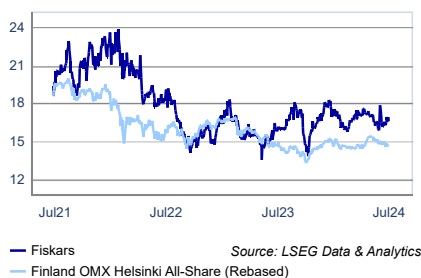


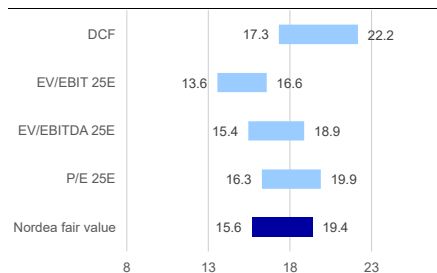
**KEY DATA**

Stock country	Finland
Bloomberg	FIS1V.FH
Reuters	FSKRS.HE
Share price (close)	EUR 16.70
Free float	58%
Market cap. (bn)	EUR 1.35/EUR 1.35
Website	fiskarsgroup.com
Next report date	24 Oct 2024

**PERFORMANCE**



**VALUATION APPROACH (EUR/SHARE)**



**ESTIMATE CHANGES**

Year	2024E	2025E	2026E
Sales	-5%	-5%	-4%
EBIT (adj)	-8%	-6%	-4%

Source: Nordea estimates

**Nordea IB & Equity - Analysts**

Joni Sandvall  
Analyst

Svante Krokfors  
Director

**Market likely to remain soft in H2**

Fiskars' Q2 adjusted EBIT came in largely in line with LSEG Data & Analytics consensus expectations despite 4% lower sales. The company continues to improve underlying gross margins despite soft volumes, which bodes well for when demand recovers. However, Fiskars does not expect market conditions to improve in H2, leaving adjusted EBIT guidance for a slight improvement at risk, we believe. The Georg Jensen integration is progressing well, while the company expects further support from its cost-saving programmes. We derive a DCF- and multiples-based fair value range of EUR 15.6-19.4 (16.0-19.8) per share.

**Volume softness eating cost-saving potential**

Q2 adj. EBIT of EUR 19.2m came in slightly above LSEG Data & Analytics consensus of EUR 18.6m despite 4% lower sales (down 5% y/y on a comparable basis). The top-line softness in the US and Continental Europe burdened the Fiskars business area's development (-3% y/y comparable growth) despite a positive spring season in the Nordics. The Fiskars BA's adj. EBIT of EUR 22.3m was down 10% y/y and fell 15% short of our expectation. Vita's sales declined 9% y/y on a comparable basis, while the Georg Jensen (GJ) integration is progressing well. Vita's adj. EBIT of EUR 1.6m was slightly ahead of our expectation, with a EUR 3.7m positive EBIT contribution from GJ in Q2. The underlying gross margin improved 230bp y/y to 49.1% and the company expects the positive trend to continue. Q2 free cash flow was strong at EUR 49m, supported by normalised NWC.

**We cut adjusted EBIT by 4-8% – elevated guidance risk for Q4**

We trim our 2024E-26E top line by 4-5%, partly explained by FX. Similarly, we cut adjusted EBIT by 4-8% and model flat adjusted EBIT of EUR 110m for 2024. Fiskars guides for slightly improving adjusted EBIT, which we believe will require a stable demand situation and successful cost adjustments in H2. Given soft and volatile market conditions, we believe the guidance risk is elevated towards year-end.

**Fair value range of EUR 15.6-19.4**

On our estimates, Fiskars is trading at a 2025E EV/EBIT of ~11.5x, fairly in line with its Nordic peers. We model continued robust cash flows in 2024 and expect the company to keep increasing its dividends, with around 5% dividend yields. We derive a DCF- and multiples-based fair value range of EUR 15.6-19.4 (16.0-19.8) per share.

**SUMMARY TABLE - KEY FIGURES**

EURm	2020	2021	2022	2023	2024E	2025E	2026E
Total revenue	1,116	1,254	1,248	1,130	1,173	1,241	1,302
EBITDA (adj)	185	216	210	176	194	234	255
EBIT (adj)	109	154	151	110	110	150	169
EBIT (adj) margin	9.8%	12.3%	12.1%	9.8%	9.4%	12.0%	13.0%
EPS (adj, EUR)	0.96	1.20	1.40	1.01	1.00	1.29	1.52
EPS (adj) growth	13.9%	24.6%	16.8%	-28.2%	-1.1%	29.1%	18.4%
DPS (ord, EUR)	0.60	0.76	0.80	0.82	0.84	0.88	0.92
EV/Sales	1.2	1.6	1.3	1.7	1.5	1.4	1.3
EV/EBIT (adj)	12.6	13.2	10.5	17.2	16.0	11.4	9.9
P/E (adj)	15.6	19.2	11.0	17.7	16.8	13.0	11.0
P/BV	1.6	2.3	1.5	1.8	1.7	1.7	1.6
Dividend yield (ord)	4.0%	3.3%	5.2%	4.6%	5.0%	5.3%	5.5%
FCF Yield bef A&D, lease	13.8%	4.7%	-10.8%	7.5%	7.8%	9.1%	8.0%
Net debt	144	145	324	447	403	348	310
Net debt/EBITDA	0.8	0.7	1.7	2.7	2.9	1.5	1.2
ROIC after tax	8.6%	12.8%	11.0%	7.0%	6.9%	9.8%	11.1%

Source: Company data and Nordea estimates

# Result takeaways

Fiskars' Q2 adjusted EBIT of EUR 19.2m came in 3% above LSEG Data & Analytics consensus expectations. Net sales were up 5% y/y, to EUR 281m and driven by the Georg Jensen acquisition, but came in 4% below consensus. On a comparable basis, sales were down 5% y/y (we had modelled 0%, no consensus available). Comparable direct-to-consumer sales were down 5% y/y driven by 9% decrease in e-commerce and 2% decline in own retail network. Comparable gross margin was 49.1%, up 230bp y/y. On divisional level, Vita beat our EBIT estimate while Fiskars BA missed. Q2 operating cash flow was strong, at EUR 65m (EUR 56m a year ago), supported by NWC. Net debt/LTM EBITDA was 2.7x, down from 2.9x in Q1 2024. Fiskars maintained its guidance for 2024 and expects adjusted EBIT to improve slightly from EUR 110m in 2023. LSEG consensus has been expecting EUR 107m adjusted EBIT (-3%).

## DEVIATION TABLE

EURm	Actual Q2 2024	NDA est. Q2 2024E	Deviation vs. actual		Consensus Q2 2024E	Deviation vs. actual		Actual Q1 2024	q/q	Actual Q2 2023	y/y
<b>Sales</b>	<b>281</b>	<b>300</b>	<b>-19</b>	<b>-6%</b>	<b>294</b>	<b>-13</b>	<b>-4%</b>	<b>283</b>	<b>-1%</b>	<b>268</b>	<b>5%</b>
Gross profit	124	130	-7.0	-5%	134	-10.0	-7%	123	1%	125	-1%
<b>Gross margin</b>	<b>44.0%</b>	<b>43.5%</b>	<b>0.5pp</b>		<b>45.4%</b>	<b>-1.5pp</b>		<b>43.4%</b>	<b>0.5pp</b>	<b>46.8%</b>	<b>-2.8pp</b>
<b>Adj. EBIT</b>	<b>19.2</b>	<b>22.8</b>	<b>-3.6</b>	<b>-16%</b>	<b>18.6</b>	<b>0.6</b>	<b>3%</b>	<b>25.1</b>	<b>-24%</b>	<b>23</b>	<b>-18%</b>
Adj. EBIT margin	6.8%	7.6%	-0.8pp		6.3%	0.5pp		8.9%	-2.0pp	8.7%	-1.9pp
EBIT	0.3	6.6	-6.3	-95%	18.6	-18.3	-98%	6.4	-95%	22	-99%
EBIT margin	0.1%	2.2%			6.3%	-6.2pp		2.3%	-2.2pp	8.3%	-8.1pp
PTP	(7.7)	1.6	-9.3	-583%	0.3	-8.0	-2433%	3.6	-314%	17	-147%
EPS, EUR	(0.08)	0.01	-0.09	-642%	0.02	-0.10	-500%	0.03	-370%	0.15	-152%

Business areas	Actual	NDA est.			Q1 2024	q/q	Q2 2023	y/y
<b>Sales</b>								
Vita	129.9	140.1	-10.2	-7%	125.9	3%	114	14%
Fiskars	150.1	159.0	-8.9	-6%	156	-4%	153	-2%
Other	1.0	1.0	0.0	0%	1	0%	1	-9%
<b>TOTAL</b>	<b>281.0</b>	<b>300.1</b>	<b>-19.1</b>	<b>-6%</b>	<b>282.9</b>	<b>-1%</b>	<b>268</b>	<b>5%</b>
<b>Adj. EBIT</b>								
Vita	1.6	1.2	0.4	37%	-0.1	-1700%	3	-47%
Fiskars	22.3	26.2	-3.9	-15%	29.5	-24%	24.6	-9%
Other	-4.7	-4.6	-0.1	2%	-4.3	9%	-4.2	12%
<b>TOTAL</b>	<b>19.2</b>	<b>22.8</b>	<b>-3.6</b>	<b>-16%</b>	<b>25.1</b>	<b>-24%</b>	<b>23.4</b>	<b>-18%</b>
<b>Adj. EBIT margin</b>								
Vita	1.2%	0.8%	0.4pp		0%	1.3pp	3%	-1.4pp
Fiskars	14.9%	16.5%	-1.6pp		19%	-4.1pp	16%	-1.2pp
<b>TOTAL</b>	<b>6.8%</b>	<b>7.6%</b>	<b>-0.8pp</b>		<b>9%</b>	<b>-2.0pp</b>	<b>9%</b>	<b>-1.9pp</b>

Source: Company data, LSEG Data & Analytics and Nordea estimates

BA Vita's adjusted EBIT came in slightly above our estimates despite soft top line in the seasonally small Q2...

### Vita BA slightly above our estimate, while Fiskars BA missed

Vita BA net sales were EUR 130m, 7% below our expectations. Comparable sales declined 8.7% y/y (we had anticipated -3%) due to the retail customer segment. Direct-to-consumer sales accounted for 51% of sales (47% a year ago), supported by the Georg Jensen acquisition. Adjusted EBIT was EUR 1.6m, slightly above our forecast of EUR 1.2m.

...while BA Fiskars missed our top-line and EBIT estimates

Fiskars BA net sales were EUR 150m, 6% below our expectations. On a comparable basis, sales declined 2.7% y/y (we had anticipated +3%), due to some softness sell-out and cautious retail customers in the US and continental Europe. Adjusted EBIT of EUR 22.3m came in 15% below our expectation of EUR 26.2m. Declines in volumes were partially offset by prudent cost management.

### Guidance intact

Fiskars reiterated its guidance and expects adjusted EBIT to improve slightly for 2024 (EUR 110.3m in 2023). Prior to the Q2 report, LSEG consensus was expecting EUR 107m adjusted EBIT for 2024 (-3%). We note the ongoing profitability programmes that should support 2024 earnings, although those are partially offset by wage inflation. Guidance is based on the assumption of a challenging operating environment also in H2.

# Estimate revisions

After the Q2 report, we trim the top line for 2024E-26E by 4-5% and cut adjusted EBIT by 4-8%.

## ESTIMATE REVISIONS

EURm	New estimates				Old estimates				Difference %			
	Q3 2024E	2024E	2025E	2026E	Q3 2024E	2024E	2025E	2026E	Q3 2024E	2024E	2025E	2026E
<b>Sales</b>	<b>273</b>	<b>1,173</b>	<b>1,241</b>	<b>1,302</b>	<b>287</b>	<b>1,229</b>	<b>1,304</b>	<b>1,361</b>	<b>-5%</b>	<b>-5%</b>	<b>-5%</b>	<b>-4%</b>
Gross profit	121	533	613	645	128	557	639	668	-5%	-4%	-4%	-4%
Gross margin	44.5%	45.5%	49.4%	49.5%	44.5%	45.3%	49.0%	49.1%	0.0pp	0.1pp	0.4pp	0.4pp
<b>Adj. EBIT</b>	<b>28.4</b>	<b>110</b>	<b>150</b>	<b>169</b>	<b>31.8</b>	<b>120</b>	<b>159</b>	<b>175</b>	<b>-11%</b>	<b>-8%</b>	<b>-6%</b>	<b>-4%</b>
Adj. EBIT margin	10.4%	9.4%	12.0%	13.0%	11.1%	9.8%	12.2%	12.9%	-0.7pp	-0.4pp	-0.2pp	0.1pp
EBIT	13.7	58	147	167	17.1	70	156	173	-20%	-18%	-6%	-4%
EBIT margin	5.0%	4.9%	11.8%	12.8%	5.9%	5.7%	12.0%	12.7%	-0.9pp	-0.8pp	-0.2pp	0.1pp
PTP	8.7	38	132	158	12.1	52	142	165	-28%	-28%	-7%	-4%
Adj. EPS, EUR	0.27	1.00	1.29	1.52	0.29	1.09	1.44	1.65	-10%	-8%	-10%	-8%
<b>EPS, EUR</b>	<b>0.08</b>	<b>0.35</b>	<b>1.25</b>	<b>1.50</b>	<b>0.11</b>	<b>0.47</b>	<b>1.40</b>	<b>1.63</b>	<b>-25%</b>	<b>-27%</b>	<b>-11%</b>	<b>-8%</b>
DPS, EUR		0.84	0.88	0.92		0.84	0.88	0.92		0%	0%	0%

Business areas	Q3 2024E	2024E	2025E	2026E	Q3 2024E	2024E	2025E	2026E	Q1 2024E	2024E	2025E	2026E
<b>Sales</b>												
Vita	151.4	618.5	665.2	711.8	160.0	650.7	702.0	744.1	-5%	-5%	-5%	-4%
Fiskars	120.3	550.1	572.1	586.4	125.9	574.6	597.6	612.5	-4%	-4%	-4%	-4%
Other	1.0	4.0	4.0	4.0	1.0	4.0	4.0	4.0	0%	0%	0%	0%
<b>TOTAL</b>	<b>273</b>	<b>1,173</b>	<b>1,241</b>	<b>1,302</b>	<b>286.9</b>	<b>1,229</b>	<b>1,304</b>	<b>1,360.6</b>	<b>-5%</b>	<b>-5%</b>	<b>-5%</b>	<b>-4%</b>
<b>Adj. EBIT</b>												
Vita	21.6	59.4	89.1	105.3	24.1	62.0	93.0	106.4	-11%	-4%	-4%	-1%
Fiskars	11.3	69.1	78.9	82.1	12.1	76.2	84.6	87.5	-7%	-9%	-7%	-6%
Other	-4.5	-18.3	-18.5	-18.7	-4.5	-18.2	-18.4	-18.6	0%	1%	1%	1%
<b>TOTAL</b>	<b>28.4</b>	<b>110.2</b>	<b>149.5</b>	<b>168.6</b>	<b>31.8</b>	<b>119.9</b>	<b>159.1</b>	<b>175.2</b>	<b>-11%</b>	<b>-8%</b>	<b>-6%</b>	<b>-4%</b>
<b>Adj. EBIT margin</b>												
Vita	14.2%	9.6%	13.4%	14.8%	15.1%	9.5%	13.2%	14.3%	-0.8pp	0.1pp	0.2pp	0.5pp
Fiskars	9.4%	12.6%	13.8%	14.0%	9.6%	13.3%	14.2%	14.3%	-0.2pp	-0.7pp	-0.4pp	-0.3pp
Other	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
<b>TOTAL</b>	<b>10.4%</b>	<b>9.4%</b>	<b>12.0%</b>	<b>13.0%</b>	<b>11.1%</b>	<b>9.8%</b>	<b>12.2%</b>	<b>12.9%</b>	<b>-0.7pp</b>	<b>-0.4pp</b>	<b>-0.2pp</b>	<b>0.1pp</b>

Source: Nordea estimates

# Detailed estimates

## QUARTERLY GROUP ESTIMATES (EURm; EPS IN EUR)

EURm	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24E	Q4 24E
Net sales	332.6	319.1	292.6	304.1	275.0	267.8	241.2	345.7	282.9	281.0	272.8	335.8
growth y/y	10%	4%	0%	-14%	-17%	-16%	-18%	14%	3%	5%	13%	-3%
LFL	14%	8%	0%	-12%	-13%	-13%	-13%	-4%	-6%	-5%	-1%	-2%
Gross profit	147.9	140.2	133.3	134.6	127.7	125.3	113.6	144.7	122.8	123.5	121.4	165.3
Gross margin	44.5%	43.9%	45.6%	44.3%	46.4%	46.8%	47.1%	41.9%	43.4%	44.0%	44.5%	49.2%
Other operating income	5.2	7	-6.6	0.0	0.5	0.7	0.8	26.9	1.7	1.7	1.5	1.5
Sales and marketing	-67.9	-71.2	-63.7	-73.4	-62.6	-70.3	-66.5	-93.3	-76.9	-82.4	-73.2	-91.4
Administration	-32.3	-29.2	-28.2	-31.2	-30.9	-28.4	-29.7	-35.5	-33.6	-33.2	-32.7	-34.5
R&D	-5.0	-5.2	-4.8	-5.8	-5.6	-4.8	-4.3	-5.1	-4.8	-4.9	-4.5	-5.0
Goodwill and trademark	0	0	0	0	0	0	0	0	0	0	0	0
Other operating expenses	-6.5	-2.1	-0.5	0.2	0.0	-0.4	-0.1	-3.8	-2.9	-4.4	1.2	1.6
EBIT	41.4	39.5	29.5	24.4	29.1	22.1	13.7	34.0	6.4	0.3	13.7	37.5
EBIT margin	12.4%	12.4%	10.1%	8.0%	10.6%	8.3%	5.7%	9.8%	2.3%	0.1%	5.0%	11.2%
NRI	-10.3	3.2	-3.8	-5.3	-2.3	-1.2	-4.3	-3.7	-18.7	-19	-14.7	0
Adj. EBIT	51.7	36.3	33.3	29.7	31.4	23.3	18.0	37.7	25.1	19.2	28.4	37.5
Adj. EBIT margin	15.5%	11.4%	11.4%	9.8%	11.4%	8.7%	7.5%	10.9%	8.9%	6.8%	10.4%	11.2%
Change in fair value of biological assets	0.5	0.6	0.9	-0.9	1.1	1.5	1.2	1	1	1.1	1	1
Financial income and expenses	0.7	-0.7	-2.6	-9.0	-3.6	-7.1	-3.2	-10.0	-3.8	-9.0	-6.0	-5.5
PTP	42.6	39.4	27.8	14.5	26.6	16.5	11.7	25.0	3.6	-7.6	8.7	33.0
Taxes	-11.2	-5.8	-4.9	-3.1	-5.8	-4.0	-2.8	3.0	-1.2	1.7	-1.9	-7.3
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0	0
Profit for the period	31.4	33.6	22.9	11.4	20.8	12.5	8.9	28.0	2.4	-5.9	6.8	25.7
Minority	0.2	0.1	0.4	0.1	0.3	0	0	-0.1	0	0.3	0.2	0.2
EPS	0.38	0.41	0.27	0.14	0.25	0.15	0.11	0.35	0.03	-0.08	0.08	0.32
Adj. EPS	0.51	0.37	0.33	0.20	0.29	0.17	0.16	0.39	0.26	0.16	0.27	0.32

Source: Company data and Nordea estimates

**QUARTERLY BUSINESS AREA ESTIMATES**

Business areas, EURm	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24E	Q4 24E
<b>Net sales</b>												
Vita	120.8	126.8	140.3	175.9	107.7	113.7	119.4	214.5	125.9	129.9	151.4	211.2
Fiskars	211.2	191.3	151.2	127.0	166.8	153.0	120.6	130.0	156.0	150.1	120.3	123.6
Other	0.7	0.9	1.1	1.2	0.5	1.1	1.2	1.2	1.0	1.0	1.0	1.0
GROUP	332.7	319.0	292.6	304.1	275.0	267.8	241.2	345.7	282.9	281.0	272.8	335.8
<b>Adj. EBIT</b>												
Vita	10.7	14.4	24.6	35.9	7.8	3.0	16.9	34.7	-0.1	1.6	21.6	36.3
Fiskars	43.6	26.7	15.2	-2.8	30.6	24.6	11.0	7.4	29.5	22.3	11.3	6.0
Other	-2.4	-4.8	-6.6	-3.5	-7.2	-4.2	-10.0	-4.4	-4.3	-4.7	-4.5	-4.8
GROUP	51.9	36.3	33.2	29.6	31.2	23.4	17.9	37.7	25.1	19.2	28.4	37.5
<b>Adj. EBIT margin</b>												
Vita	8.9%	11.4%	17.5%	20.4%	7.2%	2.6%	14.2%	16.2%	-0.1%	1.2%	14.2%	17.2%
Fiskars	20.6%	14.0%	10.1%	-2.2%	18.3%	16.1%	9.1%	5.7%	18.9%	14.9%	9.4%	4.8%
GROUP	15.6%	11.4%	11.3%	9.7%	11.3%	8.7%	7.4%	10.9%	8.9%	6.8%	10.4%	11.2%
<b>Sales growth, %</b>												
Vita	12%	10%	5%	-6%	-11%	-10%	-15%	22%	17%	14%	27%	-2%
Fiskars	9%	0%	-4%	-23%	-21%	-20%	-20%	2%	-6%	-2%	0%	-5%
GROUP	10%	4%	0%	-14%	-17%	-16%	-18%	14%	3%	5%	13%	-3%
<b>Sales split, %</b>												
Vita	36%	40%	48%	58%	39%	42%	50%	62%	45%	46%	56%	63%
Fiskars	63%	60%	52%	42%	61%	57%	50%	38%	55%	53%	44%	37%

Source: Company data and Nordea estimates

**ANNUAL GROUP ESTIMATES (EURm; EPS AND DPS IN EUR)**

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E	2023-26E CAGR
Net sales	1204.6	1185.5	1118.5	1090.4	1116.2	1254.3	1248.4	1129.7	1172.5	1241.3	1302.1	5%
growth y/y	9%	-2%	-6%	-3%	2%	12%	0%	-10%	4%	6%	5%	
LFL	2%	2%	-2%	-4%	4%	14%	2%	-11%	-3%	6%	5%	
Gross profit	502.8	512.2	485.0	447.3	452.0	539.7	556.0	511.3	532.9	613.2	644.6	8%
Gross margin	41.7%	43.2%	43.4%	41.0%	40.5%	43.0%	44.5%	45.3%	45.5%	49.4%	49.5%	
Other operating income	18.5	7.1	5.2	1.9	6.4	4.1	5.6	28.9	6.4	6.5	6.7	
Sales and marketing	-298.3	-300.2	-281.4	-284.4	-241.4	-267.5	-276.2	-292.7	-323.9	-342.9	-359.7	7%
Administration	-115.0	-99.9	-90.1	-86.1	-90.4	-116.9	-120.9	-124.5	-134.0	-126.7	-124.9	0%
R&D	-18.0	-18.8	-18.4	-18.5	-16.5	-15.5	-20.8	-19.8	-19.2	-26.0	-26.0	10%
Goodwill and trademark	0	0	0	0	-11.4	0	0	0	0	0	0	
Other operating expenses	-7.4	-2.5	-8.8	-0.3	-0.7	-1.1	-8.9	-4.3	-4.4	22.4	26.1	-282%
EBIT	82.6	97.9	91.5	59.9	98.0	142.8	134.8	98.9	57.8	146.5	166.6	19%
EBIT margin	6.9%	8.3%	8.2%	5.5%	8.8%	11.4%	10.8%	8.8%	4.9%	11.8%	12.8%	
NRI	-11.1	-5.8	-9.2	-17.7	-10.9	-11.5	-16.2	-11.5	-52.4	-3.0	-2.0	
Adj. EBIT	93.7	103.7	100.7	77.6	108.9	154.3	151.0	110.4	110.2	149.5	168.6	15%
Adj. EBIT margin	7.8%	8.7%	9.0%	7.1%	9.8%	12.3%	12.1%	9.8%	9.4%	12.0%	13.0%	
Change in fair value of biological assets	-0.5	0.7	2	-0.3	0.8	1.3	1.1	4.8	4.1	1	1	
Financial income and expenses	10.5	119.3	9.4	3.4	-8.8	0	-11.6	-23.9	-24.3	-15.3	-9.3	
PTP	92.6	217.9	102.9	63.0	90.0	144.1	124.3	79.8	37.6	132.2	158.3	26%
Taxes	-27.4	-50.8	-21.1	-10.8	-21.4	-56.5	-25.0	-9.6	-8.7	-30.4	-36.4	
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0	
Profit for the period	65.2	167.1	81.8	52.2	68.6	87.6	99.3	70.2	28.9	101.8	121.9	20%
Minority	1.3	0.7	0.2	0.7	0.7	0.9	0.8	0.2	0.7	0.7	0.7	
EPS	0.78	2.03	1.00	0.63	0.83	1.06	1.20	0.86	0.35	1.25	1.50	20%
Adj. EPS	0.92	2.10	1.11	0.84	0.96	1.20	1.40	1.01	1.00	1.29	1.52	
DPS	1.06	0.72	5.85	0.56	0.60	0.76	0.80	0.82	0.84	0.88	0.92	

Source: Company data and Nordea estimates

**ANNUAL BUSINESS AREA ESTIMATES**

Business areas, EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E	2023-26E CAGR
<b>Net sales</b>												
Vita				501	457	545	564	555	618	665	712	9%
Fiskars				586	656	706	681	570	550	572	586	1%
Other				4	4	4	4	4	4	4	4	0%
GROUP				1090	1116	1254	1248	1130	1173	1241	1302	5%
<b>Adj. EBIT</b>												
Vita				38.9	41.0	79.2	85.6	62.4	59.4	89.1	105.3	19%
Fiskars				59.1	108.5	88.1	82.7	73.6	69.1	78.9	82.1	4%
Other				-12.4	-12.9	-13.1	-17.3	-25.8	-18.3	-18.5	-18.7	-10%
GROUP				77.6	108.9	154.3	151.0	110.4	110.2	149.5	168.6	15%
<b>Adj. EBIT margin</b>												
Vita				7.8%	9.0%	14.5%	15.2%	11.2%	9.6%	13.4%	14.8%	
Fiskars				10.1%	16.5%	12.5%	12.1%	12.9%	12.6%	13.8%	14.0%	
GROUP				7.1%	9.8%	12.3%	12.1%	9.8%	9.4%	12.0%	13.0%	
<b>Sales growth, %</b>												
Vita					-9%	19%	4%	-2%	11%	8%	7%	
Fiskars					12%	8%	-4%	-16%	-4%	4%	2%	
GROUP					2%	12%	0%	-10%	4%	6%	5%	
<b>Sales split, %</b>												
Vita				46%	41%	43%	45%	49%	53%	54%	55%	
Fiskars				54%	59%	56%	55%	50%	47%	46%	45%	

Source: Company data and Nordea estimates

# Valuation

Based on a broad multiples-based approach and a DCF model, we derive a fair value range of EUR 15.6-19.4 (16.0-19.8) per share for Fiskars Group. Our peer group consists of 13 listed peers, six of which are Nordic consumer goods peers and seven of which are global peers with exposure to at least one of Fiskars' three business areas.

We derive a fair value range of EUR 15.6-19.4 for Fiskars

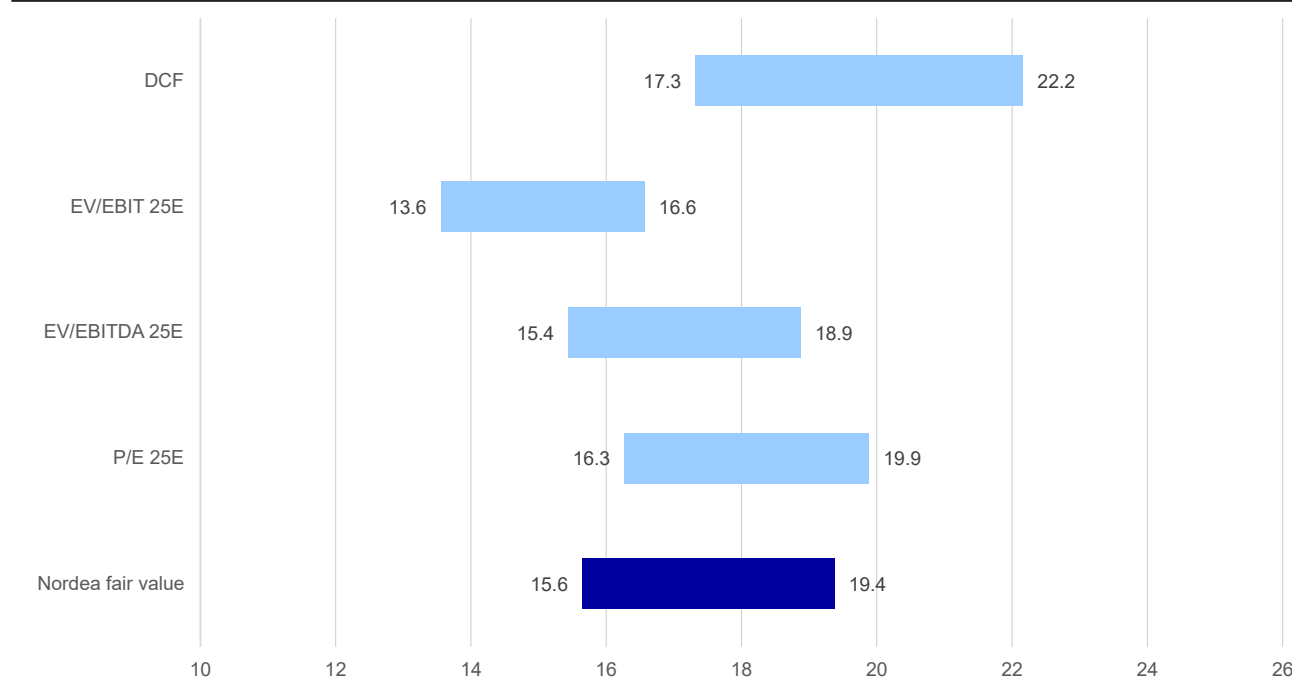
Our fair value range is based on 13 peers and a DCF model

## We use a multiples- and DCF-based valuation approach

Using a combination of valuation multiples and a DCF model, we derive a fair value range of EUR 15.6-19.4 (16.0-19.8) per share for Fiskars.

Fiskars has no direct listed peers in the Nordics or globally. We therefore select a peer group that reflects Fiskars' offering and company profile. We categorise the companies into global and Nordic peers. Our global group consists of seven peers with exposure to at least one of Fiskars' three business areas. The Nordic group includes six consumer goods peers. We base our valuation on a DCF model with peer group valuation multiples for 2025E.

## FAIR VALUE RANGE BASED ON DIFFERENT VALUATION METHODS (EUR)



Source: Nordea estimates

Our peer group suggests a fair value range of EUR 13.6-19.9

Looking at peers' 2025E EV/EBITDA, EV/EBIT and P/E multiples, the valuation range is EUR 13.6-19.9 (14.9-20.3) per Fiskars share.

We focus mainly on EV/EBIT in our peer multiple valuation

The table below illustrates the valuation multiples that we derive for Fiskars based on the current share price (EUR 17.0 as of 17 July 2024) and our fair value range (EUR 15.6-19.4). We believe investors will focus mainly on EV/EBIT multiples.

## FISKARS: DERIVED VALUATION MULTIPLES USING OUR FAIR VALUE RANGE AND THE CURRENT SHARE PRICE

	Share price EUR 15.6			Share price EUR 19.4			Current share price EUR 17		
	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E
EV/sales	1.4x	1.3x	1.2x	1.7x	1.5x	1.4x	1.5x	1.4x	1.3x
EV/EBITDA	8.6x	6.9x	6.2x	10.2x	8.2x	7.4x	9.2x	7.4x	6.6x
EV/EBIT	15.1x	10.8x	9.3x	17.9x	12.8x	11.2x	16.2x	11.5x	10.0x
P/E	15.7x	12.1x	10.3x	19.5x	15.1x	12.8x	17.1x	13.2x	11.2x
FCF yield	8.4%	9.7%	8.5%	6.7%	7.8%	6.8%	7.7%	8.9%	7.8%
Dividend yield	5.4%	5.6%	5.9%	4.3%	4.5%	4.7%	4.9%	5.2%	5.4%

\*Share price as of 17 July 2024

Source: Nordea estimates

## Relative valuation

There are no direct peers for Fiskars, so we use a blended peer group

As noted before, there are no direct listed peers for Fiskars in the Nordics or globally. Among the Nordic companies, Husqvarna is a relevant peer for the Fiskars business area, while among global peers, Villeroy & Boch AG and Groupe SEB are relevant for Vita. Luxury brand Hermès is included on our global peers list to reflect Fiskars Group's exposure to luxury brands, representing more than one-third of group sales.

We use a broad peer group

In our approach, we use a broad peer group to calculate the relevant average and median valuation multiples, as presented in the table below.

## PEER GROUP VALUATION MULTIPLES

	EV / SALES			EV / EBITDA			EV / EBIT			P/E		
	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E
<b>Global Peers</b>												
Hermes International Sca	14.1x	12.7x	11.4x	30.5x	26.8x	23.7x	34.0x	29.8x	26.3x	46.4x	41.2x	37.0x
Lifetime Brands Inc	0.6x	0.6x	0.5x	5.4x	4.6x		6.7x	5.7x		11.4x	8.4x	8.3x
Newell Brands Inc	1.0x	1.0x	1.0x	8.2x	7.4x	6.6x	12.2x	10.5x	8.9x	11.3x	8.8x	7.2x
Seb Sa	0.9x	0.9x	0.8x	6.8x	6.1x	5.3x	9.5x	8.3x	7.2x	11.7x	10.4x	9.2x
Societe Bic Sa	0.9x	0.9x	0.9x	4.8x	4.4x	4.1x	6.5x	5.8x	5.4x	10.5x	9.6x	9.0x
Stanley Black & Decker Inc	1.4x	1.3x	1.3x	12.2x	9.9x	9.0x	15.0x	12.2x	10.7x	22.3x	16.3x	13.9x
Villeroy & Boch Ag	0.3x	0.3x	0.3x	3.5x	3.0x	2.6x	5.3x	4.5x	3.8x	6.7x	6.0x	5.6x
<b>Global Average</b>	<b>2.7x</b>	<b>2.5x</b>	<b>2.3x</b>	<b>10.2x</b>	<b>8.9x</b>	<b>8.6x</b>	<b>12.7x</b>	<b>11.0x</b>	<b>10.4x</b>	<b>17.2x</b>	<b>14.4x</b>	<b>12.9x</b>
<b>Global Median</b>	<b>0.9x</b>	<b>0.9x</b>	<b>0.9x</b>	<b>6.8x</b>	<b>6.1x</b>	<b>5.9x</b>	<b>9.5x</b>	<b>8.3x</b>	<b>8.0x</b>	<b>11.4x</b>	<b>9.6x</b>	<b>9.0x</b>
<b>Nordic Peers</b>												
Amer Sports Inc	2.4x	2.1x	1.9x	10.7x	9.0x	7.4x	14.8x	11.9x	9.5x	28.9x	17.2x	12.9x
Husqvarna Ab	1.2x	1.2x	1.1x	8.1x	7.0x	6.3x	12.6x	10.6x	9.3x	17.2x	14.1x	12.4x
Marimekko Oyj	3.1x	2.9x	2.7x	12.7x	11.4x	10.5x	16.4x	14.5x	13.2x	21.2x	19.1x	17.5x
Orthex Oyj	1.6x	1.5x	1.4x	9.0x	7.9x	7.0x	12.0x	10.3x	9.4x	15.8x	12.9x	11.8x
Rapala Vmc Oyj	0.8x	0.7x	0.7x	7.2x	5.8x	5.5x	12.9x	9.8x	8.7x	40.9x	15.6x	11.6x
Thule Group Ab	3.6x	3.4x	3.2x	18.0x	15.7x	14.3x	21.1x	18.0x	16.2x	26.3x	22.3x	19.9x
<b>Nordic Average</b>	<b>2.1x</b>	<b>2.0x</b>	<b>1.8x</b>	<b>10.9x</b>	<b>9.5x</b>	<b>8.5x</b>	<b>15.0x</b>	<b>12.5x</b>	<b>11.0x</b>	<b>25.1x</b>	<b>16.9x</b>	<b>14.4x</b>
<b>Nordic Median</b>	<b>2.0x</b>	<b>1.8x</b>	<b>1.6x</b>	<b>9.8x</b>	<b>8.5x</b>	<b>7.2x</b>	<b>13.8x</b>	<b>11.2x</b>	<b>9.4x</b>	<b>23.8x</b>	<b>16.4x</b>	<b>12.7x</b>
<b>Total Average</b>	<b>2.5x</b>	<b>2.3x</b>	<b>2.1x</b>	<b>10.5x</b>	<b>9.2x</b>	<b>8.5x</b>	<b>13.8x</b>	<b>11.7x</b>	<b>10.7x</b>	<b>20.8x</b>	<b>15.5x</b>	<b>13.6x</b>
<b>Total Median</b>	<b>1.2x</b>	<b>1.2x</b>	<b>1.1x</b>	<b>8.2x</b>	<b>7.4x</b>	<b>6.8x</b>	<b>12.6x</b>	<b>10.5x</b>	<b>9.3x</b>	<b>17.2x</b>	<b>14.1x</b>	<b>11.8x</b>
<b>Fiskars (NDA)</b>	<b>1.5x</b>	<b>1.4x</b>	<b>1.3x</b>	<b>9.2x</b>	<b>7.4x</b>	<b>6.6x</b>	<b>16.2x</b>	<b>11.5x</b>	<b>10.0x</b>	<b>17.1x</b>	<b>13.2x</b>	<b>11.2x</b>
<i>difference (median)</i>	23%	18%	16%	12%	-1%	-2%	28%	10%	7%	-1%	-6%	-5%
<b>Fiskars (cons.)</b>	<b>1.6x</b>	<b>1.5x</b>	<b>1.4x</b>	<b>10.5x</b>	<b>8.4x</b>	<b>7.1x</b>	<b>17.0x</b>	<b>12.0x</b>	<b>10.5x</b>	<b>15.9x</b>	<b>11.8x</b>	<b>11.8x</b>
<i>difference (median)</i>	26%	25%	27%	29%	13%	5%	34%	15%	12%	-8%	-16%	1%

Note: Data as of 17 July 2024

Source: LSEG Data & Analytics and Nordea estimates

We expect the main valuation multiple to be EV/EBIT

The total peer group is trading at an average EV/EBIT of 13.8x for 2024E and a median of 12.6x. The salient multiples for 2025E are 11.2x and 10.5x, respectively.

## DCF valuation

Our DCF model suggests a fair equity value range of EUR 1.4-1.8bn, or EUR 17.3-22.2 per share

On top of our relative valuation, we use a standard DCF model in our valuation of Fiskars. Below, we illustrate our general assumptions for calculating our DCF value range. Based on a WACC of 7.8-9.4%, our DCF indicates a fair equity value range of EUR 1.4-1.8bn, i.e. EUR 17.3-22.2 per share. The valuation model is built upon a stringent DCF framework, in which our ROIC-WACC modelling prevents above-market returns in perpetuity.

## DCF VALUATION ASSUMPTIONS

Averages and assumptions	2024-29	2030-34	2035-39	2040-44	2045-49	2050-54	Sust.
Sales growth, CAGR	4.5%	2.5%	2.5%	2.5%	2.5%	2.5%	
EBIT margin, excl associates	12.1%	13.0%	13.0%	13.0%	13.0%	5.6%	
Capex/depreciation, x	1.0	1.0	1.0	1.0	1.0	1.0	
Capex/sales	6.8%	6.8%	6.8%	6.8%	6.8%	6.8%	
NWC/sales	17.6%	15.0%	15.0%	15.0%	15.0%	15.0%	
FCFF, CAGR	3.4%	-3.3%	2.5%	2.5%	2.5%	-16.0%	2.5%

Source: Nordea estimates

An estimated 54% of the DCF value is related to the first ten years, and 92% falls into our 30-year estimate cycle, according to the table below. We apply a 2.5% terminal growth rate, which is in line with Nordea's standard assumption. The applied WACC of

7.8-9.4% is based on Nordea's standard assumption of the risk-free rate and risk premium, as well as a beta of 1.6-2.1x and a 70% equity weighting.

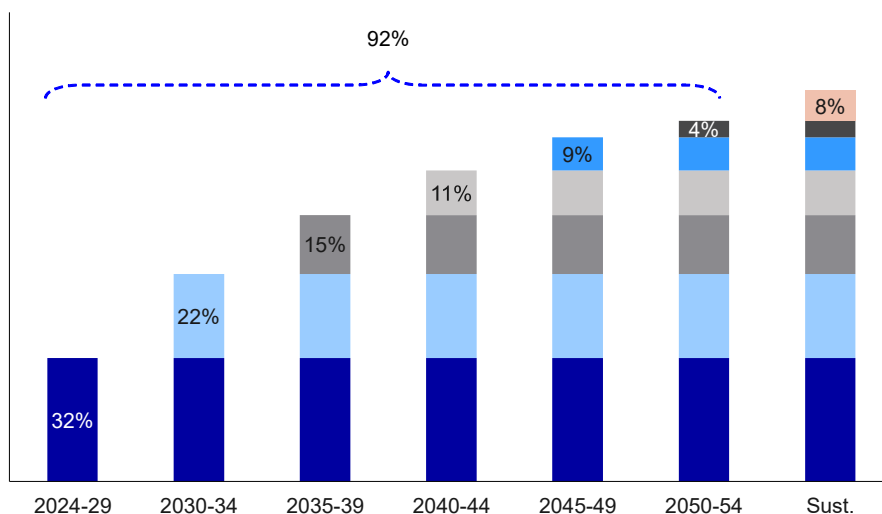
DCF VALUE BREAKDOWN FOR FISKARS (EUR/SHARE)		
DCF value	Value	Per share
NPV FCFF	1766 - 2158	21.8 - 26.6
(Net debt)	-447	-5.5
Market value of associates	0	0.0
(Market value of minorities)	-4	0.0
Surplus values	0	0.0
(Market value preference shares)	0	0.0
Share based adjustments	0	0.0
Other adjustments	0	0.0
Time value	87	1.1
<b>DCF Value</b>	<b>1403 - 1795</b>	<b>17.3 - 22.2</b>

Source: Nordea estimates

WACC BREAKDOWN FOR FISKARS	
WACC components	
Risk-free interest rate	3.5%
Market risk premium	4.0%
Forward looking asset beta	n.m.
Beta debt	0.0
Forward looking equity beta	1.6-2.1
Cost of equity	9.7-12.1%
Cost of debt	4.0%
Tax-rate used in WACC	21%
Equity weight	70%
<b>WACC</b>	<b>7.8-9.4%</b>

Source: Nordea estimates

**DCF VALUE BREAKDOWN FOR FISKARS, 2024E-54E**



Source: Nordea estimates

**DCF sensitivity**

In the table below, we provide a DCF sensitivity analysis of the equity value, with varying levels of sales growth, EBIT margins and WACC. Using changes of ±0.5 pp for WACC, ±0.5 pp for sales growth and ±0.5 pp for the EBIT margin, our DCF model yields a value range of EUR 17.5-22.3 per share, as shown in the table below.

**DCF SENSITIVITY (EUR PER SHARE)**

- A +/-1 pp sales growth change translates to a change of +8/-7% in the fair value
- A +/-1 pp EBIT margin change translates into a change of +/-8% in the fair value

		WACC				
		7.5%	8.0%	8.5%	9.0%	9.5%
EBIT marg. change	+1.0pp	25.4	23.2	21.3	19.6	18.1
	+0.5pp	24.4	22.3	20.5	18.9	17.5
		23.5	21.5	19.7	18.2	16.9
	-0.5pp	22.5	20.6	19.0	17.5	16.3
	-1.0pp	21.5	19.8	18.2	16.9	15.7
		WACC				
		7.5%	8.0%	8.5%	9.0%	9.5%
Sales gr. change	+1.0pp	25.5	23.2	21.2	19.5	18.0
	+0.5pp	24.4	22.3	20.5	18.9	17.4
		23.5	21.5	19.7	18.2	16.9
	-0.5pp	22.6	20.7	19.1	17.6	16.3
	-1.0pp	21.7	20.0	18.4	17.1	15.9
		Sales growth change				
		-1.0pp	-0.5pp		+0.5pp	+1.0pp
EBIT margin change	+1.0pp	19.8	20.5	21.3	22.1	23.0
	+0.5pp	19.1	19.8	20.5	21.3	22.1
		18.4	19.1	19.7	20.5	21.2
	-0.5pp	17.8	18.4	19.0	19.7	20.4
	-1.0pp	17.1	17.6	18.2	18.9	19.5

Source: Nordea estimates

# Risk factors

Below, we introduce the key risk factors that we believe could affect Fiskars' operations and financial performance.

<p>Macroeconomic uncertainties relate mainly to consumer behaviour and consumer confidence</p>	<p><b>Macroeconomic environment</b></p> <p>The current macroeconomic environment creates uncertainties for Fiskars, due to possible changes in consumer behaviour and possibly lower consumer demand. On a global scale, economic growth is expected to remain subdued. Exchange rates could also exert pressure on net sales and profitability, although we note that Fiskars has diversified its commercial footprint.</p>
<p>Political risks, e.g. related to China</p>	<p><b>Political environment</b></p> <p>Given the rise in global political tensions, there is risk of trade disputes, sanctions, import restrictions and other geopolitical conflicts, all of which could have a materially adverse impact on the net sales and profits for Fiskars. Because China is one of the key supplier countries and a strategic focus for Fiskars, any sanctions or import restrictions would have a negative impact on the company.</p>
<p>Functioning supply chains are important for Fiskars Group</p>	<p><b>Supply chain and suppliers</b></p> <p>As seen during COVID-19, any disturbances to the global supply chain could have a negative impact on net sales and profitability for Fiskars. Given the current macroeconomic environment, the company may face significant fluctuations in prices, as well as issues related to the availability or quality of raw materials, energy, components and finished products from suppliers.</p> <p>Fiskars manages the price, availability and quality risks inherent in contracts with multiple suppliers and by continuously seeking alternative sustainable materials. The company also holds extensive business interruption insurance.</p>
<p>Fiskars has its own manufacturing facilities in Europe, Asia and the US, in addition to its suppliers</p>	<p><b>Interruptions to its own manufacturing</b></p> <p>In addition to its supply partners, Fiskars has its own manufacturing facilities in Europe, Asia and the US. Most of these suppliers are located in Asia. Any interruptions to its own manufacturing efforts could have a negative impact on the net sales and the profitability of Fiskars. If not met, the high sustainability and quality requirements from customers could have a negative impact on the company's employer or brand reputation, and on consumers' trust in the brands.</p> <p>Fiskars strives to build strong and long-term relationships with trusted suppliers to mitigate any risks before they arise. Suppliers are required to follow the Fiskars Supplier Code of Conduct, which sets out non-negotiable minimum standards.</p>
<p>Changes in consumer behaviour patterns, e.g. accelerating growth in the share of online sales, could affect Fiskars Group's net sales and profitability</p>	<p><b>Consumer behaviour</b></p> <p>In addition to potentially lower demand caused by the macroeconomic environment, longer-term changes in consumer behaviour could materialise. An increase in online sales could burden physical store sales and have a negative impact on Fiskars' sales and profitability. Digitalisation may also cause faster changes in consumer preferences or introduce new competition to the market.</p> <p>Fiskars focuses on increasing its direct sales, including via its online and own store channels, as well as sustainability, by innovating circular designs and new business models to address the needs of the modern consumer.</p>
<p>Consolidation among wholesale and retail customers could result in lower pricing power</p>	<p><b>Customers</b></p> <p>Fiskars' main customers are wholesale and retail customers, so it is exposed to changes in the retail landscape. Any consolidation of the market could lead to lower pricing power. Retailers may also switch their focus in favour of private-label items, heralding lower sales for Fiskars' products.</p> <p>Fiskars enjoys a diverse customer base – no single customer accounts for more than 5% of overall revenue.</p>

Fiskars Group depends on centralised IT systems that could be affected, e.g. by cyberattacks	<p><b>IT systems and cybersecurity</b></p> <p>Fiskars, like most other large companies, increasingly depends on centralised IT systems and suppliers that hold and process critical business information. Breaches or cyberattacks could hurt Fiskars' reputation and in turn hit sales and profits. The development of IT systems typically requires a large investment, while rapid developments within IT could lead them to become obsolete sooner than anticipated.</p> <p>Fiskars integrates risk management into its decision-making. The security and capabilities of its IT systems are underpinned by various security technologies including network, endpoint and cloud detection and response, firewalls, threat intelligence and security operations.</p>
Some product categories are affected by outside forces, such as weather	<p><b>Seasonality</b></p> <p>Fiskars' product categories have seasonal patterns and negative events relating to product availability, demand or increased manufacturing or logistics costs during the high season can have a substantial bearing on full-year sales and profits. Due to the seasonality of some product categories, weather can have a significant impact on the demand for gardening or snow tools.</p> <p>Fiskars addresses this seasonality by maintaining a broad and diversified product portfolio and a wide geographical footprint.</p>
Acquisitions, although not high on Fiskars Group's agenda, could pose a risk	<p><b>Acquisitions</b></p> <p>Although acquisitions are not central to its strategy, the company could grow via acquisitions. Acquired businesses may not perform as expected, key individuals may quit and integration costs may top expectations. Synergies could also disappoint.</p>
Fiskars Group's financial investments could cause fluctuations in group earnings	<p><b>Financial investments</b></p> <p>Fiskars' financial investments centre on unlisted private equity funds. The value of its investments may fluctuate with the financial markets and their fair value can be impacted by changing profits and losses.</p>

# Reported numbers and forecasts

## INCOME STATEMENT

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
<b>Total revenue</b>	<b>1,205</b>	<b>1,186</b>	<b>1,119</b>	<b>1,090</b>	<b>1,116</b>	<b>1,254</b>	<b>1,248</b>	<b>1,130</b>	<b>1,173</b>	<b>1,241</b>	<b>1,302</b>
Revenue growth	9.0%	-1.6%	-5.7%	-2.5%	2.4%	12.4%	-0.5%	-9.5%	3.8%	5.9%	4.9%
of which organic	1.6%	1.5%	-2.4%	-3.9%	3.8%	14.2%	1.7%	-10.7%	-3.5%	6.1%	4.9%
of which FX	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA	120	137	135	119	174	204	194	165	141	231	253
Depreciation and impairments PPE	-37	-39	-44	-60	-76	-62	-59	-66	-83	-84	-86
of which leased assets	0	0	0	-24	-24	-24	-24	-26	-32	-33	-33
EBITA	83	98	92	60	98	143	135	99	58	147	167
Amortisation and impairments	0	0	0	0	0	0	0	0	0	0	0
EBIT	83	98	92	60	98	143	135	99	58	147	167
of which associates	0	0	0	0	0	0	0	0	0	0	0
Associates excluded from EBIT	0	0	0	0	0	0	0	0	0	0	0
Net financials	11	11	9	3	-9	0	-12	-24	-24	-15	-9
of which lease interest	0	0	0	0	0	0	0	0	0	0	0
Changes in value, net	-1	109	2	0	1	1	1	5	4	1	1
<b>Pre-tax profit</b>	<b>93</b>	<b>218</b>	<b>103</b>	<b>63</b>	<b>90</b>	<b>144</b>	<b>124</b>	<b>80</b>	<b>38</b>	<b>132</b>	<b>158</b>
Reported taxes	-27	-51	-21	-11	-21	-57	-25	-10	-9	-30	-36
Net profit from continued operations	65	167	82	52	69	88	99	70	29	102	122
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	-1	-1	0	-1	-1	-1	-1	0	-1	-1	-1
Net profit to equity	64	166	82	52	68	87	99	70	28	101	121
<b>EPS, EUR</b>	<b>0.78</b>	<b>2.03</b>	<b>1.00</b>	<b>0.63</b>	<b>0.83</b>	<b>1.06</b>	<b>1.20</b>	<b>0.86</b>	<b>0.35</b>	<b>1.25</b>	<b>1.50</b>
DPS, EUR	1.06	0.72	5.85	0.56	0.60	0.76	0.80	0.82	0.84	0.88	0.92
of which ordinary	1.06	0.72	5.85	0.56	0.60	0.76	0.80	0.82	0.84	0.88	0.92
of which extraordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## Profit margin in percent

EBITDA	10.0%	11.5%	12.1%	11.0%	15.6%	16.3%	15.6%	14.6%	12.0%	18.6%	19.4%
EBITA	6.9%	8.3%	8.2%	5.5%	8.8%	11.4%	10.8%	8.8%	4.9%	11.8%	12.8%
EBIT	6.9%	8.3%	8.2%	5.5%	8.8%	11.4%	10.8%	8.8%	4.9%	11.8%	12.8%

## Adjusted earnings

EBITDA (adj)	131	143	145	137	185	216	210	176	194	234	255
EBITA (adj)	94	104	101	78	109	154	151	110	110	150	169
EBIT (adj)	94	104	101	78	109	154	151	110	110	150	169
EPS (adj, EUR)	0.92	2.10	1.11	0.84	0.96	1.20	1.40	1.01	1.00	1.29	1.52

## Adjusted profit margins in percent

EBITDA (adj)	10.9%	12.0%	12.9%	12.6%	16.6%	17.2%	16.9%	15.6%	16.5%	18.8%	19.6%
EBITA (adj)	7.8%	8.7%	9.0%	7.1%	9.8%	12.3%	12.1%	9.8%	9.4%	12.0%	13.0%
EBIT (adj)	7.8%	8.7%	9.0%	7.1%	9.8%	12.3%	12.1%	9.8%	9.4%	12.0%	13.0%

## Performance metrics

CAGR last 5 years											
Net revenue	10.2%	9.7%	7.0%	7.3%	0.2%	0.8%	1.0%	0.2%	1.5%	2.1%	0.8%
EBITDA	10.1%	9.8%	8.4%	10.9%	14.3%	11.2%	7.3%	4.0%	3.4%	5.8%	4.3%
EBIT	9.4%	8.9%	8.4%	7.0%	16.1%	11.6%	6.6%	1.6%	-0.7%	8.4%	3.1%
EPS	-16.4%	-1.4%	-2.8%	-41.8%	-4.7%	6.3%	-10.0%	-2.8%	-11.1%	8.5%	7.2%
DPS	23.4%	2.1%	12.3%	n.m.	-3.0%	-6.4%	2.1%	-32.5%	8.4%	8.0%	3.9%
Average last 5 years											
Average EBIT margin	6.4%	6.5%	6.7%	6.6%	7.5%	8.5%	9.0%	9.2%	9.0%	9.6%	9.9%
Average EBITDA margin	9.9%	10.0%	10.3%	10.5%	12.0%	13.4%	14.2%	14.7%	14.8%	15.5%	16.1%

## VALUATION RATIOS - ADJUSTED EARNINGS

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
P/E (adj)	14.3	8.5	10.1	13.3	15.6	19.2	11.0	17.7	16.8	13.0	11.0
EV/EBITDA (adj)	6.0	7.4	4.2	8.7	7.4	9.4	7.5	10.7	9.1	7.3	6.5
EV/EBITA (adj)	8.4	10.2	6.0	15.3	12.6	13.2	10.5	17.2	16.0	11.4	9.9
EV/EBIT (adj)	8.4	10.2	6.0	15.3	12.6	13.2	10.5	17.2	16.0	11.4	9.9

## VALUATION RATIOS - REPORTED EARNINGS

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
P/E	16.8	8.8	11.2	17.9	18.1	21.7	12.8	20.6	47.9	13.4	11.2
EV/Sales	0.65	0.89	0.54	1.09	1.23	1.62	1.27	1.68	1.50	1.37	1.28
EV/EBITDA	6.5	7.7	4.4	9.9	7.9	9.9	8.2	11.5	12.5	7.4	6.6
EV/EBITA	9.5	10.8	6.6	19.8	14.0	14.2	11.8	19.2	30.5	11.6	10.0
EV/EBIT	9.5	10.8	6.6	19.8	14.0	14.2	11.8	19.2	30.5	11.6	10.0
Dividend yield (ord.)	8.1%	4.0%	52.4%	5.0%	4.0%	3.3%	5.2%	4.6%	5.0%	5.3%	5.5%
FCF yield	8.2%	5.3%	6.7%	5.4%	13.7%	4.6%	-5.9%	3.4%	10.2%	11.5%	10.5%
FCF Yield bef A&D, lease adj	4.3%	4.9%	6.5%	3.5%	13.8%	4.7%	-10.8%	7.5%	7.8%	9.1%	8.0%
Payout ratio	115.8%	34.2%	527.7%	66.3%	62.4%	63.4%	57.1%	81.5%	84.4%	68.5%	60.5%

Source: Company data and Nordea estimates

**BALANCE SHEET**

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Intangible assets	526	501	498	508	482	489	500	592	592	592	592
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	296	280	281	289	268	270	279	372	372	372	372
of which goodwill	230	222	217	220	214	219	221	220	220	220	220
Tangible assets	206	201	207	295	265	278	286	330	330	331	334
of which leased assets	0	0	0	86	68	84	88	110	111	111	111
Shares associates	30	30	34	29	24	32	29	31	31	31	31
Interest bearing assets	0	0	0	0	0	0	0	0	0	0	0
Deferred tax assets	30	29	30	28	27	28	29	28	28	28	28
Other non-IB non-current assets	0	0	0	8	8	4	4	4	4	4	4
Other non-current assets	0	0	0	0	0	7	6	11	0	0	0
Total non-current assets	792	762	770	868	807	838	854	996	984	986	988
Inventory	225	205	220	232	207	273	365	364	322	310	326
Accounts receivable	204	214	220	203	214	206	171	177	199	211	221
Short-term leased assets	0	0	0	23	23	23	23	33	33	33	34
Other current assets	58	53	31	29	29	26	56	58	60	63	66
Cash and bank	482	604	478	9	63	32	118	127	122	128	166
Total current assets	968	1,076	950	496	536	560	731	759	736	746	813
Assets held for sale	0	0	0	0	0	38	0	0	n.a.	n.a.	n.a.
<b>Total assets</b>	<b>1,760</b>	<b>1,838</b>	<b>1,719</b>	<b>1,364</b>	<b>1,342</b>	<b>1,435</b>	<b>1,585</b>	<b>1,755</b>	<b>1,720</b>	<b>1,731</b>	<b>1,801</b>
Shareholders equity	1,218	1,269	1,207	761	758	812	832	820	782	815	865
Of which preferred stocks	0	0	0	0	0	0	0	0	0	0	0
Of which equity part of hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Minority interest	2	3	3	4	4	4	4	4	5	5	6
Total Equity	1,220	1,272	1,210	765	762	816	836	824	786	820	871
Deferred tax	53	73	44	33	31	32	35	39	39	39	39
Long term interest bearing debt	182	151	151	51	51	1	130	331	281	231	231
Pension provisions	14	13	13	13	13	13	11	12	12	12	12
Other long-term provisions	7	7	5	4	4	3	2	3	3	3	3
Other long-term liabilities	10	7	7	4	5	6	4	4	4	4	4
Non-current lease debt	0	0	0	88	72	89	93	117	119	119	119
Convertible debt	0	0	0	0	0	0	0	0	0	0	0
Shareholder debt	0	0	0	0	0	0	0	0	0	0	0
Hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Total non-current liabilities	266	252	220	194	175	144	275	506	458	408	408
Short-term provisions	17	8	5	4	6	15	5	6	6	6	7
Accounts payable	238	247	268	268	310	139	69	102	147	161	169
Current lease debt	0	0	0	23	23	23	23	33	33	33	34
Other current liabilities	9	10	7	2	6	234	183	191	198	210	220
Short term interest bearing debt	11	49	10	109	61	64	195	93	93	93	93
Total current liabilities	274	314	290	406	405	475	475	425	476	504	523
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
<b>Total liabilities and equity</b>	<b>1,760</b>	<b>1,838</b>	<b>1,719</b>	<b>1,364</b>	<b>1,342</b>	<b>1,436</b>	<b>1,585</b>	<b>1,755</b>	<b>1,720</b>	<b>1,731</b>	<b>1,801</b>
<b>Balance sheet and debt metrics</b>											
Net debt	-289	-404	-317	262	144	145	324	447	403	348	310
of which lease debt	0	0	0	111	95	112	115	151	151	152	153
Working capital	240	216	197	194	135	132	339	306	237	213	224
Invested capital	1,032	978	966	1,062	942	969	1,193	1,301	1,221	1,199	1,212
Capital employed	1,413	1,472	1,371	1,036	969	993	1,277	1,398	1,311	1,295	1,346
ROE	5.3%	13.4%	6.6%	5.2%	8.9%	11.0%	12.0%	8.5%	3.5%	12.7%	14.4%
ROIC	7.3%	8.2%	8.2%	6.0%	8.6%	12.8%	11.0%	7.0%	6.9%	9.8%	11.1%
ROCE	6.5%	7.2%	7.1%	6.4%	10.9%	15.7%	13.3%	8.3%	8.1%	11.5%	12.8%
Net debt/EBITDA	-2.4	-3.0	-2.3	2.2	0.8	0.7	1.7	2.7	2.9	1.5	1.2
Interest coverage	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Equity ratio	69.2%	69.1%	70.2%	55.8%	56.5%	56.6%	52.5%	46.7%	45.4%	47.1%	48.0%
Net gearing	-23.7%	-31.7%	-26.2%	34.3%	19.0%	17.8%	38.7%	54.2%	51.3%	42.4%	35.6%

Source: Company data and Nordea estimates

**CASH FLOW STATEMENT**

EURm	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
<b>EBITDA (adj) for associates</b>	<b>120</b>	<b>137</b>	<b>135</b>	<b>119</b>	<b>174</b>	<b>204</b>	<b>194</b>	<b>165</b>	<b>141</b>	<b>231</b>	<b>253</b>
Paid taxes	-60	-26	-26	-18	-20	-36	-29	-12	-9	-30	-36
Net financials	23	-1	-5	-3	-4	-5	-7	-15	-24	-15	-9
Change in provisions	9	-9	-5	-2	1	9	-13	3	0	0	0
Change in other LT non-IB	7	-2	-2	-8	0	-1	-3	-4	11	0	0
Cash flow to/from associates	0	0	0	0	0	0	0	0	0	0	0
Dividends paid to minorities	0	0	0	0	0	0	0	0	0	0	0
Other adj to reconcile to cash flow	-44	-2	-4	5	2	9	6	-28	0	0	0
<b>Funds from operations (FFO)</b>	<b>55</b>	<b>97</b>	<b>93</b>	<b>93</b>	<b>153</b>	<b>180</b>	<b>148</b>	<b>110</b>	<b>119</b>	<b>185</b>	<b>207</b>
Change in NWC	29	7	13	4	46	-57	-209	111	69	23	-10
<b>Cash flow from operations (CFO)</b>	<b>84</b>	<b>104</b>	<b>106</b>	<b>97</b>	<b>199</b>	<b>123</b>	<b>-61</b>	<b>221</b>	<b>188</b>	<b>209</b>	<b>197</b>
Capital expenditure	-38	-33	-46	-40	-30	-34	-48	-51	-50	-53	-55
<b>Free cash flow before A&amp;D</b>	<b>46</b>	<b>71</b>	<b>60</b>	<b>57</b>	<b>169</b>	<b>88</b>	<b>-110</b>	<b>170</b>	<b>138</b>	<b>156</b>	<b>142</b>
Proceeds from sale of assets	48	8	3	1	1	3	36	1	0	0	0
Acquisitions	-7	-2	-1	-8	-2	-4	0	-122	0	0	0
Free cash flow	88	77	62	50	169	87	-74	49	138	156	142
Free cash flow bef A&D, lease adj	46	71	60	33	169	88	-136	108	106	123	108
Dividends paid	-59	-87	-60	-51	-46	-49	-63	-65	-66	-68	-71
Equity issues / buybacks	-3	0	-3	-1	0	0	-18	0	0	0	0
Net change in debt	-79	7	-43	-1	-45	-48	259	53	-50	-50	0
Other financing adjustments	75	14	17	10	1	2	5	2	-28	-32	-32
Other non-cash adjustments	-79	110	-99	-475	-26	-23	-23	-29	0	0	0
Change in cash	-58	121	-126	-469	53	-31	86	10	-6	6	38
<b>Cash flow metrics</b>											
Capex/D&A	n.m.	84.5%	n.m.	67.2%	39.4%	55.8%	81.0%	77.0%	59.9%	62.8%	64.2%
Capex/Sales	3.1%	2.8%	4.1%	3.7%	2.7%	2.7%	3.9%	4.5%	4.3%	4.3%	4.3%
<b>Key information</b>											
Share price year end (/current)	13	18	11	11	15	23	15	18	17	17	17
Market cap.	1,071	1,458	915	922	1,227	1,884	1,260	1,445	1,353	1,353	1,353
Enterprise value	784	1,057	601	1,188	1,375	2,033	1,587	1,895	1,760	1,705	1,669
Diluted no. of shares, year-end (m)	81.9	81.9	81.9	81.9	81.9	81.9	81.9	81.0	81.0	81.0	81.0

Source: Company data and Nordea estimates

# Disclaimer and legal disclosures

## Origin of the report

This publication or report originates from: Nordea Bank Abp, including its branches Nordea Danmark, Filial af Nordea Bank Abp, Finland, Nordea Bank Abp, filial i Norge and Nordea Bank Abp, filial i Sverige (together "Nordea") acting through their units Nordea Markets and Equity Sales & Research.

Nordea Bank Abp is supervised by the European Central Bank and the Finnish Financial Supervisory Authority and the branches are supervised by the European Central Bank and the Finnish Financial Supervisory Authority and the Financial Supervisory Authorities in their respective countries.

## Content of report

This report has been prepared solely by Nordea Markets or Equity Sales & Research.

Opinions or suggestions from Nordea Markets credit and equity research may deviate from one another or from opinions presented by other departments in Nordea. This may typically be the result of differing time horizons, methodologies, contexts or other factors.

The information provided herein is not intended to constitute and does not constitute investment advice nor is the information intended as an offer or solicitation for the purchase or sale of any financial instrument. The information contained herein has no regard to the specific investment objectives, the financial situation or particular needs of any particular recipient. Relevant and specific professional advice should always be obtained before making any investment or credit decision.

Opinions or ratings are based on one or more methods of valuation, for instance cash flow analysis, use of multiples, behavioural technical analyses of underlying market movements in combination with considerations of the market situation and the time horizon. Key assumptions of forecasts or ratings in research cited or reproduced appear in the research material from the named sources. The date of publication appears from the research material cited or reproduced. Opinions and estimates may be updated in subsequent versions of the report, provided that the relevant company/issuer is treated anew in such later versions of the report.

## Validity of the report

All opinions and estimates in this report are, regardless of source, given in good faith, and may only be valid as of the stated date of this report and are subject to change without notice.

## No individual investment or tax advice

The report is intended only to provide general and preliminary information to investors and shall not be construed as the basis for any investment decision. This report has been prepared by Nordea Markets or Equity Sales & Research as general information for private use of investors to whom the report has been distributed, but it is not intended as a personal recommendation of particular financial instruments or strategies and thus it does not provide individually tailored investment advice, and does not take into account the individual investor's particular financial situation, existing holdings or liabilities, investment knowledge and experience, investment objective and horizon or risk profile and preferences. The investor must particularly ensure the suitability of an investment as regards his/her financial and fiscal situation and investment objectives. The investor bears the risk of losses in connection with an investment.

Before acting on any information in this report, it is recommendable to consult (without being limited to) one's financial, legal, tax, accounting, or regulatory advisor in any relevant jurisdiction.

The information contained in this report does not constitute advice on the tax consequences of making any particular investment decision. Each investor shall make his/her own appraisal of the tax and other financial merits of his/her investment.

## Sources

This report may be based on or contain information, such as opinions, estimates and valuations which emanate from: Nordea Markets' or Equity Sales & Research analysts or representatives, publicly available information, information from other units of Nordea, or other named sources.

To the extent this publication or report is based on or contain information emanating from other sources ("Other Sources") than Nordea Markets or Equity Sales & Research ("External Information"), Nordea Markets or Equity Sales & Research has deemed the Other Sources to be reliable but neither Nordea, others associated or affiliated with Nordea nor any other person, do guarantee the accuracy, adequacy or completeness of the External Information.

## Limitation of liability

Nordea or other associated and affiliated companies assume no liability as regards to any investment, divestment or retention decision taken by the investor on the basis of this report. In no event will Nordea or other associated and affiliated companies be liable for direct, indirect or incidental, special or consequential damages (regardless of whether being considered as foreseeable or not) resulting from the information in this report.

## Risk information

The risk of investing in certain financial instruments, including those mentioned in this report, is generally high, as their market value is exposed to a lot of different factors such as the operational and financial conditions of the relevant company, growth prospects, change in interest rates, the economic and political environment, foreign exchange rates, shifts in market sentiments etc. Where an investment or security is denominated in a different currency to the investor's currency of reference, changes in rates of exchange may have an adverse effect on the value, price or income of or from that investment to the investor. Past performance is not a guide to future performance. Estimates of future performance are based on assumptions that may not be realized. When investing in individual shares, the investor may lose all or part of the investments.

## Conflicts of interest

Readers of this document should note that Nordea Markets or Equity Sales & Research has received remuneration from the company mentioned in this document for the production of the report. The remuneration is not dependent on the content of the report. Nordea, affiliates or staff in Nordea, may perform services for, solicit business from, hold long or short positions in, or otherwise be interested in the investments (including derivatives) of any company mentioned in the report.

To limit possible conflicts of interest and counter the abuse of inside knowledge, the analysts of Nordea Markets and Equity Sales & Research are subject to internal rules on sound ethical conduct, the management of inside information, handling of unpublished research material, contact with other units of Nordea and personal account dealing. The internal rules have been prepared in accordance with applicable legislation and relevant industry standards. The object of the internal rules is for example to ensure that no analyst will abuse or cause others to abuse confidential information. It is the policy of Nordea that no link exists between revenues from capital markets activities and individual analyst remuneration. Nordea and the branches are members of national stockbrokers' associations in each of the countries in which Nordea has head offices. Internal rules have been developed in accordance with recommendations issued by the stockbrokers associations. This material has been prepared following the Nordea Conflict of Interest Policy, which may be viewed at [www.nordea.com/mifid](http://www.nordea.com/mifid).

Please find a list of all recommendations disseminated by Nordea Equities during the preceding 12-month period here: <https://research.nordea.com/compliance>

## Distribution restrictions

The securities referred to in this report may not be eligible for sale in some jurisdictions. This report is not intended for, and must not be distributed to private customers in the UK or the US or to customers in any other jurisdiction where restrictions may apply.

This research report has not been prepared for distribution outside the EU, the UK or the US. The content of this research report is not a product disclosure statement or other regulated document for the purposes of the Australian Corporations Act 2001 (CTH). The distribution of this research report in Australia has not been authorised by any regulatory authority in Australia, and Nordea bank Abp is not licensed by the Australian Securities and Investment Commission to provide financial services in Australia.

This publication or report may be distributed in the UK to institutional investors by Nordea Bank Abp London Branch of 6th Floor, 5 Aldermanbury Square, London, EC2V 7AZ, which is under supervision of the European Central Bank, Finanssivalvonta (Financial Supervisory Authority) in Finland and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority in the United Kingdom. Details about the extent of our regulation by the Financial Conduct Authority and Prudential Regulation Authority are available upon request.

Nordea Bank Abp ("Nordea") research is not "globally branded" research. Nordea research reports are intended for distribution in the United States solely to "major U.S. institutional investors," as defined in Rule 15a-6 under the Securities Exchange Act of 1934. Any transactions in securities discussed within the research reports will be chaperoned by Nordea Securities LLC ("Nordea Securities"), an affiliate of Nordea and a SEC registered broker dealer and member of FINRA. Nordea Securities does not employ research analysts and has no contractual relationship with Nordea that is reasonably likely to inform the content of Nordea research reports. Nordea makes all research content determinations without any input from Nordea Securities.

The research analyst(s) named on this report are not registered/qualified as research analysts with FINRA. Such research analyst(s) are also not registered with Nordea Securities and therefore may not be subject to FINRA Rule 2241 or FINRA Rule 2242 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

This report may not be mechanically duplicated, photocopied or otherwise reproduced, in full or in part, under applicable copyright laws.

**Analyst Shareholding**

Nordea analysts do not hold shares in the companies that they cover. No holdings or other affiliations by analysts or associates.

**Fair value and sensitivity**

We calculate our fair values by weighting DCF, DDM, SOTP, asset-based and other standard valuation methods. Our fair values are sensitive to changes in valuation assumptions, of which growth, margins, tax rates, working capital ratios, investment-to-sales ratios and cost of capital are typically the most sensitive. It should be noted that our fair values would change by a disproportionate factor if changes are made to any or all valuation assumptions, owing to the non-linear nature of the standard valuation models applied (mentioned above). As a consequence of the standard valuation models we apply, changes of 1-2 percentage points in any single valuation assumption can change the derived fair value by as much as 30% or more. All research is produced on an ad hoc basis and will be updated when the circumstances require it.

**Marketing Material**

This research report should be considered marketing material, as it has been commissioned and paid for by the subject company, and has not been prepared in accordance with the regulations designed to promote the independence of investment research and it is not subject to any legal prohibition on dealing ahead of the dissemination of the report. However, Nordea Markets analysts are according to internal policies not allowed to hold shares in the companies/sectors that they cover.

**Market-making obligations and other significant financial interest**

Nordea has no market-making obligations in Fiskars shares.

As of 18/07/2024, Nordea Abp holds no positions of 0.5% or more of shares issued by Fiskars.

As of the publication of this report, the issuer does not hold a position exceeding 5% of the total shares issued in Nordea Abp.

**Investment banking transactions and/or services**

Nordea has been lead or co-lead manager in a public disclosed offer of financial instruments issued by Fiskars over the previous 12 months.

**Issuer Review**

*This report has not been reviewed by the Issuer prior to publication.*

**Completion Date**

19 Jul 2024, 00:33 CET

Nordea Bank Abp	Nordea Bank Abp, filial i Sverige	Nordea Danmark, Filial af Nordea Bank Abp, Finland	Nordea Bank Abp, filial i Norge
<b>Nordea IB &amp; Equity Division, Equity Research</b> Visiting address: Aleksis Kiven katu 7, Helsinki FI-00020 Nordea Finland	<b>Nordea IB &amp; Equity Division, Equity Research</b> Visiting address: Smålandsgatan 17 SE-105 71 Stockholm Sweden	<b>Nordea IB &amp; Equity Division, Equity Research</b> Visiting address: Grønjørdsvej 10 DK-2300 Copenhagen S Denmark	<b>Nordea IB &amp; Equity Division, Equity Research</b> Visiting address: Essendropsgate 7 N-0107 Oslo Norway
Tel: +358 9 1651 Fax: +358 9 165 59710	Tel: +46 8 614 7000 Fax: +46 8 534 911 60	Tel: +45 3333 3333 Fax: +45 3333 1520	Tel: +47 2248 5000 Fax: +47 2256 8650
Reg.no. 2858394-9 Satamaradankatu 5 Helsinki			