

REPORT ON THE THIRD QUARTER 2017

NET SALES

3,399

SEK MILLION

(3,142)

OPERATING PROFIT (EBIT)

648

SEK MILLION

(426)

OPERATING CASH FLOW

667

SEK MILLION

(535)

THIRD QUARTER

- Net sales for the quarter totaled SEK 3,399 million (3,142); an increase of 8%, of which 11% was organic growth.
- Operating profit (EBIT) before items affecting comparability amounted to SEK 482 million (426), representing a margin of 14.2% (13.6%), including SEK 12 million relating to class action legal costs.
- Operating profit (EBIT) amounted to SEK 648 million (426). Including items affecting comparability with a positive effect of SEK 166 million related to the strategic consolidation of manufacturing in China.
- Cash flow for the period totaled SEK 610 million (423). Operating cash flow totaled SEK 667 million (535).
- Profit for the period was SEK 448 million (311).
- Earnings per share: SEK 1.51 (1.05).

FIRST NINE MONTHS

- Net sales for the period totaled SEK 10,791 million (9,602); an increase of 12%, of which 10% was organic growth.
- Operating profit (EBIT) before items affecting comparability amounted to SEK 1,549 million (1,411), representing a margin of 14.4% (14.7%), including SEK 87 million relating to rebranding costs, class action legal costs and acquisition related costs.
- Operating profit (EBIT) amounted to SEK 1,715 million (1,400). Including items affecting comparability with a positive effect of SEK 166 million related to the strategic consolidation of manufacturing in China.
- Cash flow for the period totaled SEK 197 million (316). Operating cash flow totaled SEK 1,192 million (945).
- Profit for the period was SEK 1,218 million (1,059).
- Earnings per share: SEK 4.12 (3.58).

FINANCIAL OVERVIEW

	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.

GROWTH AND MARGIN IMPROVEMENT



Demand for Dometic's products remained high in all regions, with strong sales in the quarter. Total growth was 8 percent, of which 11 percent was organic. The EBIT margin improved compared to the previous year, despite some headwind from product mix, currency effects and raw material prices. During the quarter, we suffered from production disruptions caused by Hurricane Irma in Florida and the typhoon in China, with a total estimated effect on operating profit of about SEK 10 million.

Americas concluded yet a good quarter with organic growth of 15 percent. The favorable market conditions remained intact and demand was particularly high within the RVOEM business, where we continue to improve our position in the market. Efficiency measures aimed at improving logistics, distribution and general cost control generated EBIT margin improvements of close to 2 percentage points.

EMEA's sales growth was mainly driven by our OEM businesses. Profitability was negatively impacted by a higher OEM share as a percentage of sales, raw material prices and unfavorable weather conditions impacting aftermarket sales. We need to intensify our efforts and EMEA has initiated a profitability improvement program mainly focusing on cost reductions and efficiencies to support meeting the financial targets.

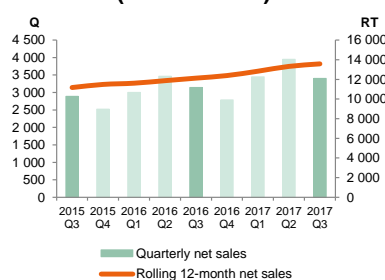
Sales in APAC were strong, with organic growth of 15 percent. In Australia, we outgrew the RV market and Japan and China continue to exhibit double-digit growth rates. Currency and product mix had a slightly negative impact on profitability. During the quarter, we divested a production facility in Shenzhen as part of the strategic consolidation of our manufacturing footprint. This gave an effect on EBIT after items affecting comparability of SEK 166 million.

I remain optimistic about our businesses. Strong global trends and the positive economic situation on key markets create a good foundation for growth. We participated in a large number of trade fairs during the quarter. In August, the world's largest RV trade fair in Düsseldorf saw a record number of visitors, of which about 30 percent were first time visitors. In September, the RV Open House week in Elkhart generated strong traction among OEMs, distributors and suppliers.

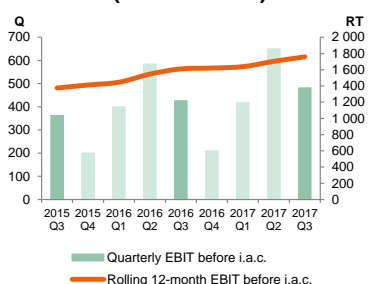
We continue to have a high pace in innovation, and our strong financial position with historically low leverage of 1.3x means that we are well positioned to pursue strategic acquisitions. With a well-defined set of initiatives to drive profitability, we remain committed to our financial targets and the outlook for our businesses remains unchanged.

Roger Johansson, President and CEO

Net sales (SEK million)



Operating profit (EBIT) before i.a.c (SEK million)



FINANCIAL SUMMARY – THIRD QUARTER

Net sales totaled SEK 3,399 (3,142) million, an increase of 8% compared to the same period the previous year. This is made up of 11% organic growth, -3% currency translation and 0% M&A.

Operating profit (EBIT) before i.a.c. totaled SEK 482 (426) million, an increase of 13% compared to the same period the previous year. The EBIT margin was 14.2% (13.6%). Earnings include SEK 12 million relating to class action legal costs.

Items affecting comparability totaled SEK 166 million related to the strategic consolidation of manufacturing in China.

Financial items amounted to a net of SEK -56 million (-37), including SEK -24 million in interest on external bank loans (-29) and SEK -8 million for revaluation of unrealized exchange result on cash (3). Other FX revaluations and other items amounted to SEK -25 million (-12) and financial income to SEK 1 million (1).

Taxes totaled SEK -144 million (-78), corresponding to 24% (20%) of profit before tax. Current tax amounted to SEK -45 million (-47) and deferred tax to SEK -99 million (-31).

Profit for the period totaled SEK 448 million (311).

Earnings per share amounted to SEK 1.51 (1.05).

Operating cash flow totaled SEK 667 million (535). The improvement derives from stronger operating profit and a favorable change in trade receivables.

Cash flow for the period of SEK 610 million (423) was positively impacted by SEK 138 million from the strategic consolidation of manufacturing in China.

Financial position. Leverage was 1.3 (1.8). At year-end 2016, leverage was 1.7.

FINANCIAL SUMMARY – FIRST NINE MONTHS

Net sales totaled SEK 10,791 (9,602) million, an increase of 12% compared to the same period the previous year. This is made up of 10% organic growth, 2% currency translation and 0% M&A.

Operating profit (EBIT) before i.a.c. totaled SEK 1,549 (1,411) million, an increase of 10% compared to the same period the previous year. The EBIT margin was 14.4% (14.7%). Earnings include SEK 87 million relating to rebranding costs, class action legal costs and an acquisition-related cost.

Items affecting comparability totaled SEK 166 million related to the strategic consolidation of manufacturing in China.

Financial items to a net of SEK -119 million (-110), including SEK -75 million in interest on external bank loans (-89) and SEK -21 million for revaluation of unrealized exchange result on cash (4). Other FX revaluations and other items amounted to SEK -25 million (-29) and financial income to SEK 2 million (4).

Taxes totaled SEK -378 million (-231), corresponding to 24% (18%) of profit before tax. Current tax amounted to SEK -141 million (-163) and deferred tax to SEK -237 million (-68).

Profit for the period totaled SEK 1,218 million (1,059).

Earnings per share amounted to SEK 4.12 (3.58).

Operating cash flow totaled SEK 1,192 million (945). The improvement derives from stronger operating profit and an unfavorable development in trade receivables more than offset by favorable change in trade payables.

Cash flow for the period of SEK 197 million (316) includes purchase price paid net of acquired cash and cash equivalents of SEK 187 million for the acquisitions in Q1, a cash dividend payout for 2016 of SEK -547 million in Q2 2017 and an earn-out of SEK 10 million relating to the acquisitions in Q1 paid during Q3 2017.

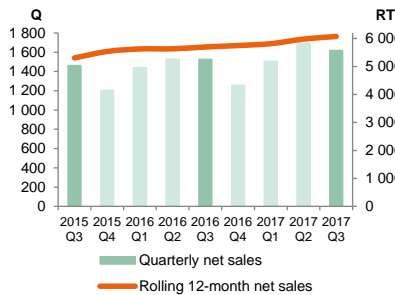
Events after the quarter. No significant events have occurred since the end of the period.

SEK million	Q3		Change (%)		YTD	YTD		Change (%)		LTM	FY
	2017	2016	Rep.	Adj. ⁽¹⁾		2017	2016	Rep.	Adj. ⁽¹⁾		
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%	

⁽¹⁾Represents change in comparable currency. ⁽²⁾Before items affecting comparability.

AMERICAS

Net sales (SEK million)



NET SALES AND OPERATING PROFIT (EBIT)

Third quarter 2017

Americas reported net sales of SEK 1,620 million (1,526), representing 48% of Group sales. Total growth was 6%, of which 15% was organic, -5% currency translation and -4% M&A.

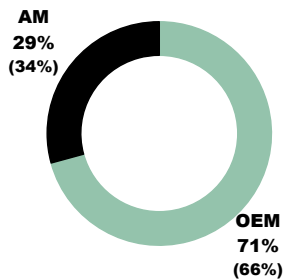
Operating profit (EBIT) before i.a.c. totaled SEK 267 million (223); an increase of 20% compared to the same period in 2016. The EBIT margin was 16.5% (14.6%).

First nine months 2017

Net sales for the first nine months amounted to SEK 4,817 million (4,493); an increase of 7%, of which 10% was organic, 2% currency translation and -5% M&A.

Operating profit (EBIT) before i.a.c. totaled SEK 705 million (654); an increase of 8% compared to the same period in 2016. The EBIT margin was 14.6% (14.6%).

Sales split AM/OEM



Market development

In the US, growth in the volume of RV shipments from OEM manufacturers to dealers remains strong. For the period January–August 2017, RV shipments increased by 15% to 334,408 units compared with the same period last year. For the June–August period, RV shipments increased by 20% compared to the same period last year.

Business highlights

Total OEM growth was 14%, of which organic growth was 26%.

Total Aftermarket growth was -9%, of which organic growth was -3%.

Q3

NET SALES

1,620

SEK MILLION
(1,526)

OPERATING PROFIT (EBIT)¹

267

SEK MILLION
(223)

OPERATING MARGIN (EBIT%)¹

16.5%

(14.6%)

RVOEM reported strong sales, with organic growth of 30%. High demand for refrigerators and air conditioners.

The Marine OEM business was rather flat in the quarter. Sales were negatively affected by Hurricane Irma, which caused a three-day stop in production at the Pompano Beach manufacturing facility.

CPVOEM business sales declined. The US truck market remains challenging.

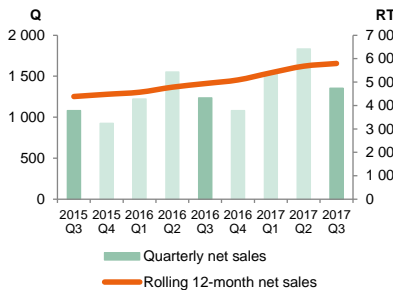
Aftermarket declined, mainly from a weak RV business. Good growth in Mobile cooling.

The proceedings related to the class action complaints continue. The Company is negotiating with the 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.

¹ Before i.a.c.

EMEA

Net sales (SEK million)



NET SALES AND OPERATING PROFIT (EBIT)

Third quarter 2017

EMEA reported net sales of SEK 1,353 million (1,237), representing 40% of Group sales. Total growth was 9%, of which 4% was organic, -1% currency translation and 6% M&A.

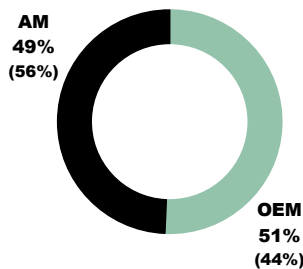
Operating profit (EBIT) before i.a.c. totaled SEK 141 million (133); an increase of 6% compared to the same period in 2016. The EBIT margin was 10.4% (10.8%).

First nine months 2017

Net sales for the first nine months amounted to SEK 4,714 million (4,011); an increase of 18%, of which 10% was organic, 2% currency translation and 6% M&A.

Operating profit (EBIT) before i.a.c. totaled SEK 580 million (523); an increase of 11% compared to the same period in 2016. The EBIT margin was 12.3% (13.0%).

Sales split AM/OEM



Market development

During the period January–September 2017, RV registrations in the largest European markets increased by 12% to 101,678 units compared with the same period last year. For July–September, RV registrations increased by 17% compared to the same period last year.

For the period January–August, heavy truck registrations increased by 3% compared to the same period last year.

Business highlights

Total OEM growth was 26%, of which organic growth was 19%.

Total Aftermarket growth was -3%, of which organic growth was -7%.

Q3

NET SALES

1,353

SEK MILLION
(1,237)

RVOEM reported good organic sales growth of 16%. High demand in Central Europe and across most product categories.

Marine OEM reported very strong sales growth. UK Marine OEM sales were positively impacted by the addition of Oceanair in Q1, 2017.

CPVOEM had healthy sales growth in the quarter. Demand remained high for inverters, cooling boxes and rear-view cameras.

Aftermarket sales declined in the quarter, mainly due to CPV meeting high comparative numbers from a year ago.

OPERATING PROFIT (EBIT)¹

141

SEK MILLION
(133)

Profitability improvement program

A program addressing profitability was launched in EMEA in October. This program is aimed at adding approximately 2 percentage units to the EBIT margin to already initiated activities and will support us in meeting Dometic's financial targets. Costs related to the program is estimated at Euro 5-6 million, which will be taken in full in the fourth quarter 2017.

OPERATING MARGIN (EBIT%)¹

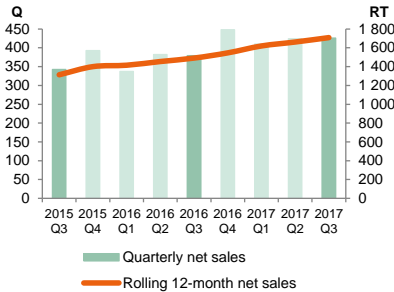
10.4%

(10.8%)

¹ Before i.a.c.

APAC

Net sales (SEK million)



NET SALES AND OPERATING PROFIT (EBIT)

Third quarter 2017

APAC reported net sales of SEK 426 million (379), representing 12% of Group sales. Total growth was 12%, of which 15% was organic, -3% currency translation and -% M&A.

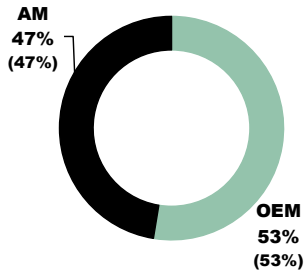
Operating profit (EBIT) before i.a.c. totaled SEK 74 million (70); an increase of 5% compared to the same period in 2016. The EBIT margin was 17.3% (18.5%).

First nine months 2017

Net sales for the first nine months amounted to SEK 1,260 million (1,098); an increase of 15%, of which 11% was organic, 4% currency translation and 0% M&A.

Operating profit (EBIT) before i.a.c. totaled SEK 264 million (234); an increase of 13% compared to the same period in 2016. The EBIT margin was 21.0% (21.3%).

Sales split AM/OEM



Market development

Statistics on Australian domestic RV production showed an increase of 2% to 14,828 units during the January–August, compared to the same period the previous year. For the period June–August, RV production increased by 5% compared to the same period last year.

Business highlights

Total OEM growth was 11%, of which organic growth was 12%. Total Aftermarket growth was 15%, of which organic growth was 19%.

RVOEM reported stable sales development of 7%, with a positive performance in Australia and New Zealand. Sales to RVOEM customers in China and Japan showed double-digit growth.

Marine OEM grew in the quarter. The business was negatively impacted by the hurricane in Florida, affecting deliveries from our Pompano Beach production site.

CPVOEM reported fast growth, driven by strong sales of inverters to customers in China.

Aftermarket showed strong development in the RV, CPV, retail and lodging segments.

Q3

NET SALES

426

SEK MILLION
(379)

OPERATING PROFIT (EBIT)¹

74

SEK MILLION
(70)

OPERATING MARGIN (EBIT%)¹

17.3%

(18.5%)

¹ Before i.a.c.

PARENT COMPANY DOMETIC GROUP AB (PUBL)

The Parent Company Dometic Group AB (publ) 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 third quarter 2017, the Parent Company had an operating profit of SEK -5 million (2), including administrative expenses of SEK -25 million (-34) and other operating income of SEK 20 million (36), of which the full amount relates to income from Group companies.

Profit (loss) from financial items totaled SEK 81 million (-104), including interest income from Group companies of SEK 6 million (26), interest expenses to Group companies of SEK 0 million (0) and other financial income and expenses of SEK 75 million (-130), mainly due to revaluation of external loans.

Profit (loss) for the period totaled to SEK -1 million (-102).

The Parent Company's operating profit for the first nine months totaled SEK -4 million (-3), including administrative expenses of SEK -93 million (-94) and other operating income of SEK 89 million (91), of which the full amount relates to income from Group companies.

Profit (loss) from financial items totaled SEK 210 million (-220), including interest income from Group companies of SEK 35 million (45), interest expenses to Group companies of SEK - million (0) and other financial income and expenses of SEK 175 million (-265).

Profit (loss) for the period totaled SEK -4 million (-224).

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

Solna, October 24, 2017

Roger Johansson
President and CEO

ANNUAL GENERAL MEETING 2018

Dometic Group's Annual General Meeting will be held on April 10, 2018, in Stockholm.

AUDITOR'S REPORT

Dometic Group AB (publ) reg. no. 556829-4390

Introduction

I have reviewed the condensed interim financial information (interim report) of Dometic Group AB (publ) as of 30 September 2017 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. My responsibility is to express a conclusion on this interim report based on my review.

Scope of Review

I have conducted my review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, October 24, 2017
PricewaterhouseCoopers AB

Magnus Brändström
Authorized Public Accountant

NOMINATION COMMITTEE – ANNUAL GENERAL MEETING 2018

In accordance with the resolution taken by the 2017 AGM, the Nomination Committee ahead of the 2018 Annual General Meeting (AGM) shall be composed of the chairman of the board of directors together with one representative of each of the three largest shareholders, based on the ownership structure as of September 30, 2017. More details about the nomination committee are available on our website. www.dometicgroup.com

CONSOLIDATED INCOME STATEMENT

SEK million	Q3 2017	Q3 2016	YTD 2017	YTD 2016	FY 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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK million	Q3 2017	Q3 2016	YTD 2017	YTD 2016	FY 2016
Profit for the period	448	311	1,218	1,059	1,362
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss:					
Remeasurements of defined benefit pension plans, net of tax	0	0	-3	-3	-16
	0	0	-3	-3	-16
Items that may be reclassified subsequently to profit or loss:					
Cash flow hedges, net of tax	8	-3	2	-13	13
Gains/losses from hedges of net investments in foreign operations, net of tax	39	-46	80	-99	-149
Exchange rate differences on translation of foreign operations	-293	319	-699	598	887
	-246	270	-617	486	751
Other comprehensive income for the period	-246	270	-620	483	735
Total comprehensive income for the period	202	581	598	1,542	2,097
Total comprehensive income for the period attributable to owners of the Parent Company	202	581	598	1,542	2,097

CONSOLIDATED BALANCE SHEET (IN SUMMARY)

SEK million	Sep 30, 2017	Sep 30, 2016	Dec 31, 2016
ASSETS			
Non-current assets			
Goodwill and trademarks	12,222	12,447	12,725
Other intangible assets	923	1,033	1,016
Tangible assets	1,573	1,574	1,575
Deferred tax assets	998	1,071	1,226
Derivatives, long-term	1	7	7
Other non-current assets	59	50	52
Total non-current assets	15,776	16,182	16,601
Current assets			
Inventories	2,704	2,488	2,637
Trade receivables	1,541	1,411	1,041
Current tax assets	42	17	47
Derivatives, short-term	71	–	57
Other current assets	313	274	237
Prepaid expenses and accrued income	95	94	89
Cash and cash equivalents	1,763	1,160	1,599
Total current assets	6,529	5,444	5,707
TOTAL ASSETS	22,305	21,626	22,308
EQUITY AND LIABILITIES			
EQUITY	14,028	13,422	13,977
LIABILITIES			
Non-current liabilities			
Liabilities to credit institutions, long-term	4,011	4,337	4,453
Deferred tax liabilities	634	585	593
Other non current liabilities	0	–	–
Provisions for pensions	527	508	536
Other provisions, long-term	114	112	117
Total non-current liabilities	5,286	5,542	5,699
Current liabilities			
Liabilities to credit institutions, short-term	326	287	329
Trade payables	1,187	1,020	1,024
Current tax liabilities	329	275	294
Advance payments from customers	21	17	29
Derivatives, short-term	58	35	52
Other provisions, short-term	241	211	197
Other current liabilities	174	198	134
Accrued expenses and prepaid income	655	619	573
Total current liabilities	2,991	2,662	2,632
TOTAL LIABILITIES	8,277	8,204	8,331
TOTAL EQUITY AND LIABILITIES	22,305	21,626	22,308

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK million	Attributable to owners of the parent				
	Share capital	Other paid in capital ⁽¹⁾	Reserves	Retained earnings	Total equity
Opening balance Jan 1, 2016	1	11,446	1,004	-568	11,883
Profit for the period				1,059	1,059
Other comprehensive income					
Remeasurements of defined benefit pension plans, net of tax				-3	-3
Cash flow hedges, net of tax			-13		-13
Gains/losses from hedges of net investments in foreign operations, net of tax			-99		-99
Exchange rate differences on translation of foreign operations			598		598
Total comprehensive income			486	1,056	1,542
Transactions with owners					
Costs related to the shareholders' contribution, net of tax				-3	-3
Total transactions with owners				-3	-3
Closing balance Sep 30, 2016	1	11,446	1,490	485	13,422

⁽¹⁾ Shareholders' contribution reclassified from retained earnings to other paid in capital SEK 11,446 million, has been done as an opening balance sheet adjustment as per January 1, 2016.

SEK million	Attributable to owners of the parent				
	Share capital	Other paid in capital ⁽¹⁾	Reserves	Retained earnings	Total equity
Opening balance Jan 1, 2017	1	11,446	1,755	775	13,977
Profit for the period				1,218	1,218
Other comprehensive income					
Remeasurements of defined benefit pension plans, net of tax				-3	-3
Cash flow hedges, net of tax			2		2
Gains/losses from hedges of net investment in foreign operations, net of tax			80		80
Exchange rate differences on translation of foreign operations			-699		-699
Total comprehensive income			-617	1,215	598
Transactions with owners					
Dividend to shareholders				-547	-547
Total transactions with owners				-547	-547
Closing balance Sep 30, 2017	1	11,446	1,138	1,443	14,028

CONSOLIDATED STATEMENT OF CASH FLOW

SEK million	Q3 2017	Q3 2016	YTD 2017	YTD 2016	FY 2016
Cash flow from operations					
Operating profit	648	426	1,715	1,400	1,573
<i>Adjustment for other non-cash items</i>					
Depreciation and amortization	76	75	233	221	298
Adjustments for other non-cash items	-150	12	-152	46	68
<i>Changes in working capital</i>					
Changes in inventories	-71	10	-188	-225	-364
Changes in trade receivables	351	241	-542	-459	-83
Changes in trade payables	-97	-125	226	61	43
Changes in other working capital	-6	-44	118	58	-14
Income tax paid	-31	-26	-70	-91	-107
Net cash flow from operations	720	569	1,340	1,011	1,414
Cash flow from investments					
Acquisition of operations	-10	–	-197	–	–
Investments in fixed assets	-84	-60	-218	-157	-225
Proceeds from sale of fixed assets	138	23	139	24	133
Other investing activities	-1	-2	-3	-2	–
Net cash flow from investments	43	-39	-279	-135	-92
Cash flow from financing					
Shareholders' contribution/Paid costs related to the shareholders' contribution	–	–	–	-74	-74
Borrowings from credit institutions	5	8	41	33	64
Repayment of loans to credit institutions	-113	-101	-229	-426	-426
Paid interest	-24	-10	-75	-69	-97
Received interest	1	1	2	2	3
Other financing activities	-22	-5	-56	-26	-42
Dividend	0	–	-547	–	–
Net cash flow from financing	-153	-107	-864	-560	-572
Cash flow for the period	610	423	197	316	750
Cash and cash equivalents at beginning of period	1,169	730	1,599	833	833
Exchange differences on cash and cash equivalents	-16	7	-33	11	16
Cash and cash equivalents at end of period	1,763	1,160	1,763	1,160	1,599

PARENT COMPANY INCOME STATEMENT

SEK million	Q3 2017	Q3 2016	YTD 2017	YTD 2016	FY 2016
Administrative expenses	-25	-34	-93	-94	-130
Other operating income	20	36	89	91	127
Operating profit	-5	2	-4	-3	-3
Interest income subsidiaries	6	26	35	45	71
Interest expenses subsidiaries	0	0	–	0	–
Other financial income and expenses	75	-130	175	-265	-422
Profit (loss) from financial items	81	-104	210	-220	-351
Group contributions	-77	–	-210	–	353
Profit (loss) before tax	-1	-102	-4	-223	-1
Taxes	0	0	0	-1	0
Profit (loss) for the period	-1	-102	-4	-224	-1

PARENT COMPANY BALANCE SHEET (IN SUMMARY)

SEK million	Sep 30, 2017	Sep 30, 2016	Dec 31, 2016
ASSETS			
Shares in subsidiaries	13,563	13,563	13,563
Other non-current assets	22	11	17
Total non-current assets	13,585	13,574	13,580
Current assets	1,936	2,392	2,745
TOTAL ASSETS	15,521	15,966	16,325
EQUITY	11,027	11,355	11,579
PROVISIONS			
Provisions	18	10	13
Total provisions	18	10	13
LIABILITIES			
Non-current liabilities	4,011	4,337	4,453
Total non-current liabilities	4,011	4,337	4,453
Current liabilities	466	264	280
Total current liabilities	466	264	280
TOTAL EQUITY AND LIABILITIES	15,521	15,966	16,325

CONDENSED NOTES

NOTE 1 | ACCOUNTING PRINCIPLES

Dometic Group AB (publ) ("Dometic") 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 interim report comprises pages 1-16 and pages 1-7 are thus an integrated part of this financial report (IAS 34.16A).

The accounting principles applied correspond to those described in the 2016 Annual Report. There are no changes to Dometic's accounting and valuation principles compared to the principles described in Notes 2 and 4 of the 2016 Annual Report. For a detailed description of the accounting and valuation principles applied by the Group, see Notes 1, 2 and 4 of the 2016 Annual Report, available at www.dometic.com.

Preparations for the new accounting standards

The following information should be considered in addition to the description of the new accounting standards and related activities provided in the 2016 Annual Report, Note 2.

IFRS 9 (Financial instruments); The extent to which IFRS 9 will affect Dometic's financial reporting is being determined in 2017. Based on the current assessment, no significant transition effects have been noted, however a credit loss model to meet the requirements under IFRS 9 is being finalized. IFRS 15 (Revenue from Contracts with Customers); at present the Group is working with the data collection in order to meet the disclosure requirements. No significant transition effects have been identified. IFRS 16 (Leases); Dometic is currently assessing the impact of the new standard, at this stage the Group is not able to quantify the impact on consolidated financial statements.

IFRS 9 (Financial Instruments) and IFRS 15 (Revenue from Contracts with Customers) are to be applied from the financial year beginning January 1, 2018, while IFRS 16 (Leases) is effective as of January 1, 2019. Earlier application is permitted for all standards. Dometic will not apply earlier adoption.

NOTE 2 | RISKS AND UNCERTAINTIES

As all businesses, Dometic is exposed to a number of risks that could have a material impact on the Group. These risks are factors that impact Dometic's ability to achieve established Group targets. This applies to both financial targets and targets in other areas outlined in Dometic's business strategy. Dometic performs annual risk analysis by assessing each defined risks likelihood and impact in a risk register, resulting in global and regional risk maps presented to Group management and the Board of Directors and used as foundation for the control activities within Dometic. The risks that Dometic is exposed to are classified into four main categories (business and market risks, operational risks, compliance and regulatory risks and financial risks) where each category has underlying risks. These risks can be both internal and external. The internal risks are mainly managed and controlled by Dometic whereas the external risk factors are not caused nor can be controlled by Dometic but the effects can be limited by an effective risk management.

Dometic 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's future risk exposure is assumed not to deviate from the inherent exposure associated with Dometic's ongoing business operations. For a more in-depth analysis of risks and risk management, please refer to Dometic's 2016 Annual Report.

NOTE 3 | FINANCIAL INSTRUMENTS

Dometic 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 2016 Annual Report, have been applied throughout the reporting period.

The fair value of Dometic's derivative asset and liabilities were SEK 72 million (Q3 2016: SEK 7 million) and SEK 58 million, (Q3 2016: SEK 35 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.

TABLE TO NOTE 3 – FINANCIAL INSTRUMENTS

Sep 30, 2017	Balance sheet carrying amount	Financial instruments at amortized cost	Financial instruments at fair value	Derivatives used for hedging
Per category				
Derivatives	72	–	6	66
Financial assets	3,676	3,676	–	–
Total financial assets	3,748	3,676	6	66
Derivatives	58	–	6	52
Financial liabilities	5,698	5,698	–	–
Total financial liabilities	5,756	5,698	6	52

NOTE 4 | SEGMENT INFORMATION

SEK million	Q3 2017	Q3 2016	YTD 2017	YTD 2016	FY 2016
Net sales, external					
Americas	1,620	1,526	4,817	4,493	5,749
EMEA	1,353	1,237	4,714	4,011	5,093
Asia Pacific	426	379	1,260	1,098	1,546
Total net sales, external	3,399	3,142	10,791	9,602	12,388
Operating profit (EBIT)					
Americas	267	223	705	654	698
EMEA	141	133	580	544	550
Asia Pacific	240	70	430	202	325
Total operating profit (EBIT)	648	426	1,715	1,400	1,573
Financial income	1	1	2	4	6
Financial expenses	-57	-38	-121	-114	-124
Taxes	-144	-78	-378	-231	-93
Profit for the period	448	311	1,218	1,059	1,362

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 2016 Annual Report.

NOTE 5 | TRANSACTIONS WITH RELATED PARTIES

No transactions between Dometic and related parties that have significantly affected the company's position and earnings took place during the first nine months of 2017.

NOTE 6 | ACQUISITIONS AND DIVESTMENTS

Dometic has not made any acquisitions or divestments that have had a significant impact on Dometic.

On December 22, 2016, Dometic announced the acquisition of the assets of IPV, a Germany-based aftermarket provider of coolers and other outdoor products. The acquisition strengthens Dometic's position in the EMEA market for mobile coolers. The purchase price was EUR 3.5 million, and the transaction was closed on January 3, 2017.

On February 7, 2017, Dometic acquired Oceanair Marine Limited, a UK-based market-leading manufacturer of marine blinds, screens and soft-furnishings for the Leisure Marine and Super Yacht segments. The acquisition strengthens Dometic's presence in the marine market and broadens the product

portfolio. The company reported revenues of GBP 11.4 million for the 2015/2016 fiscal year. The initial purchase price was GBP 14.0 million in cash, with an additional earn-out consideration of a maximum of GBP 2.5 million subject to the achievement of certain performance-related targets over the next 16 months.

Summary of value adjustments recognized as a result of the acquisition of Oceanair amounts in total to SEK 160 million, including goodwill of SEK 80 million, other intangible assets (trademarks and customer relationships) SEK 100 million, and a deferred tax liability of SEK 20 million. Acquisition-related costs expensed in the consolidated income statement remain the same as in Q1 2017, SEK 2.5 million.

The total purchase price consideration in cash for the transactions (IPV, Oceanair), less cash and cash equivalents, amounts to SEK 197 million, including earn-out paid in Q3. The acquisitions did not have any significant impact on operating profit for the first nine months of 2017.

As announced on July 13, Dometic divested an industrial facility in China as part of a strategic consolidation. The selling price amounted to CNY 160 million. A net gain before tax of CNY 131.5 million is recognized in the third quarter 2017.

NOTE 7 | SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

No significant events have occurred since the end of the period.

RECONCILIATION OF NON-IFRS MEASURES TO IFRS (ALTERNATIVE PERFORMANCE MEASURES)

Dometic 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 for financial reporting measures prepared in accordance with IFRS. See Dometic's website www.dometic.com for the detailed reconciliation.

Core working capital

Consists of inventories and trade receivables less trade payables.

EBITDA

Earnings before Interest, Taxes, Depreciation and Amortization

EBITDA margin

EBITDA divided by net sales

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.

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 quarter

DEFINITIONS AND KEY RATIOS

AM

Aftermarket.

Capital expenditure

Expenses related to the purchase of tangible and intangible assets.

CPV

Commercial and Passenger Vehicles.

EPS – Earnings per share

Net profit for the period divided by average number of shares.

FY 2016

Financial Year ended December 31, 2016.

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 provisions for pensions.

OCI

Other comprehensive income.

OEM

Original Equipment Manufacturers.

Operating capital

excluding goodwill and trademarks

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

Operating profit (EBIT)

Operating profit; earnings before financial items and taxes.

Operating profit (EBIT) margin

Operating profit divided by net sales.

RV

Recreational Vehicles.

Q3 2017

July to September 2017 for Income Statement.

Q3 2016

July to September 2016 for Income Statement.

Working capital

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

PRESENTATION OF THE INTERIM REPORT

Analysts and media are invited to participate in a telephone conference at 10.00 (CEST), today, October 24, 2017, 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 (0)8 566 426 69

UK: +44 (0)20 3008 9807

US: +1 855 831 5948

Webcast URL and presentation are available at www.dometic.com

FOR FURTHER INFORMATION, PLEASE CONTACT

Johan Lundin

Head of Investor Relations and Communications

Phone: +46 8 501 025 46

E-mail: ir@dometic.com

This information is information that Dometic Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08:00 CET on October 24, 2017.

CONTACT DETAILS

Dometic Group AB (publ)

Hemvärnsgatan 15

SE-171 54 Solna, Sweden

Phone: +46 8 501 025 00

www.dometic.com

Corporate registration number 556829-4390

ABOUT DOMETIC

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 12.4 billion in 2016 and is headquartered in Stockholm, 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.

FINANCIAL CALENDAR

8 FEBRUARY 2018: Year-end report, 2017

10 APRIL 2018: Annual General Meeting

26 APRIL 2018: Interim report for the first quarter 2018

18 JULY 2018: Interim report for the second quarter 2018

25 OCTOBER 2018: Interim report for the third quarter 2018