

Annual General Meeting

May 12, 2016

Herbert Hainer, CEO of adidas AG

Dear shareholders,
ladies and gentlemen,
dear friends of adidas AG,

On behalf of my colleagues on the Executive Board and the employees of adidas AG, I would like to welcome you all to our 2016 Annual General Meeting at the City Hall in Fürth. I also extend a very warm welcome to everyone following this AGM online via our live webcast. As you will know, this is – at least for me – a very special AGM. After 15 years at the helm of the adidas Group, today is the 16th and final time I will be reporting to you as the CEO of adidas AG. Please therefore allow me to go into somewhat greater detail than I would normally. I would like to discuss the following topics with you today:

- Firstly, the adidas Group's results in 2015.
- Secondly, our outlook for the current year, 2016.
- Thirdly, our development over the past 15 years.

adidas Group is in great shape

Let's start with the financials for 2015. Our performance last year can be summed up in one sentence: the adidas Group is in great shape!

- Not only did we achieve the financial targets we had set at the beginning of the year, we also surpassed them. Sales grew 10% on a currency-neutral basis. In euros, this growth was even more impressive. Our sales were up 16% or 2.4 billion euros to 16.9 billion euros. That's the highest revenue in the history of the adidas Group.
- adidas, by far our biggest brand, also recorded double-digit growth and generated sales of 13.9 billion euros. That, too, is a new record.
- Reebok continued to grow, with sales up 6%.
- Our gross margin improved 60 basis points to 48.3%.
- Our underlying net income likewise recorded double-digit growth, rising 12% to 720 million euros.

Share price

These, dear shareholders, are fantastic results. Results that are reflected in the positive development of our share price. I am sure you have been following this development very closely. In 2015, the adidas share was top of the league in the German stock market index DAX, with an increase of 56%. In the same period, the DAX rose just 10%. Additionally, the adidas share outperformed its competitors.

Dividend proposal

On the basis of our excellent financial results, we are proposing to this Annual General Meeting a dividend of 1 euro 60 cents per share. That's 10 cents more than for the financial year 2014. Aside from being based on our strong operational performance last year, this dividend proposal takes into account our extremely healthy balance sheet and our positive outlook with regard to the profitability of the adidas Group going forward. This would equal a payout ratio of 47.9%, which is clearly at the upper end of our long-term target payout ratio of between 30 and 50%, which we increased only last year.

Share buyback programme

The continuation of our share buyback programme in 2015 also demonstrates just how much confidence we, the management, have in the long-term financial strength of the adidas Group. In the year under review, the Executive Board partly utilised the authorisation to repurchase shares. In the period from March 6, 2015 up to and including June 15, 2015, adidas AG bought back 4,129,627 shares for a total of approximately 300 million euros, making the average purchase price per share 72 euros and 65 cents. Altogether, the company holds 9,018,769 treasury shares, which it bought back within the framework of the first and second tranches of our share buyback programme in 2014 and 2015. This represents 4.31% of the company's nominal capital. For more information about our share buyback programme, please see the Notes section in our Annual Report.

Let us now take a closer look at our outstanding business development last year, starting with our categories.

adidas Originals

I have to begin with our streetwear label, adidas Originals. In 2015, the adidas brand was hotter than it had ever been before, thanks in particular to the popularity of adidas Originals. Fans of our brand were queueing up at major product launches to get their hands on a pair of adidas shoes. Indeed, some of them even camped out in front of our stores for several days. I have never, ladies and gentlemen, in all my 29 years at the adidas Group, witnessed such enthusiasm before. The huge demand for our products is a compliment to our brand, and one which is reflected in phenomenal growth rates. In 2015,

adidas Originals grew by a breathtaking 36%. Please note that the growth rates I cite are always on a currency-neutral basis, unless otherwise stated.

Records in the football business

Within our sports categories, football best demonstrates how clearly we are orienting our activities towards our consumers' requirements. In 2015, we realigned our football boot business by deciding to focus on just two types of footballers: the playmaker, who controls the game, and the creative player, who causes chaos on the pitch. It was with these players in mind that we launched the 'Ace' and 'X' models, although not without risk, because we had had four top boot models on the market previously. But that risk paid off and sales of our football boots enjoyed double-digit growth in 2015.

In fact, 2015 was our best year yet for football. Our sales of football products reached a new record high of over 2.2 billion euros, despite there being neither a European Football Championship nor a World Cup in 2015. So just imagine how great our potential is this year, with both the European Football Championship, taking place in France, and the Latin American championship 'Copa America', being played in the USA this summer.

Reebok grows 6%

So that was adidas. Now let's move on to Reebok and TaylorMade-adidas Golf: Reebok is continuing to develop positively and grew 6% in 2015. This was accompanied by solid growth rates in each quarter. There is no better proof than this that we are taking the brand in the right direction. Reebok is focusing wholly on the fitness consumer, fitness being a global trend, with more and more people wanting or needing to stay fit and healthy. With Reebok as a fitness brand, we as the adidas Group are ideally positioned for the future, too, in this growing segment.

TaylorMade: restructuring initiated, divestiture process set in motion

Development in the golf market is a bit of a different story. Golf is currently not a boom sport. Our golf segment cannot escape this stagnation. After a decade of strong growth rates in sales and profits, TaylorMade-adidas Golf underwent two difficult years in 2014 and 2015. This was in part due to the general weakness of the golf market, but also due to mistakes we ourselves made by responding to the stagnation partly too late and partly with inappropriate measures. But we learned from this and, in the second half of 2015, developed a turnaround plan for TaylorMade-adidas Golf, which we implemented immediately. Thanks to this plan, we will already see significant improvements in our golf business this year. At the same time, we also began to take a very close look at our golf business last year, which has primarily involved strategically analysing the question of whether and how this segment is able to support our long-term growth plan 'Creating the

New'. This analysis led us to a clear decision. We think the time has now come for us to concentrate on our core competence in the golf segment, too: the production and sale of innovative sports footwear and apparel. That's why we have begun talks with parties interested in acquiring our golf club brands TaylorMade and Adams Golf as well as our golf leisure brand Ashworth. It goes without saying that we will keep you informed about the progress of the divestiture process.

That brings me to the end of the overview of our main brands. Now I would like to invite you to go on a journey around the world. Let's take a look together at how successful adidas and Reebok were in key markets worldwide in 2015.

Strong growth in Western Europe

Our first port of call is Western Europe, which is our biggest market in terms of both sales and profit. This makes the development last year even more pleasing. Our sales increased 17% on a currency-neutral basis, and in euros by a very impressive 20% to 4.5 billion euros. This meant we were able to post double-digit growth in almost all countries, in particular in the UK, Italy, Spain, France and Poland. We continued to grow in Germany, too, following on our extraordinarily successful performance in our home market in 2014, the year of the World Cup.

adidas sales momentum accelerates in North America

In North America, our focus on this key market is paying off. Our sales increased 5%, and we generated 2.8 billion euros in revenues. This was, in particular, due to accelerating momentum within the adidas brand over the course of the year. In the fourth quarter of 2015, for instance, adidas grew 12%. For us, there is no better proof that we are becoming ever more successful at making our core brand relevant to the American consumer. We are specifically investing in this market in order to lay the foundations for healthy, sustainable growth in North America. I am 100% convinced that we can significantly increase our growth rate again this year. But more on this later when we discuss our first quarter 2016 results.

Sales in China continue to grow

In China, we are showing no signs of fatigue. Quite the opposite, in fact: with growth in sales of 18%, China was our fastest-growing market in 2015. We are now generating revenues of 2.5 billion euros in the region. Branded products are hot in China, and adidas is one of the most popular brands. Additionally, more and more Chinese people are discovering sports for themselves. This shift to an active, healthy lifestyle is also being strongly promoted by the government, all of which means we are far from reaching the potential limits of growth in China, too.

Strong growth in Latin America

In Latin America, we likewise grew at a double-digit rate in 2015. This is a remarkable achievement considering the 2014 World Cup triggered a boom for our products in this region. Propelled by double-digit growth rates at adidas and Reebok, we saw an increase of 12%, bringing our sales up to 1.8 billion euros there.

Macroeconomic challenges in Russia

We were unable to escape the complex political and economic situation in Russia and the Commonwealth of Independent States. However, even though our sales declined 11%, adidas is clearly still the market leader in Russia, with Reebok being a very strong number three. Overall, we generated revenues of 739 million euros. Our management team was furthermore able to maintain the profitability of our business at all times despite the challenging headwinds. Considering the circumstances, this is an outstanding achievement.

Sales in Japan at prior year's level

In Japan, the economy has been stagnating for a number of years now. Nevertheless, we are doing extremely well in the market and kept our sales stable at the prior year's level of 776 million euros.

Excellent year in other markets in Asia/the Pacific/Africa/the Middle East

We had another excellent year in other markets in Asia, the Pacific region and, in particular, the emerging markets in the Middle East and Africa. Our sales increased by 14% to 2.4 billion euros, making us more successful in these parts of the world than we had ever been before.

A successful 2015

So you see, ladies and gentlemen, the foundation of the adidas Group's success is very broad-based and thus extremely healthy. We are growing in the key categories of our brands as well as increasing our revenues and market share in the majority of markets, too. In short: 2015 was an extremely successful year for the adidas Group.

Accelerated growth in the first quarter of 2016

And do you know what? On the basis of what we know today, 2016 will be even better! We got off to an excellent start this year. Last week, we presented our financial results for the first quarter of 2016. These figures show that we have not just kept up the momentum of last year's results, we've really stepped up the pace and accelerated our growth significantly. Our sales went up 22%. In euros, this amounted to 4.8 billion. Never before have adidas Group sales reached such a high level in a single quarter. And by the way,

ladies and gentlemen, this means that our sales in the first quarter of 2016 were well ahead of the total sales achieved by the number three in our industry for the entire past year. Our underlying net income in the first quarter grew significantly faster than sales, rising 38% to 350 million euros. That, too, is a new record for a quarter.

Strong growth at adidas

With growth of 26%, the adidas brand is the star of the quarter. This growth is distributed outstandingly across its categories, with training, football, running, adidas Originals and adidas neo all posting double-digit increases.

Reebok continues to grow

Reebok, too, continues to perform positively. With an increase of 6%, the brand has now been growing for 12 consecutive quarters, or three years in a row.

Regional highlights in the first quarter

From a regional perspective, we likewise see an all-round positive picture. We grew in all regions in the first quarter. We achieved impressive growth rates in the core markets of Greater China, up 30%, Western Europe, up 25%, and Latin America, up 19%.

Pleasing development in North America

I am also especially pleased with our development in North America, where our sales rose 22% and the adidas brand grew an impressive 31%. This shows that the measures I presented to you in detail at the Annual General Meeting last year are taking effect. We have put a new management team in place and strategically invested in new partnerships in the USA. We are focusing on the needs of the American consumer more clearly than we have ever done before, which is why we are becoming ever more successful at exciting people for adidas products in this key market. No brand is currently growing as rapidly in the USA as adidas.

Outlook for 2016

Two weeks ago, on the basis of this really strong start to the year, we raised our full year 2016 guidance. We now anticipate sales growth of around 15% on a currency-neutral basis. And we expected to increase net income 15 to 18% to up to 850 million euros.

Yesterday evening, however, we raised our guidance again. Our net income this year will actually be even higher. In the second quarter of 2016, the adidas Group will benefit from a non-operational extraordinary effect as a result of the following new development: we have mutually agreed with Chelsea Football Club to terminate our existing agreement prematurely. The agreement will now be terminated at the end of the upcoming 2016/2017

season and not, as originally agreed, in June 2023. We are thus continuing the concentration process that is part of our sports sponsorship strategy. As announced last year, going forward, we intend to focus on fewer teams on the European club level.

We wish to expressly thank Chelsea Football club for the outstanding and successful collaboration we have enjoyed since 2006, and we are looking forward to our last season together. As compensation for the early termination of the contract, the adidas Group will receive a payment from Chelsea Football Club in 2017 that will already positively impact the Group's net income this year, in the mid-double-digit euro range. As a result, the Group's net income from continuing operations is now projected to increase by around 25% to a level of around 900 million euros.

Ladies and gentlemen, these are excellent prospects. So together with us, you can look forward to a successful year with a sports-filled summer. Sports fans truly have something to look forward to this June, July and August, with not one but three events taking place: the European Football Championship, the Copa America and, last but not least, the Olympic Games in Rio de Janeiro. I can already assure you that our adidas brand, our products and our athletes will be playing a key role at these events.

adidas share continues to develop positively in 2016

On the basis of our strong start to the year and our positive outlook, the adidas share has continued to develop positively since the beginning of the year. Again, in 2016, the adidas share has so far been the top performer in the DAX, with an increase of 27%. In the same period, the DAX fell by 7%. This means we are once again clearly outperforming the DAX and all of our competitors, too. The value of the adidas share has almost doubled between the beginning of 2015 and today. In comparison, with an increase of 2% in the same period, the DAX has hardly increased at all.

Ladies and gentlemen, as you can see, there have been quite a few developments within the adidas Group since we saw one another here in Fürth last year.

The video you're about to see provides an impressive summary of the highlights over the last 12 months.

Video – Highlights

adidas Group: strong comeback

Ladies and gentlemen, when I watch this video, there is one thing I feel above all: pride. I am proud of what we achieved together in 2015. But I will also admit that I am not just pleased about the results themselves. I am also very happy how we achieved these results.

As you will all remember, 2014 was a challenging year for the adidas Group. That's why we started off in 2015 by doing what any good athlete would have done in our position: we sat down and analysed our strengths and weaknesses. Then we rolled up our sleeves, went back to the drawing board and worked hard to realign our business. And our efforts paid off. The results we see today can be described as a textbook comeback. Today, the adidas Group is stronger, better and more successful than it was 12 months ago.

And this success goes far beyond our excellent financial results.

adidas is a trendsetter

The adidas brand is in greater demand among consumers worldwide than it has ever been before. It was adidas products that were responsible for fuelling the sneaker market, with the adidas UltraBoost, the adidas Yeezy and the adidas NMD ahead in all the rankings of the most popular sports shoe models. Like I said: consumers were lining up to get the adidas shoe of their choice. Our unique collaboration with creative artists such as Kanye West, Pharrell Williams and Rita Ora met with very enthusiastic response from the masses worldwide, and continues to do so.

Creating the New

We officially launched our new strategy 'Creating the New' on January 1, 2016, but it had already released a tidal wave of energy in our company last year. Our strategy establishes clear priorities. We are focusing on the three topics that will give us the biggest competitive advantage: speed, key cities and open-source collaboration. Our strategy is also based on the power of sport. We strongly believe we have the opportunity to change lives through sport.

Partnership with Parley for the Oceans

This thought is also driving our sustainability efforts forward. There are plenty of examples that underline our commitment to sustainability. On April 22 this year, we abolished plastic bags in all adidas stores worldwide. This means we will save two million plastic bags a year in Germany alone. We have also committed ourselves to protecting the world's oceans in partnership with the organisation 'Parley for the Oceans'. And that's not all: this summer, we are launching the first sports shoe made entirely of plastic waste.

adidas Group leading in sustainability

All of this has helped the adidas Group to become one of the most sustainable companies in the world. At the World Economic Forum in Davos in January of this year, we were named one of the top ten most sustainable companies for the third year running, following 2014 and 2015.

adidas Group as an employer of choice

Our sustainability efforts comprise many key initiatives – initiatives that are close not just to my heart but also to our employees' hearts, and they help us to be an employer of choice. We constantly strive to create the best possible working environment for our employees. In 2015, we were once again named the most attractive employer in our industry in numerous countries, including in Germany, Spain, Italy, the UK, China and the United Arab Emirates.

In 2015, we created 1,400 new jobs worldwide, more than 500 of which here in Germany. This means we now employ more than 6,000 people here in this country, 4,400 of whom at our headquarters alone. They represent more than 80 different nationalities.

Speedfactory: redefining the future of manufacturing

We are strengthening our location in Germany in other ways, too, for example by building the factory of the future, or Speedfactory as it is known, in Ansbach. This will enable us to redefine the future of production in our industry. In our factory of the future in Ansbach, the largely automated production of the first prototypes of state-of-the-art running shoes has already begun. This increases the speed of our production immensely. It will also, in future, allow us to manufacture our products where the consumer wants them. That's why we are already planning our first Speedfactory in the USA for 2017.

Investing in the digital future

The future of sport is also digital, which is why we are rapidly expanding our competencies in this field. In 2015, the adidas Group acquired Runtastic GmbH for 220 million euros. Runtastic is one of the most diverse global players in the market for health and fitness apps. Thanks to a highly active user community, the company has already achieved solid sales and profits. This investment represents considerable added value for the adidas Group. Together with Runtastic, we can create new digital sports experiences. On top of that, this gives us the chance to expand our user group of highly engaged athletes even further. Runtastic already reaches 80 million active athletes and sports lovers.

We also founded the Munich-based company anticipation GmbH in order to be close to the latest developments in the exciting market of digital technologies and also to keep up with other game-changing innovations at all times. The job of this wholly owned subsidiary of adidas AG is to identify business models of the future at an early stage and to be able to use them for the entire Group. It also involves collaborating with external business partners and start-ups as well as financing such products and business models. Under agenda item 7, we are asking for your approval to conclude a profit transfer agreement with anticipation

GmbH. Our Chief Financial Officer Robin Stalker will provide you with further information on this later.

Changing lives through sport: 'Wir Zusammen', or 'Us together'

We as the adidas Group come into contact with sport on a daily basis. As such, we strongly believe that we have the power to change lives for the better through sport. And we don't just believe that, we actively live it, for example by supporting the German economy's initiative 'Wir Zusammen' to help integrate refugees. In concrete terms, we help refugees via humanitarian aid, joint sports activities and internships in Germany.

adidas Group is a role model company

This list, ladies and gentlemen, is extremely important to me, because it shows how committed we are to managing the adidas Group in a way that is beneficial to all the main target groups. Financial results are of course important, no question about it! They tell us whether we have been careful with the money that you, dear shareholders, have entrusted us with.

However, it is just as important to excite consumers, offer our employees secure and attractive jobs and do our bit for the future of our planet. So I am sure you will agree with me when I say that today, the adidas Group is, in many areas, a role model.

And none of these are developments that we began only last year. These developments have characterised the adidas Group for many years now. So at this point, I would like to briefly look back over the past 15 years – 15 years in which I have had the honour of being the CEO of this great company.

adidas Group's successes from 2000 to 2015

I became the CEO of adidas AG, which was, incidentally, still known as adidas-Salomon AG at that time, on March 8, 2001 as Robert Louis-Dreyfus's successor.

What milestones have there been in the history of the adidas Group since then? And how have key financial figures developed?

Acquisition of Reebok

In 2006, we completed the biggest takeover in the history of the sporting goods industry by buying Reebok.

Divestiture of Salomon

At that point, we had already made our exit from the shrinking winter sports segment when we sold the Salomon family of brands to the Finland-based Amer Group in 2005.

Success at major sports events

At the Olympic Games in 2004, 2008 and 2012 and during the World Cup in 2002, 2006, 2010 and 2014, adidas athletes and teams took centre-stage. In this connection, I recall with particular pleasure the successes of the German and Spanish national teams, both of them adidas partners for many years now.

Industry leader in sustainability

In the Dow Jones Sustainability Index, one of the world's leading sustainability indices, we were named industry leader ten times in 15 years.

Expansion of Group headquarters

We have systematically expanded our headquarters in Herzogenaurach, and have now invested more than 500 million euros in our World of Sports there. And we have already decided on our next major projects, for which we award the majority of our contracts to companies in the region.

Number of employees increased

We constantly need more space, because we are growing and we are an employer of choice. We have quadrupled the number of our employees. In 2000, 13,000 people worked directly for the adidas Group. Today, that number is more than 56,000. In Germany, we tripled the number of our employees from 2,000 to currently more than 6,000 in the same time period.

2000-2016: Revenues tripled

15 years ago, the adidas Group generated annual sales of 5.8 billion euros. In 2016, we anticipate sales of almost 19 billion euros – more than ever before in the history of this company.

2000-2016: Net income quintupled

During this period, net income grew faster than sales, multiplying from 182 million euros in 2000 to the around 900 million euros now forecast for this year.

2000-2016: adidas AG share generates an average return of 15%

You as shareholders have continued to profit from the positive development of the adidas Group. As Igor Landau mentioned earlier: over the past 15 years, you have seen an annual

average return from adidas AG shares of 15%. In the same period, the DAX generated an average return of 3%.

2000-2016: Company value increases from 3 to 24 billion

The enormous increase in company value also reflects the positive development of the adidas Group. At the start of 2001, the adidas Group was worth just under 3 billion euros. Today, that value is around 24 billion euros. From 3 to 24 billion – that’s an eightfold increase in market capitalisation.

Positive outlook for the sporting goods industry

Ladies and gentlemen, I am extremely pleased about this sustainable positive development. But please don’t think the adidas Group has reached the limits of its growth. On the contrary: as you will have seen from the first quarter 2016 figures, we are on track again this year to set new records in terms of both sales and profit.

I anticipate strong demand for our products in the long term, too. More and more people are doing sports, keeping fit or pursuing an active lifestyle, all of which benefits our industry. And we are in the perfect position to take above-average advantage of these long-term trends, because adidas is already one of the most popular brands in the world. It is simply just chic and, in many countries, a status symbol to wear adidas products for sport and leisure activities. Reebok is also benefiting from the global fitness boom. That’s why we’re winning new consumers every day.

adidas Group is in great shape

Ladies and gentlemen, before you stands a completely satisfied and happy CEO. But despite all of these successes, there is of course always room for improvement. I am nevertheless very proud of how we, as a team, made an impressive comeback last year. And I am thrilled by how desirable our brands and products are worldwide. We also made clear decisions with regard to our brand portfolio. This brings me back to a point I made at the start of my speech: the adidas Group – your adidas Group – was not just in great shape in 2015, it is continuing to deliver world-class performance in 2016, too!

Creating the New

I am now looking forward to spending my remaining five months in office continuing to actively support the implementation of our long-term strategy ‘Creating the New’. Then, in the summer, I will ensure a smooth transition to my successor, Kasper Rorsted. Kasper Rorsted has been successfully leading Henkel AG for the last eight years. He will strengthen our already outstanding Executive Board team from August 1, 2016 and assume the role of CEO as of October 1. There is no doubt in my mind that he will continue the

success story of adidas AG together with this great management team. I wish Kasper Rorsted and all the employees of the adidas Group all the best for this.

Ladies and gentlemen, dear shareholders, I am deeply grateful to have served the adidas Group for 15 years as its CEO. And I deliberately say 'serve', because this job has always been both a duty and a passion for me. In other words: for me, being the CEO of the adidas Group was and is the best job in the world!

Team success

The credit for the successful development of the adidas Group is, however, by no means mine alone. Like in sports, success at our company is always a team effort. I would therefore like to extend my sincere thanks first and foremost to all the employees of the adidas Group. For it is thanks to them and their talent, dedication and passion day after day that we are able to be the best sporting goods company in the world. I also wish to expressly extend this thanks to my colleagues on the Executive Board who are here with me today. It is great fun working with you!

I would also like to thank the ladies and gentlemen of the Supervisory Board, especially you, Igor Landau. During my time in office, the Supervisory Board monitored the actions of the Executive Board in an extremely constructive manner at all times, and, during all discussions, always with the well-being of adidas AG in mind. Thank you for this professional and successful cooperation.

Last but not least, I would like to thank you, dear shareholders. Thanks to the trust you have placed in the Supervisory and Executive Boards of this company, you have also made a major contribution to our success.

I have greatly enjoyed our time together.

Please continue to put your trust in the adidas Group in the future, too. It has more than earned it.

Thank you, take care and all the best.