

Making the everyday extraordinary



FISKARS
◆
GROUP

Fiskars in 2018

Net sales by segment

Living

Key categories:
Tabletop
Interior décor
Gifting

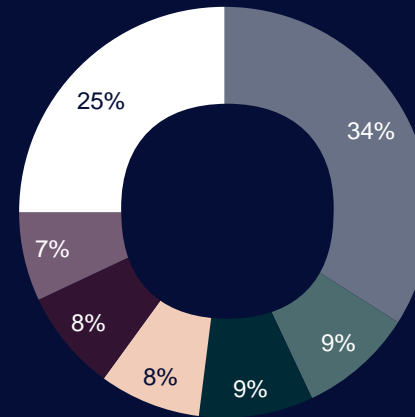
€ **529.6**_m
48 %

Functional

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

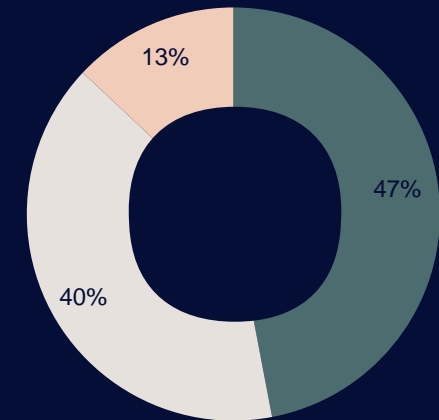
€ **585.2**_m
52 %

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®



iittala



WATERFORD

WEDGWOOD
ENGLAND 1759

Empowers
everyday
creativity to
shape your world

The leading
outdoor gear
brand that
empowers people
to be unstoppable

A design brand
that provides a
progressive
Nordic living

A Danish luxury
porcelain brand
that elevates
memorable
moments

Enables people
to celebrate Irish
conviviality

Continuously
provides new
perspectives of
British lifestyle



Fundamentals

Vision

Creating a positive,
lasting impact on
our quality of life

Strategy

Building a
family of iconic
lifestyle brands

Values

Innovation
Integrity
Accountability
Teamwork

Sustainability

Promoting creativity
Challenging disposability
Empowering people

Purpose

Making the everyday extraordinary

Strategic priorities

Inspiring
people

Exciting
consumers

Growing
business

Increasing
returns



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

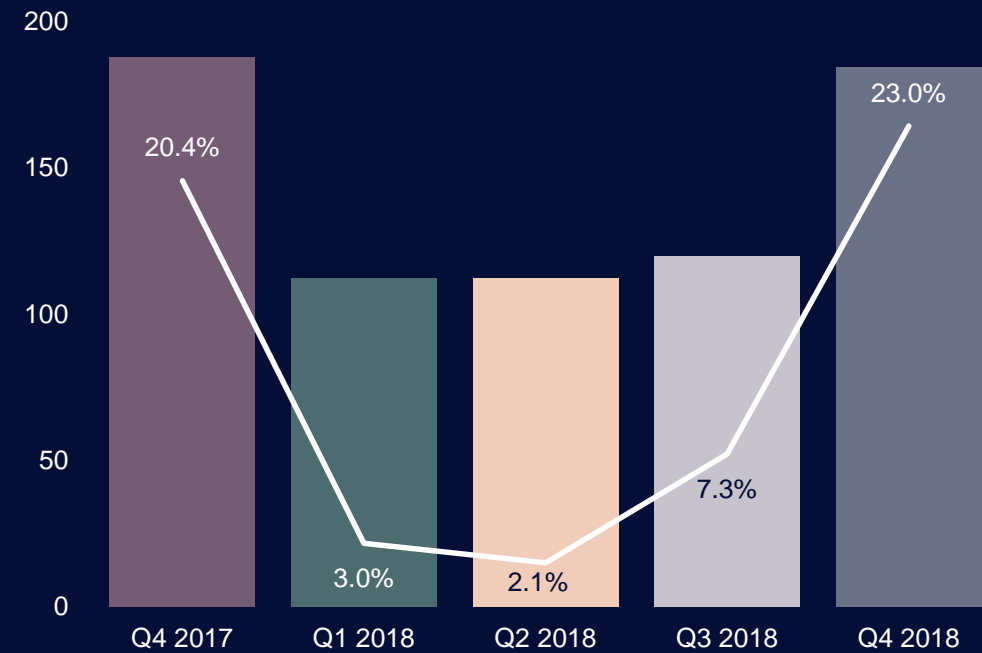
iittala

ARABIA
1873

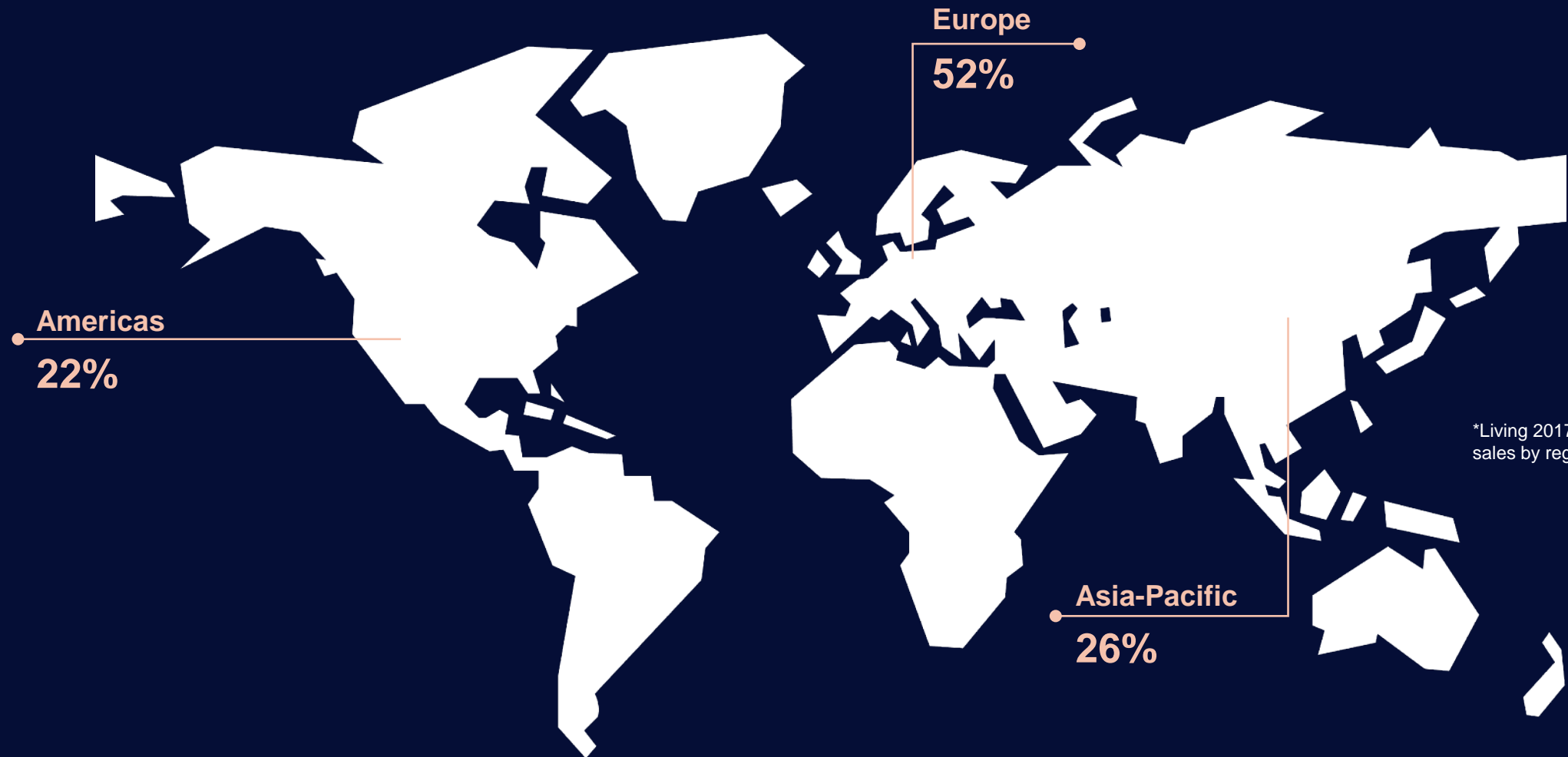

ROYAL COPENHAGEN
PURVEYOR TO HER MAJESTY THE QUEEN OF DENMARK


Rörstrand

Net sales, EUR million – Comparable EBITA, %











SBU Living – Well balanced footprint



*Living 2017 net sales by region

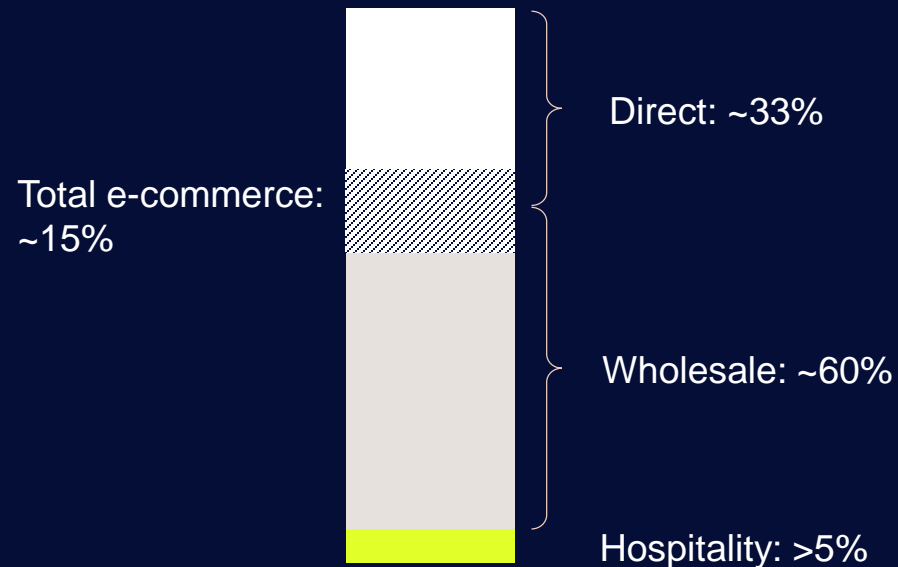
SBU Living – Category split

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

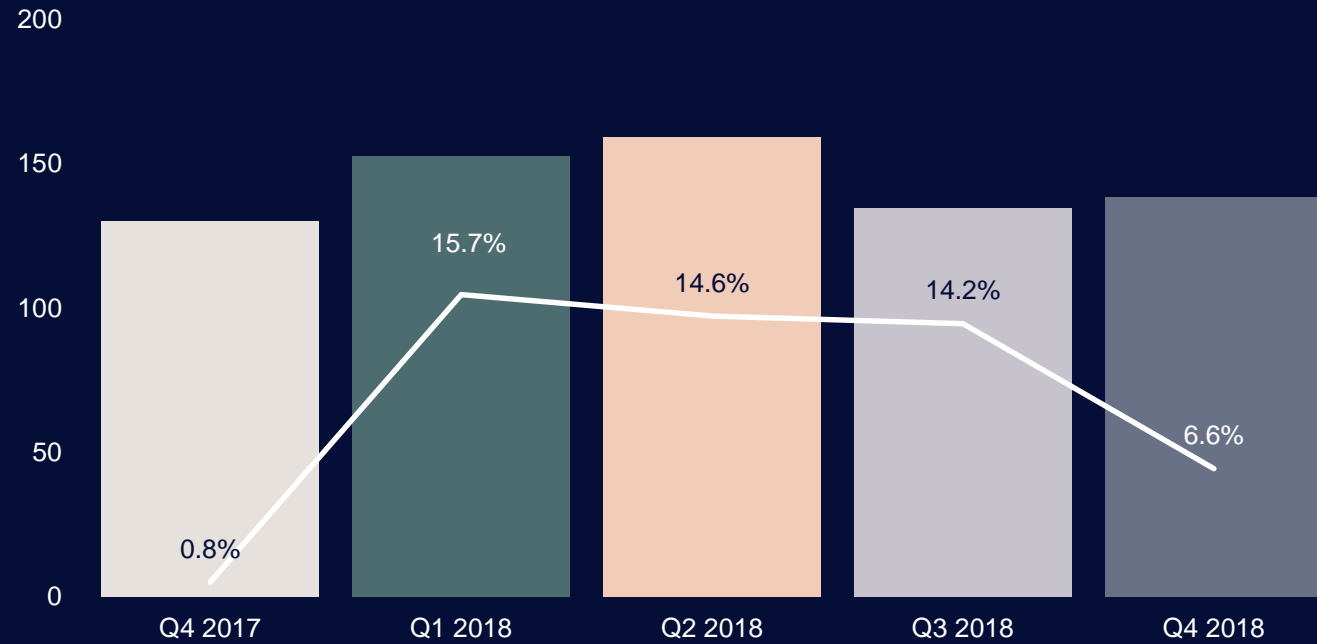
Our brands

FISKARS®

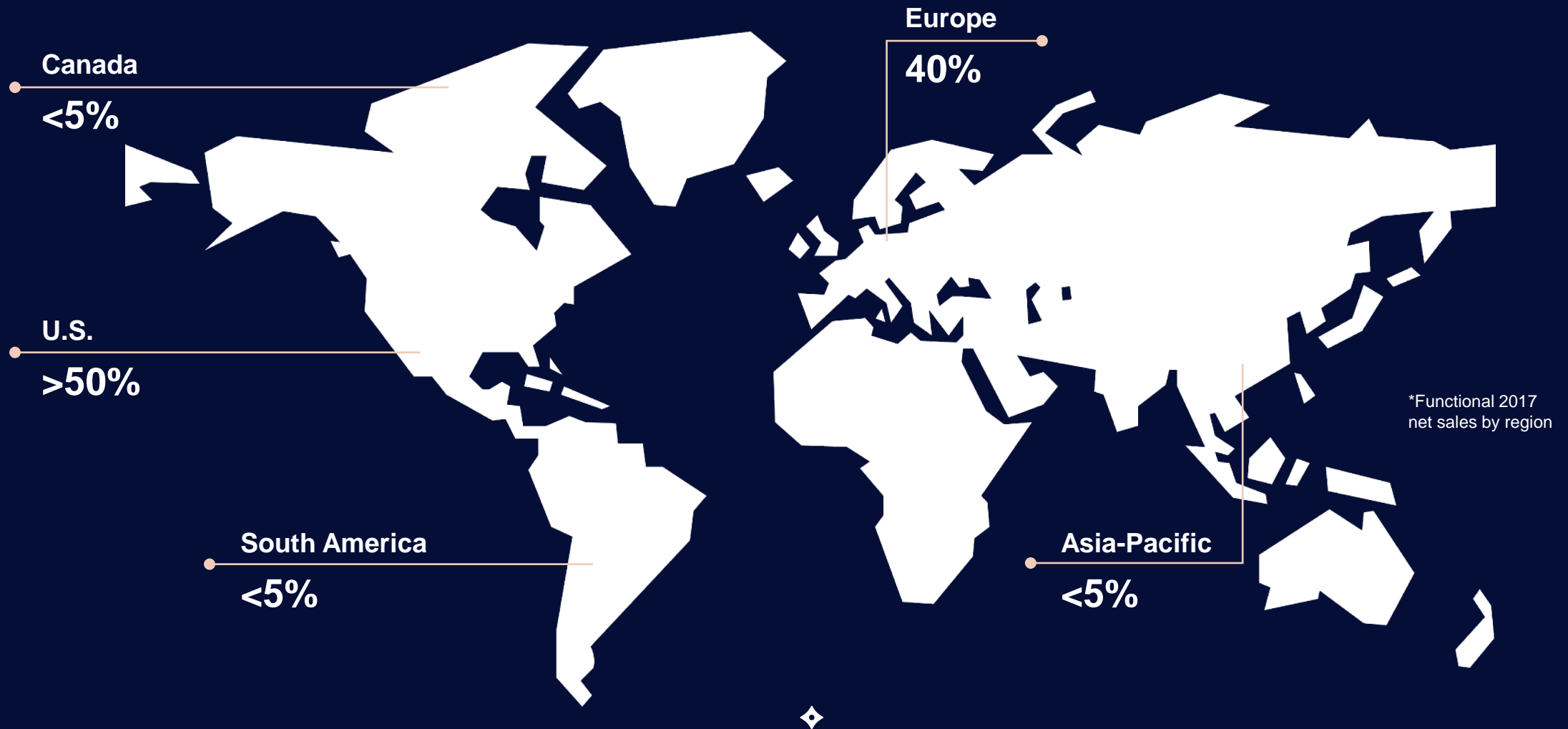


Gilmour

Net sales, EUR million – Comparable EBITA,%



SBU Functional – Well balanced footprint



SBU Functional – Category split



13%
Outdoor



13%
Watering



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

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

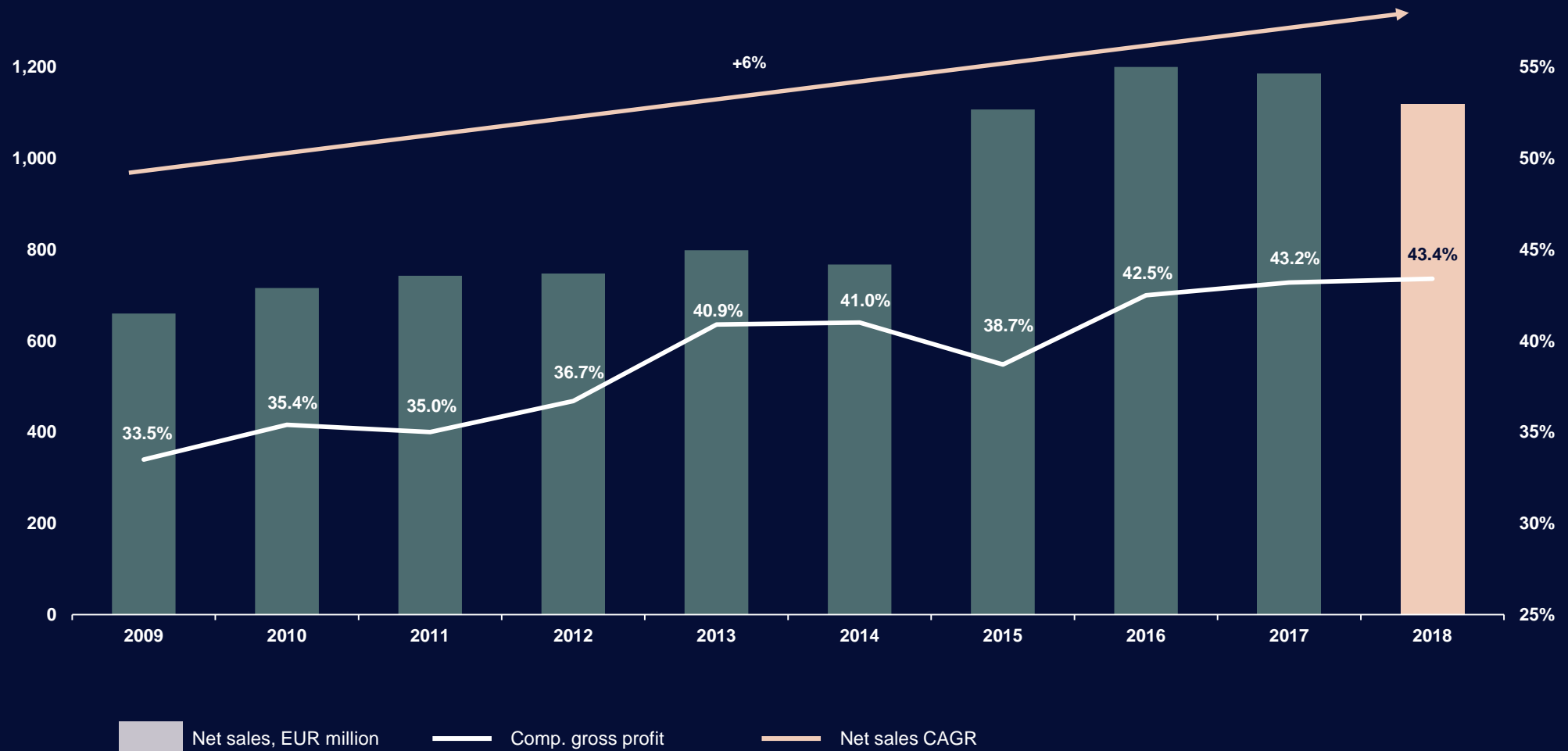


Other

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

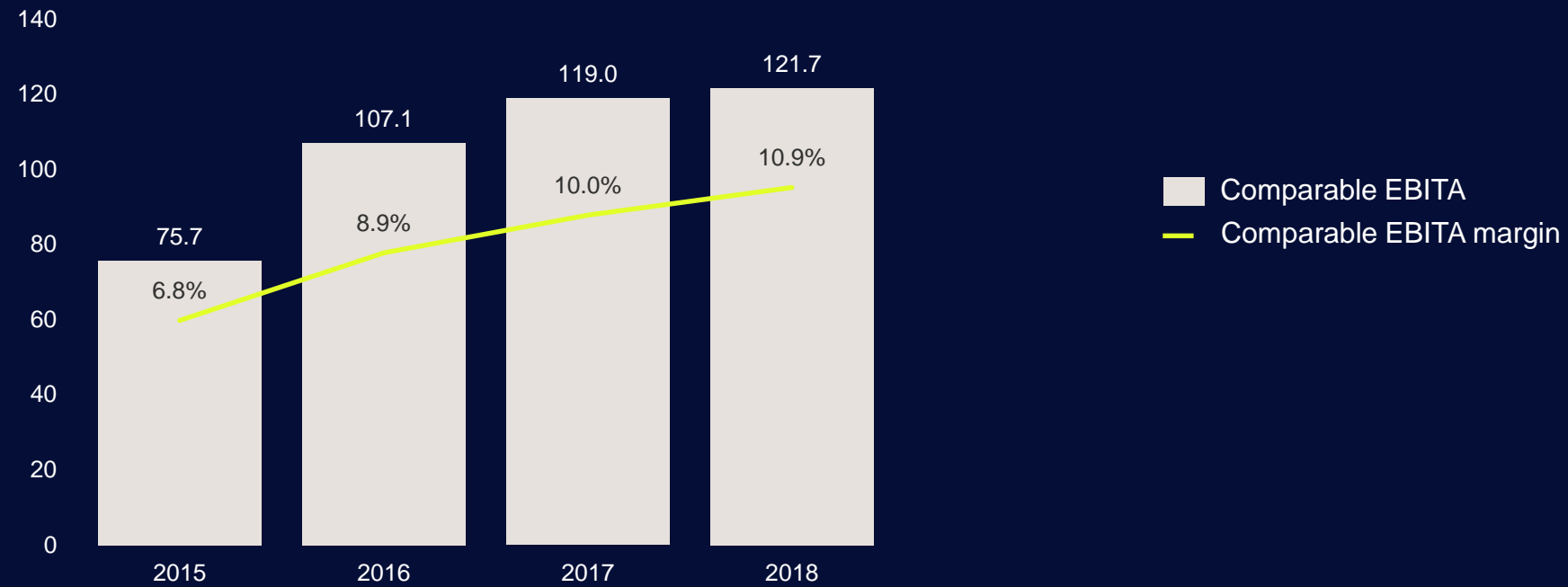


Net sales and profitability development



Comparable EBITA increased in 2018

Comparable EBITA, EUR million



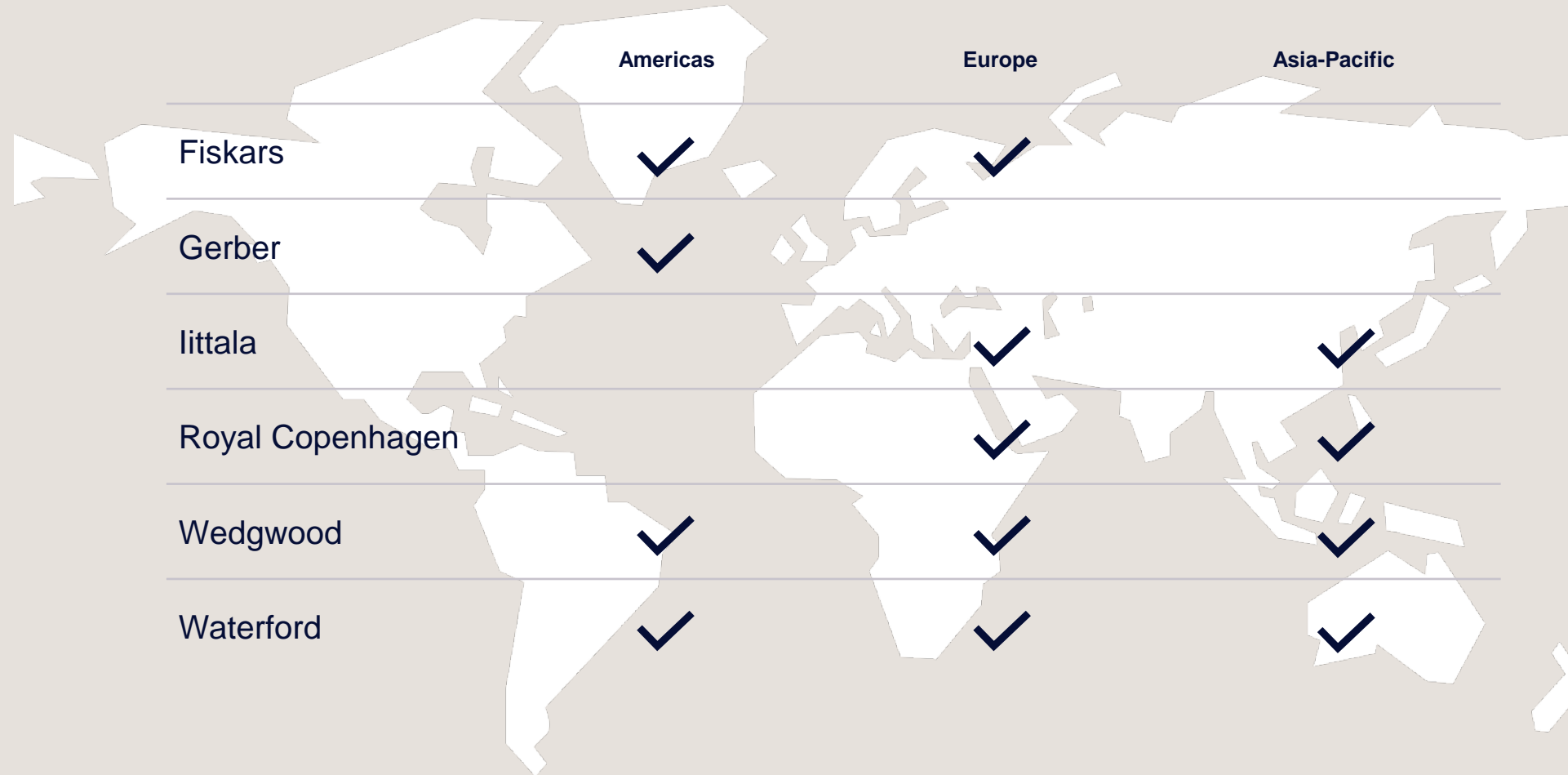
Seasonalities creating balanced income profile



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



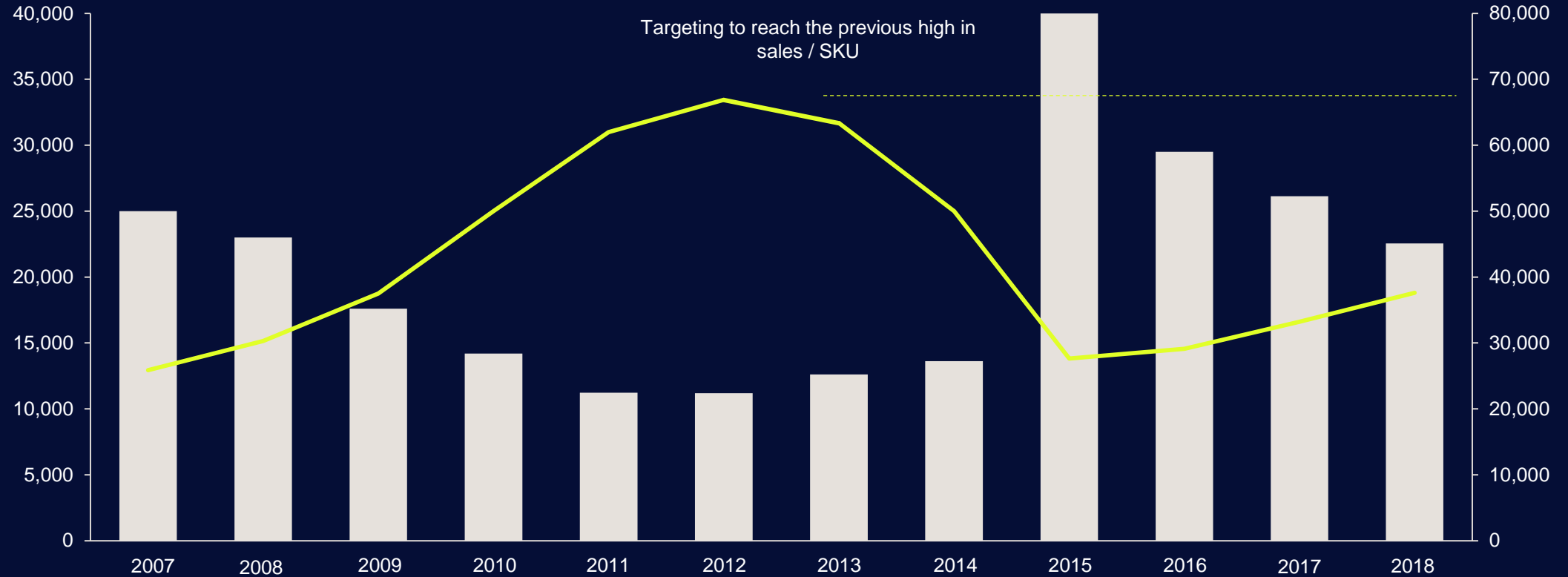
Sales split in 2018



SKU reduction ongoing

Number of Stock Keeping Units (SKU)

Sales / SKU, EUR



Royal Copenhagen acquired

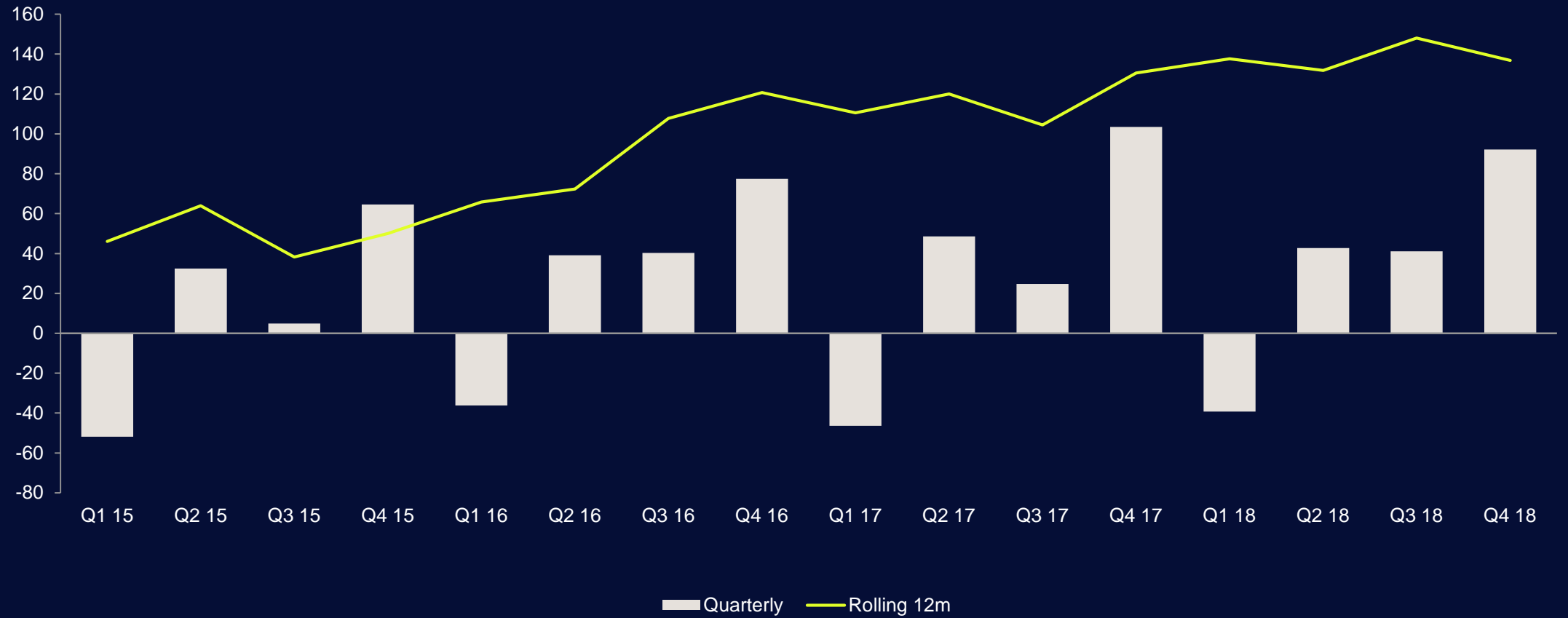
Nelson and Gilmour acquired

WWRD acquired



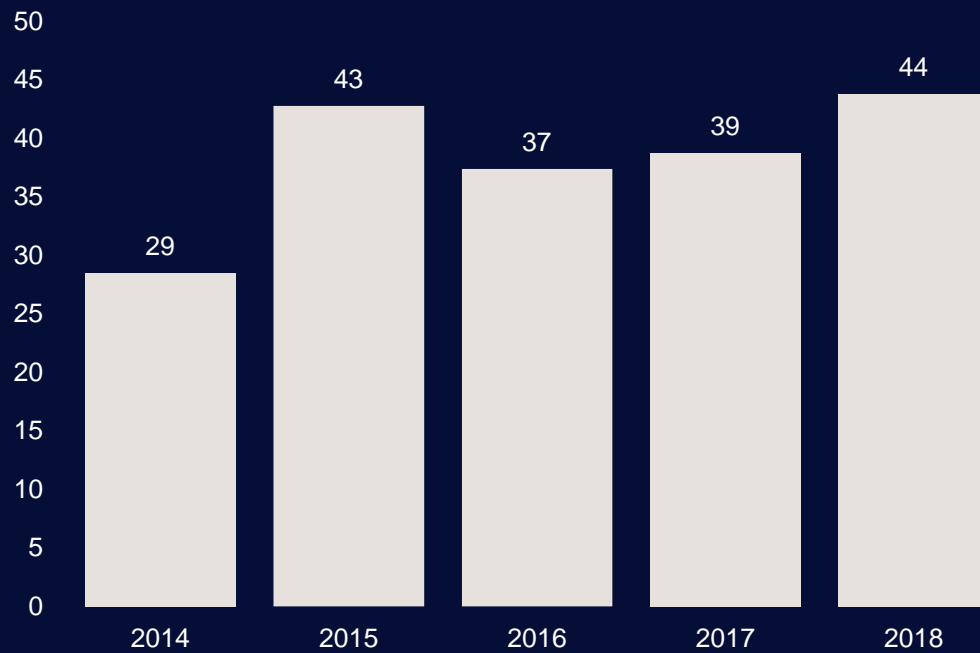
Cash flow has increased

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

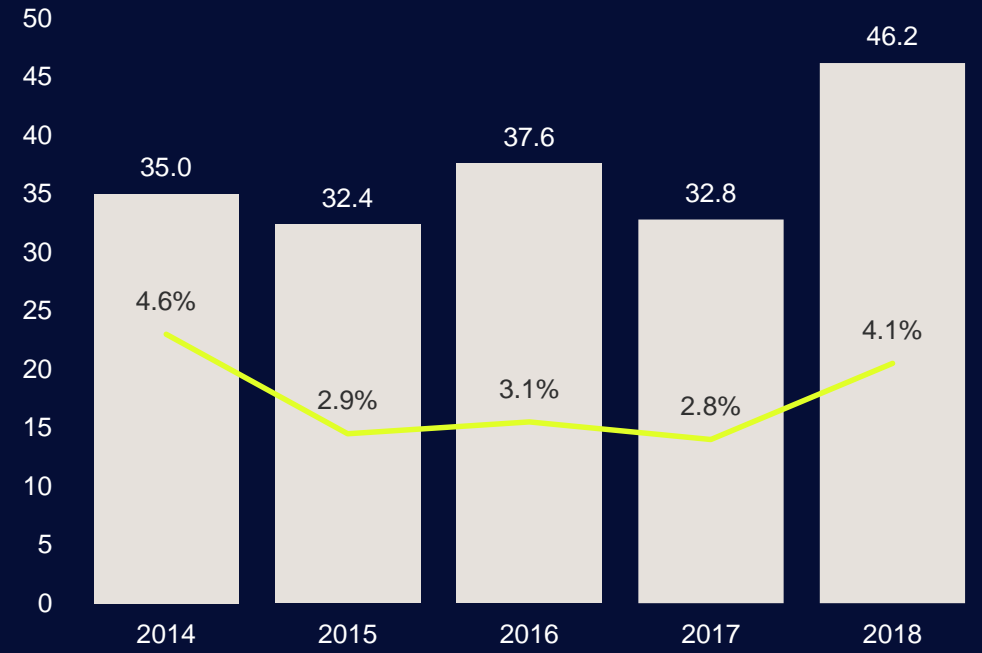


Capital expenditure increased in 2018 due to a factory expansion

Depreciation, amortization and impairment, EUR million



Capex, EUR million

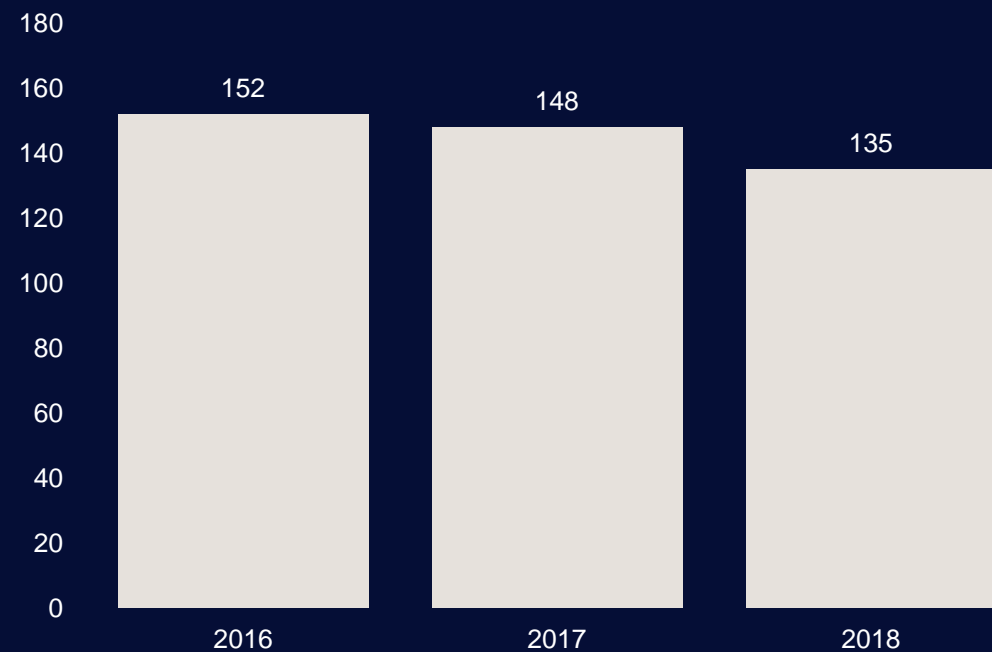


■ Capex
— As % of sales

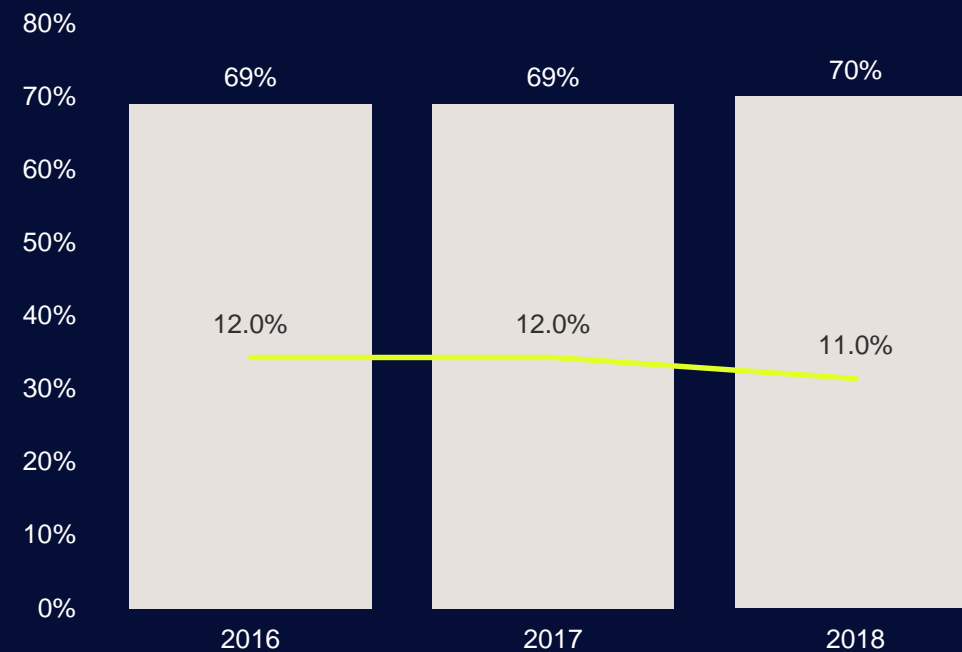


The balance sheet strengthened in 2018

Net debt, EUR million



Net gearing and equity ratio



■ 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



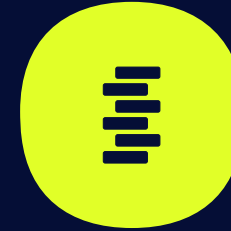
Profitability

EBITA margin to 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

**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

In 2019, Fiskars Group expects the comparable net sales and comparable EBITA to be at the same level as in 2018

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 material risks relating to changes in the operating environment, e.g. Brexit and 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.

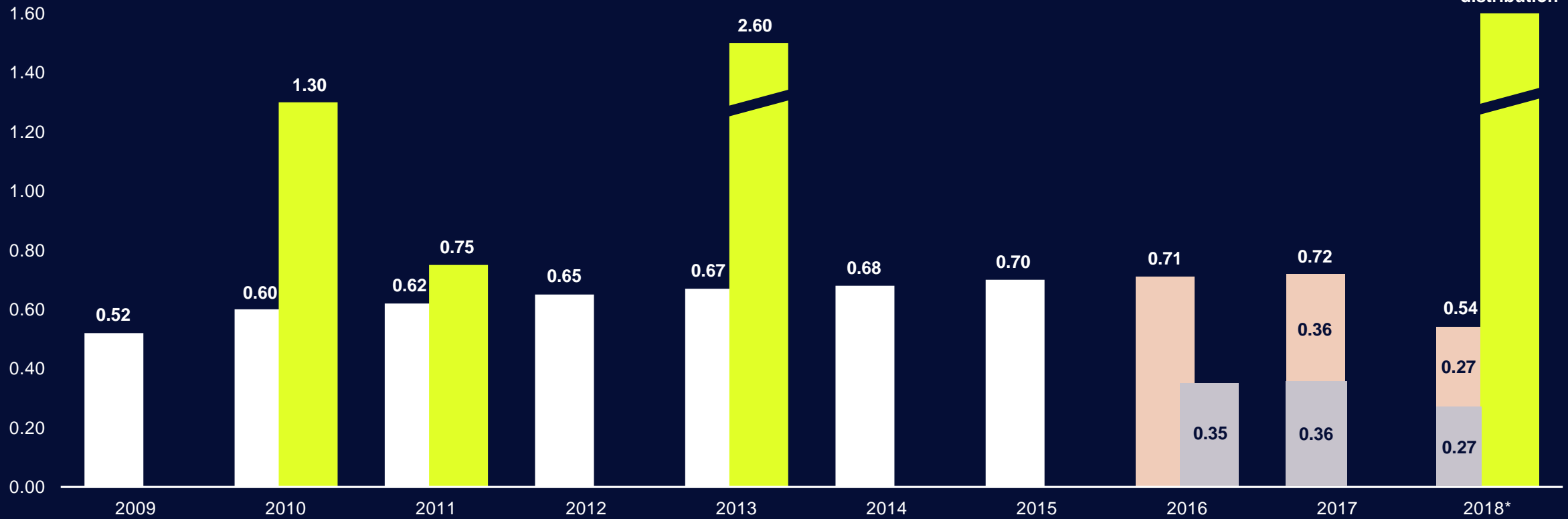
Comparable net sales excludes the impact of exchange rates, acquisitions and divestments. Items affecting comparability in EBITA include restructuring costs, impairment charges, integration related costs, acquisitions and divestments, and gain and loss from the sale of businesses.



Proposed Wärtsilä share distribution would change the baseline for dividend growth

Dividend per share (DPS) history 2009–2018

EUR



- Base Dividend
- Extra Dividend
- First dividend
- Second dividend

*Proposal



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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