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**FOR IMMEDIATE RELEASE**

**September 5, 2018**

## **adidas AG announces issuance of equity-neutral convertible bond**

**Herzogenaurach** – With the approval of the Supervisory Board, the Executive Board of adidas AG has decided to issue an equity-neutral convertible bond of up to € 500 million. The convertible bond will have a term of five years. The proceeds of the offering will be used for general corporate purposes and, as previously announced, to finance a portion of the multi-year share buyback program. Under the current program announced in March 2018, the company intends to buy back shares of up to € 3.0 billion in total until May 2021. Up until and including August 31, adidas has bought back 3.5 million shares worth € 677 million under the current program.

Through the convertible bond, investors can benefit from a positive performance of adidas' ordinary shares. Investors will have conversion rights in respect to the convertible bond which will be settled in cash by reference to the share price. Due to the cash settlement, the issue and conversion of the convertible bond will not result in the issuance of any new shares of adidas nor will adidas be required to deliver existing shares. Concurrently with the issuance of the convertible bond, adidas will purchase call options on the ordinary shares to hedge the economic exposure of adidas to pay cash amounts upon any exercise of conversion rights by investors.

The convertible bond will be issued on September 5, 2018 at a price ranging between 104% and 108% of its nominal value. The nominal value of each convertible bond will be € 200,000.

The convertible bond will be offered through an accelerated book building process. Settlement and closing are expected on September 12, 2018. adidas intends to apply for the convertible bond to be included in the Open Market (Freiverkehr) segment of the Frankfurt Stock Exchange.

Citigroup Global Markets Limited is acting as Sole Global Coordinator, and, together with HSBC, Deutsche Bank AG, BofAMerrill Lynch and Unicredit AG, as Joint Bookrunners for the offering.



It is anticipated that adidas' counterparties to the call options will hedge their positions through the purchase or sale of adidas shares, or any other transactions.

This notice is for information purposes only and is not an offer for sale or a solicitation of an offer to purchase the above-mentioned convertible bond or any other security of adidas AG.

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In the United Kingdom, this announcement is only being distributed to and is only directed at (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") and (ii) high net worth entities falling within Article 49(2) of the Order and (iii) persons to whom it would otherwise be lawful to distribute it (all such persons together being referred to as "relevant persons"). The Bonds are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Bonds will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this announcement or any of its contents.

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