



## Strong growth in net sales and operating profit in the second quarter

### Second quarter 2010 highlights:

- Net sales increased 9% to EUR 195.9 million (179.0)
- Operating profit increased to EUR 22.2 million (12.6)
- Earnings per share were EUR 0.35 (0.29)
- Cash flow from operating activities was EUR 31.4 million (32.2)
- Outlook for 2010 unchanged: full-year net sales and operating profit, excluding non-recurring items, to increase compared to 2009

### Fiskars President and CEO, Kari Kauniskangas:

"Fiskars' performance in the second quarter of 2010 was exceptionally strong. Net sales continued to grow in Europe where the Home and Garden business areas improved and the boat business is recovering. We have succeeded in strengthening our operations and recorded a significant increase in our operating profit in Europe. In the Americas the development has been more stable, resulting in only a slight increase in operating profit.

We had an excellent first half of the year thanks to our European business. As the garden and boat seasons are now passing, the second half of the year in Europe will rely on the Home business. In the Americas the market development remains more difficult to predict."

### Group key figures

EUR million	Q2 2010	Q2 2009	Change %	Q1-Q2 2010	Q1-Q2 2009	Change %	2009
Net sales	195.9	179.0 *	9 %	365.9	345.6 *	6 %	660.3 *
Operating profit (EBIT)	22.2	12.6	76 %	34.8	21.2	64 %	39.5
Share of profit from associated company	13.2	16.7	-21 %	18.6	32.0	-42 %	66.5
Change in the fair value of biological assets	-0.6	0.0		-1.2	-0.2		-0.4
Profit before taxes	34.0	24.2	40 %	49.7	42.6	17 %	91.4
Profit for the period	28.4	22.6	26 %	41.3	39.6	4 %	83.5
Earnings per share, EUR	0.35	0.29	18 %	0.50	0.51	-2 %	1.05
Equity per share, EUR				6.41	5.86	9 %	6.16
Cash flow from operating activities	31.4	32.2	-3 %	44.8	47.4	-6 %	121.0
Equity ratio, %				53 %	47 %		52 %
Net gearing, %				44 %	69 %		47 %
Capital expenditure	5.0	4.0	27 %	7.6	8.0	-5 %	14.6
Personnel (FTE), average	3,594	3,879	-7 %	3,576	3,982	-10 %	3,867

\*) The figures for 2009 include changes due to the 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 second quarter results will be held on August 5, 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 - JUNE 2010**

(IFRS, unaudited)

## **Group performance in Q2 2010**

Fiskars' consolidated net sales in the second quarter of 2010 increased by 9% to EUR 195.9 million (Q2 2009: 179.0 million). At comparable currency rates, sales increased by 4%.

Net sales for EMEA (Europe, Middle East, and Asia-Pacific) were EUR 127.1 million (115.9) as a result of sales growth in all business areas. Net sales for the Americas were also higher, at EUR 71.0 million (65.9), due to the stronger US dollar.

The Group's operating profit increased by 76% to EUR 22.2 million (12.6, including 0.4 million of non-recurring costs). The operating profit for EMEA was EUR 14.8 million (5.3), driven by better performance in the Home, Garden, and Boat businesses. The operating profit for the Americas was EUR 11.3 million (10.5).

Fiskars' share of profit from its associated company, Wärtsilä, during the second quarter was EUR 13.2 million (16.7), and the change in the fair value of standing timber was EUR -0.6 million (0.0).

Net financial costs were EUR 0.8 million (5.1). In 2009 the valuation of currency derivatives increased financial costs. The second-quarter profit before taxes was EUR 34.0 million (24.2). The profit for the second quarter was EUR 28.4 million (22.6), and earnings per share were EUR 0.35 (0.29).

## **Group performance in January - June 2010**

The Group's net sales in the first half of 2010 increased by 6% to EUR 365.9 million (Q1-Q2 2009: 345.6 million). At comparable currency rates, sales increased by 3%. Net sales for EMEA were EUR 246.9 million (226.6), and EUR 123.5 million (124.5) for the Americas.

The Group's operating profit increased by 64% to EUR 34.8 million (21.2, including 0.5 million of non-recurring costs). The operating profit for EMEA was EUR 24.0 million (9.8) and EUR 17.5 million (17.1) for the Americas.

Fiskars' share of profit from its associated company was EUR 18.6 million (32.0), and the change in the fair value of standing timber was EUR -1.2 million (-0.2).

Net financial costs were EUR 2.6 million (10.4). In 2009 the valuation of currency derivatives increased financial costs. Profit before taxes was EUR 49.7 million (42.6) and profit for the period was EUR 41.3 million (39.6). Earnings per share were EUR 0.50 (0.51).

## **Capital expenditure**

Capital expenditure was EUR 5.0 million (4.0) in the second quarter and depreciation was EUR 5.8 million (8.5). Investments were largely production-related replacement investments. Capital expenditure for the first half of the year as a whole totaled EUR 7.6 million (8.0) and depreciation was EUR 11.6 million (15.3).

## **Financing**

Cash flow from operating activities was EUR 31.4 million (32.2) in the second quarter and EUR 44.8 million (47.4) in the first half of the year. Dividends paid by associated company Wärtsilä in March totaled EUR 29.5 million (25.3). Cash flow from investing activities was EUR -5.0 million (-3.3) and cash flow after investing activities was EUR 26.4 (28.8) in the second quarter.

Fiskars' net working capital was EUR 121.1 million (152.0) as of the end of June. The equity ratio was 53% (47%) and net gearing was 44% (69%). In addition, the market value of Fiskars' shares in its associated company Wärtsilä was EUR 321.5 million (110.9) higher than the book value of these shares.

Cash and cash equivalents at the end of the period totaled EUR 10.8 million (10.0). Net interest-bearing debt amounted to EUR 231.5 million (308.4), which was EUR 25.7 million lower compared to the end of March 2010. Short-term borrowings totaled EUR 164.9 million (228.1) and long-term borrowings EUR 77.8 million (93.1). Short-term borrowings are mainly commercial papers issued by Fiskars Corporation. A capital loan of EUR 45.1 million, issued in 2004, was repaid on June 17, 2010. In addition, Fiskars had EUR 425.0 million (415.0) in unused, binding long-term credit facilities, mainly with major Nordic banks.

## Personnel

The Group employed an average of 3,576 (3,982) full-time equivalent employees (FTEs) in January - June: 2,843 (3,095) people in EMEA, 593 (773) in the Americas, and 140 (114) in Other. As of the end of June, the number of employees was 3,910 (3,852).

## Operating segments in Q2 2010

Fiskars' operating segments are EMEA (Europe, Middle East, and Asia-Pacific), Americas, Wärtsilä (associated company), and Other (Real Estate, corporate headquarters and shared services). The company's business areas are Home (homeware and school, office & craft), Garden, and Outdoor (outdoor equipment and boats).

## EMEA in Q2 2010

EUR million	Q2 2010	Q2 2009	Change, %	2009
Net sales	127.1	115.9	10 %	451.6
Net sales, currency neutral	127.1	119.4	6 %	464.2
Operating profit	14.8	5.3	181 %	26.5
Capital expenditure	3.0	2.8	8 %	10.6
Personnel (FTE), average	2,843	3,095	-8 %	3,006

Net sales in EMEA in the second quarter increased 10% to EUR 127.1 million (115.9). Using comparable currency rates, sales were up 6%.

The Home business area had a strong quarter. Net sales rose in Finland, Sweden, and Italy in particular. The Iittala and Arabia brands continued to perform well. Sales of school, office, and craft products declined compared to 2009.

Net sales at the Garden business area were up. The market has developed well and the late spring had a positive effect on the quarter's business by postponing sales from the first quarter to the second. Sales of Fiskars branded garden tools grew in most market areas. The market for construction tools is also recovering. Investments in marketing and brand-building continued, with a focus on Germany where sales have increased significantly.

The Outdoor business area increased its net sales due to good boat sales. Sales of outdoor equipment remained at 2009 levels, however. The market-leading position of Buster boats in Finland has been further strengthened. Strong new product development continued, and a new boat brand, Drive, was launched during the quarter. Deliveries for Drive Boats started in July.

The segment recorded an operating profit of EUR 14.8 million (5.3), due to higher volumes and gains in production efficiency in the Home and Garden business areas. Improved boat sales

enabled the Outdoor business area to return to profit. The EBIT figure for Q2 2009 included write-downs of EUR 1.9 million in the boat business.

The Finnish Competition Authority (FCA) proposed on April 29, 2010 to the Market Court that a fine of EUR 4 million should be imposed on Iittala Group Oy Ab, a Fiskars subsidiary, due to violation of the Finnish Competition Act. The Iittala Group submitted its answer to the Market Court on June 30, 2010, in which it denied all FCA claims and requested the Market Court to dismiss the FCA's proposal in its entirety as being without merits. The Market Court will decide on the matter in due course. No provision has been booked for the proposed fine.

### Americas in Q2 2010

EUR million	Q2 2010	Q2 2009	Change, %	2009
Net sales	71.0	65.9	8 %	218.2
Net sales, currency neutral	71.0	71.1	0 %	236.0
Operating profit	11.3	10.5	7 %	23.9
Capital expenditure	1.4	0.9	63 %	2.8
Personnel (FTE), average	593	773	-23 %	742

Net sales in the Americas increased by 8% to EUR 71.0 million (65.9) due to the stronger US dollar. Using comparable currency rates, sales remained at 2009 levels.

Net sales at the Garden business area remained on a good level, driven by strong sales of new product categories, such as reel mowers.

The Home business area in the Americas consists of school, office, and craft (SOC) products. Net sales were down due to the divestment of the craft consumables business in July 2009. This decline was partly offset by increased sales of scissors and other SOC tools.

In the Outdoor business area, a decline in net sales due to the Brunton divestment in December 2009 was mostly offset by higher sales of Gerber products.

The segment's operating profit was EUR 11.3 million (10.5) due to stronger performance in the Gerber business. Increased raw material prices in Garden and SOC had a negative impact on the operating profit, however.

### Other in Q2 2010

EUR million	Q2 2010	Q2 2009	Change, %	2009
Net sales	1.2	1.1	5 %	6.1
Operating profit	-3.9	-3.2	21 %	-10.9
Capital expenditure	0.5	0.3	100 %	1.2
Personnel (FTE), average	140	114	23 %	119

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

Net sales were EUR 1.2 million (1.1) in the second quarter and largely consisted of timber sales and rental income. The operating profit was EUR -3.9 million (-3.2, including 0.4 million of non-recurring costs).

### Wärtsilä in Q2 2010

Fiskars owns 17.1% of the shares and votes of its associated company, Wärtsilä Corporation. Fiskars' share of Wärtsilä's profit totaled EUR 13.2 million (16.7) during the second quarter.

The market value of Fiskars' Wärtsilä shares was EUR 631.2 million (386.5) or EUR 7.71 (4.99) per Fiskars' share at the end of the period, with a closing price of EUR 37.47 (22.94) per Wärtsilä share. The book value of these shares in the consolidated balance sheet was EUR 309.7 million (275.6).

## **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.

## **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 has authorizations to acquire and/or convey 4,000,000 company 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. The authorizations were not used during the reporting period. 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 11.90 (A share 8.24; K share 10.47). As of the end of June, the closing price was EUR 11.73 per share (A share 8.35; K share 10.11). Fiskars had a market capitalization of EUR 960.8 million (686.0), excluding treasury shares, as of the end of June. The number of shares traded during the first half was 2.4 million (1.6), which is 2.9% of the average number of shares.

Fiskars paid on March 26, 2010 a dividend of EUR 0.52 per share, totaling EUR 42.6 million.

The total number of shareholders was 12,119 (10,866) as of the end of June. Fiskars was not informed of any significant change among its largest shareholders during period.

## **Risks and business uncertainties**

Fiskars' business, 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, which can 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 its ability to pay dividends.

## **Outlook for 2010**

The market situation is slowly recovering in Europe while the market development in the Americas remains more difficult to predict. Consumer demand is stabilizing but retailer purchasing is expected to remain cautious in the Americas in particular.

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.

The outlook for 2010 remains unchanged. 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.

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

Helsinki, Finland, August 4, 2010

Fiskars Corporation  
Board of Directors

<b>CONSOLIDATED INCOME STATEMENT</b>	4-6	4-6	Change	1-6	1-6	Change	1-12
<b>M€</b>	2010	2009*	%	2010	2009*	%	2009*
<b>Net sales</b>	195.9	179.0	9	365.9	345.6	6	660.3
Cost of goods sold	-125.6	-120.6	4	-235.9	-233.0	1	-439.2
<b>Gross profit</b>	70.3	58.4	20	130.0	112.7	15	221.1
Other operating income	0.3	0.4		1.3	1.1		1.8
Sales and marketing expenses	-30.0	-27.1	11	-60.2	-56.1	7	-114.2
Administration expenses	-16.2	-16.5	-2	-32.2	-31.8	1	-60.0
Research and development costs	-2.0	-2.5	-17	-4.0	-4.5	-12	-8.7
Other operating expenses	0.0	-0.1		0.0	-0.1		-0.5
<b>Operating profit (EBIT)</b>	22.2	12.6	76	34.8	21.2	64	39.5
Change in fair value of biological assets	-0.6	0.0		-1.2	-0.2		-0.4
Share of profit from associate	13.2	16.7	-21	18.6	32.0	-42	66.5
Other financial income and expenses	-0.8	-5.1	-84	-2.6	-10.4	-75	-14.2
<b>Profit before taxes</b>	34.0	24.2	40	49.7	42.6	17	91.4
Income taxes	-5.6	-1.6		-8.4	-3.0		-7.9
<b>Profit for the period</b>	<b>28.4</b>	<b>22.6</b>	<b>26</b>	<b>41.3</b>	<b>39.6</b>	<b>4</b>	<b>83.5</b>
Attributable to:							
Owners of the Company	<b>28.4</b>	<b>22.6</b>	<b>25</b>	<b>41.3</b>	<b>39.7</b>	<b>4</b>	<b>83.5</b>
Non-controlling interest		0.0			0.0		0.0
	28.4	22.6		41.3	39.6		83.5
<b>Earnings for owners of the Company per share, euro (basic and diluted)</b>	0.35	0.29		0.50	0.51		1.05
<b>OTHER COMPREHENSIVE INCOME</b>	4-6	4-6		1-6	1-6		1-12
<b>M€</b>	2010	2009		2010	2009		2009
Profit for the period	28.4	22.6		41.3	39.6		83.5
Translation differences	10.2	-3.6		18.5	0.2		-1.9
Change in associate recognized directly in other comprehensive income	1.5	5.1		3.8	5.4		12.7
Cash flow hedges	-0.4			-0.4			
Equity net investment hedges after tax		2.0			0.5		1.3
Defined benefit plan, actuarial gains (losses), net of tax	0.0	0.0		0.0	-0.5		0.7
Other comprehensive income for the period, net of tax, in total	11.3	3.6		21.8	5.6		12.8
<b>Total comprehensive income for the period</b>	<b>39.7</b>	<b>26.2</b>		<b>63.1</b>	<b>45.3</b>		<b>96.3</b>
Attributable to:							
Owners of the Company	<b>39.7</b>	<b>26.2</b>		<b>63.1</b>	<b>45.2</b>		<b>96.3</b>
Non-controlling interest		0.0			0.0		0.0
	39.7	26.2		63.1	45.3		96.3

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



<b>CONSOLIDATED BALANCE SHEET</b>	6/2010	6/2009	Change	12/2009
<b>M€</b>			%	
<b>ASSETS</b>				
<b>Non-current assets</b>				
Goodwill	100.6	99.7	1	99.4
Other intangible assets	128.2	128.0	0	124.9
Property, plant & equipment	94.3	108.2	-13	99.5
Biological assets	37.7	39.0	-3	38.9
Investment property	8.6	7.8	10	8.5
Investments in associates	309.7	275.6	12	316.8
Financial assets				
Shares at fair value through profit and loss	3.8	2.8	35	3.0
Other investments	1.9	2.1	-7	2.1
Deferred tax assets	18.7	22.3	-16	17.8
<b>Non-current assets total</b>	<b>703.4</b>	<b>685.5</b>	<b>3</b>	<b>710.9</b>
<b>Current assets</b>				
Inventories	136.1	145.6	-7	119.0
Trade and other receivables	132.6	116.1	14	101.9
Income tax receivables	4.6	7.2	-36	2.9
Cash and cash equivalents	10.8	10.0	7	38.6
<b>Current assets, total</b>	<b>284.1</b>	<b>279.0</b>	<b>2</b>	<b>262.4</b>
<b>Assets total</b>	<b>987.5</b>	<b>964.5</b>	<b>2</b>	<b>973.3</b>
<b>EQUITY AND LIABILITIES</b>				
Equity attributable to the owners of the Company	525.3	453.8	16	504.8
Non-controlling interest		0.0		
<b>Equity total</b>	<b>525.3</b>	<b>453.8</b>	<b>16</b>	<b>504.8</b>
<b>Non-current liabilities</b>				
Interest bearing debt	77.8	93.1	-16	74.9
Other liabilities	2.5	1.2	102	0.9
Deferred tax liabilities	47.0	48.2	-2	47.2
Pension liability	9.6	9.4	2	9.4
Provisions	5.3	9.1	-42	6.7
<b>Non-current liabilities total</b>	<b>142.1</b>	<b>161.1</b>	<b>-12</b>	<b>139.1</b>
<b>Current liabilities</b>				
Interest bearing debt	164.9	228.1	-28	199.7
Provisions	3.9	2.3	70	2.4
Trade and other payables	140.7	111.4	26	121.3
Income tax payable	10.4	7.8	34	6.1
<b>Current liabilities total</b>	<b>320.0</b>	<b>349.6</b>	<b>-8</b>	<b>329.4</b>
<b>Equity and liabilities total</b>	<b>987.5</b>	<b>964.5</b>	<b>2</b>	<b>973.3</b>

<b>CONSOLIDATED STATEMENT OF CASH FLOWS M€</b>	4-6 2010	4-6 2009	1-6 2010	1-6 2009	1-12 2009
<b>Cash flow from operating activities</b>					
Profit before taxes	34.0	24.2	49.7	42.6	91.4
Adjustments for					
Depreciation	5.8	8.5	11.6	15.3	28.1
Share of profit from associate	-13.2	-16.7	-18.6	-32.0	-66.5
Investment income	0.0	0.0	-0.9	0.0	0.3
Interest expenses	0.8	5.2	2.6	10.4	14.2
Change in fair value of biological assets	0.6	0.0	1.2	0.2	0.4
Change in provisions and other non-cash items	0.3	-3.6	-1.8	-4.0	-12.4
Cash flow before changes in working capital	28.4	17.5	43.8	32.7	55.6
Changes in working capital					
Change in current assets, non-interest bearing	8.8	12.9	-21.1	-12.2	-0.7
Change in inventories	-7.0	17.1	-9.2	17.6	50.3
Change in current liabilities, non-interest bearing	7.7	-6.7	12.7	-4.9	4.1
Cash flow from operating activities before financial items and taxes	37.9	40.8	26.3	33.2	109.3
Dividends from associate			29.5	25.3	25.3
Financial costs paid (net)	-3.7	-5.8	-5.0	-10.3	-13.8
Taxes paid	-2.8	-2.9	-6.0	-0.8	0.2
<b>Cash flow from operating activities (A)</b>	<b>31.4</b>	<b>32.2</b>	<b>44.8</b>	<b>47.4</b>	<b>121.0</b>
<b>Cash flow from investing activities</b>					
Acquisitions		-0.2		-0.2	-0.2
Capital expenditure on fixed assets	-4.8	-3.8	-7.4	-7.9	-14.5
Proceeds from sale of fixed assets	0.2	0.6	2.4	0.7	1.6
Cash flow from other investments	-0.4	0.1	-0.2	0.1	4.2
<b>Cash flow from investing activities (B)</b>	<b>-5.0</b>	<b>-3.3</b>	<b>-5.2</b>	<b>-7.2</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	0.0	-50.1	-0.3	-65.8	-86.5
Change in current debt	-21.9	15.3	-22.7	25.3	2.0
Payment of financial lease liabilities	-0.5	-0.6	-0.8	-1.2	-2.5
Cash flow from other financing items	-0.7	-0.7	-1.4	-1.6	-0.1
Dividends paid			-42.6	-38.2	-38.2
<b>Cash flow from financing activities (C)</b>	<b>-23.1</b>	<b>-36.1</b>	<b>-67.8</b>	<b>-41.5</b>	<b>-85.4</b>
<b>Change in cash (A+B+C)</b>	<b>3.2</b>	<b>-7.3</b>	<b>-28.2</b>	<b>-1.4</b>	<b>26.9</b>
Cash at beginning of period	7.4	17.3	38.6	11.3	11.3
Translation difference	0.1	0.1	0.4	0.1	0.5
Cash at end of period	10.8	10.0	10.8	10.0	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	3.0	42.3	0.0	45.3
Dividends paid				-38.2		-38.2
Acquisition of non-controlling interest					0.1	0.1
<b>Jun 30, 2009</b>	<b>77.5</b>	<b>-0.8</b>	<b>-13.4</b>	<b>390.5</b>	<b>0.0</b>	<b>453.8</b>
Total comprehensive income for the period			0.7	50.3	0.0	51.0
Dividends paid				0.0		0.0
<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	21.8	41.4	0.0	63.1
Dividends paid				-42.6		-42.6
<b>Jun 30, 2010</b>	<b>77.5</b>	<b>-0.8</b>	<b>9.0</b>	<b>439.6</b>	<b>0.0</b>	<b>525.3</b>

**KEY FIGURES \***

	6/2010	6/2009	Change 12/2009 %	
Equity/share, euro	6.41	5.86	9	6.16
Equity ratio	53%	47%	13	52%
Net gearing	44%	69%	-36	47%
Net interest bearing debt, EUR million	231.5	308.4	-25	235.7
Personnel (FTE), average	3,576	3,982	-10	3,867
Personnel, end of period	3,910	3,852	2	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**

	1-6 2010	1-6 2009	Change %	1-12 2009
USD average rate	1.33	1.33	0	1.39
USD end-of-period	1.23	1.41	-13	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. The interim financial statements are unaudited.

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 Q2 2009, EUR -1.2 in Q1-Q2 2009 and EUR -2.6 million in full year 2009
- gross profit EUR -1.0 million in Q2 2009, EUR -2.0 million in Q1-Q2 2009 and EUR -5.6 million in full year 2009
- 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.

Fiskars has applied hedge accounting to changes in the fair value of derivatives designated, qualifying, and effective as cash flow hedges. The changes are recognized in Other comprehensive income.

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 new or amended IAS/IFRS standards and interpretations mandatory as of January 1, 2010. Of these the most important are:

- Annual improvements to IFRS
- Revised IFRS 3 Business Combinations
- Amended IAS 27 Consolidated and Separate Financial Statements

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>	4-6	4-6	Change	1-6	1-6	Change	1-12
<b>M€</b>	2010	2009*	%	2010	2009*	%	2009*
<b>Net sales</b>							
EMEA	127.1	115.9	10	246.9	226.6	9	451.6
Americas	71.0	65.9	8	123.5	124.5	-1	218.2
Other	1.2	1.1	5	2.8	2.8	1	6.1
Inter-segment sales **)	-3.4	-3.9		-7.3	-8.3		-15.5
<b>GROUP TOTAL</b>	<b>195.9</b>	<b>179.0</b>	<b>9</b>	<b>365.9</b>	<b>345.6</b>	<b>6</b>	<b>660.3</b>
<b>Operating profit (EBIT)</b>							
EMEA	14.8	5.3	181	24.0	9.8	144	26.5
Americas	11.3	10.5	7	17.5	17.1	2	23.9
Other and eliminations	-3.9	-3.2		-6.6	-5.7		-10.9
<b>GROUP TOTAL</b>	<b>22.2</b>	<b>12.6</b>	<b>76</b>	<b>34.8</b>	<b>21.2</b>	<b>64</b>	<b>39.5</b>
<b>Depreciation, amortization and impairment</b>							
EMEA	4.0	6.1	-35	8.0	10.4	-23	20.5
Americas	1.4	2.0	-30	2.7	4.0	-32	7.8
Other and eliminations	0.5	0.4		0.9	0.9		-0.1
<b>GROUP TOTAL</b>	<b>5.8</b>	<b>8.5</b>	<b>-32</b>	<b>11.6</b>	<b>15.3</b>	<b>-24</b>	<b>28.1</b>
<b>Capital expenditure</b>							
EMEA	3.0	2.8	8	4.6	5.9	-22	10.6
Americas	1.4	0.9	63	2.1	1.4	49	2.8
Other and eliminations	0.5	0.3		0.8	0.6		1.2
<b>GROUP TOTAL</b>	<b>5.0</b>	<b>4.0</b>	<b>27</b>	<b>7.6</b>	<b>8.0</b>	<b>-5</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	-1.9	-1.4		-4.4	-4.5		-7.7
Americas	-0.9	-1.4		-1.7	-2.4		-4.6
Other	-0.6	-1.1		-1.2	-1.4		-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>	4-6	4-6	Change	1-6	1-6	Change	1-12
<b>M€</b>	2010	2009*	%	2010	2009*	%	2009*
<b>Net sales</b>							
Home	72.1	67.3	7	135.1	130.7	3	297.3
Garden	87.8	80.0	10	167.7	148.6	13	230.9
Outdoor	35.4	31.2	14	61.5	64.7	-5	128.4
Other	0.6	0.5		1.6	1.6		3.7
<b>GROUP TOTAL</b>	<b>195.9</b>	<b>179.0</b>	<b>9</b>	<b>365.9</b>	<b>345.6</b>	<b>6</b>	<b>660.3</b>

**INTANGIBLE AND TANGIBLE ASSETS**

6/2010 6/2009 12/2009

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

Book value, Jan. 1	224.4	230.2	230.2
Currency translation adjustment	1.5	0.3	-0.1
Acquisitions and divestments	0.2	0.2	-0.5
Additions	0.6	0.3	1.0
Amortization and impairment	-3.0	-3.5	-6.0
Decreases and transfers	4.9	0.1	-0.2
<b>Book value at end of period</b>	<b>228.8</b>	<b>227.7</b>	<b>224.4</b>

**Tangible Assets and Investment Property**

Book value, Jan. 1	108.0	120.9	120.9
Currency translation adjustment	3.4	0.2	0.1
Acquisitions and divestments	0.4	-0.2	-1.5
Additions	6.9	7.6	13.6
Depreciation and impairment	-9.3	-11.6	-22.0
Decreases and transfers	-6.5	-0.9	-3.0
<b>Book value at end of period</b>	<b>102.9</b>	<b>116.0</b>	<b>108.0</b>

**CONTINGENCIES AND PLEDGED ASSETS**

6/2010 6/2009 12/2009

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

Lease commitments	56	62	60
Other contingencies	5	5	4
<b>Total</b>	<b>61</b>	<b>67</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	8	15	9
<b>Total</b>	<b>70</b>	<b>85</b>	<b>78</b>

**Nominal amounts of derivatives**

Forward exchange contracts	136	111	151
Interest rate swaps	24	1	1
Electricity forward agreements	2	2	2

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

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

Forward exchange contracts have been valued at market value.

The Group has no material investment commitments for intangible assets or property, plant and equipment.

### 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€	USD	GBP	SEK	CAD
Operational currency position	-11.6	4.7	8.1	4.0
Exchange rate sensitivity of the operations*	1.2	-0.5	-0.8	-0.4

\*) 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.