As filed with the Securities and Exchange Commission on November 28, 2003

Registration No. 333-110222

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 1

TO

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

K2 INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	3949	95-2077125
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code No.)	(I.R.S. Employer Identification No.)

2051 Palomar Airport Road

Carlsbad, California 92009

(760) 494-1000

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant s Principal Executive Offices)

Monte H. Baier

Vice President and General Counsel

K2 Inc.

2051 Palomar Airport Road

Carlsbad, California 92009

(760) 494-1000

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

With copies to:

Bradford P. Weirick	**Craig R. Martahus**
Gibson, Dunn & Crutcher LLP	**Thompson Hine LLP**
333 South Grand Avenue	**3900 Key Center 127 Public Square**
Los Angeles, California 90071-3197	**Cleveland, Ohio 44114-1291**
(213) 229-7000	**(216) 566-5500**

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement and the satisfaction (or waiver) of the conditions to the offer described herein.

If the securities being registered on this form are to be offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. ¨

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨______

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨______

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in

accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to Section 8(a), may determine.

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THE INFORMATION IN THIS PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. WE MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND WE ARE NOT SOLICITING OFFERS TO BUY THESE SECURITIES IN ANY JURISDICTION WHERE THE OFFER OR SALE IS NOT PERMITTED.

OFFER BY K2 INC.

to

Exchange 0.6036 of a Share of Common Stock

(Including the Associated Preferred Share Purchase Rights)

of

K2 Inc.

for

Each Outstanding Share of Common Stock

of

Brass Eagle Inc.

THIS OFFER, AND YOUR RIGHT TO WITHDRAW SHARES OF BRASS EAGLE COMMON STOCK YOU TENDER INTO THIS OFFER, WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON MONDAY, DECEMBER 8, 2003, UNLESS WE EXTEND THIS OFFER.

We are offering to exchange 0.6036 of a share, including the associated preferred share purchase rights, of common stock of K2 Inc. (K2) for each outstanding share of common stock of Brass Eagle Inc. (Brass Eagle), on the terms and conditions contained in this prospectus and in the related letter of transmittal.

This offer is being made pursuant to an Agreement and Plan of Merger and Reorganization (as such agreement may from time to time be amended or supplemented, the Merger Agreement), dated as of October 22, 2003, by and among K2, Cabe Acquisition Sub, Inc. (Acquisition Sub) and Brass Eagle. The board of directors of Brass Eagle has (i) adopted the Merger Agreement and approved the transactions contemplated thereby, including this offer, and (ii) recommended that holders of Brass Eagle common stock accept this offer and tender their Brass Eagle common stock to K2 pursuant to this offer. Charter Oak Partners, the largest stockholder of Brass Eagle, holding approximately 49.06% of the outstanding common stock of Brass Eagle, has agreed to tender its Brass Eagle shares in the offer, subject to certain conditions.

This offer is conditioned on (i) there being validly tendered and not properly withdrawn prior to the expiration of the offer at least a majority of the shares of Brass Eagle common stock, calculated as described in this prospectus, and (ii) the other conditions described in this prospectus under The Offer Conditions of the Offer on page 39.

After completion of the offer, K2 will cause Brass Eagle to complete a merger with Acquisition Sub, in which each outstanding share of Brass Eagle common stock (except for shares held by Brass Eagle, K2 or Acquisition Sub) will be converted into the right to receive shares of K2 common stock at the same exchange ratio as used in the offer, subject to appraisal rights to the extent applicable under Delaware law. If after the completion of this offer we beneficially own more than 90% of the outstanding shares of Brass Eagle common stock, we may effect this merger without the approval of Brass Eagle stockholders, as permitted under Delaware law.

K2 is not asking Brass Eagle stockholders for a proxy at this time and Brass Eagle stockholders are requested not to send a proxy. Any solicitation of proxies will be made pursuant to separate proxy solicitation materials complying with the requirements of Section 14(a) of the Securities Exchange Act of 1934, as amended (the Exchange Act).

SEE RISK FACTORS BEGINNING ON PAGE 19 FOR A DISCUSSION OF ISSUES THAT YOU SHOULD CONSIDER IN DETERMINING WHETHER TO TENDER YOUR SHARES IN THIS OFFER.

K2 common stock is traded on the New York Stock Exchange under the symbol KTO. Brass Eagle common stock is traded on the Nasdaq National Market System under the symbol XTRM.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE SECURITIES TO BE ISSUED IN THIS OFFER AND THE SUBSEQUENT MERGER OR DETERMINED IF THE INFORMATION CONTAINED IN THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this prospectus is November 4, 2003, as amended on November 28, 2003.

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As permitted under the rules of the Securities and Exchange Commission (the SEC), this prospectus incorporates important business and financial information about K2 and Brass Eagle that is contained in documents filed with the SEC, but that is not included in or delivered with this prospectus. You may obtain copies of these documents, without charge, from the website maintained by the SEC at www.sec.gov, as well as other sources. See Additional Information Where You Can Find Additional Information on page 78. You may also obtain copies of these documents, without charge, upon written or oral request to our information agent, Morrow & Co., Inc. (Banks and Brokerage Firms, please call (800) 654-2468; Stockholders, please call (800) 607-0088; all others, please call collect (212) 754-8000; the e-mail address is xtrm.info@morrowco.com). To obtain timely delivery of copies of these documents, you should request them no later than five business days prior to the expiration of this offer. **UNLESS THIS OFFER IS EXTENDED, THE LATEST YOU SHOULD REQUEST COPIES OF THESE DOCUMENTS IS MONDAY, DECEMBER 1, 2003.**

Except as otherwise specifically noted, we, our, us and similar words in this prospectus refer to K2. Acquisition Sub refers to Cabe Acquisition Sub, Inc., a wholly-owned subsidiary of K2. We refer to Brass Eagle Inc. as Brass Eagle.

In Questions and Answers About the Offer below and in the Summary beginning on page 3, we highlight selected information from this prospectus, but we have not included all of the information that may be important to you. To better understand the offer and the subsequent merger, and for a more complete description of their legal terms, you should carefully read this entire prospectus, including the section entitled Risk Factors on page 19 and the annexes hereto, as well as the documents we have incorporated by reference into this prospectus. See Additional Information Where You Can Find Additional Information on page 78.

You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized anyone to provide you with information different from that contained or incorporated by reference in this prospectus. The information contained in this prospectus and the documents incorporated by reference are accurate only as of their respective dates, regardless of the time of delivery of this prospectus. Our business, financial condition, results of operations and prospects may have changed since those dates.

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QUESTIONS AND ANSWERS ABOUT THE OFFER

Q. Who is Offering to Buy Your Shares?

A. K2 is a premier branded consumer products company with a portfolio of diversified sporting goods products and other recreational products. Our sporting goods include several name brand lines such as K2 and OLIN alpine skis, K2 and Ride snowboards, boots and bindings, Morrow, 5150 and Liquid snowboards, K2 in-line skates, K2 mountain bikes and BMX bikes, Rawlings baseball and sports equipment, Worth softball and sports equipment, Shakespeare fishing rods and reels, Stearns personal flotation devices, outdoor water recreational products, rainwear and hunting accessories and K2 and Dana Design backpacks. Our other recreational products include Planet Earth apparel, Adio and Hawk skateboard shoes, Tubbs and Atlas snowshoes and Hilton corporate casuals. In addition, our portfolio includes industrial products consisting primarily of Shakespeare monofilament line, which is used in weed trimmers, paper mills and as fishing line, and Shakespeare fiberglass marine antennas. We have embarked upon an aggressive strategy to expand our operations and diversify our product offerings within the sporting goods and recreational products industries by seeking to combine with other well-established companies. In pursuing this strategy, we acquired Rawlings Sporting Goods Company, Inc. (Rawlings) on March 26, 2003, Worth, Inc. (Worth) on September 16, 2003 and Winter Quest LLC, Atlas Snowshoes Company, LLC and Little Bear Snowshoe Company, LLC on October 17, 2003 and entered into an agreement on November 25, 2003 to acquire Fotoball USA, Inc.

Q. Why are We Making the Offer?

A. We are making the offer for the purpose of acquiring all of the outstanding shares of Brass Eagle common stock.

Q. What Will You Receive in Exchange for the Shares of Brass Eagle Common Stock that You Tender In the Offer?

A. If we complete the offer, you will receive 0.6036 of a share, including the associated preferred share purchase rights, of K2 common stock in exchange for each share of Brass Eagle common stock that you validly tender in the offer. We will not issue fractional shares of K2 common stock. Instead, any Brass Eagle stockholder entitled to receive a fractional share of K2 common stock will receive a cash payment in lieu of the fractional interest. See The Offer Cash Instead of Fractional Shares of K2 Common Stock on page 39.

Q. What Does the Board of Directors of Brass Eagle Think of the Offer and the Subsequent Merger?

A. On October 22, 2003, the board of directors of Brass Eagle approved the Merger Agreement, this offer and the merger. The board of directors of Brass Eagle also has recommended that Brass Eagle stockholders tender their shares of Brass Eagle common stock in this offer. The board of directors of Brass Eagle has received a written opinion, dated October 22, 2003, from Wachovia Capital Markets, LLC (Wachovia Securities), the financial advisor to Brass Eagle, to the effect that, as of the date of the opinion and based on and subject to the matters described in the opinion, the consideration to be received by Brass Eagle stockholders in the offer and merger is fair, from a financial point of view, to such stockholders. A summary of Wachovia Securities opinion, including the analyses performed, the bases and methods of arriving at the opinion and a description of Wachovia Securities investigation and assumptions, is provided in Brass Eagle s Solicitation/Recommendation Statement on Schedule 14D-9 (the Brass Eagle Recommendation Statement), which is being mailed to you together with this prospectus. The full text of Wachovia Securities written opinion, which describes the assumptions made, procedures followed, matters considered and limitations on the review undertaken, is attached to the Brass Eagle Recommendation Statement. For more information about the position of the board of directors of Brass Eagle on the offer, see the Brass Eagle Recommendation Statement.

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Q. What Has Charter Oak Partners, Brass Eagle s Largest Stockholder, Agreed to Do with Respect to the Offer and the Merger?

A. On October 22, 2003, Charter Oak Partners entered into an Exchange Agreement with K2, pursuant to which it has agreed to tender its Brass Eagle shares in the offer, subject to certain conditions. See Interests of Certain Persons in the Offer and Subsequent Merger Certain Agreements Between Charter Oak Partners and K2 Exchange Agreement on page 53.

Q. What are the Potential Benefits of this Offer to Brass Eagle Stockholders?

A. We believe that this offer should be attractive to Brass Eagle stockholders for the reasons described elsewhere in this prospectus as well as for the following reasons:

- based on the closing prices of shares of K2 common stock and shares of Brass Eagle common stock on October 22, 2003, the last trading day preceding our first announcement of our intention to acquire the outstanding shares of Brass Eagle common stock, the value of shares of Brass Eagle common stock as used in the exchange ratio represented a 22.5% premium over the price of shares of Brass Eagle common stock. On November 3, 2003, the last trading date prior to the printing of this prospectus for which this information was practicably available, the closing prices of a share of K2 common stock and a share of Brass Eagle common stock, as reported in the consolidated transaction reporting system, were $16.30 and $9.90, respectively;

- you will have the opportunity to hold shares in a larger, more diversified combined company which we believe will have greater access to capital to pursue strategic growth opportunities in the sporting goods industry than would Brass Eagle on a stand-alone basis; and

- you will have the opportunity to continue to share in Brass Eagle s future performance through your ownership of shares of K2 common stock, as well as an opportunity to similarly share in the performance of our other product lines.

Q. What are Some of the Other Factors You Should Consider in Deciding Whether to Tender Your Shares of Brass Eagle Common Stock?

A. In addition to the factors described elsewhere in this prospectus, you should consider the following:

- as a K2 stockholder, your interest in the performance and prospects of Brass Eagle would only be indirect and in proportion to your share ownership in K2. You, therefore, will not realize the same financial benefits of future appreciation in the value of Brass Eagle, if any, that you may realize if the offer and the merger were not completed and you remained a Brass Eagle stockholder; and

- an investment in a company of Brass Eagle s size may be associated with greater risk and a greater potential for gain than an investment in a more diversified company like K2. On the other hand, as a stockholder in a diversified company like K2, your investment will be exposed to risks and events that are likely to have little or no effect on Brass Eagle.

We describe various factors Brass Eagle stockholders should consider in deciding whether to tender their shares under Risk Factors on page 19 and Background and Reasons for the Offer and Subsequent Merger Additional Factors for Consideration by Brass Eagle Stockholders on page 31.

Q. How Do You Participate in the Offer?

A. You are urged to read this entire prospectus carefully, and to consider how the offer and the merger affect you. Then, if you wish to tender your shares of Brass Eagle common stock, you should complete and sign the enclosed letter of transmittal and return it with your stock certificates to the exchange agent and depository at its address set forth on the back cover page of this prospectus, or, if you hold your shares in street name through a broker, ask your broker to tender your shares. Please read this prospectus carefully for more information about procedures for tendering your shares, the timing of the offer, extensions of the offer period and your rights to withdraw your shares from the offer prior to the expiration date.

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Q. What are the Most Significant Conditions to the Offer?

A. The offer is conditioned upon, among other things, satisfaction of the condition that there must be validly tendered, and not properly withdrawn, prior to the expiration of the offer, at least a majority of the outstanding shares of Brass Eagle common stock and certain shares subject to Brass Eagle stock options as described in this prospectus. In addition to this minimum condition, the following conditions must also be met as of the expiration of the offer:

- the registration statement on Form S-4 of which this prospectus is a part must have become effective;
- any applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the HSR Act), must have expired or been terminated (early termination of the waiting period was granted on October 30, 2003);
- the shares of K2 common stock issuable in the offer shall have been approved for listing on the New York Stock Exchange;
- Brass Eagle and K2 shall have received certain tax opinions;
- K2 shall have received from Charter Oak Partners, the largest stockholder of Brass Eagle, an executed non-competition agreement;
- Charter Oak Partners shall not have breached any of its obligations under the Exchange Agreement pursuant to which it has agreed to tender its shares in the offer;
- Brass Eagle shall have received certain consents to the transactions contemplated by the Merger Agreement and shall have taken certain actions under its deferred compensation plan;
- there shall have been no event having a material adverse effect on Brass Eagle and no specified breaches by Brass Eagle of the Merger Agreement;
- there shall be no legal impediments to the offer and certain events, such as trading suspensions or the commencement or acceleration of a war involving the United States, shall not have occurred;
- the Merger Agreement shall not have been terminated pursuant to its terms; and
- Brass Eagle s board of directors shall not have withdrawn its recommendation of the offer.

These conditions and other conditions to the offer are discussed in this prospectus under The Offer Conditions of the Offer on page 39.

Q. If You Decide Not to Tender, How Will This Affect the Offer and Your Shares of Brass Eagle Common Stock?

A.

We will not acquire any shares of Brass Eagle common stock in the offer unless the minimum condition is satisfied. Your failure to tender your shares of Brass Eagle common stock will reduce the likelihood that we will receive tenders of a sufficient number of shares of Brass Eagle common stock to be able to complete the offer. However, in light of the agreement of Charter Oak Partners to tender its shares, subject to the terms of the Exchange Agreement, and the intent of the directors and officers of Brass Eagle to tender their shares in the offer, we believe that it is highly unlikely that the minimum condition will not be satisfied in the offer, unless an event occurs that enables Brass Eagle to terminate the Merger Agreement.

The offer is the first step in our acquisition of Brass Eagle and is intended to facilitate our acquisition of all of the outstanding shares of Brass Eagle common stock. After completion of the offer, we will cause Brass Eagle to complete a merger with Acquisition Sub. The purpose of the merger is to acquire all of the outstanding shares of Brass Eagle common stock not exchanged in the offer. In the merger, each outstanding share of Brass Eagle common stock (except for shares held by Brass Eagle, K2 or Acquisition Sub) will be converted into the right to receive shares of K2 common stock at the same exchange ratio used in the offer, subject to appraisal rights to the extent applicable under Delaware law. If the merger takes place, unless the merger is accomplished through a short-form merger, which would provide appraisal rights for non-tendering stockholders, the only difference to you between tendering your Brass Eagle common stock in the offer and not tendering your Brass Eagle common stock is that you will receive shares of K2 common stock earlier if you tender your shares in the offer. An earlier tender of your shares of Brass Eagle common stock may, however, help to ensure the satisfaction of the minimum condition and the completion of the offer and merger.

Q. How Long Will It Take to Complete the Offer and the Subsequent Merger?

A. We hope to complete the offer in the fourth quarter of 2003. The offer is currently scheduled to expire on Monday, December 8, 2003. However, we may extend the offer if the conditions to the offer have not been satisfied as of the offer s scheduled expiration or if we are required to extend the offer pursuant to the SEC s tender offer rules or pursuant to agreements we have made with Brass Eagle in the Merger Agreement. After completion of the offer, K2 will cause Brass Eagle to complete a merger with Acquisition Sub, in which each outstanding share of Brass Eagle common stock (except for shares held by Brass Eagle, K2 or Acquisition Sub) will be converted into the right to receive shares of K2 common stock at the same exchange ratio as used in the offer, subject to appraisal rights to the extent applicable under Delaware law. If after the completion of the offer we beneficially own more than 90% of the outstanding shares of Brass Eagle common stock, we may effect this merger without the approval of Brass Eagle stockholders, as permitted under Delaware law, which could occur promptly following the completion of the offer. In order to reach this 90% threshold, we may exercise an irrevocable option Brass Eagle has granted us in the Merger Agreement to purchase directly from Brass Eagle that number of shares of Brass Eagle common stock that will enable us to hold 90% of the outstanding Brass Eagle shares after such exercise, subject to certain limitations. The exercise of this option would allow us to consummate the merger without stockholder approval even if we do not obtain 90% of Brass Eagle s outstanding shares in the offer. If we complete the offer but own less than 90% of the outstanding shares of Brass Eagle common stock after the offer, and we do not exercise our option to purchase shares directly from Brass Eagle, then the merger will require Brass Eagle stockholder approval, and we will complete the merger after a definitive information statement regarding our written consent as the then majority stockholder of Brass Eagle is distributed to Brass Eagle stockholders. In such circumstances, the consummation of the merger could take several weeks following the completion of the offer.

Q. Do You Have to Vote to Approve the Offer or the Merger?

A. Because we are extending the offer directly to Brass Eagle stockholders, Brass Eagle stockholders are not being asked to vote to approve the offer. Approval by Brass Eagle stockholders, however, may be required to approve the merger following the successful completion of the offer. Please note that because the offer can only be completed if we acquire a majority of the outstanding shares of Brass Eagle common stock, once the offer is completed, approval of the merger can be accomplished by the written consent of K2, as the then majority stockholder of Brass Eagle, without the additional votes of any other Brass Eagle stockholder, as permitted by Delaware law. If such written consent for the merger is required under applicable law, Brass Eagle stockholders will receive an information statement at that time. If we own 90% or more of the outstanding common stock of Brass Eagle following completion of the offer, the merger can be accomplished without any vote under applicable law.

Q. What Percentage of the K2 Common Stock Will Current Brass Eagle Stockholders Own After the Completion of the Offer and Subsequent Merger?

A. We anticipate that the completion of the offer and subsequent merger will result in the exchange of the outstanding shares of Brass Eagle common stock into approximately 14% of the K2 common stock outstanding at the conclusion of the transactions, without regard to K2 stock options or warrants to purchase K2 common stock, and 10% on a fully-diluted basis. In general, this assumes that:

- approximately 4,900,000 shares of K2 common stock would be issued in the offer and the subsequent merger;
- approximately 28,500,000 shares of K2 common stock are outstanding before giving effect to the completion of the offer and the subsequent merger; and
- no Brass Eagle stockholders exercise appraisal rights.

Q. Will You be Taxed on the Shares of K2 Common Stock that You Receive?

A. It is a condition to the completion of the offer that K2 and Brass Eagle receive legal opinions from their respective tax counsel to the effect that the offer and the merger together will constitute a reorganization within the meaning of Section 368(a) of the Internal Revenue Code (the Code). A Brass Eagle stockholder who, consistent with such opinions, receives his, her or its shares of K2 common stock pursuant to a transaction constituting a reorganization within the meaning of Section 368(a) of the Code will not recognize any gain or loss in the offer and/or the merger, except for gain or loss attributable to cash received in lieu of a fractional share of K2 common stock. Stockholders should consult their tax advisors for a full understanding of all of the tax consequences of the offer and the merger to them. See The Offer Material U.S. Federal Income Tax Consequences on page 42.

Q. Do the Statements on the Cover Page Regarding this Prospectus Being Subject to Change and the Registration Statement Filed with the SEC Not Yet Being Effective Mean that the Offer May Not Commence?

A. No. As permitted under SEC rules, we may commence the offer without the registration statement, of which this prospectus is a part, having been declared effective by the SEC. We cannot, however, complete the offer and accept for exchange any shares of Brass Eagle common stock tendered in the offer until the registration statement is declared effective by the SEC and the other conditions to our offer have been satisfied or, where permissible, waived. The offer will commence when we first mail this prospectus and the related letter of transmittal to Brass Eagle stockholders.

Q. Are K2 s Business, Results of Operations, Financial Condition and Prospects Relevant to Your Decision to Tender Your Shares in the Offer?

A. Yes. Shares of Brass Eagle common stock accepted in the offer will be exchanged for shares of K2 common stock and therefore you should consider K2 s business, results of operations, financial condition and prospects before you decide whether to tender your shares in the offer. In considering our business, results of operations, financial condition and prospects, you should review the documents incorporated by reference in this prospectus because they contain detailed business, financial and other information about us. See Additional Information Where You Can Find Additional Information on page 78.

Q. Whom Can You Call with Questions About the Offer?

A. You can contact our information agent for the offer:

Morrow & Co., Inc.

445 Park Avenue, 5th Floor

New York, New York 10022

E-mail: xtrm.info@morrowco.com

Banks and Brokerage Firms, please call (800) 654-2468

Stockholders, please call (800) 607-0088

All others, please call collect (212) 754-8000

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and the other materials filed or to be filed by K2 with the SEC contain forward-looking statements concerning non-historical facts or matters that are subject to risks and uncertainties. K2 believes that such statements are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Exchange Act (we acknowledge that the safe harbor for forward-looking statements under Section 27A of the Securities Act and Section 21E of the Exchange Act does not apply to forward-looking statements made in connection with a tender offer). These forward-looking statements represent expectations or beliefs of K2 concerning future events, many of which are outside the control of K2. They include, among other things, statements with respect to:

- pro forma financial statements and projections of future financial performance;
- future sales and earnings;
- marketing efforts and trends regarding:
  - team sports including baseball, softball, basketball and football;
  - fishing tackle markets;
  - active watersports and outdoor products markets;
  - extreme wheel sports including mountain bikes, in-line skates and skateboards and other extreme sports including paintball; and
  - winter sports including skis and snowboards;
- foreign exchange rate fluctuations;
- expected levels of debt reduction;
- retail inventory levels;
- product acceptance and demand;
- growth efforts, including strategic acquisitions;

cost reduction efforts;

cost savings and economies of scale;

dependence on foreign manufacturing;

margin enhancement efforts;

product development efforts;

market positioning;

the combined company after the merger; and

future acquisitions, including the integration of these businesses and dispositions.

CAUTIONARY STATEMENT REGARDING

FORWARD-LOOKING STATEMENTS

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These forward looking statements may be preceded by, followed by or include the words believes, expects, anticipates, intends, plans, esti may, will, should, could, would or similar expressions.

K2 cautions that these statements are further qualified by important factors, in addition to those under Risk Factors on page 19 below and elsewhere in this prospectus and the documents which are incorporated by reference in this prospectus, that could cause actual results to differ significantly from those in the forward-looking statements, including, among other things:

- economic conditions, including consumer demand;
- product demand;
- competitive pricing and products; and
- other risks described in K2 s and Brass Eagle s filings with the SEC.

Forward-looking statements are not guarantees of performance. By their nature, they involve risks, uncertainties and assumptions. The future results and stockholder values of K2 and Brass Eagle may differ significantly from those expressed in these forward-looking statements. Brass Eagle stockholders are cautioned not to put undue reliance on any forward-looking statement. Any such statement speaks only as of the date of this prospectus, and in the case of documents incorporated by reference, as of the date of those documents. K2 does not undertake any obligation to update or release any revisions to any forward-looking statements, to report any new information, future event or other circumstances after the date of this prospectus or to reflect the occurrence of unanticipated events, except as required by law. However, your attention is directed to any further disclosures made on related subjects in K2 s and Brass Eagle s subsequent reports filed with the SEC on Forms 10-K, 10-Q and 8-K.

CAUTIONARY STATEMENT REGARDING

FORWARD-LOOKING STATEMENTS

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SUMMARY

This brief summary highlights selected information from this document. It does not contain all of the information that is important to Brass Eagle stockholders. Brass Eagle stockholders are urged to read carefully the entire document and the other documents referred to and incorporated by reference in this document to fully understand the offer and the merger. In particular, stockholders of Brass Eagle should read the documents attached to this prospectus, including the Merger Agreement, which is attached as Annex A. For a guide as to where you can obtain more information on K2 and Brass Eagle, see Additional Information Where You Can Find Additional Information on page 78.

The Offer (Page 34)

We are proposing to acquire all of the outstanding shares of Brass Eagle common stock. We are offering to exchange 0.6036 of a share, including the associated preferred share purchase rights, of K2 common stock for each outstanding share of Brass Eagle common stock, upon the terms and subject to the conditions set forth in this prospectus and the related letter of transmittal. We will not acquire any shares of Brass Eagle common stock in the offer unless Brass Eagle stockholders have validly tendered and not properly withdrawn prior to the expiration of the offer a majority of the shares of Brass Eagle common stock, calculated as described in this prospectus. Charter Oak Partners, the largest stockholder of Brass Eagle, holding approximately 49.06% of the outstanding common stock of Brass Eagle, has agreed to tender its Brass Eagle shares in the offer, subject to certain conditions.

After completion of the offer, K2 will cause Brass Eagle to complete a merger with Acquisition Sub, in which each outstanding share of Brass Eagle common stock (except for shares held by Brass Eagle, K2 or Acquisition Sub) will be converted into the right to receive shares of K2 common stock at the same exchange ratio as used in the offer, subject to appraisal rights to the extent applicable under Delaware law. If, after the completion of this offer, we beneficially own more than 90% of the outstanding shares of Brass Eagle common stock, we may effect this merger without the approval of Brass Eagle stockholders, as permitted under Delaware law. In order to reach this 90% threshold, we may exercise an irrevocable option Brass Eagle has granted us in the Merger Agreement to purchase directly from Brass Eagle that number of shares of Brass Eagle common stock that will enable us to hold 90% of the outstanding Brass Eagle shares after such exercise, subject to certain limitations. The exercise of this option would allow us to consummate the merger without stockholder approval even if we do not obtain 90% of Brass Eagle s outstanding shares in the offer.

The number of shares of K2 common stock issued to Brass Eagle stockholders in the offer and the merger will constitute approximately 14% of the outstanding common stock of the combined company after the merger.

Exchange of Shares of Brass Eagle Common Stock (Page 34)

Upon the terms and subject to the conditions of the offer, promptly after the expiration of the offer, we will accept shares of Brass Eagle common stock which are validly tendered and not properly withdrawn in exchange for shares of K2 common stock. We are offering to exchange 0.6036 of a share, including the associated preferred share purchase rights, of K2 common stock for each outstanding share of Brass Eagle common stock.

Timing of the Offer (Page 34)

We are commencing the offer on November 4, 2003, the date of the distribution of this prospectus. The offer is scheduled to expire at 12:00 midnight, New York City time, on Monday, December 8, 2003, unless we extend the period of the offer. All references to the expiration of the offer mean the time of expiration, as extended.

Conditions of the Offer (Page 39)

The offer is subject to a number of conditions, and K2 will not be required to accept any tendered shares for payment if any of these conditions are not satisfied or, where permissible, waived as of the expiration of the offer. These conditions provide, among other things, that:

- there must be validly tendered and not properly withdrawn prior to the expiration of the offer a majority of the shares of Brass Eagle common stock, calculated as described in this prospectus;
- the registration statement on Form S-4 of which this prospectus is a part must have become effective;
- any applicable waiting periods under the HSR Act must have expired or been terminated (early termination was granted on October 30, 2003);
- the shares of K2 common stock issuable in the offer shall have been approved for listing on the New York Stock Exchange;
- Brass Eagle and K2 shall have received certain tax opinions;
- K2 shall have received from Charter Oak Partners, the largest stockholder of Brass Eagle, an executed non-competition agreement;
- Charter Oak Partners shall not have breached any of its obligations under the Exchange Agreement pursuant to which it has agreed to tender its shares in the offer;
- Brass Eagle shall have received certain consents to the transactions contemplated by the Merger Agreement and shall have taken certain actions under its deferred compensation plan;
- there shall have been no event having a material adverse effect on Brass Eagle and no specified breaches by Brass Eagle of the Merger Agreement;
- there shall be no legal impediments to the offer and certain events, such as trading suspensions or the commencement or acceleration of a war involving the United States, shall not have occurred;
- the Merger Agreement shall not have been terminated pursuant to its terms; and
- Brass Eagle s board of directors shall not have withdrawn its recommendation of the offer.

Extension, Termination and Amendment (Page 35)

Subject to the right of K2 or Brass Eagle to cause the offer to be extended under certain circumstances, K2 or Brass Eagle can terminate the Merger Agreement at the expiration of the offer period if no shares of Brass Eagle common stock have been purchased by K2. If any condition to the offer is not satisfied or, if permissible, waived, by any scheduled expiration of the offer, then we may extend the expiration of the offer from time to time. Each extension may last for no more than ten business days, unless Brass Eagle and K2 agree in writing to allow for a longer period. We also have the right to extend the offer for any period of time required by the applicable rules and regulations of the SEC. We may elect to provide a subsequent offering period of up to 20 business days after the acceptance of shares of Brass Eagle common stock in the offer if, at the expiration of the offer, all of the conditions to the offer have been satisfied or waived, but the total number of shares of Brass Eagle common stock that have been validly tendered and not withdrawn pursuant to the offer is less than 90% of the total number of shares of Brass Eagle common stock then outstanding and the requirements of Rule 14d-11 under the Exchange Act have been met. Brass Eagle has the right to compel us to extend the offer for an initial period of ten business days and for longer periods through January 15, 2004 if all but certain conditions to the offer have been satisfied. K2 or Brass Eagle can terminate the Merger Agreement if the offer is not consummated by April 22, 2004. We can extend the offer by giving oral or written notice of an extension to Computershare Trust Company, Inc., the exchange agent and depository for the offer. If we decide to extend the offer, we will make a public announcement to that effect no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration. We are not giving any assurance that we will extend the offer. During any extension, all shares of Brass Eagle common stock previously tendered and not validly withdrawn will remain deposited with the exchange agent and depository, subject to your right to withdraw your shares of Brass Eagle common stock. If we exercise our right to use a subsequent offering period, we will first consummate our purchase of shares tendered and not withdrawn in the initial offer period.

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Subject to the SEC s applicable rules and regulations and subject to the limitations contained in the Merger Agreement, we also reserve the right, in our discretion:

to terminate the offer and not accept for exchange or exchange any shares of Brass Eagle common stock not previously accepted for purchase, or purchased, upon the failure of any of the conditions of the offer to be satisfied prior to the expiration of the offer; and

to waive any condition (subject to certain conditions being non-waivable by us without Brass Eagle s consent) or otherwise amend the offer in any respect prior to the expiration of the offer,

by giving oral or written notice of such termination, waiver or amendment to the exchange agent and depository and by making a public announcement.

We will follow any extension, termination, waiver or amendment, as promptly as practicable, with a public announcement. Subject to the requirements of the Exchange Act and other applicable law, and without limiting the manner in which we may choose to make any public announcement, we assume no obligation to publish, advertise or otherwise communicate any public announcement other than by making a release to Business Wire.

Procedure for Tendering Shares (Page 36)

For you to validly tender shares of Brass Eagle common stock into the offer, you must do one of the following:

deliver certificates of your shares, a properly completed and duly executed letter of transmittal or a copy thereof that has been manually signed, along with any other required documents, to the exchange agent and depository at its address set forth on the back cover of this prospectus prior to the expiration of the offer;

arrange for a book-entry transfer of your shares to be made to the exchange agent and depository s account at The Depository Trust Company, or DTC, and receipt by the exchange agent and depository of a confirmation of this transfer prior to the expiration of the offer, and the delivery of a properly completed and duly executed letter of transmittal or a copy thereof that has been manually signed, and any other required documents, to the exchange agent and depository at its address set forth on the back cover of this prospectus prior to the expiration of the offer; or

arrange for a book-entry transfer of your shares to the exchange agent and depository s account at DTC and receipt by the exchange agent and depository of confirmation of this transfer, including an agent s message, prior to the expiration of the offer.

These deliveries and arrangements must be made before the expiration of the offer. TENDERS BY NOTICE OF GUARANTEED DELIVERY WILL NOT BE ACCEPTED.

Withdrawal Rights (Page 37)

You may withdraw any shares of Brass Eagle common stock that you previously tendered into the offer at any time before the expiration of the offer by following the procedures described under The Offer Withdrawal Rights on page 37. In addition, if we have not accepted tendered shares for exchange by Monday, January 5, 2004, you may withdraw tendered shares at any time thereafter.

Delivery of Shares of K2 Common Stock (Page 38)

Subject to the satisfaction (or, where permissible, waiver) of the conditions to the offer as of the expiration of the offer, we will accept for exchange shares of Brass Eagle common stock validly tendered and not properly withdrawn promptly after the expiration of the offer and will exchange shares of K2 common stock and cash instead of fractional shares for the tendered shares of Brass Eagle common stock promptly afterwards. In all cases, the exchange of shares of Brass Eagle common stock tendered and accepted for exchange pursuant to the offer will be made only if the exchange agent and depository timely receives:

- certificates for those shares of Brass Eagle common stock, or a timely confirmation of a book-entry transfer of those shares of Brass Eagle common stock in the exchange agent and depository s account at DTC, and a properly completed and duly executed letter of transmittal, or a manually signed copy, and any other required documents; or
- a timely confirmation of a book-entry transfer of those shares of Brass Eagle common stock in the exchange agent and depository s account at DTC, together with an agent s message as described above under Procedure for Tendering Shares.

Cash Instead of Fractional Shares of K2 Common Stock (Page 39)

We will not issue any fraction of a share of K2 common stock pursuant to the offer or the merger. Instead, each tendering stockholder who would otherwise be entitled to a fraction of a share of K2 common stock, after the combination of all fractional shares to which such tendering stockholder would otherwise be entitled, will receive cash (without interest and subject to any withholding for taxes) in lieu of the fractional interests.

The Merger (Page 56)

The Merger Agreement provides that, after completion of the offer, Acquisition Sub will, subject to the certain conditions, be merged into Brass Eagle. Upon completion of the merger, Brass Eagle will continue as the surviving corporation and will be a wholly-owned subsidiary of K2.

Termination of the Merger Agreement (Page 67)

The Merger Agreement provides that it can be terminated by Brass Eagle or K2 under a number of different scenarios, including:

- by the mutual written consent of the parties;
- by either party, subject to various conditions, if:
  - any governmental entity or court issues a nonappealable final order permanently restraining, enjoining or otherwise prohibiting the transactions set forth in the Merger Agreement;

the offer expires pursuant to its terms without the purchase of any shares by K2 and the failure to purchase shares is not due to the breach of the Merger Agreement by the terminating party; or

the offer is not consummated by April 22, 2004 and the failure to consummate by such date is not due to the breach of the Merger Agreement by the terminating party;

by K2, subject to various conditions, if:

Brass Eagle materially breaches any of its representations or warranties set forth in the Merger Agreement;

Brass Eagle materially breaches any of its covenants set forth in the Merger Agreement, and such breach cannot be cured within 20 business days after notice of such breach;

Brass Eagle accepts a superior proposal, withdraws its approval of the offer or merger, fails to reject a third party proposal or otherwise breaches provisions of the Merger Agreement with respect to third party proposals;

Charter Oak Partners is in breach of its Exchange Agreement to tender its Brass Eagle shares in the offer;

K2 has failed to commence the offer based on a failure of conditions to the offer and the failure to commence the offer is not due to a failure on K2 s part; or

a material adverse event has occurred with respect to Brass Eagle;

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by Brass Eagle, subject to various conditions, if:

- K2 materially breaches any of its representations or warranties set forth in the Merger Agreement;
- K2 materially breaches any of its covenants set forth in the Merger Agreement, and such breach cannot be cured within 20 business days after notice of such breach;
- K2 fails to commence the offer and the failure to commence the offer is not due to the breach of the Merger Agreement by Brass Eagle;
- Brass Eagle s board of directors accepts a superior proposal in compliance with the Merger Agreement and pays the termination fee;
- a material adverse event has occurred with respect to K2;
- the average closing price for K2 shares over any ten consecutive trading days ending not later than two trading days before the expiration of the offer is less than $12.64; or
- K2 has consummated a merger or consolidation in which K2 is not the surviving corporation or K2 has consummated a sale of all or substantially all of its assets.

Termination Fees (Page 68)

Termination of the merger by either K2 or Brass Eagle under specified circumstances could result in Brass Eagle being required to pay K2 a termination fee in the amount of $3,700,000.

Material U.S. Federal Income Tax Consequences (Page 42)

It is a condition to the completion of the offer that K2 and Brass Eagle receive legal opinions from their respective tax counsels to the effect that the offer and the merger together will constitute a reorganization within the meaning of the Code. A Brass Eagle stockholder who, consistent with such opinions, receives his or her shares of K2 common stock pursuant to a transaction constituting a reorganization within the meaning of Section 368(a) of the Code will not recognize any gain or loss in the offer and/or the merger, except for gain or loss attributable to cash received in lieu of a fractional share of K2 common stock. Stockholders should consult their tax advisors for a full understanding of all of the tax consequences of the offer and the merger to them.

Regulatory Approvals (Page 47)

We are not aware of any regulatory license or permit material to the business of Brass Eagle and its subsidiaries, on a consolidated basis, that may be materially adversely affected by our acquisition of Brass Eagle common stock, or any regulatory filing or approval that would be required for our acquisition of Brass Eagle common stock, other than the expiration or termination of the waiting period under the HSR Act, which occurred on October 30, 2003. K2 and Brass Eagle have made all required filings to seek such approval, as well as all required filings under the Securities Act and the Exchange Act, in connection with the offer and merger. We are unaware of any requirement for the filing of information with, or the obtaining of the approval of, governmental authorities in any non-U.S. jurisdiction that is applicable to the offer or the merger.

Appraisal Rights (Page 44)

Under Delaware law, you will not have any appraisal rights in connection with the offer. However, appraisal rights may be available in connection with a short-form merger that is not subject to Brass Eagle stockholder approval.

Accounting Treatment (Page 49)

Our acquisition of Brass Eagle common stock pursuant to the offer and the merger will be accounted for under the purchase method of accounting in accordance with accounting principles generally accepted in the United States.

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Interests of Certain Persons in the Offer and the Subsequent Merger (Page 50)

Certain Brass Eagle directors, officers and stockholders have interests in the offer and the merger that are different from, or are in addition to, those of other stockholders. These interests include:

- current and future employment arrangements;
- the conversion of stock options previously issued to certain officers of Brass Eagle;
- payments pursuant to change of control agreements previously entered into between Brass Eagle and certain of its officers;
- the payment of bonuses to certain members of Brass Eagle s management;
- the possible post-merger membership on K2 s board of a director mutually acceptable to K2 and Charter Oak Partners, the largest stockholder of Brass Eagle; and
- the indemnification of directors and officers of Brass Eagle against certain liabilities.

In addition, Charter Oak Partners, Brass Eagle s largest stockholder, has entered into an Exchange Agreement with K2, pursuant to which Charter Oak Partners has agreed to tender its shares in the offer, subject to certain conditions, and will enter into a non-competition agreement with K2 and Brass Eagle. The members of the boards of directors of K2 and Brass Eagle were aware of these interests and considered them, among other matters, when they approved the offer, the merger and the Merger Agreement.

Comparison of Rights of Holders of Brass Eagle Common Stock and Holders of K2 Common Stock (Page 71)

Brass Eagle and K2 are both Delaware corporations. If we complete the offer, holders of Brass Eagle common stock will become K2 stockholders, and their rights as stockholders will be governed by K2 s restated certificate of incorporation and by-laws. There are differences between the restated certificate of incorporation and by-laws of Brass Eagle and the restated certificate of incorporation and by-laws of K2.

The Companies

K2 Inc.

2051 Palomar Airport Road

Carlsbad, California 92009

(760) 494-1000

K2 is a premier branded consumer products company with a portfolio of diversified sporting goods products and other recreational products. Our sporting goods include several name brand lines such as K2 and OLIN alpine skis, K2 and Ride snowboards, boots and bindings, Morrow, 5150 and Liquid snowboards, K2 in-line skates, K2 mountain bikes and BMX bikes, Rawlings baseball and sports equipment, Worth softball and sports equipment, Shakespeare fishing rods and reels, Stearns personal flotation devices, outdoor water recreational products, rainwear and hunting accessories and K2 and Dana Design backpacks. Our other recreational products include Planet Earth apparel, Adio and Hawk skateboard shoes, Tubbs and Atlas snowshoes and Hilton corporate casuals. In addition, our portfolio includes industrial products consisting primarily of Shakespeare monofilament line, which is used in weed trimmers, paper mills and as fishing line, and Shakespeare fiberglass marine antennas.

K2 has embarked upon an aggressive strategy to expand its operations and diversify its product offerings within the sporting goods and recreational products industries by seeking to combine with other well-established companies. In pursuing this strategy K2 acquired Rawlings on March 26, 2003, Worth on September 16, 2003 and Winter Quest LLC, Atlas Snowshoes Company, LLC and Little Bear Snowshoe Company, LLC on October 17, 2003 and entered into an agreement on November 25, 2003 to acquire Fotoball USA, Inc.

K2 s common stock is currently traded on the New York Stock Exchange (symbol: KTO). K2 is headquartered in Carlsbad, California.

Brass Eagle Inc.

1201 SE 30th Street

Bentonville, Arkansas 72712

(479) 464-8700

Brass Eagle is one of the world s leading designers, manufacturers, marketers and distributors

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of paintball markers, paintballs, paintball protective gear, paintball kits and accessories associated with the growing sport of paintball. Based in Bentonville, Arkansas, Brass Eagle has manufacturing and distribution facilities in Neosho, Missouri, Batesville, Mississippi and Chula Vista, California.

Brass Eagle offers a full range of innovative paintball markers and accessory products for the beginner through competition-level participants and is a primary manufacturer that offers paintball products to consumers through easily accessible channels such as mass merchandisers and major sporting goods retailers. These products generally sell at various price levels to offer the consumer the opportunity to move up through the product line. Brass Eagle has gained a competitive advantage through improved efficiency in its product development and manufacturing activities. These efficiencies are realized through its manufacturing processes that are designed to produce high-volume, low-cost-per-unit products. As the market for paintball products has grown, Brass Eagle has planned and implemented strategic changes to expand Brass Eagle s operations, facilities and internal controls consistent with the increased demand for its products.

Brass Eagle s common stock is currently traded on the Nasdaq National Market System (symbol: XTRM). Brass Eagle is headquartered in Bentonville, Arkansas.

Recent Closing Prices (Page 18)

On October 22, 2003, the last trading day before K2 and Brass Eagle announced the offer, K2 common stock closed at $16.75 per share and Brass Eagle common stock closed at $8.30 per share. On November 3, 2003, the last trading day prior to the printing of this prospectus for which this information was practicably available, K2 common stock closed at $16.30 per share and Brass Eagle common stock closed at $9.90 per share.

Questions About the Offer and Subsequent Merger

If you have any questions about the offer or the merger or if you need additional copies of this prospectus, you should contact our information agent:

MORROW & CO., INC.

445 Park Avenue, 5th Floor

New York, New York 10022

E-mail: *xtrm.info@morrowco.com*

Banks and Brokerage Firms, please call

(800) 654-2468

Stockholders, please call

(800) 607-0088

All others, please call collect

(212) 754-8000

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Selected Consolidated Historical Financial Information of K2 and Brass Eagle

The information in the following tables is based on the K2 and Brass Eagle historical financial information that K2 and Brass Eagle have presented in their prior filings with the SEC. Brass Eagle stockholders should read the selected financial information in the following tables in connection with the historical financial information. The K2 historical financial information has been incorporated into this document by reference. See Additional Information Where You Can Find Additional Information on page 78. The Brass Eagle historical financial information is included in Annexes D and E to this prospectus. K2 s selected consolidated historical financial information for the five years ended December 31, 2002 was derived from the consolidated financial statements of K2 which have been audited by Ernst & Young LLP, independent auditors, and Brass Eagle s audited historical financial statements were audited by Crowe Chizek and Company LLC, independent auditors. See Additional Information Experts on page 78.

The accompanying unaudited interim information for K2 and Brass Eagle for the nine months ended September 30, 2003 and 2002 have been derived from financial information included in each of K2 s and Brass Eagle s Form 10-Q for the three and nine months ended September 30, 2003. Such Forms 10-Q were prepared in accordance with accounting principles generally accepted in the United States and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and disclosures required by accounting principles generally accepted in the United States for complete financial statements. These statements have been prepared on the same basis as the audited financial statements and include all adjustments necessary for the fair presentation of the results of the interim periods. The results of operations for the nine months ended September 30, 2003 for K2 and Brass Eagle may not be indicative of their results for the full fiscal year. All amounts are stated in U.S. dollars.

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SELECTED CONSOLIDATED HISTORICAL FINANCIAL INFORMATION

K2 INC.

(in thousands, except per share data)

	As of and for the Nine Months Ended September 30,		As of and for the Year Ended December 31,				
	2003 (a)	**2002**	**2002**	**2001 (b)**	**2000**	**1999 (c)**	**1998 (d)**
Income Statement Data:							
Net sales	$ 524,754	$ 454,463	$ 582,159	$ 589,519	$ 665,562	$ 640,461	$ 579,139
Cost of products sold	362,524	319,569	411,620	429,338	462,242	462,033	418,950
Gross profit	162,230	134,894	170,539	160,181	203,320	178,428	160,189
Selling expenses	83,114	65,166	86,394	103,688	108,274	101,130	92,018
General and administrative expenses	52,513	44,890	56,862	55,212	56,223	52,454	51,421
Operating income	26,603	24,838	27,283	1,281	38,823	24,844	16,750
Interest expense	7,248	7,130	8,966	13,631	14,814	12,741	12,163
Debt extinguishment costs	6,745						
Other (income) expense, net	(1,654)	(59)	(253)	(375)	(191)	(413)	(236)
Income (loss) from continuing operations before provision for income taxes	14,264	17,767	18,570	(11,975)	24,200	12,516	4,823
Provision (credit) for income taxes	4,992	6,218	6,500	(4,271)	7,502	4,005	955
Income (loss) from continuing operations	9,272	11,549	12,070	(7,704)	16,698	8,511	3,868
Discontinued operations, net of taxes (e)					(119)	1,332	975
Net income (loss)	9,272	11,549	12,070	(7,704)	16,579	9,843	4,843
Per Common Share Data:							
Basic earnings (loss) per share:							
Continuing operations	0.39	0.64	0.67	(0.43)	0.93	0.50	0.23
Discontinued operations					(0.01)	0.08	0.06
Net income (loss)	0.39	0.64	0.67	(0.43)	0.92	0.58	0.29
Diluted earnings (loss) per share:							
Continuing operations	0.38	0.64	0.67	(0.43)	0.93	0.50	0.23
Discontinued operations					(0.01)	0.08	0.06
Net income (loss)	0.38	0.64	0.67	(0.43)	0.92	0.58	0.29
Cash dividends per common share						0.11	0.44
Basic shares	23,576	17,941	17,941	17,940	17,949	16,880	16,554
Diluted shares	26,623	17,975	17,994	17,940	18,040	16,883	16,637
Balance Sheet Data:							
Total current assets	443,170	314,840	323,924	304,813	305,132	345,809	335,570
Total assets	659,778	429,319	438,410	421,038	424,110	491,442	456,454
Total current liabilities	150,710	107,609	127,855	100,965	121,742	162,187	130,597
Long-term debt	133,030	80,878	73,007	97,828	69,836	107,280	110,724
Shareholders equity	344,533	233,244	231,296	214,657	227,248	218,520	202,119

(a) On March 26, 2003, K2 acquired all of the outstanding stock of Rawlings, a leading manufacturer and marketer of baseball equipment. K2 s results for the nine months ended September 30, 2003 include the results of Rawlings from March 26, 2003, the date of acquisition, through September 30, 2003.

(b) During 2001, in ongoing cost reduction moves, K2 completed the move of its remaining ski production to China, closing its Washington ski manufacturing facility during the 2001 third quarter. In addition, three other smaller manufacturing facilities which serviced the Stearns and Hilton operations were shut down in Minnesota and Alabama, with most of the production also moving overseas. In addition to the factory closures, K2 experienced a substantial industry-wide slowdown of sales of small-wheeled products in 2001, necessitating a downsizing of K2 s small-wheeled products operation. Consequently, the factory closures and downsizing activities have resulted in 2001 charges to cost of products sold and general and administrative expenses for restructuring and downsizing costs of $15.6 million and $2.4 million, respectively. Approximately $5.0 million of the total amount was a charge to earnings that resulted in or

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will result in a cash payment. These costs are associated with the reduction of personnel, the write down of facilities and equipment and the reduction in the net carrying value of small-wheeled products inventory.

(c) In 1999, K2 began to reduce the cost structure of its ski and snowboard operations by restructuring and downsizing its Seattle manufacturing operation in favor of lower cost manufacturing and sourcing opportunities. In accordance with the initiative, during 1999, K2 s Seattle manufacturing facility was downsized and approximately half of its ski and all of its snowboard manufacturing were moved to either K2 s China or California production facilities or to third party sourcing operations worldwide, resulting in a charge of $10.5 million to cost of products sold to cover restructuring costs of $6.5 million and downsizing costs of $4.0 million. The restructuring charge reflected expenses associated with the write-off of related equipment and inventory, the reduction of approximately 200 production personnel and the utilization of approximately 200 temporary workers. Approximately $5.3 million of the total amount was a cash charge to earnings.

(d) In the third quarter of 1998, a pre-tax charge of $14.5 million was included in earnings from continuing operations. Of this amount, $10.5 million was charged to cost of products sold to write down certain categories of bike and skate inventories as a result of a sudden change in the market demand for those products. The balance of the charge was recorded in general and administrative expenses for costs associated with the change in the bike business and implementing planned cost reduction programs at the winter sports operations. The charges primarily related to non-cash items.

(e) In 1998, K2 adopted a plan to dispose of its Simplex building products division. As a result, K2 reclassified Simplex as a discontinued operation in 1998 and similarly reclassified prior years operations. On June 30, 2000, K2 completed the sale of the assets and business of Simplex to Ludlow Building Products, a subsidiary of Tyco International Ltd.

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SELECTED CONSOLIDATED HISTORICAL FINANCIAL INFORMATION

BRASS EAGLE INC.

(in thousands, except per share data)

	As of and for the Nine Months Ended September 30,		As of and for the Year Ended December 31,				
	2003	2002	2002	2001	2000 (a)	1999	1998
Income Statement Data:							
Net sales	$ 62,670	$ 68,711	$ 104,923	$ 91,885	$ 86,760	$ 68,230	$ 75,149
Cost of products sold	41,008	42,344	63,918	58,845	53,305	42,119	49,253
Gross profit	21,662	26,367	41,005	33,040	33,455	26,111	25,896
Selling, general and administrative expenses	18,047	17,524	24,862	24,628	18,476	13,431	12,806
Operating income	3,615	8,843	16,143	8,412	14,979	12,680	13,090
Interest expense (income), net	804	1,031	1,456	1,920	957	(190)	(338)
Income before provision for income taxes	2,811	7,812	14,687	6,492	14,022	12,870	13,428
Provision for income taxes	1,067	2,816	5,016	2,566	5,354	4,685	5,233
Net income	1,744	4,996	9,671	3,926	8,668	8,185	8,195
Per Common Share Data:							
Basic earnings per share:							
Net income	0.24	0.70	1.35	0.55	1.21	1.13	1.13
Diluted earnings per share:							
Net income	0.23	0.67	1.30	0.52	1.15	1.07	1.07
Cash dividends per common share							
Basic shares	7,381	7,161	7,189	7,145	7,137	7,246	7,239
Diluted shares	7,567	7,472	7,461	7,540	7,522	7,671	7,672
Balance Sheet Data:							
Total current assets	50,920	42,395	50,107	43,235	46,237	32,588	33,543
Total assets	99,683	91,177	98,919	92,295	95,816	48,445	41,430
Total current liabilities	25,003	18,948	22,598	21,294	24,660	5,878	6,943
Long-term debt	4,200	9,801	8,400	14,607	19,615		
Shareholders equity	66,813	59,302	64,347	54,155	50,720	42,007	34,274

(a) On June 30, 2000, Brass Eagle acquired the assets of JT USA, L.P., a leading manufacturer of protective accessories and apparel for the paintball industry. This acquisition materially affects the period-to-period comparability of the financial information set forth in the table.

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SELECTED UNAUDITED PRO FORMA

CONDENSED COMBINED FINANCIAL INFORMATION

The following selected unaudited pro forma financial information combines K2 s historical results for the nine months ended September 30, 2003 and for the year ended December 31, 2002 with Brass Eagle s historical results for the nine months ended September 30, 2003 and the year ended December 31, 2002, giving effect to K2 s merger with Rawlings on March 26, 2003 as if it had occurred as of January 1, 2002 for income statement purposes. The following selected unaudited pro forma financial information has been derived from, and should be read in conjunction with, the Unaudited Pro Forma Condensed Combined Financial Information and related notes included in this prospectus, beginning on page 81. You should not rely on this selected unaudited pro forma condensed financial information as being indicative of the historical results that would have occurred had K2, Rawlings and Brass Eagle been combined during these time periods or the future results that may be achieved after the merger.

	For the Nine Months Ended September 30, 2003	For the Year Ended December 31, 2002
	(in thousands, except per share figures)	
Income Statement Data		
Net sales	$ 648,437	$ 857,360
Cost of products sold	446,273	597,537
Gross profit	202,164	259,823
Income before provision for income taxes	23,637	37,397
Provision for income taxes	8,456	12,949
Net income	15,181	24,448
Per Common Share Data		
Basic net income per share	$ 0.49	$ 0.78
Diluted net income per share	0.47	0.77
Dividends declared		

	As of September 30, 2003
Balance Sheet Data	
Cash and cash equivalents	$ 14,786
Total assets	775,831
Long-term debt	39,279
Total shareholders equity	423,245

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Unaudited Comparative Per Share Information

The following table summarizes the net income and book value per share information for K2 and Brass Eagle on a pro forma, historical and unaudited pro forma combined basis. The pro forma per share information for K2 gives effect to the merger between K2 and Rawlings which was completed on March 26, 2003, and it therefore reflects the additional shares of K2 common stock issued in connection with such merger and includes the earnings of Rawlings as if such merger had occurred at the beginning of each period presented.

The pro forma combined information gives effect to the merger with Brass Eagle on a purchase method basis as described in Unaudited Pro Forma Condensed Combined Financial Information beginning on page 81. The pro forma combined information is presented as if such merger and the Rawlings merger were completed as of the beginning of each period presented.

The pro forma book value per common share of K2 is computed by dividing total pro forma stockholders equity by the pro forma number of shares of K2 common stock outstanding at the end of the period after giving effect to the Rawlings merger. The historical book value per common share of Brass Eagle is computed by dividing total stockholders equity by the number of shares of common stock outstanding at the end of the period. The pro forma combined book value per K2 common share is computed by dividing pro forma combined shareholders equity by the pro forma number of shares of K2 common stock outstanding at the end of the period after giving effect to the Brass Eagle merger and the Rawlings merger.

The information listed as pro forma combined per equivalent share was obtained by multiplying the pro forma combined amounts by the exchange ratio in the merger of 0.6036 of a share of K2 common stock to be issued for each share of Brass Eagle common stock.

K2 expects to incur merger and integration charges as a result of combining K2 and Brass Eagle. K2 also anticipates that the merger will provide the combined company with financial benefits that include reduced operating expenses and the opportunity to earn more revenue. The pro forma information, while helpful in illustrating the financial characteristics of the combined company under one set of assumptions, does not reflect these expenses or benefits and, accordingly, does not attempt to predict or suggest future results. It also does not necessarily reflect what the historical results of the combined company would have been had K2, Rawlings and Brass Eagle actually been combined during the periods presented.

The information in the following table is based on, and should be read together with, the K2 and Rawlings historical financial information contained in prior SEC filings, which are incorporated herein by reference, the Brass Eagle historical financial information contained in Annexes D and E attached hereto and the Unaudited Pro Forma Condensed Combined Financial Information beginning on page 81.

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COMPARATIVE PER SHARE INFORMATION OF K2 AND BRASS EAGLE

	For the Nine Months Ended September 30, 2003	For the Year Ended December 31, 2002
Unaudited pro forma K2 (a)		
Net income per common share basic	$ 0.51	$ 0.55
Net income per common share diluted	$ 0.48	$ 0.55
Dividends declared per share (b)		
Book value per common share at period end	$ 12.19	$ 11.52
Historical Brass Eagle		
Net income per common share basic	$ 0.24	$ 1.35
Net income per common share diluted	$ 0.23	$ 1.30
Dividends declared per share (b)		
Book value per common share at period end	$ 8.92	$ 8.81
Unaudited pro forma combined per K2 share (c)		
Net income per common share basic	$ 0.49	$ 0.78
Net income per common share diluted	$ 0.47	$ 0.77
Dividends declared per share (b)		
Book value per common share at period end	$ 12.91	$ 12.34
Unaudited pro forma combined per equivalent share		
Net income per common share basic	$ 0.30	$ 0.47
Net income per common share diluted	$ 0.28	$ 0.46
Book value per common share at period end	$ 7.79	$ 7.45

(a) The pro forma amounts for K2 were adjusted to reflect the pro forma impact of the merger with Rawlings on March 26, 2003, as if the merger with Rawlings had occurred on January 1, 2002.

(b) K2 and Brass Eagle have not paid cash dividends during the periods presented. K2 s credit facilities currently limit the payment of cash dividends or stock repurchases by K2. Brass Eagle s credit facilities currently prohibit the payment of cash dividends or stock repurchases by Brass Eagle.

(c) These calculations are based on the exchange ratio of 0.6036 of a share, including the associated preferred share purchase rights, of K2 common stock to be issued for each Brass Eagle share or stock option outstanding.

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COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION

K2 common stock is listed on the New York Stock Exchange. Brass Eagle common stock is listed on the Nasdaq National Market System. K2 s and Brass Eagle s ticker symbols are KTO and XTRM, respectively. The following table shows, for the calendar quarters indicated, based on published financial sources, the high and low sale prices of shares of K2 and Brass Eagle common stock as reported on the New York Stock Exchange and the Nasdaq National Market System, respectively.

During the periods covered by the following table, neither K2 nor Brass Eagle paid dividends. K2 s credit facilities currently limit the payment of cash dividends or stock repurchases by K2. Brass Eagle s credit facilities currently prohibit the payment of any cash dividends or stock repurchases by Brass Eagle.

	K2 Common Stock		Brass Eagle Common Stock	
	High	**Low**	**High**	**Low**
2001				
March 31	$ 9.75	$ 7.75	$ 8.75	$ 6.03
June 30	$ 11.43	$ 7.80	$ 10.30	$ 6.81
September 30	$ 11.99	$ 5.40	$ 11.38	$ 4.31
December 31	$ 8.74	$ 5.31	$ 5.50	$ 3.35
2002				
March 31	$ 7.60	$ 6.32	$ 5.50	$ 4.01
June 30	$ 10.25	$ 6.55	$ 6.38	$ 4.40
September 30	$ 10.00	$ 7.50	$ 7.77	$ 4.75
December 31	$ 11.01	$ 6.40	$ 9.75	$ 5.60
2003				
March 31	$ 10.06	$ 7.72	$ 8.72	$ 6.90
June 30	$ 12.75	$ 7.45	$ 8.43	$ 6.73
September 30	$ 18.09	$ 12.30	$ 8.50	$ 7.31

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RECENT CLOSING PRICES

The following table sets forth the closing prices per share of K2 common stock as reported on the New York Stock Exchange and Brass Eagle common stock as reported on the Nasdaq National Market System on October 22, 2003, the last full trading day prior to the announcement of the Merger Agreement, and November 3, 2003, the most recent practicable date prior to the mailing of this prospectus to Brass Eagle s stockholders.

The following table also sets forth the equivalent price per share of Brass Eagle common stock reflecting the value of the K2 common stock that Brass Eagle stockholders would receive in exchange for each share of Brass Eagle common stock if the offer or the merger was completed on these two dates.

Date	K2 Common Stock	Brass Eagle Common Stock	Equivalent Per Share Price of Brass Eagle Common Stock with Exchange Ratio of 0.6036
October 22, 2003	$ 16.75	$ 8.30	$ 10.11
November 3, 2003	$ 16.30	$ 9.90	$ 9.84

The above table shows only historical and hypothetical comparisons. These prices may fluctuate prior to the offer and the merger and Brass Eagle stockholders are urged to obtain current stock price quotations for K2 common stock and Brass Eagle common stock and to review carefully the other information contained in this prospectus or incorporated by reference into this prospectus in deciding whether to tender their shares. See the section entitled Additional Information Where You Can Find Additional Information on page 78.

SUMMARY

RISK FACTORS

In deciding whether to tender your shares pursuant to the offer, you should carefully consider the following factors, in addition to other risk factors of the two companies incorporated by reference into this prospectus and the other information contained in this document. See Additional Information Where You can Find Additional Information on page 78 for where you can find the additional risk factors incorporated by reference.

Risk Factors Relating to the Offer and the Subsequent Merger

K2 and Brass Eagle may not successfully integrate their business operations after the merger.

The integration of K2 s and Brass Eagle s operations after the merger may be difficult, time consuming and costly. After completion of the merger, the combined company must successfully integrate, among other things, the product and service offerings, product development, sales and marketing, research and development, administrative and customer service functions and the management information systems of Brass Eagle with those of K2. In addition, K2 will need to retain the management, key employees, customers, distributors, vendors and other business partners of both companies. It is possible that these integration efforts will not be completed as smoothly as planned, which could have an adverse impact on the operations of the combined company.

K2 expects to incur potentially significant merger-related, restructuring and integration costs in connection with the transaction and the integration of Brass Eagle s operations.

K2 and Brass Eagle expect to incur costs associated with combining the operations of the two companies, transaction fees and other costs related to the merger. K2 faces potential costs related to employee redeployment or relocation, reorganization or closure of facilities, relocation and disposition of excess equipment and other integration costs. K2 has not yet determined the amount of these costs. K2 expects to account for these costs as purchase related adjustments when the merger is completed.

The number of shares of K2 common stock that you will receive in the offer or the subsequent merger will be based upon a fixed exchange ratio. The value of the shares of K2 common stock at the time you receive them could be less than at the time you tender your shares of Brass Eagle common stock.

In the offer and the subsequent merger, each share of Brass Eagle common stock will be exchanged for 0.6036 of a share of K2 common stock. This is a fixed exchange ratio. We will not adjust the exchange ratio as a result of any change in the market price of K2 common stock or Brass Eagle common stock between the date of this prospectus and the date you receive K2 common stock. The market price of the K2 common stock will likely be different on the date you receive such shares than it is today, on the date you tender shares of Brass Eagle common stock or on the date the offer expires or the date a subsequent merger is completed, because of changes in the business, financial condition, results of operations or prospects of K2, market reactions to our offer, general market and economic conditions and other factors. You are urged to obtain current market quotations for K2 common stock and Brass Eagle common stock. See Comparative Per Share Market Price and Dividend Information on page 17.

The trading price of shares of K2 common stock may be affected by factors in addition to those factors affecting the price of Brass Eagle common stock. The price of shares of K2 common stock could decline following the offer.

The trading price of K2 common stock has fluctuated significantly in the past. The future trading price of K2 common stock is likely to be volatile and could be subject to wide price fluctuations in response to such factors, including:

- actual or anticipated fluctuations in revenues or operating results;

- failure to meet securities analysts or investors expectations of performance;

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- changes in key management personnel;
- announcements of technological innovations or new products by K2 or its competitors;
- developments in or disputes regarding patents and proprietary rights;
- proposed and completed acquisitions by K2 or its competitors;
- the mix of products and services sold;
- the timing, placement and fulfillment of significant orders;
- product and service pricing and discounts;
- acts of war or terrorism; and
- general economic conditions.

Brass Eagle stockholders may receive a lower return on their investment after the merger.

Although K2 and Brass Eagle believe that the merger will create financial, operational and strategic benefits for the combined company and its stockholders, these benefits may not be achieved. The combination of K2 s and Brass Eagle s businesses, even if conducted in an efficient, effective and timely manner, may not result in combined operating efficiencies and financial performance that are better than what each company would have achieved independently if the merger had not occurred. In addition, the issuance of K2 common stock in the offer and the merger could reduce the market price of K2 common stock.

Brass Eagle s directors and officers have interests in the offer and the merger that differ from, or are in addition to, their interests as Brass Eagle stockholders in recommending the offer to Brass Eagle stockholders.

In considering the recommendation of the Brass Eagle board of directors that Brass Eagle stockholders tender their shares in the offer, Brass Eagle stockholders should recognize that some of Brass Eagle s directors and officers have interests in the offer and the merger that differ from, or are in addition to, their interests as Brass Eagle stockholders. These interests include:

- current and future employment arrangements;
- severance benefits;

- bonuses payable to certain members of Brass Eagle s management;
- conversion of stock options; and
- indemnification of directors and officers of Brass Eagle against certain liabilities.

These and additional interests are described under the heading Interests of Certain Persons in the Offer and Subsequent Merger on page 50.

Brass Eagle stockholders will have a reduced ownership and voting interest after the merger.

After completion of the merger, Brass Eagle stockholders will own a significantly smaller percentage of the combined company and its voting stock than they currently own of Brass Eagle. Consequently, Brass Eagle stockholders will not be able to exercise as much influence over the management and policies of the combined company as they currently exercise over Brass Eagle.

K2 could lose key Brass Eagle personnel necessary to achieve the benefits K2 and Brass Eagle expect as a result of the merger.

Brass Eagle s contribution to the combined company s success will depend in part on the continued service of specific Brass Eagle personnel. If a substantial portion of Brass Eagle s management or key employees leave after K2 and Brass Eagle complete the merger, the combined company s business could be adversely affected.

Failure to complete the offer or the merger could be costly to Brass Eagle and its stockholders.

If the offer is not consummated or the merger is not completed for any reason:

- the price of Brass Eagle common stock may decline, assuming that current market prices reflect a market assumption that the merger will be completed; and
- Brass Eagle must still pay its costs related to the merger, such as legal, accounting and financial advisory fees.

In addition, the Merger Agreement provides for the payment by Brass Eagle of a termination fee of $3,700,000 if the Merger Agreement is terminated under certain circumstances. The obligation to make that payment may adversely affect the ability of Brass Eagle to engage in another transaction and may have an adverse impact on the financial condition of Brass Eagle. See The Merger Agreement Termination and Termination Fee on page 67.

Risk Factors and Trends Relating to K2 and the Combined Company

K2 s strategic plan, involving growth through the acquisition of other companies, may not succeed.

K2 s strategic plan involves rapid growth through the acquisition of other companies. Such growth involves a number of risks, including:

- the difficulties related to combining previously separate businesses into a single unit;
- the substantial diversion of management s attention from day-to-day operations when negotiating these transactions and later integrating an acquired business;
- the assumption of liabilities of an acquired business, including unforeseen liabilities;

- the failure to realize anticipated benefits, such as cost savings and revenue enhancements;
- the dilution of existing stockholders and convertible note holders due to the issuance of equity securities, utilization of cash reserves or incurrence of debt in order to fund the acquisitions;
- the potentially substantial transaction costs associated with acquisitions; and
- the difficulties related to assimilating the products, personnel and systems of an acquired business and to integrating distribution and other operational capabilities.

K2 cannot assure the stockholders of Brass Eagle that any transaction or series of transactions that are completed will result in long-term benefits to the combined company or its stockholders, or that K2 s management will be able to manage the acquired businesses effectively.

Current and future financings may place a significant debt burden on K2.

Borrowings under K2 s existing $205 million revolving credit facility and under its $20 million term loan, as well as potential future financings, may substantially increase K2 s current indebtedness. Among other things, such increased indebtedness could:

- adversely affect K2 s ability to expand its business, market its products and make investments and capital expenditures;

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adversely affect the cost and availability of funds from commercial lenders, debt financing transactions and other sources;

adversely affect the ability of K2 to pursue its acquisition strategy; and

create competitive disadvantages compared to other companies with lower debt levels.

K2 faces intense competition and potential competition from companies with greater resources, and if it is unable to compete effectively with these companies, its business could be harmed.

The markets for sporting goods and recreational products in which K2 competes are generally highly competitive, especially as to product innovation, performance and styling, price, marketing and delivery. Competition regarding these products, other than active wear, consists of a relatively small number of large producers, some of whom have greater financial and other resources than K2. In addition, many of K2 s competitors offer sports and recreational equipment not currently sold by K2 and may be able to leverage these broader product offerings to adversely affect K2 s competitive market position. Further, there are no significant technological or capital barriers to entry into the markets for many sporting goods and recreational products. The sales of leisure products are also affected by changes in the economy and consumer tastes, and sporting goods and recreational products face competition from other leisure activities.

K2 s industrial products are, in most instances, subject to price competition, ranging from moderate competition in marine antennas and monofilament line to intense competition for commodity-type products. Many industrial competitors have greater financial and other resources than K2.

Purchasing decisions made by a small number of large format sporting goods retailers can have a significant impact on K2 s results.

Although the sporting goods manufacturing industry is highly fragmented, many of the retail customers that purchase sporting goods are highly concentrated. Large format sporting goods retailers are important to K2 s results of operations, and Walmart, Gart Sports/The Sports Authority and Target accounted for approximately 21% of K2 s annual sales on a pro forma basis, which included the sales of Rawlings from January 1, 2003 through the March 26, 2003 consummation of the merger with K2 and the sales of Worth from January 1, 2003 through the September 16, 2003 consummation of the acquisition of Worth by K2, for the nine months ended September 30, 2003. Due to their size, these retailers may demand better prices and terms from K2, and these demands may have an adverse impact on K2 s margins. In addition, if any of these large format sporting goods retailers were to decide to materially reduce the amounts or types of K2 products that they purchase, such decision would have a material adverse impact on K2 s business.

K2 s failure to keep pace with rapid change in marketing strategies, product design, styles and tastes could harm its business.

Consumer demand for recreational products is strongly influenced by matters of taste and style. K2 cannot assure you that K2 will successfully develop new products to address new or shifting consumer demand. An unexpected change in consumer tastes or product demand could seriously harm K2 s business. K2 s inability to timely and successfully respond to developments and changing styles could hurt its competitive position or render its products noncompetitive.

K2 cannot assure you that demand for its products will remain constant. The sales of leisure products are affected by changes in the economy and consumer tastes, both of which are difficult to predict. Continued adverse developments affecting economies throughout the world, including a general tightening of the availability of credit, increasing energy costs, declining consumer confidence and significant declines in the stock market could lead to a further reduction in discretionary spending for consumer products.

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RISK FACTORS

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The weak financial conditions of some of K2 s customers may adversely impact K2 s business.

A large portion of K2 s sales are to sporting goods retailers. Many of K2 s smaller retailers and some larger retailers are not strongly capitalized. Adverse conditions in the sporting goods retail industry can adversely impact the ability of retailers to purchase K2 products, or could lead retailers to request credit terms that would adversely affect K2 s cash flow and involve significant risks of nonpayment.

K2 s financial results vary from quarter to quarter, which could hurt K2 s business and the market price of its stock.

Various factors affect K2 s quarterly operating results and some of them are not within K2 s control. They include, among others:

- weather and snow conditions;
- the timing and introduction of new products;
- the mix of products sold;
- the timing of significant orders from and shipments to customers;
- product pricing and discounts;
- the timing of its acquisitions of other companies and businesses; and
- general economic conditions.

These and other factors are likely to cause financial results of K2 to fluctuate from quarter to quarter. If revenue or operating results fall short of the levels expected by public market analysts and investors, the trading price of K2 common stock could decline dramatically. Based on the foregoing, K2 believes that quarter-to-quarter comparisons of its results of operations may not be meaningful. Therefore, Brass Eagle stockholders should not view K2 s historical results of operations as reliable indications of its future performance.

K2 s business is highly seasonal.

K2 s business is highly seasonal. Historically, K2 and Brass Eagle have experienced seasonal swings in their businesses depending on their respective products. This seasonality impacts K2 s working capital requirements and hence overall financing needs. In addition, K2 s borrowing capacity under its revolving credit facility is impacted by the seasonal change in receivables.

K2 may not be able to attract or retain the management employees necessary to remain competitive in its industry and the loss of one or more of K2 s key personnel, including Mr. Richard J. Heckmann, Chairman and Chief Executive Officer of K2, could have a material adverse effect on K2 s business, financial condition, results of operations and prospects.

K2 s continued success depends on the retention, recruitment and continued contributions of K2 s key management, finance, marketing and staff personnel, many of whom would be difficult or impossible to replace. The competition for qualified personnel is intense. K2 cannot assure you that it will be able to retain its current personnel or recruit the key personnel it requires. Specifically, Mr. Richard J. Heckmann, K2 s Chairman and Chief Executive Officer, has been fundamental in developing K2 s growth strategy and, without his services, K2 s implementation of its growth strategy might fail. In addition, K2 does not have employment agreements with most members of its senior management team. The loss of services of members of K2 s key personnel, including Mr. Heckmann, could have a material adverse effect on K2 s business, financial condition, results of operations and prospects.

International operations, unfavorable political developments and weak foreign economies may seriously harm K2 s financial condition.

K2 s business is dependent on international trade, both for sales of finished goods and low-cost manufacturing and sourcing of products. K2 s three principal markets are North America, Europe and Asia. K2 s

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revenues from international operations were approximately 24% of K2 s sales on a pro forma basis, which includes the sales of Rawlings from January 1, 2003 through the March 26, 2003 consummation of the merger with K2 and the sales of Worth from January 1, 2003 through the September 16, 2003 consummation of the acquisition of Worth by K2, for the nine months ended September 30, 2003. K2 expects that its revenues from international operations will continue to account for a significant portion of its total revenues. Any political developments adversely affecting trade with Europe or Asia could severely impact K2 results of operations. K2 s international operations are subject to a variety of risks, including:

- recessions in foreign economies;
- the adoption and expansion of trade restrictions;
- limitations on repatriation of earnings;
- reduced protection of intellectual property rights in some countries;
- longer receivables collection periods and greater difficulty in collecting accounts receivable;
- difficulties in managing foreign operations;
- social, political and economic instability;
- unexpected changes in regulatory requirements;
- acts of war and terrorism;
- ability to finance foreign operations;
- changes in consumer tastes and trends;
- tariffs and other trade barriers; and
- U.S. government licensing requirements for export.

In addition, K2 will continue to outsource a number of its supply contracts to entities in foreign nations and will continue to be highly reliant on overseas manufacturing. Specifically, K2 maintains significant manufacturing capacity in China and Costa Rica. Political or economic developments adversely affecting the operation of these facilities could result in late deliveries, lower sales and earnings and unanticipated costs.

Changes in currency exchange rates could affect K2 s revenues.

A significant portion of K2 s production and approximately 19% of K2 s sales, on a pro forma basis, which includes the sales of Rawlings from January 1, 2003 through the March 26, 2003 consummation of the merger with K2 and the sales of Worth from January 1, 2003 through the September 16, 2003 consummation of the acquisition of Worth by K2, for the nine months ended September 30, 2003, are denominated in foreign currencies and are subject to exchange rate fluctuation risk. Although K2 engages in some hedging activities to reduce foreign exchange transaction risk, changes in the exchange rates between the United States dollar and the currencies of Europe and Asia could make K2 products less competitive in foreign markets, and could reduce the sales and earnings represented by foreign currencies. Additionally, such fluctuations could result in an increase in the cost of products sold in foreign markets, reducing margins and earnings.

Conflicts related to intellectual property could seriously harm the combined company s business.

A third party may try to challenge, invalidate or circumvent K2 s or Brass Eagle s patents, copyrights or trademarks. K2 cannot assure the companies respective stockholders that any of the rights granted under the patents, copyrights or trademarks will provide competitive advantages to the combined company, that patents will be issued on its pending applications or that claims allowed on any of its future patents will be sufficiently broad to protect the combined company s technology. In addition, the laws of some foreign countries may not protect K2 s and Brass Eagle s proprietary rights to the same extent as the laws of the United States. As a result, the combined company cannot rely solely on patent, copyright and trademark protection to be successful and profitable in the industry.

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K2 s inability to obtain licenses may harm its business.

Many of K2 s products include intellectual property licensed from third parties, and in many instances K2 will have to seek new or renew existing licenses in the future. The inability to obtain such licenses or other rights on favorable terms, or the need to engage in litigation over such licenses or rights, could seriously harm K2 s business, operating results and financial condition.

Acts of war or terrorism may have an adverse effect on K2 s business.

Acts of war or terrorism may have an adverse effect on the economy generally, and more specifically, on K2 s business. Among various other risks, such occurrences have the potential to significantly decrease consumer spending on leisure products and activities, adversely impact K2 s ability to consummate future debt or equity financings and negatively affect K2 s ability to manufacture, source and deliver low-cost goods in a timely manner.

K2 is subject to and may incur liabilities under various environmental laws.

K2 is subject to federal, state, local and foreign laws and regulations that govern activities that may have adverse environmental effects, such as discharges to air and water, as well as handling and disposal of and exposure to hazardous substances. In that regard, K2 has been and could be subject to claims and inquiries related to alleged substances in K2 s products that may be subject to notice requirements or exposure limitations, particularly in California, which may result in fines and penalties. K2 is also subject to laws and regulations that impose liability for costs and damages resulting from past disposals or other releases of hazardous substances. For example, K2 may incur liability under the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, and similar laws, some of which impose strict, and in some cases, joint and several, liability for the cleanup of contamination resulting from past disposals of waste, including disposal at off-site locations. In addition, K2 has acquired pre-existing businesses that have historical and ongoing operations, and K2 has limited information about the environmental condition of the properties of such companies. It is possible that soil and groundwater contamination may exist on these or other of K2 s properties resulting from current or former operations. K2 is currently aware of one matter involving off-site waste disposal liability in South Carolina and another matter involving soil contamination at a former facility in Michigan, for which K2 has accrued approximately $1.5 million as of September 30, 2003. Although K2 is not aware of any issues arising under current environmental laws that would be reasonably likely to have a material adverse effect on K2 s business, financial condition or results of operations, K2 cannot assure you that such matters will not have such an impact.

The spread of Severe Acute Respiratory Syndrome may have a material adverse effect on K2 s manufacturing facilities in China and K2 s operations generally.

The Centers for Disease Control and the World Health Organization continue to investigate a disease called Severe Acute Respiratory Syndrome or SARS. The disease was first reported in November 2002 in the southern China province of Guangdong, which is the province in which K2 s Chinese manufacturing facility is located, the city of Hanoi, Vietnam and Hong Kong. SARS has since spread to other parts of the world. The outbreak of SARS curtailed travel to and from certain countries for a period of time. SARS could have a material adverse impact on K2 s manufacturing facilities in China and sourcing infrastructure in Asia, and the significant spread of SARS beyond Asia could have an adverse impact on all of K2 s operations.

Unfavorable weather can adversely affect K2 s sales.

Sales of K2 s recreational products are strongly influenced by the weather. Poor snow conditions in the winter or summer conditions unfavorable to outdoor sports can adversely affect sales of important K2 products.

Anti-takeover defenses in K2 s charter and under Delaware law could prevent an acquisition of K2 or limit the price that investors might be willing to pay for K2 common stock.

Section 203 of the Delaware General Corporation Law (the DGCL) prohibits a Delaware corporation from engaging in any business combination with any interested stockholder for a period of three years from the date the person became an interested stockholder, unless specific conditions are met. In addition, K2 has in place various protections which would make it difficult for a company or investor to buy K2 without the approval of K2 s board of directors, including a shareholder rights plan, a classified board of directors, provisions requiring advance notice of board nominations and other actions to be taken at stockholder meetings and super-majority voting requirements with respect to extraordinary actions. See Comparison of Rights of Holders of Brass Eagle Common Stock and Holders of K2 Common Stock on page 71. All of the foregoing could hinder, delay or prevent a change in control of K2 and could limit the price that investors might be willing to pay in the future for shares of K2 common stock.

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BACKGROUND AND REASONS FOR THE OFFER AND SUBSEQUENT MERGER

The following discussion presents background information concerning the offer and subsequent merger and describes our reasons for undertaking the proposed transaction. Please see Additional Factors for Consideration by Brass Eagle Stockholders on page 31 and Brass Eagle s Recommendation Statement for further information relating to the proposed transactions.

Background of the Offer and Subsequent Merger

On October 25, 2002, representatives of Wachovia Securities, Brass Eagle s financial advisor, contacted K2 to discuss K2 s interest in the potential acquisition of Brass Eagle. K2 expressed an interest in exploring the opportunity, but ultimately declined to participate in the process at that time.

In early January of 2003, representatives of The Mercanti Group, K2 s financial advisor, contacted representatives of Wachovia Securities to express K2 s interest in learning more about Brass Eagle. K2 executed a confidentiality agreement on January 31, 2003, and Wachovia Securities sent a copy of a Brass Eagle confidential information memorandum to K2 through The Mercanti Group. On March 7, 2003, The Mercanti Group indicated that K2 was not interested in pursuing an acquisition of Brass Eagle at that time due to constraints resulting from K2 s then pending transaction with Rawlings.

In early July of 2003, representatives of The Mercanti Group contacted representatives of Wachovia Securities to ascertain the status of Brass Eagle s efforts to solicit potential buyers for Brass Eagle. In August of 2003, representatives of The Mercanti Group contacted representatives of Wachovia Securities to express K2 s interest in Brass Eagle. Wachovia Securities then sent The Mercanti Group selected sections of the previously prepared confidential information memorandum with respect to Brass Eagle. On August 7, 2003, at a regularly scheduled meeting of the K2 board, management presented Brass Eagle, among other companies, as a potential acquisition target. On August 28, 2003, management of Brass Eagle and K2 discussed K2 s interest in Brass Eagle and the strategic plans of K2 and Brass Eagle and, in a later call with representatives of Wachovia Securities and The Mercanti Group, participated in an introductory due diligence conference call. On September 3, 2003, Wachovia Securities provided additional financial information prepared by Brass Eagle to K2.

On September 6, 2003, K2 submitted a non-binding indication of interest to acquire all of the shares of Brass Eagle for approximately $10.00 in cash and shares of common stock of K2, with the cash component capped at one-third of the total consideration. In subsequent discussions over the next several days, The Mercanti Group indicated that K2 would consider increasing the proposed price by $0.75 to $1.00 in an all-stock transaction.

On September 10, 2003, the Brass Eagle board of directors met to discuss K2 s indication of interest to acquire all of Brass Eagle s common stock for $10.00 per share in cash and K2 stock, and approved the execution of a letter agreement, pursuant to which Brass Eagle granted exclusivity to K2 through October 5, 2003.

On September 17, 2003, senior management of K2 and representatives of The Mercanti Group visited Brass Eagle s headquarters for a presentation from Brass Eagle s senior management with respect to Brass Eagle s business, financial condition, results of operations, prospects and strategy and to present K2 s own business and strategy to Brass Eagle and Wachovia Securities.

On September 23 and 24, 2003, management of K2 conducted due diligence at Brass Eagle s headquarters. The due diligence review included extensive business, operations and financial due diligence and a facilities tour. On September 26, 2003, Wachovia Securities provided additional financial information prepared by Brass Eagle to K2.

On September 29, 2003, Anthony J. Dowd, a director of Brass Eagle and the Director of Private Investments of Charter Oak Partners, the largest stockholder of Brass Eagle, Robert P. Sarrazin, a director of Brass Eagle and Principal of Charter Oak Partners, and Richard J. Heckmann, Chairman and Chief Executive Officer of K2, met to discuss the interest of Charter Oak Partners in becoming a stockholder of K2.

On September 30, 2003, K2 submitted a revised indication of interest of $10.00 per share in K2 common stock to the Brass Eagle board of directors, citing as its reason for not increasing the amount of the offer, despite

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that the offer included only stock as consideration, a reduction in Brass Eagle s expected results of operations for 2003 based on preliminary indications of results of operations for the third quarter of 2003.

On October 1, 2003, the Brass Eagle board met to discuss the revised offer from K2. After extensive discussions, the Brass Eagle board designated a negotiating subcommittee, consisting of E. Lynn Scott, President and Chief Executive Officer, Mr. Dowd and Richard Hanselman, to continue negotiations with K2. The Brass Eagle board also voted to give the negotiating subcommittee the authority to extend K2 s exclusivity from October 5, 2003 until October 12, 2003.

In a series of conference calls on October 3, 2003, the negotiating subcommittee of Brass Eagle s board discussed with representatives of K2 the proposed terms of a transaction. K2 proposed that the acquisition be structured as a two-step transaction that would include an initial exchange offer by K2 and a follow-up merger of Brass Eagle with a subsidiary of K2. The parties discussed how the exchange ratio for the number of shares of K2 common stock to be received by Brass Eagle stockholders would be calculated, and what protection Brass Eagle would have in the event of a decline in the price of K2 common stock between the date of execution of the transaction agreement and the completion of the proposed exchange offer. There was a preliminary agreement that there would not be a collar on the exchange ratio. There was a discussion concerning compensation of Brass Eagle employees after the consummation of the merger, during which time K2 management informed Brass Eagle that Brass Eagle employees would be treated in a manner consistent with other K2 employees. The parties also discussed the rights that Brass Eagle s board would have to pursue competing offers to acquire Brass Eagle, and whether and to what extent a termination fee would be payable in such circumstances. Representatives of K2 agreed that the Brass Eagle board should have a fiduciary out and proposed that four percent of the transaction value was reasonable for a termination fee.

In the same series of conference calls, the parties discussed whether K2 would require Charter Oak Partners to execute an agreement pursuant to which Charter Oak Partners would agree to tender its shares in the proposed exchange offer, the circumstances under which Charter Oak Partners would be released from any such agreement and to what extent, if any, Charter Oak Partners would have the right to appoint a director to the K2 board. K2 indicated that a transaction would not be possible for K2 if Charter Oak Partners had the right, after a definitive agreement was signed, to vote against a merger or refuse to tender its Brass Eagle shares and that there would have to be either a termination fee payable by Brass Eagle in that circumstance or, in the alternative, a binding agreement on the part of Charter Oak Partners to tender shares in the proposed exchange offer. Brass Eagle indicated that it would not accept a transaction structure in which K2 would lock-up Charter Oak Partners under an exchange agreement that, in effect, foreclosed any possibility of a competing offer for Brass Eagle, and insisted that the transaction be structured to provide Brass Eagle s board of directors with a fiduciary out mechanism that would allow it to consider a competing offer.

On October 5, 2003, Brass Eagle and K2 reached a preliminary understanding that K2 would acquire Brass Eagle through an exchange offer followed by a merger, pursuant to which the holders of Brass Eagle shares would receive for each share $10.25 in common stock of K2, subject to the completion of due diligence by both K2 and Brass Eagle and the negotiation of definitive documentation. It was also agreed in concept that Brass Eagle would have the right to terminate the transaction agreement if the average closing price of the common stock of K2 on the New York Stock Exchange for a then-unspecified period of consecutive trading days was less than 25% below the share price of K2 common stock used to calculate the exchange ratio.

On October 6, 2003, the Brass Eagle board met to review the recent negotiations between Brass Eagle s negotiating subcommittee and K2. After extensive discussions, the Brass Eagle board voted to extend K2 s exclusivity until the earlier of the signing of a definitive transaction agreement and October 31, 2003.

On October 6-9, 2003, officers of K2 conducted further due diligence at Brass Eagle s headquarters and the offices of Brass Eagle s auditors, and representatives of Brass Eagle conducted further due diligence at the offices of K2 s auditors. In a series of conference calls during this time, there was further discussion concerning K2 s requirement that Charter Oak Partners agree to an exchange agreement in which Charter Oak

Partners would agree to tender its shares of Brass Eagle common stock in the offer and the circumstances under which Charter Oak Partners would be released from any such agreement. During these calls, Charter Oak Partners

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agreed to enter into an exchange agreement that included the right of Charter Oak Partners to terminate the exchange agreement based on the exercise of a fiduciary out by the Brass Eagle board of directors or a decline in the K2 stock price that would form a basis for Brass Eagle to terminate the transaction agreement. Charter Oak Partners request to appoint a member of the K2 board was discussed further. Representatives of K2 also proposed that Charter Oak Partners enter into a non-competition agreement because of its controlling interest in Daisy Manufacturing Company, which was spun off from Brass Eagle in November 1997 and which continues to engage in certain businesses that could potentially compete with Brass Eagle.

On October 8, 2003, Brass Eagle and K2 entered into a confidentiality agreement with respect to the information K2 would provide to Brass Eagle and its advisors in connection with their due diligence review. On October 8, 2003, Mr. Heckmann communicated to the K2 board of directors the principal terms of the proposed transaction with Brass Eagle. In addition, during the next week, Mr. Heckmann called members of the K2 board to discuss the proposed transaction.

On October 9, 2003, legal counsel for K2 distributed an initial draft of a merger agreement to Brass Eagle and its legal counsel, and, on October 14, 2003, legal counsel for both K2 and Brass Eagle had a conference call to discuss the transaction structure and preliminary issues for negotiation.

On October 15-16, 2003, Mr. Scott contacted K2 management to discuss the ongoing due diligence review and timing issues, and Mr. Dowd had discussions with Mr. Heckmann regarding management compensation issues and the potential effect on the per share consideration to be offered by K2 as a result of Brass Eagle s success bonus program in place for the senior management team at Brass Eagle. K2 had learned of the success bonus program during its diligence review over October 6-9. On October 17, 2003, a group of Brass Eagle s directors and representatives of Wachovia Securities visited with K2 s management team and representatives of The Mercanti Group at K2 s headquarters to conduct further business and financial due diligence. During that visit, K2 s management verified with Brass Eagle s representatives that Brass Eagle would be required to pay bonuses in connection with the proposed merger totaling approximately $975,000 pursuant to Brass Eagle s success bonus program. In light of that anticipated additional bonus expense, K2 reduced the per share consideration included in its offer from $10.25 to $10.17 in shares of common stock of K2. This $.08 price reduction was computed by dividing the total anticipated cost to Brass Eagle of the success bonus program on an after tax basis by the number of shares of Brass Eagle stock outstanding.

On October 17, 2003, management of K2 distributed an executive summary of the proposed transaction to K2 s board of directors.

On October 18 and 19, 2003, representatives of Brass Eagle and K2, including their respective legal counsel, held discussions regarding a number of open issues in the draft merger agreement. In these discussions, the parties reached preliminary agreement on the following issues:

- for purposes of calculating the exchange ratio, K2 common stock would be valued based on the average closing price of K2 common stock on the New York Stock Exchange over the 30 consecutive trading days ending on the second trading day prior to the execution of the merger agreement;

- Brass Eagle would have the right to terminate the merger agreement if the average closing price of K2 common stock on the New York Stock Exchange for any ten consecutive trading days ending not later than two trading days prior to the expiration of the offer was less than 25% below the share price of K2 common stock used to calculate the exchange ratio;

- K2 would agree to continue to extend the exchange offer until January 15, 2004, at the request of Brass Eagle, if certain conditions to the completion of the offer, other than the condition that at least a majority of the shares of Brass Eagle common stock on a fully diluted basis as described herein be tendered in the exchange offer, have not been satisfied or waived but remain capable of being satisfied;

Brass Eagle would be permitted to pursue unsolicited competing proposals, if any, from third parties to acquire Brass Eagle if its board determines in its good faith judgment, after consultation with

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independent legal counsel, that the failure to pursue the competing proposal would be reasonably likely to constitute or result in a breach by the Brass Eagle board of its fiduciary duties to Brass Eagle stockholders under applicable law;

K2 would not, from the date of execution of the merger agreement until the completion of the exchange offer and the merger, issue shares of common stock in an aggregate amount greater than ten percent of K2 s outstanding common stock;

K2 s receipt of the consent of its lenders required for it to complete the transaction would not be included in the merger agreement as a condition to K2 s obligation to complete the exchange offer or the merger; and

a termination fee would not be payable by Brass Eagle to K2 in the event that the exchange offer was not successful due to the breach by Charter Oak Partners of its agreement to tender its shares in the exchange offer.

Also, K2 indicated that it would agree to limited rights for Charter Oak Partners to appoint a member to the K2 board of directors. It was preliminarily agreed that if, during the twelve months after the closing of the proposed transaction, so long as Charter Oak Partners held more than five percent of the outstanding shares of K2, there were a vacancy on the K2 board, such vacancy would be filled by a nominee mutually acceptable to Charter Oak Partners and K2.

As of October 20, 2003, negotiations of the merger agreement were substantially complete, and the execution of the agreement remained subject to the completion of due diligence review by both K2 and Brass Eagle, the finalization of disclosure schedules and board approval by K2 and Brass Eagle.

On October 20, 2003, management of K2 distributed to the K2 board of directors a draft of the merger agreement that had been negotiated by the parties and a full board presentation (including valuation presentation) concerning the proposed transaction. On October 20, 2003, Brass Eagle s board met, with representatives of Wachovia Securities, Crowe Chizek and Company LLC and Thompson Hine LLP participating, to consider the proposed transaction and the matters preliminarily resolved through negotiations with K2. At this meeting, Brass Eagle s board voted to adjourn the meeting and to meet again on October 22, 2003 to further consider the proposed transaction.

On October 21, 2003, representatives of Brass Eagle and K2 discussed K2 s request for each employee of Brass Eagle that is party to a change-of-control agreement with Brass Eagle to enter into a non-competition agreement pursuant to which the employee would agree not to compete with Brass Eagle in the paintball industry at any time during which the employee is receiving any payments under the change-of-control agreement. Brass Eagle and each of these employees subsequently agreed to enter into such non-competition agreements.

On October 22, 2003, the K2 board of directors met by telephone to consider further the transaction. The Board discussed, among other things, the proposed terms of the merger agreement and the factors discussed in K2 s Reasons for Making the Offer on page 31. Management of K2 summarized for the board of directors the results of the due diligence investigation that had been undertaken by K2. Management recommended that the K2 board of directors approve the Merger Agreement and related transactions. After further extensive discussions, the K2 board then unanimously (i) determined that the Merger Agreement and the proposed related transactions are advisable, fair to and in the best interests of K2 and its stockholders and (ii) approved the Merger Agreement and the related transactions.

On October 22, 2003, the Brass Eagle board met by telephone, with representatives of Wachovia Securities and Thompson Hine LLP participating, to further consider the proposed transaction. The Brass Eagle board reviewed the terms of the proposed acquisition. Wachovia Securities delivered an opinion to the Brass Eagle board stating that, as of that date and subject to the assumptions, qualifications and limitations set forth in the opinion, the per share consideration to be received by the holders of Brass Eagle shares in the offer and the

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proposed merger is fair, from a financial point of view, to such holders. The Brass Eagle board then unanimously (i) determined that the Merger Agreement, the exchange offer and the proposed merger are advisable, fair to and in the best interests of Brass Eagle and its stockholders, (ii) approved the Merger Agreement, the exchange offer and the proposed merger and (iii) recommended that Brass Eagle s stockholders accept the exchange offer and tender their shares of Brass Eagle in the exchange offer.

In the afternoon on October 22, 2003, after the close of trading on the markets, Brass Eagle and K2 executed the Merger Agreement, and K2 and Charter Oak Partners executed the Exchange Agreement. Brass Eagle and K2 then issued separate press releases announcing the execution of the Merger Agreement and the transactions contemplated thereby, including the exchange offer and the proposed merger. On November 4, 2003, K2 commenced the exchange offer to acquire all of Brass Eagle s outstanding shares.

Additional Factors for Consideration by Brass Eagle Stockholders

K2 s Reasons for Making the Offer

K2 s board of directors believes that the acquisition of Brass Eagle represents an opportunity to enhance value for K2 stockholders. The decision of K2 s board of directors to enter into the Merger Agreement was the result of careful consideration by the board of directors of numerous factors. Significant factors considered by the K2 board of directors include, among others:

Strategic Growth Through Acquisition. The consolidation of sporting goods retailers worldwide is leading to a consolidation of sporting goods suppliers. K2 believes that the most successful sporting goods suppliers will be those with greater financial resources and a broader selection of products and brands. The merger with Brass Eagle furthers K2 s strategy of expanding its operations, diversifying its product offerings and adding strong brands through combinations with well-established companies. Brass Eagle is an established leader in the paintball industry with strong relationships with sporting goods retailers and mass merchants and a wide range of products.

Key Platform For Growth. The merger with Brass Eagle allows K2 to establish a solid platform for expansion into the extreme sports segment. Because of Brass Eagle s strong product lines, expertise in the category, brand name recognition and place as an industry leader in all paintball product categories, Brass Eagle represents a premier platform for K2 s entry into the paintball segment of the extreme sports industry.

Increased Market Presence and Opportunities. As sporting goods retailers undergo consolidation and other mass merchant retailers become more dominant, the trend is for these retailers to prefer to rely on fewer and larger sporting goods suppliers to help them manage the supply of products and the allocation of shelf space. The combination of K2 s and Brass Eagle s leading brands and product offerings will provide K2 with additional products and increased market presence that will help K2 continue to grow as a full service supplier, better able to address the needs of the large retailers, and will also allow K2 to deepen its already strong relationships with key customers.

Operating Synergies. The combination of K2 and Brass Eagle will create synergies by providing opportunities to leverage K2 s strengths in manufacturing and product sourcing, particularly in Asia. The combined company will also be positioned to capitalize on product development opportunities by leveraging existing K2 products and those of Brass Eagle into each other s markets.

Enhanced Management Team. K2 and Brass Eagle each enjoy top quality management teams that understand and provide leadership to their respective market segments. The addition of Brass Eagle s management team, a pioneer in the paintball industry, to K2 creates an opportunity to grow the Brass Eagle business by benefiting from K2 s management s core competencies and greater resources in overseas sourcing, manufacturing, product development and distribution.

Reduced Seasonality and Exposure to Weather. K2 s business lines are seasonal in nature. For example, K2 s ski and snowboard business is heavily weighted toward the third quarter and is typically impacted by the amount of snowfall during the winter months. The sale of baseball and softball

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products is also highly seasonal, with sales heavily weighted toward the first quarter. K2 s Shakespeare fishing and Stearns products are shipped mainly in the first and second quarters. The addition of Brass Eagle s businesses, which traditionally have significant fourth quarter sales, will help counterbalance the seasonality of K2 s existing product lines and help balance K2 s weather exposure.

The foregoing discussion of factors considered by K2 s board is not meant to be exhaustive, but includes the material factors considered by the K2 board in approving the Merger Agreement and the transactions contemplated by the Merger Agreement. The K2 board did not find it practicable to, and did not, quantify or otherwise assign relative weights to the specific factors considered in reaching its determination. Rather, the board members made their respective determinations based on the totality of the information presented to them, including the recommendation by K2 management, and the judgments of individual members of the board may have been influenced to a greater or lesser degree by different factors.

Other Factors You Should Consider

In deciding whether or not to tender your shares of Brass Eagle common stock, you should consider the factors described directly above under K2 s Reasons for Making the Offer, as well as the factors set forth under Risk Factors on page 19 and the other factors set forth in this prospectus. While we believe the offer should be attractive to you as a Brass Eagle stockholder, you should also consider the following matters:

As a stockholder of K2, your interest in the performance and prospects of Brass Eagle would only be indirect and in proportion to your share ownership in K2. You therefore will not realize the same financial benefits of future appreciation in the value of Brass Eagle, if any, that you may realize if the offer and the subsequent merger were not completed and you were to remain a Brass Eagle stockholder.

An investment in a company like Brass Eagle, which concentrates in one industry, may be associated with greater risk and a greater potential for gain than an investment in a more diversified company like K2. On the other hand, as a stockholder in a diversified company like K2, your investment will be exposed to risks and events that are likely to have little or no effect on Brass Eagle. You therefore would experience the impact of developments, both positive and negative, in the extreme sports industry to a lesser extent, but would also experience the impact of developments, both positive and negative, in a variety of sports related industries.

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RECOMMENDATION OF BRASS EAGLE S BOARD OF DIRECTORS

On October 22, 2003, Brass Eagle s board of directors approved the Merger Agreement, this offer and the proposed merger. Brass Eagle s board of directors also has recommended that Brass Eagle stockholders tender their shares of Brass Eagle common stock in this offer. For more information about the Brass Eagle board of directors recommendation and the reasons for its recommendation, please see the Brass Eagle Recommendation Statement which is being mailed to you together with this prospectus.

Brass Eagle s board of directors has received a written opinion, dated October 22, 2003, from Wachovia Securities to the effect that, as of the date of the opinion and based on and subject to the matters described in the opinion, the consideration to be received by the holders of Brass Eagle common stock in the offer and merger is fair, from a financial point of view, to such holders. A summary of Wachovia Securities opinion and of the analyses performed, the bases and methods of arriving at the opinion, and a description of Wachovia Securities investigation and assumptions, is included in the Brass Eagle Recommendation Statement. The full text of Wachovia Securities written opinion, which sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations on the review undertaken by Wachovia Securities in rendering its opinion, is attached to the Brass Eagle Recommendation Statement.

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Exchange of Shares of Brass Eagle Common Stock

We are offering to exchange 0.6036 of a share, including the associated preferred share purchase rights, of K2 common stock for each outstanding share of Brass Eagle common stock validly tendered and not properly withdrawn prior to the expiration of the offer, upon the terms and subject to the conditions set forth in this prospectus and the related letter of transmittal. The preferred share purchase rights that will accompany each share of K2 common stock are not currently separable from such shares, are not currently exercisable and will not be certificated, transferable or assignable by the holders thereof. For more information on the preferred share purchase rights, see Comparison of Rights of Holders of Brass Eagle Common Stock and Holders of K2 Common Stock Rights Plan on page 71.

We will not acquire any shares of Brass Eagle common stock in the offer unless Brass Eagle stockholders have validly tendered and not properly withdrawn prior to the expiration of the offer a majority of the shares of Brass Eagle common stock, calculated as described below in Conditions of the Offer Minimum Condition on page 39. As of the date of this prospectus, 7,490,439 shares of Brass Eagle common stock were outstanding. There are also other conditions to the offer that are described under Conditions of the Offer on page 39.

After completion of the offer, K2 will cause Brass Eagle to complete a merger with Acquisition Sub, in which each outstanding share of Brass Eagle common stock (except for shares held by Brass Eagle, K2 or Acquisition Sub) will be converted into the right to receive K2 common stock at the same exchange ratio as used in the offer, subject to appraisal rights to the extent applicable under Delaware law. If after the completion of this offer, we beneficially own more than 90% of the outstanding shares of Brass Eagle common stock, we may effect this merger without the approval of Brass Eagle stockholders, as permitted under Delaware law. See Approval of the Merger on page 44.

When we refer to the expiration of the offer, we mean 12:00 midnight, New York City time, on Monday, December 8, 2003, unless we extend the period of time for which the offer is open, in which case the offer will expire, and references to the expiration of the offer will mean, the latest time and date on which the offer is open.

If you are the record owner of your shares and you tender your shares directly to the exchange agent and depository, you will not be obligated to pay any charges or expenses of the exchange agent and depository or any brokerage commissions. If you own your shares through a broker or other nominee, and your broker or nominee tenders the shares on your behalf, your broker or nominee may charge you a fee for doing so. You should consult your broker or nominee to determine whether any charges will apply.

Timing of the Offer

We are commencing the offer on Tuesday, November 4, 2003. The offer is scheduled to expire at 12:00 midnight, New York City time, on Monday, December 8, 2003, unless we extend the period of the offer. All references to the expiration of the offer mean the time of expiration, as extended. For more information, see the discussion under Extension, Termination and Amendment immediately below.

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Extension, Termination and Amendment

Subject to the right of K2 or Brass Eagle to cause the offer to be extended under certain circumstances, K2 or Brass Eagle can terminate the Merger Agreement at the expiration of the offer period if no shares of Brass Eagle common stock have been purchased by K2. If any condition to the offer is not satisfied or, if permissible, waived, at any scheduled expiration of the offer, then K2 may extend the expiration of the offer from time to time in its discretion. Each extension may last for no more than ten business days, unless Brass Eagle and K2 agree in writing to allow for a longer period. K2 also has the right to extend the offer for any period of time required by the applicable rules and regulations of the SEC. We may elect to provide a subsequent offering period of up to 20 business days after the acceptance of shares of Brass Eagle common stock in the offer if, on the expiration date of the offer, all of the conditions to the offer have been satisfied or waived, but the total number of shares of Brass Eagle common stock that have been validly tendered and not withdrawn pursuant to the offer is less than 90% of the total number of shares of Brass Eagle common stock then outstanding and the requirements of Rule 14d-11 under the Exchange Act have been met. We can extend the offer by giving oral or written notice of extension to Computershare Trust Company, Inc., the exchange agent and depository for the offer. If we decide to extend the offer, we will make an announcement to that effect no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration. We are not giving any assurance that we will extend the offer. Brass Eagle has the right to compel us to extend the offer for an initial period of ten business days and for longer periods through January 15, 2004 if all of conditions to the offer, other than those with respect to the effectiveness of the S-4, the expiration of the waiting period under the HSR Act and the listing of the K2 shares on the New York Stock Exchange, have been satisfied and such outstanding conditions are capable of being satisfied. During any extension, all shares of Brass Eagle common stock previously tendered and not withdrawn will remain deposited with the exchange agent and depository, subject to your right to withdraw your shares of Brass Eagle common stock as described under Withdrawal Rights on page 37. Notwithstanding any rights on the part of K2 or Brass Eagle to cause an extension of the offer, K2 or Brass Eagle can terminate the Merger Agreement if the offer is not consummated by April 22, 2004.

We reserve the right to make any changes in the terms and conditions of the offer by giving oral or written notice of the change to the exchange agent and depository and by making a public announcement. However, without the prior written consent of Brass Eagle, we cannot:

- decrease the exchange ratio;
- make any changes to the form of consideration to be paid for shares of Brass Eagle common stock in the offer;
- impose any additional conditions on the offer other than those already described in the Merger Agreement;
- amend or waive the minimum condition, the tax opinion condition or the conditions with respect to the effectiveness of the S-4, the listing on the New York Stock Exchange and the illegality of the offer as described in the Merger Agreement; or
- make any other change to the terms and conditions of the offer which is adverse to the holders of shares of Brass Eagle common stock.

We are required to follow any extension, termination, amendment or delay, as promptly as practicable, with a public announcement. In the case of an extension, the announcement is required to be issued no later than 9:00 a.m., New York time, on the next business day after the previously scheduled expiration date. Subject to applicable law, and without limiting the manner in which we may choose to make any public announcement, we assume no obligation to publish, advertise or otherwise communicate any public announcement other than by making a release to Business Wire.

If we make a material change in the terms of the offer or the information concerning the offer, or if we waive a material condition of the offer, we will extend the offer to the extent required under the Exchange Act.

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Procedure for Tendering Shares

For you to validly tender shares of Brass Eagle common stock into the offer, you must do one of the following:

- deliver certificates for your shares, a properly completed and duly executed letter of transmittal or a duly executed copy thereof, along with any other required documents, to the exchange agent and depository at its address set forth on the back cover of this prospectus prior to the expiration of the offer;
- arrange for a book-entry transfer of your shares to be made to the exchange agent and depository s account at DTC and receipt by the exchange agent and depository of a confirmation of this transfer prior to the expiration of the offer, and the delivery of a properly completed and duly executed letter of transmittal or a duly executed copy thereof, and any other required documents, to the exchange agent and depository at its address set forth on the back cover of this prospectus prior to the expiration of the offer; or
- arrange for a book-entry transfer of your shares to the exchange agent and depository s account at DTC and receipt by the exchange agent and depository of confirmation of this transfer, including an agent s message, prior to the expiration of the offer.

These deliveries and arrangements must be made before the expiration of the offer. TENDERS BY NOTICE OF GUARANTEED DELIVERY WILL NOT BE ACCEPTED. The term agent s message means a message, transmitted by DTC to, and received by, the exchange agent and depository and forming a part of a book-entry confirmation, which states that DTC has received an express acknowledgment from the participant in DTC tendering the shares of Brass Eagle common stock whic