Under Armour, Inc.
Form DEF 14A
July 13, 2015
Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

Filed by the Registrant þ Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement

¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

þ Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material under §240.14a-12

UNDER ARMOUR, INC.

(Name of registrant as specified in its charter)

(Name of person(s) filing proxy statement, if other than the registrant)

Payment of Filing Fee (Check the appropriate box):

þ No fee required

¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11

(1) Title of each class of securities to which the transaction applies:

(2) Aggregate number of securities to which the transaction applies:

(3) Per unit price or other underlying value of the transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of the transaction:

(5) Total fee paid:

¨ Fee paid previously with preliminary materials.

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

UNDER ARMOUR, INC.

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To Be Held August 26, 2015

Notice is hereby given that a Special Meeting of Stockholders of Under Armour, Inc., a Maryland corporation, will be held on August 26, 2015 at 10:00 a.m. Eastern Time, at the Company s headquarters, 1020 Hull Street, Baltimore, Maryland, to consider and vote on the following matters:

1. A proposal to amend the Company s Charter (the Charter Amendments) as further described in the accompanying Proxy Statement to:

   (a) provide that each share of Class B Common Stock will automatically convert into one share of Class A Common Stock if Kevin Plank (our founder and Chairman of the Board and Chief Executive Officer) sells, or otherwise disposes of, more than a specified number of shares of the Company s common stock in any calendar year;

   (b) provide that each share of Class B Common Stock will automatically convert into one share of Class A Common Stock if Mr. Plank resigns from the Company or his employment with the Company is terminated for cause;

   (c) provide for the treatment of shares of Class A Common Stock in a manner that is at least as favorable as shares of Class B Common Stock in certain merger, consolidation, statutory share exchange, conversion and negotiated tender offer transactions (the Equal Treatment Provision);

   (d) enhance board independence requirements for so long as the Class B Common Stock is outstanding by (1) prohibiting the Company from availing itself of the exemptions for controlled companies under stock exchange listing standards and (2) imposing stricter standards for determining whether directors are independent (the Board Independence Provisions); and

   (e) provide that the Equal Treatment Provision and the Board Independence Provisions cannot be amended unless declared advisable by the Board of Directors of the Company, including at least 75% of the independent members of the Board, and approved by the affirmative vote of at least 75% of the votes entitled to be cast thereon by holders of (1) the Class A Common Stock (other than Mr. Plank, his family entities, his family members or any executive officer of the Company), voting as a single class, and (2) the Class B Common Stock, voting as a single class.

2.

A proposal to amend (the Plan Amendment) the Company s Second Amended and Restated 2005 Omnibus Long-Term Incentive Plan to allow the award of shares of our Class C Common Stock under the Plan, as further described in the accompanying Proxy Statement; and

3. A proposal to approve the adoption (the Class C ESPP Adoption) of a new Class C Employee Stock Purchase Plan, as further described in the accompanying Proxy Statement.

Our Board of Directors recommends that you vote FOR each of the Charter Amendments, FOR the Plan Amendment and FOR the Class C ESPP Adoption.

Only stockholders of record as of the record date for the Special Meeting at the close of business on July 13, 2015 are entitled to notice of and to vote at the Special Meeting and any adjournment or postponement thereof. In accordance with our Bylaws, for ten days prior to the Special Meeting, a list of those stockholders entitled to vote at the Special Meeting will be available for inspection at the office of the Secretary, Under Armour, Inc., 1020 Hull Street, Baltimore, Maryland. This list also will be available at the Special Meeting.

Table of Contents

All stockholders as of the record date for the Special Meeting are invited to attend the Special Meeting. Please let us know if you plan to attend the meeting by indicating so on the proxy card or other voting instruction form that you have received. If you are a stockholder of record as of the close of business on July 13, 2015, you will be admitted to the meeting if you present a form of photo identification. If you own stock beneficially, such as through a bank or broker, you will be admitted to the meeting if you present a form of photo identification and proof of beneficial ownership as of the record date for the Special Meeting or a valid proxy signed by the record holder. A recent brokerage statement or a letter from a bank or broker each is an example of proof of beneficial ownership.

Whether or not you intend to be present in person at the Special Meeting, please vote your shares promptly by following the voting instructions that you have received.

By Order of the Board of Directors

John Stanton
Senior Vice President, General Counsel and Secretary

Baltimore, Maryland

July 13, 2015

Table of Contents

PROXY SUMMARY

This summary discusses material information contained elsewhere in this Proxy Statement, including with respect to the Class C Stock Issuance, the Charter Amendments, the Noncompete Agreement, the Plan Amendment and the Class C ESPP Adoption (each as defined below). We encourage you to read carefully this entire Proxy Statement and its appendices, as this summary does not contain all the information that may be important to you. The items in this summary include page references directing you to a more complete description of that topic in this Proxy Statement.

Unless stated otherwise or the context otherwise requires, in this Proxy Statement all references to the Company, Under Armour, we, our, or us refer to Under Armour, Inc., a Maryland corporation, and references to numbers of shares of our common stock and the trading price of our common stock have been adjusted to reflect the Company s two-for-one stock splits that were effected in July 2012 and April 2014.

The Stock and Governance Changes (Page 5)

Overview. Following the unanimous recommendation of a Special Committee of our Board of Directors consisting only of independent directors (the Special Committee), the Board of Directors of the Company (our Board) unanimously (other than Kevin Plank, our founder, Chairman of the Board and Chief Executive Officer, who abstained from voting) approved a series of changes to our stock and corporate governance negotiated by the Special Committee with Mr. Plank that, subject to approval by our stockholders of amendments to the Company s charter (which we refer to as our Charter) described below under the heading *Proxy Summary Stock and Governance Changes The Charter Amendments* (the Charter Amendments), will result in the issuance by the Company of a new class of non-voting common stock (Class C Stock) as a dividend to the holders of the outstanding shares of our Class A Common Stock (Class A Stock) and the holders of the outstanding shares of our Class B Common Stock (the Class B Stock). Prior to the payment of the Class C Dividend (as defined below), the Company would effect the Charter Amendments for the benefit of the holders of Class A Stock. In addition, in connection with these stock and governance changes, Mr. Plank entered into a noncompete agreement with the Company (the Noncompete Agreement) negotiated by the Special Committee.

Of all of the Stock and Governance Changes (as defined below), only the Charter Amendments require stockholder approval. The Company is seeking this approval at the Special Meeting, and Mr. Plank and certain related entities, who own sufficient shares to ensure such approval, have agreed to vote all shares controlled by Mr. Plank and these related entities for such approval.

Our Board and the Special Committee recognize that the implementation of the Stock and Governance Changes will provide the Board with the ability to maintain our current corporate governance structure, which structure has served the Company well, contributing to the Company s creation of long-term value for its stockholders. At the same time, as part of these changes, the Special Committee negotiated vigorously with Mr. Plank to obtain important benefits for the Company and its stockholders (other than Mr. Plank). These benefits included non-competition and non-solicitation commitments from Mr. Plank and the agreement of Mr. Plank that the Company s multi-class structure would be unwound, and, as a result, Mr. Plank would relinquish control of the Company, if he were to resign from the Company or be terminated for cause. Additional information and further discussion of the factors considered by the Special Committee and our Board in determining to recommend that our stockholders approve the matters to be considered at the Special Meeting is set forth herein. See *The Stock and Governance Changes Reasons for the Stock and Governance*

Changes, *The Stock and Governance Changes Potential Disadvantages of the Stock and Governance Changes*, and *Approval of Amendments to Our Charter Reasons for Charter Amendments* below.

i

The Class C Stock Issuance. Our Board, after receiving the unanimous recommendation of the Special Committee, unanimously (other than Mr. Plank, who abstained from voting) determined that it was advisable and in the best interests of our Company and its stockholders (other than Mr. Plank, as to whom no determination was made), to:

i. establish the Class C Stock as a new class of common stock, designated as Class C Common Stock, that is substantially identical to the Class A Stock, except that the new class has no voting rights (except in certain limited circumstances as described in this Proxy Statement) and will automatically convert into Class A Stock in connection with the conversion of the Class B Stock into Class A Stock (we refer to the creation of the Class C Stock as the Creation of Class C Stock);

ii. pay a dividend of one share of this new Class C Stock for each outstanding share of our Class A Stock and our Class B Stock (the Class C Dividend). We refer to the Creation of Class C Stock and the Class C Dividend collectively as the Class C Stock Issuance.

The Company effected the Creation of Class C Stock on June 15, 2015, but has not yet taken the steps required for the payment of the Class C Dividend. The Board intends to authorize the Company to declare and pay the Class C Dividend promptly following the approval of the Charter Amendments at the Special Meeting. However, the decision to proceed with, and timing of, the declaration and payment of the Class C Dividend will be made by the Board in its discretion.

The Charter Amendments. In connection with the Class C Stock Issuance, our Board, after receiving the unanimous recommendation of the Special Committee unanimously (other than Mr. Plank, who abstained from voting) determined that it was advisable and in the best interests of our Company and its stockholders (other than Kevin Plank, as to whom no determination was made), to approve, declare advisable and submit and recommend for approval by our stockholders the Charter Amendments negotiated by the Special Committee with Mr. Plank. The Charter Amendments include certain changes to our Charter designed to confer important benefits upon the Company and its stockholders (other than Mr. Plank) in connection with the Class C Stock Issuance, namely to:

(a) provide for a new automatic conversion trigger under which each share of Class B Stock will automatically convert into one share of Class A Stock if Mr. Plank sells or otherwise disposes of more than 2.5 million shares of the Company s common stock in any calendar year beginning in the year of the record date for the Class C Dividend; this number of shares gives effect to the increase in the number of outstanding shares resulting from the Class C Dividend. However, if Mr. Plank sells fewer than 2.5 million shares in any such calendar year, the number of unsold shares will be added to the number of shares that he may sell in future calendar years, potentially allowing him to sell more than 2.5 million shares in a calendar year without triggering the conversion;

(b) provide for a new automatic conversion trigger under which each share of Class B Stock will automatically convert into one share of Class A Stock if Mr. Plank resigns from the Company or his employment with the Company is terminated for cause;

(c)

provide for the treatment of shares of Class A Stock in a manner that is at least as favorable as the treatment of shares of Class B Stock in certain merger, consolidation, statutory share exchange, conversion and negotiated tender offer transactions (the Equal Treatment Provision);

(d) enhance board independence requirements for so long as the Class B Stock is outstanding by (1) prohibiting the Company from availing itself of the exemptions for controlled companies under stock exchange listing standards and (2) imposing stricter standards for determining whether directors are independent (the Board Independence Provisions); and

(e) provide that the Equal Treatment Provision and the Board Independence Provisions cannot be amended unless declared advisable by the Board of Directors of the Company, including

ii

at least 75% of the independent members of the Board, and approved by at least 75% of the votes entitled to be cast thereon by the holders of (1) the Class A Stock (other than Mr. Plank, his family entities, his family members or any executive officer of the Company), voting as a single class, and (2) the Class B Stock, voting as a single class.

Our Charter provides that as soon as reasonably practicable after the conversion of all the outstanding shares of Class B Stock into Class A Stock, all the outstanding shares of Class C Stock will also automatically be converted into Class A Stock, so that the Company would then have only one class of outstanding common stock.

The Noncompete Agreement. In anticipation of the Class C Dividend, the Company and Mr. Plank have executed and delivered the Noncompete Agreement negotiated by the Special Committee pursuant to which Mr. Plank has agreed not to compete with the Company or solicit its employees, customers and suppliers and prospective customers and suppliers (other than on behalf of the Company) during Mr. Plank s tenure with the Company and for five years thereafter.

We refer to the Class C Stock Issuance, the Charter Amendments and the Noncompete Agreement, collectively, as the Stock and Governance Changes .

The Employee Benefit Plan Matters (Pages 36 and 44)

The Company would like to be able to issue Class C Stock under its employee benefit plans following payment of the Class C Dividend. Accordingly, the Board of Directors has approved, and has recommended that our stockholders approve, (a) amendments to the Company s Second Amended and Restated 2005 Omnibus Long-Term Incentive Plan (the Long-Term Incentive Plan), effective as of the date of payment of the Class C Dividend, to authorize 30 million shares of our Class C Stock to be issued pursuant to awards under the Long-Term Incentive Plan and to reduce the number of shares of Class A Stock currently authorized under the Long-Term Incentive Plan from 40 million shares to 30 million shares (the Plan Amendment), and (b) the adoption of a new Class C Employee Stock Purchase Plan (the Class C ESPP Adoption). These approvals are not required in order for the Company to complete the Class C Stock Issuance, but being able to issue Class C Stock under these plans will allow the Company to realize one of the benefits of the creation of Class C Stock.

The Special Meeting; Proposals to be Considered

The special meeting (the Special Meeting) will be held on August 26, 2015, at 10:00 a.m., Eastern Time, at the Company s principal offices and headquarters, 1020 Hull Street, Baltimore, Maryland 21230.

At the Special Meeting, you will be asked to consider and vote upon the following proposals:

- to approve each of the Charter Amendments;
- to approve the Plan Amendment; and
- to approve the Class C ESPP Adoption.

Record Date and Quorum

Only holders of record of our Class A Stock and holders of record of our Class B Stock at the close of business on July 13, 2015, or the Record Date, will be entitled to notice of, and to vote at, the Special Meeting. On the Record Date, 179,961,526 shares of Class A Stock and 35,700,000 shares of Class B Stock were issued and outstanding. Each share of Class A Stock entitles the holder to cast one vote on each matter considered at the Special Meeting and each share of Class B Stock entitles the holder to cast ten votes on each matter considered at the Special Meeting.

Table of Contents

Stockholders may not take action at a meeting unless there is a quorum present at the meeting. Stockholders entitled to cast a majority of all the votes entitled to be cast at the Special Meeting, represented in person or by proxy, constitute a quorum for the transaction of business at the Special Meeting.

Votes Required

The Charter Amendments require the affirmative vote of the holders of a majority of the voting power of (a) the shares of Class A Stock and Class B Stock outstanding as of the Record Date and entitled to vote thereon, voting together as a single class, and (b) the shares of Class B Stock outstanding as of the Record Date and entitled to vote thereon, voting as a single class.

Each of the Plan Amendment and the Class C ESPP Adoption requires the affirmative vote of a majority of the votes cast on the proposal at the Special Meeting, with the holders of the Class A Stock and the Class B Stock outstanding as of the Record Date and entitled to vote thereon voting together as a single class.

Mr. Plank and certain related entities have agreed to vote and to cause to be voted at the Special Meeting all shares of Class A Stock and Class B Stock beneficially owned by them (representing 66.5% of the outstanding voting power as of the Record Date) in favor of each of these matters, so that each of these matters will be approved at the Special Meeting.

No vote of our stockholders is required with respect to the Creation of Class C Stock, the Class C Dividend or the Noncompete Agreement.

Effectiveness of the Stock and Governance Changes

If the Charter Amendments are approved at the Special Meeting, we intend to file the Charter Amendments with the Maryland State Department of Assessments and Taxation (the MSDAT) effective immediately prior to the payment of the Class C Dividend, and these amendments will be effective immediately upon acceptance by the MSDAT. Our Board reserves the right to abandon or delay the filing of the Charter Amendments even if they are approved by our stockholders, except that the Board will not proceed with the payment of the Class C Dividend unless the Charter Amendments have become effective.

Our Board has expressed its intention to complete the Stock and Governance Changes by paying the Class C Dividend, subject to stockholder approval of each of the Charter Amendments, the Plan Amendment and the Class C ESPP Adoption. At this time, our Board is not aware of any factors, other than these approvals, that may impact its decision as to whether to complete the Stock and Governance Changes.

Even if the Charter Amendments, the Plan Amendment and the Class C ESPP Adoption are approved by our stockholders at the Special Meeting, there can be no assurance that our Board will elect to complete the Stock and Governance Changes by authorizing the Company to declare and pay the Class C Dividend or, if the Board so elects, as to the timing of the Stock and Governance Changes. The Board retains discretion to abandon or to change the terms and/or the timing of the Stock and Governance Changes or any aspect thereof, including the declaration and payment of the Class C Dividend.

Recommendation of Our Board of Directors and the Special Committee

The Special Committee unanimously determined that the Creation of Class C Stock and payment of the Class C Dividend, together with the Noncompete Agreement and the Charter Amendments, the Plan Amendment and the

Class C ESPP Adoption, are in the best interests of the Company and our stockholders (other than Mr. Plank, as to whom no determination was made), and the Special

Committee recommended that the Board approve the Creation of Class C Stock, the issuance of the Class C Dividend and the Noncompete Agreement and approve, declare advisable and submit for approval by our stockholders the Charter Amendments, the Plan Amendment and the Class C ESPP Adoption.

Following receipt of the recommendation of the Special Committee, our Board unanimously (other than Mr. Plank, who abstained) determined that the Class C Stock Issuance and the Noncompete Agreement, together with the Charter Amendments, the Plan Amendment and the Class C ESPP Adoption, are in the best interests of the Company and our stockholders (other than Mr. Plank, as to whom no determination was made), and the Board unanimously (other than Mr. Plank, who abstained) approved the Creation of Class C Stock and the Noncompete Agreement and approved, declared advisable, and submitted and recommended for approval by our stockholders the Charter Amendments, the Plan Amendment and the Class C ESPP Adoption.

Material U.S. Federal Income Tax Consequences of the Class C Dividend (Page 26)

We believe that, in general, for U.S. federal income tax purposes (i) neither the Creation of Class C Stock nor the Class C Dividend, if it is declared, will be taxable to a stockholder of Under Armour; (ii) the Class C Stock will not constitute Section 306 stock within the meaning of Section 306(c) of the Code; (iii) the tax basis of each share of Class A Stock and Class B Stock, as applicable, with respect to which Class C Stock is distributed in the potential Class C Dividend will be apportioned between such share of Class A Stock or Class B Stock, on the one hand, and the Class C Stock received in the potential Class C Dividend, on the other hand, in proportion to the fair market value of such shares on the date of the potential Class C Dividend; (iv) if the shares of Class A Stock and Class B Stock were held as capital assets immediately before the Effective Date, the holding period for each new share of Class C Stock will include such stockholder s holding period for the share of common stock with respect to which the Class C Stock is distributed; and (v) no gain or loss will be recognized on any subsequent conversion of Class C Stock into shares of Class A Stock. Gain or loss would be recognized, however, on the subsequent disposition of shares of Class C Stock in a taxable transaction.

If the Class C Stock were determined to constitute Section 306 stock, a stockholder generally would be treated as realizing ordinary income as opposed to capital gain upon certain dispositions (including redemptions) of such Section 306 stock.

Stockholders are urged to seek the advice of their tax counsel on these matters and on tax matters other than U.S. federal income tax matters.

Appraisal Rights (Page 47)

Under Maryland law, holders of our common stock will not be entitled to appraisal rights in connection with the Class C Stock Issuance or the matters to be considered at the Special Meeting.

Table of Contents

TABLE OF CONTENTS

GENERAL INFORMATION	1
Internet Availability of Proxy Materials	1
Who May Vote	1
What Constitutes a Quorum	2
Votes Required	2
Voting Process	2
How to Vote	2
Attendance at the Special Meeting	3
Revocation	3
Abstentions and Broker Non-Votes	3
Householding	4
Solicitation of Proxies	4
THE STOCK AND GOVERNANCE CHANGES	5
Overview of the Stock and Governance Changes	5
Certain Terms Used in this Proxy Statement	6
Summary of Proposals Included in the Stock and Governance Changes	7
Summary of Additional Proposals Related to the Stock and Governance Changes	8
Overview of Our Dual-Class Structure	10
History of Under Armour	11
Background to the Stock and Governance Changes	11
Reasons for the Stock and Governance Changes	13
Potential Disadvantages of the Stock and Governance Changes	17
Litigation Relating to the Stock and Governance Changes	21
Description of Class C Stock	21
Certain Other Effects of the Stock and Governance Changes	23
APPROVAL OF AMENDMENTS TO OUR CHARTER (Proposal 1)	28
Description of Proposal	28
Reasons for Charter Amendments	29
Required Vote	35
APPROVAL OF AMENDMENT OF OUR SECOND AMENDED AND RESTATED 2005 OMNIBUS LONG-TERM INCENTIVE PLAN (Proposal 2)	36
Description of Proposal	36
Federal Income Tax Consequences	42
Required Vote	43
APPROVAL OF OUR CLASS C EMPLOYEE STOCK PURCHASE PLAN (Proposal 3)	44
Description of Proposal	44
Summary of the Class C ESPP	44
Required Vote	46
OTHER CONSIDERATIONS	47
Appraisal Rights	47
Stockholder Information	47
Stockholder Proposals	47

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS	48
SECURITY OWNERSHIP OF MANAGEMENT AND CERTAIN BENEFICIAL OWNERS OF SHARES	49
EXECUTIVE COMPENSATION	52
APPENDICES	
APPENDIX A Articles of Amendment to Charter	A-1
APPENDIX B Unofficial Compiled Charter (Showing Changes From Current Charter)	B-1
APPENDIX C Amended Long-Term Incentive Plan (Showing Changes From Current Plan)	C-1
APPENDIX D Class C ESPP	D-1
APPENDIX E Noncompete Agreement with Kevin A. Plank	E-1
APPENDIX F Articles Supplementary Regarding Class C Common Stock	F-1

Table of Contents

UNDER ARMOUR, INC.

PROXY STATEMENT

SPECIAL MEETING OF STOCKHOLDERS

August 26, 2015

GENERAL INFORMATION

This Proxy Statement is being provided to solicit proxies on behalf of the Board of Directors of Under Armour, Inc., a Maryland corporation, for use at the Special Meeting of Stockholders and at any adjournment or postponement thereof. The meeting is to be held on August 26, 2015, at 10:00 a.m., Eastern Time, at the Company s principal offices and headquarters, 1020 Hull Street, Baltimore, Maryland 21230. We expect to first send or give this Proxy Statement to stockholders on approximately July 17, 2015.

In this Proxy Statement, (a) we refer to Under Armour, Inc. as Under Armour, we, us or the Company, and (b) references to numbers of shares of our common stock and the trading price of our common stock have been adjusted to reflect the Company s two-for-one stock splits that were effected in July 2012 and April 2014.

Internet Availability of Proxy Materials

Pursuant to rules of the Securities and Exchange Commission, or SEC , we are making our proxy materials available to our stockholders electronically over the Internet rather than mailing the proxy materials. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials to our stockholders. All stockholders will have the ability to access the proxy materials, including this Proxy Statement, on the website referred to in the notice or to request a printed set of the proxy materials. Instructions on how to access the proxy materials over the Internet or to request a printed copy may be found on the notice. In addition, stockholders may request to receive proxy materials in printed form by mail or electronically by email on an ongoing basis.

The SEC rules require us to notify all stockholders, including those stockholders to whom we have mailed proxy materials, of the availability of our proxy materials over the Internet.

Important Notice Regarding the Availability of Proxy Materials

for the Special Meeting of Stockholders to be held on August 26, 2015

Our Proxy Statement is available at

http://investor.underarmour.com/special-annual-meeting-cwMV.cfm?mode=cwMV

Who May Vote

Only holders of record of our Class A Common Stock, which we refer to as "Class A Stock", and holders of record of our Class B Common Stock, which we refer to as "Class B Stock", at the close of business on July 13, 2015, or the "Record Date", will be entitled to notice of, and to vote at, the Special Meeting. On the Record Date, 179,961,526 shares of Class A Stock and 35,700,000 shares of Class B Stock were issued and outstanding. Each share of Class A Stock entitles the holder to cast one vote at on each matter considered at the Special Meeting and each share of Class B Stock entitles the holder to cast ten votes on each matter considered at the Special Meeting.

Table of Contents

What Constitutes a Quorum

Stockholders may not take action at a meeting unless there is a quorum present at the meeting. Stockholders entitled to cast a majority of all the votes entitled to be cast at the Special Meeting, represented in person or by proxy, constitute a quorum for the transaction of business at the Special Meeting.

Votes Required

The amendments to our charter (our Charter), which we will subsequently refer to collectively as Proposal 1, or the Charter Amendments , require the affirmative vote of the holders of a majority of the voting power of (a) the shares of Class A Stock and Class B Stock outstanding as of the Record Date and entitled to vote thereon, voting together as a single class and (b) the shares of Class B Stock outstanding as of the Record Date and entitled to vote thereon, voting as a single class.

The Amendment of our Second Amended and Restated 2005 Omnibus Long-Term Incentive Plan (the Long-Term Incentive Plan), which we will subsequently refer to as Proposal 2, or the Plan Amendment , requires the affirmative vote of a majority of the votes cast on the proposal at the Special Meeting.

The adoption of a new Class C Employee Stock Purchase Plan (the Class C ESPP), which we will subsequently refer to as Proposal 3, or the Class C ESPP Adoption , requires the affirmative vote of a majority of the votes cast on the proposal at the Special Meeting.

The holders of the Class A Stock and the Class B Stock will vote together as a single class on the Plan Amendment and the Class C ESPP Adoption.

Voting Process

Shares for which proxies are properly executed and returned will be voted at the Special Meeting in accordance with the directions given or, in the absence of directions, will be voted FOR each of the Charter Amendments, the Plan Amendment and the Class C ESPP Adoption (Proposals 1, 2 and 3). Under Maryland law and our Bylaws, no matters, other than the matters listed above and procedural motions relating to such matters, may properly be brought before the Special Meeting. If such procedural motions are properly presented at the Special Meeting, the persons named as proxies in the proxy card will vote in accordance with their discretion with respect to such matters.

The manner in which your shares may be voted depends on how your shares are held. If you are the record holder of your shares, meaning you appear as the stockholder of your shares on the records of our stock transfer agent, you may vote your shares directly through one of the methods described below. If you own shares in street name, meaning you are a beneficial owner with your shares held through a bank or brokerage firm, you may instruct your bank or brokerage firm how to vote your shares through the methods described on the voting instruction form provided by your bank or brokerage firm.

How to Vote

You may vote your shares by one of the following methods.

Internet

To vote your shares by Internet, please visit the website listed on your Notice of Internet Availability of Proxy Materials, or the enclosed proxy card or voting instruction form, and follow the on-screen instructions. You will need the control number included on your Notice of Internet Availability of Proxy Materials, proxy card or voting instruction form. If you vote by Internet, you do not need to mail your proxy card or voting instruction form.

2

Table of Contents

Telephone

If you received a paper proxy card or voting instruction form and would like to vote your shares by telephone, please follow the instructions on the proxy card or voting instruction form. You will need the control number included on your Notice of Internet Availability of Proxy Materials, proxy card or voting instruction form. If you vote by telephone, you do not need to mail your proxy card or voting instruction form.

Mail

If you received a paper proxy card or voting instruction form and would like to vote your shares by mail, please follow the instructions on the proxy card or voting instruction form. Please be sure to sign and date your proxy card. **If you do not sign your proxy card, your votes cannot be counted.** Mail your proxy card or voting instruction form in the pre-addressed, postage-paid envelope.

In Person

You may also attend the Special Meeting and vote in person. If you own your stock in street name and wish to vote your shares at the Special Meeting, you must obtain a legal proxy from the bank or brokerage firm that holds your shares. You should contact your bank or brokerage account representative to obtain a legal proxy. However, to ensure your shares are represented, we ask that you vote your shares by Internet, telephone or mail, even if you plan to attend the meeting.

Attendance at the Special Meeting

If you are the record holder of your shares as of the Record Date for the Special Meeting, you will be required to present a form of photo identification for admission to the Special Meeting. If you own your stock in street name, you may attend the Special Meeting in person provided that you present a form of photo identification and proof of beneficial ownership as of the Record Date for the Special Meeting, such as a recent brokerage statement or a letter from a bank or broker. Directions to the Special Meeting are available at http://investor.underarmour.com/special-annual-meeting-cwMV.cfm?mode=cwMV.

Revocation

If you are the record holder of your shares as of the Record Date for the Special Meeting, you may revoke or cancel a previously granted proxy at any time before the Special Meeting by delivering to the Secretary of Under Armour at 1020 Hull Street, Baltimore, Maryland 21230, a written notice of revocation or a duly executed proxy bearing a later date, or by attending the Special Meeting and voting in person. Any stockholder owning shares in street name may change or revoke previously given voting instructions by contacting the bank or brokerage firm holding the shares or by obtaining a legal proxy from the bank or brokerage firm and voting in person at the Special Meeting. Your personal attendance at the meeting does not revoke your proxy. Your last vote, prior to or at the Special Meeting, is the vote that will be counted.

Abstentions and Broker Non-Votes

Shares held by stockholders present at the Special Meeting in person or by proxy who do not vote on a matter and ballots or proxies marked abstain or withheld on a matter will be counted as present at the meeting for quorum purposes, but will not be considered votes cast on any matter.

Generally, at meetings of our stockholders, if your shares are held in street name through a bank or broker and you do not provide voting instructions regarding a matter to be considered at the meeting, your bank or broker may vote your shares as to routine matters in accordance with rules of the New York Stock Exchange (the NYSE) that govern banks and brokers. Thus, if you do not vote

Table of Contents

your shares with respect to routine matters, your bank or broker may vote your shares on your behalf or leave your shares unvoted.

However, none of the Charter Amendments, the Plan Amendment, or the Class C ESPP Adoption is considered a routine matter. Thus, if you do not vote your shares with respect to these matters, your bank or broker may not vote the shares, and your shares will be left unvoted on these matters.

Broker non-votes (which are shares represented by proxies, received from a bank or broker, that are not voted on a matter because the bank or broker did not receive voting instructions from you) will be treated the same as abstentions, which means they will be present at the Special Meeting and counted toward the quorum, but they will not be counted as votes cast. Because approval of the Charter Amendments (Proposal 1) requires the affirmative vote of the holders of a majority of the voting power of the shares of Class A Stock and Class B Stock outstanding as of the Record Date and entitled to vote thereon, voting together as a single class, as well as separate approval of the holders of a majority of the voting power of the shares of Class B Stock outstanding as of the Record Date, abstentions and broker non-votes will have the effect of a vote against the proposal. Because each of the Plan Amendment (Proposal 2) and the Class C ESPP Adoption (Proposal 3) requires the vote of not less than a majority of the votes cast on the proposal at the Special Meeting, abstentions and broker non-votes will not have an effect on the vote, because they will not be counted as votes cast.

Householding

The SEC permits us to send a single set of proxy materials to any household at which two or more stockholders reside, unless contrary instructions have been received, but only if we provide advance notice and follow certain procedures. This process, referred to as householding, reduces the volume of duplicate information and reduces printing and mailing expenses. We have not instituted householding for stockholders of record. Certain brokerage firms may have instituted householding for beneficial owners of our common stock held through brokerage firms. If your family has multiple accounts holding our shares, you may have already received a householding notice from your broker. Please contact your broker directly if you have any questions or require additional copies of the proxy materials. The broker will arrange for delivery of a separate copy of this Proxy Statement promptly upon your written or oral request. You may decide at any time to revoke your decision to household and begin receiving multiple copies.

Solicitation of Proxies

We pay the cost of soliciting proxies for the Special Meeting. We solicit by mail and arrangements are made with brokerage houses and other custodians, nominees and fiduciaries to send proxy materials to beneficial owners. Upon request, we will reimburse them for their reasonable expenses. We have retained Georgeson Inc., a proxy solicitation firm, to assist us in the solicitation of proxies for the Special Meeting. As of the Record Date, we have paid Georgeson Inc. approximately $25,000 for the solicitation of proxies in connection with the Special Meeting and other advisory work and will pay for other miscellaneous expenses as incurred in connection with the solicitation of proxies. In addition, our directors, officers and employees may solicit proxies, either personally or by telephone, facsimile or written or electronic mail.

Stockholders are requested to authorize their proxies by telephone or internet or return their proxies by mail without delay.

If you have any questions or need assistance in voting your shares, or if you need to obtain copies of the accompanying proxy statement, proxy cards, election forms or other documents referred to in this Proxy Statement, please contact our proxy solicitor, Georgeson Inc., toll-free at 866-295-4321.

4

THE STOCK AND GOVERNANCE CHANGES

Overview of the Stock and Governance Changes

Our Board of Directors (our Board), after receiving the unanimous recommendation of a special committee of our Board consisting only of independent directors (the Special Committee), unanimously (other than Kevin Plank, our founder, Chairman of the Board and Chief Executive Officer, who abstained from voting) determined that it was advisable and in the best interests of our Company and its stockholders (other than Mr. Plank, as to whom no determination was made) to make the following changes in our common stock and corporate governance that were negotiated by the Special Committee with Mr. Plank:

- establish a new class of common stock that is substantially identical to the Class A Stock, except that the new class has no voting rights (except in certain limited circumstances) and will automatically convert into Class A Stock under certain circumstances (which we refer to as the Class C Stock , and the creation thereof as the Creation of Class C Stock);

- declare and pay a dividend of one share of this new Class C Stock for each outstanding share of our Class A Stock and Class B Stock (the Class C Dividend). We refer to the Creation of Class C Stock and the Class C Dividend collectively as the Class C Stock Issuance ;

- make certain amendments to the Company s charter (which we refer to as our Charter), benefitting the holders of Class A Stock in connection with the Class C Stock Issuance and described below (the Charter Amendments); and

- approve the execution of a non-competition and non-solicitation agreement between Mr. Plank and the Company (the Noncompete Agreement), pursuant to which, among other things, Mr. Plank has agreed not to compete with the Company or solicit its employees, customers and suppliers and prospective customers and suppliers (other than on behalf of the Company) during Mr. Plank s tenure with the Company and for five years thereafter.

We refer to the Class C Stock Issuance, the Charter Amendments and the Noncompete Agreement collectively as the Stock and Governance Changes .

The Class C Stock Issuance. Under Maryland law and our Charter, the Company was able to effect the Creation of Class C Stock without stockholder approval and, following Board approval, the Company did so on June 15, 2015 by filing an amendment to the Charter and Articles Supplementary with the MSDAT. Under Maryland law, the Company is also able to pay the Class C Dividend without stockholder approval. However, the Board believes that, prior to declaring and paying the Class C Dividend, (1) the Charter Amendments should be effected to provide the benefits to the Company and its stockholders (other than Mr. Plank) as described in more detail in this Proxy Statement, (2) the Plan Amendment should be approved so that the Class C Stock may be issued under our Long-Term Incentive Plan

and (3) the Class C ESPP Adoption should take place so that employees will be able to purchase Class C Stock in the future under the Class C ESPP. The stockholders will vote on these three matters at the Special Meeting.

The Charter Amendments. The Board believes that the Charter Amendments are in the best interest of the Company and its stockholders (other than Mr. Plank). In addition, the declaration and payment of the Class C Dividend are subject to the effectiveness of the Charter Amendments. Accordingly, the Board has authorized the submission of the Charter Amendments for a vote of our stockholders at the Special Meeting. The Charter Amendments have the following key provisions, which were negotiated by the Special Committee with Mr. Plank:

provide for a new automatic conversion trigger under which each share of Class B Stock will automatically convert into one share of Class A Stock if Mr. Plank sells, or otherwise disposes

of, more than 2.5 million shares of the Company s common stock in any calendar year beginning in the year of the record date for the Class C Dividend, subject to a rollover feature that will allow Mr. Plank to sell additional shares under certain circumstances. The 2.5 million share limit is based on the Company having paid the Class C Dividend (so that this limit is equivalent to 1.25 million shares prior to the payment of the Class C Dividend);

provide for a new automatic conversion trigger under which each share of Class B Stock will automatically convert into one share of Class A Stock if Mr. Plank resigns from the Company or his employment with the Company is terminated for cause;

provide for the treatment of shares of Class A Stock in a manner that is at least as favorable as shares of Class B Stock in certain merger, consolidation, statutory share exchange, conversion and negotiated tender offer transactions (the Equal Treatment Provision);

enhance board independence requirements for so long as the Class B Stock is outstanding by (1) prohibiting the Company from availing itself of the exemptions for controlled companies under stock exchange listing standards and (2) imposing stricter standards for determining whether directors are independent (the Board Independence Provisions); and

provide that the Equal Treatment Provision and the Board Independence Provisions cannot be amended unless declared advisable by the Board, including at least 75% of the Independent Directors, and approved by at least 75% of the votes entitled to be cast thereon by the holders of (1) the Class A Stock (other than Mr. Plank, any Kevin A. Plank Family Entity, any Kevin A. Plank Family Member or any executive officer of the Company), voting as a single class, and (2) the Class B Stock, voting as a single class.

The Noncompete Agreement. In connection with approving the Creation of Class C Stock and recommending the Charter Amendments, the Special Committee negotiated with Mr. Plank a Noncompete Agreement, which he executed on June 15, 2015. Under the terms of the Noncompete Agreement, Mr. Plank has agreed not to compete with the Company or solicit its employees, customers and suppliers and prospective customers and suppliers (other than on behalf of the Company) during Mr. Plank s tenure with the Company and for five years thereafter. The Noncompete Agreement has become effective, but will terminate if the Board determines not to proceed with payment of the Class C Dividend. The Noncompete Agreement also requires Mr. Plank and the manager with voting power over certain shares of Class B Stock held by two limited liability companies controlled by Mr. Plank, to vote, and to cause to be voted, at the Special Meeting all shares of Class A Stock and Class B Stock beneficially owned by Mr. Plank and his affiliates and associates in favor of each of the Charter Amendments, the Plan Amendment and the Class C ESPP Adoption.

Although the Creation of Class C Stock and the Noncompete Agreement were effected without stockholder approval, the Charter Amendments, which the Board believes should be effective at the time of the Class C Dividend, require the approval of our stockholders. Accordingly, the Charter Amendments are being submitted to the stockholders for approval at the Special Meeting.

Our Board intends to authorize the Company to declare and pay the Class C Dividend promptly following the approval of the Charter Amendments by the stockholders at the Special Meeting. However, the decision to proceed with, and timing of, the declaration and payment of the Class C Dividend will be made by the Board in its discretion.

Certain Terms Used in this Proxy Statement

We use the following defined terms in this Proxy Statement:

Independent Directors means such directors of the Company who are independent under applicable law, the Listing Standards (as defined below) and any other standards adopted by the Board for determining the independence of directors generally, who are not Mr. Plank or a Kevin A. Plank Family Member and whom the Board has determined have no material financial or service relationship with Mr. Plank or any Kevin A. Plank Family Member.

Table of Contents

Kevin A. Plank Family Member means: (X) the spouse, and any parent, child, sibling, parent-in-law, sibling-in-law or child-in-law, of Mr. Plank; (Y) any individual (other than a domestic employee) who shares a home with Mr. Plank; and (Z) any lineal descendant, including by adoption, of any of the foregoing individuals.

Listing Standards, means, for so long as shares of the Company s stock are listed on the NYSE, the requirements of the NYSE generally applicable to companies with voting common equity securities listed thereon (the NYSE Listing Standards), or if the Company s stock is not so listed, the listing requirements or rules of the principal national securities exchange on which the Company s stock is then listed or traded, or if the Company s stock is not then listed or traded on any national securities exchange, the NYSE Listing Standards.

Kevin A. Plank Family Entity means (1) any not-for-profit corporation controlled by Mr. Plank, his wife or children, or any combination thereof; (2) any corporation if at least 66% of the value and voting power of its outstanding equity is owned by Mr. Plank, his wife or children, or any combination thereof; (3) any partnership if at least 66% of the value and voting power of its partnership interests are owned by Mr. Plank, his wife or children, or any combination thereof; (4) any limited liability company or similar company if at least 66% of the value and voting power of the company and its membership interests are owned by Mr. Plank, his wife or his children; or (5) any trust the primary beneficiaries of which are Mr. Plank, his wife, his children and/or charitable organizations, of which if the trust is a wholly charitable trust, at least 66% of the trustees of such trust are appointed by Mr. Plank or his wife.

Summary of Proposals Included in the Stock and Governance Changes

At the Special Meeting, our stockholders will vote separately on the following proposals:

Proposal 1 Charter Amendments. This proposal is to approve the Charter Amendments negotiated by the Special Committee with Mr. Plank that are designed to provide important benefits to the holders of Class A Stock in connection with the consummation of the Class C Stock Issuance. Stockholders will vote separately on each of the following proposals, which collectively comprise Proposal 1:

Proposal 1A **To provide for each share of Class B Stock to be converted into one share of Class A Stock if Mr. Plank sells, or otherwise disposes of, a total of more than 2.5 million shares of the Company s common stock in any calendar year.** Each share of Class B Stock will automatically convert into a share of Class A Stock if Mr. Plank sells, or otherwise disposes of, more than 2.5 million shares of the Company s common stock in any calendar year beginning in the year of the record date for the Class C Dividend. However, if Mr. Plank sells fewer than the number of shares that he was permitted to sell in any calendar year, the number of unsold shares will be added to the number of shares that he may sell in the future calendar years, without limitation, potentially allowing him to sell more than 2.5 million shares in any given calendar year without triggering the conversion (the Transfer Conversion Trigger). The 2.5 million share limit is based on the Company having paid the Class C Dividend of one share of Class C Stock on each outstanding share of Class A Stock and Class B Stock (so that this limit is equivalent to 1.25 million shares prior to the payment of the Class C Dividend).

Proposal 1B	**To provide for each share of Class B Stock to be converted into one share of Class A Stock upon the departure of Mr. Plank from the Company in certain circumstances.** If Mr. Plank resigns from the Company or his employment with the Company is terminated for cause, then the Class B Stock will automatically convert to Class A Stock.

Table of Contents

Proposal 1C **To provide for the treatment of shares of Class A Stock in a manner that is at least as favorable as shares of Class B Stock in certain transactions**. In the event of any merger or consolidation of the Company into another entity, statutory share exchange between the Company and any other entity or conversion of the Company with or into another entity (whether or not the Company is the surviving entity) or a third party tender offer entered into pursuant to an agreement with the Company, the holders of each share of Class A Stock and Class B Stock will be entitled to receive the same consideration on a per share basis, and each holder of shares of Class A Stock will be entitled to receive the same consideration on a per share basis as each holder of shares of Class B Stock is entitled to receive on a per share basis in connection with a transfer of such shares of Class B Stock incidental to such a merger, consolidation, statutory share exchange, conversion or negotiated tender offer, even if the consideration for such transfer is not paid as consideration in such merger, consolidation, statutory share exchange, conversion or negotiated tender offer, subject to certain exceptions.

Proposal 1D **To enhance board independence requirements for so long as the Class B Stock is outstanding by (1) prohibiting the Company from availing itself of the exemptions for controlled companies under stock exchange listing standards and (2) imposing stricter standards for determining whether directors are independent .** Because it will not be entitled to avail itself of exemptions for controlled companies under applicable listing standards, the Company will, in effect, be required to maintain a majority of independent directors and independent compensation and corporate governance committees, so long as shares of Class B Stock are outstanding. In addition, for the purpose of these and other requirements in our charter, independence will mean that a director has no family relationship with Mr. Plank, and no material financial or service relationship with Mr. Plank or any members of his family, in addition to the other independence requirements to which the Company is subject under applicable listing standards.

Proposal 1E **To provide that amendments to the Equal Treatment Provision and the Board Independence Provisions require a supermajority vote.** The Equal Treatment Provision and the Board Independence Provisions cannot be amended unless declared advisable by the Board, including at least 75% of the Independent Directors, and approved by at least 75% of the votes entitled to be cast thereon by the holders of (1) the Class A Stock (other than Mr. Plank, any Kevin A. Plank Family Entity, any Kevin A. Plank Family Member or any executive officer of the Company), voting as a single class, and (2) the Class B Stock, voting as a single class.

Summary of Additional Proposals Related to the Stock and Governance Changes

In addition to the Charter Amendments, which are included as elements of the Stock and Governance Changes, at the Special Meeting our stockholders will vote on the following matters, which are related to the Stock and Governance Changes.

Proposal 2 Long-Term Incentive Plan Amendment. Under NYSE listing standards, any material amendment of an equity compensation plan must be approved by the stockholders. This proposal is to approve the Plan Amendment, involving certain amendments to the Long-Term Incentive Plan to allow the award of shares of Class C Stock under the Long-Term Incentive Plan.

Proposal 3 Class C ESPP Adoption. Under NYSE listing standards, the adoption of an equity compensation plan must be approved by the stockholders. This proposal is to approve the Class C ESPP Adoption, involving the adoption of a new Class C Employee Stock Purchase Plan providing for the issuance of shares of Class C Stock under the Class C ESPP.

As a result of his beneficial ownership of all of the 35,700,000 outstanding shares of our Class B Stock and 76,445 shares of our Class A Stock, which together represent as of the Record Date approximately 66.5% of the total voting power of all outstanding shares of Class A Stock and Class B Stock, Mr. Plank will have the power to approve each of the Charter Amendments, the Plan Amendment and the Class C ESPP Adoption without the affirmative vote of any other stockholder. In the Noncompete Agreement, Mr. Plank and the manager with voting power over certain shares of Class B Stock held by two limited liability companies controlled by Mr. Plank, have agreed to vote all shares of Class A Stock and Class B Stock beneficially owned by Mr. Plank and his affiliates and associates FOR the matters under Proposals 1, 2 and 3 at the Special Meeting.

The description of the Charter Amendments in this Proxy Statement is qualified in its entirety by reference to, and should be read in conjunction with, the full text of the Charter Amendments, which are attached to this Proxy Statement as Appendix A. For convenience of reference, an unofficial, compiled copy of the Charter showing the changes from the existing Charter to be effected by the Charter Amendments, with deleted text shown in strikethrough and added text shown as double-underlined, is attached to this Proxy Statement as Appendix B.

The description of the Plan Amendment in this Proxy Statement is qualified in its entirety by reference to, and should be read in conjunction with, the full text of the Plan Amendment. For convenience of reference, a copy of the Amended Long-Term Incentive Plan, as it will be amended, showing the changes from the Long-Term Incentive Plan, with deleted text shown in strikethrough and added text shown as double-underlined, is attached to this Proxy Statement as Appendix C.

The description of the Class C ESPP in this Proxy Statement is qualified in its entirety by reference to, and should be read in conjunction with, the full text of the Class C ESPP, which is attached to this Proxy Statement as Appendix D.

The description of the Noncompete Agreement in this Proxy Statement is qualified by reference to, and should be read in connection with, the full text of the Noncompete Agreement, which is attached to this Proxy Statement as Appendix E.

The description of the Class C Stock in this Proxy Statement is qualified in its entirety by reference to, and should be read in conjunction with, the full text of the Articles Supplementary, which created the Class C Stock. The Articles Supplementary were approved by the Board on June 11, 2015 and accepted for record by the MSDAT on June 15, 2015 and are attached to this Proxy Statement as Appendix F.

If the Charter Amendments are adopted by the required vote of our stockholders, we intend to file the Charter Amendments with the MSDAT immediately prior to the payment of the Class C Dividend. The Charter Amendments will be effective immediately upon acceptance of filing by the MSDAT or at such later time as may be specified in the Charter Amendments (the Effective Date). Our Board reserves the right to abandon or delay the filing of the Charter Amendments even if they are approved by our stockholders. Our Board will not proceed with the Class C Dividend unless the Charter Amendments have become effective.

At this time, our Board is not aware of any factors, other than the approval of the Charter Amendments, the Plan Amendment and the Class C ESPP Adoption, that may impact its decision as to whether to complete the Stock and Governance Changes. Stockholder approval of the Class C Dividend is not required and is not being solicited by this Proxy Statement. Even if the Charter

9

Amendments, the Plan Amendment and the Class C ESPP Adoption are approved by the stockholders at the Special Meeting, there can be no assurance that our Board will elect to complete the Class C Stock Issuance through the declaration and payment of the Class C Dividend or, if the Board so elects, of the timing of the declaration and payment of the Class C Dividend. The Board retains discretion to abandon or to change the terms and/or the timing of the Stock and Governance Changes. The Noncompete Agreement will terminate if the Board determines not to proceed with the Class C Dividend.

The Board recommends a vote FOR the approval of each of Proposal Numbers 1, 2 and 3.

The Stock and Governance Changes, including the background of the Stock and Governance Changes and the reasons why our Board and the Special Committee decided to approve the Class C Stock Issuance and the Noncompete Agreement and to approve and recommend the Charter Amendments, are described below.

Overview of Our Dual-Class Structure

Since our initial public offering in 2005, our Company has had a dual-class stock structure consisting of our Class A Stock, which is entitled to one vote per share, and our Class B Stock, which is entitled to ten votes per share. Under the terms of our Charter, shares of Class A Stock and shares of Class B Stock generally vote together as a single class on all matters, including the election of directors, fundamental corporate transactions and amendments to our Charter. All shares of our Class B Stock are beneficially owned by Mr. Plank. As of the Record Date, Mr. Plank beneficially owned 35,700,000 shares of Class B Stock and 76,445 shares of Class A Stock, together, representing approximately 16.6% of the total number of shares of outstanding Class A Stock and Class B Stock and approximately 66.5% of the total voting power of the outstanding Class A Stock and Class B Stock.

Under the terms of our Charter, each outstanding share of Class B Stock will be automatically converted into one share of Class A Stock, so that our dual-class structure would unwind upon the occurrence of any of the following:

- the death of Mr. Plank;
- Mr. Plank s ceasing to be affiliated with our Company in any capacity as a result of a permanent disability; or
- the record date for any meeting of our stockholders, if the aggregate number of shares of Class A Stock and Class B Stock beneficially owned on that record date by Mr. Plank and each Kevin A. Plank Family Entity, when taken together, is less than 15.0% of the total number of shares of Class A Stock and Class B Stock outstanding on that record date (the 15% Conversion Threshold).

As a result of the 15% Conversion Threshold, if the total number of shares of Class A Stock and Class B Stock beneficially owned by Mr. Plank were to drop from exactly 15.0% of the total outstanding shares of our Class A Stock and Class B Stock to just less than 15.0% of total outstanding shares, his voting power would drop from approximately 63.8% of the total votes (assuming substantially all of his holdings were in Class B Stock) to just under 15.0% of the total votes.

Companies typically use dual-class stock structures, such as the one that we have in place, so that a company founder or founders may maintain voting control of the company after it becomes a public company, even as the company issues additional shares of its common stock or as the founder

10

or founders sell their shares from time to time. Facilitating such voting control by company founders, so that their votes control the election of directors and significant corporate decisions, allows them to focus on long-term corporate strategies and performance, as they seek to drive the creation of long-term value for the company and its stockholders. With such a structure in place, a company may be subject to less pressure to achieve short-term financial results and it may avoid pressure from activists or other stockholders who focus more on short-term performance than on longer-term objectives.

History of Under Armour

Under Armour was founded in 1996 by Kevin Plank. As a special teams captain of the University of Maryland football team, he became tired of repeatedly changing the cotton T-shirt under his jersey as it became wet and heavy during the course of a game and he set out to develop a next generation shirt that would remain drier and lighter. He created a new category of sporting apparel called performance apparel and built Under Armour into a leading developer, marketer and distributor of branded performance apparel, footwear and accessories. These products are now 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. In addition, under Mr. Plank s direction as Chief Executive Officer, Under Armour s Connected Fitness platform now powers the world s largest digital health and fitness community, which we use to connect with our consumers and increase awareness and sales of our products.

We became a publicly-traded company in 2005 and our Company has achieved significant success since our initial public offering. The Company s net revenues grew from approximately $281 million in 2005 to approximately $3.1 billion in 2014, which represents a compound annual growth rate of 30%. Over this same period, the Company s net income also grew at a 30% compound annual growth rate, increasing from $19.7 million in 2005 to $208 million in 2014. Our stockholders have shared in this success, with the share price of our Class A Stock increasing from the initial public offering price of $3.25 to $86.24 per share, which was the closing price of our Class A Stock on July 10, 2015, representing an increase of approximately 2,554% on a split-adjusted basis. In contrast, over that time period, the S&P 500 Index appreciated by approximately 66%.

Mr. Plank has benefited financially from this strong stockholder return through ownership and periodic sales of his founder s shares. Also, despite this market leading performance, he has forgone certain benefits and continued to align his own personal financial success with Under Armour and its stockholders. In 2008, Mr. Plank voluntarily reduced his salary from $500,000 to $26,000, which was his approximate salary when he founded our Company, and his salary has remained at that level. Mr. Plank believes he should be compensated as our Chief Executive Officer based primarily on our Company s performance through our incentive plans and, accordingly, nearly all of his compensation is based on our performance. The Board believes that Mr. Plank s relatively modest compensation as our Chief Executive Officer remains well below market and does not fully reflect his value to the Company and the strong return he has generated for our stockholders.

Background to the Stock and Governance Changes

From time to time since our initial public offering in 2005, Mr. Plank has sold shares of Class B Stock for asset diversification, tax and estate planning and charitable giving purposes. The Company has also issued shares of Class A Stock from time to time, with substantially all these shares being issued under our employee benefit plans. In the past, our Board (including Mr. Plank) has discussed the benefits of our current corporate governance structure, which allows Mr. Plank and the other members of management to focus on driving long-term value for our Company and stockholders. Our Board (including Mr. Plank) has discussed that, over time, as Mr. Plank further diversifies his assets

through sales of Class B Stock, and as the Company issues additional shares of Class A Stock, Mr. Plank s ownership level would approach the 15% Conversion Threshold that would unwind the dual-class stock structure.

In June 2012, the Board authorized a committee of independent directors, consisting of Douglas E. Coltharp, Anthony W. Deering and A.B. Krongard (the Special Committee), to review the dual-class structure. The Special Committee engaged its own independent counsel, Fried, Frank, Harris, Shriver & Jacobson LLP (Fried Frank), to assist in its review. The Special Committee reviewed the sales of shares by Mr. Plank since the time of the Company s initial public offering, as well as the possibility of his engaging in additional sales of shares, and also considered previous issuances of stock by the Company and how additional issuances of shares by the Company might impact its dual-class stock structure. The Special Committee also reviewed the Company s dual-class stock structure, in the context of other elements of its corporate governance. In connection with its review, the Special Committee determined that, in connection with any measure that might extend Mr. Plank s voting control, it would be critical to the Company that Mr. Plank (a) enter into non-competition and non-solicitation commitments and (b) commit to the unwinding of the Company s dual-class structure (and, as a result, the relinquishment of his control of the Company) if he were to resign from the Company or be terminated for cause. The Special Committee concluded that, without these new terms, it would be exceedingly difficult to attract and retain a high-quality replacement if Mr. Plank ever were to leave, in light of the prospect of potentially having Mr. Plank retain control of the Company or being able to compete with the Company after his departure. The Special Committee also considered changes to the Company s Charter that might provide benefits to the Class A stockholders and which could only be implemented with the approval of Mr. Plank, as holder of all the outstanding Class B Stock.

Accordingly, the Special Committee developed a series of changes under which it would be prepared to support a phased-in reduction of the 15% Conversion Threshold, including non-competition and non-solicitation commitments similar to those reflected in the Noncompete Agreement, the unwinding of the Company s dual-class structure if Mr. Plank were to resign from the Company or be terminated for cause and certain other governance changes for benefit of the holders of the Class A Stock. However, in February 2013, the NYSE advised the Special Committee that a reduction of the 15% Conversion Threshold would be inconsistent with the NYSE s voting rights policy, and the Board and the Special Committee decided not to proceed with any changes. Thereafter, the Company monitored developments relating to the NYSE voting rights policy, including changes made at other public companies to address similar corporate governance matters, and in November 2014, the Company was informed by the NYSE that the creation of a class of non-voting common stock and issuance of non-voting shares in a dividend would not be inconsistent with the NYSE s voting rights policy.

In November 2014, Mr. Plank reviewed with the Board his current ownership of Class B Stock and requested that the Board evaluate the creation and issuance of a class of non-voting common stock. Our Board approved and reaffirmed the authority of the Special Committee and authorized the Special Committee to consider the creation and issuance of a class of non-voting common stock and to evaluate and make a recommendation to the Board as to whether and on what terms to proceed. The Special Committee continued to be advised by Fried Frank, and it also engaged Citigroup, Inc., as its financial advisor, to assist in its review.

Over the next several months, with the assistance of its independent legal and financial advisors, the Special Committee engaged in its review. During its deliberations, the Special Committee noted the Company s significant success since its initial public offering and acknowledged that Mr. Plank has been the driving force behind the Company s success and that the Company s future success is substantially dependent on Mr. Plank s continued service. The Special Committee reviewed recent sales of shares by Mr. Plank and his desire to be able to engage in future sales, without triggering the

conversion of his Class B Stock into Class A Stock, as well as the possibility that the Company might want to engage in future issuances of its Class A Stock. In addition, the Special Committee noted that the creation and issuance of a class of non-voting common stock would help mitigate the potential conflict of interest confronting Mr. Plank under the existing structure whenever the Company considers the possibility of equity issuances for acquisitions, compensation or financings. The Special Committee also recognized that the current dual-class structure has served the Company well by allowing Mr. Plank and management to focus on long-term value creation without distraction.

At the same time, the Special Committee reiterated its view that, in connection with any measure that might extend Mr. Plank s voting control, it would be critical to the Company that Mr. Plank (a) enter into non-competition and non-solicitation commitments and (b) commit to the unwinding of the Company s dual-class structure (and, as a result, the relinquishment of his control of the Company) if he were to resign from the Company or be terminated for cause. Accordingly, the Special Committee informed Mr. Plank that it would recommend the Creation of Class C Stock and the Class C Dividend, subject to, among other things, the entry by Mr. Plank into the Noncompete Agreement and the adoption of a new automatic conversion trigger under which Mr. Plank would forfeit his controlling position if he were to resign or be terminated for cause.

As part of its determination, the Special Committee also insisted upon the Transfer Conversion Trigger to limit Mr. Plank s ability to sell substantial portions of his stock in a short time period while maintaining his voting control, thereby requiring Mr. Plank s long-term financial interest in our stock to align with this voting control. The Special Committee also conditioned its recommendation upon the adoption of the Equal Treatment Provision and the Board Independence Provisions.

On May 22, 2015, the Special Committee unanimously determined that the Class C Stock Issuance, together with the Charter Amendments and the Noncompete Agreement, are in the best interests of the Company and our stockholders (other than Mr. Plank, as to whom no determination was made), and the Special Committee recommended that the Board approve the Creation of Class C Stock, the issuance of the Class C Dividend and the Noncompete Agreement and approve, declare advisable and submit the Charter Amendments for approval by our stockholders. On June 11, 2015, after the Special Committee reaffirmed its recommendation, the Board unanimously (other than Mr. Plank, who abstained) determined that the Class C Stock Issuance and the Noncompete Agreement, together with the Charter Amendments, the Plan Amendment and the Class C ESPP Adoption, are in the best interests of the Company and our stockholders (other than Mr. Plank, as to whom no determination was made), and the Board unanimously (other than Mr. Plank, who abstained) approved the Creation of Class C Stock and the Noncompete Agreement and approved, declared advisable, submitted and recommended for approval by our stockholders the Charter Amendments, the Plan Amendment and the Class C ESPP Adoption.

Reasons for the Stock and Governance Changes

The Special Committee and our Board approved the Stock and Governance Changes because they believe the changes to be advisable and in the best interests of the Company and in the best interests of our stockholders (other than Mr. Plank, as to whom no determination was made). Our Board believes that the potential advantages of the Stock and Governance Changes include, but are not limited to, the factors described below.

The following discussion of factors considered by the Special Committee and our Board is not intended to be exhaustive, but includes the material factors considered by the Special Committee and our Board in deciding to proceed with the Stock and Governance Changes. In light of the variety of factors considered, neither the Special Committee nor our Board found it practicable to, and did not, quantify or otherwise assign relative weights to the specific factors considered in reaching their

13

Table of Contents

respective determinations and recommendations. In addition, individual members of our Board and the Special Committee may have given different weight to different factors. Neither the Special Committee nor our Board reached any specific conclusion on any of the factors considered, but instead conducted an overall analysis of the totality of the advantages and disadvantages of the Stock and Governance Changes.

Allow Management to Continue to Focus on Driving Long-Term Value

Since the formation of Under Armour, our management team has focused on and prioritized long-term goals. We want to continue to be an innovative company, emphasizing long-term growth while remaining nimble and focused on delivering new and creative solutions to athletes and consumers with active lifestyles throughout the world.

Our current corporate governance structure, which uses a dual-class structure to ensure voting control by Mr. Plank so long as he maintains a 15% ownership interest in the Company, allows Mr. Plank to determine the outcome of substantially all matters submitted to a vote of our stockholders, including the election of directors, amendments to our Charter, and matters involving mergers, acquisitions and other transactions resulting in a change of control of the Company. The Class C Stock Issuance will facilitate the continuation of our current corporate governance structure, which our Board and the Special Committee believe has served the Company well by enabling us to continue to focus on growing our brand as well as the long-term best interests of all of our stockholders. The Special Committee and our Board believe that this ability to focus on the long-term has generated, and will continue to generate, substantial benefits for all our stockholders and has been an important competitive advantage for Under Armour. A focus on the long-term is critical to Under Armour s growth as we continue to gain market share in a highly competitive industry, where long-lasting success depends on not only identifying and executing against long-term trends in performance products, consumer preferences, innovation, technology, and other important aspects of our business and brand, but also creative vision and strong direction. The Special Committee and Board believe that our current dual-class structure has helped to insulate us from short-term pressure and outside influences that could distract our management team from its long-term vision and objectives.

Further, we operate in a highly competitive industry that includes many new competitors as well as increased competition from established companies expanding their production and marketing of performance products and other fitness related technologies. To continue to service our customers and our business, maintain our competitive position and drive our market penetration, Under Armour must continue to have the ability to execute on its strategy with agility. Because it will likely prolong Under Armour s existing corporate governance structure, the Class C Stock Issuance will preserve our ability to act quickly and decisively to seize opportunities for growth and innovation, even if those opportunities may not yield immediate financial results or may have near-term adverse effects on our stock price. We believe this strategy is one that will allow us to remain on the cutting edge of our industry, continue to offer innovative products that meet the needs and expectations of our customers and sustain our strong market share.

The Class C Stock Issuance will provide our Board with the ability to prolong the period of time during which Mr. Plank may maintain voting control over Under Armour. Subject to the limitations of the Transfer Conversion Trigger, the Class C Stock Issuance will allow Mr. Plank to sell Class C Stock without affecting Mr. Plank s voting control over Under Armour. By being able to issue shares of Class C Stock in the future instead of shares of Class A Stock, the Board will be able to issue shares of common stock without causing Mr. Plank to come closer to or drop below the 15% Conversion Threshold.

The Special Committee and our Board believe that the Class C Stock Issuance is an appropriate way to make it more likely that Mr. Plank will remain in a position to influence our direction for many

years, and believe that this influence has been beneficial to our growth, strategy and autonomy. Mr. Plank will still lose voting power when he sells or transfers shares of Class B Stock, which he has done from time to time, or when Under Armour issues additional shares of Class A Stock, which it may choose to do from time to time.

Better Manage Future Potential Voting Dilution

The Special Committee and our Board believe that our Class A Stock has been an important tool for equity-based employee compensation and may be an important form of currency to help Under Armour further its strategic initiatives (such as the acquisition of complementary businesses). However, any new issuances of our Class A Stock for either of these key purposes results in automatic dilution to both the economic and voting interests of all our stockholders. The economic dilution can be managed by endeavoring to receive value commensurate with the stock that we issue, but the voting dilution cannot be managed. Because of the 15% Conversion Threshold, the impact of any issuance of Class A Stock by the Company is particularly acute. Not only are the voting interests of all stockholders diluted, but issuances of Class A Stock have an additional effect on our corporate governance structure by bringing Mr. Plank closer to the 15% Conversion Threshold. These issuances could eventually result in Mr. Plank dropping below the 15% Conversion Threshold and result in his voting power in the Company immediately dropping from at or above approximately 63.8% (assuming substantially all of his holdings were in Class B Stock) to a level below 15%.

In the view of the Special Committee and our Board, Mr. Plank s influence in part through his possession of voting control has been an important element of our success. We currently have several ways to manage voting dilution to the extent that our Board deems it appropriate, including using cash to finance acquisitions, repurchasing shares of Class A Stock in the market and granting cash-settled equity incentives. Each of these ways of managing voting dilution, however, requires us to expend cash, which in some circumstances may be better used by reinvesting in the growth of our business. The Special Committee and our Board believe that the ability to issue shares of Class C Stock following the Stock and Governance Changes will provide our Board with a significant new tool to manage voting dilution without requiring us to use cash.

From time to time, Under Armour considers acquiring complementary companies, technologies and other assets as a means to fuel growth and innovation in our businesses and we may want to use shares of our common stock as consideration in such acquisitions. The Special Committee and our Board believe that the Class C Stock will provide us with an attractive additional currency to use for acquisitions that will be free of the voting dilution associated with issuances of additional shares of Class A Stock. Although it is true that the use of stock (even Class C Stock) as currency for acquisitions may cause economic dilution to existing stockholders, the Special Committee and our Board believe that the ability to offer stock consideration that better manages voting dilution will provide us with important additional flexibility. Of course, we will still be able to issue shares of Class A Stock in connection with acquisitions if it makes sense to do so.

Mitigate Potential Conflict of Interest Confronting Mr. Plank

Under the terms of our current Charter, with the 15% Conversion Threshold, there is the potential for a conflict of interest confronting Mr. Plank whenever the Company considers issuances of additional shares of Class A Stock, such as under our employee benefit plans, for acquisitions or in financings. The Special Committee and our Board believe that our Class A Stock has been an important tool for equity-based employee compensation and may be an important form of currency to help Under Armour further its strategic initiatives (such as the acquisition of complementary businesses). However, when the Company issues additional shares of Class A Stock (other than to Mr. Plank), Mr. Plank s percentage ownership of the total number of shares of Class A Stock and Class B Stock is reduced, and he moves closer to the 15% Conversion Threshold at which he would lose voting control of the

15

Table of Contents

Company. Mr. Plank could be faced with a decision as our Chief Executive Officer, Chairman of the Board, or as a stockholder, to recommend or approve the issuance of additional shares of our Class A Stock that may be in the best interest of the Company, but that would result in Mr. Plank moving closer to and perhaps dropping below the 15% Conversion Threshold at which he would lose voting control of the Company. The Class C Stock Issuance would mitigate this potential conflict of interest by providing the Company with the new Class C Stock which could be issued for such purposes.

Encouraging Mr. Plank to Remain as CEO of the Company; Protecting the Company if Mr. Plank Does Not Remain as CEO of the Company

For the reasons described above, it is the strongly held view of our Board and the Special Committee that the significant success realized by the Company has been attributable to Mr. Plank s leadership, creative vision and management abilities. Our Board and the Special Committee also believe that the future success of the Company is highly dependent on Mr. Plank remaining with the Company. Under our current Charter, however, Mr. Plank would continue to hold the Class B Stock if he were to resign from the Company or be terminated. Previously, Mr. Plank was also not subject to a non-competition agreement with the Company. In an effort to reduce the likelihood that Mr. Plank would leave the Company (and, moreover, potentially utilize his talents to compete with the Company), the Special Committee insisted upon both the execution by Mr. Plank of the Noncompete Agreement and a new automatic conversion trigger upon Mr. Plank s resignation from the Company or termination of his employment for cause. The Committee believes that the adoption of both the Noncompete Agreement and the new automatic conversion trigger provide significant value to the Company.

The Company does not currently have an employment agreement with Mr. Plank. The Noncompete Agreement provides benefits to the Company and our stockholders by ensuring that, subject to the terms and conditions of the Noncompete Agreement, Mr. Plank will not compete with the Company during his tenure with the Company and for five years after the end of his service to the Company. The Noncompete Agreement also prevents Mr. Plank, subject to the terms and conditions thereof, from soliciting our employees, customers and suppliers and prospective customers and suppliers during his tenure with the Company and for five years after the end of his service to the Company. Any material violation of the Noncompete Agreement as determined by 75% of the Independent Directors would also constitute cause sufficient to terminate Mr. Plank s employment and trigger the conversion of Mr. Plank s Class B Stock into Class A Stock. This further incentivizes Mr. Plank to adhere to the terms of his Noncompete Agreement.

Mitigating Succession Risk

Under the Charter, Mr. Plank and his family entities would relinquish voting control of the Company through an unwinding of the dual-class structure in the event of his departure from the Company as a result of his death or permanent disability. However, if Mr. Plank were to simply leave the Company or if his employment with the Company were to be terminated, under the existing arrangements, he would not be required to relinquish voting control. Our Board and the Special Committee believe that attracting a qualified chief executive officer to succeed Mr. Plank will be significantly more difficult if Mr. Plank, the founder and former chief executive officer of the Company, continued to retain control of the Company in such a circumstance. Our Board and the Special Committee also believe that the quality of a chief executive officer who would step into the role under these circumstances is likely to be significantly lower than it would be if the Company was no longer controlled by Mr. Plank, resulting in the potential loss of significant value for the Company and its Class A shares. Our Board and the Special Committee believe that if Mr. Plank were to depart, the impact on the Company could be highly negative unless a high-quality replacement were hired.

To address this issue, our Board and the Special Committee are recommending the adoption of the new automatic conversion trigger that would provide for the immediate unwinding of the dual-class

Table of Contents

structure and the relinquishment of Mr. Plank s voting control of the Company in certain circumstances if Mr. Plank were to resign as our CEO or as an Approved Executive Officer with the Company, or were terminated by our Board for cause. For these purposes, Approved Executive Officer shall mean the Chief Executive Officer of the Company or, with the approval of Mr. Plank and a majority of the Independent Directors, any other position with the Company. Our Board and the Special Committee believe that, without these new terms (i.e., if Mr. Plank could leave the Company and compete and/or maintain voting control, which would currently be the case), it would make it exceedingly difficult to attract and retain a high-quality replacement for Mr. Plank, especially in light of the prospect of facing Mr. Plank as a competitor.

Other Benefits to the Holders of our Class A Stock

In addition to providing new triggers for the conversion of the Class B Stock into Class A Stock as described above, the Charter Amendments will provide other benefits to the holders of our Class A Stock. As described in more detail under Approval of Amendments to Our Charter Reasons for Charter Amendments , the Charter Amendments also (a) provide for the treatment of shares of Class A Stock in a manner that is at least as favorable as shares of Class B stock in the event of a merger, consolidation, statutory share exchange, conversion or negotiated tender offer; (b) enhance board independence requirements for so long as the Class B Stock is outstanding by (1) prohibiting the Company from availing itself of the exemptions for controlled companies under stock exchange listing standards and (2) imposing stricter standards for determining whether directors are independent for these purposes and under the Charter; and (c) provide that the Equal Treatment Provision and the Board Independence Provisions cannot be amended unless declared advisable by the Board, including at least 75% of the Independent Directors, and approved by the affirmative vote of at least 75% of the votes entitled to be cast thereon by holders of outstanding shares of (1) Class A Stock not held by Mr. Plank, any Kevin A. Plank Family Entity, any Kevin A. Plank Family Member or any executive officer of the Company, voting as a single class, and (2) Class B Stock, voting as a single class.

Potential Disadvantages of the Stock and Governance Changes

Although the Special Committee and our Board each unanimously (with Mr. Plank abstaining) determined that the Stock and Governance Changes are advisable and in the best interests of the Company and in the best interests of our stockholders (other than Mr. Plank, as to whom no determination was made), the Special Committee and the Board recognize that the Stock and Governance Changes involve certain other considerations that, in isolation, may be viewed as negative. These considerations include, but are not limited to, the following:

The Class C Stock Issuance Could Prolong the Period of Time During Which Mr. Plank Can Exercise a Controlling Influence on Most Corporate Matters

Because of his ownership of all the outstanding Class B Stock, Mr. Plank currently has the ability to elect all of our directors and to determine the outcome of all matters submitted for a vote of our stockholders other than matters as to which Class A Stock or Class C Stock have a separate class vote as required by our Charter, and other than those matters requiring the approval of the holders of at least two-thirds of the voting power represented by the Class A Stock and the Class B Stock, voting together as a single class. Matters requiring this two-thirds vote include removal of directors and any amendment of the Charter provisions regarding (a) the removal of directors, (b) vacancies on the Board and (c) amendments to the Bylaws. This will not change following implementation of the Stock and Governance Changes, except that if the Charter Amendments are adopted, so long as the Class B Stock is outstanding, amendments to the Equal Treatment Provision and the Board Independence Provisions must be declared advisable by the Board, including at least 75% of the Independent Directors, and approved by the affirmative vote of at least 75% of the votes entitled to be cast thereon

Table of Contents

by the holders of (1) Class A Stock (other than Mr. Plank, any Kevin A. Plank Family Entity, any Kevin A. Plank Family Member or any executive officer of the Company), voting as a single class, and (2) Class B Stock, voting as a single class. This concentration of voting control in Mr. Plank limits the ability of our stockholders other than Mr. Plank to influence corporate matters.

In the past, our issuances of Class A Stock have been limited primarily to issuances under employee benefit plans. Over time, the issuance of additional shares of Class A Stock under employee benefit plans and for other purposes would result in voting dilution to all our stockholders, as well as economic dilution. Such issuances and the resulting economic dilution would also eventually result in Mr. Plank owning less than 15% of the total number of shares of Class A Stock and Class B Stock. Because of the 15% Conversion Threshold, this would result in his voting power dropping from approximately 63.8% of the total voting power of the Class A Stock and the Class B Stock (assuming substantially all of his holdings were in Class B Stock) to less than 15% of the Company s voting power. Once Mr. Plank owns less than a majority of our total outstanding voting power, he would no longer have the unilateral ability to elect all of our directors and to determine the outcome of most matters submitted for a vote of our stockholders.

As stated above, one of the principal purposes of the Class C Stock Issuance is to create a class of common stock which the Company can use for general corporate purposes, such as consideration in acquisitions, in connection with employee benefit plans or to raise equity capital. Because the shares of Class C Stock have no voting rights (except in certain limited circumstances), the issuance of such shares by the Company will not result in Mr. Plank reaching the 15% Conversion Threshold, which takes into account outstanding shares of Class A Stock and Class B Stock. Similarly, any sales by Mr. Plank of any shares of Class C Stock held by him would not result in him reaching the 15% Conversion Threshold.

As a result, the Class C Stock Issuance could prolong the duration of Mr. Plank s ownership of a majority of our voting power and his ability to elect all of our directors and to determine the outcome of most matters submitted to a vote of our stockholders, even as his percentage of the total number of outstanding shares of Company common stock declines.

We note that under the terms of the Transfer Conversion Trigger, included as one of the Charter Amendments, all of the outstanding shares of Class B Stock will automatically convert into shares of Class A Stock, on a share for share basis, if Mr. Plank sells, or otherwise disposes, of more than 2.5 million shares of the Company s common stock in any calendar year beginning in the year of the record date for the Class C Dividend; this number of shares gives effect to the increase in the number of outstanding shares resulting from the Class C Dividend. However, if Mr. Plank sells fewer than the number of shares that he was permitted to sell in any calendar year, the number of unsold shares will be added to the number of shares that he may sell in future calendar years, potentially allowing him to sell more than 2.5 million shares in any given calendar year without triggering the conversion. The Transfer Conversion Trigger will limit Mr. Plank s ability to sell substantial portions of his stock in a short time period while maintaining his voting control, thereby requiring Mr. Plank s long-term financial interest in our stock to align with this voting control.

The Class C Stock Issuance May Have an Anti-Takeover Effect

Because the Class C Stock Issuance may prolong the duration of Mr. Plank s ability to determine the outcome of most matters submitted to a vote of our stockholders, it may have the effect of limiting the likelihood of an unsolicited merger proposal, unsolicited tender or exchange offer or proxy contest for the election of directors. As a result, the Class C Stock Issuance may have the effect of depriving our stockholders of an opportunity to sell their shares at a premium over prevailing market prices and make it more difficult to replace our directors and management.

Table of Contents

In addition, our current Charter contains certain provisions that may have an anti-takeover effect. The Charter contains authority for our Board to issue shares of preferred stock without stockholder approval. Although our Board has no present intention to issue any such shares, the Board could issue such shares in a manner that deters or seeks to prevent an unsolicited bid for Under Armour. The Charter also does not provide for cumulative voting and, accordingly, a significant minority stockholder could not necessarily elect any designee to our Board.

Our Board is not aware of any bona fide offer by any person or group, including Mr. Plank, to (i) acquire any significant amount of shares of Class A Stock or Class B Stock; (ii) acquire control of Under Armour by means of a merger, tender or exchange offer, solicitation in opposition to management or otherwise; or (iii) change our current Board or management.

Class C Stock May Not be Attractive as Acquisition Currency or for Equity Incentives

One of the principal purposes of the Class C Stock Issuance is to provide the Company with a class of common stock which can then be used from time to time as consideration in connection with the acquisition of other companies. It is possible that companies that we are interested in acquiring will not agree to accept shares of Class C Stock because such shares of stock carry no voting rights. In that instance, if we still wanted to pay for the acquisition with stock consideration, we would have to issue shares of Class A Stock, which would result in both economic and voting dilution to all stockholders, and also bring Mr. Plank closer to the 15% Conversion Threshold. Companies that we are interested in acquiring may also refuse to accept shares of Class C Stock if such stock trades at a significant discount to the shares of Class A Stock or if the trading market for the shares of Class C Stock is not well developed or suffers from limited liquidity or volatility.

Employees may not wish to receive shares of Class C Stock in connection with equity incentives. This is particularly true if the shares of Class C Stock trade at a significant discount to the shares of Class A Stock or if the trading market for the shares of Class C Stock is not well-developed or suffers from limited liquidity or volatility. If employees are not adequately incentivized by receiving shares of Class C Stock, then we might have to issue shares of Class A Stock in order to provide sufficient equity incentives, which would result in both economic and voting dilution to all stockholders, and also bring Mr. Plank closer to the 15% Conversion Threshold. Alternatively, we might have to find other ways to incentivize our employees.

If the Class C Stock trades at a discount to the Class A Stock, companies that we are interested in acquiring may demand more shares of Class C Stock in exchange for accepting such stock as consideration. The same is true for employees in connection with equity incentives. If this occurs, then issuances of Class C Stock may ultimately be more economically dilutive to all of our stockholders than issuances of Class A Stock.

A Liquid Trading Market for the Class C Stock May Not Develop

We believe that a sufficiently liquid market for the Class C Stock will develop following the Class C Dividend, if it is declared. However, there are very few companies that have two classes of publicly-traded common stock, with one of these classes having no voting power or limited voting power, and it is possible that a liquid market for the Class C Stock will not develop. Even if a sufficiently liquid market for the Class C Stock does develop, there can be no assurance that the Class C Stock will not trade at a discount to the Class A Stock. If a sufficiently liquid market does not develop or the Class C Stock trades at a discount to the Class A Stock, it is possible that we will not be able to achieve all the benefits that we anticipate from the issuance of the Class C Stock.

19

Table of Contents

The Class C Dividend may Result in the Class A Stock No Longer being Included in the S&P 500 and Other Indices Based on the Value of These Shares

The Class A Stock is currently included in the S&P 500 Index and certain other stock indices, and we expect that following the payment of the Class C Dividend, the managers of investment funds whose trading is tied to those stock indices may rebalance their holdings to reflect the change in the value of the Class A Stock and the issuance of shares of Class C Stock. We believe that, if we complete the Class C Dividend, the Class A Stock will continue to be included in the S&P 500 Index and the Class C Stock will be added to the S&P 500 Index. Although this decision ultimately is at the discretion of the S&P 500, recently, the S&P 500 has included two classes of shares of companies with dual-class stock structures if both classes meet certain requirements, which we expect the Class C Stock to do. However, there can be no assurance that the Class C Stock will be included in the S&P 500 Index or any other stock index. To the extent that the Class C Stock is not included in the S&P 500 Index or other stock indices, it may be less liquid than the Class A Stock and it may trade at a discount to the Class A Stock.

Certain Stockholders Who Receive the Class C Stock in the Class C Dividend May Not be Able to Hold These Shares, Which May Result in Sales of These Shares on the Open Market

The holding of non-voting stock, such as the Class C Stock, may not be permitted by the investment policies of certain institutional investors or may be less attractive to the portfolio managers of certain institutional investors. Accordingly, certain stockholders who receive shares of Class C Stock when we declare and pay the Class C Dividend may not be able to hold such shares and will be required to sell the shares of Class C Stock when they are received. In addition, significant sales of shares of Class C Stock by investors who receive such shares as part of the Class C Dividend may occur if such investors choose not to hold such shares. These sales could depress trading prices for the Class C Stock, particularly in the period immediately following declaration and payment of the Class C Dividend.

The Use of Shares of Class C Stock as Acquisition Currency May Not Allow For Deferred Tax Treatment

From time to time, Under Armour considers acquiring complementary companies, technologies and other assets as a means to fuel growth and innovations in our business, and we may want to use shares of our common stock as consideration in such acquisitions. The use of stock as acquisition currency generally has the benefit of deferring taxes owed by the sellers in connection with the acquisition until such time as the sellers dispose of the stock received in the acquisition. However, in order for certain types of acquisition structures to qualify for this type of deferred tax treatment, the stock used as consideration must be voting stock within the meaning of Section 368(a) of the Code. Because the shares of Class C Stock will not have voting rights (except under certain limited circumstances), they will not qualify as voting stock and their use in connection with certain acquisition structures will not result in deferred tax treatment for the sellers in the acquisition. Sellers may have a preference for a transaction in which they can defer taxes owed, in which case Under Armour may have to structure the acquisition in a different manner or may be precluded from using shares of Class C Stock to fund the acquisition. Either of these outcomes could reduce the overall utility of the Class C Stock as a means of managing voting dilution in connection with stock-based acquisitions.

Potential U.S. Federal Income Tax Consequences

We believe that the Class C Stock will not constitute Section 306 stock within the meaning of Section 306(c) of the Code. However, if the Class C Stock were determined to constitute Section 306 stock, a stockholder generally would be treated as realizing ordinary income as opposed to capital gain

20

Table of Contents

upon certain dispositions (including redemptions) of such Section 306 stock. The rules of Section 306 of the Code are complex, and each stockholder should consult with that stockholder s own tax advisor regarding the tax consequences of the proposed transactions described in this proxy statement.

Litigation Relating to the Stock and Governance Changes

Following the announcement of the Stock and Governance Changes, two purported class action lawsuits were brought against Under Armour, Kevin Plank and the members of our board of directors on behalf of the stockholders of Under Armour. These two lawsuits were filed in the Circuit Court for Baltimore City and are titled *Ramirez v. Plank, et. al.,* C.A. No. 24-C-15-003240 (June 18, 2015), and *Kohnstamm v. Plank, et. al.,* C.A. No. 24-C-15-003308 (June 23, 2015). These lawsuits generally allege that the individual defendants breached their fiduciary duties in connection with the Stock and Governance Changes. Among other remedies, these lawsuits seek to enjoin the Stock and Governance Changes as well as unspecified money damages, costs and attorneys fees.

Description of Class C Stock

The terms of the Class C Stock are set forth in full in the Articles Supplementary. The following summary of the terms of the Class C Stock should be read in conjunction with, and is qualified in its entirety by reference to, the full text of the terms of the Class C Stock set forth in the Articles Supplementary, which are attached to this Proxy Statement as Appendix F.

Holders of Class C Stock will have substantially identical rights to the holders of Class A Stock (after giving effect to the Charter Amendments), except that (a) the holders of Class C Stock are not entitled to vote on any matters submitted to a vote of stockholders except as described in the immediately following section entitled Voting Rights and (b) the outstanding shares of Class C Stock will automatically be converted into shares of Class A Stock under certain circumstances (described below). The Charter provides that the Company is authorized to issue up to 400,000,000 shares of Class C Stock. There are currently no shares of Class C Stock issued or outstanding.

Voting Rights

Holders of shares of Class C Stock have no voting rights, except:

(a) as may be required by law;

(b) with respect to amendments to the provisions of the Charter that set forth the terms of the Class C Stock and have a material adverse effect on the rights of the Class C Stock, which require the affirmative vote of a majority of the votes entitled to be cast thereon by holders of Class C Stock, voting as a single class;

(c) with respect to amendments to the Equal Treatment Provision affecting the holders of Class C Stock, which must be declared advisable by the Board, including at least 75% of the Independent Directors, and approved by at least 75% of the votes entitled to be cast thereon by the holders of (1) Class C Stock (other than Mr. Plank, the Kevin A. Plank Family Entities, the Kevin A. Plank Family Members or executive officers of the Company), voting as a single class, and (2) Class B Stock, voting as a single class; and

(d) upon the conversion of the outstanding shares of Class B Stock into shares of Class A Stock, upon which holders of shares of Class C Stock will immediately have voting rights equal to holders of shares of Class A Stock and will vote together with the Class A Stock as a single class.

Table of Contents

Dividends

Subject to preferences that may apply to any shares of preferred stock outstanding at the time, the holders of shares of Class C Stock will be entitled to share equally with the holders of Class A Stock and Class B Stock, on a per share basis, in any dividends that our Board may determine to issue from time to time. In the event that a dividend is paid in the form of shares of Class A Stock or Class B Stock, or rights to acquire shares of Class A Stock or Class B Stock, the holders of shares of Class C Stock shall receive shares of Class C Stock, or rights to acquire shares of Class C Stock, as the case may be.

Liquidation

Upon our liquidation, dissolution or winding-up, the holders of Class C Stock will be entitled to share proportionately, on a per share basis, with the holders of the Class A Stock and Class B Stock in the assets of the Company available for distribution after payment of any liabilities and the liquidation preferences on any outstanding preferred stock.

Conversion

The Articles Supplementary provide that upon conversion of the outstanding shares of Class B Stock into shares of Class A Stock, the Class C Stock will be automatically converted into shares of Class A Stock on a one-for-one basis on a date fixed by the Company that is as soon as reasonably practicable and in accordance with the Articles Supplementary and any further procedures required by the Company. As disclosed above under Voting Rights, upon conversion of the Class B Stock into Class A Stock but prior to the conversion of Class C Stock into Class A Stock, the Class C Stock will immediately have voting rights equal to the Class A Stock and be entitled to vote together with the Class A Stock as a single class on all matters. Except as so provided, the Class C Stock will not be convertible into any other class of capital stock.

After giving effect to the Charter Amendments, our Charter will provide that each share of Class B Stock will automatically convert into one share of Class A Stock (thereby triggering the conversion of the Class C Stock into Class A Stock) upon (a) Mr. Plank s ownership of Class A Stock and Class B Stock falling below the 15% Conversion Threshold, (b) the death of Mr. Plank, (c) Mr. Plank ceasing to be affiliated with the Company in any capacity as a result of permanent disability, (d) Mr. Plank s resignation from the Company or termination for cause, or (e) the sale, or other disposition, by Mr. Plank of more than 2.5 million shares of the Company s common stock in any calendar year beginning in the year of the record date for the Class C Dividend (such number giving effect to the split resulting from the Class C Dividend), subject to a rollover feature that will allow Mr. Plank to sell additional shares in any calendar year without such conversion taking place to the extent his sales in prior calendar years commencing with the calendar year of the Class C Dividend are below 2.5 million shares.

Equal Treatment

In the event of any merger or consolidation of the Company with or into another entity, statutory share exchange between the Company and any other entity or conversion of the Company into another entity (whether or not the Company is the surviving entity) or a third party tender offer entered into pursuant to an agreement with the Company, each holder of shares of Class C Stock will be entitled to receive the same consideration as each holder of shares of Class B Stock on a per share basis, and each holder of shares of Class C Stock will be entitled to receive the same consideration on a per share basis as each holder of shares of Class B Stock is entitled to receive on a per share basis in connection with a transfer of such shares of Class B Stock incidental to such a merger, consolidation, statutory share exchange, conversion or negotiated tender offer, even if the consideration for such transfer is not paid as consideration in such merger, consolidation, statutory

22

share exchange, conversion or negotiated tender offer. However, any amounts paid to Mr. Plank as compensation for services rendered or to be rendered by Mr. Plank to the Company or any acquiring entity or any of their respective affiliates (for example, participating in a retention bonus pool established in connection with a proposed merger or compensation paid for pre- or post-merger services), which payment was approved by a majority of the Independent Directors, will not be deemed to be part of such consideration.

Certain Other Effects of the Stock and Governance Changes

If the Class C Dividend is declared and paid, there will be no effect on the relative voting power or equity interest of each holder of shares of Class A Stock or Class B Stock. Following the Class C Dividend, holders of shares of Class A Stock or Class B Stock who sell their shares of Class C Stock will not lose any voting power, but their relative equity interest in Under Armour will decrease as a result of such sales. Conversely, stockholders who purchase shares of Class C Stock after the Class C Dividend will increase their relative economic interest in Under Armour but will not gain any additional voting power (or any voting power, if they do not otherwise own shares of Class A Stock). In addition, in certain circumstances, the Class B Stock and the Class C Stock will each be automatically converted into Class A Stock. While such conversion will not have an impact on the economic ownership in the Company of holders of the Class A Stock, such conversion will increase the relative voting power of the holders of the Class A Stock compared to the holders of Class B Stock (because the ten votes per share entitled to be cast by holders of Class B Stock would convert into one vote per share entitled to be cast by holders of Class A Stock), but decrease the relative voting power of the holders of the Class A Stock compared to the holders of the Class C Stock (because the Class C Stock currently has no voting power, but holders of the Class C Stock will gain voting power when shares of Class B Stock are converted into Class A Stock).

Effect on Market Price

As of the close of business on July 10, 2015, the closing price of a share of Class A Stock was $86.24, as reported on the NYSE.

If the Class C Dividend is declared, we believe that the market price for the shares of Class A Stock will generally reflect the effect of a two-for-one stock split once the Class C Dividend is paid and, accordingly, we believe (a) the market price of Class A Stock will decrease by approximately 50%, and (b) the market price of each share of Class C Stock will be approximately equal to the market price of shares of Class A Stock (as such price is adjusted as a result of the Class C Dividend).

The trading prices for shares of Class A Stock and Class C Stock may be affected by the relative voting rights between these two classes of stock. Because the Class A Stock carries voting rights, it is possible that it could trade at a premium compared to the Class C Stock. This is particularly true if investors were to place a premium on owning shares of Under Armour that have voting rights, as opposed to shares of Under Armour that do not have voting rights.

Furthermore, the trading prices of shares of Class A Stock and Class C Stock will continue to depend on many factors, including the future performance of Under Armour, general market conditions, and conditions relating to companies in businesses and industries similar to that of Under Armour. Accordingly, we cannot predict the prices at which shares of Class A Stock and Class C Stock will trade following the Creation of Class C Stock (and, in respect of shares of Class C Stock, following the Class C Dividend, if it is declared), just as we could not predict the price at which shares of Class A Stock would trade absent the Creation of Class C Stock and the potential Class C Dividend.

23

Following the Class C Dividend, there will continue to be no trading market for the Class B Stock.

Effect on Outstanding Warrants

In 2006, the Company issued warrants (the Warrants) to purchase in the aggregate 1.9 million shares of Class A Stock to NFL Properties LLC as partial consideration for footwear promotional rights. The Warrants have a term of 12 years from the date of issuance and a current exercise price of $9.25 per share, which was the adjusted closing price of the Class A Stock on the date of issuance of the Warrants. As of the Record Date, all the outstanding Warrants were exercisable, and no Warrants had been exercised.

When the Class C Dividend is paid, the exercise price and the number of underlying shares issuable upon exercise of each Warrant will be adjusted so that the holder of any Warrant thereafter exercised will be entitled to receive the number of underlying shares of Class A Stock and Class C Stock that such holder would have owned immediately following the payment of the Class C Dividend had such Warrant been exercised immediately prior to the time of such dividend, with the Board adjusting the exercise price in good faith.

Effect on Trading Market and Potential Reduced Relative Liquidity of Shares of Class A Stock

We expect that we are more likely in the future to issue shares of Class C Stock than shares of Class A Stock for general corporate purposes, including to fund employee equity incentive programs, finance acquisitions or to raise equity capital. It is possible that following payment of the Class C Dividend, some portion of our stockholders will sell their shares of Class C Stock but retain their shares of Class A Stock in order to monetize a portion of their investment in Under Armour while retaining their relative voting power. Any such issuance of additional shares of Class C Stock by Under Armour or dispositions of shares of Class C Stock by significant or other stockholders may serve to further increase market activity in the shares of Class C Stock relative to the shares of Class A Stock.

Effect on Percentage Interest

The percentage interest of each stockholder in the total equity of Under Armour will not be changed by the Creation of Class C Stock or the payment of the Class C Dividend.

Effect on Equity Incentive Plans and Outstanding Equity Awards

We currently have one active equity incentive plan under which new equity incentive awards can be granted, the Long-Term Incentive Plan. The Long-Term Incentive Plan provides for the issuance of shares of our Class A Stock pursuant to stock options, stock appreciation rights, dividend equivalent rights, restricted stock, restricted stock units, and unrestricted stock awards (Awards). Shares of Class A Stock issued pursuant to Awards are identical to all other shares of Class A Stock. Under Armour intends to maintain the ability to grant future Awards relating to shares of Class A Stock pursuant to the Long-Term Incentive Plan and, upon approval of the Plan Amendment, will also have the ability to issue future awards relating to Class C Stock.

The Long-Term Incentive Plan originally authorized 40 million shares of Class A Stock to be issued pursuant to awards under the Plan, with approximately 18 million of these shares remaining available for issuance under future awards, as of June 3, 2015. If the Plan Amendment is approved by the Stockholders at the Special Meeting (see Proposal 2), then effective as of the date of the payment of the Class C Dividend (a) 30 million shares of Class C Stock will be authorized to be issued pursuant to future awards under the Long-Term Incentive Plan, and (b) the number of shares of Class A Stock available for issuance pursuant to future awards under the Long-Term Incentive Plan will be reduced from 40 million shares to 30 million shares, so that approximately 8 million of these shares will

remain available for future awards.

24

Table of Contents

For illustrative purposes, assuming that our Class A Stock was trading at a price of $75 per share immediately prior to the Class C Dividend, the value of the approximately 18 million shares of Class A Stock that are currently available for issuance under the Long-Term Incentive Plan would be approximately $1.35 billion. Assuming that, immediately following the payment of the Class C Dividend, our Class A Stock and our Class C Stock are each trading at a price of $37.50 per share, then the aggregate value of the shares of Class A Stock and Class C Stock then available for issuance under future awards (approximately 8 million shares and 30 million shares, respectively) would be approximately $1.425 billion.

We also have an Employee Stock Purchase Plan (the ESPP) which provides all eligible employees an opportunity to purchase Class A Stock at a 15% discount from fair market value subject to certain limits as defined in the ESPP. If the Class C ESPP is adopted by our stockholders at the Special Meeting (see Proposal 3), then 2,000,000 shares of Class C Stock will be authorized and available for purchase under the Class C ESPP, and the Company expects to use the Class C ESPP, rather than the current ESPP, following payment of the Class C Dividend and so long as the Class C Stock remains outstanding.

Following the Class C Stock Issuance, all outstanding Awards under the Long-Term Incentive Plan will be adjusted after the Effective Date to conform their terms to our capital structure, as follows: (i) each stock option to purchase a share of Class A Stock shall be adjusted so that such stock option represents the right to purchase one share of Class A Stock and one share of Class C Stock, with the original exercise price of the stock option allocated proportionately between the share of Class A Stock and the Class C Stock according to their relative fair market values, determined pursuant to a reasonable valuation method; and (ii) each share of Class A restricted stock and each restricted stock unit representing the right to receive a share of Class A Stock shall be adjusted so that it represents one share of Class A Stock and one share of Class C Stock, and the right to receive one share of Class A Stock and one share of Class C Stock upon settlement, respectively. The outstanding stock options, shares of restricted stock and restricted stock units adjusted as described in the preceding sentence, will in all other respects continue to be subject to the terms and conditions applicable to them prior to the adjustment.

An example of the effect of the Class C Stock Issuance on an outstanding option to purchase 100 shares of Class A Stock at an exercise price of $50.00 per share is as follows: such option will, following the Creation of Class C Stock and the Class C Dividend, if it is declared, represent an option to purchase 100 shares of Class A Stock and 100 shares of Class C Stock, in each case at an exercise price of approximately $25.00 per share. The original exercise price will be appropriately allocated between the shares of Class A Stock and Class C Stock according to their relative fair market values, determined pursuant to a reasonable valuation method under applicable tax code provisions. As a result, more than 50% of the original exercise price may be allocated to either class of shares.

Accounting Matters

The par value per share of our shares of Class A Stock and Class B Stock will remain unchanged at $0.0003 1/3 per share after the Creation of Class C Stock and the Class C Dividend, if it is declared. On the effective date of the Class C Dividend, if it is declared, there will be an increase in stockholders equity equal to the aggregate amount of Class C Stock, par value $0.0003 1/3 per share, that is issued. We will give retroactive effect to prior period share and per share amounts in our consolidated financial statements for the effect of the Creation of Class C Stock and the Class C Dividend, if it is declared, such that prior periods are comparable to current period presentation. We do not anticipate any other material accounting consequences as a result of the Creation of Class C Stock and the Class C Dividend, if it is declared.

25

Table of Contents

Effect on Preferred Stock

The Class C Dividend, if it is declared, will not have any effect on the rights, preferences and privileges of, and restrictions on, any preferred stock. Our Charter does not specify a number of authorized shares of preferred stock. Currently, no shares of preferred stock are issued or outstanding.

Material U.S. Federal Income Tax Consequences

We believe that, in general, for U.S. federal income tax purposes (i) neither the Creation of Class C Stock nor the Class C Dividend, if it is declared, will be taxable to a stockholder of Under Armour; (ii) the Class C Stock will not constitute Section 306 stock within the meaning of Section 306(c) of the Code; (iii) the tax basis of each share of Class A Stock and Class B Stock, as applicable, with respect to which Class C Stock is distributed in the potential Class C Dividend will be apportioned between such share of Class A Stock or Class B Stock, on the one hand, and the Class C Stock received in the potential Class C Dividend, on the other hand, in proportion to the fair market value of such shares on the date of the potential Class C Dividend; (iv) if the shares of Class A Stock and Class B Stock were held as capital assets immediately before the Effective Date, the holding period for each new share of Class C Stock will include such stockholder s holding period for the share of common stock with respect to which the Class C Stock is distributed; and (v) no gain or loss will be recognized on any subsequent conversion of Class C Stock into shares of Class A Stock. Gain or loss would be recognized, however, on the subsequent disposition of shares of Class C Stock in a taxable transaction. Further, if the Class C Stock were determined to constitute Section 306 stock, a stockholder generally would be treated as realizing ordinary income as opposed to capital gain upon certain dispositions (including redemptions) of such Section 306 stock. Stockholders are urged to seek the advice of their tax counsel on these matters and on tax matters other than U.S. federal income tax matters.

Securities Act of 1933

The distribution of shares of Class C Stock as a stock dividend will not involve a sale of a security under the Securities Act or Rule 145 thereunder. Consequently, we are not required to register, and will not register, the Class C Stock issued in connection with the Class C Dividend pursuant to the Securities Act.

Because the Class C Stock Issuance will not constitute a sale of Class C Stock pursuant to the Securities Act, stockholders will not be deemed to have purchased such shares separately from the Class A Stock or Class B Stock to which such shares of Class C Stock relate pursuant to the Securities Act and Rule 144 thereunder. Shares of Class A Stock held at the time of the effectiveness of the Class C Stock Issuance (whether in respect of shares of Class A Stock or Class B Stock) received in the Class C Dividend, if it is declared, other than any such shares held by affiliates of Under Armour within the meaning of the Securities Act, may be offered for sale and sold in the same manner as the Class A Stock prior to the Class C Stock Issuance without registration pursuant to the Securities Act (or in the case of equity awards, pursuant to registration statements that we will file under the Securities Act). Affiliates of Under Armour will continue to be subject to the restrictions specified in Rule 144 of the Securities Act.

NYSE Criteria

The shares of Class A Stock are currently traded on the NYSE and will remain traded on the NYSE following the Class C Stock Issuance.

Application will be made to list the shares of Class C Stock on the NYSE. The listing of the shares of Class C Stock on the NYSE is subject to the NYSE s approval of listing applications and notices, which will be conditioned upon Under Armour s satisfaction of certain listing requirements. We believe that we will be able to satisfy these listing

requirements.

Table of Contents

Potential Changes in Law or Regulations

In prior years, bills have been introduced in Congress that, if enacted, would have prohibited the listing of common stock on a national securities exchange if such common stock was part of a class of securities that has no voting rights or carried disproportionate voting rights. Although these bills have not been acted upon by Congress, there can be no assurance that such a bill (or a modified version thereof) will not be introduced in Congress in the future. Legislation or other regulatory developments could make the shares of Class A Stock and Class C Stock ineligible for trading on the NYSE or other national securities exchanges. We are unable to predict whether any such legislation or regulatory proposals will be adopted or whether they will have such effect.

Table of Contents

APPROVAL OF AMENDMENTS TO OUR CHARTER

(PROPOSAL 1)

Description of Proposal

Proposal 1 provides for approval of the Charter Amendments. The Special Committee recommended, and the Board determined that it was advisable that, prior to the declaration and payment of the Class C Dividend, our Charter would be amended as follows:

a. **To adopt a new conversion trigger under which each share of Class B Stock will be automatically converted into one share of Class A Stock if Mr. Plank sells, or otherwise disposes of, a total of more than 2.5 million shares of the Company s common stock in any calendar year.** The outstanding shares of Class B Stock will automatically convert into shares of Class A Stock if Mr. Plank sells, or otherwise disposes of, more than 2.5 million shares of Class A Stock and Class C Stock in any calendar year beginning in the calendar year of the record date for the Class C Dividend. However, if Mr. Plank sells fewer than the number of shares that he was permitted to sell in any calendar year, the number of unsold shares will be added to the number of shares that he may sell in the future calendar years, potentially allowing him to sell more than 2.5 million shares in any given calendar year without triggering the Transfer Conversion Trigger. The Transfer Conversion Trigger will limit Mr. Plank s ability to sell substantial portions of his stock in a short time period while maintaining his voting control, thereby requiring Mr. Plank s long-term financial interest in our stock to align with this voting control. Upon such conversion, the Class C Stock will also be automatically converted into shares of Class A Stock, so that the Company will cease to operate under a multi-class stock structure.

b. **To adopt a new automatic conversion trigger under which each share of Class B Stock will automatically convert into one share of Class A Stock upon the departure of Mr. Plank from the Company in certain circumstances.** If Mr. Plank resigns from the Company as an Approved Executive Officer or is terminated by the Board for cause, then each share of Class B Stock will be automatically converted into one share of Class A Stock. Upon such conversion, the Class C Stock will also be automatically converted into shares of Class A Stock, so that the Company will cease to operate under a multi-class stock structure.

c. **To provide for the treatment of shares of Class A Stock in a manner that is at least as favorable as shares of Class B Stock in certain transactions**. In the event of any merger or consolidation of the Company with or into another entity, a statutory share exchange between the Company and any other entity or the conversion of the Company into another entity (whether or not the Company is the surviving entity) or a third party tender offer entered into pursuant to an agreement with the Company, the holders of each share of Class A Stock and Class B Stock will be entitled to receive the same consideration on a per share basis, and each holder of shares of Class A Stock will be entitled to receive the same consideration on a per share

basis as each holder of shares of Class B Stock is entitled to receive on a per share basis in connection with a transfer of such shares of Class B Stock incidental to such a merger, consolidation, statutory share exchange, conversion or negotiated tender offer, even if the consideration for such transfer is not paid as consideration in such merger, consolidation, statutory share exchange, conversion or negotiated tender offer, subject to certain exceptions.

d. **To enhance board independence requirements for so long as the Class B Stock is outstanding by (1) prohibiting the Company from availing itself of the exemptions for**

controlled companies under stock exchange listing standards and (2) imposing stricter standards for determining whether directors are independent . So long as the Class B Stock is outstanding, and because it will not be entitled to avail itself of exemptions for controlled companies under applicable listing standards, the Company will be required to maintain a majority of independent directors and independent compensation and corporate governance committees, and for the purpose of determining independence under listing standards, independence will mean that a director has no family relationship with Mr. Plank, and no material financial or service relationship with Mr. Plank or any members of his family, in addition to the independence requirements to which the Company is subject under the listing standards of any exchange upon which the Company is listed.

e. **To provide that amendments to the Equal Treatment Provision and the Board Independence Provisions require a supermajority vote.** The Equal Treatment Provision and the Board Independence Provisions cannot be amended unless declared advisable by the Board, including at least 75% of the Independent Directors, and approved by at least 75% of the votes entitled to be cast thereon by the holders of (1) Class A Stock (other than Mr. Plank, any Kevin A. Plank Family Entity, any Kevin A. Plank Family Member or any executive officer of the Company), voting as a single class, and (2) Class B Stock, voting as a single class.

Reasons for Charter Amendments

The Special Committee and our Board believe that the Charter Amendments are advisable and in the best interests of the Company, and in the best interests of our stockholders (other than Mr. Plank, as to whom no determination is made), and they determined that the Class C Dividend should only be effected if the Charter Amendments are in place. The Special Committee and our Board believe that the potential advantages of the Charter Amendments include, but are not limited to, the factors described below.

The following discussion of factors considered by the Special Committee and our Board is not intended to be exhaustive, but includes the material factors considered by the Special Committee and our Board in deciding to proceed with the Charter Amendments. In light of the variety of factors considered, neither the Special Committee nor our Board found it practicable to, and did not, quantify or otherwise assign relative weights to the specific factors considered in reaching their respective determinations and recommendations. See also The Stock and Governance Changes Potential Advantages of the Stock and Governance Changes above.

a. Charter Amendment to Provide that Each Share of Class B Stock Will Automatically Convert into One Share of Class A Stock if Mr. Plank Sells Shares of Class A Stock and Class C Stock In any Calendar Year In Excess of a Certain Limit.

Our Charter currently provides that each share of Class B Stock be automatically converted into one share of Class A Stock upon (a) Mr. Plank s stock ownership triggering the 15% Conversion Threshold, (b) the death of Mr. Plank, or (c) Mr. Plank ceasing to be affiliated with the Company in any capacity as a result of permanent disability, and the Charter Amendments include a provision to provide for such conversion if Mr. Plank resigns from the Company or his employment is terminated for cause.

While the Special Committee concluded that it would be in the best interest of the Company and its stockholders (other than Mr. Plank, as to whom no determination was made) to effect the Class C Stock Issuance to allow the Company to issue shares of common stock, and to allow Mr. Plank to sell shares of common stock, while preserving Mr. Plank s voting control of the Company, the Special Committee also determined that it would be in the best interest

of the Company and its stockholders (other than Mr. Plank, as to whom no determination was made) to impose limits on the number of shares of Class C Stock that Mr. Plank may sell. Accordingly, the Special Committee recommended

that the Board declare advisable and recommend, and that the stockholders approve, the Transfer Conversion Trigger pursuant to which each share of Class B Stock will automatically convert into one share of Class A Stock if Mr. Plank (together with all Kevin A. Plank Family Entities) sells, or otherwise disposes of, in any calendar year beginning in the calendar year of the record date for the Class C Dividend more than 2.5 million shares of Class A Stock and Class C Stock (such number giving effect to the split resulting from the Class C Dividend).

The Transfer Conversion Trigger has a rollover feature providing that the number of shares Mr. Plank will be permitted to sell in any calendar year, commencing with the first calendar year after the year in which the record date for the Class C Dividend will occur, will be increased by the number of shares Mr. Plank (together with all Kevin A. Plank Family Entities) was permitted to, but did not, sell or otherwise dispose of, during the preceding calendar years commencing with the calendar year of the Class C Dividend. Under our Charter, upon any purported sale, pledge, transfer, assignment or disposition of any share of Class B Stock to a person or legal entity other than Mr. Plank or a Kevin A. Plank Family Entity, such share of Class B Stock will be automatically converted into a share of Class A Stock. The Charter Amendments indicate that such transfers of shares of Class B Stock, when converted into Class A Stock, will count against the Transfer Conversion Trigger. For purposes of determining the occurrence of the Transfer Conversion Trigger, (1) all transfers of Class A Stock or Class C Stock by Mr. Plank or a Kevin A. Plank Family Entity to Mr. Plank or a Kevin A. Plank Family Entity will be disregarded; (2) a pledge of shares of Class A Stock or Class C Stock, prior to default thereunder, which does not grant to the pledgee the power to vote or direct the vote of the pledged share or the power to vote or direct the disposition of the pledged share prior to a default, without any foreclosure or transfer of ownership, will not be deemed to be a transfer of such shares of Class A Stock or Class C Stock; and (3) the withholding by the Company of shares of Class A Stock or Class C Stock otherwise deliverable to Mr. Plank pursuant to any equity compensation award for the purpose of satisfying the exercise price of any such equity compensation award on a cashless basis or to cover tax withholding obligations with respect to the vesting or exercise of any such equity compensation award will not be considered a transfer of such shares. In the event of any split, subdivision, combination or reclassification of the shares of Class A Stock, Class B Stock and Class C Stock (including a split effected by a dividend paid in shares of Company common stock on all outstanding shares of Company common stock) after the Class C Dividend (but not including the Class C Dividend), proportional adjustments shall be made to the Transfer Conversion Trigger and in calculating the number of shares of Class A Stock and Class C Stock transferred prior thereto for purposes of determining the occurrence of the Transfer Conversion Trigger.

The Special Committee believes that imposing the Transfer Conversion Trigger will limit Mr. Plank s ability to sell substantial portions of his stock in a short time period while maintaining voting control, thereby requiring Mr. Plank s long-term financial interest in our stock to align with this voting control. As described under Description of Class C Stock Conversion , at such time as the outstanding shares of Class B Stock are converted into shares of Class A Stock, the outstanding shares of Class C Stock will vote together with the Class A Stock as a single class on all matters and will automatically convert into shares of Class A Stock as soon as reasonably practicable thereafter, so that the Company would then have only a single class of outstanding common stock, the Class A Stock.

b. Charter Amendment to Provide that Each Share of Class B Stock Shall be Automatically Converted into One Share of Class A Stock if Mr. Plank Resigns from the Company or His Employment with the Company is Terminated for Cause.

Our Charter currently provides that each share of Class B Stock will automatically convert into one share of Class A Stock effective upon (a) Mr. Plank s stock ownership triggering the 15% Conversion Threshold, (b) the death of Mr. Plank, or (c) Mr. Plank ceasing to be affiliated with the Company in any capacity as a result of permanent disability and the Charter Amendments include a provision for such conversion if Mr. Plank exceeds the Transfer

Conversion Trigger.

Table of Contents

In reviewing the Company s corporate governance as part of its consideration of the Class C Stock Issuance, the Special Committee determined that it was in the best interest of the Company and its stockholders (other than Mr. Plank, as to whom no determination was made) to amend the Charter to provide that each share of Class B Stock will automatically convert into one share of Class A Stock immediately if Mr. Plank resigns as an Approved Executive Officer of the Company or his employment with the Company is terminated for cause.

For these purposes, cause is defined as the occurrence of any of the following with respect to Mr. Plank: (a) material misconduct or neglect in the performance of duties; (b) the commission of any felony, an offense punishable by imprisonment, any offense involving material dishonesty, fraud, moral turpitude or immoral conduct, or any crime of sufficient import to potentially discredit or adversely affect our ability to conduct our business in the normal course; (c) material breach of our code of conduct; (d) any act that results in severe harm to us, excluding any act in good faith reasonably believed to be in our best interests; or (e) material breach of the Noncompete Agreement. Mr. Plank may not be terminated for cause for purposes of the foregoing unless and until a notice of intent to terminate Mr. Plank for cause, specifying the particulars of the conduct of Mr. Plank forming the basis for such termination, is given to Mr. Plank by at least 75% of the Independent Directors and, subsequently, at least 75% of the Independent Directors find, after reasonable notice to Mr. Plank (but in no event less than fifteen (15) days prior notice) and an opportunity for Mr. Plank and his counsel to be heard by the Board, that termination of Mr. Plank for cause is justified. The conversion of the Class B Stock (and Class C Stock) would occur automatically after such finding has been made by the Board and five (5) business days after the Board gives to Mr. Plank notice thereof, specifying in detail the particulars of the conduct of Mr. Plank found by the Board to justify termination for cause.

As described under Description of Class C Stock Conversion , upon the conversion of the outstanding shares of Class B Stock into shares of Class A Stock, the outstanding shares of Class C Stock will automatically convert into shares of Class A Stock as soon as reasonably practicable thereafter and will immediately vote together with the Class A Stock as a single class on all matters, so that the Company would then have only a single class of outstanding common stock, the Class A Stock.

The Special Committee and our Board believe that an automatic conversion trigger providing for the immediate conversion of each share of Class B Stock into Class A Stock (which would also trigger the conversion of the Class C Stock into Class A Stock) if Mr. Plank resigns or is terminated for cause was important to ensure Mr. Plank s long-term continued service to the Company and to enable the Company to retain a qualified chief executive officer to succeed Mr. Plank if he were to leave the Company. The Special Committee believes that without this new conversion trigger, it would be difficult to attract and retain a high-quality replacement if Mr. Plank ever were to leave, in light of the prospect of potentially having Mr. Plank retain control of the Company after his departure.

c. Charter Amendment to Provide for the Treatment of Class A Stock in a Manner That Is at Least as Favorable as Class B Stock in Certain Transactions.

The Charter Amendments will expand upon the treatment of shares of Class A Stock in relation to Class B Stock in connection with certain fundamental transactions involving the Company. Under the existing Charter, in the event of a merger or consolidation of the Company with or into another entity (whether or not the Company is the surviving entity), the holders of each share of Class A Stock and Class B Stock are entitled to receive the same consideration on a per share basis. The Charter Amendments will expand this protection provided to the holders of Class A Stock to cover statutory share exchanges, conversions and negotiated tender offers, and the Charter Amendments will also expand the protection to apply to consideration incidental to a merger, consolidation, statutory share exchange, conversion or negotiated tender offer, even if the consideration for such transfer is not paid as consideration in such merger, consolidation, statutory share exchange, conversion or negotiated tender offer, subject to certain exceptions.

Specifically, under the Charter as amended by the Charter

Table of Contents

Amendments, in the event of any merger or consolidation of the Company with or into another entity, a statutory share exchange between the Company and any other entity or the conversion of the Company into another entity (whether or not the Company is the surviving entity) or a third party tender offer entered into pursuant to an agreement with the Company, the holders of each share of Class A Stock and Class B Stock will be entitled to receive the same consideration on a per share basis, and each holder of shares of Class A Stock will be entitled to receive the same consideration on a per share basis as each holder of shares of Class B Stock is entitled to receive on a per share basis in connection with a transfer of such shares of Class B Stock incidental to a merger, consolidation, statutory share exchange, conversion or negotiated tender offer, even if the consideration for such transfer is not paid as consideration in such merger, consolidation, statutory share exchange, conversion or negotiated tender offer. However, any amounts paid to Mr. Plank as compensation for services rendered or to be rendered by Mr. Plank to the Company or any acquiring entity or any of their respective affiliates (for example, participating in a retention bonus pool established in connection with a proposed merger, or compensation paid for pre- or post-merger services), which payment was approved by a majority of the Independent Directors, will not be deemed to be part of such consideration. For so long as any shares of Class B Stock remain outstanding, the Company may not enter into a plan or agreement providing for a merger, consolidation, statutory share exchange, conversion or negotiated tender offer that is inconsistent with the foregoing.

The Charter Amendments specify that the Equal Treatment Provision may not be amended unless declared advisable by our Board of Directors, including at least 75% of the Independent Directors, and approved by at least 75% of the votes entitled to be cast thereon by (1) the holders of Class A Stock (other than Mr. Plank, any Kevin A. Plank Family Entity, any Kevin A. Plank Family Member or any executive officer of the Company), voting as a single class, and (2) the holders of Class B Stock, voting as a single class.

The Special Committee and our Board believe that these enhanced provisions related to the treatment of shares of Class A Stock provide important protection to all of our stockholders and help to ensure that all stockholders will be on an equal footing in connection with fundamental transactions involving the Company.

d. Charter Amendment to Enhance Board Independence Requirements by Prohibiting the Company from Availing Itself of the Exemptions for Controlled Companies under Applicable Listing Standards and Imposing Stricter Standards for Determining Whether Directors are Independent.

The Charter Amendments provide that, so long as any shares of Class B Stock remain outstanding, the Company may not avail itself of any exemption available to controlled companies under applicable Listing Standards. As a result, so long as the Company s stock is listed on the NYSE or otherwise subject to requirements that it maintain a majority of independent directors and independent committees, the Company will be required to maintain a majority of independent directors and independent compensation and corporate governance committees. In addition, for the purpose of meeting the Listing Standards, in order to be independent, a director must have no family relationship with Mr. Plank, or material financial or service relationship with Mr. Plank or any members of his family, in addition to the independence requirements to which the Company is subject under the Listing Standards of any exchange upon which the Company is listed, or may be listed in the future.

Currently, the Class A Stock is listed on the NYSE. The Corporate Responsibility rules of the NYSE, set forth in Section 303A of the NYSE s Listed Company Manual, impose corporate governance standards on companies the shares of which are listed on the NYSE. These rules provide certain exemptions, however, for a listed company of which more than 50% of the voting power for the election of directors is held by an individual, a group or another company (referred to under these rules as a

Table of Contents

controlled company). Specifically, a controlled company is not required to comply with Section 303A.01, 303A.04 or 303A.05 of the NYSE listing standards.

Section 303A.01 of the NYSE listing standards requires that listed companies must have a majority of independent directors.

Section 303A.04 of the NYSE listing standards requires that listed companies must have a nominating / corporate governance committee composed entirely of independent directors and that the committee must have a written charter that imposes certain purposes and responsibilities on the committee, including (a) identifying individuals qualified to become board members and selecting or recommending that the board select director nominees; developing and recommending corporate governance guidelines for the corporation; and overseeing the evaluation of the board and management and (b) conducting an annual performance evaluation of the committee.