

**RAPALA
VMC**



CORP.

COMPANY PRESENTATION

WE HELP FISHERMEN ACROSS THE WORLD TO CATCH FISH

It all started in 1936 with Lauri Rapala and his hand-crafted lures.

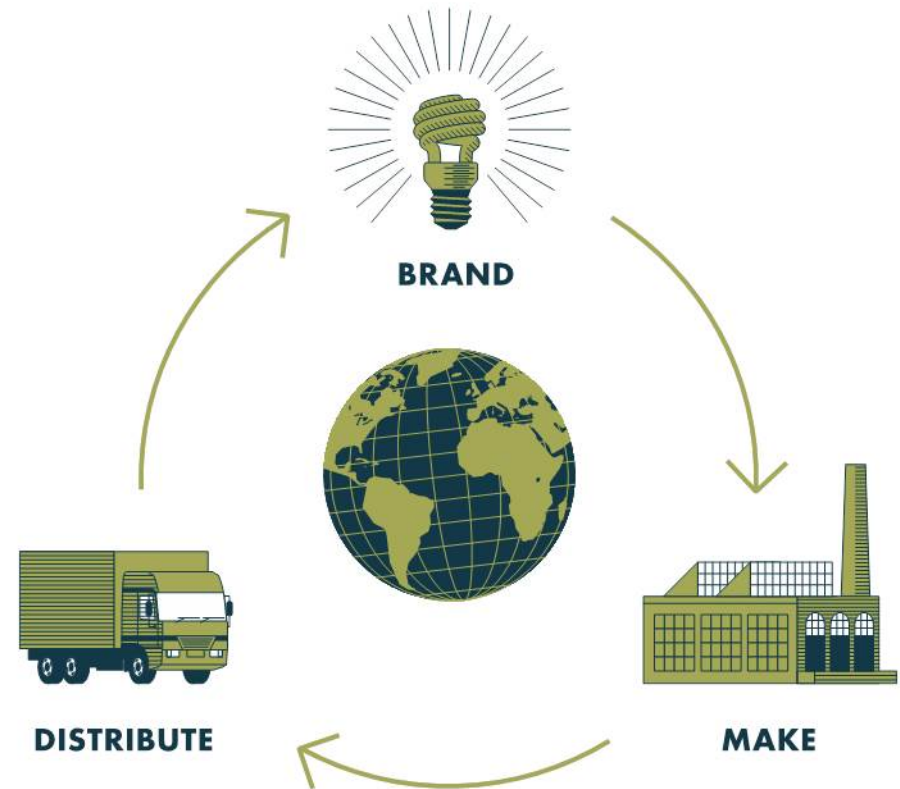
Today Rapala VMC Corporation is one of four global players in recreational fishing. We have the widest distribution network, global manufacturing resources, and the most desired brands.

- Listed since 1998 in Nasdaq Helsinki Stock Exchange.
- Market capitalization ca. 180 M€ (12/2014).
- Annual turnover ca. 275 M€.
- Some 2 800 employees in 39 countries, among the ten most international companies in Nasdaq Helsinki.



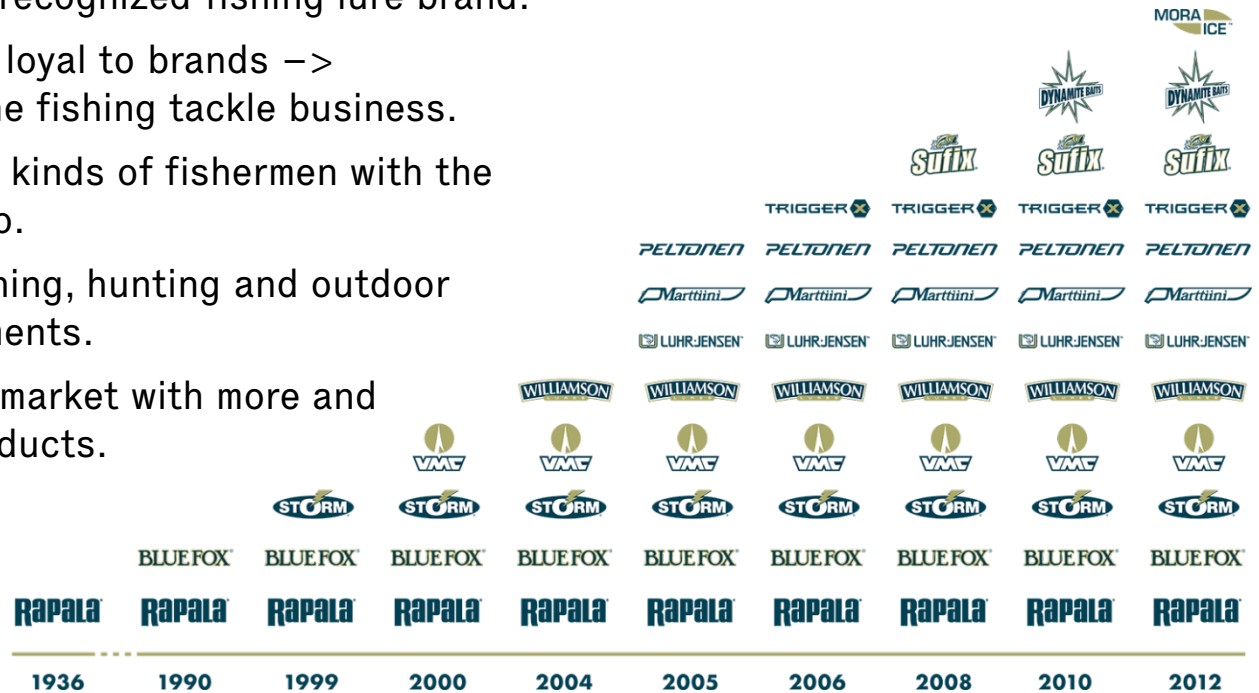
STRATEGIC CORNERSTONES FOR PROFITABLE GROWTH

- Rapala VMC Corporation grows catch by catch through its three strategic cornerstones: brands, manufacturing and distribution.
- The cornerstones strengthen each other and keep on providing opportunities for growth.
- The Rapala Group's business culture is key to executing the strategy wherever we go.



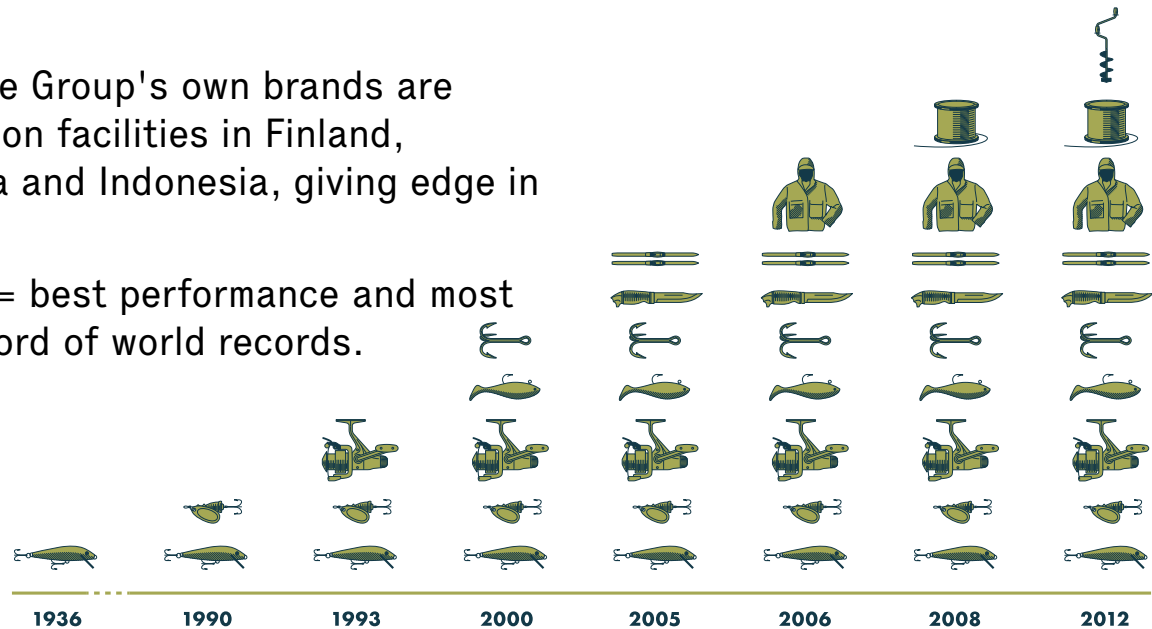
WE HAVE FISHERMEN HOOKED ON OUR BRANDS

- Rapala is by far the world's most recognized fishing lure brand.
- Fishing success makes fishermen loyal to brands –> Strong brands are important in the fishing tackle business.
- The Rapala Group can cater to all kinds of fishermen with the broad brand and product portfolio.
- We also distribute third party fishing, hunting and outdoor brands from the top of their segments.
- Strong brands are important in a market with more and more copies and private label products.



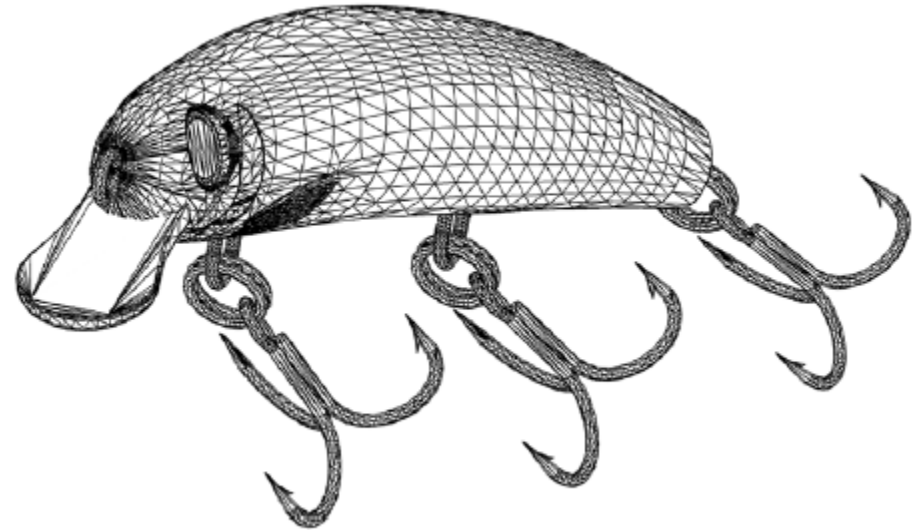
MANUFACTURING PREMIUM PRODUCTS FOR MASS MARKETS

- The Rapala Group's R&D excels in innovation and technical expertise → New premium products are introduced each season.
- The majority of products under the Group's own brands are manufactured in our own production facilities in Finland, Estonia, Russia, France, UK, China and Indonesia, giving edge in quality and cost-efficiency.
- Most awards in the the business = best performance and most respected. We have the world record of world records.



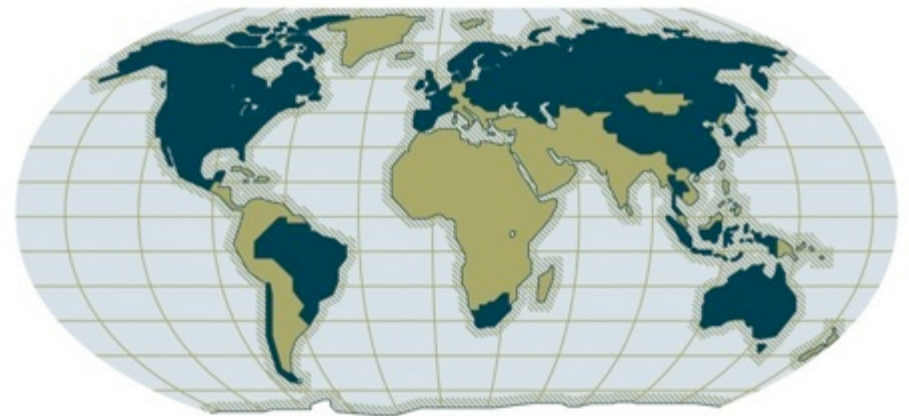
EXCELLENCE IN RESEARCH AND DEVELOPMENT

- The Rapala Group's R&D excels in innovation and technical expertise → New premium products are introduced each season.
- Expertise in manufacturing and product R&D go hand in hand. Manufacturing and R&D also benefit from insights gathered through the global distribution network, which in turn makes new products instantly available to the mass market globally.
- Most awards in the business = best performance and most respected. We have the world record of catches of world record fish.



OUR DISTRIBUTION IS BIGGER THAN FISHING

- Industry's broadest distribution network – we run distribution on 6 continents and our products are available in 50 000 stores in 120 countries.
- Own distribution network ensures optimization of product range, maximization of sales and brand control in marketing.
- Local presence and broad product portfolio means relevance to retail partners – we are a preferred supplier.
- Broad product portfolio built for year-round sales around the world.
- The global distribution platform can adapt it to other products as well, e.g. the outdoor category.



Partly or wholly owned distribution operations:

Australia, Belarus*, Brazil, Canada, Chile, China, Czech*, Denmark, Estonia, Finland, France, Hungary*, Iceland, Indonesia, Japan, Kazakhstan*, Latvia, Lithuania, Malaysia, Mexico, Norway, Poland, Portugal, Romania*, Russia*, Slovakia*, South Africa, South Korea, Spain, Sweden, Switzerland, Thailand, UK*, Ukraine*, USA

* Co-owned with Shimano

THE GROUP'S OWN PRODUCTS

The Rapala Group focuses on the manufacturing and distribution of fishing tackle. The Group's fishing products are manufactured or subcontracted by the Group and sold under its own brands. Because fishermen associate certain brands with certain products, the Group has a wide range to cater to all their needs. The product range includes lures, hooks, baits, lines and accessories for sport fishing. The Rapala Group also produces and distributes cross country skis as well as hunting and outdoor knives to reach fishermen in all seasons.

Rapala



RAPALA VMC CORP.

THE GROUP'S OWN PRODUCTS

LUHR·JENSEN®



BLUE FOX®



RAPALA VMC CORP.



MORA ICE™



Martini



PELTONEN



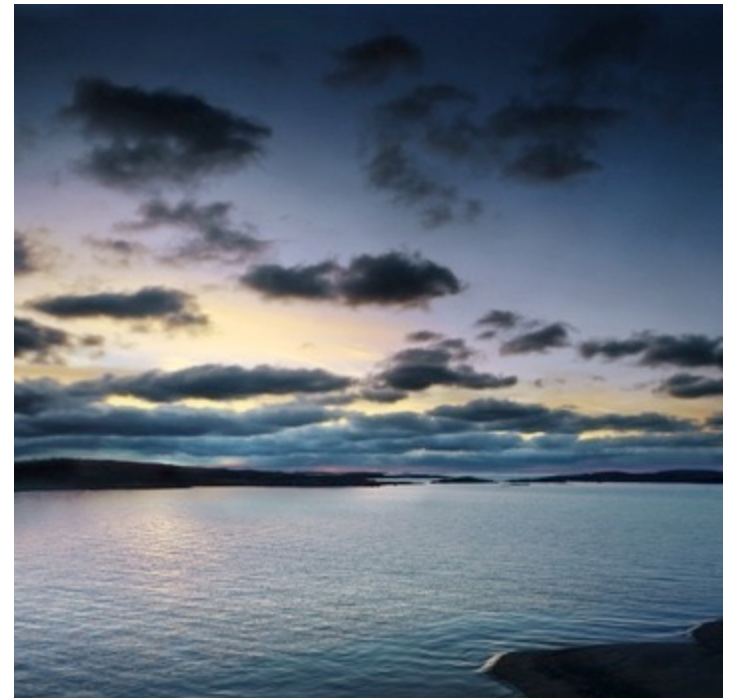
THIRD PARTY PRODUCTS

Most of the third party products distributed by the Rapala Group are for recreational fishing to complement our own brands' range. We have distributed Shimano rods and reels since 1993 and now cover 28 countries in Europe as well as Kazakhstan and South Africa. Within fishing we also distribute several third party fishing tackle brands and fishing and marine electronics. These products are also among the leading brands of their own categories. Besides fishing products the Group distributes third party products for hunting, outdoor and winter sports in the Nordic countries to take advantage of our distribution network through the year.



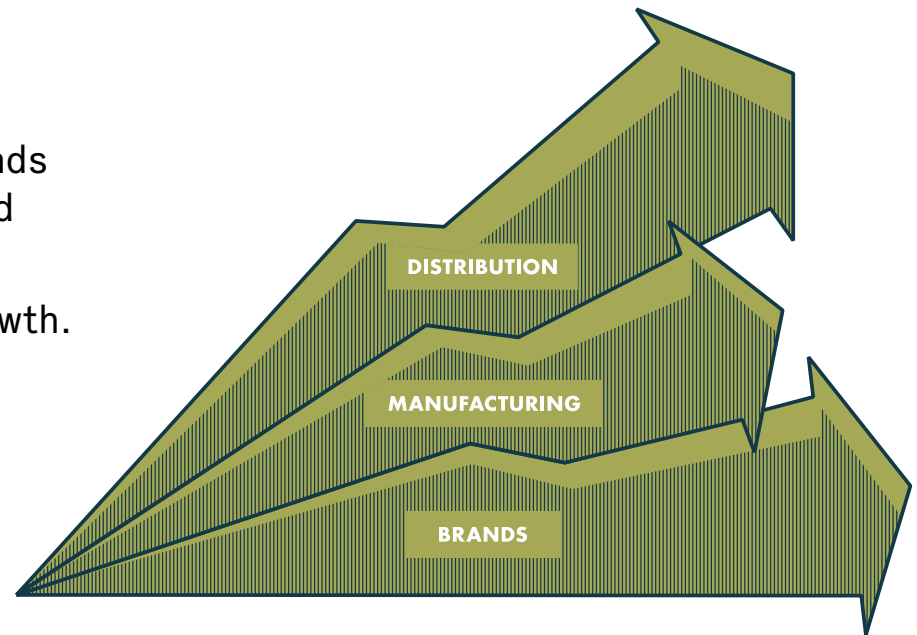
GONE GLOBAL WITH LOCAL KNOW-HOW

- The Rapala Group promotes local entrepreneurial spirit and profit responsibility.
- Management model based on people management, delegation of responsibility and recognition of differences in business environments.
- Decisions are put in the hands of people with full knowledge of the needs of each market.
- The flat organization makes everyday work efficient, transparent and promotes direct contact between corporate management and local business units, keeping corporate management hands-on and up-to-date.
- We at the Rapala Group have our feet on the ground and lures in the water!



RAPALA VMC CORPORATION AS AN INVESTMENT

- We capitalize on a unique business model.
- Nobody in recreational fishing has structured its business quite like us.
- We have it all: we brand, make and distribute.
- Our global presence and portfolio of leading brands makes us more resistant to seasonal changes and business cycles.
- The structure provides new opportunities for growth.



GLOBAL SPORTS FISHING INDUSTRY

- In the countries where Rapala Group operates there is estimated to be closer to 200.000.000 recreational fishermen. In developed countries growth is limited, while developing countries represent growth potential as standard of living is increasing.
- The size of global fishing tackle industry is estimated to be about 6 billion USD (at wholesale price).
- The industry is relatively fragmented, with just handful of bigger global players and significant amount of small local players. Retailers' own house brands are relevant part of competition.
- Rapala Group has acted as a consolidator within the industry and is one of the key players with most global presence and global market leader position in several product categories.



INDUSTRY PEER GROUP

| Company | Origin | Sales MUSD* | Major fishing product categories | Other comment |
|--------------------------|----------------|-------------|--|--|
| Shimano (Fishing) | Japan | 600 | Rods, reels and accessories. | Japan ca. 50% of fishing sales. Total company ca. 3 BUSD. Sells also bicycle components. |
| Globeride (Daiwa) | Japan | 600 | Rods, reels and lures. | Japan ca. 80% of all sales. Total company ca. 750 MUSD. Sells also sporting goods (golf and tennis related). |
| Jarden (Pure Fishing) | USA | 500+ | Rods, reels, line and soft plastics | US sales ca. 60% of all sales. Total company ca. 6.7 BUSD. Sells also wide range of branded consumer products and consumables. |
| Rapala VMC Corp. | Finland | 380 | Lures, hooks, lines, accessories | Distribution activity in 35 countries globally. 3rd party products distribution 40% of sales. |
| Johnson Outdoors | USA | 230 | Marine electronics (fishing motors, fish finders, downriggers) | Total company 410 MUSD. Sells also Outdoor, watercraft and diving products. |
| Zebco | USA | 100+ | Rods and reels | |
| Gamakatsu | Japan | 100 | Hooks, rods, reels and accessories | |
| Plano | USA | 50+ | Tackle boxes and bags | Total company 150+ MUSD. Sells also boxes and bags for hunting and tools. |
| Eagle Claw | Japan | 60 | Hooks, rods, reels and accessories | |
| Mustad | Norway | 50 | Hooks and accessories | |
| Okuma | Taiwan | 45 | Rods & reels | |
| Pradco | USA | 40 | Lures, hooks, lines, accessories | |
| Simms | USA | 40 | Clothing | |
| StCroix | USA | 30 | Rods | |
| Flambeau | USA | 30 | Tackle boxes and bags | |

* Worldwide fishing related sales. Financial year 2012 figures, partly estimated if published information not available.

BOARD OF DIRECTORS AND MANAGEMENT

BOARD OF DIRECTORS



Emmanuel Viellard
Chairman

Chairman of the Board since 2005
President of Viellard Migeon & Cie
Vice Chairman and Executive Vice
President of Lisi Industries
B.A., CPA



Jorma Kasslin
**President and Chief
Executive Officer**

Board member since 1998
M.Sc. (Eng.)



Eero Makkonen

Board member since 1998
Chairman of the Board 1999–2005
B.Sc. (Eng.)



Jan-Henrik Schauman

Board member since 1999
M.Sc. (Econ.), MBA



Christophe Viellard

Board member since 2000
Chairman of Viellard Migeon & Cie
Diploma ESCP



Marc Speeckaert

Board member since 2005
Sofina, Managing Director
MBA



Julia Aubertin

Board member since 2014
Deputy Managing Director, Good
Goût Babyfood
M.Sc. (EDHEC)

BOARD OF DIRECTORS AND MANAGEMENT

EXECUTIVE COMMITTEE



Jorma Kasslin
President and Chief Executive Officer (CEO)
Executive Committee member since 1998
See information in section "Board of Directors"



Jussi Ristimäki
Chief Financial Officer (CFO)
Executive Committee member since 2010



Olli Aho
Company Counsel, Secretary of the Board and Investor Relations
Executive Committee member since 1998



Juhani Pehkonen
Head of Lure Business
Executive Committee member since 1998



Stanislas de Castelneau
Head of the Fishing Hook Business and Distribution in France
Executive Committee member since 2002



Tom Mackin
Head of Distribution in the US
Executive Committee member since 2007



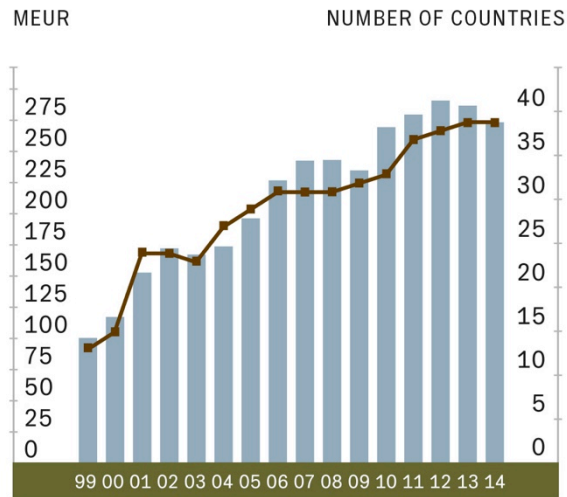
Lars Oilberg
Head of Fishing Line and Accessory Business, Head of Distribution in China and Korea
Executive Committee member since 2008



Victor Skvortsov
Head of Distribution in Russia, Belarus and Kazakhstan
Executive Committee member since 2013

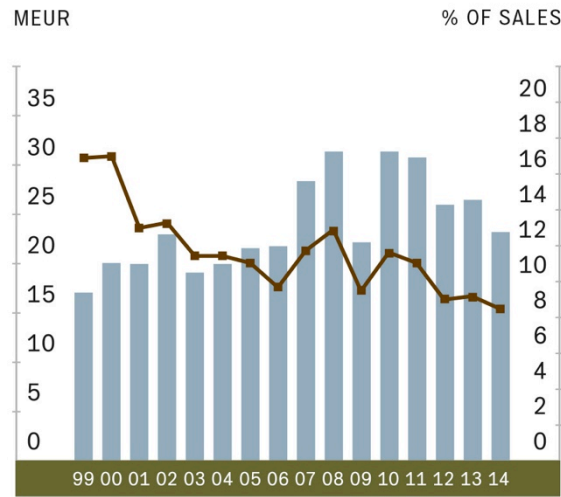
LONG TERM FINANCIAL DEVELOPMENT

SALES AND SCOPE



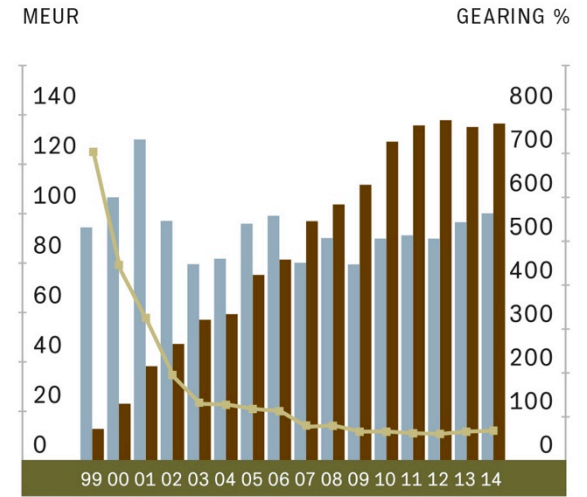
- Sales
- # countries where own operations

PROFITABILITY



- Operating profit
- Operatina marain

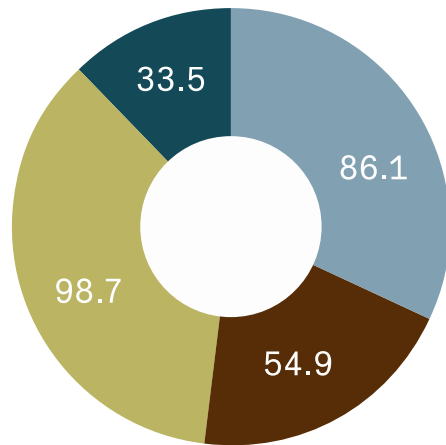
BALANCE SHEET POSITION



- Net debt
- Equity
- Debt/Equity

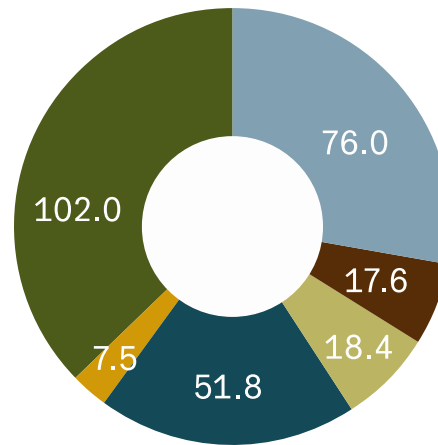
DETAILS OF NET SALES 2014

EXTERNAL NET SALES BY UNIT LOCATION MEUR



- North America 32%
- Nordic 20%
- Rest of Europe 36%
- Rest of World 12%

EXTERNAL NET SALES BY PRODUCT PORTFOLIO MEUR



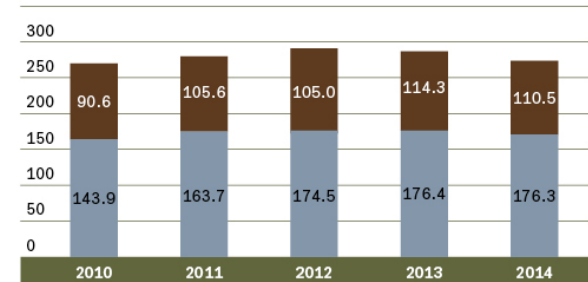
- Group Products:
- Lures and baits 28%
- Hooks 6%
- Fishing Lines 7%
- Fishing Accessories 19%
- Other Group Products 3%
- Third Party Products 37%

KEY FINANCIALS

ANNUAL KEY FIGURES

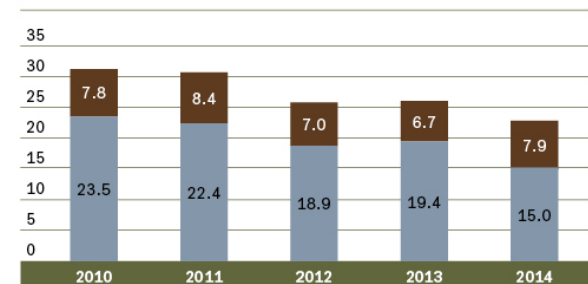
| MEUR | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|-------|-------|-------|-------|-------|
| Net sales | 269.4 | 279.5 | 290.7 | 286.6 | 273.2 |
| EBITDA | 37.4 | 37.7 | 32.7 | 33.6 | 30.0 |
| Operating profit | 31.3 | 30.7 | 25.9 | 26.1 | 22.9 |
| Comparable operating profit | 32.2 | 30.1 | 27.1 | 27.1 | 20.9 |
| Net profit for the period | 20.7 | 17.2 | 14.0 | 16.1 | 10.2 |
| EBITDA margin, % | 13.9 | 13.5 | 11.2 | 11.7 | 11.0 |
| Operating profit margin, % | 11.6 | 11.0 | 8.9 | 9.1 | 8.4 |
| Comparable operating profit margin, % | 12.0 | 10.8 | 9.3 | 9.5 | 7.6 |
| Return on capital employed, % | 15.3 | 13.8 | 11.4 | 11.4 | 9.8 |
| Capital employed at end of period | 219.1 | 226.9 | 227.5 | 231.4 | 236.5 |
| Net interest-bearing debt at end of period | 89.9 | 91.1 | 89.9 | 96.3 | 99.9 |
| Equity-to-assets ratio at end of period, % | 42.6 | 43.2 | 42.2 | 44.5 | 44.1 |
| Debt-to-equity ratio at end of period, % | 69.5 | 67.1 | 65.3 | 71.2 | 73.2 |
| Earnings per share, EUR (diluted = non-diluted) | 0.46 | 0.36 | 0.26 | 0.32 | 0.24 |
| Dividend per share, EUR | 0.23 | 0.23 | 0.23 | 0.24 | 0.20 |

NET SALES, MEUR



■ Group Products
■ Third Party Products

OPERATING PROFIT, MEUR



■ Group Products
■ Third Party Products

SHARE AND SHAREHOLDERS



■ Rapala VMC Corporation

PUBLICLY LISTED COMPETITORS AND OTHER PEERS:

| | |
|-----------------------|-------------------|
| Jarden (Pure Fishing) | Globeride (Daiwa) |
| Shimano | Johnsson Outdoors |
| Amer Sports | Fiskars |

SHARE RELATED DATA (Q4/2014)

| | |
|-----------------------|---------------|
| Market capitalization | 180.8 MEUR |
| 12-month high/low | 6.00/4.69 EUR |
| All-time high/low | 8.40/2.50 EUR |

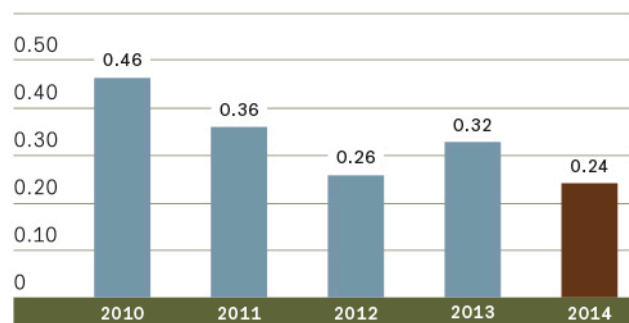
MAJOR SHAREHOLDERS (Q4/2014)

| | |
|---------------------|-----|
| 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% |
| Taaleritehdas Funds | 1% |

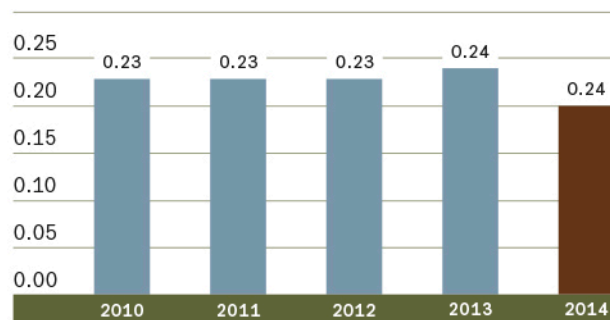
Own shares: 606 807 shares (1.6%)

SHARE RELATED FINANCIAL INDICATORS

EARNINGS PER SHARE, EUR



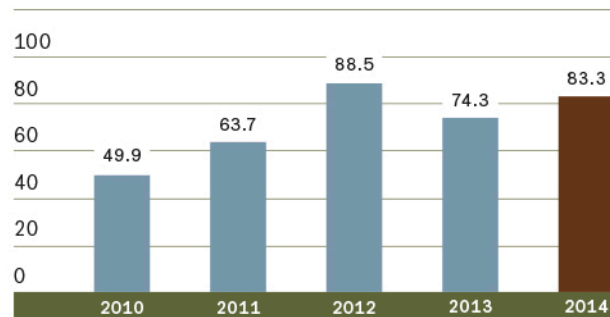
DIVIDEND PER SHARE, EUR



EQUITY PER SHARE, EUR



DIVIDEND/EARNINGS RATIO, %



GROWING CATCH BY CATCH.

RAPALA VMC CORP.

Rapala

BLUE FOX

STORM



WILLIAMSON

LUHRJENSEN

Martini

PELTONEN

TRIGGER



MORA ICE