Agenda

- Operational Highlights

- Financial Highlights

- Strategic Initiatives and Outlook
### First Half Year 2009 - Challenges And Positives

<table>
<thead>
<tr>
<th>Challenges</th>
<th>Positives</th>
</tr>
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<tbody>
<tr>
<td>• Macroeconomic environment</td>
<td>• Cash flow improvements in second quarter due to progress in operating working capital management</td>
</tr>
<tr>
<td>• Group profitability development</td>
<td>• € 380 million cash generated in Q2 due to improved operating working capital management</td>
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<tr>
<td>• Reebok revitalisation in men’s sport and lifestyle categories</td>
<td>• Net borrowings below Q1 level</td>
</tr>
<tr>
<td>• Remaining excess inventory in Asia</td>
<td>• Comprehensive restructuring programme announced - initiatives well on track</td>
</tr>
<tr>
<td>• Foreign exchange</td>
<td>• Consistent and disciplined execution of brand strategies</td>
</tr>
<tr>
<td>• Significant negative impact on gross margin and net financial expenses</td>
<td>• Healthy financing situation supported by successful Eurobond placement</td>
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<td></td>
<td>• Strong category developments</td>
</tr>
<tr>
<td></td>
<td>• adidas Sport Style, Reebok Women’s, TMaG metalwoods and irons</td>
</tr>
</tbody>
</table>
adidas Group First Half Results In Line With Guidance

<table>
<thead>
<tr>
<th></th>
<th>YTD 2009</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales (€ in millions)</td>
<td>€ 5,034</td>
<td>(2%) in euro</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(7%) c-n</td>
</tr>
<tr>
<td>Gross margin</td>
<td>45.1%</td>
<td>(4.6pp)</td>
</tr>
<tr>
<td>Diluted EPS</td>
<td>€ 0.10</td>
<td>(93%)</td>
</tr>
</tbody>
</table>
adidas Sales Impacted By Tough Market Conditions

• Q2 currency-neutral sales decrease 9%

• Sport Style revenues advance 15% currency-neutral in the second quarter

• Positive momentum in Latin America (+19%) and North America (+1%)

• Lower operating expenses drive Q2 operating margin 1.1pp higher to 10.7%
New Initiatives And Strong Sales Growth In Sport Style
Winning The Athlete Through Consistent Innovation
Preparations In Swing For Big 2010 Football Year

EVERY TEAM NEEDS THE SPARK

Adidas Football Equipment

adidas Group
Reebok Sales Decline 6% In First Half Year

- Q2 currency-neutral sales decrease 9%, down 6% year-to-date
- Double-digit increase in average footwear selling prices
- Women’s business up double-digit
- Encouraging retailer feedback on 2010 product initiatives
EasyTone™ Showing Strong Sell-Through Rates

Enormous market potential for toning category

Creating “first mover” advantage

Double-digit sell-through rates
Reebok Sales Guidance Lowered

- Momentum building in key initiatives
- Sales outlook revised to low- to mid-single-digit decline
- Slower than expected growth in emerging markets such as China and Latin America
TaylorMade-adidas Golf Grows 3% In Q2

- Currency-neutral sales grow 3% in Q2, down 1% year-to-date
- Second quarter currency-neutral sales up in all regions except Asia
- TaylorMade gains market share in a challenging environment
TMAg Continues To Take Significant Market Share
TaylorMade And Ashworth Extend Player Portfolio
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Sales Decline In All Regions Except Latin America

First half year sales growth by region:

- **Europe**: [9%] (Currency-neutral) [8%] (In euros)
- **North America**: [10%] (Currency-neutral) [1%] (In euros)
- **Asia**: [9%] (Currency-neutral) [3%] (In euros)
- **Latin America**: [15%] (Currency-neutral) [16%] (In euros)
Group Gross Margin Declines In First Half Year

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

Group gross profit declines 11% to € 2.269 billion

1) Includes HQ/Consolidation
### First Half Year EPS In Line With Guidance

<table>
<thead>
<tr>
<th></th>
<th>Q2 2009</th>
<th>First Half 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other operating expenses as a percentage of sales</td>
<td>+0.6pp 43.9%</td>
<td>+2.7pp 44.3%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>(66%) € 72 million</td>
<td>(74%) € 129 million</td>
</tr>
<tr>
<td>Operating margin</td>
<td>(5.3pp) 2.9%</td>
<td>(7.0pp) 2.6%</td>
</tr>
<tr>
<td>Net financial expenses</td>
<td>+10% € 43 million</td>
<td>+31% € 93 million</td>
</tr>
<tr>
<td>Net income attributable to shareholders</td>
<td>(93%) € 9 million</td>
<td>(95%) € 13 million</td>
</tr>
<tr>
<td>Diluted earnings per share</td>
<td>(90%) € 0.06</td>
<td>(93%) € 0.10</td>
</tr>
</tbody>
</table>
Inventory Growth Rate Sequentially Declines

- Inventories increase 8% on a currency-neutral basis
- Reebok and TaylorMade-adidas Golf excluding Ashworth inventories decline
- adidas inventories in Europe and North America similar to prior year
- Threat of import tariffs in Latin America
- Working through inventory issues in Asia

Sourcing volumes markedly reduced for H2 2009
Improving Operating Working Capital Top Priority

- Receivables up 4% on a currency-neutral basis
  - Slower receipt of payments
  - Ashworth acquisition
- Payables increase 6% on a currency-neutral basis
  - Higher volume of inventories
- OWC as a % of sales increases to 26.2%

Average operating working capital as a % of net sales, at quarter-end

OWC targeted to be source of cash in 2009
Net Debt Increases € 472 Million Year-Over-Year

- Net borrowings down versus prior quarter
- Year-over-year increase of 21% to € 2.732 billion
- Financial leverage increases 3.3pp to 85.7%

2009 focus on reduction of net borrowings
Significant Improvement Of Debt Financing Structure

- Issuance of a €200 million German Private Placement in June
  - 3- and 5-year maturities
- Placement of €500 million Eurobond issue in July
  - 5-year maturity
  - Pricing 200bps above mid-swap
  - Transaction multiple times oversubscribed
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Pillars Key To Our Group’s Success

- Leading through innovation and design
- Excelling in wholesale distribution and controlled space
- Leveraging the scale of the organisation

adidas Group strategy

Long-term success
Restructuring Objectives

Get closer to the consumer
- Accelerate speed to market
- Increase responsiveness to market needs

Increase effectiveness
- Strengthen consistency of brand messages
- Ensure sufficient return on investment

Manage channel synergies
- Cater to unique needs of wholesale and retail business models
- Build up dedicated retail organization
## Principles Of New Group Structure

### Global Brands
- Foster further alignment between the brands
- Strengthen integrated brand management to support long-term growth strategies

### Global Sales
- Drive well-coordinated and best practice execution in the marketplace for both brands
- Focus on the customer (wholesale) and the consumer (retail)

### Global Functions
- Multi-branded administrative and support functions to achieve cost synergies and optimal service to the operating business
Reassignment Of Board Responsibilities

Group CEO
Herbert Hainer

Global Brands
Erich Stamminger

adidas Sport Performance
adidas Sport Style
Reebok

Global Sales
Herbert Hainer

Wholesale
Retail
### Group Outlook For 2009 Confirmed

<table>
<thead>
<tr>
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<tr>
<td><strong>Sales (currency-neutral)</strong></td>
<td>Low- to mid-single-digit decline</td>
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<td><strong>Gross margin</strong></td>
<td>Decline</td>
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<tr>
<td><strong>Operating margin</strong></td>
<td>Decline</td>
</tr>
<tr>
<td><strong>Earnings per share</strong></td>
<td>To improve in H2 09 compared to H1 09, albeit below prior year levels</td>
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adidas Group Tackling Challenges Head-on

- Highly motivated organization
- Proactive approach to crisis
- Building brand equity for long-term, sustainable growth
- Important measures taken to leverage Group strength