

HEAD ISSUES STATEMENT CONCERNING MARIA SHARAPOVA

Statement by Johan Eliasch, Chairman and CEO of HEAD

Kennelbach/Austria – March 10th, 2016:

As a company, HEAD has a strict anti-doping policy. We believe the use of WADA banned substances with the intent to enhance performance or gain unfair advantages must be sanctioned. We have a clause in all our endorsement agreements entitling us to terminate our endorsements of athletes found guilty of doping.

In Maria's Sharapova's case, we have analyzed the facts and circumstances in great detail in order to reach a firm conclusion about our association with her in light of her recent announcement.

The facts as we know them today are that:

1. Since January 1st, 2016, the WADA has banned the usage of meldonium.
2. Maria has taken mildronat and other medications since 2006 as a result of the frequency by which she had the flu, abnormal EKG results and indicators of diabetes with a family history of diabetes. Mildronate is another name for meldonium.
3. It is common ground within the scientific community that in order for meldonium to have any relevant performance enhancing effect it has to be taken in daily dosages in excess of 1,000 to 2,000mg.
4. According to the attorney for Maria, her dosage was significantly less than that.
5. We further believe that she has and still is dealing with the medical conditions she described.
6. Prior to 2016, we believe that Maria has never throughout her career been taking any WADA banned substances or any other illegal substances.

7. Maria announced on March 7th, 2016 that she had tested positive for the use of meldonium, but that this was a mistake by her as she had not realized that mildronat or meldonium had been added to the WADA list of banned substances.

On this basis we conclude that although it is beyond doubt that she tested positive for the use of a WADA banned substance, the circumstantial evidence is equally beyond doubt that the continued use of meldonium after Jan 1st, 2016 in the dosages she had been recommended, which were significantly short of performance enhancing levels, was a manifest error by Maria. In the absence of any evidence of any intent by Maria of enhancing her performance or trying to gain an unfair advantage through the use of mildronate, we further conclude this falls into the category of 'honest' mistakes.

We also know that for more than a decade, Maria Sharapova has been a role model and woman of integrity who has inspired millions of fans around the world to play and watch tennis. The honesty and courage she displayed in announcing and acknowledging her mistake was admirable. HEAD is proud to stand behind Maria, now and into the future and we intend to extend her contract. We look forward to working with her and to announcing new sponsorships in the weeks and months ahead. Maria may have made a mistake, but she has earned the benefit of the doubt and we are extending it to her. We look forward to many more years of working with Maria.

Notes:

Since January 1, 2011, Sharapova has been under an exclusive contract with HEAD for racquets, strings and grips.

Media contact:

Lena Kempter
HEAD Sport GmbH, Wuhrkopfweg 1, A-6921 Kennelbach
T +43 (0)5574 608 313 – F +43 (0)5574 608 354
E l.kempter@head.com



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ABOUT JOHAN ELIASH

Johan Eliasch is since 1995 the chairman and CEO of HEAD, the global sporting goods group, and is the former Special Representative of the Prime Minister of the United Kingdom.

He is chairman of Equity Partners, Aman Resorts and London Films. He is a non-executive director of CV Starr Underwriting Agents. He is a member of the board of directors of the Foundation for Renewable Energy and Environment and Acasta Enterprises. He is an advisory board member of Brasilinvest, Societe du Louvre, Stockholm Resilience Centre, Capstar, Centre for Social Justice and the British Olympic Association. He is a member of the Mayors of London's, and Rome's International Business Advisory Councils. He is the first President of the Global Strategy Forum, and a patron of Stockholm University. He is chairing the Food, Energy and Water security program at RUSI. He is a co-founder and co-chairman of Cool Earth.

He has served on the boards of IMG and the British Paralympics Association, the sports advisory board of Shimon Peres Peace Centre, the advisory board of the World Peace Foundation and he was non-executive chairman of Starr Managing Agents and Investcorp Europe. He has also served as a trustee of the Kew Foundation.

In 2005, Johan Eliasch created the Rainforest Trust and purchased for preservation purposes a 400,000-acre (1,600 km²) rainforest area in the heart of the Amazon rainforest near the Madeira River.

In 2006, he co-founded Cool Earth, a charity he co-chairs, which sponsors local NGO's to conserve endangered rainforest and has over 200,000 registered members. In 2007 he was commissioned by HM Government to undertake an independent review on the role of international finance mechanisms to preserve the global forests in tackling climate change, '*The Eliasch Review*', which was launched by the British Prime Minister Gordon Brown at 10 Downing Street in October 2008. The *Eliasch Review* has served as a guideline for REDD (Reduced Emissions from Deforestation and Degradation) as part of the international climate change convention.

ABOUT HEAD – SEE WWW.HEAD.COM

HEAD is a leading global manufacturer and marketer of premium sports equipment and apparel.

Our business is organized into five divisions: Winter Sports, Racquet Sports, Diving, Sportswear and Licensing. We sell products under the HEAD (alpine skis, ski bindings, ski boots, snowboard and protection products, tennis, racquetball, paddle and squash racquets, tennis balls and tennis footwear, sportswear and swimming products), Penn (tennis balls and racquetball balls), Tyrolia (ski bindings) and Mares (diving equipment) brands.

The Company's key products have attained leading market positions based on sales and reputation and have gained high visibility through their use by many of today's top athletes, including many of today's top ATP and WTA players, including Novak Djokovic, Andy Murray, Richard Gasquet, Tomas Berdych, Marin Cilic, Maria Sharapova and Sloane Stephens are part of the HEAD Tennis family, and today's top ski racers including Lindsey Vonn, Ted Ligety, Aksel Lund Svindal, Lara Gut, Kjetil Jansrud, Lara Gut, Anna Fenninger, Lara Gut and Alexis Pinturault who are all part of the HEAD Ski family.

ABOUT HEAD TENNIS

HEAD TENNIS, a part of HEAD, is a global provider and marketer of premium branded tennis apparel, footwear, and equipment for athletes of all competitive levels. Since its launch in the late 1960s, when HEAD founder Howard Head first introduced the aluminium tennis racquet, the division's key products have attained leading market positions based on sales and reputation. For more information, please visit: www.head.com/tennis.

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