

Fiskars Group

Q4 and full year 2016

February 8, 2017 – Helsinki, Finland

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.

Key takeaways



Significant increase in net sales and operating profit despite ongoing business integrations



Turnaround of the watering business has progressed faster than originally planned and the business contributed positively to our earnings already in 2016



Strong Q4 driven by Scandinavian Living and Functional businesses



Fiskars is focusing on building global businesses and brands, and in line with this, we have divested businesses that do not fit our strategy

Fiskars Q4 2016

Net sales

MEUR **334.1**

Comparable net sales +5.1%*

Adjusted
operating profit**

MEUR **33.0**

+96%

Cash flow from
operating activities***

MEUR **77.5**

+20%

Operative EPS

EUR **0.23**

(0.05)

Reported EPS

EUR **0.51**

(0.76)

Q4

* Using comparable exchange rates, excluding the divested boats business, the U.S. container gardening business and Spring USA

** Adjustments include items such as restructuring costs, impairment or provisions charges and releases, integration related costs, and profit/loss impact from the sale of businesses

*** Before financial items and taxes

Fiskars journey continued in Q4

SIMPLIFYING
STRUCTURES

BUILDING COMMON
PLATFORMS

FOCUSING ON
CORE BUSINESSES



FUNCTIONAL
PRODUCTS

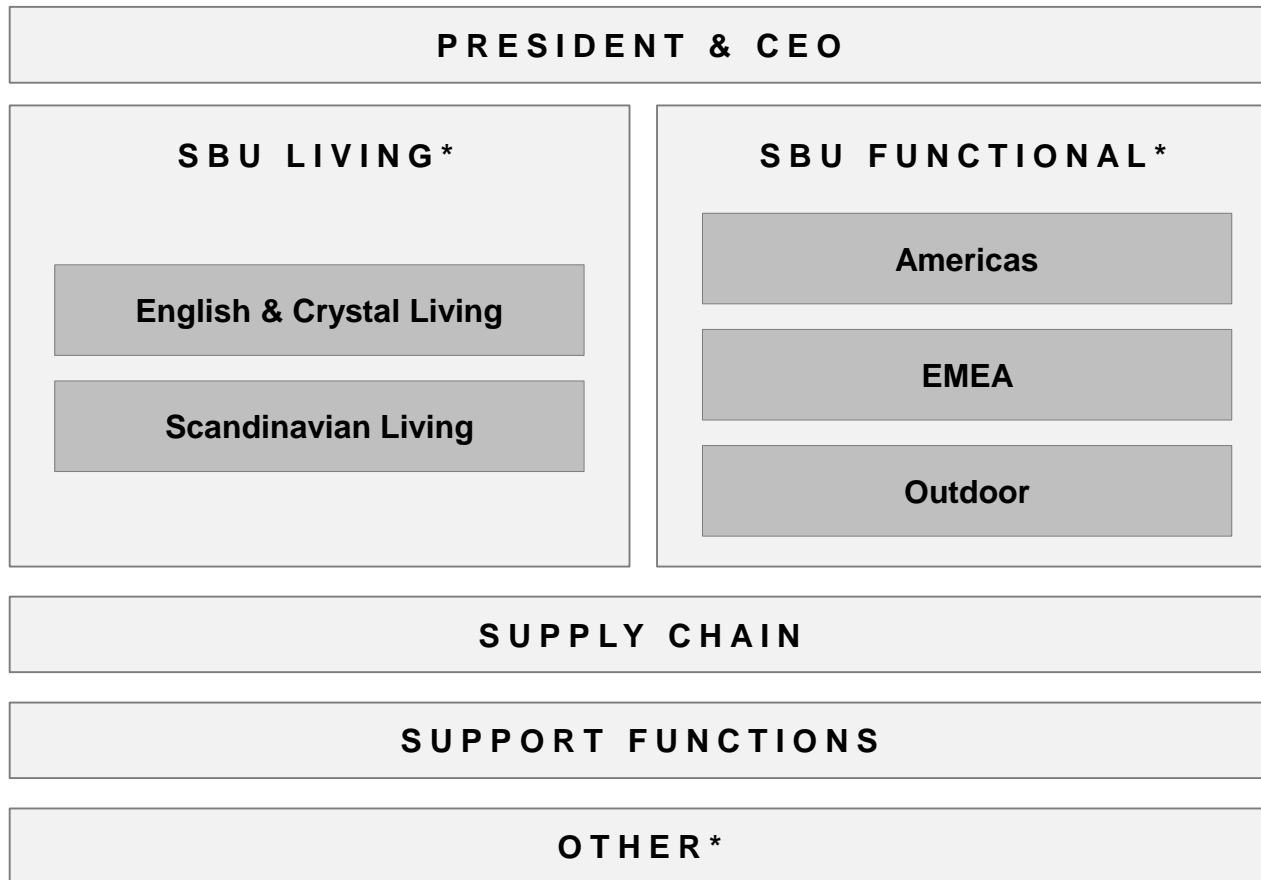
LIVING
PRODUCTS

OUTDOOR
PRODUCTS

- Fiskars is on a journey to become an integrated consumer goods company with a family of iconic lifestyle brands
- Completed divestment of Ebertsankey container gardening business in Europe to increase focus on core businesses
- Completed the Investment program in Europe. The entire business volume targeted by the program is now running through common systems and processes
- Launched Alignment program focusing on structural changes and the full integration of the English & Crystal Living Business

New organizational structure

As of January 1, 2017



* Primary reporting segments



Fiskars Group

FY 2016

FISKARS

Fiskars FY 2016:

Significant increase in net sales and operating profit

Net sales

MEUR **1,204.6**

Comparable net sales +1.6%*

Adjusted operating profit**

MEUR **93.8**

+44%

Cash flow from operating activities***

MEUR **120.7**

+141%

Operative EPS

EUR **0.56** (0.16)

Reported EPS

EUR **0.78** (1.04)

Dividend proposal by the Board

EUR **0.71** and **0.35**
per share

To be paid in March and
September 2017 respectively

Outlook 2017

Net sales
(excl. 2016 divestments)
and adjusted EBITA to
increase from previous
year

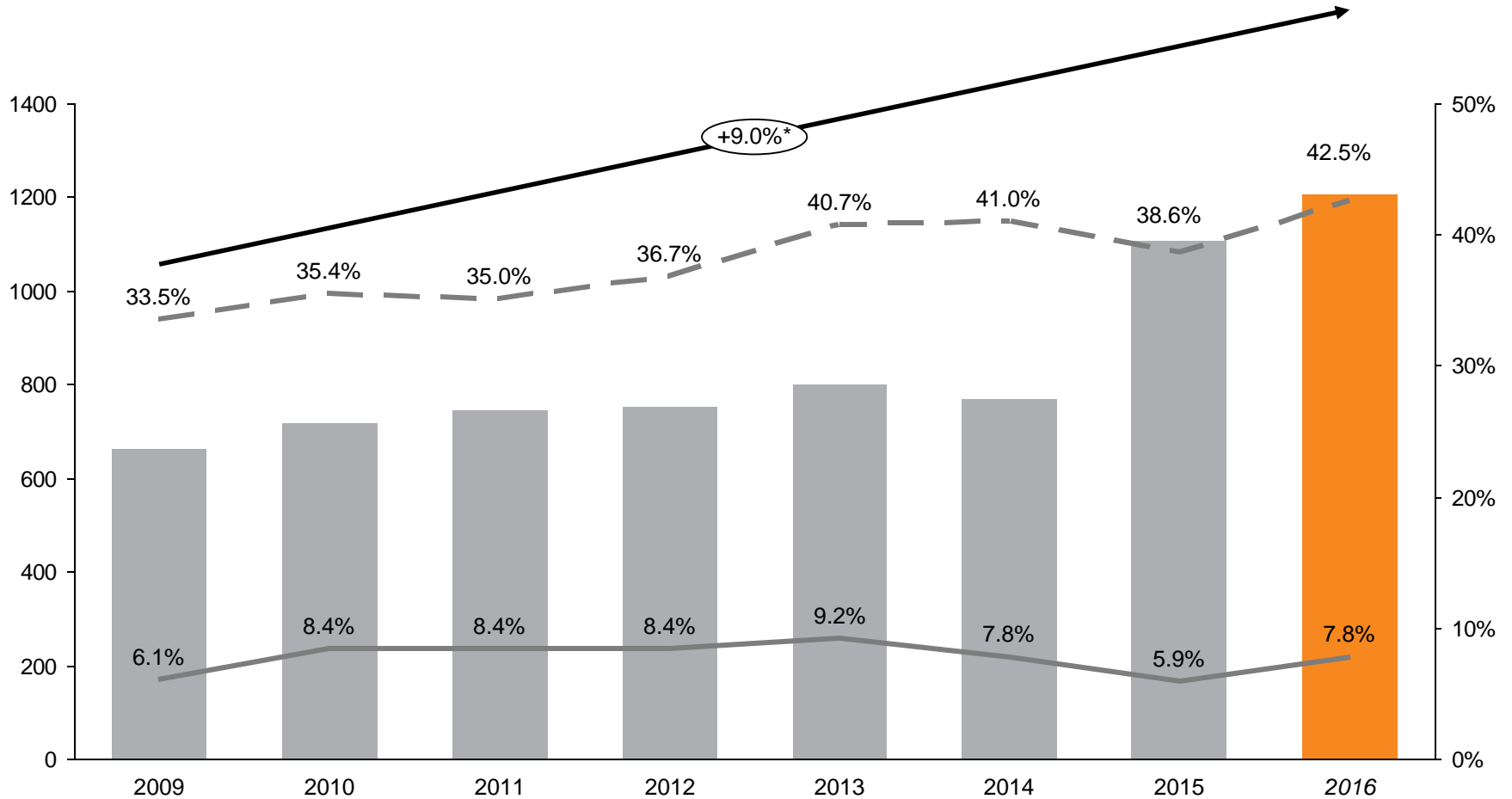
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*** Before financial items and taxes

Net sales and profitability development

EUR million



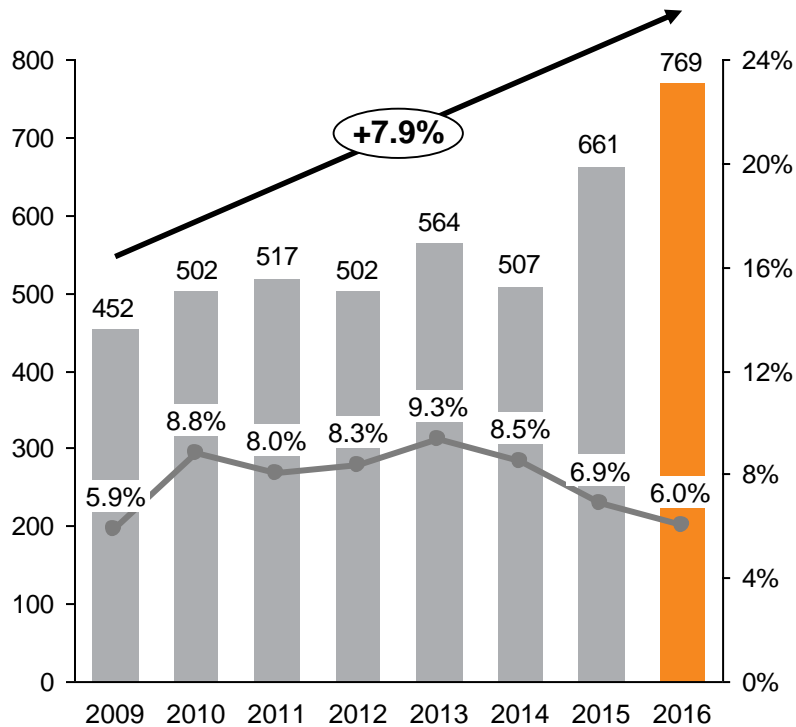
Adjusted gross profit, %
 Net sales
 * Net sales CAGR

Adjusted operating profit %

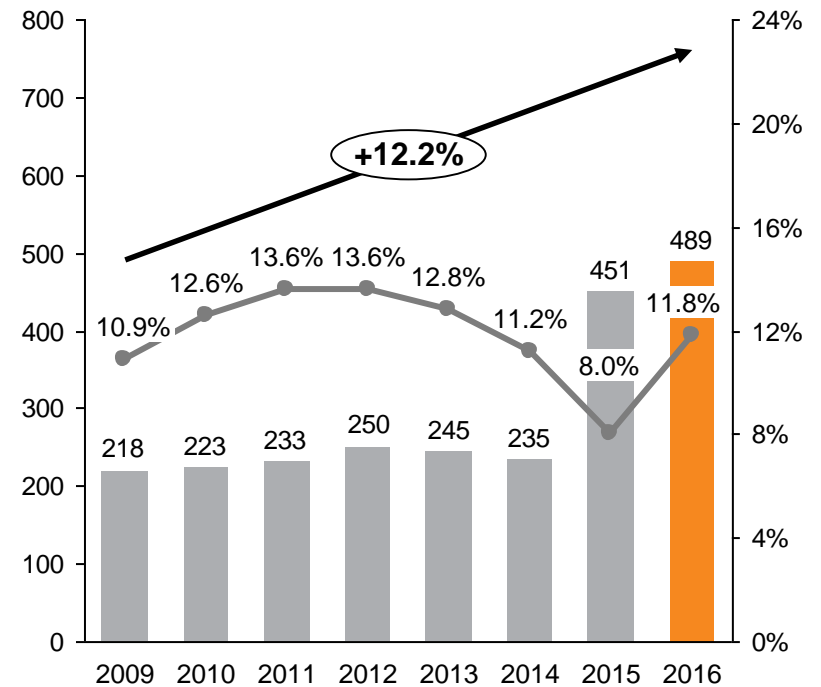
Development by geographic segment

Net sales and profitability
MEUR, %

Europe & Asia-Pacific



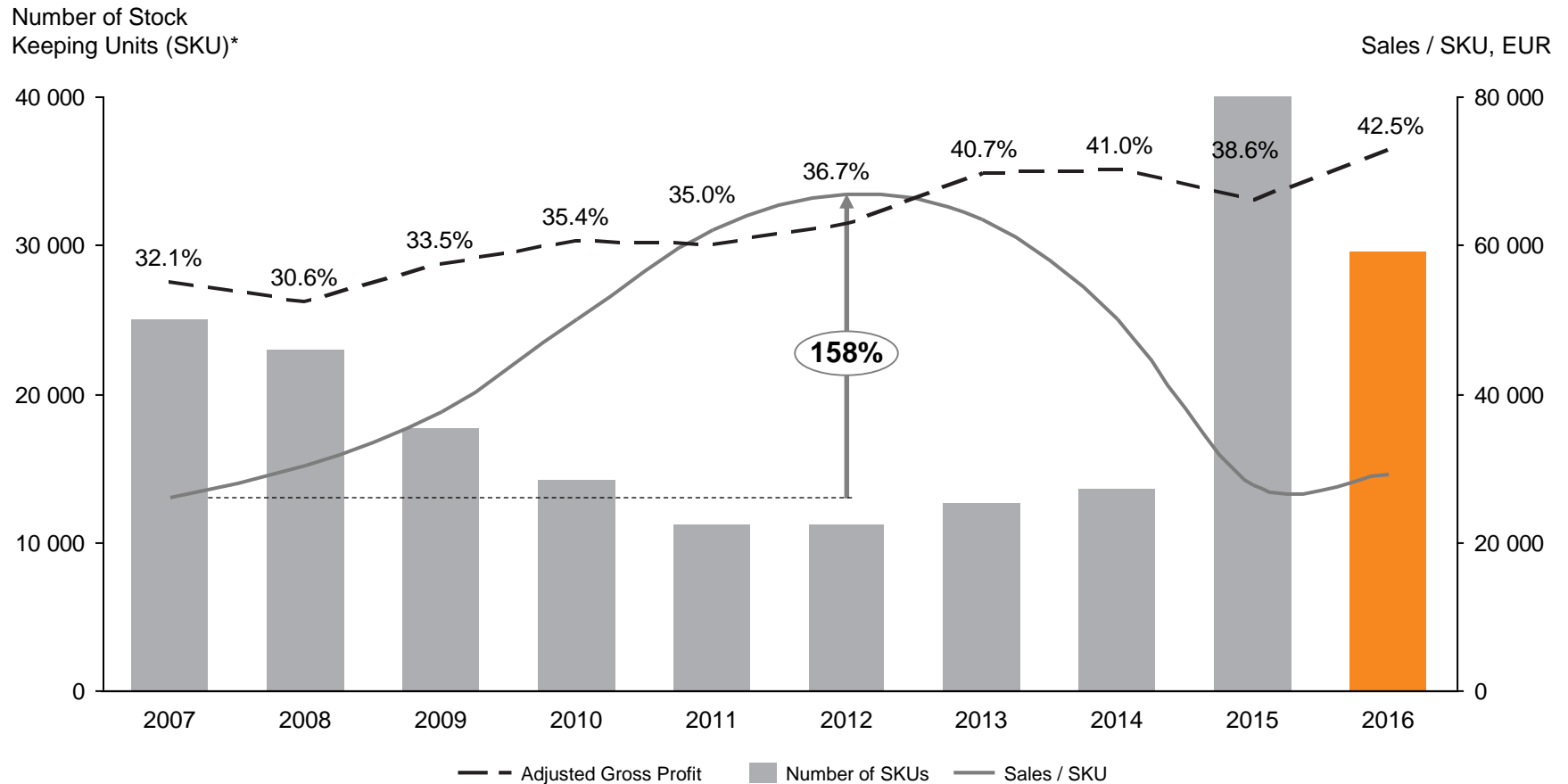
Americas



● Adjusted operating profit
■ Net sales

Building growth through unified offering

Continually improving SKU efficiency



Note: *SKU exists until out of warehouse including inactive and delisted products

A close-up photograph of a person's hand holding a multi-tool, using one of its blades to cut a black rope. The rope is attached to an orange tent. The background shows a grassy field under a cloudy sky. The text 'Fiskars Group' is overlaid on the left side of the image.

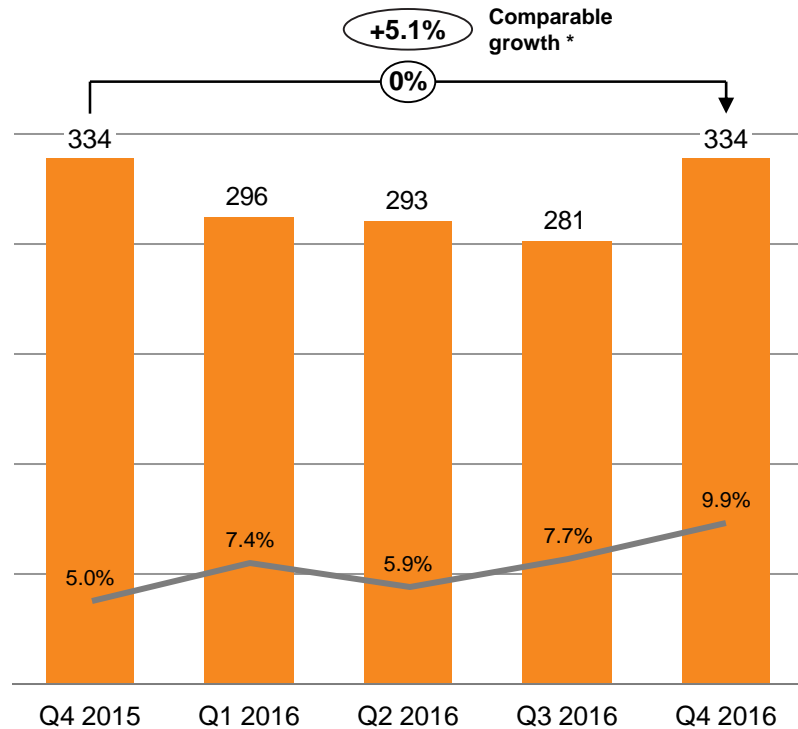
Fiskars Group

Q4 2016

FISKARS

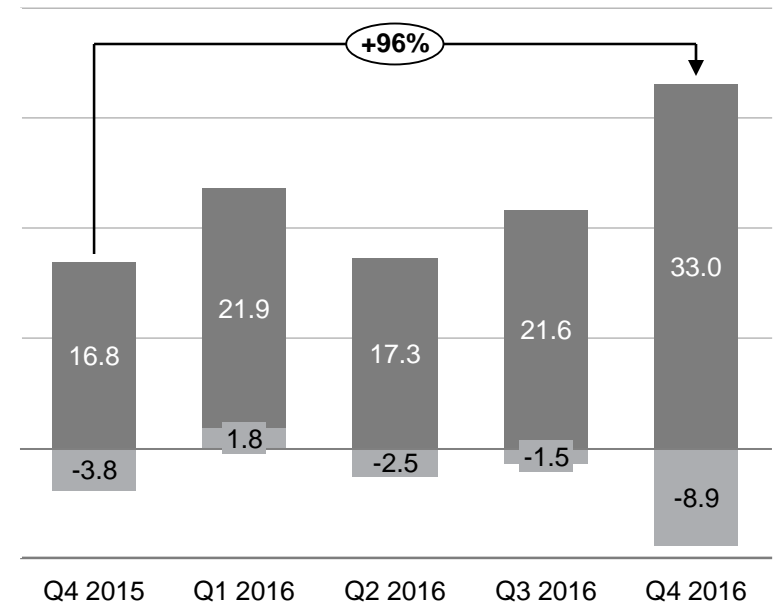
Fiskars Group Q4 2016

Net sales and adjusted operating profit %



■ Net sales
— Adjusted operating profit %

Adjusted operating profit

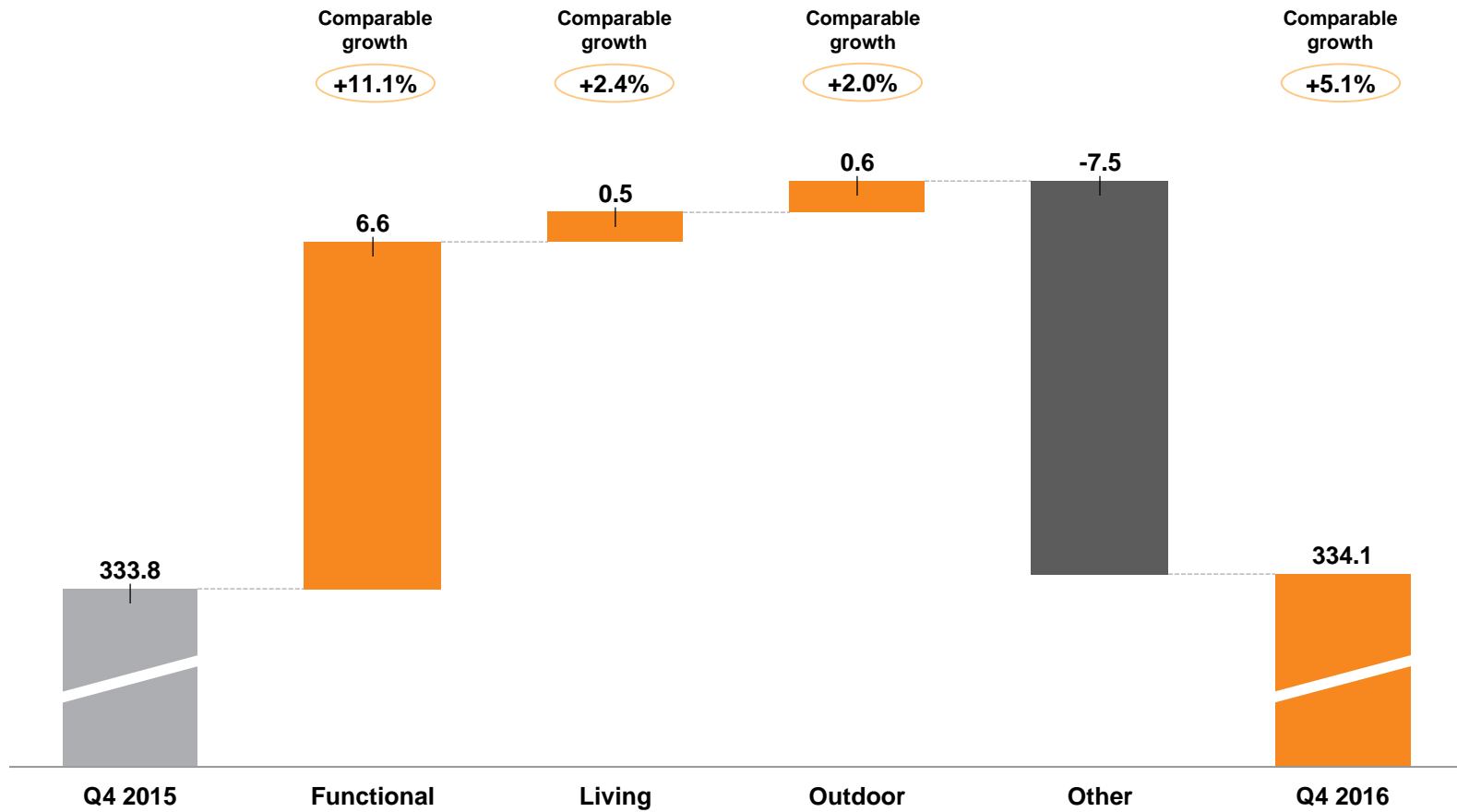


■ Adjusted operating profit
■ Adjustments to operating profit

* Comparable growth = Currency neutral and excluding divested businesses

Net sales bridge Q4 2016

MEUR



Europe & Asia-Pacific in Q4 2016

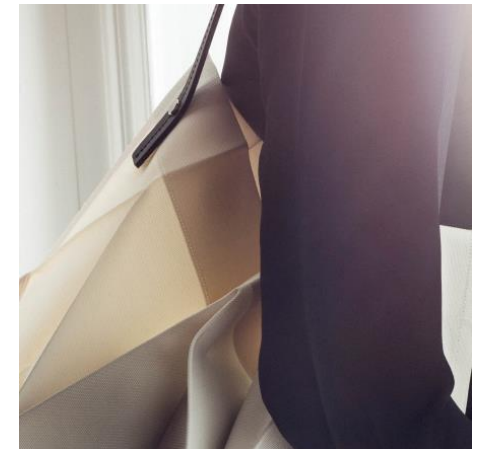
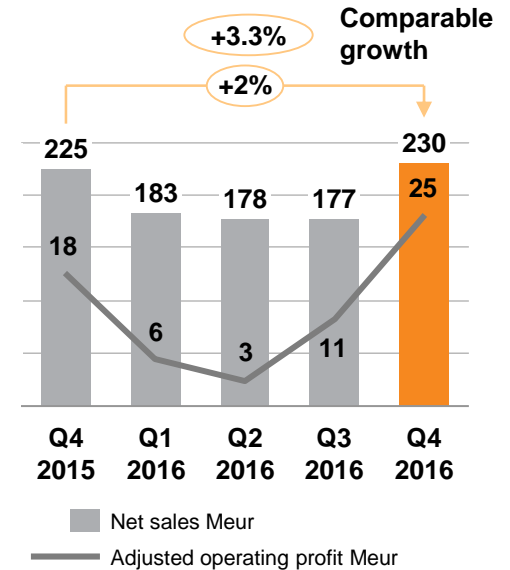
EUR million	Q4 2016	Q4 2015	Change	2016	2015	Change
Net sales	230.5	225.4	2.2%*	769.4	663.6	15.9%**
Operating profit (EBIT)	18.3	14.7	25%	37.4	34.9	7%
Adjusted operating profit	25.5	17.7	44%	46.1	45.3	2%
Capital expenditure	6.6	4.6	46%	21.9	20.2	8%
Personnel (FTE), average	6,541	6,642	-2%	6,603	4,923	34%

Europe & Asia-Pacific Q4 highlights

- The economic situation in Europe improved slightly from the previous quarter
- Consumer confidence remained stable in Europe, with more optimistic expectations balanced by concerns about unemployment
- The challenging department store and distributor environment persisted in Japan, partly balanced by increased levels of tourism in Asia
- Net sales for the region increased driven by the Functional and Scandinavian Living businesses, supported by Fiskars, Iittala and Royal Copenhagen branded products
- Black Friday sales activities, a successful Christmas season, and the launch of Finland 100 anniversary products contributed to the increase in net sales during the quarter
- The adjusted operating profit for the segment increased year-on-year driven by the Scandinavian Living and Functional businesses as well as increased efficiencies

* Using comparable exchange rates net sales in the Europe & Asia-Pacific segment increased by 3.3% in Q4 2016

** Using comparable exchange rates and excluding the acquired English & Crystal Living business in the first half of 2016 net sales in the Europe & Asia-Pacific segment increased by 0.5% in 2016



Americas in Q4 2016

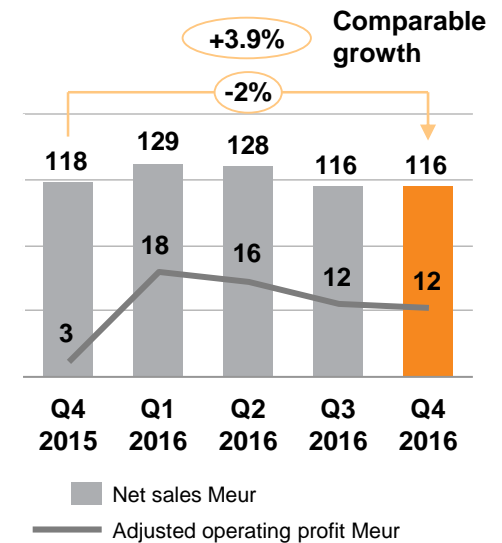
EUR million	Q4 2016	Q4 2015	Change	2016	2015	Change
Net sales	115.7	118.0	-1.9%*	489.0	451.2	8.4%**
Operating profit (EBIT)	10.3	1.8	466%	53.2	28.1	90%
Adjusted operating profit	11.6	2.5	362%	57.8	36.1	60%
Capital expenditure	2.2	1.0	133%	9.3	4.0	131%
Personnel (FTE), average	1,237	1,353	-9%	1,235	1,154	7%

Americas Q4 highlights

- The economic situation in the Americas continued showing modest growth during the fourth quarter 2016
- While the challenges in the retail channel and department stores continued, e-commerce demonstrated growth
- The retail environment was driven by promotional campaigns in the quarter
- Consumer confidence increased, supported by favorable employment reports
- Comparable net sales increased, supported by both the Functional and Outdoor businesses
- Net sales in the garden, watering and outdoor categories increased

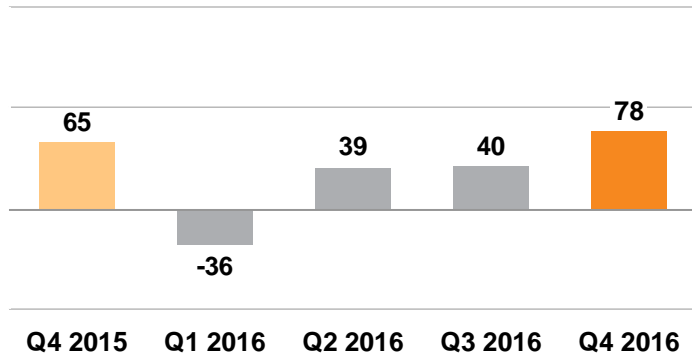
* Using comparable exchange rates and excluding the divested container gardening business and Spring USA, net sales in the Americas increased by 3.9% in Q4 2016

** Using comparable exchange rates and excluding the divested container gardening business and Spring USA in Q4 2015, as well the acquired English & Crystal Living business in the first half of 2016 net sales in the Americas decreased by 0.1% in FY 2016

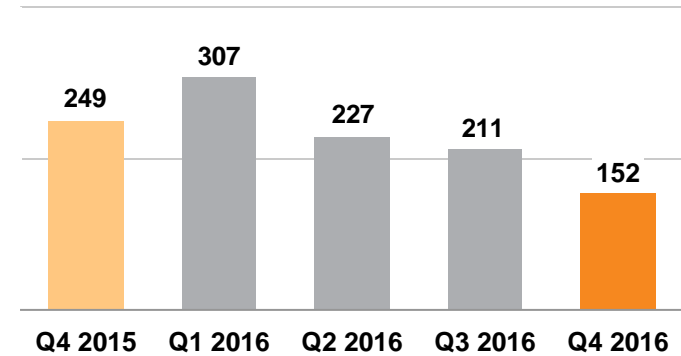


Cash flow and debt Q4 2016

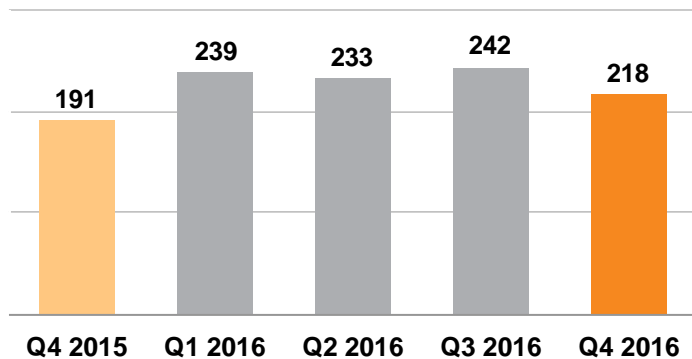
Cash flow from operating activities*



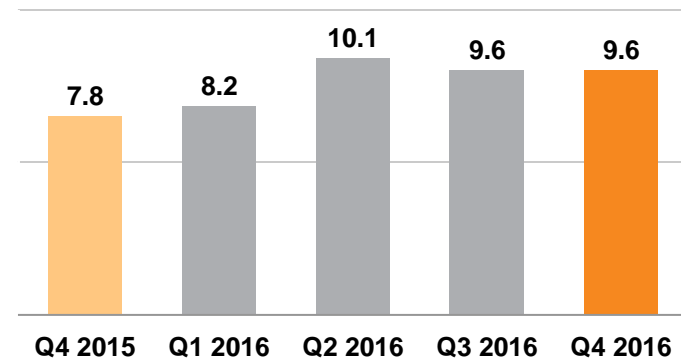
Net debt



Working capital



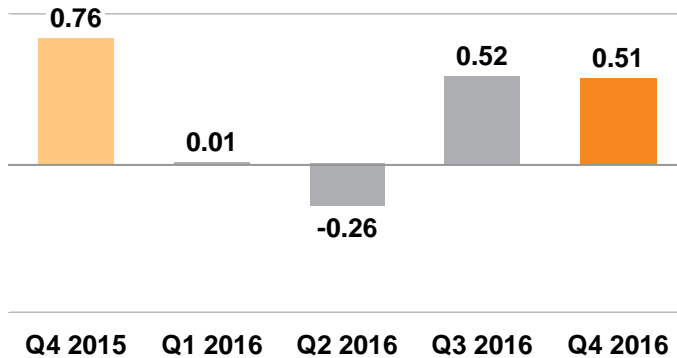
Capex



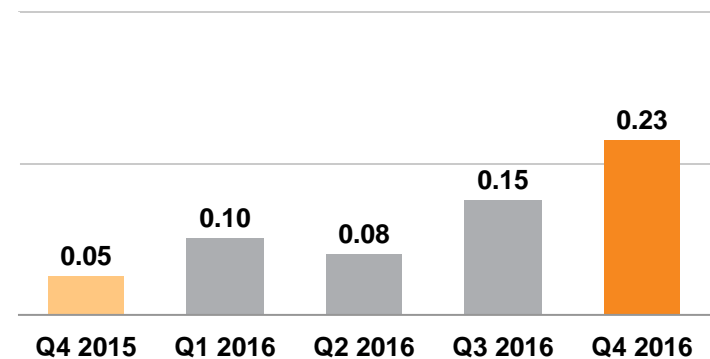
* Before financial items and taxes

Key ratios Q4 2016

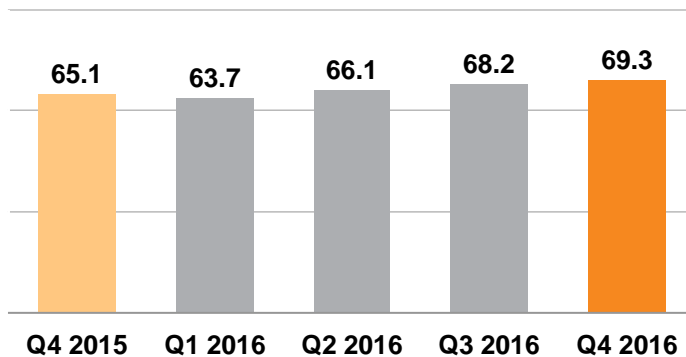
EPS



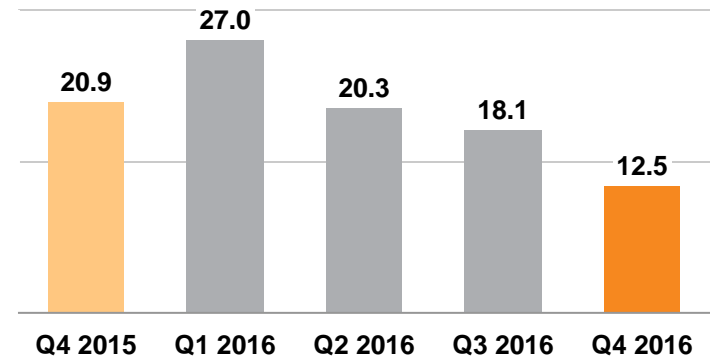
Operative EPS



Equity ratio %



Gearing %

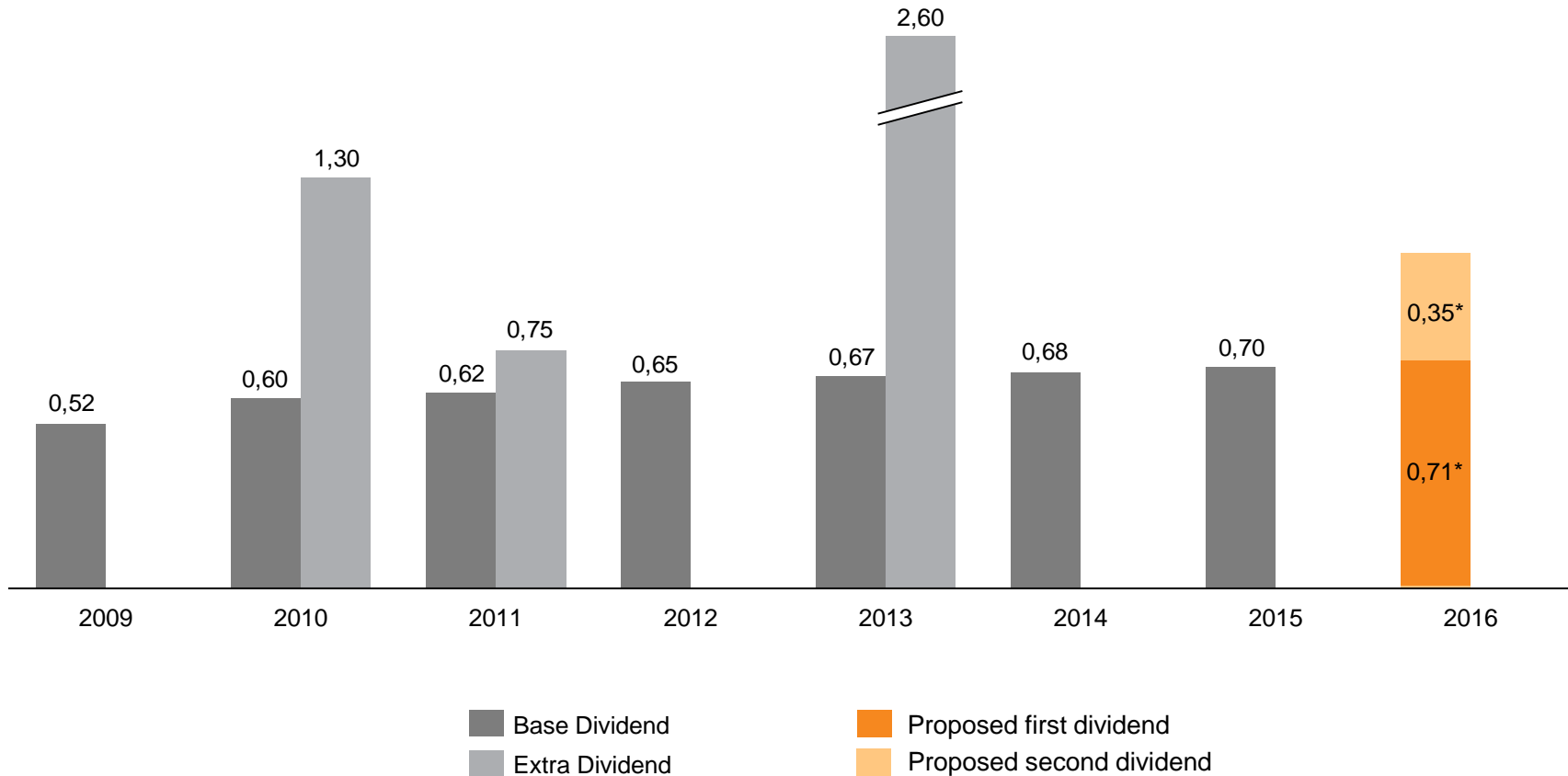


Proposal for distribution of dividend

- Fiskars' aim is to distribute a stable, over time increasing dividend to be paid biannually
- Board of Directors proposes a dividend of EUR 0.71 per share be paid in March 2017. To facilitate the transition to the new policy, the Board of Directors proposes a dividend of EUR 0.35 per share be paid in September 2017
 - The first instalment of EUR 0.71 per share shall be paid to the shareholders who are registered in the company's shareholders' register maintained by Euroclear Finland Ltd on the dividend record day March 13, 2017. The payment day proposed by the Board for this instalment is March 20, 2017.
 - The second instalment of EUR 0.35 per share shall be paid in September 2017. The second instalment shall be paid to shareholders who are registered in the company's shareholders' register maintained by Euroclear Finland Ltd. on the dividend record day, which, together with the payment day, shall be decided by the Board of Directors in its meeting scheduled for September 7, 2017.
 - The dividend record day for the second instalment would be September 11, 2017 and the dividend payment day September 18, 2017, at the latest.

Eight years of base dividend growth

Dividend per share (DPS) history 2009-2016
EUR



* Dividend Proposal by the Board of Directors

Fiskars Outlook 2017

- Fiskars expects the Group's net sales excl. net sales of divested businesses in 2016 and adjusted 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 the adjusted EBITA amounted to EUR 107 million
- 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 adjusted operating profit. The adjusted EBITA excludes restructuring costs, impairment charges, integration related costs, and gain and loss from the sale of businesses

Long-term financial targets

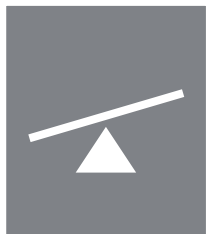
Fiskars has established long-term financial targets that cover four areas: growth, profitability, capital structure and dividend:



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.

CATEGORY LEADING BRANDS THAT CONSUMERS DESIRE

FISKARS®



iittala

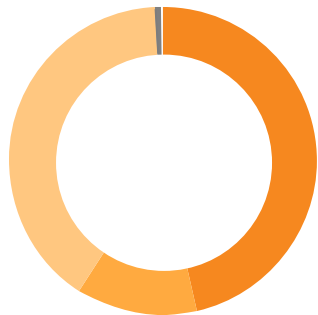


WATERFORD



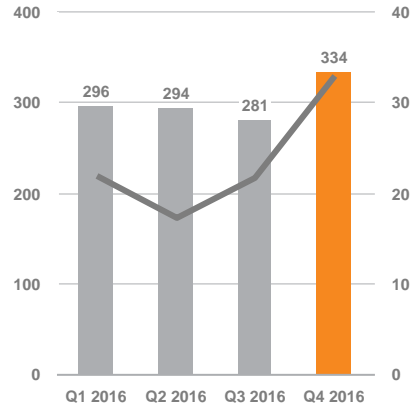
GLOBALY BALANCED BUSINESS

NET SALES BY BUSINESS, REGION 2016, %



- Europe, 46%
- Asia-Pacific, 13%
- Americas, 40%
- Other, 1%

NET SALES, EUR MILLION



■ Net sales
— Adjusted operating profit

Net sales 2016
EUR million

1,204.6

Adjusted operating profit
2016
EUR million

93.8

8,600 EMPLOYEES

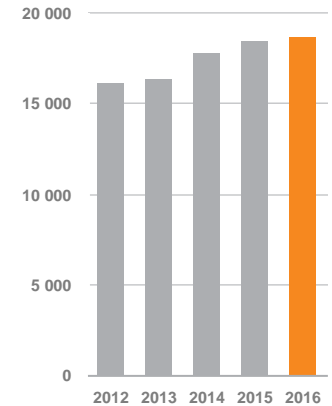


IN OVER **30** COUNTRIES

367
YEARS OF
HERITAGE



NUMBER OF SHAREHOLDERS
31.12.2016



Market Cap 31.12.2016
EUR million

1,438.2

Fiskars Group

**Making the everyday
extraordinary**

FISKARS