

# Making the everyday extraordinary

FISKARS  
◆  
GROUP



# Fiskars in 2018

Net sales by segment

## Living

Key categories:  
Tabletop  
Interior décor  
Gifting

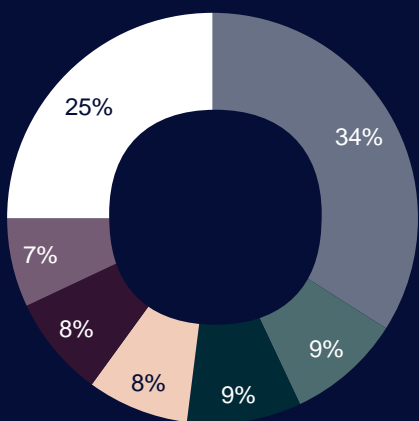
€529.6<sub>m</sub>  
48%

## Functional

Key categories:  
Gardening  
School, office and craft  
Kitchen  
Watering  
Outdoor

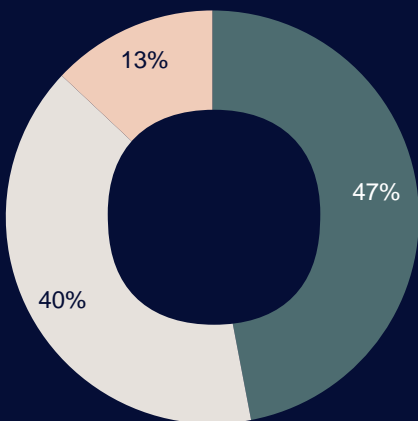
€585.2<sub>m</sub>  
52%

Net sales by brand



■ Fiskars  
■ Royal Copenhagen  
■ Waterford  
■ Iittala  
■ Gerber  
■ Wedgwood  
■ Other brands

Net sales by geographic area



■ Europe  
■ Americas  
■ Asia-Pacific



Building a family of iconic lifestyle brands

FISKARS®



Gilmour

iittala®



ARABIA  
1873



Rörstrand

WATERFORD



WEDGWOOD  
ENGLAND 1759



ROYAL ALBERT  
ENGLAND 1904



ROYAL DOULTON  
LONDON



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

FISKARS®

Empowers  
everyday  
creativity to  
shape your world

GERBER®

The leading  
outdoor gear  
brand that  
empowers people  
to be unstoppable

iittala®

A design brand  
that provides a  
progressive  
Nordic living

ROYAL COPENHAGEN  
PURVEYOR TO HER MAJESTY THE QUEEN OF DENMARK

A Danish luxury  
porcelain brand  
that elevates  
memorable  
moments

WATERFORD

Enables people  
to celebrate Irish  
conviviality

WEDGWOOD  
ENGLAND 1759

Continuously  
provides new  
perspectives of  
British lifestyle



Fundamentals

Vision	Strategy	Values	Sustainability
Creating a positive, lasting impact on our quality of life	Building a family of iconic lifestyle brands	Innovation Integrity Accountability Teamwork	Promoting creativity Challenging disposability Empowering people

Purpose

Making the **everyday extraordinary**

Strategic priorities

Inspiring people	Exciting consumers	Growing business	Increasing returns
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## Sustainability key drivers



**Promoting  
creativity**

**Challenging  
disposability**

**Empowering  
people**



# SBU Living

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



# Strategic business unit Living in brief

## English and Crystal Living

WEDGWOOD  
ENGLAND 1759

ROYAL DOULTON  
LONDON

WATERFORD

ROYAL ALBERT  
ENGLAND 1904

## Scandinavian Living

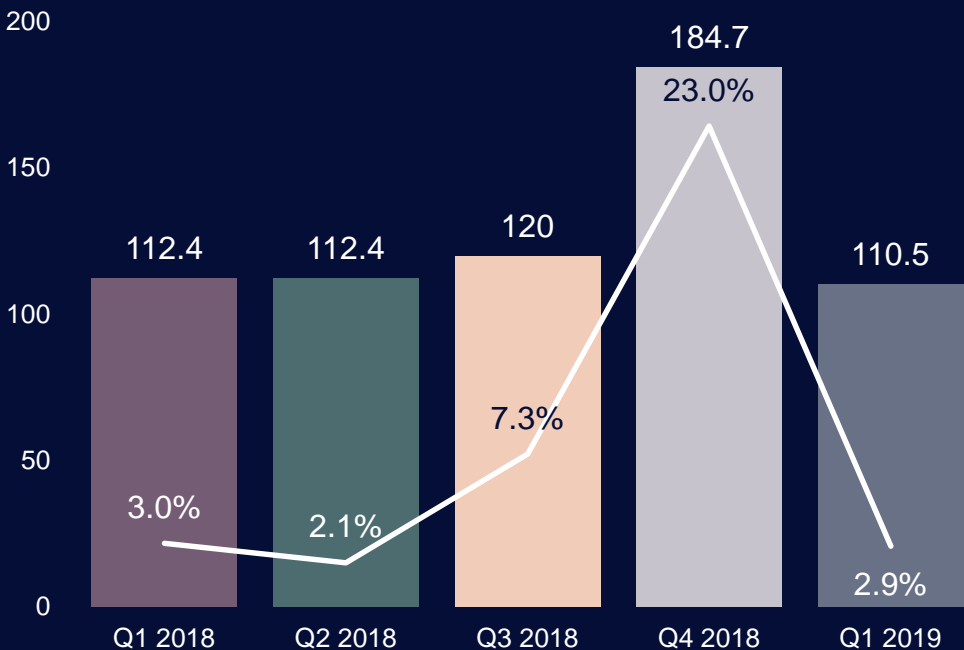
iittala®

ARABIA  
1873

ROYAL COPENHAGEN  
PURVEYOR TO HER MAJESTY THE QUEEN OF DENMARK

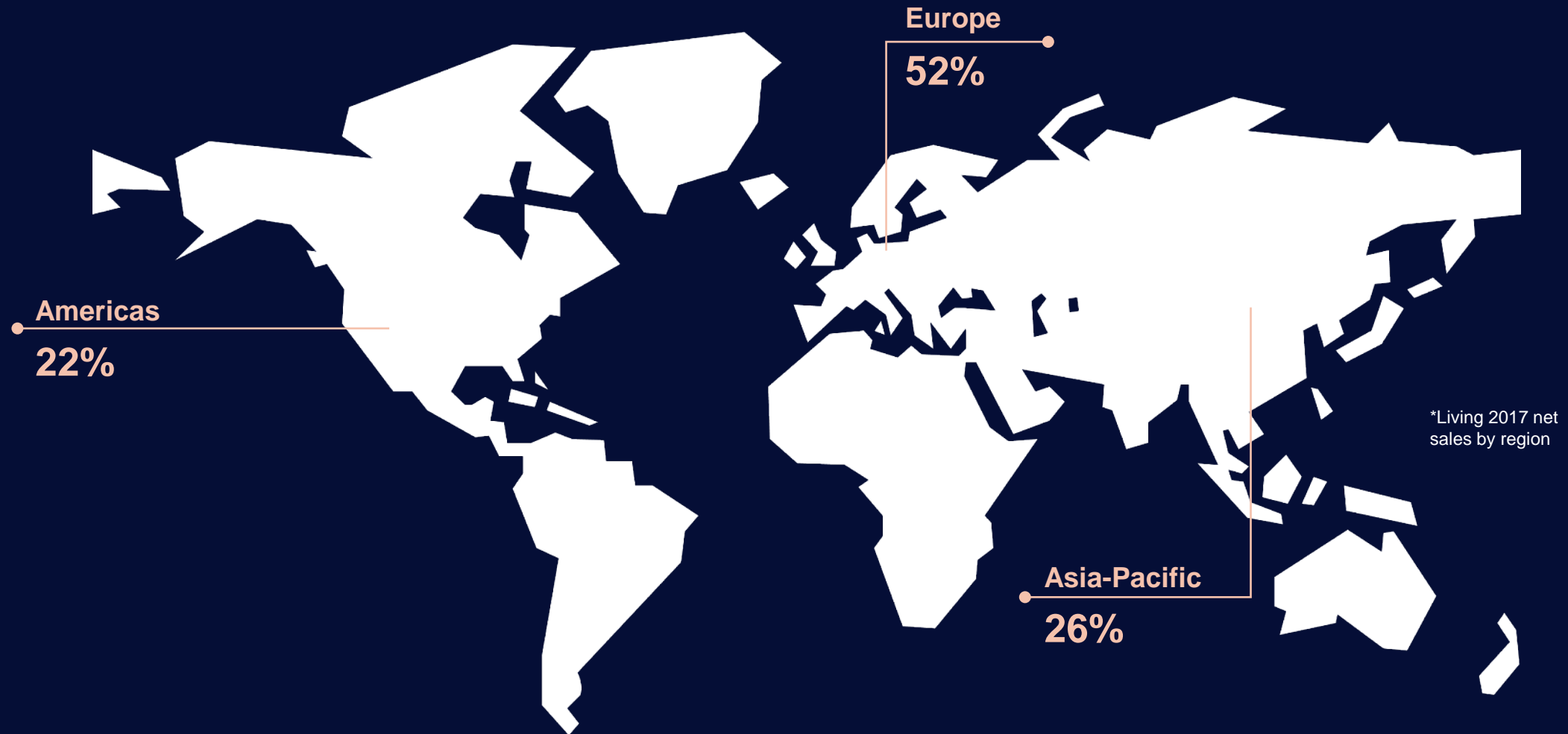
Rörstrand

## Net sales, EUR million – Comparable EBITA, %













## SBU Living – Well balanced footprint



\*Living 2017 net sales by region

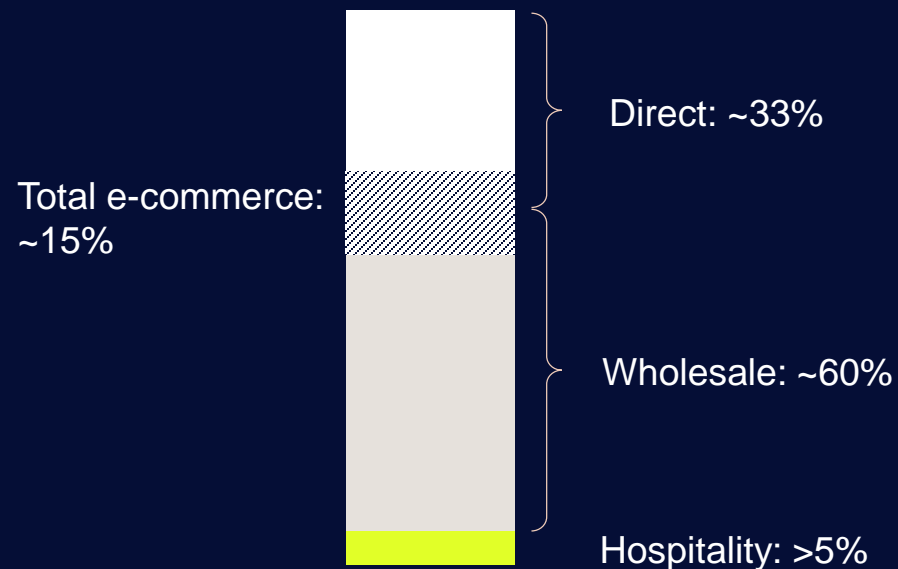
## SBU Living – Category split

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 (currently 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



# SBU Functional

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



## Strategic business unit Functional

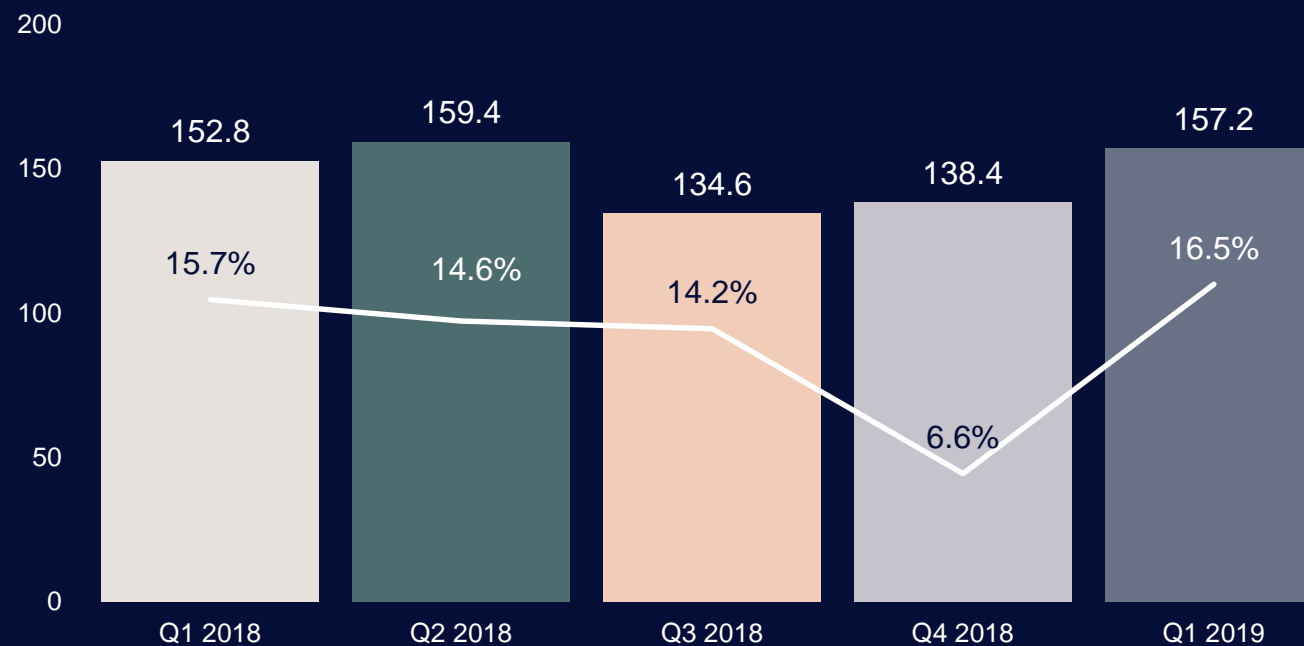
### Our brands

**FISKARS®**

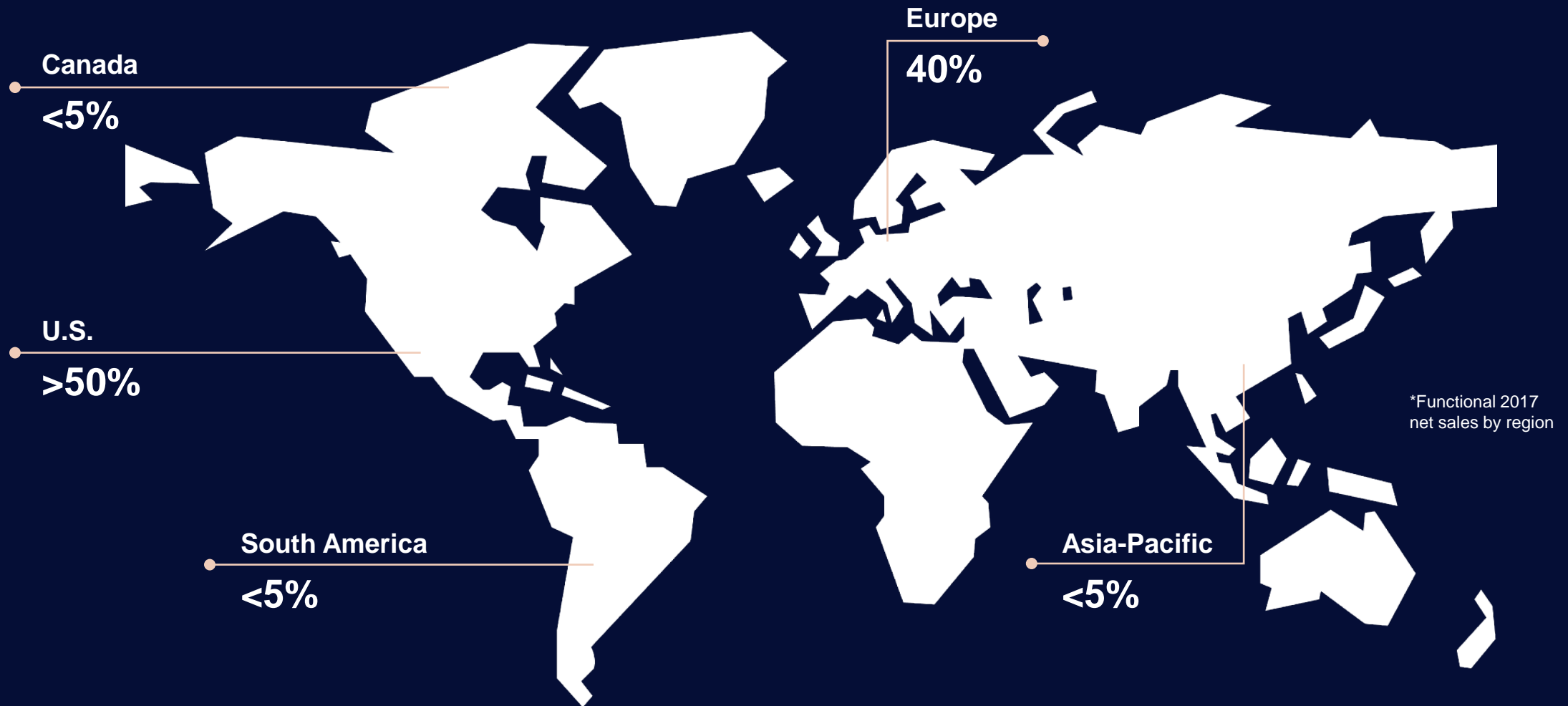


**Gilmour**

### Net sales, EUR million – Comparable EBITA, %



## SBU Functional – Well balanced footprint



## SBU Functional – Category split



**13%**  
Watering



**13%**  
Outdoor



**45%**  
Gardening



**18%**  
School, office  
& craft (SOC)



**10%**  
Cooking



**2%**  
Fixing

\*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

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## E-commerce in Functional

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



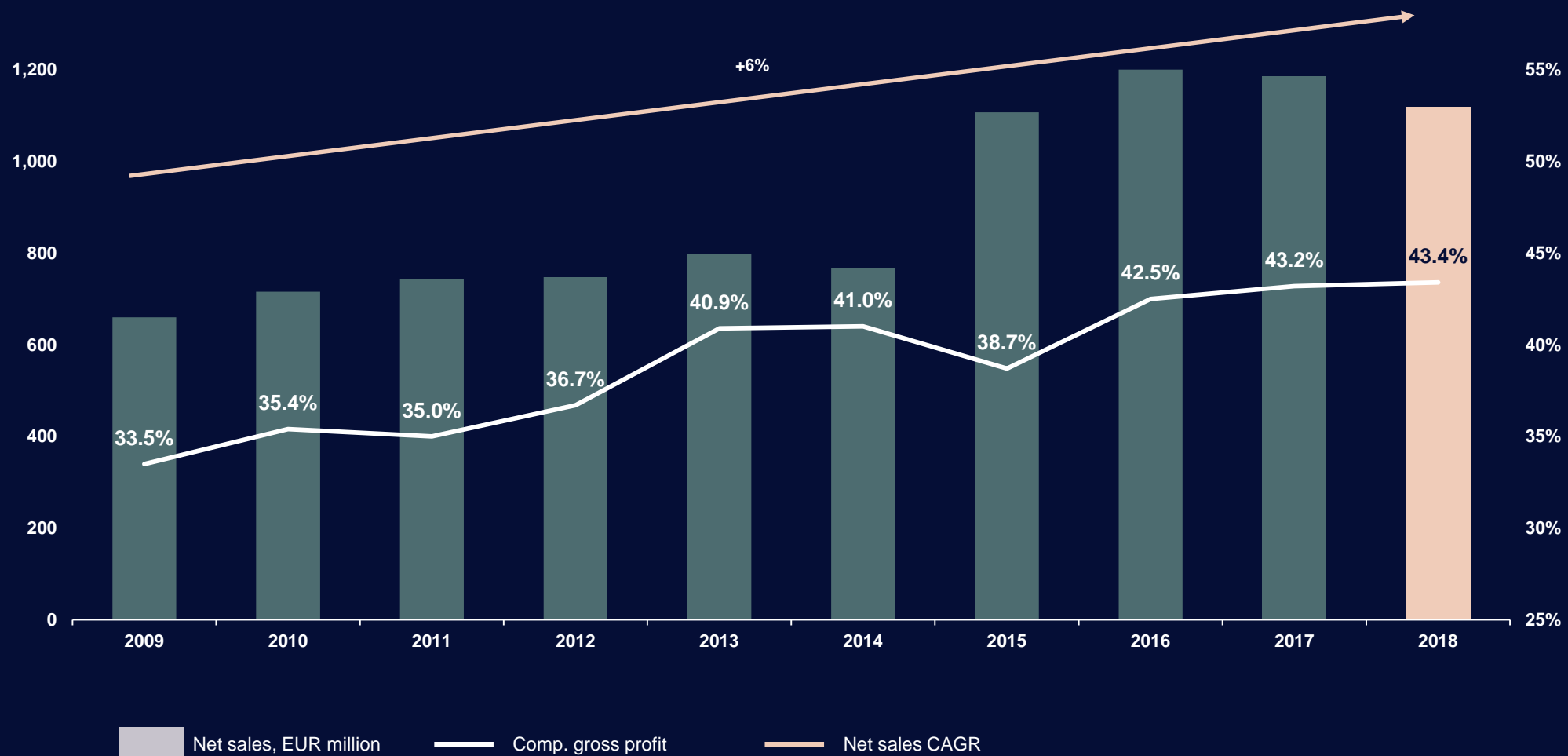


# Other

Other segments contains the corporate headquarters, shared services, investment portfolio and real estate unit. Investment portfolio mainly consisting of share in Wärtsilä.



## Group net sales and profitability development

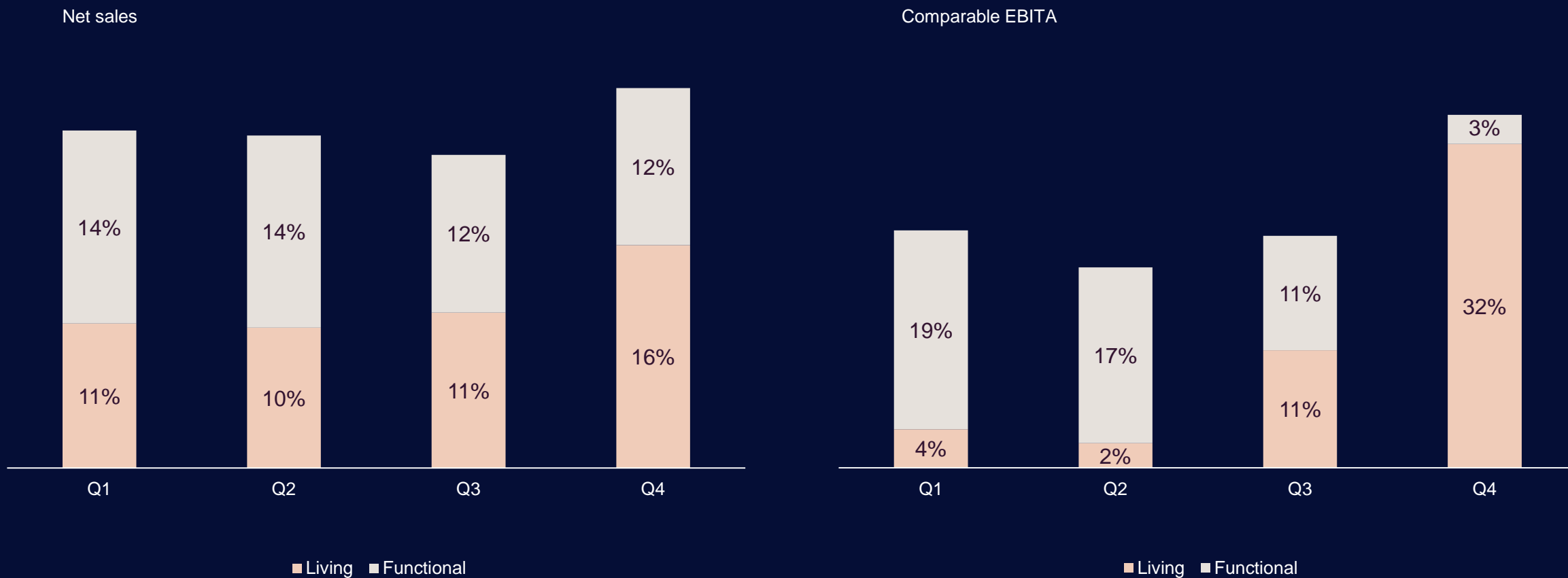


## Comparable EBITA increased in 2018

Comparable EBITA, EUR million



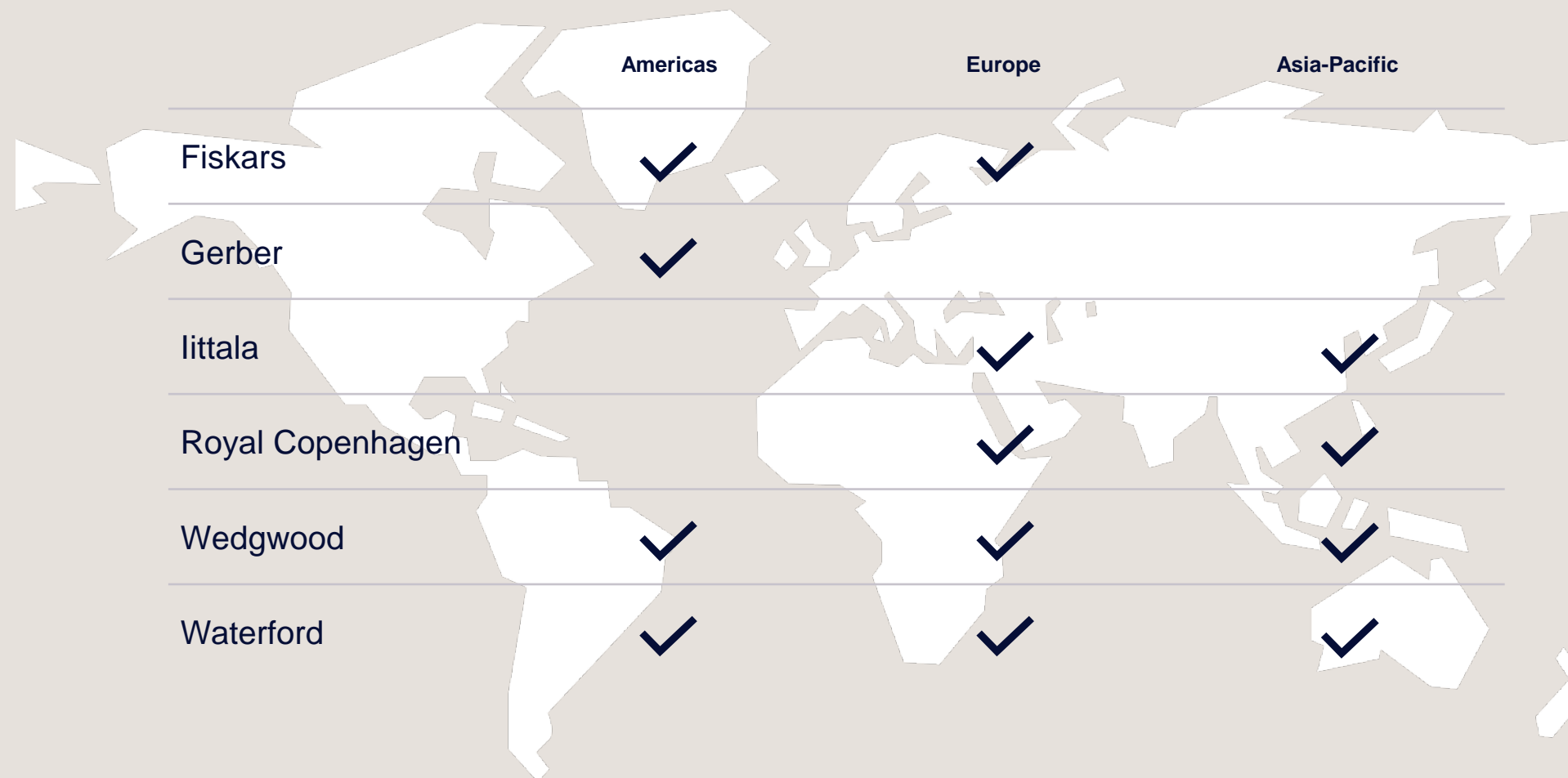
## Seasonalities creating balanced income profile



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



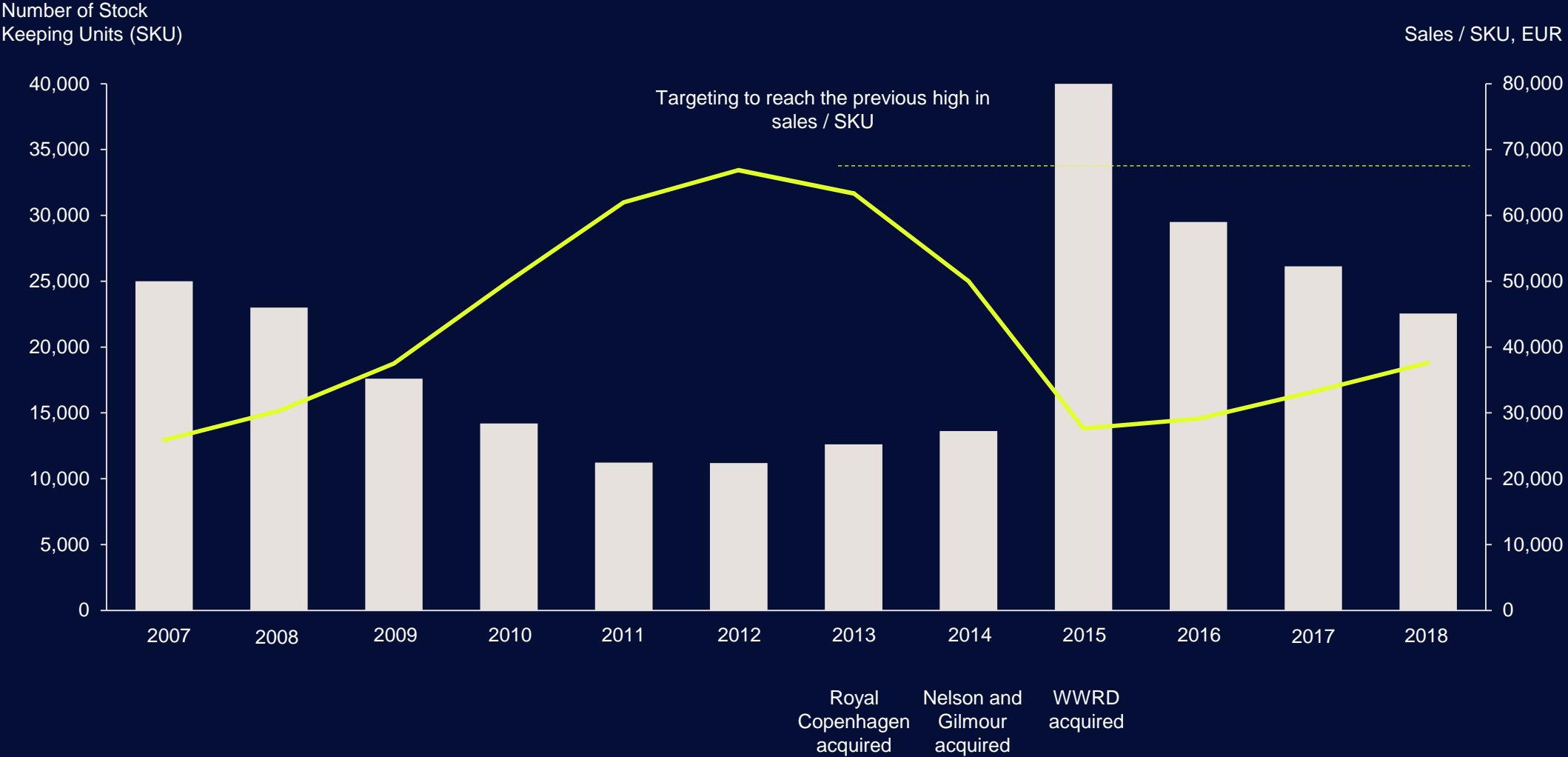
## Main markets for the key international brands



Based on sales split in 2018



SKU reduction ongoing



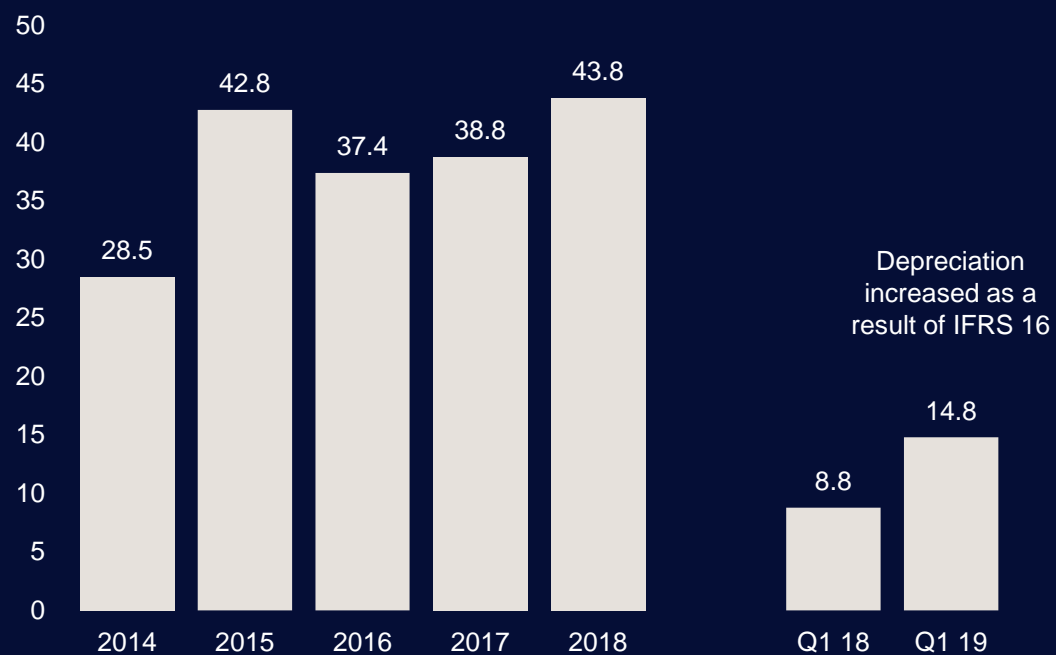
## Cash flow has increased

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

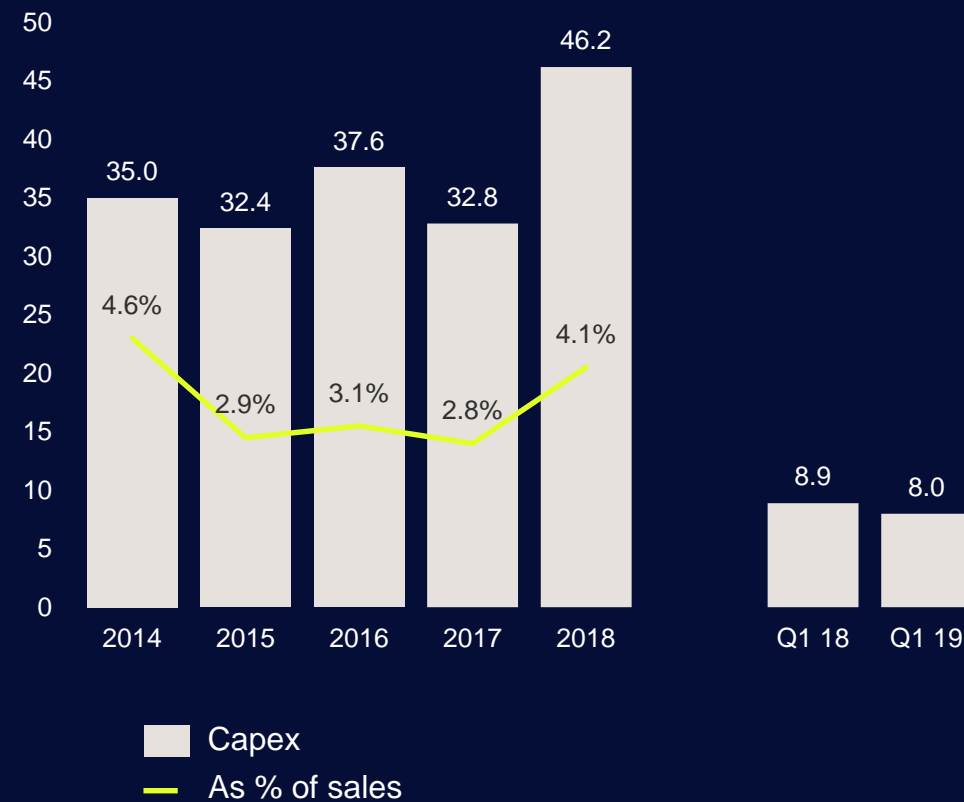


## Capital expenditure increased in 2018 due to a factory expansion

Depreciation, amortization and impairment, EUR million



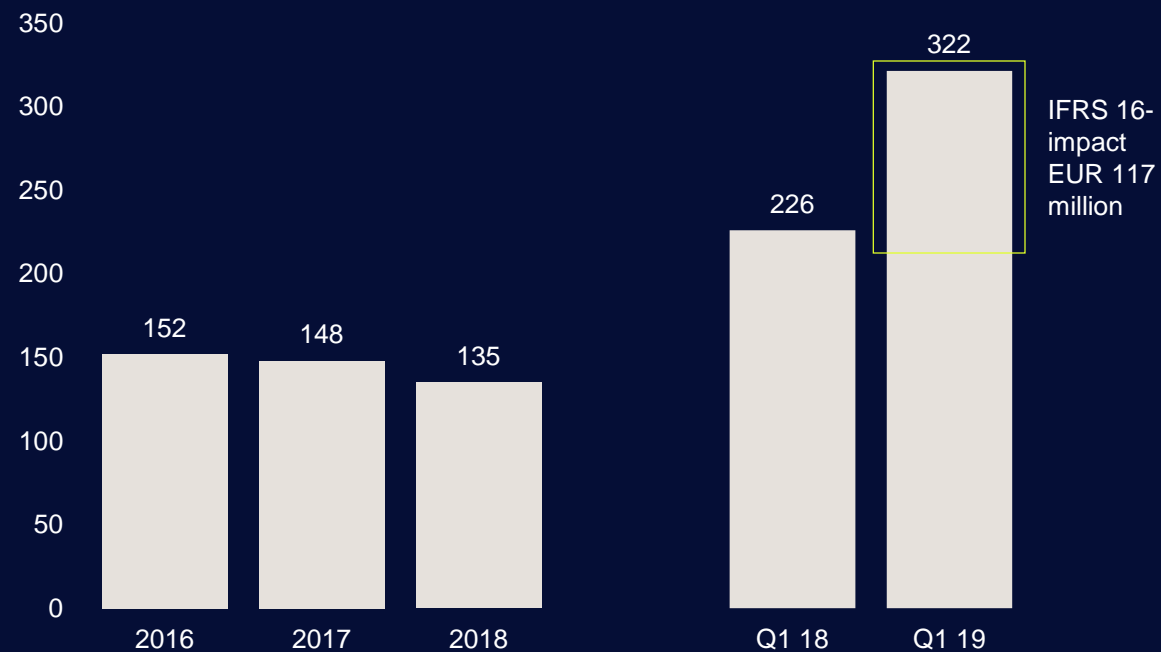
Capex, EUR million



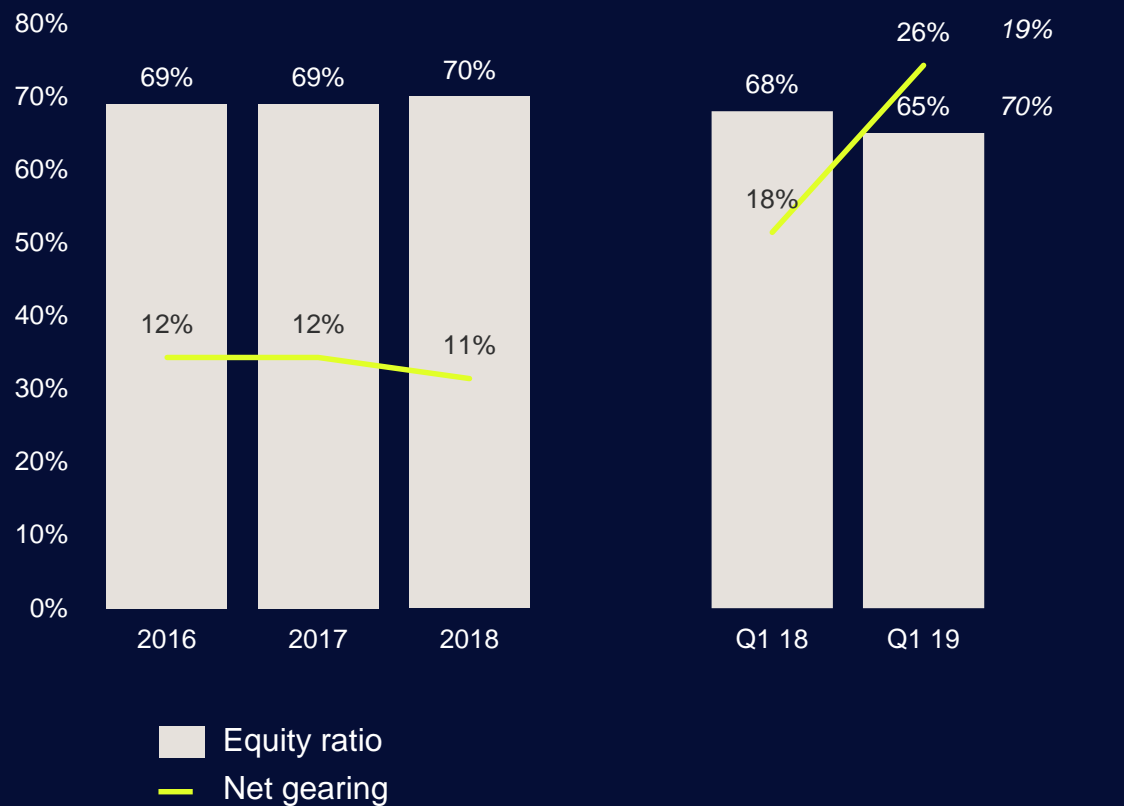


## IFRS 16 impacting balance sheet

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%

A proposed total of EUR 0.54 per share, paid in two installments of EUR 0.27 per share. Additionally, a proposed 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



## **Outlook for 2019 (updated 17.5.2019)**

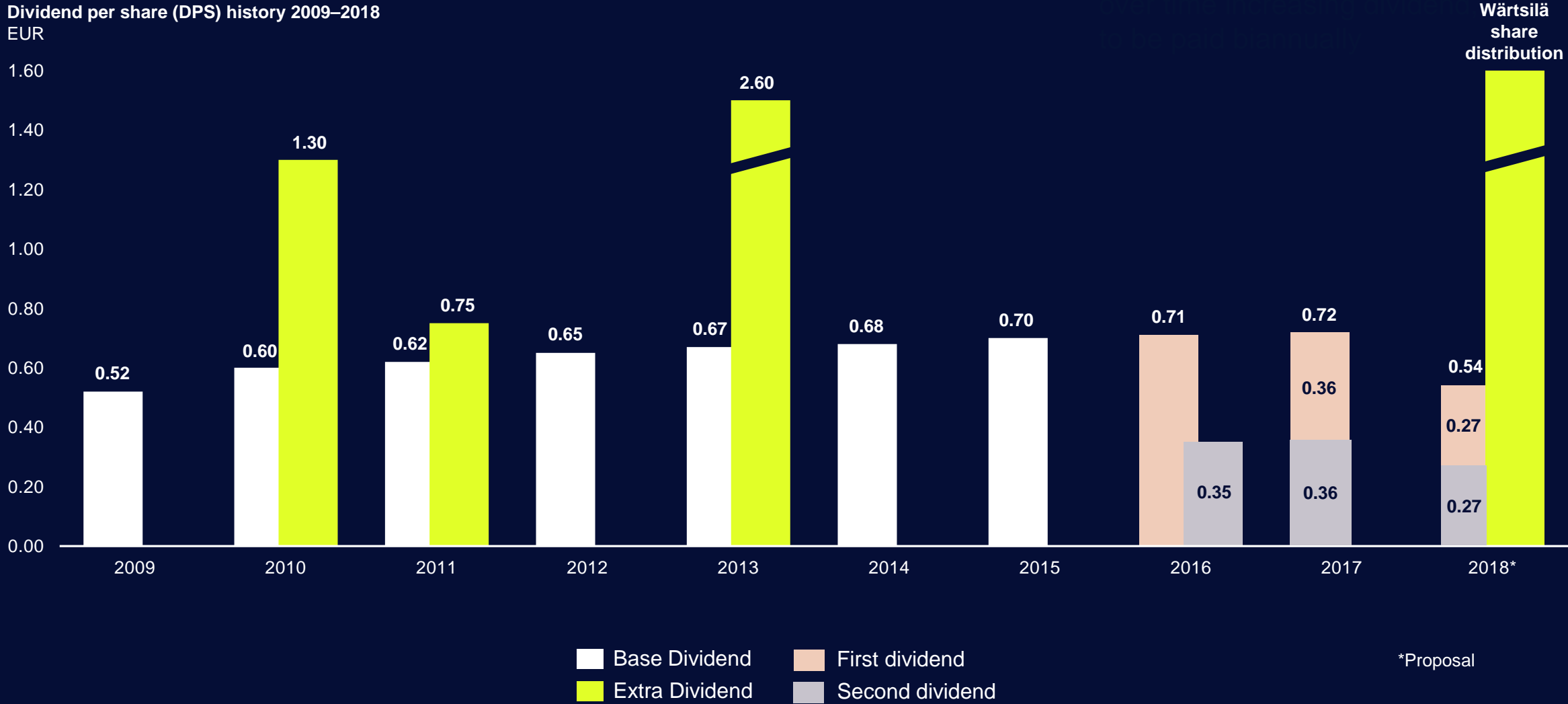
In 2019, Fiskars expects the Group's comparable net sales to be at the same level as in 2018 (unchanged) and comparable EBITA to be below the previous year's level (previously: at the same level).

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.



Proposed Wärtsilä share distribution would change the baseline for dividend growth



## 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.



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