



**For immediate release**

**April 5, 2007**

**adidas Group Announces Consolidation of adidas and Reebok brands'  
U.S. Apparel and Footwear Distribution Centers  
into New U.S. Location by Fall 2009**

*Consolidation will strengthen operational efficiencies, including improved shipping times, increased service capabilities*

**Canton, Massachusetts** – The adidas Group announces it will consolidate the adidas brand's apparel distribution center in Hebron, Kentucky, its footwear distribution center in Spartanburg, South Carolina and the Reebok brand's apparel distribution center in Memphis, Tennessee, and its footwear distribution centers in Stoughton and Norwood, Massachusetts, into new facilities in Spartanburg, South Carolina, by fall 2009. The decision to develop an integrated distribution network will strengthen the Group's competitive position, as well as contribute to the synergies created by the integration of adidas and Reebok.

The facilities in Memphis and Hebron are expected to remain in operation until the fall of 2008. The facilities in Stoughton, Norwood and Spartanburg are expected to remain in operation until the fall of 2009.

U.S. distribution centers that are not affected by the consolidation include: Reebok's Sports Licensed Division facilities in Mattapoisett, Massachusetts, Indianapolis, Indiana and Cedar Rapids, Iowa, the Rockport Company facility in Lancaster, Massachusetts, and the Taylor Made-adidas Golf facility in Carlsbad, California.

"Maintaining separate distribution systems for adidas and Reebok apparel and footwear in different parts of the United States is not an efficient way of effectively managing this critical aspect of our business," said Lars Soerensen, Senior Vice President, Global Logistics for the adidas Group.

The consolidation will affect approximately 375 adidas and Reebok brand employees at apparel distribution facilities in Memphis and Hebron and at footwear distribution facilities in Stoughton and Norwood. adidas employees currently in Spartanburg will move to the new site a few miles away.

"One of our top priorities is to ensure that all of the affected employees are treated fairly," said Liam Devoy, Head of Global Warehousing for the adidas Group. "In addition to providing ample advance notice to the employees, we are offering severance packages and job transition assistance. Opportunities in the new facilities will also be available."

Construction on the state-of-the-art facilities in Spartanburg will begin shortly. The company plans to build a footwear facility measuring approximately 1.1 million square feet and an apparel facility measuring approximately 800,000 square feet.

### **About the adidas Group**

The adidas Group is one of the global leaders within the sporting goods industry, offering a broad range of products around three core segments adidas, Reebok and TaylorMade-adidas Golf. Headquartered in Herzogenaurach, Germany, the Group has more than 26,000 employees and sales of over €10 billion.

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