

43.1%

Net sales growth

9.4%

EBIT margin

**Strong sales in all markets****October – December 2015**

- Net sales amounted to SEK 625.6m (437.1), an increase of 43.1 percent.
- Net sales growth, excluding Caretech, was 31.6 percent.
- Operating profit (EBIT) of SEK 58.7m (35.2), corresponding to an operating margin of 9.4 percent (8.1).
- Order intake amounted to SEK 527.5m (366.9), an increase of 43.8 per cent.
- Order book at the end of the period amounted to SEK 193.7m (65.2), an increase of 197.1 percent.
- Profit after tax for the period amounted to SEK 42.4m (22.4).
- Earnings per share after tax amounted to SEK 1.82 (1.06).
- Cash flow from current activities amounted to SEK 32.1m (-9.8).

**January – December 2015**

- Net sales amounted to SEK 1 838.0m (1 276.2), an increase of 44.0 percent.
- Net sales growth excluding Caretech was 30.5 percent.
- Operating profit (EBIT) of SEK 95.2m (79.7), corresponding to an operating margin of 5.2 percent (6.2).
- A non-recurring currency loss due to insufficient hedging of SEK -27,1m occurred during the first quarter.
- Profit after tax for the period amounted to SEK 63.8m (58.2).
- Earnings per share after tax amounted to SEK 2.78 (2.76).
- Cash flow from current activities amounted to SEK 85.7m (22.5).

**Outlook**

2016 sales and profit for the group are expected to increase.

**DORO GROUP<sup>\*)</sup>**

(SEKm)	2015 Oct-Dec	2014 Oct-Dec	2015 Jan-Dec	2014 Jan-Dec
Net sales	625.6	437.1	1,838.0	1,276.2
Net sales growth, %	43.1	14.7	44.0	11.7
EBITDA	71.8	45.5	139.2	122.6
EBITDA margin, %	11.5	10.4	7.6	9.6
EBITA	61.2	36.8	105.1	85.8
EBITA margin, %	9.8	8.4	5.7	6.7
EBIT	58.7	35.2	95.2	79.7
EBIT margin, %	9.4	8.1	5.2	6.2
Profit after tax	42.4	22.4	63.8	58.2
Earnings per share after tax, SEK	1.82	1.06	2.78	2.76
Equity/assets ratio, %	40.4	39.3	40.4	39.3

<sup>\*)</sup> Note 3.



## CEO comment

It is with great satisfaction that I look back on a strong 2015. Doro delivered more than 43% sales growth in the fourth quarter and for the full year, with a gross margin that gradually has recovered from the rapid US dollar increase one year ago. In the fourth quarter, EBITDA increased 58 percent to 72 MSEK compared to the same quarter last year. Further, the cash flow from current activities improved to 32 MSEK for the fourth quarter compared to negative in same quarter last year. We are entering 2016 as a growth company, now with revenues approaching 2 BSEK and close to 300 employees.

We successfully launched our 4G smartphone in Europe in the fourth quarter and we are looking forward to launching it in the US and Canada during the first quarter 2016. In 2015 we sold about 2.8 million mobile phones (2.5 million in 2014). In terms of specific markets, we experienced particularly strong growth in among others the Baltics, Spain and Italy. In 2015, we invested significantly to develop an improved user interface for our smartphones and cloud connections for relatives of our users.

The Caretech acquisition, now called Doro Care, has during 2015 materialized synergies within sales, marketing, R&D, HR and finance. The integration has been successful and given us a platform for service offerings. Our ambition is to grow our B2B offerings within mobile telecare, increasing average revenue per user and expanding geographically via acquisitions. In 2015 Caretech sales grew 38%, we entered the Norwegian market and achieved good sales in Germany, UK and the Netherlands. To further strengthen our international presence, we are continuously evaluating complementary acquisitions.

In Sweden, the trend toward conversion of analogue personal alarms to digital puts Doro Care at a distinct technical advantage in the market. We now serve over 65% of Swedish municipalities. The number of subscribers has increased by 26,000 to more than 80,000 in 2015, (compared to an increase of 11,000 in 2014), generating SEK 71m in recurring revenues entering 2016. To drive this expansion and offer a 100% redundant service, we have decided to open an additional alarm receiving center in Kalix, Sweden.

The next step of our strategy is to develop a B2C service platform by combining the Doro Care infrastructure with the marketing channels and skills of our consumer device business. Reflecting this ambition, we will in February at the Mobile World Congress (MWC) in Barcelona present the Doro Connect and Care application - a private social network service enabling social connections between Seniors and Carers.

The order book almost doubled to SEK 194m in Q4 2015, which makes me confident in our ability to continue to deliver profitable growth in 2016. I am convinced that our strategy across all our businesses will continue to bear fruit. Particularly within Doro Care, we see high-potential opportunities ahead. The solid platform we established in 2015 provides us with the assurance and ability we need to seize these opportunities.

**Jérôme Arnaud**, President & CEO

**Strong growth, 43% in both Q4 and for the full year 2015**

**Doro Care serves more than 65% of Swedish municipalities**

**More than 80,000 subscribers and SEK 71m in recurring revenues**

**Additional alarm receiving center in Kalix, Sweden**

**The Doro Connect and Care App will be launched at MWC**

**A solid platform provides confidence to seize strategic opportunities**

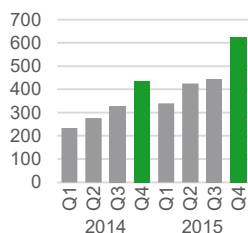
**Net sales per quarter and R12m, SEKm**



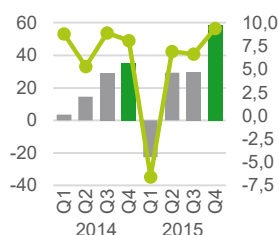
**EBIT per quarter and R12m, SEKm**



### Net sales per quarter, SEKm



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



## Financial overview group, fourth quarter 2015

### Sales

Doro's net sales in the fourth quarter amounted to SEK 625.6m (437.1), an increase of 43.1 percent compared with the fourth quarter 2014. Adjusted for Caretech net sales grew by 31.6 percent (14.7). Currency adjusted growth for the fourth quarter amounted to 29.0 percent.

The Christmas season contributed strongly to sales growth. Particularly smartphones and the 4G smartphone that was launched in Europe during the quarter boosted sales, but feature phones and accessories generated solid sales as well. Well-received campaigns and strong partnerships also contributed to the success.

The service offerings within Caretech performed well and supported the sales growth. The number of subscribers reached above 80,000 in the fourth quarter and are now generating recurring revenues of SEK 71m on a yearly basis by year-end.

Order intake increased by 43.8 percent for the fourth quarter to SEK 527.5m (366.9). Excluding Caretech, order intake increased by 30.0 percent to SEK 476.9 (366.9). Sales in all regions were strong, and Nordics which is the main market for the service offerings within Caretech, contributed the most with sales growth of almost 60 percent.

### Result

The gross margin decreased to 38.5 percent compared to 40.6 percent the corresponding quarter last year as an effect of changed product mix, variation in regional sales volumes and a stronger US dollar. The gross margin improved compared to the third quarter (36.6 percent) as an effect of higher sales in Caretech, lower technology costs and that the company has been able to compensate the higher dollar level in pricing and currency hedging.

EBITDA for the quarter increased compared to last year, to SEK 71.8m (45.5), corresponding to an EBITDA margin of 11.5 percent (10.4).

EBITA for the fourth quarter increased to SEK 61.2m (36.8). Amortization of intangible assets generated in conjunction with company acquisitions, amounted to SEK -2.5m (-1.6), resulting in an EBIT of SEK 58.7m (35.2). The EBIT margin improved to 9.4 percent (8.1).

Net financial items in the fourth quarter were SEK -2.1m (-1.9), including revaluation of financial instruments in foreign currencies.

Group tax in the quarter amounted to SEK -14.2m (-10.9).

Net profit for the period amounted to SEK 42.4m (22.4).

### Cash flow, investments and financial position

Cash flow from current activities in the fourth quarter improved to SEK 32.1m (-9.8), mainly as an effect of improved results and lower paid taxes. Investments in the fourth quarter were higher than in the corresponding quarter 2014, the main reason being product launches, particularly smartphones.

Cash and cash equivalents at the end of the fourth quarter amounted to SEK 43.9m (78.2).

The equity/asset ratio was 40.4 percent (39.3) at the end of the period. Net debt was SEK 116.6m, compared with SEK 122.9m at the end of the previous quarter and with a net cash position of SEK 36.5m at the end of the corresponding period last year.

To improve our financial flexibility, we have during the fourth quarter signed a new bank agreement that is an extension of our current. The new agreement includes an increased facility that may be used for acquisitions as well as to finance working capital.

### **Dividend**

The board of directors will announce its proposal for dividend for 2015 in the notice of the Annual General Meeting 2016, which will be published in late March.

### **Significant events after the period**

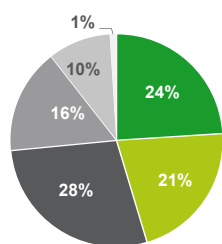
#### *A new call center in Kalix*

Doro announced on January 7 that it has decided to establish a new call center in Kalix, Sweden. As the number of municipalities switching to digital social alarms keep increasing, this is a necessary investment in order to be able to offer a 100% redundancy service. Doro will be the only digital social alarm provider operating two call centers in the Nordic region. The two call centres, including the previous one in Malmö, will offer services in all Nordic languages as well as another 15 more. The call-center in Kalix will open in March 2016.

#### *Caretech rebranded Doro Care*

Announced January 20<sup>th</sup>, all offerings related to digital and mobile care solutions are now rebranded and organized under one name, Doro Care. At the same time as the rebranding was communicated, Doro Care also launched the alarm device Doro Secure 480. This watch is the result of a joint R&D project with participants from Doro's hardware development team and Doro Care's development team. The watch is an alarm device and mobile phone that offers features such as GPS tracking and Geofencing. (Geofencing uses GPS to send notifications when a person leaves or enters an area preset to personal preferences and as such increasing the security for the elderly.)

### Total sales per region



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

### Sales per region October – December 2015

#### SALES PER REGION<sup>\*)</sup>

Doro Group (SEK m)	2015 Oct-Dec	Net sales growth, %	2014 Oct-Dec	2015 Jan-Dec	2014 Jan-Dec
Nordic	146.8	59.6%	92.0	492.9	270.8
Europe, Middle East and Africa	130.7	31.8%	99.2	462.9	309.7
Dach (Germany, Austria, Switzerland, Eastern Europe)	172.0	35.3%	127.1	435.8	348.0
United Kingdom	97.7	33.3%	73.3	267.9	206.4
USA and Canada	58.6	40.5%	41.7	149.5	137.3
Other regions	6.1	NM	0.3	12.3	9.4
Central	13.7	NM	3.5	16.7	-5.4
<b>Total</b>	<b>625.6</b>	<b>43,1%</b>	<b>437.1</b>	<b>1,838.0</b>	<b>1,276.2</b>

\*) Note 3.

#### The Nordic region

Good sales in all channels, physical stores and e-commerce. The Christmas campaigns were successful and focused on smartphones and age. Sales in the Nordic region increased with close to 60% (4.8 percent excluding Caretech). Doro Liberto 825 sold particularly well, as did smartphone accessories. Sales in the Baltics are expanding.

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

The successful launch of the 4G Doro Liberto 825 boosted sales, however feature phones sold well, too. A campaign with Aldi for the Doro Liberto 820 also generated strong sales successes in the quarter. Progress was further made in the Swiss market with a significant listing with M-Budget Mobile. In the Czech market, and with potential partnerships in other Eastern European markets, progress was made as well. Sales grew ca 35% in DACH.

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

Sales in France showed a temporary slowdown for a few weeks following the Paris terrorist attacks on November 13, however, sales still increased ca 32 percent in the quarter. Orange France started selling the 4G smartphone and the customers Algeria Telecom, Vodafone Spain and Telcar in Italy contributed to the strong sales.

#### United Kingdom

UK sales growth of ca 33 percent in the fourth quarter was backed by strong sales of Doro Liberto 820 mini and an excellent campaign that established smartphones for seniors as a serious category in the UK. Sales at Tesco retail, EE and O2 also contributed well in the fourth quarter.

#### USA and Canada

Sales in USA and Canada increased by 40.5 percent, supported by pre-sales for a new smartphone in Canada.

#### Other regions

Net sales of other regions amounted to SEK 6.1m (0.3).

#### Central overhead

For the fourth quarter, income and income adjustments not related to any specific region amounted to SEK 13.7m (3.5), mainly related to currency effects and capitalized development costs.

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

Doro's shares are listed on Nasdaq Stockholm, Small Cap – Telecom/IT list. As per December 31, 2015, the total number of shares outstanding was 23,238,255. Shareholders' equity amounted to SEK 482.0m (334.8).

### **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 358 (172) employees as of December 31, 2015, equivalent to 301 (167) full-time employees. Of these, 233 (47) are based in Sweden, 41 (39) in France, 13 (10) in the UK, 9 (9) in Hong Kong, 3 (3) in Norway 1 (1) in Italy, and 58 (63) 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 fourth quarter amounted to SEK 472.9m (358.9). The profit after tax amounted to SEK 20.6m (8.9).

### **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 these can be utilized in the foreseeable future. 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.

### **Operating profit after depreciation, EBIT, per geographical region**

In the financial section of our interim reports, we have previously included a table named "Operating profit after depreciation, EBIT, per geographical region". As these figures no longer contributes to understanding and analysing our earnings, we have decided to omit the table from our reports.

### **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 is normally stronger than in the first two quarters. Sales in the fourth quarter is normally the strongest in the year.

The acquisition of Caretech has slightly affected the seasonality in sales of the group. Sales in the first quarter are still normally the lowest in the year and sales in the fourth quarter are normally the strongest in the year. Sales in the second and third quarter are normally sequentially stable.

The Q1 report will be presented on May 3

This report will be presented via an audiocast on February 17, at 9.00 CET

### Outlook

2016 sales and profit for the group are expected to increase.

### Reporting dates

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

Q1 report January – March 2016: May 3, 2016

Q2 report April – June 2016: August 11, 2016

Q3 report July – September 2016: October 28, 2016

### Annual General Meeting

The annual general meeting 2016 will be held on May 3, 2016 in Stockholm.

### For further information, please contact:

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Magnus Eriksson, 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 <http://edge.media-server.com/m/p/fyg74cz6> or by telephone at 9.00 CET on February 17, 2016. Doro's President and CEO Jérôme Arnaud and Doro's CFO Magnus Eriksson 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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France: + 33 (0) 170 721 541

United Kingdom: +44 (0) 203 364 5374

United States: + 1 855 7532 230

### 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 smartphones, 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 1,838 million were reported for 2015.

[www.doro.com](http://www.doro.com)

## Financial Reports

### INCOME STATEMENT<sup>\*)</sup>

Doro Group (SEKm)	Note	2015 Oct-Dec	2014 Oct-Dec	2015 Jan-Dec	2014 Jan-Dec
Income/Net sales		625.6	437.1	1,838.0	1,276.2
Operating cost	1, 2	-553.8	-391.6	-1,698.8	-1,153.6
<b>Operating profit/loss before depreciation and write-downs, EBITDA</b>		<b>71.8</b>	<b>45.5</b>	<b>139.2</b>	<b>122.6</b>
Depreciation according to plan, excluding depreciation of intangible assets related to company acquisitions		-10.6	-8.7	-34.1	-36.8
<b>Operating profit/loss after depreciation and write-downs, EBITA</b>		<b>61.2</b>	<b>36.8</b>	<b>105.1</b>	<b>85.8</b>
Depreciation according to plan of intangible assets related to company acquisitions		-2.5	-1.6	-9.9	-6.1
<b>Operating profit/loss after depreciation and write-downs, EBIT</b>		<b>58.7</b>	<b>35.2</b>	<b>95.2</b>	<b>79.7</b>
Net financial items	1	-2.1	-1.9	-10.8	-0.4
<b>Profit/loss after financial items</b>		<b>56.6</b>	<b>33.3</b>	<b>84.4</b>	<b>79.3</b>
Taxes		-14.2	-10.9	-20.6	-21.1
<b>Profit/loss for the period</b>		<b>42.4</b>	<b>22.4</b>	<b>63.8</b>	<b>58.2</b>
Average number of shares, thousands		23,238	21,204	22,937	21,059
Average number of shares after dilution, thousands <sup>**)</sup>		23,374	21,204	22,995	21,059
Earnings per share before tax, SEK		2.44	1.57	3.68	3.77
Earnings per share before tax, after dilution, SEK <sup>**)</sup>		2.42	1.57	3.67	3.77
Earnings per share after tax, SEK		1.82	1.06	2.78	2.76
Earnings per share after tax, after dilution, SEK <sup>**)</sup>		1.81	1.06	2.77	2.76

<sup>\*)</sup> Note 3

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

### STATEMENT OF COMPREHENSIVE INCOME

Doro Group (SEKm)	2015 Oct-Dec	2014 Oct-Dec	2015 Jan-Dec	2014 Jan-Dec
Profit/loss for the period	42.4	22.4	63.8	58.2
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>				
Translation differences	-3.5	3.4	-2.3	8.7
Effects from cash flow hedges	-6.6	-8.9	1.7	-2.8
Deferred tax	1.4	1.9	-0.4	0.6
<b>Total Result related to Parent company's shareholders</b>	<b>33.7</b>	<b>18.8</b>	<b>62.8</b>	<b>64.7</b>

### STATEMENT OF FINANCIAL POSITION<sup>\*)</sup>

Doro Group (SEKm)	Note	2015 31 Dec	2014 31 Dec
Intangible assets		443.1	201.2
Tangible assets		7.7	4.8
Financial assets		15.2	0.7
Deferred tax asset		15.6	15.6
Inventories		188.5	204.6
Current receivables		478.2	347.6
Cash and cash equivalents		43.9	78.2
<b>Total assets</b>		<b>1,192.3</b>	<b>852.7</b>
Shareholders' equity		482.0	334.8
Longterm liabilities	1	204.3	59.6
Current liabilities	1	506.0	458.3
<b>Total shareholders' equity and liabilities</b>		<b>1,192.3</b>	<b>852.7</b>

<sup>\*)</sup> See Note 2 for effects by Caretech AB

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

	2015 31 Dec	2014 31 Dec
Exchange rate contracts recorded as current liability	7.3	7.4
Exchange rate contracts recorded as current receivable	10.8	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 Oct-Dec	2014 Oct-Dec	2015 Jan-Dec	2014 Jan-Dec
Operating profit/loss after depreciation and write-downs, EBIT	3	58.7	35.2	95.2	79.7
Depreciation according to plan		13.1	10.3	44.0	42.9
Net Financial items	3	-1.6	-3.2	-9.3	-0.1
Unrealized exchange rate differences in cash flow hedges		-6.5	-6.1	6.3	-14.6
Revaluation deferred consideration	1	-0.5	-4.1	-0.5	-8.7
Taxes paid		1.4	-6.9	-17.4	-18.3
Changes in working capital		-32.5	-35.0	-32.6	-58.4
<b>Cash flow from current activities</b>		<b>32.1</b>	<b>-9.8</b>	<b>85.7</b>	<b>22.5</b>
Acquisitions	1, 2	0.0	-1.3	-162.0	-21.9
Investments		-22.8	-5.8	-58.7	-29.3
<b>Cash flow from investment activities</b>		<b>-22.8</b>	<b>-7.1</b>	<b>-220.7</b>	<b>-51.2</b>
Amortisation of debt		-9.8	-44.5	-52.9	-45.0
New loans/change in bank overdraft facility		4.1	41.5	154.7	41.5
Dividend		0.0	0.0	0.0	-31.7
New share issue		0.0	0.0	0.0	14.1
Warrant program, new/buy back		-0.6	0.1	0.0	0.7
<b>Cash flow from financial activities</b>		<b>-6.3</b>	<b>-2.9</b>	<b>101.8</b>	<b>-20.4</b>
Exchange rate differences in cash and cash equivalents		-1.7	1.6	-1.1	3.4
<b>Change in liquid funds</b>		<b>1.3</b>	<b>-18.2</b>	<b>-34.3</b>	<b>-45.7</b>
<b>Net debt</b>		<b>116.6</b>	<b>0.0</b>	<b>116.6</b>	<b>0.0</b>
<b>Net Cash</b>		<b>0.0</b>	<b>36.5</b>	<b>0.0</b>	<b>36.5</b>

## STATEMENT OF CHANGES IN EQUITY

Doro Group (SEKm)	2015 31 Dec	2014 31 Dec
<b>Opening balance</b>	<b>334.8</b>	<b>287.0</b>
Total result for the period	62.8	64.7
Dividend	0.0	-31.7
Warrants	0.0	0.7
New share issue	84.4	14.1
<b>Closing balance</b>	<b>482.0</b>	<b>334.8</b>

## OTHER KEY FIGURES

Doro Group	2015 31 Dec	2014 31 Dec
Orderbook at the end of the period, SEK m <sup>*)</sup>	193.7	65.2
Order intake Q, SEKm <sup>**)</sup>	527.5	366.9
Gross margin Q1-Q4, %	37.2	41.0
Gross margin Q4, %	38.5	40.6
Equity/assets ratio, %	40.4	39.3
Number of shares at the end of the period, thousands	23,238	21,204
Number of shares at the end of the period after dilution, thousands <sup>***)</sup>	23,464	21,204
Equity per share, SEK	20.74	15.79
Equity per share, after dilution SEK <sup>***)</sup>	20.54	15.79
Earnings per share after taxes paid, SEK	2.92	2.90
Earnings per share after taxes paid, after dilution, SEK <sup>***)</sup>	2.91	2.90
Return on average share holders' equity, %	15.6	18.7
Return on average capital employed, %	17.1	32.8
Share price at period's end, SEK	62.00	38.80
Market value, SEKm	1,440.8	822.7

<sup>\*)</sup> Including order book for Caretech as of December 31, 2015, amounting to SEK 68.1m.

<sup>\*\*)</sup> Including order intake Q4, 2015 for Caretech, amounting to SEK 50.6m.

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

## SALES PER REGION<sup>\*)</sup>

Doro Group (SEKm)	2015 Oct-Dec	2014 Oct-Dec	2015 Jan-Dec	2014 Jan-Dec
Nordic	146.8	92.0	492.9	270.8
Europe, Middle East and Africa	130.7	99.2	462.9	309.7
Dach (Germany, Austria, Switzerland, Eastern Europe)	172.0	127.1	435.8	348.0
United Kingdom	97.7	73.3	267.9	206.4
USA and Canada	58.6	41.7	149.5	137.3
Other regions	6.1	0.3	12.3	9.4
Central	13.7	3.5	16.7	-5.4
<b>Total</b>	<b>625.6</b>	<b>437.1</b>	<b>1,838.0</b>	<b>1,276.2</b>

\*) Note 3.

## INCOME STATEMENT

Parent company (SEKm)	2015 Oct-Dec	2014 Oct-Dec	2015 Jan-Dec	2014 Jan-Dec
Income/Net sales	472.9	358.9	1 394.8	1 012.4
Operating cost	-435.9	-337.4	-1 332.3	-945.8
<b>Operating profit/loss before depreciation and write-downs, EBITDA</b>	<b>37.0</b>	<b>21.5</b>	<b>62.5</b>	<b>66.6</b>
Depreciation according to plan	-9.1	-9.0	-31.0	-38.8
<b>Operating profit/loss after depreciation and write-downs, EBIT</b>	<b>27.9</b>	<b>12.5</b>	<b>31.5</b>	<b>27.8</b>
Net financial items	-1.0	-1.1	-5.1	4.1
<b>Profit/loss after financial items</b>	<b>26.9</b>	<b>11.4</b>	<b>26.4</b>	<b>31.9</b>
Taxes	-6.3	-2.5	-6.1	-7.3
<b>Profit/loss for the period</b>	<b>20.6</b>	<b>8.9</b>	<b>20.3</b>	<b>24.6</b>

## STATEMENT OF COMPREHENSIVE INCOME

Parent company (SEKm)	2015 Oct-Dec	2014 Oct-Dec	2015 Jan-Dec	2014 Jan-Dec
Profit/loss for the period	20.6	8.9	20.3	24.6
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>				
Effects from cash flow hedges	-6.6	-8.9	1.7	-2.8
Deferred tax	1.4	1.9	-0.4	0.6
<b>Total Result</b>	<b>15.4</b>	<b>1.9</b>	<b>21.6</b>	<b>22.4</b>

## SUMMARY OF BALANCE SHEET

Parent company (SEKm)	Note	2015 31 Dec	2014 31 Dec
Intangible assets		59.0	39.1
Tangible assets		1.4	2.1
Financial assets	2	319.3	85.4
Inventories		121.2	156.9
Current receivables		469.5	443.9
Cash and cash equivalents		72.9	9.9
<b>Total assets</b>		<b>1,043.3</b>	<b>737.3</b>
Shareholders' equity		370.9	264.9
Provisions		73.0	73.5
Long-term liabilities		120.0	0.0
Current liabilities		479.4	398.9
<b>Total shareholders' equity and liabilities</b>		<b>1,043.3</b>	<b>737.3</b>

## Notes

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

#### IVS GmbH

During Q1 2015 deferred consideration of EUR 1.6m (SEK 14.9m) has been paid. This deferred consideration was discounted to present value of EUR 1.458m in the purchase price analysis. The difference of EUR 0.142m 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 3.6m, whereof SEK 2.6m was accounted for as a long-term liability and SEK 1.0m 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 December 31, 2015 and is estimated to SEK 2.1m 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 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.

The preliminary figures for the acquired net assets and goodwill are presented below:	Fair value SEKm
Intangible assets	29.7
Tangible assets	4.1
Deferred tax receivables	5.1
Other financial assets	0.3
Inventories	9.9
Accounts receivables	20.2
Other receivables, Prepaid expenses and accrued income	10.7
Cash and bank balances	2.0
Interest bearing debt	-16.0
Accounts payable	-11.9
Deferred tax liability	-3.1
Other liabilities, Accrued expenses and prepaid income	-18.5
Acquired Net Assets	32.5
Goodwill	200.0
<b>Total purchase consideration</b>	<b>232.5</b>
-whereof paid in cash	148.1
Cash in acquired company	2.0
<b>Change in the Group's cash flow resulting from the acquisition</b>	<b>146.1</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 1st 2015 the reporting principles have been 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.

Stockholm, Sweden, February 17, 2016

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 Wednesday, February 17, 2016, at 08:00 CET.