HEAD NV: Q4 & FULL YEAR 2003

HEAD NV - PARTICIPANTS

Johan Eliasch

CEO

Ralf Bernhart

CFO



SUMMARY

- Q4 net revenue up 19% from $136m in Q4 2002 to $162m in 2003
- Full year revenue up 11% from $387m in 2002 to $431m in 2003
- Net revenue positively impacted by exchange
- Q4 operating profit decreased from $15.9m in 2002 to $10.5m in 2003
- Full year operating profit down from $17.8m in 2002 to $0.2m in 2003
- Operating profit decline due to Q4 restructuring costs of $7.5m for Q4 / $8.4m for full year. Also negative impact of exchange on costs, some local currency sales declines, margin erosion and additional one off costs not classified as exceptional restructuring costs.

GLOBAL BRANDED SPORTS COMPANY

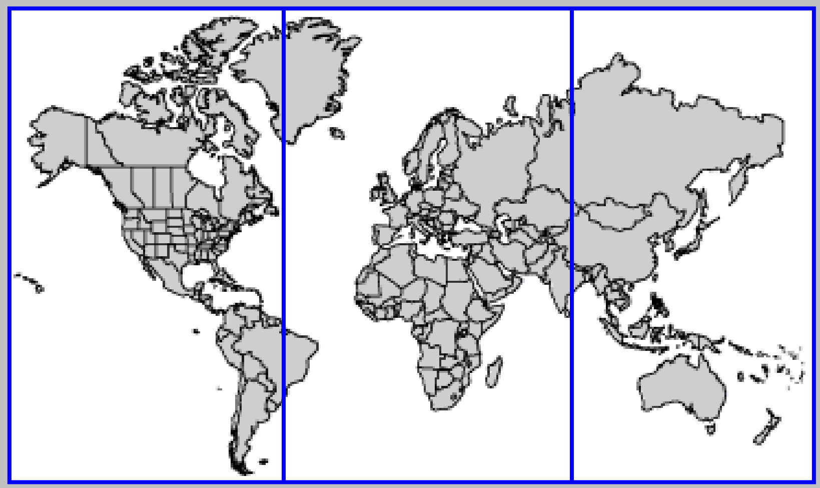
2003 sales by product:

Winter Sports	Racquet Sports	Diving	Licensing
44%	39%	15%	2%

2003 Sales: $431.2m

GLOBAL BRANDED SPORTS COMPANY

2003 sales by geography:



N America	Europe	R o W
28%	59%	13%

2003 Sales: $431.2m

NEW PRODUCT SUCCESSES

- Liquidmetal racquets
- Intelligence skis & snowboards
- Edge ski boots

WINTER SPORTS

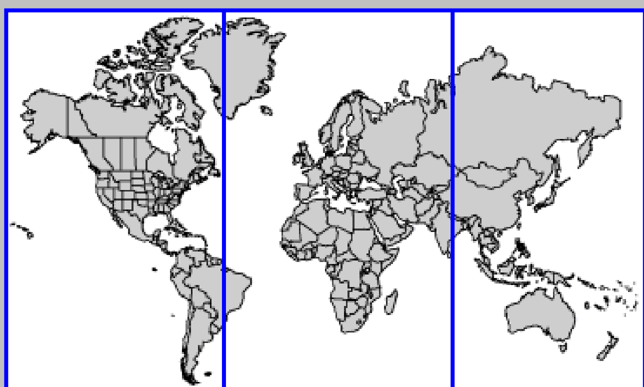
US $m	**Q4 02**	**Q4 03**	**FY 02**	**FY 03**
Revenue	81.4	106.3	144.7	188.8
% change		*+30.6%*		*+30.5%*
Gross Profit	32.1	43.8	55.6	71.3
% margin	*39.5%*	*41.2%*	*38.5%*	*37.8%*

2003 revenue by product:

Skis	Bindings	Boots	Snowboards
39%	30%	21%	10%

WINTER SPORTS

2003 revenue by geography:



N America	Europe	R o W
15%	**71%**	**14%**

- Strong revenue growth in all product groups in 2003:
  - skis +28%
  - bindings +30%
  - boots +37%
  - snowboards +32%
- We believe we outperformed market and key competitors → gaining market share
- Gross margins impacted by product mix (more OEM bindings with lower margin / lower marketing costs) and currency impacts
- Strong reorders for 2004, up about 15% vs. same time YAGO

RACQUET SPORTS

US $m	**Q4 02**	**Q4 03**	**FY 02**	**FY 03**
Revenue	35.6	37.6	168.8	166.4
% change		*+5.5%*		*-1.4%*
Gross Profit	12.6	13.7	66.6	63.8
% margin	*35.3%*	*36.5%*	*39.5%*	*38.3%*

2003 revenue by product:

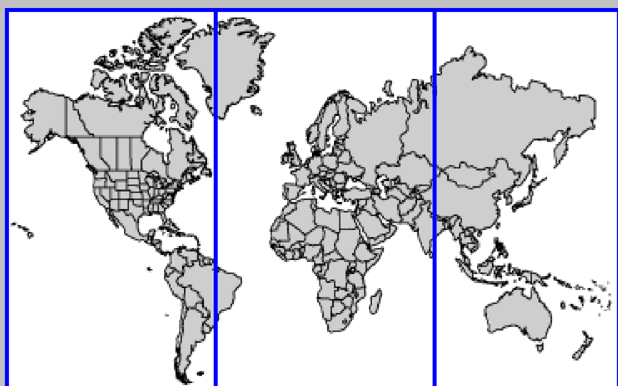
Racquets
48%

Balls
38%

Other
14%

RACQUET SPORTS

2003 revenue by geography:



N America	Europe	R o W
46%	43%	11%

- Huge success of Liquidmetal range positively impacted Q4 2003 revenue and gross margin compared to 2002
- Tennis racquet sales +16% in Q4 2003 against Q4 2002
- Evidence that US market began to pick up in fourth quarter – driven by sales of LM.
- 2004 racquet sports order book currently up 8%, driven by 20% higher orders for tennis racquets.

DIVING

US $m	**Q4 02**	**Q4 03**	**FY 02**	**FY 03**
Revenue	15.9	14.9	65.6	66.3
% change		*-6.2%*		*+1.1%*
Gross Profit	5.4	3.8	24.1	21.5
% margin	*33.9%*	*25.5%*	*36.8%*	*32.4%*

2003 revenue by product:

Mares 81%

Dacor 12%

Sporasub 7%

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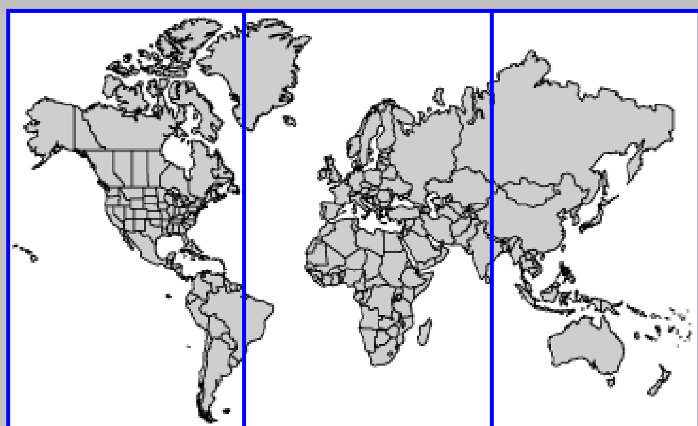
DIVING

2003 revenue by geography:



N America **20%**   **Europe** **67%**   **R o W** **13%**

- Q4 net revenue decline due to timing differences on some large orders that fell in Q4 in 2002
- Q4 gross margins impacted by sale of obsolete Dacor stock and a decline in high margin sales to Japan
- 2004 order book shows signs of some recovery in the market. At 31 December orders were up about 12% on same point year ago.

LICENSING

US $m	**Q4 02**	**Q4 03**	**FY 02**	**FY 03**
Revenue	2.8	2.9	8.4	9.7
% change		*+6.8%*		*+15.5%*
Gross Profit	2.6	2.5	8.1	9.1
% margin	*95.8%*	*86.3%*	*96.4%*	*94.2%*

- The increase in revenues is primarily due to exchange rate effects on the translation of our non-US dollar licensing receipts

PROFIT & LOSS

US $m	**Q4 02**	**Q4 03**	**FY 02**	**FY 03**
Total Revenue	135.8	161.8	387.5	431.2
Growth		*+19.2%*		*+11.3%*
Gross Profit	52.5	63.7	154.1	165.2
% margin	*38.6%*	*39.3%*	*39.8%*	*38.3%*
EBITDA*	20.5	22.5	33.7	27.9
% margin	*15.1%*	*13.9%*	*8.7%*	*6.5%*
Restructuring costs	0.0	7.5	0.0	8.4
Operating profit	15.9	10.5	17.8	0.2
Net Income/(Loss)	8.4	1.9	(2.6)	(14.7)

** Details of EBITDA calculation set out in final slides*

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BALANCE SHEET

US $m	**12/31/02**	**12/31/03**
Working capital *	182.7	203.6
Total assets	473.9	537.6
Net debt	117.3	140.7
Total stockholders equity	229.8	241.7

** Details of working capital calculation set out in final slides*

CAPITAL & RESOURCES

- Net cash from operating activities for 2003: $17.3m

- Reconciliation of net debt:

US $m	**12/31/02**	**12/31/03**
High yield bond	68.9	82.9
Other LT debt *	27.3	32.6
ST borrowings	58.8	69.3
Cash **	(37.6)	(44.2)
	117.3	**140.7**

** Includes short term portion of long term debt*

*** Including restricted cash*

SUBSEQUENT EVENT

- Successful bond offering completed January 2004

ISSUE:	€135 million senior notes, due 2014
COUPON:	8.5%
USE OF NET PROCEEDS:	Repayment of 10.75% notes due 2006 €69m Repayment of short term loans €32m Working capital & general corporate uses €29m Net Proceeds €130m
RATINGS:	Moody's: B2, stable S&P: B+, stable

Use of proceeds represents amounts outstanding as at 30 September 2003, excluding any accrued or unpaid interest

OUTLOOK FOR 2004

- Conditions in the sporting goods equipment market will still be tough but we expect to see some growth in demand in each of our product divisions.
- We will continue to launch innovative new products to:
  - Stimulate the market
  - Grow our market share
  - Maintain our position as an innovation and technology leader
- We expect to largely complete our restructuring and reorganizing projects during 2004. The benefits from this programme will begin to be realized during 2004 but full impact will not be until 2005/6.

Q & A

INVESTOR RELATIONS CONTACTS

- Press releases, financial reports and presentations etc available from Investor Relations section of website: **www.head.com**

- For other financial or general information, contact:

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RECONCILIATION NON-US GAAP DATA

US $m	Q4 02	Q4 03	FY 02	FY 03
Operating profit per P&L	15.9	10.5	17.8	0.2
Add: Depreciation & amortisation per cashflow	4.6	4.5	15.9	19.2
Add: Restructuring costs	0.0	7.5	0.0	8.4
EBITDA	**20.5**	**22.5**	**33.7**	**27.9**

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RECONCILIATION NON-US GAAP DATA

US $m	**12/31/02**	**12/31/03**
Accounts receivable, net	161.1	196.0
Inventories, net	77.6	81.2
Prepaid expenses & other current assets	16.4	17.8
Accounts payable	(33.1)	(39.5)
Accrued expenses & other current liabilities	(39.4)	(51.9)
Working capital	**182.7**	**203.6**