

ANNUAL REPORT

09
60

YEARS



AMER SPORTS



AMER SPORTS

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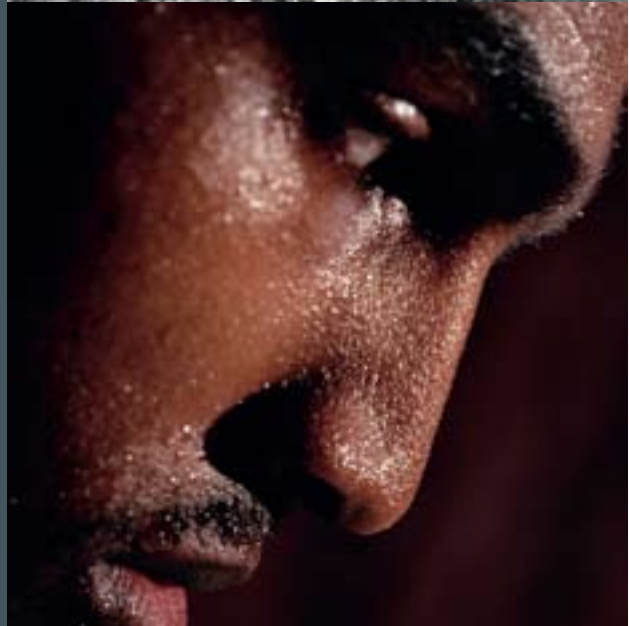
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Brands





Amer Sports 60 years

Amer Sports will turn 60 in 2010. Amer was founded in Finland in 1950 under the name Amer Tobacco Ltd, which was changed to Amer Group Ltd. in 1973 and its shares have been listed on the Helsinki Stock Exchange since 1977. During its 60-year history, the company has been involved in a wide range of businesses, including shipping, tobacco, publishing, paper merchant, vehicle importation and textiles.

Following the company's strategic decision in 1995 to focus on sporting goods, it began to divest all of its non-core activities. To highlight its focus on sporting goods, in 2004, Amer Group changed its name to Amer Sports (official registration on March 25, 2005) and divested its last non-core assets. Of the company's key brands, Wilson was acquired in 1989, Atomic in 1994, Suunto in 1999, and Precor in 2002. In 2005, Amer Sports acquired the Salomon Group, which includes the Mavic, Bonfire, and Arc'teryx brands in addition to the Salomon brand.

Today Amer Sports is one of the leading sporting goods companies in the world.

PERFORMANCE PRODUCTS FOR ACTIVE SPORTS



Amer Sports in brief

Amer Sports is one of the leading sporting goods companies in the world with a strong brand portfolio comprising Salomon, Wilson, Precor, Atomic, Suunto, Mavic, and Arc'teryx, as well as other complementary brands.

Amer Sports' offering of sports equipment, apparel, footwear, and accessories covers a wide range of sports, including tennis, badminton, golf, American football, soccer, baseball, basketball, skiing, snowboarding, fitness training, cycling, running, hiking, and diving. Currently, its largest geographical markets in terms of sales are the United States, France, Germany, Japan and Canada. In recent years, Amer Sports has also increased its presence in emerging markets, such as China, Russia, and Brazil.

Amer Sports sells its products to trade customers (including sporting goods chains, specialty retailers, mass merchants, fitness clubs, and distributors) and, to a lesser extent, directly to con-

sumers through brand stores, factory outlets, and online. Amer Sports' sales network comprises sales offices in 29 countries in all the key sporting goods markets around the world, which are serviced through the company's regional distribution centers. Amer Sports sources a significant portion of its products from Asia and Eastern Central Europe. Amer Sports has a sourcing organization in Hong Kong which manages the Group's daily sourcing activities in Asia. In addition, Amer Sports operates its own production facilities in Europe and North America.

Amer Sports is determined to continue to compete successfully in the sporting goods industry, which is highly competitive and consolidating. Amer Sports will continue to introduce new, innovative products in response to changes in consumer preferences, technology, and industry trends.

Amer Sports' vision is to be the leading company in the sporting goods industry, fueled by authentic brands that inspire athletic achievement and enjoyment.

Amer Sports had a turnover of 1.5 billion euros and a market capitalization of 0.8 billion euros in 2009. At the end of the year, Amer Sports employed 6,331 people.





Amer Sports' sales network comprises sales offices in 29 countries in all the key sporting goods markets around the world.

Amer Sports' three business segments, Winter and Outdoor, Ball Sports, and Fitness, are further divided into business areas and brands as set out in the table below:

AMER SPORTS		
WINTER AND OUTDOOR	BALL SPORTS	FITNESS
Winter Sports Equipment Key brands: Salomon and Atomic Other brands: Volant and Dynamic	Racquet Sports Key brand: Wilson	Fitness Equipment Key brand: Precor
Apparel and Footwear Key brands: Salomon and Arc'teryx Other brand: Bonfire	Team Sports Key brand: Wilson Other brands: DeMarini and ATEC	
Cycling Key brand: Mavic	Golf Key brand: Wilson Staff Other brand: Wilson Pro Staff	
Sports Instruments Key brand: Suunto Other brands: Bare, Recta and Tacktick		

In addition to the above listed brands, Amer Sports owns other smaller brands and sub-brands.

KEY INDICATORS

EUR million	2009	2008	Change %	2007	2006	Pro forma 2005 ¹⁾
Net sales	1,533.4	1,576.6	-3	1,652.0	1,792.7	1,732.0
Gross profit	620.0	633.0	-2	664.4	697.4	684.4
Earnings before non-recurring items	43.8	78.9	-44	92.2	120.2	117.1
Non-recurring items	-	-		-42.7	-	-
EBIT	43.8	78.9	-44	49.5	120.2	117.1
% of net sales	2.9	5.0		3.0	6.7	6.8
Financing income and expenses	-18.4	-33.3		-24.9	-23.6	-24.0
Earnings before taxes	25.4	45.6	-44	24.6	96.6	93.1
Net result, continuing operations	31.4	34.0	-8	18.5	70.5	62.4
Earnings per share, continuing operations, EUR ^{**)}	0.28	0.37		0.20	0.77	0.82
Earnings per share, excluding non-recurring items, EUR ^{**)}	-	-		0.55	-	-
Return on shareholders' equity (ROE), %	5.0	6.7		3.5	12.9	15.1
Equity ratio, %	48.2	30.6		31.0	33.6	31.8
Personnel at year end	6,331	6,338		6,465	6,553	6,667

For a complete set of 2009 key figures, see page 77. Calculation of key indicators, see page 120.

¹⁾ In income statement and earnings per share figures Salomon has been accounted for as of January 1, 2005.

^{**)} The earnings per share for the previous years has been adjusted for the effect of the share issue in 2009.

NET SALES BY BUSINESS SEGMENTS

EUR million	2009	2008	Change %	Change % ¹⁾	2007
Winter and Outdoor	862.6	860.8	0	0	830.1
Ball Sports	476.7	495.5	-4	-7	530.9
Fitness	194.1	220.3	-12	-15	291.0
Total	1,533.4	1,576.6	-3	-4	1,652.0

¹⁾ In local currency terms

EBIT BY BUSINESS SEGMENTS

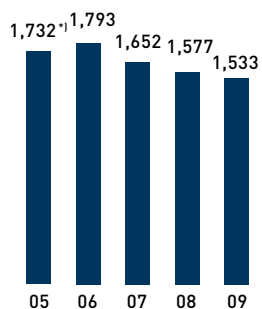
EUR million	2009	% of net sales	2008	% of net sales	2007	% of net sales
Winter and Outdoor	46.5	5	41.1	5	20.9	3
Ball Sports	23.5	5	37.0	7	48.2	9
Fitness	-7.5		3.8	2	37.2	13
Headquarters	-18.7		-3.0		-14.1	
	43.8	3	78.9	5	92.2	6
Non-recurring expenses related to the reorganization of Winter Sports Equip- ment business area	-		-		-42.7	
Total	43.8	3	78.9	5	49.5	3

GEOGRAPHIC BREAKDOWN OF NET SALES

EUR million	2009	2008	Change %	Change % ¹⁾	2007
EMEA	735.0	723.0	2	3	704.9
Americas	620.5	677.8	-8	-12	774.1
Asia Pacific	177.9	175.8	1	-3	173.0
Total	1,533.4	1,576.6	-3	-4	1,652.0

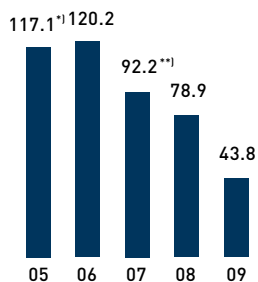
¹⁾ In local currency terms

NET SALES, EUR MILLION



¹⁾ Pro forma

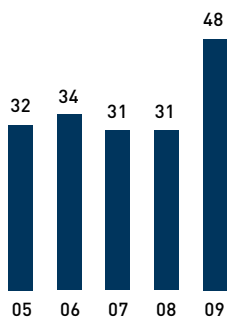
EBIT, EUR MILLION



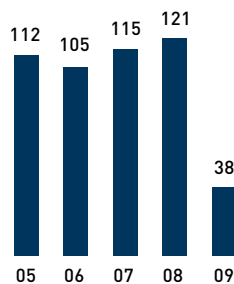
¹⁾ Pro forma

^{**)} Before non-recurring items

EQUITY RATIO, %



GEARING, %



NET SALES BY BUSINESS SEGMENT

- 1 Winter and Outdoor 56%
- 2 Ball Sports 31%
- 3 Fitness 13%



NET SALES BY GEOGRAPHICAL SEGMENT

- 1 EMEA 48%
- 2 Americas 40%
- 3 Asia Pacific 12%



PEKKA PAALANNE

CEO's review

The Group's balance sheet is now strong and it gives the company an opportunity to continue with the implementation of its growth strategy once the market situation improves.

The year 2009 was challenging for Amer Sports. The weak global economic situation and uncertainty about the performance of the financial markets affected our performance and the global sporting goods sector overall. In such uncertain times, the key objectives defined for 2009 were to rapidly strengthen our balance sheet and to retain our profitability. For the organization, these objectives meant the prioritization of cash flow and strict expense control. Simultaneously, however, the implementation of projects related to accelerating growth and improving operational efficiency were continued. Likewise, investments in product development remained at the usual level. We also strengthened our organization in order to better respond to changes in the operating environment. In the weakened economic environment, net sales fell by four percent from the previous year. However, there were significant differences in performance both in terms of business areas and geographic regions.

The most positive progress was made in the Apparel and Footwear business area with 11 percent growth. The sales of footwear developed particularly well, spearheaded by strong sales in the trail running category. Winter sports equipment sales reached the previous year's levels. The good winter reduced trade inventories and compensated for the effect of the economic down turn on pre-orders for the 2009/10 season. In Cycling, net sales fell by 13 percent due to both the economic situation and the temporary business disruption caused by the recall of R-System wheels.

The economic situation had a particularly adverse effect on diving instruments sales, while the demand for other sports instruments remained largely stable. In Ball Sports, sales fell by seven percent, and Fitness sales decreased by 15 percent. Both segments were particularly affected by decreased demand in the USA. Geographically, sales in the Americas fell by 12 percent. In EMEA, sales increased by three percent. In Asia Pacific,

The cornerstones of our growth strategy are leveraging our brands in realizing new growth opportunities, leveraging the growth potential of developing markets, increasing direct consumer contact, and the continuous flow of new, innovative products.



We have strengthened our organization in order to better respond to changes in the operating environment.

sales decreased by three percent. Sales increased in China, while in Japan, which remains our largest sales area in Asia, sales fell due to the weakened economic situation.

Our profitability decreased from 2008. EBIT was three percent of net sales, the worst in this decade. The drop in net sales could not be entirely compensated for with cost streamlining. Non-recurring items also burdened the result more than in the previous year.

The cash flow from operating activities improved significantly. The aim was to release a total of EUR 100 million from inventories and receivables in 2009. The program exceeded our expectations and EUR 189 million was released from receivables and inventories. Many of the measures taken will provide additional benefits in the coming years. I'm proud of the achievements and I wish to thank everyone who participated in the execution of the program. In addition to the reduction of working capital, the balance sheet was strengthened by the issue of a EUR 60 million hybrid bond early in the year, while in October, a share issue, authorized by the Extraordinary General Meeting with strong support from our shareholders, was undertaken, generating EUR 151.5 million of net proceeds. As a result of these measures, the interest bearing net debt of Amer Sports fell by EUR 333 million euros to EUR 283 million at the end of the year. Gearing fell to 38 percent from 121 percent at the end of 2008.

The key objective for 2010 is to improve our profitability. As of today, there are no signs of quick recovery of the sporting goods market, therefore improving our cost efficiency and the use of working capital will remain our key short term priorities. Investments will be directed to areas with the best growth opportunities as well as to programs which will provide further scale benefits. A new group-wide program was launched at the beginning of 2010 to simplify our product offering. This program aims in coming years to further improve profitability and customer service as well as support faster growth.

The Group's balance sheet is now strong, providing the company with the opportunity to continue the implementation of our growth strategy once the market situation improves. The cornerstones of the growth strategy are: leveraging our key brands in realizing new growth opportunities, leveraging the growth potential of developing markets, increasing direct consumer contact, and the continuous flow of new, innovative products.

Over the past decade Amer Sports has undergone significant changes and has become a leading global sporting goods company. With the appointment of Heikki Takala as our new President and CEO, from April 1, 2010, the company will enter a new era.

Vision

To be the industry's leading sports company, fueled by authentic brands that inspire athletic achievement and enjoyment.

Industry trends

Supported by trends evident in today's society, the sporting goods industry will continue to grow. The continuous development of new and better products will keep Amer Sports and its brands at the cutting edge of the sporting goods industry for years to come.



According to NPD Group global retail sales of sporting goods, including sports equipment, accessories, apparel, and footwear were EUR 219 billion in 2008. The sporting goods industry has been affected by the challenging general economic conditions and general uncertainty in consumer demand. However, there are a number of underlying trends in the sporting goods industry which support Amer Sports' strategy.

DEMOGRAPHIC TRENDS

In developed markets, average life expectancy has increased. With a good standard of living, people in developed markets are more likely to stay active longer and invest in high-quality sporting goods. The opportunities in emerging markets are based on their large and growing populations whose average disposable incomes and standards of living are expected to increase.

HEALTH AND FITNESS TREND

There is currently a trend emphasizing balance between work and life, and healthier lifestyles. This provides Amer Sports with opportunities to develop products that make accessing healthier lifestyles easier and more enjoyable for consumers.



TECHNOLOGICAL ADVANCES AND INNOVATION

The ability to create new product technology and other performance improving features is a key driver of success in the sporting goods market. Given that participation rates in many sports are fairly stable, new innovative products are key to motivating consumers to replace their old products with new ones.

OUTDOOR-INSPIRED TREND

The popularity of outdoor activities will continue to grow in the future. Outdoor activities are often family experiences that are enjoyed by participants of all ages irrespective of gender. The outdoor-inspired trend is also a reflection of the broader environmental trend where people want to experience nature while they exercise.

CONSOLIDATION

Despite the industry consolidation that has taken place in recent years, the sporting goods market remains fragmented. The industry will continue to consolidate as smaller industry participants seek access to major retail channels and improved economies of scale in manufacturing and distribution in order to succeed. As a result of the consolidation trend, Amer Sports expects that competition in a number of product categories will increase in the short and medium-term as smaller participants consolidate into larger companies with greater financial resources.

RETAILER AND SUPPLIER RELATIONSHIPS

There is an increasing trend amongst major retailers seeking to decrease their number of suppliers and benefit from reliable supply and customer service from their key suppliers. These retailers have also grown more demanding in terms of timely delivery of goods, customer service, inventory control, joint-promotional activities and in-store merchandising, such as product displays.

Spending on sports per capita per area

IN EUROS YEAR 2008

WORLD AVG. € 32

Americas € 104

Europe € 88

Canada
€ 177

United Kingdom € 157

France € 148

Germany € 137

Central and Eastern Europe € 27



USA
€ 270

Latin America' &
Caribbean
€ 13

Africa &
Middle East
€ 7

India
€ 2

China
€ 7

Japan
€ 165

Asia
€ 13

Source: NPD Group 2008

Strategy

Amer Sports' strategic goal is to continue to strengthen its position as one of the leading sporting goods companies in the world. Amer Sports aims to further strengthen its position through a consumer-focused product strategy, strong brands, innovative research and product development, first-class customer service, and an efficient supply chain.

Amer Sports' strategy is based on sports, leisure-time activities, and well-being. Rising standards of living, the greater leisure-time people now enjoy, and growing awareness of the importance of physical and mental health open up future growth potential for the sports equipment industry. In addition to profitable organic growth, Amer Sports is focused on finding and effectively harnessing synergy benefits as well as cooperation within the group.

In line with this strategy, Amer Sports will continue to implement its growth strategy, of which the following are the cornerstones.

LEVERAGE KEY BRANDS TO FULLY CAPTURE FURTHER GROWTH OPPORTUNITIES

Amer Sports can further leverage its key brands by pursuing a number of strategic initiatives. For example, Amer Sports has launched a range of outdoor apparel and footwear for trail running under the Salomon brand, tennis apparel and footwear under the Wilson brand, and Mavic cycling apparel and footwear to capture the growth trend in the apparel and footwear market. In addition, Suunto has in recent years expanded its offering of wrist-top computers to the training and fitness category, including the targeting of the growing heart rate monitor segment. Another focus area has been to expand into protective equipment and enabling

gear, which complement Amer Sports' sports equipment offering. Amer Sports intends to continue to achieve organic growth by leveraging the customer loyalty of its key brands to launch new product lines within its core categories.

CONTINUE TO DEVELOP INNOVATIVE PRODUCTS

As it is typical for the sporting goods industry, a substantial portion of Amer Sports' net sales are generated each year by products that are in their first year of existence. Therefore, successful research and development is an important part of Amer Sports' business, and the company seeks to continually introduce new technologically advanced products that meet trade customers' and consumers' needs.

Amer Sports supports its brands with significant investment in research and development, which represented 3.4 percent of its net sales at the end of 2009. Amer Sports also maintains a patent portfolio to protect its inventions.

FOCUS ON FURTHER EXPANDING THE GEOGRAPHICAL REACH OF AMER SPORTS' OPERATIONS

Amer Sports intends to continue to expand the geographical reach of its operations. Some of Amer Sports' brands have traditionally been stronger in certain specific geographic markets. For example, Precor is a well-recognized brand in the



DEVELOPED MARKETS

CONSUMERS

- Wellness and healthy lifestyles trend
- People living longer, acting younger
- Importance of work-life balance
- Increased standards of living
- Information society

TRADE

- Channel competition between
 - Traditional retail stores
 - Brand stores
 - Factory outlets
 - Rental business
 - E-commerce
- Increasing private label businesses
- From local to regional retailers

EMERGING MARKETS

CONSUMERS

- Large and growing population base
- Increasing spending power and free time
- Owning the best sports equipment is an indication of status and wealth
 - International brands stand out

TRADE

- Retail infrastructure still emerging through domestic and international players
- Direct-to-consumer business a necessity to gain distribution
 - Brand stores
 - Shop-in-shops
 - Factory outlets

United States, but a challenger in Europe, providing it with growth opportunities in this region. Wilson has been successful in growing its sales in Latin America by focusing on soccer, the most popular sport in the region. In addition, Amer Sports believes that certain emerging markets, such as China, Russia, and Brazil, provide attractive opportunities for growth as their standards of living improve and consumers' disposable incomes grow. Amer Sports has already opened sales offices in these markets. As the retail infrastructure in most of the emerging markets is still undeveloped, Amer Sports considers the opening of brand stores important in accelerating growth and gaining brand recognition in those markets as compared to developed markets that have traditionally been retailer driven.

INCREASE DIRECT-TO-CONSUMER CONTACT

Like many other industries, the sporting goods business is changing as consumers have begun to desire more direct relationships with their favorite brands. In order to further promote its brands and access consumers directly, Amer Sports has adopted new multi-channel sales and integrated marketing strategies. These strategies involve opening additional brand stores and reaching out directly to consumers both via events and on the

Internet. By opening brand stores and engaging with consumers directly, Amer Sports gains information regarding consumer behavior more efficiently, enabling it to better react to changes in the market, and develop more attractive products and marketing approaches based on direct consumer feedback.

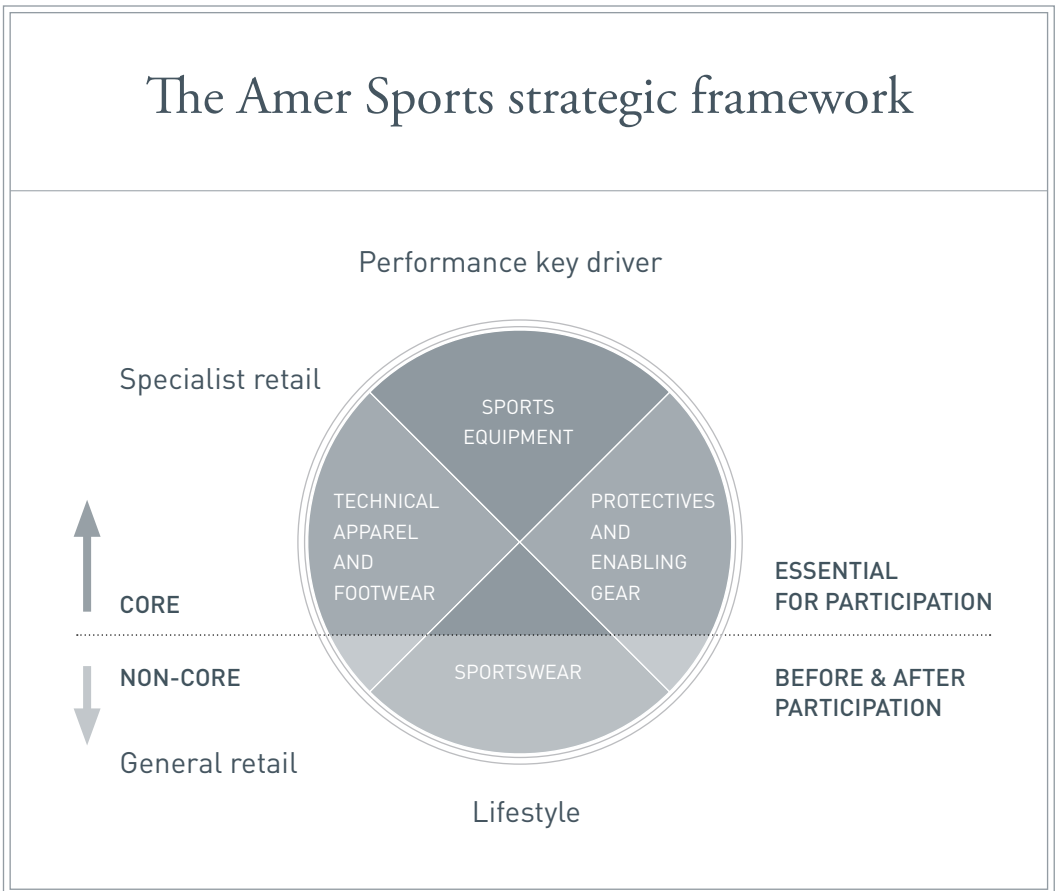
FURTHER IMPROVE OPERATIONAL EFFICIENCY

Amer Sports plans to continue to improve its operational efficiency and profitability. For example, Amer Sports opened its Asian sourcing office in Hong Kong at the beginning of 2007 to integrate its Asian sourcing activities, and it will continue to pursue other opportunities to leverage the Group’s scale, bargaining position, and talent base in its sourcing activities. The company is also considering further opportunities to centralize its logistics

and is in the process of implementing an integrated IT system, known as Global One, which is designed to harmonize its business processes. Amer Sports believes that the company can achieve significant further cost savings through these measures.

MAKE STRATEGIC ACQUISITIONS AND/OR DIVESTMENTS

As part of its strategy to grow its business, Amer Sports will continue to consider acquiring companies that support its strategy, should attractive opportunities arise. Amer Sports believes that the most successful sporting goods companies will be those with a diversified and balanced portfolio of products that focus on creating strong global brands. To further focus its brand portfolio, Amer Sports may also consider divesting some of its brands in the future.



Amer Sports' key success factors

Amer Sports' position as one of the leading sporting goods companies in the world is based on the following key strengths:

PORTFOLIO OF STRONG GLOBAL BRANDS

Each of Amer Sports' brands is well recognized within its chosen sporting goods segment and many of Amer Sports' key brands are among the most established brands in the markets where it operates. Amer Sports' strong portfolio of global brands provides it with the opportunity to continuously launch new innovative products which both trade customers and consumers recognize and use.

BALANCED PRODUCT PORTFOLIO

Amer Sports provides sporting goods for a wide variety of winter and summer, indoor and outdoor, and individual and team sports covering the core sports of the industry. The company's broad portfolio makes it a year-round, full service supplier, allowing it to establish lasting business relationships with its trade customers.

GLOBAL PRESENCE

Amer Sports' global presence and diversified product portfolio helps it to balance the adverse impact of regional risks, including economic downturns, on the results of its operations. Although Amer Sports currently has a stronger presence in developed markets, it also has sales offices and brand stores in emerging markets, such as China, Russia and Brazil.

ESTABLISHED GLOBAL SALES ORGANIZATION

Amer Sports has an established, global sales platform, which is designed to support its brands and is aimed at providing its trade customers with a high-level of customer service in all its product categories and market segments. Amer Sports' comprehensive sales network also enables it to bring new products to markets simultaneously worldwide.

INTEGRATED SUPPLY CHAIN AND SOURCING ORGANIZATIONS

In recent years, Amer Sports has focused on improving the efficiency of its operations by integrating its supply chain and sourcing functions. Amer Sports' more integrated supply chain and sourcing functions provide it with further cost savings through the continued implementation of the measures.

INNOVATIVE RESEARCH AND PRODUCT DEVELOPMENT

The sporting goods industry is typically characterized by products that have a relatively short life cycle. Therefore, one of the keys to success in the sporting goods industry is to be able to introduce new, innovative products to market that consumers quickly adopt over competing products. Amer Sports is focused on developing and manufacturing technically-advanced products that are designed to



improve the performance of all athletes, whether they are beginners or professionals, help them achieve their goals, and give them more enjoyment from their activity of choice.

**POSITIONED TO BENEFIT
FROM LONG-TERM DEMOGRAPHIC TRENDS**

Amer Sports is well-positioned to benefit from underlying general consumer and demographic trends which are driving growth in the sporting goods market. Among these trends is the increased general focus on health and wellness, coupled with an increase in leisure time, which have prompted consumers to expand their participation in sports and outdoor activities.

Financial targets

Amer Sports' goal is consistent profitable growth. Profitability enables Amer Sports to invest in product development and marketing, which are essential tools in bolstering its position as the global leader in the sports equipment industry.

In its day-to-day operations, Amer Sports' primary focus is to achieve organic growth through the development of innovative products, effective marketing, solid customer service, and an efficient supply chain. In addition, Amer Sports will continue to be a participant in the structural changes taking place within the industry.

Amer Sports will consider making selective acquisitions that support the Amer Sports strategy, strengthen its position, and deliver shareholder value.

AVERAGE ORGANIC GROWTH OF 5 PERCENT PER ANNUM

Amer Sports' objective is to deliver currency-neutral organic growth averaging five percent over the cycle and to outgrow its competitors in the competitive field.

EBIT OF AT LEAST 10 PERCENT OF NET SALES

Amer Sports' target is to achieve EBIT of at least ten percent of net sales over the cycle. In addition, Amer Sports' profitability should be better than that of other leading sports equipment companies world-wide.

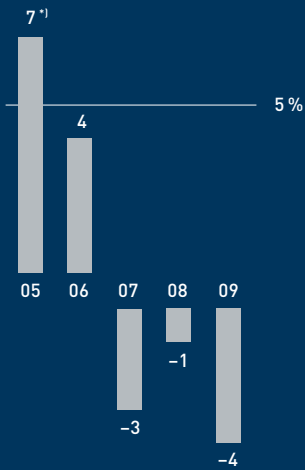
OPTIMAL BALANCE SHEET STRUCTURE

Amer Sports will use its balance sheet actively whilst avoiding excessively large financial risks.

DIVIDEND PAYOUT RATIO EQUIVALENT TO AT LEAST 1/3 OF ANNUAL NET RESULT

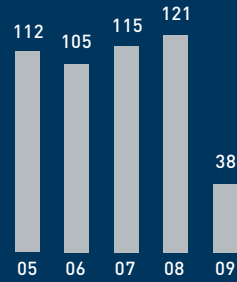
Amer Sports wishes to be seen as a competitive investment that increases shareholder value through a combination of dividend payments and share price performance. Amer Sports pursues a progressive dividend policy reflecting its earnings performance, with the aim of distributing a dividend of at least one-third of its annual net result.

ORGANIC GROWTH, %

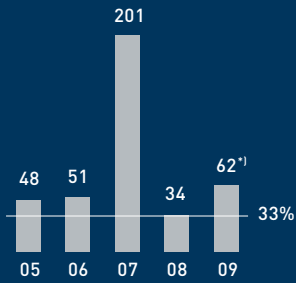


[†] Excluding Salomon

GEARING, %

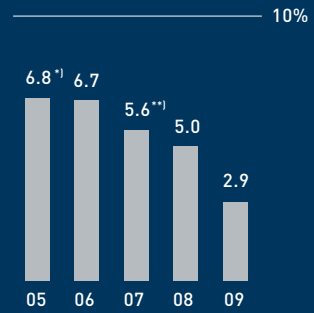


DIVIDEND RATIO, %



[†] Board of Directors' proposal

EBIT, %



[†] Pro forma

^{**} Before non-recurring items

Key brands and brand management

Amer Sports is one of the leading sporting goods companies in the world with a strong brand portfolio that includes Salomon, Wilson, Precor, Atomic, Suunto, Mavic, and Arc'teryx, as well as other complementary brands.



WINTER SPORTS EQUIPMENT

Salomon and Atomic are among the world's most recognized winter sports brands. The brands complement each other in terms of their product offerings and main markets. The selection of winter sports equipment under the Salomon and Atomic brands includes: alpine skis, boots, bindings, poles, and helmets; cross-country skis, boots, bindings, and poles; and snowboards, snowboard boots, and snowboard bindings.

BALL SPORTS

Wilson is the world's leading manufacturer of ball sports equipment in terms of market share. The Ball Sports segment has a diversified product portfolio, and its main sports are tennis, baseball, American football, golf, basketball, softball, badminton, and squash.

APPAREL AND FOOTWEAR

The Salomon and Arc'teryx brands form the core of Amer Sports' Apparel and Footwear business area. The global apparel and footwear market has in recent years benefited from the growing trend towards outdoor activities. Amer Sports has focused on capitalizing on this trend by investing in technical apparel and footwear designed for outdoor activities.

FITNESS

Precor operates in the fitness equipment market, manufacturing and selling technically-advanced, premium-quality fitness equipment for the commercial and home markets. Its main products are aerobic exercise equipment and strength-training systems.

CYCLING

The Cycling business area of Amer Sports is operated through Mavic, a manufacturer of rims, wheels, pedals, apparel, and footwear for road cycling, mountain biking, triathlon, and track racing. Mavic is positioned in the high-end rim and wheel market.

SPORTS INSTRUMENTS

Suunto designs and manufactures precision instruments for a variety of sports, including diving, training, climbing, hiking, running, sailing, cycling, and golfing as well as diving instruments, compasses, and precision instruments.

BRAND MANAGEMENT

All of Amer Sports' brands are built on the same four cornerstones: authenticity, authority, attitude, and aesthetics. Wide recognition and authority are at the core of Amer Sports' operations and brand-



building. Wide recognition means that each of Amer Sports' brands has specific positioning within the sporting goods market and Amer Sports builds the brands within particular segments to maintain their clear positioning. Established expertise in each of its sports, in turn, gives it authority. Most of Amer Sports' brands are well-established with long histories in the sporting goods industry, which underlines their expertise.

All brand marketing and communications are tailored to convey each brand's attitude and to ensure that the brand remains strong and well recognized in its chosen segments. The significance of aesthetics is growing as demanding consumers require successful brands to not only be functional in terms of form but also feature design that follows current trends. To ensure that Amer Sports' brands remain relevant to today's consumers, Amer Sports' brands also engage in direct consumer interaction at events and through its websites and other online marketing initiatives.

MARKETING PROGRAMS AND STRATEGIES

Amer Sports' products are supported by marketing programs which are designed to meet the demands of the company's targeted trade customers and consumers. To maintain wide recognition levels of each of the brands for specific sports, all aspects of all Amer Sports' brands are carefully defined to ensure brand control.

The sales success of Amer Sports' products is dependent on consumer awareness of the Amer Sports brands and their perceived positioning in the market. Effective marketing is a key to pro-

moting and reinforcing the strength of its brands worldwide. Globally, more than 400 people are responsible for implementing the Group's marketing strategies.

Amer Sports' marketing strategies are developed by the brands and executed through local sales offices, allowing each of them to:

- maintain a high level of recognition for the brand in its chosen sporting goods segments and consistency in their marketing and positioning;
- continuously focus on increasing their market shares in all relevant segments;
- build value and insight by collecting data from customers and consumers globally;
- build a positive reputation among the media, industry, trade customers and consumers; and
- respond to changing market demands in a more effective and timely manner.

Amer Sports implements its marketing strategy by hosting training programs for in-store personnel, participating in trade shows, utilizing in-store promotional materials such as point-of-sale displays and samples, and implementing advertising campaigns, including print and online advertising. In addition, Amer Sports has entered into a number of product endorsement agreements with professional athletes. When professional athletes compete using equipment from any of Amer Sports' brands and succeed at a world-class level, the brand's reputation and visibility are enhanced.



Business segment review

Amer Sports' business is divided into three business segments which are further divided into business areas.

Amer Sports' business is divided into three business segments: Winter and Outdoor, Ball Sports, and Fitness, which are also its primary segments for financial reporting. The Winter and Outdoor segment's net sales of EUR 863 million accounted for 56 percent, the Ball Sports segment's net sales of EUR 477 million for 31 percent, and the Fitness segment's net sales of EUR 194 million for 13 percent, respectively, of Amer Sports' total net sales of EUR 1,533 million for 2009.



QUARTERLY BREAKDOWN OF NET SALES AND EBIT

	2009	2008	Q4/ 2009	Q3/ 2009	Q2/ 2009	Q1/ 2009	Q4/ 2008	Q3/ 2008	Q2/ 2008	Q1/ 2008
NET SALES	2009	2008	2009	2009	2009	2009	2008	2008	2008	2008
Winter and Outdoor	862.6	860.8	392.2	262.4	106.6	164.4	326.6	267.6	104.6	162.0
Ball Sports	476.7	495.5	94.7	103.4	135.7	142.9	110.0	110.6	130.9	144.0
Fitness	194.1	220.3	58.9	44.8	42.4	48.0	58.7	55.0	49.6	57.0
Total	1,533.4	1,576.6	482.8	410.6	284.7	355.3	495.3	433.2	285.1	363.0
			Q4/ 2009	Q3/ 2009	Q2/ 2009	Q1/ 2009	Q4/ 2008	Q3/ 2008	Q2/ 2008	Q1/ 2008
EBIT	2009	2008	2009	2009	2009	2009	2008	2008	2008	2008
Winter and Outdoor	46.5	41.1	42.5	44.1	-29.2	-10.9	36.7	45.7	-26.7	-14.6
Ball Sports	23.5	37.0	2.2	2.4	7.4	11.5	3.4	6.6	11.3	15.7
Fitness	-7.5	3.8	-0.5	-1.4	-2.2	-3.4	-2.3	2.8	-0.4	3.7
Headquarters	-18.7	-3.0	-4.8	-4.4	-5.4	-4.1	-2.6	-3.6	8.0	-4.8
Total	43.8	78.9	39.4	40.7	-29.4	-6.9	35.2	51.5	-7.8	0.0

See also business segment review of Board of Directors' report on pages 67–70.

Amer Sports prepares secondary segment information by geography as follows: the Americas, EMEA, and Asia Pacific.

For 2009, net sales of EUR 621 million in the Americas accounted for 40 percent, net sales of EUR 735 million in EMEA accounted for 48 percent, and net sales of EUR 178 million in Asia Pacific for 12 percent of the total net sales. Amer Sports' largest geographic markets in terms of sales were the United States, France, Germany, Japan, and Canada.

SEASONAL FLUCTUATIONS

Although Amer Sports operates in a number of sporting goods segments during all four seasons, its business is subject to seasonal fluctuations. Historically, the third and fourth quarters of a financial year have been the strongest quarters for Amer Sports in terms of both net sales and profitability, mainly because sales of winter sports equipment ahead of the winter season typically take place during the third and fourth quarters. Sales between the third and fourth quarter can vary depending on the timing of winter sports' shipments to customers, which may result in significant fluctuations in net sales between these quarters. The summer season for ball sports balances seasonality to a certain extent, as the strongest quarters for the Ball Sports segment are the first and second quarters. Consequently the results of Amer Sports' operations for any individual quarter may not be indicative of results to be expected for the full year.

% OF NET SALES BY BUSINESS AREA, 2009



- 1 Winter Sports Equipment 24%
- 2 Apparel and Footwear 19%
- 3 Racquet Sports 15%
- 4 Fitness Equipment 13%
- 5 Team Sports 12%
- 6 Cycling 7%
- 7 Sports Instruments 6%
- 8 Golf 4%

Winter and Outdoor

Ball Sports

Fitness

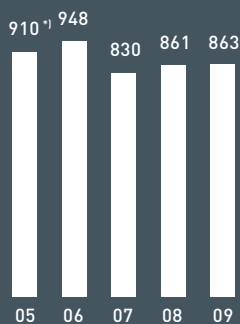
Winter and Outdoor

PAGES 24-33

56%

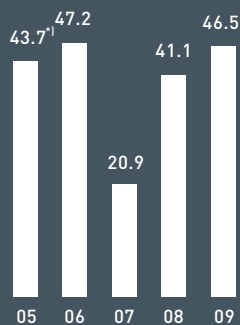
OF NET SALES

WINTER AND OUTDOOR,
NET SALES, EUR MILLION



¹ Pro forma

WINTER AND OUTDOOR, EBIT,
EUR MILLION



¹ Pro forma

Amer Sports, with its brands Salomon, Atomic, Arc'teryx, Mavic, and Suunto, is a leading manufacturer of winter and outdoor products. The continuing trend towards outdoor-inspired lifestyles forms the basis for the success of this business segment.

Amer Sports is the leading manufacturer of winter sports equipment in the world. Amer Sports manufactures and sells winter sports equipment for alpine skiing, cross-country skiing, and snowboarding under its key brands, Salomon and Atomic, which are complemented by two other brands at different price points. Amer Sports is also well positioned to benefit from the outdoor sports trend through its offering of technical apparel and footwear under the Salomon, Arc'teryx, and Bonfire brands, cycling components under the Mavic brand, and sports instruments under the Suunto brand.

The Winter and Outdoor segment is divided into four business areas:

- Winter Sports Equipment (Salomon, Atomic, Volant, and Dynamic);
- Apparel and Footwear (Salomon, Arc'teryx, and Bonfire);
- Cycling (Mavic); and
- Sports Instruments (Suunto, Bare, Recta, and Tacktick)



After significant restructuring in 2008, 2009 was the first year for the winter sports business operating under its new structure.

KEY INDICATORS

EUR million	2009	2008	Change, %	Change, % ¹	2007
Net sales					
Winter Sports Equipment	371.7	378.9	-2	-1	394.2
Apparel and Footwear	304.7	277.9	10	11	229.4
Cycling	100.4	114.2	-12	-13	114.1
Sports Instruments	85.8	89.8	-4	-5	90.7
Discontinued operations	-	-			1.7
Net sales, total	862.6	860.8	0	0	830.1
EBIT	46.5	41.1	13	17	20.9
% of net sales	5.4	4.8			2.5
Personnel at year end	3,940	3,777	4		3,701

¹ In local currency terms

WINTER AND OUTDOOR, NET SALES

- 1 Winter Sports Equipment 43%
- 2 Apparel and Footwear 35%
- 3 Cycling 12%
- 4 Sports Instruments 10%

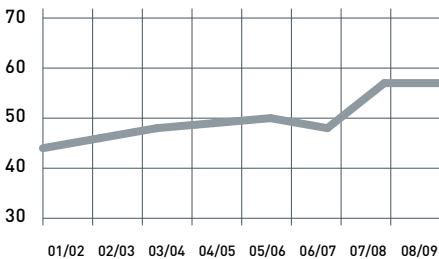


WINTER AND OUTDOOR, NET SALES

- 1 EMEA 68%
- 2 Americas 21%
- 3 Asia Pacific 11%

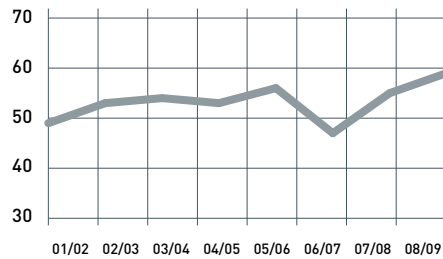


PARTICIPATION, SKIER DAYS IN AUSTRIA, MILLION



Source: http://www.seilbahnen.at/presse/wirtschaftsdaten/files/berichtsblaetter_tm_winter0809.pdf

PARTICIPATION, SKIER DAYS IN FRANCE, MILLION



Source: <http://www.sntf.org/files/RecueilindicateursetAnalyses2009.pdf>



Business areas and brands

WINTER SPORTS EQUIPMENT

Salomon and Atomic winter sports equipment are among the world's most recognized winter sports brands. The brands complement each other in terms of their product offerings and main markets. The selection of winter sports equipment under the Salomon and Atomic brands includes: alpine skis, boots, bindings, poles, and helmets; cross-country skis, boots, bindings, and poles; and snowboards, snowboard boots, and snowboard bindings.

In terms of geographic presence, Salomon has traditionally been stronger in Western Europe, North America, and Japan, while in terms of products it has traditionally been strong in alpine ski boots, cross-country boots, and bindings. Atomic is stronger in the Central European alpine skiing market and is the leading ski brand in key markets such as Austria, Italy, Switzerland, and Canada.

According to Amer Sports' estimates, during the 2008/09 winter season, global winter sports equipment sales to retailers amounts to approximately EUR 1.4 billion, of which alpine ski equipment accounts for approximately EUR 1.0 billion, snowboards approximately EUR 0.3 billion, and cross-country ski equipment approximately EUR

0.1 billion. EMEA was the largest winter sports region, representing approximately 56 percent of global sales. The second largest was Americas with approximately 31 percent, and the third largest was Asia Pacific with approximately 13 percent.

For the year ending December 31, 2009, 17 percent of the Winter Sports Equipment business area's net sales of EUR 372 million were derived from the Americas, 71 percent from EMEA, and 12 percent from Asia Pacific.

Key brands

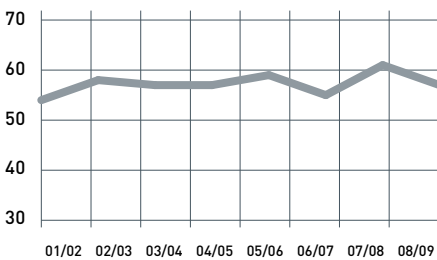
The history of the Salomon brand dates back to 1947 when it began as a family business manufacturing wood saws and ski edges in a small workshop in the town of Annecy, France—eventually growing into an industry leader in alpine ski boots. Amer Sports acquired Salomon in October 2005 and has since focused on fully leveraging the strength of the brand and gaining synergies through its integration into the Amer Sports organization. Salomon has endorsement relationships with many world-class winter sports athletes.

Established in 1955 in Austria, Atomic is an industry leader in alpine skis and is also a prominent player in cross-country skiing. Amer Sports acquired Atomic in 1994. Since season 1995/96, skiers using Atomic equipment have won 13 overall men's alpine skiing World Cup titles, and 11 manufacturers' Cup world titles, and a number of the world's current top skiers also use Atomic products.

Other brands

In addition to its winter sports equipment key brands, Amer Sports manufactures and sells alpine skis under the Volant and Dynamic brands. These brands complement the alpine ski offering and allow Amer Sports to offer its trade customers products at different price points.

**PARTICIPATION, SKIER DAYS IN USA,
MILLION**



Source: SIA "the US snow sports industry resists recession"

Customers

The most important customers for the Winter Sports Equipment business area include large sporting goods retailers, specialty shops, and skiing equipment rental operators. For the year ending December 31, 2009, the business area's biggest customers included Intersport and Decathlon in the EMEA, The Sports Authority and SSV-Specialty Sports Venture in the Americas (both in the United States), and Alpen and Xebio in Asia Pacific (both in Japan).

Competition

In winter sports equipment the combined market share of the Salomon and Atomic brands in 2009 was approximately 30 percent in most of the winter sports markets and product categories. Salomon's and Atomic's competitors vary across product categories and geographic regions, and include brands owned by Jarden Corporation (K2 and Völk), Head, Fischer, Rossignol, Nordica, and Burton (in snowboard equipment).

WINTER SPORTS EQUIPMENT MARKET SHARES, SEASON 2008/09 (2007/08)

Alpine	33% [31]
Alpine boots	35% [33]
Alpine skis & bindings	29% [29]
Cross-country skis	27% [29]
Snowboards	14% [15]

GLOBAL MARKETS (WHOLESALE), SEASON 2008/09 (2007/08), EUR BILLION¹

Alpine	1.0 (1.0)
Snowboards	0.3 (0.3)
Cross-country skis	0.1 (0.1)
Total	1.4 (1.4)

¹ Converted into euros at average exchange rates over the review season.

GLOBAL MARKETS 2008/09 (2007/08)

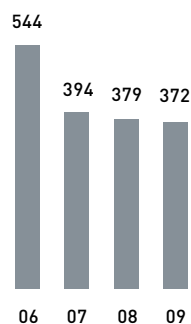
EMEA	56% [54]
Americas	31% [33]
Asia Pacific	13% [13]

WINTER SPORTS EQUIPMENT, NET SALES

- 1 Alpine ski equipment 78%
- 2 Cross-country 12%
- 3 Snowboarding 10%



WINTER SPORTS EQUIPMENT, NET SALES, EUR MILLION



WINTER SPORTS EQUIPMENT, NET SALES

- 1 EMEA 71%
- 2 Americas 17%
- 3 Asia Pacific 12%





APPAREL AND FOOTWEAR

The Salomon and Arc'teryx brands form the core of Amer Sports' Apparel and Footwear business area. The global apparel and footwear market has in recent years benefited from the growing trend towards outdoor activities and Amer Sports has focused on capitalizing on this trend by investing in technical apparel and footwear designed for outdoor activities.

The Salomon brand is a well established brand in all mountain sports activities, particularly in Europe. In North America, most Salomon apparel and footwear products are currently sold by specialty shops and Amer Sports believes that there are further opportunities for increased sales of Salomon apparel and footwear in North America as well as in Asia. In line with its heritage in mountain sports, Salomon's apparel offering focuses on four key areas: alpine and Nordic skiwear, trail running, and hiking. In footwear, Salomon focuses on shoes for trail running. As a result of its very progressive and innovative offerings, Salomon is the leader in the outdoor footwear market in Europe. Salomon apparel and footwear is visible in many mountain sports, including trail running, and has endorsement agreements with many top trail runners.

Arc'teryx was founded in Vancouver, Canada, in 1991 and is best known in North America, where, in 2009, more than half of its products were sold. Arc'teryx is focused on producing highly technical apparel, backpacks, and harnesses for outdoor sports, hiking, climbing, and snow sports. Its product offering is targeted at higher price points as many of its products have been produced using advanced materials and highly technical com-

ponents. Amer Sports believes that the Arc'teryx brand has global growth potential through its unique positioning as a high-end outdoor brand. Amer Sports acquired Arc'teryx in 2005 as part of the Salomon Group.

For the year ending December 31, 2009, 26 percent of the Apparel and Footwear business area's net sales of EUR 305 million were derived from the Americas, 69 percent from EMEA, and 5 percent from Asia Pacific.

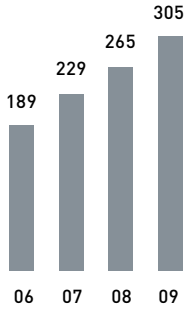
Other brands

Amer Sports also manufactures and sells snowboard apparel under the Bonfire brand, which derives a substantial portion of its sales from North America, mainly through sales to snowboarding specialty stores. Amer Sports believes that Europe and Asia both represent future growth opportunities for the brand. Amer Sports acquired Bonfire in 2005 as part of the Salomon Group.

Customers

The most important customers for the Apparel and Footwear business area include sporting goods retailers and specialty shops. In 2009, the business area's biggest customers included Intersport, Sport 2000, Decathlon, and Hervis in the EMEA and the REI in the United States. Amer Sports' apparel and footwear brands and products provide it with a good opportunity to expand sales directly to consumers. This will involve the opening of brand stores and factory outlets as well as reaching out directly to consumers via the Internet.

**APPAREL AND FOOTWEAR,
NET SALES, EUR MILLION**



APPAREL AND FOOTWEAR, NET SALES

- 1 Footwear 55%
- 2 Apparel and gear 45%



APPAREL AND FOOTWEAR, NET SALES

- 1 EMEA 69%
- 2 Americas 26%
- 3 Asia Pacific 5%



Competition

The global apparel and footwear market is highly fragmented. Amer Sports' brands Salomon, Arc'teryx, and Bonfire mainly compete with products in the medium and high-price points. Its competitors within the apparel market include brands such as The North Face, Mountain Hardwear, Patagonia, Columbia, Burton, Norrona, Millet, and within the footwear market, The North Face, Merrell, Lowa, Columbia, and Keen.

CYCLING

Amer Sports' Cycling business area is operated through Mavic, a supplier of bicycle parts and rider equipment for all kinds of cycling sports practices.

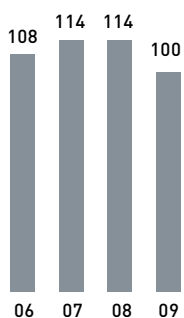
Mavic was founded in 1889 and was acquired by Amer Sports in October 2005 as part of the Salomon Group. Mavic is one of the world's top cycling component manufacturers, developing high-end products with a high level of performance and quality. Mavic has been a pioneer in the wheel market over the past decade.

Mavic has continuously developed its brand equity through its strong involvement in racing. It has been, for instance, the official service partner of the Tour de France since 1973, and an innovative provider to several top athletes and Pro teams around the world. Mavic enjoys a global presence, providing strong customer care around the world.

For the year ending December 31, 2009, 14 percent of the Cycling business area's net sales of



**CYCLING, NET SALES,
EUR MILLION**



CYCLING, NET SALES

- 1 Rims and wheels 83%
- 2 Apparel and footwear 14%
- 3 Other 3%



CYCLING, NET SALES

- 1 EMEA 65%
- 2 Asia Pacific 21%
- 3 Americas 14%



EUR 100 million were derived from the Americas, 65 percent from EMEA, and 21 percent from Asia Pacific.

Customers

The customer base of the Cycling business area is divided into specialty cycling shops (IBDs) and bike manufacturers (OEMs).

Competition

In cycling, the market is largely divided into bike manufacturers and component or equipment manufacturers. As a specialty component manufacturer, Mavic's competitors include primarily Shimano, Campagnolo, DT Swiss, SRAM, and brands owned by bike manufacturers. In the apparel category, key competitors are primarily Gore, Pearl Izumi, Sidi, Castelli and Assos.





SPORTS INSTRUMENTS

Suunto designs and manufactures sports precision instruments for diving, training, mountaineering, hiking, sailing, as well as diving instruments and compasses, and other precision instruments.

Suunto was founded in Finland in 1936 when Tuomas Vohlonen invented the mass production method for the liquid-filled compass. Suunto has also manufactured diving instruments since the 1960s. Amer Sports acquired Suunto in 1999 and since then has expanded the brand's product offering. In 2009, Suunto launched its new Elementum watch series for the premium digital sports watch market.

For the year ending December 31, 2009, 29 percent of the Sports Instruments business area's net sales of EUR 86 million were derived from the Americas, 56 percent from EMEA, and 15 percent from Asia Pacific.

Other brands

Suunto also manufactures and sells compasses under the Recta brand. Dive suits are manufactured under the Bare brand. In 2009, Suunto acquired Tacktick Ltd, a manufacturer of wireless marine sensors, instruments, and displays.

Customers

The most important customers for the Sports Instruments business area include dive shops, outdoor specialty shops, and large sporting goods retailers. In 2009, the business area's biggest customers were Aqualung in the Americas and the EMEA for diving equipment as well as the REI in the Americas, and Intersport in the EMEA for outdoor and training sports instruments.

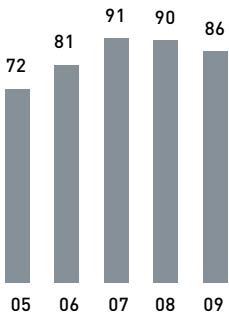
Competition

Suunto's competitors vary across product categories and include Polar and Garmin (training and outdoor) and Uwatec, Oceanic, and Mares (diving).



The Suunto brand, a heritage of reliable sports instruments.

SPORTS INSTRUMENTS, NET SALES,
EUR MILLION



SPORTS INSTRUMENTS, NET SALES

- 1 Wristop computers 58%
- 2 Diving instruments 22%
- 3 Other 20%



SPORTS INSTRUMENTS, NET SALES

- 1 EMEA 56%
- 2 Americas 29%
- 3 Asia Pacific 15%



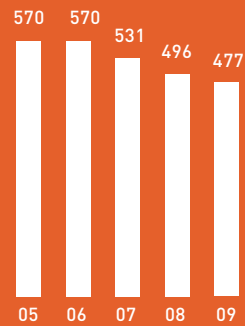
Ball Sports

PAGES 34-43

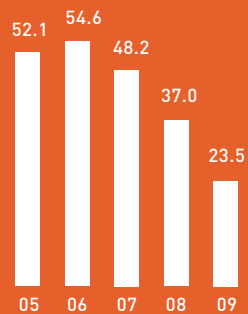
31%

OF NET SALES

BALL SPORTS, NET SALES,
EUR MILLION



BALL SPORTS, EBIT,
EUR MILLION



At the heart of sports history for almost a century,
Wilson is behind more winning moments in sports than
any other brand in the world.

The history of Wilson dates back to 1914, and it has been owned by Amer Sports since 1989. The Ball Sports segment has a diversified product portfolio, and its main sports are tennis, baseball, American football, golf, basketball, softball, badminton, and squash. Historically, Wilson's largest market in terms of sales has been the United States, attributable to Wilson's strong position in American football, baseball, and basketball.

In recent years, Wilson has focused on building the brand and establishing its presence in China, along with having good positions in other Asian markets, Japan, Korea and Australia. In Europe, Wilson's priorities are to maintain strong market share positions in tennis equipment and golf while further investing in growing the tennis apparel and footwear business.

Wilson has a number of endorsement partnerships with leagues and teams. For example, Wilson has been the official ball of the NFL (National Football League), American football's professional league, since 1941, and every Super Bowl has been played using a Wilson football. At the college level, Wilson is the Official Ball of the NCAA (National Collegiate Athletic Association) Championships for American football, basketball, tennis and soccer.

Wilson also provides the official ball of the CFL (Canadian Football League) and Protective Gear of MLB (Major League Baseball), the U.S. professional baseball league. Wilson is also the official tennis ball of the U.S. Open, Australian Open, Davis Cup, and the WTA Tour.

Wilson also has endorsement agreements with many of the top names in the sporting world, including tennis star Roger Federer, 2009 NBA Rookie of the Year Derrick Rose, MLB star David Wright, and three-time major championship-winning golfer Padraig Harrington.

The Ball Sports segment is further divided into three business areas:

- Racquet Sports (Wilson)
- Team Sports (Wilson, DeMarini, and ATEC)
- Golf (Wilson Staff and Wilson Pro Staff)



In recent years, Wilson has focused on building the brand and establishing its presence in China. In Europe, Wilson's priorities are to maintain strong market share positions in tennis equipment and golf while further investing in growing the tennis apparel and footwear business.

KEY INDICATORS

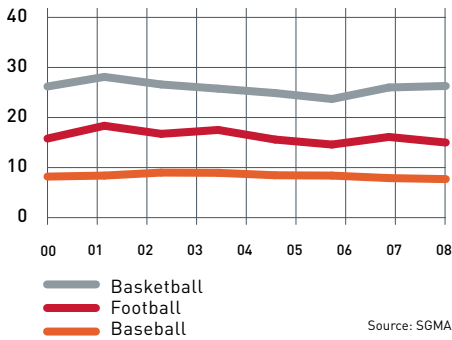
EUR million	2009	2008	Change, %	Change, % ¹	2007
Net sales					
Racquet Sports	222.7	227.0	-2	-5	236.0
Team Sports	187.3	189.9	-1	-6	195.5
Golf	66.7	78.6	-15	-16	99.4
Net sales, total	476.7	495.5	-4	-7	530.9
EBIT	23.5	37.0	-36	-40	48.2
% of net sales	4.9	7.5			9.1
Personnel at year end	1,586	1,731	-8		1,891

¹ In local currency terms





TEAM SPORTS PARTICIPATION, USA, MILLION



BALL SPORTS, NET SALES

- 1 Racquet Sports 47%
- 2 Team Sports 39%
- 3 Golf 14%

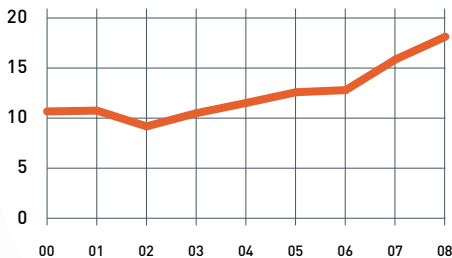


BALL SPORTS, NET SALES

- 1 Americas 63%
- 2 EMEA 23%
- 3 Asia Pacific 14%

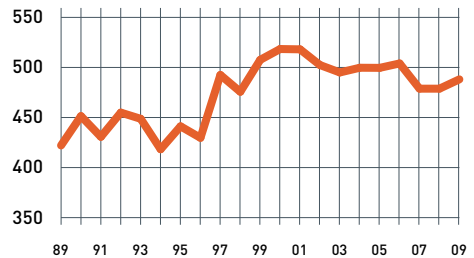


TENNIS PARTICIPATION, USA*1, MILLION

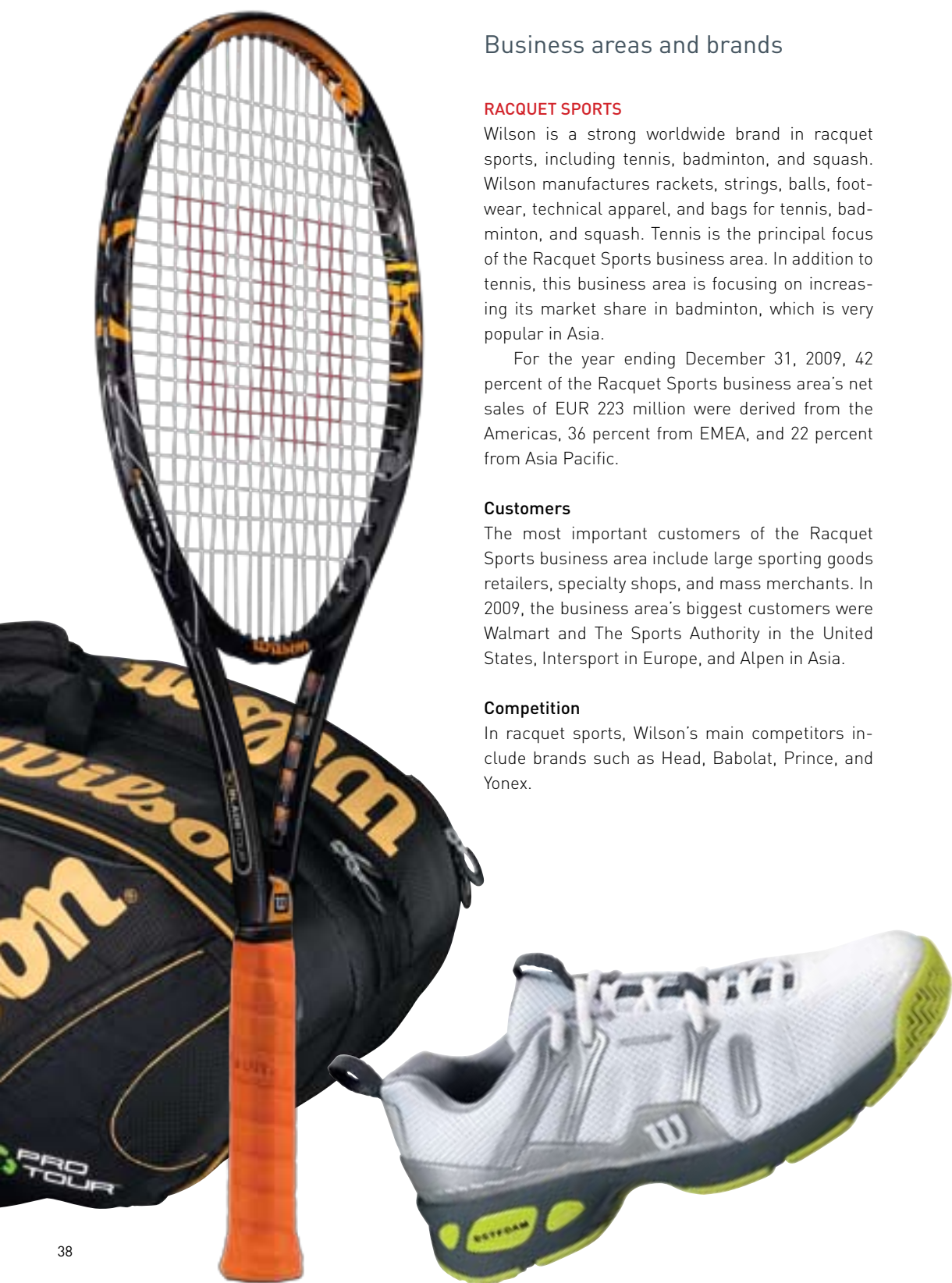


*1) Participated at least once
Source: SGMA

GOLF, TOTAL ROUNDS VOLUME, USA, MILLION



Source: National Golf Foundation



Business areas and brands

RACQUET SPORTS

Wilson is a strong worldwide brand in racquet sports, including tennis, badminton, and squash. Wilson manufactures rackets, strings, balls, footwear, technical apparel, and bags for tennis, badminton, and squash. Tennis is the principal focus of the Racquet Sports business area. In addition to tennis, this business area is focusing on increasing its market share in badminton, which is very popular in Asia.

For the year ending December 31, 2009, 42 percent of the Racquet Sports business area's net sales of EUR 223 million were derived from the Americas, 36 percent from EMEA, and 22 percent from Asia Pacific.

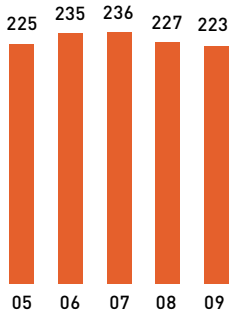
Customers

The most important customers of the Racquet Sports business area include large sporting goods retailers, specialty shops, and mass merchants. In 2009, the business area's biggest customers were Walmart and The Sports Authority in the United States, Intersport in Europe, and Alpen in Asia.

Competition

In racquet sports, Wilson's main competitors include brands such as Head, Babolat, Prince, and Yonex.

**RACQUET SPORTS,
NET SALES, EUR MILLION**



**RACQUET SPORTS MARKET SHARES 2009 (2008)
TENNIS RACKETS**

Global	35% [36]
Americas	39% [42]
EMEA	33% [33]
Asia Pacific	31% [30]

**RACQUET SPORTS MARKET SHARES 2009 (2008)
TENNIS BALLS**

Global	26% [25]
Americas	37% [40]
EMEA	23% [21]
Asia Pacific	14% [12]

RACQUET SPORTS, NET SALES

- 1 Tennis rackets 40%
- 2 Tennis balls 22%
- 3 Footwear 8%
- 4 Other 30%



RACQUET SPORTS, NET SALES

- 1 Americas 42%
- 2 EMEA 36%
- 3 Asia Pacific 22%



**GLOBAL MARKET, EUR 0.4 BILLION
(WHOLESALE)**

- 1 Tennis rackets 58%
- 2 Tennis balls 42%



GLOBAL MARKET

- 1 EMEA 37%
- 2 Americas 35%
- 3 Asia Pacific 28%



TEAM SPORTS

Wilson manufactures a variety of team sports products, including balls, gloves, bats, protectives, and uniforms for American football, basketball, soccer, volleyball, baseball, and softball under the Wilson brand. In addition, Wilson manufactures and sells high-end baseball bats and accessories under the DeMarini brand and pitching machines for baseball and softball under the ATEC brand.

For the year ending December 31, 2009, 94 percent of the Team Sports business area's net sales of EUR 187 million were derived from the Americas, 2 percent from EMEA, and 4 percent from Asia Pacific.

Customers

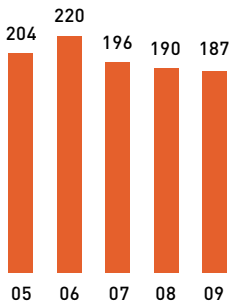
The most important customers of the Team Sports business area include large sporting goods retailers, specialty shops, and mass merchants. In 2009, the business area's biggest customers were Walmart and Dick's Sporting Goods in the United States.

Competition

Wilson's main competitors in team sports include Rawlings, Spalding, Molten and Easton-Bell.



**TEAM SPORTS,
NET SALES, EUR MILLION**



TEAM SPORTS, NET SALES

- 1 American footballs 21%
- 2 Baseballs and gloves 20%
- 3 Baseball/softball bats 17%
- 4 Basketballs 15%
- 5 Apparel 8%
- 6 Soccer 7%
- 7 Other 12%



**TEAM SPORTS, MARKET SHARES 2009 (2008),
USA**

American footballs	80% (80)
Basketballs	38% (35)
Baseball gloves	31% (33)
Baseballs	29% (27)
Baseball/softball bats	23% (21)

**TEAM SPORTS, MARKET SHARES 2009 (2008),
GLOBAL**

American footballs	80% (80)
Basketballs	23% (22)
Baseball gloves	20% (20)
Baseball/softball bats	16% (14)
Baseballs	17% (15)

TEAM SPORTS, NET SALES

- 1 Americas 94%
- 2 Asia Pacific 4%
- 3 EMEA 2%



GOLF

Wilson manufactures golf clubs, balls, bags, and gloves under the Wilson and Wilson Staff brands. Wilson has a strong heritage in the premium iron category and has had a number of award-winning products during its history.

For the year ending December 31, 2009, 44 percent of the Golf business area's net sales of EUR 67 million were derived from the Americas, 44 percent from EMEA, and 12 percent from Asia Pacific. Since the beginning of 2008, Wilson golf products in Japan have been sold by a licensee.

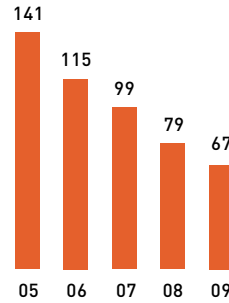
Customers

The most important customers of the Golf business area include large sporting goods retailers, specialty golf shops, and mass merchants. In 2009, the business area's biggest customers were Walmart and The Sports Authority in the United States, and American Golf in Europe.

Competition

In golf, Wilson's main competitors globally include Callaway, Titleist, and TaylorMade.

GOLF, NET SALES,
EUR MILLION



**GOLF MARKET SHARES 2009 (2008),
GOLF CLUBS**

Global	3% (3)
Europe	8% (8)
USA	4% (4)
Japan	1% (1)

**GOLF MARKET SHARES 2009 (2008),
GOLF BALLS**

Global	3% (3)
Europe	11% (11)
USA	3% (3)
Japan	1% (1)



GOLF, NET SALES

- 1 Clubs 59%
- 2 Balls 26%
- 3 Bags and gloves 13%
- 4 Other 2%



GOLF, NET SALES

- 1 Americas 44%
- 2 EMEA 44%
- 3 Asia Pacific 12%



**GLOBAL MARKET, EUR 3.0 BILLION
(WHOLESALE)**

- 1 Clubs 63%
- 2 Balls 28%
- 3 Bags and gloves 9%



GLOBAL MARKET

- 1 North America 45%
- 2 Japan 23%
- 3 Europe 20%
- 4 Other 12%



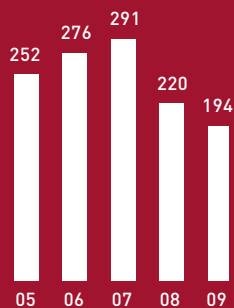
Fitness

PAGES 44-47

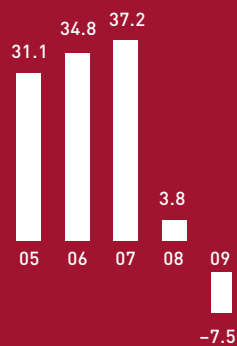
13%

OF NET SALES

FITNESS, NET SALES,
EUR MILLION



FITNESS, EBIT,
EUR MILLION



Precor is the world's leading manufacturer of elliptical crosstrainers. It is a full-line supplier of technically-advanced, premium-quality fitness equipment for the commercial and home markets.

Precor is Amer Sports' brand operating in the fitness equipment market, manufacturing and selling technically-advanced, premium-quality products for the commercial and home markets. Precor is known throughout the industry for its innovative design, excellent user experience, and attentive customer service.

For the year ending December 31, 2009, 72 percent of the Fitness segment's net sales of EUR 194 million was derived from the Americas, 20 percent from the EMEA, and 8 percent from Asia Pacific.

Customers

In the commercial market, Precor products are sold directly or via dealers to a variety of customers, such as health clubs, hotels, universities, and governments.

Major fitness facilities around the world count themselves as Precor customers, including 24 Hour Fitness, Anytime Fitness, Elixia, Gold's Gym, Holmes Place International, SATA, and YMCA. Outside of traditional health clubs, one of the largest customers is Hilton Hotels to which Precor is the exclusive provider of fitness equipment worldwide.

In the consumer market, products are sold primarily by a network of specialty fitness dealers with additional distribution through selected sporting goods retailers and online.



Fitness equipment manufacturers worldwide experienced significant reductions in sales in both the commercial and consumer markets during 2009.

KEY INDICATORS

EUR million	2009	2008	Change, %	Change, % ¹	2007
Net sales	194.1	220.3	-12	-15	291.0
EBIT	-7.5	3.8			37.2
% of net sales		1.7			12.8
Personnel at year end	737	765	-4		815

¹ In local currency terms

FITNESS, NET SALES

- 1 Clubs and institutions 87%
- 2 Home use 13%

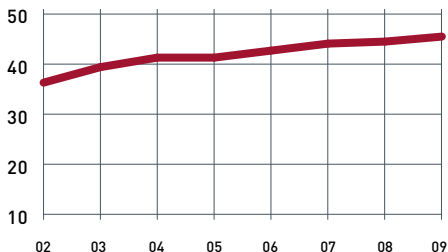


FITNESS, NET SALES

- 1 Americas 72%
- 2 EMEA 20%
- 3 Asia Pacific 8%



US HEALTH CLUB MEMBERSHIPS, MILLION



Source: IHRGA





Competition

The fitness equipment industry is highly fragmented with dozens of companies selling commercial and consumer equipment. The largest competitors include Cybex, Icon, Johnson Health Tech, Life Fitness, and Technogym.

Precor focuses on innovative design, excellent member experience, and attentive customer service.





Sales

Amer Sports has an established, global sales organization, which is designed to support its brands and is aimed at providing its trade customers with high-level customer service in all Amer Sports' product categories and market segments.

Amer Sports' comprehensive sales network enables it to bring products to markets simultaneously worldwide and allows it to stay in close contact with customers, allowing it to gain knowledge of local trends and establish long-term business relationships.

As of December 31, 2009, Amer Sports had sales offices in 29 countries worldwide. Most of these offices are operated as subsidiaries of Amer Sports. The sales organization is grouped into three large geographical segments: the Americas (including the United States, Canada, and Latin America), EMEA (Europe, Middle East, and Africa), and Asia Pacific (including Japan and Australia). The EMEA region is managed from Munich, Germany. In the United States, the Winter and Outdoor segment's sales are managed from Ogden, Utah, Ball Sports from Chicago, Illinois, and Fitness from Woodinville, Washington. Asia Pacific is managed from Shanghai, China. In smaller markets, distribution is handled through independent importers and distributors who work closely with the Amer Sports global sales organization.

As of December 31, 2009, 2,064 people were employed in Amer Sports' sales and distribution activities, representing approximately 32 percent of the company's total employees.

Local sales offices are responsible for the sales, marketing, and distribution of Amer Sports' branded products in their own markets. These offices have experience and specialized expertise in every type of sport covered by the company's products. Furthermore, local personnel know their own markets, including the customer preferences in those markets. This knowledge allows them to adapt both product offerings and marketing to the needs and conditions of each market. This market know-how is also leveraged in research and product development in different business segments.

Amer Sports sells its products to trade customers (including sporting goods chains, specialty retailers, mass merchants, fitness clubs and distributors) and, to a lesser extent, directly to consumers through brand stores, factory outlets, and the Internet.

A NEW MULTI-CHANNEL SALES STRATEGY

In response to a changing business environment where consumers have begun to demand more direct relationships with their favorite brands, Amer Sports has adopted a new multi-channel sales strategy. This strategy involves opening brand stores and factory outlets. As of 2009, Amer Sports' branded products were sold through more than 100 brand stores and factory outlets. By



opening brand stores and engaging with consumers directly, Amer Sports can gain information on consumer behavior more efficiently, react better to changes in the market, and develop more attractive products and marketing based on direct consumer feedback. Amer Sports uses factory outlets to sell previous seasons' products.

Amer Sports has plans to open additional brand stores for Salomon apparel and footwear. Amer Sports expects that the number of brand shops and factory outlets will increase in future years. The multi-channel strategy also includes an online strategy. Amer Sports is assessing opportunities to increase online sales, both directly to consumers and through selected e-tailers.

Currently, Amer Sports' largest geographic markets in terms of sales are the United States, France, Germany, Japan, and Canada. In recent years, Amer Sports has also increased its presence in emerging markets, such as China, Russia, and Brazil.

ESTABLISHED GLOBAL SALES PLATFORM

As it is typical for the sporting goods industry, a substantial portion of Amer Sports' annual sales are generated each year by products that are in their first year of existence. This means that Amer Sports must anticipate consumer preferences to

compensate for the decline typically experienced in the sales of older products. Accordingly, Amer Sports' research and development and supply chain groups face constant pressure to design, develop, source, and supply new products. The relatively short window of opportunity for launching and selling new products also requires great expertise in forecasting demand and ensuring that supplies are ready and delivered during the critical selling periods. In particular, as many of Amer Sports' product lines are seasonal, on-time delivery is essential for trade customers to have the products in stock ahead of the selling season. In addition, the rapid changeover in products creates a need to monitor and manage the closeout of products both at the trade customer level and in Amer Sports' own inventory.

Amer Sports' global sales organization allows it to be close to its trade customers and consumers and gives it an advantage over its competitors in terms of customer service and cost-effectiveness.

Supply chain, IT and manufacturing

Supply chain management encompasses all of Amer Sports' business functions from product innovation to product manufacturing to outbound logistics like supply planning, manufacturing, procurement, and logistics.

IT management encompasses for all Amer Sports: SAP support, extended business services, security and infrastructure.

Reliable, efficient and timely supply chain management is an important part of Amer Sports' strategy, and the company has continued to strengthen its supply chain organization in recent years. In 2008, Amer Sports created a new Supply Chain and Information Technology (SC&IT) function. The new function is responsible for managing the integrated supply chain at the Group level. The function is divided into three integrated shared platforms (IT, sourcing, and distribution and transportation), and two communities of practice to roll out harmonized processes, tools, performance leadership and global programs. Sourcing in Asia is managed from the Group's sourcing office in Hong Kong, and global IT and distribution and transportation from Amer Sports Munich office.

Amer Sports is in the process of further integrating its supply chain functions and continues to seek more synergies and opportunities. The aim of the ongoing integration process is to develop a worldwide, globally managed supply chain, designed to provide a high level of customer service at lower cost and inventory levels.

This process includes the following initiatives:

- further integrating logistics and transportation management;
- broadening the role of Amer Sports' Asian sourcing organization to further leverage the Group's scale, negotiating power, and talent base;
- further harmonizing global business processes and the rollout of a global enterprise resource planning (ERP) system (SAP) in the Group;
- harmonizing global inventory and product availability management through centrally-led sales and operation planning; and
- rolling out of the "Lean and Operations Excellence" methodology within Amer Sports and in its subcontractor operations.

2009 was year one for the newly created SC&IT team. During the year, the Lean and Operations practice, the global shared logistics platform and Amer Sports' sourcing organization for apparel, footwear and accessories have been set up. We rolled out our harmonized SAP template in the four Nordic countries and focused very successfully to improve our inventory with a reduction of more than 30 percent at constant service level.

AMER SPORTS' KEY PRODUCTION FACILITIES

(including manufacturing facilities operated by third parties)

Location	Products produced	Brands produced	Owned/Leased
Austria	Alpine and cross-country skis; snowboards	Salomon, Atomic	Owned
Canada	Harnesses, apparel	Arc'teryx	Owned
France	Cycling components	Mavic	Owned
Finland	Sports instruments	Suunto and Recta	Leased
Bulgaria	Alpine and cross-country skis; snowboards	Salomon, Atomic	Owned
United States	Cardio fitness equipment	Precor	Leased
United States	Strength equipment	Precor	Leased
United States	Baseball bats	DeMarini	Owned
United States	Pitching machines	ATEC	Leased
United States	Apparel, uniforms	Wilson	Leased
United States	Leather footballs	Wilson	Owned
United States	Strength equipment	Precor	Leased (to open 2010)



MANUFACTURING AND SOURCING

Amer Sports maintains its own production facilities in Austria, France, Finland, Canada, Bulgaria, and the United States.

In 2006 and 2008, Amer Sports restructured the production of its winter sports equipment. As a result, the manufacturing of Salomon's and Atomic's winter sports equipment was combined. The number of manufacturing sites was reduced from ten to six, including subcontractor sites. Amer Sports also acquired its Bulgarian subcontractor. Salomon and Atomic skis, bindings and boots are now supplied through owned and subcontractor factories in Austria, Bulgaria, Romania, and Hungary. Amer Sports has also decided to move Precor's fitness strength production unit from California to the more cost-effective state of North Carolina. This new plant is expected to be operational from early 2010.

Amer Sports purchases the raw materials it requires for its facilities from a number of sources. Amer Sports uses steel, rubber, and oil-based raw materials and components in its products. Such raw materials are used in the manufacture of plastic components for bindings and ski boots, carbon-fibers for rackets, and metal parts for fitness equipment, binding components and ski edges.

OUTSOURCING

Amer Sports has increasingly sought to outsource the production of end-products and components to gain operational efficiencies and cost-savings. Currently, Amer Sports outsources the majority of its manufacturing to subcontractors. Most of the apparel and footwear under the Salomon, Wilson, Arc'teryx, Mavic, and Bonfire brands are manufactured in Asia. In addition, Amer Sports outsources the manufacture of all racquet sports and golf as well as most team sports products.

Amer Sports has also outsourced the manufacture of products and components for a variety of Mavic, Suunto, and Precor products to Asia. As of December 2009, the Asian sourcing function employed 230 people in the region. The Amer Sports sourcing organization in Asia started operations in 2007 and its role was expanded in 2009 when it took over the main responsibility for the sourcing of apparel, footwear, and accessories at the Group level. The sourcing office in Hong Kong is responsible for qualifying vendors, ensuring product quality and service levels, negotiating prices, administering exports, and seeking to ensure that subcontractors follow Amer Sports' standards for ethical operations.

Amer Sports generally prefers to have at least two vendors for its most critical products and components. Amer Sports has a good relationship with its vendors and it will continue to secure a sufficient supply of high-quality products in a timely manner and on competitive economic terms.

QUALITY CONTROL

Quality specifications and quality assurance are of prime importance to Amer Sports' production process, especially since Amer Sports manufactures a number of products for active sports where injuries caused by defective equipment may subject Amer Sports to product liability claims. Products are subjected to quality control tests before production commences and before products are sold to customers. In addition, Amer Sports conducts quality testing several times during the production process in order to ensure that the products

meet its quality requirements. In general, quality control is handled by Amer Sports' own quality control personnel who carry out extensive testing and inspection of products. Amer Sports also requires its third-party suppliers to arrange for certain testing to be performed at the manufacturing site. In Asia, the Hong Kong sourcing office supervises outsourced production closely to ensure that all products and components meet a particular brand's product specifications and quality control standards. If an item is returned or recalled, Amer Sports analyzes and investigates the product and liaises with its third-party suppliers aiming to ensure that such fault will not be repeated.

In most countries in which they operate, Amer Sports' companies provide product warranties based on local laws. The scope and term of the warranties vary between geographic markets and product categories.

DISTRIBUTION AND TRANSPORTATION

Amer Sports has two primary distribution hubs serving several brands: one in Germany (Überherrn) serving the EMEA region, and one in the United States (Nashville). In addition, Amer Sports' logistics facilities include factory-related warehouses and regional or country-specific warehouses.

From the distribution centers, products are transported to trade customers or Amer Sports' own stores. Amer Sports uses third-party transportation companies to transport its products by truck, rail, plane, and sea.

AMER SPORTS' DISTRIBUTION CENTERS BY GEOGRAPHIC REGION

Distribution Center	Location	Number of distribution centers
Main hub for EMEA	Überherrn, Germany	1
Main hub for USA	Nashville, United States	1
Brand specific	Europe	15
Brand specific	Asia Pacific	7
Brand specific	Americas	16
Total		40

Research and development

Innovation is a core value of Amer Sports. Through continuous research and development, Amer Sports seeks to develop new and better ways to produce innovative sporting goods that appeal to its consumers and trade customers.

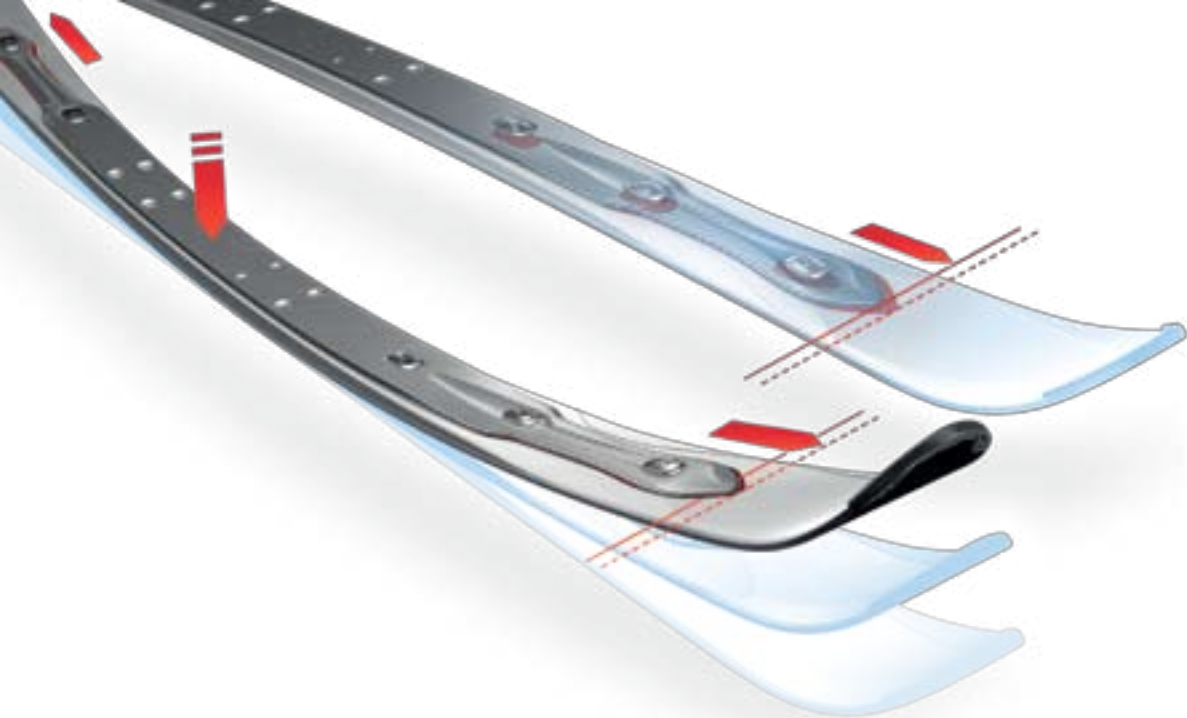


In-depth knowledge of each of its sports, together with a deep understanding of the consumer, are the key to bringing innovative new products to market. Amer Sports' experienced research and development personnel have a deep understanding of the sports for which they develop products.

CONTINUOUS DEVELOPMENT OF PRODUCTS

Amer Sports supports its brands with a significant investment in research and development, which represented three percent of its net sales for 2009. As of December 31, 2009, 487 people were employed in the company's research and development activities, representing approximately eight percent of Amer Sports' total employees.

As it is typical for the sporting goods industry, a substantial portion of Amer Sports' net sales are generated each year by products that are in their first year of existence. Therefore, successful research and development is an important part of Amer Sports' business, and the company seeks to continually introduce new technologically advanced products that meet the needs of trade customers and consumers.



EFFICIENCY AND COOPERATION

Each of Amer Sports' business areas has its own research and development center, except for the Winter Sports Equipment business area, which has two R&D centers, in Annecy, France (the Group's competence center for ski boots, cross-country boots and bindings), and Altenmarkt, Austria (the competence center for ski and snowboard products).

Performance and functionality are key drivers in the development of Amer Sports' sports equipment, technical apparel and footwear. As Amer Sports' products are essential for participation in many sports, the fundamental focus of Amer Sports' product design is functionality, but aesthetic is also important. Amer Sports develops and tests new products and ideas together with top athletes. In addition, Amer Sports' experts cooperate with universities and research groups to develop new products and materials. Collaboration with raw material suppliers also generates new types of solutions for the products.

INTELLECTUAL PROPERTY

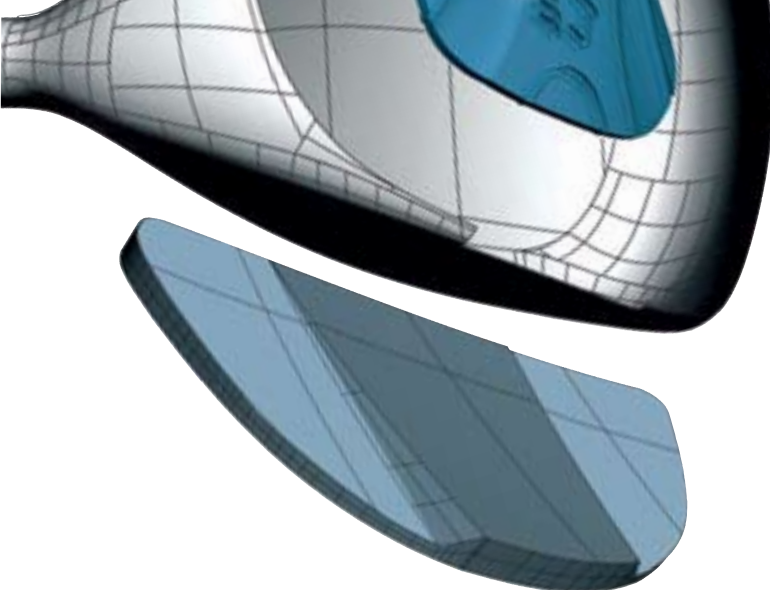
Amer Sports holds a significant intellectual property portfolio, which actively supports the company's business objectives. Amer Sports safeguards its innovations by obtaining appropriate intellectual property protection and maintains and enforces its existing key intellectual property. Amer Sports re-

lies on patent, copyright, design, trade secret, and trademark laws and on confidentiality agreements to protect its brands, proprietary technology and know-how. The brands are a core asset of the Amer Sports' business and are of great value to it. Amer Sports generally protects its brands by registering them as trademarks in countries with significant existing or potential markets for its products.

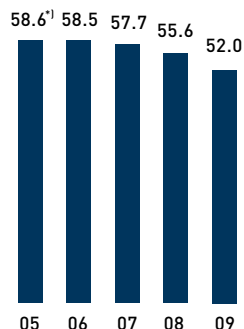
Amer Sports holds several significant patents, design patents, and utility models in its key markets. Amer Sports focuses mainly on seeking protection in its primary or key markets for core technologies and designs that are estimated to have economic value for several years.

Amer Sports has centers of expertise focusing on the protection and exploitation of intellectual property rights based in the United States and Europe. The expertise centers are responsible for coordinating all matters relating to Amer Sports' intellectual property. In addition to being responsible for the filing, maintaining, and enforcing of Amer Sports' rights, the expertise centers work in close collaboration with the brand companies, marketing, sales, and research and development personnel, and provide strategic legal advice and support on intellectual property matters. Amer Sports also uses outside experts to maintain and enforce intellectual property rights.

In addition to Amer Sports' own intellectual property portfolio, some of Amer Sports' subsid-



R&D EXPENSES, EUR MILLION

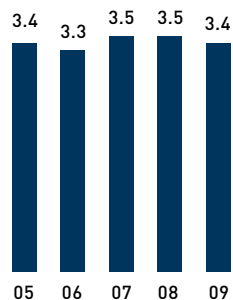


¹ Pro forma

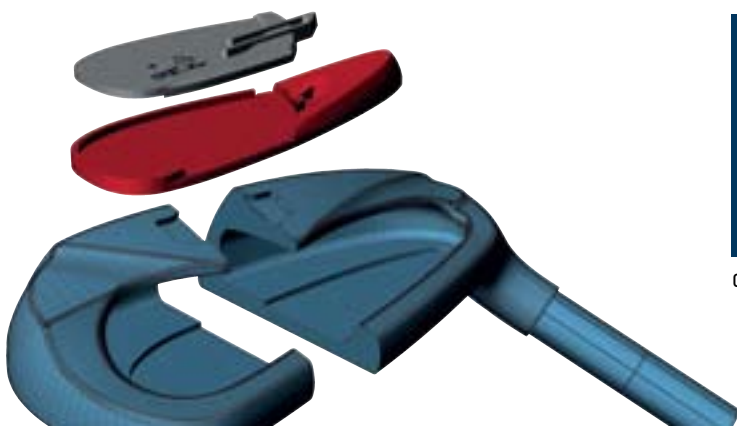
licensors have rights to intellectual property as licensees of technology complementary to Amer Sports' business. For example, in the United States, Precor is an exclusive licensee under patents for inventions relating to elliptical fitness equipment. In Europe, an example of licensing includes Atomic's exclusive license for patents covering certain technology used in ski boots.

Amer Sports selectively grants licenses to its trademarks or patents. The careful selection of licensees and licensed products ensures that the licenses do not harm the reputation of the brand. For example, Precor sub-licenses its rights to elliptical fitness equipment to third parties in return for royalties. Amer Sports' royalty-bearing trademark licenses include agreements relating to the use of the Wilson trademark for clothing and golf-related products.

R&D EXPENSES,
% OF NET SALES



R&D EXPENSES,
% OF OPERATING EXPENSES



Amer Sports' People

One of the key strengths of Amer Sports is our people, who are proud of our products and motivated to increase our business performance.

Amer Sports' People Vision emphasizes that our passion and professionalism produces great performance and business success. The key drivers are ensuring and enabling Great Leaders who enable Great People performance, positioning the right people in the right places in the right roles, and believing that proud people perform.

SUPPORTING THE BUSINESS THROUGH A FOCUSED PEOPLE STRATEGY

Amer Sports' People Strategy is designed to support the corporate strategy and strategic business initiatives and focus areas. In 2009, the Amer Sports' People Strategy was renewed in alignment with the business targets. The People Strategy focuses on supporting integration and common platforms, and its goals are to:

- strengthen Amer Sports' Leadership Excellence and Talent Management;
- create a strong performance culture and ensure a global consistent Performance Management process;
- develop and enhance the implementation of the Total Reward Strategy; and
- create strong Human Resources partnership.

As a company with employees in 29 countries, the strengths of Amer Sports are our strong brands and organizational and cultural diversity, and most importantly, the passion and profession-

alism of our people. The aim is to increase business performance through this global network of competent and motivated people. A number of established practices and development projects are in place for the strategic people goals, and they are covered in the following chapters.

PASSION FOR THE BUSINESS

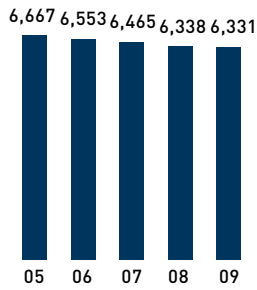
Our people are truly proud of our brands and products. The passion for our business can be seen also in our Employee Engagement Survey, Pulse Meter. In 2009, we reached an all time high response rate of 80 percent. Also, the results were encouraging, showing improvements in the majority of our businesses. For Amer Sports overall, our people rated highest the Employee Engagement, Performance Management, Growth & Development, and "My Manager" dimensions. On the basis of the survey, 76 percent of our employees are extremely satisfied with the company as an employer.

The Pulse Meter is conducted regularly in Amer Sports. It strengthens organizational dialog and gives input to organizational and people development actions.

GREAT LEADERS ENABLE SUCCESS

We expect our leaders to lead by example and create a company culture that through passion and professionalism drives business success. We em-

EMPLOYEES AT YEAR END



EMPLOYEES BY FUNCTION

- 1 Manufacturing and sourcing 39%
- 2 Sales and distribution 32%
- 3 Support functions 14%
- 4 R&D 8%
- 5 Marketing 7%



EMPLOYEES BY BUSINESS SEGMENT

- 1 Winter and Outdoor 62%
- 2 Ball Sports 25%
- 3 Fitness 12%
- 4 Headquarters 1%



EMPLOYEES

- 1 Male 62%
- 2 Female 38%



EMPLOYEES BY GEOGRAPHICAL SEGMENT

- 1 EMEA 57%
- 2 Americas 34%
- 3 Asia Pacific 9%





phasize the importance of talent management as a philosophy that covers the whole company. Our talent management process is also linked to our performance management model. In 2009, we renewed our talent management model to better focus on successor planning and building the leadership pipeline. We also focused on defining the leadership competencies of Amer Sports. The leadership competencies will be utilized in leadership development, for example in a 360 feedback process. Leadership development continues in 2010 on the basis of the needs of the business.

STRONG PERFORMANCE CULTURE THROUGH COACHING FOR SUCCESS

Performance management is our key management process to impact on the motivation and performance of our people. We believe in people development which is based on continuous cooperation, commitment, and constructive dialog. Therefore performance management at Amer Sports is called "Coaching for Success". Coaching for Success was launched globally in 2008 and the first experiences from 2009 were positive. The model supports the achievement of company goals. On

the basis of our employee engagement survey, 74 percent of our employees say that they can see a clear link between their work and company objectives. In 2009, we continued to develop the model further, introducing competence profiles and providing further support for managers when discussing performance with their employees.

REWARD FOR RESULTS

We want to ensure that our people are rewarded for the results they achieve through their passion and professionalism to their work. We strongly believe in rewarding good and excellent performance, and have therefore developed our total reward strategy to support the implementation of business strategy and to encourage excellent performance. In 2009, we continued with the global development and implementation of the pay for performance philosophy and worked on further providing guidance to our managers in discussing pay for performance with employees and enhancing employee communication.

We continue to focus on team and individual accountability. During 2009, we developed the basic principles of our annual incentive programs for our platforms and are now ensuring that each individual has the possibility to be rewarded for the work they perform in their area of responsibility whilst ensuring the company is achieving its financial targets.

As we believe that proud people perform, we also need to ensure that our reward philosophy is competitive and our people are retained.

STRENGTHENED HUMAN RESOURCES PARTNERSHIP

The Human Resources function at Amer Sports focuses on supporting integration and strategic platforms as well as ensuring professional and effective management of employee relations. Hence, the Amer Sports Human Resources Mission is: "We partner proactively with our leaders to attract, retain, develop, and motivate our employees, and to create a high performing working culture. We enable business success."

In 2009, the Global Human Resources Network was strengthened by a renewed operational model. The operational model consists of a regular meeting cycle, common People Key Performance Indicators, and clarified Human Resources re-

sponsibilities. The purpose is to add value to local level people management by focusing needed people management actions, to share information on people matters to support decision making, and to strengthen the common way of working.

At Amer Sports, we aim to ensure that we have the right people in the right places in the right roles. As our people move within the company, we want them all to be treated fairly and professionally. Based on the Amer Sports integration strategy, inter-company transfers as well as job rotation are encouraged to maximize our internal talent potential. We prefer an internal candidate whenever appropriate and when the role requirements are met.

Through our People Strategy we aim to ensure that our business is successful today as well as in the future.





Social responsibility

We implement our business strategy in an ethically and socially responsible manner, always striving to improve our performance and to meet the group's economic, social, and environmental goals. We always consider the social and environmental impacts of our efforts, whether regarding product development or our daily business operations.

Today's consumers, as well as our trade customers, increasingly expect companies to meet their demands not only regarding product performance but also what materials they are made of and what type of conditions they are manufactured in. Amer Sports takes this responsibility very seriously. Each Amer Sports business reports to its respective board on matters of corporate social responsibility.

We segment our efforts into three separate areas: environmental actions, labor and workplace conditions, and charitable programs. A number of initiatives are currently on-going or being developed to ensure that Amer Sports continues to operate in a manner that our consumers, our customers and our employees can all be proud of.

ENVIRONMENTAL ACTIONS

Amer Sports and our brand companies continued to develop numerous environmental programs in 2009, encouraged by the positive impacts of even minor actions. Following the examples from the previous year, we asked our employees to consider every element of their jobs and how they can improve their performance while reducing their environmental impact.

As many of our employees have happily noted, improvements can be achieved in our daily busi-

ness operations. Several Amer Sports companies launched initiatives to educate their employees about changing work habits, which resulted in the reduction of paper use, energy consumption, travel rationalization and increased recycling.

Reduced air travel became possible thanks to the increased use of an upgraded video conference meeting system and travel rationalization programs. Identified cost savings in 2009 were as much as 30 percent at Wilson and 40 percent at Suunto compared to 2008. Companies managed to reduce paper consumption by reminding their staffs to use two-sided printing and simply avoid printing whenever possible. For example, at Amer Sports HQ in Helsinki, the reduction amounted to 23 percent less paper used. A new electronic document storage system at Precor resulted in the annual reduction of 216,000 sheets of paper and \$26,000 in storage costs. To reduce electricity consumption, shortened hours for building air conditioning systems were implemented, and electric lighting was reduced where possible. Employees were also encouraged to switch off their room lights when leaving the office and to shut off their PC monitors during lunch.

Increased activity was also seen through participation in environmental associations. These



vary from industry-wide organizations to local community activities. For example, Salomon is a member of the European Outdoor Group and is represented on its product end of life committee, which is working to establish industry standards for how products are developed and disposed of. Salomon is also a co-founder of the Fondation Eau, Neige & Glace, which was established in October 2009 to improve the management of mountain water resources. Amer Sports Winter & Outdoor Americas (ASWO), located in Ogden, Utah, partners with several local organizations, for instance one whose mission is to promote, plan and preserve trails and open space in and around the local community.

ASWO is also a member of committee to reduce carbon emissions and improve air quality in Utah. ASWO's employees have founded their own Green Committee, which meets regularly to review the company's performance against environmental targets and to consider new opportunities. A similar committee also is in place at Arc'teryx headquarters in Vancouver. Initiated and supported by the company, the Arc'teryx Green Committee is an employee-based group that dedicates part of their work week towards reducing the environmental footprint of the business. Through research and

identifying problem areas within the company, Green Committee members propose and implement more sustainable solutions.

Precor's new strength equipment manufacturing facility in North Carolina is anticipated to be operational from early 2010. The company has worked with the architects, developers and contractors to ensure the highest possible energy conservation in the new facility. Overall the building will have a reduced energy usage of 40-50 percent compared to the current strength equipment manufacturing facility in use. The Precor team has targeted a goal of achieving Leadership in Energy and Environmental Design (LEED) gold status for the facility.

LABOR AND WORKPLACE CONDITIONS

All Amer Sports suppliers are required to meet the Group's standards for ethical operations, which are based on International Labor Organization (ILO) and SA8000 standards and the United Nations Universal Declaration of Human Rights. Most of the suppliers that Amer Sports works with are based in Asia, with approximately 50 percent of all Amer Sports products in 2009 being manufactured in China.

In 2008, Amer Sports launched a third party audit program to help our sourcing partners comply



with industry standards, regulations, and our expectations in regards to quality, health and safety, and environment and social responsibility. Coordinated out of our sourcing office in Hong Kong, the audit process includes factory visits and training sessions with factory management to help them meet our standards. The process has commenced with our existing suppliers, and every new supplier is required to be audited before an order can be placed. The process has accelerated in 2009 when we have successfully doubled the number of audit done in 2008.

CHARITABLE PROGRAMS

At Amer Sports, one of our goals is to inspire the children of the world to discover the fun of exercise, helping them stay healthy and active throughout their lives. We also believe in the power of sports to help people stay motivated and achieve more in their lives, even away from their athletic endeavors.

In 2009, Amer Sports and Liikery, a Finnish non-governmental organization, continued our third year of developing sports and education in Tanzania. The goal of the cooperation is to develop primary education, gender equity, health, school attendance and increased chances for secondary education through sports.

Over the past three years, Amer Sports has donated more than 16,000 Wilson soccer balls, basketballs, and volleyballs to more than 1,000 Tanzanian schools, which have been used by more than 500,000 children under the supervision of more than 4,000 Liikery trained teachers.

Our brands are also very active with charities around the world. Wilson is The Official Sporting Goods Equipment Sponsor of the Breast Cancer Research Foundation (BCRF), a non-profit organization whose mission is to achieve prevention and a cure for breast cancer in our lifetime. To date Wilson has donated over \$1.8 million to the Foundation and has developed a line of Hope racket and golf sports equipment and accessories, from which a portion of the proceeds are directed to the BCRF.

Bonfire snowboard apparel is the founding corporate partner of "Boarding for Breast Cancer" and has supported this organization since its inception. Boarding for Breast Cancer is a non-profit, youth-focused education, awareness, and fundraising foundation whose mission is to increase awareness about breast cancer, the importance of early detection and the value of an active lifestyle.

Amer Sports Winter & Outdoor in Utah is involved in many charitable programs throughout the community. The employees' commitment is evident through partnerships with the Ogden Nature Center, Weber Pathways, Sustainable Ogden Committee, the Utah Special Olympics, and many more. In Asia, Amer Sports China has performed volunteer work for a local orphanage in Chang Shu near Shanghai, donating toys, napkins and milk powder. The orphanage visits include playing and spending time with children.

Amer Sports Latin America, based in Mexico, manufactures a soccer ball titled "Vida," from which part of the revenue is donated to an institution, Casa de la Amistad, dedicated to helping chil-

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BOARD OF DIRECTORS' REPORT

The sporting goods industry's market conditions were challenging throughout 2009. Weak global economic conditions and uncertainty about the financial markets' performance affected the sporting goods sector, including Amer Sports. The US market continued to suffer more than the European market and, in general, there was less demand for high-ticket items. For Amer Sports this meant large sales declines in the Fitness and Golf businesses in particular. On the other hand,

the demand for low-ticket items remained relatively healthy, and some categories even saw clear growth, such as Salomon's footwear business.

NET SALES AND EBIT

Amer Sports net sales were EUR 1,533.4 million (1,576.6), seeing a fall of 3%. In local currency terms, net sales fell by 4%.

NET SALES BY BUSINESS SEGMENT

EUR million	2009	2008	Change %	Change % ^{*)}	% of sales 2009	% of sales 2008
Winter and Outdoor	862.6	860.8	0	0	56	55
Ball Sports	476.7	495.5	-4	-7	31	31
Fitness	194.1	220.3	-12	-15	13	14
Total	1,533.4	1,576.6	-3	-4	100	100

^{*)} In local currency terms

GEOGRAPHIC BREAKDOWN OF NET SALES

EUR million	2009	2008	Change %	Change % ^{*)}	% of sales 2009	% of sales 2008
EMEA	735.0	723.0	2	3	48	46
Americas	620.5	677.8	-8	-12	40	43
Asia Pacific	177.9	175.8	1	-3	12	11
Total	1,533.4	1,576.6	-3	-4	100	100

^{*)} In local currency terms

EBIT BY BUSINESS SEGMENT

EUR million	2009	2008	Change %	Change % ^{*)}	% of sales 2009	% of sales 2008
Winter and Outdoor	46.5	41.1	13	17	5.4	4.8
Ball Sports	23.5	37.0	-36	-40	4.9	7.5
Fitness	-7.5	3.8				1.7
Headquarters	-18.7	-3.0 ^{**)}				
Total	43.8	78.9	-44	-46	2.9	5.0

^{*)} In local currency terms

^{**)} Including EUR 13.1 million capital gain

The Group's EBIT was EUR 43.8 million (78.9). The weakened results reflect mainly Amer Sports operations in North America as well as a one-time charge of EUR 5 million (net income EUR 7 million).

Net financial expenses, which amounted to EUR 18.4 million (33.3), included EUR 6.2 million in unrealized foreign exchange gains. Earnings before taxes came to EUR 25.4 million (45.6). Taxes were positive EUR 6.0 million (-11.6) due to increased deferred net tax assets. The deferred tax adjusted tax rate was 18% (25%), which is in line with the Group's on-going tax rate of 20%. Earnings per share were EUR 0.28 (0.37).

CAPITAL EXPENDITURE

The Group's capital expenditure on fixed assets totaled EUR 39.5 (43.1) million, which is well in line with the depreciations of EUR 35.0 (38.2) million. The biggest projects were the roll-out of the global IT platform of

EUR 10 million and Precor's new strength equipment facility of EUR 4.5 million in North Carolina, USA.

RESEARCH AND DEVELOPMENT

EUR 52.0 million (55.6) was invested in research and development, representing 3.4% of net sales. Winter and Outdoor's share of R&D expenditure was 62%, while Ball Sports accounted for 12%, and Fitness for 26%.

FINANCIAL POSITION AND CASH FLOW

Amer Sports had interest-bearing liabilities at the end of December of EUR 404.1 million (687.7), consisting of short-term debt of EUR 121.3 million and long-term debt of EUR 282.8 million. Cash and cash equivalents amounted to EUR 121.6 million (72.1) at the end of the period. The Group's net debt was EUR 282.5 million (615.6). The hybrid bond is treated as equity. Amer Sports' total unused committed credit facilities amounted to EUR 275.0 million.

Type of debt	Commercial papers	Other	Bank loan	Syndicated credit facility* ¹	Bond	Pension loan	Other
EUR million	112	9	69** ¹	110	75	26	3
Share of debt, %	28	2	17	27	19	6	1
Maturity	← 6 months	2010	2011, 2012	2011, 2012	2011		

*¹ Unused portion was EUR 215 million
**¹ USD 100 million

Amer Sports has a EUR 325 million committed revolving credit facility, maturing in 2011 and 2012, of which EUR 110 million has been used. Furthermore, the company has, as of January 2009, committed revolving credit facilities of EUR 60 million, which matured in January 2010.

Amer Sports' long-term debt consists of a EUR 75 million Private Placement bond maturing in 2011, a USD 100 million term loan and draw-downs totaling EUR 110 million as part of the original EUR 575 million loan syndicate of 2005 (maturing in 2011 and 2012), and a EUR 25.7 million pension loan.

Short-term financing is mainly raised with a EUR 500 million domestic commercial paper program, of which EUR 112.3 million had been used by the end of December.

In March 2009, Amer Sports Corporation issued a EUR 60 million hybrid bond in order to strengthen its capital structure and to refinance existing debt. The coupon rate of the bond is 12.0% per annum. The bond has no maturity, but the company may call the bond

after three years. The hybrid bond is unsecured and subordinated to all senior debt and is treated as equity in Amer Sports consolidated financial statements. The hybrid bond does not confer shareholders' rights, nor does it dilute the holdings of shareholders.

The equity ratio at the end of December was 48.2% (30.6) and gearing was 38% (121).

Net cash flow from operating activities after interest and taxes was EUR 181.6 million (10.5). The substantial improvement in cash flow reflects a successful working capital reduction program. Net cash flow from investing activities was EUR -41.1 million (-14.6).

EUR 160 million rights offering

As part of Amer Sports' measures to improve its balance sheet, the company undertook a rights offering that was completed on October 23, 2009. The proceeds from the rights offering have been used to strengthen Amer Sports' financial position and to improve the company's operational and strategic flexibility. As a result of the rights offering, the number of Amer Sports' shares

increased by 48,471,734 to 121,517,285 shares. The total net proceeds of the rights offering amounted to EUR 151.5 million.

BUSINESS SEGMENT REVIEWS

WINTER AND OUTDOOR

EUR million	2009	2008	Change %	Change %*)
Net sales				
Winter Sports Equipment	371.7	378.9	-2	-1
Apparel and Footwear	304.7	277.9	10	11
Cycling	100.4	114.2	-12	-13
Sports Instruments	85.8	89.8	-4	-5
Net sales, total	862.6	860.8	0	0
EBIT	46.5	41.1	13	17
Personnel, Dec. 31	3,940	3,777	4	

*) In local currency terms

In 2009, Winter and Outdoor's net sales of EUR 862.6 million (860.8) were at last year's level in local currency terms. The breakdown of net sales by business area was as follows: Winter Sports Equipment 43%, Apparel and Footwear 35%, Cycling 12%, and Sports Instruments 10%. In 2009, the EMEA accounted for 68% of net sales, the Americas for 21%, and Asia Pacific for 11%.

EUR million	2009	2008	Change %	Change %*)
EMEA	585.4	558.8	5	6
Americas	181.1	202.3	-10	-12
Asia Pacific	96.1	99.7	-4	-6
Total net sales	862.6	860.8	0	0

*) In local currency terms

The EBIT of EUR 46.5 million (41.1) increased by 17% in local currency terms. The improvement reflects clearly better profitability in Winter Sports Equipment and the continued good level of profitability in Apparel and Footwear. The profitability of both Cycling and Sports Instruments weakened mainly due to lower sales.

Winter Sports Equipment

In 2009, Winter Sports Equipment's net sales of EUR 371.7 million (378.9) were at last year's level in local currencies. The biggest product categories were alpine ski equipment, representing 78% of net sales, cross country 12%, and snowboards 10%. Net sales of alpine ski equip-

ment fell in local currency terms by 3%, snowboards fell by 10% and cross country increased by 22%.

The development of sales showed very different patterns in the key markets during 2009. The alpine and Nordic countries started to show signs of recovery with favorable weather conditions. The North American market continued to weaken whereas the Asian market was flat. Industry sales were relatively stable as a whole, at approximately EUR 1.4 billion: alpine ski equipment EUR 1.0 billion, snowboards EUR 0.3 billion, and cross-country ski equipment EUR 0.1 billion. The EMEA continued to be the largest winter sports region representing 71% of global sales, followed by the Americas with 17%, and Asia Pacific with 12%.

After significant restructuring in 2008, 2009 was the first year for the Winter Sports Equipment business operating under its new structure. Winter Sports Equipment successfully completed its consolidation of the manufacturing sites from ten to six at the beginning of the year. In addition, the integration of the Bulgarian ski factory, which was acquired in 2008, proceeded according to plan. The Winter Sports Equipment business area produced a positive result after a very challenging period.

Apparel and Footwear

Net sales in Apparel and Footwear increased by 11% in local currency terms to EUR 304.7 million (277.9). Net sales by product categories were as follows: footwear 55% and apparel and gear 45%. Net sales of footwear increased in local currency terms by 15%, and apparel and gear by 6%. The EMEA continued to be the largest region representing 69% of global sales, followed by the Americas with 26%, and Asia Pacific with 5%.

Salomon strengthened its global position in the outdoor footwear market in 2009. The main growth drivers were the trail running footwear and the new progressive hiking-backpacking offer. The unique positioning of Salomon as the mountain apparel brand continued to generate positive results with sales growing faster than the market, especially in Europe. Ski apparel continued to grow and Salomon strengthened its position on the market. The Apparel and Footwear business is weighted towards the winter season. However, the outdoor and trail-running spring/summer collections have continued to be the fastest growing categories.

Despite a tough US environment and high exposure in the US market, Arc'teryx managed to increase its sales. This was mainly driven by a successful spring/summer collection.

Even though the US was the toughest market in 2009, Amer Sports estimates that its Apparel and Footwear business area's market share increased in the US.

The outdoor trend remained strong and trail running as a category continued to gain popularity. The business area's good profitability was maintained in 2009.

Cycling

Due to the challenging business climate in 2009, both independent bike dealers and bike manufacturers clearly reduced their inventories during the year. This resulted in a major fall in OEM orders and weak demand in the US especially.

Mavic saw net sales fall in local currencies by 13% to EUR 100.4 million (114.2). The biggest product categories were rims and wheels, representing 83% of net sales, and apparel and footwear 14%. Net sales of rims and wheels fell in local currency terms by 16%, and apparel and footwear by 3%. The distribution of Cycling's net sales by geographical areas was as follows: EMEA 65%, Asia Pacific 21%, and the Americas 14%.

At the beginning of 2009, Mavic decided to recall its R-System front wheels and replace the original carbon spokes with a new and stronger construction. Customers appreciated the way this recall was managed, which showed Mavic's continuous commitment to maintaining its strong brand image. Improving the supply chain and maintain tight control of expenses were key focus areas in 2009. Mavic's profitability weakened in 2009 due to lower sales volumes and the disruption caused by the recall of R-System wheels.

On September 1, 2009, Amer Sports announced that it was exploring strategic alternatives in respect of its cycling business and that the review could result in the divestment of Mavic. Amer Sports evaluated several different options, and reached the conclusion that the divestment of Mavic would not be in the best interest of shareholders. Instead Amer Sports will concentrate its efforts on further developing its cycling business.

Sports Instruments

Net sales of Sports Instruments fell by 5% in local currency terms to EUR 85.8 million (89.8). Over the years, wristop computers and diving instruments have consistently increased their share of Suunto's total net sales: reaching 80% of total business in 2009. Net sales of wristop computers increased in local currency terms by 3% and diving instruments fell by 13%. The distribution of net sales by geographical areas was as follows: EMEA 56%, the Americas 29%, and Asia Pacific 15%. Suunto's profitability weakened in 2009.

In 2009, Suunto entered the premium sports watch market with the Suunto Elementum collection.

Winter and Outdoor outlook 2010

The Winter and Outdoor segment is well positioned to continue to improve its profitability. The Apparel and Footwear business area continues to extend its direct-to-consumer program and its profitability is expected to remain at a good level. Within Winter Sports Equipment, Cycling and Sports Instruments the focus is on improving gross margins while maintaining tight cost control.

BALL SPORTS

EUR million	2009	2008	Change %	Change % ^{*)}
Net sales				
Racquet Sports	222.7	227.0	-2	-5
Team Sports	187.3	189.9	-1	-6
Golf	66.7	78.6	-15	-16
Net sales, total	476.7	495.5	-4	-7
EBIT	23.5	37.0	-36	-40
Personnel, Dec. 31	1,586	1,731	-8	

^{*)} In local currency terms

In 2009, Ball Sports net sales of EUR 476.7 million (495.5) fell by 7% in local currencies. The breakdown of net sales by business area was as follows: Racquet Sports 47%, Team Sports 39%, and Golf 14%. The Americas generated 63% of net sales, EMEA 23%, and Asia Pacific 14%.

EUR million	2009	2008	Change %	Change % ^{*)}
Americas	298.7	316.9	-6	-10
EMEA	111.5	119.1	-6	-4
Asia Pacific	66.5	59.5	12	4
Total	476.7	495.5	-4	-7

^{*)} In local currency terms

The EBIT of EUR 23.5 million (37.0) fell by 40% in local currency terms. The lower EBIT was the result of revenue declines and lower margins driven by the recessionary environment. The Americas and the Golf business area were impacted in particular. The 2009 revenue declines were also affected by the inventory destocking trend in retail.

Racquet Sports

In local currencies, Racquet Sports' net sales fell by 5% to EUR 222.7 million (227.0). The breakdown of Racquet Sports net sales by geographical areas was as follows: the Americas 42%, EMEA 36% and Asia Pacific 22%. In local currencies, the Americas saw a fall of 12%, EMEA fell by 2% whereas Asia Pacific grew by 6%. The decline in the Americas was driven by the poor economic

environment. The growth in Asia Pacific reflects a positive development in both Australia and Korea combined with the expanded distribution in China. Racquet Sports' profitability remained at a good level.

For 2009, market trends remained stable for Racquet Sports. Wilson's position as the leading tennis racket brand strengthened further. Its strong racket brand position was leveraged to drive growth in tennis strings and accessories. The biggest product categories were tennis rackets, representing 40% of net sales, and tennis balls 22%. Net sales of tennis rackets fell in local currency terms by 9%, and tennis balls were at last year's level.

Shipments of the new BLX racket line started in January 2010. Roger Federer, Juan Martin Del Potro, and Justine Henin debuted successfully the new technology at the 2010 Australian Open.

Team Sports

In local currencies, Team Sports' net sales fell by 6% to EUR 187.3 million (189.9). The breakdown of Team Sports net sales by geographical areas was as follows: the Americas 94%, EMEA 2% and Asia Pacific 4%. In local currencies, the Americas fell by 6%, the EMEA fell by 19% and Asia grew by 25%. Team Sports' profitability weakened due to revenue declines and lower margins driven by the recessionary environment.

The business environment in the Americas remained challenging due to the economic environment and the inventory destocking trend by the trade. The growth in Asia Pacific was driven by Korea, where the baseball strategies have been successful. The biggest product categories were American footballs, representing 21% of net sales, baseballs and gloves with 20%, baseball and softball bats with 17%, and basketballs with 15%. Net sales of American footballs fell in local currency terms by 10%, baseballs and gloves increased by 2%, baseball/softball bats were at last year's level, and basketballs fell by 4%.

Golf

In local currencies, Golf's net sales fell by 16% to EUR 66.7 million (78.6). The breakdown of net sales by geographical areas was: the Americas 44%, EMEA 44% and Asia Pacific 12%. In local currencies, the Americas fell by 25%, the EMEA fell by 4%, and Asia Pacific fell by 19%. The biggest product categories were clubs, representing 59% of net sales, and balls 26%. Net sales of clubs fell in local currencies by 15%, and balls by 21%.

The golf equipment market remained very competitive. The overall market decline created a challenge for brands and retailers alike. Wilson Golf's profitability was affected by the challenging market environment.

Wilson Golf's strategy is to focus on the iron category and the brand is committed to making the best irons in the industry. Several new award-winning products have been launched in 2010.

Ball Sports outlook 2010

A slight recovery is expected in the Ball Sports segment, driven by retail distribution gains and assumed restocking due to low trade inventory levels. Ball Sports' profitability is expected to improve mainly due to gross margin improvements and tight cost control.

FITNESS

EUR million	2009	2008	Change %	Change %*)
Net sales	194.1	220.3	-12	-15
EBIT	-7.5	3.8		
Personnel, Dec. 31	737	765	-4	

*) In local currency terms.

In 2009, Fitness' net sales fell by 15% in local currencies to EUR 194.1 million (220.3). The Americas accounted for 72% of net sales, EMEA for 20%, and Asia Pacific for 8%.

EUR million	2009	2008	Change %	Change %*)
Americas	140.7	158.8	-11	-15
EMEA	38.1	45.4	-16	-11
Asia Pacific	15.3	16.1	-5	-19
Total	194.1	220.3	-12	-15

*) In local currency terms

EBIT fell to EUR -7.5 million (3.8) due to the sharp fall in sales, which could not be fully offset by the cost reduction programs. In 2009 EBIT included a bad debt provision of EUR 5 million.

Fitness equipment manufacturers worldwide experienced significant reductions in sales in both the commercial and consumer markets during 2009. Of Precor's net sales, clubs and institutions represented 87% and home use was 13%.

The commercial business (clubs and institutions) fell by 14% in local currencies. A dependable driver of commercial equipment sales growth had been the opening of new facilities. With tightened credit markets and uncertain consumer spending, most fitness customers held off on expansion plans in 2009. Within existing facilities, a reduction in customer spending on extras such as personal training and pro-shop gear led to lower revenues, which in turn drove owners to cut expenses. Many chose to address expense cuts by deferring plans for new fitness equipment, preferring

to stretch the service life of their existing equipment. In the fourth quarter of 2009, commercial business saw a slight improvement as club operators increased their investments in new and replacement equipment.

The consumer (home use) business fell by 19% in local currencies. The market for consumer equipment experienced a second year of decline with the premium segment, where Precor competes particularly, exposed to the broader trend of reduced discretionary spending. Financial weakness among specialty fitness dealers, the primary distribution channel for premium home equipment, magnified market challenges.

Related to the construction of the new strength equipment production facility in North Carolina, Precor has had significant capital expenditures in 2009. The total amount is approximately EUR 4.5 million. The facility is now in use and will provide the required capacity for the recently launched selectorized strength lines and reduce manufacturing costs.

Fitness outlook 2010

In the near-term the outlook for the industry is uncertain. However, as 2009 progressed sales became more predictable and, in the fourth quarter, Precor returned to growth. Precor has strengthened its position during the downturn by continuing market penetration of the AMT®, successfully launching two new lines of strength equipment, and winning key international hospitality accounts. Precor is well positioned when demand returns in the fitness industry.

PERSONNEL

At the end of December, the Group employed 6,331 people (6,338). The Group employed an average of 6,362 people (6,285) during the review period.

	Dec. 31, 2009	Dec. 31, 2008	Change %
Winter and Outdoor	3,940	3,777	4
Ball Sports	1,586	1,731	-8
Fitness	737	765	-4
Headquarters	68	65	5
Total	6,331	6,338	

	Dec. 31, 2009	Dec. 31, 2008	Change %
EMEA	3,590	3,428	5
Americas	2,195	2,337	-6
Asia Pacific	546	573	-5
Total	6,331	6,338	

BOARD OF DIRECTORS AND MANAGEMENT OF THE COMPANY

Amer Sports Corporation reorganized its management model in 2009 by creating a single group-wide Amer Sports management team. The purpose of the new Executive Board is to strengthen the development and consistent execution of Amer Sports' corporate strategy across all business areas and regions, driving Group integration, common goals, and the Group's overall performance.

In 2009, the following new members were appointed to the Executive Board: Jean-Marc Pambet, President of Apparel and Footwear; Bernard Millaud, President of Cycling; Terhi Heikkinen, Senior Vice President Human Resources; and Antti Jääskeläinen, Chief Development Officer. Due to the change, the Amer Sports Executive Team ceased to exist.

On December 22, 2009, Amer Sports Board of Directors appointed Mr. Heikki Takala (MSc) as Amer Sports' President and CEO effective from April 1, 2010. Roger Talerio will continue in a special role assigned by Amer Sports Board of Directors until June 21, 2010, after which he will resign from the company. Pekka Paalanne, Executive Vice President and Deputy to the President and CEO was appointed as acting President and CEO from December 22, 2009, until March 31, 2010.

Amer Sports Executive Board members as of December 31, 2009:

- Pekka Paalanne, Acting President and CEO (December 22, 2009–March 31, 2010)
- Thomas Ehrnrooth, Senior Vice President Sales and Channel Management
- Vincent Wauters, Senior Vice President Supply Chain and Information Technology
- Terhi Heikkinen, Senior Vice President Human Resources
- Antti Jääskeläinen, Chief Development Officer
- Chris Considine, President of Ball Sports
- Paul Byrne, President of Fitness Equipment
- Juha Pinomaa, President of Sports Instruments
- Michael Schineis, President of Winter Sports Equipment
- Jean-Marc Pambet, President of Apparel and Footwear
- Bernard Millaud, President of Cycling

Amer Sports' Executive Board members are presented in more detail at www.amersports.com

CORPORATE GOVERNANCE STATEMENT

Amer Sports has issued its Corporate Governance statement as a separate report. Amer Sports' auditors

have checked that the statement has been issued and that the description of the main features of the internal control and risk management systems in relation to the financial reporting process is consistent with Amer Sports' financial statements. The Corporate Governance Code is publicly available on Amer Sports' website www.amersports.com, in the Corporate governance section.

SHARES AND SHAREHOLDERS

The company's paid-up share capital recorded in the Trade Register as of December 31, 2009 was EUR 292,182,204. On December 31, 2009, the company had a market capitalization of EUR 848.3 million (389.7), excluding own shares.

On October 23, 2009 the final outcome of Amer Sports' rights offering showed that 48,070,466 shares, representing 99.2% of the total number of shares offered, were subscribed for with subscription rights. The remaining 401,268 shares were subscribed for without subscription rights. As a result of the rights offering, the number of Amer Sports' shares increased on October 26, 2009, by 48,471,734 shares to 121,517,285 shares.

Amer Sports' rights offering

A total of 48,471,734 new shares were subscribed for in Amer Sports' rights offering. The subscription period for the offering ended on October 19, 2009. All the new shares were registered with the Trade Register on October 26, 2009. Following the registration, the total number of Amer Sports' shares is 121,517,285 shares. The new shares include the right to dividends and other distributions as well as other shareholder rights, effective from the registration date of October 26, 2009.

The highest price of the subscription rights on the OMX Helsinki Stock Exchange was EUR 2.15, and the lowest EUR 1.23, and the last trading price was EUR 2.11. In 2009, a total of 8.6 million shares were traded at a total price of EUR 13.1 million.

Trading in shares

Over the course of the period, a total of 71.0 million (101.3) Amer Sports shares were traded on the NASDAQ OMX Helsinki exchange, to a total value of EUR 458.3 million (1,172.5). The share turnover was 76.4% (139.6) (of the average number of shares, excluding own shares).

At the close of the review period, the last trading in Amer Sports Corporation shares was at EUR 7.00. The high for the period on the NASDAQ OMX Helsinki exchange was EUR 7.19, and the low EUR 3.67. The average share price was EUR 6.45.

MAJOR SHAREHOLDERS, DECEMBER 31, 2009

(INCLUDES NO NOMINEE REGISTRATIONS)

		% of shares
	Shares	and votes
1	Maa- ja Vesitekniikan Tuki ry.	5,000,000 4.1
2	Varma Mutual Pension Insurance Company	4,770,210 3.9
3	Ilmarinen Mutual Pension Insurance Company	4,191,668 3.4
4	Ilkka Brotherus	2,681,179 2.2
5	The State Pension Fund	1,937,556 1.6
6	Odin Norden	1,684,832 1.4
7	Tapiola Mutual Pension Insurance Company	1,614,500 1.3
8	Mandatum Life Insurance Company	1,609,680 1.3
9	Odin Finland	1,090,888 0.9
10	OP-Finland Value Fund	1,025,000 0.8

At the end of December, Amer Sports had 13,342 registered shareholders (12,320). Outside Finland, ownership and nominee registrations represented 52.6% (45.2%) of the shares. Public sector entities owned 12.5%, households 12.4%, financial and insurance corporations 11.7%, non-profit institutions 8.2%, and private companies 2.3%. Amer Sports had 334,900 own shares, which are owned by Amer Sports International Oy. The number of own shares corresponded to 0.3% of all Amer Sports shares.

Major changes in holdings

Amer Sports Corporation received information on February 19, 2009, to the effect that Novator Finland Oy converted all of its NASDAQ OMX forward contracts into direct holdings in shares of Amer Sports Corporation on February 18, 2009. After settlement of the NASDAQ OMX forward contracts concerning 7,000,000 shares in Amer Sports Corporation, Novator Finland Oy then held 14,688,900 shares, representing 20.11% of the shares and voting rights in Amer Sports Corporation. On July 2, 2009, Amer Sports Corporation was notified that Novator Finland Oy had sold its entire holding of shares in the company.

Amer Sports Corporation received information on February 19, 2009, to the effect that the Danske Bank A/S Helsinki Branch's share capital and voting rights in Amer Sports fell under 5% (1/20) on February 23, 2009, due to a transaction completed on February 18, 2009. The Danske Bank A/S Helsinki Branch held then no shares in Amer Sports Corporation.

The stock exchange announcements on major changes in shareholdings in 2009 can be found on the

Amer Sports Web pages at www.amersports.com/investors.

Disclosure of control

Amer Sports' Board of Directors is not aware of any natural or legal persons who have control over the company or has information on these persons' portion of the voting rights of the shares and of the total number of shares.

Agreements and arrangements relating to shareholdings and use of voting rights

Amer Sports' Board of Directors is not aware of any agreements or arrangements concerning the ownership of the company's shares and the use of their voting rights.

Shareholdings of the Board of Directors and Executive Board, December 31, 2009

Shareholder	Shares	Circle of acquaintances and controlled corporations
Board of Directors		
Ilkka Brotherus	2,681,179	10,250
Martin Burkhalter	5,091	
Christian Fischer	5,091	
Hannu Ryöppönen	3,375	14,175
Bruno Sälzer	5,091	
Anssi Vanjoki	23,416	
Pirjo Väliäho	7,302	
Executive Board		
Paul Byrne	0	
Chris Considine	7,150	
Thomas Ehrnrooth	22,500	
Terhi Heikkinen	0	
Antti Jääskeläinen	0	
Bernard Millaud	6,875	
Pekka Paalanne	52,000	
Jean-Marc Pambet	6,875	
Juha Pinomaa	5,850	15
Michael Schineis	10,000	
Vincent Wauters	24,491	
TOTAL	2,866,286	24,440
% of shares	2.36	
Including circle of acquaintances and controlled corporations		
	2,890,726	
% of shares	2.38	

Exercise of warrants

The highest price of the 2004 warrants on the OMX Helsinki Stock Exchange was EUR 1.30, and the lowest EUR 0.11. In 2009, a total of 5,700 warrants were traded at a total price of EUR 4,609.

Amendments to the terms and conditions of the warrant programs

Pursuant to the terms and conditions of Amer Sports' warrant programs, Amer Sports' Board of Directors must amend the terms and conditions of the warrant programs to take into account the impact of the rights offering by adjusting the exercise price of the warrants and/or the number of shares that can be subscribed for through exercise of the warrants in a manner to be determined by the Board of Directors. On October 29, 2009, Amer Sports' Board of Directors decided on such amendments. The terms and conditions of its publicly traded 2004 warrants were amended to the effect that each 2004 warrant entitles its holder to subscribe for five shares at the subscription price of EUR 9.44 per share.

RESOLUTIONS OF THE GENERAL

MEETINGS OF SHAREHOLDERS

Amer Sports' Annual General Meeting of shareholders, which was held on March 5, 2009, authorized the Board of Directors to decide on issuing new shares on the following terms and conditions: New shares may be issued and the company's own shares held by the company may be conveyed against payment ("Share Issue Against Payment") to the company's shareholders in proportion to their current shareholdings in the company. By virtue of the authorization, the Board of Directors is entitled to decide on issuing a maximum of 7,000,000 new shares. The subscription price of the new shares shall be booked to the invested unrestricted equity reserve. The authorization to issue shares is valid for two years from the date of the decision of the Annual General Meeting.

On March 5, 2009, the Annual General Meeting re-elected Anssi Vanjoki, Ilkka Brotherus, Pirjo Väliäho, Martin Burkhalter, Christian Fischer, and Bruno Sälzer as members of the Board of Directors, and appointed Hannu Ryöppönen as a new board member. The Board's term of service will run until the close of the 2010 Annual General Meeting. The Authorized Public Accountant PricewaterhouseCoopers Oy was elected to act as the company's auditor. Jouko Malinen, Authorized Public Accountant, was elected as the auditor in charge of the audit.

Extraordinary General Meeting, September 23, 2009

The Extraordinary General Meeting of Amer Sports' shareholders held on September 23, 2009, authorized the Board of Directors to undertake a share issue for consideration in which the shareholders were entitled to subscribe for new shares in proportion to their existing shareholdings. The Board of Directors was authorized to decide upon offering any shares that may remain unsubscribed for pursuant to the shareholders' pre-emptive rights to parties determined by the Board of Directors. By virtue of the authorization, the Board of Directors was entitled to decide on issuing a maximum of 150,000,000 new shares in the share issue. The Board of Directors was authorized to determine the other terms and conditions of the share issue. The authorization of the Board of Directors to undertake the share issue did not supersede or otherwise invalidate the share issue authorization granted to the Board of Directors by the Annual General Meeting on March 5, 2009.

Authorization to repurchase or convey own shares

Amer Sports did not acquire any of its own shares during 2009. Amer Sports' Board of Directors does not have a valid authorization to acquire or dispose of Amer Sports' own shares.

The documentation and press releases related to the meetings are available on the company's website, at www.amersports.com.

SIGNIFICANT RISKS AND UNCERTAINTIES

Amer Sports' business is balanced by its broad portfolio of sports and brands as well as its presence in all major markets. Amer Sports Corporation's short-term risks are particularly associated with consumer demand in North America and Europe and successful execution of its cost reduction and efficiency improvement measures.

For example, the following risks can potentially have an impact on the company's development:

- The United States represents 40% of the world-wide sporting goods market and approximately 40% of Amer Sports' sales. There is a correlation between the demand for sporting goods and the development of US retail sales. Therefore, a change in overall US retail sales can have an impact on Amer Sports' business.
- Winter sports equipment represents 24% of Amer Sports' sales. Weather conditions can have an impact on the company's results. Historically, however, poor snow conditions in one region are compensated for by good snow conditions in another region.
- A change in the euro's value vis-à-vis other currencies has an impact on Amer Sports' results. The impact, however, is limited due to the fact that the company's euro-US dollar position is relatively balanced.
- Despite extensive testing of its products before market launch, the company cannot completely rule out the risk of product recalls and legal actions related to product liability. Amer Sports has standard insurance cover against the financial consequences of product recalls and product liability cases. Product quality issues could harm Amer Sports' reputation and, as a result, could have an adverse effect on its sales.
- Losing a significant client would affect Amer Sports' sales. However, this risk is limited because Amer Sports' client base is diversified, with the five largest clients accounting for less than 10% of the company's annual sales.
- Amer Sports uses steel, rubber, and oil-based raw materials and components in its products. Price increases affecting these materials can have a negative impact on product costs. Amer Sports typically introduces new products every year, which can, depending on the market situation, offset the impact of material cost increases.
- A large part of Amer Sports' production is outsourced. The aim is to minimize the supply, quality, and price risks associated with purchasing. Although the business areas audit their subcontractors regularly, possible delivery problems or breaches of contract by subcontractors may have an impact on Amer Sports' operations.
- Amer Sports' most important production facilities are the Winter Sports Equipment factories in Austria and Bulgaria, Precor's factory in the United States, and Suunto factory in Finland. In addition, Amer Sports has major factories in Eastern Europe, which are owned by subcontractors. Amer Sports' most important distribution centers are located in Germany, Austria, the United States, and France. Any unexpected production or delivery breaks in these units would have a negative impact on the company's business.
- A characteristic feature of the sporting goods industry is the need to protect intellectual property rights and disputes connected with them. The material impacts on Amer Sports' financial position and operational result arising from pending litigation affecting the business areas and decisions of the authorities are assessed regularly, and current estimates are presented publicly when necessary.
- Amer Sports has goodwill and intangible assets with indefinite useful lives of EUR 453 million on its balance sheet, as at December 31, 2009, which is 62% of the company's net equity. The valuation of

goodwill and intangible assets on Amer Sports' consolidated balance sheet is, to a significant degree, dependent on management estimates of the future cash generation capacity of those assets. Management reviews the carrying amounts of its goodwill and intangible assets annually to determine whether there is any indication of impairment. The company undertook goodwill and intangible asset impairment testing during the fourth quarter of 2009 and did not recognize any impairment in its 2009 financial statements.

- Amer Sports sources a significant portion of its products from subcontractors located throughout Asia, which exposes it to the political, economic, and regulatory conditions in that area, and to a variety of local business and labor practice issues. The violation of labor laws, regulations or standards by Amer Sports' subcontractors, or the divergence of those subcontractors' labor practices from those generally accepted as ethical in the European Union or the international community, could have a material adverse effect on Amer Sports' public image and the reputation of its brands.
- Amer Sports relies on data communications to operate its business, and it is in the process of integrating its IT platform globally and implementing further applications to better control its supply chain. System failures and service interruptions may occur as the result of a number of factors. Any of these factors could have a material adverse affect on Amer Sports' business.

OUTLOOK FOR 2010

Amer Sports does not anticipate a quick recovery in the sporting goods market, and therefore the company's key priority is to improve its profitability through gross margin improvements and continued tight cost control.

The company will also continue to focus on strict working capital management, although an improvement similar to the previous year cannot be expected. Capital expenditures and other investments will remain at the previous year's level. The company's tax rate is expected to be approximately 20%.

DIVIDEND POLICY

Amer Sports wants to be seen as a competitive investment that increases shareholder value through a combination of dividends and share price performance. The company therefore pursues a progressive dividend policy reflecting its results, with the objective of distributing a dividend of at least one-third of annual net profits.

BOARD OF DIRECTORS' PROPOSAL FOR DISTRIBUTION OF EARNINGS

The parent company's unrestricted shareholders' equity amounts to EUR 407,895,630.60, of which the net result for the period is EUR -27,979,155.99.

The Board of Directors proposes to the Annual General Meeting that the distributable earnings be used as follows:

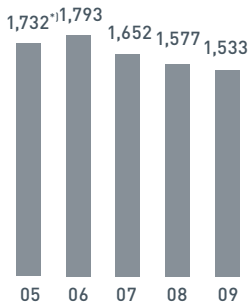
- A dividend of EUR 0.16 per share, totaling EUR 19,442,765.60 to be paid to shareholders
- EUR 388,452,865.00 to be carried forward in unrestricted shareholders' equity

Totaling EUR 407,895,630.60

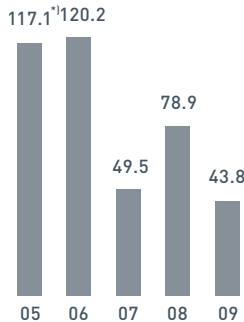
No dividend will be paid for own shares held by the company.

There have been no significant changes to the company's financial position since the close of the financial period. According to the Board of Directors, the proposed dividend distribution does not endanger the company's financial standing.

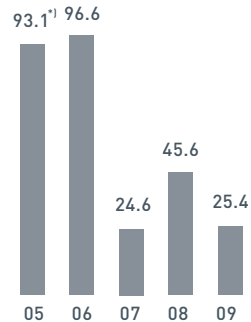
NET SALES, EUR MILLION



EBIT, EUR MILLION



EARNINGS BEFORE TAXES, EUR MILLION



NET SALES BY BUSINESS SEGMENT

EUR million	2009	%	2008	Change %
Winter and Outdoor	862.6	56	860.8	0
Ball Sports	476.7	31	495.5	-4
Fitness	194.1	13	220.3	-12
Total	1,533.4	100	1,576.6	-3

EBIT BY BUSINESS SEGMENT

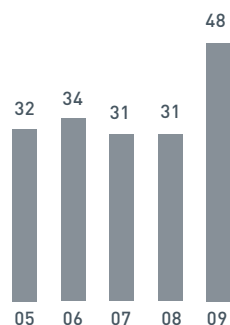
EUR million	2009	% of net sales	2008	% of net sales
Winter and Outdoor	46.5	5	41.1	5
Ball Sports	23.5	5	37.0	7
Fitness	-7.5		3.8	2
Headquarters	-18.7		-3.0*	
Total	43.8	3	78.9	5

*] Including EUR 13.1 million capital gain

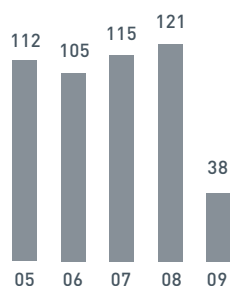
GEOGRAPHIC BREAKDOWN OF NET SALES

EUR million	2009	%	2008	Change %
EMEA	735.0	48	723.0	2
Americas	620.5	40	677.8	-8
Asia Pacific	177.9	12	175.8	1
Total	1,533.4	100	1,576.6	-3

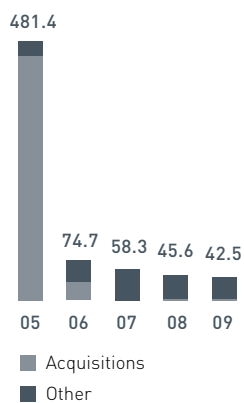
EQUITY RATIO, %



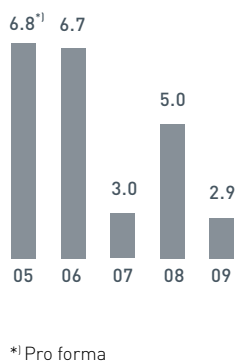
GEARING, %



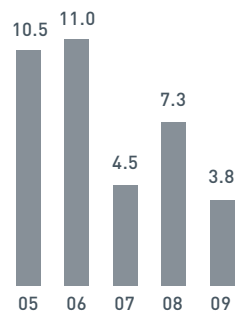
CAPITAL EXPENDITURE, EUR MILLION



EBIT, %



RETURN ON INVESTMENT, %



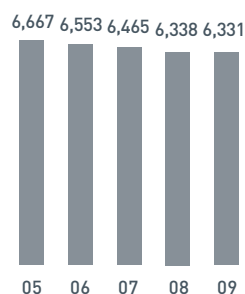
PERSONNEL BY BUSINESS SEGMENT

	At year end		Average	
	2009	2008	2009	2008
Winter and Outdoor	3,940	3,777	3,906	3,686
Ball Sports	1,586	1,731	1,665	1,720
Fitness	737	765	720	816
Headquarters	68	65	71	63
Total	6,331	6,338	6,362	6,285

PERSONNEL BY COUNTRY

	At year end	
	2009	2008
USA	1,503	1,586
France	970	1,015
Austria	795	711
Canada	554	605
Bulgaria	464	324
Finland	377	396
Germany	302	310
UK	195	200
China	183	179
Japan	164	171
Mexico	83	88
Switzerland	71	72
Taiwan	68	70
Malta	65	65
Russia	65	46
Spain	58	60
Brazil	55	58
Italy	53	54
Australia	52	60
Other countries	254	268
Total	6,331	6,338

EMPLOYEES AT YEAR END



QUARTERLY NET SALES

EUR million	I	II	III	IV	I	II	III	IV
	2009	2009	2009	2009	2008	2008	2008	2008
Winter and Outdoor	164.4	106.6	262.4	329.2	162.0	104.6	267.6	326.6
Ball Sports	142.9	135.7	103.4	94.7	144.0	130.9	110.6	110.0
Fitness	48.0	42.4	44.8	58.9	57.0	49.6	55.0	58.7
Total	355.3	284.7	410.6	482.8	363.0	285.1	433.2	495.3

QUARTERLY EBIT

EUR million	I	II	III	IV	I	II	III	IV
	2009	2009	2009	2009	2008	2008	2008	2008
Winter and Outdoor	-10.9	-29.2	44.1	42.5	-14.6	-26.7	45.7	36.7
Ball Sports	11.5	7.4	2.4	2.2	15.7	11.3	6.6	3.4
Fitness	-3.4	-2.2	-1.4	-0.5	3.7	-0.4	2.8	-2.3
Headquarters	-4.1	-5.4	-4.4	-4.8	-4.8	8.0	-3.6	-2.6
Total	-6.9	-29.4	40.7	39.4	0.0	-7.8	51.5	35.2

FIVE-YEAR REVIEW (IFRS)

EUR million	2009	Change, %	2008	2007	2006	2005
Net sales	1,533.4	-3	1,576.6	1,652.0	1,792.7	1,363.7
Depreciation	35.0	-8	38.2	33.9	32.2	20.1
Research and development expenses	52.0	-6	55.6	57.7	58.5	39.4
% of net sales	3		4	3	3	3
EBIT	43.8	-44	78.9	49.5	120.2	82.3
% of net sales	3		5	3	7	6
Net financing expenses	-18.4	-45	-33.3	-24.9	-23.6	-9.0
% of net sales	1		2	2	1	1
Earnings before taxes	25.4	-44	45.6	24.6	96.6	73.3
% of net sales	2		3	1	5	5
Taxes	-6.0		11.6	6.1	26.1	-2.1
Net result attributable to equity holders of the parent company	31.3	-8	33.9	18.1	70.3	75.2
Capital expenditure and acquisitions	42.5	-7	45.6	58.3	74.7	481.4
% of net sales	3		3	4	4	35
Divestments	1.4	-95	31.0	5.7	2.8	9.6
Non-current assets	693.0	1	688.0	682.6	674.5	700.9
Inventories	234.6	-32	346.0	299.2	290.4	301.6
Current receivables	475.4	-14	555.8	594.7	647.1	635.1
Cash and cash equivalents	121.6	69	72.1	68.0	45.5	48.7
Shareholders' equity	735.3	45	508.1	509.7	556.1	536.2
Interest-bearing liabilities	404.1	-41	687.7	656.2	630.9	649.7
Interest-free liabilities	385.2	-17	466.1	478.6	470.5	500.4
Balance sheet total	1,524.6	-8	1,661.9	1,644.5	1,657.5	1,686.3
Return on investment (ROI), %	3.8		7.3	4.5	11.0	10.5
Return on shareholders' equity (ROE), %	5.0		6.7	3.5	12.9	15.1
Equity ratio, %	48		31	31	34	32
Debt to equity ratio	0.6		1.4	1.3	1.1	1.2
Gearing, %	38		121	115	105	112
Average personnel	6,362	1	6,285	6,582	6,786	4,968

Calculation of key indicators, see page 120.

SHARE CAPITAL AND PER SHARE DATA

EUR million	2009	2008	2007	2006	2005
Share capital	292.2	292.2	289.3	286.8	285.9
Number of shares in issue, million	121.5	73.1	72.3	71.7	71.5
Adjusted number of shares in issue, million	121.5 ¹⁾	93.5	92.4	91.7	91.4
Adjusted number of shares in issue less own shares, million	121.2 ¹⁾	93.0	91.9	91.7	91.4
Adjusted average number of shares in issue less own shares, million	97.7 ¹⁾	92.7	92.1	91.4	91.3
Share issues					
Share issue, net	151.5 ²⁾	-	-	-	-
Targeted share issue	-	2.9	2.5	0.9	0.2
Earnings per share, continuing operations, EUR	0.28 ¹⁾	0.37	0.20	0.77	0.82
Earnings per share, diluted, continuing operations, EUR	0.28 ¹⁾	0.37	0.20	0.76	0.81
Equity per share, EUR	6.05 ¹⁾	5.44	5.51	6.03	5.83
Total dividends	19.4 ³⁾	11.6	36.3	36.0	35.7
Dividend per share, EUR	0.16 ¹⁾³⁾	0.13	0.39	0.39	0.39
Dividend % of earnings	62 ³⁾	34	201	51	48
Effective yield, %	2.3 ³⁾	3.0	2.7	3.0	3.2
P/E ratio	25.4	11.4	74.0	17.0	14.9
Market capitalization	848.3	389.7	1,329.1	1,195.9	1,124.2
Share value, EUR					
Counter book value	4.00	4.00	4.00	4.00	4.00
Share price low	3.67 ¹⁾	3.83	12.13	11.54	9.64
Share price high	7.19 ¹⁾	14.86	16.81	14.86	13.37
Average share price	6.45 ¹⁾	9.06	13.58	13.16	11.46
Share price at closing date	7.00 ¹⁾	4.19	14.46	13.04	12.30
Trading volume	458.3	1,172.5	2,817.9	1,115.2	822.1
1,000s	71,036	101,259	162,204	66,251	56,119
%	76	140	225	93	79
Number of shareholders	13,342	12,320	12,280	14,351	14,588

¹⁾ The share-based key indicators of previous years have been adjusted for the impact of the share issue in 2009.

²⁾ Gross proceeds of EUR 160.0 million less expenses EUR 8.5 million.

³⁾ Proposal of the Board of Directors for 2009.

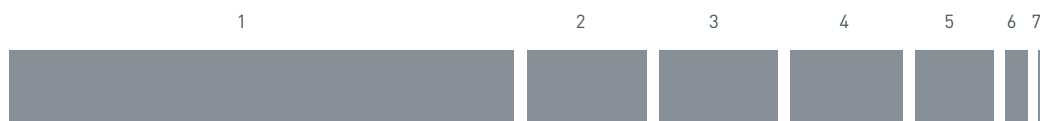
Calculation of key indicators, see page 120.

SHARES/SHAREHOLDER AS OF DECEMBER 31, 2009

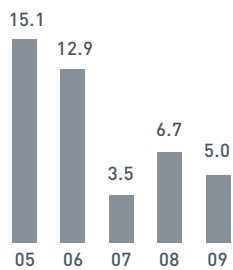
	Shareholders	% of shares	Shares	% of shares
1-100	2,287	17.1	128,865	0.1
101-1,000	7,700	57.7	3,331,601	2.7
1,001-10,000	3,069	23.0	7,935,369	6.5
10,001-100,000	210	1.6	5,812,333	4.8
Over 100,000	63	0.5	44,341,680	36.5
Nominee registered	13	0.1	59,632,537	49.1
Own shares held by the company			334,900	0.3
TOTAL	13,342	100.0	121,517,285	100.0

SECTORS AS OF DECEMBER 31, 2009

- 1 Outside Finland and nominee registrations 52.6%
- 2 Public sector entities 12.5%
- 3 Households 12.4%
- 4 Financial and insurance corporations 11.7%
- 5 Non-profit institutions 8.2%
- 6 Private companies 2.3%
- 7 Own shares 0.3%



RETURN ON SHAREHOLDERS' EQUITY, %



EARNINGS PER SHARE, EUR



*1) Pro forma

Adjusted for the impact of the share issue in 2009.

CONSOLIDATED INCOME STATEMENT (IFRS)

EUR million	Note	2009	2008
NET SALES		1,533.4	1,576.6
Cost of goods sold	7	-913.4	-943.6
GROSS PROFIT		620.0	633.0
License income		8.2	14.3
Other operating income	4	4.6	18.9
R&D expenses	7	-52.0	-55.6
Selling and marketing expenses	7	-398.6	-406.2
Administrative and other expenses	7, 8, 9	-138.4	-125.5
EARNINGS BEFORE INTEREST AND TAXES	5, 6, 7	43.8	78.9
% of net sales		2.9	5.0
Financing income	10	7.1	1.2
Financing expenses	10	-25.5	-34.5
Financing income and expenses		-18.4	-33.3
EARNINGS BEFORE TAXES		25.4	45.6
Taxes	11	6.0	-11.6
NET RESULT		31.4	34.0
Attributable to:			
Equity holders of the parent company		31.3	33.9
Minority interests		0.1	0.1
Earnings per share of the net result attributable to equity holders of the parent company, EUR	12		
Undiluted		0.28	0.37
Diluted		0.28	0.37
The earnings per share for the previous year has been adjusted for the effect of the share issue in 2009.			
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME			
Net result		31.4	34.0
Other comprehensive income			
Translation differences		-0.5	4.3
Cash flow hedges		1.1	-4.7
Income tax related to cash flow hedges		-0.3	1.2
Other comprehensive income, net of tax		0.3	0.8
TOTAL COMPREHENSIVE INCOME		31.7	34.8
Total comprehensive income attributable to:			
Equity holders of the parent company		31.6	34.7
Minority interests		0.1	0.1
The notes are an integral part of consolidated financial information.			

CONSOLIDATED CASH FLOW STATEMENT (IFRS)

EUR million	Note	2009	2008
NET CASH FLOW FROM OPERATING ACTIVITIES			
EBIT		43.8	78.9
Depreciation		35.0	38.2
Adjustments to cash flow from operating activities	22	-0.4	-17.6
Cash flow from operating activities before change in working capital		78.4	99.5
Increase (-) or decrease (+) in inventories		111.2	-46.3
Increase (-) or decrease (+) in trade and other current receivables		73.9	50.2
Increase (+) or decrease (-) in interest-free current liabilities		-48.4	-46.5
Change in working capital		136.7	-42.6
Cash flow from operating activities before financing items and taxes		215.1	56.9
Interest paid		-21.6	-33.1
Interest received		0.7	1.2
Income taxes paid		-12.6	-14.5
Financing items and taxes		-33.5	-46.4
Total net cash flow from operating activities		181.6	10.5
NET CASH FLOW FROM INVESTING ACTIVITIES			
Acquired operations	3	-3.0	-2.5
Company divestments	3	-	3.6
Capital expenditure on non-current tangible assets		-28.4	-37.0
Capital expenditure on non-current intangible assets		-11.1	-6.1
Proceeds from sale of tangible non-current assets		1.4	27.4
Interest received from non-current receivables		0.0	0.0
Net cash flow from investing activities		-41.1	-14.6
NET CASH FLOW FROM FINANCING ACTIVITIES			
Share issue, net	18	151.5	-
Change in short-term borrowings		-58.4	-4.4
Withdrawals of long-term borrowings		-	40.0
Repayments of long-term borrowings		-225.2	-4.1
Dividends paid *)		-11.8	-36.4
Hybrid bond	29	60.0	-
Other financing items **)		-7.3	11.3
Net cash flow from financing activities		-91.2	6.4
CHANGE IN CASH AND CASH EQUIVALENTS		49.3	2.3
Cash and cash equivalents			
Cash and cash equivalents at year end		121.6	72.1
Translation differences		0.2	1.8
Cash and cash equivalents at year beginning		72.1	68.0
Change in cash and cash equivalents		49.3	2.3

*) Dividends paid also include the dividend distributed to minority interests (2009: EUR 0.2 million, 2008: EUR 0.1 million).

**) Including, for example, cash flow from hedging intercompany balance sheet items.

The above figures cannot be directly traced from the balance sheet due to acquisitions/divestments of subsidiaries and changes in rates of exchange.

The notes are an integral part of consolidated financial information.

CONSOLIDATED BALANCE SHEET (IFRS)

ASSETS			
EUR million	Note	2009	2008
NON-CURRENT ASSETS			
	13		
Intangible rights		192.9	198.0
Goodwill		273.6	279.3
Other intangible assets		17.2	9.5
Land and water		15.2	15.3
Buildings and constructions		47.6	48.3
Machinery and equipment		66.6	64.2
Other tangible assets		0.7	0.7
Advances paid and construction in progress		4.9	6.8
Available-for-sale financial assets	14	0.8	0.8
Deferred tax assets	15	71.9	60.8
Other non-current receivables		1.6	4.3
TOTAL NON-CURRENT ASSETS		693.0	688.0
CURRENT ASSETS			
INVENTORIES			
	16		
Raw materials and consumables		37.7	49.3
Work in progress		6.4	10.3
Finished goods		190.5	286.4
		234.6	346.0
RECEIVABLES			
Accounts receivable	16	401.2	479.1
Loans receivable		0.3	0.3
Current tax assets		15.1	13.2
Prepaid expenses and other receivables	17	58.8	63.2
		475.4	555.8
CASH AND CASH EQUIVALENTS	14	121.6	72.1
TOTAL CURRENT ASSETS		831.6	973.9
TOTAL ASSETS	28	1,524.6	1,661.9

The notes are an integral part of consolidated financial information.

SHAREHOLDERS' EQUITY AND LIABILITIES

EUR million	Note	2009	2008
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY			
	18		
Share capital		292.2	292.2
Premium fund		12.1	12.1
Fund for own shares		-5.6	-5.7
Translation differences		-63.0	-62.5
Fair value and other reserves	26	-5.4	-6.2
Invested unrestricted equity reserve		151.5	-
Hybrid bond	29	60.0	-
Retained earnings		259.6	241.7
Net result		31.3	33.9
TOTAL		732.7	505.5
MINORITY INTERESTS			
		2.6	2.6
TOTAL SHAREHOLDERS' EQUITY		735.3	508.1
LIABILITIES			
LONG-TERM LIABILITIES			
Bonds	19	75.0	75.0
Loans from financial institutions	19	179.6	327.0
Pension loans	19	25.7	31.4
Other interest-bearing liabilities	19	2.5	1.5
Deferred tax liabilities	15	7.8	7.5
Other interest-free liabilities		6.6	14.5
Provisions	21	10.3	14.0
		307.5	470.9
CURRENT LIABILITIES			
Interest-bearing liabilities	19	121.3	252.8
Accounts payable		135.9	178.5
Accrued liabilities	20	196.3	196.6
Current tax liabilities		7.8	13.9
Provisions	21	20.5	41.1
		481.8	682.9
TOTAL LIABILITIES	28	789.3	1,153.8
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		1,524.6	1,661.9

The notes are an integral part of consolidated financial information.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (IFRS)

EUR million

Balance at January 1, 2008

Comprehensive income

Dividend distribution

Reissuance of own shares

Share-based incentive plans expensed

Warrants exercised

Other change in minority interests

Balance at December 31, 2008

Comprehensive income

Share issue, net

Dividend distribution

Reissuance of own shares

Hybrid bond

Other change in minority interests

Balance at December 31, 2009

Note 18 provides additional information on shareholders' equity, note 26 on the fair value and other reserves and note 15 on the taxes charged to shareholders' equity.

The notes are an integral part of consolidated financial information.

Attributable to equity holders of the parent company

Share capital	Premium fund	Fund for own shares	Translation differences	Fair value and other reserves	Invested unrestricted equity reserve	Hybrid bond	Retained earnings	Total	Minority interests	Total shareholders' equity
289.3	15.0	-7.5	-66.8	-2.7	-	-	278.9	506.2	3.5	509.7
			4.3	-3.5			33.9	34.7	0.1	34.8
							-36.3	-36.3	-0.1	-36.4
		1.8						1.8		1.8
							-0.9	-0.9		-0.9
2.9	-2.9							0.0		0.0
									-0.9	-0.9
292.2	12.1	-5.7	-62.5	-6.2	-	-	275.6	505.5	2.6	508.1
			-0.5	0.8			31.3	31.6	0.1	31.7
					151.5			151.5		151.5
							-11.6	-11.6	-0.2	-11.8
		0.1						0.1		0.1
						60.0	-4.4	55.6		55.6
									0.1	0.1
292.2	12.1	-5.6	-63.0	-5.4	151.5	60.0	290.9	732.7	2.6	735.3

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

GENERAL

Amer Sports Corporation is a Finnish public listed company that is domiciled in Helsinki.

Amer Sports Corporation and its subsidiaries ("the Group") manufacture, sell and market sports equipment, apparel and footwear to the sports equipment trade. The Group's business is founded on its globally recognized brands – the major brands are Wilson, Salomon, Precor, Atomic, Mavic, Suunto and Arc'teryx.

The Group has its own operations in 29 countries and its main market areas are the United States and Europe.

These financial statements were authorized for issue by the Board of Directors on February 4, 2010.

BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) approved for use in the EU, observing the IAS and IFRS standards and SIC and IFRIC interpretations in force as of December 31, 2009. In the Finnish Accounting Act and the provisions issued under it, International Financial Reporting Standards refer to standards approved for use in the EU in accordance with the procedure laid down in the EU regulation (EC) No 1606/2002, and their interpretations.

The Group has applied the following new and revised standards as of January 1, 2009:

- IAS 1 (revised): "Presentation of financial statements". The revised standard prohibits the presentation of income and expenses items (that is, "non-owner changes in equity") in the statement of changes in equity, requiring "non-owner changes in equity" to be presented separately from owner changes in equity. All non-owner changes in equity are required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and the statement of comprehensive income). Where entities restate or reclassify comparative information, they are required to present a restated balance sheet as from the beginning of the comparative period in addition to the current requirement to present balance sheets for the end of the current period and of the comparative period. Both the income statement and the statement of comprehensive income are presented as performance statements.
 - IFRS 7 (amended): "Enhancing disclosures on financial instruments". The amendment requires enhanced disclosure about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of hierarchy. As the change in accounting policy only results in additional disclosures, there is no impact on earnings per share.
 - IFRS 8: "Operating segments". IFRS 8 replaces IAS 14, "Segment reporting." The new standard requires a "management approach" under which segment information is presented on the same basis as that used for internal reporting purposes. IFRS 8 has not changed the company's segmentation which is consistent with the company's internal reporting. Furthermore, IFRS 8 requires disclosures, e.g., about company's geographical areas of operation and significant customers.
- The following new and amended standards and interpretations that came into effect in 2009 did not have material impact on the Group's financial statements:
- IFRS 2 (amendment): "Share-based payment" deals with vesting conditions and cancellations.
 - IAS 23 (revised): "Borrowing costs" changes the accounting policy in respect of borrowing costs relating to qualifying assets for which the commencement date for capitalization is on or after January 1, 2009. The borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset shall be capitalized as part of the cost of that asset.
 - IAS 1 and IAS 32 (amendments): "Financial instruments puttable at fair value and obligations arising on liquidation"
 - IAS 39 (amendment): "Financial instruments: recognition and measurement – eligible hedged items"
 - IFRIC 11, IFRS 2: "Group and treasury share transactions"
 - IFRIC 13: "Customer loyalty programs"
 - IFRIC 14, IAS 19: "The limit on a defined benefit asset, minimum funding requirements and their interaction"

- Small changes to various standards or interpretations as part of the annual improvements to IFRS project.

The Group will adopt the amendments in the standard IFRS 3 ("Business combinations") in 2010. Among other things the amendments include a requirement to expense all transaction costs and they affect the value of goodwill recognized in business combinations. In accordance with the transitional provisions of the standard, business combinations with an acquisition date prior to the effective date of the standard are not adjusted.

The following amendments and interpretations that will come into force in 2010 are expected not to have any material effect on the consolidated financial statements, as currently estimated by the Group (not yet approved for use in the EU):

- IFRS 1 (amendment): "First-time adoption of financial instruments" – additional exemptions for first-time adopters
- IFRS 2 (amendment): "Share-based payment" – group cash-settled share-based payment transactions
- IFRIC 9 and IAS 39 (amendment): "Reassessment of embedded derivatives on reclassification"
- IFRIC 18: "Transfers of assets from customers"

The following standards, interpretations and amendments will be adopted in 2011 or later (not yet approved for use in the EU):

- IFRS 9: "Financial instruments" represents the first milestone in the IASB's planned replacement of IAS 39
 - IAS 24 (revised): "Related party disclosures"
 - IAS 32 (amendment): "Financial instruments: presentation" – classification of rights issues
 - IFRIC 19: "Extinguishing financial liabilities with equity instruments"

The consolidated financial statements are presented in millions of euros and are based on historical cost conventions with the exception of available-for-sale financial assets, financial assets and liabilities measured at fair value through profit and loss as well as derivative financial instruments at fair value.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include all subsidiaries in which the parent company holds directly or indirectly more than half of the votes or otherwise controls the subsidiary as well as affiliated companies in which the Group holds 20–50% of the voting rights or in which it otherwise has considerable influence. Companies acquired during the financial year have been included in the consolidated financial statements from the date when control was obtained. Similarly, divested functions are included up to the date when control has been relinquished.

The consolidated financial statements are prepared according to the historical cost method. The acquisition cost is allocated to assets, liabilities and contingent liabilities on the basis of their fair value at the time of acquisition. The proportion in excess of the fair value constitutes goodwill. Goodwill is not amortized, but its value is measured at least once a year by means of a cash flow-based impairment test (see impairment of assets below). Impairment losses are booked in the income statement.

Inter-company transactions as well as receivables and liabilities are eliminated. Minority interests are presented as a separate item in the income statement. Minority interests are also shown under shareholders' equity in the balance sheet.

Affiliated companies are consolidated using the equity method. The Group's share of the results of affiliated companies is included in the consolidated income statement. The Group's share of the post-acquisition accumulated net assets of affiliated companies is added to the acquisition cost of affiliated companies and to retained earnings in the consolidated balance sheet.

FOREIGN CURRENCIES

The assets and liabilities of foreign subsidiaries are translated into euros at the closing rates of exchange confirmed by the European Central Bank on the balance sheet date. The income statement is translated into euros by consolidating each calendar month separately using the actual daily average rate for the month, whereby the sum of the twelve calendar months represents the whole year. Translation differences arising from the elimination of the acquisition cost of foreign subsidiaries are booked to translation differences in consolidated shareholders' equity. Inter-company long-

term capital loans that are not expected to be repaid and are thus a part of the company's net investment in the foreign unit are treated similarly.

The following exchange rates have been used in the consolidated accounts:

	Income statement* ¹		Balance sheet	
	2009	2008	12/09	12/08
USD	1.39	1.47	1.44	1.39
CAD	1.59	1.56	1.51	1.70
JPY	130.17	152.87	133.16	126.14
GBP	0.89	0.79	0.89	0.95

*¹ Calculated average of the monthly average rates

Group companies record transactions in foreign currency at the rate on the transaction date or at an estimated rate sufficiently close to the rate on the transaction date. Assets and liabilities denominated in foreign currencies that are outstanding at the end of the financial year are translated at the closing rate of exchange in effect on the balance sheet date.

Foreign exchange gains and losses related to operational transactions are presented in the EBIT. Exchange rate gains and losses on foreign currency-denominated loans and other receivables and liabilities connected with financing transactions are recorded at their net values as financing income and expenses.

DERIVATIVES AND HEDGE ACCOUNTING

Derivative instruments used to hedge against currency and interest rate risks – such as interest rate swaps, forward contracts and forward rate agreements – are measured at fair value on the day that the Group becomes a party to the contract. Subsequent measurement is also at fair value. Gains and losses from fair value measurement are treated in accordance with the purpose of the derivative financial instrument. The fair value of derivatives is presented in prepaid expenses and other receivables or accrued liabilities or for maturities over 12 months after the end of the reporting period, in other non-current receivables or other interest-free liabilities.

Changes in the value of derivative instruments not used in hedge accounting are recorded as a credit or charge to earnings in financing income and expenses, except for when they are associated with hedging the cash flow from operating activities, in which case they are recorded in other operating income and expenses. Forward contracts are measured at fair value using the fixing rates quoted by the European Central Bank on

the closing date. The original interest rate differential on forward contracts is recorded as a credit or charge to earnings.

The Group applies hedge accounting to forward contracts that hedge material cash flows from operating activities and to interest rate swaps hedging against the interest risks associated with floating-rate loans. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, in accordance with IAS 39, is recognized in the fair value and other reserves under shareholders' equity. Any ineffective component, however, will be immediately recognized as a credit or charge to earnings. The cumulative change in gains or losses for the effective hedges is transferred to the income statement for the period when the hedged item is recorded in the income statement.

When a hedging instrument expires or is sold, or if the hedge does not meet the requirements set for hedge accounting under IAS 39, any cumulative gain or loss existing in equity at the time remains in equity and is recognized when the forecast transaction is ultimately recorded in the income statement. When a forecast cash flow is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately recorded in financing income and expenses in the income statement in case of interest rate hedge and in other operating income and expenses in case of operating cash flow hedge.

When initiating hedge accounting, the Group documents the correlation between the hedged item and the hedging instruments, as well as the Group's risk management objective and hedge initiation strategy. The Group documents and evaluates the effectiveness of hedges when initiating hedging and on a quarterly basis by examining the degree to which the hedging instrument offsets changes in the fair value and cash flow of the hedged item.

The Group does not hedge the net investment in an independent foreign unit with derivatives. Fair value hedging is not applied.

MEASUREMENT OF FINANCIAL ASSETS

In accordance with IAS 39: Financial Instruments: Recognition and Measurement, financial assets are categorized as:

- I. financial assets at fair value through profit or loss
- II. held-to-maturity investments
- III. loans and receivables
- IV. available-for-sale financial assets

Financial assets at fair value through profit or loss are financial assets held for trading. Changes in fair value are booked as a credit or charge to earnings in financing income and expenses. Derivatives are also categorized as held for trading unless they are designated as hedges. Assets in this category are classified as current assets, except for maturities over 12 months after the end of the reporting period.

Held-to-maturity investments and loans granted by the company are carried at amortized cost using the effective interest rate method. Held-to-maturity investments are valued at cost and are included in current assets, except for maturities over 12 months after the end of the reporting period. At the end of the financial year, the Group did not possess any held-to-maturity investments.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Available-for-sale financial assets are measured at their fair value by applying the market prices at the balance sheet date or some other determination of value used by the company. The change in fair value is presented in fair value and other reserves under shareholders' equity. Fair value changes are transferred from shareholders' equity to the income statement when the asset is sold or its value has been impaired such that an impairment loss must be recognized. Available-for-sale financial assets whose fair value cannot be determined reliably are measured at cost or a lower value if they are impaired. Available-for-sale financial assets are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

Financial assets are recognized on the settlement date. Financial assets not carried at fair value through profit or loss are initially recognized at fair value plus transaction costs. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the income statement.

On each closing date, the Group assesses whether there is objective evidence for the impairment of a financial asset item or class. The impairment loss is recorded as a credit or charge to earnings in financing items.

REVENUE RECOGNITION

Revenue from the sale of goods is booked when significant risks and rewards connected with ownership of the goods have been transferred to the purchaser.

Net sales represent the invoiced value of goods, less value added taxes as well as discounts and adding or subtracting foreign exchange differences.

Revenue obtained from other companies is booked to license income when these companies manufacture or sell products bearing Amer Sports trademarks. In addition, license income includes royalty payments obtained from other companies when they utilize manufacturing technology patents owned by Amer Sports.

Other operating income comprises rental income, gains on the sale of non-current assets as well as other non-recurring income, such as patent settlements.

COST OF GOODS SOLD

The cost of goods sold includes all the salary and wage, material, procurement and other costs connected with the manufacture and purchase of products.

RESEARCH AND DEVELOPMENT EXPENSES

Expenses connected with the technical development and testing of products as well as royalties for the utilization of non-proprietary manufacturing technology patents are booked to research and development expenses. Research and development expenses are not capitalized unless there is certainty that material economic benefits are gained from them in the future. Research and development expenses have not been capitalized during the year 2009.

SALES AND MARKETING EXPENSES

Expenses related to the sales, distribution, marketing and advertising of products are booked to sales and marketing expenses. These include sales inventory, customer service, marketing and sales, media advertising expenses and athlete endorsements.

ADMINISTRATIVE AND OTHER EXPENSES

Administrative and other expenses encompass Group Headquarters' expenses, general administration expenses, as well as minor one-off losses such as losses on disposals of non-current assets.

PENSION PLANS

The Group's pension arrangements comply with the local rules and practices of the countries where Amer Sports operates. Under defined contribution based plans, such as principally within the Finnish TyEL employment pension system, the Group's contributions are recorded as an expense in the period to which they relate. In defined benefit plans, pension expenses are

recognized in the income statement, periodizing the regular costs for the employee's years of employment according to annual pension actuarial computations, applying the projected unit credit method. The pension liability is obtained by calculating the present value of future pension contributions, applying the rate on long government treasury bills or similar instruments as the discount rate. Actuarial gains and losses are recognized in the income statement for the employees' average remaining period of service to the extent that they exceed the greater of 10% of the defined benefit obligation or 10% of the fair value of plan assets.

SHARE-BASED PAYMENT

The warrants or other share-based incentive schemes granted to key employees of the Group are measured at fair value at the time of granting using generally accepted valuation models. The fair values are periodized as expenses in the income statement in even installments over the vesting period of the rights. Cash-settled share-based payment transactions are also periodized as expenses over the vesting period.

The expense determined at the time of granting the warrants is based on an estimate of the number of warrants that it is believed will vest at the end of the vesting period. The contra item in the balance sheet is retained earnings. The Group updates its estimate of the final number of warrants on each closing date. Changes in the estimates are recognized in the income statement.

The cash payments based on the exercise of the warrants granted before September 1, 2006 are entered in the company's share capital and share premium fund in accordance with the terms and conditions of the arrangements. The cash payments based on the exercise of the warrants granted after September 1, 2006 are entered in the company's share capital and invested unrestricted equity reserve.

NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

A non-current asset or a disposal group of assets and liabilities is categorized as held for sale when the economic benefits gained from it will be accrued primarily from its sale rather than continuous use. Non-current assets or disposal groups held for sale are measured at the lower of carrying amount or fair value less selling costs and disclosed on a separate line in the balance sheet. These assets are not depreciated.

Discontinued operations refer to a significant part of the company (such as a segment) that it has decided to discontinue. The net result of discontinued operations is disclosed on its own line in the income statement, separately from continuing operations.

INCOME TAXES

Taxes include the taxes for the financial year calculated on the basis of the result for the period or dividend paid out and in accordance with the tax legislation of each company's local domicile as well as assessed or returned taxes for previous financial periods and the change in deferred taxes.

Deferred tax assets and liabilities are calculated on all temporary differences between the book and tax base of assets in accordance with the tax rate at the balance sheet date or with the future tax rates prevailing when the tax is estimated to be paid. Temporary differences arise from factors such as unused tax losses, depreciation differences, provisions, defined benefit pension plans, the fair valuation of derivative financial instruments, the internal inventory margin as well as measurements to fair value of assets in connection with business acquisitions. The tax effect of undistributed earnings of subsidiaries is recorded as a deferred tax liability if a dividend payout is probable and it will result in tax consequences. A deferred tax asset is recognized as a result of unused tax losses and other temporary differences to the extent that it is probable that they can be utilized in future financial periods. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same tax authority.

EARNINGS PER SHARE

The undiluted earnings per share are calculated by dividing the net result for the financial year by the weighted average number of shares outstanding during the financial year. The dilutive effect of warrants is taken into account in calculating diluted earnings per share.

The effect of share issues on previous years' earnings per share is taken into account by using a share issue ratio.

GOVERNMENT GRANTS

Government grants received are entered as adjustments to expenses in the result for the financial period except when they relate to investments, in which case they are deducted from the cost.

INTANGIBLE RIGHTS AND OTHER

INTANGIBLE NON-CURRENT ASSETS

Intangible rights comprise trademarks and patents; software licenses, for instance, are included in other intangible assets. Patents and software licenses are recognized in the balance sheet at cost and amortized on a straight-line basis during a useful life of from three to fifteen years. Trademarks with indefinite useful lives are not amortized, but an annual cash flow-based impairment test is carried out on them (see impairment of assets below).

TANGIBLE NON-CURRENT ASSETS

Tangible non-current assets are stated as the difference between the initial costs and accumulated depreciation less any impairment losses (see impairment of assets below).

Depreciation is calculated on a straight-line basis in order to write off the cost of the tangible assets over their expected useful lives, adjusting for any impairment. The depreciation periods are:

Buildings	25–40 years
Machinery and equipment	3–10 years
Land and water are not depreciated.	

IMPAIRMENT OF ASSETS

The carrying amounts of non-current tangible and intangible assets are assessed by means of impairment tests whenever there is an indication of impairment. Any impairment of goodwill and other intangible rights having an indefinite useful life are nevertheless assessed at least once a year.

Impairment tests involve measuring the recoverable amount of said asset. The recoverable amount is the higher of the asset's net selling price or cash flow-based value in use. An impairment loss is recognized in the income statement when the carrying amount of an asset is greater than the recoverable amount. Impairment recognized on assets other than goodwill is reversed if a change occurs in the estimates leading to the impairment charge. An impairment loss is reversed to a maximum amount that does not exceed the carrying amount of the asset if an impairment would not have been originally recognized.

The recoverable amount of goodwill and other intangible rights with indefinite useful lives is always determined via their cash flow-based values in use (impairment tests of these items are more closely clarified in note 7).

In the cash flow-based impairment calculations for other intangible rights and property, plant and equipment, only the cash flows for the next five years are recognized, of which the first three are based on the budgets and strategic plans for the next three years as approved by the Group's Board of Directors. In the calculations, the fourth and fifth years are estimated conservatively according to the growth assumptions made in the three-year plans. The residual values used in the calculations are estimates of the probable net selling prices of the asset items.

The discount rate in the calculations is based on the long-term risk-free market interest rates and on generally used standard risk premiums (the key assumptions of the discount rate are presented more closely in note 7).

INVESTMENT PROPERTIES

Investment properties are real estate that is held because of rental income or an appreciation in the property value. Investment properties are measured at cost. The Group does not have major assets that are classified as investment properties.

LEASE AGREEMENTS

Lease agreements relating to tangible assets, in which the Group bears an essential part of the ownership risks and rewards, are classified as finance lease agreements. A finance lease agreement is entered in the balance sheet at the lower of the asset's fair value or the present value of minimum lease payments, and it is amortized. Lease obligations are included in interest-bearing liabilities. The Group does not have major finance lease agreements. Other leasing payments are treated as rental expenses.

INVENTORIES

Inventories are measured at the lower of cost calculated according to the FIFO principle or the net realizable value. For self-manufactured products, the cost includes direct wage and raw material costs for the manufacture of the products as well as a portion of the indirect costs of manufacture. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

ACCOUNTS RECEIVABLE

Accounts receivable are carried at the original invoiced amount less impairment losses and credits for returns. Impairment losses are recognized case by case and on the basis of historical experience when there is evidence that the receivable cannot be recovered in full, such as due to the payment difficulties or impending bankruptcy of the debtor.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand and deposits held at call with banks as well as readily realizable marketable securities (maturity less than three months).

FINANCIAL LIABILITIES

Financial liabilities are initially carried at fair value. Transaction costs are included in the original carrying amount of financial liabilities. All financial liabilities are subsequently carried at amortized cost using the effective interest rate method. Financial liabilities are classified as current liabilities unless they mature over 12 months after the balance sheet date, in which case they are included in long-term liabilities. The amounts drawn under the revolving credit facility are included in loans from financial institutions.

HYBRID BOND

In key figures, the hybrid bond has been included in shareholders' equity. Interest expenses for the hybrid bond have been accrued on the basis of its coupon rate and are debited directly to retained earnings net of tax. In the calculation of earnings per share, interest expenses of the hybrid bond have been included in the earnings for the period.

PROVISIONS

Obligations arising as the consequence of a past event, which are legal or which the company has an actual obligation to settle and are considered certain or likely to occur, are booked in the income statement under an appropriate expense heading. They are presented in the balance sheet as provisions when it is probable that the resources will be transferred out of the Group but the precise amount or timing is not known. In other cases they are presented as accrued liabilities. The most important regular provisions are due to the repair or replacement of products during the warranty period. These provisions are determined on the basis of his-

torical experience. A provision for reorganization is made when the Group has drawn up a detailed reorganization plan and announced the reorganization.

USE OF ESTIMATES IN THE FINANCIAL STATEMENTS

When preparing the financial statements, the Group's management has to make estimates and assumptions influencing the content of the financial statements and it must exercise its judgment regarding the application of accounting policies. The most important of these estimates and assumptions are related to any impairment of goodwill and other asset items, such as trademarks, property, plant and equipment, inventories and accounts receivable; provisions for reorganization, warranty and legal proceedings; evaluation of pension liabilities and share-based payments schemes as well as the future utilization of deferred tax assets. Actual results may differ from these estimates. Any changes in the estimates and assumptions are recognized in the period in which the estimate or assumption is revised.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Pension plans

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (or income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

Amer Sports determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. Other key assumptions for pension obligations are based in part on current market conditions (see note 6).

Net liability recognized for defined benefit pension plans was EUR 5.6 million as of December 31, 2009.

Share-based payment

The warrants and other share-based incentive schemes granted to key employees of the Group are measured at fair value at the date at which they are granted, by using generally accepted valuation models. The fair values are recognized as an expense in the income statement over the vesting period of the rights. The expense determined at the time of granting the warrants and

other share-based incentive instruments is based on an estimate of the number of instruments that it is believed will vest at the end of the vesting period. The Group updates its estimate of the final number of instruments on each reporting date. Changes in the estimates are recognized in the income statement.

Expenses recognized for the share-based incentive schemes for the year ended December 31, 2009 amounted to EUR 0.8 million.

Income taxes

Management judgment is required in determining provisions for income taxes, deferred tax assets and liabilities and the extent to which deferred tax assets can be recognized. The company has recognized EUR 64.1 million as of December 31, 2009 net deferred tax assets on tax loss carry forwards and other temporary differences. The Group is also subject to income taxes in various jurisdictions. Judgment is required in determining the Group's provision for income taxes. There may be transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group anticipates questions arising in tax audits and recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Impairment of assets

The carrying amounts of non-current tangible and intangible assets are assessed by means of impairment tests whenever there is an indication of impairment. Any impairment of goodwill and other intangible assets having an indefinite useful life are nevertheless assessed at least once a year. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates. As of December 31, 2009, the amount of goodwill and other non-current intangible assets with indefinite useful lives on balance sheet amounted to EUR 273.6 million and EUR 179.7 million, respectively. No impairment losses were recognised in 2009. Management estimates, used assumptions as well as sensitivity analyses are presented in note 7.

CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES

Inventories

The Group periodically reviews its inventories for excess amounts, obsolescence and declines in market value below cost and records an allowance against the inventory balance for any such declines. These reviews require management to estimate future demand for products. Possible changes in these estimates could result in revisions to the valuation of inventories. As of December 31, 2009, the amount of inventories on balance sheet amounted to EUR 234.6 million. Value of inventories has been decreased by EUR 23.8 million for the year ended December 31, 2009 to correspond to its net realizable value.

Accounts receivable

Accounts receivable are carried at the original invoiced amount less impairment losses and credits for returns. Impairment losses are recognized case by case and on the basis of historical experience when there is evidence that the receivable cannot be recovered in full, such as due to the payment difficulties or impending bankruptcy of the debtor. If the financial conditions of customers were to deteriorate, resulting in an impairment of their ability to make payments, additional impairment losses may be recognized in future periods. As of December 31, 2009, the amount of accounts receivable on balance sheet amounted to EUR 401.2 million and impairment losses of accounts receivable amounted to EUR 29.3 million.

Provisions

Provisions are recognized on the balance sheet when there is a legal or actual obligation for the company to settle an obligation arising as the consequence of a past event that is considered certain or likely to occur. The most important regular provisions are due to the repair or replacement of products during the warranty period. These provisions are determined on the basis of historical experience. The provisions recognized represents management's best estimate of the present value of the future costs assumed to be incurred. The actual costs may differ from the estimated. As of December 31, 2009, the amount of provisions on balance sheet amounted to EUR 30.8 million.

2. SEGMENT INFORMATION

The Group's primary form of segment reporting is according to the business segments. The business segments are based on the Group's organizational structure and management reporting. The chief operating decision maker of the Group is the Executive Board. The business segments are Winter and Outdoor, Ball Sports, and Fitness. There were no intersegment business operations in 2009 and 2008. In the income statement, line items after EBIT have not been allocated to the segments.

The assets and liabilities of the business segments include only items directly connected to the business as well as the goodwill and non-current intangible assets with indefinite useful lives related to them. Unal-

located items relating to EBIT include income and expenses of corporate headquarters.

The Group's geographical segments are the Americas (North, South and Central America), EMEA (Europe, the Middle East and Africa) and Asia Pacific (including Japan and Australia). The definition of these areas is based on their geographical risks as well as the organization of the Group's sales operations. Net sales of the geographical segments are presented according to customers' location and assets according to where the assets are located. Goodwill and intangible assets with indefinite useful lives are not allocated to the geographical areas.

BUSINESS SEGMENTS

2009

EUR million

Net sales

EBIT

% of net sales

Financing income and expenses

Earnings before taxes

Goodwill and intangible assets with indefinite useful lives

Other assets

Liabilities

Capital expenditure

Depreciation

Cash flow from operating activities before financing items and taxes

2008

EUR million

Net sales

EBIT

% of net sales

Financing income and expenses

Earnings before taxes

Goodwill and intangible assets with indefinite useful lives

Other assets

Liabilities

Capital expenditure

Depreciation

Cash flow from operating activities before financing items and taxes

GEOGRAPHICAL SEGMENTS

2009

EUR million	Americas	EMEA	Asia Pacific	Elimination	Unallocated items	Total
External net sales	620.5	735.0	177.9	-	-	1,533.4
Assets	342.5	509.3	75.9	-68.4	665.3	1,524.6
Capital expenditure	10.1	25.0	4.4	-	-	39.5

2008

EUR million	Americas	EMEA	Asia Pacific	Elimination	Unallocated items	Total
External net sales	677.8	723.0	175.8	-	-	1,576.6
Assets	424.8	566.4	160.6	-117.9	628.0	1,661.9
Capital expenditure	11.1	28.0	4.1	-	-	43.2

Winter and Outdoor	Ball Sports	Fitness	Business segments total	Unallocated items	Total
862.6	476.7	194.1	1,533.4	-	1,533.4
46.5	23.5	-7.5	62.5	-18.7	43.8
5.4	4.9		4.1	-	2.9
				-18.4	-18.4
					25.4
218.3	93.4	141.6	453.3	-	453.3
548.0	227.3	70.9	846.2	225.1	1,071.3
184.5	122.3	39.8	346.6	442.7	789.3
23.2	9.0	7.0	39.2	0.3	39.5
21.6	8.0	5.0	34.6	0.4	35.0
118.4	86.0	24.2	228.6	-13.5	215.1
860.8	495.5	220.3	1,576.6	-	1,576.6
41.1	37.0	3.8	81.9	-3.0	78.9
4.8	7.5	1.7	5.2	-	5.0
				-33.3	-33.3
					45.6
218.0	96.7	144.3	459.0	-	459.0
657.4	284.4	101.0	1,042.8	160.1	1,202.9
239.3	130.2	42.7	412.2	741.6	1,153.8
26.0	9.8	7.0	42.8	0.3	43.1
25.1	7.8	4.8	37.7	0.5	38.2
50.4	11.4	20.7	82.5	-25.6	56.9

3. ACQUIRED AND DIVESTED BUSINESSES

There were no significant business acquisitions or company divestments in 2009 and 2008.

In February 2009, Amer Sports acquired Tacktick Limited for EUR 1.1 million. Tacktick specializes in wireless marine sensors, instruments, and displays. Of the purchase price EUR 0.9 million was allocated to Tacktick's technological innovations and distribution channels and EUR 0.2 million to goodwill.

Suunto Oy's subsidiary Ursuk Oy was sold in February 2008 for EUR 2.6 million, and ClubCom Inc., part of the Fitness business segment, in September 2008 for EUR 1.0 million. These transactions did not result in significant gains or losses.

In a transaction published in September 2008, Amer Sports acquired the net assets of its long-term Bulgarian subcontractor, Pamporovo Ski, mainly consisting of a factory site and inventories, for approximately EUR 5 million. Of the purchase price, EUR 2.5 million was paid during the financial period 2008, EUR 1.9 million during 2009 and the remaining EUR 0.6 million will be paid in March 2010. The fair values of the acquired net assets did not substantially differ from their carrying amounts. The company's 330 employees continued with the newly established Amer Sports Bulgaria.

4. OTHER OPERATING INCOME

EUR million	2009	2008
Rental return on real estate	1.0	1.0
Gain on sale of non-current assets ^{*)}	0.4	15.8
Changes in the fair value of foreign exchange contracts not used in hedge accounting	0.1	0.1
Other	3.1	2.0
Total	4.6	18.9

^{*)} Amer Sports Corporation sold its corporate headquarters building in April 2008 for EUR 23.0 million. As a result of the transaction, the company booked a capital gain of EUR 13.1 million.

5. EMPLOYEE BENEFITS

EUR million	2009	2008
Wages and salaries	237.1	235.3
Social expenditure		
Pensions – defined contribution plans	7.0	6.9
Pensions – defined benefit plans	4.3	0.9
Other social security	53.0	51.6
Total	301.4	294.7

In countries where social expenditure paid to society cannot be divided between pensions and other social security, the expenses are presented under the heading Other social security.

Salaries and other compensation of the management are presented in note 27.

6. PENSIONS

Pension security for Group companies is based on each country's local regulations and practices. The Group's most significant defined benefit pension plan is for Wilson Sporting Goods Co. (USA) whose present value of funded obligations is 60% (67%) of the Group's total value. In addition to USA, the Group has defined benefit pension plans in France, Switzerland, UK and Finland. These are handled via pension funds or pension companies whose assets are not included in Group's assets. Contributions to the funds are made in accordance with local regulations. In USA and UK pension funds are closed, and new members are no longer admitted to them. The Group's other pension arrangements, such as the Finnish TyEL statutory employment pension, are mainly defined contribution plans.

The net liability recognized in the balance sheet relating to defined benefit pension plans is defined as follows:

EUR million	2009	2008
Present value of funded obligations	87.5	83.3
Fair value of plan assets	-70.3	-60.7
Deficit/(surplus)	17.2	22.6
Unrecognized actuarial gains (+) and losses (-)	-11.6	-17.5
Net liability in the balance sheet at December 31	5.6	5.1
Net liability in the balance sheet:		
Assets	3.7	5.6
Liabilities	9.3	10.7
Net liability at December 31	5.6	5.1

The amounts related to defined benefit pension plans are included in the balance sheet in prepaid expenses and accrued liabilities.

Amounts recognized in the income statement:

EUR million	2009	2008
Current service cost	1.9	2.0
Interest cost	5.1	4.7
Expected return on plan assets	-4.3	-5.8
Recognised actuarial gains (-) and losses (+)	1.6	0.0
Total, included in personnel expenses	4.3	0.9

Amounts recognized in the income statement per function:

EUR million	2009	2008
Cost of goods sold	0.2	0.4
Selling and marketing	1.4	0.6
Administration	2.7	-0.1
Total	4.3	0.9

The actual return on plan assets 11.7 -16.1

Movements in the present value of obligations:

EUR million	2009	2008
Present value of obligations at January 1	83.3	85.0
Current service cost	1.9	2.0
Interest cost	5.1	4.7
Recognised actuarial gains (-) and losses (+)	1.6	2.2
Changes in pension schemes	-	-4.7
Translation differences	-0.9	-1.9
Benefits paid	-3.5	-4.0
Present value of obligations at December 31	87.5	83.3

Movements in the fair value of plan assets:

EUR million	2009	2008
Fair value of plan assets at January 1	60.7	78.4
Contributions paid	4.3	5.8
Recognised actuarial gains (-) and losses (+)	7.0	-20.2
Contributions paid by the employer	2.3	2.0
Translation differences	-0.5	-1.3
Benefits paid	-3.5	-4.0
Fair value of plan assets at December 31	70.3	60.7

Major categories of plan assets as a percentage of total plan assets:

%	2009	2008
Equity	61	60
Bonds	34	33
Other	5	7
Total	100	100

Principal actuarial assumptions:

%	2009		2008	
	USA	Europe	USA	Europe
Discount rate	6.9-7.1	3.0-6.8	6.4-6.8	3.5-6.0
Expected return on plan assets	8.0	3.0-6.5	8.0	3.0-6.8
Future salary increases	4.5	1.0-3.0	4.5	1.0-3.0

When assessing the long-term expected returns on plan assets, the expected or targeted allocation of asset categories is considered. The expected returns reflect the long-term (20 years in the USA) realized returns in various markets and are not expected to be modified frequently.

Amounts for the current period and previous year:

EUR million	2009	2008
Present value of obligations	87.5	83.3
Fair value of plan assets	70.3	60.7
Surplus(+)/Deficit(-)	-17.2	-22.6
Experience adjustments on plan assets	6.4	-18.8

The Group expects to contribute EUR 1.5 million to its defined benefit pension plans in 2010.

7. DEPRECIATION, AMORTIZATION AND IMPAIRMENT LOSSES

DEPRECIATION AND AMORTIZATION BY ASSET TYPE

EUR million	2009	2008
Intangible rights	7.3	7.3
Other intangible assets	2.5	1.7
Buildings and constructions	3.6	5.0
Machinery and equipment	21.6	22.2
Total	35.0	36.2

IMPAIRMENT LOSSES BY ASSET TYPE

EUR million	2009	2008
Machinery and equipment	0.0	2.0

DEPRECIATION, AMORTIZATION AND IMPAIRMENT LOSSES BY FUNCTION

EUR million	2009	2008
Cost of goods sold	10.8	16.7
Research and development	1.6	1.6
Selling and marketing	5.8	3.8
Administration and other expenses	16.8	16.1
Total	35.0	38.2

Amer Sports brands are well known and established in their respective areas. Products sold under these brands have been available to customers for a long period of time (e.g. Salomon 60 years, Mavic over 100 years) and they have been used by top athletes for decades. Amer Sports focuses on brand awareness and on the quality and performance of the products sold under those brands. The brands have ability to generate positive cash flow and therefore describing their useful life as indefinite is justified.

Impairment tests of goodwill and other intangible rights with indefinite useful lives, such as trademarks, are performed when the management has identified indications of impairment or once a year when business areas' plans for the next three years are approved by the management in the last quarter.

The impairment tests are carried out at the level the management monitors goodwill and other intangible rights with indefinite useful lives i.e. at the Cash Generating Unit ("CGU") level. The CGUs in Amer Sports are the following: Winter Sports Equipment, Salomon Apparel and Footwear, Arc'teryx Apparel and Footwear, Cycling, Sports Instruments, Racquet Sports, Team Sports, Golf, and Fitness.

The impairment tests were calculated with a value-in-use method for each CGU based on the following assumptions:

- A five-year future period was used after which a perpetuity value was defined.
- First year is based on the approved budget and the next two years on the business areas' detailed business plans. The expected growth for the fourth and fifth year is zero.
- The perpetuity value is derived from the average of last three year actual results and five year estimate period. The perpetuity growth is 2% which is in line with the management's view on long-term inflation i.e. there is no real growth expected.

- Current cost structure is to remain unchanged.
- Discount rate is determined separately for North-American and European businesses and it has varied on the range of 9.8%–10.8% pre-tax (9.0%); equal to 7.6%–7.8% post-tax (6.7%). The main components of the discount rate were:

Risk Free Interest Rate	4%
Equity Market Risk Premium	5%
Liquidity Premium	1%
Asset Beta (Unlevered Beta)	0.55
Debt Risk Premium	3%
Tax Rate	26%–35%

Goodwill and other intangible rights with indefinite useful lives have been allocated to CGUs as described in the table below. The table also sets out the discount rates used per CGU.

EUR million	Discount Rate, %	Goodwill		Intangible rights with indefinite useful lives	
		2009	2008	2009	2008
Winter and Outdoor					
Winter Sports Equipment	9.8	11.7	11.7	83.6	84.0
Salomon Apparel and Footwear	9.9	-	-	62.9	63.3
Arc'teryx Apparel and Footwear	10.6	-	-	7.9	7.0
Cycling	9.9	-	-	23.3	23.3
Sports Instruments	10.2	28.9	28.7	-	-
Ball Sports					
Racquet Sports	10.8	53.4	55.3	-	-
Team Sports	10.7	40.0	41.4	-	-
Fitness					
Fitness	10.3	139.6	142.2	2.0	2.1
Total	10.3	273.6	279.3	179.7	179.7

In 2009, the value-in-use of goodwill and other intangible rights with indefinite useful lives of all CGUs exceeded their carrying amounts. The table below summarizes what a +/- 1–2%-point change in discount rate and/or in perpetuity growth would impact on the result of the impairment test at the Group level.

	-2%	-1%	Growth	1%	2%
-2%	0	0	0	0	0
-1%	0	0	0	0	0
Rate	47	1	0	0	0
1%	107	67	17	0	0
2%	162	124	86	37	0

The sensitivities on impairment due to the discount rate or the terminal growth change as shown above are mainly from Fitness and Winter Sports Equipment CGUs. The management believes that the profitability of the Fitness business segment will improve considerably once the general economic situation begins to improve. Furthermore, according to the management view, the profitability of Winter Sports Equipment is expected to further improve due to positive impacts of changes that were completed in 2008.

The results of the value-in-use calculations have been analyzed against the valuation reports prepared by industry analysts in various investment banks. The analysis shows the results are well in line with the analysts' average estimates.

8. COMPENSATION OF AUDITORS

EUR million	2009	2008
Statutory audit	1.8	1.9
Certifications and opinions required by law	0.0	0.0
Tax consulting	0.3	0.4
Other services	1.0	0.2
Total	3.1	2.5

9. SHARE-BASED PAYMENT

During the year, the Group has had several share-based incentive arrangements which are targeted to Group key personnel. These have been accounted for in accordance with IFRS 2. According to the terms of the arrangements, the Group key employees are granted either shares and a cash payment covering taxes and tax-related costs arising from the reward, or warrants.

Fair values of the warrant schemes at grant date have been recognized by using the trinomial model. Granting of the 2007C schemes' warrants to the Group's management was dependent on meeting the financial objectives. As these targets were not met in 2009, no expenses in accordance with IFRS 2 were recognized. The 2007 share-based incentive scheme granted for the management on June 30, 2007, has been measured at fair value, applying the share market price at grant date. The cash payment intended to cover the tax consequences has been calculated using the share market price on the date of conveying the shares. Of the originally granted 122,700 shares, 104,100 shares were conveyed in 2008. In addition, 8,500 shares were conveyed in 2008.

WARRANT PROGRAMS

2004 warrant program

The 2004 warrant program comprised 550,000 warrants which initially entitled Amer Sports' key employees to subscribe for a maximum of 550,000 shares. The Board of Directors of Amer Sports was responsible for determining the allocation of warrants to key employees. The number of warrants allocated was tied to performance measures based on the increase in sales and profitability of the company. The subscription price per new share was EUR 13.53. The subscription price corresponds to the volume-weighted average price of the shares during the period from January 2 to February 14, 2004 plus an additional ten percent. The Board of Directors amended the number of shares that may be subscribed for pursuant to the warrants under the 2004 warrant program as a result of a bonus issue carried out by the company in December 2004 to the effect that

three shares may be subscribed for pursuant to the exercise of each warrant.

During 2004, 147,001 warrants under the 2004 warrant program were granted to key employees of Amer Sports and 400,000 warrants were subscribed for by a wholly-owned subsidiary of the company for allocation to key employees in the future in accordance with the terms and conditions of the warrants. On February 3, 2005, Amer Sports' Board of Directors decided to grant additional warrants under the 2004 program held by the company's wholly-owned subsidiary to key employees of the company. As a result, the total number of warrants granted to key employees increased to 261,650. In addition, 100,000 warrants held by the company's fully-owned subsidiary remained to be allocated as incentives for key personnel in connection with possible future acquisitions and other M&A transactions. In accordance with the terms and conditions of the warrants, the remaining 188,350 warrants held by the company's wholly-owned subsidiary that were not transferred to key employees were automatically cancelled on December 31, 2005.

Pursuant to the terms and conditions of the 2004 warrant program, the Board of Directors of the company amended the terms and conditions to take into account the impact of the rights offering by amending the exercise price of the warrants and the number of shares that can be subscribed for upon exercise of the warrants in a manner to be determined by the Board of Directors of the company. The subscription price per new share was EUR 9.44 and one warrant entitled the holder to five new shares.

The share subscription period of the warrants commenced on January 1, 2007, and ended on December 31, 2009. Originally, warrants were granted to 22 key employees.

2007 warrant program

The 2007 warrant program comprised 1,500,000 warrants which entitled Amer Sports' key employees to subscribe for a maximum of 1,500,000 shares. Of such warrants, 500,000 were marked with the symbol 2007A, 500,000 were marked with the symbol 2007B and 500,000 were marked with the symbol 2007C. Initially, all warrants were issued to the company's fully-owned subsidiary for allocation to key employees in the future. The 2007A and 2007B warrants were not allocated to key employees since Amer Sports' financial targets set by the Board of Directors of the company were not reached in 2007 and 2008, respectively. Also the 2007C warrants were not allocated, since the financial targets for the year 2009 were not met.

SHARE-BASED INCENTIVE PLAN

On January 14, 2007, the Board of Directors resolved to establish a share-based incentive plan for Amer Sports' key employees. In order to participate in the plan, each key employee was required to purchase shares up to the amount corresponding to one-half of the reward that was allocated to him/her. The plan's rewards were paid in 2008 partially as shares and partially in cash. The cash payment covered taxes and tax-related costs arising from the reward. Of the shares rewarded to employees under the plan, 25 percent will be transferable as of April 2010, 25 percent as of April 2011, and 50 percent as of April 2012. The rewards from the share-based incentive plan correspond to a maximum value of approximately 400,000 shares. At the end of 2009, 22 key employees were covered by the share-based incentive plan and they have received in total 102,800 shares (excluding the effect of the share issue in 2009).

On March 3, 2009, the Board of Directors decided to transfer the shares used for the Group's key personnel's share-based incentive plan to its fully-owned subsidiary, Amer Sports International Oy for allocation to key employees in the future. As at financial year end, Amer Sports International Oy owned 334,900 shares including the shares that have been returned to Amer Sports Inter-

national Oy during 2009, by persons who no longer participate in the plan. Of the shares owned by Amer Sports International Oy, 89,900 shares are available for allocation to key employees.

In October 2009, Amer Sports organised a share issue, in conjunction with which the company decided to grant the persons included in the share-based incentive scheme the right to subscribe that number of shares that the key personnel in the scheme were entitled to subscribe on the basis of the terms and conditions of the rights issue, a total of 67,536 shares. The additional benefit accrued to the employees as the result of the shares issued was recognized at the fair value of the grant date, EUR 3.30 per new share, and that benefit will be amortized over the vesting period. The fair value of the additional benefit was determined by deducting from the fair value of the issued new shares the portion that the employees should have received in order to avoid a situation where the fair value of the shares already in their possession on the basis of the share-based incentive scheme would have been diluted as a result of the share issue.

The key conditions and assumptions used in the determination of the fair value of the arrangements are presented in the table below:

	Share-based incentive scheme			Warrant schemes		
	2009	2008	2007	2007C	2004:1	2004:2
Grant date	Sep. 17, 2009	Apr. 29/ Aug. 6, 2008	Jun. 30, 2007	-	Apr. 28, 2004	Feb. 3, 2005
Number of instruments granted	67,536	8,500	104,100	-	147,001	114,649
Share price at grant date, EUR	5.62	11.35/9.56	18.31	-	13.57	13.80
Exercise price, EUR	-	-	-	-	9.44	9.44
Vesting period, years	1-3	2-4	3-5	-	5.7	4.9
Expected volatility, %	-	-	-	-	32	30
Expected dividends, %	-	-	-	-	3.44	3.62
Risk-free interest rate, %	-	-	-	-	3.57	3.10
Departure rate, %	-	-	-	-	0	0
Returned shares	9,800	-	-	-	-	-
Fair value per instrument at grant date, EUR	3.30	11.35/9.56	18.31	-	10.54	9.39

EUR million	2009	2008
Expense of warrant and other share-based incentive schemes recognized in earnings	0.8	1.0

The expected volatility has been estimated by using the daily data on rates during the three years preceding the issue.

	2009		2008	
	Weighted average exercise price, EUR/share	Number of warrants (1,000 pcs)	Weighted average exercise price, EUR/share	Number of warrants (1,000 pcs)
Outstanding at the beginning of the period	13.19	358.6	13.19	358.6
Granted during the period	-	-	-	-
Forfeited during the period	-	-	-	-
Exercised during the period	-	-	-	-
Expired during the period	-13.19	-358.6	-	-
Outstanding at the end of the period	0.00	0.0	13.19	358.6
Exercisable at the end of the period	0.00	0.0	13.19	358.6

For the warrants outstanding at the end of the year, the range of the exercise prices and the weighted average remaining vesting period are as follows:

	2009	2008
Exercise price, EUR	-	9.44
Remaining vesting period, years	-	1
Number of warrants (1,000 pcs)	-	358.6

10. FINANCING INCOME AND EXPENSES

EUR million	2009	2008
Interest income	0.7	1.2
Exchange rate gains	6.2	-
Interest expenses	-24.3	-31.0
Change in fair value of derivative instruments not used in hedge accounting	0.0	-0.4
Exchange rate losses	-	-2.9
Other financing expenses	-1.2	-0.1
Net gain on non-qualifying cash flow hedges	0.2	-0.1
Total	-18.4	-33.3

11. INCOME TAXES

EUR million	2009	2008
Current taxes	4.4	9.7
Taxes for prior periods	0.2	1.4
Deferred taxes	-10.6	0.5
Total	-6.0	11.6

EUR million	2009	2008
Current taxes:		
EMEA	5.8	6.5
Americas	-8.7	-2.0
Asia Pacific	7.5	6.6
Total	4.6	11.1
Thereof for prior periods	0.2	1.4
Deferred taxes	-10.6	0.5
Total	-6.0	11.6

Reconciliation between income taxes at local tax rates in different countries and the total tax expense in the income statement:

EUR million	2009	2008
Taxes at local rates applicable to earnings in countries concerned	1.8	10.2
Taxes for prior periods	0.2	1.4
Deductible goodwill amortization	-1.7	-1.8
Tax credits	-1.0	0.4
Other	-5.3	1.4
Taxes recognized in the income statement	-6.0	11.6
Effective tax rate, %	-	25

The reconciliation of deferred tax assets and liabilities is presented in note 15.

12. EARNINGS PER SHARE

	2009	2008
Net result attributable to equity holders of the parent company, EUR million	31.3	33.9
Interest expenses of hybrid bond, net of tax, EUR million	-4.4	-
Net result for the calculation of earnings per share, EUR million	26.9	33.9

Weighted average number of shares outstanding during the period (1,000 pcs)	97,672	92,764
Earnings per share, EUR	0.28	0.37

Weighted average number of shares outstanding during the period, adjusted for the dilutive effect of warrants (1,000 pcs)	97,672	92,764
Earnings per share, diluted, EUR	0.28	0.37

The earnings per share for the previous year has been adjusted for the effect of the share issue in 2009.

In 2009 and 2008, none of the warrant schemes in force had a dilutive effect on earnings per share.

13. INTANGIBLE AND TANGIBLE NON-CURRENT ASSETS

EUR million

Initial cost, January 1, 2009
Additions
Company acquisitions
Company divestments and disposals
Transfers
Translation differences
Balance, December 31, 2009
Accumulated depreciation and impairment losses, January 1, 2009
Depreciation and impairment losses during the period
Company divestments and disposals
Transfers
Translation differences
Balance, December 31, 2009
Balance sheet value, December 31, 2009

Carrying amount of finance leases included

Accumulated impairment losses of goodwill at January 1, 2009 totaled EUR 14.4 million.

EUR million

Initial cost, January 1, 2008
Additions
Company acquisitions
Company divestments and disposals
Transfers
Translation differences
Balance, December 31, 2008
Accumulated depreciation and impairment losses, January 1, 2008
Depreciation and impairment losses during the period
Company divestments and disposals
Transfers
Translation differences
Balance, December 31, 2008
Balance sheet value, December 31, 2008

Carrying amount of finance leases included

Accumulated impairment losses of goodwill at January 1, 2008 totaled EUR 13.6 million.

Intangible rights	Goodwill	Other intangible assets	Land and water	Buildings and constructions	Machinery and equipment	Other tangible assets	Advances paid and construction in progress
240.2	366.2	12.9	15.3	147.4	333.3	0.7	6.8
0.9	-	10.3	-	2.1	15.7	-	10.5
1.4	0.2	-	-	0.0	0.2	-	-
0.0	-	0.0	-	-0.8	-4.5	-	-0.3
-0.8	-	0.3	-	-2.7	-58.4	0.0	-12.1
0.0	-7.8	-0.4	-0.1	-1.2	-1.4	0.0	0.0
241.7	358.6	23.1	15.2	144.8	284.9	0.7	4.9
42.2	86.9	3.4	0.0	99.1	269.1	-	0.0
7.3	-	2.5	-	3.6	21.6	-	-
0.0	-	0.0	-	-0.6	-4.3	-	-
-0.7	-	0.0	-	-4.1	-66.7	-	-
0.0	-1.9	0.0	-	-0.8	-1.4	-	-
48.8	85.0	5.9	0.0	97.2	218.3	-	0.0
192.9	273.6	17.2	15.2	47.6	66.6	0.7	4.9
-	-	-	-	0.0	0.7	-	-

Intangible rights	Goodwill	Other intangible assets	Land and water	Buildings and constructions	Machinery and equipment	Other tangible assets	Advances paid and construction in progress
237.4	354.9	9.2	13.9	160.4	331.1	0.7	4.2
2.8	-	3.3	-	3.1	21.6	-	12.3
-	-	-	0.6	2.6	0.4	-	-
-0.6	-1.3	0.0	-0.1	-23.1	-21.4	-	-0.1
0.4	-	-	0.8	2.8	-1.3	0.0	-9.8
0.2	12.6	0.4	0.1	1.6	2.9	0.0	0.2
240.2	366.2	12.9	15.3	147.4	333.3	0.7	6.8
35.5	84.0	1.6	0.0	104.2	270.0	-	0.2
7.3	-	1.7	-	5.0	24.3	-	-
-0.5	-0.1	0.0	-	-12.8	-14.5	-	-
-0.1	0.0	-	-	1.8	-13.4	-	-0.2
0.0	3.0	0.1	-	0.9	2.7	-	0.0
42.2	86.9	3.4	0.0	99.1	269.1	-	0.0
198.0	279.3	9.5	15.3	48.3	64.2	0.7	6.8
-	-	-	-	0.9	0.4	-	-

14. AVAILABLE-FOR-SALE FINANCIAL ASSETS AND CASH AND CASH EQUIVALENTS

Available-for-sale financial assets, EUR 0.8 million, consist in their entirety of shares in unlisted companies. They are measured at cost which corresponds to their fair values.

Cash and cash equivalents, EUR 121.6 million, include cash in hand, EUR 51.6 million, deposits held at call with banks, EUR 62.0 million, and short term investments in commercial papers, EUR 8.0 million.

15. RECONCILIATION OF DEFERRED TAX ASSETS AND LIABILITIES

EUR million	Jan. 1, 2009	Charge in income statement	Translation differences	Charged to equity	Acquired operations	Dec. 31, 2009
Deferred tax assets:						
Provisions	18.8	2.9	-0.1	-	-	21.6
Carryforward of unused tax losses	43.7	6.2	-0.1	-	-	49.8
Pensions	2.6	-0.7	-0.1	-	-	1.8
Impairment	8.2	5.6	-	-0.3	-	13.5
Other temporary differences	4.3	10.6	-0.1	-	-	14.8
Total	77.6	24.6	-0.4	-0.3	-	101.5
Deferred tax liabilities:						
Fair value adjustments	-10.3	-4.0	-0.1	-	-0.2	-14.6
Depreciation differences	-0.8	0.3	-0.1	-	-	-0.6
Other temporary differences	-13.2	-8.8	-0.2	-	-	-22.2
Total	-24.3	-12.5	-0.4	-	-0.2	-37.4
Net deferred tax assets	53.3	12.1	-0.8	-0.3	-0.2	64.1
Tax effect of the interest expense adjustment of the hybrid bond		-1.5				
Deferred taxes in income statement		10.6				
Deferred taxes recognized in the balance sheet at December 31, 2009:						
Deferred tax assets						71.9
Deferred tax liabilities						7.8

EUR million	Jan. 1, 2008	Charge in income statement	Translation differences	Charged to equity	Dec. 31, 2008
Deferred tax assets:					
Provisions	32.8	-14.0	-	-	18.8
Carryforward of unused tax losses	23.7	20.0	-	-	43.7
Pensions	3.2	-0.6	-	-	2.6
Impairment	10.7	-2.8	0.3	-	8.2
Other temporary differences	8.4	-5.4	0.1	1.2	4.3
Total	78.8	-2.8	0.4	1.2	77.6
Deferred tax liabilities:					
Fair value adjustments	-11.8	1.5	-	-	-10.3
Depreciation differences	-0.8	0.0	-	-	-0.8
Other temporary differences	-14.0	0.8	-	-	-13.2
Total	-26.6	2.3	-	-	-24.3
Net deferred tax assets	52.2	-0.5	0.4	1.2	53.3
Deferred taxes recognized in the balance sheet at December 31, 2008:					
Deferred tax assets					60.8
Deferred tax liabilities					7.5

At December 31, 2009 there were unused tax losses carried forward and other temporary differences of EUR 90.8 million (95.1) for which no deferred tax assets were recognized. The unrecognized deferred tax assets at December 31, 2009 totaled EUR 27.7 million (30.4). The unrecognized deferred tax assets relate almost entirely to evergreen losses. No deferred tax asset has been recognized since the utilization of losses in full in the near future is not probable or the losses have been created in countries where the possibilities for their utilization are limited.

No deferred tax liabilities of the retained earnings of foreign subsidiaries have been recognized. The distribution of dividend from the subsidiaries is under control of the Group and no plans that could lead to income tax consequences are probable in the near future.

16. VALUATION PROVISIONS OF INVENTORIES AND ACCOUNTS RECEIVABLE

EUR million	2009	2008
Impairment losses of accounts receivable	29.3	23.8
Value of inventories has been decreased to its net realizable value in the financial period	23.8	36.2

AGING ANALYSIS OF ACCOUNTS RECEIVABLE AND AMOUNTS RECOGNIZED AS IMPAIRMENT LOSSES

EUR million	2009	Impairment losses	Net 2009	2008	Impairment losses	Net 2008
Undue accounts receivable	336.0	-	336.0	382.4	-	382.4
Accounts receivable 1-30 days overdue	29.8	-	29.8	42.3	-	42.3
Accounts receivable 31-60 days overdue	12.5	-2.4	10.1	21.0	-1.4	19.6
Accounts receivable 61-90 days overdue	4.9	-1.6	3.3	12.1	-1.4	10.7
Accounts receivable 91-120 days overdue	5.6	-0.8	4.8	9.1	-0.4	8.7
Accounts receivable more than 120 days overdue	41.7	-24.5	17.2	36.0	-20.6	15.4
Total	430.5	-29.3	401.2	502.9	-23.8	479.1

17. PREPAID EXPENSES AND OTHER RECEIVABLES

EUR million	2009	2008
Prepaid interest	1.3	3.8
Prepaid advertising and promotion	3.1	2.2
Other tax receivables	3.3	2.1
Accrued employee benefits	4.1	6.1
Derivative instruments	8.0	17.0
Other receivables	39.0	32.0
Total	58.8	63.2

18. SHAREHOLDERS' EQUITY

EUR million	Number of shares	Share capital	Premium fund	Invested unrestricted equity reserve
January 1, 2008	72,325,545	289.3	15.0	-
Warrants exercised	720,006	2.9	-2.9	-
December 31, 2008	73,045,551	292.2	12.1	-
Share issue, net	48,471,734			151.5
December 31, 2009	121,517,285	292.2	12.1	151.5

PREMIUM FUND

The Group's warrant schemes are discussed in note 9.

The articles of association of Amer Sports Corporation do not embody any ordinance of the maximum amount of issued shares.

The premium fund is used for recognizing the payments for share subscriptions received in excess of the counter-value (EUR 4.00 per share) before the share issue in 2009.

FUND FOR OWN SHARES

Fund for own shares includes the cost of own shares held by the Group (Dec. 31, 2008: EUR 5.7 million or 340,900 pcs, Dec. 31, 2009: EUR 5.6 million or 334,900 pcs).

TRANSLATION DIFFERENCES

Translation differences comprise the differences arising from the elimination of net investments in non-euro Group units.

FAIR VALUE AND OTHER RESERVES

Fair value and other reserves include changes in the fair values of available-for-sale financial assets and derivative financial instruments used for hedging cash flows.

INVESTED UNRESTRICTED EQUITY RESERVE

Invested unrestricted equity reserve contains the subscription proceeds from a share issue to the extent that

it is not, in accordance with an explicit decision, booked to the share capital. In October 2009, Amer Sports undertook a rights offering where every three subscription rights entitled the holder to subscribe for two new shares. The subscription price was EUR 3.30. As a result of the share issue, 48,471,734 new shares were subscribed for. The gross proceeds raised were EUR 160.0 million and the net proceeds amounted to EUR 151.5 million.

HYBRID BOND

Hybrid bond is discussed in note 29 under "Capital management".

AMOUNT OF DIVIDENDS PROPOSED

Dividend proposed by the Board of Directors for the financial year is EUR 0.16 (0.16) per share. Total dividends amount to EUR 19.4 million (11.6).

19. INTEREST-BEARING LIABILITIES

INTEREST-BEARING LONG-TERM LIABILITIES

EUR million	Outstanding			Repayments			2015
	Dec. 31, 2009	2010	2011	2012	2013	2014	and after
Bonds	75.0	-	75.0	-	-	-	-
Loans from financial institutions	179.6	0.1	15.1	164.4	-	-	-
Pension loans	31.5	5.7	5.7	5.7	5.7	5.7	3.0
Other long-term debt	2.5	0.0	1.0	0.0	1.4	0.0	0.1
Total	288.6	5.8	96.8	170.1	7.1	5.7	3.1

EUR million	Outstanding			Repayments			2014
	Dec. 31, 2008	2009	2010	2011	2012	2013	and after
Bonds	150.0	75.0	-	75.0	-	-	-
Loans from financial institutions	327.0	-	0.1	16.3	310.6	-	-
Pension loans	37.6	6.2	5.7	5.7	5.7	5.7	8.6
Other long-term debt	1.5	0.0	1.4	0.0	0.0	0.0	0.1
Total	516.1	81.2	7.2	97.0	316.3	5.7	8.7

The amounts drawn under the committed revolving credit facility maturing in 2011 and 2012 are reclassified as loans from financial institutions. Comparative information for 2008 has been restated accordingly.

INTEREST-BEARING CURRENT LIABILITIES

EUR million	2009	2008
Loans from financial institutions	0.0	50.0
Commercial papers	112.3	113.2
Current repayments of long-term loans	5.8	81.2
Other interest-bearing current debt	3.2	8.4
Total	121.3	252.8

INTEREST-BEARING LIABILITIES AT FAIR VALUE

EUR million	2009		2008	
	Carrying amount	Fair value	Carrying amount	Fair value
Bonds	75.0	75.0	150.0	150.0
Loans from financial institutions	179.6	179.6	377.0	377.0
Pension loans	31.5	33.0	37.6	36.4
Commercial papers	112.3	112.3	113.2	113.2
Other interest-bearing debt	5.7	5.7	9.9	9.9
Total	404.1	405.6	687.7	686.5

Fair values have been calculated by discounting future cash flows at market-based interest rates at the end of the financial period.

FINANCE LEASE LIABILITIES

EUR million	2009	2008
Finance lease liabilities are due as follows:		
Not later than one year	0.6	0.7
Later than one year but not later than five years	0.6	0.7
Total minimum lease payments	1.2	1.4

Present value of minimum lease payments is not materially different from their carrying amount.

20. ACCRUED LIABILITIES

EUR million	2009	2008
Accrued personnel costs	81.1	78.0
Accrued interest	8.0	8.4
Accrued rent	5.9	6.8
Accrued advertising and promotion	12.1	11.5
Value added tax	4.8	2.7
Forward contract payables	10.5	22.4
Other accrued liabilities	73.9	66.8
Total	196.3	196.6

21. PROVISIONS

EUR million	Product warranty	Restructuring	Environmental	Other	Total
Balance at January 1, 2009	25.8	23.9	1.0	4.4	55.1
Translation differences	-1.7	-1.4	-	-0.1	-3.2
Provisions made during the year	12.6	2.5	-	1.6	16.7
Provisions used during the year	-18.0	-15.2	-0.3	-1.3	-34.8
Unused provisions reversed during the year	-0.8	-0.8	-	-1.4	-3.0
Balance at December 31, 2009	17.9	9.0	0.7	3.2	30.8
Current provisions	20.5				
Long-term provisions	10.3				
Total	30.8				

The most important regular provisions are due to the repair or replacement of products during their warranty period. In material terms warranty provisions are realized in the following year. In Fitness business some extended warranty periods are granted to customers. Extended warranties are presented under long-term provisions. In 2008 unusually high warranty costs were recognised in the cycling business. These provisions were used during the period under review.

Of the total restructuring provision of EUR 9.0 million at the period end, EUR 6.9 million is related to the restructuring of the Winter Sports Equipment business area. Precise timing of these provisions is not known, but they are likely to occur by the end of 2012 and 2013.

Therefore majority of these restructuring provisions are presented under long-term provisions.

Other provisions include e.g. buyback provisions of Fitness business and provisions for claims against group companies.

22. ADJUSTMENTS TO CASH FLOW FROM OPERATING ACTIVITIES

EUR million	2009	2008
Share-based incentive schemes	0.0	-1.8
Gains and losses on sale of non-current assets	-0.4	-15.8
Total	-0.4	-17.6

23. OPERATING LEASE COMMITMENTS

EUR million	2009	2008
The future minimum payments of non-cancellable operating leases:		
Not later than one year	24.4	25.3
Later than one year but not later than five years	61.8	50.9
Later than five years	30.7	30.4
Total	116.9	106.6

Total rent expense of non-cancellable operating leases recognized in the income statement	22.0	20.5
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Other non-cancellable rental agreements are primarily related to the office and production premises rented by the Group.

24. CONTINGENT LIABILITIES

EUR million	2009	2008
Guarantees	10.5	8.5
Other contingent liabilities	30.0	46.1

Other contingent liabilities are primarily due to long-term endorsement contracts with several professional and other leagues, particularly in the United States, and athlete contracts.

There are no guarantees or contingencies given for the management of the Group, for the shareholders, or for the affiliated companies.

25. INVESTMENTS IN SUBSIDIARIES AT DECEMBER 31, 2009

	Group holding, %	Book value in the parent company balance sheet, EUR million
Amer Sports Company, Chicago, USA	100	161.0
Albany Sports Co., Wilmington, USA	100	
Bonfire Snowboarding, Inc., Portland, USA	100	
ClubCom Holding Company, Inc., Wilmington, USA	100	
Mavic, Inc., Haverhill, USA	100	
Precor Incorporated, Woodinville, USA	100	
Amer Sports Winter & Outdoor Company, Ogden, USA	100	
Atomic Ski USA, Inc., Ogden, USA	100	
Wilson Sporting Goods Co., Chicago, USA	100	
Amer Sports Australia Pty Ltd, Braeside, Australia	100	
Amer Sports Brazil LTDA., Sao Paulo, Brazil	100	
Amer Sports Japan, Inc., Tokyo, Japan	100	
Amer Sports Korea, Ltd., Seoul, Korea	100	
Amer Sports Malaysia Sdn Bhd, Shah Alam, Malaysia	100	
Grupo Wilson, S.A. de C.V., Mexico City, Mexico	100	
Asesoría Deportiva Especializada, S.A. de C.V., Mexico City, Mexico	100	
Wilson Sporting Goods Co. de Mexico, S.A. de C.V., Mexico City, Mexico	100	
Amer Sports Europe GmbH, Neuried, Germany	100	62.3
Amer Sports Czech Republic s.r.o., Prague, Czech Republic	100	
Amer Sports Deutschland GmbH, Neuried, Germany	100	
Amer Sports Europe Services GmbH, Neuried, Germany	100	
Amer Sports Spain, S.A., Barcelona, Spain	100	
Amer Sports UK Limited, Frimley, UK	100	
Precor Products Limited, Frimley, UK	100	
Tacktick Limited, Frimley, UK	100	
Amer Sports Finance Oy, Helsinki, Finland	100	508.8
Amer Sports Holding S.A.S., Villefontaine, France	100	28.0
Amer Sports France S.A.S., Villefontaine, France	100	
Salomon S.A., Annecy, France	100	
Cliché S.A.S., Villeurbanne, France	100	
Salomon Canada Sports Ltd, Ontario, Canada	100	
Salomon Romania Srl, Timisoara, Romania	100	
Amer Sports International Oy, Helsinki, Finland	100	67.1
Amer Sports SA, Hagendorn, Switzerland	100	0.1

	Group holding, %	Book value in the parent company balance sheet, EUR million
Amer Sports Suomi Oy, Helsinki, Finland	100	0.9
Amera Oy, Helsinki, Finland	100	
Amerintie 1 Oy, Helsinki, Finland	100	2.1
Amernet Holding B.V., Rotterdam, The Netherlands	100	323.7
Amer Sports Asia Services Limited, Hong Kong, China	100	
Amer Sports Canada Inc., Belleville, Ontario, Canada	100	
Amer Sports HK Limited, Hong Kong, China	100	
Amer Sports Shanghai Trading Ltd, Shanghai, China	100	
Amer Sports Holding GmbH, Altenmarkt, Austria	100	
Amer Sports Bulgaria EOOD, Chepelare, Bulgaria	100	
Amer Sports Italia S.p.A., Nervesa della Battaglia, Italy	100	
Amer Sports Luxembourg S.a r.l., Luxembourg	100	
Amer Sports Finance S.P.R.L., Brussels, Belgium	100	
Amer Sports Sverige AB, Borås, Sweden	100	
Amer Sports Poland Sp. z o.o., Krakow, Poland	100	
Atomic Austria GmbH, Altenmarkt, Austria	95	
Amer Sports Danmark A.p.S., Kokkedal, Denmark	100	
ZAO Amer Sports, Moscow, Russia	100	
Amer Sports Norge A/S, Sandvika, Norway	100	
Salomon Österreich GmbH, Viktring, Austria	100	
Amer Sports Sourcing Ltd, Hong Kong, China	100	
Amer Sports Sourcing (Shenzhen) Limited, Shenzhen, China	100	
Arc'teryx Equipment, Inc., Vancouver, B.C., Canada	100	
Fitz-Wright Holdings Ltd., Langley, B.C., Canada	100	
Bare Sportswear Corp., Blaine, Washington, USA	100	
Fitz-Wright Company Ltd., Langley, B.C., Canada	100	
FitzWright Europe (Malta) Ltd., Zejtun, Malta	100	
Recta AG, Biel, Switzerland	100	
Suunto Benelux B.V., Tholen, The Netherlands	60	
Suunto Oy, Vantaa, Finland	100	65.4
Amerb Oy, Helsinki, Finland	100	
Amerc Oy, Helsinki, Finland	100	
Varpap Patentverwertungs AG, Littau, Switzerland	100	2.0
Non-operating companies		0.0
Total		1,221.4

26. HEDGE RESERVE OF CASH FLOW HEDGES

EUR million		EUR million	
Balance at January 1, 2009	-6.2	Balance at January 1, 2008	-2.7
Gains and losses deferred to shareholders' equity		Gains and losses deferred to shareholders' equity	
Hedging of operating cash flows	4.0	Hedging of operating cash flows	0.1
Hedging of interest cash flows	1.9	Hedging of interest cash flows	-5.9
Gains and losses recognized in the income statement		Gains and losses recognized in the income statement	
Hedging of operating cash flows	-5.4	Hedging of operating cash flows	1.1
Hedging of interest cash flows	0.0	Hedging of interest cash flows	0.0
Deferred taxes	0.3	Deferred taxes	1.2
Balance at December 31, 2009	-5.4	Balance at December 31, 2008	-6.2

27. RELATED PARTY TRANSACTIONS

Related parties include the parent company, subsidiaries (note 25), the Board of Directors and the Amer Sports Executive Board.

Key management includes Board of Directors and Executive Board. Salaries and remuneration paid or payable to key management is shown below:

EUR million	2009	2008
Salaries and remuneration of the Board of Directors	0.3	0.3
Salaries and remuneration of the Executive Board (excluding President and CEO)	3.2	3.3
Salaries and remuneration of the President and CEO	2.4	1.2
Total	5.9	4.8

40% of the annual remuneration to the Board of Directors is paid in shares and 60% in cash.

Members of the Board of Directors do not have contractual retirement benefits with the company. The terms and conditions of the President and CEO's employment are defined in a written executive agreement that has been approved by the Board of Directors. Under the agreement, the President and CEO may retire at the age of 60, with a pension payable at a 60 percent salary rate. Both the company and the President and CEO must provide six months' notice to terminate the President and CEO's employment contract.

Salaries and remuneration of the President and CEO include the severance payment of EUR 1.5 million made to the previous President and CEO Roger Talermo, equaling to 24 months' fixed salary.

No loans have been granted to the Group's Board of Directors and management.

SHARES AND WARRANTS HELD BY MANAGEMENT

Amer Sports Board of Directors held a total of 2,730,545 Amer Sports shares as of December 31, 2009 (December 31, 2008: 1,671,623), or 2.3% (2.3%) of the outstanding shares and votes.

The management of Amer Sports (including the President and CEO) owned a total of 175,623 Amer Sports shares on December 31, 2009 (Dec. 31, 2008: 156,295), representing 0.1% (0.2%) of the shares and votes.

The warrant programs and the share-based incentive plan are described in note 9. The members of the company's Board of Directors do not come within the scope of the warrant programs.

28. BALANCE SHEET VALUES OF FINANCIAL ASSETS AND LIABILITIES BY MEASUREMENT CATEGORIES AT DECEMBER 31, 2009

EUR million

NON-CURRENT FINANCIAL ASSETS

Other non-current financial assets

Derivative financial instruments

Foreign exchange derivatives

CURRENT FINANCIAL ASSETS

Accounts receivable

Loans receivable

Other non-interest yielding receivables *1

Derivative financial instruments

Foreign exchange derivatives

Interest rate derivatives

Cash and cash equivalents

Balance sheet values by category

LONG-TERM FINANCIAL LIABILITIES

Long-term interest-bearing liabilities

Other long-term liabilities

Derivative financial instruments

Interest rate derivatives

CURRENT FINANCIAL LIABILITIES

Current interest-bearing liabilities

Accounts payable

Other current liabilities **1

Derivative financial instruments

Foreign exchange derivatives

Interest rate derivatives

Balance sheet values by category

Financial assets/ liabilities at fair value through income statement	Derivative financial instruments used in hedge accounting	Loans and other receivables	Available- for-sale financial assets	Financial liabilities measured at amortized cost	Carrying amount by balance sheet item	Fair value
		1.6	0.8		2.4	2.4
	0.0				0.0	0.0
		401.2			401.2	401.2
		0.3			0.3	0.3
		43.9			43.9	43.9
6.0	1.9				7.9	7.9
	0.1				0.1	0.1
		121.6			121.6	121.6
6.0	2.0	568.6	0.8		577.4	577.4
				282.8	282.8	284.4
				3.4	3.4	3.4
	3.2				3.2	3.2
				121.3	121.3	121.3
				135.9	135.9	135.9
				170.9	170.9	170.9
4.5	3.5				8.0	8.0
	2.5				2.5	2.5
4.5	9.2			714.3	728.0	729.6

**BALANCE SHEET VALUES OF FINANCIAL ASSETS AND LIABILITIES
BY MEASUREMENT CATEGORIES AT DECEMBER 31, 2008**

EUR million

NON-CURRENT FINANCIAL ASSETS

Other non-current financial assets

CURRENT FINANCIAL ASSETS

Accounts receivable

Loans receivables

Other non-interest yielding receivables *¹

Derivative financial instruments

Foreign exchange derivatives

Cash and cash equivalents

Balance sheet values by category

LONG-TERM FINANCIAL LIABILITIES

Long-term interest-bearing liabilities

Other long-term liabilities

Derivative financial instruments

Interest rate derivatives

CURRENT FINANCIAL LIABILITIES

Current interest-bearing liabilities

Accounts payable

Other current liabilities **¹

Derivative financial instruments

Foreign exchange derivatives

Interest rate derivatives

Balance sheet values by category

	2009	2008
* ¹ Other non-interest yielding receivables		
Prepaid expenses and other receivables	58.8	63.2
./ Other tax receivables	3.3	2.1
./ Derivative financial instruments	7.9	17.0
./ Prepaid expenses related to defined benefit pension plans in USA	3.7	5.6
	43.9	38.5
** ¹ Other current liabilities		
Accrued liabilities	196.3	196.6
./ Other tax liabilities	5.6	3.6
./ Derivative financial instruments	10.5	22.4
./ Accrued liabilities related to defined benefit pension plans	9.3	10.7
	170.9	159.9

Financial assets/liabilities at fair value through income statement	Derivative financial instruments used in hedge accounting	Loans and other receivables	Available-for-sale financial assets	Financial liabilities measured at amortized cost	Carrying amount by balance sheet item	Fair value
		4.3	0.8		5.1	5.1
		479.1			479.1	479.1
		0.3			0.3	0.3
		38.5			38.5	38.5
9.1	7.9				17.0	17.0
		72.1			72.1	72.1
9.1	7.9	594.3	0.8		612.1	612.1
				434.9	434.9	433.7
				7.3	7.3	7.3
	7.2				7.2	7.2
				252.8	252.8	252.8
				178.5	178.5	178.5
				159.9	159.9	159.9
13.1	9.0				22.1	22.1
	0.3				0.3	0.3
13.1	16.5			1,033.4	1,063.0	1,061.8

The following table presents the group's financial assets and liabilities that are measured at fair value at 31 December, 2009:

	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through profit or loss		6.0		6.0
Derivatives used for hedging		2.0		2.0
Available-for-sale financial assets		0.8		0.8
Total assets		8.8		8.8
Liabilities				
Financial liabilities at fair value through profit or loss		4.5		4.5
Derivatives used for hedging		9.2		9.2
Total liabilities		13.7		13.7

Level 1 instruments are traded in active markets with quoted prices. Level 2 instruments are, for example, over-the-counter derivatives and the fair value is determined by using valuation techniques from observable

market data. Level 3 instruments are valued by using valuation techniques without any observable market data.

29. FINANCIAL RISK MANAGEMENT

The global business of Amer Sports involves customary financial risks, such as liquidity and funding risks, market risks associated with exposures to foreign currencies and interest rates and credit risks. Financial risk management is centralized within Amer Sports treasury department, which also acts as an in-house bank providing financial services to all Amer Sports subsidiaries. Risk management is governed by the financial strategy approved by the Board of Directors. This strategy includes principles and risk limits relating to debt maturity, counterparty exposures, bank relations and funding arrangements, liquidity management and interest and foreign exchange risk manage-

ment. The Board of Directors reviews the financial risks once a year. The company has issued written guidelines on the relationships between treasury and the business segments and the management of operational risks. The specified limits are monitored on a daily basis and significant deviations are not allowed.

Amer Sports' banking relations are defined at the Group level. Amer Sports aims to uphold long and trustworthy relations with its main banks by acquiring advisory services, cash management and foreign exchange services from those banks.

The treasury department is also responsible for the Group's business related insurance management and

MATURITY ANALYSIS FOR FINANCIAL LIABILITIES BASED ON THEIR CONTRACTUAL MATURITY			
Dec. 31, 2009			
EUR million	Nominal value	Available	Total
Loans from financial institutions			
Repayments	179.6		179.6
Interest	6.3		6.3
Bonds			
Repayments	75.0		75.0
Interest	2.1		2.1
Pension loans			
Repayments	31.5		31.5
Interest	4.0		4.0
Other interest-bearing liabilities			
Repayments	5.7		5.7
Interest	0.2		0.2
Other interest-free liabilities			
Repayments	2.1		2.1
Commercial papers			
Repayments	112.3		112.3
Interest	0.7		0.7
Financial guarantee contracts	3.6		3.6
Committed revolving credit facilities		275.0	385.0
Derivative liabilities			
Foreign exchange derivatives under hedge accounting	217.6		217.6
Other foreign exchange derivatives	286.2		286.2
Interest rate swaps under hedge accounting	144.4		5.7
Other interest rate derivatives	100.0		0.1
Derivative assets			
Foreign exchange derivatives under hedge accounting	216.1		216.1
Other foreign exchange derivatives	286.6		286.6
Interest rate swaps under hedge accounting	60.0		0.1

decision-making in cooperation with an external specialist. Due to the nature of operations, insurance management focuses on general liability, property damage and business interruption, directors' and officers' liability, crime and marine cargo insurance policies.

FUNDING RISK

Amer Sports uses various sources for funding its operations that ensures equitable use of financing with regard to providers of finance and maturity. The treasury department is responsible for arranging finance required by operations using debt or equity instruments. A balanced maturity profile of loans aims to

avoid excessive refinancing risk.

The focus in financing will shift to debt instruments raised directly from domestic and/or international financial market. This will bring flexibility in terms of maturity and pricing and will decrease dependence on bank finance. Still, the aim is to uphold long-term and confidential relationships with main banks assuring that significant new funding requirements can also be met.

LIQUIDITY RISK

Amer Sports' liquidity needs arise from working capital. Given the nature of winter sports, Amer Sports' operating cash flow and working capital needs are highly sea-

2010	2011	2012	2013	2014 and after	Dec. 31, 2008		
					Nominal value	Available	Total
0.1	15.1	164.4			377.0		377.0
2.1	2.9	1.3			12.5		12.5
	75.0				150.0		150.0
1.2	0.9				7.8		7.8
5.7	5.7	5.7	5.7	8.7	37.6		37.6
1.3	1.0	0.8	0.5	0.4	5.5		5.5
3.3	1.0			1.4	9.9		9.9
0.1	0.0	0.0	0.0	0.1	0.5		0.5
2.1					7.3		7.3
112.3					113.2		113.2
0.7					2.8		2.8
			3.6		4.3		4.3
60.0	70.7	254.3				130.0	130.0
217.6					215.7		215.7
286.2					387.9		387.9
4.8	0.9				221.9		221.9
0.1							
214.5	1.6				215.1		215.1
286.6					389.2		389.2
-0.2	0.3						

sonal. Amer Sports' need for cash is typically the greatest in the third quarter when operating cash and short-term debt are tied up in inventories and receivables. Amer Sports' primary sources of liquidity have been operating cash flow and borrowings under its EUR 325 million committed credit facility. Amer Sports has also used its EUR 500 million Finnish commercial paper program to finance its working capital needs. Due to prevailing market conditions, Amer Sports has been using its committed credit facilities more than before.

Cash flow forecasting is prepared by the subsidiaries on a daily basis and consolidated by the treasury department. This rolling 20-day forecast acts as a base tool for short term liquidity planning.

Amer Sports uses cash pooling to manage daily liquidity within the company. Surplus cash generated by subsidiaries is swept daily to Amer Sports master accounts and placed in bank deposits or invested in commercial papers or certificates of deposits within agreed limits.

The table on the previous page sets out a breakdown of the Group's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. However, amounts drawn under the committed revolving credit facility maturing in 2011 and 2012 are presented as maturing in 2012.

CURRENCY RISK

Amer Sports' currency risk arises from transaction risks arising from foreign currency-denominated

receivables, liabilities, forecast cash flows in foreign currencies and derivatives and earnings' translation risk. The company operates in all major currencies, and it has a sales office in 29 countries. Risk management aims to eliminate the uncertainties associated with fluctuation in foreign exchange rates.

At the end of the year, Amer Sports' currency position in accordance with IFRS 7 consisted of inter-company and external interest-free and interest-bearing currency-denominated receivables and liabilities and foreign exchange derivatives. Foreign exchange derivatives include both the forward contracts hedging the parent company's foreign currency denominated balance sheet and forecast cash flows.

Owing to the geographical distribution of Amer Sports' business operations, the most significant currency risks arise from US dollar, Japanese yen, Canadian dollar, and Swiss franc. The US dollar risk is further emphasized by the fact that it is the most significant currency used in purchasing activities also outside the United States. In 2009, the importance of US dollar even increased due to growth of Apparel and Footwear business that uses US dollar as a purchase currency.

Amer Sports aims to minimize balance sheet risks by financing each subsidiary in its home currency. The balance sheet risks are concentrated to the businesses' centralized distribution and purchasing units that invoice the subsidiaries in their respective home currencies. The parent company's foreign exchange balance sheet risk arises from inter-company and external receivables and liabilities.

The following table sets out the IFRS 7-compliant foreign exchange position at the balance sheet date:

EUR million	Dec. 31, 2009				Dec. 31, 2008			
	USD	JPY	CAD	CHF	USD	JPY	CAD	CHF
Interest-bearing external receivables	8.3	-	-	-	-	-	-	-
Interest-bearing inter-company receivables	177.9	21.0	24.1	1.8	287.2	20.0	30.2	2.3
External receivables	8.0	0.0	-7.2	5.0	14.3	0.0	-7.7	5.1
Inter-company receivables	1.6	2.3	1.2	2.2	-0.4	2.9	2.0	2.3
Interest-bearing external liabilities	-69.4	-	-	-	-71.9	-	-	-
External payables	-25.4	-0.1	1.1	-0.8	-2.3	-0.1	1.9	-0.8
Inter-company payables	-2.5	0.1	0.0	-1.9	-15.4	0.0	0.0	-2.2
Foreign exchange derivatives	-18.0	-50.2	-38.4	-46.4	-110.8	-56.1	-36.2	-39.9

The table below presents the sensitivity of shareholders' equity and the income statement at the balance sheet date to the strengthening of the euro by 10%, provided other factors were to remain unchanged. The weakening of the euro by 10% would cause a similar change in the opposite direction:

EUR million	Shareholders' equity	Income statement
USD	-8.9	0.9
JPY	2.0	0.7
CAD	1.2	0.7
CHF	2.8	1.2

The following table presents the corresponding sensitivities at the balance sheet date in 2008:

EUR million	Shareholders' equity	Income statement
USD	-8.7	0.8
JPY	2.3	1.0
CAD	0.8	0.2
CHF	2.3	1.1

Earnings sensitivity is influenced by changes in the fair value of derivative instruments not used in hedge accounting and on-balance sheet hedging derivative instruments as well as changes in the value of on-balance sheet currency-denominated loans and receivables. Shareholders' equity is affected by changes in the fair value of derivative instruments used in hedge accounting recognized under the hedge reserve.

The subsidiaries' forecast currency-denominated cash flows comprise a transaction risk when a unit sells in its home currency goods whose costs are denominated in a foreign currency or sells or buys goods in a non-home currency.

The following table sets forth Amer Sports' estimated main cash flow risks in the following currencies for 2010 (EUR million):

EUR	USD	CHF	JPY	GBP	CAD	RUB	SEK	OTHER
28	168	-42	-31	-27	-20	-17	-16	-42

The following table sets forth the hedging of Amer Sports' cash flows as at December 31, 2009 (EUR million):

EUR	USD	CHF	JPY	GBP	CAD	RUB	SEK	OTHER
58	100	-45	-30	-21	-12	-8	-14	-28

The company's exposure to Russian ruble has risen because Amer Sports has increased direct sales to customers in Russian markets instead of using intermediate distributors.

The strengthening of the euro against the above currencies typically weakens Amer Sports' result of operations. A significant share of the US dollar denominated

purchase cost risk is eliminated against the US dollar denominated operating result. Due to changes in business operations the US dollar purchases exceeded the US dollar denominated operating result in 2009.

According to the company's hedging policy, the transaction risk arising from subsidiaries' business operations is hedged up to 12-18 months forward. The hedging is carried out so that the hedge ratio is higher for closer months than for the cash flows realized in later periods. The hedge ratio of the units is maintained between 30% and 70%, except for the Winter and Outdoor business, where the ratio is 80-120% due to the nature of the business. The hedged cash flow is expected to realize in the next 12 months. The company hedges only annual cash flows or other exposures with a value of over EUR 3.0 million.

The company utilizes hedge accounting for annual cash flows with a counter value of over EUR 10 million. The company monitors its hedge ratios daily and tests its effectiveness at three-month intervals. The effectiveness of forward contracts is tested using spot rates.

According to its financial strategy, the company may hedge 0 to 50% of subsidiaries' equity. At the end of 2009, there were no equity hedges outstanding.

INTEREST RISK

Amer Sports' interest risk arises out of reprising floating rate loans and raising new floating rate loans. Amer Sports is also subject to fair value risk arising from fixed rate loans. Duration and fixed-to-floating ratio are used in monitoring the interest rate position. Duration is calculated using the interest reprising date of financing items. As of December 31, 2009, the duration of financing items was approximately ten months and fixed rate debt accounted for 79% of total net debt. The cash flow risk for debt is managed using interest rate derivatives.

The sensitivity of the income statement includes assessment of changes in interest expenses for the next 12 months due to an increase/decrease of one percentage point in interest rates, provided other factors were to remain unchanged. Shareholders' equity is influenced by a change in the market value of the interest rate swaps included in hedge accounting. The change is booked to the hedge reserve.

The following table sets out the sensitivity of shareholders' equity and income statement at the balance sheet date to an increase of 1% in interest rates, provided other factors were to remain unchanged:

EUR million	Position	2009
Shareholders' equity	204.4	3.9
Income statement	63.0	-1.2

At the balance sheet date in 2008, the sensitivity of the shareholders' equity and income statement to an increase of 1% interest rates, provided other factors were to remain unchanged, were:

EUR million	Position	2008
Shareholders' equity	221.9	4.3
Income statement	421.0	-3.1

The effective interest rate on total net debt including interest rate hedges in 2009 was 4.4%. The interest rate was 2.3% on bonds, 3.1% on syndicated loans, 4.7% on pension loans and 2.7% on commercial papers.

The company applies hedge accounting to interest rate derivatives that meet the criteria for hedge accounting. Other interest rate derivatives are measured at fair value and the result is recognized in financing items. The hedging of the currency risk from inter-company debt and the resulting interest rate differential are realized as interest expenses or income.

The following table sets out the interest-bearing debts by currency after foreign exchange and interest rate derivatives and facility fees at the end of the financial period:

EUR million	Dec. 31, 2009	Dec. 31, 2008
USD	177.9	265.7
EUR	164.3	341.2
CAD	24.1	30.2

JPY	21.0	20.0
MXN	9.5	8.2
Other	7.3	22.4
Total	404.1	687.7
Average interest rate, %	3.5	5.0

CREDIT RISK

The company is exposed to credit risk through its accounts receivable. The Group has a global customer base, and there are no significant risk concentrations. The largest single customer accounts for 3% of total accounts receivable and the largest 20 combined total about 25%. The company uses credit insurance to some extent. Use of factoring is marginal.

As the customers in the fitness business use also leasing, the company takes limited risks through repurchase agreements.

The company seeks to minimize its cash items. Excess liquidity is placed either in bank deposits within banks that Amer Sports has outstanding debt or in high-quality money market instruments within the approved limits.

The company estimates that the credit risk arising from its derivatives is minor. The risk is minimized by limiting the number of counterparties and their shares of the total portfolio.

The following table sets forth balance sheet values or fair values of financial assets, which represent the maximum amount of the credit risk and, which as of the balance sheet dates are presented in the following table:

EUR million	Balance sheet value or fair value Dec. 31, 2009	Balance sheet value or fair value Dec. 31, 2008
CREDIT RISK		
Long-term financial assets		
Long-term interest-bearing receivables	-	-
Other long-term financial assets	2.4	5.1
Derivative contracts		
Foreign exchange derivatives	0.0	-
Short-term financial assets		
Accounts receivable	401.2	479.1
Loans receivable	0.3	0.3
Other interest-free receivables	43.9	38.5
Derivative contracts		
Foreign exchange derivatives	7.9	17.0
Interest rate derivatives	0.1	-
Cash and cash equivalents	121.6	72.1

INTEREST FIXING PERIODS

EUR million	Dec. 31, 2009							Dec. 31, 2008	
	0-3 mo	4-6 mo	7-9 mo	10-12 mo	1-2 yr	2-3 yr	over 3 yr	0-1 yr	over 1 yr
Debt	-297.3	-72.4		-6.2	-6.7	-5.7	-15.8	-656.2	-31.5
Cash and cash equivalents	121.6							72.1	
Forward rate agreements	50.0	0.0	-50.0						
Interest rate swaps	135.0	69.4		-69.4	-135.0			221.9	-221.9
Net	9.3	-3.0	-50.0	-75.6	-141.7	-5.7	-15.8	-362.2	-253.4

(+ = Assets, - = Debt)

DERIVATIVE FINANCIAL INSTRUMENTS

EUR million	Dec. 31, 2009				Dec. 31, 2008		
	Nominal value	Fair value	2010	2011	2012 and after	Nominal value	Fair value
Hedge accounting-related							
Foreign exchange forward contracts hedging cash flows from operations	216.1	-1.7	214.5	1.6		215.1	-0.9
Interest rate swaps hedging interest cash flow	204.4	-5.6	69.4	135.0		221.9	-7.5
Other derivative contracts							
Foreign exchange forward contracts	286.6	0.6	286.6			389.2	-0.2
Forward rate agreements	100.0	-0.1	100.0				

CAPITAL MANAGEMENT

The Group's capital management aims at the optimal capital structure that ensures the normal short-term and long-term operational requirements of business. The Group aims to utilize its balance sheet actively, yet without taking too high financial risks.

The increase in shareholder value is pursued through the best possible return on equity. The company therefore pursues a progressive dividend policy reflecting its results, with the objective of distributing a dividend of at least one-third of annual net profits.

The development of the Group's capital structure is primarily followed up using the gearing (defined as interest-bearing liabilities minus cash and cash equivalents divided by the consolidated shareholders' equity) with a target range of 60-80%.

Amer Sports' credit facilities include a financial covenant, according to which Amer Sports' consolidated gearing cannot be more than 150 percent, excluding the impact of any goodwill or intangible rights impairment. The credit facilities include certain other customary covenants, a negative pledge, representations and warranties and customary events of default. Due to measures taken to improve its balance sheet, Amer Sports does not foresee any risks to a breach in the financial covenant in the next financial year given the current business environment.

In March 2009, Amer Sports Corporation issued a EUR 60 million hybrid bond in order to strengthen the

Group's capital structure and to repay existing debt. The coupon rate of the bond is 12.0% per annum. The bond has no maturity but the company may call the bond after three years. The hybrid bond is unsecured and subordinated to all senior debt and is treated as equity in Amer Sports' consolidated financial statements. The hybrid bond does not provide shareholders' rights and it does not dilute the holdings of shareholders.

As part of Amer Sports' measures to improve its balance sheet, the company undertook a rights offering that was completed on October 23, 2009. Amer Sports raised gross proceeds of approximately EUR 160 million in the rights offering. The proceeds from the rights offering have been used to strengthen the financial position of Amer Sports and to improve the company's operational and strategic flexibility. As a result of the rights offering, the number of Amer Sports' shares increased by 48,471,734 to 121,517,285 shares. The total net proceeds of the rights offering amounted to EUR 151.5 million.

EUR million	Dec. 31, 2009	Dec. 31, 2008
Interest-bearing liabilities	404.1	687.7
Cash and cash equivalents	121.6	72.1
Net debt	282.5	615.6
Total shareholders' equity	735.3	508.1
Gearing, %	38	121

CALCULATION OF KEY INDICATORS

EARNINGS PER SHARE:

Net result attributable to equity holders of the parent company
Average number of shares adjusted for the bonus element of share issues

EQUITY PER SHARE:

Shareholders' equity ¹⁾
Number of shares at year end adjusted for the bonus element of share issues

DIVIDEND PER SHARE:

Total dividend
Number of shares at year end adjusted for the bonus element of share issues

DIVIDEND % OF EARNINGS:

100 x $\frac{\text{Adjusted dividend}}{\text{Net result}}$

EFFECTIVE YIELD, %:

100 x $\frac{\text{Adjusted dividend}}{\text{Adjusted share price at closing date}}$

P/E RATIO:

Adjusted share price at closing date
Earnings per share

MARKET CAPITALIZATION:

Number of shares at year end multiplied by share price at closing date

RETURN ON CAPITAL EMPLOYED (ROCE), %:

100 x $\frac{\text{EBIT}}{\text{Capital employed}^{2)}$

RETURN ON INVESTMENT (ROI), %:

100 x $\frac{\text{Earnings before taxes + interest and other financing expenses}}{\text{Balance sheet total less interest-free liabilities}^{3)}$

RETURN ON SHAREHOLDERS' EQUITY (ROE), %:

100 x $\frac{\text{Earnings before taxes - taxes}}{\text{Shareholders' equity}^{4)}$

EQUITY RATIO, %:

100 x $\frac{\text{Shareholders' equity}}{\text{Balance sheet total less advances received}}$

DEBT TO EQUITY RATIO:

Interest-bearing liabilities
Shareholders' equity

GEARING, %:

100 x $\frac{\text{Interest-bearing liabilities - cash and cash equivalents}}{\text{Shareholders' equity}}$

¹⁾ Excluding minority interests

²⁾ Non-current assets + working capital excluding receivables and payables relating to interest and taxes, monthly average of the financial period

³⁾ Monthly average of the financial period

⁴⁾ Average of the financial period

The calculation of key indicators excludes the company's own shares.

PARENT COMPANY INCOME STATEMENT

EUR million	2009	2008
Other operating income	10.0	24.1
EXPENSES		
Personnel expenses	8.1	5.4
Depreciation	0.4	0.5
Other expenses	10.5	9.0
Total expenses	19.0	14.9
EARNINGS BEFORE INTEREST AND TAXES	-9.1	9.2
Financing income	13.6	100.6
Financing expenses	-53.5	-48.6
Financing income and expenses	-39.9	52.0
EARNINGS BEFORE EXTRAORDINARY ITEMS	-49.0	61.2
Extraordinary items	21.0	32.5
EARNINGS BEFORE APPROPRIATIONS AND TAXES	-28.0	93.7
Appropriations	0.0	0.3
Taxes	0.0	-2.4
NET RESULT	-28.0	91.6

PARENT COMPANY BALANCE SHEET

ASSETS		
EUR million	2009	2008
NON-CURRENT ASSETS		
INTANGIBLE ASSETS		
Intangible rights	0.6	0.6
TANGIBLE ASSETS		
Land and water	1.2	1.2
Buildings and constructions	1.0	1.0
Machinery and equipment	0.7	0.7
Other tangible assets	0.6	0.6
	3.5	3.5
OTHER NON-CURRENT INVESTMENTS		
Investments in subsidiaries	1,221.4	1,217.8
Receivables from subsidiaries	0.9	0.9
Other bonds and shares	1.9	1.9
	1,224.2	1,220.6
TOTAL NON-CURRENT ASSETS	1,228.3	1,224.7
CURRENT ASSETS		
RECEIVABLES		
Accounts receivable	0.0	0.2
Receivables from subsidiaries	397.9	518.5
Other receivables	0.6	0.3
Prepaid expenses	8.6	7.1
	407.1	526.1
MARKETABLE SECURITIES		
Other securities	8.0	-
CASH AND CASH EQUIVALENTS	72.1	35.7
TOTAL CURRENT ASSETS	487.2	561.8
TOTAL ASSETS	1,715.5	1,786.5

SHAREHOLDERS' EQUITY AND LIABILITIES

EUR million	2009	2008
SHAREHOLDERS' EQUITY		
Share capital	292.2	292.1
Premium fund	12.1	12.1
Fund for own shares	-	-5.7
Invested unrestricted equity reserve	161.8	-
Retained earnings	274.0	199.9
Net result	-28.0	91.6
TOTAL SHAREHOLDERS' EQUITY	712.1	590.0
ACCUMULATED APPROPRIATIONS		
Accumulated depreciation in excess of plan	0.3	0.3
PROVISION FOR CONTINGENT LOSSES		
Provision for pension liability	0.1	0.1
Other provisions	-	0.1
TOTAL PROVISIONS FOR CONTINGENT LOSSES	0.1	0.2
LIABILITIES		
LONG-TERM LIABILITIES		
Bonds	75.0	75.0
Loans from financial institutions	69.4	71.8
Pension loans	25.7	31.4
Other liabilities	60.0	-
	230.1	178.2
CURRENT LIABILITIES		
Bonds	-	75.0
Other interest-bearing liabilities	228.5	431.0
Accounts payable	0.9	-
Payables to subsidiaries	531.7	488.7
Other current liabilities	0.3	0.2
Accrued liabilities	11.5	22.9
	772.9	1,017.8
TOTAL LIABILITIES	1,003.0	1,196.0
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,715.5	1,786.5

PARENT COMPANY CASH FLOW STATEMENT

EUR million	2009	2008
NET CASH FLOW FROM OPERATING ACTIVITIES		
EBIT	-9.1	9.3
Depreciation	0.4	0.5
Adjustments to cash flow from operating activities	0.0	-13.2
Cash flow from operating activities before change in working capital	-8.7	-3.4
Increase (-) or decrease (+) in trade and other current receivables	2.0	-0.6
Increase (+) or decrease (-) in interest-free current liabilities	3.1	-2.2
Change in working capital	5.1	-2.8
Cash flow from operating activities before financing items and taxes	-3.6	-6.2
Interest paid	-27.3	-31.9
Interest received	0.2	0.5
Income taxes paid	-0.4	-2.5
Financing items and taxes	-27.5	-33.9
Total net cash flow from operating activities	-31.1	-40.1
NET CASH FLOW FROM INVESTING ACTIVITIES		
Company acquisitions	-3.5	-
Capital expenditure	-0.3	-0.3
Proceeds from sale of tangible non-current assets	0.0	23.0
Loans granted	-	0.1
Dividend received from non-current receivables	0.0	85.2
Net cash flow from investing activities	-3.8	108.0
NET CASH FLOW FROM FINANCING ACTIVITIES		
Share issue, net *)	151.5	-
Reissuance of own shares	1.8	0.8
Change in short-term borrowings	-173.1	96.5
Withdrawals of long-term borrowings	60.0	40.0
Repayments of long-term borrowings	-81.1	-3.8
Change in current receivables	121.5	-195.1
Dividends paid	-11.6	-36.3
Group contribution received	32.5	29.3
Other financing items **)	-22.2	17.0
Net cash flow from financing activities	79.3	-51.6
CHANGE IN CASH AND CASH EQUIVALENTS		
Cash and cash equivalents	44.4	16.3
Cash and cash equivalents at year end	80.1	35.7
Cash and cash equivalents at year beginning	35.7	19.4
Change in cash and cash equivalents	44.4	16.3
*) Gross proceeds of EUR 160.0 million less expenses EUR 8.5 million.		
**) Including, for example, cash flow from hedging intercompany balance sheet items.		

PARENT COMPANY ACCOUNTING POLICIES

The parent company's financial statements are prepared in accordance with Finnish law. The results are reported in euros using the historical cost convention. The financial statements are presented excluding the notes to the financial statements.

FOREIGN CURRENCIES

The parent company records foreign currency transactions at the rates of exchange on the transaction date. Assets and liabilities denominated in foreign currencies are translated at the closing rate of exchange confirmed by the European Central Bank in effect at the balance sheet date.

Exchange rate gains and losses related to financing operations are reported at their net values as financing income and expenses.

DERIVATIVE INSTRUMENTS

The company's derivative instruments include foreign exchange forward contracts, forward rate agreements and interest rate swaps. Foreign exchange forward contracts are used to hedge against changes in the value of receivables and liabilities denominated in a foreign currency and the forward rate agreements and interest rate swaps to hedge against the interest rate risk.

Foreign exchange forward contracts are measured at fair value by recognizing the exchange rate difference in the income statement. The original interest rate differential on foreign exchange forward contracts is amortized to profit and loss. Forward rate agreements and interest rate swaps are not measured at fair value, but their fair values are presented in the notes. The fair value of forward rate agreements is based on the market prices quoted on the closing date. The fair values of interest rate swaps are calculated as the current value of future cash flows. The interest rate differential on interest rate swaps is periodized over the duration of the swaps on a net basis in interest expenses.

INTANGIBLE AND TANGIBLE NON-CURRENT ASSETS

Non-current assets are stated at cost less accumulated depreciation.

Depreciation is calculated on a straight-line basis in order to write off the cost or revalued amounts of assets over their expected useful lives which are as follows:

Intangible rights and other capitalized expenditure	5–10 years
Buildings	40 years
Machinery and equipment	4–10 years
Land and water	are not depreciated.

PROVISION FOR CONTINGENT LOSSES

Future costs and losses which the company has an obligation to settle and which are certain or likely to occur are disclosed in the income statement under an appropriate expense heading. They are presented in the balance sheet as provisions for contingent losses when the precise amount or timing is not known. In other cases they are presented as accrued liabilities.

LEASING

Leasing payments are treated as rental expenses.

PENSION PLANS

The pension and related fringe benefit arrangements of the parent company's employees are administered by a pension insurance company and recorded as determined by actuarial calculations and payments to the insurance company.

A minor part of the cost of supplementary pensions is borne directly by the parent company. Annual payments are expensed and pension liabilities are included in the provision for contingent losses.

TAXES

Taxes include taxes for the period calculated on the basis of the net result for the period as well as assessed or returned taxes for prior periods.

BOARD OF DIRECTORS' REPORT'S AND FINANCIAL STATEMENTS' SIGNATURES

Helsinki, Finland, February 4, 2010

Anssi Vanjoki

Ilkka Brotherus

Martin Burkhalter

Christian Fischer

Hannu Ryöppönen

Bruno Sälzer

Pirjo Väliäho

Pekka Paalanen
Acting President and CEO

AUDITORS' REPORT

TO THE ANNUAL GENERAL MEETING OF AMER SPORTS CORPORATION

We have audited the accounting records, the financial statements, the report of the Board of Directors and the administration of Amer Sports Corporation for the year ended on 31 December, 2009. The financial statements comprise the consolidated balance sheet, income statement, statement of comprehensive income, statement of changes in equity, cash flow statement and notes to the consolidated financial statements, as well as the parent company's balance sheet, income statement, cash flow statement and notes to the financial statements.

RESPONSIBILITY OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

The Board of Directors and the Managing Director are responsible for the preparation of the financial statements and the report of the Board of Directors and for the fair presentation of the consolidated financial state-

ments in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as for the fair presentation of the financial statements and the report of the Board of Directors in accordance with laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the Managing Director shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

AUDITOR'S RESPONSIBILITY

Our responsibility is to perform an audit in accordance with good auditing practice in Finland, and to express an opinion on the parent company's financial statements, on the consolidated financial statements and on the report of the Board of Directors based on our

audit. Good auditing practice requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements and the report of the Board of Directors are free from material misstatement and whether the members of the Board of Directors of the parent company and the Managing Director have complied with the Limited Liability Companies Act.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report of the Board of Directors. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements and of the report of the Board of Directors, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements and the report of the Board of Directors in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

The audit was performed in accordance with good auditing practice in Finland. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

In our opinion, the consolidated financial statements give a true and fair view of the financial position, financial performance and cash flows of the group in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

OPINION ON THE COMPANY'S FINANCIAL STATEMENTS AND THE REPORT OF THE BOARD OF DIRECTORS

In our opinion, the financial statements and the report of the Board of Directors give a true and fair view of both the consolidated and the parent company's finan-

cial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The information in the report of the Board of Directors is consistent with the information in the financial statements.

OTHER OPINIONS

We support that the financial statements should be adopted. The proposal by the Board of Directors regarding the use of the profit shown in the balance sheet is in compliance with the Limited Liability Companies Act. We support that the Members of the Board of Directors and the Presidents and CEO's should be discharged from liability for the financial period audited by us.

Helsinki, Finland, February 4, 2010

PricewaterhouseCoopers Oy
Authorised Public Accountants

Jouko Malinen
Authorised Public Accountant

Corporate Governance Statement

In its decision making and administration, Amer Sports applies the Finnish Companies Act, the Finnish Securities Markets Act and the rules issued by the Nasdaq OMX Helsinki Stock Exchange, Amer Sports' Articles of Association, and the Finnish Corporate Governance Code 2008 for listed companies. Amer Sports' Corporate Governance Statement has been prepared pursuant to Recommendation 51 of the Finnish Corporate Governance Code 2008 for listed companies and the Securities Markets Act.

GENERAL

Pursuant to the provisions of the Finnish Companies Act and the Articles of Association of Amer Sports Corporation (hereinafter referred to as "Amer Sports" or "the company") responsibility for the control and management of Amer Sports is divided between the General Meeting of shareholders, the Board of Directors and the President and CEO. Shareholders participate in the control and management of Amer Sports through resolutions passed at General Meetings of shareholders, which are generally convened upon notice given by the Board of Directors. In addition, General Meetings of shareholders are held when requested in writing by an auditor of Amer Sports or by shareholders representing at least one-tenth of all the outstanding shares of the company.

Amer Sports' shares are listed on the Nasdaq OMX Helsinki Stock Exchange. In addition, Amer Sports has a Level I ADR program. The ADRs are traded over-the-counter in the United States. Two depositary receipts are equivalent to one Amer Sports share.

CORPORATE GOVERNANCE

In its decision making and administration, Amer Sports applies the Finnish Companies Act, the Finnish Securities Markets Act and the rules issued by the Nasdaq OMX Helsinki Stock Exchange, Amer Sports' Articles

of Association, and the Finnish Corporate Governance Code 2008 for listed companies. Amer Sports complies with the code without exceptions. The code is publicly available on www.cgfinland.fi.

This Corporate Governance Statement has been prepared pursuant to Recommendation 51 of the Finnish Corporate Governance Code 2008 for listed companies and the Securities Markets Act (Chapter 2, Section 6). This Corporate Governance Statement is issued separately from Amer Sports' operating and financial review.

BOARD OF DIRECTORS

Composition and term of Board of Directors

The Board of Directors is responsible for duly organizing the administration and operations of Amer Sports. The Annual General Meeting of shareholders ("the AGM") elects a minimum of five and a maximum of seven directors for a term of one year. A person who has reached the age of 66 at the time of election may not become a member of the Board of Directors.

The Board evaluates the independence of its members annually or more often, as may be necessary. Each member of the Board of Directors is obligated to provide the Board of Directors with sufficient information that allows evaluation of their independence.

The Board of Directors' rules of procedure and meeting practices

Amer Sports' Board of Directors approves annually the rules of procedure to govern its work including a schedule for meetings. The rules of procedure include the specific themes discussed at each meeting in addition to the standard reporting and discussion items reviewed in each meeting. The rules of procedure also include a schedule of the dates when the Board of Directors will visit the operations of the company and its partners, as well as the annual evaluation of its own performance at the end of the period. Committees established by the Board of Directors assist the Board of Directors for the matters assigned to them.

The Board of Directors convenes eight to ten (8–10) times a year according to a predetermined annual meeting schedule. In addition to these meetings, the Board of Directors convenes as necessary. At least once a year, the Board of Directors convenes when representatives of the company's management are not in attendance. The President and CEO and the Executive Vice President and CFO participate in the meetings of the Board of Directors and the Vice President of Legal Affairs acts as the secretary of the Board. Other Amer Sports executives participate in the meetings as necessary.

Meeting materials are delivered to the members of the Board of Directors in advance and all meetings are documented.

The main duties of the Board of Directors

The duties and responsibilities of the Board of Directors are defined according to the Finnish Companies Act, other applicable legislation, and Amer Sports' Articles of Association. The Board of Directors has general authority in all matters where neither law nor the company's Articles of Association stipulate that a matter should be decided or performed by any other bodies. In addition, the Board of Directors must act in the interests of the company and all shareholders in

all circumstances, and direct Amer Sports' operations with a view to generating maximum enduring added value to shareholders without neglecting other stakeholders.

The main duties of the Board of Directors are to:

1. Direct Amer Sports' business operations and strategies
 - Confirm the company's strategy and ensure that it is up-to-date
 - Confirm the business plan on the basis of the strategy and annual budget, and monitor its achievement
 - Adopt the annual investment plan
 - Decide on significant, strategically-important investments or acquisitions and the sale of assets
 - Review the Corporate Social Responsibility Report
2. Organize Amer Sports' administration and functions
 - Appoint and dismiss the President and CEO
 - Appoint and dismiss the immediate subordinates of the President and CEO
 - Decide on the terms of service of the President and CEO and his or her immediate subordinates, including possible incentive programs
 - Set the President and CEO's personal targets for each year and monitor their achievement
 - Keep track of issues related to succession in management and human resources strategy
 - Adopt the duties and responsibilities of the Board of Directors and evaluate its performance once a year
3. Supervise the management of financial administration, internal control and risk management
 - Review and approve interim reports, annual financial statements and the report by the Board of Directors as well as related stock exchange releases

- Hold a meeting with the company's auditors at least once a year
 - Oversee significant risks connected with the company's operations and risk management
4. Prepare matters to be decided on at the AGM
- Draft the company's dividend payout policy and submit a proposal on the dividend to the AGM
 - Submit other proposals to the AGM

According to the rules of procedure, the chairman of the Board of Directors, in addition to leading the work of the Board of Directors, continuously monitors Amer Sports' operations and development through contact with the President and CEO. Furthermore, the chairman of the Board of Directors represents the company in matters associated with shareholders and ensures that the work of the Board of Directors is evaluated annually, and that the Board of Directors continuously updates and deepens its knowledge of Amer Sports' operations.

Year 2009

The Annual General Meeting of shareholders held on March 5, 2009, elected seven members to the Amer Sports Board of Directors. The Board members re-elected were Anssi Vanjoki, Ilkka Brotherus, Martin Burkhalter, Christian Fischer, Bruno Sälzer, and Pirjo Väliäho. Hannu Ryöppönen was elected as a new member of the Board of Directors, Anssi Vanjoki was re-elected as chairman and Ilkka Brotherus as vice chairman of the Board of Directors.

In 2009, the Board of Directors convened 20 times. The attendance rate of directors at meetings of the Board of Directors was 94% in 2009. On 5 March, 2009, the Board of Directors carried out a self-assessment of its performance.

BOARD COMMITTEES

The Board of Directors has established three permanent committees from amongst its members to support its

work and has defined the rules of procedure for them. The committee chairmen and members are elected annually. The committees report on their work to the entire Board of Directors on a regular basis. The committees have no independent decision-making power.

Audit Committee

The Board of Directors appoints an Audit Committee to assist it in its task of supervising the company's financial administration. The Audit Committee comprises a minimum of three members of the Board of Directors. The members must be independent and have the qualifications necessary to perform the duties of the Audit Committee. The Audit Committee meets at least four times per year and maintains regular contact with the company's external auditor. The Audit Committee monitors the reporting of the company's financial statements and the adequacy of internal control and risk management systems. In addition, the Audit Committee monitors the statutory audit process, evaluates the independence of the statutory audit firm, and prepares the recommendation presented to the Annual General Meeting on the election of the auditor.

Year 2009

On March 5, 2009, the Board of Directors elected Hannu Ryöppönen (chairman), Ilkka Brotherus and Martin Burkhalter as members of the Audit Committee. The Audit Committee convened altogether 5 times in 2009. The meeting attendance rate was 93.3% in 2009.

Compensation Committee

The Board of Directors appoints a Compensation Committee to ensure good governance in monitoring executive rewards, to recommend Amer Sports' reward philosophy and executive reward programs, to assess pay and performance relationships and to recommend executive pay decisions concerning the President and CEO and his immediate direct reports for approval by Amer Sports' Board of Directors. The Compensation Committee comprises a minimum of three members

of the Board of Directors. The chairman of the committee convenes meetings as required, but at least twice a year.

Year 2009

On March 5, 2009, the Board of Directors elected Pirjo Väliaho (chairman), Anssi Vanjoki, Christian Fischer, and Bruno Sälzer as members of the Compensation Committee. The Compensation Committee convened altogether 4 times in 2009. The meeting attendance rate was 93.8% in 2009.

Nomination Committee

The Board of Directors appoints a Nomination Committee to assist it in its task of ensuring good governance in preparing proposals concerning members of the Board of Directors and their compensation for decision by the General Meeting of shareholders. The Nomination Committee communicates with major shareholders in matters concerning the appointment of the Board of Directors, when that is appropriate. The Nomination Committee comprises a minimum of three members of the Board of Directors. The chairman of the committee convenes meetings as required, but at least once a year.

Year 2009

On March 5, 2009, the Board of Directors elected Ilkka Brotherus (chairman), Anssi Vanjoki, and Martin Burkhalter as members of the Nomination Committee. The Nomination Committee convened altogether 8 times in 2009. The meeting attendance rate was 100% in 2009.

PRESIDENT AND CEO

The Board of Directors nominates the President and CEO, who is in responsible for managing Amer Sports in accordance with the Finnish Companies Act and instructions provided by the Board of Directors. The Executive Vice President and CFO acts as deputy to the President and CEO.

The President and CEO reports to the Board of Directors and keeps the Board of Directors informed about Amer Sports' business, including its relevant markets and competitors, as well as its financial position and other significant matters. The President and CEO is also responsible for overseeing the company's day-to-day administration and ensuring that the financial administration of the company has been arranged reliably. The President and CEO is assisted by the Executive Board. Roger Talermo served as President and CEO from 1996 until 22 December, 2009 and was also a member of the Board of Directors between 1996 and 2008. The Executive Vice President and CFO, currently Pekka Paalanne, acts as deputy to the President and CEO. Heikki Takala was appointed as President and CEO of Amer Sports from April 1, 2010.

Pekka Paalanne

Acting President and CEO of Amer Sports from December 22, 2009 until March 31, 2010. Executive Vice President and CFO since 1997. Bachelor of Science degree in Economics. Born 1950, Finnish nationality. **Primary work experience:** Senior Vice President of Corporate Control and Information Systems of Kone Corporation 1991–1997. Several executive positions in Kone Corporation 1979–1991.

Heikki Takala

President and CEO of Amer Sports from April 1, 2010. Master of Science degree. Born 1966, Finnish nationality. **Primary working experience:** Commercial Director of Salon Professional Global Commercial Operations of Procter & Gamble. Several line management positions in region and product line organizations in Procter & Gamble 1992–2010.

Roger Talermo

President and CEO from 1996 until 22 December 2009. Born 1955, Finnish nationality. Master of Science degree in Economics and an honorary Doctor of Philosophy degree in Sports and Health Sciences. **Primary**

work experience: President and CEO of Atomic Companies (Austria) 1995–1996, General Manager and Chairman of Salomon S.A. – North Europe (Sweden) 1993–1995, CEO of Taylor Made Golf Company, Inc. (USA) 1991–1993.

MAIN FEATURES OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS PERTAINING TO THE FINANCIAL REPORTING PROCESS

Internal Control and Risk Management System

The Board of Directors of Amer Sports approves and endorses the Risk Management Policy. The policy defines objectives, principles, processes and responsibilities concerning risk management within Amer Sports companies. Identifying and evaluating risks makes it possible to manage them. This identification and evaluation of risks enables sufficient and effective internal controls to be put in place. The process of risk management and the internal controls relating to financial reporting in Amer Sports are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements.

The risk management process is embedded in the business management and internal control framework in order to support the accomplishment of the company's strategic business targets and financial reporting objectives.

Responsibility for risk management rests with Amer Sports' business segments/areas, sales and supply chain organizations and support functions, which report regularly to the management of Amer Sports on the main risks connected with their operations.

The management of financial risks is centralized within Amer Sports' Treasury function. The guidelines for risk management are set out in the Financial Risk Management Policy, which is approved by the Board of Directors and which encompasses the principles and risk limits connected with the balance sheet structure, relationships with financial institutions and other financing risks.

Amer Sports' primary reporting segments are its business segments: Winter and Outdoor, Ball Sports, and Fitness. Winter and Outdoor is divided into the following business areas: Winter Sports Equipment, Apparel and Footwear, Cycling and Sports instruments. Ball Sports' business areas are Racquet Sports, Team Sports and Golf. Fitness' business area is Fitness Equipment. The secondary reporting segments are the regions; the Americas, EMEA and Asia Pacific. In overseeing the operations, the President and CEO and other executives make use of weekly sales reports, monthly financial reports, and regular meetings with the management teams of business segments/areas and regions.

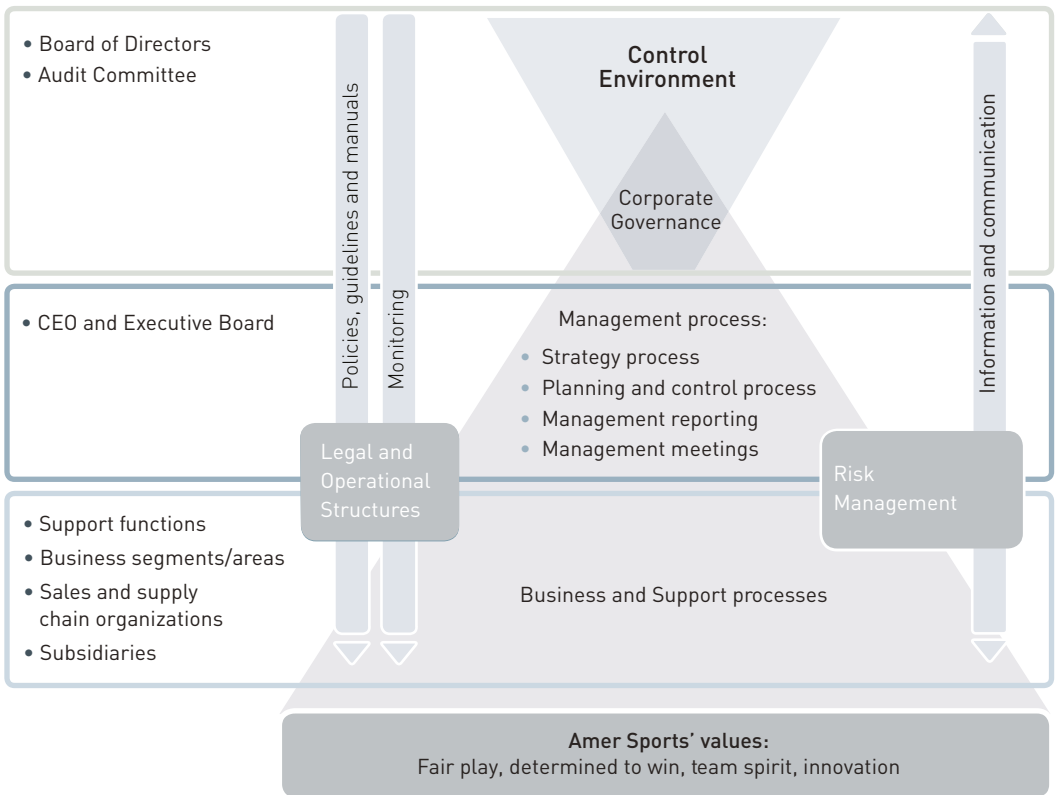
Financial reporting is carried out in a harmonized way in all group companies. Amer Sports' accounting policies in both external and internal financial reporting are based on the International Financial Reporting Standards (IFRS). In addition to IFRS, more specific group policies and guidance are provided in Amer Sports' accounting policies manual (Corporate Manual). The Amer Sports Finance and Control function is responsible for maintaining the accounting policies and reporting systems. It also monitors that these reporting policies are followed.

The business segments are responsible for providing their financial statements. The Amer Sports Finance and Control function consolidates financial statements.

Amer Sports is in the process of implementing a group-wide, unified ERP (Enterprise Resource Planning) system (SAP). This includes a harmonized chart of accounts and the control environment. The Amer Sports Finance and Control function is responsible for monitoring the implementation of SAP rollouts.

The Amer Sports Internal Control and Risk Management framework includes elements from the framework introduced by the Committee of Sponsoring Organizations (COSO). There are five principle components: Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring.

AMER SPORTS INTERNAL CONTROL FRAMEWORK



Control Environment

Amer Sports' values support and guide the company's operations around the world, creating the foundation of the control environment and setting the standard of conduct for financial reporting.

The Board of Directors has overall responsibility for ensuring that an effective system of internal control and risk management is established. The Audit Committee oversees that risk management activities are in line with the Risk Management Policy and that risk assessments are used to focus internal control activities. The responsibility for maintaining the internal

control and risk management system is delegated to the President and CEO and the Executive Board.

Risk Assessment

As part of Amer Sports' risk management process, risks related to the business environment, and operational and financial risks are identified, assessed and prioritized annually. The financial reporting priorities are defined by the Amer Sports Finance and Control function to enable the identification and sufficient management of risks.

Control Activities

Legal and operational structures are the foundation of internal controls. Because the organization is decentralized, it is the responsibility of the business segments/areas, sales and supply chain organizations and support functions to align the company's risk management priorities and strategies with their management processes. Amer Sports' support functions issue policies and guidelines for specific areas such as finance, accounting, purchasing, sales, IT, HR and legal compliance. It is at the responsibility of the business segments/areas and sales and supply chain organizations and support functions to apply these policies and guidelines in order to achieve efficient and appropriate controls on the basis of their individual circumstances and context. Risk management and control activities are planned to mitigate identified risks with consideration to the cost and potential effectiveness of the control activities.

Amer Sports' Treasury function monitors the implementation of the Financial Risk Management Policy within the business segments/areas and subsidiaries.

The Amer Sports Corporate Manual and the Internal Control Policy set standards for financial procedures. The financial control activities are designed to prevent, detect, and correct errors and irregularities. They include a range of activities such as reporting, authorizations, approvals, reconciliations, and the segregation of duties.

The Internal Control Policy was developed by reviewing existing policies and procedures within a selection of Amer Sports businesses. The purpose of the policy is to act as a practical tool, to harmonize and clarify rules and procedures by setting and communicating the expected minimum requirements within the area of internal control.

The property, loss-of-profits and liability risks arising from the operations of the Amer Sports companies are covered by taking out appropriate insurance

policies. In addition to worldwide insurance programs, local policies are also used, for example, when there are special legislation-related needs.

Information and Communication

The components of the risk management and internal control system are described in various manuals, instructions and policies. These are communicated throughout the group of companies and are stored on Amer Sports' intranet, which is accessible to the employees.

The Amer Sports Corporate Manual defines, among other things, the planning and control process, reporting and accounting policies, and the role of the Amer Sports Treasury function. Taxation matters are covered in different instructions and guidelines. The Internal Control Policy provides further clarity and sets the expected minimum requirements regarding, for example, authorization matrix, capital expenditure, and credit control policy.

Business segments/areas, sales and supply chain organizations and subsidiaries regularly provide financial and management reports to the management of Amer Sports, including analysis of financial performance as well as potential risks and opportunities. Regular meetings are also held for sharing information and best practices regarding internal controls and risk management.

Monitoring

The performance of the Amer Sports' companies is reviewed regularly on various organizational levels. The reviews are formal and documented. The representatives of the Amer Sports' Finance and Control function also regularly visit the businesses to perform operational reviews. They also monitor the internal control procedures.

Risk reporting is integrated into the Operational Planning and Control Cycle and into the Strategic Review Cycle management processes. Amer Sports'

business segments/areas, sales and supply chain organizations and support functions report regularly on risk exposures and their mitigation efforts to the relevant management board.

The Board of Directors oversees significant risks connected with Amer Sports' operations and evaluates the effectiveness of the risk management.

The Risk Management Steering Team is responsible for overall risk management process development within Amer Sports, including facilitation of group-level risk mapping.

Internal Audit

Amer Sports does not have a separate internal audit function to analyze the operations and processes relating to internal controls. However, the representatives of the Amer Sports' Finance and Control function regularly visit group companies to perform operational and financial reviews. They also monitor the internal control procedures. The scope and content of the external audit reflects the fact that there is no separate internal audit organization. The Audit Committee and the Amer Sports' Finance and Control function determine one or more audit themes over and above the statutory auditing requirements. The themes change each year and separate reports on them are prepared for the Audit Committee and the management of Amer Sports.

External Audit

According to the Articles of Association, Amer Sports has one auditor, which must be a public accounting firm certified by the Central Chamber of Commerce.

The independent public accountant engaged by Amer Sports is in charge of directing and coordinating the audit work for the entire Amer Sports group of companies. The Audit Committee prepares the recommendation presented to the Annual General Meeting on the election of the auditor. The Annual General Meeting elects the auditor annually and for a period of one year.

Amer Sports' auditor, the presidents of the business segments and areas and the finance directors as well as the general manager and the finance manager of selected subsidiaries meet at least once a year. The auditors of subsidiaries present their audit observations annually to the company in question, to the Amer Sports' auditor, and to the representatives of the Amer Sports' Finance and Control function. In addition, they report in greater detail to the subsidiaries concerning observations made in the course of the audit.

The Amer Sports' auditor submits a written report on their audit to the Audit Committee and the Board of Directors at least once a year. The principal auditor takes part in the Board of Directors meeting at which the financial statements for the fiscal year are discussed and presents a summary of the year's audit. The auditor is invited to each of the Audit Committee's meetings and they give an update on how the group audit is progressing and present their findings.

Board of Directors

December 31, 2009

ANSSI VANJOKI

Independent of the company and significant shareholders. Executive Vice President and General Manager of the Markets Unit of Nokia Corporation. Master of Science degree in Economics. **Primary work experience:** Executive Vice President and General Manager of the Multimedia unit of Nokia Corporation 2004–2007. Executive Vice President of Nokia Mobile Phones and Senior Vice President of Nokia Mobile Phones (Europe and Africa) 1994–1998, and Vice President of Sales of Nokia Mobile Phones 1991–1994. **Other positions of trust:** Member of the Executive Board of Nokia Corporation and of the Boards of Directors of Koskitukki Oy and Sonova Holding AG.

ILKKA BROTHERUS

Independent of the company and significant shareholders. Owner, Managing Director Sinituote Oy. Master of Science degree in Economics. **Primary work experience:** Deputy Managing Director of Hackman Group 1988–1989, Managing Director of Hackman Housewares Oy 1987–1988, and Managing Director of Havi Oy 1981–1986. **Other positions of trust:** Member of the Board of Directors of Sinituote Oy and Oy Erkyte Ab, a member of the Board of Directors of Veho Group Oy Ab, and a member of the Supervisory Board of Tapiola Mutual Pension Insurance Company.

FROM LEFT: ANSSI VANJOKI, PIIRJO VÄLIAHO, BRUNO SÄLZER, MARTIN BURKHALTER, ILKKA BROTHERUS, CHRISTIAN FISCHER, HANNU RYÖPPÖNEN



The members of the Board of Directors are as follows, December 31, 2009:

Name	Year born	Position	Year of election	Nationality
Anssi Vanjoki	1956	Chairman since 2006	2004	Finnish
Ilkka Brotherus	1951	Vice chairman since 2002	2000	Finnish
Martin Burkhalter	1952	Member	2008	Swiss
Christian Fischer	1964	Member	2008	Austrian
Hannu Ryöppönen	1952	Member	2009	Finnish
Bruno Sälzer	1957	Member	2008	German
Pirjo Väliäho	1954	Member	2007	Finnish

MARTIN BURKHALTER

Independent of the company and significant shareholders. Chief Operating Officer of Vizrt Ltd. Biotechnology and accounting degree. **Primary work experience:** Independent Consultant in Geneva, Switzerland, 2004–2005, Senior Vice President and Managing Director of EMEA Reebok International (France) 2001–2003, and Chief Executive Officer of Intersport International Corporation (IIC) (Switzerland) 1997–2001.

CHRISTIAN FISCHER

Independent of the company and significant shareholders. Founder and managing director of Accelate, Business Launch and Expansion GmbH, Founder of Security Land Sicherheitsfachmarkt GmbH. MBA degree. **Primary work experience:** Principal in A.T. Kearney Management Consultants (Germany) 1994–1999, and International Brand Management of Henkel AG & Co. KGaA (Germany) in 1993.

HANNU RYÖPPÖNEN

Independent of the company and significant shareholders. Business Administration degree. **Primary work experience:** Deputy Chief Executive Officer of Stora Enso Oyj (Finland, UK) 2007–2009, Chief Financial Officer of Stora Enso Oyj (Finland, UK) 2005–2008, Chief Financial Officer of Koninklijke Ahold N.V. (The Netherlands) 2003–2005, Chief Financial Officer of Industri Kapital Group (UK) 1999–2003 and Chief Financial Officer of the IKEA Group 1985–1998. **Other positions of trust:** Chairman of the Board of Directors of Altor private equity

funds and Tiimari Oyj, and a member of the Board of Directors of Neste Oil Corporation, Novo Nordisk A/S and Rautaruukki Corporation.

BRUNO SÄLZER

Independent of the company and significant shareholders. Business Administration degree. **Primary work experience:** Chairman and Chief Executive Officer of Escada AG (Germany) 2008–2009, Chairman and Chief Executive Officer of Hugo Boss AG (Germany) 2002–2008, Executive Vice Chairman of Hugo Boss AG (Germany) 1998–2002, Managing Director of Hairdressing International of Hans Schwarzkopf GmbH (Germany) 1993–1995.

PIRJO VÄLIAHO

Independent of the company and significant shareholders. Vice President and General Manager of Procter & Gamble Germany, Austria and Switzerland. Bachelor of Science degree in Economics. **Primary work experience:** Several general management positions with the Gillette Company (VP and General Manager of Gillette Nordic, Central Europe West and Gillette Eastern Europe, and General Manager of Braun Nordic), various Global Strategic Marketing positions in the Braun division of Gillette, and Commercial Marketing positions both in Braun GmbH and in Gillette Company in the United States, Canada, and Finland 1982–2005.

More information on Amer Sports' Board of Directors can be found at www.amersports.com.

Executive Board

December 31, 2009

PEKKA PAALANNE

Acting President and CEO of Amer Sports from December 22, 2009 until March 31, 2010. Executive Vice President and CFO since 1997. Bachelor of Science degree in Economics. **Primary work experience:** Senior Vice President of Corporate Control and Information Systems of Kone Corporation 1991–1997. Several executive positions in Kone Corporation 1979–1991.

PAUL BYRNE

President of Precor Incorporated since 1999 and the President of the Fitness business of Amer Sports since 2002 (not an employee or officer of the Finnish parent company). Master of Science degree and a Bachelor of Arts degree with honors. **Primary work experience:** Vice President of Sales and Marketing of Precor Incorporated 1985–1999.

CHRIS CONSIDINE

President of Wilson Sporting Goods Co. and the Ball Sports business of Amer Sports since 2005 (not an employee or officer of the Finnish parent company). Bachelor of Arts degree. **Primary work experience:**

FROM LEFT: PEKKA PAALANNE, VINCENT WAUTERS, BERNARD MILLAUD, ANTTI JÄÄSKELÄINEN, CHRIS CONSIDINE



President of Wilson Team Sports 2003–2005, the General Manager of Wilson Team Sports 1994–2003 and the Director of Sales/Promotion of Wilson Team Sports 1991–1993. Various positions in Wilson Team Sports 1982–1991.

THOMAS EHRNRÖÖTH

Senior Vice President of Sales and Channel Management of Amer Sports since 2007. Bachelor of Science degree in Economics. **Primary work experience:** Vice President of Global Sales and Marketing of Salomon S.A. 2006–2007, the President of Myllykoski Sales GmbH 2003–2005, and the Marketing Director of Myllykoski Corporation 2000–2005.

TERHI HEIKKINEN

Senior Vice President of Human Resources of Amer Sports since 2009. Master of Science degree in Economics. **Primary work experience:** Senior Vice President of Human Resources of Rautaruukki Corporation 2005–2009, Executive Vice President of Human Resources of Alma Media Corporation 2003–2005, Human Resources Director of Fujitsu Invia Ltd 2001–2003, Human Resources Director of Accenture Oy 1999–2001 and Human Resources Manager of Hartwall Ltd 1996–1999.

FROM LEFT: THOMAS EHRNRÖÖTH, JEAN-MARK PAMBET, MICHAEL SCHINEIS, JUHA PINOMAA, PAUL BYRNE, TERHI HEIKKINEN



ANTTI JÄÄSKELÄINEN

Chief Development Officer since 2009. MBA degree (INSEAD, France), MSc (Econ.) degree and MSc (Eng.) degree. **Primary work experience:** Senior Vice President, Biorefining & Bioenergy, Stora Enso Ab, Sweden 2007–2009, Senior Vice President, Head of Group Strategy, Stora Enso International Ltd, UK 2006–2007, Vice President, Corporate Strategy & Investments, Stora Enso Oyj 2004–2006, Engagement Manager, Associate, McKinsey & Company 2002–2004, Business Operations Manager, Nokia Italia S.p.A 1999–2001.

BERNARD MILLAUD

President of Mavic SAS and President of the Cycling business area of Amer Sports since 2010 (not an employee or officer of the Finnish parent company). Degree from the Ecole Polytechnique. **Primary work experience:** President of Salomon SAS 2007–2009 General Manager of Mavic 2002–2009 and President Salomon Winter Sports of 1998–2009.

JEAN-MARC PAMBET

President of Salomon SAS since 2010 and President of the Apparel and Footwear business area of Amer Sports since 2007 (not an employee or officer of the Finnish parent company). Degree from the Ecole HEC Paris. **Primary work experience:** General Manager of Salomon Apparel and Footwear business area 2002–2007. General Manager of Salomon EMEA 1996–2002. Country Manager of Salomon France 1990–1996. **Positions of trust:** Board of Directors of the European Outdoor Group (EOG) since 2009.

JUHA PINOMAA

President of Suunto Oy and President of the Sports Instruments business area of Amer Sports since 2005 (not an employee or an officer of the Finnish parent company). MBA and Master of Science in Technology. **Primary work experience:** Vice President of Entry Business Line of Nokia's Mobile Phones Business Group 2004–2005. Prior to that various management positions at Nokia Mobile Phones in category, business, sales and product management in Finland, US, and Asia during 17 years.

MICHAEL SCHINEIS

President of the Winter Sports Equipment business area of Amer Sports since 2007 and President of Atomic Austria GmbH since 1996 (not an employee or officer of the Finnish parent company). MBA degree and a Doctor of Philosophy degree (Dr.rer.pol.). **Primary work experience:** General Manager of Salomon Germany GmbH 1993–1996 and a member of the management team of Contop (advertising agency) 1989–1993. **Positions of trust:** Member of the "Beirat für Wissenschaft und Forschung des Landes Salzburg" and of the Advisory Board of Bulthaup GmbH & Co. KG.

VINCENT WAUTERS

Senior Vice President of Supply Chain and IT of Amer Sports since 2008. Post-graduate Degree in Geo-Politics and Contemporary History. **Primary work experience:** Several positions in Newell Rubbermaid 2002–2008: Vice President of Supply Chain of Newell Rubbermaid EMEA 2006–2008, Director of Supply Chain and Customer Service of Sanford Europe 2004–2006 and Officer of Supply Chain Development of Sanford Europe 2002–2004. Director of Supply Chain and Catalogue of Amazon.fr 2000–2002. Several positions in Redcats (PPR Group) 1997–2000.

More information on Amer Sports' Executive Board can be found at www.amersports.com

**MEMBERS OF THE EXECUTIVE BOARD AS WELL AS THE COMPOSITION,
DUTIES AND AREAS OF RESPONSIBILITY**

The Executive Board assists and supports the President and CEO and is responsible for the development and consistent execution of Amer Sports’ strategy across all business areas and regions, in order to drive the Group’s common goals. The Amer Sports Executive Board comprises the Group level Senior Vice Presidents, the Presidents of the business segments and the most important business areas to Amer Sports’ business. In addition to the Amer Sports’ President and CEO, who is the Chairman of the Executive Board, there are ten other Executive Board members. The Presidents of the business segments and business areas serve as the brand and/or business segment representative on the Executive Board. The Executive Board meets five times a year.

The members of the Executive Board are as follows, December 31, 2009:

Name	Position	Year born	Nationality
Pekka Paalanne	Acting President and CEO, Dec 22, 2009–March 31, 2010	1950	Finnish
Paul Byrne	President of Fitness	1951	American
Chris Considine	President of Ball Sports	1960	American
Thomas Ehrnrooth	Senior Vice President, Sales and Channel Management	1954	Finnish
Terhi Heikkinen	Senior Vice President, Human Resources	1964	Finnish
Antti Jääskeläinen	Chief Development Officer	1972	Finnish
Bernard Millaud	President of Cycling	1958	French
Jean-Marc Pambet	President of Apparel and Footwear	1959	French
Juha Pinomaa	President of Sports Instruments	1961	Finnish
Michael Schineis	President of Winter Sports Equipment	1958	German
Vincent Wauters	Senior Vice President, Supply Chain and IT	1972	Belgian

Remuneration

The Amer Sports total rewarding principles are closely linked to financial and personal performance. The total rewarding aim is to drive business success through total reward programs that attract, motivate, reward and retain good and high performers.

REMUNERATION AND OTHER FINANCIAL BENEFITS OF THE BOARD OF DIRECTORS

Remuneration and other financial benefits of the board directors Pursuant to the Finnish Companies Act, Amer Sports' shareholders determine the amount of compensation to be paid to members of its Board of Directors at the Annual General Meeting of shareholders. The Annual General Meeting of shareholders of Amer Sports, held on March 5, 2009, resolved that the Chairman of the Board of Directors shall be paid an annual remuneration of EUR 80,000, the Vice Chairman an annual remuneration of EUR 50,000 and other members of the Board of Directors an annual remuneration of EUR 40,000.

According to the resolution of the Annual General Meeting of shareholders of Amer Sports, 40 percent of the annual remuneration budgeted for the members of the Board of Directors, including with respect to the Chairman of the Board of Directors and the Vice Chairman, will be used to acquire Amer Sports shares for the account of each member of the Board of Directors. A member of the Board of Directors is not permitted to sell or transfer any of these shares to any third party during the term of his or her Board membership. However, this limitation is valid for a maximum of five years after the acquisition of the shares.

THE NUMBER OF SHARES AND SHARE-RELATED RIGHTS GRANTED TO A BOARD OF DIRECTOR AS REMUNERATION

On June 17, 2009, the members of the Board of Directors together received annual remuneration totaling EUR 330,000, of which EUR 198,022.60 was paid in cash. Simultaneously, the members of the Board of Directors received the following numbers of shares: Hannu Ryöppönen, 2,025 shares; Ilkka Brotherus, 2,531 shares; Martin Burkhalter, 2,025 shares; Christian Fischer, 2,025 shares; Bruno Sälzer, 2,025 shares; Anssi Vanjoki, 4,050 shares; and Pirjo Väliäho, 2,025 shares.

On June 17, 2008, the members of the Board of Directors together received annual remuneration totaling EUR 320,040, of which EUR 192,651.61 was paid in cash. Simultaneously, the members of the Board of Directors received the following numbers of shares: Felix Björklund, 1,372 shares; Ilkka Brotherus, 1,715 shares; Martin Burkhalter, 1,030 shares; Christian Fischer, 1,030 Shares; Bruno Sälzer, 1,030 shares; Anssi Vanjoki, 2,744 shares; and Pirjo Väliäho, 1,372 shares. In addition, Timo Maasilta and Tuomo Lähdesmäki each received 342 shares. They were members of the Board of Directors until June 4, 2008.

REMUNERATION OF THE PRESIDENT AND CEO AND OTHER EXECUTIVES AND TOTAL REWARDING PRINCIPLES

The Board of Directors determines the salaries and compensation which is paid to the President and CEO and his immediate subordinates. The Compensation Committee is responsible for preparing the proposals for CEO and his immediate subordinates' salaries and the executive's incentive system. No separate compensation is paid to the members of the Executive Board for their participation in any management bodies.

The salaries, benefits and other compensation paid to the President and CEO and the members of the Executive Board amounted to EUR 4.1 million in 2009. In 2009, total compensation paid to the President and CEO amounted to EUR 0.9 million, of which incentives tied to profits and other objectives accounted for EUR 0.1 million. Salaries, benefits and other compensation paid to the other members of the Executive Board totaled EUR 3.2 million, of which incentives amounted to EUR 0.5 million.

The Amer Sports total rewarding principles are closely linked to financial and personal performance. The total rewarding aim is to drive business success through total reward programs that attract, motivate, reward and retain good and high performers. Emphasis is also placed on team and individual accountability. The principles of total rewarding apply to all Amer Sports employees. The individual performance is evaluated in an annual performance discussion and is mutually agreed between the employee and the direct manager, and in case of the President and CEO, the performance is evaluated by the Board of Directors.

At Amer Sports the total rewarding components are base pay, benefits, annual incentives and long-term incentives. Base pay forms the basic element of compensation and takes into account particularly the role content and demand of the role. Benefits are part of Amer Sports total rewarding and the principles follow local practices. Local practices consist of taxable and non-taxable benefits.

The purpose of Amer Sports annual incentive programs is to drive the company's growth and profitability and to support the realization of company's business strategy. Annual incentives reward employees for achieving business success through company's financial targets as well as personal accomplishment through individual targets. The weighting of the financial targets of the overall target setting is higher in the executive roles. The participation in an annual incentive program is role dependant and is the most extensive incentive system in terms of personnel covered.

The long-term incentives at Amer Sports have strategic focus at Group level and concentrate on share-price development. The long-term incentives programs are governed by the Board of Directors. There are a limited number of executives participating in long-term incentive programs, and all participants are nominated by the President and CEO and approved by the Board of Directors. At the end of the year 2009, there were three long-term incentive programs in place:

- Stock option program is designed to support the achievement of long-term strategic objectives and to build shareholder value. The number of people in management within Amer Sports who came within the scope of stock options at the end of 2009 was 8 under the 2007 program.
- A share-based incentive plan for key executives was established in 2007. The Amer Sports' share-based incentive plan is targeted for the company's key personnel. The plan's reward was paid in 2008 in part as Amer Sports' shares and partially in cash. The cash payment covers taxes and tax-related costs arising from the reward. During 2009, there were two new participants in the plan who received the reward and the cash payment. Of the shares, 25% will be transferable as of April 2010, 25% as of April 2011, and 50% as of April 2012. The rewards paid based on this plan corresponded to a maximum value of approximately 400,000 Amer Sports

Corporation shares. At the end of the financial year the plan covered 22 people.

- A deferred cash long-term incentive program that seeks to elicit commitment from key executives. The program encourages the achievement of the annual plan. Its result is tied to the three-year trend in shareholder value. At the end of 2009, 92 members in management tasks at subsidiaries came within the scope of the program.

LONG-TERM REMUNERATION PROGRAMS

2007 Warrant Program

The 2007 warrant program comprises 1,500,000 warrants which entitle Amer Sports' key employees to subscribe for a maximum of 1,500,000 shares. Of such warrants, 500,000 are marked with the symbol 2007A, 500,000 are marked with the symbol 2007B and 500,000 are marked with the symbol 2007C. Initially, all warrants were issued to the company's fully-owned subsidiary for allocation to key employees in the future. The 2007A, 2007B and 2007C warrants were not allocated to key employees since Amer Sports' financial targets set by the Board of Directors of the company were not reached in 2007, 2008 and 2009, respectively.

Share-Based Incentive Plan

On January 14, 2007, the Board of Directors resolved to establish a share-based incentive plan for Amer Sports' key employees. In order to participate in the plan, each key employee was required to purchase shares up to the amount corresponding to one-half of the reward that was allocated to him/her. The plan's rewards were paid in 2008 partially as shares and partially in cash. The cash payment covered taxes and tax-related costs arising from the reward. Of the shares rewarded to employees under the plan, 25 percent will be transferable as of April 2010, 25 percent as of April 2011, and 50 percent as of April 2012. The rewards from the share-based incentive plan correspond to a maximum value of approximately 400,000 shares. At the end of 2009, 22 key employees were covered by the share-

based incentive plan and they have received in total 102,800 shares before the recent rights offering.

On March 3, 2009, the Board of Directors decided to transfer the shares used for the Group's key personnel's share-based incentive plan to its fully-owned subsidiary, Amer Sports International Oy for allocation to key employees in the future. As at financial year end, Amer Sports International Oy owned 334,900 shares including the shares that have been returned to Amer Sports International Oy during 2009, by persons who no longer participate in the plan, are taken into account. Of the shares owned by Amer Sports International Oy, 89,900 shares are available for allocation to key employees.

The terms and conditions of the share-based incentive plan do not contain any provisions regarding the impact of the offering on the plan. On September 17, 2009, the Board of Directors of the company resolved to supplement the terms and conditions of the share-based incentive plan to the effect that the subscription rights that will be allocated for the shares rewarded under the plan will be released from the transfer restriction. In addition, the Board of Directors of the company resolved that such released subscription rights shall be used to subscribe for offer shares by the participants of the plan and that the company will pay to the participants of the plan, as a salary, an amount corresponding to the subscription price for such offer shares together with any tax obligations arising as a result of the payment. The offer shares subscribed for in the offering are subject to the transfer restrictions on the same terms as shares that have already been re-awarded under the plan. To the extent the subscription of offer shares is not possible due to legal restrictions, subscription rights received on the basis of shares that have been re-awarded under the plan are released from the transfer restriction on sale by participants of the plan. Those participants of the plan who were not able to subscribe for offer shares in connection with the offering due to legal restrictions, were re-awarded such additional amounts of shares

as is necessary to keep them in an equal position with the other participants of the plan. Such amounts have been determined by the Board of Directors of the company and Amer Sports International Oy has transferred the shares to such participants of the plan. There were 60,236 additional shares subscribed to the plan participants in connection to the recent rights offering and 7,300 shares were transferred to those participants who were not able to subscribe to shares due to legal restrictions.

PENSIONS

Executives in Finland participate in the standard statutory Finnish pension system called TyEL. According to the statutory pension system, base pay, taxable benefits and annual incentives form the pensionable earnings. Acting President and CEO, Executive Vice President and CFO, has an early retirement agreement of 60 years. Executives in other countries participate in local pension systems applicable in each country. More in the financial statements on pages 96–97.

PRESIDENT AND CEO

In 2009, total compensation paid to the President and CEO amounted to EUR 0.9 million, of which incentives tied to profits and other objectives accounted for EUR 0.1 million.

The terms and conditions of the President and CEO's employment are defined in a written executive agreement that has been approved by the Board of Directors. Under the agreement, the President and CEO may retire at the age of 60, with a pension payable at a 60 percent salary rate. Both the Company and the President and CEO must provide six months' notice to terminate the President and CEO's employment contract. Should Amer Sports give the President and CEO notice of termination, he must be paid his salary for the duration of the notice period and severance pay.

Roger Talermo served as President and CEO from 1996 until 22 December, 2009 and was also a member of the Board of Directors between 1996 and 2008.

Pekka Paalanne is acting President and CEO of Amer Sports from December 22, 2009 until March 31, 2010. Heikki Takala will be the President and CEO of Amer Sports from April 1, 2010.

**REMUNERATION OF THE BOARD OF DIRECTORS
AT DECEMBER 31, 2009**

	Euros	Shares
Ilkka Brotherus	50,000	2,531
Martin Burkhalter	40,000	2,025
Christian Fischer	40,000	2,025
Hannu Ryöppönen	40,000	2,025
Bruno Sälzer	40,000	2,025
Anssi Vanjoki	80,000	4,050
Pirjo Väliäho	40,000	2,025
TOTAL	330,000	16,706

SALARIES, BENEFITS AND INCENTIVES PAID AT DECEMBER 31, 2009

Euros	Salaries and compensation	Incentives	Total
CEO and President	766,237	112,534	878,771
Members of the Executive Board*])	2,718,654	484,885	3,203,539
TOTAL	3,484,891	597,419	4,082,310

*] Pekka Paalanen has an early retirement agreement of 60 years. Terhi Heikkinen, Jean-Marc Pambet and Bernaud Millaud were elected as EXB members on June 15, 2009, and Antti Jääskeläinen on December 1, 2009.

SHAREHOLDING AND WARRANTS AT DECEMBER 31, 2009

Pcs	Members of the Board of Directors	President and CEO	Other management	Total
Shares	2,730,545	52,000	123,623	2,906,168

SHARES OF PUBLIC INSIDERS AT DECEMBER 31, 2009

	Shares (direct ownership)	Circle of acquaintances and controlled corporations
Board of Directors		
Ilkka Brotherus	2,681,179	10,250
Martin Burkhalter	5,091	
Christian Fischer	5,091	
Hannu Ryöppönen	3,375	14,175
Bruno Sälzer	5,091	
Anssi Vanjoki	23,416	
Pirjo Väliäho	7,302	
Management		
Paul Byrne	0	
Chris Considine	7,150	
Thomas Ehrnrooth	22,500	
Terhi Heikkinen	0	
Thomas Henkel	12,525	
Tommy Ilmoni	15,000	
Antti Jääskeläinen	0	
Kristiina Kemetter	12,025	
Bernard Millaud	6,875	
Pekka Paalanne	52,000	
Jean-Marc Pambet	6,875	
Juha Pinomaa	5,850	15
Michael Schineis	10,000	
Jussi Siitonen	332	
Vincent Wauters	24,491	
Auditor		
Jouko Malinen	0	
TOTAL	2,906,168	24,440
% of shares	2.39	
Including circle of acquaintances and controlled corporations	2,930,608	
% of shares	2.41	
Roger Talerio	74,500	

Shares and shareholders

The Amer Sports Corporation's shares have been publicly traded on the Helsinki Stock Exchange since year 1977.

The company's paid-up share capital recorded in the Trade Register as of December 31, 2009 was EUR 292,182,204. On December 31, 2009, the company had a market capitalization of EUR 848.3 million, excluding own shares.

AMER SPORTS' RIGHTS OFFERING IN 2009

A total of 48,471,734 new shares were subscribed for in Amer Sports' rights offering. The subscription period for the offering ended on October 19, 2009. All the new shares were registered with the Trade Register on October 26, 2009. Following the registration, the total number of Amer Sports' shares increased by 48,471,743 shares into 121,517,285 shares. The new shares include the right to dividends and other distributions as well as other shareholder rights, effective from the registration date of October 26, 2009.

The highest price of the subscription rights on the OMX Helsinki Stock Exchange was EUR 2.15, and the lowest EUR 1.23, and the last trading price was EUR 2.11. A total of 8.6 million shares were traded at a total price of EUR 13.1 million.

TRADING IN SHARES

Over the course of the period, a total of 71.0 million Amer Sports shares were traded on the NASDAQ OMX Helsinki exchange, to a total value of EUR 458.3 million. The share turnover was 76.4% (of the average number of shares, excluding own shares).

At the close of the review period, the last trading in Amer Sports Corporation shares was at EUR 7.00. The high for the period on the NASDAQ OMX Helsinki exchange was EUR 7.19, and the low EUR 3.67. The average share price was EUR 6.45.

At the end of December, Amer Sports had 13,342 registered shareholders. Outside Finland, ownership and nominee registrations represented 52.6% of the shares. Public sector entities owned 12.5%, households 12.4%, financial and insurance corporations 11.7%, non-profit institutions 8.2%, and private companies 2.3%. Amer Sports had 334,900 own shares, which are owned by Amer Sports International Oy. The number of own shares corresponded to 0.3% of all Amer Sports shares.

DISCLOSURE OF CONTROL

Amer Sports' Board of Directors is not aware of any natural or legal persons who have control over the company or has information on these persons' portion of the voting rights of the shares and of the total number of shares.

AGREEMENTS AND ARRANGEMENTS RELATING TO SHAREHOLDINGS AND USE OF VOTING RIGHTS

Amer Sports' Board of Directors is not aware of any agreements or arrangements concerning the ownership of the company's shares and the use of their voting rights.

MAJOR SHAREHOLDERS AS OF DECEMBER 31, 2009

	Shares	% of shares and votes
Maa- ja Vesitekniiikan Tuki ry.	5,000,000	4.1
Varma Mutual Pension Insurance Company	4,770,210	3.9
Ilmarinen Mutual Pension Insurance Company	4,191,668	3.4
Ilkka Brotherus	2,681,179	2.2
The State Pension Fund	1,937,556	1.6
Odin Norden	1,684,832	1.4
Tapiola Mutual Pension Insurance Company	1,614,500	1.3
Mandatum Life Insurance Company	1,609,680	1.3
Odin Finland	1,090,888	0.9
OP-Finland Value Fund	1,025,000	0.8
Nordea Fennia Fund	917,000	0.8
Alfred Berg Finland Fund	869,080	0.7
OP-Delta Fund	792,071	0.7
Suomi Mutual Life Assurance Company	790,000	0.7
Tapiola General Mutual Insurance Company	786,666	0.6
Danske Invest Finnish Equity Fund	687,056	0.6
FIM Fenno Fund	648,438	0.5
Danske Invest Finnish Institutional Equity Fund	616,597	0.5
Etera Mutual Pension Insurance Company	613,587	0.5
Evli Select Fund	605,227	0.5
Nominee registrations	59,632,537	49.1
Amer Sports International Oy	334,900	0.3

AMER SPORTS HAS RECEIVED NOTIFICATIONS FROM THE FOLLOWING BENEFICIAL SHAREHOLDERS:

- On July 2, 2009, Amer Sports was notified that Novator Finland Oy had sold its entire holding of shares in the company.
- On December 22, 2008, Governance for Owners LLP notified Amer Sports that it owned 3,672,458 shares, which represented 5.03% of Amer Sports' share capital and voting rights as of the date of notification.

- On September 9, 2008, Silchester International Investors Limited notified Amer Sports that it owned 11,017,223 shares, which represented 15.08% of Amer Sports' share capital and voting rights as of the date of notification.
- On January 11, 2008, Orkla ASA notified Amer Sports that it owned 3,887,880 shares, which represented 5.4% of Amer Sports' share capital and voting rights as of the date of notification.

For more information please see the company's website at www.amersports.com/investors.

EXERCISE OF WARRANTS

The highest price of the 2004 warrants on the Nasdaq OMX Helsinki Stock Exchange was EUR 1.30, and the lowest EUR 0.11. In 2009, a total of 5,700 warrants were traded at a total price of EUR 4,609.

AMENDMENTS TO THE TERMS AND CONDITIONS OF THE WARRANT PROGRAMS

Pursuant to the terms and conditions of Amer Sports' warrant programs, Amer Sports' Board of Directors must amend the terms and conditions of the warrant programs to take into account the impact of the rights offering by adjusting the exercise price of the warrants and/or the number of shares that can be subscribed for through exercise of the warrants in a manner to be determined by the Board of Directors. On October 29, 2009, Amer Sports' Board of Directors decided on such amendments. The terms and conditions of its publicly traded 2004 warrants were amended to the effect that each 2004 warrant entitles its holder to subscribe for five shares at the subscription price of EUR 9.44 per share.

Information on Amer Sports' long-term remuneration programs on pages 142–147.

AUTHORIZATIONS

Amer Sports' Annual General Meeting of shareholders, which was held on March 5, 2009, authorized the Board of Directors to decide on issuing new shares on the following terms and conditions: New shares may be issued and the company's own shares held by the company may be conveyed against payment ("Share Issue Against Payment") to the company's shareholders in proportion to their current shareholdings in the company. By virtue of the authorization, the Board of Directors is entitled to decide on issuing a maximum of 7,000,000 new shares. The subscription price of the new shares shall be booked to the invested unrestricted equity reserve. The authorization to issue shares is valid for two years from the date of the decision of the Annual General Meeting.

AUTHORIZATION TO REPURCHASE OR CONVEY OWN SHARES

Amer Sports did not acquire any its own shares during 2009. Amer Sports' Board of Directors have not had a valid authorization to acquire or dispose of Amer Sports' own shares since March 5, 2009.

Order Book Codes

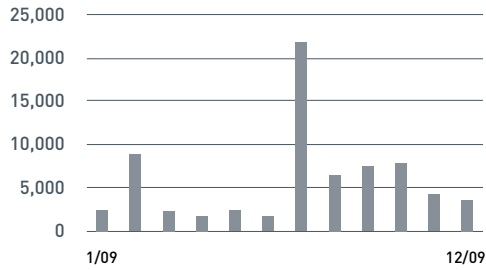
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- Reuters: AMEAS.HE
- Bloomberg: AMEAS.FH
- ADR: AGPDY, 023512205
- ISIN code: FI0009000285

The most important indexes

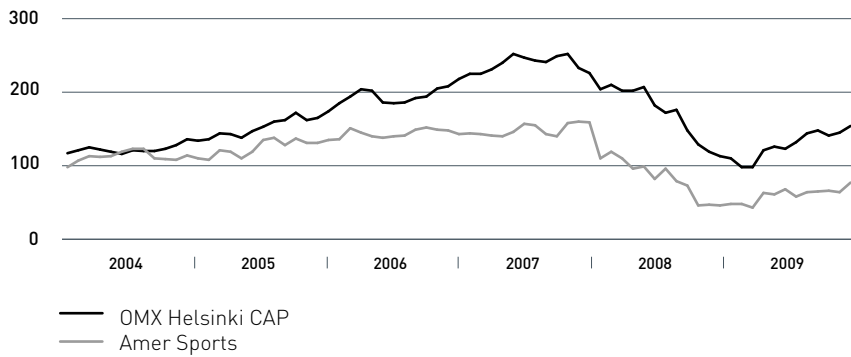
- NASDAQ OMX Helsinki
- OMX Helsinki CAP
- OMX Helsinki 25
- Consumer Discretionary

Further information on Amer Sports' shares is posted on Amer Sports website at www.amersports.com.

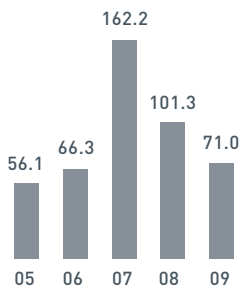
TRADING OF SHARES, 1,000 SHARES



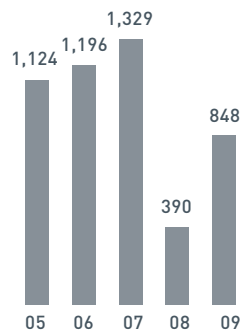
TRENDS OF SHARE PRICES



TRADING OF SHARES, MILLION SHARES



MARKET CAPITALIZATION DEC. 31, EUR MILLION



Information for investors

GENERAL MEETING OF SHAREHOLDERS

Under the Finnish Companies Act, shareholders exercise their power to decide on corporate matters at General Meetings of shareholders ("General Meeting"). The Annual General Meeting decides matters as defined for the General Meeting in the Finnish Companies Act and the Articles of Association of Amer Sports Corporation. These matters include, amongst other things, adoption of annual accounts including consolidated annual accounts, decisions regarding use of the profit shown on the balance sheet and the payment of dividend, discharging the members of the Board of Directors and CEO from liability for the financial year, appointing the members of the Board of Directors and auditor, and deciding their remuneration. Pursuant to Amer Sports' Articles of Association, the Annual General Meeting must be held annually before the end of June.

An Extraordinary General Meeting shall be held when considered necessary by the Board of Directors or when requested in writing by the auditor of Amer Sports or by shareholders representing at least one-tenth of all the issued shares of Amer Sports.

A shareholder has the right to bring up a matter falling within the competence of the General Meeting for consideration by the General Meeting, if a shareholder notifies the Board of Directors in writing well in advance of the General Meeting so that the matter can be added to the notice.

Under Amer Sports' Articles of Association, a notice convening a General Meeting shall be delivered to the shareholders by publishing it in at least two daily papers published in Helsinki, Finland, not earlier than two months and not later than 17 days before the date of

the meeting. Pursuant to the amendments of the Finnish Companies Act which entered into force in 2009, companies listed on the Helsinki Stock Exchange shall deliver a notice convening a General Meeting no later than three weeks before the meeting, however, at the minimum nine days before the record date of the General Meeting. Amer Sports complies with the minimum notice period regardless of the provisions of the Articles of the Association of the company. Amer Sports also publishes the invitations to the General Meetings as stock exchange releases and on its website www.amersports.com.

In order to attend and vote at the General Meeting, a shareholder must register at the place and by the date specified in the notice convening the meeting. A shareholder may participate in a General Meeting in person or through proxy representation. The registration period and other practical instructions for the shareholders are specified in each notice convening a General Meeting.

At a General Meeting, every shareholder has the right to present questions with respect to the matters to be considered at the meeting and table proposals for resolutions at the General Meeting in matters that fall within the competence of the General Meeting and that are on the agenda.

Under the Finnish Companies Act, each share entitles its holder to one vote at the General Meeting, unless otherwise stipulated in the company's articles of association. Because there are no exceptions in Amer Sports' Articles of Association, each shareholder of Amer Sports is entitled to at least one vote at a General Meeting. At a General Meeting, resolutions generally require the approval of a majority of the votes cast.

However, certain resolutions, such as a resolution to amend the Articles of Association, and a resolution to issue shares in deviation from the shareholders' pre-emptive rights require a majority of two-thirds of the votes cast and of the shares represented at the General Meeting.

Further, a decision on any merger or demerger (if Amer Sports would be the merging or demerging company), liquidation or directed purchase of its own shares requires a majority of two-thirds of the Shares represented at the General Meeting of shareholders. In addition, certain resolutions, such as amendments to the Articles of Association which change the respective rights of shareholders holding the same class of shares or increase the redemption rights of Amer Sports or its shareholders, require the consent of all shareholders, or, where only the rights of certain shareholders are affected, in addition to the applicable majority requirement, the consent of all those shareholders those shares are affected by the amendment.

INSIDERS

Amer Sports' insider policy is based on the Guidelines for Insiders of the NASDAQ OMX Helsinki Ltd. and the Securities Market Act. The members of the Board of Directors, the President and CEO and the Executive Vice President as well as the auditor are Amer Sports' public insiders. Furthermore, members of management are also public insiders.

Persons who are in charge of Amer Sports finances, results reporting and communications, top management assistants as well as the principal users of the IT system are included in the company-specific register of insider holdings. Similarly, other persons who are

responsible for key company operations and regularly receive insider information in the course of their duties are included in the company-specific register of insider holdings. If a person has inside information, they may not issue commissions concerning the purchase, sale, etc. of Amer Sports securities, or directly or indirectly advise another person in such transactions.

An insider may not trade in Amer Sports securities during the 21-day period preceding the publication of an interim report or financial statement bulletin or preliminary information thereon. The closed window ends when the release in question has been made public.

Persons who are party to the preparation of a project or are aware of a confidential project which, when implemented, is likely to have a substantial impact on the value of the Amer Sports securities, are project-specific insiders. Similarly, any persons outside the company, who in the course of their duties or otherwise, acquire the aforementioned information, are included in the project-specific register of insider holdings. Amer Sports defines on a case-by-case basis the projects under preparation that are subject to insider rules.

The Amer Sports Vice President of Legal Affairs acts as the insider compliance officer and is responsible for the due disclosure of information on insider matters. The Vice President of Legal Affairs also sees to the maintenance of the insider register. Amer Sports keeps its insider register within the SIRE system operated by Euroclear Finland Ltd. (The register can be viewed at Euroclear Finland Ltd, Urho Kekkosen katu 5 C, 00100 Helsinki.)

The Amer Sports' insider policy is made available to employees via the corporate intranet. The list of public insiders as well as their shareholdings in the company can be found on the Amer Sports website at www.amersports.com.

INFORMATION AND COMMUNICATION

Amer Sports complies in all its business operations with applicable laws and statutes, as well as generally accepted practices. Additionally, the operations are guided by the Amer Sports' values. Amer Sports requires that each one of its employees is familiar with the legislation and operating guidelines of their own areas of responsibility. In conjunction with internal audits, Amer Sports strives to ensure that everyone in the unit being audited is familiar with and complies with the laws, regulations and principles relating to their own work. In addition to Amer Sports management, the due course of operations is monitored by the Board's Audit Committee, which reports any misconduct to the Board of Directors.

The mission of Amer Sports Corporate Communications is to provide strategic support for the company, positioning it as one of the world's leading sports equipment companies. Amer Sports builds and executes its corporate strategy with a global business approach, and both facilitates and communicates joint issues internally.

Amer Sports provide the capital markets with a true and fair view of its business operations to ensure that the company's market value can be assessed.

INVESTOR RELATIONS

The objective of Amer Sports investor relations is to provide open and reliable information to investors about the company's financial position and its outlook for the future. To this end, Amer Sports arranges regular meetings with analysts and investors in all the main markets. The company furthermore arranges annual Capital Market Days offering the most active market participants a chance to hear and meet the company's management.

Information and communication channels

Amer Sports has information and communication channels that ensure that instructions and manuals are available to those who need access to them and that information about news and updates is communicated within Amer Sports Corporation.

ANALYSTS FOLLOWING AMER SPORTS

To Amer Sports' knowledge, the following banks and brokerage firms evaluate Amer Sports Corporation as an investment. This is not necessarily a complete list. Those listed here follow Amer Sports on their own initiative, and Amer Sports is not responsible for any statements they make.

- ABG Sundal Collier
- Bryan Garnier
- Carnegie
- Danske Bank
- Deutsche Bank
- Evli Bank
- FIM
- Goldman Sachs
- Handelsbanken
- J.P. Morgan
- Merrill Lynch
- Pohjola Bank plc
- SEB Enskilda
- Öhman

INVESTOR RELATIONS CONTACT INFORMATION

Tommy Ilmoni, Vice President, IR and Corporate Communications, tel. +358 9 7257 8233, tommy.ilmoni@amersports.com, www.amersports.com, www.amersports.com/investors.

Amer Sports' general e-mail address is amer.communications@amersports.com.

Publications and important dates

ANNUAL GENERAL MEETING

Amer Sports Corporation's Annual General Meeting is to be held at 2 pm on Wednesday, March 10, 2010 in Mäkelänkatu 91, Helsinki, Finland. The reception of persons who have registered for the meeting and the distribution of voting tickets will commence at 1:30 pm.

More information on the general meetings can be found at www.amersports.com.

PAYMENT OF DIVIDEND

The Board of Directors proposes that a dividend of EUR 0.16 per share be paid for 2009, representing a dividend ratio of 62%. A dividend of EUR 0.16 per share was paid for 2008.

ANNUAL REPORT FOR 2009

The Annual Report will be published in Finnish and English, and will be posted to all those requesting a copy. The Annual Report will also be available in PDF format at www.amersports.com.

STOCK EXCHANGE RELEASES

Stock exchange releases are available in Finnish and English immediately after publication at www.amersports.com. Anyone wanting to be placed or removed from the email distribution list for releases can find a form for this purpose at www.amersports.com/investors.

A request can also be sent to amer.communications@amersports.com.

INTERIM REPORTS 2010

- for the January to March period, on Thursday, April 29
- for the January to June period, on Thursday, August 5
- for the January to September period, on Thursday, October 28

CHANGE OF ADDRESS

If you are a shareholder and your address changes, we request that you send written notification of this to the bank where your book-entry account is held.

INVESTOR SERVICES ON THE INTERNET

The investor section of Amer Sports' website contains among the other investor information a share monitor with 15 minutes delayed data. There can also be found monthly updated information on Amer Sports' largest shareholders, a list of company's insiders and their holdings, presentation and report archives as well as services such as consensus estimates on Amer Sports' performance provided by analysts, historical price lookup and investment calculator with which you can calculate the value of your Amer Sports investment.

Read more about Amer Sports as an investment: www.amersports.com/investors.

SILENT PERIOD

Amer Sports observes a silent period ('closed window') prior to the publication of its results lasting 21 days (three weeks). During this period, the company will not comment on non-disclosed developments or the prospects for its business in the quarter concerned, nor will company representatives meet analysts or investors, or take part in capital markets events.

Contact information

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