Agenda

• Regional Update

• First Quarter Results Recap

• Strategic Initiatives

• Outlook and Summary
Diverse Performance By Region And Market
Strong Presence In Emerging Markets

- Group continues to benefit from strong presence in global emerging markets
- First quarter emerging market sales growth rate excluding China and Russia around prior year levels
- Particular strength in Latin America
Underlying Russian Business Solid

- Underlying strength of Group brands intact
- Higher volumes compared to prior year
- Significant negative currency impact
Disciplined Approach Towards Inventory Management In China

• Excess inventory in the marketplace hampers industry growth

• adidas taking disciplined approach to nurture brand positioning

• Store base rationalisation at Reebok
Measures Taken To Keep North American Positioning Clean

- Group brands challenged by overall market weakness
- adidas takes action to keep market positioning healthy
- Reebok product offering improving
adidas Group Consistent With Long-Term Strategies

- Macroeconomic development challenges persist
- Disciplined execution of Group strategies
- Decisive steps taken to shape organisation for the long-term future
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adidas Group Revenues Decrease 6% In Q1 2009

- adidas: 6% decrease in euros, 3% in currency-neutral terms.
- Reebok: 4% decrease in euros, 1% in currency-neutral terms.
- Taylor Made: 6% decrease in euros, 2% in currency-neutral terms.
Group Gross Margin Declines

- Higher input costs
- Currency devaluation effect, in particular related to the Russian rouble
- Promotional retail environment

Group gross profit declines 10% to € 1.164 billion

1) Includes HQ/Consolidation
## Factors Driving Operating Expense Increase

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Own Retail</strong></td>
<td>• Continued investments into controlled space (adidas + Reebok)</td>
</tr>
<tr>
<td><strong>Allowances</strong></td>
<td>• Allowances for doubtful debts</td>
</tr>
<tr>
<td></td>
<td>• Effect: € 34 million (across all segments)</td>
</tr>
<tr>
<td><strong>Reebok restructuring</strong></td>
<td>• Restructuring in Europe and US</td>
</tr>
<tr>
<td></td>
<td>• Effect: € 26 million (Reebok + HQ/Consolidation)</td>
</tr>
<tr>
<td><strong>Ashworth</strong></td>
<td>• Consolidation and integration of Ashworth</td>
</tr>
<tr>
<td></td>
<td>• Effect: € 5 million (TaylorMade-adidas Golf)</td>
</tr>
<tr>
<td><strong>Gekko</strong></td>
<td>• Negative operating profit and loss from divestiture</td>
</tr>
<tr>
<td></td>
<td>• Effect: € 9 million (HQ/Consolidation)</td>
</tr>
<tr>
<td><strong>Maxfli</strong></td>
<td>• Non-recurrence of prior year book gain</td>
</tr>
<tr>
<td></td>
<td>• Effect: € 6 million (TaylorMade-adidas Golf)</td>
</tr>
</tbody>
</table>
First Quarter Operating Margin Down 8.5pp

<table>
<thead>
<tr>
<th>Category</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Royalty and commission income</td>
<td>€ 20 million</td>
</tr>
<tr>
<td>Other operating income</td>
<td>€ 27 million</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>€ 1.153 billion</td>
</tr>
<tr>
<td>Other operating expenses as a percentage of sales</td>
<td>44.7%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>€ 58 million</td>
</tr>
<tr>
<td>Operating margin</td>
<td>2.2%</td>
</tr>
</tbody>
</table>
## Exchange Rate Effects Impact Financial Expenses

<table>
<thead>
<tr>
<th></th>
<th>Q1 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net financial expenses</td>
<td>€ 49 million</td>
</tr>
<tr>
<td></td>
<td>+56%</td>
</tr>
<tr>
<td>Income tax rate</td>
<td>51.7%</td>
</tr>
<tr>
<td></td>
<td>+19.7pp</td>
</tr>
<tr>
<td>Minority interests</td>
<td>negative € 1m</td>
</tr>
<tr>
<td></td>
<td>(164%)</td>
</tr>
<tr>
<td>Net income attributable to shareholders</td>
<td>€ 5 million</td>
</tr>
<tr>
<td></td>
<td>(97%)</td>
</tr>
<tr>
<td>Basic earnings per share</td>
<td>€ 0.02</td>
</tr>
<tr>
<td></td>
<td>(97%)</td>
</tr>
<tr>
<td>Diluted earnings per share</td>
<td>€ 0.04</td>
</tr>
<tr>
<td></td>
<td>(95%)</td>
</tr>
</tbody>
</table>
Operating Working Capital Increases

- Inventories increase 18% on a currency-neutral basis
  - Demand slowdown
  - New Reebok companies
  - Ashworth acquisition
- Receivables up 11% on a currency-neutral basis
  - Slower receipt of payments
  - New Reebok companies
  - Ashworth acquisition

![Chart showing average operating working capital as a % of net sales, at quarter-end.](chart.png)
Net Debt Increases € 810 Million

- Net borrowings increase 39% to € 2.883 billion
  - Negative operating working capital development
  - Share buyback
  - Currency translation effects

- Financial leverage increases 8.9pp to 81.8%

2009 focus on reduction of net borrowings
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Increased regional complexity

Build-up of own retail

Strong growth over long period of time
Cost-Saving Activities Related To Four Major Areas

- Rightsizing and integration of business units
- Implementation of separate wholesale and retail structures
- Elimination of regional headquarters
- Streamlining of sourcing and product creation processes and organisation

Annual cost savings to exceed € 100 million
All measures to be implemented by year-end
One-time costs of around € 100 million expected in 2009
New Global Organizational Blueprint

Distribution re-alignment by channel will improve coordination across markets
Elimination of regional headquarters

2008

- Group
  - adidas
  - Reebok
  - Region Europe
    - Germany

2009 Joint Operating Model

- Group
  - adidas
  - Reebok
  - Region Europe
    - Germany

2009 Elimination of Regions

- Group
  - adidas
  - Reebok
  - Region Europe
    - Germany

Joint Operating Model

Germany
One Year To Go Until 2010 FIFA World Cup™

- Official Sponsor, Licensee and Supplier
- Supplier of Official Match Ball
- Extensive football collection for players and fans
- Excellent federations and player portfolio
- Football market leader in South Africa
• adidas is the global market leader in football across all regions
• Strong position in key markets
• Leading in all football categories: footwear, apparel, hardware

Full Year 2008, Source: NPD, SportScan
Full World Cup Product Launch Schedule
New Lines Add Momentum To adidas Sport Style
Successful Launch Of Reebok Women’s Initiatives
Constant Innovation At TaylorMade-adidas Golf
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### 2009 Guidance

<table>
<thead>
<tr>
<th></th>
<th>adidas Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales (currency-neutral)</td>
<td>Low- to mid-single-digit decline</td>
</tr>
<tr>
<td>Gross margin</td>
<td>Decline</td>
</tr>
<tr>
<td>Operating margin</td>
<td>Decline</td>
</tr>
<tr>
<td>Earnings per share</td>
<td>Decline</td>
</tr>
</tbody>
</table>
adidas Group Ready For The Challenges Ahead

- Proactive approach to crisis
- Building brand equity for long-term, sustainable growth
- Important measures taken to leverage Group strength
APPENDIX
<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 5, 2009</td>
<td>First Half 2009 Results</td>
</tr>
<tr>
<td>November 4, 2009</td>
<td>Nine Months 2009 Results</td>
</tr>
</tbody>
</table>