



INTERIM PRESENTATION - SECOND QUARTER, 2016

 **Dometic**
GROUP

PRESENTERS

ROGER JOHANSSON - PRESIDENT & CEO



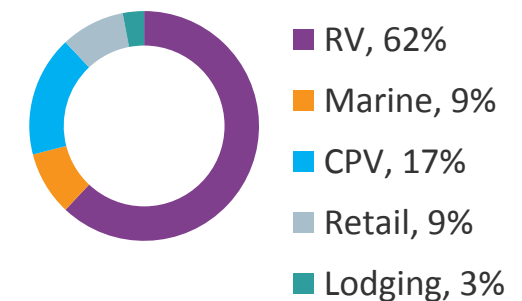
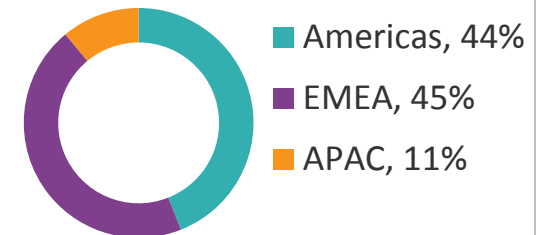
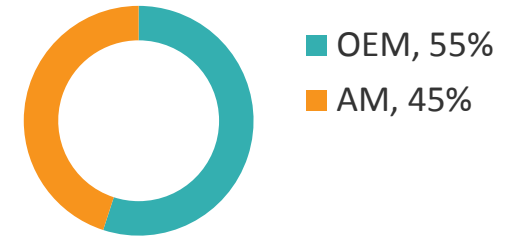
PER-ARNE BLOMQUIST - CFO



ROGER JOHANSSON, PRESIDENT & CEO

2016 Q2 highlights

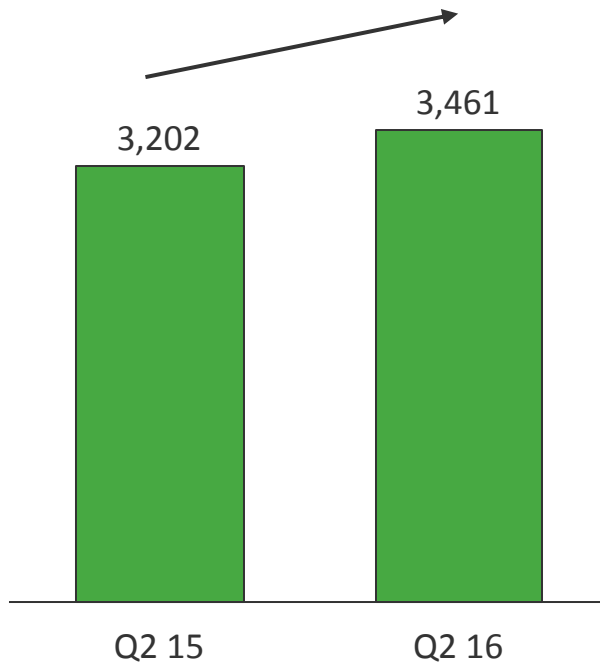
- Organic growth 9% and EBIT improvement of 21%.
- Organic growth in 7 out of 8 businesses and margin improvements in 6 out of 8 businesses.
- Strong performance in EMEA, outpacing RV market in Europe.
- Americas RV underlying growth, phase-out of unprofitable architectural business and slowdown in CPV.
- Double-digit growth in RV and Retail in APAC.
- Operating cash flow SEK 511 million (342).
- Improved leverage 2.1x EBITDA. (5.6x).
- New President of EMEA appointed.



Q2 2016

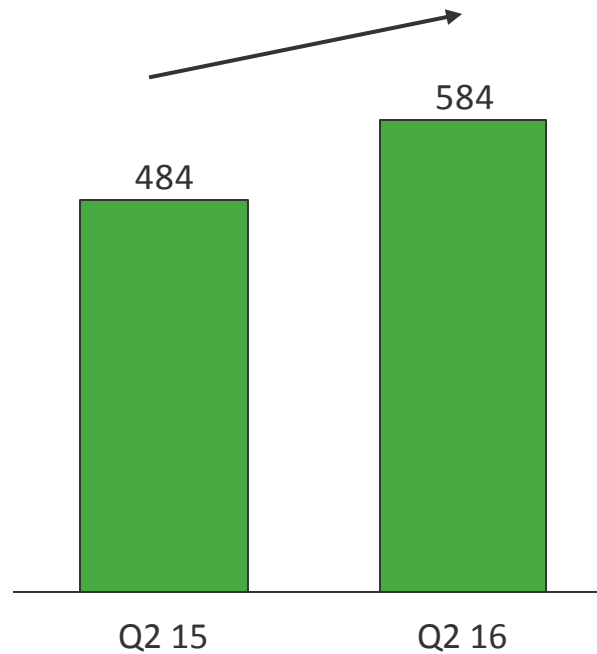
Sales (SEKm)

8% (9% comparable currency)
Organic: 9%

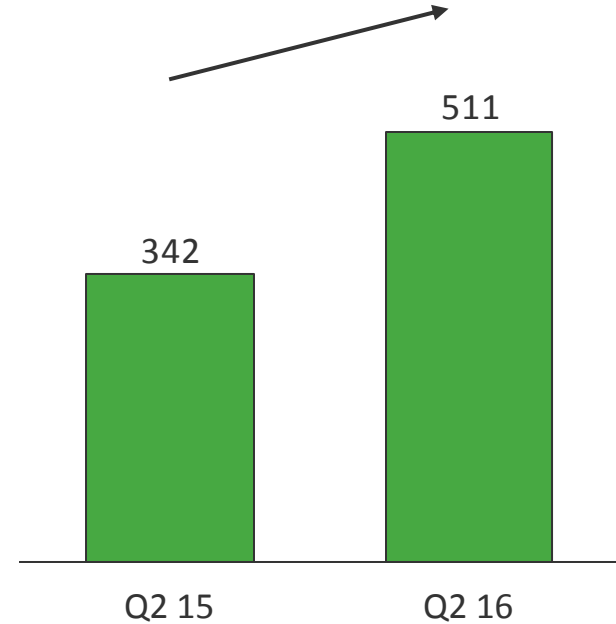


EBIT bef. i.a.c (SEKm)

21% (22% comparable currency)



Operating Cash Flow (SEKm)

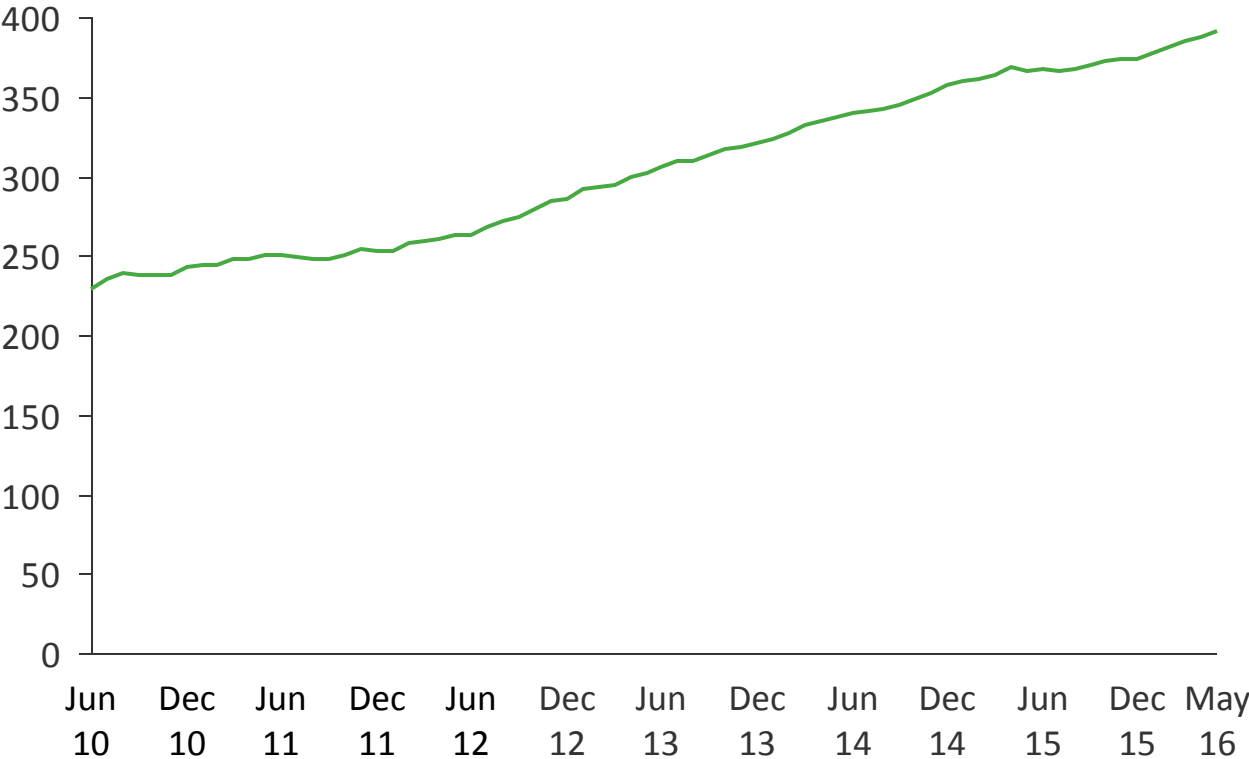


Key Ratios

SEKm		Q2 2016	Q2 2015	LTM 2016	FY 2015
Sales	Net sales	3,461	3,202	11,869	11,486
	Growth, %	8.1	30.7	13.8	30.4
	Organic growth, %	8.7	5.0		7.7
Profitability	EBIT before i.a.c. %	16.9	15.1	13.0	12.3
	EBITDA before i.a.c. %	19.0	17.4	15.5	14.8
Capital efficiency	Core working capital, to sales, % *	21.8	22.3	21.8	21.3
	Return on operating capital	33.4	36.6	32.7	35.9
Cash flow	Operating cash flow	511	342	1,421	1,390
EPS	Earnings per share	1.53	-	-	3.49

US RV Market - OEM Shipments

Rolling Twelve Months (000s units)

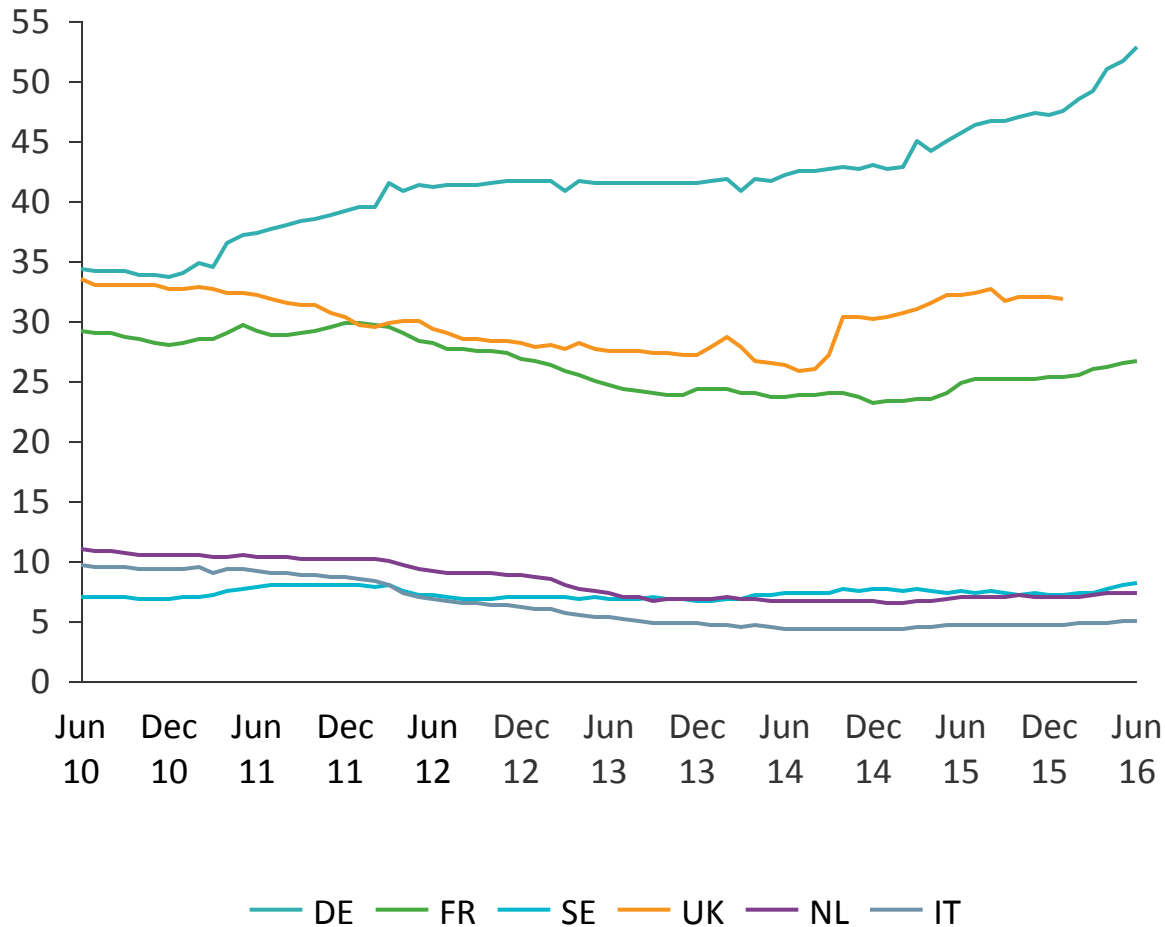


OEM Shipments:

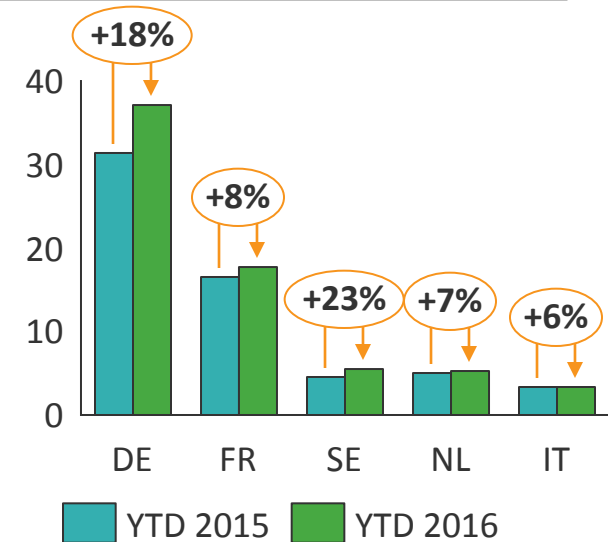
- Rolling three months May: 118,800 units (108,300) +10%
- YTD May: 186,200 units (168,900) +10%
- LTM May: 391,600 units (366,400) +7%

Europe RV Market Registrations

Rolling Twelve Months (000s units)

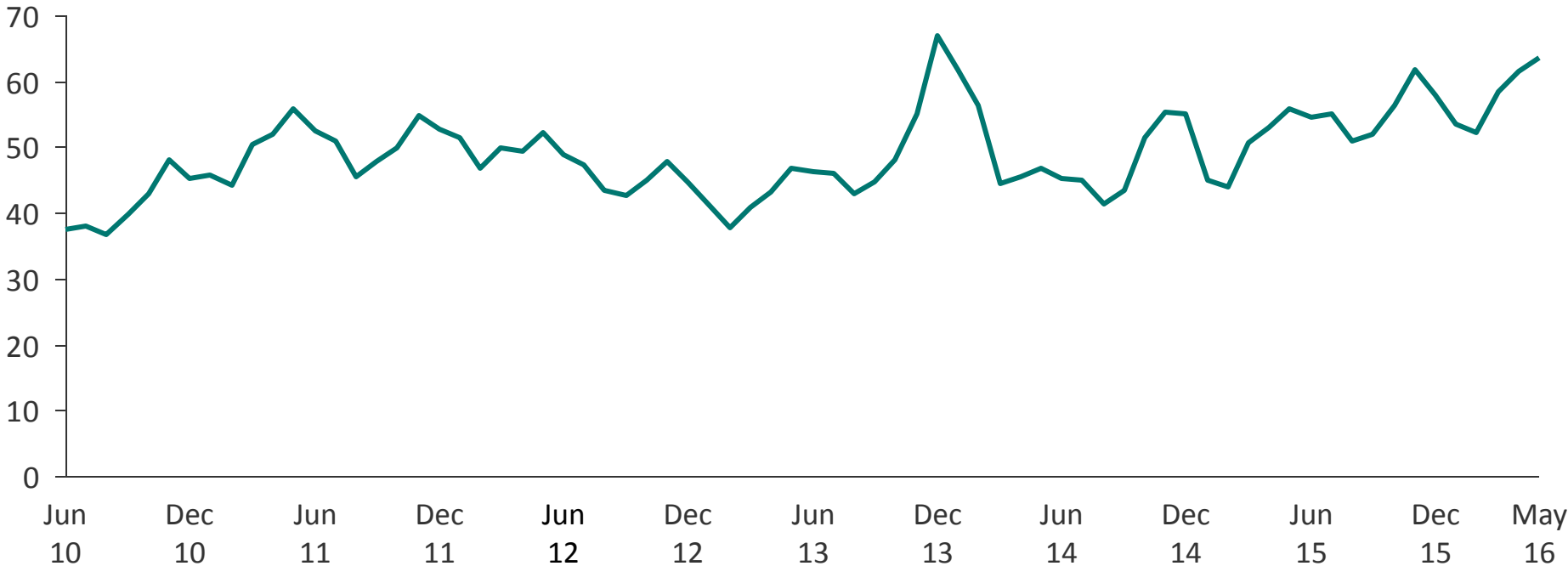


- Rolling three months June: 44,100 units (38,600) +14%*
- YTD June: 69,300 units (60,700) +14%*
- LTM June: 100,000 units (89,500) +12%*



Europe Trucks (above 16 tons) Registrations

Rolling Three Months (000s units)

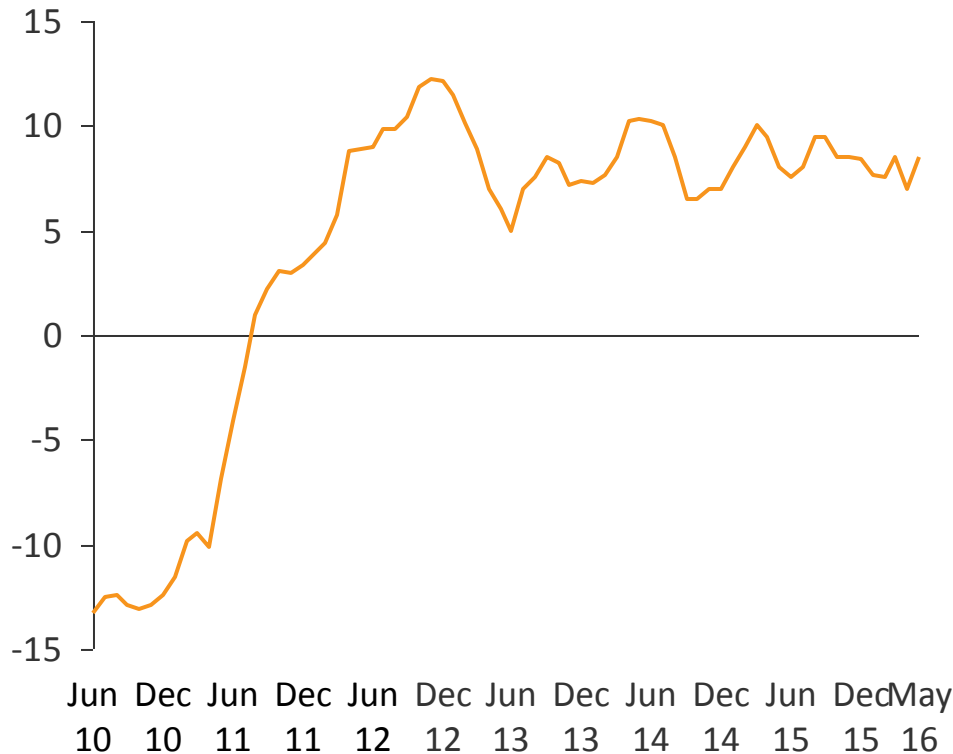


- Rolling three months May: 63,600 units (56,200) +13%
- YTD May: 99,100 units (85,900 units) +15%
- LTM May: 228,400 units (196,800) +16%

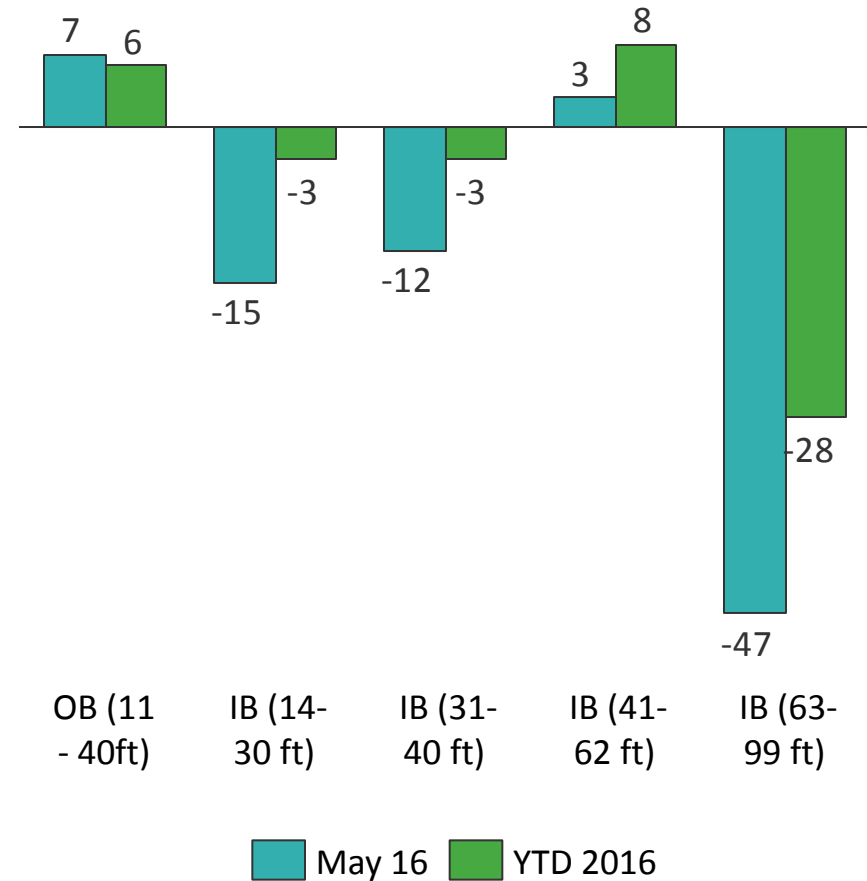
US Power Boat Sales

Rolling Twelve Months Change (%)

- LTM May 2016: 8.5%



Power boat category (%)



AMERICAS

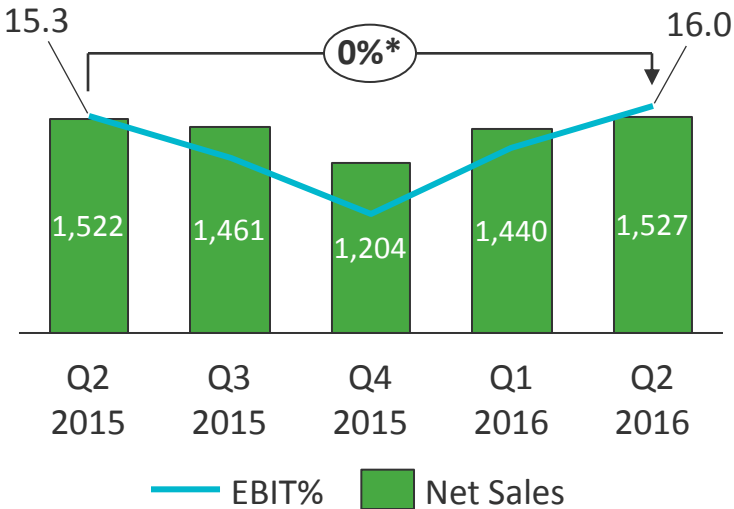
LOCATIONS



Q2 HIGHLIGHTS

- RVOEM sales growth of 7%.
- Phase-out of architectural business.
- Efficiency programs yielding results.
- Continued decline in CPV but outpacing the market.
- Strain on distribution set-up.

NET SALES & EBIT %



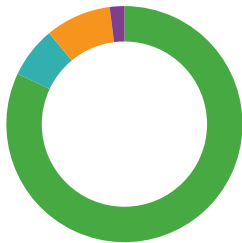
BREAKDOWN OF SALES

By sales channel



- AM, 32%
- OEM, 68%

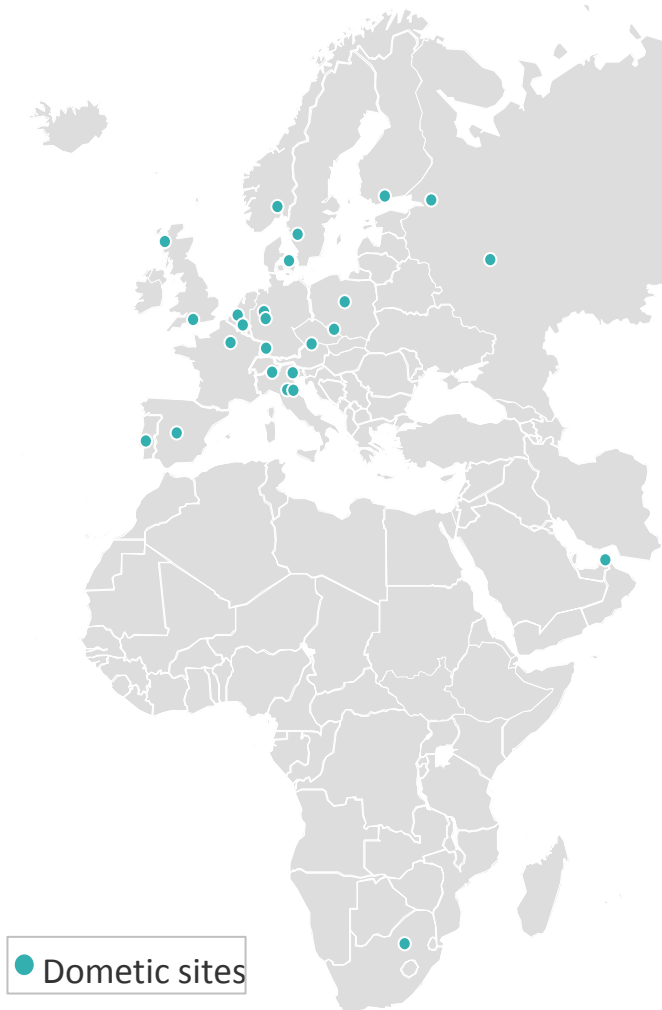
By business area



- RV, 82%
- CPV, 7%
- Marine, 9%
- Other, 2%

EMEA

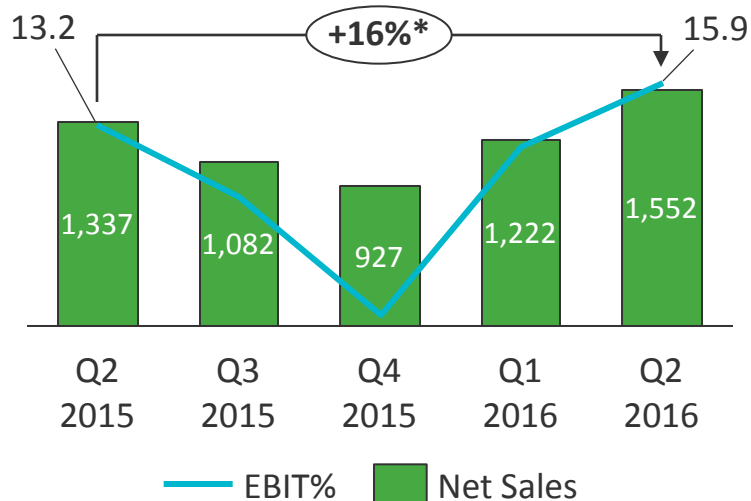
LOCATIONS



Q2 HIGHLIGHTS

- Strong momentum in RV market.
- RVOEM sales double digit growth, outpacing the market.
- Aftermarket growth 19%.
- AC service stations record sales.
- Cost program still yielding result.

NET SALES & EBIT %



BREAKDOWN OF SALES

By sales channel



- AM, 57%
- OEM, 43%

By business area



- RV, 44%
- CPV, 31%
- Marine, 9%
- Other, 16%

APAC

LOCATIONS

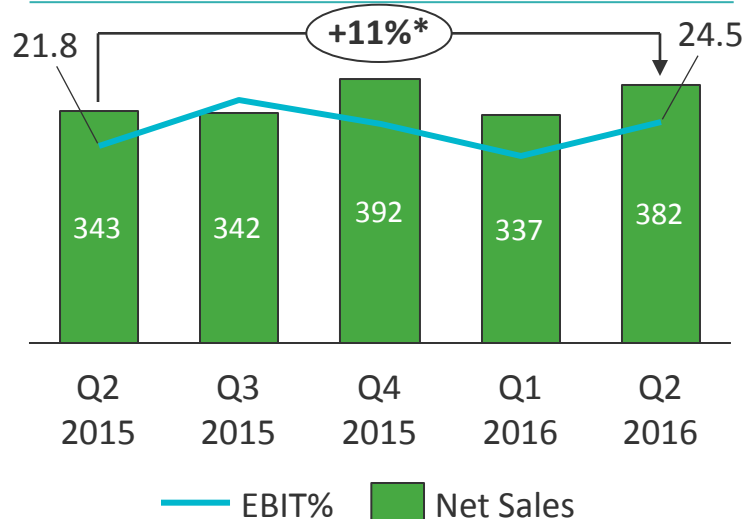


● Dometic sites

Q2 HIGHLIGHTS

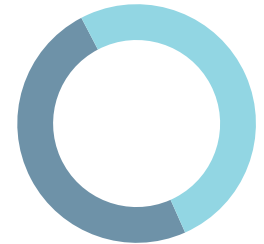
- RV sales strengthened vs Q1.
- Continued strong momentum in Retail.
- Good momentum in Japan and Singapore.
- Improved EBIT margins.

NET SALES & EBIT %



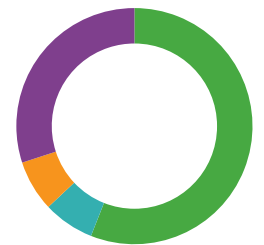
BREAKDOWN OF SALES

By sales channel



■ AM, 49%
■ OEM, 51%

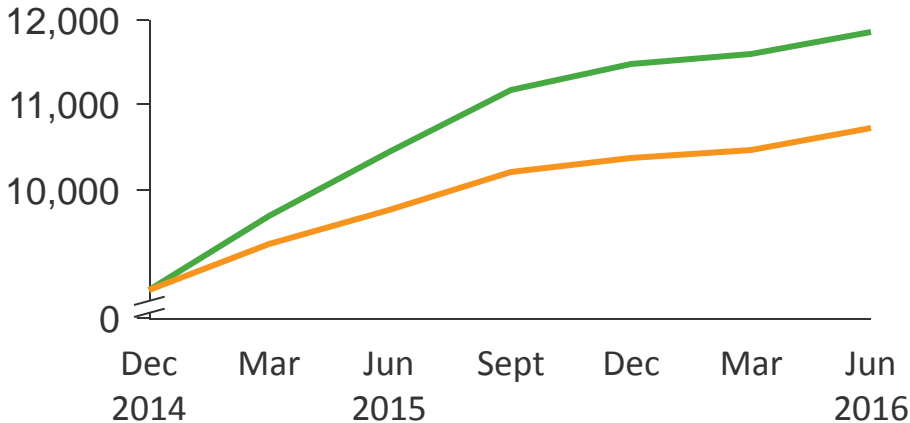
By business area



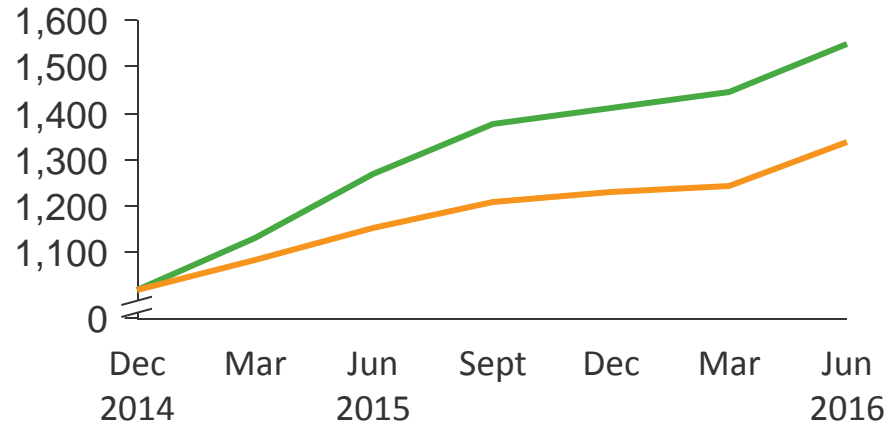
■ RV, 56%
■ CPV, 7%
■ Marine, 7%
■ Other, 30%

Dometic Group Trends

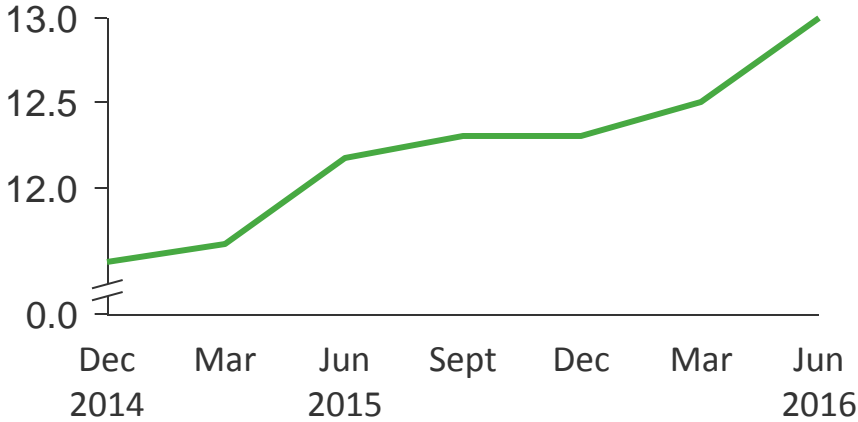
Sales (SEKm)



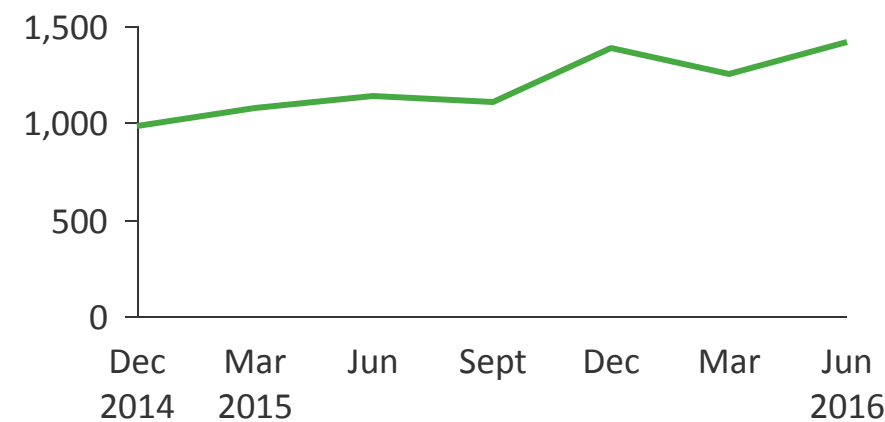
EBIT bef. i.a.c (SEKm)



EBIT bef. i.a.c (%)



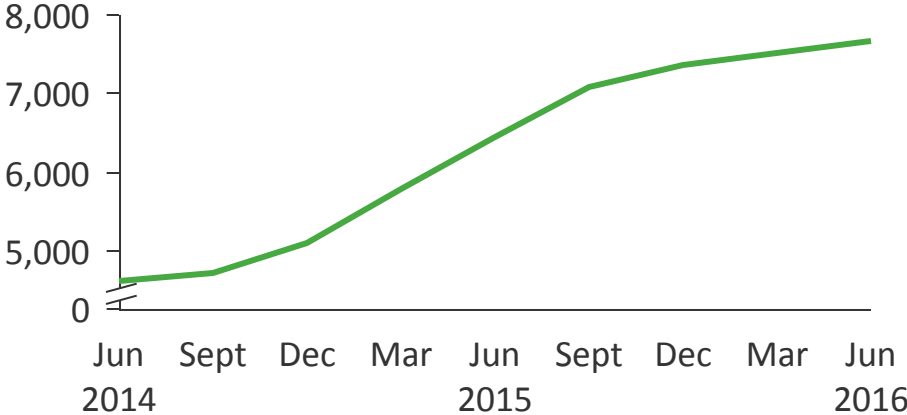
Operating cash flow (SEKm)



Business Area Sales Development

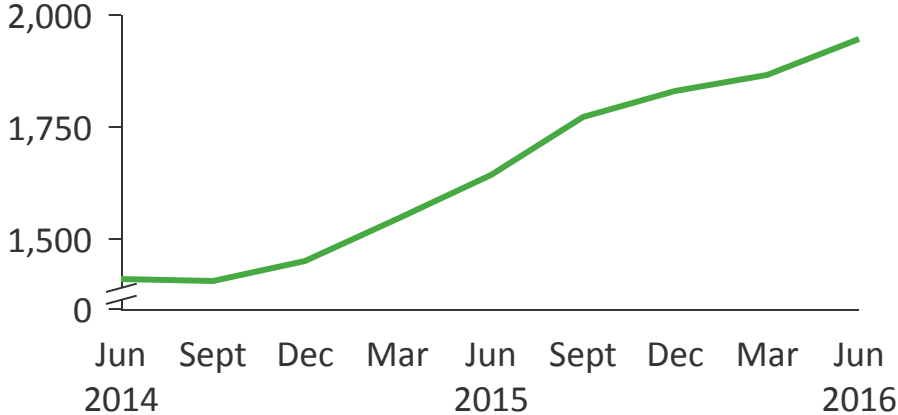
RV

+19%
(14% CC)



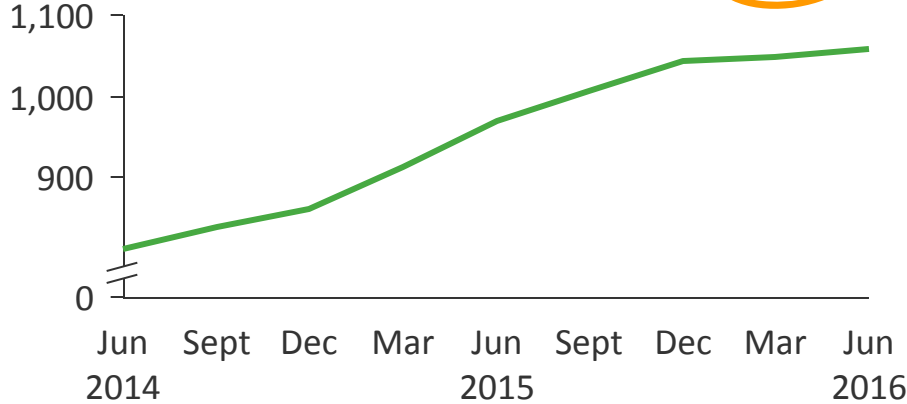
CPV

+19%
(17% CC)



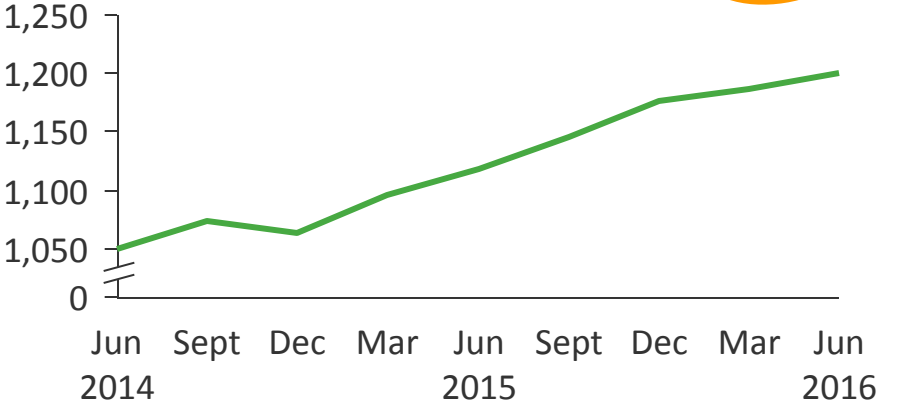
Marine

+9%
(4% CC)



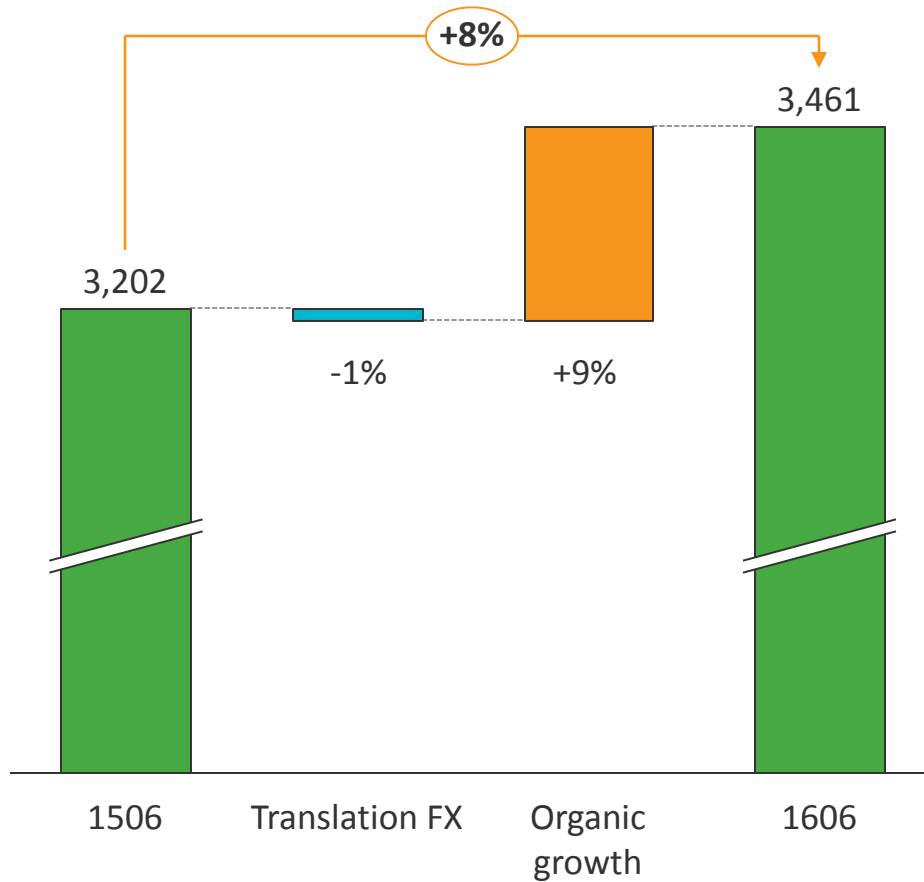
Other

+7%
(7% CC)



PER-ARNE BLOMQUIST, CFO

Dometic Group Net Sales Bridge Q2 (SEKm)



Translation FX details

	Net Sales	Share of impact	FX change
USD	3	-15%	1%
EUR	2	-12%	0%
AUD	-11	61%	-5%
HKD	0	0%	1%
GBP	-6	33%	-6%
CNY	-1	7%	-4%
Other	-5	30%	0%
Total	-18		-1%

Regional result

SEK million	Q2	Q2	Change (%)		H1	H1	Change (%)		LTM	FY
	2016	2015	Rep.	Adj. ⁽¹⁾	2016	2015	Rep.	Adj. ⁽¹⁾	2016	2015
Americas	1,527	1,522	0%	0%	2,967	2,872	3%	1%	5,633	5,538
EMEA	1,552	1,337	16%	17%	2,774	2,471	12%	13%	4,782	4,479
Asia Pacific	382	343	11%	15%	719	665	8%	11%	1,454	1,400
Medical division ⁽²⁾	-	-	-	-	-	69	-	-	-	69
Total net sales	3,461	3,202	8%	9%	6,460	6,077	6%	6%	11,869	11,486
Americas	244	233	5%	5%	432	371	16%	14%	711	650
EMEA	246	176	40%	41%	389	304	28%	29%	485	400
Asia Pacific	94	75	25%	29%	163	147	11%	13%	350	334
Medical division	-	-	-	-	-	28	-	-	-	28
Total operating profit (EBIT)⁽³⁾	584	484	21%	22%	984	850	16%	15%	1,546	1,412
Americas	16.0%	15.3%			14.5%	12.9%			12.6%	11.7%
EMEA	15.9%	13.2%			14.0%	12.3%			10.1%	8.9%
Asia Pacific	24.5%	21.8%			22.7%	22.1%			24.1%	23.9%
Medical division	-	-			-	40.6%			-	40.6%
Total operating profit %	16.9%	15.1%			15.2%	14.0%			13.0%	12.3%

Phase out of Architectural products - Americas

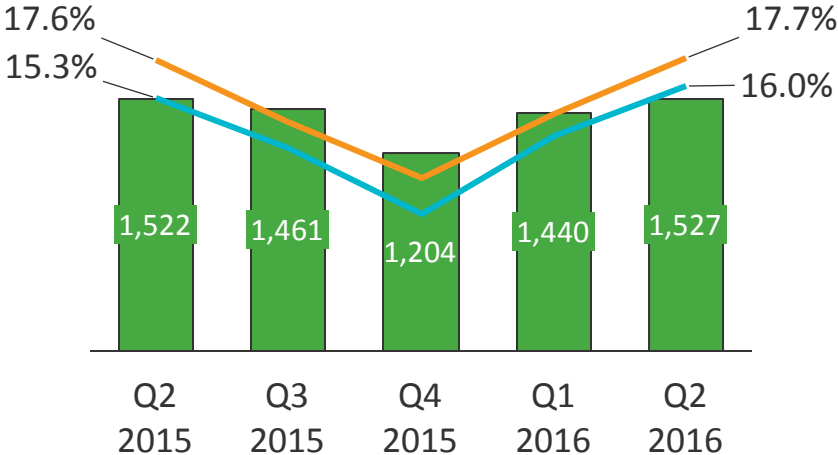
- Annual turnover USD 18.8 million and slightly negative EBIT (2015)
 - 66% RVOEM, 34% RVAM
- Products manufactured in one of our facilities in Elkhart, Indiana:
 - Manufactured housing
 - Windows for RV's
 - Doors for RV's
- Business phased out during first half 2016.
- Cost and write downs of SEK 25 million included in Q2 results.
- Negative impact of USD 5 million on Q2 sales vs Q2 2015.
- Adjusted for architectural products, Americas RVOEM growth was 7% in Q2 2016.

Items affecting comparability

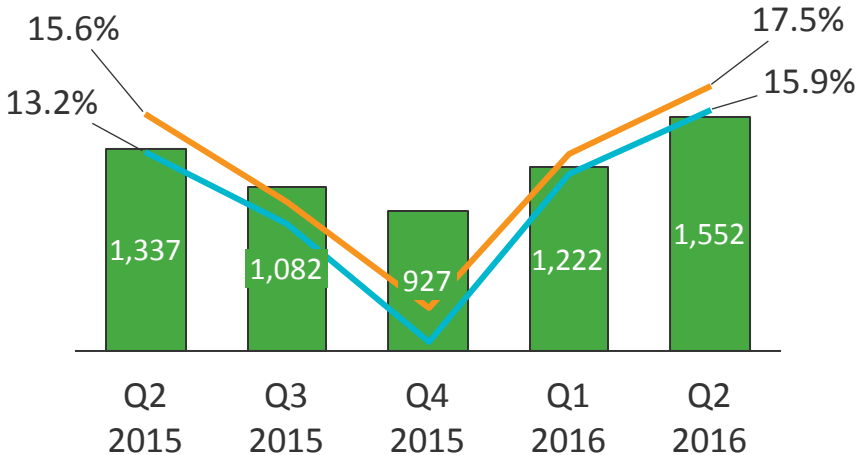
SEKm	Q2 2016	Q2 2015	H1 2016	H1 2015	FY 2015
Phase out of architectural products	-25	-	-25	0	0
Integration Atwood/Consolidation Americas	-7	-9	-7	-11	-35
Fire Filakovo - cost and insurance settlement	21	-5	21	-3	11
Gain Sale Medical including transactional cost	-	-4	0	84	83
SG&A Restructuring initiative	-	0	0	-30	-30
Other	-	-4	0	-4	-5
Total	-11	-21	-11	36	24

Margin improvements in all regions

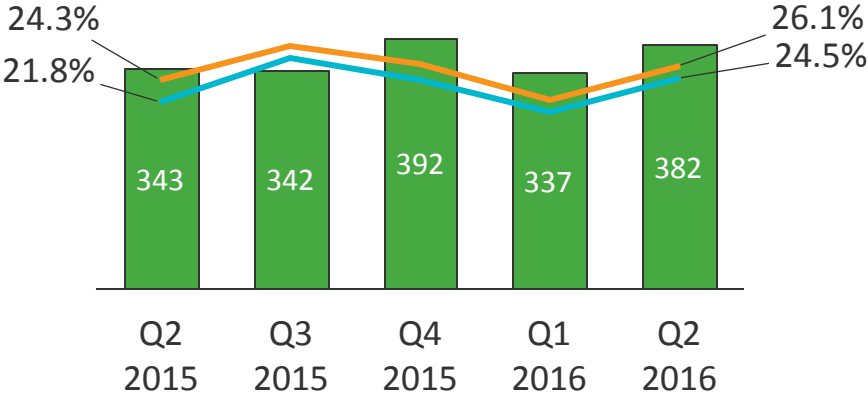
AMERICAS



EMEA



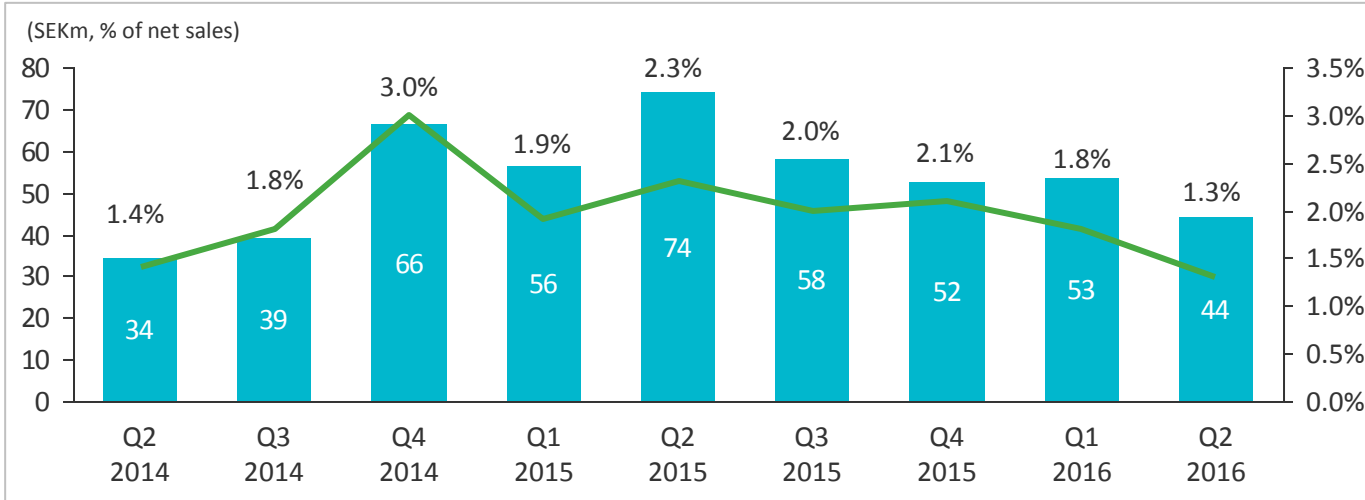
APAC



- EBIT%
- EBIT% w/o central cost
- Net Sales

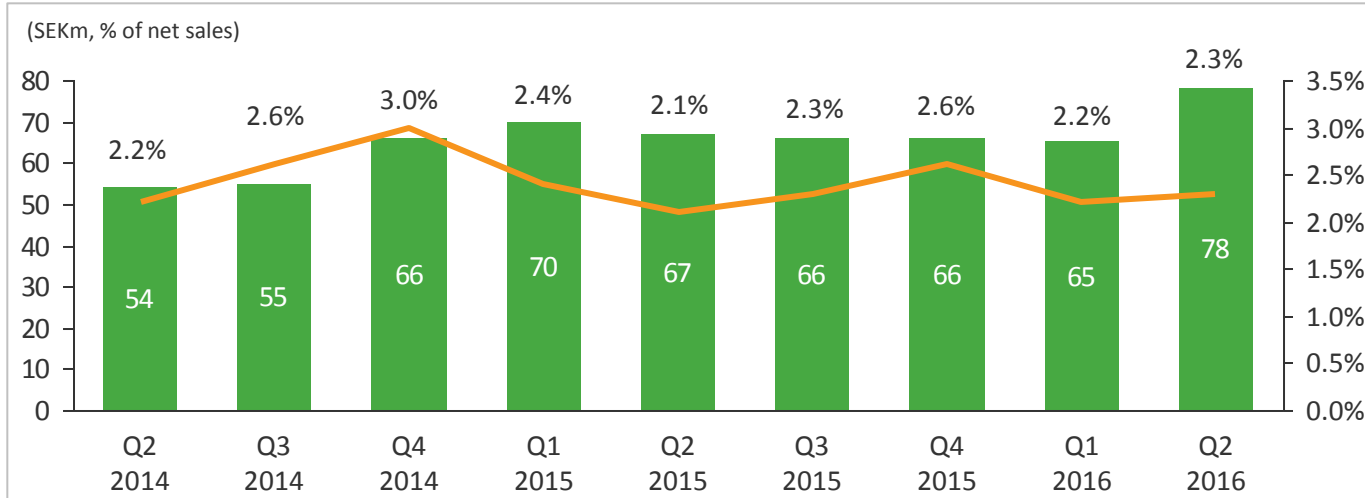
CAPEX & PMI

CAPEX



- LTM Capex 1.7% of LTM net sales.
- Q2 2016 lower than 2015 due to timing of investments.
- Expected increase in second half year.

PMI

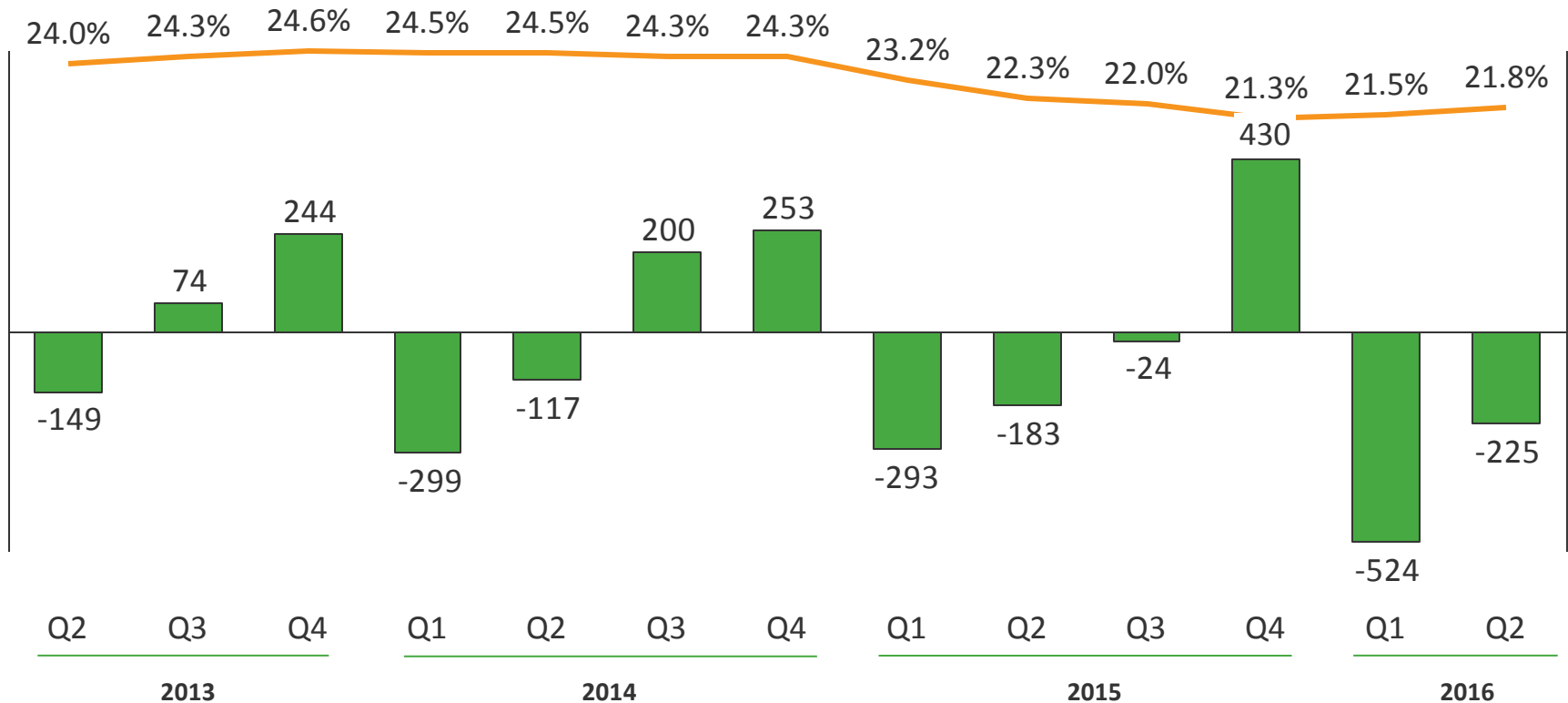


- Continue to invest in product development, at 2.3% in Q2 vs. 2.1% Q2 2015.
- Annualized on par with last year.

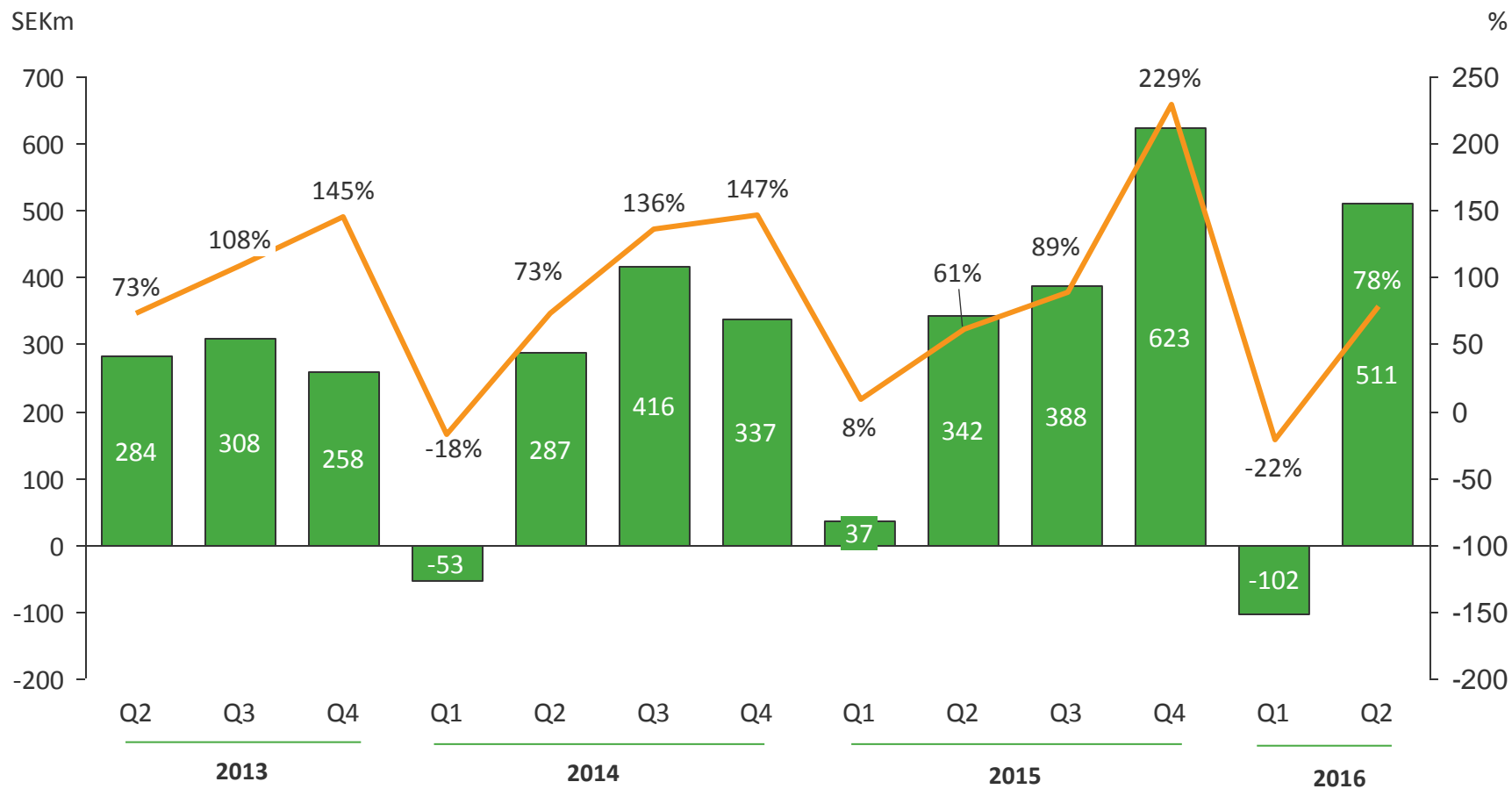
Working Capital development

— Average core WC / LTM sales
 ■ Change in core WC¹

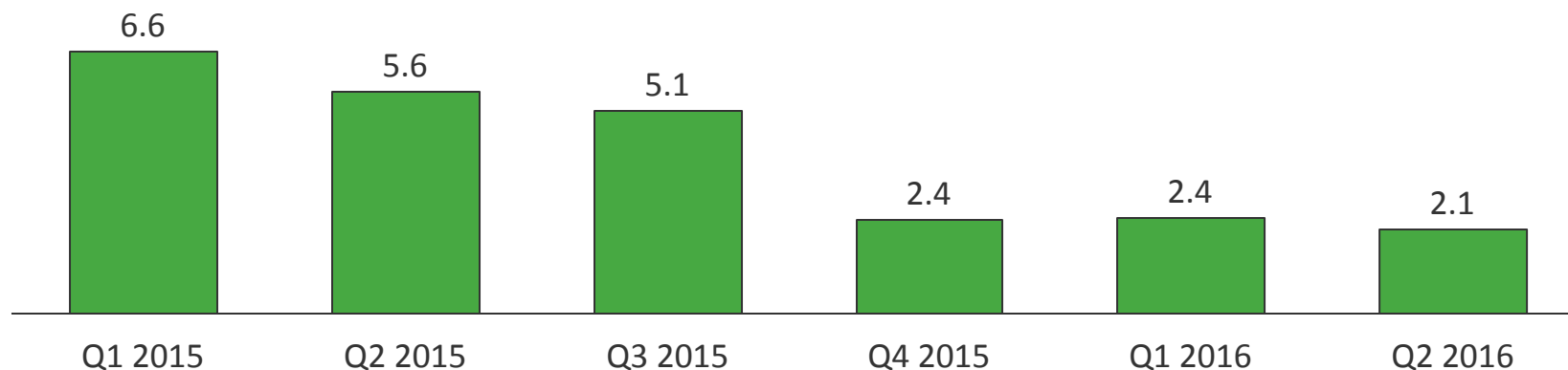
Core working capital build-up (SEKm, %)



Cash Flow (SEKm)



Net debt leverage and Net debt details



SEKm	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016
RCF	139	87	0	311	131	0
Capex	434	434	434	0	0	0
Senior term A	860	826	819	996	988	1 016
Senior term B	5 680	5 076	5 055	3 484	3 457	3 558
Local facilities	11	14	60	58	49	76
Total debt	7 124	6 438	6 368	4 849	4 625	4 650
Senior PIK notes	2 917	2 612	2 662	0	0	0
Cash	1025	462	522	833	413	730
Net Debt	9 016	8 588	8 508	4 016	4 212	3 920

Earnings per share – Q2

SEKm, SEK*	Q2 2016	EPS
Net sales	3,461	
Operating profit (before i.a.c)	584	1.97
Finance net	-38	-0.13
Tax	-81	-0.28
Result for the period	453	1.53
No. of shares, million	296	
Earnings per share, SEK	1.53	

Total tax charge 15% (37%), paid tax 7% (10%) of EBT

Financial Targets

	FY 2014	FY 2015	Q2 2016	H1 2016	Mid/long term Financial target
Net Sales Growth ¹	5 %	8 %	9 %	7 %	5 %
EBIT Margin ²	11.6 %	12.3 %	16.9 %	15.2 %	15 %
Net Debt / EBITDA	7.5x	2.4x	2.1x	2.1x	2.0x
Dividend Policy	-	No dividend	-	-	40 %



Class action complaint in the US

- On April 21, a class action complaint consisting of 5 individual plaintiffs was filed in California. Dometic has submitted a motion to dismiss the action on June 17.
- On June 24, a similar complaint was filed in Florida consisting of 7 new individual plaintiffs; none of these plaintiffs alleges that they have experienced any defect related to a Dometic product. Dometic is preparing a motion to dismiss this action.
- On July 8, the California action plaintiffs submitted an amended complaint, adding 2 more individual plaintiffs. We will file another motion to dismiss.
- It is not uncommon for competing law firms to file similar class action complaints or file amended complaints to respond to the motion to dismiss arguments.
- We remain firm in our position that the allegations are without merit.

Summary & outlook

- Continued strong organic growth driven by overall favorable markets and internal sales initiatives.
- Continued focus on operational improvements in order to leverage growth, especially in distribution.
- Profit improvements.
- Strong cash flow and strengthened balance sheet.
- Continue to assess our businesses from a core and profitability perspective.
- We remain confident for the rest of 2016.

Q&A

APPENDIX

Appendix A

Quarterly Summary Key Financials

	Q2	Q2	H1	H1	LTM	FY
SEK million	2016	2015	2016	2015	2016	2015
Net sales	3,461	3,202	6,460	6,077	11,869	11,486
EBITDA	646	536	1,119	1,031	1,815	1,727
% of net sales	18.7%	16.7%	17.3%	17.0%	15.3%	15.0%
Operating profit (EBIT)	573	463	973	886	1,523	1,436
% of net sales	16.6%	14.5%	15.1%	14.6%	12.8%	12.5%
Operating profit (EBIT) before items affecting comparability	584	484	984	850	1,546	1,412
% of net sales	16.9%	15.1%	15.2%	14.0%	13.0%	12.3%
Profit for the period	453	198	748	359	1,421	1,032
Earnings per share, SEK	1.53	–	2.53	–	–	3.49
Cash flow for the period	309	-550	-107	-141	272	238
Operating cash flow ⁽¹⁾	511	342	410	379	1,421	1,390
Core working capital	2,953	2,584	2,953	2,584	2,953	2,104
Capital expenditure in fixed assets	-44	-74	-97	-130	-207	-240
RoOC	33%	37%	33%	37%	33%	36%

Appendix B

Group P&L

	Q2	Q2	H1	H1	FY
SEK million	2016	2015	2016	2015	2015
Net sales	3,461	3,202	6,460	6,077	11,486
Cost of goods sold	-2,309	-2,216	-4,397	-4,265	-8,127
Gross Profit	1,152	986	2,063	1,812	3,359
Sales expenses	-420	-362	-790	-708	-1,433
Administrative expenses	-133	-123	-271	-242	-510
Other operating income and expenses	2	0	16	22	64
Items affecting comparability	-11	-21	-11	36	24
Amortization of customer relationship	-17	-17	-34	-34	-68
Operating profit (EBIT)	573	463	973	886	1,436
Financial income	2	1	3	1	2
Financial expenses	-41	-151	-76	-358	-1,104
Loss from financial items	-39	-150	-73	-357	-1,102
Profit (loss) before income tax	534	313	900	529	334
Taxes	-81	-115	-152	-170	698
Profit (loss) for the period	453	198	748	359	1,032
Profit (loss) for the period attributable to owners of the parent	453	198	748	359	1,032
Earnings per share before and after dilution effects, SEK - Owners of the parent	1.53	-	2.53	-	3.49
Number of shares, million	295.8	-	295.8	-	295.8

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.

Analysts and investors are cautioned not to place undue reliance on those forward looking statements which speak only as of the date of this presentation. The Company undertakes no obligation to release publicly the results of any revisions to these forward looking statements which may be made to reflect events and circumstances after the date of this presentation, including, without limitation, changes in the Company's business strategy or to reflect the occurrence of unanticipated events. Analysts and investors are encouraged to consult the Company's public reports.

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