

## **adidas Group presents 2015 strategic business plan**

- **Group plans sales growth of 45% to 50% to € 17 billion in 2015**
- **Bottom line to grow faster than top line with a compounded annual earnings growth rate of 15% per year**
- **Operating margin to reach 11%**
- **Targets based on strong and unmatched brand portfolio**

**Herzogenaurach** – The adidas Group today presented its 2015 strategic business plan at its Investor Day in Herzogenaurach, Germany. Named “Route 2015”, the plan aims at growing the business of the entire adidas Group compared to the expected 2010 results by 45% to 50% to € 17 billion in 2015.

Based on the Group’s strong brands, premium products, extensive global presence and its commitment to innovation and the consumer, the adidas Group aspires to outperform total market growth (both GDP and sporting goods market) and to continue growing its bottom line faster than its top line. In addition, the Group plans to lay the foundation for leadership in the sporting goods industry by outgrowing its major competitor in the next five years. The Group targets a compounded annual earnings growth rate of 15% and wants to reach an operating margin of 11% sustainably by 2015 at the latest.

“Brand success means business success for the adidas Group, that’s why we have set out clear business targets based on our strong and unmatched brand portfolio,” said Herbert Hainer, CEO of the adidas Group. “We want to achieve qualitative and sustainable growth by building desirable, leading brands in consumers’ and customers’ perception. Over the next few years, we will invest in our brands in order to reach our ambitious, but realistic targets. I am confident that our strategic business plan will lead us into a new era of success for the adidas Group.”

As part of the strategic business plan, adidas and Reebok are taking clear positions in the marketplace. While adidas is targeted at competitive sports with its Sport Performance division based on innovation and technology, and towards the sports lifestyle and fashion consumer with its Sport Style division, Reebok will become the fitness and training brand for active and casual sports.

Areas within the adidas and Reebok brands that were identified as key contributors to sustainable growth for the adidas Group include

- establishing Reebok as the leading fitness and training brand;
- gaining sales and market share in the running and basketball categories within the adidas Sport Performance division;
- expanding adidas Sport Style in the fast fashion business with NEO
- and leading the industry in the fields of customisation and interactivity.

Besides these growth projects within the adidas and Reebok brands, several growth initiatives within Global Sales (including Own Retail, eCommerce and Retail Space Management) and efficiency projects across the Group (including Planning, Virtualisation and Organisational Efficiency) will further support the adidas Group on its way towards qualitative growth and long-term success. In terms of geographical distribution, North America, Greater China, Russia/CIS, Latin America, Japan, UK and India have been identified as key growth markets.

The strategic business plan is the most comprehensive plan the adidas Group has ever presented, incorporating all brands, sales channels and Group functions globally.

Herbert Hainer: "Since we launched our first growth initiative back in 2001, we have fundamentally redefined the competitive landscape of our industry and have now created what is universally acknowledged as a global two-horse race. From 2001 to 2010, our sales will have doubled to well over € 11 billion. Our net income over this same period will have almost tripled, to expected earnings of between € 560 and 565 million in 2010. Therefore, we are now well prepared to enter our next growth phase based on our mission to be the leading sporting goods company in the world."

### **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 the core brands: adidas, Reebok, TaylorMade, Rockport and Reebok-CCM Hockey. Headquartered in Herzogenaurach, Germany, the Group has more than 42,000 employees and generated sales of € 10.4 billion in 2009.

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