ROUTE 2015 FINANCIAL MILESTONES

€ 17bn  Net sales
11%  Operating margin
15%  Earnings growth
CREATING THE MOST DESIRABLE BRANDS

INNOVATE  AUTHENTICATE  INVEST
OUTSTANDING START TO ROUTE 2015

- **Net sales**
  - 2010: €12.0bn
  - H1 2012 rolling: €14.3bn (±18%)

- **Net earnings**
  - 2010: €567m
  - H1 2012 rolling: €776m (±37%)

*currency-neutral
QUALITY TOP-LINE GROWTH DRIVES MARGIN IMPROVEMENTS DESPITE SEVERE CHALLENGES

FOB impact
Group gross margin change

Opex as % of sales change
Operating margin change
## GLOBAL BRANDS
### REVISED SALES TARGETS

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>OLD</th>
<th>NEW</th>
</tr>
</thead>
<tbody>
<tr>
<td>adidas</td>
<td>€ 6.5 billion</td>
<td>€ 8.5 billion</td>
<td>€ 8.9 billion</td>
</tr>
<tr>
<td>Reebok</td>
<td>€ 2.1 billion</td>
<td>€ 3.7 billion</td>
<td>€ 3.9 billion</td>
</tr>
<tr>
<td>TaylorMade</td>
<td>€ 1.9 billion</td>
<td>€ 3.0 billion</td>
<td>€ 2.0 billion</td>
</tr>
<tr>
<td>ECCO</td>
<td>€ 1.4 billion</td>
<td>€ 1.8 billion</td>
<td>€ 2.2 billion</td>
</tr>
</tbody>
</table>
ADIDAS SALES TARGET INCREASED 5%
OTHER BUSINESSES TO ACHIEVE 2015 GOAL ALREADY THIS YEAR
REEBOK TO FOCUS ON BUILDING SUSTAINABLE FITNESS CATEGORIES

Fit for Life

TRAINING  RUNNING  WALKING  TONING  DANCE  YOGA  LIFESTYLE
## Global Sales: Revised Revenue Targets

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>OLD</th>
<th>NEW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesale</td>
<td>€ 8.2 b</td>
<td>€ 10.6</td>
<td>€ 10.2</td>
</tr>
<tr>
<td>Retail</td>
<td>€ 2.4 b</td>
<td>€ 4.1</td>
<td>€ 4.1</td>
</tr>
<tr>
<td>eCOM</td>
<td>€ 0.1 b</td>
<td>€ 0.5</td>
<td>€ 0.5</td>
</tr>
<tr>
<td>Other Business</td>
<td>€ 1.4</td>
<td>€ 1.8</td>
<td>€ 2.2</td>
</tr>
</tbody>
</table>
STRONG POSITION TO ACHIEVE 11% OPERATING MARGIN TARGET

- Emerging Market Growth
- Retail proficiency
- Organisational set-up
- Range reduction
- Quality of distribution
- Manufacturing excellence
- Performance driven Trade Terms
- Infrastructure modernisation
PRUDENT MANAGEMENT IN CHALLENGING ECONOMIC ENVIRONMENT

**Net debt**

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
<td>Q1</td>
</tr>
<tr>
<td></td>
<td>$-1200$</td>
<td>$-800$</td>
<td>$-400$</td>
<td>$0$</td>
<td>$10%$</td>
<td>$20%$</td>
<td>$30%$</td>
<td>$40%$</td>
</tr>
</tbody>
</table>

**Inventory growth rate (currency-neutral)**

<table>
<thead>
<tr>
<th></th>
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<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
<td>Q1</td>
</tr>
<tr>
<td></td>
<td>$-10%$</td>
<td>$0%$</td>
<td>$10%$</td>
<td>$20%$</td>
<td>$30%$</td>
<td>$40%$</td>
<td>$0%$</td>
<td>$-10%$</td>
</tr>
</tbody>
</table>
2013 WILL SEE SIGNIFICANT INNOVATION PIPELINE
2013 DEEPENING EMOTIONAL CONNECTION TO THE CONSUMER
APPENDIX: 2015 ASPIRATIONS
GLOBAL BRANDS GAME CHANGING GROWTH PROJECTS

REEBOK FITNESS EMPIRE

NEO FAST FASHION

ADIDAS RUNNING

BASKETBALL

CUSTOMIZATION

INTERACTIVITY
BRAND ARCHITECTURE: PORTFOLIO STRATEGY

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

- Competitive Sports: 12%
- Active Sports: 78%
- Casual Sports: 10%
- Sports Fashion: 6%

- Adidias
- Reebok

Brand Architecture: Portfolio Strategy
BRAND ARCHITECTURE: BUSINESS REALITY

- PURE PERFORMER: 8%
- ATHLETIC STYLE: 14%
- ATHLETIC CLASSIC: 22%
- BRAND DRIVEN: 14%
- SPORT INSPIRED: 26%
- STYLE ADOPTER: 10%
- STYLE SETTER: 6%

COMPETITIVE SPORTS: 12%
ACTIVE SPORTS: 78%
CASUAL SPORTS: 10%
SPORTS FASHION: (not specified)

Reebok
ADIDAS SPORT PERFORMANCE – MAKING THE ATHLETE BETTER

- FASTER
- COOLER
- STRONGER
- NATURAL
- SMARTER

miCoach
ADIDAS SPORT STYLE – MULTI-LABEL STRATEGY

- **12 - 19 YEARS FOR THE STYLE-ADOPTING HIGH SCHOOL KID**
- **16 - 24 YEARS FROM THE TRENDSETTER 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 TRENDSSETTER TO THE MAINSTREAM KID

CONNECTING YOUTH CULTURE

SPORT

FASHION

ART

MUSIC
# NEO Label Attributes and USP

## The Freshest Casual Sportswear Label for Today’s Young Consumer

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>New</strong></td>
<td>NEO provides constant newness – always visible in collection and stores</td>
</tr>
<tr>
<td><strong>Active</strong></td>
<td>Attracting a consumer who is fully engaged in life, be it through social networking, family, friends, outdoor, sports...</td>
</tr>
<tr>
<td><strong>Accessible</strong></td>
<td>Easy to find, to understand and to relate to: accessible design, price/value, offer for everyday occasions</td>
</tr>
<tr>
<td><strong>Authentic</strong></td>
<td>True to the consumer – expressing their personality in an honest and real way, reflecting their lifestyle and values</td>
</tr>
</tbody>
</table>
**NEO TARGETS A GLOBAL CONSUMER WITH A HOMOGENEOUS FASHION STYLE**

<table>
<thead>
<tr>
<th></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
Fit for Life
The FITNESS Brand

- Clearly defined Category Focus
- Product and Technology Excellence
- Deep Consumer Connection
- Distribution and Focus on Key Markets
From an activity to a lifestyle...

Activity

Community

Events

Social Media

Lifestyle

@blondeponytail
Do your fore arms feel swollen after pull-ups?! Feel like I should ice mine!
#fitfluential #getafterit

@keithbritton
NEW Personal Record! 1 Mile Run For Time > 6'34"
Feels SOOO good to write it down in my journal!! #CrossFit
New organization: Focus on Fitness categories

<table>
<thead>
<tr>
<th>CATEGORIES</th>
<th>Fitness Training</th>
<th>Fitness Running</th>
<th>Walking/Toning</th>
<th>Studio</th>
<th>Lifestyle</th>
</tr>
</thead>
<tbody>
<tr>
<td>FUNCTIONS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand Strategy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Design</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand Comms</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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</table>
Meet consumers where they live within their fitness life
INSPIRE PEOPLE
SEEK GREATNESS
LEAD CHANGE
ACT WITH SPEED
▸ DISRUPT THE MARKET PLACE
▸ DRIVE PERFORMANCE THROUGH INNOVATION
▸ VALIDATE ON TOUR
▸ DELIVER HOT PRODUCTS
▸ REACT QUICKLY TO MARKET SHIFTS
▸ STAY TRUE TO OUR BRAND VALUES
THE BIG OPPORTUNITY
€1.5 BILLION
SUSTAINABLE GROWTH IN KEY ATTACK MARKETS

North America
• Biggest growth potential
• Focus on High School Kids and Team Sports

Greater China
• Market leadership by 2015
• Increase store base

Russia/CIS
• Increase market share of currently 60% to 70%
• Become leading sports brands in Outdoor
win the hearts and minds of high school kids
on the field and in the hallway
+41%
doubled share
average selling price
footwear

YTD 12

+21.0%
adidas

+4.6%
REST OF MARKET

SOURCE – NPD
generation us 2015: 3 phases

2010
- delivery of top and bottom line
- inspirational focus concepts

2011
- innovation and brand marketing push

2012
- team business attack

2013
- clear #2 market share

2014
- #1 with high school kid

2015
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

BEYOND
BUILD NEW SOURCE OF GROWTH
TIME TO UNLEASH ORIGINALS
1. City-by-city footprint plan to match local retail environment
2. Segmentation to match purchase patterns of high vs. low spenders
3. Accessible pricing options to complement range
4. POS increase of 2,500 by 2015
RUSSIA/CIS DRIVEN BY ADIDAS AND REEBOK OWN RETAIL

- ~800 own retail stores in 2011
- ~1,200 own retail stores by 2015
- >90% of sales through own retail in 2011
- YTD December 2011 comp store sales +24%
OPPORTUNITIES OUTWEIGH CHALLENGES IN RUSSIA/CIS

- Volatility of economy and currency
- High levels of bureaucracy
- Infrastructure challenges
- War for talent

- Large population (Russia 143m)
- Russians spend 74% of income on consumer goods vs. 40% for Europe
- Above average GDP growth
- Rising disposable incomes
- Expanding middle class
- High sports affinity
<table>
<thead>
<tr>
<th><strong>adidas In Superior Competitive Position</strong></th>
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<tr>
<th>Distribution</th>
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<td>Brand Marketing</td>
<td>Unmatched partnership portfolio</td>
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<td>Strong POS activation</td>
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- **Distribution**: Significant coverage and market penetration
- **Product Range**: Broad range covering multiple consumer targets
- **Brand Marketing**: Unmatched partnership portfolio, Strong POS activation