

January 2, 2014



## **Columbia Sportswear Company and Swire Resources Announce Commencement of New Joint Venture in China**

PORTLAND, Ore.--(BUSINESS WIRE)-- Columbia Sportswear Company (Nasdaq:COLM), a leading innovator in active outdoor apparel, footwear, accessories and equipment, announced today that its joint venture with Swire Resources Ltd. commenced operation as planned on January 1, 2014. Also, as previously planned and announced, 29-year Swire Resources veteran Samson Wong was appointed president of the joint venture – Columbia Sportswear Commercial (Shanghai) Company – headquartered in Shanghai.

Tim Boyle, Columbia's president and chief executive officer, said, "We are very pleased with the official launch of this new joint venture, marking the beginning of a new and deeper level of cooperation with Swire Resources. Swire has established Columbia Sportswear and Mountain Hardwear as authentic, premium outdoor brands, founded on strong emotional connections with consumers, trusted relationships with wholesale dealers, outstanding owned retail locations, and superb operational capabilities.

"We are looking forward to pursuing what we believe are significant long-term growth opportunities, capitalizing on the continuity and expertise of the joint venture's management and employees, and their deep understanding of the China market."

The joint venture inherits the broad distribution network established over the past nine years by Swire Resources, which has acted as Columbia's exclusive distributor in China since 2004. That network consists of 51 wholesale dealers that, at December 31, 2013, operated approximately 660 Columbia Sportswear retail locations and 47 Mountain Hardwear retail locations in 180 cities. In addition, the joint venture directly operates approximately 70 Columbia branded retail locations in 7 cities.

To promote operational continuity, at commencement, the joint venture was staffed primarily by management, administrative and retail operations personnel who transferred from comparable roles they held at Swire Resources.

Samson Wong, joint venture president, added, "I am honored to lead this team of seasoned employees. The financial and operating resources both joint venture partners are investing come at a critical time in the evolution of the dynamic, growing and increasingly competitive outdoor apparel and footwear market in China."

JB Rae-Smith, Executive Director, Trading and Industrial Division of Swire Pacific Ltd, said, "China's outdoor market is benefiting from increasing consumer affluence, greater interest in outdoor leisure activities, and increased investment from global and domestic outdoor brands. We look forward to working more closely with Columbia Sportswear to capitalize on these favorable long-term trends."

Reflecting Columbia's 60 percent ownership stake, the joint venture will be fully consolidated in Columbia Sportswear's operating results and financial position beginning with the first quarter of 2014, in accordance with U.S. Generally Accepted Accounting Principles (GAAP). The joint venture agreement carries an initial term of 20 years. In addition to serving as joint venture partner in China, Swire Resources will continue as Columbia's independent distributor in Hong Kong and Macau.

### **About Columbia Sportswear Company**

Columbia Sportswear Company is a leading innovator in the global outdoor apparel, footwear, accessories and equipment markets. Founded in 1938 in Portland, Oregon, Columbia products are sold in approximately 100 countries and have earned an international reputation for innovation, quality and performance. Columbia products feature innovative technologies and designs that protect outdoor enthusiasts from the elements, increase comfort, and make outdoor activities more enjoyable. In addition to the Columbia® brand, Columbia Sportswear Company also owns outdoor brands Mountain Hardwear®, Sorel®, and Montrail®. To learn more, please visit the company's websites at [www.columbia.com](http://www.columbia.com), [www.mountainhardwear.com](http://www.mountainhardwear.com), [www.sorel.com](http://www.sorel.com), and [www.montrail.com](http://www.montrail.com).

### **About Swire Resources Ltd.**

Swire Resources Limited is a subsidiary of Swire Pacific Limited, one of Hong Kong's leading listed companies with diversified interests in five operating divisions: Property, Aviation, Beverages, Marine Services and Trading & Industrial. Swire Resources acts as the holding company for extensive retail and wholesale interests in sports and lifestyle footwear and apparel. The company operates over 260 retail locations in Hong Kong and Mainland China, primarily consisting of single brand concept stores and three multi-brand sports and casual retail chains: Marathon Sports, GigaSports, and Catalog stores. Marathon Sports, being first opened in the early 1980s, is Hong Kong's largest sportswear retail chain. Swire Pacific's operations are predominantly based in the Greater China region, where the name Swire has been established for over 140 years. For more information, visit [www.swirepacific.com](http://www.swirepacific.com).

### **Forward-Looking Statements**

This document contains forward-looking statements within the meaning of federal securities laws, including statements regarding plans to expand the joint venture's owned-retail and dealer-based distribution in China, growth of the market for the company's brands in China, and increasing consumer interest in outdoor activities in China. Actual results could differ materially from those projected in these and other forward-looking statements. The company's expectations, beliefs and projections are expressed in good faith and are believed to have a reasonable basis; however, each forward-looking statement involves a number of risks and uncertainties, including those set forth in this document, those described in the company's Annual Report on Form 10-K for the period ended December 31, 2012 under the heading "Risk Factors," and other risks and uncertainties that have been or may be described from time to time in other reports filed by the company, including reports on Form 8-K, Form 10-Q and Form 10-K. Potential risks and uncertainties that may affect our future revenues, earnings and performance and could cause the actual results of operations or financial condition of the company to differ materially from those expressed or implied by forward-looking statements in this document include: operational disruptions resulting from the transition to new management, support systems, and/or personnel;

absence of access to a qualified network of dealers to market the company's brands; a decline in consumer demand for the company's products; increased competitive responses to the company's efforts to expand its brand power in the China market, international risks, including changes in import limitations and tariffs or other duties, political instability in China specifically or southeast Asia generally, exchange rate fluctuations, and trade disruptions; our ability to attract and retain key employees; the financial health of our customers and their continued ability to access credit markets to fund their ongoing operations; higher than expected rates of order cancellations; increased consolidation of our retail customers; our ability to effectively source and deliver our products to customers in a timely manner, the failure of which could lead to increased costs and/or order cancellations; unforeseen increases and volatility in input costs, such as cotton and/or oil; our reliance on product acceptance by consumers; our reliance on product innovations, which may involve greater regulatory and manufacturing complexity and could pose greater risks of quality issues or supply disruptions; the effects of unseasonable weather (including, for example, warm weather in the winter and cold weather in the spring), which affects consumer demand for the company's products; our dependence on independent manufacturers and suppliers; our ability to source finished products and components at competitive prices from independent manufacturers in foreign countries that may experience unexpected periods of inflation, labor and materials shortages or other manufacturing disruptions; the effectiveness of our sales and marketing efforts; intense competition in the industry; business disruptions and acts of terrorism or military activities around the globe; and our ability to establish and protect our intellectual property. The company cautions that forward-looking statements are inherently less reliable than historical information. The company does not undertake any duty to update any of the forward-looking statements after the date of this document to conform them to actual results or to reflect changes in events, circumstances or its expectations. New factors emerge from time to time and it is not possible for the company to predict all such factors, nor can it assess the impact of each such factor or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement.

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