Agenda

- H1 2011 Highlights
- Outlook
- Appendix: 2015 Aspirations
adidas Group Delivers Record H1 Performance

- Record sales of €6.3 billion
- Gross margin stable at 48.8%
- Operating margin up 0.3pp to 8.4%
- Net income and EPS increase 19%
H1 Sales Grow In All Regions

1) Sales development on a currency-neutral basis

- +15% North America
- +10% Western European Markets
- +23% European Emerging Markets
- +38% Greater China
- +11% Latin America
- +6% Other Asian Markets
Group Sales In Greater China Expand 41% In Q2

• Record first half year sales of € 552 million

• Fresh and balanced inventory situation

• Strong momentum in Running, Outdoor and Training

• adidas Originals and adidas NEO capture lifestyle segment
Market Share Increases For adidas And Reebok In North America

- Group sales up 15% currency-neutral in H1
- Sales at adidas grow 13% currency-neutral in Q2
- Solid increases in key categories Running, Basketball and Training
- Strong double-digit sales growth in the mall and sporting goods channel
- Reebok grows double-digits excluding Toning
Reebok Helps Drive Stellar Performance In Japan

- Group sales in Japan decline 1% in Q2
- Reebok sales increase 71% in Q2
- adidas Group takes further market share
- Retail partners reopening stores
- High-single-digit sales decline expected from April to December
H1 Wholesale Segmental Operating Margin Up 0.1pp

<table>
<thead>
<tr>
<th>Wholesale</th>
<th>H1 2011</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales (€ in millions)</td>
<td>4,292</td>
<td>13%¹)</td>
</tr>
<tr>
<td>Gross margin</td>
<td>41.5%</td>
<td>(0.6pp)</td>
</tr>
<tr>
<td>Segmental operating margin</td>
<td>32.3%</td>
<td>+0.1pp</td>
</tr>
</tbody>
</table>

¹) Currency-neutral
Retail Comparable Store Sales Increase 15% In H1

<table>
<thead>
<tr>
<th>Retail</th>
<th>H1 2011</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales (€ in millions)</td>
<td>1,258</td>
<td>21%(^1)</td>
</tr>
<tr>
<td>adidas comp store sales</td>
<td></td>
<td>15%(^1)</td>
</tr>
<tr>
<td>Reebok comp store sales</td>
<td></td>
<td>13%(^1)</td>
</tr>
<tr>
<td>Total comp store sales</td>
<td></td>
<td>15%(^1)</td>
</tr>
<tr>
<td>Gross margin</td>
<td>63.7%</td>
<td>+1.6pp</td>
</tr>
<tr>
<td>Segmental operating margin</td>
<td>20.8%</td>
<td>+2.0pp</td>
</tr>
</tbody>
</table>

\(^1\) Currency-neutral
Other Businesses Grow 13% In H1

<table>
<thead>
<tr>
<th>Other Businesses</th>
<th>H1 2011</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales (€ in millions)</td>
<td>787</td>
<td>13%(^1)</td>
</tr>
<tr>
<td>Gross margin</td>
<td>45.2%</td>
<td>+0.6pp</td>
</tr>
<tr>
<td>Segmental operating margin</td>
<td>28.0%</td>
<td>+0.0pp</td>
</tr>
</tbody>
</table>

\(^1\) Currency-neutral
## Strong Momentum At adidas And Reebok

<table>
<thead>
<tr>
<th></th>
<th>Q2 2011</th>
<th>Change</th>
<th>H1 2011</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>adidas</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net sales (€ in millions)</strong></td>
<td>2,234</td>
<td>10%(^1)</td>
<td>4,673</td>
<td>14%(^1)</td>
</tr>
<tr>
<td><strong>Gross margin</strong></td>
<td>47.2%</td>
<td>(1.1pp)</td>
<td>47.5%</td>
<td>(0.2pp)</td>
</tr>
<tr>
<td><strong>Reebok</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net sales (€ in millions)</strong></td>
<td>427</td>
<td>5%(^1)</td>
<td>904</td>
<td>14%(^1)</td>
</tr>
<tr>
<td><strong>Gross margin</strong></td>
<td>36.2%</td>
<td>2.0pp</td>
<td>36.7%</td>
<td>1.6pp</td>
</tr>
</tbody>
</table>

\(^1\) Currency-neutral
adidas Sales Increase 14% Currency-Neutral

adidas Sport Performance
Up 9%

adidas Sport Style
Up 30%
adidas Innovations Hit The Ground Running

- Lightweight running and ClimaCool Ride drive category sales up 25% in H1
Basketball Momentum Accelerates In Q2

- Q2 sales increase 25% c.n.
- adiZero CrazyLight, the lightest ever basketball shoe, lifts off
adidas Outdoor Wins Industry Award For Third Year

- Sales at Outdoor jump almost 40% YTD
- TERREX Fast R takes OutDoor Industry Award
adidas Sport Style Sales Grow 34% In Q2
Reebok Sales Increase 14% YTD

- Toning footwear sales drive global growth with category sales increasing 31% globally, despite US market weakness
- Gross margins improve 1.6pp
ZigTech Continues Its Strong Performance

- Key driver of performance in North America
- Online customisation via Your Reebok
RealFlex Attracts All Genders

- RealFlex launched in North America in mid-April
TaylorMade-adidas Golf Revolutionises The Sport

• Industry leader in golf market

• Currency-neutral sales growth of 17% in the first half of 2011

• R11 brings US market share to over 40% in Metalwoods
Q2 Group Gross Margin Up 0.2pp

- Higher input costs

- Higher Retail sales at higher margins
- Less clearance sales
- Overproportionate growth in emerging markets

<table>
<thead>
<tr>
<th></th>
<th>Q2 2011</th>
<th>H1 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesale</td>
<td>39.5%</td>
<td>41.5%</td>
</tr>
<tr>
<td>Retail</td>
<td>65.8%</td>
<td>63.7%</td>
</tr>
<tr>
<td>Other</td>
<td>44.9%</td>
<td>45.2%</td>
</tr>
<tr>
<td>Businesses</td>
<td>49.2%(^1)</td>
<td>48.8%(^1)</td>
</tr>
</tbody>
</table>

H1 Group gross profit up 13% to € 3.093 billion
**H1 Group Operating Margin Increases 0.3pp**

<table>
<thead>
<tr>
<th></th>
<th>Q2 2011</th>
<th>H1 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Royalty and commission income</td>
<td>€ 22 million (7%)</td>
<td>€ 40 million (11%)</td>
</tr>
<tr>
<td>Other operating income</td>
<td>€ 19 million (25%)</td>
<td>€ 36 million (50%)</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>€ 1.328 billion +4%</td>
<td>€ 2.637 billion +10%</td>
</tr>
<tr>
<td>Other operating expenses as a percentage of sales</td>
<td>43.3% (0.6pp)</td>
<td>41.6% (1.1pp)</td>
</tr>
<tr>
<td>Operating profit</td>
<td>€ 219 million +12%</td>
<td>€ 532 million +17%</td>
</tr>
<tr>
<td>Operating margin</td>
<td>7.1% +0.5pp</td>
<td>8.4% +0.3pp</td>
</tr>
</tbody>
</table>
# Diluted EPS Up 19% In H1

<table>
<thead>
<tr>
<th></th>
<th>Q2 2011</th>
<th>H1 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial income</td>
<td>€ 8 million</td>
<td>€ 13 million</td>
</tr>
<tr>
<td>Financial expenses</td>
<td>€ 30 million</td>
<td>€ 63 million</td>
</tr>
<tr>
<td>Income tax rate</td>
<td>29.0%</td>
<td>27.5%</td>
</tr>
<tr>
<td>Net income attributable to shareholders</td>
<td>€ 140 million</td>
<td>€ 349 million</td>
</tr>
<tr>
<td>Diluted earnings per share</td>
<td>€ 0.67</td>
<td>€ 1.67</td>
</tr>
</tbody>
</table>
Operating Working Capital As A Percentage Of Sales Remains At A Strong Level

- Inventories increase 26% on a currency-neutral basis
  - Low prior year comparison (-10% in Q2 2010)
  - Reflects growth expectations
- Receivables up 9% on a currency-neutral basis
  - Increase below Group’s sales growth in Q2
- Payables increase 15% on a currency-neutral basis

Operating working capital as a percentage of sales declines 1.0pp to 20.7% versus H1 2010

Average operating working capital as a % of net sales, at quarter-end
Net Debt Declines Year-Over-Year

- Net borrowings decrease 21% versus prior year to € 863 million
- Ratio of net borrowings/EBITDA decreases to 0.7 from 1.0 in 2010
- Equity ratio decreases 1.1 percentage points to 43.5%
  - Decline due to negative currency translation effects of € 520 million
Agenda

- H1 2011 Highlights
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adidas Group Set For Record Year

<table>
<thead>
<tr>
<th>Category</th>
<th>Increase/Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group sales (currency-neutral)</td>
<td>increase around 10%</td>
</tr>
<tr>
<td>Wholesale sales (currency-neutral)</td>
<td>high-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>mid- to high-single-digit increase</td>
</tr>
<tr>
<td>Gross margin</td>
<td>47.5% to 48.0%</td>
</tr>
<tr>
<td>Operating margin</td>
<td>7.5% to 8.0%</td>
</tr>
<tr>
<td>Diluted earnings per share</td>
<td>€ 3.10 to € 3.12</td>
</tr>
</tbody>
</table>
New Innovations To Drive adidas H2 Sales Growth
adidas Originals To Launch iPhone Application
Strong Product Pipeline For Reebok With Zig And Flex
Reebok Classics Reethym Of Lite Campaign

• Reebok launches Classics campaign with music producer Swizz Beatz
TaylorMade To Assert Leading Position In Irons

- Market share currently above 20% in Irons
- New R11 series launched live on the web
Agenda

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Global Brands Game Changing Growth Projects

REEBOK FITNESS EMPIRE

NEO FAST FASHION

ADIDAS RUNNING

BASKETBALL

CUSTOMIZATION

INTERACTIVITY
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
Brand Architecture – Business Reality

- **8%**  
  **Pure Performer**

- **14%**  
  **Athletic Style**

- **22%**  
  **Athletic Classic**

- **14%**  
  **Brand Driven**

- **26%**  
  **Sport Inspired**

- **10%**  
  **Style Adopter**

- **6%**  
  **Style Setter**

**COMPETITIVE SPORTS**
- **12%**

**ACTIVE SPORTS**
- **78%**

**CASUAL SPORTS**
- **10%**

**SPORTS FASHION**
Brand Differentiation

adidas®
THE PERFORMANCE BRAND & MULTI SPORTS SPECIALIST
“FIT FOR PERFORMANCE”

FITNESS AND TRAINING

FOOTBALL  RUNNING  BASKETBALL  TENNIS  OLYMPIC SPORTS  REGIONAL & AMERICAN SPORTS

THE PERFORMANCE BRAND & MULTI SPORTS SPECIALIST
“FIT FOR PERFORMANCE”

Reebok
THE FITNESS & TRAINING BRAND
“FIT FOR LIFE”

FITNESS AND TRAINING

AMERICAN SPORTS  RUNNING  BASKETBALL  TENNIS  CRICKET  HOCKEY
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 TRENDSITTER 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

| **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

| **Age** | • Core target consumer: 12 to 19 years  
• Appeal to broader group: 12 to 35 years |
| --- | --- |
| **Gender** | • Intended long-term split  
  – Girls: 65%  
  – Guys: 35%  
• Initial split: 50:50 |
| **Price** | • Consumer willing to pay a premium of ~10% above average market price for adidas brand (roughly at Zara level) |
| **Fashionability** | • Fashion-interested consumer who looks for trendy and seasonal fashion, but also buys basics |
Reebok – Brand Positioning
Three Elements Of Total Fitness

Strength

Conditioning

Flexibility
Key Concepts Fitness/Training

Reetone  Reezig  Reeflex
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
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

€ 6.5 billion
€ 2.1 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
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

adidas GROUP
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

- **mi adidas**
  - Build new source of growth beyond
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
Russia Driven By adidas And Reebok Own Retail

- 700 stores in 2010
- >80% of sales through own retail in 2010
- Dec 2010 comparable store sales +27%
- Fully integrated joint operating model
Increase Store Base In Russia

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

Over 1,000 stores in 2015

Reebok
adidas Group Market Share To Increase By 2015

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>Oct 10 to 11, 2011</td>
<td>Investor Field Trip to Russia</td>
</tr>
<tr>
<td>Nov 3, 2011</td>
<td>Nine Months 2011 Results</td>
</tr>
<tr>
<td>Mar 7, 2012</td>
<td>Full Year 2011 Results</td>
</tr>
<tr>
<td>May 3, 2012</td>
<td>First Quarter 2012 Results</td>
</tr>
<tr>
<td>May 10, 2012</td>
<td>Annual General Meeting</td>
</tr>
<tr>
<td>May 11, 2012</td>
<td>Dividend Paid¹)</td>
</tr>
<tr>
<td>Aug 2, 2012</td>
<td>First Half 2012 Results</td>
</tr>
<tr>
<td>Nov 8, 2012</td>
<td>Nine Months 2012 Results</td>
</tr>
</tbody>
</table>

¹) Subject to Annual General Meeting approval