
REPORT ON THE THIRD QUARTER 2018

THIRD QUARTER

- Net sales for the quarter were SEK 4,501 m (3,399); an increase of 32%, of which 1% was organic growth.
- Operating profit (EBIT) for the quarter was SEK 702 m (648), representing a margin of 15.6% (19.1%).
- Items affecting comparability totaled SEK - m (166). Items affecting comparability during the third quarter 2017 related to the strategic consolidation of manufacturing in China.
- Operating profit (EBIT) before items affecting comparability for the quarter was SEK 702 m (482), representing a margin of 15.6% (14.2%). Excluding SeaStar, the EBIT margin was 14.5%.
- Cash flow for the quarter was SEK 1,941 m (610). Operating cash flow was SEK 843 m (667).
- Profit for the quarter was SEK 435 m (448).
- Earnings per share: SEK 1.47 (1.51).

DIVERSIFIED PORTFOLIO GENERATES ORGANIC GROWTH

"We look back on a quarter of organic growth, margin improvement and continued deleveraging. Total sales grew by 32 percent of which 1 percent was organic, with positive growth in 7 out of 8 businesses. Performance was especially positive in Aftermarket with 7 percent organic growth. The EBIT margin improved by 1.4 percentage points, mainly as a result of continued focus on pricing and efficiencies across the organization.

Operating cash flow increased by 26 percent compared with the same quarter last year. Leverage was 3.1x at the end of the quarter and was negatively affected by exchange rate movements. At constant currency rates, leverage was 3.0x. We expect to see further deleveraging in the fourth quarter. To strengthen our funding base Dometic issued its first Euro bond. The bond amounted to EUR 300 m with a 3 percent all-in cost.

We still see the fundamental drivers among end-customers, with increased spending on outdoor living, growing interest from new demographics and demand for product innovation. Through the latest acquisitions, we have achieved a major strategic shift during 2018, taking down RV from 65 percent to 55 percent of sales and Marine now accounting for 25 percent of sales. We will further accelerate our focus on profitable expansion, product leadership and cost reductions to build an even more diversified, innovative and stronger company going forward."

Juan Vargues President and CEO

PRESENTATION OF THE REPORT

Analysts and media are invited to participate in a telephone conference at 10.00 (CEST) October 25, 2018, during which President and CEO, Juan Vargues and CFO, Per-Arne Blomquist, will present the report and answer questions.

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

FOR FURTHER INFORMATION, PLEASE CONTACT

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ABOUT DOMETIC

Dometic is a global market leader in branded solutions for mobile living in the areas of Climate, Hygiene & Sanitation, Food & Beverage, Power & Control and Safety & Security. 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 offer products and solutions that enrich people's experiences away from home, whether in a motorhome, caravan, boat or a truck. Our motivation is to create smart and reliable products with outstanding design. We operate 28 manufacturing/assembly sites in eleven countries and sell our products in approximately 100 countries. We have a global distribution and dealer network in place to serve the aftermarket. Dometic employs approximately 8,800 people worldwide, had net sales of SEK 14.0 billion in 2017 and is headquartered in Solna, Sweden.