

Fiskars Group
August 1, Helsinki, Finland

January–June 2017



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.

Key takeaways for H1 2017

1

Both comparable net sales and comparable EBITA grew clearly, with excellent comparable net sales growth in Europe and Asia-Pacific

2

Strong performance of the Scandinavian Living business continued

3

Despite the tough weather conditions during Q2, the comparable net sales grew in the Functional business

4

Net sales in Americas impacted by challenges in the premium sales channels for living products and sluggish market for outdoor knives

5

The U.S. dollar has weakened during the first half of the year, and should the weakening continue, the translation exposure may have a material impact on reported financial figures

First half of 2017

Net sales
EUR million

596.1

+1.1%

Comparable EBITA**
EUR million

54.4

+18%

Cash flow from operating
activities*** EUR million

2.2

H1 2016: 2.9

Earnings per share
EUR

1.39

H1 2016: -0.25

Operative earnings
per share EUR

0.34

H1 2016: 0.19

Comparable
net sales* 2.7%

* Using comparable exchange rates, excluding the divested Spring USA (September 2016) and the divested container gardening businesses in the U.S. (January 2016) and Europe (December 2016)

** 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

*** Before financial items and taxes

Comparable net sales and EBITA grew in Q2 2017

Net sales
EUR million

290.0

-1.2%

Comparable EBITA**
EUR million

22.4

+7%

Cash flow from operating
activities*** EUR million

48.6

Q2 2016: 39.1

Earnings per share
EUR

0.31

Q2 2016: -0.26

Operative earnings
per share EUR

0.14

Q2 2016: 0.08

Comparable
net sales* 0.6%

* Using comparable exchange rates, excluding the divested Spring USA (September 2016) and the divested container gardening business in Europe (December 2016)

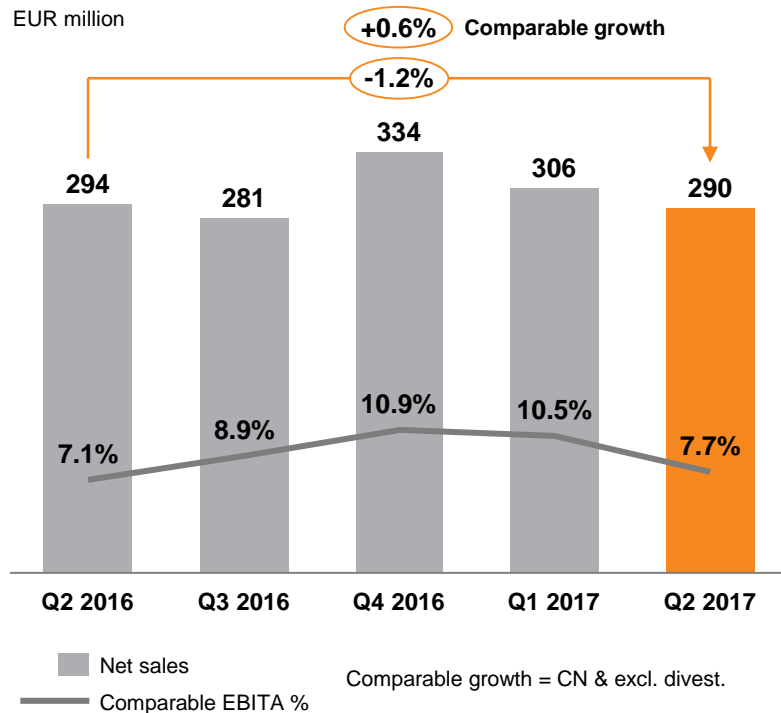
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Fiskars Group in Q2 2017

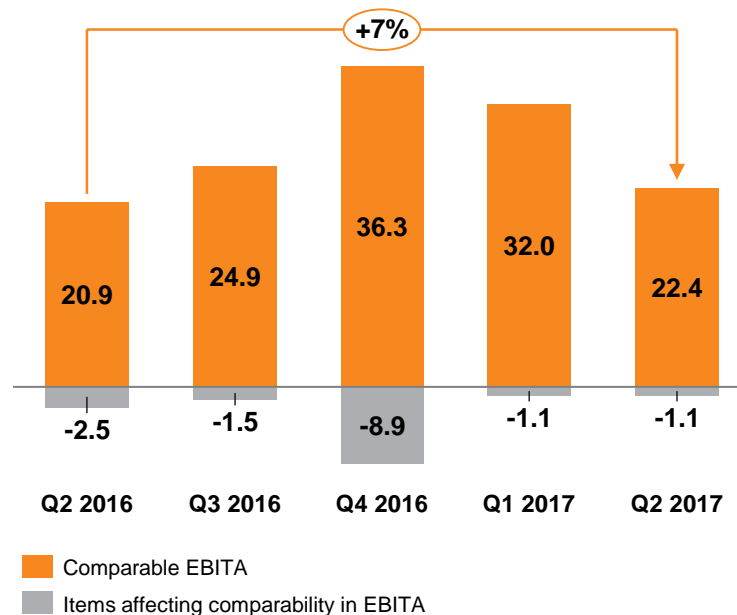
Net sales and comparable EBITA %

EUR million



EBITA

EUR million

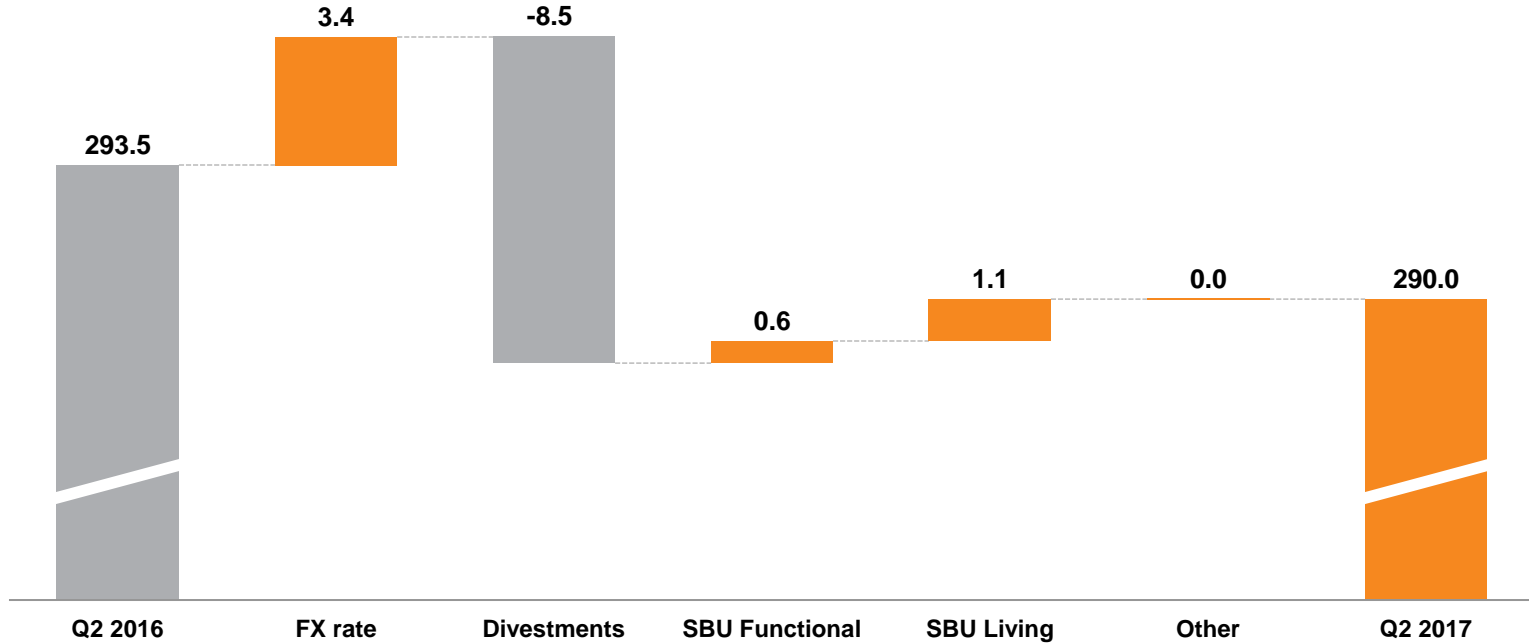


Net sales bridge

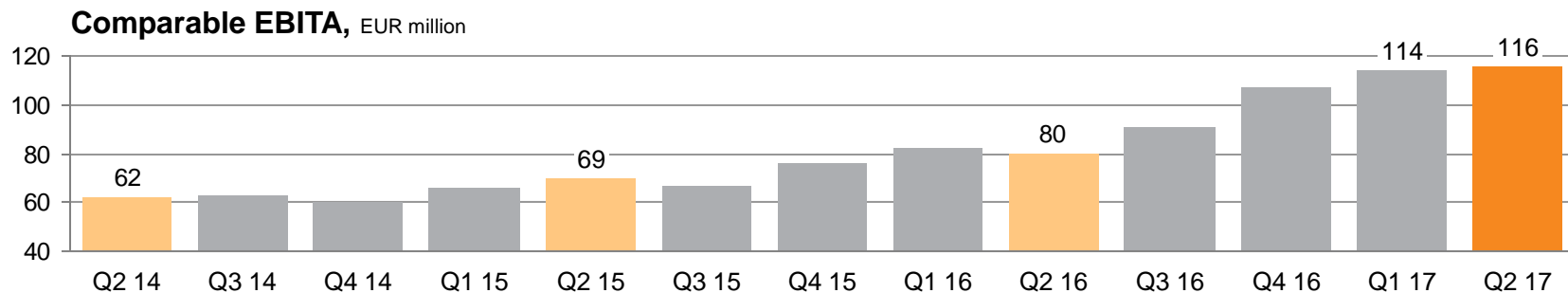
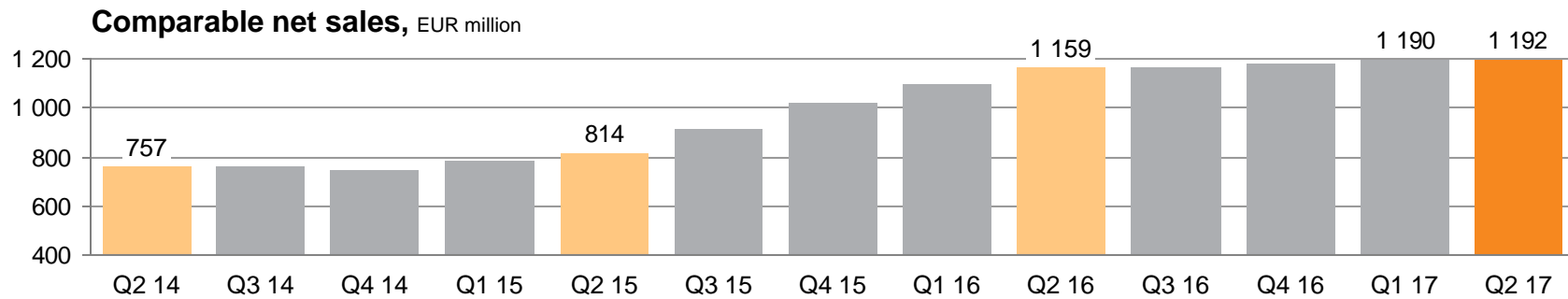
Net sales

EUR million

+0.6% Comparable growth



Fiskars Group rolling 12 months performance



With the mission to build iconic lifestyle brands

Delivering on our strategic priorities



Living marketing highlights

- Wedgwood partnered with the Royal Horticultural Society (RHS) in the UK, representing a milestone in the renewal of Wedgwood into a premium British lifestyle brand
- The three-year partnership marks the reunion of two iconic British brands with a shared history and vision
- Through this platform, Wedgwood is showcasing its new experiential retail concept, and new product collections across three RHS flower shows: Chelsea, Chatsworth and Tatton Park



Living marketing highlights

- The Special Edition Moomin mug 2017 by Arabia, a collection of special edition items of Royal Copenhagen, and the celebrations of the 150 year anniversary of diplomatic relations between Japan and Denmark supported the momentum of the Scandinavian Living business during the second quarter



Functional marketing highlights

- In one of the world's largest design competitions, Red Dot Design Award, Fiskars was awarded with:
 - “Red Dot: Best of the Best” for top design quality and ground-breaking design to Fiskars PowerGear™ X Pruners
 - “Red Dot” for high design quality to Fiskars PowerGear™ X Tree Pruners



reddot



Functional marketing highlights

- Gerber partnered with Jason Aldean, a two-time “Country Music Artist of the Year”, to introduce the brand and the new Center-Drive multi-tool through a digital media program. The engagement is expected to build brand relevance and recognition with a broad audience



Fiskars Q2 2017

Living in Q2 2017

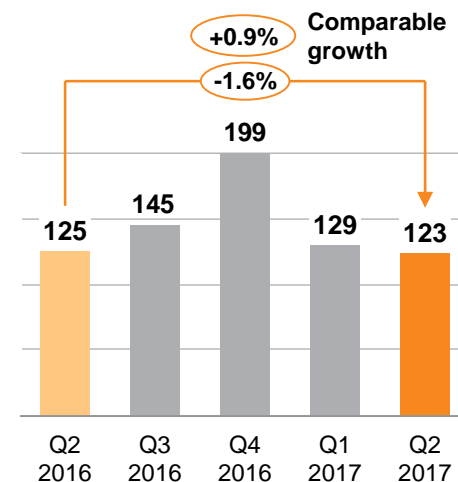
EUR million	Q2 2017	Q2 2016	Change	2016
Net sales	123.1	125.0	-1.6%*	598.1
Comparable EBITA	7.3	-0.6		59.4
Capital expenditure	1.7	3.7	-55%	14.9

* Using comparable exchange rates and excluding the net sales of the divested Spring USA, net sales in the Living segment increased by 0.9% in Q2 2017

- Net sales in the Living segment decreased year-on-year and amounted to EUR 123.1 million (Q2 2016: 125.0). Comparable net sales increased by 0.9%, supported by the increase in net sales in the Scandinavian Living business, in particular in the Nordics. The increase was driven by the favorable product mix, the Finland 100 anniversary products by Arabia and Iittala brands, as well as the Rörstrand and Royal Copenhagen brands. The increase was partly offset by the decrease in net sales in the English & Crystal Living business, impacted primarily by the conditions in the premium sales channels in the U.S. Net sales grew in own retail, including e-commerce.
- The integration of the English & Crystal Living business progressed during the second quarter and going forward, the focus continues to be on revitalizing the positioning of the brands, rationalizing the product portfolio, and improving operational discipline.
- Comparable EBITA for the Living segment turned positive and totaled EUR 7.3 million (-0.6), driven by the net sales development in the Scandinavian Living business as well as the product mix and operational efficiency in the segment.

Net sales

EUR million



Functional in Q2 2017

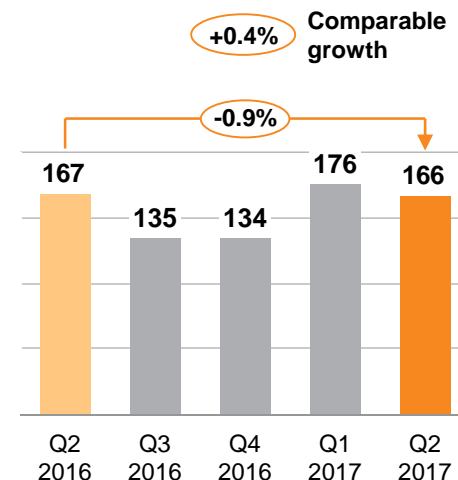
EUR million	Q2 2017	Q2 2016	Change	2016
Net sales	165.9	167.5	-0.9%*	602.7
Comparable EBITA	18.3	23.8	-23%	57.1
Capital expenditure	3.6	5.3	-32%	21.8

* Using comparable exchange rates and excluding the net sales of the divested container gardening business in Europe, net sales in the Functional segment increased by 0.4% in Q2 2017

- Net sales in the Functional segment decreased by 0.9% to EUR 165.9 million (Q2 2016: 167.5). Comparable net sales increased by 0.4%, supported by the garden and school, office and craft categories in the U.S., and the launch of the watering products in the Nordic countries, offsetting the decline in the Outdoor business and the watering category in the U.S.
- After the favorable weather conditions during the first quarter, the start to the garden season was weak in Europe during the second quarter, impacting the net sales of garden and watering products in the region. The wet conditions impacted the net sales of the watering category in the U.S. In addition, the market for outdoor knives has not recovered as anticipated in the U.S., impacting net sales during the second quarter.
- The Functional business has made good progress in expanding business to large customers, and going forward, the focus will be on executing back-to-school and other fall campaigns both in Europe and in the U.S.
- Comparable EBITA for the Functional segment decreased by 23% and amounted to EUR 18.3 million (23.8), impacted primarily by marketing spend to accelerate category expansion to new markets and the sluggish market in the outdoor knife category.

Net sales

EUR million



Net sales by geography in Q2 2017

EUR million	Q2 2017	Q2 2016	Change	Comparable change*	2016
Europe	132.0	131.9	0.1%	5.9%	555.3
Americas	120.3	128.5	-6.4%	-7.0%	489.9
Asia-Pacific	37.0	33.3	11.4%	7.9%	153.3
Unallocated**	0.6	-0.1			6.2

* Using comparable exchange rates, excluding the divested container gardening business in Europe, and Spring USA.

** Geographically unallocated exchange rate differences



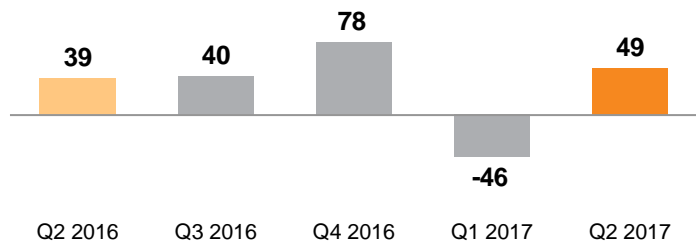
- Net sales in Europe increased by 0.1% and amounted to EUR 132.0 million (Q2 2016: 131.9). Comparable net sales increased by 5.9%, driven by the Scandinavian Living and Functional businesses.
- Net sales in Americas decreased by 6.4% to EUR 120.3 million (128.5). Comparable net sales decreased by 7.0%, impacted mainly by the English & Crystal Living and Outdoor businesses.
- Net sales in Asia-Pacific increased by 11.4% and amounted to EUR 37.0 million (33.3). Comparable net sales increased by 7.9%, driven mainly by the Living business.

Other segment

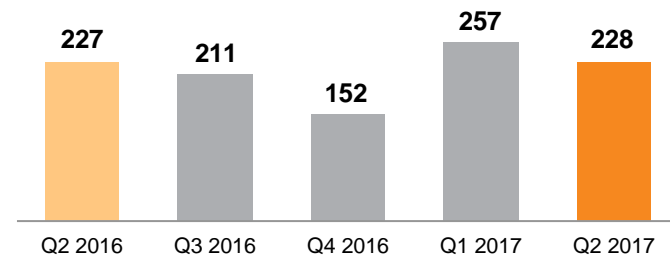
- The Other segment contains the Group's investment portfolio, the real estate unit, corporate headquarters and shared services
- Along with the rest of the Group's active investments, shares in Wärtsilä Corporation are treated as financial assets at fair value through profit or loss, which increases the volatility of Fiskars' net results
- At the end of the second quarter of 2017, Fiskars owned 10,881,781 shares in Wärtsilä, representing 5.52% of Wärtsilä's share capital
- The net change in the fair value of investments through profit or loss amounted to EUR 17.4 million (Q2 2016: -34.9) during the second quarter of 2017

Cash flow and debt Q2 2017

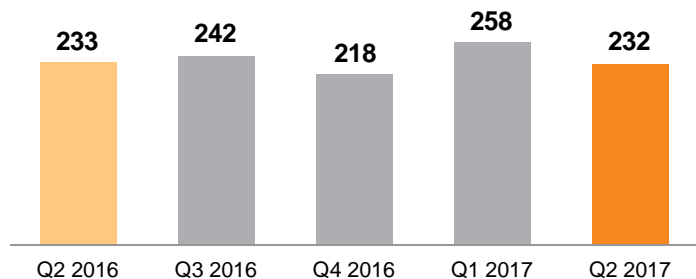
Cash flow from operating activities* EUR million



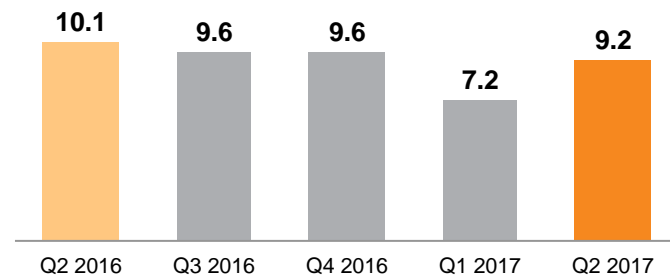
Net debt, EUR million



Working capital, EUR million

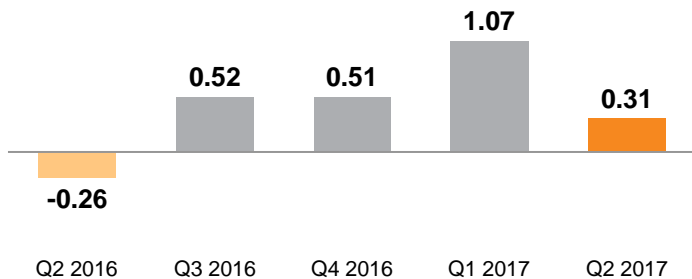


Capex, EUR million

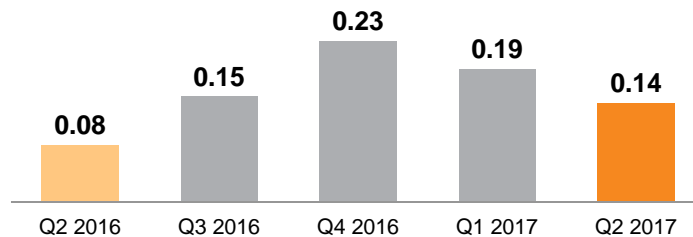


Key ratios Q2 2017

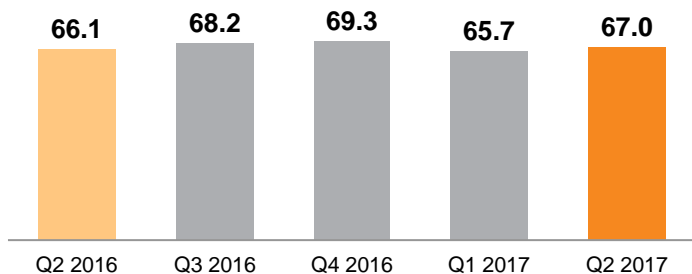
EPS, euro



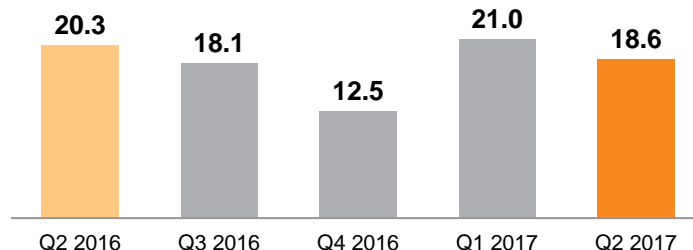
Operative EPS, euro



Equity ratio, %



Net gearing, %



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.

Outlook 2017

Fiskars expects the Group's net sales, excluding net sales of divested businesses in 2016, and comparable EBITA to increase from the previous year

- In 2016, the Group's net sales excluding the divested businesses amounted to EUR 1,180 million and comparable EBITA amounted to EUR 107 million
- Comparable EBITA excludes restructuring costs, impairment charges, integration related costs, and gain and loss from the sale of businesses
- Fiskars operates globally, with a considerable part of the business in the U.S. Translation exposure may have a material impact on reported financial figures. The fourth quarter is significant both in terms of net sales and profitability
- Fiskars' Other segment includes investments, which are treated as financial assets at fair value through profit or loss. This increases the volatility of Fiskars' financial items and taxes in the profit and loss statement and thus the volatility of Fiskars' net results and earnings per share

A group of people are gathered around a table outdoors, enjoying a meal and drinks. The scene is bathed in the warm, golden light of a sunset, with the sun low on the horizon behind trees. Several people are raising their glasses in a toast. In the foreground, a person's arm is visible, holding a glass. The overall atmosphere is relaxed and social.

**Making the everyday
extraordinary**