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FOR IMMEDIATE RELEASE

September 5, 2018

adidas AG successfully places equity-neutral convertible bond

Herzogenaurach – Today, adidas AG successfully placed a € 500 million equity-neutral convertible bond. The convertible bond has a term of five years and has a coupon of 0.05%. The offering was 2.7 times oversubscribed. The proceeds of the offering will be used for general corporate purposes and, as previously announced, to finance a portion of the multi-year share buyback program. Under the current program announced in March 2018, the company intends to buy back shares of up to € 3.0 billion in total until May 2021. Up until and including August 31, adidas has bought back 3.5 million shares worth € 677 million under the current program.

The issue price was fixed at 104% of the nominal value, corresponding to an annual yield to maturity of -0.73%. The nominal value of each convertible bond is € 200,000. The initial conversion price will represent a conversion premium of 40% above adidas' share reference price. The share reference price will be determined as the arithmetic average of adidas' daily volume-weighted average ordinary share price on XETRA over a period of ten consecutive trading days, from September 6 to September 19, 2018. The initial conversion price will be determined after market close at the end of the share reference price period. The share reference price and the initial conversion price will be announced through a final press release at the end of the share reference price period, expected to take place on or around September 19, 2018.

Through the convertible bond, investors can benefit from a positive performance of adidas' ordinary shares. Investors will have conversion rights in respect to the convertible bond which will be settled in cash by reference to the share price. Due to the cash settlement, the issue and conversion of the convertible bond will not result in the issuance of any new shares of adidas nor will adidas be required to deliver existing shares. Concurrently, adidas is purchasing call options over adidas ordinary shares to fully hedge the economic exposure of adidas to pay cash amounts under the convertible bond upon any exercise of conversion rights by investors.



The convertible bond was offered through an accelerated book building process. Settlement and closing are expected on September 12, 2018. adidas intends to apply for the convertible bond to be included in the Open Market (Freiverkehr) segment of the Frankfurt Stock Exchange.

Citigroup Global Markets Limited is acting as Sole Global Coordinator, and, together with HSBC, Deutsche Bank AG, BofAMerrill Lynch and Unicredit AG, as Joint Bookrunners for the offering.

It is anticipated that adidas' counterparties to the call options will hedge their positions through the purchase or sale of adidas shares, or any other transactions.

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The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a "Retail Investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("MiFID II"); (ii) a customer within the meaning of Directive 2002/92/EC ("IMD"), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II; or (iii) not a Qualified Investor as defined in the Prospectus Directive.

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