

# REPORT ON THE SECOND QUARTER 2016

## SECOND QUARTER

- Net sales for the second quarter totaled SEK 3,461 million (3,202), an increase of 8%, of which 9% was organic growth.
- Operating profit (EBIT) before items affecting comparability amounted to SEK 584 million (484), representing a margin of 16.9% (15.1%).
- Operating profit (EBIT) amounted to SEK 573 million (463).
- Cash flow for the period totaled SEK 309 million (-550). Operating cash flow totaled SEK 511 million (342).
- Profit for the second quarter was SEK 453 million (198).
- Earnings per share: SEK 1.53.

## FIRST HALF OF THE YEAR

- Net sales for the January-June 2016 period totaled SEK 6,460 million (6,077), an increase of 6%, of which 7% was organic growth.
- Operating profit (EBIT) before items affecting comparability amounted to SEK 984 million (850), representing a margin of 15.2% (14.0%).
- Operating profit (EBIT) amounted to SEK 973 million (886).
- Cash flow for the period totaled SEK -107 million (-141). Operating cash flow totaled SEK 410 million (379).
- Profit for the period was SEK 748 million (359).
- Earnings per share: SEK 2.53.

## FINANCIAL OVERVIEW (SUMMARY CONSOLIDATED FINANCIAL INFORMATION)

	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 <sup>(1)</sup>	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%

<sup>(1)</sup>Net cash flow from operations after investments in fixed assets and excluding income tax paid.

CEO comments

## 9% ORGANIC GROWTH AND MARGIN EXPANSION IN ALL REGIONS

We are pleased to deliver sales growth in 7 out of 8 businesses for the second quarter, which is seasonally the strongest quarter of the year. Organic growth amounted to 9% and the EBIT margin before i.a.c. improved to 16.9% (15.1%). We are seeing healthy underlying development in all our regions. Cash flow was robust, with debt leverage now at 2.1x compared to 2.7x following the IPO in November last year.

As in the first quarter, EMEA showed a strong performance. Both the RV and CPV businesses exhibited double-digit growth, and we are continuing to outpace the RV market. Aftermarket showed strength across the portfolio, driven by both our own sales initiatives and a strong underlying market. Margins continued to improve as a result of favorable OEM and aftermarket mix, combined with the effects of the cost reduction program.

In Americas, we experienced good underlying sales growth in the RV business. During the quarter we phased out the unprofitable architectural business that was part of the Atwood acquisition. This had a negative impact of USD 5 million on sales in the quarter compared to the same quarter 2015. In Marine, the sales trend was stable while the weakened US truck market continued to impact CPV.

APAC exhibited strengthened sales growth and margin improvement, mainly driven by Retail and RV. Favorable weather conditions in April and May triggered increased sales for air conditioners and awnings, and our extended cooling box range continued to gain traction.

The pruning of the architectural products in the US was a result of our continuous portfolio assessment to ensure efficiency and long-term growth. We will continue to optimize our portfolio going forward. In addition, we are addressing some logistical challenges. The current growth rate has put a strain on our distribution set-up, which has impacted delivery performance both in the US and EMEA. Obviously, this has high priority for management and we expect improvements in the coming months.

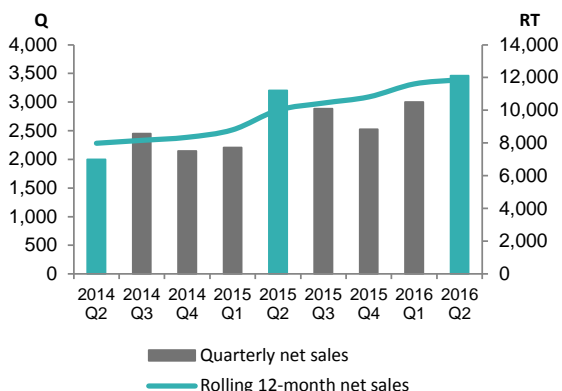
The global outlook for the RV markets remains positive, with Europe showing particularly strong momentum and the US continuing its steady development. At the same time, the US truck market remains under pressure, which will continue to impact our CPV business, although so far we have been performing better than the market as a whole.

Referring to the class action complaint in the US, the process is moving forward and we have filed our motion to dismiss. We remain firm in our position that the allegations are without merit.

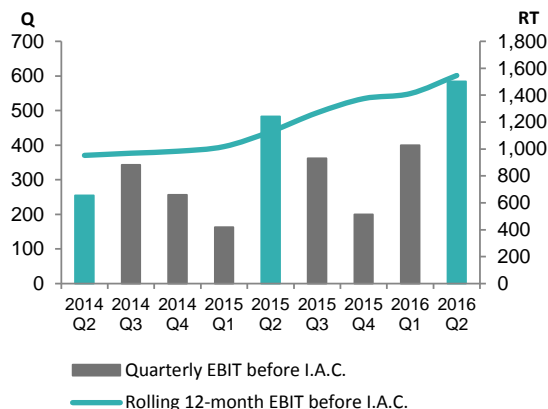
All in all, in light of the current performance and conditions in our markets, we remain confident for the rest of 2016.

Roger Johansson  
President and CEO

NET SALES (SEK MILLION)



OPERATING PROFIT (EBIT) BEFORE I.A.C. (SEK MILLION)



SEK million	Q2	Q2	Change (%)		H1	H1	Change (%)		LTM	FY
	2016	2015	Rep.	Adj. <sup>(1)</sup>	2016	2015	Rep.	Adj. <sup>(1)</sup>	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 <sup>(2)</sup>	-	-	-	-	-	69	-	-	-	69
<b>Total net sales</b>	<b>3,461</b>	<b>3,202</b>	<b>8%</b>	<b>9%</b>	<b>6,460</b>	<b>6,077</b>	<b>6%</b>	<b>6%</b>	<b>11,869</b>	<b>11,486</b>
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
<b>Total operating profit (EBIT)<sup>(3)</sup></b>	<b>584</b>	<b>484</b>	<b>21%</b>	<b>22%</b>	<b>984</b>	<b>850</b>	<b>16%</b>	<b>15%</b>	<b>1,546</b>	<b>1,412</b>
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%
<b>Total operating profit %</b>	<b>16.9%</b>	<b>15.1%</b>			<b>15.2%</b>	<b>14.0%</b>			<b>13.0%</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.

## FINANCIAL SUMMARY – SECOND QUARTER

**Net sales** in the three months ending June 30, 2016, totaled SEK 3,461 million, representing an increase of 8% compared with SEK 3,202 million in the same period last year. This is made up of 9% organic growth and -1% currency translation.

**Operating profit (EBIT)** before i.a.c., totaling SEK 584 million in Q2 2016, displayed a 21% increase compared with SEK 484 million in Q2 2015. The EBIT margin improved from 15.1% to 16.9%.

**Items affecting comparability** totaled SEK -11 million (-21). These consisted of the phase-out of architectural products of SEK -25 million, consolidation Americas SEK -7 million and cost and insurance settlement related to the fire in the Filakovo plant net SEK 21 million.

**Financial items** amounted to a net expense of SEK 39 million (150), including SEK 30 million in interest on external bank loans (167) and SEK 2 million for amortization of capitalized long-term financing expenses (20). Other expense items amounted to SEK 7 million (-37).

**Taxes** totaled SEK -81 million (-115), including current tax of SEK -61 million (-68) and deferred tax of SEK -20 million (-47). The total tax charge amounted to 15% of profit before tax (37%).

**Net profit for the period** totaled SEK 453 million (198).

**Earnings per share** amounted to SEK 1.53.

**Operating cash flow** of SEK 511 million (342). The increase is mainly due to higher operating profit.

**Financial position.** Leverage in Q2 2016 was 2.1 compared with 5.6 in Q2 2015. At year-end 2015, leverage was 2.4.

## FINANCIAL SUMMARY – FIRST HALF

**Net sales** in the first half of 2016 totaled SEK 6,460 million, representing an increase of 6% compared with SEK 6,077 million in the same period last year. This is made up of 7% organic growth, -1% divestments and 0% currency translation.

**Operating profit (EBIT)** before i.a.c. totaled SEK 984 million in first half 2016 (850). The EBIT margin improved from 14.0% to 15.2%.

**Items affecting comparability** totaled SEK -11 million (36).

**Financial items** amounted to a net expense of SEK 73 million (357), including SEK 60 million in interest on external bank loans (348) and SEK 4 million for amortization of capitalized long-term financing expenses (39). Other expense items amounted to SEK 9 million (-30).

**Taxes** amounted to SEK -152 million (-170), which corresponds to 17% (32%) of profit before tax. Current tax amounts to SEK -116 million (-101) and deferred tax SEK -36 million (-69).

**Net profit for the period** totaled SEK 748 million (359).

**Earnings per share** amounted to SEK 2.53.

**Operating cash flow** of SEK 410 million (379).

**Events after the quarter.** On July 7, 2016 it was announced that Bengt Thorsson will join Dometic Group as new President for EMEA, replacing Joachim Kinscher, who will remain in the Group as senior advisor.

On July 12 an update regarding the class action complaint in the US was published in response to an amended complaint filed in California and a similar complaint filed in Florida.

**AMERICAS**

SEK million	Q2	Q2	Change (%)		H1	H1	Change (%)		LTM	FY
	2016	2015	Rep.	Adj. <sup>(1)</sup>	2016	2015	Rep.	Adj. <sup>(1)</sup>	2016	2015
Net sales	1,527	1,522	0%	0%	2,967	2,872	3%	1%	5,633	5,538
Operating profit (EBIT) <sup>(2)</sup>	244	233	5%	5%	432	371	16%	14%	711	650

<sup>(1)</sup>Represents change in comparable currency. <sup>(2)</sup>Before i.a.c

**NET SALES AND OPERATING PROFIT (EBIT)**

Americas, which accounted for 44% of sales in Q2 2016, reported net sales of SEK 1,527 million. This equals a flat sales development. Adjusted for the phased-out business, underlying growth was 3%.

Operating profit (EBIT) before i.a.c. of SEK 244 million was 5% higher than last year. The EBIT margin improved from 15.3% to 16.0%.

Net sales for the first half of the year amounted to SEK 2,967 million, an increase of 3%, of which 1% was organic and 2% related to currency translation. Adjusted for the phased-out business, underlying growth was 3%.

The phased-out business refers to architectural products in the US, for which full-year 2015 net sales amounted to USD 18.8 million.

**Americas markets**

In the US, the volume of RV shipments from OEM manufacturers to dealers is continuing to strengthen. The past three months displayed 10% growth in volumes, and year-to-date May represented 10% growth compared to the same period last year.

Growth in the pleasure boat sector has shown signs of a slowdown in recent months compared to the beginning of the year.

**Business highlights**

In Americas, Q2 sales to OEMs were flat and aftermarket sales grew by 1%, in constant currency. Adjusted for the phased out architectural products, OEM growth was 2% and AM 4%.

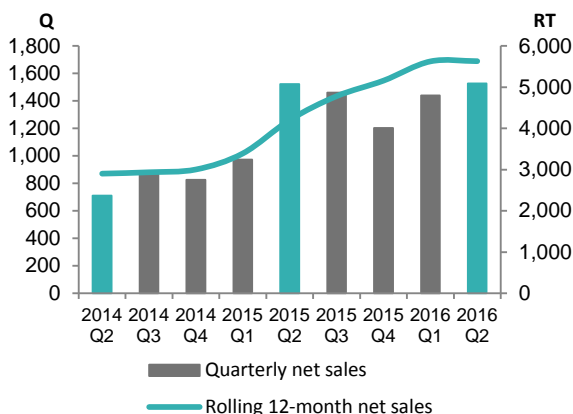
Sales in the RVOEM business, excluding architectural products, increased by 7%, which is somewhat lower than the market.

The underlying development of the Marine OEM business was flat year-over-year. However, reported sales saw a decline in the quarter due to the transfer of sales to customers in APAC in 2015.

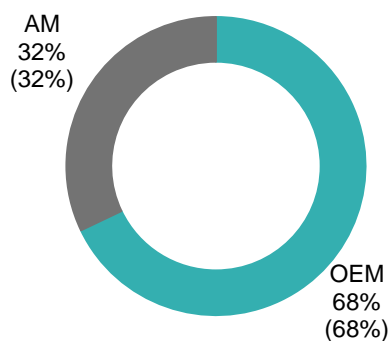
CPVOEM business sales declined in the quarter, mainly due to the slowdown in the Class 8 truck market. However, the market slowdown is larger than our sales decline.

Aftermarket sales increased mainly due to growth in the RV aftermarket, based on underlying market growth combined with new products.

**NET SALES (SEK MILLION)**



**SALES SPLIT AM/OEM**



**EMEA**

SEK million	Q2	Q2	Change (%)		H1	H1	Change (%)		LTM	FY
	2016	2015	Rep.	Adj. <sup>(1)</sup>	2016	2015	Rep.	Adj. <sup>(2)</sup>	2016	2015
Net sales	1,552	1,337	16%	17%	2,774	2,471	12%	13%	4,782	4,479
Operating profit (EBIT) <sup>(2)</sup>	246	176	40%	41%	389	304	28%	29%	485	400

<sup>(1)</sup>Represents change in comparable currency. <sup>(2)</sup>Before i.a.c

**NET SALES AND OPERATING PROFIT (EBIT)**

EMEA, which represented 45% of sales in Q2 2016, reported net sales of SEK 1,552 million. This equates to a sales increase of 16%, of which 17% was organic and -1% currency translation compared with Q2 2015.

Operating profit (EBIT) before i.a.c. of SEK 246 million represented an increase of 40% compared with the previous year. The EBIT margin improved from 13.2% to 15.9%.

Net Sales for the first half amounted to SEK 2,774 million; an increase of 12%, of which 13% was organic and -1% was currency related.

**EMEA markets**

In the second quarter 2016, RV registrations in the larger European markets increased by 14% compared with the same period last year.

Heavy truck registrations in the last three months increased by 13% compared with the same period last year.

**Business highlights**

Second quarter sales in EMEA in the OEM channels increased by 14% and aftermarket sales report 19% growth, in constant currency.

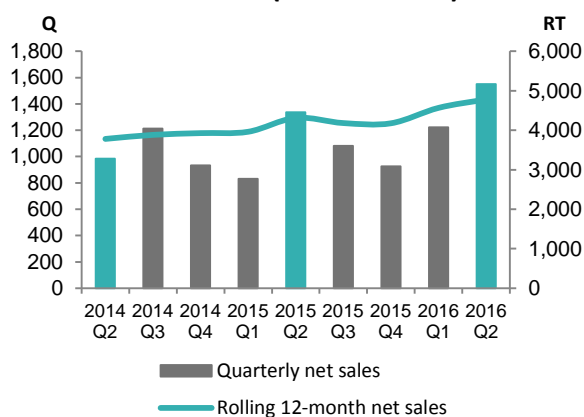
Sales in the RVOEM business area report solid sales growth in the quarter, mainly driven by underlying market momentum combined with strong volumes for Windows and Doors.

The Marine OEM business reported an increase in addition to growth in the three main territories (UK, France and Italy). We have also gained one new large account in Germany.

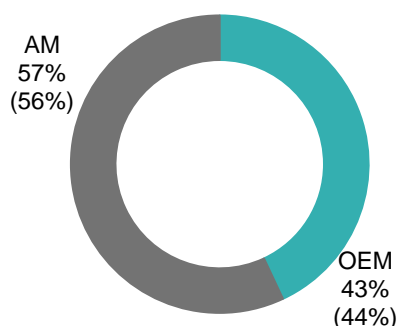
Sales in the CPVOEM business increased, mainly as a result of high sales of roof parking coolers, refrigerators and inverters.

Aftermarket reported an overall increase in sales, with the most significant growth in CPV, RV and Marine aftermarket. The main contributors to the growth were AC service stations, RV air conditioners and CRX refrigerators.

**NET SALES (SEK MILLION)**



**SALES SPLIT AM/OEM**



## APAC - Asia Pacific

SEK million	Q2	Q2	Change (%)		H1	H1	Change (%)		LTM	FY
	2016	2015	Rep.	Adj. <sup>(1)</sup>	2016	2015	Rep.	Adj. <sup>(2)</sup>	2016	2015
Net sales	382	343	11%	15%	719	665	8%	11%	1,454	1,400
Operating profit (EBIT) <sup>(2)</sup>	94	75	25%	29%	163	147	11%	13%	350	334

<sup>(1)</sup>Represents change in comparable currency. <sup>(2)</sup>Before i.a.c

### NET SALES AND OPERATING PROFIT (EBIT)

APAC, which accounted for 11% of sales in Q2 2016, reported net sales of SEK 382 million. This corresponds to a sales increase of 11%, of which 15% was organic and -4% related to currency translation.

Operating profit (EBIT) before i.a.c. of SEK 94 million represented an increase of 25% on last year. The EBIT margin was 24.5% vs. 21.8% in Q2 2015.

Net sales for the first half of 2016 amounted to SEK 719 million, representing growth of 8% of which 11% was organic and -3% related to currency translation.

### APAC markets

Statistics on Australian domestic RV production showed an increase of 6% over the past three months, compared with the same period the previous year.

### Business highlights

Sales in the OEM channels for Q2 in APAC increased by 21%, while the aftermarket grew by 10%, in constant currency.

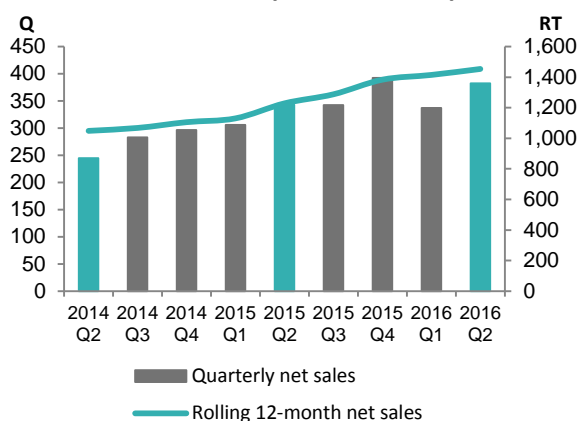
In the RVOEM business, sales increased in the second quarter, mainly due to market growth and an expanded product offering.

The Marine OEM business reported a sales increase compared to last year. However, a large share of the increase is related to the transfer of sales from the Americas region to APAC customers, which took place in the second half of 2015. Sales to these customers are now recorded as APAC sales and no longer included in Americas.

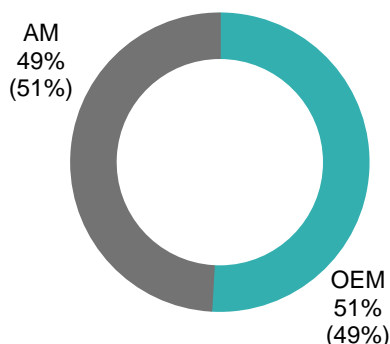
Sales in the CPVOEM business increased, following successful launches of new products to local Chinese premium car manufacturers.

The aftermarket business continued to report strong growth in the second quarter of 2016, with retail leading the way. Our cooling boxes continue to gain market share in Australia.

NET SALES (SEK MILLION)



SALES SPLIT AM/OEM



## PARENT COMPANY DOMETIC GROUP AB

The Parent Company Dometic Group AB comprises the functions of the Group's head office, such as group-wide management and administration. The Parent Company invoices its costs to Group companies.

For the second quarter 2016, the Parent Company had operating profit (loss) of SEK -5 million (1), including administrative expenses of SEK 34 million (10) and other operating income of SEK 29 (11), of which the full amount relates to income from Group companies.

Profit (loss) from financial items totaled SEK -139 million (2), including interest income from Group companies of SEK 16 million (71) and interest expenses to Group companies of SEK 0 million (2).

Profit (loss) for the second quarter amounted to SEK -144 million (3).

The Parent Company's operating profit (loss) for the first half of the year totaled SEK -5 million (0), including administrative expenses of SEK 61 million (25) and other operating income of SEK 56 million (25), of which the full amount relates to income from Group companies.

Profit (loss) from financial items amounted to SEK -116 million (6), including interest income from Group companies of SEK 19 million (140) and interest expenses to Group companies of SEK 0 million (3).

Profit (loss) for the period amounted to SEK -122 million (6).

For further information, please refer to the Parent Company's condensed financial statements on page 12.

## SIGNATURES OF THE BOARD OF DIRECTORS

The Board of Directors and the President and CEO certify that the Interim Report gives a true and fair overview of the Parent Company's and Group's operations, their financial position and results of operations, and describes the significant risks and uncertainties facing the Parent Company and other companies in the Group.

Solna July 15, 2016

Fredrik Cappelen Chairman of the Board	Roger Johansson President and CEO
Rainer E. Schmückle Board member	Harry Klagsbrun Board member
Albert Gustafsson Board member	Magnus Yngen Board member
Erik Olsson Board member	Gun Nilsson Board member

## REVIEW

This report has not been audited.

**QUARTERLY FINANCIAL STATEMENTS  
CONSOLIDATED INCOME STATEMENT**

	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
<b>Gross Profit</b>	<b>1,152</b>	<b>986</b>	<b>2,063</b>	<b>1,812</b>	<b>3,359</b>
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
<b>Operating profit</b>	<b>573</b>	<b>463</b>	<b>973</b>	<b>886</b>	<b>1,436</b>
Financial income	2	1	3	1	2
Financial expenses	-41	-151	-76	-358	-1,104
<b>Loss from financial items</b>	<b>-39</b>	<b>-150</b>	<b>-73</b>	<b>-357</b>	<b>-1,102</b>
<b>Profit before income tax</b>	<b>534</b>	<b>313</b>	<b>900</b>	<b>529</b>	<b>334</b>
Taxes	-81	-115	-152	-170	698
<b>Profit for the period</b>	<b>453</b>	<b>198</b>	<b>748</b>	<b>359</b>	<b>1,032</b>
Profit 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

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Q2	Q2	H1	H1	FY
SEK million	2016	2015	2016	2015	2015
Profit for the period	453	198	748	359	1,032
<b>Other comprehensive income</b>					
Items that will not be reclassified subsequently to profit or loss:					
Remeasurements of defined benefit pension plans, net of tax	0	1	-3	3	19
	<b>0</b>	<b>1</b>	<b>-3</b>	<b>3</b>	<b>19</b>
Items that may be reclassified subsequently to profit or loss:					
Cash flow hedges, net of tax	9	-3	-10	3	-18
Gains/losses from hedges of net investments in foreign operations, net of tax	-30	106	-53	-55	-66
Exchange rate differences on translation of foreign operations	327	-419	278	102	-9
	<b>306</b>	<b>-316</b>	<b>215</b>	<b>50</b>	<b>-93</b>
<b>Other comprehensive income for the period</b>	<b>306</b>	<b>-315</b>	<b>212</b>	<b>53</b>	<b>-74</b>
<b>Total comprehensive income for the period</b>	<b>759</b>	<b>-117</b>	<b>960</b>	<b>412</b>	<b>958</b>
Total comprehensive income for the period attributable to owners of the parent	759	-117	960	412	958



**QUARTERLY FINANCIAL STATEMENTS  
CONSOLIDATED BALANCE SHEET**

SEK million	Jun 30, 2016	Jun 30, 2015	Dec 31, 2015
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill and trademarks	12,170	11,962	11,907
Other intangible assets	1,039	1,083	1,058
Tangible assets	1,564	1,587	1,567
Deferred tax assets	1,072	107	1,092
Derivatives	12	49	34
Other non-current assets	48	44	46
<b>Total non-current assets</b>	<b>15,905</b>	<b>14,832</b>	<b>15,704</b>
<b>Current assets</b>			
Inventories	2,452	2,190	2,199
Trade receivables	1,632	1,405	906
Receivables related parties	–	22	–
Current tax assets	13	4	27
Other current assets	228	279	179
Prepaid expenses and accrued income	88	107	111
Cash and cash equivalents	730	462	833
<b>Total current assets</b>	<b>5,143</b>	<b>4,469</b>	<b>4,255</b>
<b>TOTAL ASSETS</b>	<b>21,048</b>	<b>19,301</b>	<b>19,959</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>	<b>12,840</b>	<b>6,871</b>	<b>11,883</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Liabilities to credit institutions	4,347	8,775	4,353
Deferred tax liabilities	561	524	554
Provisions for pensions	495	501	476
Other provisions	106	113	74
<b>Total non-current liabilities</b>	<b>5,509</b>	<b>9,913</b>	<b>5,457</b>
<b>Current liabilities</b>			
Liabilities to credit institutions	273	72	462
Trade payables	1,131	1,010	1,000
Current tax liabilities	246	215	207
Advance payments from customers	16	19	14
Derivatives	35	14	39
Other provisions	218	238	243
Other current liabilities	201	209	174
Accrued expenses and prepaid income	579	740	480
<b>Total current liabilities</b>	<b>2,699</b>	<b>2,517</b>	<b>2,619</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>21,048</b>	<b>19,301</b>	<b>19,959</b>

**QUARTERLY FINANCIAL STATEMENTS**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

SEK million	Attributable to owners of the parent			Total equity
	Share capital	Other reserves	Retained earnings	
<b>Opening balance Jan 1, 2015</b>	<b>1</b>	<b>1,097</b>	<b>5,361</b>	<b>6,459</b>
Profit for the period			359	359
<b>Other comprehensive income</b>				
Remeasurements of defined benefit pension plans, net of tax			3	3
Cash flow hedges, net of tax		3		3
Gains/losses from hedges of net investments in foreign operations, net of tax		-55		-55
Exchange rate differences on translation of foreign operations		102		102
<b>Total comprehensive income</b>		<b>50</b>	<b>362</b>	<b>412</b>
<b>Transactions with owners</b>				
Shareholders contribution			-	-
<b>Total transactions with owners</b>			<b>-</b>	<b>-</b>
<b>Closing balance Jun 30, 2015</b>	<b>1</b>	<b>1,147</b>	<b>5,723</b>	<b>6,871</b>

SEK million	Attributable to owners of the parent			Total equity
	Share capital	Other reserves	Retained earnings	
<b>Opening balance Jan 1, 2016</b>	<b>1</b>	<b>1,004</b>	<b>10,878</b>	<b>11,883</b>
Profit for the period			748	748
<b>Other comprehensive income</b>				
Remeasurements of defined benefit pension plans, net of tax			-3	-3
Cash flow hedges, net of tax		-10		-10
Gains/losses from hedges of net investments in foreign operations, net of tax		-53		-53
Exchange rate differences on translation of foreign operations		278		278
<b>Total comprehensive income</b>		<b>215</b>	<b>745</b>	<b>960</b>
<b>Transactions with owners</b>				
Costs related to the shareholders contribution, net of tax			-3	-3
<b>Total transactions with owners</b>			<b>-3</b>	<b>-3</b>
<b>Closing balance Jun 30, 2016</b>	<b>1</b>	<b>1,219</b>	<b>11,620</b>	<b>12,840</b>

**QUARTERLY FINANCIAL STATEMENTS  
CONSOLIDATED CASH FLOW**

SEK million	Q2 2016	Q2 2015	H1 2016	H1 2015	FY 2015
<b>Cash flow from operations</b>					
Operating profit	573	463	973	886	1,436
<i>Adjustment for other non-cash items</i>					
Depreciation and amortization	73	73	146	145	291
Adjustment for result from sale of subsidiaries	–	3	–	-84	-83
Adjustments for other non-cash items	24	-1	35	-22	17
<i>Changes in working capital</i>					
Changes in inventories	-73	-21	-235	-186	-203
Changes in trade receivables	-211	-73	-700	-539	-47
Changes in trade payables	59	-89	186	249	180
Changes in other working capital	110	61	102	60	39
Income tax paid	-40	-31	-65	-35	-89
<b>Net cash flow from operations</b>	<b>515</b>	<b>385</b>	<b>442</b>	<b>474</b>	<b>1,541</b>
<b>Cash flow from investments</b>					
Acquisition of operations	–	-2	–	-10	-13
Investments in fixed assets	-44	-74	-97	-130	-240
Proceeds from sale of fixed assets	0	0	1	1	1
Proceeds from sale of subsidiaries	–	-13	–	658	657
Other investing activities	0	-1	-1	0	0
<b>Net cash flow from investments</b>	<b>-44</b>	<b>-90</b>	<b>-97</b>	<b>519</b>	<b>405</b>
<b>Cash flow from financing</b>					
Shareholders contribution/Paid costs related to the shareholders contribution	–	–	-74	–	4,500
Borrowings from credit institutions	25	–	25	–	4,827
Repayment of loans to credit institutions	-132	-723	-325	-760	-10,110
Paid interest	-57	-119	-59	-351	-847
Received interest	1	–	1	–	14
Other financing activities	1	-3	-20	-23	-92
<b>Net cash flow from financing</b>	<b>-162</b>	<b>-845</b>	<b>-452</b>	<b>-1,134</b>	<b>-1,708</b>
<b>Cash flow for the period</b>	<b>309</b>	<b>-550</b>	<b>-107</b>	<b>-141</b>	<b>238</b>
Cash and cash equivalents at beginning of period	413	1,024	833	592	592
Exchange differences on cash and cash equivalents	8	-12	4	11	3
<b>Cash and cash equivalents at end of period</b>	<b>730</b>	<b>462</b>	<b>730</b>	<b>462</b>	<b>833</b>

**QUARTERLY FINANCIAL STATEMENTS  
PARENT COMPANY INCOME STATEMENT**

	Q2	Q2	H1	H1	FY
SEK million	2016	2015	2016	2015	2015
Administrative expenses	-34	-10	-61	-25	-54
Other operating income	29	11	56	25	48
<b>Operating profit</b>	<b>-5</b>	<b>1</b>	<b>-5</b>	<b>0</b>	<b>-6</b>
Interest income subsidiaries	16	71	19	140	257
Interest expenses subsidiaries	0	-2	0	-3	-7
Other financial income and expenses	-155	-67	-135	-131	-365
<b>Profit (loss) from financial items</b>	<b>-139</b>	<b>2</b>	<b>-116</b>	<b>6</b>	<b>-115</b>
Group contributions	-	-	-	-	293
<b>Profit (loss) before income tax</b>	<b>-144</b>	<b>3</b>	<b>-121</b>	<b>6</b>	<b>172</b>
Taxes	0	-	-1	-	-36
<b>Profit (loss) for the period</b>	<b>-144</b>	<b>3</b>	<b>-122</b>	<b>6</b>	<b>136</b>

**PARENT COMPANY BALANCE SHEET**

SEK million	Jun 30, 2016	Jun 30, 2015	Dec 31, 2015
<b>ASSETS</b>			
Shares in subsidiaries	13,563	6,983	13,563
Other non-current assets	11	2,897	9
<b>Total non-current assets</b>	<b>13,574</b>	<b>9,880</b>	<b>13,572</b>
Current assets	2,478	442	2,875
<b>TOTAL ASSETS</b>	<b>16,052</b>	<b>10,322</b>	<b>16,447</b>
<b>EQUITY</b>	<b>11,457</b>	<b>6,986</b>	<b>11,583</b>
<b>LIABILITIES</b>			
Provisions	10	8	9
Non-current liabilities	4,347	3,040	4,353
<b>Total non-current liabilities</b>	<b>4,357</b>	<b>3,048</b>	<b>4,362</b>
Current liabilities	238	288	502
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>16,052</b>	<b>10,322</b>	<b>16,447</b>

## CONDENSED NOTES ASSOCIATED WITH QUARTERLY FINANCIAL STATEMENTS

### NOTE 1 - ACCOUNTING PRINCIPLES

Dometic Group AB (publ) applies International Financial Reporting Standards (IFRS), as adopted by the EU. This consolidated Interim Financial Report has been prepared in accordance with IAS 34 'Interim Financial Reporting'. The Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities, issued by the Swedish Financial Reporting Board, have been applied for the Parent Company.

The accounting principles applied correspond to those described in the 2015 Annual report.

There are no changes to Dometic Group's accounting and valuation principles compared with the accounting and valuation principles described in Notes 2 and 4 of the 2015 Annual Report.

For a detailed description of the accounting and valuation policies applied by the Group, see Notes 1, 2 and 4 of the 2015 Annual Report. The Annual Report is available at [www.dometicgroup.com](http://www.dometicgroup.com), under Investors.

### Note 2 – RISKS AND UNCERTAINTIES

Dometic Group is a global company selling its products in almost 100 countries, and as such is exposed to a number of commercial and financial risks. Accordingly, risk management is an important process for Dometic Group in its efforts to achieve established targets.

Dometic Group is subject to transaction risks at the time of purchasing and selling, as well as when conducting financial transactions. Transaction exposure is primarily related to the currencies EUR, USD and AUD. As the majority of the Group's profit is generated outside Sweden, the Group is also exposed to translational risks in all the major currencies.

Efficient risk management is a continual process conducted within the framework of business control, and is part of the ongoing review of operations and forward-looking assessment of operations.

In the preparation of financial reports, the Board of Directors and Group management are required to make estimates and judgments. These estimates and judgments impact the income statement and balance sheet, as well as the disclosures. The actual outcome may differ from these estimates and judgments under different circumstances and conditions.

Dometic Group's future risk exposure is assumed not to deviate from the inherent exposure associated with Dometic Group's ongoing business operations. For a more in-depth analysis of risks, please refer to Dometic Group's 2015 Annual Report.

### NOTE 3 – FINANCIAL INSTRUMENTS

Dometic Group uses interest rate swaps to hedge senior facility term loans to move from a floating interest rate to a fixed interest rate. The Group also uses currency forward agreements to hedge part of its cash flow exposure. Valuation principles and principles for hedge accounting, as described in Note 3 of the 2015 Annual Report have been applied throughout the reporting period.

The fair values of Dometic Group's derivative assets and liabilities were SEK 12 million (Q2 2015: SEK 49 million) and SEK 35 million, (Q2 2015: SEK 14 million).

The value of derivatives is based on published prices in an active market. No transfers between levels of the fair value hierarchy have occurred during the period.

For financial assets and liabilities other than derivatives, fair value is assumed to be equal to the carrying amount.

**NOTE 3 – FINANCIAL INSTRUMENTS**

Jun 30, 2016	Balance sheet carrying amount	Financial instruments at amortized cost	Financial instruments at fair value	Derivatives used for hedging
<b>Per category</b>				
Derivatives	12	–	0	12
Financial assets	2,638	2,638	–	–
<b>Total financial assets</b>	<b>2,650</b>	<b>2,638</b>	<b>0</b>	<b>12</b>
Derivatives	35	–	5	30
Financial liabilities	5,952	5,952	–	–
<b>Total financial liabilities</b>	<b>5,987</b>	<b>5,952</b>	<b>5</b>	<b>30</b>

**NOTE 4 – SEGMENT INFORMATION**

SEK million	Q2 2016	Q2 2015	H1 2016	H1 2015	FY 2015
<b>Net sales, external</b>					
Americas	1,527	1,522	2,967	2,872	5,538
EMEA	1,552	1,337	2,774	2,540	4,548
Asia Pacific	382	343	719	665	1,400
<b>Total net sales, external</b>	<b>3,461</b>	<b>3,202</b>	<b>6,460</b>	<b>6,077</b>	<b>11,486</b>
<b>Operating profit (EBIT)</b>					
Americas	212	163	400	358	598
EMEA	267	225	410	381	502
Asia Pacific	94	75	163	147	336
<b>Total operating profit (EBIT)</b>	<b>573</b>	<b>463</b>	<b>973</b>	<b>886</b>	<b>1,436</b>
Financial income	2	1	3	1	2
Financial expenses	-41	-151	-76	-358	-1,104
Taxes	-81	-115	-152	-170	698
<b>Profit for the period</b>	<b>453</b>	<b>198</b>	<b>748</b>	<b>359</b>	<b>1,032</b>

Segment performance is primarily assessed based on sales and operating profit. Information regarding income for each region is based on where customers are located. Management follow-up is based on the integrated result in each segment. For further information, please refer to Note 5 of the 2015 Annual Report.

**NOTE 5 – TRANSACTIONS WITH RELATED PARTIES**

No transactions between Dometic Group and related parties that have significantly affected the company's position and earnings took place during the second quarter 2016.

**NOTE 6 – ACQUISITIONS AND DIVESTMENTS**

No transactions to report for the period.

**NOTE 7 – SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD**

On July 7, 2016 it was announced that Bengt Thorsson will join Dometic Group as new President for EMEA, replacing Joachim Kinscher, who will remain in the Group as senior advisor.

On July 12 an update regarding the class action complaint in the US was published in response to an amended complaint filed in California and a similar complaint filed in Florida.

## DEFINITIONS AND KEY RATIOS

### Operating profit (EBIT)

Operating profit; earnings before financial items and taxes.

### Operating profit (EBIT) margin

Operating profit divided by net sales.

### EBITDA\*

Earnings before Interest, Taxes, Depreciation and Amortization.

### EBITDA Margin\*

EBITDA divided by net sales.

### EPS – Earnings per share

Net profit for the period divided by average number of shares. NOTE! Average number of shares equals actual number of shares as the company was listed on November 25, 2015.

### Capital expenditure

Expenses related to the purchase of tangible and intangible assets.

### Core working capital\*

Consists of inventories and trade receivables less trade payables.

### Working capital

Core working capital plus other current assets less other current liabilities and provisions relating to operations.

### Operating capital excluding goodwill and trademark

Interest-bearing debt plus equity less cash and cash equivalents, excluding goodwill and trademark.

### Operating cash flow\*

EBITDA +/- change in working capital excluding paid tax, after capital expenditure.

### Organic growth\*

Sales growth excluding acquisitions/divestments and currency translation effects. Quarters calculated at comparable currency, applying latest period average rate.

### RoOC – Return on Operating Capital\*

Operating profit (EBIT) divided by operating capital. Based on the operating profit (EBIT) for the four previous quarters, divided by the average operating capital for the previous four quarters, excluding goodwill and trademarks for the previous quarters.

### I.A.C. – Items Affecting Comparability

Represents income and expenses related to non-recurring events, occurring on an irregular basis and affecting comparability between the periods.

### Interest-bearing debt

Liabilities to credit institutions plus liabilities to related parties plus derivative financial liabilities plus provisions for pensions.

### Leverage\*

Net debt excluding pensions and accrued interest in relation to EBITDA.

### Net debt\*

Total borrowings including pensions and accrued interest less cash and cash equivalents.

### OCI

Other comprehensive income.

### RV

Recreational Vehicles.

### CPV

Commercial and Passenger Vehicles.

### OEM

Original Equipment Manufacturers.

### AM

Aftermarket.

### Q2 2016

April to June 2016 for Income Statement.

### Q2 2015

April to June 2015 for Income Statement.

### H1 2016

January to June 2016 for Income Statement.

### H1 2015

January to June 2015 for Income Statement.

### FY 2015

Financial Year ended December 31, 2015.

### \*Reconciliation of non-IFRS measures to IFRS

Dometic Group presents some financial measures in this interim report, which are not defined by IFRS. The Company believes that these measures provide valuable additional information to investors and management for evaluating the Company's financial performance, financial position and trends in our operations. It should be noted that these measures, as defined, may not be comparable to similarly titled measures used by other companies. These non-IFRS measures should not be considered as substitutes to financial reporting measures prepared in accordance with IFRS. See Dometic's website [www.dometicgroup.com](http://www.dometicgroup.com) for the detailed reconciliation.

**PRESENTATION OF THE INTERIM REPORT**

Analysts and media are invited to participate in a telephone conference on July 15, 2016, at 10.00 (CEST), during which President and CEO, Roger Johansson and CFO, Per-Arne Blomquist, will present the report and answer questions. To participate in the webcast/telephone conference, please dial in five minutes prior to the start of the conference call:

Sweden: + 46 8 566 42 666  
UK: + 44 203 008 98 17  
US: + 1 855 831 59 48

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

**FOR FURTHER INFORMATION,  
PLEASE CONTACT****Investor Relations**

Erika Ståhl  
Phone: +46 8 501 025 24

**FINANCIAL CALENDAR**

**October 31, 2016** – Interim report Q3 2016

**February, 2017** – Year-end report 2016

*This information is information that Dometic Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 8.00 CET on July 15, 2016.*

**CONTACT DETAILS****Dometic Group AB (publ)**

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**ABOUT DOMETIC GROUP**

Dometic is a global market leader in branded solutions for mobile living in the areas of Climate, Hygiene & Sanitation and Food & Beverage. Dometic operates in the Americas, EMEA and Asia Pacific, providing products for use in recreational vehicles, trucks and premium cars, pleasure and workboats, and for a variety of other uses. Dometic offers products and solutions that enrich people's experiences away from home, whether in a motorhome, caravan, boat or truck. Our motivation is to create smart and reliable products with outstanding design. We operate 22 manufacturing/assembly sites in nine countries, sell our products in approximately 100 countries and manufacture approximately 85% of products sold in-house. We have a global distribution and dealer network in place to serve the aftermarket. Dometic employs approximately 6,500 people worldwide, had net sales of SEK 11.5 billion in 2015 and is headquartered in Solna, Sweden.

*This document is a translation of the Swedish version of the interim report. In the event of any discrepancy, the Swedish wording shall prevail.*