OPERATIONAL HIGHLIGHTS
STRENGTHS AND WEAKNESSES
IN Q1 2017

ACCELERATING MOMENTUM IN GREATER CHINA AND NORTH AMERICA
EXCELLENT TOP-LINE GROWTH IN RUNNING AND ORIGINALS
EXCEPTIONAL ECOM GROWTH MOMENTUM Continues
STRONG PROFITABILITY IMPROVEMENTS DESPITE SEVERE FX HEADWINDS

PERFORMANCE IN RUSSIA/CIS BELOW INITIAL EXPECTATIONS
SLOWER COMP STORE SALES GROWTH DUE TO WESTERN EUROPE AND RUSSIA/CIS
SALES DECLINE IN FOOTBALL & BASKETBALL REFLECTING CHALLENGING LICENSED BUSINESS
LIMITED OPERATING OVERHEAD LEVERAGE DESPITE STRONG TOP-LINE GROWTH
MAJOR P&L DEVELOPMENTS
IN Q1 2017

- **Revenues Increase 16% Currency-Neutral and 19% in Euro Terms to €5.7 Billion**
- **Gross Margin Down 0.2PP to 49.2% Due to Negative FX Effects**
- **Operating Margin Improves 0.9PP to 11.1% Due to Different Phasing of Marketing Investments**
- **Net Income from Continuing Operations Increases 30% to €455 Million**
- **Basic EPS from Continuing and Discontinued Operations Up 29% to €2.26**
ADIDAS BRAND WITH STRONG GROWTH
ONGOING BRAND HEAT AROUND THE GLOBE

DOUBLE-DIGIT SALES IMPROVEMENT DESPITE HIGH COMPARISON

EXCEPTIONAL GROWTH IN NORTH AMERICA AND GREATER CHINA

WOMEN’S BUSINESS PERFORMING PARTICULARLY WELL

+18%
SPORT PERFORMANCE ACCELERATES
ROBUST GROWTH DESPITE 22% SALES INCREASE IN THE PRIOR YEAR

SUCCESS ACROSS SEVERAL FRANCHISES DRIVES RUNNING REVENUES UP ALMOST 30%

TRAINING UP HIGH-SINGLE DIGITS REFLECTING DOUBLE-DIGIT IMPROVEMENT IN APPAREL

FOOTBALL REVENUES DECLINE DUE TO HIGH COMPS AND WEAK LICENSING BUSINESS

QUARTERLY REVENUE GROWTH (2-YEAR STACKS)

Q2: -3% 2015
Q3: 6% 2015
Q4: 8% 2015
Q1: 22% 2016
Q2: 13% 2016
Q3: 3% 2016
Q4: 4% 2017

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EXCITEMENT IN ORIGINALS AND NEO

EXCELLENT GROWTH AT ADIDAS ORIGINALS AND NEO

QUARTERLY REVENUE GROWTH (2-YEAR STACKS)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2015 Percentage</th>
<th>2016 Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2</td>
<td>38%</td>
<td>45%</td>
</tr>
<tr>
<td>Q3</td>
<td>33%</td>
<td>42%</td>
</tr>
<tr>
<td>Q4</td>
<td>37%</td>
<td>44%</td>
</tr>
<tr>
<td>Q1</td>
<td>48%</td>
<td>30%</td>
</tr>
</tbody>
</table>

GROWTH IN ORIGINALS DRIVEN BY ALMOST 50% INCREASE IN MODERN FOOTWEAR FRANCHISES (E.G. NMD, TUBULAR SHADOW, EQT)

MODERN FRANCHISES REPRESENTING ALMOST 50% OF OVERALL ORIGINALS BUSINESS

DOUBLE-DIGIT GROWTH IN ALL MARKETS EXCEPT RUSSIA/CIS
ACCELERATING MOMENTUM AT REEBOK
DOUBLE-DIGIT REVENUE GROWTH IN MOST MARKET SEGMENTS

Reebok

+13%

SALES INCREASE DRIVEN BY STRONG DOUBLE-DIGIT GROWTH IN CLASSICS AND TRAINING

RETAIL EXPANSION IN CHINA AND DIFFERENT LAUNCH SCHEDULE SUPPORT SALES GROWTH

REVENUE DECLINE IN NORTH AMERICA REFLECTING ONGOING RETAIL CLEAN-UP

Revenue Decline in North America Reflecting Ongoing Retail Clean-Up
# Focus Areas to Drive Profitability

Reebok Muscle-Up still in early stages

## New Business Model
- US/Global Integration
- Relocation to Boston (Exit Canton)
- New Governance

## US Wholesale
- Prioritise Accounts
- Joint Business Planning

## US Retail
- Close >50 Doors
- Increase Productivity

## Design to Value
- Implement Creation Guidelines
- New Consumer Touchpoints in Creation Process

## MWB
- Focus Partnerships
- Prioritise POS
- Global Concepts

## Efficiency Improvements
- Model Reductions
- Process Simplification
EXCEPTIONAL GROWTH IN ECOM

STRONG CONSUMER ENGAGEMENT PROPELS TOP-LINE IMPROVEMENTS

+53%
FINANCIAL HIGHLIGHTS
TOP-LINE MOMENTUM CONTINUES
DOUBLE-DIGIT SALES GROWTH IN KEY REGIONS

- NORTH AMERICA: +31%
- WESTERN EUROPE: +10%
- LATIN AMERICA: +9%
- RUSSIA/CIS (10%)
- GREATER CHINA: +30%
- JAPAN: +21%
- MEAA: +15%

Currency-neutral.
CONTINUED STRONG PERFORMANCE

WESTERN EUROPE

CURRENCY-NEUTRAL SALES INCREASE 10% IN Q1
GROWTH ACROSS ALL KEY MARKETS

ADIDAS BRAND REVENUES UP 8%
ON TOP OF A 26% INCREASE IN Q1 2016

REEBOK BRAND SALES INCREASE 25%
DOUBLE-DIGIT GROWTH IN TRAINING AND CLASSICS

GROSS MARGIN DECLINES (-1.6PP)
DUE TO SEVERE FX HEADWINDS

OPERATING MARGIN DOWN (-0.6PP)
REFLECTING THE DECLINE IN GROSS MARGIN
BRAND HEAT FOR ADIDAS BRAND CONTINUES

NORTH AMERICA

CURRENCY-NEUTRAL SALES INCREASE 31% IN Q1

ACCELERATING MOMENTUM AT ADIDAS BRAND (+36%)
ON TOP OF A 31% INCREASE IN Q1 2016

REEBOK BRAND SALES DOWN 2%
MAINLY DUE TO FACTORY OUTLET CLOSURES

GROSS MARGIN EXPANDS FURTHER (+0.4PP)
REFLECTING IMPROVEMENTS IN BRAND STRENGTH

OPERATING MARGIN GROWS SIGNIFICANTLY (+7.2PP)
SUPPORTED BY GROSS MARGIN EXPANSION AS WELL
AS LEVERAGE FROM MARKETING AND OVERHEAD EXPENDITURE
EXCELLENT MOMENTUM FOR BOTH ADIDAS AND REEBOK BRANDS

GREATER CHINA

- Currency-neutral sales increase 30% in Q1
- Sales at Adidas brand up 31%
  Double-digit growth in key performance and lifestyle categories
- Reebok brand revenues up 19%
  Double-digit growth in all key categories
- Gross margin grows strongly (+1.7PP)
  Reflecting more favourable mix effects and lower input costs
- Operating margin improves (+0.9PP)
  Reflecting the increase in gross margin
SIGNIFICANT GROWTH DESPITE MACROECONOMIC CHALLENGES

LATIN AMERICA

CURRENCY-NEUTRAL SALES GROW 9% IN Q1 DESPITE DIFFICULT ENVIRONMENT IN ARGENTINA AND BRAZIL

REVENUES AT ADIDAS BRAND UP 7% DOUBLE-DIGIT GROWTH AT ADIDAS ORIGINALS AND ADIDAS NEO

REEBOK BRAND REVENUES UP 25% DOUBLE-DIGIT GROWTH IN TRAINING, RUNNING AND CLASSICS

GROSS MARGIN DOWN (-5.3PP) REFLECTING SEVERE FX HEADWINDS

OPERATING MARGIN DECREASES (-3.3PP) DUE TO THE GROSS MARGIN DECLINE
STRONG PROFITABILITY IMPROVEMENTS IN Q1

OTHER BUSINESSES

CURRENCY-NEUTRAL SALES INCREASE 4% IN Q1

SALES AT TMAG UP 4%
DRIVEN BY DOUBLE-DIGIT GROWTH AT TAYLORMADE

CCM HOCKEY SALES DOWN 11%
DUE TO THE TRANSITION OF THE NHL LICENCE AGREEMENT TO THE ADIDAS BRAND AS WELL AS LOWER REVENUES IN EQUIPMENT BUSINESS

GROSS MARGIN IMPROVES FURTHER (+3.8PP)
DRIVEN BY HIGHER PRODUCT MARGINS AT TMAG

OPERATING MARGIN TURNS POSITIVE (+8.1PP)
SUPPORTED BY STRONG IMPROVEMENTS AT TMAG
### Retail Sales Improve Strongly

Comp store sales negatively impacted by Russia/CIS

<table>
<thead>
<tr>
<th>Metric</th>
<th>Q1 2017</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales</strong></td>
<td>€ 1,290 million</td>
<td>+18%</td>
</tr>
<tr>
<td><strong>Adidas Comp Store Sales</strong></td>
<td></td>
<td>+5%</td>
</tr>
<tr>
<td><strong>Reebok Comp Store Sales</strong></td>
<td></td>
<td>(1%)</td>
</tr>
<tr>
<td><strong>Total Comp Store Sales</strong></td>
<td></td>
<td>+5%</td>
</tr>
</tbody>
</table>

### Stores as of Dec. 2016

- **Closed**: -185
- **Opened**: +60

### Stores as of Mar. 2017

- **Total Stores**: 2,686
GROSS MARGIN DECLINES

Reflecting severe FX headwinds due to less favourable hedging rates.
## OPERATING MARGIN GROWS

AS A RESULT OF LOWER OPEX IN % OF SALES

<table>
<thead>
<tr>
<th></th>
<th>Q1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GROSS MARGIN</strong></td>
<td>(0.2PP)</td>
</tr>
<tr>
<td><strong>OTHER OPERATING EXPENSES</strong></td>
<td>+15%</td>
</tr>
<tr>
<td><strong>OTHER OPERATING EXPENSES AS A PERCENTAGE OF SALES</strong></td>
<td>(1.3PP)</td>
</tr>
<tr>
<td><strong>OPERATING PROFIT</strong></td>
<td>+29%</td>
</tr>
<tr>
<td><strong>OPERATING MARGIN</strong></td>
<td>+0.9PP</td>
</tr>
</tbody>
</table>
UNDERLYING NET INCOME UP 30%
TO € 455 MILLION

<table>
<thead>
<tr>
<th>Category</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Income</td>
<td>+44%</td>
</tr>
<tr>
<td>Financial Expenses</td>
<td>+49%</td>
</tr>
<tr>
<td>Income Before Taxes</td>
<td>+29%</td>
</tr>
<tr>
<td>Net Income From Continuing Operations</td>
<td>+30%</td>
</tr>
<tr>
<td>Diluted EPS From Continuing Operations</td>
<td>+31%</td>
</tr>
</tbody>
</table>

UNDERLYING NET INCOME UP 30% TO € 455 MILLION
INVENTORIES GROW 18% TO SUPPORT TOP-LINE MOMENTUM

RECEIVABLES UP 11% (CURRENCY-NEUTRAL)

PAYABLES GROW 21% (CURRENCY-NEUTRAL), REFLECTING THE INCREASE IN INVENTORIES

AVERAGE OWC IN % OF SALES DOWN 0.1PP TO 20.1%
NET DEBT POSITION
INCREASES TO € 859 MILLION

YEAR-OVER-YEAR INCREASE MAINLY DUE TO UTILISATION OF CASH FOR THE PURCHASE OF FIXED ASSETS AS WELL AS THE CONTINUED REPURCHASE OF ADIDAS AG SHARES

RATIO OF NET DEBT/EBITDA AMOUNTS TO 0.4 (2016: 0.5)

EQUITY RATIO REMAINS AT A STRONG LEVEL OF 42.8% (2016: 42.3%)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Net Debt Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1/16</td>
<td>€809 million</td>
</tr>
<tr>
<td>Q2/16</td>
<td>€1028 million</td>
</tr>
<tr>
<td>Q3/16</td>
<td>€769 million</td>
</tr>
<tr>
<td>Q4/16</td>
<td>€103 million</td>
</tr>
<tr>
<td>Q1/17</td>
<td>€859 million</td>
</tr>
</tbody>
</table>

Net debt at quarter-end, € in millions.
MOMENTUM TO CONTINUE IN 2017

STRATEGIC GROWTH AREAS TO ENSURE ONGOING STRONG TOP- AND BOTTOM-LINE IMPROVEMENTS

SUSTAIN BRAND HEAT
THROUGH BRAND ACTIVATION AND MAJOR PRODUCT LAUNCHES

LEVERAGE TOP-LINE GROWTH
THROUGH ACCELERATED OPERATING OVERHEAD EFFICIENCY

DRIVE PORTFOLIO INITIATIVES
BY ACTIVELY MANAGING BRANDS, CHANNELS AND MARKETS
CONFIRMED OUTLOOK
FOR THE FULL YEAR 2017

NET INCOME* € IN MILLIONS
1,200 – 1,225

*From continuing operations.
STRATEGY ACCELERATION
CREATING THE NEW
IS OUR STRATEGY
CULTURE
BUILDING ON OUR PEOPLE’S UNIQUE PASSION FOR SPORTS AND FOR OUR BRANDS

DRIVE DIVERSITY WITHIN THE COMPANY

IMPROVE TALENT MANAGEMENT

FOSTER PERFORMANCE CULTURE

IMPLEMENT EQUITY-BASED COMPENSATION

REFINE LEADERSHIP STRUCTURE
ACCELERATION PLAN
4 TOPICS TO DRIVE FASTER GROWTH OF TOP AND BOTTOM LINE

1. PORTFOLIO
2. NORTH AMERICA
3. ONE ADIDAS
4. DIGITAL
STREAMLINE THE PORTFOLIO
ACTIVELY MANAGE
BRANDS, CHANNELS AND MARKETS

EVERY ENTITY HAS TO CONTRIBUTE TO THE SUCCESS OF THE COMPANY

A  BRANDS
B  CHANNELS
C  MARKETS
FOCUS ON NORTH AMERICA IS PAYING OFF

FASTEST-GROWING BRAND IN THE US

OUTPACING US MARKET GROWTH

FTW MARKET SHARE DOUBLED

NPS STRONG GROWTH

2016 REVENUE GROWTH 24%

FUELED BY ADIDAS BRAND 30%

CATEGORY GROWTH

ORIGINALS >80%

RUNNING >40%

US SPORTS >25%

WE HAVE A LONG WAY TO GO
2020 AMBITION
FOR THE ADIDAS BRAND IN NORTH AMERICA

> $5BN
Role of Digital

Through sport, we have the power to change lives.
To change lives we have to create direct relationships with consumers.
The best way to accelerate building direct relationships is through digital.
OUR FOCUS
TO WIN THE CONSUMER

PREMIUM
INSPIRING LOVE FOR OUR BRAND AND DESIRE FOR OUR PRODUCT

CONNECTED
OFFERING A SEAMLESS EXPERIENCE ACROSS ALL CONSUMER TOUCHPOINTS

PERSONALIZED
DELIVERING THE RIGHT MESSAGE TO THE RIGHT AUDIENCE
UPDATED ECOMMERCE AMBITION

€ in billions.

2010
0

2015
0.6

INITIAL
2020
AMBITION

2020
AMBITION

4.0

UPDATED
ONE ADIDAS
THREE PILLARS TO DRIVE REVENUES AND PROFITABILITY

<table>
<thead>
<tr>
<th>BRAND LEADERSHIP</th>
<th>MARKETING EFFECTIVENESS</th>
<th>OPERATING EFFICIENCY</th>
</tr>
</thead>
<tbody>
<tr>
<td>GLOBAL / LOCAL BRANDS</td>
<td>RETURN ON MARKETING INVESTMENTS (ROMI)</td>
<td>GLOBAL BUSINESS SERVICES</td>
</tr>
<tr>
<td>RANGE EFFICIENCY</td>
<td>CONCEPT FOCUS</td>
<td>NON-TRADE PROCUREMENT</td>
</tr>
<tr>
<td>FOB MITIGATION</td>
<td>MARKETING PROCUREMENT</td>
<td>SCM EFFICIENCIES</td>
</tr>
<tr>
<td>PRODUCT MARGIN</td>
<td></td>
<td>STRATEGIC WORKFORCE PLANNING</td>
</tr>
<tr>
<td></td>
<td></td>
<td>GLOBAL REAL ESTATE</td>
</tr>
</tbody>
</table>
## Updated Financial Ambition 2020
Reflecting Acceleration Plan

<table>
<thead>
<tr>
<th></th>
<th>2020 Ambition (March 2015)</th>
<th>Updated 2020 Ambition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales Growth</strong></td>
<td>High-Single-Digit</td>
<td>10-12%</td>
</tr>
<tr>
<td>CAGR 2015-2020: Currency-Neutral</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Income Growth</strong></td>
<td>~15%</td>
<td>20-22%</td>
</tr>
<tr>
<td>CAGR 2015-2020</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Sales</strong></td>
<td>-22</td>
<td>25-27</td>
</tr>
<tr>
<td>EUR BN</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Ecommerce</strong></td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>EUR BN</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating Margin</strong></td>
<td>~9.9%</td>
<td>11%</td>
</tr>
<tr>
<td>% of Net Sales</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
MULTIPLE LEVERS SUPPORTING ‘CTN’

ALL P&L ITEMS TO CONTRIBUTE TO THE IMPROVEMENT IN PROFITABILITY

- ACTUAL 2016: 7.7%
- CREATING THE NEW: 0
- PORTFOLIO: 1
- ADIDAS NAM: 2
- ONE ADIDAS: 3
- DIGITAL: 4
- AMBITION 2020: 11%

- BRAND LEADERSHIP
- FOB
- PRODUCT MARGIN
- ROMI
- CONCEPT FOCUS
- MARKETING PROCUREMENT
- GLOBAL BUSINESS SERVICES
- SCM EFFICIENCIES
- REAL ESTATE

CREATING THE NEW

GROSS MARGIN

MWB

OOH

RANGE EFFICIENCY
### ‘CTN’ Off to a Strong Start

At the same time there is still a long way to go.

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>AMBITION 2020</th>
<th>REMAINING 2017-2020</th>
<th>TARGET ACHIEVEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales</strong></td>
<td>EUR BN</td>
<td>16.9</td>
<td>19.3</td>
<td>25.0-27.0</td>
<td>5.7-7.7</td>
</tr>
<tr>
<td><strong>Operating Margin</strong></td>
<td>% of Net Sales</td>
<td>6.5</td>
<td>7.7</td>
<td>11.0</td>
<td>3.3 PP</td>
</tr>
<tr>
<td><strong>Ecommerce</strong></td>
<td>EUR BN</td>
<td>0.6</td>
<td>1.0</td>
<td>4.0</td>
<td>3.0</td>
</tr>
</tbody>
</table>

CTN’ is off to a strong start.

At the same time there is still a long way to go.
SUMMARY

WE ARE IN A HIGHLY ATTRACTIVE GROWTH INDUSTRY

‘CREATING THE NEW’ IS THE RIGHT STRATEGY

EXCEPTIONAL RESULTS ACHIEVED IN 2016

STRONG START INTO 2017

STRONG TOP- AND BOTTOM-LINE GROWTH EXPECTED IN 2017

ACCELERATION PLAN TO GROW REVENUES AND PROFITS EVEN FASTER THAN INITIALLY PROJECTED BY 2020