

## **Fiskars Group decreases its holding in Wärtsilä, focuses on executing branded consumer goods strategy**

Fiskars, Investor and their joint venture Avlis AB have signed an agreement according to which Investor acquires 15.8 million shares, or 8% of the capital and votes in Wärtsilä from Avlis for approximately EUR 639 million, or EUR 40.55 per share. Since April 2012, Investor and Fiskars have had a joint venture for their ownership interests in Wärtsilä, today representing 21.8% of the capital and votes. Fiskars Group's holding in Wärtsilä through the joint venture has been 13.0% and Investor's 8.8% of the shares in Wärtsilä.

Following the announced transaction, the joint venture structure will be dissolved and Fiskars retains an ownership stake in Wärtsilä representing 5.01% of the capital and votes.

Fiskars estimates that the non-recurring gain from the sale of Wärtsilä shares to Investor amounts to approximately EUR 450 million, and that the gain would be recorded in Fiskars Q4 2014 results. This estimate will be revised after the publication of Wärtsilä's Q3 2014 result and the final amount will be published in connection with Fiskars Q3 2014 interim report on Oct 31, 2014.

In addition, Investor will pay an additional consideration to Fiskars' subsidiary Avlis (50% of profit the first year, 40% the second year and 30% the third year) in the event the acquired shares are divested at a higher price during a three year period. During that period, Fiskars and Investor have agreed in a shareholders' agreement to mutual first right of refusal provisions as well as a right for Fiskars to participate on equal terms if Investor were to divest the acquired shares.

The transaction is expected to be completed within the coming weeks. Following completion, Investor's ownership in Wärtsilä will amount to 33.1 million shares, corresponding to 16.8 % of the capital and votes, making Investor the largest shareholder of Wärtsilä.

Fiskars' holding in Wärtsilä will be 5.01% of the capital and votes following completion. This means that Wärtsilä ceases to be treated as Fiskars' associated company, and the Group's segment reporting will be changed accordingly. As a consequence, the remaining Wärtsilä shares will be valued at market value. This reclassification is estimated to result in a non-recurring unrealized valuation gain of approximately EUR 250 million, which would be recorded in Fiskars Q4 2014 results. The estimate will be revised based on the Wärtsilä share price at the closing date of this transaction and based on the publication of Wärtsilä's Q3 2014 result. The final amount will be published in connection with Fiskars Q3 2014 interim report.

Fiskars Group's intention is to use the majority of the proceeds from the sale of Wärtsilä shares over time to expedite the Group's strategic development. It is also likely that Fiskars Board of Directors will propose that part of the proceeds would be returned to Fiskars shareholders in the form of an extra dividend. Fiskars will communicate its more detailed plans and the Group's new reporting structure in connection with its Q3 Interim Report on Oct 31, 2014.

“Fiskars Group has been a longstanding owner in Wärtsilä, and we believe that Wärtsilä continues to be a good investment. Fiskars’ strategic goal is, however, to become a world-class branded consumer goods company, and being the largest owner in Wärtsilä is no longer an essential part of our strategy going forward. This transaction will strengthen Fiskars Group’s financial position even further, and enable us to accelerate our growth as a branded consumer goods company”, says Kari Kauniskangas, President and CEO of Fiskars.

#### FISKARS CORPORATION

Kari Kauniskangas  
President and CEO

#### **Further information:**

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*Established in 1649 as an ironworks in a small Finnish village, Fiskars has grown to be a leading global supplier of consumer products for the home, garden and outdoors. Available in more than 60 countries, Fiskars products solve everyday problems, making daily home, garden and outdoor projects easier and more enjoyable through superior performance and design. Fiskars is listed on NASDAQ OMX Helsinki, and the company’s net sales were 799 million euro in 2013. The Group’s key international brands are Fiskars, Iittala and Gerber. [www.fiskarsgroup.com/365](http://www.fiskarsgroup.com/365)*