

K2 INC.
CODE OF BUSINESS CONDUCT AND ETHICS

Adopted by the Audit Committee as of March 12, 2007

The Board of Directors of K2 Inc. has adopted the following Code of Business Conduct and Ethics. This Code applies to all K2 companies, their officers, directors and employees. Additional policies, procedures and practices are in place at K2 companies that supplement, support or clarify the policies in this Code (as provided to directors, officers and employees).

No code or policy can anticipate every situation or provide definitive answers to all questions that may arise. Accordingly, this Code is intended to focus each individual director, officer and employee on areas of ethical risk, provide guidance to directors, officers and employees to help them recognize and deal with ethical issues, establish mechanisms to report unethical conduct, and help foster K2's values. When in doubt about the best course of action, employees are encouraged to bring questions about particular circumstances to the attention of their senior Human Resources representative at the K2 company where the individual is employed and/or to K2's Legal Department, unless a particular policy in this Code directs otherwise. Members of the Board should contact the Company's Chief Executive Officer or General Counsel.

As used in this Code, unless the context otherwise requires, references to "K2," the "Company" or the "K2 companies" shall mean K2 Inc. and all of its controlled subsidiaries, whether domestic or foreign, and references to the "Board" shall mean the Board of Directors of K2 Inc.

K2's Policy

K2 Inc. is dedicated to remaining a leading branded consumer products company with a primary focus on sporting goods and other recreational products. Leadership, however, entails many more responsibilities than simply being the biggest sporting goods company. Leaders lead by example and K2's officers, directors and employees are expected to adhere to the highest standards of business ethics and to conduct themselves and K2's business in a manner that will safeguard the company's reputation and retain the respect of its shareholders and all who associate with K2. No one in K2 may authorize any order or directive that would violate the principle of strict adherence to the law, regulations governing company activities, or this Code.

Compliance with Laws

It is K2's policy to comply with all applicable laws, rules and regulations, and K2 expects its directors, officers and employees to carry out their responsibilities on behalf of K2 in accordance with such laws, rules and regulations and to refrain from illegal conduct. No individual is expected to know the details of all applicable laws, rules and regulations. Nevertheless, individuals who have questions about whether particular circumstances may involve illegal conduct should seek advice from K2's Legal Department.

Trading on inside information about a corporation's securities, or conveying such inside information to others or suggesting that anyone purchase or sell a corporation's securities while in possession of inside information (“tipping”), is strictly prohibited by law. An officer, director or employee who, during the course of his or her employment or serving as a director, as the case may be, has come into possession of material non-public information relating to K2 or any other corporation, including any of its customers, may not buy or sell the securities of that corporation. In addition, the officers, directors and employees may not permit any member of his or her immediate family or anyone acting on his or her behalf to purchase or sell such securities.

Confidentiality

Directors, officers and employees should maintain the confidentiality of non-public information and records entrusted to them by K2, and any other confidential information that comes to them, from whatever source, in the course of performing their duties and responsibilities as a director, officer or employee, except when disclosure is authorized by the Legal Department, or required by laws, rules, regulations or legal process.

Conflicts of Interest

It is K2’s policy that all directors, officers and employees avoid business and personal situations that may give rise to a conflict of interest. A “conflict of interest” occurs when an individual’s private interest interferes or appears to interfere with K2’s interests. A conflict of interest can arise in numerous areas including the following:

- a director, officer or employee takes actions or has interests that may make it difficult to perform his or her work on behalf of K2 objectively and effectively.
- a director, officer or employee has a direct or indirect interest in a transaction where K2 is or may become a party, property that K2 may acquire, or an entity with which K2 does or may do business, except where full disclosure of the facts is made to K2 in accordance with the procedures outlined under “Compliance Standards, Reporting and Disciplinary Action” below.
- a director, officer or employee, or member of his or her immediate family, receives improper personal benefits, including gifts of more than nominal value, as a result of his or her position as a director, officer or employee of a K2 company.

Any situation that may reasonably be expected to involve a conflict of interest should be disclosed in accordance with the procedures outlined under “Compliance Standards, Reporting and Disciplinary Action” below. Because conflicts of interest may not always be clear-cut, employees are encouraged to bring questions about particular situations to the attention of the senior Human Resources representative at the K2 company where the individual is employed and/or to K2’s Legal Department. Members of the Board should direct questions to K2’s Chief Executive Officer and/or General Counsel.

Corporate Opportunities

Directors, officers and employees are prohibited from taking for themselves personally opportunities in which they could reasonably anticipate that K2 might have an interest or that are discovered through the use of K2 property, information or position. A permitted exception to this policy exists if, after full disclosure of the facts is made in accordance with the procedures outlined under “Compliance Standards, Reporting and Disciplinary Action” below, the disinterested members of the Board or K2’s senior management, as appropriate, determine that K2 will not pursue the opportunity.

Fair Dealing

K2 companies aim to succeed through fair and honest competition. K2 seeks superior performance, but never through unethical or illegal business practices. Directors, officers and employees should endeavor to deal fairly with K2’s customers, suppliers, competitors and employees.

Protection and Proper Use of Assets

Company assets, such as information, supplies, equipment, materials, intellectual property, software, hardware and facilities, among other K2 properties and assets, are valuable resources owned or licensed by or otherwise belonging to K2 and are to be used solely for Company purposes. Safeguarding this property from loss, damage or theft is the responsibility of all employees. No person shall take K2 property or assets for personal use or gain, nor may K2 property or assets be given away, sold or traded without proper authorization. Incidental and immaterial personal use of assets such as computers and other equipment, telephones and supplies and other personal usage are permitted exceptions to this policy.

Public Reporting

K2 employees are responsible for the accurate and complete reporting of financial information within their respective areas of responsibility and for the timely notification to the senior officer of the K2 company where they are employed of significant transactions, trends and other financial or non-financial information that may be material to K2. K2 employees are also responsible for timely reports of other information not necessarily of a financial nature that could have a significant impact on the Company’s business, financial condition or results of operations. Reports and documents that K2 files with or submits to the Securities and Exchange Commission, and other public communications, should contain full, fair, accurate, timely and understandable disclosure.

Compliance Standards, Reporting and Disciplinary Action

K2 is committed to operating according to the high standards of business conduct and ethics set forth in this Code of Business Conduct and Ethics. Each director, officer and

employee is expected to report what he or she believes in good faith are actual or potential conflicts of interest, corporate opportunities, violations of applicable laws or non-compliance with this Code by any K2 director, officer or employee. The Company's senior management is generally responsible for the enforcement of this Code of Business Conduct and Ethics relating to officers and employees. The Corporate Governance and Nominating Committee of the Board (or its designee) is generally responsible for enforcement of the Code relating to members of the Board. The Corporate Governance and Nominating Committee may designate one or more of its members or request the full Board, as it deems appropriate, to handle the enforcement of a particular Code provision as it applies to members of the Board.

Employees should report actual or potential conflicts of interest, corporate opportunities, or violations of this Code involving any K2 director, officer or employee to a member of K2's senior management and/or to K2's General Counsel. Members of the Board should report these matters to K2's Chief Executive Officer and/or General Counsel. Alternatively, concerns or reports of possible violations may be submitted by (1) writing to the Audit Committee c/o Secretary of K2 Inc., 5818 El Camino Real, Carlsbad, California 92008, (2) e-mailing the Audit Committee at AuditCommittee@k2inc.net or (3) telephoning K2's anonymous Hotline at (800) 850-5728 or (703) 797-1752. Concerns and reports may be submitted anonymously and will be kept confidential, except where disclosure is required to investigate the matter or by laws, rules, or regulations or legal process. It is K2's policy to prohibit any form of retaliation for reports of misconduct by others made in good faith.

It is K2's policy that waivers of this Code will not be granted except in very limited circumstances. Any waivers of this Code for directors and executive officers of K2 may only be made by the Board or the Corporate Governance and Nominating Committee of the Board after disclosure of all material facts by the individual seeking the waiver and will be promptly disclosed as required by law or the New York Stock Exchange regulations. Any waivers for other individuals may only be granted by K2's General Counsel after disclosure of all material facts by the individual seeking the waiver.

Where Code violations are determined to exist, appropriate corrective and disciplinary action will be taken, which may include one or more of the following measures, as applicable: (i) counseling; (ii) a warning; (iii) a reprimand noted in the employee's personnel file; (iv) probation; (v) change, including reassignment, in job responsibilities, authority and/or title; (vi) temporary suspension, with or without pay; (vii) termination of employment or other relationship with K2; (viii) removal as a director or officer; (ix) reimbursement to K2 of losses or damages resulting from the violation; or (x) referral for criminal prosecution or civil action.