

# Dometic Group

## Interim Presentation Second quarter

2015-07-17

# 2015 Q2 highlights

- Increased sales and improved earnings in essentially all businesses world wide.
- Continued growth in RV markets.
- Good result development in EMEA and Americas.
- Pricing initiatives implemented in all Regions, with main effects in AM.
- Good traction in cost initiatives.
- High utilization in all plants.
- Bought back PIK and amortized Senior debt.
- Upgraded by Standard & Poor's

# Recent Strong Trading Momentum – Q2

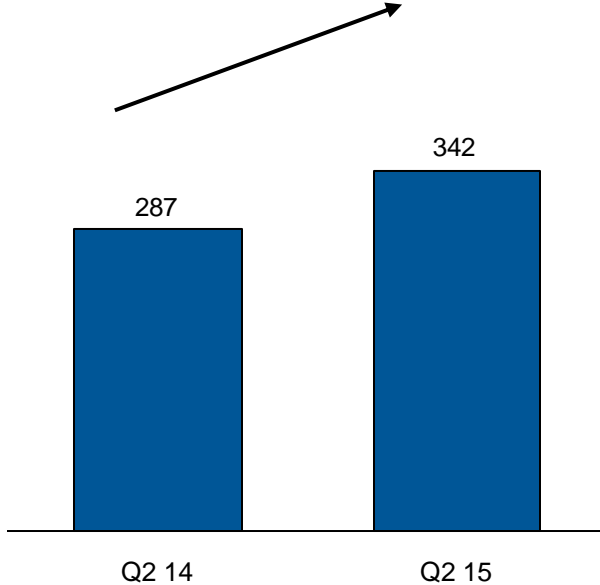
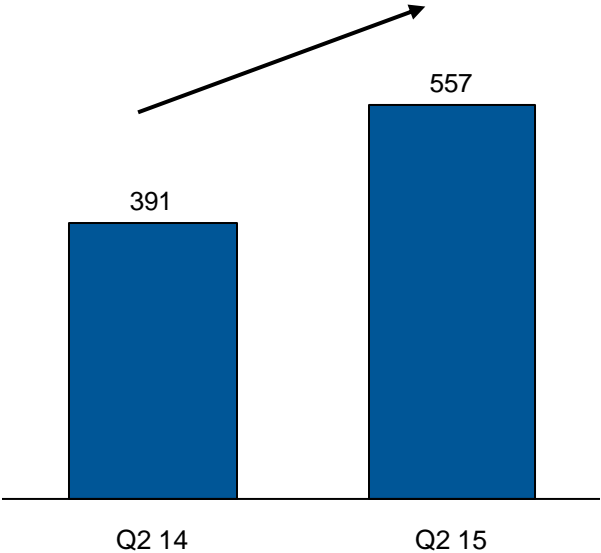
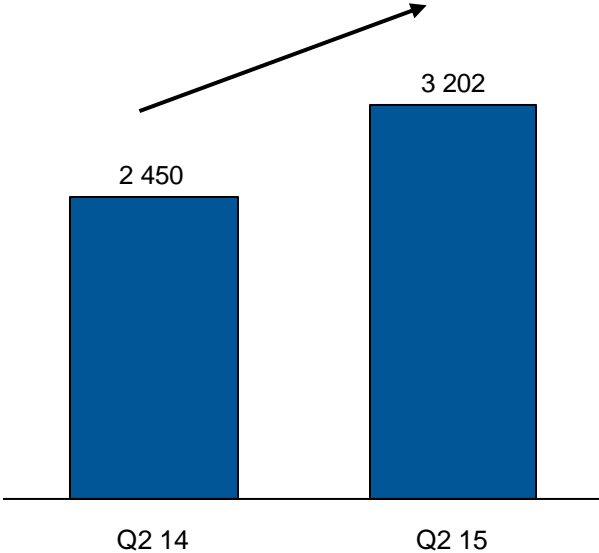
## Sales (SEKm)

## EBITDA (SEKm)

## Operating Cash Flow (SEKm)

31% (17% comparable currency)  
Organic: 17% (5% comparable currency)

42% (24% comparable currency)  
Organic: 29% (11% comparable currency)

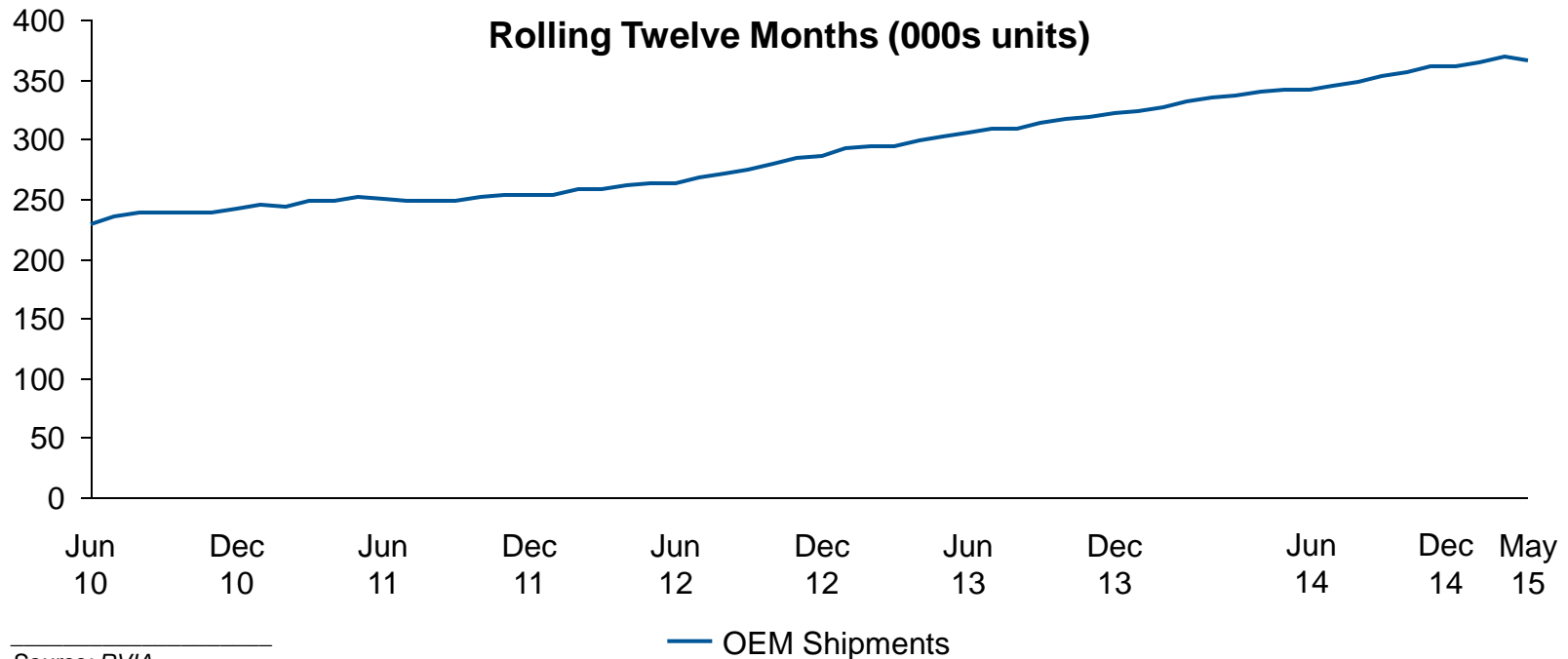


Atwood Q2 2015: Sales 431 SEKm

# US RV Market - OEM Shipments

## OEM Shipments:

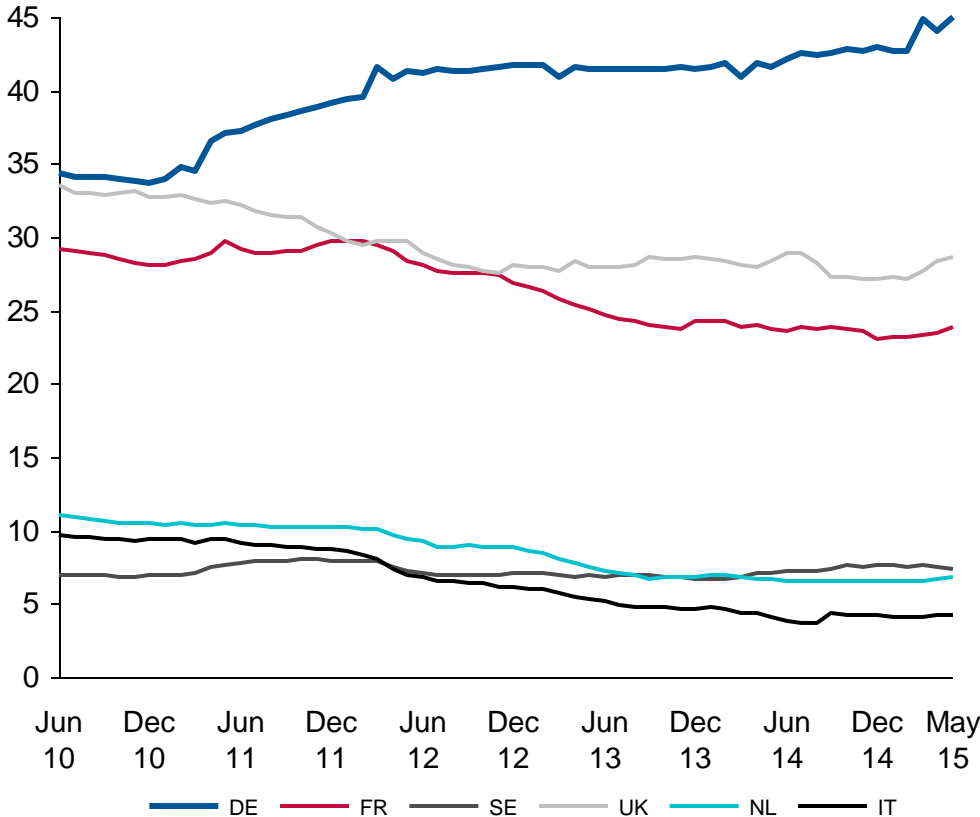
- Rolling three months May: 108 300 units (103 000) +5%
- YTD May: 168 900 units (159 300) +6%
- Rolling twelve months May 2015: 366 400 (339 100) +9%



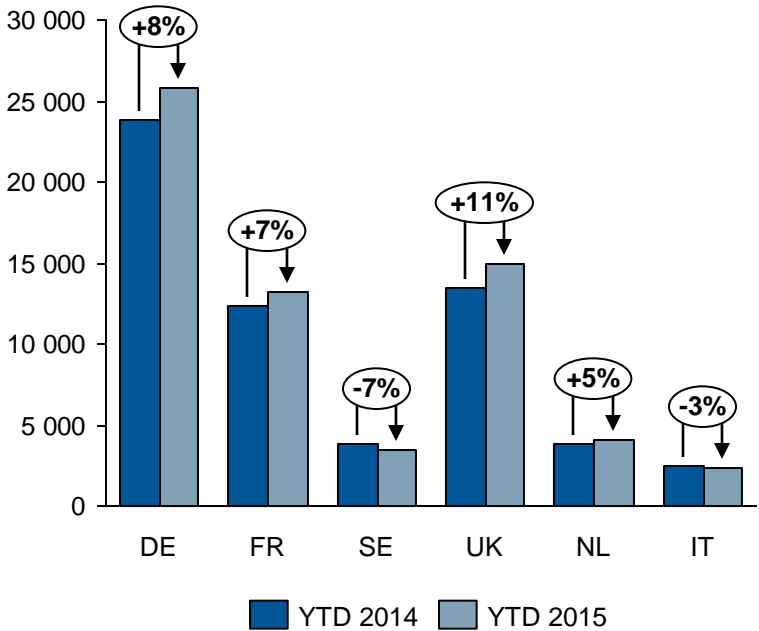
Source: RVIA

# Europe RV Market Registrations

## Rolling Twelve Months (000s units)



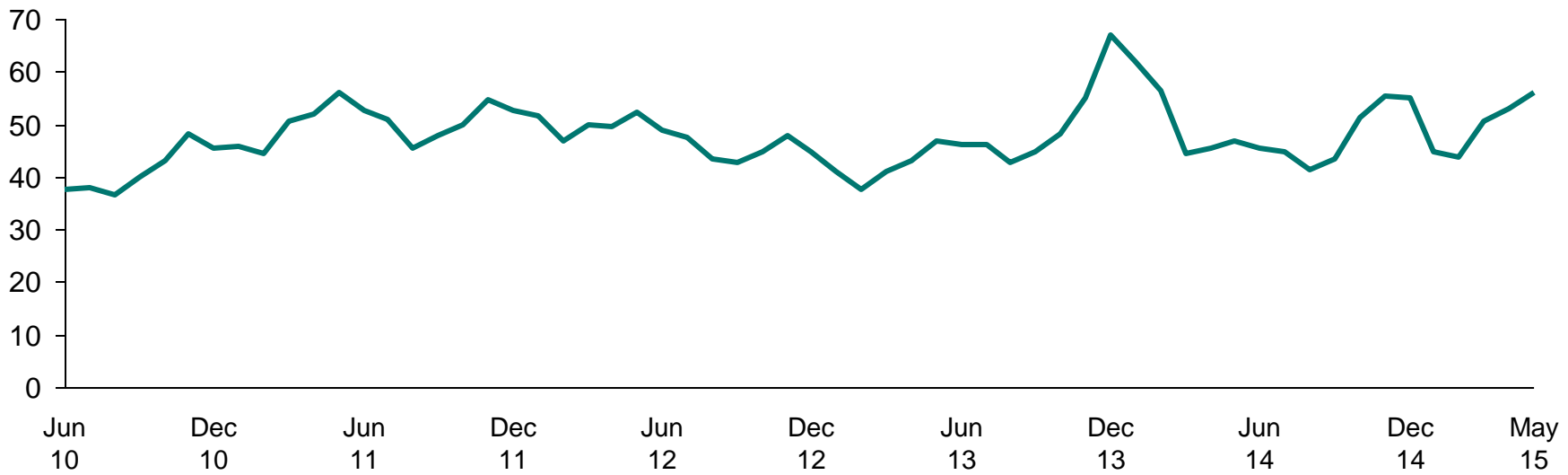
- Rolling three May: 52 400 units (47 900) +9%
- YTD May: 64 000 units (59 800) +5%
- Rolling Twelve months May 2015: 115 900 units (110 800) +5%



# Europe Trucks (above 16 tons) Registrations

- Rolling three May: 55 900 units (46 800) +20%
- YTD May: 85 700 units (74 400) +15%
- Rolling Twelve months May 2015: 196 400 (200 700) -2%

Rolling Three Months (000s units)

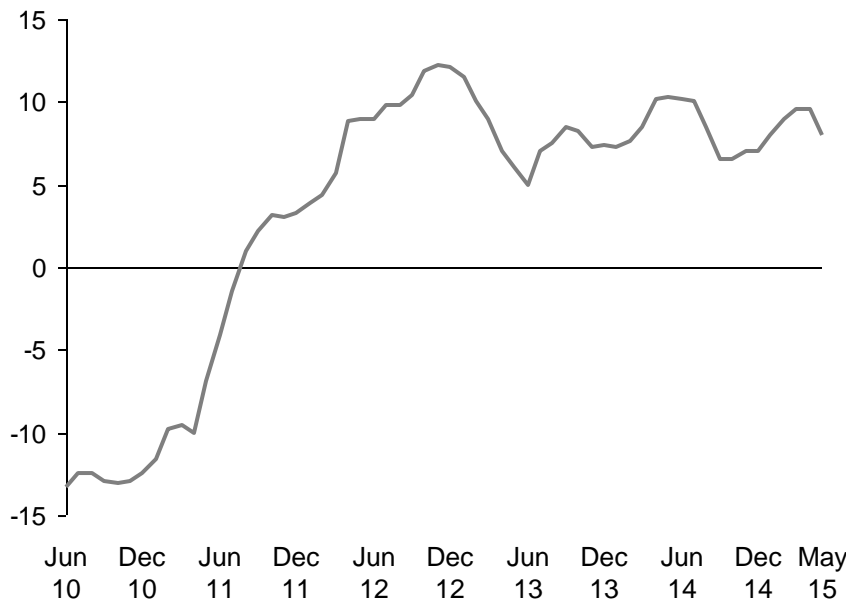


Source: ACEA for EU15 and EFTA

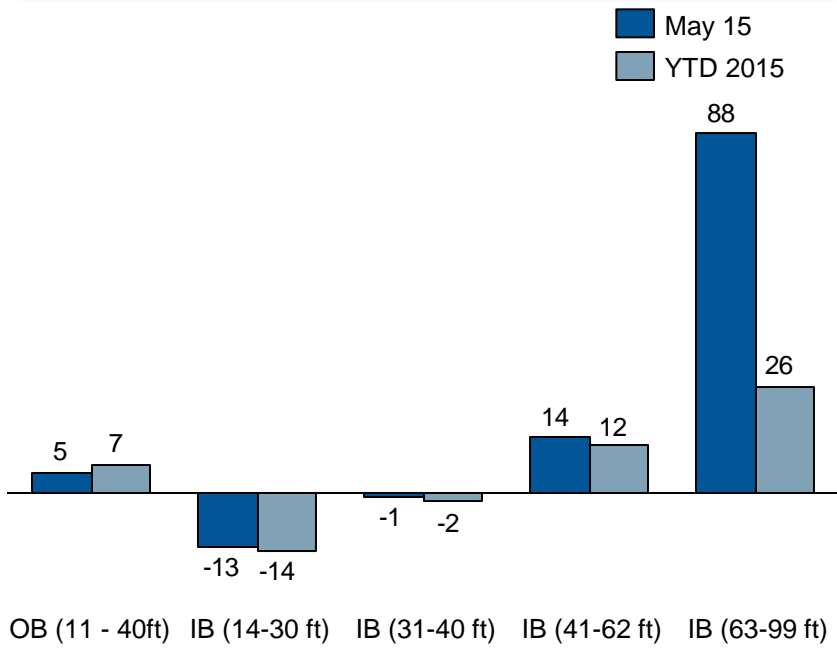
# US Powerboat Sales

- Rolling twelve months May 2015 : 8%

## Rolling Twelve Months Change (%)



## Powerboat Category (%)



Source: Info-link and Baird Equity Research

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

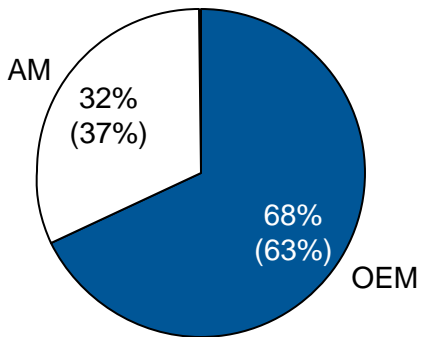
# Region Americas

All Amounts in SEK Million

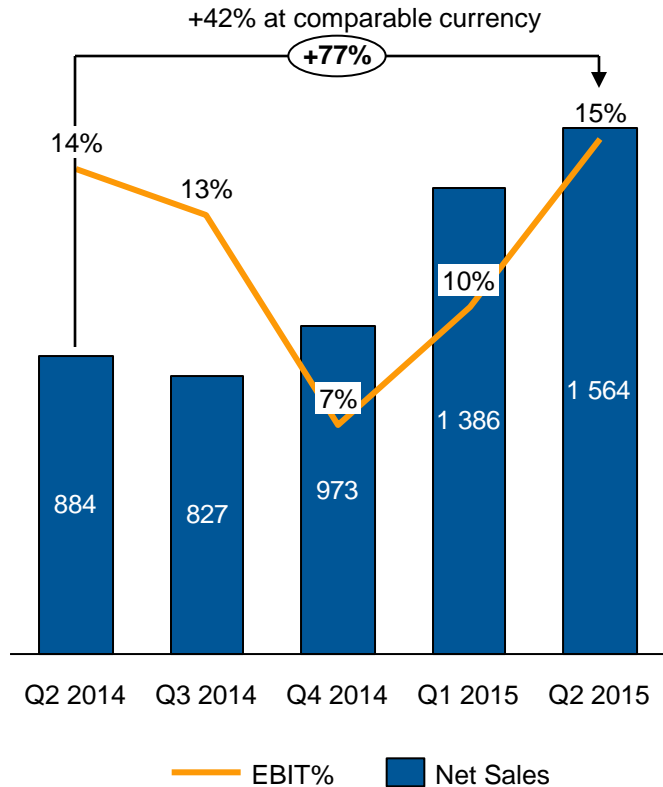
## Quarterly highlights

- RV Business Area increased in both OEM as well as AM.
- Marine business area increased in both OEM and AM.
- CPV business area showed growth in OEM and decline in AM.
- Decrease in Retail business area and in Lodging business area.

## Net Sales split by customer channel(1)



## Net Sales and EBIT %





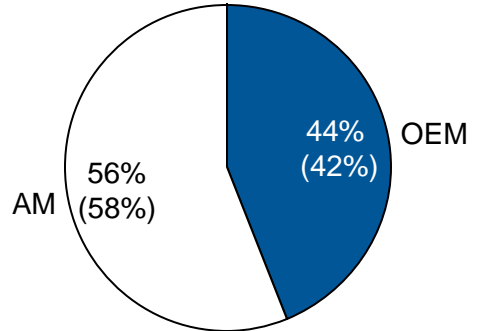
# Region EMEA

All Amounts in SEK Million

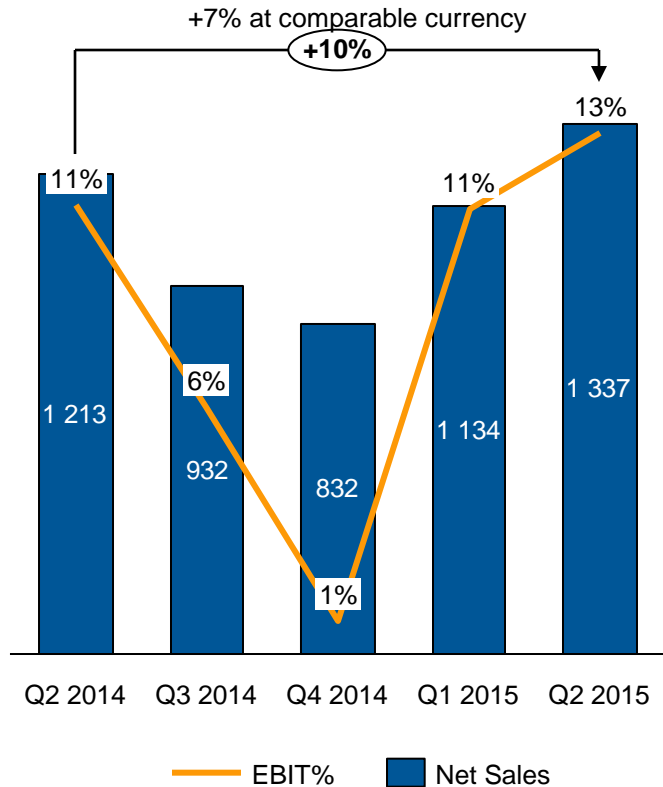
## Quarterly highlights

- RV Business Area showed growth in both OEM and AM.
- Marine business area increased in both OEM and AM
- CPV business area increased in OEM and AM.
- Lodging business area increased and Retail Business Area sales declined in the quarter.

## Net Sales split by customer channel<sup>(1)</sup>



## Net Sales and EBIT %



(1) Percentage in brackets denotes sales split for the same quarter previous year.

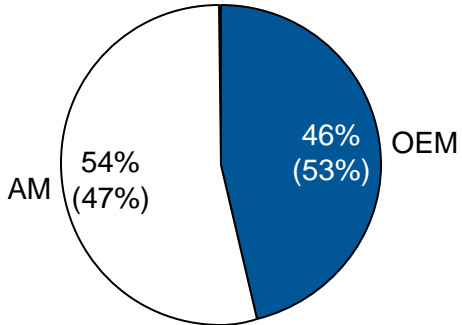
# Region APAC

All Amounts in SEK Million

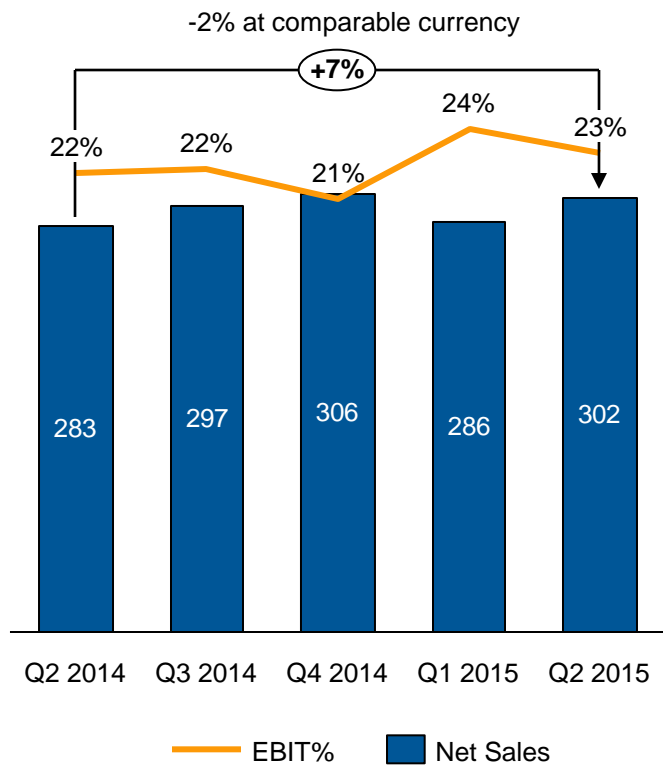
## Quarterly highlights

- RV Business Area increased in AM and softer OEM.
- Marine Business Area decreased in OEM, but increased in AM.
- CPV Business Area increased in AM and decreased in OEM.
- Retail Business Area increased and Lodging Business Area decreased.

## Net Sales split by customer channel<sup>(1)</sup>



## Net Sales and EBIT %

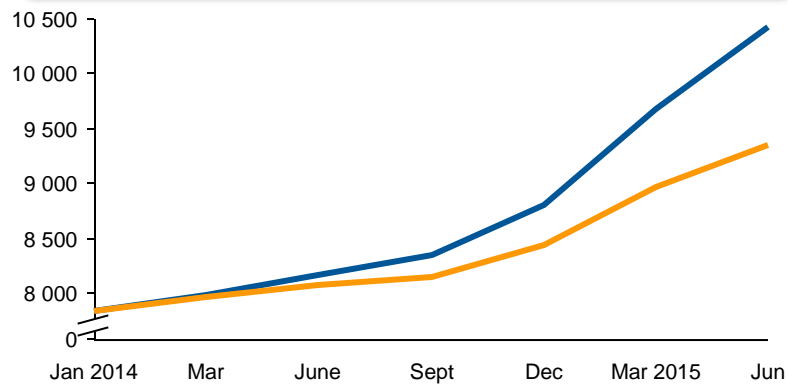


(1) Percentage in brackets denotes sales split for the same quarter previous year.

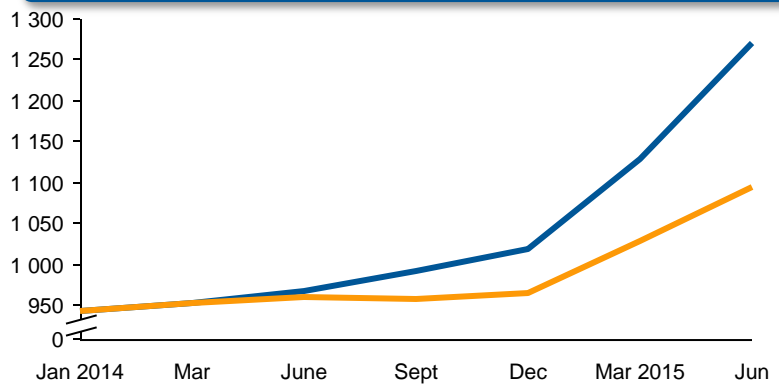
# Dometic Group - trends

— Actual currency rolling 12 months  
 — Constant currency rolling 12 months

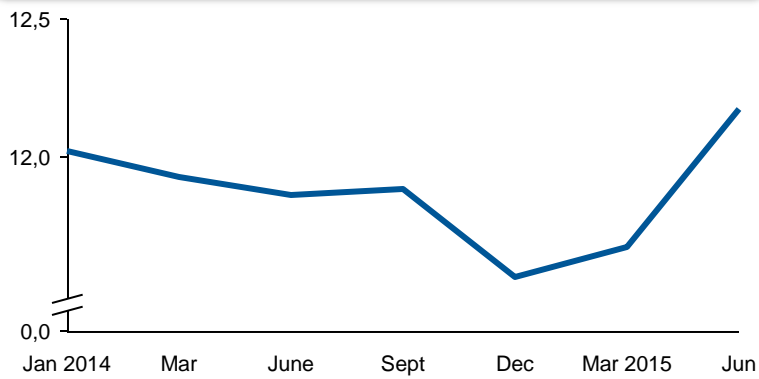
## Sales (msek)



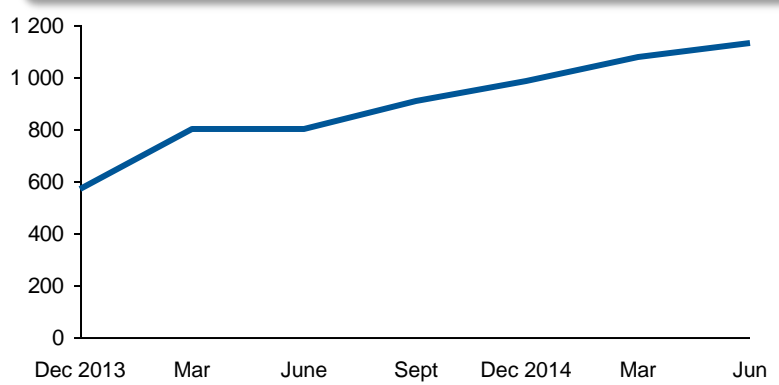
## EBIT (msek)



## EBIT (%)



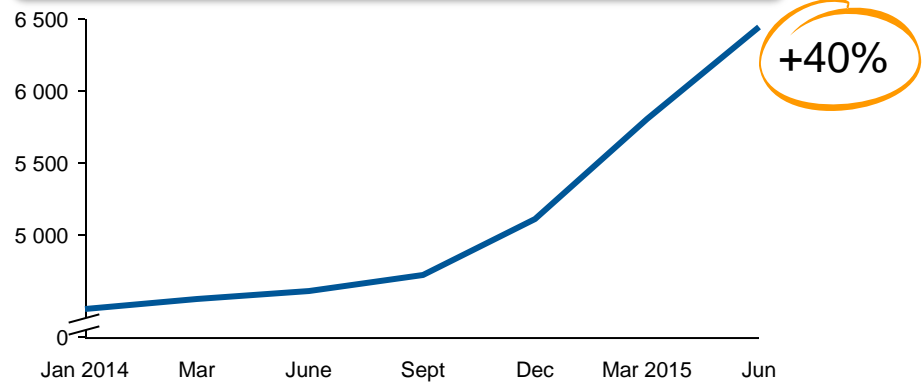
## Operating cash flow (msek)



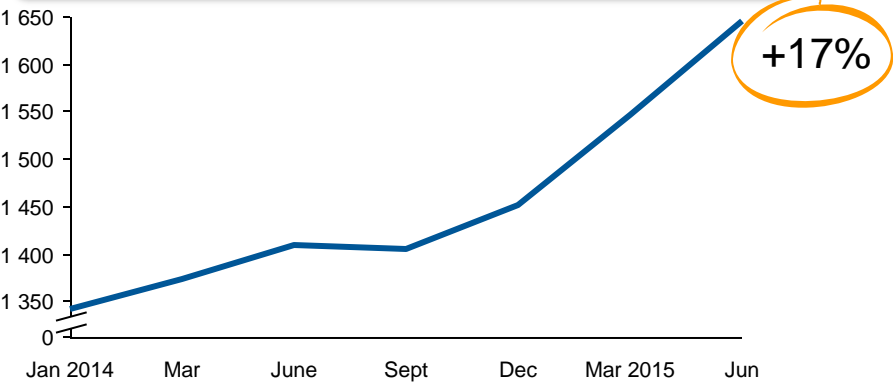
# Business Area Sales Development

Rolling 12 Months, actual currency

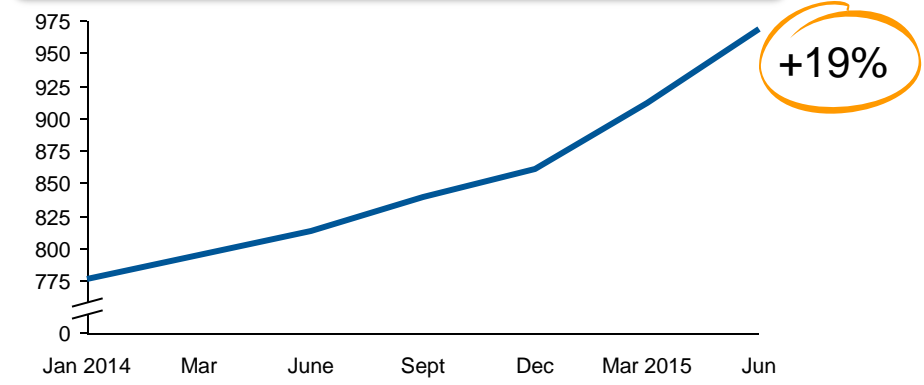
## RV



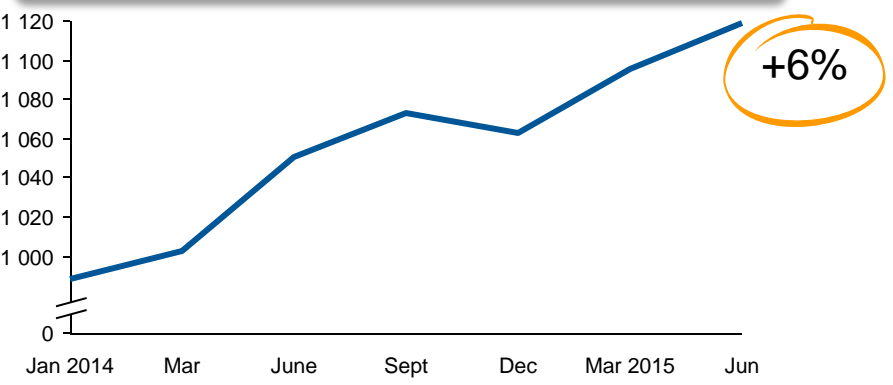
## CPV



## Marine

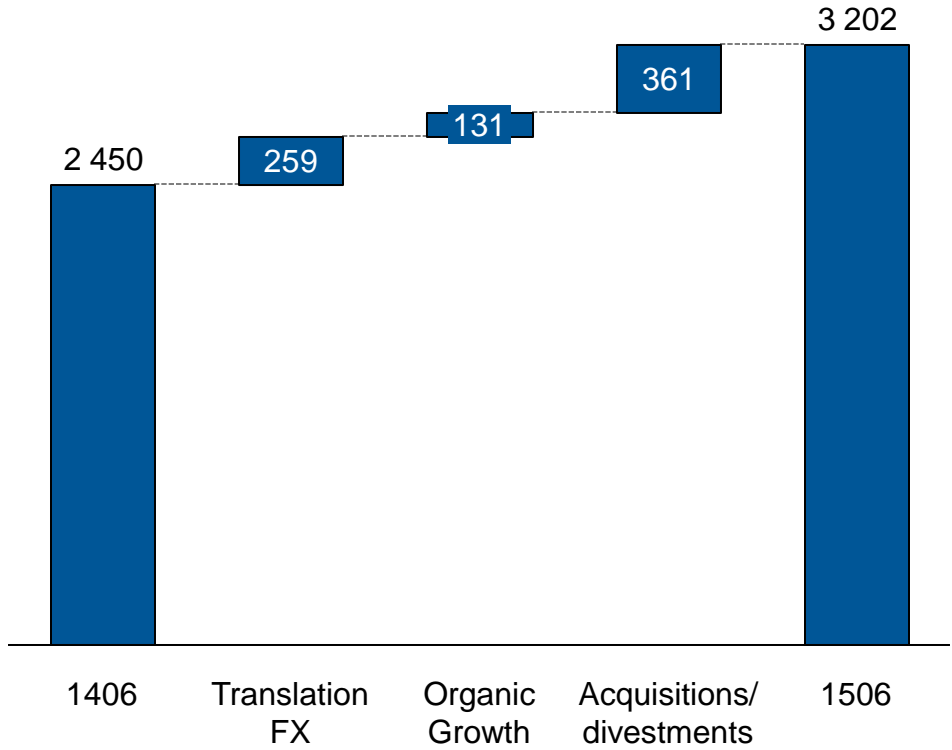


## Other\*



(1) Other contains Retail and Lodging

# Dometic Group Net Sales Bridge (SEKm)

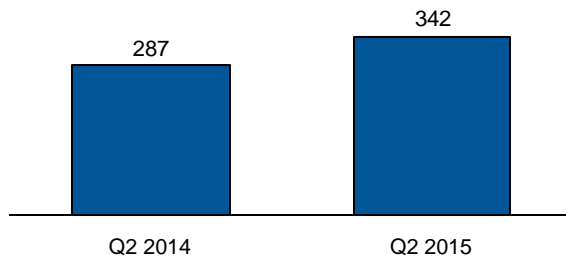


## Translation FX details

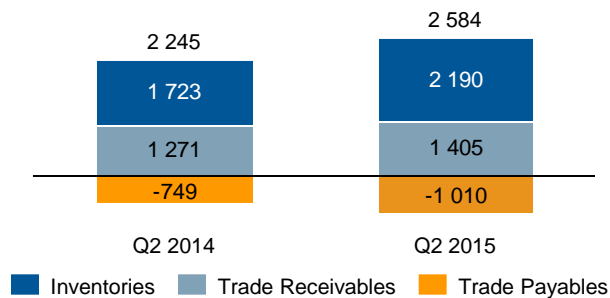
	Impact	Share of fx impact	Change in fx
USD	201	78%	23%
EUR	22	8%	2%
AUD	8	3%	4%
HKD	9	3%	23%
GBP	9	3%	13%
CNY	7	3%	24%
Other	4	1%	
<b>Total</b>	<b>259</b>		<b>11%</b>

# Cash Flow and Working Capital Development

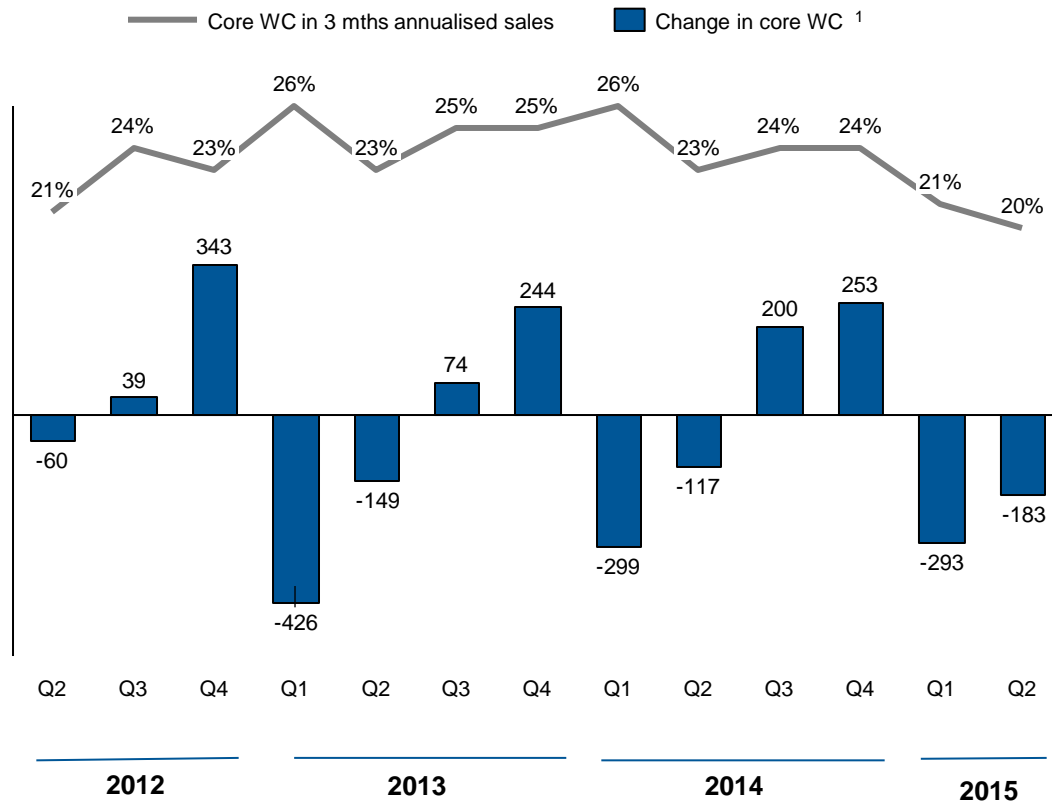
## Q2 '15 Y-o-Y Op. cash flow comparison (SEKm)



## Q2 '15 Y-o-Y working capital comparison (SEKm)



## Core working capital build-up (SEKm, %)



# Cash flow operating

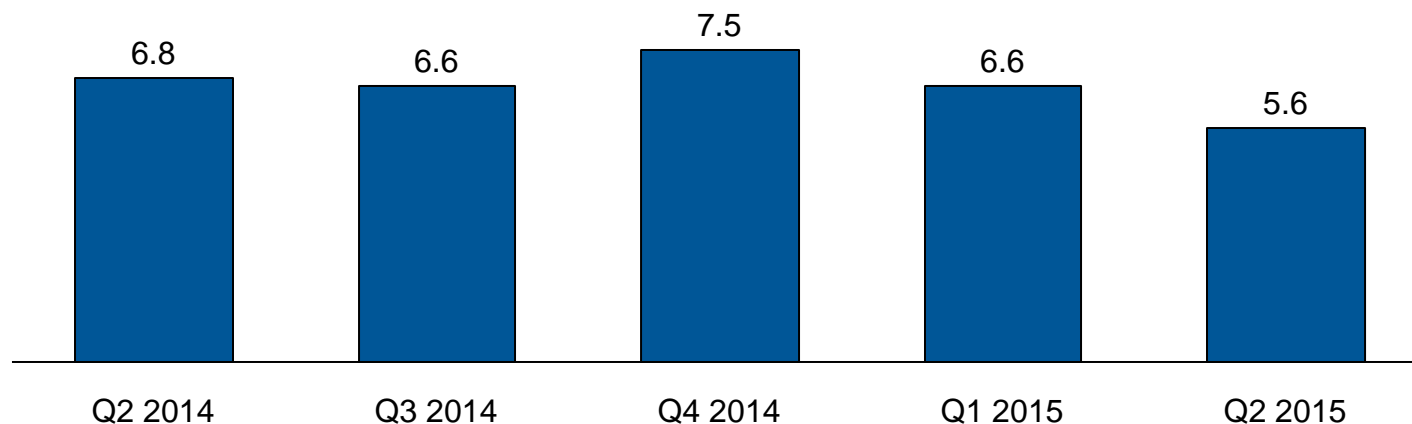
SEK million	Q2 2015	Q2 2014	H1 2015	H1 2014	FY 2014
<b>Cash flows from operations</b>					
Operating profit	463	325	886	580	937
Depreciation and amortization	73	48	145	91	206
Adjustment for result from sale of subsidiaries	3	–	-84	–	–
Adjustments for other non-cash items	-1	36	-22	51	47
Changes in working capital					
Changes in inventories	-21	65	-186	-101	55
Changes in accounts receivables	-73	-193	-539	-465	19
Changes in accounts payables	-89	11	249	150	-37
Changes in other working capital	61	29	60	14	-49
Income tax paid	-31	-24	-35	-153	-238
<b>Net cash flow from operations</b>	<b>385</b>	<b>297</b>	<b>474</b>	<b>167</b>	<b>940</b>

# Cash flow financing

SEK million	Q2 2015	Q2 2014	H1 2015	H1 2014	FY 2014
<b>Net cash flow from operations</b>	<b>385</b>	<b>297</b>	<b>474</b>	<b>167</b>	<b>940</b>
<b>Cash flow from investments</b>					
Acquisitions	-2	–	-10	–	-2 210
Investments in fixed assets	-74	-34	-130	-86	-191
Proceeds from sale of fixed assets	0	1	1	1	12
Proceeds from sale of subsidiaries	-13	–	658	–	–
Other investing activities	-1	0	0	0	0
<b>Net cash flow from investments</b>	<b>-90</b>	<b>-33</b>	<b>519</b>	<b>-85</b>	<b>-2 389</b>
<b>Cash flows from financing</b>					
Shareholder's contribution	–	–	–	–	1 014
Changes in borrowings	-723	197	-760	314	1 237
Paid and received interest	-119	-155	-351	-219	-409
Other financing activities	-3	-251	-23	-255	-390
<b>Net cash flow from financing</b>	<b>-845</b>	<b>-209</b>	<b>-1 134</b>	<b>-160</b>	<b>1 452</b>
<b>Cash flow for the period</b>	<b>-550</b>	<b>55</b>	<b>-141</b>	<b>-78</b>	<b>3</b>
Cash and cash equivalents at beginning of period	1 024	405	592	539	539
Exchange differences on cash and cash equivalents	-12	15	11	14	50
<b>Cash and cash equivalents at end of period</b>	<b>462</b>	<b>475</b>	<b>462</b>	<b>475</b>	<b>592</b>



# Net debt leverage and Net debt details



(SEKm)	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015
RCF	273	99	133	139	87
Capex	434	434	434	434	434
Senior term A	608	624	805	860	826
Senior term B	4,018	4,118	5,317	5,680	5,076
Local facilities	110	91	58	11	14
<b>Total debt</b>	<b>5,443</b>	<b>5,366</b>	<b>6,748</b>	<b>7,125</b>	<b>6,439</b>
Senior PIK notes	2,897	2,864	2,976	2,917	2,612
Cash	475	477	592	1,025	462
<b>Net Debt</b>	<b>7,865</b>	<b>7,753</b>	<b>9,132</b>	<b>9,017</b>	<b>8,589</b>

# Key ratios

		Q2	Q2	H1	H1	LTM
		2015	2014	2015	2014	2015
<b>Sales</b>	Growth, %	31	8	37	9	18
	Organic growth, %	5	5	7	7	4
<b>Profitability</b>	EBIT bef. i.a.c, %	15.1	14.0	14.0	13.4	12.2
	EBITDA bef i.a.c ,%	17.4	15.9	16.4	15.5	14.7
<b>Cost efficiency</b>	Sales & admin to sales,%	15.1	17.1	15.6	17.9	17.4
<b>Investments</b>	Capex, to sales%	2.3	1.4	2.1	1.9	2.3
<b>Capital efficiency</b>	Core working capital, to sales,%	20.2	22.9	21.3	25.2	24.8
	Return on operating capital	49	53	47	40	33
<b>Cash flow</b>	Operating cash flow, SEKm	342	287	379	234	1,132

# Product Launches



## Power awning

With powered accessory channel and LED in tube



## New rearview video camera + screen

## New Drawer minibar

Based on new thermoelectric technology



# Q&A

# Appendix A

## Quarterly Summary Key Financials

	Q2	Q2	H1	H1	LTM	FY
SEK million	2015	2014	2015	2014	2015	2014
Net sales	3,202	2,450	6,077	4,451	10,432	8,806
EBITDA	536	373	1,031	671	1,503	1,143
% of net sales	16.7%	15.2%	17.0%	15.1%	14.4%	13.0%
<b>EBITDA before i.a.c.</b>	<b>557</b>	<b>391</b>	<b>995</b>	<b>689</b>	<b>1,530</b>	<b>1,224</b>
% of net sales	17.4%	15.9%	16.4%	15.5%	14.7%	13.9%
EBIT	463	325	886	580	1,243	937
% of net sales	14.5%	13.3%	14.6%	13.0%	11.9%	10.6%
<b>EBIT before i.a.c.</b>	<b>484</b>	<b>343</b>	<b>850</b>	<b>598</b>	<b>1,270</b>	<b>1,018</b>
% of net sales	15.1%	14.0%	14.0%	13.4%	12.2%	11.6%
Net result	198	-441	359	-442	-43	-844
<b>Operating cash flow <sup>(1)</sup></b>	<b>342</b>	<b>287</b>	<b>379</b>	<b>234</b>	<b>1,132</b>	<b>987</b>
Core working capital	2,584	2,245	2,584	2,245	2,584	2,192
Capital expenditure	-74	-34	-130	-86	-235	-191
RoOC	49%	53%	47%	40%	33%	26%

<sup>(1)</sup> Operating cash flow after investments in fixed assets and excluding income tax paid.

# Appendix B

## Dometic Group AB (publ) Net Debt SEKm

<b>Net Debt</b>	<b>30 June 2015</b>	<b>31 December 2014</b>
RCF	87	133
CAPEX	434	434
Senior term A	826	805
Senior term B	5,076	5,317
Local Facilities	14	58
<b>Total Senior Debt</b>	<b>6,439</b>	<b>6,748</b>
Senior PIK Notes	2,612	2,976
Accrued Interest	213	218
Cash	462	592
<b>Total Net Debt</b>	<b>8,801</b>	<b>9,350</b>
<b>Unused facilities</b>		
RCF	534	529
Capex	0	0
Local	343	292

# Disclaimer

This document contains statements that constitute forward looking statements. These statements appear in a number of places in this document and include statements regarding the intent, belief or current expectations of the customer base, estimates regarding future growth in the different business lines and the global business, market share, financial results and other aspects of the activity and situation relating to the Company. The forward-looking statements in this document can be identified, in some instances, by the use of words such as "expects", "anticipates", "intends", "believes", and similar language or the negative thereof or by forward-looking nature of discussions of strategy, plans or intentions.

Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and other important factors that could cause actual developments or results to differ materially from those expressed in our forward looking statements.

Analysts and investors are cautioned not to place undue reliance on those forward looking statements which speak only as of the date of this presentation. The Company undertakes no obligation to release publicly the results of any revisions to these forward looking statements which may be made to reflect events and circumstances after the date of this presentation, including, without limitation, changes in the Company's business strategy or to reflect the occurrence of unanticipated events. Analysts and investors are encouraged to consult the Company's public reports.

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