UNDER ARMOUR, INC.

FORM 10-Q
(Quarterly Report)

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Address	1020 HULL STREET 3RD FLOOR BALTIMORE, MD 21230
Telephone	410-454-6428
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SIC Code	2300 - Apparel & Other Finishd Prods of Fabrics & Similar Matl
Industry	Apparel/Accessories
Sector	Consumer Cyclical
Fiscal Year	12/31

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark One)

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2010

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File No. 001-33202

UNDER ARMOUR, INC.
(Exact name of registrant as specified in its charter)

Maryland **(State or other jurisdiction of incorporation or organization)**	**52-1990078** **(I.R.S. Employer Identification No.)**
1020 Hull Street **Baltimore, Maryland 21230** **(Address of principal executive offices) (Zip Code)**	**(410) 454-6428** **(Registrant's telephone number, including area code)**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑	Accelerated filer ☐
Non-accelerated filer ☐	Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

Class A Common Stock, $.0003 1/3 par value, 38,193,958 shares outstanding as of April 30, 2010 and Class B Convertible Common Stock, $.0003 1/3 par value, 12,500,000 shares outstanding as of April 30, 2010.

Table of Contents

UNDER ARMOUR, INC.
March 31, 2010
INDEX TO FORM 10-Q

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Under Armour, Inc. and Subsidiaries
Unaudited Consolidated Balance Sheets
(In thousands, except share data)

	March 31, 2010	December 31, 2009	March 31, 2009
Assets			
Current assets			
Cash and cash equivalents	$ 165,962	$ 187,297	$ 65,572
Accounts receivable, net	110,332	79,356	105,999
Inventories, net	147,865	148,488	164,426
Prepaid expenses and other current assets	11,697	19,989	14,359
Deferred income taxes	11,376	12,870	13,850
Total current assets	447,232	448,000	364,206
Property and equipment, net	74,539	72,926	76,085
Intangible assets, net	5,168	5,681	5,064
Deferred income taxes	16,950	13,908	8,825
Other long term assets	5,362	5,073	4,136
Total assets	$ 549,251	$ 545,588	$ 458,316
Liabilities and Stockholders' Equity			
Current liabilities			
Accounts payable	$ 68,586	$ 68,710	$ 61,901
Accrued expenses	30,817	40,885	25,353
Current maturities of long term debt	8,944	9,178	7,012
Current maturities of capital lease obligations	50	97	299
Other current liabilities	3,221	1,292	2,767
Total current liabilities	111,618	120,162	97,332
Long term debt, net of current maturities	8,921	10,948	11,292
Capital lease obligation, net of current maturities	-	-	50
Other long term liabilities	15,865	14,481	10,884
Total liabilities	136,404	145,591	119,558
Commitments and contingencies (see Note 5)			
Stockholders' equity			
Class A Common Stock, $.0003 1/3 par value; 100,000,000 shares authorized as of March 31, 2010, December 31, 2009 and March 31, 2009; 38,145,423 shares issued and outstanding as of March 31, 2010, 37,747,647 shares issued and outstanding as of December 31, 2009, 37,045,010 shares issued and outstanding as of March 31, 2009	13	13	12
Class B Convertible Common Stock, $.0003 1/3 par value; 12,500,000 shares authorized, issued and outstanding as of March 31, 2010, December 31, 2009 and March 31, 2009	4	4	4
Additional paid-in capital	201,963	197,342	178,128
Retained earnings	209,278	202,188	159,973
Unearned compensation	(8)	(14)	(42)
Accumulated other comprehensive income	1,597	464	683
Total stockholders' equity	412,847	399,997	338,758
Total liabilities and stockholders' equity	$ 549,251	$ 545,588	$ 458,316

See accompanying notes.

Table of Contents

Under Armour, Inc. and Subsidiaries
Unaudited Consolidated Statements of Income
(In thousands, except per share amounts)

	Three Months Ended March 31, 2010	Three Months Ended March 31, 2009
Net revenues	$ 229,407	$ 200,000
Cost of goods sold	121,776	110,776
Gross profit	107,631	89,224
Selling, general and administrative expenses	94,047	81,328
Income from operations	13,584	7,896
Interest expense, net	(546)	(860)
Other income (expense), net	(685)	13
Income before income taxes	12,353	7,049
Provision for income taxes	5,183	3,087
Net income	$ 7,170	$ 3,962
Net income available per common share		
Basic	$ 0.14	$ 0.08
Diluted	$ 0.14	$ 0.08
Weighted average common shares outstanding		
Basic	50,419	49,420
Diluted	50,913	50,430

See accompanying notes.

Under Armour, Inc. and Subsidiaries
Unaudited Consolidated Statements of Cash Flows
(In thousands)

	Three Months Ended March 31, 2010	Three Months Ended March 31, 2009
Cash flows from operating activities		
Net income	$ 7,170	$ 3,962
Adjustments to reconcile net income to net cash provided by (used in) operating activities		
Depreciation and amortization	7,597	6,832
Unrealized foreign currency exchange rate losses	3,490	1,045
Stock-based compensation	3,336	2,657
Loss on disposal of property and equipment	20	196
Deferred income taxes	(1,703)	(1,619)
Changes in reserves for doubtful accounts, returns, discounts and inventories	(3,532)	(1,532)
Changes in operating assets and liabilities:		
Accounts receivable	(34,566)	(23,320)
Inventories	1,700	16,718
Prepaid expenses and other assets	4,049	3,900
Accounts payable	(86)	(10,340)
Accrued expenses and other liabilities	(4,948)	(253)
Income taxes payable and receivable	5,697	(39)
Net cash used in operating activities	(11,776)	(1,793)
Cash flows from investing activities		
Purchase of property and equipment	(7,154)	(8,063)
Purchase of trust-owned life insurance policies	(325)	-
Net cash used in investing activities	(7,479)	(8,063)
Cash flows from financing activities		
Payments on revolving credit facility	-	(25,000)
Payments on long term debt	(2,261)	(1,829)
Payments on capital lease obligations	(47)	(109)
Excess tax benefits from stock-based compensation arrangements	716	201
Payments of deferred financing costs	-	(1,354)
Proceeds from exercise of stock options and other stock issuances	889	692
Net cash used in financing activities	(703)	(27,399)
Effect of exchange rate changes on cash and cash equivalents	(1,377)	785
Net decrease in cash and cash equivalents	(21,335)	(36,470)
Cash and cash equivalents		
Beginning of period	187,297	102,042
End of period	$165,962	$ 65,572
Non-cash investing and financing activities		
Purchase of property and equipment through certain obligations	$ 1,537	$ 570

See accompanying notes.

Under Armour, Inc. and Subsidiaries

Notes to the Unaudited Consolidated Financial Statements

1. Description of the Business

Under Armour, Inc. is a developer, marketer and distributor of branded performance apparel, footwear and accessories. These products are sold worldwide and worn by athletes at all levels, from youth to professional on playing fields around the globe, as well as by consumers with active lifestyles.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements include the accounts of Under Armour, Inc. and its wholly owned subsidiaries (the “Company”). All inter-company balances and transactions have been eliminated. The accompanying consolidated financial statements were prepared in accordance with accounting principles generally accepted in the United States of America.

Interim Financial Data

The results for the three months ended March 31, 2010 are not necessarily indicative of the results to be expected for the year ending December 31, 2010 or any other portions thereof. Certain information in footnote disclosures normally included in annual financial statements has been condensed or omitted for the interim periods presented in accordance with the rules and regulations of the Securities and Exchange Commission (the “SEC”) for interim consolidated financial statements.

These financial statements do not contain all of the information and footnotes required by generally accepted accounting principles for complete financial statements. However, in the opinion of management, all adjustments consisting of normal, recurring adjustments considered necessary for a fair presentation of the financial position and results of operations have been included.

The consolidated balance sheet as of December 31, 2009 is derived from the audited financial statements included in the Company’s Annual Report on Form 10-K filed with the SEC for the year ended December 31, 2009 (the “2009 Form 10-K”), which should be read in conjunction with these consolidated financial statements.

Concentration of Credit Risk

Financial instruments that subject the Company to a significant concentration of credit risk consist primarily of accounts receivable. The majority of the Company’s accounts receivable are due from large sporting goods retailers. Credit is extended based on an evaluation of the customer’s financial condition and generally collateral is not required. The most significant customers that accounted for a large portion of net revenues and accounts receivable were as follows:

	Customer A	Customer B	Customer C
Net revenues			
Three months ended March 31, 2010	20.4%	9.4%	5.9%
Three months ended March 31, 2009	20.8%	10.5%	5.4%
Accounts receivable			
As of March 31, 2010	22.1%	11.9%	6.4%
As of March 31, 2009	25.4%	13.5%	7.3%

Allowance for Doubtful Accounts

As of March 31, 2010, December 31, 2009 and March 31, 2009, the allowance for doubtful accounts was $5.0 million, $5.2 million and $4.7 million, respectively.

Sales Returns, Allowances, Markdowns and Discounts

The Company records reductions to revenue for estimated customer returns, allowances, markdowns and discounts. The Company bases its estimates on historical rates of customer returns and allowances as well as the specific identification of outstanding returns and markdowns. The actual amount of customer returns and allowances, which is inherently uncertain, may differ from the Company's estimates. If the Company determined that actual or expected returns or allowances were significantly greater or lower than the reserves it had established, it would record a reduction or increase, as appropriate, to net sales in the period in which the Company made such a determination. Provisions for customer specific discounts based on contractual obligations with certain major customers are recorded as reductions to net sales.

Reserves for returns and allowances are recorded as offsets to accounts receivable as settlements are made through offsets to outstanding customer invoices. Beginning in the first quarter of 2010, reserves for markdowns and discounts earned by customers in the period were recorded as offsets to accounts receivable as settlements were made through offsets to outstanding customer invoices. Historically, the majority of these amounts were recorded as accrued expenses as settlements were made through cash disbursements. As of March 31, 2010, there were $6.9 million in customer markdowns and discounts recorded as offsets to accounts receivable, and no amounts were recorded as accrued expenses. As of December 31, 2009 and March 31, 2009, there were no significant customer markdowns or discounts recorded as offsets to accounts receivable, and $6.9 million and $4.8 million were recorded as accrued expenses, respectively.

Income Taxes

The Company recorded $5.2 million and $3.1 million of income tax expense for the three months ended March 31, 2010 and 2009, respectively. The effective rates for income taxes were 42.0% and 43.8% for the three months ended March 31, 2010 and 2009, respectively. The effective tax rate for the three months ended March 31, 2010 was lower than the effective tax rate for the three months ended March 31, 2009 primarily due to decreased losses in foreign subsidiaries and certain tax strategies implemented by the Company in 2010. The Company's annual 2010 effective tax rate is expected to be improved from the 2009 annual effective tax rate of 43.2% due to the drivers for the quarter noted above.

Shipping and Handling Costs

The Company charges certain customers shipping and handling fees. These fees are recorded in net revenues. Outbound freight costs associated with shipping goods to customers are recorded as cost of goods sold. The Company includes the majority of outbound handling costs as a component of selling, general and administrative expenses. Outbound handling costs include internal costs associated with preparing goods to ship to customers and certain costs to operate the Company's distribution facilities. These costs, included within selling, general and administrative expenses, were $3.6 million and $2.4 million for the three months ended March 31, 2010 and 2009, respectively.

Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates, including estimates relating to assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Recently Adopted Accounting Standards

In June 2009, the Financial Accounting Standards Board ("FASB") issued an amendment to the accounting and disclosure requirements for the consolidation of variable interest entities ("VIEs"). This amendment requires an enterprise to perform a qualitative analysis when determining whether or not it must consolidate a VIE. The amendment also requires an enterprise to continuously reassess whether it must consolidate a VIE. Finally, an enterprise will be required to disclose significant judgments and assumptions used to determine whether or not to consolidate a VIE. This amendment is effective for financial statements issued for annual periods beginning after November 15, 2009, and for interim periods within the first annual period. The adoption of this amendment had no impact on the Company's consolidated financial statements.

Reclassifications

Outbound shipping costs of $2.7 million included in selling, general and administrative expenses for the three months ended March 31, 2009 were reclassified to cost of goods sold to conform to the presentation for the three months ended March 31, 2010. In addition, costs of $1.4 million associated with the Company's sourcing offices and Special Make-Up Shop included in cost of goods sold for the three months ended March 31, 2009 have been reclassified to selling, general and administrative expenses to conform to the presentation for the three months ended March 31, 2010. The Company believes these changes reflect its view that cost of goods sold should primarily include product costs which are variable in nature. In addition, these reclassifications will more closely align with the way the Company manages its business.

3. Inventories, Net

Inventories consisted of the following:

(In thousands)	March 31, 2010	December 31, 2009	March 31, 2009
Finished goods	$ 153,553	$ 155,596	$ 169,518
Raw materials	620	785	706
Work-in-process	55	71	65
Subtotal inventories	154,228	156,452	170,289
Inventories reserve	(6,363)	(7,964)	(5,863)
Total inventories, net	$ 147,865	$ 148,488	$ 164,426

4. Revolving Credit Facility and Long Term Debt

Revolving Credit Facility

The Company has a revolving credit facility with certain lending institutions. The revolving credit facility has a term of three years, expiring in January 2012, and provides for a committed revolving credit line of up to $200.0 million based on the Company's qualified domestic inventory and accounts receivable balances. The commitment amount under the revolving credit facility may be increased by an additional $50.0 million, subject to certain conditions and approvals per the credit agreement.

The revolving credit facility may be used for working capital and general corporate purposes. It is collateralized by substantially all of the assets of the Company and its domestic subsidiaries (other than the Company's trademarks), and by a pledge of 65% of the equity interests of substantially all of the Company's foreign subsidiaries. Up to $5.0 million of the revolving credit facility may be used to support letters of credit, of which $3.5 million was outstanding as of March 31, 2010. The Company must maintain a certain leverage ratio and fixed charge coverage ratio as defined in the credit agreement. As of March 31, 2010, the Company was in compliance with these financial covenants. The revolving credit facility also provides the lenders with the ability to reduce the borrowing base, even if the Company is in compliance with all conditions of the revolving credit facility, upon a material adverse change to the business, properties, assets, financial condition or results of operations of the Company. The revolving credit facility contains a number of restrictions that limit the Company's ability, among other things, and subject to certain limited exceptions, to incur additional indebtedness, pledge its assets as security, guaranty obligations of third parties, make investments, undergo a merger or consolidation, dispose of assets, or materially change its line of business. In addition, the revolving credit facility includes a cross default provision whereby an event of default under other debt obligations, as defined in the credit agreement, will be considered an event of default under this credit agreement.

Borrowings under the revolving credit facility bear interest based on the daily balance outstanding at LIBOR (with LIBOR subject to a rate floor of 1.25%) plus an applicable margin (varying from 2.0% to 2.5%) or, in certain cases at the Company's option, a base rate (based on the prime rate or as otherwise specified in the credit agreement, with the base rate subject to a rate floor of 2.25%) plus an applicable margin (varying from 1.0% to 1.5%). The revolving credit facility also carries a commitment fee varying from 0.38% to 0.5% of the committed line amount less outstanding borrowings and letters of credit. The applicable margins are calculated quarterly and vary based on the Company's leverage ratio as defined in the credit agreement.

Prior to entering into the revolving credit facility in January 2009, the Company terminated its prior $100.0 million revolving credit facility. In conjunction with the termination of the prior revolving credit facility, the Company repaid the then outstanding balance of $25.0 million. The prior revolving credit facility was also collateralized by substantially all of the Company's assets, other than its trademarks, and included covenants, conditions and other terms similar to the Company's current revolving credit facility.

As of March 31, 2010, the Company's net availability was $123.9 million based on its eligible domestic inventory and accounts receivable balances. The weighted average interest rate on the balances outstanding under the prior revolving credit facility was 1.4% during the three months ended March 31, 2009. No balances were outstanding under the current revolving credit facility during the three months ended March 31, 2010 and 2009.

Long Term Debt

The Company has long term debt agreements with various lenders to finance the acquisition or lease of qualifying capital investments. Loans under these agreements are collateralized by a first lien on the related assets acquired. As these agreements are not committed facilities, each advance is subject to approval by the lenders. Additionally, these agreements include a cross default provision whereby an event of default under other debt obligations, including the Company's revolving credit facility, will be considered an event of default under these agreements. These agreements require a prepayment fee if the Company pays outstanding amounts ahead of the scheduled terms. The terms of the revolving credit facility limit the total amount of additional financing under these agreements to $35.0 million, of which $27.4 million was available as of March 31, 2010. At March 31, 2010, December 31, 2009 and March 31, 2009, the outstanding principal balance under these agreements was $17.9 million, $20.1 million and $18.3 million, respectively. Currently, advances under these agreements bear interest rates which are fixed at the time of each advance. The weighted average interest rate on outstanding borrowings was 5.9% for each of the three months ended March 31, 2010 and 2009.

The Company monitors the financial health and stability of its lenders under the revolving credit and long term debt facilities; however, instability in the credit markets could negatively impact lenders and their ability to perform under their facilities.

Interest expense was $0.6 million and $0.9 million for the three months ended March 31, 2010 and 2009, respectively. Interest expense includes the amortization of deferred financing costs and interest expense under the revolving credit and long term debt facilities.

5. Commitments and Contingencies

There have been no significant changes to the contractual obligations reported in the 2009 Form 10-K.

6. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). The fair value accounting guidance outlines a valuation framework and creates a fair value hierarchy in order to increase the consistency and comparability of fair value measurements and the related disclosures and prioritizes the inputs used in measuring fair value as follows:

Level 1: Observable inputs such as quoted prices in active markets;

Level 2: Inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and

Level 3: Unobservable inputs for which there is little or no market data, which require the reporting entity to develop its own assumptions.

Financial assets and (liabilities) measured at fair value as of March 31, 2010 are set forth in the table below:

(In thousands)	Level 1	Level 2	Level 3
Derivative foreign currency forward contracts (see Note 8)	$ -	$ (371)	$ -
Trust owned life insurance policies ("TOLI") held by the Rabbi Trust	-	3,192	-
Deferred Compensation Plan obligations	-	(3,084)	-

Fair values of the financial assets and liabilities listed above are determined using inputs that use as their basis readily observable market data that are actively quoted and are validated through external sources, including third-party pricing services and brokers. The foreign currency forward contracts represent gains and losses on derivative contracts, which are the net difference between the U.S. dollars to be received or paid at each contract's settlement date and the U.S. dollar value of the foreign currency to be sold or purchased at the current forward exchange rate. The fair value of the TOLI held by the Rabbi Trust is based on the cash-surrender value of the life insurance policies, which are invested primarily in mutual funds and a separately managed fixed income fund. These investments are in the same funds and purchased in substantially the same amounts as the selected investments of participants, which represent the underlying liabilities to participants in the Deferred Compensation Plan. Obligations under the Deferred Compensation Plan are recorded at amounts due to participants, based on the fair value of participants' selected investments.

7. Stock-Based Compensation

In March 2010, 72.5 thousand shares of restricted stock and 131.5 thousand stock options were awarded to certain officers and key employees under the Under Armour, Inc. Amended and Restated 2005 Omnibus Long-Term Incentive Plan ("the 2005 Plan"). The restricted stock and stock options have a vesting term of four years. The stock options have a term of ten years and an exercise price of $28.41, which was the closing price of the Company's Class A Common Stock on the date of grant. The weighted average fair value of each stock option was $15.76 and was estimated using the Black-Sholes option-pricing model consistent with the weighted average assumptions included within the 2009 Form 10-K.

In addition, in March 2010, 1.1 million performance-based stock options were awarded to certain officers and key employees under the 2005 Plan. The performance-based stock options have vesting that is tied to the achievement of a certain combined annual operating income target for 2011 and 2012. Upon the achievement of the combined operating income target, 50% of the options will vest and the remaining 50% will vest one year later. If certain lower levels of combined operating income for 2011 and 2012 are achieved, fewer or no options will vest at that time, a portion one year later, and the remaining stock options will be forfeited. The weighted average fair value of each performance-based stock option was $16.38 and was estimated using the Black-Sholes option-pricing model consistent with the weighted average assumptions included within the 2009 Form 10-K. As of March 31, 2010, the Company had not recorded stock based compensation expense for these performance-based stock options as the Company was unable to predict with certainty whether the combined operating income targets would be reached. The Company will assess the probability of the achievement of the operating income targets at the end of each reporting period. When it becomes probable that the performance targets related to these performance-based stock options will be achieved, a cumulative adjustment will be recorded as if ratable stock-based compensation expense had been recorded since the grant date. A cumulative adjustment of $0.4 million would have been recorded at March 31, 2010 had the achievement of the operating income targets been probable.

8. Foreign Currency Risk Management and Derivatives

The Company is exposed to gains and losses resulting from fluctuations in foreign currency exchange rates mainly relating to transactions generated by its international subsidiaries in currencies other than their local currencies. These gains and losses are primarily driven by inter-company transactions. Since August 2007, the Company has entered into foreign currency forward contracts to reduce the risk associated with foreign currency exchange rate fluctuations on inter-company transactions and projected inventory purchases for its Canadian subsidiary. Since December 2008, the Company has entered into foreign currency forward contracts to reduce the risk associated with foreign currency exchange rate fluctuations on inter-company transactions for its European subsidiary.

As of March 31, 2010, the notional value of the Company's outstanding foreign currency forward contracts used to mitigate the foreign currency exchange rate fluctuations on its Canadian subsidiary's inter-company transactions was $15.4 million with contract maturities of 1 month. As of March 31, 2010, the notional value of the Company's outstanding foreign currency forward contracts used to mitigate the foreign currency exchange rate fluctuations on its European's subsidiary's inter-company transactions was $58.6 million with contract maturities of 1 month. The foreign currency forward contracts are not designated as cash flow hedges, and accordingly, changes in their fair value are recorded in earnings. As of March 31, 2010, the fair value of the Company's foreign currency forward contracts was a liability of $0.4 million, and was included in accrued expenses on the consolidated balance sheet. As of December 31, 2009 and March 31, 2009, the fair value of the Company's foreign currency forward contracts was an asset of $0.3 million and $1.4 million, respectively, and was included in prepaid expenses and other current assets on the consolidated balance sheet. Refer to Note 6 for a discussion of the fair value measurements. Included in other income (expense), net were the following amounts related to changes in foreign currency exchange rates and derivative foreign currency forward contracts:

(In thousands)	Three Months Ended March 31, 2010	Three Months Ended March 31, 2009
Unrealized foreign currency exchange rate losses	$ (3,490)	$ (1,045)
Realized foreign currency exchange rate gains (losses)	93	(889)
Unrealized derivative gains (losses)	(637)	203
Realized derivative gains	3,349	1,744

The Company enters into foreign currency forward contracts with major financial institutions with investment grade credit ratings and is exposed to credit losses in the event of non-performance by these financial institutions. This credit risk is generally limited to the unrealized gains in the foreign currency forward contracts. The Company monitors the credit quality of these financial institutions and considers the risk of counterparty default to be minimal.

9. Earnings per Share

The following represents a reconciliation from basic earnings per share to diluted earnings per share:

(In thousands, except per share amounts)	Three Months Ended March 31, 2010	2009
Numerator		
Net income	$ 7,170	$ 3,962
Net income attributable to participating securities	(65)	(48)
Net income available to common shareholders (1)	$ 7,105	$ 3,914
Denominator		
Weighted average common shares outstanding	49,986	48,848
Effect of dilutive securities	494	1,010
Weighted average common shares and dilutive securities outstanding	50,480	49,858
Earnings per share - basic	$ 0.14	$ 0.08
Earnings per share - diluted	$ 0.14	$ 0.08
(1) Basic weighted average common shares outstanding	49,986	48,848
Basic weighted average common shares outstanding and participating securities	50,419	49,420
Percentage allocated to common stockholders	99.1%	98.8%

Effects of potentially dilutive securities are presented only in periods in which they are dilutive. Stock options, restricted stock units, and warrants representing 1.3 million and 1.2 million shares of common stock outstanding for each of the three months ended March 31, 2010 and 2009, respectively, were excluded from the computation of diluted earnings per share because their effect would have been anti-dilutive.

10. Segment Data and Related Information

Operating segments are defined as components of an enterprise in which separate financial information is available and is evaluated regularly by the chief operating decision maker in assessing performance and in deciding how to allocate resources. The Company operates exclusively in the consumer products industry in which the Company develops, markets, and distributes branded performance apparel, footwear and accessories. Based on the nature of the financial information that is received by the chief operating decision maker, the Company operates within one operating and reportable segment in accordance with applicable guidance . Although the Company operates within one reportable segment, it sells products from several product categories. The table below summarizes net revenues by product category:

(In thousands)	Three Months Ended March 31, 2010	2009
Apparel	$ 172,636	$ 132,239
Footwear	42,958	56,931
Accessories	7,518	5,776
Total net sales	223,112	194,946
License revenues	6,295	5,054
Total net revenues	$ 229,407	$ 200,000

The table below summarizes net revenues by geographic regions attributed by customer location:

Table of Contents

(In thousands)	Three Months Ended March 31, 2010	Three Months Ended March 31, 2009
United States	$ 204,089	$ 182,199
Canada	11,669	10,343
Subtotal	215,758	192,542
Other foreign countries	13,649	7,458
Total net revenues	$ 229,407	$ 200,000

During the three months ended March 31, 2010 and 2009, substantially all of the Company's long-lived assets were located in the United States.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

Some of the statements contained in this Form 10-Q and the documents incorporated herein by reference (if any) constitute forward-looking statements. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts, such as statements regarding our future financial condition or results of operations, our prospects and strategies for future growth, the development and introduction of new products, and the implementation of our marketing and branding strategies. In many cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “intends,” “estimates,” “predicts,” “potential,” the negative of these terms or other comparable terminology.

The forward-looking statements contained in this Form 10-Q and the documents incorporated herein by reference (if any) reflect our current views about future events and are subject to risks, uncertainties, assumptions and changes in circumstances that may cause events or our actual activities or results to differ significantly from those expressed in any forward-looking statement. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future events, results, actions, levels of activity, performance or achievements. Readers are cautioned not to place undue reliance on these forward-looking statements. A number of important factors could cause actual results to differ materially from those indicated by these forward-looking statements, including, but not limited to, those factors described in our Annual Report on Form 10-K filed with the Securities and Exchange Commission (“SEC”) (our “2009 Form 10-K”) or in this Form 10-Q under “Risk Factors”, if included herein, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” (“MD&A”). These factors include without limitation:

- changes in general economic or market conditions that could affect consumer spending and the financial health of our retail customers;
- our ability to effectively manage our growth and a more complex business;
- our ability to effectively develop and launch new, innovative and updated products;
- our ability to accurately forecast consumer demand for our products and manage our inventory in response to changing demands;
- our ability to obtain the financing required to grow our business, particularly when credit and capital markets are unstable or tighten;
- increased competition causing us to reduce the prices of our products or to increase significantly our marketing efforts in order to avoid losing market share;
- loss of key suppliers or manufacturers or failure of our suppliers or manufacturers to produce or deliver our products in a timely or cost-effective manner;
- changes in consumer preferences or the reduction in demand for performance apparel, footwear and other products;
- our ability to accurately anticipate and respond to seasonal or quarterly fluctuations in our operating results;
- our ability to effectively market and maintain a positive brand image;
- the availability, integration and effective operation of management information systems and other technology; and
- our ability to attract and maintain the services of our senior management and key employees.

The forward-looking statements contained in this Form 10-Q reflect our views and assumptions only as of the date of this Form 10-Q. We undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events.

Overview

We are a leading developer, marketer and distributor of branded performance apparel, footwear and accessories. The brand’s moisture-wicking synthetic fabrications are engineered in many different designs and styles for wear in nearly every climate to provide a performance alternative to traditional products. Our products are sold worldwide and worn by athletes at all levels, from youth to professional, on playing fields around the globe, as well as by consumers with active lifestyles.

We are a growth company as evidenced by the increase in net revenues to $856.4 million in 2009 from $281.1 million in 2005. We reported net revenues of $229.4 million for the first three months of 2010, which represented a 14.7% increase from the first three months of 2009. We believe that our growth in net revenues has been driven by a growing interest in performance products and the strength of the Under Armour brand in the marketplace relative to our competitors, as evidenced by the increases in sales of many of our products. We plan to continue to increase our net revenues over the long term by increased sales of our products, expansion of our wholesale distribution, growth in our direct to consumer sales channel and expansion of international markets. Our direct to consumer sales channel includes sales through our website and factory house and specialty stores. We are currently developing new products and product categories, including basketball footwear, for introduction in the future.

Our products are currently offered in approximately twenty thousand retail stores worldwide. A large majority of our products are sold in North America; however, we believe that our products appeal to athletes and consumers with active lifestyles around the globe. Internationally, our products are offered primarily in Austria, France, Germany, Ireland and the United Kingdom, as well as in Japan through a third-party licensee and through distributors located in other foreign countries.

General

Net revenues comprise both net sales and license revenues. Net sales comprise sales from our primary product categories, which are apparel, footwear and accessories. Our license revenues consist of fees paid to us by our licensees in exchange for the use of our trademarks on core products such as socks, headwear, bags, eyewear, custom-molded mouth guards, other accessories and team uniforms, as well as the distribution of our products in Japan. We are currently developing our own headwear and bags, and beginning in 2011, these products will be sold by us rather than by one of our licensees.

Cost of goods sold consists primarily of product costs, inbound freight and duty costs, outbound freight costs, handling costs to make products floor-ready to customer specifications, royalty payments to endorsers based on a predetermined percentage of sales of selected products and write downs for inventory obsolescence. The fabrics in many of our products are made of petroleum-based synthetic materials. Therefore our product costs, as well as our inbound and outbound freight costs, could be affected by long term pricing trends of oil. In general, as a percentage of net revenues, we expect cost of goods sold associated with our footwear to be higher than the cost of goods sold associated with our apparel. No cost of goods sold is associated with license revenues.

We include outbound freight costs associated with shipping goods to customers as cost of goods sold; however, we include the majority of outbound handling costs as a component of selling, general and administrative expenses. As a result, our gross profit may not be comparable to that of other companies that include outbound handling costs in their cost of goods sold. Outbound handling costs include costs associated with preparing goods to ship to customers and certain costs to operate our distribution facilities. These costs were $3.6 million and $2.4 million for the three months ended March 31, 2010 and 2009, respectively.

Our selling, general and administrative expenses consist of costs related to marketing, selling, product innovation and supply chain and corporate services. Personnel costs are included in these categories based on the employees' function. Personnel costs include salaries, benefits and incentive and stock-based compensation expense related to the employee. Our marketing costs are an important driver of our growth. For the full year 2010, we expect to invest in marketing in the range of 12% to 13% of net revenues. Marketing costs consist primarily of commercials, print ads, league, team, player and event sponsorships, amortization of footwear promotional rights and depreciation expense specific to our in-store fixture program. In addition, marketing costs include costs associated with our Special Make-Up Shop ("SMU Shop") located at one of our distribution facilities where we manufacture a limited number of products primarily for our league, team, player and event sponsorships. Selling costs consist primarily of costs relating to sales through our wholesale channel, the majority of our direct to consumer sales channel costs, along with commissions paid to third parties. Product innovation and supply chain costs include our apparel, footwear and accessories product creation and development costs, distribution facility operating costs, and costs relating to our Hong Kong and Guangzhou, China offices which help support manufacturing, quality assurance and sourcing efforts. Corporate services primarily consist of corporate facility operating costs and company-wide administrative expenses.

Other income (expense), net consists of unrealized and realized gains and losses on our derivative financial instruments and unrealized and realized gains and losses on adjustments that arise from fluctuations in foreign currency exchange rates relating to transactions generated by our international subsidiaries.

Reclassifications

Outbound shipping costs of $2.7 million included in selling, general and administrative expenses for the three months ended March 31, 2009 were reclassified to cost of goods sold to conform to the presentation for the three months ended March 31, 2010. In addition, costs of $1.4 million associated with our sourcing offices and SMU Shop included in cost of goods sold for the three months ended March 31, 2009 have been reclassified to selling, general and administrative expenses to conform to the presentation for the three months ended March 31, 2010. We believe these changes reflect our view that cost of goods sold should primarily include product costs which are variable in nature. In addition, these reclassifications will more closely align with the way we manage our business and will allow us to gain better visibility.

Lastly, prior period stock-based compensation expense historically included in the corporate services selling, general and administrative expense category was reclassified among the appropriate selling, general and administrative expense categories based on the category in which the stock-based compensation award recipient was included to conform to the presentation for the three months ended March 31, 2010.

Results of Operations

The following table sets forth key components of our results of operations for the periods indicated, both in dollars and as a percentage of net revenues:

(In thousands)	Three Months Ended March 31, 2010	Three Months Ended March 31, 2009
Net revenues	$ 229,407	$ 200,000
Cost of goods sold	121,776	110,776
Gross profit	107,631	89,224
Selling, general and administrative expenses	94,047	81,328
Income from operations	13,584	7,896
Interest expense, net	(546)	(860)
Other income (expense), net	(685)	13
Income before income taxes	12,353	7,049
Provision for income taxes	5,183	3,087
Net income	$ 7,170	$ 3,962

(As a percentage of net revenues)	Three Months Ended March 31, 2010	Three Months Ended March 31, 2009
Net revenues	100.0%	100.0%
Cost of goods sold	53.1	55.4
Gross profit	46.9	44.6
Selling, general and administrative expenses	41.0	40.6
Income from operations	5.9	4.0
Interest expense, net	(0.2)	(0.5)
Other income (expense), net	(0.3)	0.0
Income before income taxes	5.4	3.5
Provision for income taxes	2.3	1.5
Net income	3.1%	2.0%

Three Months Ended March 31, 2010 Compared to Three Months Ended March 31, 2009

Net revenues increased $29.4 million, or 14.7%, to $229.4 million for the three months ended March 31, 2010 from $200.0 million for the same period in 2009. This increase was primarily the result of an increase in our apparel net sales as noted in the product category table below:

(In thousands)	Three Months Ended March 31, 2010	2009	$ Change	% Change
Apparel	$ 172,636	$ 132,239	$ 40,397	30.5%
Footwear	42,958	56,931	(13,973)	(24.5)
Accessories	7,518	5,776	1,742	30.2
Total net sales	223,112	194,946	28,166	14.4
License revenues	6,295	5,054	1,241	24.6
Total net revenues	$ 229,407	$ 200,000	$ 29,407	14.7%

Net sales increased $28.2 million, or 14.4%, to $223.1 million for the three months ended March 31, 2010 from $194.9 million during the same period in 2009 as noted in the table above. The increase in net sales primarily reflects:

- $17.6 million, or 72.8%, increase in direct to consumer sales; and
- unit growth driven by increased distribution and new offerings in multiple product categories, most significantly in our training, base layer, underwear and golf categories, partially offset by
- $14.0 million decrease in footwear sales to $43.0 million. We previously indicated running and training footwear revenues were expected to decline in 2010 compared with 2009.

License revenues increased $1.2 million, or 24.6%, to $6.3 million for the three months ended March 31, 2010 from $5.1 million during the same period in 2009. This increase in license revenues was a result of increased sales by our licensees due to increased distribution and continued unit volume growth, along with new license agreements for team uniforms and mouth guards.

Gross profit increased $18.4 million to $107.6 million for the three months ended March 31, 2010 from $89.2 million for the same period in 2009. Gross profit as a percentage of net revenues, or gross margin, increased 230 basis points to 46.9% for the three months ended March 31, 2010 compared to 44.6% during the same period in 2009. The increase in gross margin percentage was primarily driven by the following:

- more favorable apparel product mix and sourcing relative to margins, as well as improved outbound freight costs, accounting for an approximate 130 basis point increase;
- increased direct to consumer higher margin sales, accounting for an approximate 90 basis point increase; and
- decreased sales returns, markdowns and inventory reserves, partially offset by increased footwear and apparel liquidations accounting for an approximate 85 basis point increase; partially offset by
- unfavorable wholesale footwear mix and price changes year over year, accounting for an approximate 75 basis point decrease.

Selling, general and administrative expenses increased $12.7 million to $94.0 million for the three months ended March 31, 2010 from $81.3 million for the same period in 2009. As a percentage of net revenues, selling, general and administrative expenses increased to 41.0% for the three months ended March 31, 2010 from 40.6% for the same period in 2009. These changes were primarily attributable to the following:

- Marketing costs decreased $2.5 million to $31.2 million for the three months ended March 31, 2010 from $33.7 million for the same period in 2009 due to the in-store brand, print and media campaign supporting the introduction of running footwear during the prior year period. This decrease was partially offset by an increase in sponsorship of collegiate teams and professional athletes and digital advertising. As a percentage of net revenues, marketing costs decreased to 13.6% for the three months ended March 31, 2010 from 16.8% for the same period in 2009 primarily due to the items noted above.
- Selling costs increased $5.0 million to $19.7 million for the three months ended March 31, 2010 from $14.7 million for the same period in 2009. This increase was primarily due to higher personnel and other costs incurred for the continued expansion of our factory house stores and higher selling personnel costs in other areas for the three months ended March 31, 2010 as compared to the same period in 2009. As a percentage of net revenues, selling costs increased to 8.6% for the three months ended March 31, 2010 from 7.4% for the same period in 2009 primarily due to higher personnel and other costs incurred for the continued expansion of our factory house stores.

- Product innovation and supply chain costs increased $5.8 million to $21.9 million for the three months ended March 31, 2010 from $16.1 million for the same period in 2009 primarily due to higher personnel costs for the design and sourcing of our expanding product lines and higher distribution facilities operating and personnel costs to support our growth in net revenues. As a percentage of net revenues, product innovation and supply chain costs increased to 9.6% for the three months ended March 31, 2010 from 8.0% for the same period in 2009 primarily due to the items noted above.
- Corporate services costs increased $4.4 million to $21.2 million for the three months ended March 31, 2010 from $16.8 million for the same period in 2009. This increase was attributable primarily to higher corporate personnel and facility costs necessary to support our growth. As a percentage of net revenues, corporate services costs increased to 9.2% for the three months ended March 31, 2010 from 8.4% for the same period in 2009 primarily due to the items noted above.

Income from operations increased $5.7 million, or 72.0%, to $13.6 million for the three months ended March 31, 2010 from $7.9 million for the same period in 2009. Income from operations as a percentage of net revenues increased to 5.9% for the three months ended March 31, 2010 from 4.0% for the same period in 2009. This increase was a result of the items discussed above.

Interest expense, net decreased $0.4 million to $0.5 million for the three months ended March 31, 2010 from $0.9 million for the same period in 2009. This decrease was primarily due to the write off of deferred financing costs related to the termination of our prior revolving credit facility during the three months ended March 31, 2009.

Other income (expense), net decreased $0.7 million to ($0.7) million for the three months ended March 31, 2010 from $12.5 thousand for the same period in 2009. This decrease was primarily due to higher losses on foreign currency exchange rate changes on transactions denominated in the Euro and Canadian Dollar, partially offset by gains on our derivative financial instruments for the three months ended March 31, 2010 as compared to the same period in 2009.

Provision for income taxes increased $2.1 million to $5.2 million during the quarter ended March 31, 2010 from $3.1 million during the same period in 2009. For the three months ended March 31, 2010, our effective tax rate was 42.0% compared to 43.8% for the same period in 2009. The effective tax rate for the three months ended March 31, 2010 was lower than the effective tax rate for the three months ended March 31, 2009 primarily due to decreased losses in foreign subsidiaries and certain tax strategies implemented in 2010. Our annual 2010 effective tax rate is expected to be improved from our 2009 annual effective tax rate of 43.2% due to the drivers for the quarter noted above.

Seasonality

Historically, we have recognized a significant portion of our income from operations in the last two quarters of the year, driven by increased sales volume of our products during the fall selling season, reflecting our historical strength in fall sports, and the seasonality of our higher priced COLDGEAR ® line. The majority of our net revenues were generated during the last two quarters in each of 2009 and 2008. The level of our working capital generally reflects the seasonality and growth in our business. We generally expect inventory, accounts payable and certain accrued expenses to be higher in the second and third quarters in preparation for the fall selling season.

Financial Position, Capital Resources and Liquidity

Our cash requirements have principally been for working capital and capital expenditures. Working capital is primarily funded from cash flows provided by operating activities and cash and cash equivalents on hand. Our working capital requirements generally reflect the seasonality and growth in our business as we recognize a significant increase in sales leading up to the third quarter. We fund our working capital, primarily inventory, and capital investments from cash flows provided by operating activities, cash and cash equivalents on hand and borrowings available under our revolving credit and long term debt facilities. Our capital investments have included expanding our in-store fixture and branded concept shop program, improvements and expansion of our distribution and corporate facilities to support our growth, leasehold improvements to our new factory house and specialty stores and investment and improvements in information technology systems.

While our focus remains on inventory management including improving our planning capabilities, managing our inventory purchases, reducing our production lead times and selling excess inventory through our factory house stores and other liquidation channels, we will concentrate on improving our service levels in order to better meet consumer demand while also increasing our safety stock in core product offerings. Core product offerings are products that we plan to have available for sale over the next twelve months and beyond at full price. We strive for improved inventory turns over the long term.

We believe that our cash and cash equivalents on hand, cash from operations and borrowings available to us under our revolving credit and long term debt facilities will be adequate to meet our liquidity needs and capital expenditure requirements for at least the next twelve months. We may require additional capital to meet our longer term liquidity and future growth needs. Although we believe that we have adequate sources of liquidity over the long term, a prolonged economic recession or a slow recovery could adversely affect our business and liquidity. In addition, instability in the capital markets could adversely affect our ability to obtain additional capital to grow our business and will affect the cost and terms of such capital.

Cash Flows

The following table presents the major components of net cash flows provided by and used in operating, investing and financing activities for the periods presented:

(In thousands)	Three Months Ended March 31, 2010	2009
Net cash provided by (used in):		
Operating activities	$ (11,776)	$ (1,793)
Investing activities	(7,479)	(8,063)
Financing activities	(703)	(27,399)
Effect of exchange rate changes on cash and cash equivalents	(1,377)	785
Net decrease in cash and cash equivalents	$ (21,335)	$ (36,470)

Operating Activities

Operating activities consist primarily of net income adjusted for certain non-cash items. Adjustments to net income for non-cash items include depreciation and amortization, unrealized foreign currency exchange rate gains and losses, losses on disposals of property and equipment, stock-based compensation, deferred income taxes and changes in reserves for doubtful accounts, returns, discounts and inventories. In addition, operating cash flows include the effect of changes in operating assets and liabilities, principally inventories, accounts receivable, income taxes payable and receivable, prepaid expenses and other assets, accounts payable and accrued expenses.

Cash used in operating activities increased $10.0 million to $11.8 million for the three months ended March 31, 2010 from cash used in operating activities of $1.8 million during the same period in 2009. The increase in cash used in operating activities was due to increased net cash outflows from operating assets and liabilities of $14.8 million, partially offset by additional net income of $3.2 million and adjustments to net income for non-cash items which increased $1.6 million period over period. The increase in cash outflows related to changes in operating assets and liabilities period over period was primarily driven by the following:

- a smaller decrease in inventory of $15.0 million, partially offset by a smaller increase in accounts payable of $10.3 million, which was primarily driven by a larger percentage of products shipped directly from our suppliers to our customers for the introduction of our running footwear during the three months ended March 31, 2009; and
- a larger increase in accounts receivable of $11.2 million in the first three months of 2010 as compared to the same period in 2009 primarily due to a 14.4% increase in net sales period-over-period.

Adjustments to net income for non-cash items increased in the three months ended March 31, 2010 as compared to the same period of the prior year primarily due to higher unrealized foreign currency exchange rate losses in the 2010 period as compared to the prior period and higher depreciation and amortization expense, partially offset by lower reserves for inventory during the three months ended March 31, 2010.

Investing Activities

Cash used in investing activities, which includes capital expenditures and the purchase of trust owned life insurance policies, decreased $0.6 million to $7.5 million for the three months ended March 31, 2010 from $8.1 million for the same period in 2009. This decrease in cash used in investing activities is primarily due to lower investments in our in-store fixture program and branded concept shops, partially offset by increased investments in our direct to consumer sales channel and corporate facilities.

Capital investments for the full year 2010 are anticipated to be in the range of $35.0 million to $40.0 million, which includes shifting some investments from 2009 to 2010.

Financing Activities

Cash used in financing activities decreased $26.7 million to $0.7 million for the three months ended March 31, 2010 from $27.4 million for the same period in 2009. This decrease was primarily due to the final payment made on our prior revolving credit facility that was terminated during the 2009 period and deferred financing costs related to our current revolving credit facility entered during the 2009 period.

Revolving Credit Facility

We have a revolving credit facility with certain lending institutions. The revolving credit facility has a term of three years, expiring in January 2012, and provides for a committed revolving credit line of up to $200.0 million based on our qualified domestic inventory and accounts receivable balances. The commitment amount under the revolving credit facility may be increased by an additional $50.0 million, subject to certain conditions and approvals per the credit agreement.

The revolving credit facility may be used for working capital and general corporate purposes. It is collateralized by substantially all of our assets and the assets of our domestic subsidiaries (other than our trademarks), and by a pledge of 65% of the equity interests of substantially all of our foreign subsidiaries. Up to $5.0 million of the revolving credit facility may be used to support letters of credit, of which $3.5 million was outstanding as of March 31, 2010. We must maintain a certain leverage ratio and fixed charge coverage ratio as defined in the credit agreement. As of March 31, 2010, we were in compliance with these financial covenants. The revolving credit facility also provides our lenders with the ability to reduce the borrowing base, even if we are in compliance with all conditions of the revolving credit facility, upon a material adverse change to our business, properties, assets, financial condition or results of operations. The revolving credit facility contains a number of restrictions that limit our ability, among other things, and subject to certain limited exceptions, to incur additional indebtedness, pledge our assets as security, guaranty obligations of third parties, make investments, undergo a merger or consolidation, dispose of assets, or materially change our line of business. In addition, the revolving credit facility includes a cross default provision whereby an event of default under other debt obligations, as defined in the credit agreement, will be considered an event of default under this credit agreement.

Borrowings under the revolving credit facility bear interest based on the daily balance outstanding at LIBOR (with LIBOR subject to a rate floor of 1.25%) plus an applicable margin (varying from 2.0% to 2.5%) or, in certain cases a base rate (based on the prime rate or as otherwise specified in the credit agreement, with the base rate subject to a rate floor of 2.25%) plus an applicable margin (varying from 1.0% to 1.5%). The revolving credit facility also carries a commitment fee varying from 0.38% to 0.5% of the committed line amount less outstanding borrowings and letters of credit. The applicable margins are calculated quarterly and vary based on our leverage ratio as set forth in the credit agreement.

Prior to entering the revolving credit facility in January 2009, we terminated our prior $100.0 million revolving credit facility. In conjunction with the termination of the prior revolving credit facility, we repaid the then outstanding balance of $25.0 million. The prior revolving credit facility was also collateralized by substantially all of our assets, other than our trademarks, and included covenants, conditions and other terms similar to our current revolving credit facility.

As of March 31, 2010, our net availability was $123.9 million based on our eligible domestic inventory and accounts receivable balances. The weighted average interest rate on the balances outstanding under the prior revolving credit facility was 1.4% for the three months ended March 31, 2009. No balances were outstanding under the current revolving credit facility during the three months ended March 31, 2010 and 2009.

Long Term Debt

We have long term debt agreements with various lenders to finance the acquisition of or lease of qualifying capital investments. Loans under these agreements are collateralized by a first lien on the related assets acquired. As these agreements are not committed facilities, each advance is subject to approval by the lenders. Additionally, these agreements include a cross default provision whereby an event of default under other debt obligations, including our revolving credit facility, will be considered an event of default under these agreements. These agreements require a prepayment fee if we pay outstanding amounts ahead of the scheduled terms. The terms of our revolving credit facility limit the total amount of additional financing under these agreements to $35.0 million, of which $27.4 million was available as of March 31, 2010. At March 31, 2010, December 31, 2009 and March 31, 2009, the outstanding principal balance under these agreements was $17.9 million, $20.1 million and $18.3 million, respectively. Currently, advances under these agreements bear interest rates which are fixed at the time of each advance. The weighted average interest rate on outstanding borrowings was 5.9% for each of the three months ended March 31, 2010 and 2009, respectively.

We monitor the financial health and stability of our lenders under our revolving credit and long term debt facilities; however, instability in the credit markets could negatively impact lenders and their ability to perform under their facilities.

Contractual Commitments and Contingencies

There have been no significant changes to the contractual obligations reported in our 2009 Form 10-K other than those which occur in the normal course of business (primarily changes in our product purchase obligations which fluctuate throughout the year as a result of our seasonality).

Critical Accounting Policies and Estimates

Our consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States. To prepare these financial statements, we must make estimates and assumptions that affect the reported amounts of assets and liabilities. These estimates also affect our reported revenues and expenses. Judgments must be made about the disclosure of contingent liabilities as well. Actual results could be significantly different from these estimates.

Our significant accounting policies are described in Note 2 of the audited consolidated financial statements included in our 2009 Form 10-K. The SEC suggests companies provide additional disclosure on those accounting policies considered most critical. The SEC considers an accounting policy to be critical if it is important to our financial condition and results of operations and requires significant judgments and estimates on the part of management in its application. Our estimates are often based on complex judgments, probabilities and assumptions that management believes to be reasonable, but that are inherently uncertain and unpredictable. It is also possible that other professionals, applying reasonable judgment to the same facts and circumstances, could develop and support a range of alternative estimated amounts. For a complete discussion of our critical accounting policies, see the “Critical Accounting Policies” section of the MD&A in our 2009 Form 10-K. There have been no significant changes to our critical accounting policies during the first three months of 2010 other than the change in the accounting treatment of markdowns and discounts noted below.

Sales Returns, Allowances, Markdowns and Discounts

We record reductions to revenue for estimated customer returns, allowances, markdowns and discounts. We base our estimates on historical rates of customer returns and allowances as well as the specific identification of outstanding returns and markdowns. The actual amount of customer returns and allowances, which is inherently uncertain, may differ from our estimates. If we determined that actual or expected returns or allowances were significantly greater or lower than the reserves we had established, we would record a reduction or increase, as appropriate, to net sales in the period in which we made such a determination. Provisions for customer specific discounts based on contractual obligations with certain major customers are recorded as reductions to net sales.

Reserves for returns and allowances are recorded as offsets to accounts receivable as settlements are made through offsets to outstanding customer invoices. Beginning in the first quarter of 2010, reserves for markdowns and discounts earned by customers in the period were recorded as offsets to accounts receivable as settlements were made through offsets to outstanding customer invoices. Historically, the majority of these amounts were recorded as accrued expenses as settlements were made through cash disbursements.

Recently Adopted Accounting Standards

In June 2009, the Financial Accounting Standards Board (“FASB”) issued an amendment to the accounting and disclosure requirements for the consolidation of variable interest entities (“VIEs”). This amendment requires an enterprise to perform a qualitative analysis when determining whether or not it must consolidate a VIE. The amendment also requires an enterprise to continuously reassess whether it must consolidate a VIE. Finally, an enterprise will be required to disclose significant judgments and assumptions used to determine whether or not to consolidate a VIE. This amendment is effective for financial statements issued for annual periods beginning after November 15, 2009, and for interim periods within the first annual period. The adoption of this amendment had no impact on our consolidated financial statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Foreign Currency Exchange and Foreign Currency Risk Management and Derivatives

We currently generate a small amount of our consolidated net revenues in Canada and Europe. The reporting currency for our consolidated financial statements is the U.S. dollar. To date, net revenues generated outside of the United States have not been significant. However, as our net revenues generated outside of the United States increase, our results of operations could be adversely impacted by changes in foreign currency exchange rates. For example, if we recognize international revenues in local foreign currencies (as we currently do in Canada and Europe) and if the U.S. dollar strengthens, it could have a negative impact on our international revenues upon translation of those results into the U.S. dollar upon consolidation of our financial statements. In addition, we are exposed to gains and losses resulting from fluctuations in foreign currency exchange rates on transactions generated by our international subsidiaries in currencies other than their local currencies. These gains and losses are primarily driven by inter-company transactions. These exposures are included in other income (expense), net on the consolidated statements of income.

We use foreign currency forward contracts to reduce the risk from exchange rate fluctuations on inter-company transactions and projected inventory purchases for our Canadian subsidiary. We also use foreign currency forward contracts to reduce the risk associated with foreign currency exchange rate fluctuations on inter-company transactions for our European subsidiary. We do not enter into derivative financial instruments for speculative or trading purposes.

Based on the foreign currency forward contracts outstanding as of March 31, 2010, we receive US Dollars in exchange for Canadian Dollars at a weighted average contractual forward foreign currency exchange rate of 1.02 CAD per $1.00 and US Dollars in exchange for Euros at a weighted average contractual foreign currency exchange rate of 0.74 EUR per $1.00. As of March 31, 2010, the notional value of our outstanding foreign currency forward contracts for our Canadian subsidiary was approximately $15.4 million with contract maturities of 1 month, and the notional value of our outstanding foreign currency forward contracts for our European subsidiary was approximately $58.6 million with contract maturities of 1 month. The foreign currency forward contracts are not designated as cash flow hedges, and accordingly, changes in their fair value are recorded in other income (expense), net on the consolidated statements of income. As of March 31, 2010, the fair value of our foreign currency forward contracts was a liability of $0.4 million, and was included in accrued expenses on the consolidated balance sheet. As of December 31, 2009 and March 31, 2009, the fair value of our foreign currency forward contract was an asset of $0.3 million and $1.4 million, respectively, and was included in prepaid expenses and other current assets on the consolidated balance sheet.

Other income (expense), net included the following amounts related to changes in foreign currency exchange rates and derivative foreign currency forward contracts:

	Three Months Ended March 31,	
(In thousands)	**2010**	**2009**
Unrealized foreign currency exchange rate losses	$ (3,490)	$ (1,045)
Realized foreign currency exchange rate gains (losses)	93	(889)
Unrealized derivative gains (losses)	(637)	203
Realized derivative gains	3,349	1,744

Although we have entered into foreign currency forward contracts to minimize some of the impact of foreign currency exchange rate fluctuations on future cash flows, we cannot be assured that foreign currency exchange rate fluctuations will not have a material adverse impact on our financial condition and results of operations.

ITEM 4. CONTROLS AND PROCEDURES

Our management has evaluated, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report pursuant to Rule 13a-15(b) under the Securities Exchange Act of 1934 (the “Exchange Act”). Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures are effective in ensuring that information required to be disclosed in our Exchange Act reports is (1) recorded, processed, summarized and reported in a timely manner and (2) accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

There has been no change in our internal control over financial reporting during the most recent fiscal quarter that has materially affected, or that is reasonably likely to materially affect our internal control over financial reporting.

Table of Contents

PART II. OTHER INFORMATION

ITEM 1A. RISK FACTORS

The Risk Factors included in our Annual Report on Form 10-K filed with the Securities and Exchange Commission for the year ended December 31, 2009 have not materially changed.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

From February 1, 2010 through April 1, 2010, we issued 287.0 thousand shares of Class A Common Stock upon the exercise of previously granted stock options to employees at a weighted average exercise price of $1.64 per share, for an aggregate amount of consideration of approximately $471.8 thousand.

The issuance of securities described above were made in reliance upon Section 4(2) under the Securities Act in that any issuance did not involve a public offering or under Rule 701 promulgated under the Securities Act, in that they were offered and sold either pursuant to written compensatory plans or pursuant to written contract relating to compensation, as provided by Rule 701.

ITEM 6. EXHIBITS

Exhibit No.	
10.01	Under Armour, Inc. 2010 Non-Employee Director Compensation Plan
10.02	Under Armour, Inc. 2006 Non-Employee Director Deferred Stock Unit Plan
10.03	Form of Performance-Based Stock Option Grant Agreement
31.01	Section 302 Chief Executive Officer Certification
31.02	Section 302 Chief Financial Officer Certification
32.01	Section 906 Chief Executive Officer Certification
32.02	Section 906 Chief Financial Officer Certification

Table of Contents

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

UNDER ARMOUR, INC.

Date: May 5, 2010

By: /s/ Brad Dickerson
Brad Dickerson
Chief Financial Officer

UNDER ARMOUR, INC.

2010 NON-EMPLOYEE DIRECTOR COMPENSATION PLAN

WHEREAS, the Board of Directors of Under Armour, Inc. (the "Company") established this plan in 2006 to provide for the compensation of Non-Employee Directors of the Company and to align director compensation more directly with the shareholder's interest;

WHEREAS , the Board approved certain changes to compensation for Non-Employee Directors effective as of January 1, 2010;

NOW, THEREFORE , this plan has been amended and restated as the Under Armour, Inc. 2010 Non-Employee Director Compensation Plan as set forth below.

Section 1 Interpretation

1.1 Purposes

The purposes of the Plan are:

(a) to develop a mechanism to compensate Non-Employee Directors for their services to the Company; and

(b) to provide a financial incentive that will help the Company to attract and retain highly qualified individuals to serve as Non-Employee Directors of the Company.

1.2 Definitions

Wherever used in the Plan, unless otherwise defined, the following terms shall have the meanings set forth below:

(a) **"Affiliate"** means a subsidiary, division or affiliate of the Company, as determined in accordance with Section 414(b), (c) or (m) of the Code.

(b) **"Annual Retainer Fees"** means the annual retainer and additional annual retainer described in Sections 3.1(a) and (b) below, respectively, as such annual retainers may be amended by the Board from time to time.

(c) **"Award Agreement"** means an award agreement by and between a Non-Employee Director and the Company, entered into pursuant to the terms of the Omnibus Incentive Plan.

(d) **"Audit Committee"** means the Audit Committee of the Board of Directors.

(e) **"Board"** or **"Board of Directors"** means those individuals who serve from time to time as the Board of Directors of the Company.

(f) **“Change in Control”** has the meaning given to it in the Omnibus Incentive Plan.

(g) **“Code”** means the United States Internal Revenue Code of 1986, as amended.

(h) **“Committee”** means the committee of the Board of Directors to which the Board of Directors has delegated power to act under or pursuant to the provisions of the Plan, initially the Compensation Committee.

(i) **“Committee Chair”** means the individual who chairs a committee or a sub-committee of the Board to which the Board has delegated authority with respect to certain functions, including the Audit Committee, the Compensation Committee, the Nominating and Governance Committee and any other committee or sub-committee established by the Board.

(j) **“Committee Chair Fees”** means the Committee Chair annual retainers described in Section 3.3(a) below, as such Committee Chair annual retainers may be amended by the Board from time to time.

(k) **“Compensation Committee”** means the Compensation Committee of the Board of Directors.

(l) **“Company”** means Under Armour, Inc., a Maryland corporation, and any successor to all or substantially all of its assets or business.

(m) **“Disability”** has the meaning given to it in the Omnibus Incentive Plan.

(n) **“Deferred Stock Unit”** means an interest credited under the DSU Plan. Each DSU represents the Company’s obligation to issue one share of common stock in accordance with the terms of the DSU Plan.

(o) **“DSU Plan”** means the Under Armour, Inc. 2006 Non-Employee Directors Deferred Stock Unit Plan, as amended and restated from time to time.

(p) **“Effective Date”** of the Plan, as amended and restated, is January 1, 2010.

(q) “ **Grant Date** ” means the date of an annual shareholder meeting; provided however, that with respect to an Initial Restricted Stock Unit Grant made to a Non-Employee Director in accordance with Section 4.1 below, “Grant Date” means the date the Non-Employee Director commences Board service.

(r) **“Initial Restricted Stock Unit Grant”** means an equity grant made under Section 4.1 of this Plan.

(s) **“Lead Director”** means the Non-Employee Director appointed by the Board of Directors as the Lead Director.

(t) **“Corporate Governance Committee”** means the Corporate Governance Committee of the Board of Directors.

(u) **“Non-Employee Director”** means a member of the Board of Directors who is not an employee of the Company or any Affiliate of the Company.

(v) **“Omnibus Incentive Plan”** means the Under Armour, Inc. 2005 Omnibus Long-Term Incentive Plan, as amended and restated from time to time.

(w) **“Plan”** means this Under Armour, Inc. 2010 Non-Employee Director Compensation Plan, as amended and restated from time to time.

(x) **“Plan Year”** means the twelve month period beginning on January 1 and ending on December 31 of each year; provided that the initial Plan Year shall be the short plan year commencing on May 31, 2006 and ending December 31, 2006.

(y) **“RSU”** means a restricted stock unit granted under the Omnibus Incentive Plan.

(z) **“Quarter”** means each Company fiscal calendar quarter, which begins on January 1, April 1, July 1, and October 1 of each year.

(aa) **“Separation from Service” or “Separate from Service”** means a Non-Employee Director ceasing to be a member of the Board for any reason, determined in accordance with Code Section 409A and the guidance issued thereunder, including Proposed Treas. Reg. Section 1.409A-1(h) (or any successor rule or regulation thereto).

Section 2 Eligibility

Each Non-Employee Director shall be eligible to participate in the Plan on the date he or she is first appointed to the Board, in accordance with its terms.

Section 3 Compensation

3.1 Annual Retainer

(a) Subject to the other provisions of this Plan, each Non-Employee Director shall receive an annual retainer of Forty Thousand Dollars ($40,000) in installments of Ten Thousand Dollars ($10,000) each Quarter, paid in arrears.

(b) Subject to the other provisions of this Plan, the Non-Employee Director appointed as the Lead Director shall receive an additional annual retainer of Fifteen Thousand Dollars ($15,000) in installments of Three Thousand Seven Hundred Fifty Dollars ($3,750) each Quarter, paid in arrears.

(c) Non-Employee Directors appointed or elected to the Board during a Quarter and those who Separate from Service during a Quarter shall receive a *pro-rata* payment for that Quarter based on the number of days of service as a Board member in the Quarter. Any Non-Employee Director who serves as the Lead Director for part of a Quarter shall receive a *pro-rata* payment for that Quarter based on the number of days of service as the Lead Director in the Quarter.

(d) A Non-Employee Director and Lead Director may elect to defer all of the value of the Annual Retainer Fees as DSUs under the DSU Plan, in accordance with its terms.

3.2 Board/Committee Meeting Fees

In addition to fees otherwise paid hereunder, each Non-Employee Director shall be paid each Quarter, in arrears, One Thousand Dollars ($1,000) for each Board or committee meeting he or she attends in person, and Five Hundred Dollars ($500) for each Board or committee meeting he or she attends telephonically. Each Non-Employee Director shall be reimbursed for his or her reasonable expenses incurred for attending meetings and otherwise acting on the Company's behalf.

3.3 Committee Chairs

(a) In addition to fees otherwise paid hereunder, each Committee Chair shall be paid a Committee Chair annual retainer, as follows:

Committee Chair	Annual Retainer
Audit Committee	$15,000
Compensation Committee	$12,500
Nominating and Governance Committee	$10,000

(b) Whether the Committee Chair of an additional committee or sub-committee established by the Board is entitled to a Committee Chair annual retainer, and the amount of such retainer, if any, shall be determined by the Board, solely in its discretion.

(c) Committee Chair annual retainer fees shall be paid in equal Quarterly payments, in arrears, and subject to the rules set forth at Section 3.1(c) above.

(d) A Non-Employee Director may elect to defer all of the value of the Committee Chair Fees as DSUs under the DSU Plan, in accordance with its terms.

Section 4 Equity Grants

4.1 Initial Restricted Stock Unit Grant

(a) On the Grant Date applicable to Initial Restricted Stock Unit Grants, each new Non-Employee Director shall be granted an RSU with an equivalent value as of the Grant Date of One Hundred Thousand Dollars ($100,000).

(b) RSUs will be granted under and pursuant to the terms of the Omnibus Incentive Plan and subject to the terms of an Award Agreement by and between each Non-Employee Director and the Company. Each RSU shall vest 1/3 rd annually while the Non-Employee Director continues to serve as a Board member, starting with the first anniversary of the Grant Date. Upon vesting, each RSU shall be settled in the form of a DSU, and shall be deferred in accordance with the terms of the DSU Plan. DSU interests shall be settled in the form of Company stock on the date that is six (6) months from the date the Board member incurs a Separation from Service and otherwise in accordance with Section 4 of the DSU Plan.

(c) Non-Employee Directors who are Board Members on the Effective Date are not eligible for this RSU grant.

4.2 Annual Restricted Stock Unit Grant

Each Non-Employee Director who serves as a Board Member at the close of each annual shareholder meeting of the Company shall be awarded the number of RSUs equivalent in value as of the Grant Date to Seventy-Five Thousand Dollars ($75,000). Annual RSUs shall 100% vest on the date of the next shareholder meeting following the Grant Date, if the Non-Employee Director is a Board member at that time. Upon vesting, each RSU shall be immediately settled in the form of a DSU, and shall be deferred in accordance with the terms of the DSU Plan. DSU interests shall be settled in the form of Company stock on the date that is six (6) months from the date the Board member incurs a Separation from Service, and otherwise in accordance with Section 4 of the DSU Plan.

4.3 Rules Applicable to Equity Grants

(a) The Board, in its discretion, shall determine whether and to what extent a grant under Section 4.2 to a Non-Employee Director who begins service as a Board member other than at an annual shareholders meeting shall be prorated for the first year of Board service.

(b) Notwithstanding anything contained herein to the contrary, all grants under this Section 4 shall 100% vest upon the death or Disability of a Non-Employee Director, or upon a Change in Control. Upon vesting pursuant to this Section 4.3(b), RSUs shall be settled in the form of shares of Company common stock (with fractional shares settled in cash), issued directly to the Non-Employee Director or his beneficiary, and shall not be settled as DSUs in the DSU Plan.

Section 5 General

5.1 Successors and Assigns

The Plan shall be binding on the Company and its successors and assigns and each Non-Employee Director and his or her heirs and legal representatives and on any receiver or trustee in bankruptcy or representative of creditors of the Company or Non-Employee Director, as the case may be.

5.2 Amendment or Termination of the Plan

The Board shall have the right and power at any time and from time to time to amend the Plan in whole or in part and at any time to terminate the Plan; provided, however, that an amendment to the Plan may be conditioned on the approval of the shareholders of the Company if and to the extent the Board determines that such approval is necessary or appropriate. No termination, amendment, or modification of the Plan shall adversely affect in any material way any award previously granted under the Plan, without the written consent of the affected Non-Employee Director.

5.3 Limitations on Rights of Non-Employee Directors

(a) Any and all of the rights of the Non-Employee Directors respecting payments under the Plan shall not be transferable or assignable other than by will or the laws of descent and distribution, nor shall they be pledged, encumbered or charged, and any attempt to do so shall be void.

(b) Any liability of the Company to any Non-Employee Director with respect to receipt of payment under this Plan shall be based solely upon contractual obligations created by the Plan. Neither the Committee nor the Board shall be liable for any actions taken in accordance with the terms of the Plan.

5.4 Compliance with Law

The obligations of the Company with respect to payments hereunder are subject to compliance with all applicable laws and regulations. In connection with the Plan, each Non-Employee Director shall comply with all applicable laws and regulations and shall furnish the Company with any and all information and undertakings as may be required to ensure compliance therewith.

5.5 Governing Law

The Plan shall be governed by and construed in accordance with the laws of Maryland. The Plan is also intended to comply with the requirements of section 409A of the Code, to the extent such section applies, and to the extent applicable, this Plan shall be interpreted in a manner consistent with that intent.

5.6 Administration

The Committee shall have complete discretionary authority and power to (i) construe, interpret and administer the Plan and any agreement or instrument entered into under the Plan, (ii) establish, amend and rescind any rules and regulations relating to the Plan, (iii) make any other determinations that the Committee deems necessary or desirable for the administration of the Plan, including without limitation decisions regarding eligibility to participate and the amount and value of any payment, and (iv) delegate to other persons any duties and responsibilities relating to the administration of the Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency or ambiguity in the Plan in the manner and to the extent the Committee deems, in its sole and absolute discretion, necessary or desirable. No member of the Committee shall be liable for any action or determination made in good faith. Any decision of the Committee with respect to the administration and interpretation of the Plan shall be binding and conclusive for all purposes and on all persons, including the Company, all Non-Employee Directors and any other person claiming an entitlement or benefit through any Non-Employee Director. All expenses of administration of the Plan shall be borne by the Company.

Exhibit 10.02

UNDER ARMOUR, INC.

2006 NON-EMPLOYEE DIRECTOR DEFERRED STOCK UNIT PLAN

WHEREAS , the Board has approved the Under Armour, Inc. 2006 Non-Employee Director Compensation Plan (which has been amended and restated as the 2010 Non-Employee Director Compensation Plan), as the same may be amended from time to time (the "Director Compensation Plan") which provides for the establishment of this 2006 Non-Employee Director Deferred Stock Unit Plan, pursuant to which certain payments and awards under the Director Compensation Plan may or will be deferred;

WHEREAS , the Board has now determined the terms and conditions of the 2006 Non-Employee Director Deferred Stock Unit Plan (the "Plan") and wishes to formally establish the Plan;

NOW, THEREFORE , the Company through this instrument establishes the Under Armour, Inc. 2006 Non-Employee Deferred Stock Unit Plan, in accordance with the terms as set forth herein.

Section 1 Purpose, Definitions and Effective Date

1.1 Purpose

The purpose of the Plan is to provide Non-Employee Directors with an opportunity to defer certain compensation under the Director Compensation Plan. The Plan is intended to be an unfunded "top hat" plan for all purposes under the Code and the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

1.2 Definitions

Wherever used in the Plan, unless otherwise defined herein, all terms shall have the meaning given to them in the Director Compensation Plan.

1.3 Effective Date

The Effective Date of the Plan is May 31, 2006.

Section 2 Eligibility

Each Non-Employee Director shall be eligible to participate in the Plan in accordance with its terms as of the first to occur of the Effective Date or the date he or she first begins service as a Board member.

Section 3 Deferred Stock Units

3.1 Deferred Stock Unit Awards

(a) **Account**. The Company shall establish a bookkeeping account for each Non-Employee Director. The bookkeeping account for each Non-Employee Director shall be credited as DSUs in accordance with this Section 3.

(b) **Initial DSU Awards.** The bookkeeping account of each Non-Employee Director who receives an Initial Restricted Stock Unit grant pursuant to Section 4.1 of the Director Compensation Plan shall be automatically credited with a number of DSUs equal to the number of RSUs that vest in accordance with Section 4.1 of the Director Compensation Plan. The date such RSUs are credited to this Plan shall be on the date they vest under the Director Compensation Plan.

(c) **Annual DSU Awards**. At the close of business on the date of the Company's annual shareholder meeting, the bookkeeping account of each Non-Employee Director shall be automatically credited with a number of DSUs equal to the number of RSUs that vest as of such meeting with respect to each Non-Employee Director, in accordance with Section 4.2 of the Director Compensation Plan.

(d) **Deferral of Annual Retainer Fees and Committee Chair Fees**.

(i) Each Non-Employee Director may, by completing, signing and filing with the Company a deferral election form substantially in the form set out as Exhibit A, irrevocably elect to have all of his or her Annual Retainer Fees and/or all of his Committee Chair Fees payable in accordance with Sections 3.1 and 3.3 of the Director Compensation Plan, respectively, deferred as DSUs under this Plan and credited to a bookkeeping account in accordance with the terms and conditions of the Plan.

(ii) Elections with respect to only part of either the Annual Retainer Fees or part of the Committee Chair Fees for any Plan Year are not permitted. Meeting fees and reimbursement of expenses associated with attending meetings of the Board or committees of the Board may not be deferred.

(iii) Any election by a Non-Employee Director to defer compensation pursuant to the Plan shall be irrevocable from and after the date on which such election form is filed with the Company, and shall be effective only with respect to fees for services performed after the Plan Year in which date the form is filed except as provided in (iv) below.

(iv) In general, elections to defer must be made prior to the start of any Plan Year in which the deferred amounts are earned; except that the following rules shall apply:

(A) For deferrals for the first Plan Year commencing on May 31, 2006, elections to defer Annual Retainer Fees and Committee Chair Fees must be made on or before June 30, 2006 and such election shall apply to fees for services performed after the date the form is filed;

(B) For deferrals by Non-Employee Directors first appointed or nominated to the Board after the Effective Date, deferral elections for the first year of Board service must be made within 30 days of the date he or she first begins service as a Board member and such election shall apply to fees for services performed after the date the form is filed;

(C) Any deferral election shall continue in effect until the Company is notified in writing by the Non-Employee Director prior to the end of any Plan Year that he or she wishes to terminate or modify such election for fees for services performed in the next Plan Year.

3.2 **Vesting.**

All DSUs under this Plan shall be 100% vested as of the day credited to the Plan.

Section 4 Settlement of DSUs

4.1 **Form of Settlement** . DSUs under this Plan shall be distributed in the form of whole shares of Company Class A common stock, in an amount equivalent to that credited to the Plan under Section 3, with fractional shares paid in cash.

4.2 **Time of Settlement** . Shares of Company common stock (and cash for fractional shares) distributable pursuant to Section 4.1 shall be distributed to the Non-Employee Director (or his or her beneficiary) on the first to occur of the following:

(i) The date that is six (6) months from the date the Non-Employee Director Separates from Service with the Board;

(ii) The death of the Non-Employee Director; or

(iii) The Disability of the Non-Employee Director.

Section 5 General

5.1 **Credits to Accounts** . The Company shall not be required to fund or otherwise segregate assets to be used for settlement of DSUs pursuant to the Plan. All credited amounts hereunder shall remain the assets of the Company subject to the claims of its general creditors. Any distribution hereunder shall be considered payment by the Company and shall discharge the Company of any further liability under the Plan.

5.2 **Effective Date; Termination** . This Plan shall be effective as of the Effective Date. The Board may terminate this Plan at any time. Termination of this Plan shall not affect the settlement of any amounts credited to accounts before such termination.

5.3 **Amendments** . The Board may amend this Plan as it shall deem advisable, subject to any requirements of applicable law, rule or regulation. No amendment may impair the rights of a Participant to payment from his or her account hereunder without his or her written consent.

5.4 **Non-Transferability of Benefits** . No benefit payable at any time under the Plan shall be subject in any manner to alienation, sale, transfer, assignment, pledge, attachment, or other legal process, or encumbrance of any kind. Any attempt to alienate, sell, transfer, assign, pledge or otherwise encumber any such benefits, whether currently or thereafter payable, shall be void. If any person shall attempt to, or shall alienate, sell, transfer, assign, pledge or otherwise encumber his or her benefits under the Plan, or if by any reason of his or her bankruptcy or other event happening at any time, such benefits would devolve upon any other person or would not be enjoyed by the person entitled thereto under the Plan, then the Board, in its discretion, may terminate the interest in any such benefits of the person entitled thereto under the Plan and hold or apply them for or to the benefit of such person entitled thereto under the Plan or his or her spouse, children or other dependents, or any of them, in such manner as the Board may deem proper.

5.5 **Adjustment** . In the event of any stock split, stock dividend, recapitalization, reorganization, merger, consolidation, combination, exchange of shares, liquidation, spin-off or other similar change in capitalization or event, or any distribution to holders of Company common stock other than a regular cash dividend, the number of DSUs credited to each account under the Plan and the securities with respect to which DSUs relate shall be appropriately adjusted by the Board. The decision of the Board regarding any such adjustment shall be final, binding and conclusive.

5.6 **Compliance With Section 409A of Code** . This Plan is intended to comply with the provisions of section 409A of the Code, and shall be interpreted and construed accordingly.

5.7 **Governing Law** . This Plan and all determinations made and actions taken pursuant thereto shall be governed by the laws of Maryland and construed in accordance therewith without giving effect to principles of conflicts of laws.

5.8 **Administration**

The Board shall have complete discretionary authority and power to (i) construe, interpret and administer the Plan and any agreement or instrument entered into under the Plan, (ii) establish, amend and rescind any rules and regulations relating to the Plan, (iii) make any other determinations that the Board deems necessary or desirable for the administration of the Plan. The Board may correct any defect or supply any omission or reconcile any inconsistency or ambiguity in the Plan in the manner and to the extent the Board deems, in its sole and absolute discretion, necessary or desirable. No member of the Board shall be liable for any action or determination made in good faith. Any decision of the Board with respect to the administration and interpretation of the Plan shall be binding, final and conclusive. Notwithstanding the foregoing, no Board member shall have any authority with respect to interpretations or administration of the Plan with respect to his or her individual account hereunder.

Exhibit A

<u>ELECTION TO DEFER ANNUAL RETAINER & COMMITTEE CHAIR FEES</u>

I, ________________________, hereby elect to defer Annual Retainer and/or Committee Chair Fees (as indicated below) that may become payable to me after the date of this election, under the Under Armour, Inc. 2006 Non-Employee Director Compensation Plan (the “Compensation Plan”), in accordance with Section 3.1(d) of the Under Armour, Inc. 2006 Non-Employee Director Deferred Stock Unit Pan (the “Plan”).

I elect to defer:

☐ **100% of the <u>Annual Retainer Fees</u> payable to me pursuant to Section 3.1 of the Compensation Plan for services performed after the Plan Year in which this election is made, unless I am a new director, in which case the election applies for services performed after the date this election is filed.**

☐ **100% of <u>Committee Chair Fees</u> payable to me pursuant to Section 3.3 of the Compensation Plan for services performed after the Plan Year in which this election is made, unless I am a new director, in which case the election applies for services performed after the date this election is filed.**

In making the foregoing election, I certify that I understand that:

- Any amounts deferred are payable to me only as described in Section 4 of the Plan and shall not be distributable other than as indicated therein.

- My election shall remain in effect and apply to all amount of Annual Retainer Fee or Committee Chair Fees, as the case may be, earned and payable to me for the Plan Year for which such election is made in accordance with Section 3.1(d) of the Plan, and shall remain in effect for each subsequent Plan Year, unless I advise the Company in writing that I wish to terminate such election on or before the last day of the Plan Year preceding the Plan Year for which I would like such termination to apply.

- Defined terms in this Election Form have the meaning given them in the Plan or Compensation Plan. I have read and understand the Plan and the Compensation Plan and I have consulted with my own legal or tax advisor before signing this form and am not relying on any representation of the Company in making this election.

Dated: _____________, 20 ____

____
Name:

Exhibit 10.03

Performance Based Option Grant Agreement

THIS OPTION GRANT AGREEMENT, made as of the _____day of ___________, _____between UNDER ARMOUR, INC. (the “ *Company* ”) and _______________(the “ *Grantee* ”).

WHEREAS, the Company has adopted and maintains the Amended and Restated 2005 Omnibus Long-Term Incentive Plan (the “Plan”), attached hereto as Attachment A, or otherwise delivered or made available to Grantee, to promote the interests of the Company and its stockholders by providing key employees and others with an appropriate incentive to encourage them to continue in the employ or service of the Company and to improve the growth and profitability of the Company;

WHEREAS, the Plan provides for the grant to Grantees of Options to purchase Stock of the Company;

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter set forth, the parties hereto hereby agree as follows:

1. Grant of Options . Pursuant to, and subject to, the terms and conditions set forth herein and in the Plan, the Company hereby grants to the Grantee a non-qualified stock option (the “ *Option* ”) with respect to _________shares of Stock of the Company.

2. Grant Date . The Grant Date of the Option hereby granted is _____________, _____.

3. Incorporation of Plan . All terms, conditions and restrictions of the Plan are incorporated herein and made part hereof as if stated herein. If there is any conflict between the terms and conditions of the Plan and this Option Grant Agreement, the terms and conditions of this Option Grant Agreement, as interpreted by the Committee in its sole discretion, shall govern, unless explicitly provided to the contrary in the Plan or this Option Grant Agreement. Unless otherwise indicated herein, all capitalized terms used herein shall have the meaning given to such terms in the Plan.

4. Option Price . The exercise price per share of Stock underlying the Option granted hereby is $ _______.

5. Vesting . Except as provided in Section 9 and unless the Option has earlier terminated pursuant to this Agreement, the Option shall become exercisable as follows provided the Grantee remains employed by the Company on each such date:

(a) One-third of the shares of Stock underlying the Option shall become exercisable if the combined Operating Income for the Company for 2011 and 2012 is equal to or greater than $ _______but less than $ _______, with 50% of such number of shares of Stock underlying the Option exercisable on February 15, 2013 and 50% of such number of shares of Stock underlying the Option exercisable on February 15, 2014; OR

(b) Two-thirds of the shares of Stock underlying the Option shall become exercisable if the combined Operating Income for the Company for 2011 and 2012 is equal to or greater than $ _______but less than $ _______, with 50% of such number of shares of Stock underlying the Option exercisable on February 15, 2013 and 50% of such number of shares of Stock underlying the Option exercisable on February 15, 2014; OR

(c) All of the shares of Stock underlying the Option shall become exercisable if the combined Operating Income for the Company for 2011 and 2012 is equal to or greater than $ _______, with 50% of such number of shares of Stock underlying the Option exercisable on February 15, 2013 and 50% of such number of shares of Stock underlying the Option exercisable on February 15, 2014.

As used in this Section 5, the term "Operating Income" shall mean the Company's income from operations as reported in the Company's audited financial statements prepared in accordance with generally accepted accounting principles excluding the impact of any generally accepted accounting principle changes implemented after the date hereof.

6. Term . Unless the Option has earlier terminated pursuant to the provisions of this Option Grant Agreement or the Plan, all unexercised portions of the Option shall terminate, and all rights to purchase shares of Stock thereunder shall cease, upon the expiration of ten years from the Grant Date.

7. Employment Confidentiality Agreement. As a condition to the grant of the Option, Grantee shall have executed and become a party to the Employee Confidentiality, Non-Competition and Non-Solicitation Agreement by and between Grantee and the Company (the "Confidentiality, Non-Compete and Non-Solicitation Agreement") attached hereto as Attachment B.

8. Forfeiture. If Grantee should take any actions in violation of the Confidentiality, Non-Competition and Non-Solicitation Agreement, or in violation of any non-competition agreement entered into between the Grantee and the Company, it will be considered grounds for termination for Cause as defined in Section 9(a) of this Agreement, and all unexercised portions of the Option, whether vested or not, will terminate, be forfeited and will lapse, as provided in Section 9(a).

9. Termination of Service.

(a) ***Termination of Service for Cause.*** Unless the Option has earlier terminated pursuant to the provisions of this Option Grant Agreement or the Plan, all unexercised portions of the Option, whether vested or unvested, will terminate and be forfeited upon a termination of the Grantee's Service for Cause. For purposes of this Option Grant Agreement only, "Cause" shall be defined as any of the following:

i. the Grantee's material misconduct or neglect in the performance of his duties;

ii. the Grantee's conviction for, or plea of nolo contendere to any felony, or a misdemeanor (excluding a petty misdemeanor) involving dishonesty, fraud, financial impropriety, or moral turpitude, or any crime of sufficient import to potentially discredit or adversely affect the Company's ability to conduct its business in the normal course;

iii. the Grantee's use of illegal drugs;

iv. the Grantee's material breach of the Company's written Code of Ethics and Business Conduct, as in effect from time to time;

v. the Grantee's material breach of this Agreement, including but not limited to breach of the Confidentiality, Non-Compete and Non-Solicitation Agreement attached hereto as Attachment B; or

vi. Grantee's commission of any act that results in severe harm to the Company excluding any act taken by the Grantee in good faith that he reasonably believed was in the best interest of the Company.

(b) ***Termination of Service other than for Cause.*** Unless the Option has earlier terminated pursuant to the provisions of this Option Grant Agreement or the Plan, the vested portion of the Option shall terminate one hundred eighty (180) days following the termination of the Grantee's Service due to death or Disability and thirty (30) days following the termination of the Grantee's Service for any other reason other than for Cause. The Grantee (or the Grantee's guardian, legal representative, executor, personal representative or the person to whom the Option shall have been transferred by will or the laws of descent and distribution, as the case may be) may exercise all or any part of the vested portion of the Option during such post termination of employment period, but not later than the end of the term of the

Option. Any portion of the Option which is unvested as of the date of termination of service shall immediately terminate.

Nothing in this Agreement shall be construed as a contract of employment between the Company (or an affiliate) and Grantee, or as a contractual right of Grantee to continue in the employ of the Company (or an affiliate), or as a limitation of the right of the Company (or an affiliate) to discharge Grantee at any time for any reason, including reasons other than for Cause as defined herein.

10. Effect of a Change in Control. In the event of a Change in Control, all of the shares of Stock underlying the Option as provided in Section 1 hereof shall be immediately vested on such Change in Control.

11. Delays or Omissions . No delay or omission to exercise any right, power or remedy accruing to any party hereto upon any breach or default of any party under this Option Grant Agreement, shall impair any such right, power or remedy of such party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Option Grant Agreement, or any waiver on the part of any party or any provisions or conditions of this Option Grant Agreement, shall be in writing and shall be effective only to the extent specifically set forth in such writing.

12. Transferability of Options . During the lifetime of the Grantee, only the Grantee or a Family Member who received all or part of the Option, not for value, (or, in the event of legal incapacity or incompetence, the Grantee's guardian or legal representative) may exercise the Option. The Option shall not be assignable or transferable by the Grantee other than to a Family Member, not for value, or by will or the laws of descent and distribution.

13. Manner of Exercise. The vested portion of the Option may be exercised, in whole or in part, by delivering written notice to the Stock Option Administrator designated by the Company. Such notice may be in electronic or other form as used by the Stock Option Administrator in its ordinary course of business and as may be amended from time to time, and shall:

(a) state the election to exercise the Option and the number of shares in respect of which it is being exercised;

(b) be accompanied by (i) cash, check, bank draft or money order in the amount of the Option Price payable to the order of the Stock Option Administrator designated by the Company; or (ii) certificates for shares of the Company's Stock (together with duly executed stock powers) or other written authorization as may be required by the Company to transfer shares of such Stock to the Company, with an aggregate value equal to the Option Price of the Stock being acquired; or (iii) a combination of the consideration described in clauses (i) and (ii). Grantee may transfer Stock to pay the Option Price for Stock being acquired pursuant to clauses (ii) and (iii) above only if such transferred Stock (x) was acquired by the Grantee in open market transactions, (y) has been owned by Grantee for longer than six months, and (z) the Grantee is not subject to any other restrictions on transferring Company securities pursuant to Company policy or federal law.

In addition to the exercise methods described above and subject to other restrictions which may apply, the Grantee may exercise the Option through a procedure known as a "cashless exercise," whereby the Grantee delivers to the Stock Option Administrator designated by the Company an irrevocable notice of exercise in exchange for the Company issuing shares of the Company's Stock subject to the Option to a broker previously designated or approved by the Company, versus payment of the Option Price by the broker to the Company, to the extent permitted by the Committee or the Company and subject to such rules and procedures as the Committee or the Company may determine. Grantee may elect to satisfy any tax withholding obligations due upon exercise of the Option, in whole or in part, by delivering to the Company shares of Stock otherwise deliverable upon exercise of the Option as provided under the Plan.

14. Integration . This Option Grant Agreement, and the other documents referred to herein or delivered pursuant hereto, which form a part hereof contain the entire understanding of the parties with respect to its subject matter and there are no restrictions, agreements, promises, representations, warranties, covenants or undertakings with respect to the subject matter hereof other than those expressly set forth in such documents. This Option Grant Agreement and the Plan supersede all prior agreements and understandings between the parties with respect to its subject matter.

15. Electronic Delivery . The Company may choose to deliver certain statutory materials relating to the Plan in electronic form. By accepting this grant Grantee agrees that the Company may deliver the Plan prospectus and the Company's annual report to Grantee in an electronic format. If at any time Grantee would prefer to receive paper copies of these documents, as Grantee is entitled to receive, the Company would be pleased to provide copies. Grantee should contact ___________________________to request paper copies of these documents.

16. Counterparts . This Option Grant Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

17. Governing Law . This Option Grant Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Maryland without regard to the provisions thereof governing conflict of laws.

18. Grantee Acknowledgment . The Grantee hereby acknowledges receipt of a copy of the Plan and that the Option is subject to the terms of the Plan. The Participant hereby acknowledges that all decisions, determinations and interpretations of the Committee in respect of the Plan, this Option Grant Agreement and the Option shall be final and conclusive.

IN WITNESS WHEREOF, the Company has caused this Option Grant Agreement to be duly executed by its duly authorized officer and said Participant has hereunto signed this Option Grant Agreement on his own behalf, thereby representing that he has carefully read and understands this Option Grant Agreement and the Plan as of the day and year first written above.

UNDER ARMOUR, INC.

By: ______________________________

GRANTEE

____

EXHIBIT 31.01

**Certification of Chief Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Kevin A. Plank, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Under Armour, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 5, 2010

/s/ KEVIN A. PLANK
Kevin A. Plank
Chairman of the Board of Directors and Chief Executive Officer

EXHIBIT 31.02

Certification of Chief Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Brad Dickerson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Under Armour, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 5, 2010

/s/ Brad Dickerson
Brad Dickerson
Chief Financial Officer

EXHIBIT 32.01

Certification of Chief Executive Officer

Pursuant to 18 U.S.C. Section 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Under Armour, Inc. (the “Company”) hereby certifies, to such officer’s knowledge, that:

(i) the quarterly report on Form 10-Q of the Company for the period ended March 31, 2010 (the “Report”) fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 5, 2010

/s/ Kevin A. Plank

Kevin A. Plank

Chairman of the Board of Directors and Chief Executive Officer

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to Under Armour, Inc. and will be retained by Under Armour, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.02

Certification of Chief Financial Officer

Pursuant to 18 U.S.C. Section 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Under Armour, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

(i) the quarterly report on Form 10-Q of the Company for the period ended March 31, 2010 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 5, 2010

/s/ Brad Dickerson

Brad Dickerson

Chief Financial Officer

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to Under Armour, Inc. and will be retained by Under Armour, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.