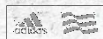


adidas[®]

GROUP



Q3 2015 Results

Analyst Presentation



MAKE A DIFFERENCE

Herzogenaurach, November 5, 2015

INTRODUCTION

SEBASTIAN STEFFEN
VP INVESTOR RELATIONS

OPERATIONAL PERFORMANCE

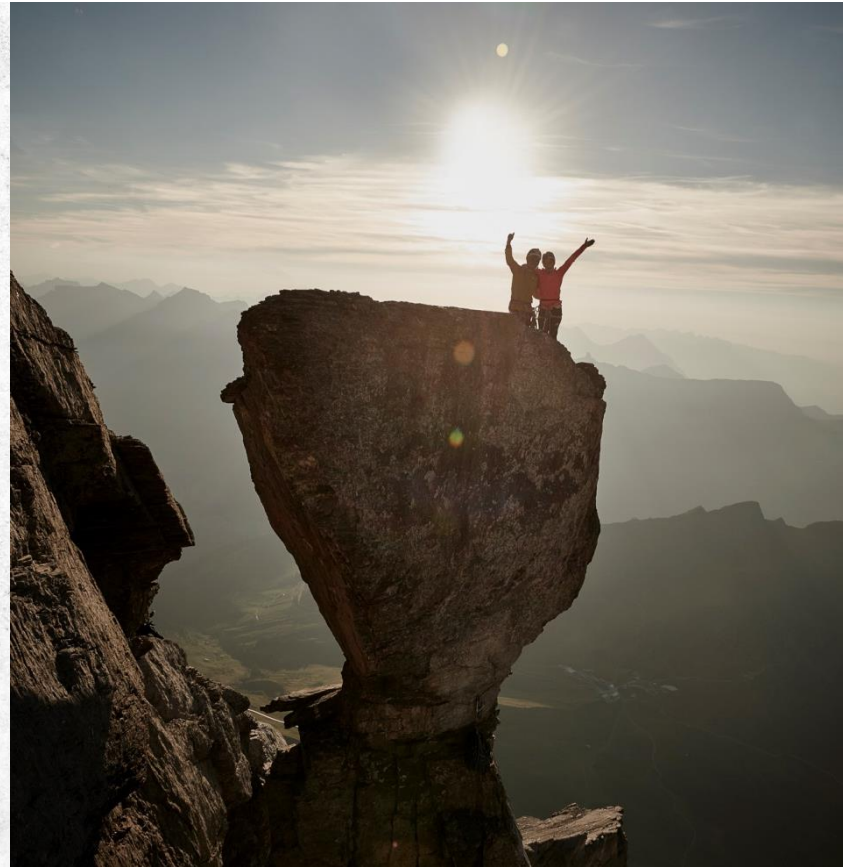
HERBERT HAINER
ADIDAS GROUP CEO

ADIDAS GROUP DELIVERS STELLAR PERFORMANCE



MAJOR DEVELOPMENTS

- Top-line momentum accelerates in Q3
- Group revenues increase 13% currency-neutral or 18% in euro terms to € 4.8 billion
- Gross margin up 1.0pp to 48.4% reflecting brand strength
- Operating margin increases 70bps to 10.6%
- Net income from continuing operations increases 20% to € 337 million



ADIDAS AND REEBOK ENJOY STRONG MOMENTUM



	Q3 2015	CHANGE	9M 2015	CHANGE
NET SALES (€ IN MILLIONS)	4,007	↑ +14% ¹⁾	10,540	↑ +11% ¹⁾
GROSS MARGIN	47.9%	↑ +1.6pp	47.9%	↑ +1.0pp



NET SALES (€ IN MILLIONS)	476	↑ +3% ¹⁾	1,295	↑ +6% ¹⁾
GROSS MARGIN	38.9%	↑ +1.6pp	39.4%	↑ +0.9pp

¹⁾ Currency-neutral.

FOOTBALL

- Currency-neutral sales grow 19% in Q3, with double-digit sales increases in most markets
- Strong momentum in Football footwear, driven by ongoing success around 'ACE' & 'X'
- Revenues in Football apparel grow at double-digit rates, reflecting the successful launch of partnerships
- Impactful brand campaigns and digital activation support new Football footwear franchises



RUNNING

- Currency-neutral Running sales up 9% in Q3, driven by increases in all markets except Russia/CIS
- Double-digit growth in North America, Greater China and Japan
- Footwear revenues increase at a double-digit rate
- 8 million pairs of Boost running shoes sold so far in 2015
- 64 major marathon wins with Boost



ORIGINALS

- Sales increase 33% currency-neutral in Q3
- Revenues grow double-digits in all markets except Russia/CIS
- Growth driven by strong double-digit revenue increases in footwear
- Ongoing robust sales momentum in main franchises such as the Superstar, ZX Flux and Stan Smith
- Continuous brand heat supported by key partnerships

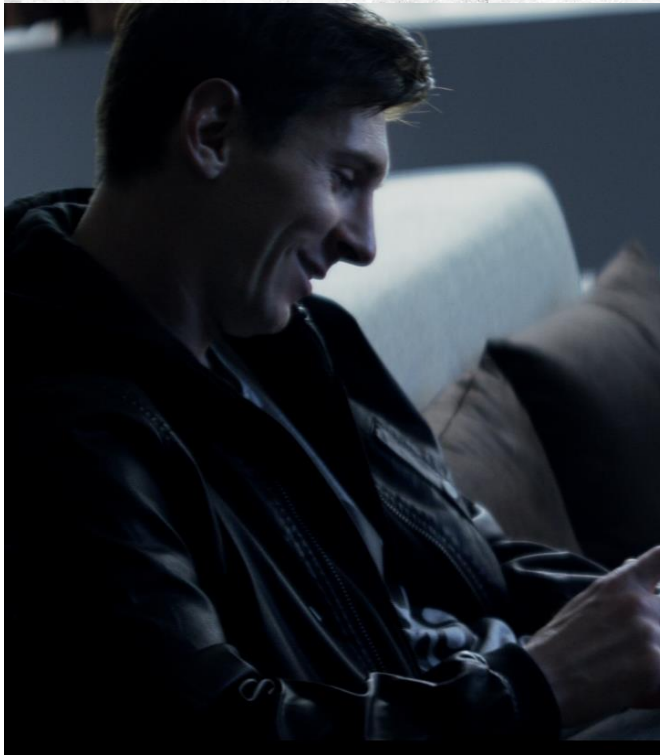


REEBOK

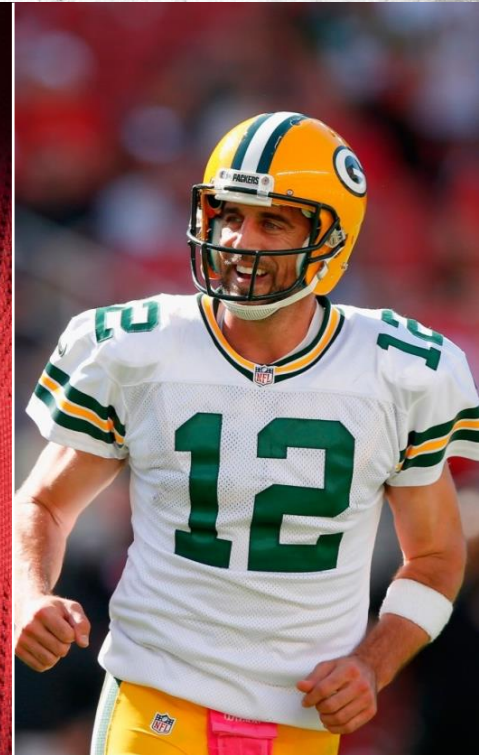
- Currency-neutral Reebok revenues up 3% in Q3
- 10th consecutive quarter of growth
- Double-digit increases in key markets such as Latin America, MEAA and Japan
- Greater China revenues more than doubled
- Double-digit growth in the Studio category as well as in Classics
- Revenues in North America impacted by streamlining of factory outlet business



BRAND CAMPAIGNS DRIVE BRAND HEAT



EXCITING NEW PARTNERSHIPS



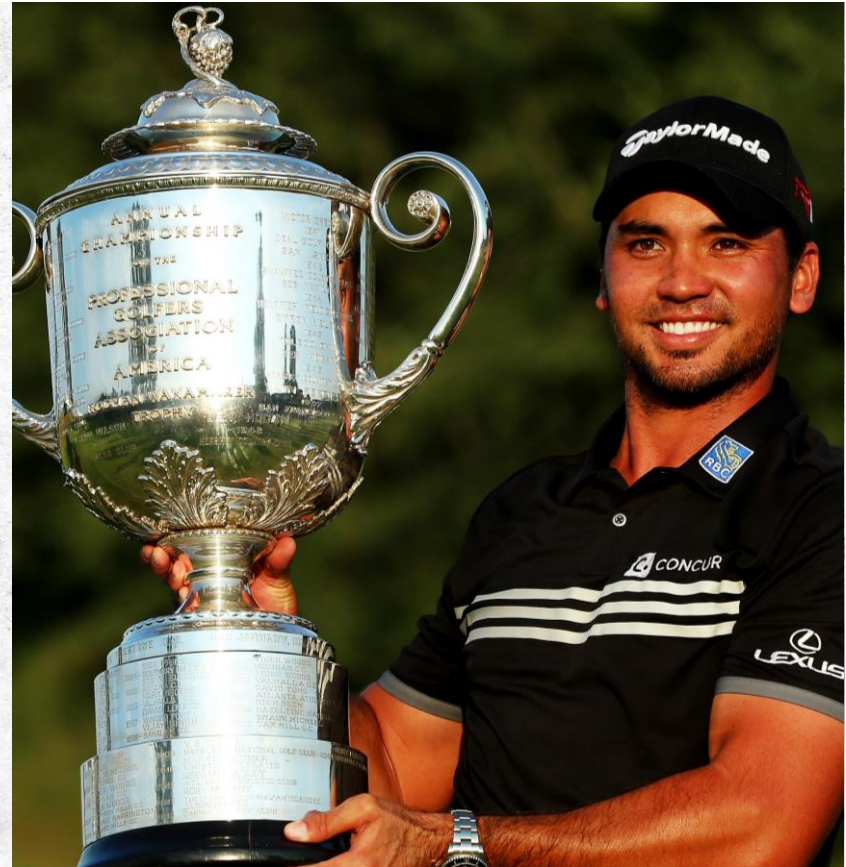
MAJOR PROGRESS IN THE US

- Authenticating the brand through grassroots events and higher visibility in US sports
- Impactful partnerships with Kanye West and Pharrell Williams
- Significantly improved product presentation through intensified cooperation with major retail partners
- Own-retail expansion delivers better than expected results



TAYLORMADE-ADIDAS GOLF

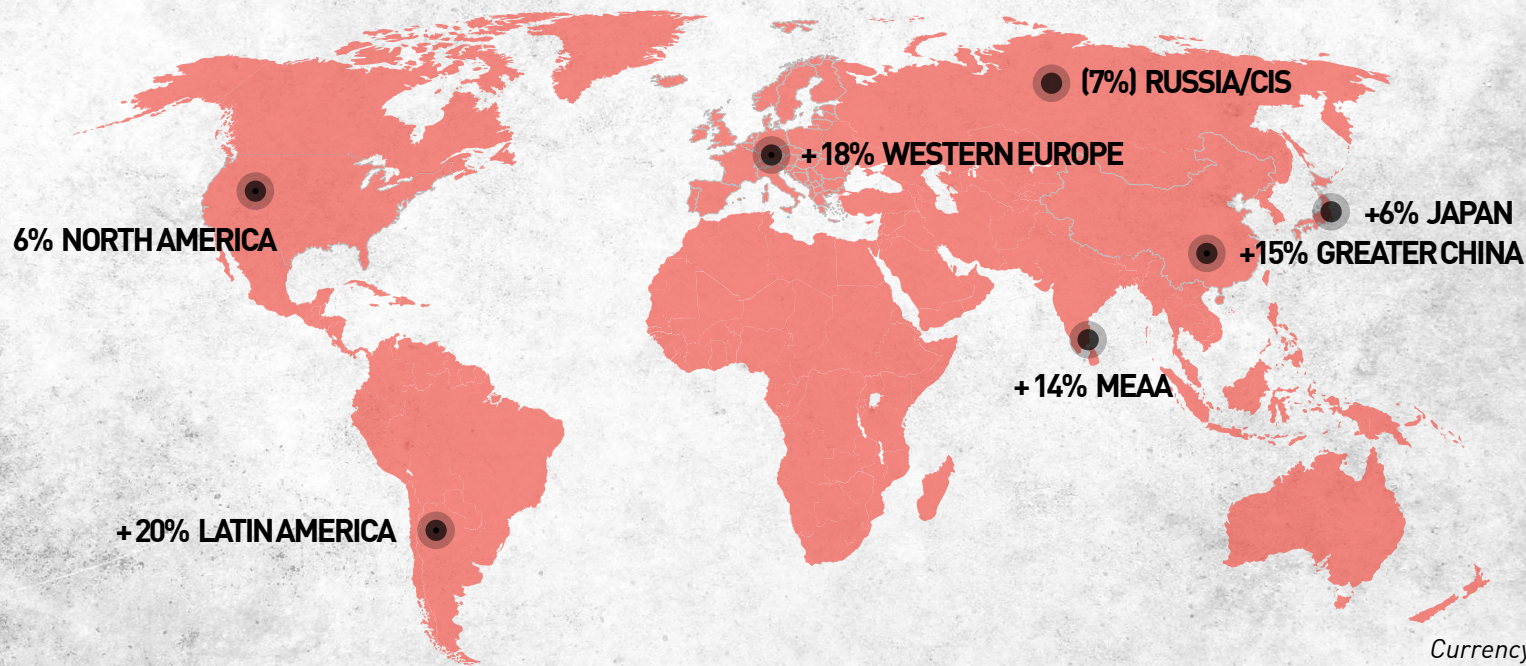
- Q3 revenues up 6% currency-neutral, reflecting easier comparisons and first operational progress
- Turnaround plan focusing on improvements in manufacturing, assembly, margin and marketing investments
- Focus on key strategic markets
- 14% workforce reduction as a result of organisational redesign
- Brands and products shine on PGA Tour



FINANCIAL HIGHLIGHTS

ROBIN J. STALKER
ADIDAS GROUP CFO

SALES INCREASE IN NEARLY ALL REGIONS IN Q3



*Currency-neutral.
Figures reflect combined revenues of the adidas and Reebok businesses.*

WESTERN EUROPE

- Sales up 18% currency-neutral in Q3
- Double-digit sales growth in most of the region's major markets
- Strong sales growth at adidas (+19%) fuelled by double-digit sales increases in Football and at adidas Originals
- Reebok sales up 6% currency-neutral
- Retail sales grow 12% currency-neutral with comp sales up 4%



NORTH AMERICA

- Currency-neutral sales increase 6% in Q3
- Revenues at adidas up 11%, driven by double-digit growth in the Running and Football categories as well as at adidas Originals
- Reebok sales decrease 11%, with declines in most categories
- Sales increases in both wholesale (+7%) and retail (+6%)
- Investments in brand-building activities and point-of-sale activation continue during Q3, up at double-digit rates



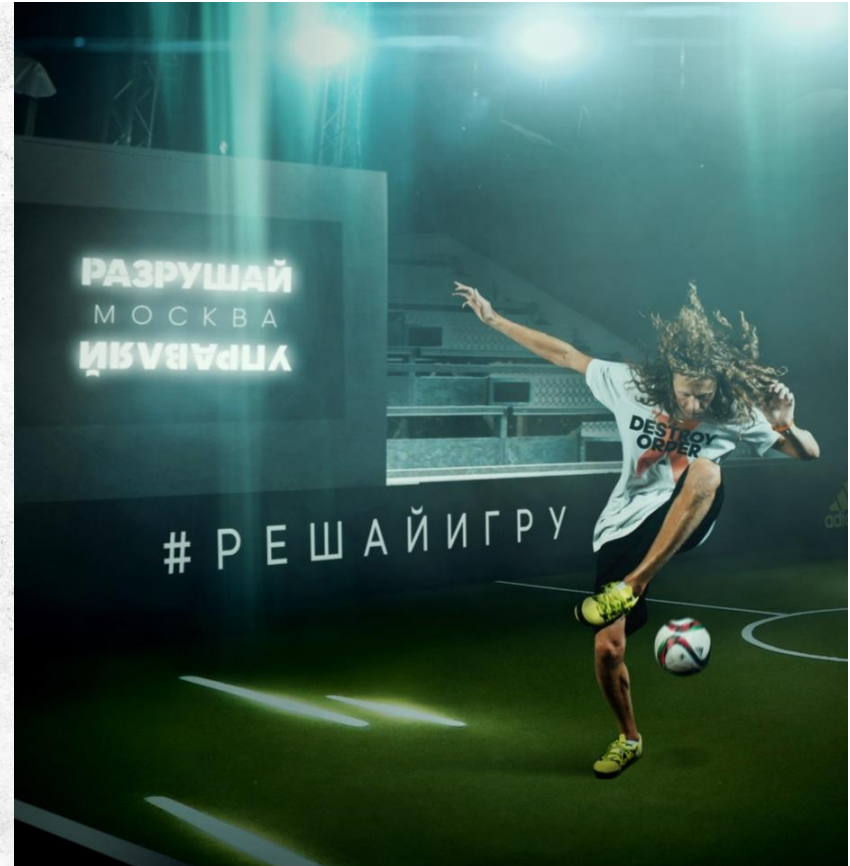
GREATER CHINA

- Currency-neutral sales grow 15% in Q3
- Growth due to double-digit increases at adidas and strong improvements at Reebok
- adidas sales grow 14%, driven by strong double-digit sales increases in key performance categories as well as at adidas Originals and adidas NEO
- Sales increase at Reebok (+108%) driven by significant growth in the Fitness categories and Classics



RUSSIA/CIS

- Sales down 7% currency-neutral in Q3
- Currency-neutral sales declines at both adidas (-7%) and Reebok (-4%)
- Operating expenses down 29%, primarily due to lower operating overhead costs
- Further rationalisation of own-retail store network with 58 net store closures during Q3



LATIN AMERICA

- Currency-neutral sales up a strong 20% in Q3 fuelled by double-digit increases in most markets
- Revenues at adidas up 21%, driven by double-digit growth in the Training and Football categories as well as at adidas Originals
- Reebok grows 16%, supported by double-digit sales increases in key categories such as Running, Training and Classics
- Revenues in retail up 20% currency-neutral



JAPAN

- Currency-neutral sales grow 6% in Q3, driven by strong sales increases at both adidas (+5%) and Reebok (+12%)
- Sales growth at adidas mainly due to double-digit increases in Running as well as at adidas Originals
- Reebok sales growth supported by strong growth in Classics
- Retail revenues up 23% currency-neutral, supported by double-digit comp growth



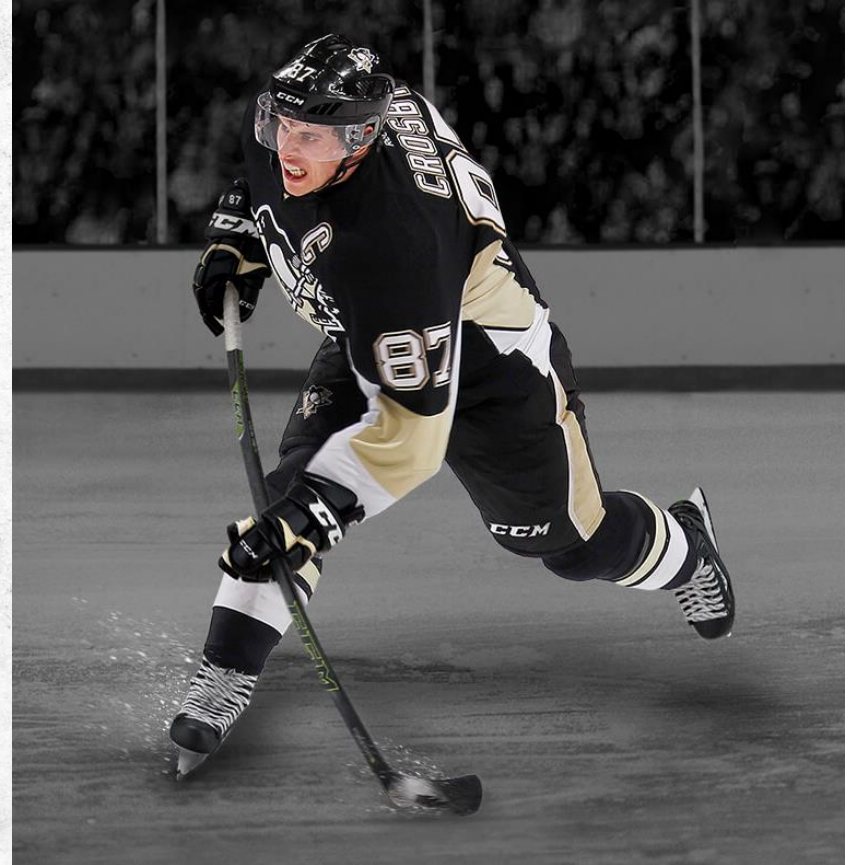
MEAA

- Revenues in Q3 up 14% currency-neutral with sales growth in most of the region's major markets
- adidas up 14%, driven by double-digit sales increases in Football as well as at adidas Originals and adidas NEO
- Reebok sales grow 12%, mainly due to double-digit sales increases in the Training and Running categories as well as in Classics
- Retail sales up 10% currency-neutral, supported by 5% comp growth















OTHER BUSINESSES

- Currency-neutral sales grow 10% in Q3
- Sales at TMaG up 6%, driven by double-digit increases in North America
- Reebok-CCM Hockey grows 9%, supported by increases in North America and Western Europe
- Gross margin of Other Businesses improves 2.1pp to 34.4% (2014: 32.3%)















GROUP OPERATING PROFIT UP 26% IN Q3

	Q3 2015	9M 2015
GROSS PROFIT	 +20% € 2,304 million	 +17% € 6,202 million
GROSS MARGIN	 +1.0pp 48.4%	 +0.1pp 48.6%
OTHER OPERATING EXPENSES	 +18% € 1,845 million	 +15% € 5,265 million
OTHER OPERATING EXPENSES AS A PERCENTAGE OF SALES	 +0.1pp 38.8%	 (0.4pp) 41.3%
OPERATING PROFIT	 +26% € 505 million	 +19% € 1,101 million
OPERATING MARGIN	 +0.7pp 10.6%	 +0.2pp 8.6%

Excluding goodwill impairment of € 18 million in Q1 2015.

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













NET INCOME GROWS 20% IN Q3

	Q3 2015		9M 2015	
FINANCIAL INCOME	 +81%	€ 8 million	 +125%	€ 32 million
FINANCIAL EXPENSES	 +54%	€ 18 million	 +2%	€ 51 million
INCOME BEFORE TAXES	 +26%	€ 495 million	 +22%	€ 1,082 million
INCOME TAX RATE	 +3.3pp	31.9%	 +3.1pp	31.9%
NET INCOME FROM CONTINUING OPERATIONS	 +20%	€ 337 million	 +17%	€ 737 million
DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS	 +26%	€ 1.67	 +21%	€ 3.62

Excluding goodwill impairment of € 18 million in Q1 2015.

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

RETAIL PROFITABILITY IMPROVES STRONGLY

	Q3 2015	CHANGE	9M 2015	CHANGE
NET SALES	€ 1,104 million	 +9% ¹⁾	€ 3,056 million	 +10% ¹⁾
ADIDAS COMP STORE SALES		 +4% ¹⁾		 +3% ¹⁾
REEBOK COMP STORE SALES		 {4%} ¹⁾		 {5%} ¹⁾
TOTAL COMP STORE SALES		 +3% ¹⁾		 +2% ¹⁾
GROSS MARGIN	61.8%	 +3.7pp	61.8%	 +2.4pp
OPERATING MARGIN	22.7%	 +2.9pp	21.0%	 +3.4pp

¹⁾ Currency-neutral.

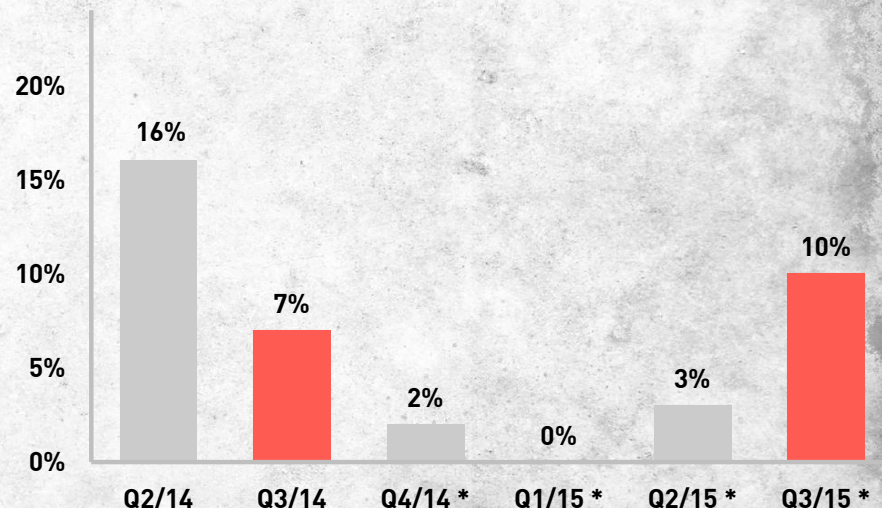
STORE DEVELOPMENT

- 2,679 stores operated at quarter-end
- 80 net store closures compared to year-end 2014
- 192 new stores opened, 272 stores closed, 74 stores remodelled
- 154 concession corners reclassified into the wholesale channel
- 1,466 adidas and 363 Reebok branded; 850 factory outlets



INVENTORIES REMAIN AT HEALTHY LEVELS

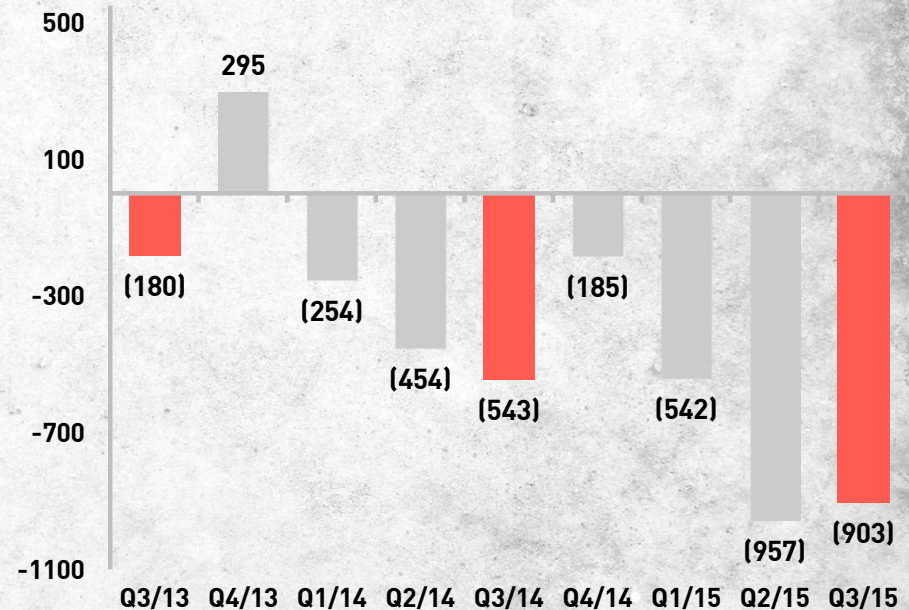
- Inventories from continuing operations increase 10% (c.n.)
- Receivables from continuing operations up 9% (c.n.)
- Payables from continuing operations grow 17% (c.n.)
- Average OWC in % of sales decreases 1.6pp to 20.7%



** Development of currency-neutral inventories from continuing operations in % at quarter-end.*

NET DEBT GROWS TO € 903 MILLION

- Net borrowings increase to € 903 million (2014: € 543 million), due to the utilisation of cash for the share buyback programme
- Ratio of net borrowings/EBITDA amounts to 0.6 (2014: 0.5)
- Equity ratio decreases to 44.0% (2014: 52.1%)



Net cash/(net borrowings) at quarter-end, € in millions.

ADIDAS GROUP INCREASES FY 2015 OUTLOOK

Group sales (currency-neutral)	High-single-digit increase
Gross margin	48.0% to 48.5%
Other operating expenses (in % of sales)	Moderate increase
Operating margin¹⁾	Between 6.5% and 7.0%
Net income from continuing operations¹⁾	To increase at a rate of around 10%

¹⁾ Excluding goodwill impairment losses.
Figures reflect continuing operations as a result of the divestiture of the Rockport business.

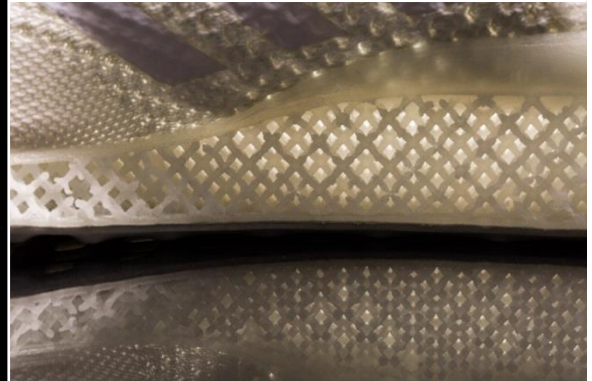
STRATEGIC INITIATIVES & OUTLOOK

HERBERT HAINER
ADIDAS GROUP CEO

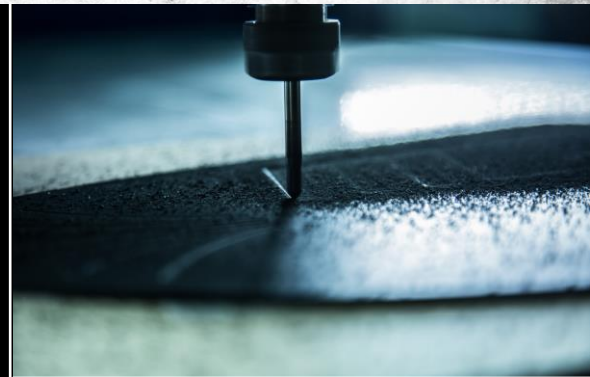
SPORT INFINITY: CLOSING THE SUSTAINABILITY LOOP



FUTURECRAFT: 3D-PRINTED RUNNING SHOE MIDSOLE



FUTURECRAFT: EXPLORING LEATHER MANUFACTURING



ADIDAS AND MANZ SIGN COOPERATION AGREEMENT



CREATING HYPE WITH MESSI'S 10/10 LIMITED EDITION



ATTACKING KEY CITIES IN FOOTBALL



CONTINUING THE FOOTBALL REVOLUTION WITH LACELESS



GEARING UP TO KICK OFF UEFA EURO 2016



UEFA
EURO2016
FRANCE



CONTINUING FOCUS ON US SPORTS



INTRODUCING D ROSE 6 SIGNATURE SHOE



JAMES HARDEN LACES UP CRAZYLIGHT BOOST 2015



YEEZY SEASON 1 HITS RETAIL



ORIGINALS TO LAUNCH NEW FOOTWEAR FRANCHISE


adidas®
N M D

REEBOK CONTINUES TO PURSUE FITNESS PATH



M1 PRODUCT LINE HITS RETAIL



OUTLOOK 2016

- Strong brand momentum to continue in 2016
- Group sales to increase at a high-single-digit rate
- Gross margin to be negatively impacted by currency effects
- Operating profit to grow at a high-single-digit rate
- Operating margin to remain at least stable versus the 2015 level



UPCOMING EVENTS

December 9, 2015

2nd IR Tutorial Workshop

March 3, 2016

Full Year 2015 Results

May 4, 2016

First Quarter 2016 Results

May 12, 2016

Annual General Meeting

August 4, 2016

First Half 2016 Results



QUESTIONS & ANSWERS