

**United States  
Securities and Exchange Commission  
Washington, D.C. 20549**

**Form 8-K  
Current Report**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): June 7, 2012

Black Diamond, Inc.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction  
of incorporation)

0-24277  
(Commission File Number)

58-1972600  
(IRS Employer  
Identification Number)

2084 East 3900 South, Salt Lake City, Utah  
(Address of principal executive offices)

84124  
(Zip Code)

Registrant's telephone number, including area code: (801) 278-5552

N/A  
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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### Item 7.01 Regulation FD Disclosure.

On June 7, 2012, Black Diamond, Inc. (the “Company” or “Black Diamond”) issued a press release announcing that it had entered into a Share Transfer Agreement dated June 7, 2012, to acquire POC Sweden AB (“POC”), a Stockholm-based developer and manufacturer of protective gear for action sports athletes. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K (the “Report”) and is incorporated herein by reference.

On June 8, 2012, Black Diamond will give an investor presentation at its Annual Meeting of Stockholders, a copy of which is attached to this Report as Exhibit 99.2.

The information in this Item 7.01 and Exhibits 99.1 and 99.2 attached to this Report shall not be deemed “filed” for purposes of Section 18 of the Securities Act of 1934, as amended, nor shall they be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

### Item 9.01 Financial Statements and Exhibits

(d) **Exhibits.** The following Exhibits are attached hereto as a part of this Report:

<u>Exhibit</u>	<u>Description</u>
99.1	Press Release dated June 7, 2012 (furnished only).
99.2	Investor Presentation (furnished only).

### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: June 7, 2012

**BLACK DIAMOND, INC.**

By: /s/ Robert Peay

Name: Robert Peay

Title: Chief Financial Officer, Secretary and Treasurer

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## EXHIBIT INDEX

<u>Exhibit</u>	<u>Description</u>
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## **Black Diamond to Acquire Rapidly Growing Developer of Protective Gear for Action Sports, POC Sweden AB**

***- Management to Discuss Acquisition at Annual Stockholders Meeting Available via  
Teleconference and Webcast on June 8 at 8:30 A.M. ET -  
- Acquisition Expected to Close in June 2012 -***

**SALT LAKE CITY, Utah – June 7, 2012** – Black Diamond, Inc. (NASDAQ: BDE) (the “Company” or “Black Diamond”) announced that it has entered into a definitive agreement to acquire POC Sweden AB (“POC”), a Stockholm-based designer and manufacturer of protective gear for action sports athletes.

Founded in 2004, POC produces and distributes to 27 countries advanced-design helmets, body armor, goggles, eyewear, gloves and apparel for action or “gravity sports,” like skiing, snowboarding and cycling, with a particular emphasis on safety and protection.

POC, renowned for its research and innovation, is the recipient of numerous industry awards, including the Grand Prize for Active Safety in the prestigious Volvo ISPO Sports Design Award competition. POC’s patented technology continues to set new standards for construction, material combinations and engineering for personal protection.

For its fiscal year ended April 30, 2012, POC’s unaudited total revenues were approximately \$22.5 million, an increase of approximately 35% over the prior year, in spite of a warm and dry winter globally.

Under the terms of the definitive agreement, Black Diamond will purchase POC for 311 million Swedish kronor (SEK) or approximately \$43.5 million. At closing, Black Diamond will deliver approximately 460,000 shares of BDE common stock and approximately \$40.0 million in cash depending upon the SEK/USD (\$) exchange rate at closing. Black Diamond has committed an additional estimated \$12.5 million payable in a series of significant, long-term, performance-based incentives payable to management, structured as compensation, with multiple measurement and payment dates over a six and a half year period. The expected total of \$12.5 million in compensatory incentive payments are predicated upon aggregate POC contribution margin expected from a 30% compounded annual growth of POC’s revenue. Any such performance payments shall be offset by gains imbedded in the vested portion of an employee stock option pool comprised of 500,000 options with exercise prices ranging from \$13.00 to \$16.00 per share.

The common stock to be issued at closing is subject to a lock-up agreement restricting sales for two years and will be pledged to Black Diamond as security for indemnification claims under the definitive agreement. The transaction is expected to close in June 2012 and is expected to be accretive to Black Diamond earnings per share in 2013.

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“POC and Black Diamond were both founded as solutions-based companies, focused on providing unmatched personal protection for active outdoor athletes,” said Peter Metcalf, President and CEO of Black Diamond. “We believe POC is one of the most innovative, fastest-growing and hottest brands in action sports protective gear today and a strong strategic addition to the Black Diamond platform.”

“We expect POC to benefit significantly from Black Diamond’s robust operational infrastructure which is tailored to highly engineered, life-dependent products, including our rigorous level of QA/QC testing and compliance, manufacturing and engineering acumen, and global distribution platform,” continued Metcalf. “POC’s product line developed for the alpine and free-ride ski, mountain and road bike markets—including their paradigm-changing innovations in helmet design—provides us an array of products that expand the breadth of our multi-seasonal offerings. Along with their innovative POC Lab and valuable intellectual property, POC fits our ultimate vision of bringing together the best and brightest companies in terms of product design, aesthetics, culture and commitment to the customers we serve.”

POC founder and CEO, Stefan Ytterborn, commented: “Given POC’s mission to save lives and reduce the consequences of accidents for gravity sports athletes, partnering with a highly capable and energetic company like Black Diamond greatly enhances our ability to better serve our worldwide community of users. In Black Diamond we have truly found our match in terms of ‘hearts and brains.’ We are excited to join forces as one company, bringing together extraordinary talent and commitment to excellence, along with our deeply shared values and purpose.”

#### **Teleconference and Webcast**

Black Diamond will provide further discussion of the transaction at its annual meeting of stockholders, which will be held in the Dolby Screening Room at 1350 Avenue of the Americas in New York City on June 8, 2012 at 8:00 a.m. Eastern time.

Stockholders of record at the close of business on April 25, 2012 are entitled to vote at the meeting. Attendees must register prior to the meeting with Liolios Group by contacting Cody Slach at 1-949-574-3860 or via email at [BDE@liolios.com](mailto:BDE@liolios.com).

As part of the meeting, the Company will host an investor presentation beginning at 8:30 a.m. Eastern time. Management will discuss the Company’s recent financial results, its growth strategy and the proposed acquisition of POC.

The presentation will be available to listen to live via telephone and webcast, with callers able to participate in the question and answer session following the investor presentation. The webcast will include a slideshow.

Dial-In Number: 1-877-941-2068

International: 1-480-629-9712

Conference ID: 4544986

Webcast: <http://public.viavid.com/index.php?id=100687>

Please call the conference telephone number 5-10 minutes prior to the start time. An operator will register your name and organization.

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If you have any difficulty connecting with the conference call or viewing the slideshow, please contact Cody Slach or Greg Falesnik at the Company's investor relations firm, Liolios Group, at 1-949-574-3860 or via email at [BDE@liolios.com](mailto:BDE@liolios.com).

A telephone replay of the presentation will be available after 11:00 a.m. Eastern time on the same day and until June 22, 2012.

Toll-free replay number: 1-877-870-5176

International replay number: 1-858-384-5517

Replay pin number: 4544986

The webcast replay will be available via the link above and in the investor section of Black Diamond's website at [www.blackdiamond-inc.com](http://www.blackdiamond-inc.com).

#### **About POC Sweden AB**

POC Sweden AB was founded on a strong mission to seek to do everything possible to save lives and reduce the consequences of accidents for gravity sports athletes by developing and continually renewing what personal protection is all about. In many ways, POC believes it has set a new standard when it comes to technical solutions, construction, material combinations and engineering, with patented solutions to increase its athletes' degree of protection. POC's line of products is sold in 27 countries worldwide and includes helmets, body armor, goggles, eyewear, gloves and apparel. POC also has a retail store in Chamonix, France. For additional information, please visit [www.POCsports.com](http://www.POCsports.com).

#### **About Black Diamond, Inc.**

Black Diamond, Inc. is a global leader in the design, manufacturing and marketing of innovative active outdoor performance products for climbing, mountaineering, backpacking, skiing and other active outdoor recreation activities for a wide range of year-round use. The Company's principal brands, Black Diamond® and Gregory™, are iconic in the active outdoor industry and linked intrinsically with the modern history of these sports. Black Diamond is synonymous with performance, innovation, durability and safety that the climbing, mountaineering, skiing and backpacking communities rely on and embrace in their active lifestyle. Headquartered in Salt Lake City at the base of the Wasatch Mountains, the Company's products are created and tested on some of the best alpine peaks, crags and trails in the world. These close connections to the Black Diamond lifestyle enhance the authenticity of the Company's brands, inspire product innovation and strengthen customer loyalty. The Company's products are sold by leading specialty retailers in the U.S. and 50 countries around the world. For additional information, please visit the Company's websites at [www.blackdiamond-inc.com](http://www.blackdiamond-inc.com), [www.blackdiamondequipment.com](http://www.blackdiamondequipment.com), or [www.gregorypacks.com](http://www.gregorypacks.com).

#### **Forward-Looking Statements**

Please note that in this press release we may use words such as "appears," "anticipates," "believes," "plans," "expects," "intends," "future," and similar expressions which constitute forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are made based on our expectations and beliefs concerning future events impacting the Company and therefore involve a number of risks and uncertainties. We caution that forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in the forward-looking statements. Potential risks and uncertainties that 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 press release include, but are not limited to, the overall level of consumer spending on our products; general economic conditions and other factors affecting consumer confidence; disruption and volatility in the global capital and credit markets; the financial strength of the Company's customers; the Company's ability to implement its growth strategy; the Company's ability to successfully integrate and grow acquisitions; the Company's ability to maintain the strength and security of its information technology systems; stability of the Company's manufacturing facilities and foreign suppliers; the Company's ability to protect trademarks and other intellectual property rights; fluctuations in the price, availability and quality of raw materials and contracted products; foreign currency fluctuations; our ability to utilize our net operating loss carryforwards; and legal, regulatory, political and economic risks in international markets. More information on potential factors that could affect the Company's financial results is included from time to time in the Company's public reports filed with the Securities and Exchange Commission, including the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K. All forward-looking statements included in this press release are based upon information available to the Company as of the date of this press release, and speak only as of the date hereof. We assume no obligation to update any forward-looking statements to reflect events or circumstances after the date of this press release.

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Scott Liolios or Cody Slach  
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[BDE@liolios.com](mailto:BDE@liolios.com)

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# Corporate Presentation

June 2012

NASDAQ | **BDE**





## FORWARD LOOKING STATEMENTS

Please note that in this presentation we may use words such as “appears,” “anticipates,” “believes,” “plans,” “expects,” “intends,” “future,” and similar expressions which constitute forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are made based on our expectations and beliefs concerning future events impacting the Company and therefore involve a number of risks and uncertainties. We caution that forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in the forward-looking statements. Potential risks and uncertainties that 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 presentation include, but are not limited to, the overall level of consumer spending on our products; general economic conditions and other factors affecting consumer confidence; disruption and volatility in the global capital and credit markets; the financial strength of the Company's customers; the Company's ability to implement its growth strategy; the Company's ability to successfully integrate and grow acquisitions; the Company's ability to maintain the strength and security of its information technology systems; stability of the Company's manufacturing facilities and foreign suppliers; the Company's ability to protect trademarks and other intellectual property rights; fluctuations in the price, availability and quality of raw materials and contracted products; foreign currency fluctuations; our ability to utilize our net operating loss carryforwards; and legal, regulatory, political and economic risks in international markets. More information on potential factors that could affect the Company's financial results is included from time to time in the Company's public reports filed with the Securities and Exchange Commission, including the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K. All forward-looking statements included in this presentation are based upon information available to Black Diamond as of the date of this presentation, and speak only as the date hereof. We assume no obligation to update any forward-looking statements to reflect events or circumstances after the date of this presentation.

## WHO WE ARE...

- ◆ Leading global designer and manufacturer of innovative active outdoor performance products
- ◆ Double-digit top-line growth at Black Diamond Equipment since 1990

### OUR VISION:

To be one with the sports we serve,  
absolutely indistinguishable from them

### OUR CORE MISSION:

To profitably design, manufacture and  
bring to market innovative and  
technical products of high quality, high  
performance and exemplary durability  
that are targeted toward our primary  
customers – climbers, mountaineers  
and off-piste skiers

### OUR 5 CONSTRUCTS:

**Passion and Intimacy** – gets us up in  
the morning

**Innovation** – drives us (in all we do)

**Efficiency** – sustains us

**Value and Service** – implicit in all we  
do

**Style** – the means by which we  
accomplish our goals is as important  
as what we accomplish

## BLACK DIAMOND'S OPPORTUNITY

- ◆ Authentic Portfolio of Iconic Lifestyle Brands
- ◆ Industry Leading Product Innovation and Development Capabilities
- ◆ Broad Product, Channel and Geographic Diversification
- ◆ Scalable Global Operating Platform
- ◆ Significant Growth Opportunities
- ◆ Experienced and Incentivized Management Team
- ◆ Efficient Capital Structure

Heritage: 1957



Target Customers:  
**Climbers, Mountaineers and Skiers**



Founded: 1977



Target Customers:  
**Backpackers and Mountaineers**



 **Black Diamond, Inc.**

# HIGHLY FAVORABLE MARKET DYNAMICS

## Outdoor Sector Highlights

- ◆ **Large and Growing Global Industry with Numerous Favorable Trends**
  - Health/wellness and environmentalism embodied in active outdoor lifestyle
  - Penchant for travel and outdoor exploration, particularly among baby-boomers
  - U.S. outdoor participation has grown 56% since 2006 <sup>(1)</sup>
  - Sales of outdoor products in the U.S. reached \$7.7 billion for the nine months ended October 30<sup>th</sup>, 2011, up 6.3% from same period last year <sup>(1)</sup>
  - European market believed to be significantly larger than U.S. <sup>(2)</sup>
- ◆ **Convergence of Function and Fashion**
- ◆ **Growth and Exposure of Key Retail Partners**
- ◆ **Numerous Entrepreneurial and Innovative Brands that Would Benefit from Black Diamond, Inc. Platform**

## BDE Represents a Unique “Pure-Play” in the Outdoor Space

(1) Represents current Black Diamond, Inc. target markets; Source: Outdoor Recreation Participation Report 2011, Outdoor Industry Association, SportsScanInfo for OIA Vantage Point

(2) Company estimate



# OUR CULTURE DEFINES OUR PRODUCTS AND ICONIC BRANDS

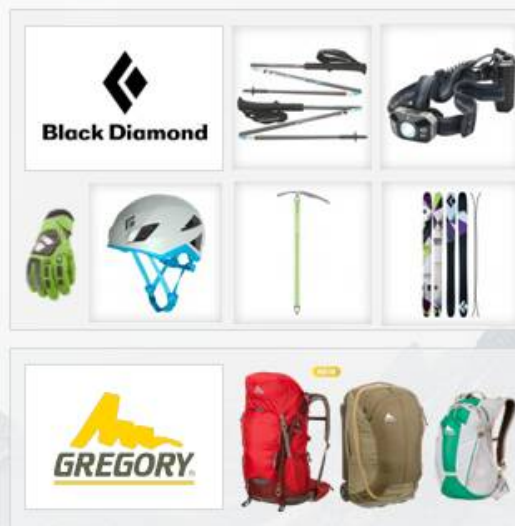
## Company of Passionate Users

- ◆ Our employees are our most discerning customers and demand the most innovative, consistent products
- ◆ Our passion for and intimacy with the sports we serve helps to drive innovation



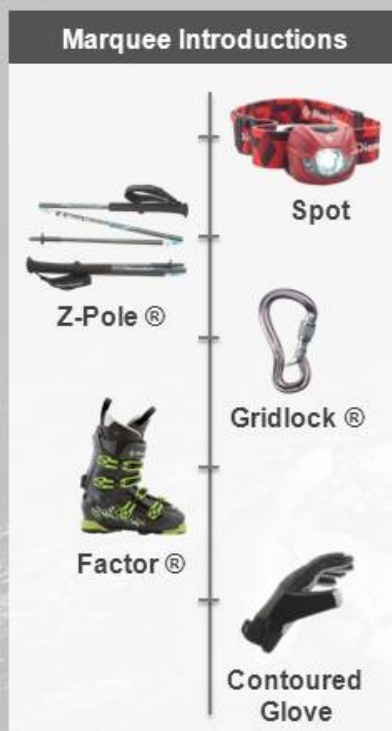
## High Performance Products

- ◆ Our brands and products are synonymous with performance, innovation, durability and safety




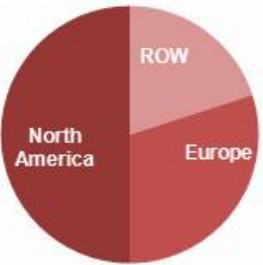

# INDUSTRY LEADING PRODUCT INNOVATION AND DEVELOPMENT CAPABILITIES

- ◆ Legacy of redefining the categories in which we enter
- ◆ Strong track record of technical innovation and production development
- ◆ Portfolio of over 70 patents <sup>(1)</sup>
- ◆ Product development strives to elevate personal performance, safety and comfort
- ◆ Vertically integrated design and development process provides competitive advantage
- ◆ Key technical, highly engineered products manufactured in-house



(1) Some patents are pending.

# DIVERSIFIED BUSINESS MODEL

Category	Geography	Season	Distribution
 <ul style="list-style-type: none"> <li>♦ 27 product categories</li> <li>♦ No specific product category accounts for more than 15% of sales</li> </ul>	 <ul style="list-style-type: none"> <li>♦ Significant global presence – in over 50 countries</li> <li>♦ More than 50% of sales from outside the U.S.</li> <li>♦ Rapid growth in Asia</li> </ul>	 <ul style="list-style-type: none"> <li>♦ Seasonal diversification of business</li> <li>♦ Front and center with retailer and customer year round</li> <li>♦ We do not take returns</li> </ul>	<ul style="list-style-type: none"> <li>♦ Broad distribution platform across multiple channels</li> <li>♦ ~4,700 retail doors globally</li> <li>♦ Focused on specialty retail stores including REI, Mountain Equipment Co-Op, Eastern Mountain Sports, Backcountry.com</li> </ul>

Note: Charts reflect fiscal year 2011 revenue statistics.

# SCALABLE GLOBAL OPERATING PLATFORM

## SALT LAKE CITY, UT

- Headquarters, sales & marketing, manufacturing & distribution center
- 325+ employees

## CALEXICO, CA

- Production
- ~35 employees

## JAPAN




- Sales & marketing
- 3 employees

## BASEL, SWITZERLAND

- Sales & marketing, distribution
- 50+ employees

## ZHUHAI, CHINA

- Manufacturing & distribution
- 195+ employees

-  Manufacturing / Production
-  Distribution
-  Sales and Marketing

40+ International Distributors - Retail stores: Salt Lake City, Tokyo, Seoul



## GROWTH OPPORTUNITIES

<b>Service and Grow Existing Retail Accounts</b>	<ul style="list-style-type: none"><li>◆ Opportunity to grow with key retail partners including REI, EMS, MEC and Backcountry.com</li><li>◆ Build existing and new relationships through multiple corporate initiatives</li></ul>
<b>Introduce New Product Technologies</b>	<ul style="list-style-type: none"><li>◆ Continued double-digit growth driven by future product innovation</li></ul>
<b>Grow into New Categories</b>	<ul style="list-style-type: none"><li>◆ Significant investment in technical outdoor apparel initiative</li><li>◆ Apparel expected to launch Fall 2013</li></ul>
<b>Broaden Distribution and Elevate Brand</b>	<ul style="list-style-type: none"><li>◆ Large European and Asian market opportunity</li><li>◆ Bring international distribution in-house</li><li>◆ Direct-to-Consumer and Retail</li></ul>
<b>Pursue Selected Outdoor Acquisitions</b>	<ul style="list-style-type: none"><li>◆ Highly fragmented industry</li><li>◆ Opportunity to take brands to next level</li></ul>

## LEVERAGE RETAIL SECTOR GROWTH

- ◆ Outdoor specialty retailers have shown considerable growth in recent years
  - Recreational Equipment, Inc. (REI), our largest customer, has increased its store count by ~80% in the last 6 years <sup>(1)</sup>
  - 39,000 sq. ft. REI SoHo opened in December 2011; first NYC location
  - Awarded REI's 2011 "Vendor of the Year" award for the camping category
- ◆ We are well poised to capitalize on retail sector growth and increased exposure
  - Longstanding relationships with key retail partners
  - Substantial sales floor presence
  - Visual merchandising initiatives
  - Acquisitions to extend category reach



(1) REI Annual Report for the year ended December 31, 2011.

# INTRODUCE NEW PRODUCT TECHNOLOGIES

- ◆ Continue to redefine the categories through which we enter
- ◆ Seek out opportunities that meet a specific technical need of our passionate consumer base
- ◆ Solid pipeline of initiatives across multiple categories

**Current Examples of Innovation**



**Magnetron:**  
Uses the power of magnetic fields to reinvent the locking carabiner



**Cayenne Heated Glove:**  
Utilizes a built in heater to set exact amount of warmth



**Carbon Megawatt:**  
The ultimate backcountry powder ski



**ReVolt:**  
USB rechargeable headlamp that also runs on AAA alkaline batteries

## OUR APPAREL INITIATIVE

- ◆ First apparel line launch expected in Fall 2013 & SKU count set
  - Initiated work on Spring & Fall 2014 collections
  - Partnering with specialty retail to fill a void in the marketplace
  - Leverage intimate understanding of fit, performance, style and aesthetics
  - Rollout strategy: expect six concurrent seasons spanning a three year period

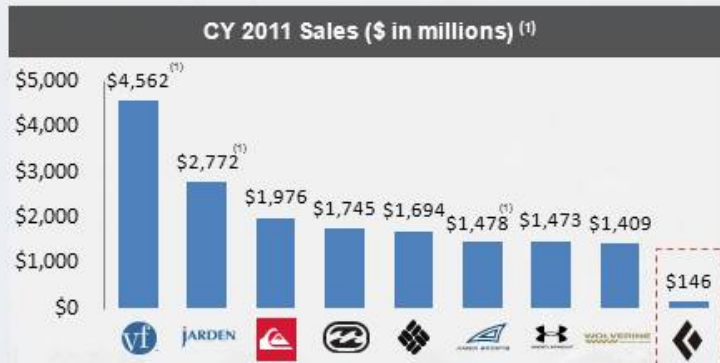
- ◆ Targeting \$250 million in sales by 2020
- ◆ Category expected to generate higher gross margin
- ◆ Significant progress with key retailers and suppliers/manufacturers of textiles and technical materials
- ◆ Key retailers from N. America, Japan, China, Europe and Russia expected to visit BD HQ in Sept. 2012

Significant Recent Hires		
Name	Position	Background
Tim Bantle	Director of Apparel	
Bob Jones	Director of Direct-To-Consumer Sales	
Cheryl Knopp	Design Lead of Apparel	ARC'TERYX
Brian Meham	Director of N.A. Sales	
Jeff Nash	VP of Engineering	
Saskia Stock	Marketing Director of Europe	
Walter Wilhelm	VP of Business Process	ARC'TERYX
Sven Mostogl	Director of Merchandising, Europe	



## BROADEN DISTRIBUTION AND ELEVATE BRAND

- ◆ European market highly fragmented with no clear cross-border leader
- ◆ Significant opportunity to elevate the brand across the continent through investments in marketing and merchandising
- ◆ Asian consumers rapidly adopting outdoor and adventure recreation lifestyle
  - Continue to capture market momentum in Asia



Source: Company filings.

(1) Values reflect Outdoor segments for VF Corp., Jarden and Amer Sports.

## PURSUE SELECTED OUTDOOR ACQUISITIONS

### ◆ Acquiror of choice

- Authentic and iconic brand heritage
- Global operating platform with universal application
- Targets see us as a partner rather than an acquiror

### ◆ Exploring several near-term opportunities

### ◆ Also pursuing larger, strategic acquisition opportunities

### Target Tuck-In/Growth Acquisition Parameters

- ◆ Revenues \$25-\$50 million
- ◆ Gross margin accretive
- ◆ Highly technical, quality product
- ◆ Concentrated geographic strength
- ◆ Ability to protect IP
- ◆ Strong brand equity/heritage

# BLACK DIAMOND TO ACQUIRE POC SWEDEN AB <sup>(1)</sup>

## Who is POC?

- ◆ **Established:** 2004 – Stockholm, Sweden
- ◆ **Vision:** to be the leading supplier of protection gear for gravity sports athletes and to grow into a global sport lifestyle brand
- ◆ **Offering:** superior personal protective gear such as:
  - Helmets
  - Body Armor
  - Goggles & Eyewear
  - Gloves & Apparel
- ◆ **User:** gravity sports athletes like skiers, snowboarders and cyclists
- ◆ **Growth:** fiscal 2012 sales increased 35% to \$22.5 million <sup>(2)</sup>



(1) On June 7, 2012, Black Diamond entered into a definitive agreement to acquire POC Sweden AB ("POC").  
(2) Represents POC's unaudited total revenues for its fiscal year ended April 30, 2012.

**poc**

PERSONAL PROTECTION AND PERFORMANCE  
GEAR FOR GRAVITY SPORTS ATHLETES

**Black Diamond, Inc.**



16

NASDAQ | BDE



## POC PRODUCT INNOVATION AND AWARDS

- ◆ POC produces and distributes innovative products to 27 countries
- ◆ Operations in Sweden, Austria, France and U.S.; retail store in Chamonix, France.
- ◆ POC is renowned for its research and innovation, setting standards for construction, material combinations and engineering
  - Received the Grand Prize for Active Safety in **Volvo ISPO Sports Design Award** competition



### Marquee Awards

Product: **POC Trabec**

Target Customer:  
**Cyclists**

Award (2012):



Product: **POC Fornix**

Target Customer:  
**Skiers & Snowboarders**

Awards:



**reddot design award**  
winner 2012



**ISPO AWARD**  
Winner 2012  
Product



## WHY POC AND BLACK DIAMOND?

- ◆ POC and Black Diamond are both solutions-based brands focused on personal protection for outdoor athletes.
- ◆ We believe POC is one of the fastest-growing brands in action sports whose brand footprint is much larger than its sales footprint.
- ◆ Black Diamond's robust operational infrastructure is expected to improve areas such as sourcing, manufacturing and global distribution.
- ◆ POC product offering is anticipated to expand the breadth of Black Diamond's current multi-seasonal product offerings.
- ◆ Major global macro trends in the protection of head injuries coupled with continued growth in action sports.



## POC TRANSACTION DETAILS

- ◆ **Purchase Price:** 311 million Swedish kronor or ~\$43.5 million cash, subject to closing exchange rates and ~460,000 shares of BDE common stock (the exact number of shares will be determined at closing). Shares to be issued at closing will be subject to a two-year lock-up.
- ◆ **Incentive Compensation:** estimated to be up to \$12.5 million payable to management over a 6.5 year period based upon aggregate POC contribution margin expected from a 30% compounded annual growth of POC's revenue. Payments offset by gains, if any, imbedded in the vested portion of an employee stock option pool of 500,000 options with exercise prices ranging from \$13 to \$16 per share.
- ◆ **Expected Close:** June 2012
- ◆ **POC transaction expected to be accretive to BDE 2013 EPS.**

POC



# A POWERFUL OUTDOOR EQUIPMENT AND LIFESTYLE PLATFORM



 **Black Diamond, Inc.**



**Black Diamond**

- ◆ One of the most pristine and globally recognized brands in the space
- ◆ Products for climbers, mountaineers and skiers as well as aspirational outdoor enthusiasts
- ◆ Heritage dates back to 1957



- ◆ Premier technical backpacking and mountaineering products, outdoor-inspired lifestyle packs and accessories
- ◆ Founded in 1977



- ◆ One of the most innovative, fastest-growing brands in action sports protective gear
- ◆ Product line developed for alpine and free-ride ski, mountain and road bike markets
- ◆ Founded in 2004

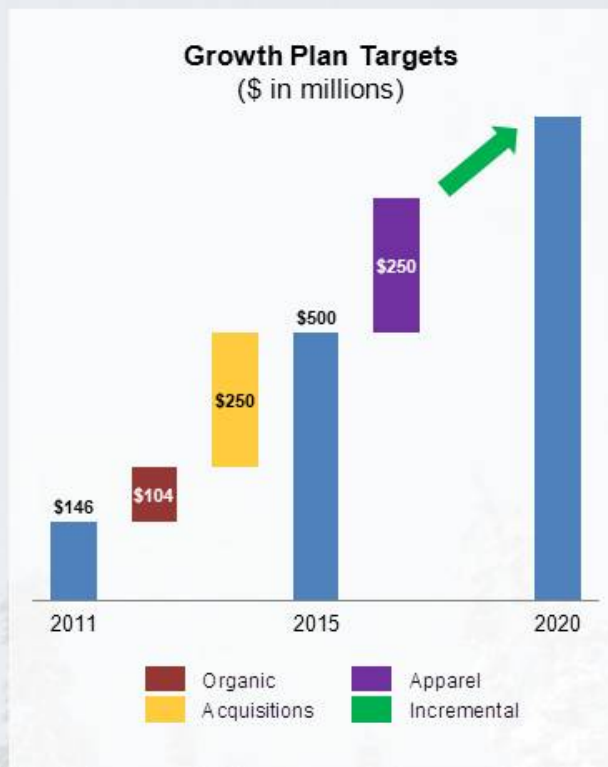
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NASDAQ | BDE



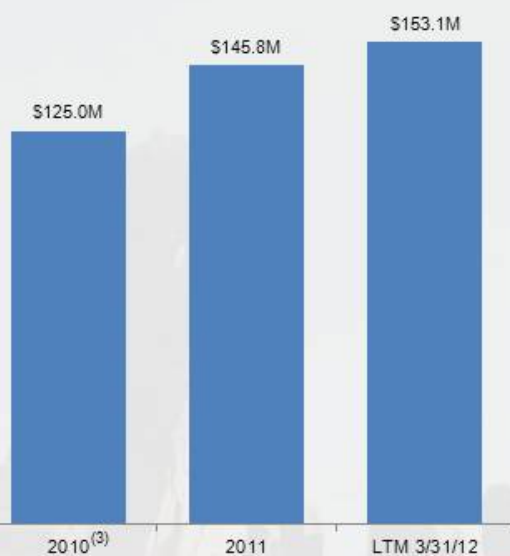
## BUILDING A \$500 MILLION BUSINESS

- ◆ Over 50% potential organic growth through execution of base business strategy
- ◆ Acquisitions expected to contribute \$250 million to top-line sales by 2015
- ◆ Apparel expected to contribute more than \$250 million in sales by 2020

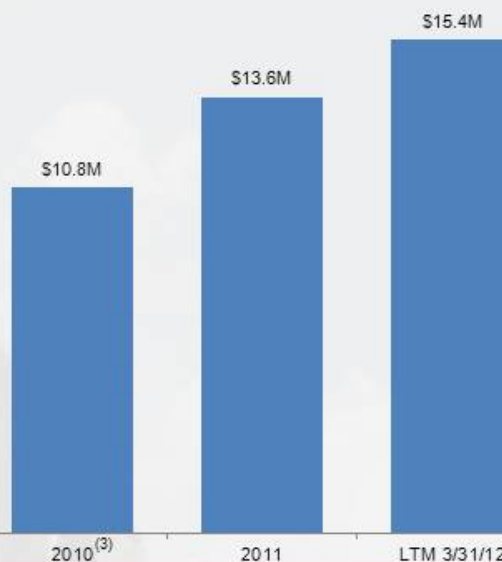


# HISTORICAL FINANCIAL PERFORMANCE

## Pro Forma Sales <sup>(1)</sup> (\$ in millions)



## Adj. EBITDA <sup>(2)</sup> (\$ in millions)



Adj. EBITDA Margin	8.7%	9.4%	10.1%
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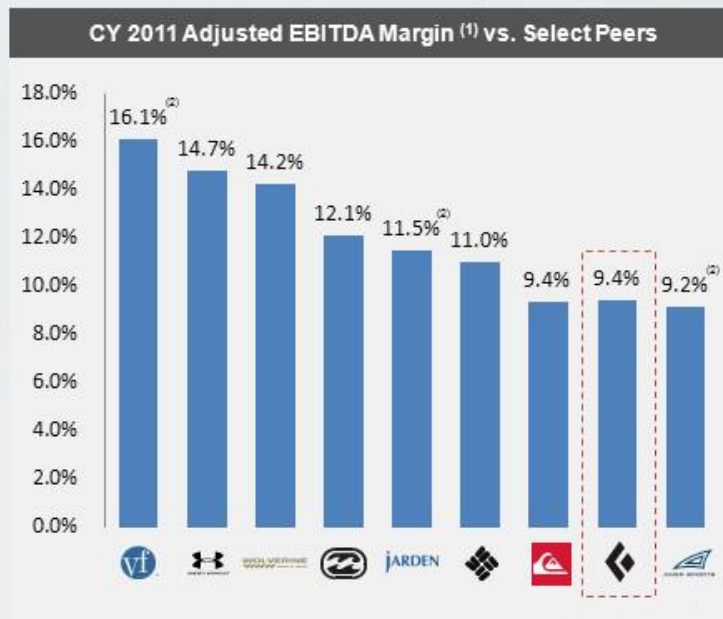
(1) See Appendix for a reconciliation of Sales to Pro Forma Sales.

(2) See Appendix for a reconciliation of Adjusted EBITDA to net income (loss).

(3) Pro forma for the year ended December 31, 2010 assuming the acquisition of Black Diamond Equipment and Gregory Mountain Products by Clarus Corporation had occurred on January 1, 2010.

# OPERATING MARGINS POISED FOR GROWTH

- ◆ Significant investments in our global operating platform and R&D
  - Leverage these investments as sales grow
- ◆ Shift of sales mix to higher margin products
  - Technical apparel
  - POC
- ◆ Future synergy opportunities
  - Consolidated supply, logistics, distribution and corporate functions



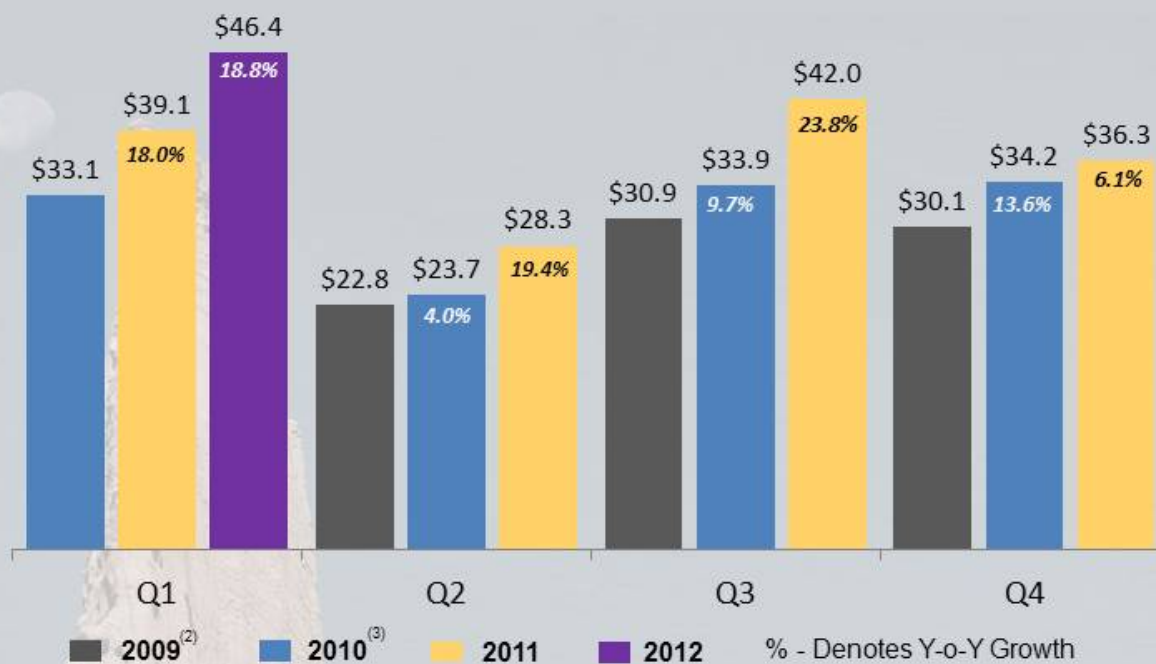
Source: Company filings.

(1) Margins exclude stock-based compensation expense.

(2) Reflects total company margin. Outdoor segments of VF Corp., Jarden and Amer Sports have EBITDA margins (excluding corporate overhead expenses) of 20.0%, 12.2% and 12.4%, respectively.

# PRO FORMA SALES QUARTER/QUARTER <sup>(1)</sup>

(\$ in millions)



1. See Appendix for reconciliation of Sales to Pro Forma Sales.

2. 2009 data pro forma assuming the acquisition of Black Diamond Equipment and Gregory Mountain Products by Clarus Corporation had occurred on January 1, 2009.

3. 2010 data pro forma assuming the acquisition of Black Diamond Equipment and Gregory Mountain Products by Clarus Corporation had occurred on January 1, 2010.



## BALANCE SHEET SUPPORTS GROWTH <sup>(1)</sup>

- ◆ Growth-oriented balance sheet
  - Revolver capacity of \$35.0 million as of 3/31/2012
  - **On Feb 22, closed a public offering for 8.9 million shares at \$7.50 for net proceeds of \$63.4 million**
- ◆ NOLs of \$217.1 million as of Dec 31, 2011 protect future cash flow
- ◆ \$73.7 million deferred net tax assets as of Dec 31, 2011

### Capitalization <sup>(1)</sup> (\$ in millions)

	<u>3/31/2012</u>	<u>12/31/2011</u>
Cash and Cash Equivalents	\$41.6	\$2.4
Revolving Credit Facility	-	22.4
5% Senior Sub Notes due 2017 <sup>(2)</sup>	15.2	15.0
Trademark Payable	0.6	0.6
Capital Leases	0.1	0.1
<b>Total Debt</b>	<b>\$15.9</b>	<b>\$38.1</b>
Total Debt / Adj. EBITDA (ttm) <sup>(3)</sup>	1.0x	2.8x
Adj. EBITDA (ttm) <sup>(3)</sup>	\$15.4	\$13.6

(1) Does not reflect Black Diamond's pending acquisition of POC Sweden AB, announced on June 7, 2012.

(2) Reflects carrying value; face value of \$22.6 million.

(3) See Appendix for reconciliation of Adjusted EBITDA to net income (loss).

## NOL SUMMARY

- ◆ Net Operating Losses of \$217.1 million as of December 31, 2011
- ◆ \$73.7 million deferred net tax asset as of December 31, 2011
- ◆ \$215.5 million of NOL's do not expire until 2020 and beyond
- ◆ Rights Agreement limiting the number of 5% stockholders



## GUIDANCE AND LONG-TERM TARGETS <sup>(1)</sup>

2012 Guidance	
2012 Revenue	\$160-165 million
- YOY Growth	> 10-13%
2012 Gross Margins	~ 38.6%

Long-Term Targets	
Total Revenue ~\$500 million by 2015	
Revenue Growth Comprised of:	
- Organic Growth	\$125 million
- Acquisitions	\$250 million

(1) Does not include any potential revenue associated with the expected acquisition of POC Sweden AB, which Black Diamond announced on June 7, 2012.

## KEY TAKEAWAYS

- ◆ Authentic Portfolio of Iconic Lifestyle Brands
- ◆ Industry Leading Product Innovation and Development Capabilities
- ◆ Broad Product, Channel and Geographic Diversification
- ◆ Scalable Global Operating Platform
- ◆ Significant Growth Opportunities
- ◆ Experienced and Incentivized Management Team
- ◆ Efficient Capital Structure
- ◆ POC Embodies the Ideal Acquisition for Black Diamond

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## **Company Contact**

Peter Metcalf, CEO

## **Investor Relations**

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Scott Liolios or Cody Slach  
Tel 949.574.3860  
BDE@Liolios.com





## APPENDIX

## INCENTIVIZED AND EXPERIENCED MANAGEMENT TEAM AND BOARD OF DIRECTORS

Management Team			Board of Directors
NAME & TITLE	YEARS AT BDE	RELEVANT PRIOR EXPERIENCE	NAME & TITLE
<b>Peter Metcalf</b> <i>President and CEO</i>	29	Co-Founded Black Diamond Equipment, Ltd. in 1989 Pioneer Alaskan alpinist	<b>Warren B. Kanders</b> <i>Executive Chairman</i>
<b>Robert Peay</b> <i>CFO, Secretary and Treasurer</i>	15	Public accounting with Arthur Andersen	<b>Robert Schiller</b> <i>Executive Vice Chairman</i>
<b>Ryan Gellert</b> <i>President, BD Equipment</i>	10	Led creation of BD Asia & managed first 4 years; Lifetime adventure climber/surfer	<b>Peter Metcalf</b> <i>President and CEO</i>
<b>Billy Kulczycki</b> <i>President, Gregory</i>	1	Former CEO and SVP of Global Sales at Filson Former SVP of Sales & Marketing at Patagonia	<b>Philip N. Duff</b> <i>Director</i>
<b>Christian Jaeggi</b> <i>Head of BD Europe</i>	15	Led creation of BD Europe Former Export Manager of Mammut	<b>Michael A. Henning</b> <i>Director</i>
<b>Mark Ritchie</b> <i>VP, Global Operations</i>	17	Former U.S. Whitewater Team member Operations Visionary	<b>Donald L. House</b> <i>Director</i>
<b>Chris Grover</b> <i>VP, Sales, BD Equipment</i>	17	1990's leader in the creation of indoor climbing in America; American sport climbing pioneer	<b>Nicholas Sokolow</b> <i>Director</i>
<b>Scott Carlson</b> <i>VP, Acquisitions &amp; Integration</i>	20	Former CFO/CIO of BDEL Former VP of Finance at Skullcandy	
<b>Adam Chamberlain</b> <i>VP, Marketing, BD Equipment</i>	6	Former Marketing Category Director at Patagonia SVP, International Sales at Patagonia	

Management Team & Board of Directors Collectively, Beneficially Own Approx. 32% of the Company <sup>(1)</sup>

(1) Per the Company's Proxy Statement filed with the SEC on April 27, 2012.

# GREGORY MOUNTAIN PRODUCTS CASE STUDY

## Background & Investment Rationale

- ◆ In May 2010, Black Diamond, Inc. acquired Gregory Mountain Products, Inc. ("GMP") for \$44.2 million in cash and stock
- ◆ GMP was popular in the U.S. and Asia but lacked a European presence
- ◆ GMP was quickly and efficiently incorporated into the BDE platform, achieving European distribution and credibility in less than a year
- ◆ During 2011, BDE recognized \$1.4 million in cost savings associated with the integration of GMP

## Financial Highlights

- ◆ Transaction Value: \$44.2 million
- ◆ 2010 Sales: \$27.8 million <sup>(1)</sup>
- ◆ EV / Sales: 1.6x



(1) 2010 Gregory sales includes sales of Gregory Mountain Products, inc. for the five months ended May 28, 2010 and sales of Gregory™ branded products for the seven months ended December 31, 2010.



# ARMOR HOLDINGS CASE STUDY

## Background & Overview

- ◆ Industry characteristics
  - Favorable market trends
  - Highly fragmented
- ◆ Under the leadership of Warren Kanders and Rob Schiller, Armor completed in excess of 30 acquisitions over the course of 12 years
- ◆ In July of 2007, BAE Systems acquired Armor Holdings for \$3.1 billion <sup>(2)</sup>

## Financial Highlights <sup>(1)</sup>



(1) Source: FactSet Research Systems.

(2) Represents total consideration to shareholders. Total Gross Transaction Value was approximately \$4.2 billion.

## APPENDIX: ADJUSTED EBITDA RECONCILIATION

(\$ in thousands)	Three Months Ended				LTM	Year Ended	Pro Forma
	06/30/11	09/30/11	12/31/11	03/31/12	03/31/12	12/31/11	12/31/10
Net income (loss)	(\$811)	\$1,007	\$3,528	\$2,590	\$6,314	\$4,892	\$57,146
Income Tax Provision (Benefit)	(349)	530	(3,369)	1,699	(1,489)	(2,688)	(66,847)
Other, Net	(429)	702	(82)	(290)	(99)	(227)	(812)
Interest Income	(16)	(5)	(1)	(12)	(34)	(32)	(10)
Interest Expense	709	720	764	742	2,935	2,921	3,001
Operating Income	(\$896)	\$2,954	\$840	\$4,729	\$7,627	\$4,866	(\$7,522)
Depreciation	\$724	\$1,027	\$993	\$771	\$3,515	\$3,351	\$2,685
Amortization	333	333	333	332	1,331	1,331	1,331
EBITDA	\$161	\$4,314	\$2,166	\$5,832	\$12,473	\$9,548	(\$3,506)
Restructuring Charge	-	\$219	-	-	\$219	\$993	\$2,842
Merger and Integration	-	-	-	-	-	-	1,648
Transaction Costs	-	-	-	112	112	-	23
Non-Cash Expense of Inventory Step-Up	-	-	-	-	-	-	4,997
Non-Cash Equity Compensation	963	641	588	404	2,596	3,091	4,829
<b>Adjusted EBITDA</b>	<b>\$1,124</b>	<b>\$5,174</b>	<b>\$2,754</b>	<b>\$6,348</b>	<b>\$15,400</b>	<b>\$13,632</b>	<b>\$10,833</b>

Source: Company filings.

## APPENDIX: PRO FORMA SALES RECONCILIATION

(\$ in thousands)

	<u>3/31/2009</u>	<u>3/31/2010</u>	<u>6/30/2009</u>	<u>6/30/2010</u>	<u>9/30/2009</u>	<u>9/30/2010</u>	<u>12/31/2009</u>	<u>12/31/2010</u>
Revenues as Reported	\$0	\$0	\$0	\$7,744	\$0	\$33,946	\$0	\$34,222
Revenues for Predecessor	<u>20,788</u>	<u>23,657</u>	<u>15,219</u>	<u>11,286</u>	<u>25,555</u>	<u>0</u>	<u>26,583</u>	<u>0</u>
Combined Revenues	20,788	23,657	15,219	19,030	25,555	33,946	26,583	34,222
Revenues for Gregory	<u>8,828</u>	<u>9,456</u>	<u>7,608</u>	<u>4,705</u>	<u>5,387</u>	<u>0</u>	<u>3,531</u>	<u>0</u>
Pro Forma Revenues	\$29,616	\$33,113	\$22,827	\$23,735	\$30,942	\$33,946	\$30,114	\$34,222

Source: Company filings.