
Fiskars Group

Q4/2012

1.1. – 31.12.2012

Helsinki, February 7, 2013



FISKARS

Agenda

Highlights

Business Review

Spotlight: Strategy review

Financials

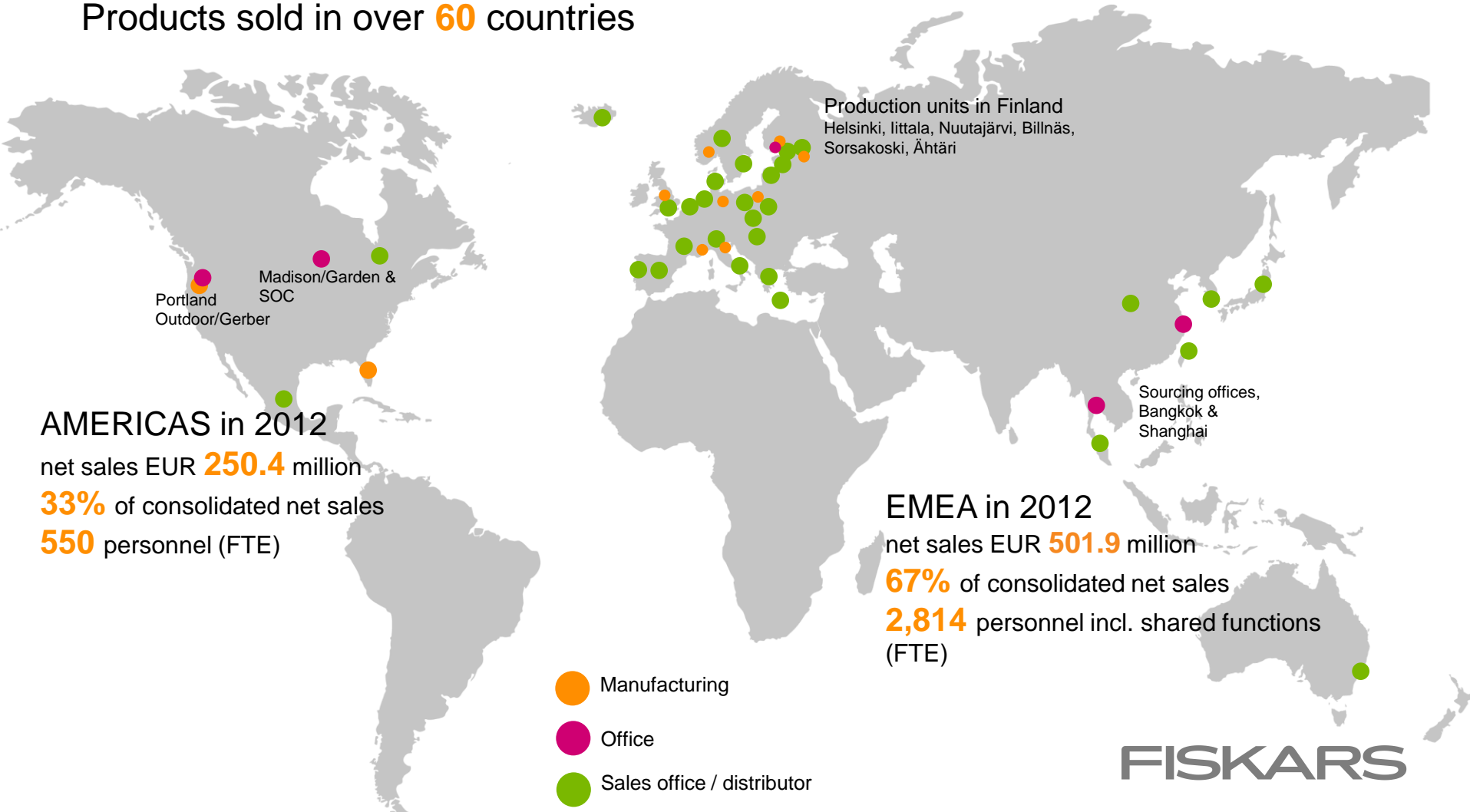
Appendixes

Fiskars in brief

Net sales EUR **747.8** million

Including Royal Copenhagen some **4,100** employees around the world

Products sold in over **60** countries



Q4: Record sales for Home business

Net sales 190.3
MEUR, +2 %

EBIT 13.0 MEUR,
+22 %
EBIT w/o non-recurring
13.0 MEUR, -5 %

Home business
performed strongly, led
by Living and SOC

Home sales
101 MEUR, +9 %,
setting a new record

Royal Copenhagen
becomes part of
Fiskars in
January 2013



Fiskars acquires Royal Copenhagen – creates a portfolio of leading Scandinavian design brands

- Royal Copenhagen a part of Fiskars' Home Business Area since January 2013
- Strong strategic fit & complementary offering
- Accelerates international expansion - strengthens position in Scandinavia and Asia
- In 2011, Royal Copenhagen reported
 - net sales EUR 66 million and EBIT 5 million
- The acquisition is expected to have a positive effect on Fiskars Group's EBIT from 2013 onwards
 - Effect in 2013 depends on post-acquisition costs



2012: Record operating profit and strong progress in strategy implementation

Net sales
747.8 MEUR, +1 %

EBIT excl. NRI
63.1 MEUR, +2 %
New record for 3rd
year in a row

5th year of consistent
transformation

Strong year for Home,
led by Living and
SOC

Board proposes
EUR 0.65
dividend / share

Outlook for 2013:
FY net sales and
operating profit excl.
NRI to be above 2012

Q4

Business review



Operating environment in Q4

- Overall economic climate continued to impact Fiskars' customers and consumers in Europe
 - Consumer confidence in the Nordics was inconsistent, and shopping was price-driven
 - Trade remains cautious and reluctant to commit to volumes
 - Sales in the holiday season seemed to be flat or slightly positive
- In North America, consumer and business confidence was hampered at the end of the quarter
 - Worries about the fiscal cliff and the uncertainty created by the political situation
 - Sales growth over the holiday season remained modest
 - Institutional spending remained sluggish.



Record sales for Home, driven by Living and SOC

Q4/2012

- Strong sales for Living products
 - Sales increased across main markets in Europe and in Asia
- Total of 32 new Iittala shop-in-shops or stores opened in 2012
 - First store in Kansai area in Kobe, Japan
- Acquisition of Royal Copenhagen compliments Dining portfolio and strengthens Home in Asia
- In the Americas, School, Office and Craft products (SOC) maintained strong performance
 - Good development in sewing and quilting products and die-cutting novelty



Page 9



Fiskars Q4 2012



HOME

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

101.0 MEUR net sales
+9%

53 % of total sales

Iittala FISKARS®

HACKMAN®

ARABIA
FINLAND

HØYANG-POLARIS®



RAADVAD

gingher
a tradition of quality



KAIMANO

Kitchen
Devils

Rörstrand



FISKARS

Good Garden sales in the Americas

Q4/2012

- In the Americas, Garden business developed positively
 - Good development across many key accounts
- Net sales in EMEA decreased during the quarter
 - Sale of snow tools behind previous year's exceptional levels
 - Other categories performed steadily
- Consolidated EbertSankey launched in the Nordics

Ergonomically designed tools for gardening and construction

53.1 MEUR net sales,
-10 %

28 % of total sales

FISKARS®

leborgne

Zinck & Sjöbom

ebertsankey 



Page 10

Fiskars Q4 2012



FISKARS

Continued growth in Europe for Gerber

Q4/2012

- In Europe, strong commercial sales for Gerber offset softness in the boat markets
- In the Americas, decrease in institutional channels outweighed increase in commercial sales
- Hello Trouble marketing campaign reached millions of new consumers around the world



#HELLOTROUBLE

OUTDOOR

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

35.3 MEUR net sales,
+2 %

19% of total sales



Buster DRIVE



FISKARS

Q4

Spotlight: Strategy review



FISKARS

TOMORROW'S FISKARS
World Class Branded
Consumer Goods
Company

FISKARS

Steps to growth

Step 1: From holding Company towards integrated consumer goods company

- New management, strategy and structure

Step 2: Creating the Platform for growth

- Focus, group wide integration
- New operating and business models
- Unified processes and systems
- Refined category and brand strategies
- Strong sales organization

Step 3: Delivering results

- Becoming preferred supplier to global key accounts
- Excelling in execution
- Entering new categories
- Entering new markets

Step 3

Step 2

Step 1

2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020

Fiskars' strategic agenda

	Theme	Actions in 2012
Focus	<ul style="list-style-type: none"> • Strong business area focus • Specialist premium brand portfolio • Optimized product range for selected categories 	<ul style="list-style-type: none"> • Ebert and Sankey combined into one container gardening offering • Rörstrand and Leborgne elevated to regional brands
Efficiency	<ul style="list-style-type: none"> • Simplified structure • Integrated business progresses • Demand-driven supply chain 	<ul style="list-style-type: none"> • Platform program progressed according to plan • Regional financial service center for EMEA established • Increased operational efficiency EMEA
Growth	<ul style="list-style-type: none"> • Consumer-focused product development • Innovative R&D • Commercial expansion 	<ul style="list-style-type: none"> • New sales organization to drive growth • Expansion of Iittala store network • Market position in Central Europe strengthened • European Gerber sales team put in place • Acquisition of Royal Copenhagen

Fiskars expands its regional brand offering

Key international brands

FISKARS®

iittala

GERBER®

Leading regional brands

**ARABIA
FINLAND**

ROYAL COPENHAGEN
PURVEYOR TO HER MAJESTY THE QUEEN OF DENMARK

Rörstrand

HACKMAN®

leborgne®
1829

ebertsankey
home for happy plants

Buster®

Local and tactical brands

DRIVE BOATS
GINGHER
HÖGANÄS KERAMIK

HØYANG-POLARIS
KAIMANO
KITCHEN DEVILS

MONTANA
RAADVAD
ZINCK-LYSBRO

TOMORROW'S FISKARS
World Class Branded
Consumer Goods
Company

FISKARS

Our mission and vision

Mission

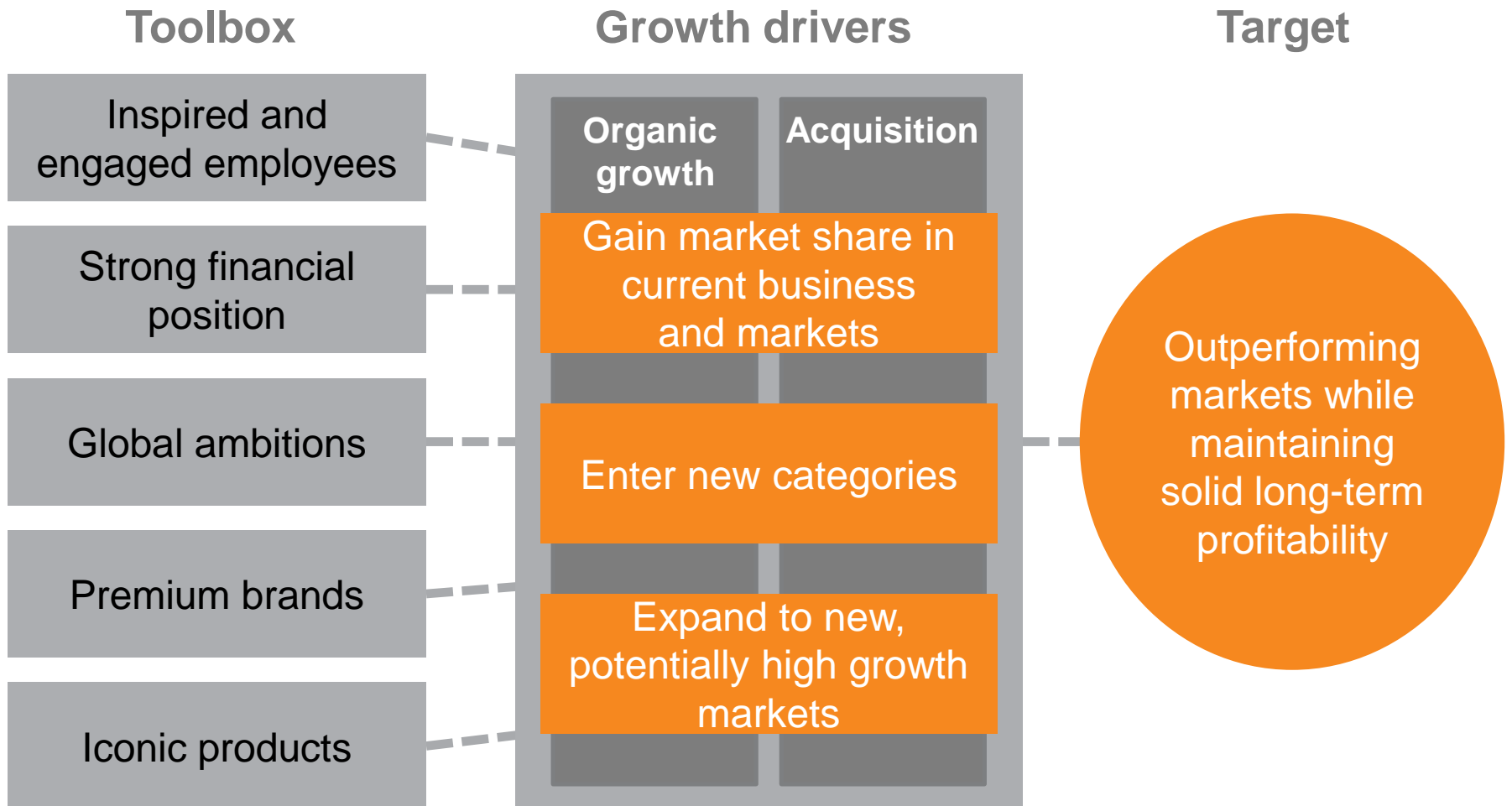
Our mission is to enrich consumers' lives with lasting products that increase enjoyment and solve everyday problems through their functionality, innovation and design

Vision

Our vision is to be a global branded consumer goods company that delivers:

- Brands that people desire
- Lasting products that bring joy
- Offerings that cater to category leadership
- Best-in-class trade relations and unique access to global key accounts
- Excellence in sales and execution

Strategy for growth

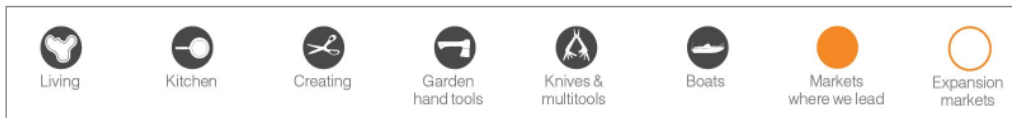


Our markets

Americas

EMEA

(Europe, Middle East and Asia-Pacific)



Q4

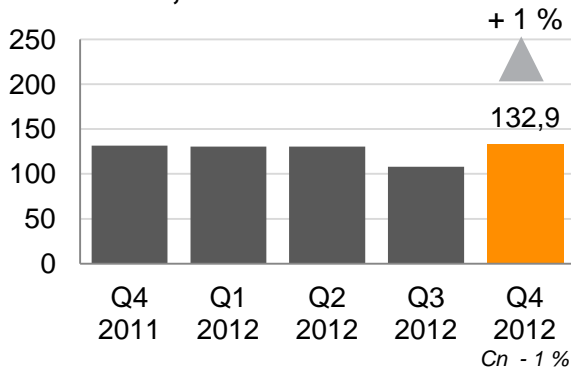
Financials



Net Sales in Q4 2012

by Segment

Net sales, MEUR

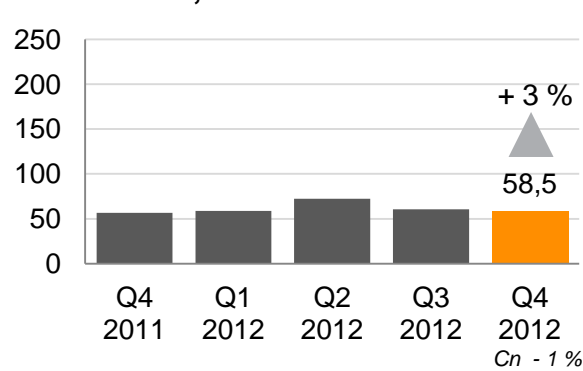


EMEA



70% of total sales

Net sales, MEUR

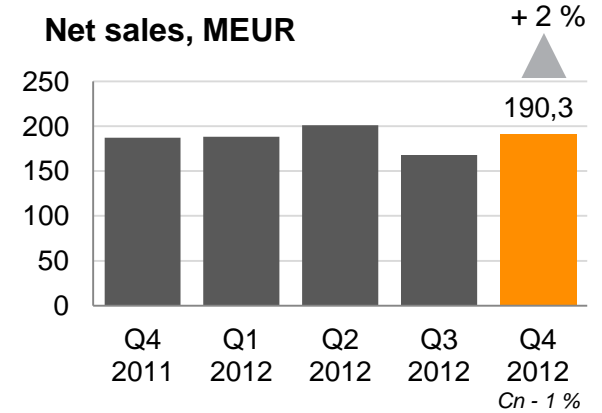


Americas



30% of total sales

Net sales, MEUR



Fiskars Total

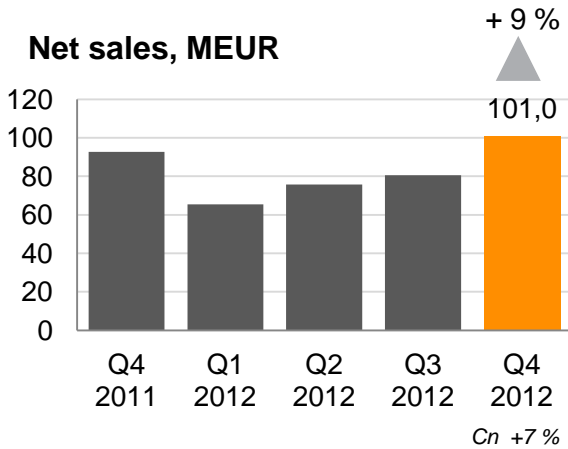


100% of total sales

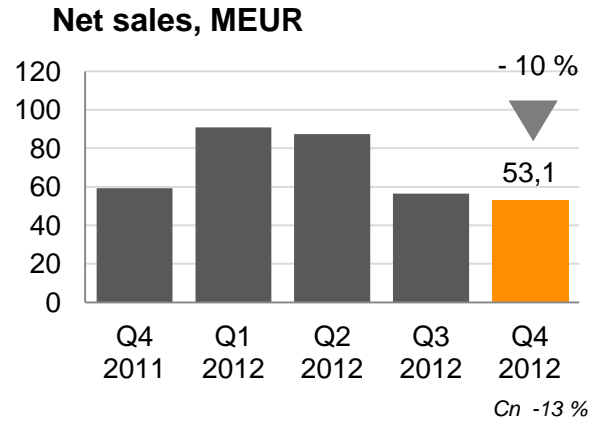
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Net Sales in Q4 2012

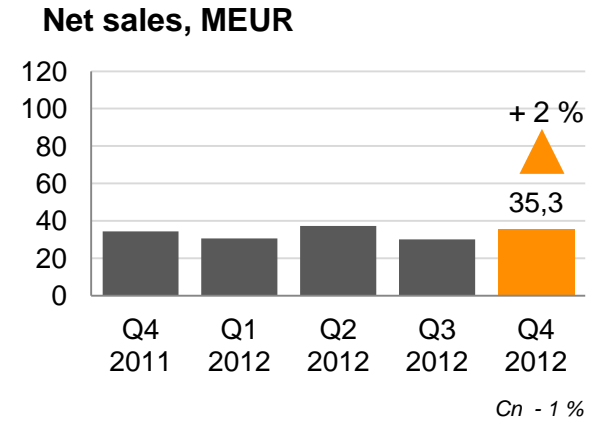
by Business Area



Home



Garden



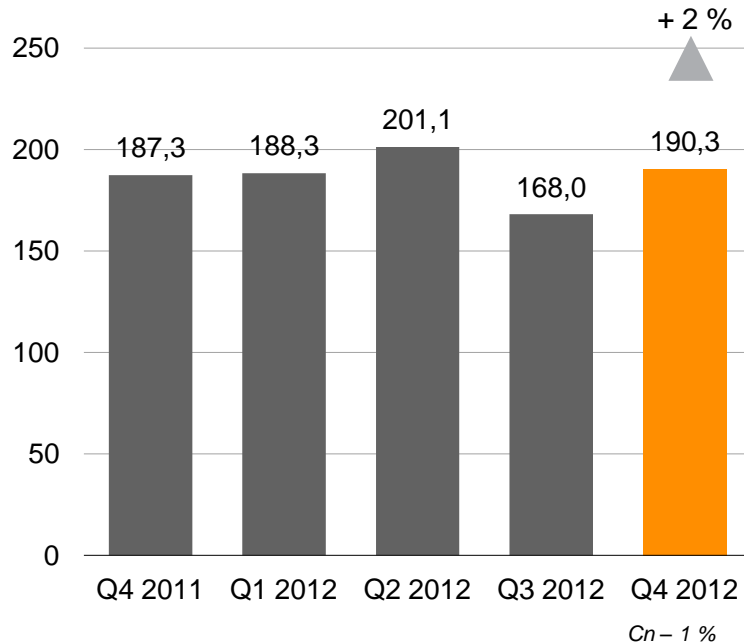
Outdoor



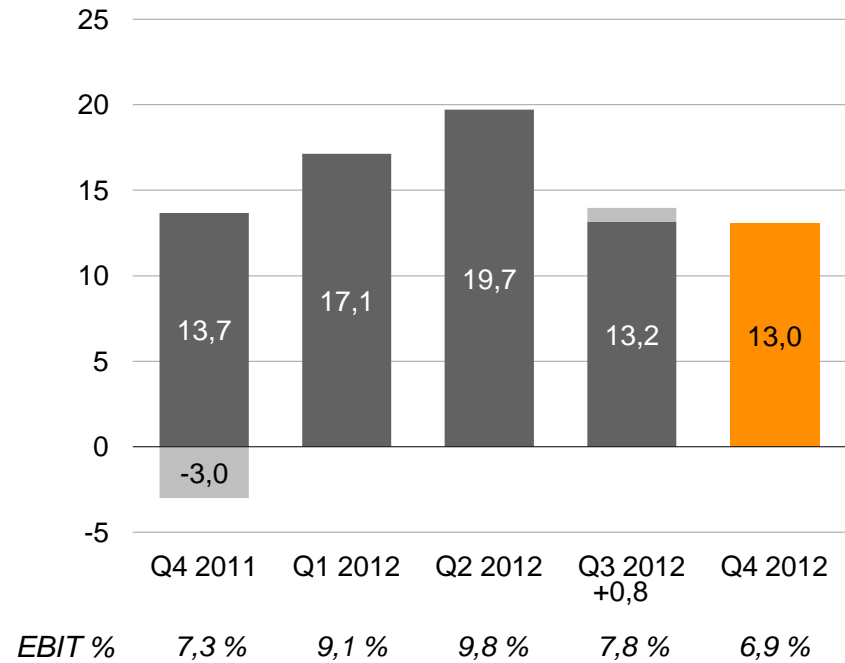
Net Sales and EBIT in Q4 2012

Fiskars Group

Net sales by quarter, MEUR



EBIT by quarter, MEUR



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

FISKARS

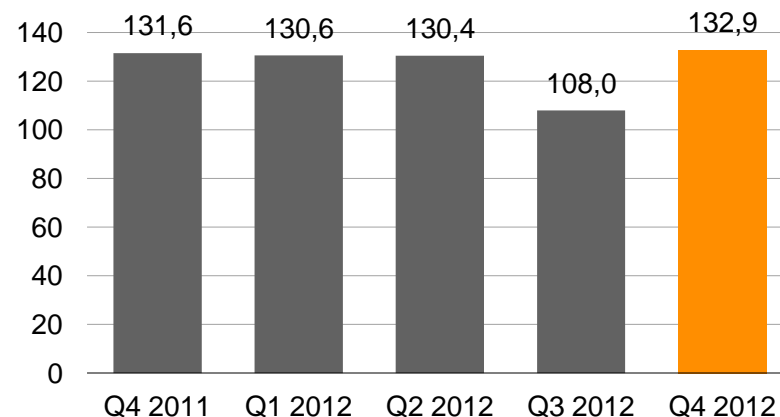
Net Sales and EBIT in Q4 2012

EMEA segment

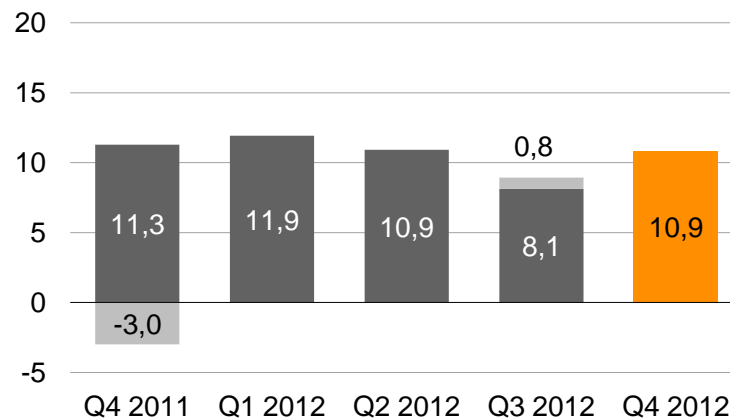
Net sales in EMEA increased 1% to EUR 132.9 million (Q4 2011: 131.6), thanks to strong sales in the Home business – best quarter ever - and continued good sales in Outdoor. Garden did not reach previous year's levels

- Operational efficiency in EMEA continued to improve
- EBIT excl. NRI EUR 10.9 million (11.3, excluding a 3.0 MEUR non-recurring item), mainly reflecting the increase in costs related to the five-year platform investment program in EMEA

Net sales by quarter, MEUR



EBIT by quarter, MEUR



EBIT % 8,6 % 9,1 % 8,4 % 7,5 % 8,2 %

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

FISKARS

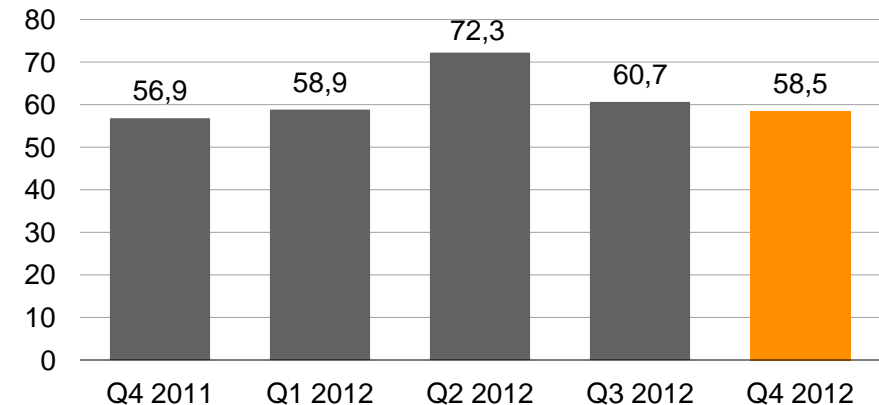
Net Sales and EBIT in Q4 2012

Americas segment

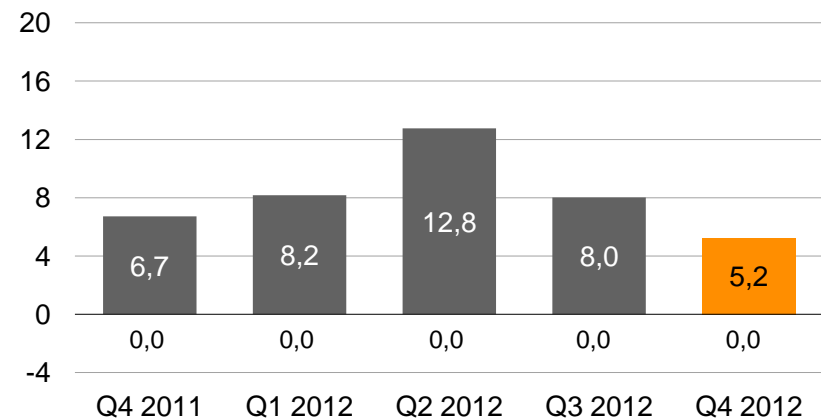
Net sales + 3% to EUR 58.5 million (56.9), boosted by the strengthening of the US dollar and good development in SOC

- Using comparable currency rates, sales decreased by 1%
- EBIT EUR 5.2 million (6.7), mainly due to softness in sales

Net sales by quarter, MEUR



EBIT by quarter, MEUR



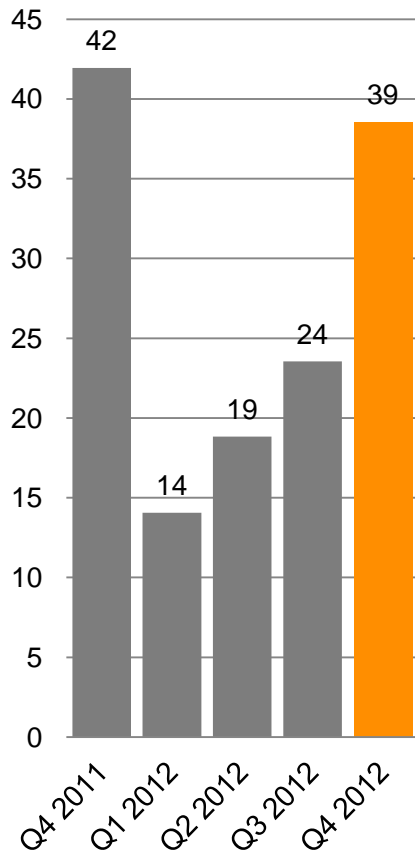
EBIT % 11,8 % 13,9 % 17,7 % 13,2 % 8,9 %

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

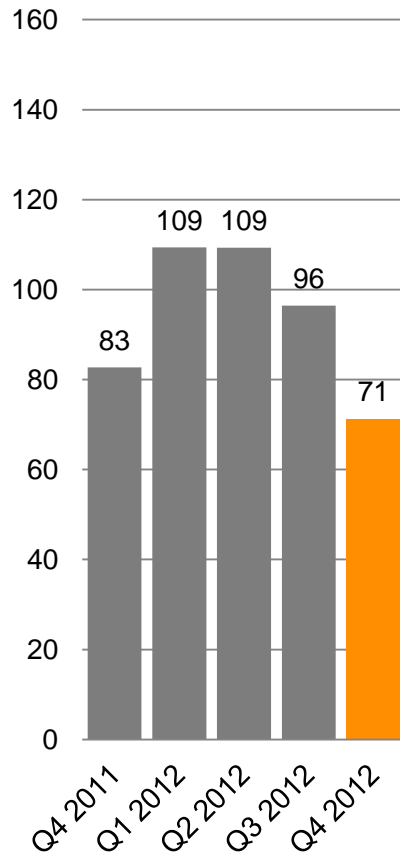
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Cash flow and debt Q4 2012, MEUR

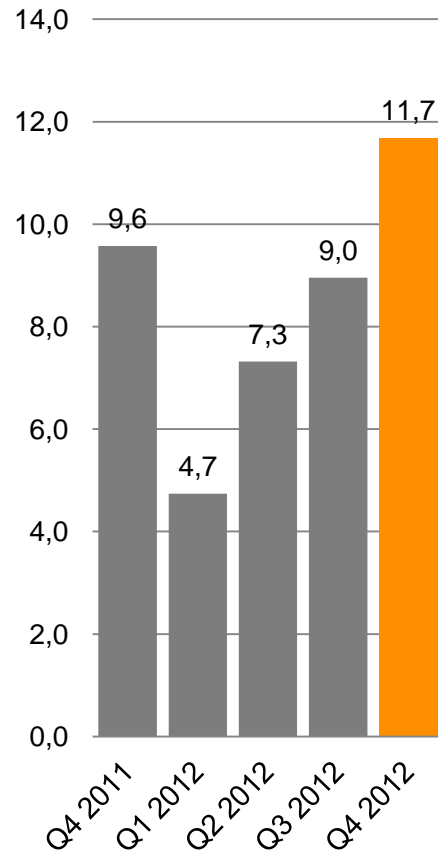
CF from operating activities



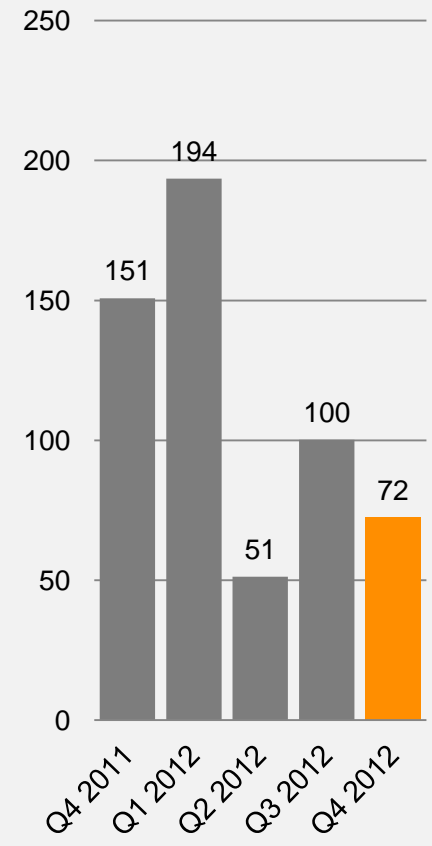
Working Capital



Capital expenditure

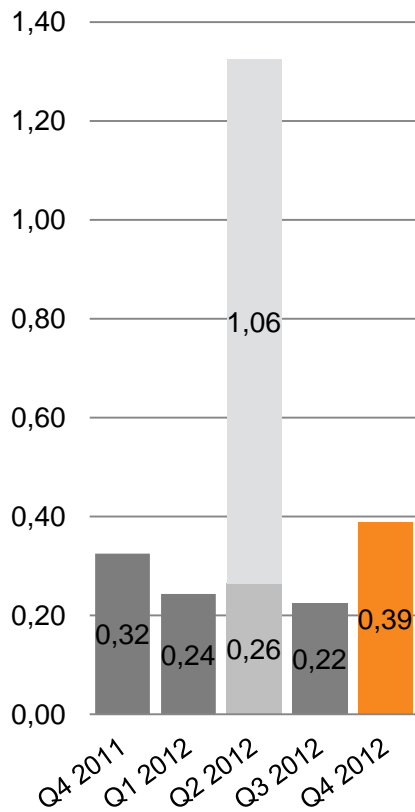


Net debt

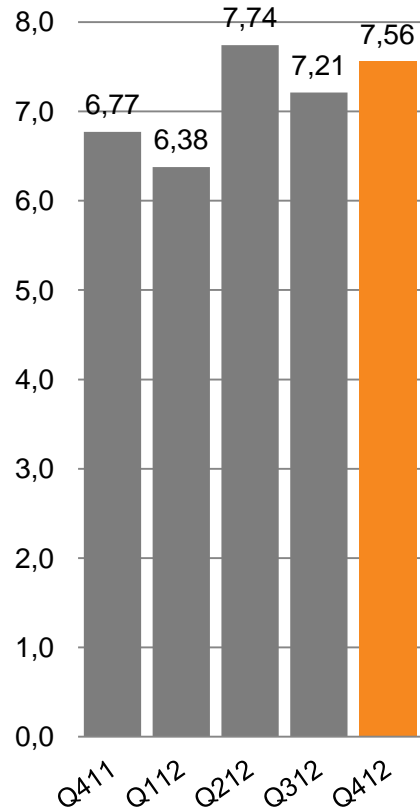


Key ratios Q4 2012

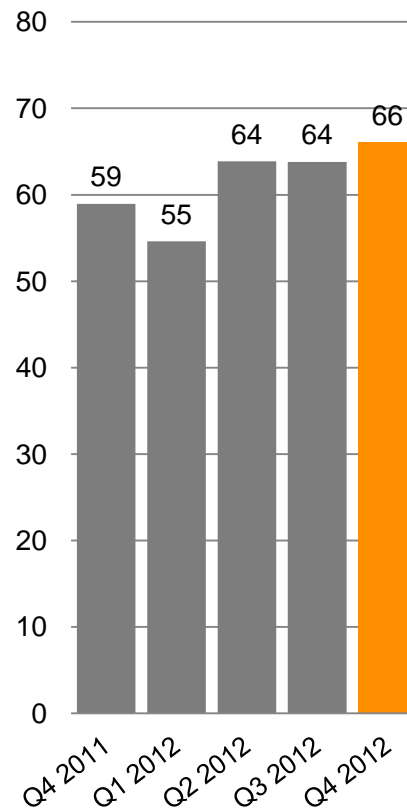
EPS*



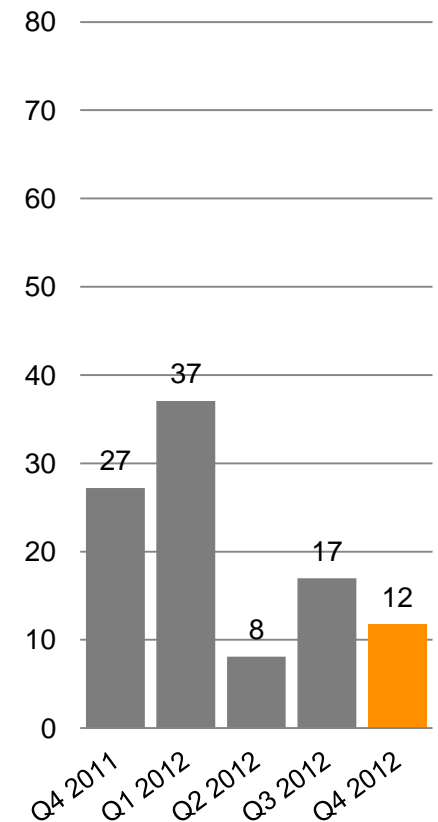
Equity per Share



Equity ratio, %



Gearing, %

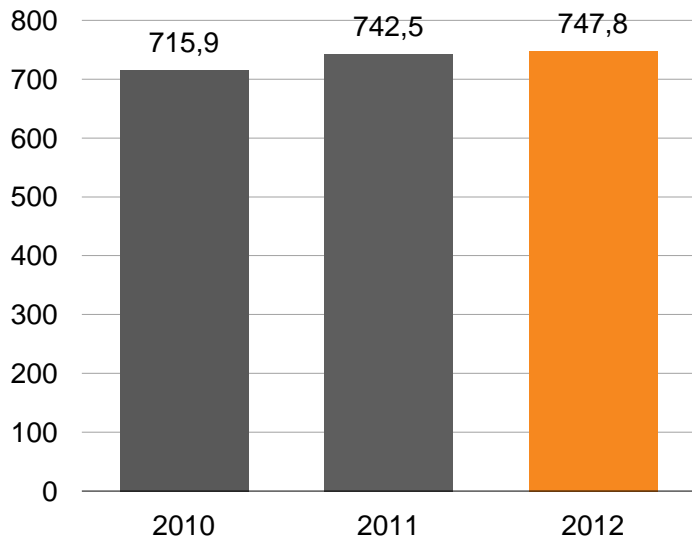


■ Gain of Wärtsilä sales
■ Excl. Wärtsilä sales

FY2012 Group financial performance

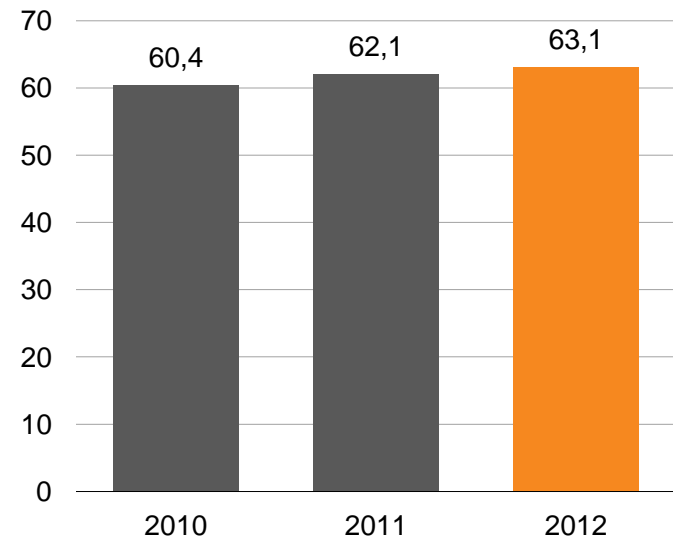
- Net sales 747.8 MEUR (742.5); + 1% or -1 % at comparable currency rates and excluding Silva
- Operating profit excluding non-recurring items 63.1 MEUR (62.1)
- Operating profit 63.9 MEUR (52.8)

Net sales, MEUR



Cn and Excl Silva -1%

EBIT excl. non-recurring items, MEUR

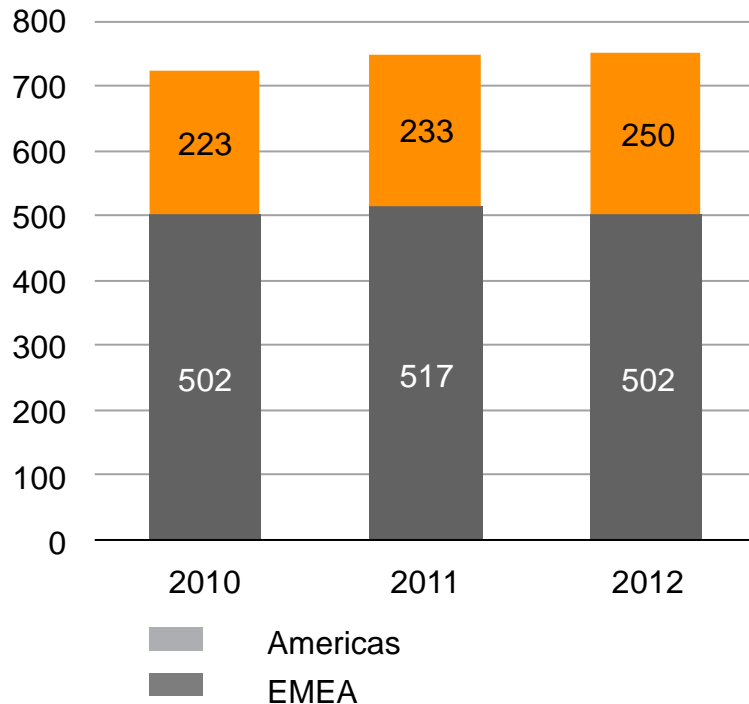


EBIT % 8,4 % 8,4 % 8,4%

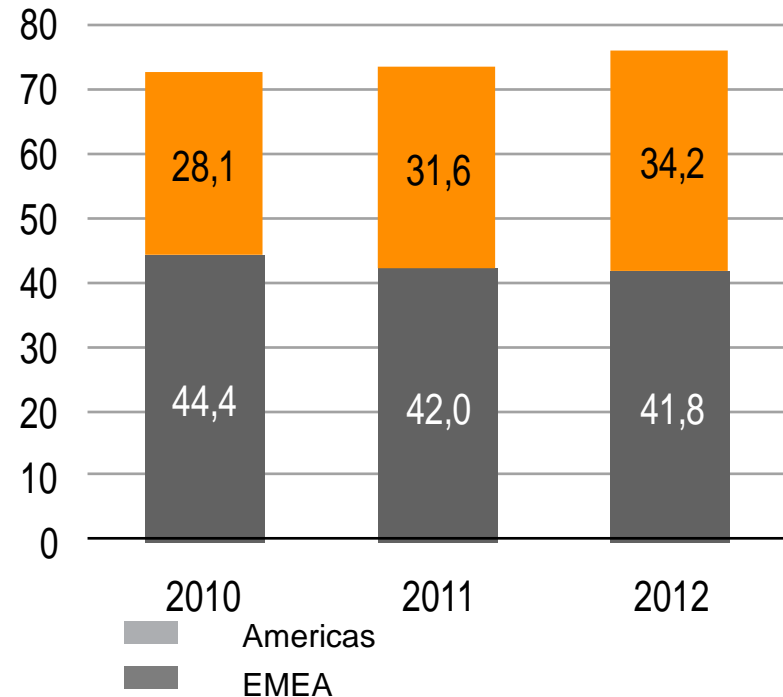
FY2012 EMEA and Americas segments

- EMEA Net sales 502 MEUR (517); -3 % or -4 % at comparable currency rates
- Americas Net sales 250 MEUR (233); + 8 % or 0 % at comparable currency rates

Net sales, MEUR



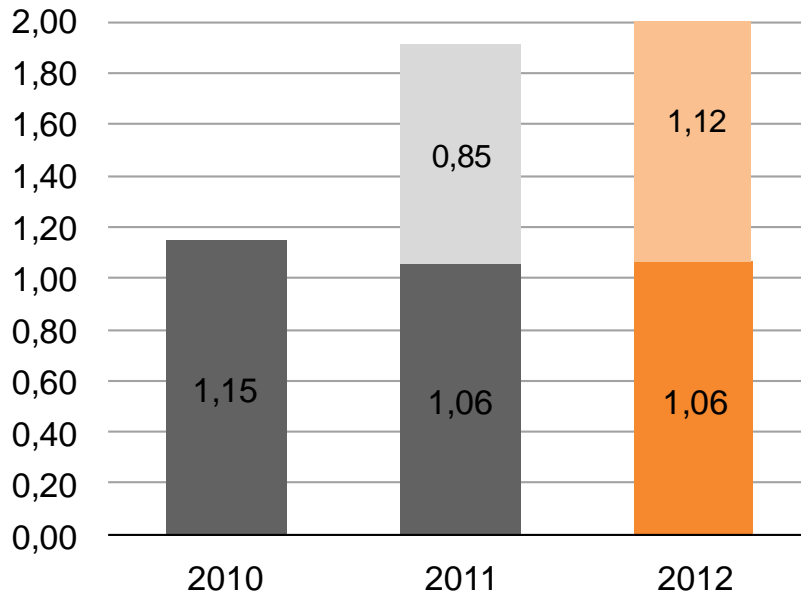
EBIT excl. non-recurring items, MEUR



FY2012 financial performance per share

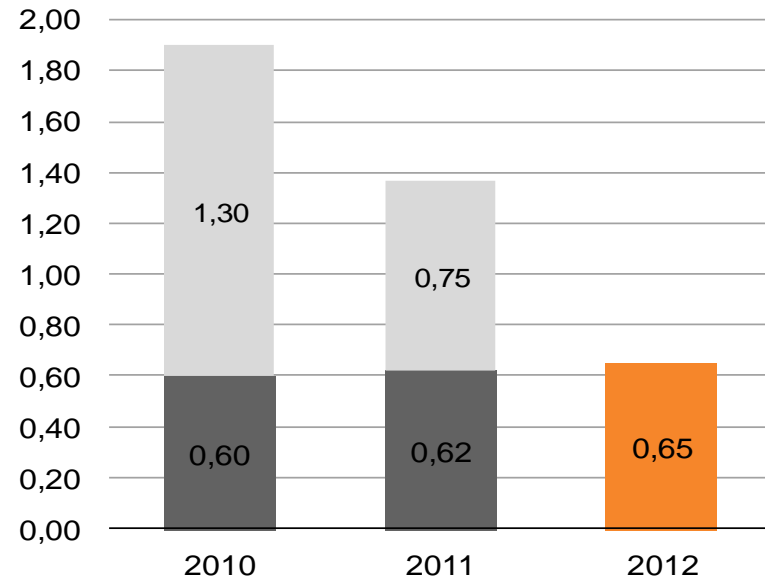
- Earnings per share 2.18 EUR (1.91)
- Board's dividend proposal 0.65 EUR per share

Earnings per share, EUR



2012 EPS is including a non-recurring profit of EUR 1.12 per share from the sale of Wärtsilä shares

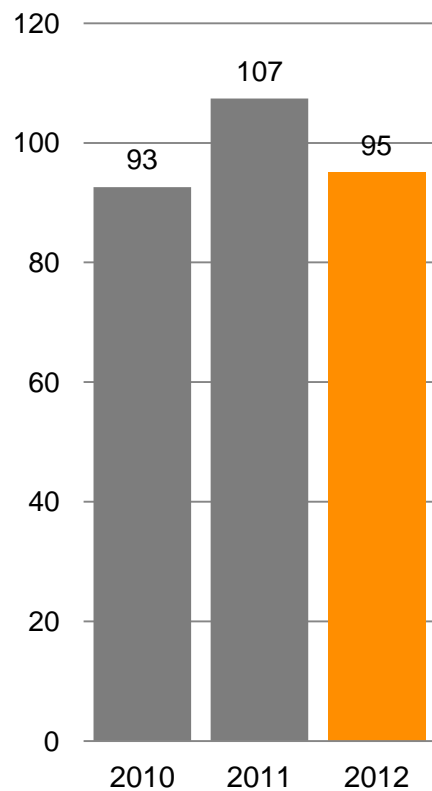
Dividend per share, EUR



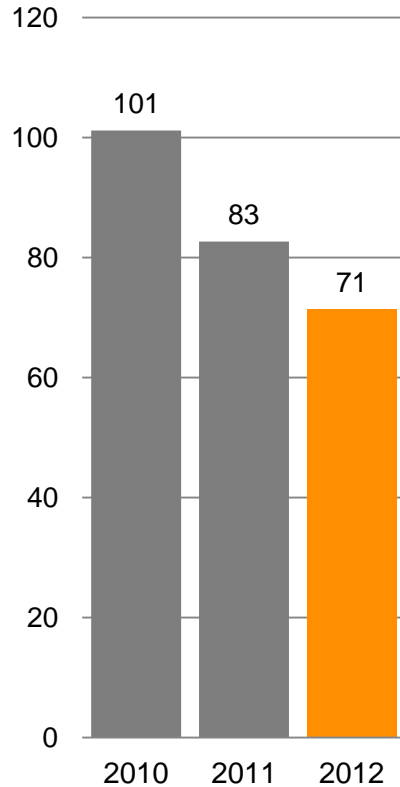
Total dividend of EUR 1.37 in 2011 included extra dividend of EUR 0.75

Cash flow and debt full year 2012, MEUR

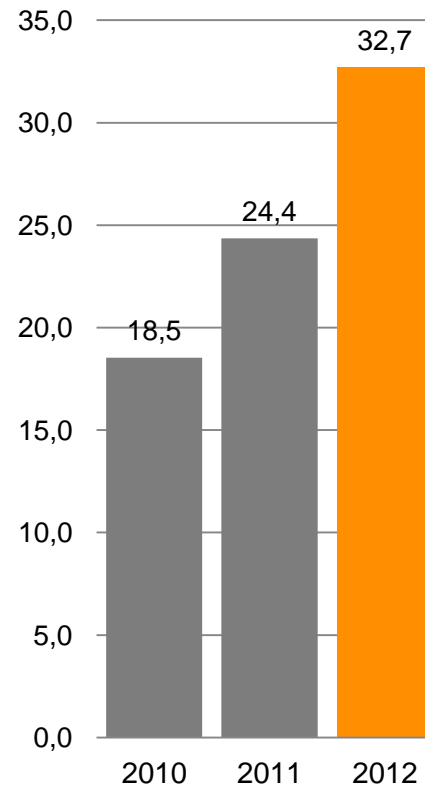
CF from operating activities



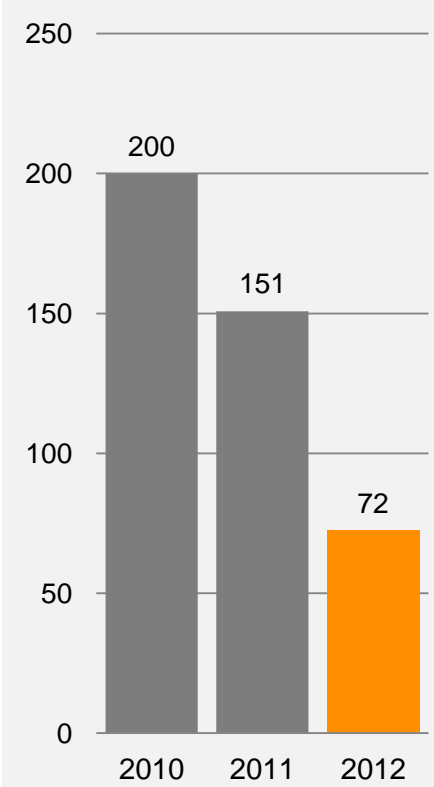
Working Capital



Capital expenditure

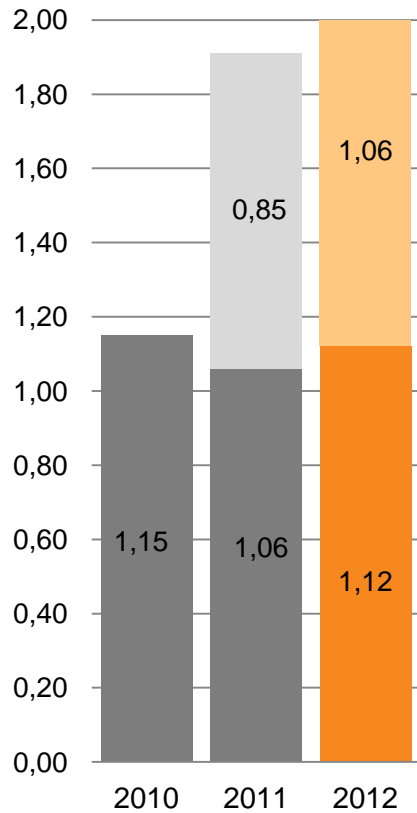


Net debt

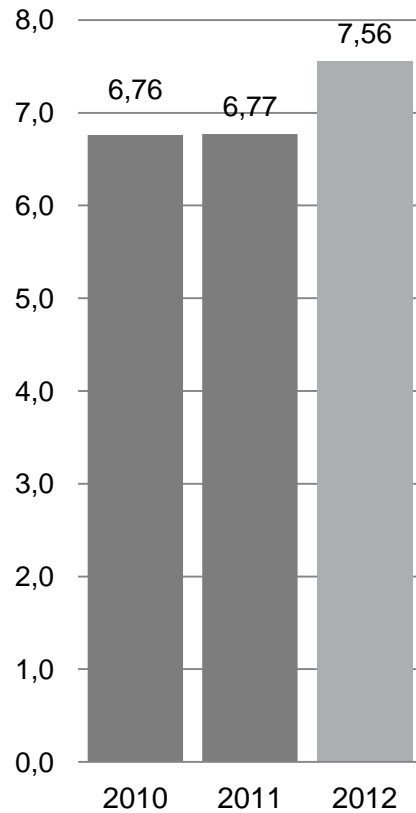


Key ratios in full year 2012

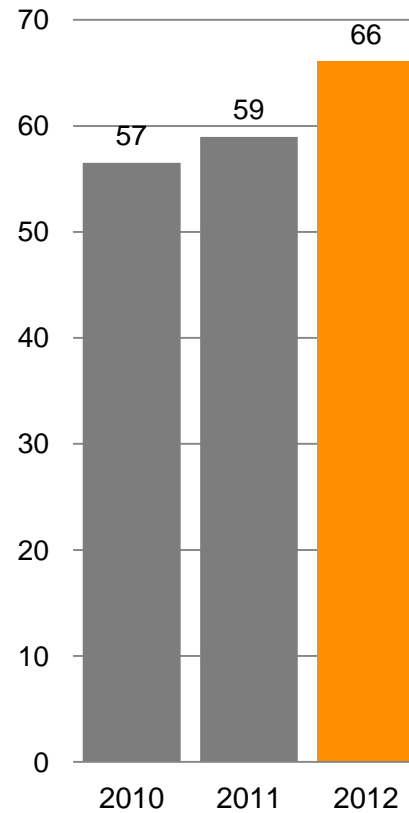
EPS*



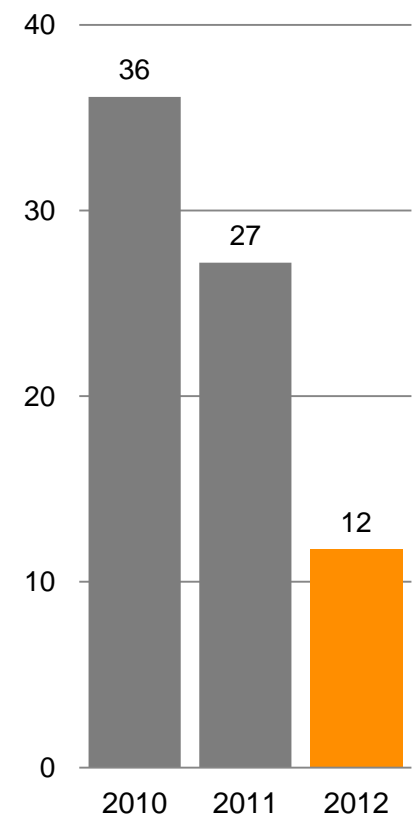
Equity per Share



Equity ratio, %



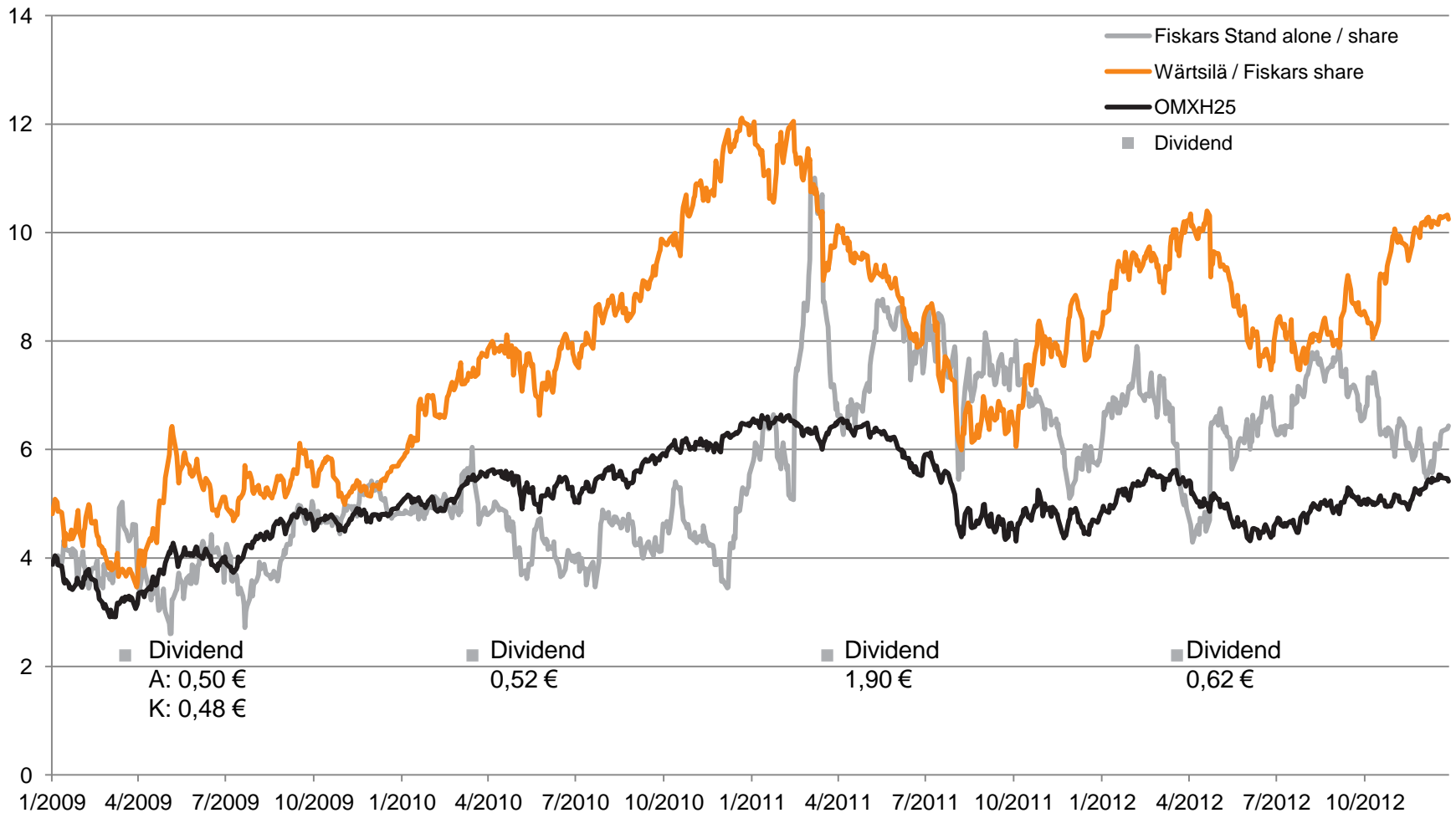
Gearing, %



■ Gain of Wärtsilä sales
■ Excl. Wärtsilä sales

Fiskars share price development 2009 – Q4 2012

Valuation of Fiskars' own operations and the share of Wärtsilä shares



Outlook for 2013

- Fiskars' operating environment remained uncertain throughout 2012, and recovery cannot be expected in the near future.
 - Both consumer and trade behavior may be affected by lengthened economic and financial uncertainty.
- Fiskars will continue implementing its integrated company strategy and the investment program in EMEA, as well as continue investing in NPD and marketing
- The acquisition of Royal Copenhagen is expected to have a positive effect on the Group's operating profit, but the effect is dependent on post-acquisition costs in 2013
- We expect the Group's full-year 2013 net sales and operating profit excluding non-recurring items to be above 2012 levels.
- The associated company, Wärtsilä, will continue to have a major impact on Fiskars' profit and cash flow



Q4

Appendixes



Key figures Q4 2012

EUR million	Q4 2012	Q4 2011	Change	2012	2011	Change
Net sales	190.3	187.3	2%	747.8	742.5	1%
Operating profit (EBIT)*	13.0	10.7	22%	63.9	52.8	21%
Operating profit excluding non-recurring items	13.0	13.7	-5%	63.1	62.1	2%
Share of profit from associated company	19.7	13.4	47%	47.8	42.7	12%
Change in the fair value of standing timber	4.6	-0.2	3,017%	5.6	-1.0	644%
Profit before taxes**	37.0	23.5	57%	200.4	161.8	24%
Profit for the period**	31.9	26.7	20%	178.9	156.3	14%
Earnings per share, EUR***	0.39	0.33	18%	2.18	1.91	14%
Equity per share, EUR				7.56	6.77	12%
Cash flow from operating activities****	38.6	41.9	-8%	95,0	107,4	-12%
Equity ratio, %				66%	59%	
Net gearing, %				12%	27%	
Capital expenditure	11.6	9.8	18%	32.8	24.7	33%
Personnel (FTE), average	3,324	3,361	-1%	3,364	3,545	-5%

*Incl. non-recurring items: in Q3 2012 income of EUR 0.8 million from the release of a provision related to the sale of Silva, in Q4 2011 a fine of EUR 3 million, in Q3 2011 losses of EUR 5.3 million from the sale of Silva and EUR 1.1 million from product recalls

**Including non-recurring profit from the sale of Wärtsilä shares of EUR 87.0 million in Q2 2012 and EUR 69.8 million in Q1 2011

***Including EUR 1.06 from the sale of Wärtsilä shares in Q2 2012 and EUR 0.85 in Q1 2011

****Including a Wärtsilä dividend of EUR 26.8 million in Q1 2012 (40.9)

Fiskars IR Calendar and Contact Information

- Q1 Interim Report May 3, 2013
 - Q2 Interim Report August 2, 2013
 - Q3 Interim Report November 1, 2013

 - AGM March 14, 2013
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