

Investor presentation

August-September 2019

FISKARS
◆
GROUP



- **Fiskars Group in brief**
- **Strategy**
- **Segments**
- **Financials**
- **Appendices**

Fiskars Group in brief



Our purpose:

Making the **everyday** **extraordinary**

Established in Finland 1649

Globally recognized brands

Products sold in more than 100 countries

Nearly 400 own stores

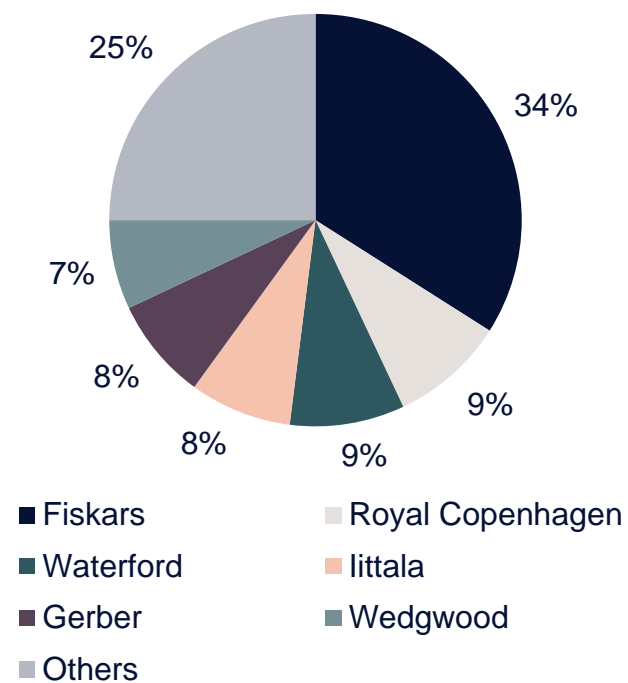
Net sales in 2018 EUR 1,119 million

7,600 employees in over 30 countries

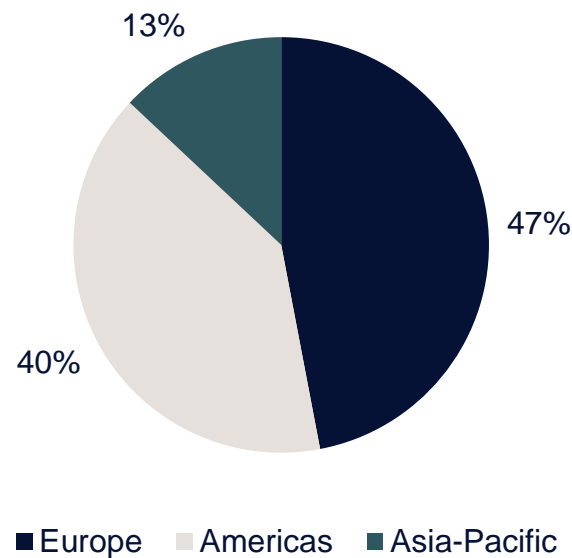


Fiskars Group in 2018

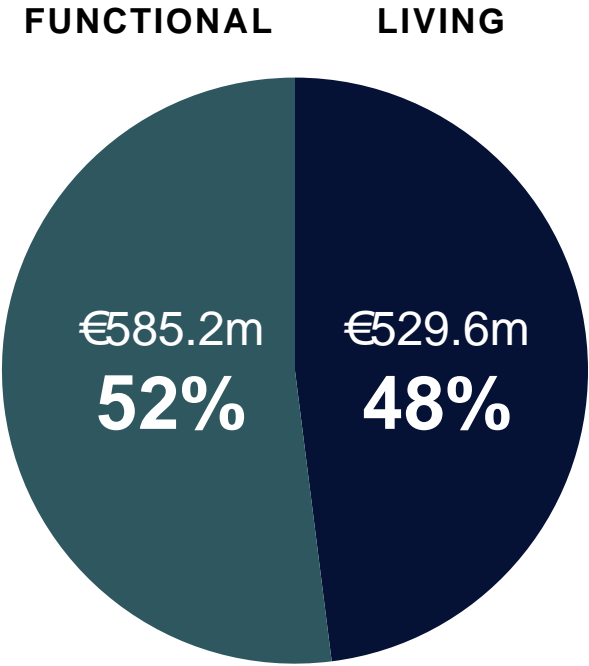
NET SALES SPLIT BY BRAND



NET SALES SPLIT BY GEOGRAPHY



Net sales by segment



Key categories

FUNCTIONAL

LIVING



Gardening



School, office
& craft



Outdoor



Watering



Cooking



Fixing



Dinnerware



Drinkware



Interior



Other



Strong brand portfolio

FISKARS® ♦ GERBER® ♦ Gilmour

iittala® ♦ ROYAL COPENHAGEN
PURVEYOR TO HER MAJESTY THE QUEEN OF DENMARK ♦ ARABIA
1873 ♦ Rörstrand

WATERFORD ♦ WEDGWOOD
ENGLAND 1759 ♦ ROYAL ALBERT
ENGLAND 1904 ♦ ROYAL DOULTON
LONDON



Main markets for the key international brands

	Americas	Europe	Asia-Pacific
Fiskars	◆	◆	
Gerber	◆		
Iittala		◆	◆
Royal Copenhagen	◆	◆	◆
Wedgwood	◆	◆	◆
Waterford	◆	◆	◆

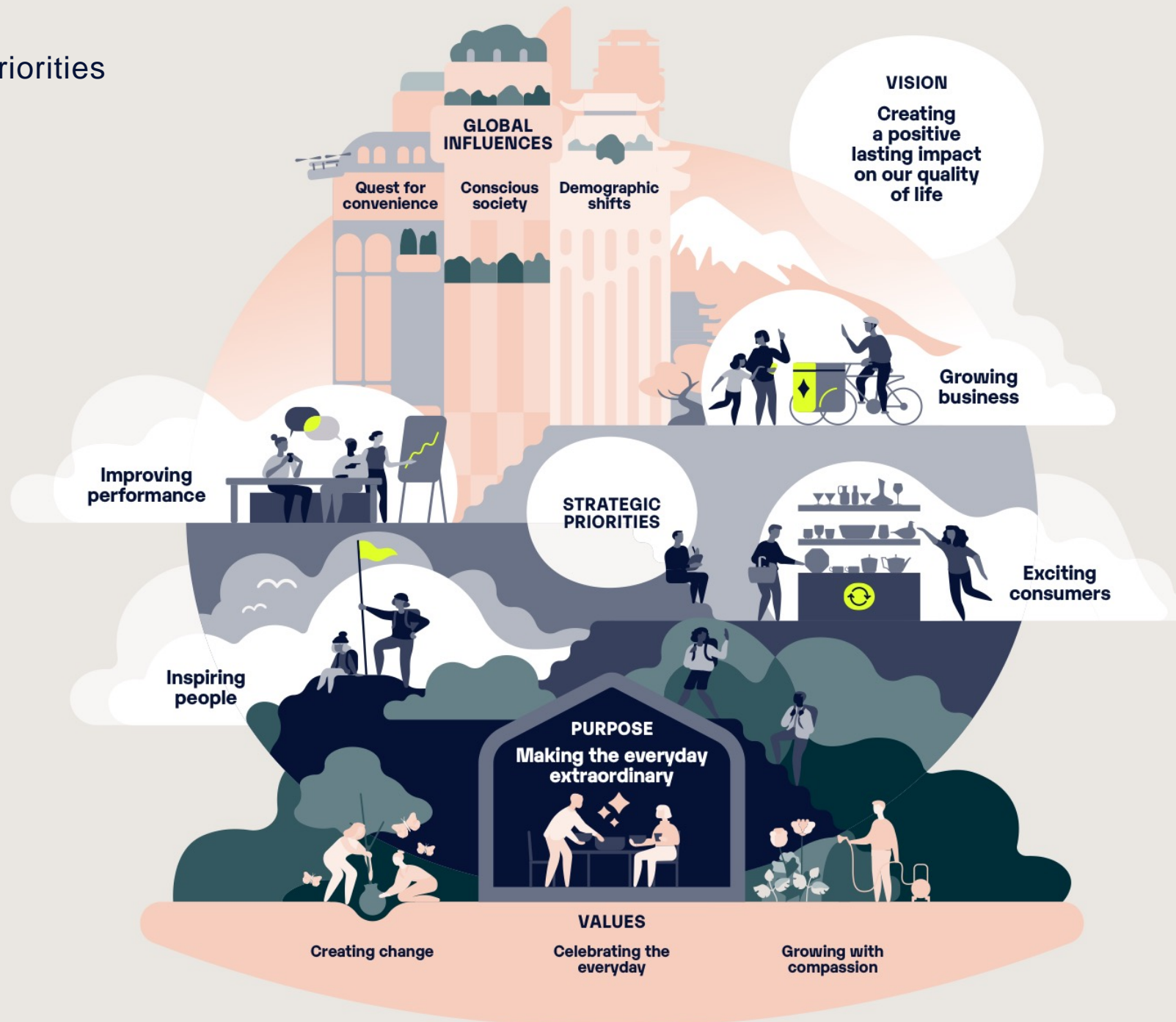
Based on net sales split in 2018



Our locations



Our strategic priorities



Strategy



Megatrends impacting our business



Conscious society



Demographic shifts



**Quest for
convenience**

**Creating a
positive, lasting
impact on our
quality of life**



**We are making the
everyday extraordinary by...**



**creating
change**



**celebrating
the everyday**



**growing with
compassion**

Our strategic priorities

Growing business



Inspiring people



Exciting consumers



Improving performance



Our approach to sustainability

For Fiskars Group, sustainable business is integral in building long-term economic success.

We work towards our vision to have a positive, lasting impact on our quality of life by acting as a responsible business and pushing ourselves forward in creating positive change.

We see opportunities in embedding sustainability even deeper into our business strategy to provide people meaningful experiences and to make the everyday extraordinary.

SBU Functional



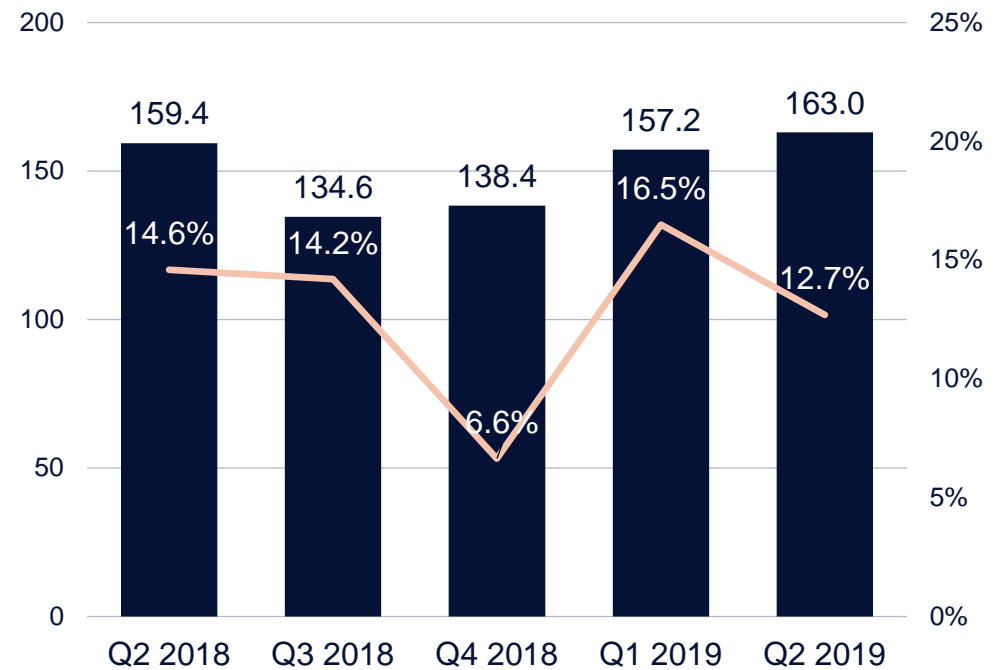
OUR BRANDS

FISKARS®

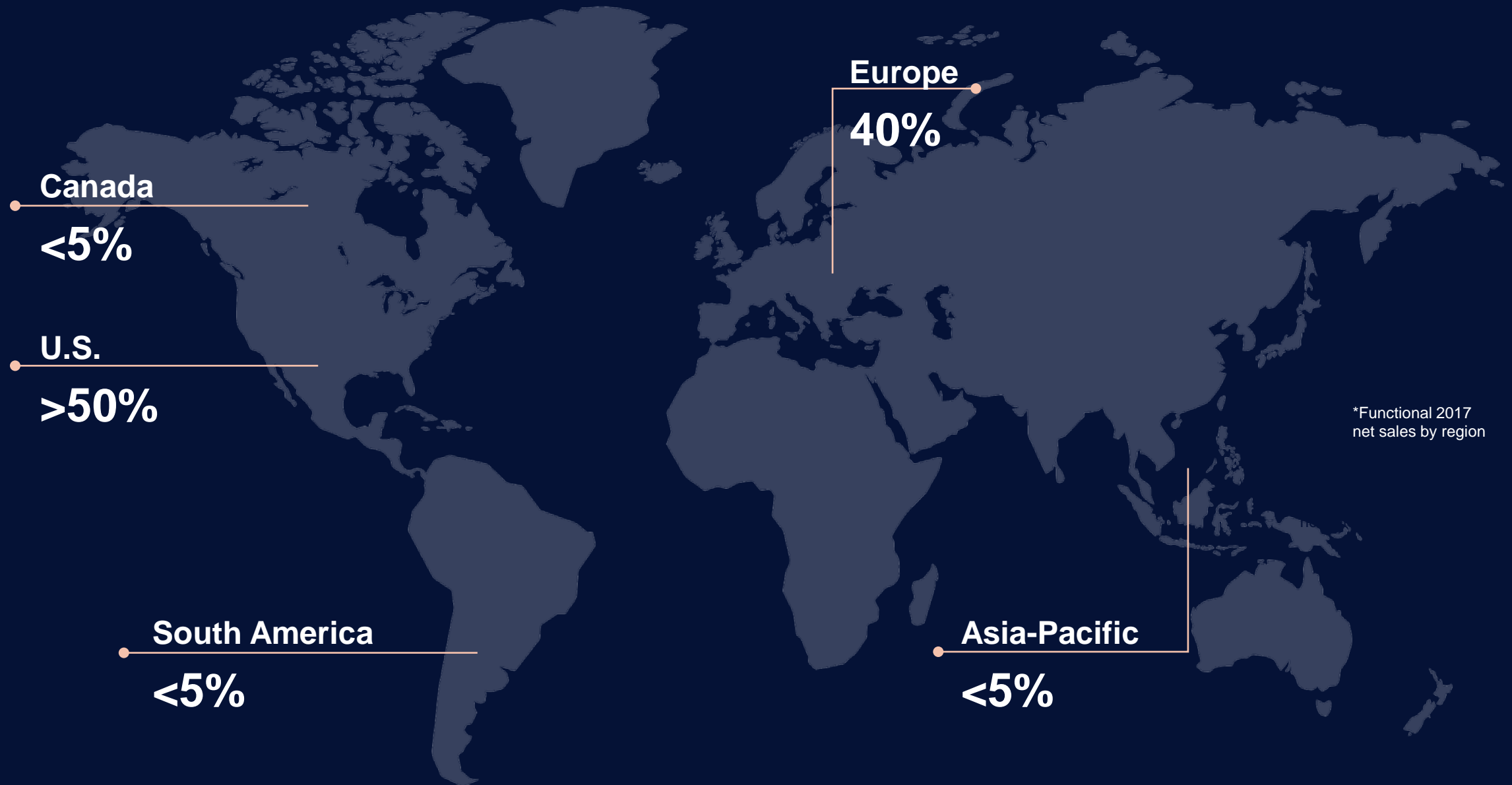
GERBER®

Gilmour.

NET SALES, EUR MILLION
COMPARABLE EBITA, %



SBU Functional – Well balanced footprint



SBU Functional – Category split



*Functional 2017 net sales by category



**Distribution
fully through
indirect
channels**

**Work with
some of the
largest retailers
globally**

**Strong trade
partnerships
is one of our
strengths**

E-commerce

- Total indirect e-commerce: >5% of 2017 net sales
- Share of total e-commerce higher in the Americas than other markets

SBU Living



Strategic business unit Living

OUR BRANDS

English and Crystal Living

WEDGWOOD
ENGLAND 1759

ROYAL DOULTON
LONDON 1815

WATERFORD

ROYAL ALBERT
ENGLAND 1904

Scandinavian Living

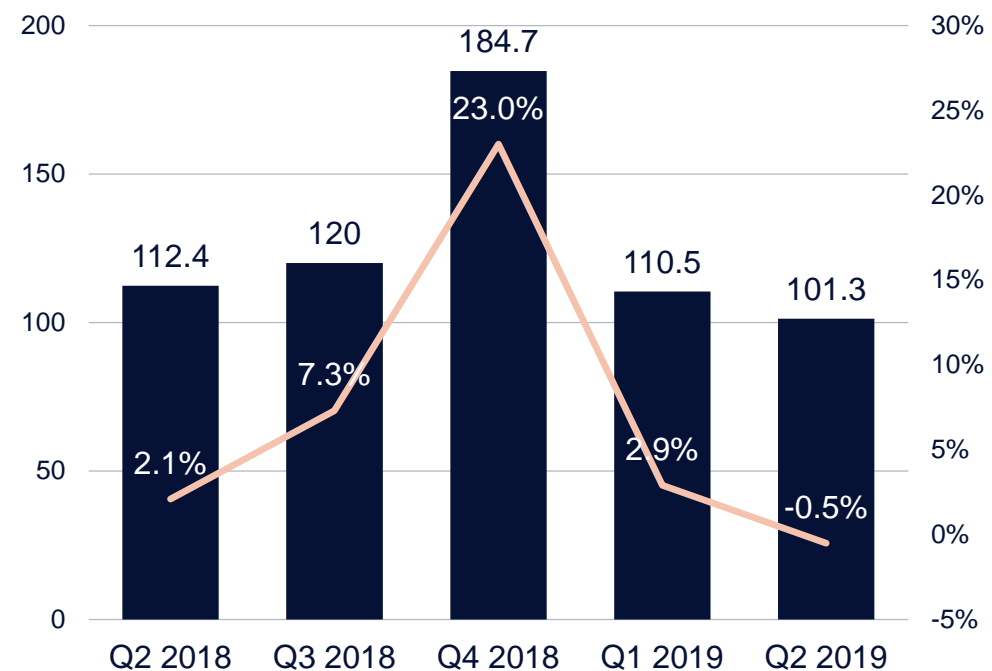
iittala®

ARABIA
1873

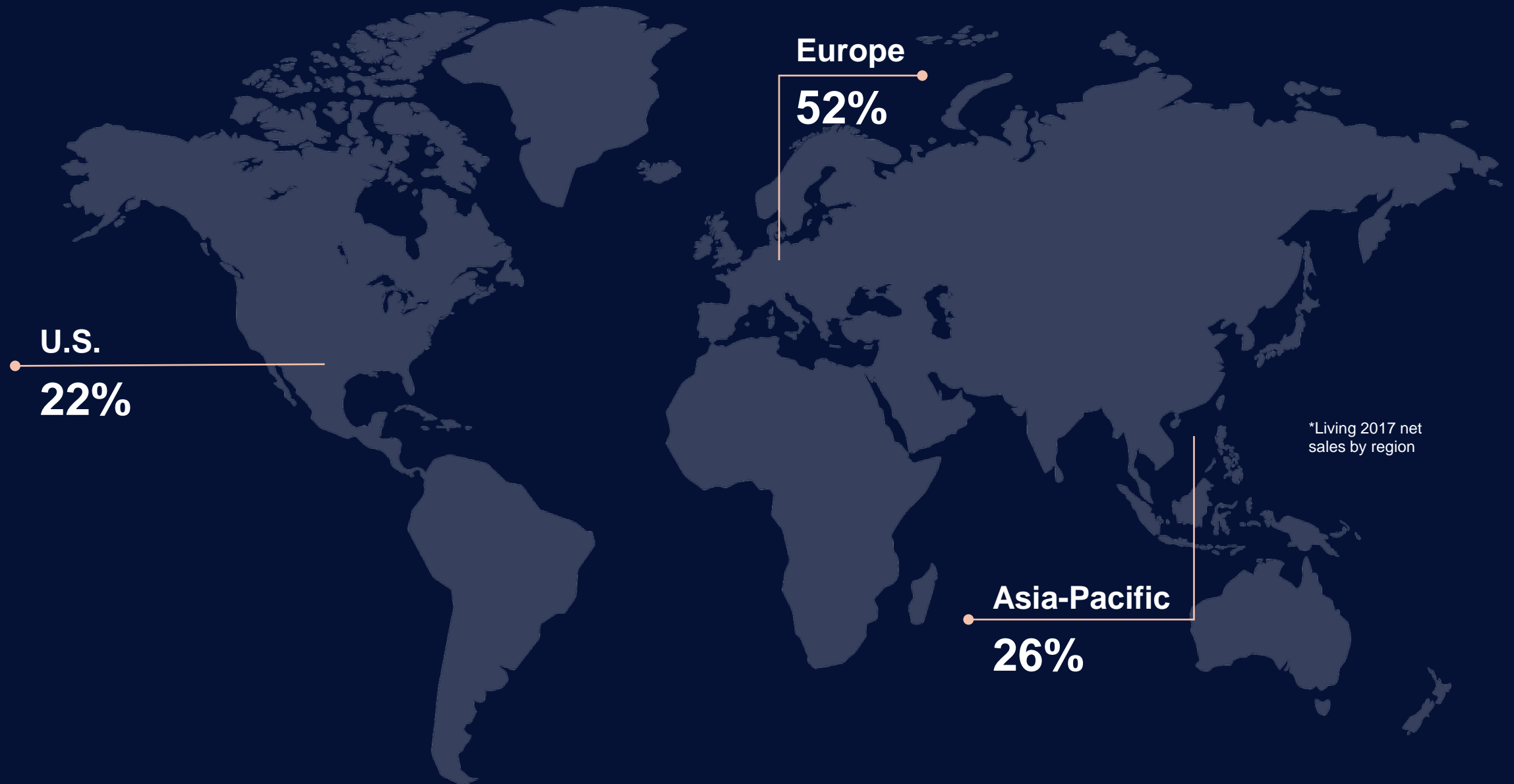

ROYAL COPENHAGEN
PURVEYOR TO HER MAJESTY THE QUEEN OF DENMARK


Rörstrand

NET SALES, EUR MILLION COMPARABLE EBITA, %
































SBU Living – Well balanced footprint



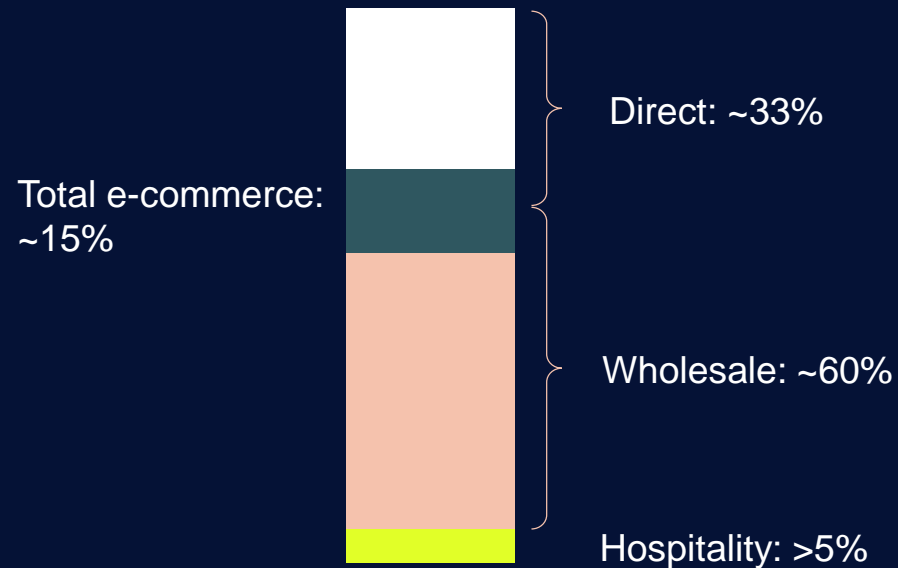
SBU Living – Category split

Key categories by brand (% of Living net sales 2017)

		Dinnerware 45%	Drinkware 17%	Interior 23%	Other 15%
Key international brands					
					
					
					
Regional brands					
					
					
					



SHARE OF 2017 NET SALES



Direct channel includes our own:

- Stores (8% of total number of locations)
- Shop-in-shops (64%)
- Outlets (28%)
- E-commerce

Indirect e-commerce represents those customers who are operating on online basis only or sell a significant value of our business through e-commerce platforms

New business models

Circular economy is part of Fiskars Group's sustainability program, and the aim is to find new business opportunities based on it.

Circular economy means a new way of thinking in which consumption is based on sharing, renting, recycling, and using services, instead of owning products and manufacturing new ones.

The first of new adopted concepts is Vintage, where we buy and sell used Iittala and Arabia-branded tableware. The concept is being rolled out in Finland during 2019.

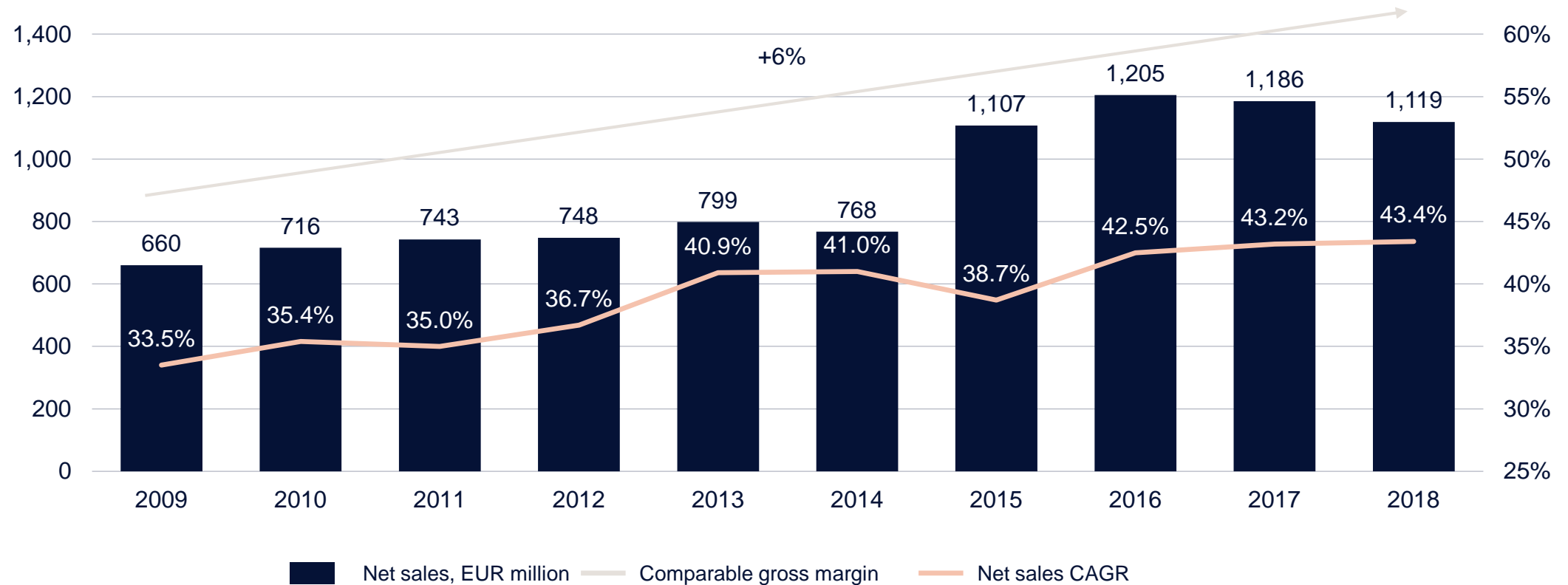
Other concepts are being reviewed as well.



Financials



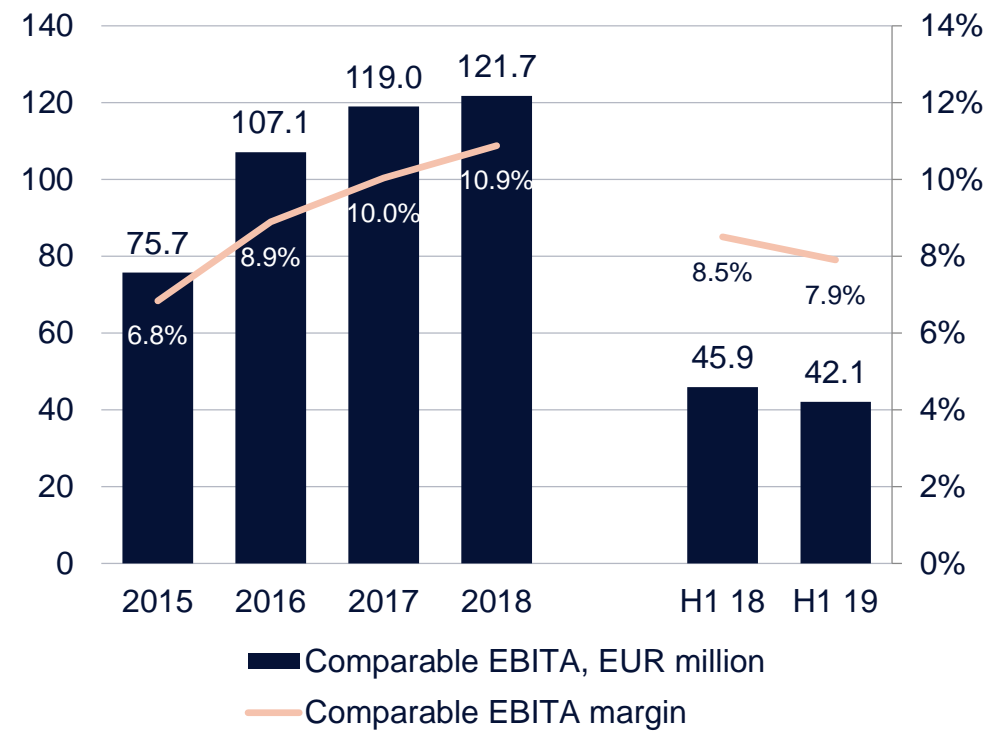
Group net sales and profitability development



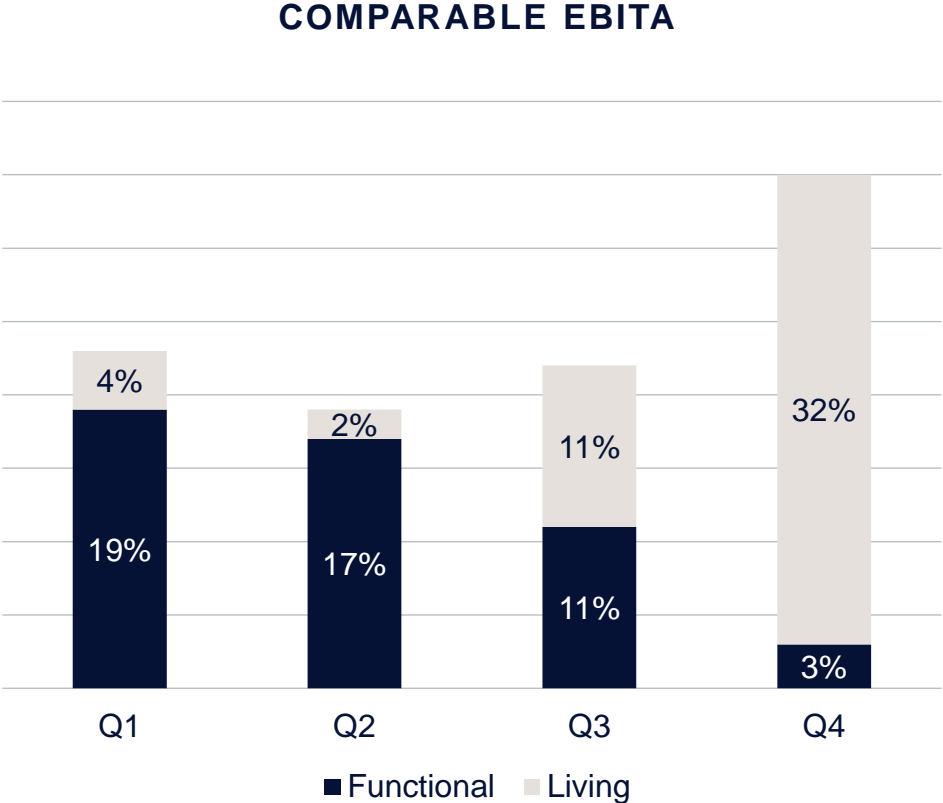
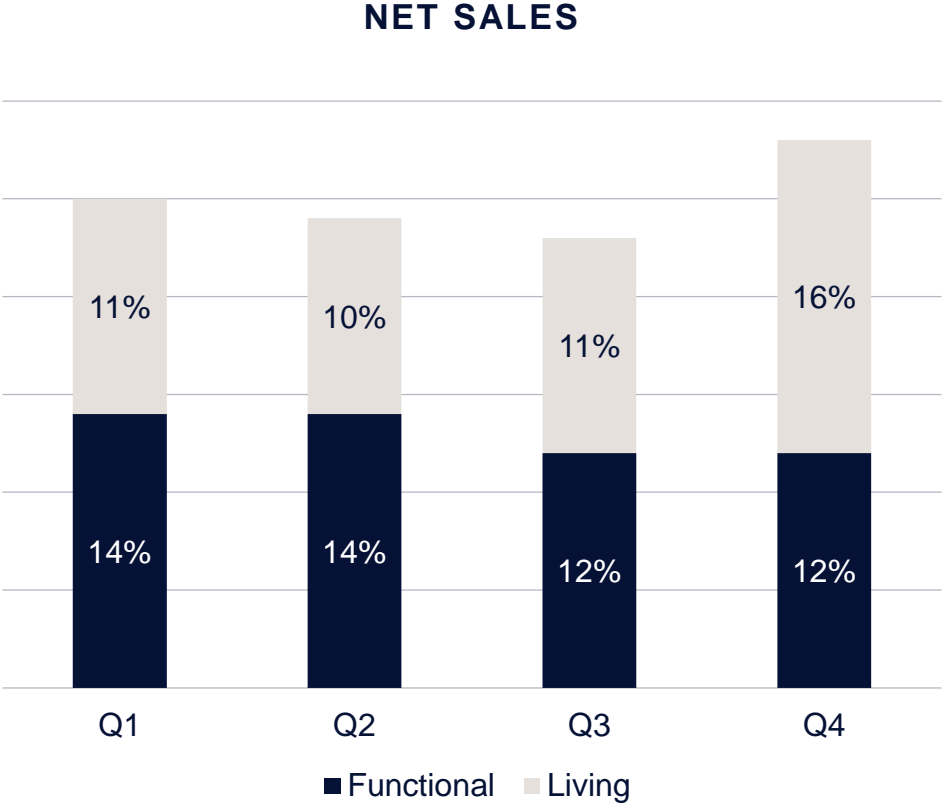
Comparable EBITA increased in 2018



COMPARABLE EBITA



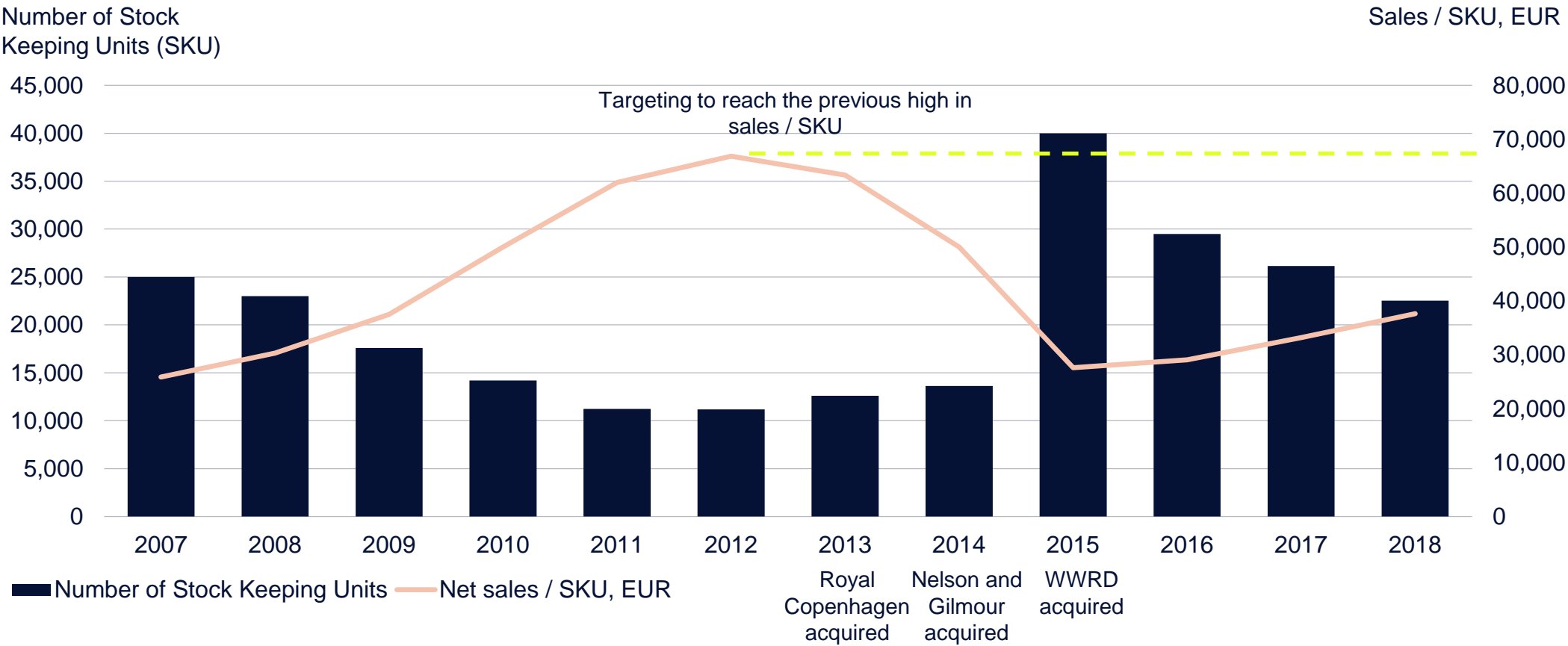
Seasonalities creating balanced income profile



Seasonal distribution by quarter and business (average 2016-18). Percentages as share of total full year group figures

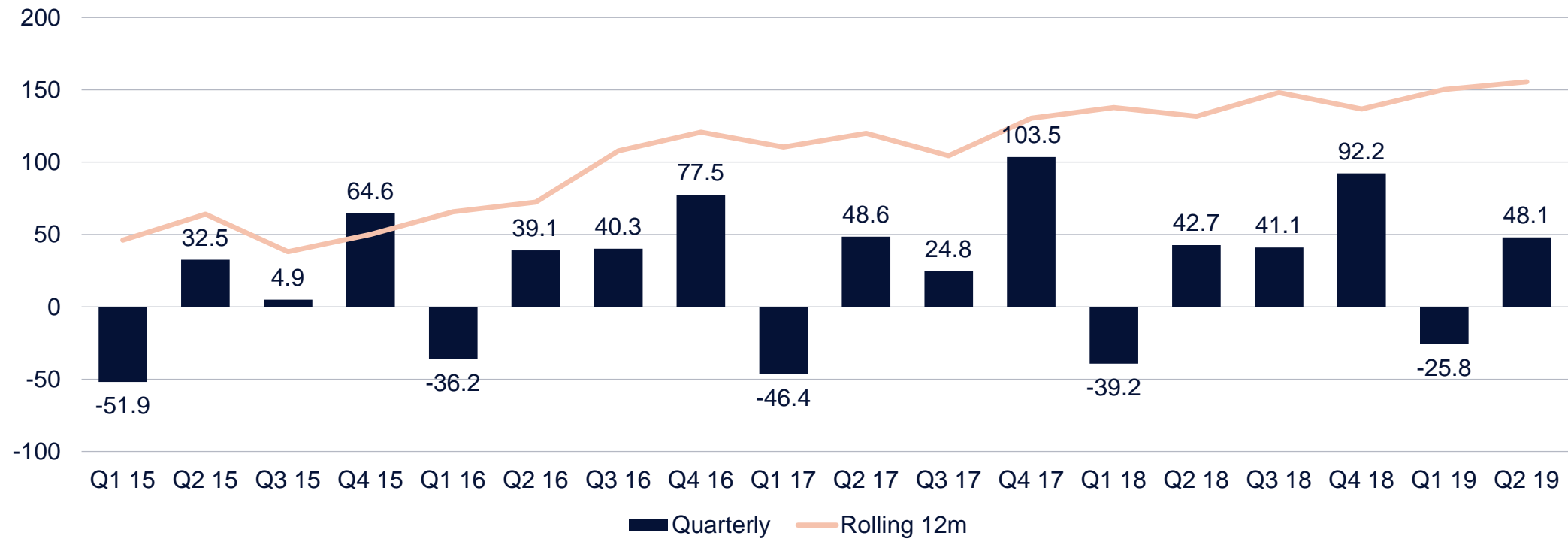


SKU reduction ongoing



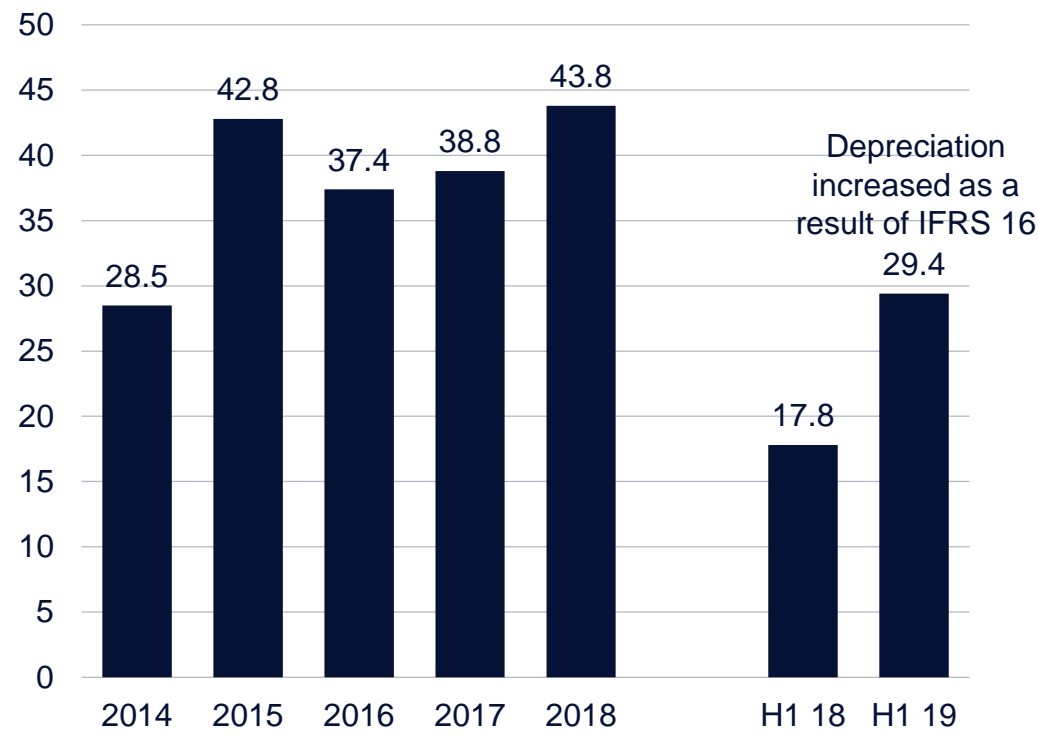
Cash flow has improved

Cash flow from operating activities before financial items and taxes EUR million

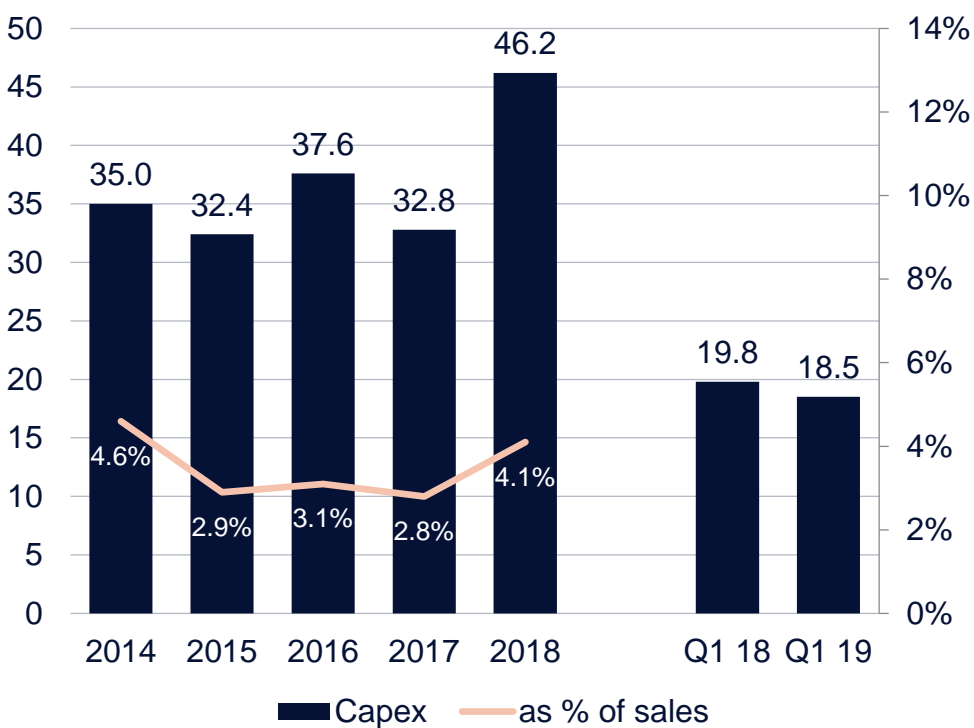


Capital expenditure increased in 2018 due to a factory expansion

DEPRECIATION, AMORTIZATION
AND IMPAIRMENT, EUR MILLION

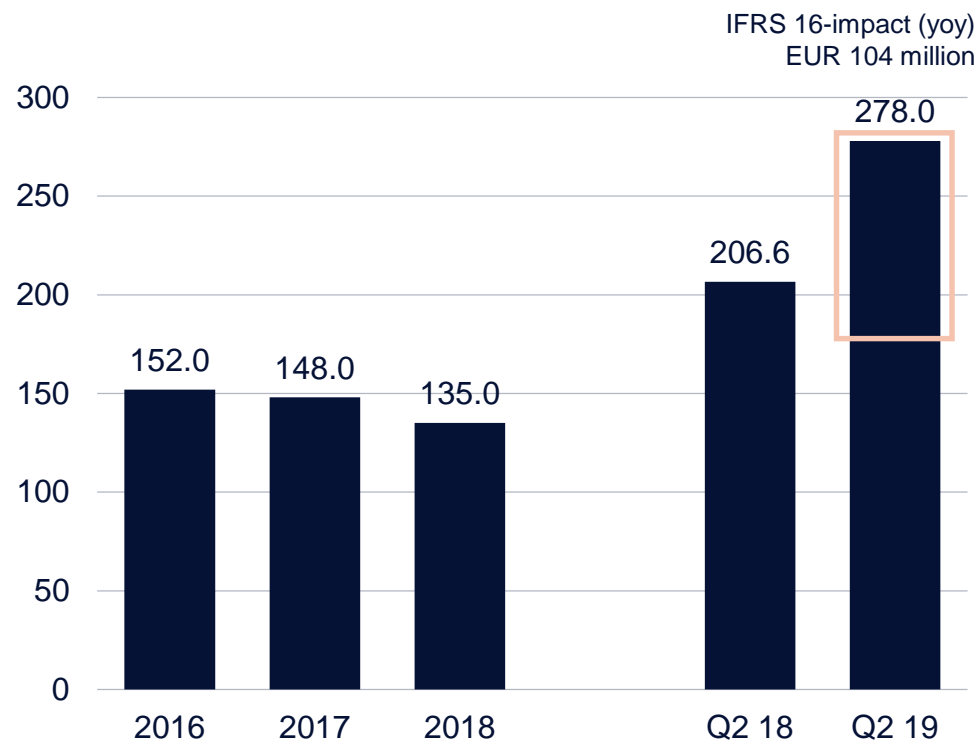


CAPEX, EUR MILLION

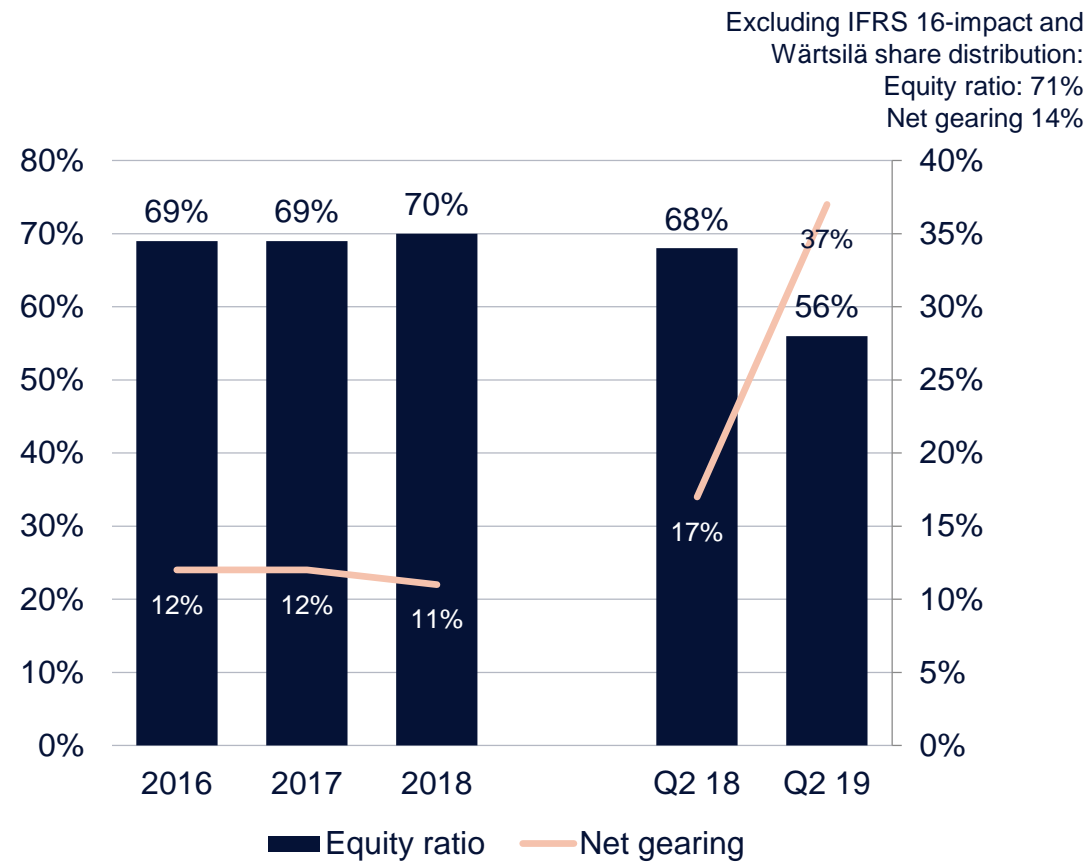


IFRS 16 impacting balance sheet

NET DEBT, EUR MILLION



NET GEARING AND EQUITY RATIO



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 reach 12%



Capital structure

Net gearing* below 100%



Dividend

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

2018

-5.6% YoY
-2.4% YoY (comparable)

10.1%

11%

EUR 0.54 per share, paid in two installments of EUR 0.27 per share. Additionally, a distribution of Wärtsilä shares held by Fiskars Group

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



In 2019, Fiskars expects the Group's comparable net sales to be at the same level as in 2018 (unchanged) and comparable EBITA to be below the previous year's level (previously: at the same level).

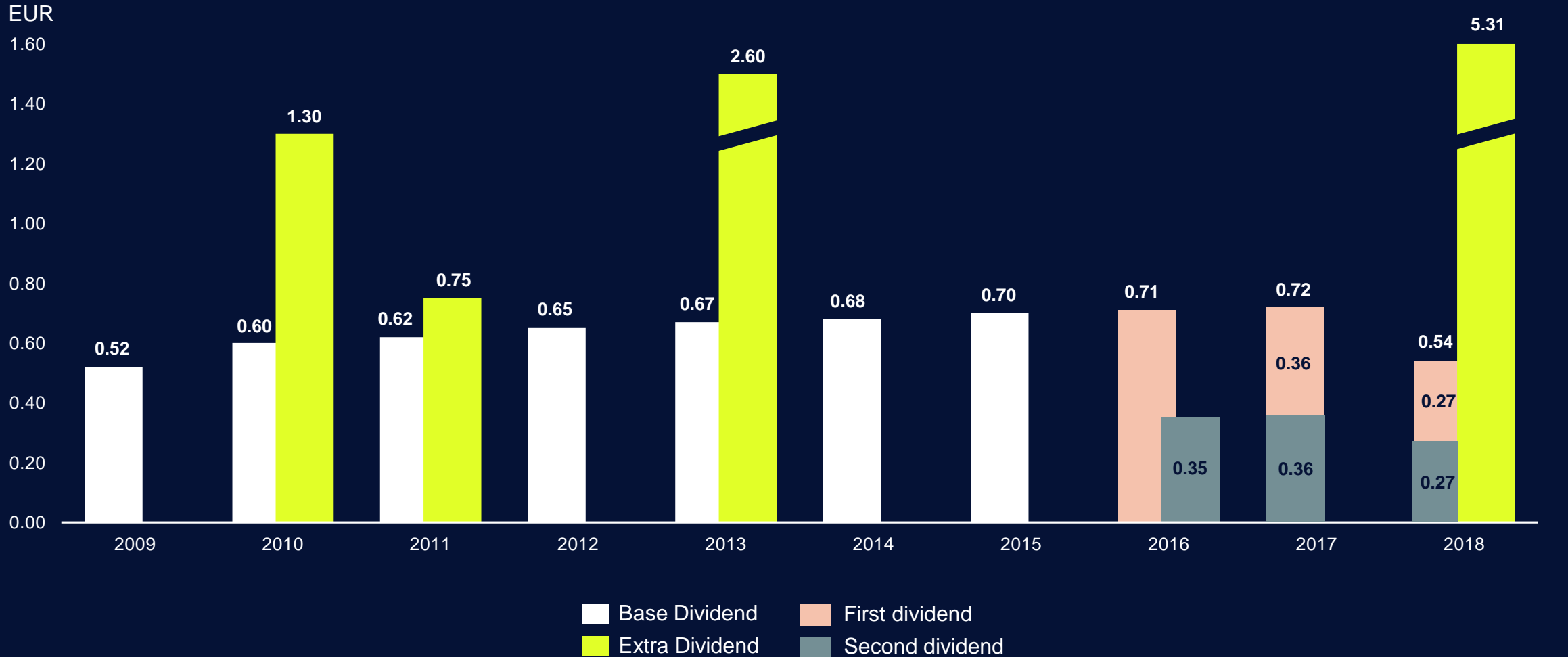
The outlook is influenced by the company's investments in growth initiatives that are expected to add sustainable value in the long-term. In addition, there are continued material risks relating to changes in the operating environment, e.g. Brexit and potential further increases to the U.S. tariffs. An unfavorable outcome of these risks might have a significant impact on the comparable net sales and comparable EBITA. Furthermore, fluctuations in currency rates might also have a considerable impact on comparable EBITA.

Comparable net sales excludes the impact of exchange rates, acquisitions and divestments. Items affecting comparability in EBITA include restructuring costs, impairment charges, integration related costs, acquisitions and divestments, and gain and loss from the sale of businesses.



Wärtsilä share distribution changed the baseline for dividend growth

Dividend per share (DPS) history 2009–2018



Appendices



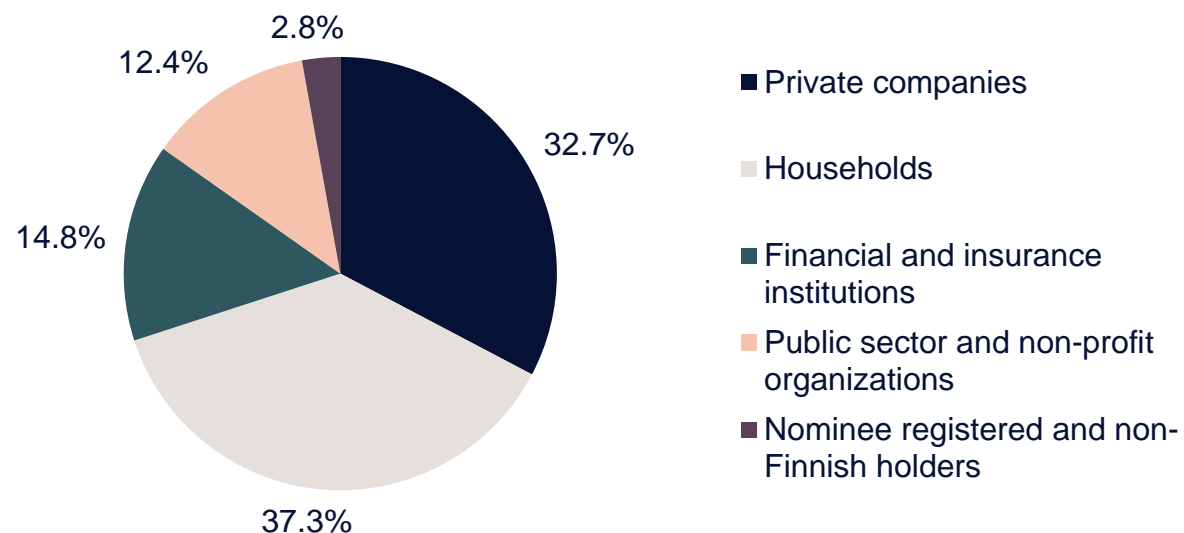
Largest shareholders as of July 31, 2019

#	Shareholder name	Number of shares	% of shares and votes
1	Virala Oy Ab	12,650,000	15.44
2	Holdix Oy Ab	10,165,537	12.41
3	Turret Oy Ab	9,330,961	11.39
4	Bergsrådninnan Sophie von Julins Foundation	2,556,000	3.12
5	Oy Julius Tallberg Ab	2,554,350	3.12
6	Varma Mutual Pension Insurance Company	2,469,326	3.01
7	Gripenberg Gerda Margareta Lindsay Dödsbo	1,974,000	2.41
8	Ehrnrooth Jacob Robert Göran	1,626,929	1.99
9	von Julin Sofia Margareta dödsbo	1,560,000	1.90
10	Ehrnrooth Sophia	1,558,630	1.90
10 largest shareholders, total		46,445,733	56.71
Other shareholders		35,459,509	43.29
Total		81,905,242	100.00

Data supplied by Euroland



Shareholder structure as of July 31, 2019



Sector	Number of shareholders	% of total shareholders	Number of shares	% of shares and votes
Private companies	652	2.89%	26788963	32.71%
Households	21,499	95.29%	30,539,606	37.29%
Financial and insurance institutions	43	0.19%	12099507	14.77%
Public sector and non-profit organizations	240	1.07%	10148272	12.39%
Nominee registered and non-Finnish holders	128	0.57%	2328894	2.84%
Total			81,905,242	100.00

Data supplied by Euroland



Fiskars Group Leadership Team



Jaana Tuominen

President & CEO
Interim President, SBU Living



Sari Pohjonen

Chief Financial Officer
Deputy to the CEO



Risto Gaggl

Chief Supply Chain Officer



Michael Halak

President, SBU Functional



Tuomas Hyryläinen

Chief Growth Officer



Niklas Lindholm

Chief Human Resources
Officer



Maija Taimi

SVP, Corporate
Communications and
Sustainability



Päivi Timonen

General Counsel



Board of Directors



Paul Ehrnrooth
Chairman



Jyri Luomakoski
Vice Chairman



Albert Ehrnrooth



Louise Fromond



Inka Mero



Fabian Månsson



Peter Sjölander



Ritva Sotamaa



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.

Making the everyday extraordinary

