

INTERIM PRESENTATION

Q3 2017

OCTOBER 24, 2017



Mobile living made easy.

 **DOMETIC**

PRESENTERS

ROGER JOHANSSON
PRESIDENT & CEO



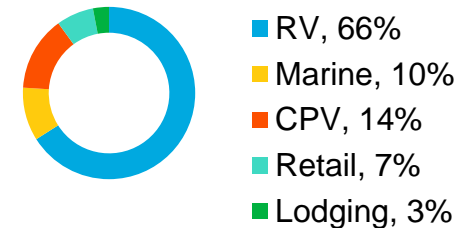
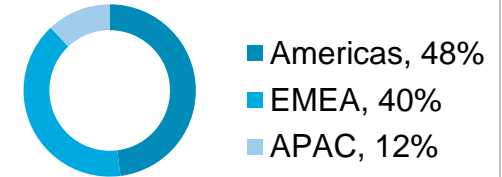
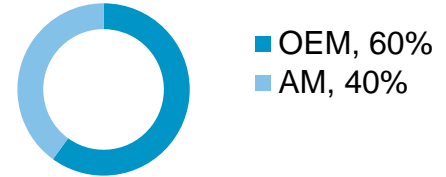
PER-ARNE BLOMQUIST
CFO



ROGER JOHANSSON, PRESIDENT & CEO

Q3 2017 HIGHLIGHTS

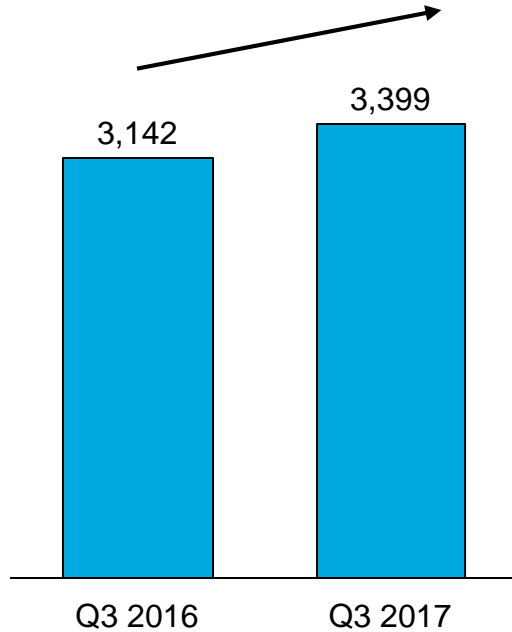
- Sales growth of 11% in constant currency, with double-digit growth in all regions.
- EBIT growth 18% YoY in constant currency
- Improved EBIT margins in 7 out of 8 businesses.
- Americas: 30% RVOEM sales growth. Improved profitability.
- EMEA: Strong OEM/AM mix effect. Improved SG&A control and increased prices.
- Profitability improvement program in EMEA.
- APAC: Outperforming RV market in Australia. Double-digit growth in China and Japan.
- Consolidation in China generated gain of SEK 166 million.
- Operating cash flow of SEK 667 million (535).
- Leverage 1.3x EBITDA (1.8x).



Q3 2017

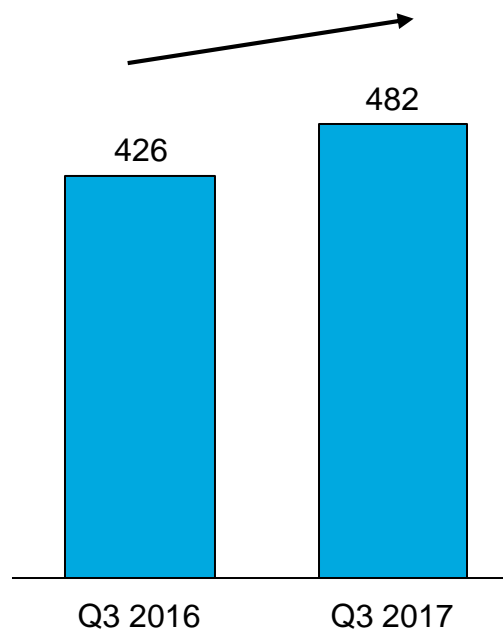
Sales (MSEK)

8% (11% comparable currency)

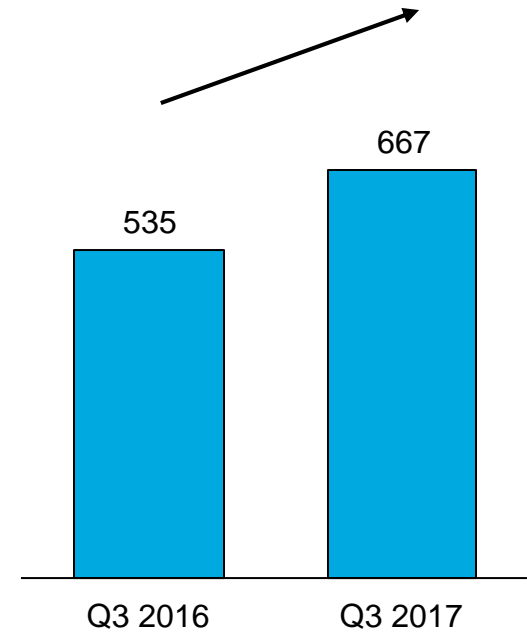


EBIT bef i.a.c (MSEK)

Actual: 13% (18% comparable currency)

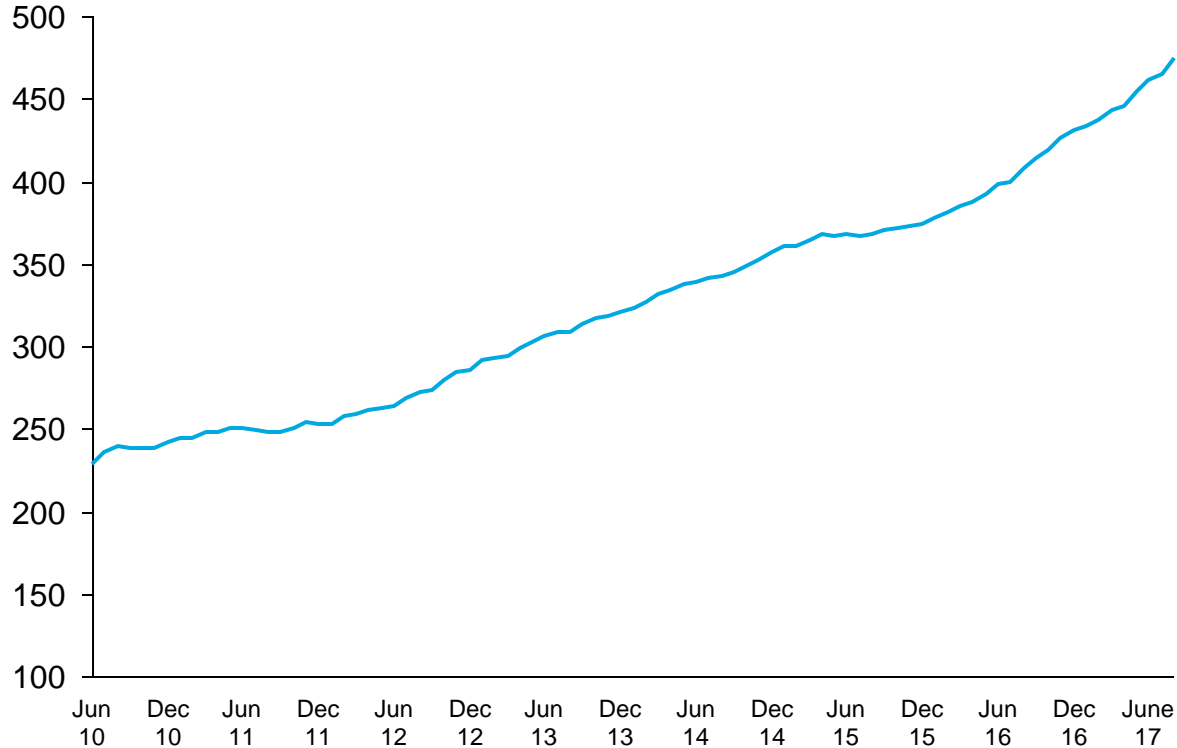


Operating Cash Flow (MSEK)



US RV MARKET – OEM SHIPMENTS

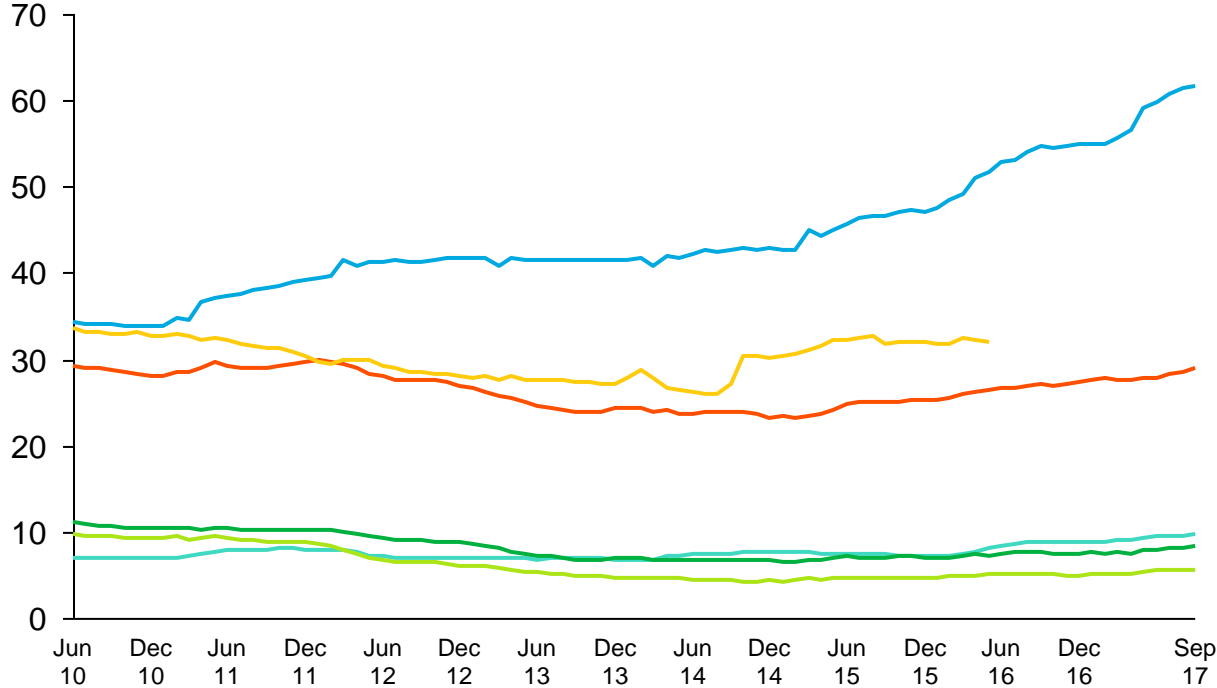
ROLLING TWELVE MONTHS (000S UNITS)



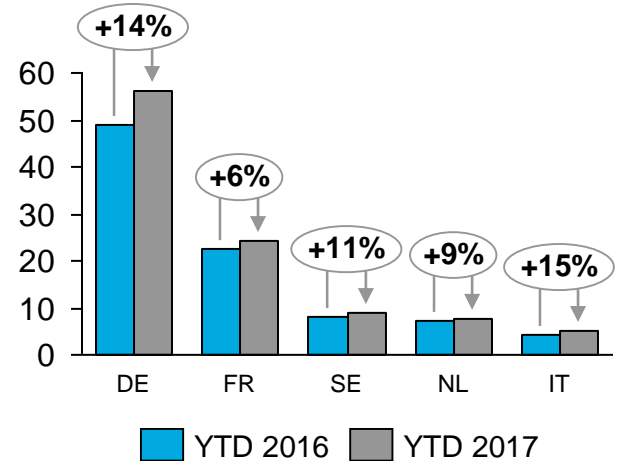
- Rolling three months
August 2017:
125,400 units (104,400) +20%
- YTD August:
334,400 units (290,600) +15%
- LTM August:
474,500 units (407,700) +16%

EUROPE RV MARKET REGISTRATIONS

ROLLING TWELVE MONTHS (000S UNITS)

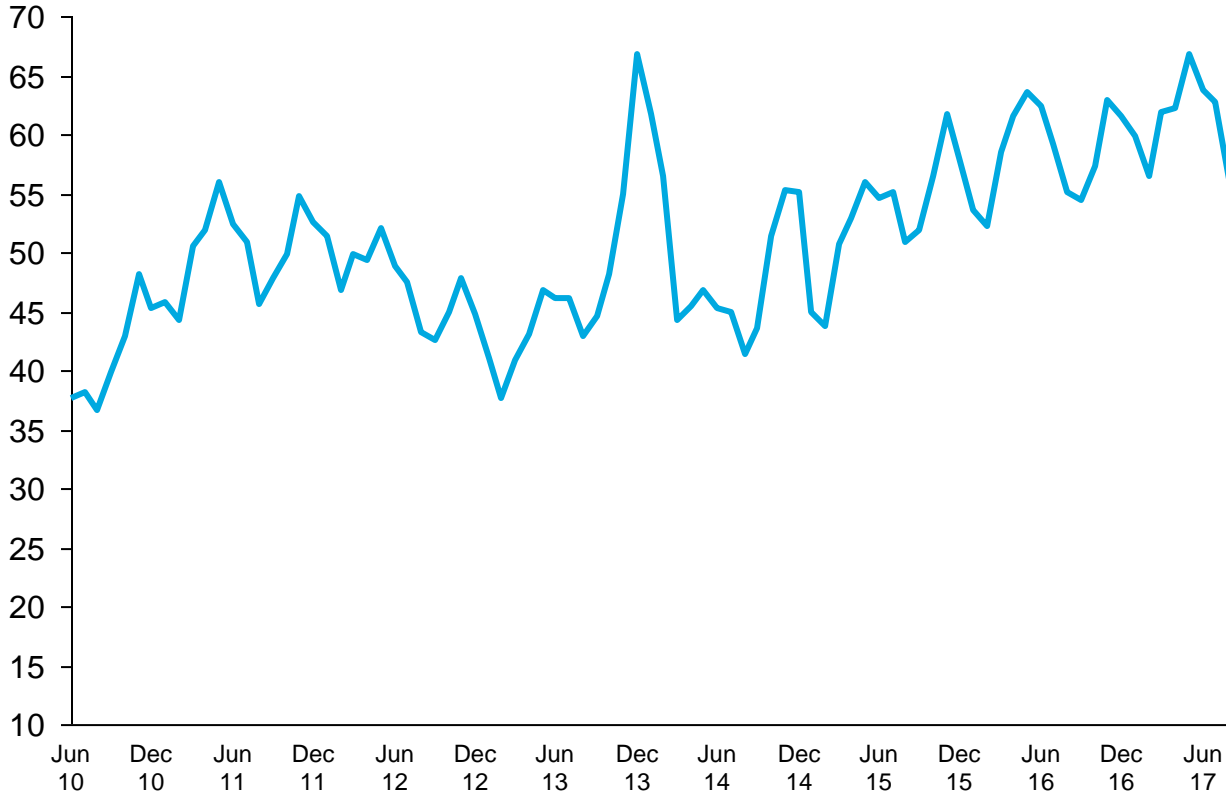


- Rolling three months
September 2017:
25,400 units (21,700) +17%*
- LTM September 2017:
114,300 units (103,400) +10%*



EUROPE TRUCKS (ABOVE 16 TONS) REGISTRATIONS

ROLLING THREE MONTHS (000S UNITS)

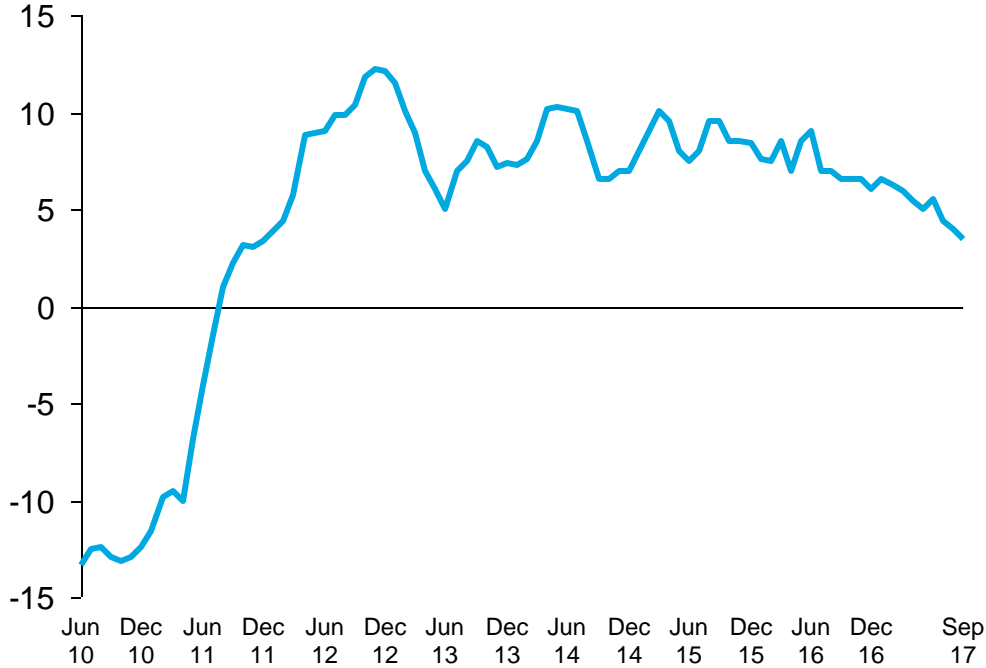


- Rolling three months August 2017: 56,100 units (56,100) +0%
- YTD August 2017: 159,700 units (155,400) +3%
- LTM August 2017: 242,200 units (234,100) +3%

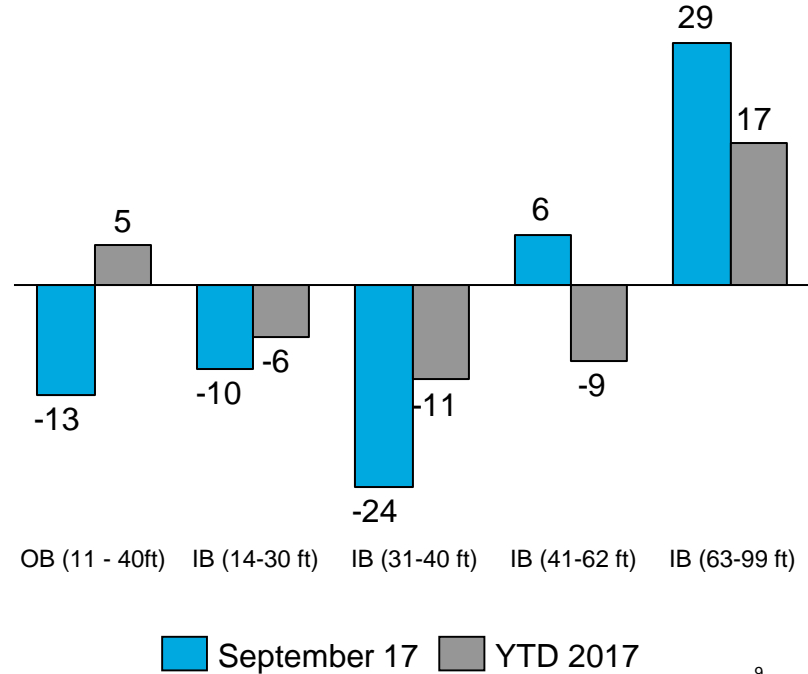
US POWER BOAT SALES

ROLLING TWELVE MONTHS (000S UNITS)

LTM September 2017: 3.5%



Power boat category (%)



Source: Info-link and Baird Equity Research

Mobile living made easy.

Note: OB is outboard engine and IB is inboard engine and Bellwether states are geographically dispersed states representing roughly half of the US boat market

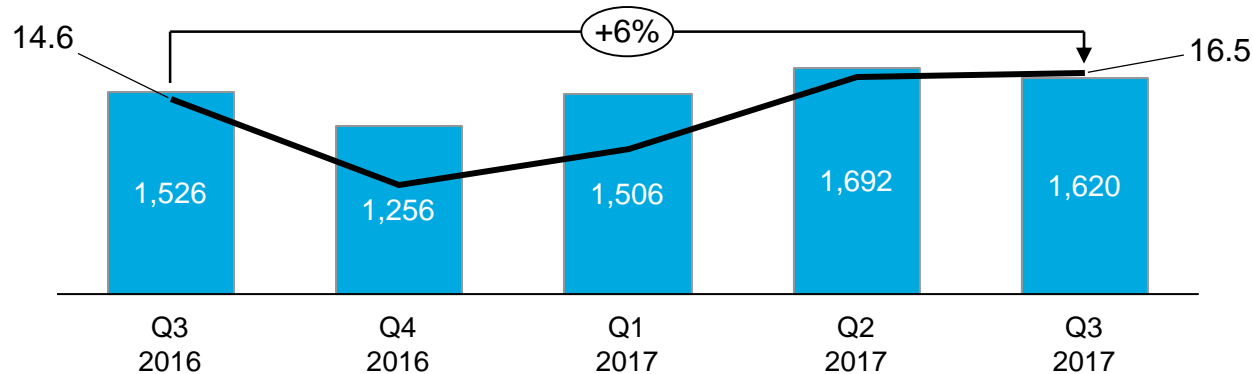


AMERICAS

Q3 Highlights

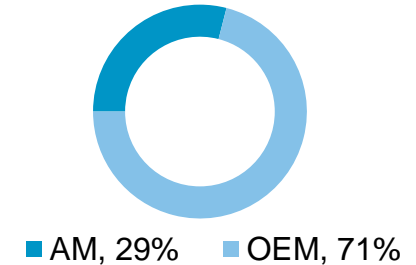
- Organic sales growth 15%.
- EBIT margin increase to 16.5% (14.6). Excl. class action legal costs EBIT margin of 17.2%.
- Strong RVOEM sales of 30% organic growth. Improved market position.
- Continued efficiencies in logistics and distribution.
- Good momentum for mobile coolers.

Net sales & EBIT %

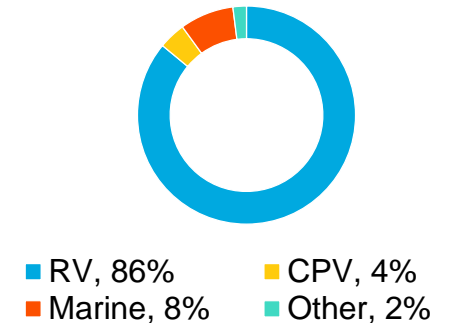


Breakdown of sales

By sales channel



By business area

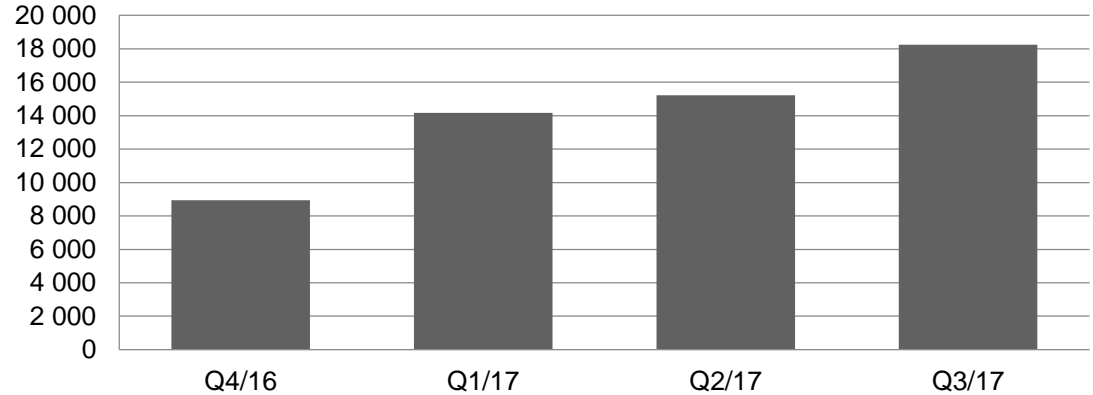


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DOMETIC MOBILE COOLING IN US

- Strong organic growth in our compressor fridge / freezer sales.
- New product launches, expanding the CFX range.
 - CFX75DZW
 - CFX100W
- Strengthening of our regional team to accelerate our growth even further (sales, marketing, product management).

US mobile cooling sales per Q (kSEK)



CFX sales
+ 130%

LTM
60 MSEK

YTD
CAGR
+50%

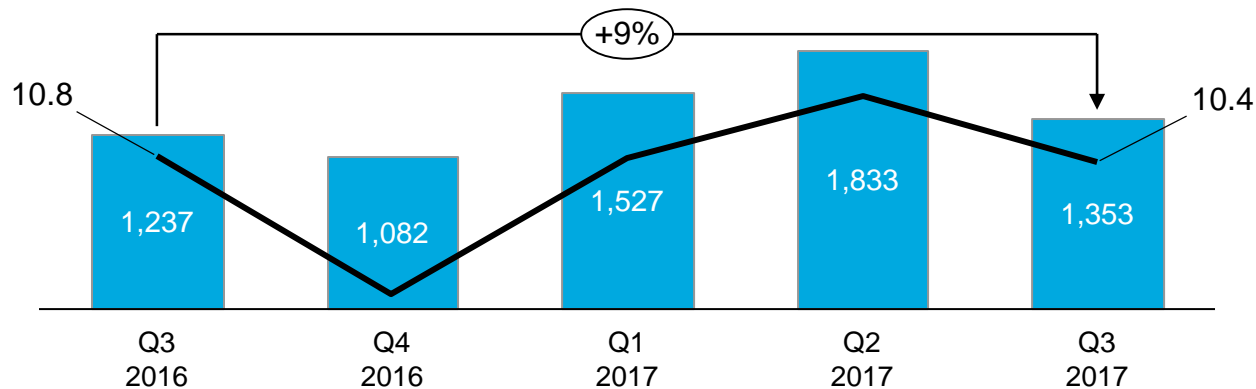


EMEA

Q3 Highlights

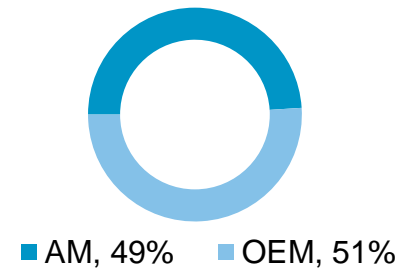
- Organic sales growth of 4%.
- EBIT margin of 10.4% (10.8), negatively affected by mix, commodities and weather.
- Strong growth in all OEM businesses.
- Soft aftermarket mainly due to lower sales of ACS and unfavorable weather.
- Profitability program with focus on cost reduction and efficiencies.

Net sales & EBIT %

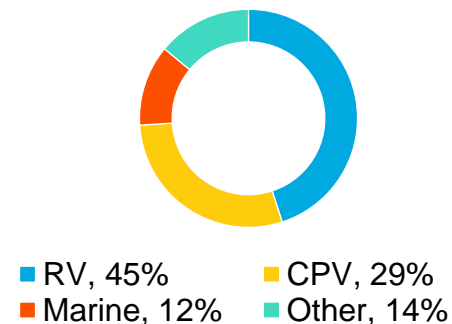


Breakdown of sales

By sales channel

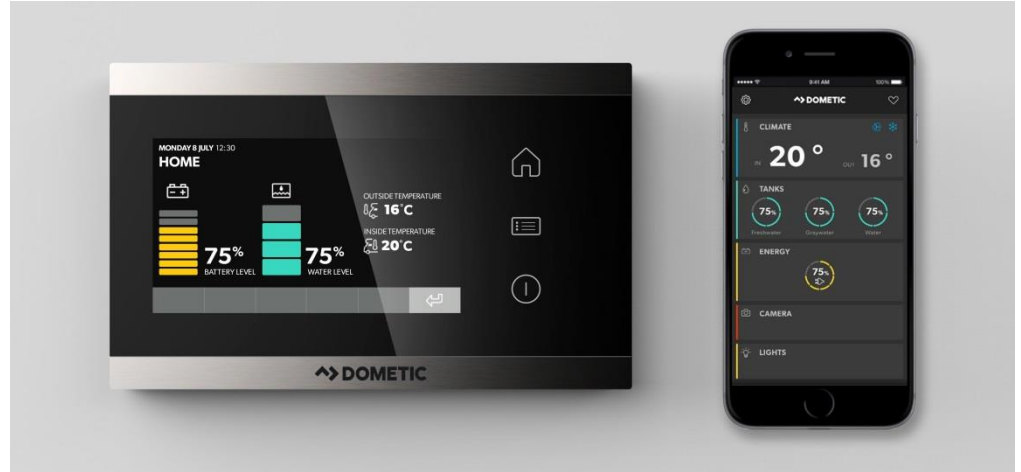


By business area



DOMETIC CONTROL PANEL

- Launched at the Düsseldorf trade fair.
- Smart control system that turns motorhomes and caravans into mobile smart homes.
- Air conditioning, heating, lights and many other comfort functions can be controlled and monitored via a single device.
- Remote access by smart phone or tablet through the Dometic app.
- Open architecture supports a multitude of upgrading options.

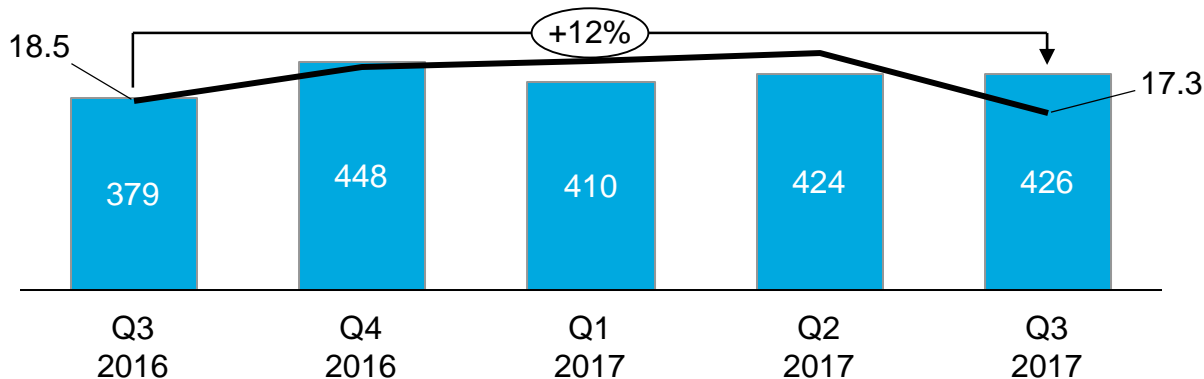


APAC

Q3 Highlights

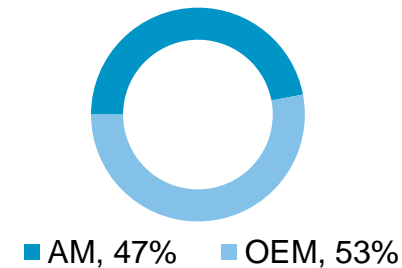
- Organic sales growth 15%.
- EBIT margin of 17.3% (18.5). Dilutive effect from product mix and currency.
- Outgrowing the Australian RV market.
- Strong sales development in Japan (+21%) and China (+33%).
- Aftermarket growth of 14%, driven by Retail and RVAM.

Net sales & EBIT %

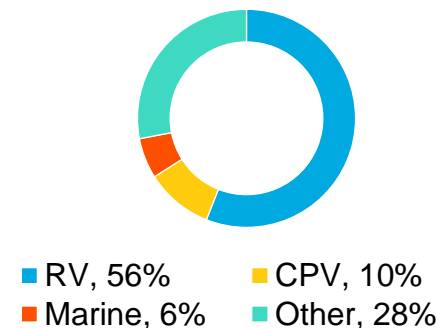


Breakdown of sales

By sales channel



By business area



DOMETIC SLIDE-OUT KITCHEN

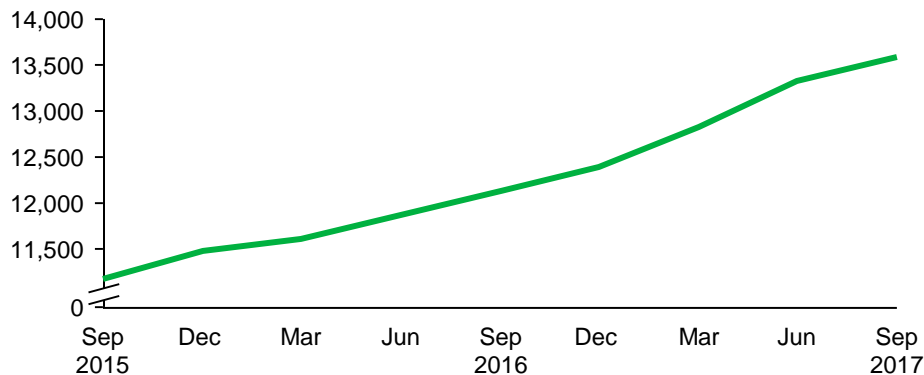
- The Dometic Slide Out Kitchen offers a number of different functions for those living mobile; it functions as a 3-burner cooktop, BBQ, sink, and bench top for serving.
- Designed to slide out of the side of RVs, the Dometic Slide Out Kitchen saves valuable space whilst maximizing performance.
- The unit features a modular aluminum construction, approximately 40% lighter than similar units in the market.



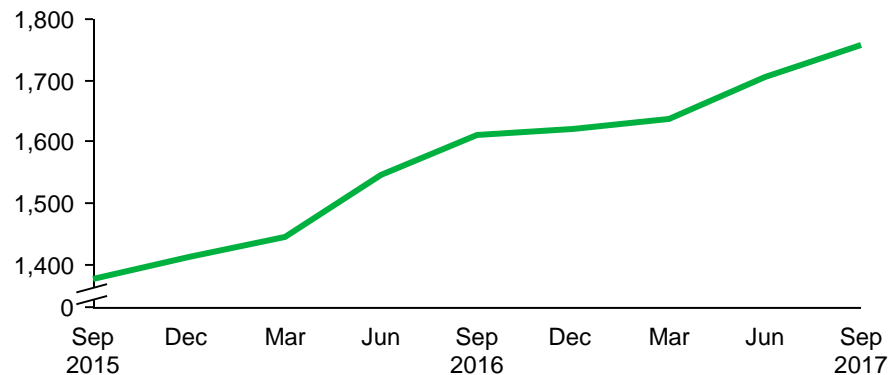
PER-ARNE BLOMQUIST, CFO

DOMETIC GROUP TRENDS

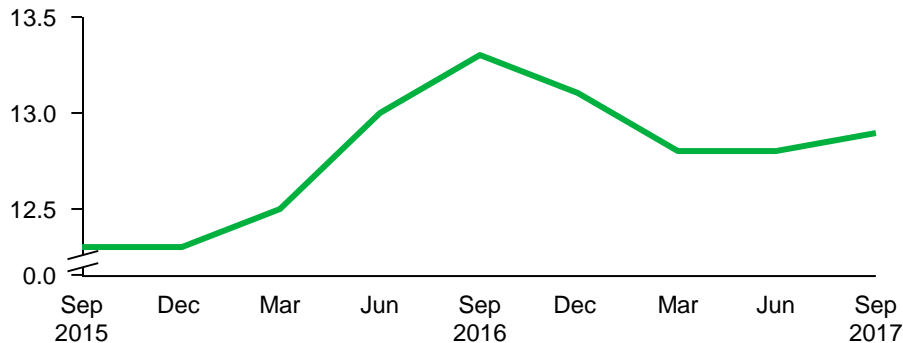
Sales (SEKm)



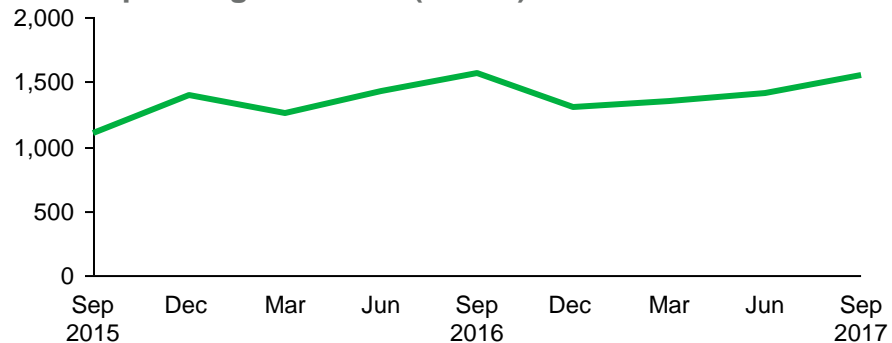
EBIT bef. i.a.c (SEKm)



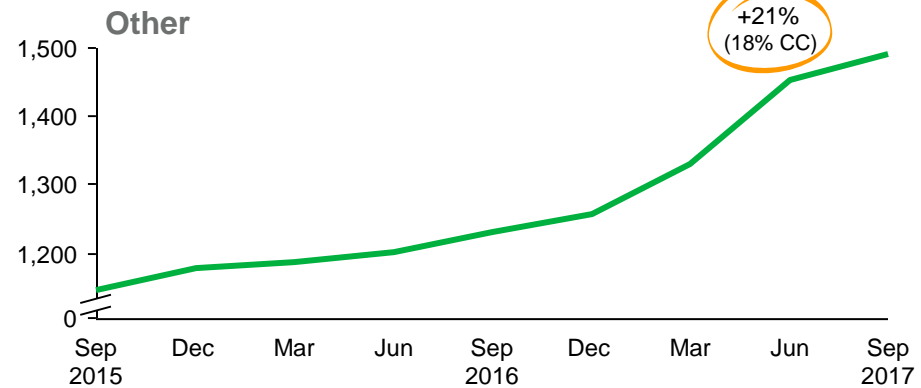
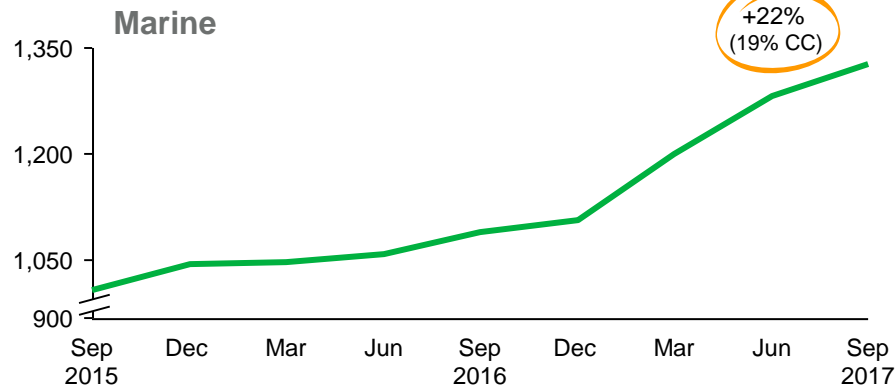
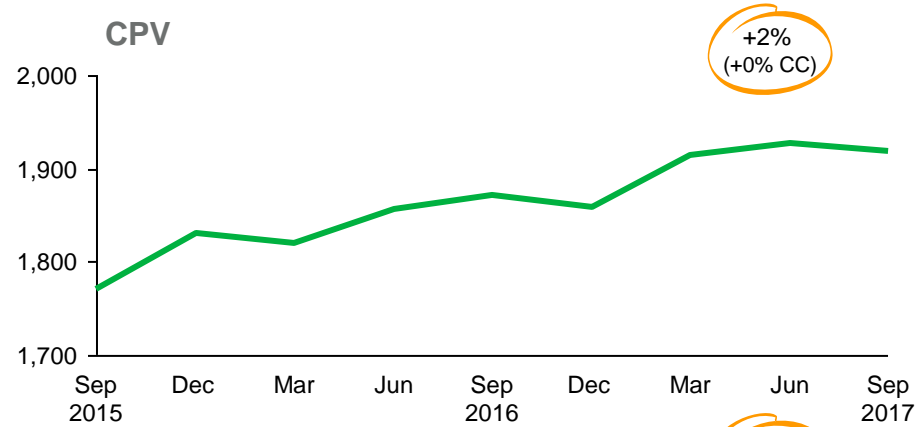
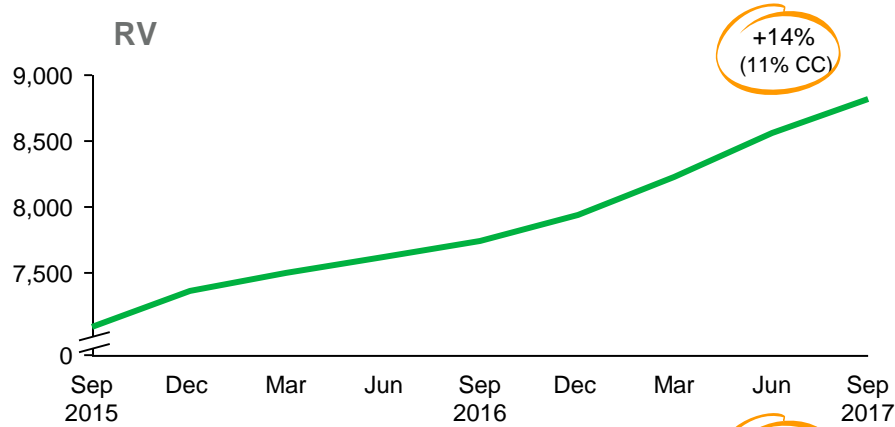
EBIT bef. i.a.c (%)



Operating cash flow (SEKm)



BUSINESS AREA DEVELOPMENT

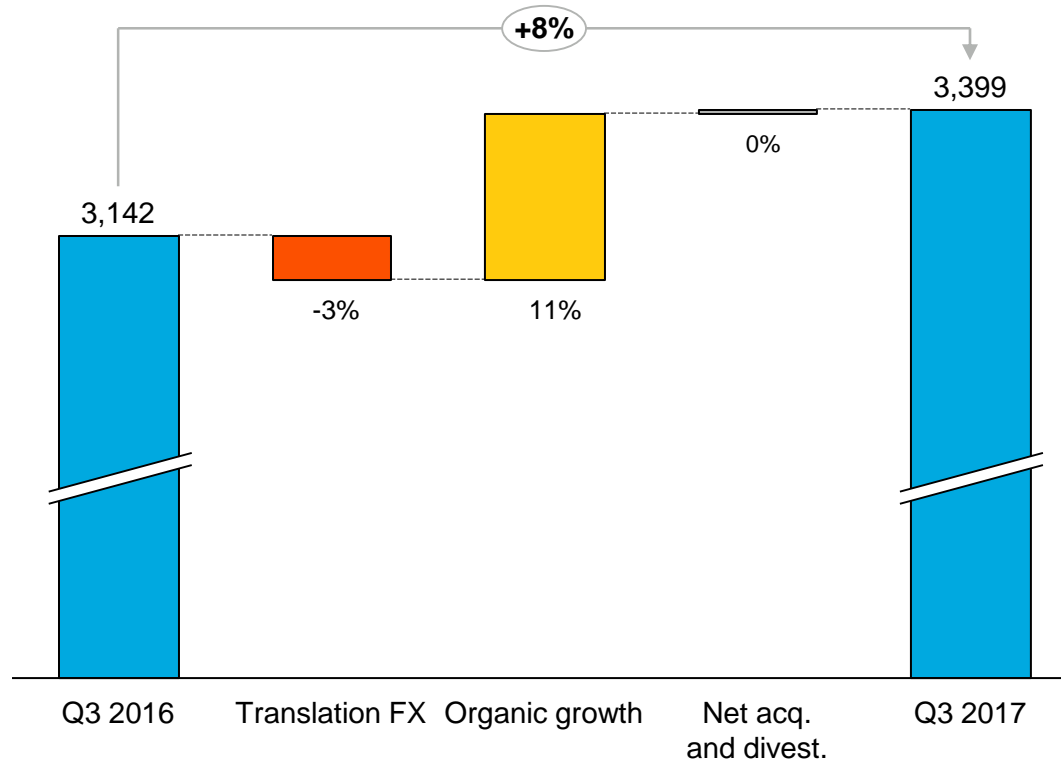


KEY RATIOS

SEKm		Q3 2017	Q3 2016	YTD 2017	YTD 2016	LTM 2017	FY 2016
Sales	Net sales	3,399	3,142	10,791	9,602	13,577	12,388
	Growth, %	8.2	8.9	12.4	7.1	12.0	7.9
	Organic growth, %	10.7	7.6	10.2	7.2	9.2	6.9
Profitability	EBIT before i.a.c. %	14.2	13.6	14.4	14.7	13.0	13.1
	EBITDA before i.a.c. %	16.5	15.9	16.5	17.0	15.3	15.5
Capital efficiency	Core working capital, to sales, %*	22.6	21.9	22.6	21.9	22.6	22.5
	Return on operating capital	36.8	33.4	36.8	33.4	36.8	31.6
Cash flow	Operating cash flow	667	535	1,192	945	1,543	1,296
EPS	Earnings per share	1.51	1.05	4.12	3.58	5.14	4.60

DOMETIC GROUP NET SALES BRIDGE Q3

(SEKm)



Translation FX details

	Net Sales	Share of impact
USD	-73	82%
EUR	-2	3%
AUD	-2	2%
HKD	-3	3%
GBP	-6	7%
CNY	-1	1%
Other	-3	3%
Total	-89	

REGIONAL RESULTS

SEK million	Q3	Q3	Change (%)		YTD	YTD	Change (%)		LTM	FY
	2017	2016	Rep.	Adj. ⁽¹⁾	2017	2016	Rep.	Adj. ⁽¹⁾	2017	2016
Americas	1,620	1,526	6%	11%	4,817	4,493	7%	5%	6,073	5,749
EMEA	1,353	1,237	9%	10%	4,714	4,011	18%	16%	5,796	5,093
Asia Pacific	426	379	12%	15%	1,260	1,098	15%	11%	1,708	1,546
Net sales	3,399	3,142	8%	11%	10,791	9,602	12%	10%	13,577	12,388
Americas	267	223	20%	25%	705	654	8%	6%	807	756
EMEA	141	133	6%	9%	580	523	11%	9%	591	534
Asia Pacific	74	70	5%	11%	264	234	13%	11%	361	331
Operating profit (EBIT) bef. i.a.c.⁽²⁾	482	426	13%	18%	1,549	1,411	10%	8%	1,759	1,621
Americas	16.5%	14.6%			14.6%	14.6%			13.3%	13.1%
EMEA	10.4%	10.8%			12.3%	13.0%			10.2%	10.5%
Asia Pacific	17.3%	18.5%			21.0%	21.3%			21.2%	21.4%
Operating profit %	14.2%	13.6%			14.4%	14.7%			13.0%	13.1%

GROUP P&L Q3

SEK million	Q3 2017	Q3 2016
Net sales	3,399	3,142
Cost of goods sold	-2,302	-2,099
Gross Profit	1,097	1,043
<i>GP%</i>	32.3%	33.2%
Sales expenses	-421	-440
Administrative expenses	-163	-151
Total SG&A	-584	-591
<i>SG&A%</i>	-17.2%	-18.8%
Other operating income and expenses	-14	-9
Items affecting comparability	166	0
Amortization of customer relationships	-17	-17
Operating profit	648	426
<i>Operating profit%</i>	19.1%	13.6%
Financial income	1	1
Financial expenses	-57	-38
Loss from financial items	-56	-37
Profit before tax	592	389
Taxes	-144	-78
Profit for the period	448	311

EARNINGS PER SHARE

SEKm, SEK	Q3 2017	Q3 2016	Q3 2017 EPS	Q3 2016 EPS
Net sales	3,399	3,142		
Operating profit (before i.a.c)	482	426	1.63	1.44
Finance net	-56	-37	-0.19	-0.13
Tax	-144	-78	-0.49	-0.26
Result for the period	448	311	1.51	1.05
No. of shares, million	295.8	295.8		
Earnings per share, SEK	1.51	1.05		

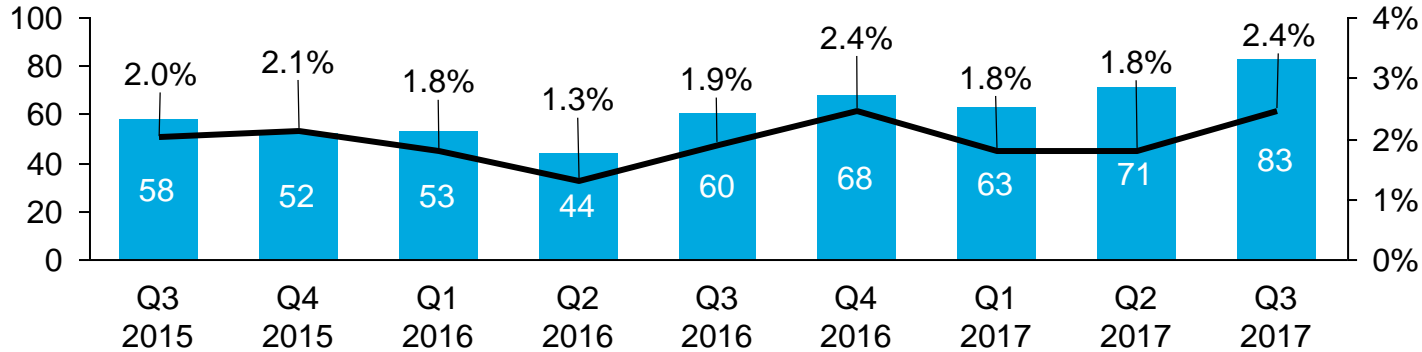
Total tax rate Q3 2017: 24% (20%).

Tax paid Q3 2017: 5% (7%).

CAPEX & PMI

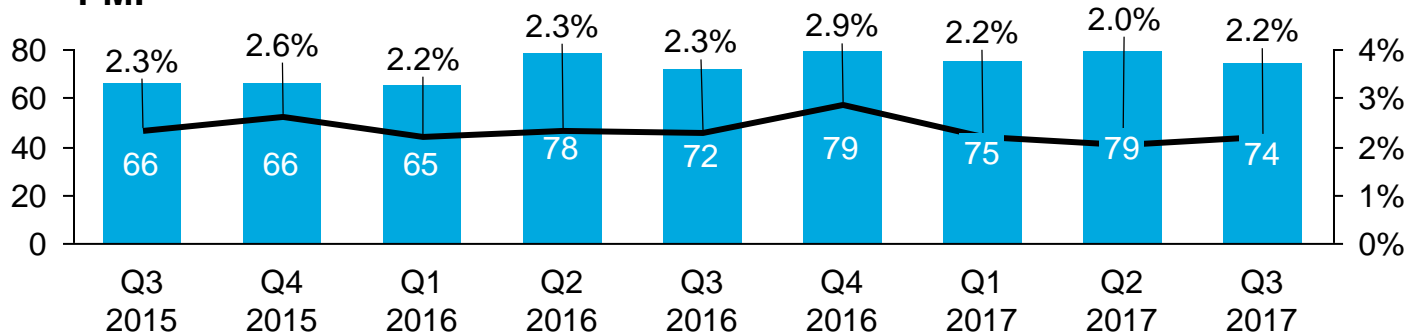
(SEKm, % OF NET SALES)

CAPEX



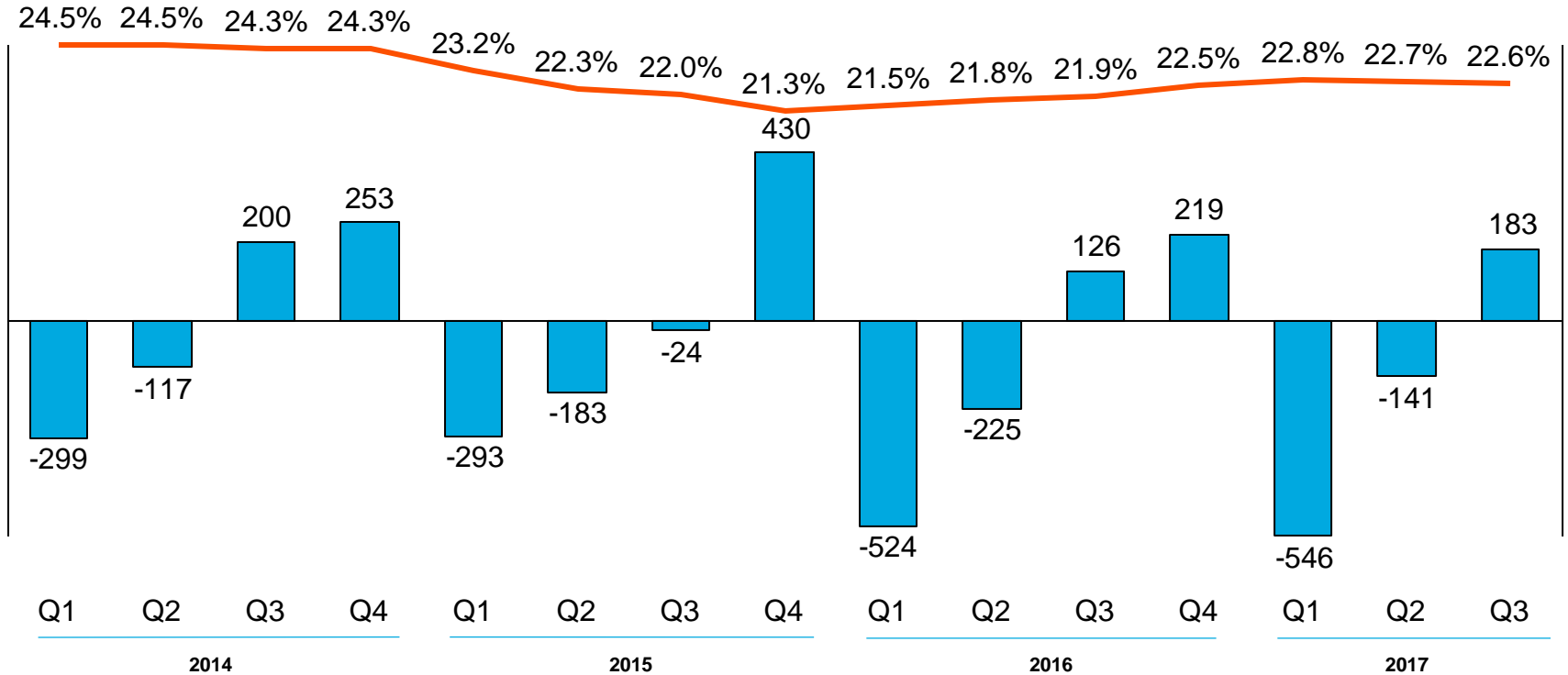
- **Q3 2017 CAPEX:**
2.4% of net sales.
(1.9% in 2016)

PMI

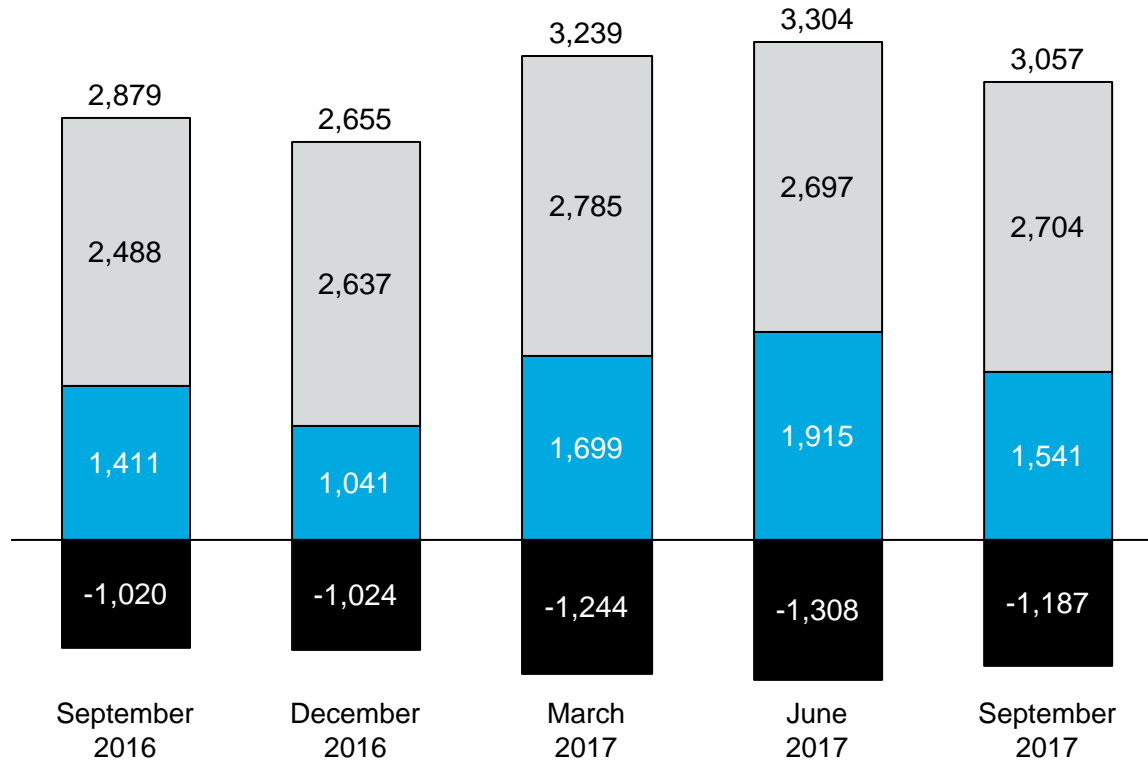


- **Q3 2017 PMI:**
2.2% of net sales.
(2.3% in 2016)

WORKING CAPITAL DEVELOPMENT

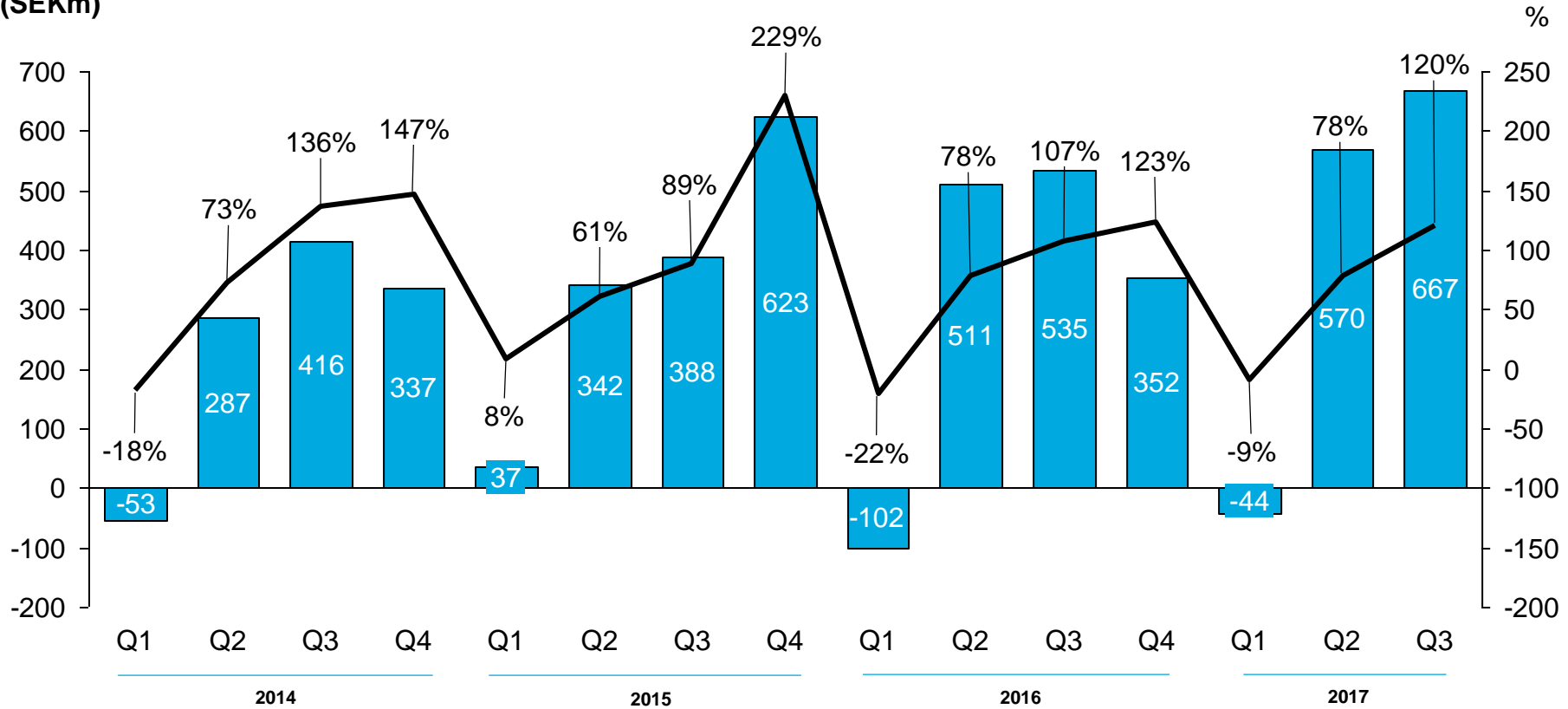


WORKING CAPITAL (SEKm)

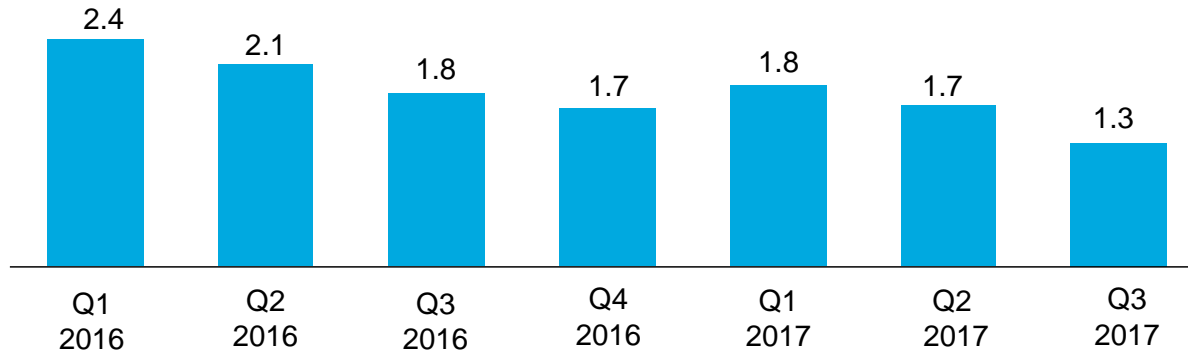


CASH FLOW

(SEKm)



NET DEBT LEVERAGE AND NET DEBT DETAILS ACTUAL



	Actual Q1 2016	Actual Q2 2016	Actual Q3 2016	Actual Q4 2016	Actual Q1 2017	Actual Q2 2017	Actual Q3 2017
SEKm							
RCF	131	0	0	0	0	0	0
Capex	0	0	0	0	0	0	0
Senior term A	988	1,016	934	958	849	824	705
Senior term B	3,457	3,558	3,632	3,727	3,714	3,604	3,523
Local facilities	49	76	86	123	116	140	130
Total debt	4,625	4,650	4,652	4,809	4,678	4,568	4,358
Senior PIK notes	0	0	0	0	0	0	0
Cash	413	730	1,160	1,599	1,213	1,169	1,763
Net Debt	4,212	3,920	3,492	3,210	3,465	3,399	2,594

ITEMS AFFECTING FOURTH QUARTER 2017

- Q4: Class action legal fees: Approximately SEK 15 million (in administrative expenses, affects **EBIT before i.a.c.**). Depending on level of activity.
- Q4: Cost for profit improvement program in EMEA of 5-6 MEUR (affects **EBIT after i.a.c.**).

UPDATE REGARDING US CLASS ACTION COMPLAINTS

- The proceedings regarding the class action complaints are pending.
- We are negotiating with our insurance company the coverage for incurred and future defense costs related thereto.
- We remain firm in our position that the allegations in the cases are without merit.

FINANCIAL TARGETS

	FY 2014	FY 2015	FY 2016	YTD 2017	Mid/long term Financial target
Net Sales Growth ¹	5 %	8 %	7 %	10%	5 %
EBIT Margin ²	11.6 %	12.3 %	13.1 %	14.4%	15 %
Net Debt / EBITDA	7.5x	2.4x	1.7x	1.3x	2.0x
Dividend Policy	-	No dividend	40%	-	40 %

¹Organic sales growth ²EBIT before I.A.C.

SUMMARY Q3

- Strong sales growth, primarily driven by high demand in RVOEM.
- Improved profitability.
- Strong cash generation.
- Good market share gains in the US.
- Profitability program launched in EMEA.
- Continued focus on product development, cost control and sales initiatives.



Dometic Birdview 360 camera



Dometic Control Panel



Dometic Coolfreeze CFX

Q&A

APPENDIX

APPENDIX A

Quarterly Summary Key Financials

	Q3	Q3	YTD	YTD	LTM	FY
SEK million	2017	2016	2017	2016	2017	2016
Net sales	3,399	3,142	10,791	9,602	13,577	12,388
EBITDA	724	501	1,948	1,620	2,199	1,871
% of net sales	21.3%	16.0%	18.1%	16.9%	16.2%	15.1%
Operating profit (EBIT)	648	426	1,715	1,400	1,888	1,573
% of net sales	19.1%	13.6%	15.9%	14.6%	13.9%	12.7%
Operating profit (EBIT) before items affecting comparability	482	426	1,549	1,411	1,759	1,621
% of net sales	14.2%	13.6%	14.4%	14.7%	13.0%	13.1%
Profit for the period	448	311	1,218	1,059	1,521	1,362
Earnings per share, SEK	1.51	1.05	4.12	3.58	5.14	4.60
Cash flow for the period	610	423	197	316	631	750
Operating cash flow ⁽¹⁾	667	535	1,192	945	1,543	1,296
Core working capital	3,057	2,879	3,057	2,879	3,057	2,655
Capital expenditure in fixed assets	-84	-60	-218	-157	-286	-225
RoOC	36.8%	33.4%	36.8%	33.4%	36.8%	31.6%

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

APPENDIX B

Group P&L

SEK million	Q3	Q3	YTD	YTD	FY
	2017	2016	2017	2016	2016
Net sales	3,399	3,142	10,791	9,602	12,388
Cost of goods sold	-2,302	-2,099	-7,298	-6,496	-8,463
Gross Profit	1,097	1,043	3,493	3,106	3,925
Sales expenses	-421	-440	-1,330	-1,230	-1,651
Administrative expenses	-163	-151	-522	-421	-604
Other operating income and expenses	-14	-9	-40	8	20
Items affecting comparability	166	0	166	-11	-48
Amortization of customer relationships	-17	-17	-52	-52	-69
Operating profit	648	426	1,715	1,400	1,573
Financial income	1	1	2	4	6
Financial expenses	-57	-38	-121	-114	-124
Loss from financial items	-56	-37	-119	-110	-118
Profit before tax	592	389	1,596	1,290	1,455
Taxes	-144	-78	-378	-231	-93
Profit for the period	448	311	1,218	1,059	1,362
Profit for the period attributable to owners of the Parent Company	448	311	1,218	1,059	1,362
Earnings per share before and after dilution effects, SEK - Owners of the Parent Company	1.51	1.05	4.12	3.58	4.60
Number of shares, million	295.8	295.8	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.

The financial information contained in this document has been prepared under IFRS. This financial information is unaudited and, therefore, is subject to potential future modifications.



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