SUMMARY OF Q1 2010

**EUR million**

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<tbody>
<tr>
<td>Net Sales</td>
<td>70.8</td>
<td>65.2</td>
<td>234.6</td>
</tr>
<tr>
<td>Operating Profit - Reported</td>
<td>11.7</td>
<td>10.0</td>
<td>22.1</td>
</tr>
<tr>
<td>Operating Profit - Comparable</td>
<td>11.8</td>
<td>10.1</td>
<td>23.5</td>
</tr>
<tr>
<td>Net Profit for the Period</td>
<td>9.1</td>
<td>6.2</td>
<td>14.3</td>
</tr>
<tr>
<td>EPS (basic), EUR</td>
<td>0.22</td>
<td>0.15</td>
<td>0.31</td>
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<tr>
<td>Cash flow from Operations</td>
<td>-12.0</td>
<td>-19.8</td>
<td>24.6</td>
</tr>
<tr>
<td>Net Interest-bearing Debt</td>
<td>96.6</td>
<td>112.3</td>
<td>79.4</td>
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- **Net sales** for Q1 increased 9% and reached a quarterly record level at 70.8 MEUR.
- Sales growth was **strongest in East Europe**, which is back to pre-recession growth trend. **Sales of winter sport equipment increased strongly** in the Nordic countries.
- **EPS reached a Q1 record level** at 0.22 EUR (0.15 EUR).
- It is expected that both the **net sales and the comparable operating margin** for the full year 2010, excluding non-recurring items, **will increase from 2009**.
ANALYSIS OF NET SALES

- Net sales +9% to 70.8 MEUR (65.2) for Q1
- With comparable FX net sales up 6%.
- Year 2010 started very well due to strong sales of especially winter sports equipment.
- Net sales of Group Fishing Products +1%, Other Group Products (WS & GP +19% & 3rd Party Products (WS, FX, FP) +18%.
- Net sales in North America -3% (FX), Nordics -10% (WS & FX up, HP down) and Rest of Europe +14% (FX & 3rd FP), Rest of the World +4% (FX & GP).
- Uncertainty regarding the world economy continued but positive signs of recovery was witnessed especially in East Europe, which is back to pre-recession growth trend.
- Strengthening of many currencies eased up the pressure on consumer confidence and increased the purchase power especially in East Europe, Sweden, Australia and South Africa.
ANALYSIS OF OPERATING PROFIT

• Q1 reported operating profit was up to 11.7 MEUR (10.0).
• Non-recurring costs of 0.1 MEUR (0.1) from the restructuring of Hungarian distribution unit.
• Reported operating margin 16.5% (15.4%).
• ROCE up to 22.6% (19.3%).
• Operating profit improvement came from increased net sales.

• Operating profit of all operating segments improved: Group Fishing Products to 8.1 MEUR (7.8), Other Group Products to 0.5 MEUR (0.1) and Third Party Products to 3.1 MEUR (2.1).
• Q1 comparable operating profit, excluding one-offs, was 11.8 MEUR (10.1).
• Comparable operating margin increased to 16.7% (15.5%).
NET RESULT AND CASH FLOW

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<tr>
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<tbody>
<tr>
<td>Net profit for the period</td>
<td>9.1</td>
<td>6.2</td>
<td>14.3</td>
</tr>
<tr>
<td>Adjustments (reversal of non-cash items)</td>
<td>3.6</td>
<td>5.2</td>
<td>14.7</td>
</tr>
<tr>
<td>Financial items and taxes paid/received</td>
<td>-3.3</td>
<td>-2.2</td>
<td>-7.4</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>-21.4</td>
<td>-29.0</td>
<td>3.0</td>
</tr>
<tr>
<td><strong>Net cash from operating activities</strong></td>
<td><strong>-12.0</strong></td>
<td><strong>-19.8</strong></td>
<td><strong>24.6</strong></td>
</tr>
</tbody>
</table>

- Financial (net) gain was 0.5 MEUR (expense 1.6) and record EPS at 0.22 EUR (0.15).
- Results of WCM project continued to materialize and contribute to the cash flow.
- Strong execution of working capital management decreased inventories 9.4 MEUR.
- Cash from operating activities improved strongly to -12.0 MEUR (-19.8).
- Net interest bearing debt seasonally up to 96.6 MEUR (Q4/09: 79.4 & Q1/09: 112.3).
- Equity to assets ratio improved to 41.7% (Q4/09: 42.8% & Q1/09: 35.3%) and gearing improved to 77.7% (Q4/09: 71.7% & Q1/09: 101.7%).
STRATEGY IMPLEMENTATION

- Implementation of the Group’s strategy for profitable growth continued in Q1.
- High emphasis continued on the positive development in cash flow and opening new distribution companies to support future growth.
- The results of the major working capital initiative to reduce Group inventories and improve cash flow progressed and contributed to the positive cash flow.
- Major supply chain and logistics initiative to shorten the lead-times, lower inventories and further improve the service levels to customers will continue throughout 2010.
- Newly established distribution company in Iceland started its operations in Q1 and the new Chinese gift distribution company in April. These units will further expand and strengthen the Group distribution network.
- Group continued other performance improvement initiatives (e.g. development of lure manufacturing processes & restructuring of Hungarian distribution operations). Group shareholding in the Hungarian distribution company was raised to 66.6%.
- Also development of organic growth in terms of extensions of current product categories as well as special marketing, sales and brand initiatives continued.
- Discussions and negotiations regarding acquisitions and business combinations continued during Q1.
SHORT-TERM OUTLOOK

• In general, the short-term outlook is cautiously optimistic.

• General uncertainty may continue in 2010 through increased unemployment in many countries, which will most likely continue to affect the ordering behavior of some customers and maintain the need for quick deliveries and short lead-times.

• In East Europe, the market has continued the strong growth that was there before the recession. US market is quite stable but there are big differences between countries in Europe and Asia.

• At the end of Q1, Group order backlog was up 14% from last year at 37.2 MEUR.

• Group lure manufacturing facilities & Peltonen ski factory run at full capacity.

• It is expected that comparable net sales and operating profit, excluding the non-recurring items, will increase from 2009.

• Reducing working capital and increasing cash flow continue to be the top priority for 2010 with strong emphasis on innovation and development of new products.

• Q2 Report 2010 will be published on July 22, 2010.
FINANCIAL TRENDS IN RAPALA

- Top line growth expected to continue after the fall-back (world recession) in 2009.
- Also positive development in profitability expected to continue after 2009.
- Financial position getting even stronger allowing headroom for new acquisitions.
SHARES AND SHAREHOLDERS

SHARE RELATED DATA (03/2010)

- Market capitalization: 211.1 MEUR
- 12-month high/low: 5.50/3.95 EUR
- All-time high/low: 8.40/2.50 EUR

MAJOR SHAREHOLDERS

- VMC Holdings: 28%
- Sofina: 19%
- Odin Funds: 8%
- William Ng: 4%
- Utavia: 4%
- State Pension fund: 3%
- Shimano: 2%
End of Presentation

Tight Lines!