BUSINESS HIGHLIGHTS
STRENGTHS & WEAKNESSES
IN Q1 2018

**Strong top-line growth in line with expectations**
Double-digit growth in North America and Asia-Pacific

**Apparel business accelerates**
Driven by strong double-digit growth in Athletics

**Strong gross margin increase**
Reflecting high quality of sales growth

**Strong operating margin improvement**
Despite significant increase in marketing investments

**Sales decline in Emerging Markets and Russia/CIS**
Reflecting challenging market conditions

**Footwear business up mid-single-digits**
Reflecting challenges within certain franchises

**Momentum at Originals normalizes**
Reflecting tough comparison base from prior periods

**Concept stores comp store sales decline**
Driven by Russia/CIS
MAJOR P&L DEVELOPMENTS IN Q1 2018

1. Revenues increase 10% currency-neutral and 2% in euro terms to € 5.5 billion

2. Gross margin up 1.5pp to 51.1% despite ongoing negative FX headwinds

3. Operating margin up 1.8pp to 13.4% reflecting gross margin improvement and overhead leverage

4. Net income from continuing operations increases 17% to € 542 million

5. Basic EPS from continuing operations up 16% to € 2.65

Figures reflect continuing operations as a result of the divestiture of the Rockport, TaylorMade, Adams Golf, Ashworth and CCM Hockey businesses.
DOUBLE-DIGIT GROWTH IN STRATEGIC GROWTH AREAS IN Q1 2018

adidas North America  
+23%

Greater China  
+26%

E-commerce  
+27%

Currency-neutral.
BRAND ARCHITECTURE ALLOWS CHANNEL SEGMENTATION
TARGETING THE VALUE CONSUMER ACROSS ALL CATEGORIES WITH CORE
Sport Performance grows 11%
Driven by double-digit increases in Football, Training and Running

Sport Inspired grows 13%
Due to double-digit growth in both Footwear and Apparel

Women’s business continues to grow double-digits
Representing 25% of total brand adidas business

Currency-neutral.
**Revenues decline 3%**
Mainly due to sales declines in Asia-Pacific, Russia/CIS and Latin America

**North America returns to growth, up 3%**
With sequential improvements expected as of Q2 2018

**Robust profitability improvements**
Gross margin up 2.7pp to 41.8% driven by successful execution of Muscle-Up initiatives

*Currency-neutral.*
EXCELLENT GROWTH IN E-COM ENFORCING DIGITAL CONSUMER ENGAGEMENT

E-commerce revenues grow 27%
Driven by double-digit growth in most regions

Timing of product launches
Weighs on e-commerce growth in Q1 2018

adidas Shopping App launched in the US, UK and Germany
More than 1.5 million App downloads

Currency-neutral.
FINANCIAL HIGHLIGHTS
BRAND MOMENTUM IN KEY REGIONS CONTINUES
NORTH AMERICA AND ASIA-PACIFIC WITH STRONG DOUBLE-DIGIT SALES INCREASES

NORTH AMERICA: +21%  
LATIN AMERICA: +10%  
WESTERN EUROPE: +5%  
ASIA-PACIFIC: +15%  
RUSSIA/CIS: (16%)  
EMERGING MARKETS: (5%)  

Currency-neutral.
**NORTH AMERICA**
**EXCELLENT BRAND MOMENTUM CONTINUES**

Currency-neutral sales increase 21%

**adidas brand revenues up 23%**
Driven by double-digit growth in all key categories

**Reebok brand revenues grow 3%**
Driven by sales increases in Running and Classics

**Gross margin decreases 0.3pp to 37.8%**
Negatively impacted by warehouse constraints in the prior year

**Operating margin down 0.4pp to 9.5%**
Mainly due to the gross margin decline
ASIA-PACIFIC
STRONG DOUBLE-DIGIT GROWTH

Currency-neutral sales increase 15%

**adidas brand sales increase 17%**
Double-digit growth in Running, Training, Basketball and Originals

**Reebok brand revenues down 9%**
Double-digit growth in Greater China offset by declines in Japan and South Korea

**Gross margin up 0.2pp to 56.0%**
Due to a more favorable pricing, channel and category mix

**Operating margin down 0.2pp to 35.7%**
Gross margin improvement more than offset by increase in OPEX in % of sales
WESTERN EUROPE
SLOWER GROWTH IN A VERY MATURE MARKET

Currency-neutral sales increase 5%

*adidas brand revenues up 5%*
Driven by significant growth in Football and Originals

*Reebok brand sales increase 1%*
On top of a 25% increase in the prior year period

*Gross margin improves 1.0pp to 45.6%*
Mainly driven by a more favorable pricing mix

*Operating margin remains stable at 21.6%*
Gross margin improvement offset by strong increase in brand investments
**FINANCIAL RESULTS OVERVIEW**
OPERATING MARGIN IMPROVEMENT DRIVEN BY GROSS MARGIN INCREASE AND OOH LEVERAGE

<table>
<thead>
<tr>
<th></th>
<th>Q1 2018 (€ in millions)</th>
<th>Q1 2017 (€ in millions)</th>
<th>Y-O-Y change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NET SALES</strong></td>
<td>5,548</td>
<td>5,447</td>
<td>+2%</td>
</tr>
<tr>
<td><strong>GROSS MARGIN</strong></td>
<td>51.1%</td>
<td>49.6%</td>
<td>+1.5pp</td>
</tr>
<tr>
<td><strong>OTHER OPERATING INCOME</strong></td>
<td>56</td>
<td>28</td>
<td>+98%</td>
</tr>
<tr>
<td><strong>OTHER OPERATING EXPENSES</strong></td>
<td>2,172</td>
<td>2,122</td>
<td>+2%</td>
</tr>
<tr>
<td><strong>OTHER OPERATING EXPENSES</strong> in % of sales</td>
<td>39.1%</td>
<td>39.0%</td>
<td>+0.2pp</td>
</tr>
<tr>
<td><strong>OPERATING PROFIT</strong></td>
<td>746</td>
<td>637</td>
<td>+17%</td>
</tr>
<tr>
<td><strong>OPERATING MARGIN</strong></td>
<td>13.4%</td>
<td>11.7%</td>
<td>+1.8pp</td>
</tr>
<tr>
<td><strong>NET INCOME FROM CONTINUING OPERATIONS</strong></td>
<td>542</td>
<td>462</td>
<td>+17%</td>
</tr>
<tr>
<td><strong>BASIC EPS FROM CONTINUING OPERATIONS</strong> (€)</td>
<td>2.65</td>
<td>2.29</td>
<td>+16%</td>
</tr>
</tbody>
</table>

Figures reflect continuing operations as a result of the divestiture of the Rockport, TaylorMade, Adams Golf, Ashworth and CCM Hockey businesses.
Average operating working capital in % of sales down 0.7PP to 20.3%.

- Inventories from continuing operations up 1% c.n.
- Receivables from continuing operations up 18% c.n.
- Payables from continuing operations down 12% c.n.

Average operating working capital in % of sales at quarter-end.

* Figures reflect net sales from continuing operations as a result of the divestiture of the Rockport, TaylorMade, Adams Golf, Ashworth and CCM Hockey businesses.

** Figures reflect net sales and OWC from continuing operations as a result of the divestiture of the Rockport, TaylorMade, Adams Golf, Ashworth and CCM Hockey businesses.
NET CASH POSITION OF € 371 MILLION
EQUITY RATIO IMPROVES 3.2PP TO 46.0%

Net cash/(net borrowings) at quarter-end, € in millions.
SHAREHOLDER RETURN
SHARE BUYBACK PROGRAM INITIATED

1. TOTAL SIZE
   Up to € 3 billion (up to € 1 billion in 2018)

2. TIMEFRAME
   Started March 22, 2018 and ending latest on May 11, 2021

3. NUMBER OF SHARES PURCHASED*
   641k adidas AG shares

4. AMOUNT PURCHASED*
   € 130 million

*As at April 30, 2018.
OUTLOOK
2018: IMPORTANT MILESTONE TOWARD 2020 TARGETS
BALANCING MARKET SHARE GROWTH AND MARGIN IMPROVEMENT

1. High-quality revenue growth
2. Product pipeline to support planned top-line expansion
3. Overproportionate investments in brands and products
4. Start leveraging scalable business model
5. Margin expansion and overproportionate net income growth
STRONG PRODUCT PIPELINE TO FUEL TOP-LINE GROWTH IN 2018

ITERATING EXISTING PRODUCT SUCCESSES

LAUNCHING NEW PRODUCTS AND FRANCHISES

LEVERAGING INNOVATION AND NEW TECHNOLOGIES

LEVERAGING MAJOR SPORTS EVENTS
KEY GROWTH DRIVERS
TOP-LINE EXPANSION DRIVEN BY NORTH AMERICA, ASIA/PACIFIC AND E-COM

1. NORTH AMERICA
   - **Double-digit growth** on top of a 27% increase in 2017
   - **Margin improvement** to continue

2. ASIA/PACIFIC
   - **Double-digit growth** on top of a 22% increase in 2017
   - **Limited margin opportunity** due to already high profitability levels

3. E-COM
   - **Double-digit growth** on top of a 57% increase in 2017
   - Channel to benefit from **ongoing investments in infrastructure**
FIFA WORLD CUP 2018
EVERY GOAL TO BE AN ADIDAS GOAL

12 TEAMS

**Biggest sports event in the world**
Brand presence on the pitch in every single match

**Driving brand desirability around the world**
Connecting with consumers and football fans globally

**Direct financial impact limited**
Due to highly diversified category mix
MARKETING INVESTMENTS
DRIVING CONSUMER ADVOCACY AND BUILDING BRAND EQUITY

REASON TO BELIEVE
- Global brand campaigns to take center stage in 2018

REASON TO BUY
- Consistent and impactful communication around key franchises

SPORTS COMMUNITIES
- Step up grassroots and local activation efforts

MARKETING INVESTMENTS TO INCREASE IN ABSOLUTE AND RELATIVE TERMS IN 2018
OPERATIONAL EXCELLENCE THROUGH ONE ADIDAS
BENEFITING FROM A MORE SCALABLE BUSINESS MODEL

- LEVERAGE BRAND LEADERSHIP
- DRIVE MARKETING EFFECTIVENESS
- IMPROVE OPERATING EFFICIENCY
### OUTLOOK 2018 CONFIRMED
**STRONG TOP- AND BOTTOM-LINE IMPROVEMENTS EXPECTED**

<table>
<thead>
<tr>
<th></th>
<th>Increase by around 10%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong>*</td>
<td></td>
</tr>
<tr>
<td><strong>Gross margin</strong></td>
<td>Increase up to 0.3pp to up to 50.7%</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>Increase between 9% and 13%</td>
</tr>
<tr>
<td><strong>Operating margin</strong></td>
<td>Increase between 0.5pp and 0.7pp to between 10.3% and 10.5%</td>
</tr>
</tbody>
</table>
| **Net income from continuing operations**
  ****                          | Increase of 13% – 17% to € 1.615 – € 1.675 billion |
| **Basic EPS from continuing operations**
  ****                          | Increase between 12% and 16% |

* Currency-neutral.
** Excluding negative one-time tax impact of € 76 million in 2017.
**FINANCIAL AMBITION 2020**
RECONFIRMED IN MARCH WITH AN UPTICK ON PROFITABILITY

<table>
<thead>
<tr>
<th>Target KPIs 2020</th>
<th>March 2018</th>
<th>March 2017</th>
<th>March 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales growth</strong></td>
<td>10% – 12%</td>
<td>10% – 12%</td>
<td>High-single-digit</td>
</tr>
<tr>
<td>CAGR 2015-2020 c.n.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>22% – 24%</td>
<td>20% – 22%</td>
<td>~15%</td>
</tr>
<tr>
<td>CAGR 2015-2020</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net sales</strong></td>
<td>25 – 27</td>
<td>25 – 27</td>
<td>~22</td>
</tr>
<tr>
<td>(€ in billions)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>E-commerce</strong></td>
<td>4</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>(€ in billions)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating margin</strong></td>
<td>up to 11.5%</td>
<td>11%</td>
<td>~9.9%</td>
</tr>
</tbody>
</table>

* Figures reflect continuing operations.
SUMMARY

1. Successful start to 2018 according to plan

2. Ongoing momentum in strategic growth areas, slowdown in Western Europe

3. Strong profitability improvements despite FX headwinds

4. Accelerated marketing investments to support brand and product

5. Focused execution of ‘Creating the New’