

For immediate release

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adidas Group divests Mitchell & Ness

Herzogenaurach, Germany / Philadelphia, Pennsylvania, United States – The adidas Group announced today that it has entered into a definitive agreement to sell its Mitchell & Ness business to a newly formed entity primarily owned by Juggernaut Capital Partners. In partnership with a proven global executive team and strategic operating partners, the new entity plans to leverage the capabilities of the platform to grow both organically and through the acquisition of complementary businesses. The transaction, which is subject to customary closing conditions, is expected to close in Q2 2016.

As a result of the transaction, the adidas Group will record a one-time positive P&L impact at the time of closing. The amount, which is expected to be in the low- to mid-double-digit million euro range, will be reported in other operating income as part of the Group's net income from continuing operations. The Group has decided to re-invest the proceeds from the divestiture to accelerate initiatives that are part of the company's 'Creating the New' strategic business plan and which are aimed at further strengthening the platform for ongoing top- and bottom-line growth.

"Mitchell & Ness is a strong lifestyle brand that is well known for its authentic headwear and apparel craftsmanship. However, our focus is more on performance sport and operating a brand portfolio with a clear agenda to unleash the potential of athletes and inspire consumers to live active lives. Nostalgia headwear and apparel is not core to this strategy and the sale of Mitchell & Ness will allow us to reduce complexity and pursue our target consumer more aggressively with our core brands," said Herbert Hainer, CEO of the adidas Group.

"We are pleased to partner with industry veteran Kevin Wulff and the existing Mitchell & Ness management team and employees to build and grow upon the success of the Mitchell & Ness brand," said Craig Hille, Managing Director of Juggernaut Capital Partners.

Headquartered in Philadelphia, PA, Mitchell & Ness is a global platform in nostalgia headwear and apparel with longstanding licensing agreements across multiple professional sports leagues including the NBA, NHL, MLB and NFL.

Robert W. Baird & Co. acted as exclusive financial advisor to adidas AG and Ropes & Gray LLP served as legal counsel.

Symphony Investment Partners acted as advisors to the buyer and Robinson Bradshaw served as legal advisor.

adidas Group

The adidas Group is a global leader in the sporting goods industry, offering a broad portfolio of footwear, apparel and hardware for sport and lifestyle around the core brands adidas, Reebok, TaylorMade and CCM Hockey. Headquartered in Herzogenaurach, Germany, the Group employs more than 55,000 people across the globe and generated sales of around € 17 billion in 2015.

About Juggernaut Capital Partners

Juggernaut Capital Partners, headquartered in Washington, DC, is a leading private equity firm focusing on middle-market companies primarily in the consumer and business services sectors. With in excess of US\$ 725 million in committed capital, JCP provides capital for growth, recapitalisations, acquisitions and buyouts. For more information on Juggernaut Capital Partners, visit <http://juggernautcap.com/>.

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