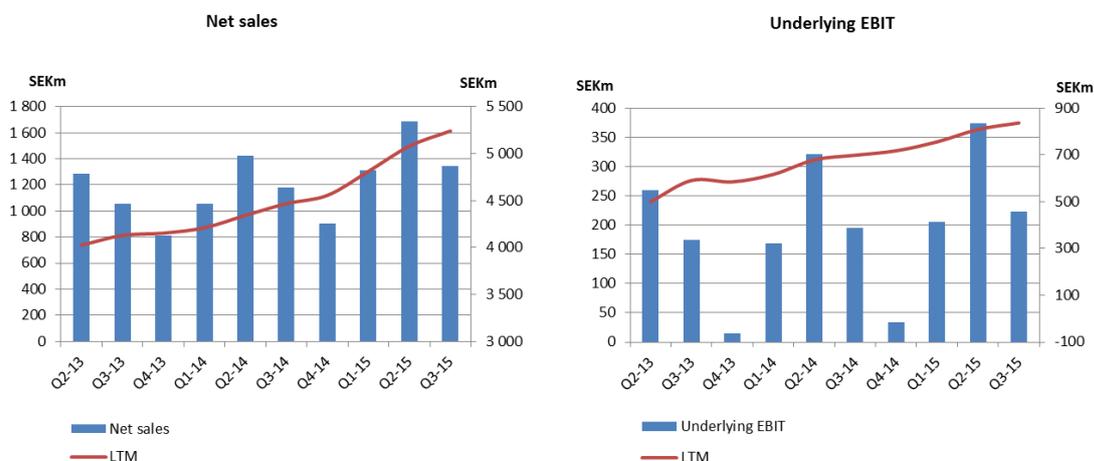


Thule Group

Interim report for the third quarter, July-September 2015

- **Strategic realignment** continued during the quarter with focus on the Group's most important segment, Outdoor&Bags, through the sale of the company's snow chain division (which had sales of SEK 136m for the full-year 2014 with an underlying EBIT of negative SEK 32m). The divestment entailed a capital loss of SEK 130m and a positive cash flow effect of SEK 90m during the quarter.
- **Net sales**¹ for the quarter amounted to SEK 1,343 M (1,182) corresponding to an increase of 13.6 percent. Adjusted for exchange rate fluctuations, sales rose 3.0 percent.
- **Underlying EBIT**¹ amounted to SEK 223m (195), corresponding to a 14.1 percent increase and a margin of 16.6 percent (16.5). Adjusted for exchange rate fluctuations, underlying EBIT rose 12.6 percent and the margin improved 1.4 percentage points.
- **Net income for the period**¹ was SEK 148m (81).
- **Cash flow from operating activities**² was SEK 412m (387).
- **Earnings per share before dilution**¹ amounted to SEK 1.48 (0.96).

	Jul-Sep 2015	Jul-Sep 2014	%	Jan-Sep 2015	Jan-Sep 2014	%	Full-year 2014
Net sales, SEKm	1 343	1 182	+13.6	4 341	3 656	+18.7	4 556
Underlying EBIT, SEKm	223	195	+14.1	802	684	+17.3	718
Operating income (EBIT), SEKm	208	173	+20.3	780	659	+18.4	644
Net income from continued operations, SEKm	148	81	+82.2	565	339	+66.9	236
Earnings per share, SEK	1.48	0.96	+54.2	5.65	4.01	+40.9	2.75
Cash flow from operating activities, SEKm ¹	412	387	+6.6	509	432	+17.8	355



¹Pertains to continuing operations excluding the snow chain division, which was divested in September 2015 and the Trailer and Towing divisions, which were discontinued in 2014.

²Based on the total operations, meaning both continuing operations and operations discontinued in 2015 and 2014.

CEO's comments

The sale of our snow chain operations increases focus on sport and outdoor

In line with our strategic focus on the sport and outdoor sector, our snow chain division was sold at the start of September. In parallel, a strategic review was initiated of the remaining business in the Specialty segment, the Work Gear division.

In 2014, the snow chain division accounted for 3 percent of the Group's sales and posted an underlying EBIT of negative SEK 32m.

Continued favorable profitability trend

After currency adjustment, underlying EBIT for the quarter increased 12.6 percent to SEK 223m (195).

During the quarter, we achieved a general positive product mix trend with a larger proportion of sales in the higher price segments and a lower share of sales for the Bags for Electronic Devices category. The improved product mix together with the positive effects from supply chain initiatives, including our new European distribution center, meant that, after currency adjustments, we improved our underlying EBIT margin by 1.4 percentage points during the quarter.

The positive currency effects we have been experiencing continued, with a greater effect on net sales than on EBIT and, therefore the underlying EBIT margin reported for the quarter only increased 0.1 percentage points to 16.6 percent.

Accordingly, we have raised underlying EBIT for the first three quarters by 17.3 percent (12.9 percent after currency adjustments), which resulted in an underlying EBIT margin of 18.5 percent (18.7). This represented a 1.2 percentage point increase after currency adjustments.

Europe remains strong in Outdoor&Bags

During the quarter, we continued to drive sales growth within sport and outdoor products in both regions. The growth was driven by several successful product launches, in categories where we have long-term leading market positions, such as bike carriers, as well as in our newer categories (for example, child strollers and backpacks).

In the US we continued, however, to be impacted by a strong negative trend in Bags for Electronic Devices, primarily in camera bag sales, affected by the decline in camera sales. In addition, we have also lost shelf space at some of the larger US retail chains in electronics and office supplies. We are continuing to work intensively with new product launches, in parallel with the cost-saving program we

presented in the second quarter, to turn around the trend for this category.

Sales in the Europe & ROW region continued its favourable trend and increased 6.2 percent after currency adjustments, while sales in the Americas region were weaker due to declining sales of Bags for Electronic Devices and declined 2.7 percent after currency adjustments.

Sales for the Outdoor&Bags segment increased 12.4 percent (2.7 percent after currency adjustments) and increased during the first three quarters by 17.8 percent (5.7 percent after currency adjustments).

The underlying EBIT for the segment rose to SEK 232m (208), corresponding to an underlying EBIT margin for the quarter of 19.0 percent and an improvement of 1.5 percentage points after currency adjustments.

Work Gear posts healthy figures

The Specialty segment now comprises our American Work Gear division exclusively, which increased sales 5.5 percent after currency adjustments. Underlying EBIT increased to SEK 18m (12).

For the first three quarters, sales increased 4.6 percent after currency adjustments and the underlying EBIT margin improved to 12.3 percent (11.0).

Our investments in developing fantastic products continues

To great acclaim, our new global Thule Test Center in Hillerstorp, Sweden, was inaugurated during the quarter. This SEK 20m investment, which doubles the center's capacity and means significant new testing possibilities, is another step in our continuous investment in making great products for active consumers.

With a favorable trend for the first nine months of the year in the bag, our focus is now on continuing profitable growth even in the Group's least profitable quarter, but more importantly on ensuring we are well-prepared ahead of next season's crucial product launches.



Magnus Welander,
CEO and President

Financial overview³

Trend for the third quarter

Net sales

Net sales for the third quarter of 2015 amounted to SEK 1,343m (1,182), representing an increase of 13.6 percent, primarily attributable to new product launches and higher sales in the Outdoor&Bags segment. Adjusted for exchange rate fluctuations, net sales for the Group rose 3.0 percent.

In the Outdoor&Bags segment, net sales totaled SEK 1,224m (1,089), corresponding to an increase of 12.4 percent or 2.7 percent after currency adjustments. After currency adjustments, sales in the Europe & ROW regions increased 6.2 percent, while sales in the Americas region declined 2.7 percent. The Americas region was negatively impacted during the quarter in the Bags for Electronic Devices product category.

Net sales in the Specialty segment, which now exclusively comprises our US Work Gear division, totaled SEK 119m (93), corresponding to an increase of 27.8 percent or 5.5 percent after currency adjustments.

	Jul-Sep	Jan-Sep
	2015	2015
Change in net sales		
Changes in exchange rates	10.6%	13.1%
Structural changes	0.0%	0.0%
Organic growth	3.0%	5.6%
Total	13.6%	18.7%

Gross income

Gross income totaled SEK 508m (465), corresponding to a gross margin of 37.8 percent (39.3). The gross margin was negatively impacted by currency effects (negative 1.6 percentage points), due to a large positive currency effect on net sales, while the cost of goods sold was negatively affected by the fact that goods purchased mainly in USD were also, to a considerable extent, sold in the European market.

Operating income

Operating income totaled SEK 208m (173). Underlying EBIT amounted to SEK 223m (195), corresponding to a margin of 16.6 percent (16.5). Changes in exchange rates had an overall positive impact of about SEK 3 M on underlying EBIT compared with the third quarter of 2014. A larger positive currency effect on net sales than on underlying EBIT had a negative impact on the underlying EBIT margin during the quarter. After currency adjustment, we achieved an improvement of 1.4 percentage points compared with the preceding year due to an enhanced product mix and efficiency enhancements in production and logistics.

	Jul-Sep	Jan-Sep
	2015	2015
Change in underlying EBIT-margin		
Underlying EBIT 2015	223	802
Underlying EBIT-margin 2015	16.6%	18.5%
Underlying EBIT 2014	195	684
Underlying EBIT-margin 2014	16.5%	18.7%
Underlying EBIT 2014, currency adjusted	198	711
Underlying EBIT-margin 2014, currency adjusted	15.2%	17.3%
Change in underlying EBIT-margin, currency adjusted	1.4%	1.2%

³Unless otherwise stated, the information in the overview pertains to continuing operations excluding the snow chain division, which was divested in September 2015 and the Trailer and Towing divisions, which were discontinued in 2014.

Items affecting comparability

Items affecting comparability comprised a total expense of SEK 12m. The expense pertained to the reorganization introduced in the second quarter and which resulted in personnel reductions at the Group's operations in the US, Belgium and Hong Kong. Over the past year, a number of structural projects in distribution have been implemented with the aim of enhancing our operational efficiency. Combined with the comprehensive business system project completed in 2014, the Group was able to implement new processes and thus create greater efficiency in a number of the support functions in the Outdoor&Bags segment. These expenses were included under the following items: SEK 3m under cost of goods sold, SEK 7m under selling expenses and SEK 1m under administrative expenses.

Net financial items

In the third quarter of 2015, net financial items amounted to an expense of SEK 14m (expense: 77). Exchange rate differences on loans and cash and cash equivalents were SEK 0m (neg: 36). The interest expense for borrowings was SEK 14m (expense: 40). The improvement was due to lower gearing.

Net income for the period

In the third quarter of 2015, net income from continuing operations was SEK 148m, corresponding to earnings per share of SEK 1.48 before dilution (SEK 1.47 after dilution). For the corresponding year-earlier period, net income from continuing operations totaled SEK 81m, corresponding to earnings per share of SEK 0.96 (before and after dilution).

Net income from discontinued operations

Discontinued operations comprise net income from the snow chain division, which was previously included in the Specialty operating segment. The snow chain division was divested and deconsolidated in September 2015. The selling price comprised two components, an initial payment of EUR 10m and a maximum additional purchase consideration of a further EUR 10m (based on snow chain sales over the next two winter seasons). Half of the possible additional purchase consideration has been recognized as a receivable and is included in the capital loss, which is expected to amount to SEK 130m including transaction costs.

Trend for the first three quarters

Net sales

In the first three quarters of 2015, net sales amounted to SEK 4,341m (3,656), representing an increase of 18.7 percent, primarily driven by new product launches and higher sales in the Outdoor&Bags segment. Adjusted for exchange rate fluctuations, net sales for the Group rose 5.6 percent.

In the Outdoor&Bags segment, net sales totaled SEK 3,998m (3,395), corresponding to an increase of 17.8 percent or 5.7 percent after currency adjustments. After currency adjustments, sales in the Europe & ROW regions increased 9.9 percent, while sales in the Americas region declined 1.6 percent. The Americas region was negatively impacted during the period in the Bags for Electronic Devices product category.

Net sales in the Specialty segment, which now exclusively comprises our US Work Gear division, totaled SEK 342m (260), corresponding to an increase of 31.3 percent or 4.6 percent after currency adjustments.

Gross income

Gross income amounted to SEK 1,710m (1,493) corresponding to a gross margin of 39.4 percent (40.8). Gross income was negatively impacted by currency effects (negative 1.5 percentage points). Net sales were boosted by positive currency effects, while the cost of goods sold was negatively affected by the fact that goods purchased mainly in USD were also, to a considerable extent, sold in the European market.

Operating income

Operating income totaled SEK 780m (659). Underlying EBIT amounted to SEK 802m (684), corresponding to a margin of 18.5 percent (18.7). Operating income for the quarter was positively impacted, primarily by higher net sales, but also by the enhanced product mix and efficiency enhancements in production and logistics.

Changes in exchange rates had an overall positive impact of about SEK 27m on underlying EBIT, compared with the first three quarters of 2014. The larger positive currency effect on net sales than on the underlying EBIT in the first three

quarters negatively affected the underlying EBIT margin. After currency adjustment, we achieved a year-on-year improvement of 1.2 percentage points.

Net financial items

In the first three quarters, net financial items amounted to an expense of SEK 49m (expense: 214), and were negatively impacted by exchange rate differences of SEK 8m (neg: 79) on loans and cash and cash equivalents. The interest expense for borrowings for the first three quarters was SEK 41m (expense: 130). The improvement was due to lower gearing.

Net income for the period

In the first three quarters, net income from continuing operations was SEK 565m, corresponding to earnings per share of SEK 5.65 before dilution (SEK 5.62 after dilution). For the year-earlier period, net income from continuing operations totaled SEK 339m, corresponding to earnings per share of SEK 4.01 (before and after dilution).

Net income from discontinued operations

Net income from discontinued operations pertains to net income from the snow chain division that was previously included in the Specialty operating segment, which was a loss of SEK 146m. Net income from discontinued operations for last year was a loss of SEK 407m, of which a loss of SEK 39m pertained to the snow chain division.

Cash flow⁴

Cash flow for the third quarter

Cash flow from operating activities during the third quarter was SEK 412m (387). The cash flow is a result of improved operating income. Cash flow for the quarter was negatively impacted by a tax payment of SEK 31m pertaining to a partial payment of the German Federal Central Tax Office claim on Thule Deutschland Holding GmbH, which has been appealed by the company; Note 5 Taxes. The cash flow from investing activities was positively impacted by the divestment of the snow chain division. Investments in tangible and intangible assets amounted to an expense of SEK 39m (expense: 52). The previously utilized revolving credit facility of SEK 300m was repaid during the quarter.

Cash flow for the first three quarters

Cash flow from operating activities for the first three quarters was SEK 509m (432). The improved cash flow is driven by an improved operating income. Investments in tangible and intangible assets amounted to an expense of SEK 74m (expense: 142).

Financial position

At September 30, 2015, the Group's equity amounted to SEK 3,263m (1,924). The equity ratio amounted to 46.3 percent (25.6). At September 30, 2015, the Group's net debt amounted to SEK 2,158m (3,712). Total long-term borrowing amounted to SEK 2,412m (4,323), and comprised loans from credit institutions of SEK 2,418m (4,350), gross, capitalized financing costs of SEK -12m (neg: 27) and the long-term portion of financial derivatives of SEK 7m (0). Total current financial liabilities amounted to SEK 12m (101) and mainly comprised financial lease liabilities and short-term portion of financial derivatives of SEK 7m (89).

SEKm	Sep 30 2015	Sep 30 2014	Dec 31 2014
Long-term loans, gross	2 418	4 350	2 390
Short-term loans, gross	4	13	254
Overdraft facilities	0	0	4
Financial derivative instruments, net	7	89	26
Capitalized financing costs	-12	-27	-14
Accrued interest	0	5	0
Gross debt	2 417	4 431	2 660
Cash and cash equivalents	-259	-719	-114
Net debt	2 158	3 712	2 546

⁴Based on the total operations, meaning both continuing and discontinued operations.

Pledged assets for the Thule Group amounted to SEK 28m (7,098). The change was attributable to the terms of the new financing agreement that entered force in conjunction with the IPO in the autumn of 2014.

At September 30, 2015, goodwill amounted to SEK 4,122m. Goodwill pertaining to continuing operations totaled SEK 3,875m at September 30, 2014. The increase was fully attributable to currency effects.

At September 30, 2015, inventories amounted to SEK 694m. At September 30, 2014, inventories pertaining to continuing operations amounted to SEK 529m. The change (positive: SEK 174m) was attributable to exchange rates SEK 42m, an increased inventory in Europe ahead of the move to a new third-party distribution center and, in Bags for Electronic Devices, to a number of launches and sales ahead of the major holidays in the fourth quarter.

Other information

Strategic restructuring

Strategic realignment continued during the quarter with focus on the Group's most important segment, Outdoor&Bags, through an agreement and a sale of the company's snow chain division on September 2. The snow chain division that was included in the Specialty operating segment reported sales of SEK 136m in 2014 and an underlying EBIT of negative SEK 32m. The capital loss from this divestment is estimated at SEK 130m including all expenses regarding the divestment. The transaction entailed a positive cash flow effect of SEK 90m during the quarter.

Seasonal variations

The Thule Group's sales and operating income are partially affected by seasonal variations. During the first quarter, sales are partly affected in the Outdoor&Bags segment (roof boxes, ski-racks, winter sport transport cases, etc.) by winter conditions. In the second and third quarters, primarily Outdoor&Bags is impacted by how early the spring and summer arrives, while sales in individual quarters may be impacted by the quarter in which spring or summer occurs. In the fourth quarter, seasonal variations are primarily attributable to sales of winter-related products (roof boxes, ski-racks, winter sport transport cases, etc.) and sales of products in the Outdoor&Bags segment's bag category prior to major holidays.

Employees

The average number of employees was 2,146 (2,104).

Events after the balance-sheet date

No significant events have occurred after the balance-sheet date.

The Thule Group share

The shares of Thule Group AB are listed on the Nasdaq Stockholm Mid Cap list. At September 30, 2015, the total number of shares in issue was 100,000,000.

Dividends

At the Annual General Meeting on April 29, a dividend was approved of SEK 2.00 per share for 2014, totaling SEK 200m. It was also resolved that dividends will be paid in two installments for better adaptation to the Group's cash flow profile.

The record date for the first dividend payment of SEK 1.00 per share was May 4, 2015 and the record date for the second payment of SEK 1.00 per share was October 9, 2015.

Shareholders

At September 30, 2015, Thule Group AB had 2,386 shareholders. At this date, the largest shareholders were NC Outdoor VI AB (26.8 percent of the votes), NC Outdoor VII AB (17.5 percent of the votes), AMF - Försäkring och Fonder (9.0 percent of the votes), Swedbank Robur fonder (5.7 percent of the votes) and Lannebo fonder (5.7 percent of the votes).

Parent Company

Thule Group AB's principal activity pertains to head office functions such as Group-wide management and administration. The comments below refer to the period January 1-September 30, 2015. The Parent Company invoices its costs to Group companies. The Parent Company reported negative net income of SEK 2m (neg: 376).

Cash and cash equivalents and current investments amounted to SEK 0m (34). Long-term liabilities to credit institutions totaled SEK 2,394m (0).

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 uncertainties section.

Performance by business segment

Outdoor & Bags

SEKm	Jul-Sep		Change		Jan-Sep		Change	
	2015	2014	Rep.	Adjust. ¹	2015	2014	Rep.	Adjust. ¹
Net sales	1 224	1 089	12.4%	2.7%	3 998	3 395	17.8%	5.7%
- Region Europe & ROW	776	701	10.8%	6.2%	2 643	2 280	15.9%	9.9%
- Region Americas	448	388	15.4%	-2.7%	1 355	1 115	21.5%	-1.6%
Operating income	218	194	12.4%		820	710	15.4%	
Underlying EBIT	232	208	11.6%	11.2%	841	726	15.8%	12.3%
Operating margin, %	17.8%	17.8%			20.5%	20.9%		
Underlying EBIT margin, %	19.0%	19.1%			21.0%	21.4%		

¹ Adjustment for changes in exchange rates

In the third quarter of 2015, net sales in Outdoor&Bags rose to SEK 1,224m (1,089), an increase of 12.4 percent. Adjusted for exchange rate fluctuations, net sales rose 2.7 percent. For the first three quarters, net sales rose to SEK 3,998m (3,395), corresponding to an increase of 17.8 percent (5.7 percent after currency adjustment).

Sales in this business segment grew mainly due to a continued strong trend in the Europe & ROW region, particularly in the product categories of Sport&Cargo Carriers and Other Outdoor&Bags. In Sport&Cargo Carriers, we achieved very strong growth in the bike carrier category. In Other Outdoor&Bags, we continued to drive positive development in all categories, including the more established category of accessories for mobile homes/caravans. In Active with Kids, we achieved healthy growth in multi-functional trailers as well as increased sales thanks to the successful launch of sport strollers earlier in the year. In Sport&Travel Bags, growth was primarily driven through the launch of technical backpacks in the spring. In Bags for Electronic Devices, the negative trend continued for the historically important camera bag category, with extremely weak camera sales, but this was partly offset by an improved trend for computer backpacks and tablet cases with a positive response to new products launched in the spring and summer.

In the Americas region, the trend in the product categories of Sport&Cargo Carriers and Other Outdoor&Bags was strong, while sales in Bags for Electronic Devices remained very weak. Lower sales in this category were attributable to an extremely weak camera market (in which sales of digital system cameras continued to decline substantially during the period), to a generally weak consumer market in Latin America, and also because we were unable to capture new listings for the newly developed products to the same extent as we were able to in the Europe region and, at the same time, lost a number of listings in the low-price segment at major retail chains.

In the third quarter of 2015, underlying EBIT amounted to SEK 232m (208). Changes in exchange rates had a net positive impact of SEK 1m on underlying EBIT for the period, compared with the corresponding year-earlier period. The segment's balanced geographic cost structure and proportion of material purchased in USD, as well as finished products from China and the rest of Asia in USD-linked currencies to be later sold in the eurozone continued to have a negative impact on the Group's underlying EBIT margin during the quarter. During the quarter, the underlying EBIT margin was 19.0 percent (19.1). After currency adjustment, we achieved a year-on-year improvement of 1.5 percentage points driven by a positive product mix and a number of efficiency enhancements in sourcing and logistics.

For the first three quarters, the underlying EBIT was SEK 841m (726), representing a margin of 21.0 percent (21.4). After currency adjustment, we achieved a year-on-year improvement of 1.2 percentage points due to a positive product mix and a number of efficiency enhancements in sourcing and logistics.

In July, a decision was taken regarding a reorganization resulting in personnel cutbacks in a number of different support functions in the company's operations related to Bags for Electronic Devices in the US, Belgium and Hong Kong, which resulted in nonrecurring costs of about SEK 12m in the quarter and an annual saving of about SEK 20m, which started to have an impact from the third quarter.

Specialty

SEKm	Jul-Sep		Change		Jan-Sep		Change	
	2015	2014	Rep.	Adjust. ¹	2015	2014	Rep.	Adjust. ¹
Net sales	119	93	27.8%	5.5%	342	260	31.3%	4.6%
- Work Gear	119	93	27.8%	5.5%	342	260	31.3%	4.6%
Operating income	18	12	51.4%		42	29	46.3%	
Underlying EBIT	18	12	51.4%	29.0%	42	29	46.3%	22.2%
Operating margin, %	15.3%	12.9%			12.3%	11.0%		
Underlying EBIT margin, %	15.3%	12.9%			12.3%	11.0%		

¹Adjustment for changes in exchange rates

In line with the company's strategic focus on the Outdoor&Bags segment, the snow chain division was divested in September, at the same time as the Board decided on a strategic review of the American Work Gear operations. Net sales in the Specialty segment, which now exclusively comprises the Work Gear division, totaled SEK 119m (93), corresponding to an increase of 27.8 percent in the third quarter. Adjusted for exchange rate fluctuations, net sales rose 5.5 percent.

Underlying EBIT for the third quarter totaled SEK 18m (12) and the operating margin was 15.3 percent (12.9). Changes in exchange rates had a year-on-year positive impact of SEK 2m on earnings.

For the first three quarters, sales totaled SEK 342m (260), up 31.3 percent (4.6 percent after currency adjustment) and underlying EBIT amounted to SEK 42m (29), corresponding to an operating margin of 12.3 percent (11.0).

The increase in sales has been balanced and was based on high margin products to a number of the company's major customers, which has resulted in continuous improvement of underlying EBIT margins.

The Board of Directors and the President provide their assurance that this interim report provides a fair and accurate view of the Group's and the Parent Company's operations, financial position and earnings, and describes the material risks and uncertainties faced by the Parent Company and other companies in the Group.

November 4, 2015

Board of Directors

Review report

To the Board of Directors of Thule Group AB (publ)
Corp. Reg. No.: 556770-6311

Introduction

We have performed a review of the interim consolidated financial statements (interim report) for Thule Group AB (publ) at September 30, 2015 and the nine-month period ending on that date. The Board of Directors and the President are responsible for the preparation and fair presentation of this interim report in accordance with IAS 34 *Interim Financial Reporting* and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Approach and scope of the review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of individuals responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed on the basis of a review does not provide the same level of assurance as a conclusion expressed on the basis of an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report has not, in all material aspects, been compiled in accordance with IAS 34 *Interim Financial Reporting* and the Swedish Annual Accounts Act for the Group and, for the Parent Company, in accordance with the Swedish Annual Accounts Act.

Stockholm, November 4, 2015

Helene Willberg
KPMG AB, Authorized Public Accountant

Images of key events in the period

The expanded **Thule Test Center™** was inaugurated and greeted with substantial interest from customers and media on September 3 in Hillerstorp, Sweden. The Thule Group was founded in Hillerstorp in 1942 and Thule's largest development center remains in Hillerstorp. Everything from fall, crash, shock, durability and environmental testing is carried out at the **Thule Test Center™**.



The pictures show one of the test center's two test rigs for fatigue testing. Among other things, this equipment can simulate one year of driving in extreme conditions in less than 24 hours. Furthermore, this is carried out in an extremely Green and fully repeatable manner.



During the inauguration, visitors were able to visit the Group's normally secret test areas for new projects (named Area 42, after the year in which the Group was founded). This part of the test center offers the possibility of flexible use of a large quantity of different testing equipment to apply the specific test requirements that new categories can entail. On this occasion, diverse tests were shown that had been used in the development of products in the Active with Kids category.

Financial statements

(Unless otherwise stated, all amounts are in SEK m)

Consolidated Income Statement

	Note	Jul-Sep		Jan-Sep		Full-year	
		2015	2014	2015	2014	LTM	2014
Continuing operations							
Net sales	2	1 343	1 182	4 341	3 656	5 241	4 556
Cost of goods sold		-835	-717	-2 631	-2 163	-3 208	-2 741
Gross income		508	465	1 710	1 493	2 033	1 816
Other operating revenue		-2	-1	2	5	2	5
Selling expenses		-232	-208	-709	-615	-954	-860
Administrative expenses		-72	-63	-222	-197	-299	-274
Other operating expenses		4	-20	0	-26	-16	-42
Operating income	2	208	173	780	659	766	644
Net interest expense/income		-14	-77	-49	-214	-158	-323
Income before taxes		194	96	732	444	608	321
Taxes	5	-46	-14	-167	-106	-146	-85
Net income from continued operations		148	81	565	339	463	236
Discontinued operations							
Net income from discontinued operations	3	-125	-9	-146	-407	-115	-376
Net income		23	72	419	-69	348	-140
Consolidated net income pertaining to:							
Shareholders of Parent Company		23	74	419	-69	348	-140
of which, pertaining to continuing operations		148	81	565	339	463	236
of which, pertaining to discontinued operations		-125	-7	-146	-407	-114	-376
Non-controlling interest (pertaining to discontinued operations)		0	-2	0	0	0	0
Net income		23	72	419	-69	348	-140
Earnings per share, SEK before dilution		1.48	0.96	5.65	4.01		2.75
Earnings per share, SEK after dilution		1.47	0.96	5.62	4.01		2.75
Earnings per share continuing operations, SEK before dilution		0.23	0.87	4.19	-0.81		-1.63
Earnings per share continuing operations, SEK after dilution		0.23	0.87	4.17	-0.81		-1.63
Average number of shares (millions)		100.0	84.5	100.0	84.5		85.9

Consolidated Statement of Comprehensive Income

		Jul-Sep		Jan-Sep		Full-year	
		2015	2014	2015	2014	LTM	2014
Net income		23	72	419	-69	348	-140
Items that have been carried over or can be carried over to net income							
Foreign currency translation		54	49	128	135	234	241
Cash-flow hedges		-9	2	20	-2	-4	-26
Net investment hedge		-41	32	-29	33	19	82
Translation differences from foreign currency translation and net investments recognized in net income		-26	-3	-26	28	-31	23
Tax on components in other comprehensive income		6	-7	-14	-7	-19	-13
Tax on components in other comprehensive income recognized in net income		-6	14	-6	17	-6	17
Items that cannot be carried over to net income							
Revaluation of defined-benefit pension plans		7	0	7	-9	-8	-24
Tax pertaining to items that cannot be carried over to net income		-2	0	-2	2	2	6
Other comprehensive income		-17	87	78	196	187	304
Total comprehensive income		7	160	498	127	535	164
Total comprehensive income pertaining to:							
Shareholders of Parent Company		7	162	498	127	535	164
Non-controlling interest (pertaining to discontinued operations)		0	-2	0	0	0	0
Total comprehensive income		7	160	498	127	535	164

Consolidated Balance Sheet

	Sep 30 2015	Sep 30 2014	Dec 31 2014
Assets			
Intangible assets	4 152	3 920	4 082
Tangible assets	485	529	559
Long-term receivables	44	4	6
Deferred tax receivables	523	485	520
Total fixed assets	5 205	4 940	5 167
Inventories	694	703	795
Tax receivables	3	9	11
Accounts receivable	745	782	754
Prepaid expenses and accrued income	55	33	51
Other receivables	94	49	60
Related-party receivables	0	293	0
Cash and cash equivalents	259	719	114
Total current assets	1 851	2 587	1 785
Total assets	7 056	7 527	6 952
Equity and liabilities			
Equity	3 263	1 924	2 966
Long-term interest-bearing liabilities	2 412	4 323	2 376
Pension provisions	122	134	135
Deferred income tax liabilities	142	172	154
Total long-term liabilities	2 677	4 628	2 665
Short-term interest-bearing liabilities	12	101	292
Accounts payable	366	382	497
Income taxes	184	72	69
Other liabilities	119	21	28
Accrued expenses and deferred income	379	324	327
Provisions	55	74	107
Total short-term liabilities	1 116	975	1 321
Total liabilities	3 792	5 603	3 986
Total equity and liabilities	7 056	7 527	6 952

Consolidated Statement of Changes in Equity

	Sep 30 2015			Sep 30 2014		
	Equity attributable to shareholders of Parent Company	Non-controlling interest	Total equity	Equity attributable to shareholders of Parent Company	Non-controlling interest	Total equity
Opening balance, January 1	2 966	-	2 966	1 797	5	1 802
Net income	419	-	419	-69	-5	-74
Total other comprehensive income	78	-	78	196	-	196
Total comprehensive income	498	-	498	127	-5	122
Transactions with the Group's owners						
Dividend	-200	-	-200	0	0	0
Closing balance	3 263	-	3 263	1 924	0	1 924

Consolidated Statement of Cash Flow⁵

	Jul-Sep		Jan-Sep	
	2015	2014	2015	2014
Income before taxes	194	96	732	444
Income from discontinued operations before taxes	-128	-3	-149	-392
Adjustments for items not included in cash flow	149	50	199	553
Paid income taxes	-44	-9	-101	-46
Cash flow from operating activities prior to changes in working capital	171	134	680	560
Cash flow from changes in working capital				
Increase(-)/Decrease (+) in inventories	79	101	-40	-12
Increase(-)/Decrease (+) in receivables	349	262	-36	-164
Increase(+)/Decrease (-) in liabilities	-186	-110	-94	48
Cash flow from operating activities	412	387	509	432
Investing activities				
Sale of subsidiaries	67	0	67	191
Acquisition/divestment of intangible assets	0	-14	0	-14
Acquisition/divestment of tangible assets	-39	-38	-74	-128
Cash flow from investing activities	28	-52	-7	49
Financing activities				
New issue of shares	0	0	0	0
Dividend	0	0	-100	0
Debt repaid/new loans	-306	0	-256	-152
Cash flow from financing activities	-306	0	-356	-152
Net cash flow	134	335	146	329
Cash and cash equivalents at beginning of period	126	381	114	385
Effect of exchange rates on cash and cash equivalents	-1	3	-0	6
Cash and cash equivalents at end of period	259	719	259	719

⁵Pertains to total operations, meaning both continuing and discontinued operations.

Parent Company Income Statement

	Jul-Sep		Jan-Sep		Full-year
	2015	2014	2015	2014	2014
Other operating revenue	6	3	18	3	9
Other operating expenses	0	-376	0	-376	-400
Administrative expenses	-8	-3	-23	-3	-9
Operating income	-2	-376	-5	-376	-400
Net interest expense/income	1	0	3	0	1
Income after financial items	-1	-376	-2	-376	-399
Appropriations	0	0	0	0	31
Taxes	0	0	0	0	0
Net income	-1	-376	-2	-376	-368

Parent Company Balance Sheet

	Sep 30	Sep 30	Dec 31
	2015	2014	2014
Assets			
Financial fixed assets	5 002	1 000	4 971
Total fixed assets	5 002	1 000	4 971
Other current receivables	2	0	50
Cash and cash equivalents	0	34	0
Total current assets	2	34	50
Total assets	5 004	1 034	5 021
Equity and liabilities			
Equity	1 469	658	1 670
Liabilities to credit institutions	2 394	0	2 363
Liabilities to Group companies	368	368	368
Total long-term liabilities	2 762	368	2 731
Liabilities to credit institutions	0	0	250
Liabilities to Group companies	660	8	354
Other current liabilities	113	0	16
Total short-term liabilities	773	8	620
Total equity and liabilities	5 004	1 034	5 021
Pledged assets	0	1 034	0
Contingent liabilities	None	None	None

Disclosures, accounting policies and risk factors

Note 1 Accounting policies

This condensed consolidated interim report has been prepared in accordance with IAS 34, *Interim Financial Reporting*, and the applicable provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act on interim financial reporting. The same accounting policies and calculation methods have been applied for the Group and Parent Company as in the most recent Annual Report. Other new and revised IFRSs that became effective in 2015 have had no material impact on the Group's earnings and financial position.

Note 2 Operating segments

The Snow Chain division, which was part of the Specialty operating segment, was divested in September 2015 and the former Towing operating segment (including the Trailer and Towing divisions) was divested in 2014 and are reported as discontinued operations; see Note 3 Discontinued operations. Comparative figures for the Snow Chain division and Towing operations have been excluded retroactively.

	Outdoor&Bags		Specialty		Group common		Eliminations		Group	
	Jul-Sep		Jul-Sep		Jul-Sep		Jul-Sep		Jul-Sep	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Sales to customers	1 224	1 089	119	93	0	0			1 343	1 182
Intercompany sales	2	3	0	0	0	0	-2	-3	0	0
Underlying EBITDA	246	219	19	13	-27	-24			238	208
Operating depreciation/amortization	-13	-11	-1	-1	-1	-1			-15	-13
Underlying EBIT	232	208	18	12	-28	-25			223	195
Other depreciation/amortization	-3	-3	0	0	-1	0			-3	-3
Items affecting comparability	-12	-11	0	0	0	-8			-12	-19
Operating income	218	194	18	12	-28	-33			208	173
Net interest expense/income									-14	-77
Taxes									-46	-14
Net income from discontinued operations									-125	-9
Consolidated net income									23	72

	Outdoor&Bags		Specialty		Group common		Eliminations		Group	
	Jan-Sep		Jan-Sep		Jan-Sep		Jan-Sep		Jan-Sep	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Sales to customers	3 998	3 395	342	260	1	1			4 341	3 656
Intercompany sales	6	12	0	0	0	0	-6	-12	0	0
Underlying EBITDA	880	759	46	32	-78	-69			848	722
Operating depreciation/amortization	-39	-32	-4	-3	-2	-2			-46	-38
Underlying EBIT	841	726	42	29	-80	-71			802	684
Other depreciation/amortization	-9	-8	0	0	-2	-1			-11	-10
Items affecting comparability	-12	-8	0	0	0	-8			-12	-15
Operating income	820	710	42	29	-82	-80			780	659
Net interest expense/income									-49	-214
Taxes									-167	-106
Net income from discontinued operations									-146	-407
Consolidated net income									419	-69

Note 3 Discontinued operations

	Jan-Sep	
	2015	2014
Revenue	84	968
Expenses	-103	-1 001
Write-down of Goodwill	0	-350
Income before taxes	-19	-383
Taxes	3	-15
Realization gain/loss from divestment of discontinued operation	-130	-9
Net income from discontinued operations	-146	-407
Earnings per share, discontinued operations, SEK (before and after dilution)	-1.46	-4.82

	Jan-Sep	
	2015	2014
Cash flow from discontinued operations		
Operating cash flow before investments	69	90
Operating cash flow after investments	67	42

Note 4 Fair value of financial instruments

	Sep 30	
	2015	2014
Assets - Financial derivatives		
Currency forward contracts	3	1
Currency swaps	3	1
Currency options	2	3
Interest rate swaps	0	1
Commodity derivatives	0	0
Total derivative assets	8	6
Liabilities - Financial derivatives		
Currency forward contracts	-4	-4
Currency swaps	-1	-2
Currency options	-2	-3
Interest rate swaps	-7	-87
Total derivative liabilities	-14	-95

The carrying amount is considered to be an approximation of the fair value for all financial assets and liabilities. The Group's long-term liabilities are subject to floating interest rates, which means that changes in the basic interest rate will have no significant impact on the fair value of the liabilities. According to the company's assessment, neither have there been any changes in the credit margins that would significantly impact the fair value of the liabilities. The financial instruments measured at fair value in the balance sheet consist of derivatives held to hedge the Group's exposure to interest rates, currency rates and raw-material prices. All derivatives belong to Level 2. The Group's financial asset pertaining to the additional purchase consideration that has arisen in conjunction with the divestment of the Snow Chain division belongs to Level 3 of the hierarchy for measuring fair value as described in IFRS 13.

Note 5 Taxes

The company is involved in an ongoing tax dispute in Germany. Regarding the tax audits for the years 2005 – 2008, the tax authority in Germany has made a final decision on Thule Deutschland Holding GmbH, which corresponds with its earlier view of this issue. As the company announced earlier, the German tax authority has issued a judgment on an increase in the tax base, which would add approximately another EUR 15.5m in further taxes and interest for the company. The company has appealed the ruling and, accordingly, has not made any further provisions this year. In total, the Group has made a provision of SEK 46m for tax/interest rates attributable to the above dispute. A tax payment of SEK 31m

pertaining to a partial payment of the German Federal Central Tax Office claim on Thule Deutschland Holding GmbH was made during the period.

The effective tax rate for the January-September 2015 period was 22.8 percent compared with 26.4 percent for the full-year 2014. The tax rates for the full-year 2014 were impacted by the provisions made for the ongoing tax dispute in Germany. No other significant events affecting the Group's effective tax rate occurred during the period.

Note 6 Risks and uncertainties

The Thule Group is an international company and its operations may be affected by a number of risk factors in the form of operational and financial risks. The operational risks are managed by the operational units and the financial risks by the central finance department. The operational risks comprise the overall economic trend, as well as consumption by both consumers and professional users, primarily in North America and Europe, where most of the Group's sales are conducted. An economic downturn in these markets could have a negative impact on the Group's sales and earnings. Changes in product technology and sales channel shifts could also affect the Group's sales and earnings negatively.

The Thule Group's operations are also exposed to seasonal variations. Demand for consumer products for an active outdoor lifestyle (such as bike carriers or water sport-related products) is greatest during the warmer months of the year, while demand for cases for electronic products is greatest when schools start, at the end of the year and when new electronic products are launched. The Thule Group has adapted its production processes and supply chain in response to these variations.

Other relevant risk factors are described in the Thule Group's Annual Report and pertain to industry- and market-related risks, operating risks and financial risks.

Key figures

	Jul-Sep		Jan-Sep		Full-year	
	2015	2014	2015	2014	LTM	2014
Net sales, SEKm	1 343	1 182	4 341	3 656	5 241	4 556
Net sales growth, %	13.6%	11.9%	18.7%	9.4%	17.3%	9.7%
Net sales growth, adjusted % ¹	3.0%	5.6%	5.6%	5.8%	4.8%	4.9%
Gross margin, %	37.8%	39.3%	39.4%	40.8%	38.8%	39.8%
Underlying EBIT, SEKm	223	195	802	684	837	718
Underlying EBIT margin, %	16.6%	16.5%	18.5%	18.7%	16.0%	15.8%
Operating income (EBIT), SEKm	208	173	780	659	766	644
Operating margin, %	15.5%	14.6%	18.0%	18.0%	14.6%	14.1%
Earnings per share, SEK	1.48	0.96	5.65	4.01	4.63	2.75
Earnings per share, SEK (total operations)	0.23	0.87	4.19	-0.81	3.48	-1.63
Equity ratio, % ²	46.3%	25.6%	46.3%	25.6%	46.3%	42.7%
Working capital, SEKm ²	747	1 713	747	1 713	747	755
Debt/equity ratio ²	2.4	4.9	2.4	4.9	2.4	3.3
Average number of employees	2 146	2 104	2 146	2 104	2 146	2 014

¹ Adjustment for changes in exchange rates

² Comparative periods are based on total operations (incl. discontinued operations)

Definitions

Continuing operations Comprises the Outdoor&Bags and Specialty operating segments.

Debt/equity ratio Net debt divided by the underlying rolling 12-month EBITDA.

Discontinued operations Comprises the snow chain division and the former Towing operating segment, comprising trailer and towing operations.

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.

EBIT (Earnings Before Interest and Taxes) Income before net financial items and taxes.

EBIT margin EBIT as a percentage of net sales.

Earnings per share Net income for the period divided by the average number of shares during the period.

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 margin Gross income as a percentage of net sales.

Gross income Net sales less cost of goods sold.

Gross debt Total long- and short-term borrowing including overdraft facilities, financial derivatives, capitalized financing costs and accrued interest.

LTM Last 12-month.

Net investments Investments in tangible and intangible assets adjusted for disposals.

Net debt Gross debt less cash and cash equivalents.

Underlying EBITDA EBITDA excluding items affecting comparability.

Underlying EBIT excluding items affecting comparability and depreciation/amortization of consolidated 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.

Financial calendar

Year-end report, January-December 2015

Interim report, January-March 2016

Thule Group AGM (Malmö)

February 15, 2016

April 26, 2016

April 26, 2016

Contacts

Fredrik Erlandsson, Senior Vice President Communications

Tel: +46 (0)70-309 00 21, e-mail: fredrik.erlandsson@thule.com

Lennart Mauritzson, CFO

Tel: +46 (0)70-309 05 57, e-mail: lennart.mauritzson@thule.com

About the Thule Group

The 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*, the company 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** (toolboxes for pick-up trucks).

The Thule Group has about 2,000 employees at nine production facilities and 26 sales offices worldwide. The Group's products are sold in 139 markets and in 2014 sales amounted to SEK 4.7 billion. www.thulegroup.com



Thule Group»

Thule Group AB (publ)
Fosievägen 13
SE-214 31 Malmö, Sweden
Corp. Reg. No: 556770-6311
www.thulegroup.com