Summary of Q1 2015

- **NET SALES 73.9 MEUR (66.2)**
  - With comparable exchange rates sales up 8%.
- **COMPARABLE OPERATING PROFIT 10.7 MEUR (6.7)**
  - Increased sales, completion of the transfer of lure manufacturing from China to Batam, improved performance in Batam.
- **REPORTED OPERATING PROFIT 9.1 MEUR (7.4)**
  - Valuation of currency derivatives and non-recurring losses on China-exit.
- **CASH FLOW FROM OPERATIONS -7.0 MEUR (-8.0)**
- **EPS 0.10 EUR (0.11)**
  - Impacted by non-recurring items and increase in financial items, taxes and non-controlling interest
Net Sales

• YTD NET SALES 73.9 MEUR (+12%)
  • Changes in FX rates explain approximately 2.4 MEUR. With comparable FX sales +8%.
  • Year 2015 started with good growth driven by US.
  • Successful launch of new products, earlier start of summer shipments.
  • All market areas, excluding Russia, contributed positively to the sales growth.
  • Political unrest and continuing economic downturn in Russia and Ukraine continued to have negative impact on sales.
Q1 Net Sales – Geographical Areas

- **NORTH AMERICA**
  - Comparable net sales +9%
  - Strong start of the year
  - Successful launch of Shadow Rap lure family
  - Shift of sales from last year’s fourth quarter

- **NORDICS**
  - Comparable net sales +27%
  - Improved winter conditions supporting replenishment sales
  - Overall winter conditions exceptionally bad
  - Earlier start of sales of summer fishing products

- **REST OF EUROPE**
  - Comparable net sales -1%
  - Excluding Russia and Ukraine, comparable sales +6%
  - Early start of summer season shipments
  - Steady growth in France, Hungary and Romania

- **REST OF THE WORLD**
  - Comparable net sales +3%
  - Positive development in Malaysia, Chile and South Africa
  - Sales suffered in Indonesia, Thailand and Japan

Q1 2015
Net Sales – Product Segments

• GROUP PRODUCTS 50.8 MEUR (+17%)
  • Q1 comparable net sales +9%
  • Supported by earlier start of summer fishing product shipments and by successful launch of Shadow Rap lures in US
  • Overall solid summer fishing tackle sales in North America

• THIRD PARTY PRODUCTS 23.1 MEUR (+1%)
  • Comparable net sales +7%
  • Increase from outdoor and fishing products through earlier start of summer fishing season and improved suppliers’ deliveries
  • Negatively impacted by economical instabilities in Russia
Operating Profit

• COMPARABLE OPERATING PROFIT 10.7 MEUR (+60%)
  • Increase driven by improved sales and recovering profitability of Batam operations.
  • Burdened by continuing turbulence in Russia and unfavorable fx impact on purchases.

• REPORTED OPERATING PROFIT 9.1 MEUR (+23%)
  • Mark-to-market valuation of operative currency derivatives -0.3 MEUR (+0.7)
  • Non-recurring items -1.2 MEUR (+0.1)
    • Related to direct one-off costs on closing down of the manufacturing operations in China.
Operating Profit – Product segments

• GROUP PRODUCTS 7.2 MEUR (+47%)
  • Supported by increased sales and by improved profitability of Batam operations.
  • Reported operating profit burdened by 1.2 MEUR non-recurring cost relating to closing down China operations.

• THIRD PARTY PRODUCTS 1.9 MEUR (-24%)
  • Burdened by unfavorable fx on purchases and by decline of sales in Russia.
Net Profit and EPS

- **FINANCIAL (NET) EXPENSES 2.2 MEUR (1.9)**
  - Slight negative impact of FX expenses 1.5 MEUR (1.0)
  - Net interest and other financial expenses 0.7 MEUR (0.9)
- **NET PROFIT 4.3 MEUR (0%)**
  - Impacted by non-recurring items and increase in financial items
  - Last year includes a positive tax impact of 1.0 MEUR related to past years’ tax assessments
- **SHARE OF NON-CONTROLLING INTEREST 0.4 MEUR (0.0)**
- **EPS 0.10 EUR (0.11)**
Cash Flow and Working Capital

• CASH FLOW FROM OPERATIONS -7.0 MEUR (-8.0)
  • Change in working capital -16.3 MEUR (-15.6)

• INVENTORIES 132.2 MEUR (118.2)
  • Increased 14.0 MEUR from last year
  • Currency impact increased inventories by 3.4 MEUR
  • Increase in working capital, especially inventories, was impacted by earlier deliveries from suppliers and slowdown of sales in Russia

• INVESTING ACTIVITIES MAINLY NORMAL CAPITAL EXPENDITURE

Cash flow from operations, MEUR *

* 2015 and 2014 figures restated, see interim report for more information.
Financial Position

- LIQUIDITY POSITION OF THE GROUP WAS GOOD
  - Undrawn committed long-term credit facilities amounted to 78.1 MEUR
- NET INTEREST-BEARING DEBT INCREASED SEASONALLY, GEARING SLIGHTLY DOWN
  - Equity-to-assets ratio slightly below last year level at 42.5% (43.9)
  - The Group fulfils all financial covenants related to its credit facilities
Cornerstones of the Profitable Growth Strategy

**BRANDS**
- Portfolio of most recognized and respected brands in the fishing tackle industry.
- New items for 2015 received well by the markets.
- Successful launch of Shadow Rap in the US.
- Storm Arashi being expanded to other markets.

**DISTRIBUTION**
- Industry's widest distribution network with own units in 35 countries, selling Group's own and selected 3rd party fishing, hunting and outdoor products.
- Reducing the amount of inventories is high on the agenda.

**RAPALA CULTURE**
- Local entrepreneurial spirit and profit responsibility together with a low hierarchy, straightforward business culture and strong local knowledge are key to executing Rapala VMC's strategy.

**MANUFACTURING**
- Efficient own manufacturing and sourcing platform to supply premium products for mass markets.
- Transfer of Asian lure manufacturing from China to Batam concluded in 2014:
  - Concentration on exploiting the strengths and capturing the benefits of manufacturing.
  - Solid basis for future growth of the Group's Storm, Luhr Jensen and Williamson Branded lures.

**RAPALA VM C CORP.**

Q1 2015
Short-term Outlook

- After the strong start, the outlook for the whole year is positive
- Positive market sentiment in USA, early start of the summer season in many markets and successful new product introductions expected to support the sales this year.
- Following two difficult winter seasons, the sales of winter sports products expected to improve in Finland this year.
- Distribution pipeline for winter fishing equipment is expected to be rather empty.
  - In USA termination of a third party winter fishing equipment distribution agreement will reduce sales ca. 5 MUSD during latter part of the year
- Political and economic situation in Russia and Ukraine very challenging
  - Increases uncertainties.
- Improvement in performance of the manufacturing unit in Batam supporting the profitability of the Group this year
- Actions to reduce the Group’s inventory levels may lower margins, but should support the cash flow

- The Group expects full year net sales and comparable operating profit (excluding non-recurring items and mark-to-market valuations of operative currency derivatives) to be above 2014 levels

- Q2 interim report published on July 23, 2015
END OF PRESENTATION
APPENDICES
# QRT Key figures

<table>
<thead>
<tr>
<th></th>
<th>Q1/2015</th>
<th>Q1/2014</th>
<th>Q1-Q4/2014</th>
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<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>73.9</td>
<td>66.2</td>
<td>273.2</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>9.1</td>
<td>7.4</td>
<td>22.9</td>
</tr>
<tr>
<td><strong>Operating profit margin, %</strong></td>
<td>12.3%</td>
<td>11.2%</td>
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<td><strong>Comparable operating profit</strong></td>
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<td>20.9</td>
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<tr>
<td><strong>Comparable operating profit margin, %</strong></td>
<td>14.4%</td>
<td>10.1%</td>
<td>7.6%</td>
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<td><strong>Net profit for the period</strong></td>
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<td>4.3</td>
<td>10.2</td>
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<tr>
<td><strong>EPS (basic), EUR</strong></td>
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<td><strong>Cash flow from operations</strong></td>
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<td><strong>Net interest-bearing debt</strong></td>
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<td>106.2</td>
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<td><strong>ROCE, %</strong></td>
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<td>9.8%</td>
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<td><strong>Gearing, %</strong></td>
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<td>76.5%</td>
<td>73.2%</td>
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<td><strong>Equity to assets, %</strong></td>
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<td>43.9%</td>
<td>44.1%</td>
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EPS

EPS, EUR

EUR

Q1 2011 - Q4 2015

EPS, EUR

DPS, EUR

Payout, %

2011 - 2014

RAPALA VMC CORP.
# Profit and loss account

<table>
<thead>
<tr>
<th>MEUR</th>
<th>Q1 2015</th>
<th>Q1 2014</th>
<th>Q1-Q4 2014</th>
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<tr>
<td>Net sales</td>
<td>73.9</td>
<td>66.2</td>
<td>273.2</td>
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<tr>
<td>Other operating income</td>
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<td>0.1</td>
<td>1.0</td>
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<tr>
<td>Materials and services</td>
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<td>28.5</td>
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<tr>
<td>Personnel expenses</td>
<td>17.4</td>
<td>16.9</td>
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<tr>
<td>Other costs and expenses</td>
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<td>50.8</td>
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<td>Share of results in associates and joint ventures</td>
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<td>EBITDA</td>
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<td>Operating profit (EBIT)</td>
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<td>22.9</td>
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<td>Financial income and expenses</td>
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<td>1.9</td>
<td>7.2</td>
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<tr>
<td>Profit before taxes</td>
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<tr>
<td>Income taxes</td>
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<td>5.5</td>
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<tr>
<td>Net profit for the period</td>
<td>4.3</td>
<td>4.3</td>
<td>10.2</td>
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## Balance sheet

<table>
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<th>Q1 2014</th>
<th>Q1-Q4 2014</th>
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<tr>
<td><strong>MEUR</strong></td>
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<tr>
<td><strong>ASSETS</strong></td>
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<tr>
<td><strong>Non-current assets</strong></td>
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<tr>
<td>Intangible assets</td>
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<td>70.1</td>
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<td>Property, plant and equipment</td>
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<td><strong>Non-current assets</strong></td>
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<tr>
<td>Interest-bearing</td>
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<td>Non-interest-bearing</td>
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<td><strong>Total assets</strong></td>
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<td>114.3</td>
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<td><strong>Current assets</strong></td>
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<tr>
<td>Inventories</td>
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<td><strong>Current assets</strong></td>
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<td>Non-interest-bearing</td>
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<td>Cash and cash equivalents</td>
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<td><strong>Total assets</strong></td>
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<td><strong>Total equity and liabilities</strong></td>
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<td>316.6</td>
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<td><strong>EQUITY AND LIABILITIES</strong></td>
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</tr>
<tr>
<td><strong>Equity</strong></td>
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<tr>
<td>Equity attributable to the equity holders of the company</td>
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<td>127.2</td>
<td>128.3</td>
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<td>Non-controlling interests</td>
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<td><strong>Total equity and liabilities</strong></td>
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<tr>
<td>Interest-bearing</td>
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<td>Non-interest-bearing</td>
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<td><strong>Total equity and liabilities</strong></td>
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<td>81.8</td>
<td>43.9</td>
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<tr>
<td>Non-interest-bearing</td>
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<td>44.2</td>
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<tr>
<td><strong>Total equity and liabilities</strong></td>
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<td>125.5</td>
<td>88.2</td>
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</table>

**RAPALA VMC CORP.**
Shares and Shareholders

SHARE RELATED DATA (3/2015)

- Market capitalization  196.0 MEUR
- 12-month high/low  6.00/4.69 EUR
- All-time high/low  8.40/2.50 EUR

MAJOR SHAREHOLDERS (3/2015)

- VMC Holdings  34%
- Sofina  19%
- Nordea Funds  11%
- Odin Funds  3%
- State Pension fund  3%
- Shimano  2%
- Evli Funds  1%
- Tapiola Funds  1%
- Ilmarinen  1%
- Evli Funds  1%

Own shares: 639 671 shares (1.6%)

RAPALA VMC CORP.
Financial Trends

Sales and scope

Profitability

Balance sheet position

RAPALA VMC CORP.

Q1 2015