2017/Q1 Road Show
Thule Group

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Active Life, Simplified.





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Our Investment Case

Attractive Market

- Favorable mega-trends driving market growth

Attractive Company

- Strong user-influenced Innovation and Product Development
- Differentiated Premium Brand
- Global Route-to-Market Strategy and Implementation
- Strong Position in the Value Chain
- Sustainable business approach

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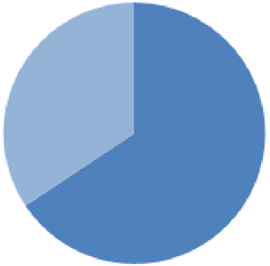
We are a Global Premium Branded Sports&Outdoor Company

Net Sales by Region and Product Category 2016*

Sales Region

Region Americas

34%



Region Europe&ROW

66%

Product Category

Sport&Cargo Carriers	Other Outdoor&Bags	Bags for El. Devices
67%	19%	14%

* *Excluding pick-up truck tool boxes business that is under divestment*

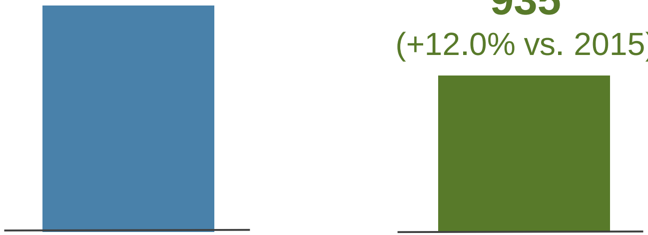
Net Sales and Underlying EBIT Breakdown*

(MSEK)

Underlying EBIT Margin*: **17.6%**

5,304
(+5.2% vs. 2015)

935
(+12.0% vs. 2015)



SALES

EBIT

Global Reach – Sales in 140 Countries

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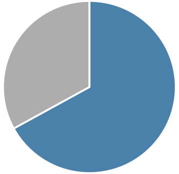
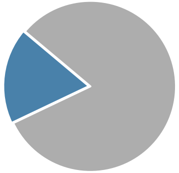
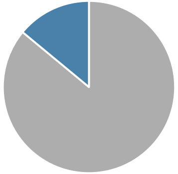
Future top-line growth derived from several sources within Outdoor&Bags

	Sport&Cargo Carriers	Other Outdoor&Bags	Bags for El. Devices
			
Share of Thule Group Sales 2016 (2014)	67% 	19% 	14% 
Growth 2016 vs. 2015 (Constant Currency)	+5.3%	+25.8%	-13.2%
Strategic Focus	Continue to drive growth via **product innovation** and **retail partner program**	Continue to drive growth via **widened offer in new product categories and new listings**	Focus on more stable growing categories with **less device dependancy**

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2017/Q1 Update

2017/Q1 – A very good start to the year

- **Net sales** of SEK 1,599m (1,380)
  - Thule Group +15.9% (+12.3% excluding currency effects)
  - Outdoor&Bags +17.2% (+13.8% excluding currency effects)
  - Specialty -7.6% (-12.4% excluding currency effects)
- **Underlying EBIT** of SEK 280m (235), underlying EBIT margin of 17.5% (17.0)
  - Improvement by +0.3 percentage points in constant currency
  - Outdoor&Bags SEK 296m (252), +17.4% vs PY
  - Specialty SEK 9m (9), -1.5% vs PY
- **Net income** of SEK 203m (169)
- **Earnings per share** of SEK 2.00 (1.67)
- **Cash flow** from operating activities of SEK -172m (-31)
- Specialty divestment in progress

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2017/Q1 – Sales growth drives EBIT growth

Reported Net Sales | **Underlying EBIT and Margin**

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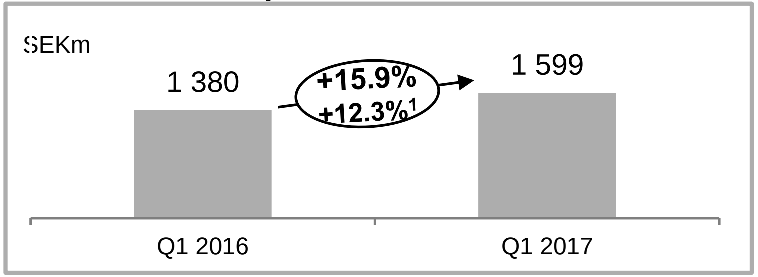
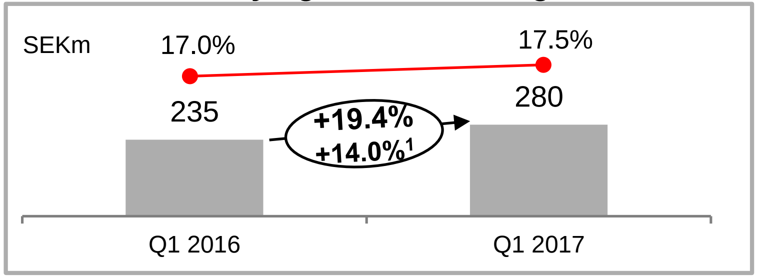
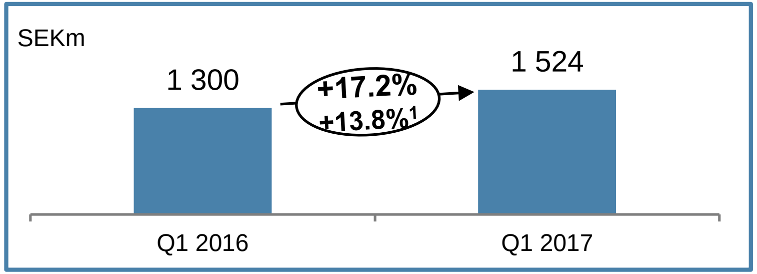
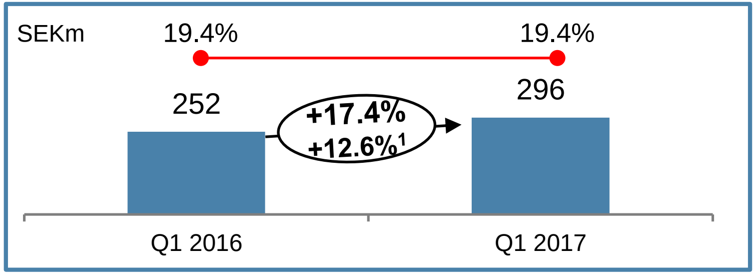


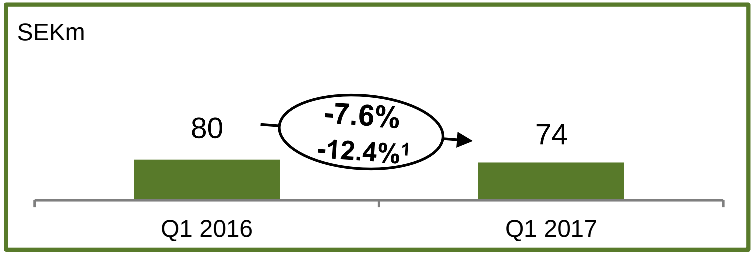


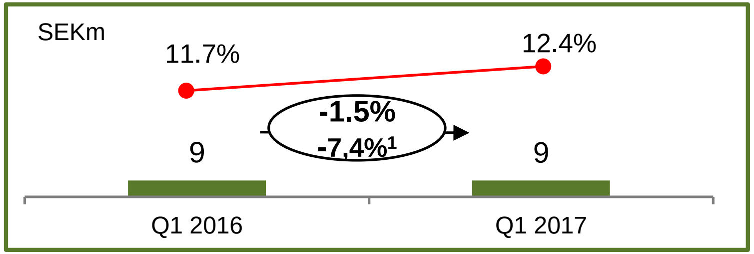
Outdoor & Bags





Specialty





Note: EBIT adjusted for non-recurring items & depr/amort on excess values. [1] *Constant currency adjustment based on average FX rates 1 January-31 March 2017*

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2017/Q1 - Net Sales and EBIT by Segment

Outdoor&Bags

SEKm	Jan - Mar 2017	2016	Change Rep.	Adjust.[1]	LTM	Full-year 2016
Net sales	1 524	1 300	*17.2%*	*13.8%*	5 526	5 302
- Region Europe & ROW	1 082	911	*18.7%*	*17.0%*	3 651	3 481
- Region Americas	443	389	*13.7%*	*6.8%*	1 875	1 822
Operating income	296	249	*18.7%*		1 069	1 023
Underlying EBIT	296	252	*17.4%*	*12.6%*	1 078	1 034
Operating margin, %	19.4%	19.2%			19.3%	19.3%
Underlying EBIT margin, %	19.4%	19.4%			19.5%	19.5%

[1] Adjustment for changes in exchange rates

- Strong sales growth in the quarter
  - 13.8% growth, currency adjusted, for segment, incl. acquisition of GMG Yepp
  - Organic 13.1% growth, currency adjusted
- Strong growth in Region Europe & ROW: +17% currency adjusted
  - Growth across all product categories
  - Continued share wins in hot RV market
- Solid growth in Region Americas: +7% currency adjusted
  - Driven by Sport&Cargo Carriers and Active with Kids

Specialty

SEKm	Jan - Mar 2017	2016	Change Rep.	Adjust.[1]	LTM	Full-year 2016
Net sales	74	80	*-7.6%*	*-12.4%*	301	307
- Work Gear	74	80	*-7.6%*	*-12.4%*	301	307
Operating income	9	9	*-1.5%*		34	34
Underlying EBIT	9	9	*-1.5%*	*-7.4%*	34	34
Operating margin, %	12.4%	11.7%			11.4%	11.2%
Underlying EBIT margin, %	12.4%	11.7%			11.4%	11.2%

[1] Adjustment for changes in exchange rates

- Sales decline 12% currency adjusted
  - Home Depot phase-out started
- EBIT flat despite lower sales
  - Positive customer mix (less Home Depot)
  - Good cost control

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2017/Q1 – Key Events

- Region Americas returns to growth (+7%)
- Region Europe & ROW strong growth continues (+17%)
- Key product launches received well across all markets
- Sport&Cargo Carriers - Strong quarter
  - Strong new product launches in both Regions
  - More balanced stock levels at US retailers entering 2017
- Other Outdoor&Bags - Continued growth at high rates
  - RV Products – Market share wins in a hot RV market
  - Active with Kids – Fast growth in relatively new category
    - Thule Chariot multisport trailer launch strong driver in Europe
    - Strollers positive across the globe
  - Sport&Travel Bags – Thule Subterra luggage drives growth
- Bags for Electronic Devices – Slow-down of negative trend
  - Still difficult in US market, but pace of decline reduced
  - Small growth in Region Europe & ROW

2017/Q1 – Key Events: Award Winning Design

GOLD AWARD 2017

2017/Q1 – Reported Income Statement

SEKm	Q1 2017	Q1 2016	LTM	FY 2016
Net sales	**1,599**	**1,380**	**5,830**	**5,611**
Cost of goods sold	-960	-819	-3,495	-3,354
Gross income	**639**	**562**	**2,334**	**2,257**
Gross Margin %	*40.0%*	*40.7%*	*40.0%*	*40.2%*
Other operating revenue	0	0	0	0
Selling expenses	-282	-252	-1,020	-990
Administrative expenses	-77	-74	-310	-308
Other operating expenses	0	-4	1	-3
Operating income (EBIT)	**280**	**231**	**1,005**	**957**
EBIT Margin %	*17.5%*	*16.8%*	*17.2%*	*17.1%*
Financial expenses/revenue	-11	-7	-40	-36
Income before taxes	**269**	**225**	**965**	**921**
Taxes	-66	-56	-255	-245
Net income	**203**	**169**	**710**	**676**
Net income pertaining to:				
Shareholders of Parent Company	203	169	710	676
Net income	**203**	**169**	**710**	**676**

- Gross Margin slightly down in the quarter
  - Product and customer mix shifts within product categories main reason
  - Limited impact of rising raw material prices
- Selling expenses increase as product development spend increases, but decrease as share of sales
  - Increased sales volume increases costs
  - Major push with product development for future growth categories continue
  - Launch costs associated with entry into Luggage
- EBIT Margin improves thanks to economies of scale
- Tax rates in line with prior year and guidance

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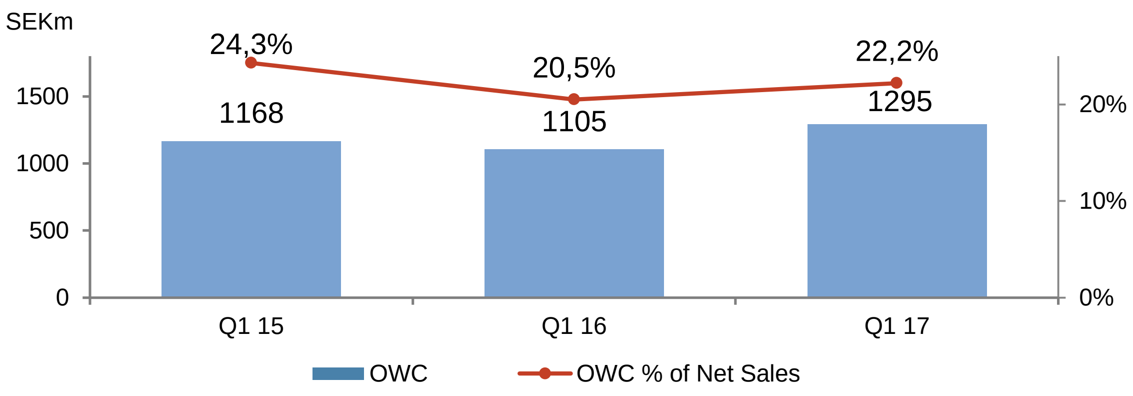
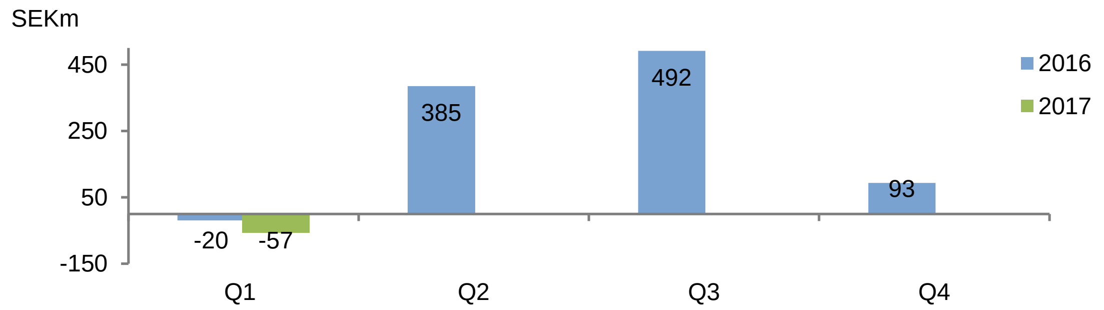
2017/Q1 – Operating Working Capital and Operational Cash Flow

Operating Working Capital



Operational Cash Flow



Operating Working Capital

- Operating working capital, 31 Mar. 2017:
  - Inventory: SEK 921m (780)
  - Accounts receivables: SEK 948m (860)
  - Accounts payable: SEK 574m (535)
- Currency effect SEK 64m vs prior year
- Inventory build up in 2017/Q1
  - Heavy product launches in growth categories early in the season 2017
  - Start up of Eastern DC in US in 2017/Q1

Operational Cash Flow

- Operational cash flow SEK -57m (-20), a decrease by SEK 37m vs prior year
- Following prior years' pattern
  - Negative in Q1
  - Positive flows start mid-way through Q2

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2017/Q1 – Performance vs. Financial Targets

Organic Growth	**≥ 5%**	**Constant Currency Net Sales Growth (excl. Acquisitions)** **+11.7%** Thule Group · **+13.1%** Outdoor&Bags · **-12.4%** Specialty	
Underlying EBIT Margin	**≥ 17%**	**17.5%**	LTM 2017/Q1 at 17.4%
Net Debt / EBITDA	**c. 2.5x**	**1.6x**	1.6x (YE 2016)
Dividend Policy	**≥ 50%**	**51%***	* Ordinary dividend of **SEK 3.40 per share,** proposed by the Board. In addition the Board proposes an extraordinary dividend of **SEK 7.50 per share**

Focus areas for coming months

- Drive profitable sales growth
  - Continued push of new products
  - Support retailers to drive sell-through to consumers
  - Ensure continued good product availability
- Build further on strong Thule brand
  - Focus on new retail channels for new categories
  - Continued roll-out of more emotional Social Media push
  - Ensure further PR traction in new media channels
  - Enhanced merchandizing focus
- Operational efficiencies to offset raw material costs
  - Economies of scale with increased volumes
  - Capture efficiencies in improved distribution center set-up
- Deliver on strategic initiatives for the future
  - Continue journey to further reduce environmental impact
  - Product Development projects for 2018 launches
  - Building of 2nd assembly plant in Poland
  - Divestment of US pick-up truck toolbox business

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