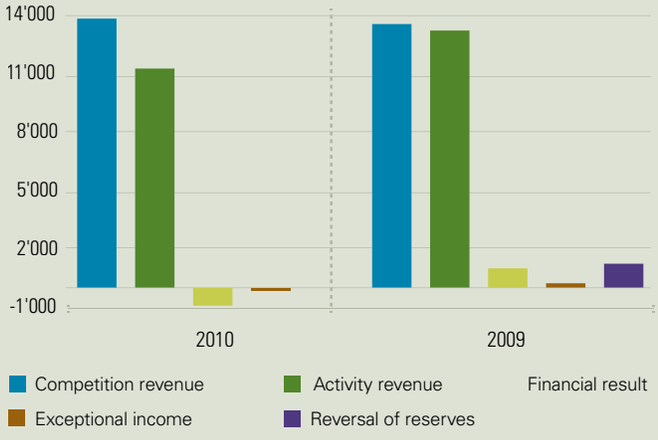
RAPPORT FINANCIER UCI | UCI FINANCIAL REPORT

Mr ALAIN SIEGRIST
FINANCIAL DIRECTOR

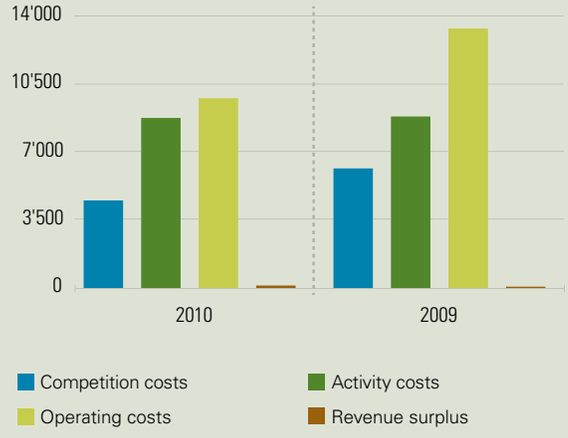
KEY FIGURES AND NON-FINANCIAL INDICATORS

KEY FIGURES (IN CHF THOUSAND)

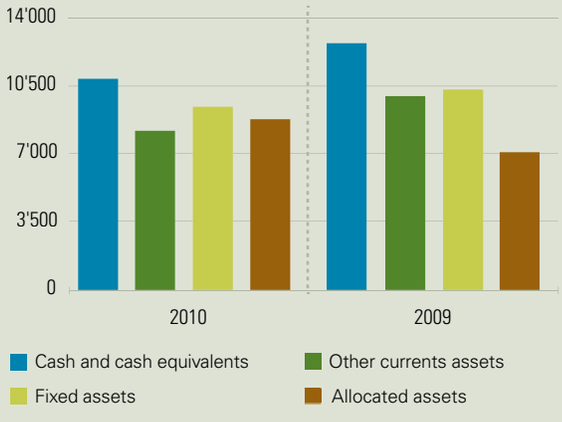
Summary of the income statement | Revenue structure



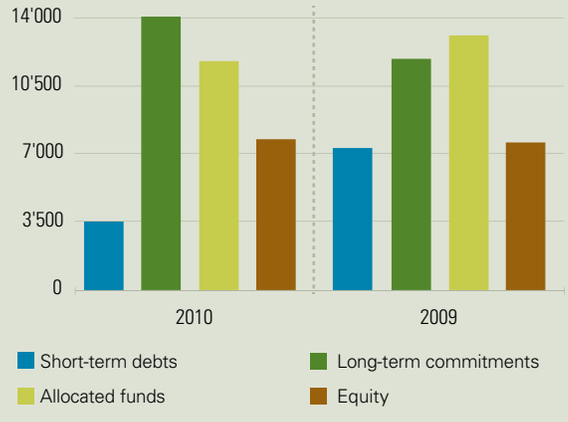
Summary of the result | Expenditure structure



Summary of the balance sheet | Asset structure

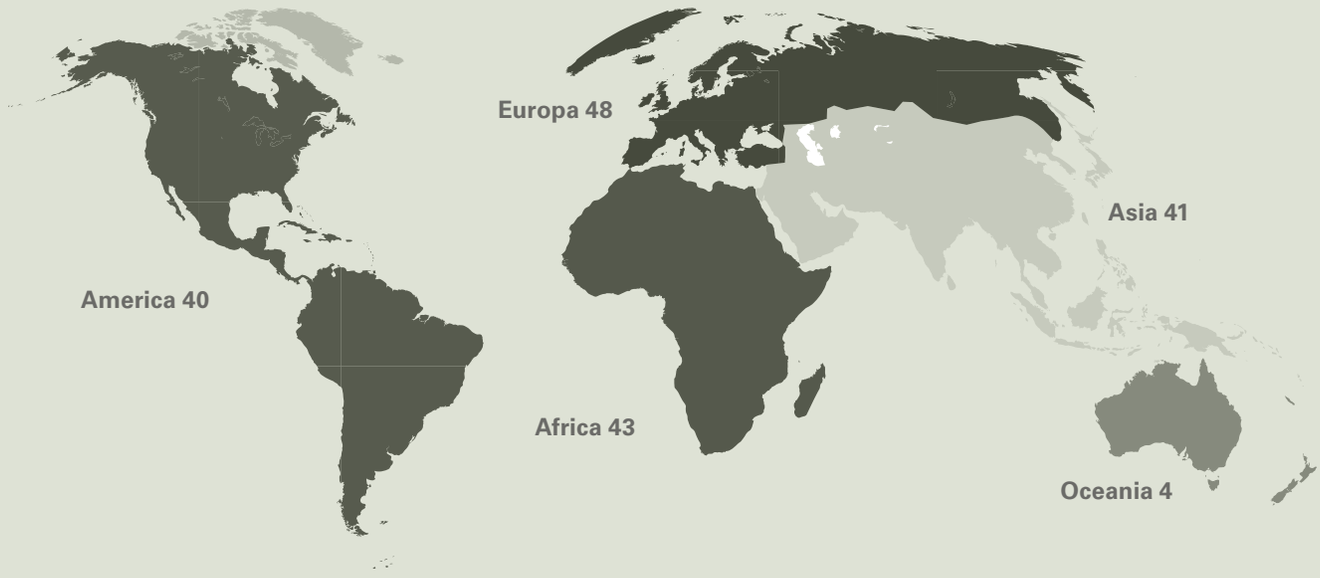


Summary of the balance sheet | Structure of liabilities and equity



NON-FINANCIAL INDICATORS MEMBERS

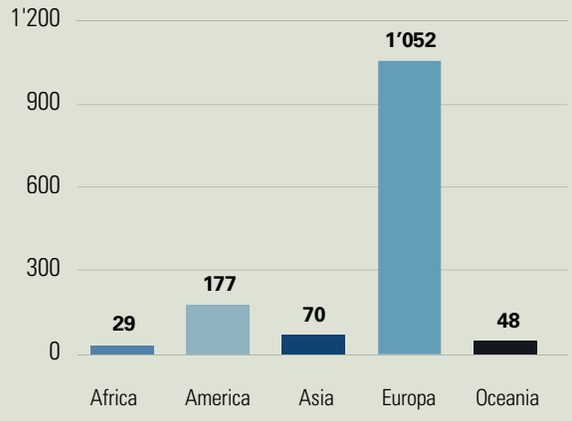
Geographical distribution of the 176 UCI Members F ederations as at 31.12.2010

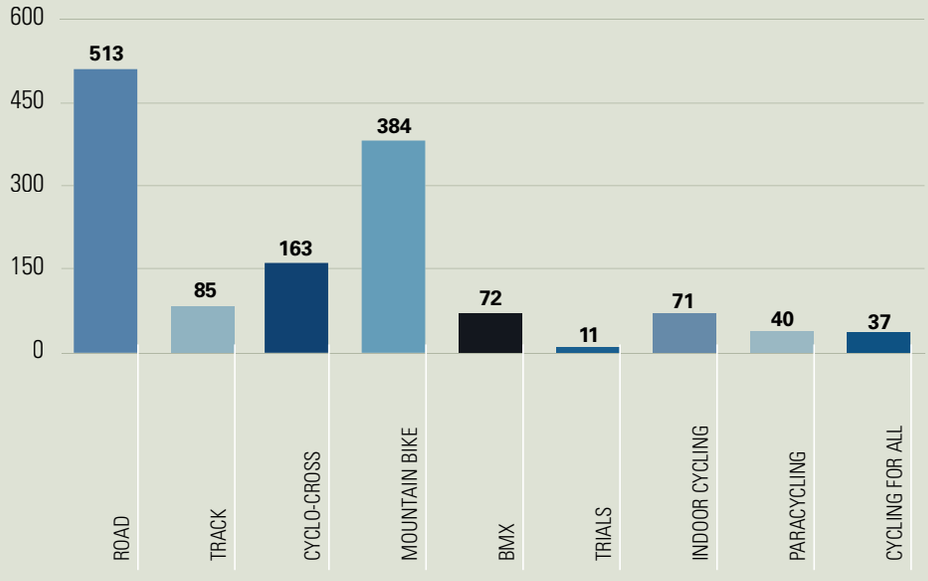


UCI CALENDAR PER DISCIPLINE

Number of races by continent and discipline

	RACES - 2010 CALENDAR						
	Africa	Americae	Asia	Europa	Oceania	Total 2010	Total 2009
Road	16	37	40	405	15	513	555
Track	0	6	7	60	12	85	107
Cyclo-cross	0	48	2	113	0	163	150
Mountain-bike	7	53	8	307	9	384	351
BMX	4	27	7	24	10	72	65
Trials	0	1	0	10	0	11	9
Indoor cycling	0	0	4	67	0	71	60
Para-cycling	2	5	2	29	2	40	24
Cycling for all	0	0	0	37	0	37	48
Total	**29**	**177**	**70**	**1'052**	**48**	**1'376**	**1'369**





PEOPLE

Staff employed and/or retained by the UCI in 2010 (full-time and part-time)

HEADCOUNT	2010	2009
UCI Staff	63	63
CMC Exploitation SA Staff*	17	17
CMC Training Department Staff*	10	10
Cycling Anti-Doping Foundation Staff*	10	7
*not on UCI payroll	**100**	**97**
Commissaires	541	562
Technical Delegates	17	19
Doping Control Agents	69	44
	627	**625**
Management Committee**	**16**	**17**

** including Executive Board: 4

** including co-opted members (without voting rights): 1

COMMISSIONS

Membership and activity of the Commissions in 2010

	Members	Meetings
UCI ProTour	12	3
Road	7	2
Track	6	2
Mountain bike	5	3
Cyclo-cross	5	2
BMX	5	2
Trial	3	1
Indoor cycling	4	2
Cycling for all	4	1
Para-cycling	5	3
Commissaires	5	2
CADF - Antidoping	4	1
Medical Commission	5	2
Disciplinary	27	1
Licences	4	7
Ethics	3	0
Training and Development	5	0

2. ANNUAL FINANCIAL STATEMENTS

2.1 BALANCE SHEET

Actifs	Notes	**31.12.2010 CHF**	**31.12.2009 CHF**
Current assets			
Cash on hand		45'745	78'840
Bank current accounts		5'241'045	6'986'544
Negotiable securities		5'525'886	5'554'842
Cash and cash equivalents	*3.3.1*	*10'812'676*	*12'620'226*
Accounts receivables	3.3.2	6'617'077	7'254'730
Prepaid expenses		1'553'614	2'676'916
Other recurring assets		*8'170'691*	*9'931'646*
		18'983'367	**22'551'871**
Fixed assets			
Financial fixed assets	3.3.3	25'285	225'182
Adminstrative building	3.3.4	8'460'000	8'640'000
Other tangible assets	3.3.4	643'980	1'033'448
Intangible assets	3.3.5	263'856	367'929
		9'393'121	**10'266'559**
Assigned assets			
UCI ProTour		3'053'549	3'888'501
CPA (Associated Professional Cyclists)		628'843	352'420
Bank guarantees for Teams		5'075'633	2'841'495
		8'758'025	**7'082'417**
Total Assets		**37'134'512**	**39'900'846**

Liabilities		**31.12.2010 CHF**	**31.12.2009 CHF**
UCI third party funds			
Accounts payables	3.2.3.7	2'005'807	3'218'490
Accrued liabilities		1'526'274	4'091'521
Short-term commitments	*3.3.7*	*3'532'081*	*7'310'011*
Income received in advance (for competitions and activities)	3.3.6	12'107'619	9'785'390
Provisions for risks and expenses	3.3.8	1'631'700	1'330'800
Provisions for anti-doping fines		325'957	778'944
Long-term commitments		*14'065'276*	*11'895'135*
		17'597'358	**19'205'146**
Allocated funds			
"ECF Project" Solidarity Fund (UCI)		17'559	17'559
Income of the 2008 OG to be spread over the period 2008-2011	3.2.3.10	3'000'000	6'000'000
"UCI Pro Tour" reserve Fund (UCI)		3'053'549	3'888'501
"CPA" reserve Fund (Third parties)		628'843	352'420
"Bank Guarantees" Commitments (third parties)		5'075'633	2'841'495
		11'775'584	**13'099'975**
Equity			
UCI Generale reserves		5'787'712	5'787'712
Reserves for developments projects		246'000	246'000
Reserves for development of National Federations		151'623	100'000
Reserves	*3.3.9*	*6'185'335*	*6'133'712*
Fortune at beginning of the year		1'462'013	1'406'671
Net income of the year		114'223	55'342
Fortune at end of the year		*1'576'236*	*1'462'013*
		7'761'571	**7'595'725**
Total liabilities		**37'134'513**	**39'900'846**

2.2 INCOME STATEMENT FOR THE FINANCIAL YEAR

	Notes	2010 CHF	2009 CHF
Competition income			
World Championships		11'924'069	11'334'064
World Cups		2'054'086	2'188'628
Other competitions		32'786	46'750
UCI Sponsors		-	5'482
	3.3.10	***14'010'941***	***13'574'923***
Income from activities			
Affiliations and calendar		6'712'560	6'563'793
Licenses		58'333	168'661
NF participations in UCI sports activities	3.3.13	-	226'737
Olympic solidarity & IOC participations	3.3.13	-	155'772
Appeals and fines		189'005	179'984
Anti-doping fines	3.3.8	465'185	778'944
Annual part of 2008 OG incomes (Traning and Dev.)		3'000'000	3'500'000
Services ans costs billed on to third parties		1'117'058	1'668'454
		11'542'142	***13'242'347***
Total income		**25'553'083**	**26'817'270**
Direct competition expenses			
World Championships		-1'467'693	-2'258'151
World Cups		-2'988'055	-3'843'685
Other competitions		-43'297	-46'162
	3.3.10	***-4'499'045***	***-6'147'998***
Direct activities expenses			
Expenses of meeting and allowances		-1'870'861	-2'194'424
Contributions to commissions		-1'207'099	-1'598'387
International Calendar		-1'096'134	-1'820'407
Contribution to the fight against doping (CFAD)		-1'343'200	-1'055'000
Contributions to the Continental Confederations		-407'480	-389'712
Contribution to the Training and Development (TD)		-2'790'000	-1'670'129
Other contributions		-32'823	-94'026
		-8'747'597	***-8'822'084***
Total direct expenses		**-13'246'642**	**-14'970'082**
Gross result		**12'306'441**	**11'847'188**
Payroll		-6'311'723	-8'935'308
Travel, representation and social costs		-133'461	-110'296
Total Payroll		***-6'445'184***	***-9'045'603***
Infrastructure expenses		-872'583	-915'748
Administration expenses		-1'102'517	-934'203
Marketing and communication expenses		-681'331	-712'774
Fees and expenses		-501'238	-775'212
Olympic Games (OG and YOG)		-91'962	-22'540
Allocation to the provisions for risks and expenses	3.3.8	-361'627	-168'955
Total other expenditure		***-3'611'257***	***-3'529'433***
Reversal of provision for Fines (AD)	3.3.8	48'377	-
Allocations to the provisions for fines (AD)	3.3.8	-70'131	-778'944
Total other expenditure (net)		***-3'633'012***	***-4'308'377***
Operational result		**2'228'245**	**-1'506'792**
Net financial result	3.3.11.1	-1'062'479	1'044'111
Depreciation	3.3.4.1	-888'009	-1'039'217
Extraordinary income and expenses	3.3.11.2	-77'565	289'669
Income and expenses of previous financial years	3.3.11.3	-85'969	-12'429
Total non-operating result		***-2'114'022***	***282'134***
Write-back from general reserve	3.3.9	-	1'280'000
Total net reserve variation		***-***	***1'280'000***
Net result of the financial year		**114'223**	**55'342**

2.3 CASH FLOW

Operations activities	2010	2009
Net result of the financial year	114'223	55'342
Adjustements for:		
Net variation of reserves for federations development	51'623	-1'180'000
OG revenues to be spread over 4 years	-3'000'000	-3'500'000
Net variation in provisions for risks and costs	-152'087	970'644
Depreciation	888'009	1'039'217
Financial assets amortization	200'000	-
Net financial result	1'062'479	-1'044'111
	-835'753	*-3'658'908*
Net variation in:		
Accounts receivables	637'652	-1'319'453
Prepaid expenses	1'123'303	-542'258
Accounts payables	-1'212'683	185'280
Accounts liabilities	-2'565'247	-923'190
Income received in advance (for competitions and activities)	2'322'229	-792'505
	305'254	*-3'392'126*
Financial income	1'951'486	1'629'616
Financial expenses	-3'013'965	-585'505
	-1'062'479	*1'044'111*
Cash flow generated by operating activities	**-1'592'978**	**-6'006'923**
Investment activities		
Variation guarantie deposits	-102	18'600
Acquisition of tangible fixed assets	-145'033	-124'284
Acquisition of intangible assets	-69'436	-160'335
Cash Flow from investment activities	**-214'570**	**-266'019**
Financing activities		
Reimbursment of bank loan on administrative building	-	-3'000'000
Cash Flow from financing activities	**-**	**-3'000'000**
Variation in cash and cash equivalents	**-1'807'549**	**-9'272'942**
Change in cash and cash equivalents		
At start of financial year	12'620'226	21'893'168
At end of financial year	10'812'676	12'620'226
Variation during financial year	**-1'807'549**	**-9'272'942**
Definition of cash		
Cash on hand	45'745	78'840
Bank current accounts	5'241'045	6'986'544
Securities	5'525'886	5'554'842
	10'812'676	**12'620'226**

2.4 CHANGE IN EQUITY

(in CHF thousand)	UCI general reserves	Reserves for development projects	Total reserves	Assets	Total equity
Balance at 1st January 2010	5'788	346	**6'134**	1'462	**7'596**
Reserve reversed via income statement			**-**		**-**
Allocation to reserve via income statment		52	**52**		**52**
Result for financial year			**-**	114	**114**
Total	5'788	398	**6'186**	1'576	**7'762**

3. FINANCIAL REPORT

3.1 PRELIMINARY REMARKS

3.1.1 THE FINANCIAL REPORT

The purpose of this report is to give readers, and the family of cycling in particular, a clear and complete picture of the financial situation and results of the Federation. The UCI advocates and applies the principle of financial transparency. It follows the best practice adopted by major international sports federations.

3.1.2 AIMS

The account statements and financial information contained in the report respect the general principal of a "true and fair view", in other words the intention to give the most reliable possible picture of the assets and results of the organization thanks to complete, sincere, clear and adequate information.

3.1.3 BASIC STANDARDS AND RULES APPLIED

As an association established under Swiss law, the UCI applies the rules stipulated in the Swiss Code of Obligations (CO). The Federation has decided not to apply more stringent standards (such as the IFRS International Financial Reporting Standards) because the further cost involved would have been disproportionate in relation to the improvement of the information. Moreover, some of these standards are difficult to reconcile with the aims and specific features of an international sports federation, in particular at the four year time horizon dictated by the Olympic movement. The general principles enshrined in the IFRS have, however, been used as a working basis and guideline for the presentation of the annual account statements.

3.2 ACCOUNTING PRINCIPLES

3.2.1 GENERAL INFORMATION

3.2.1.1 Legal status and aims of the UCI

The UCI is a non-profit international and non-governmental organization. It has the status of an association in Swiss law. The aim defined in its constitution is the management, development, regulation, control, discipline and promotion of cycling in all its forms at the international level, together with various other activities. Its resources are contributions, sponsorship and the royalties generated by sports activities. As an "economic association" within the meaning of Swiss law, it is required to present its account statements in compliance with the law governing limited liability companies.

3.2.1.2 Main events during the financial year – impact on the account statements

The new distribution of tasks and responsibilities within the organization deployed its full effect in 2010, the entities (CMC Exploitation SA and Anti-doping Cycling Foundation) have been worked independently throughout the year. Again, comparisons of annual figures of the UCI with those of the previous year are difficult because of those structural changes.

In September 2010 in Melbourne, the UCI Management Committee has decided to launch the UCI WorldTour, which takes over the UCI ProTour on 1 January 2011. For the 2010 report, entitled the «UCI ProTour» was retained.

UCI returns to the black in 2010, thanks to restructuring initiatives since 2009, new partnership agreements with sponsors and organizers, and careful management of costs. Unfortunately, positive operating income was largely offset by financial losses and in particular negative exchange differences (disappointing performance of financial markets and significant strengthening of the Swiss franc against the euro and U.S. dollar). By the end of 2010, UCI has developed a strategy for monitoring and hedging currency risks to reduce the exposure of the federation with such exchange differences.

3.2.2 PRINCIPAL RULES FOR DRAWING UP THE ACCOUNT STATEMENTS

3.2.2.1 Basic rule

The annual account statements are presented in Swiss francs (CHF). They have been drawn up according to the historic cost principle with the exception of the financial assets which are stated at their true value (adjustment via the income statement). The UCI is not required to present consolidated account statements under Swiss law. Information on the foundations and participations will be found on page 91.

3.2.2.2 Transactions in foreign currencies

Transactions in foreign currencies are converted at the exchange rate prevailing at the time when they were affected. Monetary assets and liabilities in foreign currencies are converted at the exchange rates applicable on the closing date of the financial year. Exchange differences which result from these transactions are entered in the income statement. Non-monetary assets and liabilities denominated in foreign currencies which are valued at their historic cost are converted at the exchange rates which applied originally.

The following closing exchange rates have been used:

	2010	2009
USD / CHF	0.9300	1.0337
EUR / CHF	1.2500	1.4831

3.2.3 BALANCE SHEET

3.2.3.1 Cash and cash equivalents

Cash and moneys held at banks are stated at their nominal value, foreign currencies being converted at the closing exchange rate. Securities held in the portfolio (treasury investments) are stated at their fair value (stock market value based on information supplied by the custodian banks).

3.2.3.2 Accounts receivables

This item consists of amounts due from UCI members (contributions by the national federations) and the other members of the cycling family (royalties and revenues to be received from the organizers, teams and sponsors). Accounts receivable are stated at their nominal value. Necessary depreciation shown by an analysis of the risks on open items is stated as provisions on the liabilities side of the balance sheet (see 3.2.3.11).

3.2.3.3 Financial assets

Guarantee deposits are stated in the balance sheet at their nominal value. Participations and long-term loans are valued at their historic cost after deducting such depreciation as may be dictated by circumstances.

3.2.3.4 Other tangible assets

These are stated in the balance sheet at their acquisition cost less cumulative depreciation calculated over their estimated life time (straight line depreciation). Depreciation begins in the year after acquisition.

The following durations are applied:

Administrative building	50 years
Equipment, furniture and fittings	10 years
Operating equipment, IT	3 years
Vehicles	4 years
Sports equipment	5 years
UCI uniforms	4 years

As a rule, expenditure of less than CHF 5,000 is stated directly as costs incurred in the financial year.

3.2.3.5 Intangible assets

Only acquisitions and acquisition or registration costs are stated as assets. The UCI does not show the value of its own marks and licences as assets nor does it value the internal services dedicated to development projects. The amortization periods are fixed for each investment depending on its nature and are between 2 and 5 years.

3.2.3.6 Assigned assets

This heading comprises credits on accounts opened in the name of the UCI but of which it is not the beneficial owner. These are:

- bank accounts and other assets assigned exclusively to the UCI ProTour;
- a bank account in Euros opened in the name of the CPA (Cyclistes Professionnels Associés, i.e. the association of professional cyclists). This account is managed jointly by the UCI and the CPA at the risk and for the benefit of the CPA;
- sums blocked on the bank guarantees deposited by the professional road racing teams (in compliance with the UCI Regulation by way of guarantee for commitments to the riders) and in respect of that part of the guarantees which had to be used by the UCI legal service following litigation.

The counterpart of these assets will be found on the liabilities side for the same amounts under "Assigned funds" (see 3.2.3.12).

3.2.3.7 Accounts payables

These are for the most part open suppliers' invoices and current items due; they are stated at their nominal value.

3.2.3.8 Income received in advance (on competitions and activities)

The contracts signed with the organizers of major events and some sponsors stipulate the payment of instalments in advance one to two years before the event. Similarly, the licences, calendar charges and affiliation charges are generally payable in advance and sometimes even for several years. Amounts "received in advance" are shown on the liabilities side of the balance sheet.

3.2.3.9 Financial liabilities

The UCI has a credit limit of KCHF 3'000, which was not used in 2010.

3.2.3.10 Income of the 2008 Olympic Games to be spread over the period 2008-2011

This account represents the balance brought forward to 2011 of revenues from the Olympic Games (UCI share – allocation to support for training and development of the sport). The Olympic contribution is spread over four years by withdrawal from this account so as to cover the costs of the Training Department (subsidy payable to CMC Exploitation SA) and other direct expenditure incurred by the UCI in favour of the development, training and the continental centres.

3.2.3.11 Provisions

The provision for bad debtors is calculated on the basis of an individual analysis of the risks known at the time when the accounts were closed. In the risk assessment the following are taken into account: the financial situation of the debtor, the guarantees which may be available, the seniority of the claim and the history of relations with the debtor.

The amount of the provision for legal risks is adjusted each year to take account of the probable risks (including any court sentences and legal costs) on the basis of a report drawn up by the legal adviser of the UCI.

Provisions set up and written back are stated in the income statement.

3.2.3.12 Assigned funds

This heading shows the counterpart (commitment) of the assigned assets (see 3.2.3.6) relating to the bank guarantees, the UCI ProTour and the CPA. The increases and reductions of these funds are stated directly in the respective accounts without any impact on the UCI income statement.

3.2.3.13 Equity

The general reserves of the UCI and the reserves for development projects receive, among other items, once every four years the available share of contributions received from the IOC (marketing and television rights for the Olympic Games) after allocation of the share to be set aside for training. They are used to cover expenditure which cannot be paid via the UCI's recurring revenues, in particular development projects. The decision to set up and write back general reserves is taken by the UCI Management Committee and shown via the income statement.

The accounting result for each financial year is stated as an increase or reduction of the assets of the association.

3.2.4 INCOME STATEMENT (content of the headings, valuation rules, further information)

3.2.4.1 Structure of the income statement

The gross result is shown after income and costs directly linked to management of the sport of cycling, i.e. competitions and activities. The operating costs of the Federation are deducted from these figures to determine the operating result. The net result includes also the financial and non-operational results together with variations in the reserves.

3.2.4.2 Acknowledgement of income and expenditure

Income relating to competitions is recorded for the financial year during which the events take place. Any instalments received during previous years are stated on the liabilities side of the balance sheet. Costs are treated in the same way with the exception of the costs of travel and preparatory missions which may be stated directly as expenses.

The contribution paid by the IOC after the Olympic Games (cycling share of the marketing royalties for the Olympic Games) is recorded in the revenues for the year of the OG. At the same time, the bulk of this contribution is assigned to the Training and Development Department in compliance with the UCI's policy of assigning the OG income as a matter of priority to training and development., This reserve is written back on a straight-line basis over four years beginning in the year of the OG. The unassigned balance of the contribution is used to increase the general reserves of the UCI.

Other income is stated when it has been acquired with certainty and costs as soon as they are probable and can be valued.

3.2.4.3 Financial revenues and expenditure

Monetary assets and liabilities are stated at their end of year value while exchange and price gains and losses, regardless of whether they have been taken, are shown in the income statement.

3.2.4.4 Depreciation

The UCI applies the method of linear depreciation calculated over the lifetime of the assets. The depreciation periods are stated under section 3.2.3.4. Depreciation begins in the year following the acquisition (no depreciation in the costs for the year of acquisition).

3.3 DETAILS OF CERTAIN HEADINGS

3.3.1 CASH AND CASH EQUIVALENTS

3.3.1.1 Cash management strategy

The aims of the cash management strategy are to ensure that the organization has the necessary financial resources at all times and also to minimize the foreign exchange risk. The main instruments used for short-term management are current accounts in CHF, EUR and USD opened at first class Swiss banks and short-term investments (less than one year), together with financial derivative instruments to hedge the exchange risks with the same banking institutions. Management mandates for that part of the financial reserves which is not required in the short to medium term have been entrusted to two Swiss banks. The strategic framework of these mandates (strategic allocation) is approved by the UCI Management Committee.

3.3.1.2 Allocation by currency

Recapitulation by currency

(in CHF thousand)	CHF	EUR	USD	Other	Total
Cash	46				46
Banks – current accounts	349	4'449	248	96	5'142
Banks – short-term investments	99				99
Financial instrument at fair value	129				129
Negotiable securities	4'612	280	456	48	5'396
Total	**5'235**	**4'729**	**704**	**144**	**10'812**

3.3.1.3 Allocation by type of investment

Total securities

(in CHF thousand)	CHF	EUR	USD	Other	Total
CHF bonds	3'012	-	-	-	3'012
Foreign currency bonds	-	-	-	-	-
Swiss stocks	490	-	-	-	490
Foreign stocks	-	280	456	-	736
Various investment funds	1'110	-	-	48	1'158
Total	**4'612**	**280**	**456**	**48**	**5'396**

3.3.1.4 Information on the yield on investments

The following rates apply to investments at banks on 31.12.2010:

- Current accounts at banks in various currencies: from 0.125% to 0.50%
- Short-term investment in CHF : 0.0 %

The average yield on the securities portfolios in the financial year 2010 was 0.59%, i.e.:

Income on investments	115'345
Capital gain (loss) taken (net)	-20'310
Capital (loss) not taken (net)	14'118
Financial costs	-77'256
Net yield	*31'897*
Yield as % of portfolio value	0.59%
Total portfolio	**5'396'515**

These results are included in the financial products shown in section 3.3.11.1.

3.3.2 ACCOUNTS RECEIVABLES

(in CHF thousand)	**31.12.2010**	**31.12.2009**
National Federations	1'901	1'589
Race organisers	2'282	1'730
Teams	238	293
Sponsors	589	575
World Championships organisers	1'493	2'889
Sundry	114	179
Total	**6'617**	**7'255**

3.3.3 FINANCIAL FIXED ASSETS

3.3.3.1 Details

(in CHF thousand)	**31.12.2010**	**31.12.2009**
Blocked accounts (guarantees)	25	25
Participations	-	200
Total	**25**	**225**

3.3.3.2 Participations

The UCI holds a participation of 0.32% in CMC Exploitation SA, the company which owns and operates the World Cycling Centre (CMC) in Aigle.

As the founder, the UCI has also in the past financed the capital of three foundations : the CMC Foundation (which owns 99.68% of the capital of CMC Exploitation SA), the Rainbow Foundation (whose purpose is to help to safeguard the interests of the different partners in cycling) and the Cycling Anti-doping Foundation whose purpose is to promote and coordinate the fight against doping, in particular in high level road cycling, to manage the operational activities of the campaign against doping and to develop prevention and education programmes in the area of anti-doping.

Contributions, being irrevocable, have been fully depreciated in the 2010 accounts.

3.3.3.3 Details of the participations

31.12.2010 *(in CHF thousand)*	**Gross value**	**Depreciation**	**Net value**
Participations :			
CMC Exploitation SA	40	-40	-
Total	**40**	**-40**	**-**

3.3.3.4 Information on participations and Foundations at end 2010

The summarized financial statements of **CMC Exploitation SA, the WCC Foundation** and the **Cycling Anti-doping Foundation (CADF)** are stated on pages 100 to 103 of the report.

The Arc-en-Ciel Foundation did not pursue any particular activity in 2010. In 2010 it merged with the CADF, with the agreement of the Supervisory Authority Foundations.

3.3.4 OTHER TANGIBLE ASSETS

3.3.4.1 Trend of other tangible assets

(in CHF thousand)	31.12.2009	Increase	Depreciation	31.12.2010
Balance sheet value				
Administrative building	8'640	-	-180	8'460
Equipment, furniture and fittings	483	18	-141	360
Operating equipment	143	4	-115	32
IT	164	124	-70	218
Vehicles	58	-	-28	30
Sports equipment	13	-	-9	4
UCI Uniforms	172	-	-172	-
Total	**9'673**	**146**	**-715**	**9'104**

3.3.4.2 Equipment received from sponsors

The various kinds of equipment and sports and other kit received from sponsors under value-in-kind contracts are not stated on the assets side of the UCI balance sheet. As at 31 December 2010, the estimated new value (cost price) of these assets stood at 3'900 KCHF (in 2009: 3,400 KCHF). These assets are the subject of a detailed inventory and are managed by CMC Exploitation SA.

3.3.5 INTANGIBLE ASSETS

3.3.5.1 Trend of intangible assets

(in CHF thousand)	31.12.09	Increase	Depreciation	31.12.2010
Balance sheet value				
Data base development	368	69	-173	264
Total	**368**	**69**	**-173**	**264**

3.3.5.2 Acquisitions and depreciation during the financial year

The "database" project is seeking to undertake a complete reform of the IT applications and databases specific to management of the sport of cycling and its environment.

3.3.6 INCOME RECEIVED IN ADVANCE (ON COMPETITIONS AND ACTIVITIES)

(in CHF thousand)	31.12.2010	31.12.2009
Sponsors and events	7'116	5'468
Organisers	2'420	1'774
Teams	2'572	2'543
Total	**12'108**	**9'785**

3.3.7 SHORT-TERM COMMITMENTS

The major categories of accrued liabilities and miscellaneous payables are in large part those of suppliers linked to events and general administration as well as financial movements between UCI, CMC Exploitation SA and CADF.

3.3.8 ALLOCATIONS TO THE PROVISIONS FOR RISKS AND EXPENSES

3.3.8.1 Details of movements during the year

(in CHF thousand)	31.12.2009	Increase	Written back	31.12.2010
Provision for legal cases	70	-	-	70
Provisions for losses on receivables	1'259	294	-334	1'219
Sundry provisions	2	342	-	344
Provisions for anti-doping fines	779	70	-523	326
Total	**2'110**	**706**	**-857**	**1'959**

The risks on receivables are in particular linked to disputes with organizers. The anti-doping fines invoiced to the riders concerned have been provisioned in full for the portion which remained unpaid at the time the accounts were closed.

3.3.9 RESERVES

3.3.9.1 Strategy for allocation and reversal of reserves

The UCI Management Committee determines the general policy for setting up the reserves. On its meeting held in January 2011, the Management Committee, on Financial Director's proposal, has confirmed its decision to set up on a Medium-term a reserve to cover the UCI operating costs for two exercises, for a total of 18 to 20 million Swiss francs.

As annual result was balanced, no withdrawal from the reserves was necessary in 2010. Any withdrawal from the reserves is endorsed by the Management Committee at its ordinary meetings.

3.3.10 COMPETITION INCOME AND EXPENSES

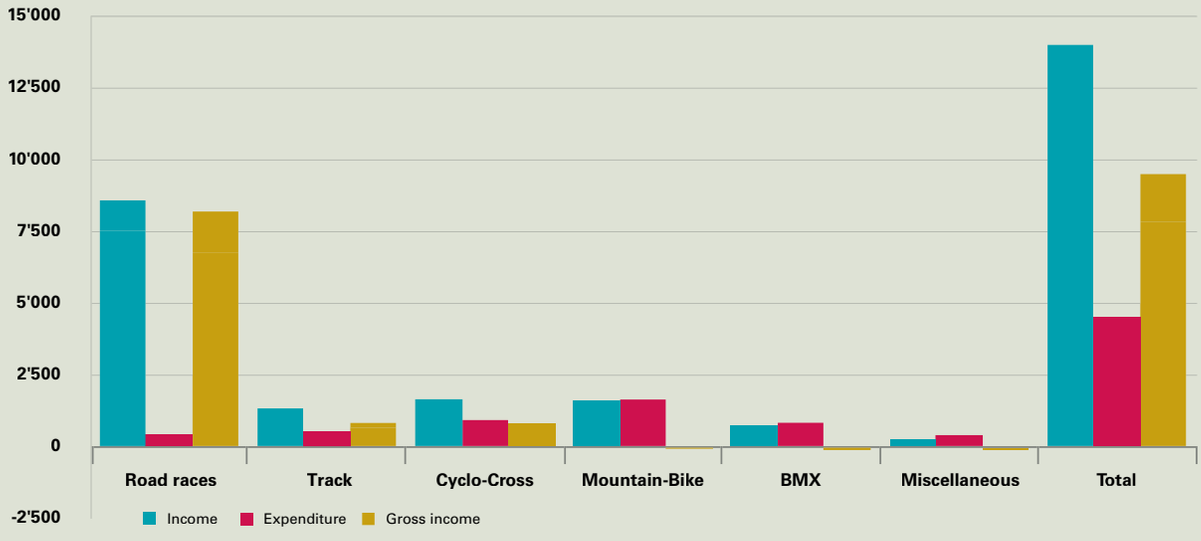
3.3.10.1 Details of income by discipline and competition

INCOME FROM COMPETITIONS - 2010					
(in CHF thousand)	World Championships	World Cups	Miscellaneous	Total	2009
Road races	8'585	6	3	**8'594**	**7'528**
Track	967	316	9	**1'292**	**1'461**
Cyclo-cross	667	962	1	**1'630**	**1'779**
Mountain-bike	983	588		**1'571**	**1'929**
BMX	531	152	0	**683**	**728**
Other	191	30	20	**241**	**150**
	11'924	**2'054**	**33**	**14'011**	**13'575**

In the case of some contracts for TV rights negotiated globally by the UCI, the allocation between the different disciplines is the result of an internal calculation based on broadcasting statistics.

3.3.10.2 Gross result by discipline

The following chart shows the contribution made by the main disciplines to covering the costs of the activities and operation of the UCI after allowance for direct costs associated with the competitions. (in CHF thousand)



3.3.11 FINANCIAL AND EXTRAORDINARY RESULTS

3.3.11.1 Financial result

(in CHF thousand)	**2010**	**2009**
Credit interest on current accounts, short-term investments etc.	157	168
Income and earnings on securities portfolios	16	472
Positive exchange differences realized	383	989
Positive exchange differences non realized	1'396	-
Total financial proceeds	***1'952***	***1'629***
Interest payable (bank loan and other)	-10	-104
Losses on securities portfolios	-56	-21
Negative exchange differences realized	-1'164	-419
Negative exchange differences non realized	-1'744	-
Costs of managing securities portfolios	-25	-21
Bank charges	-15	-21
Total financial costs	***-3'014***	***-586***
Net financial result	**-1'062**	**1'043**

3.3.11.2 Extraordinary income and expenses

(in CHF thousand)	**2010**	**2009**
Other extraordinary income	140	90
Total extraordinary income	*140*	*90*
Extraordinary expenses	-218	-68
Total extraordinary expenses	*-218*	*-68*
Extraordinary income and expenses (net)	**-78**	**22**

Under these headings, the results of events which have no direct link with the ordinary activity of the UCI or of an unforeseen and non-recurring nature are stated.

3.3.11.3 Income and expenses of previous financial years

(in CHF thousand)	**2010**	**2009**
Income of activities in previous financial years	161	114
Expenses of activities in previous financial years	-247	-126
Income and expenses of previous financial years (net)	**-86**	**-12**

So as not to distort the budgetary analyses, the Income and expenses for previous financial years are stated separately.

3.3.12 WITHDRAWAL FROM RESERVES

No withdrawal from reserves was necessary in 2010 (KCHF 1'280 in 2009).

3.3.13 NATIONAL FEDERATIONS AND OLYMPIC SOLIDARITY PARTICIPATIONS

Following the structures modifications, those subventions that used to transit through the UCI are now allocated directly to CMC Exploitation SA.

3.4 Other information

3.4.1 RISK MANAGEMENT

The UCI Management Committee makes a regular analysis of the strategic and operational risks which the Federation may incur. The main risks that are liable to have a significant impact on the finances of the Federation are valued and covered by a plan of action and safeguard measures.

3.4.2 OCCUPATIONAL BENEFITS PLAN

Employees and pensioners of the UCI are affiliated for basic provident purposes according to the Swiss legal system to a major Swiss insurance company which covers the entire risk (reinsurance). The occupational benefits plans are based on the defined contributions principle and the UCI has no liability other than its own annual contribution which amounted to 414 KCHF in 2010 (498 KCHF in 2009).

3.4.3 OTHER INFORMATION (REQUIRED BY CO)

None

3.4.4 ASSETS HELD FOR A THIRD PARTY

UCI has opened a bank account in its own name on the behalf of the African Cycling Confederation. This asset which amounts to KCHF 88 at 31.12.2010 is not included in the balance-sheet of UCI.

3.4.5 POSTPONEMENT IN FAVOUR OF THE CADF

The Cycling Anti-doping Foundation (CADF) has been founded by UCI in 2008. On 31.12.2010, the balance sheet of the foundation shows a negative equity of KCHF 289. In order to cover this deficit, UCI has accepted to postpone a part of its claims against CADF, for an amount of KCHF 300. As CADF presented positive results in 2010, UCI considers that the risk of loss is low and has not made any provision regarding this postponement.

4. REPORT BY THE AUDITORS

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BDO Visura International Ltd
Rue des Bains 33
CH-1211 Geneva 8

Report of the statutory auditor
to the Congress of the

Union Cycliste Internationale, Aigle

As statutory auditor, we have audited the accompanying financial statements of the Union Cycliste Internationale, which comprise the balance sheet, income statement and notes for the year ended December 31, 2010.

Executive Committee's responsibility

The Executive Committee is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Executive Committee is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended December 31, 2010 comply with Swiss law and the Organisation by-laws.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of Executive Committee.

We recommend that the financial statements submitted to you be approved.

Geneva, May 16, 2011

BDO Visura International Ltd

Rene-marc Blaser
Licensed Audit Expert

Helena Kara
Licensed Audit Expert
Auditor in Charge

Enclosures
Financial statements

5. UCI PROTOUR

5.1 Legal status, financial flows, operation

The UCI ProTour is not a legal entity in its own right, but a UCI activity which has the distinctive feature of being managed by an ad hoc committee the UCI ProTour Council (CUPT) placed under the responsibility of the UCI Management Committee. The personnel working for the management and operation of the UCI ProTour are therefore members of the UCI staff and all the costs and income are included in the UCI account statements. The specific financial flows for the UCI ProTour are set out below.

According to the UCI Regulation, some revenues (licences, financial income) and costs are assigned directly to the UCI ProTour reserve fund whose purpose is to finance specific projects or assist members of the UCI ProTour. This Fund is deposited on a specific account opened in Euros by the UCI at a Swiss bank.

The accounting currency of the UCI ProTour is the euro. Since 2011, the UCI ProTour has been replaced by the UCI WorldTour and the management of the Reserve Fund is entrusted to the Professional Cycling Council (CCP).

5.2 Details of income and expenses for the financial year

UCI ProTour operating account for 2010 *(in CHF thousand)*

Income	**2010**	**2009**
Contributions by partners		
UCI ProTeams	1'353	1'395
Organisers	389	340
UCI	453	476
Total income	**2'195**	**2'211**

Expenses	**2010**	**2009**
UPT Council Management and meeting expenses	602	717
Commissaires	86	83
Marketing, PR, Communication	488	507
Legal and finance	632	630
Total Expenses	**1'808**	**1'937**
Surplus revenue (- expenses)	**387**	**274**

Revenues and expenses are included in the UCI results presented on page 84 of this report. The different items are distributed between various headings of the income statement.

Total costs are distributed as follows:

	2010	**2009**
Direct external UCI ProTour costs (third party costs)	868	770
UCI costs attributed to the UCI ProTour	940	1'167
	1'808	**1'937**

5.3 UCI ProTour Reserve Fund

UCI ProTour Reserve Fund as at 31.12.2010 *(in EUR thousand)*

	2010		2009	
Initial balance as at 1 January		2'405		2'621
Payments to the fund during the financial year				
UCI ProTeams, licences collected	450		651	
Organisers, licences collected	92	542	166	817
Expenses borne by the Fund during the financial year				
Licences Commission	-48		-55	
Specific projects - Global Cycling Promotion	-445		-177	
Contribution in favor of the GP de Plouay	-30		–	
Allowances: AIGCP, AIOCC, CPA	-237		-240	
Fund management costs	-87	-847	-118	-590
Balance as at 31 December		**2'100**		**2'848**

The balance as at 31 December comprises the sum stated in the UCI balance sheet (on the assets and liabilities side under "Allocated Funds") for the equivalent in CHF (31.12.2010 KCHF 3'054; 31.12.2009 KCHF 3'889).

6. CYCLING ANTI-DOPING FOUNDATION (FIGHT AGAINST DOPING)

6.1 General

The activities of the fight against doping in professional cycling road are managed by an independent foundation (Cycling Anti-doping Foundation) established by the UCI. The CADF is responsible for the logistic and administrative management of the fight against doping, while the UCI retains its prerogatives in respect of regulatory provisions and penalties.

6.2 Financial flows

The financing of the CADF is provided by the following four partners:

- UCI ProTour and Continental Pro teams
- Organisers
- Riders
- UCI

6.3 Account statements of the Cycling Anti-doping Foundation (in KCHF)

6.3.1 BALANCE SHEET *(in KCHF)*

	Notes	2010	2009
ASSETS			
Current assets		1'297	773
Fixed assets		30	65
Total assets		**1'327**	**838**
LIABILITIES			
Third party funds		1'616	1'845
Equity	6.4.1	-289	-1'007
Total Liabilities		**1'327**	**838**

6.3.2 SUMMARIZED OPERATING ACCOUNTS *(in KCHF)*

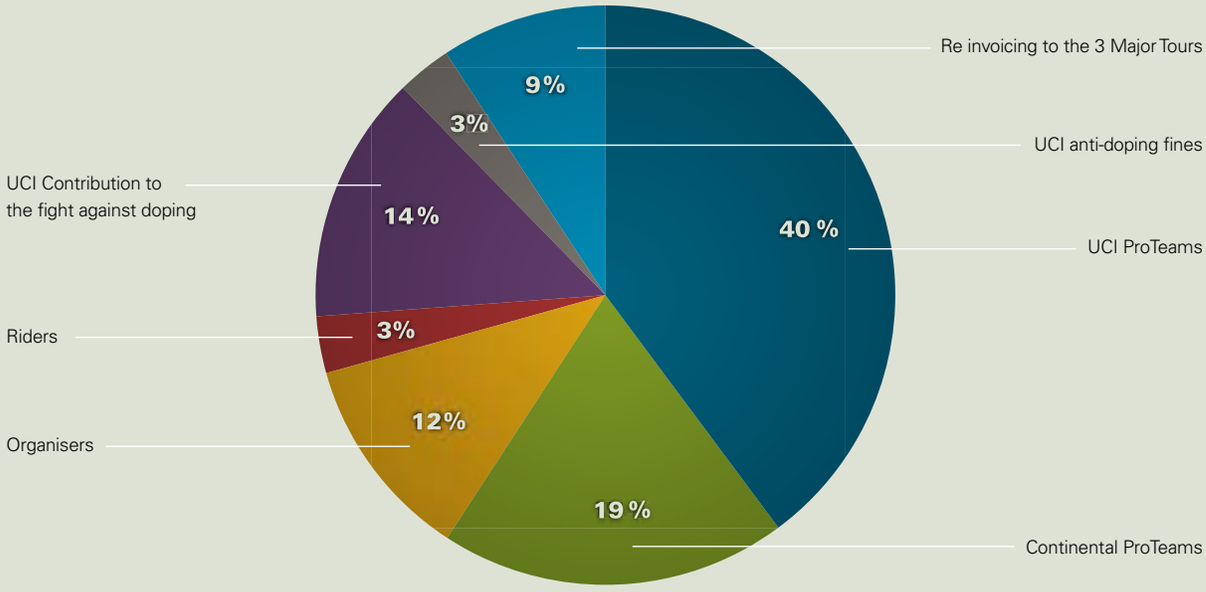
	Notes	2010	2009
Income - contributors	6.4.2	7'887	7'658
Direct controls expenses	6.4.3	-5'544	-6'788
Gross margin		2'343	870
Operating expenses		-1'707	-1'425
Operating result		636	-555
Non-operating Income and Expenses		-46	-85
Net result		**590**	**-640**

6.4 Comments

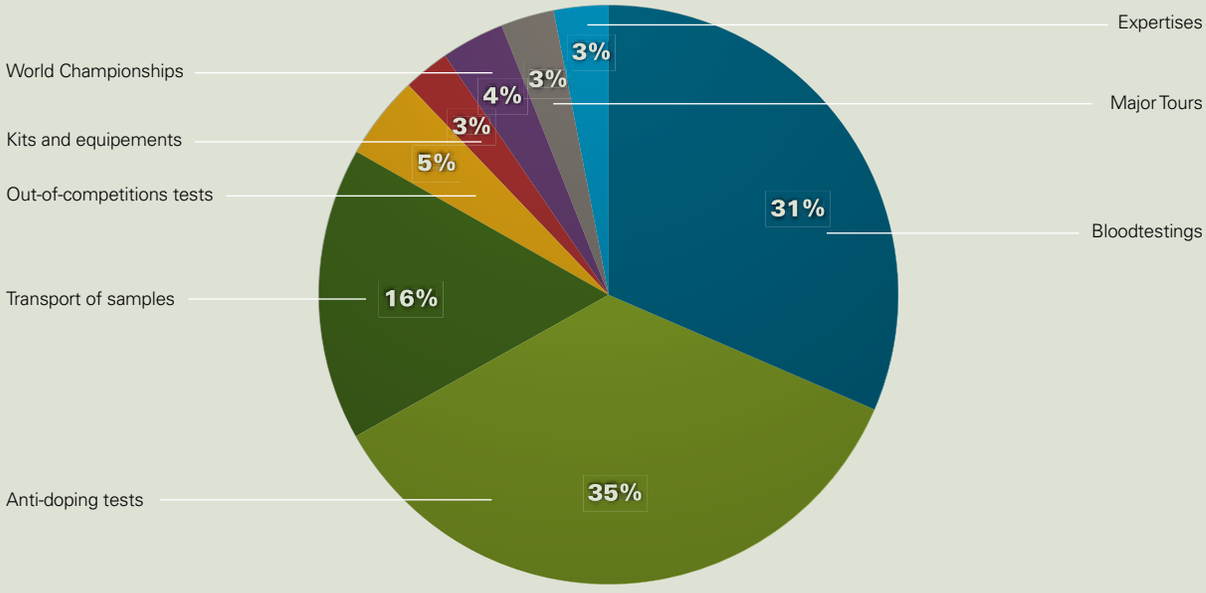
6.4.1 POSTPONEMENT

In reason of excess charges due to its first month's activities, the foundation was at the end of 2009 in an indebtedness situation. The UCI has supported the foundation by postponing its debts up to KCHF 1'100. Following the 2010 positive results, this postponement has been reduced to KCHF 300.

6.4.2 DETAILS OF CONTRIBUTORS



6.4.3. DETAILS OF CONTROLS



7. WORLD CYCLING CENTRE

7.1 Consolidated account statements of the CMC Exploitation SA and WCC Foundation

7.1.1 WCC OPERATING ACCOUNTS *(in KCHF)*

	Notes	Income	Expenses	Margin
Training Department	7.2.2	3'912	-3'230	682
Building		856	-436	420
Events		400	-117	283
Restaurant le Vélodrome		1'108	-1'002	106
Operating		142	-882	-740
Operating gross margin		**6'418**	**-5'667**	**751**
Non-operating income and expenses			-38	-38
Depreciations and provisions			-716	-716
Taxes			-13	-13
Net result	7.2.1	**6'418**	**-6'434**	**-16**

The comparison with 2009 exercise's is not presented in reason of modifications brought to internal organisation (Training department was previously included in UCI).

7.1.2 CONSOLIDATED BALANCE SHEET *(in KCHF)*

ASSETS	Notes	2010	2009
Current assets			
Cash		1'065	750
Other current assets		1'717	850
Total current assets		**2'782**	**1'600**
Fixed assets			
Building World Cycling Centre	7.2.3	16'370	16'955
Furniture, equipment, other		99	2
Total fixed assets		**16'469**	**16'957**
Total assets		**19'251**	**18'557**
LIABILITIES			
Third party funds			
Accounts payable		934	243
"LIM" Credit (collectivities)		3'588	3'764
Funds and provisions	7.2.4	900	700
Total third party funds		**5'422**	**4'707**
Equity			
Share capital		1'140	1'140
Postponed result		12'708	13'362
Result of the exercice		-19	-652
Total equity		**13'829**	**13'850**
Total liabilities		**19'251**	**18'557**

7.2 Comments

7.2.1 GENERAL

For the first time in 2010, the WCC shows an operating profit, thanks to the increase revenue of the Training department and the improvement of the margin of the restaurant.

7.2.2 TRAINING DEPARTMENT

The UCI contribution to the Training department is up to CHF 2'790, the balance (KCHF 1'122) consists on services invoiced to others (Teams, Clubs, Federations, etc).

7.2.3 BUILDING OF THE WORLD CYCLING CENTER

The WCC Building (Track, Sports facilities, technical room) is depreciated over 35 years.

7.2.4 FUNDS AND PROVISIONS

Including the building renovation funds (KCHF 800) and provision for development projects (KCHF 100).

8. ACKNOWLEDGEMENTS

This report reflects the financial operations and financial position of the UCI in 2010, during which time the financial management was provided by Jean-Pierre Strebel (appointed to this position in 1993). As new Financial Director, the undersigned wishes to thank him most sincerely for having successfully built and maintained the financial strength of the Federation and for his perfect and friendly cooperation in forwarding the UCI's financial records.

The undersigned also wishes to thank Mr Claude Schnegg (Administrative Director of the UCI) and the entire team from the Finance Department for their hard work and collaboration.

Alain Siegrist
Financial Director

OFFICIAL UCI SPONSORS

SHIMANO
Neutral technical assistance, bike components and cycling shoes
All disciplines.

SANTINI
UCI World Champion Jerseys, UCI World Cup leader's Jerseys and UCI Continental Circuits leader's jerseys
All disciplines.

TISSOT
Watch and Timekeeper
UCI Road, Track Cycling, Mountain Bike & Trials World Championships and Track Cycling World Cup.

SKODA
Cars
UCI Road World Championships.

SWATCH
Watch and Timekeeper
UCI BMX World Championships and UCI BMX Supercross World Cup.

PATRICK SAFETY JOGGER
Sponsor
UCI Cyclo-cross World Championships and World Cup.

UCI PRESENTING SPONSORS

SHIMANO
Presenting sponsor of UCI Mountain Bike World Cup.

SWATCH
Presenting sponsor of UCI BMX Supercross World Cup.

PATRICK SAFETY JOGGER
Title sponsor of UCI Cyclo-cross World Cup.

UCI SUPPLIERS

LOOK
Frames
Partner, UCI Track Cycling World Cup.

PRO-GATE
Start gates
UCI BMX World Championships and UCI BMX Supercross World Cup.

THE
Plates
UCI BMX World Championships and UCI BMX Supercross World Cup.

INTENSE
Bicycles
UCI BMX World Championships and UCI BMX Supercross World Cup.

UCI BROADCASTING PARTNERS

EUROPEAN BROADCASTING UNION
Media Rights
UCI Road, Track Cycling and Mountain Bike & Trials World Championships, in Europe.

VRT
Media Rights
UCI Cyclo-cross World Championships and UCI Cyclo-cross World Cup, in Belgium.

MICO
Media Rights
UCI Road and Track Cycling World Championships, in Japan UCI Track World Cup «Classics» in Japan.

UNIVERSAL
Media Rights
UCI Road, Track Cycling, Mountain Bike & Trials, Cyclo-cross and BMX World Championships, in the USA UCI Track Cycling, Mountain Bike, Cyclo-cross and BMX Supercross World Cup, in the USA.

FREECASTER TV
Internet Rights
UCI Mountain Bike & Trials and BMX World Championships and UCI Mountain Bike and BMX Supercross World Cup.

CYCLING TV
Internet Rights
UCI Road, Track Cycling and Cyclo-cross World Championships and Track Cycling and Cyclo-cross World Cup.

SPONSORS OFFICIELS UCI

SHIMANO
Assistance technique neutre, composants et chaussures de vélos
Toutes disciplines.

SANTINI
Maillots de Champion du Monde UCI, maillots de leader des Coupes du Monde UCI et maillots de leader des Circuits Continentaux UCI
Toutes disciplines.

TISSOT
Chronométrage
Championnats du Monde UCI (route, piste mountain bike & trial) et Coupe du Monde Piste Classics UCI.

SKODA
Voitures
Championnats du Monde Route UCI.

SWATCH
Chronométrage
Championnats du Monde BMX UCI et Coupe du Monde BMX Supercross UCI.

PATRICK SAFETY JOGGER
Sponsor
Championnats du Monde et Coupe du Monde Cyclo-cross UCI.

«PRESENTING» SPONSORS UCI

SHIMANO
«Presenting» sponsor
de la Coupe du Monde Mountain Bike UCI.

SWATCH
«Presenting» sponsor
de la Coupe du Monde BMX Supercross UCI.

PATRICK SAFETY JOGGER
«Title» sponsor
de la Coupe du Monde Cyclo-cross UCI.

FOURNISSEURS UCI

LOOK
Cadres
Partenaire de la Coupe du Monde Piste Classics UCI.

PRO-GATE
Grilles de départ
Championnats du Monde BMX UCI et Coupe du Monde BMX Supercross UCI.

THE
Plaques
Championnats du Monde BMX UCI et Coupe du Monde BMX Supercross UCI.

INTENSE
Vélos
Championnats du Monde BMX UCI et Coupe du Monde BMX Supercross UCI.

DIFFUSEURS PARTENAIRES UCI

UNION EUROPÉENNE DE RADIO - TÉLÉVISION (UER)
Droits de diffusion médias
Championnats du Monde UCI: route, piste, mountain bike & trial, en Europe.

VRT
Droits de diffusion médias
Championnats du Monde Cyclo-cross UCI et Coupe du Monde Cyclo-cross UCI, en Belgique.

MICO
Droits de diffusion médias
Championnats du Monde Route et Piste UCI, au Japon, et Coupe du Monde Piste Classics UCI, au Japon.

UNIVERSAL
Droits de diffusion médias
Championnats du Monde UCI (route, piste, mountain bike & trial, cyclo-cross, BMX) aux USA, et Coupes du Monde: piste, mountain bike, cyclo-cross et BMX, aux USA.

FREECASTER TV
Droits de diffusion internet
Championnats du Monde UCI (mountain bike & trial, BMX) et Coupe du Monde BMX Supercross UCI.

CYCLING TV
Droits de diffusion internet
Championnats du Monde UCI (route, piste, cyclo-cross) et Coupes du Monde UCI: piste et cyclo-cross.

CREDITS PHOTOS
UCI World Championships (road, track, cyclo-cross), UCI Cyclo-cross World Cup &UCI World Calendar : Graham Watson
UCI Road Women World Cup: C. J. Farquharson
UCI MTB & Trials World Championships, UCI MTB Marathon World Championships, UCI MTB World Cup: Gary Perkin
The Paralympics: Yuko Sato
Para-cycling: Christina Patricia Kelkel
BMX: Getty Images
Indoor: Hannes Roth
Trials: Dani Parramon
UCI Africa Tour: Nicholas Leong
UCI Oceania Tour: Pete Bruggeman
UCI

CRÉDITS PHOTOS
Championnats du Monde UCI (route, piste, cyclo-cross), Coupe du Monde Cyclo-cross UCI & Calendrier Mondial: Graham Watson
Coupe du Monde Route Femmes UCI: C. J. Farquharson
Coupe du Monde MTB UCI : Gary Perkin
Championnats du Monde MTB & Trial UCI, Championnats du Monde MTB Marathon UCI, Coupe du Monde MTB UCI: Gary Perkin
Jeux Paralympiques: Yuko Sato
Paracyclisme: Christina Patricia Kelkel
BMX: Getty Images
Indoor: Hannes Roth
Trial: Dani Parramon
UCI Africa Tour: Nicholas Leong
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UCI

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