

AMER GROUP PLC

INTERIM RESULTS FOR THE PERIOD 1 JANUARY TO 30 JUNE 2001

- In the first half of 2001, Amer Group's net sales were up 4% at EUR 550.8 million (2000: EUR 531.7 million).
- Operating profit was up 16% at EUR 47.9 million (2000: EUR 41.2 million).
- Profit before extraordinary items was up 29% at EUR 42.0 million (2000: EUR 32.6 million).
- Earnings per share were EUR 1.35 (2000: EUR 1.14).
- The Group's operating profit for the 2001 financial year is expected to be similar to last year's good performance.



AMER SPORTS

W Wilson.

SUUNTO

▲ ATOMIC

Q2 NET SALES AND RESULTS

The Group's core businesses' seasonal fluctuations were again clearly in evidence in the second quarter, which is high season for the Golf Division, whereas for Atomic this period is their lowest season as deliveries mainly take place in the latter part of the year. Quarterly breakdowns of net sales and operating profits are presented at the end of this report.

The second quarter operating profit includes a gain of USD 8 million due to the settlement of certain patent infringement lawsuits in the U.S.

HALF YEAR NET SALES AND RESULTS

During the first half of 2001 the Group's consolidated net sales rose 4% to EUR 550.8 million (2000: EUR 531.7 million). Operating profit was up 16% at EUR 47.9 million (2000: 41.2 million). Profit before extraordinary items increased 29% to EUR 42.0 million compared to EUR 32.6 million during the first half of 2000.

Wilson's net sales were almost the same as last year. Operating profit decreased slightly due to a significant decrease in the Golf Division's profitability. The Team Sports Division's net sales and operating profit improved. The Racquet Division's net sales remained flat and operating profit decreased slightly compared to last year. Wilson's sales remained flat in Europe and Southern Asia Pacific while they declined in the U.S. and Japan.

Atomic's net sales grew by 16%. Sales of alpine skis were similar to last year's level, whereas sales of boots and bindings grew significantly. It should be noted that due to seasonality, Atomic's net sales and operating profit are mainly accrued in the latter part of the year.

Suunto's outdoor and sports instruments sales were up by 22%. Operating profit improved slightly. The strongest growth in sales was in diving instruments, wristop computers and diving and water sports suits.

Amer Tobacco's net sales increased by 15% and operating profit by 7% compared to the corresponding period in 2000.

The Teletekno business was divested at the end of March 2001.

CAPITAL EXPENDITURE

The Group's gross capital expenditure amounted to EUR 10.8 million.

R&D

A total of EUR 11.5 million was invested in research and development, representing 2.1% of net sales in the period.

FINANCE

During Q2, the Group's net financing expenses totalled EUR 5.9 million (2000: EUR 8.6 million).

During the second quarter, the equity ratio increased from 44.0% as at 31 March 2001 to 46.7% as at 30 June 2001 (47.4% as at 31 December 2000), while gearing decreased from 47% to 36% (35% as at 31 December 2000).

The Group's net debt decreased by EUR 36.9 million during the second quarter, totalling EUR 156.3 million at the period end, compared to EUR 154.6 million as at 31 December 2000. Liquid assets amounted to EUR 32.4 million at the period end.

PERSONNEL

The Group employed 4,106 people at the end of the period under review compared to 4,327 at the year-end and an average of 4,203 during the period. A total of 1,732 were employed in the US, 712 in Finland, 623 in Austria and 1,039 in the Rest of the World.

SHARES AND SHAREHOLDERS

A total of 46.4% of Amer Group Plc's shares in issue were traded during the period under review; approximately 7.7 million were traded on the Helsinki Exchanges and approximately 3.7 million on the London Stock Exchange, totalling 11.4 million shares.

The share price low in Helsinki was EUR 22.76, the high EUR 29.00 and the average EUR 25.41.

There were 10,808 registered shareholders at the end of June. Nominees account-

ed for 52% of the shares in issue at the period end.

The Company's market capitalisation excluding the repurchased shares stood at EUR 634 million as at 30 June 2001.

Based on a resolution approved by Amer Group Plc's Annual General Meeting on 7 March 2001, 633,000 of its own shares repurchased by the Company were cancelled. Following the cancellation, the number of the shares in issue totalled 24,077,520.

During the period under review, a total of 807,000 of its own shares were acquired by the Company at a cost of EUR 20.9 million, with the average price being EUR 25.95 per share. The accounted counter-value of the repurchased shares totalled EUR 3,228,000. At the end of June, the Company held 615,800 of its own shares representing 2.6% of the Company's shares and votes. The repurchase of these shares has not had any significant impact on the breakdown of shareholdings and votes in the Company.

A total of 21,000 Amer Group Plc shares were subscribed for on the basis of the 1998 A warrants. The corresponding increase in the Company's share capital amounting to EUR 84,000, was registered on 11 May 2001. As a result, Amer Group Plc's share capital totalled EUR 96,394,080 and the total number of shares in issue was 24,098,520 at the end of June.

At the end of the period the Board of Directors had no share issue authorisation outstanding.

NEW MARKETING NAME AMER SPORTS INTRODUCED

In line with its strategic goals, Amer Group launched a new marketing name Amer Sports, combined with a new logo, to be used for corporate marketing and advertising purposes. The official name of the Company, Amer Group Plc, remains the same. The objective of the new marketing name along with our participation in the around the world sailing project, The Volvo Ocean Race, is to enhance the profile of the Group and its brands.

DIVISIONAL HIGHLIGHTS

GOLF

The Golf Division's net sales decreased by 5%. Its operating profit declined significantly.

In the first half of the year, the golf equipment market declined in the USA and Japan. Rounds played in the US were still lower than the previous year's level but started to normalise during the second quarter. The golf ball market has now almost recovered to last year's level, while competition in the market continues to be extremely tight. Golf club sales, however, declined significantly in the second quarter, and during the first six months consumer sales were 7% down from last year. Wilson is estimated to have lost golf ball market share, whereas its golf clubs share remained the same. Uncertainty in the golf equipment market continues, as demonstrated for example by reduced order rates reported by component companies.

The Wilson Deep Red driver which was launched in January has been selling well. A new extended range of woods, a new premium price point iron and a new golf ball will all be launched later this summer.

In order to improve profitability, costs are being cut to reflect current market conditions. Nonetheless, the Golf Division's net sales are expected to decrease and its operating profit is expected to decline significantly compared to last year.

RACQUET SPORTS

The Racquet Sports Division's net sales were flat compared to last year. Operating profit decreased slightly due to reduced sales of high price point products.

During the period under review, demand for tennis equipment declined in the US, Germany and Japan. Wilson's Racquet Division's sales also declined. The main reason for lower sales were decreased demand and the timing of Wilson's new product launches and shipments compared to last year.

In January, the company closed its tennis ball factory in the US. All Wilson tennis balls are now being sourced in Asia. Al-

though getting production up to full speed in the new tennis ball factory in Thailand has taken longer than planned, full capacity is expected to be reached at the year-end.

In May the Company launched a new premium tennis ball called Double Core. The technology is a butyl-based sealant, which reduces air permeation effectively. Along with a brand new premium felt, this allows the ball to last twice as long as other pressurized tennis balls.

In June, the Company introduced its new TRIAD racquet technology in the higher price point category. A revolutionary tri-component design maximizes power and comfort without compromising one for the other. The TRIAD hoop and handle are buffered by Iso-Zorb polymer, which isolates shock in the hoop reducing 66% of vibration reaching the body. The new TRIAD technology racquets Triad Hammer 2.0; Triad Hammer 3.0; Triad Hammer 4.0; and Triad Hammer 5.0 started to ship in the US in July 2001. In other markets the new racquets will be available later in the summer.

The new racquets are expected to boost Racquet Sports' net sales during the remainder of the year. Net sales and operating profit for the year as a whole are expected to remain at around the previous year's level.

TEAM SPORTS

The Team Sports Division's net sales grew by 13% and its operating profit improved, driven by increased bat sales, increased sales of other premium products and lower production costs.

The US basketball and American football markets were flat compared to last year, while the baseball and apparel markets declined.

Wilson's baseball and softball bat sales increased significantly when DeMarini's sales are consolidated with Wilson in the whole period under review. Bat sales increased by 16% and basketball sales by 6%. The company introduced several new baseball gloves and extended the DeMarini softball bat family.

The team sports market is expected to remain flat or decline slightly this year. The positive trend in the Team Sports Division is expected to continue through the remainder of the year resulting in increased net sales and operating profits.

WINTER SPORTS

Atomic's net sales increased by 16%. Operating profit decreased slightly compared to last year. Alpine ski sales remained at last year's level, while ski boot sales almost doubled and binding sales increased by 13%.

Atomic has increased its investment in R&D and marketing.

A new R&D centre in Altenmarkt, Austria, will be in operation towards the end of autumn 2001. The new European logistics centre at Altenmarkt commenced operating in late April.

Atomic's net sales and market shares are expected to increase and operating profit to reach last year's level, even with increased investments in research and development and marketing. The major part of pre-orders for the 2001/2002 season have been received and the order book is higher than last year. The biggest growth is expected in ski boots and bindings.

OUTDOOR AND SPORTS INSTRUMENTS

Outdoor and sports instrument sales increased by 22% compared to last year. The biggest growth was seen in diving and water sports suits (30%), wristop computers (28%) and diving instruments (25%).

Suunto's operating profits grew only slightly due to investment in the next generation of Suunto sports instruments.

Geographically, Europe grew most rapidly due to the continued success of diving instruments and wristop computers which offset weakness in the US business. Sales in the rest of the world grew slightly.

In the second half of the year sales growth is expected to slow somewhat from the first half as the diving season in Europe draws to an end. Sales are expected to grow driven by the Suunto Observ-

er, the new wristop computer introduced recently. Diving instruments will continue to increase their leading share of the global market as the Suunto Mosquito continues to roll out geographically. Operating profit for the year as a whole is expected to increase following the new product introductions.

AMER TOBACCO

Amer Tobacco's net sales grew by 15% driven by increase in both sales volumes and prices. Operating profit was up 7%. Growth in operating profit was held back by increased costs of raw materials due to the high US dollar.

Amer Tobacco's market position remained strong with increased volumes in all product categories. Cigarette deliveries grew by 5%. The growth was strongest in cigars as a result of the new distribution agreement with Swedish Match; 22 million cigars were sold compared to one million in the corresponding period in 2000.

Net sales are expected to grow in the second half but at a slower rate than in the first half of the year. Operating profit is expected to remain at the previous year's level.

OTHER MAIN DEVELOPMENTS IN THE FIRST HALF OF 2001

In March the Group signed a EUR 100 million domestic commercial paper programme.

Lazard Frères & Co. LCC notified the Company that their holdings in Amer Group Plc had increased to 5.182% in March and decreased to 4.859% in April.

Silchester International Investors Limited notified the Company that their Amer Group Plc holding had increased to 10.27% in May.

Amer Group Plc's A warrants of its stock option plan were introduced to the main list of the Helsinki Exchanges as of 25 June 2001. The number of A warrants is 255,000, giving entitlement to subscribe to 255,000 shares. The share subscription price for an A warrant is EUR 17.75 per share. The share subscription period started on 1 January 2001 and ends on 31 March 2004.

2001 PROSPECTS

There have been no significant changes in the prospects for the remainder of the current year since the last results in May. Uncertainty in consumers' behaviour has, however, increased in almost all major markets. This is most clearly seen in the US golf market. Amer Group's strong portfolio of sports and its presence across all markets worldwide is expected to balance the Group's operations. In spite of the flat market situation the Group's operating result for the financial year 2001 is expected to be similar to last year's good performance.

KEY DEVELOPMENTS SINCE THE SECOND INTERIM PERIOD END

After the period end, 7,500 Amer Group Plc shares were subscribed for on the basis of the 1998 A warrants. Following the corresponding increase of EUR 30,000, the Company's share capital amounts to EUR 96,424,080 and the number of shares in issue is 24,106,020. The change was registered on 31 July 2001.

During July, the Company acquired a total of 44,200 of its own shares at a cost of EUR 1.2 million, with the average price being EUR 25.57 per share. The accounted counter-value of the shares was EUR 176,800.

Helsinki 9 August 2001

AMER GROUP PLC
Board of Directors

All forecasts and estimates mentioned in this report are based on management's current judgement of the economic environment and the actual results may be significantly different.

The interim report for the period January to September will be published on 1 November 2001.

EUR million	Unaudited	Jan-June 2001	Jan-June 2000	Change	April-June 2001	April-June 2000	Change	Jan-Dec 2000
CONSOLIDATED RESULTS								
			%			%		
NET SALES		550.8	531.7	4	274.6	265.4	3	1,086.6
Depreciation		17.2	17.3		8.7	8.8		38.8
OPERATING PROFIT		47.9	41.2	16	33.5	27.0	24	94.9
Net financing expenses		-5.9	-8.6		-2.4	-4.4		-17.4
PROFIT BEFORE EXTRAORDINARY ITEMS		42.0	32.6	29	31.1	22.6	38	77.5
Extraordinary items		-	-		-	-		-
PROFIT BEFORE TAXES		42.0	32.6		31.1	22.6		77.5
Taxes		-9.7	-5.0		-7.2	-3.7		-11.6
Minority interest		0.0	0.0		0.0	0.0		-0.1
PROFIT		32.3	27.6		23.9	18.9		65.8
Earnings per share, EUR		1.35	1.14		1.00	0.78		2.70
Adjusted average number of shares in issue, million		23.9	24.3		23.9	24.3		24.3
Equity per share, EUR		17.92	15.99					17.51
ROCE, % *)		16.9	14.3					16.1
ROE, %		14.9	14.1					16.1
Average rates used: EUR 1.00 = USD		0.90	0.96		0.90	0.96		0.92
AVERAGE PERSONNEL		4,203	4,356					4,379

*) 12 months rolling average

The relative proportion of the estimated tax charge for the full financial year has been charged against the results for the period.

In financial ratios shareholders' equity and number of shares exclude own shares.

NET SALES BY DIVISION

Golf	150.4	158.7	-5	89.9	89.3	1	257.5
Racquet Sports	143.5	143.1		74.1	71.5	4	264.7
Team Sports	117.2	103.6	13	49.1	44.4	11	194.1
Winter Sports	39.5	34.0	16	11.1	9.4	18	177.0
Outdoor and sports instruments	42.9	35.2	22	23.0	18.9	22	70.2
Amer Tobacco	49.5	43.0	15	27.3	24.4	12	95.4
	543.0	517.6	5	274.5	257.9	6	1,058.9
Sold operations	7.8	14.1		0.1	7.5		27.7
Total	550.8	531.7	4	274.6	265.4	3	1,086.6

BREAKDOWN OF OPERATING PROFIT

Wilson	39.4	40.7	-3	26.1	26.2		55.4
Winter Sports	-5.0	-2.1		-5.2	-3.0		38.3
Outdoor and sports instruments	5.6	5.2	8	3.2	3.5	-9	8.2
Amer Tobacco	4.9	4.6	7	2.9	3.5	-17	9.3
Headquarters	7.0	-3.9		8.9	-1.8		-8.8
Group goodwill	-4.7	-4.7		-2.3	-2.4		-9.6
	47.2	39.8	19	33.6	26.0	29	92.8
Sold operations	0.7	1.4		-0.1	1.0		2.1
Total	47.9	41.2	16	33.5	27.0	24	94.9

GEOGRAPHIC BREAKDOWN OF NET SALES

North America	318.7	303.9	5	161.7	152.8	6	558.0
Finland	56.2	53.4	5	27.7	29.6	-6	118.7
Rest of Europe	108.4	107.1	1	49.3	49.0	1	266.4
Japan	30.1	34.1	-12	14.9	17.5	-15	68.2
Asia Pacific	17.4	16.4	6	9.1	8.3	10	30.9
Other	20.0	16.8	19	11.9	8.2	45	44.4
Total	550.8	531.7	4	274.6	265.4	3	1,086.6

EUR million	Unaudited	Jan-June 2001	Jan-June 2000	Jan-Dec 2000
CONSOLIDATED CASH FLOW STATEMENT				
Net cash from operating activities		39.5	22.5	74.7
Net cash from investing activities		18.8	-29.2	-41.9
Net cash from financing activities		-67.5	-3.6	-63.9
Net increase/decrease in cash and cash equivalents		-9.2	-10.3	-31.1
Cash and cash equivalents at 1 Jan		41.6	70.7	71.7
Cash and cash equivalents at 30 June/31 December		32.4	60.4	40.6
CONSOLIDATED BALANCE SHEET				
		30 June 2001	30 June 2000	31 Dec 2000
Assets				
Goodwill		218.2	221.0	222.1
Other intangible fixed assets		20.9	19.6	20.9
Tangible fixed assets		153.3	163.9	154.6
Long-term investments		51.5	33.6	51.0
Inventories and work in progress		191.1	153.7	161.3
Receivables		272.1	254.4	282.0
Marketable securities		8.0	12.4	14.5
Cash and cash equivalents		24.4	48.0	26.1
Assets		939.5	906.6	932.5
Shareholders' equity and liabilities				
Shareholders' equity		436.8	389.1	437.8
Minority interest		10.9	10.1	11.0
Provision for contingent losses		3.1	2.9	4.4
Long-term interest-bearing liabilities		92.6	170.5	127.6
Other long-term liabilities		29.7	35.4	27.2
Short-term interest-bearing liabilities		96.1	79.0	67.6
Other short-term liabilities		270.3	219.6	256.9
Shareholders' equity and liabilities		939.5	906.6	932.5
Equity ratio		46.7%	44.0%	47.4%
Gearing		36%	47%	35%
EUR 1.00 = USD		0.85	0.96	0.93
CONTINGENT LIABILITIES AND SECURED ASSETS, CONSOLIDATED				
		30 June 2001	30 June 2000	31 Dec 2000
Charges on assets		4.8	16.8	9.1
Mortgages pledged		17.1	25.2	19.0
Guarantees		1.5	2.5	1.4
Liabilities for leasing and rental agreements		56.0	45.3	54.8
Other liabilities		39.9	44.5	41.7
There are no guarantees or contingencies given for the management of the company, the shareholders or the associated companies.				
NOTIONAL AMOUNTS OF DERIVATIVE FINANCIAL INSTRUMENTS				
Foreign exchange forward contracts		338.5	290.4	310.8
Forward rate agreements		49.5	-	0.0

QUARTERLY BREAKDOWNS

EUR million								
	II	I	IV	III	II	I	IV	III
	2001	2001	2000	2000	2000	2000	1999	1999
NET SALES								
Golf	89.9	60.5	46.0	52.8	89.3	69.4	38.1	47.0
Racquet	74.1	69.4	51.4	70.2	71.5	71.6	45.9	58.8
Team Sports	49.1	68.1	48.8	41.7	44.4	59.2	35.8	32.9
Wilson total	213.1	198.0	146.2	164.7	205.2	200.2	119.8	138.7
Atomic	11.1	28.4	68.7	74.3	9.4	24.6	60.6	47.4
Suunto	23.0	19.9	20.2	14.8	18.9	16.3	-	-
Amer Tobacco	27.3	22.2	26.1	26.3	24.4	18.6	23.7	24.7
Teletekno	0.1	7.7	7.4	6.2	7.5	6.6	-	-
Total	274.6	276.2	268.6	286.3	265.4	266.3	204.1	210.8

EUR million								
	II	I	IV	III	II	I	IV	III
	2001	2001	2000	2000	2000	2000	1999	1999
OPERATING PROFIT								
Wilson	26.1	13.3	3.8	10.9	26.2	14.5	2.4	9.8
Atomic	-5.2	0.2	18.1	22.3	-3.0	0.9	14.7	8.7
Suunto	3.2	2.4	2.0	1.0	3.5	1.7	-	-
Amer Tobacco	2.9	2.0	2.4	2.3	3.5	1.1	2.4	2.3
Teletekno	-0.1	0.8	0.3	0.4	1.0	0.4	-	-
Headquarters	8.9	-1.9	-5.9	1.0	-1.8	-2.1	-2.8	-0.7
Group goodwill	-2.3	-2.4	-2.5	-2.4	-2.4	-2.3	-0.9	-1.7
Total	33.5	14.4	18.2	35.5	27.0	14.2	15.8	18.4

AMER GROUP PLC
 MÄKELÄNKATU 91, FIN-00610 HELSINKI
 P.O. BOX 130, FIN-00601 HELSINKI
 TELEPHONE +358 9 7257 800
 FACSIMILE +358 9 7257 8200
 WWW.AMERSPORTS.COM

DOMICILE HELSINKI
 TRADE REGISTER NO. 116.698