

First Half Year Report  
January – June  
2015

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01 ／ **First Half Year Results at a Glance** (€ in millions)

	First half year 2015	First half year 2014	Change	Second quarter 2015	Second quarter 2014	Change
<b>Group<sup>1)</sup></b>						
Net sales	7,990	6,880	16.1%	3,907	3,400	14.9%
Gross profit	3,897	3,385	15.1%	1,889	1,673	12.9%
Gross margin	48.8%	49.2%	(0.4pp)	48.3%	49.2%	(0.9pp)
Operating profit <sup>2)</sup>	578	524	10.3%	234	217	7.6%
Operating margin <sup>2)</sup>	7.2%	7.6%	(0.4pp)	6.0%	6.4%	(0.4pp)
<b>Western Europe</b>						
Net sales	2,104	1,848	13.8%	961	837	14.8%
Gross profit	1,003	851	18.0%	454	383	18.5%
Gross margin	47.7%	46.0%	1.7pp	47.2%	45.7%	1.5pp
Segmental operating profit	460	352	30.6%	180	126	43.6%
Segmental operating margin	21.9%	19.1%	2.8pp	18.8%	15.0%	3.8pp
<b>North America</b>						
Net sales	1,234	990	24.6%	643	528	21.8%
Gross profit	451	364	23.8%	236	191	23.2%
Gross margin	36.6%	36.8%	(0.2pp)	36.7%	36.2%	0.4pp
Segmental operating profit	8	42	(80.9%)	17	29	(42.7%)
Segmental operating margin	0.6%	4.2%	(3.6pp)	2.6%	5.5%	(2.9pp)
<b>Greater China</b>						
Net sales	1,161	794	46.2%	564	380	48.4%
Gross profit	666	466	42.9%	333	231	43.8%
Gross margin	57.4%	58.7%	(1.4pp)	59.0%	60.9%	(1.9pp)
Segmental operating profit	424	282	50.1%	206	129	59.3%
Segmental operating margin	36.5%	35.6%	0.9pp	36.5%	34.0%	2.5pp
<b>Russia/CIS</b>						
Net sales	366	539	(32.0%)	204	294	(30.7%)
Gross profit	205	329	(37.6%)	122	179	(31.9%)
Gross margin	56.0%	61.0%	(5.0pp)	59.8%	60.8%	(1.1pp)
Segmental operating profit	33	79	(58.1%)	31	55	(44.0%)
Segmental operating margin	9.0%	14.6%	(5.6pp)	15.0%	18.5%	(3.6pp)
<b>Latin America</b>						
Net sales	879	774	13.5%	456	400	14.0%
Gross profit	374	310	20.5%	194	159	22.6%
Gross margin	42.5%	40.0%	2.5pp	42.6%	39.6%	3.0pp
Segmental operating profit	127	109	16.5%	69	53	29.3%
Segmental operating margin	14.4%	14.0%	0.4pp	15.1%	13.3%	1.8pp
<b>Japan</b>						
Net sales	333	320	3.9%	178	181	(1.9%)
Gross profit	159	143	11.2%	86	83	3.9%
Gross margin	47.8%	44.7%	3.1pp	48.2%	45.5%	2.7pp
Segmental operating profit	54	46	16.3%	30	31	(4.5%)
Segmental operating margin	16.1%	14.4%	1.7pp	16.8%	17.2%	(0.4pp)

Rounding differences may arise in percentages and totals.

1) Figures reflect continuing operations as a result of the planned divestiture of the Rockport business.

2) 2015 excluding goodwill impairment of € 18 million in the first quarter.

01 / **First Half Year Results at a Glance** (€ in millions)

	First half year 2015	First half year 2014	Change	Second quarter 2015	Second quarter 2014	Change
<b>MEAA (Middle East, Africa and other Asian markets)</b>						
Net sales	1,171	912	28.4%	536	409	30.9%
Gross profit	605	481	25.8%	270	212	27.6%
Gross margin	51.7%	52.7%	(1.1pp)	50.5%	51.8%	(1.3pp)
Segmental operating profit	340	271	25.3%	139	99	41.2%
Segmental operating margin	29.0%	29.7%	(0.7pp)	26.0%	24.1%	1.9pp
<b>Other Businesses<sup>1)</sup></b>						
Net sales	742	702	5.7%	365	369	(1.1%)
Gross profit	254	263	(3.3%)	113	136	(16.9%)
Gross margin	34.2%	37.4%	(3.2pp)	30.8%	36.7%	(5.9pp)
Segmental operating profit	(45)	(19)	(141.6%)	(40)	2	(1,979.0%)
Segmental operating margin	(6.1%)	(2.7%)	(3.4pp)	(10.9%)	0.6%	(11.5pp)
<b>Sales by Brand</b>						
adidas	6,533	5,540	17.9%	3,180	2,713	17.2%
Reebok	819	712	15.1%	408	354	15.3%
TaylorMade-adidas Golf	519	535	(3.1%)	239	272	(12.0%)
Reebok-CCM Hockey	120	93	28.0%	80	61	31.3%

Rounding differences may arise in percentages and totals.



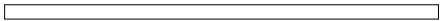
1) Figures reflect continuing operations as a result of the planned divestiture of the Rockport business.

02 ／ Financial Highlights (IFRS)

	First half year 2015	First half year 2014	Change	Second quarter 2015	Second quarter 2014	Change
<b>Operating Highlights (€ in millions)</b>						
Net sales <sup>1)</sup>	7,990	6,880	16.1%	3,907	3,400	14.9%
EBITDA <sup>1)</sup>	771	663	16.2%	320	288	11.1%
Operating profit <sup>1) 2)</sup>	596	524	13.8%	234	217	7.6%
Net income attributable to shareholders <sup>2) 3)</sup>	385	348	10.5%	146	144	1.4%
<b>Key Ratios (%)</b>						
Gross margin <sup>1)</sup>	48.8%	49.2%	[0.4pp]	48.3%	49.2%	[0.9pp]
Operating expenses in % of net sales <sup>1)</sup>	42.8%	43.5%	[0.7pp]	44.0%	44.6%	[0.6pp]
Operating margin <sup>1) 2)</sup>	7.5%	7.6%	[0.2pp]	6.0%	6.4%	[0.4pp]
Effective tax rate <sup>1) 2)</sup>	31.8%	29.0%	2.9pp	35.1%	29.2%	6.0pp
Net income attributable to shareholders in % of net sales <sup>2) 3)</sup>	4.8%	5.1%	[0.2pp]	3.7%	4.2%	[0.5pp]
Average operating working capital in % of net sales <sup>1) 4)</sup>	21.6%	22.0%	[0.4pp]			
Equity ratio	43.5%	46.4%	[2.9pp]			
Net borrowings/EBITDA <sup>1) 5)</sup>	0.6	0.4				
Financial leverage	17.2%	8.2%	9.0pp			
Return on equity <sup>3)</sup>	6.6%	6.3%	0.3pp			
<b>Balance Sheet and Cash Flow Data (€ in millions)</b>						
Total assets	12,754	11,887	7.3%			
Inventories	2,927	2,896	1.1%			
Receivables and other current assets	3,236	2,831	14.3%			
Working capital	2,510	1,950	28.7%			
Net borrowings	957	454	110.6%			
Shareholders' equity	5,548	5,513	0.6%			
Capital expenditure	137	265	[48.1%]	85	107	[21.1%]
Net cash used in operating activities <sup>3)</sup>	[31]	[151]	[79.3%]			
<b>Per Share of Common Stock (€)</b>						
Basic earnings <sup>2) 3)</sup>	1.90	1.67	14.0%	0.73	0.69	5.2%
Diluted earnings <sup>2) 3)</sup>	1.90	1.67	14.0%	0.73	0.69	5.2%
Net cash used in operating activities <sup>3)</sup>	[0.15]	[0.72]	[78.6%]			
Dividend	1.50	1.50	–			
Share price at end of period	68.65	73.97	[7.2%]			
<b>Other (at end of period)</b>						
Number of employees <sup>1)</sup>	54,335	51,544	5.4%			
Number of shares outstanding	200,197,417	209,216,186	[4.3%]			
Average number of shares	202,897,613	209,216,186	[3.0%]	201,644,392	209,216,186	[3.6%]



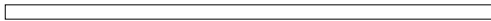
1) Figures reflect continuing operations as a result of the planned divestiture of the Rockport business.  
2) 2015 excluding goodwill impairment of € 18 million in the first quarter.  
3) Includes continuing and discontinued operations.  
4) Twelve-month trailing average.  
5) EBITDA of last twelve months.

03 ／ First half year net sales<sup>1)</sup>  
(€ in millions)

2015		7,990
2014		6,880
2013		7,005

1) Figures reflect continuing operations as a result of the planned divestiture of the Rockport business.

04 ／ First half year net income attributable to shareholders<sup>1)</sup>  
(€ in millions)

2015 <sup>2)</sup>		385
2014		348
2013		480

1) Includes continuing and discontinued operations.  
2) Excluding goodwill impairment of € 18 million.

# OPERATIONAL AND SPORTING HIGHLIGHTS

2015

Q2

## APRIL

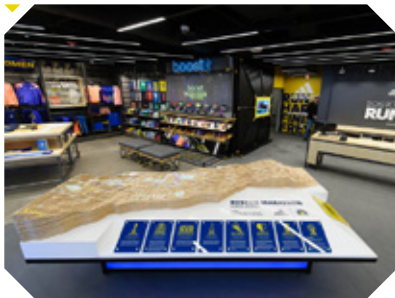
15.04.

Reebok teams up with international supermodel Miranda Kerr for the Skyscape March in Tokyo. The Skyscape is Reebok's key franchise in walking footwear, taking comfort and style to a new level.



16.04.

adidas opens its Boston RunBase, an urban runners' location, helping runners to meet and interact with running experts and elite athletes as well as experience adidas products and services.



24.04.

CCM releases the Ribcor skate line featuring Reebok's legendary Pump technology. Providing skaters with a re-engineered shape, Ribcor features a more customised fit and maximum heel lock.



25.04.

For the fifth time, the adidas Group is awarded the Female Recruiting Award at the Women & Work fair, the biggest career fair in Germany.

28.04.

FC Bayern Munich and adidas extend their successful long-term partnership until 2030.

## MAY

05.05.

adidas partners with Spotify to launch the 'adidas Go' running app, providing a personalised playlist to match the runner's stride.

11.05.

Reebok and DuPont Protection Technologies announce a multi-year trademark licence agreement allowing the innovation of strong, light and durable athletic apparel and gear for CrossFit athletes.

15.05.

Reebok is recognised for its innovative digital marketing. The brand takes home the '2014 Digital Marketer of the Year' at the Footwear Industry Achievement Awards.

19.05.

adidas launches the world's lightest cycling kit weighing in at a mere 200g. The adidas adizero cycling apparel has been designed to help riders quicken their pace up challenging gradients.

20.05.

In celebration of the ten-year anniversary of the collaboration with Stella McCartney, the designer visits the first adidas by Stella McCartney women's concept store in Seoul to meet with consumers as well as fitness and health influencers.



## OPERATIONAL AND SPORTING

### HIGHLIGHTS

2015

Q2

22.05.

adidas launches its All-White Ultra Boost in key cities. The exclusive design and its elastic Primeknit material make the running shoe a special eye-catcher.

23.05.

Reebok Russia takes the 'Be More Human' message to the next level with more than 3,000 people pushing themselves to their physical limits through a 4.5km obstacle course in Moscow.

25.05.

adidas revolutionises its football footwear offer by introducing X and Ace. The boots represent two distinct types of players: the game changers and the play makers – the ones who cause chaos and the ones who control the game.



## JUNE

04.06.

adidas gives a group of young footballers in Berlin a first impression of 'The Base', the brand's first urban football centre, which extends over 3,500m².



15.06.

CCM launches its new brand platform 'Made of Hockey' to strengthen the brand and better connect and engage with its core consumer. The platform will be used to promote hockey as a sport and includes an online shop.

18.06.

adidas Originals and Kanye West present the second sneaker developed in their close collaboration: Yeezy Boost 350. The shoe is designed to be simple and comfortable, featuring an entirely knitted upper.



18.06.

TaylorMade announces a partnership with Microsoft. Microsoft will launch a golf tile on the Microsoft Band, aimed at enhancing the golfer's performance and overall experience through advanced analytics and statistical tracking.



25.06.

Reebok takes home two awards at the 2015 Cannes Lions International Festival of Creativity for the creation of the Be More Human Digital Experience.

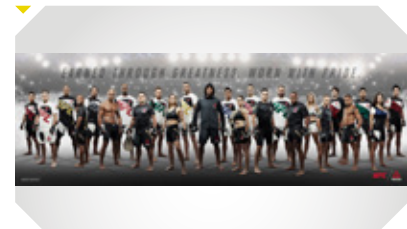
30.06.

adidas and Parley for the Oceans present the first shoe developed in their recently announced collaboration at a UN Climate Change event in New York City. The shoe's upper is entirely made of yarns reclaimed and recycled from ocean waste.



30.06.

Reebok and the UFC unveil the first #UFCFightKit in New York City. The launch marks a cornerstone moment for both the sport of UFC and the Reebok brand.





## Letter from the CEO



Herbert Hainer  
ADIDAS GROUP CEO

*Dear Shareholders,*

When we introduced our new strategy 'Creating the New' at the end of March we told you that it will take time to see all of our investments paying off and the full benefits coming through. But we also promised that this new approach together with our fresh organisational set-up will show first positive results already this year. And the second quarter is – without a doubt – proof positive for that.

- / Sales were up a robust 5% currency-neutral. In euro terms, sales were even up an impressive 15% and increased by more than € 500 million to € 3.9 billion.
- / We recorded another quarter with strong growth at adidas and Reebok, as revenues increased 8% and 6%, respectively.
- / Gross margin decreased 0.9 percentage points to 48.3%. While higher input costs and negative currency effects also played a role here, more than half of the decline was due to lower product margins at TaylorMade-adidas Golf.
- / Operating margin was down 0.4 percentage points to 6.0% – a direct consequence of the gross margin decline.
- / Net income from continuing operations improved 2% to € 146 million.



I am really pleased to see how well adidas and Reebok are resonating with consumers, which is reflected in their second quarter performance. Reebok with its 6% top-line improvement now has nine consecutive quarters of growth in the books, a clear testimony that the brand is resonating well with the Fit Generation. Even more pleasing is the fact that Reebok's growth is directly linked to the key fitness categories, with strong growth in training, running and studio.

After a very successful start to the year in Q1, adidas grew a strong 8% in the second quarter – which is even more impressive considering the record World Cup related sales we were comparing against. In this regard, of particular note is the double-digit sales increase we witnessed in Western Europe and Greater China as these two markets had already seen double-digit growth rates in the prior year period.

Let me remind you that Western Europe was a key improvement area for us 18 months ago. The second quarter results now clearly show that our efforts and investments in our home territory are paying off. We expect this momentum to continue throughout the second half of the year. As a result, our business in Western Europe is projected to grow at a double-digit rate in 2015. As will our business in China, where we clearly don't see an end of our growth story despite the recent economic challenges. Quite the contrary: more and more Chinese consumers are attracted by sports and a sporting lifestyle and they are willing to spend on strong international brands such as ours.

The solid growth at adidas is also reflected in the praise key adidas products such as Boost, our new football silos 'Ace' and 'X', the Superstar and its various special editions or Kanye West's Yeezys have received from sneakerheads as well as vertical sports and lifestyle media around the world.

On the football footwear side, sales during the second quarter increased a strong 17%, supported by the highly anticipated and very successful introduction of our new football footwear franchises 'Ace' and 'X', which are featured in the new 'Be the Difference' football reset campaign. We unveiled 'Ace' and 'X' during the UEFA Champions League Final in Berlin where we have also opened the 'Berlin Base', our first urban football centre. The Base is set to become the next must-visit spot for our football consumers in Germany and we will utilise the venue as an 'open-source' location for upcoming football players to get involved in projects such as the testing and development of unreleased products.

The growth in our running business was strongly supported by the successful launch of the Ultra Boost, the greatest running shoe of all time. The feedback we are receiving from both our consumers and our key retail partners is overwhelming. In particular, the all-white version of the Ultra Boost was named as the best all-white sneaker of 2015 in several sneaker blogs and sold out in just three days. We are very satisfied with the development of our Boost franchise, and I am sure that the best is yet to come.

At adidas Originals, the strong performance from the first quarter even accelerated in Q2. The adidas Superstar in general and the Supercolor collection by Pharrell Williams in particular are resonating tremendously with the lifestyle consumer. Consequently, sell-through rates spiked across all channels across the globe, creating halo effects far beyond the product itself. And let's not forget the huge successes around the other Originals footwear franchises, such as the ZX Flux, the Stan Smith or the Tubular, which continue to do extremely well. At adidas NEO, the momentum we are seeing is just as strong, with sales growth also accelerating compared to the first quarter, supported by the Selena Gomez summer collection, which again delivered huge engagement levels and activation amongst young fashion consumers.

Unfortunately, there is also one area that is still not performing according to our expectations. Clearly, over the last couple of months, the business development at TaylorMade-adidas Golf has not lived up to our initial projections.

After we had taken some painful measures in 2014 to resize our business and postponed most product launches to pave the way for a healthier retail environment, we expected the market and our business to return to growth this year. And while the number of rounds being played reversed their downwards trend recently, suggesting that the overall environment has indeed improved somewhat, the situation at the point of sale remains more challenging than we had initially projected. At the same time, our two major product introductions – the R15 and the AeroBurner – did not resonate as well with the golf consumer as we would have hoped. As a result of these developments, our sell-through rates were not as strong as expected, leading to earlier and more pronounced promotional activity, which is clearly reflected in the 26% top-line decline during the second quarter as well as significant margin pressure.

I know this development is disappointing for you. And rest assured that we as a management team are just as disappointed about it as you are. The current performance has shown that we need to go much deeper in order to bring TaylorMade-adidas Golf back on track. And this is exactly why we will make every effort to develop the right measures to drive the turnaround of our golf business. In addition, we have engaged with an investment bank for the purpose of analysing future options for the company's golf business, in particular the Adams and Ashworth brands.

But we are of course not going to wait for these results before starting to react to the challenges. In fact, over the last few weeks we have not only developed a major turnaround plan, we have also already started to implement it as we are fully aware that we don't have any time to lose. The set of measures, which go way beyond our initiatives from last year, is aimed at enhancing the company's pricing, promotion and trade patterns, as well as optimising the supply chain and product costs. Furthermore, we will reprioritise the global marketing spend and generate significant operating overhead savings at TaylorMade-adidas Golf. The implementation of all these measures continues. The outcome will and has to be a more nimble and profitable company.

When talking about our golf business, you should also keep one thing in mind: Even in this challenging market, our footwear and apparel business with adidas Golf grew in the first half of 2015 and continues to deliver solid returns. To me, this is a clear testament to the strong position adidas enjoys in sport.

There were a lot of other areas where we made major progress over the last couple of months. Last week, for example, we completed the divestiture of Rockport, which will allow us to focus our resources even more on our core competency – sport – and on the highest-potential opportunities for our Group to drive sustainable and profitable growth. In addition, in June, we finished the second tranche of our share buyback programme. As a result, only nine months after having launched the shareholder return programme in the fourth quarter of last year we have already concluded 40% of the total € 1.5 billion that we intend to distribute to our shareholders by the end of 2017.

In light of all that, I am convinced that 2015 will be a successful year for the adidas Group. The weaker-than-expected performance of our golf business will not put the Group's top- and bottom-line guidance for 2015 at risk. TaylorMade-adidas Golf is only a small part of our business and, as mentioned before, the performance of our core brands adidas and Reebok is exceeding our initial expectations. With a full product and marketing pipeline and a strong order book on hand, we are very confident that the robust momentum of adidas and Reebok will continue throughout the second half of the year and fuel the targeted top- and bottom-line growth for the Group.

*Yours sincerely,*



HERBERT HAINER  
adidas Group CEO

# Our Share

In the second quarter of 2015, the DAX-30 as well as most international stock markets could not maintain the positive momentum from the previous quarter. In particular, the DAX-30 experienced a volatile and, towards the end of the quarter, negative development, which ultimately led to a 9% decline during the three-month period between April and June. The adidas AG share was not able to fully escape the overall negative equity market sentiment, losing 7% in the second quarter of 2015.

## Greek debt crisis weighs on international stock markets in the second quarter

In the second quarter of 2015, most international stock markets could not maintain the positive momentum from the previous quarter. In particular, the Greek debt crisis, the strengthening of the euro, ongoing discussions about the Federal Reserve's first increase in key interest rates as well as lacklustre Chinese economic data put pressure on global equity markets in general and European stocks in particular. Improving economic data in the euro area, the recovery of the US economy and the broadening of China's expansionary monetary policy was only able to temporarily support international equity markets. As a result, the DAX-30 and the MSCI World Textiles, Apparel & Luxury Goods Index lost momentum from the prior quarter, declining 9% and 1%, respectively, compared to the end of March 2015.

## adidas AG share suffers during the second quarter as a result of overall equity market weakness

At the beginning of the second quarter, the adidas AG share continued its positive trend, supported by the Group's new strategic business plan until 2020, unveiled on March 26, followed by subsequent management roadshow activities throughout April. This led to a new high of the adidas AG share for the first half of 2015 at € 77.21 on April 10 and to an outperformance of the DAX-30, which suffered from a strengthening of the euro. On May 5, the adidas Group released strong first quarter results which were well above market expectations. However, the overall negative market sentiment during the day weighed on the adidas AG share, which lost 2% on the day of the announcement. During the remainder of May, the adidas AG share saw ongoing pressure due to several external factors. In particular, the increasing difficulties between Greece and its creditors acted as a key headwind. In June, the overall equity market weakness and high volatility levels caused by the fear of a Greek default also impacted the development of the adidas AG share. On June 24, the adidas Group held its first IR Tutorial Workshop, providing further insight into its strategic business plan by detailing more specific information about the strategic aspirations of its core adidas categories football, running and Originals. As the workshop was very well received by market participants, the adidas AG share was able to outperform equity markets following the event. As a consequence, the adidas AG share finished the second quarter at € 68.65, representing a decrease of 7% compared to the end of March 2015.

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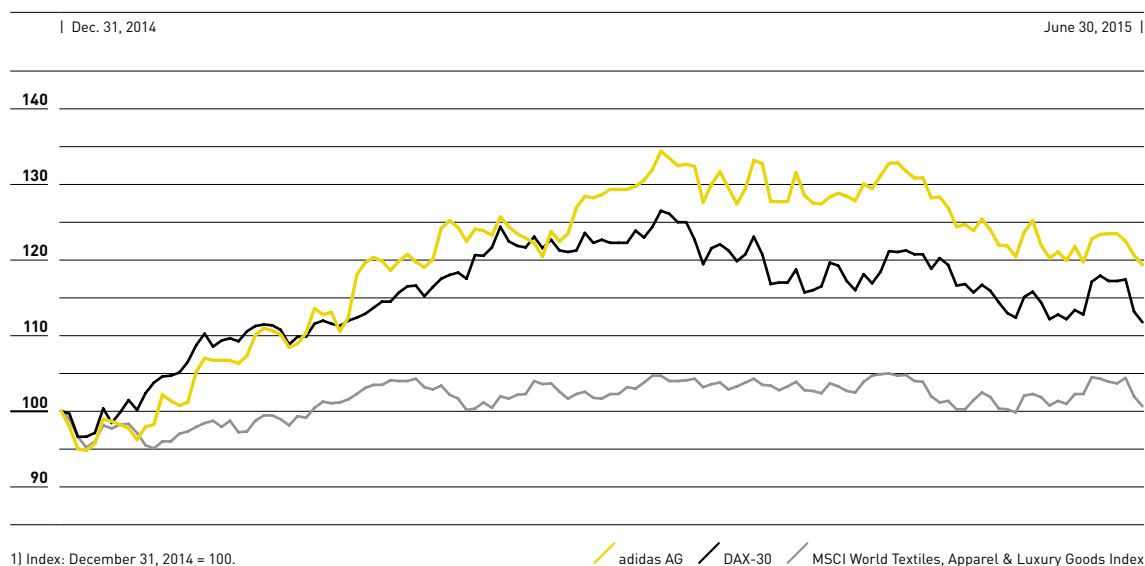
## 05 / Historical performance of the adidas AG share and important indices at June 30, 2015 (in %)

	YTD	1 year	3 years	5 years	Since IPO
adidas AG	19	(7)	22	72	610
DAX-30	12	11	71	83	398
MSCI World Textiles, Apparel & Luxury Goods	1	(2)	46	109	400

Source: Bloomberg.

## adidas AG share at a glance

### 06 / Share price development in 2015<sup>1)</sup>



### 07 / The adidas AG share

#### Number of shares outstanding

First half average	202,897,613
At June 30 <sup>1)</sup>	200,197,417
Type of share	Registered no-par-value share
Initial Public Offering	November 17, 1995
Stock exchange	All German stock exchanges
Stock registration number (ISIN)	DE000A1EWWW0
Stock symbol	ADS, ADSGn.DE

1) All shares carry full dividend rights.

#### Important indices

- / DAX-30
- / MSCI World Textiles, Apparel & Luxury Goods
- / Deutsche Börse Prime Consumer
- / Dow Jones Sustainability Indices (World and Europe)
- / ECPI Ethical Equity Indices (Euro and EMU)
- / Ethibel Sustainability Indices (Excellence Europe and Excellence Global)
- / Euronext Vigeo (Eurozone 120, Europe 120)
- / FTSE4Good Index Series
- / MSCI Global Sustainability Indices
- / MSCI SRI Indices
- / STOXX Global ESG Leaders

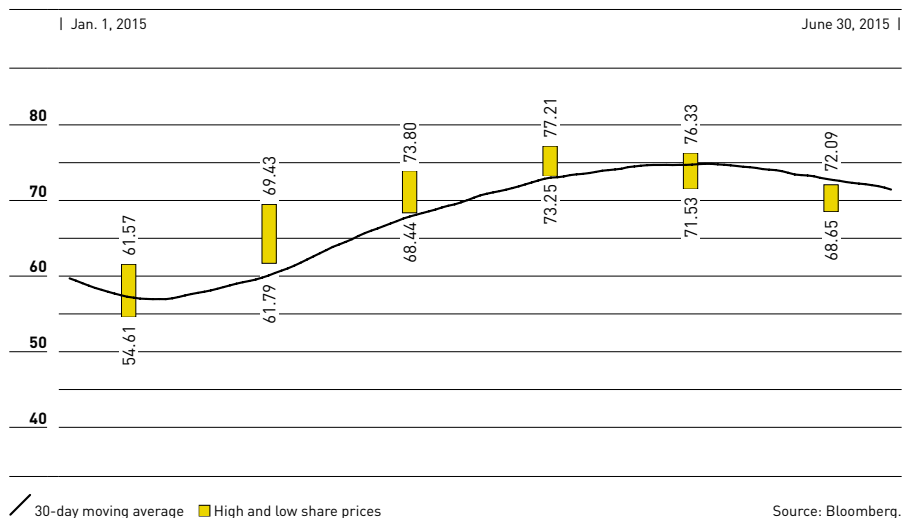
## Number of ADRs increases

The number of Level 1 ADRs (American Depositary Receipts) further increased during the three-month period compared to the end of March 2015. At June 30, 2015, 10.3 million ADRs were outstanding, compared to 9.1 million at the end of the first quarter of 2015. The Level 1 ADR closed the quarter at US \$ 38.46, reflecting a decrease of 3% compared to the end of March 2015. The less pronounced decrease of the Level 1 ADR price compared to the ordinary share price was due to the depreciation of the US dollar versus the euro at the end of the second quarter of 2015 compared to the end of March 2015.

## Dividend of € 1.50 per share paid

At the Annual General Meeting (AGM) on May 7, 2015, shareholders approved the adidas AG Executive and Supervisory Boards' recommendation to pay a dividend of € 1.50 per share for the 2014 financial year (2013: € 1.50). The dividend was paid on May 8, 2015. Based on the number of shares outstanding at the time of our AGM, this represents a dividend payout of € 303 million (2013: € 314 million) and a payout ratio of 53.4% of net income attributable to shareholders, excluding goodwill impairment losses, compared to 37.4% in the prior year. As part of its new five-year strategic business plan, the adidas Group intends to pay out between 30% and 50% of net income attributable to shareholders going forward (previously: 20% – 40%).

## 08 / adidas AG high and low share prices per month<sup>1)</sup> (in €)



1) Based on daily Xetra closing prices.

### Shareholder return programme continued

On March 5, 2015, adidas AG announced the commencement of the second tranche of the share buyback programme with an aggregate acquisition cost of up to € 300 million. Within the second tranche up to and including June 15, 2015, adidas AG bought back 4,129,627 shares. This corresponds to a notional amount of € 4,129,627 in the nominal capital and consequently 1.97% of the company's nominal capital. The average purchase price per share for this second tranche was € 72.65. A total price of € 299,999,992 (excluding incidental purchasing costs) was paid to buy back the shares.

The total number of shares bought back so far by adidas AG within the framework of the shareholder return programme resolved upon on October 1, 2014 and initiated with the first tranche of the share buyback programme on November 7, 2014 amounts to 9,018,769 shares. This corresponds to a notional amount of € 9,018,769 in the nominal capital and consequently 4.31% of the company's nominal capital.

### Changes in shareholder base

In the second quarter of 2015, adidas AG received several voting rights notifications according to §§ 21 section 1, 25 section 1 or 25a section 1 of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG). All voting rights notifications received can be viewed on our [corporate website](http://www.adidas-group.com/voting_rights_notifications).

➤ [www.adidas-group.com/  
voting\\_rights\\_notifications](http://www.adidas-group.com/voting_rights_notifications)

### Directors' dealings reported on corporate website

The purchase or sale of adidas AG shares (ISIN DE000A1EWWW0) or related financial instruments, as defined by § 15a WpHG, conducted by members of our Executive or Supervisory Boards, by key executives or by any person in close relationship with these persons, is reported on our [website](http://www.adidas-group.com/directors_dealings). In the second quarter of 2015, adidas AG did not receive any notifications pursuant to § 15a WpHG.

➤ [www.adidas-group.com/directors\\_dealings](http://www.adidas-group.com/directors_dealings)

## Group Business Performance

In the first half of 2015, the adidas Group delivered a robust financial performance with strong momentum at both adidas and Reebok. Currency-neutral Group sales increased 7%. In euro terms, Group revenues increased 16% to € 7.990 billion from € 6.880 billion in 2014. The Group's gross margin decreased 0.4 percentage points to 48.8% (2014: 49.2%). In the first half of 2015, the adidas Group incurred goodwill impairment losses of € 18 million. These one-off expenses were non-cash in nature and did not affect the adidas Group's liquidity. Excluding goodwill impairment losses, the Group's operating profit increased 14% to € 596 million compared to € 524 million in the first half of 2014, representing an operating margin of 7.5%, down 0.2 percentage points compared to the prior year (2014: 7.6%). The Group's net income from continuing operations excluding goodwill impairment losses was up 14% to € 401 million (2014: € 352 million). In the first half of 2015, the adidas Group incurred losses from discontinued operations of € 13 million (2014: losses of € 1 million). As a result, net income attributable to shareholders from continuing and discontinued operations excluding goodwill impairment losses was up 11% to € 385 million (2014: € 348 million). Basic and diluted earnings per share (EPS) from continuing and discontinued operations excluding goodwill impairment losses increased 14% to € 1.90 from € 1.67 in 2014.

## Economic and Sector Development

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### Global economy grows in the second quarter

In the second quarter of 2015, the global economy strengthened moderately. Emerging markets again outperformed most developed economies, albeit at lower rates than in recent quarters. Growth in major economies was supported by modest GDP expansion in both the euro area and the USA as well as by low oil prices, increasing consumer spending and declining inflationary pressures. Nevertheless, despite improvements in economic activity, many developed markets continued to face significant challenges, such as high unemployment, indebtedness and low investment spending. In addition, a number of developing countries recorded disappointing results, driven by lower industrial and domestic production, political uncertainties and domestic policy tightening.

In Western Europe, the region's economies grew at a slow pace, supported by the weak euro, declining oil prices, record low interest rates and accelerating government spending, with Spain and the UK in particular recording healthy GDP growth. Despite an improvement in consumer confidence levels, high unemployment levels in certain major markets, inhibited investment as well as ongoing public debt dynamics resulted in lacklustre GDP increases in many of these countries. The Greek financial crisis remained the highest source of uncertainty for the region, resulting in a slowdown of the region's economic recovery.

Most European emerging markets except Russia recorded positive GDP growth, with relatively healthy investment, domestic demand and low inflation driving the expansion. However, the ongoing political unrest in Russia/Ukraine led to continued economic contraction in these two countries, with the crisis further depressing Russia's already slowing economy as reflected in dented investments, lower consumer spending and reduced export activity. Furthermore, sanctions against Russia and high inflationary pressures together with the continuing weakness of the rouble put additional constraints on growth.



The US economy slowed in the second quarter, driven by disruptions to port activity and cutbacks in capital expenditures in the oil and gas industry. In addition, the continuing appreciation of the US dollar put further pressure on exports. The softness in export activity impacted the manufacturing sector, resulting in a slowdown of industrial production growth. At the same time, however, the domestic economy gained some momentum during the second quarter as an improving labour market and low inflationary pressures bolstered higher consumer spending and construction activity.

Asia remained the fastest-growing region in the second quarter, although economic expansion slowed compared to previous quarters. In China, growth decelerated but remained at a relatively robust level, supported by stable inflation rates and the continuous introduction of accommodative monetary and industrial policy measures to tackle financial vulnerabilities. Japan's economy showed signs of recovery in the second quarter, driven by stronger domestic demand, export growth and uplifts to real disposable incomes. In addition, exports improved as a result of fiscal policies implemented by the government. India's economy expanded in the second quarter, driven by growing consumer spending and domestic demand as well as declining inflation.

In Latin America, GDP development varied across countries. Argentina's economic growth was supported by falling inflation, which bolstered private consumption, as well as a better-than-expected harvest, which stabilised output. In Brazil, however, low investment activity, weak consumer confidence, tighter credit conditions and an ongoing erosion of disposable income drove further economic contraction. Other regional economies such as Mexico, Colombia and Chile posted healthy GDP increases in the second quarter, with increasing private consumer spending, wage growth and stronger domestic demand fuelling expansion.

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#### 09 / Quarterly consumer confidence development<sup>1)</sup>

(by region)

	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015
USA <sup>2)</sup>	86.4	89.0	93.1	101.4	101.4
Euro area <sup>3)</sup>	(7.6)	(11.5)	(11.0)	(3.7)	(5.6)
Japan <sup>4)</sup>	40.5	39.6	37.5	41.1	41.4
China <sup>5)</sup>	104.7	105.4	105.8	107.1	107.6
Russia <sup>6)</sup>	(6.0)	(7.0)	(18.0)	(32.0)	(23.0)
Brazil <sup>7)</sup>	106.3	109.7	109.2	100.0	96.2

- 1) Quarter-end figures.  
2) Source: Conference Board.  
3) Source: European Commission.  
4) Source: Economic and Social Research Institute, Government of Japan.  
5) Source: China National Bureau of Statistics.  
6) Source: Russia Federal Service of State Statistics.  
7) Source: National Confederation of Industry Brazil.

#### 10 / Exchange rate development<sup>1)</sup> (€ 1 equals)

	Average rate 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Average rate 2015 <sup>2)</sup>
USD	1.3296	1.2583	1.2141	1.0759	1.1189	1.1176
GBP	0.8066	0.7773	0.7789	0.7273	0.7114	0.7332
JPY	140.44	138.11	145.23	128.95	137.01	134.34
RUB	50.737	49.560	68.303	62.902	62.126	64.393
CNY	8.1919	7.7417	7.4291	6.6084	6.8405	6.9519

- 1) Spot rates at quarter-end.  
2) Average rate for the first half of 2015.

### Positive momentum in the sporting goods industry in the second quarter

In the second quarter of 2015, the global sporting goods industry grew, supported by rising consumer spending in both emerging and developed markets. The e-commerce channel continued to see rapid expansion, as retailers leveraged a wide variety of commercial opportunities across mobile technologies and social media. From a category perspective, basketball continued to enjoy strong momentum, with both performance and lifestyle developing well. Running grew at a slower pace compared to basketball, supported by growth in fashion running. The outdoor category posted some declines, as a result of weaker demand in both outdoor footwear and casual styles.

In Western Europe, despite continuing high unemployment rates, sequential increases in consumer spending and private domestic demand in many markets supported the robust growth of the sector. In European emerging markets, a contraction in disposable income growth rates driven by high inflationary pressures and the continuing weakness of the rouble negatively impacted consumer sentiment and spending and detracted from the sporting goods sector's expansion, especially in Russia.

In North America, the sporting goods industry grew modestly, benefiting from rising real disposable income and low inflationary pressures within the region. Basketball footwear continued to be in strong demand, fuelled by growth in both performance and lifestyle basketball, outperforming outdoor products. During the second quarter, casual athletic footwear grew, driven by stronger demand in lifestyle fashion athletic and classic styles. US sporting footwear, apparel and sports licensed sales also showcased a modest increase throughout the second quarter. Many sporting goods retailers focused on high-performance and technically innovative products to help support higher prices and to drive sales. The golf market continues to face structural changes and remained challenging, with ongoing promotional activities, despite new product launches within the quarter.

In Asia, rising disposable incomes and consumer spending promoted expansion of the sporting goods industry. This trend was particularly evident in China, supporting healthy industry sales growth, especially in the lower-tier cities. Sporting goods sales in Japan saw improvements as the quarter developed, fuelled by stronger consumer spending and domestic demand. In India, the size of the sector continued to expand at a strong pace.

The sporting goods industry in Latin America contracted during the second quarter, due to high inflationary pressures, low consumer confidence and subdued domestic demand, offsetting lower unemployment levels and wage increases. In particular Argentina and Brazil, two markets which benefited the most in the prior year from the 2014 World Cup, were negatively impacted by these developments.

## Income Statement

### Focus on continuing operations

Due to the existence of a concrete plan at the balance sheet date to sell the Rockport operating segment, all income and expenses of the Rockport operating segment are reported as discontinued operations at the end of June 2015. For the sake of clarity, all figures related to the 2014 and 2015 financial years in this report refer to the Group's continuing operations unless otherwise stated.

### adidas Group currency-neutral sales increase 5% in the second quarter of 2015

In the second quarter of 2015, Group revenues grew 5% on a currency-neutral basis, as a result of a high-single-digit increase at adidas as well as mid-single-digit growth at Reebok. Currency translation effects had a positive impact on sales in euro terms. Group revenues grew 15% to € 3.907 billion in the second quarter of 2015 from € 3.400 billion in 2014.

### Strong momentum at adidas and Reebok drives Group sales development in the second quarter

In the second quarter of 2015, currency-neutral adidas revenues grew 8%. This development was driven by double-digit sales increases at adidas Originals and adidas NEO as well as mid-single-digit growth in the training category. Currency-neutral Reebok sales were up 6% versus the prior year as a result of double-digit sales increases in the training, running and studio categories as well as mid-single-digit sales growth in Classics. Revenues at TaylorMade-adidas Golf declined 26% currency-neutral, due to sales decreases in most categories, in particular metalwoods and irons.

### adidas Group currency-neutral sales increase 7% in the first half of 2015

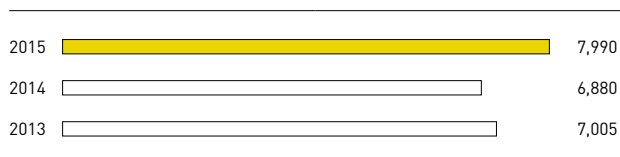
In the first half of 2015, Group revenues increased 7% on a currency-neutral basis, due to double-digit growth at adidas as well as high-single-digit increases at Reebok. Currency translation effects had a positive impact on sales in euro terms. Group revenues grew 16% to € 7.990 billion in the first half of 2015 from € 6.880 billion in 2014.

see Diagram 11

### First half Group sales increase due to strong growth at adidas and Reebok

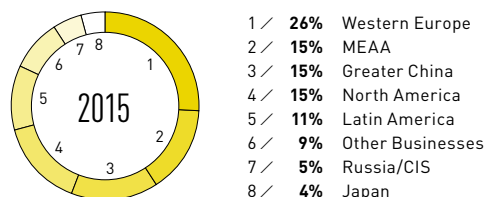
In the first half of 2015, currency-neutral adidas revenues grew 10%. This development was driven by double-digit sales increases at adidas Originals and adidas NEO as well as high-single-digit growth in the training and running categories. Currency-neutral Reebok sales were up 8% versus the prior year, mainly as a result of double-digit sales increases in the training and studio categories as well as high-single-digit sales growth in running. Revenues at TaylorMade-adidas Golf decreased 17% currency-neutral, due to sales declines in most categories, in particular metalwoods and irons.

11 / First half year net sales<sup>1)</sup> (€ in millions)



<sup>1)</sup> Figures reflect continuing operations as a result of the planned divestiture of the Rockport business.

12 / First half year net sales by segments<sup>1)</sup>



<sup>1)</sup> Figures reflect continuing operations as a result of the planned divestiture of the Rockport business.

13 / **Net sales by product category<sup>1)</sup>** (€ in millions)

	First half year 2015	First half year 2014	Change	Change (currency-neutral)
Footwear	4,049	3,175	27.5%	17.7%
Apparel	3,125	2,859	9.3%	1.6%
Hardware	815	845	(3.5%)	(13.1%)
<b>Total<sup>2)</sup></b>	<b>7,990</b>	<b>6,880</b>	<b>16.1%</b>	<b>7.2%</b>

1) Figures reflect continuing operations as a result of the planned divestiture of the Rockport business.

2) Rounding differences may arise in totals.

**Group sales up in footwear and apparel**

In the first half of 2015, currency-neutral footwear sales grew 18%, mainly due to double-digit increases in the football category as well as at adidas Originals and adidas NEO. In addition, mid-single-digit growth in running contributed to this development. Apparel revenues grew 2% on a currency-neutral basis. This development was supported by double-digit growth in the running category, at adidas Originals and adidas NEO as well as high-single-digit growth in the training category. Currency-neutral hardware sales were down 13% compared to the prior year, as a result of strong declines at TaylorMade-adidas Golf. Currency translation effects had a positive impact on sales in euro terms.

see Table 13

In the second quarter of 2015, the adidas Group introduced a number of exciting new products. An overview of major product launches is provided in the product launch table below.

see Table 14

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14 / **Major product launches in Q2 2015**

Product	Brand
F50 Primeknit 2.0 football boot (limited edition)	adidas
F50 99g football boot (limited edition)	adidas
X and ACE football boots	adidas
Messi 15 football boot	adidas
CC Cosmic Boost running shoe	adidas
Spring marathon running pack	adidas
adidas x Marvel Avengers training collection	adidas
ClimaChill training collection	adidas
Terrex Agravic outdoor apparel and footwear collection	adidas
Terrex Boost outdoor shoe	adidas
Originals Stan Smith shoe	adidas
Originals x Rita Ora line	adidas
Originals Yeezy 350 Boost	adidas
adidas NEO for Selena Gomez summer collection	adidas
Skyscape walking shoe	Reebok
UFC uniform apparel collection	Reebok
Daddy Long Legs putter	TaylorMade
Asymmetric Energy Boost golf shoe	adidas Golf
R-Series stick	Reebok Hockey
RibCor skate	CCM
Ultra Tacks stick	CCM

## Currency-neutral sales grow in nearly all market segments

In the first half of 2015, on a currency-neutral basis the combined sales of the adidas and Reebok brands grew in all market segments except Russia/CIS and Japan. Revenues in Western Europe increased 12% on a currency-neutral basis, driven by double-digit sales growth in the UK, Italy, France and Spain. Currency-neutral sales in North America increased 3%. Revenues in Greater China grew 20% on a currency-neutral basis, while currency-neutral sales in Russia/CIS declined 10%. In Latin America, revenues grew 8% on a currency-neutral basis, driven by double-digit growth in Argentina, Chile and Peru. In Japan, sales were down 1% on a currency-neutral basis due to the non-recurrence of last year's World Cup related sales. Revenues in MEAA grew 12% on a currency-neutral basis, driven by strong growth in the United Arab Emirates, South Korea and Turkey.

Revenues in Other Businesses were down 8% on a currency-neutral basis. Double-digit sales increases at Reebok-CCM Hockey and in Other centrally managed businesses were more than offset by sales declines at TaylorMade-adidas Golf.

With the exception of Russia/CIS, currency translation effects had a positive impact on segmental sales in euro terms.

see Table 15

## 15 / Net sales by segments<sup>1)</sup> (€ in millions)

	First half year 2015	First half year 2014	Change	Change (currency-neutral)
Western Europe	2,104	1,848	13.8%	11.7%
North America	1,234	990	24.6%	2.8%
Greater China	1,161	794	46.2%	20.4%
Russia/CIS	366	539	(32.0%)	(9.7%)
Latin America	879	774	13.5%	7.7%
Japan	333	320	3.9%	(0.6%)
MEAA	1,171	912	28.4%	12.3%
Other Businesses	742	702	5.7%	(8.1%)
<b>Total<sup>2)</sup></b>	<b>7,990</b>	<b>6,880</b>	<b>16.1%</b>	<b>7.2%</b>

1) Figures reflect continuing operations as a result of the planned divestiture of the Rockport business.

2) Rounding differences may arise in totals.

## Group sales development supported by double-digit growth in retail

In the first half of 2015, retail revenues increased 11% on a currency-neutral basis, mainly as a result of double-digit sales growth at adidas. Reebok revenues increased at a low-single-digit rate. Concept stores and factory outlets were both up versus the prior year, while concession corners were below the prior year level. eCommerce grew 57% on a currency-neutral basis. Currency translation effects had a minor positive impact on retail revenues in euro terms. Sales grew 11% to € 1.952 billion from € 1.752 billion in the prior year. Currency-neutral comparable store sales increased 1% versus the prior year, due to sales growth across most markets.

At June 30, 2015, the adidas Group, as part of the adidas and Reebok own-retail activities, operated 2,846 stores compared to the prior year-end level of 2,913. This represents a net decrease of 67 stores, mainly reflecting the planned store closures in Russia/CIS. Of the total number of stores, 1,582 were adidas and 422 were Reebok branded (December 31, 2014: 1,616 adidas stores, 446 Reebok stores). In addition, the adidas Group operated 842 multi-branded adidas and Reebok factory outlets (December 31, 2014: 851). During the first half of 2015, the Group opened 112 new stores, 179 stores were closed and 39 stores were remodelled.

see Table 16

### 16 / Retail number of stores development

	Total	Concept stores	Factory outlets	Concession corners
<b>December 31, 2014</b>	<b>2,913</b>	<b>1,746</b>	<b>851</b>	<b>316</b>
Opened	112	67	42	3
Closed	179	118	51	10
Opened (net)	(67)	(51)	(9)	(7)
<b>June 30, 2015</b>	<b>2,846</b>	<b>1,695</b>	<b>842</b>	<b>309</b>

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### 17 / Retail number of stores by store format

	June 30, 2015	Dec. 31, 2014
Concept stores	1,695	1,746
Factory outlets	842	851
Concession corners	309	316
<b>Total</b>	<b>2,846</b>	<b>2,913</b>

■ June 30, 2015 □ December 31, 2014

## Group gross margin declines 0.4 percentage points

In the first half of 2015, gross profit for the adidas Group increased 15% to € 3.897 billion versus € 3.385 billion in the prior year. The gross margin of the adidas Group declined 0.4 percentage points to 48.8% (2014: 49.2%), as a more favourable pricing and channel mix at adidas and Reebok was more than offset by higher input costs, negative currency effects as well as lower product margins at TaylorMade-adidas Golf.

see Diagram 18

see Diagram 19

## Royalty and commission income increases

Royalty and commission income for the adidas Group was up 17% to € 58 million in the first half of 2015 compared to € 50 million in the prior year. On a currency-neutral basis, royalty and commission income remained stable.

## Other operating income decreases

Other operating income includes items such as gains from the disposal of fixed assets and releases of accruals and provisions as well as insurance compensation. In the first half of 2015, other operating income decreased 29% to € 61 million (2014: € 85 million), due to a decline in the release of other operational and non-operational provisions.

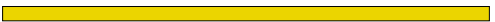
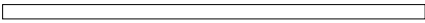
## Other operating expenses as a percentage of sales down 0.7 percentage points

Other operating expenses, including depreciation and amortisation, consist of items such as sales working budget, marketing working budget and operating overhead costs. In the first half of 2015, other operating expenses increased 14% to € 3.420 billion (2014: € 2.995 billion), reflecting an increase in sales and marketing working budget investments as well as higher operating overhead costs. As a percentage of sales, other operating expenses decreased 0.7 percentage points to 42.8% (2014: 43.5%). Sales and marketing working budget investments amounted to € 1.102 billion, which represents an increase of 17% versus the prior year level (2014: € 942 million). The increase was due to higher investments at both adidas and Reebok. By brand, adidas sales and marketing working budget increased 16% to € 853 million in the first half of 2015 compared to € 733 million in the prior year. Sales and marketing working budget for Reebok increased 34%, amounting to € 139 million (2014: € 104 million). As a percentage of sales, the Group's sales and marketing working budget grew 0.1 percentage points to 13.8% (2014: 13.7%).

see Diagram 20


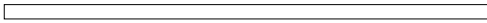
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### 18 / First half year gross profit<sup>1)</sup> (€ in millions)

2015		3,897
2014		3,385


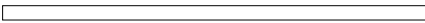
1) Figures reflect continuing operations as a result of the planned divestiture of the Rockport business.

### 19 / First half year gross margin<sup>1)</sup> (in %)

2015		48.8
2014		49.2


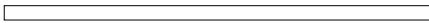
1) Figures reflect continuing operations as a result of the planned divestiture of the Rockport business.

### 20 / First half year other operating expenses<sup>1)</sup> (€ in millions)

2015		3,420
2014		2,995

1) Figures reflect continuing operations as a result of the planned divestiture of the Rockport business.

### 21 / First half year operating profit<sup>1)</sup> (€ in millions)

2015 <sup>2)</sup>		596
2014		524

1) Figures reflect continuing operations as a result of the planned divestiture of the Rockport business.

2) Excluding goodwill impairment of € 18 million.

## Number of Group employees up 5%

At the end of the first half of 2015, the Group employed 54,335 people. This represents an increase of 5% versus the prior year level of 51,544. New hirings related to the Group's own-retail activities were the main driver of this development. On a full-time equivalent basis, the number of employees increased 5% to 46,766 at the end of the first half of 2015 (2014: 44,502).

## Goodwill impairment in an amount of € 18 million

As a result of the change in the composition of the Group's reportable segments and associated cash-generating units, respectively, the Group determined that goodwill impairment is required in the first half of 2015. Due to the consolidation of the groups of cash-generating units Retail SLAM (Latin America excluding Brazil) and Retail Brazil with Wholesale SLAM and Wholesale Brazil as well as Retail Russia/CIS with Wholesale Russia/CIS, the carrying amount of the respective new groups of cash-generating units Latin America and Russia/CIS was determined to be higher than the respective recoverable amount. As a result, goodwill impairment losses for the first six months ending June 30, 2015 amounted to € 18 million, comprising impairment losses of € 15 million within the segment Latin America and € 3 million within the segment Russia/CIS. Goodwill for these groups of cash-generating units is completely impaired. The impairment losses were non-cash in nature and do not affect the adidas Group's liquidity.

## Operating margin excluding goodwill impairment at 7.5%

Group operating profit increased 10% to € 578 million in the first half of 2015 versus € 524 million in 2014. The operating margin of the adidas Group decreased 0.4 percentage points to 7.2% (2014: 7.6%). Excluding the goodwill impairment losses, operating profit grew 14% to € 596 million from € 524 million in the first half of 2014, representing an operating margin of 7.5%, down 0.2 percentage points from the prior year level (2014: 7.6%). This development was primarily due to the decline in gross margin, which more than offset the positive effect from lower other operating expenses as a percentage of sales.

see Diagram 21

see Diagram 22

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## Financial income increases strongly


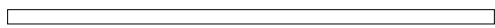
Financial income increased to € 24 million in the first half of 2015 from € 12 million in the prior year, as a result of positive exchange rate effects.

## Financial expenses down 19%

Financial expenses decreased 19% to € 32 million in the first half of 2015 (2014: € 40 million). This development was mainly due to the non-recurrence of negative exchange rate effects compared to the prior year period.

see Diagram 23


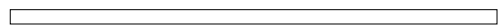
### 22 / First half year operating margin<sup>1)</sup> (in %)

2015 <sup>2)</sup>		7.5
2014		7.6

1) Figures reflect continuing operations as a result of the planned divestiture of the Rockport business.

2) Excluding goodwill impairment of € 18 million.

### 23 / First half year financial expenses<sup>1)</sup> (€ in millions)

2015		32
2014		40

1) Figures reflect continuing operations as a result of the planned divestiture of the Rockport business.



### Income before taxes excluding goodwill impairment up 18%

Income before taxes (IBT) for the adidas Group increased 15% to € 570 million from € 496 million in 2014. IBT as a percentage of sales declined 0.1 percentage points to 7.1% in the first half of 2015 (2014: 7.2%). Excluding the goodwill impairment losses, IBT was up 18% to € 588 million from € 496 million in 2014 and, as a percentage of sales, increased 0.1 percentage points to 7.4% from 7.2% in the prior year.

see Diagram 24

### Net income from continuing operations excluding goodwill impairment increases 14%

The Group's net income from continuing operations increased 9% to € 383 million in the first half of 2015 from € 352 million in 2014. Excluding the goodwill impairment losses, net income from continuing operations was up 14% to € 401 million (2014: € 352 million). The Group's tax rate increased 3.9 percentage points to 32.9% in the first half of 2015 (2014: 29.0%). Excluding the goodwill impairment losses, the effective tax rate grew 2.9 percentage points to 31.8% from 29.0% in 2014, mainly due to the non-recognition of deferred tax assets.

### Basic and diluted EPS from continuing operations excluding goodwill impairment up 17%

Basic and diluted EPS from continuing operations increased 12% to € 1.87 in the first half of 2015 (2014: € 1.67). Excluding the goodwill impairment losses, basic and diluted EPS from continuing operations increased 17% to € 1.96 from € 1.67 in 2014. The weighted average number of shares used in the calculation was 202,897,613 (2014: 209,216,186).

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### Losses from discontinued operations total € 13 million

In the first half of 2015, the Group incurred losses from discontinued operations of € 13 million, net of tax, related to the Rockport operating segment (2014: losses of € 1 million). Losses from discontinued operations were due to a loss recognised on the measurement to fair value less costs to sell, net of tax, in the amount of € 11 million, which was mainly caused by currency movements, as well as a loss from Rockport's operating activities of € 2 million.

#### 24 / First half year income before taxes<sup>1)</sup> (€ in millions)

2015 <sup>2)</sup>	<div style="width: 100%; height: 10px; background-color: #FFD700;"></div>	588
2014	<div style="width: 83%; height: 10px; background-color: #D3D3D3;"></div>	496

1) Figures reflect continuing operations as a result of the planned divestiture of the Rockport business.

2) Excluding goodwill impairment of € 18 million.

## Net income attributable to shareholders excluding goodwill impairment increases 11%

The Group's net income attributable to shareholders, which in addition to net income from continuing operations includes the losses from discontinued operations, grew 5% to € 367 million in the first half of 2015 from € 348 million in 2014. Excluding the goodwill impairment losses, net income attributable to shareholders was up 11% to € 385 million (2014: € 348 million).

see Diagram 25

## Basic and diluted EPS from continuing and discontinued operations excluding goodwill impairment grows 14%

Basic and diluted EPS from continuing and discontinued operations increased 9% to € 1.81 in the first half of 2015 (2014: € 1.67). Excluding the goodwill impairment losses, basic and diluted EPS from continuing and discontinued operations increased 14% to € 1.90 from € 1.67 in 2014. The weighted average number of shares used in the calculation was 202,897,613 (2014: 209,216,186).

see Diagram 26

### 25 / First half year net income attributable to shareholders<sup>1)</sup> (€ in millions)

2015 <sup>2)</sup>	385
2014	348
2013	480

1) Includes continuing and discontinued operations.  
2) Excluding goodwill impairment of € 18 million.

### 26 / First half year diluted earnings per share<sup>1)</sup> (in €)

2015 <sup>2)</sup>	1.90
2014	1.67
2013	2.29

1) Includes continuing and discontinued operations.  
2) Excluding goodwill impairment of € 18 million.

## Statement of Financial Position and Statement of Cash Flows

### Planned Rockport divestiture impacts balance sheet items

Consistent with year-end 2014, at June 30, 2015, all assets and liabilities of the Rockport operating segment are presented as assets and liabilities classified as held for sale. Compared to December 31, 2014, the plan to sell the operating segment became even more concrete in the first half of 2015 due to the signing of a definitive agreement to sell the Rockport operating segment on January 23, 2015. The divestiture was completed on July 31, 2015. At the end of the first half of 2015, assets of € 259 million and liabilities of € 51 million were allocated to the Rockport operating segment. However, a restatement of the 2014 balance sheet items is not permitted under IFRS.

see Note 03, p. 56

### Assets

At the end of June 2015, total assets increased 7% to € 12.754 billion versus € 11.887 billion in the prior year, as a result of an increase in current as well as in non-current assets. Compared to December 31, 2014, total assets grew 3%. The share of current assets and non-current assets within total assets remained unchanged at 58% and 42%, respectively, at the end of June 2015 (2014: 58% and 42%).

see Diagram 27

Total current assets increased 7% to € 7.397 billion at the end of June 2015 compared to € 6.934 billion in 2014. Cash and cash equivalents decreased 19% to € 959 million at the end of June 2015 from € 1.191 billion in the prior year, as net cash generated from operating activities was more than offset by net cash used in investing and financing activities. Group inventories increased 1% to € 2.927 billion at the end of June 2015 versus € 2.896 billion in 2014. On a currency-neutral basis, inventories remained virtually unchanged. Inventories from continuing operations increased 5% (+3% currency-neutral), reflecting the Group's growth expectations. The Group's accounts receivable increased 10% to € 2.271 billion at the end of June 2015 (2014: € 2.070 billion). On a currency-neutral basis, receivables increased 1%. Receivables from continuing operations rose 11% (+3% currency-neutral). Other current financial assets increased to € 358 million at the end of June 2015 from € 148 million in 2014. This development was driven by an increase in the fair value of financial instruments. Other current assets increased 2% to € 526 million at the end of June 2015 (2014: € 517 million), mainly due to an increase in tax receivables other than income taxes and prepayments.

see Diagram 29

see Diagram 30

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### 27 / Structure of statement of financial position<sup>1)</sup> (in % of total assets)

	June 30, 2015	June 30, 2014
<b>Assets (€ in millions)</b>	<b>12,754</b>	<b>11,887</b>
Cash and cash equivalents	7.5%	10.0%
Accounts receivable	17.8%	17.4%
Inventories	22.9%	24.4%
Fixed assets	35.7%	36.0%
Other assets	16.0%	12.2%

■ June 30, 2015 □ June 30, 2014

1) For absolute figures see adidas AG Consolidated Statement of Financial Position, p. 49.

Total non-current assets grew 8% to € 5.357 billion at the end of June 2015 from € 4.953 billion in 2014. Fixed assets increased 6% to € 4.552 billion at the end of June 2015 versus € 4.285 billion in 2014. Fixed assets include property, plant and equipment, goodwill, trademarks and other intangible assets as well as long-term financial assets. Additions of € 448 million were primarily related to our own-retail activities, investments into the Group's logistics infrastructure and IT systems, the acquisition of Luta Limited and Refuel (Brand Distribution) Limited as well as the further development of the Group's headquarters in Herzogenaurach. Currency translation effects of € 508 million also contributed to the increase in fixed assets. Additions were partly offset by depreciation and amortisation of € 346 million, goodwill impairment of € 96 million, disposals of € 24 million as well as the reclassification of the net book value of Rockport fixed assets to assets classified as held for sale of € 224 million. Compared to December 31, 2014, fixed assets increased by 5%. Other non-current financial assets grew 40% to € 35 million at the end of June 2015 from € 25 million at the end of the first half of 2014. This development was driven by an increase in embedded derivatives as well as in security deposits.

### Liabilities and equity

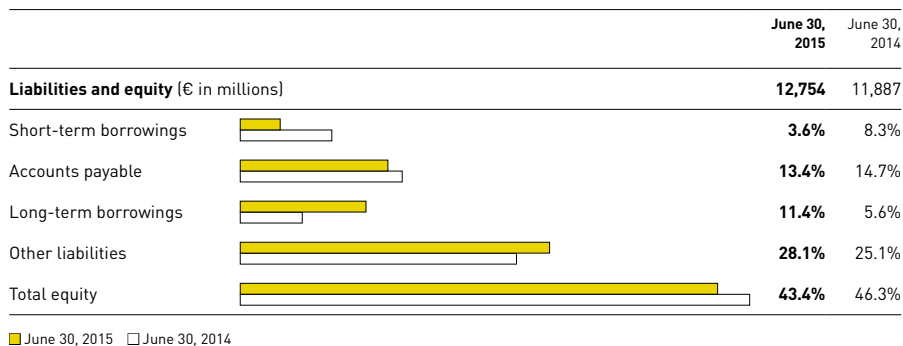
Total current liabilities decreased 2% to € 4.887 billion at the end of June 2015 from € 4.984 billion in 2014. Accounts payable decreased 2% to € 1.712 billion at the end of June 2015 versus € 1.752 billion in 2014. On a currency-neutral basis, accounts payable decreased by 4%. Accounts payable from continuing operations decreased 1% and, on a currency-neutral basis, were down 3%. At the end of June 2015, other current financial liabilities increased 31% to € 147 million from € 112 million in 2014, primarily as a result of the increase in the negative fair value of financial instruments. Short-term borrowings declined 53% to € 462 million at the end of June 2015 (2014: € 990 million). This development was mainly due to the repayment of the Group's Eurobond, which matured in July 2014. Other current provisions were up 4% to € 428 million at the end of June 2015 versus € 412 million in 2014. This primarily relates to currency translation effects of € 26 million. Current accrued liabilities grew 28% to € 1.468 billion at the end of June 2015 from € 1.145 billion in 2014, mainly due to an increase in accruals for customer discounts and personnel. Currency translation effects of € 100 million also contributed to the increase in current accrued liabilities. Other current liabilities increased 5% to € 311 million at the end of June 2015 from € 297 million in 2014, mainly due to an increase in tax liabilities other than income taxes.

see Diagram 28

see Diagram 31

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### 28 / Structure of statement of financial position<sup>1)</sup> (in % of total liabilities and equity)



1) For absolute figures see adidas AG Consolidated Statement of Financial Position, p. 50.

Total non-current liabilities increased 66% to € 2.330 billion at the end of June 2015 from € 1.400 billion in the prior year. Long-term borrowings grew to € 1.458 billion at the end of June 2015 from € 660 million in the prior year. This development was primarily due to the issuance of two Eurobonds during the fourth quarter of 2014 with an overall volume of € 1 billion. Other non-current provisions grew to € 39 million at the end of June 2015 versus € 17 million in 2014. This primarily relates to an increase in other operational provisions. Currency translation effects of € 6 million also contributed to the increase in other non-current provisions. Non-current accrued liabilities grew 58% to € 92 million at the end of June 2015 from € 58 million in 2014, mainly due to an increase in accruals for personnel.

Shareholders' equity increased 1% to € 5.548 billion at the end of June 2015 versus € 5.513 billion in 2014. The net income generated during the last twelve months, positive currency translation effects of € 430 million as well as an increase in hedging reserves of € 60 million were the main contributors to this development. This was partly offset by the dividend of € 303 million paid to shareholders for the 2014 financial year as well as the repurchase of treasury shares in an amount of € 601 million. The Group's equity ratio at the end of June 2015 decreased to 43.5% compared to 46.4% in the prior year.


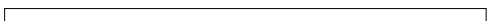
see Diagram 32

### Operating working capital

Operating working capital increased 8% to € 3.485 billion at the end of June 2015 compared to € 3.213 billion in 2014. Operating working capital from continuing operations increased 12% (+6% currency-neutral), driven by an increase in inventories and accounts receivable, reflecting the Group's growth expectations. Average operating working capital as a percentage of sales from continuing operations decreased 0.4 percentage points to 21.6% (2014: 22.0%).


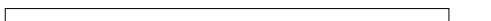
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#### 29 / Inventories<sup>1)</sup> (€ in millions)

2015		2,927
2014		2,896


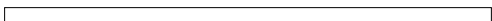
1) At June 30.

#### 30 / Accounts receivable<sup>1)</sup> (€ in millions)

2015		2,271
2014		2,070


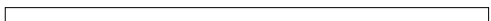
1) At June 30.

#### 31 / Accounts payable<sup>1)</sup> (€ in millions)

2015		1,712
2014		1,752

1) At June 30.

#### 32 / Shareholders' equity<sup>1)</sup> (€ in millions)

2015		5,548
2014		5,513

1) At June 30, excluding non-controlling interests.

## Liquidity analysis

In the first half of 2015, net cash used in operating activities decreased to € 31 million (2014: € 151 million). Net cash used in continuing operating activities declined to € 48 million (2014: € 147 million), primarily as a result of an increase in income before taxes, partly offset by an increase in income taxes paid. Net cash used in investing activities decreased to € 145 million (2014: € 233 million). Net cash used in continuing investing activities declined to € 141 million (2014: € 231 million), mainly as a result of lower purchases of property, plant and equipment, partly offset by the non-recurrence of proceeds from the sale of short-term financial assets. The majority of investing activities in the first half of 2015 related to spending for property, plant and equipment, such as investments in the furnishing and fitting of our own-retail stores as well as investments in the Group's logistics infrastructure and IT systems. Net cash used in financing activities totalled € 588 million (2014: € 10 million), mainly related to the dividend paid to shareholders of € 303 million as well as the repurchase of treasury shares in the amount of € 301 million. Exchange rate effects positively impacted the Group's cash position by € 41 million in the first half of 2015 (2014: negative impact of € 2 million). As a result of all these developments, cash and cash equivalents decreased by € 724 million to € 959 million at the end of June 2015 compared to € 1.683 billion at the end of December 2014.

Net borrowings at June 30, 2015 amounted to € 957 million, compared to net borrowings of € 454 million in 2014, representing an increase of € 502 million. This development is mainly a result of the utilisation of cash for the share buyback programme in an amount of € 601 million. Currency translation had a positive effect of € 15 million on net borrowings. The Group's ratio of net borrowings over EBITDA amounted to 0.6 at the end of June 2015 (2014: 0.4).

see Diagram 33

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### 33 / Net borrowings<sup>1)</sup> (€ in millions)

2015	<div style="width: 100%;"></div>	957
2014	<div style="width: 47.5%;"></div>	454

1) At June 30.

## Business Performance by Segment

The adidas Group has divided its operating activities into the following operating segments: Western Europe, North America, Greater China, Russia/CIS, Latin America, Japan, Middle East, South Korea, Southeast Asia/Pacific, TaylorMade-adidas Golf, Reebok-CCM Hockey and Other centrally managed businesses. While the business segments Western Europe, North America, Greater China, Russia/CIS, Latin America and Japan are reported separately, the markets Middle East, South Korea and Southeast Asia/Pacific are combined to the segment MEAA ('Middle East, Africa and other Asian markets'). Each market comprises all business activities in the wholesale, retail and e-commerce distribution channels of the adidas and Reebok brands. The segmental results of TaylorMade-adidas Golf, Reebok-CCM Hockey and Other centrally managed businesses, which comprises brands such as Y-3 and Five Ten, are aggregated under Other Businesses. Segmental operating expenses primarily relate to sales and marketing working budget investments as well as expenditure for sales force, administration and logistics.

### Western Europe

#### Western Europe second quarter sales development

In the second quarter of 2015, sales in Western Europe increased 12% on a currency-neutral basis, mainly due to double-digit sales growth at adidas. Sales at Reebok were up at a high-single-digit rate. From a market perspective, the main contributors to the increase were the UK, France, Italy and Spain, where revenues grew at double-digit rates each. Currency translation effects positively impacted revenues in euro terms. Sales in Western Europe grew 15% to € 961 million in the second quarter of 2015 from € 837 million in 2014.

#### Western Europe first half results

In the first half of 2015, sales in Western Europe increased 12% on a currency-neutral basis, due to double-digit sales growth at both adidas and Reebok. From a market perspective, the main contributors to the increase were the UK, Italy, France and Spain, where revenues grew at double-digit rates each. Currency translation effects positively impacted revenues in euro terms. Sales in Western Europe grew 14% to € 2.104 billion from € 1.848 billion in the first half of 2014.

see Table 34

#### 34 / Western Europe at a glance (€ in millions)

	First half year 2015	First half year 2014	Change
Net sales	2,104	1,848	13.8%
Gross profit	1,003	851	18.0%
Gross margin	47.7%	46.0%	1.7pp
Segmental operating profit	460	352	30.6%
Segmental operating margin	21.9%	19.1%	2.8pp

Gross margin in Western Europe increased 1.7 percentage points to 47.7 % in the first half of 2015 from 46.0 % in 2014. This development was driven by positive currency effects and a better channel mix, partly offset by higher input costs as well as a less favourable product mix. Gross profit in Western Europe increased 18% to € 1.003 billion versus € 851 million in 2014.

see Table 34

Operating expenses were up 9% to € 544 million versus € 499 million in the first half of 2014. This development reflects an increase in sales and marketing working budget investments as well as higher sales expenditure. Operating expenses as a percentage of sales decreased 1.1 percentage points to 25.8% (2014: 27.0%).

Operating margin improved 2.8 percentage points to 21.9% (2014: 19.1%), as a result of the gross margin increase as well as the positive effect of lower operating expenses as a percentage of sales. Operating profit in Western Europe increased 31% to € 460 million versus € 352 million in the prior year.

see Table 34

### Western Europe development by brand

adidas revenues in Western Europe grew 12% on a currency-neutral basis in the first half of 2015. This development was driven by double-digit sales growth at adidas Originals and adidas NEO as well as strong increases in the running and outdoor categories. Currency translation effects had a positive impact on revenues in euro terms. adidas sales in Western Europe increased 14% to € 1.931 billion (2014: € 1.698 billion).

Reebok revenues in Western Europe increased 13% on a currency-neutral basis in the first half of 2015. This development was mainly due to double-digit sales growth in the training, running and studio categories as well as a high-single-digit increase in Classics. Currency translation effects had a positive impact on revenues in euro terms. Reebok sales in Western Europe were up 15% to € 173 million from € 150 million in the prior year.



## North America

### North America second quarter sales development

In the second quarter of 2015, sales in North America remained stable on a currency-neutral basis, as growth at adidas was offset by sales declines at Reebok. Currency translation effects positively impacted revenues in euro terms. Sales in North America grew 22% to € 643 million from € 528 million in the second quarter of 2014.

### North America first half results

In the first half of 2015, sales in North America increased 3% on a currency-neutral basis, as a result of mid-single-digit sales growth at adidas. Currency translation effects positively impacted revenues in euro terms. Sales in North America grew 25% to € 1.234 billion from € 990 million in the first half of 2014.

see Table 35

Gross margin in North America decreased 0.2 percentage points to 36.6% in the first half of 2015 from 36.8% in 2014. The positive effect from a significantly better pricing mix was offset by higher input costs, a less favourable product mix as well as negative currency effects. Gross profit in North America increased 24% to € 451 million versus € 364 million in 2014.

see Table 35

Operating expenses were up 36% to € 462 million versus € 340 million in the first half of 2014. This was primarily due to significantly higher marketing working budget investments as well as higher sales expenditure. As a result, operating expenses as a percentage of sales increased 3.1 percentage points to 37.5% (2014: 34.4%).

Operating margin decreased 3.6 percentage points to 0.6% (2014: 4.2%), due to the negative effect of higher operating expenses as a percentage of sales as well as the gross margin decline. Operating profit in North America decreased 81% to € 8 million (2014: € 42 million).

see Table 35

### North America development by brand

adidas revenues in North America grew 5% on a currency-neutral basis in the first half of 2015, driven by strong sales growth at adidas Originals and adidas NEO. Currency translation effects had a positive impact on revenues in euro terms. adidas sales in North America increased 28% to € 990 million (2014: € 776 million).

Reebok revenues in North America decreased 6% on a currency-neutral basis in the first half of 2015, as double-digit sales growth in the training and studio categories was more than offset by declines in the walking category as well as in Classics. The development also reflects the brand's continued efforts to further streamline Reebok's factory outlet business in North America. Currency translation effects had a positive impact on revenues in euro terms. Reebok sales in North America were up 14% to € 243 million from € 213 million in the prior year.

### 35 / North America at a glance (€ in millions)

	First half year 2015	First half year 2014	Change
Net sales	1,234	990	24.6%
Gross profit	451	364	23.8%
Gross margin	36.6%	36.8%	(0.2pp)
Segmental operating profit	8	42	(80.9%)
Segmental operating margin	0.6%	4.2%	(3.6pp)

## Greater China

### Greater China second quarter sales development

In the second quarter of 2015, sales in Greater China increased 19% on a currency-neutral basis, as a result of double-digit sales growth at both adidas and Reebok. Currency translation effects positively impacted revenues in euro terms. Sales in Greater China grew 48% to € 564 million from € 380 million in the second quarter of 2014.

### Greater China first half results

In the first half of 2015, sales in Greater China increased 20% on a currency-neutral basis, as a result of double-digit sales growth at both adidas and Reebok. Currency translation effects positively impacted revenues in euro terms. Sales in Greater China grew 46% to € 1.161 billion from € 794 million in the first half of 2014.

see Table 36

Gross margin in Greater China decreased 1.4 percentage points to 57.4% in the first half of 2015 from 58.7% in 2014. The positive effects from a better pricing and channel mix were more than offset by higher input costs and a less favourable product mix. Gross profit in Greater China increased 43% to € 666 million versus € 466 million in 2014.

see Table 36

Operating expenses were up 32% to € 242 million versus € 184 million in the first half of 2014. This was primarily due to an increase in sales working budget investments. Operating expenses as a percentage of sales decreased 2.3 percentage points to 20.9% (2014: 23.1%).

Operating margin increased 0.9 percentage points to 36.5% (2014: 35.6%), as the positive effect from lower operating expenses as a percentage of sales more than offset the decrease in gross margin. Operating profit in Greater China increased 50% to € 424 million versus € 282 million in the prior year.

see Table 36

### Greater China development by brand

adidas revenues in Greater China grew 20% on a currency-neutral basis in the first half of 2015. The increase was mainly due to double-digit sales growth in the training and running categories as well as at adidas Originals and adidas NEO. Currency translation effects had a positive impact on revenues in euro terms. adidas sales in Greater China increased 45% to € 1.136 billion (2014: € 781 million).

Reebok revenues in Greater China increased 58% on a currency-neutral basis in the first half of 2015, driven by a significant sales increase in Classics, where revenues more than doubled. Currency translation effects had a positive impact on revenues in euro terms. Reebok sales in Greater China were up 92% to € 25 million from € 13 million in the prior year.

### 36 / Greater China at a glance (€ in millions)

	First half year 2015	First half year 2014	Change
Net sales	1,161	794	46.2%
Gross profit	666	466	42.9%
Gross margin	57.4%	58.7%	(1.4pp)
Segmental operating profit	424	282	50.1%
Segmental operating margin	36.5%	35.6%	0.9pp

## Russia/CIS

### Russia/CIS second quarter sales development

In the second quarter of 2015, sales in Russia/CIS decreased 14% on a currency-neutral basis, as a result of sales declines at both adidas and Reebok. Currency translation effects negatively impacted revenues in euro terms. Revenues in Russia/CIS declined 31% to € 204 million from € 294 million in the second quarter of 2014.

### Russia/CIS first half results

In the first half of 2015, sales in Russia/CIS decreased 10% on a currency-neutral basis, due to sales declines at both adidas and Reebok. Currency translation effects negatively impacted revenues in euro terms. Revenues in Russia/CIS declined 32% to € 366 million from € 539 million in the first half of 2014.

see Table 37

Gross margin in Russia/CIS decreased 5.0 percentage points to 56.0% in the first half of 2015 from 61.0% in 2014. The positive impact from a significantly more favourable pricing mix was more than offset by negative currency effects as well as higher input costs. Gross profit in Russia/CIS decreased 38% to € 205 million versus € 329 million in 2014.

see Table 37

Operating expenses were down 31% to € 172 million versus € 250 million in the first half of 2014. This was primarily due to lower sales expenditure, reflecting the reduction in the number of stores. Operating expenses as a percentage of sales increased 0.6 percentage points to 47.0% (2014: 46.4%).

Operating margin decreased 5.6 percentage points to 9.0% (2014: 14.6%), due to the gross margin decline as well as the negative effect of higher operating expenses as a percentage of sales. Operating profit in Russia/CIS decreased 58% to € 33 million versus € 79 million in the prior year.

see Table 37

### Russia/CIS development by brand

adidas revenues decreased 12% on a currency-neutral basis in Russia/CIS in the first half of 2015. This development was due to sales declines in most categories. Currency translation effects had a negative impact on revenues in euro terms. adidas sales in Russia/CIS declined 34% to € 284 million (2014: € 428 million).

Reebok revenues in Russia/CIS decreased 2% on a currency-neutral basis in the first half of 2015, as growth in the training and studio categories was more than offset by sales declines in the running and walking categories as well as in Classics. Currency translation effects had a negative impact on revenues in euro terms. Reebok sales in Russia/CIS were down 26% to € 82 million from € 110 million in the prior year.

### 37 / Russia/CIS at a glance (€ in millions)

	First half year 2015	First half year 2014	Change
Net sales	366	539	(32.0%)
Gross profit	205	329	(37.6%)
Gross margin	56.0%	61.0%	(5.0pp)
Segmental operating profit	33	79	(58.1%)
Segmental operating margin	9.0%	14.6%	(5.6pp)

## Latin America

### Latin America second quarter sales development

In the second quarter of 2015, sales in Latin America increased 9% on a currency-neutral basis, as a result of high-single-digit sales growth at adidas and double-digit revenue increases at Reebok. From a market perspective, the top-line development was driven by double-digit sales growth in Argentina, Chile and Peru. Currency translation effects positively impacted revenues in euro terms. Sales in Latin America grew 14% to € 456 million from € 400 million in the second quarter of 2014.

### Latin America first half results

In the first half of 2015, sales in Latin America increased 8% on a currency-neutral basis, as a result of mid-single-digit sales growth at adidas and double-digit revenue increases at Reebok. From a market perspective, the top-line development was driven by double-digit sales growth in Argentina, Chile and Peru. Currency translation effects positively impacted revenues in euro terms. Sales in Latin America grew 14% to € 879 million from € 774 million in the first half of 2014.

see Table 38

Gross margin in Latin America increased 2.5 percentage points to 42.5% in the first half of 2015 from 40.0% in 2014. This development was driven by a more favourable pricing and channel mix, partly offset by negative currency effects as well as higher input costs. Gross profit in Latin America increased 20% to € 374 million versus € 310 million in 2014.

see Table 38

Operating expenses were up 23% to € 247 million versus € 201 million in the first half of 2014. This was primarily due to higher sales expenditure as well as higher marketing working budget investments. Operating expenses as a percentage of sales increased 2.1 percentage points to 28.1% (2014: 26.0%).

Operating margin improved 0.4 percentage points to 14.4% (2014: 14.0%). This development was a result of the gross margin improvement, which more than offset the increase in operating expenses as a percentage of sales. Operating profit in Latin America increased 16% to € 127 million versus € 109 million in the prior year.

see Table 38

### 38 / Latin America at a glance (€ in millions)

	First half year 2015	First half year 2014	Change
Net sales	879	774	13.5%
Gross profit	374	310	20.5%
Gross margin	42.5%	40.0%	2.5pp
Segmental operating profit	127	109	16.5%
Segmental operating margin	14.4%	14.0%	0.4pp

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### Latin America development by brand

adidas revenues grew 6% on a currency-neutral basis in Latin America in the first half of 2015. This development was supported by double-digit sales increases in the training and running categories as well as at adidas Originals and adidas NEO. Currency translation effects had a positive impact on revenues in euro terms. adidas sales in Latin America increased 11% to € 749 million (2014: € 673 million).

Reebok revenues in Latin America increased 19% on a currency-neutral basis in the first half of 2015, driven by double-digit sales growth in the running and training categories as well as in Classics. Currency translation effects had a positive impact on revenues in euro terms. Reebok sales in Latin America were up 29% to € 130 million from € 101 million in the prior year.

## Japan

### Japan second quarter sales development

In the second quarter of 2015, sales in Japan decreased 6% on a currency-neutral basis, as double-digit growth at Reebok was more than offset by sales declines at adidas. Currency translation effects positively impacted revenues in euro terms. Sales in Japan declined 2% to € 178 million from € 181 million in the second quarter of 2014.

### Japan first half results

In the first half of 2015, sales in Japan decreased 1% on a currency-neutral basis, as double-digit sales growth at Reebok was more than offset by sales declines at adidas. Currency translation effects positively impacted revenues in euro terms. Sales in Japan grew 4% to € 333 million from € 320 million in the first half of 2014.

see Table 39

Gross margin in Japan increased 3.1 percentage points to 47.8% in the first half of 2015 from 44.7% in 2014. The increase was driven by a more favourable pricing, product and channel mix, partly offset by negative currency effects and higher input costs. Gross profit in Japan increased 11% to € 159 million versus € 143 million in 2014.

see Table 39

Operating expenses were up 7% to € 112 million versus € 104 million in the first half of 2014, mainly as a result of higher sales expenditure. Operating expenses as a percentage of sales increased 1.0 percentage points to 33.6% (2014: 32.6%).

### 39 / Japan at a glance (€ in millions)

	First half year 2015	First half year 2014	Change
Net sales	333	320	3.9%
Gross profit	159	143	11.2%
Gross margin	47.8%	44.7%	3.1pp
Segmental operating profit	54	46	16.3%
Segmental operating margin	16.1%	14.4%	1.7pp

Operating margin improved 1.7 percentage points to 16.1% (2014: 14.4%) as the gross margin increase more than offset the negative effect of higher operating expenses as a percentage of sales. Operating profit in Japan increased 16% to € 54 million versus € 46 million in the prior year.

see Table 39

### Japan development by brand

adidas revenues decreased 3% on a currency-neutral basis in Japan in the first half of 2015. Double-digit increases at adidas Originals and in the running category were more than offset by declines in the training and football categories, the latter being mainly due to the non-recurrence of last year's World Cup related sales. Currency translation effects had a positive impact on revenues in euro terms. adidas sales in Japan increased 1% to € 306 million (2014: € 303 million).

Reebok revenues in Japan increased 46% on a currency-neutral basis in the first half of 2015, driven by double-digit sales growth in Classics as well as in the running and training categories. Currency translation effects had a positive impact on revenues in euro terms. Reebok sales in Japan were up 53% to € 27 million from € 18 million in the prior year.

## MEAA (Middle East, Africa and other Asian markets)

### MEAA second quarter sales development

In the second quarter of 2015, sales in MEAA increased 16% on a currency-neutral basis, due to double-digit sales growth at both adidas and Reebok. From a market perspective, the main contributors to the increase were the United Arab Emirates, South Korea and Turkey. Currency translation effects positively impacted revenues in euro terms. Sales in MEAA grew 31% to € 536 million from € 409 million in the second quarter of 2014.

### MEAA first half results

In the first half of 2015, sales in MEAA increased 12% on a currency-neutral basis, as a result of double-digit sales growth at both adidas and Reebok. From a market perspective, the main contributors to the increase were the United Arab Emirates, South Korea and Turkey. Currency translation effects positively impacted revenues in euro terms. Sales in MEAA grew 28% to € 1.171 billion from € 912 million in the first half of 2014.

see Table 40

Gross margin in MEAA decreased 1.1 percentage points to 51.7% in the first half of 2015 from 52.7% in 2014. The positive impact from a more favourable pricing mix was more than offset by higher input costs as well as negative currency effects. Gross profit in MEAA increased 26% to € 605 million versus € 481 million in 2014.

see Table 40

### 40 / MEAA at a glance (€ in millions)

	First half year 2015	First half year 2014	Change
Net sales	1,171	912	28.4%
Gross profit	605	481	25.8%
Gross margin	51.7%	52.7%	(1.1pp)
Segmental operating profit	340	271	25.3%
Segmental operating margin	29.0%	29.7%	(0.7pp)

Operating expenses were up 26% to € 266 million versus € 211 million in the first half of 2014. This was primarily due to higher sales expenditure as well as an increase in sales and marketing working budget investments. Operating expenses as a percentage of sales decreased 0.4 percentage points to 22.7% (2014: 23.1%).

Operating margin decreased 0.7 percentage points to 29.0% (2014: 29.7%), as lower operating expenses as a percentage of sales were more than offset by the gross margin decline. Operating profit in MEAA increased 25% to € 340 million versus € 271 million in the prior year.

see Table 40

### MEAA development by brand

adidas revenues in MEAA grew 12% on a currency-neutral basis in the first half of 2015. This development was mainly due to double-digit sales increases in the training and running categories as well as at adidas Originals. Currency translation effects had a positive impact on revenues in euro terms. adidas sales in MEAA increased 28% to € 1.035 billion (2014: € 808 million).

Reebok revenues in MEAA increased 13% on a currency-neutral basis in the first half of 2015, mainly as a result of double-digit growth in the training, walking and studio categories as well as high-single-digit improvements in running. Currency translation effects had a positive impact on revenues in euro terms. Reebok sales in MEAA were up 31% to € 136 million from € 104 million in the prior year.

## Other Businesses

### Other Businesses second quarter results

In the second quarter of 2015, revenues of Other Businesses were down 14% on a currency-neutral basis. This was due to double-digit sales decreases at TaylorMade-adidas Golf, which more than offset double-digit sales increases at Reebok-CCM Hockey as well as in Other centrally managed businesses. Currency translation effects positively impacted revenues in euro terms. Sales of Other Businesses decreased 1% to € 365 million (2014: € 369 million).

### Other Businesses first half results

In the first half of 2015, revenues of Other Businesses were down 8% on a currency-neutral basis, due to double-digit sales decreases at TaylorMade-adidas Golf. Sales at Reebok-CCM Hockey as well as in Other centrally managed businesses both increased at a double-digit rate. Currency translation effects positively impacted revenues in euro terms. Sales of Other Businesses increased 6% to € 742 million (2014: € 702 million).

see Table 41

### 41 / Other Businesses at a glance<sup>1)</sup> (€ in millions)

	First half year 2015	First half year 2014	Change
Net sales	742	702	5.7%
TaylorMade-adidas Golf	519	535	(3.1%)
Reebok-CCM Hockey	120	93	28.0%
Other centrally managed businesses	104	74	40.8%
Gross profit	254	263	(3.3%)
Gross margin	34.2%	37.4%	(3.2pp)
Segmental operating profit	(45)	(19)	(141.6%)
Segmental operating margin	(6.1%)	(2.7%)	(3.4pp)

1) Figures reflect continuing operations as a result of the planned divestiture of the Rockport business.

Gross margin in Other Businesses decreased 3.2 percentage points to 34.2% (2014: 37.4%), mainly due to lower product margins at TaylorMade-adidas Golf. Gross profit was down 3% to € 254 million in the first half of 2015 versus € 263 million in 2014.

see Table 41

Operating expenses increased 6% to € 303 million from € 285 million in 2014, as lower sales expenditure at TaylorMade-adidas Golf was more than offset by higher logistic costs at Reebok-CCM Hockey. Operating expenses as a percentage of sales increased 0.2 percentage points to 40.9% (2014: 40.6%).

In the first half of 2015, Other Businesses recorded an operating loss of € 45 million (2014: operating loss of € 19 million). This resulted in a negative operating margin of 6.1% compared to a negative operating margin of 2.7% in 2014. The main reason for this development was the gross margin decline.

see Table 41

### Other Businesses development by segment

TaylorMade-adidas Golf revenues declined 17% on a currency-neutral basis in the first half of 2015. This development was due to sales decreases in most categories, in particular metalwoods and irons. Currency translation effects positively impacted TaylorMade-adidas Golf sales in euro terms. Revenues decreased 3% to € 519 million from € 535 million in the prior year.

see Table 41

Currency-neutral Reebok-CCM Hockey sales were up 14%. This increase was mainly due to double-digit growth in key categories such as skates, sticks and protective equipment. In addition, double-digit increases in apparel contributed to this development. Currency translation effects positively impacted sales in euro terms. Reebok-CCM Hockey revenues increased 28% to € 120 million in the first half of 2015 from € 93 million in 2014.

see Table 41

Other centrally managed businesses revenues increased 37% on a currency-neutral basis, as a result of strong double-digit sales growth at all sub-brands. Currency translation effects had a positive impact on sales in euro terms. Revenues in Other centrally managed businesses increased 41% to € 104 million in the first half of 2015 (2014: € 74 million).

see Table 41



## Subsequent Events and Outlook

In 2015, despite a high degree of economic uncertainty in Russia/CIS and the Middle East, we expect global economic growth to increase. This will be supported by a more favourable labour market development as well as low financing and energy costs, which are forecasted to positively impact consumer spending, providing a positive backdrop for the continued growth and expansion of the sporting goods industry. Through our extensive pipeline of new and innovative products and the positive effects from increased brand-building activities, tight control of inventory levels and strict cost management, we project top- and bottom-line improvements in our Group's financial results in 2015. We forecast adidas Group sales to increase at a mid-single-digit rate on a currency-neutral basis, driven by the ongoing robust momentum at both adidas and Reebok. Given the strengthening of major currencies versus the euro, most notably the US dollar and the Chinese renminbi, currency translation is expected to have a positive impact on our top-line development in reported terms. Group gross margin is expected to be significantly impacted by adverse currency movements and is forecasted to be at a level between 47.5% and 48.5%. Group operating margin excluding goodwill impairment is expected to be at a level between 6.5% and 7.0%. As a result, we project net income from continuing operations excluding goodwill impairment to increase at a rate of 7% to 10%.

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### Subsequent Events

#### **adidas Group completes divestiture of Rockport operating segment**

The sale of the Rockport operating segment was successfully completed on July 31, 2015 with the fulfilment of the closing conditions which were aligned in the agreement signed at the beginning of 2015.

#### **No other subsequent events**

Since the end of the first half of 2015, there have been no other significant organisational, management, economic, socio-political, legal or financial changes which we expect to influence our business materially going forward.

### Outlook

#### **Forward-looking statements**

This Management Report contains forward-looking statements that reflect Management's current view with respect to the future development of the adidas Group. The outlook is based on estimates that we have made on the basis of all the information available to us at this point in time. In addition, such forward-looking statements are subject to uncertainties as described in the Risk and Opportunity Report of the adidas Group 2014 Annual Report (pp. 154–180), which are beyond the control of the adidas Group. In case the underlying assumptions turn out to be incorrect or described risks or opportunities materialise, actual results and developments may materially deviate (negatively or positively) from those expressed by such statements. The adidas Group does not assume any obligation to update any forward-looking statements made in this Management Report beyond statutory disclosure obligations.

### Global economy to grow in 2015<sup>1)</sup>

Global GDP growth is projected to increase moderately by 2.8% in 2015. Growth is forecasted to be stronger in 2015 relative to 2014 in developed economies, but weaker in emerging markets, reflecting more subdued prospects for large emerging market economies and oil exporters. At 2.0%, developed economies are expected to grow slightly faster than last year, supported by improving labour markets, growing consumer spending, low inflation rates and lower oil prices. At 4.4%, growth in developing countries should benefit from the accelerated recovery in high-income markets, the continued support from accommodative monetary policy stances as well as lower inflationary pressures. In addition, strong public investment is expected to largely offset the negative impact from lower commodity prices. Oil prices are forecasted to remain low, encouraging global growth and resulting in a divergent outlook for oil-exporting and oil-importing countries.

1) Sources: World Bank, HSBC Global Research.

In Western Europe, external demand is expected to improve slightly. Private investment is forecasted to gradually pick up and consumer spending is projected to remain resilient as a result of stronger real wages from declining oil prices. In addition, accommodative monetary policies are predicted to lead to a further depreciation of the euro, supporting economic activity and gradually lifting inflation from previous low levels. As a result, the region's GDP is expected to expand at a rate of 1.5%. In Germany, the economy is projected to grow 1.5%, with private consumer demand and improving labour markets prevailing as the major drivers of growth, which is however forecasted to be held back by subdued investment spending. In the short term, ongoing uncertainty resulting from developments in Greece is expected to have a negative impact on demand, acting as a major drag to investment activity.

European emerging markets are expected to grow at a moderate pace of 1.3% in 2015, as persistent political tensions and uncertainty will slow down investment spending, while further currency movements, high inflationary pressures and low real wages will impact private household demand and import volumes. Russia's economy will be particularly affected and, as a result, is forecasted to contract 3.5% this year.

In the USA, consumer spending is projected to remain the major source of growth, supported by declining unemployment rates. Despite low inflationary pressures, the strong US dollar will continue to weigh on exports, tempering the overall advance in GDP in the second half of the year. As a result, the US economy is forecasted to grow at around 2.7% in 2015.

Asia's GDP is projected to increase 4.3% in 2015. With the exception of Japan, growth is expected to remain relatively high during the year, supported by healthy industrial activity, declining inflationary pressures and significant wage increases, which are bolstering consumer spending. China's GDP is forecasted to expand by 7.1% in 2015, fuelled by accommodative fiscal policies, rising consumer spending and significant wage growth. While Japan is predicted to continue to grow at subdued levels, supported by robust export growth, low inflationary pressures and accommodative monetary policies, India is expected to drive growth through strong private domestic demand, strengthened investment and growing consumer spending.

In Latin America, GDP growth is expected to increase 0.7% in 2015. Positive performance in several countries is forecasted to offset the slow recovery of the largest economies, e.g. Brazil and Argentina, where currency fluctuations, high inflationary pressures and the weakness in the job market with its negative implications for household consumption is expected to slow down the region's overall economic activity.

### **Sporting goods industry expansion to continue in 2015**

In the absence of any major economic shocks, we expect the global sporting goods industry to grow at a low- to mid-single-digit rate in 2015, in spite of the non-recurrence of major sporting events that took place in 2014, such as the FIFA World Cup in Brazil and the Winter Olympic Games in Russia. Consumer spending on sporting goods in the emerging economies is expected to grow faster than in the more developed markets. Many sporting goods retailers will continue to move to a more omni-channel business model, and e-commerce and investment in digital will remain growth areas.

In Western Europe, the expected growth of consumer confidence and real wages should positively impact domestic demand in the sporting goods industry. In the European emerging markets, the projected decline in real wages from low oil prices and the geopolitical tensions in Russia and Ukraine provide additional potential risk of depressing sentiment and economic activity, which might negatively impact private consumption and growth in the sporting goods industry.

In the USA, industry growth rates are expected to be ahead of the economy's overall growth. E-commerce channels are forecasted to remain strong. The trend towards high-performance technical footwear and apparel looks set to continue. Retro silhouettes are projected to remain strong across a variety of categories, including basketball and tennis. The US golf market is expected to face continuing structural challenges.

In Greater China, strong wage growth and domestic consumption are predicted to propel sporting goods sales in 2015. The trend and market share shift towards international brands is expected to continue. In Japan, the government's stimulus programmes are forecasted to drive modest improvements in consumer sentiment and spending, despite subdued real wages. Most of the other Asian markets are projected to see robust sporting goods sales growth in 2015.

In Latin America, after a year of healthy growth owing to the sales momentum gained from the 2014 FIFA World Cup in Brazil, headwinds from high inflation, weakness in the labour market and adverse currency fluctuations are expected to have negative implications for household consumption in the region's largest economies, e.g. Brazil and Argentina, also slowing down growth in the sporting goods industry.

### **adidas Group currency-neutral sales expected to increase at a mid-single-digit rate in 2015**

We expect adidas Group sales to increase at a mid-single-digit rate on a currency-neutral basis in 2015. Despite the continued high degree of uncertainty regarding the economic outlook and consumer spending in Russia/CIS, the positive sales development will be supported by rising consumer confidence in most geographical areas. Group sales development will be driven by the ongoing robust momentum at both adidas and Reebok. This, as well as the further expansion and improvement of our controlled space initiatives, will more than offset the non-recurrence of sales related to the 2014 FIFA World Cup as well as the expected sales decline at TaylorMade-adidas Golf. Currency translation is expected to positively impact our top-line development in reported terms, given the strengthening of major currencies such as the US dollar and the Chinese renminbi versus the euro.

**Currency-neutral combined sales of adidas and Reebok expected to increase in nearly all market segments**

In 2015, we expect currency-neutral combined revenues of adidas and Reebok to increase in all our market segments except Russia/CIS. In Western Europe, despite the non-recurrence of the 2014 FIFA World Cup, which provided a positive stimulus in the region during the year, gradual macroeconomic improvements, the build-up to the UEFA EURO 2016 and, in particular, the strong brand momentum at adidas and Reebok will positively impact sales development. As a result, we forecast currency-neutral sales in Western Europe to grow at a double-digit rate (previously: mid-single-digit rate), with both adidas and Reebok contributing to the strong sales increase. In North America, currency-neutral sales are projected to grow at a low- to mid-single-digit rate. We expect robust top-line improvements at adidas, as the brand will strengthen its visibility in the marketplace by stepping up marketing investments as well as improving the overall product offering in key categories. Currency-neutral Reebok sales are projected to be below the prior year level as a result of Reebok's continued efforts to further streamline the brand's factory outlet business in this market. In Greater China, currency-neutral sales are forecasted to increase at a double-digit rate (previously: high-single-digit rate), with both adidas and Reebok projected to contribute to the increase. This development will be supported by further expanding and solidifying our distribution footprint in the market. In Russia/CIS, depressed consumer confidence and consumer spending will weigh on the overall sales development in this market segment and the adidas brand in particular. In addition, sales performance will be negatively impacted by a reduction of the store base in this market segment. As a result, currency-neutral sales in Russia/CIS are expected to decline. In Latin America, the robust positioning of the adidas and Reebok brands is expected to more than compensate for the non-recurrence of the positive impetus from sales associated with the 2014 FIFA World Cup. As a result, we project currency-neutral sales in Latin America to increase at a mid-single-digit rate (previously: low- to mid-single-digit rate), with both adidas and Reebok contributing to this development. In Japan, last year's increase in the consumption tax rate is expected to dampen growth prospects in the region. Consequently, currency-neutral sales are forecasted to grow at a low-single-digit rate. Lastly, in MEAA we expect currency-neutral sales to grow at a double-digit rate (previously: high-single-digit rate), driven by markets such as South Korea, the United Arab Emirates and Turkey, where both adidas and Reebok enjoy strong momentum.

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02/2015**Currency-neutral sales of Other Businesses expected to be below the prior year level**

In 2015, currency-neutral revenues of Other Businesses are expected to be below the prior year level (previously: to increase at a double-digit rate). Currency-neutral sales at Reebok-CCM Hockey are projected to grow at a mid-single-digit rate, supported by new product introductions in the key categories skates and protective equipment. At TaylorMade-adidas Golf, currency-neutral revenues are forecasted to decrease versus the prior year level (previously: to grow at a double-digit rate). The slower-than-expected recovery of the golf business reflects the continued weakness in the equipment market, which is projected to continue to negatively impact TaylorMade-adidas Golf's sales development in 2015. In addition, further restructuring measures initiated at TaylorMade-adidas Golf during the second quarter are expected to negatively impact TaylorMade-adidas Golf's top-line development in 2015.

**Currency-neutral retail revenues to increase at a mid-single-digit rate**

adidas Group currency-neutral retail sales are projected to grow at a mid-single-digit rate (previously: to be around the prior year level), driven by significant increases in eCommerce. Comparable store sales are expected to remain stable compared to the prior year. The Group expects a net decrease of its store base by around 40 adidas and Reebok stores in 2015 (previously: net decrease by around 60 stores). We plan to open around 270 new stores, depending on the availability of desired locations. Approximately 310 stores will be closed over the course of the year, primarily in Russia/CIS. Around 100 stores will be remodelled.

**Group gross margin expected to be negatively impacted by currency movements**

In 2015, the adidas Group gross margin is forecasted to be at a level between 47.5% and 48.5% (2014: 47.6%). The more favourable pricing and product mix at both adidas and Reebok together with the more favourable channel mix as a result of the further expansion and improvement of our controlled space initiatives are expected to positively influence the Group's gross margin development. However, adverse currency movements in emerging markets, in particular in Russia/CIS, as well as lower product margins at TaylorMade-adidas Golf are projected to negatively impact the Group's gross margin development. The wider than usual target corridor reflects the continued high degree of uncertainty regarding future currency movements.

**Group other operating expenses as a percentage of sales around prior year level**

In 2015, the Group's other operating expenses as a percentage of sales are expected to be around the prior year level (2014: 42.7%). Sales and marketing working budget as a percentage of sales is projected to increase versus the prior year. Given the robust momentum at adidas and Reebok, we are stepping up marketing and point-of-sale investments in 2015 to secure and drive brand desirability and, as a result, generate faster growth rates and market share gains, particularly in developed markets such as North America and Western Europe. As part of these marketing

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	Previous guidance <sup>2)</sup>	
Currency-neutral sales development (in %):		
adidas Group	mid-single-digit rate increase	
Western Europe	double-digit rate increase	mid-single-digit rate increase
North America	low- to mid-single-digit rate increase	
Greater China	double-digit rate increase	high-single-digit rate increase
Russia/CIS	decline	
Latin America	mid-single-digit rate increase	low- to mid-single-digit rate increase
Japan	low-single-digit rate increase	
MEAA	double-digit rate increase	high-single-digit rate increase
Other Businesses	below prior year level	double-digit rate increase
TaylorMade-adidas Golf	below prior year level	double-digit rate increase
Reebok-CCM Hockey	mid-single-digit rate increase	
Gross margin	47.5% to 48.5%	
Other operating expenses in % of sales	around prior year level	
Operating margin <sup>3)</sup>	6.5% to 7.0%	
Net income from continuing operations <sup>3)</sup>	to increase at a rate of 7% to 10%	
Average operating working capital in % of sales	moderate decline	
Capital expenditure	around € 600 million	
Store base	net decrease by around 40 stores	net decrease by around 60 stores
Gross borrowings	moderate decline	

1) Figures reflect continuing operations as a result of the planned divestiture of the Rockport business.

2) Figures as published on May 5, 2015.

3) Excluding goodwill impairment.

efforts, both adidas and Reebok launched major brand campaigns at the beginning of the year. Operating overhead expenditure as a percentage of sales is forecasted to be around the level recorded in 2014.

We expect the number of employees within the adidas Group to increase versus the prior year level. The adidas Group will continue to spend around 1% of Group sales on research and development in 2015. Areas of particular focus include cushioning and energy solutions, lightweight and digital sports technologies as well as sustainable product innovation. Additionally, investments and research emphasis will also include areas such as new manufacturing processes and advanced materials to drive the development of innovative products and industry-changing manufacturing approaches.

#### **Operating margin excluding goodwill impairment to be between 6.5% and 7.0%**

In 2015, we expect the operating margin excluding goodwill impairment for the adidas Group to be at a level between 6.5% and 7.0% (2014 excluding goodwill impairment losses: 6.6%). This development will be strongly influenced by currency movements.

#### **Net income from continuing operations excluding goodwill impairment to increase at a rate of 7% to 10%**

Net income from continuing operations excluding goodwill impairment is projected to increase at a rate of 7% to 10%, thus outpacing the Group's expected top-line development (2014: net income from continuing operations excluding goodwill impairment losses of € 642 million). Interest rate expenses in 2015 are forecasted to remain at the prior year level, as the positive effects from lower interest rates as a result of the issuance of two Eurobonds will be offset by higher debt levels. Net foreign exchange losses in the financial result are expected to be below the prior year level. The Group's tax rate is expected to be at a level of around 30.0% in 2015 (previously: 29.5%) and thus above the prior year level (2014: 29.7%).

#### **Average operating working capital as a percentage of sales to decrease moderately**

In 2015, average operating working capital as a percentage of sales is expected to decrease moderately compared to the prior year level (2014: 22.4%). This is mainly due to working capital improvements we expect to achieve as we move through the year.

#### **Capital expenditure of around € 600 million**

In 2015, capital expenditure is expected to increase to a level of around € 600 million (2014: € 554 million). Investments will mainly focus on adidas and Reebok controlled space initiatives in emerging markets as well as in Western Europe and North America. These investments will account for the majority of total capital expenditure in 2015. Other areas of investment include the Group's logistics infrastructure as well as the further development of the adidas Group headquarters in Herzogenaurach. All investments within the adidas Group in 2015 are expected to be fully financed through cash generated from operating activities.

#### **Excess cash to be used to support growth initiatives**

In 2015, we expect continued positive cash flow from operating activities. Cash will be used to finance working capital needs, investment activities, dividend payments as well as the Group's share buyback programme. We intend to largely use excess cash to invest in our growth activities, in particular the further expansion and improvement of our controlled space initiatives. In 2015, gross borrowings of € 328 million will mature. In order to ensure long-term flexibility, we aim to maintain a ratio of net borrowings over EBITDA of less than two times as measured at year-end (2014: 0.1).

## Management Assessment of Overall Risks and Opportunities

Management aggregates all risks reported by the business units and functions. Taking into account the occurrence likelihood and the potential financial impact of the risks explained in the 2014 Annual Report, as well as the current business outlook, adidas Group Management does not foresee any material jeopardy to the viability of the Group as a going concern. Management remains confident that the Group's earnings strength forms a solid basis for our future business development and provides the necessary resource to pursue the opportunities available to the Group. Compared to the assessment in the 2014 Annual Report, overall the Group's risk profile remains unchanged.

### 43 / Upcoming product launches in the remainder of 2015

Product	Brand
Juventus club kit	adidas
Manchester United club kit	adidas
Springblade problade running shoe	adidas
Ultra Boost running shoe fall/winter editions	adidas
adizero xt prime Boost running shoe	adidas
ClimaHeat Rocket Boost running shoe	adidas
D Rose 773 IV basketball shoe	adidas
Crazylight Boost prime basketball shoe	adidas
J Wall 2 basketball shoe	adidas
Messi training collection	adidas
ClimaHeat training collection	adidas
Standard 19 training collection	adidas
alloutdoor apparel line	adidas
Originals Superstar Supershell shoe	adidas
Originals Tubular shoe	adidas
adidas NEO for Selena Gomez autumn collection	adidas
Nano 5.0 training shoe	Reebok
Cushion 3.0 running shoe	Reebok
RBZ SpeedBurner stick	CCM
JetSpeed skate	CCM

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## Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Herzogenaurach, August 3, 2015



HERBERT HAINER  
CEO



ROLAND AUSCHEL  
Global Sales



GLENN BENNETT  
Global Operations



ERIC LIEDTKE  
Global Brands



ROBIN J. STALKER  
CFO



# Consolidated Statement of Financial Position

.. / adidas AG Consolidated Statement of Financial Position (IFRS) (€ in millions)

	June 30, 2015	June 30, 2014	Change in %	December 31, 2014
<b>ASSETS</b>				
Cash and cash equivalents	959	1,191	(19.5)	1,683
Short-term financial assets	5	5	4.6	5
Accounts receivable	2,271	2,070	9.7	1,946
Other current financial assets	358	148	142.3	398
Inventories	2,927	2,896	1.1	2,526
Income tax receivables	81	96	(15.8)	92
Other current assets	526	517	1.8	425
Assets classified as held for sale	270	11	2,277.6	272
<b>Total current assets</b>	<b>7,397</b>	<b>6,934</b>	<b>6.7</b>	<b>7,347</b>
Property, plant and equipment	1,504	1,364	10.3	1,454
Goodwill	1,201	1,209	(0.7)	1,169
Trademarks	1,554	1,433	8.4	1,432
Other intangible assets	157	154	2.1	162
Long-term financial assets	136	126	8.3	129
Other non-current financial assets	35	25	40.3	42
Deferred tax assets	658	543	21.2	577
Other non-current assets	111	100	11.2	105
<b>Total non-current assets</b>	<b>5,357</b>	<b>4,953</b>	<b>8.1</b>	<b>5,070</b>
<b>Total assets</b>	<b>12,754</b>	<b>11,887</b>	<b>7.3</b>	<b>12,417</b>

Rounding differences may arise in percentages and totals.

.. / **adidas AG Consolidated Statement of Financial Position (IFRS)** (€ in millions)

	June 30, 2015	June 30, 2014	Change in %	December 31, 2014
<b>LIABILITIES AND EQUITY</b>				
Short-term borrowings	462	990	(53.3)	288
Accounts payable	1,712	1,752	(2.3)	1,652
Other current financial liabilities	147	112	30.8	91
Income taxes	308	276	11.7	294
Other current provisions	428	412	3.8	470
Current accrued liabilities	1,468	1,145	28.2	1,249
Other current liabilities	311	297	5.0	287
Liabilities classified as held for sale	51	–	n.a.	46
<b>Total current liabilities</b>	<b>4,887</b>	<b>4,984</b>	<b>(1.9)</b>	<b>4,378</b>
Long-term borrowings	1,458	660	121.0	1,584
Other non-current financial liabilities	9	11	(23.8)	9
Pensions and similar obligations	293	262	11.5	284
Deferred tax liabilities	396	363	9.3	390
Other non-current provisions	39	17	133.7	38
Non-current accrued liabilities	92	58	58.5	81
Other non-current liabilities	42	29	44.8	35
<b>Total non-current liabilities</b>	<b>2,330</b>	<b>1,400</b>	<b>66.4</b>	<b>2,422</b>
Share capital	200	209	(4.3)	204
Reserves	742	311	138.5	581
Retained earnings	4,607	4,993	(7.7)	4,839
<b>Shareholders' equity</b>	<b>5,548</b>	<b>5,513</b>	<b>0.6</b>	<b>5,624</b>
Non-controlling interests	(11)	(9)	18.2	(7)
<b>Total equity</b>	<b>5,537</b>	<b>5,503</b>	<b>0.6</b>	<b>5,618</b>
<b>Total liabilities and equity</b>	<b>12,754</b>	<b>11,887</b>	<b>7.3</b>	<b>12,417</b>

Rounding differences may arise in percentages and totals.

# Consolidated Income Statement

.. / adidas AG Consolidated Income Statement (IFRS) (€ in millions)

	First half year 2015	First half year 2014	Change	Second quarter 2015	Second quarter 2014	Change
Net sales	7,990	6,880	16.1%	3,907	3,400	14.9%
Cost of sales	4,093	3,495	17.1%	2,018	1,727	16.9%
<b>Gross profit</b>	<b>3,897</b>	<b>3,385</b>	<b>15.1%</b>	<b>1,889</b>	<b>1,673</b>	<b>12.9%</b>
[% of net sales]	48.8%	49.2%	(0.4pp)	48.3%	49.2%	(0.9pp)
Royalty and commission income	58	50	16.9%	31	26	20.4%
Other operating income	61	85	(28.7%)	33	36	(6.0%)
Other operating expenses	3,420	2,995	14.2%	1,720	1,517	13.3%
[% of net sales]	42.8%	43.5%	(0.7pp)	44.0%	44.6%	(0.6pp)
Goodwill impairment losses	18	–	n.a.	–	–	–
<b>Operating profit</b>	<b>578</b>	<b>524</b>	<b>10.3%</b>	<b>234</b>	<b>217</b>	<b>7.6%</b>
[% of net sales]	7.2%	7.6%	(0.4pp)	6.0%	6.4%	(0.4pp)
Financial income	24	12	102.2%	8	5	63.8%
Financial expenses	32	40	(18.6%)	17	20	(14.4%)
<b>Income before taxes</b>	<b>570</b>	<b>496</b>	<b>14.8%</b>	<b>225</b>	<b>203</b>	<b>11.1%</b>
[% of net sales]	7.1%	7.2%	(0.1pp)	5.8%	6.0%	(0.2pp)
Income taxes	187	144	30.1%	79	59	33.9%
[% of income before taxes]	32.9%	29.0%	3.9pp	35.1%	29.2%	6.0pp
<b>Net income from continuing operations</b>	<b>383</b>	<b>352</b>	<b>8.6%</b>	<b>146</b>	<b>144</b>	<b>1.7%</b>
[% of net sales]	4.8%	5.1%	(0.3pp)	3.7%	4.2%	(0.5pp)
(Losses)/gains from discontinued operations, net of tax	(13)	(1)	950.2%	1	2	(24.6%)
<b>Net income</b>	<b>370</b>	<b>351</b>	<b>5.3%</b>	<b>147</b>	<b>145</b>	<b>1.4%</b>
[% of net sales]	4.6%	5.1%	(0.5pp)	3.8%	4.3%	(0.5pp)
<b>Net income attributable to shareholders</b>	<b>367</b>	<b>348</b>	<b>5.4%</b>	<b>146</b>	<b>144</b>	<b>1.4%</b>
[% of net sales]	4.6%	5.1%	(0.5pp)	3.7%	4.2%	(0.5pp)
<b>Net income attributable to non-controlling interests</b>	<b>3</b>	<b>3</b>	<b>0.8%</b>	<b>1</b>	<b>1</b>	<b>(0.9%)</b>
Basic earnings per share from continuing operations (in €)	1.87	1.67	12.0%	0.72	0.68	5.5%
Diluted earnings per share from continuing operations (in €)	1.87	1.67	12.0%	0.72	0.68	5.5%
Basic earnings per share from continuing and discontinued operations (in €)	1.81	1.67	8.6%	0.73	0.69	5.2%
Diluted earnings per share from continuing and discontinued operations (in €)	1.81	1.67	8.6%	0.73	0.69	5.2%

Rounding differences may arise in percentages and totals.

# Consolidated Statement of Comprehensive Income

.. / adidas AG Consolidated Statement of Comprehensive Income (IFRS) (€ in millions)

	First half year 2015	First half year 2014
<b>Net income after taxes</b>	<b>370</b>	<b>351</b>
<b>Items of other comprehensive income that will not be reclassified subsequently to profit or loss</b>		
Remeasurements of defined benefit plans (IAS 19), net of tax <sup>1)</sup>	(2)	(0)
<b>Subtotal of items of other comprehensive income that will not be reclassified subsequently to profit or loss</b>	<b>(2)</b>	<b>(0)</b>
<b>Items of other comprehensive income that will be reclassified subsequently to profit or loss when specific conditions are met</b>		
Net loss on cash flow hedges, net of tax	(154)	(3)
Currency translation differences	317	(8)
<b>Subtotal of items of other comprehensive income that will be reclassified subsequently to profit or loss when specific conditions are met</b>	<b>162</b>	<b>(11)</b>
<b>Other comprehensive income</b>	<b>160</b>	<b>(11)</b>
<b>Total comprehensive income</b>	<b>530</b>	<b>340</b>
Attributable to shareholders of adidas AG	528	338
Attributable to non-controlling interests	2	2

1) Includes actuarial gains or losses relating to defined benefit obligations, return on plan assets (excluding interest income) and the asset ceiling effect.  
Rounding differences may arise in percentages and totals.

# Consolidated Statement of Changes in Equity

.. / adidas AG Consolidated Statement of Changes in Equity (IFRS) (€ in millions)

	Share capital	Capital reserve	Cumulative currency translation differences	Hedging reserve	Other reserves <sup>1)</sup>	Retained earnings	Shareholders' equity	Non-controlling interests	Total equity
<b>Balance at December 31, 2013</b>	<b>209</b>	<b>777</b>	<b>(363)</b>	<b>(34)</b>	<b>(59)</b>	<b>4,959</b>	<b>5,489</b>	<b>(8)</b>	<b>5,481</b>
Net income recognised directly in equity			(7)	(3)	(0)		(11)	(0)	(11)
Net income						348	348	3	351
<b>Total comprehensive income</b>			<b>(7)</b>	<b>(3)</b>	<b>(0)</b>	<b>348</b>	<b>338</b>	<b>2</b>	<b>340</b>
Dividend payment						(314)	(314)	(4)	(318)
<b>Balance at June 30, 2014</b>	<b>209</b>	<b>777</b>	<b>(370)</b>	<b>(38)</b>	<b>(60)</b>	<b>4,993</b>	<b>5,513</b>	<b>(9)</b>	<b>5,503</b>
<b>Balance at December 31, 2014</b>	<b>204</b>	<b>777</b>	<b>(257)</b>	<b>176</b>	<b>(117)</b>	<b>4,839</b>	<b>5,624</b>	<b>(7)</b>	<b>5,618</b>
Net income recognised directly in equity			317	(154)	(2)		161	(1)	160
Net income						367	367	3	370
<b>Total comprehensive income</b>			<b>317</b>	<b>(154)</b>	<b>(2)</b>	<b>367</b>	<b>528</b>	<b>2</b>	<b>530</b>
Repurchase of treasury shares	(4)					(297)	(301)		(301)
Dividend payment						(303)	(303)	(6)	(309)
<b>Balance at June 30, 2015</b>	<b>200</b>	<b>777</b>	<b>60</b>	<b>22</b>	<b>(119)</b>	<b>4,607</b>	<b>5,548</b>	<b>(11)</b>	<b>5,537</b>

<sup>1)</sup> Reserves for remeasurements of defined benefit plans (IAS 19), option plans and acquisition of shares from non-controlling interest shareholders.  
Rounding differences may arise in percentages and totals.

# Consolidated Statement of Cash Flows

.. / adidas AG Consolidated Statement of Cash Flows (IFRS) (€ in millions)

	First half year 2015	First half year 2014
<b>Operating activities:</b>		
Income before taxes	570	496
Adjustments for:		
Depreciation, amortisation and impairment losses	179	144
Reversals of impairment losses	(1)	(1)
Unrealised foreign exchange losses, net	56	7
Interest income	(9)	(11)
Interest expense	32	34
Losses on sale of property, plant and equipment, net	4	2
<b>Operating profit before working capital changes</b>	<b>831</b>	<b>672</b>
Increase in receivables and other assets	(440)	(263)
Increase in inventories	(344)	(276)
Increase/(decrease) in accounts payable and other liabilities	123	(111)
<b>Cash generated from operations before interest and taxes</b>	<b>170</b>	<b>22</b>
Interest paid	(18)	(19)
Income taxes paid	(200)	(149)
<b>Net cash used in operating activities – continuing operations</b>	<b>(48)</b>	<b>(147)</b>
Net cash generated from/(used in) operating activities – discontinued operations	17	(4)
<b>Net cash used in operating activities</b>	<b>(31)</b>	<b>(151)</b>
<b>Investing activities:</b>		
Purchase of trademarks and other intangible assets	(12)	(18)
Proceeds from sale of trademarks and other intangible assets	0	1
Purchase of property, plant and equipment	(126)	(244)
Proceeds from sale of property, plant and equipment	1	2
Acquisition of subsidiaries and other business units net of cash acquired	(7)	–
Proceeds from sale of short-term financial assets	0	36
Purchase of investments and other long-term assets	(7)	(19)
Interest received	9	11
<b>Net cash used in investing activities – continuing operations</b>	<b>(141)</b>	<b>(231)</b>
Net cash used in investing activities – discontinued operations	(4)	(2)
<b>Net cash used in investing activities</b>	<b>(145)</b>	<b>(233)</b>
<b>Financing activities:</b>		
Repayments of long-term borrowings	(9)	–
Repayments of finance lease obligations	(1)	(1)
Dividend paid to shareholders of adidas AG	(303)	(314)
Dividend paid to non-controlling interest shareholders	(6)	(4)
Repurchase of treasury shares	(301)	–
Proceeds from short-term borrowings	32	364
Repayments of short-term borrowings	–	(56)
<b>Net cash used in financing activities</b>	<b>(588)</b>	<b>(10)</b>
<b>Effect of exchange rates on cash</b>	<b>41</b>	<b>(2)</b>
Decrease of cash and cash equivalents	(724)	(396)
Cash and cash equivalents at beginning of the year	1,683	1,587
<b>Cash and cash equivalents at end of the period</b>	<b>959</b>	<b>1,191</b>

Rounding differences may arise in percentages and totals.

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# Selected Explanatory Notes to the Interim Consolidated Financial Statements (IFRS) as at June 30, 2015

## 01 General

The interim consolidated financial statements of adidas AG and its direct and indirect subsidiaries (collectively the 'Group') for the first half year ending June 30, 2015 are prepared in compliance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU). The Group applied all International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) and Interpretations of the IFRS Interpretations Committee effective as at June 30, 2015.

These interim consolidated financial statements have been prepared in compliance with International Accounting Standard IAS 34 'Interim Financial Reporting' and with German Accounting Standard GAS 16 'Interim Financial Reporting'. Accordingly, these interim consolidated financial statements do not include all of the information and notes required for consolidated financial statements at financial year-ends. Therefore, these interim consolidated financial statements should be read in conjunction with the 2014 annual consolidated financial statements. The accounting policies as well as principles and practices applied in the consolidated financial statements for the year ending December 31, 2014 also apply to the interim consolidated financial statements for the first half year ending June 30, 2015.

An exemption to this principle is the application of new/revised standards and interpretations which are effective for financial years starting from January 1, 2015. The application of new/revised standards does not have any material impact on the Group's financial position, results of operations and cash flows.

The interim consolidated financial statements and the interim Group management report have not been audited in accordance with § 317 German Commercial Code (Handelsgesetzbuch – HGB) or reviewed by an auditor.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim consolidated financial statements only if it would be also appropriate to anticipate or defer such costs at the end of the financial year.

The results of operations for the first half year ending June 30, 2015 are not necessarily indicative of results to be expected for the entire year.

The interim consolidated financial statements are presented in euros (€) and, unless otherwise stated, all values are presented in millions of euros (€ in millions). Due to rounding principles, numbers presented may not sum up exactly to totals provided.

## 02 Seasonality

The sales of the Group in certain product categories are seasonal and therefore revenues and attributable earnings may vary within the financial year. Sales and earnings tend to be strongest in the first and third quarters of the financial year because these coincide with the launch of the spring/summer and fall/winter collections, respectively. This is especially relevant for the adidas and Reebok brands, whose sales account for approximately 90% of the Group's net sales. However, shifts in the share of sales and attributable earnings of particular product categories, brands or the regional composition may occur throughout the year.

## 03 Discontinued operations

At December 31, 2014, due to concrete plans to sell the Rockport operating segment, divestiture within the next twelve months was considered as highly probable. As a consequence, the Rockport operating segment was reported as discontinued operations for the first time in the 2014 consolidated financial statements. The 2014 figures of the consolidated income statement and the consolidated statement of cash flows have been restated to show the discontinued operations separately from continuing operations.

On January 23, 2015, the adidas Group signed a definitive agreement to sell the Rockport operating segment. The transaction is subject to customary closing conditions. As a result, the Rockport operating segment is further reported as discontinued operations as at June 30, 2015.

see Note 12, p. 71

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The results of the Rockport operating segment are shown as discontinued operations in the consolidated income statement for all periods:

### Discontinued operations (€ in millions)

	First half year 2015	First half year 2014
Net sales	138	118
Expenses	(141)	(120)
<b>Loss from operating activities</b>	<b>(3)</b>	<b>(2)</b>
Income taxes	1	0
<b>Loss from operating activities, net of tax</b>	<b>(2)</b>	<b>(1)</b>
Loss recognised on the measurement to fair value less costs to sell	(15)	–
Income taxes	5	–
<b>Loss recognised on the measurement to fair value less costs to sell, net of tax</b>	<b>(11)</b>	<b>–</b>
<b>Loss from discontinued operations, net of tax</b>	<b>(13)</b>	<b>(1)</b>
Basic earnings per share from discontinued operations (€)	(0.06)	(0.01)
Diluted earnings per share from discontinued operations (€)	(0.06)	(0.01)

The loss from discontinued operations for the first half year ending June 30, 2015 in an amount of € 13 million (2014: loss of € 1 million) is entirely attributable to the shareholders of adidas AG.



## 04 Acquisitions

Effective January 2, 2015, Reebok International Limited completed the acquisition of Refuel (Brand Distribution) Limited ('Refuel') and consequently owns 100% of the voting rights. Based in London (UK), Refuel mainly markets and distributes apparel of Mitchell & Ness. With this acquisition, the adidas Group has taken over all distribution rights of Mitchell & Ness in Europe. The entire business of Refuel was acquired for a purchase price of GBP 10.6 million in cash.

The acquisition had the following effect on the Group's assets and liabilities, based on a preliminary purchase price allocation:

### Net assets of Refuel (Brand Distribution) Limited at the acquisition date (€ in millions)

	Pre-acquisition carrying amounts	Fair value adjustments	Recognised values on acquisition
Cash and cash equivalents	6	–	6
Accounts receivable	2	–	2
Inventories	1	–	1
Property, plant and equipment	0	–	0
Other intangible assets	–	6	6
Accounts payable	(1)	–	(1)
Deferred tax liabilities	(0)	–	(0)
<b>Net assets</b>	<b>8</b>	<b>6</b>	<b>14</b>
Goodwill arising on acquisition			–
<b>Purchase price settled in cash</b>			<b>14</b>
Less: cash and cash equivalents acquired			(6)
<b>Cash outflow on acquisition</b>			<b>7</b>

The acquired subsidiary generated net sales in an amount of € 5 million as well as losses in an amount of € 0 million for the period from January 2 to June 30, 2015.

## 05 Assets/liabilities classified as held for sale

At June 30, 2015, part of the assets of adidas AG, which mainly comprise land amounting to € 11 million (December 31, 2014: € 11 million), are still presented as held for sale following a signed contract of sale, which is still awaiting certain conditions to be fulfilled that are not in the area of influence of the adidas Group.

In addition, at June 30, 2015 and December 31, 2014, all assets and liabilities of the Rockport operating segment are presented as a disposal group held for sale due to the signing of a definitive agreement and due to the concrete plans to sell the operating segment, respectively. The Rockport operating segment is part of Other Businesses.

For the first half year ending June 30, 2015, impairment losses (before transaction costs) of € 11 million (2014: € 0 million) for write-downs of the disposal group Rockport to the lower of its carrying amount and its fair value less costs to sell have been included in 'Loss from discontinued operations, net of tax'. At June 30, 2015, the fair value less costs to sell amounts to € 204 million (December 31, 2014: € 211 million). The impairment losses have been applied to reduce the carrying amount of goodwill, trademarks and other intangible assets as well as property, plant and equipment.

🔍 see Note 03, p. 56

At June 30, 2015 and at December 31, 2014, the disposal group Rockport was stated at fair value less costs to sell and comprised the following major classes of assets and liabilities:

**Classes of assets and liabilities** (€ in millions)

	June 30, 2015	Dec. 31, 2014
Accounts receivable	36	49
Other current financial assets	2	1
Inventories	93	88
Other current assets	3	0
<b>Total current assets</b>	<b>135</b>	<b>139</b>
Property, plant and equipment	8	7
Trademarks	114	112
Other intangible assets	1	1
Other non-current financial assets	1	0
Other non-current assets	0	0
<b>Total non-current assets</b>	<b>124</b>	<b>121</b>
<b>Total assets</b>	<b>259</b>	<b>260</b>
Accounts payable	40	37
Other current financial liabilities	1	0
Other current provisions	2	1
Current accrued liabilities	6	6
Other current liabilities	2	2
<b>Total current liabilities</b>	<b>51</b>	<b>46</b>
Other non-current liabilities	0	–
<b>Total non-current liabilities</b>	<b>0</b>	<b>–</b>
<b>Total liabilities</b>	<b>51</b>	<b>46</b>

The non-recurring fair value measurement for the disposal group has been categorised as a Level 3 fair value. The fair value is based on the sale and purchase agreement for the Rockport business which was signed on January 23, 2015.

## 06 Goodwill

Due to the implementation of an omni-channel sales approach in connection with the new organisational structure and the associated change in segmental reporting, the carrying amounts of acquired goodwill have been reallocated to the new groups of cash-generating units.

The groups of cash-generating units are defined as the regional markets which are responsible for the joint distribution of adidas and Reebok as well as the already existing and unchanged operating segments TaylorMade-adidas Golf and Reebok-CCM Hockey. The regional markets are: Western Europe, North America, Greater China, Russia/CIS, Latin America, Japan, Middle East, South Korea and Southeast Asia/Pacific.

Due to the cessation of the subdivision into the distribution channels Wholesale and Retail in the regional markets as well as the consolidation of the former markets Brazil and SLAM (Latin America excluding Brazil) into the new market Latin America, the number of groups of cash-generating units, to which goodwill is allocated, decreased from 22 to 11 compared to December 31, 2014. This did not result in a new composition of cash-generating units. However, the monitoring of goodwill is not performed on the same level anymore.

At June 30, 2015, the group of cash-generating units Rockport is still classified as 'discontinued operations' and is shown in 'Assets/liabilities classified as held for sale' due to the concrete plans to divest the operating segment.

The allocation of goodwill to the new groups of cash-generating units was performed in the first quarter of 2015 by aggregating goodwill so far allocated to Wholesale and Retail within the regional markets. The carrying amounts of acquired goodwill allocated to the respective groups of cash-generating units are as follows:

### Allocation of goodwill (€ in millions)

	June 30, 2015	Jan. 1, 2015
Western Europe	507	481
Greater China	195	186
TaylorMade-adidas Golf	292	290
Other	207	211
<b>Total</b>	<b>1,201</b>	<b>1,169</b>

'Other' comprises the groups of cash-generating units for which the respective carrying amount of allocated goodwill is not significant in comparison with the Group's total carrying amount of goodwill. Goodwill allocated to the groups of cash-generating units North America and Reebok-CCM Hockey was already fully impaired at December 31, 2014.

Due to a change in the composition of the Group's reportable segments and associated cash-generating units respectively, the Group assessed whether goodwill impairment is required in the first quarter of 2015. The underlying value drivers and key assumptions for impairment testing purposes remained in principle unchanged compared to the impairment test performed for the consolidated financial statements at December 31, 2014.

Goodwill impairment losses in the first quarter of 2015 amounted to € 18 million. Due to the consolidation of the groups of cash-generating units Retail SLAM and Retail Brazil with Wholesale SLAM and Wholesale Brazil as well as Retail Russia/CIS with Wholesale Russia/CIS, the carrying amount of the respective new groups of cash-generating units Latin America and Russia/CIS was determined to be higher than the recoverable amount of € 438 million and € 130 million, respectively. The goodwill impairment amount comprises impairment losses of € 15 million within the segment Latin America and € 3 million within the segment Russia/CIS. Goodwill for these groups of cash-generating units is completely impaired.

Due to an adjustment in TaylorMade-adidas Golf's net sales and earnings outlook in the second quarter of 2015 for the 2015 financial year, the Group assessed whether the corresponding goodwill is impaired. Financial planning for TaylorMade-adidas Golf was adjusted based on the net sales and earnings outlook for the current year as well as the best possible assessment of future developments and, in addition, selected underlying value drivers were updated compared to the most recent impairment test. The impairment test did not lead to an impairment of goodwill. However, there is an increased risk of potential goodwill impairment within the cash-generating unit TaylorMade-adidas Golf.

Future changes in expected cash flows and discount rates may lead to impairments of the reported goodwill in the future.

The reconciliation of goodwill is as follows:

**Reconciliation of goodwill, net** (€ in millions)

	Western Europe	Greater China	TaylorMade- adidas Golf	Other	Total
<b>January 1, 2015</b>	<b>481</b>	<b>186</b>	<b>290</b>	<b>211</b>	<b>1,169</b>
Currency translation differences	26	10	1	14	50
Impairment losses	–	–	–	(18)	(18)
<b>June 30, 2015</b>	<b>507</b>	<b>195</b>	<b>292</b>	<b>207</b>	<b>1,201</b>

## 07 Shareholders' equity

In the period from January 1, 2015 to June 30, 2015, the nominal capital of adidas AG ('the company') did not change. Consequently, on June 30, 2015, the nominal capital of adidas AG amounted to € 209,216,186, divided into 209,216,186 registered no-par-value shares ('registered shares').

Based on the authorisation to repurchase treasury shares granted to the Executive Board of adidas AG by the Annual General Meeting on May 8, 2014, the share buyback programme of the company commenced on November 7, 2014, with the first tranche, which was concluded on December 12, 2014. The share buyback programme was resumed on March 6, 2015 in the form of a second tranche which was concluded on June 15, 2015. The total number of shares repurchased within the second tranche of the share buyback programme in the period from March 6, 2015 up to and including June 15, 2015, amounted to 4,129,627 shares. This corresponded to a notional amount of € 4,129,627 in the nominal capital and consequently 1.97% of the nominal capital of the company. The shares were repurchased at an average price of € 72.65. In the context of the second tranche, shares in the total amount of € 299,999,992 (excluding incidental purchasing costs) were repurchased.

On April 9, 2015, the company exceeded (including the shares repurchased in 2014) the threshold of 3% of shares in adidas AG reportable in accordance with § 26 section 1 sentence 2 German Securities Trading Act (Wertpapierhandelsgesetz – WpHG). At that time, the voting rights amounted to 3.002% (6,281,429 shares).

As at the balance sheet date, the company held a total of 9,018,769 treasury shares (including the shares repurchased in 2014), corresponding to a notional amount of € 9,018,769 in the nominal capital and consequently 4.31% of the nominal capital. In accordance with § 71b German Stock Corporation Act (Aktiengesetz – AktG), the treasury shares held directly or indirectly do not confer any rights to the company.

## 08 Financial instruments

### Carrying amounts of financial instruments as at June 30, 2015, according to categories of IAS 39 and their fair values

(€ in millions)	Category according to IAS 39	Carrying amount June 30, 2015	Measurement according to IAS 39			Measurement according to IAS 17	Fair value June 30, 2015
			Amortised cost	Fair value recognised in equity	Fair value recognised in net income		
<b>Financial assets</b>							
Cash and cash equivalents	n.a.	959	959				959
Short-term financial assets	FAHfT	5			5		5
Accounts receivable	LaR	2,271	2,271				2,271
Other current financial assets							
Derivatives being part of a hedge	n.a.	193		193			193
Derivatives not being part of a hedge	FAHfT	28			28		28
Other financial assets	LaR	136	136				136
Long-term financial assets							
Other equity investments	FAHfT	80			80		80
Available-for-sale financial assets	AfS	55	19	36			55
Loans	LaR	0	0				0
Other non-current financial assets							
Derivatives being part of a hedge	n.a.	–		–			–
Derivatives not being part of a hedge	FAHfT	8			8		8
Other financial assets	LaR	28	28				28
Assets classified as held for sale	LaR	38	38				38
<b>Financial liabilities</b>							
Short-term borrowings							
Bank borrowings	FLAC	226	226				226
Private placements	FLAC	237	237				246
Eurobond	FLAC	–	–				–
Convertible bond	FLAC	–	–				–
Accounts payable	FLAC	1,712	1,712				1,712
Current accrued liabilities	FLAC	524	524				524
Other current financial liabilities							
Derivatives being part of a hedge	n.a.	78		78			78
Derivatives not being part of a hedge	FLHfT	11			11		11
Other financial liabilities	FLAC	55	55				55
Finance lease obligations	n.a.	3				3	3
Long-term borrowings							
Bank borrowings	FLAC	–	–				–
Private placements	FLAC	–	–				–
Eurobond	FLAC	982	982				984
Convertible bond	FLAC	477	477				569
Non-current accrued liabilities	FLAC	8	8				8
Other non-current financial liabilities							
Derivatives being part of a hedge	n.a.	–		–			–
Derivatives not being part of a hedge	FLHfT	2			2		2
Other financial liabilities	FLAC	0	0				0
Finance lease obligations	n.a.	7				7	7
Liabilities classified as held for sale	FLAC	43	43				43
<b>Thereof: aggregated by category according to IAS 39</b>							
Financial assets at fair value through profit or loss		121					
Thereof: designated as such upon initial recognition (Fair Value Option – FVO)		–					
Thereof: Held for Trading (FAHfT)		121					
Loans and Receivables (LaR)		2,472					
Available-for-Sale Financial Assets (AfS)		55					
Financial Liabilities Measured at Amortised Cost (FLAC)		4,264					
Financial Liabilities at fair value through profit or loss Held for Trading (FLHfT)		13					

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### Carrying amounts of financial instruments as at December 31, 2014, according to categories of IAS 39 and their fair values

(€ in millions)	Category according to IAS 39	Carrying amount Dec. 31, 2014	Measurement according to IAS 39			Measurement according to IAS 17	Fair value Dec. 31, 2014
			Amortised cost	Fair value recognised in equity	Fair value recognised in net income		
<b>Financial assets</b>							
Cash and cash equivalents	n.a.	1,683	1,683				1,683
Short-term financial assets	FAHfT	5			5		5
Accounts receivable	LaR	1,946	1,946				1,946
Other current financial assets							
Derivatives being part of a hedge	n.a.	224		224			224
Derivatives not being part of a hedge	FAHfT	46			46		46
Other financial assets	LaR	128	128				128
Long-term financial assets							
Other equity investments	FAHfT	80			80		80
Available-for-sale financial assets	AfS	49	16	33			49
Loans	LaR	0	0				0
Other non-current financial assets							
Derivatives being part of a hedge	n.a.	5		5			5
Derivatives not being part of a hedge	FAHfT	10			10		10
Other financial assets	LaR	27	27				27
Assets classified as held for sale	LaR	51	51				51
<b>Financial liabilities</b>							
Short-term borrowings							
Bank borrowings	FLAC	194	194				194
Private placements	FLAC	95	95				100
Eurobond	FLAC	–	–				–
Convertible bond	FLAC	–	–				–
Accounts payable	FLAC	1,652	1,652				1,652
Current accrued liabilities	FLAC	500	500				500
Other current financial liabilities							
Derivatives being part of a hedge	n.a.	44		44			44
Derivatives not being part of a hedge	FLHfT	9			9		9
Other financial liabilities	FLAC	35	35				35
Finance lease obligations	n.a.	3				3	3
Long-term borrowings							
Bank borrowings	FLAC	–	–				–
Private placements	FLAC	123	123				129
Eurobond	FLAC	990	990				1,000
Convertible bond	FLAC	471	471				545
Non-current accrued liabilities	FLAC	9	9				9
Other non-current financial liabilities							
Derivatives being part of a hedge	n.a.	–		–			–
Derivatives not being part of a hedge	FLHfT	2			2		2
Other financial liabilities	FLAC	0	0				0
Finance lease obligations	n.a.	7				7	7
Liabilities classified as held for sale	FLAC	41	41				41
<b>Thereof: aggregated by category according to IAS 39</b>							
Financial assets at fair value through profit or loss		141					
Thereof: designated as such upon initial recognition (Fair Value Option – FVO)		–					
Thereof: Held for Trading (FAHfT)		141					
Loans and Receivables (LaR)		2,152					
Available-for-Sale Financial Assets (AfS)		49					
Financial Liabilities Measured at Amortised Cost (FLAC)		4,110					
Financial Liabilities at fair value through profit or loss Held for Trading (FLHfT)		11					

### Fair value hierarchy of financial instruments according to IFRS 13 as at June 30, 2015

(€ in millions)	Fair value June 30, 2015	Level 1	Level 2	Level 3
Short-term financial assets	5		5	
Derivative financial instruments				
Derivatives being part of a hedge	193		193	
Derivatives not being part of a hedge	36		36	
Long-term financial assets	116		36	80 <sup>1)</sup>
<b>Financial assets</b>	<b>350</b>		<b>270</b>	<b>80</b>
Short-term borrowings	462		462	
Derivative financial instruments				
Derivatives being part of a hedge	78		78	
Derivatives not being part of a hedge	13		13	
Long-term borrowings	1,553	1,458		
<b>Financial liabilities</b>	<b>2,106</b>	<b>1,458</b>	<b>553</b>	
	Fair value Jan. 1, 2015	Gains	Losses	Fair value June 30, 2015
1) This category relates to an 8.33% investment in FC Bayern München AG of € 80 million. Dividends are distributed by FC Bayern München AG instead of regular interest payments. These dividends are recognised in other financial income.	80	-	-	80

Level 1 is based on quoted prices in active markets for identical assets or liabilities.

Level 2 is based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 is based on inputs for the asset or liability that are not based on observable market data (unobservable inputs).



#### Fair value hierarchy of financial instruments according to IFRS 13 as at December 31, 2014

(€ in millions)	Fair value Dec. 31, 2014	Level 1	Level 2	Level 3
Short-term financial assets	5		5	
Derivative financial instruments				
Derivatives being part of a hedge	229		229	
Derivatives not being part of a hedge	56		56	
Long-term financial assets	113		33	80 <sup>1)</sup>
<b>Financial assets</b>	<b>403</b>		<b>323</b>	<b>80</b>
Short-term borrowings	294		294	
Derivative financial instruments				
Derivatives being part of a hedge	44		44	
Derivatives not being part of a hedge	11		11	
Long-term borrowings	1,674	1,545	129	
<b>Financial liabilities</b>	<b>2,023</b>	<b>1,545</b>	<b>478</b>	
	Fair value Jan. 1, 2014	Gains	Losses	Fair value Dec. 31, 2014
1) This category relates to an 8.33% investment in FC Bayern München AG of € 80 million. Dividends are distributed by FC Bayern München AG instead of regular interest payments. These dividends are recognised in other financial income.	80	1	-	80

Level 1 is based on quoted prices in active markets for identical assets or liabilities.

Level 2 is based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 is based on inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The valuation methods used in measuring Level 1, Level 2 and Level 3 fair values remain unchanged and can be found in the notes to the 2014 consolidated financial statements.

## 09 Other operating income and other operating expenses

Other operating income mainly includes income from the release of accrued liabilities and other provisions as well as sundry income.

Other operating expenses include expenses for marketing, sales and research and development, as well as for logistics and central administration. In addition, they include impairment losses as well as depreciation on tangible assets and amortisation on intangible assets (except goodwill impairment losses), with the exception of depreciation and amortisation which is included in the cost of sales. In the first half of 2015, depreciation and amortisation expense for tangible and intangible assets (excluding goodwill) and impairment losses amounted to € 158 million (2014: € 142 million).

## 10 Earnings per share

Basic earnings per share from continuing operations are calculated by dividing the net income from continuing operations attributable to shareholders by the weighted average number of shares outstanding during the year, excluding ordinary shares purchased by the adidas Group and held as treasury shares.

Basic earnings per share from continuing and discontinued operations are calculated by dividing the net income attributable to shareholders by the weighted average number of shares outstanding during the year, excluding ordinary shares purchased by the adidas Group and held as treasury shares.

It is not necessary to include dilutive potential shares arising from the convertible bond issuance in March 2012 in the calculation of diluted earnings per share for the first half year ending June 30, 2015 as the conversion right has no value at the balance sheet date. The average share price reached € 69.03 per share during the first half of 2015 and thus did not exceed the conversion price of € 82.50 per share. As a consequence of contractual provisions relating to dividend protection, the conversion price was adjusted from € 82.56 to € 82.50 per share. This adjustment became effective on May 8, 2015.

### Earnings per share

	First half year 2015	First half year 2014
Net income from continuing operations (€ in millions)	383	352
Net income attributable to non-controlling interests (€ in millions)	3	3
<b>Net income from continuing operations attributable to shareholders (€ in millions)</b>	<b>380</b>	<b>350</b>
Weighted average number of shares	202,897,613	209,216,186
<b>Basic and diluted earnings per share from continuing operations (in €)</b>	<b>1.87</b>	<b>1.67</b>
Net income attributable to shareholders (€ in millions)	367	348
Weighted average number of shares	202,897,613	209,216,186
<b>Basic and diluted earnings per share from continuing and discontinued operations (in €)</b>	<b>1.81</b>	<b>1.67</b>

Further information on basic and diluted earnings per share from discontinued operations is provided in Note 03.

🔍 see Note 03, p. 56

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## 11 Segmental information

In connection with the new strategic business plan announced at the beginning of 2015, the Group has realigned its internal organisational structure and changed the composition of its reportable segments accordingly. The new organisational structure is based on a Group-wide omni-channel go-to-market approach. The internal reporting of the Group for management purposes for the brands adidas and Reebok is structured by markets rather than by distribution channels. As a consequence, of the six initial operating segments, the operating segments Wholesale and Retail were replaced by regional markets. Reflecting this development, the Group has restated the segmental information for the first half year ending June 30, 2014 and for the year ending December 31, 2014.

Following the Group's new internal management reporting by markets and in accordance with the definition of IFRS 8 'Operating Segments', 13 operating segments were identified: Western Europe, North America, Greater China, Russia/CIS, Latin America, Japan, Middle East, South Korea, Southeast Asia/Pacific, TaylorMade-adidas Golf, Rockport, Reebok-CCM Hockey and Other centrally managed businesses. The markets Middle East, South Korea and Southeast Asia/Pacific were aggregated to the segment MEAA ('Middle East, Africa and other Asian markets'). According to the criteria of IFRS 8 for reportable segments, the business segments Western Europe, North America, Greater China, Russia/CIS, Latin America, Japan and MEAA are reported separately. The remaining operating segments are aggregated under Other Businesses due to their only subordinate materiality.

Each market comprises all wholesale, retail and e-commerce business activities relating to the distribution and sale of adidas and Reebok products to retail customers and end consumers.

The operating segment TaylorMade-adidas Golf comprises the brands TaylorMade, adidas Golf, Adams Golf and Ashworth.

Other centrally managed businesses primarily includes the business activities of the labels Y-3 and Porsche Design Sport by adidas as well as the business activities of the brand Five Ten in the outdoor action sports sector. Furthermore, the segment also comprises the own-retail activities of the adidas NEO label as well as International Clearance Management.

Certain centralised Group functions do not meet the definition of IFRS 8 for a reportable operating segment. This includes functions such as Global Brands and Global Sales (central brand and distribution management for the brands adidas and Reebok), central treasury and global sourcing as well as other headquarter departments. Income and expenses relating to these corporate functions are presented together with other non-allocable items and intersegment eliminations in the reconciliation of segmental operating profit.

There are no intersegment sales between the reportable segments.

The results of the operating segments are reported in the line item 'Segmental operating profit'. This was formerly defined as gross profit minus costs directly attributable to the segment or the group of segments (primarily sales and logistics costs) before marketing working budget investments and operating overhead costs not directly attributable. As of January 1, 2015, segmental operating profit is defined as gross profit minus other operating expenses (including marketing working budget investments) plus royalty and commission income and other operating income attributable to the segment or group of segments.

Compared to the interim consolidated financial statements for the first half year ending June 30, 2014, the Rockport operating segment is presented as discontinued operations in the segmental reporting.

Segmental assets include accounts receivable as well as inventories.

Segmental liabilities only contain accounts payable from operating activities as there are no other liability items reported regularly to the chief operating decision maker.

#### Segments I (€ in millions)

	Net sales (non-Group) <sup>1)</sup>		Segmental operating profit <sup>1)</sup>		Segmental assets <sup>2)</sup>		Segmental liabilities <sup>2)</sup>	
	2015	2014	2015	2014	2015	2014	2015	2014
Western Europe	2,104	1,848	460	352	1,385	1,242	101	100
North America	1,234	990	8	42	914	830	76	69
Greater China	1,161	794	424	282	310	231	90	54
Russia/CIS	366	539	33	79	235	392	13	16
Latin America	879	774	127	109	709	682	90	75
Japan	333	320	54	46	185	217	30	58
MEAA	1,171	912	340	271	633	501	50	47
Other Businesses (continuing operations)	742	702	(45)	(19)	754	713	98	94
Other Businesses (discontinued operations)	138	118	(7)	(2)	134	127	40	26
Other Businesses (total)	881	821	(52)	(20)	887	840	138	120
<b>Total</b>	<b>8,128</b>	<b>6,998</b>	<b>1,394</b>	<b>1,161</b>	<b>5,258</b>	<b>4,936</b>	<b>588</b>	<b>538</b>

1) First half year.  
2) At June 30.

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#### Segments II (€ in millions)

	Capital expenditure <sup>1)</sup>		Depreciation and amortisation <sup>1)</sup>		Impairment losses and reversals of impairment losses <sup>1)</sup>	
	2015	2014	2015	2014	2015	2014
Western Europe	13	13	14	13	(0)	(0)
North America	21	14	10	8	-	-
Greater China	21	15	21	15	0	(1)
Russia/CIS	8	21	15	20	(1)	-
Latin America	8	9	10	8	-	-
Japan	3	2	3	3	-	-
MEAA	12	10	13	9	(0)	(0)
Other Businesses (continuing operations)	7	10	10	8	(0)	(0)
Other Businesses (discontinued operations)	4	3	4	3	(0)	(0)
Other Businesses (total)	11	12	13	11	(0)	(0)
<b>Total</b>	<b>97</b>	<b>95</b>	<b>100</b>	<b>86</b>	<b>(1)</b>	<b>(1)</b>

1) First half year.

## Reconciliations

The following tables include reconciliations of segmental information to the aggregate numbers of the consolidated financial statements, taking into account items which are not directly attributable to a segment or a group of segments.

### Net sales (non-Group) (€ in millions)

	First half year 2015	First half year 2014
Reportable segments	7,248	6,178
Other Businesses	881	821
Reclassification to discontinued operations	(138)	(118)
<b>Total</b>	<b>7,990</b>	<b>6,880</b>

### Operating profit (€ in millions)

	First half year 2015	First half year 2014
Operating profit for reportable segments	1,445	1,181
Operating profit for Other Businesses	(52)	(20)
<b>Segmental operating profit</b>	<b>1,394</b>	<b>1,161</b>
HQ/Consolidation	(512)	(378)
Central marketing working budget	(292)	(261)
Goodwill impairment losses	(18)	–
Reclassification to discontinued operations	7	2
<b>Operating profit</b>	<b>578</b>	<b>524</b>
Financial income	24	12
Financial expenses	(32)	(40)
<b>Income before taxes</b>	<b>570</b>	<b>496</b>

Operating profit of centralised functions which do not represent a segment, such as Global Brands and Global Sales (central brand and distribution management for the brands adidas and Reebok), central treasury and global sourcing as well as other headquarter departments, is shown under HQ/Consolidation.

### Capital expenditure (€ in millions)

	First half year 2015	First half year 2014
Reportable segments	86	83
Other Businesses	11	12
Reclassification to discontinued operations	(4)	–
HQ/Consolidation	44	169
<b>Total</b>	<b>137</b>	<b>265</b>

### Depreciation and amortisation (€ in millions)

	First half year 2015	First half year 2014
Reportable segments	86	76
Other Businesses	13	11
Reclassification to discontinued operations	(4)	(3)
HQ/Consolidation	63	60
<b>Total</b>	<b>159</b>	<b>143</b>

### Impairment losses and reversals of impairment losses (€ in millions)

	First half year 2015	First half year 2014
Reportable segments	(1)	(1)
Other Businesses	(0)	(0)
Reclassification to discontinued operations	0	0
HQ/Consolidation	18	–
<b>Total</b>	<b>17</b>	<b>(1)</b>

### Assets (€ in millions)

	June 30, 2015	June 30, 2014
Accounts receivable and inventories of reportable segments	4,371	4,096
Accounts receivable and inventories of Other Businesses	887	840
<b>Segmental assets</b>	<b>5,258</b>	<b>4,936</b>
Non-segmental accounts receivable and inventories	69	29
Current financial assets	1,323	1,344
Other current assets	877	624
Non-current assets	5,357	4,953
Reclassification to assets classified as held for sale	(130)	–
<b>Total</b>	<b>12,754</b>	<b>11,887</b>

### Liabilities (€ in millions)

	June 30, 2015	June 30, 2014
Accounts payable of reportable segments	449	418
Accounts payable of Other Businesses	138	120
<b>Segmental liabilities</b>	<b>588</b>	<b>538</b>
Non-segmental accounts payable	1,165	1,214
Current financial liabilities	609	1,102
Other current liabilities	2,566	2,129
Non-current liabilities	2,330	1,400
Reclassification to liabilities classified as held for sale	(40)	–
<b>Total</b>	<b>7,217</b>	<b>6,384</b>

## 12 Events after the balance sheet date

The sale of the Rockport operating segment was successfully completed on July 31, 2015 with the fulfilment of the closing conditions which were aligned in the agreement signed at the beginning of 2015.

Between the end of the first half of 2015 and the finalisation of these interim consolidated financial statements on August 3, 2015, there were no other major Group-specific matters which we expect to influence our business materially going forward.

Herzogenaurach, August 3, 2015  
The Executive Board of adidas AG

# Executive and Supervisory Boards

## Executive Board



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CHIEF EXECUTIVE OFFICER



**Roland Auschel**  
GLOBAL SALES



**Glenn Bennett**  
GLOBAL OPERATIONS



**Eric Liedtke**  
GLOBAL BRANDS



**Robin J. Stalker**  
CHIEF FINANCIAL OFFICER

Biographical information on our Executive Board members  
as well as on mandates of the members of the Executive Board is available at

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Hans Ruprecht\*



Heidi Thaler-Veh\*

\* Employee representative.

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# Financial Calendar

2015/2016

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## Nine Months 2015 Results

Press release, conference call and webcast  
Publication of Nine Months 2015 Report

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## Full Year 2015 Results

Analyst and press conferences in Herzogenaurach, Germany  
Press release, conference call and webcast  
Publication of 2015 Annual Report

MAY 2016 /  ▶

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## First Quarter 2016 Results

Press release, conference call and webcast  
Publication of First Quarter 2016 Report

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## Annual General Meeting

FUERTH (BAVARIA), GERMANY  
Webcast

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## Dividend payment

(subject to Annual General Meeting approval)

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AUG 2016 /  ▶ NOV 2016 /  ▶

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## First Half 2016 Results

Press release, conference call and webcast  
Publication of First Half 2016 Report

03

## Nine Months 2016 Results

Press release, conference call and webcast  
Publication of Nine Months 2016 Report

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