

-1.7%

Net sales growth

4.6%

EBIT margin

Stable sales with higher profitability**July – September 2017**

- Net sales amounted to SEK 465.3m (473.2), a decrease of 1.7 percent.
- Operating profit (EBIT) was SEK 21.5m (13.9), corresponding to an operating margin of 4.6 percent (2.9). EBIT includes SEK 1.3m (4.3) of restructuring expenses.
- Order intake increased by 0.6 percent to SEK 561.4m (557.9).
- The order book amounted to SEK 374.7m (353.9) at the end of the period.
- Profit after tax for the period was SEK 15.7m (12.6).
- Earnings per share amounted to SEK 0.66 (0.54).
- Free cash flow before acquisitions amounted to SEK 6.4m (18.7).

January – September 2017

- Net sales amounted to SEK 1,363.6m (1,359.7), an increase of 0.3 percent.
- EBIT was SEK 57.9m (27.4), corresponding to an operating margin of 4.2 percent (2.0). EBIT includes SEK 3.5m (9.2) of restructuring expenses.
- Profit after tax for the period was SEK 44.0m (19.6).
- Earnings per share amounted to SEK 1.88 (0.84).
- Free cash flow before acquisitions amounted to SEK 31.5m (-37.4).

Outlook

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

DORO GROUP (SEKm)	2017 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	2016 Jan-Dec
Net sales	465.3	473.2	1,363.6	1,359.7	1,959.1
Net sales growth, %	-1.7	6.4	0.3	12.7	7.1
EBITDA	38.0	32.9	103.1	76.2	121.4
EBITDA margin, %	8.2	7.0	7.6	5.6	6.2
EBITA	22.6	15.9	61.5	33.7	55.1
EBITA margin, %	4.9	3.4	4.5	2.5	2.8
EBIT	21.5	13.9	57.9	27.4	47.7
EBIT margin, %	4.6	2.9	4.2	2.0	2.4
Profit after tax	15.7	12.6	44.0	19.6	31.0
Earnings per share	0.66	0.54	1.88	0.84	1.33
Equity/assets ratio, %	46.1	42.5	46.1	42.5	40.4



Sales down 1.7%

Doro Care increases sales by 30%

US sales downturn has levelled off

Rationalization continues—higher profitability

Positive reception of new product launches

Unchanged outlook for 2017

CEO's comment

Doro's sales were stable in the quarter, despite sales in the US falling, and an import embargo in Algeria that had a negative impact on the EMEA region. Simultaneously we increased our earnings. Net sales in the third quarter were down by 1.7 percent to SEK 465.3m (473.2), while growth excluding the US and Canada increased by 1.2 percent. Order intake was up 0.6 percent to SEK 561.4m (557.9), and the order book expanded by 5.9 percent. Our earnings improvement continued in the third quarter. Despite gross margin contracting to 37.5 percent (39.3), our operating margin increased to 4.6 percent (2.9). After three consecutive quarters of earnings improvement, we can conclude that actions to increase the operating efficiency are paying off.

Doro Care increased sales by 30 percent in like-for-like terms, supported by progress in Germany, and a higher level for our subscription-based operation in the Nordics, where the subscriber base was larger than in the corresponding period of last year.

Sales in the US/Canada region were down year-on-year also in the third quarter. However, the downturn was lower than in the second quarter of this year. The increase in mobile phone sales throughout 2016 by Doro's operator customers in the region was due to a shift in technology from 2G to 3G throughout 2016. We think the sales downturn has levelled out. We are planning for the next technology generation on the North American market, with the ambition of launching a 4G phone in the second half of 2018.

Our impression is that the general mobile phone market was weak in the third quarter, but that Doro thanks to its orientation towards the senior segment successfully defended or increased market shares in its regions. The UK was our best-performing region in the quarter, achieving a sales growth of 20 percent.

As part of our overall process of streamlining our operations, we focused on a number of actions in the aftermarket and supply chain in the period. With our strong earnings performance this year to date, we can see we are heading in the right direction, and I'm looking forward to our ongoing work on continuous improvement.

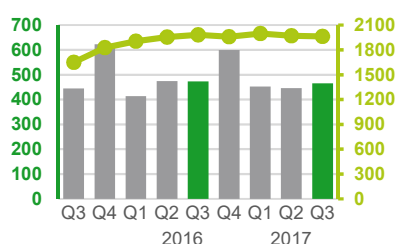
We launched several new products in the quarter, mostly at the IFA trade show in Berlin - all received positive initial reactions. The launch of our new smartphone, the Doro 8040, attracted heavy media attention, and sales have started on most of our markets.

We're currently formulating our strategy for developing Doro over the coming years, and will present this at a capital markets day in November in Stockholm.

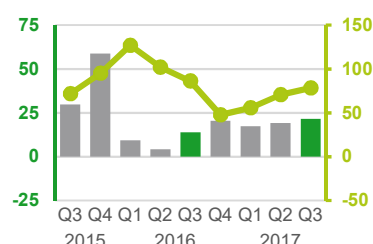
Results for January-September support an unchanged outlook for 2017: our expectation for 2017 is that both sales and EBIT will increase compared to 2016.

Robert Puskaric, President & CEO

Net sales per quarter and R12m, SEKm



EBIT per quarter and R12m, SEKm



**Sales growth
excluding
US/Canada 1.2%**

**High sales in the UK,
and for Care, weaker
for other regions**

**Smartphone sales
increased as
planned**

**Doro Care's sales up
by 30% on the
previous year**

Financial overview group, third quarter 2017

Sales

Doro's net sales for the third quarter amounted to SEK 465.3m (473.2), a 1.7 percent decrease on the third quarter 2016. Adjusted for currency effects, the downturn was 0.8 percent. Excluding the US/Canada region, sales were up by 1.2 percent.

Third-quarter order intake was up 0.6 percent in like-for-like terms year-on-year (including Trygghetssentralen), to SEK 561.4m (557.9). The value of the order book was SEK 374.7m (353.9) at the end of the quarter.

Sales in the Nordics were down 5.7 percent year-on-year. However, this downturn was less than for the general Nordic mobile phone market, suggesting that we increased our market share in a weak market in the period.

Sales in the DACH region decreased 6.5 percent after robust progress in the first half-year. Considering that performance was better than the overall German market, our view is that we defended our market share successfully in this region.

Sales in the EMEA region declined 12.5 percent, largely due to an embargo on mobile phone imports to Algeria, which restricted our sales in the quarter, as well as a strong comparative quarter.

Negative sales growth continued in the US/Canada region, with a 40 percent decrease on the third quarter 2016. The increase in mobile phone sales throughout 2016 by Doro's operator customers in the region was due to a shift in technology from 2G to 3G. The downturn was lower than in the second quarter of this year, indicating that the sales downturn levelled off in the third quarter.

Sales in the UK increased by 20 percent in the third quarter, supported by increased marketing efforts and relatively healthy retail growth.

Sales of smartphones increased as planned in the quarter, representing some 19 percent of Doro's total mobile phone sales. Our offering in this category is in continuous focus and regeneration, with the launch of our new smartphone, the Doro 8040, in September being a good example.

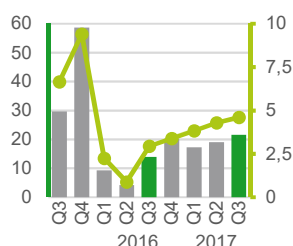
Doro Care's progress continued in the third quarter. Sales increased 30 percent, supported by healthy growth in Germany, and higher subscription income in the Nordics in year-on-year terms. Sales were SEK 66.0m for the third quarter (50.6), of which SEK 45.6m (35.4), was subscription income.

Earnings

Doro's gross margin decreased on the third quarter 2016, and was 37.5 percent in the third quarter (39.3). Most of the year-on-year decline is attributable to a negative currency effect from the revaluation of forward contracts. All else equal, depreciation of the USD against the EUR has a positive impact on Doro's operating profit.

Third-quarter EBITDA increased 15.5 percent to SEK 38.0m (32.9), corresponding to an EBITDA margin of 8.2 percent (7.0). The increased EBITDA was mainly due to lower overhead expenses compared to the third quarter 2016, which more than offset lower gross profit.

EBIT and EBIT margin per quarter, SEKm and %



EBITA also improved significantly, to SEK 22.6m (15.9). Amortization of intangible assets from business combinations according to plan was SEK -1.1 m (- 2.0) in the quarter, corresponding to an EBIT of SEK 21.5m (13.9) and an EBIT margin of 4.6 percent (2.9). EBIT includes restructuring expenses of SEK 1.3m (4.3).

Net financial items for the third quarter were SEK -0.1m (-0.1) including the revaluation of financial instruments in foreign currencies.

Group tax for the quarter was SEK -5.7m (-1.2).

Profit after tax for the period was SEK 15.7m (12.6).

Cash flow, investments and financial position

Cash flow from operating activities in the third quarter was SEK 24.7m (36.5), with the decrease mainly due to an increase in working capital due to inventory build-up. Cash flow before changes in working capital increased to SEK 36.1m (21.8). Free cash flow, after investments but before business combinations, decreased to SEK 6.4m (18.7).

Cash and cash equivalents were SEK 64.4m at the end of the third quarter (22.9). At the same time, the equity/assets ratio was 46.1 percent (42.5).

Net debt declined in the period, amounting to SEK 120.6m at the end of the third quarter, which can be compared to SEK 127.2m at the end of the previous, second, quarter, and SEK 178.6m at the end of the third quarter 2016.

Significant events in the period

At the beginning of July, Susanne von Wowern voluntarily resigned from her position as Human Resources Director of Doro and left the company at the beginning of August. Åsa Lindé Tornee was appointed Interim Human Resources Director at the beginning of September.

Malin Lindgårde was appointed VP of Marketing and Communications, and took up her position at the beginning of August.

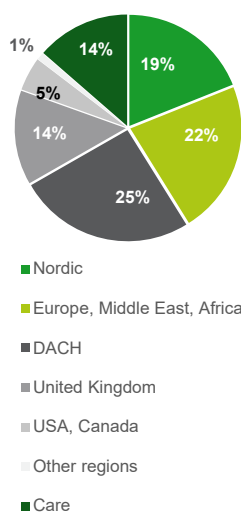
Magnus Eriksson resigned as Doro's CFO at the beginning of September. He will leave his position immediately after publication of the Third-quarter Interim Report on 24 October, but will continue to serve an advisory role within Doro until year-end.

Carl-Johan Zetterberg Boudrie was appointed as Doro's new CFO, effective immediately after publication of the Third-quarter Interim Report on 24 October. He is also retaining his position as Vice President of Doro Care.

Significant events after the end of the period

Carl-Johan Rijpma was appointed VP Operations and a member of Group Management at the beginning of October. He starts his position November 1.

Total sales per market,
R12, October 2016 –
September 2017



Sales by market third quarter 2017

NET SALES PER MARKET*

Doro group (SEKm)	2017 Jul-Sep	Net sales growth, %	2016 Jul-Sep recalc.	2017 Jan-Sep	2016 Jan-Sep recalc.	2016 Jan-Dec recalc.
Nordic	82.2	-5.7	87.2	250.5	233.4	353.1
EMEA	108.9	-12.5	124.4	307.1	333.9	461.4
DACH	113.5	-6.5	121.4	342.9	305.7	462.9
UK	66.5	20.0	55.4	167.7	165.7	266.4
US/Canada	19.7	-39.9	32.8	67.7	161.7	189.8
Other regions	4.1	-8.9	4.5	13.9	12.3	18.9
Care	66.0	30.4	50.6	205.7	149.6	210.1
Central overheads	4.4		-3.1	8.1	-2.6	-3.5
Total	465.3	-1.7	473.2	1,363.6	1,359.7	1,959.1

* Notes 1, 2

Nordic

Sales in the Nordics decreased 5.7 percent in the third quarter. Growth for the nine-month period was 7.3 percent. Based on market data from resellers, our view is that Doro increased market share somewhat on a weak general mobile phone market, partly thanks to a positive product mix. Market share progress for the nine-month period is similar, largely due to a strong first quarter.

DACH (Germany, Austria, Switzerland and Central Europe)

Sales decreased 6.5 percent in DACH in the third quarter, mainly due to lower sales in Germany. Growth for the nine-month period was 12.2 percent. Considering performance was better than the general market for smartphones and feature phones in Germany, our view is that Doro successfully defended its market share in the region.

EMEA (Europe, Middle East and Africa)

Sales in the third quarter 2017 decreased 12.5 percent, mainly because of an embargo on mobile phone imports in Algeria, which stopped Doro's sales in the country. The comparative quarter also included a large-scale one-off order in the country. Progress in France was also slow, while growth in countries such as Belgium and Italy was positive.

UK

Sales increased 20 percent in the third quarter 2017, supported by increased marketing efforts and healthy retail sales growth, combined with stable demand for mobile phones. Sales performance by teleoperators contributed to this strong growth, as did product mix with a high share of advanced feature phones and smartphones.

US/Canada

Poor sales performance continued, with a downturn of nearly 40 percent year-on-year. However, the downturn was lower than in the previous, second, quarter. The increase in mobile phone sales throughout 2016 by Doro's operator customers in the region was due to a shift in technology from 2G to 3G throughout 2016. We think the sales downturn has levelled out. We are planning for the next technology generation on the North American market, with the ambition of launching a 4G phone in the second half of 2018.

Care

Care's sales increased by just over 30 percent in the third quarter, and growth for the nine-month period was 37.5 percent. The combination of continued positive sales in Germany and an increase in subscription income in the Nordics were the main contributors to growth in the quarter.

Of Care's total SEK 66.0m income for the quarter, SEK 45.6m was subscription income. This is an increase compared to the third quarter 2016, when subscription income amounted to 35.4m.

At the end of the quarter, the total subscriber base was 125,000, an increase compared to the third quarter 2016, when the subscriber base was nearly 113,000.

Other regions

Net sales in other regions were SEK 4.1m (4.5).

Central overhead

Income and income adjustments not related to a specific region were SEK 4.4m (-3.1) in the third quarter.

Shareholders' equity and the Doro share

Doro's shares are listed on the Nasdaq Stockholm, Small Cap – Telecom/IT list. As of September 30, 2017, the total amount of shares outstanding was 23 755 255. Shareholders' equity amounted to SEK 557.0m (511.2).

Transactions with related parties

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

Employees

Doro had 444 (492) employees as of September 30, 2017, equivalent to 372 (376) full-time employees. Of these, 245 (260) are based in Sweden, 24 (39) in France, 16 (16) in the UK, 9 (9) in Hong Kong, 89 (107) in Norway, 2 (2) in Italy and 59 (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 third quarter amounted to SEK 368.2m (341.3). The profit after tax amounted to SEK 8.4m (16.1).

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.

The evaluation of the potential accounting effect of the new accounting standards IFRS 9 Financial instruments and IFRS 15 Revenue from customer contracts, to be implemented on 1 January 2018, is on-going.

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 Q4 2018 report
will be published on
February 15, 2018**

**This report will be
presented via
audiocast on
October 24 at 9:00
CET**

Reporting dates

Q4-report January-December 2017:
Q1-report January-March 2018

February 15, 2018
April 27, 2018

Capital Markets Day

A Capital Markets Day will be arranged in November 2017, in Stockholm. An invitation will be sent out separately.

Annual General Meeting 2018

The Annual General Meeting 2018 will be held on April 27, 2018.

For further information, please contact:

Robert Puskaric, President and CEO, +46 (0)46 280 50 05
Carl-Johan Zetterberg Boudrie, CFO, +46 (0)46 280 50 47

Doros report to be presented via audiocast

Analysts, investors and media are welcome to attend a presentation of the Q3 report via <https://edge.media-server.com/m6/p/4jf2xtx6> or by telephone at 9:00 CET on October 24, 2017. Doro's President and CEO Robert Puskaric and CFO Carl-Johan Zetterberg Boudrie 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>.

Call-in numbers

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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 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	2016 Jan-Dec
Net sales	465.3	473.2	1 363.6	1 359.7	1 959.1
Own work capitalized and other income	9.1	1.0	32.0	10.6	16.0
Operating costs	-436.4	-441.3	-1 292.5	-1 294.1	-1 853.7
Operating profit/loss before depreciation and write-downs, EBITDA	38.0	32.9	103.1	76.2	121.4
Depreciation according to plan, excluding depreciation of intangible assets related to company acquisitions	-15.4	-17.0	-41.6	-42.5	-66.3
Operating profit/loss after depreciation and write-downs, EBITA	22.6	15.9	61.5	33.7	55.1
Depreciation according to plan of intangible assets related to company acquisitions	-1.1	-2.0	-3.6	-6.3	-7.4
Operating profit/loss after depreciation and write-downs, EBIT	21.5	13.9	57.9	27.4	47.7
Net financial items	-0.1	-0.1	0.5	-4.3	-8.3
Profit/loss after financial items	21.4	13.8	58.4	23.1	39.4
Taxes	-5.7	-1.2	-14.4	-3.5	-8.4
Profit/loss for the period	15.7	12.6	44.0	19.6	31.0
Average number of shares, thousands	23 755	23 238	23 462	23 238	23 238
Average number of shares after dilution, thousands*	23 755	23 440	23 535	23 506	23 411
Earnings per share, SEK	0.66	0.54	1.88	0.84	1.33
Earnings per share after dilution, SEK*	0.66	0.54	1.87	0.83	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 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	2016 Jan-Dec
Profit/loss for the period	15.7	12.6	44.0	19.6	31.0
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Translation differences	-1.0	4.0	-2.7	6.2	4.9
Effects from cash flow hedges	1.9	-1.8	-3.6	4.0	4.9
Deferred tax	-0.4	0.4	0.8	-0.9	-1.1
Total result related to Parent company's shareholders	16.2	15.2	38.5	28.9	39.7

STATEMENT OVER FINANCIAL POSITION

Doro Group (SEKm)

	2017 30 Sep	2016 30 Sep	2016 31 Dec
Non-current assets			
Intangible assets	463.7	473.1	464.1
Property, plant, and equipment	17.9	10.4	12.9
Financial assets	7.1	8.2	7.3
Deferred tax assets	12.0	20.6	11.9
Current assets			
Inventories	258.8	240.0	217.9
Current receivables	383.1	428.9	512.8
Cash and cash equivalents	64.4	22.9	61.0
Total assets	1 207.0	1 204.1	1 287.9
Shareholders' equity attributable to Parent company's shareholders	557.0	511.2	520.0
Long term liabilities	164.8	192.0	197.0
Current liabilities	485.2	500.9	570.9
Total shareholders' equity and liabilities	1 207.0	1 204.1	1 287.9

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

	2017 30 Sep	2016 30 Sep	2016 31 Dec
Exchange rate contracts recorded as current liability	12.8	4.4	3.2
Exchange rate contracts recorded as current receivable	5.6	7.5	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)

	Note	2017 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	2016 Jan-Dec
Operating profit/loss after depreciation and write-downs, EBIT		21.5	13.9	57.9	27.4	47.7
Depreciation according to plan		16.5	19.0	45.2	48.8	73.7
Net financial items		-1.2	-1.1	-3.8	-4.2	-8.3
Unrealized exchange rate differences in cash flow		0.5	-1.9	12.6	4.3	-0.6
Taxes paid		-1.2	-8.1	-12.3	-26.8	-26.3
Changes in working capital (including changes in provisions)		-11.4	14.7	-18.6	-38.0	-24.5
Cash flow from current activities		24.7	36.5	81.0	11.5	61.7
Investments in intangible and tangible fixed assets		-18.3	-17.8	-49.5	-48.9	-67.4
Total free cash flow before acquisitions		6.4	18.7	31.5	-37.4	-5.7
Acquisitions		0.0	0.0	0.0	-27.9	-29.0
Cash flow from investing activities		-18.3	-17.8	-49.5	-76.8	-96.4
Amortization of debt		0.0	-36.8	-50.5	-59.6	-79.8
New loans/changes in bank overdraft facility		0.0	5.8	25.0	100.6	129.8
Dividend		0.0	0.0	-23.2	0.0	0.0
New share issue		0.0	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		0.0	-31.0	-28.2	41.3	49.4
Exchange differences in cash and cash equivalents		0.2	1.4	0.1	2.9	2.4
Change in cash and cash equivalents		6.6	-10.9	3.4	-21.1	17.1
Net debt		120.6	178.6	120.6	178.6	149.5

STATEMENT OF CHANGES IN EQUITY

Doro Group (SEKm)

	2017 30 Sep	2016 30 Sep	2016 31 Dec
Opening balance	520.0	482.0	482.0
Total result related to Parent company shareholders	38.5	28.9	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	557.0	511.2	520.0

OTHER KEY FIGURES

Doro Group

	Note	2017 30 Sep	2016 30 Sep	2016 31 Dec
Orderbook at the end of the period, SEKm	3	374.7	353.9	307.8
Order intake Q, SEKm	3	561.4	557.9	572.3
Gross margin, %		38.3	36.8	38.5
Gross marginl Q, %		37.5	39.3	-
Equity/assets ratio, %		46.1	42.5	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	23 517	23 357
Equity per share, SEK		23.45	22.00	22.38
Equity per share, after dilution, SEK*		23.45	21.74	22.26
Return on average shareholders' equity, %		10.4	12.9	6.2
Return on average capital employed, %		11.4	12.7	6.8
Share price at period's end, SEK		52.50	63.00	53.00
Market value, SEKm		1 247.2	1 464.0	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 Jul-Sep	2016 Jul-Sep (recalc)	2017 Jan-Sep	2016 Jan-Sep (recalc)	2016 Jan-Dec (recalc)
Nordic	82.2	87.2	250.5	233.4	353.1
Europe, Middle East and Africa	108.9	124.4	307.1	333.9	461.4
DACH (Germany, Austria, Switzerland and Central Europe)	113.5	121.4	342.9	305.7	462.9
United Kingdom	66.5	55.4	167.7	165.7	266.4
USA and Canada	19.7	32.8	67.7	161.7	189.8
Other regions	4.1	4.5	13.9	12.3	18.9
Care	66.0	50.6	205.7	149.6	210.1
Central overhead	4.4	-3.1	8.1	-2.6	-3.5
Total	465.3	473.2	1 363.6	1 359.7	1 959.1

*) Note 1, 2

INCOME STATEMENT

Parent company (SEKm)

	2017 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	2016 Jan-Dec
Net sales	368.2	341.3	1 071.4	1 007.8	1 439.5
Own work capitalized and other income	9.6	-0.5	22.4	5.3	5.7
Operating cost	-349.5	-305.6	-1 034.5	-945.7	-1 384.6
Operating profit/loss before depreciation and write-downs, EBITDA	28.3	35.2	59.3	67.4	60.6
Depreciation	-18.5	-16.0	-44.6	-39.7	-58.2
Operating profit/loss after depreciation and write-downs, EBIT	9.8	19.2	14.7	27.7	2.4
Net financial items	0.9	1.0	1.6	-0.8	-3.7
Profit/loss after financial items	10.7	20.2	16.3	26.9	-1.3
Taxes	-2.3	-4.1	-4.0	-5.9	-0.2
Profit/loss for the period	8.4	16.1	12.3	21.0	-1.5

STATEMENT OF COMPREHENSIVE INCOME

Parent company (SEKm)

	2017 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	2016 Jan-Dec
Profit/loss for the period	8.4	16.1	12.3	21.0	-1.5
Other comprehensive income to be reclassified to profit or loss					
Effects from cash flow hedges	1.9	-1.8	-3.6	4.0	4.9
Deferred tax	-0.4	0.4	0.8	-0.9	-1.1
Total Result related to Parent company shareholders	9.9	14.7	9.5	24.1	2.3

STATEMENT OF FINANCIAL POSITION

Parent company (SEKm)

	Note	2017 30 sep	2016 30 sep	2016 31 dec
Non-current assets				
Intangible assets		282.0	59.4	52.0
Property, plant, and equipment		11.9	1.0	0.8
Financial assets		124.2	347.3	347.5
Current assets				
Inventories		193.0	158.7	130.5
Current receivables		497.6	439.2	574.1
Cash and cash equivalents		53.1	4.0	43.4
Total assets		1 161.8	1 009.6	1 148.3
Shareholders' equity attributable to Parent company's shareholders		388.5	395.1	373.2
Provisions		63.0	73.5	74.9
Long term liabilities		130.0	150.0	160.0
Current liabilities		580.3	391.0	540.2
Total shareholders' equity and liabilities		1 161.8	1 009.6	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 Central 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 overhead	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 third quarter 2016 has been adjusted to include the order book and order intake for Trygghetssentralen AS. Compared to the interim report for the third quarter 2016, the order book has been increased by SEK 43.0m and the order intake by SEK 10.1m.

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 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 Jul-Sep	2016 Jul-Sep	2017 Jan-Sep	2016 Jan-Sep	2016 Jan-Dec
Currency adjusted sales growth (SEKm)					
Currency adjusted sales growth	-3.8	33.4			
Currency effect	-4.1	-5.1			
Reported sales growth	-7.9	28.3			
Capital employed					
Total assets			1 207.0	1 204.1	1 287.9
-non-interest-bearing liabilities			462.6	460.6	533.5
-cash and bank			64.4	22.9	61.0
Reported capital employed			680.0	720.6	693.4

Board assurance

The Board of Directors and the 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.

Lund, Sweden, October 24, 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 October 24, 2017.

Report of Review of Interim Financial Information

Doro AB (publ) company identity no 556161-9429

Introduction

We have reviewed the condensed interim financial information (interim report) of Doro AB (publ) as of 30 September 2017 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Report Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Malmö, 24th October, 2017
PricewaterhouseCoopers AB

Magnus Willfors
Authorized Public Accountant
Auditor in charge

Johan Rönnbäck
Authorized Public Accountant