

-5.8%

Net sales growth

4.3%

EBIT margin

Higher earnings and stronger margins**April – June 2017**

- Net sales amounted to SEK 446.0m (473.5), a decrease of 5.8 percent. Net sales were up by 5.5 percent excluding the US/Canada region.
- Operating profit (EBIT) of SEK 19.1m (4.2), corresponding to an operating margin of 4.3 percent (0.9). EBIT includes SEK 2.2m (4.9) of restructuring expenses.
- Order intake decreased by 6.4 percent to SEK 442.2m (472.3).
- The order book amounted to SEK 278.7m (273.7) at the end of the period.
- Profit after tax for the period was SEK 15.3m (1.2).
- Earnings per share amounted to SEK 0.65 (0.05).
- Free cash flow before acquisitions amounted to SEK -1.4m (-10.1).

January – June 2017

- Net sales amounted to SEK 898.3m (886.5), an increase of 1.3 percent. Net sales were up by 12.2 percent excluding the US/Canada region.
- Operating profit (EBIT) of SEK 36.4m (13.5), corresponding to an operating margin of 4.1 percent (1.5). EBIT includes SEK 2.2m (4.9) of restructuring expenses.
- Profit after tax for the period was SEK 28.3m (7.0).
- Earnings per share amounted to SEK 1.21 (0.30).
- Free cash flow before acquisitions amounted to SEK 25.1m (-56.1).

Outlook

Unchanged outlook: Our expectation for 2017 is that both sales and EBIT will increase compared to 2016.

DORO GROUP (SEKm)	2017 Apr-Jun	2016 Apr-Jun	2017 Jan-Jun	2016 Jan-Jun	2016 Jan-Dec
Net sales	446,0	473,5	898,3	886,5	1 959,1
Net sales growth, %	-5,8	11,8	1,3	16,4	7,1
EBITDA	33,8	21,0	65,1	43,3	121,4
EBITDA margin, %	7,6	4,4	7,2	4,9	6,2
EBITA	20,4	6,1	38,9	17,8	55,1
EBITA margin, %	4,6	1,3	4,3	2,0	2,8
EBIT	19,1	4,2	36,4	13,5	47,7
EBIT margin, %	4,3	0,9	4,1	1,5	2,4
Profit after tax	15,3	1,2	28,3	7,0	31,0
Earnings per share, SEK	0,65	0,05	1,21	0,30	1,33
Equity/assets ratio, %	44,6	42,0	44,6	42,0	40,4



Sales growth y/y excluding US and Canada 5,5%

Doro Care increases net sales by 7,7%

Sequential sales increase in the US

Program of actions to reduce costs and increase efficiency initiated

Preparations underway for the IFA trade show

Unchanged outlook for 2017

CEO's comment

Doro's sales performance varied between its different regions in the second quarter, while earnings continued to improve. Second-quarter sales were down by 5.8 percent to SEK 446.0m (473.5), while growth excluding the US/Canada region was positive, with sales increasing by 5.5 percent. Order intake was down by 6.4 percent to SEK 442.2m (472.3), while the order book grew by 1.8 percent. The earnings improvement continued in the second quarter, with gross margin expanding to 39.1 percent (36.4). I'm seeing more stability in our earnings and cash flow, which enabled us to increase our equity/assets ratio.

Doro Care, which we have been reporting as an independent region since the start of this year, increased sales by 7.7 percent in like-for-like terms, supported by strong progress in Germany, and a stable level of subscription-based operations in the Nordics. In total, Doro Care significantly improved margins, largely thanks to rationalization measures executed. Health and social care is moving rapidly towards digitalisation, with more widespread usage of connected sensors and devices, cloud-based tools and artificial intelligence. Our strategy for Care is, in time, to be able to offer an extensive range of products and services for the new health and social care digital ecosystem.

Sales in the US/Canada region continued to decrease in the second quarter compared to the second quarter of the previous year, but increased compared to the previous, first, quarter. We think the comparative figures will gradually improve in the second half-year. The action plan we have initiated, which includes enhancing our product offering, create the potential to re-establish a stable sales level in the US in time.

Progress on our markets in the second quarter was challenging to some extent, with low or no growth in retail trade (big-ticket items) on several of our markets. However, we did succeed in increasing sales in four of seven regions, including our largest: DACH, where sales were up by 24.1 percent.

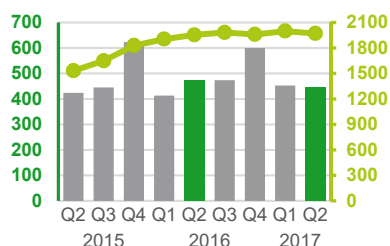
After a thorough overhaul of our working methods and processes, we commenced the execution of a series of actions to consistently improve the efficiency and reduce the costs of our business. The early indications are positive, and we expect to be able to provide more information on outcomes later in the year.

Preparations for the important IFA trade show in Berlin in early-September are underway. We have high hopes of getting just as positive a response to our products and innovations in Berlin as we did at the Mobile World Congress in Barcelona earlier this year.

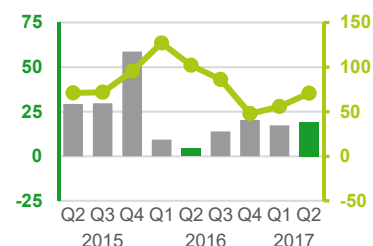
Doro remains strongly positioned in the senior segment, and we think we are defending our market shares well. Looking ahead, I see a wealth of exciting opportunities to evolve and enhance our offering and our market positioning further. With our first half-year results in hand, we are reiterating our outlook for 2017: our expectation for 2017 is that both sales and EBIT will increase compared to 2016.

Robert Puskaric, President & CEO

Net sales per quarter and R12m, SEKm



EBIT per quarter and R12m, SEKm



Sales growth excluding US/Canada 5,5%

Strong sales performance in DACH and the UK, weaker in US/Canada and the Nordics

Smart phone share of total mobile phone sales stable

Doro Care's sales up 7,7% on the previous year

Financial overview group, second quarter 2017

Sales

Doro's net sales in the second quarter amounted to SEK 446.0m (473.5), a 5.8 percent decrease on the second quarter 2016. Adjusted for currency effects, the downturn was 8.6 percent. Excluding the US/Canada region, sales were up by 5.5 percent.

Second-quarter order intake was down by 6.4 percent in like-for-like terms year on year, to SEK 442.2m (472.3). The value of the order book was SEK 278.7m (273.7) at the end of the quarter.

Sales by geographical region made differing progress compared to the second quarter of the previous year. Sales in the Nordics were down by 10.2 percent, which can be partly assigned to high stockpiling by customers in the first quarter, and to some extent, a calendar effect that also had a negative impact on retailing. Strong progress continued in the DACH region, with sales growth of 24.1 percent.

Negative sales progress continued in the US/Canada region, with a 66 percent decrease on the second quarter 2016, although the year-ago quarter was exceptionally strong due to a shift to a new technology generation. Sales increased quarter on quarter. We think that the comparative figures will gradually improve in the second half-year, and that the action plan we have initiated will create the potential to re-establish a stable sales level in the US in time.

Sales in the UK increased by 10.5 percent in the second quarter after a poor first quarter, despite restrained progress in retailing and for big-ticket items generally in the period, when uncertainty surrounding Brexit undermined consumer confidence.

Sales of smart phones were stable in the second quarter, with a share of some 20 percent of total mobile phone sales. Our offering in this category is in continuous focus and renewal, and new products in this range are scheduled for the second half-year.

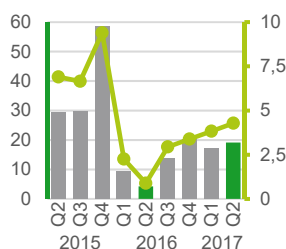
Doro Care's positive progress continued in the second quarter. Sales were up by 7.7 percent, supported by continued strong sales in Germany, and higher subscription income in the Nordics in year-on-year terms, amounting to SEK 64.2m for the second quarter (59.6), of which SEK 42.4m (33.3), consisted of subscription income.

Earnings

Doro's gross margin continued to increase, and amounted to 39.1 percent in the second quarter (36.4). This improvement is mainly sourced from lower expenses and higher volumes in Care, which continues to benefit from normalised order levels, thanks to the framework agreement with local government procurement organisation SKL Kommentus Inköpscentral. The customer and product mix in handset sales, as well as currency effects, also made positive contributions.

Second-quarter EBITDA was up by 61 percent to SEK 33.8m (21.0), corresponding to an EBITDA margin of 7.6 percent (4.4). The increased EBITDA was mainly due to higher gross income and lower operating expenses compared to the second quarter 2016.

EBIT and EBIT margin per quarter, SEKm and %



EBITA also improved, to SEK 20.4m (6.1). Amortisation of intangible assets related to business combinations according to plan was SEK -1.3 m (-1.9) in the quarter, corresponding to an EBIT of SEK 19.1m (4.2) and an EBIT margin of 4.3 percent (0.9). EBIT includes restructuring expenses of SEK 2.2m (4.9).

To some extent, the improved profitability is a consequence of better cost control and efficiency measures in the alarm receiving centre operation, which resulted in lower costs per connection. Work on structuring and streamlining operations is ongoing and expected to contribute to continued profitability improvement with retained or growing sales.

Net financial items for the first quarter were SEK 0.2m (-2.9) including the revaluation of financial instruments in foreign currencies.

Group tax for the quarter was SEK -4.0m (-0.1).

Profit after tax for the period was SEK 15.3m (1.2).

Cash flow, investments and financial position

Cash flow from operating activities was high in the second quarter, at SEK 14.0m (7.0). Free cash flow, after investments but before business combinations, also increased, to SEK -1.4m (-10.1). Improved profits and a continued focus on increasing working capital efficiency are the primary explanations for this improvement.

Cash and cash equivalents were SEK 57.8m at the end of the second quarter (33.7), after total payments of dividends to shareholders of SEK 23.2m (0). At the same time, the equity/assets ratio was 44.6 percent (42.0).

Net debt increased somewhat in the quarter, amounting to SEK 127.2m at the end of the second quarter, which can be compared to SEK 124.3m at the end of the previous, first, quarter.

Significant events in the period

For the half-year period January-June, effective 1 January 2017, Doro altered the definition of its markets so reporting is consistent with how sales are organised. This means sales are divided into geographical regions, with Doro Care as a separate region. The comparative figures for 2016 have been restated to comply with this new reporting method. Coincident with this, Carl-Johan Zetterberg Boudrie was appointed as Vice President of Doro Care and also became a member of Group Management.

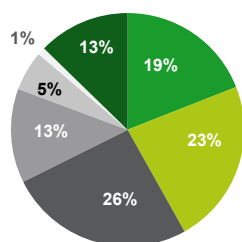
Peter Marsden became the new Regional Manager for the UK in the second quarter. Peter has extensive experience of the mobile phone market from companies including Sony Ericsson and BlackBerry.

In June, staff exercised warrants within the incentive program created in August 2014 to subscribe for 517,000 new shares of the company. This raised approximately SEK 21.7m for Doro AB.

Significant events after the end of the period

At the beginning of July, Susanne von Wowern voluntarily resigned from her position as Human Resources Director of Doro and will leave the company in early-August.

Sales per market, R12, April 2016 – June 2017



- Nordic
- Europe, Middle East, Africa
- DACH
- United Kingdom
- USA, Canada
- Other regions
- Care

Sales by market, second quarter 2017

NET SALES PER MARKET^{*)}

Doro Group (SEKm)	2017 Apr-Jun	Sales growth %	2016 Apr-Jun recalc.	2017 Jan-Jun	2016 Jan-Jun recalc.	2016 Jan-Dec recalc.
Nordic	79.3	-10.2	88.3	168.3	146.2	353.1
Europe, Middle East and Africa	97.4	-5.2	102.7	198.2	209.5	461.4
DACH	121.2	24.1	97.7	229.4	184.3	462.9
United Kingdom	54.8	10.5	49.6	101.2	110.3	266.4
USA and Canada	25.5	-66.0	75.0	48.0	128.9	189.8
Other regions	4.7	213.3	1.5	9.8	7.8	18.9
Care	64.2	7.7	59.6	139.7	99.0	210.1
Central	-1.1		-0.9	3.7	0.5	-3.5
Total	446.0	-5.8	473.5	898.3	886.5	1 959.1

^{*)} Note 1. 2

Nordic

Sales in the Nordics decreased in the second quarter, but growth was a high 15.1 percent for the first half-year. We expect the relatively high inventories among resellers to return to more normal levels during the third quarter. Despite a weak retail sector and a less-than-expected positive effect of new taxation on chemicals, the progress of our product offering at the retail level was positive in all the Nordic countries for feature phones and smart phones, as well as accessories, and we increased sales of 2G handsets in the Baltics.

DACH (Germany, Austria, Switzerland and Eastern Europe)

DACH saw very high sales growth in the second quarter at the retail and operator levels. Sales at the retail level performed well for feature phones and smartphones, with continued support from positive test results from Stiftung Warentest on Doro's senior mobiles, as well as campaigns and marketing activities executed in the period. Advances at the operator level included an expanded product offering in Croatia and Slovenia.

EMEA (Europe, Middle East and Africa)

Sales in the second quarter 2017 fell by 5.2 percent, partly due to a challenging comparative quarter, and partly a poor start to the period after high sales in March, as well as restrained retail sales in France ahead of the presidential election. In the latter part of the quarter, sales, primarily of 3G handsets and smart phones, improved significantly through a wider range and extensive marketing initiatives by customers, mainly in France, the Netherlands and Italy. Sales of 2G handsets increased in Algeria.

UK

Sales rose by 10.5 percent in the second quarter 2017, despite UK retail sales being restricted by political uncertainty surrounding Brexit and a general election. High customer inventory levels early in the quarter subsequently reduced thanks to increased sales to end-users, with brisk campaign activity by mobile operators, and the quarter overall returned good growth. We think that customers' inventory levels and sales volumes were satisfactory by the end of the quarter. Peter Marsden became the new Regional Manager in the quarter.

US and Canada

Poor sales performance continued, with a downturn on the second quarter 2016, although this was an exceptionally strong quarter due to a new technology generation in the product portfolio, while sales improved sequentially. We think that the comparative figures will gradually improve in the second half-year. The programme of measures we have initiated, whose effects include enhancing our product offering, will create the potential to re-establish sales in the US at a stable level in time.

Care

Care's sales increased by 7.7 percent in the second quarter, due first and foremost to continued high sales in Germany, with successes in stationary and mobile safety alarms, while progress in the UK was weaker than expected. Effective Q2 2017, the acquisition-led growth from Trygghetscentralen, which was acquired in April 2016, has concluded, and effective this quarter, reported growth is organic.

Of Care's total SEK 64.2m income for the quarter, SEK 42.4m was subscription income. This is an increase on the second quarter 2016, when subscription income amounted to 33.3m.

At the end of the quarter, the total subscriber base was just over 123,000, an increase on the end of the second quarter 2016, when the subscriber base was nearly 111,000.

Rest of world

Net sales in other regions were SEK 4.7m (1.5).

Central overheads

Income and income adjustments not related to a specific region were SEK -1.1m (-0.9) in the second quarter.

Shareholders' equity and the Doro share

Doro's shares are listed on Nasdaq Stockholm, Small Cap – Telecom/IT list. As per June 30, 2017, the total amount of shares outstanding was 23 755 255. Shareholders' equity amounted to SEK 540.8m (496.0).

Transactions with related parties

No transactions took place between Doro and related parties that had a material impact on the Company's financial position and results during the period.

Employees

Doro had 483 (505) employees as of June 30, 2017, equivalent to 377 (358) full-time employees. Of these, 261 (266) are based in Sweden, 27 (37) in France, 15 (15) in the UK, 9 (9) in Hong Kong, 112 (118) in Norway, 2 (1) in Italy and 57 (59) in Germany.

Risks

Risks and uncertainty factors primarily relate to Doro's ability to continuously develop competitive products, supply disruptions, customer relationships, exchange rate fluctuations, loan finance and the public tendering processes within Doro Care. Apart from these risks and uncertainty factors, which are described in more detail on pages 23 and 24 of the Annual Report, no other material risks were identified in the period.

Parent Company

The Parent Company's net sales for the second quarter amounted to SEK 393.9m (338.2). The profit after tax amounted to SEK -0.9m (-2.4). In June 2017, Doro AB has been merged with the wholly owned subsidiary Doro Care AB. The subsidiary's earnings for the period January 1 – June 30, 2017 are included in the income statement of Doro AB for the second quarter 2017. The value of the shares in the merged subsidiary has been replaced by the Group value of the assets and liabilities of the subsidiary.

Accounting principles

This Interim Report has been prepared on behalf of the Group according to IAS 34, Interim Financial Reporting, and for the Parent Company in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting of legal entities. The accounting principles and calculation methods applied are consistent with those that were applied when drawing up the previous year's accounts.

Seasonality

Doro's sales are subject to seasonal changes. Sales in the first quarter are normally the weakest in the year. Sales in the second and third quarter are normally sequentially higher than in the first quarter. Sales in the fourth quarter are normally the strongest in the year.

Outlook

The outlook is unchanged. Our expectation for 2017 is that both sales and EBIT will increase compared to 2016.

**The Q3 2017 report
will be published on
October 24, 2017**

**This report will be
presented via
audiocast on July 13
at 9:00 CET**

Reporting dates

Q3-report January-September 2017: October 24, 2017
Q4-report January-December 2017: February 15, 2018

For further information, please contact:

Robert Puskaric, President and CEO, +46 (0)46 280 50 05
Magnus Eriksson, CFO, +46 (0)46 280 50 06

Doro's report to be presented via audiocast

Analysts, investors and media are welcome to attend a presentation of the Q2 report via <http://edge.media-server.com/m/p/j5gzg5cb> or by telephone at 9:00 CET on July 13, 2017. Doro's President and CEO Robert Puskaric and CFO Magnus Eriksson will hold the presentation and answer questions. Before the start of the presentation, the presentation material will be available at:

<http://corporate.doro.com/blog/hp-doro-webcast>.

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About Doro

Doro develops telecom products and services for Seniors to lead full and rich lives: to do things they want to do more easily as well as the things they thought they might never do. The global market leader in senior mobile phone, Doro offers easy-to-use mobile phones and smart phones, mobile applications, fixed line telephony with loud and clear sound. Within Doro Group, Doro Care offers social care and telecare solutions for elder and disabled persons for independent and safe living in their own homes. Doro AB is a Swedish public company and its shares are quoted on the Nasdaq OMX Stockholm exchange, Nordic List, Small Companies. Net sales of SEK 1,959 million (EUR 205 million) was reported for 2016.

www.doro.com

Financial reports

INCOME STATEMENT

Doro Group (SEKm)

	2017 Apr-Jun	2016 Apr-Jun	2017 Jan-Jun	2016 Jan-Jun	2016 Jan-Dec
Net sales	446.0	473.5	898.3	886.5	1 959.1
Own work capitalized and other income	13.4	8.1	22.9	11.2	16.0
Operating cost	-425.6	-460.6	-856.1	-854.4	-1 853.7
Operating profit/loss before depreciation and write-downs, EBITDA	33.8	21.0	65.1	43.3	121.4
Depreciation according to plan, excluding depreciation of intangible assets related to company acquisitions	-13.4	-14.9	-26.2	-25.5	-66.3
Operating profit/loss after depreciation and write-downs, EBITA	20.4	6.1	38.9	17.8	55.1
Depreciation according to plan of intangible assets related to company acquisitions	-1.3	-1.9	-2.5	-4.3	-7.4
Operating profit/loss after depreciation and write-downs, EBIT	19.1	4.2	36.4	13.5	47.7
Net financial items	0.2	-2.9	0.6	-4.2	-8.3
Profit/loss after financial items	19.3	1.3	37.0	9.3	39.4
Taxes	-4.0	-0.1	-8.7	-2.3	-8.4
Profit/loss for the period	15.3	1.2	28.3	7.0	31.0
Average number of shares, thousands	23 386	23 238	23 313	23 238	23 238
Average number of shares after dilution, thousands*	23 503	23 558	23 417	23 535	23 411
Earnings per share, SEK	0.65	0.05	1.21	0.30	1.33
Earnings per share after dilution, SEK*	0.65	0.05	1.21	0.30	1.32

*) The effect of dilution is considered only when the effect on earnings per share is negative.

STATEMENT OF COMPREHENSIVE INCOME

Doro Group (SEKm)

	2017 Apr-Jun	2016 Apr-Jun	2017 Jan-Jun	2016 Jan-Jun	2016 Jan-Dec
Profit/loss for the period	15.3	1.2	28.3	7.0	31.0
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Translation differences	-1.2	3.4	-1.7	2.2	4.9
Effects from cash flow hedges	-3.4	7.2	-5.5	5.8	4.9
Deferred tax	0.8	-1.6	1.2	-1.3	-1.1
Total Result related to Parent company's shareholders	11.4	10.2	22.3	13.7	39.7

STATEMENT OVER FINANCIAL POSITION

Doro Group (SEKm)

	2017 30 Jun	2016 30 Jun	2016 31 Dec
Non-current assets			
Intangible assets	462.8	469.0	464.1
Property, plant, and equipment	16.6	9.6	12.9
Financial assets	6.8	12.0	7.3
Deferred tax asset	11.6	18.0	11.9
Current assets			
Inventories	279.1	212.1	217.9
Current receivables	378.6	426.1	512.8
Cash and cash equivalents	57.8	33.7	61.0
Total assets	1 213.3	1 180.5	1 287.9
Shareholders' equity attributable to Parent company's shareholders	540.8	496.0	520.0
Longterm liabilities	164.7	239.4	197.0
Current liabilities	507.8	445.1	570.9
Total shareholders' equity and liabilities	1 213.3	1 180.5	1 287.9

Financial instruments recognized at fair value in the Balance Sheet, SEKm

	2017 30 Jun	2016 30 Jun	2016 31 Dec
Exchange rate contracts recorded as current liability	13.1	1.4	3.2
Exchange rate contracts recorded as current receivable	4.4	4.2	12.4

Financial instruments recognized at fair value consist of currency forward contracts and are used primarily for hedging purposes and are measured at level 2.

STATEMENT OF CASH FLOWS

Doro Group (SEKm)

	2017 Apr-Jun	2016 Apr-Jun	2017 Jan-Jun	2016 Jan-Jun	2016 Jan-Dec
Operating profit/loss after depreciation and write-downs, EBIT	19.1	4.2	36.4	13.5	47.7
Depreciation according to plan	14.7	16.8	28.7	29.8	73.7
Net financial items	-1.5	-1.4	-2.6	-3.1	-8.3
Unrealized exchange rate differences in cash flow	6.7	-4.5	12.1	6.2	-0.6
Taxes paid	-4.1	-10.1	-11.1	-18.7	-26.3
Changes in working capital (incl changes in provisions)	-20.9	2.0	-7.2	-52.7	-24.5
Cash flow from current activities	14.0	7.0	56.3	-25.0	61.7
Investments in intangible and tangible fixed assets	-15.4	-17.1	-31.2	-31.1	-67.4
Total free cash flow before acquisitions	-1.4	-10.1	25.1	-56.1	-5.7
Acquisitions	0.0	-27.9	0.0	-27.9	-29.0
Cash flow from investing activities	-15.4	-45.0	-31.2	-59.0	-96.4
Amortization of debt	0.0	-21.0	-50.5	-22.8	-79.8
New loans/changes in bank overdraft facility	25.0	40.7	25.0	94.8	129.8
Dividend	-23.2	0.0	-23.2	0.0	0.0
New share issue	21.7	0.0	21.7	0.0	0.0
Warrant program, new/buy back	0.0	0.0	-1.2	0.3	-0.6
Cash flow from financing activities	23.5	19.7	-28.2	72.3	49.4
Exchange differences in cash and cash equivalents	0.0	1.4	-0.1	1.5	2.4
Change in cash and cash equivalents	22.1	-16.9	-3.2	-10.2	17.1
Net debt	127.2	198.8	127.2	198.8	149.5
Net Cash	0.0	0.0	0.0	0.0	0.0

STATEMENT OF CHANGES IN EQUITY

Doro Group (SEKm)

	2017 30 Jun	2016 30 Jun	2016 31 Dec
Opening balance	520.0	482.0	482.0
Total Result related to Parent company's shareholders	22.3	13.7	39.7
Dividend	-23.2	0.0	0.0
Warrants	0.0	0.3	-1.8
New share issue	21.7	0.0	0.0
Closing balance	540.8	496.0	520.0

OTHER KEY FIGURES

Doro Group

	Not	2017 30 Jun	2016 30 Jun	2016 31 Dec
Orderbook at the end of the period, SEK m	3	278.7	273.7	307.8
Order intake Q, SEKm	3	442.2	472.3	572.3
Gross margin, %		38.8	35.5	38.5
Gross margin Q, %		39.1	36.4	-
Equity/assets ratio, %		44.6	42.0	40.4
Number of shares at the end of the period, thousands		23 755	23 238	23 238
Number of shares at the end of the period after dilution, thousands*		23 755	23 501	23 357
Equity per share, SEK		22.77	21.34	22.38
Equity per share, after dilution SEK*		22.77	21.11	22.26
Return on average share holders' equity, %		10.1	15.6	6.2
Return on average capital employed, %		10.1	15.9	6.8
Share price at period's end, SEK		54.50	61.25	53.00
Market value, SEKm		1 249.7	1 423.3	1 231.6

*) The effect of dilution is considered only when the effect on earnings per share is negative.

SALES PER MARKET*)

Doro Group (SEKm)

	2017 Apr-Jun	2016 Apr-Jun (recalc.)	2017 Jan-Jun	2016 Jan-Jun (recalc.)	2016 Jan-Dec (recalc.)
Nordic	79.3	88.3	168.3	146.2	353.1
Europe, Middle East and Africa	97.4	102.7	198.2	209.5	461.4
DACH (Germany, Austria, Switzerland and Eastern Europe)	121.2	97.7	229.4	184.3	462.9
United Kingdom	54.8	49.6	101.2	110.3	266.4
USA and Canada	25.5	75.0	48.0	128.9	189.8
Other regions	4.7	1.5	9.8	7.8	18.9
Care	64.2	59.6	139.7	99.0	210.1
Central	-1.1	-0.9	3.7	0.5	-3.5
Total	446.0	473.5	898.3	886.5	1 959.1

*) Note 1,2

INCOME STATEMENT

Parent company (SEKm)

	2017 Apr-Jun	2016 Apr-Jun	2017 Jan-Jun	2016 Jan-Jun	2016 Jan-Dec
Net sales	393.9	338.2	703.2	666.5	1 439.5
Own work capitalized and other income	9.2	4.2	12.8	5.8	5.7
Operating cost	-386.8	-329.7	-685.0	-640.1	-1 384.6
Operating profit/loss before depreciation and write-downs, EBITDA	16.3	12.7	31.0	32.2	60.6
Depreciation	-16.0	-14.0	-26.1	-23.7	-58.2
Operating profit/loss after depreciation and write-downs, EBIT	0.3	-1.3	4.9	8.5	2.4
Net financial items	-0.8	-1.7	0.7	-1.8	-3.7
Profit/loss after financial items	-0.5	-3.0	5.6	6.7	-1.3
Taxes	-0.4	0.6	-1.7	-1.8	-0.2
Profit/loss for the period	-0.9	-2.4	3.9	4.9	-1.5

STATEMENT OF COMPREHENSIVE INCOME

Parent company (SEKm)

	2017 Apr-Jun	2016 Apr-Jun	2017 Jan-Jun	2016 Jan-Jun	2016 Jan-Dec
Profit/loss for the period	-0.9	-2.4	3.9	4.9	-1.5
Other comprehensive income to be reclassified to profit or loss in subsequent					
Effects from cash flow hedges	-3.4	-7.2	-5.5	5.8	4.9
Deferred tax	0.8	-1.6	1.2	-1.3	-1.1
Total Result related to Parent company's shareholders	-3.6	3.2	-0.4	9.4	2.3

STATEMENT OF FINANCIAL POSITION

Parent company (SEKm)

	2017 30 jun	2016 30 jun	2016 31 dec
Non-current assets			
Intangible assets	283.2	59.7	52.0
Property, plant, and equipment	11.0	1.1	0.8
Financial assets	124.6	347.1	347.5
Current assets			
Inventories	214.5	134.7	130.5
Current receivables	491.3	462.7	574.1
Cash and cash equivalents	51.4	14.8	43.4
Total assets	1 176.0	1 020.1	1 148.3
Shareholders' equity attributable to Parent company's shareholders	378.6	380.3	373.2
Provisions	65.4	74.4	74.9
Longterm liabilities	129.3	190.0	160.0
Current liabilities	602.7	375.4	540.2
Total shareholder's equity and liabilities	1 176.0	1 020.1	1 148.3

Notes

Note 1 – Sales per market

Effective 1 January 2017, Doro altered the definition of its markets so reporting is consistent with how sales are organised. This means sales are divided into geographical regions, with Doro Care as a separate region. The comparative figures for 2016 have been restated to comply with this new reporting method.

Sales per market Doro Group (SEKm)

	2016 Jan-Mar recalc.	2016 Apr-Jun recalc.	2016 Jul-Sep recalc.	2016 Oct-Dec recalc.	2016 Jan-Dec recalc.
Nordic	57.9	88.3	87.2	119.7	353.1
Europe, Middle East and Africa	106.8	102.7	124.4	127.5	461.4
DACH (Germany, Austria, Switzerland and Eastern Europe)	86.6	97.7	121.4	157.2	462.9
United Kingdom	60.7	49.6	55.4	100.7	266.4
USA and Canada	53.9	74.9	32.8	28.2	189.8
Other regions	6.3	1.5	4.5	6.6	18.9
Care	39.4	59.6	50.6	60.5	210.1
Central	1.4	-0.8	-3.1	-1.0	-3.5
Total	413.0	473.5	473.2	599.4	1 959.1

Note 2 – Recurring revenue

Effective 1 January 2017, Doro reports the period's recurring revenue. Earlier, Doro reported forward looking 12 months recurring revenue on current subscriptions. The comparative figures for 2016 have been restated to comply with this new reporting method.

Recurring revenue Doro Group (SEKm)

	2016 Jan-Mar recalc.	2016 Apr-Jun recalc.	2016 Jul-Sep recalc.	2016 Oct-Dec recalc.	2016 Jan-Dec recalc.
Recurring revenue	17.2	33.3	35.4	38.8	124.7

Note 3 – Order book and order intake

Order book and order intake for the second quarter 2016 has been adjusted to include the order book and order intake for Trygghetscentralen AS. Compared to the interim report for the second quarter 2016, the order book has been increased by 46,6 MSEK and the order intake by 13.5 MSEK.

Definitions

Gross Margin	Net sales - Merchandise costs
Gross Margin, %	Gross Margin in percentage of Net sales
Average number of shares	Number of shares at the end of each period divided with number of periods.
Average number of shares after dilution	Average number of shares adjusted with the dilution effect from warrants is calculated as the difference between the assumed number of shares issued at the exercise price and the assumed number of shares issued at average market price for the period.
Earnings per share	Profit/loss after financial items minus tax divided by average number of shares for the period.
Earnings per share, after dilution	Profit/loss after financial items minus tax divided by the average number of shares for the period after dilution.
Number of shares at the end of the period	Actual number of shares at the end of the period.
Number of shares at the end of the period, after dilution	The number of shares at the end of the period adjusted with the dilution effect from warrants is calculated as the difference between assumed number of shares issued at the exercise price and the assumed number of shares issued at the closing market price at the end of the period.
Equity per share	Shareholders' equity at the end of the period divided by the number of shares at the end of the period.
Equity per share, after dilution	Shareholders' equity at the end of the period divided by the number of shares at the end of the period, after dilution.
Equity/assets ratio, %	Shareholders' equity as a percentage of the balance sheet total.
Return on average shareholders' equity, %	Profit/Loss rolling twelve months after financial items and tax divided by average shareholders' equity.
Capital employed	Total assets reduced with non-interest-bearing debt and cash and bank balances.
Return on average capital employed, %	Operating profit/loss rolling twelve months, divided by the quarterly average capital employed excluding cash and bank balances.
Share price at period's end	Closing market price at the end of the period.
Market value, SEK m	Share price at period's end times the number of shares at the end of the period.

Use of non-IFRS performance measures

Guidelines on Alternative Performance Measures (APMs) for companies with securities listed on a regulated market within the European Union have been issued by ESMA (the European Securities and Markets Authority). These guidelines apply to APMs disclosed when publishing regulated information on or after July 3, 2016. Reference is made in the interim report to a number of non-IFRS performance measures that are used to help investors as well as management analyse the company's operations. Described below are the non-IFRS performance measures that are used as a complement to the financial information that is reported in accordance with IFRS.

Description of financial performance measures that are not used in IFRS

Non-IFRS performance measure	Description	Reason for use of the measure
Restructuring costs	Costs for impairment together with personnel costs in connection to restructuring.	This measure shows the specific costs that have arisen in connection to restructuring of a specific operation, which contributes to a better understanding of the underlying cost level in the continuing operations.
Gross margin %	Net Sales minus Merchandise costs in percentage of Net Sales.	Gross Margin is an important measure for showing the margin before Personnel expenses and Other external expenses.
Sales growth comparable entities %	Net Sales for the period minus Net Sales for entities acquired during the year minus Net Sales for the corresponding period last year in percentage of Net Sales for the corresponding period last year.	Sales growth for comparable entities shows the Group's organic growth excluding acquired businesses.
Currency adjusted sales growth %	Net Sales for the period recalculated using last year's currency exchange rates minus Net Sales for the corresponding period last year in percentage of Net Sales for the corresponding period last year.	The measure shows the Sales growth excluding the effect of changes in currency exchange rates between the years.
Equity/assets ratio	Equity expressed as a percentage of total assets.	A traditional measure for showing financial risk, expressing the amount of total assets that is financed by the owners.
Return on shareholders' equity	Profit/Loss rolling twelve months after financial items and tax divided by average shareholders' equity.	Shows from a shareholder perspective the return that is generated on the owners' capital that is invested in the company.
Capital employed	Total assets reduced with non-interest-bearing debt and cash and bank balances.	This measure shows the amount of total capital that is used in the operations and is thus one component for measuring the return from operations.
Return on average capital employed	Operating profit/loss rolling twelve months, divided by the quarterly average capital employed excluding cash and bank balances.	This is the central ratio for measuring the return on the capital tied up in operations.
Recurring revenue	Net Sales during the quarter from existing recurring agreements.	The measure shows revenues during the quarter from recurring agreements.
Number of subscribers	Number of subscribers connected to the alarm receiving centre.	The measure shows the volume of customers in the alarm receiving centre.

Calculation of financial performance measures that are not defined in IFRS

	2017 Apr-Jun	2016 Apr-Jun	2017 Jan-Jun	2016 Jan-Jun	2016 Jan-Dec
Currency adjusted Sales growth (SEKm)					
Currency adjusted Sales growth	-40.7	61.4			
Currency effect	13.2	-11.6			
Reported Sales growth	-27.5	49.8			
Capital employed					
Total assets			1 213.3	1 180.5	1 287.9
Non interest-bearing liabilities			482.1	413.5	533.5
Cash and bank			57.8	33.7	61.0
Reported capital employed			637.4	733.3	693.4

Board assurance

The Board of Directors and CEO confirm that this interim report provides a fair overview of the Company's and Group's business, position and results and describes the significant risks and uncertainties faced by the Company and its subsidiaries.

This interim report has not been reviewed by the Company's auditors.

Lund, Sweden, July 13, 2017

Johan Andsjö
Chairman of the Board

Henri Österlund
Vice chairman of the Board

Lena Hofsberger
Board member

Karin Moberg
Board member

Jonas Mårtensson
Board member

Robert Puskaric
President & CEO

This information is information that Doro AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above at page 8, at 08:00 CET on July 13, 2017.