

ANNUAL REPORT

1993

ELISKARS

FISKARS IN EUROPE

- Production
- Sales and marketing
- Joint ventures in India and Poland



ANNUAL REPORT 1993

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INFORMATION TO SHAREHOLDERS

Annual General Meeting of shareholders

The Annual General Meeting of shareholders of Fiskars Oy Ab will be held at Restaurant Marski, Mannerheimintie 10, Helsinki, on Wednesday, March 30, 1994 at 4.30 p.m.

In order to take part in the Annual General Meeting, shareholders must be registered in the shareholders' register maintained by the Central Share Register of Finland Co-operative (Suomen Osakekeskusrekisteri Osuuskunta OKR) not later than March 18, 1994. Shareholders who have placed their shares in trust must temporarily reregister the shares in their own names to allow them to participate in the meeting. Such reregistration must be made not later than March 18, 1994.

Shareholders wishing to attend the meeting should inform Fiskars Corporate Center by letter to P.O.Box 235, FIN-00101 Helsinki, Finland, or by phone +358-0-61 886 230 (Lisbeth Jantunen) not later than 4.30 p.m. on Monday, March 28, 1994.

Dividend

The Board of Directors proposes to the Annual General Meeting of shareholders that a dividend of FIM 3.40 be paid on shares of series A and FIM 2.90 on shares of series K. As the Corporation's shares have been transferred into the book-entry securities system, the dividend decided by the shareholders' meeting will be paid to such shareholders that are registered in the share-

holders' register maintained by the Central Share Register of Finland Co-operative on the record date. According to the decision by the Board of Directors, the record date is April 7, 1994. The Board of Directors proposes that the dividend be paid on April 12, 1994, i.e. after the settlement period has expired.

Financial information

In addition to the Annual Report, the Fiskars Corporation publishes an interim report covering the period January 1 through June 30, 1994; the date of publication is August 25, 1994.

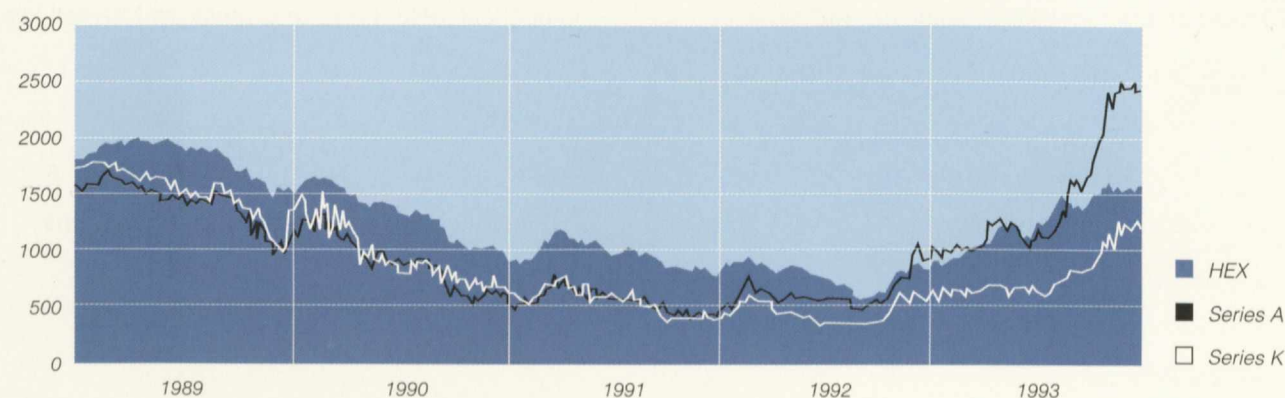
Summary of operations, FIM million* 1993			1992
Net sales	2038		1729
Operating profit	198		63
Earnings before extraordinary items	126		-16
Earnings before taxes	126		-24
Earnings per share, FIM	17.40		0.70
Balance sheet total	2249		2320
Equity ratio %	40		37
Personnel at year-end	3131		3169

* Complete summary is presented on page 44.

Exchange rates as per December 31

	1993	1992
1 USD =	5.78 FIM	5.25 FIM
1 DEM =	3.34 FIM	3.25 FIM
1 GBP =	8.55 FIM	7.96 FIM
1 ECU =	6.46 FIM	6.34 FIM

Trend of Fiskars share price compared to the HEX index (1987=1000)



PRESIDENT'S REVIEW

When commenting on the 1992 results, I expressed my firm belief in our possibilities to continue building our operations on the numerous measures already taken and which were aimed at improving our profitability despite the uncertainties prevailing in our markets. Looking back on 1993, we can note with certain satisfaction that most of our goals were achieved.

It is the first time in a number of years that we can report positive results both for the first and the second half of the year.

Our already previously strong Consumer Products Group continued to strengthen their positions. Our UPS Group was able to enjoy considerable successes both in the United States and Europe, resulting in a marked improvement in sales and profits. Bronto Skylift eliminated its most persistent problems and could focus on developing its products, processes and marketing. Also the Inha Works adapted successfully its activities to the market situation.

In early 1993, the Consumer Products Group reorganized its European business, improving cooperation between production and marketing. In the new organization, France, Italy, Germany and Finland constitute business group II, Norway, Denmark, Sweden and Great Britain group III. This rather unusual division partly based on product differentiation has proved to be very efficient. As before, business group I consists of the North American operations.

In the UPS Group we have continued to steer the previously relatively autonomous companies towards greater unity based on product development and a partial division of markets. Also Bronto's organization was adapted to market requirements by creating two clearly



distinct business sectors: Firelifts, and Access Platforms.

We have been successful in our efforts to develop innovative products which support us in achieving a truly leading position in our chosen areas of expertise. Our sizeable investments in industrial automation have enhanced productivity and quality assurance. The major

investments relate to the UPS Group and Inha Works.

Our energetic measures to develop distribution channels were fruitful not only in the Consumer Products Group, but increasingly also in the UPS Group. We will continue this work to strengthen our strong position in the modern distribution. Although there were no major breakthroughs geographically in 1993, we advanced slowly but steadily in developing new and potential markets to safeguard our long-term growth possibilities. We will continue this relatively cautious approach also this year.

Many of our units reported greatly improved performances, but there is still both a need and opportunities for further improvements. We are determined to make full use of these opportunities which we consider both realistic and motivating. For this work I am once more counting on the active and positive support received from the shareholders and the Board of Directors throughout 1993. I wish to express my heartfelt thanks to our personnel for their dedicated contributions which have entirely changed our starting position for this year, bringing it to a new and inspiring level. At the same time I extend my thanks to all our constituent groups.

Helsinki, March 1994

STIG STENDAHL



From the left
Jarl Engberg,
Erik Stadigh,
Robert G. Ehrnrooth,
Matti Pekkanen,
Göran J. Ehrnrooth,
Gustaf Gripenberg,
Thomas Tallberg.

IN MEMORIAM

Mr. Olof Bruncrona, member of the Board of Directors of Fiskars Oy Ab, deceased on May 24, 1993.

Soon after taking a degree in engineering in 1951, he started his four decades long career at Fiskars.

Mr. Bruncrona was the Technical Director and General Manager of the industrial group of factories in the Western Uusimaa region, the so-called Fiskars area. After that he assumed the leadership of the Real Estate group whose most important project, the Predium plan, was completed successfully under his management.

Mr. Bruncrona's long and outstanding career in the company distinguished him to join the parent company's Board of Directors in 1987. He held this post until his



death and contributed to the board activities his wide experience, his good judgement and his pragmatic common sense.

Olof's great interest was hunting and his extensive knowledge in that field made him the

natural leader of the company's elk hunts in Fiskars and Skogby. Numerous are the participants who in the course of years had the pleasure of enjoying the arrangements which were always perfect to the minutest detail.

A good-humoured, positive and dependable friend, Olof was well liked by all Fiskars personnel. The members of the Board of Directors honor Olof's excellent contribution to the benefit of Fiskars Corporation in preserving its valuable traditions.

GÖRAN J. EHNRROOTH

BOARD OF DIRECTORS, AUDITORS AND CORPORATE MANAGEMENT

Board of Directors of Fiskars Oy Ab

	Elected until the Annual General Meeting in
Göran J. Ehrnrooth (1934), <i>Chairman,</i> <i>elected to the Board in 1974</i>	1994
Matti Pekkanen (1925), <i>Deputy Chairman,</i> <i>M.Sc., elected to the Board in 1987</i>	1996
Robert G. Ehrnrooth (1939), <i>President, EffJohn Oy Ab, elected to the Board in 1966</i>	1996
Thomas Tallberg (1934), <i>M.D., Helsinki University Central Hospital, elected to the Board in 1966</i>	1994
Jarl Engberg (1938), <i>Attorney-at-Law, Hannes Snellman Attorneys, elected to the Board in 1980</i>	1995
Gustaf Gripenberg (1952), <i>D.Eng., Helsinki University, elected to the Board in 1986</i>	1995
Olof Bruncrona (1927), <i>M.Sc. (Eng.), Director Emeritus, Fiskars Oy Ab, elected to the Board in 1987 († May 24, 1993)</i>	
Erik Stadigh (1928), <i>Bank director, elected to the Board in 1993</i>	1996

Auditors

Ordinary	Deputy
Eric Haglund, CPA	Sixten Nyman, CPA
Juhani Kolehmainen	Brita Hisinger-Jägerskiöld
Albertina Åberg	Peter Hartwall

Corporate management

	Employed since
Stig Stendahl (1939) <i>President and CEO</i>	1992
Juha Toivola (1947) <i>Deputy to the President, CFO</i>	1971
Wayne G. Fethke (1944) <i>Corporate Vice President, Consumer Products</i>	1977
Ingmar Lindberg (1945) <i>Corporate Vice President, administration and real estate</i>	1985

Business areas

Wayne G. Fethke (1944)	<i>Consumer Products Group</i>	1977
Roy Prestage (1940)	<i>North America</i>	1983
Stig Måtar (1945)	<i>Finland, Germany, France, Italy</i>	1987
Gareth Davies (1960)	<i>Great Britain, Sweden, Norway, Denmark</i>	1986
Juha Toivola (1947)	<i>UPS group</i>	1971
Raymond Meyer (1940)	<i>Deltec</i>	1984
Pekka Lehmuskoski (1948)	<i>Fiskars Power Systems</i>	1984
Lars-Petter Godenhjelm (1940)	<i>Bronto Skylift</i>	1989
Pauli Lantonen (1939)	<i>Inha Works</i>	1968
Ingmar Lindberg (1945)	<i>Real Estate Group</i>	1985

CONSUMER PRODUCTS GROUP

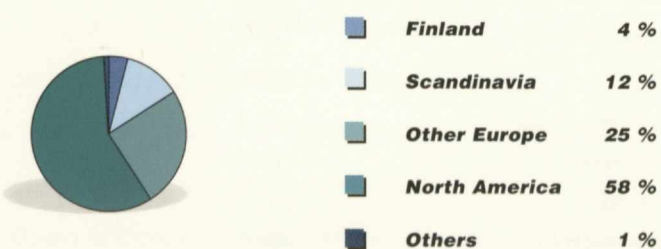


WAYNE G. FETHKE

The Consumer Products Group (CPG) is the largest of Fiskars' industrial and commercial operations, accounting for nearly two thirds of the corporation's net sales. A large range of scissors and other housewares products, knives, lawn and garden tools are manufactured and marketed in the Group's principal markets Europe and the United States.

Key indicators	1993	1992
Net sales, FIM million	1308	1111
- of which outside Finland	96 %	95 %
Share of total net sales	64 %	64 %
Personnel	2101	2084

Net sales by market areas



The performance of CPG remained strong, in spite of the slow economic recovery and currency fluctuations in some of its markets.

The special focus of CPG in 1993 was on three major areas; building customer relationships, new product development, and management development.

Customer relationships

During 1993, CPG expanded a program called Concepts, which is directed towards redefining consumer and distributor expectations through the development of partnerships with both groups. Through Concepts, CPG was able to fully redesign their core staple products.

CPG concentrates on providing the customers with whole ranges of products rather than just a working product. An illustration of this approach is how the Group has built on Fiskars brand recognition for innovation and quality. New product lines, such as the Rotary Cutters, Softouch scissors, and a wide range of children's products were developed after extensive market research. CPG's strong understanding of customer needs has also enabled them to launch a whole new design for shovels and rakes. Called the Power Line, this ergonomically designed product line is recommended by experts as a safer alternative to traditional tools. Originally developed and introduced in Finland, these products have been introduced with high levels of acceptance into many other CPG markets, for instance in the traditional "gardening country" Great Britain.

CPG builds on the new European organization and continues to concentrate on modern distribution channels, while also the traditional accounts remain an important customer group. The Concepts program has



During the year, CPG received many awards for excellent design, one of them the highly appreciated "Gold Industrial Design Excellence Award 1993", granted by Business Week to Softouch scissors.



resulted in stronger relationships with these distributors. Special attention will be given to the needs of individual key customers with tailored product listings, marketing programs and service packages.

During 1993, CPG developed a new business unit in North America, called Special Markets, to build relationships with non-traditional customers. These include advertising specialty, gift and premium companies, as well as customers geographically too distant or too small to be serviced by normal distribution channels.

New product development

New product development continues to be key ingredient in the success of CPG. The new products allow CPG to maintain its international reputation as an innovative, responsive market leader. For example, over 65% of the sales in the Gerber branded recreational products was from products that were introduced during the last three years. In the North American Housewares unit, sales derived from new products exceeded 50% of the total sales during the year.

In Finland, an example of a truly innovative product is the axe. The most ancient of tools, with origins dating back 50,000 years, was "reinvented". The glassfiber-reinforced plastic handle of the new Handy axe envelops the carbon steel head in a Stone Age fashion. The line includes five axes of different sizes for different uses. Handy has already won many international awards for ergonomics and design, although it has been available mainly in Finland only in its first year of marketing. Handy was chosen one of



the ten best products among the 1,500 competing products in the reputed German design event, IF Industrie Forum Design Hannover.

During the year, CPG received also numerous other similar awards and recognitions for excellent design. One much appreciated honor is the "Gold Industrial Design Excellence

Award 1993", granted by Business Week to Softouch scissors.

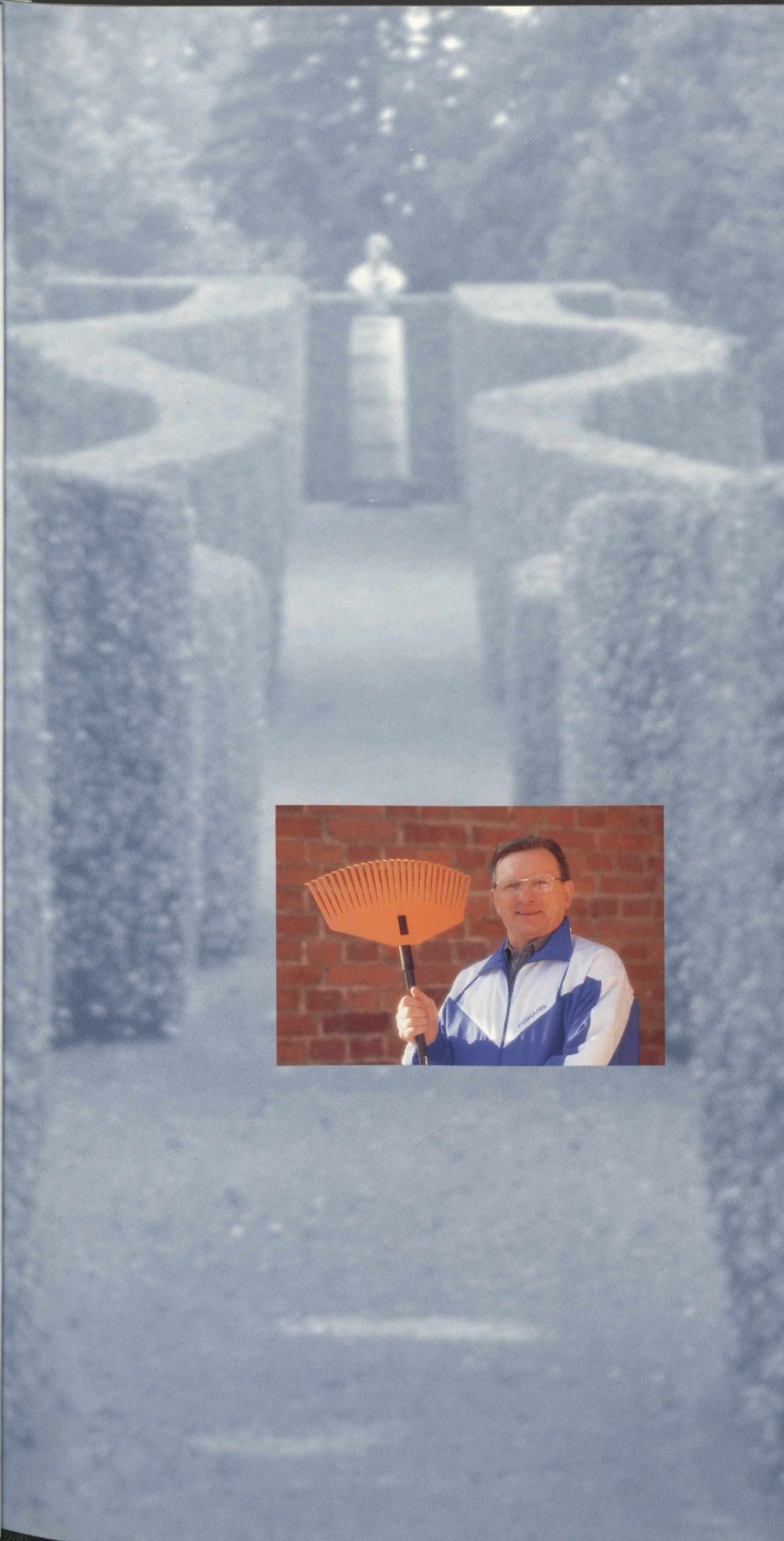
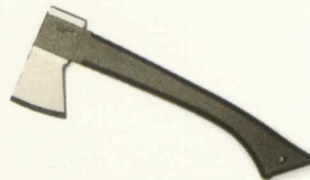
Strong emphasis on new product development will continue in 1994, with scores of products currently under development and in implementation.

Management development

The ability to sustain the growth of CPG is increasingly dependent on having highly competent, motivated persons capable of leading their businesses in new and continuously changing circumstances.

In North America, CPG businesses introduced a formal process of assessing their organizations and structures, projecting how structures and skills will need to be different, and analyzing the skills that need to be developed. Individual management development plans are being built to ensure that managers will have the skills and knowledge necessary to continue to grow in the future.

During 1994, similar programs will be initiated in the other CPG business units.



Erik Eriksson is a Fiskars man in third generation: his own service at Fiskars lasted almost 50 years. Erik, now already retired, is the ruling world javelin champion in the class of over 70 years.



UPS - GROUP

Fiskars Power Systems in Europe and Deltec in the United States comprise the Fiskars UPS Group. The business units manufacture and market uninterruptible power supply (UPS) systems. Customers include all leading computer manufacturers and distributors, financial institutions, trade and industrial operations.

DELTEC CORPORATION



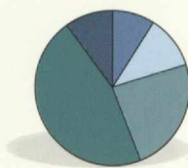
RAYMOND MEYER

Deltec's sales maintained their upward trend. Anticipating the continued expansion of the LAN, network and workstation markets, Deltec's development and production goals concentrated on the smaller product lines. As a result, the first full year of PowerRite Pro sales represented the most successful product introduction in the industry. Another vital component to success in the network environment are software interface capabilities. To meet this need, Deltec increased the scope of their software offerings to include enhanced features and accommodate more operating platforms.

As further validation of the success, more than 30 major business, reseller and end-user publications

Key indicators	1993	1992
Net sales, FIM million	427	322
- of which outside Finland	91 %	89 %
Share of total net sales	21 %	19 %
Personnel	562	527

Net sales by market areas



Finland	9 %
Scandinavia	11 %
Other Europe	24 %
North America	46 %
Others	10 %

printed special interest articles and product evaluations focusing on Deltec's new products and exclusive features. As Deltec moved into these broader markets, promotional efforts took a more consumer-oriented approach. This included award-winning graphics for packaging and collateral material as well as multimedia displays and interactive promotional diskettes.

With regard to sales channels, Deltec continued their shift away from the end-user market towards distribution. Deltec also achieved special success against stiff competition in the OEM channel with the addition of several new very large computer manufacturers to their line-up of private label customers.

Sustained strength in international areas, especially the Asia Pacific region, added to the Group's accomplishments for the year.



One of the highlights of the year was the selection of PowerRite Pro as PC Magazine's Editors' Choice for the lowest priced backup power system that delivers full power protection.

FISKARS POWER SYSTEMS

The company's good performance trend continued, and it strengthened its status as a leading European UPS manufacturer. Growth was strongest in the recovering Western markets, for instance in Great Britain, and in the Eastern Europe. Successful focus on smaller UPSs, communications products and customer relations enabled the company to gain market share.

New markets and distribution channels were the target of special emphasis. As computers are being downsized and information network systems are becoming increasingly common, this has radically shifted emphasis in the UPS markets towards smaller equipment. Fiskars Power Systems has been able to exploit this trend better than its competitors, investing in product concepts to address the customers' and dealers' needs.

An example of successful customer development was the Platinum Exchange Warranty introduced in the U.K. This concept offers users of small UPSs instant replacement service; the customer's UPS will be replaced within 24 hours of receiving his request. This service concept was integrated in the marketing program of the entire European service organization, and can also be adapted to distribution.

The highlight of the year was the introduction of new strategic products to computer distribution channels.



PEKKA LEHMUSKOSKI

The new PowerServer concept is an all-in-one package tailored to a variety of computer platforms, complete with the UPS, software and servicing. The marketing message was developed around a visually striking graphic presentation, repeated in packagings, brochures, promotional campaigns, multimedia, etc. This increases name recognition and continuity in distribution. The development of a distinctive image is considered important in Europe when cooperating with multinational distributors.

The PowerServer campaign got off to a good start, and the product line was introduced in several countries towards the end of the year. The campaigns involve press conferences, road shows, fairs, direct mailings, etc. Product presentations stress the reliability of the products and services, and customer support.

The company's pioneering role in quality development continued; the smallest product in the PowerServer line was the first UPS ever to be awarded the new CENELEC (European Committee for Electrotechnical Standardization) EN 50091-1 safety approval. From the beginning of 1994, all new UPSs are tested according to this standard.



Fiskars Power Systems provides customers with tailored product solutions through a dealership network which covers the entire Europe.

BRONTO SKYLIFT

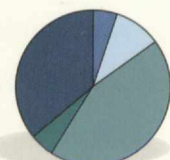


LARS-PETTER GODENHIJELM

Bronto Skylift designs, manufactures, markets and services mobile hydraulic access platforms. The construction industry, construction-related service companies, electricity and telephone companies and fire departments are among its major customers.

Key indicators	1993	1992
Net sales, FIM million	168	151
- of which outside Finland	95 %	92 %
Share of total net sales	8 %	9 %
Personnel	210	217

Net sales by market areas



■ Finland	5 %
■ Scandinavia	10 %
■ Other Europe	44 %
■ North America	5 %
■ Others	36 %

During the year, Bronto Skylift successfully organized its business in two distinctive business sectors and relating production. This resulted in enhanced customer relations, products better adapted to market requirements and improved control of production processes.

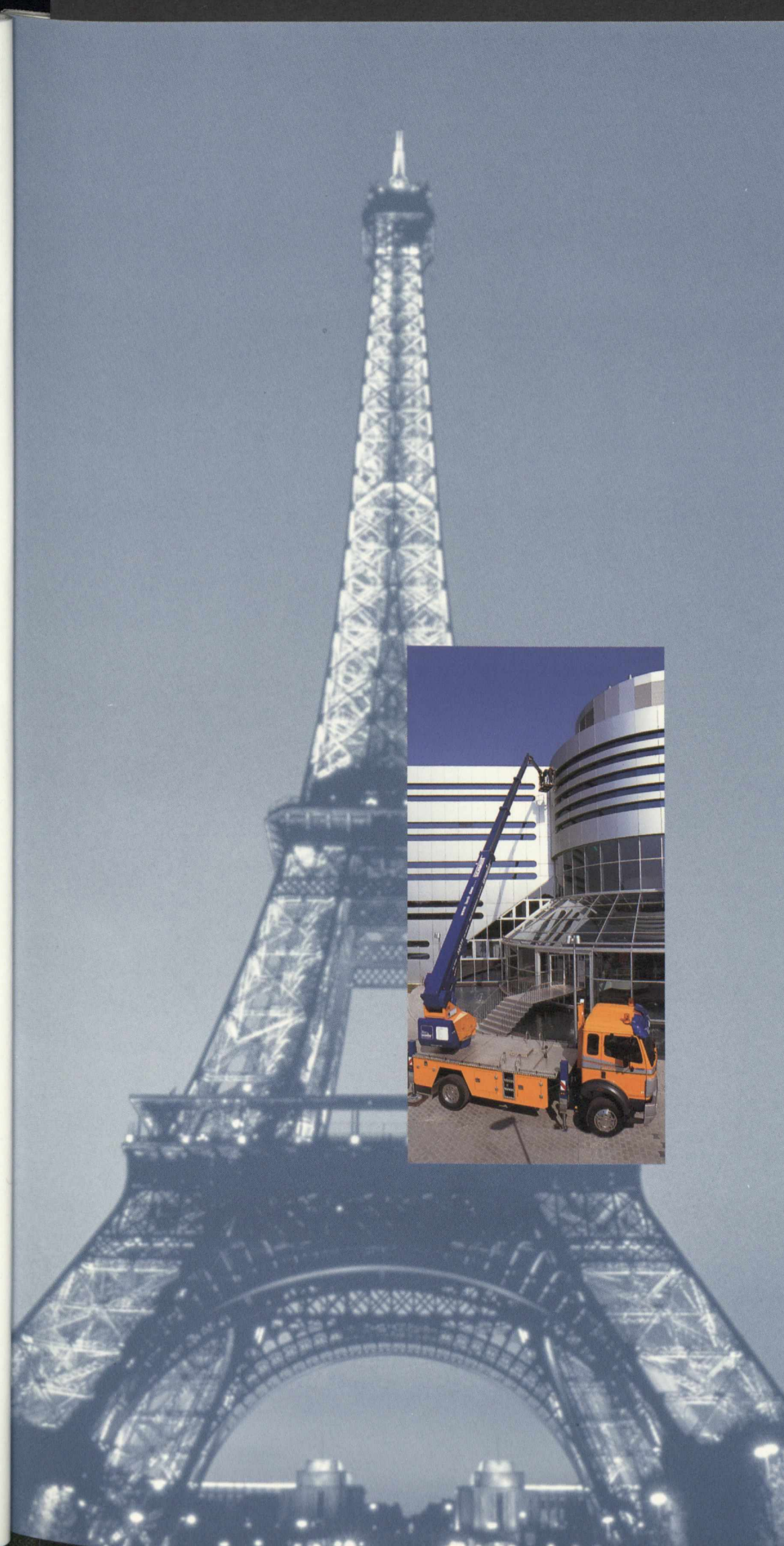
The Firelift operations, serving municipal and industrial fire brigades in Europe, Asia Pacific and North America, have gained a solid position as the world's leading firelift manufacturer. Commitment to excellent quality and efficient product concepts has contributed to the unequalled popularity of Bronto Skylift's Firelift platforms. Bronto's order book has grown significantly, partly aided by Bronto's excellent quality image and dedicated commitment to product development.

Access Platforms introduced several very competitive new systems which have been well accepted for instance in Germany and the U.K. The first equipment have been sold to the United States and Asia Pacific.

The deep recession in the European construction industry has affected sales, however, and the share of this sector of the total sales has declined clearly from the level prevailing 3-4 years ago.

An order for the world's highest industrial access platform (72 m) was received towards the end of 1993.

Development of production processes continued with investments in knowhow and facilities. Bronto's enhanced competitiveness is largely attributable to these improvements. Bronto was one of the first manufacturers in the industry to be awarded the ISO 9001 quality approval.



The world's highest industrial access platform, 72-meter Bronto Skylift, will be introduced to the public for the first time in Hannover in April.



INHA WORKS

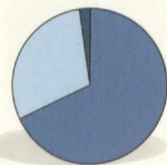


PAULI LANTONEN

Inha Works produces and markets Buster aluminum boats, hinges to the door and window industry, rail fittings and heat radiators. Finland and Sweden are the principal markets.

Key indicators	1993	1992
Net sales, FIM million	61	67
- of which outside Finland	32 %	31 %
Share of total net sales	3 %	4 %
Personnel	151	192

Net sales by market areas



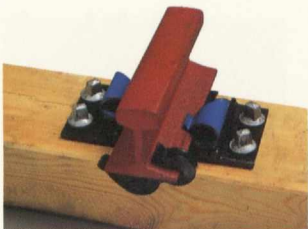
■ Finland	68 %
■ Scandinavia	30 %
■ Others	2 %

Recession in Inha Works' principal markets continued. This was reflected in the declining demand, particularly for Buster boats and construction materials. Demand for radiators remained good, due to increased activity in renovation and bathroom construction. Demand for hinges remained satisfactory in spite of a drastic volume drop in Nordic construction. Inha Works strengthened its position as the leading hinge manufacturer, supported by product development in partnership with customers, external devaluation of the Finnish markka and the boost to competitiveness caused by improved productivity.

Revamping of the Buster boat range continued, and the latest model, Buster L, was introduced in the fall of 1993. The basic structure of the new boat follows the concept of Buster Magnum and Buster XL. Inha Works remained the leading Nordic manufacturer of outboard motorboats, although the total boat market was declining.

Inha Works' extensive expertise in production of rail fittings, and the long-term delivery contracts consolidated Inha's role as a leading supplier of rail fittings in the Nordic countries. Production is based on energetic product development and lasting customer relationships. Demand for rail fittings remained good.

Operations and capacity were adapted to the weak overall economic trend and drastically declining market demand.



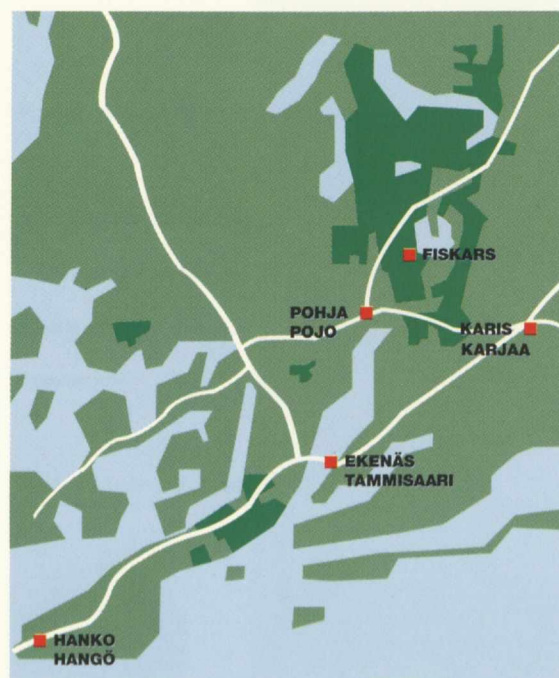
There's just the right size both for the professional and the vacationer among the six Buster models.

REAL ESTATE GROUP



INGMAR LINDBERG

Real Estate operations consist of the management of Fiskars' 15,000 hectares of real estate properties and relating services. The land holdings, situated in the Southwest of Finland, represent considerable corporate assets, including more than 100 lakes and 250 km of shoreline. Modern forestry and farming are carried on in the area.



Also 1993 was a period of declining prices in forestry and farming. The Real Estate organization was streamlined by merging Ferraria Development and Ferraria Services into the Ferraria parent company.

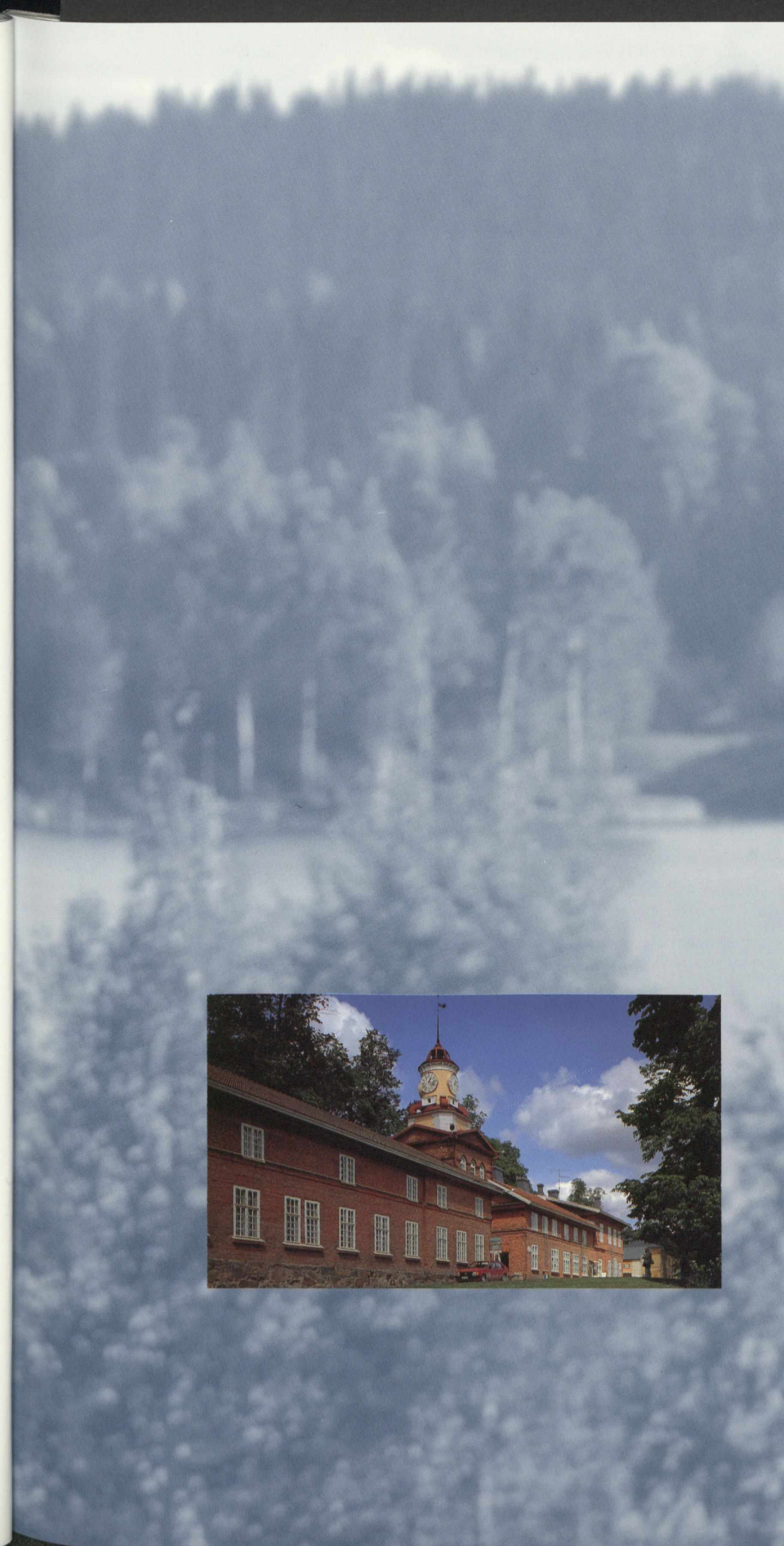
Ferraria's activities comprise real estate development enhancing their value, and related real estate services. The plan for the 4,000 hectare area on the Hankoniemi peninsula was completed during 1993 as a basis for the future development planning.

Historical and cultural environment

Efforts to preserve the cultural environment and historical buildings in the Fiskars area continue. A comprehensive program has been prepared for the area concerning the historically most valuable buildings which are to be restored by 1999 for the celebration of the 350th anniversary of Fiskars Corporation.

Exhibitions maintained by the corporation, presenting the centuries old industrial traditions are open to the public in Fiskars and Billnäs. Both are popular targets for the 30,000 tourists visiting the region each year.

During the year, an increasing number of craftsmen and small enterprises have moved to Fiskars giving new life to this unique environment.



Fiskars' land holdings represent many different values.



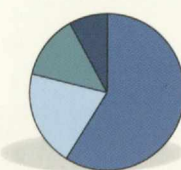
SHAREHOLDING IN THE METRA CORPORATION

Metra's main products are diesel engines, bathroom ceramics, locking and access control systems. The Group has net sales of FIM 13 billion, and a workforce of 16,000. In its Stock Exchange bulletin, Metra announced a clearly positive result for 1993.

Metra's main markets are the EU, Nordic countries, North and South America and Asia Pacific. Finnish operations account for 5% of turnover, and for roughly one third of production, which illustrates the importance of exports and production outside Finland.

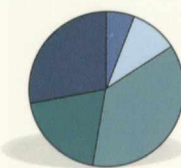
Metra's focus on its three core businesses increased in 1993. The implemented structural measures meant in practice the corporation's withdrawal from construction materials industry, a divestment of the touring caravan operations, and of the American subsidiary which manufactures precision automation. By contrast, the core

Net sales by business areas



	Wärtsilä Diesel	59 %
	Sanitec	20 %
	Abloy Security	13 %
	Others	8 %

Net sales by market areas



	Finland	6 %
	Scandinavia	10 %
	Other Europe	37 %
	America	19 %
	Others	28 %

businesses were strengthened by acquisitions. Metra increased its participation in the French diesel engine manufacturer SACM from 59% to 99%, in the Italian bathroom ceramics company Sanitari Pozzi to 100%, and acquired an 80% interest in Kolo, a Polish company operating in the same industry.

Wärtsilä Diesel's success continued

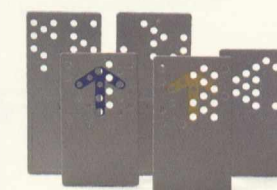
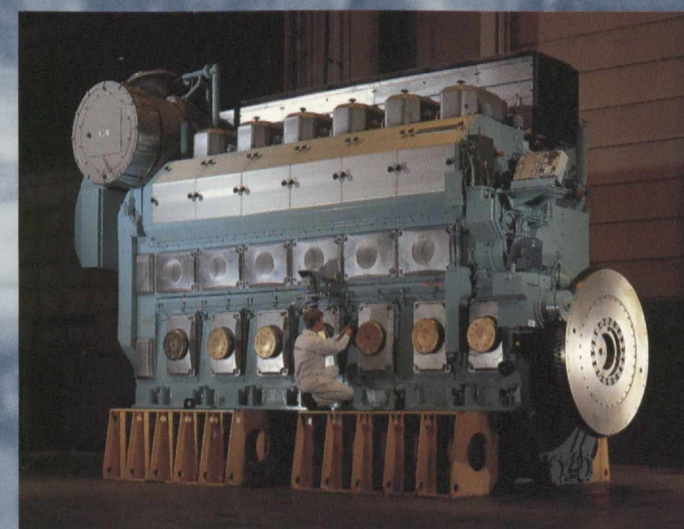
Wärtsilä Diesel manufactures diesel engines for ships and power plant facilities for energy production. The success is supported by modern technology based on the group's commitment to research and development, and by a global sales and service network. Wärtsilä Diesel's market share as a supplier to power plants with a capacity exceeding one megawatt increased to 20%.

Sanitec conquers new markets

Sanitec is the leading European producer of bathroom ceramics. The company has strong local brands and a broad network of production facilities which benefits from the design and production strengths of the various markets. Sanitec is also the world leader in closed vacuum sewage systems. During 1993, Sanitec expanded its operations to Italy and Poland.

Abloy Security retained its strong position

Abloy Security specializes on safe and convenient door and window locking concepts. The group is a major European producer of locks and locking systems, and the world's leading supplier of hotel locking and electronic access control systems.



Diesel power is the principal source of energy in road and sea transports. In recent years, Wärtsilä Diesel has delivered many diesel power plants to markets around the world.

FISKARS BRANDS



Throughout its 350-year history, Fiskars has preserved the value of its strong brands. Our most important brand is the Fiskars® trademark, but we also use a great number of other well known brands. Some were originally created by Fiskars, others have come into the corporation's possession through acquisitions. Each brand has a carefully built profile of its own. Fiskars brands are esteemed also among our customers and are seen as the guarantor of quality and functional design.

Fiskars is a global brand, the others are national or regional. In North America for instance, scissors are marketed with three brands: Fiskars, Dura-Sharp and Cut-Rite. Montana is the strongest brand in Italy, and cutlery is sold also with Italicus and Montinox brands. The use of several brands for the same market area enables us to provide more versatile offerings to our customers.

The age of the brands varies: while the most ancient ones have been used for centuries, the image of the more recent ones is only being built up in the market. Although Fiskars' subsidiaries serve different areas and markets, the reputed and strong Fiskars name supports the success of all our products.

FINANCIAL STATEMENTS 1993

Report by the Board of Directors

General

The deepening trend of the recession was believed to be over in Finland at the end of 1993, and there are already cautiously optimistic expectations for 1994. The divergence between the successful export industry and the still withering domestic industry is very marked. The trend of the balance of payments recovered and turned positive at the end of the year. However, the economy remains strained both in the private and the public sector due to the high unemployment, which already exceeds 20%, and the public sector deficit. Interest rates in Finland came down significantly during the year; the decline was 5 percentage points to less than 6%.

The Finnish markka was devalued by 10% against the U.S. dollar, the most important currency for the Corporation.

Year 1993

Year 1993 was a turning point in the development of Fiskars Corporation. The emerging positive result trend in the first half of the year continued during the second half stronger than estimated in the interim report. The result after financial items improved considerably from the previous year's loss of FIM 16 million to FIM 126 million.

Improving demand in many markets and concentrated efforts to develop new products and cooperation both with customers and the distribution started bearing fruit.

The Consumer Products Group continued to improve its strong performance, especially in the United States, in part aided by the strengthening of the U.S. dollar. The UPS Group and Bronto improved their results significantly. Inha's result remained unchanged.

Operational cash flow was positive and sufficient to cover the capital expenditure of the Corporation.

Financing was alleviated by the sale of Metra B shares for FIM 75 million. The Corporation's present holding in Metra represents almost 20% of the vote and just over 13% of the shares. At the year-end, the Board of Directors resolved to accept an offer to redeem 150,000 K-shares and 7,800 A-shares in Fiskars Oy Ab at a total cost of FIM 47 million.

The operational result includes a profit of FIM 29 million relating to the above arrangements.

The Corporation's long-term financing is stable and its liquidity is good. The equity ratio improved to 40% (37%).

Along with industrial operations, the Corporation possesses two other major asset categories. One of these, the holding in the Metra Corporation, is in the view of the Board of Directors a very important investment with an essential impact on the long-term development of corporate wealth. At the beginning of 1994, the market value of the Metra shares exceeded their book value. Land and forestry properties can be tracked back to the beginning of the Corporation's industrial era. Their annual return is typically low, and their value appreciation is of a long term nature.

The trading trend on the Helsinki Stock Exchange was very strong, although partly unstable. The HEX index increased 91% from the previous year. The price of Fiskars share of series A rose 166% and of series K 103%. The upward trend of both the HEX index and Fiskars share price continued in early 1994.

Corporate management

There were no major changes in the corporate management during the year.

Acknowledgement

The Board of Directors express their thanks Fiskars'

customers, suppliers, personnel, shareholders and business partners for the good cooperation in the past year.

Outlook

It is now believed that the worst in the recession of the Western industrialized countries is over. The recovery of the economy in the United States and U.K. already rests on solid ground, and prospects in the continental Europe and Nordic countries, while still uncertain and volatile, are improving.

The positive trend in the Consumer Products Group is

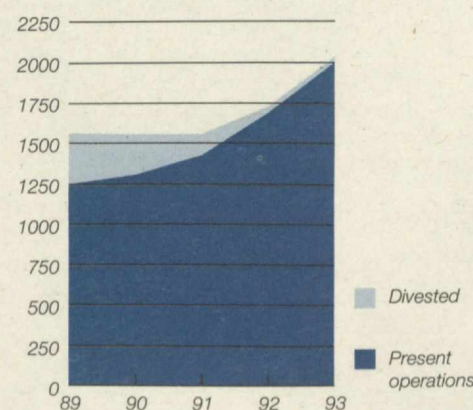
CORPORATE RESULTS

The consolidated and the parent company's financial results have been prepared in accordance with the new Accounting Act adopted on December 23, 1992 to harmonize with the EU Directives Nos. 4 and 7. This eliminated the need to prepare financial statements in accordance with the International Accounting Standards (IAS). Information from the previous year's Statement of Income, Balance Sheet and Notes to the Financial Statements has been modified accordingly to facilitate comparison.

Corporate net sales increased by 18% from FIM 1,729 Million to FIM 2,038 million. 91% (88%) of net sales was generated outside Finland.

Earnings before depreciation (EBDIT) totalled FIM 282 million (FIM 147 million) and **operating profit** FIM 198 million (FIM 63 million).

Net sales, MFIM



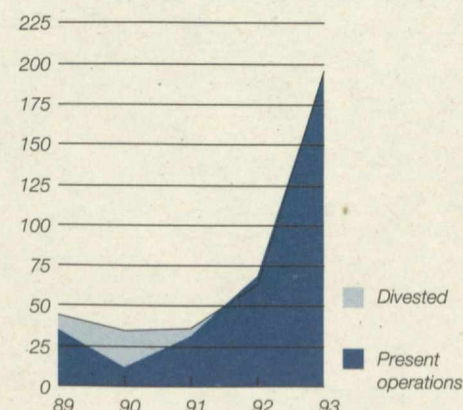
expected to be sustained, supported by enhanced market positions and innovative products, particularly in the American market, and also in Europe. The UPS Group is strengthening its presence both in North America and Europe. Also Bronto's export-driven operations are expected to continue their positive development.

The Board of Directors estimates that the result improvement stands on a solid basis and that the possibilities for continued positive development are good. The Corporation's financial situation remains stable.

The continuing recovery in Fiskars' markets towards the end of 1993, supported by new products had a positive impact both on the net sales and profits in the second half of the year which increased clearly over the previous corresponding period. Also the strengthening of the U.S. dollar during the year contributed to the positive development. North American operations represented FIM 960 million (FIM 701 million), or 47% of corporate net sales. Finland accounted for FIM 193 million (FIM 215 million) of corporate net sales, exports from Finland amounted to FIM 341 million (FIM 287 million).

Dividend income, mainly comprised of Metra's dividend, was FIM 12 million (FIM 13 million) and included FIM 3 million (FIM 5 million) of tax refund under the Finnish corporate taxation system.

Operating profit, MFIM



Net financial expenses were FIM 72 million (FIM 79 million). Due to neutral currency positions, net exchange rate losses were not incurred. **Result after financial items** was a profit of FIM 126 million (loss FIM 16 million).

The **pre-tax result** was a profit of FIM 126 million (loss FIM 24 million).

The result after taxes and a change in contingent tax liability was FIM 101 million (loss FIM 4 million). The change in contingent tax liability of FIM 4 million (FIM 43 million) stated in accordance with the new accounting regulations, relates to appropriations.

Earnings per share (according to the by-laws of the Helsinki Stock Exchange) was FIM 17.40 (FIM 0.70), and **equity per share** was FIM 158.80 (FIM 146.30).

Return on investments was 11.4% (4.6%) and return on equity 11.6% (0.5%).

Operational results of business units

The **Consumer Products Group's** net sales increased by 18% to FIM 1,308 million (FIM 1,111 million), and accounts for 64% of corporate net sales. The overall profitability of the group improved considerably and was very good.

The trend continued very strong in the United States, driven by the continual growth of market shares in lawn and garden tools, scissors and recreational products. Continuous market introductions of new products and increased focus on partnerships with distribution channels have proved to be successful.

The market situation in the Nordic countries remains unstable. Demand in Norway and Finland was satisfactory but poor in Denmark and Sweden. Overall sales exceeded the previous year's figures.

The weak and uncertain economic trend in Central Europe had an adverse effect on demand in the group's key markets Germany, Italy and France, and led to declining sales volumes.

In Great Britain, our market shares were strengthened, and sales increased in spite of sluggish demand.

The **UPS Group** increased net sales by 33% to FIM 427 million (FIM 322 million), and accounts for 21% of corporate net sales. Profitability improved significantly, and was good.

In the American market, Deltec continued gaining market share supported by new products and a broader distribution network. Revamping of production at the Mexican plant continued, including investments in production automation which will be taken into use in 1994.

Fiskars Power Systems reinforced its position in almost all of its European key markets. Growth was exceptionally good in Eastern Europe and the U.K.

Demand for **Bronto Skylift's** products recovered significantly from the previous year and sales grew by 11% to FIM 168 million (FIM 151 million), or to 8% of corporate net sales. There was a strong growth in current orders towards the end of the year and they reached a record volume. Also profitability improved as a result of better competitiveness but remained, however, unsatisfactory.

Markets for **Inha Works'** boats and construction related products continued to weaken, and sales declined to FIM 61 million (FIM 67 million), or to 3% of corporate net sales. Profitability was unsatisfactory.

The recession of the real estate market continued to have an adverse effect on **Ferraria's** net sales. The level of activity remained flat, while operational result improved to profitability.

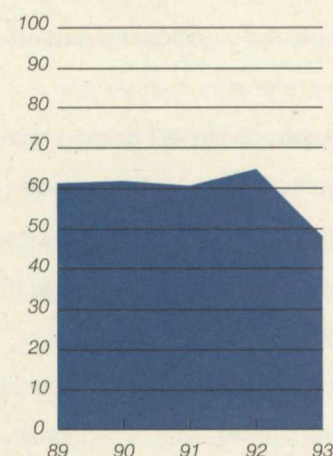
The result from the traditional **forestry and farming** operations was positive, although weaker than the year before.

Personnel and organization

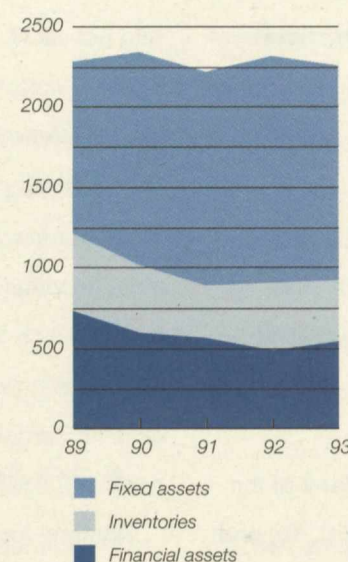
The provisions of the Industrial Relations Act and personnel representation are implemented close to operations. Each Finnish subsidiary has a Management Board with personnel representation. The employment situation in the Finnish units remained good throughout the year, with the exception of Inha Works and Bronto.

The number of the Corporation's personnel at year-end was 3,131 (3,169); 29% of these worked in Finland (31%).

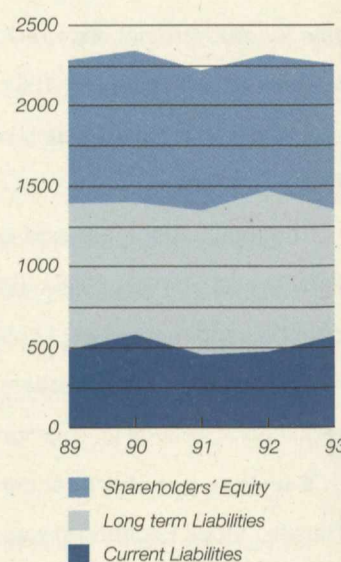
Interest bearing debt/
net sales, %



Balance sheet assets,
MFIM



Balance sheet
liabilities and equity, MFIM



Net sales by business areas

	Jan. 1 to Dec. 31, 1993		Jan. 1 to Dec. 31, 1992		Change
	MFIM	%	MFIM	%	
Consumer products	1308	64	1111	64	18
UPS operations	427	21	322	19	33
Bronto	168	8	151	9	11
Inha	61	3	67	4	- 9
Real estate operations	58	3	58	3	1
Sales between groups	- 18	- 1	- 20	- 1	- 10
Current business operations	2004	98	1689	98	19
Changes in corporate structure	34	2	40	2	- 14
Total	2038	100	1729	100	18

The Net Sales figures have been regrouped to be consistent with the present structure of Fiskars' business areas.

Net sales by market areas

	Jan. 1 to Dec. 31, 1993		Jan. 1 to Dec. 31, 1992		Change
	MFIM	%	MFIM	%	
Finland	193	9	215	12	- 11
Scandinavia	237	12	228	13	4
Other Europe	523	26	472	27	11
North America	960	47	701	41	37
Others	125	6	113	7	11
Net sales	2038	100	1729	100	18
Export from Finland	341		287		19

Personnel by market areas

	Jan. 1 to Dec. 31, 1993		Jan. 1 to Dec. 31, 1992		Change
		%		%	
Finland	906	29	993	31	- 87
Scandinavia	214	7	246	8	- 32
Other Europe	448	14	472	15	- 24
North America	1561	50	1454	46	107
Others	2	0	4	0	- 2
Total	3131	100	3169	100	- 38

Changes in corporate structure

Changes in the corporate structure during 1993 were minor.

Financing; capital expenditure

The Corporation's operational cash flow after capital expenditure was positive and liquidity remained good. Short-term interest-bearing liabilities decreased to FIM 27 million (FIM 102 million). Liquid assets totalled FIM 53 million (FIM 144 million).

Long-term debts totalled FIM 973 million (FIM 1,036 million). Due to good liquidity, debts were serviced ahead of schedule. FIM 183 million of long-term debts will become due in 1994. The relating financing requirements will be covered by already negotiated long-term credits and overdraft facilities.

Investments in industrial fixed assets totalled FIM 56 million (FIM 80 million). The majority of the investments were directed to the Consumer Products Group also in 1993.

Annual General Meeting of shareholders 1993

The financial statements for 1992 were approved at the Annual General Meeting of shareholders on March 31, 1993, as proposed by the Board of Directors. A dividend of 12% or FIM 2.40 per share was declared for shares of series A, totalling FIM 5,318,860.80 and a dividend of 9.5% or FIM 1.90 per share for shares of series K, totalling FIM 6,807,346.60.

The shareholders' meeting reelected the retiring Board members Olof Bruncrona, Robert G. Ehrnrooth and Matti Pekkanen.

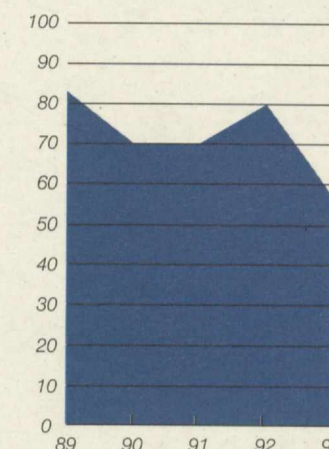
Eric Haglund (CPA), Juhani Kolehmainen and Albertina Åberg were elected auditors. Sixten Nyman (CPA), Brita Hisinger-Jägerskiöld and Peter Hartwall were elected deputy auditors.

The shareholders' meeting decided to grant the Board of Directors an authorization for an increase of the share capital. This authorization is dealt with on page 48.

Extraordinary General Meeting of shareholders 1993

At the Extraordinary General Meeting of shareholders on

Investments in industrial fixed assets, MFIM



September 14, 1993, Erik Stadigh was elected new member of the Board for the remaining term of the late Mr. Olof Bruncrona. Mr. Stadigh's term ends at the Annual General Meeting of shareholders 1996.

The shareholders' meeting decided to raise an option loan of FIM 18,000, which deviating from the shareholders' pre-emptive rights, was directed to the President to promote a longranged engagement in the development of the company. Through exercising the subscription rights connected to the loan, a maximum of 18,000 shares of series A with a nominal value of FIM 20 each can be issued and the share capital can be increased by a maximum of FIM 360,000. The entire loan was subscribed.

Further, the shareholders' meeting decided to raise an option loan of a maximum of FIM 50,000 which, deviating from the shareholders' pre-emptive rights, was directed to persons belonging to the company's management, however excluding the board members themselves, to promote a longranged engagement in the development of the company. The Board was empowered to nominate the entitled persons. In accordance with the Board's offer an amount of FIM 34,400 of the loan was subscribed. By exercising the subscription rights connected to the loan, a maximum of 34,400 shares of series A with a nominal value of FIM 20 each can be issued and the share capital can be increased by a maximum of FIM 688,000.

CONSOLIDATED INCOME STATEMENT (MFIM)

	1993	%	1992	%
Net sales	2037.7	100 %	1728.5	100 %
Cost of goods sold	<u>-1339.3</u>		<u>- 1176.1</u>	
Gross profit	698.4	34.3 %	552.4	32.0 %
Sales and marketing expenses	- 324.8		- 301.0	
Administrative expenses	- 135.3		- 131.8	
Other operating expenses	- 61.9		- 45.3	
Other operating income	33.6		0.0	
Amortization of goodwill	- 12.0		- 11.3	
Operating profit	198.0	9.7 %	63.0	3.6 %
Financial income and expense				
Dividend income	11.5		12.7	
Other financial income	8.4		11.1	
Share of associated companies' results	1.1		- 0.3	
Interest expense	- 89.9		- 93.6	
Other financial expense	- 3.2		- 8.7	
Profit (loss) before extraordinary items and taxes	125.9	6.2 %	- 15.8	- 0.9 %
Extraordinary income	0.0		2.0	
Extraordinary expense	<u>0.0</u>		<u>- 10.2</u>	
Profit (loss) before taxes	125.9	6.2 %	- 24.0	- 1.4 %
Direct taxes				
For the financial year	- 28.9		- 23.6	
Change in deferred tax liability	4.1		43.4	
Profit (loss) for the financial year	<u>101.1</u>	5.0 %	<u>- 4.2</u>	- 0.2 %

CONSOLIDATED STATEMENT OF CASH FLOWS (MFIM)

	1993	1992
Operating profit	198.0	63.0
+Depreciation and amortization	83.8	83.5
Profit before depreciation and amortization	281.8	146.5
Financial net	- 72.1	- 78.8
Extraordinary items	0.0	- 8.2
Taxes	- 25.5	19.8
Dividends paid	- 12.1	- 12.2
	172.1	67.1
Change in working capital	- 89.2	- 5.5
	82.9	61.6
Net capital expenditure		
Investment in shares	- 16.5	- 74.5
Sale of shares	75.2	2.1
Investment in fixed assets	- 55.9	- 80.4
Sale of fixed assets	4.6	6.9
	7.4	- 145.9
Financing surplus/deficit	90.3	- 84.3
Financing		
Change in long-term receivables	5.0	0.0
Conversion of convertible bonds into equity	0.0	1.2
New issue	5.8	0.0
Redeemed shares	- 47.3	- 4.4
Change in long-term debt	- 64.6	106.3
Change in short-term debt	- 71.8	27.1
Translation adjustment	- 8.5	- 57.6
Change in liquid assets	- 91.1	- 11.7
Liquid assets, beginning of financial year	143.9	155.6
Liquid assets, end of financial year	52.8	143.9
	<u>- 91.1</u>	<u>- 11.7</u>

CONSOLIDATED BALANCE SHEET (MFIM)

Assets	31.12.93	%	31.12.92	%
Fixed assets and other long-term expenditure				
Intangible assets				
Goodwill	58.7		69.1	
Other long-term expenditure	76.4		85.1	
	<u>135.1</u>	6.0 %	<u>154.2</u>	6.6 %
Tangible assets				
Land and water	123.8		124.2	
Buildings and constructions	128.1		124.6	
Machinery and equipment	197.2		199.2	
	<u>449.1</u>	20.0 %	<u>448.0</u>	19.3 %
Shares in fixed assets and other long-term investments				
Shares in associated companies	20.2		18.8	
Other shares and participations	733.0		792.9	
Loans receivable	4.9		9.9	
	<u>758.1</u>	33.7 %	<u>821.6</u>	35.4 %
Inventories and financial assets				
Inventories				
Raw-materials and consumables	124.9		143.0	
Work in progress	70.1		76.9	
Finished goods	179.8		195.4	
Payments on account	1.4		0.0	
	<u>376.2</u>	16.7 %	<u>415.3</u>	17.9 %
Current receivables				
Trade debtors	394.0		266.5	
Loans receivable	8.7		2.0	
Prepayments and accrued income	59.2		36.3	
Other debtors	15.7		32.4	
	<u>477.6</u>	21.2 %	<u>337.2</u>	14.5 %
Cash at bank and in hand	52.8	2.3 %	143.9	6.2 %
	<u>2 248.9</u>	100 %	<u>2 320.2</u>	100 %

Liabilities and equity	31.12.93	%	31.12.92	%
Equity				
Restricted equity				
Share capital	118.1		117.4	
Other restricted equity	409.0		389.2	
	<u>527.1</u>	23.4 %	<u>506.6</u>	21.8 %
Unrestricted equity				
Profit brought forward	273.0		345.8	
Profit (loss) for the financial year	101.1		4.2	
	<u>374.1</u>	16.6 %	<u>341.6</u>	14.7 %
Provisions				
Provisions for liabilities and charges	12.0	0.5 %	14.2	0.6 %
Liabilities				
Long-term				
Bond loans	25.0		25.0	
Amounts owed to credit institutions	696.9		687.1	
Pension fund loans	115.4		193.3	
Deferred tax liability	35.4		39.5	
Other long-term debt	100.4		90.6	
	<u>973.1</u>		<u>1 035.5</u>	
Less current portion	- 182.9		- 53.6	
Long-term debt, net	<u>790.2</u>	35.1 %	<u>981.9</u>	42.3 %
Short-term				
Amounts owed to credit institutions	26.6		101.6	
Current portion of long-term debt	182.9		53.6	
Payments on account	24.0		12.1	
Trade creditors	133.5		116.8	
Accruals and deferred income	169.0		185.5	
Other short-term debt	9.5		6.3	
	<u>545.5</u>	24.3 %	<u>475.9</u>	20.5 %
	<u>2 248.9</u>	100 %	<u>2 320.2</u>	100 %

GENERAL ACCOUNTING PRINCIPLES

The Fiskars Consolidated Financial Statements are presented on pages 28–31 and the parent company's financial statements on pages 50–51. The financial information is presented in Finnish markka and prepared under the historical cost convention, modified by the revaluation of certain fixed assets.

For preparing its 1993 financial statements, Fiskars has adopted the Finnish Accounting Standards established by the reformed Finnish Accounting Act enforced on December 23, 1992. These consolidated statements represent no major changes to the previous years' financial statements prepared under the International Accounting Standards (IAS), with the exception of the present application of untaxed reserves.

Scope of the Consolidated Financial Statements

The consolidated financial statements include the accounts of all the subsidiaries of Fiskars Oy Ab in which Fiskars holds, either directly or indirectly, over 50 % of the vote, as well as the controlled associated companies with a substantial Fiskars' ownership. All acquired or established subsidiaries and minority interests in associated companies are included in the consolidated financial statements from the date of acquisition or establishment to the last date of the holding.

Consolidated goodwill

The purchase method of accounting is used in calculating goodwill. Tax liability on the acquired company's untaxed reserves is calculated and included with consolidated long-term tax liabilities. The rest of these untaxed reserves are part of the consolidated share-

holders' equity. Where possible, the excess of acquisition cost over the value of acquired net assets is allocated to various balance sheet items. The remainder is declared as goodwill amortised over a period not exceeding ten years.

Intercompany transactions

All intercompany transactions are eliminated as part of the consolidation process.

Minority interests

Minority interests are separated from the consolidated results and shareholders' equity and presented as a distinct item in the financial statements.

Investments in associated companies and other companies

The Group's share in the results of associated companies is recorded in financial items. The value of the corporation's investments in associated companies is stated in accordance with the equity method of accounting, by adjusting the acquisition costs on investments for the effect of the Group's share of the profits or losses in associated companies, dividend distributions and goodwill depreciations. Investments in other companies are taken up in the balance sheet at original cost, making provision, where necessary, to reduce the book value to the estimated net realizable value.

Transactions in foreign currencies

Transactions in foreign currencies are recorded at the rates of exchange ruling at the date of the transaction. At the end of the accounting period the hedged balances on foreign currency transactions are valued at the rates of outstanding forward agreements, and other balances at the exchange rates ruling at the balance sheet

date. Foreign exchange gains and losses are treated as adjustments to annual results.

Translation of foreign subsidiaries' account

In the consolidated accounts, the reported amounts of all foreign subsidiaries of the Group are translated into Finnish markka using the rates announced by the Bank of Finland as at the balance sheet date. Translation differences concerning investments in foreign entities and arising from the application of the purchase method are treated as an adjustment item affecting the consolidated shareholders' equity. Respectively, the exchange differences arising on an effective hedge against these investments are offset against the translation differences described above.

Research and development expenditure

Research and development costs are expensed for the financial year when incurred.

Pensions and coverage of pension liabilities

The pension schemes as a whole are funded through payments to independent insurance companies. Certain part of the schemes concerning a small part of retired employees are funded through a trustee-administered fund. Changes in the deficit of pension liability are included in the parent company's result, and the total deficit is recorded in its liabilities. In calculating the deficit, the assets of the pension fund are taken up at their expected net realizable value.

Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined on a first-in-first-out (FIFO) basis. Net realizable value is the amount that can

be realized from the sales of the asset in the normal course of business.

Fixed assets and depreciations

Fixed assets are stated at cost less accumulated depreciation, except certain land and water areas, which are stated at revalued amounts. The amount of the revaluation in assets is respectively stated in restricted equity. Depreciation is calculated on a straight line basis to write off the cost of fixed assets over their expected useful lives.

Extraordinary income and expense

Certain income and expense items of unusual size, relating e.g. to divestment or closing of operations, are presented as extraordinary items in the consolidated statement of income.

Accumulated depreciation differences and other untaxed appropriation items

In consolidated accounts, the appropriation items are included in the consolidated shareholders' equity after deduction of deferred tax liability.

Taxes

The consolidated financial statements include the direct taxes based on the Group companies' results for the financial year, the deferred tax determined on the basis of tax assessments and the change in the deferred tax liability calculated on the basis of untaxed reserves.

NOTES TO THE FINANCIAL STATEMENTS (MFIM)

Prior period information has been restated

	Consolidated		Parent	
	1993	1992	1993	1992
Income statement				
1. Personnel costs				
Wages and salaries, for time worked	343.2	360.6	10.6	38.6
Pension costs	34.3	30.4	6.3	8.5
Other personnel costs	120.1	125.9	2.9	16.6
Wages and salaries including other personnel costs	497.7	516.9	19.8	63.7
2. Wages and salaries paid (including holiday and sick leave pay)				
Salaries to Corporate Management	3.4	3.9	3.4	3.9
Wages and salaries to other personnel	375.0	425.9	7.5	44.9
Bonuses to Corporate Management	0.6	0.4	0.6	0.4
Total wages and salaries paid	378.9	430.2	11.5	49.2
Loans granted to the Corporate Management amounted to 0.8 MFIM. Maturity is from 8 to 10 years and loans are usually free of amortization. The interest rate is from 6 to 10 %. According to an agreement the President and CEO of the parent company is able to retire at the age of 60.				
3. Depreciation and amortization according to plan by function				
Manufacturing and procurement	46.7	45.0	3.4	9.6
Sales and marketing	3.1	3.3		
Administration	5.6	6.3	0.9	1.0
Other functions	16.2	17.6	0.3	0.4
Goodwill amortization	12.0	11.3		
Total depreciation and amortization according to plan	83.8	83.5	4.6	11.0
4. Intercompany financial income and expense				
Financial income			18.6	13.0
Financial expense			9.7	12.1
Total intercompany financial income and expense			8.9	0.9
5. Extraordinary income and expense				
Extraordinary items in connection with restructuring		8.2		0.2
Write down of shares in group companies				26.3
Pension liability			9.0	
Loss on merger			2.9	
Total extraordinary income and expense	0.0	8.2	11.9	26.1

	Consolidated		Parent	
	1993	1992	1993	1992
Balance sheet, assets				
Movements in fixed assets				
6. Goodwill				
Original cost Jan. 1.	126.4	84.9		
Translation adjustment	3.4	8.6		
Original cost at the beginning of the year				
valued at the closing rate	129.8	93.5	0.0	0.0
Capital expenditure	0.0	32.9		
Other changes	0.4	0.0		
Gross value Dec. 31.	130.2	126.4	0.0	0.0
Accumulated amortization according to plan Jan. 1.	57.4	42.7		
Translation adjustment	2.1	3.3		
Accumulated amortization Jan. 1. valued at the closing rate	59.5	46.0	0.0	0.0
Accumulated amortization according to plan during the financial year	12.0	11.3		
Accumulated amortization according to plan Dec. 31.	71.5	57.3	0.0	0.0
Net book value Dec. 31.	58.7	69.1	0.0	0.0
7. Other long-term expenditure				
Original cost Jan. 1.	145.2	126.4	1.7	1.5
Translation adjustment	7.8	24.3		
Original cost at the beginning of the year	153.1	150.7	1.7	1.5
Capital expenditure	2.0	1.8	0.7	0.4
Decrease	1.0	0.0	0.3	0.2
Other changes	0.2	7.3	0.0	
Gross value Dec. 31.	154.2	145.2	2.1	1.7
Accumulated depreciation according to plan Jan. 1.	60.1	40.9	1.0	0.6
Translation adjustment	3.2	9.5		
Accumulated depreciation Jan. 1. valued at the closing rate	63.3	50.4	1.0	0.6
Depreciation according to plan during the financial year	15.2	16.8	0.3	0.4
Accumulated depreciation on decrease	0.7	7.1	0.2	0.0
Accumulated depreciation according to plan Dec. 31.	77.8	60.1	1.1	1.0
Net book value Dec. 31.	76.4	85.1	1.0	0.7
8. Land and water				
Original cost Jan. 1.	56.2	54.5	17.0	16.2
Valuation Jan. 1.	68.1	68.1	68.1	68.1
Translation adjustment	0.0	0.4		
Translation value Jan. 1. at the closing rate	124.3	123.0	85.1	84.3
Capital expenditure	0.1	0.8	0.1	0.8
Decrease	0.6		0.1	
Other changes	0.0	0.5		
Book value Dec. 31.	123.8	124.3	85.1	85.1

	Consolidated		Parent	
	1993	1992	1993	1992
9. Buildings				
Original cost Jan. 1.	187.5	185.9	73.7	72.4
Translation adjustment	2.0	8.8		
Original cost at the beginning of the year	189.5	194.7	73.7	72.4
Capital expenditure	10.7	1.7	0.7	1.3
Decrease	- 0.4	- 0.1		
Other changes	- 1.2	- 8.8		
Gross value Dec. 31.	198.6	187.5	74.5	73.7
Accumulated depreciation according to plan Jan. 1.	63.0	55.6	27.8	24.9
Translation adjustment	0.6	3.5		
Accumulated depreciation Jan. 1. valued at the closing rate	63.6	59.1	27.8	24.9
Depreciation according to plan during the financial year	7.5	7.4	2.9	2.9
Accumulated depreciation on decrease	- 0.6	- 3.5		
Accumulated depreciation according to plan Dec. 31.	70.5	63.0	30.7	27.8
Net book value Dec. 31	128.1	124.6	43.8	45.9
10. Machinery and equipment				
Original cost Jan. 1.	451.0	389.6	12.5	34.4
Translation adjustment	16.2	40.5		
Original cost at the beginning of the year	467.2	430.1	12.5	34.4
Capital expenditure	43.1	43.3	0.4	12.8
Decrease	- 20.6	- 26.5	- 1.4	- 34.7
Other changes	3.0	4.1	0.0	
Gross value Dec. 31.	492.7	451.0	11.5	12.5
Accumulated depreciation according to plan Jan. 1.	251.7	199.3	7.0	43.8
Translation adjustment	10.3	20.5		
Accumulated depreciation Jan. 1. valued at the closing rate	262.0	219.8	7.0	43.8
Depreciation according to plan during the financial year	49.2	48.0	1.4	7.7
Accumulated depreciation on decrease	- 15.7	- 16.0	- 1.3	- 44.5
Accumulated depreciation according to plan Dec. 31.	295.5	251.8	7.1	7.0
Net book value Dec. 31.	197.2	199.2	4.4	5.5
11. Shares				
Original cost Jan. 1.	811.7	745.0	1244.4	1106.0
Translation adjustment	0.3	0.4		
Original cost at the beginning of the year	812.0	745.4	1244.4	1106.0
Capital expenditure	16.5	74.5	25.5	164.9
Decrease	- 75.3	- 2.1	- 74.6	0.0
Other changes	0.0	6.1	7.0	26.5
Book value Dec. 31.	753.2	811.7	1188.3	1244.4

	Consolidated		Parent	
	1993	1992	1993	1992
12. Movements in fixed assets, total				
Original cost Jan. 1.	1778.0	1586.3	1349.3	1230.6
Valuation Jan. 1.	68.1	68.1	68.1	68.1
Translation adjustment	29.7	83.0	0.0	0.0
Book value Jan. 1. at the closing rate	1875.9	1737.4	1417.4	1298.7
Capital expenditure	72.3	155.0	27.4	180.1
Decrease	- 97.9	- 28.7	- 76.4	- 34.9
Other changes	2.4	17.6	7.0	26.5
Gross value Dec. 31.	1852.7	1846.1	1361.5	1417.3
Accumulated depreciation and amortization according to plan Jan. 1.	432.2	338.4	35.8	69.3
Translation adjustment	16.2	36.8	0.0	0.0
Accumulated depreciation and amortization Jan. 1. valued at the closing rate	448.4	375.2	35.8	69.3
Depreciation and amortization according to plan during the financial year	83.8	83.5	4.6	11.0
Accumulated depreciation and amortization on decrease	- 17.0	- 26.6	- 1.6	- 44.5
Accumulated depreciation and amortization according to plan Dec. 31.	515.3	432.1	38.8	35.8
Net book value Dec. 31.	1337.4	1413.9	1322.7	1381.6
13. Net book value for production machinery Dec. 31.	143.0	146.4	0.0	0.0
14. Depreciation policy				
Fixed assets are stated at historical cost less depreciation according to plan. Depreciation according to plan is calculated using varying straight line rates depending on the useful life of the asset.				
In general the following depreciation and amortization rates have been applied:				
Goodwill	10 years		10.0 %	
Other long-term expenditure	3-10 years		10.0-33.3 %	
Buildings and constructions	25-40 years		2.5-4.0 %	
Vehicles	4 years		25.0 %	
Machinery and equipment	3-10 years		10.0-33.3 %	
15. Taxation values (in Finland)				
Land and water	59.4	59.1	46.0	43.5
Buildings and constructions	79.3	113.9	38.0	45.8
Bonds and shares	462.3	328.3	462.0	328.0
Total taxation values	601.0	501.3	546.0	417.3
16. Long-term investments				
Loans receivable	4.9	9.9	63.7	62.8

	Consolidated		Parent	
	1993	1992	1993	1992
17. Book value of shares in subsidiaries and associated companies included in long-term investments				
Subsidiaries			443.6	438.5
Associated companies	20.2	18.8	18.6	17.5
Book value Dec. 31.	20.2	18.8	462.2	456.0
18. Receivables from subsidiaries				
Trade debtors			0.3	3.9
Loans receivable			62.2	56.6
Prepayments and accrued income			5.2	72.9
Other debtors			93.5	50.8
Total Dec. 31.			161.3	184.2
19. Receivables from associated companies				
Trade debtors	0.5			0.0
Loans receivable	5.1	4.5	4.8	4.5
Prepayments and accrued income	15.7		15.7	0.0
Other debtors	0.2			0.0
Total Dec. 31.	21.5	4.5	20.4	4.5
Balance sheet, assets				
20. Equity				
Restricted equity				
Share capital				
K shares				
Jan. 1.	72.6	72.4	72.6	72.4
Conversion of convertible bonds		0.2		0.2
Dec. 31.	72.6	72.6	72.6	72.6
A shares				
Jan. 1	44.8	44.8	44.8	44.8
Private placement	0.7		0.7	
Dec. 31.	45.5	44.8	45.5	44.8
Share capital Dec. 31.	118.1	117.4	118.1	117.4
Reserve fund				
K shares				
Jan. 1	172.1	171.1	172.1	171.1
Conversion of convertible bonds		1.0		1.0
Dec. 31.	172.1	172.1	172.1	172.1
A shares				
Jan. 1	147.5	147.5	147.5	147.5
Private placement	5.1		5.1	
Dec. 31.	152.6	147.5	152.6	147.5

	Consolidated		Parent	
	1993	1992	1993	1992
Other restricted equity				
Jan. 1	69.6	32.5	43.1	43.1
Translation adjustment	- 0.2	25.9		
Other changes	14.9	11.2	0.0	0.0
Dec. 31.	84.3	69.6	43.1	43.1
Restricted equity, total	527.1	506.6	485.9	480.1
Unrestricted equity				
Jan. 1	271.7	242.0	373.1	365.7
Adjustment following the revision of Finnish accounting law	69.9	160.2		
	341.6	402.2	373.1	365.7
Translation adjustment	15.3	7.8		
	356.9	410.0	373.1	365.7
Dividends	- 12.1	- 12.2	- 12.1	- 12.2
Redeemed shares	- 47.3	- 4.4	- 47.3	- 4.4
Profit/Loss for the financial year	101.1	4.2	56.6	24.0
Other changes	- 24.5	- 47.6	- 0.7	
Unrestricted equity Dec. 31.	374.1	341.6	369.6	373.1
Less equity part of untaxed reserves*	- 51.3	- 78.0		
Distributable equity Dec. 31.	322.8	263.6	369.6	373.1

*Not distributable as dividends according to Finnish Company law.

21. Untaxed reserves and deferred tax				
Accumulated depreciation in excess of plan Jan. 1.	39.5	69.4	24.5	54.0
Changes during the financial year	- 13.8	- 29.9	- 4.7	- 29.5
Accumulated depreciation in excess of plan Dec. 31.	25.7	39.5	19.8	24.5
Other untaxed reserves Jan. 1.	64.5	180.9	16.0	125.5
Changes during the financial year	- 21.8	- 116.4	- 16.0	- 109.5
Other untaxed reserves Dec. 31.	42.7	64.5	0.0	16.0
Depreciation in excess of plan and other untaxed reserves Dec. 31.	68.4	104.0	19.8	40.5
Less deferred tax liability Dec. 31.	- 17.1	- 26.0		
Equity part of untaxed reserves Dec. 31.	51.3	78.0		
Deferred tax liability				
Deferred tax liability on untaxed reserves	17.1	26.0		
Other deferred tax liability	18.3	13.5		
Total deferred tax liability Dec. 31.	35.4	39.5		

	Consolidated		Parent	
	1993	1992	1993	1992
22. Provision for liabilities and charges				
Pension liability	9.0	14.2	9.0	0.0
Other provisions for liabilities and charges	3.0			
Total provision for liabilities and charges Dec. 31.	12.0	14.2	9.0	0.0

23. Long-term liabilities

Repayments of the long-term loans:

	1994	1995	1996	1997	Later	Total
Bond loans				25.0		25.0
Amount owed to credit institutions	172.4	43.8	74.7	181.7	224.3	696.9
Pension fund loans	8.0	7.5	7.0	6.5	86.5	115.4
Other long-term debt	2.5	3.0	2.7	16.9	75.4	100.4
Total	182.9	54.3	84.3	230.1	386.1	937.7
%	19.5%	5.8%	9.0%	24.5%	41.2%	100.0%

The bond loan of 25 MFIM is due May 25, 1997. The interest rate is 12.65 %.

24. Intercompany liabilities

Long-term						
Long-term debts				59.0		53.5
Total long-term				59.0		53.5
Short-term						
Trade creditors				0.3		0.3
Accruals and deferred income				2.7		44.7
Other short-term debt				167.4		90.3
Total short-term				170.4		135.3

25. Payables to associated companies

Short-term						
Trade creditors			0.1			
Total short-term	0.0		0.1	0.0		0.0

	Consolidated		Parent	
	1993	1992	1993	1992
26. Pledged assets and contingencies				
Mortgages				
- for the company's own liabilities	153.1	198.5	131.8	130.2
Guarantees				
As collateral for loans				
- for group companies' liabilities			516.0	502.1
- for associated companies' liabilities	9.8		9.8	
- for other parties' commitments	0.9	1.2	0.1	0.1
Other contingencies				
- for the company's own commitments	58.0	61.7		0.0
- for other parties' commitments	0.0	0.0		0.0
Pledged assets				
- for the company's own commitments	61.6	6.6	60.9	5.7
Total pledged assets and contingencies	283.4	268.0	718.5	638.1
27. Pension liability	0.0	0.0	0.0	14.2

SUBSIDIARIES AND ASSOCIATED COMPANIES

	Number of shares	% of share capital Parent Consolidated	% of voting power Parent Consolidated	Nominal value (1000)	Book value (1000)	Book value FIM (1000)	Net profit/loss per latest Financial Statements
Shares owned by Fiskars Oy Ab							
DE Fiskars GmbH		99	100	99	100	3950 (DEM)	7636 (FIM) 7636 223
DK Fiskars A/S	3000	100	100	100	100	3000 (DKK)	60829 (FIM) 60829 - 907
FI Bronto Holding Oy Ab, Tampere	500000	100	100	100	100	5000 (FIM)	9999 (FIM) 9999 858
FI Bronto Skylift Oy Ab, Tampere	7448	5	100	5	100	760 (FIM)	54215 (FIM) 54215 578
FI Fastighets Ab Björknäs Plast Oy	74	49	49	49	49	15 (FIM)	7 (FIM) 7 - 16
FI Ferraria Oy Ab, Pohja	750000	100	100	100	100	75000 (FIM)	105000 (FIM) 105000 1887
FI Fiskars Consumer Oy Ab, Pohja	200	100	100	100	100	2000 (FIM)	24646 (FIM) 24646 444
FI FPS Power Systems Oy Ab, Espoo	50000	100	100	100	100	5000 (FIM)	9742 (FIM) 51097 1538
FI Inha Works Ltd, Ähtäri	5000	100	100	100	100	500 (FIM)	2375 (FIM) 2375 - 319
FI Kiinteistö Oy Danskog gård Ab	4000	100	100	100	100	3000 (FIM)	3000 (FIM) 3000 - 1
GB Fiskars Limited, UK	1500000	100	100	100	100	1500 (GBP)	14415 (FIM) 14415 10564
IT Coltellerie Montana S.r.l.	7000	100	100	100	100	7000000 (ITL)	33791 (FIM) 33791 - 8389
NL Fiskars Europe B.V.	150	100	100	100	100	150 (NLG)	4299 (FIM) 4299 52529
NO Fiskars A/S	30	100	100	100	100	150 (NOK)	86 (FIM) 86 433
SE Fiskars AB	50000	100	100	100	100	5000 (SEK)	63967 (FIM) 63967 6108
US Fiskars Holdings Inc.	200	100	100	100	100	17749 (USD)	50655 (FIM) 50655 - 6513

Associated companies' shares owned by Fiskars Oy Ab

FI Elesco Oy Ab, Espoo	2500	50	50	50	50	2500 (FIM)	2500 (FIM) 2500 *
- shareholders' equity FIM 4.0 Million							
FI Private banker Åne Gyllenberg Ab, Helsinki	123910	42	42	42	42	1239 (FIM)	14198 (FIM) 14198 *
- shareholders' equity FIM 22.9 Million							
IN Fiskars India Ltd	253250	30	30	30	30	5750000 (INR)	1885 (FIM) 1885 *
- shareholders' equity FIM 0.2 Million							

Other shares owned by Fiskars Oy Ab

FI Metra Oy Ab, A	2900000	20.8	20.8	20.8	20.8	625809 (FIM)	625809
FI Metra Oy Ab, B	619000	4.8	4.8	4.8	4.8	74311 (FIM)	74311
Metra total		13.1	13.1	19.5	19.5		700120
FI Oy Investa Ab	150000					6000 (FIM)	6000
FI Sampo Oy	20152					417 (FIM)	417
FI Rautaruukki Oy	72646					853 (FIM)	853
FI Julius Tallberg Fastighet	18150					1025 (FIM)	1025
FI Kansallis-Osake-Pankki	134000					1608 (FIM)	1608
FI Unitas Oy Ab A	650000					9927 (FIM)	9927

Shares owned by other group companies

Industrial operations

Consumer Products Group

CA Fiskars Canada Inc.	500	100	100	500 (CAD)	433 (USD)	2505
DE Wilhelm Boos jr. (GmbH & Co)		100	100	1000 (DEM)	2825 (DEM)	9421
DK Fiskars Danmark A/S	211	100	100	20000 (DKK)	63586 (DKK)	54360
FR Fiskars S.A.R.L.	15000	100	100	1500 (FRF)	5482 (NLG)	16343
GB Fiskars UK Ltd	1500000	100	100	1500 (GBP)	1500 (GBP)	12831
NO Fiskars Norge A/S	50000	100	100	50 (NOK)	7790 (DKK)	6660
SE Fiskars Konsumentprodukter AB	350000	100	100	3500 (SEK)	22052 (SEK)	15315
US Fiskars Inc.		100	100	26184 (USD)	26184 (USD)	151461
Other Consumer subsidiaries (7)						3295

Consumer Products Associated Companies

PL Fiskars Poland Limited	658	35	35	1039 (PLZ)	916 (DKK)	783 *
- shareholders' equity FIM 1.4 Million						

UPS -group

DE Fiskars Power Systems GmbH		100	100	450 (DEM)	433 (DEM)	1444
DK Fiskars Power Systems A/S	300	100	100	300 (DKK)	347 (DKK)	297
GB Fiskars Electronics Limited	66000	100	100	66 (GBP)	84 (GBP)	719
MX Deltec S.A.	1000	100	100	1000 (MXP)	25 (USD)	145
NO FPS Power Systems A/S	10000	100	100	1000 (NOK)	1654 (DKK)	1414
SE Fiskars Power Systems AB	25000	100	100	2500 (SEK)	4437 (SEK)	3081
US Deltec Electronics Corporation	1000	100	100	21284 (USD)	21284 (USD)	123117

Bronto Skylift

CH Bronto Skylift AG	45	90	90	50 (CHF)	1073 (FIM)	1073
DE Bronto Skylift GmbH	1	100	100	50 (DEM)	4456 (FIM)	4456
GB Bronto Skylift (UK) Limited	100	100	100	0.1 (GBP)	0 (FIM)	0
SE Bronto Skylift AB	2000	100	100	2000 (SEK)	10021 (FIM)	10021
SG Bronto Skylift Marketing (Far East) Pte Ltd.	160000	80	80	200 (SGD)	341 (FIM)	341
US Bronto Skylift (USA) Inc.	100000	100	100	100 (USD)	424 (FIM)	424
Other subsidiaries of Bronto Skylift operations (2)						115

Other group companies

CH Fiskars Finance AG	47	94	94	50 (CHF)	20 (DKK)	17
DE 3Plus GmbH		100	100	50 (DEM)	272 (DEM)	907
FI Hangon Keskushuolto Oy	100	100	100	15 (FIM)	1868 (FIM)	1868
FI Hangon Sähkö Oy	1332	89	89	1332 (FIM)	3890 (FIM)	3890
Other subsidiaries (13)						5458

Operating subsidiaries and associated companies are listed above when the book value of the shares exceeds FIM 250 thousand. Value of other shares in fixed assets was FIM 7.3 Million of which in the parent company's fixed assets FIM 6.1 million. A complete list of all shareholdings is available at Fiskars Head Office.

* Latest Financial Statements are dated Dec 31, 1993 and the length of the financial year is 12 months

RATIOS THAT REFLECT THE DEVELOPMENT OF THE FISKARS CORPORATION

(Ratios have been calculated in accordance with the rules of the Finnish Banking Inspection)		1993	1992	1991	1990	1989
Net sales*	MFIM	2038	1729	1558	1558	1564
of which outside Finland	MFIM	1845	1514	1276	1203	1157
in per cent of net sales	%	91	88	82	77	74
Percentage change of net sales	%	17.9	11.0	0.0	- 0.4	20.1
Profit before depreciation and amortization	MFIM	283	147	108	101	103
in per cent of net sales	%	13.9	8.5	6.9	6.5	6.6
Operating profit*	MFIM	198	63	27	26	32
in per cent of net sales	%	9.7	3.6	1.7	1.7	2.0
Financial net	MFIM	72	79	75	68	7
in per cent of net sales	%	3.5	4.6	4.8	4.4	0.4
Earnings after financial items	MFIM	126	- 16	- 48	- 42	25
in per cent of net sales	%	6.2	- 0.9	- 3.1	- 2.7	1.6
Earnings before tax	MFIM	126	- 24	- 44	4	43
in per cent of net sales	%	6.2	- 1.4	- 2.8	0.3	2.7
Taxes	MFIM	- 25	20	2	- 30	- 6
Dividend paid	MFIM	18**	12	12	12	19
Capital expenditure	MFIM	72	155	73	641	457
in per cent of net sales	%	4	9	5	41	29
Persons employed, average		3117	3182	3304	3531	3758
Persons employed, Dec. 31		3131	3169	3174	3448	3780
of which outside Finland		2225	2176	2068	2206	2514
Equity	MFIM	901	848	871	942	890
Minority shareholders' equity	MFIM	0	0	0	13	14
Interest bearing debt	MFIM	974	1104	945	963	958
Non-interest bearing debt	MFIM	374	368	407	426	425
Balance sheet total	MFIM	2249	2320	2223	2344	2287
Return on investments	%	11	5	4	3	6
Return on equity	%	12	0	neg	neg	2
Equity ratio	%	40	37	39	40	39

* A chart showing Net sales and Result before depreciation can be found on page 24

** Board proposal

Return on investment in per cent = $\frac{\text{Earnings after financial items + interest and other financial expense}}{\text{Balance sheet total - non-interest bearing debt}} \times 100$
(average of beginning and end of year amounts)

Return on equity in per cent = $\frac{\text{Earnings after financial items - taxes}}{\text{Equity + minority shareholders' equity}} \times 100$
(average of beginning and end of year amounts)

Equity ratio in per cent = $\frac{\text{Equity + minority shareholders' equity}}{\text{Balance sheet total}} \times 100$

INFORMATION ON FISKARS SHARES

Ratios at Dec. 31

(Ratios have been calculated in accordance with the rules set forth by the Banking Inspection)

	1993	1992	1991	1990	1989
Share capital, FIM million	118.1	117.4	117.2	117.2	110.1
Shares, 1000 (nominal value FIM 20 each)					
A-series	2242	2216	2237	2237	2037
K-series	3432	3583	3605	3605	3454
Total	5674	5799	5842	5842	5491
Adjusted number of shares at the end of the year, 1000	5674	5799	5842	5842	5491
Adjusted average number of shares, 1000	5807	5829	5842	5760	5491
Earnings per share, FIM	17.40	0.70	neg	neg	3.10
- incl. extraordinary items	17.40	neg	neg	neg	6.25
Nominal dividend per share, FIM					
A-series	3.40 *	2.40	2.40	2.40	3.80
K-series	2.90 *	1.90	1.90	1.90	3.20
Dividend, FIM million	18 *	12.1	12.2	12.2	18.8
Dividend per earnings in per cent	17	305.8	neg	neg	111.0
Adjusted dividend per share, FIM					
A-series	3.40 *	2.40	2.40	2.40	3.80
K-series	2.90 *	1.90	1.90	1.90	3.20
Price per earnings					
A-series	17	159	neg	neg	46
K-series	18	219	neg	neg	113
Dividend yield in per cent					
A-series	1.2	2.2	4.4	3.2	2.7
K-series	1.0	1.3	1.9	1.1	0.9
Equity per share, FIM	158.80	146.30	149.00	161.20	162.00
Market value of share capital, FIM million	1702	780	486	780	1486
Number of shareholders	3075	3626	3602	3580	3554

* Board proposal

Earnings per share, FIM = $\frac{\text{Earnings after financial items - minority interest - taxes}}{\text{Adjusted average number of shares}}$

Dividend per earnings in per cent = $\frac{\text{Dividend paid}}{\text{Earnings (calculated as in Earnings per share)}} \times 100$

Dividend per share, FIM = $\frac{\text{Dividend paid}}{\text{Adjusted number of shares Dec. 31}}$

Price per earnings = $\frac{\text{Adjusted market quotation Dec. 31}}{\text{Earnings per share}}$

Equity per share, FIM = $\frac{\text{Equity}}{\text{Adjusted number of shares Dec. 31}}$

PER SHARE DATA ADJUSTED FOR SHARE ISSUE

(Ratios have been calculated in accordance with the rules set forth by the Finnish Banking Inspection)

	1993	1992	1991	1990	1989
Dividend per share, FIM					
Series A		2.40*	2.40	2.40	3.80
Series A, non-restricted	3.40**	2.40	2.40	2.40	3.80
Series K		1.90*	1.90	1.90	3.20
Series K, non-restricted	2.90**	1.90	1.90	1.90	3.20
Dividend yield, in per cent					
Series A		2.2*	4.4	3.2	2.8
Series A, non-restricted	1.2	2.2	4.4	3.2	2.4
Series K		1.3*	1.9	1.1	0.9
Series K, non-restricted	1.0	1.3	1.8	1.1	0.9
Price/earnings ratio					
Series A, non-restricted	17	159	neg	neg	46
Series K, non-restricted	18	219	neg	neg	113
Adjusted average price per share, FIM					
Series A	*	85.57*	67.83	125.45	180.70
Series A, non-restricted	167.90	76.91	77.16	133.32	205.43
Series K	*	116.48*	123.31	245.22	396.18
Series K, non-restricted	244.24	122.21	185.41	237.43	416.82
Adjusted lowest price per share, FIM					
Series A	*	54.00*	46.50	65.00	115.00
Series A, non-restricted	107.00	52.00	49.60	72.00	130.00
Series K	*	85.00*	98.00	170.00	250.00
Series K, non-restricted	135.00	87.00	98.00	170.00	280.00
Adjusted highest price per share, FIM					
Series A	*	126.00*	95.00	160.00	205.00
Series A, non-restricted	300.00	124.00	115.00	195.00	250.00
Series K	*	162.00*	200.00	390.00	454.00
Series K, non-restricted	320.00	163.00	220.00	410.00	500.00
Market value of shares Dec 31, FIM million					
Series A	*	154.5*	78.2	105.9	166.6
Series A, non-restricted	654.8	87.6	44.0	61.2	120.9
Series K	*	430.1*	288.2	490.1	957.9
Series K, non-restricted	1047.0	107.3	75.8	122.8	240.4
Number of shares traded, 1000					
Series A	*	322.5*	63.3	84.1	309.1
in per cent of the total number of series A		23.0	4.5	5.9	24.1
Series A, non-restricted	1045.7	79.5	34.9	20.4	93.2
in per cent of the total number of series A	47.2	9.8	4.3	2.5	12.3
Series K	*	146.2*	51.9	60.8	177.7
in per cent of the total number of series K		5.1	1.8	2.1	6.4
Series K, non-restricted	368.7	88.8	21.9	35.8	33.2
in per cent of the total number of series K	10.3	12.4	3.0	5.0	4.9
Adjusted number of shares, average, 1000					
Series A	*	1413.9*	1421.5	1364.3	1281.4
Series A, non-restricted	2231.4	813.8	815.7	791.2	755.7
Series K	*	2881.3*	2882.9	2882.7	2776.5
Series K, non-restricted	3575.4	720.3	722.2	722.2	677.2
Adjusted number of shares 31st Dec, 1000					
Series A	*	1404.6*	1421.5	1421.5	1281.4
Series A, non-restricted	2216.1	811.5	815.7	815.7	755.7
Series K	*	2867.2*	2882.9	2882.7	2776.5
Series K, non-restricted	3582.8	715.6	722.2	722.2	677.2

* All shares are non-restricted as of Jan. 1, 1993

** Board proposal

Dividend yield in per cent = $\frac{\text{Dividend per share}}{\text{Adjusted quotation at the end of period}} \times 100$

Adjusted average share price = $\frac{\text{Value of shares traded during the period}}{\text{Adjusted number of shares traded during the period}}$

INFORMATION ON SHARES AND SHAREHOLDERS

Share capital

Minimum share capital	FIM 44 640 000
Maximum share capital	FIM 178 560 000
Paid-up and registered share capital at December 31, 1993	FIM 118 052 160

Number of shares and categories

According to its Articles of Association the company has shares of series A and shares of series K at a maximum of	8 928 000
of which the maximum number of A shares	8 928 000
and the maximum number of K shares	8 928 000
Nominal value per share	FIM 20

Differences between share categories

Voting rights

At a General Meeting of the shareholders each share of the series A confers the right of one vote and of the series K 20 votes.

Dividends

If the Annual General Meeting declares a distribution of dividends, the A shares are entitled to a dividend of at least two (2) percentage points higher than the K shares.

Pre-emptive subscription right

When the share capital is increased through an issue of shares comprising both share categories, holders of A shares have a pre-emptive right to subscribe to new A shares, and holders of K shares to new K shares. If the share capital is increased by an issue of one category of shares only, all shareholders have an equal right to subscribe to the new shares.

Number of shares and votes, December 31, 1993

	Number of shares	Nominal value	Share capital	Number of votes
Outstanding A shares	2 242 392	à 20 FIM =	44 847 840 FIM	2 242 392
Outstanding K shares	3 432 814	à 20 FIM =	68 656 280 FIM	68 656 280
A shares redeemed by the company	(28 796)	à 20 FIM =	575 920 FIM	-
K shares redeemed by the company	(198 606)	à 20 FIM =	3 972 120 FIM	-
Outstanding shares, total	5 675 206		118 052 160 FIM	70 898 672

Turnover of Fiskars shares on the Helsinki Stock Exchange

Fiskars shares are listed on the Helsinki Stock Exchange. Fiskars shares were traded during the year 1993 as follows:

Share	Trading value		Quotation		Quotations	
	FIM million	Quantity	lowest	highest	Dec. 30, 1993	Dec. 30, 1992
A	175.6	1 045 692	107.-	300.-	292.-*)	110.-*)
K	90.0	368 698	135.-	320.-	305.-**)	150.-**)
	265.6	1 414 390				

*) close

**) purchase quotation

Taxation values of the shares in Finland

The Finnish taxation values of the company's shares for 1993 were:

Share	Taxation value, FIM	
	Dec. 31, 1993	Dec. 31, 1992
A	205.-	77.-
K	215.-	100.-

Authorization to issue shares and raise loans

The Annual General Meeting of shareholders of March 31, 1993, authorized the Board of Directors to decide within the period of one year from March 31, 1993 on an increase of the share capital through a new issue, in one or several quotas, and/or to decide on issuing one or several bond loans and/or option loans. Through such a new share issue, conversion of bonds and exercising the subscription rights of warrants, the share capital can be increased by a maximum of FIM 10,000,000. A maximum of 500,000 shares with a nominal value of FIM 20 each can be issued, of which a maximum of 150,000 can be K shares. The subscription can take place against other property than cash.

Shareholders according to share ownership on December 31, 1993

At the end of the year, Fiskars had 3,075 (3,626) registered shareholders.

Number of shares		Shareholders		Shares	
		quantity	%	quantity	%
1- 100		1 653	53.8	98 919	1.7
101- 500		981	31.9	233 478	4.1
501- 1 000		167	5.4	121 867	2.1
1 001- 10 000		209	6.8	665 145	11.7
10 001-100 000		53	1.7	1 480 323	26.1
100 001-		12	0.4	3 075 474	54.2
Total		3 075		5 675 206	

The authorization entitles the Board of Directors to deviate from the shareholders' pre-emptive rights to subscribe to shares, convertible bond and option loans when there are weighty financial reasons to secure the conditions of the corporation's activity or to consolidate and to expand the company's international and/or national business.

Further, the shareholders' meeting authorized the Board of Directors to decide within the period of one year from March 31, 1993, upon an increase of the share capital by a maximum of FIM 860,000 by issuing a maximum of 43,000 A shares to holders of the company's warrants. The Board of Directors exercised this authorization on September 27, 1993. Under the directed issue, a total of 34,000 A shares with a nominal value of FIM 20 each were subscribed and the share capital increased by FIM 680,000. According to the terms of the option loan, the subscription price was FIM 170 per share.

An authorization which has up to date not been exercised by the Board of Directors

- 500,000 shares, of which not more than 150,000 can be K shares, representing 4.5% of the votes;

The Board of Directors will not exercise this authorization.

The major shareholders according to the shareholders' register, December 31, 1993:

	A shares	K shares	Total	Percentage of	
				votes	shares
Investor International AB	263 400	211 000	474 400	6.3	8.3
Oy Holdix Ab	86 169	211 982	298 151	6.1	5.3
Virala Oy	38 624	163 936	202 560	4.7	3.6
Metra Oy Ab	15 000	165 000	180 000	4.7	3.2
Sampo Insurance	86 165	145 443	231 608	4.2	4.1
Eläke-Varma Mutual Insurance Company	156 860	132 115	288 975	3.9	5.1
Agrofin Oy Ab	81 858	131 413	213 271	3.8	3.8
Sophie von Julin's Foundation	29 794	130 886	160 680	3.7	2.8
J.A. von Julin's Trust	38 925	122 255	161 180	3.5	2.8
Oy Julius Tallberg Ab		115 616	115 616	3.3	2.0

The total number of nominee registered shares was 632,036 corresponding to 11.1 % of the number of shares and 11.4 % of the votes.

Management's shareholding

On December 31, 1993, the Board members, the President and the Vice Presidents owned, a total of 55,796 Fiskars A shares and a total of 107,231 K shares (totaling 163,027 shares), representing 2.9% of the shares and 3.1% of the votes. The President and the Vice Presidents subscribed to FIM 39,400 of the option loans raised by the company in 1993. Through exercising the subscription rights connected to the loan they can receive 0.7% of the shares and 0.05% of the votes.

Shareholders' Agreement

In December 1992 a group of private investors and private companies representing approximately 49% of the total number of votes entered into an agreement on pre-emptive rights between the parties in case of sales of shares. The agreement of which the Board of Directors notified the Helsinki Stock Exchange in accordance with the Stock Exchange rules is still in force.

PARENT COMPANY INCOME STATEMENT (MFIM)

Parent Company income statement			Parent company statement of cash flows		
	1993	1992		1993	1992
Net sales	43.3	182.5	Operating profit	32.5	1.1
Cost of goods sold	- 10.5	- 149.5	+Depreciation and amortization	4.6	11.0
Gross profit	32.8	33.0	Profit before depreciation and amortization	37.1	9.9
Sales and marketing expenses	0.0	- 12.1	Financial net	8.2	- 52.5
Administrative expenses	- 29.2	- 37.0	Extraordinary items	0.0	- 44.7
Other operating expenses	- 0.4	- 0.6	Taxes	- 5.5	- 7.8
Other operating income	29.3	15.6	Dividends paid	- 12.1	- 12.2
Operating profit	32.5	- 1.1		27.7	- 107.3
Financial income and expense			Change in working capital	- 23.9	117.0
Dividend income	59.6	27.7		3.8	9.7
Interest income on long-term receivables	5.6	6.3	Net capital expenditure		
Other financial income	14.0	9.4	Investment in shares	- 25.5	- 164.9
Interest expense	- 59.6	- 60.8	Sale of shares	81.6	26.5
Other financial expense	- 11.4	- 35.1	Investment in fixed assets	- 1.9	- 14.9
Profit (loss) before extraordinary items, appropriations and taxes	40.7	- 53.6	Sale of fixed assets	0.1	38.2
				54.3	- 115.1
Extraordinary income	0.1	0.2	Financing surplus/deficit	58.1	- 105.4
Extraordinary expense	- 11.9	- 26.3			
Profit (loss) before appropriations and taxes	28.9	- 79.7	Financing		
Increase (-) or decrease (+) in depreciation reserve	4.7	20.7	Change in long-term receivables	- 0.9	- 62.8
Group contributions received	11.8	0.0	Conversion of convertible bonds into equity	0.0	1.2
Group contributions paid	0.0	- 18.6	New issue	5.8	0.0
Increase (-) or decrease (+) in untaxed reserves	16.0	109.4	Redeemed shares	- 47.3	- 4.4
			Change in long-term debt	- 48.6	85.1
Direct taxes	- 4.8	- 7.8	Change in short-term debt	37.7	21.5
Profit (loss) for the financial year	56.6	24.0			
			Change in liquid assets	4.8	- 64.8
			Liquid assets, beginning of financial year	8.4	73.2
			Liquid assets, end of financial year	13.2	8.4
				4.8	- 64.8

PARENT COMPANY BALANCE SHEET (MFIM)

Assets			Liabilities and equity		
	1993	1992		1993	1992
Fixed assets and other long-term expenditure			Equity		
Intangible assets			Restricted equity		
Other long-term expenditure	1.0	0.7	Share capital	118.1	117.4
			Other restricted equity	367.8	362.7
Tangible assets				485.9	480.1
Land and water	85.1	85.1	Unrestricted equity		
Buildings and constructions	43.8	45.9	Profit brought forward	313.0	349.1
Machinery and equipment	4.4	5.5	Profit (loss) for the financial year	56.6	24.0
	133.3	136.5		369.6	373.1
Shares in fixed assets and other long-term investments			Provisions and untaxed reserves		
Shares in associated companies	18.6	17.5	Accumulated difference between depreciation according to plan and depreciation for tax purposes	19.8	24.5
Other shares and participations	1169.7	1226.9	Untaxed reserves		
Loans receivable	63.7	62.8	Other untaxed reserves	0.0	16.0
	1252.0	1307.2			
Inventories and financial assets			Provisions for liabilities and charges	9.0	0.0
Inventories			Liabilities		
Work in progress	0.1	0.1	Long-term		
			Bond loans	25.0	25.0
Current receivables			Amounts owed to credit institutions	213.0	263.4
Trade debtors	0.9	5.1	Pension fund loans	92.2	154.8
Loans receivable	98.0	45.1	Other long-term debt	117.2	61.8
Prepayments and accrued income	24.6	19.2		447.4	505.0
Other debtors	12.9	62.4	Less current portion	- 20.7	- 21.4
	136.4	131.8	Long-term debt, net	426.7	483.6
Cash at bank and in hand	13.2	8.4	Short-term		
			Amounts owed to credit institutions	4.1	19.5
			Current portion of long-term debt	20.7	21.4
			Payments on account	0.9	0.5
			Trade debtors	0.6	1.0
			Accruals and deferred income	27.8	47.2
			Other short-term debt	170.9	117.8
	1536.0	1584.7		225.0	207.4
				1536.0	1584.7

PROPOSAL BY THE BOARD OF DIRECTORS TO THE ANNUAL GENERAL MEETING

At the end of the financial year the consolidated unrestricted equity amounted, according to the Balance Sheet, to FIM 374,1 million and the distributable unrestricted equity to FIM 322,8 million. The unrestricted equity of the Parent Company is FIM 369,6 million.

The Board proposes, that from funds at the disposal of the Annual General Meeting

a dividend of 17,0 % corresponding to FIM 3,40

per share be paid on 2 242 392 shares of series A

FIM 7 624 132,80

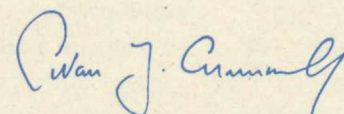
a dividend of 14,5 % corresponding to FIM 2,90

per share be paid on 3 432 814 shares of series K

FIM 9 955 160,60

FIM 17 579 293,40

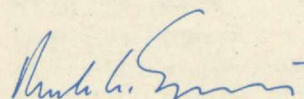
Helsinki March 10, 1994



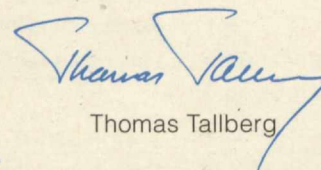
Göran J. Ehrnrooth




Matti Pekkanen



Robert G. Ehrnrooth



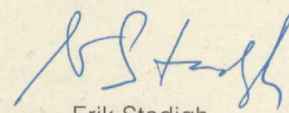
Thomas Tallberg



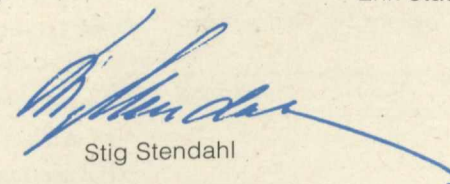
Jarl Engberg



Gustaf Gripenberg



Erik Stadigh



Stig Stendahl

President

AUDITORS' REPORT

We have examined the annual financial statements, the consolidated financial statements, the accounting records and the administration of the board of directors and the managing director of Fiskars Oy Ab for the financial year 1993. Our examination was made in accordance with generally accepted auditing standards in Finland.

Parent company

The annual financial statements have been prepared in accordance with prevailing regulations.

As our audit has not given rise to any comments regarding the financial statements and the administration we recommend

that the income statement and the balance sheet be adopted,

that the unappropriated earnings be dealt with in accordance with the board of directors' proposal,

that the members of the company's board of directors and the managing director be discharged from liability for the financial period audited by us.

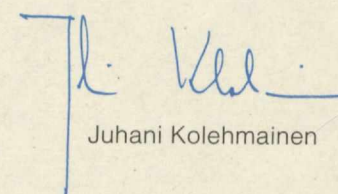
Group

The consolidated financial statements have been prepared in accordance with prevailing regulations.

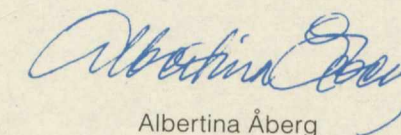
The unrestricted equity of the group is shown in the balance sheet in accordance with the Companies Act.

We recommend that the consolidated income statement and the consolidated balance sheet be adopted.

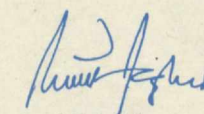
Helsinki March 10, 1994



Juhani Kolehmainen



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Certified Public Accountant

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FISKARS IN NORTH AMERICA

Production
Sales and marketing

FISKARS