Reaching financial targets

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Updated long-term financial targets

Growth
The average annual net sales growth to exceed 5%, through a combination of organic growth and targeted acquisitions

Profitability (updated on 8.11.2018)
EBITA margin to reach 12%
Previously: to exceed 10%

Capital structure
Net gearing* below 100%

Dividend
Fiskars aims to distribute a stable, over time increasing dividend, to be paid biannually

* Net gearing ratio is the ratio of interest-bearing debt, less interest-bearing receivables and cash and bank equivalents, divided by total equity

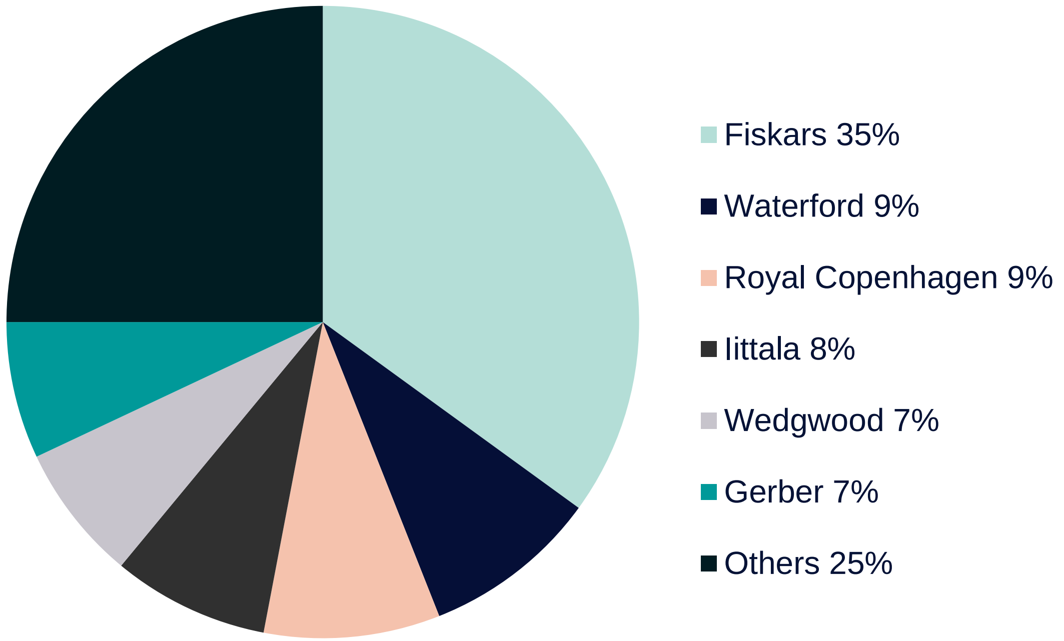
Targeting both organic growth and M&A

Average annual net sales growth: > 5%

Organic growth rate ~2 % p.a.

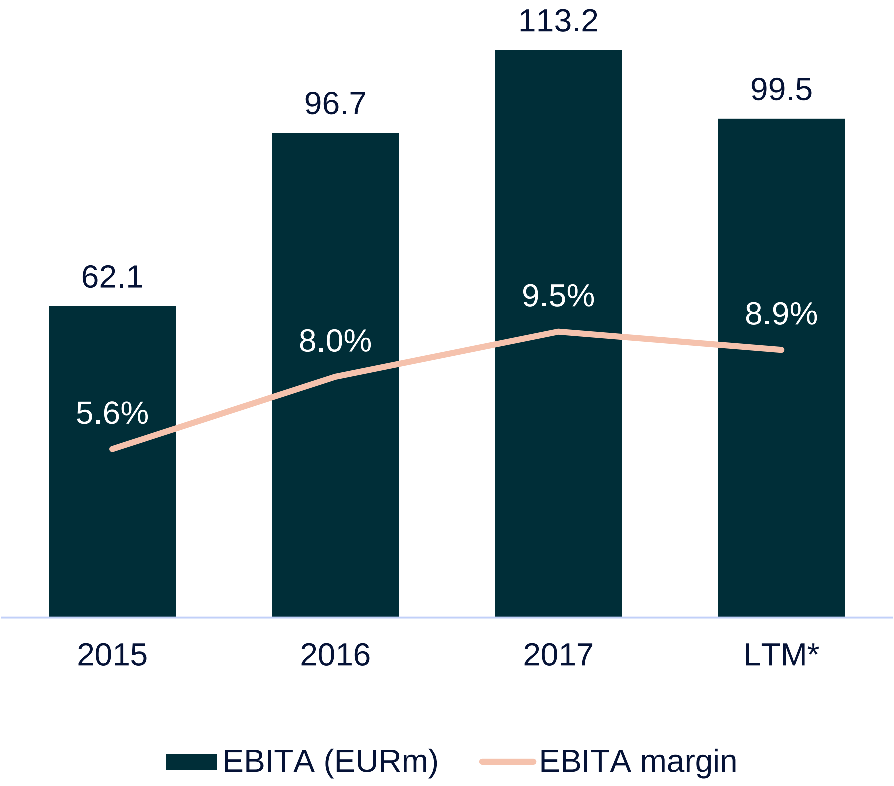
Key international brands
- Are growing organically at a higher rate than the other brands
- Have a clearly higher gross margin, when taking into account the category differences

Net sales split 2017



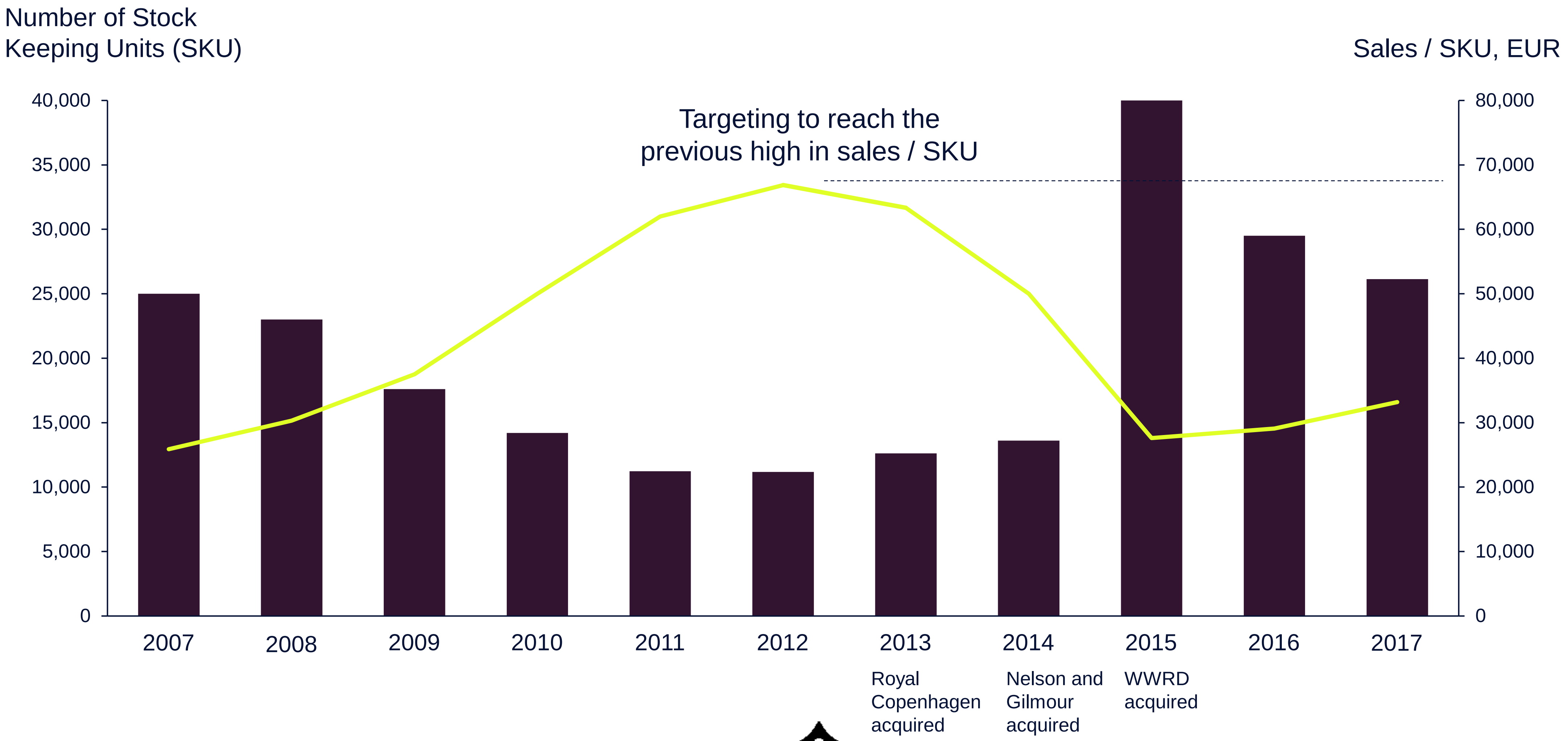
We see potential to increase our EBITA margin

Targeting to reach an EBITA margin of 12% on a reported basis, not comparable EBITA



*LTM refers to the period Q4/17-Q3/18

SKU reduction ongoing

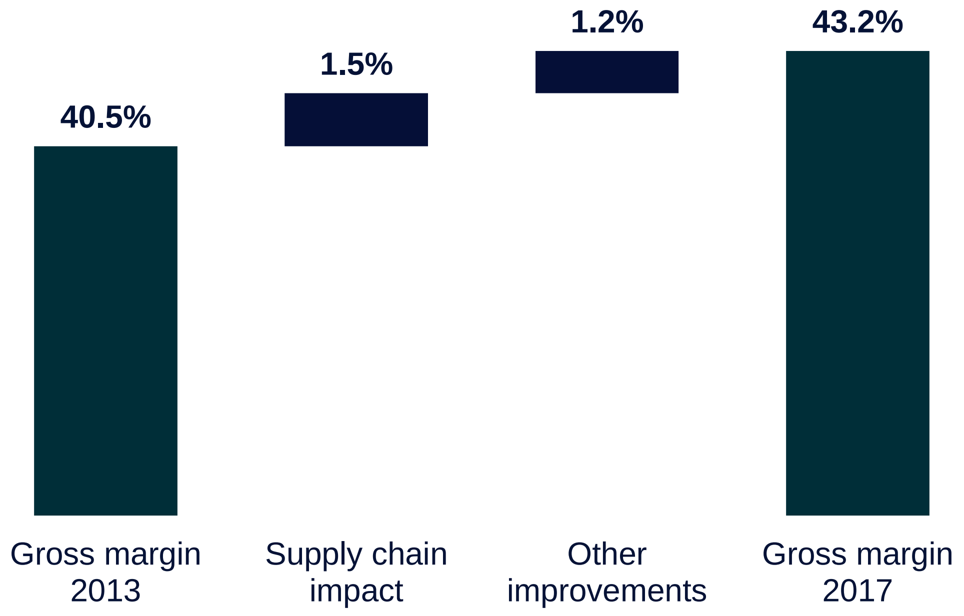


Production setup improved

Gross margin has improved with potential going forward

Gross margin improvement over the last years supported by

- more favorable sales and channel mix
- improved efficiencies in the supply chain

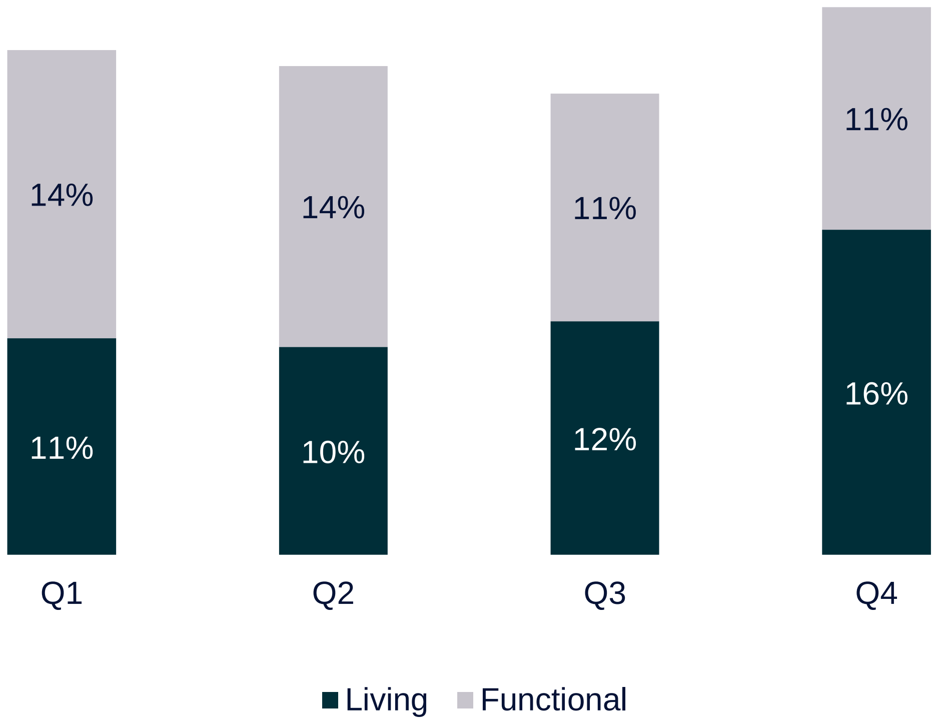


Own retail impacting SG&A profile

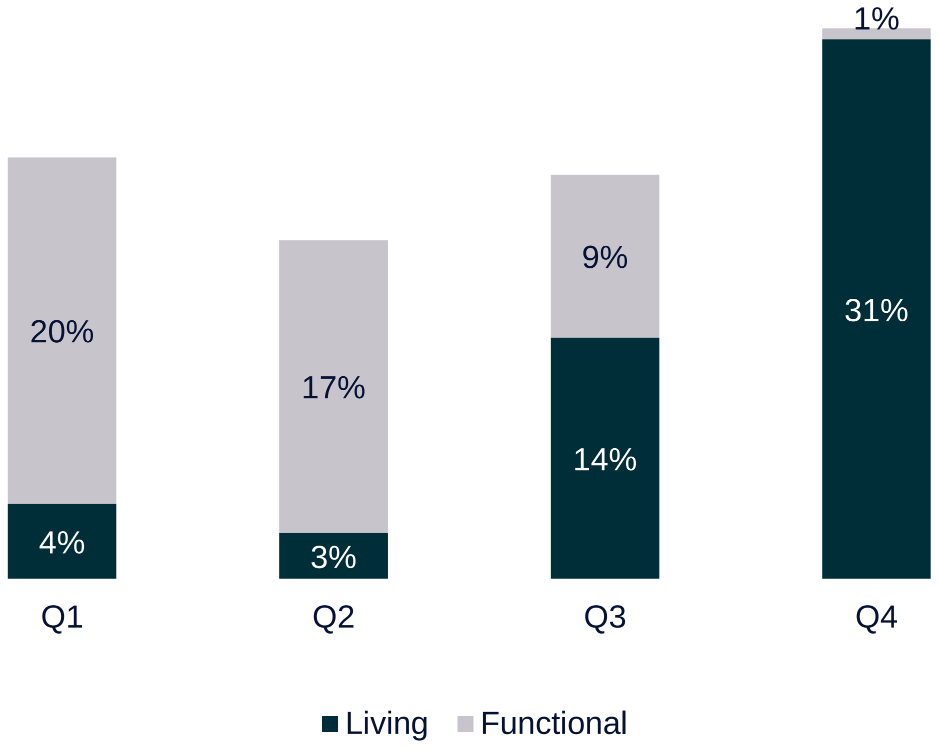
% of net sales	2013	2017	Future direction
Sales and marketing	20.6%	25.3%	Product marketing Direct retail (current model) Traditional sales costs
Administration (incl. ICT)	10.3%	8.4%	Growth ICT Support ICT Admin
R&D	1.7%	1.6%	

Seasonalities creating balanced income profile

Net sales



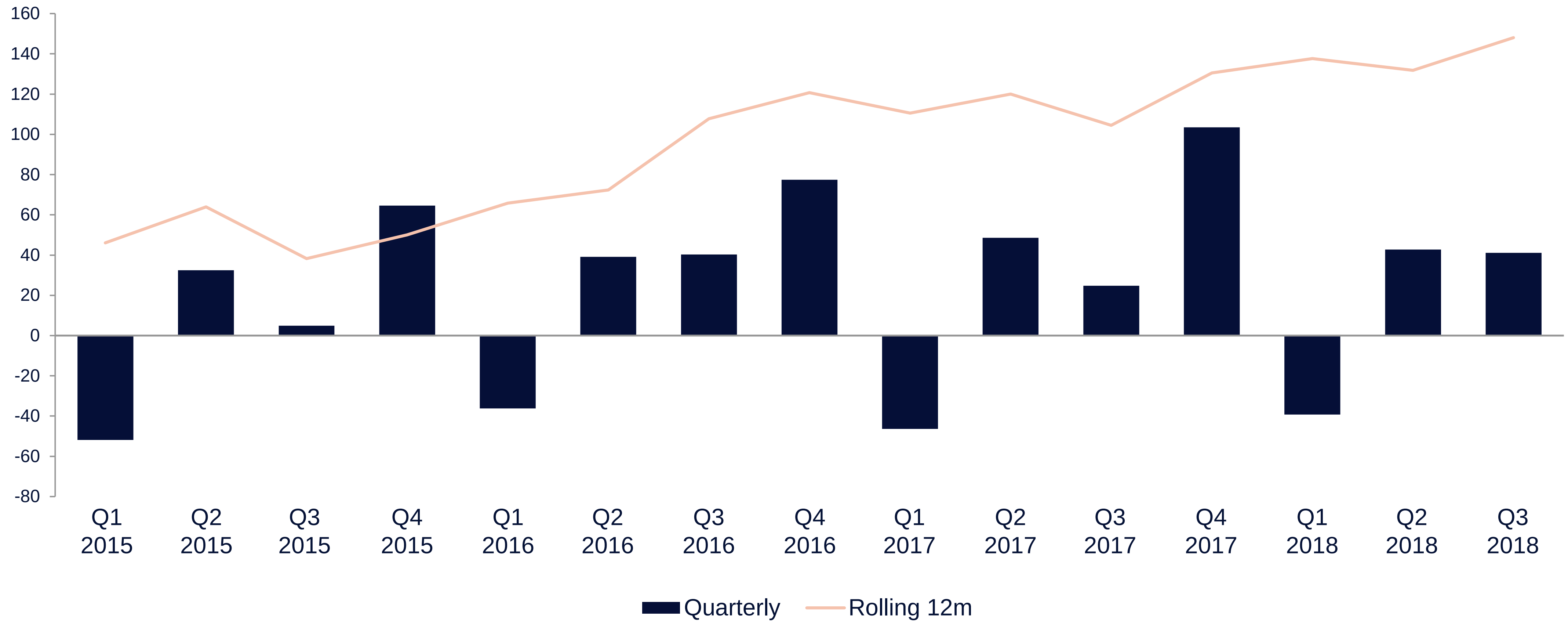
Comparable EBITA



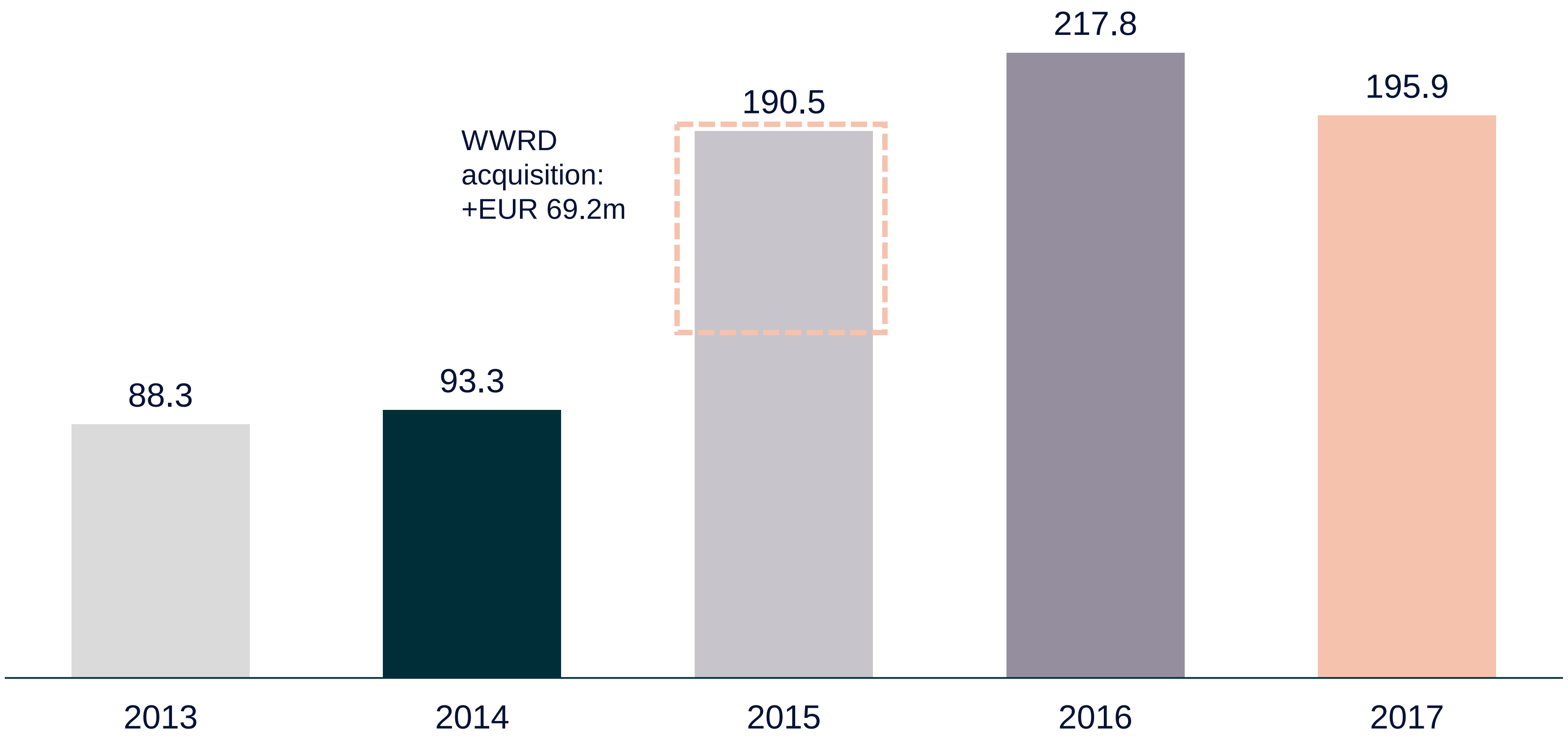
Seasonal distribution by quarter and business (average 2016-17). Percentages as share of total full year group figures

Cash flow increasing

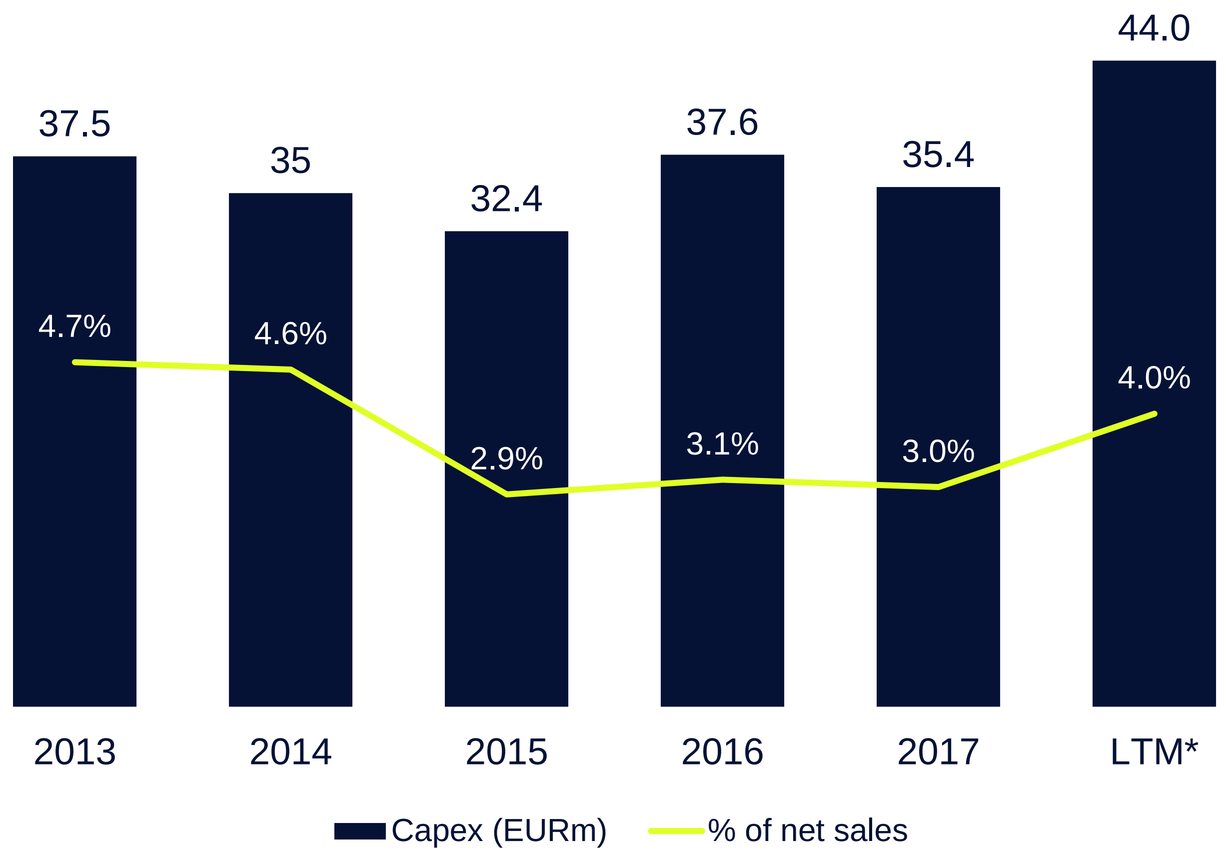
Cash flow from operating activities before financial items and taxes EUR million



Room to improve working capital management



Securing unique competence and growth IT has increased capex in 2018



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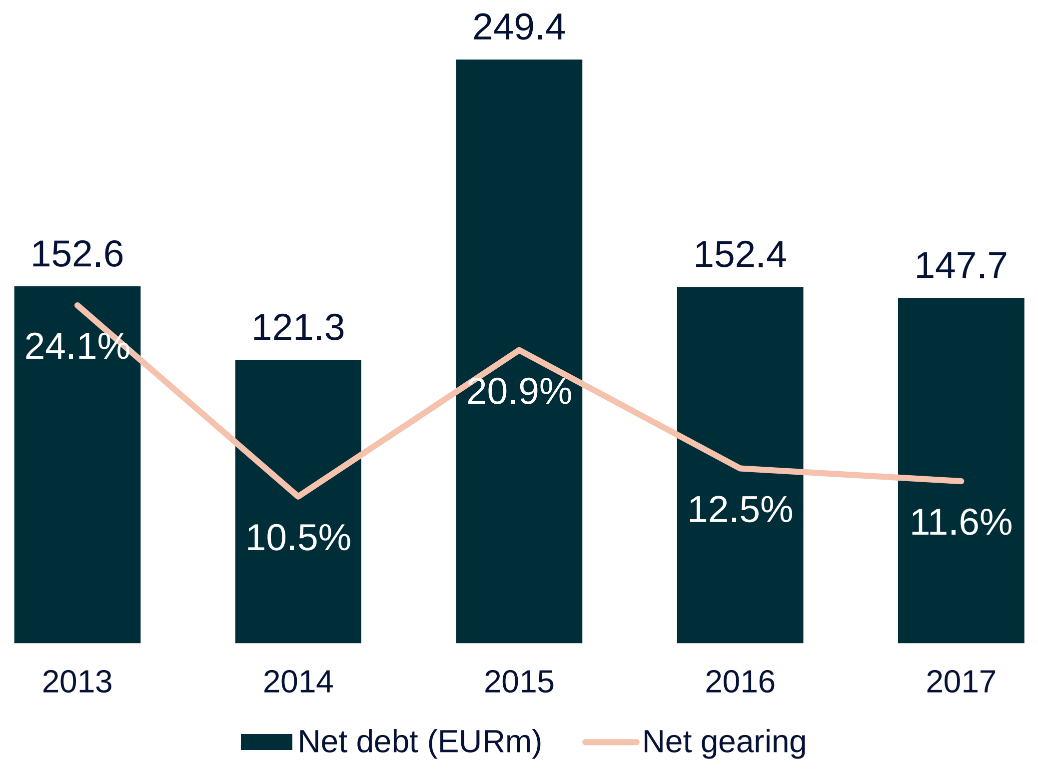
Low net gearing provides flexibility

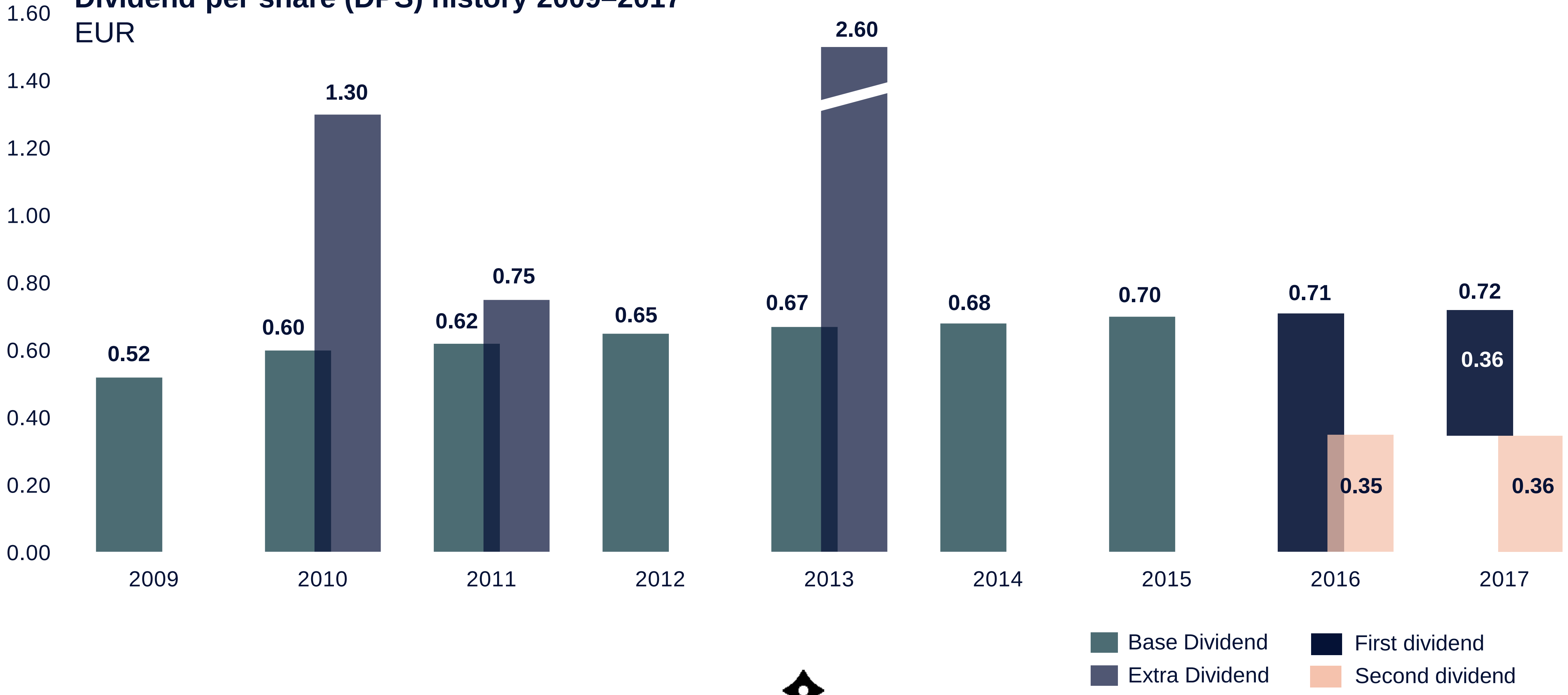
Long-term financial target: Net gearing below 100%



Nine years of base dividend growth

We aim to distribute a stable, over time increasing dividend, to be paid biannually

Dividend per share (DPS) history 2009–2017
EUR



Investment case summary

- Global consumer goods company with a unique family of lifestyle brands
- Strong brands and innovation, own retail network, understanding of consumer trends, solid trade relationships, and common global platforms
- Targeting to grow organically and through acquisitions, with the potential to further improve financial performance
- Strong balance sheet and nine years of base dividend growth

- EBITA margin target updated;
  - EBITA margin to reach 12%, previously to exceed 10%

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