

Fiskars Group

2011

1.1.-31.12.2011

Helsinki, Feb 9, 2012



FISKARS

# Agenda

- Highlights
- Business review
- Financial position
- Outlook for 2012
- Appendixes

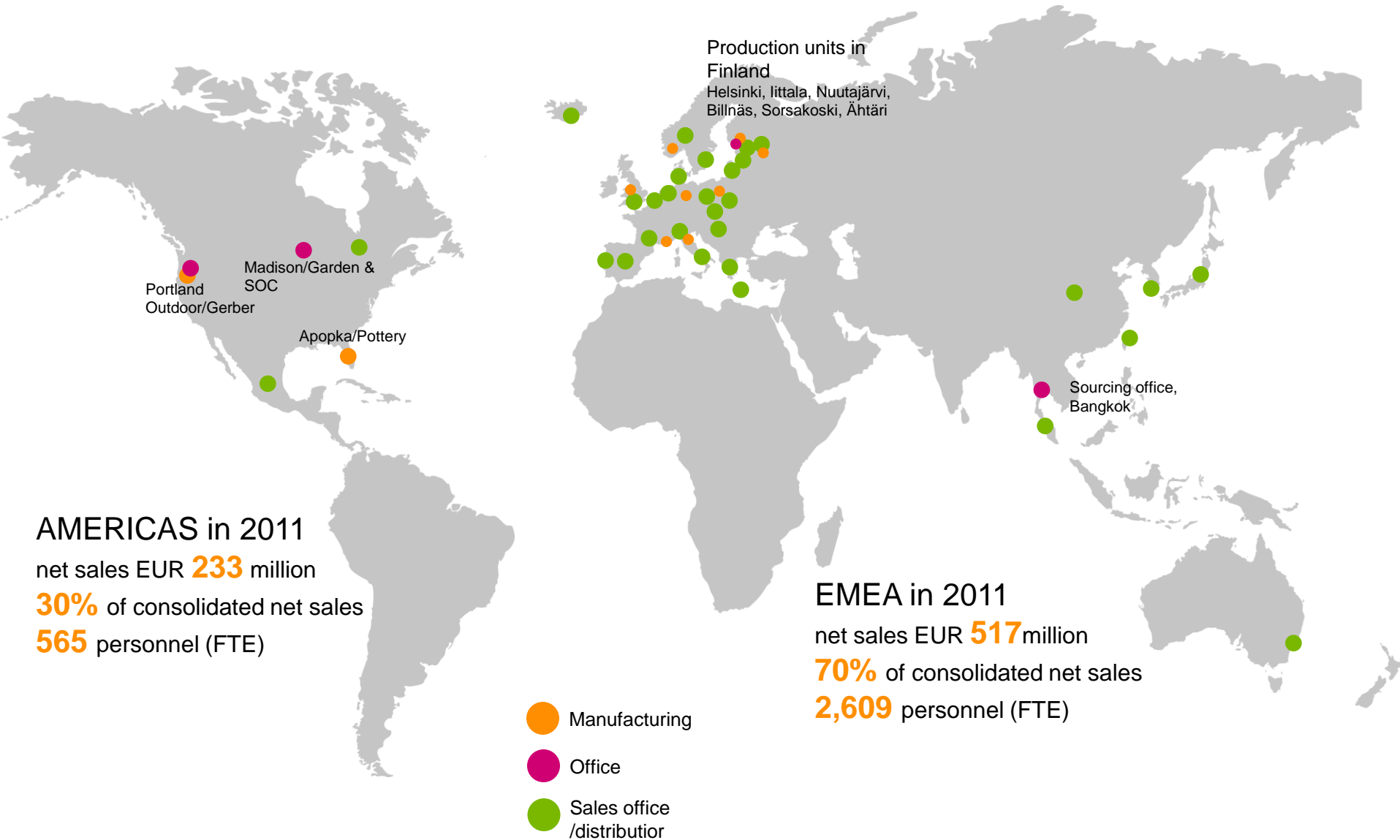
# Q4 and FY 2011

## Highlights



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# Fiskars in 2011



# Full year 2011: Solid development in demanding market conditions

Comparable net sales  
+6 %\*, growth in both  
segments

New company record  
in EBIT w/o non-  
recurring

Net sales  
742.5 MEUR  
EBIT w/o non-  
recurring  
62.1 MEUR

Good performance in  
Garden business  
Strong year for  
Outdoor Americas

Board proposes  
dividend of 0.62

Outlook for full year  
2012:  
sales and EBIT w/o  
non-recurring on 2011  
levels

\*Excluding Silva, currency neutral

## Q4: Strong performance in the Americas

Comparable net sales  
+1 %\*

Both sales and EBIT  
increased in the  
Americas

Consumer and business  
confidence improving in  
the Americas, no  
improvement seen in  
Europe

Disappointing holiday  
season sales in  
homeware products

Net sales  
187.3 MEUR, -2%  
EBIT w/o non-recurring  
13.7 MEUR, +8 %

EUR 3 million non-  
recurring cost due to  
competition infringement  
fine

\*Excluding Silva, currency neutral

# Q4

## Business review



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# Operating environment in Q4

- Consumer confidence remained low in Europe and retail trade developed sluggishly in many European markets
- Trade tightened further their control on inventory levels and sentiment remained cautious or even negative
- In North America, consumer and business confidence showed signs of improvement
- Retailers continue to keep stock levels low and are taking time to make additional buying decisions.
- Institutional spending picked up towards the end of the year

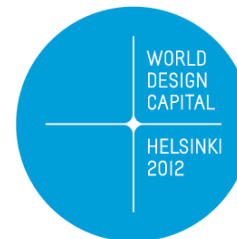




# Disappointing holiday sales

Q4/2011

- Disappointing holiday season sales for homeware products, particularly in Finland
- Sale of School, Office and Craft products increased in the Americas
- First Outlet in Central European outlet center opened in Maasmechelen, Belgium
- Vitriini awarded prestigious iF design award



# HOME

Modern Scandinavian design products for the kitchen, table, living room and school, office and craft

92.6 MEUR net sales -3%

49.4 % of total sales

iittala FISKARS®

HACKMAN®

ARABIA  
FINLAND

HØYANG-POLARIS®



RAADVAD

gingher  
*a tradition of quality*



KAIMANO

Kitchen  
Devils

Rörstrand

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# Continued good performance

Q4/2011

- In Europe, sales remained as high as in 2010
  - Strong sales in wood preparation and cutting tools
  - Snow tools continued positively
- In the Americas, net sales developed positively across product categories
- First shop-in-shop opened in K-rauta in Moscow
- Several design awards
  - Nanovib: Design Golden Award at Batimat International Fair, Paris
  - Momentum: LSA Gold Innovation Award, France
  - Fiskars X range: German Design Silver Award



# GARDEN

Ergonomically designed tools for gardening and construction

59.2 MEUR net sales, +4%

31.6% of total sales

FISKARS®

leborgne

EBERT  
mit dem besten Griff

Zinck & Sjöbom  
GARDEN TOOLS

SANKEY  
HOME & GARDEN PRODUCTS

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# Strong growth in the Americas

Q4/2011

- Americas maintained strong growth track
  - Growth in both commercial and institutional segments
  - Institutional sales picked up towards the end of the year
- Digital marketing success
  - Impressive gains in social media presence
  - Significant website traffic growth
  - Brand & product integration
- Boat business continued steadily
  - Buster gained further market share



# OUTDOOR

Innovative, essential products for an active lifestyle and durable leisure boats

**34.5** MEUR net sales,  
-7% (Excl. Silva + 11%)

**18.4%** of total sales

 **GERBER**

*Buster DRIVE*

**FISKARS**

# 2011

## Strategy review



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# Transformation towards an integrated branded consumer products company

## New Fiskars

- 2007

Holding  
Company  
structure

2008-2009

Fixing the  
base

New  
management,  
strategy and  
structure

Combination of  
share series

2010 →

Powering the  
machine

New operating  
model,  
focus and  
group-wide  
integration

2012 →

Gearing for  
growth

Refining category  
and brand  
strategies

Global ambitions

- Focused
- Efficient
- Growing

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# Executing the integrated company strategy

## FISKARS STRATEGIC AGENDA

### FOCUS

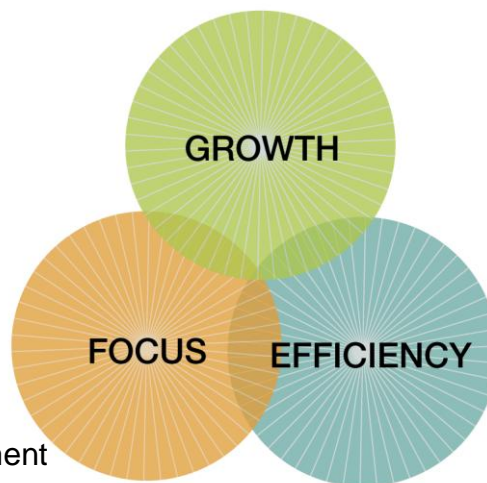
Strong business area focus  
Specialist premium brand portfolio  
Optimized product range for selected categories

### EFFICIENCY

Simplified structure  
Integrated business processes  
Demand-driven supply chain

### GROWTH

Consumer-focused product development  
Innovative R&D  
Commercial expansion



## ACTIONS IN 2011

### FOCUS

Increased focus on international brands,  
Silva divested and Bodanova discontinued  
Continued SKU efficiency

### EFFICIENCY

Business platform investment program  
launched in EMEA  
Nordic distribution centre established in  
Hämeenlinna  
Global sourcing office established in  
Bangkok

### GROWTH

New market openings in Central Europe  
and Asia for Home  
Strengthened position in key markets for  
Garden  
Successful product launches boosted  
Outdoor categories in the Americas

# Focusing on and investing in strong international brands

**FISKARS®**

2011: + 10%  
2010: + 25%

 **GERBER®**

2011: + 27%  
2010: + 0%

 **iittala®**

2011: + 5%  
2010: + 2%

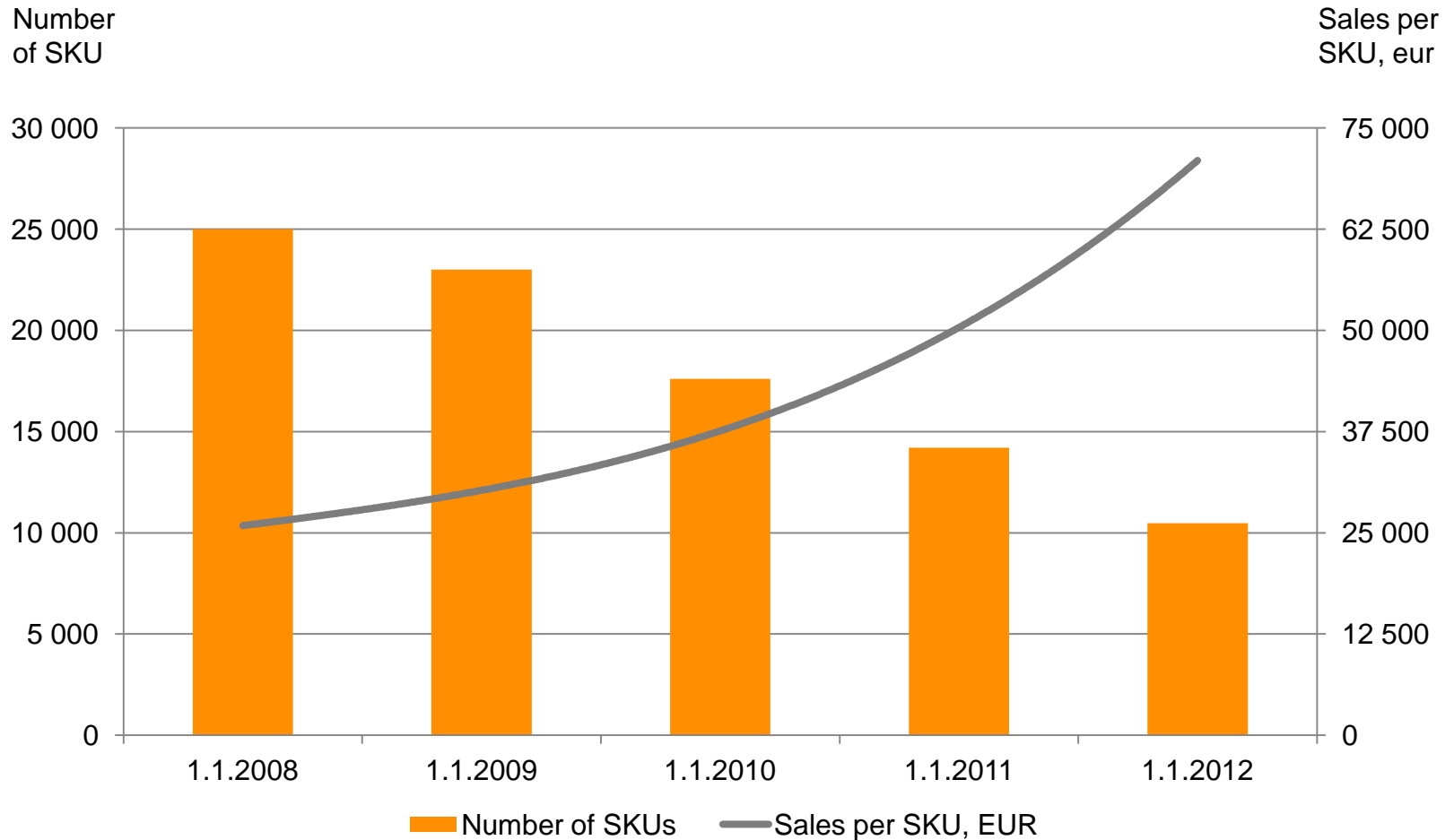
Sales vs. previous year

**FISKARS**



# Ensuring future growth through unified offering

Sales/stock keeping unit +41 % in 2011



# Q4

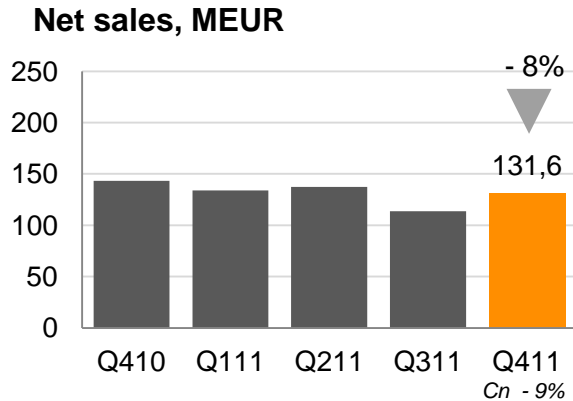
## Financials



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# Net Sales in Q4 2011

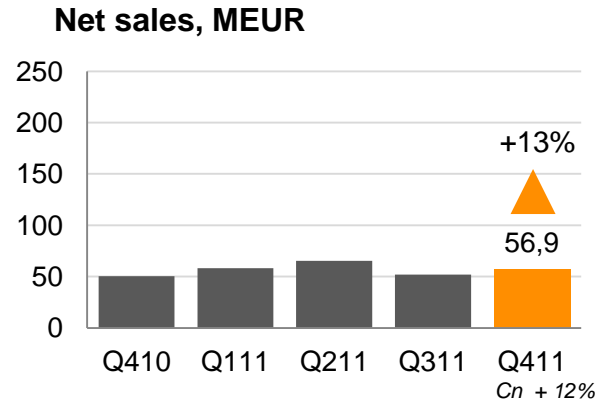
## by Segment



EMEA



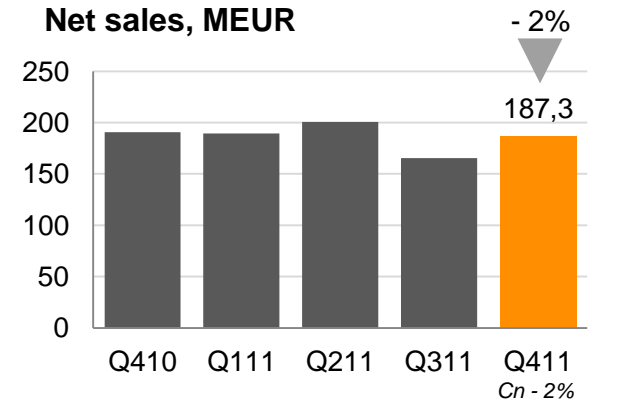
70% of total sales



Americas



30% of total sales



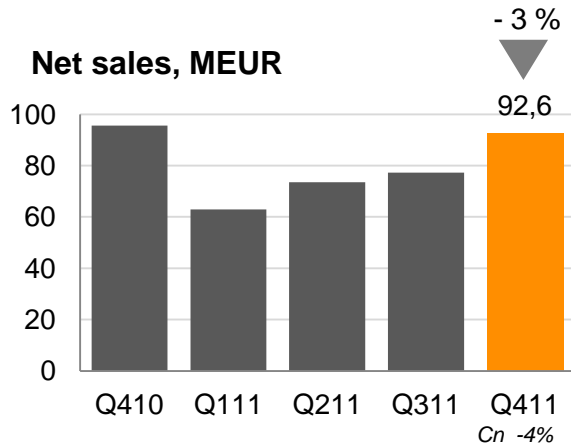
Fiskars Total



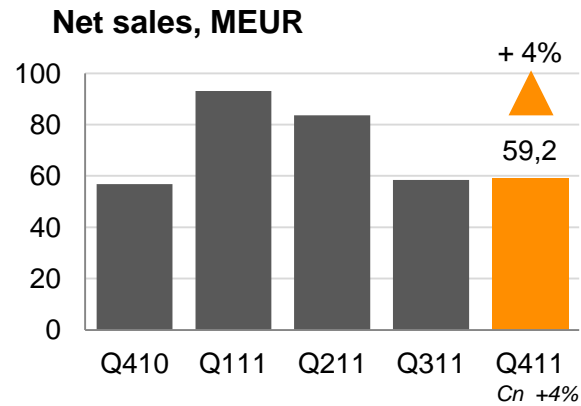
100% of total sales

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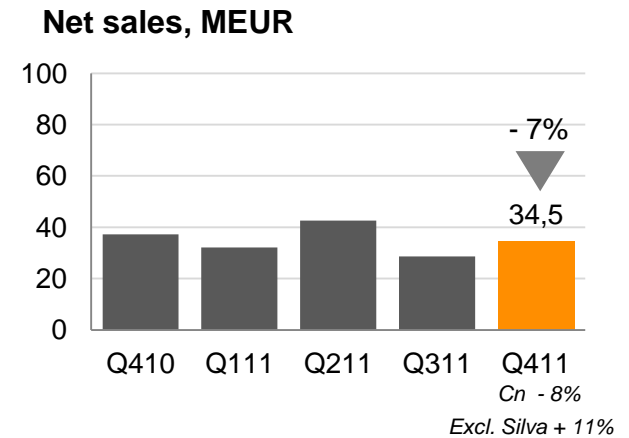
# Net Sales in Q4 2011 by Business Area



Home



Garden



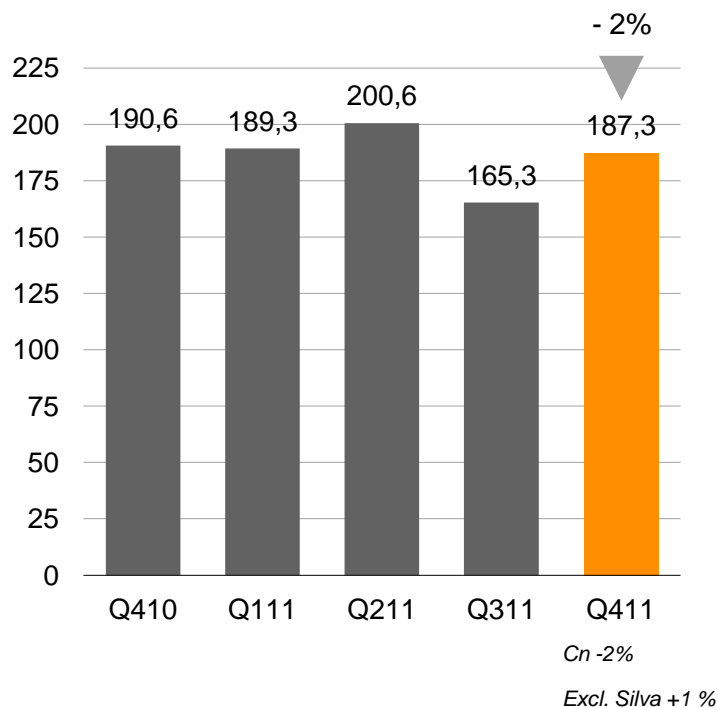
Outdoor



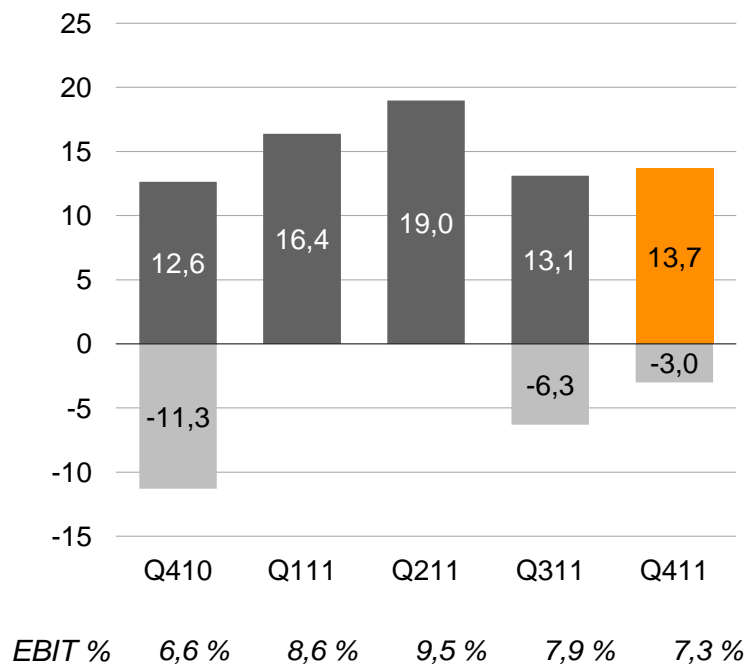
# Net Sales and EBIT in Q4 2011

Fiskars Group

## Net sales by quarter, MEUR



## EBIT by quarter, MEUR



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

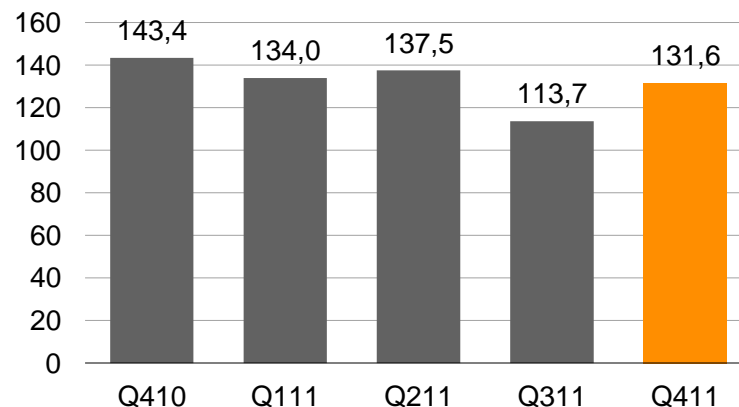
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# Net Sales and EBIT in Q4 2011

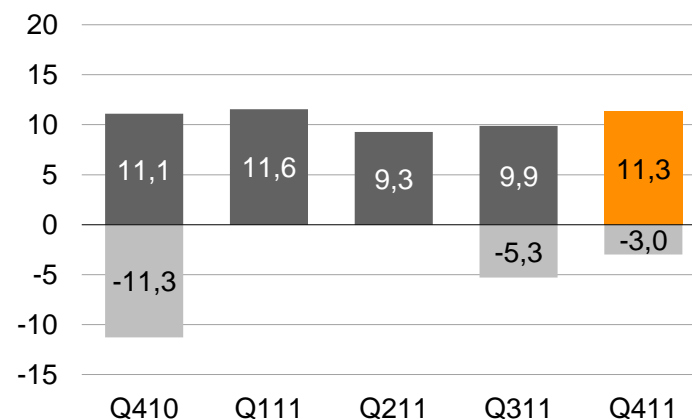
## EMEA segment

- Net sales EUR 131.6 million (143.4), -8%, comparable sales excluding Silva -3%
- EBIT excluding non-recurring items of EUR 11.3 million (11.1), +2%
- Sales decrease due to the Silva divestment in July 2011 and weak homeware holiday season sales
- Net sales in the Garden business remained as high as in 2010 and Boat sales continued steadily.

Net sales by quarter, MEUR



EBIT by quarter, MEUR



EBIT % 7,7 % 8,6 % 6,7 % 8,7 % 8,6 %

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

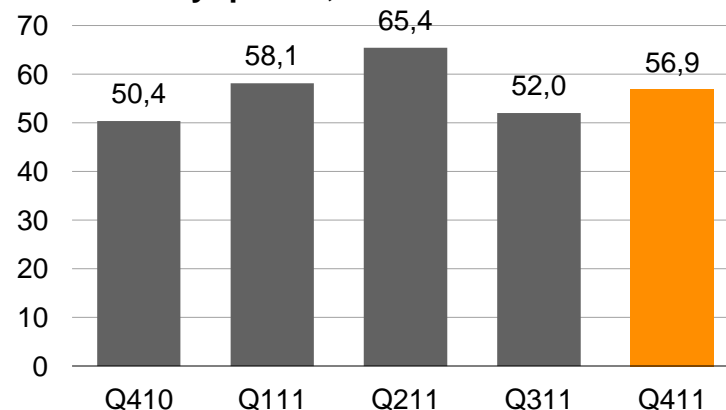
**FISKARS**

# Net Sales and EBIT in Q4 2011

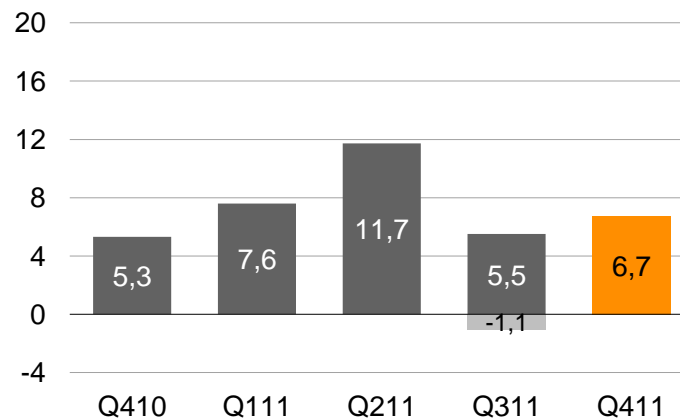
## Americas segment

- Net sales EUR 56.9 million (50.4), +13% or currency neutral + 12%.
- EBIT EUR 6.7 million (5.3), +28%
- Good development across all businesses, especially Outdoor.
- Increased volumes contributed to profit increase

Net sales by quarter, MEUR



EBIT by quarter, MEUR



EBIT % 10,9 % 10,5 % 13,0 % 17,9 % 11,8 %

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

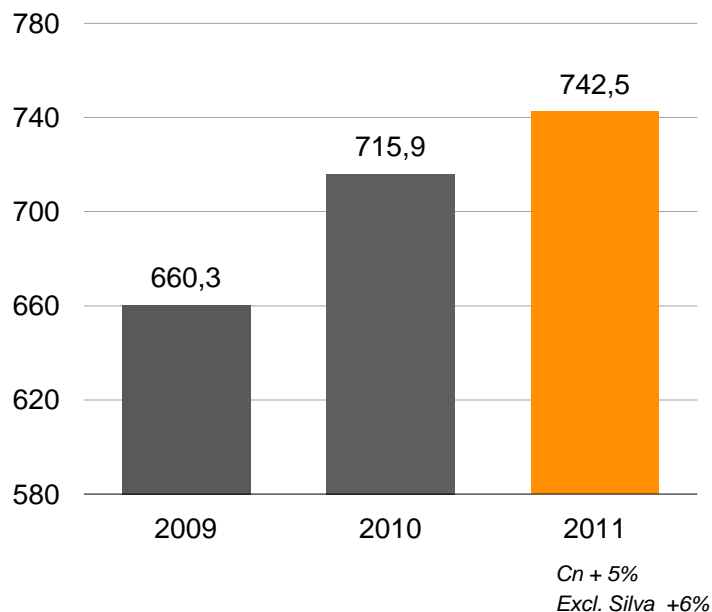
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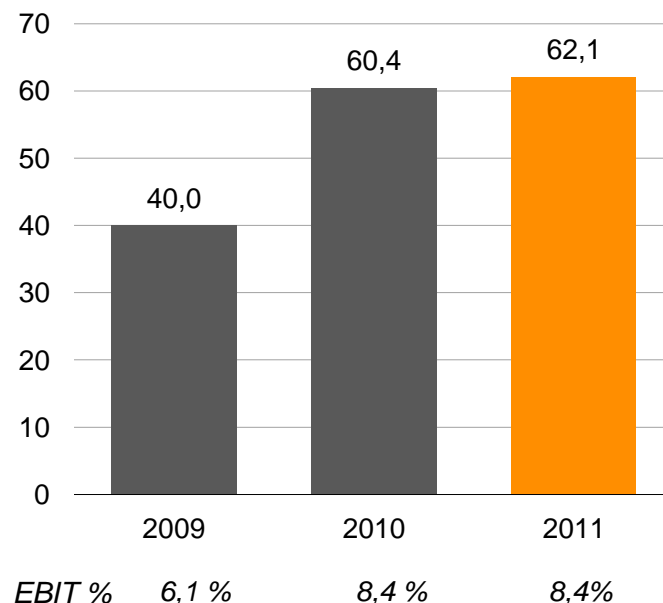
# FY2011 Group financial performance

- Net sales 742.5 MEUR (715.9); + 4% or 5 % at comparable currency rates
- Operating profit excluding non-recurring items 62.1 MEUR (60.4)
- Operating profit 52.8 MEUR (49.1)

Net sales, MEUR



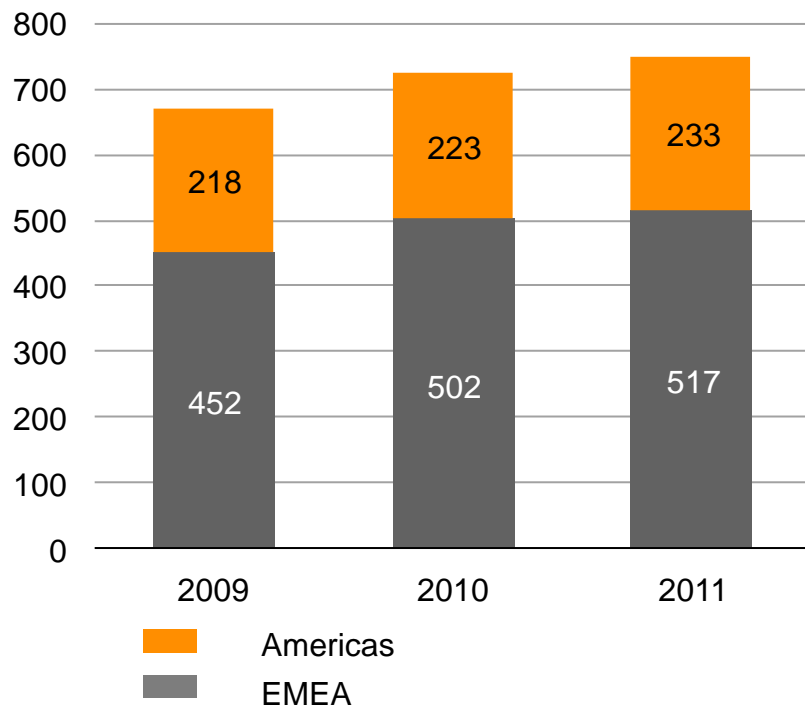
EBIT excl. non-recurring items, MEUR



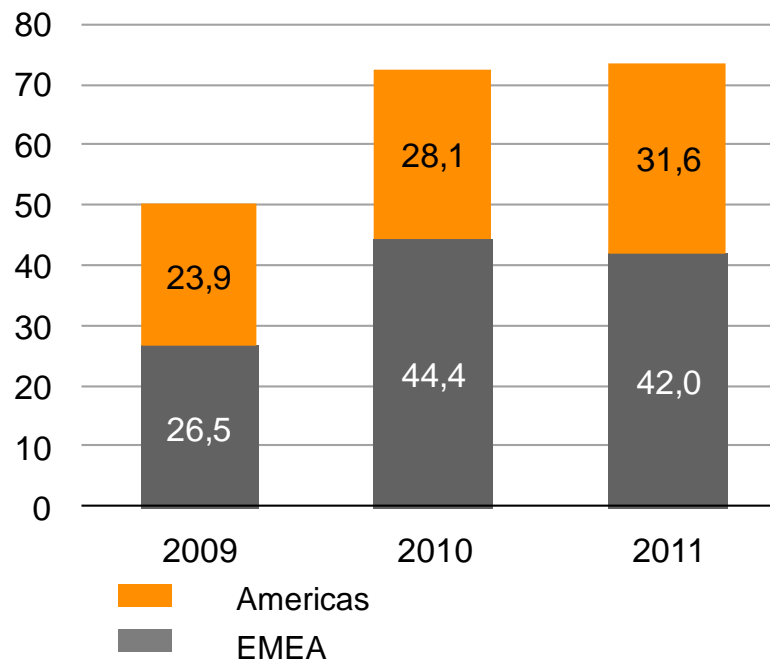
# FY2011 EMEA and Americas segments

- EMEA Net sales 517 MEUR (502); + 3% or 2 % at comparable currency rates
- Americas Net sales 233 MEUR (223); + 4% or 10 % at comparable currency rates

Net sales, MEUR



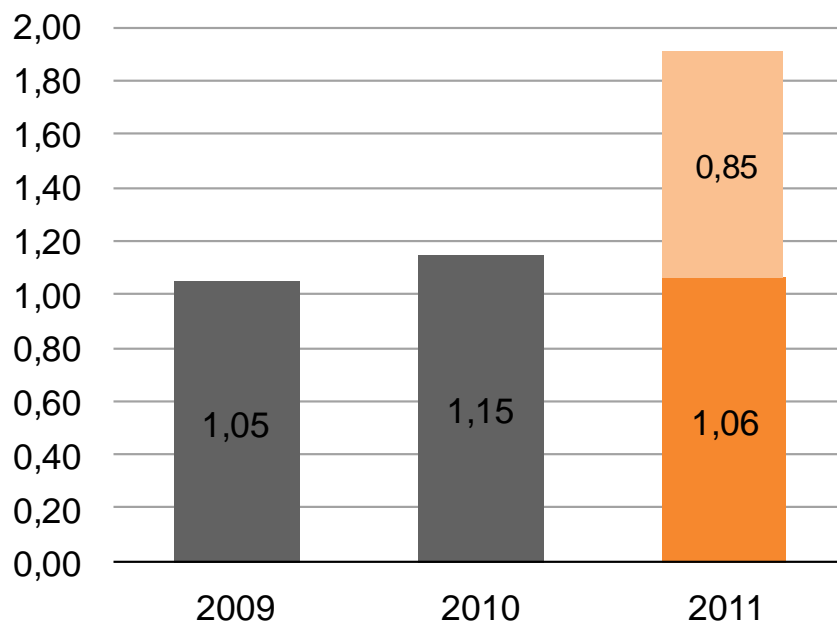
EBIT excl. non-recurring items, MEUR



# FY2011 financial performance per share

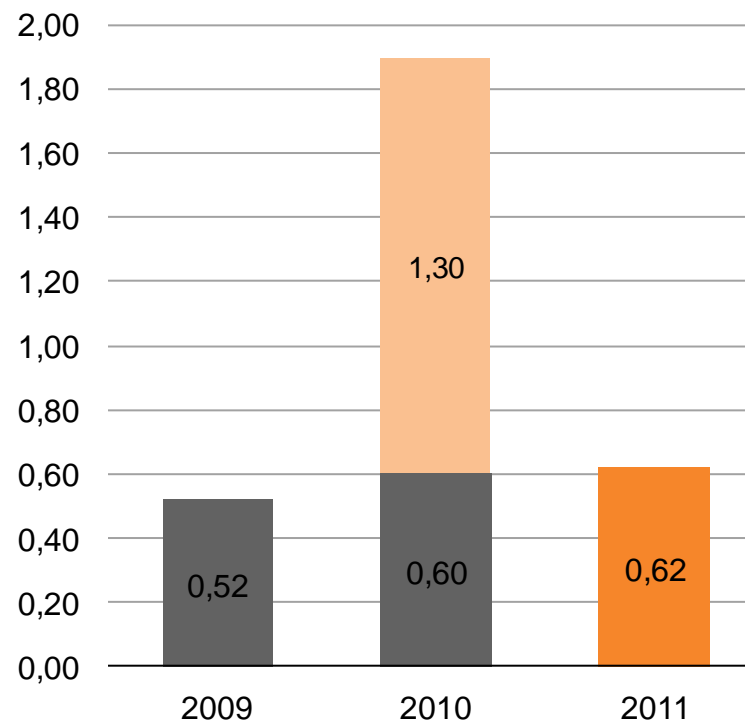
- Earnings per share EUR 1.91 (1.15)
- Board's dividend proposal EUR 0.62 per share

Earnings per share, EUR



2011 EPS is including a non-recurring profit of EUR 0.85 per share from the sale of Wärtsilä shares

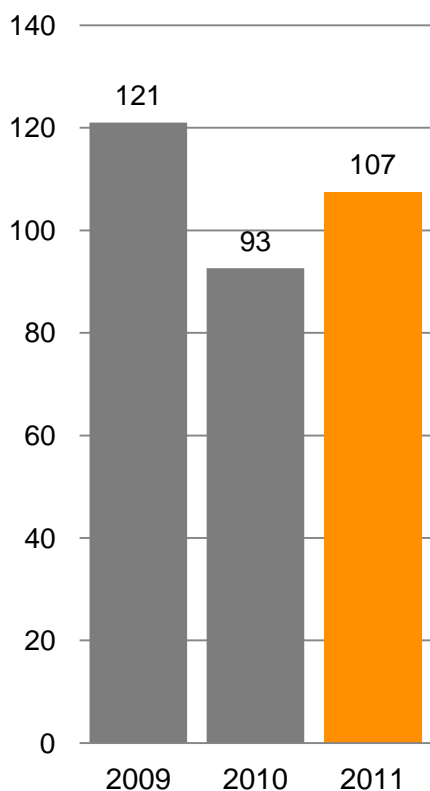
Dividend per share, EUR



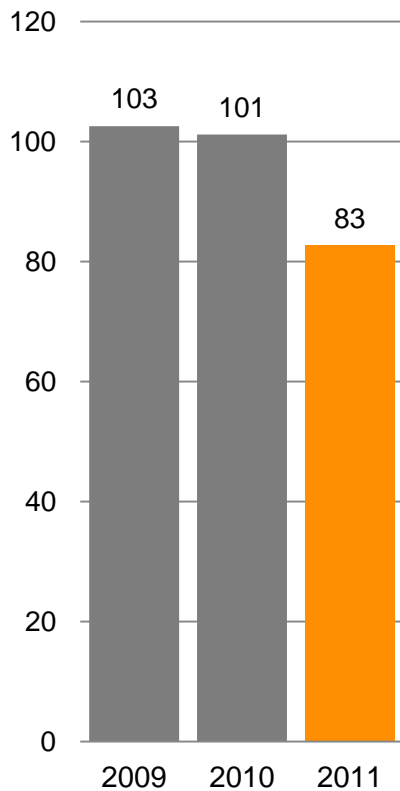
Total dividend of EUR 1.90 in 2010 included extra dividend of EUR 1.30  
2011: Board proposal

# Cash flow and debt full year 2011, MEUR

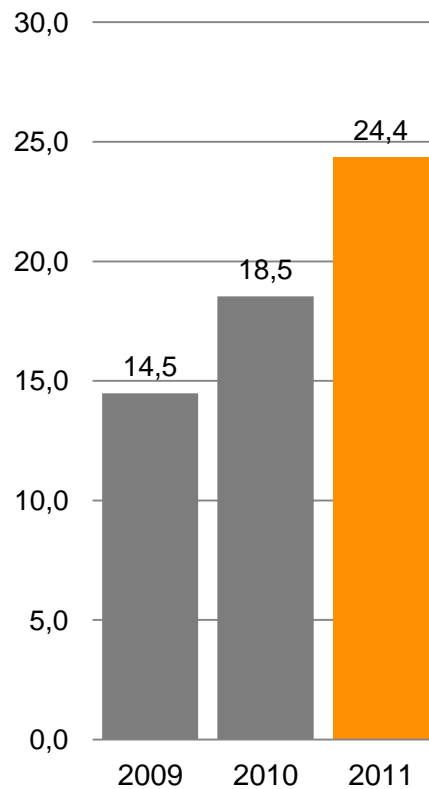
## CF from operating activities



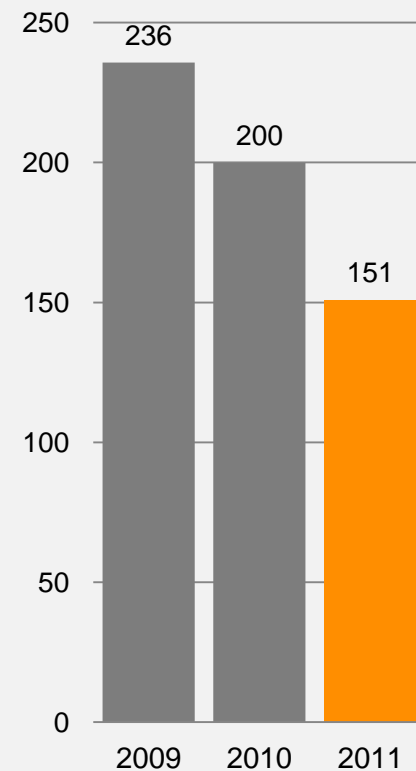
## Working Capital



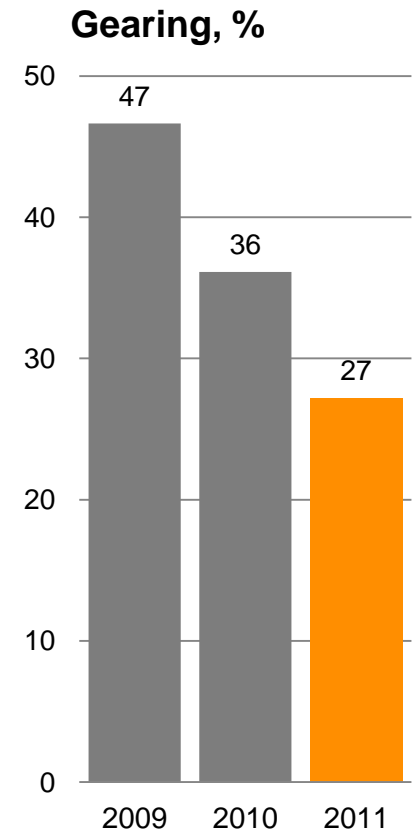
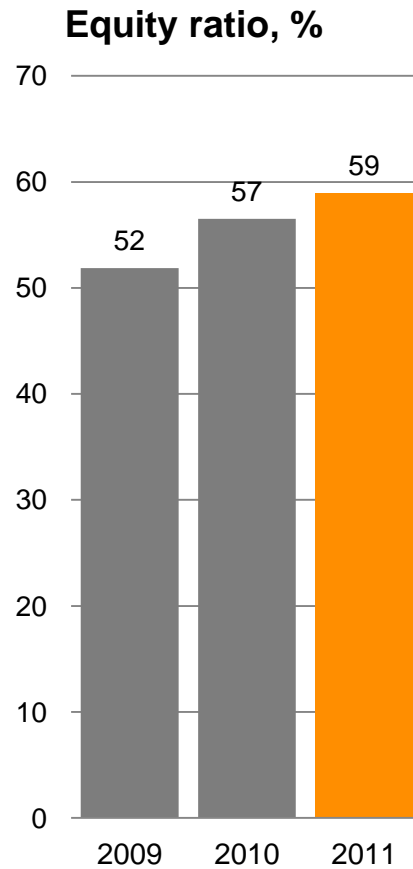
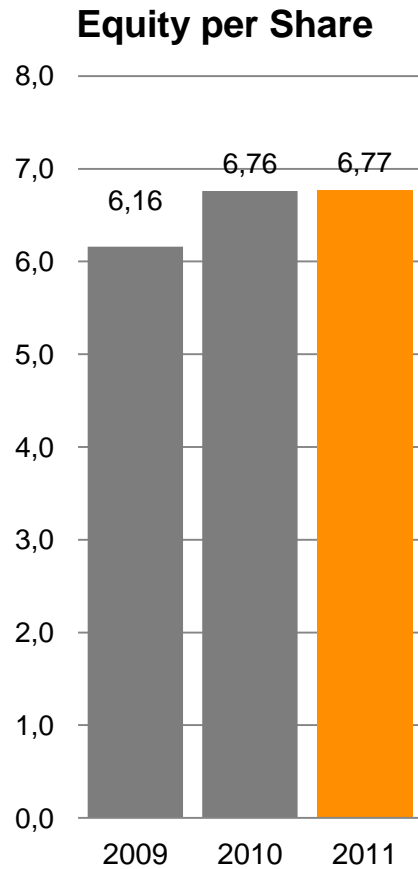
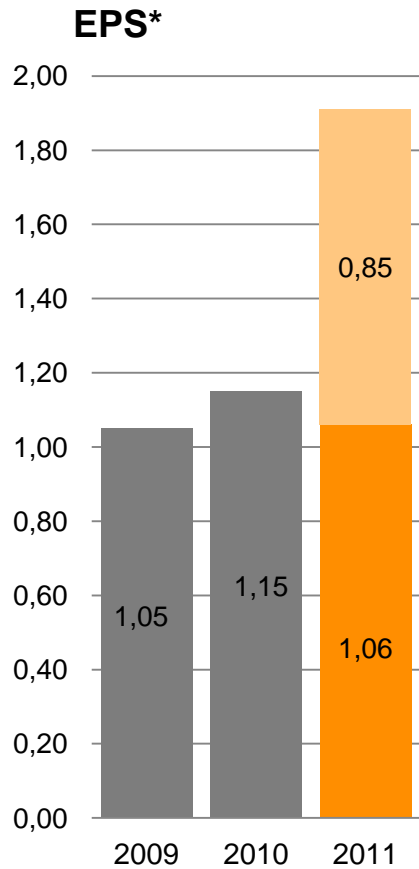
## Capital expenditure



## Net debt



# Key ratios in full year 2011



Gain of Wärtsilä sales  
Excl. Wärtsilä sales

# Q4

## Outlook for 2012



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# Outlook for 2012

- The general market situation remains uncertain and volatile, which makes forecasting difficult
  - In Europe, operating environment has worsened, in North America some signs of recovery seen
  - We expect retailers to continue focusing on working capital, and purchasing to remain cautious in 2012
- Fiskars will continue implementing its integrated company strategy, the investment program in EMEA and investments in new product development and marketing
- We expect full-year 2012 net sales and operating profit excl. non-recurring items to amount to similar levels as in 2011
- The associated company, Wärtsilä, will continue to have a major impact on Fiskars' profit and cash flow in 2012





# Q4

In a nutshell



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# Key figures 2011

EUR million	Q4 2011	Q4 2010	Change	2011	2010	Change
Net sales	187.3	190.6	-2%	742.5	715.9	4%
Operating profit (EBIT)*	10.7	1.3		52.8	49.1	8%
Operating profit excluding non-recurring items	13.7	12.6	8%	62.1	60.4	3%
Share of profit from associated company	13.4	30.1	-55%	42.7	65.9	-35%
Change in the fair value of standing timber	-0.2	-0.4		-1.0	-2.2	
Profit before taxes**	23.5	30.3	-22%	161.8	106.7	52%
Profit for the period**	26.7	28.9	-8%	156.3	94.3	66%
Earnings per share, EUR	0.33	0.35	-8%	1.91	1.15	66%
Equity per share, EUR				6.77	6.76	0%
Cash flow from operating activities***	41.9	29.6	42%	107.4	92.6	16%
Equity ratio, %				59%	57%	
Net gearing, %				27%	36%	
Capital expenditure	9.8	7.5	30%	24.7	18.6	33%
Personnel (FTE), average	3,361	3,664	-8%	3,545	3,612	-2%

\* Including in Q4 2011 a EUR 3.0 million non-recurring expense for a competition infringement fine, in Q3 2011 a non-recurring loss of EUR 5.3 million related to the sale of Silva and a EUR 1.1 million non-recurring loss related to product recalls, and in 2010 a EUR 11.3 million non-recurring cost related to the write-down of goodwill

\*\* Including a non-recurring profit of EUR 69.8 million from the sale of Wärtsilä shares in Q1 2011

\*\*\* Including Wärtsilä dividend of EUR 40.9 million in Q1 2011 (29.5)

# Fiskars IR Calendar and Contact Information

- Q1 Interim Report May 3, 2012
  - Q2 Interim Report August 2, 2012
  - Q3 Interim Report November 1, 2012
- Fiskars Corporation  
Hämeentie 135 A  
P.O. Box 130  
FI-00561 Helsinki, Finland  
Tel. +358 204 3910  
Fax +358 9 604 053  
[communications@fiskars.com](mailto:communications@fiskars.com)
  - IR Contact  
Anu Ilvonen  
Tel. +358 20439 5446  
[anu.ilvonen@fiskars.com](mailto:anu.ilvonen@fiskars.com)

# Analyst coverage

- To the best of our knowledge, the following persons follow the Fiskars share. They do so on their own initiative, and Fiskars takes no responsibility for the opinions expressed.
  - Carnegie Investment Bank  
Tommy Ilmoni, +358 9 618 71 235  
[tommy.ilmoni@carnegie.fi](mailto:tommy.ilmoni@carnegie.fi)
  - Evli Bank  
Mika Karppinen, +358 9 4766 9643  
[mika.karppinen@evli.com](mailto:mika.karppinen@evli.com)
  - FIM  
Mona Grannenfelt, +358 9 6134 6503  
[mona.grannenfelt@fim.com](mailto:mona.grannenfelt@fim.com)
  - Nordea Bank  
Johannes Grasberger, +358 9 165 59929  
[johannes.grasberger@nordea.com](mailto:johannes.grasberger@nordea.com)
  - Pohjola Bank  
Jari Räsänen, +358 10 252 4504  
[jari.raisanen@pohjola.com](mailto:jari.raisanen@pohjola.com)

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