

Investor Day 2006

Herbert Hainer
CEO and Chairman

Achieving New Levels of Performance



- Nearly € 10 billion in revenues
- Bigger scale and broader presence in key markets and product categories
- Leading supplier of sports apparel
- Market leadership in Europe and Asia
- #1 in football, tennis, women's and aerobic/fitness

Leading Category Positions



Market Environment Changes Rapidly

Consumer/Market	Brand
Increasingly sophisticated consumer	Clear definition and focus critical
Consumer awareness of global markets	Translate and transfer across international borders
Continuous evolution of traditional and emergence of new sports categories	Shaping trends, technology and design as core competencies

adidas and TaylorMade: Building upon Core Identities



- Passion for sport
- Inspiring teams and athletes
- Bring athletes to highest level of performance



- Inventor of the metalwood
- Best golf products for best players worldwide
- Redefining new heights in golf

Technology and innovation

Cutting-edge design

Customized products and distribution

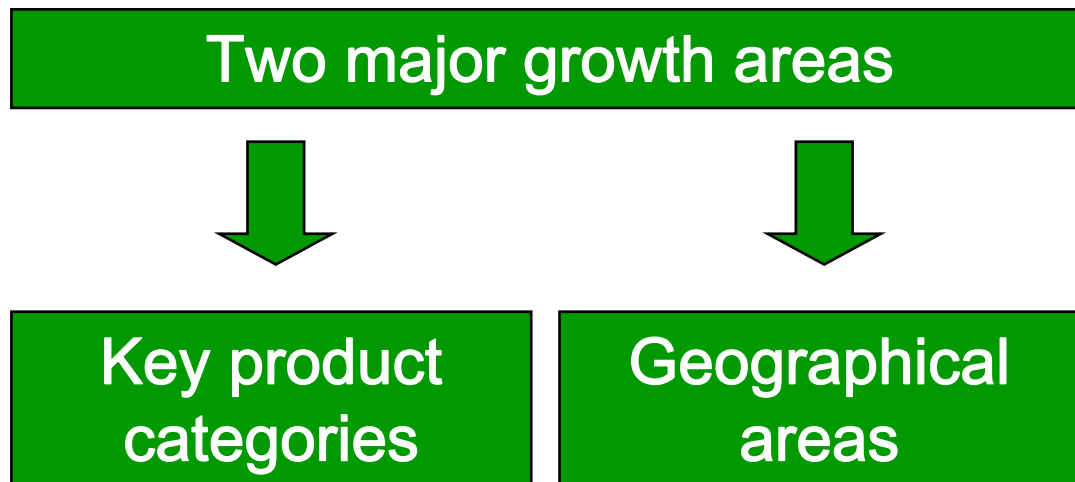
Reebok Offers Tremendous Potential

- Performance orientation with focus on individuality
- Redefining sports and categories
- American lifestyle
- Unequaled relationships with professional sports leagues
- Strong focus on solving short-term challenges



Growth Driven By Expanded Product Categories and Geographies

- Integration planning complete
- Moving quickly to realize benefits



adidas Group Core Product Categories



Running Leadership within Reach

- 100 million pairs sold annually throughout the industry
- Focus on customization and recreational runners
- adidas: focus on innovation and high-end runners
- Reebok: focus on comfort, cushioning and fitness-oriented runners



Targeting significant increases in sales of functional running shoes by 2010

Positioning in Basketball and Football Driven by Distinct Brand Identities



- Core communication product categories
- adidas: focus on team performance
- Reebok: focus on individual performance

**Expand football dominance
Strong basketball growth initiative**

Strengthening Golf Position with Proven Multi-Brand Approach

- Nearly €5 billion global product category
- Seize opportunities resulting from market consolidation
- Innovation excellence
- Softgoods growth opportunities



Golf sales to exceed €1 billion in near future

Expanding Market Leadership in the Women's Category



- adidas: performance focus to incorporate more style elements under flagship Stella

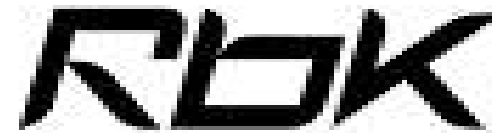


- Reebok: strong fitness focus to incorporate new sports and increased technology

**Double-digit category growth
to ensure market share expansion**

Right Mix of Sport Lifestyle/Performance to Maximize Growth Opportunities

- Sport lifestyle market twice the size of performance market
- Optimal adidas business mix: 70% performance, 30% sport lifestyle
- Optimal Reebok business mix: 50% performance, 50% sport lifestyle



Balanced sport lifestyle and performance growth

Branded Apparel Revenue Opportunity for Reebok

- € 44 billion global category
- Fragmented high-margin, growth category
- Utilizing existing talent and know-how to improve product offering



€100 million incremental revenue by 2009

adidas

GROUP

Unparalleled Opportunities in Licensed Business



Beijing 2008



Licensed Business Expansion at adidas



€100 million incremental revenue by 2009

Regional Product Initiatives Drive Sales and Profitability Growth for Reebok

- Over 50% of Reebok segment generated in North America
- Market share of below 10% in virtually all markets
- Growth drives over-proportionate bottom-line impact

€100 million incremental sales growth by 2009

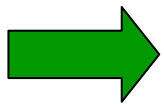
Distributor Buyout Offers Major Top-Line Opportunity

- Strong track record with buying out distributors and joint ventures
 - Japan
 - Italy
- Reebok underrepresented in Eastern Europe and Asia

€200 million incremental revenue by 2009

Building Permanent Cost of Goods Sold Benefits

- Adopting Reebok's sharper cost program
- Increasing scale
- World Class Buyer program



Improving terms in sourcing, production and materials purchasing

€75 million savings in cost of goods

Increased Forecast for Savings from Corporate Efficiency

Marketing & Sales

Distribution & Warehousing

Administration & IT

Total annual cost synergies (net) €100 million

Substantive Revenue Synergies Expected

Branded apparel

Licensed product

Regional initiatives

Distributor buyouts

Annual revenue synergies

€500 million

Medium-term Guidance Increased

	<u>Target</u>
Annual sales growth	High-single-digit
Gross margin	46 - 48%
Operating margin	ca. 11%
Annual growth of net income	Double-digit for the next 3 years, at least 20% in 2007