



INTERIM PRESENTATION - THIRD QUARTER, 2016

 **Dometic**
GROUP

PRESENTERS

ROGER JOHANSSON - PRESIDENT & CEO



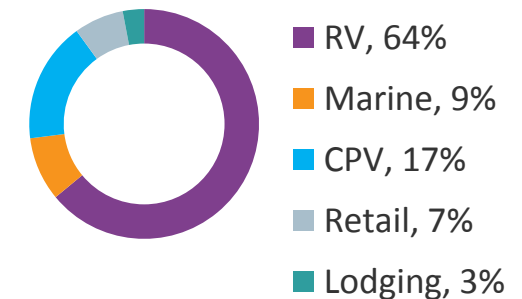
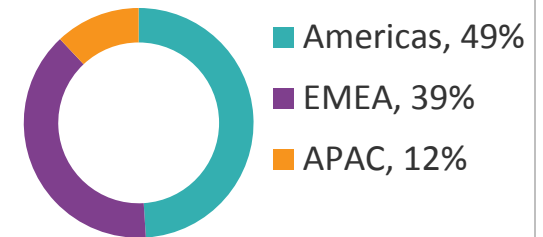
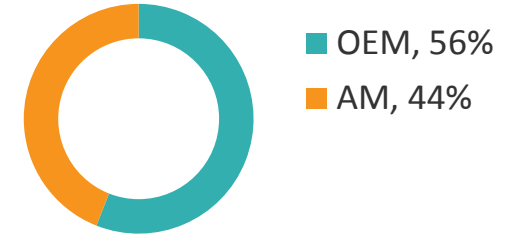
PER-ARNE BLOMQUIST - CFO



ROGER JOHANSSON, PRESIDENT & CEO

2016 Q3 highlights

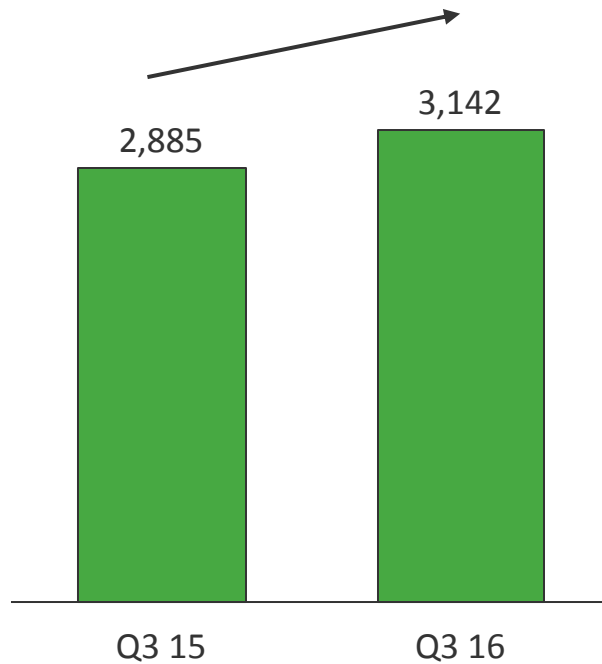
- Organic growth 8% and EBIT improvement of 18%.
- Aftermarket +12% and OEM +5%.
- Marine sales +13%.
- Robust performance in EMEA with RV and CPV double-digit growth.
- Strong earnings improvement but soft topline growth in Americas.
- Lower margins in APAC but stable underlying business.
- Rebranding, inventory write-downs and legal fees of SEK 28 million.
- Operating cash flow SEK 535 million (388).
- Improved leverage 1.8x EBITDA (5.1).
- Sale of Atwood seating and chassis business after end of Q3.
- Scott Nelson appointed new President of Americas.



Q3 2016

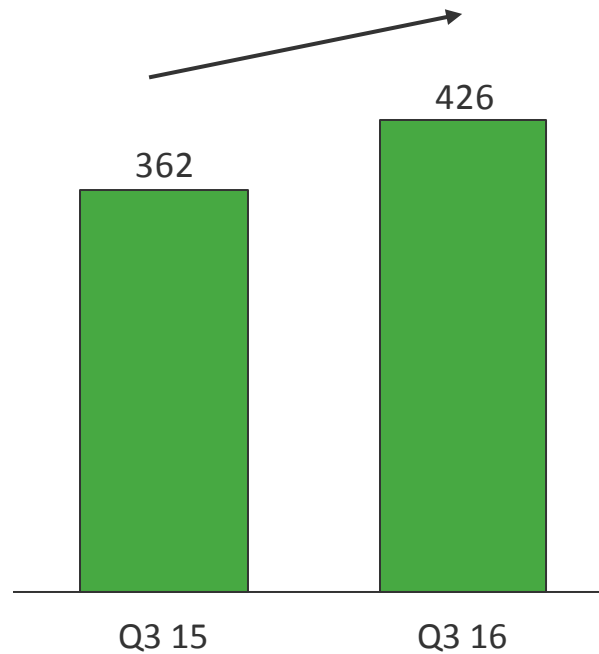
Sales (SEKm)

9% (8% comparable currency)
Organic: 8%

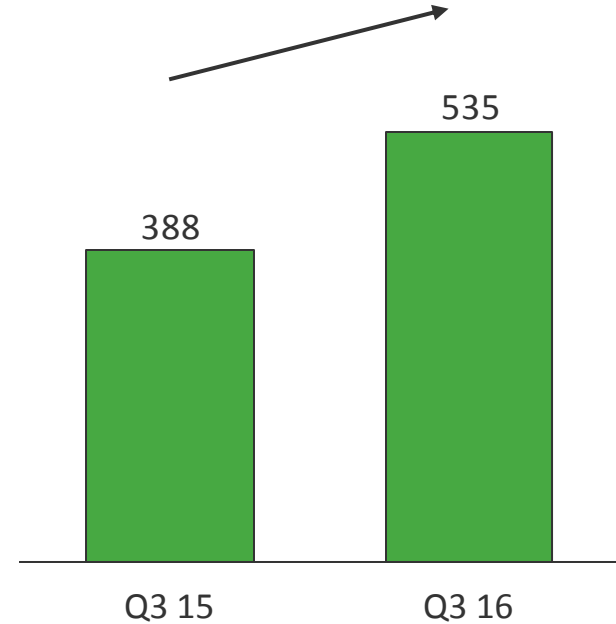


EBIT bef. i.a.c (SEKm)

18% (16% comparable currency)

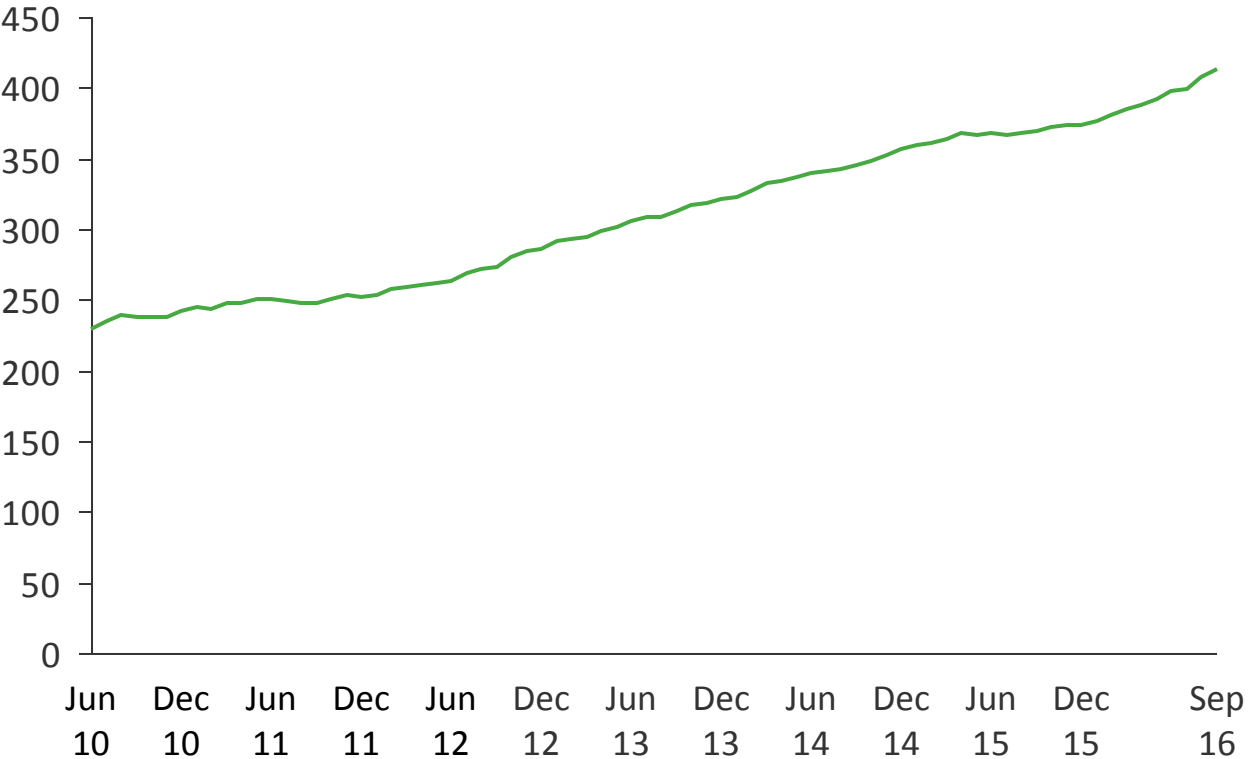


Operating Cash Flow (SEKm)



US RV Market - OEM Shipments

Rolling Twelve Months (000s units)

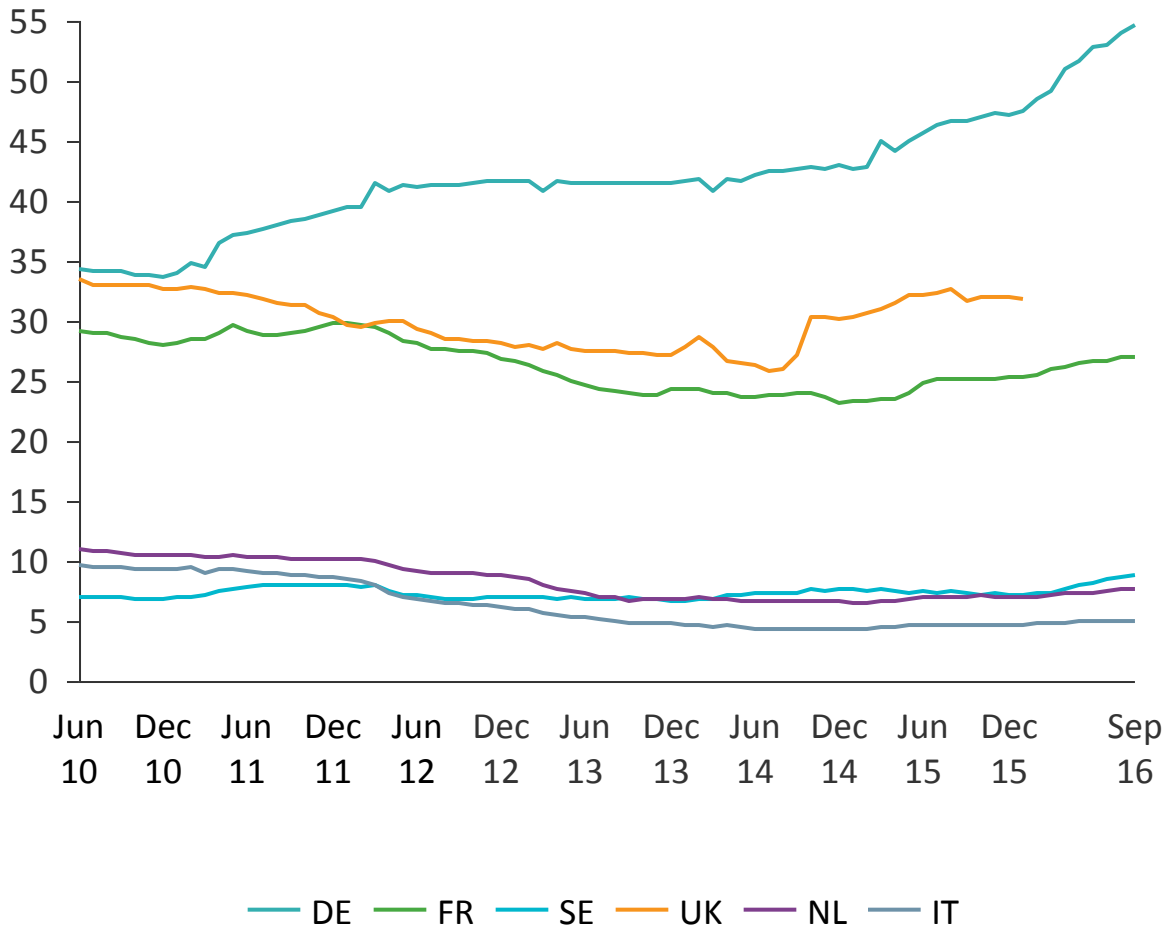


OEM Shipments:

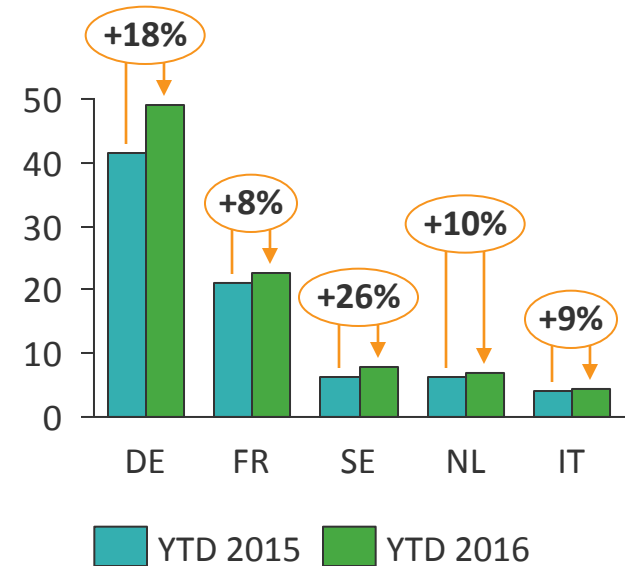
- Rolling three months September: 98,000 units (82,400) +19%
- YTD September: 324,300 units (285,000) +14%
- LTM September: 413,500 units (370,400) +12%

Europe RV Market Registrations

Rolling Twelve Months (000s units)



- Rolling three months September: 21,600 units (18,500) +17%*
- YTD September: 91,000 units (79,200) +15%*
- LTM September: 103,300 units (90,700) +14%*



Europe Trucks (above 16 tons) Registrations

Rolling Three Months (000s units)

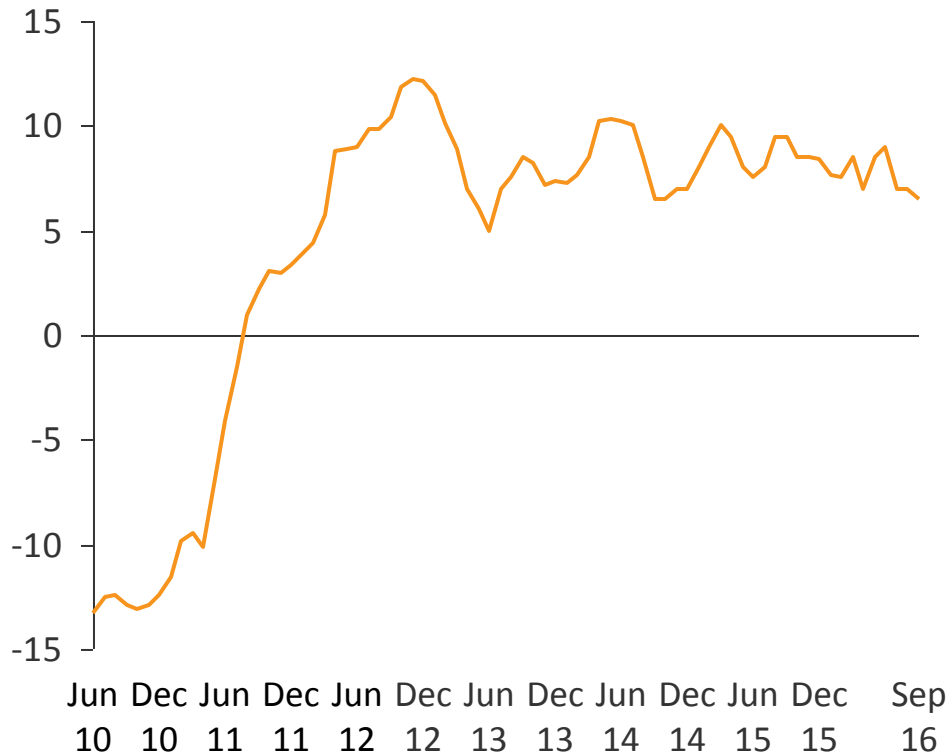


- Rolling three months September: 54,400 units (51,700) +5%
- YTD September: 175,200 units (157,300 units) +11%
- LTM September: 233,100 units (209,300) +11%

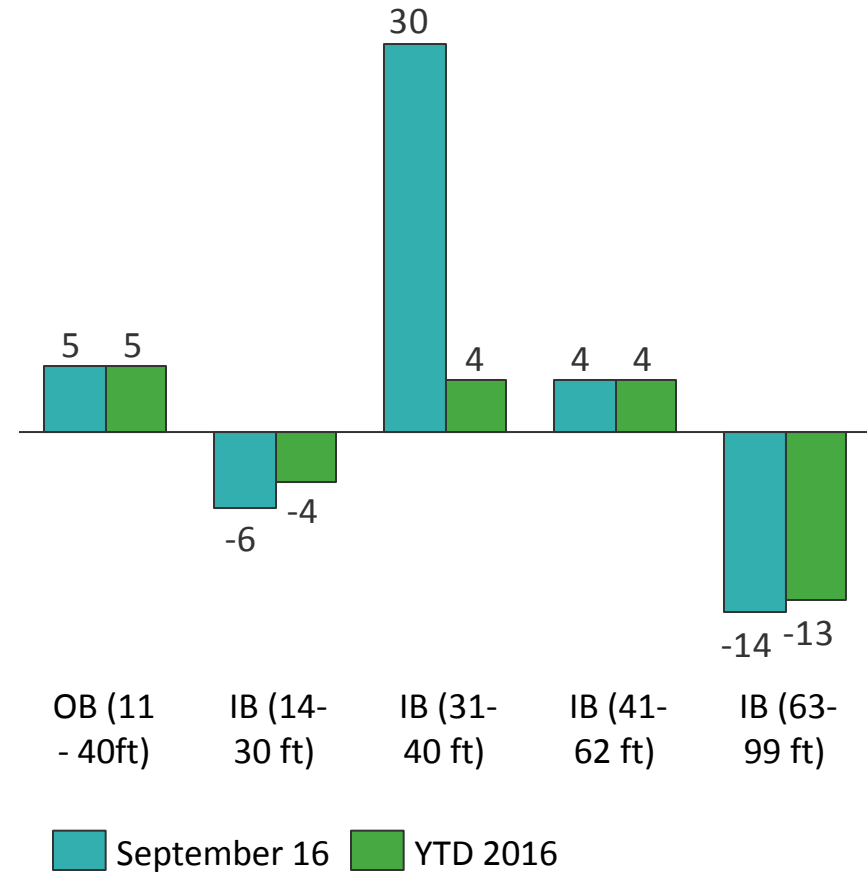
US Powerboat Sales

Rolling Twelve Months Change (%)

- LTM September 2016: 6.5%



Power boat category (%)

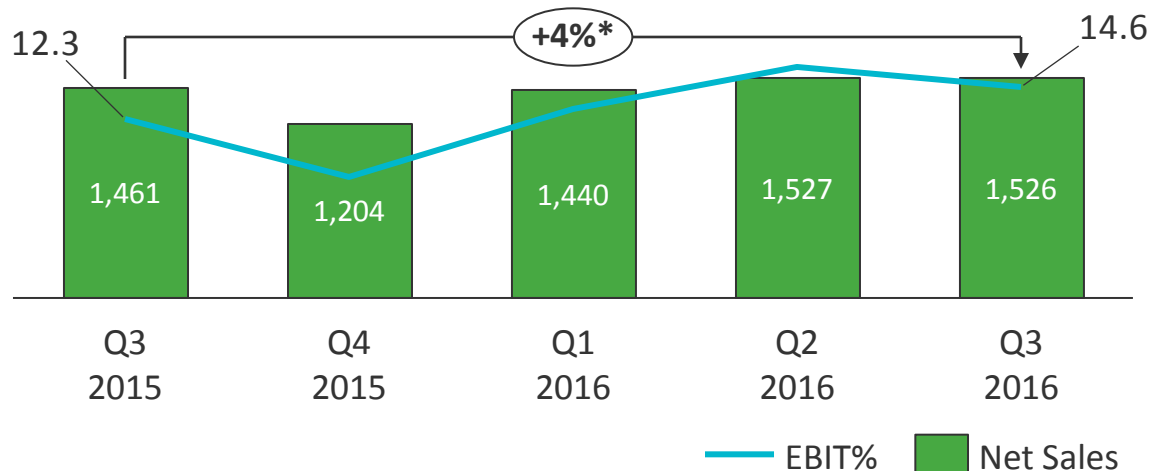


AMERICAS

Q3 HIGHLIGHTS

- Continued margin improvement (+2.3 % units).
- RVOEM sales +7%.
- Persistent strong RV market.
- Favorable aftermarket development, especially in Marine and CPV.
- High focus on improving the distribution network.
- Scott Nelson appointed new President of the Region.

NET SALES & EBIT %



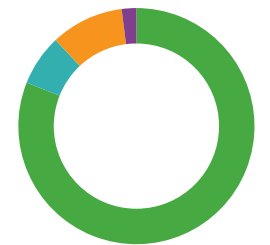
BREAKDOWN OF SALES

By sales channel



■ AM, 34% ■ OEM, 66%

By business area



■ RV, 81% ■ CPV, 7%
 ■ Marine, 10% ■ Other, 2%

Americas – Divestment of seating and chassis business

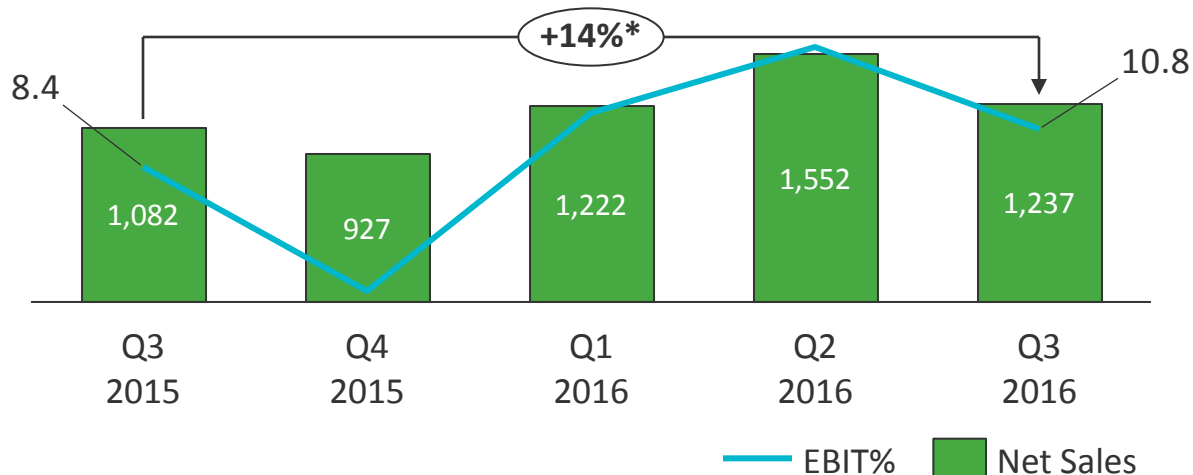
- On October 27, Dometic entered an agreement to sell the seating and chassis component business of Atwood to LCI, a wholly-owned subsidiary of Drew Industries.
- The business was acquired as part of the overall Atwood acquisition in October 2014.
- The business is non-core for Dometic.
- Sale price of USD 12.5 million in cash.
- The transaction triggers a write-down of intangible assets of USD 3.0-3.5 million in Q4.
- Expected completion in November 2016.

EMEA

Q3 HIGHLIGHTS

- Sales +14%, EBIT +47%
- Continued strong momentum in the RV market.
- Aftermarket sales growth 17%.
- AC service stations sales still strong.
- Encouraging progress in the Marine business.

NET SALES & EBIT %



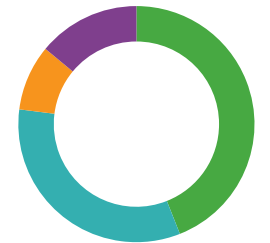
BREAKDOWN OF SALES

By sales channel



■ AM, 56% ■ OEM, 44%

By business area



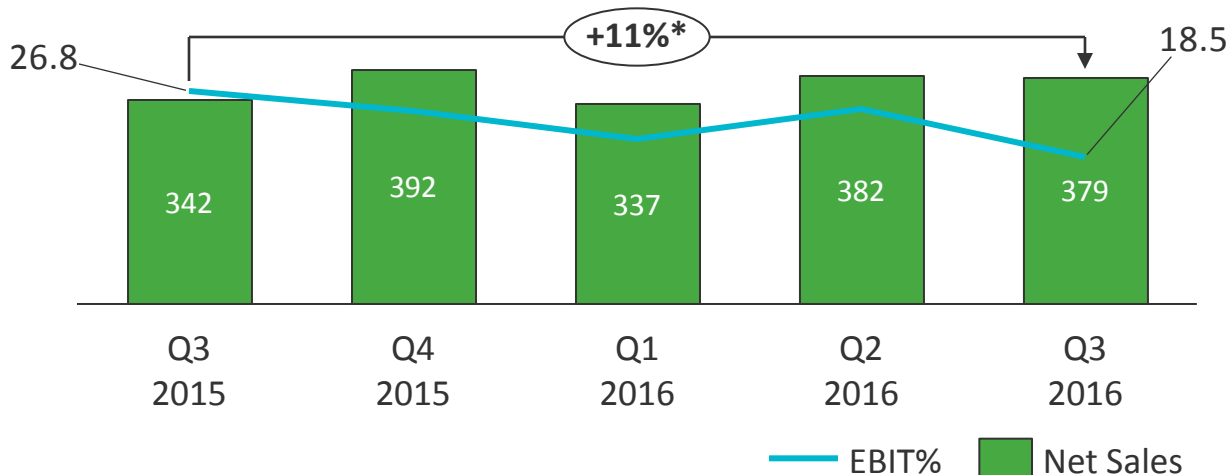
■ RV, 44% ■ CPV, 33%
 ■ Marine, 9% ■ Other, 14%

APAC

Q3 HIGHLIGHTS

- Outpacing a rather soft RV market in Australia.
- Growing RVOEM sales in Japan and China.
- Margin decline driven by positive one-time effects in Q3 2015, currency and hedging. Stable underlying business.
- Continued strong growth in aftermarket.

NET SALES & EBIT %



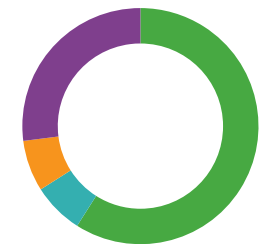
BREAKDOWN OF SALES

By sales channel



■ AM, 47% ■ OEM, 53%

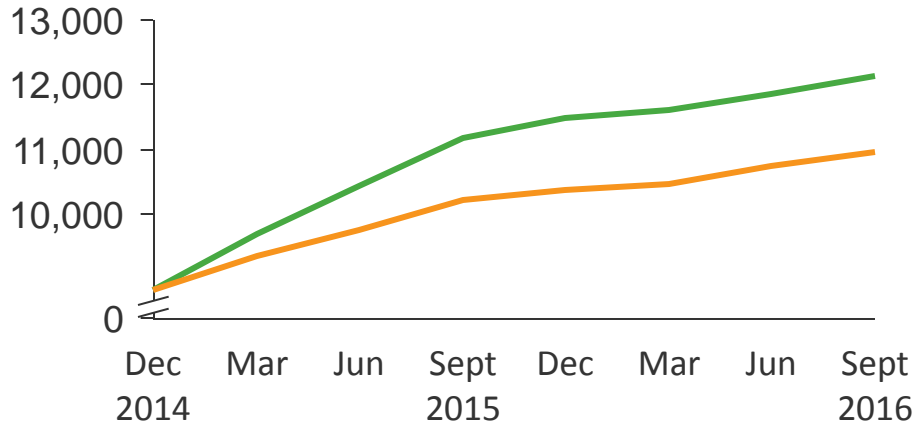
By business area



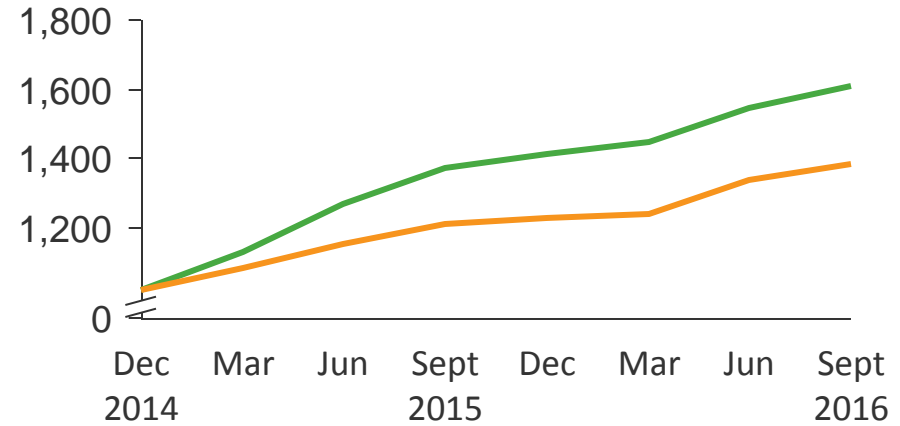
■ RV, 59% ■ CPV, 7%
 ■ Marine, 7% ■ Other, 27%

Dometic Group Trends

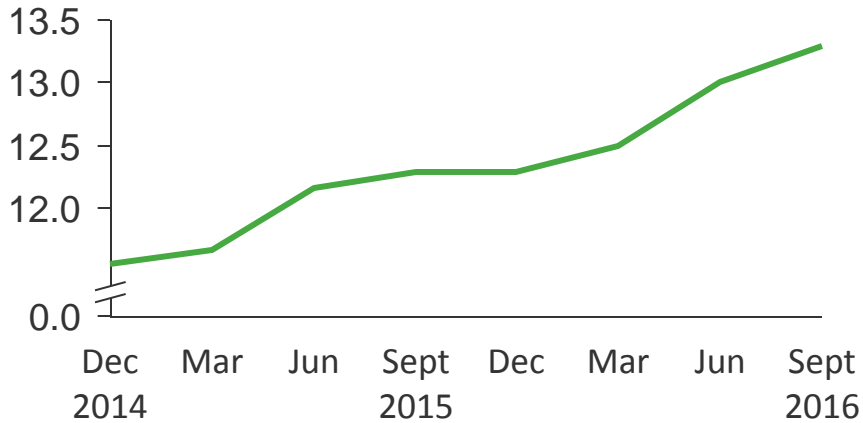
Sales (SEKm)



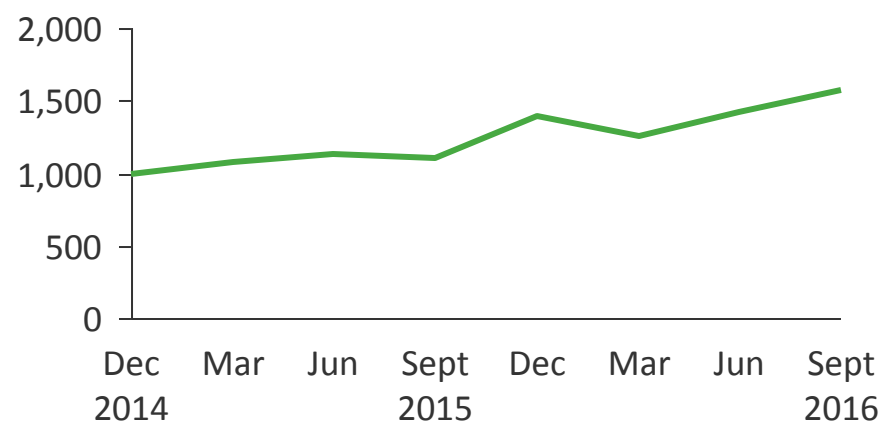
EBIT bef. i.a.c (SEKm)



EBIT bef. i.a.c (%)

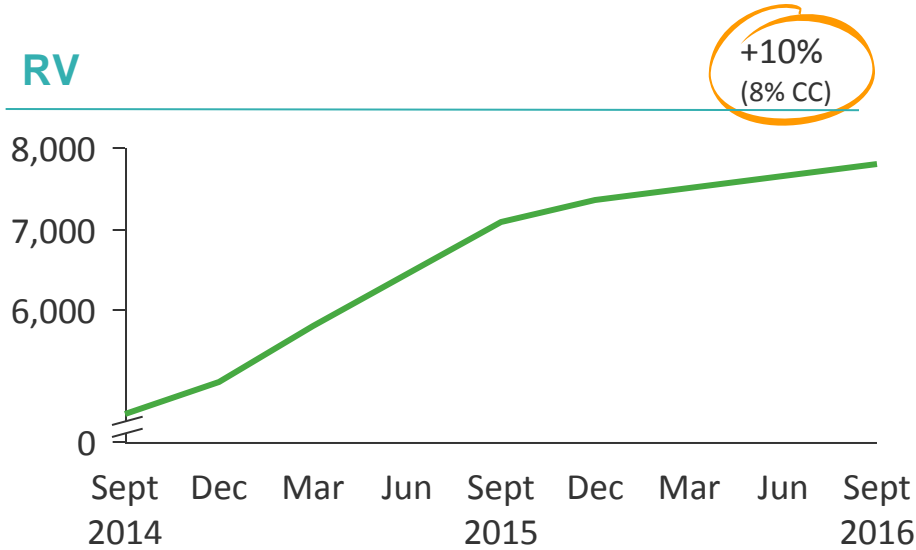


Operating cash flow (SEKm)

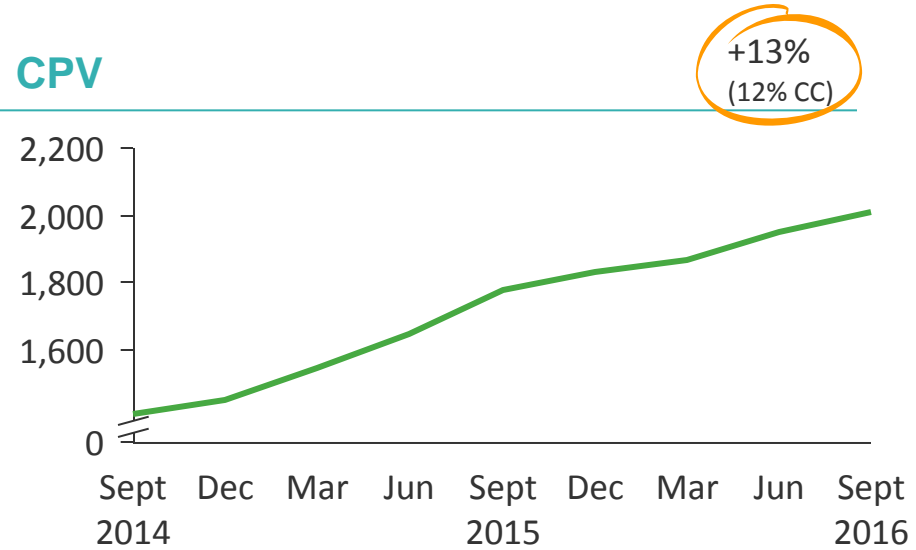


Business Area Sales Development

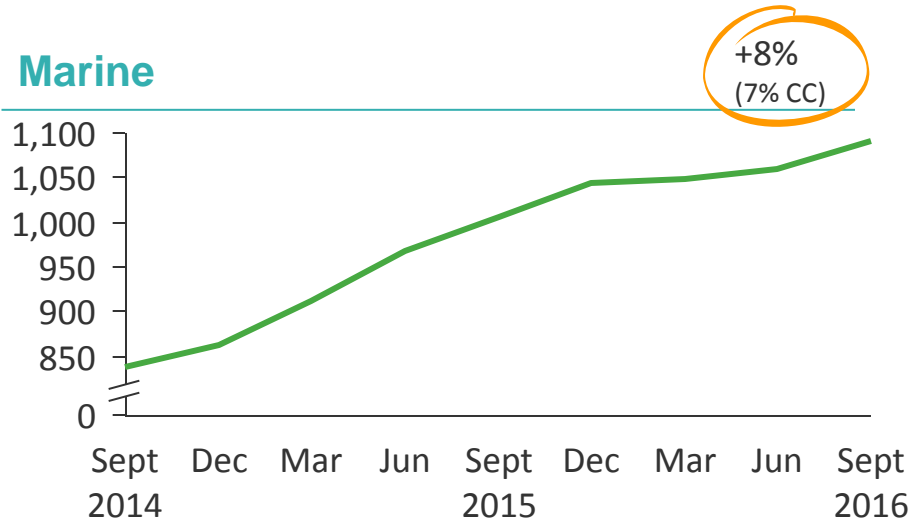
RV



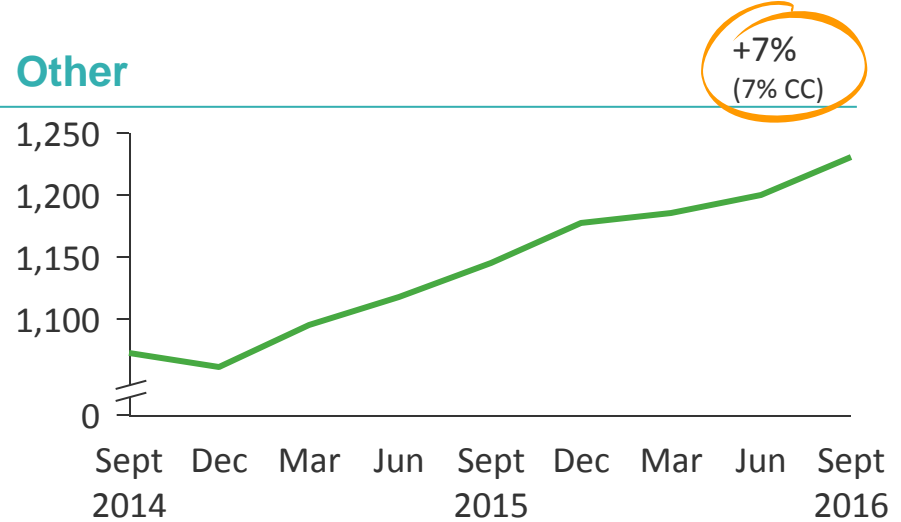
CPV



Marine

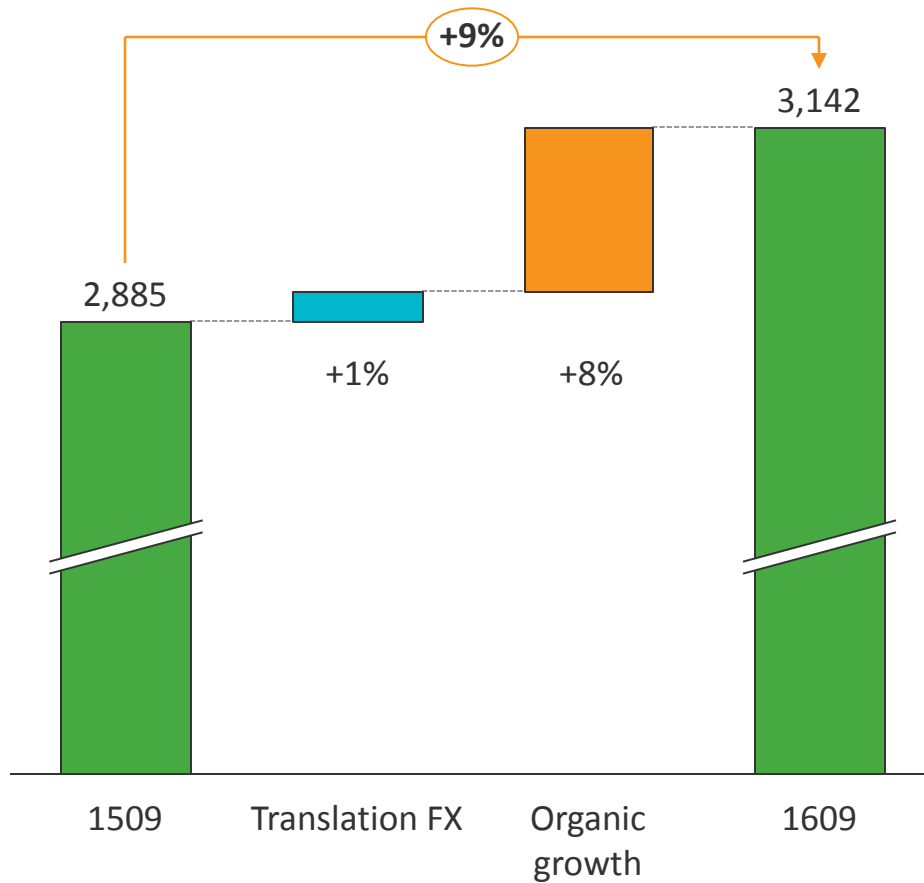


Other



PER-ARNE BLOMQUIST, CFO

Dometic Group Net Sales Bridge Q3 (SEKm)



Translation FX details

	Net Sales	Share of impact	FX change
USD	19	48%	0%
EUR	14	35%	-1%
AUD	14	35%	2%
HKD	0	1%	-2%
GBP	-10	-26%	-9%
CNY	-1	-3%	-4%
Other	3	9%	0%
Total	40		1%

Key Ratios

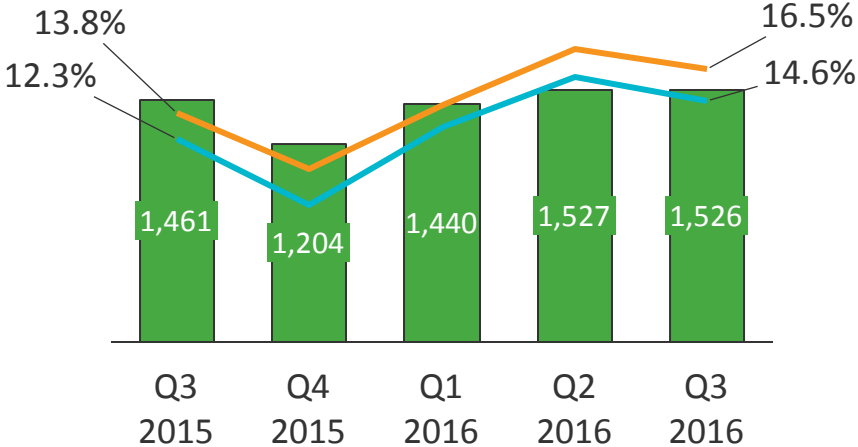
SEKm		Q3 2016	Q3 2015	YTD 2016	YTD 2015	LTM 2016	FY 2015
Sales	Net sales	3,142	2,885	9,602	8,962	12,126	11,486
	Growth, %	8.9	34.3	7.1	35.8	8.6	30.4
	Organic growth, %	7.6	10.1	7.2	7.5		7.7
Profitability	EBIT before i.a.c. %	13.6	12.6	14.7	13.5	13.3	12.3
	EBITDA before i.a.c. %	16.0	15.1	17.0	16.0	15.7	14.8
Capital efficiency	Core working capital, to sales, %	21.9	22.0	21.9	22.0	21.9	21.3
	Return on operating capital	32.6	36.0	32.6	36.0	32.8	35.9
Cash flow	Operating cash flow	535	388	945	767	1,568	1,390
EPS	Earnings per share	1.05	-	3.58	-	-	3.49

Regional result

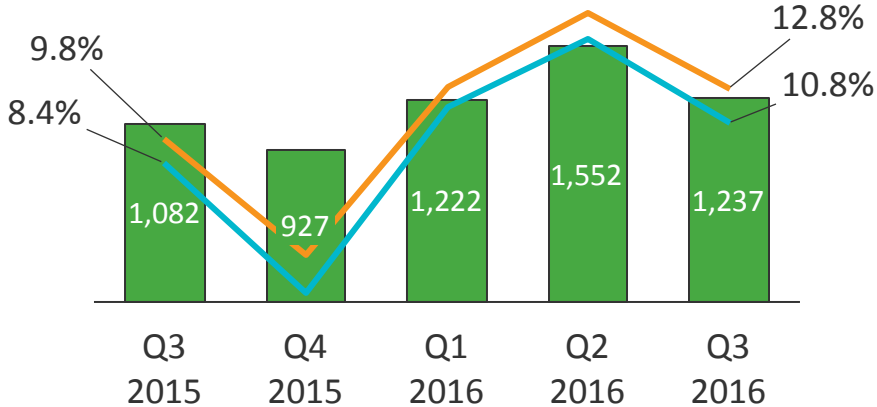
SEK million	Q3	Q3	Change (%)		YTD	YTD	Change (%)		LTM	FY
	2016	2015	Rep.	Adj. ⁽¹⁾	2016	2015	Rep.	Adj. ⁽¹⁾	2016	2015
Americas	1,526	1,461	4%	3%	4,493	4,334	4%	2%	5,697	5,538
EMEA	1,237	1,082	14%	14%	4,011	3,552	13%	13%	4,938	4,479
Asia Pacific	379	342	11%	6%	1,098	1,007	9%	9%	1,491	1,400
Medical division ⁽²⁾	-	-	-	-	-	69	-	-	-	69
Total net sales	3,142	2,885	9%	8%	9,602	8,962	7%	6%	12,126	11,486
Americas	223	180	24%	22%	654	551	19%	17%	753	650
EMEA	133	90	48%	47%	523	394	33%	33%	529	400
Asia Pacific	70	92	-24%	-26%	234	239	-2%	-2%	329	334
Medical division	-	-	-	-	-	28	-	-	-	28
Total operating profit (EBIT)⁽³⁾	426	362	18%	16%	1,411	1,212	16%	16%	1,611	1,412
Americas	14.6%	12.3%			14.6%	12.7%			13.2%	11.7%
EMEA	10.8%	8.4%			13.0%	11.1%			10.7%	8.9%
Asia Pacific	18.5%	26.8%			21.3%	23.7%			22.1%	23.9%
Medical division	-	-			-	40.6%			-	40.6%
Total operating profit %	13.6%	12.6%			14.7%	13.5%			13.3%	12.3%

Margin improvements in the largest regions

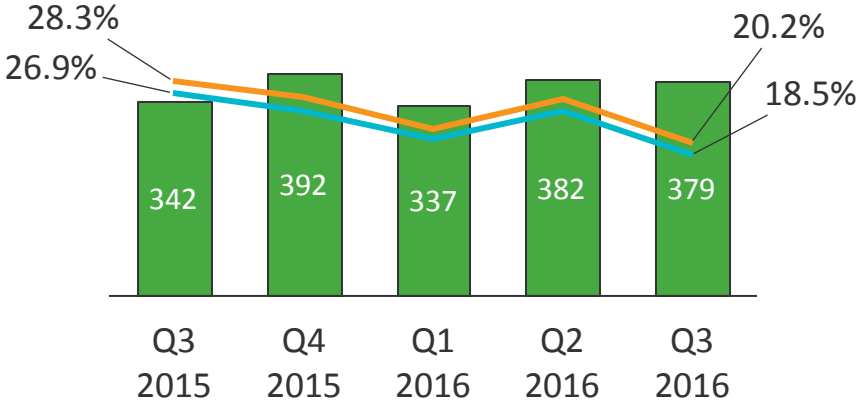
AMERICAS



EMEA

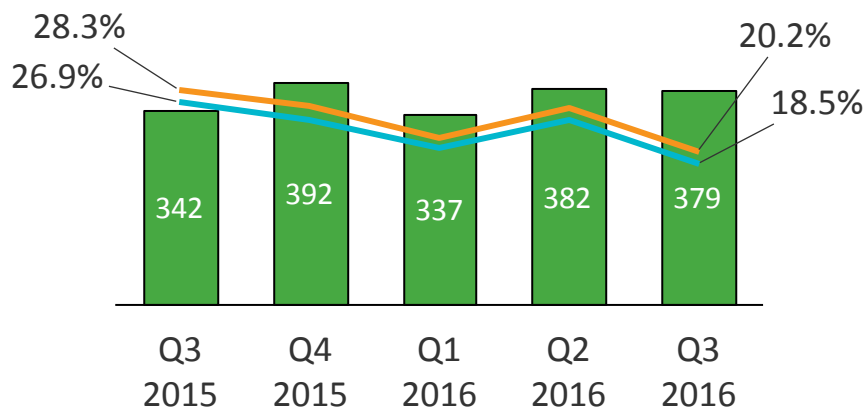


APAC



- EBIT%
- EBIT% w/o central cost
- Net Sales

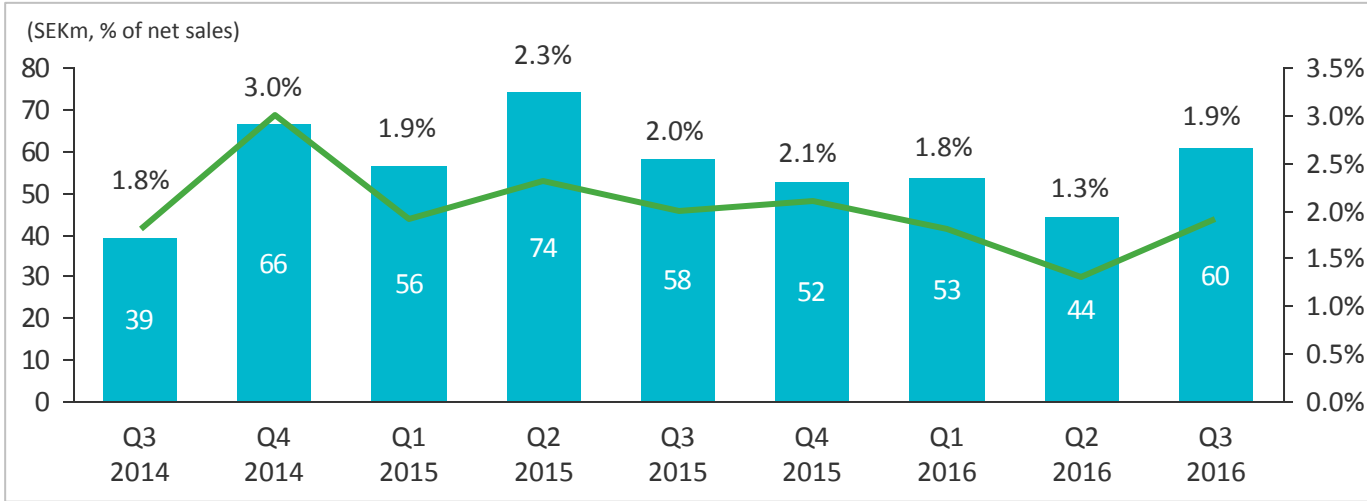
Adjusted APAC



<i>EBIT margin (%)</i>	Q3 2015	Q3 2016
EBIT bef. i.a.c	26.9	18.5
EBIT w/o central cost	28.3	20.2
EBIT adj. for one time effect (Q3-15)	26.3	20.2
EBIT adj. for hedge impact	24.6	22.7
EBIT adj. for hedge and one time impact	22.5	22.7

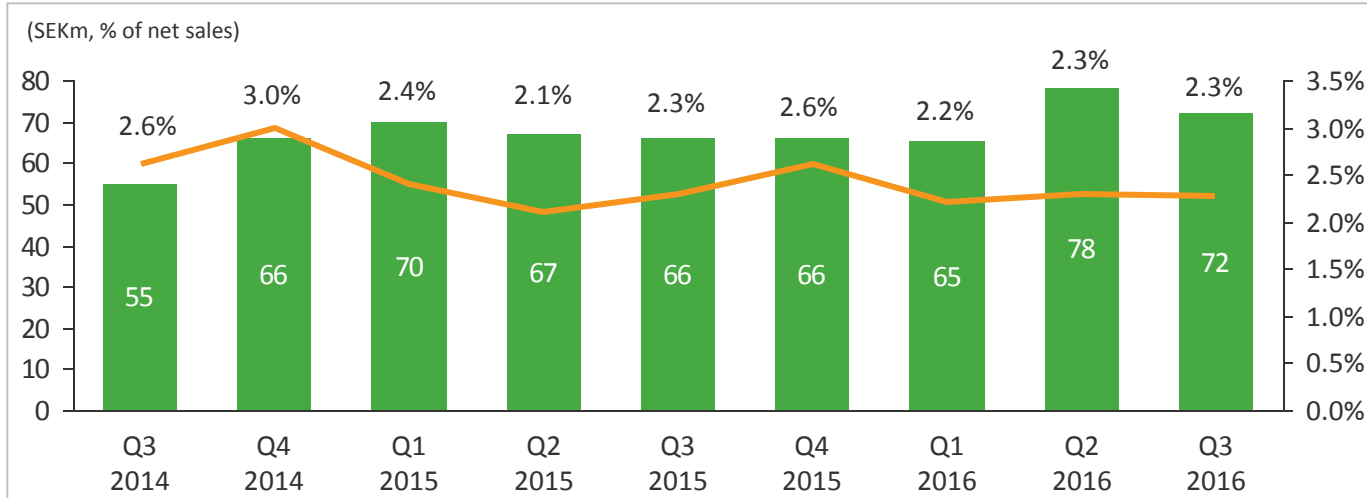
CAPEX & PMI

CAPEX



- LTM capex of 1.7% of LTM net sales.
- Increase expected in second half year.

PMI

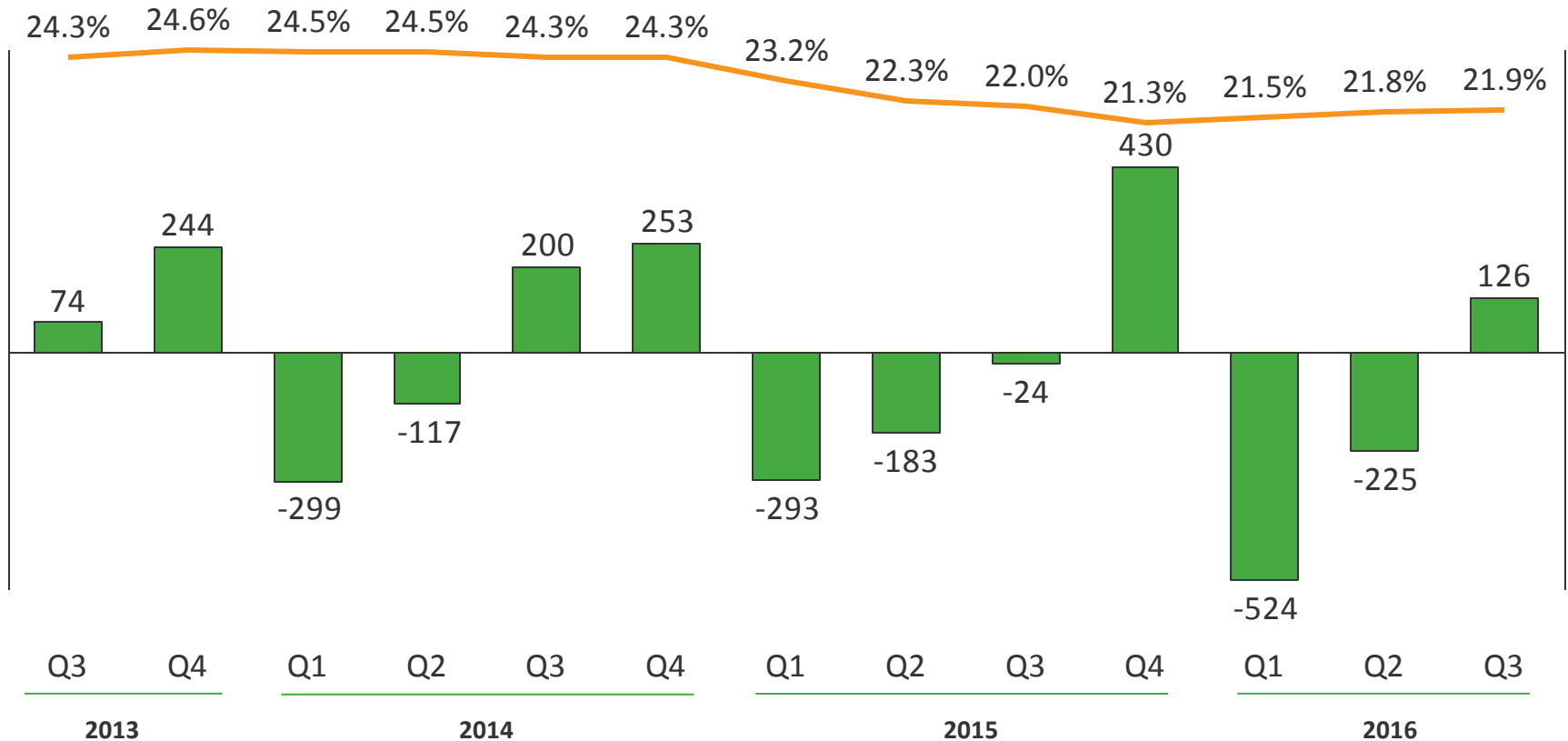


- Consistent investment in product development.
- 2.3% in Q3 as in 2015.

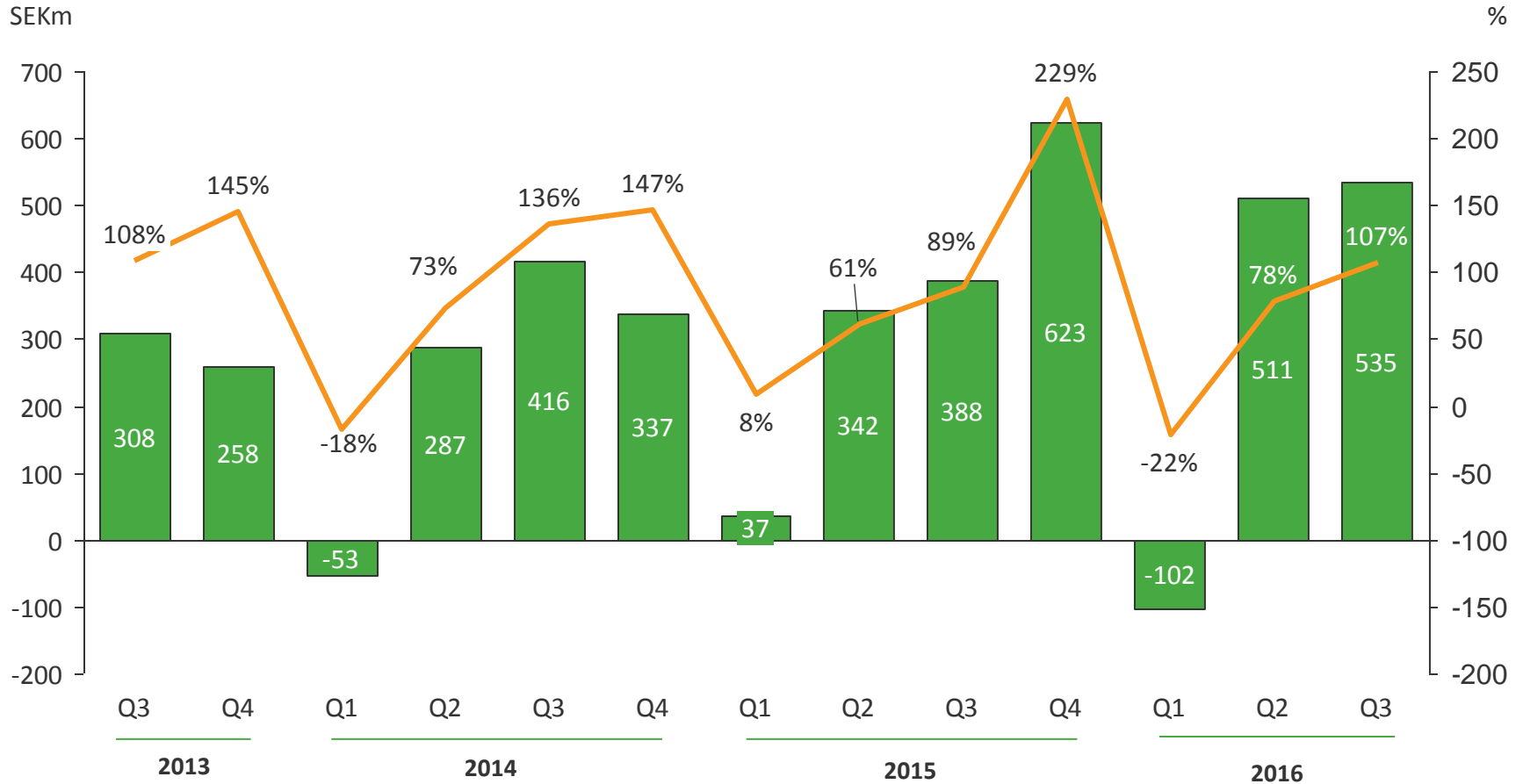
Working Capital development

— Average core WC / LTM sales
 ■ Change in core WC¹

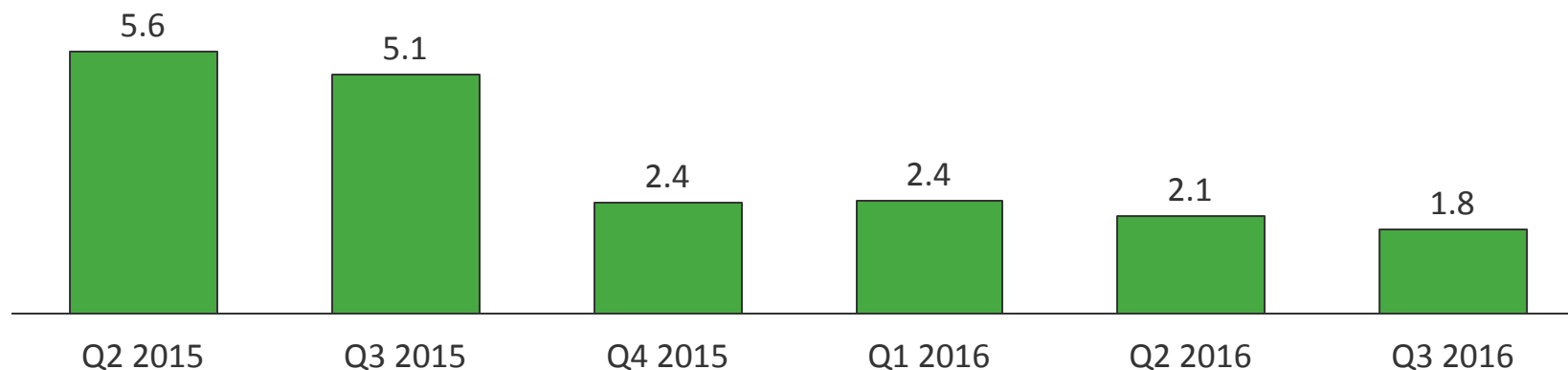
Core working capital build-up (SEKm, %)



Cash Flow (SEKm)



Net debt leverage and Net debt details



SEKm	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016
RCF	87	0	311	131	0	0
Capex	434	434	0	0	0	0
Senior term A	826	819	996	988	1,016	934
Senior term B	5,076	5,055	3,484	3,457	3,558	3,632
Local facilities	14	60	58	49	76	86
Total debt	6,438	6,368	4,849	4,625	4,650	4,652
Senior PIK notes	2,612	2,662	0	0	0	0
Cash	462	522	833	413	730	1,160
Net Debt	8,588	8,508	4,016	4,212	3,920	3,492

On Oct. 10, Standard & Poor's raised its long-term corporate credit rating on Dometic to 'BB' from 'BB-'.

Earnings per share – Q3

MSEK, SEK*	Q3 2016	YTD 2016	Q3 2016 EPS	YTD 2016 EPS
Net sales	3,142	9,602		
Operating profit (before i.a.c)	426	1,411	1.44	4.77
Finance net	-37	-110	-0.13	-0.37
Tax	-78	-231	-0.26	-0.78
Result for the period	311	1,059	1.05	3.58
No. of shares, million	296	296		
Earnings per share, SEK	1.05	3.58		

Q3: Total tax charge 20% (30%), paid tax 7% (27%) of EBT

Items impacting the fourth quarter 2016

- Rebranding and legal fees of approximately 40 MSEK (affects EBIT before i.a.c.)
- Positive impact from recognition of interest expense carry forward of approximately 150 MSEK (affects taxes)
- Write down of assets, mainly intangible assets of 3-3.5 MUSD, due to the divestment of seating and chassis business (will be regarded as i.a.c.).
- Seating & chassis business divestment + 12.5 MUSD (affects cash flow)

Financial Targets

	FY 2014	FY 2015	Q3 2016	YTD 2016	Mid/long term Financial target
Net Sales Growth ¹	5 %	8 %	8 %	7 %	5 %
EBIT Margin ²	11.6 %	12.3 %	13.6 %	14.7 %	15 %
Net Debt / EBITDA	7.5x	2.4x	1.8x	1.8x	2.0x
Dividend Policy	-	No dividend	-	-	40 %



Class action complaint in the US

- On April 21, a class action complaint was filed in California and an amended complaint was subsequently filed on July 8. The California action consists of 7 named plaintiffs. Dometic filed a motion to dismiss the action on August 19 and, as of October 11 the motion is fully briefed. An oral hearing is set for November.
- On June 24, a similar class action complaint was filed in Florida and an amended complaint was subsequently filed on August 23. The Florida action consists of 14 named plaintiffs. Dometic filed a motion to dismiss the action on September 6 and, as of October 3 the motion is fully briefed. Dometic is awaiting a decision by the court.
- It is not uncommon for competing law firms to file similar class action complaints or file amended complaints to respond to the motion to dismiss arguments.
- Discovery is underway in the Florida action, including document production, fact depositions and expert analysis. In California the court has not yet set a formal case schedule and plaintiffs have not yet served formal discovery requests.
- We remain firm in our position that the allegations are without merit.

Summary & outlook

- Strong organic growth driven by overall favorable markets and sales initiatives.
- Strong cash flow, strengthened balance sheet and leverage better than target.
- S&P rating upgraded to BB.
- Continue to pursue improvement initiatives throughout the company.
- Continue to optimize our portfolio.
- 'One Dometic' rebranding initiative to be rolled out starting end of November.
- Positive dynamics in our main markets expected to continue into 2017.

Q&A

APPENDIX

Appendix A

Quarterly Summary Key Financials

	Q3	Q3	YTD	YTD	LTM	FY
SEK million	2016	2015	2016	2015	2016	2015
Net sales	3,142	2,885	9,602	8,962	12,126	11,486
EBITDA	501	441	1,620	1,472	1,875	1,727
% of net sales	16.0%	15.3%	16.9%	16.4%	15.5%	15.0%
Operating profit (EBIT)	426	367	1,400	1,253	1,583	1,436
% of net sales	13.6%	12.7%	14.6%	14.0%	13.1%	12.5%
Operating profit (EBIT) before items affecting comparability	426	362	1,411	1,212	1,611	1,412
% of net sales	13.6%	12.6%	14.7%	13.5%	13.3%	12.3%
Profit for the period	311	112	1,059	471	1,620	1,032
Earnings per share, SEK	1.05	–	3.58	–	–	3.49
Cash flow for the period	423	64	316	-77	631	238
Operating cash flow ⁽¹⁾	535	388	945	767	1,568	1,390
Core working capital	2,879	2,607	2,879	2,607	2,879	2,104
Capital expenditure in fixed assets	-60	-58	-157	-188	-209	-240
RoOC	33%	36%	33%	36%	33%	36%

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

Appendix B

Group P&L

	Q3	Q3	YTD	YTD	FY
SEK million	2016	2015	2016	2015	2015
Net sales	3,142	2,885	9,602	8,962	11,486
Cost of goods sold	-2,099	-2,020	-6,496	-6,285	-8,127
Gross Profit	1,043	865	3,106	2,677	3,359
Sales expenses	-440	-369	-1,230	-1,077	-1,433
Administrative expenses	-151	-134	-421	-376	-510
Other operating income and expenses	-9	17	8	39	64
Items affecting comparability	0	5	-11	41	24
Amortization of customer relationship	-17	-17	-52	-51	-68
Operating profit	426	367	1,400	1,253	1,436
Financial income	1	0	4	1	2
Financial expenses	-38	-206	-114	-564	-1,104
Loss from financial items	-37	-206	-110	-563	-1,102
Profit before income tax	389	161	1,290	690	334
Taxes	-78	-49	-231	-219	698
Profit for the period	311	112	1,059	471	1,032
Profit for the period attributable to owners of the parent	311	112	1,059	471	1,032
Earnings per share before and after dilution effects, SEK - Owners of the parent	1.05	-	3.58	-	3.49
Number of shares, million	295.8	-	295.8	-	295.8

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.

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