Fiskars Group

Interim report
January–March 2019

INTERIM REPORT JANUARY–MARCH 2019:

Positive development in comparable EBITA and cash flow, comparable net sales decreased

First quarter 2019 in brief:

- Net sales increased by 1.0% to EUR 268.6 million (Q1 2018: 266.1)
- Comparable net sales[1] decreased by 1.4% to EUR 268.6 million (272.5)
- EBITA decreased by 8.6% to EUR 20.1 million (22.0)
- Comparable[2] EBITA increased by 9.9% to EUR 25.9 million (23.6)
- Cash flow from operating activities before financial items and taxes was EUR -25.8 million (-39.2)
- Earnings per share (EPS) were EUR 0.21 (0.20)

OUTLOOK FOR 2019 UNCHANGED

In 2019, Fiskars Group expects the comparable net sales[1] and comparable[2] EBITA to be at the same level as in 2018.

The outlook is influenced by the company's investments in growth initiatives that are expected to add sustainable value in the long-term. In addition, there are material risks relating to changes in the operating environment, e.g. Brexit and the U.S. tariffs. An unfavorable outcome of these risks might have a significant impact on the comparable net sales and comparable EBITA. Furthermore, fluctuations in currency rates might also have a considerable impact on comparable EBITA.

1) Comparable net sales excludes the impact of exchange rates, acquisitions and divestments
2) Items affecting comparability in EBITA include items such as restructuring costs, impairment or provisions charges and releases, integration-related costs, and gain and loss from the sale of businesses

CEO'S REVIEW

Solid net sales development in Europe in the Functional segment drove our improvements in performance during the first quarter of 2019. I was also pleased with the Living segment's net sales growth in Asia. The unfavorable weather conditions and slow start to the gardening season in the U.S. adversely impacted our net sales.

We are making progress with the Living transformation program, in line with the plans. I am confident that we can strengthen our brands, increase efficiency, and accelerate long-term strategic development as we execute the program. We continued to deliver on our strategy to focus on branded consumer goods and announced the sale of the Leborgne business, which has not been part of our core portfolio.

As we have said earlier, we are investing in growth initiatives that are expected to add sustainable value in the long-term. Net sales in the direct e-commerce channel has grown during the past few quarters and this growth also continued in the first quarter. E-commerce is one of the areas where we will improve our competitiveness, both in terms of our direct e-commerce as well as in supporting our trade partners.

Looking forward to the rest of 2019, we see good momentum as we move into the important quarters to come. I expect our sales performance to improve as we leverage the pockets of growth that are available in our markets. Our pursuit of growth is supported by our strong brands, trade relationships and presence across the globe.

Jaana Tuominen
President and CEO

FISKARS GROUP

FISKARS®

GERBER®

iittala

ROYAL COPENHAGEN
PURVEYOR TO HER MAJESTY THE QUEEN OF DENMARK

WATERFORD

WEDGWOOD
ENGLAND 1759

GROUP KEY FIGURES

EUR million	Q1 2019	Q1 2018	Change	2018
Net sales	268.6	266.1	1.0%	1,118.5
Comparable net sales[1)]	268.6	272.5	-1.4%	1,142.5
EBITA	20.1	22.0	-8.6%	112.5
Items affecting comparability in EBITA[2)]	-5.8	-1.6		-9.2
Comparable EBITA	25.9	23.6	9.9%	121.7
Operating profit (EBIT)	16.9	19.0	-11.0%	91.6
Profit before taxes	22.7	25.1		103.0
Profit for the period	17.6	16.5		81.7
Net change in the fair value of investment portfolio	-1.3	13.6		-118.8
Earnings/share, EUR	0.21	0.20		1.00
Equity per share, EUR	14.96	15.14	-1.2%	14.80
Cash flow from operating activities before financial items and taxes[3)]	-25.8	-39.2	34.0%	136.8
Equity ratio, %[3)]	65%	68%		70%
Net gearing, %[3)]	26%	18%		11%
Capital expenditure	8.0	8.9	-10.0%	46.2
Personnel (FTE), average	7,029	7,410	-5.1%	7,304

1) Using comparable exchange rates
2) In Q1 2019, items affecting comparability consisted mainly of items related to the Living transformation program
3) Figures impacted by the application of the IFRS 16 accounting standard. Excluding the impact from IFRS 16, the equity ratio in Q1 2019 would have been 70% and the net gearing 19%. The change had a positive impact of EUR 6 million on the cash flow from operating activities before financial items and taxes

CHANGES IN FISKARS GROUP REPORTING IN 2019

On January 1, 2019, the Group adopted IFRS 16 Leases. All the lessees' lease agreements are booked as right-of-use assets and liabilities in the balance sheet. Exceptions are short-term contracts with a duration of less than 12 months and lease contracts for which the underlying asset has a low value. The Group adopted the standard with a cumulative catch-up transition method, without restating prior periods.

For the full year 2019, the positive impact to EBIT/EBITA will be approximately EUR 1 million, resulting from the decrease of lease expenses and increase of depreciation from the right-of-use assets. EBITDA is affected in addition with the amount of depreciation, increasing about EUR 23 million.

Interest expenses will be increased approximately by EUR 2 million. Total estimated impact to the profit for the period is EUR -1 million.

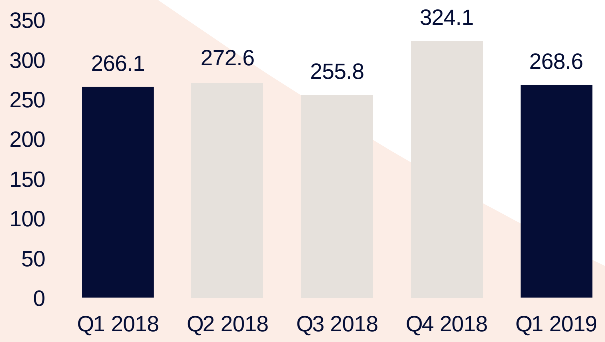
More information on reporting changes is provided in the accounting principles section of this Interim Report.

GROUP PERFORMANCE

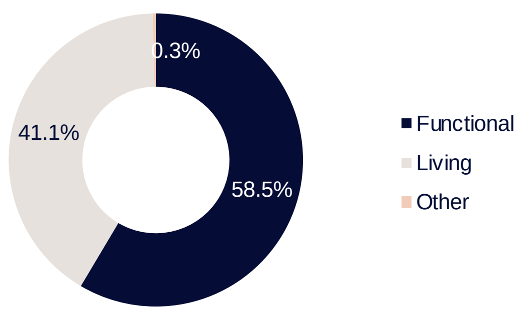
EUR million	Q1 2019	Q1 2018	Change	Comparable change*	2018
Net sales					
Group	268.6	266.1	1.0%	-1.4%	1,118.5
Functional	157.2	152.8	2.9%	-0.2%	585.2
Living	110.5	112.4	-1.7%	-3.2%	529.6
Other	0.9	0.9	5.1%	5.1%	3.8
Comparable EBITA					
Group	25.9	23.6	9.9%		121.7
Functional	26.0	24.0	8.0%		75.5
Living	3.2	3.4	-4.6%		57.0
Other	-3.3	-3.8	14.6%		-10.8

*Using comparable exchange rates

NET SALES, EUR MILLION



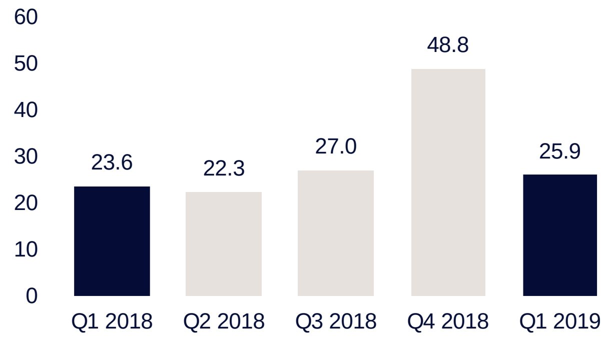
NET SALES SPLIT BY SEGMENT, Q1 2019



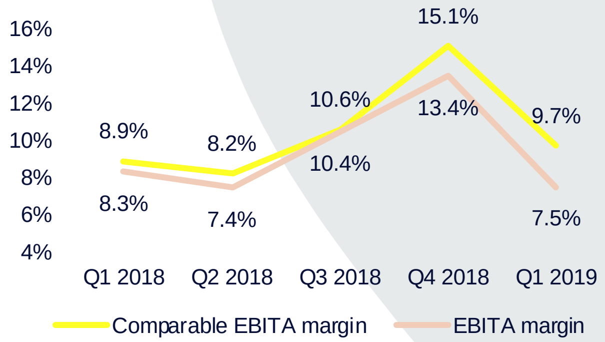
FISKARS GROUP NET SALES IN Q1 2019

Fiskars Group’s consolidated net sales increased by 1.0% to EUR 268.6 million (Q1 2018: 266.1). Comparable net sales decreased by 1.4%, mainly impacted by the decrease in the Living segment, whereas comparable net sales in the Functional segment remained close to the previous year’s level.

FISKARS GROUP COMPARABLE EBITA, EUR MILLION



FISKARS GROUP COMPARABLE EBITA MARGIN AND EBITA MARGIN



FISKARS GROUP COMPARABLE EBITA IN Q1 2019

Fiskars Group's comparable EBITA increased by 9.9% to EUR 25.9 million (23.6). The increase was supported by the performance of the Functional segment, where the EMEA performed particularly well.

Comparable EBITA decreased in the Living segment. The decrease was mainly impacted by the development in the English & Crystal Living business.

REPORTING SEGMENTS

This Interim Report reflects Fiskars Group's organizational structure, which features two Strategic Business Units (SBU): Living and Functional. Fiskars Group's three primary reporting segments are Living, Functional, and Other. In addition, Fiskars Group reports net sales for three geographical areas: Europe, Americas and Asia-Pacific.

SBU Living offers premium and luxury products for tabletop, giftware and interior décor. It consists of the English & Crystal Living and the Scandinavian Living businesses. The English & Crystal Living business includes brands such as Waterford, Wedgwood, Royal Albert and Royal Doulton. The Scandinavian Living business includes brands such as Iittala, Royal Copenhagen, Rörstrand and Arabia.

SBU Functional provides tools for use in and around the house as well as outdoors. SBU Functional consists of the Fiskars, Gilmour and other brands in the Americas and Europe, as well as the Outdoor business consisting of the Gerber brand.

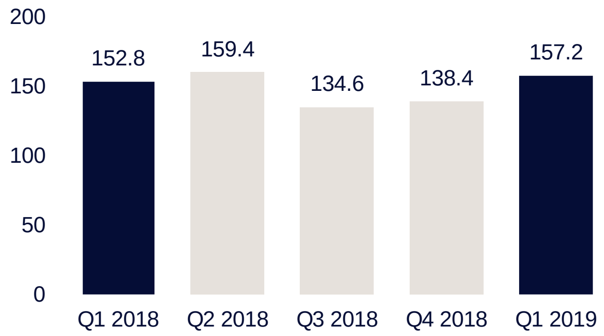
The Other segment contains the Group's investment portfolio, the real estate unit, corporate headquarters and shared services.

FUNCTIONAL SEGMENT

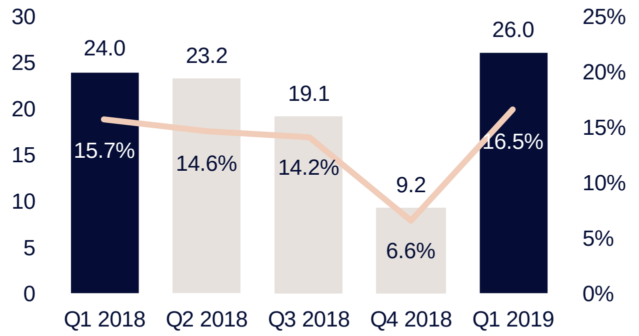
EUR million	Q1 2019	Q1 2018	Change	2018
Net sales*	157.2	152.8	2.9%	585.2
Comparable EBITA	26.0	24.0	8.0%	75.5
Capital expenditure	3.0	3.3	-7.2%	18.9

*Using comparable exchange rates, net sales decreased by 0.2% in Q1 2019

NET SALES, EUR MILLION



COMPARABLE EBITA (EUR MILLION) AND COMPARABLE EBITA MARGIN



OPERATING ENVIRONMENT IN Q1 2019

The operating environment for the Functional segment in North America was mixed. The economy remained strong and unemployment low. On the other hand, there were persisting uncertainties regarding trade issues, particularly between the U.S. and China. There were no material changes in the relevant retail trade landscape.

The weather conditions in North America were challenging for the gardening and watering categories, with abnormally wet and cold weather conditions across the continent.

In Europe, there were uncertainties regarding the economic outlook, including Brexit, which has been delayed. The sentiment in the retail trade continued fairly unchanged. Within the trade, however, the consolidation continued as smaller players have been losing ground to larger players and e-commerce.

FUNCTIONAL SEGMENT IN Q1 2019

Net sales in the Functional segment increased year-on-year by 2.9% to EUR 157.2 million (Q1 2018: 152.8). Comparable net sales decreased by 0.2%.

The comparable net sales increased in EMEA and the Outdoor business. The positive development in EMEA was driven by snowtools, cooking products and the gardening preseason. The positive development in Europe also continued in the Outdoor business.

Comparable net sales decreased in the Americas. The weather conditions during the quarter were unfavorable, creating a slow start to the gardening season, which had a material impact on sales in the watering category. The weather also slowed sales in the gardening category, which still did grow somewhat from the previous year's level.

Comparable EBITA for the Functional segment increased during the first quarter and amounted to EUR 26.0 million (24.0). Comparable EBITA was supported by the net sales development in EMEA and the Outdoor business, whereas the decrease in comparable net sales weighted on the comparable EBITA in the Americas.

MARKETING HIGHLIGHTS

The Fiskars brand launched a new marketing concept in EMEA. The “100% happiness” concept for the gardening category emphasizes the positive impact of gardening on happiness and well-being. The concept has been well received amongst partners and consumers.

The Fiskars brand received seven Red Dot Design Awards for design excellence for its 2019 gardening and yard-care tools. Among the seven awards received, two were “Best of the Best” awards for ground-breaking design, including the new Norden axes. Included in the list of winners were also gardening snips, which are part of the new range of snips introduced in the Americas.

Gerber had two separate product launches during the quarter. In January, the fishing category offering was extended with tools for saltwater fishing. The products, with improved corrosion resistance, complement the previous offering in the fishing category, where the first products started shipping in early 2018. In addition to the fishing products, Gerber launched a new Fastball finger flipper knife, which extends the brand’s everyday carry product range.

Fiskars Norden axe

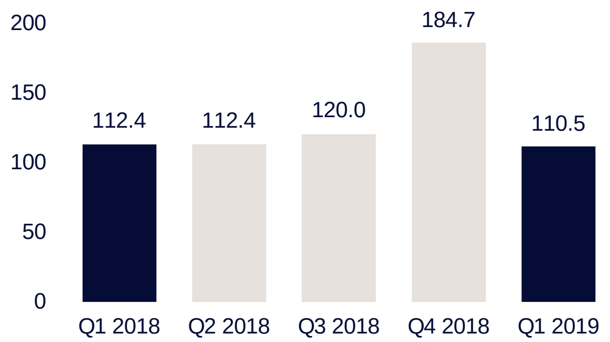
100% happiness concept

LIVING SEGMENT

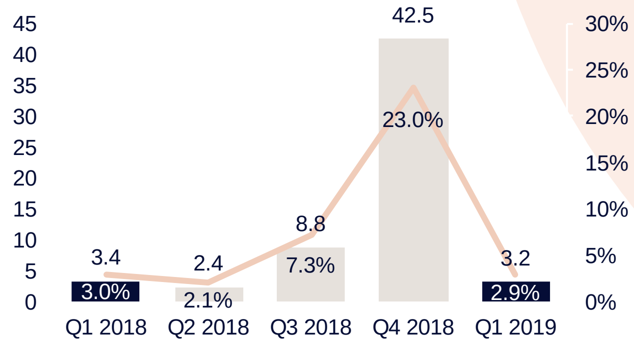
EUR million	Q1 2019	Q1 2018	Change	2018
Net sales*	110.5	112.4	-1.7%	529.6
Comparable EBITA	3.2	3.4	-4.6%	57.0
Capital expenditure	4.0	5.1	-21.8%	23.8

*Using comparable exchange rates, net sales decreased by 3.2% in Q1 2019

NET SALES, EUR MILLION



COMPARABLE EBITA (EUR MILLION) AND COMPARABLE EBITA MARGIN



OPERATING ENVIRONMENT IN Q1 2019

The operating environment for the Living segment in the Americas was mixed. The economy remained strong and unemployment low. On the other hand, the uncertainties regarding trade issues persisted, particularly between the U.S. and China. The department store channel continued to face challenges, and trade players were searching for new store concepts and adapting to the increasing share of e-commerce.

In Europe, there were uncertainties regarding the economic outlook, including Brexit, which has been delayed. Brexit continues to negatively impact the UK consumer confidence. It creates challenges for the retail trade landscape, where the development already for a long period has been subdued and some large players currently are facing challenges.

In the key Asian markets, the operating environment remained fairly stable at a good level.

LIVING SEGMENT IN Q1 2019

Net sales in the Living segment decreased year-on-year by 1.7% to EUR 110.5 million (Q1 2018: 112.4). Comparable net sales decreased by 3.2%. However the first quarter is typically less important for the full-year performance of the Living segment.

Comparable net sales increased in the Scandinavian Living business. The growth was fueled by the Asia-Pacific region, particularly Japan, whereas comparable net sales decreased in Europe. In the English & Crystal Living business, the comparable net sales decreased as a result of challenges in the Americas and Europe. The comparable net sales increased in the Asia-Pacific region.

Comparable EBITA for the Living segment decreased during the first quarter and amounted to EUR 3.2 million (3.4). Comparable EBITA increased in the Scandinavian Living business. In the English & Crystal Living business the comparable EBITA decreased, as lower volumes and unfavorable channel and product mixes impacted profitability.

MARKETING HIGHLIGHTS

During the first quarter, Iittala and Arabia launched the new Vintage concept. Vintage service buys used Iittala and Arabia-branded tableware, and sells them after a quality inspection. The concept was piloted in 2018 with good results and feedback. Vintage was first introduced at two stores in Finland, and is planned to be rolled out to all Iittala stores in Finland in 2019. Circular economy is part of Fiskars Group's sustainability focus areas, and the aim is to find new business opportunities based on it, such as Vintage.

Iittala's new dinnerware series Raami was given the opportunity to present the series as an window installation in both of the Museum of Modern Arts' museums in New York. The series was launched in late 2018 and started shipping at the beginning of the year 2019. The initial signals of sales development of the series are positive.

Blomst, the new dinnerware series by Royal Copenhagen was launched in Germany during the quarter. The series was introduced in 2018 and the distribution of the series has been expanded in stages.

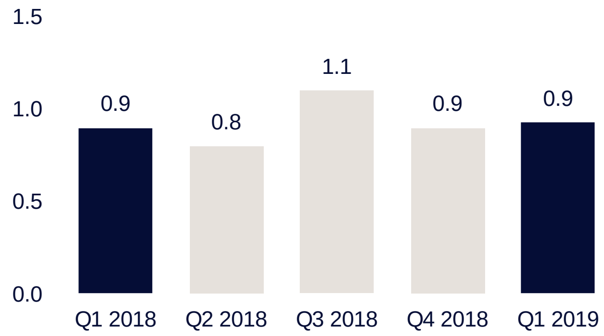
Royal Copenhagen Blomst

Vintage

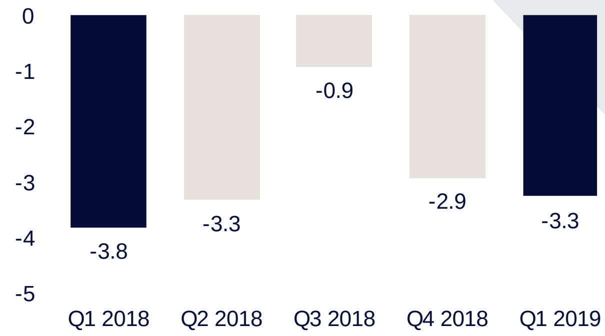
OTHER SEGMENT

EUR million	Q1 2019	Q1 2018	Change	2018
Net sales	0.9	0.9	5.1%	3.8
Comparable EBITA	-3.3	-3.8	14.6%	-10.8
Capital expenditure	1.0	0.5		3.5

NET SALES, EUR MILLION



COMPARABLE EBITA, EUR MILLION



OTHER SEGMENT IN Q1 2019

Net sales in the Other segment increased year-on-year and amounted to EUR 0.9 million (Q1 2018: 0.9), consisting of timber sales and rental income. The comparable EBITA for the Other segment amounted to EUR -3.3 million (-3.8).

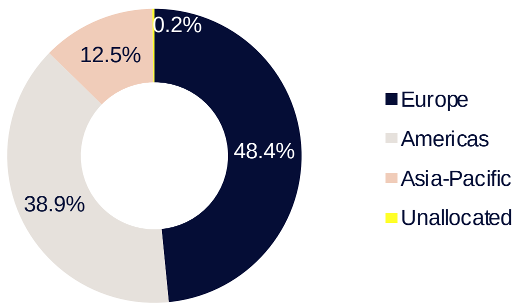
NET SALES BY GEOGRAPHY

EUR million	Q1 2019	Q1 2018	Change	Comparable change*	2018
Europe	130.1	125.8	3.4%	4.3%	531.2
Americas	104.4	110.3	-5.3%	-11.0%	444.4
Asia-Pacific	33.5	31.4	6.4%	4.6%	141.7
Unallocated**	0.6	-1.5			1.3

*Using comparable exchange rates

**Geographically unallocated exchange rate differences

FISKARS GROUP NET SALES SPLIT BY GEOGRAPHY, Q1 2019



NET SALES IN Q1 2019

Net sales in Europe increased by 3.4% and amounted to EUR 130.1 million (Q1 2018: 125.8). Comparable net sales increased by 4.3%, mainly supported by the Functional segment.

Net sales in the Americas decreased by 5.3% to EUR 104.4 million (110.3). Comparable net sales decreased by 11.0%, as the Functional business in the Americas and the English & Crystal Living business both faced challenges.

Net sales in Asia-Pacific increased by 6.4% and amounted to EUR 33.5 million (31.4). Comparable net sales increased by 4.6%, supported by the Living segment in Japan.

RESEARCH AND DEVELOPMENT

The Group's research and development expenditure totaled EUR 4.3 million (Q1 2018: 4.8) in the first quarter of 2019, equivalent to 1.6% (1.8%) of net sales.

PERSONNEL

The average number of full-time equivalent employees (FTE) was 7,029 (Q1 2018: 7,410) in the first quarter. At the end of the quarter, the Group employed 7,499 (7,859) employees, of whom 1,114 (1,092) were in Finland. The year-on-year change was mainly related to the Living transformation program.

LIVING TRANSFORMATION PROGRAM

In October 2018, Fiskars Group launched a Transformation program in its Living business aimed at increasing efficiency, reducing complexity and accelerating long-term strategic development.

The program will target annual cost savings of approximately EUR 17 million, subject to the full implementation of the program. The targeted cost savings are expected to be achieved gradually, and the majority of the savings are expected to materialize in the Group's results after the program is completed, which is estimated to be by the end of 2021. The total costs of the program are approximately EUR 40 million in 2018–2021, of which EUR 8.1 million had been recorded by the end of the first quarter of 2019. The costs are recorded as items affecting comparability (IAC).

The proposed changes will involve optimization of global retail, distribution and supply networks as well as organizational structure, and will focus primarily on the English & Crystal Living business, to improve its profitability. As the planning progresses, Fiskars Group will engage and work closely with its employees and employee representatives to ensure that they are fully informed and consulted about our proposals. Processes and timelines will vary from one country to another.

In March, the company announced plans to reduce complexity across its operations in Barlaston, UK. Under the proposals, manufacturing operations in Barlaston will focus on hand crafted, high-end products that are core to the brand and production of some tableware products is expected to be consolidated to other existing manufacturing sites. The proposed changes will aim to protect and support the core of the Wedgwood business. In total, the proposed changes are expected to result in a reduction of up to 145 employees in the UK.

FINANCIAL ITEMS AND NET RESULT IN Q1 2019

At the end of the first quarter of 2019, Fiskars Group owned 32,645,343 shares in Wärtsilä, representing 5.52% of Wärtsilä's share capital.

The net change in the fair value of investments through other comprehensive income, consisting of the company's holdings in Wärtsilä, amounted to EUR 15.2 million (Q1 2018: 13.6) during the first quarter of 2019. The closing share price of Wärtsilä was EUR 14.39 (17.95) at the end of the first quarter.

Other financial income and expenses amounted to EUR 5.3 million (5.8) in the first quarter of 2019, including 7.8 million (7.5) dividends received on Wärtsilä shares and EUR 0.3 million (-3.0) of foreign exchange differences.

Profit before taxes was EUR 22.7 million (25.1) in the first quarter of 2019. Income taxes for the first quarter were EUR -5.1 million (-8.6). Earnings per share were EUR 0.21 (0.20).

CASH FLOW, BALANCE SHEET AND FINANCING IN Q1 2019

The first-quarter cash flow from operating activities before financial items and taxes amounted to EUR -25.8 million (Q1 2018: -39.2). The change was primarily due to the change in current liabilities and the application of the IFRS 16 standard. Cash flow from financial items and taxes amounted to EUR -11.2 million (-10.2). Applying IFRS 16, repayments of lease liabilities of EUR 5.4 million are reported in cash flow from financing activities. Previously these used to be reported under cash flow from operating activities. Cash flow from investing activities was EUR -2.4 million (-0.4), including EUR -8.0 million of capital expenditure on fixed assets. Cash flow from financing activities was EUR 26.0 million (29.2), including EUR 53.4 million of change in current debt. The comparison figure from Q1 2018 included EUR 68.2 million of change in current debt.

Capital expenditure for the first quarter totaled EUR 8.0 million (8.9), mainly relating to facility expansions and IT solutions. Depreciation, amortization and impairment were EUR 14.8 million (8.8) in the first quarter. The increase in depreciation is a result of the application of the IFRS 16 accounting standard.

Fiskars Group's working capital totaled EUR 258.1 million (226.6) at the end of March. The equity ratio was 65% (68%) and net gearing was 26% (18%). The increase in net gearing is a result of the application of the IFRS 16 accounting standard. Excluding the impact from IFRS 16, the equity ratio in Q1 2019 would have been 70% and the net gearing 19%.

Cash and cash equivalents at the end of the period totaled EUR 11.0 million (10.5). Net interest-bearing debt amounted to EUR 321.6 million (226.2). The increase in interest-bearing debt is a result of the application of the IFRS 16 accounting standard. As a result of the IFRS 16 application, the net debt increased by EUR 117 million in Q1 2019. The shares in Wärtsilä were valued at EUR 469.6 million (586.0) at the end of the period.

Short-term borrowing totaled EUR 86.9 million (86.3) and long-term borrowing totaled EUR 246.7 million (151.5). Short-term borrowing mainly consisted of commercial papers. In addition, Fiskars Group had EUR 300.0 million (300.0) in unused, long-term, committed credit facilities with Nordic banks.

CHANGES IN ORGANIZATION AND MANAGEMENT

On February 19, 2019, Fiskars Group announced the appointment of Michael Halak (MBA) as President, SBU Functional and member of the FGLT from March 1, 2019. He reports to the Group's President and CEO Jaana Tuominen.

Following these changes, the FGLT consists of nine members:

- Jaana Tuominen, President and CEO
- Sari Pohjonen, Chief Financial Officer and Deputy to the CEO
- Risto Gaggl, Chief Supply Chain Officer
- Michael Halak, President, SBU Functional
- Tuomas Hyyryläinen, Chief Growth Officer
- Ulla Lettijeff, President, SBU Living
- Niklas Lindholm, Chief Human Resources Officer
- Maija Taimi, SVP, Corporate Communications and Sustainability
- Päivi Timonen, General Counsel

OTHER SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

On March 26, 2019, Fiskars Corporation received a decision from the Board of Adjustment in the Finnish Large Taxpayers' Office. The Board of Adjustment in the Finnish Large Taxpayers' Office maintained the decision from the Large Taxpayers' Office, which obliged the company to pay EUR 28.3 million in additional tax, interest and punitive increases as a result of a tax audit carried out in 2014. The decision concerns intra-group loans forgiven by the company in 2003 and their tax treatment in subsequent tax years. Fiskars Corporation considers the decision unfounded and will appeal the decision to the Administrative Court.

The reassessment decision had a negative effect of EUR 28.3 million on the company's cash flow during the third quarter of 2016. Fiskars Corporation has disclosed the ongoing tax appeal in the earlier Annual Reports and Interim Reports. The company and its external advisors continue to consider the decision unfounded and do not recognize the related taxes and other costs in the income statement.

ANNUAL GENERAL MEETING 2019

The Annual General Meeting of shareholders of Fiskars Corporation was held at Helsinki Exhibition & Convention Centre, the Conference Center on March 13, 2019. The Annual General Meeting approved the financial statements for 2018 and discharged the members of the Board and the President and CEO from the liability. The Annual General Meeting decided in accordance with the proposal by the Board of Directors to pay dividend as follows for the financial period that ended on December 31, 2018:

a) Cash dividend
A cash dividend of EUR 0.27 per share was paid to a shareholder who was registered in the shareholders' register of the company maintained by Euroclear Finland Ltd on the dividend record date March 15, 2019. The payment date for the dividend was March 22, 2019.

In addition, the Annual General Meeting resolved to authorize the Board of Directors to resolve, in its discretion, on the distribution of an additional cash dividend. The maximum amount of dividend to be distributed based on this authorization shall not exceed EUR 0.27 per share. The Board of Directors is authorized to resolve on all other terms concerning the additional cash dividend. The authorization is valid until the next Annual General Meeting of the company.

The Board of Directors expects to resolve on the additional cash dividend of EUR 0.27, subject to the authorization, in its meeting scheduled for September 5, 2019. Assuming that the resolution is made by the Board of Directors on that date, the dividend record date would be September 9, 2019 and the payment date would be September 16, 2019.

b) Authorization to distribute an extra dividend in the form of Wärtsilä Corporation’s shares
In addition to the cash dividend as stated above, the Annual General Meeting resolved to authorize the Board of Directors to resolve, in its discretion, on the distribution of a share dividend in the manner set forth below.

- The Board of Directors is authorized to distribute up to 32,645,343 shares in Wärtsilä Corporation (“Wärtsilä”) held by the company, being the total amount of Wärtsilä shares currently held by the company. Wärtsilä trades on the Nasdaq Helsinki Ltd.
- A shareholder receives 2 Wärtsilä shares for each 5 shares held in the company.
- Fractional entitlements to Wärtsilä shares resulting from the distribution ratio will not be distributed in the form of shares, but an equivalent amount will be compensated to shareholders in cash. The Board of Directors are authorized to resolve on all other terms and practicalities for effecting the payment of the cash compensation for fractional entitlements.
- The value of the share dividend will be equivalent to the market value at the time of the distribution of the company’s Wärtsilä shares to be distributed. The cash compensation amount, being equivalent to the value of the shareholder’s fractional entitlement, will be based on the taxable value of the share dividend, expected to be calculated based on the volume weighted average price of Wärtsilä’s share on the date when the share dividend is withdrawable.
- Furthermore, the company will pay the transfer tax resulting from the distribution of the share dividend on behalf of shareholders. The transfer tax amounts to 1.6% of the value of the share dividend.
- The Board of Directors are authorized to resolve upon any and all other matters, relating to the distribution of the share dividend including, without limitation, technical adjustments and changes that may be required for effecting the distribution of the share dividend.
- The authorization will be valid until the next Annual General Meeting of the company.

The Board of Directors currently expects to resolve on the share dividend distribution, subject to the authorization, in its meeting scheduled for June 6, 2019. Assuming that the resolution is made by the Board of Directors on that date, the dividend record date for the share dividend will be June 10, 2019 and the share dividend payment date June 11, 2019. The payment date for the fractional entitlements to be paid in cash will be June 17, 2019. Any changes to the currently expected timing or structure will be separately announced by the company.

The Annual General Meeting decided that the Board of Directors shall consist of eight members. Albert Ehrnrooth, Paul Ehrnrooth, Louise Fromond, Jyri Luomakoski, Inka Mero, Fabian Månsson, Peter Sjölander and Ritva Sotamaa were re-elected. The term of the Board members will expire at the end of the Annual General Meeting in 2020. Ernst & Young Oy was elected as auditor for the term that will expire at the end of the Annual General Meeting in 2020. Ernst & Young has announced that the responsible auditor will be Kristina Sandin, Authorized Public Accountant.

The Annual General Meeting decided to authorize the Board of Directors to decide on the acquisition in total of a maximum of 4,000,000 own shares, in one or several installments, using the unrestricted shareholders’ equity of the company. The company’s own shares may be acquired in public trading on Nasdaq Helsinki Ltd at a price formed in public trading on the date of the acquisition. The authorization may be used to acquire shares to be used for the development of the capital structure of the company, as consideration in corporate acquisitions or industrial reorganizations and as part of the company’s incentive system and otherwise for further transfer, retention or cancellation. The Board of Directors is authorized to decide on all other terms and conditions regarding the acquisition of the company’s own shares. Based on the authorization, the acquisition of company’s own shares may be made otherwise than in proportion to the share ownership of the shareholders (directed acquisition). The authorization is effective until June 30, 2020 and cancels the corresponding authorization granted to the Board of Directors by the Annual General Meeting on March 14, 2018.

The Annual General Meeting decided to authorize the Board of Directors to decide on the transfer of own shares (share issue) held as treasury shares of a maximum of 4,000,000 shares, in one or several installments, either against or without consideration. The company’s own shares held as treasury shares may be transferred for example as consideration in corporate acquisitions or industrial reorganizations or for the development of the capital structure of the company, or as part of its incentive system. The Board of Directors is authorized to decide on all other terms and conditions regarding the transfer of own shares held as treasury shares. The transfer of own shares may also be carried out in deviation from the shareholders' pre-emptive rights to the company's shares (directed issue). The authorization is effective until June 30, 2020 and cancels the corresponding authorization granted to the Board of Directors by the Annual General Meeting on March 14, 2018.

CONSTITUTIVE MEETING OF THE BOARD AND BOARD COMMITTEES

Convening after the Annual General Meeting held on March 13, 2019 the Board of Directors elected Paul Ehrnrooth as its Chairman and Jyri Luomakoski as the Vice Chairman. The Board decided to establish an Audit Committee, a Human Resources and Compensation Committee as well as a Nomination Committee. The Board appointed Jyri Luomakoski (Chairman), Albert Ehrnrooth, Louise Fromond, and Ritva Sotamaa as members of the Audit Committee. Paul Ehrnrooth (Chairman), Inka Mero and Peter Sjölander were appointed as the members of the Human Resources and Compensation Committee. The Board appointed Paul Ehrnrooth (Chairman), and Fabian Månsson as the members of the Nomination Committee and Alexander Ehrnrooth as an external member of the Nomination Committee.

SHARES AND SHAREHOLDERS

Fiskars Corporation has one share series (FSKRS). All shares carry one vote and equal rights. The number of shares in the Corporation totals 81,905,242. Fiskars Corporation held 363,609 of its own shares at the end of the quarter. The share capital remained unchanged at EUR 77,510,200.

Fiskars shares are traded in the Large Cap segment of Nasdaq Helsinki. The volume weighted average share price during the first quarter was EUR 18.36 (Q1 2018: 22.78). At the end of March, the closing price was EUR 18.66 (EUR 20.30) per share and Fiskars had a market capitalization of EUR 1,521.6 million (1,659.1). The number of shares traded on Nasdaq Helsinki and in alternative market places from January to March was 1.8 million (0.6), which represents 2.3% (0.8%) of the total number of shares. The total number of shareholders was 21,876 (19,559) at the end of March 2019.

Flagging notifications

Fiskars was not informed of any significant changes among its shareholders during the quarter.

RISKS AND BUSINESS UNCERTAINTIES

Fiskars Group's business, net sales, and financial performance may be affected by several uncertainties. Fiskars Group has detailed the overall business risks and risk management in its Annual Report and on the company's website www.fiskarsgroup.com/investors.

Fiskars Group imports and exports products from/to the UK. A 'no deal' scenario in the UK's withdrawal from the EU, may have an adverse impact to Fiskars Group's comparable net sales and comparable EBITA in 2019. It can also be assumed that costs would increase, additional workload would emerge on both sides and exports and imports would be disrupted by tariffs and regulatory barriers. The long-term effects of changes in laws, regulations, taxes and other implications following from any kind of Brexit are difficult to estimate.

A considerable part of Fiskars Group's business is in the U.S. The increasing uncertainty regarding trade in the form of e.g. tariffs might have an impact on the company's business, as part of the product portfolio sold in the country is imported. Based on the information available at the moment, a further increase in tariffs might have a significant impact on the comparable net sales and comparable EBITA in 2019.

Demand for some of the Group's products is dependent on the weather, particularly garden tools and watering products during the spring and snow tools during the winter. Unfavorable weather conditions such as cold and rainy weather during the spring or no snow in the winter can have a negative impact on the sale of these products. The sale of homeware products is 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.

Fiskars Group entities are subject to tax audits in several countries. It is possible that tax audits may lead to a reassessment of taxes. The tax reassessment claim raised by the Finnish Large Taxpayers' Office in 2016, which obliged the company to pay a total of EUR 28.3 million in additional tax, interest expenses and punitive tax increases, will be appealed against by the company to the Administrative Court, and the process may take years. The dispute concerns intra-group loans forgiven by the company in 2003 and their tax treatment in subsequent tax years.

Fiskars Group operates globally with a considerable part of its business in the U.S. and in other countries outside of the euro zone. Weakening of the U.S. dollar or other currencies relative to the euro may have a material impact on the reported financial figures due to the translation exposure. Less than 20% of Fiskars Group's commercial cash flows are exposed to fluctuations in foreign exchange rates.

EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the reporting period.

OUTLOOK FOR 2019

In 2019, Fiskars Group expects the comparable net sales and comparable EBITA to be at the same level as in 2018.

The outlook is influenced by the company's investments in growth initiatives that are expected to add sustainable value in the long-term. In addition, there are material risks relating to changes in the operating environment, e.g. Brexit and the U.S. tariffs. An unfavorable outcome of these risks might have a significant impact on the comparable net sales and comparable EBITA. Furthermore, fluctuations in currency rates might also have a considerable impact on comparable EBITA.

Comparable net sales excludes the impact of exchange rates, acquisitions and divestments. Items affecting comparability in EBITA include restructuring costs, impairment charges, integration related costs, acquisitions and divestments, and gain and loss from the sale of businesses.

Helsinki, Finland, April 25, 2019

FISKARS CORPORATION
Board of Directors

CONSOLIDATED INCOME STATEMENT

EUR million	Q1 2019	Q1 2018	Change %	Q1–Q4 2018
Net sales	268.6	266.1	1	1,118.5
Cost of goods sold	-156.4	-148.6	-5	-633.5
Gross profit	112.2	117.5	-4	485.1
Other operating income	0.4	0.8	-46	5.2
Sales and marketing expenses	-69.8	-68.8	-1	-281.4
Administration expenses	-21.2	-25.1	16	-90.1
Research and development costs	-4.3	-4.8	10	-18.4
Goodwill and trademark amortization and impairment	-0.0	0.0		-8.6
Other operating expenses	-0.6	-0.6	6	-0.2
Operating profit (EBIT)*	16.9	19.0	-11	91.6
Change in fair value of biological assets	0.4	0.3		2.0
Other financial income and expenses	5.3	5.8		9.4
Profit before taxes	22.7	25.1		103.0
Income taxes	-5.1	-8.6		-21.1
Profit for the period	**17.6**	**16.5**		**81.7**
Attributable to:				
Equity holders of the parent company	17.3	16.6		81.6
Non-controlling interest	0.3	-0.0		0.2
Earnings for equity holders of the parent company per share, euro (basic and diluted)	0.21	0.20		1.00
*Comparable EBITA (detailed in notes)	25.9	23.6	10	121.7

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	Q1 2019	Q1 2018	Q1–Q4 2018
Profit for the period	**17.6**	**16.5**	**81.7**
Other comprehensive income for the period			
Items that may be reclassified subsequently to profit or loss			
Translation differences	-0.6	-0.2	8.3
Cash flow hedges	-0.0	0.2	0.2
Items that will not be reclassified to profit or loss			
Net change of investments at fair value through comprehensive income	19.2	10.9	-95.0
Defined benefit plan, actuarial gains (losses) net of tax	-0.3	-0.3	0.5
Other comprehensive income for the period net of tax total	18.3	10.8	-86.0
Total comprehensive income for the period	**35.8**	**27.3**	**-4.2**
Attributable to:			
Equity holders of the parent company	35.6	27.1	-4.4
Non-controlling interest	0.3	0.1	0.2

CONSOLIDATED BALANCE SHEET

EUR million	Mar 31 2019	Mar 31 2018	Change %	Dec 31 2018
ASSETS				
Non-current assets				
Goodwill	219.4	220.9	-1	217.4
Other intangible assets	283.9	283.1	0	280.5
Property, plant & equipment	161.4	153.7	5	159.8
Right-of-use assets	115.3			
Biological assets	44.0	41.9	5	43.6
Investment property	3.8	4.0	-3	3.9
Financial assets				
Financial assets at fair value through profit or loss	26.9	23.6	14	25.3
Other investments	8.7	8.8	0	8.8
Deferred tax assets	23.8	29.5	-19	30.2
Non-current assets total	887.3	765.5	16	769.4
Current assets				
Inventories	234.2	219.7	7	219.9
Trade and other receivables	232.9	216.4	8	220.4
Income tax receivables	32.2	31.0	4	31.3
Interest-bearing receivables	0.0	0.0	-50	0.0
Investments at fair value through other comprehensive income	469.6	586.0	-20	453.6
Cash and cash equivalents	11.0	10.5	5	24.4
Current assets total	979.9	1,063.6	-8	949.8
Assets total	**1,867.3**	**1,829.1**	**2**	**1,719.2**
EQUITY AND LIABILITIES				
Equity				
Equity attributable to the equity holders of the parent company	1,219.8	1,237.4	-1	1,207.0
Non-controlling interest	3.0	2.8	8	2.7
Equity total	1,222.9	1,240.3	-1	1,209.7
Non-current liabilities				
Interest-bearing liabilities	151.2	151.5	0	151.3
Lease liabilities	95.5			
Other liabilities	4.8	6.8	-30	6.8
Deferred tax liabilities	40.2	76.5	-48	43.9
Pension liability	12.9	13.3	-3	12.7
Provisions	4.4	5.6	-21	5.1
Non-current liabilities total	309.0	253.7	22	219.9
Current liabilities				
Interest-bearing liabilities	65.1	86.3	-25	9.6
Lease liabilities	21.8			
Trade and other payables	237.4	232.4	2	268.2
Income tax liabilities	3.9	8.0	-52	6.5
Provisions	7.2	7.8	-7	5.4
Current liabilities total	335.4	334.6	7	289.7
Equity and liabilities total	**1,867.3**	**1,829.1**	**2**	**1,719.2**

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR million	Q1 2019	Q1 2018	Q1–Q4 2018
Cash flow from operating activities			
Profit before taxes	22.7	25.1	103.0
Adjustments for			
Depreciation, amortization and impairment	14.8	8.8	43.8
Gain/loss on sale and loss on scrap of non-current assets	0.0	0.0	-1.9
Other financial items	-5.3	-5.8	-9.4
Change in fair value of biological assets	-0.4	-0.3	-2.0
Change in provisions and other non-cash items	0.9	0.2	-9.4
Cash flow before changes in working capital	**32.7**	**28.0**	**124.1**
Changes in working capital			
Change in current assets, non-interest-bearing	-9.1	-5.5	-2.6
Change in inventories	-12.3	-17.3	-8.5
Change in current liabilities, non-interest-bearing	-37.1	-44.4	23.8
Cash flow from operating activities before financial items and taxes	**-25.8**	**-39.2**	**136.8**
Financial income received and costs paid	-1.4	-1.8	-4.7
Taxes paid	-9.8	-8.4	-26.2
Cash flow from operating activities (A)	**-37.0**	**-49.4**	**105.9**
Cash flow from investing activities			
Investments in financial assets	-2.3		-0.9
Capital expenditure on fixed assets	-8.0	-8.9	-46.2
Proceeds from sale of fixed assets	-0.2	0.0	2.7
Proceeds from sale of investments at fair value through profit or loss	0.1	0.0	0.0
Other dividends received	7.8	7.5	15.0
Cash flow from other investments	0.2	1.0	1.5
Cash flow from investing activities (B)	**-2.4**	**-0.4**	**-28.0**
Cash flow from financing activities			
Purchase of treasury shares	-0.6		-2.8
Change in current receivables	0.0	17.3	20.0
Borrowings of non-current debt	0.3	0.2	0.6
Repayment of non-current debt	-0.2	-30.1	-30.3
Change in current debt	53.4	68.2	-12.8
Payment of lease liabilities	-5.4	-0.1	-0.3
Cash flow from other financing items	0.5	0.1	0.5
Dividends paid	-22.0	-26.4	-59.5
Cash flow from financing activities (C)	**26.0**	**29.2**	**-84.6**
Change in cash and cash equivalent (A+B+C)	**-13.5**	**-20.6**	**-6.6**
Cash and cash equivalent at beginning of period	24.4	31.1	31.1
Translation difference	0.0	0.0	0.0
Cash and cash equivalent at end of period	11.0	10.5	24.4

Non-cash changes on interest bearing net debt amounted to EUR 1.5 million arising from unrealized foreign exchange differences

CONDENSED STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

	Attributable to the equity holders of the parent company								
EUR million	Share capital	Treasury shares	Cumul. transl. diff.	Fair value reserve	Actuarial gains and losses	Financial assets at FVTOCI	Retained earnings	Non-controlling interest	Total
Opening Balance Jan 1, 2018	**77.5**	**-3.2**	**3.0**	**-0.6**	**-4.4**		**1,196.5**	**2.8**	**1,271.6**
Total comprehensive income for the period			-0.3	0.2	-0.3	10.9	16.6	0.0	27.3
Purchase of treasury shares		0.3							0.3
Dividend distribution							-58.8		-58.8
Mar 31, 2018	**77.5**	**-3.0**	**2.7**	**-0.4**	**-4.6**	**10.9**	**1,154.2**	**2.8**	**1,240.3**
Opening Balance Jan 1, 2019	**77.5**	**-6.0**	**11.1**	**-0.4**	**-3.9**	**-95.0**	**1,223.6**	**2.7**	**1,209.7**
Total comprehensive income for the period			-0.7	0.0	-0.3	19.2	17.3	0.4	35.8
Purchase and issue of treasury shares		-0.6							-0.6
Dividend distribution							-22.0	0.0	-22.0
Mar 31, 2019	**77.5**	**-6.6**	**10.4**	**-0.4**	**-4.1**	**-75.8**	**1,218.9**	**3.0**	**1,222.9**

NOTES TO THE INTERIM REPORT

ACCOUNTING PRINCIPLES

This financial statement release is prepared in accordance with IAS 34 (Interim Financial Reporting) using the same accounting policies and methods of computation as in the previous annual financial statements apart from the changes in accounting principles stated below.

Figures presented have been rounded and therefore the sum of individual figures might differ from the presented total figure.

APPLICATION OF NEW AND REVISED ACCOUNTING PRONOUNCEMENTS UNDER IFRS

IFRS 16 Leases

In the current year, the Group, for the first time, has applied IFRS 16 Leases. Majority of the lease agreements reported as operating leases in 2018 were converted to lease agreements recognized on balance sheet on the adoption of IFRS 16. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The Group transitioned to IFRS 16 in accordance with the modified retrospective approach, and comparatives for the 2018 financial year have not been restated. In applying the modified retrospective approach, The Group has taken advantage of the following practical expedients: leases with a remaining term of twelve months or less from the date of application have been accounted for as short-term leases and lease payments are recognized as an expense, initial direct costs have not been included in the measurement of the right-of-use assets at the date of initial application, lease component and associated non-lease component is accounted as a single lease component, and a single discount rate has been applied to portfolios of leases with reasonably similar characteristics.

Majority of the contracts that are booked on the balance sheet are consisting of the lease contracts of stores, offices and warehouses as well as some machinery and equipment and company cars. The lease term corresponds to the non-terminable period completed, if necessary, by renewal options whose exercise by the Group are reasonably certain. The discount rate used to calculate the lease debt is determined, for each asset, according to the incremental borrowing rate on commencement of the contract. The rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use-asset in a similar economic environment. The preparation of the financial statements in accordance with IFRS 16 requires management to make estimates and assumptions that affect the valuation of the reported assets and liabilities and other information, such as contingent liabilities and the recognition of income and expenses in the income statement. Although the estimates are based on the management's best knowledge of current events and actions, actual results may differ from the estimates.

REPORTING SEGMENTS

EUR million	Q1 2019	Q1 2018	Change %	Q1–Q4 2018
Net sales				
Functional	157.2	152.8	3	585.2
Living	110.5	112.4	-2	529.6
Other	0.9	0.9	5	3.8
Group total	**268.6**	**266.1**	**1**	**1,118.5**

EUR million	Q1 2019	Q1 2018	Change %	Q1–Q4 2018
Operating profit (EBIT)				
Functional	24.4	22.9	7	58.8
Living	-4.3	0.9		46.8
Other	-3.3	-4.8	32	-14.1
Group total	**16.9**	**19.0**	**-11**	**91.6**

EUR million	Q1 2019	Q1 2018	Change %	Q1–Q4 2018
Depreciation, amortization and impairment				
Functional	5.4	3.4	57	23.8
Living	7.2	5.1	41	19.0
Other	2.2	0.2		1.0
Group total	**14.8**	**8.8**	**69**	**43.8**

EUR million	Q1 2019	Q1 2018	Change %	Q1–Q4 2018
Capital expenditure				
Functional	3.0	3.3	-7	18.9
Living	4.0	5.1	-22	23.8
Other	1.0	0.5		3.5
Group total	**8.0**	**8.9**	**-10**	**46.2**

NET SALES BY GEOGRAPHY

EUR million	Q1 2019	Q1 2018	Change %	Q1–Q4 2018
Net sales				
Europe	130.1	125.8	3	531.2
Americas	104.4	110.3	-5	444.4
Asia-Pacific	33.5	31.4	6	141.7
Unallocated	0.6	-1.5		1.3
Group total	**268.6**	**266.1**	**1**	**1,118.5**

OPERATING PROFIT AND COMPARABLE EBITA

EUR million	Q1 2019	Q1 2018	Change %	Q1–Q4 2018
Operating profit (EBIT)	**16.9**	**19.0**	**-11**	**91.6**
Amortization	-3.2	-3.0	0	-20.9
EBITA	**20.1**	**22.0**	**-9**	**112.5**
Items affecting comparability in EBITA				
Personnel-related costs		1.2		1.8
Ebertsankey related provisions and impairments				0.4
Alignment program		0.4		2.9
Living transformation	5.7			2.5
Leborgne divestment	0.5			2.5
Other adjustments to operating profit	-0.3			-0.8
Total items affecting comparability in EBITA	**5.8**	**1.6**		**9.2**
Comparable EBITA	**25.9**	**23.6**	**10**	**121.7**

INTANGIBLE AND TANGIBLE ASSETS

EUR million	Mar 31 2019	Mar 31 2018	Dec 31 2018
Intangible assets and goodwill			
Book value, Jan 1	497.9	501.5	501.5
Currency translation adjustment	9.2	1.7	5.3
Additions	3.1	3.5	50.4
Amortization and impairment	-3.2	-2.9	-21.4
Decreases and transfers	-3.6	0.3	-37.9
Book value at end of period	**503.4**	**504.0**	**497.9**
Investment commitments for intangible assets	0.0	6.8	0.0
Tangible assets and investment property			
Book value, Jan 1	163.6	159.0	159.0
Currency translation adjustment	6.9	-0.8	1.1
Additions	4.1	5.5	28.8
Depreciation and impairment	-5.7	-5.7	-22.8
Decreases and transfers	0.3	-0.4	-2.4
Book value at end of period	**165.2**	**157.6**	**163.6**
Investment commitments for property, plant and equipment	5.0	5.8	4.3

Right-of-use assets	Real estate	Other	Total
Book value, Jan 1	115.6	3.7	119.3
Currency translation adjustment	0.9	0.0	0.9
Additions	0.6	0.3	0.9
Depreciation	-5.3	-0.4	-5.8
Decreases	0.0	0.0	0.0
Book value at end of period	**111.8**	**3.6**	**115.4**

CONTINGENCIES AND PLEDGED ASSETS

EUR million	Mar 31 2019	Mar 31 2018	Dec 31 2018
As security for own commitments			
Lease commitments*		90.0	89.5
Guarantees	18.7	19.8	18.4
Other contingencies**	9.1	11.2	11.9
Contingencies and pledged assets total	**27.8**	**121.0**	**119.8**

*Operating lease obligations have been reported according to IFRS 16 since January 1, 2019

**Other contingencies include a commitment of USD 10 million to invest in private equity funds.

Tax risks

In March 2019, Fiskars Oyj Abp received a negative decision from the Board of Adjustment in the Finnish Large Taxpayers' Office to the company's adjustment claim regarding a tax reassessment resulting from a tax audit carried out in 2014. The reassessment concerns intra-group loans forgiven by the company in 2003 and their tax treatment in subsequent tax years. Fiskars Oyj Abp was obliged to pay EUR 28.3 million in additional tax, interest and punitive increases during the third quarter of 2016.

Fiskars Group has disclosed the ongoing tax appeal in the earlier Annual Reports and Interim Reports. Fiskars Oyj Abp will appeal the Adjustment Board's decision to the Administrative Court. The company and its external advisors continue to consider the decision unfounded and do not recognize the related taxes and other costs in the income statement.

DERIVATIVES

EUR million	Mar 31 2019	Mar 31 2018	Dec 31 2018
Nominal amounts of derivatives			
Foreign exchange forwards and swaps	219.0	160.7	276.9
Interest rate swaps	50.0	80.0	50.0
Electricity forward agreements	0.4	1.0	0.5
Fair value of derivatives			
Foreign exchange forwards and swaps	-0.1	-0.1	-0.4
Interest rate swaps	-0.5	0.2	-0.6
Electricity forward agreements	0.2	-0.7	0.4

Derivatives have been valued at market value

EXCHANGE RATE SENSITIVITY OF THE OPERATIONS

Less than 20% of Fiskars Group's commercial cash flows are exposed to fluctuations in foreign exchange rates. The most significant transaction risks relate to the appreciation of THB and depreciation of SEK, AUD and JPY. The following table presents the estimated annual net commercial cash flows in the most significant currencies:

EUR million	THB	SEK	USD	AUD	JPY	IDR	GBP	CAD
Operational currency position	-32.4	19.9	-17.0	16.3	16.2	-13.1	13.4	12.2
Exchange rate sensitivity of the operations*	3.2	-2.0	1.7	-1.6	-1.6	1.3	-1.3	-1.2

*Illustrates the impact of 10% depreciation of the currency against EUR on the Group's annual profit before taxes had the cash flows not been hedged.

Most of the foreign exchange transaction risks related to the commercial cash flows are hedged primarily through the use of currency forwards and swaps. As Fiskars Group does not apply hedge accounting to these currency derivatives, both the realized and unrealized gains and losses on the derivatives are included in the income statement.

FAIR VALUE OF FINANCIAL INSTRUMENTS

Mar 31, 2019

EUR million	Level 1	Level 2	Level 3	Total
Investments at fair value through profit and loss			26.9	26.9
Investments at fair value through other comprehensive income	469.6			469.6
Other investments	0.4		8.3	8.7
Derivative assets		0.2		0.2
Total assets	**470.0**	**0.2**	**35.2**	**505.3**
Derivative liabilities		0.6		0.6
Total liabilities		**0.6**		**0.6**

Mar 31, 2018

EUR million	Level 1	Level 2	Level 3	Total
Investments at fair value through profit and loss			23.6	23.6
Investments at fair value through other comprehensive income	586.0			586.0
Other investments	0.4		8.3	8.7
Derivative assets		0.2		0.2
Total assets	**586.4**	**0.2**	**31.9**	**618.5**
Derivative liabilities		0.8		0.8
Total liabilities		**0.8**		**0.8**

Fair value categories

Hierarchy level 1 includes financial assets that are publicly quoted in an active market. 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.

Investments	FVTOCI	FVTPL	Other		
EUR million	**Level 1**	**Level 3**	**Level 1**	**Level 3**	**Total**
Book value, Dec 31, 2017	**572.4**	**21.7**	**0.4**	**8.5**	**602.9**
Additions		0.0			0.0
Decreases		0.0		0.0	0.0
Change in fair value	13.6	1.9	0.0	-0.2	15.3
Book value, Mar 31, 2018	**586.0**	**23.6**	**0.4**	**8.3**	**618.3**
Additions		0.0			0.0
Decreases					
Change in fair value	-132.4	1.7	-0.0	0.1	-130.6
Book value, Dec 31, 2018	**453.6**	**25.3**	**0.4**	**8.4**	**487.7**
Additions		2.3			0.0
Decreases					
Change in fair value	16.0	-0.8	0.0	-0.1	17.5
Book value, Mar 31, 2019	**469.6**	**26.9**	**0.4**	**8.3**	**505.1**

Investments at fair value through other comprehensive income (FVTOCI) comprise listed shares and investments at fair value through profit or loss (FVTPL) comprise 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). Level 1 investments consist mainly of 32,645,343 shares in Wärtsilä with a fair value of EUR 469.6 million. A 10% change in the Wärtsilä share price would have an impact of EUR 47 million in the total comprehensive income for the period. The fair value of unlisted funds is based on the market value reported by the fund (level 3). Changes in the fair value of these are recognized in the income statement.

Other financial assets comprise listed and unlisted shares as well as non-current receivables. Listed shares have been recognized at their fair value based on quotation at the end of the reporting period (level 1). Unlisted shares and other investments are measured at the lower of cost and fair value (level 3).

ACQUISITIONS AND DIVESTMENTS

Acquisitions and divestments in 2019

Fiskars Group has on January 15, 2019 received a binding offer for the purchase of its Leborgne business consisting of manufacturing and sale of hand tools to construction and gardening customers in France from MOB MONDELIN. The transaction was completed on April 1, 2019. The transaction was structured as an asset sale and included the Leborgne brand, inventory, fixed assets and personnel working for the business.

Acquisitions and divestments in 2018

There were no acquisitions or divestments during the year 2018.

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