Amer Sports Corporation

FINANCIAL STATEMENTS BULLETIN
February 3, 2011 at 1:00 pm

Amer Sports Corporation Financial Statements Bulletin 2010

OCTOBER–DECEMBER, 2010

- Net sales increased by 21% to EUR 583.4 million (482.8). In local currencies, net sales increased by 14%.
- EBIT excluding non-recurring items increased significantly and was EUR 56.0 million (44.4), including a strategic EUR 4 million acceleration in marketing spend. Non-recurring items were EUR -7.6 million (-5.0).
- Earnings per share totaled EUR 0.30 (0.37).
- Net cash flow after investing activities totaled EUR 57.7 million (129.2).

JANUARY–DECEMBER, 2010

- Net sales totaled EUR 1,740.4 million (1,533.4), an increase of 13%. In local currencies, net sales increased by 8%.
- EBIT excluding non-recurring items more than doubled to EUR 107.9 million (48.8). EBIT margin was 6.2% excluding non-recurring items. Non-recurring items were EUR -11.1 million (-5.0).
- Earnings per share totaled EUR 0.52 (0.28). Excluding non-recurring items, earnings per share were EUR 0.59 (0.31).
- Net cash flow after investing activities totaled EUR 50.1 million (140.5).
- Gearing was 37% (December 31, 2009: 38%).
- Amer Sports Board of Directors is proposing a dividend of EUR 0.30 per share (0.16 per share in 2009).

OUTLOOK AND GUIDANCE 2011

Amer Sports strategic development programs are expected to continue to contribute positively to the Group performance in 2011. The sporting goods market is estimated to continue the recovery started in 2010, with regional and sports specific differences. In Footwear and Apparel, spring/summer pre-orders are indicating that the 2010 strong momentum will continue.

Overall, Amer Sports expects its 2011 net sales to increase from 2010 and EBIT to improve.

EUR million	10–12/ 2010	10–12/ 2009	Ch %	Ch %*)	2010	2009	Ch %	Ch %*)
Net sales	583.4	482.8	21	14	1,740.4	1,533.4	13	8
Gross profit	237.8	196.5	21	14	742.0	620.0	20	14
Gross profit %	40.8	40.7			42.6	40.4		
EBIT excluding non-recurring items	56.0	44.4	26	19	107.9	48.8	121	97
EBIT % excluding non-recurring items	9.6	9.2			6.2	3.2		
Non-recurring items**)	-7.6	-5.0			-11.1	-5.0		
EBIT total	48.4	39.4	23	15	96.8	43.8	121	94
Financing income and expenses	-5.7	-7.1			-21.3	-18.4		
Earnings before taxes	42.7	32.3	32		75.5	25.4	197	
Net result	38.1	36.6	4		68.9	31.4	119	
Earnings per share, EUR	0.30	0.37			0.52	0.28		
Net cash flow after investing activities	57.7	129.2			50.1	140.5		
Equity ratio, % at year end					47.8	48.2		

Gearing, % at year end	37	38
Personnel at year end	6,597	6,331

**) Change in local currencies*
***) Non-recurring items are exceptional transactions that are not related to normal business operations. The most common non-recurring items are capital gains, exceptional write-downs, provisions for planned restructuring and penalties. Non-recurring items are normally specified individually if they have material impact on EBIT.*

HEIKKI TAKALA, PRESIDENT AND CEO:
"2010 results were facilitated by better economic environment and favorable snow conditions, but most notably we made sustainable improvements through our own programs. As examples, we drove Footwear sales up by 26% through strong commercial expansion, we now have 25% more brand stores and outlets than in 2009, and in Winter Sports Equipment, we continued to push down break-even points through operational effectiveness.

We improved gross margin by 2 percentage points in 2010. In Q4, gross margin came down in line with a seasonal pattern and was only at previous year's level mainly due to year-end inventory clean-up with lower margins. Gross margin remains a challenge in light of labor and raw material cost increases but we have mitigation plans in place.

We improved underlying efficiency in operating expenses. However, 2010 includes some accelerated strategic spending, costs related to setting up the new company structure, and organizational incentives as a result of improved Group performance. In 2011, we continue to drive synergies and scale across the company.

Year 2010 was good, and it is taking us closer to our long-term financial targets. 2011 will be 'Year of go-to-market', with special focus on improving customer service and driving commercial expansion."

For further information, please contact:
Heikki Takala, President and CEO, tel. +358 9 7257 8210
Jussi Siitonen, CFO, tel. +358 9 7257 8240
Päivi Antola, Director, IR and Financial Communications, tel. +358 9 7257 8233

TELEPHONE CONFERENCE
An English-language telephone conference call for investors and analysts will be held today at 3:00 pm Finnish time. To participate in the conference call, please call +44 (0)20 7806 1967 (UK/international dial-in number). The conference can also be followed from a direct transmission via the internet at www.amersports.com. A recorded version will be available later at the same web address: the replay number is +44 (0)20 7111 1244, and the access code 2942168#.

Annual General Meeting
Amer Sports' Annual General Meeting will be held on Thursday, March 10, 2011 at Mäkelänkatu 91, Helsinki, Finland starting at 2:00 pm. Reception for persons who have registered for the Annual General Meeting and the distribution of voting tickets will commence at 1:30 pm.

First quarter results bulletin
Amer Sports will publish its Q1/2011 results bulletin on Thursday, April 28, 2011 at approximately 1:00 pm Finnish time.

FINANCIAL RESULTS IN OCTOBER-DECEMBER

NET SALES AND EBIT IN OCTOBER–DECEMBER

Amer Sports net sales totaled EUR 583.4 million (482.8), an increase of 21% compared to October–December 2009. Net sales increased by 14% in local currencies, particularly due to sales growth in Winter Sports Equipment, Footwear and Apparel.

In local currencies, EMEA increased by 21%, the Americas by 8% and Asia Pacific by 3%.

Net sales by business segment

EUR million	10-12/ 2010	10-12/ 2009	Change %	Change %*)	% of sales 10-12/10	% of sales 10-12/09
Winter and Outdoor	416.5	329.2	27	21	72	68
Ball Sports	107.3	94.7	13	4	18	20
Fitness	59.6	58.9	1	-6	10	12
Total	583.4	482.8	21	14	100	100

*) In local currencies

Geographic breakdown of net sales

EUR million	10-12/ 2010	10-12/ 2009	Change %	Change %*)	% of sales 10-12/10	% of sales 10-12/09
Americas	184.1	154.6	19	8	31	32
EMEA	325.8	266.1	22	21	56	55
Asia Pacific	73.5	62.1	18	3	13	13
Total	583.4	482.8	21	14	100	100

*) In local currencies

Group EBIT excluding non-recurring items was EUR 56.0 million (44.4). Increased sales volumes contributed EUR 29.4 million to the EBIT growth. Gross margin was at previous year's level mainly due to year-end inventory clean-up with lower margins.

Operating expenses increased by EUR 18.3 million. Strategy execution was accelerated in October-December with an additional EUR 4 million being spent on long-term improvement projects, mainly in marketing and own retail. The Group also invested in the new business structure and key recruitments, particularly in category-based operations in footwear and apparel and in business to consumer.

Including non-recurring items, EBIT was EUR 48.4 million (39.4). Non-recurring items were mainly related to capital gains, restructuring and write-downs.

EBIT excluding non-recurring items by business segment

EUR million	10-12/ 2010	10-12/ 2009	Change %	Change %*)
Winter and Outdoor	61.2	42.5	44	36
Ball Sports	-2.7	2.2		
Fitness	4.3	4.5	-4	1
Headquarters	-6.8	-4.8		
EBIT excluding non-recurring items	56.0	44.4	26	19
Non-recurring items	-7.6	-5.0		
EBIT total	48.4	39.4	23	15

*) In local currencies

Net financial expenses totaled EUR 5.7 million (7.1) including net interest expenses of EUR 5.6 million (5.4) and unrealized net foreign exchange gains totaling EUR 3.4 million (3.3). Earnings before taxes totaled EUR 42.7 million (32.3). Earnings per share were EUR 0.30 (0.37).

FINANCIAL RESULTS 2010

In 2010, consumer confidence improved due to stronger global economic conditions and the sporting goods market began to recover after a couple of years of a declining trend. However, there were significant regional and sports area differences. Strong development in the winter sports equipment market was driven by good snow conditions.

NET SALES AND EBIT IN JANUARY–DECEMBER 2010
Amer Sports net sales in 2010 totaled EUR 1,740.4 million (1,533.4), an increase of 13% compared to 2009. Net sales increased by 8% in local currencies, particularly due to sales growth in Winter Sports Equipment and Footwear. In local currencies, EMEA increased by 13%, the Americas by 4% and Asia Pacific by 4%. The Group's long-term target is to deliver organic, currency-neutral annual growth of 5%.

Net sales by business segment

EUR million	2010	2009	Change %	Change %*)	% of sales 2010	% of sales 2009
Winter and Outdoor	1,015.0	862.6	18	12	58	56
Ball Sports	520.6	476.7	9	3	30	31
Fitness	204.8	194.1	6	1	12	13
Total	1,740.4	1,533.4	13	8	100	100

*) In local currencies

Geographic breakdown of net sales

EUR million	2010	2009	Change %	Change %*)	% of sales 2010	% of sales 2009
Americas	687.9	620.5	11	4	40	40
EMEA	845.7	735.0	15	13	48	48
Asia Pacific	206.8	177.9	16	4	12	12
Total	1,740.4	1,533.4	13	8	100	100

*) In local currencies

Group EBIT excluding non-recurring items was EUR 107.9 million (48.8). EBIT margin was 6.2%, excluding non-recurring items. The Group's long-term target is to have EBIT of at least 10% of net sales.

Increased sales volumes contributed EUR 52.5 million to the EBIT growth, while higher gross margins contributed EUR 39.1 million. Operating expenses increased by EUR 41.1 million, driven by volume growth related sales and distribution costs, marketing as well as organization incentives linked to the improved Group performance. The Group also invested in the new business structure and key recruitments, particularly in category-based operations in footwear and apparel and in business to consumer. Operating expenses as a percentage of net sales were at previous year's level.

Including non-recurring items, EBIT was EUR 96.8 million (43.8). Non-recurring items were related to capital gains, restructuring, write-downs and a solved import duties dispute in Brazil.

EBIT excluding non-recurring items by business segment

EUR million	2010	2009	Change %	Change %*)
Winter and Outdoor	96.9	46.5	108	85
Ball Sports	32.2	23.5	37	35
Fitness	2.7	-2.5		
Headquarters	-23.9	-18.7		
EBIT excluding non-recurring items	107.9	48.8		
Non-recurring items	-11.1	-5.0		
EBIT total	96.8	43.8	121	94

*) In local currencies

Net financial expenses totaled EUR 21.3 million (18.4). This figure includes net interest expenses of EUR 17.9 million (23.6) and unrealized net foreign exchange losses totaling EUR 2.3 million (gains of EUR 6.2 million). Earnings before taxes totaled EUR 75.5 million (25.4) and taxes totaled EUR -6.6 million (positive 6.0). Earnings per share were EUR 0.52 (0.28). Excluding non-recurring items, earnings per share were EUR 0.59 (0.31).

In its financial statements for 2009, Amer Sports stated the company’s key priority to be improving profitability through gross margin improvements with continued tight control over costs. A more detailed view of the outlook was provided in the January-March interim report in which an estimate was given that the 2010 EBIT margin would improve to mid-single-digit level. Increased visibility allowed further revisions to this forecast during the year and guidance given in the January-September interim report estimated full year net sales to be approximately EUR 1.7 billion and EBIT margin approximately 6% excluding non-recurring items while the actual figures were net sales EUR 1.740 million and EBIT margin 6.2%.

CASH FLOW AND FINANCING

In 2010, net cash flow after investing activities (free cash flow) was EUR 50.1 million (140.5). The exceptionally strong cash flow in 2009 was a result of special interventions in working capital management. Compared to the end of 2009, inventories increased by EUR 53.6 million (in local currencies) and are now closer to their sustainable levels. Receivables increased by EUR 26.0 million (in local currencies) due to the strong sales in the fourth quarter. Amer Sports’ long-term financial target is to have annual free cash flow equal to net profit: in 2010, free cash flow was EUR 50.1 million and net profit EUR 68.9 million.

At the end of 2010, the Group’s net debt amounted to EUR 294.8 million (282.5). Amer Sports’ long-term financial target for the balance sheet structure is the year-end Net Debt / EBITDA ratio to be of 3 or less. At the end of 2010, the ratio was 2.2.

Interest-bearing liabilities amounted to EUR 379.5 million (404.1) consisting of short-term debt of EUR 100.8 million and long-term debt of EUR 278.7 million. The average interest rate on the Group’s interest-bearing liabilities was 4.4% (3.3%).The EUR 60 million hybrid bond is accounted as equity.

Short-term debt consists of repayments of long-term loans of EUR 97.0 million (5.8). At end of 2010 Amer Sports had not issued commercial papers in Finnish markets. At the end of 2009 the issued amount was EUR 112.3 million. The total size of the commercial paper program is EUR 500 million.

Cash and cash equivalents totaled EUR 84.7 million (121.6).

The loan syndicate signed in 2005 consists of a EUR 325 million revolving credit facility and a term loan of USD 100 million. Amer Sports had not used any of the revolving credit facility at the end of 2010.

On June 2010, Amer Sports Corporation issued a EUR 150 million bond targeted at domestic and international investors. The five-year bond has an annual fixed rate of 5.375%.

On November 2010, Amer Sports Corporation issued a EUR 30 million Schuldschein type of a promissory note targeted at international investors. This three year note has both fixed and floating rate tranches.

The equity ratio at the end of the year was 47.8% (48.2%) and gearing was 37% (38%).

The Group's most significant transaction risk arises from the US dollar. Amer Sports is a net buyer of USD because purchases related sourcing operations in Asia are USD denominated. The next 12 month EUR/USD net flow is over USD 250 million. Weakening of the US dollar against euro has therefore a positive impact on the company's EBIT, with a delay due to the hedges.

Amer Sports' hedging policy covers the transaction risk up to 12–18 months forward. Depending on the business area and its characteristics, hedge ratios are between 80–120% or 30–70%. Longer hedging horizon together with higher hedge ratio is applied in Winter and Outdoor. Currently the hedge levels are close to the maximums. At the end of 2010, the Group had hedged 82% of the 2011 EUR/USD net cash flow at EUR/USD rate of 1.33. This covers all spring/summer 2011 and most of the fall/winter 2011 USD purchases in Apparel and Footwear, where the EUR/USD exposure is the biggest.

Because Amer Sports' consolidated financial statements are presented in euros, Amer Sports is also subject to currency translation risk when currency dominated result is converted into euros. Combining the transaction risk and translation risks of the EBIT, Amer Sports is a net buyer of USD. In all other currencies the company is a net seller. The most significant currencies after USD are CHF, JPY, CAD and GBP, net flows varying from EUR 30 million to EUR 50 million.

A more detailed report on the Group's financial risks and how they are managed can be found in the notes to the financial statements.

CAPITAL EXPENDITURE

Group's capital expenditure totaled EUR 39.9 (39.5) million. Depreciation totaled EUR 35.8 million (35.0).

RESEARCH AND DEVELOPMENT

Amer Sports' strategy emphasizes excellence in consumer-centric product creation. Through continuous research and development, Amer Sports seeks to develop new and better sporting goods that appeal to consumers and its trade customers.

The Group has eight R&D centers globally serving different business areas as well as increasingly collaborating across units. A total of EUR 57.4 million (52.0) was invested in research and development in 2010, accounting for 8.8% of all operating expenses (2009: EUR 52.0 million, 9.0% of operating expenses; 2008: EUR 55.6 million, 9.6% of operating expenses). Winter and Outdoor's share of the R&D expenditure was 63%, while Ball Sports accounted for 14%, and Fitness for 23%.

On December 31, 2010, 514 (487) persons were employed in the company's research and development activities, approximately 8% (8%) of the total number of people employed by Amer Sports.

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

One of Amer Sports five strategic priorities is strengthening the Group's commercial fundamentals through sales and distribution (go-to-market). The focus is on expanding the distribution footprint both in developed and emerging markets as well as growth in own retail and e-commerce. Amer Sports sales organization's key objective is to achieve steadily-increasing sales by expanding distribution in terms of the number of doors and categories per door.

On December 31, 2010, Amer Sports had sales offices in 24 countries. A total of 2,175 (2,064) persons were employed in sales and distribution activities, representing approximately 33% (32%) of the total number of people employed by Amer Sports.

During the year, the Group established a Group level marketing function and made significant investments in establishing the marketing structure and organization. The marketing organization's key objectives are to drive local consumer understanding and local relevancy and to build the company's brand equities.

SUPPLY CHAIN MANAGEMENT
Supply chain management encompasses all of Amer Sports' business functions from product development to product manufacturing and outbound logistics. Reliable, efficient and timely supply chain management is an important element in Amer Sports' strategy.

Tight management of working capital continued in 2010. During the year, the Group also launched a global program to reduce complexity in its product range and initiated a major operational efficiency program in Winter Sports Equipment.

To gain operational efficiencies and cost savings, Amer Sports is constantly reviewing both its make or buy strategy and the company's global production and sourcing footprint. At the end of 2010, approximately 20% of Amer Sports' production value was in the Americas, 30% in EMEA and 50% in Asia, with China representing approximately 35%. At the end of the year, the Asian sourcing function employed 223 (230) persons in the region.

Of Amer Sports' total production value, approximately 70% was being outsourced at the end of 2010. This figure includes manufacturing in all racquet sports and golf, most team sports products and most of the apparel and footwear. The manufacturing of products and components for a variety of winter sports equipment, cycling, sports instruments and fitness equipment has also been outsourced.

Amer Sports most important own production facilities are located in Austria, France, Finland, Canada, Bulgaria, and the United States.

HUMAN RESOURCES
Amer Sports' Human Resources function is a strong business partner supporting the company's use of people processes and tools as well as ensuring the professional and effective management of employee relations.

The Amer Sports' People Strategy is designed to support the company's corporate strategy, strategic business initiatives and focus areas. People Strategy goals in 2010 were as follows:
- strengthening the Amer Sports great leadership and talent management;
- enhancing the company's strong performance culture and ensuring global consistency in performance management;
- nourishing engagement; and
- leveraging strong partnership in HR.

In 2010, Amer Sports developed its talent management model further to better focus on successor planning and building the leadership pipeline. The Group also began work on enhancing internal mobility.

On December 31, 2010, the number of Group employees was 6,597 (December 31, 2009: 6,331; December 31, 2008: 6,338). The increase was mainly manufacturing personnel in Winter Sports Equipment and personnel working in own retail. The average number of personnel in 2010 was 6,497 (2009: 6,362; 2008: 6,285). At the end of 2010, men represented 62% (2009: 62%; 2008: 58%) of Amer Sports employees and women 38% (2009: 38%; 2008: 42%).

Salaries and wages paid in 2010 totaled EUR 336.4 million (2009: 301.5; 2008: 294.7). The Amer Sports' reward system is based on performance focusing on team and individual accountability. Basic pay is supplemented by performance-based bonus-schemes, which cover a large share of Group employees. The target of the company's annual incentive programs is to ensure that the personnel 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.

Amer Sports launched two new share-based incentive programs at the beginning of 2010. The aim is to offer rewards for long-term company performance whilst also ensuring that key personnel remain within the company.

	December 31, 2010	**December 31, 2009**	**Change %**
Winter and Outdoor	4,252	3,940	8
Ball Sports	1,590	1,586	0
Fitness	691	737	-6
Headquarters	64	68	-1
Total	6,597	6,331	4

	December 31, 2010	**December 31, 2009**	**Change %**
EMEA	3,855	3,590	7
Americas	2,214	2,195	1
Asia Pacific	528	546	-3
Total	6,597	6,331	4

	December 31, 2010	**December 31, 2009**	**Change %**
Manufacturing and sourcing	2,579	2,456	5
Sales and distribution	2,175	2,064	5
Support functions	837	877	-5
R&D	514	487	6
Marketing	492	447	10
Total	6,597	6,331	4

SOCIAL RESPONSIBILITY

Amer Sports is committed to implement its business strategy in an ethically and socially responsible manner, striving to improve its performance and to meet the company's economic, social, and environmental goals as defined in the Amer Sports code of conduct.

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.

Amer Sports has a third party audit program to help sourcing partners comply with industry standards, regulations, and Amer Sports' expectations in regards to quality, health and safety, and environment and social responsibility. Coordinated out of Amer Sports sourcing office in Hong Kong, the audit process includes factory visits and training sessions with factory management to assist them in meeting the company standards. Every new supplier is required to be audited before an order can be placed.

BUSINESS SEGMENT REVIEWS

WINTER AND OUTDOOR

EUR million	10-12/ 2010	10-12/ 2009	Change %	Change %*)	2010	2009	Change %	Change %*)
Net sales								
Winter Sports Equipment	252.8	203.7	24	19	438.4	371.7	18	12
Footwear	47.3	26.8	76	71	219.6	169.0	30	26
Apparel	63.0	47.0	34	25	156.6	135.7	15	6
Cycling	26.8	27.1	-1	-3	106.4	100.4	6	5
Sports Instruments	26.6	24.6	8	2	94.0	85.8	10	4
Net sales, total	416.5	329.2	27	21	1,015.0	862.6	18	12
EBIT excluding non-recurring items	61.2	42.5	44	36	96.9	46.5	108	85
EBIT % excluding non-recurring items	15	13			10	5		
Non-recurring items	-10.0	0.0			-10.0	0.0		
EBIT total	51.2	42.5	20	14	86.9	46.5	87	66
Personnel, Dec 31					4,252	3,940	8	

*) In local currencies

In 2010, Winter and Outdoor's net sales totaled EUR 1,015.0 million (862.6), an increase of 12% in local currencies. Net sales growth was driven by Winter Sports Equipment and Footwear. Geographically, the strongest growth was in EMEA.

In October-December, Winter and Outdoor's net sales totaled EUR 416.5 million (329.2), an increase of 21% in local currencies. Growth was driven by Winter Sports Equipment, Footwear and Apparel.

EUR million	10-12/ 2010	10-12/ 2009	Change %	Change %*)	2010	2009	Change %	Change %*)
Americas	70.2	50.8	38	24	211.3	181.1	17	6
EMEA	294.5	236.1	25	23	687.2	585.4	17	15
Asia Pacific	51.8	42.3	22	7	116.5	96.1	21	8
Total	416.5	329.2	27	21	1,015.0	862.6	18	12

*) In local currencies

In 2010, EBIT excluding non-recurring items more than doubled and was EUR 96.9 million (46.5). Increased sales volumes contributed EUR 46.3 million to the EBIT growth while higher gross margins contributed EUR 29.5 million. Operating expenses increased by EUR 33.8 million (all in local currencies). Operating expenses as a percentage of net sales were at previous year's level.

In October–December, EBIT excluding non-recurring items increased by 44% to EUR 61.2 million (42.5). Increased sales volumes contributed EUR 29.1 million and higher gross margins EUR 4.9 million to the EBIT growth. Operating expenses increased by EUR 18.3 million mainly driven by increased sales, distribution and marketing expenses (all in local currencies).

Winter Sports Equipment

In 2010, Winter Sports Equipment net sales totaled EUR 438.4 million (371.7) and were up by 12% in local currencies. The biggest product categories were alpine ski equipment, representing 75% of net sales, cross country 15%, and snowboards 10%. Net sales of alpine ski equipment increased in local currencies by 9%, cross country ski equipment increased by 41% and snowboards by 4%. In 2010, 70% of the Winter Sports Equipment business area's net sales were derived from EMEA, 18% from the Americas, and 12% from Asia Pacific.

During the year, a major operational efficiency program was started at Winter Sports Equipment.

In October-December, Winter Sports Equipment net sales were EUR 252.8 million (203.7) with an increase of 19% in local currencies. All categories and regions were contributing to the improvement.

Footwear

In 2010, Footwear net sales totaled EUR 219.6 million (169.0) and were up by 26% in local currencies. The growth came from all product categories. EMEA continued to be the largest region representing 83% of global sales, followed by the Americas with 14%, and Asia Pacific with 3%. The demand was particularly strong in Germany and Austria.

In October-December, Footwear net sales totaled EUR 47.3 million (26.8) and were up by 71% in local currencies. The fall/winter deliveries and re-orders were very strong.

Apparel

In 2010, Apparel net sales totaled EUR 156.6 million (135.7) and were up by 6% in local currencies. EMEA was 52% of global sales, Americas 37%, and Asia Pacific 11%.

In October-December, Apparel net sales totaled EUR 63.0 million (47.0) and were up by 25% in local currencies. The fall/winter deliveries and re-orders were very strong in every region for all brands and products.

Cycling

In 2010, Cycling net sales totaled EUR 106.4 million (100.4) and were up by 5% in local currencies. Rims and wheels represented 82% of net sales, and cycling apparel and footwear 15%. Net sales of rims and wheels increased in local currencies by 4%, and cycling apparel and footwear by 14%. The distribution of Cycling net sales by geographical region was as follows: EMEA 65%, Asia Pacific 19%, and the Americas 16%. The strongest growth was in the UK and in the USA.

In October-December, Cycling net sales totaled EUR 26.8 million (27.1) and were down by 3% in local currencies. In the Americas, net sales increased by 16%. Sales to bike manufacturers (OEM) decreased.

Sports Instruments

In 2010, Sports Instruments net sales totaled EUR 94.0 million (85.8) and were up by 4% in local currencies. The biggest product categories were outdoor products, representing 41% of net sales, diving instruments 20% and training 20%. Outdoor products sales continued to grow and increased by 14%. In diving and training instruments, sales were at previous year's level. The distribution of net sales by geographical region was as follows: EMEA 49%, Asia Pacific 20% and the Americas 31%.

In October-December, Sports Instruments net sales totaled EUR 26.6 million (24.6) and were up by 2% in local currencies. Outdoor products sales continued to grow.

BALL SPORTS

EUR million	10-12/ 2010	10-12/ 2009	Change %	Change %*)	2010	2009	Change %	Change %*)
Net sales								
Racquet Sports	44.0	40.9	8	-1	232.5	222.7	4	-1
Team Sports	51.0	43.6	17	7	212.1	187.3	13	8
Golf	12.3	10.2	21	12	76.0	66.7	14	7
Net sales, total	107.3	94.7	13	4	520.6	476.7	9	3
EBIT excluding non-recurring items	-2.7	2.2			32.2	23.5	37	35
EBIT % excluding non-recurring items		2			6	5		
Non-recurring items	-2.7	0.0			-2.7	0.0		
EBIT total	-5.4	2.2			29.5	23.5	26	
Personnel, Dec 31					1,590	1,586	1	

*) In local currencies

In 2010, Ball Sports' net sales totaled EUR 520.6 million (476.7), an increase of 3% in local currencies. Growth in Team Sports and Golf was offset by slightly declining sales of low/mid price point rackets in Racquet Sports. Sales increased in the Americas by 6%, were stable in EMEA and declined by 3% in Asia Pacific mainly due to the soft tennis market in Japan.

In October-December, Ball Sports' net sales totaled EUR 107.3 million (94.7), an increase of 4% in local currencies.

EUR million	10-12/ 2010	10-12/ 2009	Change %	Change %*)	2010	2009	Change %	Change %*)
Americas	72.3	61.7	17	8	334.4	298.7	12	6
EMEA	18.5	18.0	2	0	114.0	111.5	2	0
Asia Pacific	16.5	15.0	10	-5	72.2	66.5	9	-3
Total	107.3	94.7	13	4	520.6	476.7	9	3

*) In local currencies

In 2010, EBIT excluding non-recurring items was EUR 32.2 million (23.5), an increase of 37%. Higher gross margins contributed EUR 8.8 million to the EBIT growth and increased sales volumes contributed EUR 6.9 million. The improvement in the gross margin is the outcome of a better sales mix. Operating expenses increased by EUR 5.3 million. Operating expenses as a percentage of net sales were at previous year's level.

In October–December, EBIT excluding non-recurring items was EUR -2.7 million (2.2). The fourth quarter results in 2009 included a positive amount of EUR 3.5 million due to an exceptional revaluation of pension liabilities. Increased sales volumes contributed EUR 1.7 million to the EBIT development and lower gross margins contributed EUR -1.7 million. Operating expenses increased by EUR 2.6 million mainly driven by accelerated spending in marketing (all in local currencies).

Racquet Sports

Racquet Sports net sales in 2010 totaled EUR 232.5 million (222.7) and were at previous year's level in local currencies. In local currencies, the Americas and EMEA were at previous year's level and Asia Pacific was down by 6%. The decline in Asia Pacific was due to the soft tennis market in Japan. The Americas accounted for 43% of net sales, EMEA for 35% and Asia Pacific for 22%.

The biggest product categories were tennis rackets, representing 41% of net sales, and tennis balls 22%. Net sales of tennis rackets and tennis balls were at previous year's level. Sales of performance rackets increased while sales of low/mid price point rackets decreased.

In October-December, Racquet Sports net sales totaled EUR 44.0 million (40.9) and were at previous year's level in local currencies.

Team Sports
Team Sports net sales in 2010 totaled EUR 212.1 million (187.3) and were 8% up in local currencies. The breakdown of Team Sports sales by region was as follows: the Americas 93%, EMEA 2% and Asia Pacific 5%. In local currencies, Asia Pacific grew by 21%, the Americas by 7%, and EMEA was at previous year's level

The biggest product categories were American footballs, representing 21% of net sales, baseballs and gloves with 19%, baseball and softball bats with 19%, and basketballs with 15%. The strongest growth in 2010 was in baseball and softball bats (22%), basketballs (10%) and ball gloves (10%) (in local currencies).

In October-December, Team Sports net sales totaled EUR 51.0 million (43.6) and were 7% up in local currencies. The growth in Team Sports was driven by bats and basketballs in the Americas.

Golf
Golf net sales in 2010 totaled EUR 76.0 million (66.7) and were up by 7% in local currencies. EBIT was negative. The breakdown of sales by region was: the Americas 49%, EMEA 40% and Asia Pacific 11%. In local currencies, the Americas increased by 18% and the EMEA by 3%, while Asia Pacific fell by 13 %. The biggest product categories were clubs, representing 56% of net sales, and balls 30%. Net sales of balls increased in local currencies by 26% and clubs by 2%.

In October-December, Golf net sales totaled EUR 12.3 million (10.2) and were 12% up in local currencies.

FITNESS

EUR million	10-12/ 2010	10-12/ 2009	Change %	Change %*)	2010	2009	Change %	Change %*)
Net sales	59.6	58.9	1	-6	204.8	194.1	6	1
EBIT excluding non-recurring items	4.3	4.5	-4	-1	2.7	-2.5		
EBIT % excluding non-recurring items	7	8			1			
Non-recurring items	-2.3	-5.0			-2.3	-5.0		
EBIT total	2.0	-0.5			0.4	-7.5		
Personnel, Dec 31					691	737	-6	

*) In local currencies.

In 2010, Fitness' net sales totaled EUR 204.8 million (194.1), and were at previous year's level in local currencies. Geographically, growth in EMEA and Asia Pacific compensated the decline in the Americas. Net sales was negatively impacted by EUR 4.5 million due an adjustment in revenue recognition of sale of extended warranties.

In 2010, commercial business (clubs and institutions) represented 89% of Fitness' net sales while consumer (home use) was 11%. Commercial business was up by 2% in local currencies while consumer business fell by 10%. Commercial business started to show some early signs of recovery during 2010. During the second half of the year, it was up in all regions. Sales of premium consumer equipment for home use continued to be sluggish.

In 2010, Fitness' EBIT excluding non-recurring items was EUR 2.7 million (-2.5). Operating expenses were EUR 4.0 million lower compared to 2009 (in local currencies).

In October-December, Fitness’ net sales totaled EUR 59.6 million (58.9) and were 6% down in local currencies. Net sales was negatively impacted by EUR 4.5 million due an adjustment in revenue recognition of sale of extended warranties. The underlying net sales was at previous year’s level.

In October–December, EBIT excluding non-recurring items was EUR 4.3 million (4.5).

EUR million	10-12/ 2010	10-12/ 2009	Change %	Change %*)	2010	2009	Change %	Change %*)
Americas	41.6	42.3	-2	-10	142.2	140.7	1	-4
EMEA	12.8	11.9	8	4	44.5	38.1	17	14
Asia Pacific	5.2	4.7	11	-1	18.1	15.3	18	9
Total	59.6	58.9	1	-6	204.8	194.1	6	1

*) In local currencies

DIVESTMENTS

Amer Sports Corporation divested its unused manufacturing site in Rumilly, France in October 2010. The transaction price totaled EUR 8 million, resulting a capital gain of EUR 7.4 million reported as a non-recurring item.

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 2010 for listed companies. Amer Sports complies with the code without exceptions.

The Amer Sports Corporate Governance statement has been issued as a separate report on the company’s web site. It has been prepared pursuant to Recommendation 54 of the Finnish Corporate Governance Code 2010 for listed companies and the Securities Markets Act (Chapter 2, Section 6). 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.

CHANGES IN TOP MANAGEMENT

On December 22, 2009, the Amer Sports Board of Directors appointed Heikki Takala as Amer Sports' President and CEO with effect from April 1, 2010. Pekka Paalanne, Executive Vice President and Deputy to the President and CEO, was acting President and CEO from December 22, 2009, until March 31, 2010.

Amer Sports appointed Mikko Moilanen President of Suunto Oy starting on March 17, 2010. At the same time, Juha Pinomaa, the previous President of Suunto Oy, resigned from the company at his own request.

Amer Sports appointed Andy Towne to the position of President of Apparel with effect from October 11, 2010. Mr Towne is also a member of the Executive Board. Jean-Marc Pambet, previously President of Apparel and Footwear, continues as President of Footwear as well as President of Salomon.

Amer Sports also appointed the regional general managers of the sales and channel management members of Amer Sports Executive Board, starting on October 15, 2010. The new Executive Board members are Michael White, General Manager EMEA; Mike Dowse, General Manager Americas, and Matt Gold, General Manager Asia Pacific. SVP, Sales and Channel Management Thomas Ehrnrooth left the company on October 15, 2010.

Jussi Siitonen, Senior Vice President, Finance, was appointed to the position of Chief Financial Officer (CFO) on January 1, 2011 as the previous holder of the position, Executive Vice

President Pekka Paalanne, retired at the end of 2010. Mr Siitonen also became a member of the Amer Sports Executive Board on January 1, 2011.

Victor Duran, Senior Vice President, Marketing and Business to Consumer, became a member of the Amer Sports Executive Board on January 1, 2011.

All members of the Executive Board report to Heikki Takala, Amer Sports' President and CEO.

Additional details concerning members of the Amer Sports' Executive Board can be founded at: www.amersports.com/about. Information on related parties can be found in the notes to the financial statements.

SHARES AND SHAREHOLDERS
The company's share capital totaled EUR 292,182,204 on December 31, 2010 and the number of shares was 121,517,285. Each share entitles the holder to one vote at the company's general meeting.

Authorizations
The Annual General Meeting on March 10, 2010 authorized the Board of Directors to decide on the repurchase of a maximum of 7,000,000 of the company's own shares. The repurchase authorization is valid for 18 months from the date of the Annual General Meeting's decision.

The Board of Directors was also authorized to decide on issuing new shares and/or conveying the company's own shares held by the company as follows: the Board of Directors is entitled to decide on issuing a maximum of 7,000,000 new shares or on conveying a maximum of 7,000,000 of the company's own shares held by the company. The Board of Directors decides on all the conditions of the issuance of shares. The issuance of shares may be carried out in deviation from the shareholders' pre-emptive rights (directed issue). The authorization includes the possibility to issue own shares to the company for free. The authorization to issue shares and to convey the company's own shares is valid until two (2) years from the date of the decision of the Annual General Meeting and it does not revoke the share issue authorization given by the Annual General Meeting on March 5, 2009.

The Annual General Meeting 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 to the company's shareholders in proportion to their current shareholdings in the company. 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 recorded under the invested non-restricted equity fund. The authorization to issue shares is valid until two (2) years from the date of the decision of the Annual General Meeting.

To date these authorizations have not been used.

Apart from the above, the Board of Directors has no current authorization to issue shares, convertible bonds or warrant programs.

Trading in shares
In 2010, a total of 55.2 million (71.0) Amer Sports shares with a value totaling EUR 475.0 million (458.3) were traded on the NASDAQ OMX Helsinki Ltd. Share turnover was 45.5% (76.4%) (expressed as a proportion of the average number of shares, excluding own shares). The average daily volume in 2010 was 218,941 shares (283,014).

The closing price of the Amer Sports Corporation share on the NASDAQ OMX Helsinki Ltd stock exchange on December 31, 2010 was EUR 10.43 (2009: 7.00). The share price rose 49% during the year while OMX Helsinki Cap index rose 25%. Shares registered a high of EUR 10.70 (7.19) and a low of EUR 6.82 (3.67). The average share price was EUR 8.61 (6.45). On

December 31, 2010, the company had a market capitalization of EUR 1,263.8 million (848.3), excluding own shares.

At the end of December, Amer Sports Corporation had 15,400 registered shareholders (13,342). Outside Finland, ownership and nominee registrations represented 51.3% (52.6%) of the company's shares. Public sector entities owned 13.2% (12.5), households 12.4% (12.4), financial and insurance corporations 13.1% (11.7), non-profit institutions 7.5% (8.2), and private companies 2.2% (2.3).

Major shareholders, December 31, 2010 (does not include nominee registrations)

		Shares	% of shares and votes
1	Ilmarinen Mutual Pension Insurance Company	5,740,464	4.72
2	Varma Mutual Pension Insurance Company	5,341,678	4.40
3	Maa- ja Vesitekniikan Tuki ry.	5,000,000	4.11
4	Brotherus Ilkka	2,683,416	2.21
5	Mandatum Life Insurance Company Limited	2,247,559	1.85
6	Tapiola Mutual Pension Insurance Company	1,827,091	1.50
7	Odin Norden	1,687,632	1.39
8	OP-Delta Fund	1,550,000	1.28
9	The State Pension Fund	1,433,104	1.18
10	OP-Finland Value Fund	1,382,117	1.14

Amer Sports held 342,963 (334,900) of its own shares at the end of 2010, all of them owned by Amer Sports International Oy. The number of own shares corresponds to 0.28% of all Amer Sports shares. A total of 38,063 shares granted as share-based incentives were returned to Amer Sports International Oy in 2010 in accordance with the terms of the incentive plan as employment ended. In addition, Amer Sports International Oy transferred 30,000 shares to Heikki Takala, Amer Sports' President and CEO as part of his remuneration in April, 2010.

Notification of change in shareholding under the Finnish Securities Market Act
In November 3, 2010, Amer Sports Corporation received information to the effect that on November 1, 2010, Silchester International Investors Limited ("Silchester Limited") transferred its regulated business to Silchester International Investors LLP ("Silchester LLP"). This notification was therefore triggered by the change in the legal structure of the investment management firm on November 1, 2010 rather than trading activity in the underlying shares. Owners of institutional investors and funds, who have given full discretion over their investments to Silchester LLP, owned 19,307,292 shares, which represented 15.89% of Amer Sports Corporation's share capital and voting rights on November 1, 2010.

In December 15, 2010, Amer Sports Corporation received information to the effect that the share capital and voting rights of owners of institutional investors and funds, who have given full discretion over their investments to Silchester LLP, had fallen below 15%. At the moment of the notification, Silchester LLP owned 18,133,818 shares, which represented 14.92% of Amer Sports Corporation's share capital and voting rights.

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 the use of voting rights
The 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 Board of Directors and Executive Board on December 31, 2010

Shareholder	Shares	Circle of acquaintances and controlled corporations
Board of Directors		
Anssi Vanjoki	26,995	
Ilkka Brotherus	2,683,416	10,250
Martin Burkhalter	6,880	
Christian Fischer	6,880	
Hannu Ryöppönen	5,164	14,175
Bruno Sälzer	6,880	
Pirjo Väliaho	9,091	
Executive Board		
Heikki Takala	32,900	
Pekka Paalanne	53,350	
Paul Byrne	1,282	
Chris Considine	8,521	
Mike Dowse	6,665	
Matt Gold	6,685	
Terhi Heikkinen	1,400	
Antti Jääskeläinen	1,500	
Bernard Millaud	8,243	
Mikko Moilanen	1,300	
Jean-Marc Pambet	8,155	
Michael Schineis	11,193	
Andrew Towne	0	
Vincent Wauters	25,690	
Michael White	4,559	
TOTAL	2,916,749	
% of shares	2.4	
Including circle of acquaintances and controlled corporations	2,941,174	
% of shares	2.4	

During the year, the Group had three share-based incentive arrangements for Group key personnel. The share-based incentive arrangements are described in the notes to the financial statements.

RESOLUTIONS OF THE GENERAL MEETINGS OF SHAREHOLDERS
The following resolutions were approved at the Amer Sports Corporation Annual General Meeting held on March 10, 2010:

Adoption of the annual accounts
The Annual General Meeting (AGM) approved Amer Sports Corporation's financial statements for 2009.

Resolution on use of the profit shown on the balance sheet and the payment of dividend
The AGM resolved to distribute a dividend of EUR 0.16 per share to be paid for the financial year ended December 31, 2009. The dividend was paid to shareholders who were registered on the list of shareholders maintained by Euroclear Finland Ltd as of March 15, 2010, the record date for the dividend payment. The dividend was paid on March 23, 2010.

Resolution on the discharge of the members of the Board of Directors and the CEOs from liability
The AGM granted members of the company's Board of Directors and the company's CEOs a discharge from liability for the financial year 2009.

Resolution on the remuneration of the members of the Board of Directors
The AGM approved that the remuneration payable to the members of the Board of Directors to be elected at the Annual General Meeting for the term until the close of the Annual General Meeting in 2011 be unchanged from 2009 and be as follows: Chairman EUR 80,000, Vice Chairman EUR 50,000, and other members EUR 40,000. No extra remuneration is paid for attending meetings of the Board of Directors or meetings of the Committees of the Board of Directors. Of the annual remuneration, 40% is paid in the form of the company's shares and 60% in cash.

Resolution on the number of members of the Board of Directors
The AGM confirmed that the number of members of the Board of Directors is seven (7).

Election of members of the Board of Directors
The AGM re-elected Anssi Vanjoki, Ilkka Brotherus, Pirjo Väliaho, Martin Burkhalter, Christian Fischer, Bruno Sälzer and Hannu Ryöppönen as members of the company's Board of Directors. The Board of Directors' term of service will run until the close of the 2011 Annual General Meeting.

Resolution on the remuneration of the auditor
The AGM decided that the auditor's fee will be paid as invoiced.

Election of auditor
The AGM elected the Authorised Public Accountants PricewaterhouseCoopers Oy to act as auditor of the company. Jouko Malinen, Authorised Public Accountant, was elected as auditor in charge of the audit.

Amendment of the Articles of Association
The AGM approved that the Articles of Association regarding the notice to the General Meeting be amended to the following:

"The notice to the General Meeting shall be delivered to the shareholders at the earliest three (3) months and at the latest twenty-one (21) days prior to the General Meeting, however, at the minimum nine (9) days before the record date of the General Meeting, by releasing the notice on the company's website and, if so decided by the Board of Directors, by publishing the notice in one newspaper with a wide circulation determined by the Board of Directors."

The AGM approved that the Section 9 of the Articles of Association regarding the notice to the General Meeting be amended to the following:

"In order to attend a General Meeting, a shareholder shall register his participation with the company in a manner indicated in the notice to convene and by the therein indicated registration date, which date may not be earlier than nine (9) days prior to the meeting."

Authorizing the Board of Directors to decide on the repurchase of the company's own shares
The AGM authorized the Board of Directors to decide on the repurchase of a maximum of 7,000,000 of the company's own shares ("Repurchase Authorization"). The company's own shares shall be repurchased otherwise than in proportion to the holdings of the shareholders by using the non-restricted equity through public trading on the Nasdaq OMX Helsinki at the market price prevailing at the time of acquisition.

The shares shall be repurchased and paid for in accordance with the rules of the NASDAQ OMX Helsinki Ltd and Euroclear Finland Ltd.

The Repurchase Authorization is valid 18 months from the decision of the Annual General Meeting.

Authorizing the Board of Directors to decide on the issuance of shares and on conveying the company's own shares
The AGM authorized the Board of Directors to decide on issuing new shares and/or conveying the company's own shares held by the company as follows:

By virtue of the authorization, the Board of Directors is entitled to decide on issuing a maximum of 7,000,000 new shares or on conveying a maximum of 7,000,000 of the company's own shares held by the company. The Board of Directors decides on all the conditions of the issuance of shares. The issuance of shares may be carried out in deviation from the shareholders' pre-emptive rights (directed issue). The authorization includes the possibility own shares to the company for free.

The authorization to issue shares and to convey the company's own shares is valid until two (2) years from the date of the decision of the Annual General Meeting and does not revoke the share issue authorization given by the Annual General Meeting on March 5, 2009.

Amer Sports Board of Directors did not use its authorizations during 2010.

BOARD OF DIRECTORS
At its organizing meeting immediately following the Annual General Meeting, Amer Sports Corporation's Board of Directors appointed Anssi Vanjoki as Chairman and Ilkka Brotherus as Vice Chairman. The Board appointed from among its members the following members to the Committees:

- Compensation Committee: Pirjo Väliaho (Chairman), Anssi Vanjoki, Bruno Sälzer and Christian Fischer.
- Nomination Committee: Ilkka Brotherus (Chairman), Anssi Vanjoki and Martin Burkhalter.
- Audit Committee: Hannu Ryöppönen (Chairman), Ilkka Brotherus and Martin Burkhalter.

In 2010, the Board of Directors had 12 meetings, the Compensation Committee 5 meetings, the Nomination Committee 5 meetings and the Audit Committee 5 meetings.

OTHER EVENTS DURING THE REVIEW PERIOD
According to information received by Amer Sports Corporation on November 9, 2010, the two private individuals who brought claims for damages against Amer Sports Corporation in 2005 in connection with its discontinued tobacco business had withdrawn their petition for leave to appeal and their appeal in the Supreme Court. The judgment passed by the Helsinki Court of Appeal on May 31, 2010 will thus be the final ruling on the matter. The Court of Appeal dismissed all claims for damages against Amer Sports Corporation. The Court of Appeal did not amend the judgments passed in the matter by Helsinki District Court in 2008, where all claims made by the claimants had also been dismissed.

The case concerned claims for damages brought by two private individuals, whereby they claimed damages and legal costs jointly and severally from Amer Sports Corporation and its subsidiary Amerintie 1 Oy (previously Amer-Tupakka Oy) and another tobacco manufacturer.

Amer Sports Corporation fully divested the tobacco business in March 2004.

AMER SPORTS STRATEGY AND FINANCIAL TARGETS
In September 2010, Amer Sports announced new strategic priorities and long-term Group financial targets. The strategy defines internal financial as well as synergy and scale targets for each unit in the Group portfolio. Group strategy emphasizes faster growth in softgoods, i.e. apparel and footwear, excellence in consumer-centric product creation and brand marketing (winning with consumers), and the strengthening of commercial fundamentals through the development of sales and distribution (winning in go-to-market). Operational excellence

continues to be a key cornerstone. The new financial targets put the focus on profitable growth and strong cash flow.

The new long-term financial targets are:
- Growth: Delivering organic, currency-neutral annual growth of 5%.
- Profitability: EBIT of at least 10% of net sales.
- Cash flow: Annual free cash flow equal to net profit.
- Balance sheet structure: Year-end Net Debt / EBITDA ratio of 3 or less.

The cash flow target has been set to synchronize working capital management with targeted growth and profitability. The Net Debt / EBITDA ratio has been set to optimize balance sheet structure.

The strategic cornerstones of Amer Sports' development are as follows:
- Clear portfolio roles and business synergies
- Faster growth in softgoods
- Winning with consumers
- Winning in go-to-market
- Operational excellence

All business units are being developed with clear portfolio roles. Each unit has specific growth and profitability targets with a clearly-assigned role in creating scale and synergy for the company. Most group synergies lie within the Ball Sports, Winter Sports Equipment, Apparel and Footwear businesses which are the focus of the Group's integration and synergistic development efforts.

Amer Sports is pursuing faster growth in softgoods by moving to category-based development across brands. This will build scale in softgoods sourcing, R&D, design and product line management. To ensure local relevance and winning with consumers, the Group will establish a set-up for local consumer insight and reinforcing global marketing capabilities. Expanding the Group's distribution footprint in both developed and emerging markets while also achieving growth in own retail and e-commerce are the focus of winning in go-to-market. The Group will continue to drive operational excellence, the tight management of working capital and the improvement of gross margins.

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. Short-term risks for Amer Sports are particularly associated with product costs and Amer Sports' ability to manufacture, source and deliver products on a timely basis as well as consumer demand development in North America, Europe and Japan.

For example, the following risks can potentially have an impact on the company's development:
- The sporting goods industry is subject to risks related to consumer demand in various parts of the world. Amer Sports is particularly dependent on general economic conditions and consumer demand in North America, Europe and Japan.
- The sporting goods industry is highly competitive and includes many regional, national and global companies. Although Amer Sports has no competitors that challenge it across of all of its product categories, the company faces competition from number of companies in most of the product categories. There cannot be assurance that additional competitors will not enter Amer Sports' existing markets or that Amer Sports will be able to compete successfully against existing or new competitors.
- Sales of winter sports equipment are affected by snow conditions. Winter sports equipment represents 25% of Amer Sports' sales.
- A large part of Amer Sports' production is outsourced. Amer Sports is constantly reviewing the global production and sourcing footprint to gain operational efficiencies and cost savings. 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.

- Labour costs are expected to increase in Asia where Amer Sports sources a significant portion of its products. Amer Sports uses steel, rubber, and oil-based raw materials and components in its products and must obtain adequate supplies of these raw materials from the markets in competition with the other users of such materials. Increases in labour and raw material costs can have a negative impact on product costs.
- Amer Sports' most important production facilities are the Winter Sports Equipment factories in Austria and Bulgaria, Precor's factory in the United States, and the 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.
- Amer Sports success is dependent on its ability to identify and respond to constantly shifting trends in consumer demand, its ability to leverage advancements in technologies and to develop new and appealing products. Sales of Amer Sports' products may be negatively affected if it is not successful in introducing innovative products in response to changes in consumer preferences, technology and industry trends.
- Losing a significant client would affect Amer Sports' sales. However, this risk is limited because Amer Sports' client base is diversified.
- Growing the number of Amer Sports' own retail stores require up-front investment. In addition, the maintenance of the stores and the personnel employed in own retail create more fixed costs than distribution to trade customers. A failure to execute Amer Sports retail growth plan as part of Amer Sports multi-channel sales strategy could have a negative impact on Amer Sports' results.
- 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.
- A characteristic feature of the sporting goods industry is the need to protect intellectual property rights (IPR) and disputes connected with them. Amer Sports success depends in part on its ability to protect its innovations, trademarks and other IPR from unauthorized use by others through obtaining relevant protection in countries where it operates and to enforce its' IPRs. Any litigation to defend against claims or infringement could result in substantial costs and diversion of resources and could negatively affect results of operations or competitive position of Amer Sports. 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 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. Although Amer Sports has third party audit program in Asia, Amer Sports cannot fully control its' subcontractors actions. 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.
- Financial risks are described under "Cash flow and financing".

EVENTS AFTER THE REVIEW PERIOD
Amer Sports Corporation received information on February 2, 2011to the effect that Governance for Owners LLP's share capital and voting rights of Amer Sports had fallen below 5% on February 1, 2011.

OUTLOOK FOR 2011
Amer Sports strategic development programs are expected to continue to contribute positively to the Group performance in 2011. The sporting goods market is estimated to continue the recovery started in 2010, with regional and sports specific differences. In Footwear and Apparel, spring/summer pre-orders are indicating that the 2010 strong momentum will continue.

Overall, Amer Sports expects its 2011 net sales to increase from 2010 and EBIT to improve.

BOARD OF DIRECTORS' PROPOSAL FOR DISTRIBUTION OF EARNINGS
The parent company's unrestricted shareholders' equity amounts to EUR 237,631,572.60 of which the net result for the period is EUR 10,922,127.80.

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

- A dividend of EUR 0.30 per share, totaling EUR 36,455,185.50 to be paid to shareholders
- EUR 201,176,387.10 to be carried forward in unrestricted shareholders' equity

Totaling EUR 237,631,572.60

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.

TABLES

The figures presented in this stock exchange release are based on the Group's audited financial statements, and it has been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by EU. The notes are an integral part of consolidated financial information.

EUR million

CONSOLIDATED RESULTS

	10-12/ 2010	10-12/ 2009	Change %	1-12/ 2010	1-12/ 2009	Change %
NET SALES	583.4	482.8	21	1,740.4	1,533.4	13
Cost of goods sold	-345.6	-286.3		-998.4	-913.4	
GROSS PROFIT	237.8	196.5	21	742.0	620.0	20
License income	2.7	1.6		9.5	8.2	
Other operating income	9.8	-0.3		12.4	4.6	
R&D expenses	-16.7	-14.1		-57.4	-52.0	
Selling and marketing expenses	-131.5	-111.2		-443.1	-398.6	
Administrative and other expenses	-53.7	-33.1		-166.6	-138.4	
EARNINGS BEFORE INTEREST AND TAXES	48.4	39.4	23	96.8	43.8	121
% of net sales	8.3	8.2		5.6	2.9	
Financing income and expenses	-5.7	-7.1		-21.3	-18.4	
EARNINGS BEFORE TAXES	42.7	32.3	32	75.5	25.4	
Taxes	-4.6	4.3		-6.6	6.0	
NET RESULT	38.1	36.6	4	68.9	31.4	119
Attributable to:						
Equity holders of the parent company	38.1	36.6		68.8	31.3	
Non-controlling interests	0.0	0.0		0.1	0.1	
Earnings per share, EUR	0.30	0.37		0.52	0.28	
Earnings per share, diluted, EUR	0.30	0.37		0.52	0.28	
Adjusted average number of shares in issue less own shares, million				121.2	97.7	
Adjusted average number of shares in issue less own shares, diluted, million				121.2	97.7	
Equity per share, EUR				6.50	6.05	
ROCE, % *)				10.0	4.3	
ROE, %				9.0	5.0	
Average rates used:						
EUR 1.00 = USD				1.33	1.39	

*) 12 months' rolling average

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	10-12/ 2010	10-12/ 2009	1-12/ 2010	1-12/ 2009
Net result	38.1	36.6	68.9	31.4
Other comprehensive income				
Translation differences	10.5	5.8	28.7	-0.5
Cash flow hedges	4.4	1.7	-0.2	1.1
Income tax related to cash flow hedges	-1.2	-0.5	0.0	-0.3
Other comprehensive income, net of tax	13.7	7.0	28.5	0.3
Total comprehensive income	51.8	43.6	97.4	31.7
Total comprehensive income attributable to:				
Equity holders of the parent company	51.8	43.6	97.3	31.6
Non-controlling interests	0.0	0.0	0.1	0.1

NET SALES BY BUSINESS SEGMENT

	10-12/ 2010	10-12/ 2009	Change %	1-12/ 2010	1-12/ 2009	Change %
Winter and Outdoor	416.5	329.2	27	1,015.0	862.6	18
Ball Sports	107.3	94.7	13	520.6	476.7	9
Fitness	59.6	58.9	1	204.8	194.1	6
Total	583.4	482.8	21	1,740.4	1,533.4	13

EBIT BY BUSINESS SEGMENT

	10-12/ 2010	10-12/ 2009	Change %	1-12/ 2010	1-12/ 2009	Change %
Winter and Outdoor	51.2	42.5	20	86.9	46.5	87
Ball Sports	-5.4	2.2		29.5	23.5	26
Fitness	2.0	-0.5		0.4	-7.5	
Headquarters	0.6	-4.8		-20.0	-18.7	
Total	48.4	39.4	23	96.8	43.8	121

GEOGRAPHIC BREAKDOWN OF NET SALES

	10-12/ 2010	10-12/ 2009	Change %	1-12/ 2010	1-12/ 2009	Change %
Americas	184.1	154.6	19	687.9	620.5	11
EMEA	325.8	266.1	22	845.7	735.0	15
Asia Pacific	73.5	62.1	18	206.8	177.9	16
Total	583.4	482.8	21	1,740.4	1,533.4	13

CONSOLIDATED CASH FLOW STATEMENT

	Note	10-12/2010	10-12/2009	1-12/2010	1-12/2009
Earnings before interest and taxes		48.4	39.4	96.8	43.8
Adjustments to cash flow from operating activities and depreciation		1.6	9.2	28.3	34.6
Change in working capital		40.6	97.2	-18,8	136.7
Cash flow from operating activities before financing items and taxes		90.6	145.8	106.3	215.1
Interest paid and received		-5.1	-0.7	-14.3	-20.9
Income taxes paid and received		-14.6	3.2	-11.9	-12.6
Net cash flow from operating activities		70.9	148.3	80.1	181.6
Acquired operations		-	-1.8	-	-3.0
Capital expenditure on non-current tangible and intangible assets		-21.2	-18.0	-39.9	-39.5
Proceeds from sale of tangible non-current assets		8.0	0.7	9.9	1.4
Net cash flow from investing activities		-13.2	-19.1	-30.0	-41.1
Net cash flow after investing activities (free cash flow)		57.7	129.2	50.1	140.5
Share issue, net		-	151.5	-	151.5
Interest on hybrid bond		-	-	-7.2	-
Dividends paid	5	-	-	-19.5	-11.8
Hybrid bond	3	-	-	-	60.0
Change in debt and other financing items		-24.2	-221.7	-64,3	-290.9
Net cash flow from financing activities		-24.2	-70.2	-91.0	-91.2
Cash and cash equivalents on October 1/ January 1		50.2	62.4	121.6	72.1
Translation differences		1.0	0.2	4.0	0.2
Change in cash and cash equivalents		33.5	59.0	-40.9	49.3
Cash and cash equivalents on December 31		84.7	121.6	84.7	121.6

CONSOLIDATED BALANCE SHEET

	Note	December 31, 2010	December 31, 2009
Assets			
Goodwill		286.7	273.6
Other intangible non-current assets		214.2	210.1
Tangible non-current assets		140.2	135.0
Other non-current assets		100.5	74.3
Inventories and work in progress		302.1	234.6
Receivables		525.4	475.4
Cash and cash equivalents		84.7	121.6
Total assets	2	1,653.8	1,524.6
Shareholders’ equity and liabilities			
Shareholders’ equity	3	790.2	735.3
Long-term interest-bearing liabilities		278.7	282.8

Other long-term liabilities	19.6	14.4
Current interest-bearing liabilities	100.8	121.3
Other current liabilities	434.6	340.0
Provisions	29.9	30.8
Total shareholders' equity and liabilities	1,653.8	1,524.6
Equity ratio, %	47.8	48.2
Gearing, %	37	38
EUR 1.00 = USD	1.34	1.44

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Note	Share capital	Premium fund	Fund for own shares	Translation differences	Fair value and other reserves	Invested unrestricted equity reserve	Hybrid bond	Retained earnings	Total
Balance at Jan. 1, 2009		292.2	12.1	-5.7	-62.5	-6.2	-	-	275.6	505.5
Other comprehensive income:										
Translation differences					-0.5					-0.5
Cash flow hedges						1.1				1.1
Income tax related to cash flow hedges						-0.3				-0.3
Net result									31.3	31.3
Total comprehensive income					-0.5	0.8			31.3	31.6
Transactions with owners:										
Share issue							160.0			160.0
Transaction costs of share issue							-8.5			-8.5
Dividend distribution	5								-11.6	-11.6
Reissuance of own shares				0.1						0.1
Hybrid bond	3							60.0	-4.4	55.6
Balance at		292.2	12.1	-5.6	-63.0	-5.4	151.5	60.0	290.9	732.7

Dec. 31, 2009										
Balance at Jan. 1, 2010		292.2	12.1	-5.6	-63.0	-5.4	151.5	60.0	290.9	732.7
Other compre-hensive income:										
Translation differences					28.7					28.7
Cash flow hedges						-0.2				-0.2
Income tax related to cash flow hedges						0.0				0.0
Net result									68.8	68.8
Total comp-rehensive income					28.7	-0.2			68.8	97.3
Transact-ions with owners:										
Share-based incentive program									0.5	0.5
Dividend distribution	5								-19.4	-19.4
Hybrid bond	3								-5.3	-5.3
Other change									-18.2	-18.2
Balance at Dec. 31, 2010		292.2	12.1	-5.6	-34.3	-5.6	151.5	60.0	317.3	787.6

	Note	Non-controlling interests	Total shareholders' equity
Balance at Jan. 1, 2009		2.6	508.1
Other comprehensive income:			
Translation differences			-0.5
Cash flow hedges			1.1
Income tax related to cash flow hedges			-0.3
Net result		0.1	31.4
Total comprehensive income		0.1	31.7
Transactions with owners:			
Share issue			160.0
Transaction costs			-8.5

of share issue			
Dividend distribution	5	-0.2	-11.8
Reissuance of own shares			0.1
Hybrid bond	3		55.6
Other change in non-controlling interests		0.1	0.1
Balance at Dec. 31, 2009		2.6	735.3
Balance at Jan. 1, 2010		2.6	735.3
Other comprehensive income:			
Translation differences			28.7
Cash flow hedges			-0.2
Income tax related to cash flow hedges			0.0
Net result		0.1	68.9
Total comprehensive income		0.1	97.4
Transactions with owners:			
Share-based incentive program			0.5
Dividend distribution	5	-0.1	-19.5
Hybrid bond	3		-5.3
Other change			-18.2
Balance at Dec. 31, 2010		2.6	790.2

QUARTERLY BREAKDOWN OF NET SALES AND EBIT

NET SALES	Q4/ 2010	Q3/ 2010	Q2/ 2010	Q1/ 2010	Q4/ 2009	Q3/ 2009	Q2/ 2009	Q1/ 2009
Winter and Outdoor	416.5	300.3	116.5	181.7	329.2	262.4	106.6	164.4
Ball Sports	107.3	114.0	153.9	145.4	94.7	103.4	135.7	142.9
Fitness	59.6	52.6	47.1	45.5	58.9	44.8	42.4	48.0
Total	583.4	466.9	317.5	372.6	482.8	410.6	284.7	355.3

EBIT	Q4/ 2010	Q3/ 2010	Q2/ 2010	Q1/ 2010	Q4/ 2009	Q3/ 2009	Q2/ 2009	Q1/ 2009
Winter and Outdoor	51.2	58.2	-24.2	1.7	42.5	44.1	-29.2	-10.9
Ball Sports	-5.4	3.5	17.0	14.4	2.2	2.4	7.4	11.5
Fitness	2.0	2.8	-3.7	-0.7	-0.5	-1.4	-2.2	-3.4
Headquarters	0.6	-8.7	-6.0	-5.9	-4.8	-4.4	-5.4	-4.1
Total	48.4	55.8	-16.9	9.5	39.4	40.7	-29.4	-6.9

THE NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

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, 2010.

Standards and interpretations adopted from the beginning of 2010:
IAS 27 (revised): "Consolidated and Separate Financial Statements" changed the presentation of the statement of changes in shareholders' equity in accordance with IAS 1: each item of other comprehensive income needs to be disclosed separately in the statement of changes in shareholders' equity. The revised standard requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses.

2. SEGMENT INFORMATION

Amer Sports has three business segments: Winter and Outdoor, Ball Sports and Fitness.

The accounting policies for segment reporting do not differ from the Group's accounting policies. The decisions concerning assessing the performance of segments and allocation of resources to the segments are based on segments' net sales and earnings before interest and taxes. The chief operating decision maker of Amer Sports is the Executive Board.

There were no intersegment business operations during the reported periods.

	Net sales	Earnings before interest and taxes	Financing income and expenses	Earnings before taxes	Assets
1-12/2010					
Winter and Outdoor	1,015.0	86.9			848.7
Ball Sports	520.6	29.5			365.8
Fitness	204.8	0.4			229.1
Segments, total	1,740.4	116.8			1,443.6
Unallocated items*)		-20.0	-21.3		210.2
Group total	1,740.4	96.8	-21.3	75.5	1,653.8
1-12/2009					
Winter and Outdoor	862.6	46.5			766.3
Ball Sports	476.7	23.5			320.7
Fitness	194.1	-7.5			212.5
Segments, total	1,533.4	62.5			1,299.5
Unallocated items*)		-18.7	-18.4		225.1
Group total	1,533.4	43.8	-18.4	25.4	1,524.6

*) Earnings before interest and taxes include income and expenses of corporate headquarters.

GEOGRAPHIC BREAKDOWN OF NET SALES

	1-12/2010	1-12/2009
Americas	687.9	620.5
EMEA	845.7	735.0
Asia Pacific	206.8	177.9
Total	1,740.4	1,533.4

3. HYBRID BOND

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 confer shareholders' rights, nor does it dilute the holdings of shareholders.

4. DERIVATIVE FINANCIAL INSTRUMENTS

	December 31, 2010	**December 31, 2009**
Nominal value		
Foreign exchange forward contracts	678.1	502.8
Forward rate agreements	-	100.0
Interest rate swaps	169.8	204.4
Fair value		
Foreign exchange forward contracts	-9.1	-1.1
Forward rate agreements	-	-0.1
Interest rate swaps	-2.8	-5.6

5. DIVIDENDS

Dividends distributed by Amer Sports to its shareholders and minority shareholders of its subsidiaries amounted to EUR 19.5 million at the end of March 2010 relating to the year ending on December 31, 2009 (2009: 11.8). The dividend was EUR 0.16 per share (2009: 0.16). Dividends distributed to the shareholders of Amer Sports Corporation totaled EUR 19.4 million (2009: 11.6).

6. CONTINGENT LIABILITIES AND SECURED ASSETS

	December 31, 2010	**December 31, 2009**
Guarantees	14.1	10.5
Liabilities for leasing and rental agreements	123.2	116.9
Other liabilities	18.7	30.0

There are no guarantees or contingencies given for the management of the company, the shareholders or the associated companies.

7. SEASONALITY

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. 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. Usually the net cash flow from operating activities is very strong in the first quarter when the income from winter sports equipment realizes. Especially during the third quarter, the net cash flow from operating activities is tied up in working capital.

In the fourth quarter, Amer Sports net sales totaled EUR 583.4 million (482.8), an increase of 21% compared to October-December 2009. Net sales increased by 14% in local currency terms, particularly due to sales growth in Winter Sports Equipment, Apparel and Footwear. Gross margin was at previous year's level.

All forecasts and estimates presented in this report are based on the management's current judgment of the economic environment. The actual results may differ significantly.

AMER SPORTS CORPORATION
Board of Directors