

RAPALA VMC CORPORATION'S FULL YEAR 2016 SALES AND COMPARABLE OPERATING PROFIT BELOW EARLIER EXPECTATIONS

Rapala VMC Corporation ("the Group") has updated its full year outlook for 2016. Full year net sales and comparable* operating profit are now expected to be below 2015 levels, while previously they were expected to be above 2015 levels assuming comparable translation exchange rates.

The Group's second quarter and first half sales have been lower than expected in major markets of North America, France and Russia. Especially volumes of Group's lure sales have been below expectations. Accordingly Group's comparable operating profit is negatively impacted by the lower sales volumes.

First half-year report will be published on July 22.

* Excluding mark-to-market valuations of operative currency derivatives and other items affecting comparability. From 2016 onwards the Rapala Group has relabeled the previously referenced "non-recurring items" with "other items affecting comparability" including material restructuring costs, impairments, gains and losses on business combinations and disposals, insurance compensations and other non-operational items. More details will be presented in the first half-year report.

RAPALA VMC CORPORATION

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Rapala VMC Corporation ("the Group") is a leading fishing tackle company and the global market leader in fishing lures, treble hooks and fishing related knives and tools. The Group also has a strong global position in other fishing categories and it is one of the leading distributors of outdoor, hunting and winter sport products in the Nordic countries. The Group has the largest distribution network in the industry. The main manufacturing facilities are located in Finland, France, Estonia, Russia, China, Indonesia and the UK. The Group brand portfolio includes the leading brand in the industry, Rapala, and other global brands like VMC, Sufix, Storm, Blue Fox, Luhr Jensen, Williamson, Dynamite Baits, Mora Ice, StrikeMaster, Marttiini and Peltonen. The Group, with net sales of EUR 278 million in 2015, employs some 3 200 people in 39 countries. Rapala VMC Corporation's share is listed and traded on the Nasdaq Helsinki stock exchange since 1998.