

Q2

INTERIM REPORT JANUARY 1 – JUNE 30, 2012



Helsinki, August 2, 2012

FISKARS

Fiskars' second quarter 2012: Consistent performance and steady progress in the execution of strategy

Second quarter 2012 in brief:

- Net sales were steady at EUR 201.1 million (Q2 2011: 200.6)
- Comparable net sales (currency neutral and excluding Silva) decreased by 1%
- Operating profit (EBIT) increased by 4% to EUR 19.7 million (19.0)
- Earnings per share were EUR 1.33 (0.30), including EUR 1.06 per share from the sale of Wärtsilä shares
- Cash flow from operating activities was EUR 18.8 million (8.2, incl. a EUR 8.2 million larger negative impact from withheld tax on dividend)
- Outlook for 2012 unchanged: full-year net sales and operating profit excluding non-recurring items are expected to be at 2011 levels

Fiskars President and CEO, Kari Kauniskangas:

"I am pleased that our business portfolio is holding up against the softening economic and market conditions. It is clear that the risks related to both the financial uncertainty and market development have increased after the first quarter, and in Europe garden retail has also suffered from poor weather. Yet our business performed steadily and we delivered a solid result for the second quarter.

Fiskars continues on its journey of strategic change with consistency. During the reporting period, the implementation of our five-year investment program progressed according to plan and we took several other important steps in the execution of our strategy. These included, among other things, the establishment of a common regional financial service center and a new, strengthened sales organization for the EMEA region."

Group key figures

EUR million	Q2 2012	Q2 2011	Change	Q1-Q2 2012	Q1-Q2 2011	Change	2011
Net sales	201.1	200.6	0%	389.5	389.9	0%	742.5
Operating profit (EBIT)	19.7	19.0	4%	36.8	35.3	4%	52.8
Share of profit from associated company	8.5	10.6	-19%	18.3	21.7	-16%	42.7
Change in the fair value of standing timber	0.8	-0.2		0.3	-0.7		-1.0
Profit before taxes*	116.0	28.6	306%	140.6	123.5	14%	161.8
Profit for the period*	108.7	24.2	349%	128.7	116.1	11%	156.3
Earnings per share, EUR**	1.33	0.30	349%	1.57	1.42	11%	1.91
Equity per share, EUR				7.74	6.16	26%	6.77
Cash flow from operating activities***	18.8	8.2	129%	32.9	40.2	-18%	107.4
Equity ratio, %				64%	53%		59%
Net gearing, %				8%	43%		27%
Capital expenditure	7.7	5.1	50%	12.4	10.3	21%	24.7
Personnel (FTE), average	3,384	3,714	-9%	3,381	3,677	-8%	3,545

* Including a non-recurring profit of around EUR 87.0 million from the sale of Wärtsilä shares in Q2 2012, and a non-recurring profit of EUR 69.8 million from the sale of Wärtsilä shares in Q1 2011

** Including EUR 1.06 from the sale of Wärtsilä shares in Q2 2012 and 0.85 in Q1 2011

***Including Wärtsilä dividend of EUR 26.8 million in Q1 2012 (40.9)

Further information:

- President and CEO Kari Kauniskangas, tel. +358 204 39 5500
- Interim CFO Jyri Virrantuomi, tel. +358 204 39 5704

News conference:

An analyst and press conference on the second quarter results will be held on August 2, 2012, at 10:00 am at the company's headquarters, Fiskars Campus, Hämeentie 135 A, Helsinki. Presentation material will be available at www.fiskarsgroup.com.

FISKARS' INTERIM REPORT, JANUARY - JUNE 2012

GROUP PERFORMANCE

Operating environment in Q2 2012

The overall economic climate weakened in Europe, impacting retailers and consumers in many markets. Consumer behavior was increasingly price-driven due to the economic uncertainty. The Nordic markets were more stable than Southern Europe, which continued to weaken. In many European countries garden-related retail suffered from unusually poor and rainy weather.

In the Americas, confidence among consumers deteriorated as Americans grew more pessimistic about their finances towards the end of the quarter. Spending at retail declined from quarter to quarter, still remaining higher than the previous year. Warmer weather helped DIY and garden retailers, some of which continued to work down inventories from the previous year's poor garden selling season.

Net sales and operating profit

In the second quarter of 2012 Fiskars' consolidated net sales remained at previous year's levels and amounted to EUR 201.1 million (Q2 2011: EUR 200.6 million). Comparable sales (currency neutral and excluding Silva in Q2 2011) decreased by 1%. Sales in Europe decreased, while reported euro-nominated sales in the Americas increased.

In the first half of the year, Fiskars' net sales amounted to EUR 389.5 million (Q1-Q2 2011: EUR 389.9 million). Using comparable exchange rates and excluding Silva in Q1-Q2 2011, comparable net sales also remained at 2011 levels.

Net sales, EUR million	Q2 2012	Q2 2011	Change	Change cn*	Q1-Q2 2012	Q1-Q2 2011	Change	Change cn*	2011
Group	201.1	200.6	0%	-4%	389.5	389.9	0%	-3%	742.5
EMEA	130.4	137.5	-5%	-6%	261.0	271.5	-4%	-4%	516.8
Americas	72.3	65.4	10%	0%	131.2	123.6	6%	-1%	232.5

* currency neutral

Net sales for EMEA (Europe, Middle East, and Asia-Pacific) between April and June totaled EUR 130.4 million (Q2 2011: 137.5), and EUR 72.3 million (65.4) for the Americas.

During the first half-year, net sales for EMEA amounted to EUR 261.0 million (Q1-Q2 2011: 271.5) and EUR 131.2 million (123.6) for the Americas.

Operating profit (EBIT), EUR million	Q2 2012	Q2 2011	Change	Q1-Q2 2012	Q1-Q2 2011	Change	2011
Group	19.7	19.0	4%	36.8	35.3	4%	52.8
EMEA	10.9	9.3	18%	22.8	20.8	10%	33.7
Americas	12.8	11.7	9%	20.9	19.3	8%	30.5

In the second quarter, the Group's operating profit increased by 4% to EUR 19.7 million (19.0), boosted by good development in both operating segments. The operating profit for EMEA increased 18% to EUR 10.9 million (9.3), due to increased operational efficiency. Operating profit for the Americas increased by 9% in the second quarter and amounted to EUR 12.8 million (11.7), driven by good sales development in the Garden and SOC businesses.

During the first half of the year, the Group's operating profit increased by 4% to EUR 36.8 million (Q1-Q2 2011: 35.3). EMEA recorded an operating profit of EUR 22.8 million for the period (20.8), an increase of 10%. Operating profit for the Americas increased by 8% and amounted to EUR 20.9 million (19.3).

Financial items and net result

Fiskars' share of profit from its associated company, Wärtsilä, during the second quarter was EUR 8.5 million (10.6), and EUR 18.3 million (21.7) during the first half of the year. The change in the fair value of standing timber was EUR 0.8 million (-0.2) in April – June and EUR 0.3 million in January – June (-0.7).

The second-quarter positive net financial result of EUR 0.1 million (-0.8) is mainly attributable to exchange rate gains, increase in the fair value of a long-term investment and reduced interest expenses. Profit before taxes was EUR 116.0 million (28.6). Earnings per share were EUR 1.33 (0.30), of which 1.06 per share related to the sale of Wärtsilä shares.

During the first half-year, net financial costs totaled EUR -1.9 million (-2.6) and profit before taxes was EUR 140.6 million (123.5). Earnings per share were EUR 1.57 (1.42) during the first half as a whole.

On April 24, 2012, Fiskars Group agreed with Investor AB to join interests to create a strong long-term owner for Wärtsilä. As part of the agreement, Fiskars' subsidiary, Avlis AB, sold 2.08 percent of the shares in Wärtsilä to Investor at a price of EUR 30.90 per Wärtsilä share. Fiskars Group recorded a non-recurring profit of around EUR 87.0 million from the transaction.

Cash flow, balance sheet, and financing

Second quarter cash flow from operating activities was EUR 18.8 million (8.2). The prior year was negatively affected by a EUR 8.2 million larger tax withholding on dividends mainly due to an extra dividend. Cash flow from investing activities was EUR 119.2 million (-5.0) and included proceeds from sale of Wärtsilä shares totaling EUR 126.4 million. Cash flow from financing activities was EUR -130.2 million (-3.2) in the second quarter.

During the first half of the year, cash flow from operating activities was EUR 32.9 million (40.2). The first quarter cash flow includes dividends paid by the associated company Wärtsilä, totaling EUR 26.8 million (40.9). Cash flow from investing activities was EUR 115.0 million (99.7) during the first six months, including proceeds from the sale of Wärtsilä shares totaling 126.4 million (109.7). Cash flow from financing activities in January – June 2012 was EUR -141.5 million (-140.5).

Capital expenditure totaled EUR 7.7 million (5.1) in the second quarter. The investments were mainly related to the five year investment program in EMEA and new product development. Capital expenditure in the first half of the year totaled EUR 12.4 million (10.3).

Depreciation was EUR 5.9 million (5.3) in the second quarter and EUR 10.9 million (10.8) in the first half of the year.

Fiskars' working capital totaled EUR 109.3 million (130.3) at the end of June. The equity ratio increased to 64% (53%) and net gearing was 8% (43%).

Cash and cash equivalents at the end of the period totaled EUR 12.6 million (5.0). At the end of the period, Fiskars also had short-term financial assets amounting to EUR 62.9 million (0.9), mainly consisting of commercial papers. Net interest-bearing debt amounted to EUR 51.3 million (217.8). The decrease in net interest-bearing debt is mainly attributable to a decrease of EUR 96.7 million in short-term borrowing and an increase of EUR 61.9 million in financial assets. Short-term borrowing totaled EUR 53.7 million (150.3) and long-term borrowing EUR 73.6 million (73.8) at the end of the period. Short-term borrowing mainly consists of commercial paper issued by Fiskars Corporation. In addition, Fiskars had EUR 455 million (405.0) in unused, committed long-term credit facilities with Nordic banks.

Research and development

The Group's research and development expenditures totaled EUR 1.8 million (2.1) in the second quarter, corresponding to 0.9% (1.1 %) of net sales. During the first half-year, research and development expenditures totaled EUR 3.6 million (4.4), equivalent to 0.9% (1.1%) of net sales. The decrease was due to the sale of the Silva business in 2011.

Personnel

The Group employed an average of 3,384 (3,714) full-time equivalent employees (FTEs) in the second quarter, of which 2,634 (2,962) are in EMEA, 546 (576) in the Americas, and 204 (176) in Other. The decrease was mainly due to the divestment of Silva in 2011.

In the first half of the year, the Group employed an average of 3,381 (3,677) full-time equivalent employees. At the end of June, the Group had a total of 3,621 employees (4,050) on the payroll, of whom 1,704 (1,808) were located in Finland.

Personnel (FTE), average	Q2 2012	Q2 2011	Change	Q1-Q2 2012	Q1-Q2 2011	Change	2011
Group	3,384	3,714	-9%	3,381	3,677	-8%	3,545
EMEA	2,634	2,962	-11%	2,630	2,933	-10%	2,798
Americas	546	576	-5%	549	571	-4%	566
Other	204	176	16%	202	173	17%	180

OPERATING SEGMENTS AND BUSINESS AREAS

Fiskars' operating segments are EMEA (Europe, Middle East, and Asia-Pacific), Americas, Wärtsilä (associated company), and Other (Real Estate, corporate headquarters, and shared services).

The company's business areas are Home (living, kitchen and school, office & craft), Garden, and Outdoor (outdoor equipment and boats).

Business areas in Q2 2012

Net sales, EUR million	Q2 2012	Q2 2011	Change	Change cn *	Q1-Q2 2012	Q1-Q2 2011	Change	Change cn *	2011
Home	75.8	73.5	3%	0%	141.2	136.4	4%	1%	306.3
Garden	87.3	83.6	4%	1%	178.1	176.7	1%	-2%	294.3
Outdoor	37.3	42.6	-12%	-17%	67.9	74.7	-9%	-13%	137.8

* currency neutral

EMEA in Q2 2012

EUR million	Q2 2012	Q2 2011	Change	Q1-Q2 2012	Q1-Q2 2011	Change	2011
Net sales	130.4	137.5	-5%	261.0	271.5	-4%	516.8
Operating profit	10.9	9.3	18%	22.8	20.8	10%	33.7
Capital expenditure	1.9	3.3	-44%	3.5	7.3	-52%	13.4
Personnel (FTE), average	2,634	2,962	-11%	2,630	2,933	-10%	2,798

Net sales in EMEA decreased across businesses, and ended up 5% below the comparison period, at EUR 130.4 million (137.5). Comparable net sales, using comparable exchange rates and excluding Silva in Q2 2011, decreased 2%.

Net sales for home products were below 2011 levels, as sales declined in key Nordic markets and in Southern Europe. Exports to Eastern Europe and Asia developed positively.

Net sales in the Garden business suffered from unusually rainy weather in most of Europe and a decrease of pre-seasonal snow tool sales. Fiskars' relative performance in the Garden categories was good, and the company strengthened its position.

Outdoor net sales development was mixed, with Gerber sales growing and boat sales contracting.

The segment recorded an operating profit of EUR 10.9 million (9.3), mostly due to increased operational efficiency.

Americas in Q2 2012

EUR million	Q2 2012	Q2 2011	Change	Q1-Q2 2012	Q1-Q2 2011	Change	2011
Net sales	72.3	65.4	10%	131.2	123.6	6%	232.5
Operating profit	12.8	11.7	9%	20.9	19.3	8%	30.5
Capital expenditure	1.3	0.7	76%	2.0	1.5	32%	3.9
Personnel (FTE), average	546	576	-5%	549	571	-4%	566

Net sales in the Americas increased by 10% to EUR 72.3 million (65.4), boosted by the strengthening of the US dollar and a rebound of Garden sales. Using comparable currency rates, sales remained on 2011 levels as decrease in Outdoor sales offset good development in Garden and School, Office and Craft businesses

Garden net sales clearly recovered during the quarter and trade continued to work through their inventory from the previous selling season. Overall, growth was led by cutting tools, scratch tools and wood preparation.

Net sales for school, office and craft products (SOC) continued on a good track with growth across the main accounts and well-received novelties.

The Outdoor business did not reach the previous year's high levels. Sales decreased in both the commercial and institutional channels.

The segment's operating profit was EUR 12.8 million (11.7), partly boosted by good sales development in the Garden and SOC businesses.

Other in Q2 2012

EUR million	Q2 2012	Q2 2011	Change	Q1-Q2 2012	Q1-Q2 2011	Change	2011
Net sales	1.3	1.4	-7%	3.3	3.1	7%	6.2
Operating profit	-4.0	-2.0	99%	-6.9	-4.7	45%	-11.4
Capital expenditure	4.5	1.1	327%	6.9	1.4	385%	7.5
Personnel (FTE), average	204	176	16%	202	173	17%	180

Fiskars' Other segment contains the Real Estate Unit, corporate headquarters and shared services.

Net sales were EUR 1.3 million (1.4) in the second quarter and EUR 3.3 million (3.1) in the first half of the year, largely consisting of timber sales and rental income. The operating profit for the quarter was EUR -4.0 million (-2.0) and EUR -6.9 million (-4.7) for the first half of the year.

Wärtsilä

On April 24, 2012, Fiskars Group agreed with Investor AB to join interests to create a strong long-term owner for Wärtsilä. The legal merging of Fiskars Group's and Investor AB's interests will take place in due course, but the parties will act in concert concerning the Wärtsilä ownership as of said date.

As part of the agreement, Fiskars' subsidiary, Avlis AB, sold 2.08 percent of the shares in Wärtsilä to Investor at a price of EUR 30.90 per Wärtsilä share, totaling approximately EUR 126.8 million. Fiskars' holding in Wärtsilä now amounts to 13.0% of the shares and votes (15.1%). At the end of June 2012, Fiskars Group and Investor AB together owned 42,866,325 shares or 21.73% of Wärtsilä's share capital and votes. Wärtsilä will continue to form one of Fiskars' reported operating segments and be treated as an associated company, as Fiskars considers that it continues to have a significant influence in Wärtsilä.

Fiskars' share of Wärtsilä's profit totaled EUR 8.5 million (10.6) during the second quarter and EUR 18.3 million (21.7) during the first half of the year. The market value of Fiskars' Wärtsilä shares was EUR 661.3 million (692.7) or EUR 8.07 (8.46) per Fiskars share, with a closing price of EUR 25.79 (23.29) per Wärtsilä share. The book value of these shares in the consolidated balance sheet was EUR 249.6 million (281.9).

Share and shareholders

Fiskars Corporation has one series of shares (FIS1V). All shares carry one vote each and equal rights.

The total number of shares at the end of the period was 82,023,341, including 118,099 treasury shares. Treasury shares correspond to 0.14% of the company's shares and votes. The Board of Directors had authorizations to acquire and convey company shares, but these were not used during the reporting period. The share capital remained unchanged at EUR 77,510,200.

Shares are traded in the Large Cap segment of NASDAQ OMX Helsinki Ltd. The average share price during the quarter was EUR 14.89 (17.06). At the end of June, the closing price was EUR 14.40 (16.10) per share. Fiskars had a market capitalization of EUR 1,179.4 million (1,318.8), excluding treasury shares, as of the end of the quarter. The number of shares traded during the first half of the year was 1.6 million (3.8), which is 1.9% (4.6%) of the number of shares.

The total number of shareholders was 15,556 (13,905) as of the end of June. Fiskars was not informed of any significant change among its largest shareholders during the quarter.

Risks and business uncertainties

Fiskars Corporation has detailed its overall business risks and risk management in its Annual Report for 2011 and on the company web site. The company does not consider any material changes to have taken place during the reporting period from the risks and market uncertainties presented in the Annual Report for 2011.

Changes in management

On May 31, Fiskars announced that Hille Korhonen, the Group's Vice President, Operations, will leave Fiskars to assume a new position outside the company. She will remain in her current role until November, 2012.

On June 28, 2012, Fiskars appointed Ilkka Pitkänen, M.Sc. (Econ), as the Group's new Chief Financial Officer and as a member of the Executive Board. Ilkka Pitkänen will assume his position at the beginning of October 2012 at the latest and will be reporting to Fiskars President and CEO Kari Kauniskangas. Fiskars' previous CFO Teemu Kangas-Kärki was appointed President of the company's Home business area in March, 2012.

Outlook for 2012

Fiskars operating environment weakened during second quarter as a result of increased economic uncertainty, and further financial instability could affect consumer and trade behavior adversely. Changes in demand for Home products during the last quarter could affect the full-year results.

Fiskars will continue implementing its integrated company strategy and the investment program in EMEA. The company will also continue investments in new product development and marketing in order to improve its product offerings and competitive position.

We expect full-year 2012 net sales and operating profit excluding non-recurring items to be at 2011 levels.

The associated company, Wärtsilä, will continue to have a major impact on Fiskars' profit and cash flow in 2012.

Helsinki, Finland, August 1, 2012

FISKARS CORPORATION

Board of Directors

CONSOLIDATED INCOME STATEMENT

M€	4-6 2012	4-6 2011	Change %	1-6 2012	1-6 2011	Change %	1-12 2011
Net sales	201.1	200.6	0	389.5	389.9	0	742.5
Cost of goods sold	-129.1	-131.5	-2	-248.7	-253.8	-2	-483.3
Gross profit	72.0	69.1	4	140.8	136.2	3	259.2
Other operating income	0.4	0.5	-18	0.7	1.0	-29	2.2
Sales and marketing expenses	-32.3	-33.3	-3	-64.0	-65.4	-2	-126.3
Administration expenses	-18.5	-15.1	23	-36.9	-31.9	16	-64.0
Research and development costs	-1.8	-2.1	-16	-3.6	-4.4	-20	-8.6
Other operating expenses	-0.1	-0.1	111	-0.1	-0.1	42	-9.7
Operating profit (EBIT)	19.7	19.0	4	36.8	35.3	4	52.8
Change in fair value of biological assets	0.8	-0.2		0.3	-0.7		-1.0
Share of profit from associate	8.5	10.6	-19	18.3	21.7	-16	42.7
Gain on sale of associate shares	87.0			87.0	69.8	25	69.8
Other financial income and expenses	0.1	-0.8		-1.9	-2.6	-26	-2.4
Profit before taxes	116.0	28.6	306	140.6	123.5	14	161.8
Income taxes	-7.4	-4.3	70	-11.9	-7.4	61	-5.5
Profit for the period	108.7	24.2	349	128.7	116.1	11	156.3

Earnings for owners of the Company per share, euro (basic and diluted)

	1.33	0.30	349	1.57	1.42	11	1.91
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OTHER COMPREHENSIVE INCOME

M€	4-6 2012	4-6 2011		1-6 2012	1-6 2011		1-12 2011
Profit for the period	108.7	24.2		128.7	116.1		156.3
Translation differences	5.4	-2.2		3.1	-8.7		3.9
transferred to income statement							-0.5
Change in associate recognized directly in other comprehensive income	-1.6	-0.3		-1.1	0.0		-2.0
transferred to income statement	-0.1			-0.1	-0.4		-0.4
Cash flow hedges	-1.0	-0.3		-0.4	0.2		-0.5
Defined benefit plan, actuarial gains (losses), net of tax	0.4	0.0		0.4	0.0		-0.3
Other comprehensive income for the period, net of tax, in total	3.1	-2.8		1.8	-9.0		0.2
Total comprehensive income for the period	111.8	21.4		130.5	107.1		156.6

CONSOLIDATED BALANCE SHEET

M€	6/2012	6/2011	Change %	12/2011
ASSETS				
Non-current assets				
Goodwill	88.9	88.0	1	88.6
Other intangible assets	130.2	122.7	6	125.2
Property, plant & equipment	91.3	95.7	-5	94.4
Biological assets	36.0	35.9	0	35.6
Investment property	5.8	7.1	-18	6.2
Investments in associates	249.6	281.9	-11	300.8
Financial assets				
Shares at fair value through profit and loss	10.0	6.8	47	8.9
Other investments	1.2	1.3	-11	1.2
Deferred tax assets	27.1	18.1	49	27.0
Non-current assets total	640.1	657.5	-3	688.0
Current assets				
Inventories	129.5	139.6	-7	118.3
Trade and other receivables	144.6	141.4	2	124.6
Income tax receivables	3.1	3.8	-19	2.7
Interest bearing receivables	62.9	0.9		0.5
Cash and cash equivalents	12.6	5.0	151	6.1
Current assets, total	352.7	290.8	21	252.2
Assets total	992.8	948.3	5	940.2
EQUITY AND LIABILITIES				
Equity attributable to the owners of the Company	634.0	504.9	26	554.3
Equity total	634.0	504.9	26	554.3
Non-current liabilities				
Interest bearing debt	73.6	73.8	0	75.4
Other liabilities	3.6	3.6	0	4.1
Deferred tax liabilities	46.6	46.0	1	45.0
Pension liability	6.5	7.7	-16	8.2
Provisions	4.2	5.1	-18	5.6
Non-current liabilities total	134.5	136.3	-1	138.4
Current liabilities				
Interest bearing debt	53.7	150.3	-64	82.5
Provisions	2.8	2.2	27	2.1
Trade and other payables	157.3	143.7	9	154.9
Income tax payable	10.5	10.8	-3	8.0
Current liabilities total	224.3	307.1	-27	247.5
Equity and liabilities total	992.8	948.3	5	940.2

CONSOLIDATED STATEMENT OF CASH FLOWS

M€	4-6 2012	4-6 2011	1-6 2012	1-6 2011	1-12 2011
Cash flow from operating activities					
Profit before taxes	116.0	28.6	140.6	123.5	161.8
Adjustments for					
Depreciation	5.9	5.3	10.9	10.8	21.5
Share of profit from associate	-8.5	-10.6	-18.3	-21.7	-42.7
Gain on sale of associated shares	-87.0		-87.0	-69.8	-69.8
Investment income	-0.1	0.0	-0.2	-0.1	5.5
Interest expenses	-0.1	0.8	1.9	2.6	2.3
Change in fair value of biological assets	-0.8	0.2	-0.3	0.7	1.0
Change in provisions and other non-cash items	0.3	-0.9	-0.8	-1.8	-3.0
Cash flow before changes in working capital	25.9	23.4	46.9	44.3	76.9
Changes in working capital					
Change in current assets, non-interest bearing	12.2	5.3	-17.5	-27.1	-7.1
Change in inventories	-5.5	2.8	-10.7	-8.8	10.0
Change in current liabilities, non-interest bearing	-8.1	-14.7	-1.7	1.9	9.9
Cash flow from operating activities before financial items and taxes	24.5	16.7	16.9	10.3	89.6
Dividends from associate			26.8	40.9	40.9
Financial costs paid (net)	-1.1	-1.6	-2.6	-3.0	-5.9
Taxes paid	-4.6	-6.9	-8.2	-8.1	-17.2
Cash flow from operating activities (A)	18.8	8.2	32.9	40.2	107.4
Cash flow from investing activities					
Acquisitions and investments in financial assets		0.0		-0.1	-0.2
Capital expenditure on fixed assets	-7.3	-5.1	-12.1	-10.3	-24.4
Proceeds from sale of fixed assets	0.5	0.1	0.8	0.3	0.6
Sale of shares in associated	126.4		126.4	109.7	109.7
Sale of shares in subsidiaries					6.3
Cash flow from other investments	-0.3	0.0	-0.2	0.0	0.3
Cash flow from investing activities (B)	119.2	-5.0	115.0	99.7	92.3
Cash flow from financing activities					
Change in current receivables	-61.2	0.8	-62.4	-0.7	-0.4
Borrowings of non-current debt	0.0	0.0	0.0	0.1	1.3
Repayment of non-current debt		0.0		0.0	-0.1
Change in current debt	-66.9	-3.7	-25.5	16.5	-41.9
Payment of financial lease liabilities	-2.0	-0.4	-2.7	-0.8	-2.5
Cash flow from other financing items	-0.1	0.1	-0.1	0.1	-0.1
Dividends paid			-50.8	-155.6	-155.6
Cash flow from financing activities (C)	-130.2	-3.2	-141.5	-140.5	-199.5
Change in cash (A+B+C)	7.8	0.1	6.4	-0.6	0.3
Cash at beginning of period	4.8	5.0	6.1	5.8	5.8
Translation difference	0.1	0.0	0.1	-0.1	0.0
Cash at end of period	12.6	5.0	12.6	5.0	6.1

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

M€	Share capital	Treasury shares	Cumul. transl.diff.	Retained earnings	Total
31 Dec, 2010	77.5	-0.8	-0.3	477.1	553.5
Total comprehensive income for the period			-10.3	117.4	107.1
Dividends paid				-155.6	-155.6
30 Jun, 2011	77.5	-0.8	-10.6	438.8	504.9
Total comprehensive income for the period			12.6	36.9	49.5
Increase of treasury shares		-0.1			-0.1
31 Dec, 2011	77.5	-0.9	2.0	475.7	554.3
Total comprehensive income for the period			2.1	128.3	130.5
Dividends paid				-50.8	-50.8
30 Jun, 2012	77.5	-0.9	4.2	553.2	634.0

KEY FIGURES*

	6/2012	6/2011	Change %	12/2011
Equity/share, euro	7.74	6.16	26	6.77
Equity ratio	64%	53%		59%
Net gearing	8%	43%		27%
Net interest bearing debt, EUR million	51.3	217.8	-76	150.8
Personnel (FTE), average	3,381	3,677	-8	3,545
Personnel, end of period	3,621	4,050	-11	3,574
Number of shares outstanding end of period, in thousands**	81,905	81,911		81,905
Weighted average number of outstanding shares during period, in thousands**	81,905	81,911		81,909

*Please see the annual financial statements 2011 for the calculation of key figures.

**Excluding treasury shares.

NOTES TO THE INTERIM FINANCIAL STATEMENTS**ACCOUNTING PRINCIPLES**

This interim financial statement bulletin is prepared in accordance with IAS 34 (Interim Financial Reporting) using the same accounting policies and methods of computation as in the previous annual financial statements. All figures in the accounts have been rounded and consequently the sum of individual figures can deviate from the presented sum figure.

The Group has implemented new or amended IAS/IFRS standards and interpretations mandatory as of January 1, 2012. Of these the most important are:

- Amendments to IFRS 7 Financial Instruments: Disclosures
- Amendments to IAS 12 Income Taxes

The adoption of the standards above had no impact on the reported results or financial position.

Use of estimates:

The preparation of the financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the valuation of the reported assets and liabilities and other information, such as contingent liabilities and the recognition of income and expenses in the income statement. Although the estimates are based on the management's best knowledge of current events and actions, actual results may differ from the estimates.

OPERATING SEGMENTS	4-6	4-6	Change	1-6	1-6	Change	1-12
M€	2012	2011	%	2012	2011	%	2011
Net sales							
EMEA	130.4	137.5	-5	261.0	271.5	-4	516.8
Americas	72.3	65.4	10	131.2	123.6	6	232.5
Other	1.3	1.4	-7	3.3	3.1	7	6.2
Inter-segment sales*	-2.9	-3.7	-23	-6.1	-8.2	-27	-12.9
GROUP TOTAL	201.1	200.6	0	389.5	389.9	0	742.5
Operating profit (EBIT)							
EMEA	10.9	9.3	18	22.8	20.8	10	33.7
Americas	12.8	11.7	9	20.9	19.3	8	30.5
Other and eliminations	-4.0	-2.0	99	-6.9	-4.7	45	-11.4
GROUP TOTAL	19.7	19.0	4	36.8	35.3	4	52.8
Depreciation, amortization and impairment							
EMEA	3.2	3.8	-13	6.8	7.7	-11	15.1
Americas	2.1	1.1	94	3.0	2.2	35	4.5
Other and eliminations	0.5	0.5	16	1.1	0.9	21	1.9
GROUP TOTAL	5.9	5.3	10	10.9	10.8	1	21.5
Capital expenditure							
EMEA	1.9	3.3	-44	3.5	7.3	-52	13.4
Americas	1.3	0.7	76	2.0	1.5	32	3.9
Other and eliminations	4.5	1.1		6.9	1.4		7.5
GROUP TOTAL	7.7	5.1	50	12.4	10.3	21	24.7
*Inter-segment sales							
EMEA	-1.9	-1.2		-4.2	-4.2		-7.0
Americas	-0.4	-2.0		-0.8	-3.0		-3.8
Other	-0.5	-0.5		-1.1	-1.1		-2.1

Order book

Short delivery times are a prerequisite in Fiskars' operations. Therefore, the backlog of orders and changes in it are not of significant importance.

BUSINESS AREAS	4-6	4-6	Change	1-6	1-6	Change	1-12
M€	2012	2011	%	2012	2011	%	2011
Net sales							
Home	75.8	73.5	3	141.2	136.4	4	306.3
Garden	87.3	83.6	4	178.1	176.7	1	294.3
Outdoor	37.3	42.6	-12	67.9	74.7	-9	137.8
Other	0.7	0.8	-13	2.2	2.0	9	4.1
GROUP TOTAL	201.1	200.6	0	389.5	389.9	0	742.5

INTANGIBLE AND TANGIBLE ASSETS	6/2012	6/2011	12/2011
M€			
Intangible assets and goodwill			
Book value, Jan. 1	213.8	214.0	214.0
Currency translation adjustment	0.5	-1.3	-0.2
Acquisitions and divestments	0.0	0.0	-3.4
Additions	6.9	0.5	5.0
Amortization and impairment	-2.2	-2.7	-4.6
Decreases and transfers	0.1	0.3	3.1
Book value at end of period	219.1	210.7	213.8
Investment commitments for intangible assets	2.9		
Tangible assets and investment property			
Book value, Jan. 1	100.6	102.5	102.5
Currency translation adjustment	0.7	-1.2	0.0
Acquisitions and divestments	0.0	0.0	-0.9
Additions	5.5	9.8	19.7
Depreciation and impairment	-8.8	-8.0	-16.8
Decreases and transfers	-0.8	-0.3	-3.9
Book value at end of period	97.2	102.9	100.6
Investment commitments for property, plant and equipment	2.7		
CONTINGENCIES AND PLEDGED ASSETS			
M€			
As security for own commitments			
Lease commitments	44	50	46
Other contingencies	3	4	2
Total	47	54	48
Guarantees as security for third-party commitments			
The Group has no guarantees as security for third-party commitments.			
As security for subsidiaries' commitments			
Guarantees	14	12	13
Total	61	66	61

Litigation

Fiskars is involved in a number of legal actions, claims and other proceedings. The final outcome of these matters cannot be predicted. Taking into account all available information to date the outcome is not expected to have material impact on the financial position of the Group. The court case related to Iittala in the Market Court was closed in 2012.

DERIVATIVES

	6/2012	6/2011	12/2011
M€			
Nominal amounts of derivatives			
Forward exchange contracts	179	159	208
Interest rate swaps	33	24	23
Electricity forward agreements	3	3	2
Market value vs. nominal amounts of derivatives			
Forward exchange contracts	-1	-1	1
Interest rate swaps	-1	0	-1
Electricity forward agreements	0	0	0

Forward exchange contracts have been valued at market value.

EXCHANGE RATE SENSITIVITY OF THE OPERATIONS

Approximately 10% of Fiskars' commercial cash flows are exposed to fluctuations in foreign exchange rates. The most significant risks relate to the depreciation of GBP, SEK and NOK against USD and EUR. Foreign exchange risks are hedged primarily through the use of currency forwards and swaps. Change in valuation of currency derivatives is included in the income statement without applying hedge accounting.

M€	USD	SEK	NOK	GBP
Operational currency position	-26.5	16.2	14.1	8.7
Exchange rate sensitivity of the operations*	2.7	-1.6	-1.4	-0.9

*Illustrates the impact of 10% exchange rate depreciation on the Group's annual profit before taxes.

RELATED PARTY TRANSACTIONS

The dividend from Wärtsilä EUR 26.8 million is reported as Dividends from associate in the Consolidated Statement of Cash Flows. The dividend was received during the first quarter of 2012.

ACQUISITIONS AND DIVESTMENTS**Sale of part of Wärtsilä shares**

On April 24, 2012, Fiskars Group agreed with Investor AB to join interests to create a strong long-term owner for Wärtsilä. The legal merging of Fiskars Group's and Investor AB's interests will take place in due course, but the parties will act in concert concerning the Wärtsilä ownership as of the said date.

As part of the agreement, Fiskars' subsidiary Avlis AB sold 2.08 percent of the shares in Wärtsilä to Investor at a price of EUR 30.90 per Wärtsilä share, totaling approximately EUR 126.8 million. Fiskars holding in Wärtsilä now amounts to 13.0% of the shares and votes (15.1). At the end of June 2012, Fiskars Group and Investor AB together owned 42,866,325 shares or 21.73% of Wärtsilä's share capital and votes. Wärtsilä will continue to form one of Fiskars' reported operating segments and to be treated as an associated company, as Fiskars considers that it continues to have a significant influence in Wärtsilä.

There have been no acquisitions in the reporting period.

The following acquisitions and divestments in 2011 have an impact on the comparability of the figures:

Sale of part of Wärtsilä shares

Fiskars wholly-owned subsidiary Avlis AB sold 1,974,320 Wärtsilä shares, corresponding to 11.7% of its Wärtsilä holding, worth EUR 110.6 million, mainly to international institutional investors during the first quarter of 2011. Fiskars Group recorded a profit of approximately EUR 69.8 million from the sale.

Divestment of Silva Sweden AB shares

Fiskars sold the shares of its subsidiary Silva Sweden AB in July 2011. Silva has been a part of Fiskars' Outdoor business area. Fiskars recorded a non-recurring sales loss of EUR 5.3 million in the third quarter results. The sale of the shares had a total positive impact on cash flow from investment activities of EUR 6.3 million.

