

REPORT ON THE SECOND QUARTER 2017

NET SALES

3,949

SEK MILLION

(3,461)

OPERATING PROFIT (EBIT)

650

SEK MILLION

(573)

OPERATING CASH FLOW

570

SEK MILLION

(511)

SECOND QUARTER

- Net sales for the second quarter totaled SEK 3,949 million (3,461); an increase of 14%, of which 9% was organic growth.
- Operating profit (EBIT) before items affecting comparability amounted to SEK 650 million (584), representing a margin of 16.5% (16.9%), including SEK 29 million relating to US class action legal costs.
- Operating profit (EBIT) amounted to SEK 650 million (573).
- Cash flow for the period totaled SEK -29 million (309). Operating cash flow totaled SEK 570 million (511).
- Profit for the second quarter was SEK 474 million (453).
- Earnings per share: SEK 1.60 (1.53).

FIRST HALF OF THE YEAR

- Net sales for the January-June 2017 period totaled SEK 7,393 million (6,460); an increase of 14%, of which 10% was organic growth.
- Operating profit (EBIT) before items affecting comparability amounted to SEK 1,067 million (984), representing a margin of 14.4% (15.2%), including SEK 75 million relating to rebranding costs, class action legal costs and an acquisition-related cost.
- Operating profit (EBIT) amounted to SEK 1,067 million (973).
- Cash flow for the period totaled SEK -412 million (-107). Operating cash flow totaled SEK 526 million (410).
- Profit for the period was SEK 770 million (748).
- Earnings per share: SEK 2.60 (2.53).

FINANCIAL OVERVIEW

	Q2	Q2	H1	H1	LTM	FY
SEK million	2017	2016	2017	2016	2017	2016
Net sales	3,949	3,461	7,393	6,460	13,321	12,388
EBITDA	729	646	1,224	1,119	1,976	1,871
% of net sales	18.5%	18.7%	16.6%	17.3%	14.8%	15.1%
Operating profit (EBIT)	650	573	1,067	973	1,667	1,573
% of net sales	16.5%	16.6%	14.4%	15.1%	12.5%	12.7%
Operating profit (EBIT) before items affecting comparability	650	584	1,067	984	1,704	1,621
% of net sales	16.5%	16.9%	14.4%	15.2%	12.8%	13.1%
Profit for the period	474	453	770	748	1,384	1,362
Earnings per share, SEK	1.60	1.53	2.60	2.53	4.68	4.60
Cash flow for the period	-29	309	-412	-107	445	750
Operating cash flow ⁽¹⁾	570	511	526	410	1,412	1,296
Core working capital	3,304	2,953	3,304	2,953	3,304	2,655
Capital expenditure in fixed assets	-71	-44	-134	-97	-262	-225
RoOC	32.4%	33.4%	32.4%	33.4%	32.4%	31.6%

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

SOLID Q2 WITH 9% ORGANIC GROWTH



We can conclude a strong second quarter, driven by strong execution on internal initiatives as well as favorable market conditions. We continue to show good organic growth of 9% out of the total 14%. Underlying profitability developed well, with an EBIT margin of 17.2% (16.9%) if excluding costs related to the class action legal activities in the US.

Americas reported a strong quarter with organic sales growth of 11%. It's very encouraging to see good results from local initiatives. The effort to close the gap in growth to the American RV market is one of the initiatives that have yielded result. Another contributor to improved profitability is higher efficiency in our logistics.

EMEA reported good organic sales growth of 8% and demand remained strong in most European businesses. After the somewhat weak margin in the first quarter, we are working with a set of initiatives to improve profitability in the region, especially in the RVOEM business.

In APAC, we continue to see stable performance in Australia, as well as high growth rates in China and Japan. Profitability remains on a high level but was slightly impacted by unfavorable product and country mix.

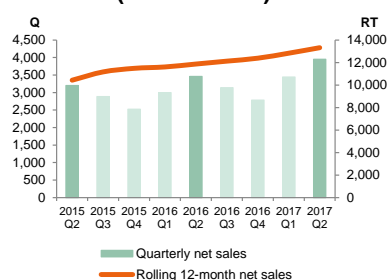
Cash generation was strong in the quarter and leverage is now at 1.7, which creates a good platform for continued M&A activities. I am pleased to see that the integration of Oceanair and IPV goes according to plan. Finding more acquisition growth opportunities in attractive business segments is a top priority.

The last year's efforts to improve logistics and distribution have yielded good results in both Americas and EMEA. Another focus area right now is to manage a combination of productivity improvements and optimizing manufacturing capacities in a high demand situation. All regions have action plans, one example being the recently announced consolidation in China.

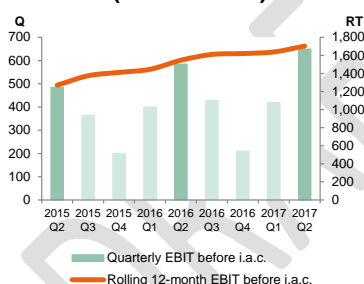
All in all, we summarize a strong first half of 2017. The outlook for our businesses remains unchanged and we have a full pipeline of activities to take us to our financial targets.

Roger Johansson, President and CEO

Net sales (SEK million)



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



FINANCIAL SUMMARY – SECOND QUARTER

Net sales in the three months ending June 30, 2017, totaled SEK 3,949 million, representing an increase of 14% compared with SEK 3,461 million in the same period last year. This is made up of 9% organic growth, 4% currency translation and 1% M&A.

Operating profit (EBIT) before i.a.c. totaled SEK 650 million in Q2 2017, which was an increase of 11% compared to SEK 584 million in Q2 2016. The EBIT margin decreased from 16.9% to 16.5%. Earnings for Q2 2017 include SEK 29 million relating to class action legal costs.

Financial items amounted to a net expense of SEK 32 million (39), including SEK 25 million in interest on external bank loans (30) and SEK 2 million for amortization of capitalized long-term financing expenses (2). Other expense items amounted to SEK 6 million (9) and financial income to SEK 1 million (2).

Taxes totaled SEK -144 million (-81), corresponding to 23% (15%) of profit before tax. Current tax amounted to SEK -44 million (-61) and deferred tax to SEK -100 million (-20).

Profit for the period totaled SEK 474 million (453).

Earnings per share amounted to SEK 1.60 (1.53).

Operating cash flow totaled SEK 570 million (511). The improvement derives from stronger operating profit and a reduction in inventory.

Cash flow for the period of SEK -29 million (309), including cash payment of dividend for 2016 of SEK 547 million.

Financial position. Leverage in Q2 2017 was 1.7 compared with 2.1 in Q2 2016. At year-end 2016, leverage was 1.7.

FINANCIAL SUMMARY – FIRST HALF

Net sales totaled SEK 7,393 million, representing an increase of 14% compared with SEK 6,460 million in the same period last year. This is made up of 10% organic growth, 4% currency translation and 0% M&A.

Operating profit (EBIT) before i.a.c. totaled SEK 1,067 million, which was an increase of 8% compared to SEK 984 million 2016. The EBIT margin decreased from 15.2% to 14.4%. Earnings for H1 2017 include SEK 75 million relating to rebranding costs, class action legal costs and an acquisition-related cost.

Financial items amounted to a net expense of SEK 63 million (73), including SEK 51 million in interest on external bank loans (60) and SEK 4 million for amortization of capitalized long-term financing expenses (4). Other expense items amounted to SEK 9 million (12) and financial income to SEK 1 million (3).

Taxes totaled SEK -234 million (-152), corresponding to 23% (17%) of profit before tax. Current tax amounted to SEK -95 million (-116) and deferred tax to SEK -139 million (-36).

Profit for the period totaled SEK 770 million (748).

Earnings per share amounted to SEK 2.60 (2.53).

Operating cash flow totaled SEK 526 million (410). The improvement derives from stronger operating profit and a reduction in inventory.

Cash flow for the period of SEK -412 million (-107) includes purchase price paid net of acquired cash and cash equivalents of SEK 187 million for the acquisitions in Q1 and cash dividend payout for 2016 of SEK 547 million in Q2 2017.

Events after the quarter. Dometic divested an industrial facility in China. Selling price amounted to CNY 160 million. Net gain of CNY 80 -100 million.

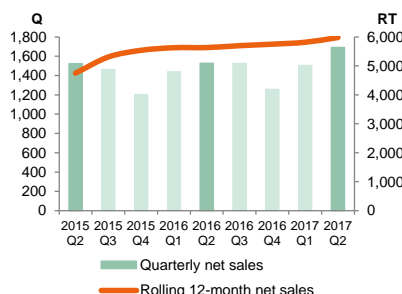
Roger Johansson, President and CEO, announced that he will leave his position at the end of the year. The Board has appointed Juan Vargues as his successor.

SEK million	Q2 2017	Q2 2016	Change (%)		H1 2017	H1 2016	Change (%)		LTM 2017	FY 2016
			Rep.	Adj. ⁽¹⁾			Rep.	Adj. ⁽¹⁾		
Americas	1,692	1,527	11%	6%	3,198	2,967	8%	3%	5,980	5,749
EMEA	1,833	1,552	18%	14%	3,360	2,774	21%	18%	5,679	5,093
Asia Pacific	424	382	11%	5%	835	719	16%	9%	1,662	1,546
Total net sales	3,949	3,461	14%	10%	7,393	6,460	14%	10%	13,321	12,388
Americas	274	244	12%	7%	438	432	1%	-4%	762	756
EMEA	277	246	12%	8%	439	389	13%	9%	584	534
Asia Pacific	99	94	5%	1%	190	163	16%	11%	358	331
Total operating profit (EBIT)⁽²⁾	650	584	11%	7%	1,067	984	8%	4%	1,704	1,621
Americas	16.2%	16.0%			13.7%	14.5%			12.7%	13.1%
EMEA	15.1%	15.9%			13.1%	14.0%			10.3%	10.5%
Asia Pacific	23.3%	24.5%			22.8%	22.7%			21.6%	21.4%
Total operating profit %	16.5%	16.9%			14.4%	15.2%			12.8%	13.1%

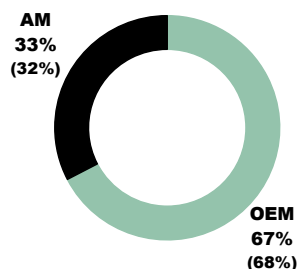
⁽¹⁾Represents change in comparable currency. ⁽²⁾Before i.a.c.

AMERICAS

Net sales (SEK million)



Sales split AM/OEM



Q2

NET SALES

1,692
SEK MILLION
(1,527)

OPERATING PROFIT (EBIT)¹

274
SEK MILLION
(244)

OPERATING MARGIN (EBIT%)¹

16.2%
(16.0%)

NET SALES AND OPERATING PROFIT (EBIT)

Second quarter 2017

Americas reported net sales of SEK 1,692 million (1,527), representing 43% of Group sales. Total growth was 11%, of which 11% was organic, 5% currency translation and -5% M&A.

Operating profit (EBIT) before i.a.c. totaled SEK 274 million (244), an increase of 12% compared to the same period in 2016. The EBIT margin was 16.2% (16.0%).

First half-year 2017

Net sales for the first half of the year amounted to SEK 3,198 million (2,967), an increase of 8%, of which 7% was organic, 5% currency translation and -4% M&A.

Operating profit (EBIT) before i.a.c. totaled SEK 438 million (432), a decrease of 4% compared to the same period in 2016. The EBIT margin was 13.7% (14.5%).

Market development

In the US, growth in the volume of RV shipments from OEM manufacturers to dealers remains strong. For the January–May 2017 period, RV shipments increased by 12% compared with the same period last year. For the March–May period, RV shipments increased by 14% compared to the same period last year.

Business highlights

OEM sales growth was 5% in constant currency, while organic growth was 11%. Aftermarket sales growth was 8% in constant currency and organic growth was 11%.

RVOEM reported strong development, with 12% sales growth excluding divestments. The gap to market is narrowing, driven by strong sales of refrigerators and air conditioners.

The Marine OEM business reported good growth, based on favorable market conditions.

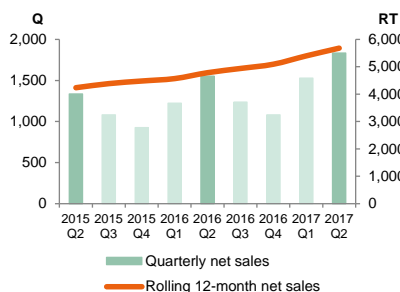
CPVOEM business sales declined. The US truck market remains challenging.

Aftermarket grew in all businesses. There was particularly strong growth in Mobile cooling.

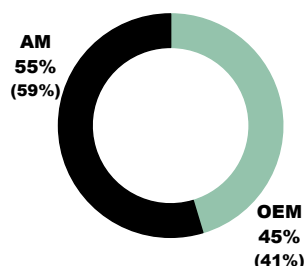
¹ Before i.a.c.

EMEA

Net sales (SEK million)



Sales split AM/OEM



Q2

NET SALES

1,833
SEK MILLION
(1,552)

OPERATING PROFIT (EBIT)¹

277
SEK MILLION
(246)

OPERATING MARGIN (EBIT%)¹

15.1%
(15.9%)

NET SALES AND OPERATING PROFIT (EBIT)

Second quarter 2017

EMEA reported net sales of SEK 1,833 million (1,552), representing 46% of Group sales. Total growth was 18%, of which 8% was organic, 3% currency translation and 7% M&A.

Operating profit (EBIT) before i.a.c. totaled SEK 277 million (246); an increase of 12% compared to the same period in 2016. The EBIT margin was 15.1% (15.9%).

First half-year 2017

Net sales for the first half of the year amounted to SEK 3,360 million (2,774), an increase of 21%, of which 13% was organic, 3% currency translation and 5% M&A.

Operating profit (EBIT) before i.a.c. totaled SEK 439 million (389), an increase of 13% compared to the same period in 2016. The EBIT margin was 13.1% (14.0%).

Market development

For the January–June 2017 period, RV registrations in the largest European markets increased by 10% compared with the same period last year. For the April–June period, RV registrations increased by 12% compared to the same period last year.

For the January–May period, heavy truck registrations increased by 4% compared to the same period last year.

Business highlights

OEM sales growth was 21% in constant currency, while organic sales growth totaled 15%. Aftermarket sales growth was 10% in constant currency and organic sales growth was 3%.

RVOEM reported good sales growth across all markets and product groups.

Marine OEM reported strong sales growth in Italy, France and the UK. UK Marine OEM sales were further enhanced by the addition of Oceanair in Q1, 2017.

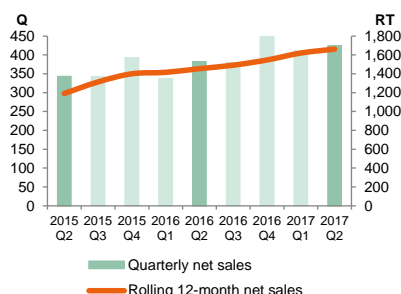
CPVOEM reported sales growth driven by product groups such as inverters, cooling boxes and rear-view cameras.

Aftermarket sales performed well, except for aircon service stations where growth was somewhat lower than for the corresponding period last year.

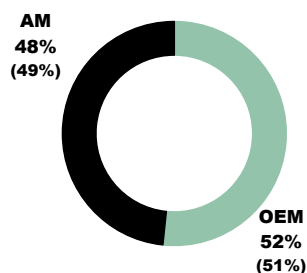
¹ Before i.a.c.

APAC

Net sales (SEK million)



Sales split AM/OEM



Q2

NET SALES

424

SEK MILLION
(382)

OPERATING PROFIT (EBIT)¹

99

SEK MILLION
(94)

OPERATING MARGIN (EBIT%)¹

23.3%

(24.5%)

NET SALES AND OPERATING PROFIT (EBIT)

Second quarter 2017

APAC reported net sales of SEK 424 million (382), representing 11% of Group sales. Total growth was 11%, of which 6% was organic, 5% currency translation and 0% M&A.

Operating profit (EBIT) before i.a.c. totaled SEK 99 million (94); an increase of 5% compared to the same period in 2016. The EBIT margin was 23.3% (24.5%).

First half-year 2017

Net sales for the first half of the year amounted to SEK 835 million (719); an increase of 16%, of which 10% was organic, 6% currency translation and 0% M&A.

Operating profit (EBIT) before i.a.c. totaled SEK 190 million (163); an increase of 16% compared to the same period in 2016. The EBIT margin was 22.8% (22.7%).

Market development

Statistics on Australian domestic RV production showed an increase of 1% to 8,866 units during the January–May period, compared with the same period the previous year. For the March–May period, RV production increased by 3% compared to the same period last year.

Business highlights

OEM sales growth was 6% in constant currency. Aftermarket sales growth was 5% in constant currency.

RVOEM reported stable sales development with growth in Australia and New Zealand, despite persistently sluggish local markets. Sales to RVOEM customers in China and Japan showed double-digit growth.

Marine OEM had a challenging quarter with slightly negative development, mainly due to the timing of projects.

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

Aftermarket showed strong development in the RV, CPV and lodging segments, compensating for slightly negative development in the retail segment.

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 second quarter 2017, the Parent Company had an operating profit (loss) of SEK 5 million (-5), including administrative expenses of SEK 32 million (34) and other operating income of SEK 37 million (29), of which the full amount relates to income from Group companies.

Profit (loss) from financial items totaled SEK 113 million (-139), including interest income from Group companies of SEK 4 million (16), interest expenses to Group companies of SEK 0 million (0) and other financial income and expenses SEK 109 million (-155).

Profit (loss) for the second quarter amounted to SEK -15 million (-144).

The Parent Company's operating profit (loss) for the first half of the year totaled SEK 2 million (-5), including administrative expenses of SEK 68 million (61) and other operating income of SEK 70 million (56), of which the full amount relates to income from Group companies.

Profit (loss) from financial items totaled SEK 128 million (-116), including interest income from Group companies of SEK 28 million (19), interest expenses to Group companies of SEK - million (0) and other financial income and expenses SEK 100 million (-135).

Profit (loss) for the first half year amounted to SEK -3 million (-122).

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 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 18, 2017

Fredrik Cappelen
Chairman of the Board

Heléne Vibbleus
Board member

Rainer E. Schmückle
Board member

Jacqueline Hoogerbrugge
Board member

Magnus Yngen
Board member

Erik Olsson
Board member

Peter Sjölander
Board member

Roger Johansson
President and CEO

REVIEW

This interim report has not been subject to special review by the Dometic Group AB (publ)'s external auditor.

CONSOLIDATED INCOME STATEMENT

SEK million	Q2 2017	Q2 2016	H1 2017	H1 2016	FY 2016
Net sales	3,949	3,461	7,393	6,460	12,388
Cost of goods sold	-2,637	-2,309	-4,996	-4,397	-8,463
Gross Profit	1,312	1,152	2,397	2,063	3,925
Sales expenses	-458	-420	-909	-790	-1,651
Administrative expenses	-170	-133	-359	-271	-604
Other operating income and expenses	-17	2	-27	16	20
Items affecting comparability	0	-11	0	-11	-48
Amortization of customer relationships	-17	-17	-35	-34	-69
Operating profit	650	573	1,067	973	1,573
Financial income	1	2	1	3	6
Financial expenses	-33	-41	-64	-76	-124
Loss from financial items	-32	-39	-63	-73	-118
Profit before tax	618	534	1,004	900	1,455
Taxes	-144	-81	-234	-152	-93
Profit for the period	474	453	770	748	1,362
Profit for the period attributable to owners of the Parent Company	474	453	770	748	1,362
Earnings per share before and after dilution effects, SEK - Owners of the Parent Company	1.60	1.53	2.60	2.53	4.60
Number of shares, million	295.8	295.8	295.8	295.8	295.8

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK million	Q2 2017	Q2 2016	H1 2017	H1 2016	FY 2016
Profit for the period	474	453	770	748	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	-1	0	-3	-3	-16
	-1	0	-3	-3	-16
Items that may be reclassified subsequently to profit or loss:					
Cash flow hedges, net of tax	-11	9	-7	-10	13
Gains/losses from hedges of net investments in foreign operations, net of tax	57	-30	41	-53	-149
Exchange rate differences on translation of foreign operations	-440	327	-405	278	887
	-394	306	-371	215	751
Other comprehensive income for the period	-395	306	-374	212	735
Total comprehensive income for the period	79	759	396	960	2,097
Total comprehensive income for the period attributable to owners of the	79	759	396	960	2,097

CONSOLIDATED BALANCE SHEET (IN SUMMARY)

SEK million	Jun 30, 2017	Jun 30, 2016	Dec 31, 2016
ASSETS			
Non-current assets			
Goodwill and trademarks	12,486	12,170	12,725
Other intangible assets	975	1,039	1,016
Tangible assets	1,575	1,564	1,575
Deferred tax assets	1,062	1,072	1,226
Derivatives, long-term	3	12	7
Other non-current assets	56	48	52
Total non-current assets	16,157	15,905	16,601
Current assets			
Inventories	2,697	2,452	2,637
Trade receivables	1,915	1,632	1,041
Current tax assets	53	13	47
Derivatives, short-term	37	–	57
Other current assets	286	228	237
Prepaid expenses and accrued income	99	88	89
Cash and cash equivalents	1,169	730	1,599
Total current assets	6,256	5,143	5,707
TOTAL ASSETS	22,413	21,048	22,308
EQUITY AND LIABILITIES			
EQUITY	13,826	12,840	13,977
LIABILITIES			
Non-current liabilities			
Liabilities to credit institutions, long-term	4,205	4,347	4,453
Deferred tax liabilities	593	561	593
Other non current liabilities	16	–	–
Provisions for pensions	534	495	536
Other provisions, long-term	124	106	117
Total non-current liabilities	5,472	5,509	5,699
Current liabilities			
Liabilities to credit institutions, short-term	339	273	329
Trade payables	1,308	1,131	1,024
Current tax liabilities	336	246	294
Advance payments from customers	20	16	29
Derivatives, short-term	38	35	52
Other provisions, short-term	206	218	197
Other current liabilities	211	201	134
Accrued expenses and prepaid income	657	579	573
Total current liabilities	3,115	2,699	2,632
TOTAL LIABILITIES	8,587	8,208	8,331
TOTAL EQUITY AND LIABILITIES	22,413	21,048	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				748	748
Other comprehensive income					
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
Total comprehensive income			215	745	960
Transactions with owners					
Costs related to the shareholders' contribution, net of tax				-3	-3
Total transactions with owners				-3	-3
Closing balance Jun 30, 2016	1	11,446	1,219	174	12,840

⁽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				770	770
Other comprehensive income					
Remeasurements of defined benefit pension plans, net of tax				-3	-3
Cash flow hedges, net of tax			-7		-7
Gains/losses from hedges of net investment in foreign operations, net of tax			41		41
Exchange rate differences on translation of foreign operations			-405		-405
Total comprehensive income			-371	767	396
Transactions with owners					
Dividend to shareholders				-547	-547
Total transactions with owners				-547	-547
Closing balance Jun 30, 2017	1	11,446	1,384	995	13,826

CONSOLIDATED STATEMENT OF CASH FLOW

SEK million	Q2 2017	Q2 2016	H1 2017	H1 2016	FY 2016
Cash flow from operations					
Operating profit	650	573	1,067	973	1,573
<i>Adjustment for other non-cash items</i>					
Depreciation and amortization	79	73	157	146	298
Adjustments for other non-cash items	-2	24	-2	35	68
<i>Changes in working capital</i>					
Changes in inventories	14	-73	-117	-235	-364
Changes in trade receivables	-255	-211	-893	-700	-83
Changes in trade payables	100	59	323	186	43
Changes in other working capital	55	110	125	102	-14
Income tax paid	-44	-40	-39	-65	-107
Net cash flow from operations	597	515	621	442	1,414
Cash flow from investments					
Acquisition of operations	–	–	-187	–	–
Investments in fixed assets	-71	-44	-134	-97	-225
Proceeds from sale of fixed assets	1	0	1	1	133
Other investing activities	-1	0	-2	-1	–
Net cash flow from investments	-71	-44	-322	-97	-92
Cash flow from financing					
Shareholders' contribution/Paid costs related to the shareholders' contribution	–	–	–	-74	-74
Borrowings from credit institutions	36	25	36	25	64
Repayment of loans to credit institutions	-5	-132	-117	-325	-426
Paid interest	-25	-57	-51	-59	-97
Received interest	1	1	1	1	3
Other financing activities	-15	1	-33	-20	-42
Dividend	-547	–	-547	–	–
Net cash flow from financing	-555	-162	-711	-452	-572
Cash flow for the period	-29	309	-412	-107	750
Cash and cash equivalents at beginning of period	1,213	413	1,599	833	833
Exchange differences on cash and cash equivalents	-15	8	-18	4	16
Cash and cash equivalents at end of period	1,169	730	1,169	730	1,599

PARENT COMPANY INCOME STATEMENT

SEK million	Q2 2017	Q2 2016	H1 2017	H1 2016	FY 2016
Administrative expenses	-32	-34	-68	-61	-130
Other operating income	37	29	70	56	127
Operating profit	5	-5	2	-5	-3
Interest income subsidiaries	4	16	28	19	71
Interest expenses subsidiaries	0	0	–	0	–
Other financial income and expenses	109	-155	100	-135	-422
Profit (loss) from financial items	113	-139	128	-116	-351
Group contributions	-133	–	-133	–	353
Profit (loss) before tax	-15	-144	-3	-121	-1
Taxes	0	0	0	-1	0
Profit (loss) for the period	-15	-144	-3	-122	-1

PARENT COMPANY BALANCE SHEET (IN SUMMARY)

SEK million	Jun 30, 2017	Jun 30, 2016	Dec 31, 2016
ASSETS			
Shares in subsidiaries	13,563	13,563	13,563
Other non-current assets	16	11	17
Total non-current assets	13,579	13,574	13,580
Current assets	2,070	2,478	2,745
TOTAL ASSETS	15,649	16,052	16,325
EQUITY	11,028	11,457	11,579
PROVISIONS			
Provisions	14	10	13
Total provisions	14	10	13
LIABILITIES			
Non-current liabilities	4,205	4,347	4,453
Total non-current liabilities	4,205	4,347	4,453
Current liabilities	402	238	280
Total current liabilities	402	238	280
TOTAL EQUITY AND LIABILITIES	15,649	16,052	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 with 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 work with the credit loss model is still ongoing. The extent to which IFRS 9 affects Dometic's financial reporting will be determined in 2017. IFRS 15 Revenue from Contracts with Customers; at present the Group is working with the data collection in order to meet the disclosure requirements. IFRS 16 Leases. Currently Dometic is assessing the impact from the new standard, at this stage the Group is not able to quantify the impact on Group financial consolidated 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 values of Dometic's derivative assets and liabilities were SEK 40 million (Q2 2016: SEK 12 million) and SEK 38 million, (Q2 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

Jun 30, 2017	Balance sheet carrying amount	Financial instruments at amortized cost	Financial instruments at fair value	Derivatives used for hedging
Per category				
Derivatives	40	–	1	39
Financial assets	3,426	3,426	–	–
Total financial assets	3,466	3,426	1	39
Derivatives	38	–	3	35
Financial liabilities	6,063	6,063	–	–
Total financial liabilities	6,101	6,063	3	35

NOTE 4 | SEGMENT INFORMATION

SEK million	Q2 2017	Q2 2016	H1 2017	H1 2016	FY 2016
Net sales, external					
Americas	1,692	1,527	3,198	2,967	5,749
EMEA	1,833	1,552	3,360	2,774	5,093
Asia Pacific	424	382	835	719	1,546
Total net sales, external	3,949	3,461	7,393	6,460	12,388
Operating profit (EBIT)					
Americas	274	212	438	400	698
EMEA	277	267	439	410	550
Asia Pacific	99	94	190	163	325
Total operating profit (EBIT)	650	573	1,067	973	1,573
Financial income	1	2	1	3	6
Financial expenses	-33	-41	-64	-76	-124
Taxes	-144	-81	-234	-152	-93
Profit for the period	474	453	770	748	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 half of the year 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.

Intangible assets recognized as a result of the acquisition of Oceanair include goodwill of SEK 80 million, other intangible assets (trademarks and customer relationships) totaling SEK 102 million, and SEK 20 million in deferred tax liabilities. 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 187 million. The acquisitions did not have any significant impact on operating profit for the first half of 2017.

NOTE 7 | SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

As announced on July 13, Dometic divested an industrial facility in China. Selling price amounted to CNY 160 million. Net gain of CNY 80 -100 million will be recognized in the third quarter 2017.

Roger Johansson, President and CEO, announced that he will leave his position at the end of the year. The Board has appointed Juan Vargues as his successor.

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.

Q2 2017

April to June 2017 for Income Statement.

Q2 2016

April to June 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, July 18, 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)20 300 898 08
 US: +1 855 831 59 48

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 and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 08:00 CET on July 18, 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

OCTOBER 24, 2017

Interim report, January – September 2017

FEBRUARY 8, 2018

Year-end report, 2017