

Amer Sports Corporation

FINANCIAL STATEMENTS BULLETIN
February 3, 2016 at 1:00 pm

Amer Sports Corporation Financial Statements Bulletin 2015

OCTOBER-DECEMBER 2015

- Net sales EUR 783.7 million (October-December 2014: 705.3). In local currencies, net sales increased by 6%. Excluding acquisitions, net sales increased by 5% in local currencies.
- Gross margin 43.8% (43.0).
- EBIT EUR 84.0 million (77.7 excl. non-recurring items, NRI).
- Earnings per share EUR 0.46 (0.41 excl. NRI).
- Free cash flow EUR 159.4 million (132.8).

JANUARY-DECEMBER 2015

- Net sales EUR 2,534.4 million (2014: 2,228.7). In local currencies, net sales increased by 6%. Excluding acquisitions, net sales increased by 5% in local currencies.
- Gross margin 45.2% (43.9).
- EBIT excluding non-recurring items EUR 212.1 million (168.3), representing 8.4% of net sales (7.6). Non-recurring items were EUR -8.0 million (-54.2).
- Earnings per share excluding NRI EUR 1.09 (0.80).
- Free cash flow EUR 121.7 million (53.5).
- Net debt/EBITDA excluding NRI 1.7 (December 31, 2014: 2.0).
- Amer Sports Board of Directors is proposing a dividend of EUR 0.55 per share (0.45).

OUTLOOK

In 2016, Amer Sports' net sales in local currencies are expected to increase and EBIT margin excluding non-recurring items is expected to improve from 2015, despite challenging market conditions. The company will focus on growing the core business and accelerating in five prioritized areas: Apparel and Footwear, US, China, Business to Consumer, as well as digitally connected devices and services.

KEY FIGURES

EUR million	10-12/		10-12/		2015	2014	Ch %	Ch %*)	2015	2014	Ch %	Ch %*)
	2015	2014	Ch %	Ch %*)								
Net sales	783.7	705.3	11	6	2,534.4	2,228.7	14	6				
Gross profit	343.0	303.2	13		1,145.9	979.0						
Gross profit %	43.8	43.0			45.2	43.9						
EBIT excluding NRI**)	84.0	77.7	8		212.1	168.3						
EBIT % excluding NRI	10.7	11.0			8.4	7.6						
NRI	-	-34.7			-8.0	-54.2						
EBIT	84.0	43.0			204.1	114.1						
EBIT %	10.7	6.1			8.1	5.1						
Financing income and expenses	-10.7	-11.2			-36.1	-37.1						
Earnings before taxes	73.3	31.8			168.0	77.0						
Net result	53.3	23.0			121.6	55.4						
Earnings per share excluding NRI, EUR	0.46	0.41			1.09	0.80						
Free cash flow***)	159.4	132.8			121.7	53.5						
Equity ratio, %					37.2	38.8						
Net debt/equity					0.48	0.50						
Personnel at year end					7,954	7,630						
Average rates used, EUR/USD					1.11	1.33						

**) In local currencies*

***) Non-recurring items are exceptional and material transactions that are not related to normal business operations. These items can include, but are not limited to, capital gains and losses, exceptional write-downs, provisions for planned restructuring and other exceptional items Amer Sports management considers as material. A single non-recurring item has to represent more than one cent per share on annual basis to be classified as non-recurring.*

****) Cash flow from operating activities - net capital expenditures - restricted cash (Net capital expenditures: Total capital expenditure less proceeds from sale of assets)*

HEIKKI TAKALA, PRESIDENT AND CEO:

We closed 2015 with a solid fourth quarter, and more importantly we completed our sixth consecutive year of profitable growth in line with our Sustainable Growth Model. The 2015 growth was broad-based and driven by our strategic acceleration priorities, as well as continuous improvement in our core business, most notably Ball Sports and Winter Sports Equipment. In Fitness and Cycling we focused on business model renewal and restructuring, and prepared a solid pipeline of building blocks for 2016 and beyond.

Whilst delivering another record year in 2015, we ramped up our efforts and investment to accelerate toward 2020 in line with our new strategic glidepath, further enabled by our improving cash flow and continuously strengthening balance sheet. We boosted our retail opening pipeline, fueled digital products and services, invested into Go to Market integration, and recruited critical talent. The increased operating and capital expenses, including acquisition related costs, were absorbed in our operational results without significant dilutive impact.

I'm pleased to confirm that the company is firmly on a sustainable growth path. Our strategies are working, and we execute with full speed, focusing on continuous improvement and renewal.

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TELEPHONE CONFERENCE

An English-language conference call for investors and analysts will be held at 3:00 pm Finnish time. To participate in the conference call, please call +44 (0)20 3427 1921 or +49 (0)69 2222 10634, confirmation code **4489338**. The conference can also be followed live via www.amersports.com or <http://edge.media-server.com/m/p/qwkj66yi>. A replay of the conference call and a transcript will be available later at the same internet address. The replay number is +44 (0)20 3427 0598 or +49 (0)69 2222 2236, passcode **4489338#**.

ANNUAL GENERAL MEETING

Amer Sports Annual General Meeting will be held on Tuesday, March 8, 2016 starting at 2:00 pm at Messukeskus, Expo and Convention Centre Helsinki, Messuaukio 1, 00520, Helsinki, Finland.

INTERIM REPORT Q1/2016

Amer Sports will publish its Q1/2016 interim report on Thursday, April 21, 2016 at approximately 1:00 pm Finnish time.

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AMER SPORTS

Amer Sports (www.amersports.com) is a sporting goods company with internationally recognized brands including Salomon, Wilson, Atomic, Arc'teryx, Mavic, Suunto, and Precor. The company's technically advanced sports equipment, footwear, and apparel improve performance and increase the enjoyment of sports and outdoor activities. The Group's business is balanced by its broad portfolio of sports and products and a presence in all major markets. Amer Sports shares are listed on the Nasdaq Helsinki stock exchange (AMEAS).

FINANCIAL RESULTS IN OCTOBER-DECEMBER 2015

NET SALES AND EBIT OCTOBER-DECEMBER 2015

Amer Sports net sales in October-December 2015 were EUR 783.7 million (October-December 2014: 705.3). Net sales increased by 6% in local currencies. Excluding acquisitions, net sales increased by 5% in local currencies. The growth was driven by Apparel (+12%), Footwear (+8%), and Sports Instruments (+18%).

Net sales by operating segment

EUR million	10-12/ 2015	10-12/ 2014	Change %	Change %*)	% of sales 10-12/2015	% of sales 10-12/2014
Outdoor	501.9	456.7	10	8	64	65
Ball Sports	165.7	136.9	21	10	21	19
Fitness	116.1	111.7	4	-6	15	16
Total	783.7	705.3	11	6	100	100

*) In local currencies

Geographic breakdown of net sales

EUR million	10-12/ 2015	10-12/ 2014	Change %	Change %*)	% of sales 10-12/2015	% of sales 10-12/2014
EMEA	356.8	336.9	6	6	46	48
Americas	313.2	270.1	16	5	40	38
Asia Pacific	113.7	98.3	16	9	14	14
Total	783.7	705.3	11	6	100	100

*) In local currencies

Gross margin was 43.8% (43.0). EBIT excluding NRI was EUR 84.0 million (77.7). Increased sales in local currencies contributed to EBIT by approximately EUR 19 million and improved gross margin by approximately EUR 5 million. Operating expenses increased by approximately EUR 23 million driven by Go to Market acceleration, Business to Consumer growth and acquisitions. Currencies and other income and expenses had a positive impact of approximately EUR 6 million on EBIT. EBIT was EUR 84.0 million (43.0).

EBIT excluding non-recurring items by operating segment

EUR million	10-12/ 2015	10-12/ 2014	Change %
Outdoor	65.6	55.0	19
Ball Sports	8.2	12.5	-34
Fitness	15.7	14.9	5
Headquarters*)	-5.5	-4.7	
EBIT excluding NRI	84.0	77.7	8
NRI	-	-34.7	
EBIT total	84.0	43.0	95

*) The Headquarters segment consists of Group administration, shared services, other non-operational income and expenses, and fair valuation of share-based compensations.

Net financial expenses totaled EUR 10.7 million (11.2), including net interest expenses of EUR 8.0 million (8.5). Net foreign exchange losses were EUR 1.4 million (losses of 0.4). Other financing expenses were EUR 1.3 million (2.3). Earnings before taxes totaled EUR 73.3 million (31.8) and taxes were EUR -20.0 million (-8.8). Earnings per share were EUR 0.46 (0.20, 0.41 excl. NRI).

FINANCIAL RESULTS 2015

2015 was a good year for Amer Sports. The company delivered all-time high net sales with broad-based strong growth in the strategic focus areas. Profitability improved from the previous year, cash flow was strong and balance sheet strengthened further.

Amer Sports now has a new five-year strategic glidepath for 2016-2020 focusing on accelerating profitable growth. The strategy prioritizes five areas where the company sees the highest growth potential: Apparel and Footwear, United States, China, Business to Consumer, and digitally connected devices and services.

NET SALES AND EBIT IN 2015

Amer Sports net sales in 2015 were EUR 2,534.4 million (2014: EUR 2,228.7 million). Net sales increased by 6% in local currencies, driven by Apparel (+15%), Footwear (+14%) and Team Sports (+15%). Excluding acquisitions, net sales increased by 5% in local currencies. In 2010-2015, the Group's financial net sales target was to deliver an organic, currency-neutral annual growth of 5%.

Net sales by operating segment

EUR million	2015	2014	Change	Change	% of sales	% of sales
			%	%)	2015	2014
Outdoor	1,530.1	1,371.2	12	8	60	62
Ball Sports	647.0	536.7	21	6	26	24
Fitness	357.3	320.8	11	-3	14	14
Total	2,534.4	2,228.7	14	6	100	100

*) In local currencies

Geographic breakdown of net sales

EUR million	2015	2014	Change	Change	% of sales	% of sales
			%	%)	2015	2014
EMEA	1,114.7	1,064.0	5	4	44	48
Americas	1,070.1	874.3	22	6	42	39
Asia Pacific	349.6	290.4	20	11	14	13
Total	2,534.4	2,228.7	14	6	100	100

*) In local currencies

Gross margin was 45.2% (43.9). EBIT excluding non-recurring items (NRI) was EUR 212.1 million (168.3). Non-recurring items were EUR -8.0 million related to the restructuring program announced in July 2014. Increased sales in local currencies contributed to EBIT by approximately EUR 64 million and improved gross margin by approximately EUR 30 million. Operating expenses increased by approximately EUR 69 million in local currencies driven by Go to Market acceleration, Business to Consumer growth and acquisitions, including transaction expenses. Currencies and other income and expenses had a positive impact of approximately EUR 19 million on EBIT. EBIT was EUR 204.1 million (114.1).

EBIT as a percentage of sales excluding NRI was 8.4% (7.6), including a slight dilutive impact from acquisitions. In the 2010-2015 strategic glidepath, the Group's financial profitability target was to reach EBIT of at least 10% of net sales long-term.

EBIT excluding non-recurring items by operating segment

EUR million	2015	2014	Change
			%
Outdoor	161.2	125.6	28
Ball Sports	46.6	35.9	30
Fitness	31.2	29.7	5

Headquarters*)	-26.9	-22.9	
EBIT excluding non-recurring items	212.1	168.3	26
Non-recurring items	-8.0	-54.2	
EBIT total	204.1	114.1	79

*) The Headquarters segment consists of Group administration, shared services, other non-operational income and expenses, and fair valuation of share-based compensations.

Net financial expenses totaled EUR 36.1 million (37.1), including net interest expenses of EUR 28.6 million (28.6). Net foreign exchange losses were EUR 5.4 million (2.7). Other financing expenses were EUR 2.1 million (5.8). Earnings before taxes totaled EUR 168.0 million (77.0) and taxes were EUR -46.4 million (-21.6). Earnings per share excluding NRI were EUR 1.09 (0.80). Earnings per share were EUR 1.04 (0.47).

OUTLOOK GIVEN FOR 2015

In Amer Sports financial statements for 2014, the company's net sales in local currencies were expected to increase and EBIT margin excluding non-recurring items to improve from 2014, despite challenging market conditions.

CASH FLOW AND FINANCING

In 2015, free cash flow was EUR 121.7 million (53.5). Compared to the end of 2014, inventories were up by EUR 51.3 million (increase 49.0) due to increased pre-orders for Q1. Receivables decreased by EUR 2.8 million (decrease 0.5). Payables increased by EUR 54.6 million (28.2). In the 2010-2015 strategic glidepath, the Group's financial cash flow target was to have annual free cash flow equal to net profit. In 2015, free cash flow was 100% of net profit.

At the end of 2015, the Group's net debt was EUR 460.3 million (419.1). In the 2010-2015 strategic glidepath, the Group's financial balance sheet target was to have a year-end net debt / EBITDA ratio of 3 or less. At the end of 2015, the ratio was 1.7 excluding NRI (2.0).

Interest-bearing liabilities amounted to EUR 791.7 million (659.3) consisting of short-term debt of EUR 157.2 million and long-term debt of EUR 634.5 million. The average interest rate on the Group's interest-bearing liabilities was 2.7% (3.5).

Short-term debt consists mainly of repayments of long-term loans of EUR 154.4 million (153.5). At the end of calendar year Amer Sports had not issued any commercial papers in the Finnish market (December 31, 2014: EUR 114.5 million). The total size of the commercial paper program is EUR 500 million.

Cash and cash equivalents totaled EUR 331.4 million (240.2).

Amer Sports had not used any of its EUR 150 million committed revolving credit facility at the end of the review period.

The equity ratio at the end of the year was 37.2% (38.8) and net debt/equity was 0.48 (0.50).

In January, Amer Sports issued Schultschein agreements with a total value of EUR 100 million. The loan period is five years and the loans have both fixed (EUR 15 million) and floating (EUR 85 million) rate tranches.

In April, Amer Sports issued Schultschein agreements with a total value of EUR 40 million and USD 85 million. The loan periods are five and seven years and the loans have both fixed and floating rate tranches.

In August, Amer Sports issued Schultschein agreements with a total value of USD 55 million. The loan periods are 5 and 5.5 years and the loans have floating rate tranches.

In September, Amer Sports issued a private placement bond with a total value of EUR 100 million. The fixed rate bond has a maturity of seven years.

The Group's most significant transaction risk arises from the US dollar. Amer Sports is a net buyer of USD due to sourcing operations in Asia. The next 24 months EUR/USD net flow - subject to hedging policy - is expected to be approximately USD 725 million. The weakening of the euro against the US dollar therefore has a negative impact on the company's EBIT, with a delay due to hedging.

Amer Sports' hedging policy covers the transaction risks up to 12–24 months forward. Hedging tenors of currency pairs vary due to costs related to hedging. At the end of 2015, the Group had fully hedged the 2016 EUR/USD net cash flow at an average EUR/USD rate of 1.22 and 37% of the 2017 EUR/USD net cash flow at an average EUR/USD rate of 1.13.

Because Amer Sports' consolidated financial statements are presented in euros, Amer Sports is subject to currency translation risk when currency dominated result is converted into euros. Combining the yearly 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 GBP, CAD and CHF with net flows varying from EUR 66 million to EUR 91 million at yearly level.

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

CAPITAL EXPENDITURE AND INVESTMENTS

The Group's capital expenditure totaled EUR 77.3 (51.6) million. The increase was mainly due to accelerated investments in the new platforms for connected devices and digital services as well as own retail, especially Arc'teryx flagship stores. Depreciation totaled EUR 51.1 million (44.8). In 2016, capital expenditure is expected to be approximately EUR 70 million.

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, services and experiences that appeal to both consumers and trade customers.

The Group has six R&D and design sites serving the business areas globally. Portland design center was closed in 2015 due to restructuring. In 2015, R&D expenses remained stable at EUR 77.7 million, accounting for 8.3% of all operating expenses (2014: EUR 76.2 million, 9.3% of operating expenses, 2013: EUR 76.2 million, 9.7% of operating expenses). Outdoor accounted for 71% of the R&D expenditure, Ball Sports for 17% and Fitness for 12%.

In 2015, the Group focused in its R&D on building future platforms for connected devices and scalable digital services. New innovative products and services based on these platforms are expected already for 2016.

On December 31, 2015, 784 (680) persons were employed in the company's R&D and digital platforms development, representing approximately 10% (9) of the total number of people employed by Amer Sports.

SALES AND MARKETING

Amer Sports sells its products to trade customers (sporting goods chains, specialty retailers, mass merchants, fitness clubs and distributors) and directly to consumers through brand stores, factory outlets, and e-commerce.

Strong gains in distribution were achieved in 2015 across all brands and regions primarily due to improved sales representative coverage and Key Account joint business plans. The significant development of in-store solutions ensured Amer Sports brands provided a better

consumer shopping experience as well as good sell-through.

Commercial management continued to add significant value, providing better understanding of customer needs and accurate segmentation of ranges to fulfil consumer needs and desires. This led to strong growth in the apparel and footwear businesses.

In 2015, Amer Sports Business to Consumer accounted for approximately 7% of the Group's sales (5). At the end of 2015, Amer Sports had 293 branded retail stores (250). 57% of the stores are operated by local, independent partners. During the year, a net of 43 new stores were opened, of which 12 are operated by Amer Sports and 31 by independent partners. Geographically, the retail store footprint is balanced with approximately one third in each of Europe, Asia Pacific and the Americas. In 2015, Amer Sports also strengthened its e-commerce and at the year end the number of e-commerce stores was 71 (62).

Sales and distribution expenses in 2015 were EUR 414.7 million (344.3), 16% of sales (15). Of the increase, approximately half was related to strategic investments into distribution (geographical expansion and own retail openings), while half was growth driven. Advertising, promotion and marketing expenses in 2015 were EUR 256.1 million (225.2), 10% (10) of sales.

On December 31, 2015, the Amer Sports own sales organization covered 34 countries (34). 3,381 (3,184) persons were employed in sales and distribution activities, representing 43% (42) of the total number of people employed by Amer Sports. 633 (592) persons were employed in marketing activities, representing 8% (8) of the total number of people employed by Amer Sports.

SUPPLY CHAIN MANAGEMENT

In supply chain management, the main focus areas in 2015 were customer service, complexity reduction as well as cost and working capital efficiencies.

To gain operational efficiencies and cost savings as well as continuously reducing risks, Amer Sports is constantly reviewing both its make or buy strategy and the company's global production and sourcing footprint. Of Amer Sports' production value, approximately 25% is in China, 34% elsewhere in Asia Pacific, 26% in EMEA and 15% in the Americas.

Amer Sports manufactures approximately 24% of its products itself and approximately 13% is produced by partially outsourced vendors. Of Amer Sports' total production value, approximately 63% is outsourced. This includes manufacturing in all racket sports and golf products, most team sports products and most of the apparel and footwear.

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

HUMAN RESOURCES

In 2015 Amer Sports had a strong focus on capability building and resource management. The company continued to allocate resources from more stable business areas to fast growing areas. In 2015 the Group had approximately 1,000 open positions, of which 25% was filled through internal rotation and 75% through external recruitments.

At the end of 2015 the number of Group employees was 7,954 (2014: 7,630; 2013: 7,330). Of the increase, approximately 2/3 was related to acceleration in Apparel, Business to Consumer and Go to Market. Acquisitions increased the headcount by 71 employees. Men represented 61% (2014: 61%, 2013: 61%) and women 39% (2014: 39%; 2013: 39%) of the Group employees at the end of 2015. The average number of personnel in 2015 was 7,848 (2014: 7,505; 2013: 7,370).

Salaries, incentives and other related costs paid in 2015 totaled EUR 482.2 million (2014: 429.2, 2013: 416.2) and were up by 6% in local currencies of which 2% was due to higher salaries and

incentives and 4% due to an increase in the number of personnel. Amer Sports total rewarding principles are based on the company's "Pay for Performance" philosophy and are managed through the performance management practice "Coaching for Success", which cascades Amer Sports strategies to the individual level objectives. Base pay is complemented by performance-based annual and long-term incentive programs, all the elements being closely linked to targeted business success and individual performance.

In 2015 Amer Sports introduced a cloud based global HR information and management system in order to support Group wide capability building, resource fluidity and performance management.

Personnel

	December 31, 2015	December 31, 2014	Change %
Outdoor	5,084	4,966	2
Ball Sports	1,686	1,537	10
Fitness	975	932	5
Headquarters and shared services	209	195	7
Total	7,954	7,630	4

	December 31, 2015	December 31, 2014	Change %
EMEA	4,154	4,141	0
Americas	2,942	2,662	11
Asia Pacific	858	827	4
Total	7,954	7,630	4

	December 31, 2015	December 31, 2014	Change %
Manufacturing and sourcing	2,244	2,243	0
Sales and distribution	3,381	3,184	6
Support functions/shared services	912	931	-2
R&D and digital platforms	784	680	15
Marketing	633	592	7
Total	7,954	7,630	4

CORPORATE RESPONSIBILITY

Amer Sports promotes healthy and active living. The company's products encourage people to exercise to stay healthy throughout their lives.

Amer Sports implements its business strategy in an ethically, socially and environmentally responsible manner and ensures that its products are innovative and safe while providing a safe and healthy work environment. The company continuously improves its performance and communication about how this is implemented in practice.

Amer Sports is committed to socially responsible labor and workplace practices. Amer Sports expects also the sourcing partners to respect human rights in the spirit of internationally recognized social and ethical standards including the International Labour Organization (ILO) Standards and the United Nations' Universal Declaration on Human Rights. These principles are described in the Amer Sports Code of Conduct and Ethical Policy which are available at www.amersports.com under Responsibility. Additionally, Amer Sports Social Compliance Policy defines how the company implements its supplier monitoring program. Amer Sports monitors that subcontractors follow its standards for ethical operations and conducts third party audits to help sourcing partners comply with industry standards and regulations as well as Amer Sports' expectations in regards to health, safety, and environmental and social responsibility. In Asia, the number of audits conducted by the end of 2015 represented 97% of total purchases.

Amer Sports is committed to reducing the environmental impact of its operations by using methods which are both responsible and economically sound. For instance, Amer Sports Restricted Substances List (RSL) is used to manage the chemicals present in its products. In 2015 Amer Sports Apparel category developed further its Materials Compliance Program and extended it to the Group's core Tier 2 suppliers so that fabrics and trims are proactively screened against emerging priority substances. Core to this program is Amer Sports Apparel category's participation in the bluesign® system partner network, a solution for more sustainable textile production.

Amer Sports conducts its corporate-wide carbon footprint annually and participates in the Investor Carbon Disclosure Program (CDP) in order to gain more understanding on the company's carbon emission sources and to estimate how to cut down emissions and improve efficiency.

In 2015 Amer Sports published its first Corporate Responsibility report. The report introduces Amer Sports' policies and key actions in the areas of Corporate Responsibility. It is available at www.amersports.com/responsibility/reports.

OPERATING SEGMENT REVIEWS

OUTDOOR	10-12/ 2015	10-12/ 2014	Change %	Change %*)	2015	2014	Change %	Change %*)
EUR million	2015	2014						
Net sales								
Footwear	100.5	90.0	12	8	461.2	391.9	18	14
Apparel	118.6	105.7	12	12	387.2	328.5	18	15
Winter Sports								
Equipment	201.3	187.5	7	5	400.2	386.7	3	1
Cycling	35.2	36.0	-2	-4	138.5	138.5	0	-2
Sports Instruments	46.3	37.5	23	18	143.0	125.6	14	7
Net sales, total	501.9	456.7	10	8	1,530.1	1,371.2	12	8
EBIT excluding NRI	65.6	55.0			161.2	125.6		
EBIT % excluding								
NRI	13.1	12.0			10.5	9.2		
NRI	-	-13.7			-7.0	-24.1		
EBIT total	65.6	41.3			154.2	101.5		
Personnel, Dec 31					5,084	4,966	2	

*) Change in local currencies

In 2015, Outdoor's net sales were EUR 1,530.1 million (1,371.2), an increase of 8% in local currencies. Net sales growth was driven by Apparel (+15%) and Footwear (+14%), supported by Sports Instruments (+7%). Despite mild winters particularly in Europe, Winter Sports Equipment sales increased by 1% in local currencies.

In October–December, Outdoor's net sales totaled EUR 501.9 million (456.7), an increase of 8% in local currencies. In October–December, the growth was driven by Apparel (+12%), Footwear (+8%) and Sports Instruments (+18%). Sales of Winter Sports Equipment increased by 5% in local currencies mainly due to a shift in deliveries from Q3 to Q4.

EUR million	10-12/ 2015	10-12/ 2014	Change %	Change %*)	2015	2014	Change %	Change %*)
EMEA	307.1	288.5	6	7	915.9	872.9	5	5
Americas	119.1	103.7	15	9	398.8	322.5	24	13
Asia Pacific	75.7	64.5	17	11	215.4	175.8	23	14
Total	501.9	456.7	10	8	1,530.1	1,371.2	12	8

*) Change in local currencies

In 2015, Outdoor's EBIT excluding NRI was 161.2 million (125.6). Increased sales in local currencies contributed to EBIT by approximately EUR 54 million, while higher gross margin had a positive impact of approximately EUR 16 million. Operating expenses increased by approximately EUR 45 million, driven by sales, distribution and marketing costs. Other income and expenses and currencies had a positive impact of approximately EUR 11 million on EBIT.

In October–December, EBIT excluding NRI was EUR 65.6 million (55.0). Increased sales in local currencies contributed to EBIT by approximately EUR 16 million and improved gross margin by approximately EUR 6 million. Operating expenses increased by approximately EUR 15 million. Other income and expenses and currencies had a positive impact of approximately EUR 4 million on EBIT.

Footwear

In 2015, Footwear's net sales were EUR 461.2 million (391.9), up by 14% in local currencies. The growth was generated across all channels and geographic regions. EMEA accounted for 72% of global sales, followed by the Americas with 22% and Asia Pacific with 6%.

In October-December, Footwear's net sales totaled EUR 100.5 million (90.0) and were up by 8% in local currencies.

Apparel

In 2015, Apparel's net sales totaled EUR 387.2 million (328.5) and increased by 15% in local currencies. Strong growth in Arc'teryx continued. EMEA accounted for 39% of global sales, the Americas for 43%, and Asia Pacific for 18%.

In October-December, Apparel's net sales totaled EUR 118.6 million (105.7) and were up by 12% in local currencies.

Winter Sports Equipment

In 2015, Winter Sports Equipment's net sales totaled EUR 400.2 million (386.7) and increased by 1% in local currencies despite mild winters particularly in Europe. In 2015, 63% of the Winter Sports Equipment business area's net sales were from EMEA, 24% from the Americas, and 13% from Asia Pacific.

In October-December, Winter Sports Equipment's net sales were EUR 201.3 million (187.5) and increased by 5% in local currencies.

Cycling

In 2015, Cycling's net sales were EUR 138.5 million (138.5), and declined by 2% in local currencies mainly due to a delay in a key product launch until 2016. Net sales by geographical region were as follows: EMEA 70%, the Americas 12% and Asia Pacific 18%.

In October-December, Cycling's net sales totaled EUR 35.2 million (36.0) and declined by 4% in local currencies.

Sports Instruments

In 2015, Sports Instruments' net sales totaled EUR 143.0 million (125.6) and increased by 7% in local currencies. Growth was driven by strengthened distribution supported by product launches. The distribution of net sales by geographical region was as follows: EMEA 49%, the Americas 22% and Asia Pacific 29%.

In October-December, Sports Instruments' net sales were EUR 46.3 million (37.5) and increased by 18% in local currencies.

BALL SPORTS

EUR million	10-12/ 2015	10-12/ 2014	Change %	Change %*)	2015	2014	Change %	Change %*)
Net sales								
Individual Ball Sports	68.1	63.9	7	-1	315.4	290.4	9	-2
Team Sports	97.6	73.0	34	19	331.6	246.3	35	15
Net sales, total	165.7	136.9	21	10	647.0	536.7	21	6
EBIT excluding NRI	8.2	12.5			46.6	35.9		
EBIT % excluding NRI	4.9	9.1			7.2	6.7		
NRI	-	-18.7			-0.9	-27.8		
EBIT total	8.2	-6.2			45.7	8.1		
Personnel, Dec 31					1,686	1,537	10	

*) Change in local currencies

In 2015, Ball Sports' net sales were EUR 647.0 million (536.7). In local currencies, net sales increased by 6%. Excluding the Louisville Slugger acquisition, net sales increased by 1% in local currencies. Performance tennis rackets delivered double-digit growth and in Team Sports the growth was strong across all main product categories.

In March, Amer Sports announced the acquisition of Louisville Slugger, a market leading baseball brand with annual sales of USD 75 million in 2014, to accelerate profitable growth in baseball and softball. The acquisition was finalized on April 22, 2015.

In October-December, Ball Sports' net sales totaled EUR 165.7 million (136.9). In local currencies, net sales increased by 10%. Excluding the Louisville Slugger acquisition, net sales increased by 2% in local currencies.

EUR million	10-12/	10-12/	Change	Change	2015	2014	Change	Change
	2015	2014	%	%*)			%	%*)
EMEA	22.2	20.8	7	5	114.4	113.3	1	-1
Americas	122.2	96.2	27	13	453.5	351.5	29	9
Asia Pacific	21.3	19.9	7	1	79.1	71.9	10	1
Total	165.7	136.9	21	10	647.0	536.7	21	6

*) Change in local currencies

In 2015, Ball Sports' EBIT excluding NRI was EUR 46.6 million (35.9). Increased sales in local currencies had a positive impact of approximately EUR 15 million on EBIT while improved gross margin had a positive impact of approximately EUR 13 million. Operating expenses increased by approximately EUR 23 million. Currencies had a positive impact of approximately EUR 5 million on EBIT. Louisville Slugger acquisition, and related one-time expenses, had a slight dilutive impact on Ball Sports' EBIT margin.

In October-December, EBIT excluding NRI was EUR 8.2 million (12.5). Increased sales in local currencies contributed to EBIT by approximately EUR 6 million while lower gross margin had a negative impact of approximately EUR 1 million. Operating expenses increased by approximately EUR 12 million. Other income and expenses and currencies had a positive impact of approximately EUR 2 million on EBIT.

Individual Ball Sports

Individual Ball Sports' net sales in 2015 totaled EUR 315.4 million (290.4), a decrease of 2% in local currencies. Performance tennis rackets delivered double-digit growth offset by a decline in the sales of lower price point products. The Americas accounted for 45% of the net sales, EMEA for 35% and Asia Pacific for 20%.

In October-December, Individual Ball Sports' net sales were EUR 68.1 million (63.9) and were at previous year's level in local currencies.

Team Sports

Team Sports' net sales in 2015 were EUR 331.6 million (246.3), an increase of 15% in local currencies. Excluding the Louisville Slugger acquisition, net sales increased by 5% in local currencies. Growth was strong across all main product categories.

The Americas accounted for 93% of net sales, Asia Pacific for 5% and EMEA for 2%.

In October-December, Team Sports' net sales totaled EUR 97.6 million (73.0) and increased by 19% in local currencies. Excluding the Louisville Slugger acquisition, net sales increased by 2% in local currencies.

FITNESS

EUR million	10-12/ 2015	10-12/ 2014	Change %	Change %*)	2015	2014	Change %	Change %*)
Net sales	116.1	111.7	4	-6	357.3	320.8	11	-3
EBIT excluding NRI	15.7	14.9			31.2	29.7		
EBIT % excluding								
NRI	13.5	13.3			8.7	9.3		
NRI	-	-1.8			-0.1	-1.8		
EBIT total	15.7	13.1			31.1	27.9		
Personnel, Dec 31					975	932	5	

*) Change in local currencies

In 2015, Fitness' net sales were EUR 357.3 million (320.8) and decreased by 3% in local currencies. Fitness' focus was on business model renewal and restructuring as well as preparing for acceleration in 2016 with important new building blocks, including Queenax functional training and Spinning. Geographically, the Americas accounted for 61% of the net sales, EMEA for 24% and Asia Pacific for 15%.

In October–December, Fitness' net sales were EUR 116.1 million (111.7) and decreased by 6% in local currencies.

In July, Amer Sports acquired a functional training systems provider Queenax. The acquisition will enable Amer Sports' Fitness segment to offer its customers a complete functional training system.

In September, Precor partnered with Mad Dogg Athletics, Inc., the creator of the Spinning® indoor cycling program and Spinner® line of bikes, to launch a new line of indoor cycling equipment in 2016. Under the exclusive multi-year global licensing agreement, the companies will co-develop a new range of indoor cycling equipment, and Precor will assume the manufacturing and distribution of the new range of products.

EUR million	10-12/ 2015	10-12/ 2014	Change %	Change %*)	2015	2014	Change %	Change %*)
EMEA	27.5	27.6	0	-5	84.4	77.8	8	2
Americas	71.9	70.2	2	-10	217.8	200.3	9	-8
Asia Pacific	16.7	13.9	20	13	55.1	42.7	29	16
Total	116.1	111.7	4	-6	357.3	320.8	11	-3

*) In local currencies

In 2015, Fitness' EBIT excluding NRI was EUR 31.2 million (29.7). Decreased sales in local currencies had a negative impact of approximately EUR 4 million on EBIT. Operating expenses decreased by approximately EUR 1 million. Currencies and other income and expenses had a positive impact of approximately EUR 5 million on EBIT.

In October–December, EBIT excluding NRI was EUR 15.7 million (14.9). Decreased sales in local currencies had a negative impact of approximately EUR 3 million on EBIT. Currencies and other income and expenses had a positive impact of approximately EUR 4 million on EBIT.

CORPORATE GOVERNANCE STATEMENT

In its decision making and administration, Amer Sports Corporation applies the Finnish Companies Act, the Finnish Securities Markets Act and the rules issued by the Nasdaq 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 code is published at www.cgfinland.fi.

Amer Sports provides a Corporate Governance Statement for 2015 as a separate report at www.amersports.com. This Corporate Governance Statement has been prepared pursuant to Recommendation 54 of the Finnish Corporate Governance Code 2010 for listed companies and the Securities Markets Act (Chapter 7, Section 7) and it is issued separately from the Board of Directors' report. The Audit Committee of the Board of Directors has reviewed the Corporate Governance Statement and the auditor, Ernst & Young Oy, has verified that the statement has been issued and that the description of the main features of the internal control and risk management systems pertaining to the financial reporting process is consistent with the financial statements.

CHANGES IN GROUP MANAGEMENT

In March, Mr. Vincent Wauters, General Manager of Arc'teryx Inc., was appointed President of Amer Sports Apparel business and a member of Amer Sports Executive Board. Andy Towne, previously President of Apparel, left Amer Sports at the same time.

In October, Mr. Heikki Norta was appointed Chief Digital Officer and a member of Amer Sports Executive Board to lead the acceleration of the Group's Connected Devices and Services.

More information about Amer Sports Executive Board is available at www.amersports.com/investors/governance/executive-board.

SHARES AND SHAREHOLDERS

The company's share capital totaled EUR 292,182,204 on December 31, 2015 and the number of shares was 118,517,285.

Authorizations

The Annual General Meeting held on March 12, 2015 authorized the Board of Directors to decide on the repurchase of a maximum of 10,000,000 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 trading on regulated market organized by Nasdaq Helsinki Ltd 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 Helsinki Ltd and Euroclear Finland Ltd. The Repurchase Authorization is valid eighteen (18) months from the decision of the Annual General Meeting.

The Annual General Meeting held on March 12, 2015 authorized the Board of Directors to decide on issuing new shares and/or conveying the Company's own shares held by the Company. By virtue of the authorization, the Board of Directors is entitled to decide on issuing new shares and/or on conveying the Company's own shares at the maximum amount of 10,000,000 shares in aggregate. The Board of Directors decides on all the conditions of the share issue. The issuance or conveyance of shares may be carried out in deviation from the shareholders' pre-emptive rights (directed issue). The authorization includes possibility to issue own shares to the Company for free. The authorization is valid until two (2) years from the date of the decision of the Annual General Meeting, except that the authorization to issue new shares and/or convey the Company's own shares for purposes other than the Company's bonus schemes is valid until fourteen (14) months from the date of the decision of the Annual General Meeting.

The Annual General Meeting held on March 6, 2014 authorized the Board of Directors to decide on the repurchase of a maximum of 10,000,000 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 trading on regulated market organized by Nasdaq Helsinki Ltd 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 Helsinki Ltd and Euroclear Finland Ltd. The Repurchase Authorization was valid for eighteen (18) months from the decision of the Annual General Meeting.

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

Own shares

In 2015, a total of 49,840 shares granted as share-based incentives were returned to Amer Sports during the review period.

In March, a total of 290,596 Amer Sports shares were transferred to the personnel participating in the Performance Share Plan 2010, Performance Share Plan 2013 and Restricted Stock Plan 2013 incentive programs.

At the end of December, Amer Sports held a total of 1,176,673 shares (1,415,112) of Amer Sports Corporation, corresponding to 1.0% (1.2) of all Amer Sports shares.

Trading in shares

In 2015, a total of 76.8 million (75.5) Amer Sports shares with a value totaling EUR 1,733.6 million (1,151.7) were traded on Nasdaq Helsinki. Share turnover was 65.5% (64.1) (as a proportion of the average number of shares, excluding own shares). The average daily volume in 2015 was 306,028 shares (301,968).

In addition to Nasdaq Helsinki, Amer Sports shares were traded on the biggest alternative exchanges as follows: 33.3 million on Chi-X (19.0 million), 8.8 million on BATS (3.9 million) and 7.0 million on Turquoise (5.7 million).

The closing price of the Amer Sports Corporation share on the Nasdaq Helsinki stock exchange in 2015 was EUR 26.97 (2014: 16.06). Shares registered a high of EUR 28.07 (16.79) and a low of EUR 15.37 (13.76). The average share price was EUR 22.57 (15.26). On December 31, 2015 the company had a market capitalization of EUR 3,164.7 million (1,880.7), excluding own shares.

At the end of December, Amer Sports Corporation had 17,991 registered shareholders (18,206). Ownership outside of Finland and nominee registrations represented 51.2% (46.2) of the company's shares. Public sector entities owned 14.8% (15.9), financial and insurance corporations 12.2% (14.8), households 11.7% (12.4), non-profit institutions 6.9% (7.2), private companies 2.2% (2.3) and Amer Sports 1.0% (1.2).

Major shareholders, December 31, 2015 (does not include nominee registrations nor shares held by the company)

		% of shares and votes
	Shares	
1.	Keva	5,277,261 4.45
2.	Maa-ja vesitekniikan Tuki ry.	5,000,000 4.22
3.	Varma Mutual Pension Insurance Company	4,440,680 3.75
4.	Mandatum Life Insurance Company	3,937,654 3.32
5.	Brotherus Ilkka	2,692,265 2.27
6.	Ilmarinen Mutual Pension Insurance Company	2,650,000 2.24
7.	Elo Mutual Pension Insurance Company	2,301,000 1.94
8.	The State Pension Fund	950,000 0.80
9.	Kaleva Mutual Insurance Company	870,000 0.73
10.	Nordea Fennia Fund	843,500 0.71

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
 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, 2015

Shareholder	Shares	Related parties and controlled corporations
<i>Board of Directors</i>		
Anssi Vanjoki	18,410	
Ikkka Brotherus	2,692,265	9,250
Martin Burkhalter	14,253	
Christian Fischer	14,253	
Hannu Ryöppönen	26,712	
Bruno Sälzer	14,253	
Lisbeth Valther	845	
Indra Åsander	5,576	
<i>Executive Board</i>		
Heikki Takala	171,069	
Robert Barker	22,780	
Michael Dowse	50,942	
Victor Duran	50,613	
Matthew Gold	40,712	
Terhi Heikkinen	40,356	
Bernard Millaud	58,852	
Mikko Moilanen	40,415	390
Heikki Norta	0	
Jean-Marc Pambet	71,443	
Michael Schineis	58,732	
Jussi Siietonen	61,607	300
Vincent Wauters	75,408	
Michael White	47,847	
TOTAL	3,577,343	9,940
% of shares	3.0	0
 Including circle of acquaintances and controlled corporations		
	3,587,283	
% of shares	3.0	

During the year, the Group had three share-based incentive plans and one cash-based long-term incentive plan effective for Group key personnel. On December 17, 2015, The Board of Directors of Amer Sports Corporation approved two new share-based incentive plans for the Group key personnel, Performance Share Plan 2016 and Restricted Stock Plan 2016. The long-term incentive plans are described in the notes to the financial statements.

DECISIONS OF THE GENERAL MEETING OF SHAREHOLDERS

At the Amer Sports Corporation Annual General Meeting held on March 12, 2015, the following resolutions were approved:

Adoption of the annual accounts

The Annual General Meeting (AGM) approved Amer Sports' financial statements for 2014.

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 0.45 per share to be paid for the financial year ended December 31, 2014. The dividend was paid to shareholders who were registered on the list of shareholders maintained by Euroclear Finland Ltd as of March 16, 2015, which was the record date for the dividend payment. The dividend was paid on April 1, 2015.

Resolution on the discharge of the members of the Board of Directors and the CEO from liability

The AGM granted the members of the Board of Directors and Company's President and CEO a discharge from liability for the financial year 2014.

Resolution on the remuneration of the members of the Board of Directors

The AGM resolved that the annual 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 2016 remains unchanged from 2014 and be as follows: Chairman EUR 100,000, Vice Chairman EUR 60,000 and other members EUR 50,000 each. 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 the members of the Board of Directors

The AGM confirmed that the number of the members of the Board of Directors is eight (8).

Election of members of the Board of Directors

The AGM re-elected Ilkka Brotherus, Martin Burkhalter, Christian Fischer, Hannu Ryöppönen, Bruno Sälzer, Anssi Vanjoki and Indra Åsander as members of the Board of Directors and elected Lisbeth Valther as a new member of the Board of Directors. The Board of Directors' term of service will run until the close of the 2016 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 Authorized Public Accountants Ernst & Young Oy to act as auditor of the Company.

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 10,000,000 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 trading on regulated market organized by Nasdaq Helsinki Ltd 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 Helsinki Ltd and Euroclear Finland Ltd. The Repurchase Authorization is valid eighteen (18) months from the decision of the Annual General Meeting.

Authorizing the Board of Directors to decide on the share issue

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 new shares and/or on conveying the Company's own shares at the maximum amount of 10,000,000 shares in aggregate. The Board of Directors decides on all the conditions of the share issue. The issuance or conveyance of shares may be carried out in deviation from the shareholders' pre-

emptive rights (directed issue). The authorization includes possibility to issue own shares to the Company for free.

The authorization is valid until two (2) years from the date of the decision of the Annual General Meeting, except that the authorization to issue new shares and/or convey the Company's own shares for purposes other than the Company's bonus schemes is valid until fourteen (14) months from the date of the decision of the Annual General Meeting.

BOARD OF DIRECTORS' WORKING ARRANGEMENTS

At its organizing meeting 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 and HR Committee: Indra Åsander, Chairman, Ilkka Brotherus, Bruno Sälzer and Anssi Vanjoki
- Nomination Committee: Ilkka Brotherus, Chairman, Martin Burkhalter and Anssi Vanjoki
- Audit Committee: Hannu Ryöppönen, Chairman, Martin Burkhalter, Christian Fischer and Lisbeth Valther.

CHANGES IN GROUP STRUCTURE

In March, Amer Sports divested Nikita and Bonfire brands to CRN Pte Ltd. The combined net sales of Nikita and Bonfire in 2014 were EUR 9.8 million.

In March, Amer Sports announced the acquisition of Louisville Slugger, a leading American baseball brand. The acquisition was finalized on April 22. Louisville Slugger net sales were USD 75 million in 2014. The final acquisition price net of working capital adjustments was USD 72.3 million.

In May, Amer Sports acquired Sports Tracker, a digital sports application and online service.

In July, Amer Sports acquired a functional training systems provider Queenax.

RESTRUCTURING PROGRAM TO FURTHER ACCELERATE PROFITABLE LONG-TERM GROWTH TOWARD 2020

Following the successful completion of the restructuring announced in 2012, Amer Sports moved into the next phase of restructuring in July 2014. The primary objectives are to re-ignite profitable growth in Ball Sports and to further accelerate Amer Sports' growth toward 2020, especially in Apparel and Footwear, Business to Consumer, and digital products and services. The program will help to drive further scale and synergies across the Group and it will enable re-allocation of resources into the focus acceleration areas.

Related expenses of EUR 8.0 million were recorded in January-June 2015. The restructuring will be finalized during the first half of 2016.

NEW FINANCIAL TARGETS AND A NEW ACCELERATED GLIDEPATH TOWARD 2020

In August, Amer Sports announced new financial targets and a new five-year glidepath toward 2020 with focus on accelerating profitable growth.

The new financial targets are:

- **Net sales:** At least EUR 3.5 billion with minimum mid-single digit organic, currency neutral annual growth
- **Profit:** Annual EBIT growth (excl. non-recurring items) ahead of net sales growth
- **Cash flow conversion:** Free cash flow / net profit at least 80%
- **Net debt / EBITDA:** Year-end net debt / EBITDA ratio max 3x

The new glidepath consists of growing the core business and accelerating disproportionately in five prioritized areas: Apparel and Footwear, US, China, Business to Consumer (own retail and e-commerce), as well as digitally connected devices and services.

Compared to the previous financial targets set in 2010, the new targets emphasize accelerated growth, both organic and through acquisitions, and continuously improving profitability. The new 80% cash flow target allows the company to invest appropriately into growth, especially into Apparel and Footwear which are working capital intensive. The net debt/EBITDA target is unchanged.

DIVIDEND POLICY

In March, Amer Sports introduced a dividend policy. The company's dividend policy is to provide a sustainable, steadily increasing dividend reflecting the company's earnings performance. With good performance in the businesses, and improving profitability and cash flow, the company can simultaneously distribute an attractive dividend, implement focused growth projects and act on strategic opportunities.

SIGNIFICANT RISKS AND UNCERTAINTIES

Amer Sports' business is balanced by its broad portfolio of sports and brands, the increasing share of apparel and footwear in the company portfolio as well as the company's presence in all major markets. Short-term risks for Amer Sports are particularly associated with general economic conditions and consumer demand development, the ability to compete successfully against existing or new competitors and the ability to identify and respond to constantly shifting trends, to leverage technology advancements and to develop new and appealing products.

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

- The sporting goods industry is subject to risks related to consumer demand and general economic conditions. Economic downturn may increase trade customers' payment problems and Amer Sports may be forced to write-off accounts receivables.
- The sporting goods industry is highly competitive and includes many global, regional and national companies. Although Amer Sports has no competitors that challenge it across all of its product categories, it faces competition from a number of companies in most of the product categories. There cannot be any assurances 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.
- Amer Sports' success is dependent on its ability to identify and respond to constantly shifting trends in consumer demand, to leverage advancements in technologies and to develop new and appealing products.
- Trade customers are developing new business models, keeping less inventories and requesting consignment stock arrangement. New demands from trade customers may increase Amer Sports' costs without generating additional revenue. Retailers may quickly change their product offering and de-list Amer Sports brands and/or products if not satisfied with service, products and/or trade terms.
- Growing the number of Amer Sports' own retail stores requires up-front investments. 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 the company's multi-channel sales strategy could have a negative impact on the company's results.
- Amer Sports extensively utilizes information technology and ICT services in its operations. This may expose Amer Sports to information security violations, misuse of systems and/or data, viruses, malware and to such malfunctions, which can result in system failures or disruptions in processes and therefore have a material and adverse effect on the company's operations. Roles and responsibilities have been defined to manage IT security risks to ensure that adequate security is inbuilt within the IT management processes according to security policies, principles and best practices. A number of security controls have been

implemented to strengthen the protection of confidential information and to facilitate compliance with international regulations.

- 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. 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 and disputes connected with them. 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 the competitive position of Amer Sports. The material impacts on Amer Sports' financial position arising from pending litigation and decisions of the authorities are assessed regularly.
- Amer Sports' most important production facilities are Winter Sports Equipment factories in Austria and Bulgaria, Fitness factories in the United States, and a Sports Instruments factory in Finland. In addition, Amer Sports has major factories in Eastern Europe, which are owned by subcontractors. The 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 and its subcontractors use steel, aluminium, rubber and oil-based materials and components in the manufacturing and must obtain adequate supplies of these raw materials from the markets in competition with other users of such materials. Significant fluctuations in raw material prices may impact margins. Labor costs are increasing in Asia, especially in China where Amer Sports sources a significant share of its products.
- Amer Sports sources a significant proportion 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 policies such as Company Code of Conduct and Ethical Policy for suppliers, and established processes to monitor the working conditions with third party auditors in Asia, it 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 can be adversely affected by unusual or severe weather conditions. For example, sales of winter sports equipment is affected by snow conditions in particular in Europe and North America.
- Foreign exchange risk consists of transaction risk and translation risk. Due to geographical distribution of Amer Sports' operations, especially due to sourcing from Asia, most significant currency risks arise from the U.S. dollar and to lesser extent, from Canadian dollar, Swiss franc, British pound and Japanese yen. Amer Sports uses hedging instruments to mitigate the impact of exchange rate fluctuations.

MATERIAL EVENTS AFTER THE FINANCIAL PERIOD

In January 2016, Amer Sports announced that the company is simplifying its structure with President & CEO Heikki Takala assuming direct responsibility for the company's Apparel business unit and the Arc'teryx brand. Mr Vincent Wauters, President of Apparel and member of the Executive Board, is leaving Amer Sports to pursue his career outside of the company.

OUTLOOK FOR 2016

In 2016, Amer Sports' net sales in local currencies are expected to increase and EBIT margin excluding non-recurring items is expected to improve from 2015, despite challenging market conditions. The company will focus on growing the core business and accelerating in five prioritized areas: Apparel and Footwear, US, China, Business to Consumer, as well as digitally connected devices and services.

BOARD OF DIRECTORS' PROPOSAL FOR DISTRIBUTION OF EARNINGS

The parent company's distributable earnings amount to EUR 300,603,235.24 of which the net result for the period is EUR 120,755,258.17.

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

- A dividend of EUR 0.55 per share, totaling EUR 65,184,506.75 to be paid to shareholders
- EUR 235,418,728.49 to be carried forward in distributable earnings

Totaling EUR 300,603,235.24

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/ 2015	10-12/ 2014	Change %	1-12/ 2015	1-12/ 2014	Change %
NET SALES	783.7	705.3	11	2,534.4	2,228.7	14
Cost of goods sold	-440.7	-417.7		-1,388.5	-1,281.1	
License income	2.2	2.3		7.3	6.2	
Other operating income	2.7	0.5		4.8	5.5	
Research and development expenses	-23.2	-21.5		-77.7	-76.2	
Selling and marketing expenses	-191.0	-168.0		-677.5	-582.9	
Administrative and other expenses	-49.7	-57.9		-198.7	-186.1	
EARNINGS BEFORE INTEREST AND TAXES	84.0	43.0		204.1	114.1	
% of net sales	10.7	6.1		8.1	5.1	
Financing income and expenses	-10.7	-11.2		-36.1	-37.1	
EARNINGS BEFORE TAXES	73.3	31.8		168.0	77.0	
Taxes	-20.0	-8.8		-46.4	-21.6	
NET RESULT	53.3	23.0		121.6	55.4	

Attributable to:

Equity holders of the parent company	53.3	23.0	121.6	55.4
Earnings per share, EUR	0.46	0.20	1.04	0.47
Earnings per share, diluted, EUR	0.45	0.20	1.03	0.47
Adjusted average number of shares in issue less own shares, million			117.3	117.7
Adjusted average number of shares in issue less own shares, diluted, million			117.9	118.3
Equity per share, EUR			8.09	7.20
ROCE, % *)			16.1	10.0
ROE, %			13.6	6.9
Average rates used:				
EUR 1.00 = USD	1.0982	1.2517	1.1111	1.3308
*) 12 months' rolling average				

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	10-12/ 2015	10-12/ 2014	1-12/ 2015	1-12/ 2014
Net result	53.3	23.0	121.6	55.4

Other comprehensive income

Items that will not be reclassified to profit or loss

Remeasurement effects of postemployment benefit plans	-6.5	-16.8	2.9	-25.7
Income tax related to remeasurement effects	2.0	5.7	-1.4	8.5
Items that may be reclassified to profit or loss				
Translation differences	14.1	15.7	31.9	44.9
Cash flow hedges	-0.2	25.3	2.7	66.5
Income tax related to cash flow hedges	0.2	-6.3	-0.5	-16.6
Other comprehensive income, net of tax	9.6	23.6	35.6	77.6
Total comprehensive income	62.9	46.6	157.2	133.0

Total comprehensive income attributable to:

Equity holders of the parent company	62.9	46.6	157.2	133.0
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NET SALES BY OPERATING SEGMENT

	10-12/ 2015	10-12/ 2014	Change %	1-12/ 2015	1-12/ 2014	Change %
Outdoor	501.9	456.7	10	1,530.1	1,371.2	12
Ball Sports	165.7	136.9	21	647.0	536.7	21
Fitness	116.1	111.7	4	357.3	320.8	11
Total	783.7	705.3	11	2,534.4	2,228.7	14

GEOGRAPHIC BREAKDOWN OF NET SALES

	10-12/ 2015	10-12/ 2014	Change %	1-12/ 2015	1-12/ 2014	Change %
EMEA	356.8	336.9	6	1,114.7	1,064.0	5
Americas	313.2	270.1	16	1,070.1	874.3	22
Asia Pacific	113.7	98.3	16	349.6	290.4	20
Total	783.7	705.3	11	2,534.4	2,228.7	14

EBIT BY OPERATING SEGMENT

	10-12/ 2015	10-12/ 2014	Change %	1-12/ 2015	1-12/ 2014	Change %
Outdoor	65.6	41.3	59	154.2	101.5	53
Ball Sports	8.2	-6.2		45.7	8.1	
Fitness	15.7	13.1	20	31.1	27.9	11
Headquarters	-5.5	-5.2		-26.9	-23.4	
Total	84.0	43.0	95	204.1	114.1	79

CONSOLIDATED CASH FLOW STATEMENT

	Note	10-12/ 2015	10-12/ 2014	1-12/ 2015	1-12/ 2014
Earnings before interest and taxes		84.0	43.0	204.1	114.1
Adjustments to cash flow from operating activities and depreciation		20.9	31.0	51.5	59.3
Change in working capital		110.4	89.7	6.1	-20.3
Cash flow from operating activities before financing items and taxes		215.3	163.7	261.7	153.1
Interest paid and received		-4.7	0.1	-28.2	-22.2
Income taxes paid and received		-3.8	-7.0	-22.0	-26.1
Net cash flow from operating activities		206.8	156.8	211.5	104.8

25 (34)

Acquired operations	-6.6	-	-76.3	-
Divested operations	-	-	1.0	-
Capital expenditure on non-current tangible and intangible assets	-34.5	-23.7	-77.3	-51.6
Proceeds from sale of tangible non-current assets	0.2	-0.3	0.6	0.3
Net cash flow from investing activities	-40.9	-24.0	-152.0	-51.3
Repurchase of own shares	-	-10.5	-	-13.1
Dividends paid	3	-	-52.8	-47.2
Change in debt and other financing items	-51.2	9.7	82.9	-23.2
Net cash flow from financing activities	-51.2	-0.8	30.1	-83.5
Cash and cash equivalents on October 1/January 1	216.8	109.6	240.2	270.0
Translation differences	-0.1	-1.4	1.6	0.2
Change in cash and cash equivalents	114.7	132.0	89.6	-30.0
Cash and cash equivalents on December 31	331.4	240.2	331.4	240.2
Free cash flow *)	159.4	132.8	121.7	53.5

*) Cash flow from operating activities – net capital expenditures – restricted cash
 Net capital expenditure = total capital expenditure less proceeds from sale of assets

CONSOLIDATED BALANCE SHEET

	Note	December 31, 2015	December 31, 2014
Assets			
Goodwill		346.2	305.0
Other intangible non-current assets		282.1	204.7
Tangible non-current assets		206.7	174.0
Other non-current assets		128.2	123.3
Inventories and work in progress		482.0	413.2
Receivables		779.1	709.7
Cash and cash equivalents		331.4	240.2
Assets held for sale		-	3.5
Total assets	2	2,555.7	2,173.6
Shareholders' equity and liabilities			
Shareholders' equity		949.6	842.8
Long-term interest-bearing liabilities		634.5	390.3
Other long-term liabilities		126.7	101.9
Current interest-bearing liabilities		157.2	269.0
Other current liabilities		650.8	533.3
Provisions		36.9	36.3
Total shareholders' equity and liabilities		2,555.7	2,173.6
Equity ratio, %		37.2	38.8
Gearing, %		48	50
EUR 1.00 = USD		1.0887	1.2141

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Note	Share capital	Pre-mi-um fund	Fund for own sha-res	Trans-lation diffe-rences	Fair value and other reser-ves	Re-meas-ure-ments	Invested unrest-ricted equity	Retai-ned ear-nings	Total
Balance at Jan. 1, 2014		292.2	12.1	-11.1	-59.8	-8.3	-19.4	156.7	398.9	761.3
Other comprehensive income:										
Translation differences					44.9					44.9
Cash flow and fair value hedges						66.5				66.5
Income tax related to OCI						-16.6	8.5			-8.1
Re-measurement effects of post-employment benefit plans							62.7			-25.7
Net result								55.4	55.4	
Total comprehensive income					44.9	49.9	-17.2	55.4	133.0	
Transactions with owners:										
Re-purchased own shares					-12.9					-12.9
Share-based incentive					3.8			6.4	-1.6	8.6



27 (34)

own shares								
Share-based incentive program								
Dividend distribution								
3	3.2						0.3	3.5
Balance at Dec. 31, 2015	292.2	12.1	-18.1	17.0	43.8	-35.1	163.1	474.6
							-52.8	-52.8

QUARTERLY BREAKDOWN OF NET SALES AND EBIT

NET SALES	Q4/2015	Q3/2015	Q2/2015	Q1/2015	Q4/2014	Q3/2014	Q2/2014	Q1/2014
Outdoor	501.9	476.6	209.7	341.9	456.7	452.2	174.8	287.5
Ball Sports	165.7	147.8	169.4	164.1	136.9	112.9	136.2	150.7
Fitness	116.1	89.3	82.0	69.9	111.7	80.7	65.1	63.3
Total	783.7	713.7	461.1	575.9	705.3	645.8	376.1	501.5
EBIT	Q4/2015	Q3/2015	Q2/2015	Q1/2015	Q4/2014	Q3/2014	Q2/2014	Q1/2014
Outdoor	65.6	92.9	-24.3	20.0	41.3	72.7	-22.0	9.5
Ball Sports	8.2	8.8	10.4	18.3	-6.2	-4.0	5.1	13.2
Fitness	15.7	9.1	5.0	1.3	13.1	7.3	4.1	3.4
Headquarters	-5.5	-7.3	-6.7	-7.4	-5.2	-6.7	-6.0	-5.5
Total	84.0	103.5	-15.6	32.2	43.0	69.3	-18.8	20.6

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 EU, observing the IAS and IFRS standards and SIC and IFRIC interpretations in force as of December 31, 2015.

Standards, interpretations and amendments adopted from the beginning of 2015:

The following new standards, interpretations and amendments have been adopted when applicable: IAS 19 (amendment) as well as small changes to various standards as part of the annual improvement to IFRS project. They did not have any material impact on the consolidated financial statements.

2. SEGMENT INFORMATION

Amer Sports has three operating segments: 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 President and CEO, who is assisted by 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
1-12/2015					
Outdoor	1,530.1	154.2			1,082.4
Ball Sports	647.0	45.7			517.6
Fitness	357.3	31.1			351.6
Segments, total	2,534.4	231.0			1,951.6
Unallocated items*)		-26.9	-36.1		604.1
Group total	2,534.4	204.1	-36.1	168.0	2,555.7
1-12/2014					
Outdoor	1,371.2	101.5			1,029.1
Ball Sports	536.7	8.1			370.0
Fitness	320.8	27.9			311.5
Segments, total	2,228.7	137.5			1,710.6
Unallocated items*)		-23.4	-37.1		463.0
Group total	2,228.7	114.1	-37.1	77.0	2,173.6

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

GEOGRAPHICAL BREAKDOWN OF NET SALES

	1-12/ 2015	1-12/ 2014
EMEA	1,114.7	1,064.0
Americas	1,070.1	874.3
Asia Pacific	349.6	290.4
Total	2,534.4	2,228.7

3. DIVIDENDS

Relating to the year ending on December 31, 2014, the dividends distributed to the shareholders of Amer Sports Corporation were EUR 0.45 per share and amounted in total to EUR 52.8 million (2013: 0.40 per share, in total 47.2 million). The dividends were paid out in April 2015.

4. CONTINGENT LIABILITIES AND SECURED ASSETS

	December 31, 2015	December 31, 2014
Guarantees	33.8	24.2
Liabilities for leasing and rental agreements	188.2	148.1
Other liabilities	69.4	71.4

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

5. ONGOING LITIGATIONS

The Group has extensive international operations and is involved in a number of legal proceedings, including product liability suits. The Group does not expect the outcome of any legal proceedings currently pending to have materially adverse effect upon its consolidated results or financial position.

6. 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 cash inflows from the sales of winter sports equipment realizes. Especially during the third quarter, the net cash flow from operating activities is tied up in working capital.

7. DERIVATIVE FINANCIAL INSTRUMENTS AND AVAILABLE-FOR- SALE FINANCIAL ASSETS MEASURED AT FAIR VALUE

The fair values of financial assets and liabilities whose fair value is recognized through income statement and derivative financial instruments used in hedge accounting are presented in the following table. All derivatives are classified as Level 2 instruments whose fair value is determined by using valuation techniques from observable market data. Available-for-sale financial assets are classified as Level 3 instruments and valued by using valuation techniques without any observable market data.

The company's derivative financial instruments may include foreign exchange forward contracts and options, interest rate swaps and interest rate options and cross-currency swaps. Foreign exchange forward contracts and options are used to hedge against changes in the value of receivables, liabilities and future cash flows denominated in a foreign currency and interest rate swaps and interest rate options to hedge against the interest rate risk. Cross-currency swaps are used to hedge against changes in value of foreign currency denominated receivables and liabilities and against the interest rate risk.

Derivative financial instruments are initially and subsequently recognized at fair value. Fair values of foreign currency denominated derivatives are measured by recognizing the exchange rate difference by using the closing rates quoted by the European Central Bank on the reporting date. The future cash flows related to forward contract's interest rate differential are discounted with the relevant market interest rate yield curves on the reporting date and compared with initial interest rate differential. The time value of foreign exchange options is measured using commonly known option pricing models. The expected future cash flows of the interest rate swaps and cross currency swaps are discounted with the market interest yield curves of the currencies concerned. Interest rate options are valued by using commonly known option pricing models. The accrued interest of forward contracts, interest rate swaps and cross currency swaps are periodized over the duration of the instruments on a net basis.

The counterparty risk of the company hasn't materially changed and hence has no material effect on the valuation of the company's derivative instruments.

Available-for-sale financial assets are Level 3 instruments whose exact fair values can't be reliably measured. The fair values of available-for-sale assets are presented at bookkeeping value or a lower value if they are impaired. The fair values do not materially deviate from the bookkeeping value.

December 31, 2015	Financial assets/liabilities at fair value through income statement	Derivative financial instruments used in hedge accounting	Available-for-sale financial assets
Non-current financial assets			

31 (34)

Other non-current financial assets		0.4
Foreign exchange derivatives	6.4	
Interest rate derivatives and cross currency swaps	4.4	0.2
 Current financial assets		
Foreign exchange derivatives	35.9	61.4
Interest rate derivatives and cross currency swaps		0.0
 Long-term financial liabilities		
Foreign exchange derivatives		0.5
Interest rate derivatives and cross currency swaps	8.9	5.3
 Current financial liabilities		
Foreign exchange derivatives	34.2	6.9
Interest rate derivatives and cross currency swaps	5.1	2.5
 Nominal value of foreign exchange derivatives	494.1	1,055.6
Nominal value of interest rate derivatives		423.6
Nominal value of cross currency swaps		136.0

December 31, 2014	Financial assets/liabilities at fair value through income statement	Derivative financial instruments used in hedge accounting	Available-for-sale financial assets
Non-current financial assets			
Other non-current financial assets			0.3
Foreign exchange derivatives		17.0	
Interest rate derivatives and cross currency swaps	4.9	0.5	
 Current financial assets			
Foreign exchange derivatives	4.5	45.4	
 Long-term financial liabilities			
Foreign exchange derivatives		0.6	
Interest rate derivatives and cross currency swaps	15.9	5.9	

Current financial liabilities		
Foreign exchange derivatives	11.5	4.4
Interest rate derivatives and cross currency swaps	0.4	1.5
Nominal value of foreign exchange derivatives	505.2	901.4
Nominal value of interest rate derivatives	90.0	226.5
Nominal value of cross currency swaps		133.1

8. ACQUIRED AND DIVESTED BUSINESSES

Amer Sports strengthened its Ball Sports business by acquiring the global brand, sales and innovation rights to the American baseball brand Louisville Slugger on April 22, 2015 from Hillerich & Bradsby Co. Louisville Slugger is an iconic American baseball brand, the official bat of Major League Baseball and the market leading wood bat. Louisville Slugger reported annual sales of USD 75 million in 2014. Louisville Slugger sales in 2015 from the date of acquisition were USD 32 million. The final acquisition price was USD 72.3 million, which was mainly paid in cash in April 2015. The transaction and other acquisition related one-time costs had slightly negative impact on Amer Sports 2015 financial results.

The fair value of the acquired net assets of Louisville Slugger was EUR 66.4 million. EUR 40.6 million of the fair value was allocated to the non-current intangible assets of which EUR 38.7 million to the Louisville Slugger trademark. The Louisville Slugger trademark is not amortized. EUR 12.1 million of the fair value was allocated to goodwill. Baseball is one of Amer Sports' chosen strategic growth areas, which already includes two leading brands, Wilson and DeMarini. The acquisition enhances Ball Sports' product portfolio and provides Amer Sports with a strong position and opportunity for gaining substantial synergies by combining Louisville Slugger's operations to Wilson and DeMarini. The goodwill is tax deductible.

The following fair values of the assets and liabilities of Louisville Slugger business have been consolidated into Amer Sports' result from the acquisition date. Transaction costs of EUR 1.4 million are included in the other operating expenses of the consolidated income statement.

EUR million	Fair value
Intangible non-current assets	40.6
Goodwill	12.1
Inventories	6.2
Accounts receivables	11.8
TOTAL ASSETS	70.7
Other interest-free liabilities	4.3
NET ASSETS	66.4
Purchase price	66.4

Analysis of the cash flows on the acquisitions

EUR million	Fair value
Purchase price	66.4
Transaction costs	1.4
Net cash flow on acquisitions	67.8

Fair value of accounts receivables was EUR 2.6 million lower than book value at the date of acquisition due to impairment of doubtful receivables.

The acquisition of Louisville Slugger business had no material impact on Amer Sports' 2015 financial results.

On May 12, 2015 Amer Sports acquired 100% of the shares in the company Sports Tracking Technologies Oy to strengthen its digital connectivity services and capabilities. Sports Tracker is a digital sports application and online service. It has a strong technology platform and capability, and is a recognized digital service which is used globally. The purchase price was EUR 5.0 million. The fair value of the acquired net assets was EUR 4 million, which mainly comprised of the intangible assets, such as the customer register and technical know-how. In addition goodwill of EUR 1 million recognised. The acquisition had no material impact on Amer Sports' 2015 financial results.

On July 21, 2015 Amer Sports strengthened its fitness product and service offering through the acquisition of Queenax. Queenax is a leading functional training systems provider. Queenax will be integrated into Precor, which is Amer Sports' Fitness operating segment. The acquisition includes the Queenax brand as well as intellectual property and distribution rights, among others. Functional strength training is one of the fastest growing segments in the commercial fitness industry. The acquisition will enable Precor to offer its customers a complete functional training system and will further solidify Precor as a leading player in the global fitness equipment and services market. The purchase price was EUR 5.0 million, out of which EUR 4.5 million was paid in 2015. The fair value of the acquired net assets was EUR 5.0 million, which was also the value allocated to goodwill. The acquisition has no material impact on Amer Sports 2015 financial results.

In March 2015, Amer Sports sold Nikita and Bonfire brands to CRN Pte Ltd. The sale price was EUR 1.0 million and received fully in cash. The combined net sales of Nikita and Bonfire in 2014 was EUR 9.8 million. The divestments had no material impact on Amer Sports' 2015 financial results.

There were no business acquisitions or company divestments that took place in Amer Sports during 2014.

9. RECONCILIATION BETWEEN REPORTED EARNINGS BEFORE INTEREST AND TAXES (EBIT) UNDR IFRS AND EBIT EXCLUDING NON-RECURRING ITEMS COMMENTED IN THE BOARD OF DIRECTORS' REPORT

The income statement under IFRS has been adjusted by the following non-recurring items (NRIs) when reporting and commenting earnings before interest and taxes excluding non-recurring items in the Board of Directors' Report.

EUR million	IFRS 2015	Non- recurring items	Income Statement excl. NRIs 2015	IFRS 2014	Non- recurring items	Income Statement excl. NRIs 2014
NET SALES	2 534,4		2 534,4	2 228,7		2 228,7
Cost of Goods Sold	-1 388,5	-	-1 388,5	-1 281,1	31,4	-1 249,7
Licence income	7,3	-	7,3	6,2	-	6,2
Other operating income	4,8	-	4,8	5,5	-	5,5
Research and development expenses	-77,7	-	-77,7	-76,2	-	-76,2
Selling and marketing expenses	-677,5	6,7	-670,8	-582,9	13,4	-569,5
Administrative and other expenses	-198,7	1,3	-197,4	-186,1	9,4	-176,7
EBIT	204,1	8,0	212,1	114,1	54,2	168,3

Non-recurring items are exceptional and material transactions that are not related to normal business operations. These items can include, but are not limited to, capital gains and losses, exceptional write-downs, provisions for planned restructuring and other exceptional items Amer Sports management considers as material. A single non-recurring item has to represent more than one cent per share on annual basis to be classified as non-recurring.

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