

A photograph of four men and a black Jeep in a coastal landscape. One man stands on the roof of the Jeep, gesturing towards a steep, rocky cliff. Another man stands in the brush, pointing. A third man is crouching in the foreground, and a fourth is bent over. The background features a blue ocean and a cloudy sky.

Annual Report 2014

Thule Group»

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The Annual Report is published in Swedish and English. The Swedish version is the original and has been audited by Thule Groups auditors.

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CEO Magnus Welander comments on the performance of the operations in 2014.



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For more than 70 years, Thule Group has developed products that have made it easier for people to live active lives. Read more about the company's business concept, goals and strategy.



page 13

For Thule Group, products and product development are always at the heart of the company's operations. Read more about the company's focus on product development.



page 20

Read more about Thule Group's two segments: Outdoor&Bags and Specialty.



page 26

Thule Group is passionate about developing smart, innovative, high-quality products. The company's active employees are the key to its success. Read more about Thule Group's employees.



page 8

The Thule brand accounted for 65 per-cent of Thule Group's sales in 2014. Read more about Thule Group work relating to brands.

The year in brief

Earnings in 2014

- Net sales amounted to SEK 4,693m (4,331), up 8.4 percent.
- Underlying operating income totaled SEK 686m (588), up 16.7 percent, which corresponded to an operating margin of 14.6 percent (13.6)
- Operating income amounted to SEK 599m (514), up 16.5 percent.
- Cash flow from operating activities totaled SEK 355m (390), down 9.0 percent.

Significant events during the year

Thule Group realigned its operations focusing on the sports and outdoor industry

- In the second quarter of 2014, the company's Trailer Division was sold to the investment fund Accent Equity 2012
- The company's Towing Division was hived off in the third quarter of 2014 and is now operated as a newly formed, independent company

Thule Group broadened its product portfolio through product launches in new categories

- The range of products for active parents that want to bring their children simply and safely as they live their active lives (a category referred to as Active with Kids) was broadened through the launch of Thule RideAlong child bike seats and Thule Glide sport strollers
- The Sport&Travel Bags range was expanded to include bike transport cases and skiing and ski boot bags under the name of Thule RoundTrip

Thule Group continued to focus on its environmental commitment through its membership in the European Outdoor Conservation Association (EOCA)

- Thule Group has been dedicated to basic values with respect to sustainability and the environment for more than 70 years. The company further expanded this commitment through its membership in the EOCA, which has enabled Thule Group to cooperate with several other players, for example, in the sports and outdoor industry in order to preserve sensitive nature areas and ecosystems

Thule Group was listed on Nasdaq Stockholm and trading began on November 26

- The listing of Thule Group attracted considerable interest from both Swedish and international institutional investors, as well as the general public in Sweden – the offering was oversubscribed several times

Significant events after the period

In January 2015, Thule Group opened a new distribution center in Huta, Poland

- The distribution center will serve as a logistics hub for the company's growing operations in Central and Eastern Europe, enabling the company to expand its service offering to resellers in the region and make a positive contribution to reducing the impact on the environment through more efficient transport

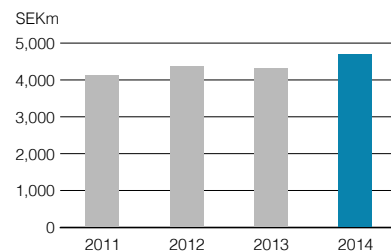
Key figures

	Jan-Dec 2014	Jan-Dec 2013	Change (%)
Net sales, SEKm ¹⁾	4,693	4,331	+8.4
Underlying EBIT, SEKm ¹⁾	686	588	+16.7
Operating income (EBIT), SEKm ¹⁾	599	514	+16.5
Net income, SEKm ¹⁾	199	299	-33.3
Earnings per share, SEK ¹⁾	2.32	3.54	-34.5
Cash flow from operating activities, SEKm ²⁾	355	390	-9.0

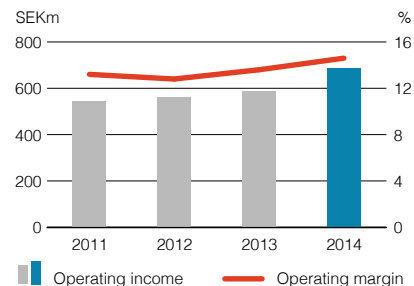
1) Based on continuing operations, excluding operations discontinued during 2014. Correspondingly, the comparison periods have been divided into continuing and discontinued operations.

2) Based on the total operations, meaning both continuing and discontinued operations.

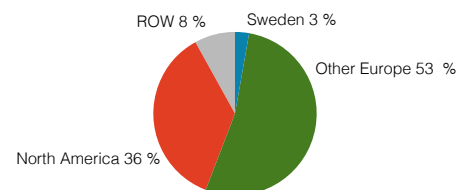
Net sales



Operating income and margin



Net sales per geographic area



SEK **4,693** m Net sales

+8.4
percent increase in net sales

SEK **686** m
underlying EBIT

14.6
underlying EBIT margin

Thule Superb RV bike carrier for RV and trailer

This is Thule Group

Global leader in the sports and outdoor industry

Thule Group offers an extensive portfolio for sports and outdoor enthusiasts around the world, mainly through the consumer brands Thule and Case Logic. Thule Group supplies products in two segments: *Outdoor&Bags* (with the product categories *Sport&Cargo Carriers* – racks and carriers for luggage and sports equipment for vehicles; *Bags for Electronic Devices* – cases for home electronics; and *Other Outdoor&Bags*) and *Specialty* (with the product categories *Work Gear* – pick-up truck tool boxes; and *Snow Chains*) and sells its products in 136 countries worldwide.

Based on estimated market shares, the company is the market leader in racks and carriers for luggage and sports equipment and a leading company in the other outdoor and bags market. The head office is located in Malmö, Sweden.

Thule Group's core values, which permeate every aspect of the work performed by the company's employees, are: SHARED PASSION for SMART SOLUTIONS that ENABLE AN ACTIVE LIFE

1942

The company was founded
by Erik Thulin

136

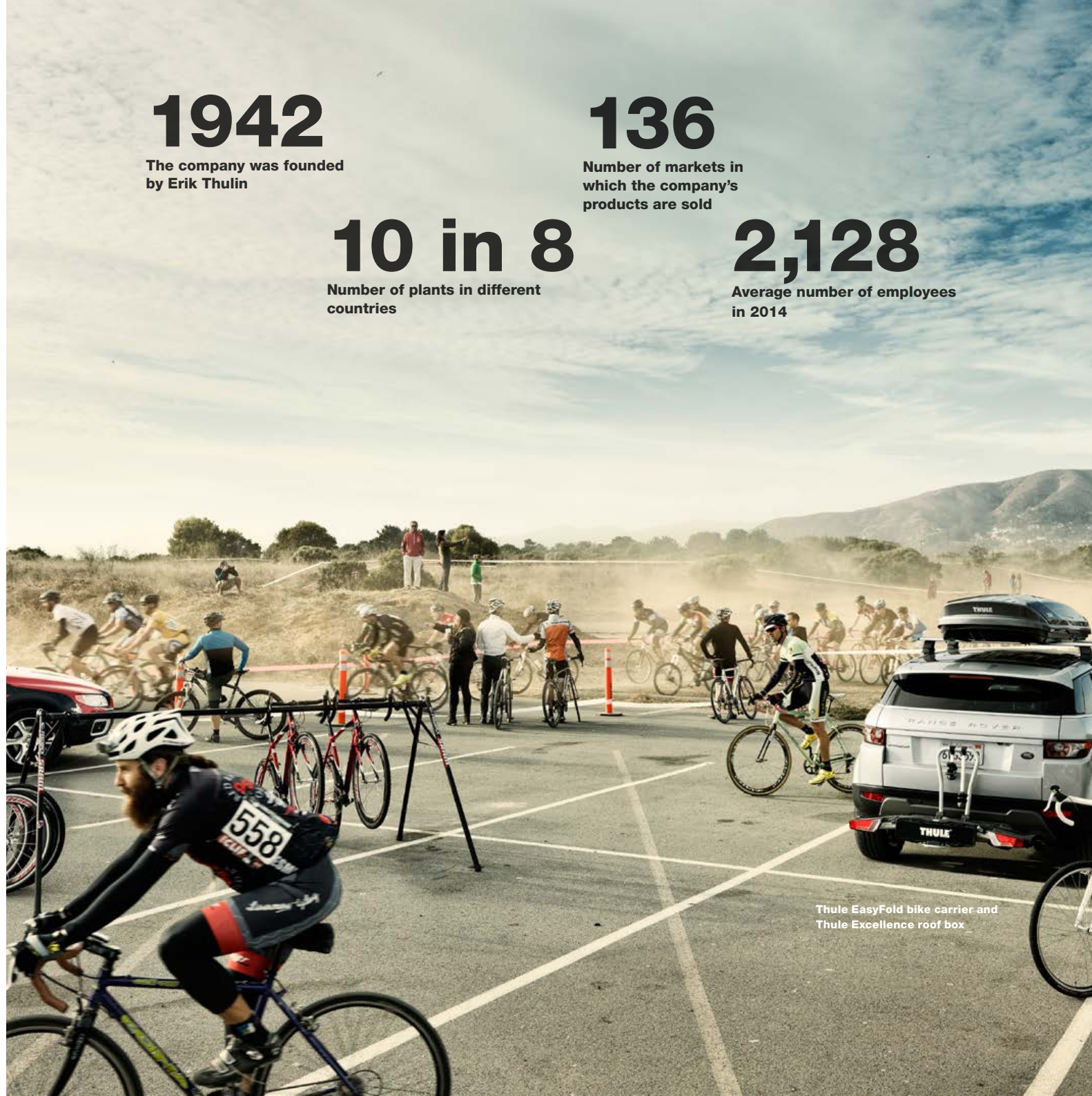
Number of markets in
which the company's
products are sold

10 in 8

Number of plants in different
countries

2,128

Average number of employees
in 2014



Thule EasyFold bike carrier and
Thule Excellence roof box

Thule Group positioned for profitable growth

When I look back and summarize 2014, I am proud of what we have achieved. We carried out the strategic realignment as planned and delivered a strong performance in our key segment, *Outdoor&Bags*, which resulted in increased sales and underlying EBIT.

Operating income, excluding items affecting comparability, totaled SEK 686m, up SEK 98m compared with the preceding year. This corresponds to an operating margin of 14.6 percent, which is well on the way to our long-term target of 15.0 percent. We also implemented a successful stock exchange listing on Nasdaq Stockholm in November. In conjunction with this, we presented a new financing solution, which is creating a stable financial position for the company's continued growth.

FOCUS ON PRODUCTS FOR ACTIVE PEOPLE PROVIDES A CLEAR DIRECTION

During the year, we continued the strategic repositioning formulated in 2010. Our vision – to make it easier for active people to bring with them what they care most for when they enjoy their active lives – is captured by the motto *Active Life, Simplified*. While targeted, market-oriented consumer brand building has provided a clear direction for Thule Group as a company. In accordance with this direction, the company's Towing and Trailer Divisions were divested during the year.

Our focus on the *Outdoor&Bags* business area is clear, particularly through our successful introduction of additional product categories in the recent year. Examples include our Thule RideAlong child bike seats and the Thule Glide series of sport strollers in the *Active with Kids* category, as well as a broad collection of Thule RoundTrip sports bags and transport cases designed for bicycles and winter sports and a number of award-winning bags for photography equipment. During the year, we continued to intensify our focus on product development by expanding our resources in the areas of design, technology and tes-

ting and began an expansion of our global test center in Hillerstorp, Sweden, which – after an investment of more than SEK 20m – will double in size following the opening of the extension in the third quarter of 2015.

INCREASED BRAND FOCUS AMONG RESELLERS

During the year, we continued to focus on our Authorized Thule Retail Partner concept, which encompassed 5,000 partner stores worldwide at year-end. We also continued our focus on making it easier for our consumers to find the right product for their needs within our wide product range through the launch of an improved buyer's guide covering our largest brand websites, as well as an improved interface for mobile devices, such as tablets and smartphones.

During the year, we also gave a face-lift to our Case Logic brand as we celebrated its 30th anniversary, introducing several new products with a more modern design targeted at young consumers who use electronic products. At the same time, we continued to build on the Thule brand's strong position among active people through our cooperation with the sponsored athletes in our Thule Crew.

We have a close relationship with our target groups and consumers. We live and breathe our offering and our products, and we will continue to develop the strong ties we have with the consumers of our global brands Thule and Case Logic.

COMMITMENT TO SUSTAINABILITY

For us in Thule Group, sustainability means going one step further than the requirements imposed by laws and regulations. It also means being an active and dedicated partner in our business relationships for the benefit of society when it comes to promoting fair and open business conditions. Simply put, Thule Group wants to be part of a sustainable and functioning society. We know that every aspect of our operations as a company revolves around the

ability of our employees, customers and consumers to enjoy an active life in a healthy outdoor environment, which makes it gratifying to see that our efforts to reduce the company's environmental impact are moving in the right direction. Thanks to our intensified efforts, we have improved our environmental indicators in all five focus areas (product, energy consumption, water consumption, waste and recycling, and responsible management of our suppliers and logistics chain) and are well positioned to achieve our long-term targets for 2016, which we set in 2013.

I am particularly proud of the increase we have achieved with respect to the proportion of renewable energy (from 25 to 52 percent) and of the extensive work we have carried out on ECO-Design training in collaboration with our design and product development departments. Our new distribution center for Eastern Europe, located adjacent to the company's major assembly plant in Poland, which opened in January 2015, will not only ensure better service for customers in these countries and cut transportation costs, but also help reduce our environmental impact.

FINANCING IN CONNECTION WITH STOCK EXCHANGE LISTING REDUCES BORROWING COSTS

In connection with the stock exchange listing, we renegotiated the company's existing loan structure, which will reduce our borrowing costs over time and ensure financial flexibility. The improved loan conditions and the considerable interest shown by both Swedish and international institutional investors, as well as the general public in Sweden, where the offering was oversubscribed several times, clearly shows that Thule Group is regarded as an attractive potential investment in the capital market.

FOCUS ON PROFITABLE GROWTH

In 2014, our snow chain operations, which are part of our secondary business segment, *Specialty*, faced the challenge of the most snow-free winter in recent memory. Given the challenge this created in terms of declining sales volumes, I am pleased that our efforts in recent years to reduce our exposure to weather conditions and ensure operational flexibility were sufficient to compensate for a large portion of this decline in volume.

Overall, I look back at 2014 with a great sense of satisfaction. In addition to implementing a large number of activities related to our strategic repositioning, stock exchange listing and construction of a major distribution center, we have also focused our efforts on profitable growth within our main segment, *Outdoor&Bags*. While our sales growth and profitability trend in this segment over the year show that Thule Group has the capacity to grow organically, I also see potential for acquisitions in the sports and outdoor industry.

Our "*Shared Passion for Smart Solutions that Enable an Active Life*" is the foundation of our corporate culture and represents the path we must take to achieve our long-term goals. In 2014, Thule Group, as an organization, demonstrated that it has the capacity to adhere to the values we stand for – something that makes me feel both proud and optimistic for the future.

A warm thank you to everyone in the Thule Group team!



Magnus Welanders
President and CEO

Malmö, April 2015



Vision, mission, targets and strategies

Vision

To be the most admired provider of smart solutions that make it easier for people to bring with them what they care most for when they enjoy their active lives

Mission

To offer a broad portfolio of great products that capture our motto *Active Life, Simplified*.

Core Values

SHARED PASSION for SMART SOLUTIONS that ENABLE AN ACTIVE LIFE

Value drivers

- Strong corporate culture
- High level of consumer recognition and loyalty
- Innovative product development
- Efficient production with high, consistent quality
- Excellent in-store availability thanks to a strong and efficient sales and distribution organization

Financial targets

Sales growth **≥5%**
The long-term target is to achieve an annual organic net sales growth of at least 5 percent (after currency adjustment)

Underlying EBIT margin **≥15%**
The long-term target is to achieve an EBIT margin (adjusted for items affecting comparability) of at least 15 percent

Capital structure **c. 2.5x**
Thule Group aims to maintain an effective long-term capital structure, defined as the net debt to EBITDA ratio (adjusted for items affecting comparability), of about 2.5x

Dividend policy **≥50%**
The Board has adopted a dividend policy, whereby the dividend should amount to at least 50 percent of the net profit measured over time, after taking into account the capital structure target defined as the net debt to EBITDA ratio (adjusted for items affecting comparability) of about 2.5x. When determining the dividend, the Board is to consider additional factors, such as the company's future outlook, investment needs, liquidity and growth possibilities, as well as general economic and business conditions.

Outcome Comment on the outcome for the year

3.5%
Thule Group
5.1%
Outdoor&Bags
-8.4%
Specialty

While Thule Group achieved its long-term target in the *Outdoor&Bags* segment (which accounted for 90 percent of Thule Group's sales in 2014), the extremely mild winter weather resulted in a sharp decline in snow chain sales in the *Specialty* segment during the year, which impacted the Group's income

14.6%

Thule Group improved its underlying EBIT margin by 1 percentage point during the year, from 13.6 percent to 14.6 percent, which was in line with the Group's plan for achieving its long-term target

3.4x

Thanks to its new capital structure, which was introduced in conjunction with the company's stock exchange listing, Thule Group has reduced its net debt in relation to underlying EBITDA from 5.4x to 3.4x, which was in line with the Group's plan for achieving its long-term target

51%

The Board of Thule Group has recommended a dividend of SEK 2.00 per share for the year, to be distributed on two occasions in May and September, which entails a dividend of 51 percent in line with the long-term target

Strategy

Focus on continued volume growth in main categories

- Leverage the Group's leading global position in *Sport&Cargo Carriers*
- Leverage the leading global Thule brand
- Continue to focus on market-leading product development in order to broaden the product portfolio
- Leverage the Group's leading position in emerging markets
- Improve the product offering within growth categories in cases for home electronics under two brands (Thule and Case Logic)

Focus on growth in new product categories

- Strengthen the Group's position in the new categories *Sport&Travel Bags* and *Active with Kids*
- Leverage the Group's expertise in product development and sourcing
- Leverage the Group's strong position by offering well-known brands in the same retailer networks as the main categories
- Selectively evaluate investments in new product categories

Focus on brand building distribution channels

- Strategic focus on resellers rather than distributors
- Continued focus on supporting selected reseller partners through training and marketing activities
- Continued focus on strengthening the Group's omni-channel approach through improved support for resellers offering online sales

Focus on cost efficiency

- Improve internal processes and systems
- Improve cost efficiency by rationalizing warehouse operations
- Continued focus on improved planning and assembly processes, which will create flexibility and enable customer inquiries to be handled in a cost-efficient manner

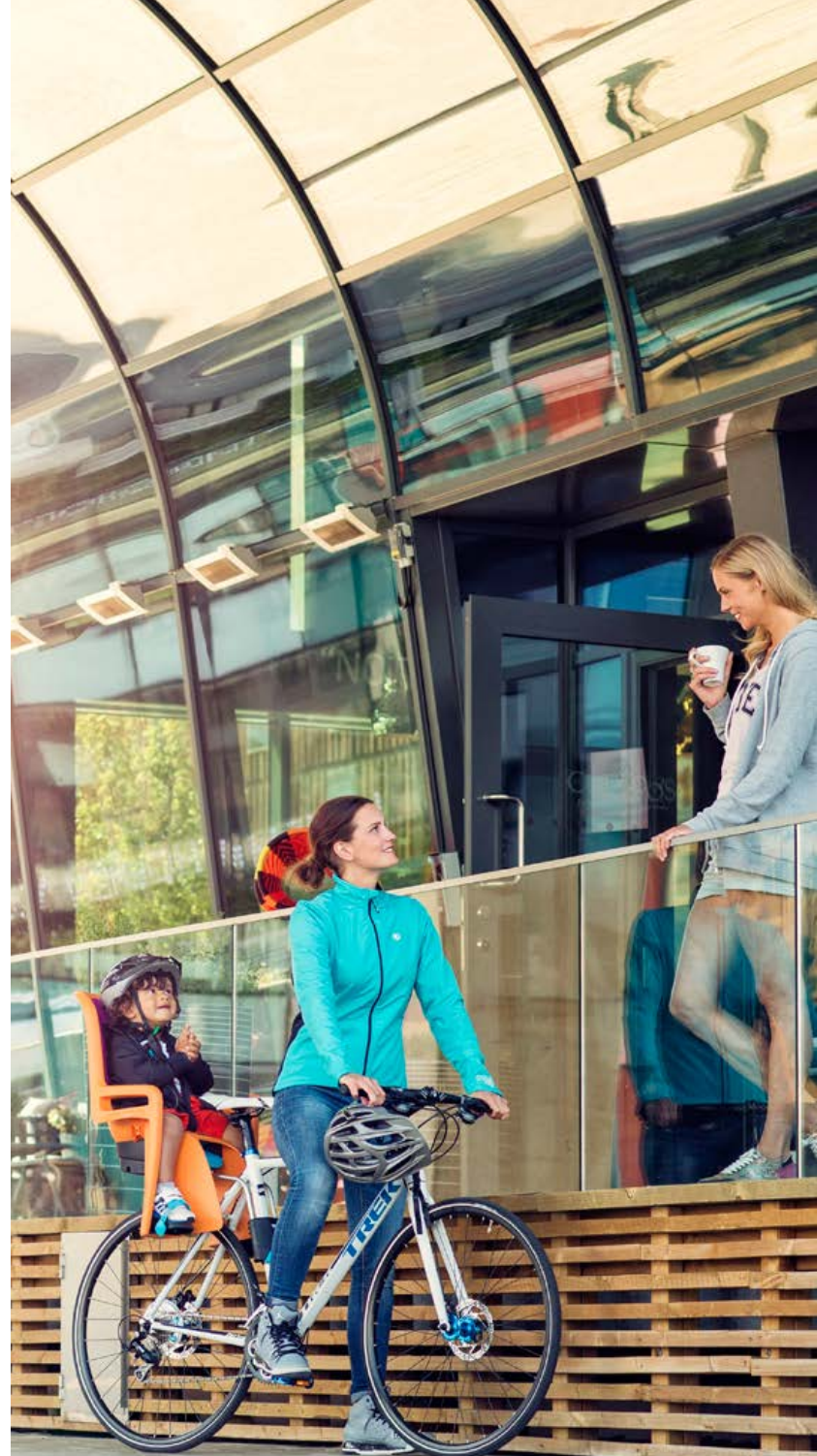
Main activities in 2014

- Broadest new launch program to date in *Sport&Cargo Carriers* prior to the 2015 spring/summer season
- Local presence in a number of emerging markets, with an increased focus on internal sales staff
- The range of Thule products was broadened and revived through the introduction of broad new product offering under the Case Logic brand (which celebrated its 30th anniversary in 2014) within *Bags for Electronic Devices* prior to the 2015 spring/summer season

- Major launch ahead of the 2015 season in the *Active with Kids* category, including child bike seats, sport strollers and child carrier backpacks
- Major launch ahead of the 2015 season in the *Sport&Travel Bags* category, including hiking backpacks, bike and ski transport cases

- Roll-out of a distribution model focused on increased direct sales to resellers in the Netherlands and Belgium and in the *Active with Kids* category in Germany
- New buyer's guide and dealer locator on thule.com, which is now available in 86 market versions in 24 different languages

- Integration of data systems between the *Sport&Cargo Carriers* and *Bags for Electronic Devices* categories in order to capture synergies
- Opening of a new distribution center in Huta, Poland in January 2015
- Preparations for the integration of two distribution centers for Western Europe into a shared center after the 2015 season



Thule RideAlong child bike seat



Focus on the Thule brand

For the past five years, Thule Group has applied a strategy focused on the growth of the company's largest and most well-known brand: the core brand Thule. In addition to the Thule brand, the company follows a strategy involving regional and category-specific differentiated brands for different sales channels.

Thule – a globally known premium brand

The Thule brand, which accounted for 65 percent of Thule Group's net sales in 2014, is a recognized global premium brand with a very high level of recognition in the 136 markets in which the products are sold. The Thule brand and Thule products are closely associated with such values as high quality, ease of use, timeless and premium.

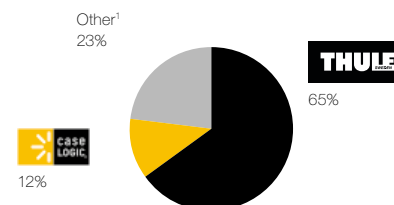
Through the expansion into new product categories initiated by Thule Group in 2010, the brand has gone from being primarily associated with diverse products for transporting sports equipment by car to a lifestyle brand with products in a range of categories – yet always with a strong, logical connection to the motto of the brand: *Bring your life.*

New categories for the Thule brand

In recent years, products under the Thule brand have been launch in the following areas:

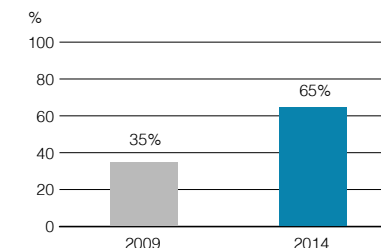
- **Sport&Travel Bags**
 - Travel and duffel bags
 - Bike bags
 - Bike transport cases
 - Ski carriers and boot bags
- **Active with Kids**
 - Multifunctional child carriers (for biking/running/skiing/walking)
 - Sport strollers
 - Child bike seats
- **Bags for Electronic Devices**
 - Laptop cases
 - Smartphone and tablet cases
 - Camera bags

Share of net sales per brand 2014



¹ Other includes the Specialty brands UWS and König, regional brands and, to a limited extent, private label brands

The Thule brand's share of net sales



Bring your life – a motto reflected in all communication

Through structured and long-term efforts to focus on the motto of the Thule brand – *Bring your life* – in all marketing communication, Thule Group has further strengthened the brand.

In 2014, Thule Group expanded its focus on social media and PR in several countries and broadened its successful cooperation with the members of the Thule Crew, which was launched in 2013. The Thule Crew is a group of sponsored athletes with whom Thule Group has a long-standing close relationship – an initiative that continued in 2014.

Thule Group ensures that the members of the Thule Crew are involved in the product development process and actively participate in brand building events, and promotes a higher level of interaction with the company's dedicated, loyal consumers through social media.

Case Logic turns 30

Thule Group's second largest brand, Case Logic, celebrated its 30th anniversary in 2014. To mark the event, the well-established brand, which already commands a strong market position in the *Bags for Electronic Devices* product category, was rejuvenated with a focus on products for trend-conscious young people who use electronic products in an urban environment.

This extensive project involved a major overhaul of the product portfolio and resulted in the most wide-scale launch of newly developed products to date ahead of the 2015 spring/summer season.



Jenny Rissveds, Thule Crew member, Mountain biking



Flo Orley, Thule Crew member, Snowboarding



Thule Adventure Team, Thule Crew members, Adventure racing

Market

Thule Group conducts global operations in markets with an estimated value of more than SEK 60 billion in net sales. In 2013, the markets for Thule Group's Outdoor&Bags and Specialty segments were estimated at SEK 57 billion and SEK 3 billion, respectively.

The Outdoor&Bags segment includes the following product categories:

- *Sport&Cargo Carriers* – racks and carriers for luggage and sports equipment, including the product groups: bike carriers, water/winter/other carriers, roof boxes, cargo carriers and roof racks
- *Bags for Electronic Devices* – cases for home electronics, including the product groups bags and mobile handheld device cases, camera bags and other bags and cases for electronic devices
- *Other Outdoor&Bags* – other outdoor products and bags, including the product groups Sport&Travel Bags (primarily sport duffel bags, hiking backpacks and bike bags), Active with Kids (primarily multifunctional child carriers, sport strollers and child bike seats) and recreational vehicle (RV) products (primarily awnings, tents and bike carriers for RVs).

The Specialty segment includes the following product categories:

- *Work Gear* – pick-up truck tool boxes, only in North America.
- *Snow Chains* – snow chains for professional use as well as for private cars, primarily in Europe.

Market characteristics, drivers and growth

Thule Group estimates that about 73 percent of the company's sales volume is driven by stable, growing markets mainly related to the sports and outdoor market. Approximately 17 percent is attributable to the *bags for electronic devices* market, which has displayed significant trend variations between product groups. The remaining approximately 10 percent pertains to markets deemed by Thule Group to be more cyclical (*Work Gear*) or weather-dependent markets (*Snow Chains*).

Thule Group believes that the following fundamental trends will contribute to long-term growth in the *Outdoor&Bags* market:

- **Increased consumer focus on active lives:**
As consumers' disposable income has risen over time, a larger portion of this income has been allocated to sports and outdoor activities.
- **Consumers are enjoying multiple activities:**
Consumers are more likely to engage in a variety of sports and outdoor activities – perhaps hiking one day, biking another and kayaking a third – than in the past. This is driving the need for consumers to have the means by which to carry gear for multiple activities.
- **Emergence of new sports:**
As sports and consumer interests evolve, new niche activities are taking hold, creating a need for different accessories to transport sport equipment. An example of this is stand-up paddling, which has grown significantly over the last past years. In addition, sports that are already popular, such as skiing and cycling, are subject to developing trends that require adaptations of existing accessories, for example, wider ski carriers for wider carving skis and bike carriers with capacity ability to carry heavier loads due to the emergence of heavier battery-driven e-bikes or carriers with different wheel attachments due to the emergence of "fat-bikes" (bikes with over-sized tires).
- **Consumers remain active at older ages:** Since consumers tend to be active at older ages, we have seen an increase in sales among the age group 40+ years, a group of people who enjoy sports and outdoor activities and tend to have more disposable income to spend on high-quality premium products.
- **Parents want to continue to enjoy their activities, with their small kids:**
Thule Group has seen that the current generation of young parents are increasingly wanting to maintain their active lives and keep in shape immediately after having their children. Having busy lives, young parents want to share this experience with their kids, thereby driving the need for solutions that enable them to bring their kids along when exercising or enjoying the outdoors.
- **Consumers want to be connected and share their experiences:**
With an ever-growing trend of interconnectivity and a desire to share their favorite moments, consumers are bringing their electronic devices along during more activities, driving the need for solutions to transport and protect those devices.
- **Consumers are increasingly aware of the brands and products they are looking for:**
With the ability to search for information that is readily available on a global basis, consumers are seeking either the cheapest solution or brands that they can connect to and trust and that offer product features and more options to meet their needs. This is driving the trend towards a polarization of either so-called value brands or globally leading brands that stand for strong values in terms of always delivering high-quality products that are functionally smart, aesthetically pleasing and more high-end in nature.
- **Growing GDP and related increasing consumer interest in sports and outdoor activities in developing economies:**
With increased income and an ability to live active lives in developing economies, a new consumer

base is growing in areas such as Russia, Eastern Europe and Latin America and starting to establish in China and South East Asia.

Value chains in the various categories

Sport&Cargo Carriers

In Europe, products in the market for *Sport&Cargo Carriers* were historically distributed through a value chain comprising three stages. Manufacturers primarily sold to wholesalers in automotive accessories, who in turn sold to retailers in automotive accessories, who then sold to consumers. This is still the case when it comes to small manufacturers. Thule Group has, to a certain extent, changed the market by changing to more direct sales to retailers, with a focus on retail channels for sports and outdoor products.

In other parts of the world, the value chain in the market for *Sport&Cargo Carriers* is more established, with more direct sales from manufacturers to wholesalers in sports and outdoor products and wholesales of car accessories, which in turn sell to retailers of sports and outdoor products or directly to major retail chains for sports and outdoor products and retail chains for car accessories, which then sell to consumers.

Bags for Electronic Devices

In the *Bags for Electronic Devices* market, products are primarily distributed by manufacturers to wholesalers, which handle a wide range of brands (particularly in smaller markets and when products are distributed by small manufacturers), which in turn sell to retailers in home electronics.

Alternatively, manufacturers may sell directly to major retailers with traditional stores and/or e-commerce retailers in home electronics (particularly in large markets and when products are distributed by major retailers), which then sell to consumers.

Other Outdoor&Bags

The market for *Sport&Travel Bags* is highly fragmented, with a limited number of global brands and a large number of companies supplying products in a wide price range and using external suppliers (often based in China and South-East Asia) to acquire finished products. This has resulted in a low entry barrier in this market. While most companies focus on a limited product group (for example, only bike transport cases), some manufacturers also offer a relatively wide range covering several product groups.

In the market for products in the *Active with Kids* categories, most companies also acquire finished products from suppliers in China and South-East Asia. However, since products in this category are subject to more testing standards and stricter legal requirements, this market generally still has a higher entry barrier than bag-related markets. This has generally resulted in a more limited number of companies with relatively large market shares compared with the bag-related markets.

The market for *RV Products* in Europe is mainly linked to consumer purchases of either new or used RVs and their willingness to add solutions to improve their enjoyment of the outdoors (for example, weather protection or the option of transporting extra products, such as bicycles). A limited number of companies lead the industry in the European market, partly due to rigorous testing standards and partly due to the relative concentration of the customer base.

Work Gear

In the market for *Work Gear*, products are mainly distributed by manufacturers that sell to multibrand wholesalers, which in turn sell primarily to retailers in the do-it-yourself market or to specialist outfitters.

There are also manufacturers that sell directly to large do-it-yourself retail chains or specialized work gear and construction equipment retailers, which then sell to building companies that own fleets of pick-up trucks or to consumers.

Snow Chains

The distribution of *Snow Chains* has clear similarities with the traditional European value chain in the automotive channel in *Sport&Cargo Carriers*, namely, that products are mainly distributed in a three-step value chain, in which manufacturers sell to automotive accessory wholesalers, which in turn sell to automotive accessory retailers, which then finally sell to consumers. A similar pattern exists within the professional snow chains value chain. However, within this market there also exists a parallel distribution channel through sales to fleets and specialized wholesalers.

Different competitors in the various categories

Thule Group's market position varies in its different categories and the company does not have the same main competitors in its various product categories. In the largest product category, *Sport&Cargo Carriers*, which accounted for 60 percent of Thule Group's net sales during the year, Thule Group holds a global market share of 49 percent and is a market leader in all regions of the world, with different companies as its main competitors in each region.

Thule Group also commands a very strong market position in *RV Products*, *Work Gear* and *Snow Chains*, where Thule Group is a leading player in each individual segment. While Thule Group also holds a strong position in the *Bags for Electronic Devices* pro-

duct category, this is generally a fragmented market with small global market shares held by the leading companies in each individual product group.

Within *Active with Kids*, Thule Group holds a market-leading position in the multifunctional child carriers category, and as is the case in *Sport&Travel Bags*, the company is a new player in the other categories in this segment.

Segment	Category	Product	Main competitors
Outdoor&Bags	Sport&Cargo Carriers	Roof racks	Yakima (North America), Atera (Europe), Inno (Asia)
		Bike carriers	Yakima (North America), Atera (Europe), Uebler (Asia)
		Roof boxes	Hapro (Europe), Kamei (Europe)
		Water/Winter Sport Carriers	Yakima (North America), Eckla (Europe)
	Bags for Electronic Devices	Camera bags	LowePro (global)
		Laptop backpack and cases	Targus (global), Wenger (global), Samsonite (global)
		Tablet cases	Incase (global), Tucano (Europe), Belkin (Europe), Otterbox (North America)
		Cellphone cases	Otterbox (global), Lifeproof (global), Griffin (global)
	Other Outdoor&Bags	Active with Kids	Multifunctional child carriers Sport strollers Child bike seats Child carrier backpacks
			Croozr (Europe), Burley (North America) Baby Jogger (global), Mountain Buggy (global), BOB (North America) Hamax (global), Yepp (global), Britax (global), Bell (North America) Osprey (global), Deuter (global), Kelty (global)
	Sport&Travel Bags	Duffel bags	NorthFace (global)
		Technical backpacks	Osprey (global), Deuter (Europe)
		Bike bags	Ortlieb (global), Topeak (global)
		Bike transport cases	EVOc (global), Trico (North America)
Specialty	RV Products	RV Products	Fiamma (Europe)
	Work Gear	Pick-up truck toolboxes	Knaack (US), Daws/BetterBuilt (US), Delta (US)
	Snow Chains	Snow Chains	Pewag (global), RUD (Europe)

Thule Group's value chain

Product development

- Product development is based on a combination of consumer needs/wishes and technological innovation
- 4.3 percent of net sales 2014 was invested in product development



Sourcing and production

- Thule Group uses different production strategies depending on the category
- Thule Group's material sourcing amounted to approximately SEK 2,280m



Distribution

- Thule Group's distribution chain is designed in such a way as to offer customers short lead times with high delivery precision
- Thule Group's new distribution center in Poland opened in January 2015



Customers

- Thule Group has focused its growth strategy on increasing its sales to selected retail customers
- During the year, the number of Key Account and Thule Retail Partner stores increased to more than 5,000



Consumers

- The core brand Thule commands a very strong position in 136 markets
- Over the past two years, the Thule brand has been broadened through the launch of several new product categories



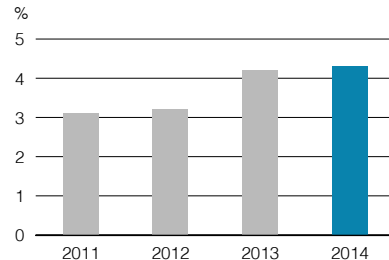
Thule K-Guard kayak and canoe holder

Product development

For Thule Group, products and product development are always at the heart of the company's operations.

Thule Group has always focused on product design and product development, which in 2014 resulted in more new launches than ever before in the largest category *Sport&Cargo Carriers*. The company has also invested in the new categories *Active with Kids* and *Sport&Travel Bags*, introducing several new products for retailers in 2014, which will mainly be rolled out to stores in spring/summer 2015.

Products for customers with Product development costs (share of net sales), %



Strict requirements

Thule Group ensures that the company's products are safe, easy-to-use and of a high quality, with a contemporary design based on our extensive knowledge of consumer requirements in terms of product use, long-term technical competence and extreme testing. The company uses a traditional "gate model" in its product development process, as well as leveraging the strength offered by the fact that Thule Group has many passionate users both

within and outside the company who continuously challenge Thule Group's products from a user perspective. To capture all of these product ideas, Thule Group established a Thule Idea Database several years ago, which is used to gather product innovation ideas and suggestions for improvement.

With a broad product portfolio with more than 600 product models and over 7,000 stock keeping units in a number of different categories, it is essential that Thule Group is able to combine established, structured development processes and the expertise of its development staff to ensure a high rate of successful product launches. Accordingly, Thule Group conducts three types of development projects, with varying time and resource requirements, according to the following structure:

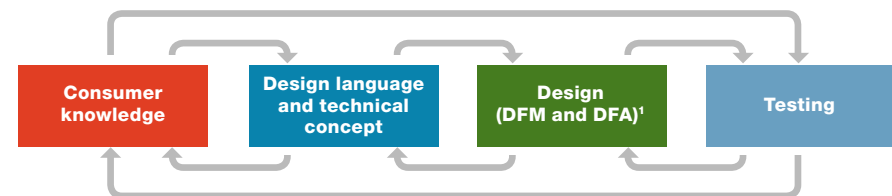
- Technology platform projects – projects that aim to provide a specific basic technical solution that will be later implemented in a number of models;
- Product model projects – projects that aim to develop new specific products with a design and features/advantages created for a specific purpose and target group, utilizing the technology platforms the company has developed over the years and deploying those technologies in the best way; and
- Product enhancement projects – projects that aim to either make minor improvements to an existing product model (for example, a better wheel strap on an existing bike carrier) or to add an additional version of a model (for example, a cellphone cover utilizing the same technology and product design as an existing product for another smartphone size).

Global development with dedicated expertise centers

In 2014, 135 of Thule Group's employees (full-time employees) were directly involved in product design, development, testing and management. These employees work at a number of key design and development centers worldwide, the largest of which is located near the birthplace of the company in Hillerstorp, Sweden.

- Hillerstorp (Sweden) for *Sport&Cargo Carriers* and certain products in the *Active with Kids* product group

- Seymour (CT, US) for certain products in the *Sport&Cargo Carriers* category and for products in the *Work Gear* product category
- Longmont (CO, US) for *Bags for Electronic Devices*
- Calgary (Canada) for wheel-based *Active with Kids* products
- Menen (Belgium) for *RV Products*
- Molteno (Italy) for *Snow Chains*



¹ DFM (Design for Manufacturing), DFA (Design for Assembly)

Diagram showing the stages of the product development process for the Thule RideAlong child bike seat



Thule Group Test Center, Hillerstorp



Extreme tests

Thule Group's products always undergo extensive user testing and there is never a shortage of internal and external volunteers to test the company's latest bike carrier or backpack. To ensure that the high standards imposed by Thule Group on its products are met, the company has taken significant measures over the years to ensure that its products are developed in accordance with documented development processes, that the company's employees have a high level of expertise and that the products are tested to the extreme – so much so that the company has developed its own Thule Test Program™. The program comprises more than

25 "Thule Group standards" that exceed the current strict legal standards and which are tested at the company's in-house Thule Test Center, which was built in Hillerstorp, Sweden, in 2008. To manage the expansion into new product categories, the Thule Test Center is currently undergoing an extension valued at SEK 21m, which is expected to be completed in the third quarter of 2015.

Strong protection of intellectual property rights

Thule Group relies on patents, proprietary expertise, continuing technological process innovations and other trade secrets to develop and maintain

its competitive position. Due to its strong focus on the company's brands and product development leadership, Thule Group focuses on ensuring strong intellectual property rights (IPR) management across all product categories and geographic areas.

Thule Group's current IPR policy was adopted in 2010. Thule Group has centralized the administration of domain names, trademarks, designs, patterns and patents at its headquarters in Malmö, Sweden, where three employees focus on IPR management. Thule Group currently has more than 920 patent rights and over 620 design rights worldwide.

In addition to Thule Group's central personnel, the company also has IPR experts in its various business units and several external parties supporting its efforts. With its broadened product offering in terms of product categories, Thule Group has established broader, enhanced trademark protection in its new product categories and expanded its cooperation with IPR firms to better support the enforcement of its IPR protection in markets such as China.



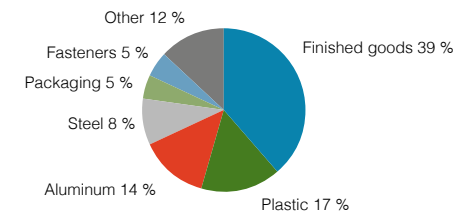
10
Assembling factories

Sourcing and production

Thule Group uses various production strategies (in-house manufacturing versus sourcing of finished goods) depending on the product category.

Since Thule Group has a broad product range, the various production processes are also different in nature. The table below shows the type of production for which the company's production facilities are used. Thule Group mainly utilizes in-house assembly centers, with limited capital investment requirements, but with some more traditional manufacturing in a limited number of product categories and sites.

Purchases per major material categories in 2014 within direct materials for Thule Group



Business segment	Product category	Product type	Production strategy
Outdoor&Bags	Sport&Cargo Carriers	All	Mainly in-house assembly with limited sourcing of finished goods
	Bags for Electronic Devices	All	Sourcing of finished goods
	Other Outdoor&Bags	RV Products	Mainly in-house assembly with limited sourcing of finished goods
	Other Outdoor&Bags	Active with Kids	Mainly sourcing of finished goods with limited in-house assembly
	Other Outdoor&Bags	Sport&Travel Bags	Mainly sourcing of finished goods with limited in-house assembly
Specialty	Work Gear		In-house assembly
	Snow Chains		In-house assembly

Broad supplier base

In the course of its operations, Thule Group sources a wide range of materials, semi-finished products and finished products from third parties. In 2014, Thule Group had approximately 600 direct material suppliers. The company's external direct material purchases amounted to approximately SEK 2,280m.

Thule Group's most important suppliers provide us with finished products, mainly for *Bags for Electronic Devices*, *Active with Kids* and *Sport&Travel Bags*, and as well as with smaller accessories

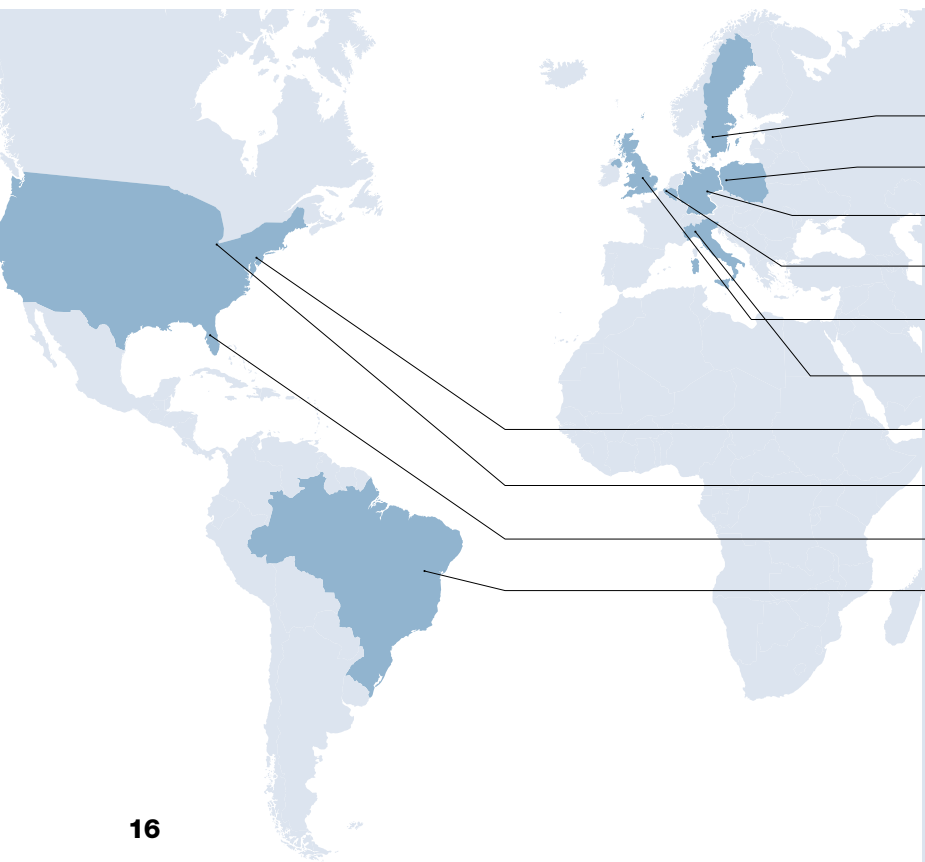
in *Sport&Cargo carriers* (such as straps and keys). In addition, Thule Group sources the raw materials required for the production of *Sport&Cargo Carriers* and various other product categories – such as steel components, aluminum (extruded and sheet) and plastics (sheets and components) – and packaging materials from a number of suppliers.

Close cooperation on product development

Because the cost trend for the main types of material used by Thule Group is driven by global factors relating to certain input materials, the key compo-

nent when it comes to achieving a cost-efficient sourcing chain is establishing strong cooperation with the product development department in order to ensure that the products are well suited for production. In recent years, the company has thus centralized its training efforts and created cross-functional teams to improve its capacity to reduce the share of costs attributable to raw materials, as well as maintaining a sustainability focus. Through these global processes and centralized sourcing management for key categories, the company has been able to leverage economies of scale.

In 2014, the company's sourcing work focused on implementing improvements, particularly in the categories with a large portion of sourced finished products (*Bags for Electronic Devices*, *Active with Kids*, *Sport&Travel Bags*). By expanding its resources in production planning and logistics, Thule Group – in cooperation with its suppliers in these categories – has been able to reduce its minimum quantities and shortened lead times.



Thule Group's plants	Category	Segment
Hillerstorp (Sweden)	Assembly and component plant	<i>Outdoor&Bags</i> (Sport&Cargo Carriers)
Huta (Poland)	Assembly plant	<i>Outdoor&Bags</i> (Sport&Cargo Carriers) and <i>Specialty</i> (Snow Chains)
Neumarkt (Germany)	Roof box manufacturing	<i>Outdoor&Bags</i> (Sport&Cargo Carriers)
Menen (Belgium)	Assembly and component plant	<i>Outdoor&Bags</i> (RV-produkter)
Haverhill (UK)	Roof box manufacturing	<i>Outdoor&Bags</i> (Sport&Cargo Carriers)
Molteno (Italy)	Manufacturing and assembly	<i>Specialty</i> (Snow chains)
Seymour (CT, US)	Assembly plant	<i>Outdoor&Bags</i> (Sport&Cargo Carriers)
Chicago (IL, US)	Roof box manufacturing	<i>Outdoor&Bags</i> (Sport&Cargo Carriers)
Perry (FL, US)	Assembly plant	<i>Specialty</i> (Work Gear)
Itupeva (Brazil)	Roof box manufacturing	<i>Outdoor&Bags</i> (Sport&Cargo Carriers)

Global distribution network

Thule Group conducts sales in 136 countries and more than 16,000 stores, and the company's goal is to continue increasing its sales to existing retail customers.

Over the course of its 72-year history, Thule Group has adopted a pragmatic approach to interacting with consumers in all markets in the most efficient manner possible. This means that the company different go-to-market models in various countries (in-house sales team, sales representatives, several wholesalers/distributors and, to a limited extent in certain cases, exclusive importers). While Thule Group believes that marketing and sales activities can capitalize on the strong relationships it has established with all stakeholders in the value chain, in recent years, the company has increasingly focused on boosting its sales through selected retailers.

Focus on Key Accounts and Thule Retail Partners

In order to focus its customer sales support, Thule Group has divided its customer base into four main types of customer:

- Key Accounts – major retailers with several points of sale and significant sales volumes. Thule Group allocates specific qualified resources to its Key Accounts, which work closely with customers to provide them with better support in driving their sales of the company's products. The aim with all Key Accounts is for Thule Group to be considered not only a reliable supplier of good products, but also a business advisor by taking on the role of "category captain," which involves providing the customer with recommendations on using the entire product range in the company's product categories (which product portfolio is most suitable, stock-turn planning, sales staff training, etc.).
- Thule Retail Partners – smaller retailers with one or a few points of sale that are interested in and have the ability to successfully represent the Thule brand to consumers. Thule Group supports its Thule Retail Partners by offering product

portfolio recommendations, sales staff training and point-of-sale marketing support.

- Other retailers – retailers that sell a limited quantity of Thule products. Other retailers are provided with the company's marketing tools.
- Wholesalers/distributors – companies that distribute Thule Group's products to retailers, but do not sell directly to consumers.

In 2014, the number of Thule Retail Partner stores increased to more than 2,500, and along with the stores in Key Account chains, more than 5,000 of the 16,000 points of sale for Thule Group products worldwide are now priority customers.

Improved support for omnichannel sales

Thanks to its sales of products which consumers have a personal interest in – and often a passion for – as well as today's increasing use of digital channels to find the right products, Thule Group has noticeably expanded its support for e-commerce (either directly through companies that exclusively conduct e-commerce or through sales conducted by customers with both physical stores and e-commerce platforms). Thule Group currently offers limited online sales in the US market (approximately 1 percent of the company's sales in 2014), but the main purpose of these sales is to ensure that Thule Group has the knowledge needed to offer strong advice to its current retail customers on how to boost their sales. Thule Group estimates that approximately 25–30 percent of the company's products are sold online by these customers.

Thule Group has focused on a structured approach, prioritizing the following aspects when it comes to driving online sales:

- Pre-purchase approach that aims to boost awareness of Thule Group's brands and product offer;
- During-purchase approach that focuses on the

consumer search and select phase, as well as on tools that enable an efficient online purchase process; and

- Post-purchase interaction that enables consumers to share their experiences with Thule Group and their fellow consumers.

The measures implemented by Thule Group in recent years, which will remain in focus in the form of an expanded organization and increased expertise, ensure that the company holds a strong position in an increasingly digital market, mainly through the following areas:

- Improved websites for the company's brands (as of December 31, 2014, Thule Group's major brand website, thule.com, was available in 81 unique local market versions in 24 different languages, with 16 million unique visits during the year); and
- Improved functionality for integrating the company's data and structures into customer websites, thereby facilitating a better presentation of Thule Group's brands and a more consumer-friendly set-up.

Local sales focus

Although Thule Group has centralized processes and management of brand-related issues and product management, the company sells its products through a segment-specialized sales force on a regional and local basis. This provides Thule Group with in-depth market knowledge and management expertise and enables customers to be reached directly in their respective regions. In most of Thule Group's key markets, the sales organization is structured with an area sales manager responsible for the local sales organization within the specific segment and for implementing strategic initiatives provided by the regional sales managers.



> 5,000

Key Account and Thule Retail
Partner stores



Sales targets are set by Thule Group, segment management and local sales teams through a top-down approach (group to segment/regional to national) and are implemented on a local level with fixed and variable salaries set according to local practices.

More efficient distribution

With increasingly strict requirements from retailers, it is crucial that companies are able to deliver the right products to customers with the right quality and short lead times, without needing to tie up additional capital in inventory management or risk lower margins. Accordingly, Thule Group conducted a major review of its distribution center in 2013, which resulted in a modified structure in Europe. The first important stage in this restructuring was the construction of an Eastern European distribution center located near Thule Group's largest assembly plant in Huta, Poland. The distribution center, which involved an investment of SEK 65m and was opened in January 2015, will enable the company to offer a better service for its customers in the growing Eastern European markets, at the same time as the shorter distribution routes will generate both environmental and financial savings.

The new distribution center will also allow the company to move forward in a structured manner with the second phase of its European distribution network in 2015. During this time, the company will close its current distribution warehouse for *Bags for Electronic Devices* in Embolus, Belgium, and relocate its distribution operations from the independently operated distribution warehouse in Duisburg, Germany to a new independent distribution center in Venlo in the Netherlands following 2015 peak season. The new distribution center is optimized to enable more efficient handling of smaller quantities for a larger number of customers compared with the current structure and will result in better service for Thule Group's customer as of 2016.

Operations

Segment	Product category	Distribution channel
Outdoor&Bags Europe and remaining countries 59 % Share of Thule Group's net sales	Sport&Cargo Carriers  • Roof racks • Bike carriers • Roof boxes • Water sport carriers • Winter sport carriers	60 % Share of Thule Group's net sales • Sports and outdoor chains, such as: REI and EMS (US), XXL (Nordic region), Sportscheck (Germany) • Major retail chains in car accessories (primarily Europe), such as: Halfords (UK), Norauto (France), ATU (Germany) • Smaller specialist stores in specific sports segments or for a specific category
Outdoor&Bags Americas 31 % Share of Thule Group's net sales	Bags for Electronic Devices  • Camera bags • Laptop backpacks • Attachés • Tablet cases • Smartphone cases	17 % Share of Thule Group's net sales • Major electronics chains, such as: Apple (global), Best Buy (US), MediaMarkt (Europe), Dixons (Europe) • Department store chains, such as: fnac (France), El Corte Ingles (Spain) • Online stores, such as: Amazon (global) • College bookstores (US) • Photo specialists (global)
	Other Outdoor&Bags  • Sport&Travel Bags • Active with Kids • RV Products	13 % Share of Thule Group's net sales • Sports and outdoor chains, such as: REI and EMS (US), XXL (Nordic region), Sportscheck (Germany), Bever Sports (Netherlands) • Online stores, such as: Amazon (global) • Specialized category stores (online and physical) in sport, outdoor and children's products • RV resellers (Europe)
Specialty 10 % Share of Thule Group's net sales	Work Gear  Pick-up truck toolboxes	7 % Share of Thule Group's net sales • Only North America • DIY stores, such as: Home Depot (US) • Specialist stores for building professionals
	Snow Chains  Professional snow chains and consumer snow chains	3 % Share of Thule Group's net sales • Focus on Europe and mainly the Alpine countries in Central Europe • Major retail chains in car accessories, such as: Norauto (France), ATU (Germany) • Gas stations (Italy)

Outdoor&Bags

Outdoor&Bags accounted for 90 percent of Thule Group's sales in 2014 and displayed favorable growth during the year.

Thule Group offers an extensive product portfolio for sports and outdoor enthusiasts around the world through its *Outdoor&Bags* segment. In 2014, net sales in the 136 countries in which the company sells its products amounted to SEK 4,205m (3,824). Thanks to Thule Group's long-term efforts to develop high-quality and innovative products, the company's core brand, Thule, has achieved a very strong position in this segment, as well as in the largest product category, *Sport&Cargo Carriers*, which accounted for 60 percent of Thule Group's sales. Thule Group is a market leader in all regions of the world, and from a global perspective is more than five times the size of its main competitor.

Within *Outdoor&Bags*, Thule Group follows shared processes for product development, sourcing, production and marketing, while sales are managed in two regions, whose head offices are located in Malmö, Sweden (Region Europe and Rest of World) and Seymour, CT, US (Region Americas). Thule Group's strong market position in the premium segment and the efficient global processes used enabled the segment to achieve an underlying EBIT margin of 18.4 percent (17.4 percent in 2013).

Top products

Thule Group has always strived to offer the best products on the market in the company's categories, and over the years, has continued to build on brand recognition using its competitive products as a platform. As in previous years, Thule Group developed smart products with an attractive design, which have garnered considerable recognition and been awarded several prestigious distinctions, such as the Red Dot and IF Product Design Awards. Thule Group also receives positive feedback through the positive reviews given by loyal custo-

mers in various contexts, primarily through product reviews on retailers' websites.

Significant interest in Thule Group's new launches among retailers

Over the past three years, Thule Group – in line with the company's long-term strategy – has broadened its product portfolio in the *Other Outdoor&Bags* category, launching several products in its two new product categories: *Active with Kids* and *Sport&Travel Bags*. In 2014, the share of Thule Group's total net sales that are attributable to *Other Outdoor&Bags* increased from 11 percent in 2013 to 13 percent.

At the major trade fairs held in summer and autumn 2014, several additional products were launched in these two categories and were very well received by the retail sector. These products will be available in stores around the world from spring 2015.

Examples of new products launched at trade fairs in 2014 ahead of the 2015 spring/summer season include:

- Thule Guidepost and Thule Capstone hiking backpacks
- Thule RoundTrip ski carriers and boot bags
- Thule Urban Glide 2 double stroller
- Thule RideAlong Mini front-assembly child bike seat
- Thule Sapling child carrier backpack

Strong growth in Europe and rest of the world

Region Europe and Rest of World, which accounted for 59 percent of Thule Group's net sales, displayed a highly positive trend in 2014 and boosted its net sales by 13.6 percent (8.4 percent after currency adjustment). A strong contributing factor was the continued positive trend in the main category *Sport&Cargo Carriers*, which displayed stable growth worldwide.

The region displayed growth in all product categories except *Bags for Electronic Devices*, where Thule Group, through the Case Logic brand, remained exposed to shrinking categories within point-and-shoot camera bags and CD/DVD cases in 2014, and where Russia and Ukraine, two relati-

Key figures *Outdoor&Bags*

	2014	2013	Change, %	
			Reported	Adjusted
Net sales, SEKm	4,205	3,824	+10.0	+5.1
Region Europe and Rest of World	2,761	2,430	+13.6	+8.4
Region Americas	1,443	1,394	+3.5	-0.7
Operating income, SEKm	734	598	+22.8	
Underlying EBIT, SEKm	774	665	+16.3	+8.8
Operating margin, %	17.4%	15.6%		
Underlying EBIT, %	18.4%	17.4%		

SEK **4,205** m Net sales

18.4 %

Underlying EBIT margin

+10.0 %

Net sales increase

vely large markets for the Case Logic brand in 2013, experienced a weak year due to the situation in these markets. Within *Bags for Electronic Devices*, the Germany and UK markets have historically been relatively underdeveloped, but through new product launches and the introduction of the Thule brand in the category, the company reported growth in 2014 from relatively low sales levels.

The *Other Outdoor&Bags* product category is growing significantly in the region in all product groups:

- *RV Products* displayed a favorable trend during the year, with increased sales of new products, primarily with respect to bike carriers and awnings and tents.
- *Active with Kids* displayed a highly positive performance as a result of the strong growth of the multifunctional child carriers Thule Group began selling in 2011, as well as the added sales volumes from child bike seats and bicycle trailers.
- *Sport&Travel Bags* reported favorable growth thanks to the launch of bike bags and bike transport cases in 2014 and the significant interest shown in the launch of hiking backpacks ahead of the 2015 season.

US market impacted by trend in Bags for Electronic Devices

Region Americas, which accounted for 31 percent of Thule Group's net sales, displayed zero growth in terms of currency-adjusted net sales for 2014 despite growth in *Sport&Cargo Carriers* and *Other Outdoor&Bags*. The main reason for this was that Thule Group has a larger exposure in the *Bags for Electronic Devices* category and the Case Logic brand in the US. As in Europe, the historical product categories of point-and-shoot camera bags and CD/DVD cases continued to decline at the same time as the company reduced its sales of low-price products. Accordingly, to achieve success in 2015 within *Bags for Electronic Devices* through the launch of a more contemporary product portfolio in

growing categories for the Case Logic brand and the roll-out of the Thule brand in the same categories will be more important for this region than for Region Europe and Rest of the World.

In the large US and Canadian markets, Thule Group's work with its Key Accounts and Thule Retail Partner customers continued, with Thule Group using a structured "category captaincy" approach to offer more general guidance to its resellers and partners. This work was recognized by REI, the world's largest outdoor retail chain with 126 stores and sales of USD 2 billion (2013), which awarded Thule Group the title of Vendor Partner of the Year in the Action Sports category for the third time in four years. Within the region, there remains a strong expectation of growth in the South American markets linked to the general economic trend in these countries, where the Thule brand commands a very strong position.

During the year, the IT systems for *Bags for Electronic Devices* were integrated with those of the company's other operations, which will result in cost reductions as of the first quarter of 2015.



Thule Crew members Martin Flinta and Eva Nyström modelling the Thule Guidepost and Thule Capstone at the world's largest sports and outdoor trade fair – Outdoor – in Friedrichshafen, Germany in July 2014.

Red Dot Award 2014 and IF Product Design Award 2014

Awards for outstanding product design, with each product assessed based on such criteria as innovation, functionality, self-explanatory qualities, quality and ecological compatibility



Red Dot

- Thule Urban Glide 2 stroller
- Thule Covert camera bag
- Case Logic Reflexion camera bag



IF Product Design

- Thule RoundTrip Pro bike transport case
- Case Logic Luminosity camera bag



Thule Covert

Specialty

Mild winter impacted Snow Chains adversely.

Within the Specialty segment, the *Snow Chains* product category (professional snow chains and consumer snow chains) is a weather-dependent operation, in which the amount of snowfall in Central Europe has a strong impact on sales volumes.

The end of the 2013/14 winter season was mild and the start of the 2014/15 winter season extremely mild in these countries, which resulted in the lowest sales of *Snow Chains* in the past ten years. The declining sales of *Snow Chains* impacted profitability, and despite growth in the *Work Gear* product category (pick-up truck toolboxes for the US market), the segment reported weaker sales (SEK 487m compared with SEK 506m in 2013) and a lower underlying EBIT margin of 1.3 percent (6.1 percent in 2013).

Work Gear category performed well

Thule Group sells its *Work Gear* products in the US market under the UWS brand and as a private label supplier to Home Depot, the world's largest DIY chain.

Thule Group estimates that the company's share of the US market for pick-up truck tool boxes was approximately 15 percent in 2014 and that Thule Group is one of four leading companies in the market. Other major players include Knaack, Daws/BetterBuilt and Delta. In the market for pick-up truck tool boxes, Thule Group belongs in the mid-price range.

In 2014, Thule Group continued to improve its processes at the *Work Gear* plant in Perry, FL, in the US, which resulted in improved margins.

Declining sales in Snow Chains

Sales of snow chains is highly weather dependent since the product need is driven by the amount of snowfall and snowy road conditions. The market has base sales linked to the use of products in locations where there is a constant need (for example, at high altitudes and in locations with very low temperatures), but its sales are highly varied depending on snowfall and snowy road conditions at lower altitudes closer to major metropolitan areas in the market's largest geographical regions (Italy, France, Austria, Switzerland and Germany), where the use of snow chains is required by law in snowy road conditions. According to its own assessments, Thule Group holds a number two position in this market, with the Austrian company Pewag as its main competitor.

Accordingly, over the past five years, Thule Group has worked strategically to create a more flexible cost base for its snow chain production by introducing a new production structure using seasonal employees for a large portion of the assembly work performed at the company's Polish assembly plant. Nevertheless, Thule Group was unable to fully offset its declining volumes in 2014 and thus decided to implement further staff cuts at its plant in Italy.

Sales of professional snow chains (conducted under the König brand) have a more stable market, while sales of consumer snow chains (conducted under the Thule brand) remained weak during the year, particularly in Thule Group's key Italian and French markets.

Key figures Specialty

	2014	2013	Change, %	
			Reported	Adjusted
Net sales, SEKm	487	506	-3.8	-8.4
Snow Chains	136	178	-23.4	-27.1
Work Gear	351	328	+7.0	+1.9
Operating income, SEKm	-3	31	-109.4	
Underlying EBIT, SEKm	6	31	-79.9	-80.1
Operating margin, %	-0.6%	6.1%		
Underlying EBIT margin, %	1.3%	6.1%		

Sustainability

Thule Group's overall objective when it comes to sustainability work and corporate social responsibility is to create long-term sustainable values.



Thule Capstone trekking backpack

Sustainability is a top priority for Thule Group and has been an important factor in establishing the company's strong market position. While the Group has more than 70 years of experience in developing high-quality that make it easier for people to enjoy an active life, the company's market position has also been secured as a result of Thule Group's approach to its external environment.

Thule Group's work in the area of sustainability focuses on showing care for its employees and other stakeholders, protecting the environment, reducing costs and risks to ensure long-term financial strength and using its sustainability ambitions to drive innovation and create opportunities for long-term growth.

Code of Conduct

Thule Group's work in the area of corporate social responsibility is guided by the company's Code of Conduct. The Code of Conduct provides guidelines and principles for how the company should conduct its operations and how its employees should act in relation to consumers, customers, suppliers, shareholders and colleagues. These guidelines and principles are based of Thule Group's core values: SHARED PASSION for SMART SOLUTIONS that ENABLE AN ACTIVE LIFE.

The Code of Conduct addresses the entire value chain – from raw materials to consumers – and applies to all activities in all markets and countries in which Thule Group operates. The principles of the Code of Conduct follow:

- The Ten Principles of the UN Compact, which include showing respect for and promoting human rights
- ILO Conventions
- The OECD Guidelines for Multinational Enterprises

Thule Group's environmental impact

Systematic environmental work is the foundation of Thule Group's efforts to minimize its environmental impact. Thule Group's environmental work is based on the Code of Conduct, which stipulates that the company is to comply with laws and regulations, ensure the commitment of its employees and focus on continuous environmental improvements. Thule Group's main environmental impact is linked to its water and energy consumption, waste water, waste and transportation, as well as energy consumption in connection with the use and handling of the company's products.

Continuous environmental improvements

In order to provide a simple, straightforward description of the company's environmental activities and to focus the company's work, five focus areas have been established.

Product

Thule Group's focus on life cycle assessments is integrated into the entire design and product development chain. A key component of the company's sustainability work is the development of high-quality products with long service lives and the reduction of the products' environmental impact throughout their entire life cycle, a process referred to as eco-design.

Examples of eco-design:

- Improving the aerodynamic performance of car-related products in order to reduce energy consumption
- Giving consideration to how unassembled products and packaging materials impact logistics
- Continuing to improve the options for repairing products in order to extend their service lives

Thule Group has compiled a list of restricted and prohibited substances and chemicals, with which the company, its suppliers and sub-suppliers are obliged to comply. The list contains substances and chemicals that are regulated under various laws and guidelines and stipulates Thule Group's requirements for exceeded the statutory restrictions in its work to develop environmentally sustainable products.

Energy

In 2014, Thule Group made further investments in reducing the company's dependence on fossil fuels by using more renewable energy. At year-end 2014, 52 percent of the total amount of electricity used by Thule Group was produced from renewable sources. This means that Thule Group is well on its way to achieving the target of having 60 percent of the electricity used by Thule Group derive from renewable sources by year-end 2016.

In recent years, Thule Group has installed solar panels on the roof of its facilities in Seymour in the US (318-kilowatt system with 1,876 solar panels) and Molteno in Italy (200-kilowatt system with 952 solar panels).

Water

In 2014, Thule Group reduced its water consumption by more than 50 percent compared with 2012, mainly as a result of a number of major investments in the preceding year, as well as several ongoing production improvements which together are yielding tangible results. A focus on improving production processes, investments in closed loop systems and employee training as a means of raising awareness are a few examples of the measures implemented in order to reduce the company's water consumption.



Solar panels on Thule Group's plant roof in Seymour, USA

The production of snow chains includes a number of water-intensive operations. The production of snow chains in 2014 was lower than in the preceding year, which had a positive impact on the company's water consumption.

Waste and recycling

The company aims to continuously improve its waste management in order to ensure an efficient recycling process. The goal is to achieve a recycling rate of 95 percent by year-end 2016. The recycling rate for 2014 was 92 percent.

The production units work closely with recycling companies in order to ensure an efficient recycling process. Among other initiatives, a portion of the waste from the production of roof boxes is returned to the company's suppliers, who then recycle the material in the production of new raw materials.

Thule Group's employees are highly dedicated to environmental issues

This has led to a number of creative initiatives that have yielded results and, perhaps most importantly,

inspired more people in the organization to assume a responsibility for sustainability issues.

Corporate social responsibility in sourcing and logistics

Since 2013, Thule Group has been part of a joint project with the company's suppliers aimed at reducing energy consumption and waste. This project plays an important role in the company's efforts to assist its suppliers in their environmental work and to increase the profitability of all parties concerned.

Thule Group produces goods in close proximity to its consumer markets, which results in shorter transport routes and thus a smaller environmental impact. An increasing number of deliveries from Thule Group's production facilities are being sent directly to customers, which is furthering reducing the company's transportation activities.

Most transportation is now carried out by boat and car. The goal is to increasingly replace the company's road transportation activities with train transport.

20.6

ELECTRICITY CONSUMPTION, TOTAL, GWH

51.7

ELECTRICITY FROM RENEWABLE SOURCES, %

37.3

WATER CONSUMPTION, MILLIONS OF LITERS

91.8

WASTE RECYCLING, %

Focus area	Long-term target	Main activities in 2014
Product 	Increase the focus on life cycle analyses, which are to be integrated into design, product development and choice of materials and undergo independent testing	- Eco-design training for all development departments - Life cycle analyses (LCA) integrated into all product development
Energy 	Reduce electricity consumption by 5 percent (compared with 2012) and increase the proportion of energy from renewable sources to at least 60 percent by 2016	- Two additional plants began using energy from renewable sources, which increased the proportion of renewable energy to 52 percent - Introduction of low-energy lights at the company's plants
Water 	Reduce total consumption and increase the focus on introducing closed systems	- Additional improvements implemented at the paint facility at the company's plant in Poland - Improved processes with closed systems at the snow chain plant in Molteno, Italy - More environmentally friendly sprinkler systems installed at the company's facility in Longmont in the US
Recycling 	Increase the recycling options at the company's plants and offices, with the aim of achieving a recycling rate of 95 percent by year-end 2016	- Recycling project focused on an improved structure and incentive program introduced at the company's plant in Perry, FL, US. - Improved processes at the company's plant in Menen, Belgium
Sourcing/ logistics 	Increase the focus on collaborating with suppliers on joint environmental projects	- Stage 2 of the Best Practice Workshops cooperation program with suppliers in Bags for Electronic Devices in Asia - New distribution center in Poland for Central- and Eastern European markets

For further details regarding the company's environmental work, please see Thule Groups Environmental Report 2014 available at Thule Groups website.



Thule Pack'n Pedal bike bags



Employees

Thule Group is passionate about developing smart, innovative, high-quality products, and the company's employees are the key to its success. Thule Group always endeavors to offer its employees a stimulating work environment, where management and employees jointly contribute to finding smarter ways of working and identifying development opportunities in all areas of the business.

Core values

For a company like Thule Group, which conducts extensive international operations and has a large network of business partners, having shared core values is crucial. Core values are also important for the continued development of Thule Group brand, which is why considerable emphasis is placed on ensuring that all employees understand the company's core values and what the company's brands represent.

For several years, Thule Group has worked to ensure that the company's core values are reflected in everything aspect of its employees' actions.

In the daily work of the company's employees, this entails:

- understanding consumer needs for smart solutions that make it easy to transport items that allow them to live an active everyday life
- developing innovative products that make it easy for people to live an active life
- continuously challenging development and production processes in order to deliver innovative products in a cost-efficient manner
- ensuring that Thule Group produces products of the highest quality
- ensuring that Thule Group uses the right channels to deliver the right products at the right time
- ensuring that the value and position of the company's product brands is protected in all contexts

Along with the company's Code of Conduct, these core values create a joint standard for conduct and work ethic.

A healthy lifestyle

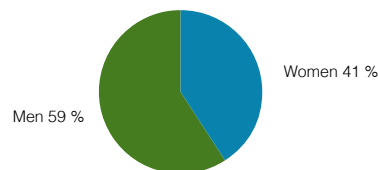
Thule Group is convinced that by promoting a healthy lifestyle, the company can ensure that its employees perform and feel better. Being active is part of the corporate culture. Cycling, skiing, strolling through a big city with a camera in hand or exploring the forest with their children – all of these activities help to understand the company's customers.

Being active also involves showing an interest in life and other people, and focusing on possibilities rather than limitations. Employees are offered opportunities to test the company's products in their natural element and many are passionate users of the company's products. Thule Group's employees are the most important ambassadors for the company's products and values, which are summarized in Thule Group's motto: *Active Life, Simplified.*

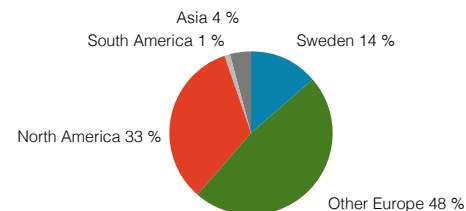
Health and safety

A structured approach to health and safety has been implemented in the company over the years with global standards, monitoring and reporting throughout the company with focus on the ten manufacturing units.

Distribution of women and men



Employees per geographic area



Employee development

For the past ten years, Thule Group has had a well-developed process for employee development based on employee talks carried out in the first quarter, which are used to discuss the preceding year and establish new goals and action plans. Along with the company's talent assessment program, this process is an important component of the company's efforts to promote people from within the organization whenever possible. The fact that 73 percent of all middle management positions in 2014 were filled by internal candidates is proof that the company's extensive efforts in this area are paying off.

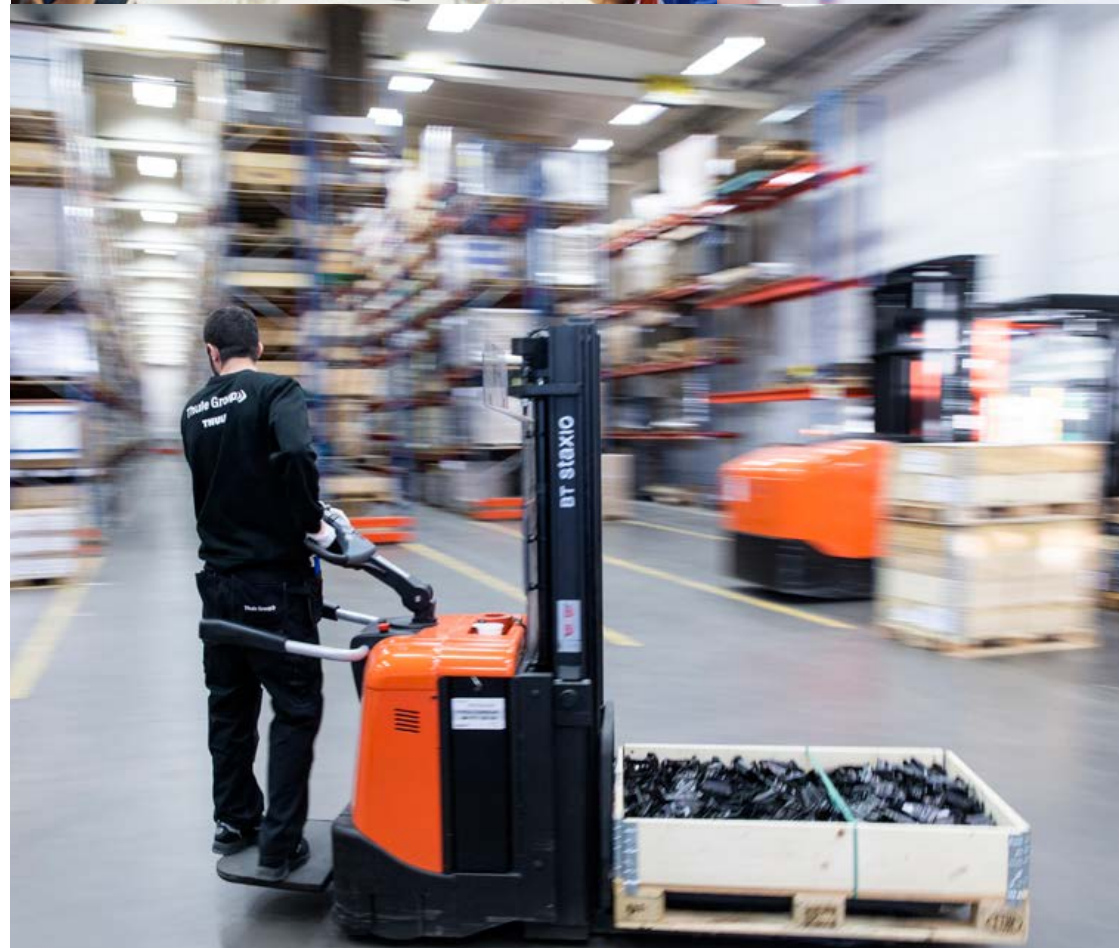
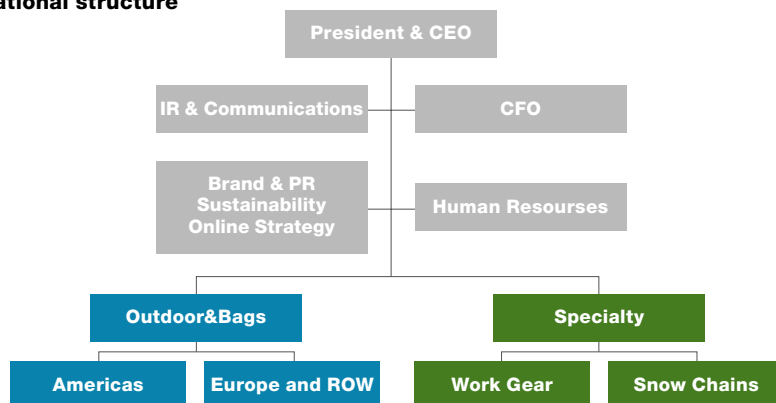
Organization

Thule Group has a flat organization, which short decision-making paths, where personal initiative

and responsibility are encouraged. The company's international platform and pragmatic approach make it possible to optimize resources and utilize the company's competence and expertise when needed.

Employees of Thule Group are happy to grow and develop into new tasks rather than climbing a traditional career ladder. Managers at Thule Group are given opportunities to grow and develop by being given financial and operating responsibility in return for always striving to go the extra mile and demonstrating a strong commitment to achieving the established targets. Target assessments with clear performance indicators are conducted annually in order to assess the outcome and personal development, and these assessments also form the basis for the company's employee bonus system.

Organizational structure



Thule Group supports

Corporate social responsibility has always been a defining feature of Thule Group. It is part of the company's corporate culture, its tradition of caring for people, society and the environment, and its aim to make it easy for people to live an active life.

Community involvement and charity

Thule Group has a long history of community involvement in the local markets in which it operates. The company's various social initiatives are selected and supported by the local units and focus on environmental projects conducted within the framework of Thule Group's environmental work, as well as projects that promote an active and healthy lifestyle for children and young people.

In line with the company's view on community involvement, local units are also encouraged to provide local support when disasters strike the people living in the communities in which the company operates. Support may be provided in the form of products, time or money, and the company's local commitment to sustainable development is intended to bolster nearby communities and strengthen Thule Group brand both externally and internally. Thule Group maintains an ongoing dialog with local authorities in the areas where its plants are located, as well as with various charitable organizations, schools and universities.

Thule Group supports various initiatives "Active Life for All" together with RBU

Since 2010, Thule Group has been a sponsor of the Swedish Association for Handicapped Children and Teenagers (RBU), which creates better conditions for children and young people with disabilities. During this time, Thule Group has provided financial support to enable the RBU to influence Swedish authorities and ensure that RBU members are given the chance to live active lives in society.

Thule Group has also contributed to initiatives to provide young people with opportunities to become

involved in various activities, including weekends at Kolmården Zoo and Skansen Open-air Museum and Zoo for RBU families and "The Year of Sports – Active Life for All" program, during which Thule Group supported RBU and Thule Group employees participated in the program. Among other things, these initiatives have enabled RBU members to play in more electric wheelchair hockey tournaments (including matches against Swedish top athletes and Sweden's leading politicians), who thereby have been made aware of the importance of supporting an active life for these children. In addition, the support has also enabled more disabled children to try out other sports such as racercycling (a sport that does not put strain on the back while running).

Legion Pool revitalization

In June, more than 30 employees from Thule Group's US head office in Seymour, CT participated in a project designed to help revitalize the Legion Pool area, owned by the Seymour Land Trust. This volunteer organization works to preserve water, forestland and open areas in the town of Seymour. After a period of heavy storms, the head office in Legion Pool, located a kilometer from Thule Group's Seymour plant, suffered major damage and was in desperate need of repair. Thule Group's employees helped carry out general land work and building repairs, while another group prepared a footpath connecting the Legion Pool area with a number of hiking trails and public baseball fields. These improvements have made it easy for people in the area to enjoy an active life while hiking and going on excursions in the outdoors.



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All amounts in SEKm, unless otherwise stated. Information in parenthesis pertains to the preceding year.

Board of Directors' Report

The Board of Directors and President of Thule Group AB (publ), Corp. Reg. No. 556770-6311, hereby submit the Annual Report and the consolidated financial statements for the 2014 fiscal year.

Operations and organization

Thule Group is a world leader in products that help you transport anything you care for safely, easily, and in style so you are free to live your active life. Guided by the motto of *Active Life, Simplified*. Thule Group offers products in two segments: *Outdoor&Bags* (includes equipment for bicycles, water and winter sports, roof boxes, bicycle trailers, sport strollers, child bike seats, computer and camera bags, backpacks and cases for cellphones and other digital equipment), as well as *Specialty* (*snow chains* and toolboxes for pick-up trucks).

Thule Group has about 2,200 employees at ten production facilities and 26 sales offices worldwide. The products are sold in 136 markets.

The head office is located in Malmö, Sweden.

The Group's long-term target

Sales growth

The long-term target is achieve annual organic net sales growth of at least 5 percent (after currency adjustment).

For 2014, the Group achieved organic net sales growth of 3.5 percent after currency adjustment.

EBIT margin

The long-term target is achieve an underlying EBIT margin (excluding items affecting comparability and depreciation/amortization of consolidated excess values) of at least 15 percent.

For 2014, the Group achieved an underlying EBIT margin of 14.6 percent.

Capital structure

Thule Group aims to maintain an effective long-term capital structure, defined as the net debt to EBITDA ratio (adjusted for items affecting comparability), of about 2.5x.

At year-end 2014, the Group had achieved a capital structure corresponding to 3.4x.

Significant events during the fiscal year

Stock exchange listing

Thule Group was listed on November 26 on the Nasdaq Stockholm Mid Cap list under the ticker: THULE.

Realigned operations focusing on sports and outdoor industry

Over the past year, the Group has been clearly realigned toward the sports and outdoor industry. In parallel with the broader product, category and brand development commenced in 2010 and accentuated in the past two years, the Group's *Trailer* Division and *Towing* Division were divested and deconsolidated from May and September 2014, respectively.

Large number of product launches in existing and new categories

The Group's portfolio has grown in breadth and depth in recent years. Alongside new and modified products in categories with long traditions, such as bike carriers, roof racks and roof box solutions, the Group more clearly established itself in the *Active with Kids* category in 2014 with the launch of the new Thule Glide and Thule Urban Glide sport strollers, and the Thule RideAlong child bike seat. The range of sports bags was expanded with bike

transport cases and skiing and ski boot bags under the name of Thule RoundTrip. Thule Group has taken another clear step into the sports and outdoor industry with the launch of the Thule Guidepost and Thule Capstone backpacks.

Popular in media and design and function awards

The Group's products sold under the Thule and Case Logic brands garnered widespread attention and were awarded by the media in a large number of markets. Presence in the industry press and public media has increased markedly in recent years. 2014 was no exception with slightly more than a thousand inclusions in high-class publications in prioritized markets. The many design commendations were crowned by the prestigious TIPA Award 2014 for camera bags in the Thule Perspektiv product line and the iF Product Design Award for the Case Logic camera bags Luminosity.

Continued success in future integration and enhanced logistics efficiency

Over the past five years, the Group has worked strategically on future integration in the value chain by selling a larger share of its products to the retail segment instead of via distributors. The work continued in 2014 with additional steps in primarily the German, Belgian and Dutch markets.

The new distribution center adjacent to the company's existing production and warehouse facility in Huta, Poland, for which the project design started at the end of 2013, was completed according to plan. The plant, opened in January 2015 (after the end of the fiscal year), encompasses a total of 9,700 square meters and is the single largest investment in terms of amount in the Group's history. The new plant is strategically important for enabling expansion envisioned by the Group in Eastern and Central Europe.

Efficiency enhancing and cost-saving reorganization

In its continuous evaluation of the Group's organization and adapting it to a changeable business environment. Thule Group began the large-scale reorganization of its warehouse and distribution structure during the year. The distribution center described above is part of these efforts. Another part is the divestment of the Group's existing warehouse and distribution center in Gembloux, Belgium, and the relocation of the operations to a third-party solution in Venlo, the Netherlands. The reorganization will be fully completed in 2015.

Broad sustainability

Thule Group has a clear and committed approach to its sustainability work. Involvement in and support for corporate social responsibility focusing on disabled children and young people have been in place for many years. This partnership is continuing and developing. It is easiest and best described in the aim of promoting an *Active life for all*. Organized environmental activities with defined targets and continuous evaluations are becoming increasingly central. The Group published its third Thule Group Environmental Report in 2014, which describes the clear progress in its quantified aims to reduce its environmental impact. The Group also became a full member of the European Outdoor Conservation Association (EOCA) during the year.

Performance of the group's operations, earnings and position Group

The consolidated income statement is presented specified by continuing and discontinued operations. The discontinued operations refer to the *Trailer* Division and the *Towing* Division that are recognized at net amount on a line above Consolidated net income for the year 2014 and for the 2013 comparative year.

The continuing operations (excluding *Trailer* and *Towing*) are described in the following text, unless otherwise stated.

Net sales

The Group's net sales for 2014 amounted to SEK 4,693m (4,331), corresponding to an increase of 8.4 percent. Adjusted for exchange-rate fluctuations, net sales rose 3.5 percent.

The increase in net sales for the year was driven by the *Outdoor&Bags* segment, where sales grew SEK 380m, corresponding to an increase of 10 percent (up 5 percent after currency adjustment). Growth was particularly robust in the Europe & ROW region (rest of the world excluding the Americas) where sales increased SEK 332m driven by a positive trend in most markets.

Net sales in the *Specialty* segment declined SEK 19m for the full year, corresponding to a decrease of 3.8 percent (down 8.4 percent after currency adjustment), due to extremely limited snowfall in Central European markets where the company sells snow chains. For the year, sales posted a year-on-year decline of SEK 42m for the snow chains product category, which means that 2014 was the year with the lowest sales of snow chains since Thule Group started operations in this product category in 2004.

Operating income

Operating income totaled SEK 599m (514). Underlying EBIT (EBIT excluding items affecting comparability and depreciation/amortization of consolidated excess values) totaled SEK 686m (588), corresponding to an operating margin of 14.6 percent (13.6). Operating income was positively impacted by higher net sales, primarily, but also by improved gross margins of 2 percentage points to 39 percent (37). Changes in exchange rates had an overall positive impact of about SEK 45m on operating income, compared with 2013.

Research and development

The main portion of the Group's product development expenses are recognized through profit or loss as an expense as they arise. Expenses mainly comprise development and production of new products. Research and development expenses comprised 4.3 percent (4.2) of net sales in 2014.

Seasonal variations

Thule Group's sales and operating income are partially affected by seasonal variations. During the first quarter, sales are mainly affected in the *Specialty* segment (snow chains), depending on levels of snow fall. In the second and third quarters, primarily *Outdoor&Bags*, is impacted by the quarter in which spring or summer occurs. In the fourth quarter, seasonal variations were primarily attributable to sales of winter-related products (such as snow chains and roof boxes), and sales of products in the *Outdoor&Bags* segment's bag category prior to major holidays.

Items affecting comparability

The income statement was impacted by non-recurring items affecting comparability of a total expense of SEK 70m (expense: 56). Expenses pertained primarily to listing expenses of SEK 32m, restructuring expenses of SEK 9m related to the *Specialty* segment (snow chains), SEK 9m for the merger of support functions and closure of a factory in US operations, SEK 11m from the closure of the Group's warehouse in Gembloux, Belgium and a provision of SEK 4m for potential environmental measures at the plant in Hillerstorp, Sweden.

Net financial items

The net financial expense was SEK 324m (expense: 102). Net financial items were negatively impacted by exchange-rate differences of SEK 132m (pos: 22) on loans and cash and cash equivalents, and by financial derivatives of SEK 3m (61). Net financial items include the discontinued operations until the divestment date.

Taxes

Tax for the full year amounted to an expense of SEK 75m (expense: 114), corresponding to a tax rate of 27 percent (28). The Group is involved in an ongoing tax dispute in Germany and no further decisions were made on this matter during the year. During the year, the Group made an additional provision of SEK 19m (27), total provisions amounted to SEK 46m for tax/interest rates attributable to this dispute.

Performance by business segment

Outdoor&Bags

Net sales for *Outdoor&Bags* business area amounted to SEK 4,205m (3,824). Sales increased 10 percent, or 5 percent including currency effects. Sales in this business segment increased driven by a strong trend in Europe, particularly in the *Sport&Cargo Carriers* product category. In addition, the *Active with Kids* category trended favorably, driven by robust sales of multifunctional child carriers, but also due to new products in child bike seats and bicycle trailers for transporting children. In the North American market, the trend in the *Bags for Electronic Devices* product category was weak. This was mainly due to that we had fewer major promotional offers for our laptop sleeves under the Case Logic brand, than the preceding year, and that our sales of camera bags were negatively impacted by a weaker market for cameras.

Underlying EBIT amounted to SEK 774m (665), corresponding to an operating margin of 18 percent (17). Operating income was negatively impacted by increased expenses for product development and launches for a number of new product categories ahead of the 2015 season. Operating income amounted to SEK 734m (598), corresponding to a profit margin of 17.4 percent (15.6).

Specialty

Net sales totaled SEK 487m (506), a decline of 4 percent or 8 percent including currency effects. *Work Gear* posted increased sales of products for building professionals (mainly toolboxes for pick-up trucks) in the North American market with net sales of SEK 351m (328). However, sales of snow chains were negatively impacted, mainly due to the snow-free winter in Europe in the first and fourth quarters. For the year, net sales posted a year-on-year decline of SEK 42m for the *Snow Chains* product category, which means that 2014 was the year with the lowest sales of snow chains since Thule Group started operations in this product category in 2004.

Underlying EBIT amounted to SEK 6m (31) and operating income was a negative SEK 3m (pos: 31). The decline in operating income was primarily attributable to decreased sales in *Snow Chains*.

The segment was charged with restructuring expenses of SEK 9m to adapt the cost base of *Snow Chains*.

Parent Company

The principle activity of Thule Group AB (publ) pertains to head office functions such as Group-wide management and administration. The Parent Company invoices its costs to Group companies.

The Parent Company reported negative earnings of SEK 368m (0). During the year, the Parent Company sold its shareholding in Brink Group B.V., which is the parent company of the companies included in the towing operations divested in 2014. This generated a capital loss of SEK 368m. A new financing agreement was also signed in conjunction with the listing of Thule Group AB's shares. Previous financing agreements were signed by subsidiaries. Cash and cash equivalents and current investments amounted to SEK 0m (34). Long-term liabilities to credit institutions totaled SEK 2,363m (0). During the year, new issues were made totaling SEK 993m.

At year-end, 25 (27) people were employed at the head office working in Group Management and in Group-wide functions such as business development, technology, marketing, HR, finance and information. Group Management is employed in Thule Group AB, while other functions are employed in either Thule AB or Thule Holding AB.

The Parent Company's financial position is dependent on the financial position and development of its subsidiaries. The Parent Company is therefore indirectly impacted by the risks described in the *Risks and risk management* section.

Financial position

The Group's assets and liabilities have changed during 2014 due to the divestment of the *Trailer* and *Towing* divisions. At December 31, 2014, total assets amounted to SEK 6,952m (8,035). Goodwill at December 31, 2014, amounted to SEK 4,038m. At December 31, 2013, goodwill pertaining to continuing operations totaled SEK 3,642m. The increase was fully attributable to currency effects.

At December 31, 2014, the Group's equity amounted to SEK 2,966m (1,802).

At December 31, 2014, net debt amounted to SEK 2,546m (4,335).

In conjunction with the listing of Thule Group, refinancing of the Group was carried out, whereby the previous financing agreement was terminated and a new five-year financing agreement entered into. The new agreement is a syndicated agreement comprising

a framework of SEK 2,300m in long-term bank loans and SEK 600m in a revolving credit facility.

Total long-term borrowing amounted to SEK 2,376m (4,436). Total current financial liabilities amounted to SEK 292m (288) and mainly comprised utilized revolving credit facilities.

The equity ratio amounted to 42.7 percent (22.4).

SEKm	Dec 31 2014	Dec 31 2013 ¹
Long-term liabilities, gross	2,390	4,403
Short-term liabilities, gross	254	249
Overdraft facilities	4	7
Financial derivatives, net	26	93
Capitalized financing costs	-14	-34
Accrued interest	0	2
Gross debt	2,660	4,720
Cash and cash equivalents	-114	-385
Net debt	2,546	4,335

¹ The comparative year pertains to total operations

Cash flow

Cash flow from operating activities was SEK 355m (390). Investments in tangible and intangible assets for the year totaled SEK 173m (101). No investments were made in the Parent Company. Cash flow for the year was positively impacted by the divestment of the Trailer and Towing operations.

During the year, new issues were made totaling SEK 993m (0.1).

Premiums paid in on the issue of stock options totaled SEK 12m. For more information, refer to the *Employees and remuneration* section.

During the year, the company repaid SEK 4,542m (274), new long-term bank loans were raised corresponding to SEK 2,300m (0) and SEK 250m of a revolving credit facility was utilized. The new financing agreement is for five years and is a syndicated agreement comprising a framework of SEK 2,300m in long-term bank loans and SEK 600m in a revolving credit facility. The Group's cash and cash equivalents totaled SEK 114m (385). The Group also has unutilized, binding loan commitments of SEK 343m to finance the ongoing operations. For more information regarding the terms of the loans, see Note 24.

Risks and risk management

Like all business operations, Thule Group's operations are associated with risk. Continuously identifying and evaluating risks is a natural and integrated part of the operations. The Group's ability to analyze and prevent risk in turn reduces the risk of unforeseen events from having a negative impact on the operations. Thule Group has categorized identified risks according to industry and market-related risks, operations-related risks and financial risks.

Industry and market-related risks

Business cycle and demand

Thule Group conducts business activities in a large number of markets in the world and similar to other groups is affected by general economic, financial and political conditions at a global level. Demand for Thule Group's products is dependent on macroeconomic conditions. Changes in such conditions may lead to the retail market weakening and changes in consumers' purchasing power, which may have a negative effect on Thule Group's operations, financial positions and earnings.

Competition

Thule Group conducts business activities on a competitive market characterized by price competition and other forms of competitions, for example, product development, design, quality and service offering. Furthermore, business development by Thule Group's competitors may cause customers to prefer, to a greater degree than previously, products which compete with Thule Group's current and future product offering. Increased competition may also negatively impact Thule Group's current margins.

Demand for Thule Group's products is dependent on consumer demand for underlying products

Thule Group's product offering includes products that are supplementary to other products not offered by Thule Group, which may become obsolete due to technological development or changes in consumer behavior. For example, Thule Group has noted a considerable decrease in demand for its products for cameras since consumers are increasingly using other products to take pictures, such as cellphones. Similar changes in consumer demand for underlying products may thus have a material adverse effect on Thule Group's operations, financial position and results.

Sales of snow chains are affected by winter weather condition variations

The snow chains market is highly weather-dependent since the product need is driven by snowy road conditions. The snow chain market has a base business relating to use in locations where there is a constant need for the product, but, in addition, is subject to significant volatility in markets in large metropolitan areas of the core countries of Italy, France, Austria, Switzerland and Germany, where it is a legal requirement to have snow chains in snowy conditions. Variations in winter weather conditions may thus adversely affect Thule Group's operations, financial position and results.

Risks regarding competition law

Thule Group is subject to general competition laws in the jurisdictions in which it operates. Contractual conditions and prices in agreements that are used in Thule Group's operations may be subject to restrictions under such competition laws. Competition authorities have the power to initiate ex-post

regulation procedures and to require a party to cease applying contractual terms and prices that are found to be anti-competitive.

Competition authorities also have the power to impose fines and other sanctions as a result of non-compliance with relevant regulatory requirements. While Thule Group has adopted internal procedures to ensure compliance with competition laws, there can be no assurance that instances of non-compliance have not occurred in the past nor that instances of non-compliance will not occur. To the extent Thule Group is unable to ensure compliance with applicable competition laws, Thule Group may be adversely effected by regulatory sanctions and remedies as well as inability to enforce contractual terms that are found to be anti-competitive. Furthermore, Thule Group's strong position in certain product markets may signify that Thule Group is considered to have significant market power in such markets. Significant market power in one or more markets may result in regulatory restrictions on Thule Group's ability to implement fully its business strategies in these markets and its ability to growth through acquisitions.

Operations-related risks Dependence on reputation

Thule Group is dependent on its reputation, which, in turn, depends on factors such as product design, the distinct character of the products, the materials used to manufacture the products, the image of Thule Group's stores, communication activities, including advertising, public relations and marketing, and general corporate profile. Problems regarding quality, product liability and safety issues as well as operational or logistical problems may result in Thule Group's reputation being harmed and, as a result, difficulties in retaining existing or attracting new customers. Any harm to Thule Group's reputation may result in Thule Group losing business or growth opportunities, which could adversely affect its operations, financial position and results.

Dependence on suppliers

In order to be able to manufacture, sell and deliver products, Thule Group is dependent on external suppliers. Incorrect or late deliveries, or non-deliveries, from suppliers may, in turn, result in Thule Group's deliveries being delayed or suspended, or becoming

deficient or incorrect. Thule Group may also be adversely affected by its suppliers facing financial, legal or operational problems. All of these factors may adversely affect Thule Group's operations, financial position and results.

Inability to retain and recruit qualified personnel and executive management

Being able to attract and retain qualified personnel and its executive management is important to Thule Group's future operations and business plan. Thule Group is particularly dependent on its executive management and on certain employees within sourcing and sales functions. If Thule Group cannot attract or retain qualified personnel, it could adversely affect Thule Group's operations, financial position and results.

Impact of local business risks, legislation and regulations in countries in which Thule Group operates

Thule Group operates in a global environment and is consequently exposed to various risks, including decisions by the management of its subsidiaries that may not be aligned with Thule Group's broader strategies or that are not beneficial for all members of Thule Group. Thule Group's business is subject to the local laws and regulations applicable in each jurisdiction in which Thule Group operates, as well as license and reporting obligations in certain jurisdictions and overarching international rules. Laws, policies, measures, controls or other actions implemented by the authorities in the countries where Thule Group operates, or in other countries in which Thule Group may operate in the future, may restrict its operations, delay or prevent planned investments, require additional investments and lead to increased costs and other obligations or otherwise harm Thule Group's financial results. In addition, employees of Thule Group's subsidiaries, and other persons affiliated with Thule Group, may take actions which are unethical or criminal or otherwise contravene the Group's existing or future internal guidelines and policies as well as those that the Group intends to implement in relation to compliance with relevant anti-bribery, sanctions and export control laws in a manner which is consistent with international practice.

Exposure to environmental risks

Thule Group has four main manufacturing sites located in Sweden, Poland, Italy and the US. The manufacturing at these sites is subject to environmental regulation and supervision. Non-compliance with environmental regulation could result in fines and other sanctions. Thule Group's liability for currently known and unknown clean-up costs and environmental sanctions could have a material adverse effect on Thule Group's operations, financial position and results. Regulatory authorities may also suspend Thule Group's operations, withdraw environmental licenses as well as reject the renewal of environmental licenses that are required for Thule Group's operations.

Exposure to tax-related risks

The business – including intra-Group transactions – is conducted in accordance with Thule Group's understanding or interpretation of applicable tax laws, tax treaties or other provisions in the tax law area, and in accordance with Thule Group's understanding or interpretation of the requirements imposed by the relevant tax authorities. There can however be no assurance that Thule Group's understanding or interpretation of the aforementioned laws, treaties and other provisions is accurate in all respects. Furthermore, the tax authorities in the relevant countries may make assessments and take decisions which differ from Thule Group's understanding or interpretation of the aforementioned laws, treaties and other provisions. Thule Group's tax situation in respect of previous years and the current year may thus change as a consequence of decisions by relevant tax authorities or due to amended laws, treaties and other provisions. Such decisions or amendments, possibly with retroactive effect, may have a significant negative impact on Thule Group's earnings and financial position.

Exposure to risks relating to its agreements with suppliers and customers

In accordance with commercial practices in effect in the markets in which Thule Group operates, certain agreements entered into by Thule Group and its customers and suppliers are often informal and generally consist of pricing agreements that are periodically renegotiated between the parties, or purchase orders. As a result, the renewal terms

of these contracts are not formalized and depend to a large extent on commercial relations with the customers concerned. This flexibility can result in a less accurate definition of the parties' rights and, in the case of a disagreement between the parties as to the content of their agreement, lead to challenges, disputes or conflicts which could have a material adverse effect on Thule Group's operations, financial position and results.

Financial risks

The Group's financial operations are centralized to capitalize on economies of scale and synergies and to minimize handling risks. The Group's finance operation is coordinated by the subsidiary company Thule Holding AB, which performs all external financial transactions and also acts as an internal bank for the Group's financial transactions in the currency and interest rate markets. The Board of Directors decides on a finance policy annually.

The finance policy comprises a framework for managing both financial risks and financial activities in general. The Board's Audit Committee prepares, on behalf of the Board, the practical application of the policy in consultation with the Group's CFO.

Exchange rate risk - transaction exposure

The Group's total transaction exposure, net, amounted to SEK 1,975m (827), a year-on-year increase due to changed net transaction exposure as a result of the division between continuing and discontinued operations, and also exchange-rate fluctuations. The single most important currency relationships are EUR/SEK, in which the Group has a positive net inflow. The central finance department is responsible for all hedging to reduce the effect of exchange-rate fluctuations.

Exchange rate risk - translation exposure

Another influence on exchange-rate fluctuations arises when the income statements of foreign subsidiaries and assets and liabilities are translated to SEK at year-end. The Group's policy is to hedge net investments with loans but otherwise not to hedge this type of translation exposure.

Interest rate risk

Interest rate risk is the risk that the value of financial instruments fluctuates due to changes in market inte-

rest rates and the risk that changes in the interest rate level will impact the Group's borrowing costs. A significant factor that affects the interest rate risk is the fixed-rate period. This interest rate risk is managed by the Group's central finance department. According to the finance policy, the objective of the long-term liability portfolio is for the average fixed-rate period to be, on average, between 6 months and 3 years.

Commodity price risk

Commodity price risk refers to continuously fluctuating prices of input goods from our suppliers and its possible impact on earnings. For the Group, it is primarily fluctuations in plastic, aluminum and steel prices that constitute a significant commodity risk. During the year, 45 percent (41) of total direct materials consisted of plastic, aluminum and steel. Financial derivatives were used during the year to hedge the commodity price risk (aluminum price risk). The trend in aluminum prices significantly affects the Group's product costs.

Refinancing and liquidity risks

The Group has a rolling 8-week liquidity plan that includes all divisions of the Group. Results are reported regularly on a weekly basis. The plan is updated monthly. The liquidity plan is used to manage liquidity risk and as a tool for following the cash flow from the operational and financial business. The Group policy is to minimize its borrowing need by centralizing surplus liquidity via the Group's cash pools that have been established by the central finance department.

Thule Group's exposure to financial risks and management of financial risks are described in more detail in Note 4.

Employees and remuneration **Number of employees**

The average number of employees in continuing operations was 2,128 (2,208).

Guidelines for remuneration of the President and other executive management

The Extraordinary General Meeting held on October 1, 2014, resolved on guidelines for remuneration which are to apply in relation to remuneration of the President and executive management.

Remuneration of Group management is to com-

prise fixed salary, possible variable salary, pension and other benefits. Total remuneration package is to be based on market terms, be competitive and reflect the individual's performance and responsibilities as well as, with respect to share based incentive programs, the value growth of Thule Group share benefiting the shareholder.

Variable salary can comprise annual variable cash bonuses and long-term variable bonuses in the form of cash, shares and/or share-based instruments in Thule Group AB. Variable cash salary is to be conditional on meeting defined and measurable targets and may not exceed 75 percent of the fixed annual salary. Terms for variable salary should be designed so that the Board, under exceptional economic conditions, is able to limit or waive the payment of variable salary if such action is deemed reasonable.

In particular cases, agreements can be made for lump-sum remuneration, provided that such remuneration does not exceed an amount corresponding to the sum of the individual's annual fixed salary and highest variable cash salary and is not paid more than once per year and per individual.

Pension benefits should be defined contribution. Severance pay is normally given if employment is terminated by Thule Group. The standard notice period for members of Group management is a maximum of 12 months in combination with severance pay of 6 to 12 months fixed salary. No severance pay accrues if notice is given by the employee.

On an individual basis, if justified for particular reasons, the Board has the right to depart from the guidelines adopted by the General Meeting. The group of executives covered by the guidelines are the President and other members of Group management.

The Board proposes that the 2015 Annual General Meeting resolve to adopt the same guidelines as the preceding year for the period until the 2016 Annual General Meeting, with the following exceptions:

- Variable cash salary may not exceed 75 percent of the fixed annual salary for the President and may not exceed 60 percent for other members of executive management.
- Agreements on lump-sum remuneration made in specific cases are to be terminated.

Incentive programs

In 2014, the Board decided to introduce a long-term incentive program for management, key personnel and the Chairman of the Board. The purpose of the incentive program is to promote and maintain a strong commitment to ensure maximum long-term value for shareholders. At the Extraordinary General Meeting of Thule Group on November 12, 2014, a resolution was passed to issue warrants as part of an incentive program for (i) the management and key personnel, and (ii) the Chairman of the Board (the "Participants"). The incentive program currently encompasses seven individuals. The Participants acquired the warrants at market value. The total program encompasses 4,999,998 warrants and warrants not subscribed for by the Participants may be offered in the future to new members of executive management and/or key personnel. On full utilization, the option program corresponds to 5 percent of Thule Group's share capital. The warrants have been issued in three separate series, with the same number of warrants in each series.

For more information about remuneration of employees, refer to Note 10.

Environment

Environmental impact

Thule Group has a long history of environmental focus due to its commitment to develop high quality products built to last for a long time, encourage employees with deep environmental engagement and manage our own production facilities in Europe and Americas not only to legal requirements, but to the higher Thule Group standards. Thule Group has defined five core focus areas for environmental sustainability.

The Group is subject to a number of European Union, national, regional and local environmental and occupational health and safety laws, rules and regulations relating to the protection of the environment and natural resources including, among other things, the management of hazardous substances and waste, air emissions, the discharge of water, transportation, remediation of contamination and workplace health and safety. Thule Group's operations require the Group to maintain certain environmental licenses for the production of its products including metal-based products with surface treatment and plastics. In

addition, Thule Group's production units have generally been certified according to the ISO 9001 quality management standards and the ISO 14001 environmental management standards. The plants outside Sweden adapt their operations, apply for the necessary licenses and report to authorities in accordance with local laws. Thule's Swedish plants and the production facility in Hillerstorp conducts operations that require an environmental license in accordance with Swedish environmental legislation. Thule Sweden AB conducts class C operations under a license for class B operations and is classified as mechanical manufacturing in the form of metal working in a workshop area of less than 18,000 square meters and guarantees that its impact in the form of, for example, noise, dust and emissions to air and water, both in the immediate area and in general, from its manufacturing unit in Hillerstorp is minimal. Systems are in place for classifying and sorting waste at source and for handling industrial waste. The unit also holds EN-ISO 14 001:2004 environmental management standards certification.

Future development

Future outlook

On the condition that no significant changes take place in the business environment in 2015, demand for the Group's products is expected to remain favorable.

Significant events after the fiscal year

No significant events took place after the end of the fiscal year.

Forecast

Thule Group does not present a financial forecast.

The share, shareholders and proposed appropriation of profits

Number of shares and quotient value

On November 26 2014, Thule Group's shares were listed on the Nasdaq Stockholm Mid Cap list.

The Group did not buy back or hold any treasury shares during the fiscal year. The number of shares approved, issued and fully paid as per December 31, 2014 was 100,000,000. The company has only one class of share.

At General Meetings of shareholders, each share carries one vote and each shareholder is entitled

to vote the full number of shares such shareholder holds in the company.

All shares carry equal rights to the Company's assets and profits. The quotient value (nominal value) of the share is SEK 0.01118 per share.

New issue of shares

In connection with listing of Thule Group's shares on Nasdaq Stockholm, all preference shares were converted into common shares. In addition, a directed new issue amounting to SEK 992m took place with the principal owner and a bonus issue was implemented to reflect a share ownership among the shareholders at the time in the basis of the economic value of each preference share.

Largest shareholders

At December 31, 2014, Thule Group AB had 2,104 shareholders. At this date, the largest shareholders were NC Outdoor VI AB (corresponding to 38.9 percent of the votes), NC Outdoor VII AB (corresponding to 25.4 percent of the votes) and AMF – Försäkring och Fonder (corresponding to 7.8 percent of the votes).

Articles of Association

The Articles of Association contain no separate provisions pertaining to the appointment and dismissal of Board members, nor to amendment of the Articles of Association.

Proposed appropriation of profits

Parent Company
Proposed appropriation of the company's earnings

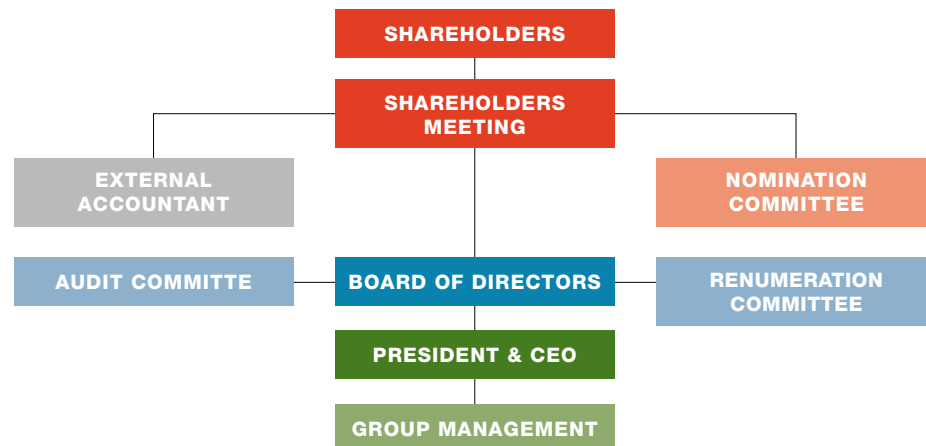
Available for disposal at the Annual General Meeting:	
Share premium reserve, SEK	2,037,541,830
Net income, SEK	-368,444,957
	1,669,096,873

The Board proposes that the profit brought forward be appropriated as follows:

Dividends to shareholders, 2 SEK x 100,000,000	200,000,000
To be carried forward, SEK	1,469,096,873
	1,669,096,873

Corporate Governance Report

Thule Group has been listed on Nasdaq Stockholm since November 26, 2014. Thule Group's corporate governance is mainly regulated by the Swedish Companies Act and other Swedish laws, Nasdaq Stockholm's Rule Book for Issuers and the Swedish Corporate Governance Code "the Code" (available at www.corporategovernanceboard.se). The Code is to be applied to all Swedish companies whose shares are traded on a regulated marketplace in Sweden. Thule Group has applied the Code from November 26, 2014 when Thule Group's share started to be traded on Nasdaq Stockholm. The 2014 Corporate Governance Report describes Thule Group's corporate governance, management and administration and the internal control over the financial reporting.



Regulatory compliance

External governance systems

The external governance systems that comprise the framework for corporate governance at Thule Group primarily comprise the Swedish Companies Act, the Swedish Annual Accounts Act, Nasdaq Stockholm's Rule Book for Issuers, the Swedish Corporate Governance Code and other applicable rules and relevant legislation.

Internal governance systems

The Articles of Association adopted by the Annual General Meeting and the documents on the rules of procedure for the Board of Thule Group, instructions for the President and instructions for the Remuneration and Audit Committees, as adopted by the Board of Directors, are the most important internal governance system. In addition, the Group has a number of policies and instructions containing rules and principles for the Group's operations and employees.

Deviations from the Code

Companies are not obliged to at all times apply every rule in the Code, but are allowed the freedom to choose alternative solutions which they feel are better in their particular circumstances, provided they report every deviation, describe the alternative solution and explain the reasons for the deviation in its annual corporate governance report (the "comply or explain" principle).

The company deviates from item 9.8 of the Code regarding option in the share-based incentive program of utilizing warrants to acquire shares over a period of less than three years and the Chairman of the Board's participation in the program. The assessment is that the warrants program, including its deviations, are in line with the company's business plan and strategy. In addition, the deviations should be viewed in light of the terms and conditions of the warrants which limit the economic outcome for the holders.

General Meeting of shareholders

Pursuant to the Swedish Companies Act (2005:551), the General Meeting is the company's highest decision-making body and shareholders exercise their voting rights at such Meetings. Shareholders who are recorded in the share register on the record date and have notified the company of their intention to participate in the General Meeting not later than the date and time indicated in the notice are entitled to attend the General Meeting in person or by proxy. Resolutions are made at the General Meeting normally by a simple majority. However, in certain matters, the Swedish Companies Act stipulates that a certain level of attendance is required to form a quorum or a qualified majority of votes. Annual General Meetings must be held within six months from the end of each fiscal year. Thule Group's Annual General Meeting is usually held in the month of April. The Annual General Meeting resolves on such issues as the Articles of Association and is tasked with appointing Board members and the Chairman of the Board, electing auditors and resolving to adopt the income statement and balance sheet and appropriation of the company's profits and the discharge from liability of the Board and the President vis-à-vis the company. In addition, where necessary, the Annual General Meeting also resolves to adopt principles for the appointment and work of the Nomination Committee, and resolves on principles for the terms of remuneration and employment for the President and executive management. An Extraordinary General Meeting can be held if specifically required. At the Annual General Meeting, shareholders have the opportunity to ask questions about the company and its results for the past year.

In addition to Annual General Meetings, Extraordinary General Meetings can be called. The company's Annual General Meetings are held each calendar year in Malmö, Sweden, before the end of June. In accordance with the Articles of Association, notice of a General Meeting is published in the Swedish Official Gazette and on the company's website.

In conjunction with notice being given an announcement is made of the notification in Dagens Industri.

The Articles of Association contain no separate provisions pertaining to the appointment and dismissal of Board members, nor to amendment of the Articles of Association. For the complete Articles of Association, refer to the website www.thulegroup.com.

Shareholders

Thule Group's share has been listed on Nasdaq Stockholm since November 26, 2014. At year-end, share capital amounted to SEK 1,117,635.12, divided between 100,000,000 shares. All of the shares are of the same class and all of the shares in the company carry equal rights in all respects. The number of shareholders at December 31 was 2,104. NC Outdoor VI AB (38.9 percent of the votes), NC Outdoor VII AB (25.4 percent of the votes) were the largest shareholders with a total of 64.3 percent of the votes. The third largest shareholder was AMF Försäkring och Fonder, with 7.8 percent of the votes. Further information about the share and shareholders is available on the company's website.

Annual General Meetings and Extraordinary General Meetings Resolutions at 2014 Annual General Meeting

The 2014 Annual General Meeting was held on April 22. The Annual General Meeting resolved to adopt the present income statement and balance sheet and the consolidated income statement and consolidated balance sheet, that no dividend was to be paid to shareholders and that the company's profit brought forward, together with earnings for 2013, were to be carried forward. The Meeting discharged the Board members and the President from liability and resolved on fee to Board members. The Meeting also resolved to authorize the Board to decide on issuances of new shares, with or without preferential rights for shareholders.

Extraordinary General Meetings in 2014

A number of Extraordinary General Meetings were held during autumn 2014 and prior to the listing of the company's shares on Nasdaq Stockholm on November 26 to resolve on adapting the company and the structure of the company's share capital to a listed environment.

Nomination Committee

Name	Appointed by	Percentage of votes, Nov 30, 2014, %
Fredrik Näslund	NC Outdoor VI AB och NC Outdoor VII AB	65.7
Anders Oscarsson	AMF Försäkring och Fonder	7.4
Charlotta Faxén	Lannebo Fonder	3.6
Mathias Leijon	Nordea Fonder	1.6
Stefan Jacobsson	Chairman of the Board of Thule Group	

2015 Annual General Meeting

The 2015 Annual General Meeting will be held on Wednesday, April 29, 2015 at 4:00 p.m. in Malmö. For more information, refer to Thule Group's website.

Nomination Committee

At the Extraordinary General Meeting held on October 1, 2014, it was resolved that the Nomination Committee was to be composed of five members comprising representatives of the four largest shareholders in terms of the number of votes at September 30 every year, in addition to the Chairman of the Board. However, the Nomination Committee ahead of the 2015 Annual General Meeting was to comprise representatives of the four largest shareholders at November 30, 2014.

The Nomination Committee member representing the largest shareholder in terms of votes is to be appointed as Chairman unless the Nomination Committee unanimously appoints another. If more than three months prior to the Annual General Meeting, one or more of the shareholders who have appointed members to the Nomination Committee should cease to belong to the four largest shareholders in terms of votes, the members appointed by these shareholders are to vacate their membership and the shareholder/shareholders who has/have instead become among the four largest shareholders in terms of votes is/are to be entitled to appoint his/her representatives. If a member leaves the Nomination Committee before its work is completed and the Nomination Committee finds it desirable to appoint a replacement, the new member should be sourced from the same shareholder or, if this shareholder is no longer one of the largest shareholders

in terms of votes, from the next shareholder in line. Changes in the composition of the Nomination Committee must be announced immediately.

The Nomination Committee's duties are to present proposals to the Annual General Meeting regarding the Chairman of the Board and other Board members, and an explanatory statement for the proposal, propose fees and other remuneration for Board assignments for each of the Board members, including any remuneration for Committee work, present proposals on auditors and their fees, present a proposal for the Chairman of the Annual General Meeting and, where appropriate, propose changes to the appointment of the Nomination Committee. In addition, the Nomination Committee is to assess the independence of the Board members in relation to the company and the largest shareholders.

The composition of the Nomination Committee for the Annual General Meeting is normally announced on the company's website six months before the Meeting. Remuneration is not to be paid to the members of the Nomination Committee.

The company is to pay any necessary expenses that the Nomination Committee may incur in its work. The term of office for the Nomination Committee ends when the composition of the following Nomination Committee has been announced.

Nomination Committee prior to 2015 Annual General Meeting

The composition of the Nomination Committee was published in a press release and on Thule Group's website www.thulegroup.com on January 12, 2015.

The Nomination Committee prior to the 2015 Annual General Meeting comprises (NC Outdoor VI AB and NC Outdoor VII AB), Anders Oscarsson (AMF Försäkring och Fonder), Charlotta Faxén (Lannebo Fonder), Mathias Leijon (Nordea Fonder) and the Chairman is Stefan Jacobsson (Chairman of the Board of Thule Group).

The Nomination Committee held two meetings since it was appointed and until the date on which this Annual Report was presented. As a basis for its proposals to the 2015 Annual General Meeting, the Nomination Committee assessed whether the current Board was appropriately composed and meets the requirements imposed on the Board considering the company's operations, financial position and other circumstances. The Nomination Committee interviewed the company's Board members, discussed the main requirements that should be imposed on Board members, including the independence of members given the number of Board assignments that they have in other companies, and addressed the issue of a more even gender distribution.

Board of Directors Composition in 2014

The Board's duty is to manage the company's affairs on behalf of the shareholders. Under the Articles of Association, the Board of Thule Group is to comprise no fewer than three and not more than ten members appointed by the Annual General Meeting for a term until the end of the next Annual General Meeting. Six Board members were elected at the Annual General Meeting on April 22, 2014: Stefan Jacobsson, Bengt Baron, Hans Eckerström, Lilian Fossum Biner, Åke Skeppner, David Samuelson. Lottie Svedenstedt declined reelection at the 2014 Annual General Meeting. Liv Forhaug was elected as Board member at the Extraordinary General Meeting on June 24, 2014. No member of Group management is a Board member. However, both the President and the CFO of Thule Group participate at Board meetings and lawyer Peter Linderöth serves as Secretary to the Board. Other officers of the company participate at Board meetings when presenting separate issues.

Independence of the Board

In accordance with the Code, a majority of the members of the Board elected by the General Meeting are to be independent in relation to the company and its management. The independence of the Board members is presented in the table *Board composition*.

The Board's assessment of the members' independence in relation to the company, its management and major shareholders are presented in the *Facts about the Board and Group management* section. All of the members of the Board are independent in relation to the company and its management. Five of the members are also independent in relation to the company's major shareholders. Accordingly, the company fulfills the Code's independence requirement.

Responsibilities of the Chairman

The Chairman of the Board leads and manages the Board's work and ensures that activities are conducted efficiently. The Chairman ensures that the Swedish Companies Act and other applicable laws and regulations are followed and that the Board receives the necessary training and improves its knowledge of the company. The Chairman monitors the operations in close dialog with the President, conveys opinions from shareholders to other Board members and serves as a spokesman for the Board.

The Chairman is also responsible for providing the other members of the Board with information and decision-making materials and for implementing Board decisions. In addition, the Chairman is responsible for ensuring that the work of the Board is evaluated every year.

Board responsibilities and work

The duties of the Board of Directors are primarily set out in the Swedish Companies Act and the Code. In addition, the work of the Board is guided by rules of procedure that the Board adopts every year. The rules of procedure regulate the allocation of work and responsibility between the Board, Chairman of the Board and President, as well as stipulate procedures for financial reporting by the President. The Board also adopts instructions for the Board's Committees.

The Board is tasked with establishing strategies, business plans and budgets as well as submitting interim financial statements, annual accounts, and adopting policies and guidelines. The Board is also charged with following the financial developments, ensuring the quality of financial reporting and control functions and evaluating the company's operations based on the established goals and guidelines adopted by the Board.

Finally, the Board also takes decisions regarding major investments and organizational and operational changes in the company. Working closely with the President, the Chairman of the Board is

tasked with monitoring the company's performance and acting as Chairman at Board meetings. The Chairman is also responsible for the Board's annual evaluation of its work and for the Board receiving adequate information enabling it to perform its work in an efficient manner.

The current rules of procedure state that the Board is to meet at least six times a year in addition to the statutory meeting following election. The Board held 15 meetings during the year, of which four were additional Board meetings and four were held per capsulam. All Board meetings following a predetermined agenda. Attendance at Board meetings is presented in the table on the composition of the Board below.

In 2014, the Board mainly addressed matters regarding the operations, financing and other ongoing accounting and company law issues. Particular focus was directed to the matters relating to Thule Group's decision to initiate the process of listing the company's shares on Nasdaq Stockholm.

Board committees

The Board has two committees, the Remuneration Committee and the Audit Committee. The committees report on the issues addressed either verbally or in writing. The work of the respective committees is carried out pursuant to written instructions and rules of procedure from the Board. Minutes of the

committees' meetings are circulated to all Board members.

Remuneration Committee

The Remuneration Committee is tasked with preparing issues regarding remuneration and other terms of employment for the President and the company's executive management. The work involves the preparation of proposals for guidelines for items, such as: the allocation between fixed and variable remuneration, the relationship between performance and compensation, the main terms of bonus and incentive programs, conditions for other benefits, pensions, termination and severance pay, and the preparation of proposals for individual remuneration packages for the President and executive management. Furthermore, the Remuneration Committee also monitors and evaluates the outcome of variable remuneration, and how the company complies with the remuneration guidelines adopted by the General Meeting.

The Remuneration Committee comprises two members: Hans Eckerström (Chairman) and Stefan Jacobsson. The Remuneration Committee held three meetings in 2014.

Audit Committee

The main task of the Audit Committee is to ensure that the Board meets the supervision requirements relating to internal control, auditing, risk management, accounting and financial reporting, and prepares accounting and auditing matters. The Audit Committee is also charged with reviewing processes and procedures for accounting and financial control and preparing the Board's report on internal control. In addition, the Audit Committee monitors the impartiality and independence of the auditor, evaluates the audit work and discusses coordination between the external audit and the internal work on internal control issues with the auditor. The Audit Committee also assists the company's Nomination Committee when preparing proposals for auditors and recommendations for auditor's fees.

The Audit Committee of Thule Group has three members: Lilian Fossum Biner (Chairman), David Samuelson and Åke Skeppner. Lilian Fossum Biner and David Samuelson were elected members of the Committee at the statutory Board meeting following election on April 23, 2014 and Åke Skeppner was elected member in autumn 2014. The Audit Com-

Board composition

				Attendance		Remuneration Committee
Name	Year elected	Total fee, SEK	Independent	Board meetings	Audit Committee	
Chairman						
Stefan Jacobsson	2011	800,000	Yes	15/15		3/3
Board members						
Bengt Baron	2011	300,000	Yes	15/15		
Hans Eckerström	2009	100,000	No*	15/15		3/3
Liv Forhaug ¹	2014	300,000	Yes	10/10		
Lilian Fossum Biner	2011	400,000	Yes	15/15	4/4	
David Samuelson	2012	100,000	No*	15/15	4/4	
Åke Skeppner ²	2009	300,000	Yes	14/15	1/1	

* Not independent in relation to the principal owner.

1) Board member from the Extraordinary General Meeting on June 24, 2014.

2) Board member elected to the Audit Committee in autumn 2014 and has since attended all meetings.

mittee meets all the requirements vis-à-vis auditing and accounting competence as stipulated in the Swedish Companies Act.

The Audit Committee held four meetings in 2014. The members' attendance at these meetings is presented in the table below.

Auditors

The auditors are elected at the Annual General Meeting every year. The auditors review the company's and subsidiaries' financial reports and accounts as well as the administration of the Board and the President.

The auditors participate at the Board meeting that addresses the Annual Report and consolidated financial statements.

At this meeting, the auditors present the financial information and discuss the audit with the Board members without the President and executive management attending.

The auditors maintain continuous contact with the Chairman of the Board, Audit Committee and Group management. Thule Group's auditors are to review the Annual Report and consolidated financial statements for Thule Group AB and the administration of the Board and the President. The auditors follow an audit plan that is discussed with the Audit Committee. Reports were presented to the Audit Committee during the course of the audit and finally to the Board as a whole when the year-end report was adopted. The auditors are also to attend the Annual General Meeting and describe their audit activities and observations made in an audit report. During the year, the auditors performed certain audit-related consulting assignments in addition to the audit, mainly pertaining to tax consultancy, consulting in accounting issues and audits in connection with the listing. KPMG is responsible for auditing all of the important subsidiaries in the Group.

KPMG has been the company's auditor since 2010. Helene Willberg is the Auditor in Charge.

Audit fees 2014, SEKm

KPMG	
Audit assignment	4
Audit in addition to audit assignment	2
Tax consultancy	1
Other services	1

President and other executive management

The President is subordinate to the Board of Directors and is responsible for the day-to-day management and operations of the company. The division of work between the Board of Directors and the President is set out in the rules of procedure for the Board of Directors and instructions for the President. The President is also responsible for the preparation of reports and compiling information from management for Board meetings and for presenting such material at Board meetings. According to the instructions for financial reporting, the President is responsible for the financial reporting in Thule Group and consequently must ensure that the Board receives adequate information for the Board to be able to evaluate the company's and the Group's financial position.

The President regularly keeps the Board informed of developments in Thule Group's operations, the development of sales, Thule Group's results and financial position, liquidity and credit status, important business events and all other events, circumstances or conditions that can be assumed to be of significance to the company's shareholders.

Information about remuneration, share-based incentive programs and terms of employment for the President and other executive management is available on the company's website.

Internal control

The Board's responsibility for the internal control is governed by the Swedish Companies Act, the Swedish Annual Accounts Act (1995:1554), and the Code. Information regarding the most important aspects of the company's system for internal control and risk management in connection with financial reporting must each year be included in the Company's Corporate Governance Report.

The procedures for internal control, risk assessment, control activities, and monitoring with respect to the financial reporting have been designed to ensure reliable overall financial reporting and external financial reporting in accordance with IFRS, applicable laws and regulations as well as other requirements, which may apply to companies listed on Nasdaq Stockholm. This work involves the Board, Group management and other personnel.

Control environment

The Board has adopted instructions and governance documents aimed at regulating the roles and allocation of responsibility between the President and the Board. The way in which the Board monitors and ensures quality in the internal control is documented in the Board's rules of procedure and Thule Group's finance policy. The control environment also includes the Board evaluating the performance and results of the operations through monthly and quarterly report packages that contain outcomes, budget comparisons, forecasts, operational targets, strategic plans, assessment and evaluation of financial risks and analysis of important financial and operational key figures. The responsibility for the presentation of the report package to the Board and the responsibility for maintaining an effective control environment, and the day-to-day risk assessment and internal control over the financial reporting are delegated to the President. However, the Board is ultimately responsible. Managers at various levels at Thule Group's business areas are, in turn, responsible for ensuring compliance with established guidelines within their business area.

Risk assessment and control activities

The company conducts continuous risk assessment to identify risks in all areas of operation. These risks, which include the risk of both loss of assets as well as irregularities and fraud, are assessed regularly by the Board. The structure of control activities is of particular importance in the company's work of preventing and discovering deficiencies. The assessment and control of risks also cover the operational management of each reporting unit, where meetings are held four times a year in connection with business review meetings. Thule Group's President and CFO, as well as local and regional management, participate at these meetings, and minutes are kept.

Information and communication

The company's governance documents for the financial reporting primarily comprise guidelines, policies and manuals that are continuously updated and communicated to the appropriate employees in relevant information channels.

A communications policy is in place for external information that provides guidelines on how such information is to be provided. The aim of the policy is to ensure that company complies with the requirements for disseminating correct and complete information to the market.

Monitoring, assessment and reporting

The Board regularly assesses the information provided by Group management. Between Board meetings, the Board regularly receives updated information regarding Thule Group's performance. Thule Group's financial position, strategies and capital expenditures are discussed at each Board meeting. The Board is also responsible for monitoring the internal control. This work includes ensuring that measures are taken to address any deficiencies, as well as follow-up of proposals for measures to which attention has been drawn in connection with the external audit.

Each year, the company carries out a self-assessment of the risk management and internal control work. This process includes a review of the manner in which established routines and guidelines are applied. The Board receives information regarding important conclusions drawn from this annual assessment process, and regarding any measures relating to the company's internal control environment.

Internal audit

In accordance with item 7.4 of the Swedish Corporate Governance Code, the Board is to annually evaluate the need for a separate internal audit function to ensure that its financial reports are produced in accordance with legislation, applicable accounting standards and other requirements for listed companies. Considering the internal control activities that have been performed, the Board does not deem there to be any need to establish a separate internal audit function.

The matter of an internal audit function will be addresses again in 2015.

Facts about the Board and Group management

Board of Directors

	Stefan Jacobsson	Bengt Baron	Hans Eckerström	Lilian Fossum Biner	Åke Skeppner	David Samuelson	Liv Forhaug
Assignment and year of election:	Chairman of the Board since 2011.	Board member since 2011.	Board member since 2009. (Board member of a former Parent Company of Thule Group 2007–2009).	Board member since 2011.	Board member since 2009. (Board member of a former Parent Company of Thule Group 2002–2009).	Board member since 2012.	Board member since 2014.
Born:	1952	1962	1972	1962	1951	1982	1970
Education and professional experience:	Former CEO of PUMA AG Rudolf Dassler Sport, Tretorn AB, Abu Garcia Aktiebolag and Nybron Flooring International Corporation.	BSc in Business Administration, University of California at Berkeley. MBA, University of California at Berkeley.	MSc in Mechanical Engineering, Chalmers University of Technology. MSc in Business and Economics, Gothenburg School of Business, Economics and Law at University of Gothenburg. Management Consultant at Arthur D. Little. Partner, NC Advisory AB, advisor to the Nordic Capital Funds.	MSc in Economics and Business Administration, Stockholm School of Economics. Former CFO and Executive Vice President of Axel Johnson AB. Senior Vice President Human Resources at Aktiebolaget Electrolux.	LL.M., Lund University. President of Thule USA 1981–1990, President of Thule AB 1990–1992, President of Eldon AB 1992–1999 and President of Thule Group 1999–2002.	MSc in Economics and Business Administration, Stockholm School of Economics. ESADE in Barcelona, Spain. Management consultant at McKinsey & Company. Director, NC Advisory AB, advisor to the Nordic Capital Funds.	MSc in Economics and Business Administration, Stockholm School of Economics. Senior Vice President Strategy & Business Development at ICA Gruppen AB. Former consultant at McKinsey & Company.
Other current appointments:	Chairman of Woody Bygghandel AB. Board member of Etac AB, Nobia AB and Stefan Jacobsson Consulting AB.	President of Cloetta AB. Chairman of MIPS AB. Board member of 5653 Sweden AB.	Chairman of Brink International AB, NC Outdoor VI AB and NC Outdoor VII AB. Board member of CC 1 Ltd (Britax), Eckis Holding AB, Nordic Outsourcing Services AB, NRS Holding AB, ENC Holding AB, Nipigon Invest Svenska AB, Nordic Cecilia Four AB, Aigeln S.a r.l. and Yllop Holding S.A.	Board member of L E Lundbergföretagen Aktiebolag (publ), Nobia AB, Oriflame Cosmetics S.A., Givaudan S.A., a-connect AG.	Board member of Idre Himmelfjäll AB and Idre Utveckling AB.	Board member of BGT Holding AB, Ellos Invest Holding AB, NC Outdoor VI AB, NC Outdoor VII AB and Resurs Holding AB. Deputy Board member of Brink International AB, Nordic Fashion Topholding AB and Nordic Cecilia Four AB.	Board member of Hemtex Aktiebolag and Skutvik Invest AB.
Previous appointments: (past five years)	Chairman of the Board of Nybron Flooring International Corporation. Chairman of Bauwerk AG, Teak Luxembourg S.A., Cherry Luxembourg S.A., Inter-sport AB, inriver AB and RichRelevance Sweden Holding AB (formerly Avail Group Holding AB).	President of Leaf International B.V. Board member of EQ Oy, Nordnet AB and Sweden-America Foundation.	Chairman of Aditro Holding AB, Yllop Finance Sweden AB and Nordic Outsourcing Services AB. Board member of Cloetta AB, Nefab Packaging AB and Ellos Holding AB. Deputy Board member of Roxyard Holding AB.	Board member of RNB RETAIL AND BRANDS AB (publ), Holmen Aktiebolag Melon Fashion Group OJSC and Cloetta AB.	Board member of Spirits of Gold AB (publ).	Board member of Munters Topholding AB. Deputy Board member of Yllop Finance Holding AB, Yllop Finance Sweden AB and RSF Invest Holding AB.	Partner at McKinsey & Company.
Holding:	143,989 shares and 546,873 warrants.	42,297 shares.	-	39,997 shares.	182,075 shares.	-	1,100 shares.

Group management

	Magnus Welander	Lennart Mauritzson	Fredrik Erlandsson	Kajsa von Geijer	Fred Clark
Assignment and year of election:	CEO and President since 2010.	CFO since 2011.	Senior Vice President, Communications since 2010.	Senior Vice President, Human Resources since 2005.	President Outdoor&Bags, Region Americas since 2003.
Born:	1966	1967	1970	1964	1959
Education and professional experience:	MSc in Industrial Engineering and Management, Institute of Technology at Linköping University. Former BA President Vehicle Accessories (now Outdoor&Bags Europe and RoW) at Thule Group, President of Envirotainer Aktiebolag, Technical Director at Tetra Pak Australia and various management positions at Tetra Pak Italy.	BSc in Finance and Business Administration, Halmstad University. Law studies, Lund University. Former Vice President Finance at Thule Group, CFO Beijer Electronics Aktiebolag and Vice President Finance of Cardo AB.	Four years university studies in political science and economics, Lund University and Copenhagen University. Former Corporate Relations Manager and Corporate Relations Director at Diageo; GM; PR consultant, MD and procurator holder at EHRENBORG Marketing & Kommunikation; and chief of staff for the Moderate party delegation to the European parliament.	BSc in Human Resource Development and Labour Relations, Lund University. Previously HR Officer at Trelleborg AB, HR Manager at Trellex AB/ Svedala Svenska AB, Training & Development Manager at Nestlé Sweden AB, HR Director Nordic at Levi Strauss Nordic, self-employed HR consultant at Elfte Huset AB and HR Director Europe at FMC Food Tech AB.	BSBA Quantitative Methods, Western New England University. MBA Management Science, University of New Haven. Previously Operations Manager and Vice President Operations of Thule Group and Vice President Manufacturing at C. Cowles & Co.
Other current appointments:	Board member of Brink International AB.	Board member of Røgle Marknads AB.	-	Board member of Lunicore Studentkonsult AB. Board member and President of Elfte Huset Aktiebolag.	Chairman of Outdoor Foundation. Board member of Outdoor Industry Association and Westover School.
Previous appointments: (past five years)	Board member of Britax Group Ltd, CC 1 (2011) Limited, Prestando Holding AB and Aggal Invest AB (formerly Envirotainer Holding AB).	CFO at Beijer Electronics Aktiebolag.	Board member of Moderate Party in Landskrona.	Board member of Lundsbergs School Foundation.	-
Holding:	636,990 shares (through Elenima Limited) and 1,093,749 warrants.	124,471 shares and 624,999 warrants.	108,138 shares and 312,498 warrants.	189,508 shares and 312,498 warrants.	365,665 shares and 624,999 warrants.

Consolidated income statement

JANUARY 1–DECEMBER 31 SEKm	Note	2014	2013
Continuing operations			
Net sales	5, 6	4,693	4,331
Cost of goods sold		-2,861	-2,715
Gross income		1,832	1,616
Other operating revenue	7	5	10
Selling expenses		-897	-797
Administrative expenses		-298	-301
Other operating expenses	8	-44	-14
Operating income	9, 10, 11, 12, 13, 14	599	514
Financial revenue	15	21	94
Financial expenses	15	-345	-196
Income before taxes		275	413
Taxes	16	-75	-114
Net income from continuing operations		199	299
Discontinued operations			
Net income from discontinued operations	2	-340	-237
Consolidated net income		-140	62
Consolidated net income pertaining to:			
Shareholders of Parent Company		-140	61
- of which, pertaining to continuing operations		199	299
- of which, pertaining to discontinued operations		-340	-238
Non-controlling interest (pertaining to discontinued operations)		-	1
Consolidated net income		-140	62
Earnings per share			
	17		
- before dilution		-1.63	0.72
- after dilution		-1.63	0.72
Earnings per share from continuing operations			
- before dilution		2.32	3.54
- after dilution		2.32	3.54

Consolidated statement of comprehensive income

JANUARY 1–DECEMBER 31 SEKm	Note	2014	2013
Consolidated net income		-140	62
Other comprehensive income			
Items that have been carried over or can be carried over to consolidated net income			
Foreign currency translation		241	76
Cash flow hedges		-26	1
Net investment hedge		82	-64
Translation differences from divestment of subsidiaries recognized in consolidated net income		23	-
Tax on components in other comprehensive income	16	-13	14
Tax on components in other comprehensive income recognized in consolidated net income	16	17	-
Items that cannot be carried over to consolidated net income			
Revaluation of defined-benefit pension plans		-24	44
Tax pertaining to items that cannot be carried over to consolidated net income	16	6	-8
Other comprehensive income		304	63
Total comprehensive income		164	125
Total comprehensive income pertaining to:			
Shareholders of Parent Company		164	124
Non-controlling interest (pertaining to discontinued operations)		-	1
Total comprehensive income		164	125

Consolidated balance sheet

DECEMBER 31, SEKm	Note	Dec 31, 2014	Dec 31, 2013 ¹
Assets			
Intangible assets	18	4,082	4,441
Tangible assets	19	559	891
Long-term receivables		6	5
Deferred tax receivables	16	520	478
Total fixed assets		5,167	5,815
Inventories	20	795	921
Tax receivables		11	15
Accounts receivable	21	754	803
Prepaid expenses and accrued income		51	42
Other receivables		60	54
Cash and cash equivalents	22	114	385
Total current assets		1,785	2,220
Total assets		6,952	8,035

Consolidated balance sheet

DECEMBER 31, SEKm	Note	Dec 31, 2014	Dec 31, 2013 ¹
Equity and liabilities			
Equity	23		
Share capital		1	0
Other capital contributed		2,038	1,034
Reserves		-300	-583
Profit brought forward including net income		1,227	1,346
Equity attributable to shareholders of Parent Company		2,966	1,797
Non-controlling interests		-	5
Total equity		2,966	1,802
Liabilities			
Long-term interest-bearing liabilities	24	2,376	4,436
Pension provisions	13	135	135
Deferred income tax liabilities	16	154	185
Total long-term liabilities		2,665	4,756
Short-term interest-bearing liabilities	24	292	288
Accounts payable		497	511
Income taxes		69	46
Other liabilities		28	28
Accrued expenses and deferred income	25	327	532
Provisions	26	107	72
Total short-term liabilities		1,321	1,477
Total liabilities		3,986	6,233
Total equity and liabilities		6,952	8,035

For the Group's pledged assets and contingent liabilities, refer to Notes 30 and 31.

¹ The comparative year 2013 is based on the total operations, meaning both continuing and discontinued operations.

Consolidated statement of changes in equity

SEKm	Equity attributable to shareholders of Parent Company					Total	Non-controlling interests	Total equity
	Share capital	Other capital contributed	Translation reserve	Hedge reserve	Profit brought forward including net income			
Opening balance, January 1, 2013	0	1,034	-610	-1	1,250	1,673	5	1,678
Total comprehensive income								
Consolidated net income	-	-	-	-	61	61	1	62
Total other comprehensive income	-	-	27	1	35	63	-	63
Total comprehensive income	-	-	27	1	96	124	1	125
Transactions with the Group's owners								
New issue of shares	0	0	-	-	-	0	-	0
Total contribution from owners	0	0	-	-	-	0	-	0
Closing balance, December 31, 2013	0	1,034	-583	0	1,346	1,797	5	1,802
Opening balance, January 1, 2014	0	1,034	-583	0	1,346	1,797	5	1,802
Total comprehensive income								
Consolidated net income	-	-	-	-	-140	-140	-	-140
Total other comprehensive income	-	-	304	-21	21	304	-	304
Total comprehensive income	-	-	304	-21	-119	164	-	164
Transactions with the Group's owners								
Divestment of part-owned subsidiary, minority interests cease	-	-	-	-	-	-	-5	-5
New issue of shares	1	992	-	-	-	993	-	993
Premiums paid in on the issue of stock options	-	12	-	-	-	12	-	12
Total contribution from owners	1	1,004	-	-	-	1,005	-5	1,000
Closing balance, December 31, 2014	1	2,038	-279	-21	1,227	2,966	-	2,966

Consolidated statement of cash flow

JANUARY 1–DECEMBER 31 SEKm	Note	2014	2013
	27		
Operating activities			
Income before taxes		275	413
Income from discontinued operations before taxes		-327	-224
Adjustments for items not included in cash flow		500	379
Paid income taxes		-55	-49
Cash flow from operating activities prior to changes in working capital		394	520
Cash flow from changes in working capital			
Increase(-)/Decrease(+) in inventories		-66	-53
Increase(-)/Decrease(+) in receivables		-156	108
Increase(+)/Decrease(-) in liabilities		183	-185
Cash flow from operating activities		355	390
Investing activities			
Business combinations		-	-60
Sale of subsidiaries		527	-
Acquisition of intangible assets		-15	-5
Acquisition of tangible assets		-158	-96
Divestment of tangible assets		-	1
Cash flow from investing activities		354	-160
Financing activities			
New issue of shares		1,005	0
Borrowings		2,550	-
Debt repaid		-4,542	-274
Cash flow from financing activities		-987	-274
Net cash flow		-278	-44
Cash and cash equivalents at beginning of year		385	433
Effect of exchange rates on cash and cash equivalents		7	-4
Cash and cash equivalents at end of year		114	385

Cash flow pertains to total operations, meaning both continuing and discontinued operations.

Parent Company income statement

JANUARY 1–DECEMBER 31 SEKm	Note	2014	2013
Other operating revenue	7	9	-
Other operating expenses	8	-400	-
Administrative expenses		-9	-
Operating income	10	-400	-
Profit from financial items	15		
Other interest income and similar profit/loss items		1	-
Interest expense and similar profit/loss items		-	-
Loss after financial items		-399	-
Appropriations	28	31	-
Income before taxes		-368	-
Taxes	16	-	-
Net income		-368	-

Parent Company statement of comprehensive income

JANUARY 1–DECEMBER 31 SEKm	Note	2014	2013
Net income		-368	-
Other comprehensive income			
Total other comprehensive income		-	-
Total comprehensive income		-368	-

Parent Company balance sheet

DECEMBER 31 SEKm	Note	Dec 31, 2014	Dec 31, 2013
Assets			
Fixed assets			
Financial fixed assets			
Participations in Group companies	29	1,000	1,000
Receivables from Group companies	33	3,971	-
Total financial fixed assets		4,971	1,000
Total fixed assets		4,971	1,000
Current assets			
Receivables from Group companies	33	43	-
Other current receivables		7	-
Cash and cash equivalents		-	34
Total current assets		50	34
Total assets		5,021	1,034

Parent Company balance sheet

DECEMBER 31 SEKm	Note	Dec 31, 2014	Dec 31, 2013
Equity and liabilities			
Equity	23		
Restricted equity			
Share capital		1	0
Non-restricted equity			
Share premium reserve		2,038	1,034
Profit brought forward		-	-
Net income		-368	-
Total equity		1,670	1,034
Long-term liabilities			
Liabilities to credit institutions	24	2,363	-
Liabilities to Group companies	33	368	-
Total long-term liabilities		2,731	-
Short-term liabilities			
Liabilities to credit institutions	24	250	-
Liabilities to Group companies	33	354	-
Other short-term liabilities		2	-
Accrued expenses and deferred income	25	7	-
Provisions	26	6	-
Total short-term liabilities		620	-
Total equity and liabilities		5,021	1,034

Pledged assets	30	None	1,034
Contingent liabilities	31	None	None

Parent Company statement of changes in equity

SEKm	Share capital	Share premium reserve	Profit brought forward	Net income	Total equity
Opening balance, January 1, 2013	0	1,034	-	-	1,034
Comprehensive income					
Net income	-	-	-	-	-
Total comprehensive income	-	-	-	-	-
Transactions with shareholders					
New issue of shares	0	0	-	-	0
Closing balance, December 31, 2013	0	1,034	-	-	1,034
Opening balance, January 1, 2014	0	1,034	-	-	1,034
Comprehensive income					
Net income	-	-	-	-368	-368
Total comprehensive income	-	-	-	-368	-368
Transactions with shareholders					
New issue of shares	1	992	-	-	993
Premiums paid in on the issue of stock options	-	12	-	-	12
Closing balance, December 31, 2014	1	2,038	-	-368	1,670

Share capital amounts to SEK 1,117t (279).

Parent Company cash flow statement

JANUARY 1–DECEMBER 31 SEKm	Note	2014	2013
	27		
Operating activities			
Income before taxes		-368	-
Adjustments for items not included in cash flow		368	-
Paid income taxes		-	-
Cash flow from operating activities prior to changes in working capital		-	-
Cash flow from changes in working capital			
Increase/decrease in inventories		-	-
Increase/decrease in receivables		-50	-
Increase/decrease in liabilities		30	-
Cash flow from operating activities		-20	-
Investing activities		-	-
Financing activities			
New issue of shares		1,005	-
Borrowings		2,613	-
Loans to subsidiaries		-3,632	-
Cash flow from financing activities		-14	-
Net cash flow		-34	-
Cash and cash equivalents at beginning of year		34	34
Cash and cash equivalents at end of year		-	34

Notes for Parent Company and Group

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

General information

Thule Group AB (publ), Corp. Reg. No. 556770-6311, is a Swedish registered, limited liability company with its registered office in Malmö, Sweden. The Thule share is listed on Nasdaq Stockholm, Mid Cap list. The consolidated financial statements for the fiscal year January 1 to December 31, 2014 comprise Thule Group AB (Parent Company) and its subsidiaries.

The consolidated financial statements were approved for publication by the Board of Directors and President on March 17, 2015. The consolidated statement of profit and loss and comprehensive income, and the consolidated balance sheet, and the Parent Company income statement and balance sheet are subject to approval by the Annual General Meeting on April 29, 2015.

The consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) as adopted by the EU. In addition, the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups was applied.

The financial information for 2013 has been restated compared with the official Annual Report in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

Comparative figures are provided for discontinued operations when deemed relevant. Discontinued operations comprise the former Towing operating segment, comprising the Trailer and Towing operations. Continuing operations comprise the *Outdoor&Bags* and *Specialty* operating segments. Total operations refers to the discontinued and the continuing operations.

The Parent Company applies the same accounting policies as the Group except in cases listed below in the section "Parent Company accounting policies."

Basis of preparation of the consolidated financial statements

The Parent Company's functional currency is SEK, which is also the presentation currency for the Parent Company and the Group. This means that the financial statements are presented in SEK. All amounts, unless otherwise stated, are rounded to the nearest million.

Assets and liabilities are recognized at historical cost, except for certain financial assets and liabilities that are measured at fair value. Financial assets and liabilities measured at fair value consist of derivatives. A defined-benefit pension liability/asset is measured at the net of fair value on plan assets and the present value of the defined-benefit liability, adjusted for any asset limitations.

Fixed assets and disposal groups held for sale are recognized, with some exceptions, from when the assets were classified, at the lower of the carrying amount at the time of reclassification and the fair value less deductions for selling expenses.

The preparation of the financial statements in accordance with IFRS requires management to make assessments and estimates, as well as assumptions, that affect the application of the accounting policies and the amounts of assets, liabilities, revenue and expenses recognized. The actual outcome may differ from these estimates and assessments.

Estimates and assumptions are reviewed regularly. Changes in estimates are recognized in the period in which the change is made if the change only affects that period, or in the period in which the change is made and future periods if the change affects the period in question and future periods.

Assessments made by management when applying IFRS that have a significant effect on the financial statements and estimates made that may involve material adjustments in the following year's financial statements are described in detail in Note 34.

The accounting policies presented below have been consistently applied to all periods presented in the consolidated financial statements, unless otherwise stated below.

Amended accounting policies resulting from amended IFRS

New and amended accounting policies and improvements that came into effect in 2014 did not entail any material impact on the consolidated financial statements for the fiscal year. A number of new interpretations and amendments were also issued by the IFRS Interpretations Committee. These amendments and interpretations did not have any material impact on the consolidated financial statements for 2014.

Standards, amendments and interpretations not yet applied

The International Accounting Standards Board (IASB) issued a number of new and amended standards that have not yet come into effect. None of these were applied in advance. Company management believes that new and amended standards and interpretations will not have any material impact on the consolidated financial statements in the period in which they are first applied, except for the following.

IFRS 9, which will replace IAS 39, may impact the Group's reporting of financial instruments. The Group has not yet analyzed the effects of IFRS 9 on the financial statements.

IFRS 15 is the new standard for revenue recognition that will replace the current standards on revenue recognition, probably from 2018, when applied according to the EU. The Group has not yet analyzed the effects of IFRS 15 on the financial statements.

Classification, etc.

Fixed assets and long-term liabilities essentially comprise amounts that are expected to be recovered or paid more than twelve months after the balance-sheet date. Current assets and short-term liabilities essentially comprise amounts expected to be recovered or paid within twelve months from the balance-sheet date.

Operating segment reporting

An operating segment is part of the Group that conducts business operations from which it generates revenue and incurs expenses and for which independent financial information is available. Furthermore, the earnings of an operating segment are followed up by the chief operating decision-maker for evaluating performance and for allocating resources to the operating segment. Refer to Note 5 for additional information about classification and presentation of operating segments.

Consolidated financial statements

The consolidated financial statements include the Parent Company and its subsidiaries. Subsidiaries are companies over which Thule Group AB has controlling influence. Controlling influence exists if Thule Group AB has power over the investee, is exposed to or has rights to variable returns from its involvement, and has the ability to use its power over the investee to affect the amount of the investor's returns. Shares that potentially carry voting rights and any factor control are taken into account in assessing the existence of a controlling influence.

Subsidiaries are recognized in accordance with the purchase method. This method entails that the acquisition of a subsidiary is considered to be a transaction whereby the Group indirectly acquires the subsidiary's assets and assumes its liabilities. The acquisition analysis determines the fair value of the acquired identifiable assets and assumed liabilities, as well as any non-controlling interests, on the acquisition date. Transaction charges that arise, with the exception of transaction charges attributable to equity instruments on issue or debt instruments, are recognized directly through profit or loss. In the event of a business combination in which consideration transferred, any non-controlling interests and the fair value of previously owned interests (in connection with step acquisitions) exceed the fair value of the acquired assets and assumed liabilities that are recognized separately, the difference is recognized as goodwill.

If the difference is negative, known as a bargain purchase, it is recognized directly through profit or loss. Consideration transferred in conjunction with the acquisition does not include payments pertaining to settlement of previous business relationships. This type of settlement is recognized through profit or loss. Contingent consideration is measured at fair value at the acquisition date. If the contingent consideration is classified as an equity instrument, no remeasurement takes place and settlement takes place in equity. All other contingent consideration is remeasured at each reporting date and the difference is recognized through profit or loss.

Non-controlling interests arise if the business combination does not comprise a 100 percent acquisition of the subsidiary. There are two alternative methods for recognizing non-controlling interests. There are: recognizing the non-controlling interest's proportionate share of net assets, or measuring the non-controlling interest at fair value, meaning that the non-controlling interest has a share of goodwill. The choice between these two different options for recognizing non-controlling interests can be made on an acquisition-by-acquisition basis.

In step acquisitions, goodwill is determined on the date on which the controlling influence arises. Previous holdings are measured at fair value and the change in value recognized through profit or loss. Holdings remaining following a divestment leading to the loss of a controlling influence are measured at fair value and the change in value is recognized through profit or loss.

Acquisitions prior to January 1, 2009 (transition date to IFRS): For acquisitions that took place prior to January 1, 2009, goodwill, after impairment testing, was recognized at a cost corresponding to the carrying amount in accordance with previously applied accounting policies. The classification and accounting treatment of business combinations occurring prior to January 1, 2009 were not restated in accordance with IFRS 3 when the Group's opening IFRS balance sheet was prepared at January 1, 2009.

Subsidiaries are fully consolidated from the acquisition date until the controlling influence ends. In cases where the subsidiary's accounting policies are not the same as the Group's accounting policies, adjustments were made to the Group's accounting policies. Losses attributable to non-controlling interests are also allocated if the non-controlling interest is negative.

Acquisitions from non-controlling interests are recognized as a transaction in equity, meaning a transaction between the shareholders of Parent Company (in profit brought forward) and the non-controlling interest. This is the reason why goodwill does not arise from these transactions. Changes in non-controlling interests are based on their proportionate share of net assets. Sales to non-controlling interests in which the controlling influence remains unchanged are recognized as a transaction in equity, meaning a transaction between the shareholders of Parent Company and the non-controlling interest. The difference between the payment received and the non-controlling interest's proportionate share of acquired net assets is recognized as profit brought forward.

Elimination of intra-Group transactions

Intra-Group receivables and liabilities, revenue or costs and unrealized gains or losses arising from intra-Group transactions are eliminated in their entirety when preparing the consolidated financial statements.

Transactions in foreign currency

Transactions in foreign currency are translated to the functional currency at the exchange rate on the date of the transaction. The functional currency is the currency in the primary financial environments in which the Group companies operate their business. Monetary assets and liabilities in foreign currency are translated to the functional currency at the exchange rate that applies on the balance-sheet date. Exchange-rate differences arising on translation are recognized through profit or loss. Non-monetary assets and liabilities that are recognized at historic cost are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities measured at fair value are translated to the functional currency using the exchange rate on the date that fair value was determined. Exchange-rate differences on operating receivables and operating liabilities are included in operating income, while exchange-rate differences on financial receivables and liabilities are classified as financial items.

Translation of foreign subsidiaries

Assets and liabilities in foreign operations, including goodwill and other consolidated surplus and deficit values, are translated from the foreign operation's functional currency to the Group's presentation currency, SEK, at the existing exchange rate on the balance-sheet date. Revenue and expenses in a foreign operation are translated to SEK using an average exchange rate that is an approximation of the exchange rates prevailing on each individual transaction date. Translation differences that arise in currency translations of foreign operations are recognized in other comprehensive income and accrued in a separate component in equity, called the translation reserve. When a foreign operation is divested, accumulated translation differences attributable to the business are realized, at which time they are reclassified from the translation reserve in equity to net income.

Net investment in a foreign business

Monetary long-term receivables from a foreign business for which settlement is not planned or will likely not occur in the foreseeable future, are, in practice, part of the company's net investment in the foreign business. Exchange-rate differences arising on the monetary long-term receivable are recognized in other comprehensive income and accrued as a separate component in equity, called a translation reserve. When a foreign business is divested, the accrued exchange-rate differences attributable to monetary long-term receivables are included in the accrued translation differences that are reclassified from the translation reserve in equity to net income.

Revenue

Revenue for sales of goods is recognized through profit or loss when the significant risks and benefits associated with the ownership of the goods have been transferred to the buyer. Revenue is not recognized if it is unlikely there will be financial benefits for the Group. If there is clear uncertainty regarding payment, associated costs or risk for returns and if the seller continues to be involved in operating activities that are usually associated with the ownership, no revenue is recognized. Revenue is measured at the fair value of the amount that is received or is expected to be received, less discounts granted.

Government grants

Government grants are recognized in the consolidated balance sheet as deferred income when there is reasonable certainty that the grant will be received and that the Group will meet the conditions associated with it. Government grants are deferred and recognized through profit or loss in the same way and over the same period as the expenses that they are intended to compensate. Government grants that are related to assets are recognized in the consolidated balance sheet as deferred income and are allocated as other operating revenue over the useful life of the asset.

Leasing

Lease agreements are classified as either finance or operating leases. Finance leases exist when the financial risks and benefits associated with ownership are essentially transferred to the lessee. If this is not the case, then this is a matter of an operating lease.

Operating lease agreement

Costs under operating lease agreements are recognized through profit or loss on a straight-line basis over the term of the lease. Discounts received when a lease is signed are recognized through profit or loss as a decrease in leasing fees straight line over the term of the lease. Variable fees are expensed in the period in which they were incurred. Assets leased under operating leases are not recognized as an asset in the consolidated balance sheet. Operating lease agreements do not give rise to a liability.

Finance lease agreement

The minimal lease fees are allocated between interest expense and amortization of the outstanding debt. Interest expense is distributed over the term of the lease so that each accounting period is charged with an amount corresponding to a fixed interest rate for that respective period of reported liability. Variable fees are expensed in the period in which they were incurred. Assets that are leased under finance lease agreements are recognized as fixed assets in the consolidated balance sheet and are initially measured at an amount equal to the lower of the leasing object's fair value and the present value of the minimum lease payments at the start of the agreement. The obligation to pay future lease payments is recognized as either long-term or short-term liabilities. The leased assets are depreciated over the respective asset's useful life while the lease payments are recognized as interest and amortization of debt.

Financial revenue and expenses

Financial revenue and expenses comprise interest income on bank deposits and receivables and interest-bearing securities, interest expense on loans, exchange-rate differences and derivatives used in the financial operations. Interest income on receivables and interest expense on liabilities are calculated using the effective interest rate method. The effective interest is the interest rate that makes the present value of all estimated future receipts and disbursements during the expected fixed-rate period equal to the carrying amount of the receivables or liabilities. Interest income and interest expense include allocated transaction costs and any discounts, premiums and other differences between the original carrying amount of the receivables and liabilities and the amount that is settled on maturity and the estimated future receipts and disbursements during the contract period.

Income taxes

Income tax include both current tax and deferred tax. Income tax is recognized through profit or loss, except when the underlying transaction is recognized in other comprehensive income or in equity, whereby the associated tax effects are recognized directly in other comprehensive income or equity.

Current tax is tax that is to be paid or received in the current year, using tax rates that are decided or decided in practice on the balance-sheet date. Current tax also comprises current tax adjustments for prior periods.

Deferred tax is calculated using the balance-sheet method, based on temporary differences between carrying amounts and tax bases of assets and liabilities. Temporary differences are not recognized in consolidated goodwill, nor are differences attributable to participations in subsidiaries that are not expected to be reversed in the foreseeable future. The measurement of deferred tax is based on how underlying assets and liabilities are expected to be recovered or settled. Deferred tax is calculated using the tax rates and tax rules established or decided in practice on the balance-sheet date.

Deferred tax receivables relating to deductible temporary differences and loss carryforwards are recognized only to the extent that it is probable that they will be utilized. The value of the deferred tax receivables is reduced when it is no longer considered likely that they can be utilized.

Any additional income tax relating to the dividend is recognized at the same date as the dividend is recognized as a liability.

Financial instruments

Financial instruments recognized in the consolidated balance sheet include assets such as cash and cash equivalents, loan receivables and accounts receivable and derivatives. The liability side includes accounts payable, loans and derivatives.

A financial asset or financial liability is recognized in the consolidated balance sheet when the company becomes a contracting party in accordance with the instrument's contractual conditions. A receivable is recognized when the company has performed and a contractual obligation exists for the counterparty to pay, even if an invoice has not yet been sent. Accounts receivable are recognized in the consolidated balance sheet when an invoice has been sent. A liability is recognized when the counterparty has performed and a contractual obligation exists for the company to pay, even if an invoice has not yet been received. Accounts payable are recognized when an invoice has been received.

A financial asset is derecognized from the consolidated balance sheet when the contractual rights are realized, expire or the company loses control of them. The same applies to a portion of a financial asset. A financial liability is derecognized from the consolidated balance sheet when the contractual obligation is met or extinguished in another manner. The same applies to portions of a financial liability.

A financial asset and a financial liability are offset and recognized at a net amount in the consolidated balance sheet only when a legal right exists to offset the amounts and the intention is present to settle the item in a net amount or simultaneously realize the asset and settle the liability. The acquisition or disposal of financial assets is recognized when the transaction is completed (cash settlement approach), while derivatives are recognized when an agreement has been entered into (trade date accounting).

Classification and measurement

Financial instruments, except for derivatives, are initially recognized at cost corresponding to the instrument's fair value plus transaction costs for all financial instruments except those that belong in the financial asset category, which are measured at fair value through profit and loss, which, in turn, are measured at fair value excluding transaction costs. A financial instrument is classified on initial recognition based on the purpose of the acquisition of the instrument. The classification determines how the financial instrument is measured after initial recognition as described below.

Derivatives are initially measured at fair value, meaning that transaction costs are charged to net income for the period. After the initial recognition, derivatives are recognized as described below. If the derivative is used for hedge accounting and this is effective, then changes in the value of the derivative are recognized on the same line in the consolidated net income as the hedged item. Even if hedge accounting is not applied, appreciation and depreciation of derivatives is recognized as revenue or expense in operating income or in net financial items based on the purpose of the derivative and how its use is related to an operating or a financial item. For hedge accounting, the ineffective portion is recognized the same manner as changes in the value of the derivative that is not used for hedge accounting. If hedge accounting is not applied when using interest rate swaps, then the interest coupon is recognized as interest and other changes in the value of the interest rate swap are recognized as other financial revenue or other financial expense.

Cash and cash equivalents comprise cash and immediately available funds at banks and similar institutions, and short-term liquid investments that have a term of less than three months from the date of acquisition and have limited risk for value fluctuations.

Financial assets at fair value through profit or loss

Assets in this category are continually measured at fair value with value changes recognized through profit or loss. This category comprises two sub-groups: financial assets held for trading and other financial assets that the Group has initially decided to place in this category. Financial instruments in this category are continuously measured at fair value, with changes in value recognized through profit and loss. The first sub-group includes derivatives with a positive fair value, with the exception of derivatives that are an identified and effective hedging instrument. The Group has only used assets in the held-for-trading sub-category.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets in this category are measured at amortized cost. Accounts receivable are reported at the estimated amount to be paid, i.e., after deductions for doubtful receivables. Discounting is not applied because of the short term, which is why the amortized cost corresponds to the nominal amount.

Financial liabilities at fair value through profit or loss

This category comprise two sub-groups: financial liabilities held for trading and other financial liabilities that the Group has decided to place in this category. The first category includes the Group's derivatives with negative fair value except for derivatives that are an identified and effective hedging instrument. Changes in fair value are recognized through profit or loss. The Group only uses the category for derivatives.

Other financial liabilities

Loans and other financial liabilities, for example, accounts payable, are included in this category. Liabilities are measured at amortized cost.

Derivatives and hedge accounting

The Group's derivatives have been acquired to financially secure risks for interest rate, raw material and exchange-rate exposures that the Group is exposed to. Derivatives are measured in the consolidated balance sheet at fair value, meaning that transaction costs and changes in value are charged to net income for the period. Following initial recognition, the derivative is measured at fair value and the changes in value are recognized as described below.

In order to meet the IAS 39 requirements for hedge accounting, an unequivocal connection to the hedged item must exist. In addition, it is required that hedging effectively protects the hedged item, that hedging documentation has been prepared and that the effectiveness can be measured. Gains and losses for hedging are recognized through profit or loss at the same time period that gains and losses are recognized for the hedged entries.

Receivables and liabilities in foreign currency

Currency forward contracts are used to hedge receivables or liabilities against currency risk. Hedge accounting is not used to protect against exchange rate risk since a financial hedge is reflected in the accounting in that both the underlying receivable or liability and the hedging instrument are recognized at the exchange rate on the balance-sheet date and exchange-rate fluctuations are recognized through profit or loss. Exchange-rate fluctuations for receivables and liabilities are recognized in operating income, while exchange-rate fluctuations for financial receivables and liabilities are recognized in net financial items.

Hedging of forecast sale/purchases in foreign currency

Currency forward contracts used for hedging a highly probable forecast sale/purchase in foreign currency are measured at fair value in the consolidated balance sheet. Changes in value for the period are recognized in other comprehensive income and the accumulated changes in value in a specific component of equity (hedge reserve) until the hedged

flow affects net income, at which point the hedging instrument's accumulated change in value is reclassified to net income when the hedged item impacts net income.

Cash flow hedging against interest rate risk

Interest rate swaps are used for hedging against uncertainty in highly probable forecast interest rate flows for borrowing at variable interest rates, where the company receives a variable interest rate and pays a fixed interest rate. Interest rate swaps are measured at fair value in the consolidated balance sheet. Interest coupons are continuously recognized through profit or loss as part of interest expenses. The Group does not apply hedge accounting to these instruments. Unrealized changes in the fair value and interest coupons are recognized as financial revenue or expenses on interest rate swaps through profit or loss.

Hedging exchange rate risk in foreign net investments

Investments in foreign subsidiaries (net assets including goodwill) have, to some extent, been hedged by borrowing in foreign currency that was translated at the closing day rate on the balance-sheet date. Translation differences on hedging instruments for the period are recognized in other comprehensive income to the extent that the hedging is effective, and accumulated changes are recognized in a specific component of equity (translation reserve). This neutralizes translation differences that affect other comprehensive income when the Group is consolidated.

Tangible assets

Tangible assets in the Group are recognized at cost less accumulated depreciation and any impairment losses. The cost includes the purchase price and expenses directly attributable to the asset in order to make it operational and ready for use as intended with the acquisition. Borrowing costs that are directly attributable to the purchase, construction or production of assets that take considerable time to complete for intended use or sale are included in the cost.

Tangible assets that consist of components with various useful lives are treated as separate components of tangible assets. The carrying amount of tangible assets is removed from the balance sheet when it is scrapped or divested or when there is no future financial benefits expected from the use or scrapping/divestment of the asset. Gains or losses arising on the divestment or scrapping of an asset comprise the difference between the sales price and the carrying amount of the asset, less direct selling expenses. Gains and losses are recognized as other operating revenue/expenses.

Additional expenses are added to the cost only if it is likely that future financial benefits associated with the asset will accrue the Group and the cost can be calculated in a reliable manner. All other additional expenses are recognized as cost in the period in which they arise. An additional expense is added to the cost if the expense is for replacement of identifiable components or related parts. Even in situations where a new component is created, the expense is added to the cost. Any carrying amounts of replaced components, or parts of components, that have not been depreciated are scrapped and expensed in conjunction with the replacement. Repairs are regularly expensed.

Intangible assets

Goodwill

Goodwill is measured at cost less any accumulated impairment losses. Goodwill is distributed to cash-generating units and is tested for impairment annually.

Other intangible assets

Other intangible assets acquired by the Group are recognized at cost less accumulated amortization and any impairment losses. Expenses for internally generated goodwill and brands are recognized through profit or loss as a cost when incurred. Borrowing costs that are directly attributable to the purchase, construction or production of assets that take considerable time to complete for intended use or sale are included in the cost. Cost of system development and research and development are only capitalized if the expenses are expected to provide identifiable future financial benefits. Other product development expenses are recognized through profit or loss as costs when incurred. The majority of the Group's development expenses are attributable to the maintenance and development of existing products and are recognized through profit or loss when incurred.

Depreciation/amortization

Principles of depreciation for tangible assets

Depreciation takes place on a straight-line basis over the estimated useful life of the asset. Land is not depreciated. Leased assets are also depreciated over the estimated useful life or, if shorter, over the contracted lease period. The Group applies component depreciation, which means that the estimated useful life of the components is the basis for depreciation. The residual value and useful life of an asset is determined annually.

Useful lives	Group	Parent Company
Buildings and land improvements	35–40 years	-
Plant and machinery	7–15 years	-
Equipment, tools, fixtures and fittings	3–7 years	-

Principles of amortization for intangible assets

Goodwill and other intangible assets with an indeterminate useful life or that are still not ready to be used, are tested for impairment annually or as soon as indications appear indicating that the asset in question has decreased in value. Intangible assets with definite useful lives are amortized from when they are available for use. Amortization is recognized through profit or loss straight-line over the estimated useful lives of the assets. The residual value and useful life of an asset is determined annually.

Useful lives	Group	Parent Company
Capitalized development expenses	5–10 years	-
IT systems	5–7 years	-
Other intangible assets	5–10 years	-

Inventories

Inventories are measured at the lowest of cost and net realizable value. The cost of inventories is calculated by the first-in, first-out principle (FIFO) and includes expenses from the acquisition of the inventory assets and the transportation of them to their current place and condition. For manufactured goods and work in progress, the cost includes a reasonable share of indirect expenses based on normal capacity. Net realizable value is the estimated sales price in the ordinary course of business, less estimated cost of completion and sale.

Impairment

Each balance-sheet date, the carrying amount of the Group's assets is tested to determine whether there is an indication for a need for impairment. If evidence exists, the asset's recoverable amount is calculated. The recoverable amount of goodwill and other intangible assets with indeterminate useful lives is calculated annually. IAS 36 is used for impairment losses of assets other than financial assets, which are recognized according to IAS 39, assets held for sale and disposal groups, which are recognized according to IFRS 5, inventories and deferred tax receivables. The carrying amount of the excluded assets listed above is calculated according to the respective standard.

An impairment loss is recognized if the recoverable amount is lower than the carrying amount. An impairment loss is charged to profit or loss. The recoverable amount is the higher of fair value less selling expenses and the value-in-use. When determining the value-in-use, future cash flows are discounted using a discount factor that takes into consideration risk-free interest and the risk associated with the specific asset. For an asset that does not generate essential cash flows, irrespective of other assets, the recoverable amount of the cash-generating unit that the asset belongs to is calculated. Impairment of a cash-generating unit is primarily made against goodwill whereafter other assets in the unit is proportionally written down. All financial assets, except those in the financial asset category that are measured at fair value through profit or loss, are tested for impairment. Each report period, the Group determines whether there is

objective evidence indicating that a financial asset or group of assets requires impairment. Objective evidence consists of observable circumstances that have occurred and which have a negative impact on the recovery of the cost.

Impairment of assets included in the IAS 36 application sphere is reversed if there is an indication that the need for impairment no longer exists and there has been a change in the assumptions that were the basis of the recoverable amount calculation. Impairment of goodwill is not reversed. A reversal is only performed to the extent that the asset's carrying amount after reversal does not exceed the carrying amount that would have been recognized, less depreciation when applicable, if no impairment had been applied. Impairment losses on loans and accounts receivable that are recognized at amortized cost are reversed if the previous reasons for impairment no longer exist and full payment from the customer is expected.

Earnings per share

The earnings per share calculation is based on the consolidated net income attributable to the shareholders of Parent Company and the weighted average number of shares outstanding during the year. When calculating earnings per share after dilution, earnings are adjusted as well as the average number of shares in order to take into consideration the impact from the dilutive potential common shares.

Remuneration of employees

Pensions

The majority of the Group's pension obligations are met through continuous payments to independent insurance companies that administer the plans, known as defined contribution pension plans. The responsibility for the amount of future pension payments lies with the external insurance companies. The Group has not further responsibility than paying the premium. A pension expense, which corresponds to the contributions paid, is continuously recognized for defined-contribution pension plans. The expense is recognized in the period in which the employee performed the services to which the contribution refers.

Some of the Group's subsidiaries in Sweden have defined-benefit pension plans that are unfunded. These defined-benefit pension plans include a commitment regarding future pension benefits, the amount of which is determined by such factors as final salary and service period. The employer bears all material risks for meeting this commitment.

The Group's net obligation for defined-benefit plans is calculated separately for each plan by estimating the future remuneration that the employees have earned through their employment in both present and earlier periods; this remuneration is discounted to present value.

The discount rate used by the Group to calculate the defined-benefit pension liabilities in Sweden comprises the market rate on the balance-sheet date of Swedish mortgage bonds with a term corresponding to the duration of the Swedish pension obligations.

The calculation is performed by a qualified actuary using the Projected Unit Credit Method. The special employer's contribution is part of actuarial assumptions and is therefore recognized as a portion of net obligations. The portion of special employer's contribution that is calculated on the basis of the Pension Obligation Vesting Act for legal entities is recognized, for reasons of simplification, as an accrued expense instead of as a part of net obligations. Actuarial gains and losses may arise when determining the present value of the obligation. These will arise when the actual result differs from the previously made assumption or when assumptions are changed. Revaluation effects are recognized in other comprehensive income.

Other retirement pensions according to ITP/ITPK in Sweden are guaranteed for the Group through premium payments to Alecta. According to a statement from the Swedish Financial Reporting Board, UFR3, this must be reported as a multi-employer defined-benefit plan. For the 2014 fiscal year, the Group did not have access to information from Alecta that made it possible to recognize this plan as a defined-benefit plan. Accordingly, the plan has been recognized as a defined-contribution plan.

Other post-employment benefits

The Group's subsidiaries in Italy provide TFR plans (Trattamento di Fine Rapporto) to their employees. Employees have the right to receive the benefits in these plans after their employment has ended. The obligation and expected benefit payments are calculated and recognized in a manner similar to defined-benefit pension plans. The discount rate used for calculating the Italian pension liabilities was determined based on high-quality EUR-denominated corporate bonds with a term corresponding to the duration of the Italian pension obligations.

Bonuses

A provision is recognized for the anticipated cost of profit share and bonus payments when the Group has a contractual or informal duty to make such payments as a result of services received from employees, the conditions for remuneration are deemed to be fulfilled and the obligation can be reliably calculated.

Provisions

A provision differs from other liabilities in that there is uncertainty about the time of payment and the amount of settlement. A provision is recognized in the consolidated balance sheet when there is an existing legal or informal obligation resulting from a past event and when it is probable that an outflow of financial resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are made based on the best estimate of what will be required to settle the existing obligation on the balance-sheet date. When it is important to know when the payment will occur, provisions are calculated by discounting the expected future cash flow using a pretax interest rate that reflects current market assessments of the time value of money and, if suitable, the risks associated with the liability.

A provision for restructuring is recognized when there is an established, detailed and formal restructuring plan, and the restructuring has either started or been officially announced. Provisions are not made for future operating losses.

Assets held for sale and discontinued operations

The significance of an asset (or a disposal group) being classified as held for sale is that its carrying amount will be recovered primarily through the sale and not through use.

Immediately before being classified as held for sale, the carrying amount of the assets (and all assets and liabilities in a disposal group) is determined in accordance with applicable standards. When first classified as held for sale, the assets and disposal groups are recognized at the lower of the carrying amount and fair value less selling expenses.

The following assets, individually or as part of a disposal group, are exempted from the above described valuation rules:

- Deferred tax receivables
- Assets attributable to employee benefits
- Financial assets subject to IAS 39 Financial Instruments: Recognition and measurement

A gain is recognized for each increase in the fair value less selling expenses. This gain is limited to an amount corresponding to all previous impairment. Losses resulting from a decline in value when first classified as held for sale are recognized through profit or loss. Even subsequent changes in value, both gains and losses, are recognized through profit or loss.

Discontinued operations are part of a company's operations that represent an independent business segment or a significant operation in a geographic area or is a subsidiary that has been acquired with the sole purpose of being sold. Classification as a discontinued operation takes place on divestment or at an earlier point in time when the operation meets the criteria for being classified as held for sale. Net income from discontinued operations is recognized separately in the income statement. When an operation is classified as discontinued, the format of the comparative year's income statement is changed so that it is presented as if the discontinued operations had been discontinued at the start of the comparative year. The format of the consolidated balance sheet for current and previous years is not changed in a similar way.

Contingent liabilities

A contingent liability is recognized when there is a possible obligation that originates from past events and whose occurrence is only confirmed by one or more uncertain future events or when there is an obligation that is not recognized as a liability or a provision because it is not likely that an outflow of resources will be needed.

Parent Company accounting policies

The Parent Company prepares its Annual Report in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. RFR 2 stipulates that the Parent Company, in the annual accounts for the legal entity, is to apply all IFRS and statements adopted by the EU to the extent that this is possible within the framework of the Annual Accounts Act and the Pension Obligations Vesting Act and taking into consideration the connection between accounting and taxation. The recommendation stipulates the permissible exceptions from and additions to IFRS. Based on RFR2, the Parent Company has decided not to apply IAS 39 to the legal entity.

Amended accounting policies

Unless otherwise stated below, the Parent Company's accounting policies for 2014 changed in accordance with the amendments described above for the Group.

Differences between the Group's and the Parent Company's accounting policies

The differences between the accounting policies of the Group and the Parent Company are stated below. The accounting policies for the Parent Company stated below have been consistently applied in all periods presented in the financial statements of the Parent Company.

Classification and presentation format

The income statement and the balance sheet for the Parent Company are presented following the format of the Annual Accounts Act, while the statement of comprehensive income, statement of changes in equity and cash flow statement are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows. The differences compared with the consolidated financial statements that apply in the Parent Company's income statement and balance sheets primarily comprise reporting of financial revenue and expenses, fixed assets, equity, as well as the presence of provisions as a separate heading in the balance sheet.

Subsidiaries

Shares in subsidiaries are recognized in the Parent Company according to the cost method. This means that transaction charges are included in the carrying amount for holdings in subsidiaries. In the consolidated financial statements, transaction costs are recognized directly through profit or loss when they arise, while in the Parent Company, financial fixed assets are measured at cost less any impairment.

Income taxes

In contrast to the Group, untaxed reserves in the Parent Company are recognized in the balance sheet without any specification between equity and deferred tax liabilities. Correspondingly, the Parent Company does not specify the portion of appropriations to deferred taxes in the income statement.

Group contributions

Group contributions are recognized as appropriations.

NOTE 2 DISCONTINUED OPERATIONS**Discontinued operations**

Discontinued operations comprise the Trailer Division and Towing Division, which previously comprised the Towing operating segment. The Trailer Division was divested in May 2014. The Towing Division was divested in September 2014.

The criteria for presentation as discontinued operations or for fixed assets held for sale were not achieved by December 31, 2013, and it was not until spring 2014 that the criteria were fulfilled. For reclassifications to discontinued operations, comparative figures are also to be reclassified for the statement of income and other comprehensive income to show the discontinued operations as separate from the continuing operations.

The company's strategic focus on brand-driven consumer products led to the decision at the start of 2014 to divest the Trailer Division and the decision to divest the Towing Division during the second half of 2014.

Group, SEKm	2014	2013
Net income from discontinued operations		
Revenue	913	1,372
Expenses	-890	-1,346
Goodwill impairment	-350	-250
Income before taxes	-327	-224
Taxes	-13	-14
Net income from discontinued operations	-340	-237
Realization gain/loss from divestment of discontinued operations	1	-
Net income from discontinued operations	-340	-237
Earnings per share, discontinued operations, SEK (before and after dilution)	-3.95	-2.82
Cash flow from discontinued operations		
Cash flow from operating activities	24	47
Cash flow from investing activities	-44	-95
Net cash flow from discontinued operations before financing activities	-20	-48

Group, SEKm	2014	2013
Effect of divestment on assets and liabilities		
Fixed assets	1,078	-
Current assets	915	-
Long-term liabilities	1,306	-
Short-term liabilities	606	-
Divested assets and liabilities, net	81	-
Purchase consideration received	82	-

NOTE 3 MEASUREMENT OF FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE

Fair value and carrying amount in the consolidated balance sheet

Group 2014 SEKm	Financial assets at fair value through profit or loss	Derivatives used in hedge accounting	Loans and accounts receivable	Financial liabilities at fair value through profit or loss	Derivatives used in hedge accounting	Other liabilities	Total carrying amount	Fair value
	Held for trading			Held for trading				
Accounts receivable	-	-	754	-	-	-	754	754
Financial derivatives	8	0	-	-	-	-	8	8
Cash and cash equivalents	-	-	114	-	-	-	114	114
Total	8	0	868	-	-	-	877	877

Financial derivatives are included in other receivables in the consolidated balance sheet.

Long-term interest-bearing liabilities	-	-	-	-	-	2,376	2,376	2,376
Short-term interest-bearing liabilities	-	-	-	-	-	258	258	258
Accounts payable	-	-	-	-	-	497	497	497
Accrued expenses	-	-	-	-	-	0	0	0
Financial derivatives	-	-	-	11	23	-	34	34
Total	-	-	-	11	23	3,131	3,165	3,165

Short-term financial derivatives, SEK 34m, are included in short-term interest-bearing liabilities in the statement of financial position.

Group 2013 SEKm	Financial assets at fair value through profit or loss	Derivatives used in hedge accounting	Loans and accounts receivable	Financial liabilities at fair value through profit or loss	Derivatives used in hedge accounting	Other liabilities	Total carrying amount	Fair value
	Held for trading			Held for trading				
Accounts receivable	-	-	803	-	-	-	803	803
Financial derivatives	3	2	-	-	-	-	5	5
Cash and cash equivalents	-	-	385	-	-	-	385	385
Total	3	2	1,187	-	-	-	1,193	1,193

Financial derivatives are included in other receivables in the statement of financial position.

Long-term interest-bearing liabilities	-	-	-	-	-	4,370	4,370	4,370
Short-term interest-bearing liabilities	-	-	-	-	-	256	256	256
Accounts payable	-	-	-	-	-	511	511	511
Accrued expenses	-	-	-	-	-	2	2	2
Financial derivatives	-	-	-	95	3	-	98	98
Total	-	-	-	95	3	5,139	5,237	5,237

Long-term financial derivatives, SEK 66m, are included in long-term interest-bearing liabilities in the statement of financial position.

Short-term financial derivatives, SEK 32m, are included in short-term interest-bearing liabilities in the statement of financial position.

The tables below provide information about how fair value is determined for financial instruments that are measured at fair value on the statement of financial position (see above). The following three-level hierarchy is used to determine fair value: Level 1: according to prices quoted in an active market for the identical instrument.

Level 2: from either direct or indirect observable market information not included in Level 1.

Level 3: from inputs unobservable in the market.

Group 2014, SEKm	Level 1	Level 2	Level 3	Total
Derivative asset	-	8	-	8
Derivative liability	-	-34	-	-34

Group 2013, SEKm	Level 1	Level 2	Level 3	Total
Derivative asset	-	5	-	5
Derivative liability	-	-98	-	-98

The following summarizes the methods and assumptions that are primarily used to determine the fair value of the financial instruments presented in the table above.

Derivatives

Currency

The fair value of a forward contract is determined based on quoted rates. The market price, calculated by using the current rate adjusted for the interest rate spread between currencies and number of days, is compared with the contract's rate to determine the fair value.

The market value of currency options is calculated using the Black-Scholes Model.

Raw materials/metal

The Group uses derivatives to hedge the aluminum price risk. Commodity derivatives are valued based on the counterparty's market value calculations.

Accounts receivable and accounts payable

The carrying amount reflects the fair value of accounts receivable and accounts payable with a remaining term of less than 12 months. Accounts receivable and accounts payable with a term exceeding 12 months are discounted when determining fair value.

Leasing

The fair value of financial lease liabilities is based on the present value of future cash flows discounted at the market interest rate for identical lease agreements.

Interest-bearing liabilities

The fair value of financial liabilities that are not derivatives is calculated using future cash flows of principal amounts and interest rates discounted to the current market interest rate on the balance-sheet date. The carrying amount agrees with the fair value of the Group's borrowing when the loans have variable interest rates and the credit spread is not such that carrying amount materially deviates from fair value.

NOTE 4 FINANCIAL RISK MANAGEMENT

The Group is continuously exposed to various financial risks through its international operations. Financial risks refer to fluctuations in the company's earnings and cash flow due to changes in exchange rates, interest rate levels, raw material prices, refinancing and credit risks. The Group's finance policy for managing financial risks is prepared by the Board and creates a framework of guidelines and regulations in the form of risk mandates and limits on the financial operations. The Board decides on a finance policy annually. The Group's finance department centrally manages responsibility for the Group's financial transactions and risks. The overall goal of the finance department is to provide cost efficient financing, to map out financial risks that affect the Group, and to minimize negative impacts on the Group's earnings that stem from market risks. The Board's Audit Committee prepares, on behalf of the Board, the practical application of the policy in consultation with the Group's CFO. The Group's Director of Treasury regularly reports to the Board's Audit Committee.

Organization and activities

Thule Group's finance operations are coordinated by the subsidiary Thule Holding AB, which performs all external financial transactions and also acts as an internal bank for the Group's financial transactions in the currency and interest rate markets.

Market risk

Market risk is the risk that the fair value of, or future cash flows from, a financial instrument could fluctuate due to changes in market prices. IFRS has divided market risks into three types: exchange rate risk, interest rate risk and other price risks. Market risks that primarily impact the Group consist of interest rate risk, exchange rate risk and commodity price risk. The Group's objective is to manage and control the market risks within established parameters while optimizing earnings through risk-taking within stated limits. The parameters are established with the purpose that the market risks in the short term (up to 12 months) only impact the Group's earning and position marginally. In the long term, however, lasting changes in exchange rates, interest rates and raw material prices have an impact on consolidated earnings.

Exchange rate risk

The risk that fair values and cash flows can fluctuate when the value of currencies changes is called exchange rate risk. The Group is exposed to different types of exchange rate risks.

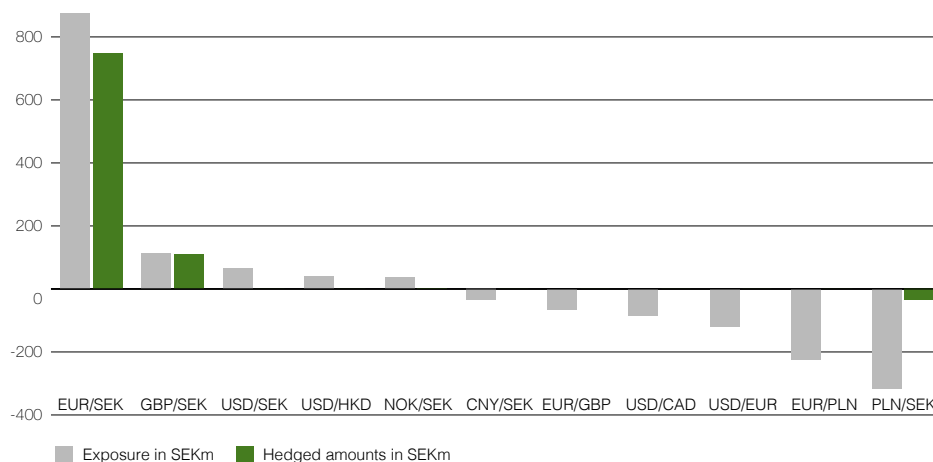
Transaction exposure

The largest exposure comes from the Group's sale and purchase in foreign currencies. These exchange rate risks consist of risk in the value fluctuations of financial instruments, customer liabilities or accounts payable, and the exchange rate risk in expected and contractual payment flows. These risks are called transaction exposure.

The Group's total transaction exposure, net, amounted to SEK 1,975m (827), a year-on-year increase due to changed net transaction exposure as a result of the division between continuing and discontinued operations, and also exchange-rate fluctuations. The single most important currency relationships are EUR/SEK, in which the Group has a positive net inflow. The central finance department is responsible for all hedging to reduce the effect of exchange-rate fluctuations.

The Group's transaction exposure and hedged amounts on the balance-sheet date distributed by currency were as follows:

Transaction exposure and hedged amounts for 2015 (SEKm)



Derivatives used are currency forward contracts and options. Currency options are financial contracts that can be used to manage exchange rate risk. The advantage with currency options is that they give the right but not the obligation to carry out an exchange transaction that has been specified in advance. A premium is paid for the right. A combination of several currency options creates currency-hedging strategies where the option right is limited while the premium expense decreases. One common option strategy has a synthetic currency forward contract and a right that is contingent on a currency barrier – flexible forward. The Group uses flexible forwards to optimize its exchange rate risk management.

The fair value of the Group's outstanding currency derivatives (currency forward contracts and currency options) was a negative SEK 26.0m (neg: 3.2) as per December 31, 2014. Of the negative SEK 26.0m, SEK 0.9m was charged to net income (cost of goods sold). Hedge accounting was used for currency forward contracts.

Translation exposure

There are also exchange rate risks in the conversion of assets and liabilities of foreign subsidiaries to the Parent Company's functional currency, called translation exposure.

The Group's policy is to hedge net investments with loans but otherwise not to hedge translation exposure. The total translation exposure was SEK 3,690m (3,767). The largest translation exposures were in EUR and USD. The translation exposure in USD was SEK 2,182m (1,414) and in EUR, SEK 1,177m (1,658).

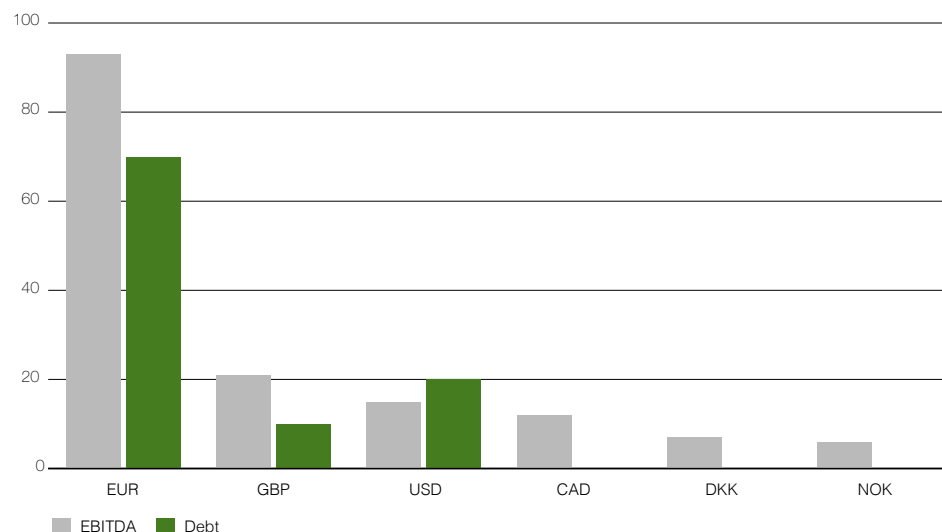
The translation impact of the conversion of the liabilities and assets of foreign subsidiaries in 2014 was a positive SEK 305m (25).

Financial exposure

The Group is also exposed to exchange rate risks with regard to payment flows for loans in foreign currency, called financial exposure.

The Group's liabilities have been divided by currency for those currencies where there is an underlying positive cash flow in order to hedge the value for the Group. The carrying amount of the loans is matched against positive cash flows from the operations. When the SEK strengthens, the Group's EBITDA expressed in SEK declines, as the value of the external loans, expressed in SEK, declines. The beta value between EBITDA and external loans is approximately 1.48 – a strengthening of SEK of 10 percent compared with other currencies (not taking into consideration any correlation between currency pairs) means an impact on external loans of 10 percent, while EBITDA is affected by approximately 48 percent.

Positive EBITDA and long-term senior liability per currency for 2014



The Group was refinanced in conjunction with the listing of Thule Group in November 2014. The previous financing was repaid and a new five-year syndicated financing agreement was signed with Danske Bank A/S, DNB Bank ASA and Nordea Bank AB (publ). The new senior liability raised is distributed by currency as follows to achieve a favorable match between positive EBITDA and senior liability: 70 percent EUR, 20 percent USD and 10 percent in GBP. The table above shows the distribution between positive EBITDA, stated as a percentage of total EBITDA, specified by currency, and long-term senior liability. The currency effects that the loans give rise to are recognized as a financial currency effect in the income statement. The currency effect in 2014 was a negative SEK 198m (neg: 123), with SEK 121m attributable to the previous financing and SEK 77m to the current financing. However, the Group applies hedge accounting and SEK 127m of the total SEK 198m was transferred to the translation reserve (net investment hedging).

Sensitivity analysis – exchange rate risk

A 10 percent strengthening of the SEK against other currencies, compared with the average exchange rates in 2014 (not taking into consideration any correlation between currencies), would mean a change in EBITDA of a negative SEK 101.8m (neg: 100.5) (transaction and translation effects).

Interest rate risk

Interest rate risk is the risk that the value of financial instruments fluctuates due to changes in market interest rates and the risk that changes in the interest rate level will impact the Group's borrowing costs. Interest rate risk can lead to a change in fair values and changes in cash flows. A significant factor that affects the interest rate risk is the fixed-rate period. This interest rate risk is managed by the Group's central finance department. According to the finance policy, the objective of the long-term liability portfolio is for the average fixed-rate period to be, on average, between 6 months and 3 years. The average fixed-rate period was 3 months (1 year and 10 months) as per December 31, 2014. The Group had no fixed-income hedges as per the balance-sheet date of December 31, 2014 as a result of the existing ISDA agreements¹ for the Group expiring in connection with the refinancing that took place when the Group was listed. New ISDA agreements for the Group were under negotiation on the balance-sheet date.

On the date of the publication of the Annual Report, ISDA agreements had been signed with all borrowers. The average fixed-rate period for the Group on the date of the publication of the Annual Report was 2 years and 5 months.

The Group separates the financing of working capital from long-term financing. Overdraft facilities are available for financing working capital.

Term structure of financial liabilities – undiscounted cash flows

2014	Total	<1 month	1–3 months	3 months–1 year	2–5 years	> 5 years
Long-term liabilities to credit institutions including interest payments	2,576	-	-	-	2,576	-
Derivatives	34	3	5	26	-	-
Short-term liabilities to credit institutions including interest payments	290	-	10	280	-	-
Overdraft facilities	4	-	-	4	-	-
Accounts payable	497	-	497	-	-	-
Finance lease liabilities	16	-	0	4	12	-

2013	Total	<1 month	1–3 months	3 months–1 year	2–5 years	> 5 years
Long-term liabilities to credit institutions including interest payments	4,862	-	-	-	4,862	-
Derivatives	97	1	13	49	34	-
Short-term liabilities to credit institutions including interest payments	332	8	157	167	-	-
Overdraft facilities	7	-	-	7	-	-
Accounts payable	511	-	511	-	-	-
Finance lease liabilities	28	-	5	8	12	3

Sensitivity analysis – interest rate risk

The impact on the Group's interest expense during the coming 12-month period in the event of an interest rate upturn/ downturn of 1 percentage point on the balance-sheet date is SEK +6.0/-24.5m (+18.5/-17.7) – given the interest-bearing liabilities that exist on the balance-sheet date.

¹ ISDA (International Swaps and Derivatives Association) is an industry organization that has established a framework agreement that is often referred to as an ISDA agreement. The agreement is used to reliably and effectively manage different aspects of financial OTC (over-the-counter) derivative transactions that, as opposed to stock exchanged traded standardized contracts, are traded between two counterparties and contain tailored conditions.

Refinancing and liquidity risks

Refinancing and liquidity risks are risks that payment obligations cannot be met due to insufficient liquidity or difficulties in obtaining credit from outside sources. The Group has a rolling 8-week liquidity plan that includes all divisions of the Group. Results are reported regularly on a weekly basis. The plan is updated monthly. The liquidity plan is used to manage liquidity risk and as a tool for following the cash flow from the operational and financial business. In-depth analyses are made against previous years in order to measure trends and noticeable deviations.

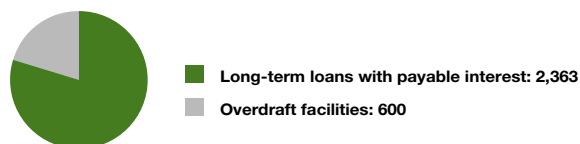
The objective is for the Group to be able to manage its financial obligations in upturns and downturns without significant unforeseeable expenses and without risking the Group's reputation.

The Group policy is to minimize its borrowing need by centralizing surplus liquidity via the Group's cash pools that have been established by the central finance department. Liquidity risks are centrally managed for the entire Group by the central finance department.

The Group has a central vision for managing the Group's financing, whereby the fundamental rule is that the internal bank is responsible for all external financing. A syndicate with three Scandinavian banks finances the Group. This financing package is contingent on financial and commercial obligations, which are tested regularly. The covenants tested once every quarter are the debt/equity ratio and interest coverage ratio, with the first test date on 31 March 2015.

The Group's fixed-term credit commitments were SEK 2,963m (5,114), which includes long-term loans with payable interest corresponding to SEK 2,363m and overdraft facilities of SEK 600m.

The Group's fixed-term credit commitments on Dec 31, 2014, SEKm



Unutilized credit commitments totaled SEK 343m (512).

The Group's long-term liabilities with payable interest and the overdraft facilities do not have an amortization schedule but rather the entire amounts are due in November 2019.

Commodity price risk

Commodity price risk refers to continuously fluctuating prices of input goods from our suppliers and its possible impact on earnings. For the Group, it is primarily fluctuations in plastic, aluminum and steel prices that constitute a significant commodity risk. During the year, 41 percent (40) of total direct materials consisted of plastic, aluminum and steel. They consist of a number of different subcategories with various degrees of processing that often cannot be tied to a direct market price. If the three exposures, only aluminum, in principle, is directly associated with a traded market index.

In 2014, the Group purchased raw materials and components for SEK 2,280m (2,098). Total purchases of raw materials amounted to SEK 872m (807). Direct purchases of raw materials amounted to SEK 570m (530) and indirect purchases of raw materials (share of value added of the total value of raw materials) amounted to SEK 302m (277). Direct purchases of plastic amounted to SEK 236m (211) and indirect purchases of plastic amounted to SEK 142m (127). Direct purchases of aluminum amounted to SEK 187m (169) and indirect purchases of aluminum amounted to SEK 131m (119). Direct purchases of steel amounted to SEK 147m (150) and indirect purchases of steel amounted to SEK 29m (31).

The Group uses derivatives to hedge the aluminum price risk. Commodity derivatives are valued based on the counterparty's market value calculations. The fair value of the Group's outstanding currency derivatives was a SEK negative 0.0m (neg: 0.4) as per December 31, 2014. Hedge accounting is not applied for commodity derivatives.

However, a significant portion of the supplier contracts for these categories are indexed, which means that if the market price for a raw material changes, then the Group's purchase prices will increase or decrease. Direct materials amounted to 75 percent (76) of the Group's cost of goods sold.

Credit risk in financial operations

The Group's financial operation creates exposure to credit risks. Primarily counterparty risks in connection with receivables from banks arise when purchasing derivatives and deposits to these banks. The exposure can be attributable to surplus values in derivatives. In order to reduce credit risk, the derivatives are spread between different counterparties. The ISDA agreements permit the offset of derivative assets and derivative liabilities per counterparty, which reduces credit risk. On the balance-sheet date of December 31, 2014, the Group had no ISDA agreements with its counterparties, which is why offsetting was not applicable. On the date of the publication of the Annual Report, ISDA agreements had been signed with three Scandinavian banks.

Group 2014, SEKm	Financial assets	Financial liabilities
Amount recognized in balance sheet	8.3	33.9
Nordea	-	-
Danske Bank	-	-
Swedbank	-	-
DNB	-	-
Nykredit	-	-
Amount after netting	8.3	33.9

Group 2013, SEKm	Financial assets	Financial liabilities
Amount recognized in balance sheet	5.4	97.8
Nordea	0.0	0.0
Danske Bank	-0.2	-0.2
Swedbank	0.0	0.0
DNB	0.0	0.0
Amount after netting	5.6	98.0

The credit risk in derivatives on the balance-sheet date was SEK 8.3m (5.4) and corresponds to the total positive market value of the derivatives. The credit risk in cash and cash equivalents was SEK 113.6m and corresponds to the Group's cash and cash equivalents.

Credit risk on accounts receivable

Refer to Note 21 Accounts receivable.

Net debt

At December 31, 2014, net debt amounted to SEK 2,546m (4,335).

Net debt consists of the Group's interest-bearing liabilities, including accrued interest and financial derivative liabilities with deductions for cash and cash equivalents, interest-bearing short-term receivables and financial derivative assets.

Cash management

Cash management in subsidiaries focuses on minimizing operational working capital. The internal bank manages Group-wide netting to minimize the number of payment transactions and thereby related expenses. In countries with several operational companies, the surpluses and deficits are matched at the country level using cash pools.

There were cash pools during the year in Sweden, UK, Denmark, Norway, Poland and the US. A Group-wide EUR cash pool exists in Belgium, the Netherlands, France, Italy and Germany where all liquidity is pooled in Germany. The internal bank manages liquidity in, as well as between, these cash pools.

NOTE 5 SEGMENT ACCOUNTING

The Group's operations are divided into operating segments based on the parts of the operations that are followed up by the company's chief operating decision-maker. Management has determined the operating segments used for making strategic decisions. Each operating segment has a President who is responsible for the day-to-day operations and who regularly reports on the operating segment's results to Group management. It was based on this internal reporting structure that the Group's segments were identified.

In 2014, Thule Group implemented a reorganization that affected governance and monitoring, as well as classification of the Group as operating segments (business segments). Prior to the reorganization, there were two operating segments: *Outdoor&Bags* and *Towing*. The *Towing* segment was discontinued in 2014 through the divestment of the *Trailer* and the *Towing* operations. In *Outdoor&Bags*, operations in the *snow chain* product group and the toolboxes for pick-up trucks (Work Gear) product group in the US have now been transferred to the new operating segment known as *Specialty*. The *Outdoor&Bags* operating segment mainly includes the product groups of *bike carriers*, *water sport* and *ski-rack*, *roof boxes*, *multifunctional child carriers*, *computer* and *camera bags* and *backpacks*.

The former *Towing* operating segment is reported as a discontinued operation. Refer to Note 2 Discontinued operations. Comparative figures for the preceding year have been regrouped according to the new classification as operating segments, and the *Towing* operations have been excluded retroactively. The tow bar and trailer product categories were reported in the *Towing* segment.

2014	Outdoor& Bags	Specialty	Group-wide	Eliminations	Disconti- nued	Total
Revenue and operating income						
Sales to customers	4,205	487	1			4,693
Intercompany sales	16	-1	-	-16		-
Underlying EBITDA	818	19	-91			747
Operating depreciation/amortization	-45	-13	-3			-61
Underlying EBIT	774	6	-94			686
Other depreciation/amortization	-11	-	-6			-18
Items affecting comparability	-29	-9	-32			-70
Operating income	734	-3	-132			599
Financial revenue	-	-	21			21
Financial expenses	-	-	-345			-345
Income before taxes and discontinued operations	734	-3	-456			275
Other information						
Assets	5,719	480	98	-5	-	6,293
Undistributed assets	-	-	-	-	-	659
Total assets						6,952
Liabilities	706	95	257	-5	-	1,053
Undistributed liabilities	-	-	-	-	-	2,933
Total liabilities						3,986
Investments	121	9	-		44	173
Depreciation/amortization	56	13	9		-	79
Impairment	-	-	-		350	350

Sales between segments are carried out on market terms. The segments' income, assets and liabilities (including provisions) included directly attributable items. Items affecting comparability are divided between the operating segments in the internal reporting. Items affecting comparability pertained primarily to listing expenses of SEK 32m and restructuring expenses of SEK 38m. In *Specialty*, SEK 9m of restructuring expenses pertained to the snow chain operations. In *Outdoor&Bags*, SEK 9m pertained to restructuring (including plant closures) in North America and the remainder to Europe and ROW for the closure of the warehouse and distribution center in Belgium and restructuring in Asia and the UK. Tax receivables and income tax liabilities (both deferred and current) and interest-bearing assets and liabilities are not included in the segments' assets and liabilities. The segments' investments in tangible and intangible assets include all investments apart from investments in expendable equipment and equipment of a minor value.

2013	Outdoor& Bags	Specialty	Group-wide	Eliminations	Disconti- nued	Total
Revenue and operating income						
Sales to customers	3,824	506	1			4,331
Intercompany sales	17	3	-	-19		0
Underlying EBITDA	704	44	-104			644
Operating depreciation/amortization	-39	-13	-4			-57
Underlying EBIT	665	31	-108			588
Other depreciation/amortization	-12	-	-6			-18
Items affecting comparability	-56	-	-			-56
Operating income	598	31	-114			514
Financial revenue	-	-	94			94
Financial expenses	-	-	-196			-196
Income before taxes and discontinued operations	598	31	-216			413
Other information						
Assets	5,056	412	268	-61	1,471	7,146
Undistributed assets	-	-	-	-	-	889
Total assets						8,035
Liabilities	619	90	228	-61	372	1,248
Undistributed liabilities	-	-	-	-	-	4,985
Total liabilities						6,233
Investments	51	15	-		35	101
Depreciation/amortization	51	13	10		85	159
Impairment	-	-	-		250	250

Geographic markets	Group	
	2014	2013
Sales to customers		
Sweden	164	136
Other Nordic countries	160	153
Europe, excluding Nordic countries	2,301	2,061
North America	1,696	1,613
Central/South America	107	66
Asia/Pacific Rim	208	211
Remaining countries	57	91
Total	4,693	4,331
Fixed assets		
Sweden	106	242
Other Nordic countries	-	53
Europe, excluding Nordic countries	318	482
North America	132	111
Central/South America	2	2
Asia	1	1
Total	559	891

Fixed assets for 2013 include assets pertaining to discontinued operations of SEK 365m.

The information presented for the segments' revenue pertains to the geographic areas based on location of customers. No single customer exceeds 10 percent of external revenue. Information regarding the assets of the segments and investments in tangible and intangible assets for the period is based on the geographic areas based on the location of the assets.

NOTE 6 DISTRIBUTION OF REVENUE

	Group	
	2014	2013
Net sales		
Sales of goods	4,693	4,331
Total	4,693	4,331

NOTE 7 OTHER OPERATING REVENUE

	Group		Parent Company	
	2014	2013	2014	2013
Re-invoicing of expenses	-	-	9	-
Compensation for patent infringement	4	-	-	-
Insurance reimbursement	-	5	-	-
Gain from sale of fixed assets	-	2	-	-
Other operating income	1	3	-	-
Total	5	10	9	-

NOTE 8 OTHER OPERATING EXPENSES

	Group		Parent Company	
	2014	2013	2014	2013
Capital loss, equities	-	-	-368	-
Listing costs	-32	-	-32	-
Restructuring expenses	-	-12	-	-
Environmental measures	-4	-	-	-
Expenses related to legal matters	-	-1	-	-
Other operating expenses	-8	-1	-	-
Total	-44	-14	-400	-

NOTE 9 AUDIT FEES

	Group	
	2014	2013
Audit		
KPMG AB	-4	-3
Audit in addition to audit assignment		
KPMG AB	-2	-
Tax consultancy		
KPMG AB	-1	-2
Other services		
KPMG AB	-1	-
Total	-8	-5

The Parent Company did not pay any audit fees during the year.

Audit assignments pertain to a review of the Annual Report and accounts, and the administration by the Board of Directors and President, other work assigned to the company's auditors, and advice or other assistance required due to observations made during the review or implementation of such other assignments. Everything else is considered other assignments.

NOTE 10 REMUNERATION OF EMPLOYEES

SEKm	Group		Parent Company	
	2014	2013	2014	2013
Expenses for remuneration of employees				
Salaries and other remuneration	673	638	10	-
Social security	123	135	4	-
Pension expenses – defined-contribution plans	16	15	1	-
Pension expenses – defined-benefit plans	9	11	-	-
Total	821	799	15	-

Salaries and other remuneration, pension expenses and pension obligations for the Board and executive management

SEKt	Basic salary incl. change in vacation pay liability, fees	Variable remuneration	Pension expenses	Other remuneration	Severance pay	Total
Remuneration and benefits 2014						
Chairman of the Board						
Stefan Jacobsson	800	-	-	-	-	800
Board members						
Bengt Baron	300	-	-	-	-	300
Hans Eckerström	100	-	-	-	-	100
Liv Forhaug	300	-	-	-	-	300
Lilian Fossum Biner	400	-	-	-	-	400
David Samuelson	100	-	-	-	-	100
Åke Skeppner	300	-	-	-	-	300
Lottie Svedenstedt	75	-	-	-	-	75
President						
Magnus Welander	5,886	4,200	1,622	805	-	12,513
Other executive management						
(5 individuals)	10,438	2,713	2,001	4,684	-	19,836
Total	18,699	6,913	3,623	5,489	-	34,724

Liv Forhaug was elected as Board member at the Extraordinary General Meeting on June 24, 2014. Lilian Fossum Biner has, as Chairman of the Audit Committee, received remuneration of SEK 100t (100).

Lottie Svedenstedt declined reelection at the 2014 Annual General Meeting.

Of the SEK 4,684t attributable to other remuneration for other executive management, SEK 2,381t pertains to an additional bonus to the CFO in connection with the listing on the stock exchange. Remuneration for the President and other executive management was paid by the Parent Company since the company was listed.

Pension obligations for the President amounted to SEK 5,622t (4,434). Pension obligations for other executive management amounted to SEK 985t (515).

SEK	Basic salary incl. change in vacation pay liability, fees	Variable remuneration	Pension expenses	Other remuneration	Severance pay	Total
Remuneration and benefits 2013						
Chairman of the Board						
Stefan Jacobsson	800	-	-	-	-	800
Board members						
Bengt Baron	300	-	-	-	-	300
Hans Eckerström	100	-	-	-	-	100
Lilian Fossum Biner	400	-	-	-	-	400
David Samuelson	100	-	-	-	-	100
Åke Skeppner	300	-	-	-	-	300
Lottie Svedenstedt	300	-	-	-	-	300
President						
Magnus Welander	5,372	2,241	1,525	215	-	9,353
Other executive management						
(6 individuals)	10,190	3,122	2,673	1,052	2,145	19,182
Total	17,862	5,363	4,198	1,267	2,145	30,835

Remuneration of the Board

According to a resolution of the General Meeting, fees to the members of the Board, excluding Committee work, are to be paid as follows: SEK 800,000 to the Chairman of the Board and SEK 300,000 to each of the independent Board members elected by the Meeting and SEK 100,000 to each of the Board members who are dependent in relation to major shareholders. The Chairman of the Audit Committee is to receive remuneration of SEK 100,000 for Committee work. No additional remuneration is paid for Committee work other than the standard directors' fees. Expensed remuneration is presented in the table above.

Guidelines for remuneration of the President and other executive management

The Extraordinary General Meeting held on October 1, 2014, resolved on guidelines for remuneration which are to apply in relation to remuneration of the President and executive management.

Remuneration of Group management is to comprise fixed salary, possible variable salary, pension and other benefits. Total remuneration package is to be based on market terms, be competitive and reflect the individual's performance and responsibilities as well as, with respect to share based incentive programs, the value growth of Thule Group share benefiting the shareholder.

Variable salary can comprise annual variable cash bonuses and long-term variable bonuses in the form of cash, shares and/or share-based instruments in Thule Group. Variable cash salary is to be conditional on meeting defined and measurable targets and may not exceed 75 percent of the fixed annual salary. Terms for variable salary should be designed so that the Board, under exceptional economic conditions, is able to limit or waive the payment of variable salary if such action is deemed reasonable.

In particular cases, agreements can be made for lump-sum remuneration, provided that such remuneration does not exceed an amount corresponding to the sum of the individual's annual fixed salary and highest variable cash salary and is not paid more than once per year and per individual.

Pension benefits should be defined contribution. Severance pay is normally given if employment is terminated by Thule Group. The standard notice period for members of Group management is a maximum of 12 months in combination with severance pay of 6 to 12 months fixed salary. No severance pay accrues if notice is given by the employee.

On an individual basis, if justified for particular reasons, the Board has the right to depart from the guidelines adopted by the General Meeting. The group of executives covered by the guidelines are the President and other members of Group management.

Remuneration of the President

Remuneration is paid to the President in the form of basic salary, variable remuneration, pension and other benefits.

Basic salary amounts to SEK 5,600,000 per year. Variable remuneration can amount to a maximum of 75 percent of basic salary. Any bonus payments and the amount of bonus are related to the degree of fulfillment of annual, predefined financial targets. These targets are linked to sales, EBITDA and cash flow.

A mutual period of notice of six months applies to the President. Full salary and other employment benefits are paid during the period of notice, regardless of whether or not an employee has an obligation to work. Severance pay corresponding to 12 monthly salaries is paid if employment is terminated by the company.

Pension benefits are paid at 30 percent of basic salary. To the extent that premiums are not fully tax deductible for the company, excess premiums are to be agreed as direct pension, insured through endowment insurance pledged to the President.

Other executive management

Remuneration is paid in the form of basic salary, variable remuneration, pension and other benefits.

For other executive management, variable remuneration may amount to between 40 and 60 percent of basic salary. Any bonus payments and the amount of bonus are determined based on the degree of fulfillment of annual, predefined financial targets and individual targets. These financial targets are linked to sales, EBITDA and cash flow, while the individual targets are based on personal performance.

Other executive management has a mutual period of notice of six months. Full salary and other employment benefits are paid during the period of notice. Severance pay corresponding to between 6–12 monthly salaries is paid if employment is terminated by the company.

Pension benefits at 27–30 percent of basic salary are paid for executive management employed in Sweden. To the extent that premiums are not fully tax deductible for the company, excess premiums are to be agreed as direct pension, insured through endowment insurance pledged to the senior executive. Pension benefits at 12–15 percent of basic salary are paid for executive management employed in the US.

Remuneration Committee

The Remuneration Committee is to assist the Board by submitting proposals on remuneration issues and continuously monitoring and evaluating remuneration structures and levels for the President and other executive management.

Incentive programs

In 2014, the Board decided to introduce a long-term incentive program for management, key personnel and the Chairman of the Board. The purpose of the incentive program is to promote and maintain a strong commitment to ensure maximum long-term value for shareholders.

At the Extraordinary General Meeting of Thule Group on November 12, 2014, a resolution was passed to issue warrants as part of an incentive program for (i) the management and key personnel, and (ii) the Chairman of the Board (the "Participants"). The incentive program currently encompasses a total of seven individuals. Warrants have been issued to and subscribed for by Thule Group's subsidiary Thule AB, and the participants acquired warrants from this subsidiary at market value. The total program encompasses 4,999,998 warrants and warrants not subscribed for by the Participants may be offered in the future to new members of executive management and/or key personnel. On full utilization, the option program corresponds to 5 percent of Thule Group's share capital. The warrants have been issued in three separate series, with the same number of warrants in each series.

- Series 2014/2016 comprises 1,666,666 warrants, of which the participants have acquired 1,244,788 warrants that can be exercised between January 1 and December 31, 2016. Series 2014/2017 comprises 1,666,666 warrants, of which the participants have acquired 1,244,788 warrants that can be exercised between January 1 and December 31, 2017. Series 2014/2018 comprises 1,666,666 warrants, of which the participants have acquired 1,244,788 warrants that can be exercised between January 1 and December 31, 2018.
- The exercise price for Series 2014/2016 corresponds to SEK 78.40. Furthermore, if on subscribing for the share, the last price paid for the company's share when the stock exchange closes on the last trading day preceding the subscription date exceeds 128 percent of the set exercise price, the exercise price will be increased by an amount equal to the amount the latest price paid for the share exceeds 128 percent of the exercise price.
- The exercise price for Series 2014/2017 corresponds to SEK 83.30. Furthermore, if on subscribing for the share, the last price paid for the company's share when the stock exchange closes on the last trading day preceding the subscription date exceeds 145 percent of the set exercise price, the exercise price will be increased by an amount equal to the amount the latest price paid for the share exceeds 145 percent of the exercise price.
- The exercise price for Series 2014/2018 corresponds to SEK 88.20. Furthermore, if on subscribing for the share, the last price paid for the company's share when the stock exchange closes on the last trading day preceding the subscription date exceeds 164 percent of the set exercise price, the exercise price will be increased by an amount equal to the amount the latest price paid for the share exceeds 164 percent of the exercise price.

Board members' and executive management's holdings of warrants in Thule Group AB are presented below.

Warrants 2014	Number
Chairman of the Board	
Stefan Jacobsson	546,873
Group management	
President	
Magnus Welander	1,093,749
Other executive management	
Lennart Mauritzson	624,999
Fredrik Erlandsson	312,498
Kajsa von Geijer	312,498
Fred Clark	624,999
Total	3,515,616

The market value of the warrants was calculated by using an established valuation model (Black-Scholes).

Market value per Series:

2014/2016	3.10 SEK
2014/2017	3.30 SEK
2014/2018	3.20 SEK

Conditions of valuation:

Share price	70 SEK (IPO price)
Volatility	23 percent (based on statistical data for comparable, listed companies)
Risk-free interest	0.02 percent, 0.08 percent and 0.2 percent, respectively (based on an interpolation of outstanding government bonds 1050, 1051 and 1052).

Assumed dividends:

2014	1.87 SEK
2015	2.71 SEK
2016	3.07 SEK
2017	3.29 SEK

NOTE 11 LEASE AGREEMENT

Operating leases

Lease expenses

Future payment commitments in the Group on December 31, 2014 for non-terminable operating lease agreements are specified as follows:

	Group		Parent Company	
Fees fall due	2014	2013	2014	2013
Less than 1 year	47	42	-	-
Between 2 and 5 years	58	67	-	-
More than five years	6	12	-	-
Total	111	121	-	-

Expensed leasing fees for the year amounted to SEK 32m (29).

Finance leases

Lease expenses

Future payment commitments in the Group on December 31, 2014 for non-terminable finance lease agreements are specified as follows:

	Group		Parent Company	
Fees fall due:	2014	2013	2014	2013
Nominal values				
Less than 1 year	4	13	-	-
Between 2 and 5 years	13	12	-	-
More than five years	-	3	-	-
Less: Discontinued operations	-	-9	-	-
Total	17	19	-	-

Present values

Less than 1 year	4	13	-	-
Between 2 and 5 years	10	11	-	-
More than five years	-	1	-	-
Less: Discontinued operations	-	-9	-	-
Total	14	16	-	-

Future payment commitments include finance lease agreements for real estate in Belgium as well as finance lease agreements for company cars in Sweden. The lease agreement in Belgium has a term of 15 years and expires on December 19, 2019. The contract may not be canceled but it is possible to purchase the real estate at the end of the contract period. The lease agreement in Sweden for company cars is for three years per vehicle.

NOTE 12 AVERAGE NUMBER OF EMPLOYEES AND GENDER DISTRIBUTION IN GROUP MANAGEMENT

Number of employees

Average number of employees calculated based on the total number of hours worked divided by 1,750 hours.

	2014	Of whom, men	2013	Of whom, men
Parent Company				
Sweden	2	1	-	-
Subsidiaries				
Sweden	292	188	297	193
Europe	1,013	481	1,024	502
North America	709	513	766	565
South America	28	23	30	25
Asia	84	41	91	46
Total subsidiaries	2,126	1,246	2,208	1,331
Total	2,128	1,247	2,208	1,331

Gender distribution in the Group for Board members and other executive management

	Group		Parent Company	
	2014	2013	2014	2013
Board members				
Women	2	2	2	2
Men	5	5	5	5
Total	7	7	7	7
President and other executive management				
Women	1	1	1	-
Men	5	6	1	1
Total	6	7	2	1

NOT 13 PROVISIONS FOR PENSIONS

Group

Post-employment remuneration, such as pensions and other remuneration, is usually paid through regular payments to independent authorities or agencies that thus take over the obligations to the employees, meaning through defined-contribution plans. Other pension plans in the Group comprise defined-benefit plans where the obligation remains with the Group. Defined-benefit plans primarily exist in Thule Group in Sweden through the ITP plan in accordance with the PRI System (retirement pension) and in Italy through the TFR plan (Trattamento de Fine Rapporto). The TFR plan was closed to new vesting from 2007.

New pension regulations for the TFR plan came into effect on January 1, 2007. This means that employees can move their future retirement pay (TFR) to a company or collective pension fund, to their own pension fund or public social security system (INPS). Companies with more than 50 employees may no longer make provisions in the balance sheet for benefits vested under the new TFR plan. Regular premiums will instead be paid to an external party. In accordance with IAS 19, the TFR plan is seen as two separate plans where future provisions are managed similar to defined-contribution plans. Accrued remuneration reserved before the new regulations came into effect (and within six months from January 1, 2007) will continue to be recognized as defined-benefit plans. The provision therefore only covers the defined-benefit portion of TFR.

The ITP plan is encompassed by collective agreement between the Confederation of Swedish Enterprise and PTK.

The defined-benefit ITP plan (ITP2) primarily comprises a retirement pension for life. It is based on final salary on retirement. The benefit amounts to 10 percent of final salary on incomes of up to 7.5 income base amounts, 65 percent of final salary on incomes of between 7.5 and 20 income base amounts and 32.5 percent of final salary on incomes of between 20 and 30 income base amounts. No retirement pension benefit is paid on incomes over 30 income base amounts. Companies in the Group have decided to insure the ITP2 retirement pension by making provisions to an account for pensions in the balance sheet, alongside credit insurance with PRI Pensionsgaranti. In addition to the ITP2 retirement pension, the plan also includes a family pension, disability pension, complementary retirement pension (ITPK) and group life insurance benefits (TGL) for which companies in the Group continuously pay premiums to Alecta/Collectum. According to a statement from the Swedish Financial Reporting Board (UFR 3), the defined-benefit ITP in Alecta is defined as a multiemployer defined-benefit plan. For the 2014 fiscal year, Thule Group did not have access to information from Alecta that made it possible to recognize these pension benefits as a defined-benefit plan. Accordingly, these benefits are recognized as defined-contribution pension plans.

A surplus or a deficit with Alecta may entail a refund to the Group or lower or higher future contributions. At the end of the year, Alecta's surplus in the form of the collective consolidation level was 143 percent (148). The collective consolidation level comprises the market value of the manager's assets as a percentage of the insurance commitments calculated according to the manager's actuarial calculation assumptions.

For the portion of the ITP plan in Sweden that the Group recognizes as a liability via credit insurance with PRI, the Group is exposed to interest rate risk and long lifetime risk. The Group is exposed to an interest rate risk for its pension obligation in Italy.

For defined-benefit plans, the Group's expenses and present value of outstanding obligations are calculated on the balance-sheet date using actuarial calculations. The table below provides information about the most significant actuarial assumptions, recognized expenses during the fiscal year and the value of obligations at the end of the period.

	Sweden		Italy	
	2014	2013	2014	2013
Assumptions in actuarial calculations, %				
Discount rate	2.45	3.70	1.70	3.10
Expected rate of salary increase	1.15	2.75	-	-
Rate of inflation	1.25	1.50	2.00	2.00

The discount rate used by the Group to calculate the defined-benefit pension liabilities in Sweden comprises the market interest rate on the balance-sheet date of Swedish mortgage bonds with a term corresponding to the duration of the Swedish pension obligations. The discount rate used for calculating the Italian pension liabilities was determined based on high-quality EUR-denominated corporate bonds with a term corresponding to the duration of the Italian pension obligations.

For Sweden, the mortality assumptions from the Swedish Financial Supervisory Authority's safeguarding bases are used. The average remaining life expectancy for an individual that retires at age 65 is 18 for men and 20 for women. In Italy, the official Italian standard is followed.

In addition to the impact from amended actuarial assumptions such as a change in the discount rate, etc., actuarial gains and losses arose due to an adjustment of experience-based effects. Experience-based effects refer to actual salary increases compared with assumed increases, actual personnel turnover rate compared with the assumed personnel turnover rate, etc. The distribution between actuarial gains and losses that are dependent on changes in assumptions and experience-based gains and losses are shown below.

SEKm	Sweden		Italy		Total	
	2014	2013	2014	2013	2014	2013
Changes in assumptions						
Gains (-) and losses (+) due to changes in assumptions	18	-36	2	-2	20	-38
Experienced-based gains (-) and losses (+)	4	-4	-	-2	4	-6
Amounts to recognize in other comprehensive income	22	-40	2	-4	24	-44

SEKm	Sweden		Italy		Total	
	2014	2013	2014	2013	2014	2013
Carrying amount of defined-benefit pension plans						
Present value of unfunded obligations	122	120	13	15	135	135
Provisions for pensions	122	120	13	15	135	135

SEKm	Sweden		Italy		Total	
	2014	2013	2014	2013	2014	2013
Changes in present value of obligation for defined-benefit plans						
Obligation per January 1	120	155	15	18	135	173
Discontinued operations	-23				-23	
Expenses for service during current period	5	7	-	-	5	7
Interest expense	4	3	-	1	4	4
Pension payments	-6	-5	-4	-6	-10	-11
Actuarial gains (-) and losses (+)	22	-40	2	-4	24	-44
Exchange-rate differences	-	-	-	2	-	2
Obligation per December 31	122	120	13	15	135	135

In 2015, pension payments are expected to amount to SEK 5m in Sweden and SEK 1m in Italy.

At the end of 2014, the average duration of the Swedish pension obligation was approximately 23 years. The average duration of the Italian pension obligation at the end of 2014 was approximately 12 years.

The present value of the Group's pension obligations is sensitive to changes in the discount rate (interest rate risk). A decline in the discount rate will lead to the present value of the obligations increasing and an increase in the discount rate will lead to the present value of the obligation declining. The table below presents the impact on the present value of the obligations in the event of a 0.5-percentage-point increase and decrease in the discount rate.

SEKm	Sweden	Italy
0.5-percent increase in discount rate	-10	-0
0.5-percent decrease in discount rate	14	0

SEKm	Sweden		Italy		Total	
	2014	2013	2014	2013	2014	2013
Expenses for defined-benefit plans						
Expenses for service during current period	5	7	-	-	5	7
Interest expense	4	3	-	1	4	4
Total expense recognized in income statement	9	10	-	1	9	11

	Group	
	2014	2013
Pension expense recognized in the following lines in income statement		
Cost of goods sold	0	1
Selling expenses	2	3
Administrative expenses	3	3
Finance expenses	4	4
Total	9	11

Defined-contribution pension plans

In Sweden, the Group has defined-contribution pension plans for employees that are entirely funded by the companies.

Abroad, there are defined-contribution plans that are partly funded by the subsidiaries and partly covered through contributions paid by employees. Payments to these plans are carried out on a regular basis according to the rules of the respective plan.

Expenses for defined-contribution pension plans in the Parent Company for the year amounted to SEK 1m (0).

	Group		Parent Company	
	2014	2013	2014	2013
Expenses for defined-contribution pension plans	16	15	1	-
Total	16	15	1	-

NOTE 14 EXPENSES DIVIDED BY TYPE OF COST

	Group	
	2014	2013
Changes in inventory of finished products and work in progress	-431	-434
Raw materials and manufacturing supplies	-1,687	-1,424
Expenses for remuneration of employees	-938	-919
Depreciation/amortization	-79	-74
Other expenses	-919	-963
Total expenses for goods sold, sales and administration	-4,055	-3,814

NOTE 15 NET FINANCIAL ITEMS

	Group		Parent Company	
	2014	2013	2014	2013
Interest income	21	75	1	-
Net exchange-rate fluctuations	-	19	-	-
Financial revenue	21	94	1	-
Interest expense	-223	-251	-	-
Net exchange-rate fluctuations	-134	-	-	-
Other financial expenses	-27	-9	-	-
Interest expense on defined-benefit pension obligations	-4	-4	-	-
Less: Discontinued operations	43	68	-	-
Financial expenses	-345	-196	-	-
Net financial items	-324	-102	1	-

Amounts pertaining to discontinued operations above comprise the financial items recognized in the divested legal companies and not the total net financial items that are attributable to the discontinued operations. Of interest expenses SEK 144m (157) pertained to the category of financial liabilities recognized at amortized cost and SEK 49m (neg: 5) pertained to the category of financial liabilities measured at fair value.

Interest coupons for financial derivatives are netted, meaning that both receipts and payments are recognized as interest expense.

NOTE 16 TAXES

Recognized in income statement	Group		Parent Company	
	2014	2013	2014	2013
Current tax expense/tax revenue				
Tax expense for the year	-80	-99	-	0
Deferred tax expense/tax revenue				
Deferred tax pertaining to temporary differences	-9	-29	-	-
Total recognized tax expense/tax revenue in the Group	-89	-128	-	0

SEK 13m (14) of the recognized tax expense above is attributable to discontinued operations.

Group	2014 (%)	2014	2013 (%)	2013
Effective tax rate reconciliation				
Income before taxes from continuing operations		275		413
Income before taxes from discontinued operations		-327		-224
Tax according to current tax rates for Parent Company	-22.0%	-11	22.0%	41
Impact of other tax rates on foreign subsidiaries	-4.5%	-2	6.6%	12
Non-deductible expenses	172.3%	89	33.7%	63
Non-taxable income	-31.7%	-16	-8.6%	-16
Increase in loss carryforwards without corresponding capitalization of deferred tax	9.1%	5	5.2%	10
Utilization of previously non-capitalized loss carryforwards	-2.0%	-1	-6.5%	-12
Tax attributable to previous years	36.1%	19	14.4%	27
Other	14.1%	7	1.0%	2
Recognized effective tax	171.5%	89	67.8%	128

Tax at the current tax rate is calculated from a weighted average of local tax rates for each country.

The Group has been subject to a tax audit in Germany concerning such matters as internal pricing. The audit covers the period 2005–2008 and concerns following companies: Thule GmbH, Thule Deutschland GmbH and Thule Schneeketten GmbH. The tax authority's decision in matter has been appealed by the company. Reserves have been made on the basis of differences in tax rates in the countries concerned since a tax treaty is in place between these two countries.

Parent Company	2014 (%)		2014	2013 (%)		2013
Effective tax rate reconciliation						
Income before taxes			-368			0
Tax according to current tax rates for Parent Company	-22.0%		-81	22.0%		0
Non-deductible expenses	22.0%		81			-
Recognized effective tax	0.0%		0	0.0%		0
Recognized in statement of comprehensive income						
Group	2014			2013		
	Before tax	Taxes	After tax	Before tax	Taxes	After tax
Foreign currency translation	241	-	241	76	-	76
Hedge reserve	-26	5	-21	1	-	1
Net investment hedge	-127	28	-99	-105	23	-82
Translation differences recognized in consolidated net income	23	17	39	-	-	-
Actuarial gains and losses	-24	6	-19	44	-8	36
Foreign currency translation (increased investment)	208	-46	163	41	-9	32
Other comprehensive income	295	9	304	57	6	63

Recognized in consolidated balance sheet**Recognized deferred tax receivables and liabilities**

Deferred tax receivables and liabilities pertain to the following:

Group	Deferred tax receivables		Deferred tax liabilities		Net	
	2014	2013	2014	2013	2014	2013
Tangible assets	17	16	-36	-63	-19	-47
Intangible assets	32	53	-76	-81	-44	-28
Inventories	33	34	-5	-12	28	22
Receivables	2	9	-	-	2	9
Liabilities	46	55	-2	-2	43	53
Other	8	5	-	-1	8	4
Loss carryforwards	382	306	-	-	382	306
Tax allocation reserves	-	-	-34	-26	-34	-26
Tax receivables/liabilities	520	478	-154	-185	366	293
Offset	-	-	-	-	-	-
Tax receivables/liabilities, net	520	478	-154	-185	366	293

Changes in deferred tax receivables were recognized as follows:

Tax receivables on January 1	293
Recognized through profit or loss	
-temporary differences	-50
-loss carryforwards	41
Recognized in statement of comprehensive income	9
Divested tax receivables/liabilities	18
Currency effect	55
On December 31	366

Non-recognized deferred tax receivables

Deductible temporary differences and loss carryforwards for which no deferred tax receivables have been recognized in the statement of financial position:

Group	2014	2013
Tax deficit	376	392
	376	392

SEK 0 million of the loss carryforwards is due in 2015. The remainder of the loss carryforwards is due at a later date, or is unlimited in time.

Deferred tax receivables have not been recognized for these items since it is unlikely the Group will utilize them for deductions against future taxable gains.

NOTE 17 EARNINGS PER SHARE

2014	Continuing operations	Discontinued operations	Total
Earnings per share before dilution			
Net income attributable to Parent Company's shareholders	199	-340	-140
Average number of shares outstanding (in thousands)	85,894	85,894	85,894
Earnings per share before dilution	2.32	-3.95	-1.63
Earnings per share after dilution			
Net income attributable to Parent Company's shareholders	199	-340	-140
Average number of shares outstanding (in thousands)	85,904	85,904	85,904
Earnings per share after dilution	2.32	-3.95	-1.63

2013	Continuing operations	Discontinued operations	Total
Earnings per share before dilution			
Net income attributable to Parent Company's shareholders	299	-238	61
Average number of shares outstanding (in thousands)	84,483	84,483	84,483
Earnings per share before dilution	3.54	-2.82	0.72
Earnings per share after dilution			
Net income attributable to Parent Company's shareholders	299	-238	61
Average number of shares outstanding (in thousands)	84,483	84,483	84,483
Earnings per share after dilution	3.54	-2.82	0.72

Earnings per share before dilution

The calculation for earnings per share is based on net income attributable to the Parent Company's shareholders and on a weighted average number of shares outstanding.

In thousands	2014	2013
Total number of shares on January 1	84,483	84,481
Impact of new issue in June 2013	-	2
Impact of new issue in January 2014	7	-
Impact of new issue in November 2014	1,404	-
	85,894	84,483

Earnings per share after dilution

The calculation for earnings per share after dilution is based on net income attributable to the Parent Company's shareholders and on a weighted average number of shares outstanding.

Shares in thousands	2014	2013
Weighted average number of shares	85,894	84,483
Impact of warrants	10	-
	85,904	84,483

NOTE 18 INTANGIBLE ASSETS

Group	Goodwill	Intangible assets	Advance	Total
Accumulated cost				
Opening balance, January 1, 2013	4,482	229	-	4,711
Business combinations	-	72	-	72
Other investments	-	3	8	11
Other changes/reclassifications	-	5	-	5
Exchange-rate differences for the year	72	-1	-	71
Closing balance, December 31, 2013	4,554	308	8	4,870
Opening balance, January 1, 2014	4,554	308	8	4,870
Other investments	-	15	-	15
Discontinued operations	-911	-107	-8	-1,026
Exchange-rate differences for the year	396	12	-	408
Closing balance, December 31, 2014	4,038	228	-	4,266
Accumulated amortization and impairment				
Opening balance, January 1, 2013	-	-154	-	-154
Business combinations	-	-1	-	-1
Amortization for the year	-	-24	-	-24
Impairment for the year	-250	-	-	-250
Closing balance, December 31, 2013	-250	-179	-	-429
Opening balance, January 1, 2014	-250	-179	-	-429
Discontinued operations	600	21	-	621
Amortization for the year	-	-18	-	-18
Impairment for the year	-350	-	-	-350
Exchange-rate differences for the year	-	-8	-	-8
Closing balance, December 31, 2014	-	-184	-	-184

	Goodwill	Intangible assets	Advance	Total
Carrying amounts				
At January 1, 2013	4,482	75	-	4,557
At December 31, 2013	4,303	130	8	4,441
At January 1, 2014	4,303	130	8	4,441
At December 31, 2014	4,038	44	-	4,082

The Group does not have any internally generated intangible assets. The total research and development expenses for the year amounted to SEK 201m (181).

Amortization and impairment are included in the following rows of the income statement for 2014

Cost of goods sold	1
Selling expenses	15
Administrative expenses	2
Total continuing operations	18
Impairment recognized under discontinued operations in income statement	350

Amortization and impairment are included in the following rows of the income statement for 2013

Cost of goods sold	1
Selling expenses	15
Administrative expenses	1
Total continuing operations	17
Amortization recognized under discontinued operations in income statement	6
Impairment recognized under discontinued operations in income statement	250

Impairment testing of goodwill

An annual test is performed to see if there is any need for impairment by calculating the recoverable amount of the cash-generating units (CGU) to which goodwill has been allocated.

A summary of the distribution of goodwill at operating segment level is provided below.

	2014	2013
Outdoor&Bags	4,023	3,630
Towing, Towbars	0	661
Towing, Trailers	0	0
Specialty	15	12
	4,038	4,303

During the year, goodwill was regrouped, whereby SEK 15m (12) was reallocated to the *Specialty* segment. Goodwill pertains to the *Work Gear* CGU, for further information refer to Note 5.

Impairment testing 2013

An indicative bid for the *Trailer* Division showed that the recoverable amount for parts of the goodwill recognized in the Trailer CGU was lower than the carrying amount. Accordingly, the amount was impaired by SEK 250m.

Impairment testing 2014

The *Towing* operating segment, comprising the *Trailer* and *Towbars* CGUs, was divested during the year. In the second quarter, a SEK 350m impairment of goodwill was made in relation to the *Towing* Division's estimated net realizable value.

The recoverable amount of the cash-generating units' estimated value-in-use is included in the impairment test. The current weighted average cost of capital (WACC), estimated at 8.3 percent (9.9) after tax and 8.4 percent (10.1) before tax, is used in the present value calculation of values-in-use. The requirement for return on equity is determined according to the Capital Asset Pricing Model and interest for debt/equity ratio reflects a market-based borrowing cost. Optimal debt/equity ratio has been set at 20 percent.

The estimates that form the basis of the value-in-use calculations for each segment were based on budgets determined by the company management for the coming year and on strategic plans established by the Board for the next three years.

The cash flow for the following years has been extrapolated, assuming an annual growth rate for the *Outdoor&Bags* segment of 3 percent (3) and for the *Specialty* segment, 2 percent

Important variables in forecasting cash flows**Growth rate**

Thule's growth rate is based on sales volume growth. These assumptions are based on planned launches of new products, planned price increases and marketing investments for each unit and historical experience.

The market growth used is expected to follow the general growth rate of each market.

Level of performance

Raw material costs for the larger categories were reviewed. More efficient sourcing, achieved by planned and implemented structural changes, was taken into consideration.

Forecasted payroll expenses are based on expected inflation, a degree of real income growth, planned efficiency enhancements in the Group's production and impacts of planned recruiting.

The forecast is also based on the effective handling of the Group's working capital and necessary replacement investments.

The recoverable amount for CGUs exceeds the carrying amount.

NOTE 19 TANGIBLE ASSETS

Group	Land and buildings	Plant and machinery	Equipment, tools, fixtures and fittings	Construction in progress	Total
Accumulated cost					
Opening balance, January 1, 2013	791	927	589	33	2,340
Business combinations	-	12	-	-	12
Other investments	4	35	81	29	149
Divestments and scrapping	-1	-41	-91	-	-133
From in progress	8	7	2	-18	-1
Other changes/reclassifications	-3	-39	37	-5	-10
Exchange-rate differences for the year	22	20	7	1	50
Closing balance, December 31, 2013	821	921	625	40	2,407
Opening balance, January 1, 2014	821	921	625	40	2,407
Discontinued operations	-383	-290	-352	-18	-1,043
Other investments	3	15	16	88	122
Divestments and scrapping	-2	-9	-19	-	-30
From in progress	48	14	1	-63	-
Other changes/reclassifications	5	13	10	-28	-
Exchange-rate differences for the year	53	54	29	1	136
Closing balance, December 31, 2014	545	717	309	21	1,592

	Land and buildings	Plant and machinery	Equipment, tools, fixtures and fittings	Construction in progress	Total
Accumulated depreciation and impairment					
Opening balance, January 1, 2013	-323	-725	-409	-	-1,457
Business combinations	-	-6	-	-	-6
Divestments and scrapping	1	41	68	-	110
Other changes/reclassifications	3	37	-35	-	5
Depreciation for the year	-26	-49	-60	-	-135
Exchange-rate differences for the year	-9	-17	-7	-	-33
Closing balance, December 31, 2013	-354	-719	-443	-	-1,516
Opening balance, January 1, 2014	-354	-719	-443	-	-1,516
Discontinued operations	148	228	221	-	598
Divestments and scrapping	2	7	15	-	24
Other changes/reclassifications	-	-	-	-	-
Depreciation for the year	-14	-27	-20	-	-61
Exchange-rate differences for the year	-17	-37	-22	-	-76
Closing balance, December 31, 2014	-234	-549	-250	-	-1,033
Carrying amounts					
At January 1, 2013	468	202	180	33	883
At December 31, 2013	467	200	183	41	891
At January 1, 2014	467	200	183	41	891
At December 31, 2014	310	169	59	21	559

Of the carrying amount on the balance-sheet date, SEK 11m (38) pertains to finance lease agreements for buildings and SEK 9m (11) for finance lease agreements for company cars.

NOTE 20 INVENTORIES

	Group	
	Dec 31, 2014	Dec 31, 2013
Raw materials and consumables	172	245
Products in progress	93	137
Finished goods and goods for resale	530	539
Total	795	921

Change in recognized inventory obsolescence

On January 1	118	71
Provision for obsolescence	27	74
Impairment of inventories	-11	-11
Reversal of previous years' reserves	-18	-17
Currency effect	12	1
Less: Discontinued operations	-22	-
On December 31	106	118

NOTE 21 ACCOUNTS RECEIVABLE

	Group	
	Dec 31, 2014	Dec 31, 2013
Accounts receivable, gross	777	828
Less, reserve for doubtful receivables	-23	-25
Accounts receivable, net	754	803

There was no significant concentration of credit exposure on the balance-sheet date. The majority of the Group's customers primarily comprise medium-sized customers.

Age analysis of accounts receivable, no provisions

Not due	664	688
Due between 1-30 days	76	95
Due between 31-60 days	13	17
Due more than 60 days	24	28
Less, reserve for doubtful receivables	-23	-25
Total	754	803

Fair value of accounts receivable agrees with the carrying amount. The credit quality of receivables with no provision is considered to be high.

Changes in the provisions for doubtful receivables is as follows:

On January 1	-17	-20
Provision for doubtful receivables	-7	-11
Receivables written off during the year as uncollectible	1	4
Reversal of previous years' reserves	1	2
Currency effect	-1	-
Less: Discontinued operations	-	8
On December 31	-23	-17

NOTE 22 CASH AND CASH EQUIVALENTS

	Group	
	Dec 31, 2014	Dec 31, 2013
Cash and cash equivalents	113	314
Short-term investments with a term of less than three months from acquisition date	1	71
Cash and cash equivalents	114	385

NOTE 23 SPECIFIC DISCLOSURES REGARDING EQUITY

	Common shares		Preference shares	
In thousands	2014	2013	2014	2013
Issued January 1	282,353	282,353	164,979	164,959
New issue of shares	15,508	-	41	20
Merger	-254,118	-	-148,518	-
Conversion	16,502	-	-16,502	-
Bonus issue	39,755	-	-	-
Issued December 31 – paid	100,000	282,353	0	164,979

On November 26, Thule Group AB was listed on the Nasdaq Stockholm Mid Cap list. The Group did not buy back or hold any treasury shares during the fiscal year. The number of shares approved, issued and fully paid as per December 31, 2014 was 100,000,000. The company has only one class of share.

At General Meetings of shareholders, each share carries one vote and each shareholder is entitled to vote the full number of shares such shareholder holds in the company.

All shares carry equal rights to the Company's assets and profits. The quotient value (nominal value) of the share is SEK 0.01118 per share. In connection with listing of Thule Group's shares on Nasdaq Stockholm, all preference shares were converted into common shares. In addition, a directed new issue amounting to SEK 992m took place with the principal owner and a bonus issue was implemented to reflect a share ownership among the shareholders at the time in the basis of the economic value of each preference share.

Dividends

The Board proposes a dividend of SEK 2.00 per share, totaling SEK 200m, divided between two installment dates, SEK 1.00 in May 2015 and SEK 1.00 in October 2015. The dividend will be adopted at the Annual General Meeting held on April 29.

Capital management

Under the Board's policy, the Group's financial target is to maintain a financial position that is conducive to maintaining investor, creditor and market confidence and that sustains future development of the business.

The Board seeks to maintain a balance between the higher returns, that may be possible with higher levels of borrowings, and the advantages and security offered by a sound capital structure. The key figure that the company's management and external stakeholders mainly assess with respect to capital structure is the net debt to EBITDA ratio. Thule Group aims to maintain an effective long-term capital structure, defined as the net debt to EBITDA ratio (adjusted for items affecting comparability), of about 2.5x. This key figure is monitored on a regular basis via the internal reporting to management and the Board. Capital is defined as equity.

Group

Translation reserve

The translation reserve includes all exchange-rate differences arising on the translation of the financial statements from foreign operations that have prepared their financial statements in a different currency to the currency in which the consolidated financial statements are presented. The Parent Company and Group present their financial statements in Swedish kronor (SEK). Furthermore, the translation reserve comprises exchange-rate differences that arise from the revaluation of liabilities that were recognized as hedging instruments of a net investment in a foreign business.

Hedge reserve

The hedge reserve includes the effective portion of the accumulated net change in fair value of a cash flow hedging instrument attributable to hedge transactions that have not yet occurred.

Parent Company

Restricted reserves

Restricted reserves may not be reduced through dividends.

Non-restricted equity

The following reserves, together with net income, comprise non-restricted equity – the amount that is available for shareholder dividends.

Share premium reserve

When shares are issued at a premium, meaning that a higher amount than the quotient value is paid for the share, an amount corresponding to the surplus of the quotient value of the share is recognized in the share premium reserve.

Profit brought forward

Profit brought forward comprises profit brought forward from the preceding year after deductions for any dividends paid during the year. No dividends were paid for the year.

NOTE 24 LIABILITIES TO CREDIT INSTITUTIONS

	Group		Parent Company	
	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Long-term interest-bearing liabilities				
Long-term liabilities to credit institutions	2,363	4,355	2,363	-
Leasing	13	15	-	-
Derivative liabilities - long-term	-	66	-	-
Total	2,376	4,436	2,363	-

Short-term interest-bearing liabilities

Short-term liabilities to credit institutions	250	236	250	-
Overdraft facility	4	7	-	-
Leasing	4	13	-	-
Derivative liabilities - short-term	34	32	-	-
Total	292	288	250	-

Term structure of liabilities to credit institutions

	Group		Parent Company	
	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Overdraft facilities	4	7	-	-
1 year	288	270	250	-
2-3 years	1	3,403	-	-
4-5 years	2,374	1,004	2,363	-
More than five years	-	40	-	-
Total	2,668	4,724	2,613	-

NOTE 25 ACCRUED EXPENSES AND DEFERRED INCOME

	Group		Parent Company	
	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Employee-related expenses	142	197	7	-
Bonuses to customers	118	110	-	-
Prepaid rental income	-	121	-	-
Other items	67	104	-	-
Total	327	532	7	-

NOTE 26 PROVISIONS

	Group		Parent Company	
	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Restructuring expenses	29	28	-	-
Guarantee commitments	15	15	-	-
Ongoing tax audit, Germany	46	27	-	-
Other provisions	17	2	6	-
Total	107	72	6	-

	Restructuring expenses	Other provisions
Carrying amount at beginning of year	28	2
New provisions	38	44
Amounts utilized during the period	-28	-29
Reversed provisions	-	-
Less: Discontinued operations	-10	-
Currency effect	1	-
Carrying amount at end of period	29	17

Provisions for restructuring primarily pertain to restructuring in Italy (snow chain operations), the closure of the warehouse and distribution center in Belgium and restructuring in North America.

NOTE 27 CASH FLOW STATEMENT

	Group		Parent Company	
	2014	2013	2014	2013
Interest paid	-336	-254	-	-
Adjustments for items not included in cash flow				
Depreciation/amortization and impairment of assets	434	459	-	-
Provisions	42	-20	-	-
Capital gain from divestment of shares	-	-	368	-
Unrealized financial items	24	-60	-	-
Total	500	379	368	-

	2013
Acquisition of subsidiaries and other business units	
<i>Acquired assets and liabilities:</i>	
Intangible assets	71
Tangible assets	6
Inventories	4
Short-term receivables	3
Total assets	84
Short-term liabilities	-24
Total liabilities and provisions	-24
Purchase consideration	60
Less:	0
Purchase consideration paid	60
Less:	0
Impact on cash and cash equivalents	60

	Group		Parent Company	
	2014	2013	2014	2013
Cash and cash equivalents				
<i>The following sub-components are included in cash and cash equivalents:</i>				
Cash and cash equivalents	113	314	-	34
Short-term investments, equal to cash and cash equivalents	1	71	-	-
Total according to consolidated balance sheet and statement of cash flows	114	385	-	34

NOTE 28 APPROPRIATIONS

Parent Company	2014	2013
Group contribution received	31	-
Total	31	-

NOTE 29 PARTICIPATIONS IN SUBSIDIARIES

Parent Company	Dec 31, 2014	Dec 31, 2013
Opening cost	1 000	1 000
Closing accrued cost	1 000	1 000
Closing carrying amount of direct holdings of participations in subsidiaries	1 000	1 000

Name	Corp. Reg. No.	Registered office	Share of equity, %
Thule AB	556770-6329	Malmö	100
Thule Holding AB	556662-7138	Malmö	100
Thule Towing Systems AB	556259-0298	Malmö	100
Thule NV		Menen	100
Thule Organization Solutions Asia Pacific Ltd.		Hongkong	100
Thule Organization Solutions Shenzhen Co Ltd		Shenzhen	100
Thule Organization Solutions Holding BV		Utrecht	100
Thule Organization Solutions S.A.		Gembloux	100
Thule Organization Solutions SL		Madrid	100
Thule Organization Solutions S.A.R.L.		Rosny Sous Bois	100
Thule Organization Solutions BV		Utrecht	100
Thule S.p.A.		Lecco	100
Thule SARL		Les Marches	100
Thule Finans AB	556043-6858	Malmö	100
Thule Sp.zo.o.		Huta	100
Thule Japan KK		Tokyo	100
Thule S.r.o		Prag	100
Thule Sweden AB	556076-3970	Gnosjö	100
Thule Brasil Comércio de Acessórios		Sao Paulo	100
Thule Shanghai Co Ltd		Shanghai	100
Thule IP AB	556578-1282	Malmö	100
Thule Merchandizing AB	556849-4016	Malmö	100
Thule Brasil Distribuidora Ltda		Sao Paulo	100
Thule Child Transport Systems Ltd		Vancouver	100
Thule Sport Rack Beheer B.V.		Staphorst	100
Thule Canada Holding LLC		Wilmington, Delaware	100
Thule Canada Inc		Granby	100
Thule Holding ApS		Nr. Aaby	100
Brink Nordisk Holdings ApS		Fensmark	100
Ellebi Srl		S. Vittoria	100
Thule Holding Inc		Seymour	100
Thule Inc.		Seymour	100
Thule Towing Systems LLC		Detroit	100
Thule Organization Solutions Holding Inc.		Wilmington, Delaware	100
Thule Organization Solutions Inc.		Longmont, Colorado	100
Thule Organization Solutions Canada Inc.		Toronto	100
Thule Holding Ltd		Rotherham	100
Thule (UK) Ltd		Rotherham	100
Thule Outdoor Ltd		Rotherham	100
Thule Ltd		Rotherham	100
Thule Karrite Ltd		Rotherham	100
Thule Deutschland Holding AB		Malmö	100
Thule Deutschland Holding GmbH		Neumarkt	100
Thule GmbH		Neumarkt	100
Thule Trailers South Africa (Pty) Ltd		Germiston	100

NOTE 30 PLEDGED ASSETS

	Group		Parent Company	
	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Liabilities to credit institutions				
Real estate mortgages	-	290	-	-
Chattel mortgages	-	3,593	-	-
Intercompany receivables	-	2,949	-	-
Shares in subsidiaries	-	-	-	1,000
Other assets	28	251	-	34
Total pledged assets	28	7,083	-	1,034

In 2013, all assets in the Group were pledged by pledging shares subsidiaries.

NOTE 31 CONTINGENT LIABILITIES

Group	Group	
	Dec 31, 2014	Dec 31, 2013
Bank guarantees	1	-
Pension liability, PRI	2	2
Other contingent liabilities	10	17
Total contingent liabilities	13	19

Other contingent liabilities in 2014 primarily refer to guarantees in the form of documentary credit for local occupational injury insurance in the US.

NOTE 32 EVENTS AFTER THE BALANCE-SHEET DATE

No significant events that could impact the operations occurred after the end of the reporting period.

NOTE 33 RELATED-PARTY TRANSACTIONS

All of the Group companies presented in Note 29 are considered to be related parties.

Transactions take place between Thule Group companies concerning deliveries of goods and services, and the provision of financial and intangible services. Market terms and pricing are applied to all transactions. All intra-Group transactions are eliminated. The Parent Company's transactions with subsidiaries comprise the transactions presented below.

As of September 30, Thule Group contracted to divest its shares in Brink Group B.V., the parent company of the Towing Division, to Thule Group AB's existing shareholders. The transfer was carried out at the market price for the operations, which was estimated at EUR 77m.

At the Extraordinary General Meeting of Thule Group AB on November 12, a resolution was passed to issue warrants as part of an incentive program for the management and the Chairman of the Board. Warrants have been issued to and subscribed for by Thule Group AB's subsidiary Thule AB.

For information regarding remuneration and benefits paid to executive management and the Board, refer to Notes 10 and 13.

Receiveables from and liabilities to subsidiaries	Parent Company	
	Dec 31, 2014	Dec 31, 2013
Interest-bearing long-term receivables	3,971	-
Interest-bearing short-term receivables	43	-
Interest-bearing long-term liabilities	-368	-
Interest-bearing short-term liabilities	-354	-
Total	3,292	-

NOTE 34 ASSESSMENTS AND ASSUMPTIONS

The preparation of the annual accounts and the application of accounting standards are, in some cases, based on assessments, estimates and other assumptions that management considers to be reasonable under the current conditions. For obvious reasons, these assessments and assumptions are based on experiences and expectations of future events. If different assessments and assumptions were made, the results might be different.

Goodwill

An assessment is made every year as to whether goodwill requires impairment. For groups of cash-generating units, the value-in-use is calculated to determine the recoverable amount of each unit. Assumptions about future cash flows and estimates of parameters are made as a basis for the calculation. These are explained in Note 18.

Taxes

Deferred tax is calculated on the temporary differences between the tax and carrying amounts of liabilities and assets. There are two types of assessments and assumptions in these calculations that can affect the deferred tax recognized. The first is the assessments and assumptions made to determine the carrying amount and, the second, the assessments made to determine the possibility of using existing loss carryforwards on future taxable profits. The budget and strategic plan for future years were also taken into consideration in the assessment of loss carryforwards.

The Group has been subject to a tax audit in Germany concerning such matters as internal pricing. The audit covers the period 2005–2008 and concerns following companies: Thule GmbH, Thule Deutschland GmbH and Thule Schneeketten GmbH. The tax authority's decision in matter has been appealed by the company. Reserves have been made on the basis of differences in tax rates in the countries concerned since a tax treaty is in place between these two countries.

The income statements and balance sheets will be presented to the 2015 Annual General Meeting on April 29 for adoption.

The Board of Directors and President affirm that this Annual Report was prepared in accordance with generally accepted accounting policies in Sweden and that the consolidated financial statements were prepared in accordance with the international accounting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and the Council issued on July 19, 2002 on the application of international accounting standards. The Annual Report and consolidated financial statements provide a true and fair view of the Parent Company's and the Group's financial position and earnings. The Board of Directors' Report provides a true and fair overview of the Parent Company's and the Group's operations, financial position and earnings, and describes the significant risks and uncertainties to which the Parent Company and the companies included in the Group are exposed.

Malmö, March 17, 2015

Stefan Jacobsson
Chairman of the Board

Bengt Baron
Board member

Hans Eckerström
Board member

Liv Forhaug
Board member

Lilian Fossum Biner
Board member

David Samuelson
Board member

Åke Skeppner
Board member

Magnus Welander
President and CEO

Our audit report was submitted on March 23, 2015.
KPMG AB

Helene Willberg
Authorized Public Accountant

Auditor's report

To the annual meeting of the shareholders of Thule Group AB (publ),
corp. id. 556770-6311.

Report on the annual accounts and consolidated accounts

We have audited the annual accounts and consolidated accounts of Thule Group AB (publ) for the year 2014, except for the corporate governance statement on pages 35–40. The annual accounts and consolidated accounts of the company are included in the printed version of this document on pages 30–75.

Responsibilities of the Board of Directors and the Managing Director for the annual accounts and consolidated accounts

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these annual accounts in accordance with the Annual Accounts Act and of the consolidated accounts in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2014 and of their financial performance and cash flows for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2014 and of their financial performance and cash flows for the year then ended in

accordance with International Financial Reporting Standards, as adopted by the EU, and in accordance with the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 35–40. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the parent company and the statement of comprehensive income and consolidated balance sheet for the group.

Report on other legal and regulatory requirements

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the Managing Director of Thule Group AB (publ) for the year 2014. We have also conducted a statutory examination of the corporate governance statement.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the Managing Director are responsible for administration under the Companies Act, and that the corporate governance statement on pages 35–40 has been prepared in accordance with the Annual Accounts Act.

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As basis for our opinion on the Board of Directors proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

As basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we examined

significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the Managing Director is liable to the company. We also examined whether any member of the Board of Directors or the Managing Director has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

We believe that the audit evidence we have obtained as above is sufficient and appropriate to provide a basis for our opinions.

Furthermore, we have read the corporate governance statement and based on that reading and our knowledge of the company and the group we believe that we have sufficient basis for our opinions. This means that our statutory examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted audit standards in Sweden.

Opinions

We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

A corporate governance statement has been prepared, and its statutory content is consistent with the other parts of the annual accounts and consolidated accounts.

Malmö, March 23, 2015

KPMG AB

Helene Willberg
Authorized Public Accountant



Board of Directors

Stefan Jacobsson

Chairman of the Board

Born 1952.

Chairman since 2011.

Selected current Board assignments:

Chairman of Woody Bygghandel AB, Board member of Nobia AB and Etac AB.

Selected previous appointments:

Chairman and President of Puma AG, President of NFL-corp. (ABG, Kährs, Bauwerk AG, Marty S/A), President of Tretorn AB/Etonic Inc., President of ABU/ Garcia AB



Hans Eckerström

Board member

Born 1972.

Board member since 2007.

Partner, NC Advisory AB, advisor to the Nordic Capital Funds.

Education: MSc in Mechanical Engineering, Chalmers University of Technology and MSc in Business and Economics, Gothenburg School of Business, Economics and Law at University of Gothenburg.

Selected current Board assignments: Board member of Britax Childcare Limited.

Selected previous appointments: Chairman of Britax Childcare Limited and Board member of Nefab AB, Cloetta AB and Aditro AB.



Lilian Fossum Biner

Board member

Born 1962.

Board member since 2011.

Education: MSc in Economics and Business Administration, Stockholm School of Economics.

Selected current Board assignments: Board member of Nobia AB, Lundbergföretagen, Oriflame Cosmetics S.A., Givaudan, etc.

Selected previous appointments: Board member of Holmen AB and Cloetta AB.

Liv Forhaug

Board member

Born 1970.

Board member since 2014.

SVP Strategy and Business Development at ICA Group.

Education: MSc in Economics and Business Administration, Stockholm School of Economics.

Selected current Board assignments: Board member of Hemtex AB.

Selected previous appointments: Partner and Head of Scandinavian Consumer Practice at McKinsey & Co.



David Samuelson

Board member

Born 1982.

Board member since 2012.

Director, NC Advisory AB, advisor to the Nordic Capital Funds.

Education: MSc in Economics and Business Administration, Stockholm School of Economics and ESADE in Barcelona, Spain.

Selected current Board assignments: Board member of Ellos Group and Resurs Holding AB.

Selected previous appointments: Board member of Munters AB.



Åke Skeppner

Board member

Born 1951.

Board member since 2002.

Former President of Thule Group (1990 - 2002).

Education: LL.M., Lund University.



Bengt Baron

Board member

Born 1962.

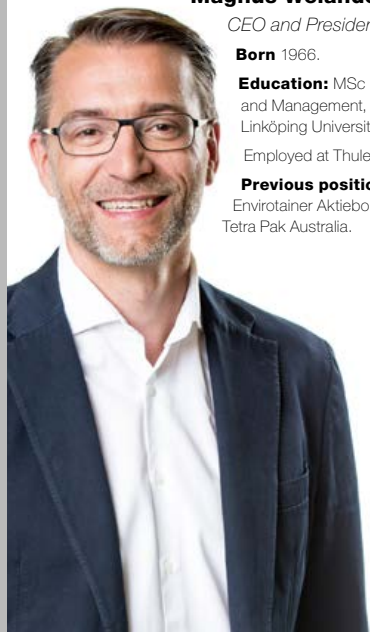
Board member since 2011.
President of Cloetta AB.

Education: BSc in Business Administration, University of California at Berkeley. MBA, University of California at Berkeley.

Selected previous appointments:

President of V&S AB, consultant at McKinsey & Co, Sweden Country Manager at Coca-Cola AB.

Executive management



Magnus Welanders

CEO and President

Born 1966.

Education: MSc in Industrial Engineering and Management, Institute of Technology at Linköping University.

Employed at Thule Group since 2006.

Previous positions: President of Envirotainer Aktiebolag, Technical Director at Tetra Pak Australia.

Kajsa von Geijer

Senior Vice President, Human Resources

Born 1964.

Education: BSc in Human Resource Development and Labour Relations, Lund University.

Employed at Thule Group since 2005.

Previous positions: HR Director Europe at FMC Food Tech, HR Director Nordic at Levi Strauss, various HR positions at Nestlé and Trelleborg AB.



Fredrik Erlandsson

Senior Vice President Communications

Born 1970.

Education: University studies, Lund University and Copenhagen University.

Employed at Thule Group since 2010.

Previous positions: Corporate Relations Director, Nordics and Eastern Europe at Diageo, GM Ehrenberg Kommunikation Scandinavia, chief of staff of one of the European Parliament's national delegations.



Lennart Mauritzson

CFO

Born 1967.

Education: BSc in Finance and Business Administration, Halmstad University. Law studies, Lund University.

Employed at Thule Group since 2011.

Previous positions: CFO Beijer Electronics, Vice President Finance of Cardo AB. and senior positions in finance at Acadia Pharmaceuticals and Pharmacia Pfizer.



Fred Clark

President Outdoor&Bags, Region Americas

Born 1959.

Education: BSBA Quantitative Methods, Western New England University and MBA Management Science.

Employed at Thule Group since 1993.

Previous positions: Various senior positions at Thule Group and various senior positions at C. Cowles & Co.

The Thule share and shareholders

Thule Group's share has been listed on Nasdaq Stockholm since November 26, 2014.

At December 31, 2014, Thule Group AB had 2,104 shareholders, of which 324 (15.4 percent) were financial and institutional investors and 1,780 (84.6 percent) were private individuals. Foreign owners accounted for 15.4 percent of the votes and capital. The ten largest owners represented 84.7 percent of the votes and capital.

The highest price paid during the period between November 26 and December 31, 2014 was SEK 89.50 and the lowest price paid was SEK 78.00. During the period between November 26 to January to December 31, 2014, Thule Group share price increased 12.5 percent.

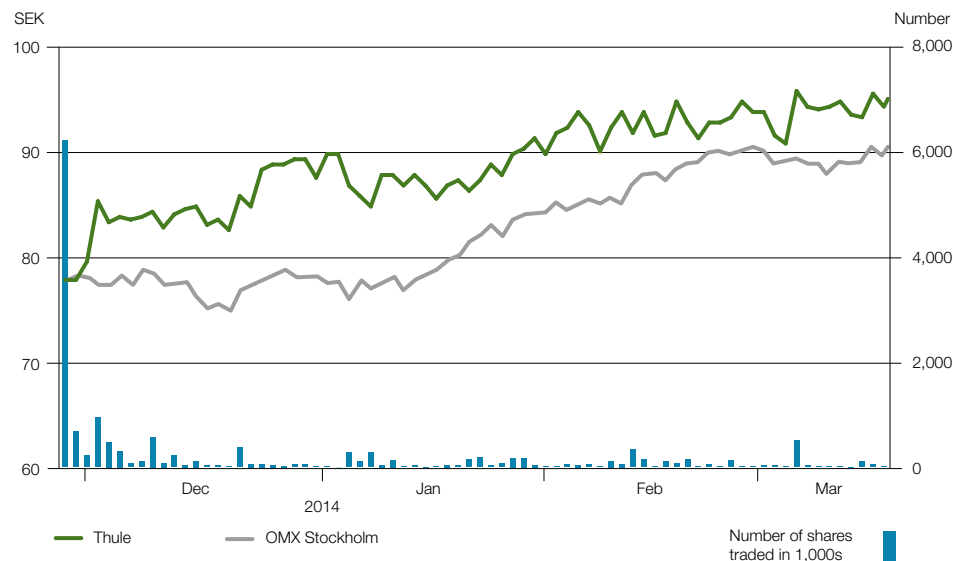
Share capital and capital structure

At December 31, 2014, Thule Group's share capital amounted to SEK 1,117,635.12. The number of common shares totaled 100,000,000.

According to the Articles of Association, share capital shall amount to not less than SEK 500,000 and not more than SEK 2,000,000, divided between not less than 44,737,320 and not more than 178,949,280 shares.

Thule Group's Articles of Association contain a central securities depository clause and the company's shares are registered with Euroclear Sweden AB, which means that Euroclear Sweden AB administers the company's share register and registers the shares for individuals. All shares carry equal rights to the company's profits and shares of surpluses in the event of liquidation.

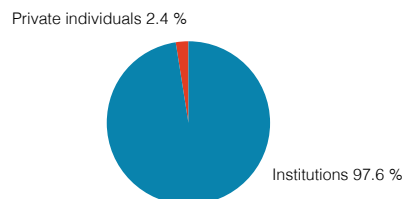
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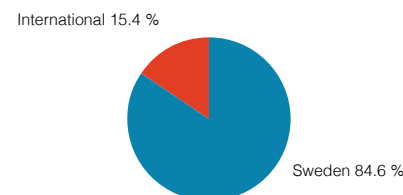
Ten largest owners

Owner	No. of shares	%
NC Outdoor VI AB	38,864,535	38.9
NC Outdoor VII AB	25,417,690	25.4
AMF - Försäkring och Fonder	7,753,168	7.8
Lannebo fonder	3,641,666	3.6
Handelsbanken fonder AB RE JPMEL	2,147,177	2.1
Swedbank Robur fonder	1,653,559	1.6
Nordea Investment Funds	1,650,308	1.6
Skandinaviska Enskilda Banken S.A., W8imy	1,412,000	1.4
Länsförsäkringar Fondförvaltning AB	1,167,000	1.2
Deutsche Bank AG LDN-Prime Broker	1,111,036	1.1

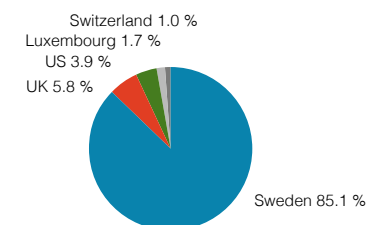
Share of votes and capital, Sweden



Share of vote and capital, Swedish and international owners



Share of votes and capital, 5 largest countries



Definitions

Continuing operations Comprises the Outdoor & Bags and Specialty operating segments.

Debt/equity ratio Net debt divided by the rolling twelve-month EBITDA.

Discontinued operations Comprises the former Towing operating segment, comprising trailer and towing operations.

Earnings per share Net income for the period divided by the average number of shares during the period.

EBIT (Earnings Before Interest and Taxes) Income before net financial items and taxes.

EBIT margin EBIT as a percentage of net sales.

EBITDA (Earnings before interest, taxes, depreciation and amortization) Income before net financial items, taxes and depreciation/amortization and impairment of tangible and intangible assets.

EBITDA margin EBITDA as a percentage of net sales.

Equity per share Equity divided by the number of shares at the end of the period.

Equity ratio Equity as a percentage of total assets.

Gross debt Total long and short-term borrowing including overdraft facilities, financial derivative instruments, capitalized financing costs and accrued interest.

Gross income Net sales less cost of goods sold.

Gross margin Gross income as a percentage of net sales.

Net debt Gross debt less cash and cash equivalents.

Net investments Investments in tangible and intangible assets adjusted for disposals.

Underlying EBITDA EBITDA exclusive items affecting comparability.

Underlying EBIT EBIT exclusive items affecting comparability and depreciation/amortization excess values.

Working capital Comprises inventories, tax receivables, accounts receivable, prepaid expenses and accrued income, other receivables, cash and cash equivalents less accounts payable, income tax liabilities, other liabilities, accrued expenses and deferred income and provisions.

Information to shareholders

Annual General Meeting

The Annual General Meeting (AGM) of Thule Group AB (publ) will be held on Wednesday, April 29, 2015 at 4:00 p.m. CET in the St. Gertrud Konferenscenter, Östergatan 9, Malmö, Sweden.

Right to attend

Shareholders who wish to attend the AGM must:

- be recorded in the share register kept by Euroclear Sweden AB (the Swedish Central Securities Depository) on Thursday, April 23, 2015, and
- notify the company of their intention to attend the AGM by Thursday, April 23, 2015, preferably before 4:00 p.m. CET.

In order to participate in the AGM, shareholders with nominee-registered shares should request their bank or broker to have the shares temporarily owner-registered with Euroclear Sweden AB by Thursday, April 23, 2015. Shareholders are therefore requested to notify their nominees in due time before the said date.

Notice of attendance

Notice of attendance shall be made in writing to Thule Group AB, "AGM", Fosievägen 13, SE-214 31 Malmö, Sweden, by telephone to +46 40 635 90 99, or on the company's website, www.thulegroup.com. The notice of attendance shall state name, personal (or corporate) identity number, shareholding, telephone number and name of advisor, if any. Shareholders represented by proxy should submit a power of attorney to the company prior to the AGM. A proxy form is available at the company and on the company's website. Representatives of a legal entity shall present a copy of the certificate of registration or similar document of authorization.





Thule Group

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