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%&lt;sup&gt;1)&lt;/sup&gt;</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>

<sup>1)</sup> 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><strong>Net sales (€ in millions)</strong></td>
<td>1,258</td>
<td>21%(^1)</td>
</tr>
<tr>
<td>adidas comp store sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reebok comp store sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total comp store sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Gross margin</strong></td>
<td>63.7%</td>
<td>+1.6pp</td>
</tr>
<tr>
<td><strong>Segmental operating margin</strong></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%&lt;sup&gt;1)&lt;/sup&gt;</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>

<sup>1)</sup> Currency-neutral
## Strong Momentum At adidas And Reebok

### Net sales (€ in millions)

<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>Net sales</td>
<td>2,234</td>
<td>10%(^1)</td>
<td>4,673</td>
<td>14%(^1)</td>
</tr>
<tr>
<td>Gross margin</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>Net sales</td>
<td>427</td>
<td>5%(^1)</td>
<td>904</td>
<td>14%(^1)</td>
</tr>
<tr>
<td>Gross margin</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

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

### Royalty and commission income
- **Q2 2011**: €22 million (7%)
- **H1 2011**: €40 million (11%)

### Other operating income
- **Q2 2011**: €19 million (25%)
- **H1 2011**: €36 million (50%)

### Other operating expenses
- **Q2 2011**: €1.328 billion (+4%)
- **H1 2011**: €2.637 billion (+10%)

### Other operating expenses as a percentage of sales
- **Q2 2011**: 43.3% (0.6pp)
- **H1 2011**: 41.6% (1.1pp)

### Operating profit
- **Q2 2011**: €219 million (+12%)
- **H1 2011**: €532 million (+17%)

### Operating margin
- **Q2 2011**: 7.1% (+0.5pp)
- **H1 2011**: 8.4% (+0.3pp)
Diluted EPS Up 19% In H1

<table>
<thead>
<tr>
<th>Financial income</th>
<th>Q2 2011</th>
<th>H1 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></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>

Q2 2011
(22%)
+2%
(43%)
+8%
(2.0pp)
+19%
+19%
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
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
- Outlook
- Appendix: 2015 Aspirations
adidas Group Set For Record Year

<table>
<thead>
<tr>
<th>Category</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Group sales (currency-neutral)</strong></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><strong>Gross margin</strong></td>
<td>47.5% to 48.0%</td>
</tr>
<tr>
<td><strong>Operating margin</strong></td>
<td>7.5% to 8.0%</td>
</tr>
<tr>
<td><strong>Diluted earnings per share</strong></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
  - Competitive Sports
  - 12%

- **14%**
  - Athletic Style
  - Active Sports
  - 78%

- **22%**
  - Athletic Classic
  - Casual Sports
  - 10%

- **14%**
  - Brand Driven
  - 10%

- **26%**
  - Sport Inspired
  - 6%

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

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

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

Reebok
adidas Sport Performance – Making The Athlete Better

- Cooler
- Stronger
- Faster
- Smarter
- Natural
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
MUSIC
ART
## 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>New</td>
<td>NEO provides constant newness – always visible in collection and stores</td>
</tr>
<tr>
<td>Active</td>
<td>Attracting a consumer who is fully engaged in life, be it through social networking, family, friends, outdoor, sports...</td>
</tr>
<tr>
<td>Accessible</td>
<td>Easy to find, to understand and to relate to: accessible design, price/value, offer for everyday occasions</td>
</tr>
<tr>
<td>Authentic</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 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

Reebok

WOMEN
GIRLS
TRAINING
RUNNING
WALKING

FUN
FITNESS

MEN
BOYS
TRAINING
RUNNING
SPORTS

CLASSICS

OWN

REVIVE

CHALLENGE

Reebok

FUN

+ FITNESS

43
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 2015
Generation US Focus Sports

- Basketball
- Football
- Soccer
- Baseball
- Running
- Training

7 Million High School Athletes
Chinese Consumer Becoming More Sophisticated
Category Attack In Higher Tier Cities

- **Women’s Training**: Become a brand of choice for women by 2012.
- **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

adidas

adidas
adidas Group Market Share To Increase By 2015

Total market share to be around 70%
QUESTIONS & ANSWERS
### 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 Paid ¹)</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