Agenda

• 2010 Highlights
  • Outlook
• 2015 Aspirations
adidas Group Delivers On Key 2010 Priorities

- Football / 2010 FIFA World Cup
- adidas Sport Style
- Reebok Transformation
- Growth in North America
- Growth in China in H2
adidas Group Achieves Record Q3 And YTD Sales

<table>
<thead>
<tr>
<th></th>
<th>Q3 2010</th>
<th>Change</th>
<th>YTD 2010</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales (€ in millions)</strong></td>
<td>3,468</td>
<td>10%&lt;sup&gt;1)&lt;/sup&gt;</td>
<td>9,059</td>
<td>8%&lt;sup&gt;1)&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Gross margin</strong></td>
<td>47.3%</td>
<td>2.1pp</td>
<td>48.2%</td>
<td>3.1pp</td>
</tr>
<tr>
<td><strong>Operating margin</strong></td>
<td>11.8%</td>
<td>0.2pp</td>
<td>9.6%</td>
<td>3.7pp</td>
</tr>
<tr>
<td><strong>Diluted earnings per share</strong></td>
<td>€ 1.27</td>
<td>23%</td>
<td>€ 2.68</td>
<td>137%</td>
</tr>
</tbody>
</table>

<sup>1</sup> Currency-neutral
Agenda

• 2010 Highlights

• Outlook

• 2015 Aspirations
## 2010 Guidance

<table>
<thead>
<tr>
<th>Category</th>
<th>Guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Group sales (currency-neutral)</strong></td>
<td>Increase around 8%</td>
</tr>
<tr>
<td>Wholesale sales (currency-neutral)</td>
<td>mid-single-digit increase</td>
</tr>
<tr>
<td>Retail sales (currency-neutral)</td>
<td>mid-teens increase</td>
</tr>
<tr>
<td>Other Businesses sales (currency-neutral)</td>
<td>low-single-digit increase</td>
</tr>
<tr>
<td><strong>Gross margin</strong></td>
<td>around 47.5%</td>
</tr>
<tr>
<td><strong>Operating margin</strong></td>
<td>around 7.5%</td>
</tr>
<tr>
<td><strong>Diluted earnings per share</strong></td>
<td>€ 2.68 to € 2.70</td>
</tr>
</tbody>
</table>
2011 – Another Successful Year Ahead

• Group currency-neutral sales up at mid-single-digit rate

• Rising input and labour costs

• Currency volatility

• Diluted earnings per share to increase 10% to 15%
Agenda

• 2010 Highlights

• Outlook

• 2015 Aspirations
Market Growth Potential

Branded Sporting Goods
Market Share 2015

€59 bn
(at wholesale)

<table>
<thead>
<tr>
<th>Segment</th>
<th>Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>adidas SPD</td>
<td>14%</td>
</tr>
<tr>
<td>Reebok</td>
<td>5%</td>
</tr>
<tr>
<td>Originals / PD</td>
<td>4%</td>
</tr>
</tbody>
</table>

Fashion
Market Share 2015

€125 bn
(at wholesale)

<table>
<thead>
<tr>
<th>Segment</th>
<th>Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Originals / Y-3 / SLVR / NEO</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
</tbody>
</table>
## 2015 Strategic Business Plan Highlights

<table>
<thead>
<tr>
<th></th>
<th>2015 Roadmap</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Group sales</strong></td>
<td>€ 17 billion</td>
</tr>
<tr>
<td>Wholesale sales</td>
<td>€ 10.6 billion</td>
</tr>
<tr>
<td>Retail sales</td>
<td>€ 4.1 billion</td>
</tr>
<tr>
<td>e-Commerce</td>
<td>€ 0.5 billion</td>
</tr>
<tr>
<td>Other Businesses sales</td>
<td>€ 1.8 billion</td>
</tr>
<tr>
<td><strong>Operating margin</strong></td>
<td>11%</td>
</tr>
<tr>
<td><strong>Diluted earnings per share</strong></td>
<td>15% CAGR</td>
</tr>
</tbody>
</table>
Grow In the Right Way

Desirable Brands = Quality Growth = Enduring Success
Brand Architecture – Portfolio Strategy

- **8%**  
  Pure Performer
- **14%**  
  Athletic Style
- **22%**  
  Athletic Classic
- **14%**  
  Brand Driven
- **26%**  
  Sport Inspired
- **10%**  
  Style Adopter
- **6%**  
  Style Setter

- **12%**  
  Competitive Sports
- **78%**  
  Active Sports
- **10%**  
  Casual Sports
- **10%**  
  Sports Fashion
Global Brands Game Changing Growth Projects

REEBOK FITNESS EMPIRE

NEO FAST FASHION

ADIDAS RUNNING

BASKETBALL

CUSTOMIZATION

INTERACTIVITY
adidas Sport Performance – Making The Athlete Better

COOLER

STRONGER

FASTER

NATURAL

SMARTER
adidas Sport Style – Multi-Label Strategy

12 - 19 YEARS FOR THE STYLE-ADOPTING HIGH SCHOOL KID

16 - 24 YEARS FROM THE TRENDSETSERTER TO THE MAINSTREAM KID

24 - 36 YEARS FOR THE STYLISH ON-THE-GO INDIVIDUAL

24 - 36 YEARS FOR THE OUTWARDLY CONFIDENT, FORWARD-THINKING INDIVIDUAL

35+ YEARS FOR THE SOPHISTICATED, ACTIVE MAN
adidas Originals – Iconic And Authentic Street Style

CLEAR CONSUMER FOCUS

16 - 24 YEARS
FROM THE TRENDSETTER TO THE MAINSTREAM KID

CONNECTING YOUTH CULTURE

SPORT
FASHION
MUSIC
ART
NEO Label Attributes And USP

THE FRESHEST CASUAL SPORTSWEAR LABEL FOR TODAY’S YOUNG CONSUMER

**New**
NEO provides constant newness – always visible in collection and stores

**Active**
Attracting a consumer who is fully engaged in life, be it through social networking, family, friends, outdoor, sports ...

**Accessible**
Easy to find, to understand and to relate to: accessible design, price/value, offer for everyday occasions

**Authentic**
True to the consumer – expressing their personality in an honest and real way, reflecting their lifestyle and values
### NEO Targets A Global Consumer With A Homogenous Fashion Style

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Age</strong></td>
<td>- Core target consumer: 12 to 19 years</td>
</tr>
<tr>
<td></td>
<td>- Appeal to broader group: 12 to 35 years</td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td>- Intended long-term split</td>
</tr>
<tr>
<td></td>
<td>- Girls: 65%</td>
</tr>
<tr>
<td></td>
<td>- Guys: 35%</td>
</tr>
<tr>
<td></td>
<td>- Initial split: 50:50</td>
</tr>
<tr>
<td><strong>Price</strong></td>
<td>- Consumer willing to pay a premium of ~10% above average market price for</td>
</tr>
<tr>
<td></td>
<td>adidas brand (roughly at Zara level)</td>
</tr>
<tr>
<td><strong>Fashionability</strong></td>
<td>- Fashion-interested consumer who looks for trendy and seasonal fashion, but also buys basics</td>
</tr>
</tbody>
</table>
Reebok – The Fitness And Training Brand

*Change the World through Fitness - Body, Mind, Society*

- **Content**
- **Kids program**
- **Gyms**
- **Trainer/coach platform**
- **Web platform**
- **Fitness accessories**
- **Games / Events**
Three Elements Of Total Fitness

Strength

Conditioning

Flexibility
Key Concepts Fitness/Training

Reetone  Reezig  Reeflex
Reebok Classics Strategy

- Fit for the Street - thru lens of music/dance
- Building holistic product offering
- Marketing communications
- Introduce over time an American Sportswear line
Global Brands Growth

2010

€ 6.2 billion
€ 2.0 billion
€ 1.9 billion

2015

€ 8.5 billion
€ 3.7 billion
€ 3.0 billion
Global Sales Strategic Priorities

- Achieve controlled space of >45%
- Integrated distribution Roadmap
- Three “Attack” markets to generate 50% of sales growth

North America

Greater China

Russia
North America Provides Largest Top-Line Potential
Focus On The High School Consumer

- 16.3m high school kids
- $16.1bn spending
- 20% industry spend
- 80% higher spending than college kids
- Influencers and purchasers of sport and fashion
Generation US Focus Sports

7 Million High School Athletes

Basketball
Football
Soccer
Baseball
Running
Training
Establish 3 Key Marketing Pillars Per Year

Why:
- Less complexity
- Sharpened brand focus
- Drives brand momentum

How:
- 3 franchises as focal point per year
- Aligned global/local focus on development
Distribution Strategy

Distribution channels 2009
- Field / Specialty: 34%
- Sporting Goods: 19%
- Strategic Dept: 9%
- Mall: 6%

Distribution channels 2015
- Field / Specialty: 30%
- Sporting Goods: 23%
- Mall: 24%
- Moderate Dept: 16%
- Strategic Dept: 7%
Momentum In North America Building Already In 2010

- Currency-neutral Group sales increase 14% in North America
  - Currency-neutral adidas sales increase 15%
  - Currency-neutral Reebok sales grow 25%
China To Grow At Double-Digit Rate Per Annum
Significant Growth Over Last Decade

1) Brand adidas only
2) Total China sales brand adidas
China Faced Tough Challenges Recently

- Marketplace more and more crowded
- Local brands gaining market and mind share
- Vertical retailers
- Local brands eye international expansion
Greater China Roadmap To Success

2010-2011
TRANSFORM ORGANISATION AND GTM PROCESSES

2012-2013
CATCH UP AND ACCELERATE REVENUE

2014-2015
GAIN BACK LEADERSHIP
Chinese Consumer Becoming More Sophisticated
Category Attack In Higher Tier Cities

- **WOMEN’S TRAINING**
  - Become a brand of choice for women

- **MEN’S TRAINING**
  - Gain leadership by 2012

- **RUNNING**
  - Gain leadership by 2015

- **FOOTBALL**
  - Gain leadership by 2015

- **BASKETBALL**
  - Challenge leadership by 2015

- **HARDWARE**
  - Embrace unexploited opportunities

- **BUILD BEYOND**
  - Build new source of growth
Time To Unleash Originals
Increasing Store Footprint To Capture Growth

- City-by-city footprint plan to match local retail environment
- Segmentation to match purchase patterns of high vs. low spenders
- Accessible pricing options to complement range
- POS increase of 2,500 by 2015
adidas Group Market Share in Russia Around 60%
Growth Driven By adidas and Reebok Own Retail

- Over 700 stores in 2010
- >80% of sales through own retail in 2010
- YTD Sep 2010 comparable store sales +21%
- Fully integrated joint operating model
Improve Productivity In Existing Stores

**Improved product offering**

- Best sellers
- Seasonal offer
- Inventory management
- Pricing

**Volume growth**
Improve Productivity In Existing Stores

- Drive consumers into the store
- Effective in-store product communication
- Visual merchandising

Increase Units Per Transaction (UPT)
Increase Store Base

- Stand-alone stores
- Multi-brand factory outlets
- In existing and new malls

Over 1,000 stores in 2015
Highest Growth Coming From Training

Training = 50% of sales

- Expanding entry price point offer
- Leading in fitness top price point ranges
- Focusing on seasonal products
Become The Leader In Outdoor In Russia

Leading in Outdoor by 2015

- Outdoor windows
- In-store category call-out
- Drive traffic and conversion
- 350 doors with outdoor corner in 2011
Total market share to be around 70%
### Upcoming Financial Reporting Dates

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar 2, 2011</td>
<td>Full Year 2010 Results</td>
</tr>
<tr>
<td>May 5, 2011</td>
<td>First Quarter 2011 Results</td>
</tr>
<tr>
<td>May 12, 2011</td>
<td>Annual General Meeting</td>
</tr>
<tr>
<td>May 13, 2011</td>
<td>Dividend paid(^1)</td>
</tr>
<tr>
<td>Aug 4, 2011</td>
<td>First Half 2011 Results</td>
</tr>
<tr>
<td>Nov 3, 2011</td>
<td>Nine Months 2011 Results</td>
</tr>
</tbody>
</table>

\(^1\) Subject to Annual General Meeting approval
APPENDIX
Q3 Group Sales Increase 10% Currency-Neutral

Q3 2010

Wholesale
- In euros: 10%
- Currency-neutral: 19%

Retail
- In euros: 15%
- Currency-neutral: 27%

Other Businesses
- In euros: 17%
- Currency-neutral: 20%

9M 2010

Total Group includes HQ/Consolidation

Wholesale
- In euros: 8%
- Currency-neutral: 13%

Retail
- In euros: 16%
- Currency-neutral: 22%

Other Businesses
- In euros: 10%
- Currency-neutral: 14%
Strong Group Sales Growth In All Regions In Q3

Q3 2010

Western Europe
- In euros: 9%
- Currency-neutral: 8%

Europ. Emerging Markets
- In euros: 9%
- Currency-neutral: 16%
- Total: 29%

North America
- In euros: 20%
- Currency-neutral: 14%

Greater China
- In euros: 12%
- Currency-neutral: 9%

Other Asian Markets
- In euros: 14%
- Currency-neutral: 7%

Latin America
- In euros: 14%
- Currency-neutral: 10%

9M 2010

Total Group includes HQ/Consolidation
Gross Margin Up 210 Basis Points In Q3

Q3 gross margin increase driven by

- lower input costs
- higher share of Retail sales at better margins
- less clearance sales

<table>
<thead>
<tr>
<th></th>
<th>Q3 2010</th>
<th>9M 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesale</td>
<td>41.9%</td>
<td>42.0%</td>
</tr>
<tr>
<td></td>
<td>(0.3pp)</td>
<td>0.4pp</td>
</tr>
<tr>
<td>Retail</td>
<td>60.9%</td>
<td>61.7%</td>
</tr>
<tr>
<td></td>
<td>3.3pp</td>
<td>3.8pp</td>
</tr>
<tr>
<td>Other Businesses</td>
<td>45.3%</td>
<td>44.8%</td>
</tr>
<tr>
<td></td>
<td>7.5pp</td>
<td>6.4pp</td>
</tr>
<tr>
<td></td>
<td>2.1pp</td>
<td>3.1pp</td>
</tr>
<tr>
<td></td>
<td>47.3%¹️</td>
<td>48.2%¹️</td>
</tr>
</tbody>
</table>

YTD Group gross profit increases 22% to € 4.368 billion

1) Total Group includes HQ/Consolidation
**Year-To-Date Group Operating Profit Increases 86%**

<table>
<thead>
<tr>
<th></th>
<th>Q3 2010</th>
<th>9M 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Royalty and commission income</td>
<td>€ 26 million</td>
<td>€ 72 million</td>
</tr>
<tr>
<td>Other operating income</td>
<td>€ 19 million</td>
<td>€ 91 million</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>€ 1.275 billion</td>
<td>€ 3.666 billion</td>
</tr>
<tr>
<td>Other operating expenses as a percentage of sales</td>
<td>36.8%</td>
<td>40.5%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>€ 411 million</td>
<td>€ 865 million</td>
</tr>
<tr>
<td>Operating margin</td>
<td>11.8%</td>
<td>9.6%</td>
</tr>
</tbody>
</table>

**Changes:**
- Royalty and commission income: +41% to +14%
- Other operating income: -21% to +26%
- Other operating expenses: +26% to +13%
- Operating profit: +22% to +86%
- Operating margin: +0.2pp to +3.7pp
Diluted EPS More Than Doubles Year-To-Date

<table>
<thead>
<tr>
<th></th>
<th>Q3 2010</th>
<th>9M 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial income</td>
<td>€ 6 million</td>
<td>€ 21 million</td>
</tr>
<tr>
<td>Financial expenses</td>
<td>€ 37 million</td>
<td>€ 87 million</td>
</tr>
<tr>
<td>Income tax rate</td>
<td>30.0%</td>
<td>29.7%</td>
</tr>
<tr>
<td>Net income attributable to shareholders</td>
<td>€ 266 million</td>
<td>€ 560 million</td>
</tr>
<tr>
<td>Diluted earnings per share</td>
<td>€ 1.27</td>
<td>€ 2.68</td>
</tr>
</tbody>
</table>

- **Q3 2010**
  - Financial income: € 6 million (40%)
  - Financial expenses: € 37 million (8%)
  - Income tax rate: 30.0% (0.3pp)
  - Net income attributable to shareholders: € 266 million (+25%)
  - Diluted earnings per share: € 1.27 (+23%)

- **9M 2010**
  - Financial income: € 21 million (+43%)
  - Financial expenses: € 87 million (36%)
  - Income tax rate: 29.7% (4.5pp)
  - Net income attributable to shareholders: € 560 million (+148%)
  - Diluted earnings per share: € 2.68 (+137%)
Inventories Return To Normalised Levels

- Inventories increase 9% on a currency-neutral basis
- In euro terms up to €1.9 billion
- Increase matches growth expectations for future quarters

Currency-neutral inventory growth rates, at quarter-end
Operating Working Capital As A Percentage Of Sales At Historic Lows

- Receivables up 8% on a currency-neutral basis and 16% in euro terms to € 2.2 billion
  - Increase below Group’s sales growth
- Payables increase 40% on a currency-neutral basis or 47% in euro terms to € 1.3 billion

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

Operating working capital as a percentage of net sales declines 4.7pp to 20.9% versus prior year
Other Key Balance Sheet Ratios Improve

- Net borrowings decrease 61% versus prior year to € 903 million
- Ratio of net borrowings/EBITDA decreases to 0.7 from 2.8 in 2009
- Equity ratio increases 8.6 percentage points to 44.5%