



FOR IMMEDIATE RELEASE

Herzogenaurach, July 16, 2024

**adidas increases its full-year guidance
following better-than-expected second quarter results**

adidas today announced preliminary results for the second quarter of 2024. In Q2, currency-neutral revenues increased 11% versus the prior year. In euro terms, the company's revenues grew 9% to € 5.822 billion (2023: € 5.343 billion). Excluding Yeezy sales in both years, currency-neutral revenues increased 16% during the quarter.

The company's gross margin reached 50.8% in Q2 (2023: 50.9%). The underlying adidas gross margin improved strongly, reflecting better sell-throughs, reduced discounting, lower sourcing costs and a more favorable category mix. The significantly smaller Yeezy business had a negative impact on the year-over-year comparison. The company's second quarter operating profit increased to € 346 million (2023: € 176 million), including a contribution of around € 50 million from the sale of parts of the remaining Yeezy inventory.

Following the better-than-expected performance during the quarter and considering the current momentum, the company has increased its full-year guidance. adidas now expects currency-neutral revenues to increase at a high-single-digit rate in 2024 (previously: increase at a mid- to high-single-digit rate). The company's operating profit is now expected to reach a level of around € 1.0 billion (previously: to reach a level of around € 700 million).

Within its guidance, the company assumes the sale of the remaining Yeezy inventory during the remainder of the year to occur on average at cost. This would result in additional sales of around € 150 million and no further profit contribution during the remainder of the year.

The company continues to expect unfavorable currency effects to weigh significantly on the company's profitability this year. These effects are negatively impacting both reported revenues and the gross margin development in 2024. This was particularly the case during the first half of the year.

Contacts:

Media Relations

corporate.press@adidas.com
+49 (0) 9132 84-2352

Investor Relations

investor.relations@adidas.com
+49 (0) 9132 84-2920