MAKE A DIFFERENCE

Q3 2015 Results
HSBC Luxembourg Conference
Luxembourg, December 3, 2015
OPERATIONAL PERFORMANCE
ADIDAS GROUP DELIVERS STELLAR PERFORMANCE
MAJOR DEVELOPMENTS

• Top-line momentum accelerates in Q3
• Group revenues increase 13% currency-neutral or 18% in euro terms to € 4.8 billion
• Gross margin up 1.0pp to 48.4% reflecting brand strength
• Operating margin increases 70bps to 10.6%
• Net income from continuing operations increases 20% to € 337 million
ADIDAS AND REEBOK ENJOY STRONG MOMENTUM

<table>
<thead>
<tr>
<th></th>
<th>Q3 2015</th>
<th>CHANGE</th>
<th>9M 2015</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NET SALES (€ in millions)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>adidas</td>
<td>4,007</td>
<td>+14%[1]</td>
<td>10,540</td>
<td>+11%[1]</td>
</tr>
<tr>
<td>GROSS MARGIN</td>
<td>47.9%</td>
<td>+1.6pp</td>
<td>47.9%</td>
<td>+1.0pp</td>
</tr>
<tr>
<td>Reebok</td>
<td>476</td>
<td>+3%[1]</td>
<td>1,295</td>
<td>+6%[1]</td>
</tr>
<tr>
<td>GROSS MARGIN</td>
<td>38.9%</td>
<td>+1.6pp</td>
<td>39.4%</td>
<td>+0.9pp</td>
</tr>
</tbody>
</table>

FOOTBALL

• Currency-neutral sales grow 19% in Q3, with double-digit sales increases in most markets

• Strong momentum in Football footwear, driven by ongoing success around ‘ACE’ & ‘X’

• Revenues in Football apparel grow at double-digit rates, reflecting the successful launch of partnerships

• Impactful brand campaigns and digital activation support new Football footwear franchises
• Currency-neutral Running sales up 9% in Q3, driven by increases in all markets except Russia/CIS

• Double-digit growth in North America, Greater China and Japan

• Footwear revenues increase at a double-digit rate

• 8 million pairs of Boost running shoes sold so far in 2015

• 64 major marathon wins with Boost
• Sales increase 33% currency-neutral in Q3
• Revenues grow double-digits in all markets except Russia/CIS
• Growth driven by strong double-digit revenue increases in footwear
• Ongoing robust sales momentum in main franchises such as the Superstar, ZX Flux and Stan Smith
• Continuous brand heat supported by key partnerships
REEBOK

- Currency-neutral Reebok revenues up 3% in Q3
- 10th consecutive quarter of growth
- Double-digit increases in key markets such as Latin America, MEAA and Japan
- Greater China revenues more than doubled
- Double-digit growth in the Studio category as well as in Classics
- Revenues in North America impacted by streamlining of factory outlet business
BRAND CAMPAIGNS DRIVE BRAND HEAT

PROOF!
EXCITING NEW PARTNERSHIPS
MAJOR PROGRESS IN THE US

• Authenticating the brand through grassroots events and higher visibility in US sports

• Impactful partnerships with Kanye West and Pharrell Williams

• Significantly improved product presentation through intensified cooperation with major retail partners

• Own-retail expansion delivers better than expected results
• Q3 revenues up 6% currency-neutral, reflecting easier comparisons and first operational progress

• Turnaround plan focusing on improvements in manufacturing, assembly, margin and marketing investments

• Focus on key strategic markets

• 14% workforce reduction as a result of organisational redesign

• Brands and products shine on PGA Tour
FINANCIAL HIGHLIGHTS
SALES INCREASE IN NEARLY ALL REGIONS IN Q3

- 6% NORTH AMERICA
- +18% WESTERN EUROPE
- (7%) RUSSIA/CIS
- +6% JAPAN
- +15% GREATER CHINA
- +14% MEAA
- +20% LATIN AMERICA

Currency-neutral.
Figures reflect combined revenues of the adidas and Reebok businesses.
WESTERN EUROPE

- Sales up 18% currency-neutral in Q3
- Double-digit sales growth in most of the region’s major markets
- Strong sales growth at adidas (+19%) fuelled by double-digit sales increases in Football and at adidas Originals
- Reebok sales up 6% currency-neutral
- Retail sales grow 12% currency-neutral with comp sales up 4%
NORTH AMERICA

• Currency-neutral sales increase 6% in Q3

• Revenues at adidas up 11%, driven by double-digit growth in the Running and Football categories as well as at adidas Originals

• Reebok sales decrease 11%, with declines in most categories

• Sales increases in both wholesale (+7%) and retail (+6%)

• Investments in brand-building activities and point-of-sale activation continue during Q3, up at double-digit rates
• Currency-neutral sales grow 15% in Q3
• Growth due to double-digit increases at adidas and strong improvements at Reebok
• adidas sales grow 14%, driven by strong double-digit sales increases in key performance categories as well as at adidas Originals and adidas NEO
• Sales increase at Reebok (+108%) driven by significant growth in the Fitness categories and Classics
• Sales down 7% currency-neutral in Q3
• Currency-neutral sales declines at both adidas (-7%) and Reebok (-4%)
• Operating expenses down 29%, primarily due to lower operating overhead costs
• Further rationalisation of own-retail store network with 58 net store closures during Q3
LATIN AMERICA

• Currency-neutral sales up a strong 20% in Q3 fuelled by double-digit increases in most markets

• Revenues at adidas up 21%, driven by double-digit growth in the Training and Football categories as well as at adidas Originals

• Reebok grows 16%, supported by double-digit sales increases in key categories such as Running, Training and Classics

• Revenues in retail up 20% currency-neutral
• Currency-neutral sales grow 6% in Q3, driven by strong sales increases at both adidas (+5%) and Reebok (+12%)

• Sales growth at adidas mainly due to double-digit increases in Running as well as at adidas Originals

• Reebok sales growth supported by strong growth in Classics

• Retail revenues up 23% currency-neutral, supported by double-digit comp growth
MEAA

- Revenues in Q3 up 14% currency-neutral with sales growth in most of the region’s major markets

- adidas up 14%, driven by double-digit sales increases in Football as well as at adidas Originals and adidas NEO

- Reebok sales grow 12%, mainly due to double-digit sales increases in the Training and Running categories as well as in Classics

- Retail sales up 10% currency-neutral, supported by 5% comp growth
• Currency-neutral sales grow 10% in Q3
• Sales at TMaG up 6%, driven by double-digit increases in North America
• Reebok-CCM Hockey grows 9%, supported by increases in North America and Western Europe
• Gross margin of Other Businesses improves 2.1pp to 34.4% (2014: 32.3%)
GROUP OPERATING PROFIT UP 26% IN Q3

<table>
<thead>
<tr>
<th></th>
<th>Q3 2015</th>
<th>9M 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>GROSS PROFIT</td>
<td>€ 2,304 million</td>
<td>€ 6,202 million</td>
</tr>
<tr>
<td>GROSS MARGIN</td>
<td>48.4%</td>
<td>48.6%</td>
</tr>
<tr>
<td>OTHER OPERATING EXPENSES</td>
<td>€ 1,845 million</td>
<td>€ 5,265 million</td>
</tr>
<tr>
<td>OTHER OPERATING EXPENSES AS A PERCENTAGE OF SALES</td>
<td>38.8%</td>
<td>41.3%</td>
</tr>
<tr>
<td>OPERATING PROFIT</td>
<td>€ 505 million</td>
<td>€ 1,101 million</td>
</tr>
<tr>
<td>OPERATING MARGIN</td>
<td>10.6%</td>
<td>8.6%</td>
</tr>
</tbody>
</table>

Excluding goodwill impairment of € 18 million in Q1 2015.

Figures reflect continuing operations as a result of the divestiture of the Rockport business.
## NET INCOME GROWS 20% IN Q3

<table>
<thead>
<tr>
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<th>9M 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FINANCIAL INCOME</strong></td>
<td>€ 8 million</td>
<td>€ 32 million</td>
</tr>
<tr>
<td></td>
<td>+81%</td>
<td>+125%</td>
</tr>
<tr>
<td><strong>FINANCIAL EXPENSES</strong></td>
<td>€ 18 million</td>
<td>€ 51 million</td>
</tr>
<tr>
<td></td>
<td>+54%</td>
<td>+2%</td>
</tr>
<tr>
<td><strong>INCOME BEFORE TAXES</strong></td>
<td>€ 495 million</td>
<td>€ 1,082 million</td>
</tr>
<tr>
<td></td>
<td>+26%</td>
<td>+22%</td>
</tr>
<tr>
<td><strong>INCOME TAX RATE</strong></td>
<td>31.9%</td>
<td>31.9%</td>
</tr>
<tr>
<td></td>
<td>+3.3pp</td>
<td>+3.1pp</td>
</tr>
<tr>
<td><strong>NET INCOME FROM CONTINUING OPERATIONS</strong></td>
<td>€ 337 million</td>
<td>€ 737 million</td>
</tr>
<tr>
<td></td>
<td>+20%</td>
<td>+17%</td>
</tr>
<tr>
<td><strong>DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS</strong></td>
<td>€ 1.67</td>
<td>€ 3.62</td>
</tr>
<tr>
<td></td>
<td>+26%</td>
<td>+21%</td>
</tr>
</tbody>
</table>

Excluding goodwill impairment of € 18 million in Q1 2015.
Figures reflect continuing operations as a result of the divestiture of the Rockport business.
# Retail Profitability Improves Strongly

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<th>CHANGE</th>
<th>9M 2015</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales</strong></td>
<td>€ 1,104 million</td>
<td>+9%&lt;sup&gt;1)&lt;/sup&gt;</td>
<td>€ 3,056 million</td>
<td>+10%&lt;sup&gt;1)&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Adidas Comp Store Sales</strong></td>
<td>+4%&lt;sup&gt;1)&lt;/sup&gt;</td>
<td></td>
<td>+3%&lt;sup&gt;1)&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td><strong>Reebok Comp Store Sales</strong></td>
<td>(4%)&lt;sup&gt;1)&lt;/sup&gt;</td>
<td></td>
<td>(5%)&lt;sup&gt;1)&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td><strong>Total Comp Store Sales</strong></td>
<td>+3%&lt;sup&gt;1)&lt;/sup&gt;</td>
<td></td>
<td>+2%&lt;sup&gt;1)&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td><strong>Gross Margin</strong></td>
<td>61.8%</td>
<td>+3.7pp</td>
<td>61.8%</td>
<td>+2.4pp</td>
</tr>
<tr>
<td><strong>Operating Margin</strong></td>
<td>22.7%</td>
<td>+2.9pp</td>
<td>21.0%</td>
<td>+3.4pp</td>
</tr>
</tbody>
</table>

<sup>1)</sup> Currency-neutral.
STORE DEVELOPMENT

- 2,679 stores operated at quarter-end
- 80 net store closures compared to year-end 2014
- 192 new stores opened, 272 stores closed, 74 stores remodelled
- 154 concession corners reclassified into the wholesale channel
- 1,466 adidas and 363 Reebok branded; 850 factory outlets
INVENTORIES REMAIN AT HEALTHY LEVELS

- Inventories from continuing operations increase 10% (c.n.)
- Receivables from continuing operations up 9% (c.n.)
- Payables from continuing operations grow 17% (c.n.)
- Average OWC in % of sales decreases 1.6pp to 20.7%

* Development of currency-neutral inventories from continuing operations in % at quarter-end.
NET DEBT GROWS TO € 903 MILLION

- Net borrowings increase to € 903 million (2014: € 543 million), due to the utilisation of cash for the share buyback programme
- Ratio of net borrowings/EBITDA amounts to 0.6 (2014: 0.5)
- Equity ratio decreases to 44.0% (2014: 52.1%)
STRATEGIC INITIATIVES & OUTLOOK
FUTURECRAFT: 3D-PRINTED RUNNING SHOE MIDSOLE
FUTURECRAFT: EXPLORING LEATHER MANUFACTURING
ADIDAS AND MANZ SIGN COOPERATION AGREEMENT
CREATING HYPE WITH MESSI’S 10/10 LIMITED EDITION
ATTACKING KEY CITIES IN FOOTBALL
CONTINUING THE FOOTBALL REVOLUTION WITH LACELESS
GEARING UP TO KICK OFF UEFA EURO 2016
CONTINUING FOCUS ON US SPORTS
INTRODUCING D ROSE 6 SIGNATURE SHOE
JAMES HARDEN LACES UP CRAZYLIGHT BOOST 2015
YEEZY SEASON 1 HITS RETAIL
ORIGINALS TO LAUNCH NEW FOOTWEAR FRANCHISE
REEBOK CONTINUES TO PURSUE FITNESS PATH
M1 PRODUCT LINE HITS RETAIL
<table>
<thead>
<tr>
<th>Metric</th>
<th>Expected Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group sales (currency-neutral)</td>
<td>High-single-digit increase</td>
</tr>
<tr>
<td>Gross margin</td>
<td>48.0% to 48.5%</td>
</tr>
<tr>
<td>Other operating expenses (in % of sales)</td>
<td>Moderate increase</td>
</tr>
<tr>
<td>Operating margin&lt;sup&gt;1) &lt;/sup&gt;</td>
<td>Between 6.5% and 7.0%</td>
</tr>
<tr>
<td>Net income from continuing operations&lt;sup&gt;1) &lt;/sup&gt;</td>
<td>To increase at a rate of around 10%</td>
</tr>
</tbody>
</table>

<sup>1</sup> Excluding goodwill impairment losses. Figures reflect continuing operations as a result of the divestiture of the Rockport business.
OUTLOOK 2016

• Strong brand momentum to continue in 2016
• Group sales to grow at a high-single-digit rate
• Gross margin to be negatively impacted by currency effects
• Operating profit to grow at a high-single-digit rate
• Operating margin to remain at least stable versus the 2015 level
<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 9, 2015</td>
<td>2nd IR Tutorial Workshop</td>
</tr>
<tr>
<td>March 3, 2016</td>
<td>Full Year 2015 Results</td>
</tr>
<tr>
<td>May 4, 2016</td>
<td>First Quarter 2016 Results</td>
</tr>
<tr>
<td>May 12, 2016</td>
<td>Annual General Meeting</td>
</tr>
<tr>
<td>August 4, 2016</td>
<td>First Half 2016 Results</td>
</tr>
</tbody>
</table>
CREATING
THE
NEW
3 STRATEGIC CHOICES TAKEN

SPEED  CITIES  OPEN SOURCE
OUR STRATEGY FOR CREATING THE NEW

OPEN SOURCE
CITIES
FOCUS
SPEED
BRAND DESIRE

TOP LINE & MARKET SHARE GROWTH
GROSS MARGIN EXPANSION
OPERATING LEVERAGE
FINANCIAL AMBITION

NET INCOME: ~15% CAGR (2015–2020)

NET SALES CAGR (2015–2020) – CURRENCY-NEUTRAL
GLOBAL BRANDS
FOCUS ON SPORT

<table>
<thead>
<tr>
<th>SPORT</th>
<th>SPORTSWEAR</th>
<th>STREETWEAR</th>
<th>COLLABS</th>
</tr>
</thead>
<tbody>
<tr>
<td>adidas</td>
<td></td>
<td></td>
<td>Y-3</td>
</tr>
<tr>
<td>BEST SPORTS BRAND</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ORIGINAL SPORTS BRAND</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SPORTSWEAR FOR ALL</td>
<td></td>
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</table>
FOCUSED ORGANIZATION
CLEAR LINE OF SITE FOR EACH CATEGORY

<table>
<thead>
<tr>
<th>STRATEGY</th>
<th>FUTURE</th>
<th>CREATIVE DIRECTION</th>
<th>BRAND MGT</th>
<th>CTC</th>
<th>FOOTBALL</th>
<th>RUNNING</th>
<th>BASKETBALL</th>
<th>TRAINING</th>
<th>OUTDOOR</th>
<th>HBS</th>
<th>ORIGINALS</th>
<th>STYLE</th>
<th>DIGITAL SPORTS</th>
</tr>
</thead>
</table>

![Images of athletes and products representing different categories such as football, running, basketball, training, outdoor, HBS, originals, style, and digital sports.]
EVERYTHING COMES FROM SPORT
CREATE FOR THE CREATOR
6 CITIES
FOOTWEAR FRANCHISES
CATEGORY ROLES
WOMEN
MARKETING SPEND
FOCUS CATEGORIES

LEAD
#1 IN EVERY MARKET

FOOTBALL ORIGINALS

GROW
DRAMATIC MARKET SHARE GAINS

RUNNING NEO

AMPLIFY
LARGEST BUSINESS IN EVERY MARKET

TRAINING

AUTHENTICATE
REGIONAL PLAYERS/GROWTH ENGINES

BASKETBALL
HEARTBEAT SPORTS DIGITAL OUTDOOR
CREATOR FARMS
NEWSROOMS

PORTLAND
NEW YORK
LONDON
HERZO
MOSCOW
SHANGHAI
TOKYO
RIO

64
SPEED
FIRST FAST SPORTS COMPANY IN THE INDUSTRY
CHALLENGING
THE INDUSTRY STANDARD

WE ARE
(FOOTWEAR)

45 days

SPORTS INDUSTRY
STANDARD

12-18 months
GOAL

OF ALL RANGES ON SPEED PROGRAMS

50%

FULL-PRICE SELL-THRU ACROSS SPEED RANGES

+20%
FIRST FAST SPORTS COMPANY IN THE INDUSTRY

- **Share of Volume Sold at Full Price**: Up
- **Risk of Overbuying**: Down
- **Inventory Turn**: Up
- **Average Markdown on Articles Sold**: Down
TRANSFORMATION

TRADITIONAL SPORTS

FITNESS

2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014

€1.5bn

€1.7bn
TRAINING

CROSSFIT

DANCE

YOGA

SPIN
RUNNING

SPEED

DISTANCE

TERRAIN

TRAIL
CLASSICS

FOUNDATION

RETRO RUNNING

CONTEMPORARY
GLOBAL SALES
CREATING THE NEW
CONSUMER JOURNEY
TODAY'S FEMALE ATHLETE

1. GET INSPIRED
2. BROWSE ONLINE
3. SHARE
4. FIND A STORE
5. FEEL & TRY PRODUCT
6. SEEK APPROVAL
7. PURCHASE
OMNI-CHANNEL

SEAMLESS CONSUMER EXPERIENCE ACROSS ALL TOUCHPOINTS
CAPTURING FULL SALES POTENTIAL

INVENTORY CHECK
CLICK & COLLECT
SHIP FROM STORE
ENDLESS AISLE
UNRIVALLED STORE NETWORK

2,900 OWN RETAIL
11,000 FRANCHISE
30+ OWN ECOM

AND GROWING
OWN CONCEPT STORES

PREMIUM PRESENTATION WITH NEW STORE FORMATS

CONNECT-ENGAGE-INSPIRE SERVICE MODEL

LEVERAGE OMNI-CHANNEL CAPABILITIES

DOUBLE-DIGIT CAGR BY 2020

500-600 ADDITIONAL STORES
LEVERAGE OWN-RETAIL CAPABILITIES

IMPLEMENT HARD FRANCHISE BUSINESS MODEL

EXPAND TO NEW GEOGRAPHIES

FRANCHISE

DOUBLE-DIGIT CAGR

BY 2020

3,000 ADDITIONAL STORES
PERSONALISED INTERACTION
PRODUCT-LED EXPERIENCE
PRODUCT AVAILABILITY AND EXCLUSIVITY
LEVERAGE OMNI-CHANNEL CAPABILITIES
CONCEPT STORE PRODUCTIVITY
NS/SQM - EXCL. CIS

+5% (CAGR)

NEW SERVICE PHILOSOPHY
BETTER ASSORTMENT AND RANGE PLANNING
IMPROVED FOCUS ON STAFF TRAINING
ACTIVE SHAPING OF THE CHAIN
FOOTWEAR FOCUS
OMNI-CHANNEL CAPABILITIES

2010  2015

2015 - 2020
+7% CAGR
TOP 20 KA STRATEGY

- Strategic Planning
- Sell-Out Focused Investment
- End-2-End Supply
- Premium Presentation
- Key Destination Doors
- Digitalization & Innovation
RETAIL TO WHOLESALE

PREDEFINED SPACE SOLUTIONS

MODULAR PRODUCT PACKAGES

SIMPLIFIED PROCESS
WHOLESALE MANAGED SPACE

FOCUS ON KEY LOCATIONS IN KEY CITIES
SEGMENTATION OF THE RSM SPACES
CLOSE COLLABORATION WITH TOP 20 KEY ACCOUNTS

X2
+300K SQM
WHOLESALE
CUSTOMIZED STRATEGIC PARTNERSHIPS WITH TOP KEY ACCOUNTS
PARTNER WITH SPECIALISTS TO ADDRESS AUTHENTIC ATHLETES AND INFLUENCERS
ACTIVE APPROACH TO WHS ECOM

MID-SINGLE-DIGIT CAGR
+2 BILLION EUR
CONTROLLED SPACE
ALLOW OUR BRANDS TO SHINE
TURN BRAND HEAT INTO COMMERCIAL SUCCESS

2010 37%
2015 50%+
2020 60%+

ROLES OF MARKETS

LEAD
HIGH-SINGLE-DIGIT
WESTERN EUROPE // GREATER CHINA // EMERGING MARKETS

GROW
DOUBLE-DIGIT
NORTH AMERICA // LATIN AMERICA // SEA/PACIFIC

EXTEND
MID-SINGLE-DIGIT
CIS // JAPAN // SOUTH KOREA
80% of absolute growth from focus markets
DELIVER THE PROMISE

1. Leverage scale of our POS network
2. Drive productivity across our sales platform
3. Shape our own destiny.

**OMNI-CHANNEL LEADER IN SPORTING GOODS**

**WINNING IN 6 GLOBAL KEY CITIES**

**80% OF GROWTH TO COME FROM 4 KEY MARKETS**

**4X ECOM**

**INCREASED NS / SQM PRODUCTIVITY**

**+1 MILLION SQM OF CONTROLLED SPACE**

**60%+ OF NS FROM CONTROLLED SPACE**