

**adidas**

---

**Fact Sheet for the First Half 2017**

**August 3, 2017**



---

## Table of Content

	page
• Our Share Highlights	3
• Consolidated Income Statement Highlights	4
• Consolidated Statement of Financial Position and Cash Flow Highlights	5
• Financial Highlights by Segment	6-7
• Financial Highlights by Brand	8
• Retail at a Glance	9

## Our Share Highlights

	First Quarter		Second Quarter			Third Quarter		Fourth Quarter		YTD		
	2017	2016	2017	2016	Change	2017	2016	2017	2016	2017	2016	Change
<b>Earnings per share<sup>2)</sup> (in EUR)</b>												
Basic	2.26	1.75	0.78	1.45	(46%)	1.93		(0.05)	3.04	3.20	(5%)	
Diluted	2.23	1.71	0.78	1.42	(45%)	1.88		(0.03)	3.01	3.13	(4%)	
<b>Average number of shares</b>												
Basic	201,209,054	200,197,417	202,350,968	200,197,417	1%	200,226,599		200,131,868	201,783,166	200,197,417	1%	
Diluted	204,273,231	206,294,660	204,198,888	206,327,088	(1%)	206,327,088		205,656,812	204,235,854	206,327,088	(1%)	
<b>Number of shares outstanding<sup>1)</sup></b>												
	201,550,844	200,197,417	202,657,342	200,197,417	1%	200,307,750		201,489,310	202,657,342	200,197,417	1%	
<b>Share price<sup>1)</sup></b>												
	178.30	103.00	167.75	128.45	31%	154.50		150.15	167.75	128.45	31%	
<b>Market capitalisation<sup>1)3)</sup></b>												
	35,937	20,620	33,996	25,715	32%	30,948		30,254	33,996	25,715	32%	
<b>Historical performance of the adidas share and important indices (in %)</b>												
adidas AG	19	15	(6)	25		20		(3)	12	43		
DAX-30	7	(7)	0	(3)		9		9	7	(10)		
MSCI World Textiles, Apparel & Luxury Goods	9	3	7	(7)		3		0	17	(4)		

<sup>1)</sup> At quarter-end.

<sup>2)</sup> Includes continuing and discontinued operations.

<sup>3)</sup> € in millions.

## Consolidated Income Statement Highlights

	First Quarter		Second Quarter			Third Quarter		Fourth Quarter		YTD		
	2017	2016	2017	2016	Change	2017	2016	2017	2016	2017	2016	Change
<b>Key Figures</b> (€ in millions)												
Net sales <sup>1)</sup>	5,447	4,562	5,038	4,199	20%	5,222	4,500	10,485	8,761	20%		
Gross profit <sup>1)</sup>	2,702	2,290	2,525	2,074	22%	2,510	2,226	5,227	4,364	20%		
Other operating expenses <sup>1)</sup>	2,122	1,824	2,072	1,833	13%	1,963	2,265	4,194	3,657	15%		
EBITDA <sup>1)</sup>	763	616	599	519	15%	678	140	1,362	1,135	20%		
Operating profit <sup>1)</sup>	637	521	505	429	18%	591	41	1,142	950	20%		
Income Before Taxes <sup>1)</sup>	645	527	486	425	15%	573	10	1,131	952	19%		
Net Income from continuing operations <sup>1)</sup>	462	370	347	301	16%	407	4	809	671	21%		
Net Income attributable to shareholders <sup>2)</sup>	455	351	158	291	(46%)	386	(10)	613	641	(4%)		
<b>Key Ratios</b>												
Gross margin <sup>1)</sup>	49.6%	50.2%	50.1%	49.4%	0.7 pp	48.1%	49.5%	49.9%	49.8%	0.0 pp		
Other operating expenses in % of net sales <sup>1)</sup>	39.0%	40.0%	41.1%	43.7%	(2.5pp)	37.6%	50.3%	40.0%	41.7%	(1.7pp)		
Operating margin <sup>1)</sup>	11.7%	11.4%	10.0%	10.2%	(0.2pp)	11.3%	0.9%	10.9%	10.8%	0.1 pp		
Effective tax rate <sup>1)</sup>	28.4%	29.9%	28.6%	29.2%	(0.6pp)	29.0%	62.3%	28.5%	29.6%	(1.1pp)		
Net Income attributable to shareholders in % of net sales <sup>2)</sup>	8.3%	7.7%	3.1%	6.9%	(3.8pp)	7.4%	(0.2%)	5.8%	7.3%	(1.5pp)		

<sup>1)</sup> Figures reflect continuing operations as a result of the divestiture of the Rockport business and the planned divestiture of TaylorMade, Adams Golf, Ashworth and CCM Hockey.

<sup>2)</sup> Includes continuing and discontinued operations.

## Consolidated Statement of Financial Position and Cash Flow Highlights

	March 31		2017	June 30		Change	September 30		December 31	
	2017	2016		2016			2017	2016	2017	2016
<b>Key Figures</b> (€ in millions)										
Total assets	15,684	13,415	14,692	14,029	5%		14,255		15,176	
Accounts receivable	2,876	2,517	2,477	2,356	5%		2,715		2,200	
Inventories	3,609	2,939	3,644	3,514	4%		3,203		3,763	
Operating working capital	4,554	3,883	4,258	4,013	6%		4,228		3,468	
Net borrowings	859	809	735	1,028	(28%)		769		103	
Shareholders' equity	6,719	5,679	6,141	5,792	6%		6,126		6,472	
Capital expenditures	116	68	266	201	32%		361		651	
Net cash generated from/(used in) operating activities	(542)	(266)	167	(75)	n.a.		376		1,348	
<b>Key ratios</b>										
Average operating working capital in % of net sales <sup>1)2)</sup>	21.0%	21.2%	20.4%	21.4%	(1.0pp)		21.3%		21.1%	
Equity ratio	42.8%	42.3%	41.8%	41.3%	0.5 pp		43.0%		42.6%	
Net borrowings/EBITDA <sup>1)3)</sup>	0.4	0.5	0.3	0.6	n.a.		0.4		0.1	
Financial leverage	12.8%	14.2%	12.0%	17.7%	(5.8pp)		12.6%		1.6%	

<sup>1)</sup> Figures reflect continuing operations as a result of the divestiture of the Rockport business and the planned divestiture of TaylorMade, Adams Golf, Ashworth and CCM Hockey.

<sup>2)</sup> Twelve-month trailing average.

<sup>3)</sup> EBITDA of last twelve months.

Financial Highlights by Segment (€ in millions)

	First Quarter		2017	Second Quarter			Change [c.n.]	Third Quarter		Fourth Quarter		2017	YTD		
	2017	2016		2016	Change	Change [c.n.]		2017	2016	2017	2016		2016	Change	Change [c.n.]
<b>Western Europe</b>															
Net sales	1,523	1,414	1,421	1,214	17 %	19 %		1,557	1,105	2,944	2,628	12 %	14 %		
adidas brand	1,374	1,294	1,315	1,133	16 %	18 %		1,438	1,024	2,688	2,427	11 %	13 %		
Reebok brand	149	121	107	81	32 %	33 %		119	81	256	201	27 %	28 %		
Gross profit	678	651	637	534	19 %			676	488	1,315	1,185	11 %			
<i>Gross margin</i>	44.5%	46.1%	44.8%	44.0%	0.8 pp			43.4%	44.2%	44.6%	45.1%	(0.5 pp)			
Operating expenses	350	338	352	324	8 %			342	394	701	662	6 %			
<i>Operating expenses in % of net sales</i>	23.0%	23.9%	24.8%	26.7%	(2.0 pp)			22.0%	35.6%	23.8%	25.2%	(1.4 pp)			
Operating profit	328	313	285	210	36 %			334	94	613	523	17 %			
<i>Operating margin</i>	21.5%	22.2%	20.1%	17.3%	2.8 pp			21.4%	8.5%	20.8%	19.9%	0.9 pp			
<b>North America</b>															
Net sales	988	728	1,014	788	29 %	26 %		927	969	2,001	1,515	32 %	28 %		
adidas brand	880	621	915	673	36 %	33 %		788	815	1,794	1,294	39 %	34 %		
Reebok brand	108	106	99	115	(14 %)	(16 %)		139	153	207	221	(6 %)	(9 %)		
Gross profit	376	274	420	305	37 %			346	360	796	580	37 %			
<i>Gross margin</i>	38.1%	37.7%	41.4%	38.8%	2.6 pp			37.3%	37.2%	39.7%	38.2%	1.5 pp			
Operating expenses	294	266	304	247	23 %			290	321	598	513	17 %			
<i>Operating expenses in % of net sales</i>	29.7%	36.6%	30.0%	31.3%	(1.3 pp)			31.3%	33.1%	29.9%	33.9%	(4.0 pp)			
Operating profit	97	19	131	74	77 %			71	49	228	94	144 %			
<i>Operating margin</i>	9.8 %	2.7 %	12.9 %	9.4 %	3.5 pp			7.7%	5.1%	11.4 %	6.2 %	5.2 pp			
<b>Greater China</b>															
Net sales	990	762	865	685	26 %	28 %		822	741	1,855	1,447	28 %	29 %		
adidas brand	970	746	846	669	26 %	28 %		803	726	1,816	1,415	28 %	29 %		
Reebok brand	20	17	19	15	22 %	20 %		19	16	39	32	22 %	19 %		
Gross profit	583	436	516	413	25 %			466	416	1,099	849	29 %			
<i>Gross margin</i>	58.9%	57.2%	59.6%	60.3%	(0.7 pp)			56.8%	56.0%	59.2%	58.7%	0.6 pp			
Operating expenses	188	138	206	159	30 %			182	192	394	297	33 %			
<i>Operating expenses in % of net sales</i>	19.0%	18.1%	23.8%	23.2%	0.7 pp			22.2%	25.9%	21.2%	20.5%	0.7 pp			
Operating profit	396	298	310	254	22 %			284	223	705	552	28 %			
<i>Operating margin</i>	39.9%	39.1%	35.8%	37.2%	(1.4 pp)			34.6%	30.1%	38.0%	38.2%	(0.2 pp)			
<b>Russia/CIS</b>															
Net sales	160	138	181	172	5 %	(11 %)		195	175	341	310	10 %	(10 %)		
adidas brand	116	106	135	132	2 %	(13 %)		148	128	250	238	5 %	(14 %)		
Reebok brand	44	32	46	39	16 %	(1 %)		47	47	90	72	25 %	2 %		
Gross profit	100	80	120	100	20 %			111	104	220	179	22 %			
<i>Gross margin</i>	62.3%	57.7%	66.4%	58.2%	8.2 pp			57.0%	59.7%	64.5%	58.0%	6.5 pp			
Operating expenses	86	66	75	68	11 %			79	78	162	134	21 %			
<i>Operating expenses in % of net sales</i>	54.0%	47.8%	41.6%	39.6%	2.0 pp			40.3%	44.5%	47.4%	43.3%	4.2 pp			
Operating profit	13	14	45	32	41 %			33	27	58	46	27 %			
<i>Operating margin</i>	8.2%	9.9%	24.8%	18.6%	6.2 pp			16.7%	15.2%	17.0%	14.7%	2.3 pp			

Financial Highlights by Segment (€ in millions)

	First Quarter		2017	Second Quarter			Third Quarter		Fourth Quarter		2017	YTD		
	2017	2016		2016	Change	Change (c.n.)	2017	2016	2017	2016		Change	Change (c.n.)	
<b>Latin America</b>														
Net sales	454	394	441	379	16 %	14 %	487	471	895	773	16 %	11 %		
adidas brand	397	350	387	330	17 %	14 %	424	411	785	680	15 %	10 %		
Reebok brand	57	44	53	48	10 %	10 %	63	61	111	93	20 %	17 %		
Gross profit	181	178	173	156	11 %		195	204	354	334	6 %			
Gross margin	39.9%	45.2%	39.2%	41.1%	(1.9 pp)		40.1%	43.4%	39.6%	43.2%	(3.6 pp)			
Operating expenses	132	122	126	116	9 %		124	144	258	238	8 %			
Operating expenses in % of net sales	29.0%	31.1%	28.6%	30.6%	(2.0 pp)		25.5%	30.6%	28.8%	30.8%	(2.0 pp)			
Operating profit	49	56	47	40	17 %		71	60	96	95	1 %			
Operating margin	10.9%	14.1%	10.6%	10.5%	0.1 pp		14.6%	12.7%	10.7%	12.3%	(1.6 pp)			
<b>Japan</b>														
Net sales	301	236	261	236	11 %	11 %	264	271	562	472	19 %	16 %		
adidas brand	270	212	233	209	12 %	12 %	238	248	504	421	20 %	17 %		
Reebok brand	30	24	28	27	4 %	4 %	26	23	58	51	15 %	12 %		
Gross profit	154	116	140	120	17 %		128	133	294	236	25 %			
Gross margin	51.2%	49.0%	53.7%	51.0%	2.7 pp		48.3%	49.2%	52.4%	50.0%	2.3 pp			
Other operating expenses	78	70	77	72	6 %		75	87	155	142	9 %			
Other operating expenses in % of net sales	25.9%	29.4%	29.4%	30.8%	(1.4 pp)		28.4%	32.0%	27.5%	30.1%	(2.6 pp)			
Operating profit	81	50	67	51	32 %		56	50	148	101	46 %			
Operating margin	26.8%	21.2%	25.8%	21.6%	4.2 pp		21.3%	18.4%	26.3%	21.4%	4.9 pp			
<b>MEAA (Middle East, Africa and other Asian markets)</b>														
Net sales	833	701	657	572	15 %	13 %	794	618	1,491	1,273	17 %	14 %		
adidas brand	751	630	584	502	16 %	14 %	713	540	1,335	1,132	18 %	15 %		
Reebok brand	83	71	74	70	5 %	2 %	81	79	156	141	11 %	7 %		
Gross profit	421	356	343	283	21 %		396	309	764	638	20 %			
Gross margin	50.5%	50.7%	52.2%	49.4%	2.8 pp		49.9%	50.0%	51.3%	50.2%	1.1 pp			
Operating expenses	171	142	161	156	3 %		154	171	331	298	11 %			
Operating expenses in % of net sales	20.5%	20.2%	24.4%	27.3%	(2.9 pp)		19.4%	27.7%	22.2%	23.4%	(1.2 pp)			
Operating profit	250	214	183	127	44 %		242	138	433	342	27 %			
Operating margin	30.1%	30.6%	27.8%	22.2%	5.6 pp		30.5%	22.3%	29.1%	26.8%	2.2 pp			
<b>Other Businesses<sup>1)</sup></b>														
Net sales	197	189	198	155	28 %	27 %	175	149	395	344	15 %	14 %		
Gross profit	82	77	79	62	27 %		74	57	161	139	16 %			
Gross margin	41.9%	40.7%	39.9%	39.9%	(0.1 pp)		42.4%	38.2%	40.9%	40.4%	0.5 pp			
Operating expenses	52	55	58	74	(22 %)		46	48	110	129	(14 %)			
Operating expenses in % of net sales	26.6%	28.9%	29.1%	47.7%	(18.6 pp)		26.3%	32.1%	27.9%	37.4%	(9.5 pp)			
Operating profit	31	23	22	(11)	309%		29	10	54	13	322%			
Operating margin	16.0 %	12.3 %	11.2 %	(6.8 %)	18.0 pp		16.9 %	6.9 %	13.6 %	3.7 %	9.9 pp			

<sup>1)</sup> Figures reflect continuing operations as a result of the divestiture of the Rockport business and the planned divestiture of TaylorMade, Adams Golf, Ashworth and CCM Hockey.

**Financial Highlights by Brand** (€ in millions)

	First Quarter				Second Quarter				Third Quarter		Fourth Quarter		YTD			
	2017	2016	Change in %	Change [c.n.]	2017	2016	Change	Change [c.n.]	2017	2016	2017	2016	2017	2016	Change	Change [c.n.]
<b>Net Sales by Brand</b>																
adidas brand	4,842	4,036	20 %	18 %	4,497	3,705	21 %	21 %	4,640	3,953	9,339	7,741	21 %	19 %		
Reebok brand	492	416	18 %	13 %	431	399	8 %	5 %	493	462	923	815	13 %	9 %		
<b>Total<sup>1)</sup></b>	<b>5,447</b>	<b>4,562</b>	<b>19 %</b>	<b>17 %</b>	<b>5,038</b>	<b>4,199</b>	<b>20 %</b>	<b>19 %</b>	<b>5,222</b>	<b>4,500</b>	<b>10,485</b>	<b>8,761</b>	<b>20 %</b>	<b>18 %</b>		
<b>Gross Margin by Brand</b>																
adidas brand	47.2 %	47.4 %	[0.2 pp]		48.0%	46.5 %	1.4 pp		45.6%	46.2 %	47.6%	47.0%	0.6 pp			
Reebok brand	39.0 %	38.0 %	1.0 pp		41.0%	36.8 %	4.1 pp		36.7%	35.4 %	39.9%	37.4%	2.5 pp			
<b>Net Sales by Product Category</b>																
Footwear	3,301	2,568	29 %	26 %	3,028	2,291	32 %	31 %	2,859	2,415	6,329	4,859	30 %	28 %		
Apparel	1,895	1,748	8 %	6 %	1,748	1,656	6 %	4 %	2,082	1,866	3,643	3,404	7 %	5 %		
Hardware	251	247	2 %	[1 %]	262	253	4 %	3 %	281	218	513	499	3 %	1 %		
<b>Total<sup>1)</sup></b>	<b>5,447</b>	<b>4,562</b>	<b>19 %</b>	<b>17 %</b>	<b>5,038</b>	<b>4,199</b>	<b>20 %</b>	<b>19 %</b>	<b>5,222</b>	<b>4,500</b>	<b>10,485</b>	<b>8,761</b>	<b>20 %</b>	<b>18 %</b>		

Rounding differences may arise in percentages and totals.

<sup>1)</sup> Figures reflect continuing operations as a result of the divestiture of the Rockport business and the planned divestiture of TaylorMade, Adams Golf, Ashworth and CCM Hockey.



## Retail at a Glance

	First Quarter		Second Quarter			Third Quarter		Fourth Quarter		YTD		Change (c.n.)
	2017	2016	2017	2016	Change (c.n.)	2017	2016	2017	2016	2017	2016	
Number of stores <sup>1)</sup>	2,686	2,707	2,658	2,744		2,751		2,811		2,658	2,744	
Concept stores	1,657	1,693	1,632	1,720		1,728		1,757		1,632	1,720	
Concession corners	147	153	145	152		147		152		145	152	
Factory outlets	882	861	881	872		876		902		881	872	
Stores by brand <sup>1)</sup>												
adidas brand	1,451	1,478	1,433	1,499		1,510		1,531		1,433	1,499	
Reebok brand	353	368	344	373		365		378		344	373	
Multibrand	882	861	881	872		876		902		881	872	
Opening	60	54	75	83		72		128		135	137	
Closing	185	69	103	46		65		68		288	115	
Net opening/(net closing)	(125)	(15)	(28)	37		7		60		(153)	22	
Net sales <sup>2)</sup>	1,290	1,034	1,467	1,177	21 %	1,330		1,462		2,758	2,211	19 %
adidas brand					23 %							22 %
Reebok brand					4 %							4 %
eCommerce					66 %							60 %
Comp					6 %							5 %
adidas brand Comp					6 %							6 %
Reebok brand Comp					1 %							0%

<sup>1)</sup> At quarter-end.

<sup>2)</sup> € in millions.