Fiskars Group – Building a family of iconic lifestyle brands

FISKARS

Disclaimer

- This presentation contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance. Although Fiskars believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of various factors.
- Important factors that may cause such a difference for Fiskars include, but are not limited to: (i) the macroeconomic development and consumer confidence in the key markets, (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions, (iv) change in interest rate and foreign exchange rate levels, and (v) internal operating factors.
- This presentation does not imply that Fiskars has undertaken to revise these forward-looking statements, beyond what is required by applicable law or applicable stock exchange regulations if and when circumstances arise that will lead to changes compared to the date when these statements were provided.

Why invest in Fiskars

Global consumer goods company with a unique family of lifestyle brands

Key competitive advantages include strong brands and innovation, consumer contact through own retail network, deep understanding of consumer trends, solid trade relationships, and common global platforms

Targeting to grow organically and through acquisitions, with the potential to further improve financial performance

Strong balance sheet and eight years of base dividend growth

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Fiskars – a leader in branded consumer goods

TWO
STRATEGIC BUSINESS UNITS

SBU Living

SBU Functional

CONSUMER VALUE PROPOSITION

MAKING THE EVERYDAY EXTRAORDINARY

GLOBALLY
RECOGNIZED BRANDS

FISKARS®

GERBER®

iittala®

ROYAL COPENHAGEN
PURVEYOR TO HER MAJESTY THE QUEEN OF DENMARK

WATERFORD

WEDGWOOD
ENGLAND 1759

8,000 EMPLOYEES IN OVER **30** COUNTRIES

PRODUCTS IN MORE THAN **100** COUNTRIES

NET SALES IN 2016 **1,205** EUR MILLION

BY REGION

Americas	Europe	Asia-Pacific
40%	46%	13%

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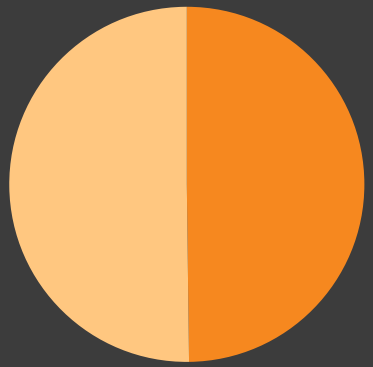
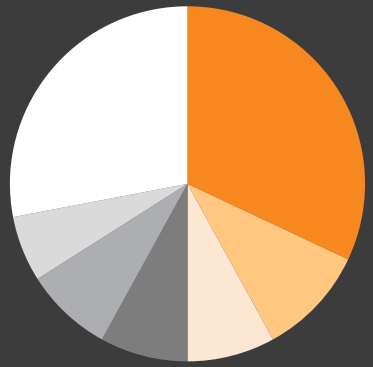
Fiskars in 2016

NET SALES BY STRATEGIC BUSINESS UNIT



- Living 50%
- Functional 50%

NET SALES BY BRAND



- Fiskars
- Waterford
- Wedgwood
- Iittala
- Royal Copenhagen
- Gerber
- Others

KEY CATEGORIES

Living

Dinnerware
Drinking glasses
Serveware
Interior décor
Gifting

Functional

Garden and yard care
School, office and craft
Kitchen
Watering
Outdoor

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Building a family of iconic lifestyle brands…

FISKARS®

GERBER

iittala

ROYAL COPENHAGEN
PURVEYOR TO HER MAJESTY THE QUEEN OF DENMARK

WATERFORD

WEDGWOOD
ENGLAND 1759

ARABIA
1873

Gilmour

ROYAL ALBERT
ENGLAND 1904

ROYAL DOULTON
LONDON

Rörstrand

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…through consistent development measures…

1649
Fiskars ironworks founded

1757
Copper found in Orijärvi, Finland

1883
Fiskars becomes a limited company

1915
Fiskars shares listed on the Helsinki Stock Exchange

1967
Fiskars manufacturers the world's first plastic-handled scissors

1977
Fiskars scissors factory founded in the USA

1986
Gerber acquired

2007
Iittala Group and Leborgne acquired

2008
Integrated consumer goods company strategy launched

2013
Royal Copenhagen acquired

2014
Watering brands acquired in the U.S.

2015
WWRD acquired

2016
Boats and container gardening businesses divested

2017
New organization & long-term financial targets

BUILDING A FAMILY OF ICONIC LIFESTYLE BRANDS

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…in line with our strategic priorities

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Scandinavian Living

iittala

ROYAL COPENHAGEN

ARABIA 1873

Rörstrand

English & Crystal Living

WATERFORD

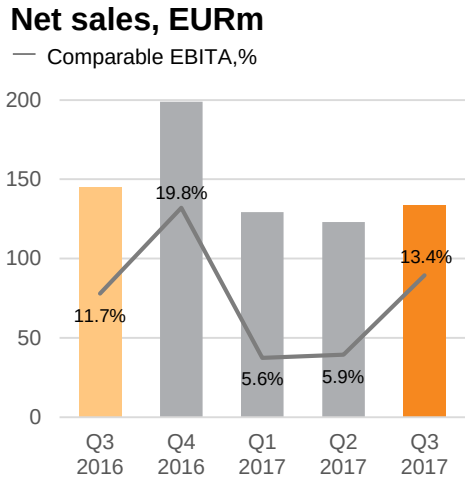
WEDGWOOD ENGLAND 1759

ROYAL ALBERT ENGLAND 1904

ROYAL DOULTON LONDON

SBU Living

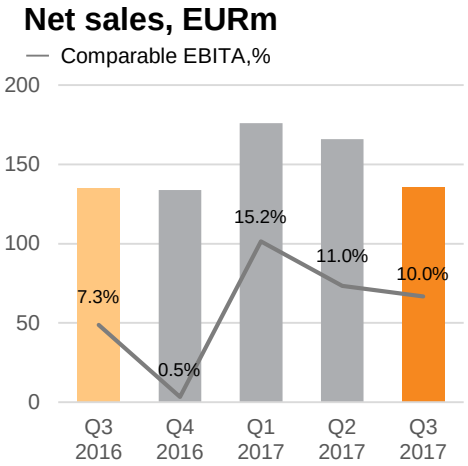
offers premium and luxury products for tabletop, giftware and interior décor



SBU Functional

provides tools for use in and around the house as well as outdoors

SBU Functional consists of brands such as Fiskars, Gerber and Gilmour



FISKARS®

GERBER®

Gilmour

Other

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

Along with the rest of the Group's active investments, Fiskars treats its shares in Wärtsilä as financial assets at fair value through profit or loss in the Other segment.

This increases the volatility of Fiskars financial items in the profit and loss statement and thus the volatility of Fiskars net result.

Main markets for the key international brands

	Americas	Europe	Asia-Pacific
FISKARS®	✂	✂	
GERBER	✂		
iittala		☕	☕
ROYAL COPENHAGEN		☕	☕
WEDGWOOD ENGLAND 1759	☕	☕	☕
WATERFORD	☕	☕	

Sales split in 2016

✂ SBU Functional ☕ SBU Living

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Key trends and growth drivers

Competitive advantages

- Deep consumer understanding
- Solid trade relationships
- Strong brands with a heritage
- Common global platforms

Growth avenues

- Gain market share in current businesses and geographical areas
- Expand into new markets (most recently the Asian market)
- Invest in and enter new categories (e.g. watering products, fishing category)
- Leverage omnichannel opportunities

Key trends

- Urbanization
- Increased focus on sustainability
- Changing retail environment
- Changing consumer trends
- Time and experiences are the new luxury

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Long-term financial targets

Growth
The average annual net sales growth to exceed 5%, through a combination of organic growth and targeted acquisitions

Profitability
EBITA margin to exceed 10%

Capital structure
Net gearing* below 100%

Dividend
Fiskars aims to distribute a stable, over time increasing dividend, to be paid biannually

* Net gearing ratio is the ratio of interest-bearing debt, less interest-bearing receivables and cash and bank equivalents, divided by total equity.

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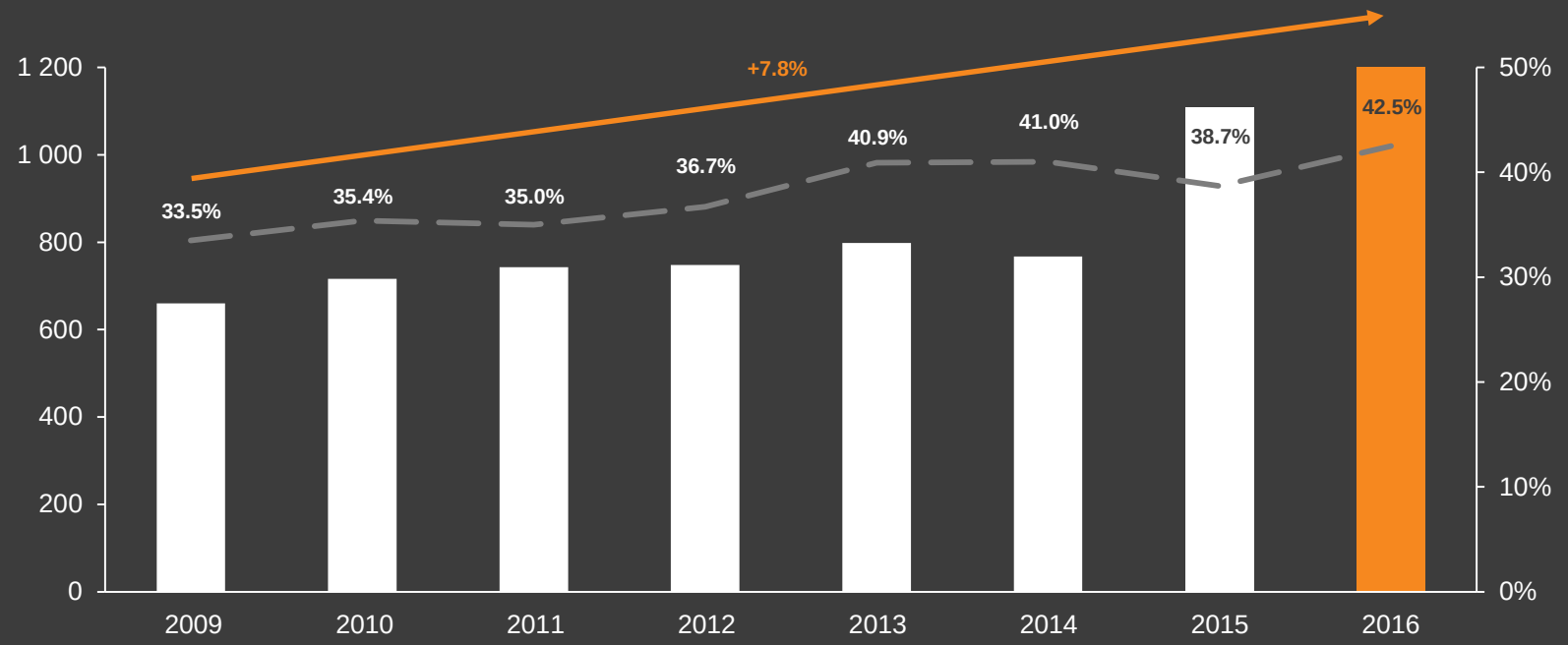
Net sales and profitability development



Net sales, EUR million

Comp. gross profit

Net sales CAGR

* Items affecting comparability include items such as restructuring costs, impairment or provisions charges and releases, integration related costs, and gain and loss from the sale of businesses

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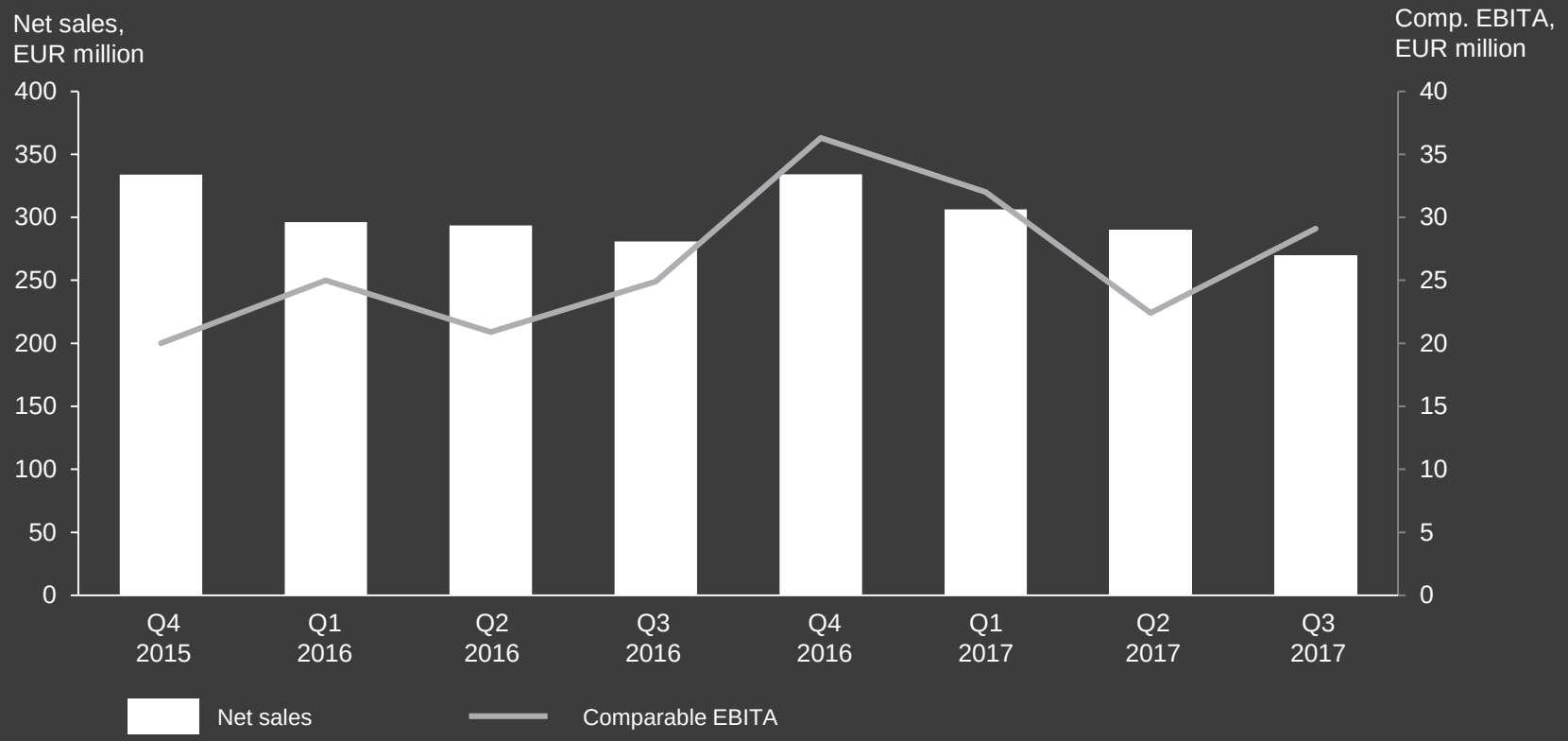
Quarterly figures



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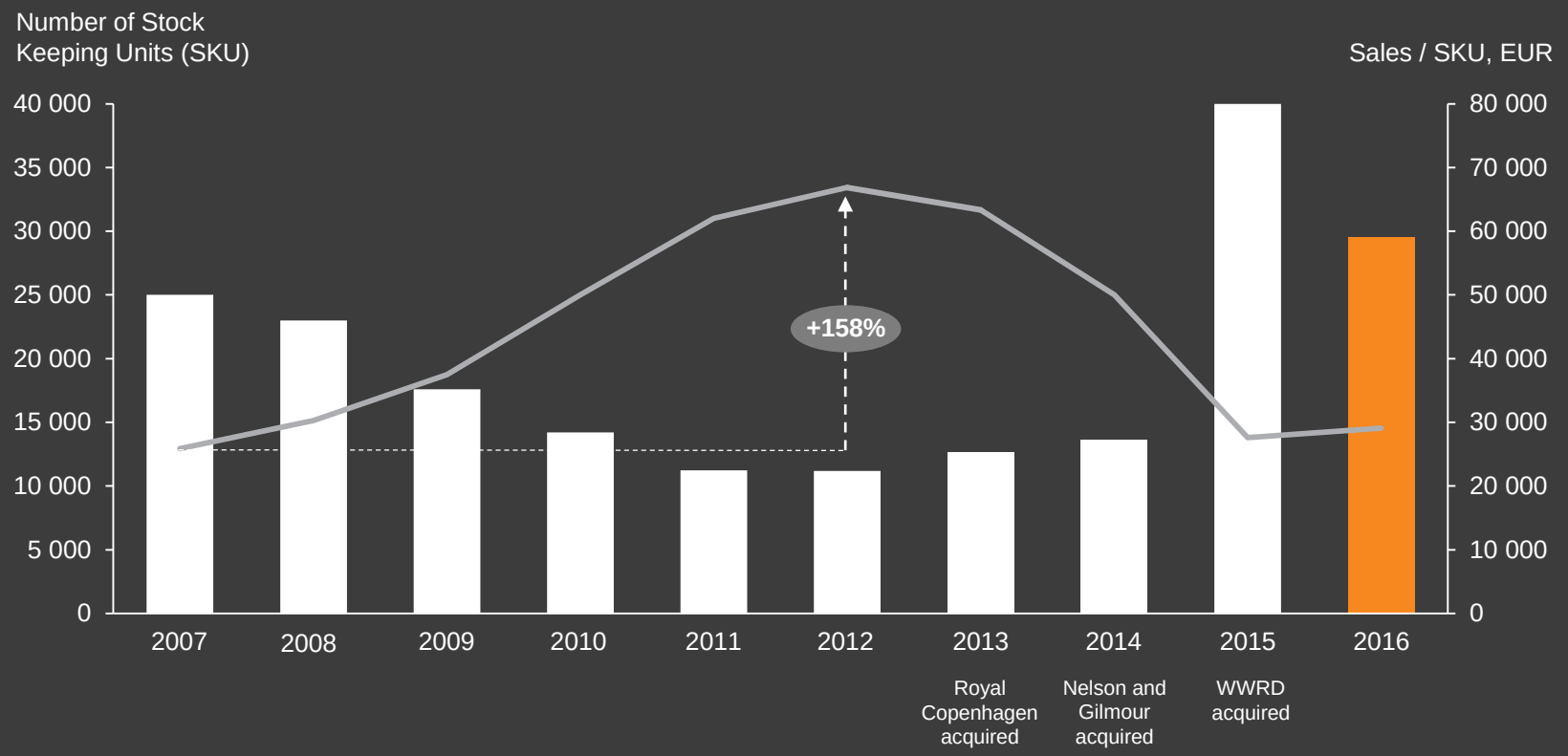
SKU development



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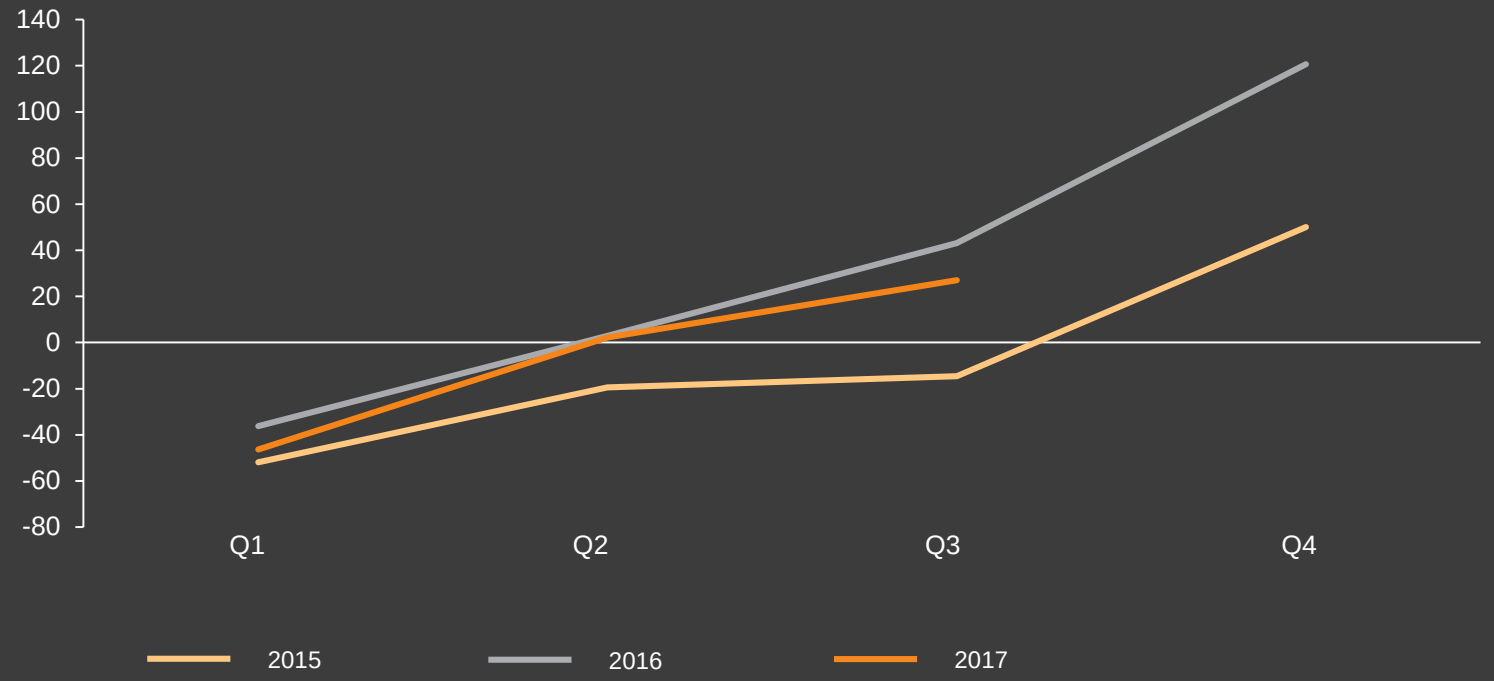
Cash flow seasonality

Cumulative cash flow from operating activities before financial items and taxes
EUR million



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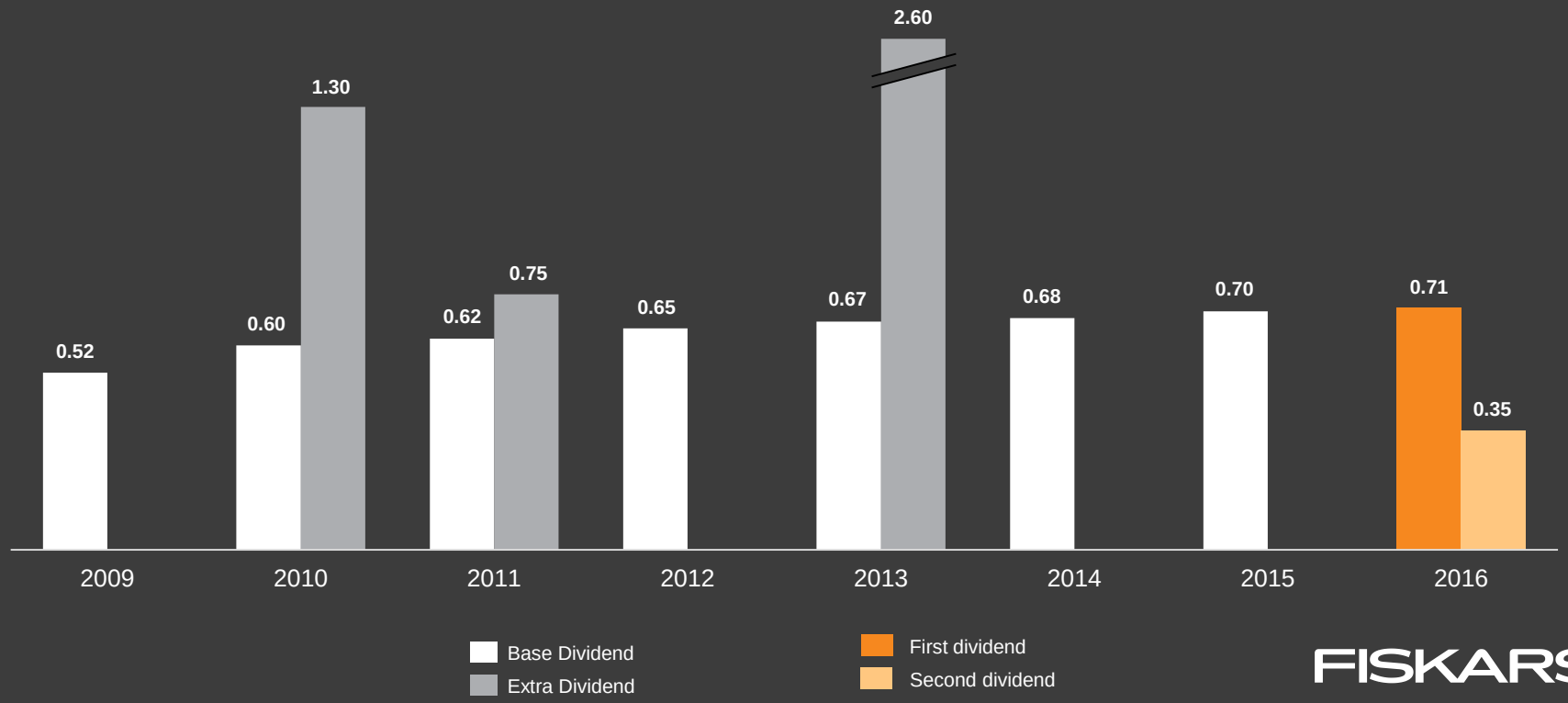
Eight years of base dividend growth

Dividend per share (DPS) history 2009-2016
EUR



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Sustainability focus areas

LASTING DESIGN

CARING FOR PEOPLE AND COMMUNITIES

PROTECTING THE ENVIRONMENT

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TARGETS 2027

or earlier where possible

Group-wide CO2 emissions from our own production reduced by

50%

0 LTI

Zero Lost Time Incidents

A lost-time incident is defined as an occurrence that resulted in time lost from work of one day or more

50%

of all materials used in products are from renewable or recycled sources

CO2 emissions from our value chain (scope 3) reduced by

30%

Our key suppliers' energy consumption reduced by

30%

Group-wide energy consumption of own production reduced by

30%

100% of waste generated in manufacturing is recovered or recycled – no waste to landfill

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Making the everyday extraordinary
FISKARS