

# Fiskars Group

May 4, 2010



# FISKARS

# Agenda

- Fiskars today
- Key events in Q1 2010
- Financial performance in Q1 2010
- Outlook for 2010

# Fiskars today

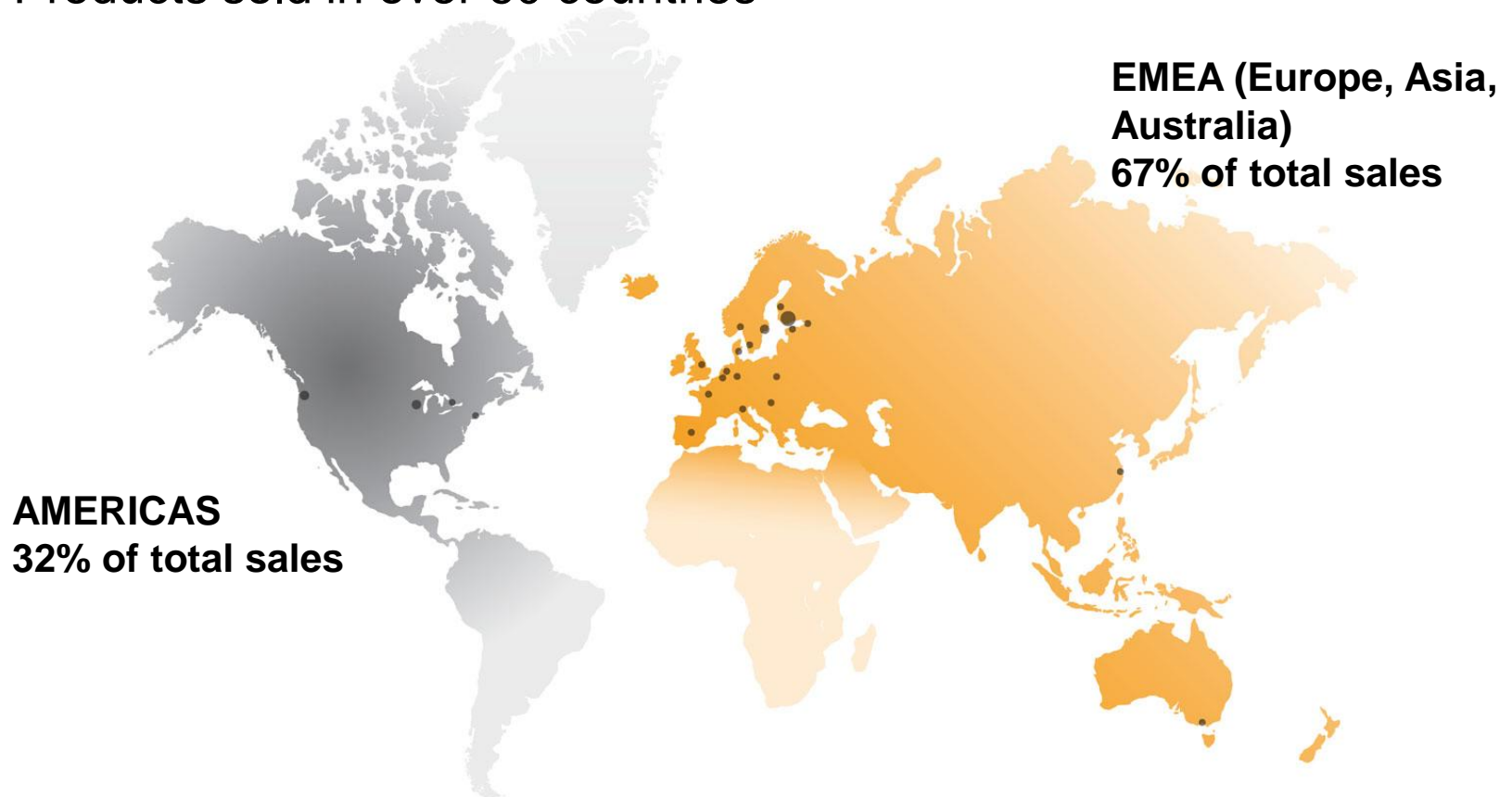
International consumer products company that offers innovative products for the home, garden, and outdoors



FISKARS

# Fiskars in brief

- Net sales €663 million in 2009
- Over 3,500 employees in more than 20 countries
- Products sold in over 60 countries



# Respected brands

## Key international brands

**FISKARS®**

Leading global brand for scissors and garden tools

**iittala**

Internationally renowned design brand



Essential equipment for outdoor activities

## Leading regional brands

**Buster®**

Finland's most popular motor boats

**SILVA**  
Get out there™

Products for outdoor and wellness



Finnish design for the home for over 135 years

**HACKMAN®**

Nordic expert in cookware & cutlery

## Local and tactical brands

BODANOVA  
EBERT  
GINGHER

HÖGANÄS KERAMIK  
HØYANG-POLARIS  
KAIMANO

KITCHEN DEVILS  
LEBORGNE  
MONTANA

RAADVAD  
RÖRSTRAND  
SANKEY  
ZINCK-LYSBRO

# Wide sales and customer base

	HOME	GARDEN	OUTDOOR	
<b>Sales Channel</b>	<b>Direct sales</b>	<b>Retailers</b> (specialist, hardware and department stores, home and garden centers, DIYs, super- and hypermarkets)		<b>Direct sales</b>
	75 own stores (12/2009)	Cervera, Kodin1, Magasin, Prisma, Stockmann, Åhlens Joann's, Walmart	Auchan, B&Q, Carrefour, Castorama, K-rauta, Lowe's, The Home Depot, Walmart	AAFES, Bass Pro, Clas Ohlson, Decathlon, REI, Target, Walmart
	<b>Consumers</b>			
	<b>Businesses and institutions</b> (military, police etc.)			
<b>Competitors</b>	Kosta Boda, Pentik, Riedel, Rösle, Stelton, Tefal, Villeroy & Boch, WMF Acme, Provo Craft	Ames, Bahco, Corona, Felco, Gardena, Wolf-Garten	Benchmade, Buck, Kershaw, Leatherman, Maglite, Petzl, Surefire, Victorinox, Faster, Silver	

# Our vision

To become the number-one consumer product company for home, garden, and outdoors

- through premium brands that leads the field in functionality, innovation, and design.



# Transformation towards an integrated branded consumer products company



- Conglomerate of independent companies
- Locally optimized
- Acquisitions (Iittala, Silva, Leborgne) and divestments

- New group structure & management
- Combination of share series
- Group-wide integration program started

- Refined, focused business area and brand strategies
- Integration of business processes and systems
- Commercial innovations and platforms for growth
- Continuous improvement

- Focused
- Efficient
- Growing



# Key events in Q1 2010

Strong performance in the quarter; outlook for 2010 updated



# Highlights in Q1 2010

- Net sales grew despite of the unpredictable market and divestments
  - Boosted by record-high snow tool sales
- Operating profit increased
  - Improvements in EMEA, mainly in Home and Garden business areas
- EPS decreased
  - Decline in share of profit from associate Wärtsilä
- Outlook updated: net sales expected to be above 2009 levels



# Business area Home

- Products for the home and kitchen; also scissors and craft products
- Net sales €63 million in Q1 2010 (Q1 2009: €63 million)
- Sales for home products rose
  - Norway and Sweden developed particularly well
- Sales for SOC decreased
  - Partly due to divestment of craft consumables in the US
  - Scissors improved, craft tools declined



# Business area Garden

- Garden and construction tools
- Net sales €80 million in Q1 2010 (Q1 2009: €69 million)
  - Sales of garden tools above 2009 levels
  - Record-high sales of snow tools
  - Market for construction tools slowly recovering
- Investments in marketing & brand continue, main focus on Germany

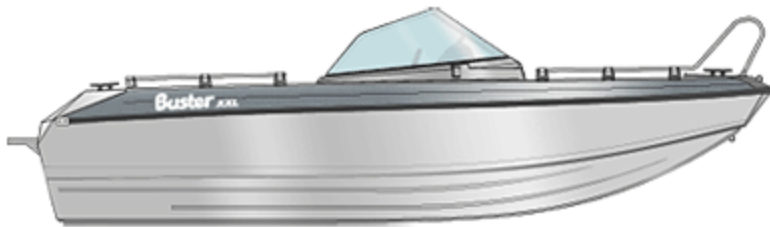


# Business area Outdoor

- Outdoor gear and boats
- Net sales €26 million in Q1 2010 (Q1 2009: €34 million)
- Outdoor sales below 2009 levels
  - Weak performance in Sweden, France
  - Brunton divested in the US
  - Gerber sales below exceptionally strong Q1 2009
- Boat market recovering; sales grew and R&D investments at a high level



# New products in Q1 2010



# Events after the reporting period

- The Finnish Competition Authority has proposed 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 considers as a starting point the proposal to be unfounded. No provision has been booked for the proposed fine.
- The claimed violation occurred in practice before Fiskars acquired the Iittala Group on 31 August 2007.

# Financials in Q1 2010

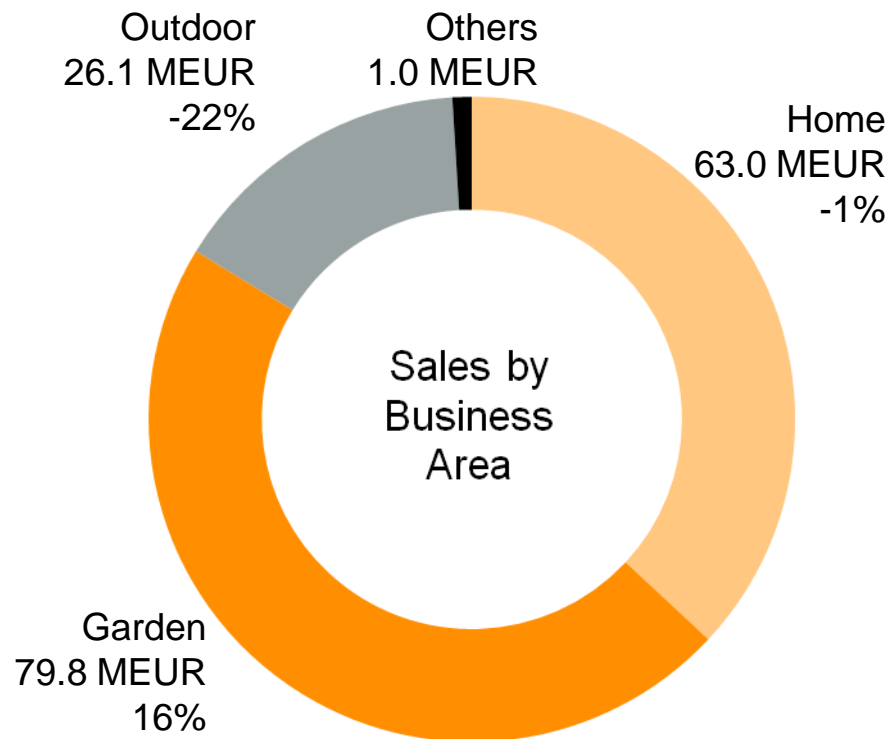
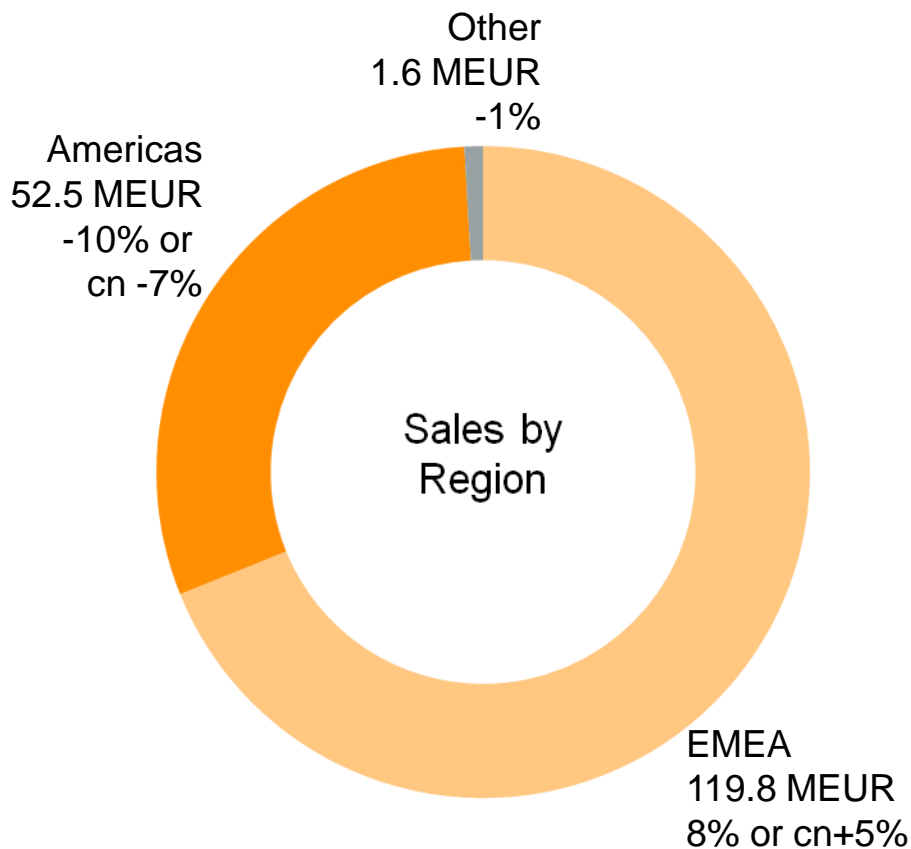
Net sales and operating profit up in the quarter





# Net sales in Q1 2010

- Net sales increased 2% to €170.0 million (Q1 2009: €166.6 million)

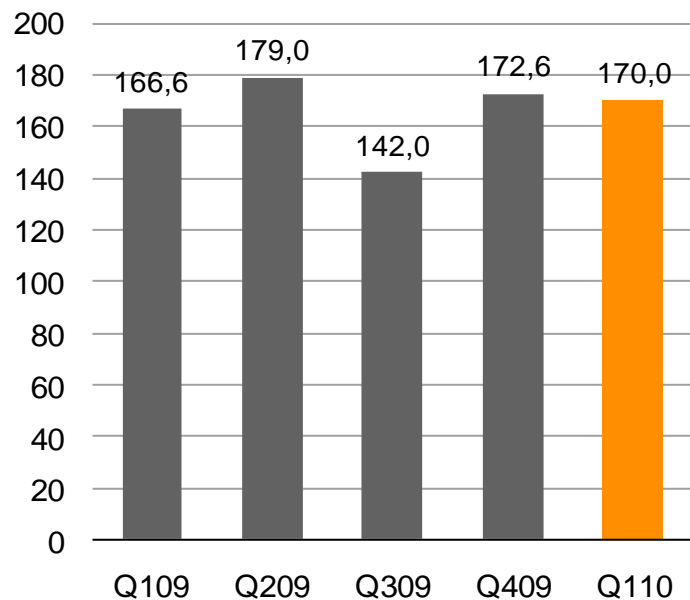


\* Inter-segment sales 3.9 MEUR (4.4 MEUR)  
Cn = currency neutral

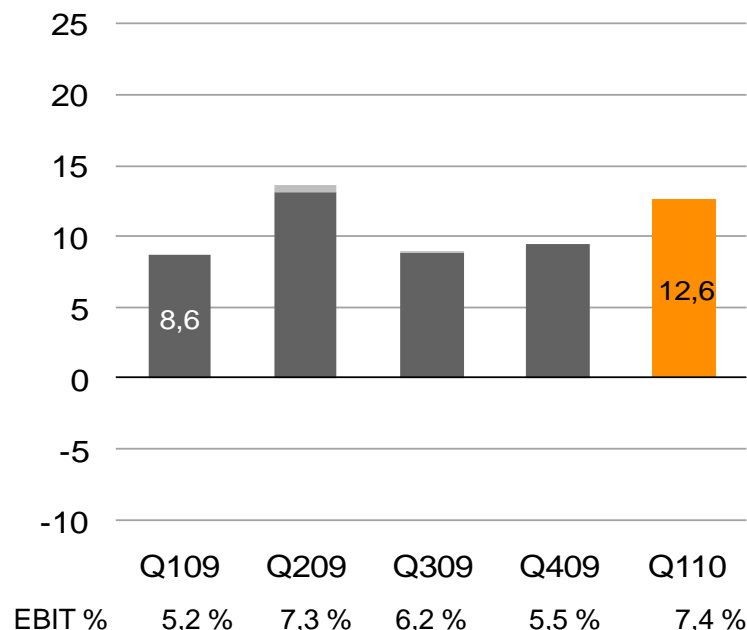
# Quarterly sales and EBIT

- Net sales €170.0 million (166.6); operating profit €12.6 million (8.6)

Net sales by quarter, MEUR



EBIT by quarter, MEUR

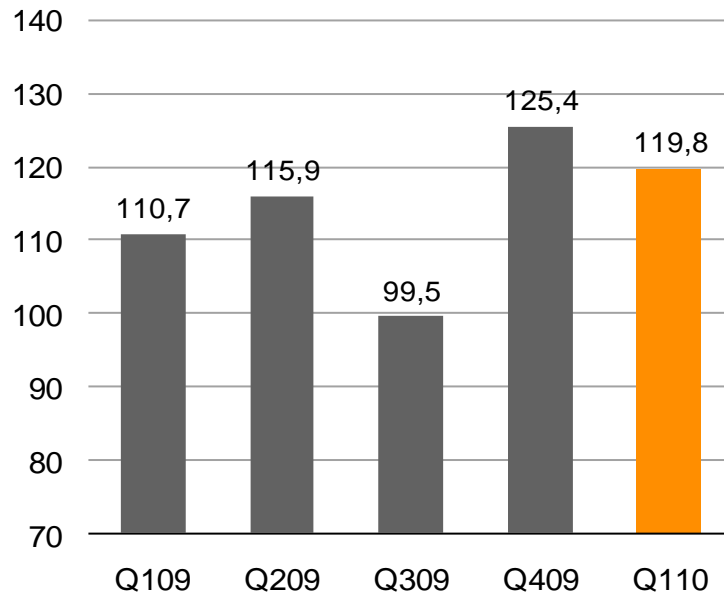


■ EBIT excluding non-recurring items  
■ Non-recurring items

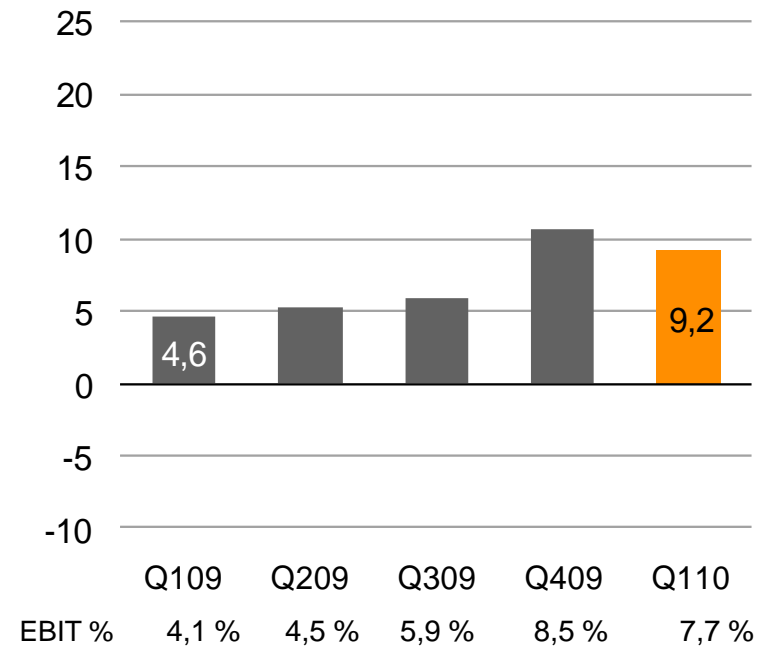
# EMEA in Q1 2010

- Net sales €119.8 million (110.7); +8% or +5% at comparable currency rates

Net sales by quarter, MEUR



EBIT by quarter, MEUR

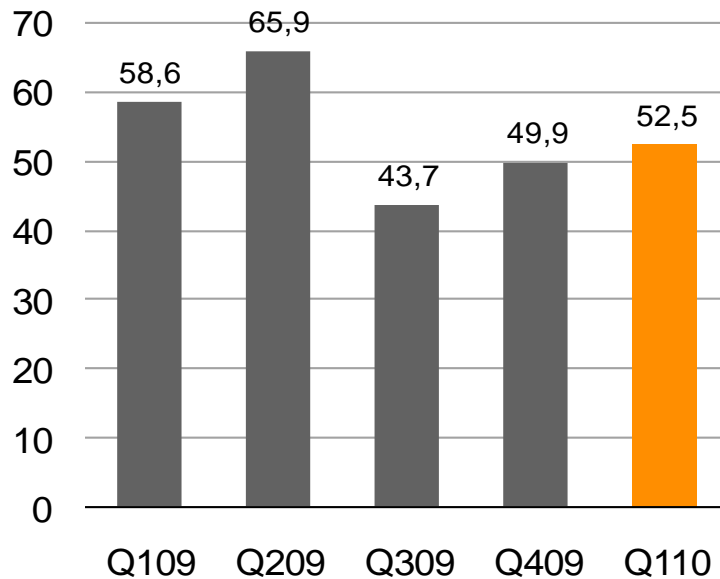


■ EBIT excluding non-recurring items  
■ Non-recurring items

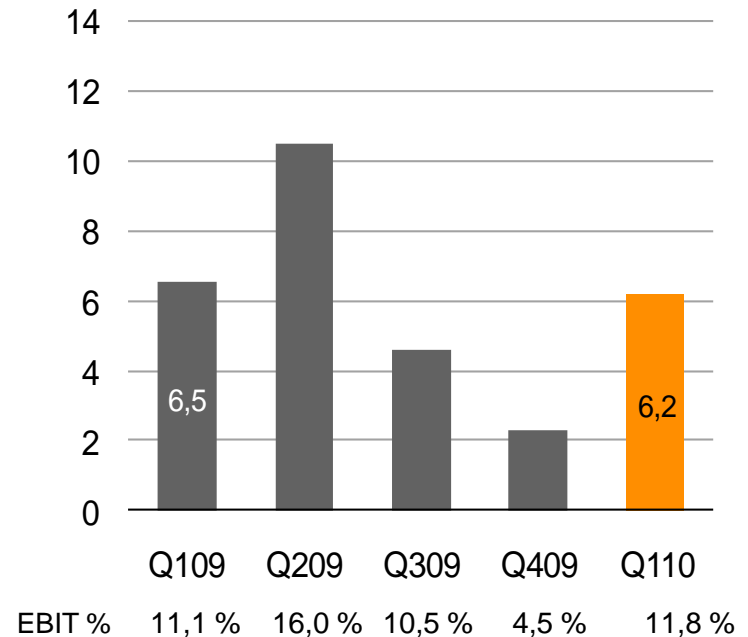
# Americas in Q1 2010

- Net sales €52.5 million (58.6); -10 % or -7% at comparable currency rates

Net sales by quarter, MEUR

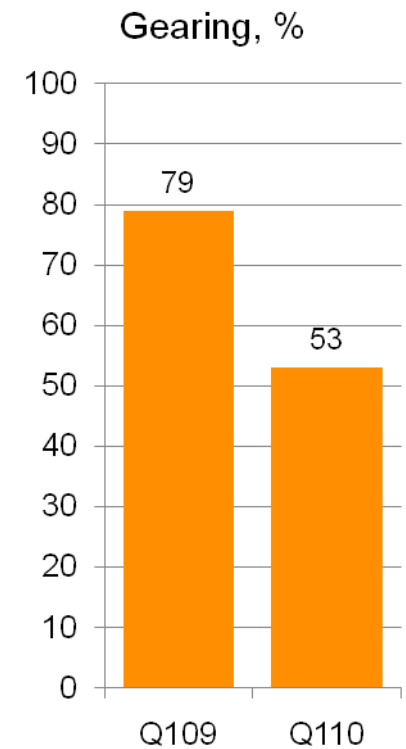
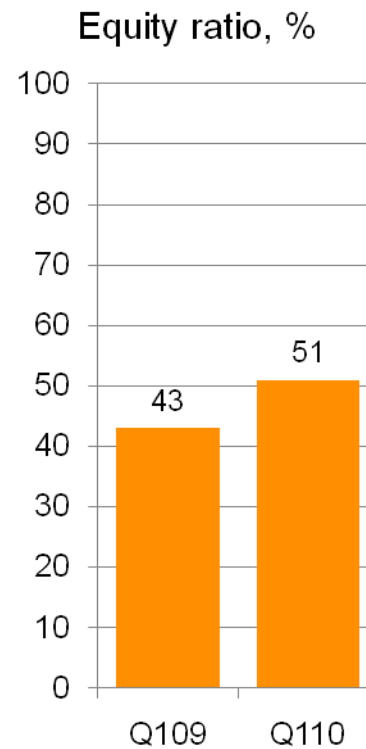
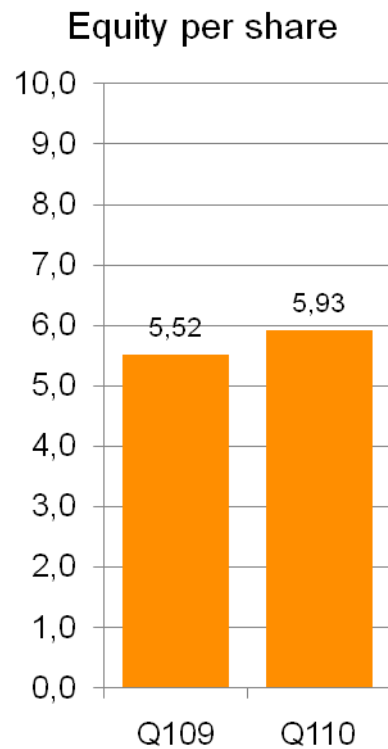
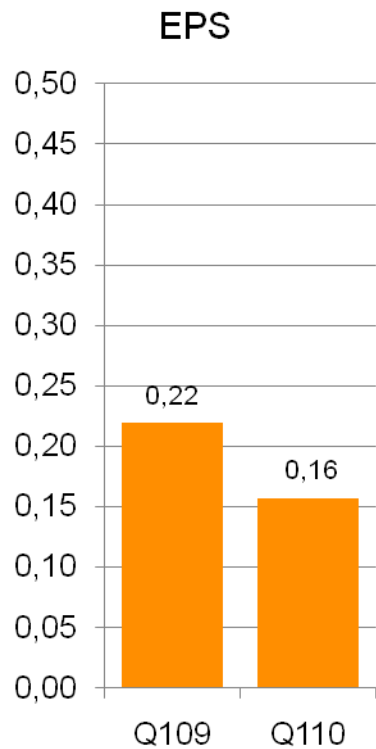


EBIT by quarter, MEUR



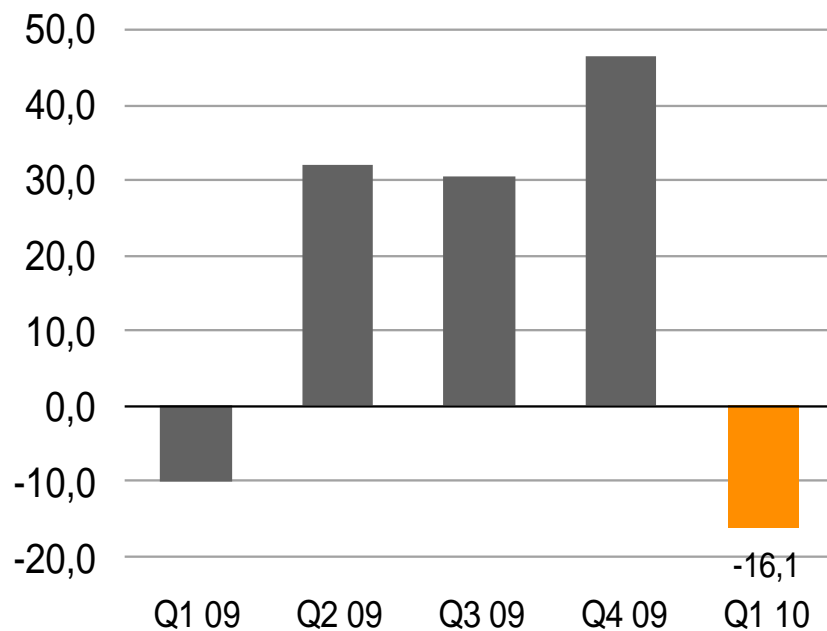
■ EBIT excluding non-recurring items  
■ Non-recurring items

# Key ratios in Q1 2010

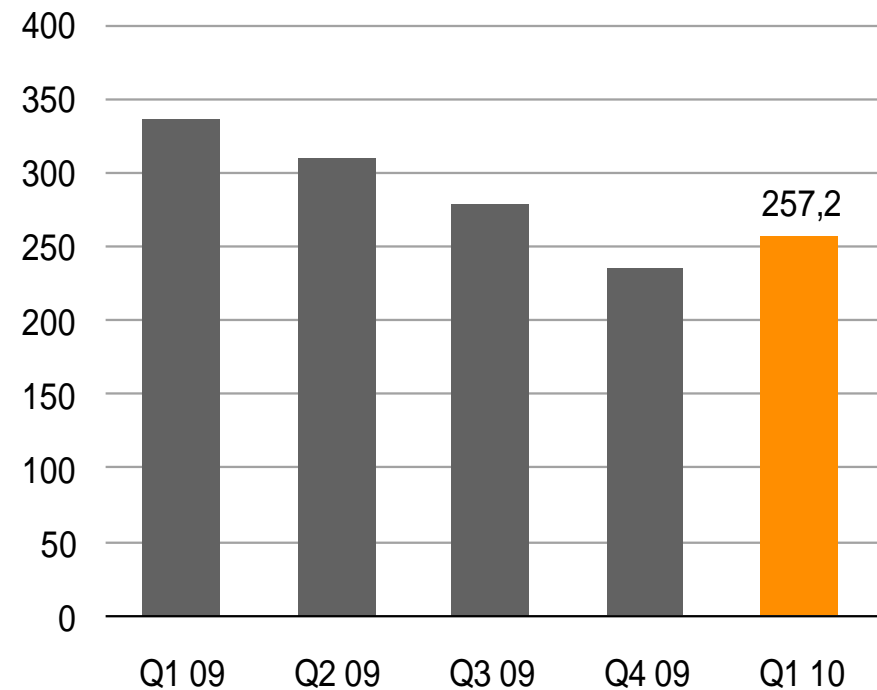


# Cash flow and debt in Q1 2010

Cash flow from operating activities, MEUR



Net debt, MEUR



\* excluding dividends from Wärtsilä

# Operative foreign currency exposure

- Net operative currency exposure totals to EUR ~50m
  - Imports from Asia to USA in USD regarded to be free of FX risk



## Net operative exposure by currency

12mths	CAD	GBP	SEK	USD
EURm	+ 8	+ 10	+ 15	- 20

+ position long    - position short

These currencies account for ~70% of the net FX exposure. Other significant currencies are EUR, NOK, DKK and PLN.

# Outlook for 2010 updated

- The market situation is expected to remain uncertain
- Fiskars' net sales in 2010 are expected to be above 2009 levels (upgraded)
- Full-year operating profit excluding non-recurring items is expected to increase compared to 2009 (unchanged)
- Associated company Wärtsilä will continue to have a major impact on Fiskars' profit and cash flow





Lasting everyday design,  
since 1649



FISKARS