



## Strong first-quarter performance: net sales and operating profit up

### First quarter 2010 highlights:

- Net sales increased 2% to EUR 170.0 million (166.6)
- Operating profit increased to EUR 12.6 million (8.6)
- Earnings per share were EUR 0.16 (0.22), due to a decline in profit from associated company Wärtsilä
- Cash flow from operating activities was EUR 13.4 million (15.2)
- Outlook for 2010 updated: Net sales in 2010 are expected to be above 2009 levels (previously: at 2009 levels). Full-year operating profit excluding non-recurring items is expected to increase compared to 2009 (unchanged).

### Fiskars President and CEO, Kari Kauniskangas:

“Fiskars had a strong start to the year and we grew both in terms of net sales and operating profit. The Garden business, in particular, performed well, both in EMEA and the Americas. Net sales for the business area were up 16%, boosted by sales for snow tools across Europe.

The market situation remains uncertain, which makes predicting developments difficult. We have, however, succeeded in strengthening our business and expect to keep up the good work in the coming months. As a result, we have updated our guidance and expect to increase our net sales in 2010 compared to 2009.”

### Group key figures

EUR million	Q1 2010	Q1 2009	Change, %	2009
Net sales	170.0	166.6 *	2%	660.3 *
Operating profit (EBIT)	12.6	8.6	46%	39.5
Share of profit from associated company	5.5	15.2	-64%	66.5
Change in the fair value of standing timber	-0.6	-0.3	121%	-0.4
Profit before taxes	15.7	18.3	-14%	91.4
Profit for the period	12.9	17.0	-24%	83.5
Earnings per share, EUR	0.16	0.22		1.05
Equity per share, EUR	5.93	5.52		6.16
Cash flow from operating activities	13.4	15.2	-12%	121.0
Equity ratio, %	51%	43%		52%
Net gearing, %	53%	79%		47%
Capital expenditure	2.5	4.0	-37%	14.6
Personnel (FTE), average	3,558	4,085	-13%	3,867

\*) The figures for 2009 include changes due to reclassification of certain accounts. Please see the notes to the interim report.

### Further information:

- President and CEO Kari Kauniskangas, tel. +358 204 39 5500
- CFO Teemu Kangas-Kärki, tel. +358 204 39 5703

### News conference:

An analyst and press conference on the first quarter results will be held today, May 4, 2010, at 10:00 am at the company's headquarters, Fiskars Campus, Hämeentie 135 A, Helsinki. Presentation materials will be available at [www.fiskarsgroup.com](http://www.fiskarsgroup.com).

# **FISKARS' INTERIM REPORT, JANUARY - MARCH 2010**

(IFRS, unaudited)

## **Group results**

Fiskars' consolidated net sales in the first quarter of 2010 increased by 2% to EUR 170.0 million (Q1 2009: 166.6 million). Changes in exchange rates did not have a significant effect on net sales at Group level.

Net sales for EMEA (Europe, Middle East, and Asia-Pacific) were EUR 119.8 million (110.7) and EUR 52.5 million (58.6) for the Americas. One of the reasons for the sales growth in EMEA was the strong demand for snow tools; while the decline in the Americas was partly due to the sale of the Brunton in December 2009.

The Group's operating profit increased by 46% to EUR 12.6 million (8.6). These figures do not include any non-recurring items. The operating profit for EMEA was EUR 9.2 million (4.6), thanks to profit improvements mainly in the Home and Garden business areas. Operating profit for the Americas was EUR 6.2 million (6.5).

Fiskars' share of profit from its associated company, Wärtsilä, during the first quarter was EUR 5.5 million (15.2), and the change in the fair value of standing timber was EUR -0.6 million (-0.3).

Net financial costs were EUR 1.8 million (5.3). In 2009, the change in the value of currency derivatives increased financial costs. The first-quarter profit before taxes was EUR 15.7 million (18.3). The profit for the first quarter was EUR 12.9 million (17.0), and earnings per share were EUR 0.16 (0.22).

## **Capital expenditure**

Capital expenditure totaled EUR 2.5 million (4.0) in the first quarter. Depreciation was EUR 5.8 million (6.8). Investments were largely production-related replacement investments.

## **Financing**

Cash flow from operating activities was EUR 13.4 million (15.2) in the first quarter, and includes dividends paid by associated company Wärtsilä totaling EUR 29.5 million (25.3). Cash flow from investing activities was EUR -0.2 million (-3.9) and cash flow after investing activities was EUR 13.2 million (11.3).

Fiskars' net working capital was EUR 131.2 million (170.7) at the end of March, which was EUR 31.6 million higher compared to the year-end figure for 2009. The equity ratio was 51% (43%) and net gearing was 53% (79%).

Cash and cash equivalents at the end of the period totaled EUR 7.4 million (17.3). Net interest-bearing debt amounted to EUR 257.2 million (337.4), which was EUR 21.5 million higher compared to the year-end figure for 2009. Short-term borrowings totaled EUR 189.1 million (215.6) and long-term borrowings EUR 76.0 million (140.4). Short-term borrowings are mainly commercial papers issued by Fiskars Corporation. In addition, Fiskars had EUR 425.0 million (386.6) in unused, binding long-term credit facilities, mainly with major Nordic banks.

## **Personnel**

The Group employed an average of 3,558 (4,085) full-time equivalent employees (FTEs) in the quarter: 2,842 (3,156) people in EMEA, 592 (818) in the Americas, and 124 (111) in Other.

## Operating segments

Fiskars' operating segments are EMEA (Europe, Middle East, and Asia-Pacific), Americas, Wärtsilä (associated company), and Other (Real Estate, corporate headquarter and shared functions). Business areas are Home (homeware and school, office & craft), Garden, and Outdoor (outdoor gear and boats).

### EMEA

EUR million	Q1 2010	Q1 2009	Change, %	2009
Net sales	119.8	110.7	8%	451.6
Net sales, currency neutral	119.8	113.8	5%	461.6
Operating profit	9.2	4.6	100%	26.5
Capital expenditure	1.6	3.1	-49%	10.6
Personnel (FTE), average	2,842	3,156	-10%	3,006

Net sales in EMEA increased 8% to EUR 119.8 million (110.7), partly due to stronger exchange rates against the euro. Using comparable currency rates, sales were up 5%.

The Home business area developed well in the quarter. Net sales for home products rose, in Norway and Sweden in particular. Direct consumer sales through the company's own retail stores were higher than in 2009.

Net sales at the Garden business area grew significantly; sales of snow tools, in particular, were at a record-high level in several countries. Sales of garden tools have started well and net sales were above 2009 levels. The market for construction tools is slowly recovering. Investments in marketing and brand-building continued with a focus on Germany during the quarter.

Outdoor sales were below 2009 levels, mainly due to the weak performance of wellness products in Sweden and France. The market for boats is recovering, and Buster boats sales grew in the quarter. Product development for new boat models remained at a high level.

The segment recorded an operating profit of EUR 9.2 million (4.6). Better production efficiency due to increased volumes and the product mix in the Home and Garden business areas, helped improve the segment's operating profit. Performance in the Outdoor business area improved, but continued to have a negative impact on the operating profit.

### Americas

EUR million	Q1 2010	Q1 2009	Change, %	2009
Net sales	52.5	58.6	-10%	218.2
Net sales, currency neutral	52.5	56.2	-7%	215.7
Operating profit	6.2	6.5	-5%	23.9
Capital expenditure	0.7	0.5	28%	2.8
Personnel (FTE), average	592	818	-28%	742

Net sales in the Americas decreased by 10% to EUR 52.5 million (58.6). Using comparable currency rates, sales decreased by 7%.

Garden net sales developed positively in the quarter, driven by new product categories and positive development with a major retail customer.

Net sales for school, office, and craft products decreased, mostly due to the divestment of the craft consumables business in July 2009. Sales for craft tools also declined, whereas scissor sales improved in the quarter.

The largest decline in net sales was seen in the Outdoor business area, where the Brunton business was sold in December 2009. Sales at Gerber were lower, as both commercial and institutional sales did not reach the exceptionally strong sales levels seen in the first quarter of 2009.

The segment's operating profit was EUR 6.2 million (6.5). The cost savings achieved through the Brunton divestment were offset by decreased sales volumes at Gerber. Increased sales volumes for garden products had a positive impact on the operating profit.

## Other

EUR million	Q1 2010	Q1 2009	Change, %	2009
Net sales	1.6	1.7	-1	6.1
Operating profit	-2.8	-2.5	-12%	-10.9
Capital expenditure	0.3	0.4	-28%	1.2
Personnel (FTE), average	124	111	12%	119

Fiskars' Other segment covers the Real Estate unit, corporate headquarters, and shared services.

Net sales were EUR 1.6 million (1.7) in the first quarter, largely consisting of timber sales and rental income. The operating profit was EUR -2.8 million (-2.5), which was a result of mostly administration costs.

## Wärtsilä

Fiskars owns 17.1% of the shares and votes of its associated company, Wärtsilä Corporation. Fiskars' share of Wärtsilä's profit totaled EUR 5.5 million (15.2) during the first quarter.

Wärtsilä's Annual General Meeting was held on March 4, 2010. The Chairman of Fiskars' Board, Mr. Kaj-Gustaf Bergh, was re-elected to Wärtsilä's Board of Directors. Mr. Alexander Ehrnrooth and Mr. Paul Ehrnrooth, both members of Fiskars' Board, were elected to the Board as new members.

The Annual General Meeting decided to pay a dividend of EUR 1.75 per share (EUR 1.50), which gave Fiskars dividend revenue of EUR 29.5 million (25.3).

The market value of Fiskars' Wärtsilä shares was EUR 631.7 million (267.7) or EUR 7.71 (3.46) per Fiskars' share at the end of the period, with a closing price EUR 37.50 (15.89) per Wärtsilä share. In the consolidated balance sheet the book value of shares was EUR 295.0 million (253.7).

## Corporate governance

Fiskars complies with the Finnish Corporate Governance Code issued by the Securities Market Association, which came into force on January 1, 2009. Fiskars' Corporate Governance Statement for 2009 in accordance with Recommendation 51 of the Code was issued on February 11, 2010 as a separate report.

Fiskars also complies with the insider regulations of NASDAQ OMX Helsinki, updated on October 9, 2009, and the company's internal insider guidelines were last updated on November 3, 2009.

## Changes in management

Mr. Jaakko Autere took over as President of the Home business area and Managing Director of Iittala Group Ltd. in January 2010. He reports to Fiskars' President and CEO, Kari Kauniskangas.

## **Annual General Meeting for 2010**

The Annual General Meeting of Shareholders (AGM) was held on March 16, 2010. The AGM approved the financial statements for 2009 and discharged the members of the Board and the President and CEO from liability. It was decided to pay a dividend of EUR 0.52 per share, totaling EUR 42.6 million. The dividend was paid on March 26, 2010.

The number of Board members was set at nine. Mr. Kaj-Gustaf Bergh, Mr. Ralf Böer, Mr. Alexander Ehrnrooth, Mr. Paul Ehrnrooth, Mr. Gustaf Gripenberg, Mr. Karsten Slotte, and Mr. Jukka Suominen were re-elected; and Ms. Louise Fromond and Ms. Ingrid Jonasson Blank were elected as new members. The term of Board members will expire at the end of the Annual General Meeting in 2011. KPMG Oy Ab was re-elected as company auditor, and nominated Authorized Public Accountant Mr. Mauri Palvi as responsible auditor.

The Annual General Meeting decided to authorize the Board to acquire a maximum of 4,000,000 own shares and convey a maximum of 4,000,000 own shares. The Board may decide on the acquisition and conveyance of shares also in derogation of the pre-emptive right of shareholders to company shares. Both authorizations will remain in force until the end of the next Annual General Meeting.

The AGM further decided to amend Item 7 of the Articles of Association. The amended wording reads as follows: "Shareholders' Meetings (General Meetings) can be held either in Raasepori or Helsinki. Notices to Shareholders' Meetings shall be published on the company's website and in another manner possibly decided by the Board of Directors."

## **Constitutive meeting of the Board**

Convening after the Annual General Meeting, the Board of Directors elected Kaj-Gustaf Bergh as Chairman, and Alexander Ehrnrooth and Paul Ehrnrooth as Vice Chairmen.

The Board appointed Gustaf Gripenberg Chairman of the Audit Committee, and Alexander Ehrnrooth, Paul Ehrnrooth, Louise Fromond, and Karsten Slotte as members. The Board appointed Kaj-Gustaf Bergh Chairman of the Compensation Committee, and Ralf Böer, Ingrid Jonasson Blank, and Jukka Suominen as members. The Board appointed Kaj-Gustaf Bergh Chairman of the Nomination Committee, and Alexander Ehrnrooth and Paul Ehrnrooth as members.

## **Share and shareholders**

Fiskars Corporation has one series of shares (FIS1V), following the combination of the company's series A and K shares in July 2009. All shares carry one vote each and equal rights.

The total number of shares at the end of the period was 82,023,341, including 112,619 treasury shares. Treasury shares correspond to 0.14% of the Corporation's shares and votes. The Board of Directors had authorizations to acquire and convey company shares but these were not used during the quarter. The share capital remained unchanged at EUR 77,510,200.

Shares are traded in the Large Cap segment of NASDAQ OMX Helsinki Ltd. The average share price during the quarter was EUR 12.20 (A share 7.09; K share 11.23). At the end of March, the closing price was EUR 12.60 per share (A share 6.96; K share 11.15). Fiskars had a market capitalization of EUR 1,032 million (596), excluding treasury shares, as of the end of the quarter. The number of shares traded during the quarter was 1.3 million (0.5), which is 1.6% of the average number of shares.

The total number of shareholders was 12,284 (10,327) as of the end of March. Fiskars was not informed of any significant change among its largest shareholders during the quarter.

## **Risks and business uncertainties**

Fiskars' business, net sales, and financial performance may be affected by several uncertainties. The principal uncertainties are related to:

- General market conditions and a potential decline in consumer demand in Fiskars' major market areas in Europe and North America
- Loss of or reduced sales to major retail customers, retailers' financial difficulties, and disruptions in the activities of a distribution channel
- Availability of products due to supply chain issues
- Adverse weather conditions in the Garden business area
- Seasonal variations make predicting developments more difficult, especially in the Home business area, which is heavily geared towards the end of the year
- Sudden fluctuations in raw material and energy prices; the most important raw materials being steel, aluminum, and plastic
- Major changes in the profitability of associated company Wärtsilä or Wärtsilä's ability to pay dividends.

## **Events after the review period**

The Finnish Competition Authority proposed on April 29, 2010 to the Market Court that a fine of EUR 4 million should be imposed on Iittala Group Oy Ab due to violation of the Finnish Competition Act by applying resale price maintenance between 2005 and 2007. The Iittala Group, a Fiskars subsidiary, considers as a starting point the proposal to be unfounded. The Market Court will decide on the matter in due course. No provision has been booked for the proposed fine.

## **Outlook for 2010**

The market situation is expected to remain uncertain, which will continue to make predicting developments difficult in 2010. Consumer demand is stabilizing but retailer purchasing is expected to remain cautious.

Fiskars expects to strengthen its business and will continue implementing measures designed to improve its profitability and competitiveness in 2010. Investments in brands and product development will be increased, as the Group's capabilities in these areas are central to its success in a challenging market situation.

Fiskars' net sales in 2010 are expected to be above 2009 levels. Full-year operating profit excluding non-recurring items is expected to increase compared to 2009. Fiskars previously estimated its net sales to be at 2009 levels.

Associated company Wärtsilä will continue to have a major impact on Fiskars' profit and cash flow in 2010.

Helsinki, Finland, May 3, 2010

Fiskars Corporation  
Board of Directors

<b>CONSOLIDATED INCOME STATEMENT</b>	1-3	1-3	Change	1-12
<b>M€</b>	2010	2009*	%	2009*
<b>Net sales</b>	170.0	166.6	2	660.3
Cost of goods sold	-110.3	-112.3	-2	-439.2
<b>Gross profit</b>	59.7	54.2	10	221.1
Other operating income	1.1	0.7	60	1.8
Sales and marketing expenses	-30.2	-28.9	4	-114.2
Administration expenses	-16.0	-15.3	5	-60.0
Research and development costs	-1.9	-2.1	-5	-8.7
Other operating expenses	0.0	0.0		-0.5
<b>Operating profit (EBIT)</b>	12.6	8.6	46	39.5
Change in fair value of biological assets	-0.6	-0.3		-0.4
Share of profit from associate	5.5	15.2	-64	66.5
Other financial income and expenses	-1.8	-5.3	-66	-14.2
<b>Profit before taxes</b>	15.7	18.3	-14	91.4
Income taxes	-2.9	-1.3		-7.9
<b>Profit for the period</b>	<b>12.9</b>	<b>17.0</b>	<b>-24</b>	<b>83.5</b>
Attributable to:				
Owners of the Company	<b>12.9</b>	<b>17.0</b>	<b>-24</b>	<b>83.5</b>
Non-controlling interest		0.0		0.0
	12.9	17.0		83.5
<b>Earnings for owners of the Company per share, euro (basic and diluted)</b>	0.16	0.22		1.05
<b>OTHER COMPREHENSIVE INCOME</b>	1-3	1-3		1-12
<b>M€</b>	2010	2009		2009
Profit for the period	12.9	17.0		83.5
Translation differences	8.3	3.9		-1.9
Change in associate recognized directly in other comprehensive income	2.2	0.2		12.7
Equity net investment hedges after tax		-1.5		1.3
Defined benefit plan, actuarial gains (losses), net of tax	0.0	-0.5		0.7
Other comprehensive income for the period, net of tax, in total	10.6	2.1		12.8
<b>Total comprehensive income for the period</b>	<b>23.4</b>	<b>19.1</b>		<b>96.3</b>
Attributable to:				
Owners of the Company	<b>23.4</b>	<b>19.0</b>		<b>96.3</b>
Non-controlling interest				0.0
	23.4	19.1		96.3

\*) The previous year's figures include changes due to reclassification of certain accounts.  
Please see the notes to the interim financial statements.



**CONSOLIDATED BALANCE SHEET**  
**M€**

3/2010    3/2009    Change 12/2009  
%

**ASSETS**

**Non-current assets**

Goodwill	99.7	99.5	0	99.4
Other intangible assets	128.5	130.4	-1	124.9
Property, plant & equipment	93.2	111.6	-17	99.5
Biological assets	38.3	39.0	-2	38.9
Investment property	8.5	7.8	9	8.5
Investments in associates	295.0	253.7	16	316.8
Financial assets				
Shares at fair value through profit and loss	3.1	3.1	0	3.0
Other investments	2.0	2.2	-6	2.1
Deferred tax assets	18.0	22.5	-20	17.8
<b>Non-current assets total</b>	<b>686.3</b>	<b>669.8</b>	<b>2</b>	<b>710.9</b>

**Current assets**

Inventories	126.7	161.8	-22	119.0
Trade and other receivables	136.0	131.0	4	101.9
Income tax receivables	2.7	5.2	-48	2.9
Cash and cash equivalents	7.4	17.3	-57	38.6
<b>Current assets, total</b>	<b>272.8</b>	<b>315.4</b>	<b>-13</b>	<b>262.4</b>

<b>Assets total</b>	<b>959.1</b>	<b>985.2</b>	<b>-3</b>	<b>973.3</b>
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**EQUITY AND LIABILITIES**

Equity attributable to the owners of the Company	485.7	427.6	14	504.8
Non-controlling interest		-0.1		
<b>Equity total</b>	<b>485.7</b>	<b>427.6</b>	<b>14</b>	<b>504.8</b>

**Non-current liabilities**

Interest bearing debt	76.0	140.4	-46	74.9
Other liabilities	1.3	1.4	-7	0.9
Deferred tax liabilities	46.9	48.5	-3	47.2
Pension liability	9.3	9.7	-4	9.4
Provisions	5.9	9.1	-35	6.7
<b>Non-current liabilities total</b>	<b>139.4</b>	<b>209.2</b>	<b>-33</b>	<b>139.1</b>

**Current liabilities**

Interest bearing debt	189.1	215.6	-12	199.7
Provisions	4.1	4.1	0	2.4
Trade and other payables	131.5	122.1	8	121.3
Income tax payable	9.3	6.6	41	6.1
<b>Current liabilities total</b>	<b>334.1</b>	<b>348.4</b>	<b>-4</b>	<b>329.4</b>

<b>Equity and liabilities total</b>	<b>959.1</b>	<b>985.2</b>	<b>-3</b>	<b>973.3</b>
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<b>CONSOLIDATED STATEMENT OF CASH FLOWS M€</b>	1-3 2010	1-3 2009	1-12 2009
<b>Cash flow from operating activities</b>			
Profit before taxes	15.7	18.3	91.4
Adjustments for			
Depreciation	5.8	6.8	28.1
Share of profit from associate	-5.5	-15.2	-66.5
Investment income	-0.8	0.0	0.3
Interest expenses	1.8	5.3	14.2
Change in fair value of biological assets	0.6	0.3	0.4
Change in provisions and other non-cash items	-2.1	-0.3	-12.4
Cash flow before changes in working capital	15.5	15.1	55.6
Changes in working capital			
Change in current assets, non-interest bearing	-30.0	-25.0	-0.7
Change in inventories	-2.1	0.4	50.3
Change in current liabilities, non-interest bearing	5.0	1.8	4.1
Cash flow from operating activities before financial items and taxes	-11.6	-7.6	109.3
Dividends from associate	29.5	25.3	25.3
Financial costs paid (net)	-1.3	-4.6	-13.8
Taxes paid	-3.1	2.2	0.2
<b>Cash flow from operating activities (A)</b>	<b>13.4</b>	<b>15.2</b>	<b>121.0</b>
<b>Cash flow from investing activities</b>			
Acquisitions			-0.2
Capital expenditure on fixed assets	-2.5	-4.0	-14.5
Proceeds from sale of fixed assets	2.1	0.1	1.6
Cash flow from other investments	0.2	0.0	4.2
<b>Cash flow from investing activities (B)</b>	<b>-0.2</b>	<b>-3.9</b>	<b>-8.7</b>
<b>Cash flow from financing activities</b>			
Borrowings of non-current debt		40.0	40.0
Repayment of non-current debt	-0.3	-15.7	-86.5
Change in current debt	-0.7	10.1	2.0
Payment of financial lease liabilities	-0.3	-0.6	-2.5
Cash flow from other financing items	-0.6	-0.9	-0.1
Dividends paid	-42.6	-38.2	-38.2
<b>Cash flow from financing activities (C)</b>	<b>-44.6</b>	<b>-5.4</b>	<b>-85.4</b>
<b>Change in cash (A+B+C)</b>	<b>-31.5</b>	<b>5.9</b>	<b>26.9</b>
Cash at beginning of period	38.6	11.3	11.3
Translation difference	0.3	0.1	0.5
Cash at end of period	7.4	17.3	38.6

**STATEMENT OF CHANGES IN  
CONSOLIDATED EQUITY**

M€	Share capital	Equity attributable to the owners of the Company:			Non-cont rolling interest	Total
		Trea- sury shares	Cumul. transl. diff.	Retain. earn.		
<b>Dec 31, 2008</b>	<b>77.5</b>	<b>-0.8</b>	<b>-16.5</b>	<b>386.5</b>	<b>0.0</b>	<b>446.7</b>
Total comprehensive income for the period		0.0	4.8	14.3	0.0	19.1
Dividends paid				-38.2		-38.2
<b>Mar 31, 2009</b>	<b>77.5</b>	<b>-0.8</b>	<b>-11.7</b>	<b>362.5</b>	<b>-0.1</b>	<b>427.6</b>
Total comprehensive income for the period			-1.1	78.3	0.0	77.2
Dividends paid				0.0		0.0
Acquisition of non-controlling interest					0.1	0.1
<b>Dec 31, 2009</b>	<b>77.5</b>	<b>-0.8</b>	<b>-12.8</b>	<b>440.9</b>	<b>0.0</b>	<b>504.8</b>
Total comprehensive income for the period		0.0	10.4	13.0	0.0	23.4
Dividends paid				-42.6		-42.6
<b>Mar 31, 2010</b>	<b>77.5</b>	<b>-0.8</b>	<b>-2.4</b>	<b>411.3</b>	<b>0.0</b>	<b>485.7</b>

**KEY FIGURES \***

	3/2010	3/2009	Change	12/2009
			%	
Equity/share, euro	5.93	5.52	7	6.16
Equity ratio	51%	43%	17	52%
Net gearing	53%	79%	-33	47%
Net interest bearing debt, EUR million	257.2	337.4	-24	235.7
Personnel (FTE), average	3,558	4,085	-13	3,867
Personnel, end of period	3,808	4,060	-6	3,742
Number of shares outstanding end of period, in thousands				
A shares **		54,832		
K shares **		22,565		
Total	81,911	77,398		81,911
Weighted average number of outstanding shares during period, in thousands	81,911	77,398		79,289

**CURRENCY RATES**

	1-3 2010	1-3 2009	Change %	1-12 2009
USD average rate	1.38	1.30	6	1.39
USD end-of-period	1.35	1.33	1	1.44

\*) Please see the annual financial statements 2009 for the calculation of key figures.

\*\*) The share series of Fiskars Corporation were combined in July 2009.

Please see the notes to the interim financial statements.

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

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This interim financial statement bulletin is prepared in accordance with IAS 34 (Interim Financial Reporting) using the same accounting policies and methods of computation as in the previous annual financial statements.

All figures in the accounts have been rounded and consequently the sum of individual figures can deviate from the presented sum figure.

The previous year's figures include changes due to reclassification of certain accounts. The main impacts of the reclassification for 2009 are summarized below:

- net sales EUR -0.6 million in Q1 2009 and EUR -2.6 million in full year 2009
- gross profit EUR -1.0 million in Q1 2009 and EUR -5.6 million in full year
- the operating profit (EBIT) of 2009 is unchanged

Additionally, Fiskars has adopted following definitions for employee reporting in 2010:

Personnel, end of period = active employees in payroll at the end of period.

Personnel (FTE), average = full-time equivalent number of employees according to worked volume during the period.

The share series of Fiskars Corporation were combined in July 2009.

The earnings per share (EPS) in the comparison year's second half includes the effect from the change in the number of shares after the combination.

The Group has implemented the following new or amended International Financial Reporting Standards (IFRS) applicable to the Group as of January 1, 2010:

- Revised IFRS 3 Business Combinations
- Amended IAS 27 Consolidated and Separate Financial Statements
- IFRS 9 Financial Instruments

The adoption of the standards above had no impact on the reported results or financial position.

Use of estimates:

The preparation of the financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the valuation of the reported assets and liabilities and other information, such as contingent liabilities and the recognition of income and expenses in the income statement. Although the estimates are based on the management's best knowledge of current events and actions, actual results may differ from the estimates.

<b>OPERATING SEGMENTS</b>	1-3	1-3	Change	1-12
<b>M€</b>	2010	2009*	%	2009*
<b>Net sales</b>				
EMEA	119.8	110.7	8	451.6
Americas	52.5	58.6	-10	218.2
Other	1.6	1.7	-1	6.1
Inter-segment sales **)	-3.9	-4.4		-15.5
<b>GROUP TOTAL</b>	<b>170.0</b>	<b>166.6</b>	<b>2</b>	<b>660.3</b>
<b>Operating profit (EBIT)</b>				
EMEA	9.2	4.6	100	26.5
Americas	6.2	6.5	-5	23.9
Other and eliminations	-2.8	-2.5	12	-10.9
<b>GROUP TOTAL</b>	<b>12.6</b>	<b>8.6</b>	<b>46</b>	<b>39.5</b>
<b>Depreciation, amortization and impairment</b>				
EMEA	4.0	4.3	7	20.5
Americas	1.3	2.0	34	7.8
Other and eliminations	0.4	0.4	1	-0.1
<b>GROUP TOTAL</b>	<b>5.8</b>	<b>6.8</b>	<b>15</b>	<b>28.1</b>
<b>Capital expenditure</b>				
EMEA	1.6	3.1	-49	10.6
Americas	0.7	0.5	28	2.8
Other and eliminations	0.3	0.4	-28	1.2
<b>GROUP TOTAL</b>	<b>2.5</b>	<b>4.0</b>	<b>-37</b>	<b>14.6</b>

\*) The previous year's figures include changes due to reclassification of certain accounts.  
Please see the notes to the interim financial statements.

\*\*) Inter-segment sales

EMEA	-2.6	-3.1		-7.7
Americas	-0.7	-1.0		-4.6
Other	-0.6	-0.4		-3.2

Short delivery times are a prerequisite in Fiskars' operations.  
Therefore, the backlog of orders and changes in it are not of significant importance.

<b>BUSINESS AREAS</b>	1-3	1-3	Change	1-12
<b>M€</b>	2010	2009*	%	2009*
<b>Net sales</b>				
Home	63.0	63.4	-1	297.3
Garden	79.8	68.6	16	230.9
Outdoor	26.1	33.5	-22	128.4
Other	1.0	1.1	-2	3.7
<b>GROUP TOTAL</b>	<b>170.0</b>	<b>166.6</b>	<b>2</b>	<b>660.3</b>

**INTANGIBLE AND TANGIBLE ASSETS**

3/2010 3/2009 12/2009

**M€****Intangible Assets and Goodwill**

Book value, Jan. 1	224.4	230.2	230.2
Currency translation adjustment	0.3	0.6	-0.1
Acquisitions and divestments	0.2	0.0	-0.5
Additions	0.3	0.1	1.0
Amortization and impairment	-1.5	-1.3	-6.0
Decreases and transfers	4.5	0.2	-0.2
<b>Book value at end of period</b>	<b>228.2</b>	<b>229.9</b>	<b>224.4</b>

**Tangible Assets and Investment Property**

Book value, Jan. 1	108.0	120.9	120.9
Currency translation adjustment	1.6	0.4	0.1
Acquisitions and divestments	0.0	0.0	-1.5
Additions	2.2	3.9	13.6
Depreciation and impairment	-4.4	-5.5	-22.0
Decreases and transfers	-5.8	-0.4	-3.0
<b>Book value at end of period</b>	<b>101.7</b>	<b>119.4</b>	<b>108.0</b>

**CONTINGENCIES AND PLEDGED ASSETS**

3/2010 3/2009 12/2009

**M€****As security for own commitments**

Guarantees	0	0	0
Lease commitments	55	64	60
Other contingencies	5	5	4
<b>Total</b>	<b>59</b>	<b>69</b>	<b>65</b>

**Guarantees as security for third-party commitments**

Real estate mortgages	0	2	2
Pledged assets	0	0	2
<b>Total</b>	<b>0</b>	<b>2</b>	<b>4</b>

**As security for subsidiaries' commitments**

Guarantees	10	16	9
<b>Total</b>	<b>69</b>	<b>87</b>	<b>78</b>

**Nominal amounts of derivatives**

Forward exchange contracts	140	128	151
Interest rate swaps	1	1	1
Electricity forward agreements	2	2	2

**Market value vs. nominal amounts of derivatives**

Forward exchange contracts	0	-1	0
Interest rate swaps	0	0	0
Electricity forward agreements	0	0	0

Forward exchange contracts have been valued at market value.

### Exchange rate sensitivity of the operations

Approximately 10% of Fiskars' commercial cash flows are exposed to fluctuations in foreign exchange rates. The most significant risks relate to the depreciation of GBP, SEK and CAD against USD and EUR. Foreign exchange risks are hedged primarily through the use of currency forwards and swaps. Change in valuation of currency derivatives is included in the income statement without applying hedge accounting.

M€	EUR	USD	GBP	SEK	CAD
Operational currency position	-26.5	-19.8	10.1	15.0	8.1
Exchange rate sensitivity of the operations*	2.7	2.0	-1.0	-1.5	-0.8

\*) Illustrates the impact of 10% exchange rate depreciation on the Group's annual profit before taxes.

### RELATED PARTY TRANSACTIONS

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The dividend from Wärtsilä EUR 29.5 million is reported as Dividends from associate in the Consolidated Statement of Cash Flows.

The dividend was received during the first quarter of 2010.

### ACQUISITIONS AND DIVESTMENTS

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In 2010 there are no acquisitions nor divestments.

The following acquisitions and divestments year 2009 have an impact on the comparability of the figures in 2010.

Fiskars acquired a 30% minority share of Silva Far East Ltd in June 2009. After the minority share acquisition, the manufacturing company in China became a wholly owned subsidiary of Silva Sweden AB.

Fiskars sold the Brunton business in Wyoming, USA in December 2009 to Fenix Outdoor AB (publ) of Sweden. Brunton was reported as a part of Fiskars' Outdoor business. Brunton's net sales in 2009 were EUR 8.8 million.

Fiskars divested its consumables product lines and the related brands Heidi Grace and Cloud9 to Colorbök, Inc in the U.S. in July 2009. Net sales of the business for January - June 2009 amounted to €2.4 million.