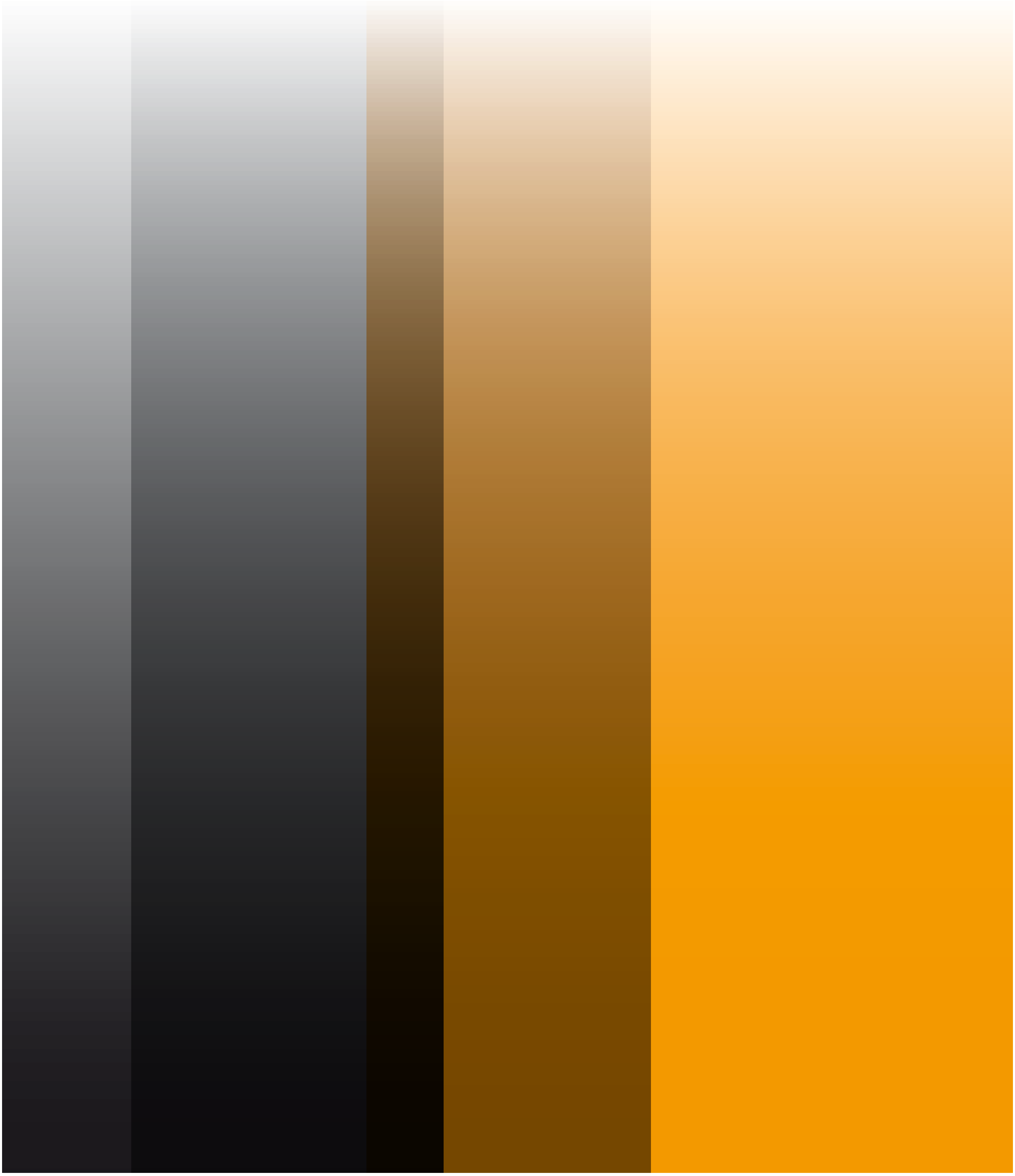


ANNUAL REPORT 2009

FISKARS

INNOVATIVE PRODUCTS FOR THE HOME, GARDEN, AND OUTDOORS

2009 IN BRIEF
STRONG CASH FLOW IN A CHALLENGING MARKET

Fiskars continued its strategic transformation into an integrated consumer products company in 2009. The organizational structure was streamlined and numerous development projects initiated to enhance efficiency. The company's two share series were also combined.

Net sales decreased slightly in a challenging market situation. Operations in North America, in particular, developed well, and cash flow from operations was strong across all of Fiskars' businesses.

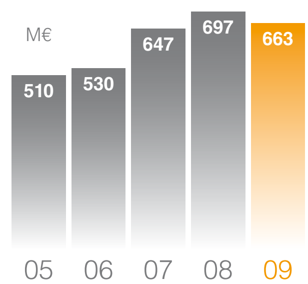
Group key figures

	2009	2008
Net sales, € million	662.9	697.0
Operating profit excl. non-recurring items, € million	40.0	40.9
Operating profit (EBIT), € million	39.5	6.0
Share of profit from associate Wärtsilä, € million	66.5	70.5
Profit for the period, € million	83.5	49.2
Balance Sheet total, € million	973.3	969.7
Equity ratio, %	52	46
Net gearing, %	47	69
Cash flow from operating activities*, € million	95.7	29.8
Earnings per share, €	1.05	0.64
Equity per share, €	6.16	5.77
Dividend per share, €	0.52**	0.50***
Personnel, end of year	3,623	4,119

* Without dividends from associate Wärtsilä
** Board's proposal *** Dividend per series A share

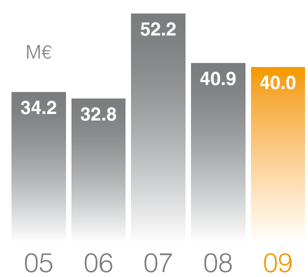
663

Net sales totaled €663 million in 2009, and the Group strengthened its position in many markets.



40

Operating profit excluding non-recurring items was €40 million. Relative profitability remained at 2008 levels and was 6% of net sales.



PRESIDENT'S REVIEW
TOWARDS A NEW, MORE INTEGRATED FISKARS

Fiskars celebrated its 360th anniversary in 2009 as Finland's oldest company. While we are very proud of our heritage, we are also very aware of the fact that we need to work hard every day to secure our future success. This is one reason why we refocused Fiskars' strategy in 2009 and have started a change process designed to achieve a more integrated and efficient operating model. We believe this will enable us to become the number-one company in consumer products for the home, garden, and outdoors.

Our goal is to focus on international brands and our most profitable product categories. We are building common processes and systems to secure overall efficiency and provide a solid foundation for our strong business areas.

Solid profit performance continued

The market situation in 2009 was exceptionally challenging, both in Europe and the Americas. Fiskars' net sales fell by 5% to €663 million (2008: 697 million). Our relative profitability remained at 2008 levels, however, and our operating profit excluding non-recurring items was €40 million (41 million). Our earnings per share improved to €1.05 (0.64).

The structural changes we made during the year, which clarified our organizational structure and reduced our fixed costs, were the major reason behind our improved profitability in many areas. A strong cash flow from our operating activities was also an excellent achievement and the result of reduced costs and inventory levels. This was the case in all of our business areas in Europe and America.

In addition to a more streamlined organization, we also simplified our share structure when we combined Fiskars' two share series in the summer. This has brought additional transparency to our ownership structure and can better meet the demands of the modern securities markets. The overall goal is to increase investor interest in Fiskars' share and generate greater liquidity.

A new operating model for greater competitiveness

The Home business area has been responsible for Fiskars-branded scissors and kitchen products in Europe since the beginning of 2009, in addition to Iittala, Arabia, Hackman, and our other highly respected brands in this area.

The organization of Fiskars Home was streamlined during the year to clarify responsibilities and decision-making and speed up the product development process. This should enable us to generate more commercially successful new products and strengthen our position as a leading company in the home products area. Iittala stores will continue to drive international expansion and will also help open up wider distribution channels and strengthen the Iittala brand.

Focusing on our brands and product development

The Garden business area put increasing focus on the Fiskars brand during 2009 and strengthened its visibility by increasing marketing efforts in Germany. In Britain, we replaced the local licensed brand with the Fiskars brand. Investments have also been made to develop and extend the product range in Europe and America. We believe that consumer-driven innovations will enable us to achieve growth in both our current product categories and new ones.

Our renewed organization has also brought greater efficiency. The merger of the garden and craft units in the US proved a success, and the fixed

costs of the merged business have decreased appreciably. In Europe, we transferred the management of the Garden business to Finland at the beginning of 2009 and shifted the focus of operations from a locally-driven one to a business area driven one.

In the Outdoor business in America, we have decided to concentrate on the Gerber brand, which performed very well during 2009, despite the challenging market situation. We believe that Gerber has the potential to grow into a strong international outdoor brand. As part of this shift, we divested the Brunton brand.

The boat market suffered from the poor economic situation in 2009, although the Buster brand and its market share continue to be strong.

Targeting new growth opportunities

Fiskars remains faced with an uncertain market situation. Unemployment is high in our main markets and consumer demand has not yet returned to pre-recession levels. As a result, we will continue efforts to improve our profitability in 2010.

In terms of our strategy, however, our focus is increasingly shifting to identifying new opportunities for growth. We need to secure higher sales even in a weaker market. Achieving this goal will take time, and we expect our net sales in 2010 to remain at a similar level to those we recorded in 2009.

In conclusion, I would like to thank our customers, our employees, our partners, and our shareholders for Fiskars' 360th year of operations. We look forward to continuing to earn your confidence in the future.

Helsinki, February 2010
Kari Kauniskangas
President & CEO

FISKARS WORLDWIDE

Fiskars operates internationally. Its products are sold in over 60 countries around the world today, and Fiskars has its own sales company in 20 countries. The Group's EMEA organization covers Europe, Asia, and Australia; while its Americas organization focuses on the US and Canada.

Canada

Fiskars' garden business has developed strongly in Canada, where its weeders have been particularly successful. Their sales rose by 48% in 2009.

48

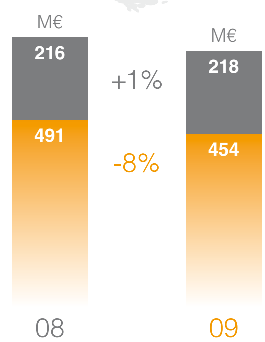
United States

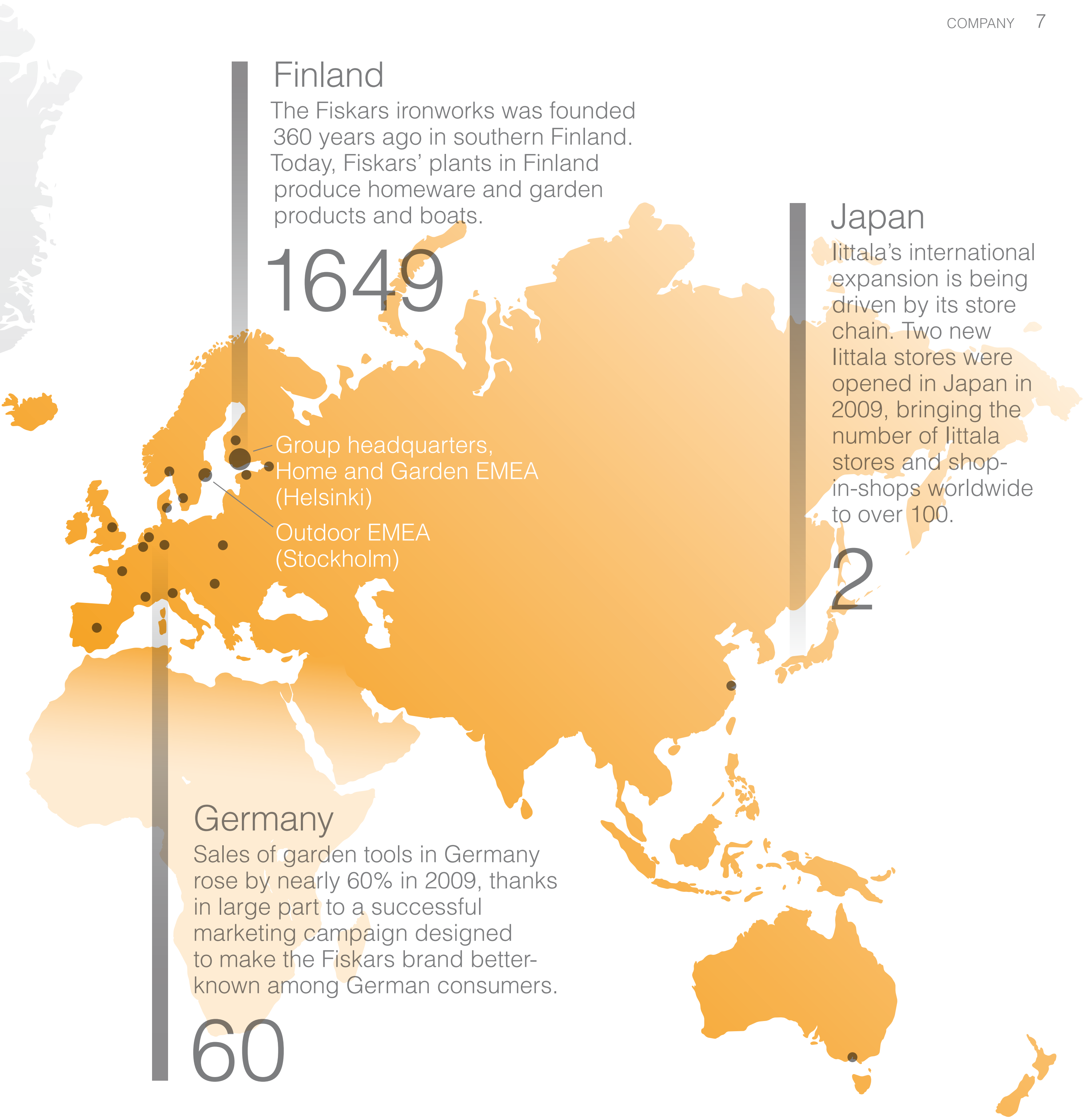
A batch of knives produced by Joseph Gerber, the owner of an advertising agency, as a gift for his customers in 1939 became an immediate success, giving birth to Gerber Legendary Blades 70 years ago.

1939

- AMERICAS
- EMEA Europe, Middle East, Asia-Pacific
- Sales company

Net sales in the EMEA segment accounted for 67% of consolidated net sales.





Finland

The Fiskars ironworks was founded 360 years ago in southern Finland. Today, Fiskars' plants in Finland produce homeware and garden products and boats.

1649

Japan

Iittala's international expansion is being driven by its store chain. Two new Iittala stores were opened in Japan in 2009, bringing the number of Iittala stores and shop-in-shops worldwide to over 100.

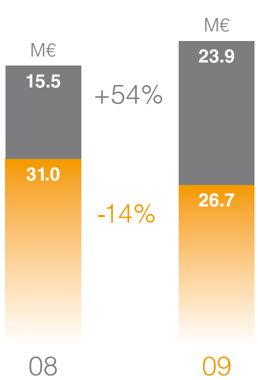
2

Germany

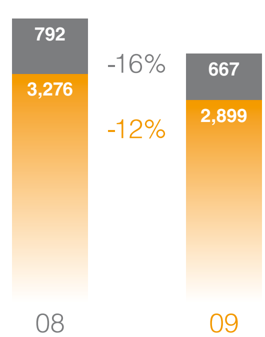
Sales of garden tools in Germany rose by nearly 60% in 2009, thanks in large part to a successful marketing campaign designed to make the Fiskars brand better-known among German consumers.

60

Operating profit excluding non-recurring items rose in America.



Personnel numbers decreased as a result of reorganization measures.



Transformation into an integrated branded consumer products company

Holding company structure

–2007

- Conglomerate of independent companies
- Locally optimized

Integrated company strategy

2008–2009

- New group structure and management
- Combination of share series
- Group-wide integration program started

Implementation of the new strategy

2010–2012

- Refined, focused business area and brand strategies
- Integration of business processes and systems
- Commercial innovations and platforms for growth
- Continuous improvement

STRATEGY SPECIALIST BRANDS IN FOCUS

Fiskars refocused its strategy during 2008 and 2009 to accelerate its transformation into an integrated branded consumer goods company. Our transformation strives for focus, efficiency, and growth.

FISKARS' VISION

Our vision is to become the number-one specialist company for the home, garden, and outdoors – through premium brands that lead the field in functionality, innovation, and design.

Fiskars' strategy is aimed at making the company the number-one specialist in its selected business areas – Home, Garden, and Outdoor – through premium brands that lead the field in functionality, innovation, and design. The overall goal is to become an agile and more integrated company with a portfolio of growing, profitable businesses.

Focusing on retailers and consumers

Fiskars' success will be based on the ability of its business areas to create must-have products for both consumers and retailers. We believe that an increasing number of consumers prefer strong specialty brand products and are willing to pay a premium for such offerings. Retailers also need specialist brands that enable them to offer their customers greater choice and variety and are capable of offering them a high return.

Fiskars is committed to being an innovative pioneer in its chosen business areas. Strong design and consumer-focused thinking form the basis for product development. In addition to unique esthetics, the Group's products are renowned for their excellent functionality and quality.

Better results through common ways of working

Internally, Fiskars wants to promote a result-driven organization, where people have a global mindset and share best practices across functions and regions. We also want to help people grow in their jobs and develop their competences, to motivate them, attract new talent, and ensure that Fiskars is a great place to work.

Focus on specialized expertise

Strong business areas specialized in the home, garden, and outdoor segments form the core of Fiskars' operations. A clear focus is also key to developing brand strategies. We have a clearly defined brand hierarchy, in which every brand has a specific role to play. Our key brands are Fiskars, Gerber, and Iittala, which we see as having the most potential internationally. Arabia, Buster, Hackman, and Silva are leading brands in several Nordic countries, and we will invest in developing these brands to strengthen their presence.

Our other brands are either leaders in one country, or have a more tactical role, such as extending the Group's market share or serving a different price point.

As part of this focus, we will divest non-core businesses and brands, such as consumables product lines in the craft business and the related brands Heidi Grace and Cloud9, which were divested in July 2009. The Brunton brand, focusing on camping stoves, portable power, and other camping gear was sold in December 2009.

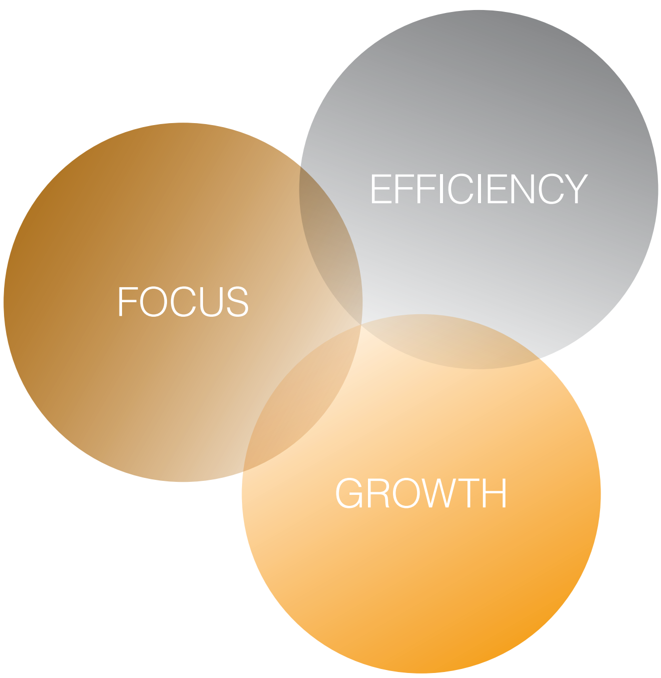
Our aim is to have a wider harmonization of our offerings and product ranges across countries within our focused business areas and brands. With more unified, global offerings, Fiskars will be able to achieve the scale needed to ensure competitiveness in today's marketplace.

Using common approaches to drive greater efficiency

In the past, Fiskars used to be organized as a group of independent companies, with the parent company acting essentially as a holding company. The new strategy is based on active Group-level management committed to making Fiskars a more integrated company with strong business areas sharing an integrated operating model. To drive this change, we are defining common business processes, building integrated systems, and implementing a global IT infrastructure, to bring efficiency to our operations. Common IT systems are also a prerequisite for making the company's supply chain more productive and demand-driven.

Implementing the new operating model has started with simplifying the Group's organizational structure. As of the beginning of 2009, the Group has been divided into two main operating segments, EMEA and the Americas, and three key business areas. Home covers homeware and school, office, and craft (SOC) products; Garden concentrates on the garden and construction tools; and

Three key elements lie at the heart of Fiskars' strategy and its success.



Focus
- Strong business area focus
- Specialty premium brand portfolio
- Optimized product range in selected categories

Efficiency
- Simplified structure
- Integrated business processes to achieve scale and synergies
- Demand-driven supply chain (sourcing, in-house manufacturing, logistics)

Growth
- Consumer-focused product development
- Innovative R&D
- Commercial expansion: New categories, customers, markets

INNOVATIVE PRODUCT DEVELOPMENT WILL BE CENTRAL TO ACCELERATING GROWTH

Outdoor focuses on outdoor gear and boats. The Group's internal Fiskars 360° Integration Program initiated in 2009 has already reached several milestones in defining common processes and IT systems, for example.

Growth through innovations

We believe that innovative product development will be central to accelerating our growth and building greater commercial success.

The product creation process draws inspiration from consumer insight and customer feedback, is backed by extensive R&D, and evaluates the commercial potential of new ideas and concepts carefully. Fiskars' operations in over 20 countries provide a valuable source of consumer insight and other input for developing new products.

Fiskars is constantly looking for opportunities to expand into new product categories and embrace new customers and markets in its business areas. In the Garden business, for example, Fiskars is now entering lawn care with its new reel mower; while homeware brand Iittala has extended its reach into interior decoration with its Ambient Light concept.

Acquisitions also form part of Fiskars' strategy, if the businesses in question represent a good fit in terms of their products and business focus.

Long-term assets give strength

Fiskars has a strong financial position, partly due to its long-term forest and real estate assets as well as its major share ownership in associated company, Wärtsilä Corporation, which generates dividend-based cash flow. The real estate and forests around birthplace in Fiskars Village highlights our 360-year heritage and creates a solid foundation for building all our businesses.

The Group's brand portfolio is based on a clearly defined brand hierarchy.

Key international brands

FISKARS®
Leading global brand for scissors and garden tools

iittala
Internationally renowned design brand

GERBER®
Essential equipment for outdoor activities

Leading regional brands

Buster®
Finland's most popular motor boats

SILVA Get out there™
Products for outdoor and wellness

ARABIA FINLAND
Finnish design for the home for over 135 years

HACKMAN®
Nordic expert in cookware & cutlery

Local and tactical brands

BODANOVA
EBERT
GINGHER
HÖGANÄS KERAMIK
HØYANG-POLARIS
KAIMANO
KITCHEN DEVILS
LEBORGNE
MONTANA
RAADVAD
RÖRSTRAND
SANKEY
ZINCK-LYSBRO

RESPONSIBILITY PRODUCTS THAT LAST FROM GENERATION TO GENERATION

Sustainable development represents a key foundation of Fiskars' operations and is very much part of the company's 360-year heritage. Good economic performance and a financial responsibility are central to sustainability, and enable environmental issues, social responsibility for personnel, and cooperation with society as a whole to be given the attention they deserve. Fiskars also has a special responsibility to safeguard and develop the cultural heritage associated with its birthplace, Fiskars Village, and the numerous iconic design products in its product portfolio. Fiskars sees the entire life cycle of its products and their durable nature as fundamental to its approach to sustainability. The company's mission – lasting everyday design, since 1649 – is part of the same continuum.

The principles underlying Fiskars' approach to business responsibility are defined in the company's Code of Conduct, which was approved by the Board of Directors at the end of 2008. During spring 2009, employees in all units took part in training based around these principles. Under its Code of Conduct, Fiskars not only abides by the laws and regulations of the countries in which it operates, but is committed to being a good and ethically responsible corporate citizen.

Quality production

Fiskars' supply chain, which extends from in-house manufacturing to procurement, logistics, and distribution, is based on sustainable principles. The company's own plants, which total close to 20 units, focus on their own special areas of expertise. Manufacturing processes have been developed to minimize the use of raw materials and the emissions and waste they generate.

Supply chain management processes, together with work on further developing them, are designed to ensure that sales needs can be predicted accurately and production can respond flexibly to demand. When production capacity meets demand as closely as possible, surplus production can be avoided. Streamlined logistics also play an important part in reducing Fiskars' environmental footprint, and the aim is to eliminate unnecessary intermediate stages throughout the overall logistics chain.

Extended responsibility

As a company that operates on global markets, Fiskars interacts with suppliers and partners from a wide range of backgrounds and societies. Fiskars expects all its partners to commit to the human rights set out in the Universal Declaration of Human Rights approved by the United Nations. An audit of the company's supplier network in Asia and Europe was carried out in 2009, and monitoring production conditions at the plants operated by its partners represents a tangible example of how Fiskars approaches responsibility in practice.

Auditing is designed to monitor that local laws and regulations are observed and that occupational safety, human rights, and environmental issues are given due attention. The auditing process in 2009 reviewed a checklist of 80 items covering areas such as fire safety, waste and chemical handling, and employees' age and pay.

Caring for personnel

Fiskars' social responsibility for its personnel is particularly underlined during economically difficult times in the communities where the company is a major employer. The company is committed to treating all its people fairly and equally. A safe workplace is also very much part of this commitment.

Fiskars continued to cooperate with cancer foundations in 2009 by donating part of the sales revenue from its pink garden and home products to the Pink Ribbon campaign; and extended its involvement by joining the Silver Fund dedicated to promoting research on prostrate cancer.

Fiskars also supports local organizations in the communities where its plants are located, together with a small number of carefully selected national charities, through donations. Cooperation with the Finnish Design Museum, the Arabia Art Department Society, as well as The Cooperative of Artisans, Designers and Artists in Fiskars forms an important part of Fiskars' cultural responsibility.

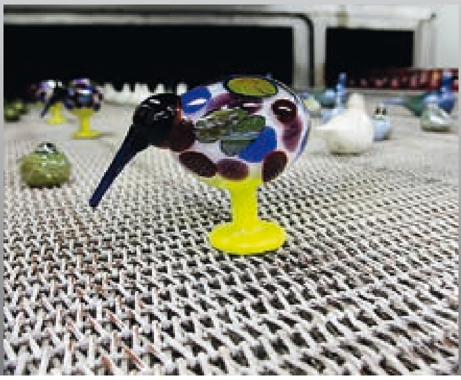
FISKARS' PRINCIPLES OF CORPORATE RESPONSIBILITY ARE INCLUDED IN ITS CODE OF CONDUCT

Designed for life. Good design means products that are timeless, offer true quality, and are multifunctional – and represent sustainable development at its best. Designed back in 1960, Iittala's classic Sarpeneva cast iron cooking pot is as practical in the kitchen as it is beautiful on the table.

PRIORITIZING THE ENVIRONMENT AND QUALITY

The Fiskars Group's products are renowned among consumers for the excellence of their design and manufacture. In today's demanding markets, a reputation for quality like this has to be earned every day. Fiskars' homeware plants have quality and environmental systems in place designed to ensure that operations are continuously developed to reduce the company's footprint in terms of resource and energy usage.

Operations at the plants are audited in accordance with ISO (International Organization for Standardization) standards. The Sorsakoski cookware plant was the first unit in the Group to receive both ISO 9001 quality and ISO 14001 environmental certification.



The environmental and quality systems at the Iittala glassworks are audited in accordance with international ISO standards.

During 2009, all the environmental and quality systems used in homeware production, logistics, and procurement in Finland were audited to ISO 9001:2008 and ISO 14001:2004 standards.

Working for a better environment

Sustainability must always be seen in terms of the big picture, from raw materials to product usage and recycling. Using raw materials as cost-effectively as possible and minimizing waste are central to Fiskars' manufacturing processes.

Personnel play a key role in environmental work, particularly in areas such as handling hazardous materials, which is why all new plant employees receive thorough training in environmental matters.

In addition to a proactive approach to the environment, Fiskars also expects high quality of its suppliers. Fiskars requires subcontractors to have clear environmental programs in place to ensure that no products are manufactured in a way that damages the environment or harms human health.

Helping improve energy efficiency

Fiskars is committed to reducing CO_2 emissions at its plants and throughout its logistics chain. The company works closely with suppliers and retailers to cut logistics-related emissions, and is aiming to reduce the amount of energy used in its homeware manufacturing by 10% by 2016.

PERSONNEL
STRENGTH THROUGH DIVERSITY

With operations in more than 20 countries across multiple business areas, Fiskars has a diverse employee base. Together with a history stretching back 360 years and contributions from people from many different cultures and backgrounds, this gives Fiskars a very unique asset. Today the company is beginning to make even more use of the dynamism that this diversity offers.

Fiskars believes that greater collaboration will lead to better results across its global operations and has launched a number of programs to enhance collaboration within the organization. Employee rotation between different business areas and regions, for example, brings new perspective and promotes innovation. Encouraging personnel to rotate between different responsibilities can also help give people a more complete picture of the business and the opportunity to explore their potential and develop new skills.

Aiming for superior leadership skills

Fiskars' people strategy, approved in December 2009, sets a new baseline for the company's approach to leadership. The goal is to make Fiskars a company that is recognized for its leadership capabilities and the way that it engages and motivates personnel to deliver exceptional business results. This ambitious vision, together with recently introduced development programs, is designed to enhance the value and efficiency of the company's HR processes and practices. The new strategy is also designed to support the implementation of Fiskars' integrated company initiatives.

To ensure that Fiskars' workforce is driven by the company's strategic targets, a program has been launched to align target-setting across the Group and highlight employees' goals and reward them for good performance. Enhanced employee review processes are also been introduced to help Fiskars understand the capabilities of its employees more effectively and promote their career development.

Fiskars values its employees' opinions, and most business units conduct employee surveys on commitment, trust, and engagement regularly. The results of these studies provide valuable insight on the issues that employees value the highest, and enable us to take action to build our strengths and tackle areas that call for further development. The Outdoor business in the Americas, for example, has been measuring employee satisfaction and other key areas, such as people's commitment to high product and ethical standards, for some years.

FISKARS CELEBRATED ITS 360th ANNIVERSARY WORLDWIDE

Fiskars turned 360 on October 31, 2009. The anniversary was celebrated in its offices worldwide, including at the sourcing unit in Shanghai, China, seen here.

An updated identity for the Fiskars brand was launched on October 31.

Fiskars' orange-handled scissors are produced at its Billnäs plant in Finland, close to where the company was born and a very apt location for celebrating 360 years of operation.

FISKARS' PEOPLE STRATEGY SETS A NEW BASELINE FOR THE COMPANY'S APPROACH TO LEADERSHIP

Appreciating expertise

A commitment to craftsmanship, together with artisan skills, has been at the core of Fiskars' operations throughout the company's history – and 2009 was no different. Development programs combining artisan skills, design, and industrial manufacturing have continued to help our employees develop their unique skills, ensuring that our heritage is passed on to future generations.

Fiskars' centuries-long industrial heritage includes a long-standing commitment to promoting the health and safety of employees. Recent initiatives include the occupational health program at the Arabia ceramics plant in Finland, started in 2008, which has decreased sick leaves significantly, contributing to a better quality of life for personnel and improving production efficiency.

Fiskars' business areas have also found creative ways to combine promoting the wellbeing of their employees with that of their customers. In the Outdoor EMEA business area, for example, employees at Silva in Sweden challenged one of the company's largest customers to a competition to see how close they could get to the recommended 10,000 steps in their everyday life.

Personnel in 2009

Fiskars employed 3,623 people as of the end of 2009 (2008: 4,119): 2,899 (3,276) in EMEA, 667 (792) in the Americas, and 57 (51) in Real Estate and at corporate headquarters.

Reorganization continued to result in reductions in personnel, in particular in production plants in Europe. The merger of the Garden and SOC units, together with the sale of the Brunton business, reduced personnel levels in the Americas.

The Outdoor business area in America is managed from Portland, Oregon, home to Gerber Legendary Blades.

Fiskars' active hobbyists, the Fiskateers, celebrated the big day at Disney World in Florida.

Fiskars' Italian sales company is based in Civate, close to the company's specialist knife manufacturing plant.

IITTALA. DESIGNED TO BE COMBINED.

Long ago, designer Kaj Franck said that "objects should always be appropriate, durable and functional". Objects that can be endlessly combined in new ways, refreshing everyday life. At Iittala, we believe that lasting design is eternally relevant and made to outlive time.

16–33 BUSINESSES

HOME
A BROAD OFFERING

The Fiskars Group is the market leader in homeware products in the Nordic region with a broad portfolio of respected brands such as Iittala, Fiskars, Arabia, and Hackman. The Iittala and Fiskars brands are spearheading international growth. Iittala has expanded its offering into interior design in recent years and strengthened its brand profile through its retail concept. Responsibility for developing Fiskars' scissors and kitchenware was transferred to the Home business area at the beginning of 2009.

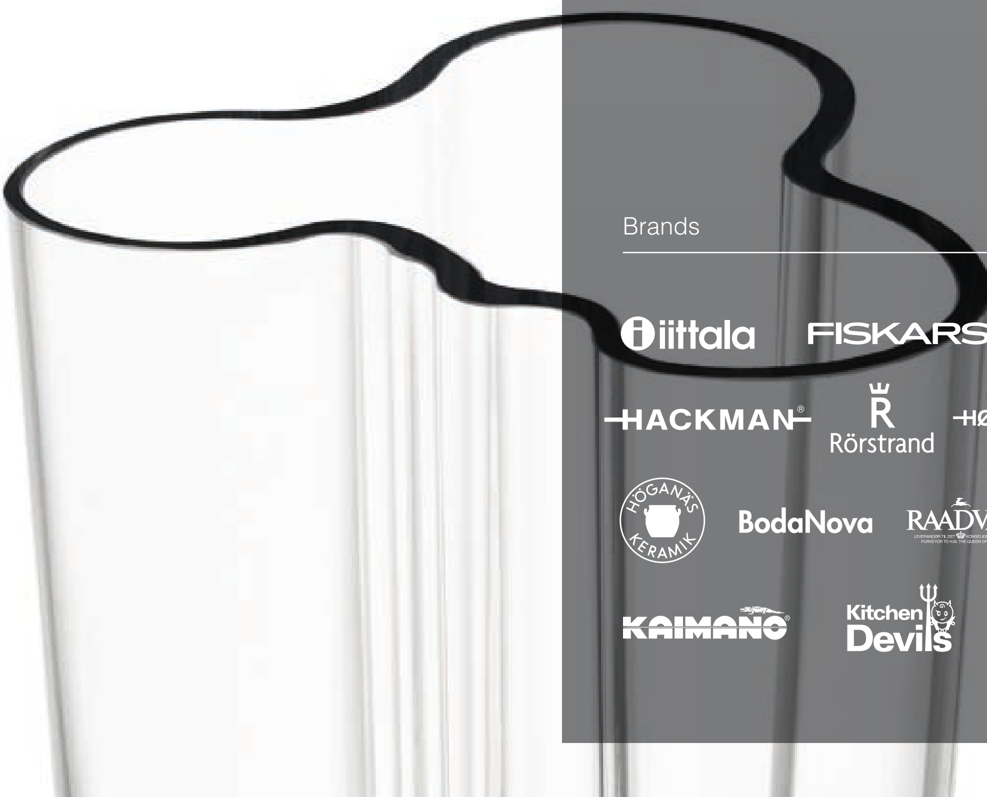
Net sales at the Home business area in 2009, at €300 million, were 5% down on 2008. The sales of homeware products remained close to 2008

BUSINESS AREA HOME

Modern design products for the kitchen, table, crafts, and interior design

Main products: tableware, glassware, cutlery, scissors, sauce- and frying pans, kitchen knives and other kitchen utensils, crafts, and interior design products

€300	million of net sales in 2009 (2008: €317 million)
45%	of consolidated net sales
1,612	people as of the end of 2009 (2008: 1,824)



Brands

iittala, FISKARS®, ARABIA FINLAND, HACKMAN®, Rörstrand, HØYANG-POLARIS®, HÖGANÄS KERAMIK, BodaNova, RAADVAD, MONTANA, KAIMANO®, Kitchen Devils, gingher a tradition of quality

THE MYIITTALA COMMUNITY NOW HAS OVER 200,000 MEMBERS

levels, but sales of school, office, and craft (SOC) products fell significantly, partly as a result of the divestment of two specialist craft brands, Heidi Grace and Cloud9, in the US in July 2009. The goal is to concentrate on scissors and other cutting tools for school, office, and craft use.

Streamlining of the organization has brought major cost savings both in the US and in Europe. The goal in the reorganization has also been to clarify decision-making and speed up the product development process. Jaakko Autere took over as President of the Home business area at the beginning of 2010.

A growing network of stores

Fiskars' homeware products in the Nordic countries are sold through major retail chains, department stores, specialist shops, and a growing network of the company's own stores. International development efforts have concentrated on Iittala stores and selected retailers. As of the end of the year, the number of Iittala stores and outlets stood at 75. Several new stores were opened during the year, two of them in Japan.

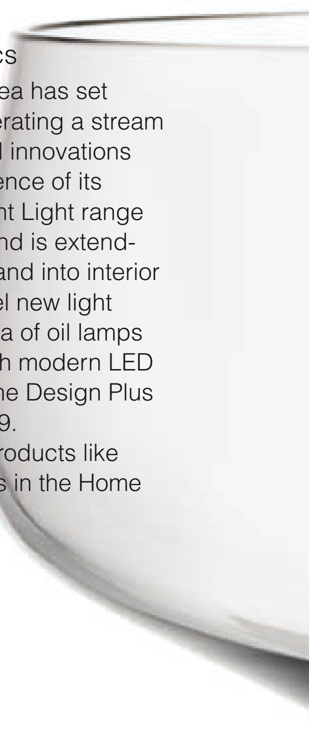
In addition to new stores, investments were also made in strengthening other aspects of Iittala's consumer interface. The MyIiitala online network was launched in the spring 2009 to provide an international community for loyal customers, and attracted over 200,000 members during its first year of operation.

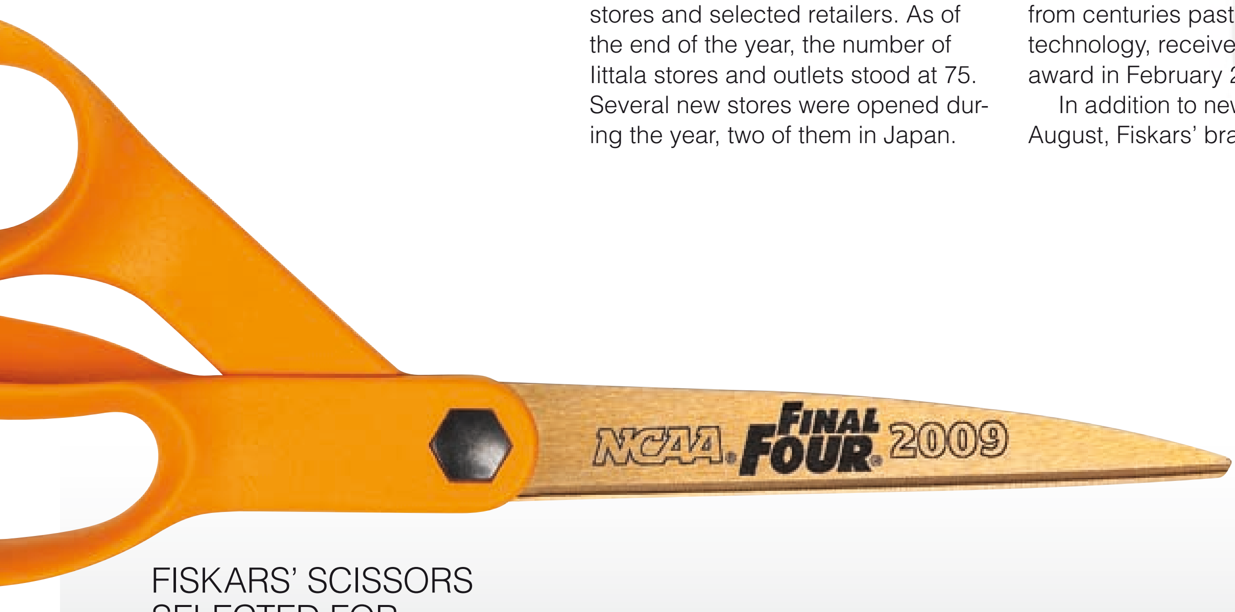
The Finnish homeware distribution centre moved to larger and more modern premises at Hämeenlinna in the spring, and now serves even online and international sales more efficiently.

Intriguing new products and classics

The Home business area has set itself the target of generating a stream of stronger commercial innovations to strengthen the presence of its brands. Iittala's Ambient Light range is a reflection of this, and is extending the reach of the brand into interior design. August, a novel new light combining the nostalgia of oil lamps from centuries past with modern LED technology, received the Design Plus award in February 2009.

In addition to new products like August, Fiskars' brands in the Home





FISKARS' SCISSORS SELECTED FOR BASKETBALL HONOR

Fiskars' signature orange-handled scissors have been used to cut the ribbon at numerous openings and other events over the years. The scissors scored another win in spring 2009 when they were selected as the official scissors to cut down the nets at the National Collegiate Athletic Association's (NCAA®) Men's and Women's Basketball Championships in the US.

The specially commissioned scissors, featuring the iconic ergonomic orange handles and gold titanium blades etched with the NCAA® event logo, were used by the winning teams in the post game net-cutting ceremonies.

Following the championship games, each of the winning institutions kept one pair of the commemorative scissors for permanent display on campus.

Paul Tonnesen, President of Fiskars Garden Americas, was particularly proud of the honor: "We hope the special, commemorative scissors will always serve the champion schools as a memento of their victory. The choice of Fiskars scissors for such a prestigious role at the NCAA® basketball championships came as a very welcome accolade during our 360th anniversary year."

Men's and women's basketball championships, organized by the NCAA®, a non-profit association of colleges and universities across the US, are watched by millions of TV viewers every year.

business area also encompass many much-loved classics. Arabia's Paratiisi range of tableware celebrated its 40th birthday in 2009, and Iittala's Origo tableware celebrated 10 years in production. Rörstrand's Mon Amie range of tableware, designed in the 1950s, was reintroduced. The Swedish homeware brand Höganäs Keramik turned 100 in 2009. Oiva Toikka, the man behind Iittala's world-famous glass birds, will celebrate a career stretching over 50 years in 2010.

FUTURE DESIGN CLASSICS

Glorious decoration. Arabia launched the Runo range of tableware, with decoration inspired by the changing seasons, in April 2009. Each piece offers a different take on the theme, creating rich tableware poetry. An espresso is bound to taste special from a cup like this, don't you think?

New level of endurance. Hackman's Rotisser frying pans combine timeless elegance with the very best in durability. Their non-stick Ceratec coating can take even the hottest temperatures and flambéing, making them an ideal choice for both home cooks and professional chefs.

Versatile design. Argentinean-born designer Alfredo Häberli has worked with Iittala for over 10 years. His designs include the award-winning Origo range of tableware and the popular Essence range of glassware, which was extended in 2009 with the glass shown here.

Sharpness is all. Fiskars' new Takumi range of premium-quality knives brings a breathe of Japanese cuisine into the kitchen. They feature non-slip handles and blades that have been specially sharpened at an oblique angle on one side with Japanese precision.

Hobbyist's helper. Fiskars' new Professional Grade Stem Cutter is the perfect tool for floral arranging, and is capable of easily cutting through even thick wire stems. The convenient tabletop design frees one hand to hold stems steady while the other is pressing down to cut.

GARDEN
FRUITFUL GROWTH CONTINUES

Fiskars is the world's leading garden cutting tool brand and its products are sold widely across Europe, North America, and Australia. Despite a challenging market situation, the business developed positively in 2009, in part due to the fact that gardening often becomes an increasingly popular leisure time activity during difficult economic times. In addition to the positive consumer demand for its products, Fiskars' market position has been further reinforced by the company's commitment to product innovation. Fiskars has a long track record of introducing functional, easy-to-use tools that gardeners appreciate.

Net sales in the Garden business area were at 2008 levels at €231

BUSINESS AREA GARDEN

Ergonomically designed tools for the garden

Main products: pruners, loppers, shears, axes, weeders, spades and shovels, planters, rainwater collectors, and construction tools

€231	million net sales in 2009 (2008: €231 million)
35%	of consolidated net sales
1,377	people as of the end of 2009 (2008: 1,537)

Brands

FISKARS, leborgne, EBERT, Zinck Lysbro, SANKEY million in 2009. Sales in the EMEA region grew in local currencies but were offset by weaker exchange rates with Euro. Sales of Fiskars-branded products developed well in European markets, while those of local brands remained at 2008 levels. A difficult market was reflected in lower sales of construction tools. Sales in North America were at the same level as in 2008.

A number of organizational changes were introduced in the Garden area towards the end of 2008, including the transfer of EMEA management from Belgium to Finland and combining Garden business operations in North America with those of the SOC (School, Office and Craft) business. These changes have proven successful and have resulted in lower fixed costs. The more streamlined organization has helped improve Fiskars' interface with major distributors and retailers.

INVESTING IN INNOVATIONS IS A CENTRAL PART OF FISKARS' STRATEGY

Distinctive black and orange products

In line with its strategy, the Garden business is giving increased focus to developing the Fiskars brand. In Britain, for example, the Wilkinson-Sword brand was replaced in garden tools with the Fiskars brand in fall 2009. Retailers have responded well to the change, which filtered down to consumers at the beginning of 2010 when Fiskars' orange and black tools arrived on store shelves.

As part of the focus on the Fiskars brand, a major marketing investment was made in Germany in 2009 when a national TV campaign was success-

GETTING PARKS IN SHAPE WITH THE HELP OF PROJECT ORANGE THUMB

The Project Orange Thumb initiative was launched in the US in 2003 as part of Fiskars' commitment to the environment and the community. Through an annual grant program and scheduled community garden makeovers, Fiskars donates tools and materials to Project Orange Thumb to revitalize green spaces such as parks and school grounds that are often seen as making a valuable contribution to the local quality of life.

Projects are volunteer-driven and are very effective at bringing local people closer together.

The Project Orange Thumb initiative has spread from the US to Canada, Australia, New Zealand, and most recently to Europe in 2009. The first Project Orange Thumb event in Britain was organized in April 2009 in the grounds of the Avon Rugby Club in Bath.

A dash of red and orange to the Park

Finland saw its first Orange Thumb project in October 2009 in the garden makeover of Katajanokka Park in central Helsinki. Fourth-graders at the local elementary school were among the most enthusiastic volunteers and refused to let the chilly fall weather dampen their spirits. In addition to sweeping up all the fall leaves, the project planted 5,000 tulip bulbs in camp fire-style patterns, which should result in a very attractive burst of orange color when they flower in spring 2010.

The project also added a northern red oak to the park, jointly planted by Fiskars' CEO Kari Kauniskangas and the CEO of the major Finnish retail company Kesko, Matti Halmesmäki, and the Mayor of Helsinki, Jussi Pajunen. The sapling was specially selected from the forest at Fiskars Village to add a dash of rich red to the park.

The Mayor of Helsinki, Fiskars' CEO, and President and CEO of the retail company Kesko participated in Finland's first Project Orange Thumb event.

fully launched to improve Fiskars' visibility among local consumers.

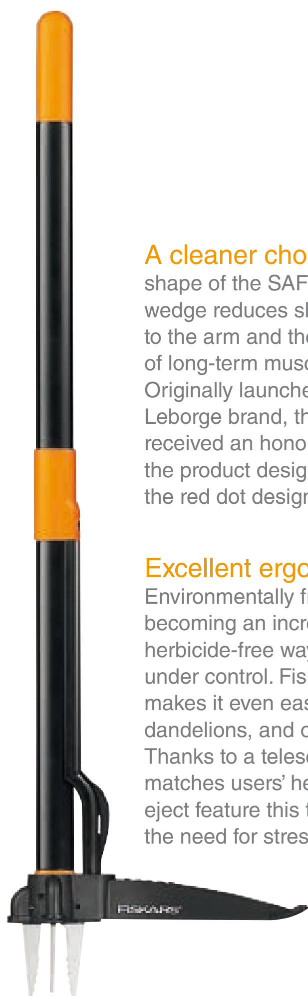
Innovations driven by key consumer trends open up new opportunities, which Fiskars is keen to take advantage of. Environmental awareness is one such trend, as is people's desire for more efficient, sustainable, and easier-to-use tools. The Fiskars Rainwater Collection System, introduced first in the US, has become a fast-growing success, and offers people a handy and eco-friendly way of collecting and storing rainwater for their watering needs. The new Momentum™ reel mower will be launched in early 2010 in the US. This innovative new platform is designed to leverage Fiskars' strengths in cutting, gardening, and eco-friendly products.

Award-winning design. Fiskars' new PowerStep™ products adjust the number of cuts needed to prune a branch automatically depending on its thickness, helping make gardening that much easier. PowerStep™ pruners and loppers were named Best of the Best in the 2009 red dot design awards.

NEW INNOVATIONS FOR THE GARDEN

A smart choice. The Fiskars® Momentum™, a new human powered reel mower launched in the US is good for your lawn and helps keep users fit, lawn care costs down, and is great for the environment as well. The Momentum™ mower combines advanced design, patent pending technology, and superior ergonomics to deliver a reel mower with best in class cutting performance. The powerful Inertia Drive™ reel is easy to push and leaves a very clean cut for healthier grass. With minimal noise, no fuel, and no emissions, the environment benefits in many ways.

A cleaner chop. The helix shape of the SAFE-T splitting wedge reduces shock transmitted to the arm and the likelihood of long-term muscle fatigue. Originally launched under the Leborge brand, the SAFE-T received an honorary mention in the product design category of the red dot design award in 2009.



Excellent ergonomics. Environmentally friendly weeders are becoming an increasingly popular, herbicide-free way of keeping weeds under control. Fiskars' new weeder makes it even easier to remove thistles, dandelions, and other invasive weeds. Thanks to a telescopic handle that matches users' height and an easy eject feature this tool eliminates the need for stressful bending.

OUTDOOR FOR AN ACTIVE LIFESTYLE

Fiskars' Outdoor business area is divided into two main market areas: North America and the Nordic countries. Renowned for its knives and multi-function tools, Gerber has continued to strengthen its position on the North American market and numbers a wide range of end-users among its customers, from hunters and hikers enjoying the great outdoors in their leisure time to soldiers, police and firemen, who expect only the best of their tools and equipment. In the Nordic region, Silva's everyday exercise products and Buster boats enjoy a strong reputation.

Net sales at the Outdoor business area in 2009, at €128 million, were

BUSINESS AREA OUTDOOR

Innovative, essential outdoor gear and durable leisure boats

Main products: multi-function tools, sporting and tactical knives, flashlights and headlamps, pedometers, compasses, and aluminum boats

€128	million of net sales in 2009 (2008: €145 million)
19%	of consolidated net sales
577	people as of the end of 2009 (2008: 707)

Brands

GERBER Buster SILVA Get out there™

12% down on 2008. The business performed well in the Americas, and sales to institutional customers in particular rose. Performance in Europe was unsatisfactory, however, as boat sales were poor in a weak market. Sales of Silva products were also below 2008 levels, partly as a result of the weaker Swedish crown.

Streamlining operations

As part of ongoing efforts to focus its businesses, Fiskars sold the US-based Brunton brand and its business in December 2009, as Brunton's camping stoves, binoculars, and other camping equipment were not seen as forming part of the Group's core activities.

Various measures were taken to enhance the efficiency of operations at the European units in the Outdoor business during 2009. Inha Works has focused on boats to an increasing extent. The company has outsourced some areas of production, such as surface finishing. Juha Lehtola took over as President of the business in April 2009.

Strong product development

Gerber's tight focus on its core products has enabled it to concentrate on understanding the needs of its customers and developing products to match these needs, something that has played an important part in its success in North America. Good co-operation with major retail chains has also made an important contribution.

In the boat business, a greater focus has been given to product development. Buster launched a new version of its most popular boat in fall 2009 at boat shows across the Nordic region. Despite a weak market, Buster boats retained a strong market share. Buster continues to be Finland's most popular leisure boat brand and the biggest-selling aluminum boat brand in the Nordic countries.

With a product range that goes far beyond its heritage in compasses, Silva has systematically expanded its headlamp offering for active users, and the advanced functionality and stylish appearance of its range of headlamps have won acclaim in numerous reviews, tests, and design awards.

A TIGHT BUSINESS FOCUS MAKES IT POSSIBLE TO CONCENTRATE ON USERS' NEEDS

LISTEN AND LEARN

Tapping into what consumers really think about your products and what kind of products they would like can provide very valuable information for both product and business development. That has certainly been the experience of Gerber Legendary Blades, according to Category Manager, Lighting Laura Niessner.

"We use customer feedback and input from things like focus groups to help us understand what needs people feel are not being met with existing products, for example, or whether a concept we're developing is likely to get consumers' attention," says Laura.

Gerber looks ahead between three and five years when it assesses what kind of market position it wants to be in when it comes to particular product categories, and reviews the trends in these with a mixture of focus groups, interviews, and surveys.

"We seek out representative consumers in these areas, lighting in my case, to help determine what kind of products offer the most potential, and then share these

Category Manager Laura Niessner develops Gerber's lightning product range.

insights with our design team to create what we call 'problem statements' to focus our design resources on solving specific consumer needs."

Consumer panels are consulted again during prototyping to ensure that a design is on the right track, before moving into production and the launch phase.

Interacting with consumers in this way plays an important part in ending up with well-designed products that are likely to be capable of winning new customers and consolidating the existing customer base, according to Laura.

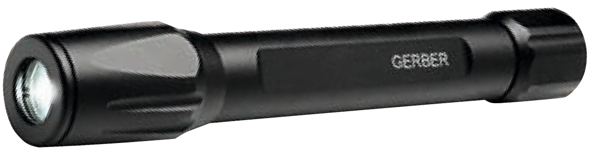
"It's certainly been very useful in developing our lights range. We initially introduced the range in 2004, and it now features flashlights, hands-free units, and micro-illumination products. Most of these use LEDs, which have proved popular with users, because they're not only highly efficient, but also very durable and never need to be replaced."

NEW EQUIPMENT FOR PEOPLE ON THE MOVE

An updated favorite. The latest generation of the Nordic region's most popular motorboat, the Buster L, was launched in fall 2009. The boat features a completely new hull and interior that set a new standard in ergonomics and materials. Thanks to very thorough testing, it also offers improved driving performance.

For serious exercising. Weatherproof Silva Trail Runner headlamps provide an efficient source of light whatever the conditions. The Trail Runner received the OutDoor Industry Award at the iF Design Awards in summer 2009 for its design and quality.

Easy-to-use sportsman's knife. Light and designed for safety, the Gerber Descent folding knife is both practical and very easy to slip into your pocket. Users can sharpen its patented blade easily in the field, making it even handier. Weighting only 77 grams, it is ideal for climbers, hikers, and others out and about in nature.



Light it with LEDs. The new Gerber TX4 is a weather-proof, tough flashlight. Featuring sleek design, the TX4 offers up to eight hours of light, thanks to its battery-saving LEDs. Whether used to provide a steady source of light or as a signal, the TX4 could be the only flashlight you need.

REAL ESTATE DEVELOPING OUR LAND ASSETS

BUSINESS AREA OTHER

Covers Fiskars' Real Estate and corporate headquarter functions

Real Estate is responsible for managing and leasing properties in Fiskars Village and the company's other locations, forestry, farming, and developing Fiskars Village as a travel and conference destination

€6.1	million of net sales in 2009 (2008: €5.9 million)
1%	of consolidated net sales
57	people as of the end of 2009 (2008: 51)

Fiskars' Real Estate is responsible for managing and developing the company's 15,000 hectares of land and 3,700 hectares of water, the majority of which are located in and around Fiskars Village and on the Hankoniemi peninsula in Southern Finland. Real Estate also manages the leasing of Fiskars' properties, which include residential and business premises and the Group's production sites in Finland.

Net sales at the Real Estate business remained largely unchanged in 2009 compared to 2008, at €6 million. The business is reported as part of the segment Other which covers also corporate headquarters.

Sustainable forestry

Fiskars' Real Estate is responsible for managing the Group's forestland, which includes both productive stands of timber and various protected habitats. Forest management practices are based on a long-term, sustainable approach. All forestland is certified under the PEFC system, and some forest areas and shorelines are included in voluntary nature conservancy programs.

Timber from productive stands is sold standing or delivered to a variety of partners. Some is sold as bio-energy fuel to heating utilities in the surrounding area. Timber is also processed at the company's own Laatupuu sawmill, which produces specialty wood for furniture and similar uses.

Changes in the fair value of the company's standing timber are based on stumpage prices, and these have a major impact on Real Estate's result. Since the beginning of 2009, Fiskars has presented changes in the value of its standing timber as a separate entry in the income statement under the operating profit. Accounting estimates are based on three-year rolling average of stumpage prices, which reflects the asset's stable nature. Agricultural activities, hunting, and fishing are also managed by Fiskars' Real Estate.

Developing initiatives under way

Fiskars Village is easily the most well-known part of the Real Estate portfolio and has become an internationally renowned center of Finnish design and art, attracting around 150,000 visitors a year to its exhibitions, shops, galleries, workshops, and restaurants.

Real Estate is actively involved in the development of the Raasepori area, where one of the most important projects has been a new land use plan for Fiskars Village, which has been developed together with the local municipality. The plan, which is due to be completed in 2010, will release new plots of land for leasing and sale in Fiskars Village, and should ensure the basis for positive further growth and development in the area, which has become a dynamic community and source of employment for local people.

FISKARS VILLAGE ATTRACTS 150,000 VISITORS A YEAR

INDUSTRY AND THE ARTS MEET AT FISKARS VILLAGE

2009 marked not only the 360th anniversary of Fiskars as a company, but also that of Fiskars Village. An integral part of Finland's industrial and economic history, Fiskars Village has played an important role in the country's cultural development.

Located in a beautiful municipality of Raasepori in the western part of the province of Uusimaa, modern-day Fiskars is home to a wide range of arts and crafts. The secret behind the dynamism of Fiskars Village is very much the same as that behind Fiskars as a company: an ability to reinvent itself, act boldly, engage in international dialogue, while retaining a strong and unique identity all its own.

A pioneer in good working conditions

Western Uusimaa emerged as a center of iron-making during the period when Finland was still part of Sweden. It was well-endowed with what the industry needed: thick forest, proximity to a natural harbor, and rapids that could be harnessed to generate energy. A number of ironworks were established in the area in the seventeenth century, when the area's first iron-works owners also settled locally.

Fiskars Village has the bad luck of one such owner to thank in part for its birth. After falling on hard times, Jacob Wolle, a prosperous merchant from Turku, was forced to lease his iron-works at Antskog and Mustio to the Dutchman, Peter Thorwöste. The latter was able to expand his business in 1649 when he was granted permission to found an ironworks at Fiskars and build a blast furnace and a tilt hammer to produce cast and forged iron products with the exception of cannons.

The Fiskars ironworks was an international workplace from the very start. Iron ore came from the island of Utö in the outer Stockholm archipelago, and nails, knives, mattocks, and other products produced at Fiskars were sold in Stockholm and Tallinn. Thorwöste brought employees from abroad as well, and Germans, Dutchmen, and Swedes all lived at Fiskars.

During the centuries that followed, Fiskars often took the lead in many areas of development in Finland. The country's first engineering workshop and grinding works were set up at Fiskars, and many progressive new forms of agriculture, including crop rotation, were introduced under Johan von Julin.

Fiskars' owners were also committed to looking after the welfare of their workers. A school was opened for employees' children with

Iron is still being forged today in the artisan workshops at Fiskars Village.

a very progressive curriculum for the time, and a works doctor appointed and a hospital built in the nineteenth century. The fact that employees received part of their pay during the early years in the form of grain, proved a lifesaver – literally – during famine years. Workers were also allowed to build their own fishing lodges on the works' land.

Promoting and developing the arts

Fiskars' long history is also reflected in the unique milieu that has grown up around the original ironworks. The buildings that have been built there over the years are part of Finnish architectural history, and anyone visiting Fiskars Village today can see a unique blend of stone mansions alongside wooden peasant homes and historical industrial buildings.

Good design is part of the Fiskars heritage. The cutlery and other everyday items produced by the artisans at Fiskars in the nineteenth century reflected high standards of craftsmanship, and their work underpins that of the crafts people and designers working there today.

Today's Fiskars is known as a center of creativity. Over 100 crafts people, designers, and artists live and work in Fiskars Village, and the exhibitions and events they organize attract visitors from near and far. Fiskars Village has become one of southern Finland's most popular and distinctive travel destinations, and has been presented with the international Royal Award for Sustainable Tourism. Fiskars Village has also become a popular venue for conferences and seminars through FiskarsForum.

The reputation of Fiskars Village has attracted many people to live locally and made it much sought after. A new land use plan and various construction projects will enable the Village to grow and flourish into the future, and breathe new life into the community and its 360 years of history.

ASSOCIATED COMPANY WÄRTSILÄ

Wärtsilä Corporation is a global supplier of marine and energy systems, solutions, and services, and is listed on NASDAQ OMX Helsinki (HEX: WRT1V).

Wärtsilä recorded net sales of €5,260 million in 2009 (2008: €4,612 million). Its operating profit was €592 million (525) and earnings per share €3.94 (3.88). It employed 18,541 people as of the end of the year.

17.1%	Fiskars' share of Wärtsilä shares
€66.5	million was Fiskars' share of profit in 2009 (2008: 70.5 million)
€25.3	million paid in dividends to Fiskars in 2009 (2008: 67.2 million)

WÄRTSILÄ STRONG PRESENCE

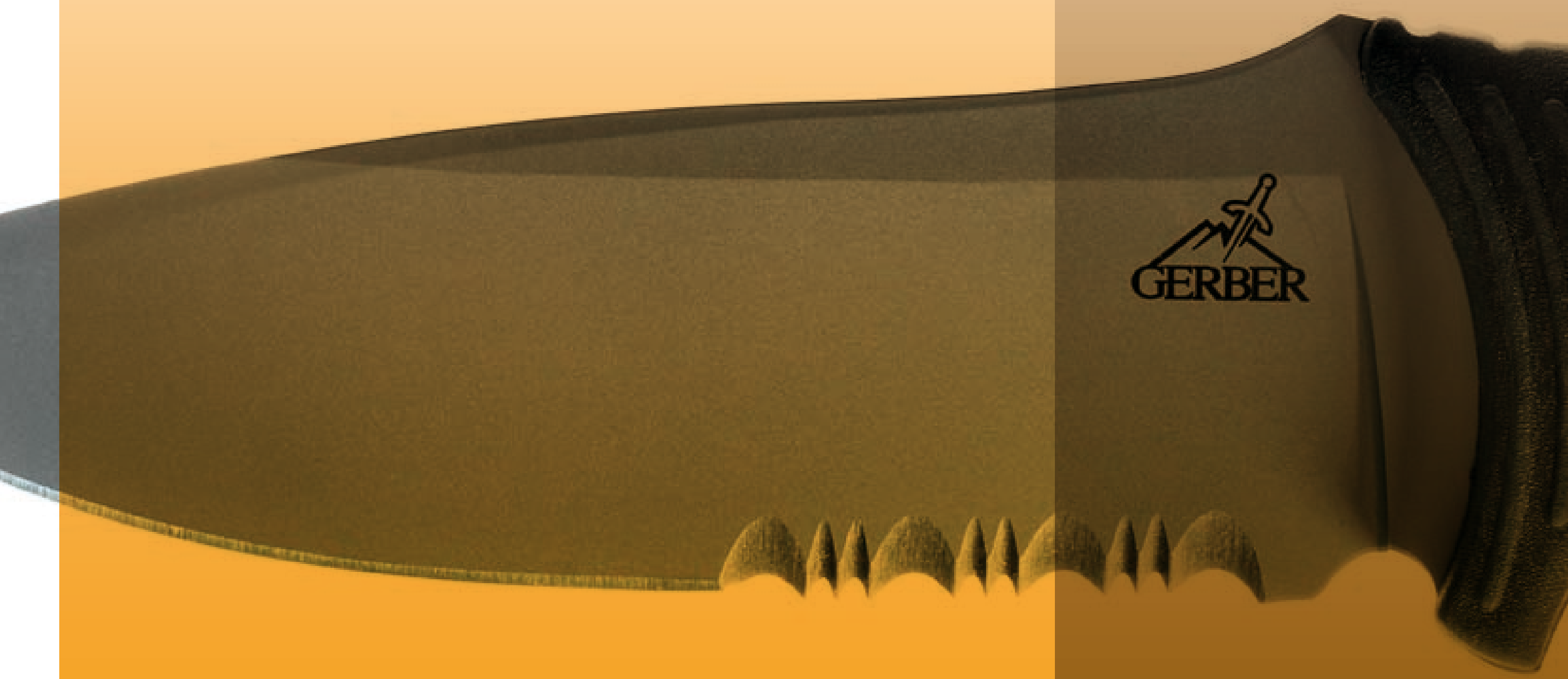
Associated company, Wärtsilä Corporation, represents part of the Fiskars' portfolio. As of the end of 2009, Fiskars owned 17.1% of Wärtsilä's shares and votes and is the company's largest single shareholder, through Fiskars' wholly owned subsidiary, Avlis AB.

Wärtsilä is treated as an associated company, as Fiskars considers that it continues to have a significant influence in the company under the provisions of IAS 28, despite the fact that its holding fell below 20% in spring 2008. Wärtsilä's performance has a major impact on Fiskars' result, and this is expected to continue in the future. The Chairman of Fiskars' Board of Directors, Kaj-Gustaf Bergh, and its President and CEO, Kari Kauniskangas, are both members of Wärtsilä's Board of Directors.

Wärtsilä forms one of Fiskars' reported operating segments. Since the beginning of 2009, Fiskars' share of Wärtsilä's profit has been reported as a separate item below the consolidated operating profit. The share of Wärtsilä's profit for 2009 totaled €66.5 million (2008: 70.5 million).

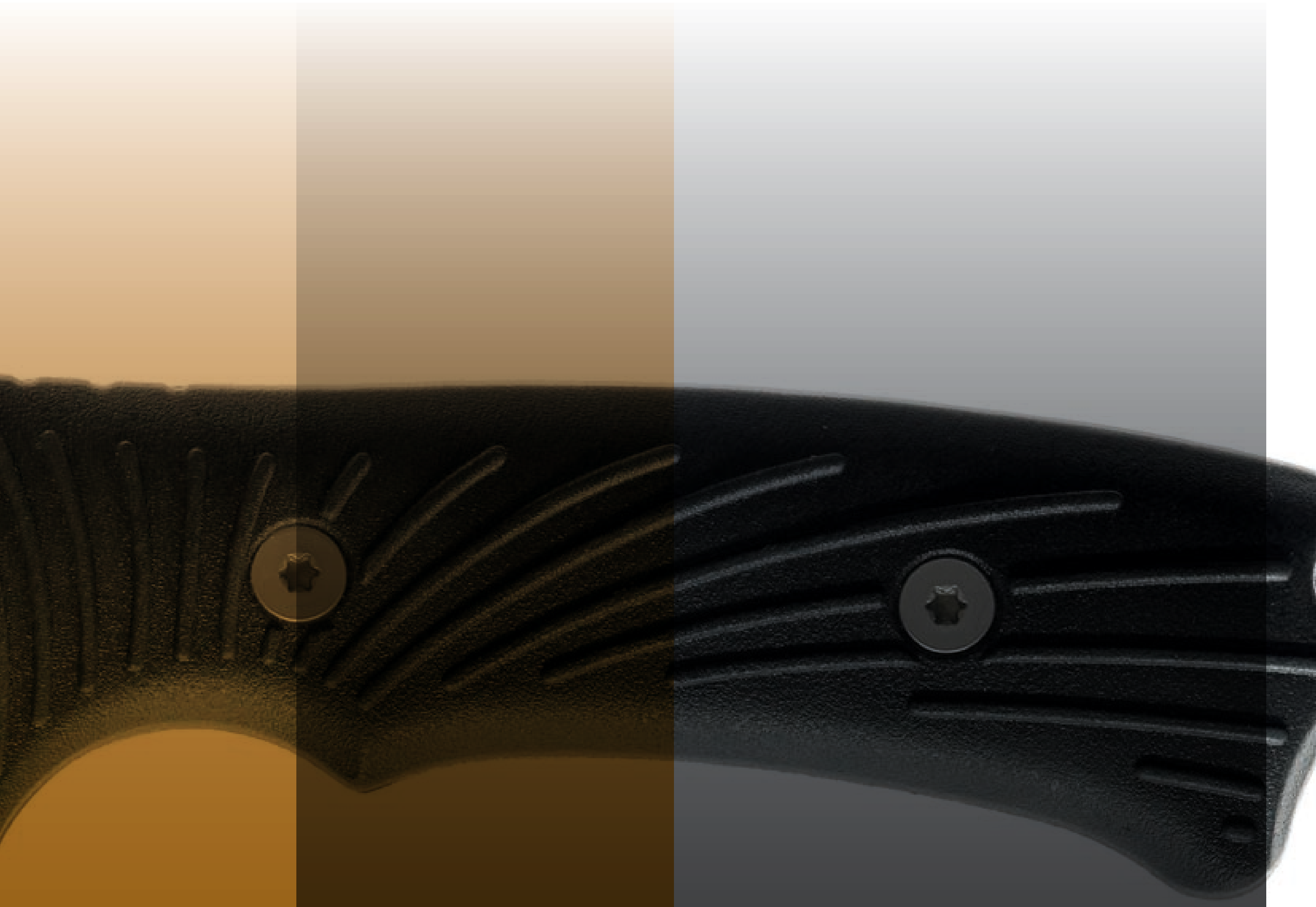
Wärtsilä paid a dividend of €1.50 per share on its 2008 result in March 2009, which gave Fiskars dividend revenue totaling €25.3 million (67.2 million). This dividend revenue is reported in the Consolidated Statement of Cash Flows as part of cash flow from operating activities. Wärtsilä's Board of Directors has proposed paying a dividend of €1.75 per share on its 2009 result.

Fiskars did not sell or buy any Wärtsilä shares during 2009, and the balance sheet value of Fiskars' holding stood at €316.8 million (263.5 million) as of the end of the year, including goodwill of €61.2 million. The market value of Fiskars' shares in Wärtsilä as of the end of the year was €472.9 million (353.9 million) when Wärtsilä's stock was valued at €28.07 a share.



GERBER. FEND FOR YOURSELF.®

You are a problem solver, a fixer, a doer. You do not depend on others. Others depend on you. Gerber creates knives, tools, lights and gear essential to defending this principle of self-reliance. This is our charge.



34–43
GOVERNANCE

CORPORATE GOVERNANCE STATEMENT

Corporate governance at Fiskars Corporation is based on the Company's Articles of Association, Finland's Companies Act, and the rules and regulations concerning listed companies of NASDAQ OMX Helsinki Ltd. Fiskars also complies with the Finnish Corporate Governance Code approved by the Securities Market Association, which came into force on January 1, 2009 and can be consulted at www.cgfinland.fi.

Ultimate decision-making power is vested in Fiskars Corporation's shareholders at the General Meeting of Shareholders. Fiskars' Board of Directors is responsible for the management and proper arrangement of the operations of the Company. The Managing Director is responsible for the day-to-day management of the Company under the instructions and orders of the Board of Directors.

GENERAL MEETING

An Annual General Meeting of Shareholders shall be held annually before the end of June, either in Raasepori or Helsinki. The Annual General Meeting decides on matters stipulated in the Companies Act and the Articles of Association, such as the approval of the financial statements, the distribution of profits, discharging the members of the Board of Directors and the CEO from liability, and the election of the members of the Board of Directors and the Company's Auditors and their remuneration.

Under the Articles of Association, a notice convening an Annual General Meeting must be published in at least three general newspapers selected by the Board of Directors. Fiskars also publishes invitations on its website.

Annual General Meeting 2009

Fiskars held its Annual General Meeting for 2009 on March 16, 2009. The Meeting approved the financial statements, discharged the members of the Board and the CEO from liability, and decided the dividend to be paid for 2008. The Meeting also decided the remuneration to be paid to the Board and elected the members to sit until the end of the Annual General Meeting in 2010. The Company's Auditors were also decided, together with their remuneration. The Meeting authorized the Board to acquire Fiskars shares and decide on conveying them in accordance with separately agreed conditions.

Extraordinary General Meeting 2009

Fiskars Corporation held an Extraordinary General Meeting on June 5, 2009, which approved a proposal by the Board of Directors concerning the combination of series A and series K shares, a directed free share issue to the holders of series K shares, and Amendments to the Articles of Association, as well as the merger plan between the Company and Agrofin Oy Ab. The meeting also decided to authorize the Board to acquire Company shares and decide on conveying them in accordance with separately agreed conditions.

BOARD OF DIRECTORS

Under the Articles of Association, the Board of Directors shall consist of a minimum of five and a maximum of nine members. The terms of office of all members will run from their election to the end of the following Annual General Meeting. The Board is responsible for electing a Chairman from among its members.

Responsibilities and Charter of the Board

Fiskars' Board of Directors is responsible for managing the Company in accordance with the law, official regulations, the Articles of Association, and decisions taken by the Annual General Meeting of Shareholders.

Under the Charter approved by the Board of Directors, the Board is responsible for the management and appropriate arrangement of the Company's operations and for confirming the Company's business strategy and budget. In addition, the Board oversees the solidity, profitability, and liquidity of the Company, as well as Company management. The Board is responsible for approving the risk management principles followed by the Company, drafting financial statements, confirming financial policy, and deciding on measures that are exceptional or far-reaching, taking the scope and nature of the Company's operations into account, unless these matters come within the responsibilities of the General Meeting of Shareholders.

The Board shall appoint the CEO and confirm the terms of his employment and other compensation. The Board is also responsible for appointing the members of the Corporate Management Team, other senior managers, and the internal audit manager, approving their terms of employment and other compensation, and deciding the principles for the Group's compensation systems and other long-term personnel issues. The Board also considers matters related to the appointment of the members of the Boards of Directors of subsidiaries. The Board is also responsible for appointing Board Committees and their members. These Committees are responsible for preparing matters within their specific area of competence to be put before the Board. The Board shall evaluate its work and cooperation with management on a regular basis.

Board of Directors in 2009

The Annual General Meeting held on March 16, 2009 appointed nine members. Mr. Kaj-Gustaf Bergh was appointed Chairman of the Board and Mr. Alexander Ehrnrooth and Mr. Paul Ehrnrooth as Vice Chairmen. The other members of the Board are Mr. Ralf Böer, Ms. Ilona Ervasti-Vaintola, Mr. Gustaf Gripenberg, Mr. Karl Grotenfelt, Mr. Karsten Slotte, and Mr. Jukka Suominen. None of the members are employed by the Company. Details of the current Board of Directors are presented as part of this statement on Pages 40–41 of the Annual Report.

The Board of Directors convened 16 times during 2009. The average attendance at Board meetings was 90%.

No members of the Board have any affiliations with the Company. Mr. Kaj-Gustaf Bergh, Mr. Ralf Böer, Ms. Ilona Ervasti- Vaintola, Mr. Gustaf Gripenberg, Mr. Karl Grotenfelt, Mr. Karsten Slotte, and Mr. Jukka Suominen are also independent of shareholders.

BOARD COMMITTEES

The Board of Directors appointed three committees in 2009: an Audit Committee, a Compensation Committee, and a Nomination Committee.

1. The Audit Committee is responsible for monitoring the reporting process used for the Company's financial statements, supervising the financial reporting process, monitoring the efficacy of the Company's internal controls, internal auditing, and risk management, reviewing the description of the main features of the internal controls and risk management associated with the financial reporting process provided by the Company's administration and control system, monitoring the statutory auditing of the Company's financial statements and consolidated financial statements, evaluating the independence of the Company's statutory Auditors and the additional services provided by the latter, and drafting the proposal covering the selection of the Company's Auditors to the Nomination Committee.

The Chairman is Mr. Gustaf Gripenberg, and the members are Mr. Alexander Ehrnrooth, Mr. Paul Ehrnrooth, Ms. Ilona Ervasti-Vaintola, and Mr. Karsten Slotte. The Audit Committee convened 4 times in 2009 and the members attended all meetings.

2. The Compensation Committee is responsible for preparing matters related to the appointment and remuneration of the President & CEO and Group directors as well as issues related to the Company's remuneration system.

The Chairman is Mr. Kaj-Gustaf Bergh, and the members are Mr. Ralf Böer, Mr. Karl Grotenfelt, and Mr. Jukka Suominen. The Compensation Committee convened 4 times in 2009 and the members attended all meetings.

3. The Nomination Committee is responsible for preparing proposals related to the composition of the Board for the General Meeting of Shareholders after consulting major shareholders, preparing proposals regarding the remuneration of Board members and the proposal on the selection of the Company's Auditors based on the proposal of the Audit Committee, preparing proposals regarding the composition of the Board's committees and confirming the criteria and processes to be used for evaluating the Board's work.

The Chairman is Mr. Kaj-Gustaf Bergh, and the members are Mr. Alexander Ehrnrooth and Mr. Paul Ehrnrooth. The Nomination Committee convened 3 times in 2009 and the members attended all meetings.

MANAGING DIRECTOR

The Board of Directors is responsible for appointing and dismissing, if appropriate, the Managing Director, who also acts as the Group's Chief Executive Officer. The CEO is responsible for running the Group's operations and is in charge of its administration in accordance with the Company's Articles of Association, legislation, official regulations, and the instructions and orders of the Board. The CEO is also responsible for ensuring that the Company's accounting is in accordance with legal requirements and that assets are managed reliably. The CEO is assisted in these duties by the Corporate Management Team.

The current President & CEO is Mr. Kari Kauniskangas. The Company does not have an Executive Vice President responsible for acting as the CEO's deputy. Details of the CEO are presented as part of this statement on Page 42.

OTHER EXECUTIVES

Corporate Management Team

The management team of Fiskars Corporation consists of the managers responsible for corporate and Group-wide functions. Under the leadership of the CEO, the Corporate Management Team prepares proposals for the Board and discusses the Group's strategy, and issues related to Group-wide and corporate functions and their development. The Corporate Management Team's duties also include stakeholder relations.

The details of the members of the Corporate Management Team are presented as part of this statement on Page 42.

Business Area Management

The Presidents of Fiskars' business areas are responsible for the development of their business areas and for ensuring that their businesses comply with the requirements of local laws and regulations and Fiskars' Code of Conduct principles. They are also responsible for ensuring that the subsidiaries associated with their businesses have the appropriate resources needed for their business.

The Presidents of Fiskars' business areas and the Corporate Management Team form together the Executive Team of the Company.

Details on the Presidents and their areas of responsibility are presented as part of this statement on Page 43.

REMUNERATION

The Annual General Meeting determines the remuneration of the Board of Directors. In 2009, the Annual General Meeting decided to keep remuneration unchanged, with the Chairman of the Board paid €65,000 per annum, the Vice Chairman €50,000 per annum, and members €35,000 per annum. In addition, the Annual General Meeting determined that Board members will be paid a fee of €550 per Board and Committee meeting, the Chairman of the Board €1,100 per Board and Committee meeting, and the Chairman of the Audit Committee €1,100 per Audit Committee meeting. In addition, all members are reimbursed for their travel and other expenses incurred as a result of their activities on behalf of the Company.

In addition to his basic salary, the CEO is paid an annual bonus designed to provide a target bonus equivalent to 60% of his annual salary. The bonus paid is determined in accordance with the financial targets set by the Board of Directors. The CEO is also included in a long-term incentive scheme, which corresponds to the annual bonus in size. The earning criteria for this are based on financial targets and change in the value of the Company's share. The CEO and the Company shall have a notice period of six months. Remuneration on dismissal by the Company shall be 12 months' basic salary, together with salary for the six-month notice period. The Managing Director's agreement shall end when the CEO reaches the age of 60. In addition to his statutory pension, he is provided with a voluntary supplementary contribution-based pension, similar to the one of the Corporate Management Team, under which the Company pays 20% of his annual salary.

The salary, benefits, and bonuses of CEO Kari Kauniskangas in 2009 totaled €468,681.87.

The members of the Corporate Management Team have an annual bonus scheme, which is designed to generate a bonus equivalent to 20–40% of their annual salary. Earning criteria are primarily tied to financial targets and secondarily to personal targets. In addition, key members of personnel selected annually by the Board of Directors are included in a long-term incentive scheme, with earning criteria based on financial targets and change in the value of the Company's share. The Board of Directors is responsible for deciding the earning criteria for both incentive schemes annually. The members of the Group's Corporate Management Team also have voluntary, contribution-based additional pension insurance.

In 2009, the salaries, benefits, and bonuses paid to the members of the Corporate Management Team totaled €764,541.83.

Fiskars Corporation has no share option programs in use.

INTERNAL CONTROL, RISK MANAGEMENT, AND INTERNAL AUDIT

The Board of Directors is responsible for the appropriate management and organization of operations. In practice, it is the responsibility of the CEO, together with management, to put in place and administer accounting and control mechanisms and other similar mechanisms.

The Group's financial performance is reviewed monthly through a reporting system that covers all units and operations. Business areas are run by and through their own management teams. With the support of the Corporation, business areas are responsible for the day-to-day risk management associated with business operations.

Risk Management is responsible for identifying, evaluating, and managing risks that may threaten the achievement of Fiskars' business goals. The targets and principles used in risk management, together with the major risks and uncertainties facing Fiskars, are presented in this statement on Page 39.

Internal Audit is responsible for auditing and reviewing how well internal control systems function, the appropriateness and efficacy of functions, and how well guidelines are observed. Internal Audit also strives to promote the development of risk management practices in the Group's business units. The Parent Company has an internal auditor manager, who is administratively subordinate to the President & CEO, but reports to the Audit Committee.

INSIDER ADMINISTRATION

Fiskars applies the insider regulations of NASDAQ OMX Helsinki that came into force on October 9, 2009. In addition, the Company has its own insider regulations that were last updated on November 3, 2009. The Company's Public Insiders include the members of the Board, the President & CEO, and the Company's Auditors. Other Public Insiders include the members of the Corporate Management Team and business area presidents.

Fiskars has also a company-specific insider register as well as a separate project-based register which is kept for projects that, on completion, may have an impact on the Company's share value.

Fiskars Corporation's Legal Department maintains lists of insiders on the basis of information they provide. The holdings of Public Insiders can be consulted at Euroclear Finland Ltd. (Urho Kekkosen katu 5 C, 00100 Helsinki, tel. +358 20 770 6000) and the Company's website.

AUDIT

The Company's Auditor is KPMG Oy Ab, Authorized Public Accountants, with Mr. Mauri Palvi, APA, as auditor with main responsibility.

A total of €0.8 million was paid in fees to the auditors employed by Group companies in 2009. The Auditor was also paid €0.2 million for non-audit services. The latter fees were related to the combination of the Company's share series, tax matters, and other matters.

COMMUNICATIONS

Fiskars' aim is to provide all market parties with accurate, up-to-date, and sufficient information on the Company. Details on the Company's administration and control system can be consulted at the Company's website, where stock exchange releases are published immediately after they are announced, and other key investor material is also available.

THE MAIN FEATURES OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS RELATED TO THE FINANCIAL REPORTING PROCESS

The financial reporting process refers to activities that generate financial information used in managing the Company and the financial information published in accordance with the requirements of legislation, standards, and other regulations covering the Company's operations.

Internal control related to the financial reporting process

The role of internal control is to ensure that the Company's management has access to up-to-date, sufficient, and essentially accurate information needed for managing the Company and that the financial reports published by the Company provide an essentially accurate view of the Company's financial position.

Structure

Fiskars has four operational segments and four business areas. The business units that operate under the Group's four business areas comprise the base level of financial reporting. Business units are responsible for organizing their own financial management and for the accuracy of their financial reporting. Finance and financial risk management are centralized in the Group Treasury function under the Chief Financial Officer (CFO).

All business areas have their own financial management. The Parent Company also has a Group-level financial management organization that operates under the leadership of the CFO. The financial management of business areas and the Group as a whole are responsible for monitoring the operations of the finance departments of individual business units. Internal Audit also audits and monitors the efficacy of the reporting process and the reliability of financial reporting.

Management

Setting and monitoring financial targets represent an integral part of Fiskars' management responsibilities. Short-term financial targets are set as part of the annual planning cycle, and progress in achieving these targets is monitored on a monthly basis. Business units report actual financial data monthly and file a projection of how financial performance is expected to develop over the remainder of the reporting period.

Information from business units is consolidated and validated by the Group's financial organization and the data used to prepare a monthly report for senior management. Monthly reports contain condensed income statements for Fiskars' operational segments and business areas, key indicators, and an overview of the major events affecting their businesses. Reports also include a consolidated income statement, balance sheet data, cash flows, and a projection of the likely development of the financial situation covering the remainder of the reporting period. The Group's Board of Directors, Corporate Management Team, and business area management teams monitor the development of the financial situation and progress on targets on a monthly basis.

Financial IT systems

Business units make use of a number of different accounting and financial reporting software systems. Group-level financial reporting is handled through one, centrally managed system. Business units and business areas are responsible for providing data for the Group's reporting system. The Group's financial management is responsible for maintaining the Group's reporting system and for monitoring that agreed data is fed into the system.

Guidelines

Financial reporting is governed by a set of common principles. The Group applies the international IFRS accounting standards approved within the EU and has a common Group list of accounts. The Group's financial management has drawn up guidelines for units covering the content of financial reporting and the dates within which reporting must take place.

Risk management related to the financial reporting process

The task of risk management is to identify potential threats affecting the financial reporting process that, if they were to become reality, could lead to a situation in which management lacked up-to-date, sufficient, and essentially accurate information needed to manage the company and in which financial reports published by the company did not provide an essentially accurate picture of the Company's financial position.

Fiskars manages the risks associated with its financial reporting process by a number of means including the following: maintaining and resourcing an appropriate financial management organization, limiting the rights and responsibilities of individual members of staff appropriately, managing the user rights that give access to the Group's reporting system centrally, issuing guidelines on accounting and reporting, maintaining a common Group list of accounts, making effective use of IT tools, providing ongoing training for personnel, and validating the accuracy of information that is reported as part of the reporting process.

Developing the financial reporting process

Fiskars develops all aspects of its operations on an ongoing basis. A project to streamline the financial reporting process is now under way that will standardize and update various stages of the process and strengthen internal controls.

RISK MANAGEMENT

Fiskars' risk management function is responsible for identifying, evaluating, and managing risks that may threaten the achievement of the company's business goals. The aim is to secure personnel, assets, and products intended for customers and protect the company's reputation, brands, and shareholder value from developments or damage that may undermine the company's profitability or adversely affect its assets.

The principles observed in risk management are included in the risk management policy approved by the Board of Directors. The latter's Audit Committee oversees the efficacy of risk management systems. Responsibility for identifying, evaluating, and also managing a large proportion of Fiskars' risks is delegated to business units and support functions. Group Treasury is responsible for developing and maintaining the methods, tools, and reporting associated with risk management. In addition, it carries out risk assessments together with business units and support functions and assists in the preparation of action plans based on the results of these assessments.

Fiskars has taken out extensive insurance for corporate companies to provide cover for the Group's main assets, possible business interruption, transportation, and liabilities. Insurance matters, with the exception of local personal insurance, are managed centrally by Group Treasury.

Group Treasury administers financial risks in accordance with principles approved by the Board of Directors. A description of how financial risks are managed is included as part of the Financial Statements in the Annual Report.

PRINCIPAL UNCERTAINTIES

Customer relationships and distribution

Fiskars produces and sells consumer products; therefore general market conditions and a decline in consumer demand in key market areas in Europe and North America could have a material adverse effect on the Corporation's net sales and profitability.

Fiskars' products are sold through its sales force, agents, and distributors to wholesalers, retailers, and directly to consumers through its stores. Sales to large individual customers are significant in some businesses. As some major customers decide their product range and suppliers only once annually, the loss of a small number of major customers or disruption in the activities of a specialized distribution channel could have an adverse effect on Fiskars' business and profits. None of Fiskars' customers accounted for more than 10% of sales in 2009.

Supply chain

Fiskars is making increasing use of outsourcing and working with a growing number of contract manufacturers and partners. The proportion of in-house production has declined, and the dependency on the supply chain increased. Supply chain management has become a management and availability risk, as a considerable proportion of sales in respect of some products is of a seasonal nature and an increasing proportion of total corporate purchases will be made in countries distant from the company's main operations. Risk management associated with outsourced production and ensuring product availability is being developed on a continuous basis.

Price and supply of raw materials and commodities contracts

Fiskars products are manufactured from a wide range of materials, primarily steel, aluminum, and plastic. Sudden fluctuations in raw material and energy prices can have an impact on the company's operational result. Fiskars employs long-term contracts with its raw material suppliers to minimize this; and production plants in Finland that use large amounts of electricity employ collective purchasing to hedge their operations against fluctuations in electricity prices.

Innovation

The growth of Fiskars' business depends to a significant extent on its ability to generate and commercialize a stream of new products and product enhancements that meet consumer expectations. The ability to combine design and innovation with technical R&D capabilities forms a solid basis for rolling out products successfully in a timely manner.

Brands and corporate reputation

Fiskars has a number of global and local brands in its portfolio. Any adverse event affecting consumer confidence or continuity of supply affecting these brands could have a detrimental impact on its business. Fiskars monitors the performance of its leading brands closely, and is committed to taking appropriate action to mitigate any threat to brand value.

Weather and seasonal dependence

Some product groups, particularly garden tools during the spring, can be affected by the weather. Unexpected weather conditions can have a negative impact on sales of these products. Sales of homeware products are heavily geared towards the last quarter of the year, and any negative issues related to product availability or demand during this quarter could affect the full-year result of this business significantly.

Environment

Most of Fiskars' industrial operations involve no significant environmental risks. Production facilities have up-to-date environmental permits that set clear limits on their operations. Changes in environmental directives can affect existing environmental permits. Adapting to such directives may require changes in existing production methods or investments in new equipment. Changes in production capacity or structure at some older facilities may result in additional costs as environmental requirements change.

Pensions and similar obligations

Movements in equity markets, interest rates, and the life expectancy of participants in some pension plans could affect the pension liabilities reported by the company. These liabilities are regarded as small, however, and the risk considered immaterial.

Associated company

Fiskars has a substantial investment in an associated company, Wärtsilä Corporation. Major changes in Wärtsilä's share price, profitability, or ability to pay a dividend would have a material impact on Fiskars.

BOARD OF DIRECTORS

Kaj-Gustaf Bergh (1955)
Chairman, elected to the Board in 2005. B.Sc., LL.M. Managing Director of Föreningen Konstsamfundet r.f. 2006–.

Skandinaviska Enskilda Banken, Member of management 2000–2001; SEB Asset Management, Director 1998–2000; Ane Gyllenberg Ab, Chief Executive Officer 1986–1998.

Chairman of the Board of Finaref Group Ab and KSF Media Holding Ab. Member of the Board of Stockmann Oyj Abp, Ramirent Group, Julius Tallberg Oy Ab and Wärtsilä Corporation.

Independent of the company and significant shareholders.

Alexander Ehrnrooth (1974)
Vice Chairman, elected to the Board in 2000. M.Sc. (Econ.), MBA. CEO of Virala Ltd. 1995–.

Chairman of the Board of Turvatiimi Corporation.

Independent of the company and dependent on significant shareholders.

Paul Ehrnrooth (1965)
Vice Chairman, elected to the Board in 2000. M.Sc. (Econ.). Managing Director & Chairman of the Board of Turret Oy Ab 2005–.

Chairman of the Board of Savox Ltd. and Finance Link Ltd.

Independent of the company and dependent on significant shareholders.

Ralf R. Böer (1948)
Elected to the Board in 2007. Juris Doctor. Chairman, CEO and Partner in Foley & Lardner LLP 2002–.

Foley & Lardner LLP since 1974, Partner since 1981. Member of the Board of Directors of Plexus Corp.

Independent of the company and significant shareholders.

Ilona Ervasti-Vaintola (1951)
Elected to the Board in 2004. LL.M. Group Chief Counsel of Sampo Group, Principal Attorney and Member of the Group Executive Committee 2001–.

Mandatum Bank plc, Chief Counsel and Board Member 1998–2001; Mandatum & Co Ltd, Director, Partner 1992–1998.

Member of the Board of Fortum Corporation and the Finnish Literature Society. Chairman of the Legal Committee at the Central Chamber of Commerce of Finland.

Independent of the company and significant shareholders.

In the picture from left to right:
Kaj-Gustaf Bergh, Paul Ehrnrooth, Alexander Ehrnrooth, Gustaf Gripenberg, Jukka Suominen, Ilona Ervasti-Vaintola, Ralf R. Böer, Karl Grotenfelt, and Karsten Slotte.

Gustaf Gripenberg (1952)
Elected to the Board in 1986. D. (Eng.). Professor, Helsinki University of Technology.

Extensive experience at the Helsinki University of Technology and University of Helsinki.

Independent of the company and significant shareholders.

Karl Grotenfelt (1944)
Elected to the Board in 2005. LL.M. Chairman of the Board in Famigro Oy.

A. Ahlström Oy, lawyer, General Counsel, Administrative Director of Paper Industry, member of the Executive Board with responsibility for the Paper Industry, 1970–1986.

Member of the Board of UPM-Kymmene Corporation and Ahlström Capital Limited.

Independent of the company and significant shareholders.

Karsten Slotte (1953)
Elected to the Board in 2008. B.Sc. (Econ.). President and CEO of Fazer Group 2007–.

Cloetta Fazer AB (publ.), President 2002–2006; Cloetta Fazer Konfektyr AB, Managing Director 2000–2002; Fazer Confectionery, Managing Director 1997–2000.

Member of the Board of Onninen Oy, Varma Mutual Pension Insurance Company, and Finnish-Swedish Chamber of Commerce.

Independent of the company and significant shareholders.

Jukka Suominen (1947)
Elected to the Board in 2008. M.Sc. (Eng.), B.Sc. (Econ.).

Group CEO of Silja Oyj Abp 1995–2000.

Member of the Board of Huhtamäki Oyj and Arctia Shipping Ltd, Chairman of the Board of Rederi AB Eckerö and Merivaara Oy.

Independent of the company and significant shareholders.

Details as of December 31, 2009.
Holdings of Fiskars' shares on Page 79.

In the picture from left to right: Hille Korhonen, Kari Kauniskangas, Teemu Kangas-Kärki, Jutta Karlsson, and Max Alfthan.

CORPORATE MANAGEMENT TEAM

Kari Kauniskangas (1962)
President and CEO, employed 2008. M.Sc. (Econ.).

Amer Sports Corporation, Head of Winter & Outdoor division 2007, SVP, Sales & Distribution 2004–2007; Amer Sports Europe GmbH, President & GM 1999–2004.

Member of the Board of Wärtsilä Corporation.

Max Alfthan (1961)
Chief Strategy Officer (CSO), employed 2008. M.Sc. (Econ.).

Amer Sports Corporation, SVP Communications 2001–2008; Lowe & Partners, Managing Director 1998–2001; Oy Sinebrychoff Ab, Marketing Director 1989–1998.

Member of the Board of Suomen Lähikauppa Oy and Nokian Panimo Oy.

Teemu Kangas-Kärki (1966)
Chief Financial Officer (CFO), employed 2008. M.Sc. (Econ.).

Alma Media Corporation, CFO 2003–2008; Kesko Group, Vice President, Corporate Controller 2002–2003, Corporate Business Controller 2000–2001; Suomen Nestlé Oy, Finance Director 1999–2000.

Jutta Karlsson (1963)
General Counsel, employed 2006. LL.M.

LMR Attorneys-at-law, Legal Counsel 2004–2006; Council of the Baltic Sea States (Stockholm), Legal Advisor 2002–2004.

Hille Korhonen (1961)
Vice President, Operations, employed 2007. Lic. Tech.

Iittala Group, Group Director, Operations 2003–2007; Nokia Corporation, management duties for logistics 1996–2003.

Member of the Board of Lassila & Tikanoja plc, Nokian Tyres Plc and Mint of Finland Ltd.

Details as of December 31, 2009.
Holdings of Fiskars' shares on Page 79.

In the picture from left to right:
Thomas Enckell, Paul Tonnesen,
Jaakko Autere, Lars Gullikson,
Jason R. Landmark, Juha Lehtola,
and Tomas Landers.

BUSINESS AREA MANAGEMENT

Jaakko Autere (1963)
President, Home,
employed 2010. M.Sc. (Econ.).

Thomas Enckell (1963)
President, Garden, EMEA,
employed 2007. M.Sc. (Econ.).

Lars Gullikson (1963)
President, Outdoor, EMEA,
employed 2006. B.Sc. (Econ.).

Tomas Landers (1977)
Vice President, Real Estate,
employed 2008. M.Sc. (Forestry).

Jason R. Landmark (1967)
President, Outdoor, Americas,
employed 2001. B.Sc.

Juha Lehtola (1966)
President, Boats,
employed 2009. M.Sc. (Econ.).

Paul Tonnesen (1964)
President, Garden & SOC, Americas,
employed 2007. MBA, B.Sc. (Marketing).

Composition as of January 1, 2010.

FISKARS. INGENIOUSLY FUNCTIONAL.

Driven by our natural curiosity and the power of continuous improvement, Fiskars solves problems and empowers its users through unique solutions that enhance their abilities. Our belief is that all things, even the simplest, can be made better and smarter.

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FINANCIAL STATEMENTS 2009

The Consolidated Financial Statements in this Annual Report have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union. All figures in the Annual Report are rounded, and consequently the sum of individual figures may differ from the presented total sum.

REPORT BY THE BOARD OF DIRECTORS 2009

2009 IN BRIEF

The challenging market situation and cautious purchasing by retailers and consumers lead to lower net sales of €662.9 million in 2009 (2008: €697.0 million)

Operating profit totaled €39.5 million (6.0), and €40.0 million (40.9) excluding non-recurring items. Improvements in the company's cost structure resulted in better relative profitability in the Americas. Lower raw materials costs also contributed to improved performance.

Cash flow from operations improved to €121.0 million (97.0), despite a drop in dividend revenue from Fiskars' holding in Wärtsilä Corporation to €25.3 million (67.2).

The company's series A and K shares were combined in July 2009 in accordance with a decision taken by an Extraordinary General Meeting. Earnings per share for the year were €1.05 (0.64).

The Group employed 3,623 people as of the end of the year (4,119).

THE GROUP'S FINANCIAL PERFORMANCE

Fiskars' net sales decreased by 5% to €662.9 million (697.0) in 2009. At comparable currency rates, the sales decreased by 4%. The operating profit increased to €39.5 million (6.0), and includes €0.5 million of non-recurring costs (34.9). Operating profit excluding non-recurring items was €40.0 million (40.9) or 6% of net sales (6%).

Fiskars' reporting structure was changed as of January 1, 2009. Its share of the profit of associated company Wärtsilä and the change in the fair value of its biological assets (i.e. standing timber) are presented as separate lines below EBIT in the income statement. The share of profit from associate was €66.5 million (70.5), and the change in the fair value of standing timber was €-0.4 million (-5.6).

Net financial costs were €-14.2 million (-19.4). Profit before taxes was €91.4 million (51.5). The income taxes for the year totaled €-7.9 million (-2.3).

The profit for the period increased to €83.5 million (49.2), and earnings per share were €1.05 (0.64).

ORGANIZATIONAL STRUCTURE

Fiskars' operating segments are EMEA (Europe, Middle East, and Asia-Pacific), Americas, Wärtsilä (associated company), and Other. The Inha Works business, which mainly consists of boat production, has been moved from Other to EMEA as of January 1, 2009.

The business areas as of the beginning of 2009 are Home, Garden, Outdoor, and Other. The Home business area includes Homeware as well as School, Office, and Craft (SOC). Boats are included in the Outdoor business area. Other covers Real Estate and corporate headquarter functions.

EMEA

Net sales in the EMEA segment fell 8% to €454.2 million (491.3). Using comparable exchange rates, the decline was 5%. Operating profit totaled €26.7 million (21.7, including -9.3 in non-recurring items). Personnel as of the end of the year totaled 2,899 (3,276).

The market situation remained challenging throughout the year. Consumer

Key operating segments

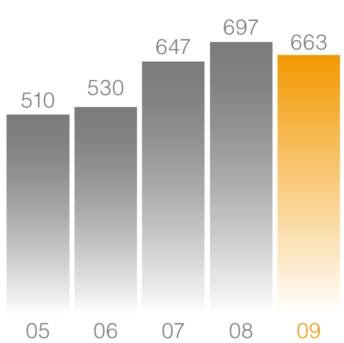
M€	2009	2008	Change, %
EMEA, net sales	454.2	491.3	-8
EMEA, operating profit	26.7	21.7 *)	
Americas, net sales	218.2	216.5	1
Americas, operating profit	23.9	-4.0 **)	

*) Incl. non-recurring costs of €9.3 million.
**) Incl. non-recurring costs of €19.5 million.

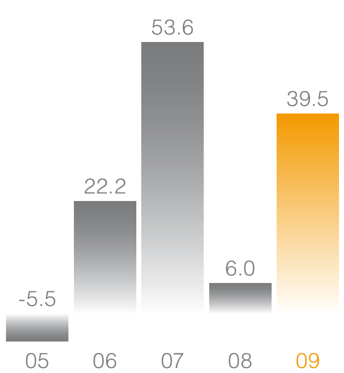
Key business areas

M€	2009	2008	Change, %
Home, net sales	299.9	316.8	-5
Garden, net sales	230.9	231.2	0
Outdoor, net sales	128.4	145.2	-12

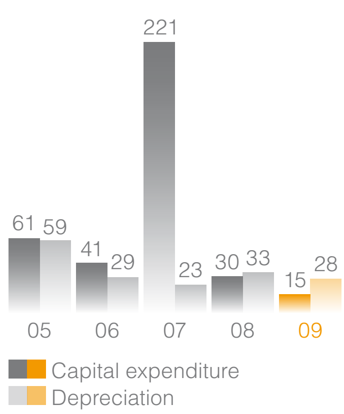
Net sales, M€



Operating profit, M€



Capital expenditure and depreciation, M€



demand and retailer purchasing failed to return to pre-recessions levels. The weaker performance of currencies such as the British pound and the Swedish krona compared to the euro also contributed to lower net sales.

Net sales in the Home business area fell slightly. Sales in the business' largest markets in Finland and Sweden as well as in Norway continued to develop well, particularly with respect to the Arabia and Iittala brands. Weaker exchange rates and sales in other markets, however, had a negative impact on net sales. More efficient production and procurement improved the operating profit in the EMEA segment. Sales of craft products were lower, but this was compensated for by lower costs.

In the Garden business area, sales of Fiskars-brand garden tools grew significantly, particularly in Germany. Low levels of sales in construction tools and forged products, together with weaker exchange rates, kept net sales lower than in 2008. The improved profitability of the product range, resulting from factors such as lower raw material costs and more efficient production, together with other cost savings, contributed positively to the segment's operating profit, although marketing expenditure increased.

Net sales in the Outdoor business area fell in a challenging market situation. Net sales of outdoor gear in France and Sweden in particular were lower, as a result of the weaker Swedish krona and lower sales of corporate gifts and everyday exercise products. 2009 was a difficult year on the boat market, and the Group's boat-related net sales were significantly down. Lower sales volumes, together with development costs related to new boat models, had a negative effect on the operating profit of the EMEA segment.

AMERICAS

Net sales in the Americas segment rose by 1% to €218.2 million (216.5). In USD terms, net sales fell by 4%, however, to USD 302.5 million (319.1). Operating profit totaled €23.9 million (-4.0, including -19.5 in non-recurring items). Personnel as of the end of year totaled 667 (792).

The recession in the US economy impacted purchases made by retailers, but also reduced the prices of raw materials, particularly plastics, during 2009. Operating profit in the Americas improved strongly, driven by lower fixed costs, in particular.

Net sales in the Garden business area remained at 2008 levels. Although some retailers continued to reduce their inventories during the year, these lost sales were replaced by sales of new garden products launched during 2009.

Net sales of school, office, and craft (SOC) products in the Home business fell significantly, partly as a result of the divestment of consumables product lines and brands in craft business in July 2009. Lower sales were compensated for by lower fixed costs.

Net sales in the Outdoor business area rose in 2009, driven in particular by institutional sales, which developed well. Higher sales volumes contributed positively to the operating profit of the Americas segment. The Brunton brand and its business were sold in December 2009, which will impact net sales in 2010.

OTHER

Fiskars' Other segment comprises Real Estate, which is responsible for managing the Group's forests and other land and for the internal and external leasing of Fiskars' property in Finland, and the corporate headquarter functions.

The segment recorded net sales of €6.1 million (5.9), of which the majority comprised revenue from timber sales and rental income from properties. The segment's operating profit, including €-0.5 million non-recurring items, was €-11.1 million (-11.7, including -6.1 in non-recurring items). The change in the value of standing timber, reported below EBIT, was €-0.4 million (-5.6). Personnel as of the end of year totaled 57 (51).

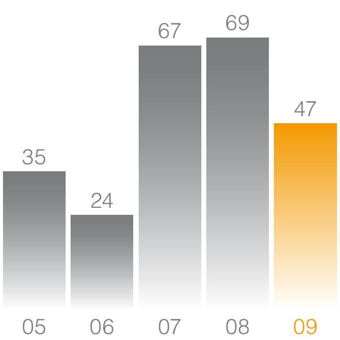
WÄRTSILÄ

Wärtsilä Corporation, a leading provider of marine and power solutions, is included in Fiskars' consolidated financial statements as an associated company. Fiskars owns in total 17.1% of the shares and votes of Wärtsilä.

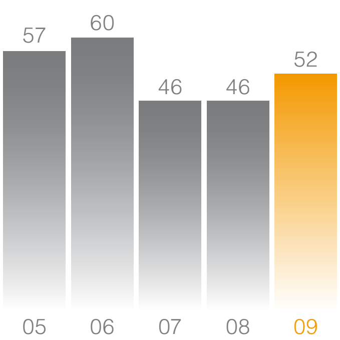
Fiskars' share of Wärtsilä's profit totaled €66.5 million (70.5) in 2009.

The Annual General Meeting of Wärtsilä was held on March 11, 2009. The Chairman of the Board of Fiskars, Mr. Kaj-Gustaf Bergh, and the President and

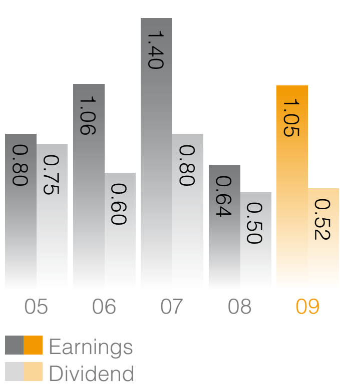
Net gearing, %



Equity ratio, %



Earnings per share and dividend per share, €



CEO of Fiskars, Mr. Kari Kauniskangas, were re-elected to Wärtsilä's Board of Directors. The Meeting decided to pay a dividend of €1.50 per share (4.25). Fiskars received a total of €25.3 million (67.2) in dividends.

The market value of Fiskars' Wärtsilä shares was €472.9 million (353.9) or €5.76 (4.57) per Fiskars' share at the end of the year, with a closing price €28.07 (21.01) per Wärtsilä share. The book value of the shares was €316.8 million (263.5).

FINANCING

Fiskars' cash flow from operations totaled €121.0 million (97.0) in 2009, an improvement that was largely driven by significantly lower inventory levels. The cash flow includes dividends paid by associated company Wärtsilä totaling €25.3 million (67.2).

Cash flow from investing activities was €-8.7 million (-25.8) and cash flow after investing activities was €112.2 million (71.2) in the year.

Net working capital was €102.6 million (€149.4) at the end of the year. The equity ratio was 52% (46%) and net gearing 47% (69%).

Cash and deposits at the end of the period were €38.6 million (11.3). Fiskars hedges exchange rate risks associated with future cash flow using currency derivatives. The value of these derivatives increased financing expenses in 2009 by €4.5 million (2008: decreased expenses by 3.7 million), as the company does not apply hedge accounting as defined under IAS 39 to its derivatives.

Net interest-bearing debt amounted to €235.7 million (309.9). Short-term borrowings totaled €199.7 million (183.7) and long-term borrowings €74.9 million (137.5). Short-term borrowings are mainly commercial papers issued by Fiskars Corporation. In addition, Fiskars had €425.0 million (405.0) in unused, binding long-term credit facilities, mainly with major Nordic banks.

INVESTMENTS AND PRODUCT DEVELOPMENT

Investments during the 2009 financial year totaled €14.6 million (29.8). The EMEA segment accounted for 10.7 million (23.7) of the total, the Americas €2.8 million (3.0), and Other 1.1 million (3.1).

Investments were largely related to production and product development. The Home business area also invested in revamping retail stores and in its customer loyalty system. Investments at Real Estate were largely concentrated in building repair and renovation projects.

The Group's product development expenditure totaled €8.9 million (8.4 million), equivalent to 1% (1%) of net sales. Major R&D projects in 2009 covered, for example, a rainwater collector product range, a new ax concept, and new boat models.

PERSONNEL

The Group employed an average of 3,867 people (4,325) in 2009. The number of personnel was 3,623 (4,119) as of the end of the year, of which 2,899 (3,276) were employed in the EMEA region, 667 (792) in the Americas, and 57 (51) by segment Other. Fiskars employed 1,512 (1,722) people in Finland.

The reduction of personnel in EMEA was largely the result of reorganizations of production plant operations. The merger of the Garden and SOC units, together with the sale of the Brunton business, reduced personnel levels in the Americas.

The wages and salaries for the year totaled €113.4 million (126.4).

CHANGES IN MANAGEMENT

Juha Lehtola, M.Sc. (Econ), was appointed President of the Boats business and Managing Director of Inha Works Ltd. in March 2009. Jaakko Autere, M.Sc. (Econ), was appointed President of Fiskars' Home business area and CEO of Iittala Group Oy Ab in August 2009 and took over his duties in January 2010. Both Lehtola and Autere report to Fiskars' President & CEO, Kari Kauniskangas.

CORPORATE GOVERNANCE

Fiskars complies with the Finnish Corporate Governance Code issued by the Securities Market Association, which came into force on January 1, 2009. Fiskars' Corporate Governance Statement for 2009 in accordance with Recommendation 51 of the Code was issued on February 11, 2010 as a separate report.

Fiskars also complies with the insider regulations of NASDAQ OMX Helsinki latest updated on October 9, 2009, and the company's internal insider guidelines latest updated on November 3, 2009.

RISKS AND BUSINESS UNCERTAINTIES

Fiskars' business, net sales and financial performance may be affected by several uncertainties. The principal uncertainties are related to:

- General market conditions and a potential decline in consumer demand in Fiskars' significant market areas in Europe and North America
- Loss of or reduced sales of major retail customers, retailers' financial difficulties, and disruptions in the activities of a distribution channel
- Availability of products due to supply chain issues
- Unexpected weather conditions in the Garden business area and seasonal variations, especially in the Home business area which is heavily geared towards the end of the year
- Sudden fluctuations in raw material and energy prices; the most important raw materials being steel, aluminum, and plastic
- Major changes in profitability or ability to pay dividends of the associated company Wärtsilä.

ENVIRONMENT

In line with its Code of Conduct, Fiskars aims to ensure that its products, services, and production promote sustainable development. The company does not monitor environmental costs separately, as they are an integral part of its normal business operations and business development. No major environmental investments were made in 2009.

Most of Fiskars' industrial operations involve no significant environmental risks. Production facilities have up-to-date environmental permits that set clear limits on their operations. Changes in environmental directives can affect existing environmental permits. Adapting to such directives may require changes in existing production methods or investments in new equipment.

Production in the Home business area uses more energy than other Fiskars' production units. All of the business area's production plants in Finland have environmental and quality systems audited in accordance with ISO standards.

SHARE

Fiskars Corporation has one series of shares, following the combination of the company's series A and K shares in July 2009. The new single class shares (FIS1V) became subject to public trading as of July 31, 2009. All shares carry one vote each and equal rights.

With reference to the decisions of the Extraordinary General Meeting on June 5, 2009, the combination of the share series, the directed free share issue to the holders of series K shares, and the amendments to the articles of association were registered with the Finnish Trade Register on July 30, 2009. In the directed free share issue, the holders of series K shares received one share free of charge for each five series K shares.

The execution of the merger of Agrofin Oy Ab into Fiskars and the share issue for the payment of the merger consideration were registered with the Finnish Trade

Register on July 31. The new shares issued as merger consideration became subject to public trading as of August 3, 2009. The cancellation of 11,863,964 shares that were transferred to Fiskars as a result of the execution of merger was registered on August 3, 2009.

The total number of shares at the end of the period was 82,023,341, including 112,619 treasury shares. The share capital remained unchanged at €77,510,200.

Fiskars' shares are traded in the Large Cap segment of NASDAQ OMX Helsinki Ltd. At the end of the year, the closing price was €10.62 per share (A-share 6.96; K-share 11.15). The market value of Fiskars, excluding treasury shares, was €869.9 million (633.2). The number of shares traded during the year was 4.4 million (5.1).

TREASURY SHARES

The Board of Directors had authorizations to acquire and dispose treasury shares during the year. At the end of the period, the authorizations concerned a maximum of 4,020,000 shares. The Board may decide on the disposal of the shares otherwise than in proportion to the shareholders' pre-emptive subscription rights. The authorizations will remain in force until the end of the next Annual General Meeting. The authorizations were not used during the year.

As of the end of the year, Fiskars owned 112,619 treasury shares, corresponding to 0.14% of the Corporation's shares and votes.

SHAREHOLDERS

Fiskars Corporation had 11,915 (9,899) shareholders as of the end of the year.

During the year Fiskars was informed on the following changes among the largest shareholders of the Company:

- The voting rights of Robert G. Ehrnrooth fell below the 1/10 threshold on June15, 2009 when his controlling interest ended at Turret Oy Ab.
- The voting rights of Virala Oy Ab fell below the 3/20 threshold, holdings of Elsa Fromond together with the company Holdix Oy Ab in which she has a controlling interest exceeded the 1/10 threshold, and the voting rights of Oy Julius Tallberg Ab fell below the 1/20 threshold, following the combination of share series on July 30, 2009 and the merger of Agrofin and Fiskars on July 31, 2009.
- Elsa Fromond together with the company Holdix Oy Ab in which she has a controlling interest fell below the 1/10 threshold on October 5, 2009.

ANNUAL GENERAL MEETING 2009

Fiskars Corporation's Annual General Meeting on March 16, 2009 approved the financial statements for 2008 and discharged the members of the Board and the CEO from liability for the 2008 financial year. It was decided to pay a dividend of €0.50 per share for series A shares and €0.48 per share for series K shares, totaling €38,247,526.74. The dividend was paid on March 26, 2009.

The number of Board members was decided to be nine. Mr. Kaj-Gustaf Bergh, Mr. Ralf Böer, Mr. Alexander Ehrnrooth, Mr. Paul Ehrnrooth, Ms. Ilona Ervasti-Vaintola, Mr. Gustaf Gripenberg, Mr. Karl Grotenfelt, Mr. Karsten Slotte, and Mr. Jukka Suominen were re-elected as Board members. The term of Board members will expire at the end of the Annual General Meeting in 2010.

KPMG Oy Ab was elected auditor and they nominated Authorized Public Accountant Mr. Mauri Palvi as responsible auditor.

The Meeting authorized the Board to acquire and dispose Fiskars shares, a maximum of 2,700,000 of Series A shares and a maximum of 1,100,000 of Series K shares.

CONSTITUTIVE MEETING OF THE BOARD OF DIRECTORS

Convening after the Annual General Meeting on March 16, 2009, the Board elected Kaj-Gustaf Bergh to be its Chairman and Alexander Ehrnrooth and Paul Ehrnrooth its Vice Chairmen.

The Board appointed Gustaf Gripenberg to be chairman of the Audit Committee, and its other members to be Alexander Ehrnrooth, Paul Ehrnrooth, Ilona Ervasti-Vaintola and Karsten Slotte. The Board appointed Kaj-Gustaf Bergh to be chairman of the Compensation Committee, and its other members to be Ralf Böer, Karl Grotenfelt, and Jukka Suominen. The Board appointed Kaj-Gustaf Bergh to be chairman of the Nomination Committee, and its other members to be Alexander Ehrnrooth and Paul Ehrnrooth.

EXTRAORDINARY GENERAL MEETING 2009

Fiskars Corporation's Extraordinary General Meeting on June 5, 2009 approved a proposal by the Board of Directors to combine the Company's A and K series of shares, make a complimentary issue of shares to holders of K series shares, amend the Company's Articles of Association, and approve a plan to merge the Company and Agrofin Oy Ab.

The Meeting also decided to authorize the Board to acquire and dispose Fiskars shares in accordance, a maximum of 4,020,000 shares, with separately agreed conditions.

ANNUAL GENERAL MEETING 2010

Fiskars Corporation's Annual General Meeting will be held on Tuesday, March 16, 2010 starting at 3 p.m. in the Helsinki Fair Centre. The invitation to the meeting will be published separately.

BOARD'S PROPOSAL TO THE ANNUAL GENERAL MEETING

The distributable equity of the Parent Company at the end of the 2009 fiscal year was €429.9 million (460.5).

The Board of Directors proposes to the Annual General Meeting of Shareholders that a dividend of €0.52 per share would be paid for 2009.

The number of shares entitling to a dividend totaled 81,910,722. The proposed distribution of dividend would thus be €42,593,575.44. This would leave €387.3 million of unused profit funds at the Parent Company.

No material changes have taken place in the financial position of the Company after the end of the fiscal year. The financial standing of the Company is good and according to the Board of Directors' assessment the proposed distribution of dividend will not compromise the Company's solvency.

OUTLOOK FOR 2010

The market situation is expected to remain uncertain, which will continue to make predicting developments difficult in 2010. High unemployment in North America and Europe in particular could result in weaker consumer demand. Retailer purchasing is also expected to remain cautious. All these factors could have an impact on the development of Fiskars' net sales.

Fiskars will continue implementing measures designed to improve its profitability and competitiveness in 2010. Investments in brands and product development will be increased, as the Group's capabilities in these areas are central to its success in a challenging market situation.

Fiskars' net sales in 2010 are expected to remain at 2009 levels. Full-year operating profit excluding non-recurring items is expected to increase compared to 2009.

Associated company Wärtsilä will continue to have a major impact on Fiskars' profit and cash flow in 2010.

Helsinki, Finland, February 10, 2010

Fiskars Corporation
Board of Directors

CONSOLIDATED FINANCIAL STATEMENTS, IFRS

CONSOLIDATED INCOME STATEMENT

M€	Note	2009		2008	
Net sales		662.9		697.0	
Cost of goods sold		-436.3		-483.5	
Gross profit		226.6	34.2%	213.5	30.6%
Other operating income	5.1	1.8		2.9	
Sales and marketing expenses		-119.4		-129.8	
Administration expenses		-58.8		-54.4	
Research and development costs		-8.9		-8.4	
Other operating expenses	5.3	-1.9		-17.8	
Operating profit		39.5	6.0%	6.0	0.9%
Change in fair value of biological assets	6.4	-0.4		-5.6	
Share of profit from associate	6.6	66.5		70.5	
Financial income and expenses	5.9	-14.2		-19.4	
Profit before taxes		91.4	13.8%	51.5	7.4%
Income taxes	5.10	-7.9		-2.3	
Profit for the period		83.5	12.6%	49.2	7.1%
Attributable to:					
Equity holders of the Parent Company		83.5		49.3	
Non-controlling interest		0.0		-0.1	
		83.5		49.2	
Earnings for equity holders of the Parent Company per share, euro (basic and diluted)	5.11	1.05		0.64	

STATEMENT OF COMPREHENSIVE INCOME

M€	Note	2009	2008
Profit for the period		83.5	49.2
OTHER COMPREHENSIVE INCOME			
Translation differences		-1.9	-1.9
Share of other comprehensive income in associate	6.6	12.7	-18.1
Equity net investment hedges after tax		1.3	0.7
Defined benefit plan actuarial gains (losses), net of tax		0.7	-0.2
Other changes		0.0	0.2
Other comprehensive income for the period, net of tax		12.8	-19.3
Total comprehensive income for the period		96.3	29.9
Attributable to:			
Equity holders of the Parent Company		96.3	30.0
Non-controlling interest		0.0	-0.1
		96.3	29.9

The notes are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEET

M€	Note	Dec 31, 2009		Dec 31, 2008	
ASSETS					
NON-CURRENT ASSETS					
Goodwill	6.1	99.4		99.2	
Other intangible assets	6.2	124.9		131.0	
Property, plant & equipment	6.3	99.5		113.2	
Biological assets	6.4	38.9		39.3	
Investment property	6.5	8.5		7.7	
Investments in associates	6.6	316.8		263.5	
Financial assets	6.7, 6.8	5.1		5.1	
Deferred tax assets	7	17.8		21.7	
Non-current assets total		710.9	73%	680.6	70%
CURRENT ASSETS					
Inventories	6.9	119.0		159.8	
Trade and other receivables	6.10	101.9		109.6	
Income tax receivables		2.9		8.4	
Cash and cash equivalents	6.11	38.6		11.3	
Current assets total		262.4	27%	289.0	30%
Assets total		973.3	100%	969.7	100%
EQUITY AND LIABILITIES					
EQUITY					
Equity attributable to the equity holders of the Parent Company		504.8		446.7	
Non-controlling interest				0.0	
Equity total		504.8	52%	446.7	46%
NON-CURRENT LIABILITIES					
Interest bearing debt	9.2	74.9		137.5	
Other liabilities		0.9		1.4	
Deferred tax liabilities	7	47.2		49.3	
Pension liability	8.4	9.4		9.2	
Provisions	8.2	9.1		13.4	
Non-current liabilities total		141.5	15%	210.8	22%
CURRENT LIABILITIES					
Interest bearing debt	9.3	199.7		183.7	
Trade and other payables	8.3	121.3		121.9	
Income tax payable		6.1		6.6	
Current liabilities total		327.1	34%	312.2	32%
Equity and liabilities total		973.3	100%	969.7	100%

The notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

M€	2009	2008
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxes	91.4	51.5
Adjustments for		
Depreciation, amortization and impairment	28.1	32.9
Share of profit from associate	-66.5	-70.5
Investment income	0.3	-1.0
Interest expenses	14.2	20.4
Change in fair value of biological assets	0.4	5.6
Change in provisions and other non-cash items	-12.4	0.0
Cash flow before changes in working capital	55.6	39.0
Changes in working capital		
Change in current assets, non-interest bearing	-0.7	10.9
Change in inventories	50.3	10.6
Change in current liabilities, non-interest bearing	4.1	-7.5
Cash flow from operating activities before financial items and taxes	109.3	53.0
Dividends received from associate	25.3	67.2
Financial items paid / received (net)	-13.8	-18.0
Taxes paid	0.2	-5.2
Cash flow from operating activities (A)	121.0	97.0
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisitions	-0.2	-3.1
Investments in plant, property & equipment	-14.5	-25.4
Proceeds from sale of plant, property & equipment and other investments	1.6	4.1
Cash flow from other investments	4.2	-1.4
Cash flow from investing activities (B)	-8.7	-25.8
CASH FLOW FROM FINANCING ACTIVITIES		
Sale of treasury shares	0.0	0.2
Borrowings of non-current debt	40.0	62.2
Repayment of non-current debt	-86.5	-0.1
Change in current debt	2.0	-85.6
Payment of finance lease liabilities	-2.5	-3.4
Cash flow from other financing items	-0.1	-3.5
Dividends paid	-38.2	-61.5
Cash flow from financing activities (C)	-85.4	-91.7
Change in cash and cash equivalents (A+B+C)	26.9	-20.5
Cash and cash equivalents at beginning of period	11.3	34.5
Translation difference	0.5	-2.8
Cash and cash equivalents at end of period	38.6	11.3

The notes are an integral part of these consolidated financial statements.

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

M€	Equity attributable to shareholders of the Parent Company: Share capital	Treasury shares	Cumulative translation difference	Retained earnings	Non-controlling interest	Total
Dec 31, 2007	77.5	-0.9	-9.3	410.5	0.5	478.3
Translation differences			-1.9		0.0	-1.9
Change in associate recognized directly in other comprehensive income			-5.9	-12.2		-18.1
Equity net investment hedges after tax			0.7			0.7
Defined benefit plan, actuarial gains (losses), net of tax				-0.2		-0.2
Other changes		0.1		0.5	-0.5	0.2
Other comprehensive income for the period, net of tax, in total		0.1	-7.1	-11.8	-0.4	-19.3
Profit for the period				49.3	-0.1	49.2
Total comprehensive income for the period		0.1	-7.1	37.4	-0.5	29.9
Dividends paid				-61.5		-61.5
Dec 31, 2008	77.5	-0.8	-16.5	386.5	0.0	446.7
Translation differences			-1.9			-1.9
Change in associate recognized directly in other comprehensive income			4.3	8.4		12.7
Equity net investment hedges after tax			1.3			1.3
Defined benefit plan, actuarial gains (losses), net of tax				0.7		0.7
Other comprehensive income for the period, net of tax, in total		0.0	3.7	9.1	0.0	12.8
Profit for the period				83.5	0.0	83.5
Total comprehensive income for the period		0.0	3.7	92.6	0.0	96.3
Dividends paid				-38.2		-38.2
Acquisition of non-controlling interest					0.1	0.1
Dec 31, 2009	77.5	-0.8	-12.8	440.9	0.0	504.8

The notes are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. ACCOUNTING PRINCIPLES FOR THE CONSOLIDATED FINANCIAL STATEMENTS, IFRS

Fiskars Corporation is a Finnish public limited liability company listed on NASDAQ OMX Helsinki and domiciled in Raasepori, Finland. The registered address of Fiskars Corporation is Mannerheimintie 14 A, 00100 Helsinki, Finland. Fiskars Corporation is the parent company of the Group. The Group manufactures and markets branded consumer products globally. Fiskars' operating segments are EMEA (Europe, Middle East, and Asia-Pacific), Americas, the associated company Wärtsilä and Other. The operations are divided to Business Areas Home, Garden and Outdoor. In addition the Group has Real Estate operations and a strategic shareholding in Wärtsilä Oyj Abp qualifying as an investment in an associate. The Group holds international brands such as Fiskars, Iittala, Gerber, Silva and Buster.

The financial statements are authorized for issue by the Board of Directors of Fiskars Corporation. According to the Finnish Limited Liability Companies' Act, the shareholders have a possibility to approve or reject or make a decision on altering the financial statements in an Annual General Meeting to be held after the publication of the financial statements.

Basis of preparation

The consolidated financial statements of Fiskars Corporation ("Fiskars" or "the Group") are prepared in accordance with International Financial Reporting Standards (IFRS) in force at 31 December 2009 as adopted by the European Union. International Financial Reporting Standards, referred to in the Finnish Accounting Act and in ordinances issued based on the provisions of this Act, are standards and their interpretations adopted in accordance with the procedure laid down in regulation (EC) No 1606/2002 of the European Parliament and of the Council. The notes to the consolidated financial statements also comply with the Finnish accounting and corporate legislation.

The consolidated financial statements are prepared on historical cost basis except for financial assets and financial liabilities which are presented at fair value through profit or loss, and biological assets as well as assets and liabilities related to defined benefit pension plans that are measured at fair value.

Items included in the financial statements of each of the Group's entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in euros, which is the parent company's functional currency. The presentation is in millions of euro with one decimal.

Use of estimates

The preparation of financial statements in conformity with IFRS requires the management to make judgments and assumptions that affect the recognition and measurement of financial statement items. These estimates and associated assumptions are based on historical experience and other justified assumptions that are believed to be reasonable under the circumstances at the end of the reporting period. These estimates form the basis for judgments of the items in the financial statements. Development of markets and general economic situation may affect the variables underlying the estimates and actual results may differ significantly from these estimates. Such estimates mainly relate to the assumptions made in impairment testing, amount of obsolete inventory, recognition of impairment losses on trade receivables, restructuring provisions, determination of defined benefit pension obligations and the probability of deferred tax assets being recovered against future taxable profits.

Consolidated financial statements

The consolidated financial statements include the parent company, Fiskars Corporation, and all the subsidiaries in which it holds, directly or indirectly, over 50% of the voting rights or over which it otherwise has control. Acquired or established subsidiaries are included in the consolidated financial statements from the date control commences until the date that control ceases.

Subsidiaries are consolidated using the purchase method of accounting. Intragroup transactions, profit distribution, receivables, liabilities and unrealized gains between Group companies are eliminated in consolidation. The profit or loss for the financial year attributable to the owners and minority is presented in the income statement and the total comprehensive income for the financial year attributable to the owners and minority is presented in the statement of comprehensive income. The minority's interest in equity is presented within equity, separately from the equity of the owners of the parent.

Investments in associates in which Fiskars has a significant influence but not control are accounted for using the equity method. Significant influence usually exists when the Group holds over 20% of the voting power of the entity or when the Group otherwise has significant influence but not control. Fiskars' most important associate is Wärtsilä Corporation. Fiskars' ownership in Wärtsilä was 17.1% of the shares and the votes. The shares are owned by Fiskars' wholly owned subsidiary Avlis AB. Fiskars is the largest single shareholder with a share of 17.1% and Fiskars has significant influence through the number of members in the Board of Directors of Wärtsilä. Thus, Fiskars consolidates Wärtsilä as an associated company in accordance with IAS 28.

Translation of foreign currency items

TRANSACTIONS IN FOREIGN CURRENCIES

Foreign currency transactions are translated using the exchange rates prevailing at the dates of the transactions. At the end of the reporting period monetary assets and liabilities are translated using the exchange rate prevailing at the end of the reporting period. Exchange differences arising from translation of monetary assets and liabilities are recognized in the income statement and presented under financial items. Non-monetary items denominated in foreign currencies are translated using the exchange rate at the date of the transaction, except for those items carried at fair value that are translated using at the rates prevailing at the date when the fair value was determined. Exchange differences from non-monetary operating assets and liabilities are recorded in the income statement accounts within operating profit.

TRANSLATION OF FINANCIAL STATEMENTS OF FOREIGN SUBSIDIARIES

In the consolidated financial statements income statements, statements of comprehensive income and cash flows of foreign subsidiaries are translated into parent company's currency at the average exchange rates for the period. Their balance sheet items are translated at exchange rates prevailing at the end of the reporting period. The resulting exchange differences are recognized in other comprehensive income and presented under translation differences in equity. Exchange differences resulting from the translation of profit or loss and comprehensive income at the average rate in the income statement and in the statement of comprehensive income, and at the closing rate in the balance sheet, are recognized in other comprehensive income and they are included under translation differences in equity. The effective portions of the gains or losses on those financial instruments hedging net investments in foreign operations are recognized similarly. When the Group disposes of all, or part of, that subsidiary, the translation differences accumulated in equity are transferred to profit or loss as part of the gain or loss on disposal.

Net sales and revenue recognition principles

Net sales are shown net of indirect taxes, rebates, and exchange differences on trade receivables denominated in foreign currencies. Revenue from the sale of goods is recognized when all significant risks and rewards of ownership have been transferred to the buyer, i.e. when a product has been delivered to the client in accordance with the terms of delivery. There are no such long-term projects in the Group for which the revenue would be recognized using the percentage-of-completion (POC) method.

Pension obligations

Group companies have various pension plans in accordance with local conditions and practices in the countries in which they operate. The plans are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan the Group pays fixed contributions into a separate entity. If the entity does not hold sufficient assets to pay all employees the benefits in question, the Group will have no legal or constructive obligation to pay further contributions. All other plans not meeting the above criteria are classified as defined benefit plans. Most of plans Group companies have are classified as defined contribution plans and related contributions are charged to the income statement in the year in which the payment obligation has arisen.

The costs for defined benefit pension plans are calculated and recognized under the terms of the plan based on actuarial calculations. Pension costs are recognized as expenses over the employees' service period. The pension obligation is measured as the present value of the estimated future contributions deducted by the fair value of plan assets at the end of the reporting period. Changes in the estimates in the actuarial calculations may influence the reported pension obligations and pension costs.

Until the end of the third quarter of 2008 Fiskars recognized actuarial gains and losses in the income statement in full. Since the fourth quarter 2008 Fiskars applies the alternative accounting treatment under IAS 19 for the recognition of actuarial gains and losses that allows an entity to record actuarial gains and losses in other comprehensive income. The comparative figures were adjusted accordingly.

Operating profit

IAS 1 Presentation of Financial Statements does not give a definition for operating profit. In Fiskars the operating profit (EBIT) includes the operating results of Fiskars' operating segments EMEA, Americas, and Others. The share of the profit or loss of the associate Wärtsilä and the change in the fair value of biological assets are presented as separate line items below the EBIT in the income statement.

The definition for operating profit (EBIT) was changed as of January 1, 2009. The comparison figures for 2008 have been restated accordingly.

Intangible assets

An intangible asset is initially capitalized in the balance sheet at cost if the cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group.

GOODWILL

Goodwill represents the Group's share of difference between the cost of the acquisition and the fair value of the net identifiable assets, liabilities, and contingent liabilities acquired measured at the acquisition date. Goodwill is stated at historical cost less any accumulated impairment losses. Goodwill is not amortized but is tested for impairment at least annually. For this purpose goodwill has been allocated to cash-generating units or, in case of an associate, the goodwill is included within the carrying amount of the associate in question. The recoverable amount of the unit is compared annually, or more often if there are indications of impairment, with its carrying amount to determine potential impairment.

RESEARCH AND DEVELOPMENT COSTS

Research and development costs are expensed as they are incurred, except for those development costs that are capitalized if the Group can reliably demonstrate that they will generate probable future economic benefits for the Group and also other criteria in IAS 38 are met as the product is regarded technically and commercially feasible. Capitalized development costs consisting of mainly direct labor costs and external services are recognized as intangible rights.

Intangible assets not yet available for use are tested annually for impairment. Subsequent to initial recognition capitalized development costs are measured at cost less accumulated amortization and accumulated impairment losses. They are amortized on a straight-line basis over their useful lives, from 3 to 6 years.

OTHER INTANGIBLE ASSETS

Other intangible assets include among other patents, capitalized development costs, software, as well as trademarks and customer relationships acquired in business combinations. Intangible assets are stated at cost less accumulated amortization and any accumulated impairment. Intangible assets in this class are amortized on a straight-line basis over their known or expected useful lives as follows:

- Software 3–6 years
- Customer relationships 5–15 years
- Other 3–10 years

Intangible assets with an indefinite useful life such as trademarks or brand names acquired in business combinations are not amortized but they are tested at least annually for impairment.

Property, plant, and equipment

Property, plant, and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses, if applicable. Those borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of the assets. Residual values and expected useful lives and are reassessed at least at each financial year-end and, if necessary, are adjusted to reflect changes in the expected future economic benefits. The estimated useful lives are as follows:

- Buildings 20–40 years
- Machinery and equipment 3–10 years
- Land and water No depreciation

Gains and losses on sales and disposals of items of property, plant, and equipment are presented under other operating income and other operating expenses.

Leases

Leases in terms of which the Group substantially takes over from the lessor all the risks and rewards of ownership are classified as finance leases. Assets leased under finance leases are recognized under property, plant, and equipment at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments at the commencement of the lease term. The associated obligations are recognized in interest-bearing financial liabilities. The lease payments are divided into finance cost and amortization of the lease liability.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are accounted for as operating leases. Lease payments made under an operating lease are recognized as an expense on a straight-line basis over the lease term.

Investment property

The properties that are not used in the Group's operations or which are held to earn rental revenue or increase in value are classified as investment property. These properties are measured at cost less accumulated depreciation and impairment. Investment property is depreciated over 20–40 years.

Impairment of property, plant and equipment and intangible assets

The Group operations have been divided into cash-generating units (CGU) that are smaller than operating segments. The carrying amounts of the assets relating to these CGUs are reviewed at the end of each reporting period. The recoverable amounts of the following assets are also estimated annually irrespective whether there is any indication for impairment: goodwill, intangible assets with indefinite useful lives and unfinished intangible assets.

To determine a potential impairment the carrying amount of the asset is compared or the carrying amounts of the CGU's net assets are compared against the recoverable amount of that asset or CGU. The recoverable amount is the higher of the present value of the discounted future cash flows expected to be derived (value in use) and the fair value less costs to sell. An impairment loss is recognized for an asset when its carrying amount exceeds its recoverable amount. An impairment loss previously recognized for items of property, plant, and equipment as well as for intangible assets other than goodwill is reversed subsequently, if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization or depreciation, if no impairment loss had been recognized for the asset in prior years. An impairment loss recognized for goodwill is not reversed.

Biological assets

Biological assets consist of standing timber in Finland. These assets are measured at fair value less estimated point-of-sale costs. The fair value resulting from both net growth and change in the market value of standing timber is presented as a separate line item in the income statement after operating profit (EBIT). The revenue from the sale of standing timber is presented in the income statement within the operating profit.

Since the fourth quarter of 2008 Fiskars applies a three-year rolling average price for measuring the fair value of standing timber.

Non-current assets held for sale and discontinued operations

A non-current asset (or a disposal group) as well as assets and liabilities associated with a discontinued operation are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. The recognition criteria are regarded to be met when: a sale is highly probable, the asset (or a disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary, the management is committed to the plan to sell the asset and the sale is expected to take place within one year from the date of classification.

As from classification date a non-current asset (or a disposal group) held for sale is generally measured at the lower of its carrying amount and fair value less costs to sell, and it is not depreciated or amortized any more. Assets classified as held for sale, disposal groups, items recognized in other comprehensive income associated with the assets classified as held for sale as well as liabilities included in the disposal group are presented separately in the balance sheet.

A discontinued operation is a component of the Group's business that has been disposed of or will be disposed of in accordance with a coordinated plan. It represents a separate major line of business or geographical area of operations. The profit or loss of a discontinued operation is reported separately from the continuing operations in the consolidated statement of comprehensive income.

Fiskars had no non-current assets held for sale or discontinued operations in the financial years 2009 or 2008.

Inventories

Inventories are carried at the lower of cost and net realizable value. Cost is determined using primarily the first-in first-out (FIFO) method. The cost of finished goods and work-in-progress comprise direct purchase and manufacturing cost, other direct costs and a proportion of the related production overheads based on normal operating capacity. Net realizable value is the estimated amount that can be realized from the sale in normal course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories are shown net of an impairment loss recognized for obsolete and slow-moving inventories.

Financial instruments

FINANCIAL ASSETS

Fiskars classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets. Financial assets are classified at initial recognition based on their purpose of use. In the case of investments not at fair value through profit or loss, directly attributable transaction costs are included in the original costs of the financial assets. All purchases or sales of financial assets are recognized or derecognized using trade date accounting. The Group derecognizes financial assets when it has lost its right to receive the cash flows or when it has transferred substantially all the risks and rewards to an external party.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

In this category are classified such financial assets that are held for trading or are designated as financial assets at fair value through profit or loss upon initial recognition (the fair value option). In Fiskars this category comprises the investments in listed securities and those derivative instruments that do not meet the hedge accounting criteria.

These financial assets are measured at fair value both at initial recognition and subsequently. The fair values of the listed securities are based on quoted rates at the end of the reporting period. Fair value changes, both realized and unrealized gains and losses are recognized in the income statement under financial items. The fair value measurement principles of the derivative instruments that do not meet the hedge accounting criteria are described below under Derivatives and hedge accounting.

LOANS AND RECEIVABLES

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Group does not hold them for trading or designate them as available for sale upon initial recognition. This category comprises trade receivables and other receivables under current receivables as well as non-current loan receivables that are presented under the item Other investments in the consolidated balance sheet.

Loans and receivables are measured at amortized cost. The estimate made for doubtful receivables is based on the risks of individual items. Resulting from this assessment the carrying amounts of receivables are adjusted to measure their probable value at highest. Loans and receivables are included in current or non-current assets based on their nature; in the latter class for maturities greater than 12 months after the end of the reporting period.

AVAILABLE-FOR-SALE FINANCIAL ASSETS

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and that are not classified in any of the categories. In Fiskars this category comprises the investments in unlisted securities. As their fair values cannot be determined reliably, they are measured at cost. Available-for-sale financial assets are included in non-current assets unless the Group intends to dispose of them within 12 months of the end of the reporting period in which case they are included in current assets.

CASH AND CASH EQUIVALENTS

The balance sheet item Cash and cash equivalents includes cash, i.e. cash in hand and deposits held at call with banks, and cash equivalents. Cash equivalents comprise highly liquid investments that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. The items included in cash equivalents have original maturities of maximum three months from the date of acquisition. Bank overdrafts are included within current interest-bearing financial liabilities.

FINANCIAL LIABILITIES

Fiskars classifies its financial liabilities in the following categories: financial liabilities at fair value through profit or loss (includes derivative liabilities) and financial liabilities measured at amortized cost. A financial liability is recognized initially at fair value. In the case of a financial liability measured at amortized cost, directly attributable transaction costs are included in the original cost. Subsequently financial liabilities are carried at amortized cost using the effective interest method, except for derivative liabilities that are measured at fair value. Financial liabilities are classified as non-current or current; the latter group comprises all those financial liabilities for which the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. The Group removes a financial liability (or a part of it) from its balance sheet only when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expires.

DERIVATIVES AND HEDGE ACCOUNTING

Derivative financial instruments are classified as financial instruments at fair value through profit and loss. Derivatives are recognized initially at cost and subsequently at fair value determined at the end of each reporting period. The fair value of derivatives is based on prevailing market rates or rates derived from the prevailing market rates at the end of the reporting period. Realized gains and losses as well as fair value changes are recognized as adjustments to sales and purchases or in financial items in depending on the nature of the hedged item.

Hedge accounting is applied to hedges of net investments in foreign operations. Fiskars has been hedging the most significant net investments in the subsidiaries situated outside the Euro zone against foreign currency exchange rate fluctuations through foreign currency loans and derivatives. However, the hedging was discontinued during 2009 and there were no net investment hedges outstanding at the end of 2009.

Provisions and contingent liabilities

A provision is recognized when the Group as a result of a past event has a present legal or constructive obligation, it is probable that the obligation will be realized and a reliable estimate can be made of the amount of the obligation. A provision for restructuring is recognized when a detailed formal plan has been prepared and when there is a valid expectation relating those affected that the plan will be carried out. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If it is possible to receive compensation for part of the obligation from a third party, the compensation is recognized as a separate asset, but only when receipt of the compensation is virtually certain.

The Group is party to lawsuits and legal processes concerning Group's business operations. A related provision is recognized in the financial statements when the amount of the expenditure can be estimated reliably and it is more likely than not that they will be realized. Otherwise these contingent liabilities are disclosed in the notes.

Income Taxes

The Group's tax expense comprises current tax based on Group companies' taxable profit for the period and the change of deferred taxes. The current tax charge is calculated using the tax rate enacted or substantively enacted at the end of the reporting period. Deferred tax liabilities or deferred tax assets are provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes using tax rates enacted or substantively enacted at the end of the reporting period. Temporary differences arise, inter alia, from tax loss carry-forwards, depreciation differences, provisions, defined benefit pension plans, fair value measurement of derivative financial instruments, biological assets, eliminated intra-group inventory margins as well as from the fair value adjustments made to assets and liabilities in business combinations. A deferred tax liability is recognized on the undistributed profits of subsidiaries and associates if the distribution of profit is probable and it will result in tax consequences. A deferred tax liability is recorded to its full amount and a deferred tax asset is recognized at the amount of the estimated probable tax benefit. Income tax is recognized in profit or loss, unless it relates to items recognized either in other comprehensive income or directly in equity. In such case any related tax effects are also recognized similarly.

Dividends

Dividends proposed by the Board of Directors are not recorded in the financial statements until they have been approved by the shareholders at the Annual General Meeting.

Adopted IFRS standards and interpretations 2009

As from 1 January 2009 the Group has applied the following standards, interpretations and their amendments:

- Amendments to IFRS 7 Financial Instruments: Disclosures – Improving Disclosures About Financial Instruments. The amendments have expanded the disclosures to be provided on fair value measurement of financial assets and financial liabilities and on liquidity risk.
- Improvements to IFRSs, May 2008 (Annual Improvements). The amendments deal with 34 standards. Under this procedure minor and non-urgent amendments are grouped together and carried out through a single document annually.
- Revised IAS 1 Presentation of Financial Statements. Due to the adoption of the revised IAS 1 there are changes in the terminology from the 2008 reporting.
- IFRIC 13 Customer Loyalty Programmes. The interpretation requires customer loyalty credits be accounted

for as a separate component of the sales transaction in which they are granted.
- IAS 23 (revised) Borrowing costs.

The adoption of the other new and amended standards had no impact on Fiskars' 2009 consolidated financial statements.

Fiskars has adopted IFRS 8 Operating Segments already in 2008.

Adoption of new IFRS standards and interpretations

The standards, interpretations and their amendments described below have been issued but the Group has not applied these regulations before their effective dates. The Group will adopt them as of the effective date or, if the date is other than the first day of the financial year, from the beginning of the subsequent financial year.

Fiskars is assessing the impacts on the consolidated financial statements of the following standards:

- Revised IFRS 3 Business Combinations (effective for financial years beginning on or after 1 July 2009).
  The amendments broaden the scope of IFRS 3 and impact, among other things, the amount of goodwill recognised on business combinations and sales results of businesses. Contingent consideration will be measured at fair value and subsequently re-measured through profit or loss. All acquisition-related costs, such as experts' fees, will be expensed instead of capitalization. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest (previously called minority) in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.
- Amended IAS 27 Consolidated and Separate Financial Statements (effective for financial years beginning on or after 1 July 2009).
  The amendments affect the accounting treatment of acquisitions and sales achieved in stages. If the parent company retains control, impacts from changes in ownership in a subsidiary are recognized directly in Group's equity. When control is lost, any remaining interest is measured at fair value through profit or loss. A similar accounting treatment is also applied to investments in associates and interests in joint ventures. In future losses of a subsidiary may be allocated to non-controlling interest also when they exceed the value of the minority shareholders' investment.
- IFRS 9* Financial Instruments (effective for financial years beginning on or after 1 January 2013). IFRS 9 is part of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement. The new standard deals with measurement categories for financial assets. The guidance in IAS 39 on impairment of financial assets and on hedge accounting continues to apply.

Fiskars does not expect the adoption of the following standards, interpretations and their amendments to have a significant effect on the consolidated financial statements:

- Amendment to IAS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items (effective for financial years beginning on or after 1 July 2009).
- IFRIC 17 Distributions of Non-cash Assets to Owners (effective for financial years beginning on or after 1 July 2009).
- IFRIC 18 Transfers of Assets from Customers (effective on financial years beginning on or after 1 July 2009).
- Improvements to IFRSs* (April 2009) (effective mainly on financial years beginning on or after 1 January 2010).
- Amendments to IFRS 2 Share-based Payment – Group Cash-settled Share-based Payment Transactions* (effective on financial years beginning on or after 1 January 2010).
- Amendment to IAS 32 Financial Instruments: Presentation – Classification of Rights Issues* (effective on financial years beginning on or after 1 February 2010).
- Revised IAS 24 Related Party Disclosures (effective for financial years beginning on or after 1 January 2011).
- Amendments to IFRIC 14 IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction – Prepayments of a Minimum Funding Requirement* (effective for financial years beginning on or after 1 January 2011).
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments* (effective for financial years beginning on or after 1 July 2010).

* The standard or its amendment is still subject to endorsement by the EU.

2. SEGMENT INFORMATION

Fiskars' operating segments are EMEA (Europe, Middle East, and Asia-Pacific), Americas, the associated company Wärtsilä and Other. The operating segments are indentified on the basis of management reporting, which is organized by geographical areas. The operations are further divided to business areas.

Operating segments

- EMEA: The revenues comprise of sales of Home, Garden and Outdoor products to retailers in Europe, Middle-East and Asia-Pacific. Homeware products are even sold directly to consumers via own stores and outlets.
- Americas: The revenues comprise of sales of Home, Garden and Outdoor products to retailers in USA, Canada and Latin America.
- Other: The revenues consist mainly of rent income from Real Estate and timber sales in Finland. Other covers Real Estate and corporate headquarters functions.
- Associate Wärtsilä: Income from the associate is reported as one operating segment.

Business activities between the segments are limited. Inter-segment sales are made on arms length basis. Real Estate owns real estate in Finland and leases it to subsidiaries in Finland e.g. for use as production facilities.

Management monitors the operating results of the segments separately for the purpose of making decisions. Segment assets and liabilities are based on geographical location of the assets. Financial income and costs and income taxes are managed on group basis and accordingly not allocated to operating segments.

In the Americas the Fiskars branded products' distribution, logistics and consumer preferences are managed centrally for the business areas. In the EMEA area the markets and distribution are more diversified, but from the customer point of view the business areas operate in a common environment.

Business areas

Business areas are Home, Garden and Outdoor. Net sales for the business areas are reported based on the nature of the sales of the products sold to customers. Sales between the business areas are insignificant.

Unallocated items

The unallocated items of the Income Statement contain corporate level costs and income. Unallocated assets comprise items related to corporate administration, tax receivables, loan receivables and equity instruments. Unallocated liabilities comprise non-current and current debt and tax liabilities. Also part of the restructuring costs are unallocated.

Changes in segment reporting in 2009

Fiskars' operating segment and business area structure was changed as of January 1, 2009. The Inha Works business, which mainly consists of boat production, has been moved from Other to EMEA.

School, office and craft (SOC) is included in the business area Home. Previously SOC was reported as a separate business area as well as Boats (Inha Works) that is now included in Outdoor.

2.1 Operating segments

2009

M€	EMEA	Americas	Other	Associate Wärtsilä	Unallocated and eliminations	Corporate total
Net sales, external	446.3	213.0	3.7		0.0	662.9
Net sales, inter-segment	7.9	5.2	2.4		-15.5	0.0
Net sales	454.2	218.2	6.1		-15.5	662.9
Operating profit	26.7	23.9	-11.1*)		0.0	39.5
Change in fair value of biological assets			-0.4			-0.4
Share of profit from associate				66.5		66.5
Financial income and expenses					-14.2	-14.2
Profit before taxes						91.4
Income taxes					-7.9	-7.9
Profit for the period						83.5
Assets	539.3	154.1	425.8	316.8	-462.5	973.3
Liabilities	425.9	62.1	424.3		-443.8	468.5
Capital expenditure	10.7	2.8	1.1		0.0	14.6
Depreciations, amortizations and impairment	20.5	7.8	-0.2		0.0	28.1

*) Includes non-recurrings items €-0.5 million.

2008

M€	EMEA	Americas	Other	Associate Wärtsilä	Unallocated and eliminations	Corporate total
Net sales, external	481.0	211.4	4.5		0.0	697.0
Net sales, inter-segment	10.3	5.1	1.4		-16.7	0.0
Net sales	491.3	216.5	5.9	0.0	-16.7	697.0
Operating profit excluding restructuring	29.1	15.4	-11.7	0.0	5.0	37.8
Restructuring costs	-7.4	-19.4			-5.0	-31.8
Operating profit	21.7	-4.0	-11.7	0.0	0.0	6.0
Change in fair value of biological assets			-5.6			-5.6
Share of profit from associate				70.5		70.5
Financial income and expenses					-19.4	-19.4
Profit before taxes						51.5
Income taxes					-2.3	-2.3
Profit for the period						49.2
Assets	574.4	149.2	581.5	263.5	-599.0	969.7
Liabilities	464.0	66.4	428.3		-435.8	523.0
Capital expenditure	23.7	3.0	3.1		0.0	29.8
Depreciations, amortizations and impairment	18.3	12.8	1.8		0.0	32.9

2.2 Net sales by business area

M€	2009	2008
Home	299.9	316.8
Garden	230.9	231.2
Outdoor	128.4	145.2
Other	3.7	3.9
Total	662.9	697.0

2.3 Information about geographical areas

M€	2009	2008
Net sales from Finland	141.6	151.5
Net sales from foreign countries	521.4	545.5
Total	662.9	697.0
Assets in Finland *)	535.4	513.9
Assets in foreign countries *)	157.8	145.0
Total	693.2	659.0

*) Non-current assets other than financial instruments, deferred tax assets and post-employment benefit assets.

3. NON-RECURRING AND RESTRUCTURING COSTS

2009
Fiskars has continued restructuring measures to improve the profitability of the business in 2009. However, there were no material restructuring costs in 2009. The restructuring provisions recorded in 2008 were utilized according to the plan. Other non-recurring costs recorded in 2009 amounted to €0.5 million.

2008
In 2008 the restructuring costs totaled €31.8 million. The restructuring costs recorded in cost of goods sold amounted to €13.7 million, whereof €12.6 million resulted from the change in the inventory valuation policy. The rest of the restructuring costs was recorded in sales and marketing, administration and other operating expenses. Other non-recurring costs recorded in 2008 amounted to €3.1 million.

4. ACQUISITIONS AND DIVESTMENTS

2009
• Acquisition of Silva Far East
Fiskars acquired a 30% minority share of Silva Far East Ltd in June 2009. The holding was acquired from Kasinda Holding Limited for €0.2 million. After the minority share acquisition, the manufacturing company in China became a wholly owned subsidiary of Silva Sweden AB.

• Divestment of Brunton
Fiskars sold the Brunton business in Wyoming, USA in December 2009 to Fenix Outdoor AB (publ) of Sweden. The transaction did not have a material impact on Fiskars' net sales or operating profit 2009. Brunton was reported as a part of Fiskars' Outdoor business.

Brunton's net sales in 2009 were €8.8 million, the operating loss was €2.1 million and the cash flow from operations was €0.4 million.

The portion of the disposal consideration that is cash and cash equivalents is reported in the Consolidated Statement of Cash Flows on line "Cash flow from other investments".

• Divestment of craft consumables
Fiskars divested its craft consumables product lines and the related brands Heidi Grace and Cloud9 to Colorbök, Inc in the U.S. in July 2009. Net sales of the business for January–June 2009 amounted to €2.4 million.

2008
• Acquisition of Iittala Group's minority share
Fiskars acquired a 2.3% minority share of Iittala Group on June 30, 2008. Purchase price of the minority share was €3.1 million and was paid fully in cash. The price of the purchase has been allocated to assets, liabilities and contingent liabilities already at the 2007 acquisition. After minority share acquisition Fiskars owns all shares of Iittala Group.

5. NOTES TO THE INCOME STATEMENT

5.1 Other operating income

M€	2009	2008
Net gain on disposal of fixed assets		0.4
Rental income	0.4	0.4
Other	1.4	2.0
Total	1.8	2.9

5.2 Total expenses by nature

M€	2009	2008
Materials and supplies	334.1	300.7
Change in inventory	40.7	13.0
Employee benefits	165.3	186.8
Depreciation and amortization	28.1	32.9
External services	25.7	21.4
Other	31.4	139.1
Total	625.2	693.9

5.3 Other operating expenses

M€	2009	2008
Impairment of property, plant and equipment	1.2	5.6
Other	0.7	12.2
Total	1.9	17.8

5.4 Employee benefits

M€	2009	2008
Wages and salaries	113.4	126.4
Other compulsary personnel costs	36.8	40.7
Pension costs, defined contribution plans	13.4	13.4
Pension costs, defined benefit plans	0.3	0.1
Other post employment benefits		0.4
Termination benefits	1.4	5.8
Total	165.3	186.8

5.5 Average number of employees

	2009	2008
Finland	1,598	1,787
Other Europe	1,293	1,431
USA	740	861
Other	236	246
Total	3,867	4,325

5.6 Number of employees, end-of-period

	2009	2008
Blue collar	2,089	2,473
White collar	1,534	1,646
Total	3,623	4,119

5.7 Fees paid to Companies' Auditors

M€	2009	2008
Audit fees	0.9	0.9
Audit related fees	0.0	0.1
Tax consultation	0.1	0.2
Other non-audit fees	0.1	0.1
Total	1.2	1.4

The appointed auditor was KPMG for the financial years 2008–2009.

5.8 Depreciation, amortization and impairment by asset class

M€	2009	2008
Buildings	3.8	7.5
Machinery and equipment	18.3	19.4
Intangible assets	6.0	6.0
Total	28.1	32.9

5.9 Financial income and expenses

M€	2009	2008
Interest income on cash and bank	0.5	0.8
Exchange gains and losses, net	-3.2	0.1
Financial income total	-2.7	1.0
Write-down of non-current investments		-0.1
Interest expenses on debt at amortized cost	-9.6	-17.4
Interest cost on financial leasing at amortized cost	-0.8	-0.9
Derivative revaluation gains (losses), at fair value through profit and loss	0.0	-0.1
Net gain (loss) from sale of investments at fair value through profit and loss	0.0	-0.3
Fair value of other shares at fair value through profit and loss	0.0	-0.8
Other financial expenses	-1.0	-0.8
Financial expense total	-11.5	-20.4
Financial income and expenses total	-14.2	-19.4

5.10 Income taxes

M€	2009	2008
Current year income taxes	-4.4	-4.0
Prior year income taxes	-0.4	-1.1
Change in deferred taxes	-3.1	2.7
Income taxes total	-7.9	-2.3

Reconciliation of income taxes

M€	2009	2008
Tax rate for the Parent Company	26%	26%
Profit before taxes	91.4	51.5
Income tax using the domestic corporation tax rate	-23.8	-13.4
Impact of associate	17.3	18.3
Fair value adjustments and other tax exempt items	0.6	4.5
Non-deductible expenses	-2.0	-7.3
Effect of tax rates in foreign jurisdictions	-0.8	-0.9
Change in valuation of tax assets	1.4	-3.2
Income tax for prior years	-0.4	-1.1
Tax booked against unbooked tax assets	0.8	1.0
Deferred tax from equity hedge	0.0	0.2
Other items	-1.0	-0.6
Income taxes recognized in profit and loss	-7.9	-2.3

Taxes in other comprehensive income

2009

M€	Total	Tax	Net
Translation differences	-1.9		-1.9
Change in associate recognized directly in other comprehensive income	12.7		12.7
Equity net investment hedges	1.6	-0.3	1.3
Defined benefit plan, actuarial gains (losses)	1.0	-0.3	0.7
Other comprehensive income for the period, total	13.4	-0.6	12.8

2008

M€	Total	Tax	Net
Translation differences	-1.9		-1.9
Change in associate recognized directly in other comprehensive income	-18.1		-18.1
Equity net investment hedges	0.9	-0.2	0.7
Defined benefit plan, actuarial gains (losses)	-0.3	0.1	-0.2
Other changes	0.2		0.2
Other comprehensive income for the period, total	-19.2	-0.1	-19.3

5.11 Earnings per share

The basic earnings per share is the annual net profit attributable to ordinary shareholders of the Parent Company divided by the weighted average number of shares outstanding during the year. Fiskars Corporation does not have any current share option programs or other diluting financial instruments, so the diluted earnings per share is the same as the undiluted.

	2009	2008
Net profit attributable to the ordinary shareholders of the Parent Company, M€	83.5	49.3
Number of shares	82,023,341	77,510,200
Weighted average number of shares outstanding	79,289,391	77,397,665
Earnings per share, euro (basic)	1.05	0.64
Earnings per share, euro (diluted)	1.05	0.64

6. NOTES TO THE BALANCE SHEET, ASSETS

6.1 Goodwill

M€	2009	2008
Historical cost, Jan 1	117.9	117.5
Translation differences	-0.6	0.4
Acquisitions and divestments	0.2	
Historical cost, Dec 31	117.5	117.9
Accumulated impairment, Jan 1	18.7	17.7
Translation differences	-0.6	1.0
Accumulated impairment, Dec 31	18.1	18.7
Net book value, Dec 31	99.4	99.2

Goodwill is not amortized but is tested at least annually for impairment.

Goodwill impairment test in cash-generating units

Goodwill allocated to cash-generating units:

M€	2009	2008
Home	73.7	73.6
Garden	14.5	14.2
Outdoor	11.3	11.5
Total	99.4	99.2

Goodwill from acquisitions is allocated to Cash Generating Units (CGU). The classification of the CGUs is changed from 2008 to meet Fiskars' new reporting structure. Under the new reporting structure, the business areas, which form the CGUs, are Home, Garden, and Outdoor.

The recoverable amounts from CGUs are determined on a discounted cash flow method basis, derived from five-year cash flow projections, based on strategic plans approved by management. Cash flows for the period extending over the planning period are calculated using the terminal value method. A steady growth rate of 2.5% (2008: 1.5%) on sales is applied for the terminal value to all CGUs. The change in the steady growth rate corresponds the strategic plans approved by the management.The discount rate is the weighted average post-tax cost of capital (WACC) as defined by Fiskars. The components of the WACC are risk-free rate, market risk premium, company-specific risk premium, industry specific equity beta, cost of debt and debt to equity ratio. The pre-tax WACC used in the calculations was 7.3% (9.8%). The change in WACC mainly results from the decrease in cost of debt.

On the basis of the impairment calculations made, there has been no need for impairment of goodwill for any CGU for the periods ended 31 December 2009 and 2008.

Sensitivity analysis

Sensitivity analyses have been carried out for the valuation of each CGU by making downside scenarios. These downside scenarios were created by changing the underlying assumptions in the valuations such as:
1) Applying EBIT-% that are 1–2% lower
2) Applying 0% steady growth rate in projecting the terminal value
3) Applying a WACC that is 1–2% higher

In the management's opinion changes in the basic assumptions provided in these theoretical downside scenarios shall not be seen as an indication that these factors are likely to materialize. Two percentage points increase in WACC would not have resulted in any goodwill impairment (relative increase in 2008 would have resulted in a goodwill impairment of €12 million). Two percentage points decrease in EBIT-% would not result in any goodwill impairment (relative decrease in 2008 would have resulted in a goodwill impairment of €0.7 million). Also, applying a steady growth rate of 0% would not result in any impairment in 2009 nor in 2008.

6.2 Other intangible assets

M€	2009	2008
Historical cost, Jan 1	158.1	157.1
Translation differences	-0.3	-0.3
Acquisitions and disinvestmnets	-0.7	
Additions	1.0	1.4
Decreases	-1.2	-1.9
Transfers between asset groups	0.3	1.6
Historical cost, Dec 31	157.2	158.1
Accumulated amortization, Jan 1	27.1	23.2
Translation differences	-0.1	-0.6
Amortization for the period	6.0	6.0
Decreases	-0.7	-1.5
Transfers between asset groups	0.0	
Accumulated amortization, Dec 31	32.3	27.1
Net book value, Dec 31	124.9	131.0

M€	2009	2008
Trademarks included in intangible assets	106.1	107.7

Trademarks are not amortized but are tested at least annually for impairment using a relief from royalty method. Cash flows attributable to trademarks are derived by indentifying revenues from sales of products belonging to each trademark. The carrying amounts of trademarks are determined on a discounted cash flow method basis, derived from eight-year cash flow projections, based on strategic plans approved by the management. Cash flows for the period extending over the planning period are calculated using the terminal value method. The discount rate is the weighted average post-tax cost of capital (WACC) as defined by Fiskars added with one percentage point risk premium. The pre-tax WACC used in the calculations was 8.3% (10.8%). A steady growth rate of 3% (2%) on sales is applied for the terminal value to all trademarks. The change in the steady growth rate corresponds the strategic plans approved by the management. On the basis of the impairment calculations made, there has been no need for impairment of trademarks for the periods ended 31 December 2009 and 2008.

Sensitivity analysis

Sensitivity analyses have been carried out for the valuation of each trademark by making downside scenarios. These downside scenarios were created by changing the underlying assumptions in the valuations such as:

- Applying a steady growth rate of 0% in projecting the terminal value
- Applying a discount rate that is 1–2% higher

In the management's opinion changes in the basic assumptions provided in these theoretical downside scenarios shall not be seen as an indication that these factors are likely to materialize. Applying of 0% steady growth rate would not result to any impairment in 2009 or 2008. Also, two percentage points increase in discount rate would not result to any trademark impairment either in 2009 or 2008.

6.3 Property, plant & equipment

2009 M€	Land and water	Buildings	Leased real estate	Machinery and equipment	Construction in progress	Total
Historical cost, Jan 1	16.4	53.9	12.8	191.9	5.5	280.5
Translation differences	0.0	0.0	-0.4	-0.4	0.0	-0.7
Acquisitions and divestments	-0.2	-0.5		-0.8	-0.1	-1.6
Additions	0.2	0.5		5.1	7.4	13.2
Decreases	-0.2	-0.6	0.0	-11.6	-0.1	-12.4
Transfers between asset groups	0.0	-2.0	0.7	5.0	-10.2	-6.5
Historical cost, Dec 31	16.3	51.3	13.1	189.2	2.5	272.4
Accumulated depreciation, Jan 1		26.9	7.8	132.7		167.3
Translation differences		-0.1	-0.3	-0.5		-0.8
Depreciation for the period		2.1	1.6	18.3		22.0
Decreases		-0.4	0.0	-10.1		-10.5
Transfers between asset groups		-3.6	1.1	-2.7		-5.1
Accumulated depreciation, Dec 31		24.9	10.3	137.7		172.9
Net book value, Dec 31	16.3	26.4	2.8	51.5	2.5	99.5

2008 M€	Land and water	Buildings	Leased real estate	Machinery and equipment	Construction in progress	Total
Historical cost, Jan 1	16.0	56.2	15.0	180.8	6.7	274.6
Translation differences	0.0	-2.5	0.9	-2.6	-0.2	-4.5
Additions	0.6	0.4		9.0	13.8	23.8
Decreases	-0.1	-1.3		-6.7	-0.4	-8.6
Transfers between asset groups		1.1	-3.0	11.6	-14.4	-4.7
Historical cost, Dec 31	16.4	53.9	12.8	191.9	5.5	280.5
Accumulated depreciation, Jan 1		26.4	6.3	120.0		152.8
Translation differences		-1.9	0.4	-1.7		-3.2
Depreciation for the period		2.4	1.1	19.1		22.5
Decreases		0.0		-4.7		-4.8
Transfers between asset groups		0.0		-0.1		-0.1
Accumulated depreciation, Dec 31		26.9	7.8	132.7		167.3
Net book value, Dec 31	16.4	27.0	5.1	59.3	5.5	113.2

6.4 Biological assets

M€	2009	2008
Fair value, Jan 1	39.3	44.9
Increase due to growth	1.5	1.7
Change in fair value less estimated point-of-sale costs	-0.5	-5.8
Harvested timber	-1.4	-1.5
Fair value, Dec 31	38.9	39.3

Fiskars has some 15,000 hectares of real estate and forests in Finland, including the key landholding at Fiskars Village. The accounting estimate used for valuing biological assets (standing timber) was changed in 2008. The new estimate uses a three-year rolling average price of standing timber.

6.5 Investment property

M€	2009	2008
Historical cost, Jan 1	19.7	16.2
Translation differences	-0.3	0.4
Additions	0.3	0.2
Decreases	-1.1	-0.1
Transfers between asset groups	1.9	3.0
Historical cost, Dec 31	20.4	19.7
Accumulated depreciation, Jan 1	12.0	7.8
Translation differences	-0.3	0.2
Depreciation and impairment for the period	0.0	4.0
Decreases	0.1	-0.1
Transfers between asset groups	0.1	0.0
Accumulated depreciation and impairment, Dec 31	11.9	12.0
Net book value, Dec 31	8.5	7.7

Fair value

Investment Property comprises the Parent company properties in Fiskars Village, Finland, and the leasing properties of Fiskars Brands, Inc in the US that are not in Group´s operational use. Properties in Fiskars Village are unique in their cultural and historical values. Therefore it is not possible to determine a comparable market value on the properties.

M€	2009	2008
Finland	6.1	6.1
USA	2.4	1.6
Total	8.5	7.7

6.6 Investments in associates

M€	2009	2008
Net book value, Jan 1	263.5	278.3
Share of profit	66.5	70.5
Dividends received	-25.3	-67.2
Share of other comprehensive income	12.7	-18.1
Other changes	-0.7	0.0
Net book value, Dec 31	316.8	263.5
Goodwill included in the net book value	61.2	61.2

Share of profit comprises the share of net profit in associate reduced with the €25.3 million (67.2) dividends received. Share of other comprehensive income comprises changes in associated company's equity. The market value of Wärtsilä shares owned by Fiskars as at December 31, 2009 amounted to €472.9 million (353.9).

Summary of financial information on associates

	2009	2008
WÄRTSILÄ CORPORATION		
Ownership-%	17.1	17.1
Assets, M€	4,655	4,743
Liabilities, M€	3,143	3,544
Equity, M€	1,512	1,199
Net sales, M€	5,260	4,612
Net profit, M€	396	389

Fiskars' share in the votes of the associate was 17.1% (17.1%).

6.7 Shares at fair value through profit and loss

M€	2009	2008
Historical cost, Jan 1	2.9	3.0
Additions		1.3
Decreases		-0.5
Change in fair value through profit and loss	0.0	-0.8
Book value, Dec 31	3.0	2.9

The shares comprise listed shares and unlisted shares. Listed shares have been recognized at their fair value based on quotation at the end of the reporting period and changes in the fair value are booked in the income statement. Unlisted shares are measured at cost since their fair value cannot be determined reliably.

6.8 Other investments

M€	2009	2008
Historical cost, Jan 1	2.2	2.3
Translation differences	0.0	-0.1
Additions	0.5	0.2
Decreases	-0.5	-0.1
Other changes	-0.1	-0.2
Book value, Dec 31	2.1	2.2

Other investments comprise non-current receivables and they are measured at the lower of cost and fair value.

6.9 Inventories

M€	2009	2008
Raw materials and consumables	18.5	28.8
Work in progress	12.3	17.6
Finished goods	87.5	112.6
Advance payments	0.7	0.8
Total, Dec 31	119.0	159.8
Write-down to the carrying value of inventories to reflect the net realizable value	-16.2	-25.3

6.10 Trade and other receivables

M€	2009	2008
Trade receivables	89.2	90.7
Advances paid	0.1	0.2
Derivatives	0.4	3.6
Other receivables	5.2	6.1
Prepaid expenses and accrued income	6.9	9.1
Total, Dec 31	101.9	109.6

Trade receivables, aging classification

M€	2009	2008
Aging class, not fallen due	76.3	72.2
Aging class, 0–30 days overdue	10.5	12.4
Aging class, 31–60 days overdue	2.2	2.8
Aging class, 61–90 days overdue	0.6	1.7
Aging class, 91–120 days overdue	0.3	0.7
Aging class, over 120 days overdue	2.6	3.7
Less provision for bad debts, Dec 31	-3.2	-2.9
Total, Dec 31	89.2	90.7

Trade receivables in currencies

M€	2009	2008
Danish Krones (DKK)	7.6	7.2
Euros (EUR)	32.4	33.8
Norwegian Krones (NOK)	6.0	3.7
Swedish Kronas (SEK)	6.7	8.0
Great Britain Pounds (GBP)	5.8	8.0
US Dollars (USD)	23.2	23.6
Other currencies	7.6	6.3
Total, Dec 31	89.2	90.7

Trade receivables are widely spread geographically. The biggest customers are major retailers with solid credit ratings. Credit loss risks are estimated to be moderate. The maximum exposure to credit risk is the carrying amount of the trade receivables.

6.11 Cash and cash equivalents

M€	2009	2008
Cash at bank	38.6	9.4
Money market investments		1.9
Other current investments	0.0	0.0
Total, Dec 31	38.6	11.3

7. DEFERRED TAX ASSETS AND LIABILITIES

2009

Deferred tax assets

M€	Jan 1, 2009	Recognized in income statement	Recognized in other comprehen-sive income	Translation difference	Dec 31, 2009
Retirement benefit	0.7	1.4	-0.3	0.1	1.9
Provisions	12.7	-3.1		0.4	10.1
Effects on consolidation and eliminations	3.0	-1.1			1.9
Property, plant & equipment	3.6	-2.9			0.7
Tax losses and tax credits carried forward	19.3	0.7		0.7	20.7
Valuation allowance of deferred tax assets	-19.3	-1.6		-0.1	-21.1
Other temporary differences	5.9	-1.6	-0.3	0.0	4.0
Total deferred tax assets	25.9	-8.2	-0.6	1.1	18.3
Offset against deferred tax liabilities	-4.3	3.8			-0.5
Net deferred tax assets	21.7	-4.4	-0.6	1.1	17.8

Deferred tax liability

M€	Jan 1, 2009	Recognized in income statement	Recognized in other comprehensive income	Translation difference	Dec 31, 2009
Property, plant & equipment	8.5	-4.1		-0.3	4.2
Fair value adjustments	11.8	0.4		-0.4	11.8
Effects on consolidation and eliminations *)	32.1	-0.8		0.0	31.3
Other temporary differences	1.1	-0.6		-0.1	0.3
Total deferred tax liabilities	53.5	-5.1	0.0	-0.8	47.6
Offset against deferred tax assets	-4.3	3.8			-0.5
Net deferred tax liabilities	49.3	-1.3	0.0	-0.8	47.2
Deferred tax assets (+) / liabilities (–), net	-27.6				-29.4

*) Consist mainly of adjustments to fair value in acquisitions.

2008

Deferred tax assets

M€	Jan 1, 2008	Recognized in income statement	Recognized in other comprehensive income	Translation difference	Dec 31, 2008
Retirement benefit	2.2	-1.7	0.2	0.0	0.7
Provisions	1.7	11.0			12.7
Effects on consolidation and eliminations	3.7	-0.8		0.1	3.0
Property, plant & equipment	9.3	-5.6		0.0	3.6
Tax losses and tax credits carried forward	25.1	-5.6		-0.2	19.3
Valuation allowance of deferred tax assets	-24.6	5.6		-0.3	-19.3
Other temporary differences	3.0	2.2		0.8	5.9
Total deferred tax assets	20.3	5.0	0.2	0.4	25.9
Offset against deferred tax liabilities		-4.3			-4.3
Net deferred tax assets	20.3	0.7	0.2	0.4	21.7

Deferred tax liability

M€	Jan 1, 2008	Recognized in income statement	Recognized in other comprehensive income	Translation difference	Dec 31, 2008
Property, plant & equipment	4.7	3.2	0.5	0.1	8.5
Fair value adjustments	13.8	-2.0			11.8
Effects on consolidation and eliminations	33.0	-0.8		0.0	32.1
Other temporary differences	0.4	0.6	0.0	0.0	1.1
Total deferred tax liabilities	51.8	1.1	0.5	0.1	53.5
Offset against deferred tax assets		-4.3			-4.3
Net deferred tax liabilities	51.8	-3.2	0.5	0.1	49.3
Deferred tax assets (+) / liabilities (–), net	-30.7				-27.6

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority. The Group has full control of dividend distribution and therefore no deferred tax liability has been recorded. Associate Wärtsilä is a public company and its distribution of profit is tax exempt for Fiskars. Taxes relating to equity net investment hedge and actuarial gains and losses have been recorded into other comprehensive income. The deferred tax on tax losses carried forward amounted to €20.7 million (€19.3 million) at the end of financial year. Deferred tax allowance is recorded to offset deferred tax assets in order to recognize the deferred tax assets only to the extent that it is probable that future taxable profits will be available. The tax losses carried forward, net of allowance will not expire in the following five years. Income taxes recorded in the income statement and in other comprehensive income are specified in Note 5.10.

8. NOTES TO THE BALANCE SHEET, EQUITY AND LIABILITIES

8.1 Share capital

	2009 pcs 1,000	2008 pcs 1,000	2009 M€	2008 M€
A Shares				
Jan 1	54,944	54,944	54.9	54.9
Change *)	-54,944		-54.9	
Dec 31	0	54,944	0.0	54.9
K Shares				
Jan 1	22,566	22,566	22.6	22.6
Change *)	-22,566		-22.6	
Dec 31	0	22,566	0.0	22.6
New shares				
Jan 1				
Change *)	82,023		77.5	
Dec 31	82,023	0	77.5	0.0
Share capital, Dec 31	82,023	77,510	77.5	77.5

Treasury shares

	2009 pcs 1,000	2008 pcs 1,000	2009 M€	2008 M€
A Shares				
Jan 1	112.1	127.5	-0.8	-0.9
Change *)	-112.1	-15.4	0.8	0.1
Dec 31	0.0	112.1	0.0	-0.8
K Shares				
Jan 1	0.4	0.4	0.0	0.0
Dec 31	-0.4		0.0	
Dec 31	0.0	0.4	0.0	0.0
New shares				
Jan 1				
Change *)	112.6		-0.8	
Dec 31	112.6		-0.8	
Treasury shares, Dec 31	112.6	112.5	-0.8	-0.8

Number of shares, votes and share capital *)

	Dec 31, 2009 Number of shares	Dec 31, 2009 Number of votes	Dec 31, 2009 Share capital €	Dec 31, 2008 Number of shares	Dec 31, 2008 Number of votes	Dec 31, 2008 Share capital €
A shares (1 vote/share)				54,944,492	54,944,492	54,944,492
K shares (20 votes/share)				22,565,708	451,314,160	22,565,708
New shares (1 vote/share)	82,023,341	82,023,341	77,510,200			
Total	82,023,341	82,023,341	77,510,200	77,510,200	506,258,652	77,510,200

*) Fiskars Corporation has one series of shares following the combination of the company´s series A and K shares based on the decision by the Extraordinary General Meeting. Holders of series K shares received one share free for each five series K shares. The new single class shares (FIS1V) became subject to public trading as of July 31, 2009. All shares carry one vote each and equal rights.

8.2 Provisions

2009 M€	Warranty provision	Restructuring provision	Onerous contracts and other provisions	Total
Provisions, Jan 1	1.7	8.8	2.9	13.4
Translation differences	-0.4	-0.1	-1.2	-1.7
Additions	0.4	0.6	1.0	2.0
Used provisions		-4.6		-4.6
Reversals		-0.2	0.2	-0.1
Provisions, Dec 31	1.7	4.6	2.8	9.1

2008 M€	Warranty provision	Restructuring provision	Onerous contracts and other provisions	Total
Provisions, Jan 1	1.3	2.5	2.3	6.2
Translation differences	0.0	-0.3	0.0	-0.3
Additions	0.4	10.3	0.7	11.4
Used provisions		-3.3		-3.3
Change in estimates		0.0	-0.1	-0.1
Reversals		-0.5	-0.1	-0.5
Provisions, Dec 31	1.7	8.8	2.9	13.4

8.3 Trade and other payables

M€	2009	2008
Trade payables	38.7	42.6
Advances received	0.4	0.3
Other debt	8.5	7.9
Accrued expenses and deferred income		
Interest payable	2.5	7.3
Wages, salaries and social costs	31.6	30.8
Customer rebates and commissions	15.3	13.2
Other	24.4	19.7
Total, Dec 31	121.3	121.9

Other accrued expenses and deferred income comprise periodization of bought materials and supplies, annual rebates for clients and other accrued items.

8.4 Employee benefit obligations

Most of the Fiskars Group's pension plans are defined contribution plans. The defined benefit plans in the US, Great Britain and Germany are closed plans, and future pay increases will not impact the valuation. The defined benefit plans in Norway and Holland are not closed. The Group also has supplementary pension plans in Finland which are classified as defined benefit plans. Authorized actuaries have performed the actuarial calculations for the defined benefit plans. The Group is responsible for some post-employment benefits in Italy, but the liabilities recorded are final and as such they are classified as defined contribution plans.

M€	2009	2008
Liabilities for post-employment benefits	2.3	2.3
Defined benefit pension liabilities	7.1	6.9
Pension liability total	9.4	9.2

Amounts as of December 31:

M€	2009	2008	2007	2006	2005
Defined Benefit Obligation	27.1	23.9	32.4	27.6	28.1
Plan assets	20.0	17.0	25.4	17.1	14.8
Deficit/(Surplus) in the plan	7.1	6.9	7.1	10.5	13.2
Experience adjustments on plan liabilities	0.8	2.3	0.4	0.3	0.0
Experience adjustments on plan assets	1.5	-4.9	-0.3	-0.2	-0.7

Amounts recognized in the Balance Sheet

M€	2009	2008
Change in defined benefit obligation:		
Defined benefit obligation at the beginning of the year	23.9	32.4
Translation difference	1.8	-4.7
Service cost	0.6	0.8
Interest cost	1.4	1.5
Actuarial (gain) or loss	2.9	-4.8
Settlements	-2.0	
Benefits paid	-1.4	-1.3
Defined benefit obligation, Dec 31	27.1	23.9
Changes in plan assets:		
Fair value of plan assets at the beginning of the year	17.0	25.4
Translation difference	1.6	-4.8
Expected return on plan assets	1.1	1.2
Actuarial gain or (loss)	1.7	-5.2
Benefits paid	-1.3	-1.3
Employer contributions	1.0	1.7
Settlements	-1.2	
Fair value of plan assets, Dec 31	20.0	17.0
Net defined pension benefit liability at Dec 31	7.1	6.9

Amounts recognized in the Income Statement

M€	2009	2008
Current service cost	0.6	0.8
Interest cost	1.4	1.5
Effect of settlement and curtailments	-0.7	
Expected return on plan assets	-1.1	-1.3
Total	0.1	1.1

Amounts recognized directly in other comprehensive income

M€	2009	2008
Actuarial gain or (loss)	0.7	-0.3
Deferred tax	-0.2	0.1
Total	0.5	-0.2
Actual gain for defined benefit plan funds	2.9	-4.1

Plans in US and Germany are non-funded. Plans in Finland, Norway and the Netherlands are taken care of by local pension insurance companies. The plans in Great Britain are funded by investments in equities and bonds totaling €12.7 million of which € 6.8 million are investments in equities. The Group estimates its contributions to the plans during 2010 to be €1.5 million.

Plan assets by asset group

%	2009	2008
Equity securities	37	34
Debt securities	4	3
Real Estate	8	7
Bonds	40	40
Other	11	16

Principal actuarial assumptions at the balance-sheet date

Discount rate

%	2009	2008
Great Britain	5.30–5.60	6.5–6.65
Germany	5.3	6.5
Finland	5.3	6.5
United States	5.4	6.0

Expected return on plan assets

%	2009	2008
Great Britain	3.10–5.90	3.9–7.2
Germany	n/a	n/a
Finland	5.25	5.57
United States	n/a	n/a

Future salary increases

%	2009	2008
Great Britain	4.5	n/a
Germany	n/a	n/a
Finland	1.85	2.5
United States	n/a	n/a

Future pension increases

%	2009	2008
Great Britain	3.0–3.6	3.0–3.3
Germany	1.5	1.0
Finland	n/a	n/a
United States	0.0	0.0

9. FINANCE

9.1 Maturity of liabilities

As of December 31, 2009 the Group has unused credit facilities €425 million (405) at its disposal to guarantee its liquidity. The average maturity of the credit limit agreements as of December 31, 2009 was 4.4 years (5.4 years).

2009

M€	2010	2011	2012	2013	2014	Later years	Total
Bank overdrafts	1.5						1.5
Commercial papers	136.4						136.4
interests	0.6						0.6
Other debt	0.2	0.0				0.1	0.3
Capital loan	45.1						45.1
interests	2.8						2.8
Loans from credit institutions	15.0	0.1			10.4	52.6	78.1
interests	1.2	0.9	0.9	0.9	0.9	1.8	6.6
Financial leasing	1.5	2.5	1.4	1.5	1.6	4.7	13.1
interests	0.7	0.6	0.5	0.4	0.3	1.1	3.6
Trade payables	116.4						116.4
Derivative liabilities	0.1						0.1
Total, Dec 31	321.4	4.0	2.8	2.8	13.2	60.4	404.6
	79.4%	1.0%	0.7%	0.7%	3.3%	14.9%	100.0%

2008

M€	2009	2010	2011	2012	2013	Later years	Total
Bank overdrafts	6.9						6.9
Commercial papers	123.2						123.2
interests	2.8						2.8
Other debt	5.7						5.7
Capital loan		45.1					45.1
interests	2.8	2.8					5.6
Loans from credit institutions	45.8	15.1	0.1			63.3	124.3
interests	5.0	3.8	3.2	3.2	3.2	10.1	28.6
Financial leasing	2.4	2.4	2.5	1.5	1.6	5.6	16.0
interests	0.9	0.7	0.6	0.5	0.4	1.5	4.6
Trade payables	112.0						112.0
Derivative liabilities	0.3						0.3
Total, Dec 31	307.8	70.0	6.4	5.2	5.2	80.5	475.1
	64.8%	14.7%	1.4%	1.1%	1.1%	16.9%	100.0%

9.2 Non-current interest bearing debt

M€	2009 Fair value	Carrying amount	2008 Fair value	Carrying amount
Capital loan *)			45.5	45.1
Loans from credit institutions	63.1	63.1	78.6	78.6
Financial leasing debt	13.0	11.6	14.9	13.6
Other non-current debt	0.1	0.1	0.1	0.1
Total, Dec 31	76.2	74.9	139.1	137.5

All interest-bearing debts are valued at periodized acquisition cost. The fair values of interest-bearing debts have been calculated by discounting the cash flow of the debt by the market rate at the end of reporting period.

*) The capital loan is moved to current interest bearing debt due to full repayment within one year.

Finance lease debt

M€	2009	2008
Finance lease liabilities are payable as follows:		
Less than one year	3.1	3.3
Between one and five years	8.7	10.2
More than five years	4.9	7.0
Minimum lease payments in total	16.7	20.5

Minimum lease payments, principal

M€	2009	2008
Less than one year	1.5	2.4
Between one and five years	7.0	8.0
More than five years	4.7	5.6
Present value of minimum finance lease payments	13.1	16.0
Future finance charges	3.6	4.5

9.3 Current interest bearing debt

M€	2009 Fair value	Carrying amount	2008 Fair value	Carrying amount
Bank overdrafts	1.5	1.5	6.9	6.9
Loans from credit institutions	15.0	15.0	47.9	47.9
Commercial papers	136.4	136.4	123.1	123.1
Capital loan *)	45.6	45.1	0.0	0.0
Financial leasing debt	1.5	1.5	2.4	2.4
Other	0.2	0.2	3.3	3.3
Total, Dec 31	200.2	199.7	183.7	183.7

*) Main characteristics of the loan: The principal, interest and any other yield will be payable on the dissolution or bankruptcy of the company solely at a priority ranking inferior to that of all other debt. The principal can be repaid if and only to the extent the company will retain full cover for its restricted equity and non-distributable funds in accordance with the balance sheet and consolidated balance sheet approved for the latest financial year. Interest can be paid if and only to the extent the equivalent sum is available for dividend distribution in accordance with the balance sheet and consolidated balance sheet approved for the latest financial year. The loan will be repaid in full on June 17, 2010 and the interest rate on the loan is fixed 6.25%.The fair value has been calculated using an estimated 3.9% interest rate. The loan is listed on NASDAQ OMX Helsinki but the trading volume is very low.

9.4 Currency exposure, average interest rates and sensitivity analysis

The exchange rate sensitivity analysis in accordance with IFRS 7 has been carried out by examining the group's operational position and the parent company's exposure to the risks in four major currencies representing 70% of the Group's exposure. The operational currency position consists of the estimated net cash flows of sales and purchases during the next year. Business units hedge these cash flows with currency forwards with the parent company. The exchange rate sensitivity of the operations below illustrates a 10% exchange rate change impact on profit before taxes if the cash flows had not been hedged.

The Parent Company's currency exposure includes internal and external financial items. The exchange rate sensitivity illustrates a 10% exchange rate change impact on profit before taxes.

2009

M€	USD	GBP	SEK	CAD
Operational currency position	-19.8	10.1	15.0	8.1
Exchange rate sensitivity of the operations	2.0	1.0	1.5	0.8
Parent Company:				
External loans and deposits	-4.9	1.6	0.8	-1.7
External currency derivatives	85.4	-16.3	-14.9	-6.9
Internal loans and deposits	-60.6	5.1	-0.8	0.3
Internal currency derivatives	-19.8	10.1	15.0	8.1
Currency exposure	0.0	0.4	0.1	-0.2
Exchange rate sensitivity	0.0	0.0	0.0	0.0

2008

M€	USD	GBP	SEK	CAD
Operational currency position	-24.9	11.6	23.0	9.6
Exchange rate sensitivity of the operations	2.5	1.2	2.3	1.0
Parent Company:				
External loans and deposits	-40.8	0.0	-1.0	0.8
External currency derivatives	50.3	-19.9	-33.3	-10.0
Internal loans and deposits	-29.5	9.8	0.0	-0.1
Internal currency derivatives	-24.9	11.6	23.0	9.6
Hedged net investments in foreign operations	43.1	0.0	10.1	0.0
Currency exposure	-1.9	1.5	-1.2	0.3
Exchange rate sensitivity	0.2	0.1	0.1	0.0

The interest rate sensitivity illustrates the impact on next year's profit of a permanent 1 percentage point change in interest rates.
The Corporation's net interest bearing debt as of December 31, 2009 was €235.7 million and the average interest reset period was 5 months. A permanent 1 percentage point increase on all interest rates would increase the corporation's interest costs by €2.0 million in 2010.

The table below shows the corporation's net interest bearing debt, average interest rates and interest rate sensitivity by major currencies.

2009

M€	EUR	USD	GBP	SEK	Other	Total
External loans and deposits	222.7	16.4	-1.0	-3.3	0.9	235.7
Currency derivatives	0.0	0.0	0.0	0.0	0.0	0.0
Net debt	222.7	16.4	-1.0	-3.3	0.9	235.7
Average interest rate (p.a.)	2.2%	3.8%	0.8%	0.4%	2.7%	2.3%
Interest rate sensitivity	1.9	0.1	0.0	0.0	0.0	2.0

2008

M€	EUR	USD	GBP	SEK	Other	Total
External loans and deposits	256.1	54.9	-0.1	2.0	-1.5	311.4
Currency derivatives	-49.0	-50.3	19.9	33.3	44.6	-1.5
Net debt	207.1	4.6	19.9	35.3	43.1	309.9
Average interest rate (p.a.)	5.6%	2.8%	2.6%	2.1%	5.0%	5.0%
Interest rate sensitivity	1.1	0.2	0.2	0.3	0.4	2.3

9.5 Lease obligations

M€	2009	2008
Operating leases, payments next year	15.7	14.6
Operating leases, payments later	44.6	49.8
Total operating leases, Dec 31	60.3	64.5

The present value of financial lease agreements has been recorded under liabilities in the balance sheet.

9.6 Contingencies and pledged assets

M€	2009	2008
Guarantees as security for own commitments	0.2	1.2
Guarantees as security for subsidiaries' commitments	9.4	16.0
Real estate mortgages as security for third-party commitments	2.0	1.9
Lease commitments	60.3	64.5
Pledged assets	1.7	1.8
Other contingencies	4.4	4.8
Total pledged assets and contingencies, Dec 31	78.0	90.4

9.7 Nominal amounts of derivatives

M€	2009	2008
Forward exchange contracts	150.9	171.1
Electricity forward agreements	1.8	1.6
Interest rate swaps	1.1	16.1

Fair value vs. nominal amounts of derivatives

M€	2009	2008
Forward exchange contracts	0.4	1.6
Electricity forward agreements	0.0	-0.3
Interest rate swaps	-0.1	0.0

(+ calculatory gain, – calculatory loss)

9.8 Fair value measurement of financial instruments

The fair value measurement hierarchy has three levels. Level 1: Quoted prices for similar instruments; Level 2: Observable market inputs other than Level 1 inputs; Level 3: Inputs not based on observable market data. The basis of input for measurement is as follows:

- Derivatives: level 2
- Shares at fair value through profit and loss: listed shares level 1, unlisted shares level 2
- Other investments: level 2.

9.9 Maturity of derivatives

2009

M€	2010	2011	Later years	Total
Forward exchange contracts	150.9			150.9
Electricity forward agreements	0.8	0.8	0.3	1.8
Interest rate swaps	0.0	1.1	0.0	1.1
Total, Dec 31	151.7	1.9	0.3	153.9

2008

M€	2009	2010	Later years	Total
Forward exchange contracts	171.1			171.1
Electricity forward agreements	0.6	0.6	0.3	1.6
Interest rate swaps	15.0		1.1	16.1
Forward interest rate agreements				0.0
Total, Dec 31	186.7	0.6	1.4	188.8

9.10 Hedging of net investments in foreign subsidiaries

2009

M€	USD	SEK	DKK	NOK	PLN	Other	Total
Net investment	81.9	13.5	-48.3	4.1	12.1		
Hedge							
Exchange gain / (loss) recognized in equity	0.4	0.2	0.0	-0.1	0.7	0.2	1.3

2008

M€	USD	SEK	DKK	NOK	PLN	Other	Total
Net investment	91.2	16.7	-45.3	4.2	10.4		
Hedge	-43.1	-10.1	48.6	-1.5	-6.0		
Exchange gain / (loss) recognized in equity	-2.4	1.5	0.1	0.3	1.2	0.0	0.7

10. FINANCIAL RISK MANAGEMENT

Financial risks are managed by Corporate Treasury, in accordance with a set of risk management principles approved by the Board of Directors.

Currency risk

Currency risk is linked to changes in the value of Fiskars' cash flows, its balance sheet, and/or its competitiveness resulting from changes in exchange rates. Fiskars' currency position is split between its transaction position and translation position, both of which are managed separately.

Transaction risk results from the possibility that the value of expected cash flow denominated in a particular currency may change as a result of changes in exchange rates. Translation risk refers to the impact that changes in exchange rates can have on the consolidated balance sheet, and which can affect the value of balance sheet assets, equity, and debt liabilities. In addition to balance sheet values, changes in exchange rates can also result in some circumstances in changes in key indicators, such as the Group's equity-to-assets ratio and gearing.

Fiskars aims to manage its currency risks primarily through business means. Production inputs allocated for purchasing, together with products, are primarily denominated in the local currencies of the Group's corporate companies, of which the euro (41% of consolidated net sales), the US dollar (29%), the Swedish krona (9%) and the pound sterling (5%) are the most important.

Higher levels of imports indirectly expose Fiskars to risks linked to changes in the local currencies of its suppliers, of which the most important is the Chinese Renminbi.

Transaction risk

The objective of Fiskars' approach to managing its transaction risk is to reduce the impact of changes in exchange rates on the Group's budgeted gross profit. Business units are responsible for managing the currency risks associated with their projected and agreed commercial cash flows (commercial exposure) during each budget period. Units primarily hedge their exposure using currency forwards with Corporate Treasury.

The Group's net position is based on its commercial exposure, receivables and liabilities denominated in foreign currencies, and currency derivatives used for hedging purposes (Note 9.4). Currency forwards and swaps are the most widely used instruments in hedging currency risks. Derivatives are used solely for hedging purposes.

Fiskars does not apply hedge accounting as defined under IAS 39 for transaction risk purposes. All gains and losses made on currency derivatives are booked in the income statement. If hedge accounting had been applied to currency derivatives Fiskars' consolidated profit before tax for 2009 would have been €4.5 million above the reported figure (2008: €3.7 million below).

Translation risk

The objective of the management of translation risk is to reduce the impact of changes in exchange rates on the Group's equity. Fiskars applies hedge accounting in accordance with IAS 39 and IAS 21 in respect of net investments made in certain units outside Finland (Note 9.9). The exchange gain resulting from this hedging, booked to equity, totaled €1.3 million (€0.7 million). On December 31, 2009 Fiskars did not have any outstanding hedges on the net investments.

Interest rate risk

Interest rate risk refers to possible changes in cash flow, assets, or the value of liabilities resulting from changes in interest rates. Fiskars concentrates on managing the interest rate risks associated with financial items.

The Group's interest-bearing net liabilities as of December 31, 2009 was €235.7 million (€309.9). Of this total, the €45.1 million capital loan and €13.1 million in financial leases were fixed-rate instruments, while the others were variable-rate items. The average interest rate reset period of interest-bearing liabilities was 5 months (10 months).

A change of one percentage point in market interest rates on the closing date would have an impact of €2.0 million (€1.9) on the consolidated result before tax in 2010.

Liquidity and re-financing risk

Liquidity risk refers to the possibility of the Group's financial assets proving insufficient to cover its business needs or a situation in which arranging such funding would result in substantial additional costs.

Re-financing risk refers to the possibility of such a large amount of liabilities falling due over such a short space of time that the re-financing needed might be unavailable or prohibitively expensive.

The Group has extensive unused credit facilities at its disposal to guarantee its liquidity. As of the end of the year, the aggregate of unutilized committed revolving credit facilities and overdraft facilities totaled €448.5 million (€430.3). In addition, the Group's parent company in Finland has a commercial paper program with a number of leading banks amounting to €400.0 million, of which €136.4 million (€123.2) was utilized as of the end of the year.

The Group's re-financing risk is managed by maintaining an appropriate maturity structure in respects of loans and credit facilities spread over a number of years.

Commodity risk

Fiskars may use derivatives to hedge its exposure to commodity price fluctuations where appropriate. As of the end of the year, the Group held no commodity derivative contracts other than electricity futures with a nominal value of €1.8 million (€1.6) recognized at market value through the Income Statement.

Credit risk

Corporate Treasury is responsible for evaluating and monitoring financial counterparty risk. The Group minimizes this risk by limiting its counterparties to a limited number of major banks and financial institutions and by working within agreed counterparty limits.

Business units are responsible for monitoring customer credit risks. The Group's major customers comprise large international retailers. As of the end of the year, the Group's sales receivables totaled €89.2 million (€90.7), and the financial statements include provisions for bad debts related to sales receivables totaling €3.2 million (€2.9).

Management of Capital

Fiskars is not subject to any externally imposed capital requirements (other than eventual local company law requirements effective in the jurisdictions where Fiskars Group Companies are active).

The Group's objectives when managing capital are:

- to safeguard the Corporation's ability to continue as a going concern so that it can continue to provide returns for shareholders and take care of its obligations towards other stakeholders
- to provide an adequate return to shareholders by maintaining a balanced business and investment portfolio that provides returns both on short and long term
- to maintain possibilities to act on potential investment opportunities

The aim is to maintain the capital structure of the Group strong enough to ensure Group's capacity to fund its operations in all business conditions.

M€	2009	2008
Equity	504.8	446.7
Non-current interest bearing debt	74.9	137.5
Current interest bearing debt	199.7	183.7
Non-current investments	-0.2	
Cash and cash equivalents	-38.6	-11.3
Net interest bearing debt	235.7	309.9

	2009	2008
Equity to Assets	52%	46%
Net gearing	47%	69%

The formulas for calculating the ratios are presented in calculation of financial indicators on Page 84.

11. RELATED PARTY TRANSACTIONS

Fiskars has no significant transactions, liabilities or receivables with its associated company, Wärtsilä. The dividend from Wärtsilä €25.3 million (€67.2 million in 2008), has been reported as dividends from associate in the Consolidated Statement of Cash Flows. The dividend was received in the first quarter of 2009. Fiskars has no significant transactions, liabilities or receivables with its associate Rörstrands Kulturforum AB. Iittala Group Oy Ab rents real estate from its associate Koy Iittalan Lasimäki and has granted a capital loan to the company at inception.

Fiskars has booked fees for legal services to Foley & Lardner LLP where Ralf Böer, board member of Fiskars, is Chairman, CEO and partner. Ralf Böer did not provide any of the services, and total fees paid to Foley represent less than 0.3% of Foley's revenues.

M€	2009	2008
Rent	0.2	0.2
Capital loan	0.2	0.2
Legal service fees	1.4	1.3

Shareholdings of the key management, Dec 31

Includes holdings of corporations under controlling power together with a family member.

	2009 Own holdings	2009 Holdings of controlled corporations	2009 Total	2008 Own holdings	2008 Holdings of controlled corporations	2008 Total
Bergh Kaj-Gustaf	5,000		5,000	5,000		5,000
Böer Ralf	5,677		5,677	5,677		5,677
Ehrnrooth Alexander	1,833,534	9,213,770	11,047,304	5,930	8,241,476	8,247,406
Ehrnrooth Paul	648,205	8,440,406	9,088,611	30,798	7,879,391	7,910,189
Ervasti-Vaintola Ilona	14,000		14,000	14,000		14,000
Gripenberg Gustaf	243,320	4,056,348	4,299,668	236,600	3,779,524	4,016,124
Grotenfelt Karl	11,680		11,680	11,680		11,680
Kauniskangas Kari *)	25,397		25,397	23,397		23,397
Slotte Karsten	1,000		1,000	1,000		1,000
Suominen Jukka	1,500		1,500			N/A
Alfthan Max	2,500		2,500	1,400		1,400
Kangas-Kärki Teemu	2,000		2,000			
Karlsson Jutta	0		0			
Korhonen Hille	3,350		3,350			

*) In accordance with CEO's director's agreement the Company sold 15,397 Fiskars A shares to the CEO during Jan 2008.

The Directors and the CEO do not have any debts to the Company; nor has the company given pledges or taken on other responsibilities in their names.

Fees, wages and salaries paid to the key management

T€	2009	2008
Bergh Kaj-Gustaf	91.4	94.2
Böer Ralf	45.5	49.9
Ehrnrooth Alexander	60.5	64.3
Ehrnrooth Paul	61.0	63.8
Ervasti-Vaintola Ilona	46.0	47.1
Gripenberg Gustaf	48.2	49.3
Grotenfelt Karl	44.4	49.3
Kauniskangas Kari	468.7	913.6
Slotte Karsten	46.0	34.5
Suominen Jukka	44.9	36.2
Executive Board excl. President & CEO *)	764.5	
Allonen Heikki		731.5
Drury David		12.1
Lindberg Ingmar		230.1
Thelin Clas		12.6
Total	1,721.1	2,388.5

The key management consists of the Board of Directors, the President & CEO and members of Corporate Management Team (Executive Board).

*) Comparison amount of fees, wages and salaries from year 2008 are not presented due to changes in the Executive Board.

12. SUBSIDIARIES AND OTHER PARTICIPATIONS

Shares in subsidiaries

	Domicile		% of share capital	% of voting power	Nature of activities
Avlis AB	Sollentuna	SE	100.0	100.0	H
iittala bvba	Antwerpen	BE	100.0	100.0	M
iittala GmbH	Solingen	DE	100.0	100.0	M
iittala a/s	Tallinn	EE	100.0	100.0	M
Iittala Group Oy Ab	Helsinki	FI	100.0	100.0	T
ImanCo Oy	Helsinki	FI	100.0	100.0	H
iittala Ltd.	Windsor Berkshire	GB	100.0	100.0	M
iittala b.v.	Oosterhout	NL	100.0	100.0	M
Hackman Polska Sp. Z.o.o.	Warsaw	PL	100.0	100.0	L
OOO iittala	Moscow	RU	100.0	100.0	L
iittala ab	Höganäs	SE	100.0	100.0	M
Nilsjohan AB	Höganäs	SE	100.0	100.0	L
iittala, Inc.	New Jersey	US	100.0	100.0	M
Silva Shenzhen Company	Shenzhen	CN	100.0	100.0	T
Silva Deutschland GmbH	Friedrichsdorf	DE	100.0	100.0	M
Silva France S.A.R.L.	Mantes la Ville	FR	100.0	100.0	M
Silva Ltd	Livingston	GB	100.0	100.0	M
Silva Far East Ltd.	Hong Kong	HK	100.0	100.0	H
Silva Sweden AB	Sollentuna	SE	100.0	100.0	T
Fiskars Brands, Inc.	Madison, Wi.	US	100.0	100.0	T
Fiskars Brands (Australia) Pty Limited	Melbourne	AU	100.0	100.0	M
Fiskars Brands Canada, Inc.	Toronto	CA	100.0	100.0	M
Fiskars de Mexico, S.A. de C.V.	Mexico City	MX	100.0	100.0	M
Fiskars Servicios, S.A. de C.V.	Mexico City	MX	100.0	100.0	L
Puntomex Internacional, S.A. de C.V. iL	Tijuana	MX	100.0	100.0	H
Fiskars Brands Global Holdings LLC	Madison, Wi.	US	100.0	100.0	H
Fiskars Brands Europe ApS	Silkeborg	DK	100.0	100.0	H
Excalibur Management Consulting (Shanghai) Co., Ltd.	Shanghai	CN	100.0	100.0	H
Fiskars Brands Germany GmbH	Herford	DE	100.0	100.0	T
Fiskars Deutschland GmbH iL	Herford	DE	100.0	100.0	L
Fiskars Brands Danmark A/S	Silkeborg	DK	100.0	100.0	M
Fiskars Brands Spain S.L.	Madrid	ES	100.0	100.0	M
Fiskars Brands Fininvest Oy Ab	Raasepori	FI	100.0	100.0	H
Fiskars Brands Finland Oy Ab	Raasepori	FI	100.0	100.0	T
Fiskars Brands France S.A.S	Wissous	FR	100.0	100.0	M
Fiskars Brands UK Limited	Bridgend	GB	100.0	100.0	T
Fiskars Limited	Bridgend	GB	100.0	100.0	L

	Domicile		% of share capital	% of voting power	Nature of activities
Kitchen Devils Limited	Bridgend	GB	100.0	100.0	L
Richard Sankey & Son Limited	Nottingham	GB	100.0	100.0	T
Vikingate Limited	Nottingham	GB	100.0	100.0	L
Consumer Brands (Hong Kong) Co., Limited	Hong Kong	HK	100.0	100.0	H
Fiskars Brands Hungary Ltd. iL	Budapest	HU	100.0	100.0	M
Fiskars Brands Italia S.r.l.	Premana	IT	100.0	100.0	T
Fiskars Brands Holding AS	Oslo	NO	100.0	100.0	H
Fiskars AS, Norge	Oslo	NO	100.0	100.0	M
Fiskars Brands Polska Sp. z o.o.	Slupsk	PL	100.0	100.0	T
ZAO Fiskars Brands Rus	St. Petersburg	RU	100.0	100.0	T
Fiskars Brands Holding AB iL	Motala	SE	100.0	100.0	L
Inha Works Ltd.	Ähtäri	FI	100.0	100.0	T
Inha Invest Oy Ab	Ähtäri	FI	100.0	100.0	H
Ferraria Oy Ab	Raasepori	FI	100.0	100.0	H
Kiinteistö Oy Danskog gård	Raasepori	FI	100.0	100.0	H
Ab Åbo Båtvarf - Turun Veneveistämö Oy	Turku	FI	100.0	100.0	L

Management or holding	H
Manufacturing and marketing	T
Marketing	M
Dormant	L

Shares in associates

	Number of shares	Domicile		% of share capital	% of voting power
Wärtsilä Corporation	16,846,301	Helsinki	FI	17.1	17.1

Other shares

	Number of shares	Domicile		% of share capital	% of voting power
Rautaruukki Corporation	10,000	Helsinki	FI	0.0	0.0

FINANCIAL INDICATORS

FIVE YEARS IN FIGURES

		2009	2008	2007	2006	2005
Net sales	M€	663	697	647	530	510
of which outside Finland	M€	521	546	553	486	466
in percent of net sales	%	78.6	78.2	85.4	91.8	91.4
export from Finland	M€	89	98	79	59	55
Percentage change of net sales	%	-4.9	7.7	22.1	3.8	-9.4
Earnings before depreciation and amortization (EBITDA)	M€	68	39	79	51	52
in percent of net sales	%	10.2	5.6	12.3	9.7	10.2
Operating profit (EBIT)	M€	39	6	54	22	-5
in percent of net sales	%	6.0	0.9	8.3	4.2	-1.1
Operating profit excluding non-recurring items	M€	40	41	52	33	34
Share of profit from associates	M€	66	70	43	59	29
Change in fair value of biological assets	M€	0	-6	10	5	-1
Financial items net	M€	-14	-19	13	-9	43
in percent of net sales	%	-2.1	-2.8	2.0	-1.7	8.4
Profit before taxes	M€	91	52	120	77	65
in percent of net sales	%	13.8	7.4	18.5	14.5	12.8
Income tax (continuing operations)	M€	-8	-2	-11	-10	-7
Profit from discontinued operations	M€				15	4
Profit for the period attributable to the equity holders of the Company	M€	84	49	108	82	62
in percent of net sales	%	12.6	7.1	16.8	15.5	12.2
Minority interest	M€	0.0	-0.1	0.3	0.0	
Employee benefits	M€	165	187	146	121	126
Depreciation and amortization	M€	28	33	23	29	59
in percent of net sales	%	4.2	4.7	3.6	5.4	11.5
Capital expenditure (incl. acquisitions)	M€	15	30	221	41	61
in percent of net sales	%	2.2	4.3	34.1	7.7	11.9
Research and development costs in income statement	M€	9	8	7	6	5
in percent of net sales	%	1.3	1.2	1.1	1.2	1.0
Capitalized development costs	M€	0	1	1	1	1
Equity attributable to equity holders of the Company	M€	505	447	478	422	403
Minority interest	M€	0.0	0.0	0.5	0.0	
Equity total	M€	505	447	478	422	403
Net interest bearing debt	M€	236	310	319	102	140
Interest bearing debt	M€	275	321	354	147	162
Non-interest bearing debt	M€	194	202	215	139	138
Balance sheet total	M€	973	970	1,047	707	703
Return on investment	%	14	9	19	18	14
Return on equity	%	18	11	25	20	17
Equity ratio	%	52	46	46	60	57
Net gearing	%	47	69	67	24	35
Persons employed, average		3,867	4,325	3,517	3,167	3,426
Persons employed, Dec 31		3,623	4,119	4,515	3,003	3,220
of which outside Finland		2,111	2,397	2,662	2,224	2,377

Discontinued operations include Power Sentry in 2006 and 2005.

SHARE-RELATED FIGURES

		2009	2008	2007	2006	2005
Share capital	M€	77.5	77.5	77.5	77.5	77.5
Earnings per share (basic and diluted)	€	1.05	0.64	1.40	1.06	0.80
continuing operations		1.05	0.64	1.40	0.86	0.75
discontinued operations					0.20	0.05
Dividend per share **)	€/Share	0.52 *)	0.50	0.80	0.60	0.75
Dividend	M€	42.6 *)	38.2	61.5	46.0	57.1
Equity per share	€	6.16	5.77	6.18	5.45	5.20
Adjusted average price **)	€/Share	8.25	10.91	13.33	10.71	9.75
Adjusted lowest price per share **)	€/Share	5.32	6.89	11.92	9.00	7.91
Adjusted highest price per share **)	€/Share	11.10	13.90	15.40	12.55	12.00
Adjusted price per share, Dec 31 **)	€/Share	10.62	6.96	13.30	12.29	9.60
Market value of shares	M€	869.9	633.2	1,055.1	947.0	749.6
Number of shares, 1,000	Total	82,023.3	77,510.2	77,510.2	77,510.2	77,510.2
Number of treasury shares, 1,000	Total	112.6	112.5	127.9	127.9	127.9
Number of shares traded, 1,000	Total	4,406.8	5,082.1	12,648.2	6,565.2	12,596.8
Price per earnings **)	Share	10	11	9	12	12
Dividend per earnings in percent	%	51.0	77.6	55.9	56.1	92.0
Dividend yield in percent **)	Share	4.9	7.2	6.0	4.9	7.8
Number of shareholders, Dec 31		11,916	9,899	8,356	6,592	6,114

*) Board's proposal.
**) The combination of the share series A and K was registered on 30 July 2009. The comparison years include the share information as presented earlier for share serie A.

Basic and diluted Earnings per Share are equal, as the company has no potential ordinary shares.

Formulas for calculations of financial indicators are shown on Page 84.

EURO EXCHANGE RATES

	2009 Income statement	2008 Income statement	2009 Balance sheet	2008 Balance sheet
USD	1.395	1.471	1.441	1.392
GBP	0.891	0.796	0.888	0.953
DKK	7.446	7.456	7.442	7.451
SEK	10.619	9.615	10.252	10.870
NOK	8.728	8.224	8.300	9.750
CAD	1.585	1.559	1.513	1.700

CALCULATION OF FINANCIAL INDICATORS

Earnings before depreciation and amortization	=	Operating profit + depreciation and amortization + impairment	
Return on investment in percent	=	$\frac{\text{Profit for the period + income taxes + interest and other financial expenses}}{\text{Balance sheet total – non-interest bearing debt (average of beginning and end of year amounts)}}$	x 100
Return on equity in percent	=	$\frac{\text{Profit for the period}}{\text{Equity, total (average of beginning and end of year amounts)}}$	x 100
Equity ratio in percent	=	$\frac{\text{Equity, total}}{\text{Balance sheet total – advances received}}$	x 100
Net gearing in percent	=	$\frac{\text{Interest bearing debt – cash and bank}}{\text{Equity, total}}$	x 100
Earnings per share	=	$\frac{\text{Profit attributable to equity holders of the company}}{\text{Weighted average number of outstanding ordinary shares, Dec 31}}$	
Earnings per share from continuing activities	=	$\frac{\text{Profit from continuing activities attributable to equity holders of the company}}{\text{Weighted average number of outstanding ordinary shares, Dec 31}}$	
Equity per share	=	$\frac{\text{Equity attributable to equity holders of the company}}{\text{Number of outstanding ordinary shares, Dec 31}}$	
Adjusted average share price	=	$\frac{\text{Value of shares traded during the period}}{\text{Number of shares traded during the period, adjusted for emissions}}$	
Market capitalization	=	Number of outstanding ordinary shares, Dec 31 x market quotation, Dec 31	
Price per earnings (P/E)	=	$\frac{\text{Market quotation per share, Dec 31}}{\text{Earnings per share}}$	
Dividend per earnings in percent	=	$\frac{\text{Dividend paid}}{\text{Profit attributable to equity holders of the company}}$	x 100
Dividend per share	=	$\frac{\text{Dividend paid}}{\text{Number of outstanding shares, Dec 31}}$	
Dividend yield in percent	=	$\frac{\text{Dividend per share}}{\text{Market quotation, Dec 31 adjusted for emissions}}$	x 100

PARENT COMPANY FINANCIAL STATEMENTS, FAS

PARENT COMPANY INCOME STATEMENT

M€	Note	2009		2008	
Net sales	1	20.1		20.1	
Cost of goods sold		-3.5		-3.4	
Gross profit		16.6	82%	16.6	83%
Administration expenses		-13.6		-8.9	
Other operating income	4	0.2		0.5	
Other operating expenses	5	-0.1		-2.4	
Operating profit		3.1	16%	5.9	29%
Gain/loss on sale of Wärtsilä shares				-13.6 *)	
Financial income and expenses	7	-1.6		-371.9 **)	
Profit (loss) before extraordinary items		1.6		-379.6	
Extraordinary items	8	8.5		8.6	
Profit (loss) before appropriations and taxes		10.0		-370.9	
Appropriations		0.2		0.2	
Income taxes	9	-2.7		-2.2	
Profit (loss) for the period		7.6		-373.0	

*) Fiskars Corporation sold 901,857 Wärtsilä shares to its wholly owned subsidiary Avlis AB in December 2008 at NASDAQ OMX Helsinki. The group-internal loss from the sale was €13.6 million.

**) The book value of the Fiskars Corporation's subsidiary Avlis AB was impaired to correspond the subsidiary's equity as at 31 December 2008.

PARENT COMPANY BALANCE SHEET

M€	Note	Dec 31, 2009		Dec 31, 2008	
ASSETS					
NON-CURRENT ASSETS					
Intangible assets	10	0.6		0.5	
Tangible assets	11				
Land and water		15.3		15.1	
Buildings		16.0		16.5	
Machinery and equipment		1.6		1.9	
Construction in progress		0.1		0.2	
		32.9		33.7	
Investments	12				
Holding in subsidiaries		577.8		578.0	
Receivables from subsidiaries		108.3		133.6	
Other shares		2.9		2.9	
		689.0		714.5	
Non-current assets total		722.6	78%	748.7	78%
CURRENT ASSETS					
Inventories	13	0.2		0.2	
Current receivables					
Trade receivables		0.3		0.4	
Receivables from subsidiaries	14	169.5		202.5	
Prepayments and accrued income	15	1.2		1.2	
		171.0		204.1	
Cash and cash equivalents	16	29.7		4.6	
Current assets total		201.0	22%	209.0	22%
Assets total		923.6	100%	957.7	100%

M€	Note	Dec 31, 2009		Dec 31, 2008	
SHAREHOLDERS' EQUITY AND LIABILITIES					
SHAREHOLDERS' EQUITY	17				
Share capital		77.5		77.5	
Revaluation reserve		3.8		3.8	
Treasury shares		-0.8		-0.8	
Other reserves		3.2		3.2	
Retained earnings		423.1		834.3	
Profit (loss) for the financial year		7.6		-373.0	
Shareholders' equity total		514.4	56%	545.0	57%
APPROPRIATIONS	18	1.7		1.9	
LIABILITIES					
Non-current	19				
Capital loan	20			45.1	
Loans from credit institutions		62.9		78.3	
		62.9		123.4	
Current					
Capital loan	20	45.1			
Loans from credit institutions		151.6		177.7	
Advances received		0.2		0.2	
Trade payables		0.4		0.3	
Liabilities to subsidiaries	21	138.9		97.5	
Income tax payable		0.5		1.7	
Other payables		0.5		1.7	
Accruals and deferred income	22	7.4		8.3	
		344.7		287.4	
Liabilities total		407.6	44%	410.8	43%
Shareholders' equity and liabilities total		923.6	100%	957.7	100%

PARENT COMPANY STATEMENT OF CASH FLOWS

M€	2009	2008
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before extraordinary items, appropriations and taxes	1.6	-379.6
Adjustments for		
Depreciation and amortization	1.6	1.8
Gains and losses for non-current assets	-0.3	382.8
Financial income	-9.0	-19.6
Financial expense	10.6	22.3
Cash generated before working capital changes	4.5	7.6
Change in current receivables	-0.6	-0.3
Change in current non-interest bearing liabilities	0.8	-1.2
Cash generated from operations	4.7	6.1
Financial income	8.3	17.9
Dividends received	0.0	3.5
Financial expenses	-11.7	-21.5
Taxes paid	-3.9	-0.3
Net cash flow from operating activities (A)	-2.5	12.6
CASH FLOW FROM INVESTING ACTIVITIES		
Investments in subsidiaries and other non-current assets	0.0	-814.9
Purchase of tangible and intangible assets	-1.1	-2.0
Proceeds from disposal of investments	0.0	19.9
Proceeds from sale of tangible and intangible assets	0.6	0.5
Change in receivables from subsidiaries	25.2	854.6
Net cash flow from investments (B)	24.7	58.1
Cash flow after investments	22.2	70.7
CASH FLOW FROM FINANCING ACTIVITIES		
Sell of treasury shares	0.0	0.2
Change in non-current debt	-60.5	13.9
Change in current interest bearing debt	58.1	-24.9
Change in current receivables	34.8	-18.0
Dividends paid	-38.2	-61.5
Group contributions	8.7	6.9
Net cash flow from financing activities (C)	2.9	-90.4
Change in cash (A+B+C)	25.1	-19.6
Cash at beginning of year	4.6	24.3
Cash at end of year	29.7	4.6

STATEMENT OF CHANGES IN PARENT COMPANY SHAREHOLDERS' EQUITY

M€	Share capital	Revaluation reserve	Treasury shares	Other reserves	Retained earnings	Total
Dec 31, 2007	77.5	3.8	-0.9	3.2	895.7	979.3
Transfer from revaluation reserve following sale of landholdings		0.0			0.0	0.0
Other changes			0.1		0.1	0.2
Dividends					-61.5	-61.5
Net profit (loss)					-373.0	-373.0
Dec 31, 2008	77.5	3.8	-0.8	3.2	461.3	545.0
Transfer from revaluation reserve following sale of landholdings		0.0			0.0	0.0
Dividends					-38.2	-38.2
Net profit (loss)					7.6	7.6
Dec 31, 2009	77.5	3.8	-0.8	3.2	430.6	514.4

PARENT COMPANY ACCOUNTING PRINCIPLES

The financial statements have been prepared in accordance with local requirements and generally accepted accounting principles in Finland (Finnish Accounting Standards, FAS).The financial statements are presented in euros.

The preparation of financial statements in conformity with regulations in force and generally accepted accounting principles requires management to make estimates and assumptions that affect the valuation of assets and liabilities and reported amounts of revenues and expenses. Actual results could differ from those estimates.

TRANSACTIONS IN FOREIGN CURRENCIES

Transactions in foreign currencies are recorded at the rates of exchange prevailing at the date of the transaction. At the end of the reporting period balances in foreign currencies are translated using the exchange rate prevailing at the end of the reporting period. Derivatives are recognized initially at cost and subsequently at fair value determined at the end of each reporting period. Realized gains and losses as well as fair value changes are recognized in financial items in the income statement.

NET SALES

Net sales is defined as invoiced amount less indirect taxes and rebates.

RESEARCH AND DEVELOPMENT COSTS

Research and development costs are expensed as incurred.

PENSION BENEFIT PLANS

The retirement plans for the Finnish companies' employees are funded through payments to independent insurance companies.

EXTRAORDINARY INCOME AND EXPENSE

Group contributions, merger losses and liquidation losses are reported in extraordinary income and expenses.

TANGIBLE AND INTANGIBLE ASSETS AND OTHER LONG TERM INVESTMENTS

Tangible and intangible assets are stated at cost less accumulated depreciation according to plan. Certain land holdings have been revalued.

Revaluations are based on market values at time of the revaluation. Revaluation reserves are adjusted for decreases in the market value of land holdings. When revalued real estate is sold, the respective share in the revaluation reserve is transferred to retained earnings.

Tangible and intangible assets are depreciated and amortized over their expected useful lives. Typically, the following expected useful lives are applied:

- Long term expenditure 3–10 years
- Buildings 25–40 years
- Vehicles 4 years
- Machinery and equipment 3–10 years
- Land and water No depreciation

Gains and losses on disposal of tangible and intangible assets are included in operating profit.

Investments in holdings in subsidiaries are stated in the balance sheet at cost or at net realizable value if the net realizable value is significantly and permanently impaired.

INVENTORIES

Inventories are stated at the lower of cost and net realizable value. Cost includes both direct and indirect costs. Cost is determined on a first in first out (FIFO) basis. Net realizable value is the amount that could be realized from the sale of the asset less any related sales cost.

RECEIVABLES

Receivables are carried at the lower of cost or probable value.

LEASING

Operating lease payments are expensed as incurred. Future leasing payment obligations are reported as contingent liabilities.

PROVISIONS

Provisions consist of reserves for future costs to which the Corporation is committed and reserves for loss-making contracts.

APPROPRIATIONS

Appropriations in the parent company balance sheet consist of depreciation in excess of plan.

INCOME TAXES

Income taxes consist of the aggregate current tax expense based on the Finnish tax rules, adjustments to prior year taxes.

NOTES TO THE FINANCIAL STATEMENTS OF PARENT COMPANY

NOTES TO THE INCOME STATEMENT

1. NET SALES

M€	2009	2008
Royalties	15.0	15.4
Lease income	3.0	2.9
Other	2.1	1.8
Total	20.1	20.1

2. PERSONNEL COSTS

M€	2009	2008
Wages and salaries	6.0	5.6
Pension costs	0.5	0.6
Other personnel costs	1.7	0.7
Total	8.2	6.9

3. NUMBER OF EMPLOYEES

	2009	2008
Average	60	49
End-of-period	57	51

4. OTHER OPERATING INCOME

M€	2009	2008
Net gain on sale of property, plant and equipment	0.2	0.5
Other income	0.0	0.1
Total	0.2	0.5

5. OTHER OPERATING EXPENSES

M€	2009	2008
To subsidiaries	0.1	2.4
Total	0.1	2.4

6. AUDIT FEES PAID TO COMPANY'S AUDITORS

M€	2009	2008
Audit fees	0.1	0.1
Tax consultation	0.0	0.2
Other	0.0	0.0
Total	0.2	0.3

7. FINANCIAL INCOME AND EXPENSES

M€	2009	2008
Dividend income		
From associates		3.5
From other investments	0.0	0.0
Dividend income, total	0.0	3.5
Interest and financial income from non-current investments		
From subsidiaries	3.1	6.6
From other investments	0.0	
Interest and financial income from non-current investments, total	3.1	6.6
Other interest and financial income		
From subsidiaries	2.9	9.3
From other parties	2.9	0.3
Other interest and financial income, total	5.8	9.6
Interest and financial income, total	9.0	16.1
Impairment of non-current investments		
Subsidiaries *)		-369.2
Other parties		-0.1
Impairment of non-current investments, total	0.0	-369.2

*) The book value of Fiskars Corporation's subsidiary Avlis AB was impaired to correspond the subsidiary's equity as at December 31, 2008.

Interest and other financial expenses		
To subsidiaries	-0.3	-1.9
To other parties	-10.3	-20.4
Interest and other financial expenses, total	-10.6	-22.3
Total financial income and expenses	-1.6	-371.9
Net exchange gains and losses included in financial items	2.8	-2.1

8. EXTRAORDINARY ITEMS

M€	2009	2008
Group contribution received	17.4	14.1
Group contribution paid	-8.9	-5.5
Total	8.5	8.6

9. INCOME TAXES

M€	2009	2008
Current year taxes for profit before extraordinary items	-0.5	0.0
Tax for extraordinary items	-2.2	-2.2
Income taxes per income statement	-2.7	-2.2

NOTES TO THE BALANCE SHEET, ASSETS

10. INTANGIBLE ASSETS

M€	2009	2008
Historical cost, Jan 1	1.4	1.4
Additions	0.3	0.0
Historical cost, Dec 31	1.6	1.4
Accumulated amortization according to plan, Jan 1	0.9	0.7
Amortization according to plan	0.1	0.1
Accumulated amortization according to plan, Dec 31	1.0	0.9
Net book value, Dec 31	0.6	0.5

11. TANGIBLE ASSETS

2009 M€	Land and water	Buildings	Machinery and equipment	Construction in progress	Total
Historical cost, Jan 1	5.3	33.3	5.7	0.2	44.5
Additions	0.2	0.5	0.1	0.0	0.9
Decrease	0.0	0.0	-0.3		-0.3
Transfers		0.1	0.0	-0.1	0.0
Historical cost, Dec 31	5.5	33.9	5.6	0.1	45.1
Accumulated depreciation according to plan, Jan 1		16.8	3.8		20.6
Depreciation according to plan		1.1	0.3		1.5
Decrease		0.0	-0.2		-0.2
Accumulated depreciation according to plan, Dec 31		17.9	4.0		21.9
Revaluation, Jan 1	9.8				9.8
Decrease	0.0				0.0
Revaluation, Dec 31	9.8				9.8
Book value, Dec 31, 2009	15.3	16.0	1.6	0.1	32.9

2008 M€	Land and water	Buildings	Machinery and equipment	Construction in progress	Total
Historical cost, Jan 1	5.0	32.7	5.5	0.2	43.3
Additions	0.4	0.6	0.5	0.1	1.7
Decrease	-0.1	0.0	-0.3	-0.1	-0.5
Transfers		0.0	0.0	0.0	0.0
Historical cost, Dec 31	5.3	33.3	5.7	0.2	44.5
Accumulated depreciation according to plan, Jan 1		15.6	3.6		19.3
Depreciation according to plan		1.1	0.5		1.6
Decrease		0.0	-0.3		-0.3
Accumulated depreciation according to plan, Dec 31		16.8	3.8		20.6
Revaluation, Jan 1	9.8				9.8
Decrease	0.0				0.0
Revaluation, Dec 31	9.8				9.8
Book value, Dec 31, 2008	15.1	16.5	1.9	0.2	33.7

12. INVESTMENTS

2009 M€	Holdings in subsidiaries	Receivables from subsidiaries	Shares in associates	Other shares	Total
Historical cost, Jan 1	983.5	133.6		3.6	1,120.6
Additions		1.2			1.2
Disposals	-0.2	-26.4			-26.7
Historical cost, Dec 31	983.2	108.3		3.6	1,095.1
Write-downs, Jan 1	-405.5			-0.7	-406.2
Write-downs, Dec 31	-405.5			-0.7	-406.1
Net book value, Dec 31, 2009	577.8	108.3	0.0	2.9	689.0

2008 M€	Holdings in subsidiaries	Receivables from subsidiaries	Shares in associates	Other shares	Total
Historical cost, Jan 1	169.8	988.1	33.3	3.2	1,194.4
Additions	813.7	56.1		1.3	871.0
Decreases		-910.7	-33.3	-0.8	-944.8
Historical cost, Dec 31	983.5	133.6	0.0	3.6	1,120.6
Write-downs, Jan 1	-36.3			-0.6	-36.9
Increase	-369.2			-0.1	-369.2
Write-downs, Dec 31	-405.5			-0.7	-406.2
Net book value, Dec 31, 2008	578.0	133.6	0.0	2.9	714.5

Shares in subsidiaries

	Number of shares	Domicile		% of share capital	% of voting power	Book value (€ 1,000)
Avlis AB *)	N/A	Sollentuna	SE	100.0	100.0	444,622
Fiskars Brands, Inc.	22,924,913	Madison, Wi.	US	100.0	100.0	42,484
Fiskars Brands Europe ApS	1,251,250	Silkeborg	DK	100.0	100.0	71,338
Inha Works Ltd.	5,000	Ähtäri	FI	100.0	100.0	1,199
Ferraria Oy Ab	750,000	Raasepori	FI	100.0	100.0	17,660
Kiinteistö Oy Danskog gård	4,000	Raasepori	FI	100.0	100.0	505
Ab Åbo Båtvarf - Turun Veneveistämö Oy	150	Turku	FI	100.0	100.0	3
						577,811

*) Holds 17.1% of Wärtsilä's total shares, the market value of Wärtsilä shares as at Dec 31, 2009 amounted to €472.9 million (353.9).

Other shares

	Number of shares	Domicile		% of share capital	% of voting power	Book value (€ 1,000)
Rautaruukki Corporation	10,000		FI	0.0	0.0	20
Other shares owned by the Parent Company						2,856
						2,875

13. INVENTORIES

M€	2009	2008
Finished goods	0.2	0.2
Total, Dec 31	0.2	0.2

14. RECEIVABLES FROM SUBSIDIARIES

M€	2009	2008
Trade receivables	0.3	0.1
Loan receivables	134.3	169.0
Other receivables	12.6	12.7
Prepayments and accrued income	22.2	20.7
Total, Dec 31	169.5	202.5

15. PREPAYMENTS AND ACCRUED INCOME

M€	2009	2008
Prepaid and accrued interest	0.2	1.2
Other prepayments and accruals	1.1	0.0
Total, Dec 31	1.2	1.2

16. CASH AND CASH EQUIVALENTS

M€	2009	2008
Cash and cash equivalents	29.7	2.7
Money market investments		1.9
Total, Dec 31	29.7	4.6

NOTES TO THE BALANCE SHEET, SHAREHOLDERS' EQUITY AND LIABILITIES

17. SHAREHOLDERS' EQUITY

M€	2009	2008
Share capital		
A Shares		
Jan 1	54.9	54.9
Change *)	-54.9	0.0
Dec 31	0.0	54.9
K Shares		
Jan 1	22.6	22.6
Change *)	-22.6	0.0
Dec 31	0.0	22.6
New shares		
Jan 1		
Change *)	77.5	
Dec 31	77.5	
Share capital, Dec 31	77.5	77.5
Revaluation reserve		
Jan 1	3.8	3.8
Decrease following sale of fixed assets	0.0	0.0
Revaluation reserve, Dec 31	3.8	3.8
Treasury shares		
A Shares		
Jan 1	-0.8	-0.9
Decrease	0.8	0.1
Dec 31	0.0	-0.8
K Shares		
Jan 1	0.0	0.0
Decrease	0.0	0.0
Dec 31	0.0	0.0
New shares		
Jan 1		
Change *)	-0.8	
Dec 31	-0.8	
Treasury shares, Dec 31	-0.8	-0.8

*) Fiskars Corporation has one series of shares following the combination of the company's series A and K shares in July 2009. The new single class shares (FIS1V) became subject to public trading as of July 31. All shares carry one vote each and equal rights.

M€	2009	2008
Other reserves		
Jan 1	3.2	3.2
Other reserves, Dec 31	3.2	3.2
Retained earnings		
Jan 1	461.3	895.7
Dividends	-38.2	-61.5
Sale of treasury shares		0.1
Net profit	7.6	-373.0
Retained earnings, Dec 31	430.6	461.3
Less treasury shares	-0.8	-0.8
Distributable earnings, Dec 31	429.9	460.5
Restricted equity	80.7	80.7
Non-restricted equity	433.6	464.3
Shareholders' equity total, Dec 31	514.4	545.0

18. APPROPRIATIONS (UNTAXED RESERVES)

M€	2009	2008
Depreciation in excess of plan, Jan 1	1.9	2.0
Changes during the year	-0.2	-0.2
Depreciation in excess of plan, Dec 31	1.7	1.9

The deferred tax liabilities, 26% from appropriations, are not recorded.

19. NON-CURRENT LIABILITIES WHICH MATURE AFTER 5 YEARS

M€	2009	2008
Loans from credit institutions	52.5	63.3

20. CAPITAL LOAN

Main characteristics of the loan:
The principal, interest and any other yield will be payable on the dissolution or bankruptcy of the Company solely at a priority ranking inferior to that of all other debt. The principal can be repaid if and only to the extent the Company will retain full cover for its restricted equity and non-distributable funds in accordance with the balance sheet and consolidated balance sheet approved for the latest financial year. Interest can be paid if and only to the extent the equivalent sum is available for dividend distribution in accordance with the balance sheet and consolidated balance sheet approved for the latest financial year. The loan will be repaid in full on June 17, 2010 and a fixed annual interest of 6.25% will be paid. The loan is listed on NASDAQ OMX Helsinki.

21. AMOUNTS OWED TO SUBSIDIARIES

M€	2009	2008
Trade payables	0.0	2.4
Other liabilities	130.0	89.5
Accruals and deferred income	8.9	5.6
Total, Dec 31	138.9	97.5

22. ACCRUALS AND DEFERRED INCOME

M€	2009	2008
Interest payable	2.4	6.2
Wages, salaries and social costs	2.4	1.7
Other items	2.6	0.4
Total, Dec 31	7.4	8.3

23. LEASE OBLIGATIONS

M€	2009	2008
Operating leases, payments next year	0.6	0.4
Operating leases, payments later	2.8	0.1
Total, Dec 31	3.4	0.5

24. CONTINGENCIES AND PLEDGED ASSETS

M€	2009	2008
As security for own commitments		
Lease commitments	3.4	0.5
Other contingencies	4.4	4.6
Guarantees as security for subsidiaries' commitments	9.4	15.0
Total, Dec 31	17.2	20.1

BOARD'S PROPOSAL TO THE ANNUAL GENERAL MEETING

The distributable equity of the Parent Company at the end of the 2009 fiscal year was €429.9 million (460.5).

The Board of Directors proposes to the Annual General Meeting of Shareholders that a dividend of €0.52 per share would be paid for 2009.

The number of shares entitling to a dividend totaled 81,910,722. The proposed distribution of dividend would thus be €42,593,575.44. This would leave €387.3 million of unused profit funds at the Parent Company.

No material changes have taken place in the financial position of the Company after the end of the fiscal year. The financial standing of the Company is good and according to the Board of Directors' assessment the proposed distribution of dividend will not compromise the Company's solvency.

Helsinki, February 10, 2010

Kaj-Gustaf Bergh	Ralf Böer
Alexander Ehrnrooth	Paul Ehrnrooth
Ilona Ervasti-Vaintola	Gustaf Gripenberg
Karl Grotenfelt	Karsten Slotte
Jukka Suominen	Kari Kauniskangas President and CEO

AUDITORS' REPORT

TO THE ANNUAL GENERAL MEETING OF FISKARS CORPORATION

We have audited the accounting records, the financial statements, the report of the Board of Directors, and the administration of Fiskars Corporation for the year ended on December 31, 2009. The financial statements comprise the consolidated balance sheet, income statement, statement of comprehensive income, statement of changes in consolidated equity, statement of cash flows and notes to the consolidated financial statements, as well as the parent company's balance sheet, income statement, statement of cash flows and notes to the financial statements.

The Responsibility of the Board of Directors and the President and CEO

The Board of Directors and the President and CEO are responsible for the preparation of the financial statements and the report of the Board of Directors and for the fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as for the fair presentation of the parent company's financial statements and the report of the Board of Directors in accordance with laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the President and CEO shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

Auditors' Responsibility

Our responsibility is to perform an audit in accordance with good auditing practice in Finland, and to express an opinion on the parent company's financial statements, on the consolidated financial statements and on the report of the Board of Directors based on our audit. Good auditing practice requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements and the report of the Board of Directors are free from material misstatement and whether the members of the Board of Directors of the parent company and the President and CEO have complied with the Limited Liability Companies Act.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report of the Board of Directors. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements or of the report of the Board of Directors, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements and the report of the Board of Directors in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

The audit was performed in accordance with good auditing practice in Finland. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the Consolidated Financial Statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position, financial performance, and cash flows of the group in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

Opinion on the Company's Financial Statements and the Report of the Board of Directors

In our opinion, the financial statements and the report of the Board of Directors give a true and fair view of both the consolidated and the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The information in the report of the Board of Directors is consistent with the information in the financial statements.

Helsinki, February 10, 2010

KPMG OY AB

Mauri Palvi
Authorized Public Accountant

SHARES AND SHAREHOLDERS

INFORMATION ON THE SHARE

Fiskars Corporation's shares are traded in the Large Cap segment of NASDAQ OMX Helsinki Ltd. The Company has one series of shares following the combination series A and K shares in July 2009. After the combination all share carry one vote each and have equal rights. New single class shares became subject to public trading as of July 31, 2009 with a trading code FIS1V (earlier FISAS and FISKS).

In connection with the combination of the share series, a free share issue was directed to the holders of series K shares. In the share issue, the holders of series K shares received one share free of charge for each five series K shares. As a result, a total of 4,513,141 new shares were issued.

The share combination further involved the merger of Agrofin Oy Ab into Fiskars Corporation. As a merger consideration, in total 11,863,964 new shares were issued to the shareholders of Agrofin Oy Ab. At the same time, the 11,863,964 shares, transferred to the Company in connection to the execution of the merger, were cancelled.

The total number of shares at the end of 2009 was 82,023,341. The share capital remained unchanged in 2009 at €77,510,200.

TREASURY SHARES

As of the end of the year, Fiskars owned 112,619 treasury shares, corresponding to 0.14% of the Corporation's shares and votes. The Company has acquired the shares at the NASDAQ OMX Helsinki in accordance with the authorization of the general meeting of the shareholders. The acquisitions have been made from December 10, 2003 through January 16, 2004.

BOARD AUTHORIZATIONS

The Annual General Meeting on March 16, 2009 authorized the Board to acquire Fiskars' shares and convey them, a maximum of 2,700,000 of Series A shares and a maximum of 1,100,000 of Series K shares. The authorizations were cancelled in the Extraordinary General Meeting on June 5, 2009.

The Extraordinary General Meeting on June 5, 2009 authorized the Board to acquire Fiskars' share and convey them, a maximum of 4,020,000 shares. The Board may decide on the conveyance of the shares otherwise than in proportion to the shareholders pre-emptive subscription rights. The authorizations will be in force until the end of the next Annual General Meeting.

The Board of Directors has not used these authorizations during 2009.

SHAREHOLDERS

Fiskars Corporation had 11,915 (2008: 9,899) shareholders as of the end of the year. Approximately 2.5% of the share capital was owned by foreign or nominee-registered shareholders (2008: 2.2% of shares and 0.6% of voting rights).

MANAGEMENT SHAREHOLDING

On December 31, 2009, the Board members, the President & CEO and the companies where they have a controlling interest together with a family member, owned a total of 24,507,687 shares corresponding to 29.9% of the Company's shares and votes. The Company did not have any share option programs.

Changes in the number of shares, 2008–2009

	A share	K share	Total	
Total shares, Dec 31, 2008	54,944,492	22,565,708	77,510,200	
Jul 30, 2009	-54,944,492	-22,565,708	77,510,200	Combination of share series
Jul 30,2009			4,513,141	Directed issue: one new share for each five series K shares
Jul 31, 2009			11,863,964	Directed issue to shareholders of Agrofin
Aug 8, 2009			-11,863,964	Cancelling shares in accordance with the merger of Agrofin
Total shares, Dec 31, 2009			82,023,341	
Treasury shares			112,619	

Share ownership, December 31, 2009

Ownership structure	Number of shareholders	%	Number of shares and votes	%
Private corporations	528	4.43	28,495,893	34.74
Financial institutions and insurance companies	19	0.16	691,077	0.84
Public entities	14	0.12	5,826,931	7.10
Households	11,120	93.32	34,884,065	42.53
Non-profit organizations	145	1.22	10,084,354	12.29
Foreigners	80	0.67	1,020,289	1.24
Nominee registered	9	0.08	1,003,568	1.22
Other	1	0.01	17,164	0.02
Total	11,916	100.00	82,023,341	100.00

Distribution of shares, December 31, 2009

Number of shares	Number of shareholders	%	Number of shares and votes	%
1–100	3,064	25.71	215,810	0.26
101–500	4,901	41.13	1,330,390	1.62
501–1,000	1,677	14.08	1,282,652	1.56
1,001–10,000	1,970	16.53	5,504,872	6.71
10,001–100,000	228	1.91	5,773,792	7.04
100,001–	76	0.64	67,915,825	82.80
Total	11,916	100.00	82,023,341	100.00

Major shareholders, December 31, 2009

		Total shares	% of shares and votes
1	Virala Oy Ab	9,213,770	11.2
2	Turret Oy Ab	8,440,406	10.3
3	Oy Holdix Ab	5,959,050	7.3
4	I.A. von Julins Sterbhus	2,689,120	3.3
5	Sophie von Julins stiftelse	2,551,791	3.1
6	Varma Mutual Pension Insurance Company	2,469,326	3.0
7	Julius Tallberg Oy Ab	2,277,035	2.8
8	Ilmarinen Mutual Pension Insurance Company	1,940,950	2.4
9	Ehrnrooth Alexander	1,833,534	2.2
10	Fromond Louise	1,686,135	2.1
11	Fromond Anna	1,685,518	2.1
12	Fromond Elsa	1,623,926	2.0
13	Ehrnrooth Albert	1,610,372	2.0
14	Ehrnrooth Jacob	1,566,929	1.9
15	Ehrnrooth Sophia	1,556,928	1.9
16	Åberg Albertina	1,141,959	1.4
17	Stiftelsen för Åbo Akademi	969,241	1.2
18	Wrede Sophie	821,790	1.0
19	Hartwall Peter	748,450	0.9
20	Lindsay von Julin & Co Ab	733,320	0.9
20 major shareholders		51,519,550	63.0

STOCK EXCHANGE RELEASES IN 2009

FINANCIAL REPORTS

Feb 13	Fiskars Financial Statement Release 2008
Apr 23	Fiskars' new reporting structure and restated comparison figures for 2008
May 6	Fiskars Interim Report January-March 2009
Aug 6	Fiskars Interim Report January-June 2009
Nov 4	Fiskars Interim Report January-September 2009

COMBINATION OF SHARE SERIES

Apr 15	Board of Directors proposes a combination of share series and a merger of Agrofin Oy Ab into Fiskars
Apr 20	Notice to the Extraordinary General Meeting
Jun 5	Resolutions of the Extraordinary General Meeting
Jul 27	Conditions for the combination of share series of Fiskars fulfilled
Jul 30	hares issued in Fiskars' directed free share issue and combination of share series registered with the Trade Register
Jul 31	Trading of Fiskars' combined shares begins
Jul 31	Merger between Fiskars and Agrofin executed
Aug 3	Fiskars shares issued as merger consideration to Agrofin shareholders have been taken into public trading

CHANGES IN SHARE HOLDINGS

Apr 17	Notification on a change in holdings, referred to in Chapter 2, section 10 of the Securities Markets Act
Apr 21	Notification on a change in holdings, referred to in Chapter 2, section 10 of the Securities Markets Act
Jun 16	Notification on a change in holdings, referred to in Chapter 2, section 10 of the Securities Markets Act
Jul 31	Notification on a change in holdings, referred to in Chapter 2, section 10 of the Securities Markets Act
Jul 31	Notification on a change in holdings, referred to in Chapter 2, section 10 of the Securities Markets Act
Aug 3	Notification on a change in holdings, referred to in Chapter 2, section 10 of the Securities Markets Act
Oct 6	Notification on a change in holdings, referred to in Chapter 2, section 10 of the Securities Markets Act

OTHER STOCK EXCHANGE RELEASES

Jan 13	Fiskars' annual review 2008
Feb 11	Codetermination negotiations concluded at the Iittala Group
Feb 13	Notice to the Annual General Meeting
Feb 16	Iittala Group to start codetermination negotiations at Arabia, Iittala, and Nuutajärvi plants
Mar 9	Fiskars Annual Report 2008 published
Mar 16	Fiskars Annual General Meeting of shareholders 2009
Mar 30	New president for Fiskars' Boats business
Apr 1	Codetermination negotiations concluded at the Iittala Group plants
May 7	Fiskars to start codetermination negotiations at its plant in Billnäs
Jun 22	Codetermination negotiations concluded at Fiskars' plant in Billnäs
Aug 18	President of Fiskars' Home Business Area resigns
Aug 26	New President appointed for Fiskars' Home Business Area
Oct 7	Fiskars Home to simplify its organization and begin codetermination negotiations at the Iittala Group
Dec 1	Codetermination negotiations concluded at the Iittala Group
Dec 9	Fiskars' financial reports in 2010

The releases and reports are available on the Fiskars Corporation's website: www.fiskarsgroup.com.

FOR SHAREHOLDERS

Fiskars' shares are traded on NASDAQ OMX in Helsinki. Following the combination of series A and K shares in July 2009, the company now has one share series traded under the FIS1V code (previously FISAS and FISKS).

SHARE DETAILS

Market	NASDAQ OMX Helsinki
ISIN	FI000900400
Trading code	FIS1V (OMX)
Segment	OMXH Large Cap
Sector	Consumer Discretionary, Housewares & Specialties
GICS code	25201050
Shares as of Dec 31, 2009	82,023,341

ANNUAL GENERAL MEETING AND DIVIDEND

Fiskars Corporation will hold its Annual General Meeting (AGM) at 3.00 pm EET on Tuesday, March 16, 2010 in the Congress Wing of the Helsinki Exhibition & Convention Centre (Messuaukio 1, Helsinki). Reception of persons who have registered for the meeting will begin at 2.00 pm.

All shareholders included in the register of shareholders maintained by Euroclear Finland Ltd. as of March 4, 2010 shall be entitled to attend the meeting. Shareholders wishing to attend the AGM should inform the company by 3.00 pm on March 11, 2010 at the latest.

The Board of Directors will propose paying a dividend of €0.52 per share for the 2009 fiscal year. The record date for payment of the dividend will be March 19, 2010 and dividends will be paid on March 26, 2010.

Further information on the matters to be discussed at the AGM and how to register can be found in the invitation to the meeting at www.fiskarsgroup.com.

INVESTOR RELATIONS

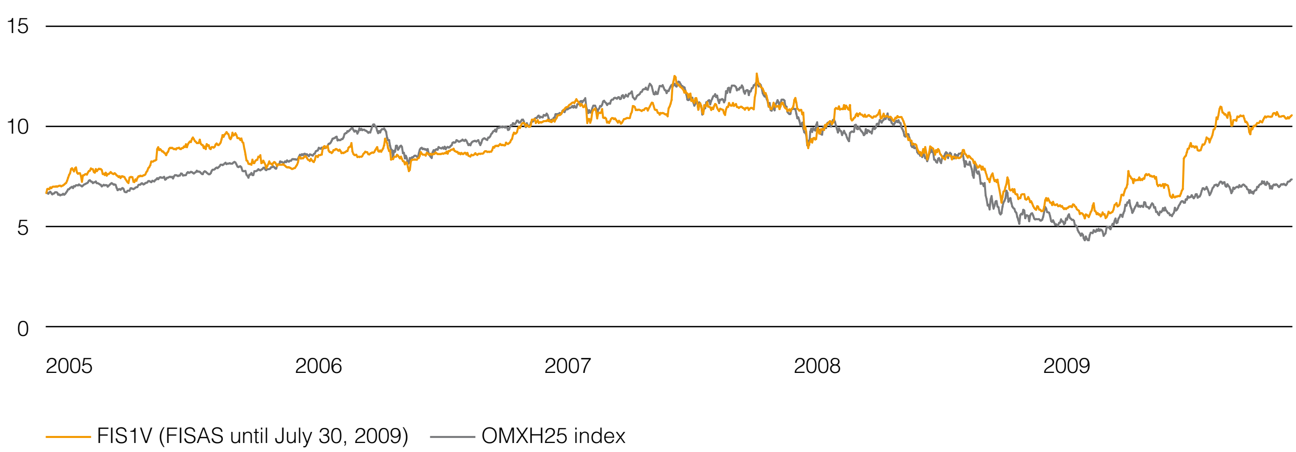
The goal of Fiskars' investor relations is to provide all parties in the market with accurate, up-to-date, and sufficient information on the company to enable them to analyze its performance and prospects as an investment. Information is provided to all stakeholders simultaneously.

Fiskars has adopted a silent period of three weeks prior to the publication of results. During this period comments on market situation or company prospects are not available from Fiskars.

Meetings with investors and analysts are coordinated by Corporate Communications. Questions on investor relations matters should be addressed to Communications Manager Nora Malin (nora.malin@fiskars.fi).

Fiskars' share price, €

January 1, 2005–December 31, 2009



TOWARDS NEW INNOVATIONS

Fiskars' 360-year heritage is an important source of inspiration as we continue developing functional, imaginative, and innovative products with new designers – creating products that will last from generation to generation.

FOR INVESTORS

Fiskars Corporation's shares (FIS1V) are traded on NASDAQ OMX in Helsinki.

Fiskars will publish three interim reports during 2010:
- January–March on May 4, 2010
- January–June on August 5, 2010
- January–September on November 2, 2010

All the company's financial reviews and other IR material can be consulted online at www.fiskarsgroup.com. Visitors to the site can subscribe to releases via email, or order a printed copy of the Annual Report. Interim reports, Annual Reports, and stock exchange releases are published in Finnish, Swedish, and English.

www.fiskarsgroup.com

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