FISKARS

365

EVERYDAY • SINCE 1649

ANNUAL REPORT **2013**

FISKARS

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FISKARS 365 – Celebrating centuries of pride, passion and design. Every day.

Established in 1649 as an ironworks in a small Finnish village, Fiskars has grown to be a leading global supplier of consumer products for the home, garden and outdoors. As a 365-year old company, Fiskars plays an integral role in helping enthusiasts create a better life by empowering people to express their personalities and passions using products trusted by generations. The company's strong brands and iconic products find their place with everyone who finds joy in creating, entertaining, gardening and cooking, as well as exploring nature and the great outdoors. Available in more than 60 countries, Fiskars products solve everyday tasks, making daily home, garden and outdoor projects easier and more enjoyable through superior performance and design. Fiskars takes pride in its centuries-old tradition of craftsmanship from the small village where it began. Those same standards of excellence continue to guide the company today stemming from the core belief that all things, even the simplest, can be made better and smarter.

Home

As the Nordic region's market leader in its field, Fiskars Home offers a wide range of consumer products for the kitchen, tabletop and interior décor under brands such as Iittala, Fiskars, Royal Copenhagen, Arabia and Hackman. In the Americas, our business is focused on products for school, office and craft.

Garden

Fiskars is the world's leading garden cutting tools brand. For Fiskars, the ultimate gardening experience means providing highly functional, ergonomic and easy-to-use garden tools that will inspire users to realize their own dream garden. The Garden brand portfolio also includes Ebertsankey and Leborgne.

Outdoor

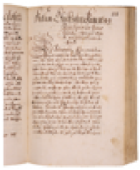
Fiskars Outdoor offers a wide range of innovative, reliable and essential products for people on the move. The business area focuses on the Gerber brand globally and Buster boats in the Nordic region. Gerber is a leading provider of problem solving, life-saving gear for recreational and professional users.

Fiskars offers leading branded consumer goods for the home, garden and outdoors. Fiskars is the oldest company in Finland, and the company's shares are listed on NASDAQ OMX Helsinki. The Group's key international brands are Fiskars, Iittala and Gerber.

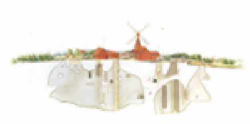
OUR HERITAGE

Established in 1649 as an ironworks in a small Finnish village, Fiskars has grown to be a leading global supplier of consumer goods for the home, garden and outdoors. Like the company itself, the village has developed its own strong identity, renewing itself while honoring its long term heritage. Fiskars Village, the company's birthplace, evolved from the earliest times as an ironworks to one of the biggest manufacturing sites of copper items in Finland in the late 1700's. Fiskars reputation for making cutlery and scissors has its origins in the 1830's when the first cutlery was manufactured in the village. Even Fiskars orange-handled scissors were first made in the old copper smithy in 1967, a building that today hosts high quality art and design exhibitions. The long history of Fiskars lives on in today's development and gives the village its unique atmosphere. Overall, the village now enjoys international renown as a center of Finnish design and art, with over 100 artists, designers and craftsmen calling it home.

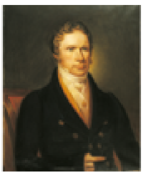
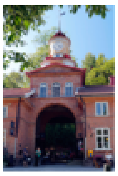
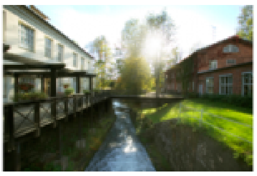
1649
Fiskars ironworks founded

1757
Copper found in Orijärvi



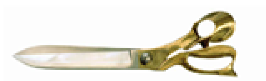

1822
The Julin family era begins in Fiskars

1830's
Machine workshop and fine forging mill founded

1883
Fiskars becomes a limited company


1915
Fiskars shares listed on the Helsinki Stock Exchange



1920's

Business expanded through acquisitions

1967

Fiskars manufactures the world's first plastic-handled scissors



1973

Scissors production moved from Fiskars to Billnäs

1977

Fiskars scissors factory founded in the USA

1985

Fiskars begins producing modern Garden tools


1986

Gerber acquired

2007

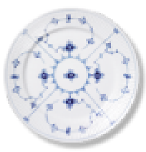
Iittala Group and Leborgne acquired


2008

Integrated consumer goods company strategy launched

2013

Royal Copenhagen acquired



2013 IN BRIEF

In 2013, Fiskars once again delivered a strong financial performance. Operating profit excluding non-recurring items increased by 17% and reached an all-time high for the fourth year in a row. In addition to Royal Copenhagen, key contributing factors were focused cost management and development of the product offer. Net sales increased by 7%.

Danish tradition and craftmanship

Royal Copenhagen's classic blue and white hand painted porcelain became a part of Fiskars dining portfolio. For more than 235 years, Royal Copenhagen products have been made with not only the deepest respect for tradition, but also the highest standards of craftsmanship.

Efficiency from common platforms

60% of Fiskars business volume included in the company's five year investment program now runs on common systems and processes as the program proceeded with major implementations.

Determination paid off

The important spring selling season suffered from unusually poor weather, but thanks to determined sales teams, Fiskars garden business was able to recover during the usually slower autumn season.

Optimizing supply chain

A two-year EMEA 2015 restructuring program was launched to improve the competitiveness and cost structure of Fiskars end-to-end supply chain and aligning sales units with the company's new business model.

Awarded design

The Fiskars Quantum cutting tools were awarded the Silver Design Award of the Federal Republic of Germany in the product design category. This range had previously been awarded the coveted red dot award "Best of the Best 2012" design award and the German Design Award 2013.

reddot design award

The Fiskars Group garnered six red dot awards for product design for 2013. The design competition recognized Fiskars Edge knife series, Fiskars ServoCut shears, My First Fiskars children's tools, Fiskars SmartFit bypass pruner as well as Leborgne's Nanovib hammer and Ebertsankey Helsinki pot with awards.

Expanding in Europe

Successful sales efforts and business- to-business initiatives brought the Fiskars and Gerber brands to new consumers in Central and Eastern Europe.

BOYS & GIRLS CLUBS OF AMERICA

Caring for communities

As a part of their commitment to bettering communities, Fiskars Americas partnered with the Boys & Girls Clubs of America to help foster creativity through the arts and enable youth to develop skills they need to achieve great futures.

Focus on Asia

Fiskars decided to strengthen its sales organization for the Asia-Pacific region to accelerate growth in the region. As of 2014 a new Asia-Pacific sales region will assume responsibility for promoting Fiskars brand portfolio in these rapidly expanding markets which are of an increasing strategic importance.

Iittala expands

Iittala's international expansion continued with several openings in Asia and Europe, including the opening of the first large-scale Iittala store in China and the first Japanese flagship store outside the Tokyo area in Osaka.

Recognized partner for trade

#1

Fiskars France celebrated recognition as the number one supplier in the Hand Tools category for the fifth consecutive year. The Golden Jardin-Plus award was based on the votes of the central buyers of the French garden and DIY industry.

Strong result

73.8
EUR MILLION

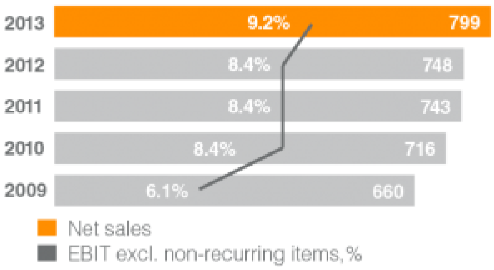
Operating profit excluding non-recurring items increased by 17 %, reaching an all-time high for the fourth year in a row.

Anniversary year began

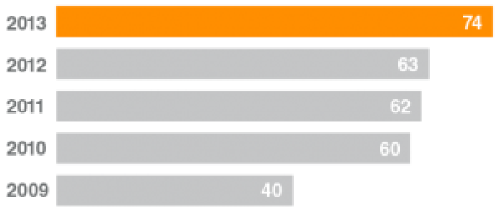
FISKARS 365 EVERYDAY · SINCE 1649

Fiskars, Finland's oldest company, kicked off its 365th anniversary in the spirit of community volunteering. More than 200 employees and family members in Finland came together to fix up public green spaces in Orange Thumb events across the country.

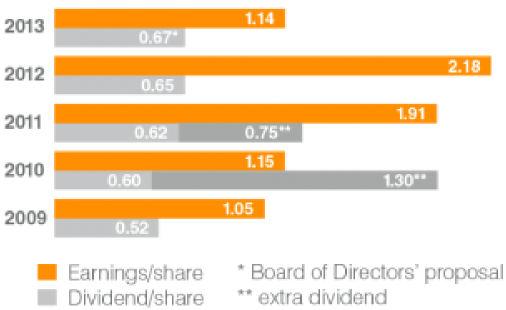
Net sales
EUR million



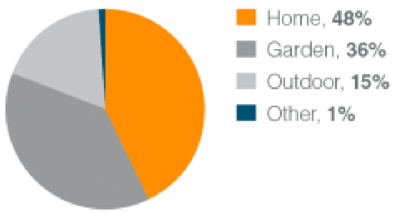
Operating profit excluding non-recurring items
EUR million



Earnings per share, dividend per share
EUR



Net sales by business area 2013
%



PRESIDENT'S REVIEW

"IT WAS NATURAL FOR US TO START OUR ANNIVERSARY YEAR IN THE SPIRIT OF COMMUNITY VOLUNTEERING"

-Kari Kauniskangas, President and CEO

Fiskars is a one of a kind company. Almost 365 years ago, a Dutch merchant founded an ironworks in a small Finnish village. Today, Finland's oldest company is proud to celebrate its 365th anniversary stronger than ever before. Our success reflects the strength and innovation of our brands and the commitment and drive of our employees across the world.

In 2013, Fiskars once again delivered a strong financial performance – for the fourth year in a row we recorded the company's best operating profit to date. Contributing factors were focused management of both offering and costs.

From a sales perspective, I look back on 2013 with mixed feelings. Our net sales grew by 7%, but the growth can be mostly attributed to the successful addition of Royal Copenhagen. Comparable sales were disappointingly flat, as market sentiment remained volatile and the Home business went through a streamlining of the offering and a major system change. In one of our biggest markets, Finland, the retail environment was worryingly weak.

Fiskars has a clear ambition to grow, both into new markets and into new categories. We have clear evidence that our integrated company strategy is working and we remain convinced that premium brands that inspire people and make their everyday life easier will prosper over the long term.

Fiskars transformation is on track. Our five year business platform program in Europe is now halfway, and we are starting to reap the benefits. In 2013 we established a centralized distribution center for Central Europe, which Gerber's European distribution could then be plugged into. To round off our operating model, we launched a restructuring program to optimize our supply chain and align our European sales units with our business model.

I am proud of the progress we have made, but there is still much that we need to do to achieve our growth ambition. We are strong in the Nordic countries and North America, where market growth is slow and we have high market shares in our core categories. We believe that we have the potential for significant market share gain in Central Europe for our key brands and we aim to build a second growth engine in the fast-growing markets in Eastern Europe and Asia-Pacific.

To accelerate growth in these increasingly important markets, we plan to increase spending in the coming years in building brand awareness across regions and in sales talent for the Asia-Pacific region. In addition, we plan to invest in expanding into new categories. These initiatives will negatively affect our operating profit in the short term, but they will be the key to unleashing the growth potential of our unique brand portfolio. Our growth strategy includes carefully selected acquisitions that are of a strategic fit and contribute to our longterm profitability.

Fiskars makes lasting products that enrich consumers' everyday lives. We can be proud of the fact that our products are relied upon from one generation to the next. Our unique heritage and long-term perspective sets us apart from other companies. We welcome all our shareholders, customers and employees to join us in our 365 jubilee and we promise that we will be there for you just that little bit better and smarter. Every day.

Kari Kauniskangas,
President and CEO

STRATEGY

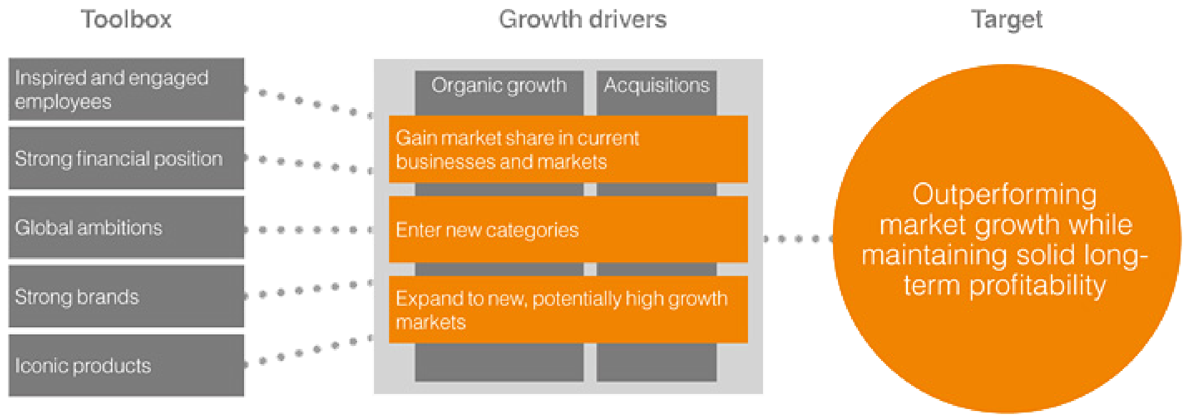
Fiskars has a clear ambition to grow: we want to outperform market growth while maintaining solid long-term profitability. Fiskars strength lies in our ability to run businesses where we can create value through brand building, innovative smart products and unique design.

Fiskars strategy aims to get our iconic products into the hands of engaged consumers all over the world and we have created the business model and organization designed to ensure that we do this in the smartest way possible.

Desirable, smart products and strong brands are the foundation of our business. We develop our brands for growth and create the conditions for them to expand to new categories and markets while still staying true to their values. In expanding our business we consider several criteria based on consumer and trade insight, including fit with distribution, opportunities for innovation and brand-worthiness. Our growth strategy is threefold: to gain market share in current businesses and markets, invest in and enter new categories and to expand into new, potentially high growth markets. This we will do by continuously investing in our brands and sales organization and by excelling in execution – but also through selective acquisitions that fit our business model.

Mission	**Vision**	**Ambition**
Our mission is to enrich lives with lasting products that increase enjoyment and solve everyday tasks through their functionality, innovation and design.	Our vision is to be a global company that delivers: • Brands that people desire • Lasting products that bring joy • Offerings that cater to category leadership • Excellence in sales and execution	Our ambition is to get our unique products into homes, gardens and backpacks everywhere by intelligent engagement with consumers.

Strategy for growth



Our strategic agenda

Since 2008 we have consistently evolved towards a focused and efficient branded consumer goods company. The overall goal is to become an integrated company with a portfolio of growing, profitable businesses.

Over the last years we have taken a number of measures to simplify our structure and increase our focus on selected businesses and brands. We are also making significant investments to create a competitive business platform – structures, systems and processes – that are agile and can support our growth ambition. Now our emphasis has shifted to growth and executing our ambition to expand globally. Over the next years, we will be investing in our brands in Central and Eastern Europe, building a sales region for Asia-Pacific and new ventures for category expansion.

	Theme	Achievements in 2013
FOCUS	• Strong business area focus • Premium brand portfolio • Optimized product range for selected categories	• Zinck-Lysbro consolidated into Fiskars brand • Leborgne brand repositioned for international growth • Divestment of local UK Sankey-business and manufacturing
EFFICIENCY	• Simplified structure • Integrated business processes • Demand-driven supply chain	• Common business platform implemented for majority of European business • Re-organization of glass and ceramics manufacturing • Regional distribution center for Central Europe launched • Began delivering to Gerber's international customers from Central-European distribution center
GROWTH	• Gain market share in current businesses and markets	• Continued increase in market share in garden hand tools in Europe • First pan-European marketing campaign boosted Garden fall season in Europe • Increased shelf space in the US through innovative product launches and merchandising • Distribution gain for axes in the US
	• Enter new categories	• Entry into indoor gardening with Fiskars KitchenGarden • Launch of Leborgne's new European construction tools offering • Launch of new interior collection for Iittala • Acquisition of Royal Copenhagen
	• Expand to new, potentially high growth markets	• Regional expansion in Russia • Introduction of kitchen tools in Central and Eastern Europe • Iittala store openings in Japan and China • Decision to establish a sales region for Asia-Pacific • Considerable increase in online sales

CATEGORY LEADERSHIP FROM IDEA TO SHOPPING CART

Fiskars has a legacy of creating best-selling products and building strong brands, access to the largest trade accounts in the world and a wide own branded retail network. To take our business to the next level, we aim to excel in all areas of our value chain.

Innovation is our DNA

Continuous innovation and renewal is the prerequisite for maintaining our leadership position. It also provides the foundation for our ambition to expand into new categories that strengthen our existing business and build upon our capabilities and competences. Fiskars strives to innovate both in terms of design and technology to create unique propositions that others cannot replicate. By incorporating that innovation into products and platforms across product generations we create an exclusive place for ourselves in the market. The design of every product starts with the consumer and understanding his or her everyday needs and preferences. New products are developed in close co-operation with users, brand management and manufacturing, and the product creation process evaluates the commercial potential of new ideas and concepts carefully.

Innovation priorities:

- In-depth consumer and market insight
- Co-operation with core users and category specialists
- Accreditation by leading organizations
- Rigorous testing to ensure safety and performance
- Creation of ownable technology

A demand-driven supply chain

Working as an integrated company gives us the benefits of scale in manufacturing, sourcing and logistics. Fiskars goal is a flexible and efficient, demand-driven supply chain that fulfills the requirements of our customers effectively. The Fiskars EMEA 2015 restructuring program was launched in 2013 to optimize our supply chain and strengthen its competitiveness. Our production strategy is based on combining our own manufacturing with carefully selected supply partners. Our production facilities have an important role in product development. In manufacturing, they will focus on core areas in which the company has either special expertise, such as colored design glass, or a competitive process.

The share of manufacturing partners will increase, and our goal is to build a strong partner network which lives up to our corporate values, high quality standards and our customers' expectations. Our own manufacturing units serve as competence centers, which support and lead the development of our partner network.

Supply chain priorities:

- Strong competence centers with a focus on selected technologies and materials
- Efficient and flexible manufacturing facilities
- Consolidation of the supplier portfolio and building a lasting partner network
- Ensuring sustainability of the supply chain
- Regional logistics structures with fewer local distribution centers

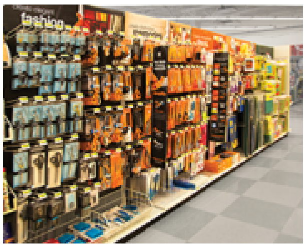
A strong partner for trade and a skillful retailer

Fiskars can differentiate from competitors by combining extensive consumer insight with unbiased trade insight. Through our category management expertise we aim to assume a trusted advisor role and strengthen our partnership with selected retailers. This will enable us to build the Fiskars brand experience and expand our retail presence, while providing retailers with increased turnover. Our ambition is to be a category leader who together with the trade defines and drives the entire category, its innovation and growth. This entails not only planning which products to bring to market, but also where they are in store and how they are merchandised both in store as well as online so that sales are boosted for both the brand and the retailer. In these efforts we benefit from our experience in building and managing an own international branded retail network in the Home business.

It is important for our success to strategically plan placement, both in store and online, to make it easy for consumers to find the products and to maximize marketing opportunities to guide consumers throughout the shopping experience.

Trade and retail priorities:

- Consumer and trade insight
- Increasing brand experience at point of purchase
- Digital marketing excellence
- Continuous development of retail strategy



CASE: Leading the scissors category

Fiskars conducts continuous research on how consumers shop and how they use our products. In 2013, Fiskars Americas deepened it's collaboration with our key retail customers to develop the scissors category. As a result, we were able to implement improved signage in stores with information ranging from how to select the best scissors for the task at hand, to inspirational imagery and project handouts. In-store demonstrations and educational classes for consumers also offered hands-on interactions with Fiskars products. Digital solutions reinforced in-store messaging, and posts from retailers with a large social media presence significantly increased the reach of Fiskars messaging to consumers on their path to purchase.

CASE: Color is the heart and soul of Iittala

The Iittala brand is known for its expertise in colored glass and ceramic products. Getting the most out of our materials and developing an extensive color palette calls for a thorough understanding of the materials used and the ability to experiment with them. This is why we have a strong focus on the research and development of color technology, both in glass and ceramics, and the library of thousands of secret recipes is one of our key intellectual properties. Iittala's glass mass, lead-free crystal is vibrant, bubble-free, and free of faults. The mouth blown Aalto collection brings out the brightness of Iittala glass, and the Vitriini boxes, Kivi candleholders and Kartio glasses show the color range of the pressed glass in full scale. Iittala's mouth-blown birds and unique art glass pieces open up new ways of making use of color and techniques only mastered by our glass blowers.

FROM LOCAL TO GLOBAL BRANDS

Fiskars core competence is developing strong specialist brands that are meaningful and desirable to passionate consumers. Our success depends on our ability to build and fuel these brands for growth so that they stay commercially relevant long into the future.

A skillful organization recognizes a brand's strengths and understands where and how it can be commercialized. It all starts with understanding what the brand is in consumers' minds: what it promises, is it meaningful and what it stands for.

Brand management involves carefully considering which aspects of the brand should be strengthened, which new attributes need to be added through communication and also how a brand needs to be reinforced by developing and extending the offering. All these aspects need to be considered in the brand journey from conceptualization to the hands of engaged consumers. Successful commercialization and expansion of a brand require deep understanding of the entire value chain from product idea to purchase, optimizing all aspects from product concept, launch and marketing communication to bring that added value to both trade and end-users.

Fiskars strategy aims at getting our iconic products into the hands of engaged consumers around the world. Our international expansion also means entering new markets where our brands may have little history and low consumer awareness. To help us on our quest to conquer new markets, local market intelligence is essential to help us direct marketing investments effectively while our extensive trade relationships and sales organization enable us to penetrate markets efficiently.

A strong brand delivers good margins both for the brand and trade. Each of the trusted brands in our unique portfolio has a clearly defined role in realizing our growth ambition. Our key brands Fiskars, Iittala and Gerber are internationally renowned and developed with global ambitions. We continue to invest in these brands as we believe that they have the potential to expand into new markets and conquer new product categories.

Fiskars strategy is to be active in categories where passionate consumers proactively search for information and are often well aware of trusted brands even before they are available in their market. An active digital media presence is a vital tool in Fiskars goal to capture their attention and drive high engagement.

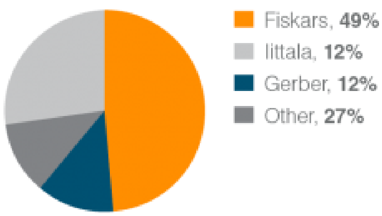
A brand is a promise

A strong brand represents values and properties that are meaningful to a consumer. Our products should continuously fulfill the promise to consumers integrated into our brands. Fulfilling the brand promise creates emotional engagement and inspires long-term loyalty, which is the key to our continued success.

CASE: Fiskars journey to European garden market leader

Fiskars goal has been to develop the Fiskars brand into the leading garden hand tool brand in Europe and increase our market share. For the last four years we have successfully built international brand recognition through targeted marketing campaigns and consistently increased our market share, rising to the number one position, market by market. During this time we have also built a strong position with the main European DIY chains and garden centers, and it is our strategy to intensify our collaboration with our key customers. We have managed to strengthen our position and expand our product listings despite the fact that the overall trend among retailers is to cut down on the number of suppliers. The other dimension of our strategy has been the rationalization of our brand portfolio and offering. We have focused our brand development efforts on the Fiskars brand and successfully integrated products from several local brands into it. The amount of individual garden products in our portfolio is continuously being reduced, and we have put increased efforts into promoting a harmonized offering. At the same time we have been able to offer a more targeted and attractive range of products in each country.

Net sales by brand 2013
%



Key international brands

Our key brands Fiskars, Iittala, and Gerber, are internationally renowned and developed with global ambitions.

FISKARS
Leading global brand for scissors, kitchen utensils and garden tools

iittala
Leading Scandinavian design brand for interior and dining

GERBER
A global leader in personal, outdoor, tactical and industrial gear

50 %

The sales of Fiskars branded products has increased from 2008.

Leading regional brands

Our regional brands have strong position in their home market and can grow organically.

ARABIA 1873
The best loved tableware in Finland - for memorable moments

ROYAL COPENHAGEN
Hand-painted Danish porcelain made with highest standards of craftsmanship

Rörstrand
Swedish quality and fine craftsmanship for almost 300 years

HACKMAN
Nordic expert in cookware and cutlery

LEBORGNE
Specialist in construction tools for professionals

ebertsankey
Innovative container gardening that adds to the ambience of gardens and balconies alike

Buster
Leading aluminum boats brand in Europe

Local and tactical brands

Our local and tactical brands complete our offering by serving as door openers in new markets and by tactically supporting our portfolio by serving at different price points.

Drive Boats	Høyang-Polaris	Montana
Gingher	Kaimano	Raadvad
Höganäs Keramik	Kitchen Devils	

OUR MARKETS

Fiskars is growing geographically and expanding into new product categories. When striving for growth, we benefit from our strong position in the Nordic countries and in North America.

HOME	GARDEN	OUTDOOR
Markets where we lead: North America (School, Office and Craft), Nordic countries (Living and Kitchen) Expansion markets: Central and Eastern Europe (Living and Kitchen), Asia (Living)	Markets where we lead: North America, Europe, Australia	Markets where we lead: North America (Gerber), Nordic countries (Boats) Expansion markets: Europe (Gerber)

North America

Our position:

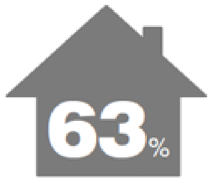
- No 1 garden cutting tool brand (Fiskars)
- No 1 scissors brand (Fiskars)
- No 1 teacher recommended scissors brand (Fiskars)
- No 1 knife brand (Gerber)
- No 1 survival gear brand (Gerber)
- No 1 supplier of knives and multi-tools to the US military (Gerber)

Our priorities:

- Deepen assortment and increase share at key retailers
- Develop profitability of product mix
- Expand into adjacent categories and other departments among retailers

CASE: USA

63% of American households own a Fiskars product



Nordic countries

Our position:

- No 1 garden hand tool brand (Fiskars)
- No 1 scissors brand (Fiskars)
- Leading dining and kitchen tool brands (Iittala, Fiskars, Arabia, Rörstrand, Hackman)
- No 1 high-end porcelain brand in Denmark (Royal Copenhagen)

Our priorities:

- Maintain and strengthen leading position across categories
- Focus on key international brand
- Leverage additional categories in the Group portfolio

"I'm proud of the solid progress we achieved in the region despite the challenging market conditions and the execution of several structural changes during the year."
– Jakob Hägerström, President, Sales Region North

Central Europe

Our position:

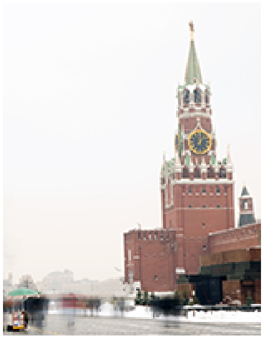
- Leading garden hand tool brand in all main markets (Fiskars)
- Entry stage in Living (Iittala)
- Entry stage in kitchen products (Fiskars)
- Entry stage in outdoor products (Gerber)
- No 1 professional construction hand tool brand in France (Leborgne)
- No 1 in plastic pottery in Germany (Ebertsankey)

Our priorities:

- Further strengthen the Fiskars brand in garden categories
- Leverage the strength of the Fiskars brand in garden categories to develop a position in kitchen products
- Gradually expand in dining and interior through own branded retail

"The first half of 2013 was marked by significant obstacles largely due to the sluggish economy and poor weather conditions. Our sales teams never gave up and delivered a remarkable recovery in the second half of the year."
– Axel Goss, President, Sales Region Central

Eastern Europe & Russia



Our position:

- No 1 garden hand tool brand (Fiskars)
- Entry stage in kitchen products (Fiskars)
- First steps in outdoor category (Gerber)

Our priorities:

- Build Fiskars brand awareness
- Expand the Garden business regionally in Russia
- Penetrate the kitchen market

CASE: Russia

Fiskars Garden has established a strong presence in Moscow and St. Petersburg, and in 2013 launched an active campaign to expand into the main regional hubs in Russia.

Asia-Pacific

Our position:

- No 1 garden cutting tool brand in Australia (Fiskars)
- Well established branded retail network in Japan, South Korea and Taiwan (Royal Copenhagen, Iittala)
- No 2 in Japan in high-end porcelain (Royal Copenhagen)
- Branded retail introduced in China (Iittala)
- Entry stage in China in outdoor products (Gerber)

Our priorities:

- Strengthen sales organization
- Expand Living business through branded retail
- Expand Outdoor business
- Investigate opportunities for Kitchen and Garden

Two “BLUE by Royal Copenhagen” lifestyle shops opened in Japan
during 2013. Royal Copenhagen had a total of 85 stores, shop-in-shops and outlets in Asia at the end of the year.

Living | Kitchen | Creating | Garden hand tools | Knives & multitools | Boats | Markets where we lead | Expansion markets

Americas

245.1 MEUR

Net sales in Americas

30 %

Of consolidated net sales

31.4 MEUR

EBIT

EMEA

564.2 MEUR

Net sales in EMEA

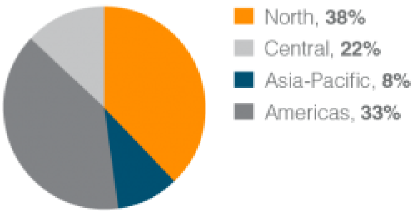
70 %

Of consolidated net sales

39.9 MEUR

EBIT excl. non-recurring items

Net sales by geographical region 2013
%



HOME

We aim to bring joy to homes around the world through breathtaking home décor, beautiful table settings and tools that make life easier. In the Living business, we strive to be recognized as a globally leading company renowned for its Scandinavian design. For the Fiskars brand, our vision is to be the leader in must-have tools for the home.

We are strong in the Nordic countries and in North America, and our ambition is to expand beyond these markets. Iittala is a spearhead for the Living business with a growth focus on Central Europe and Asia. New lighting items and storage solutions strengthen Iittala's interior collection and take its timeless design to new areas in the home. Iittala celebrated several milestones in its international expansion in 2013. Expansion into Asia continued with the opening of the first large-scale Iittala store in China and the first flagship store outside Tokyo in Japan. Opening a showroom and shop-in-shop in Milan was a natural step forward in Central Europe.

The acquisition of Royal Copenhagen further strengthened Fiskars' position in Denmark and Asia. Royal Copenhagen has a strong presence in Japan, South Korea and Taiwan through both its own retail network and premium trade channels. Fiskars is the key brand in the Kitchen business with a focus on building our presence in mass distribution in Central and Eastern Europe with new doors being opened across these markets. In the Americas, Fiskars continues to build upon its leading position in scissors and categories including crafting and office tools. Innovative product launches such as Fiskars Amplify scissors gave us the opportunity to increase the number of Fiskars products in our retailers' outlets. In 2013, we continued to collaborate with our key retail partners to maximize in-store and digital marketing executions, resulting in enhanced inspirational signage as well as social media sharing.

Royal Copenhagen Korean Bowls

Royal Copenhagen has a strong presence in the Asian market. One of the success stories for Royal Copenhagen in 2013 was Korean bowls. This extension shows the importance of adapting to the local food culture in order to create market relevant products. The use of rice bowls in Korea differs from other countries in Asia. In Korea a rice bowl must be stable on the table, it is not held in the hand.

Essence Plus

Designed by Alfredo Häberli and launched in 2001, the Essence wine glass collection focused on the essential. Essence Plus brings a new dimension to the wine glass. It takes the glass a step forward, breaking the mindset of white wine and red wine glasses and placing the focus on the characteristics of the wine itself.

Iittala interior

Iittala has entered the interior category with success. In 2013 Leimu and Lantern brought new dimension to lighting. Leimu lamp, by the young designer Magnus Pettersen, with its strong concrete base and a glass lamp inspired by traditional lampshades, is a brand-new lighting fixture where sensitivity encounters strength. Harri Koskinen's sculptured candle holder Lantern was designed in 1999 and in 2013 this iconic classic was reborn also as an electric version. Iittala's new storage solutions – the Vakka plywood box and the Meno felt bag – offer solutions for everyday storage. The design of these sturdy, multipurpose objects reminds us that useful containers can also be a beautiful part of the interior.

Amplify

Fiskars introduced the world's first smart scissors with the launch of the Amplify Shears collection. Featuring patent-pending technology that successfully cuts a wide variety of thick and heavy materials, Amplify Shears meet the needs of seamsters and seamstresses, crafters and mixed media artists working with more adventurous materials than ever before. Well-received by both retailers and consumers, Amplify Shears display the next revolution in scissors technology.

Expanding License portfolio

Fiskars co-operation with Angry Birds – one of the top worldwide licensors – offers new opportunities to grow our licensing business on an international scale. Moomin products are expanding from Nordic to other European countries as well as in Asia, particularly in Japan. The third Fiskars Home licensing brand Pippi & Emil is also expanding its markets outside the Nordic countries.

"Functional and desirable!
Our products meet both the rational and the emotional needs of our consumers."

– Teemu Kangas-Kärki, President, Home

"Amplify Shears exemplify our efforts to understand the limitations of existing tools and create solutions that are better and smarter."

– Paul Tonnesen, President, Garden &SOC, Americas

386.2

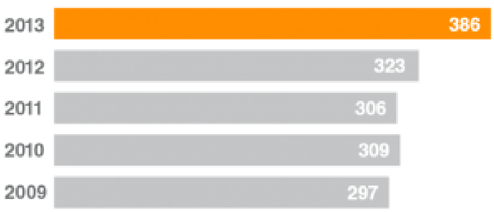
MEUR
Net sales

Highlights

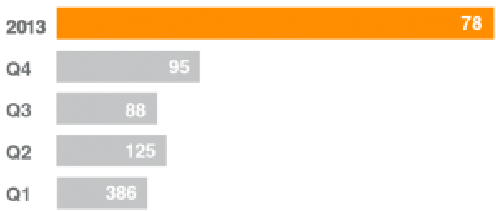
Fiskars Home's own branded retail network consists of around 200 Iittala stores and shop-in-shops and 120 Royal Copenhagen stores and shop-in-shops in Europe and Asia.

Consumer activity	Category	Brands	Distribution channels
Kitchen: Preparing	Knives, utensils, cutlery	Fiskars	Mass distribution in super and hypermarkets, department stores, online stores
Kitchen: Cooking	Cookware, pans, kettles	Fiskars, Hackman	
Living: Decorating	Interior, lighting, storage solutions, votives, vases, objets d'art	Iittala, Royal Copenhagen	Department stores, design stores, own retail, online stores
Living: Table setting	Dining: tableware, glassware	Iittala, Arabia, Rörstrand, Royal Copenhagen	
Working	Cutting: scissors	Fiskars	Hypermarkets, specialist stores, online stores
Creating	Scissors, punches, die-cutting tools	Fiskars	

Net sales
EUR million



Net sales per quarter 2013
EUR million



GARDEN

Fiskars is a globally leading brand in garden hand tools and a proven category innovator for generating growth. We strive to reinvent the user experience through uniquely functional and user-friendly solutions.

Fiskars is the leading European brand for garden hand tools and number one in garden cutting tools in North America and in Australia. We continue to build on this global position and increase our share through innovation and strong marketing execution. When expanding into new categories, our strong position in core garden tools provides a solid foundation.

For Fiskars, it’s critical to be recognized as the industry leader in innovation by bringing game changing products to market. This is why we continue to invest in our product development capabilities, test facilities and an international network with gardening organizations and construction and occupational health related institutions.

Our continued growth will come from leveraging a harmonized portfolio across markets and seasons and from expansion into adjacent categories, such as stick tools and solutions for home improvement and professional craftsmen.

Fiskars product portfolio offers multiple opportunities for growth from a broader geographical distribution of existing products. In 2013, the first ever pan-European garden campaign gained traction for leaf rakes and other stick stools in the usually slower autumn season. Fiskars superior axes further extended their footprint in the United States, a relatively new market for this category.

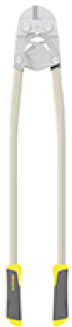
In Europe, Fiskars entered the rapidly emerging indoor gardening category with the launch of Fiskars KitchenGarden and progressed in the penetration of the professional construction tools market with the relaunch of the Leborgne brand. Leborgne aims to become the dedicated occupational health and safety focused tool brand for professional craftsmen.

Leveraging the halo effect of our world class axe lineup, Fiskars increased its offering in wood preparation with the launch of the WoodXpert series which includes updates on existing wood preparation tools as well as some exciting novelties. To add to the innovation, Fiskars has developed the Xact range of digging tools which offer an innovative blend of lightweight materials and ergonomic design.

A shining light for fresh herbs

Enjoying fresh herbs all year round is as simple as can be thanks to the new Fiskars KitchenGarden which will ensure that herbs bought in store not only stay fresh but continue to flourish. KitchenGarden is a silent and beautifully designed tabletop garden solution with dish-washer safe parts. The core is built up of LED-lights and in the premium model the light frequency, intensity and timing can be altered for optimal growing conditions.

On a mission to protect and serve

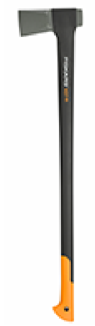


The introduction of Nanovib products by Leborgne has set new standards in comfort and safety for professional hand tools – including the red dot award winning hammer which reduces repetitive strain injury through an ingenious three-in-one anti-shock mechanism and its Nanovib bolt cutter which reduces compression strain thanks to its patented system. The award winning bolt cutter is purposefully designed for the construction and industrial tool market.

Taking wood handling to the next level

Right up to the moment you put the logs on the fire, the Fiskars WoodXpert range lets you handle wood securely and efficiently. The XA2 and XA22 sappies feature short and long handles respectively for single or double handed use. One strike of their sculpted steel, tooth-edged beaks is usually enough to secure a solid grip on heavy logs, even in icy conditions. Ideal for stripping branches and light chopping, the redesigned Fiskars WoodXpert brush hooks feature a backwards curved steel blade for better cutting performance. The redesigned WoodXpert Log Hook's ergonomically designed, lightweight, boron steel hook gets under logs easily, while the Log Tongs effortlessly lift and carry smaller logs.

Unstoppable axes



In the Americas, Fiskars has experienced strong sales in axes throughout 2013. In addition to in-line placement at national retailers, Fiskars was able to secure secondary promotional displays designed to merchandise the axes differently and provide more visibility. As a result of the strong increase in sales over previous years, the United States has become the country with the strongest axe-sales in the Group.

Perfecting the art of digging

The Fiskars Xact range is a masterful combination of light weight and balance – the same qualities that made Fiskars axes famous. Fiskars special composite Fiber-Comp in the angled shafts combines with hardened boron steel to ensure great handling qualities and reduced strain. The spades and digging fork come in both medium and large sizes to suit both shorter and taller users. To complete the range, there is a shovel and a compost fork.

"Consumers continue to choose Fiskars as their preferred garden tool brand and we're pleased to see this reflected in our market share gains."

– Paul Tonnesen, President, Garden & SOC, Americas

"We have made good steps to further improve our product development capabilities and I am excited about our ongoing projects. We are dedicated to continue as category innovators."

– Thomas Enckell, President, Garden, Europe & Asia-Pacific

284.5
MEUR
Net sales

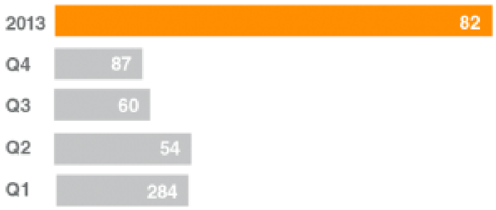
Highlights

First pan-European marketing campaign brought 7 000 Fiskars seasonal displays to stores around Europe.

Consumer activity	Category	Brands	Distribution
Forestry and wood-splitting	Axes, saws, forestry tools	Fiskars, Leborgne	Multichannel distribution with a strong presence in DIY stores and garden centers
Digging and shoveling	Spades, shovels, drills, forks	Fiskars	
Cultivating	Rakes, hoes, weeders, planters	Fiskars	
Plant care	Pruners, loppers, hedge shears	Fiskars	
Lawn care	Weed pullers, reel mowers, grass shears, leaf rakes	Fiskars	
Yard and path cleaning	Snow tools, brooms	Fiskars	
Growing, decorating, rainwater harvesting	Pottery, water butts, sprayers, cans	Fiskars, Ebertsankey	
Fixing and building	Construction and striking tools	Fiskars, Leborgne	

Net sales
EUR million

Net sales per quarter 2013
EUR million



OUTDOOR

Fiskars Outdoor offers a wide range of innovative, reliable and essential products for people on the move. The business area focuses on the Gerber brand globally and Buster boats in the Nordic region. Gerber is a leading provider of problem-solving, life-saving gear for recreational and professional users sold through commercial and institutional channels internationally.

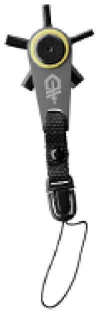
Gerber's growth ambition is built on three strategic pillars: engaging its employees, serving its customers, and connecting with users. Progress was made on several important long-term strategic initiatives during 2013 consistent with this ambition. The transition from product to activity-based assortment development has gained significant traction in the marketplace - strategic customers are beginning to embrace this concept with their in-store merchandising, consumers are enjoying a simplified shopping experience and competitors have attempted to duplicate this framework.

Gerber has continued to invest in its industry-leading marketing efforts, engaging nearly 300,000 followers and fans across social platforms, as well as providing unsurpassed digital content to enrich the on-line experience with brand and product content. In 2013, Gerber also started using the Group's centralized distribution center in Germany to better serve its European customers.

The commercial segment growth is driven by increased account shares across the current customer base and through the development of new business in both the Americas and Europe & Asia-Pacific geographies. Through activity-based merchandising Gerber has secured incremental floor space in several sections at key retailers, which supports its ambition to expand into other departments at those retailers.

In the institutional segment, our goal is to maintain presence in the contracting ecosystem while also driving individual purchases and expanding into the tactical category. In this expansion the brand's status as the top supplier to US military and US manufacturing capabilities provide unique leverage.

Buster boats are the most popular aluminum boats in Finland, Sweden and Norway. In 2013 Buster maintained its position as the market leader for versatile leisure boating.



Gerber Daily Carry Collection

This is an innovative selection of solutions targeting impulse purchasing and the growing Every Day Carry consumer segment. They are designed for modern, style conscious people that value being prepared for whatever jam, big or small, life throws at them every day. Like these consumers, the collection balances form and function, and blends style with utility. These small but powerful products are exposing the Gerber brand to new consumers outside of our traditional knife and tool audience, and are getting the attention of the wider outdoor community.

Propel Series

This premium collection of tactical clip folders was completely designed, engineered and manufactured in Portland, Oregon, which is a key selling point for the large and growing tactical consumer segment as well as the tactical retail channel. Designed to demonstrate Gerber's leadership in commercial tactical products to both groups, this series has quickly become a best seller and has generated significant editorial coverage in influential publications.

Downrange Tomahawk

Designed for professional use by the authorities, the Downrange Tomahawk is a simple and effective tool for solving serious problems. The axe head's beveled edge is capable of chopping through drywall and reducing walls and doors to splinters. The backside of the axe head functions as hammer for getting through hinges, locks, doorknobs and anything else that might slow professionals down. The third feature is a pry bar at the end of the handle, controlled by a cutaway grip in the axe head. This marvel of simplicity and durability was a clear star of the 2013 product line with strong sales and reviews from experts and professional users alike.

New Buster E-series range

Fiskars' Buster aluminum boat range was strengthened in 2013 with the launch of the new E-series of boats. The first model in the E-series of boats was the Buster XLe, which is based on the praised Buster XL hull. The boat features a durable and carefree aluminum hull, as well as a fiberglass deck that allows for more freedom in terms of design.

Bear Grylls Ultimate Pro

This year Gerber released an exciting upgrade to the already iconic Ultimate Knife, which since its debut in 2010 has quickly become the world's best selling knife. It is the new flagship of the Bear Grylls Survival Series which established an entirely new category of products and expanded the reach of the Gerber brand with scores of new consumers around the globe.

"Gerber's activity based product and merchandising approach has allowed us to present products in a more relevant way, providing our customers with a better shopping experience, as well as showing a direct impact on retail sales."

– Samantha Jacobs, Sr. Category Manager, Wholesales Sports

"Buster successfully launched the new Super Magnum flagship model and the new Buster Mini in 2013. The new intriguing boat models together with the new Buster Plus services for boaters further enhanced Buster's leadership in the Nordics."

– Juha Lehtola, President, Boats

123.7

MEUR

Net sales

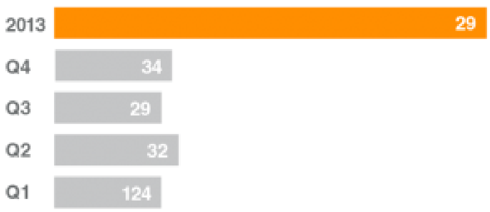
Highlights

Activity-based merchandising further positions Gerber as the category leader in knives and tools, and creates room for increased depth of product in an often stagnant assortment among strategic customers.

Consumer activity	Category	Brands	Distribution
Daily use	Pocket knives, multi-tools, lights	Gerber	Mass, sporting goods retailers, outdoor retailers, DIY/hardware, industrial distribution, online stores
Hiking and camping	Pocket knives, multi-tools, gear and accessories	Gerber, Gerber/ Bear Grylls	
Hunting	Knives, multi-tools, gear and hunting accessories	Gerber	
Industrial/professional	Knives, multi-tools, lights	Gerber	
Military	Knives, multi-tools, lights, spades, accessories	Gerber	Government, military exchanges, military distributors, mass, outdoor retailers, uniform stores, online stores
Emergency response, police, tactical	Knives, multi-tools, lights, spades, axes, accessories	Gerber	
Leisure boating	Aluminum boats	Buster, Drive Boats	Boat dealerships

Net sales
EUR million

Net sales per quarter 2013
EUR million



SUSTAINABLE SUPPLY CHAIN

A 365 year long heritage, lasting design and durable products form the foundation of Fiskars sustainability thinking. Our unique approach to sustainability builds on our values and our Code of Conduct. In 2013 we continued to focus on ensuring the transparency and sustainability of our supply chain and developing leadership skills to match our global ambitions.

We believe that counter to the prevailing throwaway mentality, an increasing number of people value well-designed things that are made to endure time and changing trends. Fiskars functional and innovative products are meant to be used 365 days a year, and are designed for optimal material usage and recyclability, a journey which starts from the first product sketches all the way to the shelf. Our products are designed to be easy to use, clean and store – and to last from one generation to the next.

Quality dictates everything Fiskars does. It is our promise that when properly used and maintained, our products shall remain free of defects in material and workmanship. Our product development process is based upon continuous testing and learning, and we have invested in product development and quality assurance resources. Our test garden has an important role in Garden product development and our own laboratories are used to test all garden tool prototypes and new products in terms of functionality and durability. This ensures, among other things, that under normal use Fiskars axes are virtually unbreakable and the only time they need maintenance is when the blade requires sharpening.

Since many of our homeware products are used in connection with food, we ensure by a careful quality control process and through rigorous testing that the product is right for its purpose and that all the material and quality requirements are fulfilled. For example, all Iittala ceramic products are dishwasher friendly, can be placed on the table directly from the oven or stored in a freezer without compromising structural integrity.

A constructive dialogue with suppliers

For us the sustainability of our supply chain is essential and we strive to ensure that our own manufacturing and the operations of our suppliers live up to our values and our customers' expectations. Our manufacturing sites are continuously developed to meet and exceed the latest standards, and we have chosen to invest in building our own competence in sourcing and sustainability in order to be able to actively work together with our suppliers and support them in developing their sustainability.Fiskars requires its partners to commit to principles covering labor and human rights, health and safety, environmental impact and business ethics. These principles are outlined in our Supplier Code of Conduct document. Our strategy is to consolidate our supplier base and form even stronger longterm partnerships with selected key suppliers. Our own manufacturing expertise enables us to share knowledge with our suppliers not only in technical aspects but also for example, in health and safety issues. We will continue to educate our suppliers, and to facilitate dialogue and the sharing of best practices between suppliers, our sourcing organization and our production experts. This is longterm work which we are committed to.

CASE: Focus on occupational safety

Occupational safety is one of the key development areas in the operations of our suppliers, requiring continuous attention. In 2013 a Finnish non-governmental organization investigated manufacturing of design products in Thailand. In accordance with our goal of transparency, Fiskars co-operated with them by providing information and access to our suppliers. The resulting report reaffirms our determination to ensure that occupational safety regulations are complied with in order to protect employees from possible risk. We will continue to actively monitor compliance with our requirements and work in close co-operation with our suppliers to help them understand and implement the changes required.

Our sustainability direction

Fiskars' mission is to enrich lives with lasting products that increase enjoyment and solve everyday problems through their functionality, innovation and design. We want to run and grow our business in a sustainable manner, taking care of the people and the environment around us.

Our sustainability focus areas are:

- Lasting design
- Responsible manufacturing
- Caring for people and communities
- Long-term profitability

We aspire to enable a sustainable everyday life through our products and the way we operate. Our products shall support our customers' sustainable choices at home, in the garden, and outdoors. In product development, we consider the environmental aspects throughout the product lifecycle. Environmental aspects are considered in all business decisions, and we strive to minimize our impact on environment in our business operations.

100% **of finished product volumes from Asia have been audited**

83% **of suppliers were rated satisfactory or good**

Fiskars suppliers are required to follow a Supplier Code of Conduct document and in 2013 we continued our vendor audit program with audits performed by our own dedicated personnel and our external partner to verify compliance. The most common challenges are related to working hours and occupational health and safety issues such as use of correct personal protective equipment and chemicals handling.

THE FISKARS TEAM

Success in a competitive and dynamic global marketplace requires a high level of collaboration and employees who are engaged, committed and passionate about making positive contributions to the business. All 4100 of us have an important role to play in caring for our customers and connecting our brands and products with users.

At Fiskars, we want to excel in execution and be a high performing company. We believe that inspiration needs to be nurtured, and therefore we have chosen to focus on leadership, wellbeing and engagement.
It takes exceptional leadership to build the kind of world-class team of high performance, innovation and ongoing learning that can execute our commercial ambition. Fiskars managers have an active role in inspiring their employees to aim high and contribute to our common goals.

In 2013 we continued to invest in building leadership practices and offering our employees and leaders a wide range of opportunities to learn and develop themselves professionally. Our people's ability to work as a cross functional team has already provided us wth a huge competitive advantage and has resulted in several wins for our business.

Fiskars vision is to have empowered, effective and inspired employees who live our core belief that all things, even the simplest, can be made better and smarter. Engagement as a word describes the emotional and intellectual involvement that enables us all to be exited and to do our best.

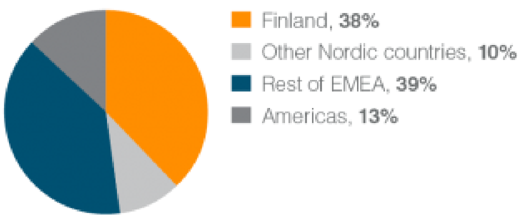
While going through a major transformation it is important for us to know how we are performing as a team to make the journey interesting for all of us. Based on feedback from employees we have put a lot of effort on enhancing two-way dialogue throughout the organization. A clear improvement in this area could be seen in the results of our employee survey in 2013, which showed that our team has a clear understanding of our strategy and vision.

As Fiskars works together with retailers to provide innovative and effective merchandising, inspiring and educating consumers remains a top priority. We have placed added emphasis on our sales and marketing competencies and resources to maximize in store and digital marketing opportunities and to guide consumers throughout the shopping experience to help them make purchasing decisions. This focus has been top of mind when reshaping our sales units in Europe and strengthening the marketing teams within our business areas.

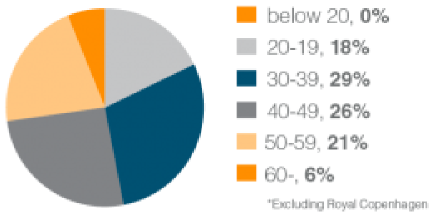
Employee facts	**2013***	**2012**
Average number of employees (FTE)	4 087	3 364
Employees in production, %	40	42
Employee turnover rate, %	3	3
Part time employees, %	13	14
Gender balance, men/women, %	46/54	52/48
Women in the Executive Board, %	29	20
Women in the Board of Directors, %	22	22
Managers in License to lead training, %	90	69
Employees responding to engagement survey, %	69	74
Professional employees included in performance management and target setting process, %	92	94

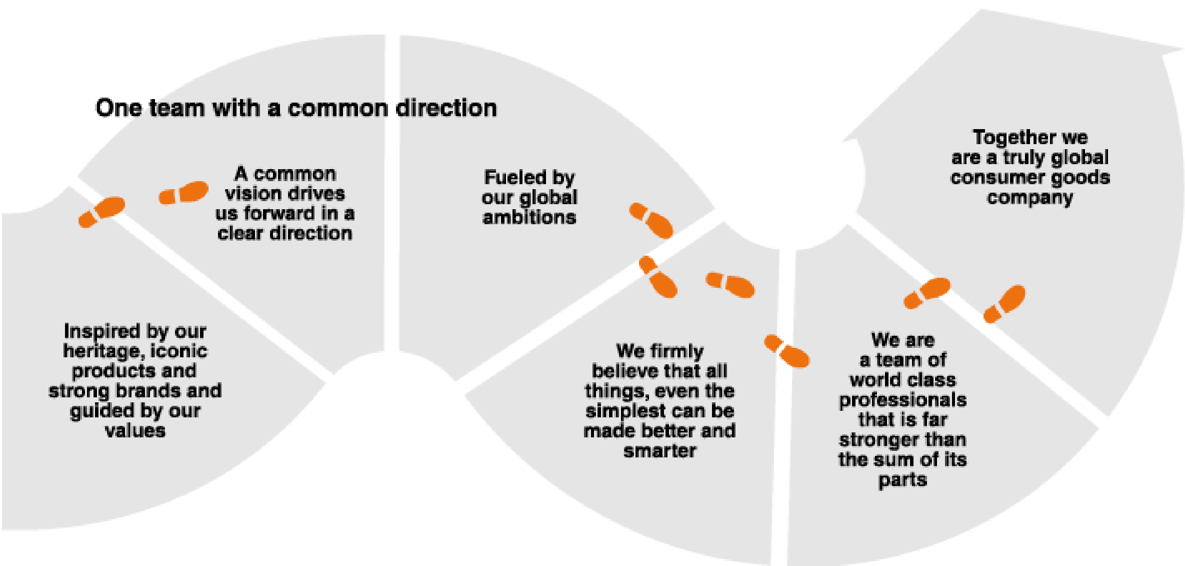
* Including Royal Copenhagen except for
Employee turnover rate, Part time employees
and Managers participating in License to lead training.

Employees by geographical region 2013
%



Employees by age 2013*
%





FISKARS CORPORATE GOVERNANCE STATEMENT FOR 2013

Corporate governance at Fiskars Corporation is based on the Company's Articles of Association, Finland's Limited Liability Companies Act, and the rules and regulations concerning companies listed on the NASDAQ OMX Helsinki Ltd stock exchange. Fiskars is a member of Securities Market Association and complies, without exception, with the Finnish Corporate Governance Code approved by the Securities Market Association, which came into force on October 1, 2010 and can be consulted at www.cgfinland.fi. This Corporate Governance Statement was published separately from the Report by the Board of Directors on the Company's website www.fiskarsgroup.com on February 17, 2014.

Ultimate decision-making power is vested in Fiskars Corporation's shareholders at the General Meeting of Shareholders. Fiskars Board of Directors is responsible for the management and proper arrangement of the operations of the Company. The Managing Director (President and CEO) is responsible for the day-to-day management of the Company under the instructions and orders of the Board of Directors.

General meeting of shareholders

The Annual General Meeting is held annually before the end of June, either in Raseborg or Helsinki. The Annual General Meeting decides on matters stipulated in the Companies Act and the Articles of Association, such as approving the financial statements, distributing profits, discharging the members of the Board of Directors and the CEO from liability, electing the members of the Board of Directors and the Company's Auditors, and deciding upon remuneration for said Board members and Auditors.

In accordance with the Articles of Association, notices regarding the Shareholders' Meetings are published on the Company's website and, if deemed necessary by the Board of Directors, in an alternative manner. In 2013, notices were published in the Helsingin Sanomat, Hufvudstadsbladet and Västra Nyland newspapers in addition to the notice published on the Company's website.

Any shareholder wishing to submit a matter for inclusion on the agenda of the Annual General Meeting should submit a request in writing to the Board of Directors. To be included in the notice of the Annual General Meeting and in the agenda of the Annual General Meeting, the request should be sufficiently concise and the matter must fall within the authority of the Annual General Meeting, as defined in the Limited Liability Companies Act. Instructions on submitting requests to the Board of Directors and the deadline for requests are published on the Company's website. In 2013, no such requests were submitted to the Board of Directors.

Annual General Meeting for 2013

Fiskars held its Annual General Meeting for 2013 on March 14, 2013. The meeting approved the financial statements, discharged the members of the Board and the CEO from liability, and decided on the dividend to be paid for the 2012 financial year. The Meeting also decided on the remuneration to be paid to the Board and elected the members, who will serve until the end of the Annual General Meeting in 2014. The Company's auditors were also elected, and remuneration was decided upon. The Meeting authorized the Board to acquire Fiskars own shares and make decisions about conveying them in accordance with separately agreed conditions.

The Board of Directors

In accordance with the Articles of Association, the Board of Directors shall consist of a minimum of five and a maximum of nine members. The terms of office of all members will run from their election to the end of the following Annual General Meeting. The Board is responsible for electing a Chairman from among its members.

Responsibilities and Charter of the Board

Fiskars Board of Directors is responsible for managing the Company in accordance with the law, official regulations, the Articles of Association, and decisions taken by the Annual General Meeting of Shareholders. Under the Charter approved by the Board of Directors, the Board is responsible for the following activities:

- Managing and appropriately arranging the Company's operations and confirming the Company's business strategy and budget.
- Overseeing the solidity, profitability, and liquidity of the Company, as well as the Company's management.
- Approving the risk management principles followed by the Company.
- Preparing financial statements.
- Confirming financial policy.
- Deciding on extraordinary or far-reaching measures, taking the scope and nature of the Company's operations into account, unless these matters come within the responsibilities of the General Meeting of Shareholders.
- Appointing the President and CEO and confirming the terms of his employment and other compensation.
- Appointing the members of the Executive Board, other senior managers, and the internal audit manager, and approving their terms of employment and other compensation.
- Deciding on the principles for the Group's compensation systems and other long-term personnel issues.
- Considering matters related to the appointment of the members of the Boards of Directors of subsidiaries.
- Appointing Board Committees and their members. These Committees are responsible for preparing matters within their specific area of competence to be put before the Board.

The Board convenes 8–9 times a year according to a pre-confirmed timetable, with additional meetings whenever necessary. Most meetings are connected with the publication of the Company's financial statements and interim reports, strategy, and budget cycle or the Annual General Meeting. The Board also holds a strategy meeting at which it considers the Group's future scenarios and confirms the Company's strategy. The Board usually conducts one or two of its meetings at rotating Fiskars locations, focusing on a specific business area.

The Board conducts an annual self-evaluation of its work and cooperation with management, facilitated by an external expert.

The Board of Directors evaluates the independence of each member according to the Corporate Governance Code in the constitutive meeting convened after the Annual General Meeting.

The Board of Directors in 2013

The Annual General Meeting held on March 14, 2013 re-elected all nine members of the Board: Kaj-Gustaf Bergh, Ingrid Jonasson Blank, Ralf Böer, Alexander Ehrnrooth, Paul Ehrnrooth, Louise Fromond, Gustaf Gripenberg, Karsten Slotte and Jukka Suominen.

Convening after the Annual General Meeting, the Board of Directors re-elected Kaj-Gustaf Bergh as its chairman and Alexander Ehrnrooth and Paul Ehrnrooth as vice chairmen. The Board decided to establish an Audit Committee, a Compensation Committee and a Nomination and Strategy Committee.

All members of the Board are independent of the Company. Alexander Ehrnrooth, Paul Ehrnrooth and Louise Fromond are considered to be non-independent of major shareholders.

The Board of Directors convened nine times during 2013. The average attendance at Board meetings was 99%. Besides the regular annual Board work during the financial year, key priorities in 2013 included monitoring the implementation of the company's five-year investment program, the launch of the EMEA 2015 restructuring program and the integration of Royal Copenhagen. In addition, the board reviewed the company's strategic direction and long-term growth plans.

Board Committees

The Board of Directors appointed three committees in 2013: an Audit Committee, a Compensation Committee, and a Nomination and Strategy Committee.

Audit Committee

The Audit Committee is responsible for the following activities:

- Monitoring the reporting process used for the Company's financial statements
- Supervising the financial reporting process.
- Monitoring the efficiency of the Company's internal controls, internal auditing, and risk management
- Reviewing the description of the main features of the internal controls and risk management associated with the financial reporting process, as provided by the Company's administration and control system.
- Reviewing and monitoring the main legal actions, claims and other proceedings that Fiskars is involved in.
- Monitoring the statutory auditing of the Company's financial statements and consolidated financial statements.
- Evaluating the independence of the Company's statutory Auditors and the additional services provided by the Auditors.
- Drafting the proposal covering the selection of the Company's Auditors for the Nomination and Strategy Committee.

The following Board members belonged to the Audit Committee:

- Gustaf Gripenberg (Chairman)
- Alexander Ehrnrooth
- Paul Ehrnrooth
- Louise Fromond
- Karsten Slotte

The Audit Committee convened four times in 2013 and the attendance of members at meetings was 100%. Besides its ordinary work, the Audit Committee also monitored the progress of the company's five-year investment program and discussed the Company's sustainability management and reporting in 2013.

Compensation Committee

The Compensation Committee is responsible for preparing matters related to the appointment and remuneration of the President and CEO and Group directors, as well as issues related to the Company's remuneration system.

The following Board members belonged to the Compensation Committee:

- Kaj-Gustaf Bergh (Chairman)
- Ralf Böer
- Ingrid Jonasson Blank
- Jukka Suominen

The Compensation Committee convened four times in 2013 and the attendance of members at meetings was 100%. In 2013, the Compensation Committee discussed the Company's compensation framework and bonus structure.

Nomination and Strategy Committee

The Nomination and Strategy Committee is responsible for the following activities:

- Preparing proposals related to the composition of the Board for the General Meeting of Shareholders after consulting major shareholders.
- Preparing proposals for the General Meeting of Shareholders on the remuneration of Board members.
- Preparing proposals for the Board regarding the composition of the Board's committees.
- Preparing the proposal on the selection of the Company's Auditors based on the proposal of the Audit Committee.
- Confirming the criteria and processes to be used for evaluating the Board's work.
- Dealing with matters relating to the strategy of the Company in co-operation with the management and with focus on company's long-term initiatives.

The following Board members belonged to the Nomination and Strategy Committee:

- Kaj-Gustaf Bergh (Chairman)
- Alexander Ehrnrooth
- Paul Ehrnrooth

The Nomination and Strategy Committee convened ten times in 2013 and the attendance of members at meetings was 97%. Among the focus areas of the committee was preparing matters related to the company's long-term strategy.

Board members, Dec 31, 2013

Kaj-Gustaf Bergh

Born 1955, B.Sc., LL.M.
Chairman, elected to the Board in 2005
Chairman of the Compensation Committee and Nomination and Strategy Committee
Independent of the Company and significant shareholders

Managing Director of Föreningen Konstsamfundet r.f. 2006–

Primary working experience:
SEB Asset Management, Director 1998–2001, Ane Gyllenberg Ab, Chief Executive Officer 1986–1998

Other positions of trust:
Chairman of the Board: Sponda Plc 2013-, KSF Media Holding Ab 2007–, Finaref Group Ab 1999–
Member of the Board: JM AB 2013 -, Wärtsilä Corporation 2008–, Julius Tallberg Oy Ab 2006–, Ramirent Group 2004–

Alexander Ehrnrooth

Born 1974, M.Sc. (Econ.), MBA
Vice Chairman, elected to the Board in 2000
Member of the Audit Committee and Nomination and Strategy Committee
Independent of the Company and dependent on significant shareholders

CEO of Virala Oy Ab 1995–

Other positions of trust:
Chairman of the Board: Aleba Corporation 2003–, Belgrano Investments Oy 1999–
Member of the Board: Wärtsilä Corporation 2010–

Paul Ehrnrooth

Born 1965, M.Sc. (Econ.)
Vice Chairman, elected to the Board in 2000
Member of the Audit Committee and Nomination and Strategy Committee
Independent of the Company and dependent on significant shareholders

Managing Director & Chairman: Turret Oy Ab 2005–

Other positions of trust:
Chairman of the Board: Savox Group 2004–
Vice Chairman of the Board: Ixonos Oyj 2010–
Member of the Board: Wärtsilä Corporation 2010–

Gustaf Gripenberg

Born 1952, D. (Eng.)
Elected to the Board in 1986
Chairman of the Audit Committee
Independent of the Company and significant shareholders

Professor, Aalto University 1999–

Primary working experience:
Assistant professor, University of Helsinki 1987–1998

Ralf R. Böer

Born 1948, Juris Doctor
Elected to the Board in 2007
Member of the Compensation Committee
Independent of the Company and significant shareholders

Primary working experience:
Partner, Foley & Lardner LLP 1981–,
Foley & Lardner LLP, Chairman and CEO 2002–2011

Other positions of trust:
Member of the Board: Plexus Corp. 2004–

Louise Fromond

Born 1979, LL.M.
Elected to the Board in 2010
Member of the Audit Committee
Independent of the Company and dependent on significant shareholders

Primary working experience:
University of Helsinki, assistant and doctoral student 2004–2008

Other positions of trust:
Chairman of the Board: Oy Holdix Ab 2010–
Member of the Board: Louise and Göran Ehrnrooth Foundation 2013-,
Tremoko Oy Ab 2008–, Bergsrådinnan Sophie von Julins stiftelse 2004–,
Fromille Oy Ab 1998–

Ingrid Jonasson Blank

Born 1962, M.Sc (Econ.)
Elected to the Board in 2010
Member of the Compensation Committee
Independent of the Company and significant shareholders

Primary working experience:
ICA Sverige AB, Executive Vice President 2004–2010

Other positions of trust:
Member of the Board: Orkla ASA 2013-, Matas A/S 2013- Royal Unibrew A/S 2013-, Musti ja Mirri Oy 2012-, Scandinavian Studios AB 2012-, Travel Support & Services Nordic AB 2012-, Ambea AB 2012–, ZetaDisplay AB 2010–, Bilia AB 2006–

Karsten Slotte

Born 1953, B.Sc. (Econ.)
Elected to the Board in 2008
Member of the Audit Committee
Independent of the Company and significant shareholders

Primary working experience:
Fazer Group, President and CEO 2007–2013, Cloetta Fazer Ab (publ.), President 2002–2006, Cloetta Fazer Konfektyr Ab, Managing Director 2000–2002, Fazer Confectionery Ltd, Managing Director 1997–2000

Other positions of trust:
Member of the Board: The Onvest Group 2013-, Royal Unibrew A/S 2013-, Oriola-KD Corporation 2013-, Varma Mutual Pension Insurance Company 2009–, Finnish-Swedish Chamber of Commerce 2003–, Onninen Oy 2001–

Jukka Suominen

Born 1947, M.Sc. (Eng.), B.Sc. (Econ.)
Elected to the Board in 2008
Member of the Compensation Committee
Independent of the Company and significant shareholders

Primary working experience:
EFFOA/Silja Oyj Abp, Vice President,
Senior Vice President, CEO, Group CEO 1975–2000

Other positions of trust:
Chairman of the Board: Lamor Corporation Ab 2005–2007, 2010–,
Rederiaktiebolaget Eckerö 2006–
Member of the Board: Huhtamäki Oyj 2005–

President and CEO

The Board of Directors is responsible for appointing and, if necessary, dismissing the Managing Director, who also acts as the Group's President and CEO.

The President and CEO is responsible for the day-to-day management and administration of the Company, in accordance with the Company's Articles of Association, legislation, official regulations, and the instructions and orders of the Board. The President and CEO is also responsible for ensuring that the Company's accounting is in accordance with legal requirements and that assets are managed reliably. The President and CEO is assisted in these duties by the Executive Board.

The current President and CEO is Mr. Kari Kauniskangas, M.Sc. (Econ.) (b.1962). He joined the Company in 2008.

The Company does not have a CEO's deputy.

Executive Board

The Executive Board of Fiskars Corporation consists of the management team responsible for corporate and Group-wide functions. Under the leadership of the President and CEO, the Executive Board prepares proposals for the Board and addresses issues related to the Group's strategy, resource allocation and the implementation of Fiskars common operating model and business model. The Executive Board also addresses issues related to Group-wide and corporate functions and their development. The Executive Board's duties also include stakeholder relations.

The Executive Board convenes monthly accordingly to a pre-confirmed timetable, with additional meetings whenever necessary. The Executive Board convened a total of nine times in 2013.

Among the key priorities for Fiskars Executive Board in 2013 were the implementation of the Company's five-year platform investment program in EMEA and the EMEA 2015 restructuring program.

The Executive Board follows the business areas' and sales regions' performance and plans using monthly and quarterly reports and meets regularly with the Presidents of the business areas and sales regions to follow up on key activities and to address strategies for business areas, brands and categories, as well as business model implementation.

In September 2013, Fiskars Executive Board was strengthened with two new members: the group's new Senior Vice President, Human Resources, Nina Ariluoma-Hämäläinen, and Chief Information Officer, Frans Westerlund.

To facilitate development of the Company's operations and the establishment of common processes and platforms, the heads of the Group's Human Resources and IT functions had previously been members of Fiskars Executive Team and had participated in Executive Board meetings.

In addition to the President and CEO, Kari Kauniskangas, the Executive Board members are the Group's Chief Strategy Officer, Max Alfthan, SVP, Human Resources, Nina Ariluoma-Hämäläinen, SVP, Supply Chain, Risto Gaggl, the General Counsel, Jutta Karlsson, and the CFO, Ilkka Pitkänen.

Executive Board members, Dec 31, 2013

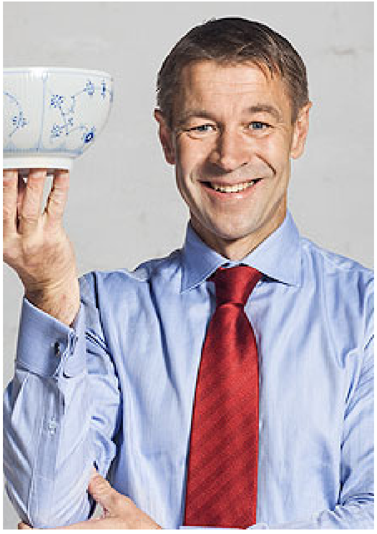
Kari Kauniskangas

President and CEO, employed 2008
Born 1962, M.Sc. (Econ.)

Primary working experience:
Amer Sports Corporation, Head of Winter & Outdoor division 2007
Amer Sports Corporation, Senior Vice President,
Sales & Distribution 2004–2007
Amer Sports Europe GmbH, President & GM 1999–2004

Positions of trust:
Member of the Board: Veho Group Oy Ab 2013-

Max Alfthan



Chief Strategy Officer, employed 2008
Born 1961, M.Sc. (Econ.)

Primary working experience:
Amer Sports Corporation, Senior Vice President,
Communications 2001–2008
Lowe & Partners, Managing Director 1998–2001
Oy Sinebrychoff Ab, Marketing Director 1989–1998

Positions of trust:
Member of the Board: Nokian Panimo Oy 2008–

Ilkka Pitkänen

Chief Financial Officer, employed 2012
Born 1966, M.Sc. (Econ.)

Primary working experience:
DNA Group, CFO & Deputy to CEO 2010–2012
Metsäliitto Group, Executive Vice President & CFO 2005–2010
KONE Corporation, Vice President, Alliances & Acquisitions 2003–2005
KONE Italy Spa, Financial Director & Group Controller 2000–2003
KONE Corporation, Vice President, Corporate Controller 1998–2000

Jutta Karlsson

General Counsel, employed 2006
Born 1963, LL.M.

Primary working experience:
LMR Attorneys-at-law, Legal Counsel 2004–2006
Council of the Baltic Sea States (Stockholm), Legal Advisor 2002–2004

Nina Ariluoma-Hämäläinen

Senior Vice President, Human Resources, employed 2013
Born 1971, M.Sc. (Psych), EMBA

Primary working experience:
Nokia Siemens Networks Oy, Head of HR Region, North, East and West, Russia 2013
Nokia Siemens Networks Oy, Head of Region HR for North and East Europe, Russia, CIS and Turkey, Russia 2011-2013
Nokia Siemens Networks Oy, Head of HR for Global Sales 2008-2011
Nokia Oyj, Head of Business HR for Emerging Businesses 2005-2007
Nokia Oyj, Business HR Manager, Nokia Business Infrastructure 2001-2003
Nokia Oyj, Human Resources Manager, Nokia Ventures, US 1999-2000

Risto Gaggl

Senior Vice President, Supply Chain, employed 2011
Born 1968, M.Sc. (Tech)

Primary working experience:
Fiskars, Vice President, Operations, Garden EMEA 2011–2012
Elcoteq SE, Vice President, Business Excellence 2010–2011
Elcoteq SE, Vice President, Business Unit Mobile Devices 2009–2010
Elcoteq Personal Communications,
Vice President, Operations & SCM 2008–2009
Elcoteq Group, various management positions in Finland, Hungary and Estonia 2001–2007

Frans Westerlund

Chief Information Officer, employed 2009
Born 1966, M. Sc. (Econ.)

Primary working experience:
Nokia, Director, Process and System Solutions in Nokia Markets 2006–2009
Nokia, Director, Delivery Management in Nokia Information Management 2001–2006
Nokia, Manager, Application Services in Nokia Singapore 2001
Nokia, various positions in Nokia Information Management 1994–2001

Executive Team

Fiskars Group has four reporting segments: EMEA (Europe, Middle East and Asia-Pacific), Americas, Wärtsilä (associated company) and Other (Real Estate, corporate headquarters and shared services).

The Company has three business areas: Home, Garden and Outdoor. The three business areas are managed under the two geographical segments: EMEA and Americas.

In the EMEA region, Fiskars has adopted a matrix organization to accelerate growth. In 2013, two sales regions – North and Central – carried the commercial responsibility for their respective regions. The heads of country sales units report to the respective Sales Region President.

The Executive Board, Presidents of Fiskars business areas, and Presidents of the EMEA Sales Regions form the Executive Team of the Company. The Executive Team meets a minimum of four times a year to discuss the implementation of the integrated company strategy, the implementation of common operating and business models, and corporate business performance and opportunities.

The Presidents of Fiskars business areas and sales regions are responsible for the day-to-day operations and development of their units and for ensuring that their businesses comply with the requirements of local laws, regulations, and Fiskars Code of Conduct.

They are also responsible for ensuring that the subsidiaries associated with their businesses have the appropriate resources needed for their businesses.

The Presidents of each business area and sales region are assisted in these duties by their own leadership teams. To facilitate close cooperation between the sales units and business units, the Presidents of EMEA sales regions participate in EMEA business area leadership team meetings.

In 2013, Fiskars Executive Team members, in addition to the Executive Board, were as follows:

- Thomas Enckell, President, Garden EMEA
- Axel Goss, President, Sales Region Central
- Jakob Hägerström, President, Sales Region North
- Teemu Kangas-Kärki, President, Home EMEA
- Jason Landmark, President, Outdoor Americas until November 1, 2013
- Juha Lehtola, President, Boats
- Timo Leskinen, VP, HR until July 31, 2013
- Paul Tonnesen, President, Garden & SOC, Americas

Executive Team members, Dec 31, 2013

Thomas Enckell

President, Garden, Europe and Asia-Pacific, employed 2007
Born 1963, M.Sc. (Econ.)

Primary working experience:
Iittala Group, Sales Director, Wholesale 2007
Iittala Group, Group Director, Iittala Brand and International Sales 2003–2007
Iittala Group, Business Area Director 2000–2003
Designor, Business Area Director 1996–2000

Positions of trust:
Member of the Board: Stala Oy and Stala Tubes Oy 2008–

Axel Goss

President, Sales Region Central, employed 2012
Born 1961, M.Sc. (Econ.)

Primary working experience:
Reckitt Benckiser, Area Sales Director, Europe 2006–2012
Reckitt Benckiser, Director, Global Customer Development, Global Sales 2001–2006
Reckitt Benckiser, Regional Sales Director, Europe, Private Label 1998–2000

Jakob Hägerström

President, Sales Region North, employed 2009
Born 1971, M.Sc. (Econ.)

Primary working experience:
Fiskars Home, Vice President, Sales 2009–2011
Samsung Electronics Nordic Ab, Head of Marketing, Finland 2009
L'Oréal Finland Oy, General Manager,
Consumer Products Division 2005–2008
L'Oréal Finland Oy, Product and Marketing Manager 1999–2003

Teemu Kangas-Kärki

President, Home, employed 2008
Born 1966, M.Sc. (Econ.)

Primary working experience:
Fiskars Corporation, Chief Financial Officer 2008–2012
Alma Media Corporation, Chief Financial Officer 2003–2008
Kesko Group, Vice President, Corporate Controller 2002–2003
Kesko Group, Corporate Business Controller 2000–2001
Suomen Nestlé Oy, Finance Director 1999–2000
Smith & Nephew Oy, Financial Manager 1996–1998
Unilever Oy & Gmbh, Marketing Controller and Internal Auditor 1992–1996

Juha Lehtola

President, Boats, employed 2009
Born 1966, M. Sc. (Econ.)

Primary working experience:
Stora Enso Oyj, Senior Vice President 2007–2009
Stora Enso Oyj, Vice President, New Business Innovations 2003–2007
Stora Enso Oyj, Vice President, New Business Areas 2002–2003
Stora Enso Packaging Sp., Managing Director 1999–2002

Paul Tonnesen

President, Garden & SOC, Americas, employed 2007
Born 1964, MBA, B. Sc. (Marketing)

Primary working experience:
Elmer´s Products, Inc., Corporate Officer and Senior Vice President Global Sales and Customer Service 2005–2007
Spectrum Brands, Corporate Officer and Vice President Sales 2002–2005
American Safety Razor, Corporate Officer and Vice President Sales and Category Marketing 1998–2002

Positions of trust:
Member of the Board: Milwaukee Institute of Art & Design 2011–,
Boys and Girls Club 2011–, Le Moyne College School of Business 2011–

Control systems

The Board of Directors is responsible for the appropriate management and organization of operations. The Board of Directors has approved the principles of internal control, risk management, and internal auditing to be followed within the Group.

In practice, it is the responsibility of the President and CEO, together with the management to put in place and oversee accounting and control mechanisms and other similar mechanisms.

The Risk Management function supports identification, evaluation, and management of risks that may threaten the achievement of Fiskars business goals.

Code of Conduct

Fiskars objective is to pursue long-term profitable business in an ethical and responsible manner. The way of operating for all Fiskars employees, including directors and officers, is defined in the Company's Code of Conduct. The Code of Conduct shall be complied with by all companies belonging to Fiskars Corporation and shall be supplemented by local laws and regulations in case they impose stricter rules. All company rules, guidelines and practices in Fiskars companies must be in full compliance with the Code of Conduct.

All Fiskars employees participate in regular training on the Code of Conduct. The Internal Audit Manager acts as the Corporate Compliance Officer for this Code.

Internal audit

The Internal Audit function is responsible for auditing and reviewing how well internal control systems function, the appropriateness and efficiency of functions, and how well guidelines are observed.

The Internal Audit function also strives to promote the development of risk management practices in the Group's business units. The Parent Company has an internal audit manager, who is administratively subordinate to the President and CEO, but reports to the Audit Committee.

Auditing

The task of statutory auditing is to verify that Fiskars financial statements and Board of Director's report provide accurate and adequate information on the company's results and financial position. In addition, auditing includes an audit of Fiskars accounting and administration.

The Company's Annual General Meeting elects an auditor. The auditor is elected for a term that expires at the end of the following Annual General Meeting.

The Annual General Meeting in 2013 elected KPMG Oy Ab, Authorized Public Accountant Virpi Halonen having the principal responsibility.

A total of EUR 0.8 million was paid in audit fees to the auditors employed by Group companies in 2013. In addition, a total of EUR 0.8 million was paid to the auditors in fees for other consultancy services related to tax matters and other advisory services.

Insider administration

Fiskars applies the insider regulations of NASDAQ OMX Helsinki that came into force on October 9, 2009. In addition, the Company has its own insider regulations that were last updated on January 1, 2013.

The Company's Public Insiders include the members of the Board, the President and CEO, the Executive Board, the Presidents of the business areas and EMEA sales regions and the Company's Auditors. Fiskars also has a Company-specific insider register as well as a separate project-based register which is maintained for projects that, on completion, may have an impact on the Company's share value.

Fiskars Corporation's Legal Department maintains lists of insiders. Information on Public Insiders can be consulted at Euroclear Finland Ltd., Urho Kekkosen katu 5 C, 00100 Helsinki, tel. +358 20 770 6000 and the Company's website, www.fiskarsgroup.com.

Internal control and risk management systems related to financial reporting

The financial reporting process refers to activities that generate financial information used in managing the Company and the financial information published in accordance with the requirements of legislation, standards, and other regulations covering the Company's operations.

The role of internal control is to ensure that the Company's management has access to up-to-date, sufficient, and essentially accurate information needed for managing the Company and that the financial reports published by the Company provide an essentially accurate view of the Company's financial position.

Governance

The Parent Company has a Group-level financial management organization that operates under the leadership of the CFO. Financing and financial risk management belong to the Group Treasury function under the responsibility of the CFO.

The business areas and sales regions are run by their own leadership teams. All the business areas as well as EMEA sales regions have their own financial management organizations.

The business areas and country legal units within the sales regions comprise the base level of financial reporting. Business units and country sales units are responsible for organizing their own financial management and for the accuracy of their financial reporting.

With the support of the Company, the business areas and sales regions are responsible for the day-to-day risk management associated with their operations and for monitoring the operations of the finance departments of individual business units and country sales units.

The Internal Audit function audits and monitors the efficiency of the reporting process and assesses the reliability of financial reporting.

The Group's Audit Committee, the Group's Board of Directors, the Executive Board, and the leadership teams of each business area and sales region monitor the development of the financial situation and analyze progress on targets on a monthly basis.

Planning and performance reporting

Setting and monitoring financial targets is an important part of Fiskars management responsibilities. Short-term financial targets are set as part of the annual planning cycle, and progress in achieving these targets is monitored on a monthly basis. Business areas and country legal units report actual financial data monthly and file quarterly projections of how financial performance is expected to develop over the remainder of the reporting period. Additionally, business areas and EMEA sales regions update the outlook for the remainder of the reporting period on a monthly basis on an aggregated level.

The Group's financial performance is reviewed monthly using a reporting system that covers all units and operations.

Information from reporting units is consolidated and validated by the Group's financial organization and the data is used to prepare a monthly report for senior management. Monthly reports contain condensed income statements for Fiskars operational segments and business areas and EMEA sales regions, key indicators, and an overview of the major events affecting their businesses. Reports also include a consolidated income statement, balance sheet data, cash flows, and a projection of the expected development of the financial situation covering the remainder of the reporting period.

Accounting principles and financial IT systems

Financial reporting is governed by a set of common principles. The Group applies the IFRS accounting standards approved within the EU and has a common Group chart of accounts. The Group's financial management organization has drawn up guidelines for units, covering the content of financial reporting and the dates within which reporting must take place.

Business units and country sales units make use of a number of different accounting and financial reporting systems. Group-level financial reporting is handled using one centrally-managed system. Business units and business areas, as well as EMEA country sales units and sales regions, are responsible for providing data for the Group's reporting system. The Group-level financial management organization is responsible for maintaining the Group's reporting system and for monitoring that appropriate and correct data is fed into the system.

As part of the five-year development program the Company is in the process of implementing a common enterprise resource planning system (ERP) in the EMEA region in order to simplify the financial reporting process and reduce risks associated to the management of several different systems in parallel. The new system will be implemented in phases. The first implementation took place in late 2011, and by the end of 2013 approximately 60 % of business volume targeted by the program was running through the common system.

Risk management

The overall objective of risk management is to identify, evaluate, and manage risks that may threaten the achievement of the Company's business goals. The aim is to secure personnel and assets, ensure the uninterrupted delivery of products to customers, and protect the Company's reputation, brands, and shareholder value from developments or damage that may undermine the Company's profitability or adversely affect its assets.

In relation to financial reporting, the task of risk management is to identify potential threats affecting the financial reporting process that, if they were to become reality, could lead to a situation in which management lacked the up-to-date, sufficient, and essentially accurate information needed to manage the Company and in which financial reports published by the Company did not provide an essentially accurate picture of the Company's financial position.

The principles observed in risk management are included in the risk management policy approved by the Board of Directors. The Board's Audit Committee oversees the efficiency of risk management systems. Responsibility for identifying, evaluating, and also, to large extent, managing Fiskars risks is delegated to business units and support functions. The Group Treasury is responsible for developing and maintaining the methods, tools, and reporting associated with risk management. In addition, it carries out regular risk assessments together with business units and support functions and assists in the preparation of action plans based on the results of these assessments.

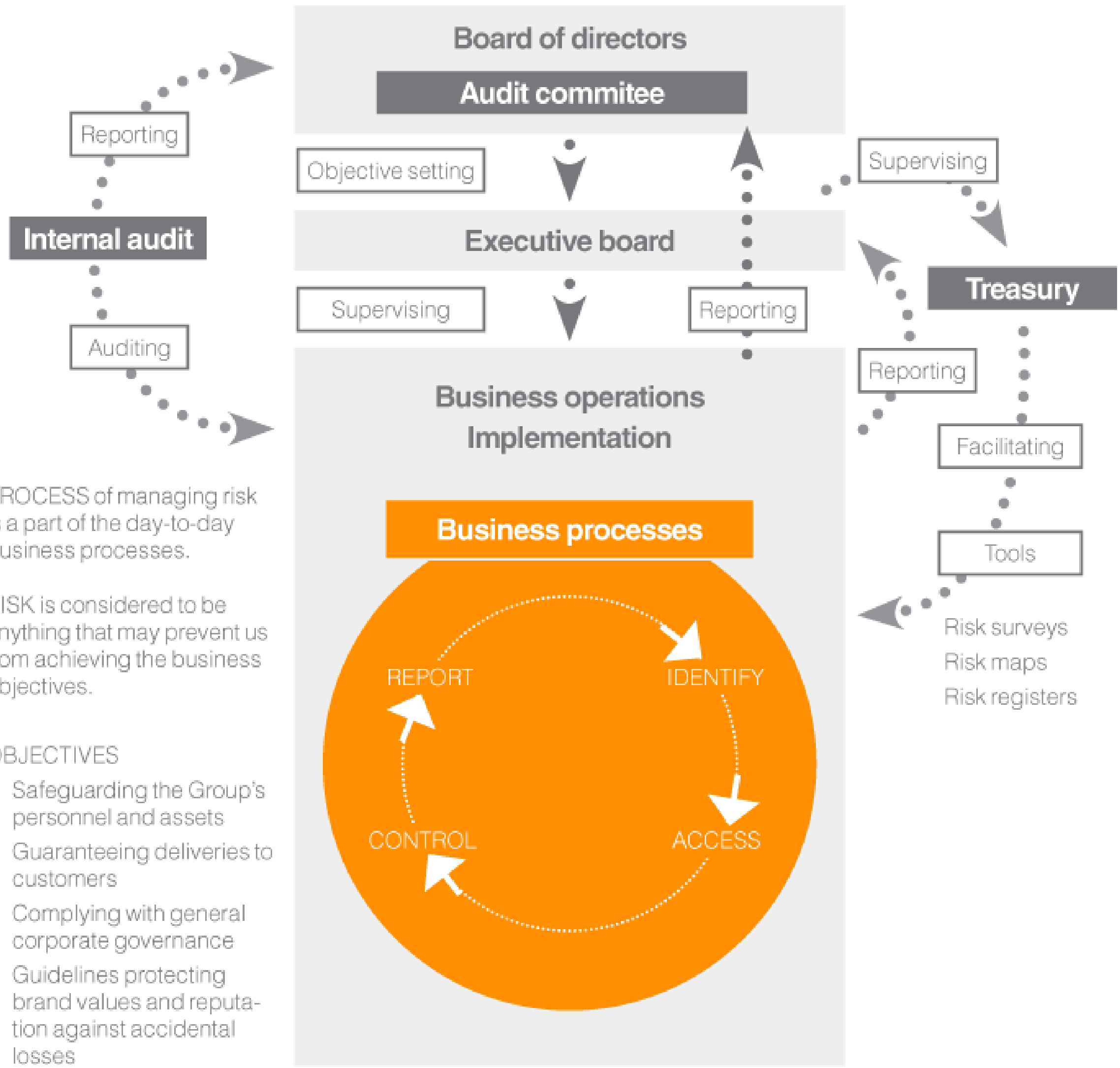
Fiskars has taken out extensive insurance to provide cover for the Group's main assets, business interruptions, transportation, and liabilities. Insurance matters, with the exception of certain types of local insurance, are managed centrally by the Group Treasury. The Group Treasury manages financial risks in accordance with principles approved by the Board of Directors.

Fiskars manages the risks associated with its financial reporting process in a number of ways including the following:

- Maintaining and resourcing an appropriate financial management organization.
- Limiting the rights and responsibilities of individual members of staff appropriately.
- Managing the user rights that give access to the Group's reporting system centrally.
- Issuing guidelines on accounting and reporting.
- Maintaining a common Group chart of accounts.
- Making effective use of IT tools.
- Providing ongoing training for personnel.
- Validating the accuracy of information that is reported as part of the reporting process.

The Company is currently unifying its financial processes and implementing modern IT tools as part of its five-year development program in the EMEA region. With regards to risk management, the objectives are to increase the number of internal checks and controls and to improve the transparency and quality of information used in management decision-making.

Risk management framework



PROCESS of managing risk is a part of the day-to-day business processes.

RISK is considered to be anything that may prevent us from achieving the business objectives.

OBJECTIVES

- Safeguarding the Group's personnel and assets
- Guaranteeing deliveries to customers
- Complying with general corporate governance
- Guidelines protecting brand values and reputation against accidental losses

Principal uncertainties

Customer relationships and distribution

As Fiskars produces and sells consumer products, general market conditions and a decline in consumer demand in key market areas in Europe and North America could have a material adverse effect on the Company's net sales and profitability.

Fiskars products are primarily sold to wholesalers, retailers, and directly to consumers through its own stores. Sales to large individual customers are significant in some businesses, but none of the customers account for more than 10% of the total net sales of the Group. As some major customers decide on their product range and suppliers only once annually, failure to meet customer needs may result in Fiskars losing customers, and the loss of even a small number of major customers or disruption in the activities of a specialized distribution channel could have an adverse effect on Fiskars business and profits.

Supply chain

A significant proportion of the products sold by Fiskars are manufactured by external suppliers and, in addition, the Company purchases components and raw materials from several suppliers. By making greater use of outsourcing the Company is increasingly exposed to risks related to its outsourced supply chain. In addition, the company is consolidating its supplier base and its dependency on certain key suppliers is increasing. Most of the suppliers are located in Asia, which is far from the Company's key markets, and disturbances at the source of supply or in the logistics chain could prevent the orderly delivery of products to customers.

Fiskars is also increasingly exposed to legal, economic, political, and regulatory risks related to the countries of its suppliers. When selecting its suppliers, the Company emphasizes delivery performance, suppliers' ability to react to changes in demand, quality, and ethical aspects of suppliers' operations. Fiskars requires its partners to commit to principles covering labor and human rights, health and safety, the environment, and business ethics. Suppliers are required to follow Fiskars Supplier Code of Conduct, and audits are carried out to verify compliance.

The importance of a seamlessly functioning supply chain continues to increase and Fiskars is continuously strengthening its global sourcing operations. The Company currently runs regional sourcing offices in Shanghai, Bangkok, and Helsinki and focuses on value creation by harmonizing sourcing processes and supplier-base management principles on a global scale.

Raw materials and components

The most important raw materials used in Fiskars products are steel, aluminum, and plastics. Sudden fluctuations in raw material, component, and energy prices or availability can have an impact on the Company's profitability. Fiskars uses long-term contracts with some of its raw material suppliers to manage price risks, and derivatives are used to hedge the price of electricity for production plants in Finland.

Currency rates

A significant proportion of the Group's operations is located outside of the eurozone. Consolidated financials are reported in euros and changes in foreign exchange rates may have an adverse impact on the reported net sales of the Group, its operating results, and balance sheet. Changes in foreign exchange rates may also impact Fiskars competitiveness negatively. The Company aims to manage currency risks related to commercial cash flows primarily through business means. Acquisition of production inputs and sale of products are primarily denominated in the local currencies of the Group companies. Most of the estimated exports and imports in foreign currencies are hedged up to 12 months in advance.

Brands and corporate reputation

Fiskars has a number of global, regional, and local brands in its portfolio. Any adverse event affecting consumer confidence towards Fiskars or its brands could have a detrimental impact on its business. Fiskars monitors its corporate reputation and the performance of its leading brands closely, and is committed to taking appropriate action to mitigate any threat to brand value or corporate reputation.

Product offering

It is essential for the Company to offer products appealing to consumers. Failing to meet evolving consumer preferences or adverse changes in the competitive landscape would impact the financial performance of the Company. Fiskars manages these risks by constantly renewing its products and services to meet the needs of consumers and trade customers.

Fiskars offers a wide variety of products to be used in the home, the garden, and outdoors. Most products are sold in several geographical markets. A severe manufacturing or design defect may require corrective actions which can negatively impact the Company's sales and profitability. Fiskars manages the risk by applying systematic new product development process and strict quality assurance controls.

Weather and seasonal dependence

Some product groups, particularly garden tools during the spring and snow tools during the winter, can be affected by the weather. Unexpected weather conditions can have a negative impact on sales of these products. Sales of homeware products are heavily geared towards the last quarter of the year, and any negative issues related to product availability or demand during this quarter could affect the full-year result of this business significantly.

Investment and restructuring programs in the EMEA region

In December 2010, Fiskars launched a five-year development program in the EMEA region with an investment of approximately EUR 65 million. This program was launched to ensure competitiveness through well-functioning processes and systems which enable shared functions and structures. In June 2013, the company announced a restructuring program entitled "EMEA 2015" to optimize operations and sales units in the EMEA region. The total cost of the program is estimated be around EUR 25–30 million in 2013 and 2014.The programs may be delayed or the planned objectives may not be achieved if the Company fails to execute the programs as planned. Dedicated project teams, also including external advisors, have been established to implement the programs. The corporate management team monitors the progress of the programs and their status is regularly reported to the Board of Directors.

Acquisitions

Despite a careful due diligence process, all acquisitions include risks. Fiskars mitigates these risks by planning the integration of acquired businesses in advance, by establishing Fiskars corporate governance principles immediately after the takeover, by setting up a joint integration team and by following the integration and the development of the new company intensively within its corresponding management team, the Executive Board and the Board of Directors of Fiskars.

Associated company

Fiskars has a substantial investment in an associated company, Wärtsilä Corporation. Major changes in Wärtsilä's share price, profitability, or dividend would have a material impact on Fiskars.

Fiskars remuneration statement for the year 2013

Board's remuneration

The Annual General Meeting decides on the remuneration of the Board of Directors. The Board’s Nomination Committee is responsible for preparing proposals for the General Meeting of Shareholders on the remuneration of Board members.

In 2013, the Annual General Meeting decided on the following annual remuneration for the members of the Board of Directors:

- Chairman of the Board: EUR 80,000
- Vice Chairman of the Board: EUR 55,000
- Members of the Board: EUR 40,000

In addition, the Board members are paid EUR 600 per Board or Committee meeting, the Chairman of the Board EUR 1,100 per Board and Committee meeting, and the Chairman of the Audit Committee EUR 1,100 per Audit Committee meeting. The fees for Board members residing abroad per Board and Committee meeting are doubled. In addition, members are reimbursed for their travel and other expenses incurred as a result of their activities on behalf of the Company.

Compensation paid to the members of the Board totaled EUR 540,800 in 2013. The members of the Board are not included in Fiskars incentive schemes and they are not employed by the Company.

Remuneration paid to the members of the Board of Directors for the year 2013

Name	Annual remuneration (EUR)	Meeting remuneration (EUR)	Total (EUR)
Kaj-Gustaf Bergh, Chairman	80,000	24,200	104,200
Alexander Ehrnrooth, Vice Chairman	55,000	13,800	68,800
Paul Ehrnrooth, Vice Chairman	55,000	13,800	68,800
Ralf Böer	40,000	13,200	53,200
Louise Fromond	40,000	7,800	47,800
Gustaf Gripenberg, Chairman of the Audit Committee	40,000	9,800	49,800
Ingrid Jonasson Blank	40,000	13,200	53,200
Karsten Slotte	40,000	7,200	47,200
Jukka Suominen	40,000	7,800	47,800
Total	**430,000**	**110,800**	**540,800**

Fiskars compensation philosophy

Fiskars compensation philosophy is based on its core belief that all things – even the simplest – can be made better and smarter through our continuous quest for improvement. Our compensation structures are designed to be market-relevant and performance-based – outstanding performance is rewarded more than average performance. For most of Fiskars employees, from factory floor to senior management, compensation consists of a base salary, bonus and benefits. The total compensation including bonus should be competitive against the relevant market. For all employees, salary is based upon home country, level of responsibility, contribution to the business, experience and performance. The bonus practice is based upon a philosophy of continuous improvement, which means that Fiskars pays bonuses only when it is able to improve business performance compared to the previous year.

Main features of the Executive Board's remuneration

The Board appoints the Managing Director (President and CEO) and confirms the terms of his employment and other compensation. The Board is also responsible for appointing the members of the Executive Board, approving their terms of employment and other compensation, and deciding on the principles for the Group's compensation systems. The Compensation Committee is responsible for preparing matters related to these topics.

In addition to base salary, Fiskars offers its executives variable pay programs to further promote high performance. The company has established an Annual Bonus Plan and a Long-term Incentive Plan.

Executive Board members have voluntary, contribution-based additional pension insurance. Fiskars Corporation has no share-based remuneration programs in place.

Incentive Plan design

Both Fiskars Annual Bonus Plan and its Long-term Incentive Plan are designed to reward for achievements against pre-established goals. Incentive Plan participants are assigned a ”target level” that will dictate the incentive payout as a percentage of base pay. Incentive targets represent an overall target opportunity and are not a guarantee that a payout will be made.

Actual incentive payments will be made on the basis of performance against ”plan metrics”. The plan metrics may consist of a mix of financial metrics, operational metrics and personal goals. The potential payout ranges from nothing to a maximum percentage of each participant's annual salary. The maximum level for the President and CEO and the other members of the Executive Board is 1.5 times the target level.

Participants in the Long-term Incentive Plan are selected by the Board of Directors annually, and the Board also decides on the earning criteria based on financial targets for the plan annually. The long-term incentive targets are purely financial and, in 2013, they were tied to the Company's consolidated net sales and operative cash flow.

The earning period for the Long-term Incentive Plan is one year, which is followed by a two-year vesting period. The bonus will be paid during the quarter following the vesting period. The bonuses for performance in 2013 will be paid during the first quarter of 2016.

A positive change in the value of the Company's shares related to its own operations (excluding the impact of Wärtsilä on the share price) during the vesting period may increase the final payout by up to 50%.

Principles of the Presidents and CEO's incentive scheme in 2013

	Minimum	Target	Maximum	Maximum final payout after vesting period *
Annual Bonus Plan, % of annual base salary	0	60%	80%	N/A
Long-term Incentive Plan, % of annual base salary	0	60%	90%	135%

* Depending on the development of the value of the Company's shares related to its own operations, excluding Wärtsilä's impact on the share price.

Principles of the Executive Board's incentive scheme in 2013

	Minimum	Target	Maximum	Maximum final payout after vesting period*
Annual Bonus Plan, % of annual base salary	0	20—60%	30—90%	N/A
Long-term Incentive Plan, % of annual base salary	0	20—40%	30—60%	45—90%

* Depending on the development of the value of the Company's shares related to its own operations, excluding Wärtsilä's impact on the share price.

Bonuses earned and accrued through the Long-term Incentive Plan

Earning period	2011	2012	2013
To be paid*	2014	2015	2016
CEO (EUR)	286,230	95,256	233,137
Other members of the Executive Board (EUR)	220,942	70,936	181,209

* after having been adjusted by share price multiple.

President and CEO's remuneration

The President and CEO's compensation consists of a salary, annual bonus and the Long-term Incentive Plan. The President and CEO's target bonus corresponds to 60% of his annual salary. In 2013 the financial targets of the Annual Bonus Plan were related to net sales growth, EBT excluding Wärtsilä, and gross profit margin and cash flow. The financial targets of the Long-term Incentive Plan were related to net sales and EBIT.

The President and CEO is provided with a voluntary supplementary contribution-based pension, under which the Company contributes 20% of his annual salary excluding bonuses.

The President and CEO's employment contract will end when he reaches the age of 60. The President and CEO and the Company have a notice period of six months. Remuneration on dismissal by the Company is 12 months' basic salary, in addition to salary for the six-month notice period.

The salary, benefits, and bonuses paid in 2013 to the President and CEO, Kari Kauniskangas, totaled EUR 1,013,692. Basic salary accounted for EUR 404,736, bonuses for the 2012 result came to EUR 247,542 and bonuses for 2010 through the Long-term Incentive Plan came to EUR 361,414.

During the 2013 earning period, the President and CEO earned bonuses through the Long-term Incentive Plan, excluding any possible increase due to changes in the share price, of EUR 233,137. These long-term bonuses for performance in 2013 will be paid during first quarter of 2016.

Principles of the President and CEO's Long-term Incentive Plan 2013-2014

In August 2012, the Board of Directors decided to launch a revised Long-term Incentive Plan for the President and CEO and set his targets for the earning periods of 2013 and 2014 in order to compensate him for accelerated profitable growth and reward him for continuously improving performance.

The President and CEO's compensation level in 2014 was set at 30–270% of his annual salary. The final payout is, however, dependent on the Company's share price development during the vesting period. A positive change in the value of the Company's shares related to its own operations (excluding the impact of Wärtsilä on the share price) may increase the final payout by up to 200 % and a negative change may decrease the final payout by up to 50%.

The earning period for the bonus is one year, which is followed by a vesting period. Half of the bonus vests after one year and the other half vests after two years. The final bonus will be paid during the quarter following the vesting period.

Remuneration of the President and CEO in 2013

	2013	2012
Basic salary (EUR)	404,736	403,744
Annual bonus for previous year (EUR)	247,542	234,354
Bonus paid through long-term incentive plan (EUR)	361,414	409,500
Total (EUR)	**1,013,692**	**1,047,598**
Voluntary pension contribution by the company (EUR)	80,749	77,963

The figures in this remuneration are presented on a cash basis. The remuneration of the President and CEO and the rest of the Executive Board are presented on an accrual basis in the notes to Fiskars financial statements for 2013.

Executive Board's remuneration

The Executive Board's Annual Bonus Plan in 2013 was designed to provide a target bonus equivalent to 20–60% of their annual salary. The earning criteria were tied to the Group's financial targets and, secondarily, to personal, function-specific targets. In 2013, the financial targets were mainly related to net sales growth, EBT excluding Wärtsilä, and gross profit margin. Members of the Executive Board can also be included in a Long-term Incentive Plan.

The members of the Group's Executive Board have voluntary, contribution-based additional pension insurance under which the Company contributes 14–20% of their annual salaries excluding bonuses. Their retirement ages vary between 60 and 68 years.

In 2013, salaries, benefits, and bonuses paid to the members of the Executive Board (excluding the President and CEO) totaled EUR 1,193,274. Basic salaries accounted for EUR 888,068. Bonuses for the 2012 result came to EUR 184,856 and bonuses paid through the Long-term Incentive Plan for 2010 amounted to EUR 120,350.

During the 2013 earning period, bonuses earned through the Longterm Incentive Plan, excluding any possible increase due to changes in the share price, totaled EUR 181,209 for the Executive Board (excluding the President and CEO). These bonuses will be paid during the first quarter of 2016.

Remuneration of the other members of the Executive Board* in 2013

	2013	2012
Basic salary (EUR)	888,068	722,586
Annual bonus for previous year (EUR)	184,856	255,740
Bonus paid through long-term incentive plan (EUR)	120,350	414,005
Total (EUR)	**1,193,274**	**1,392,330**
Voluntary pension contribution by the company (EUR)	142,461	98,736

*Including Nina Ariluoma-Hämäläinen and Frans Westerlund starting from 16.9.2013.

The figures in this remuneration are presented on a cash basis. The remuneration of the President and CEO and the rest of the Executive Board are presented on an accrual basis in the notes to Fiskars financial statements for 2013.

REPORT BY THE BOARD OF DIRECTORS FOR THE YEAR 2013

Year in brief

In 2013, Fiskars once again delivered a strong financial performance amidst volatile market conditions and while undergoing major structural changes and system implementations. In addition to Royal Copenhagen becoming part of the group, key contributing factors were focused cost management and development of the product offer. Operating profit excluding non-recurring items increased 17% to EUR 73.8 million (63.1), reaching an all-time high for the fourth year in a row.

From a sales perspective, performance was mixed. Consolidated net sales increased by 7% to EUR 798.6 million (2012: 747.8), but comparable net sales were a disappointment, due to softness in the Outdoor business and adverse performance in Home categories. Comparable net sales (currency neutral and excluding Royal Copenhagen) decreased 2%.

Cash flow from operating activities was EUR 81.0 million (95.0). Earnings per share were EUR 1.14 (2.18, incl. EUR 1.06 from the sale of Wärtsilä shares). The Board proposes a dividend of EUR 0.67 per share (0.65).

Group performance

Operating environment in 2013

In 2013, the market environment showed some signs of improvement in many European markets, with the exception of Finland, where the retail environment was weak and holiday season sales were challenging and price-driven. The European markets suffered from unusually poor weather in the important spring selling season, which reduced traffic in stores and which left its mark on the Garden retailer landscape. Overall consumer confidence was still low in many key markets and retailers were on the lookout for ways to decrease inventory risk and manage costs.

In North America, cold weather also lingered across the United States and spring sell-out from Garden retail was slow. Sentiment was more positive than in Europe, but riddled with volatility due to concerns about the economy. Government funding issues dampened institutional spending and added to general uncertainty.

Net sales and operating profit in 2013

Net sales, EUR million	**2013**	2012	Change	Change cn*
Group	**798.6**	747.8	7%	8%
EMEA	**564.2**	501.9	12%	13%
Americas	**245.1**	250.4	-2%	0%
Other	**6.5**	6.3	3%	3%

* currency neutral

Operating profit (EBIT), EUR million	**2013**	2012	Change
Group	**61.0**	63.9	-4%
EMEA	**39.9**	42.6	-6%
Americas	**31.4**	34.2	-8%
Other	**-10.3**	-12.9	-20%

In 2013, Fiskars net sales increased by 7% to EUR 798.6 million (2012: EUR 747.8 million) mainly due to the acquisition of Royal Copenhagen. Comparable net sales, using comparable exchange rates and excluding Royal Copenhagen, decreased by 2%. Net sales for EMEA amounted to EUR 564.2 million (501.9). Comparable net sales in EMEA decreased by 1% due to decreased Home sales whereas comparable sales in the Americas remained flat. Net sales for the Americas totaled EUR 245.1 million (250.4).

The Group's operating profit excluding non-recurring items grew by 17% to EUR 73.8 million (63.1), reaching again an all-time high. This positive development was driven by the strong performance of Royal Copenhagen and supported by offer and cost management. The Group recorded a total of EUR 8.2 million EMEA 2015 restructuring costs and EUR 4.6 million impairment charges in EMEA during the year, which resulted in operating profit decreasing by 4% to EUR 61.0 million (63.9). The depreciation and amortization related to the five-year investment program in EMEA increased compared to previous year.

Operating profit for EMEA amounted to EUR 39.9 million for the year (42.6). Non-recurring costs amounted to EUR 12.8 million. In the Americas, operating profit for the segment decreased by 8% in 2013, totaling EUR 31.4 million (34.2). The contraction of outdoor sales contributed to the decrease in profit.

Financial items and net result in 2013

Fiskars share of profit from its associated company, Wärtsilä, in 2013 was EUR 50.8 million (2012: 47.8). The change in the fair value of biological assets was EUR 0.7 million (5.6 due to inventory of forestry assets).

Net financial costs totaled EUR -4.3 million (-3.8). Profit before taxes was EUR 108.3 million (200.4, incl. EUR 87.0 million from the sale Wärtsilä shares). Income taxes for the entire year were EUR -14.3 million (-21.5). The main reason for the decrease was the recalculation of deferred tax liabilities due to the announcement of a lower Finnish corporate tax rate for 2014. Earnings per share were EUR 1.14 (2.18) for the financial year.

EMEA investment program

In December 2010, Fiskars launched a five-year investment program to create competitive structures, systems, and processes in EMEA, including a new, shared enterprise resource planning (ERP) system. The investment related to the program was estimated at EUR 50 million.

During the first half of 2013, Fiskars reviewed the scope of the investment program and decided to expand the program's scope to additional interfaces and the recently acquired Royal Copenhagen. Accordingly, the total investment related to the program will amount to approximately EUR 65 million by the end of 2015.

The largest implementations took place in the third quarter of 2013. Around 60% of business volume targeted by the program is now running through common systems and processes. The implementations temporarily impacted sales and operational efficiency during the last quarter.

Fiskars estimates that annual investments in the program (including both operational and capital expenses) will decrease after 2013, whereas depreciation and amortization related to the program will increase gradually and its negative impact on the Group's results will be greatest in 2015–2018.

EMEA 2015 restructuring program

In June 2013, Fiskars announced a restructuring program to optimize operations and sales units in the EMEA region. The planned "EMEA 2015" program aims to improve the competitiveness and cost structure of end-to-end supply chain and align sales operations in the region with the company's new business model. The total cost of the program was estimated at EUR 25–30 million for 2013 and 2014. At the beginning of 2014 Fiskars decided to shift some initiatives originally planned for 2014 to 2015, which means that some of the program's costs will be recorded in 2015. Program costs will be recorded as non-recurring expenses.

Of the total expenses related to the program, EUR 8.2 million were recorded in 2013. They related to the re-location of the Swedish sales office, restructuring of the Group's manufacturing operations in Finland, restructuring of the Home business area and divestment of the UK-based Sankey pottery business and the reorganization of the Group's entities in Denmark.

As part of the program, Fiskars divested its local UK-based Sankey plastic pottery business and production at the end of the 2013. The divested business had sales of EUR 8.5 million in 2013.

To further improve efficiency and quality in the Group's manufacturing facilities, Fiskars is considering investments totaling over EUR 10 million in connection with the restructuring program.

The targeted annual cost savings of the program are EUR 9–11 million once the program is fully implemented. The targeted cost savings will be achieved gradually, and the full impact of the savings is expected to materialize in the Group's results starting from the end of 2015.

Impairment charges

Related to the divestment of the UK-based Sankey business and production, Fiskars recorded a goodwill impairment charge in EMEA of EUR 3.7 million in the third quarter of 2013. In addition, Fiskars recorded a real-estate write-down of EUR 0.9 million in the third quarter.

Cash flow, balance sheet, and financing in 2013

Cash flow from operating activities was EUR 81.0 million (2012: 95.0), which was affected by cash-based EMEA 2015 restructuring charges. The cash flow includes dividends paid by the associated company, Wärtsilä, totaling EUR 25.6 million (26.8).

Cash flow from investing activities was EUR -84.6 million (94.5, including proceeds from the sale of Wärtsilä shares totaling EUR 126.4 million) during the year, which included the acquisition of Royal Copenhagen. Cash flow from financing activities was EUR -2.7 million (-179.2, including payment of extra dividend) for January–December 2013.

Capital expenditure in 2013 totaled EUR 37.2 million (32.8). The increase in capital expenditure is mostly related to replacement investments in glass production. The company also continued to invest in new product development. Investments related to the five-year investment program launched in EMEA decreased compared to 2012.

Depreciation, amortization and impairment were EUR 29.2 million (21.9) in 2013. The increase in depreciation and amortization was mostly related to the five-year investment program in EMEA.

Fiskars working capital totaled EUR 88.3 million (71.4) at the end of December. The increase in working capital can be attributed to the addition of Royal Copenhagen and an increase in trade receivables. The equity ratio decreased to 61% (66%) and net gearing was 24% (12%).

Cash and cash equivalents at the end of the period totaled EUR 9.7 million (16.4). Net interest-bearing debt amounted to EUR 152.6 million (72.4). The increase in net interest-bearing debt is mainly attributable to the acquisition of Royal Copenhagen. Short-term borrowing totaled EUR 108.8 million (20.4) and long-term borrowing EUR 56.2 million (69.3). Short-term borrowing mainly consists of commercial paper issued by Fiskars Corporation. In addition, Fiskars had EUR 450 million (430) in unused, committed long-term credit facilities with Nordic banks.

In December 2013, Fiskars signed two EUR 100 million revolving credit facilities, which replaced the company's existing EUR 80 million and EUR 100 million revolving credit facilities signed in December 2007. The new facilities have a tenor of five years and serve for general corporate financing purposes.

Research and development

The Group's research and development expenditure EUR -13.3 million (2012: -10.3), equivalent to 1.7% (1.4%) of net sales. As of January 1, 2013, Fiskars changed its accounting policy regarding the classification of certain costs relating to product development, and the figures for the comparative periods have been reclassified. This decreased the cost of goods sold and increased research and development costs by EUR 2.1 million in the full year 2012.

Personnel

The average number of full-time equivalent employees (FTE) was 4,087 (2012: 3,364). At the end of December, the Group had a total of 4,330 employees (3,449) on the payroll, of whom 1,582 (1,610) were located in Finland. The increase was mainly due to the acquisition of Royal Copenhagen.

Personnel (FTE), average	**2013**	2012	Change
Group	**4,087**	3,364	21%
EMEA	**3,282**	2,604	26%
Americas	**568**	550	3%
Other	**237**	210	13%

Operating segments and business areas

Fiskars operating segments are EMEA (Europe, Middle East, and Asia-Pacific), the Americas, Wärtsilä (associated company), and Other (Real Estate, corporate headquarters, and shared services).

The company's business areas are Home (Living, Kitchen and School, Office, and Craft), Garden, and Outdoor (outdoor equipment and Boats).

Business areas in 2013

Net sales, EUR million	**2013**	2012	Change	Change cn**
Home*	**386.2**	319.5	21%	22%***
Garden*	**284.5**	290.9	-2%	-1%
Outdoor	**123.7**	133.3	-7%	-5%
Other	**4.2**	4.1	2%	2%

* Fiskars has reclassified certain product groups from the Home business area to Garden as of January 1, 2013, and the figures for the comparison periods have been adjusted accordingly: Garden net sales increased and Home net sales decreased by EUR 1.1 million in Q4 2012 and by EUR 3.3 million in FY 2012.

* currency neutral

*** Excluding Royal Copenhagen and with comparable exchange rates, Home net sales decreased 2%.

EMEA in 2013

EUR million	**2013**	2012	Change
Net sales	**564.2**	501.9	12%
Operating profit (EBIT)	**39.9**	42.6	-6%
Capital expenditure	**16.6**	8.4	97%
Personnel (FTE), average	**3,282**	2,604	26%

Net sales in EMEA increased 12% to EUR 564.2 million (2012: 501.9), due to the acquisition of Royal Copenhagen. Comparable sales, currency neutral and excluding Royal Copenhagen, decreased 1%.

Net sales in the Home business increased, driven by the acquisition of Royal Copenhagen. Excluding Royal Copenhagen, sales of homeware decreased. The Home business was affected by the weak retail environment in Finland and temporary negative impact of a system change. In addition, Home sales were impacted by changes in channel management and streamlining of the offering.

Net sales in the Garden business were slightly below the previous year due to currency effects. With comparable currency rates, sales were flat. Strong sales efforts and marketing campaigns helped boost garden sales in the second half of the year and offset the poor spring selling season.

Sales of Outdoor products grew, as successful business-to-business initiatives brought Gerber's tools to new consumers across Eastern Europe. The Boat business was slightly up despite an overall decline in the market and Buster maintained its market leadership.

The segment recorded an operating profit excluding non-recurring items of EUR 52.7 million (41.8) despite an increase in IT costs and depreciation and amortization related to the five-year investment program. Royal Copenhagen contributed to the increase in operating profit, as did cost control measures. The Group recorded a total of EUR 8.2 million non-recurring costs related to the EMEA 2015 program during the year, and in addition an EUR 4.6 million impairment of goodwill and real estate.

Americas in 2013

EUR million	**2013**	2012	Change
Net sales	**245.1**	250.4	-2%
Operating profit (EBIT)	**31.4**	34.2	-8%
Capital expenditure	**5.5**	4.4	26%
Personnel (FTE), average	**568**	550	3%

Net sales in the Americas decreased 2% to EUR 245.1 million (2012: 250.4), weighed by softness in Outdoor and Garden sales, as well as the US dollar. Using comparable currency rates, sales remained at the previous year's level.

Garden net sales were slightly below the previous year's levels as a result of decreased distribution of pottery. Core garden tool categories performed well and increased distribution boosted Fiskars market share.

Sales of School, Office, and Craft products increased, driven by innovation within the scissors category that helped gain additional placement and a good back-to-school season.

The Outdoor business area was impacted by considerably decreased demand in the institutional channels. Sales in commercial channels were flat.

The segment's operating profit amounted to EUR 31.4 million (34.2), as volume loss and the product mix in the Outdoor business outweighed good performance in School, Office, and Craft products.

Other in 2013

EUR million	**2013**	2012	Change
Net sales	**6.5**	6.3	3%
Operating profit (EBIT)	**-10.3**	-12.9	-20%
Capital expenditure	**15.1**	20.0	-24%
Personnel (FTE), average	**237**	210	13%

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

Net sales were EUR 6.5 million (2012: 6.3) for January–December, largely consisting of timber sales and rental income. The operating profit was EUR -10.3 million (-12.9).

Associated company Wärtsilä

Fiskars holding in its associated company, Wärtsilä, amounts to 13.0% of the shares and votes (13.0), and Fiskars remains Wärtsilä's largest shareholder. Wärtsilä forms one of Fiskars reported operating segments and is treated as an associated company, as Fiskars considers that it has a significant influence on Wärtsilä.

The legal merger of Fiskars Group's and Investor AB's interests in Wärtsilä took place on February 7, 2013. Fiskars Group agreed with Investor in February 2012 to join interests to create a strong long-term owner for Wärtsilä. Fiskars Group and Investor AB's joint venture, Avlis AB, and its subsidiary, Avlis Invest AB, held a total of 42,948,325 Wärtsilä shares at the end of 2013, equaling 21.8% of Wärtsilä's shares and votes.

Wärtsilä's Annual General Meeting was held on March 7, 2013. The Chairman of Fiskars Board, Kaj-Gustaf Bergh, and Fiskars Board members, Alexander Ehrnrooth and Paul Ehrnrooth, were re-elected to Wärtsilä's Board of Directors. The Board of Directors appointed Kaj-Gustaf Bergh as Vice Chairman.

Wärtsilä's Annual General Meeting decided to pay a dividend of EUR 1.00 per share (EUR 0.90), which resulted in dividend income of EUR 25.6 million (26.8) for Fiskars.

Fiskars share of Wärtsilä's profit totaled EUR 50.8 million (2012: 47.8) for January–December. At the end of December, the market value of Fiskars Wärtsilä shares was EUR 917.2 million (2012: 839.0) or EUR 11.20 (10.24) per Fiskars share, with a closing price of EUR 35.77 (EUR 32.72) per Wärtsilä share. The book value of these shares on the consolidated balance sheet was EUR 286.1 million (280.4).

Acquisition of Royal Copenhagen

The acquisition of the renowned Danish premium porcelain company Royal Copenhagen, announced on December 12, 2012, was completed on January 4, 2013, and Royal Copenhagen became a part of Fiskars Home business area.

The debt-free enterprise value was approximately EUR 66 million, and the acquisition increased Fiskars net interest-bearing debt. The Group's total assets were increased by EUR 101 million on the acquisition date and it contributed EUR 73 million to Group's net sales in 2013. Royal Copenhagen performed well in 2013 and had a positive effect on Fiskars operating profit in the EMEA region.

Changes in management

Fiskars Executive Board was strengthened as of September 16, 2013 with two new members, the group's new Senior Vice President, Human Resources, Nina Ariluoma-Hämäläinen, and Chief Information Officer Frans Westerlund. Frans Westerlund has worked as Fiskars CIO since 2009 and has been a member of Fiskars Executive Team. Fiskars previous VP, Human Resources, Timo Leskinen left the company at the end of July to assume a new position.

Jason Landmark, President of Fiskars Outdoor Americas business and a member of Fiskars Executive Team, accepted a position outside the company and left the company on November 1, 2013. Tom Genereux, VP, Finance for Outdoor Americas has been appointed interim head of Fiskars Outdoor Americas business.

New sales Region Asia-Pacific and new name for the EMEA segment

On December 11, 2013 Fiskars announced that it would establish a new sales region for Asia-Pacific as of January 1, 2014 to accelerate growth in the region. The Asia-Pacific sales region will contain Fiskars sales units in Australia, China, Japan, South Korea, and Taiwan. In addition, the new sales region will be responsible for all distributor-based sales in the region. As President of the new sales region and a member of the Group's Executive Team, Fiskars has appointed Matteo Gaeta, MBA, who will be based in Shanghai, China.

Following the establishment of the Asia-Pacific sales region, Fiskars EMEA segment will be renamed "Europe and Asia-Pacific" and it will consist of three sales regions: North, Central, and Asia-Pacific. The North sales region consists of the Nordic countries and Russia, as well as Fiskars export sales. The Central sales region is responsible for sales and general management in the key Central European markets.

Share and shareholders

Fiskars Corporation has one share series (FIS1V). All shares carry one vote and equal rights.

On February 7, 2013 the Board of Directors of Fiskars Corporation announced a decision to cancel all 118,099 treasury shares held by the company, equaling 0.14% of the shares of the company. The cancellation was registered on February 15, 2013, and the number of the Corporation's shares now totals 81,905,242.

The Board of Directors was authorized to acquire and convey company shares but this authorization was not used during the year. The share capital remained unchanged at EUR 77,510,200.

On September 30, 2013 Fiskars announced that the unclaimed shares issued in the 2004 bonus issue – a total of 17,084 shares – were sold during the period September 26–27, 2013. The right to claim from the deposited funds shall expire after four years.

Fiskars shares are traded in the Large Cap segment of NASDAQ OMX Helsinki Ltd. The average share price was EUR 18.20 in 2013 (2012: 15.67). At the end of December, the closing price was EUR 19.55 (EUR 16.69) per share and Fiskars had a market capitalization of EUR 1,601.2 million (1,367.0, excluding treasury shares). The number of shares traded during January–December was 3.0 million (4.9), which is 3.7% (6.0%) of the total number of shares.

The total number of shareholders was 16,352 (16,148) as of the end of December. Fiskars was not informed of any significant change among its largest shareholders during the year. Fiskars shareholder structure and main shareholders at the end of the year are detailed in the financial statements.

Corporate Governance

Fiskars complies with the Finnish Corporate Governance Code issued by the Securities Market Association, which came into force on October 1, 2010. Fiskars Corporate Governance Statement for 2013 in accordance with Recommendation 51 of the Code will be published in week 8, 2014 as a separate report.

Fiskars also complies with the insider regulations of NASDAQ OMX Helsinki Ltd., latest updated on October 9, 2009, and the company's internal insider guidelines latest updated on January 1, 2013.

The ultimate decision-making power is vested in the annual general meeting of shareholders, who elects the members of the board of directors. The terms of office of members will run to the end of the following annual general meeting. The board of directors is responsible for appointing, and if necessary, dismissing the managing director. Fiskars Articles of Association do not contain matters that could materially affect a public tender offer of the company's securities.

Annual General Meeting for 2013

The Annual General Meeting (AGM) of Shareholders of Fiskars Corporation was held on March 14, 2013. The AGM approved the financial statements for 2012 and discharged the members of the Board and the President and CEO from liability. It was decided to pay a dividend of EUR 0.65 per share, totaling EUR 53.2 million. The dividend was paid on March 26, 2013.

The number of Board members was set at nine. Kaj-Gustaf Bergh, Ingrid Jonasson Blank, Ralf Böer, Alexander Ehrnrooth, Paul Ehrnrooth, Louise Fromond, Gustaf Gripenberg, Karsten Slotte, and Jukka Suominen were all re-elected. The term of the Board members will expire at the end of the AGM in 2014. KPMG Oy Ab was re-elected as company auditor, and nominated Authorized Public Accountant Virpi Halonen as responsible auditor.

The AGM decided to authorize the Board to acquire a maximum of 4,000,000 of Fiskars own shares and convey a maximum of 4,000,000 of Fiskars own shares. The Board may also decide on the acquisition and conveyance of shares in derogation of the pre-emptive right of shareholders to company shares. Both authorizations will remain in force until June 30, 2014.

Constitutive meeting of the Board

Convening after the Annual General Meeting, the Board of Directors re-elected Kaj-Gustaf Bergh as Chairman, and Alexander Ehrnrooth and Paul Ehrnrooth as Vice Chairmen.

The Board appointed Gustaf Gripenberg Chairman of the Audit Committee, and Alexander Ehrnrooth, Paul Ehrnrooth, Louise Fromond, and Karsten Slotte as members. The Board appointed Kaj-Gustaf Bergh Chairman of the Compensation Committee, and Ralf Böer, Ingrid Jonasson Blank, and Jukka Suominen as members. The Board appointed Kaj-Gustaf Bergh Chairman of the Nomination and Strategy Committee, and Alexander Ehrnrooth and Paul Ehrnrooth as members.

Annual General Meeting 2014

Fiskars Corporation's Annual General Meeting will be held on March 12, 2014 starting at 3 p.m. at the Helsinki Exhibition & Convention Centre. The invitation to the meeting will be published separately.

The distributable equity of the Parent Company at the end of the 2013 fiscal year was EUR 822.5 million (778.8). The Board of Directors proposes to the Annual General Meeting of Shareholders that a dividend of EUR 0.67 (0.65) per share be paid for 2013.

The number of shares entitling holders to a dividend totaled 81,905,242. The proposed distribution of dividends would thus be EUR 54.9 million (53.2). This would leave EUR 767.6 million of distributable profit funds at the Parent Company.

No material changes have taken place in the financial position of the company since the end of the fiscal year. The financial standing of the company is good and, according to the Board of Directors' assessment, distributing the proposed dividend will not compromise the company's solvency.

Risks and business uncertainties

Fiskars business, net sales, and financial performance may be affected by several uncertainties. Fiskars Corporation details the overall business risks and risk management in its Annual Report and on its web site. The principal business uncertainties are related to the following:

- Decline of general market conditions and consumer demand in Fiskars main market areas, Europe and North America
- Loss of or reduced sales to major retail customers and serious disruptions in the distribution channel
- Sudden or significant fluctuations in raw material and energy prices or availability; the most important raw materials being steel, aluminum, and plastic
- Steering and availability disruptions related to supply chain and country risks, especially regarding suppliers in Asia
- Decrease in consumer confidence in Fiskars brands
- Adverse weather conditions, which particularly affect the Garden business area
- Changes in currency exchange rates that may affect Fiskars competitiveness and the reported net sales of the Group, its operating results, and balance sheet negatively
- Negative effects related to acquisitions, despite careful due diligence processes
- Major decline in the profit of associated company Wärtsilä or its dividends
- Delay in the five-year process and IT program that was launched in 2010 or failure to reach the program's financial goals

Litigation

Fiskars is involved in a number of legal actions, claims, and other proceedings. The final outcomes of these matters are unpredictable. Taking into account all available information to date, the outcomes are not expected to have a material impact on the financial position of the Group.

Outlook for 2014

Economic indicators are trending mildly positively in many of Fiskars key markets in Europe and North America, but consumer and trade behavior is expected to remain cautious. The retail environment in Finland developed poorly during 2013 and no recovery can be expected in 2014. At the end of 2013 Fiskars divested its local pottery business in the UK, which will affect sales as of 2014.

Fiskars is half-way through its five-year investment program in EMEA. Annual investment related to the program has started to decrease, whereas depreciation and amortization start to increase. To accelerate growth, the company plans to increase spending on brand recognition, strengthening the newly established Asia-Pacific sales region, as well as on new category expansion ventures.

We expect the Group's full-year net sales for 2014 to be at 2013 levels and operating profit excluding non-recurring items to be at, or slightly below 2013 levels.

The associated company, Wärtsilä, will continue to have a major impact on Fiskars profit and cash flow in 2014.

Helsinki, Finland, February 6, 2014

FISKARS CORPORATION
Board of Directors

CONSOLIDATED FINANCIAL STATEMENTS, IFRS

Consolidated income statement

EUR million	Note	2013		2012	
Net sales	2	**798.6**		747.8	
Cost of goods sold	6	**-475.3**		-473.2	
Gross profit		**323.2**	**40%**	274.6	37%
Other operating income	5	**3.1**		2.1	
Sales and marketing expenses	6	**-164.7**		-128.9	
Administration expenses	6	**-82.0**		-73.5	
Research and development costs	6	**-13.3**		-10.3	
Other operating expenses	6	**-1.5**		-0.1	
Goodwill impairment	6	**-3.7**			
Operating profit (EBIT)		**61.0**	**8%**	63.9	9%
Change in fair value of biological assets	13	**0.7**		5.6	
Share of profit from associate	15	**50.8**		47.8	
Gain on sale of associate shares	15			87.0	
Other financial income and expenses	8	**-4.3**		-3.8	
Profit before taxes		**108.3**	**14%**	200.4	27%
Income taxes	9	**-14.3**		-21.5	
Profit for the period		**94.0**	**12%**	178.9	24%
Attributable to:					
Equity holders of the parent company		**93.7**		178.9	
Non-controlling interest		**0.3**			
Earnings for equity holders of the parent company per share, euro (basic and diluted)	10	**1.14**		2.18	

Consolidated statement of comprehensive income

EUR million	Note	2013	2012
Profit for the period		**94.0**	178.9
Other comprehensive income for the period:			
Items that may be reclassified subsequently to profit or loss:			
Translation differences		**-8.5**	-1.0
Change in associate recognized directly in other comprehensive income	15	**-13.9**	0.3
transferred to income statement			-0.1
Cash flow hedges		**0.5**	-0.8
Items that will not be reclassified to profit or loss:			
Defined benefit plan, actuarial gains (losses), net of tax	21	**-0.2**	-0.5
Change in associate recognized directly in other comprehensive income	15	**-5.6**	
Other comprehensive income for the period, net of tax		**-27.7**	-2.2
Total comprehensive income for the period		**66.3**	176.7
Attributable to:			
Equity holders of the parent company		**66.1**	176.7
Non-controlling interest		**0.2**	

The notes are an integral part of these consolidated financial statements.

Consolidated balance sheet

EUR million	Note	Dec 31, 2013		Dec 31, 2012	
Assets					
NON-CURRENT ASSETS					
Goodwill	11	**111.9**		88.6	
Other intangible assets	11	**170.9**		140.7	
Property, plant & equipment	12	**100.5**		90.0	
Biological assets	13	**42.0**		41.2	
Investment property	14	**6.0**		5.5	
Investments in associates	15	**286.1**		280.4	
Financial assets					
Investments at fair value through profit and loss	16	**10.5**		9.7	
Other investments	16	**3.9**		0.8	
Deferred tax assets	9	**31.3**		25.8	
Non-current assets total		**763.1**	**73%**	682.6	73%
CURRENT ASSETS					
Inventories	17	**119.4**		118.0	
Trade and other receivables	18	**138.5**		116.0	
Income tax receivables		**6.1**		1.9	
Interest-bearing receivables		**2.3**		0.5	
Cash and cash equivalents	16	**9.7**		16.4	
Current assets total		**275.9**	**27%**	252.8	27%
Assets total		**1,039.1**	**100%**	935.4	100%

Equity and liabilities

EQUITY					
Equity attributable to the equity holders of the parent company		**631.8**		618.9	
Non-controlling interest		**0.9**			
Equity total	19	**632.7**	**61%**	618.9	66%
NON-CURRENT LIABILITIES					
Interest-bearing liabilities	20	**56.2**		69.3	
Other liabilities		**6.1**		4.1	
Deferred tax liabilities	9	**39.8**		44.3	
Pension liability	21	**8.6**		7.3	
Provisions	22	**5.9**		3.9	
Non-current liabilities total		**116.7**	**11%**	129.0	14%
CURRENT LIABILITIES					
Interest-bearing liabilities	20	**108.8**		20.4	
Trade and other payables	23	**172.0**		156.6	
Income tax liabilities		**3.7**		7.9	
Provisions	22	**5.2**		2.6	
Current liabilities total		**289.7**	**28%**	187.5	20%
Equity and liabilities total		**1,039.1**	**100%**	935.4	100%

The notes are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

EUR million	**2013**	2012
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxes	**108.3**	200.4
Adjustments for		
Depreciation, amortization and impairment	**29.2**	21.9
Share of profit from associate	**-50.8**	-47.8
Gain on sale of associate shares		-87.0
Investment income	**0.2**	-0.1
Financial items	**4.2**	3.8
Change in fair value of biological assets	**-0.7**	-5.6
Change in provisions and other non-cash items	**3.6**	2.4
Cash flow before changes in working capital	**94.0**	88.1
Changes in working capital		
Change in current assets, non-interest bearing	**-14.4**	10.6
Change in inventories	**-0.5**	-5.0
Change in current liabilities, non-interest bearing	**7.3**	-0.5
Cash flow from operating activities before financial items and taxes	**86.5**	93.2
Dividends received from associate	**25.6**	26.8
Financial items paid (net)	**-5.5**	-4.6
Taxes paid	**-25.6**	-20.3
Cash flow from operating activities (A)	**81.0**	95.0

CASH FLOW FROM INVESTING ACTIVITIES		
Acquisitions and subsidiaries	**-49.5**	
Investments in financial assets	**-0.1**	-0.2
Capital expenditure on fixed assets	**-37.5**	-32.7
Proceeds from sale of fixed assets	**1.1**	0.9
Proceeds from sale of business	**1.0**	
Proceeds from sale of associate shares		126.4
Cash flow from other investments	**0.4**	0.1
Cash flow from investing activities (B)	**-84.6**	94.5
CASH FLOW FROM FINANCING ACTIVITIES		
Change in current receivables	**-1.8**	0.1
Borrowings of non-current debt	**0.1**	0.1
Repayment of non-current debt	**-20.0**	-2.5
Change in current debt	**74.2**	-61.2
Payment of finance lease liabilities	**-1.7**	-3.5
Cash flow from other financing items	**-0.2**	-0.0
Dividends paid	**-53.2**	-112.2
Cash flow from financing activities (C)	**-2.7**	-179.2
Change in cash and cash equivalents (A+B+C)	**-6.3**	10.3
Cash and cash equivalents at beginning of period	**16.4**	6.1
Translation difference	**-0.5**	-0.1
Cash and cash equivalents at end of period	**9.7**	16.4

The notes are an integral part of these consolidated financial statements.

Statement of changes in consolidated equity

EUR million	Share capital	Treasury shares	Cumul. transl. diff.	Fair value reserve	Actuarial gains and losses	Retained earnings	Non-controlling interest	Total
	Equity attributable to shareholders of the Parent company							
Dec 31, 2011	**77.5**	**-0.9**	**2.0**	**0.1**	**-0.3**	**475.9**		**554.3**
Translation differences			-1.0					-1.0
Change in associate recognized directly in other comprehensive income			-1.8	2.0				0.1
Cash flow hedges				-0.8				-0.8
Defined benefit plan, actuarial gains (losses), net of tax					-0.5			-0.5
Other comprehensive income for the period, net of tax, total			**-2.8**	**1.2**	**-0.5**			**-2.2**
Profit for the period						178.9		178.9
Total comprehensive income for the period			**-2.8**	**1.2**	**-0.5**	**178.9**		**176.7**
Dividends paid						-112.2		-112.2
Dec 31, 2012	**77.5**	**-0.9**	**-0.8**	**1.3**	**-0.8**	**542.6**		**618.9**
Translation differences			-8.4				-0.1	-8.5
Change in associate recognized directly in other comprehensive income			-9.5	-4.4	-5.6			-19.5
Cash flow hedges				0.5				0.5
Defined benefit plan, actuarial gains (losses), net of tax					-0.2			-0.2
Other comprehensive income for the period, net of tax, total			**-17.9**	**-3.9**	**-5.8**		**-0.1**	**-27.7**
Profit for the period						93.7	0.3	94.0
Total comprehensive income for the period			**-17.9**	**-3.9**	**-5.8**	**93.7**	**0.2**	**66.3**
Changes due to aqcuisitions							0.7	0.7
Cancellation of treasury shares		0.9				-0.9		
Dividends paid						-53.2		-53.2
Dec 31, 2013	**77.5**		**-18.7**	**-2.6**	**-6.7**	**582.2**	**0.9**	**632.7**

The notes are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Accounting principles for the consolidated financial statements, IFRS

Fiskars Corporation is a Finnish public limited liability company listed on NASDAQ OMX Helsinki and domiciled in Raasepori, Finland. The registered address of Fiskars Corporation is Hämeentie 135 A, Helsinki, Finland. Fiskars Corporation is the parent company of the Group. The Group manufactures and markets branded consumer products globally. Fiskars' operating segments are EMEA (Europe, Middle East, and Asia-Pacific), Americas, the associated company Wärtsilä and Other. The operations are divided to Business Areas Home, Garden and Outdoor. In addition the Group has Real Estate operations and a strategic shareholding in Wärtsilä Oyj Abp qualifying as an investment in an associate. The Group's international main brands are Fiskars, Iittala, and Gerber.

The financial statements are authorized for issue by the Board of Directors of Fiskars Corporation. According to the Finnish Limited Liability Companies' Act, the shareholders have a possibility to approve or reject or make a decision on altering the financial statements in the Annual General Meeting to be held after the publication of the financial statements.

Basis of preparation

The consolidated financial statements of Fiskars Corporation ("Fiskars" or "the Group") are prepared in accordance with International Financial Reporting Standards (IFRS) in force at December 31, 2013 as adopted by the European Union. International Financial Reporting Standards, referred to in the Finnish Accounting Act and in ordinances issued based on the provisions of this Act, are standards and their interpretations adopted in accordance with the procedure laid down in regulation (EC) No 1606/2002 of the European Parliament and of the Council. The notes to the consolidated financial statements also comply with the Finnish accounting and corporate legislation.

The consolidated financial statements are prepared on historical cost basis except for financial assets and financial liabilities which are presented at fair value through profit or loss, and biological assets as well as assets and liabilities related to defined benefit pension plans that are measured at fair value.

Items included in the financial statements of each of the Group's entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in euro, which is the parent company's functional currency. The presentation is in millions of euro with one decimal.

Use of estimates

The preparation of financial statements in conformity with IFRS requires the management to make judgments and assumptions that affect the recognition and measurement of financial statement items. These estimates and associated assumptions are based on historical experience and other justified assumptions that are believed to be reasonable under the circumstances at the end of the reporting period. These estimates form the basis for judgments of the items in the financial statements. Development of markets and general economic situation may affect the variables underlying the estimates and actual results may differ significantly from these estimates. Such estimates mainly relate to the assumptions made in impairment testing, amount of obsolete inventory, recognition of impairment losses on trade receivables, provisions, determination of defined benefit pension obligations, value appraisement of biological assets and the probability of deferred tax assets being recovered against future taxable profits.

Consolidated financial statements

The consolidated financial statements include the parent company, Fiskars Corporation, and all the subsidiaries in which it holds, directly or indirectly, over 50% of the voting rights or over which it otherwise has control. Acquired or established subsidiaries are included in the consolidated financial statements from the date control commences until the date that control ceases.

Subsidiaries are consolidated using the acquisition method. Intra-group transactions, profit distribution, receivables, liabilities and unrealized gains between Group companies are eliminated in consolidation. The profit or loss for the financial year attributable to the owners and non-controlling interest is presented in the income statement and the total comprehensive income for the financial year attributable to the owners and non-controlling interest is presented in the statement of comprehensive income. The non-controlling interest in equity is presented within equity, separately from the equity of the owners of the parent.

Investments in associates in which Fiskars has a significant influence but not control are accounted for using the equity method. Significant influence usually exists when the Group holds over 20% of the voting power of the entity or when the Group otherwise has significant influence but not control.

Joint ventures are consolidated using the proportionate consolidation method, in which the share of joint venture’s assets, liabilities, income and expenses owned by the Group is combined line by line in the consolidated financial statements.

Translation of foreign currency items

Transactions in foreign currencies

Foreign currency transactions are translated using the exchange rates prevailing at the dates of the transactions. At the end of the reporting period monetary assets and liabilities are translated using the exchange rate prevailing at the end of the reporting period. Exchange differences arising from translation are recognized in the income statement and presented under financial items, except for exchange differences relating to trade receivables and trade payables that are presented within operating profit. Non-monetary items denominated in foreign currencies are translated using the exchange rate at the date of the transaction, except for those items carried at fair value that are translated using at the rates prevailing at the date when the fair value was determined.

Translation of financial statements of foreign subsidiaries

In the consolidated financial statements income statements, statements of comprehensive income and cash flows of foreign subsidiaries are translated into parent company's currency at the average exchange rates for the period. Their balance sheet items are translated at exchange rates prevailing at the end of the reporting period. The resulting exchange differences are recognized in other comprehensive income and presented under translation differences in equity. Exchange differences resulting from the translation of profit or loss and comprehensive income at the average rate in the income statement and in the statement of comprehensive income, and the balance sheet at the closing rate, are recognized in other comprehensive income and they are included under translation differences in equity. The effective portions of the gains or losses on those financial instruments hedging net investments in foreign operations are recognized similarly. When the Group disposes of all, or part of, that subsidiary, the translation differences accumulated in equity are transferred to profit or loss as part of the gain or loss on disposal.

Net sales and revenue recognition principles

Net sales are shown net of indirect taxes, rebates, and exchange differences on trade receivables denominated in foreign currencies. Revenue from the sale of goods is recognized when all significant risks and rewards of ownership have been transferred to the buyer, i.e. when a product has been delivered to the client in accordance with the terms of delivery. There are no such long-term projects in the Group for which the revenue would be recognized using the percentage-of-completion (POC) method.

Pension obligations

Group companies have various pension plans in accordance with local conditions and practices in the countries in which they operate. The plans are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan the Group pays fixed contributions into a separate entity. If the entity does not hold sufficient assets to pay all employees the benefits in question, the Group will have no legal or constructive obligation to pay further contributions. All other plans not meeting the above criteria are classified as defined benefit plans. Most of plans Group companies have are classified as defined contribution plans and related contributions are charged to the income statement in the year in which the payment obligation has arisen.

The costs for defined benefit pension plans are calculated and recognized under the terms of the plan based on actuarial calculations. Pension costs are recognized as expenses over the employees' service period. The pension obligation is measured as the present value of the estimated future contributions deducted by the fair value of plan assets at the end of the reporting period. Changes in the estimates in the actuarial calculations may influence the reported pension obligations and pension costs.

Fiskars applies the accounting treatment for the recognition of actuarial gains and losses in other comprehensive income that was allowed as an alternative according to the previous IAS 19 and is now the requisite according to the revised IAS 19.

Operating profit

IAS 1 Presentation of Financial Statements does not give a definition for operating profit. In Fiskars the operating profit (EBIT) is the net of revenues and other operating income, material purchases and change of inventories, production for own use, employee benefits, depreciations, amortizations and possible impairments and other operating expenses. The operating profit includes operating results of Fiskars' operating segments EMEA, Americas, and Others. The share of profit or loss of the associate Wärtsilä and the change in fair value of biological assets are presented as separate line items below EBIT in the income statement.

Intangible assets

An intangible asset is initially capitalized in the balance sheet at cost if the cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group. Residual values and expected useful lives and are reassessed at least at each financial year-end and, if necessary, are adjusted to reflect changes in the expected future economic benefits.

Goodwill

Goodwill represents the Group's share of difference between the cost of the acquisition and the fair value of the net identifiable assets, liabilities, and contingent liabilities acquired measured at the acquisition date. Goodwill is stated at historical cost less any accumulated impairment losses. Goodwill is not amortized but is tested for impairment at least annually. For this purpose goodwill has been allocated to cash-generating units or, in case of an associate, the goodwill is included within the carrying amount of the associate in question. The recoverable amount of the unit is compared annually or more often if there are indications of impairment, with its carrying amount to determine potential impairment.

Contingent consideration will be measured at fair value and subsequently re-measured through profit or loss. All acquisition-related costs, such as experts' fees, will be expensed instead of capitalization. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Research and development costs

Research and development costs are expensed as they are incurred, except for those development costs that are capitalized if the Group can reliably demonstrate that they will generate probable future economic benefits for the Group and also other criteria in IAS 38 are met as the product is regarded technically and commercially feasible. Capitalized development costs consisting of mainly direct labor costs and external services are recognized as intangible assets.

Intangible assets not yet available for use are tested annually for impairment. Subsequent to initial recognition capitalized development costs are measured at cost less accumulated amortization and accumulated impairment losses. They are amortized on a straight-line basis over their useful lives, from 3 to 6 years.

Other intangible assets

Other intangible assets include among other patents, capitalized development costs, software, as well as trademarks and customer relationships acquired in business combinations. Intangible assets are stated at cost less accumulated amortization and any accumulated impairment. Intangible assets in this class are amortized on a straight-line basis over their known or expected useful lives. Residual values and expected useful lives and are reassessed at least at each financial year-end and, if necessary, are adjusted to reflect changes in the expected future economic benefits. The estimated useful lives are as follows:

- Software 3–10 years
- Customer relationships 5–15 years
- Other 3–10 years

Intangible assets with an indefinite useful life such as trademarks or brand names acquired in business combinations are not amortized but they are tested at least annually for impairment.

Property, plant and equipment

Property, plant, and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses, if applicable. Those borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of the assets. Residual values and expected useful lives are reassessed at least at each financial year-end and, if necessary, are adjusted to reflect changes in the expected future economic benefits. The estimated useful lives are as follows:

- Buildings 20–40 years
- Machinery and equipment 3–10 years
- Land and water No depreciation

Gains and losses on sales and disposals of items of property, plant, and equipment are presented under other operating income and other operating expenses.

Leases

Leases in terms of which the Group substantially takes over from the lessor all the risks and rewards of ownership are classified as finance leases. Assets leased under finance leases are recognized under property, plant, and equipment at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments at the commencement of the lease term. The associated obligations are recognized in interest-bearing financial liabilities. The lease payments are divided into finance cost and amortization of the lease liability.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are accounted for as operating leases. Lease payments made under an operating lease are recognized as an expense on a straight-line basis over the lease term.

Investment property

The properties that are not used in the Group's operations or which are held to earn rental revenue or increase in value are classified as investment property. These properties are measured at cost less accumulated depreciation and impairment. The leasing properties that are not in Group's operational use are depreciated over 20–40 years. Land is not depreciated.

Impairment of property, plant and equipment and intangible assets

The Group operations have been divided into cash-generating units (CGU) that are smaller than operating segments. The carrying amounts of the assets relating to these CGUs are reviewed for impairment indicators annually at the end of the reporting period. The recoverable amounts of the following assets are also estimated annually irrespective whether there is any indication for impairment: goodwill, intangible assets with indefinite useful lives and unfinished intangible assets.

To determine a potential impairment the carrying amount of the asset is compared or the carrying amounts of the CGU's net assets are compared against the recoverable amount of that asset or CGU. The recoverable amount is the higher of the present value of the future cash flows (value in use) and the fair value less costs to sell. An impairment loss is recognized for an asset when its carrying amount exceeds its recoverable amount. An impairment loss previously recognized for items of property, plant, and equipment as well as for intangible assets other than goodwill is reversed subsequently only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization or depreciation, if no impairment loss had been recognized for the asset in prior years. An impairment loss recognized for goodwill is not reversed.

Biological assets

Biological assets consist of standing timber in Group's forests in Finland. These assets are measured at fair value less estimated point-of-sale costs. The fair value resulting from both net growth and change in the market value of standing timber is presented as a separate line item in the income statement after operating profit (EBIT). The revenue from the sale of standing timber is presented in the income statement within the operating profit.

For valuing biological assets Fiskars applies a three year rolling average price of standing timber, based on the statistics provided by the Finnish Forest Research Institute, and multiplied by the estimated volume of standing timber, taking into account the costs and risks relating to sales.

Non-current assets held for sale and discontinued operations

A non-current asset (or a disposal group) as well as assets and liabilities associated with a discontinued operation are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. The recognition criteria are regarded to be met when: a sale is highly probable, the asset (or a disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary, the management is committed to the plan to sell the asset and the sale is expected to take place within one year from the date of classification.

As from classification date a non-current asset (or a disposal group) held for sale is measured at the lower of its carrying amount and fair value less costs to sell, and it is not depreciated or amortized any more. Assets classified as held for sale, disposal groups, items recognized in other comprehensive income associated with the assets classified as held for sale as well as liabilities included in the disposal group are presented separately in the balance sheet.

A discontinued operation is a component of the Group's business that has been disposed of or will be disposed of in accordance with a coordinated plan. It represents a separate major line of business or geographical area of operations. The profit or loss of a discontinued operation is reported separately from the continuing operations in the consolidated statement of comprehensive income.

Fiskars had no non-current assets held for sale or discontinued operations neither in the financial year 2013 nor 2012.

Inventories

Inventories are carried at the lower of cost and net realizable value. Cost is determined using the first-in first-out (FIFO) method. The cost of finished goods and work-in-progress comprise direct purchase and manufacturing cost, other direct costs and a proportion of the related production overheads based on normal operating capacity. Net realizable value is the estimated amount that can be realized from the sale in normal course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories are presented net of an impairment loss recognized for obsolete and slow-moving inventories.

Financial instruments

Financial assets

Fiskars classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets. Financial assets are classified at initial recognition based on their purpose of use. For investments not at fair value through profit or loss, the directly attributable transaction costs are included in the original costs of the financial assets. All purchases or sales of financial assets are recognized or derecognized using trade date accounting. The Group derecognizes financial assets when it has lost its right to receive the cash flows or when it has transferred substantially all the risks and rewards to an external party.

Financial assets at fair value through profit or loss

In this category are classified such financial assets that are held for trading or are designated as financial assets at fair value through profit or loss upon initial recognition (the fair value option). In Fiskars this category comprises the investments in listed securities and those derivative instruments that do not meet the hedge accounting criteria or for which hedge accounting is not applied.

These financial assets are measured at fair value both at initial recognition and subsequently. The fair values of the listed securities are based on quoted rates at the end of the reporting period and fair value changes, both realized and unrealized gains and losses are recognized in the income statement under financial items. The fair value measurement principles of the derivative instruments that do not meet the hedge accounting criteria are described below under Derivatives and hedge accounting.

Loans and other receivables

Loans and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Group does not hold them for trading or designate them as available for sale upon initial recognition. This category comprises trade receivables and other receivables under current receivables as well as non-current loan receivables that are presented under the item Other investments in the consolidated balance sheet.

Loans and other receivables are measured at amortized cost. The estimate made for doubtful receivables is based on the risks of individual items. Resulting from this assessment the carrying amounts of receivables are adjusted to measure their probable value. Loans and receivables are included in current or non-current assets based on their nature; in the latter class for maturities greater than 12 months after the end of the reporting period.

Available-for-sale financial assets

Available-for-sale financial assets are those non-derivative financial assets that are designated as available for sale or are not classified as either loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss. In Fiskars this category comprises the investments in unlisted securities. If their fair values cannot be determined reliably, they are measured at cost. Available-for-sale financial assets are included in non-current assets unless the Group intends to dispose of them within 12 months of the end of the reporting period in which case they are included in current assets.

Cash and cash equivalents

The balance sheet item Cash and cash equivalents includes cash, i.e. cash in hand and deposits held at call with banks, and cash equivalents. Cash equivalents comprise highly liquid investments that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. The items included in cash equivalents have original maturities of maximum three months from the date of acquisition. Bank overdrafts are included within current interest-bearing financial liabilities.

Financial liabilities

Fiskars classifies its financial liabilities in the following categories: financial liabilities at fair value through profit or loss (includes derivative liabilities) and financial liabilities measured at amortized cost. A financial liability is recognized initially at fair value. For financial liabilities measured at amortized cost, the directly attributable transaction costs are included in the original cost. Subsequently financial liabilities are carried at amortized cost using the effective interest method, except for derivative liabilities that are measured at fair value. Financial liabilities are classified as non-current or current; the latter group comprises all those financial liabilities for which the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. The Group removes a financial liability (or a part of it) from its balance sheet only when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expires.

Derivatives and hedge accounting

Derivative financial instruments are classified as financial instruments at fair value through profit and loss. Derivatives are recognized initially at cost and subsequently at fair value determined at the end of each reporting period. The fair value of derivatives is based on prevailing market rates or rates derived from the prevailing market rates at the end of the reporting period. Fair value changes are recognized in financial items. 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.

Fair value categories

Hierarchy level 1 includes financial assets that are publicly quoted in an active market. This category includes listed shares. Level 2 includes financial assets and liabilities measured using directly observable market inputs. All interest bearing debts and derivatives fall within this category. Level 3 includes financial assets and liabilities measured using non-market observable inputs. The asset classes in this category are unlisted equity investments and funds.

Provisions and contingent liabilities

A provision is recognized when the Group as a result of a past event has a present legal or constructive obligation, it is probable that the obligation will be realized and a reliable estimate can be made of the amount of the obligation. A provision for restructuring is recognized when a detailed formal plan has been prepared and when there is a valid expectation relating those affected that the plan will be carried out. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If it is possible to receive compensation for part of the obligation from a third party, the compensation is recognized as a separate asset, but only when receipt of the compensation is virtually certain.

The Group is party to lawsuits and legal processes concerning Group’s business operations. A related provision is recognized in the financial statements when the amount of the expenditure can be estimated reliably and it is more likely than not that they will be realized. Otherwise these contingent liabilities are disclosed in the notes.

Income taxes

The Group's tax expense comprises current tax based on Group companies' taxable profit for the period and the change of deferred taxes. The current tax charge is calculated using the tax rate enacted or substantively enacted at the end of the reporting period. Deferred tax liabilities or deferred tax assets are provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes using tax rates enacted or substantively enacted at the end of the reporting period. Temporary differences arise, inter alia, from tax loss carry-forwards, depreciation differences, provisions, defined benefit pension plans, fair value measurement of derivative financial instruments, biological assets, and eliminated intra-group inventory margins as well as from the fair value adjustments made to assets and liabilities in business combinations. A deferred tax liability is recognized on the undistributed profits of subsidiaries and associates if the distribution of profit is probable and it will result in tax consequences. A deferred tax liability is recorded to its full amount and a deferred tax asset is recognized at the amount of the estimated probable tax benefit. Income tax is recognized in profit or loss, unless it relates to items recognized in other comprehensive income. In such case any related tax effects are also recognized similarly.

Dividends

Dividends proposed by the Board of Directors are not recorded in the financial statements until they have been approved by the shareholders at the Annual General Meeting.

New and amended standards applied in financial year ended

As from January 1, 2013 the Group has applied the following new or amended standards that have come into effect:

- Amendments to IAS 1 Presentation of Financial Statements. The major change is the requirement to group items of other comprehensive income as to whether or not they will be reclassified subsequently to profit or loss when specific conditions are met. The amendments only had an impact on the presentation of Group's other comprehensive income.
- Amendment to IAS 19 Employee Benefits. The major changes are as follows: all actuarial gains and losses are immediately recognized in other comprehensive income, i.e. the corridor approach is no longer applied, and finance costs are calculated on a net funding basis. Fiskars has applied the accounting treatment for the recognition of actuarial gains and losses in other comprehensive income that was allowed as an alternative according to the previous IAS 19 and is now the requisite according to the revised IAS 19. The comparative figures have not been restated as the other amendments to the standard had no material impact on the consolidated financial statements.
- IFRS 13 Fair Value Measurement. IFRS 13 establishes a single source for all fair value measurements and disclosure requirements for use across IFRSs. The new standard also provides a precise definition of fair value. IFRS 13 does not extend the use of fair value accounting, but it provides guidance on how to measure fair value under IFRSs when fair value is required or permitted. IFRS 13 has expanded some notes to the consolidated financial statements.
- Annual Improvements to IFRSs 2009–2011 (May 2012). The annual improvements process provides a mechanism for minor and non-urgent amendments to IFRSs to be grouped together and issued in one package annually. The amendments cover in total five standards. Their impact has not been significant.
- Amendments to IFRS 7 Financial Instruments: Disclosures. The amendments clarify disclosure requirements for financial assets and liabilities that are offset in the consolidated balance sheet or subject to master netting arrangements or similar agreements. The amendments had no significant impact on the notes to the consolidated financial statements.

Other new or amended standards or interpretations had no impact on the consolidated financial statements.

Adoption of new and amended standards and interpretations applicable in future financial years

Fiskars has not yet adopted the following new and amended standards and interpretations already issued by the IASB. The Group will adopt them as of the effective date or, if the date is other than the first day of the financial year, from the beginning of the subsequent financial year.

- IFRS 10 Consolidated Financial Statements and subsequent amendments (in the EU effective for financial years beginning on or after January 1, 2014). IFRS 10 builds on existing principles by identifying the concept of control as the determining factor when deciding whether an entity should be incorporated within the consolidated financial statements. The standard also provides additional guidance to assist in the determination of control where this is difficult to assess. The new standard is not assessed to have a material impact on the consolidated financial statements.
- IFRS 11 Joint Arrangements and subsequent amendments (in the EU effective for financial years beginning on or after January 1, 2014). In the accounting of joint arrangements IFRS 11 focuses on the rights and obligations of the arrangement rather than its legal form. There are two types of joint arrangements: joint operations and joint ventures. In future jointly controlled entities are to be accounted for using only one method, equity method, and the other alternative, proportional consolidation is no longer allowed. The new standard is not assessed to have a material impact on the consolidated financial statements.
- IFRS 12 Disclosures of Interests in Other Entities and subsequent amendments (in the EU effective for financial years beginning on or after January 1, 2014). IFRS 12 includes the disclosure requirements for all forms of interests in other entities, including associates, joint arrangements, structured entities and other off-balance sheet vehicles. The new standard will expand the notes the Group provides for its interests in other entities. The new standard is not assessed to have a material impact on the consolidated financial statements.
- IAS 27 Separate Financial Statements (revised 2011) and subsequent amendments (in the EU effective for financial years beginning on or after January 1, 2014). The revised standard includes the provisions on separate IFRS financial statements that were left after the control provisions were included in the new IFRS 10. The revised standard will not have an impact on the consolidated financial statements.
- IAS 28 Investments in Associates and Joint Ventures (revised 2011) and subsequent amendments (in the EU effective for financial years beginning on or after January 1, 2014). Following the issue of IFRS 11 the revised IAS 28 includes the requirements for joint ventures, as well as associates, to be equity accounted. The revised standard is not assessed to have a significant impact on the consolidated financial statements.
- Amendments to IAS 32 Financial Instruments: Presentation (effective for financial years beginning on or after January 1, 2014). The amendments provide clarifications on the application of presentation requirements for offsetting financial assets and financial liabilities on the statement of financial position and give more related application guidance. The amendments are not assessed to have a significant impact on the consolidated financial statements.
- Amendments to IAS 36 Impairment of Assets (effective for financial years beginning on or after 1 January 2014). The objective of the amendments is to clarify that the scope of the disclosures of information about the recoverable amount of assets, where that amount is based on fair value less costs of disposal, is limited to impaired assets. The amended standard is not assessed to have a significant impact on the consolidated financial statements.
- Amendments to IAS 39 Financial Instruments: Recognition and Measurement (effective for financial years beginning on or after 1 January 2014). The amendments made to IAS 39 provide an exception to the requirement to discontinue hedge accounting in certain circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations. The amendments are not assessed to have an impact on the consolidated financial statements.
- IFRIC 21 Levies* (effective for financial years beginning on or after 1 January 2014). The interpretation clarifies the accounting treatment of levies. A liability for a levy is recognised when the activity that triggers payment, as identified by the relevant legislation, occurs. The interpretation is applicable to all

levies other than income taxes, fines, penalties and outflows that are in scope of other standards. The interpretation is not assessed to have a significant impact on the consolidated financial statements.

- Amendments to IAS 19 Employee Benefits - Defined Benefit Plans: Employee Contributions* (effective for financial years beginning on or after 1 July 2014). The amendments clarify the accounting treatment under IAS 19 in respect of defined benefit plans that involve contributions from employees or third parties towards the cost of benefits. The amendments are not assessed to have an impact on the consolidated financial statements.
- Annual Improvements to IFRSs (2011–2013 cycle* and 2010–2012 cycle*, December 2013) (effective for financial years beginning on or after 1 July 2014). The annual improvements process provides a mechanism for minor and non-urgent amendments to IFRSs to be grouped together and issued in one package annually. The amendments cover in total four (2011–2013 cycle) and seven (2010–2012 cycle) standards. Their impacts vary standard by standard but are not significant.
- IFRS 9 Financial Instruments* and subsequent amendments (the effective date (previously 1 January 2015) has been postponed and will be determined in due course). IFRS 9 is the first step of the IASB's originally three-phase project to replace the current IAS 39 Financial Instruments: Recognition and Measurement. The amendments resulting from the first phase (published in November 2009) address the classification and measurement of financial assets. Based on measurement, financial assets are classified into two main groups: financial assets at amortized cost and financial assets at fair value. Classification depends on a company's business model and the characteristics of contractual cash flows. The amendments published in October 2010 deal with the classification and measurement of financial liabilities and the standard retains most of the related IAS 39 requirements. Amendments dealing with general hedge accounting were issued in November 2013. The unfinished part of IFRS 9, impairment of financial assets, is still a work in progress. Furthermore, the IASB is also considering limited amendments regarding the classification and measurement of financial assets. The macro hedge accounting phase has been taken apart from the IFRS 9 project as a separate project. As the IFRS 9 project is incomplete, the impacts of the standard on the consolidated financial statements cannot yet be assessed.

* Not yet endorsed for use by the European Union

2. Segment information

Fiskars' operating segments are EMEA (Europe, Middle East, and Asia-Pacific), Americas, the associated company Wärtsilä and Other. The operating segments are indentified on the basis of management reporting, which is organized by geographical areas. The operations are further divided to business areas.

Operating segments

EMEA: The revenues comprise of sales of Home, Garden and Outdoor products to retailers in Europe, Middle-East and Asia-Pacific. In addition, homeware products are sold directly to consumers via own stores and outlets.

Americas: The revenues comprise of sales of Home, Garden and Outdoor products to retailers in USA, Canada and Latin America.

Other: The revenues consist mainly of rental income from Real Estate and timber sales in Finland. Other covers Real Estate and corporate headquarter functions.

Associate Wärtsilä: Income from the associate is reported as one operating segment.

Business activities between the segments are not significant. Inter-segment sales are made on arms length basis. Real Estate owns real estates in Finland and leases them to subsidiaries in Finland e.g. for use as production facilities.

President and CEO monitors the operating results of the segments separately for the purpose of making decisions. Segment assets and liabilities are based on geographical location of the assets. Financial income and costs and income taxes are managed on group basis and accordingly not allocated to operating segments.

In the Americas the Fiskars branded products' distribution, logistics and consumer preferences are managed centrally for the business areas. In the EMEA area the markets and distribution are more diversified, but from the customer point of view the business areas operate in a common environment.

Unallocated items

The unallocated items of the Income Statement contain corporate level costs and income. Unallocated assets comprise items related to corporate administration, tax receivables, loan receivables and equity instruments. Unallocated liabilities comprise non-current and current debt and tax liabilities. Also part of the restructuring costs are unallocated.

No single customer of Fiskars accounts for more than 10% share of the Group's total net sales.

Operating segments

2013

EUR million	EMEA	Americas	Other	Associate Wärtsilä	Unallocated and eliminations	Group total
Net sales, external	556.1	238.3	4.2			798.6
Net sales, inter-segment	8.2	6.8	2.2		-17.2	0.0
Net sales	564.2	245.1	6.5		-17.2	798.6
Operating profit excl. non-recurring items	52.7	31.4	-10.3			73.8
Non-recurring items*	-12.8					-12.8
Operating profit	39.9	31.4	-10.3			61.0
Change in fair value of biological assets			0.7			0.7
Share of profit from associate				50.8		50.8
Financial income and expenses					-4.3	-4.3
Profit before taxes						108.3
Income taxes					-14.3	-14.3
Profit for the period						94.0
Assets	586.5	118.7	561.4	286.1	-513.6	1,039.1
Liabilities	404.9	65.0	259.7		-323.2	406.4
Capital expenditure	16.6	5.5	15.1			37.2
Depreciations, amortizations and impairment	21.1	3.7	4.4			29.2

* Includes restructuring costs of EUR 8.2 million relating to the EMEA 2015 restructuring program, EUR 3.7 million relating to goodwill impairment loss and EUR 0.9 million relating to a write-down of a real estate asset.

2012

EUR million	EMEA	Americas	Other	Associate Wärtsilä	Unallocated and eliminations	Group total
Net sales, external	495.0	248.7	4.1			747.8
Net sales, inter-segment	6.9	1.7	2.2		-10.8	0.0
Net sales	501.9	250.4	6.3		-10.8	747.8
Operating profit excl. non-recurring items	41.8	34.2	-12.9			63.1
Non-recurring items*	0.8					0.8
Operating profit	42.6	34.2	-12.9			63.9
Change in fair value of biological assets			5.6			5.6
Share of profit from associate				47.8		47.8
Gain on sale of Wärtsilä shares					87.0	87.0
Financial income and expenses					-3.8	-3.8
Profit before taxes						200.4
Income taxes					-21.5	-21.5
Profit for the period						178.9

Assets	494.0	110.9	577.7	280.4	-527.6	935.4
Liabilities	286.0	70.0	191.1		-230.6	316.5
Capital expenditure	8.4	4.4	20.0			32.8
Depreciations, amortizations and impairment	14.3	4.8	2.7			21.9

* Includes a non-recurring income of EUR 0.8 million from the release of a provision related to the sale of Silva.

Business areas

Business areas are Home, Garden and Outdoor. Net sales for the business areas are reported based on the nature of the sales of the products sold to customers. Sales between the business areas are insignificant.

Net sales by business areas

EUR million	**2013**	2012
Home*	**386.2**	319.5
Garden*	**284.5**	290.9
Outdoor	**123.7**	133.3
Other	**4.2**	4.1
Total	**798.6**	747.8

* Fiskars has reclassified certain product groups from business area Home to Garden as of January 1, 2013, and the figures for the comparison periods have been adjusted accordingly. Resulting from this, Garden net sales increased and Home net sales decreased in 2012 by EUR 3.3 million.

Information about geographical areas

EUR million	**2013**	2012
Net sales from Finland	**141.0**	168.7
Net sales from the USA	**241.7**	221.5
Net sales from other countries	**415.9**	357.6
Total	**798.6**	747.8

EUR million	**2013**	2012
Assets in Finland*,**	**495.7**	442.2
Assets in other countries*	**241.5**	214.6
Total	**737.1**	656.9

* Non-current assets other than deferred tax assets.

** Assets in Finland include also the associated company Wärtsilä.

3. Non-recurring items

Exceptional and material transactions outside ordinary course of business are treated as non-recurring items. These include items such as gains and losses on disposal of business operations, impairments, costs of discontinuing significant business operations, restructuring costs and costs of integrating acquired businesses, major product recalls and fines and penalties. Gains and losses are presented in the income statement as an income or expense on the relevant line item and function. Impairments have been presented in the income statement in depreciation, amortization and impairment of the relevant function or in line impairment when the impairment concerns goodwill.

In June 2013, Fiskars announced a restructuring program to optimize operations and sales units in the EMEA region. The planned “EMEA 2015” program aims to improve the competitiveness and cost structure of end-to-end supply chain and align sales operations in the region with the company’s new business model. The total cost of the program was estimated at EUR 25–30 million for 2013 and 2014. At the beginning of 2014 Fiskars decided to shift some initiatives originally planned for 2014 to 2015, which means that some of the program’s costs will be recorded in 2015. Program costs will be recorded as non-recurring expenses.

Of the total expenses related to the program, EUR 8.2 million, were recorded in 2013. They related to the re-location of the Swedish sales office, restructuring of the Group’s manufacturing operations in Finland, restructuring of the Home business area and divestment of the UK-based Sankey pottery business and the reorganization of the Group’s entities in Denmark.

The targeted annual cost savings of the program are EUR 9–11 million once the program is fully implemented. The targeted cost savings will be achieved gradually, and the majority of the savings are expected to materialize in the Group’s results by the end of 2015.

Related to the divestment of the UK-based Sankey business and production, Fiskars recorded a goodwill impairment charge in EMEA of EUR 3.7 million in the third quarter of 2013. In addition, Fiskars recorded a real-estate write-down of EUR 0.9 million in the third quarter.

EUR million	**2013**	2012
EMEA 2015 restructuring program	**-8.2**	
Goodwill impairment relating to the Sankey business	**-3.7**	
Write-down of a real estate	**-0.9**	
Release of provision relating to the sale of Silva		0.8
Total	**-12.8**	0.8

4. Acquisitions and divestments

2013

Acquisition of Royal Copenhagen

On January 4, 2013 Fiskars acquired 100% of the shares in Royal Copenhagen A/S and Royal Scandinavian Modern KK Japan from Royal Scandinavia A/S, whose controlling parent company was the Danish private equity group, Axcel. The total consideration payable (debt-free enterprise value) for the shares was DKK 490 million, equaling approximately EUR 66 million, less net debt and working capital adjustments as per closing of the transaction. The transaction was financed using Fiskars' existing credit programs.

Upon completion of the transaction, Royal Copenhagen became a part of Fiskars' Home business area. As of the acquisition date, the consolidated statement of comprehensive income for 2013 includes EUR 73 million of net sales and EUR 5 million of profit for the financial year.

The acquisition-related costs paid for advisory and valuation services have totalled EUR 1.2 million, of which EUR 1.1 million were expensed in 2012 and EUR 0.1 million in Q1 2013. These costs have been included in item "Administration expenses" of the consolidated income statement. Goodwill arising from the acquisition amounted to EUR 27.4 million, and is related to Fiskars' strengthening position in the Nordic countries, as well as in Asia, where Royal Copenhagen ranks among the leading brands selling premium dining products. Goodwill will not be deductible for income tax purposes.

The following table summarises the final amounts of identifiable assets acquired and liabilities assumed at the acquisition date, as well as the final amounts of the consideration transferred and arising goodwill:

EUR million	
Intangible assets (excluding goodwill)	**22.1**
Property, plant & equipment	**10.9**
Financial assets	**4.2**
Deferred tax assets	**11.8**
Non-current assets total	**48.9**
Inventories	**7.9**
Trade and other receivables	**14.5**
Cash and cash equivalents	**2.7**
Current assets total	**25.1**

Interest-bearing liabilities	**19.9**
Non-interest-bearing liabilities	**1.5**
Deferred tax liabilities	**5.5**
Pension liability and provisions	**2.8**
Non-current liabilities total	**29.7**
Interest-bearing liabilities	**4.3**
Trade payables and other current liabilities	**14.5**
Current liabilities total	**18.9**
Non-controlling interests*	**0.8**
Net assets	**24.6**
Consideration transferred	**52.0**
Goodwill	**27.4**

The acquired entities were consolidated to the consolidated financial statements as of January 4, 2013.

* Non-controlling interests are measured at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Divestment of UK Sankey business

On December 31, 2013, Fiskars sold its UK garden container, propagation and water storage business, Sankey, and the related manufacturing assets, to Strata Products Ltd. The divestment is a part of Fiskars' EMEA 2015 restructuring program, which aims to optimise the company's supply chain and align sales units with the company's operating model. The Sankey business had a turnover of EUR 8.5 million in 2013.

2012

Sale of part of Wärtsilä shares

In April 2012, Fiskars' subsidiary Avlis AB sold 2.1% of the shares in Wärtsilä to Investor at a price of EUR 30.90 per Wärtsilä share, totaling approximately EUR 126.8 million. Fiskars holding in Wärtsilä amounts to 13.0% of the shares and votes. Wärtsilä will continue to form one of Fiskars' reported operating segments and to be treated as an associated company, as Fiskars considers that it continues to have a significant influence in Wärtsilä.

In 2012 there were no acquisitions.

5. Other operating income

EUR million	**2013**	2012
Net gain on disposal of fixed assets	**0.3**	0.2
Rental income	**0.6**	0.6
Divestment of business	**0.5**	
Royalty income	**0.7**	
Release of provision relating to the sale of Silva		0.8
Other income	**1.1**	0.5
Total	**3.1**	2.1

6. Total expenses

Total expenses by nature

EUR million	2013	2012
Materials and supplies	**377.8**	368.7
Change in inventory	**5.0**	0.9
Employee benefits	**202.1**	173.3
Depreciation and amortization	**25.5**	21.9
Impairment	**3.7**	
External services	**66.7**	55.6
Other costs	**59.9**	65.6
Total	**740.7**	686.0

As of January 1, 2013, Fiskars changed its accounting policy regarding classification of certain costs relating to product development, and the figures for the comparative periods have been restated. This has impacted Cost of goods sold positively and Research and development costs negatively by EUR 2.1 million for 2012.

	Reported in 2012	Restated 2012
Cost of goods sold	-475.4	-473.2
Research and development costs	-8.1	-10.3

Other operating expenses

EUR million	2013	2012
Loss on sale of fixed assets	**0.0**	0.0
Loss on scrap of fixed assets	**0.5**	0.1
Other costs	**1.0**	0.0
Total	**1.5**	0.1

Depreciation, amortization and impairment by asset class

EUR million	2013	2012
Land and water	**0.8**	
Buildings	**3.4**	3.9
Machinery and equipment	**14.5**	12.9
Intangible assets	**6.3**	4.7
Investment property	**0.4**	0.4
Goodwill impairment	**3.7**	
Total	**29.2**	21.9

Fees paid to Companies' Auditors

EUR million	2013	2012
Audit fees	**0.8**	0.7
Audit related fees	**0.0**	0.1
Tax consultation	**0.5**	0.3
Other non-audit fees	**0.3**	0.4
Total	**1.6**	1.5

The appointed auditor for the financial years 2012 and 2013 was KPMG.

7. Employee benefits and number of personnel

Employee benefits

EUR million	**2013**	2012
Wages and salaries	**157.9**	138.3
Other compulsory personnel costs	**20.9**	18.2
Pension costs, defined contribution plans	**17.1**	16.2
Pension costs, defined benefit plans	**0.5**	-0.8
Other post employment benefits	**1.1**	0.9
Termination benefits	**4.5**	0.5
Total	**202.1**	173.3

Personnel at the end of period

	2013	2012
Finland	**1,582**	1,610
Other Europe	**1,277**	1,123
USA	**578**	533
Thailand	**424**	13
Other	**469**	170
Total	**4,330**	3,449

Personnel (FTE) in average

	2013	2012
Direct	**1,504**	1,233
Indirect	**2,583**	2,131
Total	**4,087**	3,364

Fiskars has adopted the following definitions for employee reporting:

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

Direct = production workers

Indirect = other employees than production workers

8. Financial income and expenses

EUR million	**2013**	2012
Gain on sale of Wärtsilä shares		87.0
Dividends received from investments at fair value through profit and loss	**0.0**	0.0
Interest income on cash and bank		0.3
Fair value of other shares at fair value through profit and loss	**1.1**	0.8
Derivative revaluation gains, at fair value through profit and loss	**0.5**	
Exchange gains, other	**0.3**	0.1
Financial income total	**1.9**	88.2
Interest expenses on debt at amortized cost	**-3.9**	-3.4
Interest cost on financial leasing at amortized cost	**-0.5**	-0.6
Derivative revaluation losses, at fair value through profit and loss		-0.1
Exchange losses on commercial hedges	**-0.9**	-0.2
Other financial expenses	**-0.8**	-0.7
Financial expense total	**-6.2**	-5.0
Financial income and expenses total	**-4.3**	83.2

9. Income taxes

Income taxes in the income statement

EUR million	**2013**	2012
Current year income taxes	**-19.4**	-20.7
Prior year income taxes	**0.6**	-0.1
Change in deferred taxes	**4.4**	-0.7
Income taxes total	**-14.3**	-21.5

Reconciliation of income taxes

EUR million	**2013**	2012
Tax rate for the parent company	**24.5%**	24.5%
Profit before taxes	**108.3**	200.4
Income tax using the domestic corporation tax rate	**-26.5**	-49.1
Effect of tax rates in foreign jurisdictions	**-1.5**	-4.0
Income tax for prior years	**0.6**	-0.1
Impact of associate	**11.2**	11.7
Effect of sales of Wärtsilä shares		22.9
Other tax exempt items	**0.3**	1.0
Non-deductible expenses	**-0.9**	-0.9
Effect of change of tax rates	**6.9**	0.0
Tax booked against unbooked tax assets and unrecognized tax on loss	**-4.2**	-3.5
Change in valuation of tax assets	**-0.8**	0.5
Other items	**0.6**	0.0
Income taxes recognized in profit and loss	**-14.3**	-21.5

Taxes in other comprehensive income

2013

EUR million	Total	Tax	Net
Translation differences	-8.5		-8.5
Change in associate recognized directly in other comprehensive income	-13.9		-13.9
Cash flow hedges	0.8	-0.3	0.5
Defined benefit plan actuarial gains (losses)	-0.2	0.0	-0.2
Defined benefit plan actuarial gains (losses), change in associate	-5.6		-5.6
Other comprehensive income for the period, total	-27.5	-0.2	-27.7

2012

EUR million	Total	Tax	Net
Translation differences	-1.0		-1.0
Change in associate recognized directly in other comprehensive income	0.1		0.1
Cash flow hedges	-1.1	0.3	-0.8
Defined benefit plan actuarial gains (losses)	-0.8	0.3	-0.5
Defined benefit plan actuarial gains (losses), change in associate			
Other comprehensive income for the period, total	-2.8	0.6	-2.2

Deferred income taxes in the balance sheet

2013

Deferred tax assets EUR million	Jan 1, 2013	Recognized in income statement	Recognized in other comprehensive income	Transfers and translation difference	Acquisitions and divestments	Dec 31, 2013
Post-employment benefit	2.7	-0.1	-0.2	-0.1	0.0	2.3
Provisions and accruals	10.1	-1.1		5.5	2.0	16.5
Effects on consolidation and eliminations	0.5	-0.6		0.4	-0.3	0.0
Property, plant & equipment	0.6	-0.1		0.0	3.1	3.5
Tax losses and credits carried forward net of valuation allowance	8.6	-1.5		1.2	5.1	13.5
Other temporary differences	6.1	-0.6	-0.3	-5.4	0.3	0.2
Total deferred tax assets	28.6	-3.9	-0.4	1.6	10.3	36.1
Offset against deferred tax liabilities	-2.9	-1.9				-4.8
Net deferred tax assets	25.8	-5.9	-0.4	1.6	10.3	31.3

Deferred tax liabilities EUR million	Jan 1, 2013	Recognized in income statement	Recognized in other comprehensive income	Transfers and translation difference	Acquisitions and divestments	Dec 31, 2013
Property, plant & equipment	3.6	0.1		0.2		3.9
Fair value adjustments	13.0	-3.2				9.8
Effects on consolidation and eliminations*	26.0	-5.8		0.6	5.4	26.3
Other temporary differences	4.6	0.5	-0.2	-0.2		4.7
Total deferred tax liabilities	47.1	-8.3	-0.2	0.6	5.4	44.6
Offset against deferred tax assets	-2.9	-1.9				-4.8
Net deferred tax liabilities	44.3	-10.3	-0.2	0.6	5.4	39.8

Deferred tax assets (+) / liabilities (-), net	-18.5	-8.5

* Consist mainly of adjustments to fair value in acquisitions.

2012

Deferred tax assets EUR million	Jan 1, 2012	Recognized in income statement	Recognized in other comprehensive income	Transfers and translation difference	Dec 31, 2012
Post-employment benefit	2.6	0.0	0.2	-0.0	2.7
Provisions and accruals	10.0	0.2		-0.0	10.1
Effects on consolidation and eliminations	1.3	-0.6		-0.2	0.5
Property, plant & equipment	0.7	-0.1		0.0	0.6
Tax losses and credits carried forward net of valuation allowance	7.1	0.6		0.9	8.6
Other temporary differences	6.1	0.8	0.2	-1.0	6.1
Total deferred tax assets	27.8	0.8	0.4	-0.4	28.6
Offset against deferred tax liabilities	-0.8	-2.1		0.0	-2.9
Net deferred tax assets	27.0	-1.3	0.4	-0.4	25.8

Deferred tax liabilities EUR million	Jan 1, 2012	Recognized in income statement	Recognized in other comprehensive income	Transfers and translation difference	Dec 31, 2012
Property, plant & equipment	4.5	-0.6		-0.4	3.6
Fair value adjustments	11.5	1.5			13.0
Effects on consolidation and eliminations*	26.4	-0.3			26.0
Other temporary differences	3.5	0.9	-0.2	0.4	4.6
Total deferred tax liabilities	45.8	1.6	-0.2	-0.0	47.1
Offset against deferred tax assets	-0.8	-2.1		0.0	-2.9
Net deferred tax liabilities	45.0	-0.5	-0.2	-0.0	44.3
Deferred tax assets (+) / liabilities (-), net	-18.0				-18.5

* Consist mainly of adjustments to fair value in acquisitions.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority. The Group has full control of the timing of dividend distribution in subsidiaries and therefore no deferred tax liability has been recorded. Associate Wärtsilä is a public company and its distribution of profit is tax exempt for Fiskars. Taxes relating to cash flow hedges and actuarial gains and losses have been recorded into other comprehensive income. The deferred tax asset on tax losses carried forward, net of valuation allowance amounted to EUR 13.5 million (8.6) at the end of financial year. Deferred tax allowance is recorded to offset deferred tax assets in order to recognize the deferred tax assets only to the extent that it is probable that future taxable profits will be available. The tax losses carried forward on the basis of which the deferred tax asset is recognized will not expire in the following five years. Income taxes recorded in the income statement and in other comprehensive income are specified earlier in this note 9.

10. Earnings per share

The basic earnings per share is the annual net profit attributable to ordinary shareholders of the parent company divided by the weighted average number of shares outstanding during the year. Fiskars Corporation does not have any current share option programs or other diluting financial instruments,so the diluted earnings per share is the same as basic.

	2013	2012
Net profit attributable to the ordinary shareholders of the Parent company, EUR million	**93.7**	178.9
Number of shares	**81,905,242**	82,023,341
Weighted average number of shares outstanding	**81,905,242**	81,905,242
Earnings per share, EUR (basic)	**1.14**	2.18
Earnings per share, EUR (diluted)	**1.14**	2.18

11. Intangible assets

2013

EUR million	Goodwill	Trademarks, patents and domain names	Software	Other intangible assets	Construction in progress	Total
Historical cost, Jan 1	109.3	105.3	28.3	58.5	18.6	319.9
Translation differences	-1.6	-0.1	-0.9	-1.1	0.0	-3.7
Royal Copenhagen acquisition	27.4	22.1				49.4
Additions		0.2	15.0	0.1	-0.5	14.7
Decreases			-0.1	-0.2	-0.0	-0.3
Transfers between asset groups			4.6	0.3	-4.8	0.0
Historical cost, Dec 31	135.1	127.4	46.9	57.5	13.3	380.1
Accumulated amortization, Jan 1	20.7	2.7	21.3	46.0		90.7
Translation differences	-1.3	-0.0	-0.8	-1.1		-3.3
Amortization for the period		0.2	3.2	2.4		5.8
Impairment for the period	3.7			0.5		4.2
Decreases			-0.1	-0.1		-0.2
Transfers between asset groups						
Accumulated amortization, Dec 31	23.1	2.8	23.5	47.7		97.2
Net book value, Dec 31	**111.9**	**124.6**	**23.4**	**9.8**	**13.3**	**282.9**
Investment commitments for intangible assets						**3.6**

2012

EUR million	Goodwill	Trademarks, patents and domain names	Software	Other intangible assets	Construction in progress	Total
Historical cost, Jan 1	110.1	105.2	20.9	57.2	6.9	300.2
Translation differences	-0.8	-0.1	-0.4	0.9	-0.0	-0.3
Additions		0.2	7.0	0.2	12.5	19.9
Decreases			-0.1	-0.6	0.1	-0.6
Transfers between asset groups			0.9	0.8	-0.9	0.8
Historical cost, Dec 31	109.3	105.3	28.3	58.5	18.6	319.9
Accumulated amortization, Jan 1	21.4	2.6	19.7	43.3		86.9
Translation differences	-0.8	-0.0	-0.4	0.3		-0.8
Amortization for the period	-0.0	0.2	1.9	2.6		4.7
Decreases			-0.0	-0.4		-0.4
Transfers between asset groups			0.2	0.1		0.3
Accumulated amortization, Dec 31	20.7	2.7	21.3	46.0		90.6
Net book value, Dec 31	88.6	102.6	7.0	12.5	18.6	229.3
Investment commitments for intangible assets						3.3

Impairment tests

Goodwill is not amortized but is tested at least annually for impairment.

Goodwill allocated to cash-generating units:

EUR million	**2013**	2012
Home, excl. Royal Copenhagen	**73.7**	73.8
Royal Copenhagen	**27.4**	
Garden	**10.8**	14.8
Total	**111.9**	88.6

Goodwill from acquisitions is allocated to Cash Generating Units (CGU). The business areas, which form the CGUs, are Home and Garden. Goodwill of Royal Copenhagen has been tested for impairment separately from the Home business area in 2013. From 2014 on, it will be tested as part of Home business area. The recoverable amounts from CGUs are determined with value in use method, using five-year discounted cash flow projections, based on strategic plans approved by management. Cash flows for the period extending over the planning period are calculated using the terminal value method. The discount rate is the weighted average post-tax cost of capital (WACC) as defined by Fiskars. The components of the WACC are risk-free rate, market risk premium, company-specific risk premium, industry specific equity beta, cost of debt and debt to equity ratio.

An impairment of goodwill of EUR 3.7 million was made in Q3 2013 due to divesting of Fiskars UK Sankey business which was a part of Garden EMEA business area.

On the basis of the impairment calculations made, there has been no need for other impairment of goodwill for any CGU for the period ended December 31, 2012 and 2013.

Since the benefits from trademarks are indefinite, they are not amortized but are tested at least annually for impairment using a relief from royalty method. Cash flows attributable to trademarks are derived by indentifying revenues from sales of products belonging to each trademark. The carrying amounts of trademarks are determined on a discounted cash flow method basis, derived from five-year cash flow projections, based on strategic plans approved by the management. Cash flows for the period extending over the planning period are calculated using the terminal value method. On the basis of the impairment calculations made, there has been no need for impairment of trademarks for the periods ended December 31, 2012 and 2013.

Key parameters applied in impairment testing

	2013		2012	
%	Goodwill*	Trademarks**	Goodwill*	Trademarks**
Increase in net sales on average	1.8	1.8	1.8	1.8
Steady growth rate in projecting terminal value	2.5	3.0	2.5	3.0
Discount rate, pre-tax, average	8.1	9.4	8.2	9.5

* The increases in net sales, used in impairment testings, are on average more moderate than strategic plans for the planning period. The EBIT used in impairment testing is the CGU's actual three previous years average EBIT-% of sales. This is consistently used for all periods in the five year discounted cash flow projections.

** Used one percentage point higher risk premium than in goodwill testing.

Sensitivity analyses

Sensitivity analyses of goodwill have been carried out for the valuation of each CGU by making downside scenarios for key parameters. The management views that no reasonably possible change in any of the key parameters would lead to impairment as the recoverable amounts exceed the carrying amounts considerably.

Sensitivity analyses of trademarks have been carried out for the valuation of each trademark by making downside scenarios for key parameters. The management views that excluding trademark Gingher, no reasonably possible change in any of the key parameters would lead to impairment. The recoverable amount of trademark Gingher currently exceeds its carrying amount of EUR 3.3 million by EUR 0.8 million, and an increase of 1.7 percentage point in pre-tax discount rate would result in the recoverable amount being equal to the carrying amount.

12. Property, plant and equipment

2013

EUR million	Land and water	Buildings	Leased real estate	Machinery and equipment	Construction in progress	Total
Historical cost, Jan 1	16.4	55.9	14.3	164.7	4.9	256.2
Translation differences	0.0	-0.9	-0.6	-4.7	-0.0	-6.2
Acquisitions and divestments		13.2		23.4	0.0	36.6
Additions	0.0	2.6		5.2	14.6	22.5
Decreases	-0.2	-7.1		-26.9		-34.2
Transfers between asset groups		1.3		8.5	-10.0	-0.2
Reclassification to investment property	-1.0					-1.0
Historical cost, Dec 31	15.3	65.1	13.7	170.2	9.5	273.8
Accumulated depreciation, Jan 1		30.2	13.2	123.0		166.3
Translation differences		-0.2	-0.6	-3.7		-4.5
Depreciation for the period		3.1	0.3	13.3		16.7
Impairment for the period	0.8	0.1		0.8		1.7
Acquisitions and divestments		7.8		18.0		25.7
Decreases		-6.6		-26.5		-33.0
Transfers between asset groups		0.4		-0.1		0.4
Accumulated depreciation, Dec 31	0.8	34.8	12.9	124.7		173.3
Net book value, Dec 31	**14.4**	**30.3**	**0.8**	**45.4**	**9.5**	**100.5**

Investment commitments for tangible assets	**3.1**

2012

EUR million	Land and water	Buildings	Leased real estate	Machinery and equipment	Construction in progress	Total
Historical cost, Jan 1	16.5	52.5	14.6	167.2	4.3	255.0
Translation differences	0.0	0.4	-0.3	0.2	-0.0	0.3
Additions	0.0	1.0		3.3	8.6	12.9
Decreases	-0.0	-0.1		-10.1		-10.2
Transfers between asset groups	-0.0	2.2		4.2	-8.0	-1.6
Historical cost, Dec 31	16.4	56.0	14.3	164.8	4.9	256.4
Accumulated depreciation, Jan 1		27.4	12.2	121.0		160.6
Translation differences		0.0	-0.2	0.2		-0.0
Depreciation and impairment for the period		2.7	1.2	12.7		16.6
Decreases		-0.0	0.0	-9.9		-9.9
Transfers between asset groups		0.1		-0.9		-0.8
Accumulated depreciation, Dec 31		30.2	13.2	123.0		166.4
Net book value, Dec 31	16.4	25.8	1.1	41.8	4.9	90.0

Investment commitments for tangible assets	7.6

13. Biological assets

EUR million	**2013**	2012
Fair value, Jan 1	**41.2**	35.6
Increase due to growth	**1.8**	1.0
Change in fair value less estimated point-of-sale costs	**0.8**	1.0
Harvested timber	**-1.8**	-0.8
Stocktaking*		4.4
Fair value, Dec 31	**42.0**	41.2

Fiskars owns some 11,000 hectares of forests in Finland. For valuing biological assets Fiskars applies a three year rolling average price of standing timber, based on the statistics provided by the Finnish Forest Research Institute, and multiplied by the estimated volume of standing timber, taking into account the costs and risks relating to sales.

The fair value measurements of biological assets are categorized within level 2 of the fair value hierarchy.

* Resulting from the stocktaking, both the total amount of standing timber and the proportional amounts of different types of timber changed.

14. Investment property

EUR million	2013	2012
Historical cost, Jan 1	**17.6**	18.8
Translation differences	**-0.3**	-0.2
Decreases	**-0.0**	-1.0
Reclassification from property, plant and equipment	**1.0**	
Historical cost, Dec 31	**18.2**	17.6
Accumulated depreciation, Jan 1	**12.1**	12.6
Translation differences	**-0.3**	-0.1
Depreciation and impairment for the period	**0.4**	0.4
Decreases	**-0.0**	-0.7
Accumulated depreciation and impairment, Dec 31	**12.2**	12.1
Net book value, Dec 31	**6.0**	5.5

Investment Property comprises the parent company's buildings and zoned and unbuilt lots for detached houses in Fiskars Village, Finland, and the leasing properties of Fiskars Brands, Inc. in the US that are not in Group's operational use.

Fair value

Properties in Fiskars Village are unique in their cultural and historical values. Therefore it is not possible to determine a comparable market value on those properties.

The book value of the zoned and unbuilt lots for detached houses in Fiskars Village amounted to EUR 1.0 million as at December 31, 2013. The fair value of those lots, calculated based on average market prices of the area, amounted to EUR 3.5 million.

The book value of the leasing properties of Fiskars Brands, Inc. in the US approximate their fair value.

Book values by countries

EUR million	2013	2012
Finland	**5.3**	4.6
USA	**0.7**	0.8
Total	**6.0**	5.5

15. Investments in associates

Investments in associates

EUR million	**2013**	2012
Net book value, Jan 1	**280.4**	300.8
Decreases		-41.5
Share of profit	**50.8**	47.8
Dividends received	**-25.6**	-26.8
Share of other comprehensive income	**-19.5**	0.1
Net book value, Dec 31	**286.1**	280.4
Goodwill included in the net book value	46.4	46.4

Share of profit comprises the share of net profit in associate reduced with the EUR 25.6 million (26.8) dividends received. Share of other comprehensive income comprises changes in associated company's equity. In April 2012, Fiskars' then wholly owned subsidiary Avlis AB sold 13.8% of its Wärtsilä holding. Fiskars Group recorded a profit of around EUR 87.0 million in its 2012 results from the transaction.

Summary of financial information on the associate

EUR million	**2013**	restated 2012
WÄRTSILÄ OYJ ABP		
Ownership -%	**13.0**	13.0
Assets	**5,209**	5,036
Liabilities	**3,325**	3,245
Equity	**1,884**	1,791
Net sales	**4,654**	4,725
Net profit	**393**	344

Fiskars' most important associate is Wärtsilä Corporation. Fiskars' ownership in Wärtsilä was 13.0% (13.0) of the shares and the votes. The shares are owned by Avlis AB of which 59.7% is owned by Fiskars. The rest of the shares in Avlis AB are owned by Investor AB, with which Fiskars Group agreed in February 2012 to join interests to create a strong long-term owner for Wärtsilä.

Fiskars is the largest single shareholder of Wärtsilä and Fiskars has significant influence through the number of members in the Board of Directors of Wärtsilä. Thus, Fiskars consolidates Wärtsilä as an associated company in accordance with IAS 28.

The market value of Wärtsilä shares owned by Fiskars as at December 31, 2013 amounted to EUR 917.2 million (839.0).

16. Financial assets

Investments at fair value through profit and loss

	Level 1		Level 3	
EUR million	**2013**	2012	**2013**	2012
Book value, Jan 1			**9.7**	8.9
Acquisitions	**0.3**			
Additions			**0.1**	0.2
Decreases			**-0.4**	
Change in fair value through profit and loss			**0.8**	0.6
Book value, Dec 31	**0.3**		**10.2**	9.7

The investments comprise listed and unlisted shares as well as unlisted funds. Listed shares have been recognized at their fair value based on quotation at the end of the reporting period (fair value hierarchy level 1). Unlisted shares are measured at cost (level 3) since their fair value cannot be determined reliably. The fair value of unlisted funds is based on the market value reported by the fund (level 3). Changes in the fair value are booked in the income statement. For the definition of levels please see the accounting principles in note 1.

Other investments

EUR million	**2013**	2012
Book value, Jan 1	**0.8**	1.2
Translation differences	**-0.0**	-0.0
Acquisitions	**3.5**	
Additions	**0.3**	0.0
Decreases	**-0.8**	-0.5
Other changes	**0.0**	0.0
Book value, Dec 31	**3.9**	0.8

Other investments comprise of non-current receivables and they are measured at the lower of cost and fair value (level 3).

Cash and cash equivalents

EUR million	**2013**	2012
Cash at bank	**9.7**	16.4
Total, Dec 31	**9.7**	16.4

17. Inventories

EUR million	2013	2012
Raw materials and consumables	**20.2**	20.1
Work in progress	**9.2**	8.8
Finished goods	**111.7**	106.8
Advance payments	**0.2**	0.5
Gross value of inventories	**141.2**	136.2
Write-down to the carrying value of inventories	**-21.8**	-18.2
Total, Dec 31	**119.4**	118.0

18. Trade and other receivables

EUR million	2013	2012
Trade receivables	**125.4**	101.0
Derivatives		0.4
Other receivables	**4.4**	6.5
Prepaid expenses and accrued income	**8.7**	8.2
Total, Dec 31	**138.5**	116.0

Aging of trade receivables

EUR million	2013	2012
Not fallen due	**104.6**	85.3
1–30 days past due	**17.5**	14.4
31–60 days past due	**2.5**	2.1
61–90 days past due	**0.8**	0.9
91–120 days past due	**0.4**	0.4
Over 120 days past due	**3.9**	1.1
Less provision for bad debts, Dec 31	**-4.4**	-3.2
Total, Dec 31	**125.4**	101.0

Trade receivables in currencies

EUR million	2013	2012
Danish Krones (DKK)	**13.3**	5.7
Euros (EUR)	**46.1**	37.8
Norwegian Krones (NOK)	**3.8**	5.7
Swedish Kronas (SEK)	**13.4**	7.5
United Kingdom Pounds (GBP)	**2.5**	3.1
US Dollars (USD)	**29.4**	31.7
Other currencies	**16.9**	9.4
Total, Dec 31	**125.4**	101.0

Trade receivables are widely spread geographically. The biggest customers are major retailers with solid credit ratings. Credit loss risks are estimated to be moderate. The maximum exposure to credit risk is the carrying amount of the trade receivables.

19. Share capital

Share capital and treasury shares

	2013	2012	**2013**	2012
	pcs 1,000	pcs 1,000	EUR million	EUR million
Share capital				
Jan 1	82,023.3	82,023.3	77.5	77.5
Cancellation of treasury shares	-118.1			
Share capital, Dec 31	**81,905.2**	82,023.3	**77.5**	77.5

	2013	2012	**2013**	2012
	pcs 1,000	pcs 1,000	EUR million	EUR million
Treasury shares				
Jan 1	118.1	118.1	0.9	0.9
Cancellation	-118.1		-0.9	
Treasury shares, Dec 31	**0.0**	118.1	**0.0**	0.9

In February 2013, the Board of Directors decided to cancel all 118.1 thousand treasury shares held by the company, equaling 0.14% of the shares of the company.

Number of shares and votes

	Dec 31, 2013			Dec 31, 2012		
	Number of shares	Number of votes	Share capital EUR	Number of shares	Number of votes	Share capital EUR
Shares (1 vote/share)	81,905,242	81,905,242	77,510,200	82,023,341	82,023,341	77,510,200
Total	**81,905,242**	**81,905,242**	**77,510,200**	82,023,341	82,023,341	77,510,200

Fiskars Corporation has a single class of shares. Shares have no nominal value.

20. Finance

Non-current interest bearing debt

	2013		2012	
EUR million	Fair value	Carrying amount	Fair value	Carrying amount
Loans from credit institutions	**52.6**	**52.6**	63.9	63.9
Financial leasing debt	**3.6**	**3.6**	5.5	5.5
Total, Dec 31	**56.2**	**56.2**	69.3	69.3

All interest-bearing debts are valued at amortized cost. The fair values of interest-bearing debts have been calculated by discounting the cash flow of the debt by the market rate at the end of reporting period (fair value hierarchy level 2).

Finance lease debt

EUR million	2013	2012
Finance lease liabilities are payable as follows:		
Less than one year	**2.1**	2.1
Between one and five years	**3.8**	5.0
More than five years	**0.3**	1.4
Minimum lease payments in total	**6.2**	8.5

EUR million	2013	2012
Minimum lease payments, principal:		
Less than one year	**1.7**	1.6
Between one and five years	**3.3**	4.1
More than five years	**0.3**	1.3
Present value of minimum finance lease payments	**5.2**	7.1
Future finance charges	**0.9**	1.5

Current interest bearing debt

	2013		2012	
EUR million	Fair value	Carrying amount	Fair value	Carrying amount
Bank overdrafts	**12.0**	**12.0**	12.9	12.9
Loans from credit institutions	**10.9**	**10.9**		
Commercial papers	**79.9**	**79.9**	5.0	5.0
Financial leasing debt	**1.7**	**1.7**	1.6	1.6
Other	**4.4**	**4.4**	0.9	0.9
Total, Dec 31	**108.8**	**108.8**	20.4	20.4

Maturity of liabilities

As of December 31, 2013 the Group has unused credit facilities EUR 450 million (430) at its disposal to guarantee its liquidity. The average maturity of the credit limit agreements as of December 31, 2013 was 3.7 years (2.9). Agreements concerning credit facilities and long term loans include among others covenants for the solidity. Incompliance with the covenants would lead to a premature expiry of the agreements. Potential default would require considerably deterioration of the solidity from the current.

2013

EUR million	2014	2015	2016	2017	2018	Later years	Total
Bank overdrafts	12.0						12.0
Commercial papers	79.9						79.9
interests	0.1						0.1
Other debt	4.4						4.4
Loans from credit institutions	10.9	22.5			30.0		63.4
interests	0.6	0.5	0.3	0.3	0.2		1.9
Financial leasing	1.7	1.1	1.0	0.6	0.6	0.3	5.2
interests	0.4	0.3	0.1	0.1	0.0	0.0	0.9
Trade payables	61.2						61.2
Derivative liabilities	1.7	1.0	0.5	0.1			3.4
Total, Dec 31	172.9	25.5	2.0	1.1	30.7	0.3	232.4
	74.5%	10.9%	0.8%	0.5%	13.2%	0.1%	100.0%

2012

EUR million	2013	2014	2015	2016	2017	Later years	Total
Bank overdrafts	12.9						12.9
Commercial papers	5.0						5.0
interests	0.0						0.0
Other debt	0.9						0.9
Loans from credit institutions		11.4	22.5			30.0	63.9
interests	1.0	1.5	1.2	0.7	0.7	0.4	5.6
Financial leasing	1.6	1.7	1.1	0.7	0.6	1.3	7.1
interests	0.5	0.4	0.3	0.1	0.1	0.0	1.5
Trade payables	49.7						49.7
Derivative liabilities	0.2	0.1	1.3			0.6	2.3
Total, Dec 31	71.9	15.1	26.4	1.6	1.4	32.4	148.8
	48.3%	10.2%	17.8%	1.0%	0.9%	21.8%	100.0%

Sensitivity analysis of currency exposure

The exchange rate sensitivity analysis in accordance with IFRS 7 has been carried out by examining how the profit before taxes or consolidated group equity would be impacted by a 10% devaluation of a currency against all other currencies. Impact from a 10% appreciation of a currency against all other currencies would be opposite. The analysis of impact on profit includes internal and external foreign currency denominated financial items of the parent company in the selected currencies. Commercial cash flows consist of net foreign currency flows of purchases and sales estimated to take place during the following year by the business units and hedged internally. Financial items include foreign currency denominated loans, deposits and external derivatives. The selected currencies represent approximately 90% of the commercial net foreign currency flows. The sensitivity analysis on the group consolidated equity illustrates translation risk related to the foreign currency denominated equity.

	2013			2012		
	Impact on result before taxes			Impact on result before taxes		
EUR million	Estimated commercial cash flows	Other financial items	Impact on group equity	Estimated commercial cash flows	Other financial items	Impact on group equity
GBP	**-0.9**	**0.9**	**2.4**	-0.5	0.5	1.3
JPY	**-0.8**	**0.8**	**-0.9**			
NOK	**-1.5**	**1.5**	**-1.2**	-1.5	1.5	-1.9
SEK	**-2.3**	**2.3**	**-3.0**	-2.0	2.1	-2.1
THB	**1.4**	**-1.4**	**-0.3**	0.7	-0.7	0.0
USD	**2.8**	**-2.8**	**-6.0**	2.7	-2.8	-3.5

Average interest rates and sensitivity analysis of interest expenses

The sensitivity of interest expenses on changes in interest rates has been presented by simulating a permanent one percentage unit raise in interest rates at the end of the reporting year. The Corporation's net interest bearing debt as of December 31, 2013 was EUR 152.6 million (72.4) and the average interest reset period was 14 months (11). A permanent one percentage point raise in all interest rates would increase the corporation's annual interest costs by EUR 0.8 million (0.3) assuming no change in the amount of the net debt.

The table below shows the Corporation's net interest bearing debt, currency derivatives, average interest rates on loans and interest rate sensitivity by major currencies.

2013

EUR million	EUR	USD	GBP	DKK	Other	Total
External loans and deposits	130.8	21.0	-1.3	1.0	1.0	152.6
Currency derivatives	-67.1	-51.5	33.6	60.3	24.1	-0.6
Net debt and currency derivatives	63.7	-30.5	32.3	61.4	25.1	152.0
Average interest rate on loans (p.a.)	1.5%	3.0%				
Interest rate sensitivity	0.3	-0.4	0.3	0.4	0.2	0.8

2012

EUR million	EUR	USD	GBP	DKK	Other	Total
External loans and deposits	52.1	26.8	0.2	1.1	-7.8	72.4
Currency derivatives	-4.0	-37.5	26.3	0.0	14.8	-0.4
Net debt and currency derivatives	48.1	-10.7	26.6	1.6	6.6	72.0
Average interest rate on loans (p.a.)	1.8%	3.0%				2.2%
Interest rate sensitivity	0.1	-0.2	0.3	0.0	0.0	0.3

Nominal amounts of derivatives

EUR million	**2013**	2012
Derivatives not designated in hedge accounting:		
Forward exchange contracts	**197.1**	107.4
Electricity forward agreements	**1.8**	2.9
Interest rate swaps	**13.4**	
Cash flow hedges:		
Interest rate swaps	**42.5**	32.5

Fair value of derivatives

EUR million	**2013**	2012
Derivatives not designated in hedge accounting:		
Forward exchange contracts	**-0.6**	0.4
Electricity forward agreements	**-0.4**	-0.4
Interest rate swaps	**-1.2**	
Cash flow hedges:		
Interest rate swaps	**-1.3**	-1.9

The fair values of derivatives have been determined by using generally accepted valuation techniques supported by observable market data (fair value hierarchy level 2). Derivatives are recognised at fair value through profit and loss except for cash flow hedges, which are recorded in equity.

Maturity of derivatives

2013

EUR million	2014	2015	Later years	Total
Forward exchange contracts	197.1			197.1
Electricity forward agreements	0.8	0.8	0.2	1.8
Interest rate swaps		22.5	33.4	55.9
Total, Dec 31	197.9	23.3	33.6	254.8

2012

EUR million	2013	2014	Later years	Total
Forward exchange contracts	107.4			107.4
Electricity forward agreements	1.1	0.9	0.9	2.9
Interest rate swaps			32.5	32.5
Total, Dec 31	108.5	0.9	33.4	142.8

Fair value of financial instruments

2013

EUR million	Level 1	Level 2	Level 3	Total
Investments at fair value through profit and loss	0.3		10.2	10.5
Other investments			3.9	3.9
Total assets	0.3		14.1	14.4
Derivative liabilities		3.4		3.4
Total liabilities		3.4		3.4

2012

EUR million	Level 1	Level 2	Level 3	Total
Investments at fair value through profit and loss			9.7	9.7
Other investments			0.8	0.8
Derivative assets		0.4		0.4
Total assets		0.4	10.5	10.9
Derivative liabilities		2.3		2.3
Total liabilities		2.3		2.3

For the definition of fair value category levels please see the accounting principles in note 1.

Financial risk management

Financial risks are managed by Corporate Treasury, in accordance with a set of risk management principles approved by the Board of Directors.

Currency risk

Currency risk is linked to changes in the value of Fiskars' cash flows, its balance sheet, and/or its competitiveness resulting from changes in exchange rates. Fiskars' currency position is split between its transaction position and translation position, both of which are managed separately.

Transaction risk

Transaction risk results from the possibility that the value of expected cash flow denominated in a particular currency may change as a result of changes in exchange rates. The objective of Fiskars' approach to managing its transaction risk is to reduce the impact of changes in exchange rates on the Group's budgeted profitability and cash flows. Business units are responsible for managing the currency risks associated with their projected and agreed commercial cash flows. Units hedge their exposure using currency forwards with the Corporate Treasury.

Transaction risk is measured by net of the Group's commercial and financial receivables and liabilities denominated in foreign currencies. The net position is hedged by currency derivatives in accordance with the Treasury Policy approved by the Board of Directors. Currency forwards and swaps are the most widely used instruments in hedging currency risks. Derivatives are used solely for hedging purposes.

Less than 20% of Fiskars' commercial cash flows are exposed to fluctuations in foreign exchange rates. The most significant risks relate to the depreciation of SEK and NOK against EUR and appreciation of USD and THB against EUR. Higher levels of imports indirectly expose Fiskars to risks linked to changes in the local currencies of its suppliers, of which the most important is the Chinese renminbi.

Fiskars does not apply hedge accounting as defined under IAS 39 for transaction risk purposes. All gains and losses made on currency derivatives are booked in the income statement. If hedge accounting had been applied to currency derivatives Fiskars' consolidated profit before tax for 2013 would have been EUR 0.9 million above the reported figure (0.6 million above).

Translation risk

Translation risk refers to the impact that changes in exchange rates can have on the consolidated balance sheet, and which can affect the value of balance sheet assets, equity, and debt liabilities. In addition to balance sheet values, changes in exchange rates can also result in changes in key indicators, such as equity ratio and gearing. In 2013 Fiskars Group's translation risk was not significant and it was not hedged. The currency distribution of the Group's balance sheet is monitored regularly.

Interest rate risk

Interest rate risk refers to possible changes in cash flow or in the value of assets or liabilities resulting from changes in interest rates. Interest rate risk is measured by the average reset period of interest rates of financial assets and liabilities. The average reset period reflects the time it takes on average for the change in interest rates to effect on the interest costs of net debt portfolio. The risk is quantified in monetary terms as the change in interest costs during the observation period caused by a permanent one percentage point rise in interest rates. The shorter the average reset period, the more unpredictable are the interest costs and thus the higher the interest rate risk.

Derivatives are used in the management of interest rate risks. The objective is to maintain the average reset period within the agreed limits of 4 to 18 months as set in the Treasury Policy. As of December 31, 2013 the nominal amount of outstanding interest rate derivatives was EUR 55.9 million (32.5).

The Group's interest-bearing net debt as of December 31, 2013 was EUR 152.6 million (72.4). 61% (44%) of the net debt was linked to variable interest rates and including effect from interest rates derivatives 39% (56%) to fixed interest rates. The average interest rate reset period of interest-bearing debt was 14 months (11).

Sensitivity of interest expenses on changes in market rates has been calculated by assuming permanent one percentage unit increase change in market rates and assuming no change in the net debt during the year. The calculated impact on the consolidated result before tax would be EUR 0.8 million (0.3) in 2014.

Liquidity and re-financing risk

Liquidity risk refers to the possibility of the Group's financial assets proving insufficient to cover its business needs or a situation in which arranging such funding would result in substantial additional costs. The objective of liquidity management is to maintain an optimal amount of liquidity to fund the business operations of the Group at all times while minimizing interest costs. Liquidity is considered to be the sum of cash and cash equivalents and available committed credit lines.

Re-financing risk refers to the possibility of such a large amount of liabilities falling due over such a short space of time that the re-financing needed might be unavailable or prohibitively expensive. The objective is to minimize the re-financing risk by diversifying the maturity structure of the debt portfolio.

The Group has extensive unused credit facilities at its disposal to guarantee its liquidity. As of the end of the year, the aggregate of unutilized committed revolving credit facilities and overdraft facilities totaled EUR 466.0 million (442.1). In addition, the Group's parent company in Finland has a commercial paper program with a number of leading banks amounting to EUR 400.0 million, of which EUR 80.0 million (5.0) was utilized as of the end of the year.

Commodity risk

Fiskars may use derivatives to hedge its exposure to commodity price fluctuations where appropriate. As of the end of the year, the Group held no commodity derivative contracts other than electricity futures with a nominal value of EUR 1.8 million (2.9) recognized at market value through the Income Statement.

Credit risk

Corporate Treasury is responsible for evaluating and monitoring financial counterparty risk. The Group minimizes this risk by limiting its counterparties to a limited number of major banks and financial institutions and by working within agreed counterparty limits. Business units are responsible for monitoring customer credit risks. The Group's clientele is extensive and even the largest customer represent less than 10% of the outstanding receivables. As of the end of the year, the Group's sales receivables totaled EUR 125.1 million (101.0), and the financial statements include provisions for bad debts related to sales receivables totaling EUR 4.4 million (3.2).

Management of capital

Fiskars is not subject to any externally imposed capital requirements (other than eventual local company law requirements effective in the jurisdictions where Fiskars Group Companies are active).

The Group's objectives when managing capital are:

- to safeguard the Corporation's capacity to fund its operations and take care of its obligations under all business conditions.
- to maintain a balanced business and investment portfolio that provides return both on short and long term to its shareholders.
- to maintain possibilities to act on potential investment opportunities.

21. Employee benefit obligations

Most of Fiskars Group's pension plans are defined contribution plans. The defined benefit plans in the US, Great Britain and Germany are closed plans, and future pay increases will not impact the valuation. The Group also has supplementary pension plans in Finland which are classified as defined benefit plans. Authorized actuaries have performed the actuarial calculations for the defined benefit plans. The Group is responsible for some post-employment benefits in Italy, but the liabilities recorded are final and as such they are classified as defined contribution plans.

The main non-funded plans are in US and Germany. Plans in Finland and Norway are taken care of by local pension insurance companies. The Group estimates its contributions to the plans during 2014 to be EUR 1.1 million.

EUR million	**2013**	2012
Liabilities for post-employment benefits*	**2.7**	1.6
Defined benefit pension liabilities**	**5.9**	5.7
Pension liability total	**8.6**	7.3

* The liabilities for post-employment benefits: Italy EUR 1.3 (1.3) and Other 1.4 (0.3) million.

** The defined benefit liabilities consist of Germany EUR 1.2 (1.3), Norway -0.1 (-0.8), UK 0.0 (-0.2), USA 4.5 (5.2), Finland 0.1 (0.2) million and Thailand 0.1 million.

Amounts as of December 31

EUR million	**2013**	2012	2011	2010	2009
Defined Benefit Obligation	**20.1**	25.2	26.1	26.4	27.1
Plan assets*	**14.3**	19.5	19.6	19.7	20.0
Deficit/(Surplus) in the plan	**5.9**	5.7	6.5	6.7	7.1

* Not including the surplus of EUR 2.2 million in UK due to asset ceiling in year 2013.

Charasteristics of the defined benefit plans and risks associated with them

Plan	Description and risks
Finland	There are 50 eligible members in the Finnish pension plans. The plans are either funded insured pension plans, which are closed, or unfunded pension promises. Benefits of the plans are old age pension, disability pension, survivor's pension and funeral grant. Pension increases are based on either insurance companies' own indexes or TyEL index. Main risks are changes in bond yields, increase in life expectancy and inflation risk.
Germany	There are 92 eligible members in the German pension plans. The plans are either unfunded individual pension promises, or unfunded pension plans, which are closed. Benefits of the plans are old age pension, disability pension and widow's/widower's pension. Pension increases, if any, are based on inflation. Main risks are changes in bond yields, increase in life expectancy and inflation risk.
Thailand	There are 404 eligible members in the Thai pension plan, which is a retirement benefit plan. Benefit of the plan is severance pay. There are no pension increases. Main risks are changes in bond yields and inflation risk.

Norway	There are 18 eligible members in the Norwegian pension plans. The plans are either funded insured pension plans, or unfunded pension plans, both of which are closed. Benefits of the plans are old age pension, disability pension, widow's/widower's pension, children's pension and early retirement. There are no guaranteed minimum pension increases. Main risks are changes in bond yields, increase in life expectancy and inflation risk.
UK	There are 180 eligible members in the British pension plan, which is a closed pension fund. The plan has surplus (asset) of EUR 2.2 million at end of 2013, which is not recognized as an assets due to asset ceiling. Benefits of the plan are old age pension, early retirement pension, widow's/widower's pension and death benefit. Pension increases are based on inflation. Main risks are asset volatility, changes in bond yields, increase in life expectancy and inflation risk.
USA	There is 1 eligible member in the American pension plan, which is an unfunded pension promise. Benefits of the plan are old age pension and widow's/widower's pension. There are no pension increases. Main risks are changes in bond yields and increase in life expectancy.

Changes in Defined Benefit Obligation and Plan Assets:

EUR million	**2013**	2012
Change in defined benefit obligation:		
Defined benefit obligation at the beginning of the year	**25.2**	26.1
Translation difference	**-1.1**	0.5
Service cost	**0.0**	0.0
Interest cost	**0.9**	1.0
Actuarial (gain)/loss, total, arising from:	**-0.3**	1.8
Demographic assumptions	**0.0**	0.1
Financial assumptions	**0.2**	1.7
Experience assumptions	**-0.5**	-0.0
Settlements	**-3.7**	-2.7
Other changes	**0.1**	-0.0
Benefits paid	**-1.0**	-1.6
Defined benefit obligation, Dec 31	**20.1**	25.2
Changes in plan assets:		
Fair value of plan assets at the beginning of the year	**19.5**	19.6
Translation difference	**-1.0**	0.6
Interest on plan assets	**0.7**	0.9
Return on plan assets excluding interest income	**1.6**	0.4
Benefits paid	**-1.0**	-1.6
Employer contributions	**1.1**	1.2
Settlements	**-4.2**	-1.3
Other changes	**-0.2**	-0.4
Fair value of plan assets, Dec 31	**16.5**	19.5

Amounts recognized in the balance sheet

EUR million	**2013**	2012
Defined Benefit Obligation	**-20.1**	-25.2
Defined Benefit Obligation that is Wholly Unfunded	**-5.8**	-6.7
Defined Benefit Obligation that is Wholly or Partly Funded	**-14.3**	-18.5
Fair Value of Plan Assets	**16.5**	19.5
Funded Status	**-3.6**	-5.7
Unrecognised asset due to asset ceiling	**-2.2**	
Net defined pension benefit liability at Dec 31	**-5.9**	-5.7

Amounts recognized in the income statement

EUR million	**2013**	2012
Service cost	**-0.6**	-0.8
Net interest cost	**-0.2**	0.1
Administration cost	**-0.0**	
Total	**-0.8**	-0.7

Amounts recognized directly in other comprehensive income

EUR million	**2013**	2012
Actuarial gain/(loss)	**0.3**	-1.2
Return on plan assets excluding interest income	**1.6**	0.4
Unrecognized asset due to asset ceiling	**-2.2**	
	-0.2	-0.8
Deferred tax on changes in obligations and assets	**0.0**	0.3
Change recognized in associated company net of tax	**-5.6**	-1.0
Total	**-5.8**	-1.6

Plan assets by asset category

2013

EUR thousand	UK	Norway	Finland	**Total**
Equity instruments	13,568	59		**13,627**
Bonds	1,893	333		**2,226**
Property	237	64		**301**
Insurance contracts			206	**206**
Cash and cash equivalents		54		**54**
Other	79	27		**106**
Total	**15,777**	**537**	**206**	**16,520**

2012

EUR thousand	UK	Norway	Finland	Total
Equity instruments	9,279	1,017		10,296
Bonds	3,049	3,229		6,278
Property	265	897		1,162
Insurance contracts			231	231
Cash and cash equivalents		598		598
Other	663	239		902
Total	13,256	5,980	231	19,467

Principal actuarial assumptions at the balance sheet date

Discount rate

%	2013	2012
Great Britain	**4.3**	4.4
Germany	**3.2**	3.0
Finland	**3.4**	3.0
United States	**4.0**	3.1
Norway	**4.1**	2.2
Thailand	**4.8**	

Inflation rate

%	2013	2012
Great Britain	**3.4**	2.8
Germany	**2.0**	2.0
Finland	**2.0**	2.0
United States	**n/a**	n/a
Norway	**1.8**	1.8
Thailand	**5.0**	

Future salary increases

%	2013	2012
Great Britain	**n/a**	n/a
Germany	**0.0**	0.0
Finland	**2.5**	2.5
United States	**n/a**	n/a
Norway	**3.8**	3.3
Thailand	**6.0**	

Future pension increases

%	2013	2012
Great Britain	**0-3.35**	0–2.75
Germany	**2.0**	2.0
Finland	**2.1**	2.1
United States	**0.0**	0.0
Norway	**0.6**	0.0
Thailand	**n/a**	

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as shown below. Sensitivity analysis is presented for Fiskars group and the relevant entities relating to risks.

	Dec 31, 2013	
	Defined benefit obligation	
EUR thousand	Increase	Decrease
Great Britain		
Discount rate (0.5% change)	-555	596
Future salary (0.5% change)		
Future pension (0.25% change)	338	-325
Mortality (5% change)	-189	203
Duration of the Defined benefit obligation: 18.0		
United States		
Discount rate (0.5% change)	-190	203
Future salary (0.5% change)		
Future pension (0.25% change)		
Mortality (5% change)	-63	63
Duration of the Defined benefit obligation: 8.4		
Other Fiskars, total		
Discount rate (0.5% change)	-108	118
Future salary (0.5% change)	16	-15
Future pension (0.25% change)	38	-37
Mortality (5% change)	-36	38
Fiskars, total		
Discount rate (0.5% change)	-846	906
Future salary (0.5% change)	20	-20
Future pension (0.25% change)	383	-363
Mortality (5% change)	-282	302
The weighted average of the duration of the defined benefit obligation: 15.1		

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

22. Provisions

2013

Long-term provisions

EUR million	Warranty provision	Restructuring provision	Onerous contracts and other provisions	Total
Provisions, Jan 1	0.8	1.0	2.1	3.9
Translation differences	-0.0	-0.0	-0.0	-0.1
Additions	0.2		4.4	4.6
Used provisions	-0.1	0.2	-2.4	-2.3
Change in estimates	0.1	0.0	-0.4	-0.2
Reversals	0.3		-0.3	0.0
Provisions, Dec 31	**1.3**	**1.2**	**3.5**	**5.9**

Short-term provisions

EUR million	Warranty provision	Restructuring provision	Onerous contracts and other provisions	Total
Provisions, Jan 1	1.1	0.6	0.9	2.6
Translation differences	-0.0	-0.0	0.0	-0.1
Additions	1.7	1.5	0.3	3.5
Used provisions		-0.1		-0.1
Change in estimates	0.3	-0.0		0.2
Reversals	-0.4		-0.4	-0.8
Provisions, Dec 31	**2.6**	**2.0**	**0.7**	**5.2**

2012

Long-term provisions

EUR million	Warranty provision	Restructuring provision	Onerous contracts and other provisions	Total
Provisions, Jan 1	0.9	2.4	2.4	5.6
Translation differences	0.0	0.0	0.0	0.1
Additions	0.1	0.1	0.1	0.2
Used provisions		-1.5	-0.1	-1.6
Change in estimates	-0.1			-0.1
Reversals			-0.3	-0.3
Provisions, Dec 31	0.8	1.0	2.1	3.9

Short-term provisions

EUR million	Warranty provision	Restructuring provision	Onerous contracts and other provisions	Total
Provisions, Jan 1	1.0	0.6	0.5	2.1
Translation differences	-0.0	-0.0	-0.0	-0.0
Additions	0.2	1.2	0.4	1.8
Used provisions	-0.1	-1.1		-1.2
Change in estimates				0.0
Reversals		-0.1		-0.1
Provisions, Dec 31	1.1	0.6	0.9	2.6

23. Trade and other payables

EUR million	**2013**	2012
Trade payables	**61.2**	49.7
Other debt	**16.1**	12.9
Accrued expenses and deferred income:		
Interest payable	**1.4**	1.4
Wages, salaries and social costs	**33.1**	32.0
Customer rebates and commissions	**25.8**	23.5
Other	**34.4**	37.1
Total, Dec 31	**172.0**	156.6

Other accrued expenses and deferred income comprise periodization of bought materials and supplies, annual rebates for clients and other accrued items.

24. Commitments

Operating lease obligations

EUR million	**2013**	2012
Payments next year	**18.2**	12.8
Payments between one and five years	**32.9**	25.6
Payments later	**2.6**	2.9
Total, Dec 31	**53.8**	41.3

Contingencies and pledged assets

EUR million	**2013**	2012
Guarantees as security for subsidiaries' commitments	**13.9**	12.2
Lease commitments	**53.8**	41.3
Other contingencies	**2.8**	1.8
Total pledged assets and contingencies, Dec 31	**70.5**	55.2

Litigation

Fiskars is involved in a number of legal actions, claims and other proceedings. The final outcome of these matters cannot be predicted. Taking into account all available information to date the outcome is not expected to have material impact on the financial position of the Group.

25. Related party transactions

Fiskars has no significant transactions, liabilities or receivables with its associated company, Wärtsilä. The dividend from Wärtsilä EUR 25.6 million (26.8), has been reported as Dividends from associate in the Consolidated Statement of Cash Flows. The dividend was received in the first quarter of 2013. Fiskars Home Oy Ab rents real estate from its associate Koy Iittalan Lasimäki and has granted a capital loan to the company at inception.

EUR million	**2013**	2012
Rent	**0.2**	0.2
Capital loan	**0.2**	0.2

Shareholdings of the Board and key management, December 31

Includes holding of corporations under controlling power together with a family member.

		2013			2012	
	Own holdings	Holdings of controlled corporations	Total	Own holdings	Holdings of controlled corporations	Total
Bergh Kaj-Gustaf	**5,000**		**5,000**	5,000		5,000
Böer Ralf	**5,677**		**5,677**	5,677		5,677
Ehrnrooth Alexander	**1,630,000**	**10,275,000**	**11,905,000**	1,625,000	10,227,000	11,852,000
Ehrnrooth Paul	**8,205**	**9,095,406**	**9,103,611**	8,205	9,095,406	9,103,611
Fromond Louise	**601,135**	**8,294,050**	**8,895,185**	601,135	8,294,050	8,895,185
Gripenberg Gustaf	**243,320**	**4,057,289**	**4,300,609**	243,320	4,057,289	4,300,609
Jonasson Blank Ingrid	**0**		**0**	0		0
Slotte Karsten	**1,000**		**1,000**	1,000		1,000
Suominen Jukka	**1,500**		**1,500**	1,500		1,500
Alfthan Max	**3,300**		**3,300**	2,500		2,500
Ariluoma-Hämäläinen Nina*	**0**		**0**			
Gaggl Risto**	**0**		**0**	0		0
Karlsson Jutta	**0**		**0**	0		0
Kauniskangas Kari	**28,897**		**28,897**	28,897		28,897
Pitkänen Ilkka***	**1,750**		**1,750**	1,750		1,750
Westerlund Frans*	**0**		**0**			

The Directors and the CEO do not have any debts to the company; nor has the company given pledges or taken on other responsibilities in their names. The shareholdings of the Board and key management represent in total 41.8% of the outstanding shares of the company.

* Member of the Executive board as of September 16, 2013.

** Member of the Executive board as of November 20, 2012.

*** Member of the Executive board as of August 27, 2012.

Remuneration of the Board and key management

	2013			2012		
EUR thousand	Salaries and fees	Statutory pension	Supplementary pension*	Salaries and fees	Statutory pension	Supplementary pension*
Bergh Kaj-Gustaf	**104.2**			98.4		
Böer Ralf	**53.2**			49.0		
Ehrnrooth Alexander	**68.8**			66.7		
Ehrnrooth Paul	**68.8**			66.1		
Fromond Louise	**47.8**			49.9		
Gripenberg Gustaf	**49.8**			52.5		
Jonasson Blank Ingrid	**53.2**			49.0		
Slotte Karsten	**47.2**			46.6		
Suominen Jukka	**47.8**			49.0		
Kauniskangas Kari	**891.7**	**163.1**	**80.7**	751.3	169.3	78.0
Executive board excl. President & CEO	**1,306.9**	**192.0**	**142.5**	1,032.2	225.0	98.7
Total	**2,739.4**	**355.1**	**223.2**	2,310.5	394.3	176.7

The key management consists of the Board of Directors, the President & CEO and the members of Corporate Management Team (Executive Board). The figures are presented on an accrual basis.

* The key management has a collective supplementary pension insurance, which includes an old-age pension at the retirement age of 60 years, vested rights under certain conditions and indemnity payable at death. The amount of pension income is based on the insurance savings. The employer's contribution to the insurance plan is 20% of the preceding year's base salary of CEO and 14%–20% of the preceding year's base salary of the Executive Board excl. CEO.

26. Subsidiaries and other participations

Shares in subsidiaries

	Domicile		% of share capital	% of voting power	Nature of activities
Avlis AB	Stockholm	SE	59.7	59.7	H
Fiskamin AB	Sollentuna	SE	100.0	100.0	H
ImanCo Oy	Helsinki	FI	100.0	100.0	H
Fiskars Home Oy Ab	Helsinki	FI	0.7	0.7	P
Fiskars Home Oy Ab	Helsinki	FI	99.3	99.3	P
Fiskars (Thailand) Co., Limited	Bangkok	TH	1.0	1.0	H
Fispo Sp. z o.o.	Warsaw	PL	100.0	100.0	D
Fiskars Sweden AB	Höganäs	SE	100.0	100.0	S
Nilsjohan AB	Höganäs	SE	100.0	100.0	D
Fiskars Estonia AS	Tallinn	EE	100.0	100.0	S
iittala BV	Oosterhout	NL	100.0	100.0	S
Iittala Limited	Windsor Berkshire	GB	0.5	0.5	D
iittala BVBA	Antwerpen	BE	0.5	0.5	S
iittala BVBA	Antwerpen	BE	99.5	99.5	S
iittala GmbH	Solingen	DE	100.0	100.0	S
iittala Limited	Windsor Berkshire	GB	99.5	99.5	D
Fiskars Americas Holding Oy Ab	Raasepori	FI	100.0	100.0	H
Fiskars Brands, Inc.	Madison, Wi.	US	100.0	100.0	P
Fiskars Brands Global Holdings LLC	Madison, Wi.	US	100.0	100.0	D
Fiskars Servicios, S.A. de C.V. iL	Mexico City	MX	0.002	0.002	D
Fiskars de Mexico, S.A. de C.V.	Mexico City	MX	0.002	0.002	D
Fiskars Canada, Inc.	Toronto	CA	100.0	100.0	S
Fiskars de Mexico, S.A. de C.V.	Mexico City	MX	99.998	99.998	D
Fiskars Servicios, S.A. de C.V. iL	Mexico City	MX	99.998	99.998	D
Consumer Brands (Hong Kong) Co., Limited	Hongkong	HK	1.0	1.0	H
Chinese Representative Office	Shanghai	CN	100.0	100.0	S
Fiskars Europe Holding Oy Ab	Raasepori	FI	100.0	100.0	H
Consumer Brands (Hong Kong) Co., Limited	Hong Kong	HK	99.0	99.0	H
Fiskars (Thailand) Co.,Limited	Bangkok	TH	98.0	98.0	H
Excalibur Management Consulting (Shanghai) Co., Ltd.	Shanghai	CN	100.0	100.0	H
Fiskars Garden Oy Ab	Raasepori	FI	100.0	100.0	P
ZAO Fiskars Brands Rus	St. Petersburg	RU	100.0	100.0	P
Hungarian Branch Office	Budapest	HU	100.0	100.0	S
Fiskars Denmark A/S	Silkeborg	DK	100.0	100.0	S
Royal Copenhagen A/S	Glostrup	DK	100.0	100.0	P
Royal Copenhagen GmbH	Cologne	DE	100.0	100.0	S
Royal Copenhagen (Japan) Ltd	Tokyo	JP	100.0	100.0	S
Royal Copenhagen (USA) Inc	Poughkeepsie	US	100.0	100.0	S
Royal Copenhagen Korea Ltd	Seoul	KR	100.0	100.0	S
Royal Copenhagen Taiwan Ltd	Taipei	TW	100.0	100.0	S
Royal Copenhagen Thailand Ltd	Saraburi	TH	60.0	60.0	P

RC Heritage Center Ltd, Thailand	Saraburi	TH	100.0	100.0	P
Fiskars Deutschland GmbH	Herford	DE	100.0	100.0	D
Fiskars France S.A.S.	Wissous	FR	100.0	100.0	P
Fiskars Germany GmbH	Herford	DE	100.0	100.0	P
Fiskars Italy S.r.l.	Premana	IT	100.0	100.0	P
Fiskars Norway AS	Oslo	NO	100.0	100.0	P
Fiskars Polska Sp. z o.o.	Slupsk	PL	100.0	100.0	P
Fiskars Spain S.L.U.	Madrid	ES	100.0	100.0	S
Fiskars UK Limited	Bridgend	GB	100.0	100.0	S
Fiskars Limited	Bridgend	GB	100.0	100.0	D
Kitchen Devils Limited	Bridgend	GB	100.0	100.0	D
Vikingate Limited	Nottingham	GB	100.0	100.0	D
Richard Sankey & Son Limited	Nottingham	GB	100.0	100.0	D
Fiskars (Australia) Pty Limited	Melbourne	AU	100.0	100.0	S
Fiskars Services Oy Ab	Helsinki	FI	100.0	100.0	H
Inha Works Ltd.	Ähtäri	FI	100.0	100.0	P
Ferraria Oy Ab	Raasepori	FI	100.0	100.0	H
Kiinteistö Oy Danskog gård	Raasepori	FI	100.0	100.0	H
Ab Åbo Båtvarf - Turun Veneveistämö Oy	Turku	FI	100.0	100.0	D
Fiskars (Thailand) Co.,Limited	Bangkok	TH	1.0	1.0	H

Holding or management	H
Production and sales	P
Sales	S
Dormant	D

Shares in associates

	Number of shares	Domicile		% of share capital	% of voting power
Wärtsilä Corporation	25,641,347	Helsinki	FI	13.0	13.0

FINANCIAL INDICATORS

Five years in figures

		2013	2012	2011	2010	2009
Net sales	EUR million	**798.6**	747.8	742.5	715.9	660.3
of which outside Finland	EUR million	**657.6**	579.1	568.5	549.9	518.7
in percent of net sales	%	**82.3**	77.4	76.6	76.8	78.6
export from Finland	EUR million	**66.2**	54.5	69.1	77.9	89.3
Percentage change of net sales	%	**6.8**	0.7	3.7	8.4	-5.3
Gross profit	EUR million	**323.2**	274.6	259.2	253.6	221.1
in percent of net sales	%	**40.5**	36.7	34.9	35.4	33.5
Operating profit (EBIT)	EUR million	**61.0**	63.9	52.8	49.1	39.5
in percent of net sales	%	**7.6**	8.5	7.1	6.9	6.0
Operating profit excluding non-recurring items	EUR million	**74**	63	62	60	40
Share of profit from associates	EUR million	**50.8**	47.8	42.7	65.9	66.5
Change in fair value of biological assets	EUR million	**0.7**	5.6	-1.0	-2.2	-0.4
Financial items net	EUR million	**-4.2**	83.2	67.4	-6.3	-14.2
in percent of net sales	%	**-0.5**	11.1	9.1	-0.9	-2.2
Profit before taxes	EUR million	**108.3**	200.4	161.8	106.7	91.4
in percent of net sales	%	**13.6**	26.8	21.8	14.9	13.8
Income tax (continuing operations)	EUR million	**-14.3**	-21.5	-5.5	-12.4	-7.9
Profit for the period attributable to the equity holders of the company	EUR million	**93.7**	178.9	156.3	94.3	83.5
in percent of net sales	%	**11.7**	23.9	21.1	13.2	12.7
Non-controlling interests' share of profit	EUR million	**0.3**				-0.0
Employee benefits	EUR million	**202.1**	173.3	171.7	172.8	165.3
Depreciation, amortization and impairment	EUR million	**29.2**	21.9	21.5	34.9	28.1
in percent of net sales	%	**3.7**	2.9	2.9	4.9	4.3
Cash flow from operating activities	EUR million	**81.0**	95.0	107.4	92.6	121.0
Capital expenditure (incl. acquisitions)	EUR million	**37.5**	32.7	24.4	18.5	14.5
in percent of net sales	%	**4.7**	4.4	3.3	2.6	2.2
Research and development costs in income statement	EUR million	**13.3**	10.3	8.6	8.5	8.9
in percent of net sales	%	**1.7**	1.4	1.2	1.2	1.3
Capitalized development costs	EUR million	**0.7**	1.1	1.5	1.3	0.4
Equity attributable to equity holders of the company	EUR million	**631.8**	618.9	554.3	553.5	504.8
Non-controlling interest	EUR million	**0.9**				
Equity total	EUR million	**632.7**	618.9	554.3	553.5	504.8
Net interest bearing liabilities	EUR million	**152.6**	72.4	150.8	200.0	235.7
Working capital	EUR million	**88.3**	71.4	82.7	101.2	102.6
Balance sheet total	EUR million	**1,039.1**	935.4	940.2	979.0	973.3
Return on investment	%	**15.1**	28.9	22.6	14.8	13.6
Return on equity	%	**15.0**	30.5	28.2	17.8	17.6
Equity ratio	%	**60.9**	66.2	59.0	56.5	51.9
Net gearing	%	**24.1**	11.7	27.2	36.1	46.7
Personnel (FTE), average		**4,087**	3,364	3,545	3,612	3,867
Personnel, end of period		**4,330**	3,449	3,574	3,944	3,742
of which outside Finland		**2,748**	1,839	2,072	1,904	2,111

Share related figures

		2013	2012	2011	2010	2009
Share capital	EUR million	**77.5**	77.5	77.5	77.5	77.5
Earnings per share (basic and diluted)	EUR/share	**1.14**	2.18	1.91	1.15	1.05
continuing operations	EUR/share	**1.14**	2.18	1.91	1.15	1.05
Dividend per share*	EUR/share	**0.67***	0.65	1.37	1.90	0.52
Dividend	EUR million	**54.9**	53.2	112.2	155.6	42.6
Equity per share	EUR/share	**7.71**	7.56	6.77	6.76	6.16
Adjusted average price	EUR/share	**18.20**	16.00	16.92	13.94	8.25
Adjusted lowest price per share	EUR/share	**16.20**	13.60	10.99	10.52	5.32
Adjusted highest price per share	EUR/share	**19.70**	17.49	22.05	17.45	11.10
Adjusted price per share, Dec 31	EUR/share	**19.55**	16.69	13.94	17.33	10.62
Market value of shares	EUR million	**1,601.2**	1,367.0	1,141.8	1,419.5	869.9
Number of shares, 1,000 pcs		**81,905.2**	82,023.3	82,023.3	82,023.3	82,023.3
Number of treasury shares, 1,000 pcs			118.1	118.1	112.6	112.6
Number of shares traded, 1,000 pcs		**3,042.1**	4,883.3	5,730.3	6,626.0	4,406.8
Price per earnings		**17.1**	7.7	7.3	15.1	10.1
Dividend per earnings in percent		**58.8**	29.8	71.9	165.3	51.0
Dividend yield in percent		**3.4**	3.9	9.8	11.0	4.9
Number of shareholders, Dec 31		**16,352**	16,148	15,339	12,213	11,916

* Board's proposal.

Basic and diluted earnings per share are equal, as the company has no potential ordinary shares.

Calculation of financial indicators

Earnings before depreciation and amortization = Operating profit + depreciation and amortization + impairment

Return on investment in % = $$\frac{\text{Profit for the period + income taxes + interest and other financial expenses}}{\text{Equity, total + interest-bearing liabilities (average of beginning and end of year amounts)}} \times 100$$

Return on equity in % = $$\frac{\text{Profit for the period}}{\text{Equity, total (average of beginning and end of year amounts)}} \times 100$$

Equity ratio in % = $$\frac{\text{Equity, total}}{\text{Balance sheet total}} \times 100$$

Net gearing in % = $$\frac{\text{Interest-bearing liabilities - interest-bearing receivables - cash and bank}}{\text{Equity, total}} \times 100$$

Earnings per share = $$\frac{\text{Profit attributable to equity holders of the company}}{\text{Weighted average number of outstanding ordinary shares}}$$

Earnings per share from continuing activities = $$\frac{\text{Profit from continuing activities attributable to equity holders of the company}}{\text{Weighted average number of outstanding ordinary shares}}$$

Equity per share = $$\frac{\text{Equity attributable to equity holders of the company}}{\text{Number of outstanding ordinary shares}}$$

Adjusted average share price = $$\frac{\text{Value of shares traded during the period}}{\text{Number of shares traded during the period, adjusted for emissions}}$$

Market capitalization = Number of outstanding ordinary shares Dec 31 x market quotation Dec 31

Price per earnings (P/E) = $$\frac{\text{Market quotation per share, Dec 31}}{\text{Earnings per share}}$$

Dividend per earnings in % = $$\frac{\text{Dividend paid}}{\text{Profit attributable to equity holders of the company}} \times 100$$

Dividend per share = $$\frac{\text{Dividend paid}}{\text{Number of outstanding shares, Dec 31}}$$

Dividend yield in % = $$\frac{\text{Dividend per share}}{\text{Market quotation, Dec 31 adjusted for emissions}} \times 100$$

SHARES

Information on the share

Fiskars Corporation's shares are traded in the Large Cap segment of NASDAQ OMX Helsinki Ltd. The Company has one series of shares FIS1V. All shares carry one vote each and have equal rights.

The total number of shares at the end of 2013 was 81,905,242 (82,023,341). The share capital remained unchanged in 2013 at EUR 77,510,200.

Share details

Market	NASDAQ OMX Helsinki
ISIN	FI0009000400
Trading code	FIS1V (OMX)
Segment	OMXH Large Cap
Industry	3000 Consumer Goods
Supersector	3700 Personal & Household Goods
Shares as of Dec 31, 2013	81,905,242

Fiskars share price

EUR, Jan 1, 2009–Dec 31, 2013

Treasury shares

In February 2013, the Board of Directors decided that all 118,099 treasury shares held by the company, equaling 0.14% of the shares of the company, would be cancelled. The cancellation did not affect the company's share capital.

The cancellation was registered with the Finnish Trade Register on February 7, 2013, after which the number of Fiskars' shares and votes now totals 81,905,242.

Board authorizations

The Annual General Meeting decided to authorize the Board to acquire a maximum of 4,000,000 Fiskars' own shares and convey a maximum of 4,000,000 Fiskars' own shares. The Board may also decide on the acquisition and conveyance of shares in derogation of the pre-emptive right of shareholders to company shares. Both authorizations will remain in force until June 30, 2014.

Changes in the number of shares, 2009–2013

	Total	
Total shares, Dec 31, 2009	82,023,341	
Total shares, Dec 31, 2010	82,023,341	
Total shares, Dec 31, 2011	82,023,341	
Total shares, Dec 31, 2012	82,023,341	
Feb 15, 2013	-118,099	Cancellation of treasury shares
Total shares, Dec 31, 2013	81,905,242	
Treasury shares	0	

SHAREHOLDERS

Fiskars Corporation had 16,352 (16,148) shareholders as of the end of the year. Approximately 2.1% (2.1) of the share capital was owned by foreign or nominee-registered shareholders.

Management shareholding

On December 31, 2013, the Board members, the President & CEO and the members of Corporate Management Team (Executive Board) and the companies where they have a controlling interest together with a family member, owned a total of 34,255,529 shares corresponding to 41.8% of the Company's shares and votes. The Company did not have any share option programs.

Share ownership, December 31, 2013

	Number of shareholders	%	Number of shares and votes	%
Private companies	615	3.76	32,298,251	39.43
Financial and insurance institutions	27	0.17	1,698,158	2.08
Public sector organizations	11	0.07	4,382,010	5.35
Households	15,372	94.01	31,516,238	38.48
Non-profit organizations	212	1.30	10,319,461	12.60
Foreigners	115	0.70	435,229	0.53
Nominee registered			1,255,895	1.53
Total	16,352	100.00	81,905,242	100.00

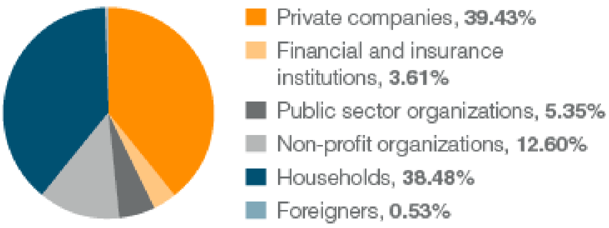
Distribution of shares, December 31, 2013

Number of shares	Number of shareholders	%	Number of shares and votes	%
1—100	5,862	35.85	344,139	0.42
101—500	6,392	39.09	1,689,420	2.06
501—1,000	1,869	11.43	1,439,904	1.76
1,001—10,000	1,933	11.82	5,334,416	6.51
10,001—100,000	225	1.38	5,833,348	7.12
100,001—1,000,000	57	0.35	18,895,016	23.07
1,000,001—	14	0.09	48,368,999	59.06
Total	16,352	100.00	81,905,242	100.00

Major shareholders, December 31, 2013

		Total shares	% of shares and votes
1	Virala Oy Ab	10,275,000	12.55
2	Turret Oy Ab	9,095,406	11.10
3	Holdix Oy Ab	8,294,050	10.13
4	I.A. von Julins Sterbhus	2,689,120	3.28
5	Sophie von Julins Foundation	2,551,791	3.12
6	Varma Mutual Pension Insurance Company	2,469,326	3.01
7	Oy Julius Tallberg Ab	2,408,049	2.94
8	Ehrnrooth Albert	1,630,372	1.99
9	Ehrnrooth Alexander	1,630,000	1.99
10	Ehrnrooth Jacob	1,626,929	1.99
11	Fromond Elsa	1,623,926	1.98
12	Ehrnrooth Sophia	1,536,230	1.88
13	Ilmarinen Mutual Pension Insurance Company	1,525,871	1.86
14	Stiftelsen för Åbo Akademi	1,012,929	1.24
15	Wrede Sophie	821,790	1.00
16	Hartwall Peter	748,450	0.91
17	Lindsay von Julin & Co Ab	733,320	0.90
18	Therman Anna Maria Elisabeth	722,436	0.88
19	Gripenberg Margareta	628,974	0.77
20	Åberg Albertina	628,679	0.77
20 major shareholders		52,652,648	64.28

Shareholders, 31 Dec 2013
%



PARENT COMPANY FINANCIAL STATEMENTS, FAS

Parent company income statement

EUR	Note	2013		2012	
Net sales	2	**25,152,433.21**		25,962,621.01	
Cost of goods sold	4	**-3,395,767.13**		-3,927,128.83	
Gross profit		**21,756,666.08**	**86%**	22,035,492.18	85%
Administration expenses	4	**-15,408,460.72**		-18,796,184.84	
Other operating income	3	**60,620.46**		225,550.48	
Other operating expenses	4	**-24,720.35**		-17,506.59	
Operating profit		**6,384,105.47**	**25%**	3,447,351.23	13%
Financial income and expenses	7	**81,948,269.76**		428,965,488.50	
Profit (loss) before extraordinary items		**88,332,375.23**		432,412,839.73	
Extraordinary items	8	**13,431,400.00**		13,981,208.03	
Profit (loss) before appropriations and taxes		**101,763,775.23**		446,394,047.76	
Appropriations		**216,548.03**		402,847.14	
Income taxes	9	**-5,031,426.66**		-4,564,796.68	
Profit (loss) for the period		**96,948,896.60**		442,232,098.22	

Parent company balance sheet

EUR	Note	Dec 31, 2013		Dec 31, 2012	
Assets					
NON-CURRENT ASSETS					
Intangible assets	10	**523,280.91**		492,794.31	
Tangible assets	11				
Land and water		**15,487,691.33**		15,456,681.34	
Buildings		**13,604,856.42**		13,983,471.06	
Machinery and equipment		**1,316,347.96**		1,233,656.44	
Construction in progress		**515,135.27**		462,376.38	
Tangible assets total		**30,924,030.98**		31,136,185.22	
Investments	12				
Holdings in subsidiaries		**827,309,797.36**		880,487,444.36	
Receivables from subsidiaries		**3,700,000.00**		2,174,300.00	
Other shares		**6,057,492.53**		6,326,313.57	
Investments total		**837,067,289.89**		888,988,057.93	
Non-current assets total		**868,514,601.78**	**76%**	920,617,037.46	81%
CURRENT ASSETS					
Inventories	13	**172,436.75**		166,910.78	
Non-current loan receivables		**17,805.22**		22,805.22	
Current receivables					
Trade receivables		**105,957.62**		163,060.08	
Receivables from subsidiaries	14	**272,595,762.36**		218,605,412.76	
Other receivables		**88,850.32**		144,734.56	
Prepayments and accrued income	15	**1,614,373.50**		1,352,879.21	
Current receivables total		**274,404,943.80**		220,266,086.61	
Cash and cash equivalents	16	**1,704,278.84**		1,629,990.00	
Current assets total		**276,299,464.61**	**24%**	222,085,792.61	19%
Assets total		**1,144,814,066.39**	**100%**	1,142,702,830.07	100%

Shareholders' equity and liabilities

SHAREHOLDERS' EQUITY	17				
Share capital		**77,510,200.00**		77,510,200.00	
Revaluation reserve		**3,789,720.00**		3,789,720.00	
Treasury shares		**0.00**		-864,706.21	
Other reserves		**3,204,313.18**		3,204,313.18	
Retained earnings		**725,556,878.09**		337,427,893.38	
Profit (loss) for the financial year		**96,948,896.60**		442,232,098.22	
Shareholders' equity total		**907,010,007.87**	**79%**	863,299,518.57	76%
APPROPRIATIONS	18	**406,365.81**		622,913.84	
LIABILITIES					
Non-current	19				
Loans from credit institutions		**52,499,658.69**		63,868,804.00	
Non-current liabilities total		**52,499,658.69**		63,868,804.00	
Current					
Loans from credit institutions		**100,621,583.70**		15,621,992.49	
Trade payables		**891,213.50**		485,350.16	
Liabilities to subsidiaries	20	**75,001,789.66**		190,678,343.45	
Income tax payable		**1,934,028.63**		1,022,583.06	
Other payables		**3,443,461.83**		3,192,240.47	
Accruals and deferred income	21	**3,005,956.70**		3,911,084.03	
Current liabilities total		**184,898,034.02**		214,911,593.66	
Liabilities total		**237,397,692.71**	**21%**	278,780,397.66	24%
Shareholders' equity and liabilities total		**1,144,814,066.39**	**100%**	1,142,702,830.07	100%

Parent company statement of cash flows

EUR	2013	2012
CASH FLOW FROM OPERATING ACTIVITIES		
Profit (loss) before extraordinary items, appropriations and taxes	**101,775,754.76**	446,394,047.76
Adjustments for		
Depreciation, amortization and impairment	**1,410,224.51**	1,616,884.47
Investment income	**-35,346.87**	-115,273.50
Interest income and dividends	**-91,294,133.15**	-63,453,940.33
Interest expenses	**9,345,863.39**	3,638,451.83
Change in provisions and other non-cash items	**-13,431,400.00**	-383,116,291.26
Cash flow before changes in working capital	**7,770,962.64**	4,963,878.97
Changes in working capital		
Change in current assets, non-interest bearing	**-489,221.57**	808,256.51
Change in inventories	**-5,525.97**	67,558.21
Change in current liabilities, non-interest bearing	**2,229,623.05**	-5,763,324.04
Cash flow from operating activities before financial items and taxes	**9,505,838.15**	76,369.65
Dividends received	**17,900,075.00**	60,302,231.32
Financial income received	**3,723,963.06**	2,747,212.84
Financial expenses paid	**-3,519,162.65**	-4,053,880.75
Taxes paid	**-4,119,981.09**	-1,551,213.62
Cash flow from operating activities (A)	**23,490,732.47**	57,520,719.44
CASH FLOW FROM INVESTING ACTIVITIES		
Repayment of equity from subsidiaries	**122,641,347.00**	81,068,283.68
Investments in financial assets	**-107,156.25**	-207,373.61
Investments in property, plant & equipment	**-1,271,234.50**	-803,316.48
Proceeds from sale of property, plant & equipment and other investments	**78,024.50**	151,915.70
Sale of other holdings	**375,977.29**	311.09
Change in long term loan receivables	**-1,520,700.00**	2,997,936.66
Cash flow from investing activities (B)	**120,196,258.04**	83,207,757.04
CASH FLOW FROM FINANCING ACTIVITIES		
Change in current debt	**-39,623,661.44**	-64,429,668.40
Change in current receivables	**-64,742,945.56**	32,362,528.84
Dividends paid	**-53,227,302.70**	-112,186,960.94
Group contribution received/paid	**13,981,208.03**	4,667,800.00
Cash flow from financing activities (C)	**-143,612,701.67**	-139,586,300.50
Change in cash and cash equivalents (A+B+C)	**74,288.84**	1,142,175.98
Cash and cash equivalents at beginning of period	**1,629,990.00**	487,814.02
Cash and cash equivalents at end of period	**1,704,278.84**	1,629,990.00

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

1. Parent company accounting principles, FAS

The financial statements of Fiskars Oyj have been prepared in accordance with the Finnish accounting act and ordinance and other statutes regulating the preparation of financial statements (Finnish Accounting Standards, FAS). The financial statements are presented in euro.

The preparation of financial statements in conformity with regulations in force and generally accepted accounting principles requires management to make estimates and assumptions that affect the valuation of assets and liabilities and reported amounts of revenues and expenses. Actual results could differ from those estimates.

Transactions in foreign currencies

Transactions in foreign currencies are recorded at the rates of exchange prevailing at the date of the transaction. At the end of the reporting period balances in foreign currencies are translated using the exchange rate prevailing at the end of the reporting period. Derivatives are recognized at market values and changes in market values are recognized in the income statement.

Net sales

Net sales are defined as invoiced amount less indirect taxes, rebates and exchange rate differences related to sales. Revenue is recognized when all significant risks and rewards of ownership have been transferred to the buyer, i.e. when a product has been delivered to the client in accordance with the terms of delivery. Royalty income from trademarks held by Fiskars Corporation is recorded as net sales.

Leasing arrangements

Lease payments are expensed as incurred. Future leasing payment obligations are reported as contingent liabilities. Rent income, when the company acts as a lessor, is recorded as net sales.

Pension benefit plans

The retirement plans for the Finnish companies' employees are funded through payments to independent insurance companies.

Extraordinary income and expenses

Group contributions, merger losses and gains, as well as liquidation losses and gains, are reported in extraordinary income and expenses.

Income taxes

Income taxes consist of the aggregate current tax expense based on the Finnish tax rules and adjustments to prior year taxes. Parent company does not account for deferred taxes as a stand-alone entity.

Tangible and intangible assets and other long-term investments

Tangible and intangible assets are stated at cost less accumulated depreciation according to plan. Certain land holdings have been revalued.

Revaluations are based on market values at time of the revaluation. Revaluation reserves are adjusted for decreases in the market value of land holdings. When revalued real estate is sold, the respective share in the revaluation reserve is transferred to retained earnings.

Tangible and intangible assets are depreciated and amortized over their expected useful lives. The following expected useful lives are applied:

• Long-term expenditure	3–10 years
• Buildings	20–40 years
• Vehicles	4 years
• Machinery and equipment	3–10 years
• Land and water	No depreciation

Investments in subsidiaries are stated in the balance sheet at cost or at net realizable value if the net realizable value is significantly and permanently impaired. An impairment loss may be reversed until the original acquisition cost, when the value of the investment has been restored.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost includes both direct and indirect costs. Cost is determined on a first-in first-out (FIFO) basis. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Receivables

Receivables are valued at the lower of original and recoverable value.

Provisions

Provisions consist of reserves for future losses to which the Company is committed or that are perceived probable.

Appropriations

Appropriations in the parent company balance sheet consist of depreciation in excess of plan.

2. Net sales

EUR	**2013**	2012
Royalties	**19,427,672.10**	20,933,236.43
Lease income	**3,180,797.22**	2,986,836.26
Other	**2,543,963.89**	2,042,548.32
Total	**25,152,433.21**	25,962,621.01

3. Other operating income

EUR	**2013**	2012
Net gain on sale of property, plant and equipment	**60,067.22**	132,780.09
Other income	**553.24**	92,770.39
Total	**60,620.46**	225,550.48

4. Total expenses

Total expenses by nature

EUR	**2013**	2012
Materials and supplies	**155,490.24**	164,209.17
Change in inventory	**-5,525.97**	67,558.21
Employee benefits	**7,620,488.07**	7,062,554.75
Depreciation, amortization and impairment	**1,410,224.51**	1,616,884.47
External services	**4,530,375.25**	8,806,340.00
Other	**5,093,175.75**	5,005,767.07
Total	**18,804,227.85**	22,723,313.67

Other operating expenses

EUR	**2013**	2012
Loss on sale of property, plant and equipment	**24,720.35**	17,506.59
Total	**24,720.35**	17,506.59

5. Fees paid to Company's auditors

EUR	**2013**	2012
Audit fees	**87,314.74**	88,258.00
Tax consultation	**371,741.01**	143,080.66
Other	**187,763.63**	392,853.00
Total	**646,819.38**	624,191.66

6. Personnel costs and number of employees

Personnel costs

EUR	**2013**	2012
Wages and salaries	**5,542,391.13**	5,030,284.56
Pension costs	**1,119,289.78**	1,042,747.58
Other personnel costs	**958,807.16**	989,522.61
Total	**7,620,488.07**	7,062,554.75

Number of employees

	2013	2012
Average (FTE)	**49**	52
End of period	**44**	49

7. Financial income and expenses

EUR	**2013**	2012
Dividend income		
From group companies	**87,363,700.00**	60,301,716.32
From other parties	**75.00**	515.00
Dividend income, total	**87,363,775.00**	60,302,231.32
Interest and financial income from non-current investments		
From group companies	**3,724,404.26**	2,943,879.79
Interest and financial income from non-current investments, total	**3,724,404.26**	2,943,879.79
Other interest and financial income		
From other parties	**1,222,517.40**	437,911.63
Other interest and financial income, total	**1,222,517.40**	437,911.63
Interest and financial income, total	**4,946,921.66**	3,381,791.42
Reversal of impairment of non-current investments		
Subsidiaries*		369,150,000.00
Reversal of impairment of non-current investments, total		369,150,000.00

* The impairment of Avlis AB, recorded in 2008, was reversed to its original cost.

Avlis AB is a subsidiary of Fiskars Corporation.

Interest and other financial expenses		
To subsidiaries		
Interest expenses	**-371,023.18**	-881,953.47
Provisions for credit losses	**-6,822,218.57**	
Interest expenses to other parties	**-3,169,185.15**	-2,986,580.77
Interest and other financial expenses, total	**-10,362,426.90**	-3,868,534.24
Total financial income and expenses	**81,948,269.76**	428,965,488.50
Net exchange gains and losses included in financial items	**1,016,563.51**	230,082.41

8. Extraordinary items

EUR	**2013**	2012
Group contribution received	**16,231,400.00**	18,881,208.03
Group contribution paid	**-2,800,000.00**	-4,900,000.00
Total	**13,431,400.00**	13,981,208.03

9. Income taxes

EUR	2013	2012
Current year taxes for profit before extraordinary items	**-1,740,386.53**	-1,131,946.65
Tax for extraordinary items	**-3,290,693.00**	-3,425,395.97
Income tax for previous periods	**-347.13**	-7,454.06
Income taxes per income statement	**-5,031,426.66**	-4,564,796.68

10. Intangible assets

EUR	2013	2012
Historical cost, Jan 1	**2,420,844.47**	2,406,148.97
Additions	**126,192.24**	17,594.38
Decrease	**-9,144.13**	
Transfers		-2,898.88
Historical cost, Dec 31	**2,537,892.58**	2,420,844.47
Accumulated amortization according to plan, Jan 1	**1,928,050.16**	1,799,651.99
Amortization according to plan	**86,561.51**	128,398.17
Accumulated amortization according to plan, Dec 31	**2,014,611.67**	1,928,050.16
Net book value, Dec 31	**523,280.91**	492,794.31

11. Tangible assets

2013

EUR	Land and water	Buildings	Machinery and equipment	Construction in progress	Total
Historical cost, Jan 1	5,740,222.34	35,248,885.48	5,216,808.33	462,376.38	46,668,292.53
Additions	31,853.00	647,563.83	163,484.27	302,141.16	1,145,042.26
Decreases	-843.01	-23,630.19	-88,897.70		-113,370.90
Transfers		75,187.16	174,195.11	-249,382.27	0.00
Historical cost, Dec 31	5,771,232.33	35,948,006.28	5,465,590.01	515,135.27	47,699,963.89
Accumulated depreciation according to plan, Jan 1		21,265,414.42	3,983,151.89		25,248,566.31
Depreciation according to plan		1,087,595.63	236,067.37		1,323,663.00
Decreases		-9,860.19	-69,977.21		-79,837.40
Accumulated depreciation according to plan, Dec 31		22,343,149.86	4,149,242.05		26,492,391.91
Revaluation, Jan 1	9,716,459.00				9,716,459.00
Revaluation, Dec 31	9,716,459.00				9,716,459.00
Book value Dec 31, 2013	**15,487,691.33**	**13,604,856.42**	**1,316,347.96**	**515,135.27**	**30,924,030.98**

2012

EUR	Land and water	Buildings	Machinery and equipment	Construction in progress	Total
Historical cost, Jan 1	5,738,638.84	33,972,592.37	5,395,147.18	978,494.87	46,084,873.26
Additions	182.00	462,082.77	12,172.19	311,285.52	785,722.48
Decreases	-1,280.35	-1,830.90	-202,090.84		-205,202.09
Transfers	2,681.85	816,041.24	11,579.80	-827,404.01	2,898.88
Historical cost, Dec 31	5,740,222.34	35,248,885.48	5,216,808.33	462,376.38	46,668,292.53
Accumulated depreciation according to plan, Jan 1		20,117,777.76	3,838,236.50		23,956,014.26
Depreciation according to plan		1,154,093.97	305,554.53		1,459,648.50
Decreases		-1,519.81	-165,576.64		-167,096.45
Transfers		-4,937.50	4,937.50		0.00
Accumulated depreciation according to plan, Dec 31		21,265,414.42	3,983,151.89		25,248,566.31
Revaluation, Jan 1	9,716,459.00				9,716,459.00
Revaluation, Dec 31	9,716,459.00				9,716,459.00
Book value Dec 31, 2012	15,456,681.34	13,983,471.06	1,233,656.44	462,376.38	31,136,185.22

12. Investments

2013

EUR	Holdings in subsidiaries	Receivables from subsidiaries	Other shares	Total
Historical cost, Jan 1	880,487,444.36	2,174,300.00	7,037,636.37	889,699,380.73
Additions	69,463,700.00	6,497,046.32	107,156.25	76,067,902.57
Decreases	-122,641,347.00	-4,971,346.32	-375,977.29	-127,988,670.61
Historical cost, Dec 31	827,309,797.36	3,700,000.00	6,768,815.33	837,778,612.69
Write-downs, Jan 1			-711,322.80	-711,322.80
Write-downs, Dec 31			-711,322.80	-711,322.80
Net book value, Dec 31, 2013	**827,309,797.36**	**3,700,000.00**	**6,057,492.53**	**837,067,289.89**

2012

EUR	Holdings in subsidiaries	Receivables from subsidiaries	Other shares	Total
Historical cost, Jan 1	961,555,728.04	5,167,236.66	6,830,262.76	973,553,227.46
Additions			259,738.47	259,738.47
Decreases	-81,068,283.68	-2,992,936.66	-52,364.86	-84,113,585.20
Historical cost, Dec 31	880,487,444.36	2,174,300.00	7,037,636.37	889,699,380.73
Write-downs, Jan 1	-369,150,000.00		-682,485.00	-369,832,485.00
Reversal of impairment loss	369,150,000.00			369,150,000.00
Decreases and increases			-28,837.80	-28,837.80
Write-downs, Dec 31	0.00		-711,322.80	-711,322.80
Net book value, Dec 31, 2012	880,487,444.36	2,174,300.00	6,326,313.57	888,988,057.93

Shares in subsidiaries

	Number of shares	Domicile		% of share capital	% of voting power	Book value
Avlis AB*	25,641,347	Stockholm	SE	59.7	59.7	577,441,141.73
Ferraria Oy Ab	750,000	Raasepori	FI	100.0	100.0	17,659,665.00
Fiskamin AB	1,000,000	Sollentuna	SE	100.0	100.0	49,085,185.82
Fiskars Americas Holding Oy Ab	1000	Raasepori	FI	100.0	100.0	110,071,862.76
Fiskars Europe Holding Oy Ab	1000	Raasepori	FI	100.0	100.0	71,340,500.00
Fiskars Services Oy Ab	250	Helsinki	FI	100.0	100.0	2,500.00
Fiskars (Thailand) Co., Ltd.	100	Bangkok	TH	1.0	1.0	2,409.12
Inha Works Ltd.	10,000	Ähtäri	FI	100.0	100.0	1,199,446.33
Kiinteistö Oy Danskog gård	4,000	Raasepori	FI	100.0	100.0	504,563.78
Ab Åbo Båtvarf - Turun Veneveistämö Oy	150	Turku	FI	100.0	100.0	2,522.82
Total, Dec 31, 2013						**827,309,797.36**

* Holds 13.0% (13.0) of Wärtsilä shares. The market value of Wärtsilä shares as at December 31, 2013 amounted to EUR 917.2 million (839.0).

Other shares

	Book value
Other shares owned by the parent company	6,057,492.53
Total, Dec 31, 2013	**6,057,492.53**

13. Inventories

EUR	2013	2012
Work in progress	**1,745.50**	14,039.00
Finished goods	**170,691.25**	152,871.78
Total, Dec 31	**172,436.75**	166,910.78

14. Receivables from subsidiaries

EUR	2013	2012
Trade receivables	**1,540,038.81**	2,620,952.88
Loan receivables	**24,548,762.49**	17,773,526.66
Other receivables	**227,606,097.40**	176,460,606.23
Prepayments and accrued income	**18,900,863.66**	21,750,326.99
Total, Dec 31	**272,595,762.36**	218,605,412.76

15. Prepayments and accrued income

EUR	2013	2012
Prepaid and accrued interest	**1,253,750.82**	1,007,651.15
Other prepayments and accruals	**360,622.68**	345,228.06
Total, Dec 31	**1,614,373.50**	1,352,879.21

16. Cash and cash equivalents

EUR	2013	2012
Cash and cash equivalents	**1,704,278.84**	1,629,990.00
Total, Dec 31	**1,704,278.84**	1,629,990.00

17. Shareholders' equity

EUR	2013	2012
Share capital		
Jan 1	**77,510,200.00**	77,510,200.00
Share capital, Dec 31	**77,510,200.00**	77,510,200.00
Revaluation reserve		
Jan 1	**3,789,720.00**	3,789,720.00
Revaluation reserve, Dec 31	**3,789,720.00**	3,789,720.00
Treasury shares		
Jan 1	**-864,706.21**	-864,706.21
Cancellation of treasury shares	**864,706.21**	
Treasury shares, Dec 31	**0.00**	-864,706.21
Other reserves		
Jan 1	**3,204,313.18**	3,204,313.18
Other reserves, Dec 31	**3,204,313.18**	3,204,313.18
Retained earnings		
Jan 1	**779,659,991.60**	449,614,854.32
Cancellation of treasury shares	**-864,706.21**	
Dividends	**-53,238,407.30**	-112,186,960.94
Net profit	**96,948,896.60**	442,232,098.22
Retained earnings, Dec 31	**822,505,774.69**	779,659,991.60
Less treasury shares		-864,706.21
Distributable earnings, Dec 31	**822,505,774.69**	778,795,285.39

18. Appropriations

EUR	2013	2012
Depreciation in excess of plan, Jan 1	**622,913.84**	1,025,760.98
Changes during the year	**-216,548.03**	-402,847.14
Depreciation in excess of plan, Dec 31	**406,365.81**	622,913.84

The deferred tax liabilities, 20.0% from appropriations, have not been recognized.

19. Non-current liabilities falling due later than within five years

EUR	2013	2012
Loans from credit institutions	**52,499,658.69**	30,000,000.00

20. Liabilities to subsidiaries

EUR	2013	2012
Trade payables	**330,634.32**	
Other liabilities	**71,483,523.70**	185,758,865.82
Accruals and deferred income	**3,187,631.64**	4,919,477.63
Total, Dec 31	**75,001,789.66**	190,678,343.45

21. Accruals and deferred income

EUR	2013	2012
Interest payable	**946,432.34**	924,540.05
Wages, salaries and social costs	**1,757,650.78**	2,088,536.00
Other accruals	**301,873.58**	898,007.98
Total, Dec 31	**3,005,956.70**	3,911,084.03

22. Lease obligations

EUR	2013	2012
Payments next year	**109,281.51**	807,662.00
Payments later	**146,858.90**	2,158,069.00
Total, Dec 31	**256,140.41**	2,965,731.00

23. Contingencies and pledged assets

EUR	2013	2012
As security for own commitments	**908,216.00**	712,541.00
Lease commitments	**256,140.41**	2,965,731.00
Guarantees as security for subsidiaries' commitments	**13,908,947.00**	12,151,314.00
Total, Dec 31	**15,073,303.41**	15,829,586.00

BOARD'S PROPOSAL FOR DISTRIBUTION OF PROFITS AND SIGNATURES

The distributable equity of the Parent Company at the end of the 2013 fiscal year was EUR 822.5 million (778.8). The Board of Directors proposes to the Annual General Meeting of Shareholders that a dividend of EUR 0.67 per share be paid for 2013. The number of shares entitling to a dividend totaled 81,905,242. The proposed distribution of dividend would thus be EUR 54,876,512.14. This would leave EUR 767.6 million of distributable profit funds at the Parent Company.

No material changes have taken place in the financial position of the Company since the end of the fiscal year. The financial standing of the Company is good and, according to the Board of Directors' assessment, distributing the proposed dividend will not compromise the Company's solvency.

Signatures to the Financial Statements and the Board of Directors' Report

Helsinki, February 6, 2014

Kaj-Gustaf Bergh

Ralf Böer

Alexander Ehrnrooth

Paul Ehrnrooth

Louise Fromond

Gustaf Gripenberg

Ingrid Jonasson Blank

Karsten Slotte

Jukka Suominen

Kari Kauniskangas
President and CEO

The Auditor's Note

Our auditor's report has been issued today.

Helsinki, February 6, 2014
KPMG Oy Ab

Virpi Halonen
Authorized Public Accountant

AUDITOR'S REPORT

To the Annual General Meeting of Fiskars Corporation

We have audited the accounting records, the financial statements, the report of the Board of Directors, and the administration of Fiskars Corporation for the year ended 31 December, 2013. The financial statements comprise the consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income, statement of changes in consolidated equity and consolidated statement of cash flows and notes to the consolidated financial statements, as well as the parent company's balance sheet, income statement, statement of cash flows and notes to the financial statements.

Responsibility of the Board of Directors and the President and CEO

The Board of Directors and the President and CEO are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as for the preparation of financial statements and the report of the Board of Directors that give a true and fair view in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the President and CEO shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements, on the consolidated financial statements and on the report of the Board of Directors based on our audit. The Auditing Act requires that we comply with the requirements of professional ethics. We conducted our audit in accordance with good auditing practice in Finland. Good auditing practice requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the report of the Board of Directors are free from material misstatement, and whether the members of the Board of Directors of the parent company or the President and CEO are guilty of an act or negligence which may result in liability in damages towards the company or have violated the Limited Liability Companies Act or the articles of association of the company.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report of the Board of Directors. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements and report of the Board of Directors that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position, financial performance, and cash flows of the group in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

Opinion on the Company's financial statements and the report of the Board of Directors

In our opinion, the financial statements and the report of the Board of Directors give a true and fair view of both the consolidated and the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The information in the report of the Board of Directors is consistent with the information in the financial statements.

Helsinki February 6, 2014
KPMG Oy Ab

Virpi Halonen
Authorized Public Accountant

FACTS AND FIGURES

In 2013 Fiskars once again delivered a strong financial performance – for the fourth year in a row we recorded the company's best operating profit –amidst volatile market conditions and while undergoing major structural changes and system implementations.

From the sales perspective, our performance was mixed. Consolidated net sales increased by 7 %, but comparable net sales decreased by 2 % due to softness in the Outdoor business and adverse performance in Home categories. We outperformed and gained share in many markets.

The Fiskars organization

Fiskars has a matrix organization built on operational segments - the Americas, Europe and Asia-Pacifc, Wärtsilä, and a fourth for Other activities - and business areas named Home, Garden, and Outdoor. The three business areas are managed under the two geographical segments: Americas and Europe and Asia-Pacific. Following the establishment of the Asia-Pacific sales region as of January, 2014, Fiskars EMEA segment has been renamed "Europe and Asia Pacific" and it consists of three sales regions: North, Central, and Asia-Pacific.

Fiskars corporate management in Finland is responsible for strategy, financial goal setting and business development, as well as steering of common processes.

Fiskars Real Estate

Fiskars Other segment contains the corporate headquarters, Real Estate unit and shared services. The Real Estate business unit is in charge of managing and developing property used by the group for manufacturing or commercial purposes and the group's other real estate assets, including the forests owned by the group. Fiskars Real estate also manages and develops the birthplace of the company, the Fiskars Village. The unit's income mainly consists of timber sales and rental income. Fiskars real estate strategy is based on the principles of long-term and sustainable development and properties are mainly leased out within selected residential planning areas.

Associated company Wärtsilä forms one of Fiskars reported operating segments and is treated as an associated company, as Fiskars has a significant influence over Wärtsilä. Wärtsilä's performance has a major impact on Fiskars result and cash flow from operating activities. The share of profit is reported as a separate item below the consolidated operating profit of Fiskars. Fiskars Group has an agreement with Investor AB to combine their interests to create a strong long-term owner for Wärtsilä. Fiskars Group and Investor AB's joint venture, Avlis AB, and its subsidiary, Avlis Invest AB, holding in Wärtsilä totaled 21.8% of Wärtsilä's shares and votes at the end of 2013.

50.8 EUR MILLION
Fiskars share of Wärtsilä's profit totaled

917.2 EUR MILLION
The market value of Fiskars' Wärtsilä shares

25.6 EUR MILLION
Dividend income from Wärtsilä

13.0 %
Fiskars ownership in Wärtsilä

798.6 MEUR
Net sales

73.8 MEUR
Operating profit excl. NRI

1.14 EUR
Earnings per share

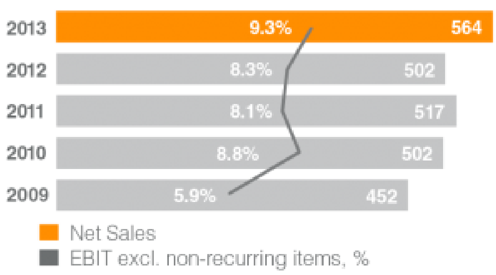
81.0 MEUR
Cash flow from operating activities

61 %
Equity to assets ratio

4,087
Personnel (FTE average)

Net Sales, Americas
EUR million

Net Sales, EMEA
EUR million



Group Key figures

EUR million	2013	2012	Change
Net sales	798.6	747.8	7%
Operating profit (EBIT)	61.0	63.9	-4%
Non-recurring items*	-12.8	0.8	
EBIT excl. non-recurring items	73.8	63.1	17%
EBIT before depreciation, amortization and impairment (EBITDA) excl. non-recurring items	98.1	84.9	15%
Share of profit from associated company	50.8	47.8	6%
Change in the fair value of biological assets	0.7	5.6	-87%
Profit before taxes**	108.3	200.4	-46%
Profit for the period**	94.0	178.9	-47%
Earnings per share, EUR***	1.14	2.18	-48%
Equity per share, EUR	7.71	7.56	2%
Cash flow from oper. act.****	81.0	95.0	-15%
Equity ratio, %	61%	66%	
Net gearing, %	24%	12%	
Capital expenditure	37.2	32.8	14%
Personnel (FTE), average	4,087	3,364	21%

* In FY 2013 EMEA 2015 restructuring costs and impairment charges and in 2012 release of a provision related to the sale of Silva in 2011

** Including non-recurring profit from the sale of Wärtsilä shares of EUR 87.0 million in 2012

*** Including EUR 1.06 from the sale of Wärtsilä shares in 2012

**** Including Wärtsilä dividends of EUR 25.6 million in 2013 and EUR 26.8 million 2012

Fiskars economic footprint

From customers (net sales)
798.6 EUR MILLION

To suppliers (materials and supplies)
377.8 EUR MILLION

External services used
66.7 EUR MILLION

Investments
37.2 EUR MILLION

To employees (salaries and employee benefits)
202.1 EUR MILLION

Income taxes paid
25.6 EUR MILLION

To shareholders (proposed dividend)
54.9 EUR MILLION

FISKARS AS AN INVESTMENT

Fiskars is a leading supplier of premium branded consumer goods for the home, garden and outdoors. The group hosts a portfolio of strong premium brands which are carried by the largest retailers in the world. Current megatrends such as people's growing interest in well-being, sustainable lifestyle and lasting design as well as the growing trend in self-expression through, for example, cooking, gardening and decorating, all support our business.

Strong market position in the Nordic countries and in North America

Fiskars portfolio hosts leading brands that have strong market position in core categories in the Nordic countries and North America. In these core markets our brands enjoy high awareness and loyalty among consumers. Together with our extensive relationships with all major retailers this provides us a solid basis for category expansion.

Well-positioned to accelerate growth

Fiskars has a business model and organization geared for growth; we have built a strong sales network across Europe and North America and invested in talented, engaged people. In the Nordic countries and North America, we can continue to outperform markets by entering into new categories. In Central Europe we believe that we have significant distribution gain potential, and our other growth engine will be the fast-growing Eastern European and Asian markets.

Potential for margin improvement

Fiskars core competence is to develop category- leading premium brands that are meaningful to consumers. The continued harmonization of our product offering provides economies of scale and creates new efficiencies for us and our trade customers. We also expect to gain operational efficiency from the implementation of common business platform in Europe and the streamlining of our supply chain.

Strong financial position

To take our business to the next level, we aim to increase spending on making our brands wellknown in new markets, strengthening our sales engine in Asia and entering into new categories. Fiskars strong balance sheet enables us to make the investments necessary to achieve our future growth ambition. For our shareholders, we can offer a track record of solid shareholder returns and dividend.

Unique heritage

Fiskars, Finland's oldest company, has 365 years of quality excellence. The long-term perspective provided by our heritage sets us apart from other companies, be it as an investment, employer or partner for trade, designers and suppliers.

Fiskars' shares are traded in the Large Cap segment of NASDAQ OMX Helsinki. The company has one series of shares traded under the FIS1V code.

Share details

Market	NASDAQ OMX Helsinki
ISIN	FI000900400
Trading code	FIS1V (OMX)
Segment	OMXH Large Cap
Industry	3000 Consumer Goods
Super sector	3700 Personal & Household Goods
Shares as of Dec. 31, 2013	81,905,242

Earnings per share
1.14
EUR

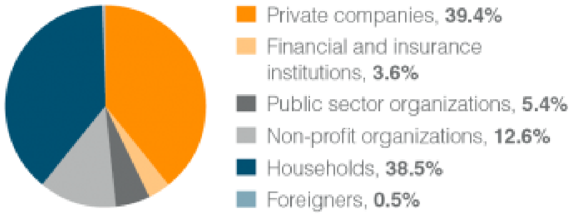
Dividend proposal by the Board of Directors
0.67
EUR

Share price at the end of 2013
19.55
EUR

Market capitalization the end of 2013
1,601
EUR MILLION

Fiskars' share price
EUR, Jan 1, 2009–Dec 31, 2013

Shareholders, 31 Dec 2013
%



Annual General Meeting and dividend

Fiskars Corporation holds its Annual General Meeting on Wednesday, March 12, 2014 at 3.00 p.m. at the Helsinki Exhibition & Convention Centre, the Congress Wing (visiting address: Messuaukio 1, Helsinki, Finland). The reception of persons who have registered for the meeting and the distribution of voting tickets will commence at 2.00 p.m.

Each shareholder, who is registered on the record date February 28, 2014 in the shareholders' register of the company held by Euroclear Finland Ltd, has the right to participate in the Annual General Meeting. A shareholder, whose shares are registered on his/her personal book-entry account, is registered in the shareholders' register of the company.

A shareholder, who is registered in the shareholders' register of the company and wants to participate in the Annual General Meeting, shall register for the meeting no later than March 7, 2014 at 3.00 p.m. by giving a prior notice of participation which shall be received by the company no later than on the above-mentioned date. Such notice can be given:

(a) on the Fiskars Corporation's website www.fiskarsgroup.com or
(b) by telephone +358 (0) 207 70 68 75 Monday - Friday between 9.00 a.m. and 3.00 p.m.

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.67 per share shall be paid for the financial period that ended on December 31, 2013. The dividend will be paid to shareholders, who are registered in the company's shareholders' register maintained by Euroclear Finland Ltd on the record date for the payment of dividend, which is March 17, 2014. The dividend payment date proposed by the Board to the Annual General Meeting is March 24, 2014.

Further information on the matters to be discussed at the AGM and how to register can be found in the invitation to the meeting at www.fiskarsgroup.com.

INVESTOR RELATIONS

The goal of Fiskars' investor relations is to provide all parties in the market with accurate, up-to-date, and sufficient information on the company to enable them to analyze its performance and prospects as an investment. Information is provided to all stakeholders simultaneously.

Fiskars has adopted a silent period of three weeks prior to the publication of results. During this period comments on market situation or company prospects are not available from Fiskars.

Meetings with investors and analysts are coordinated by Corporate Communications. Questions on investor relations matters should be addressed to Communications Director Anu Ilvonen, anu.ilvonen@fiskars.com.

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