

## Press release

Malmö, July 21, 2016

### **Thule Group CEO and President Magnus Welander comments on the second quarter 2016**

#### **Strong growth in the first six months.**

**We continued our strong growth in the second quarter of 2016, driven primarily by successful product launches. Sales growth in the second quarter was 8.2 percent (after currency adjustments), meaning that we posted growth of 7.2 percent for the first six months.**

In the Sport&Cargo Carriers and Other Outdoor&Bags product categories, we accelerated our growth, predominantly in Europe.

This positive volume growth and product mix also enabled us to continue to increase profitability, despite a slightly weaker trend in the US, where the market was characterized by a certain degree of concern in the wake of the bankruptcy of two sporting goods chains.

Underlying EBIT increased 9.9 percent during the quarter after currency adjustment. On a rolling annual basis, the margin thus now amounts to 16.8 percent (16.0 percent for the full-year 2015).

#### **Region Europe & ROW shows strong growth**

We are very pleased about how well our various growth initiatives in Region Europe & ROW delivered during the quarter, with sales growth of 12.8 percent after currency adjustments.

We continued to drive market growth and capture market share in our largest category, Sport&Cargo Carriers, due to highly appreciated product launches and continued close cooperation at the retailer level. Furthermore, we continued to grow rapidly in Other Outdoor&Bags, driven by a steady rise in awareness of our test-winning products in Active with Kids, as well as the expanded range of backpacks in Sport&Travel Bags. In RV Products, we continued the positive trend seen in the first quarter, capturing market shares in a category that also displayed robust market growth.

As expected, the Bags for Electronic Devices category was slightly better than expected than in the first quarter due to reduced exposure to shrinking categories, such as camera bags.

#### **A challenging market in Region Americas**

In Region Americas, sales increased by 0.5 percent during the quarter (after currency adjustment), which was slightly down on expectations. We generated growth in Canada and Latin America, while the market situation in the US was less stable.

The bankruptcies of two major US retail chains in the sports and outdoor market during the spring has impacted overall confidence at the retail level, including the Sport&Cargo Carriers category. The performance of the bike market was also weaker than expected in the US.

Nevertheless, the signals in the market indicate that we are defending our market shares in Sport&Cargo carriers and are capturing market shares in Other Outdoor&Bags, in the somewhat weaker overall market.

Following very positive PR, the trend in Other Outdoor&Bags remained highly favorable in the Active with Kids category. This relates in particular to our sport strollers, a product range that is now growing rapidly. The trend for hiking backpacks also remained positive.

The Bags for Electronic Devices category was more stable during the second quarter, following a very weak first quarter. The focus on growth of bags for everyday use, such as smaller backpacks and laptop cases, continues.

### **Improved profitability in Work Gear**

The focus on profitable growth via an improved product mix and enhanced production efficiency continued to bear fruit. During the second quarter, sales increased marginally by SEK 1m (after currency adjustment), while operating income rose by SEK 6m (after currency adjustment). The main growth driver was racks for pick-up trucks, a product for which our margins are higher.

### **Active with Kids acquisition strengthens portfolio**

In early July, we acquired GMG B.V., the leading manufacturer of child bike seats in the Benelux region, with sales of EUR 6.1m in 2015. The products (sold under the Yepp brand) will be an excellent complement to our existing range of child bike seats and matches our strategy to grow in the Active with Kids category. GMG B.V. has operated with a lean, product-focused sales and marketing organization with six employees and we expect a swift and smooth integration.

### **An exciting trade show period and summer**

With a solid start to the year, peak season and many exciting new products to exhibit during the summer's trade shows, Thule Group has much to look forward to in the period ahead.

### **Enquiries, please contact:**

Fredrik Erlandsson  
SVP Communications and Investor Relations  
Tel: +46 70 309 00 21  
E-mail: [fredrik.erlandsson@thule.com](mailto:fredrik.erlandsson@thule.com)

---

### **About Thule Group**

Thule Group is a world leader in products that make it easy to bring the things you care for – easily, securely and in style – when living an active life.

Under the motto *Active Life, Simplified*, we offer products within two segments: **Outdoor&Bags** (e.g. equipment for cycling-, water- and winter sports, roof boxes, bike trailers, baby joggers, laptop and camera bags, backpacks and cases for mobile handheld devices) and **Specialty** (pick-up truck tool boxes). Our products are sold in 139 markets globally. There are more than 2,000 of us working for Thule Group at nine production facilities and more than 35 sales locations all over the world.

Net sales for 2015 amounted to 5.3 billion SEK.

Thule Group is a public company listed at Nasdaq Stockholm.

For more information, please visit [www.thulegroup.com](http://www.thulegroup.com)