

**FISKARS**

Annual Report 2001





A well-designed tool enhances the capacity of the human hand.  
Even cutting thick branches becomes easy when the pressing  
power is optimized.

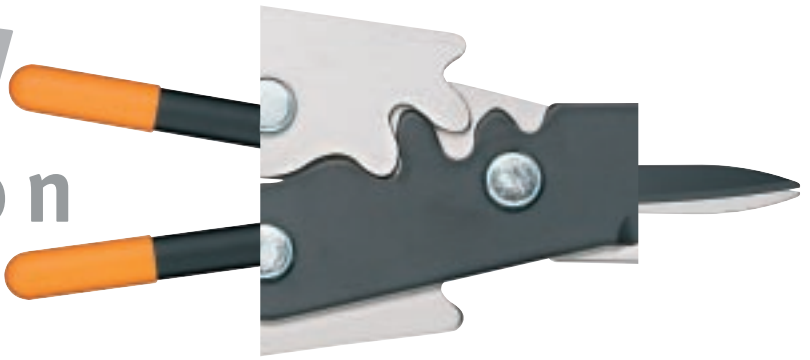
**FISKARS**

A N N U A L   R E P O R T

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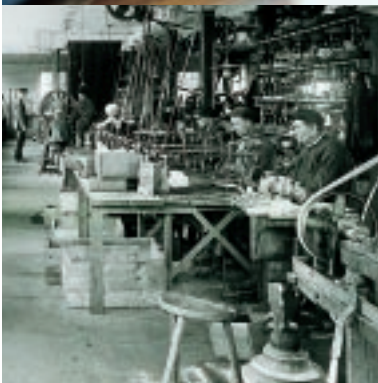
# Quality Innovation



## Design



## Renewal Globalization



## People

### Competence

## History Traditions

## Information to Shareholders

The Annual General Meeting of the Shareholders of Fiskars Corporation will be held on March 14, 2002 at 4.30 p.m. at the Finlandia Hall, Mannerheimintie 13 e, Helsinki.

Shareholders registered at March 4, 2002 in the shareholders register maintained by the Finnish Central Securities Depository Ltd. (Suomen Arvopaperikeskus Oy) are entitled to participate in the meeting. Shareholders wishing to attend the meeting should inform Fiskars Corporation not later than 4.30 p.m. on March 12.

### Payment of dividends

The Board of Directors proposes that the Annual General Meeting declares a dividend of 0.31 euros per share of series A and 0.29 euros per share of series K. The record date for the dividend is March 19, 2002 and the payment date March 26, 2002.

### Annual Report 2001

This Annual Report is published in Finnish, Swedish and English. The Annual Report is published on Fiskars Corporation's website ([www.fiskars.fi](http://www.fiskars.fi)).

### Interim Reports in 2002

The Interim Reports will be published as follows:

January – March	May 8, 2002
January – June	August 12, 2002
January – September	November 8, 2002

The interim reports are published in Finnish, Swedish and English on the website ([www.fiskars.fi](http://www.fiskars.fi))

They can also be ordered by phone: + 358 0 618 861, fax +358 604 053 or e-mail: [info@fiskars.fi](mailto:info@fiskars.fi)

### Stock Exchange Releases

Stock Exchange releases are published in Finnish, Swedish and English also on the website ([www.fiskars.fi](http://www.fiskars.fi))

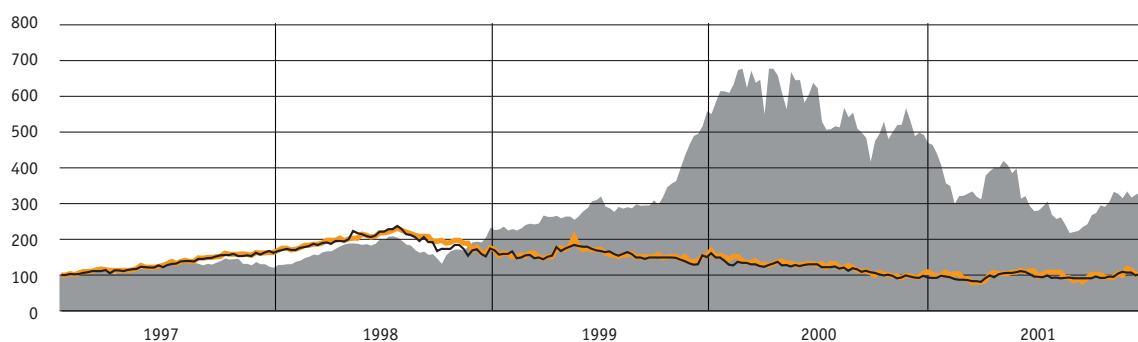
Summary of operations*)	2001	2000
	M€	M€
Net sales	762	824
Operating profit	12	28
Net profit	23	26
Balance sheet total	929	1 016
Equity ratio	44%	39%

Share data	€	€
Earnings/share	0.41	0.46
Equity/share	7.35	7.17
Personnel at year-end	4 556	5 337

\*) A complete summary is presented on page 40.

Exchange rates to the euro	2001	2000	2001	2000
	Income Statement		Balance Sheet	
USD	0.896	0.924	0.881	0.931
SEK	9.255	8.445	9.301	8.831
DKK	7.452	7.454	7.437	7.463
NOK	8.048	8.113	7.952	8.234
GBP	0.622	0.609	0.609	0.624
FIM	5.946		5.946	

### Trend of Fiskars share price compared to Hex (1997=100)



HEX ■  
Series A ■  
Series K ■



Bertel  
Langenskiöld

## President's Review

In 2001, Fiskars continued to build its strategy on the industrial operations comprising of Fiskars Brands, Inc. (former Fiskars Consumers Products, Inc.) and Inha Works. The other activities are the Real Estate Group and Investment Operations.

Consumer products form the biggest one of these business areas. The former name Fiskars Consumer Products, Inc. was changed into a shorter and more appealing form, Fiskars Brands, Inc., as from January 2002.

The past year was one of major changes for Fiskars Brands. The declining trend in the United States that set in already in late 2000 continued throughout 2001 with significant impacts even on the global economy. In the United States, Fiskars Brands' sales decreased by 10 %, further aggravated by the events of September, which led to a further reduction in consumption.

On the other hand, sales in Europe and other markets continued to be stable and reached the level of the previous year.

In this situation, it was imperative to focus our strategy and take steps to restore profitability. Significant changes were introduced during 2001 in the corporate management of Fiskars Brands. Consolidation of the previously relatively dispersed operations was started and for example administrative functions are now mainly centralized in Madison, Wisconsin. The new management appointed to coordinate European operations has its seat in Brussels. Since our principal customers are major international companies, it has become necessary to centralize also marketing and sales. We believe this will give us the possibility to better serve our customers and improve the penetration of the comprehensive offering of Fiskars Brands.

The efforts carried out in the area of customer service have yielded results and the retail chains Wal-Mart and Home Depot nominated Fiskars Brands as Category Manager in several product categories. Outstanding customer service combined with superior products is the strength of Fiskars Brands that will ensure Fiskars leading position in its chosen sectors.

In the past year, development efforts were focused on consolidation as well as on improving capacity utilization and the general efficiency of operations. As a result of this, the number of personnel decreased by 800. Inventory levels decreased and were a significant element in improving operational cash flow.

Although the structural development is a continuous process, major non-recurring costs cannot always be avoided; this was the case also in 2001. The structural development work will continue in the future.

In pace with the structural program, Fiskars Brands continues to focus on the development of new innovative products. Like so many times before, numerous new products launched during the year won highly valued design awards such as the German Red Dot Award and the Chicago Athenaeum Good Design Award. Development of product innovations will naturally be pursued with the same or even higher intensity.

Thanks to the implemented measures, Fiskars Brands now has a structure that ensures the potential for profitable operations in the prevailing situation and the capacity to face the challenges brought about by the anticipated economic upturn.

Inha Works performed well in 2001 in spite of the weakening market for hinges attributable to the sluggish trend in the building industry and of the declining demand for rail fasteners. The outlook for Inha's main product category, Buster Boats, was good. This trend is expected to prevail as the new models, Buster Magnum and Buster S, were very positively received both by customers and professional trade publications.

Management of Fiskars Real Estate assets continued according to established practice. The lands and forests are managed in a way that ensures profitability and productivity while giving attention to environmental aspects. Development plans for the areas located in the municipality of Kisko were completed, and this added a significant mass of building sites, mainly for summer houses, to the real estate assets of the corporation. Planning on the Hanko peninsula continues.

As numerous visitors to Fiskars Village have been able to witness, the company is also determined to pursue its efforts to maintain and improve the vitality of the area although it has been necessary to consolidate industrial activity in the Pohja region and move production from Fiskars to Billnäs.

Fiskars' long-term investments mainly consist of the holding in Wärtsilä Corporation where Fiskars is the biggest single shareholder, as well as of placements in several international investment funds.

The sale of Sanitec shares in June 2001 also improved the consolidated cash flow.

Today Fiskars is well prepared for future challenges. Serving our customers – both consumers and retailers – by supplying outstanding products is a challenge we are happy to take on in a way worthy of our 352-year old company.

I wish to thank our customers, cooperation partners, employees and shareholders for the past year, and look forward to our continued good cooperation.

Helsinki, February 2002

A handwritten signature in black ink, consisting of a large, stylized 'B' followed by a long, sweeping horizontal stroke that ends in a small loop.

# Board of Directors

## FISKARS CORPORATION



### Göran J. Ehrnrooth (1934)

Chairman since 1984, elected to the Board in 1974. Term expires in 2003. President of the Corporation during 1969–1983. Member of the Board of Directors of Wärtsilä Corporation and Assa Abloy AB. Holds 386,347 Fiskars shares.

### Mikael von Frenckell (1947)

Vice Chairman, elected to the Board in 2000. Term expires in 2002. M.Sc. (Pol.). Chairman of the Board of Directors and Partner in Sponsor Capital Ltd. Member of the Board of Tamro Corporation. Chairman of the Board of Tamfelt Corporation and The Finnish Foundation for Share Promotion. Holds 30,000 Fiskars shares.



### Robert G. Ehrnrooth (1939)

Elected to the Board in 1966. Term expires in 2002. Lic.Sc. (Econ.). Chairman of the Board of Directors of Wärtsilä Corporation and member of the Board of Directors of Finnair Corporation. Holds 596,264 Fiskars shares.

### Gustaf Gripenberg (1952)

Elected to the Board in 1986. Term expires in 2004. D.Eng., Professor, Helsinki University of Technology. Holds 137,625 Fiskars shares.



### Thomas Tallberg (1934)

Elected to the Board in 1966. Term expires in 2003. M.D., The Institute for Bio-Immunotherapy. Chairman of the Board of Directors of Tallberg Group. Holds 502 Fiskars shares.

### Stig Stendahl (1939)

Elected to the Board in 2000. Term expires in 2004. M.Sc. (Eng.). President of the Corporation during 1992–2000. Member of the Board of Directors of KCI Konecranes International Plc. Holds 87,482 Fiskars shares.



### Juha Toivola (1947)

Elected to the Board in 1997. Term expires in 2003. M.Sc. Member of the Board of Directors of Elcoteq Network Corporation and Partek Corporation. Holds 34,214 Fiskars shares.

## DEPUTY MEMBERS

### Paul Ehrnrooth (1965)

Elected to the Board 2000. Term expires in 2003. M.Sc. (Econ.) CEO of Savox International Corporation. Holds 85,490 Fiskars shares.



### Alexander Ehrnrooth (1974)

Elected to the Board 2000. Term expires in 2003. M.Sc. (Econ.), MBA. CEO of Virala Ltd. Member of the Board of Menire Plc. and 2M Invest A/S. Holds 111,219 Fiskars shares.

## AUDITOR

KPMG Wideri Oy Ab  
Corporation of Auditors



# Corporate Management

## FISKARS CORPORATION

Bertel Langenskiöld (1950) President and CEO M. Sc. (Eng.) Employed since 2000	Kurt-Erik Forsstedt (1942) Vice President, Legal Counsel LL.M Employed since 1980	Juha Rauhala (1954) Vice President, Corporate Finance B.Sc. (Econ.) Employed since 1989
Ingmar Lindberg (1945) Executive Vice President, Real Estate and Administration B.Sc. (Econ.) Employed since 1985	Erkki Hokkinen (1947) Vice President, Corporate Development B.Sc. (Econ.) Employed since 1988	
Ove Bäckman (1950) Vice President, Corporate Control B.Sc. (Econ.) Employed since 1983	Leena Kahila-Bergh (1959) Vice President, Corporate Communications M.Sc. (Econ.) Employed since 1989	

## FISKARS BRANDS, INC.

<b>Board of Directors</b> Bertel Langenskiöld (1950), Chairman Ralf R. Böer (1948) David J. Drury (1948) Alexander Ehrmrooth (1974) Richard G. Sim (1944) William J. Denton (1944), President and CEO	William J. Denton (1944) President and CEO Employed since 2000  Paul Freischlag, Jr. (1954) Senior Vice President, CFO Employed since 2001  Richard Krause (1961) Senior Vice President, Market Development Employed since 2001	Anita A. Loch (1948) Senior Vice President, Human Resources Employed since 2001  Antonio Russo (1949) President, Europe Division Employed since 2001
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## INHA WORKS LTD.

<b>Board of Directors</b> Bertel Langenskiöld (1950), Chairman Pauli Lantonen (1939) Ingmar Lindberg (1945)	Vesa Koivula (1954) President M. Sc. (Eng.) Employed since 1995
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## REAL ESTATE

<b>Board of Directors</b> Bertel Langenskiöld (1950), Chairman Elsa Fromond (1942) Ingmar Lindberg (1945), President	<b>Fiskars Real Estate</b>  Ferraria Oy Ab Ingmar Lindberg (1945) President Employed since 1985
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William J.  
Denton

## Fiskars Brands

Fiskars' biggest industrial operations consist of consumer products organized under a subsidiary called Fiskars Brands, Inc. and it is headquartered in

Madison, Wisconsin, USA. United States and Europe are the principal markets and the company encompasses 29 individual operating units with over 4.300 employees worldwide. Fiskars Brands maintains dedicated manufacturing, sales and distribution facilities on a global basis, focusing on specific countries and product lines.

From the beginning of 2002, the name of the company was changed from Fiskars Consumer Products Inc. to Fiskars Brands, Inc. Approximately 70% of Fiskars Brands' sales are generated in North America and 27% in Europe, with small but growing markets outside of these two region, primarily in Latin America and Asia.

The past year was a period of significant changes. The company focused on its core business operations with renewed emphasis on marketing and customer service. Notwithstanding global uncertainty and the weakest operating environment in two decades, the positive impact of the new management and other structural measure became apparent in the year's financial results.

Recognition of Fiskars name was further consolidated in the United States and Europe boosting Fiskars Brands' strong position as reliable supplier. A continuous flow of new innovative products into markets has been an essential part of Fiskars Brands' strategy. This will provide the basis for the long-term growth of the company and consolidate its established market position.

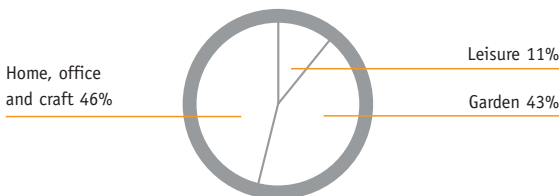
Consumer products are divided in three distinct product categories: Home, Office and Craft; Lawn and Garden; and Recreation.

KEY INDICATORS M €	2001	2000
Net sales	731	792
Share of total net sales	96%	96%
Operating profit	9	27
Personnel	4247	5015

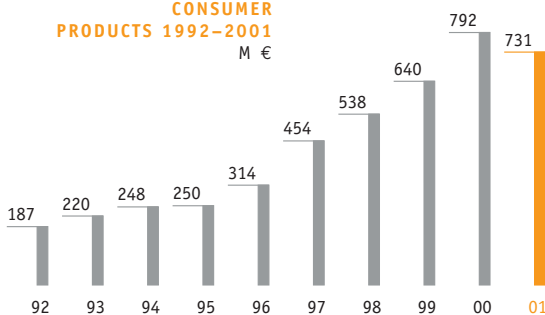
NET SALES  
BY MARKET AREA

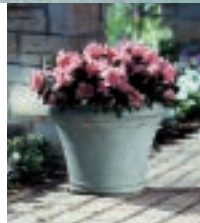


NET SALES BY  
PRODUCT CATEGORIES



NET SALES OF  
CONSUMER  
PRODUCTS 1992-2001  
M €





# Joy

for the hands and eyes

*At least 30% lighter to use. At least 30% more economical to produce. Soft and cheerful in the hand of the user, hard and aggressive at work. Functionality and production technology protected by patent, designs by registration. This is how Fiskars defines a marketable innovation. A joy for millions of hands and eyes.*

## HOME, OFFICE AND CRAFT

Fiskars is known worldwide for its orange-handled scissors and other original and innovative products. The most important product lines for home and office include a wide range of cutting products, high-quality floor mats and electronic power surge protection equipment. Further, the houseware offerings include a wide variety of premium cutlery and kitchen aids, which will be imported from Europe and introduced to the US markets in 2002.

Fiskars school and hobby product line includes scissors designed for different age groups, and a broad line of creative hobby products for children. The company has been cooperating with educators throughout the world and makes for example downloadable lesson plans available to teachers ([www.fiskars.com](http://www.fiskars.com)). During the year, this product group received special recognition for its scissors from the National Association of Teachers (USA).

The products are marketed through a worldwide distribution network and manufactured primarily in the United States, Finland, Mexico and Italy.

## LAWN AND GARDEN

The Lawn and Garden group is a global manufacturer and marketer of a wide variety of products for lawn and garden activities and outdoor entertaining. The group maintains operations in the United States, Finland, UK, Denmark, Germany, Sweden, Norway, Poland and Russia.

Fiskars black-and-orange cutting garden tools are recognized products trusted for their high quality

appreciated for their ergonomics. Fiskars products are also known for their award-winning design. Several design awards, such as the Finnish Design Award, the European Design Award and the Chicago Athenaeum Good Design Award, enhanced the reputation of the Lawn and Garden products. The innovatively designed trimmers won the prestigious German Red Dot Award for excellent design. Watering tools, decorative pottery for plants and garden furniture are other products in this category.

Fiskars garden tools were also named Category Managers for both Wal-Mart and Home Depot retail outlets in the United States.

## RECREATION

The recreation and leisure group supplies tools for hunting, fishing, biking and camping. The best-known product lines are axes, camping saws and camping spades approved also by Nato, as well as Gerber multipurpose tools and knives.

Manufacturing units are located primarily in the United States and Finland, and the group serves global markets through worldwide distribution channels. Recreation and leisure products are estimated to possess considerable growth potential above all in the US and European markets. Both specialized stores and international retail organizations have shown interest in these product lines. A major recognition for Gerber products during the year was being named Category Captains at Wal-Mart.

Fiskars and Gerber are the principal trademarks.





Vesa  
Koivula

## Inha Works

Inha Works manufactures Buster aluminum boats, hinges to the door and window industry, special-purpose radiators and rail fasteners. The principal markets are Finland, other Nordic countries and Eastern Europe.

The production layout of the factory were upgraded during the year, internal logistics was improved and new facilities were built for boat and hinge production. These measures will pro-

KEY INDICATORS M €	2001	2000
Net sales	22	22
– of which outside Finland	41%	37%
Share of total net sales	3%	3%
Operating profit	3	4
Personnel	190	197

vide the basis for further improvement of productivity and quality development.

The strong demand for motorboats weakened in 2001. However, the sales of Buster Boats in Finland and Scandinavia remained on a high level and deliveries to Russia started.

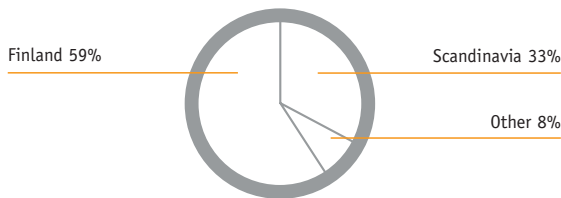
Buster is the European forerunner in development of aluminum boats. The boats are available in seven different size classes. The new Buster Magnum, which represents a new generation of design and technical characteristics, was launched towards the end of the year. The boat was enthusiastically received in Nordic media and won the Boat of the Year 2001 Award at the Scandinavian motorboat exposition in Stockholm. Also the new Buster S was presented to the public. The position of Buster Boats as the European market leader is strengthened thanks to energetic improvement of production technology and systematic product development.

Sales of hinges declined towards the end of the year in pace with the stagnating growth in the Finnish construction sector. At the same time exports increased by 30% mainly to Sweden, Russia and Estonia. As a result of product development in cooperation with customers, the refining level of hinges is being further improved to meet customers' requirements. Increased exports and production rationalization measures have consolidated our position as the leading Nordic supplier of hinges.

The Formaterm radiator range has been renewed and continues to offer popular concepts for heating and drying of humid rooms. Thanks to their modern design they are ideal for demanding interiors.

Rail fasteners, which represent the traditional steel processing expertise of Inha Works, are sold to the Nordic railways under long-term supply agreements.

NET SALES BY  
MARKET AREA



FISKARS®

Buster

FORMATERM



The world is  
**open**



*You travel onboard a fast gliding aluminum boat or on rails – Fiskars ensures their safety. You open a door or a window – Fiskars made the hinges. You step into your warm and dry bathroom – Fiskars guarantees the cozy feeling. Since 1841, Inha Works designs and manufactures metal products that open up a better world to millions.*



Ingmar  
Lindberg

## Real Estate Group

Fiskars Real Estate operations consist of the management of 15,000 hectares of real estate properties and related services. The land holdings situated in the Southwest of Finland represent a considerable corporate asset and include more than 100 lakes and 250 km of shoreline.

Most of the land holdings, 11,000 hectares, are in and around the old Fiskars Village. Traditional forestry and farming are carried on in this area according to long-term plans, and the forests are harvested in accordance with forest management plans to maintain a balance between regeneration and demand based on long-term contracts with external parties. An interesting specialty that has emerged in recent years are the deliveries of quality wood for instance to the furniture industry. The raw material is mainly harvested in the company's own forests and supplemented by purchases from other sources.

The revenues from the real estate operations are partly used to maintain the historically valuable buildings at Fiskars Village and improve the surrounding landscape. The objective is to continue developing the Fiskars region as an attractive place to work and live in and to offer tourists an interesting opportunity to visit this more than 350 years old, historically unique and still living industrial community.

In 2001, the upgrading of the village has proceeded at a slightly calmer pace. However, even during last year many new working facilities were renovated for artisans moving into Fiskars. This work will continue in 2002. The plan to increase accommodation capacity in the area was modified to some extent in 2001 and construction will begin this year.

The remaining 4,000 hectares of land holdings of Fiskars are located on the Hanko peninsula. The real estate company Ferraria has prepared a partial general plan for the area together with the neighboring municipalities with the objective of creating the conditions necessary for future development. The environmental authorities approved the plan in 2000. Preparation of a general plan for the Skogby-Harparskog area has started. The purpose is to attract new permanent settlers and environmentally friendly small-scale industry to this beautiful environment close to the sea.







Living **soul**  
of the company

*Fiskars is also a place, an industrial village with more than 350 years of traditions, surrounded by extensive lands and forests owned by Fiskars. This birthplace of the dynamic company will not be a museum; instead it is given the possibility to achieve good results from forest management and real estate development. The company invests in Fiskars Village to keep its culture alive.*

## Shareholdings



Fiskars holds 17.5% of the share capital and 23.9% of the votes in Wärtsilä Corporation.

Wärtsilä is the leading global supplier and a major provider of marine propulsion equipment and decentralized power generation systems and supporting services. The Group also operates a Nordic engineering steel company and manages substantial assets that support the core business. The Group's brand names are Wärtsilä, Sulzer and Imatra Steel.

Wärtsilä's consolidated net sales in 2001 amounted to EUR 2.4 (2.7) billion. Operating profit was EUR 524 (367) million, which included non-recurring capital gains of EUR 550 million on the sale of Assa Abloy and Sanitec shares and EUR 122 million in provisions for the Power Divisions. Profit before extraordinary items was EUR 509 (336) million. The Group has 10,800 employees.

Wärtsilä's Power Divisions comprise Marine, Power Plants and Service. The Power Divisions' net sales totaled EUR 2.3 (2.3) billion and its operating profit was EUR 88 (86) million. In research and development, the Power Divisions placed highest priority during 2001 on introducing the smokeless and dual-fuel engines as well as on developing the quality of operations and products.

Wärtsilä Marine Engines offers shipyards and shipping companies complete marine propulsion systems. Wärtsilä holds a strong position in the marine market, particularly in the RoRo and RoPax, cruise ship and large containership markets.

Wärtsilä Power provides complete energy generation solutions using natural gas, oil, Orimulsion® and biofuels. USA and Continental Europe were the largest markets.

Wärtsilä supplies a comprehensive portfolio of services for its marine and power plant customers. Wärtsilä service agreements now cover more than 10,000 MW of power, or roughly 8.6% of Wärtsilä's active installed base.

Imatra Steel's net sales 2001 amounted to EUR 186 (194) million. Operating profit was lower than in the previous year and totaled EUR 6 (17) million. ([www.wartsila.com](http://www.wartsila.com))

### Other holdings

Fiskars has also holdings of approximately EUR 23 million in several capital investment funds, mainly the EQT funds. ([www.eqt.se](http://www.eqt.se))

## F I N A N C I A L   S T A T E M E N T S

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# Report by the Board of Directors

Corporate net sales decreased by 7% from the previous year to EUR 762 million (824) as a result of the weakening trend in the US market.

The non-recurring costs of EUR 34 million (14) recorded during the year pressed the operating result down to EUR 12 million (28). Income from investments increased to EUR 51 million (43). Result after financing items totaled EUR 36 million (38) and earnings per share amounted to EUR 0.41 (0.46).

The Board of Directors proposes the same dividend as in the previous year, i.e. EUR 0.31 per share of series A and EUR 0.29 per share of series K. Thus the dividend distribution will be EUR 16.8 million.

## Change of name

The name of the American subsidiary under which the consumer products operations are organized and managed was changed to Fiskars Brands, Inc. (previously Fiskars Consumer Products, Inc.). This change, which is part of the program aimed at strengthening recognition of Fiskars brands, has become an efficient sales supporting tool.

## Operational results

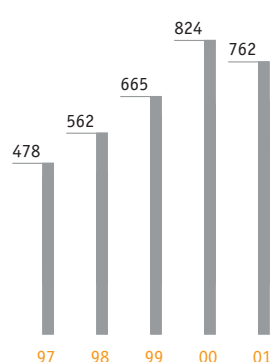
Net sales decreased by 10% due to declining demand in Fiskars' principal market United States. Sales in Europe grew

by more than 5%. United States accounted for 67% and Finland for 5% of total sales.

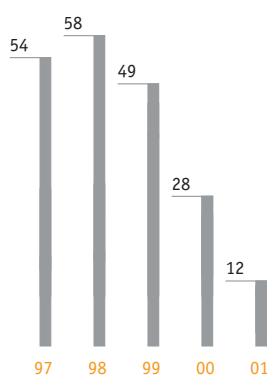
Sales of consumer products decreased in most product categories in the US market during 2001; the drop was most dramatic in flowerpots. While demand for some product categories, above all Fiskars and Gerber brands, showed a clear recovery already in the last quarter of the year, the overall sales performance was not yet satisfactory. Several new products were developed during the year and were positively received in all markets. Sales in Europe grew, although the trend was declining in some market areas, especially UK. In the Nordic markets, sales remained on the previous year's good level.

The costs of restructuring of the consumer products business and costs attributable to a weakening market situation totaled EUR 34 million (14). These costs were mostly recorded for restructuring of the US flowerpot and sunshade businesses and include write-down of inventories. As a result of these costs, the operating profit from consumer products decreased to EUR 11.0 million (27.0). However, the profitability of the Home, Office and Craft category stayed on a very good level. The performance of the Garden category was satisfactory in the United States and the result from garden furniture improved over the previous year. The overall result of the European operations improved in spite of the unsatis-

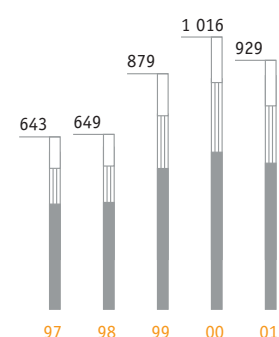
**NET SALES**  
M€



**OPERATING PROFIT**  
M€



**BALANCE SHEET, ASSETS**  
M€



- Financial assets
- ▨ Stocks
- Fixed assets

factory performance trend in Germany.

Fiskars supervises the protection of its patents and designs systematically and efficiently. In a litigation case in the United States during the year, a competitor was sentenced to pay considerable damages for having copied Fiskars products.

Inha Works' net sales decreased by about 3% from the previous year to EUR 22 million; the decline was mainly attributable to a moderate decrease in boat sales in Finland and Sweden. Demand for hinges slowed down in the Finnish market compared with the previous year, while exports grew clearly. Inha Works' operating result decreased to EUR 2.6 million (4.0) due to higher raw-material prices and changes in the production structure.

Income from long-term investments totaled EUR 51.1 million (42.7) and consisted mainly of dividends from Wärtsilä and proceeds from the sale of Sanitec shares.

The result from Real Estate operations improved and continued to be good.

### Capital expenditure and financing

Investments during the year totaled EUR 40 million (104); EUR 31 million (33) of this related to industrial operations. The most significant single capital expenditure project was the ERP system acquired for the US units.

The project will be implemented over a period of three years.

Investment operations accounted for EUR 8 million (49) of the capital expenditure. In addition in September, the convertible bonds loan issued by Wärtsilä was converted into shares, after which Fiskars' holding in Wärtsilä increased to 17.5%.

In June, the corporation sold 6.3% of its holding in Sanitec Corporation for EUR 57 million which yielded proceeds of EUR 11.7 million.

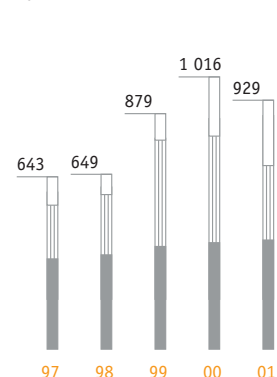
Cash flow from operations was exceptionally good as energetic steps to reduce the level of inventories and receivables started bearing fruit. Also the operational cash flow from investments was strong.

As a result of these factors, the balance sheet total decreased by about 9% to EUR 929 million (1,016). Equity ratio improved to 44% (39) and gearing was 96% (121). Solvency remained good, and the corporation had unused available credit limits. Interest-bearing liabilities were amortized by EUR 90 million during the year.

### Personnel

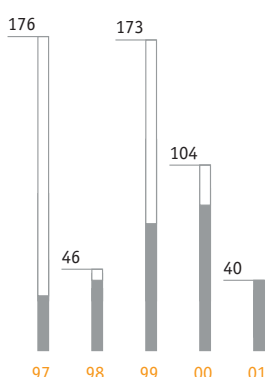
Mr. Bertel Langenskiöld, M. Sc. (Eng.), assumed his responsibilities as President and CEO of Fiskars Corporation on 1 January 2001. Ms. Leena Kahila-Bergh, M. Sc. (Econ.), was appointed Vice President, Corporate Communications, as from 1 February 2001.

**BALANCE SHEET, LIABILITIES AND EQUITY**  
M€



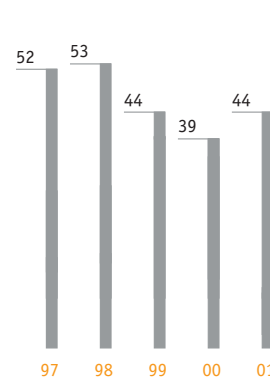
- Current liabilities
- ▨ Non-Current liabilities
- Equity

**CAPITAL EXPENDITURE**  
M€



- Acquisitions
- Other capital expenditure

**EQUITY RATIO**  
%



Mr. William J. Denton, President of Fiskars Brands, Inc. renewed the structure of the consumer products operation and strengthened its management team. The organization was streamlined and production plants were consolidated. Also the European regional organization was strengthened and its management moved to Brussels, Belgium.

Inha Works' President Mr. Pauli Lantonen retired at the end of June and the Executive Vice President of the company, Mr. Vesa Koivula, succeeded him from the beginning of July.

The number of personnel decreased dramatically, especially in the United States and was 4,556 at the year-end (5,337).

#### **Annual general meeting 2001**

The Annual General Meeting of Fiskars Corporation held on 15 March 2001 decided to distribute a dividend of EUR 0.31 per share of series A and EUR 0.29 per share of series K. The total dividend was unchanged from the previous year, i.e. EUR 16.8 million.

The resigning Board members Mr. Gustaf Gripenberg and Mr. Stig Stendahl were reelected for a term expiring in 2004.

KPMG Wideri Oy Ab, Corporation of Auditors, was reelected Auditor of the corporation.

The Board of Directors was granted authorization for one year to purchase and transfer not more than 1,962,303 A-shares and not more than 805,918 K-shares of the corporation. The previous corresponding authorizations were canceled. The granted authorization has not been used.

#### **Share prices**

The price of Fiskars A-share at the year-end was EUR 8.50 (7.40) and the price of the K-share EUR 8.00 (7.50). The price of the A-share increased by 15% and the price of K-share by 7%. The HEX Index of the Helsinki Exchanges decreased by 32% during the year. In 2001, a total number of 1,263,271 A-shares (3.2%) were traded at the average price of EUR 7.71 and 46,916 K-shares (0.3%) at the average price of EUR 7.93.

#### **Outlook**

The outlook for 2002 is mixed and consumer behavior is still very difficult to predict especially in the United States. The measures taken during 2001 in order to improve the efficiency of operations will have a positive effect on the results of 2002. However, restructuring will continue during 2002 and cause non-recurring costs.

Corporate sales are expected to grow as a result of the initiatives taken to improve customer service and harmonize product offerings. In addition, the growth potential of recently launched product innovations is significant. Especially the Fiskars and Gerber brands are expected to increase their market shares and strengthen Fiskars' established position in the distribution channels for consumer products.

Revenues from investment operations will represent a significant income item also in the current year.

The liquidity and financial structure of the corporation will remain stable.

Net sales by business area	1.1.-31.12.2001		1.1.-31.12.2000		change 01/00%
	M€	%	M€	%	
Consumer Products	731	96	792	96	-8
Inha Works	22	3	22	3	-3
Industry total	753	99	815	99	-8
Corporate operations, real estate, other	12	2	12	1	
Eliminations	-3		-3		
Corporate total	762	100	824	100	-7

Result by business segment	M€		M€		change 01/00%
		%		%	
Consumer Products	11.0	17	27.0	38	-59
Inha Works	2.6	4	4.0	6	-35
Industry total	13.6	22	31.0	44	-56
Corporate operations, real estate, other	-1.5	-2	-3.0	-4	
Operating profit	12.1	19	27.9	39	-57
Income from non-current investments	51.1	81	42.7	61	20
Consolidated segmental results	63.2	100	70.7	100	-11

Net sales by market area	M€		M€		01/00%
		%		%	
Finland	36	5	39	5	-8
Scandinavia	62	8	59	7	5
Other Europe	132	17	120	15	10
North America	508	67	568	69	-10
Other	23	3	38	5	-38
Corporate total	762	100	824	100	-7

Export from Finland	40	5	35	4	15
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Personnel by geographical area	31.12.2001		31.12.2000		change 01/00%
		%		%	
Finland	825	18	836	16	-1
Scandinavia	207	5	231	4	-10
Other Europe	808	18	941	18	-14
North America	2 672	59	3 293	62	-19
Other	44	1	36	1	22
Corporate total	4 556	100	5 337	100	-15

# Consolidated Income Statement

	2001		2000	
	M€		M€	
<b>Net sales</b>	<b>762.3</b>	<b>100.0%</b>	823.8	100.0%
Cost of sales	-538.1		-569.7	
<b>Gross profit</b>	<b>224.2</b>	<b>29.4%</b>	254.1	30.8%
Sales and marketing expenses	-109.6		-134.2	
Administration expenses	-54.9		-59.3	
Other operating income	4.3		1.0	
Other operating expenses	-18.2		-20.0	
Restructuring expenses	-33.6		-13.7	
<b>Operating profit</b>	<b>12.1</b>	<b>1.6%</b>	27.9	3.4%
Income from participating interests	0.0		0.0	
Financial income and expenses	(6) 23.6		10.5	
<b>Profit before taxes</b>	<b>35.7</b>	<b>4.7%</b>	38.5	4.7%
<b>Income taxes</b>	<b>(8) -13.1</b>		-12.8	
<b>Profit for the financial year</b>	<b>22.6</b>	<b>3.0%</b>	25.7	3.1%



# Consolidated Balance Sheet

		Dec. 31, 2001 M€		Dec. 31, 2000 M€	
<b>ASSETS</b>					
<b>Fixed assets and other non-current investments</b>					
Intangible assets	(9)	1.4		2.4	
Goodwill	(10)	133.8		136.3	
Tangible assets	(11)	199.8		194.2	
Investments	(13)	208.7		253.3	
		<b>543.7</b>	<b>58.5%</b>	586.2	57.7%
<b>Stocks and financial assets</b>					
Stocks	(14)	214.3		259.9	
Non-current debtors	(15)	0.7		2.2	
Deferred tax assets	(16)	33.1		15.5	
Current debtors	(17)	127.3		142.8	
Cash in hand and at bank		9.5		9.3	
		<b>385.0</b>	<b>41.5%</b>	429.8	42.3%
		<b>928.7</b>	<b>100.0%</b>	1 016.0	100.0%
<b>LIABILITIES</b>					
<b>Capital and reserves</b>					
	(19)				
Share capital		55.4		55.4	
Share premium account		21.3		21.3	
Revaluation reserve		3.9		3.9	
Other reserves		4.8		7.4	
Retained earnings		298.8		283.2	
Profit for the financial year		22.6		25.7	
		<b>406.8</b>	<b>43.8%</b>	396.8	39.1%
<b>Provisions</b>					
	(21)	3.8	<b>0.4%</b>	2.4	0.2%
<b>Creditors</b>					
Deferred tax liabilities	(22)	19.1		13.8	
Non-current creditors	(23)	255.3		381.7	
Current creditors	(24)	243.6		221.2	
		<b>518.0</b>	<b>55.8%</b>	616.7	60.7%
		<b>928.7</b>	<b>100.0%</b>	1 016.0	100.0%

# Consolidated Statement of Cash Flows

	2001 M€	2000 M€
<b>Cash flows from operating activities</b>		
Net profit before taxation	35.7	38.5
Depreciation	42.1	41.6
Reversal of items recorded on an accrual basis	(32) -22.3	-10.2
Cash generated before working capital changes	55.5	69.9
Change in current receivables	12.5	8.9
Change in stocks	56.3	-45.7
Change in current non-interest bearing debt	-16.6	-1.6
Cash generated from operations	107.7	31.5
Financial income items received	2.1	2.3
Dividends received	26.5	27.6
Financial expense items paid	-34.8	-31.5
Taxes paid	-1.6	-12.5
<b>Net cash flow from operating activities</b>	<b>99.9</b>	<b>17.4</b>
<b>Cash flows from investing activities</b>		
Acquisitions		-22.4
Investments	-8.3	-48.9
Purchase of tangible and intangible assets	-31.4	-32.5
Proceeds from disposal of investments	67.2	15.6
Proceeds from sale of equipment	2.5	1.2
<b>Net cash flow from investments</b>	<b>30.1</b>	<b>-87.0</b>
<b>Cash flow after investments</b>	<b>130.0</b>	<b>-69.6</b>
<b>Cash flows from financing activities</b>		
Change in non-current debt	-134.0	-29.7
Change in current interest bearing debt	19.5	109.5
Change in non-current receivables	1.5	-1.7
Dividends paid	-16.8	-16.8
<b>Net cash flows from financing activities</b>	<b>-129.9</b>	<b>61.3</b>
<b>Change in cash</b>	<b>0.1</b>	<b>-8.3</b>
<b>Cash at beginning of year</b>	<b>9.3</b>	<b>16.9</b>
Effect of exchange rate changes	0.1	0.7
<b>Cash at end of year</b>	<b>9.5</b>	<b>9.3</b>

## Statement of Changes in Consolidated Equity

M€	Share capital	Share premium account	Revaluation reserve	Other reserves	Retained earnings	Total
<b>Jan. 1, 2001</b>	<b>55.4</b>	<b>21.3</b>	<b>3.9</b>	<b>7.4</b>	<b>308.9</b>	<b>396.8</b>
Translation adjustment				-2.6	6.8	4.2
Transfer from revaluation reserve following sale of landholdings			0.0		0.0	0.0
Dividends					-16.8	-16.8
Net profit					22.6	22.6
<b>Dec. 31, 2001</b>	<b>55.4</b>	<b>21.3</b>	<b>3.9</b>	<b>4.8</b>	<b>321.5</b>	<b>406.8</b>

# General Accounting Principles

The financial statements have been prepared in accordance with regulations in force in Finland. These regulations are in conformity with the directives of the European Community.

The financial information is 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.

**Scope of the Consolidated Financial Statements** The consolidated financial statements include the accounts of all companies where Fiskars directly or indirectly holds more than 50% of the votes. Acquired or established subsidiaries and investments in participating interests are included in the consolidated financial statements from the date of acquisition or establishment to the date of divestment.

Intercompany transactions, dividends, receivables and liabilities as well as unrealized intercompany profits have been eliminated.

The purchase method of accounting is used in elimination of intercompany shareholdings. Tax liability on the acquired company's untaxed reserves is included in deferred tax liabilities. The remainder is included in shareholders' equity. Where appropriate, the excess of acquisition cost over the value of acquired net assets is allocated to various balance sheet items. The residual is accounted for as goodwill and amortized over ten to twenty years. The amortization period is dependent on estimates concerning the useful economic life of acquired brands.

Investments in participating interests (20%–50% of votes, more than 20% of shares) are included in the financial statements by applying the equity method of accounting. A proportional share of net income is included in financial items. Goodwill is amortized and any unrealized internal profit is eliminated. In the balance sheet the investment is valued at cost adjusted for the corporation's share of net assets accumulated after the date of acquisition.

Investments in other companies are stated in the balance sheet at cost or at net realizable value.

**Transactions in foreign currencies** Foreign currency denominated income statements are translated into euro at the average exchange rate for the financial period.

Balance sheets are translated at the end of period exchange rate. Consequently, net income according to the income statement will differ from net income according to the balance sheet. The difference is included in retained earnings.

Currency translation adjustments on foreign subsidiaries' opening retained earnings are included in consolidated retained earnings. Currency translation adjustments on other reserves are included in consolidated other reserves.

Transactions in foreign currencies are recorded at the rates of exchange ruling at the date of the transaction.

Unsettled balances in foreign currencies are translated at the rates prevailing on the balance sheet date, except for advance payments received or paid which are translated at the exchange rates on the payment date. Open hedging instruments pertaining to foreign currency items are valued at the market value, including interest components.

Both realized and unrealized exchange gains and losses have been included in the financial items in the income statement.

**Net sales** Net sales is defined as invoiced amount less indirect taxes, rebates and exchange rate adjustments on foreign currency denominated sales.

**Research and development costs** Research and development costs are expensed when incurred.

**Retirement benefit plans** In the consolidated accounts the

retirement benefit plans have been accounted for in accordance with IAS.

The retirement plans for the Finnish companies' employees are funded through payments to independent insurance companies. A small part of already retired employees receives their benefits from a trustee-administered fund. Any change in the deficit in the trustee-administered fund is included in net income of the parent company. The net deficit of the fund, which is almost fully covered, is taken up as a liability in the balance sheet.

**Extraordinary income and expense** Income and expense of significant size and not a part of continuing operations, e.g. sale or discontinuation of a separate line of business, are taken up as extraordinary items, net of tax.

**Fixed assets and other long-term investments** Fixed assets are stated at cost less accumulated depreciation according to plan. Certain land holdings have been revalued.

Revaluations are based on market values. If the market values fall below book value, the revaluation is reversed correspondingly.

Fixed assets are depreciated and amortized over their expected useful lives. Typically, the following expected useful lives are applied:

• goodwill	10–20 years
• other long-term expense	3–10 years
• buildings	25–40 years
• vehicles	4 years
• machinery and equipment	3–10 years

Revaluation amounts of land and water holdings are not depreciated.

Gains and losses on disposal of fixed assets are included in operating profit. Revaluation amounts of disposed assets are charged directly against equity.

**Inventories and financial assets** Inventories are stated at the lower of cost or 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 amount that can be realized from the sale of the asset less any related sales cost.

**Leasing** Operating leases are expensed. Objects leased under financial lease agreements are recorded as assets, and the corresponding liability is recorded as debt.

**Provisions** Provisions consist of reserves for future costs to which the corporation has committed itself or of losses that are deemed probable and do not generate a corresponding income.

**Appropriations** Appropriations in the parent company balance sheet consist of untaxed reserves and depreciation in excess of plan. In the consolidated balance sheet appropriations are taken up as equity and deferred tax liability. The change in appropriations is split into net income and increase or decrease in deferred tax cost.

**Income taxes** Income taxes consist of the aggregate current tax expense in the group companies, prior year taxes and deferred taxes. Taxes related to extraordinary items are shown in connection with these items.

Deferred tax assets and liabilities are calculated at the current tax rate or, if a future tax rate has been announced, at that announced tax rate. Deferred tax liabilities are recognized in full whereas deferred tax assets are recognized only to the extent it is considered probable that the tax asset will realize a future tax savings.

**Dividends** The dividend proposed by the Board of Directors has not been included as liability in the financial statements. Dividends to be paid are taken up as a liability following the decision of the Annual General Meeting.

# Notes to the Financial Statements

	CONSOLIDATED		PARENT COMPANY	
	2001	2000	2001	2000
	M€	M€	M€	M€
<b>Income statement (foreign currency denominated income statements translated at average rate of exchange)</b>				
<b>1. Personnel costs</b>				
Wages and salaries, for time worked	134.0	143.1	2.3	2.4
Pension costs	10.1	10.7	0.4	0.4
Other personnel costs	32.5	37.0	0.6	0.6
<b>Total</b>	<b>176.7</b>	<b>190.7</b>	<b>3.3</b>	<b>3.4</b>
<b>2. Wages and salaries paid</b>				
Salaries to managing directors and boards	3.9	4.3	0.5	0.5
Wages and salaries to other personnel	134.3	152.6	2.1	2.1
<b>Total</b>	<b>138.2</b>	<b>157.0</b>	<b>2.6</b>	<b>2.6</b>
According to an agreement the President and CEO of the parent company can retire at the age of 60.				
<b>3. Average number of employees</b>				
Finland	794	777	50	50
Scandinavia	234	234		
Other Europe	838	937		
North America	2 584	3 359		
Other	39	33		
<b>Total</b>	<b>4 489</b>	<b>5 340</b>	<b>50</b>	<b>50</b>
<b>4. Number of employees, end-of-period</b>				
Workers	3 202	3 761	11	12
Salaried	1 354	1 576	41	40
<b>Total</b>	<b>4 556</b>	<b>5 337</b>	<b>52</b>	<b>52</b>
<b>5. Depreciation and amortization according to plan by function (at average rate of exchange)</b>				
Manufacturing and procurement	26.8	26.5	1.0	1.0
Sales and marketing	1.1	0.9		
Administration	2.8	2.9	0.2	0.2
Other operating expenses (intangible assets and goodwill)	11.4	11.2	0.0	0.0
<b>Total</b>	<b>42.1</b>	<b>41.6</b>	<b>1.2</b>	<b>1.2</b>

NOTES TO THE FINANCIAL STATEMENTS

	CONSOLIDATED		PARENT COMPANY	
	2001	2000	2001	2000
	M€	M€	M€	M€
<b>6. Financial income and expense</b>				
Income from investments held as non-currents assets				
Dividend income				
From group undertakings			3.9	16.2
From other investments	37.4	38.3	37.4	38.3
Other interest and financial income				
From group undertakings			17.1	19.2
From other investments	16.7	4.4	16.7	4.4
Income from investments held as non-current investments, total	54.1	42.7	75.0	78.1
Other interest and financial income				
From group undertakings			26.0	18.8
From other parties	1.1	0.5	0.5	0.1
Write-off of investments held as non-current assets	-3.0		-2.9	
Interest and other financial expense				
To group undertakings			-10.3	-0.6
To other parties	-28.6	-32.7	-27.7	-30.3
Total financial income and expense	23.6	10.5	60.6	66.2
Net exchange gains and losses included in financial items	0.3	-1.2	0.2	-0.7
<b>7. Extraordinary items</b>				
Group internal sale of shares				0.9
Loss recorded upon dissolution of a subsidiary			-0.9	
Total extraordinary income and expense			-0.9	0.9
<b>8. Income taxes</b>				
Current taxes	-24.4	-13.4	-24.5	-28.2
Change in deferred tax	11.3	0.5		
Income taxes per income statement	-13.1	-12.8	-24.5	-28.2

	CONSOLIDATED		PARENT COMPANY	
	2001 M€	2000 M€	2001 M€	2000 M€
<b>Balance sheet, assets (currency denominated balance sheets translated at closing rate of exchange)</b>				
Movements in fixed assets				
<b>9. Intangible assets</b>				
Original cost, Jan. 1.	15.9	14.5	0.7	0.7
Currency translation adjustment	0.3	0.3		
Original cost, at the beginning of the year	16.1	14.8	0.7	0.7
Capital expenditure	0.0	1.1	0.0	0.1
Decrease	-2.0	-0.1	0.0	-0.1
Transfers	0.0			
Gross value, Dec. 31.	14.1	15.9	0.7	0.7
Accumulated amortization according to plan, Jan. 1.	13.4	12.2	0.5	0.5
Currency translation adjustment	0.2	0.3		
Accumulated amortization, at the beginning of the year	13.7	12.5	0.5	0.5
Amortization according to plan	0.9	1.0	0.1	0.1
Decrease	-1.9	-0.1	0.0	-0.1
Accumulated amortization according to plan, Dec. 31.	12.7	13.4	0.5	0.5
Net book value, Dec. 31.	1.4	2.4	0.2	0.2
<b>10. Goodwill</b>				
Original cost, Jan. 1.	182.8	164.7		
Currency translation adjustment	4.2	12.4		
Original cost, at the beginning of the year	187.0	177.1		
Capital expenditure	1.4	5.6		
Decrease		0.0		
Gross value, Dec. 31.	188.3	182.8		
Accumulated amortization according to plan, Jan. 1.	46.5	34.1		
Currency translation adjustment	-2.7	2.5		
Accumulated amortization, at the beginning of the year	43.8	36.5		
Amortization according to plan	10.7	9.9		
Accumulated amortization according to plan, Dec. 31.	54.4	46.5		
Net book value, Dec. 31.	133.8	136.3		
<b>11. Tangible assets</b>				
<b>11.1 Land and water</b>				
Original cost, Jan. 1.	16.6	15.8	4.4	4.4
Revaluation, Jan. 1.	9.9	9.9	9.9	9.9
Currency translation adjustment	0.2	0.4		
Original cost, at the beginning of the year	26.8	26.2	14.4	14.4
Capital expenditure	0.0	2.4	0.0	0.1
Decrease	0.0	-0.2	0.0	-0.1
Transfers		-1.8		
Book value, Dec. 31.	26.9	26.6	14.4	14.4

NOTES TO THE FINANCIAL STATEMENTS

	CONSOLIDATED		PARENT COMPANY	
	2001	2000	2001	2000
	M€	M€	M€	M€
<b>11.2 Buildings</b>				
Original cost, Jan. 1.	81.1	67.1	23.2	22.5
Currency translation adjustment	1.9	2.1		
Original cost, at the beginning of the year	83.1	69.2	23.2	22.5
Capital expenditure	7.9	9.0	0.6	0.8
Decrease	-0.5	-1.2		0.0
Transfers	1.9	4.1		
Gross value, Dec. 31.	92.4	81.1	23.9	23.2
Accumulated depreciation according to plan, Jan. 1.	23.7	20.1	9.5	8.8
Currency translation adjustment	0.4	0.4		
Accumulated depreciation, at the beginning of the year	24.1	20.5	9.5	8.8
Depreciation according to plan	3.6	3.5	0.8	0.8
Decrease	-0.4	-0.3		0.0
Transfers	-0.2	0.0		
Accumulated depreciation according to plan, Dec. 31.	27.1	23.7	10.3	9.5
Net book value, Dec. 31.	65.3	57.4	13.5	13.7
<b>11.3 Machinery and equipment</b>				
Original cost, Jan. 1.	233.9	200.2	4.0	4.0
Currency translation adjustment	11.1	10.9		
Original cost, at the beginning of the year	245.0	211.1	4.0	4.0
Capital expenditure	22.7	31.4	0.3	0.2
Decrease	-7.2	-5.6	-0.1	-0.1
Transfers	-3.3	-3.1		
Gross value, Dec. 31.	257.2	233.9	4.2	4.0
Accumulated depreciation according to plan, Jan. 1.	123.7	95.9	2.3	2.1
Currency translation adjustment	6.3	4.7		
Accumulated depreciation, at the beginning of the year	130.0	100.6	2.3	2.1
Depreciation according to plan	26.5	26.8	0.3	0.3
Decrease	-5.7	-3.8	0.0	-0.1
Transfers	-1.2	0.0		
Accumulated depreciation according to plan, Dec. 31.	149.6	123.7	2.6	2.3
Net book value, Dec. 31.	107.6	110.2	1.7	1.7



	CONSOLIDATED		PARENT COMPANY	
	2001	2000	2001	2000
	M€	M€	M€	M€
<b>11.4 Total tangible assets</b>				
Original cost, Jan. 1.	331.7	283.1	31.7	30.9
Revaluation, Jan. 1.	9.9	9.9	9.9	9.9
Currency translation adjustment	13.2	13.4		
Original cost, at the beginning of the year	354.8	306.5	41.6	40.8
Capital expenditure	30.7	42.8	1.0	1.0
Decrease	-7.7	-6.9	-0.1	-0.2
Transfers	-1.4	-0.8	0.0	0.0
Gross value, Dec. 31.	376.4	341.6	42.5	41.6
Accumulated depreciation according to plan, Jan. 1.	147.4	116.1	11.8	10.9
Currency translation adjustment	6.7	5.1		
Accumulated depreciation, at the beginning of the year	154.1	121.2	11.8	10.9
Depreciation according to plan	30.1	30.3	1.1	1.1
Decrease	-6.1	-4.1	0.0	-0.1
Transfers	-1.4	0.0	0.0	0.0
Accumulated depreciation according to plan, Dec. 31.	176.7	147.4	12.9	11.8
Net book value, Dec. 31.	199.8	194.2	29.6	29.8
<b>12. Net book value of production machinery and equipment Dec. 31.</b>	<b>78.8</b>	<b>77.8</b>		
<b>13. Investments</b>				
<b>13.1 Holdings in group undertakings</b>				
Original cost, Jan. 1.			65.7	96.5
Capital expenditure			0.0	50.4
Decrease			-4.1	-81.1
Gross value, Dec. 31.			61.6	65.7
Write-offs, Jan. 1.			0.0	-9.1
Decrease				9.1
Write-offs, Dec. 31.			0.0	0.0
Net book value, Dec. 31.			61.6	65.7
<b>13.2 Participating interests</b>				
Value Jan.1	0.0	0.0	0.4	0.4
Value Dec. 31.	0.0	0.0	0.4	0.4
<b>13.3 Other shares and similar rights of ownership</b>				
Original cost, Jan. 1.	213.9	171.5	213.4	171.1
Capital expenditure	3.1	42.4	3.1	42.4
Decrease	-45.8		-45.8	
Transfers	36.4		36.4	
Gross value, Dec. 31.	207.6	213.9	207.2	213.4
Write-offs	-1.2		-1.2	
Net book value, Dec. 31.	206.4	213.9	206.0	213.4

NOTES TO THE FINANCIAL STATEMENTS

	CONSOLIDATED		PARENT COMPANY	
	2001	2000	2001	2000
	M€	M€	M€	M€
<b>13.4 Receivables from group undertakings</b>				
Original cost, Jan. 1.			267.2	180.3
Exchange difference			11.3	14.6
Capital expenditure			7.0	72.2
Book value, Dec. 31.			285.4	267.2
<b>13.5 Other receivables</b>				
Original cost, Jan. 1.	39.4	44.6	34.9	38.3
Currency translation adjustment	0.3	0.5		
Original cost, at the beginning of the year	39.7	45.1	34.9	38.3
Increase	5.1	6.3	5.1	6.3
Decrease	-4.3	-12.1	-1.8	-9.8
Transfers	-36.4		-36.4	
Gross value, Dec. 31.	4.1	39.4	1.8	34.9
Write-offs	-1.8		-1.8	
Net book value, Dec. 31.	2.3	39.4	0.0	34.9
<b>13.6 Total investments</b>				
Original cost, Jan. 1.	253.3	216.1	581.6	486.6
Currency translation adjustment	0.3	0.5		
Original cost, at the beginning of the year	253.5	216.6	581.6	486.6
Exchange difference			11.3	14.6
Capital expenditure	8.2	48.7	15.2	171.3
Decrease	-50.1	-12.1	-51.7	-90.9
Transfers	0.0		0.0	
Gross value, Dec. 31.	211.7	253.3	556.3	581.6
Write-offs, Jan. 1.			0.0	-9.1
Increase	-3.0		-2.9	
Decrease			0.0	9.1
Write-offs, Dec. 31.	-3.0		-2.9	0.0
Net book value, Dec. 31.	208.7	253.3	553.4	581.6
<b>14. Stocks</b>				
Raw materials and consumables	39.5	50.7		
Work in progress	30.6	37.0	0.0	0.0
Finished products / Goods	140.6	167.5	0.1	0.1
Other stocks	2.4	2.0		
Advance payments	1.2	2.8		
Total stocks, Dec. 31.	214.3	259.9	0.1	0.1
<b>15. Non-currents debtors</b>				
Trade debtors	0.0	0.1		
Loan receivables	0.3	0.4	0.2	0.2
Other debtors	0.4	1.7	0.2	0.2
Total, Dec. 31.	0.7	2.2	0.4	0.4

	CONSOLIDATED		PARENT COMPANY	
	2001	2000	2001	2000
	M€	M€	M€	M€
<b>16. Deferred tax assets</b>				
Net operating losses	10.4	3.5		
Timing differences	22.7	12.1		
Total, Dec. 31.	33.1	15.5		
<b>17. Current debtors</b>				
Trade debtors, external	114.0	123.0	0.2	0.3
Amounts owed by group undertakings				
Trade debtors			0.3	0.5
Loan receivables			248.8	264.9
Other debtors			33.0	59.7
Prepayments and accrued income			5.5	30.1
			287.6	355.2
Other external debtors				
Loan receivables	0.0	0.0	0.0	0.0
Other debtors	5.4	3.5	0.2	0.1
Prepayments and accrued income	7.8	16.2	0.4	1.1
	13.3	19.7	0.6	1.2
Total, Dec. 31.	127.3	142.8	288.4	356.8
<b>18. Prepayments and accrued income</b>				
Prepaid and accrued interest	0.1	1.0	0.1	0.9
Prepaid income tax	0.9	8.4		
Other prepayments and accruals	6.8	6.8	0.3	0.1
Total, Dec. 31.	7.8	16.2	0.4	1.1

NOTES TO THE FINANCIAL STATEMENTS

	CONSOLIDATED		PARENT COMPANY	
	2001	2000	2001	2000
	M€	M€	M€	M€
<b>Balance sheet, liabilities</b>				
<b>19. Capital and reserves</b>				
Share capital				
A-shares				
Jan. 1.	39.2	39.2	39.2	39.2
Dec. 31.	39.2	39.2	39.2	39.2
K-shares				
Jan. 1.	16.2	16.2	16.2	16.2
Dec. 31.	16.2	16.2	16.2	16.2
Share capital, Dec. 31.	55.4	55.4	55.4	55.4
Share premium account				
Jan.1.	21.3	21.3	21.3	21.3
Share premium account, Dec. 31.	21.3	21.3	21.3	21.3
Revaluation reserve				
Jan.1.	3.9	4.0	3.9	4.0
Transfer to retained earnings	0.0	-0.1	0.0	-0.1
Revaluation reserve, Dec. 31.	3.9	3.9	3.9	3.9
Other reserves				
Jan.1.	7.4	8.9	3.2	3.2
Currency translation adjustment	-2.6	-1.6		
Other reserves, Dec. 31.	4.8	7.4	3.2	3.2
Retained earnings				
Jan.1.	308.9	293.5	308.6	240.5
Currency translation adjustment	7.2	6.3		
Dividends	-16.8	-16.8	-16.8	-16.8
Currency translation adjustment on Net profit in foreign currency denominated income statements (average rate) vs. balance sheets (end of period rate)	-0.4	0.2		
Transfer from revaluation reserve	0.0	0.1	0.0	0.1
Net profit	22.6	25.7	62.6	84.8
Retained earnings, Dec. 31.	321.5	308.9	354.3	308.6
-less equity part of untaxed reserves	-3.0	-2.2		
Distributable earnings, Dec. 31.	318.4	306.6	354.3	308.6
<b>20. Appropriations (Untaxed reserves)</b>				
Depreciation in excess of plan, Jan. 1.	2.5	3.4	1.9	1.8
Changes during the year	0.3	-0.9	0.1	0.1
Depreciation in excess of plan, Dec. 31.	2.8	2.5	1.9	1.9
Other untaxed reserves, Jan. 1.	0.7	0.8		
Changes during the year	0.9	-0.1		
Other untaxed reserves, Dec. 31.	1.6	0.7	0.0	0.0
Untaxed reserves total, Dec. 31.	4.3	3.1	1.9	1.9
Less deferred tax liability	-1.3	-0.9		
Equity part of untaxed reserves, Dec. 31.	3.0	2.2		

	CONSOLIDATED		PARENT COMPANY	
	2001	2000	2001	2000
	M€	M€	M€	M€
<b>21. Provisions</b>				
Retirement benefits	1.3	0.7	0.1	0.0
Restructuring provision	1.6			
Other provisions for liabilities and charges	1.0	1.7		
<b>Total, Dec. 31.</b>	<b>3.8</b>	<b>2.4</b>	<b>0.1</b>	<b>0.0</b>

Retirement benefits in consolidated accounts are stated in accordance with International Accounting Standards (IAS)

Actuarial present value of benefits	16.3	16.0		
Plan assets at fair value	15.0	15.2		
Plan assets below the present value of benefits, Dec. 31.	1.3	0.7		

Most retirement benefits are classified either as state plans or defined contribution plans.

<b>22. Deferred tax liabilities</b>				
Deferred tax liability on untaxed reserves	1.3	0.9		
Timing differences	17.2	12.3		
Deferred tax liability on consolidating entries	0.6	0.6		
<b>Total, Dec. 31.</b>	<b>19.1</b>	<b>13.8</b>		

Parent Company deferred tax liabilities 0.6 M€ (0.5) are only included in consolidated accounts.

<b>23. Non-current creditors</b>				
Loans from credit institutions	236.1	366.8	231.9	362.8
Pension loans	7.5	8.1	7.5	8.1
Amounts owed to group undertakings			0.0	0.0
Other creditors	11.6	6.8		
<b>Total, Dec. 31.</b>	<b>255.3</b>	<b>381.7</b>	<b>239.5</b>	<b>370.9</b>

<b>24. Current creditors</b>				
Loans from credit institutions	143.2	108.0	143.2	107.9
Pension loans	0.5	0.5	0.5	0.5
Advances received	0.4	0.3	0.3	0.2
Trade creditors	26.9	45.7	0.2	0.3
	<b>171.0</b>	<b>154.5</b>	<b>144.2</b>	<b>109.0</b>
Amounts owed to group undertakings				
Trade creditors			0.1	0.1
Other creditors			21.6	68.3
Accruals and deferred income			0.2	0.9
			<b>21.9</b>	<b>69.3</b>
Other creditors	8.1	7.4	3.6	3.6
Accruals and deferred income	64.5	59.4	26.1	26.3
<b>Total, Dec. 31.</b>	<b>243.6</b>	<b>221.2</b>	<b>195.8</b>	<b>208.2</b>

NOTES TO THE FINANCIAL STATEMENTS

	CONSOLIDATED		PARENT COMPANY	
	2001	2000	2001	2000
	M€	M€	M€	M€
<b>25. Accruals and deferred income</b>				
Income taxes payable	8.8	4.6	18.6	15.8
Interest payable	6.5	9.8	6.4	9.8
Wages, salaries and social costs	12.2	12.2	0.3	0.4
Purchases and other similar items	37.1	32.8	0.8	0.3
Total, Dec. 31.	64.5	59.4	26.1	26.3

**26. Repayments of non-current debt**

	2002	2003	2004	2005	Later years	Total
Loans from credit institutions	12.6	63.0	62.4	55.3	55.5	248.7
Pension loans	0.5	0.4	0.4	1.6	5.1	8.0
Other non-current debt	0.0	9.4	0.1	0.1	2.0	11.6
Total, Dec. 31.	13.0	72.8	63.0	57.0	62.5	268.3
	4.9 %	27.1 %	23.5 %	21.2 %	23.3 %	100.0 %

	CONSOLIDATED		PARENT COMPANY	
	2001	2000	2001	2000
	M€	M€	M€	M€
<b>27. Lease obligations</b>				
Operating leases, payments next year	13.3	13.5	0.4	0.4
Operating leases, payments later	78.8	84.0	0.0	0.0
Total operating leases, Dec. 31.	92.1	97.5	0.4	0.4
Financial leases, payments next year	0.7			
Financial leases, payments later	10.5			
Total financial leases, Dec. 31.	11.2			

The present value of financial lease agreements has been recorded under liabilities in the balance sheet.

**28. Contingencies and pledged assets**

As security for own commitments				
Real estate mortgages	3.2	1.9	0.6	0.6
Other pledged assets	32.5	29.3	32.5	29.3
Discounted bills of exchange	0.4	0.9		
Lease commitments	92.1	97.5	0.4	0.4
Other contingencies	0.0	2.2	0.0	0.0
Total	128.2	131.7	33.5	30.3
Guarantees as security for group undertakings' commitments			17.0	14.4
Guarantees as security for other parties' commitments	0.5	1.8	0.5	1.8
Total pledged assets and contingencies, Dec. 31.	128.7	133.6	51.1	46.6

	CONSOLIDATED		PARENT COMPANY	
	2001	2000	2001	2000
	M€	M€	M€	M€
<b>29. Debts with collateral</b>				
Mortgages				
Loans from credit institutions				
-Amount of liability	<b>1.1</b>			
-Nominal value of mortgage	<b>2.6</b>			
Pension loans				
-Amount of liability	<b>0.6</b>	2.2	<b>0.6</b>	0.6
-Nominal value of mortgage	<b>0.6</b>	1.9	<b>0.6</b>	0.6
Assets pledged				
Pension loans				
-Amount of liability	<b>7.9</b>	8.0	<b>7.9</b>	8.0
-Book value of assets pledged	<b>32.5</b>	29.3	<b>32.5</b>	29.3
<b>30. Nominal amounts of derivatives</b>				
Forward exchange contracts	<b>218.5</b>	101.3	<b>218.5</b>	101.3
Interest swaps	<b>136.2</b>	129.0	<b>136.2</b>	129.0
Forward interest rate agreements	<b>119.1</b>	116.7	<b>119.1</b>	116.7
<b>31. Market value vs. nominal amounts of derivatives</b>				
(+calculatory gain, -calculatory loss)				
Interest swaps	<b>-9.2</b>	-0.3	<b>-9.2</b>	-0.3
Forward interest rate agreements	<b>-0.2</b>	-0.5	<b>-0.2</b>	-0.5
Forward exchange contracts have been valued at market in the financial statements.				
The calculatory result has been determined as the amount that would have had to be paid if interest swap agreements and forward rate agreements had been closed at Dec. 31, 2001 by offsetting agreements at the then prevailing interest rates.				
<b>32. Statements of cash flows</b>				
Reversal of items recorded on an accrual basis				
Write-off of investments	<b>3.0</b>		<b>2.9</b>	
Changes in provisions	<b>1.3</b>	0.4	<b>0.0</b>	0.0
Exchange differences	<b>-0.3</b>	1.2	<b>-0.2</b>	0.7
Financial income	<b>-54.9</b>	-43.3	<b>-100.6</b>	-94.0
Financial expense	<b>28.6</b>	31.5	<b>37.3</b>	27.1
Total	<b>-22.3</b>	-10.2	<b>-60.6</b>	-66.1

**FINANCIAL RISK MANAGEMENT**

Financing and financial risks are managed centrally from the Corporate Head Office in Helsinki.

**Foreign exchange risks**

Two thirds of the corporation's business is in North America and the rest is mainly in Europe. The revenue and expense of the North American business is mainly US dollar denominated while European business is mainly done in various European currencies.

The corporation does not use derivative financial instruments speculatively. Open contracts pertain mostly to hedging of financing transactions, and have been valued at market.

**Interest rate risk**

Approximately 90 per cent of the corporation's funding need is US dollar denominated.

With the exception of pension loans, all loans are floating interest rate loans.

Long-term interest swap agreements with a total value of 110 million US dollars reduce the corporation's exposure to fluctuations in short-term interest rates. Forward rate agreements with a total value of 105 million US dollars reduce the interest rate exposure in 2002.

**Liquidity risk**

The group had 283 million euros unutilized long-term revolving credit facilities available to meet the obligations. In addition there are various other short-term credit lines with banks in the amount of approximately 60 million euros. In Finland the Parent Company has Commercial paper programs amounting to 200 million euros with its main banks.



Shares and participations		Domicile	% of share capital Parent	% of share capital Consoli- dated	% of voting power Parent	% of voting power Consoli- dated	Book value (€ 1000)	Market value Dec. 31, 2001 (€ 1000)
<b>Shares in group undertakings</b>								
<b>US</b>	<b>Fiskars Brands, Inc.</b>	<b>Wisconsin</b>	<b>86.8</b>	<b>100.0</b>	<b>86.8</b>	<b>100.0</b>	<b>18 768</b>	
AU	Fiskars (Australia) Pty Limited	Melbourne	100.0	100.0	100.0	100.0		
BE	Fiskars Consumer Products Europe SPRL	Brussels	100.0	100.0	100.0	100.0		
CA	Fiskars Canada, Inc.	Toronto	100.0	100.0	100.0	100.0		
DE	Ebert Design GmbH & Co. KG	Herford	100.0	100.0	100.0	100.0		
DE	Fiskars Deutschland GmbH	Solingen	100.0	100.0	100.0	100.0		
DE	Fiskars Europe Holding GmbH	Hilden	100.0	100.0	100.0	100.0		
DE	Werga-Tools GmbH	Hilden	100.0	100.0	100.0	100.0		
DK	Fiskars Consumer Europe ApS	Silkeborg	100.0	100.0	100.0	100.0		
DK	Fiskars Danmark A/S	Silkeborg	100.0	100.0	100.0	100.0		
FI	Fiskars Consumer Oy Ab	Pohja	100.0	100.0	100.0	100.0		
FR	Fiskars France S.A.R.L.	Wissous	100.0	100.0	100.0	100.0		
GB	Fiskars UK Limited	Bridgend	100.0	100.0	100.0	100.0		
GB	Richard Sankey & Son Limited	Nottingham	100.0	100.0	100.0	100.0		
GB	Vikingate Limited	Nottingham	100.0	100.0	100.0	100.0		
HU	Fiskars Hungary Ltd.	Budapest	100.0	100.0	100.0	100.0		
IT	Fiskars Montana S.r.l.	Premana	100.0	100.0	100.0	100.0		
MX	Fiskars de Mexico, S.A. de C.V.	Mexico City	100.0	100.0	100.0	100.0		
NO	Fiskars Consumer Holding AS	Oslo	100.0	100.0	100.0	100.0		
NO	Fiskars Norge AS	Oslo	100.0	100.0	100.0	100.0		
PL	Fiskars Poland Ltd	Slupsk	100.0	100.0	100.0	100.0		
RU	ZAO Baltic Tool	St. Petersburg	100.0	100.0	100.0	100.0		
SE	Fiskars Consumer Holding AB	Motala	100.0	100.0	100.0	100.0		
SE	Fiskars Sverige AB	Motala	100.0	100.0	100.0	100.0		
US	Alterra Holdings Corporation	Delaware	100.0	100.0	100.0	100.0		
US	Aquapore Moisture Systems, Inc.	Delaware	100.0	100.0	100.0	100.0		
US	EnviroWorks, Inc.	Delaware	100.0	100.0	100.0	100.0		
US	Royal Rubber & Manufacturing Co.	California	100.0	100.0	100.0	100.0		
<b>FI</b>	<b>Ferraria Oy Ab</b>	<b>Pohja</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>17 660</b>	
FI	Hangon Sähkö Oy	Hanko	93.2	93.2	93.2	93.2		
<b>FI</b>	<b>Inha Works Ltd.</b>	<b>Ähtäri</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>399</b>	
<b>DE</b>	<b>Fiskars Consumer Holding GmbH</b>	<b>Solingen</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>13 475</b>	
US	Fiskars Brands, Inc.	Wisconsin	13.2	100.0	13.2	100.0		
<b>SE</b>	<b>Fiskars AB</b>	<b>Motala</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>10 758</b>	
<b>Shares in other group undertakings</b>							<b>507</b>	
<b>Shares in participating interests owned by the parent company</b>								
IN	Fiskars India Limited	Mumbai	29.9	29.9	29.9	29.9		381
	- equity 0.0 M€							
IN	Finlandia Cutlery Pvt. Ltd.	Mumbai	24.0	24.0	24.0	24.0		32
	- equity 0.0 M€							
<b>Other shares owned by the parent company</b>								
FI	Wärtsilä Corporation, A	Helsinki	26.6	26.6	26.6	26.6	76 074	84 539
FI	Wärtsilä Corporation, B		14.3	14.3	14.3	14.3	105 276	130 841
	Wärtsilä total		17.5	17.5	23.9	23.9	181 350	215 380
FI	Menire Corporation		2.8	2.8	2.8	2.8	216	236
FI	Rautaruukki Corporation		x	x	x	x	143	299
FI	Julius Tallberg-Kiinteistöt Oyj		x	x	x	x	172	91
	Other shares in fixed assets						24 121	

# Five Years in Figures

		2001	2000	1999	1998	1997
Net sales	M€	<b>762</b>	824	665	562	478
of which outside Finland	M€	<b>726</b>	785	630	528	445
in per cent of net sales	%	<b>95.2</b>	95.3	94.8	93.9	93.1
Percentage change of net sales	%	<b>-7.5</b>	23.9	18.2	17.7	35.5
Profit before depreciation and amortization	M€	<b>54</b>	70	81	84	74
in per cent of net sales	%	<b>7.1</b>	8.4	12.2	14.9	15.6
Operating profit	M€	<b>12</b>	28	49	58	54
in per cent of net sales	%	<b>1.6</b>	3.4	7.3	10.3	11.3
Financial net	M€	<b>24</b>	11	12	-9	-1
in per cent of net sales	%	<b>3.1</b>	1.6	1.8	1.6	0.2
Earnings after financial items	M€	<b>36</b>	39	61	49	53
in per cent of net sales	%	<b>4.7</b>	5.8	9.1	8.7	11.0
Taxes	M€	<b>13</b>	13	21	19	19
Profit before extraordinary items	M€	<b>23</b>	26	40	30	34
in per cent of net sales	%	<b>3.0</b>	3.1	6.0	5.4	7.1
Extraordinary items, net of tax	M€					32
Profit for the financial year	M€	<b>23</b>	26	40	30	66
in per cent of net sales	%	<b>3.0</b>	3.2	6.0	5.4	13.9
Capital expenditure (incl. acquisitions)	M€	<b>40</b>	104	173	46	176
in per cent of net sales	%	<b>5.2</b>	12.6	26.1	8.2	36.8
Research and development costs	M€	<b>6</b>	9	7	6	6
in per cent of net sales	%	<b>0.8</b>	1.0	1.1	1.1	1.3
Equity	M€	<b>407</b>	397	383	347	337
Interest bearing debt	M€	<b>400</b>	492	383	219	207
Non-interest bearing debt	M€	<b>122</b>	128	114	84	100
Balance sheet total	M€	<b>929</b>	1 016	879	649	643
Return on investment	%	<b>8</b>	9	12	12	14
Return on equity	%	<b>6</b>	7	11	9	11
Equity ratio	%	<b>44</b>	39	44	53	52
Persons employed, average		<b>4 489</b>	5 340	5 621	4 854	4 547
Persons employed, Dec. 31		<b>4 556</b>	5 337	5 657	4 993	4 655
of which outside Finland		<b>3 731</b>	4 501	4 876	4 230	3 978

## FORMULAS FOR CALCULATION OF RATIOS

Return on investment in per cent	=	$\frac{\text{Earnings after financial items} + \text{interest and other financial expense}}{\text{Balance sheet total} - \text{non-interest bearing debt}} \times 100$ (average of beginning and end of year amounts)
Return on equity in per cent	=	$\frac{\text{Earnings after financial items} - \text{taxes}}{\text{Equity} + \text{minority shareholders' equity}} \times 100$ (average of beginning and end of year amounts)
Equity ratio in per cent	=	$\frac{\text{Equity} + \text{minority shareholders' equity}}{\text{Balance sheet total}} \times 100$
Earnings per share	=	$\frac{\text{Earnings after financial items} - \text{minority interest} - \text{taxes}}{\text{Adjusted average number of shares}}$
Dividend per earnings in per cent	=	$\frac{\text{Dividend paid}}{\text{Earnings (calculated as in Earnings per share)}} \times 100$
Dividend per share	=	$\frac{\text{Dividend paid}}{\text{Adjusted number of shares Dec. 31}}$
Price per earnings	=	$\frac{\text{Adjusted market quotation Dec. 31}}{\text{Earnings per share}}$
Equity per share	=	$\frac{\text{Equity}}{\text{Adjusted number of shares Dec. 31}}$
Dividend yield in per cent	=	$\frac{\text{Dividend per share}}{\text{Adjusted quotation Dec. 31}} \times 100$
Adjusted average share price	=	$\frac{\text{Value of shares traded during the period}}{\text{Adjusted number of shares traded during the period}}$

## Information on Fiskars Shares

		2001	2000	1999	1998	1997
Share capital	M€	55.4	55.4	55.4	37.1	37.0
Earnings per share	€	0.41	0.46	0.73	0.55	0.62
-incl. extraordinary income	€	0.41	0.46	0.73	0.55	1.20
Nominal dividend per share	€/A-share	0.31	0.31	0.31	0.39	0.35
	€/K-share	0.29	0.29	0.29	0.37	0.33
Dividend, million	M€	16.8 <sup>(*)</sup>	16.8	16.8	16.8	15.1
Adjusted dividend per share	€/A-share	0.31	0.31	0.31	0.31	0.28
	€/K-share	0.29	0.29	0.29	0.29	0.26
Equity per share	€	7.35	7.17	6.92	6.28	6.11
Adjusted average price per share	€/A-share	7.71	9.32	11.38	15.85	10.92
	€/K-share	7.93	9.31	10.95	16.31	10.66
Adjusted lowest price per share	€/A-share	6.13	6.90	9.50	12.24	7.62
	€/K-share	6.20	7.01	10.00	12.93	7.67
Adjusted highest price per share	€/A-share	9.00	13.00	16.00	18.97	14.80
	€/K-share	9.50	13.49	16.65	18.51	13.87
Adjusted price per share, Dec. 31	€/A-share	8.50	7.40	13.00	13.86	13.23
	€/K-share	8.00	7.50	13.00	14.70	13.53
Market value of shares	M€ A-shares	333.6	290.4	510.2	541.5	514.5
	M€ K-shares	128.9	120.9	209.5	236.9	218.0
	Total, M€	462.5	411.3	719.7	778.5	732.5
Number of shares (unadjusted), 1000	A-shares	39 246.1	39 246.1	39 246.1	28 037.2	27 901.2
	K-shares	16 118.4	16 118.4	16 118.4	16 118.4	16 118.4
	Total	55 364.4	55 364.4	55 364.4	44 155.6	44 019.6
Adjusted number of shares, 1000	A-shares	39 246.1	39 246.1	39 246.1	39 076.1	38 886.6
	K-shares	16 118.4	16 118.4	16 118.4	16 118.4	16 118.4
	Total	55 364.4	55 364.4	55 364.4	55 194.5	55 005.0
Adjusted average number of shares, 1000	A-shares	39 246.1	39 246.1	39 097.5	38 990.9	39 265.6
	K-shares	16 118.4	16 118.4	16 118.4	16 118.4	16 118.4
	Total	55 364.4	55 364.4	55 215.9	55 109.3	55 384.0
Number of shares traded, 1000	A-shares	1 263.3	3 830.6	3 866.7	4 457.5	2 880.9
	in % of total	3.2	9.8	9.9	11.4	7.4
	K-shares	46.9	501.9	2 414.6	1 268.8	969.6
	in % of total	0.3	3.1	15.0	7.9	6.0
Price per earnings	A-share	21	16	18	25	22
	K-share	20	16	18	26	22
Dividend per earnings in per cent		74.4	65.6	42.2	55.2	44.3
Dividend yield in per cent	A-share	3.6	4.2	2.4	2.2	2.1
	K-share	3.6	3.9	2.2	2.0	2.0
Number of shareholders		3 402	3 353	3 020	2 476	2 434

\*) Board proposal

## Other information on Shares and Shareholders

### Number of shares, votes and share capital

	December 31, 2001			December 31, 2000		
	Number of shares	Number of votes	€	Number of shares	Number of votes	€
Outstanding A-shares (1 vote/share)	39 246 066	39 246 066	39 246 066	39 246 066	39 246 066	39 246 066
Outstanding K-shares (20 votes/share)	16 118 364	322 367 280	16 118 364	16 118 364	322 367 280	16 118 364
<b>Total</b>	<b>55 364 430</b>	<b>361 613 346</b>	<b>55 364 430</b>	<b>55 364 430</b>	<b>361 613 346</b>	<b>55 364 430</b>

If the Annual General Meeting declares a distribution of dividends, shares of series A are entitled to a dividend of at least two percentage points higher than shares of series K. The computed counter value of both the A-share and the K-share is one euro.

### Minimum och maximum number of shares and share capital according to the Articles of Association

	December 31, 2001		December 31, 2000	
	minimum number; €	maximum number; €	minimum number; €	maximum number; €
Total of shares of series A and series K	35 000 000	140 000 000	35 000 000	140 000 000

### Taxation values of the shares in Finland

	2001 €	2000 €
Series A share	5.74	5.25
Series K share	5.74	5.32

### Turnover of shares at the Helsinki Exchanges

	2001		2000	
	M€	Number of shares	M€	Number of shares
Series A shares	9.7	1 263 271	35.7	3 830 550
Series K shares	0.4	46 916	4.7	501 864
<b>Total</b>	<b>10.1</b>	<b>1 310 187</b>	<b>40.4</b>	<b>4 332 414</b>

### Shareholders by owner groups December 31, 2001

Ownership structure	Number of shareholders		Number of shares		Votes	
		%		%		%
Private corporations	188	5.53	15 195 178	27.44	103 736 527	28.69
Financial institutions and insurance companies	15	0.44	1 649 099	2.98	17 211 315	4.76
Public entities	11	0.32	5 124 943	9.26	33 204 378	9.18
Non-profit organizations	94	2.76	8 136 704	14.70	51 751 223	14.31
Private individuals	3 043	89.45	14 973 430	27.04	103 822 009	28.71
Foreigners	50	1.47	10 243 121	18.50	51 678 815	14.29
Others	1	0.03	41 955	0.08	209 079	0.06
<b>Total</b>	<b>3 402</b>	<b>100.00</b>	<b>55 364 430</b>	<b>100.00</b>	<b>361 613 346</b>	<b>100.00</b>

### Division of shares on December 31, 2001

Number of shares	Number of shareholders		Number of shares		Number of votes	
		%		%		%
1 - 100	621	18.25	79 955	0.14	377 590	0.10
101 - 500	1 147	33.72	326 870	0.59	1 257 965	0.35
501 - 1 000	496	14.58	380 243	0.69	1 640 323	0.45
1 001 - 10 000	910	26.75	2 789 726	5.04	14 823 205	4.10
10 001 - 100 000	163	4.79	5 082 680	9.18	28 627 651	7.92
100 001 -	65	1.91	46 704 956	84.36	314 886 612	87.08
Total	3 402	100.00	55 364 430	100.00	361 613 346	100.00

### Major shareholders according to the shareholder register on December 31, 2001

	Shares of series A	Shares of series K	Total	Percentage of	
				votes	shares
Viral Oy Ab	2 121 483	1 498 926	3 620 409	8.9	6.5
Oy Holdix Ab	2 206 516	1 233 996	3 440 512	7.4	6.2
Duba AB	3 731 197	1 012 800	4 743 997	6.6	8.6
Varma-Sampo Mutual Pension Insurance Company	1 429 750	932 770	2 362 520	5.6	4.3
Agrofin Oy Ab	3 260 556	741 546	4 002 102	5.0	7.2
Sampo Group	580 992	818 048	1 399 040	4.7	2.5
Oy Julius Tallberg Ab	491 471	792 938	1 284 409	4.5	2.3
Hambo Oy Ab	996 231	740 235	1 736 466	4.4	3.1
I.A. von Julin's Trust	878 272	733 530	1 611 802	4.3	2.9
Sophie von Julin's Foundation	1 144 260	482 040	1 626 300	3.0	2.9
Tapiola Mutual Pension Insurance Company	1 110 022	217 565	1 327 587	1.5	2.4

### Share option program

The holders of warrants connected to the option program of 1998 are entitled to a maximum of 1,050,000 shares of series A corresponding to approx. 1.9% of the shares and approx. 0.3% of the votes. The warrants can be exercised as follows:

	Subscription period	Number of shares of series A	Subscription price/share €
Series B	15 May to 15 June 2002	maximum 525 000	13.18
Series C	15 May to 15 June 2003	maximum 525 000	10.10

### Management's shareholding

On December 31, 2001, the Board members, the President and the Corporate Vice President controlled a total of 15,419,961 shares corresponding to 27.9% of the Corporation's shares and 32.0% of the votes. By exercising the warrants connected to the option program of 1998 the President and the Corporate Vice President are entitled to a total of 105,000 shares of series A corresponding to 0.2% of the shares and 0.03% of the votes.

### Shareholders' Agreement

In December 1992 a group of private investors and companies entered into an agreement on pre-emptive rights between the parties in case of sales of shares. The agreement is still in force and the group represents about 54% of the total number of votes.

### Insider Rules

Since January 1, 2000 the Corporation has applied the Guidelines for Insiders as approved by the Helsinki Exchanges.

## Parent Company Income Statement

	2001 M€		2000 M€	
<b>Net sales</b>	<b>32.4</b>	<b>100.0%</b>	33.8	100.0%
Cost of sales	-2.1		-2.1	
<b>Gross profit</b>	<b>30.3</b>	<b>93.5%</b>	31.8	93.9%
Administration expenses	-4.9		-5.7	
Other operating income	1.0		0.4	
Other operating expenses	-0.3		-0.8	
<b>Operating profit</b>	<b>26.0</b>	<b>80.3%</b>	25.7	75.9%
Financial income and expenses	(6) 60.6		66.2	
<b>Profit before extraordinary items</b>	<b>86.7</b>	<b>267.1%</b>	91.8	271.4%
Extraordinary items	(7) -0.9		0.9	
<b>Profit after extraordinary items</b>	<b>85.7</b>	<b>264.2%</b>	92.7	274.0%
Increase (-) or decrease (+) in depreciation reserve	-0.1		-0.1	
Group contribution received	1.4		20.4	
Income taxes	(8) -24.5		-28.2	
<b>Profit for the financial year</b>	<b>62.6</b>	<b>192.9%</b>	84.8	250.7%

## Parent Company Balance Sheet

	Dec. 31, 2001 M€	Dec. 31, 2000 M€		Dec. 31, 2001 M€	Dec. 31, 2000 M€	
<b>ASSETS</b>						
<b>Fixed assets and other non-current investments</b>						
Intangible assets	(9) 0.2	0.2				
Tangible assets	(11) 29.6	29.8				
Investments	(13) 553.4	581.6				
	<b>583.2</b>	<b>66.6%</b>	611.6	62.8%		
<b>Stocks and financial assets</b>						
Stocks	(14) 0.1	0.1				
Non-current debtors	(15) 0.4	0.4				
Current debtors	(17) 288.4	356.8				
Cash in hand and at bank	3.3	4.5				
	<b>292.2</b>	<b>33.4%</b>	361.8	37.2%		
	<b>875.3</b>	<b>100.0%</b>	973.4	100.0%		
<b>LIABILITIES</b>						
<b>Capital and reserves (19)</b>						
Share capital	55.4	55.4				
Share premium account	21.3	21.3				
Revaluation reserve	3.9	3.9				
Other reserves	3.2	3.2				
Retained earnings	291.7	223.7				
Profit for the financial year	62.6	84.8				
	<b>438.1</b>	<b>50.0%</b>	392.4	40.3%		
<b>Appropriations (20)</b>						
	1.9	0.2%	1.9	0.2%		
<b>Provisions (21)</b>						
	0.1	0.0%	0.0	0.0%		
<b>Creditors</b>						
Non-current	(23) 239.5	370.9				
Current	(24) 195.8	208.2				
	<b>435.3</b>	<b>49.7%</b>	579.1	59.5%		
	<b>875.3</b>	<b>100.0%</b>	973.4	100.0%		

## Parent Company Statement of Cash Flows

	2001 M€	2000 M€
<b>Cash flows from operating activities</b>		
Net profit before taxation	86.7	91.8
Depreciation	1.2	1.2
Reversal of items recorded on an accrual basis	(32) -60.6	-66.1
Cash generated before working capital changes	27.2	26.9
Change in current receivables	19.9	-17.7
Change in stocks	0.0	0.0
Change in current non-interest bearing debt	0.0	-15.2
Cash generated from operations	47.2	-6.0
Financial income items received	48.7	32.0
Dividends received	30.2	43.8
Financial expense items paid	-40.9	-24.3
Taxes paid	-10.7	-10.5
Group contributions	1.4	20.4
<b>Net cash flow from operating activities</b>	<b>75.8</b>	<b>55.4</b>
<b>Cash flows from investing activities</b>		
Investments	-15.2	-204.2
Purchase of tangible and intangible assets	-1.0	-1.1
Proceeds from disposal of investments	63.9	119.4
Proceeds from sale of equipment	0.0	0.1
<b>Net cash flow from investments</b>	<b>47.8</b>	<b>-85.8</b>
<b>Cash flow after investments</b>	<b>123.6</b>	<b>-30.4</b>
<b>Cash flows from financing activities</b>		
Change in non-current debt	-138.3	-28.1
Change in current interest bearing debt	-22.5	153.5
Change in current receivables	52.7	-79.3
Change in non-current receivables	0.0	-0.2
Dividends paid	-16.8	-16.8
<b>Net cash flows from investing activities</b>	<b>-124.9</b>	<b>29.1</b>
<b>Change in cash</b>	<b>-1.3</b>	<b>-1.3</b>
<b>Cash at beginning of year</b>	<b>4.5</b>	<b>5.8</b>
<b>Cash at end of year</b>	<b>3.3</b>	<b>4.5</b>

# Proposal by the Board of Directors to the Annual General Meeting

At the end of the financial year the distributable consolidated equity amounted to 318.4 million euros (306.6 million euros). The distributable equity of the Parent Company is 354.3 million euros (308.6 million euros).

For the accounting period of 2000 a dividend of 16.8 million euros was paid.

For 2001 the Board of Directors proposes a dividend of 0.31 euros per share of series A (0.31 euros) and 0.29 euros per share of series K (0.29 euros). Thus the dividend distribution would be:

on 39 246 066 shares of series A 0.31 euros/share, in total	12 166 280.46 euros
on 16 118 364 shares of series K 0.29 euros/share, in total	4 674 325.56 euros
Total distribution of dividend	16 840 606.02 euros

Helsinki, 14 February 2002



Göran J. Ehrnrooth



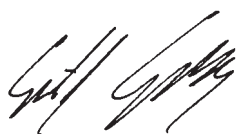
Mikael von Frenckell



Robert G. Ehrnrooth



Thomas Tallberg



Gustaf Gripenberg



Juha Toivola



Stig Stendahl



Bertel Langenskiöld  
President and CEO



# Auditors' Report

## To the shareholders of Fiskars Corporation

We have audited the accounting records and the financial statements, as well as the administration by the Board of Directors and the Managing Director of Fiskars Corporation for the year ended 31 December 2001. The financial statements prepared by the Board of Directors and the Managing Director include the report of Board of Directors, consolidated and parent company income statements, balance sheets, cash flow statements and notes to the financial statements. Based on our audit we express an opinion on these financial statements and the parent company's administration.

We have conducted our audit in accordance with Finnish Generally Accepted Auditing Standards. Those standards require that we plan and perform the audit in order to obtain reasonable assurance about whether the financial statements are free of material misstatement. The audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. The purpose of our audit of the administration has been to examine that the Board of Directors and the Managing Director have complied with the rules of the Companies Act.

In our opinion, the financial statements have been prepared in accordance with the Accounting Act and other rules and regulations governing the preparation of financial statements in Finland. The financial statements give a true and fair view, as defined in the Accounting Act, of both the consolidated and parent company result of operations for the year, as well as of the financial position at the year-end. The financial statements can be adopted and the members of the Board of Directors and the Managing Director of the parent company can be discharged from liability for the period audited. The proposed dividend is in compliance with the Companies Act.

Helsinki, 14 February 2002  
KPMG WIDERI OY AB



Sixten Nyman  
Authorized Public Accountant

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