GROUP STRATEGY AND ORGANIZATION

SUPPLY

PRODUCT
- HARD BAITS
  - Rapala
  - Storm
- SPINNERS
  - Blue Fox

SOURCE
- RAPALA
  - Finland
  - Estonia
  - Russia
- WILLTECH
  - Hong Kong
  - China
- DYNAMITE BAITS
  - Great Britain

GROUP BRANDS
- Rapala
  - VMC, France
  - WILLTECH, China
  - MARTIN, Finland and Estonia
  - PELTENEN, Finland

OWN DISTRIBUTION
- USA
- Canada
- Japan
- Malaysia
- China
- Great Britain
- Thailand
- South Korea
- Belarus
- France
- Spain
- Portugal
- Switzerland
- Poland
- Estonia
- Lithuania
- Latvia

OWN MANUFACTURING AND R&D
- OWN MANUFACTURING AND R&D
- SOURCING AND OWN R&D

SOURCES
- ACCESSORIES, RODS & REELS
- FISHING LINES
- XC-SKIS & POLES
- BAITS AND ATTRACTANTS
- China and Taiwan
- Taiwan and China
- Finland and Russia
- Great Britain and Taiwan

THIRD PARTY PRODUCTS
- Shimano
- Other Fishing
- Hunting
- Winter Sports
- Outdoor

RAPALA-SHIMANO DISTRIBUTION
- Russia
- Ukraine
- Czech Republic
- Slovak Republic
- Hungary
- Romania

SHIMANO
- Italy
- Germany
- Netherlands
- Belgium
- Great Britain

LOCAL IMPORTERS
- Rest of Europe
- Rest of World
SUMMARY OF YEAR 2010 AND Q4

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Net Sales</td>
<td>60.4</td>
<td>51.4</td>
<td>269.4</td>
<td>234.6</td>
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<tr>
<td>Operating Profit - Reported</td>
<td>4.2</td>
<td>0.7</td>
<td>31.3</td>
<td>22.1</td>
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<tr>
<td>Operating Profit - Comparable</td>
<td>4.3</td>
<td>1.0</td>
<td>31.8</td>
<td>23.5</td>
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<tr>
<td>Net Profit for the Period</td>
<td>1.8</td>
<td>-0.8</td>
<td>20.7</td>
<td>14.3</td>
</tr>
<tr>
<td>EPS (basic), EUR</td>
<td>0.04</td>
<td>-0.02</td>
<td>0.46</td>
<td>0.31</td>
</tr>
<tr>
<td>Cash flow from Operations</td>
<td>-2.2</td>
<td>6.0</td>
<td>13.0</td>
<td>24.6</td>
</tr>
<tr>
<td>Net Interest-bearing Debt</td>
<td>92.0</td>
<td>79.4</td>
<td>92.0</td>
<td>79.4</td>
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</tbody>
</table>

- **Net sales** for Q4 increased by 18% from last year to a quarterly record of 60.4 MEUR. YTD net sales increased by 15% to an all time record at 269.4 MEUR.
- **Comparable operating** profit improved from last year and reached 4.3 MEUR in Q4 and 31.8 MEUR YTD.
- **EPS** were 0.04 EUR for Q4 and 0.46 EUR YTD.
- **Cash flow from Operations** dropped from last year’s highs to 13.0 MEUR (24.6)
- It is expected that in 2011 the net sales will increase from 2010 and also comparable operating margin is targeted to improve.
- Board’s **dividend proposal** for 2010 is 0.23 EUR per share.
ANALYSIS OF NET SALES

Net Sales Development | Q-on-Q  | Y-on-Y  |
-----------------------|---------|---------|
Group Total            | 18 %    | 15 %    |
Group Fishing Products | 10 %    | 10 %    |
Other Group Products   | 65 %    | 42 %    |
Third Party Products   | 12 %    | 17 %    |
North America          | 27 %    | 12 %    |
Nordics                | 7 %     | 8 %     |
Rest of Europe         | 10 %    | 17 %    |
Rest of the World      | 8 %     | 26 %    |

- Net sales for Q4 increased 18% and 15% YTD reaching 60.4 MEUR & 269.4 MEUR.
- With comparable exchange rates, net sales increased 10% for Q4 and 8% YTD.
- The newly acquired and established subsidiaries contributed to YTD net sales 2.6 MEUR.
- Group Fishing Products represent 52%, 139.5 MEUR, of Group’s YTD sales. Third party products 39%, 105.6 MEUR respectively.
- Nordic area still largest with 110.4 MEUR YTD sales. Rest of Europe reaching, following strong growth in Russia.
- Q4 sales growth was supported by strong sales of winter sports equipment, good North American sales and impact of currencies.
ANALYSIS OF OPERATING PROFIT

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</thead>
<tbody>
<tr>
<td>Total (comparable)</td>
<td>4.3</td>
<td>1.0</td>
<td>31.8</td>
<td></td>
</tr>
<tr>
<td>Fishing Products</td>
<td>4.0</td>
<td>1.5</td>
<td>21.4</td>
<td></td>
</tr>
<tr>
<td>Up Products</td>
<td>0.3</td>
<td>0.3</td>
<td>2.0</td>
<td></td>
</tr>
<tr>
<td>Other Products</td>
<td>-0.2</td>
<td>-1.2</td>
<td>7.8</td>
<td></td>
</tr>
<tr>
<td>Total (as reported)</td>
<td>4.2</td>
<td>0.7</td>
<td>31.3</td>
<td></td>
</tr>
</tbody>
</table>

Comparable operating margin increased to 7.1% (2.0%) for Q4 and 11.8% (10.0%) for YTD.

- Non-recurring costs (0.1 for Q4 & 0.5 MEUR YTD) relate mainly to restructuring initiatives and business acquisition.
- **Reported operating profit** was up to 4.2 MEUR (0.7) for Q4 and 31.3 (22.1) YTD.
- **Reported operating margin** improved to 6.9% (1.3) for Q4 and 11.6% (9.4) YTD.
- ROCE up to 8.1% (1.4) for Q4 & 15.2% (11.5) YTD.
- Profitability was positively affected by increased sales and consequently improved fixed cost coverage, improvement in profitability of Group’s own products and strengthening of several currencies.
NET RESULT AND CASH FLOW

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<tr>
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<tbody>
<tr>
<td>Net profit for the period</td>
<td>1.8</td>
<td>-0.8</td>
<td>20.7</td>
<td>14.3</td>
</tr>
<tr>
<td>Adjustments (reversal of non-cash items)</td>
<td>4.0</td>
<td>2.9</td>
<td>17.4</td>
<td>14.7</td>
</tr>
<tr>
<td>Financial items and taxes paid/rec</td>
<td>-2.7</td>
<td>-1.6</td>
<td>-12.1</td>
<td>-7.4</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>-5.2</td>
<td>5.6</td>
<td>-13.0</td>
<td>3.0</td>
</tr>
<tr>
<td>Net cash from operating activities</td>
<td>-2.2</td>
<td>6.0</td>
<td>13.0</td>
<td>24.6</td>
</tr>
</tbody>
</table>

- **Q4 financial (net) expenses** 0.7 MEUR (1.1) and YTD 1.8 MEUR (2.1).
- **EPS** at 0.04 EUR (-0.02) for Q4 and 0.46 EUR (0.31) YTD.
- The focus on working capital management has gradually also turned into securing service levels to customers and exploiting sales opportunities.
- **Cash from operating activities** for Q4: -2.2 MEUR (6.0) and YTD 13.0 MEUR (24.6).
- Cash used in investing activities for Q4: 1.6 MEUR (2.6) and YTD 13.2 MEUR (6.3).
- **Acquisition of Dynamite** of 6.1 MEUR, incl. 1.3 M escrow account.
- **Net interest bearing debt** 92.0 MEUR (79.4).
- **Equity to assets** ratio was slightly weaker than last year at 42.6% (42.8), as was gearing at 71.2% (71.1).
The Group continued the implementation of its strategy of profitable growth by acquiring Dynamite Baits Ltd, a manufacturer of premium carp baits.

Acquisition makes Rapala a strong player in the European carp fishing market, and contributes to the Group’s brand strategy and portfolio and leverages Rapala’s unique sourcing and distribution platforms.

Following the acquisition the UK distribution of Rapala’s other products will be combined into the Dynamite’s efficient UK distribution system during the first half of 2011.

Rapala proceeded with plans to establish new distribution operations in Mexico and Indonesia, both operations are planned to start during first half of 2011.

Performance improvement initiatives continued in Hungary.

Working capital and cash flow management still top priority, but the focus on inventory management has also turned into securing service levels to customers and exploiting sales opportunities.

Work to develop the Group’s supply chain to shorten lead-times, lower the inventories and further to improve service levels to customers, progressed and will continue further in 2011.

Organic growth in terms of new products (e.g. Sufix 832) and extensions of current product categories as well as special marketing, sales and brand initiatives continued.

Discussions and negotiations regarding acquisitions and business combinations continued in Q4.
SHORT-TERM OUTLOOK

• In general, the short-term outlook is positive.
• In East Europe growth of sales is expected to continue. In Western Europe market situation is expected to be stable, while the Group’s sales there will grow following the acquisition of Dynamite and due to the Group’s strong distribution company network. In the Nordic countries beginning of the year is still supported with the good sales of winter sports equipment and the good season is expected to support next season’s presales and autumn deliveries. The US retail market is expected to recover, although slowly, and the Group’s position in the US market is strong.
• The Group’s growth is further supported with establishment of new distribution companies as well as successful launch of new products. The Group’s manufacturing units are well prepared to meet the demand of the coming fishing season.
• The Group’s order backlog was up 7% from last December at 47.0 MEUR.
• It is expected that in 2011 the net sales will increase from 2010 and also comparable operating margin is targeted to improve.

• The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.23 for 2010.
• Annual Report 2010 will be published on March 14th and AGM is planned to be held on April 5th.
GROWTH OPPORTUNITIES FOR 2011

SUFIX 832 TO SUPPORT THE GROWTH IN FISHING LINES

• Exceptionally good reviews by fishermen and magazines
• Technology co-operation with Gore
• Very good in-sales and first signs of strong consumer sales

FIRST FULL YEAR FOR DYNAMITE IN RAPALA

• Strong brand. Extension possibilities.
• Growing form of fishing.
• Synergy potentials in R&D, distribution and sourcing.

EXPANSION OF THE DISTRIBUTION NETWORK

• Strategic corner stone. Strongest network in the industry.
• Seeds for future growth.
It is expected that in 2011 the net sales will increase from 2010 and also comparable operating margin is targeted to improve.

Financial position getting even stronger allowing headroom for new acquisitions.
SHARES AND SHAREHOLDERS

SHARE RELATED DATA (12/2010)
• Market capitalization 267.0 MEUR
• 12-month high/low 6.86/4.80 EUR
• All-time high/low 8.40/2.50 EUR

MAJOR SHAREHOLDERS (12/2010)
• VMC Holdings 29 %
• Sofina 19 %
• Odin Funds 8 %
• William Ng 4 %
• Utavia 4 %
• State Pension fund 3 %
• Ilmarinen 2 %
• Shimano 2 %
END OF PRESENTATION

Tight lines!