

**adidas**

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**Fact Sheet for the First Nine Months 2017**

**November 9, 2017**



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## Our Share Highlights

	First Quarter		Second Quarter		Third Quarter			Fourth Quarter		YTD		Change
	2017	2016	2017	2016	2017	2016	Change	2017	2016	2017	2016	
<b>Earnings per share<sup>1)</sup> (in €)</b>												
Basic	2.26	1.75	0.78	1.45	2.59	1.93	34%	-	(0.05)	5.63	5.13	10%
Diluted	2.23	1.71	0.78	1.42	2.57	1.88	37%	-	(0.03)	5.58	5.01	11%
<b>Average number of shares</b>												
Basic	201,209,054	200,197,417	202,350,968	200,197,417	202,756,583	200,226,599	1%	-	200,131,868	202,111,204	200,207,215	1%
Diluted	204,273,231	206,294,660	204,198,888	206,327,088	204,236,828	206,327,088	(1%)	-	205,656,812	204,237,728	206,311,466	(1%)
<b>Number of shares outstanding<sup>2)</sup></b>												
	201,550,844	200,197,417	202,657,342	200,197,417	202,838,144	200,307,750	1%	-	201,489,310	202,838,144	200,307,750	1%
<b>Share price<sup>2)</sup> (in €)</b>												
	178.30	103.00	167.75	128.45	191.40	154.50	24%	-	150.15	191.40	154.5	24%
<b>Market capitalisation<sup>2)</sup> (€ in millions)</b>												
	35,937	20,620	33,996	25,715	38,823	30,948	25%	-	30,254	38,823	30,948	25%
<b>Historical performance of the adidas share and important indices (in %)</b>												
adidas AG	19	15	(6)	25	14	20			(3)	27	72	
DAX-30	7	(7)	0	(3)	4	9			9	12	(2)	
MSCI World Textiles, Apparel & Luxury Goods	9	3	7	(7)	5	3			0	23	(1)	

<sup>1)</sup> Includes continuing and discontinued operations.

<sup>2)</sup> At quarter-end.

<sup>3)</sup> € in millions.

## Consolidated Income Statement Highlights

	First Quarter		Second Quarter		Third Quarter			Fourth Quarter		YTD		
	2017	2016	2017	2016	2017	2016	Change	2017	2016	2017	2016	Change
<b>Key Figures</b> (€ in millions)												
Net sales <sup>1)</sup>	5,447	4,562	5,038	4,199	5,677	5,222	9%	-	4,500	16,162	13,983	16%
Gross profit <sup>1)</sup>	2,702	2,290	2,525	2,074	2,864	2,510	14%	-	2,226	8,090	6,874	18%
Other operating expenses <sup>1)</sup>	2,122	1,824	2,072	1,833	2,129	1,963	8%	-	2,265	6,323	5,620	13%
EBITDA <sup>1)</sup>	763	616	599	519	876	678	29%	-	140	2,238	1,813	23%
Operating profit <sup>1)</sup>	637	521	505	429	795	591	35%	-	41	1,938	1,541	26%
Income Before Taxes <sup>1)</sup>	645	527	486	425	767	573	34%	-	10	1,899	1,525	24%
Net Income from continuing operations <sup>1)</sup>	462	370	347	301	549	407	35%	-	4	1,358	1,078	26%
Net Income attributable to shareholders <sup>2)</sup>	455	351	158	291	526	386	36%	-	(10)	1,139	1,027	11%
<b>Key Ratios</b>												
Gross margin <sup>1)</sup>	49.6%	50.2 %	50.1%	49.4 %	50.4%	48.1 %	2.4 pp	-	49.5%	50.1%	49.2%	0.9 pp
Other operating expenses in % of net sales <sup>1)</sup>	39.0%	40.0 %	41.1%	43.7 %	37.5%	37.6 %	(0.1pp)	-	50.3%	39.1%	40.2%	(1.1pp)
Operating margin <sup>1)</sup>	11.7%	11.4 %	10.0%	10.2 %	14.0%	11.3 %	2.7 pp	-	0.9%	12.0%	11.0%	1.0 pp
Effective tax rate <sup>1)</sup>	28.4%	29.9 %	28.6%	29.2 %	28.5%	29.0 %	(0.5pp)	-	62.3%	28.5%	29.3%	(0.8pp)
Net Income attributable to shareholders in % of net sales <sup>2)</sup>	8.3%	7.7 %	3.1%	6.9 %	9.3%	7.4 %	1.9 pp	-	(0.2%)	7.0%	7.3%	(0.3pp)

<sup>1)</sup> Figures reflect continuing operations as a result of the divestiture of the Rockport, TaylorMade and CCM Hockey businesses.

<sup>2)</sup> Includes continuing and discontinued operations.

## Consolidated Statement of Financial Position and Cash Flow Highlights

	March 31		June 30		September 30			December 31	
	2017	2016	2017	2016	2017	2016	Change	2017	2016
<b>Key Figures</b> (€ in millions)									
Total assets	15,684	13,415	14,692	14,029	14,871	14,255	4%	-	15,176
Accounts receivable	2,876	2,517	2,477	2,356	2,808	2,715	3%	-	2,200
Inventories	3,609	2,939	3,644	3,514	3,441	3,203	7%	-	3,763
Operating working capital	4,554	3,883	4,258	4,013	4,502	4,228	6%	-	3,468
Net borrowings	859	809	735	1,028	345	769	(55%)	-	103
Shareholders' equity	6,719	5,679	6,141	5,792	6,470	6,126	6%	-	6,472
Capital expenditures	116	68	266	201	465	361	29%	-	651
Net cash generated from/(used in) operating activities	(542)	(266)	167	(75)	742	376	97%	-	1,348
<b>Key ratios</b>									
Average operating working capital in % of net sales <sup>1)2)</sup>	21.0%	21.2%	20.4%	21.4%	20.3%	21.3%	(1.0pp)	-	21.1%
Equity ratio	42.8%	42.3%	41.8%	41.3%	43.5%	43.0%	0.5 pp	-	42.6%
Net borrowings/EBITDA <sup>1)3)</sup>	0.4	0.5	0.3	0.6	0.1	0.4	n.a.	-	0.1
Financial leverage	12.8%	14.2%	12.0%	17.7%	5.3%	12.6%	(7.2pp)	-	1.6%

<sup>1)</sup> Figures reflect continuing operations as a result of the divestiture of the Rockport, TaylorMade and CCM Hockey businesses.

<sup>2)</sup> Twelve-month trailing average.

<sup>3)</sup> EBITDA of last twelve months.

Financial Highlights by Segment (€ in millions)

	First Quarter		Second Quarter		Third Quarter			Change [c.n.]	Fourth Quarter		YTD			
	2017	2016	2017	2016	2017	2016	Change		2017	2016	2017	2016	Change	Change [c.n.]
<b>Western Europe</b>														
Net sales	1,523	1,414	1,421	1,214	1,656	1,557	6 %	7 %		1,105	4,600	4,185	10 %	12 %
adidas brand	1,374	1,294	1,315	1,133	1,512	1,438	5 %	6 %		1,024	4,200	3,865	9 %	10 %
Reebok brand	149	121	107	81	144	119	21 %	21 %		81	400	320	25 %	26 %
Gross profit	678	651	637	534	748	676	11 %			488	2,063	1,861	11 %	
<i>Gross margin</i>	44.5%	46.1%	44.8%	44.0%	45.2%	43.4%	1.8 pp			44.2%	44.8%	44.5%	0.4 pp	
Operating expenses	350	338	352	324	364	342	6 %			394	1,066	1,005	6 %	
<i>Operating expenses in % of net sales</i>	23.0%	23.9%	24.8%	26.7%	22.0%	22.0%	0.0 pp			35.6%	23.2%	24.0%	(0.8 pp)	
Operating profit	328	313	285	210	384	334	15 %			94	997	857	16 %	
<i>Operating margin</i>	21.5%	22.2%	20.1%	17.3%	23.2%	21.4%	1.8 pp			8.5%	21.7%	20.5%	1.2 pp	
<b>North America</b>														
Net sales	988	728	1,014	788	1,099	927	19 %	23 %		969	3,100	2,443	27 %	26 %
adidas brand	880	621	915	673	994	788	26 %	31 %		815	2,789	2,082	34 %	33 %
Reebok brand	108	106	99	115	105	139	[25 %]	[22 %]		153	312	361	[14 %]	[14 %]
Gross profit	376	274	420	305	437	346	26 %			360	1,233	926	33 %	
<i>Gross margin</i>	38.1%	37.7%	41.4%	38.8%	39.8%	37.3%	2.4 pp			37.2%	39.8%	37.9%	1.9 pp	
Operating expenses	294	266	304	247	329	290	13 %			321	927	803	15 %	
<i>Operating expenses in % of net sales</i>	29.7%	36.6%	30.0%	31.3%	29.9%	31.3%	(1.3 pp)			33.1%	29.9%	32.9%	(3.0 pp)	
Operating profit	97	19	131	74	123	71	73 %			49	352	165	113 %	
<i>Operating margin</i>	9.8 %	2.7 %	12.9 %	9.4 %	11.2 %	7.7%	3.5 pp			5.1%	11.3 %	6.8 %	4.6 pp	
<b>Greater China</b>														
Net sales	990	762	865	685	1,012	822	23 %	28 %		741	2,867	2,269	26 %	29 %
adidas brand	970	746	846	669	992	803	24 %	29 %		726	2,808	2,218	27 %	29 %
Reebok brand	20	17	19	15	20	19	5 %	9 %		16	59	51	16 %	16 %
Gross profit	583	436	516	413	565	466	21 %			416	1,664	1,316	27 %	
<i>Gross margin</i>	58.9%	57.2%	59.6%	60.3%	55.9%	56.8%	(0.9 pp)			56.0%	58.1%	58.0%	0.1 pp	
Operating expenses	188	138	206	159	203	182	12 %			192	597	479	25 %	
<i>Operating expenses in % of net sales</i>	19.0%	18.1%	23.8%	23.2%	20.1%	22.2%	(2.1 pp)			25.9%	20.8%	21.1%	(0.3 pp)	
Operating profit	396	298	310	254	362	284	27 %			223	1,067	837	28 %	
<i>Operating margin</i>	39.9%	39.1%	35.8%	37.2%	35.8%	34.6%	1.2 pp			30.1%	37.2%	36.9%	0.4 pp	
<b>Russia/CIS</b>														
Net sales	160	138	181	172	173	195	[11 %]	[17 %]		175	514	505	2 %	[13 %]
adidas brand	116	106	135	132	125	148	[15 %]	[21 %]		128	376	386	[3 %]	[16 %]
Reebok brand	44	32	46	39	48	47	2 %	[5 %]		47	138	119	16 %	[0 %]
Gross profit	100	80	120	100	114	111	3 %			104	334	291	15 %	
<i>Gross margin</i>	62.3%	57.7%	66.4%	58.2%	65.8%	57.0%	8.8 pp			59.7%	64.9%	57.6%	7.3 pp	
Operating expenses	86	66	75	68	67	79	[15 %]			78	228	212	7 %	
<i>Operating expenses in % of net sales</i>	54.0%	47.8%	41.6%	39.6%	38.6%	40.3%	(1.7 pp)			44.5%	44.4%	42.1%	2.3 pp	
Operating profit	13	14	45	32	47	33	45 %			27	105	78	35 %	
<i>Operating margin</i>	8.2%	9.9%	24.8%	18.6%	27.2%	16.7%	10.5 pp			15.2%	20.5%	15.5%	5.0 pp	

Financial Highlights by Segment (€ in millions)

	First Quarter		Second Quarter		Third Quarter			Change [c.n.]	Fourth Quarter		YTD			
	2017	2016	2017	2016	2017	2016	Change		2017	2016	2017	2016	Change	Change [c.n.]
<b>Latin America</b>														
Net sales	454	394	441	379	502	487	3 %	8 %	471	1,397	1,260	11 %	10 %	
adidas brand	397	350	387	330	441	424	4 %	9 %	411	1,226	1,105	11 %	10 %	
Reebok brand	57	44	53	48	61	63	[4 %]	2 %	61	171	155	10 %	11 %	
Gross profit	181	178	173	156	200	195	2 %		204	554	529	5 %		
Gross margin	39.9%	45.2%	39.2%	41.1%	39.8%	40.1%	(0.3 pp)		43.4%	39.6%	42.0%	(2.4 pp)		
Operating expenses	132	122	126	116	132	124	6 %		144	390	363	8 %		
Operating expenses in % of net sales	29.0%	31.1%	28.6%	30.6%	26.3%	25.5%	0.7 pp		30.6%	27.9%	28.8%	(0.9 pp)		
Operating profit	49	56	47	40	68	71	[4 %]		60	164	167	[1 %]		
Operating margin	10.9%	14.1%	10.6%	10.5%	13.6%	14.6%	(1.0 pp)		12.7%	11.7%	13.2%	(1.5 pp)		
<b>Japan</b>														
Net sales	301	236	261	236	243	264	[8 %]	3 %	271	805	736	9 %	12 %	
adidas brand	270	212	233	209	220	238	[8 %]	3 %	248	723	660	10 %	12 %	
Reebok brand	30	24	28	27	23	26	[11 %]	0 %	23	81	77	6 %	9 %	
Gross profit	154	116	140	120	130	128	2 %		133	424	364	17 %		
Gross margin	51.2%	49.0%	53.7%	51.0%	53.5%	48.3%	5.2 pp		49.2%	52.7%	49.4%	3.3 pp		
Other operating expenses	78	70	77	72	73	75	[3 %]		87	227	217	5 %		
Other operating expenses in % of net sales	25.9%	29.4%	29.4%	30.8%	29.9%	28.4%	1.5 pp		32.0%	28.2%	29.5%	(1.3 pp)		
Operating profit	81	50	67	51	61	56	9 %		50	209	157	33 %		
Operating margin	26.8%	21.2%	25.8%	21.6%	25.3%	21.3%	3.9 pp		18.4%	26.0%	21.4%	4.6 pp		
<b>MEAA (Middle East, Africa and other Asian markets)</b>														
Net sales	833	701	657	572	801	794	1 %	6 %	618	2,291	2,067	11 %	11 %	
adidas brand	751	630	584	502	716	713	0 %	5 %	540	2,050	1,845	11 %	11 %	
Reebok brand	83	71	74	70	85	81	6 %	9 %	79	241	222	9 %	8 %	
Gross profit	421	356	343	283	417	396	5 %		309	1,181	1,035	14 %		
Gross margin	50.5%	50.7%	52.2%	49.4%	52.0%	49.9%	2.2 pp		50.0%	51.5%	50.1%	1.5 pp		
Operating expenses	171	142	161	156	150	154	[3 %]		171	481	452	6 %		
Operating expenses in % of net sales	20.5%	20.2%	24.4%	27.3%	18.7%	19.4%	(0.8 pp)		27.7%	21.0%	21.9%	(0.9 pp)		
Operating profit	250	214	183	127	267	242	10 %		138	701	584	20 %		
Operating margin	30.1%	30.6%	27.8%	22.2%	33.4%	30.5%	2.9 pp		22.3%	30.6%	28.3%	2.3 pp		
<b>Other Businesses<sup>1)</sup></b>														
Net sales	197	189	198	155	192	175	10 %	14 %	149	587	519	13 %	14 %	
Gross profit	82	77	79	62	68	74	[9 %]	[6 %]	57	229	213	7 %	8 %	
Gross margin	41.9%	40.7%	39.9%	39.9%	35.2%	42.4%	(7.2 pp)	-	38.2%	39.0%	41.1%	(2.1 pp)	-	
Operating expenses	52	55	58	74	46	46	0 %	-	48	156	174	(10 %)	-	
Operating expenses in % of net sales	26.6%	28.9%	29.1%	47.7%	24.0%	26.3%	(2.3 pp)	-	32.1%	26.6%	33.6%	(7.0 pp)	-	
Operating profit	31	23	22	[11]	23	29	[24 %]	-	10	76	42	80%	-	
Operating margin	16.0 %	12.3 %	11.2 %	[6.8 %]	11.7 %	16.9 %	[5.1 pp]	-	6.9 %	13.0 %	8.1 %	4.8 pp	-	

<sup>1)</sup> Figures reflect continuing operations as a result of the divestiture of the Rockport, TaylorMade and CCM Hockey businesses.

## Financial Highlights by Brand (€ in millions)

	First Quarter		Second Quarter		Third Quarter				Fourth Quarter		YTD			
	2017	2016	2017	2016	2017	2016	Change	Change (c.n.)	2017	2016	2017	2016	Change	Change (c.n.)
<b>Net Sales by Brand</b>														
adidas brand	4,842	4,036	4,497	3,705	5,091	4,640	10%	13%	3,953	14,431	12,381	17 %	17 %	
Reebok brand	492	416	431	399	485	493	-2%	1%	462	1,409	1,308	8 %	6 %	
<b>Total<sup>1)</sup></b>	<b>5,447</b>	<b>4,562</b>	<b>5,038</b>	<b>4,199</b>	<b>5,677</b>	<b>5,222</b>	<b>9%</b>	<b>12%</b>	<b>4,500</b>	<b>16,162</b>	<b>13,983</b>	<b>16 %</b>	<b>16 %</b>	
<b>Gross Margin by Brand</b>														
adidas brand	47.2 %	47.4 %	48.0 %	46.5 %	47.1%	45.6%	1.4 pp		46.2 %	47.4%	46.5%	0.9 pp		
Reebok brand	39.0 %	38.0 %	41.0 %	36.8 %	40.9%	36.7%	4.3 pp		35.4 %	40.3%	37.1%	3.1 pp		
<b>Net Sales by Product Category</b>														
Footwear <sup>1)</sup>	3,301	2,568	3,028	2,291	3,266	2,859	14%	18%	2,415	9,595	7,717	24 %	25 %	
Apparel <sup>1)</sup>	1,895	1,748	1,748	1,656	2,144	2,082	3%	6%	1,866	5,787	5,485	5 %	6 %	
Hardware <sup>1)</sup>	251	247	262	253	267	281	-5%	1%	218	780	781	0 %	(0 %)	
<b>Total<sup>1)</sup></b>	<b>5,447</b>	<b>4,562</b>	<b>5,038</b>	<b>4,199</b>	<b>5,677</b>	<b>5,222</b>	<b>9%</b>	<b>12%</b>	<b>4,500</b>	<b>16,162</b>	<b>13,983</b>	<b>16 %</b>	<b>16 %</b>	

Rounding differences may arise.

<sup>1)</sup> Figures reflect continuing operations as a result of the divestiture of the Rockport, TaylorMade and CCM Hockey businesses.



## Retail at a Glance

	First Quarter		Second Quarter		Third Quarter			Fourth Quarter		YTD	
	2017	2016	2017	2016	2017	2016	Change (c.n.)	2017	2016	2017	2016
Number of stores <sup>1)</sup>	2,686	2,707	2,658	2,744	2,634	2,751		2,811	2,634	2,751	
Concept stores	1,657	1,693	1,632	1,720	1,605	1,728		1,757	1,605	1,728	
Concession corners	147	153	145	152	136	147		152	136	147	
Factory outlets	882	861	881	872	893	876		902	893	876	
Stores by brand <sup>1)</sup>											
adidas brand	1,451	1,478	1,433	1,499	1,416	1,510		1,531	1,416	1,510	
Reebok brand	353	368	344	373	325	365		378	325	365	
Multibrand	882	861	881	872	893	876		902	893	876	
Opening	60	54	75	83	61	72		128	196	209	
Closing	185	69	103	46	85	65		68	373	180	
Net opening/(net closing)	(125)	(15)	(28)	37	(24)	7		60	(177)	29	
Net sales <sup>2)</sup>	1,290	1,034	1,467	1,177	1,417	1,330	9%	1,462	4,175	3,541	16%
adidas brand							10%				18%
Reebok brand							0%				3%
eCommerce							39%				52%
Comp							2%				4%
adidas brand Comp							3%				5%
Reebok brand Comp							[3 %]				[1 %]

<sup>1)</sup> At quarter-end.

<sup>2)</sup> € in millions.