

55.3%

Net sales growth

6.9%

EBIT margin

## Strong growth and restored margins

### Caretech's service offering wins market share

#### April – June 2015

- Net sales amounted to SEK 425.8m (274.1), an increase of 55.3 percent.
- Net sales growth, excluding Caretech, was 37.0 percent.
- Operating profit (EBIT) was SEK 29.3m (11.9), corresponding to an operating margin of 6.9 percent (4.3).
- Order intake amounted to SEK 389.2 (296.2), an increase of 31.4 percent.
- Order book at the end of the period amounted to SEK 209.3m (82.4), an increase of 154.0 percent.
- Profit after tax for the period amounted to SEK 21.1m (9.4).
- Earnings per share after tax amounted to SEK 0.91 (0.45).
- Cash flow from current activities amounted to SEK 65.3m (47.0).

#### January – June 2015

- Net sales amounted to SEK 765.9m (506.0), an increase of 51.4 percent.
- Net sales growth excluding Caretech was 35.9 percent.
- Operating profit (EBIT) was SEK 6.8m (15.5), corresponding to an operating margin of 0.9 percent (3.1).
- Full currency impact on EBIT in first quarter was SEK -27.1m, of which the main part was non-recurring and due to insufficient hedging.
- Profit after tax for the period amounted to SEK -0.6m (11.4).
- Earnings per share after tax amounted to SEK -0.03 (0.55).
- Cash flow from current activities amounted to SEK 20.7m (18.2).

### Outlook

Full year outlook remains unchanged: 2015 sales and profit for the group are expected to increase with the main part generated in the second half of the year.

#### DORO GROUP\*)

(SEKm)	2015 April-June	2014 April-June	2015 Jan-June	2014 Jan-June	2014 Full Year
Net sales	425.8	274.1	765.9	506.0	1,276.2
Net sales growth, %	55.3	1.4	51.4	5.8	10.5
EBITDA	39.7	22.5	28.0	37.4	122.6
EBITDA margin, %	9.3	8.2	3.7	7.4	9.6
EBIT	29.3	11.9	6.8	15.5	79.7
EBIT margin, %	6.9	4.3	0.9	3.1	6.2
Profit after tax	21.1	9.4	-0.6	11.4	58.2
Earnings per share after tax, SEK	0.91	0.45	-0.03	0.55	2.76
Equity/assets ratio, %	41.1	44.4	41.1	44.4	39.3

\*) Note 3.



## CEO comment

With good demand for both our hardware and service offerings and a recovered operating profit, I am pleased to report robust net sales growth of 55 percent, or 37 percent adjusted for Caretech, and an operating margin of 6.9 percent in the second quarter. A high level of activity and double digit growth in all regions resulted in a sales figure of SEK 425.8m. The DACH region increased by 39.5 percent y/y, driven by operator listings of Doro products as well as good demand in other channels through our subsidiary IVS. The Nordic region continued to perform well, now also driven by increased demand for our care services.

Our product portfolio is strong with an attractive product offering covering both low and high end market demands. We continue to refine the product portfolio, to fit additional market requirements and to increase our volumes, and this is clearly reflected in our sales development.

Operating profits recovered during the quarter especially compared to Q1, when results were impacted by heavy currency losses due to insufficient hedging. Higher volumes, price adjustments to compensate for the stronger US dollar, a higher share of sales related to services and lower expenses as proportion of sales all contributed to restoring the operating profit compared to the first quarter.

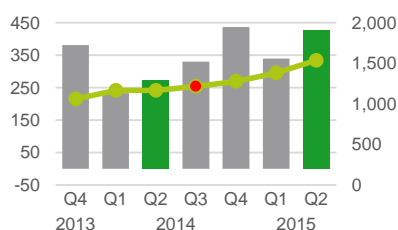
Caretech continues to develop well and we are ahead of our post-acquisition plan. In the Swedish market, where growth is triggered by the digitalization of municipalities' social alarm systems, Caretech has made significant advances during 2015. The improved market position in Sweden, which during the quarter has been achieved through a number of new contracts with municipalities, forms together with an extended contract with SKL a good platform for further expansion in the Nordic region and internationally. The strong track record during the first half of 2015 shows that Caretech efficiently addresses the care market with a competitive customer offering.

As our footprint with large operators continues to expand, we have intensified our focus on working capital efficiency. Our cash flow from current activities has as a result of this, and in combination with the restored operating profit before depreciation of SEK 39.7, improved and stood at SEK 65.3m in the quarter.

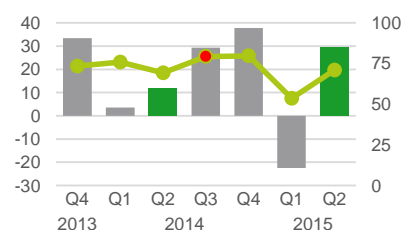
During Q2 we restored our operating margin and our cash flow and we delivered strong growth. Order intake was SEK 389.2m in the quarter, representing an increase of 31.4 percent and adjusted for Caretech an increase of 17 percent. We reiterate our outlook for 2015: Sales and profits for the group are expected to increase with the main part generated in the second half of the year.

**Jérôme Arnaud**, President & CEO

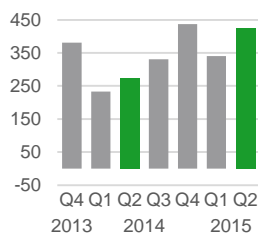
**Net sales per quarter and R12m, SEKm**



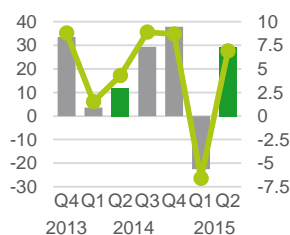
**EBIT per quarter and R12m, SEKm**



### Net sales per quarter, SEKm



### EBIT and EBIT margin per quarter, SEKm and in %



## Financial overview, Group, second quarter 2015

### Sales

Doro's net sales for the second quarter amounted to SEK 425.8m (274.1), an increase of 55.3 percent compared with the second quarter 2014. Currency adjusted growth for the second quarter amounted to 45.5 percent.

The increase in net sales is a result of a good demand for both our hardware and service offerings. The pace of newly awarded contracts in Sweden by Caretech means that we are ahead of our post-acquisition plan. Hardware price increases following stronger US dollar have also had a positive effect. Adjusted for Caretech, net sales growth was 37.0 percent (1.4), as compared to the same quarter last year.

Order intake increased by 31.4 percent for the second quarter to SEK 389.2 (296.2), driven by strong demand in DACH and EMEA. Excluding Caretech, order intake increased by 17.0 percent to SEK 346.7m (296.2).

### Result

The gross margin decreased to 36.6 percent (39.4) as an effect of product mix, variation in regional sales volumes and a stronger US dollar compared to same period last year. Still EBITDA for the quarter increased to SEK 39.7m (22.5), mainly as an effect of better volumes and lower operating expenses as proportion of sales, resulting in an EBITDA margin of 9.3 percent (8.2).

EBIT in the second quarter was SEK 29.3m (11.9), with EBIT margin improving to 6.9 percent (4.3).

Net financial items for the quarter were SEK -2.4m (1.1), including revaluation of financial instruments in foreign currencies.

Group tax for the quarter amounted to SEK -5.8m (-3.6).

Profit for the period amounted to SEK 21.1m (9.4).

### Cash flow, investments and financial position

Cash flow from current activities in the quarter improved to SEK 65.3m (47.0), mainly as an effect of improved results and working capital efficiency. During the quarter working capital was reduced by SEK 37.7m (23.2).

Cash and cash equivalents at the end of the quarter amounted to SEK 54.1m (89.1).

The equity/asset ratio was 41.1 percent (44.4) at the end of the period. Net debt was SEK 142.2m compared with a net cash position of SEK 42.7m at the end of the corresponding period last year.

During Q2 2015 the contingent consideration for the acquisition of Isidor SAS for 2014, SEK 0.9m, was paid. The contingent consideration for 2015 is revised as of June 30, 2015 and is estimated to SEK 2.7m and accounted for as a current liability.

## **Significant events during the period**

### **Extended partnership with Vodafone Group in Romania**

Doro announced by May 4<sup>th</sup> that its partnership with Vodafone Group now expands into the Romanian market with two new product listings; the new Doro Liberto<sup>®</sup> 820 Mini smartphone and the easy-to-use Doro PhoneEasy<sup>®</sup> 508. Both phones are available nationwide in stores and online.

### **Expanded presence in Germany**

On June 18<sup>th</sup> Doro announced a strategic listing with the operator O2 which will offer Doro's Liberto<sup>®</sup> 820 Mini in its retail channels and online. O2 is the commercial brand of Telefónica in Germany and has recently acquired the German operator E-Plus. The combination of the two operators will become the largest operator in Germany in terms of shops, and they list the Doro Liberto<sup>®</sup> 820 Mini.

### **Caretech won numerous Swedish municipality contracts**

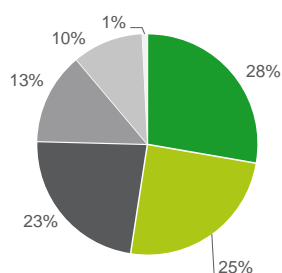
By June 23<sup>rd</sup>, Doro announced that its recently acquired subsidiary Caretech had won important contracts with 37 Swedish municipalities including major ones like Borås, Helsingborg and Lund. In addition, the contract with the Swedish national procurement body, SKL (Sveriges Kommuner och Landsting), has been extended to February 2017.

## **Significant events after the period**

### **New CFO**

Current Group Chief Financial Officer (CFO), Christian Lindholm is leaving the company and Magnus Eriksson will replace him and is expected to begin his employment before the end of the year. Magnus Eriksson is currently CFO of Lekolar AB, and was previously CFO of Brio Holding. He has also been 15 years at Sony Mobile Communication as Vice President Finance UK, Head of Commercial Finance in Germany and has held various other senior finance positions in Germany, UK and at the Swedish headquarter.

### Total sales per region



- Nordic
- Europe, Middle East and Africa
- Dach (Germany, Austria, Switzerland)
- United Kingdom
- USA and Canada
- Other regions

### Sales per region April – June 2015

#### SALES PER REGION\*)

Doro Group (SEK m)	2015 April-June	Net sales growth, %	2014 April-June	2015 Jan-June	2014 Jan-June	2014 Full Year
Nordic	116.7	85,2%	63.0	218.5	104.8	270.8
Europe, Middle East and Africa	104.0	57,1%	66.2	214.4	128.2	309.7
Dach (Germany, Austria, Switzerland)	96.7	39,5%	69.3	168.3	133.8	348.0
United Kingdom	56.6	23,3%	45.9	108.9	84.5	206.4
USA and Canada	43.6	53,5%	28.4	51.9	53.1	137.3
Other regions	3.3	NM	2.1	3.3	4.5	9.4
Central	4.9	NM	-0.8	0.6	-2.9	-5.4
<b>Total</b>	<b>425.8</b>	<b>55,3%</b>	<b>274.1</b>	<b>765.9</b>	<b>506.0</b>	<b>1,276.2</b>

\*) Note 3

#### The Nordic region

Successful campaigns have supported the development, especially for the model Doro Liberto® 820 and the Doro PhoneEasy® 530X. The Caretech services were significant contributors to sales in the quarter. Adjusted for Caretech, sales in the Nordic region increased by 1.4 percent compared to the same period last year, but growth for first six months of 2015 was 32.5 percent with main deliveries during the first quarter.

#### DACH (Germany, Austria and Switzerland)

Strategic partnerships and new operator listings as well as other distribution channels supported sales in the second quarter. Good performance in our IVS subsidiary also contributed to sales growth.

#### EMEA (Europe, Middle East and Africa)

Sales growth in the EMEA region was very strong in the quarter. New listings and agreements added to sales growth especially in Italy and Spain. Doro continued to expand its presence among large operators in the region.

#### United Kingdom

Sales in the United Kingdom continued to grow, driven by additional contracts with a number of operators and good demand for our smartphone, especially with one of our strategic partners.

#### USA and Canada

Sell-through of the 3G clamshell continues at a high level however deliveries may vary between quarters.

#### Other regions

Net sales for other regions amounted to SEK 3.3m (2.1).

#### Central overhead

For the quarter, income and income adjustments not related to any specific region amounted to 4.9m (-0.8), which are mainly related to currency effects.

### **Shareholders' equity and the Doro share**

Doro's shares are listed on the Nasdaq OMX Nordic Exchange Stockholm, Small Cap – Telecom/IT list. As per June 30, 2015, the total number of shares outstanding were 23,238,255. Shareholders' equity amounted to SEK 420.7m (288.2).

### **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 336 (158) employees as of June 30, 2015, equivalent to 299 (153) full-time employees. Of these, 214 (41) are based in Sweden, 39 (37) in France, 14 (10) in the UK, 9 (8) in Hong Kong, 3 (3) in Norway 1 (0) in Italy, and 56 (59) in Germany.

### **Risks**

Risks and instability factors are mainly related to supplier disruption, product adaptation and certification, customer relations, exchange rate fluctuations and loan financing. Apart from these risks and the instability factors described on pages 20-21 of the 2014 Annual Report, no other risks of any significance have been identified during the period.

### **Parent Company**

The Parent Company's net sales for the second quarter amounted to SEK 297.8m (213.5). The profit before tax amounted to SEK 14.3m (5.3).

### **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. Deferred tax assets are considered to the extent the company believes that this can be utilized in the foreseeable future, which the Company considers to be 3-4 years. The accounting principles and calculation methods applied are consistent with those that were applied when drawing up the previous year's accounts, except for what is described in note 3 regarding accounting of exchange rate differences.

### **Seasonality**

Doro's sales are subject to seasonal changes. Sales in the first and second quarters are normally the lowest in the year. Sales in the third quarter are normally stronger than in the first two quarters of the year. Sales in the fourth quarter are normally the strongest in the year.

The third quarter report will be presented on November 4, 2015

This report will be presented via an audiocast on August 21, at 9.00 CET

### **Outlook**

Outlook remains unchanged: 2015 sales and profit for the group are expected to increase with the main part generated in the second half of the year.

### **Reporting dates**

The Board has set the following dates for the publication of Doro's Reports:

Q3 report July – September 2015: November 4, 2015

Q4 report October – December 2015: February 17, 2016

### **For further information, please contact:**

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Christian Lindholm, CFO, +46 (0)46 280 50 06

### **Doro's report to be presented via audiocast**

Analysts, investors and the media are welcome to attend a presentation via [www.doro.com](http://www.doro.com) or by telephone from 9.00 CET on August 21, 2015. Doro's President and CEO Jérôme Arnaud will hold the presentation and answer questions. Before the start of the presentation, the material will be made available on <http://corporate.doro.com/investors/financial-reports/financial-reports>.

### **Call-in details:**

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#### **About Doro**

Doro AB is a Swedish public company formed in 1974. It released its pioneering 'easy-to-use' mobile phone in 2007 and today is the global market-leader within the category. Doro products and solutions are available in more than thirty countries spanning five continents. These include; mobile phones and smart devices, applications and software, fixed line telephony, telecare and mobile health solutions. Doro removes barriers to adoption of new technologies and holds numerous international awards in recognition of its product designs and innovations. Doro shares are quoted on the Nasdaq OMX Stockholm exchange, Nordic List, Small Companies. Net sales of SEK 1,277 million (EUR 135 million) were reported for 2014. [www.doro.com](http://www.doro.com)

## Financial Reports

### INCOME STATEMENT\*)

Doro Group (SEKm)	Note	2015 April-June	2014 April-June	2015 Jan-June	2014 Jan-June	2014 Full Year
Income/Net sales		425.8	274.1	765.9	506.0	1,276.2
Operating cost	1, 2	-386.1	-251.6	-737.9	-468.6	-1,153.6
<b>Operating profit/loss before depreciation and write-downs, EBITDA</b>		<b>39.7</b>	<b>22.5</b>	<b>28.0</b>	<b>37.4</b>	<b>122.6</b>
Depreciation according to plan		-10.4	-10.6	-21.2	-21.9	-42.9
<b>Operating profit/loss after depreciation and write-downs, EBIT</b>		<b>29.3</b>	<b>11.9</b>	<b>6.8</b>	<b>15.5</b>	<b>79.7</b>
Net financial items	1	-2.4	1.1	-7.9	0.6	-0.4
<b>Profit/loss after financial items</b>		<b>26.9</b>	<b>13.0</b>	<b>-1.1</b>	<b>16.1</b>	<b>79.3</b>
Taxes		-5.8	-3.6	0.5	-4.7	-21.1
<b>Profit/loss for the period</b>		<b>21.1</b>	<b>9.4</b>	<b>-0.6</b>	<b>11.4</b>	<b>58.2</b>
Average number of shares, thousands		23,238	21,017	22,631	20,912	21,059
Average number of shares after dilution, thousands*		23,239	21,032	22,657	20,975	21,059
Earnings per share before tax, SEK		1.16	0.62	-0.05	0.77	3.77
Earnings per share before tax, after dilution, SEK*		1.16	0.62	-0.05	0.77	3.77
Earnings per share after tax, SEK		0.91	0.45	-0.03	0.55	2.76
Earnings per share after tax, after dilution, SEK*		0.91	0.45	-0.03	0.54	2.76

\*) The effect of dilution is considered only when the effect on earnings per share is negative. See note 3.

### STATEMENT OF COMPREHENSIVE INCOME

Doro Group (SEKm)	2015 April-June	2014 April-June	2015 Jan-June	2014 Jan-June	2014 Full Year
Profit/loss for the period	21.1	9.4	-0.6	11.4	58.2
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>					
Translation differences	-0.7	3.1	-0.2	4.3	8.7
Effects from cash flow hedges	-10.8	1.4	2.6	4.0	-2.8
Deferred tax	2.3	-0.3	-0.6	-0.9	0.6
<b>Total Result related to Parent company's shareholders</b>	<b>11.9</b>	<b>13.6</b>	<b>1.2</b>	<b>18.8</b>	<b>64.7</b>

### STATEMENT OF FINANCIAL POSITION\*)

Doro Group (SEKm)	Note	2015 30 June	2014 30 June	2014 31 Dec
Intangible assets		432.9	202.5	201.2
Tangible assets		6.9	6.0	4.8
Financial assets		0.9	0.6	0.7
Deferred tax asset		19.2	19.1	15.6
Inventories		185.3	133.1	204.6
Current receivables		324.9	198.7	347.6
Cash and cash equivalents		54.1	89.1	78.2
<b>Total assets</b>		<b>1,024.2</b>	<b>649.1</b>	<b>852.7</b>
Shareholders' equity		420.7	288.2	334.8
Long-term liabilities	1	188.2	108.4	59.6
Current liabilities	1	415.3	252.5	458.3
<b>Total shareholders' equity and liabilities</b>		<b>1,024.2</b>	<b>649.1</b>	<b>852.7</b>

\*) See Note 2 for effects by Caretech AB

### Financial instruments recognized at fair value in the Balance Sheet (SEKm)

	2015 30 June	2014 30 June	2014 31 Dec
Exchange rate contracts recorded as current liability	4.2	2.1	7.4
Exchange rate contracts recorded as current receivable	4.1	3.7	15.8

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)	Note	2015 April-June	2014 April-June	2015 Jan-June	2014 Jan-June	2014 Full Year
Operating profit/loss after depreciation and write-downs, EBIT	3	29.3	11.9	6.8	15.5	79.7
Depreciation according to plan		10.4	10.6	21.2	21.9	42.9
Net Financial items	3	-1.9	2.3	-6.1	2.2	-0.1
Unrealized exchange rate differences in cash flow hedges		-4.0	1.5	10.8	-1.3	-14.6
Revaluation deferred consideration	1	0.0	0.0	0.0	0.8	-8.7
Taxes paid		-6.2	-2.5	-15.7	-6.1	-18.3
Changes in working capital		37.7	23.2	3.7	-14.8	-58.4
<b>Cash flow from current activities</b>		<b>65.3</b>	<b>47.0</b>	<b>20.7</b>	<b>18.2</b>	<b>22.5</b>
Acquisitions	1, 2	-0.9	-0.3	-244.9	-18.2	-21.9
Investments		-15.5	-11.7	-22.9	-18.2	-29.3
<b>Cash flow from investment activities</b>		<b>-16.4</b>	<b>-12.0</b>	<b>-267.8</b>	<b>-36.4</b>	<b>-51.2</b>
Amortisation of debt		2.0	-0.2	-2.4	-0.4	-45.0
New loans		-49.2	0.0	140.9	0.0	41.5
Dividend		0.0	-31.7	0.0	-31.7	-31.7
New share issue		0.0	14.1	84.4	14.1	14.1
Warrant program, new/buy back		0.3	0.0	0.3	0.0	0.7
<b>Cash flow from financial activities</b>		<b>-46.9</b>	<b>-17.8</b>	<b>223.2</b>	<b>-18.0</b>	<b>-20.4</b>
Exchange rate differences in cash and cash equivalents		-0.2	1.7	-0.3	1.5	3.4
<b>Change in liquid funds</b>		<b>1.8</b>	<b>18.9</b>	<b>-24.2</b>	<b>-34.7</b>	<b>-45.7</b>
<b>Net debt</b>		<b>142.2</b>	<b>0.0</b>	<b>142.2</b>	<b>0.0</b>	<b>0.0</b>
<b>Net cash</b>		<b>0.0</b>	<b>42.7</b>	<b>0.0</b>	<b>42.7</b>	<b>36.5</b>

## STATEMENT OF CHANGES IN EQUITY

Doro Group (SEKm)	2015 30 June	2014 30 June	2014 31 Dec
<b>Opening balance</b>	<b>334.8</b>	<b>287.0</b>	<b>287.0</b>
Total result for the period	1.2	18.8	64.7
Dividend	0.0	-31.7	-31.7
Warrants	0.3	0.0	0.7
New share issue	84.4	14.1	14.1
<b>Closing balance</b>	<b>420.7</b>	<b>288.2</b>	<b>334.8</b>

## OTHER KEY FIGURES

Doro Group	2015 30 June	2014 30 June	2014 31 Dec
Order book at the end of the period, SEKm*	209.3	82.4	65.2
Order intake Q, SEKm**	389.2	296.2	366.9
Gross margin Q1-Q2, %	36.5	40.1	-
Gross margin Q2, %	36.6	39.4	-
Equity/assets ratio, %	41.1	44.4	39.3
Number of shares at the end of the period, thousands	23,238	21,204	21,204
Number of shares at the end of the period after dilution, thousands***	23,238	21,204	21,204
Equity per share, SEK	18.10	13.59	15.79
Equity per share, after dilution SEK***	18.10	13.59	15.79
Earnings per share after taxes paid, SEK	-0.74	0.48	2.90
Earnings per share after taxes paid, after dilution, SEK***	-0.74	0.48	2.90
Return on average share holders' equity, %	13.0	21.4	18.7
Return on average capital employed, %	17.1	29.3	32.8
Share price at period's end, SEK	37.70	29.40	38.80
Market value, SEKm	876.1	623.4	822.7

\*) Including orderbook for Caretech as of June 30, 2015, amounting to SEK 68.0m.

\*\*\*) Including order intake Q2 2015 for Caretech, amounting to SEK 42.5m.

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

## SALES PER REGION\*)

Doro Group (SEKm)	2015 April-June	2014 April-June	2015 Jan-June	2014 Jan-June	2014 Full Year
Nordic	116.7	63.0	218.5	104.8	270.8
Europe, Middle East and Africa	104.0	66.2	214.4	128.2	309.7
Dach (Germany, Austria, Switzerland)	96.7	69.3	168.3	133.8	348.0
United Kingdom	56.6	45.9	108.9	84.5	206.4
USA and Canada	43.6	28.4	51.9	53.1	137.3
Other regions	3.3	2.1	3.3	4.5	9.4
Central	4.9	-0.8	0.6	-2.9	-5.4
<b>Total</b>	<b>425.8</b>	<b>274.1</b>	<b>765.9</b>	<b>506.0</b>	<b>1,276.2</b>

\*) Note 3

## OPERATING PROFIT AFTER DEPRECIATION, EBIT, PER GEOGRAPHICAL REGION\*)

Doro Group (SEKm)	2015 April-June	2014 April-June	2015 Jan-June	2014 Jan-June	2014 Full Year
Nordic	24.9	18.7	48.4	29.3	76.7
Operating Margin %	21.3	29.7	22.2	28.0	28.3
Europe, Middle East and Africa	10.1	14.9	25.0	29.3	70.7
Operating Margin %	9.7	22.5	11.7	22.9	22.8
Dach (Germany, Austria and Switzerland)	4.0	7.2	8.2	13.9	32.4
Operating Margin %	4.1	10.4	4.9	10.4	9.3
United Kingdom	13.5	11.6	26.8	22.8	46.0
Operating Margin %	23.9	25.3	24.6	27.0	22.3
USA and Canada	11.5	5.6	12.8	11.2	27.8
Operating Margin %	26.4	19.7	24.7	21.1	20.2
Other regions	0.2	0.3	0.8	0.2	0.4
Operating Margin %	6.1	14.3	24.2	4.4	4.3
Central	-34.9	-46.4	-115.2	-91.2	-174.3
<b>Operating profit/loss after depreciation</b>	<b>29.3</b>	<b>11.9</b>	<b>6.8</b>	<b>15.5</b>	<b>79.7</b>
<b>Operating Margin %</b>	<b>6.9</b>	<b>4.3</b>	<b>0.9</b>	<b>3.1</b>	<b>6.2</b>

\*) Note 3

## INCOME STATEMENT

Parent company (SEKm)	2015 April-June	2014 April-June	2015 Jan-June	2014 Jan-June	2014 Full Year
Income/Net sales	297.8	213.5	573.7	389.7	1012.4
Operating cost	-275.1	-200.6	-573.5	-369.4	-945.8
<b>Operating profit/loss before depreciation and write-downs, EBITDA</b>	<b>22.7</b>	<b>12.9</b>	<b>0.2</b>	<b>20.3</b>	<b>66.6</b>
Depreciation according to plan	-7.3	-9.6	-15.6	-19.9	-38.8
<b>Operating profit/loss after depreciation and write-downs, EBIT</b>	<b>15.4</b>	<b>3.3</b>	<b>-15.4</b>	<b>0.4</b>	<b>27.8</b>
Net financial items	-1.1	2.0	-4.3	3.2	4.1
<b>Profit/loss after financial items</b>	<b>14.3</b>	<b>5.3</b>	<b>-19.7</b>	<b>3.6</b>	<b>31.9</b>
Taxes	-3.2	-1.1	4.3	-1.2	-7.3
<b>Profit/loss for the period</b>	<b>11.1</b>	<b>4.2</b>	<b>-15.4</b>	<b>2.4</b>	<b>24.6</b>

## STATEMENT OF COMPREHENSIVE INCOME

Parent company (SEKm)	2015 April-June	2014 April-June	2015 Jan-June	2014 Jan-June	2014 Full Year
Profit/loss for the period	11.1	4.2	-15.4	2.4	24.6
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>					
Effects from cash flow hedges	-10.8	1.4	2.6	4.0	-2.8
Deferred tax	2.3	-0.3	-0.6	-0.9	0.6
<b>Total Result related to Parent company's shareholders</b>	<b>2.6</b>	<b>5.3</b>	<b>-13.4</b>	<b>5.5</b>	<b>22.4</b>

## SUMMARY OF BALANCE SHEET

Parent company (SEKm)	Note	2015 30 June	2014 30 June	2014 31 Dec
Intangible assets		43.0	45.8	39.1
Tangible assets		1.8	3.6	2.1
Financial assets	2	325.6	80.8	85.4
Inventories		131.7	90.0	156.9
Current receivables		373.8	281.2	443.9
Cash and cash equivalents		9.9	46.9	9.9
<b>Total assets</b>		<b>885.8</b>	<b>548.3</b>	<b>737.3</b>
Shareholders' equity		335.9	247.4	264.9
Provisions		69.7	74.8	73.5
Long-term liabilities		135.0	34.4	0.0
Current liabilities		345.2	191.7	398.9
<b>Total shareholders' equity and liabilities</b>		<b>885.8</b>	<b>548.3</b>	<b>737.3</b>

## Notes

### Note 1 – Contingent and deferred consideration for acquisitions 2013

#### *IVS GmbH*

During Q1 2015 deferred consideration of EUR 1.6 million (SEK 14.9 m) has been paid. This deferred consideration was discounted to present value of EUR 1.458 million in the purchase price analysis. The difference of EUR 0.142 million has been accounted for as a financial cost in the consolidated accounts. The acquisition of IVS is now fully paid.

#### *Isidor SAS*

On December 31, 2013, the contingent consideration was estimated to SEK 11.7m whereof SEK 0.7m was accounted for as a current liability and SEK 11.0m as a long-term liability. The current contingent consideration for 2013, SEK 0.3m, was paid in Q2 2014. The contingent consideration as of December 31, 2014 was estimated to SEK 3.6, whereof SEK 2.6m was accounted for as a long-term liability and SEK 1.0 was accounted for as a current liability. During Q2 2015 the contingent consideration for 2014, SEK 0.9m was paid. The contingent consideration for 2015 is revised as of June 30, 2015 and is estimated to SEK 2.7m and accounted for as a current liability.

### Note 2 – Acquisitions 2015

#### *Acquisition of Caretech AB*

On January 30, 2015, DORO AB acquired 63.7 percent of the shares in Caretech AB in Kalix. The remaining 36.3 percent was acquired on February 18, 2015, through a share issue in kind. Costs for the acquisition was charged to the operating result in 2014 of SEK 3.0m. Additional acquisition costs of SEK 0.8m has been accounted for in the operating result of 2015. The purchase price was paid in cash with SEK 148.1m and SEK 84.4m as a share issue in kind. Goodwill is linked to the enhanced position in the Care segment that Caretech's new sales channel provide, as well as increased expertise in the care segment for the senior population. On the acquisition date, the headcount was 154. Net sales for 2014 amounted to SEK 130.1m with an EBIT of SEK 7.5m.

<b>The preliminary figures for the acquired net assets and goodwill are presented below:</b>	<b>Fair value SEKm</b>
Intangible assets	29.9
Fixed assets	4.1
Deferred tax receivables	1.9
Other financial assets	0.3
Stock	9.9
Accounts receivables	20.2
Other receivables, Prepaid expenses and accrued income	10.7
Cash and bank balances	3.4
Interest bearing debt	-17.5
Accounts payable	-11.9
Deferred tax liability	-3.1
Other liabilities, Accrued expenses and prepaid income	-18.4
Acquired Net Assets	29.5
Goodwill	203.0
<b>Total purchase consideration</b>	<b>232.5</b>
Cash in acquired company	3.4
<b>Change in the Group's cash flow resulting from the acquisition</b>	<b>229.1</b>

**Note 3 – Changed reporting principle for exchange rate differences**

Doro has changed its reporting principle of exchange rate differences regarding revaluation of bank account balances and intra group loans in foreign currency. Previously this kind of exchange rate differences were not separated and reported in the operating result. As of January 1<sup>st</sup> 2015 the reporting principles have been change changed and these kind of exchange rate differences are reported in the financial result. Hence the figures for previous periods have been recalculated for comparison.

## Definitions

<b>Gross Margin</b>	Net sales - Merchandise costs
<b>Gross Margin, %</b>	Gross Margin in percentage of Net sales
<b>Average number of shares</b>	Number of shares at the end of each period divided with number of periods.
<b>Average number of shares after dilution</b>	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.
<b>Earnings per share before tax</b>	Profit/loss after financial items divided by the average number of shares for the period.
<b>Earnings per share before tax, after dilution</b>	Profit/loss after financial items divided by the average number of shares for the period after dilution.
<b>Earnings per share after tax</b>	Profit/loss after financial items minus tax divided by average number of shares for the period.
<b>Earnings per share after tax, after dilution</b>	Profit/loss after financial items minus tax divided by the average number of shares for the period after dilution.
<b>Number of shares at the end of the period</b>	Actual number of shares at the end of the period.
<b>Number of shares at the end of the period, after dilution</b>	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.
<b>Equity per share</b>	Shareholders' equity at the end of the period divided by the number of shares at the end of the period.
<b>Equity per share, after dilution</b>	Shareholders' equity at the end of the period divided by the number of shares at the end of the period, after dilution.
<b>Earnings per share after taxes paid</b>	Profit/loss after taxes paid divided by average number of shares for the period.
<b>Earnings per share after taxes paid, after dilution</b>	Profit/loss after taxes paid divided by the average number of shares for the period after dilution.
<b>Net Debt/Net Cash</b>	Cash and bank balances reduced with interest bearing liabilities.
<b>Equity/assets ratio, %</b>	Shareholders' equity as a percentage of the balance sheet total.
<b>Return on average shareholders' equity, %</b>	Profit/Loss rolling twelve months after financial items and tax divided by average shareholders' equity.
<b>Capital employed</b>	Total assets reduced with non-interest bearing debt and cash and bank balances.
<b>Return on average capital employed, %</b>	Operating profit/loss rolling twelve months, divided by the quarterly average capital employed excluding cash and bank balances.
<b>Share price at period's end</b>	Closing market price at the end of the period.
<b>Market value, SEK m</b>	Share price at period's end times the number of shares at the end of the period.

### **Board Assurance**

The Board of Directors and CEO confirm that this Quarterly 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.

Stockholm, Sweden, August 21, 2015

Bo Kastensson  
Chairman of the Board

Jérôme Arnaud  
President and CEO

Charlotta Falvin  
Board Member

Lena Hofsberger  
Board Member

Karin Moberg  
Board Member

Jonas Mårtensson  
Board Member

Henri Österlund  
Board Member

Doro AB discloses the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for public release on Friday, August 21, 2015, at 07:30 CET.