

Fiskars Group

Interim report Q1 2020

January–March 2020



INTERIM REPORT JANUARY–MARCH 2020

Positive start to the year reversed by the COVID-19 pandemic, several measures ongoing to lessen the negative impacts on profitability

First quarter 2020 in brief:

- Net sales decreased by 4.6% to EUR 256.2 million (Q1 2019: 268.6)
- Comparable net sales¹ decreased by 4.7% to EUR 256.2 million (268.9)
- EBITA decreased by 40.7% to EUR 11.9 million (20.1)
- Comparable² EBITA decreased by 27.0% to EUR 18.9 million (25.9)
- Cash flow from operating activities before financial items and taxes decreased to EUR -37.5 million (-25.8)
- Earnings per share (EPS) were EUR 0.06 (0.21)

OUTLOOK FOR 2020 WITHDRAWN ON MARCH 19, 2020:

Fiskars Corporation withdrew its guidance on the outlook for 2020, which was issued on February 5, 2020. Due to the coronavirus outbreak, the comparable EBITA is unlikely to increase in 2020. The COVID-19 -pandemic will have a significant negative impact during the second quarter of the year. As the situation evolves rapidly, it is too early to make reasoned estimates on the potential impact for the full year. Fiskars expects to guide the outlook for the full year 2020, once a more reliable estimate on the potential impact can be made. More detailed discussion on potential risks can be found in the Risks and business uncertainties -section of this interim report.

1) Comparable net sales excludes the impact of exchange rates, acquisitions and divestments

2) Items affecting comparability in EBITA includes items such as restructuring costs, impairment or provisions charges and releases, integration related costs, and gain and loss from the sale of businesses



CEO'S REVIEW

We had a strong start to the year with the business performing above the previous year's level in January-February. However, the COVID-19 pandemic started to impact our business in phases, beginning in Asia, and spreading across all our key markets during the first quarter.

The quarter ended with a year-on-year decrease both in comparable net sales and comparable EBITA for the full quarter. We saw good development in several areas, especially in the Terra and Crea segments in the Americas and in the Terra segment in Central Europe throughout the quarter. In addition, our own e-commerce channel continued to see growth in the double-digits. At the same time, store closures in several markets and the severe decline in consumer demand in March impacted the performance of the Vita segment in particular.

As we started to see an impact on demand, we withdrew our guidance for 2020 on March 19, 2020. We expect to guide the outlook for the full year 2020, once a more reliable estimate on the potential impact can be made.

The beginning of the year was intense in many ways. We completed the organizational changes as the new structure, which was announced in late 2019, became effective. With these changes, we are in a better position to work together as one company, which is especially important as we navigate through these exceptionally difficult market conditions.

We are taking proactive steps to lessen the negative impacts of COVID-19 on our operations around the world. We have implemented temporary layoffs or similar measures in several parts of our business, from factories, distribution centers and stores to offices. In addition, we have implemented other savings initiatives. The business situation is being continuously monitored, and further actions will be taken as necessary.

While we continue to minimize our cost base, we remain focused on our strategic initiatives. The rollout of our new e-commerce platform continues, with several brands coming up during the second quarter. The brand revitalization of Wedgwood and Royal Doulton proceeded during the first quarter with consumer outreach rollout in several markets. At the same time, we are working on capturing growth opportunities in the markets which are returning to more normal operations.

The entire leadership team is determined to drive the company forward in these exceptional circumstances. Our solid balance sheet helps us navigate these challenges and our purpose of making the everyday extraordinary provides us with a clear direction to pursue growth.

Sari Pohjonen
Interim CEO



GROUP KEY FIGURES

EUR million	Q1 2020	Q1 2019	Change	2019
Net sales	256.2	268.6	-4.6%	1,090.4
Comparable net sales ¹⁾	256.2	268.9	-4.7%	1,083.7
EBITA	11.9	20.1	-40.7%	72.9
Items affecting comparability in EBITA ²⁾	-7.0	-5.8	-20.7%	-17.7
Comparable EBITA	18.9	25.9	-27.0%	90.6
Operating profit (EBIT)	8.4	16.9	-50.2%	60.1
Profit before taxes	8.5	22.7	-62.6%	63.2
Profit for the period	5.1	17.6	-70.9%	52.4
Net change in the fair value of investment portfolio	0.0	16.0		-20.4
Earnings/share, EUR	0.06	0.21	-71.6%	0.63
Equity per share, EUR	9.11	14.96		9.34
Cash flow from operating activities before financial items and taxes	-37.5	-25.8	-45.2%	117.5
Equity ratio, %	51 %	65 %		56 %
Net gearing, %	44 %	26 %		34 %
Capital expenditure	5.0	8.0	-37.5%	40.0
Personnel (FTE), average	6,374	7,029	-9.3%	6,840

1) Using comparable exchange rates and excluding the Leborgne divestment.

2) In Q1 2020, items affecting comparability consisted mainly of items related to the transformation and restructuring programs.

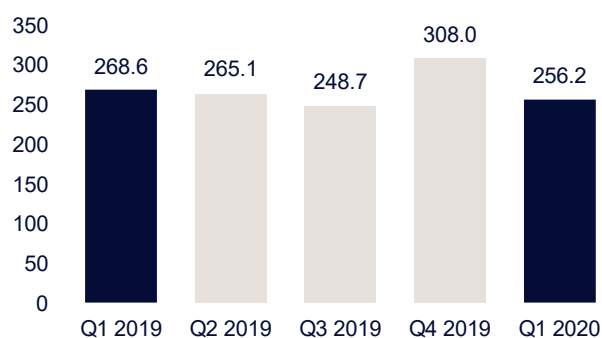


GROUP PERFORMANCE

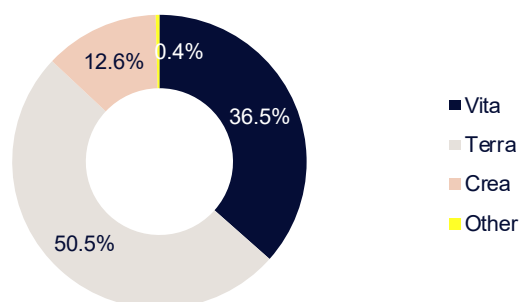
EUR million	Q1 2020	Q1 2019	Change	Comparable change*	2019
Net sales					
Group	256.2	268.6	-4.6%	-4.7%	1,090.4
Vita	93.6	110.2	-15.0%	-16.1%	500.8
Terra	129.3	127.5	1.4%	2.6%	442.9
Crea	32.3	29.9	7.8%	6.2%	142.9
Other	1.0	0.9	11.9%	11.9%	3.9
Comparable EBITA					
Group	18.9	25.9	-27.0%		90.6
Vita	-3.6	3.0			38.8
Terra	19.3	21.9	-11.7%		36.2
Crea	5.6	4.3	30.8%		28.0
Other	-2.5	-3.3	-24.3%		-12.5

*Using comparable exchange rates and excluding the Leborgne divestment.

NET SALES, EUR MILLION



NET SALES SPLIT BY SEGMENT, JANUARY-MARCH 2020

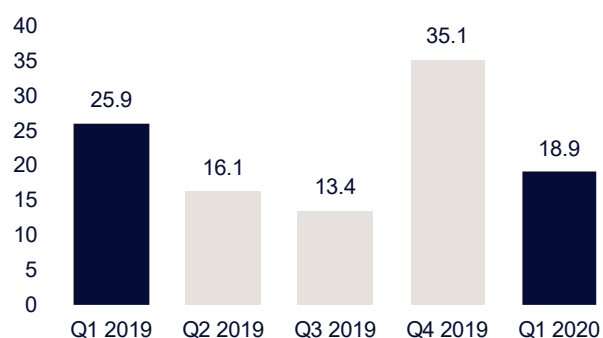


FISKARS GROUP NET SALES IN Q1 2020

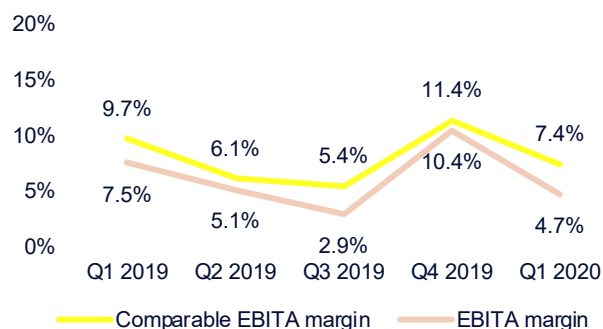
Fiskars Group's consolidated net sales decreased by 4.6% to EUR 256.2 million (Q1 2019: 268.6). Comparable net sales decreased by 4.7%. The decrease was mainly a result of the challenges in the Vita segment, where the COVID-19 pandemic impacted the business towards the end of the quarter.



FISKARS GROUP COMPARABLE EBITA, EUR MILLION



FISKARS GROUP COMPARABLE EBITA MARGIN AND EBITA MARGIN



FISKARS GROUP COMPARABLE EBITA IN Q1 2020

Fiskars Group's comparable EBITA decreased by 27.0% to EUR 18.9 million (25.9). The comparable EBITA decreased in the Vita and Terra segments.

Comparable EBITA decreased in the Vita segment, as a result of decreased sales volumes.

In the Terra segment, comparable EBITA decreased, due to increased marketing spend and changes in product mix.

In the Crea segment, comparable EBITA increased. This was mainly a result of increased volumes and a favorable product mix.

OPERATING ENVIRONMENT IN Q1 2020

The operating environment worsened significantly in all relevant markets throughout the latter part of the first quarter of 2020, as a result of the COVID-19 -pandemic. This led to a decrease in consumer confidence throughout the markets.

The importance of e-commerce increased, as brick-and-mortar stores have been temporarily closed in many markets and movement has been restricted. In the retail space, many department store chains have come under renewed pressure resulting from the pandemic. Consequently, the situation has accelerated the shift from traditional players to e-commerce.

Within the gardening and DIY channels, stores in many markets have been kept open and the impact has been less severe.

REPORTING SEGMENTS

This interim report reflects Fiskars Group's organizational structure, which features three Business Areas (BA): Vita, Terra and Crea. Fiskars Group's four primary reporting segments are Vita, Terra, Crea and Other. In addition, Fiskars Group reports net sales for three geographical areas: Europe, Americas and Asia-Pacific. Segment financial figures for the year 2019 have been restated for the new primary reporting segments. The restated figures have not been audited.

BA Vita offers premium and luxury products for the tableware, drinkware and interior categories. It consists of brands such as Iittala, Royal Copenhagen, Waterford and Wedgwood.

BA Terra consists of the gardening, watering, and outdoor categories. The brands include Fiskars, Gerber and Gilmour.

BA Crea consists of the scissors and creating as well as the cooking categories, mainly with the Fiskars brand.

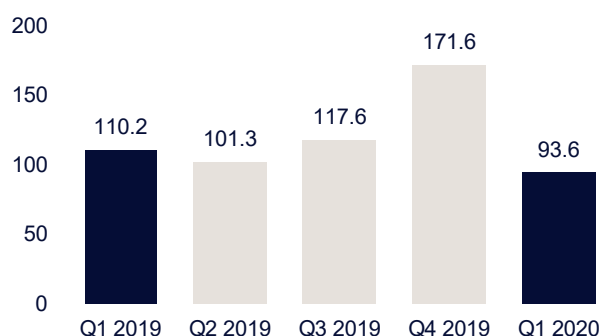
The Other segment contains the Group's investment portfolio, the real estate unit, corporate headquarters and shared services.

VITA SEGMENT

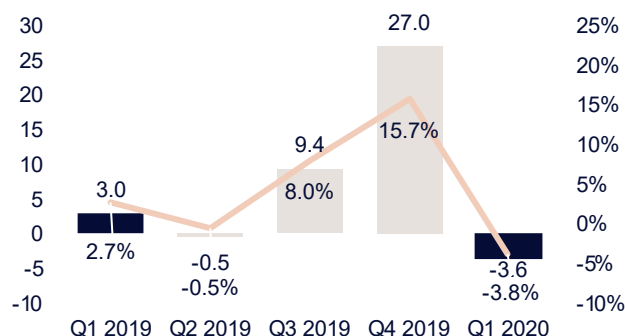
EUR million	Q1 2020	Q1 2019	Change	2019
Net sales*	93.6	110.2	-15.0%	500.8
Comparable EBITA	-3.6	3.0		38.8
Capital expenditure	2.0	4.0	-48.9%	18.3

*Using comparable exchange rates, net sales decreased by 16.1% in Q1 2020.

NET SALES, EUR MILLION



COMPARABLE EBITA (EUR MILLION) AND COMPARABLE EBITA MARGIN



VITA SEGMENT IN Q1 2020

Net sales in the Vita segment decreased year-on-year by 15.0% to EUR 93.6 million (Q1 2019: 110.2). Comparable net sales decreased by 16.1%. Net sales decreased in all channels, with the exception of direct e-commerce.

In January-February, net sales was at the previous year's level, despite the fact that the COVID-19 -pandemic was already impacting the business in Asia. A majority of our stores are located in the Asia-Pacific region, many of which had to be temporarily shut already starting from January. Starting in March, the pandemic had a material negative impact on net sales in all markets.

On a brand level, net sales decreased most prominently for Waterford and Wedgwood. Stores have been temporarily closed in many markets and replenishment orders decreased rapidly.

Comparable EBITA in the Vita segment decreased during the quarter, and amounted to EUR -3.6 million (3.0). The comparable EBITA was mainly weighed down by the decreased sales volumes and logistics costs.

MARKETING HIGHLIGHTS IN Q1 2020

The redefinition of the Wedgwood and Royal Doulton brands was completed during the first quarter of 2020. The target is to re-position the brands and to broaden their appeal to a wider audience.

Waterford won the Award of Excellence 2020 by TableWare International magazine. The award was received for the Gin Journeys collection in the barware category.

Iittala's newest home collection, Kuru by Phillippe Malouin, has been recognized with a design award by Wallpaper Magazine. The Kuru collection won the magazine's Best Tinted Love Award, specifically for its vase. The collection was introduced during the first quarter of 2020.

Fiskars Group participated at the Ambiente fair in Frankfurt, one of the largest trade fairs in our categories. The group was present with several brands, as Iittala, Royal Copenhagen, Royal Doulton and Wedgwood all attended.

Rebranding Wedgwood



Iittala's Kuru vase

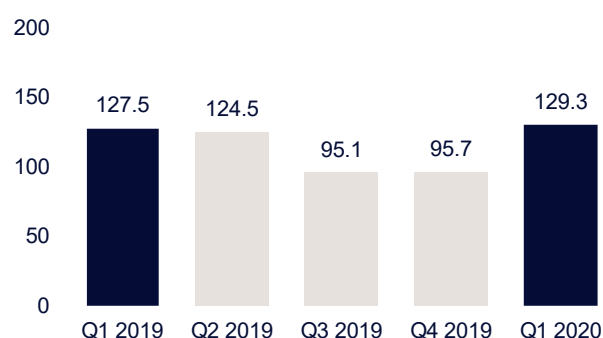


TERRA SEGMENT

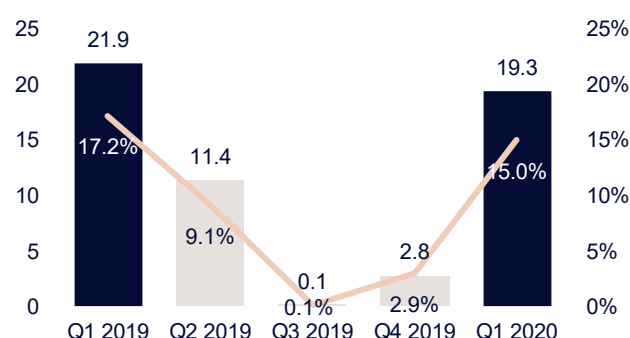
EUR million	Q1 2020	Q1 2019	Change	2019
Net sales*	129.3	127.5	1.4%	442.9
Comparable EBITA	19.3	21.9	-11.7%	36.2
Capital expenditure	2.1	2.9	-25.4%	16.6

*Using comparable exchange rates and excluding the Leborgne divestment, net sales increased by 2.6% in Q1 2020.

NET SALES, EUR MILLION



COMPARABLE EBITA (EUR MILLION) AND COMPARABLE EBITA MARGIN



TERRA SEGMENT IN Q1 2020

Net sales in the Terra segment increased year-on-year by 1.4% to EUR 129.3 million (Q1 2019: 127.5). Comparable net sales increased by 2.6%. Overall, the pandemic started to have a negative impact on net sales in March.

Net sales increased in the watering and gardening categories, both of which developed positively in the Americas and Central Europe. In the Americas, the DIY stores have mostly been kept open. In Europe, however, there have been some closures and somewhat decreased traffic to stores. Snow tool sales in the Nordics and Baltics decreased due to the mild winter.

In the outdoor category net sales decreased, weighed down by a decline in government orders. Many sporting goods stores in the Americas have been closed, which also impacted net sales in this category.

Comparable EBITA in the Terra segment decreased during the quarter, and amounted to EUR 19.3 million (21.9). The comparable EBITA decreased as a result of increased marketing spending related to the expansion in Central Europe and a weaker product mix.

MARKETING HIGHLIGHTS IN Q1 2020

During the quarter, Gerber launched Gerber Custom exclusively on gerbergear.com. This enables customers to order a customized knife from a wide range of blade shapes, materials, colors, illustrations and patterns. This advances the Gerber product portfolio and supports direct consumer relationships.

In January, Fiskars presented to international press and influencers its first ever garden wear collection designed in collaboration with designer Maria Korkeila. The launch event held at the Pitti Uomo exhibition in Italy gained significant international visibility for the collection and for the Fiskars brand. The collection will be exclusively available on fiskars.com from the spring of 2021.

The spring Gardening Happiness Campaign was launched across all European markets. Fiskars presence was strengthened with solid in-store presence, which was supported by a holistic media campaign.

Fiskars was placed among the top 10 growing brands in Germany at the “Best Brands” 2020 awards. The ranking is based on a representative empirical study by the market research institute GfK, which has evaluated business success and brand perception with more than 14,000 consumers.

Gerber Custom



Fiskars garden wear collection

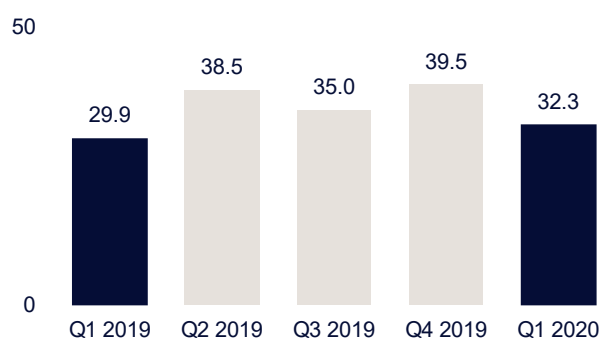


CREA SEGMENT

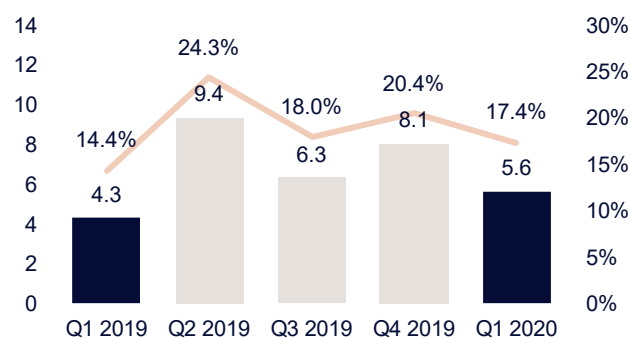
EUR million	Q1 2020	Q1 2019	Change	2019
Net sales*	32.3	29.9	7.8%	142.9
Comparable EBITA	5.6	4.3	30.8%	28.0
Capital expenditure	0.2	0.2	9.8%	0.9

*Using comparable exchange rates, net sales increased by 6.2% in Q1 2020.

NET SALES, EUR MILLION



COMPARABLE EBITA (EUR MILLION) AND COMPARABLE EBITA MARGIN



CREA SEGMENT IN Q1 2020

Net sales in the Crea segment increased year-on-year by 7.8% to EUR 32.3 million (Q1 2019: 29.9). Comparable net sales increased by 6.2%.

Net sales increased particularly in the Americas. Overall, the net sales performance was positive in January-February both in our own stores as well as in wholesale. In March, net sales weakened clearly due to the pandemic. This was a result of store closures and reduced traffic to stores, both our own and those of our distributors. The pandemic mainly impacted the business in Europe but also in the Americas. In some markets demand increased as a result of the pandemic, mainly relating to scissors and creating tools.

Comparable EBITA in the Crea segment increased during the quarter, and amounted to EUR 5.6 million (4.3). The comparable EBITA was mainly supported by increased volumes and a more favorable product mix.



MARKETING HIGHLIGHTS IN Q1 2020

In Finland, the Happiness campaign was launched for the Hard Face cooking range in February. Finland is an important market within the cooking category.

Fiskars gained strong media coverage during the quarter, particularly in the Americas. Influencers were helping consumers stay creative at home with sewing and crafting tutorials for kids and adults, driving increased brand awareness.

The distribution of the Fiskars Functional Form cooking products was expanded in Australia.

Hard Face campaign in Finland



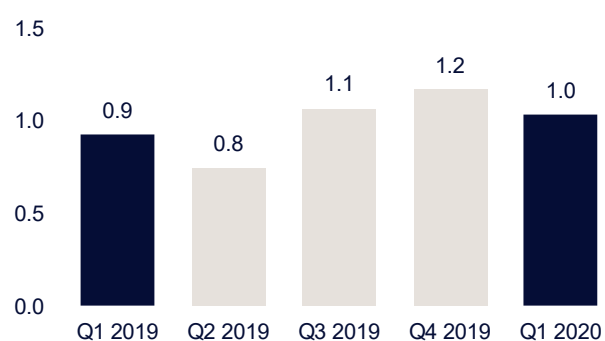
Social media presence



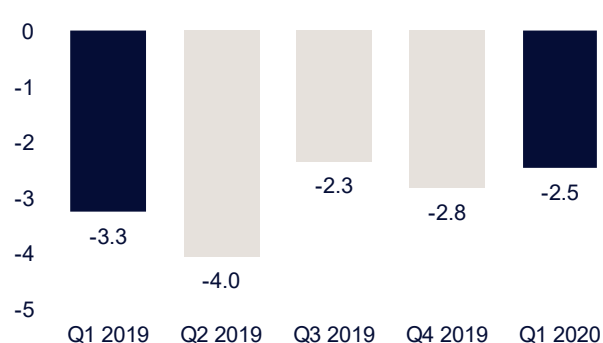
OTHER SEGMENT

EUR million	Q1 2020	Q1 2019	Change	2019
Net sales	1.0	0.9	11.9%	3.9
Comparable EBITA	-2.5	-3.3	-24.3%	-12.5
Capital expenditure	0.7	1.0	-25.5%	4.2

NET SALES, EUR MILLION



COMPARABLE EBITA (EUR MILLION) AND COMPARABLE EBITA MARGIN



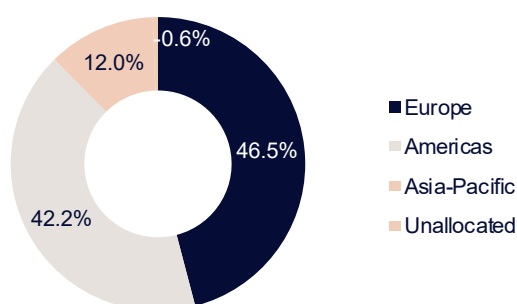
OTHER SEGMENT IN Q1 2020

Net sales in the Other segment amounted to EUR 1.0 million (Q1 2019: 0.9), consisting of timber sales and rental income. The comparable EBITA for the Other segment amounted to EUR -2.5 million (-3.3).

NET SALES BY GEOGRAPHY

EUR million	Q1 2020	Q1 2019	Change	Comparable change*	2019
Europe	119.0	130.1	-8.5%	-5.7%	518.9
Americas	108.0	104.4	3.4%	0.0%	427.5
Asia-Pacific	30.7	33.5	-8.4%	-9.9%	143.6
Unallocated**	-1.5	0.6			0.3

FISKARS GROUP NET SALES SPLIT BY GEOGRAPHY, JANUARY-MARCH 2020



NET SALES IN Q1 2020

Net sales in Europe decreased by 8.5%, and amounted to EUR 119.0 million (Q1 2019: 130.1). Comparable net sales decreased by 5.7%, weighted by the Vita and Terra segments. It remained unchanged in the Crea segment. Overall, net sales increased in particular in Germany and Sweden, as a result of good demand in the Vita segment. Net sales decreased notably in Finland and France. In Finland, the sales of snow tools decreased due to the mild winter.

Net sales in the Americas increased by 3.4% to EUR 108.0 million (104.4). Comparable net sales remained on the previous year's level, supported by the Terra and Crea segments, whereas it decreased in the Vita segment.

Net sales in Asia-Pacific decreased by 8.4% to EUR 30.7 million (33.5). Comparable net sales decreased by 9.9%, weighted by the Vita segment. A majority of the Group's own stores are located in the Asia-Pacific region, and many of these had to be closed during the quarter. The net sales decreased considerably in Japan, whereas net sales in China remained unchanged year-on-year.

FINANCIAL ITEMS AND NET RESULT IN Q1 2020

During the second quarter of 2019, Fiskars Group distributed an extra share dividend in the form of Wärtsilä shares held by the company. Following the distribution, Fiskars Group no longer holds shares in Wärtsilä (Q1 2019: 32,645,343 shares). In Q1 2019, the net change in the fair value of Wärtsilä shares recognized in other comprehensive income amounted to EUR 16.0 million.

Other financial income and expenses amounted to EUR -0.0 million (5.3, including EUR 7.8 million of dividends on Wärtsilä shares). Foreign exchange differences accounted for EUR 0.8 million (0.3) of financial items.

Profit before taxes was EUR 8.5 million (22.7) in the first quarter of 2020. Income taxes for the first quarter were EUR -3.4 million (-5.1). Earnings per share were EUR 0.06 (0.21).

CASH FLOW, BALANCE SHEET AND FINANCING IN Q1 2020

The first quarter cash flow from operating activities before financial items and taxes amounted to EUR -37.5 million (Q1 2019: -25.8). The change was due to the decrease in current liabilities, stemming mainly from timing difference of accounts payable. Cash flow from financial items and taxes amounted to EUR -4.2 million (-11.2).

Cash flow from investing activities was EUR -4.2 million (-2.5), including EUR -5.0 million of capital expenditure on fixed assets. Cash flow from financing activities was EUR 145.8 million (26.0), including EUR 134.4 million change in current debt, EUR 39.9 million of change in non-current debt and EUR -22.8 million of dividends paid. The comparison figure from Q1 2019 included EUR 53.4 million of change in current debt and EUR -22.0 million of dividends paid.

Capital expenditure for the first quarter totaled EUR 5.0 million (8.0), mainly relating to IT solutions. Depreciation, amortization and impairment were EUR 15.6 million (14.8) in the first quarter.

Fiskars Group's working capital totaled EUR 263.9 million (258.1) at the end of March. The equity ratio was 51% (65%) and net gearing was 44% (26%).

Cash and cash equivalents at the end of the period totaled EUR 109.3 million (11.0). Net interest-bearing debt amounted to EUR 331.3 million (321.6), of which leases classified as interest-bearing debt under IFRS 16 accounted for EUR 107.1 million (117.2).

Excluding leasing debt, short-term borrowing totaled EUR 242.9 million (65.1) and long-term borrowing EUR 91.3 million (151.2). Short-term borrowing consisted mainly of commercial papers issued and bilateral loans from credit institutions maturing within 12 months, including new loans raised during the first quarter. EUR 122.0 million (53.0) of the company's EUR 400 million commercial paper program was in use at the end of the period. In addition to outstanding loans, Fiskars Group had EUR 300 million of unused long-term committed credit facilities with Nordic banks.

RESTRUCTURING PROGRAM

In December 2019, Fiskars Group published its plans to change its organizational structure and simplify the organization to continue to build one company with a common purpose, strategy and values.

Fiskars Group also launched a company-wide Restructuring Program, aimed at reducing costs. The savings are expected to come from a wide range of areas, including the removal of overlaps in the organization, simplified processes and ways of working, and reduction of workforce. As part of the program, the company will look for synergies and efficiencies in the selling and administrative spending. In addition, the company will evaluate the entire supply and distribution network for efficiency improvements.

The program will target annual net cost savings of approximately EUR 20 million, subject to the full implementation of the program. The targeted cost savings are expected to be achieved gradually, and the majority of the savings are expected to materialize in the Group's results during the program, which is estimated to be completed by the end of 2021.

The total costs of the program are expected to be approximately EUR 30 million by the end of 2021, of which EUR 7.0 million had been recorded by the end of March 2020. They will be recorded as items affecting comparability (IAC) and have a cash flow impact. At the same time, Fiskars Group continues investments in growth initiatives that are expected to add sustainable value in the long-term, e.g., in e-commerce and new business opportunities.

TRANSFORMATION PROGRAM

In October 2018, Fiskars Group launched a Transformation program in its former Living segment aimed at increasing efficiency, reducing complexity and accelerating long-term strategic development.

The program will target annual cost savings of approximately EUR 17 million, subject to the full implementation of the program. The targeted cost savings are expected to be achieved gradually, and the majority of the savings are expected to materialize in the Group's results after the program is completed, which is estimated to be by the end of 2021.

The total costs of the program are approximately EUR 40 million in 2018–2021, of which EUR 19.8 million had been recorded by the end of the first quarter of 2020. The costs are recorded as items affecting comparability (IAC).

RISKS AND BUSINESS UNCERTAINTIES

Fiskars Group's business, net sales, and financial performance may be affected by several uncertainties. Fiskars Group has detailed the overall business risks and risk management in its Annual Report and on the company's website at www.fiskarsgroup.com/investors.

The COVID-19 pandemic continues to impact societies around the world. The situation and its development varies by country, and visibility is low. As restrictions of movement start to be lifted in many countries, the risk for new waves of the pandemic increases, which makes the risk for the financial performance of the company more significant. In particular, the development of the pandemic and its consequences to the U.S. market is considered material, as it is the single largest market for Fiskars Group.

Fiskars Group imports and exports products from/to the UK. The UK's expected withdrawal from the EU, may have an adverse impact on Fiskars Group's comparable net sales and comparable EBITA in 2020. It can be assumed that failure to reach a second deal by the end of 2020 would lead to increased costs, additional workload on both sides, and trade disruptions in the form of tariffs and regulatory barriers. The long-term effect of changes in laws, regulations, taxes and other implications following the withdrawal and results of the upcoming deal negotiations as well as any possible impact on consumer confidence are difficult to estimate.

A considerable part of Fiskars Group's business is in the U.S. The increasing uncertainty regarding trade in the form of for example tariffs might have an impact on the company's business, as part of the product portfolio sold in the country is imported. Based on the information available at the moment, a further increase in tariffs might have a significant impact on the comparable EBITA in 2020.

Demand for some of the Group's products is dependent on the weather, particularly garden tools and watering products during the spring and snow tools during the winter. Unfavorable weather conditions such as cold and rainy weather during the spring or no snow in the winter can have a negative impact on the sale of these products. The sale of homeware products is heavily geared towards the last quarter of the year, and any negative issues related to product availability or demand during this

quarter could affect the full-year result of this business significantly.

Fiskars Group operates globally, with a considerable part of its business in the U.S. and in other countries outside of the euro zone. Weakening of the U.S. dollar or other currencies relative to the euro may have a material impact on the reported financial figures due to the translation exposure. Less than 20% of Fiskars Group's commercial cash flows are exposed to fluctuations in foreign exchange rates.

Fiskars Group entities are subject to tax audits in several countries. It is possible that tax audits may lead to a reassessment of taxes. The tax reassessment claim raised by the Finnish Large Taxpayers' Office in 2016, was appealed to the Administrative Court, which maintained the decision that obligated the company to pay a total of EUR 28.3 million in additional tax, interest expenses and punitive tax increases. Fiskars Group will seek further appeal from the Supreme Administrative Court, and the process may take years. The dispute concerns intra-group loans forgiven by the company in 2003 and their tax treatment in subsequent tax years.

RESEARCH AND DEVELOPMENT

The Group's research and development expenditure totaled EUR 4.9 million (Q1 2019: 4.3) in the first quarter of 2020, equivalent to 1.9% (1.6%) of net sales.

PERSONNEL

The average number of full-time equivalent employees (FTE) was 6,374 (Q1 2019: 7,029) in the first quarter. At the end of the quarter, the Group employed 6,333 (7,018) employees, of whom 1,006 (1,002) were in Finland.

CHANGES IN ORGANIZATION AND MANAGEMENT

On April 21, 2020, Fiskars Group announced the resignation of President and CEO Jaana Tuominen. CFO Sari Pohjonen was appointed interim CEO. The Board of Directors has begun the recruitment process for a new CEO.

On April 8, 2020, Fiskars Group announced the appointment of James Brouillard as Executive Vice President, Business Area Terra and member of the Fiskars Group Leadership Team. He started in his position on April 20, 2020, and reports to the Group's Interim CEO Sari Pohjonen.

The FGLT now consists of:

- Sari Pohjonen, Interim CEO, Chief Financial Officer
- Tina Andersson, Chief Consumer Officer
- Christian Bachler, EVP, BA Vita
- James Brouillard, EVP, BA Terra
- Risto Gaggl, Chief Supply Chain Officer
- Johan Hedberg, Chief Sales Officer
- Tuomas Hyyryläinen, EVP, BA Crea
- Niklas Lindholm, Chief People Officer
- Maija Taimi, Chief Communications Officer
- Päivi Timonen, Chief Legal Officer

OTHER SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

On March 19, 2020, Fiskars Corporation withdrew its guidance on the outlook for 2020, which was issued on February 5, 2020. Due to the corona virus outbreak, the comparable EBITA is unlikely to increase in 2020. As the situation evolves rapidly, it was too early to make reasoned estimates on the potential impact. Fiskars expects to guide the outlook for the full year 2020, once a more reliable estimate on the potential impact can be

made.

ANNUAL GENERAL MEETING 2020

The Annual General Meeting of shareholders of Fiskars Corporation was held at Helsinki Exhibition & Convention Centre, the Conference Center on March 11, 2020. The Annual General Meeting approved the financial statements for 2019 and discharged the members of the Board and the President and CEO from the liability.

The Annual General Meeting decided in accordance with the proposal by the Board of Directors to pay dividend of EUR 0.56 per share for the financial period that ended on December 31, 2019. The dividend is to be paid in two instalments. The ex-dividend date for the first instalment of EUR 0.28 per share was March 12, 2020. The first instalment was paid to shareholders who were registered in the shareholders' register of the company maintained by Euroclear Finland Ltd. on the dividend record date March 13, 2020. The payment date for this instalment was March 20, 2020.

The second instalment of EUR 0.28 per share is scheduled to be paid in September 2020. The second instalment is scheduled to be paid to a shareholder who is registered in the shareholders' register of the company maintained by Euroclear Finland Ltd on the dividend record date, which, together with the payment date, shall be decided by the Board of Directors in its meeting scheduled for September 8, 2020. The ex-dividend date for the second instalment would be September 9, 2020, the dividend record date for the second instalment would be September 10, 2020 and the dividend payment date September 17, 2020, at the latest.

The Annual General Meeting decided to adopt the Remuneration Policy for the governing bodies.

The Annual General Meeting decided that the Board of Directors shall consist of nine (9) members. Albert Ehrnrooth, Paul Ehrnrooth, Louise Fromond, Jyri Luomakoski, Inka Mero, Fabian Månsson, Peter Sjölander and Ritva Sotamaa were re-elected. Nathalie Ahlström was elected as a new member. The term of the Board members will expire at the end of the Annual General Meeting in 2021.

Ernst & Young, Authorized Public Accountants firm, was re-elected as auditor for the term that will expire at the end of the Annual General Meeting in 2021. Ernst & Young

has announced that the responsible auditor will be Kristina Sandin, APA.

The Annual General Meeting decided to authorize the Board to decide on the acquisition of a maximum of 4,000,000 own shares, in one or several instalments, using the unrestricted shareholders' equity of the company. The company's own shares may be acquired in public trading on Nasdaq Helsinki Ltd at a price formed in public trading on the date of the acquisition. The authorization may be used to acquire shares to be used for the development of the capital structure of the company, as consideration in corporate acquisitions or industrial reorganizations and as part of the company's incentive system and otherwise for further transfer, retention or cancellation. The Board of Directors is authorized to decide on all other terms and conditions regarding the acquisition of the company's own shares. Based on the authorization the acquisition of the company's own shares may be made otherwise than in proportion to the share ownership of the shareholders (directed acquisition). The authorization is effective until June 30, 2021 and cancelled the corresponding authorization granted to the Board by the Annual General Meeting on March 13, 2019.

The Annual General Meeting decided to authorize the Board to decide on the transfer of own shares (share issue) held as treasury shares of a maximum of 4,000,000 shares, in one or several instalments, either against or without consideration. The company's own shares held as treasury shares may be transferred for example as consideration in corporate acquisitions or industrial reorganizations or for the development of the capital structure of the company, or as part of its incentive system. The Board of Directors is authorized to decide on all other terms and conditions regarding the transfer of own shares held as treasury shares. The transfer of own shares may also be carried out in deviation from the shareholders' pre-emptive rights to the company's shares (directed issue). The authorization is effective until June 30, 2021 and cancelled the corresponding authorization granted to the Board by the Annual General Meeting on March 13, 2019.

CONSTITUTIVE MEETING OF THE BOARD AND BOARD COMMITTEES

Convening after the Annual General Meeting held on March 11, 2020 the Board of Directors elected Paul

Ehrnrooth as its Chairman and Jyri Luomakoski as the Vice Chairman. The Board decided to establish a Nomination Committee and appointed Paul Ehrnrooth (Chairman) and Fabian Månsson as the members of the Nomination Committee and Alexander Ehrnrooth as an external member to the Nomination Committee and further decided to establish an Audit Committee and appointed Jyri Luomakoski (Chairman), Nathalie Ahlström, Albert Ehrnrooth, Louise Fromond and Ritva Sotamaa as the members of the Audit Committee and a Human Resources and Compensation Committee and appointed Paul Ehrnrooth (Chairman), Inka Mero and Peter Sjölander as the members of the committee.

SHARES AND SHAREHOLDERS

Fiskars Corporation has one share series (FSKRS). All shares carry one vote and equal rights. The number of shares in the Corporation totals 81,905,242. Fiskars Corporation held 433,677 of its own shares at the end of the quarter. The share capital remained unchanged at EUR 77,510,200.

Fiskars shares are traded in the Large Cap segment of Nasdaq Helsinki. The volume weighted average share price during the first quarter was EUR 10.07 (Q1 2019: 18.36). At the end of March, the closing price was EUR 9.60 (EUR 18.66) per share and Fiskars had a market capitalization of EUR 782.1 million (1,521.6). The number of shares traded on Nasdaq Helsinki and in alternative market places from January to March was 5.6 million (1.8), which represents 6.8% (2.3%) of the total number of shares. The total number of shareholders was 24,883 (21,876) at the end of March 2020.

Flagging notifications

Fiskars was not informed of any significant changes among its shareholders during the year.

EVENTS AFTER THE REPORTING PERIOD

Fiskars Group's new organizational structure effective

At the beginning of April, Fiskars Group's new organizational structure became effective, as the organization was simplified in line with the announcement on December 4, 2019. Following the change, the company is organized around three Business Areas, global Sales and Consumer Experience & Growth functions, as well as Supply Chain and other Global Functions. The company is targeting annual net cost savings of EUR 20 million by the

end of 2021, by renewing the organizational structure and increasing efficiencies. Additionally, the financial reporting structure will change.

The new organizational design was expected to lead to a net reduction of approximately 220 employees in office roles globally. Employee consultations in Finland started on January 20, 2020 and covered altogether 476 employees in office roles. The possible reduction of employees was estimated to affect a maximum 60 employees in Finland. The changes resulted in a total net reduction of 220 positions in office roles globally, of which 31 were in Finland.

Tax decision by the Administrative Court

On April 9, 2020, Fiskars Corporation received a tax decision from the Helsinki Administrative Court, which maintained the decision that obliged the company to pay EUR 28.3 million in additional tax, interest and punitive increases as a result of a tax audit carried out in 2014. The decision concerns intra-group loans forgiven by the company in 2003 and their tax treatment in subsequent tax years.

Fiskars Corporation considers the decision unfounded and will seek appeal further from the Supreme Administrative Court.

The reassessment decision had a negative effect of EUR 28.3 million on the cash flow during the third quarter of 2016. Fiskars Corporation has disclosed the ongoing tax appeal process in the earlier Annual Reports and Interim Reports. The company and its external advisors continue to consider the decision unfounded and do not recognize the related taxes and other costs in the income statement.

Fiskars Group President and CEO Jaana Tuominen to step down, CFO Sari Pohjonen appointed interim CEO

On April 21, 2020, Jaana Tuominen resigned from her position as President and CEO of Fiskars Group. CFO Sari Pohjonen was appointed interim CEO. The Board of Directors has begun the recruitment process for a new CEO.

OUTLOOK FOR 2020 WITHDRAWN ON MARCH 19, 2020

Fiskars Corporation withdrew its guidance on the outlook for 2020, which was issued on February 5, 2020. Due to the coronavirus outbreak, the comparable EBITA is unlikely to increase in 2020. The COVID-19 -pandemic will

have a significant negative impact during the second quarter of the year. As the situation evolves rapidly, it is too early to make reasoned estimates on the potential impact for the full year. Fiskars expects to guide the outlook for the full year 2020, once a more reliable estimate on the potential impact can be made.

Previous outlook:

“In 2020, Fiskars expects the comparable EBITA to increase from 2019. Fluctuations in currency rates might have a considerable impact on comparable EBITA.

Fiskars continues to invest in future growth and is focused on improving profitability through the ongoing transformation programs, which are expected to be completed by the end of 2021. Therefore, the company is not providing an outlook for comparable net sales for 2020. Furthermore, there are uncertainties in several key markets, such as potential changes in tariffs or repercussions from the novel corona virus outbreak that could have an impact on the full year development.”

Helsinki, Finland, May 5, 2020

FISKARS CORPORATION

Board of Directors

CONSOLIDATED INCOME STATEMENT

EUR million	Q1 2020	Q1 2019	Change %	2019
Net sales	256.2	268.6	-5	1,090.4
Cost of goods sold	-151.6	-156.4	3	-643.1
Gross profit	104.7	112.2	-7	447.3
Other operating income	0.5	0.4	24	2.0
Sales and marketing expenses	-67.9	-69.8	3	-284.3
Administration expenses	-24.0	-21.2	-13	-86.2
Research and development costs	-4.9	-4.3	-14	-18.4
Goodwill and trademark amortization and impairment	-0.0	-0.0	0	-0.0
Other operating expenses	-0.0	-0.6	94	-0.3
Operating profit (EBIT)*	8.4	16.9	-50	60.1
Change in fair value of biological assets	0.1	0.4	-72	-0.2
Other financial income and expenses	-0.0	5.3	-101	3.4
Profit before taxes	8.5	22.7	-63	63.2
Income taxes	-3.4	-5.1	-34	-10.8
Profit for the period	5.1	17.6	-71	52.4
Attributable to:				
Equity holders of the parent company	4.9	17.3	-72	51.7
Non-controlling interest	0.2	0.3	-25	0.7
Earnings for equity holders of the parent company per share, euro (basic and diluted)	0.06	0.21	-72	0.63
*Comparable EBITA (detailed in notes)	18.9	25.9	-27	90.6

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	Q1 2020	Q1 2019	2019
Profit for the period	5.1	17.6	52.4
Other comprehensive income for the period			
Items that may be reclassified subsequently to profit or loss			
Translation differences	-1.8	-0.6	9.3
Cash flow hedges	0.1	-0.0	0.2
Items that will not be reclassified to profit or loss			
Net change of investments at fair value through comprehensive income, net of tax		19.2	-24.3
Defined benefit plan, actuarial gains (losses) net of tax	0.0	-0.3	2.0
Other comprehensive income for the period net of tax total	-1.7	18.3	-12.9
Total comprehensive income for the period	3.4	35.8	39.5
Attributable to:			
Equity holders of the parent company	3.5	35.5	38.5
Non-controlling interest	-0.1	0.4	1.0



CONSOLIDATED BALANCE SHEET

EUR million	Mar 31 2020	Mar 31 2019	Change %	2019
ASSETS				
Non-current assets				
Goodwill	220.0	219.4	0	219.6
Other intangible assets	286.9	283.9	1	288.7
Property, plant & equipment	156.7	161.4	-3	162.2
Right-of-use assets	104.1	115.3	-10	108.6
Biological assets	43.5	44.0	-1	43.4
Investment property	4.2	3.8	10	3.6
Financial assets				
Financial assets at fair value through profit or loss	26.1	26.9	-3	28.9
Other investments	7.8	8.7	-11	7.9
Deferred tax assets	27.7	23.8	16	27.9
Non-current assets total	876.9	887.3	-1	890.7
Current assets				
Inventories	241.1	234.2	3	232.1
Trade and other receivables	211.4	232.9	-9	203.2
Income tax receivables	32.3	32.2	0	28.8
Interest-bearing receivables	0.0	0.0	-17	0.0
Investments at fair value through other comprehensive income	0.0	469.6	-100	0.0
Cash and cash equivalents	109.3	11.0	894	9.4
Current assets total	594.1	979.9	-39	473.5
Assets total	1,471.0	1,867.3	-21	1,364.3
EQUITY AND LIABILITIES				
Equity				
Equity attributable to the equity holders of the parent company	742.0	1,219.8	-39	760.9
Non-controlling interest	3.5	3.0	16	3.6
Equity total	745.5	1,222.9	-39	764.5
Non-current liabilities				
Interest-bearing liabilities	91.3	151.2	-63	51.4
Lease liabilities	84.9	95.5	-11	88.4
Other liabilities	4.4	4.8	-8	4.4
Deferred tax liabilities	31.9	40.2	-21	32.8
Pension liability	13.4	12.9	4	13.2
Provisions	3.6	4.4	-19	4.1
Non-current liabilities total	229.4	309.0	-26	194.3
Current liabilities				
Interest-bearing liabilities	242.9	65.1	180	108.7
Lease liabilities	22.3	21.8	2	22.9
Trade and other payables	217.5	237.4	-8	267.7
Income tax liabilities	3.4	3.9	-13	2.1
Provisions	10.0	7.2	38	4.1
Current liabilities total	496.1	335.4	48	405.5
Equity and liabilities total	1,471.0	1,867.3	-21	1,364.3



CONSOLIDATED STATEMENT OF CASH FLOWS

EUR million	Q1 2020	Q1 2019	2019
Cash flow from operating activities			
Profit before taxes	8.5	22.7	63.2
Adjustments for			
Depreciation, amortization and impairment	15.6	14.8	59.6
Gain/loss on sale and loss on scrap of non-current assets	-0.1	0.0	-0.2
Other financial items	0.0	-5.3	-4.0
Change in fair value of biological assets	-0.1	-0.4	0.2
Change in provisions and other non-cash items	7.9	0.9	-4.7
Cash flow before changes in working capital	31.8	32.7	114.1
Changes in working capital			
Change in current assets, non-interest-bearing	-10.4	-9.1	23.0
Change in inventories	-11.6	-12.3	-6.6
Change in current liabilities, non-interest-bearing	-47.3	-37.1	-12.9
Cash flow from operating activities before financial items and taxes	-37.5	-25.8	117.5
Financial income received and costs paid	1.9	-1.4	-2.5
Taxes paid	-6.1	-9.8	-18.4
Cash flow from operating activities (A)	-41.7	-37.0	96.5
Cash flow from investing activities			
Investments in financial assets	0.0	-2.3	-8.2
Capital expenditure on fixed assets	-5.0	-8.0	-40.0
Proceeds from sale of fixed assets	-0.4	-0.2	0.9
Proceeds from sale of investments at fair value through other comprehensive income	0.0	0.1	0.5
Other dividends received	0.0	7.8	7.8
Cash flow from other investments	1.3	0.2	1.9
Cash flow from investing activities (B)	-4.2	-2.5	-37.0
Cash flow from financing activities			
Purchase of treasury shares	-0.3	-0.6	-1.1
Change in current receivables	-0.0	0.0	0.0
Change in non-current debt	39.9	0.1	0.8
Change in current debt	134.4	53.4	-2.2
Payment of lease liabilities	-6.0	-5.4	-21.6
Cash flow from other financing items	0.6	0.5	0.7
Dividends paid	-22.8	-22.0	-51.0
Cash flow from financing activities (C)	145.8	26.0	-74.5
Change in cash and cash equivalent (A+B+C)	99.9	-13.5	-15.1
Cash and cash equivalent at beginning of period	9.4	24.4	24.4
Translation difference	0.0	0.0	0.0
Cash and cash equivalent at end of period	109.3	11.0	9.4



CONSOLIDATED STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

EUR million	Attributable to the equity holders of the parent company							Non-controlling interest	Total
	Share capital	Treasury shares	Cumul. transl. diff.	Fair value reserve	Actuarial gains and losses	Financial assets at FVTOCI	Retained earnings		
Opening Balance Jan 1, 2019	77.5	-6.0	11.1	-0.4	-3.9	-95.0	1,223.6	2.7	1,209.7
Total comprehensive income for the period			-0.7	-0.0	-0.3	19.2	17.3	0.4	35.8
Purchase and issue of treasury shares		-0.6							-0.6
Dividend distribution							-22.0	0.0	-22.0
Other changes									
Mar 31, 2019	77.5	-6.6	10.4	-0.4	-4.1	-75.8	1,218.9	3.0	1,222.9
Opening Balance Jan 1, 2020	77.5	-7.1	20.1	-0.2	-1.9	0.0	672.5	3.6	764.5
Total comprehensive income for the period			-1.5	0.1			4.9	-0.1	3.4
Purchase and issue of treasury shares		-0.3					0.1		-0.2
Dividend distribution							-22.8		-22.8
Other changes		0.3					0.4		0.7
Mar 31, 2020	77.5	-7.2	18.6	-0.1	-1.9	0.0	655.1	3.5	745.5



NOTES TO THE FINANCIAL STATEMENT RELEASE

ACCOUNTING PRINCIPLES

This financial statement release 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.

Figures presented have been rounded and therefore the sum of individual figures might differ from the presented total figure. Segment financial figures for the year 2019 have been restated for the new primary reporting segments. The restated figures have not been audited.



REPORTING SEGMENTS

EUR million	Q1 2020	Q1 2019	Change %	2019
Net sales				
Vita	93.6	110.2	-15	500.8
Terra	129.3	127.5	1	442.9
Crea	32.3	29.9	8	142.9
Other	1.0	0.9	12	3.9
Group total	256.2	268.6	-5	1,090.4
EUR million	Q1 2020	Q1 2019	Change %	2019
Operating profit (EBIT)				
Vita	-9.6	-4.5		14.6
Terra	16.0	20.7	-23	28.6
Crea	4.8	4.0	21	30.0
Other	-2.8	-3.3	-13	-13.2
Group total	8.4	16.9	-50	60.1
EUR million	Q1 2020	Q1 2019	Change %	2019
Depreciation, amortization and impairment				
Vita	9.6	7.1	-35	33.1
Terra	4.2	4.6	9	18.4
Crea	1.0	0.9	-14	3.8
Other	0.8	2.2	62	4.1
Group total	15.6	14.8	5	59.6
EUR million	Q1 2020	Q1 2019	Change %	2019
Capital expenditure				
Vita	2.0	4.0	-49	18.3
Terra	2.1	2.9	-25	16.6
Crea	0.2	0.2	10	0.9
Other	0.7	1.0	-26	4.2
Group total	5.0	8.0	-37	40.0

NET SALES BY GEOGRAPHY

EUR million	Q1 2020	Q1 2019	Change %	2019
Net sales				
Europe	119.0	130.1	-9	518.9
Americas	108.0	104.4	3	427.5
Asia-Pacific	30.7	33.5	-8	143.6
Unallocated	-1.5	0.6		0.3
Group total	256.2	268.6	-5	1,090.4



OPERATING PROFIT AND COMPARABLE EBITA

EUR million	Q1 2020	Q1 2019	Change %	2019
Operating profit (EBIT)	8.4	16.9	-50	60.1
Amortization	-3.5	-3.2	-9	-12.9
EBITA	11.9	20.1	-41	72.9
Items affecting comparability in EBITA				
Restructuring Program	7.0			0.4
Alignment program				-0.2
Transformation program	0.3	5.7		17.0
Leborgne divestment		0.5		0.8
Other adjustments to operating profit	-0.2	-0.3		-0.3
Total items affecting comparability in EBITA	7.0	5.8	21	17.7
Comparable EBITA	18.9	25.9	-27	90.6

INTANGIBLE AND TANGIBLE ASSETS

EUR million	Mar 31 2020	Mar 31 2019	Dec 31 2019
Intangible assets and goodwill			
Book value, Jan 1	508.2	497.9	497.9
Currency translation adjustment	0.5	9.2	10.3
Additions	1.9	3.1	17.6
Amortization and impairment	-3.5	-3.2	-12.7
Decreases and transfers	-0.3	-3.6	-4.9
Book value at end of period	506.9	503.4	508.2
Investment commitments for intangible assets	0.1	0.0	0.0
Tangible assets and investment property			
Book value, Jan 1	165.9	163.4	163.4
Currency translation adjustment	-2.9	2.3	4.1
Additions	3.1	5.0	23.0
Depreciation and impairment	-5.9	-5.7	-23.8
Decreases and transfers	0.7	0.3	-0.7
Book value at end of period	160.9	165.2	165.9
Investment commitments for property, plant and equipment	2.0	5.0	2.4
Right-of-use assets			
Book value, Jan 1	108.8	119.3	119.3
Currency translation adjustment	-1.1	0.8	0.7
Additions	3.1	0.9	25.2
Depreciation	-6.3	-5.8	-22.9
Decreases	-0.4	0.0	-13.7
Book value at end of period	104.1	115.3	108.6

CONTINGENCIES AND PLEDGED ASSETS

EUR million	Mar 31 2020	Mar 31 2019	Dec 31 2019
As security for own commitments			
Guarantees	11.8	18.7	14.7
Other contingencies*	3.9	9.1	4.3
Contingencies and pledged assets total	15.7	27.8	19.0

*Other contingencies include a commitment of USD 3 million to invest in private equity funds.

Tax risks

In April 2020, the Helsinki Administrative Court maintained the decision that obliged the company to pay EUR 28.3 million in additional tax, interest and punitive increases as a result of a tax audit carried out in 2014. The decision concerns intra-group loans forgiven by the company in 2003 and their tax treatment in subsequent tax years.

Fiskars Group has disclosed the ongoing tax appeal in the earlier Annual Reports and Interim Reports. Fiskars Oyj Abp will appeal against the Administrative Court's decision to the Supreme Administrative Court. The company and its external advisors continue to consider the decision unfounded and do not recognize the related taxes and other costs in the income statement.

DERIVATIVES

EUR million	Mar 31 2020	Mar 31 2019	Dec 31 2019
Nominal amounts of derivatives			
Foreign exchange forwards and swaps	281.3	219.0	316.6
Interest rate swaps	50.0	50.0	50.0
Electricity forward agreements		0.4	0.0
Fair value of derivatives			
Foreign exchange forwards and swaps	-1.9	-0.1	-0.4
Interest rate swaps	-0.2	-0.5	-0.3
Electricity forward agreements		0.2	

Derivatives have been valued at market value.



EXCHANGE RATE SENSITIVITY OF THE OPERATIONS

Less than 20% of Fiskars Group's commercial cash flows are exposed to fluctuations in foreign exchange rates. The most significant transaction risks relate to the appreciation of THB and IDR, and depreciation of SEK, AUD and JPY. The following table presents the estimated annual net commercial cash flows in the most significant currencies:

EUR million	THB	SEK	USD	AUD	JPY	IDR	GBP	CAD
Operational currency position	-35.9	19.5	-11.5	15.0	16.7	-13.9	14.1	14.5
Exchange rate sensitivity of the operations*	3.6	-2.0	1.2	-1.5	-1.7	1.4	-1.4	-1.5

*Illustrates the impact of 10% depreciation of the currency against EUR on the Group's annual profit before taxes had the cash flows not been hedged.

Most of the foreign exchange transaction risks related to the commercial cash flows are hedged primarily through the use of currency forwards and swaps. As Fiskars Group does not apply hedge accounting to these currency derivatives, both the realized and unrealized gains and losses on the derivatives are included in the income statement.

FAIR VALUE OF FINANCIAL INSTRUMENTS

Mar 31, 2020

EUR million	Level 1	Level 2	Level 3	Total
Investments at fair value through profit and loss			26.1	26.1
Investments at fair value through other comprehensive income	0.0			0.0
Other investments	0.3		7.4	7.8
Derivative assets		0.0		
Total assets	0.3	0.0	33.5	33.8
Derivative liabilities		2.1		2.1
Total liabilities		2.1		2.1

Mar 31, 2019

EUR million	Level 1	Level 2	Level 3	Total
Investments at fair value through profit and loss			26.9	26.9
Investments at fair value through other comprehensive income	469.6			469.6
Other investments	0.4		8.3	8.7
Derivative assets		0.2		0.2
Total assets	470.0	0.2	35.2	505.3
Derivative liabilities		0.6		0.6
Total liabilities		0.6		0.6

Dec 31, 2019

EUR million	Level 1	Level 2	Level 3	Total
Investments at fair value through profit and loss			28.9	28.9
Investments at fair value through other comprehensive income	0.0			0.0
Other investments	0.3		7.6	7.9
Derivative assets		0.0		
Total assets	0.3	0.0	36.4	36.7
Derivative liabilities		0.7		0.7
Total liabilities		0.7		0.7



FAIR VALUE CATEGORIES

Hierarchy level 1 includes financial assets that are publicly quoted in an active market. Level 3 includes financial assets and liabilities measured using non-market observable inputs. The asset classes in this category are unlisted equity investments and funds.

Investments EUR million	FVTOCI Level 1	FVTPL Level 3	Other Level 1	Level 3	Total
Book value, Mar 31, 2019	469.6	26.9	0.4	8.3	505.1
Additions		5.9			5.8
Decreases	-433.3	-8.8			-442.1
Change in fair value	-36.3	4.9	-0.1	-0.8	-32.3
Book value, Dec 31, 2019	0.0	28.9	0.3	7.6	36.6
Additions					0.0
Decreases		-2.9			-2.9
Change in fair value		0.1	0.0	-0.1	0.0
Book value, Mar 31, 2020	0.0	26.1	0.3	7.4	33.8

Investments at fair value through other comprehensive income (FVTOCI) consist of holdings in Wärtsilä Corporation and investments at fair value through profit or loss (FVTPL) of unlisted funds. Listed shares have been recognized at their fair value based on quotation at the end of the reporting period (fair value hierarchy level 1). The fair value of unlisted funds is based on the market value reported by the fund (level 3) and changes are recognized in the income statement. In June 2019 Fiskars distributed 32,614,026 of its Wärtsilä shares as an extra dividend to shareholders. Market value of the shares on the date of distribution was EUR 433.0 million and the change of the value has been reported in other comprehensive income. Fiskars Group no longer holds Wärtsilä shares.

Other financial assets comprise listed and unlisted shares as well as non-current receivables. Listed shares have been recognized at their fair value based on quotation at the end of the reporting period (level 1). Unlisted shares and other investments are measured at the lower of cost and fair value (level 3).

ACQUISITIONS AND DIVESTMENTS

Acquisitions and divestments in 2020

There have been no acquisitions or divestments in 2020.

Acquisitions and divestments in 2019

Fiskars Group sold Leborgne business to MOB MONDELIN on April 1, 2019, consisting of manufacturing and sale of hand tools to construction and gardening customers in France. The transaction was structured as an asset sale and included the Leborgne brand, inventory, fixed assets and personnel working for the business.

