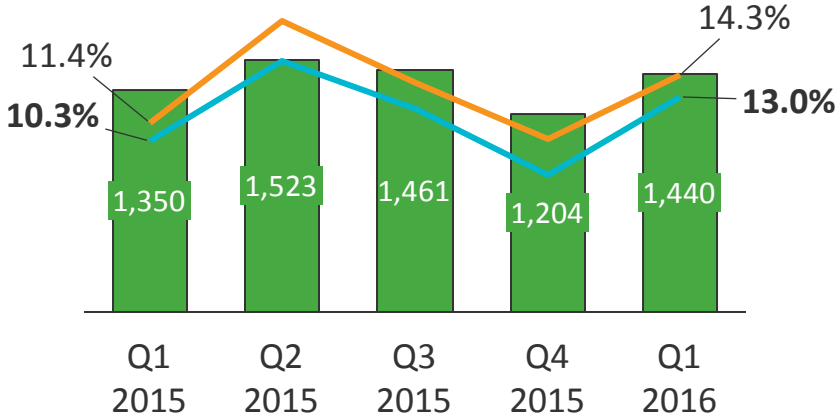
# Regional result

SEK million	Q1	Q1	Change (%)		LTM	FY
	2016	2015	Rep.	Adj. <sup>(1)</sup>	2016	2015
Americas	1,440	1,350	7%	3%	5,627	5,538
EMEA	1,222	1,134	8%	8%	4,568	4,479
Asia Pacific	337	322	5%	7%	1,415	1,400
Medical division <sup>(2)</sup>	0	69	-	-	0	69
<b>Total net sales</b>	<b>2,999</b>	<b>2,875</b>	<b>4%</b>	<b>3%</b>	<b>11,610</b>	<b>11,486</b>
Americas	187	139	35%	29%	699	650
EMEA	143	127	12%	13%	415	400
Asia Pacific	70	72	-3%	-4%	332	334
Medical division	0	28	-	-	0	28
<b>Total operating profit (EBIT)<sup>(3)</sup></b>	<b>400</b>	<b>366</b>	<b>9%</b>	<b>8%</b>	<b>1,446</b>	<b>1,412</b>
Americas	13.0%	10.3%			12.4%	11.7%
EMEA	11.7%	11.2%			9.1%	8.9%
Asia Pacific	20.7%	22.5%			23.5%	23.9%
Medical division	-	40.6%			-	40.6%
<b>Total operating profit %</b>	<b>13.3%</b>	<b>12.7%</b>			<b>12.5%</b>	<b>12.3%</b>

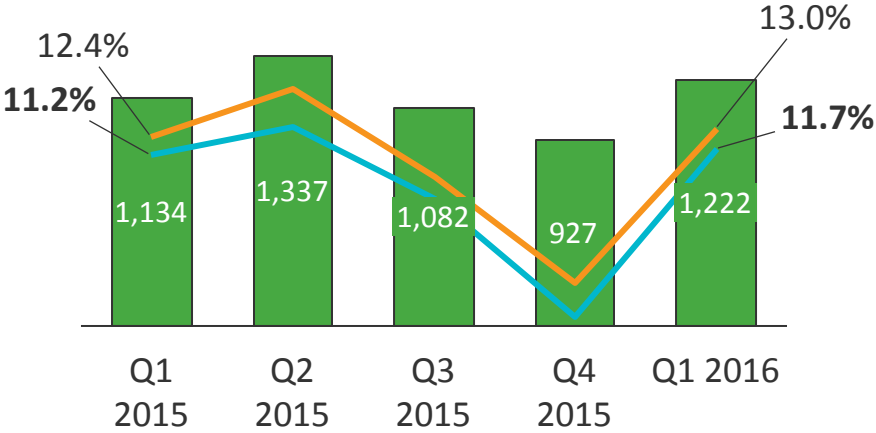
<sup>(1)</sup>Represents change in comparable currency. <sup>(2)</sup>Medical division was divested in Q1-2015. <sup>(3)</sup>Before i.a.c.

# Seasonality a part of our business – differs by Region

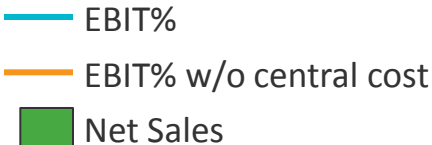
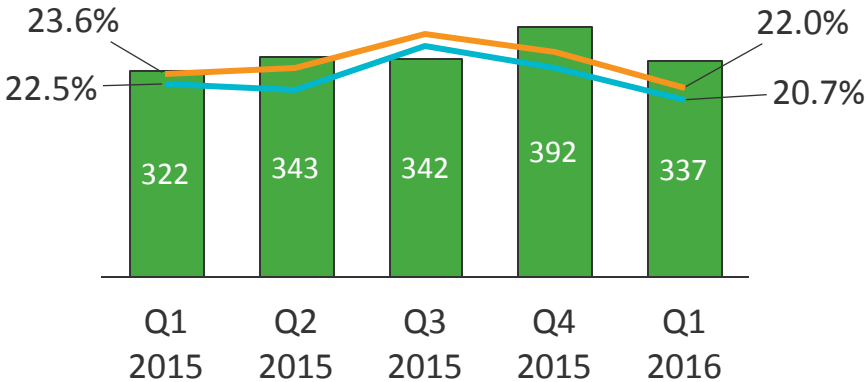
## AMERICAS



## EMEA

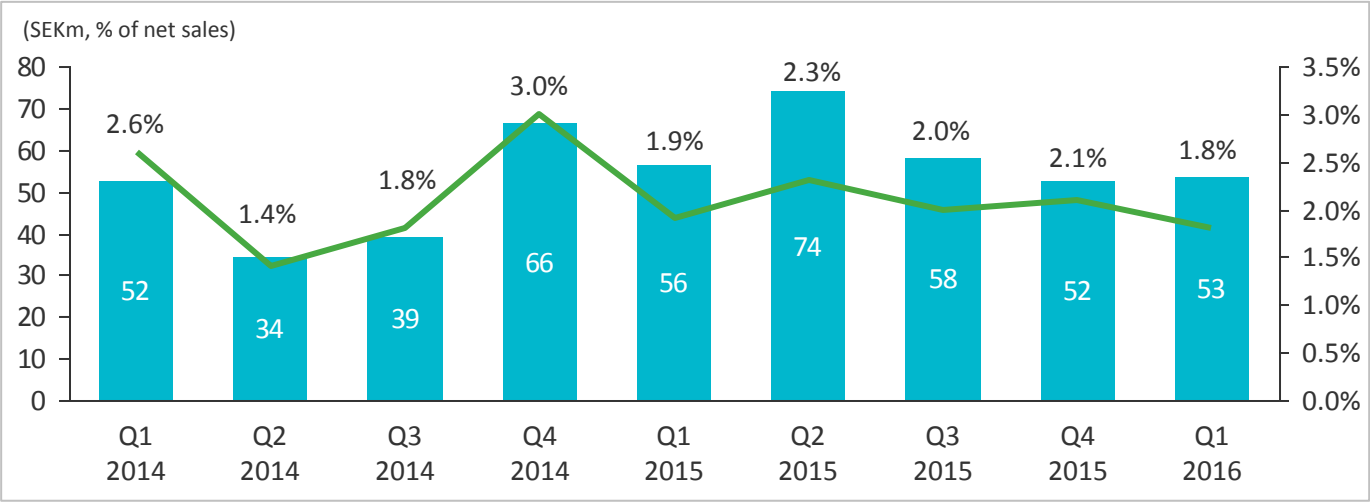


## APAC



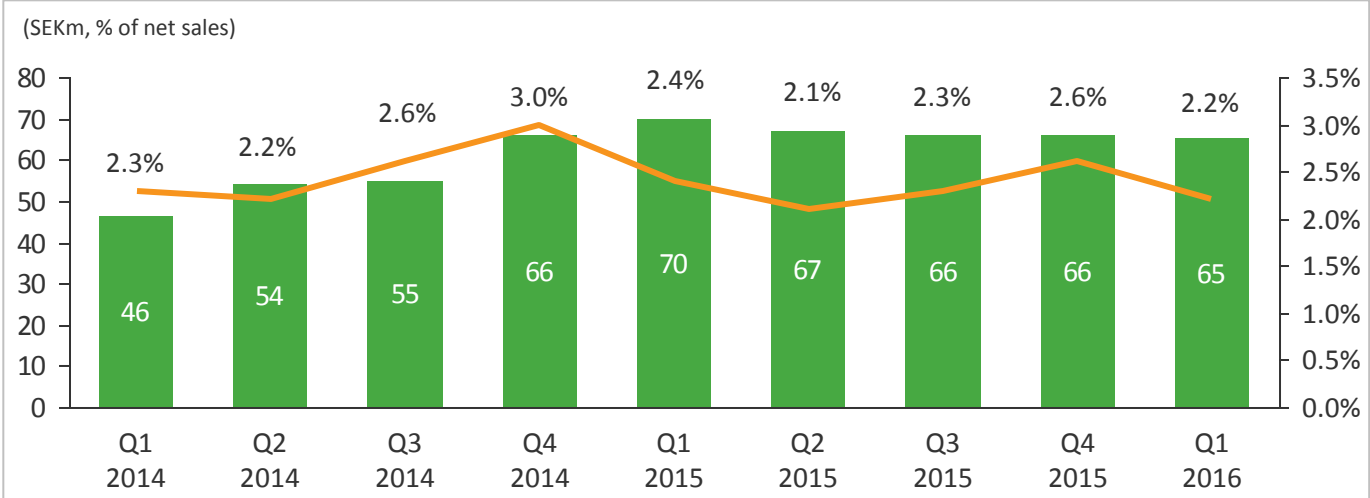
# CAPEX & PMI

## CAPEX



- Capex 1.8% of net sales. Q1 2015 included Medical.

## PMI

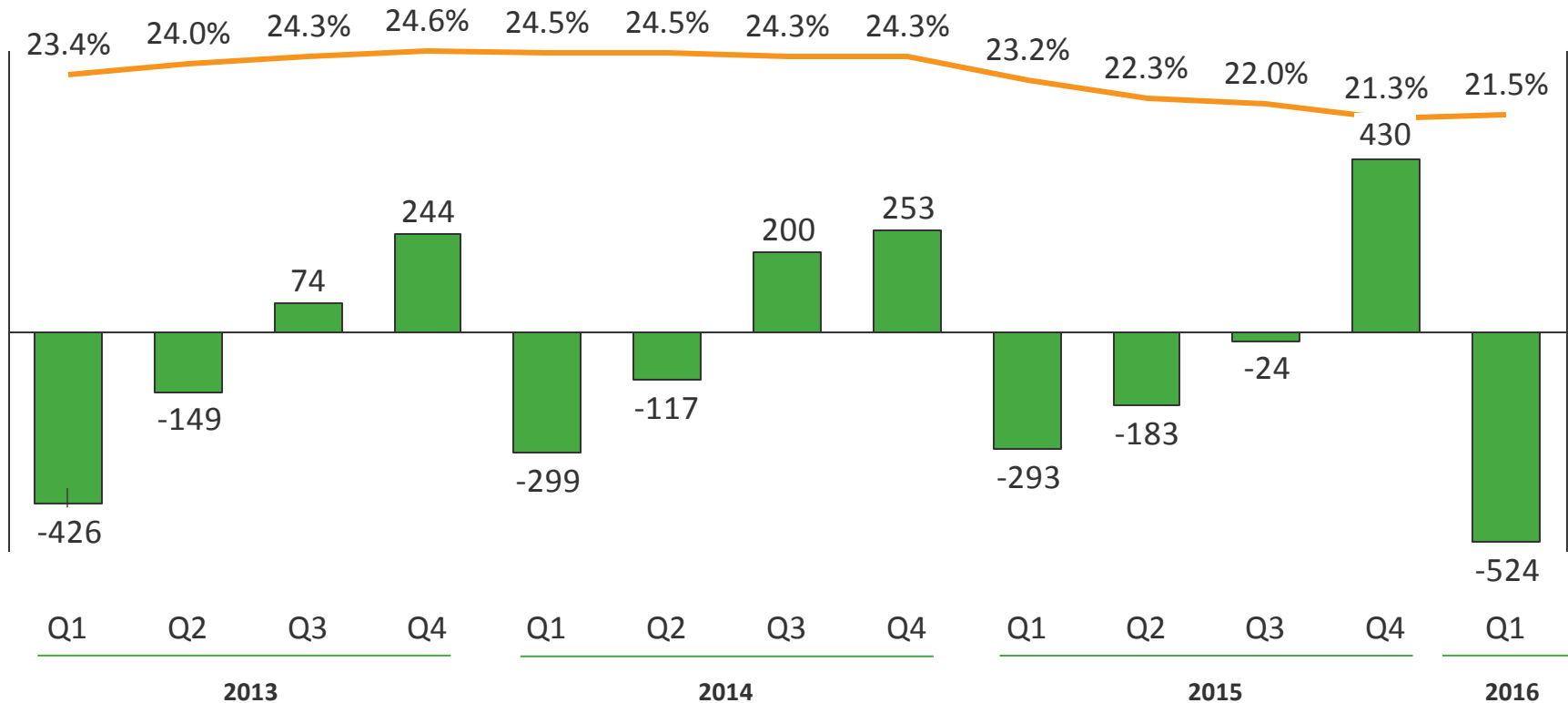


- Continue to invest in product development, at 2.2% in Q1 vs. 2.4% Q1 2015. Annualized on par with last year.

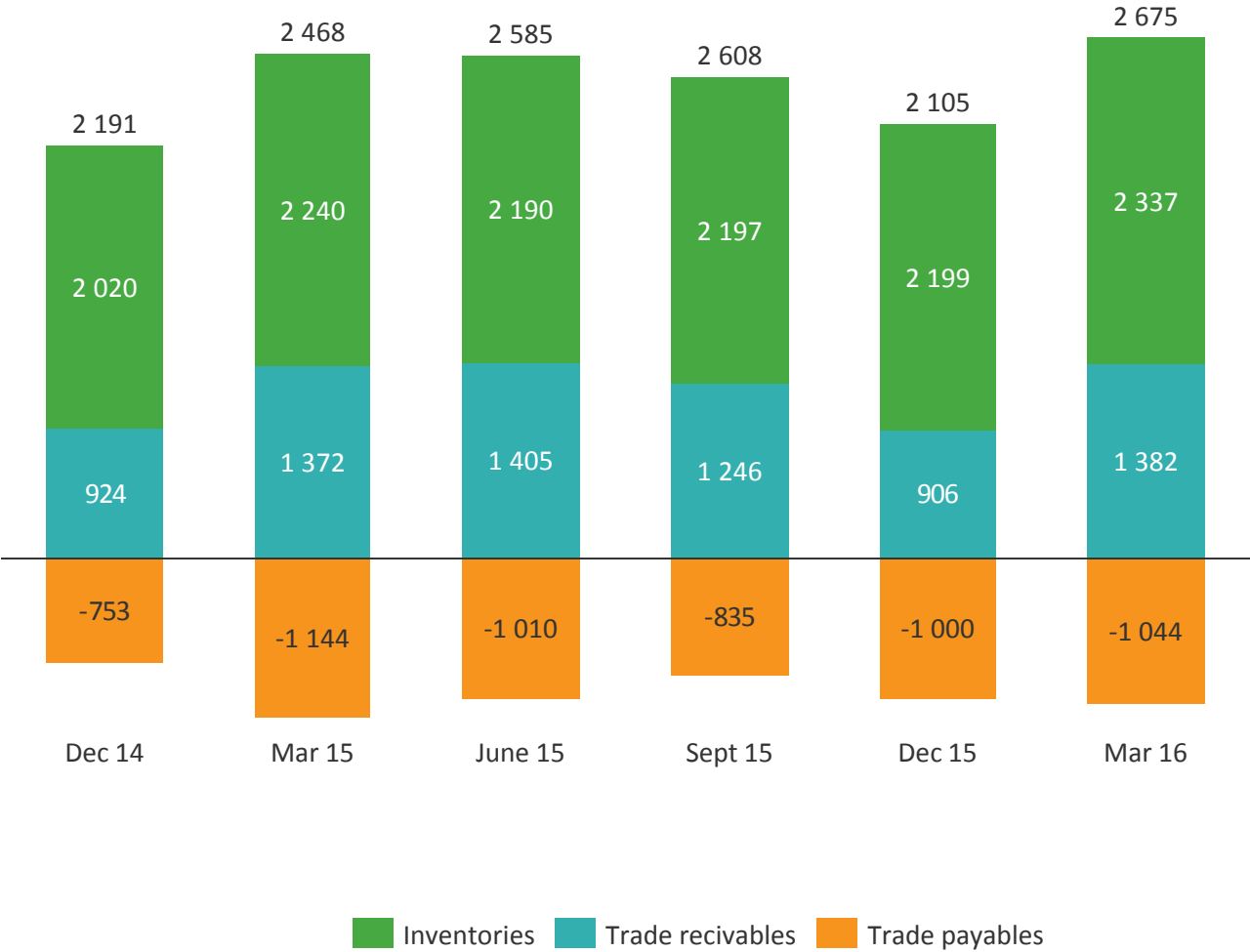
# Working Capital development

— Average core WC / LTM sales  
 ■ Change in core WC

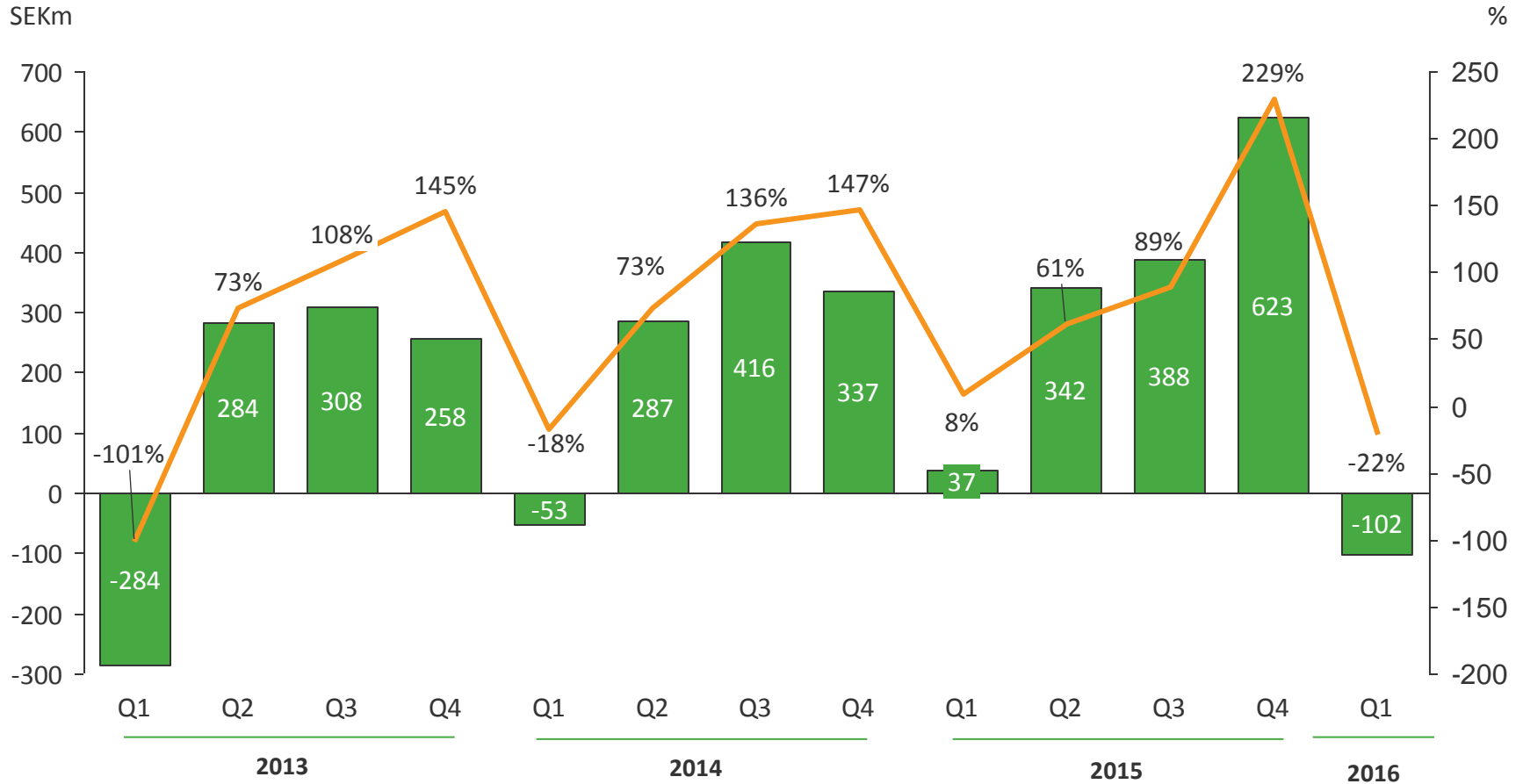
## Core working capital build-up (SEKm, %)



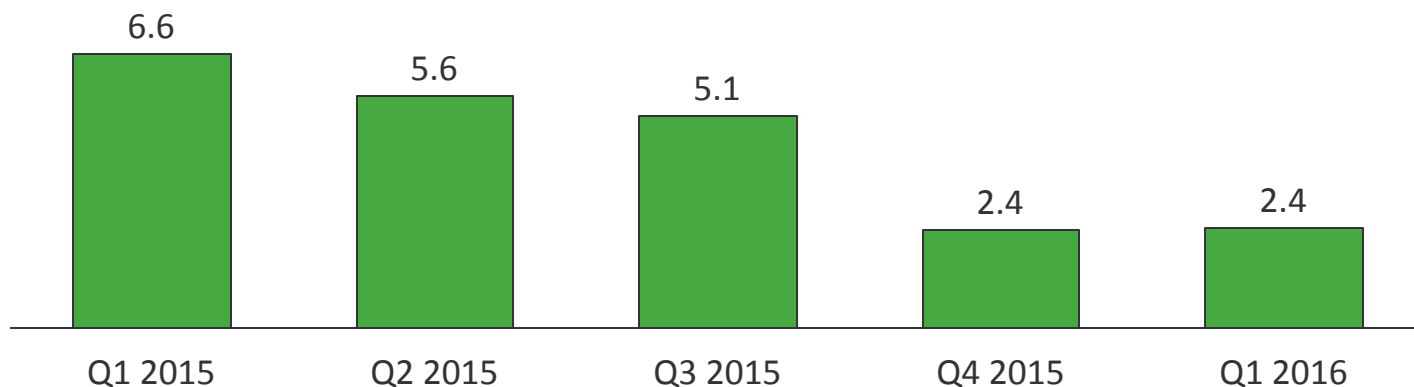
# Core working capital in Balance sheet



# Cash Flow (SEKm)



## Net debt leverage and Net debt details



SEKm	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
RCF	139	87	0	311	131
Capex	434	434	434	0	0
Senior term A	860	826	819	996	988
Senior term B	5,680	5,076	5,055	3,484	3,457
Local facilities	11	14	60	58	49
<b>Total debt</b>	<b>7,125</b>	<b>6,439</b>	<b>6,368</b>	<b>4,849</b>	<b>4,625</b>
Senior PIK notes	2,917	2,612	2,662	0	0
Cash	1,025	462	522	833	413
<b>Net Debt</b>	<b>9,017</b>	<b>8,589</b>	<b>8,508</b>	<b>4,016</b>	<b>4,212</b>



## Earnings per share – Q1

<b>MSEK, SEK*</b>	<b>Q1 2016</b>	<b>EPS</b>
Net sales	2,999	
Operating profit (before i.a.c)	400	1.35
Finance net	-34	-0.11
Tax	-71	-0.24
<b>Result for the period</b>	<b>295</b>	<b>1.00</b>
No. of shares, million	296	
Earnings per share, SEK	1.00	

Total tax charge 19% (25%), paid tax 7% (2%) of EBT

# Financial Targets

	FY 2014	FY 2015	Q1 2016	Mid/long term Financial target
Net Sales Growth	5 %	8 %	5 %	5 %
EBIT Margin	11.6 %	12.3 %	13.3 %	15 %
Net Debt / EBITDA	7.5x	2.4x	2.4x	2.0x
Dividend Policy	-	No dividend	-	40 %



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## Summary & outlook

- Profit improvements.
- Margin improvement in seven out of eight businesses.
- Strong yield from internal initiatives.
- Growing main markets.
- Cash flow according to plan.
- Strengthened balance sheet.
- Continue to assess our businesses from a core and profitability perspective.
- We remain confident for 2016.

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# Q&A

# APPENDIX

# Appendix A

## Quarterly Summary Key Financials

	Q1	Q1	LTM	FY
SEK million	2016	2015	2016	2015
Net sales	2,999	2,875	11,610	11,486
EBITDA	473	495	1,705	1,727
% of net sales	15.8%	17.2%	14.7%	15.0%
<b>EBITDA before items affecting comparability</b>	<b>473</b>	<b>438</b>	<b>1,738</b>	<b>1,703</b>
% of net sales	15.8%	15.3%	15.0%	14.8%
Operating profit (EBIT)	400	423	1,413	1,436
% of net sales	13.3%	14.7%	12.2%	12.5%
<b>Operating profit (EBIT) before items affecting comparability</b>	<b>400</b>	<b>366</b>	<b>1,446</b>	<b>1,412</b>
% of net sales	13.3%	12.7%	12.5%	12.3%
Net result	295	161	1,166	1,032
Earnings per share, SEK	1.00	–	–	3.49
<b>Operating cash flow<sup>(1)</sup></b>	<b>-102</b>	<b>37</b>	<b>1,251</b>	<b>1,390</b>
Core working capital	2,675	2,467	2,675	2,104
Capital expenditure in fixed assets	-53	-56	-237	-240
RoOC	33%	36%	33%	36%

# Appendix B

## Group P&L

<b>SEK million</b>	<b>Q1 2016</b>	<b>Q1 2015</b>	<b>FY 2015</b>
Net sales	2,999	2,875	11,486
Cost of goods sold	-2,088	-2,049	-8,127
<b>Gross Profit</b>	<b>911</b>	<b>826</b>	<b>3,359</b>
Sales expenses	-371	-346	-1,433
Administrative expenses	-138	-119	-510
Other operating income and expenses	15	22	64
Items affecting comparability	0	57	24
Amortization of customer relationship	-17	-17	-68
<b>Operating profit</b>	<b>400</b>	<b>423</b>	<b>1,436</b>
Financial income	1	0	2
Financial expenses	-35	-207	-1,104
<b>Loss from financial items</b>	<b>-34</b>	<b>-207</b>	<b>-1,102</b>
<b>Profit (loss) before income tax</b>	<b>366</b>	<b>216</b>	<b>334</b>
Taxes	-71	-55	698
<b>Profit (loss) for the period</b>	<b>295</b>	<b>161</b>	<b>1,032</b>

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## Disclaimer

This document contains statements that constitute forward looking statements. These statements appear in a number of places in this document and include statements regarding the intent, belief or current expectations of the customer base, estimates regarding future growth in the different business lines and the global business, market share, financial results and other aspects of the activity and situation relating to the Company. The forward-looking statements in this document can be identified, in some instances, by the use of words such as "expects", "anticipates", "intends", "believes", and similar language or the negative thereof or by forward-looking nature of discussions of strategy, plans or intentions.

Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and other important factors that could cause actual developments or results to differ materially from those expressed in our forward looking statements.

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