

MAKE A DIFFERENCE

adidas Group
Summary
2014

MAKE A DIFFERENCE

adidas Group
Summary

2014



IN SPORT, THEY MAKE A DIFFERENCE:
FRACTIONS OF A SECOND. ONLY A FEW CENTIMETRES.
A COUPLE OF GRAMS.

TO ATHLETES, THEY MAKE A DIFFERENCE:

our groundbreaking

INNOVATIONS.

Our decades of

EXPERIENCE.

Our unique

PASSION.

Our overwhelming

AMBITION.

Sport has many **facets** and countless **faces**. Every sports enthusiast has his or her own **ambition**, every athlete has a different form of **motivation**. We help them all to achieve their very own individual goals, to feel good, to win, and to experience and harness the power of sport – so they can make a difference.

DAY AFTER DAY. AGAIN AND AGAIN. EVERYWHERE.

MAKE A
DIFFERENCE

—



MAKE A DIFFERENCE

adidas Group
Summary

2014



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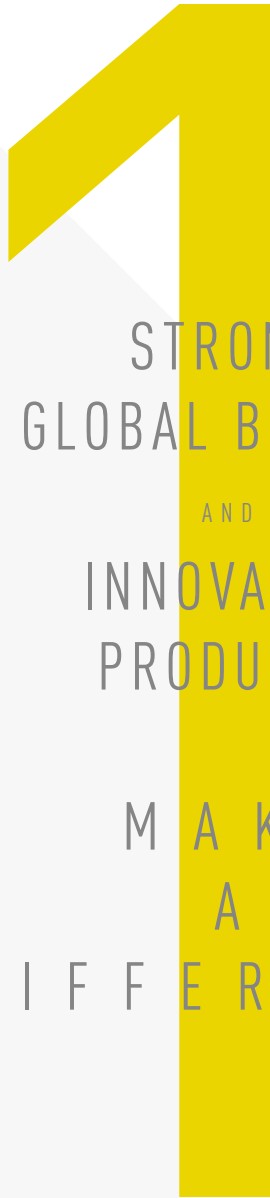
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M A K E A D I F F E R E N C E



STRONG
GLOBAL BRANDS

AND

INNOVATIVE
PRODUCTS

M A K E
A
D I F F E R E N C E



OUR LOVE OF SPORT DETERMINES WHO WE ARE AND WHAT WE DO. EVERY DAY.



With more than 53,000 employees, we sourced over 650 million products in 2014, generating sales of € 14.5 billion. We are present in over 160 countries and employ people from almost 80 nations at our Group headquarters.

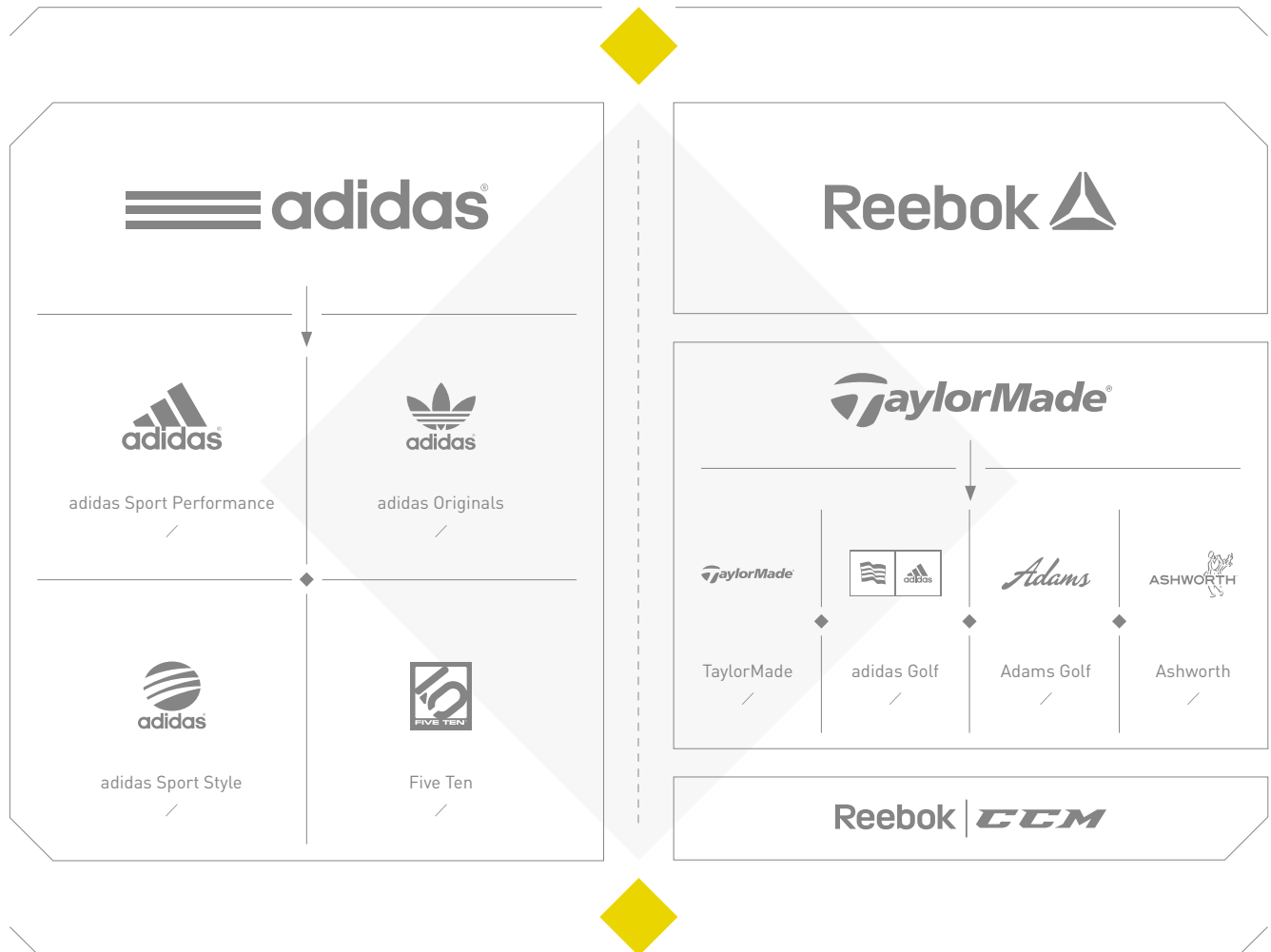
We embrace both versatility and simplicity, we love a challenge and want to win. We look at the big picture. But we also have a passion for speed and are dedicated to precision with a love of detail. This is what we stand for and this is why consumers love us.

And this is what our brands stand for: it doesn't matter how, where or why consumers show their affinity for sport, whether they're professionals or amateurs, gym bunnies or outdoor enthusiasts, runners, golfers, swimmers or yachtsmen. It doesn't matter whether they're fashionistas, sneakerheads or urban trendsetters – we have just the right product, the right service and the right experience. We have the versatility. Our brands serve the whole spectrum. We listen to what consumers want. Our experience, expertise and credibility make a difference. Today, tomorrow and for a long time to come.



OUR BRANDS

adidas®
GROUP



5
2014

For more
information on
our brands:

WWW.ADIDAS-GROUP.COM



ULTRA BOOST

adidas Ultra Boost sets new standards in terms of energy return, design and wearing comfort.



3 million
ZX FLUX

The ZX Flux celebrates huge success with three million pairs sold within the first year of its launch.

AT A GLANCE adidas

ADIDAS IS A TRULY GLOBAL BRAND WITH GERMAN ROOTS.

adidas Sport Performance —> The guiding principle of adidas Sport Performance is to make athletes better. The main focus is on five key categories: football, running, basketball, training and outdoor.

adidas Originals —> adidas Originals is the authentic, iconic sportswear label for the street.

adidas Sport Style —> adidas Sport Style includes the labels adidas NEO, Y-3 and Porsche Design Sport by adidas.



THUMBS UP
!

26,439,849

adidas Originals Facebook page likes
(as at February 24, 2015)

BRAND MISSION

To be the best sports brand in the world.

SALES DEVELOPMENT

currency-neutral
in
2014

+11%

KEY ACHIEVEMENTS

in 2014

- ✓ adidas dominates the 2014 FIFA World Cup with record sales in football of € 2.1 billion. adidas equips the two finalists, World Champion Germany and runner-up Argentina, as well as the best player, best scorer and best goalkeeper of the tournament – Lionel Messi, James Rodriguez and Manuel Neuer.
- ✓ adidas athlete Dennis Kimetto runs the fastest marathon in history wearing the super-lightweight adiZero Adios Boost.
- ✓ The adidas Originals Stan Smith grows to become the best-selling shoe of all time for brand adidas with more than 40 million pairs sold worldwide.

NET SALES

in
2014

11.774
€bn



Reebok 

~1 million

CrossFit NANO

The CrossFit Nano was one of Reebok's top franchises in 2014 with close to one million units sold.



CARDIO ULTRA

This innovative studio shoe offers agility, support and comfort.

AT A GLANCE

Reebok

Reebok is an American-inspired sports brand with the clear objective to become the leading fitness brand in the world. Understanding and embracing the multi-facets and lifestyle potential of fitness, Reebok provides consumers with innovative products, experiences and inspirations. Its strong roots and history in fitness allow Reebok to empower consumers to be fit for life.

BRAND
MISSION

Empowering
you
to be
fit for life.

SPARTAN
RACE

650,000

Reebok Spartan Race continues to grow: 2014 saw approximately 650,000 people participating in a Spartan Race globally.

SALES
DEVELOPMENT

currency-neutral
in
2014

+5%

KEY

ACHIEVEMENTS

in 2014

- ✓ Successful introduction of key running footwear franchises: ZQuick, Z-Jet and All Terrain, the first shoe designed specifically for obstacle racing.
- ✓ Double-digit currency-neutral sales increases in Western Europe, European Emerging Markets, Other Asian Markets and Latin America.

NET
SALES

in
2014

1.578
€bn

7
2014



R15 DRIVER



The new R15 driver is TaylorMade's most technologically advanced driver ever.



AT A GLANCE

TaylorMade -
adidas Golf

TaylorMade-adidas Golf consists of four brands: TaylorMade, adidas Golf, Adams Golf and Ashworth. Each brand's strategy is to develop and commercialise innovative, technologically advanced stylish products at a faster pace than the competition, and to build awareness and demand for these products through high-level visibility on the world's professional golf tours.



MADE OF
GREATNESS

TaylorMade draws attention to its innovations and achievements by using this hashtag on Facebook, Twitter and Instagram.

8

2014

BRAND
MISSION

To be the leading performance golf company in the world in terms of sales and profitability.

EQUIPMENT
HOT LIST

2014



TaylorMade's SLDR driver received unprecedented five stars in Golf Digest's 2014 'Hot List' equipment issue. The SLDR made Hot List history by becoming the first driver to earn five stars in all four categories: Performance, Innovation, Look/Sound/Feel and Demand.

SALES
DEVELOPMENT

currency-neutral
in
2014

-28%

KEY

ACHIEVEMENTS

in 2014

- ✓ adidas Golf became the official provider for players, coaches and staff of USA Golf for the Rio 2016 Olympic Games.
- ✓ TaylorMade Tour Staff and PGA Professional Martin Kaymer won the 2014 Players Championship and U.S. Open.

NET
SALES

in
2014

913
€m



Reebok | CCM

KEY
MARKETS

CANADA,
USA,
SCANDINAVIA,
RUSSIA/
CIS

BRAND
MISSION

To make ice hockey players
the best they can be by
delivering high-end,
innovative
equipment.

AT A GLANCE
Reebok-
CCM Hockey

Reebok-CCM Hockey is a leading designer
and marketer of ice hockey equipment and
apparel, with two of the world's most
recognised ice hockey brand
names: Reebok Hockey
and CCM.



TACKS SKATE

The legendary Tacks skate was redesigned to provide
players with the most explosive acceleration
in ice hockey.

2014
INSTAGRAM
FOLLOWERS

84,400

SALES
DEVELOPMENT
currency-neutral
in
2014

+7%

KEY
ACHIEVEMENTS

in 2014

✓ In 2014, CCM relaunched the iconic Tacks franchise
(skates & stick) after ten years away from hockey, helping the
brand to experience growth for the third
consecutive year.

NET
SALES
in
2014

269
€m



CORPORATE MISSION STATEMENT



The adidas Group strives to be the global leader in the sporting goods industry with brands built on a passion for sports and a sporting lifestyle.

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2014

1

We are committed to continuously strengthening our brands and products to improve our competitive position.

2

We are innovation and design leaders who seek to help athletes of all skill levels achieve peak performance with every product we bring to market.

3

We are consumer-focused and therefore we continuously improve the quality, look, feel and image of our products and our organisational structures to match and exceed consumer expectations and to provide them with the highest value.

4

We are a global organisation that is socially and environmentally responsible, that embraces creativity and diversity and is financially rewarding for our employees and shareholders.

5

We are dedicated to consistently delivering outstanding financial results.

M A K E A D I F F E R E N C E



STRONG
COMMITMENT
AND
PASSION
FOR SPORT
M A K E
A
D I F F E R E N C E

MAKE A DIFFERENCE



GOOD, BETTER,
BOOST!

12
2014



Optimally
kitted out
in the Ultra
Boost.
Let's go.

“Once you’ve slipped a
Boost onto your foot,
there’s no going back.”

“We have launched a unique innovation onto the market. You don’t often come across an invention like this,” says Jennifer Thomas, Senior Director Concepts-to-Consumer. “I’ll never run in a shoe with a conventional EVA sole again. Once you’ve slipped a Boost onto your foot, there’s no going back.” As a passionate athlete, she has turned her hobby into her career and, as Senior Director, is responsible for the Concepts-to-Consumer team in the running category. She made sure that Ultra Boost, the greatest running shoe of all time, could be launched in all our markets in January, right on time. She and her colleague Minna

Philipson, who is responsible for Brand Communications Running, are ensuring that the Ultra Boost shakes up the running scene all over the world, that its benefits are presented consistently and that the shoe gets consumers excited. The Ultra Boost is the first shoe to rely up to 100% on Boost cushioning. Thousands of individual capsules in the midsole provide the greatest energy return in the running industry. Performance remains constant in all conditions, even after countless training miles and running seasons. Innovations like this make a difference.



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2014



Whether before work, in her lunch break or after work, Jennifer likes to meet colleagues for a run.



Jennifer Thomas

NAME:
Jennifer Thomas

POSITION:
Senior Director Concepts-to-Consumer

WITH THE COMPANY SINCE:
July 1998

Jennifer and Minna collaborate on bringing all key running concepts to life in the marketplace. They ensure that the consumer experience for Ultra Boost is consistent at every touch point from market to market, identifying the best way to connect with them.

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U L T R A B O O S T



The Ultra Boost is the perfect combination of performance and style while providing a fully adaptable running experience. Ultra Boost intuitively adjusts to a runner's stride, delivering

the unrivalled energy return of Boost technology, superior support and adaptive comfort over hundreds of kilometres, in virtually any environment. adidas owns energy running!

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15
2014

2:02:57

WORLD RECORD!

adidas athlete Dennis Kimetto runs the fastest marathon in history with a time of 2:02:57 wearing the adizero Adios Boost at the 2014 Berlin Marathon.

Our Boost running shoes have conquered the running market in record time and received the following awards in 2014:

RUNNER'S WORLD MAGAZINE
(UK)

EDITOR'S CHOICE
AWARD

2014

RUNNER'S WORLD MAGAZINE
(UK)

BEST UPDATE
AWARD

2014

THE RUNNING NETWORK
(USA)

AWARD FOR BEST
RENOVATION

2014



Ultra Boost uses up to 100% Boost cushioning material.



SPURRED ON BY BOUNDARIES

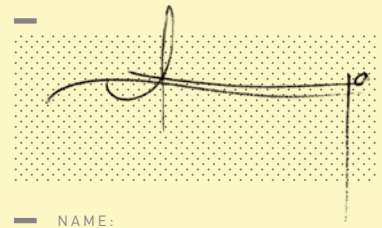
As a designer, Aurélien looks at things from different angles, questions traditional approaches, is open to new ideas and breaks with convention. Can a fashion and lifestyle designer really design a basketball shoe? Aurélien can: the French-born designer originally created designs for the adidas Sport Style label Y-3 and, while doing so, excited his colleagues with his ideas for

basketball shoes. That's why he is now being relocated to Portland/USA for a few months to give his creativity free rein in the basketball category there. He's always got new ideas. As his job is his hobby, new ideas come to him all the time and everywhere. It's young talents like him that make a difference – people who are spurred on by boundaries, who are flexible and versatile.

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Food for thought: Aurélien tries out materials in the Material Library.



NAME:

Aurélien Longo

POSITION:

Footwear Designer

WITH THE COMPANY SINCE:

September 2011



Ideas for the future: Aurélien's desk is piled high with sketchbooks full of new ideas.



Ideas for new designs come to Aurélien all the time and everywhere.

MAKE A DIFFERENCE



TOUGH FITNESS





Optimally kitted out and ready to go. Within the scope of their partnership, Reebok and Les Mills have jointly developed an attractive collection perfectly adapted to the requirements of Les Mills classes.



Sandra is a fan of studio fitness. Every Wednesday night, at the end of a day in her marketing job, she's off to lead a group fitness class: 'body combat'. She has been keeping fit in this way for 15 years. So she's pleased to see how popular this method of training has become – it is one of the biggest fitness crazes since the aerobics boom of the 1980s. She's also delighted that Reebok has entered into a partnership with

Les Mills, the internationally renowned provider of group fitness programmes. Reebok has a storied history in studio fitness, and its partnership with Les Mills benefits the new generation of fitness-oriented individuals like Sandra, by re-inventing fitness to incorporate intense exercise in a community-based atmosphere. This type of fitness allows people to better themselves by encouraging them to embrace the physical, mental and social aspects of fitness and to make a difference.



Back in the 1980s and 1990s, Reebok had already made a name for itself as the top fitness brand and pioneer in studio fitness.



NAME:

Sandra Schusser

POSITION:

Manager Development Accessories

WITH THE COMPANY SINCE:

September 2012

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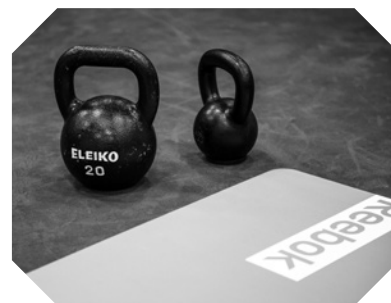
REEBOK + LES MILLS

In 2014, Les Mills was the largest provider of group fitness in the world.



After work, Sandra pursues her hobby in the company's on-site fitness studio. The fitness studio has its own Reebok CrossFit Box where she warms up before the class starts.

21
2014



LES MILLS NATIONAL TRAINERS

There are 1,000 Les Mills national trainers worldwide wearing the Reebok Les Mills product range.



CONSUMER CONTACTS

Every week 100,000 Les Mills instructors globally interact with about five million consumers.



MAKE A DIFFERENCE



“IT’S ALL ABOUT THE CONSUMER”

INTERVIEW WITH

Herbert Hainer
ADIDAS GROUP CEO



MAKE A DIFFERENCE

Looking back on 2014, what would be your recap?

— HERBERT HAINER

2014 was a rollercoaster ride, no question about it. We had to reduce our full-year guidance and postponed our main Route 2015 financial targets. But there were also many bright spots. We have reached our updated top- and bottom-line goals despite some tough macroeconomic headwinds at the end of the year. We grew our top line 6% currency-neutral in 2014 and ended the year strong, with double-digit growth in the fourth quarter in most parts of the world. Brand adidas grew at a double-digit rate for the year and Reebok now has seven consecutive quarters of growth under its belt. But still, it never feels good if you don't reach all the goals that you had set out initially – neither in sport nor in business.

How did you react to this?

— HERBERT HAINER

We reacted like a true athlete: we have worked hard for years to take home the gold medal. And while we have missed it this time, we have adjusted our training and will be even stronger than before. We strengthened the team, realigned the organisation and bolstered our brands to win the affection of as many consumers as possible, and to set our Group up for even greater, sustainable success in the future.

Whether it's life, business or sport – there will always be ups and downs. The key thing is that you learn from your mistakes and grow – as a person, a business or an athlete.

Herbert Hainer
CEO

What exactly was the problem that had such an impact on your business performance?

— HERBERT HAINER

There were three major reasons – the weakness in the global golf market, depressed consumer sentiment in Russia and currency headwinds. And all of these need to be looked at one by one. In the golf business, part of the problem was industry-related and part was due to executional mistakes at our end. We took some painful measures and fixed this. As a result, the retail inventory environment is much healthier today, and so is the

organisation. Supported by our strong product pipeline, we will return to growth and profitability at TaylorMade-adidas Golf in 2015. And don't forget: TMaG is and will remain the number one golf company in the world.

Your Russian business also didn't develop as expected in 2014 ...

— HERBERT HAINER

Russia/CIS is a totally different story. Here, we are victims of our own success. We have a strong and enviable position there, with adidas being the clear market leader and Reebok a strong number three. Both of them belong to the most established and desired consumer brands in Russia. We have built this market successfully over the last ten years with the roll-out of our own-retail network that now counts more than 1,100 stores.

But the rapid depreciation of the Russian rouble and the deteriorating consumer sentiment

as a consequence of the Russian/Ukrainian crisis have also left their mark on us. While we grew our business by almost 20% in local currency in 2014, we lost all of it in currency translation.

But also here we took swift action. By reducing our net store opening plan, carefully controlling inventory levels and optimising our cost base we were able to secure profitability levels above the Group's average, even in such a lacklustre environment. And while we will continue to manage the business there in a very prudent manner, we will definitely not stop investing, because we fully believe in the potential of the market. We are in it for the long run. The upcoming 2018 FIFA World Cup will be a great platform for brand adidas, just to mention one example.

The Russian rouble is not the only currency that developed against you!

— HERBERT HAINER

Unfortunately that is correct. Currency movements negatively impacted our top-line result by more than half a billion euro in 2014. And our gross margin was also



significantly hit by less favourable hedging rates as well as the devaluation of currencies such as the Russian rouble, Argentine peso and Brazilian real.

Would you consider 2014 a lost year for the adidas Group?

— HERBERT HAINER

No. Whether it's life, business or sport – there will always be ups and downs. The key thing is that you learn from your mistakes and grow – as a person, a business or an athlete. If I look at our core brands, the momentum we see at adidas and Reebok gives us every confidence that we got back on track very fast. adidas sales grew 11% currency-neutral for the full year. Plus there were many moments that lifted our brand momentum. The World Cup, by far the biggest and most-watched sports event in the world, was an excellent platform to demonstrate our leadership in football. We achieved new record sales of € 2.1 billion, even exceeding our own expectations. On the field of play, adidas outperformed all competitors. And we were by far the most talked-about brand, with an increase of almost six million followers across all major social media platforms – more than any other sports brand.

But football is not everything, is it?

— HERBERT HAINER

Of course it's not. And I am glad our momentum reaches way beyond the football category. In running, adidas continues to dominate the world's major marathon scene, based on the strong success our Boost technology is enjoying. At the Berlin Marathon, adidas athlete Dennis Kimetto ran the fastest marathon in history wearing the super-lightweight adizero Adios Boost. Since its launch, the adizero Adios Boost alone has 27 major marathon wins under its belt, completing the double at the New York Marathon with Wilson Kipsang and Mary Keitany both winning in Boost. In addition, adidas Originals & Sport Style continued its strong performance last year, as reflected in a double-digit sales increase.

And what about Reebok?

— HERBERT HAINER

The turnaround at Reebok is clearly visible. At the end of last year, Reebok recorded its seventh consecutive quarter of growth in a row and ended the year with currency-neutral revenues increasing 5% versus the prior year. The brand's positioning in fitness is resonating extremely well with consumers around the world, particularly in markets where we are driving our own controlled space agenda. In 2014, we made significant progress in deepening Reebok's connection to the fitness community, hosting spectacular fitness events and grassroots activities around the globe, which helped us sharpen our brand proposition even better.

We faced major challenges and made some mistakes along the way. We know that, have reacted to it and introduced measures that will help us get back on the road to success.

Herbert Hainer
CEO

Let's take a look at the broader picture. What is your assessment of the progress made with the Group's Route 2015 strategic business plan?

— HERBERT HAINER

Firstly, we should not forget that 2015 is far from over yet. However, if you look at the mere P&L figures of our Route 2015 strategic business plan, we certainly did not win gold. This was a disappointment – for our shareholders just as much as for us. Nevertheless, Route 2015 was more than just about top- and bottom-line growth. Financial targets can and will only be the outcome of our relentless effort to build desirable brands. To support this goal, Route 2015 was broken down into various individual objectives, many of which we will achieve or have achieved already.

Can you give us some examples?

— HERBERT HAINER

Today, we are generating more than half of our revenues from controlled space initiatives. Our initial goal was 45% by 2015. In addition, we have multiplied our eCommerce business in the past five years and have utmost confidence we will over-achieve the targeted € 500 million mark by



the end of this year. And we have significantly increased our speed to market, as reflected in the success of our adidas NEO business. We also outgrew our major competitor in China and in Latin America. All in all, we are in much better shape today than we were five years ago. But clearly, that's not enough. We faced major challenges and made some mistakes along the way. We know that, have reacted to it and introduced measures that will help us get back on the road to success.

How are you tackling the challenges?

— HERBERT HAINER

We know that we have great products and marketing. But we need to be more impactful in the marketplace. To make this happen, we have built an organisational model centred on the consumer, with clear roles and responsibilities,

lower levels of escalation and clear accountability, so that we can make more and faster decisions. The new set-up also empowers our category business units to take responsibility for all marketing processes, end-to-end, and will help us to bring our concepts to the consumer in a more efficient and effective way. I am convinced that, based on a clear business unit strategy and a consumer-focused organisation across all marketing functions, this will help drive engagement and provide a clearer framework for decision-making on all levels.

Do you see a general change in consumer behaviour?

— HERBERT HAINER

Definitely. Consumers today are looking much more for an experience than they were a couple of years ago. Retail is not the place anymore where consumers just execute transactions. It is the space where they connect with the brand. In 2014, we introduced two new store concepts to wow them: HomeCourt and Neighbourhood. With our HomeCourt concept, consumers purchase the products with the 3-Stripes while experiencing what it means to be part of the brand, deep-diving into the passion and the heritage, thus shifting from a traditional point of sale to a point of excitement.



What exactly does this look like?

— HERBERT HAINER

We are transforming the retail space to celebrate the brand's roots in sport. One example is the entrance, which is based on the principles of a players' tunnel in a stadium. Visitors are welcomed by sound showers of cheering fans, giving them a transition zone to leave the street or mall behind and be drawn into the main event. With the Neighbourhood concept, we are reinforcing the positioning of adidas Originals as the pioneering sports brand for the streets. Each store relates to the city's neighbourhood within which the store resides: the style, design and atmosphere of each city is reflected through elements of the store's interior.

Is having great stores enough in the age of online shopping?

— HERBERT HAINER

No, definitely not. There now is a multitude of channels where interactions are happening, be it our own-retail stores, our online shop, our wholesale partners, our consumer service or the various mobile or social channels. Nowadays, our consumers do not only use one channel or the other, they use them simultaneously. To address this behaviour, it is our clear goal to integrate all sales channels and marketing activation activities: moving our consumer into the middle, utilising cross-selling opportunities and aligning pricing across all channels. This omni-channel initiative will make a big difference ...

A market where you need to do things differently is North America. What are your plans?

— HERBERT HAINER

As a Group, we underperformed in North America and we are all disappointed when we look back over the last 12 months. For us, however, one thing is clear: We want and we need to be more impactful in that market. This is why we have made North America a key priority for all senior management within our Group. We also carried out a significant change in leadership in our North American organisation last year, building a high-performance team from various parts within our Group as well as adding key



◆
In 2015, we will go out bold and show the world that sport is at the heart and soul of brand adidas.
◆

Herbert Hainer
CEO

external talent, particularly in design. With Mark King, we now have an American leader and an expert for the US market and retail environment at the helm in North America. This will help us to develop the right products for the market and become more relevant to US consumers, which is crucial for our future success in this all-important market. As is our execution at the point of sale. We need to increase brand presence and improve the presentation of our products.



How do you want to become more relevant for the US consumer?

— HERBERT HAINER

We will become more visible on the pitch in sports that matter to the young American athletes – basketball, American football and baseball, just to name a few. Our NBA partnership and the strong portfolio of outstanding basketball icons such as Damian Lillard, John Wall and Andrew Wiggins is a very good basis and we will continue to sign top talent in the draft. In addition, to be credible for our young target group, we will increase visibility at the grassroots level, grow our college portfolio and better utilise epic moments in college sports.

Speaking of engaging consumers. What's in the pipeline for 2015?

— HERBERT HAINER

In 2015, we will go out bold and show the world that sport is at the heart and soul of brand adidas. Many of our innovations have changed the game for good. And I am not talking downstream innovation, meaning just taking an existing material or manufacturing technique, adding a nice design and a fun campaign to make people buy it. I am talking upstream innovation. Innovation that makes athletes truly better. This goes back to the studs in football at the Miracle of Bern, to introducing Boost, a material that has completely changed running and now has permeated other categories as well, such as basketball, and which we will see much more of. With Ultra Boost, we launched our best running shoe ever in February. We are making a difference and we need to capitalise on it by shouting out loud.

Where will we be hearing you?

— HERBERT HAINER

Everywhere. In February we started the global roll-out of a series of films called Sport 15. Throughout the entire

year and across all channels – TV, social media and via our unique adidas global newsrooms – we will be telling brand stories that motivate and inspire young athletes. We know them and their sports better than anyone else – and we will make sure that everyone gets that.

Your new Reebok brand campaign is also about understanding the consumer ...

— HERBERT HAINER

At Reebok, our 'Be More Human' campaign, which also launched in February, is a rally cry to live up to your full potential. Tough fitness is a niche Reebok owns. The campaign celebrates and supports everyday athletes who embody the tough fitness lifestyle which is more than just a physical activity. The feedback we have received so far is absolutely overwhelming and has exceeded our expectations by far. Consumers realise that Reebok shares their passion, understands their motivation and supports them in their fitness-oriented lifestyle.

We will be measured against
how successful we are in meeting
the consumer's needs.

Herbert Hainer
CEO

So at the end of the day
it's all about making the
consumer happy?

— HERBERT HAINER

That's right. Whatever we do needs to benefit our consumers. That's why the consumer's perception and recommendation of our brands will be included as a KPI into our internal performance review. We will be measured against how successful we are in meeting the consumer's needs. This is new, and it underlines our commitment to strengthening our brands. With our unmatched heritage in sport, the unique breadth of our innovative product offering and top-notch sales and marketing concepts we have all pieces in place to succeed by winning the hearts of athletes around the world. No matter for which sport or on which level – at adidas, Reebok and TaylorMade-adidas Golf we have the right and best products.

MAKE A DIFFERENCE



SHAPING THE FUTURE OF SPORT





Gerd and his team take a look into the future every day.



29
2014

A time machine looks different. And yet – whoever comes through the door to Gerd Manz's workplace travels through time. Welcome to the future – the future of sport. Gerd and his team work on future products. And future production methods. 'Speedfactory' is a research project the adidas Group is conducting with partners under the sponsorship of the German Federal Ministry for Economic Affairs and Energy. It's about researching new production techniques and methods to meet consumer requirements quickly and flexibly and to improve our

environmental footprint. "The results of this project will enable us to maintain our pioneering role when it comes to innovation in sport. And we will offer solutions that enable our consumers to harness the power of sport," says Gerd. Initiatives like this make a difference.

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NAME:

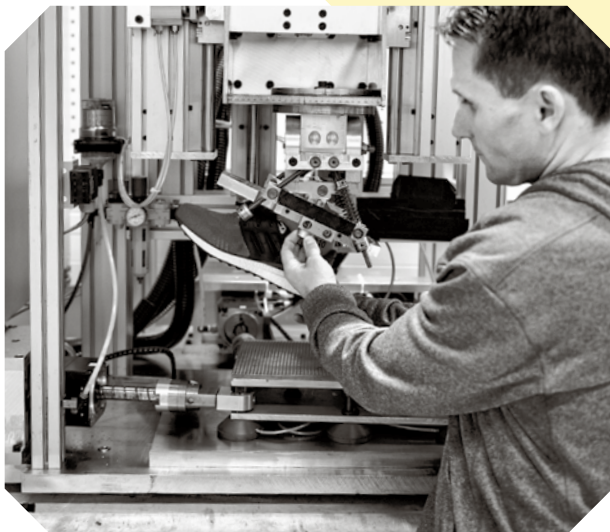
Gerd Manz

POSITION:

Vice President Technology Innovation

WITH THE COMPANY SINCE:

November 1997



Gerd is Vice President Technology Innovation at adidas and has been working for the company for 17 years. Together with his team, he has created many game-changing innovations for the adidas brand, e.g. ClimaCool, Boost, Springblade and a series of matchballs for the Football World Cup and Champions League.



A glimpse into the heart of the 'FUTURE' department. This is where tests and research are carried out.

Further information is available at:
WWW.ADIDAS-GROUP.COM/SPEEDFACTORY



GOALS OF SPEEDFACTORY

Manufacture closer to the consumer

SPEED

Reduce transportation times by up to 40 days

Reduce dependency on labour costs

COSTS

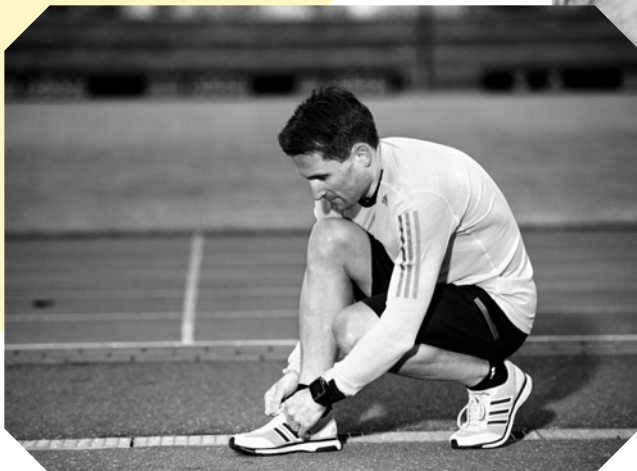
Reduce transportation costs and import duties

Reduce waste through efficient material usage

SUSTAINABILITY

Less adhesive (up to 60%)

Gerd is a passionate athlete and loves trying out the latest product developments himself.





#BESTPLACETOWORK

"You spend so much of your life at work, so your working environment and your colleagues play a crucial role," says Alyce Menzel. And this is precisely why the 24-year-old Australian feels so at home in the World of Sports, the adidas Group's headquarters in Herzogenaurach, Germany. It's because the company site is like a campus and offers her a modern working environment with high-tech office buildings,

a state-of-the-art IT infrastructure and a wide range of sports facilities. For her, going to work in the morning also means beginning the day involved with sport, being active, furthering her development and enjoying flexible working hours. This combination motivates her. Alyce is one of nearly 4,000 employees based at the headquarters. And this makes her one of the people who make a difference every day.



Further information at:
WWW.ADIDAS-GROUP.COM/BESTPLACETOWORK



NAME:

Alyce Menzel

POSITION:

Assistant Social Media
and Community Manager

WITH THE COMPANY SINCE:

February 2014



The concept of the Corporate University, where each individual can decide when, what, where and how much to learn, is perfectly adapted to Alyce and her generation.



"Social media knows no limits and I love that," says Alyce. Whether at her workplace or in the Timeout employee café – Alyce is connected, always and everywhere.





Thank You!

OUR EMPLOYEES
MAKE A DIFFERENCE!

Over 53,000 employees worldwide support the adidas Group with their commitment, dedication and team spirit. Together, we aim to achieve new records and set high standards in the industry.



Robin J. Stalker
CFO

Eric Liedtke
GLOBAL BRANDS

Herbert Hainer
CEO

Glenn Bennett
GLOBAL OPERATIONS

Roland Auschel
GLOBAL SALES

M A K E A D I F F E R E N C E



OUR AMBITION FOR
PERFORMANCE

AND

OUR DESIRE
TO WIN

M A K E
A
D I F F E R E N C E



FACTS & FIGURES

FINANCIAL HIGHLIGHTS

	2014	2013
OPERATING HIGHLIGHTS		
Net sales ¹⁾ ----- € millions ----- ▶	14,534	14,203
EBITDA ¹⁾ ----- ▶	1,283	1,496
Operating profit ^{1) 3) 4)} ----- ▶	961	1,233
Net income attributable to shareholders ^{2) 3) 4)} ----- ▶	568	839
KEY RATIOS		
Gross margin ¹⁾ ----- % ----- ▶	47.6	49.3
Operating margin ^{1) 3) 4)} ----- ▶	6.6	8.7
Average operating working capital in % of net sales ¹⁾ ----- ▶	22.4	21.3
BALANCE SHEET AND CASH FLOW DATA		
Inventories ----- € millions ----- ▶	2,526	2,634
Net cash/(net borrowings) ----- ▶	(185)	295
DATA PER SHARE		
Basic earnings ^{2) 3) 4)} ----- € ----- ▶	2.72	4.01
Dividend ----- ▶	1.50 ⁵⁾	1.50
Share price at year-end ----- ▶	57.62	92.64

1) 2014 and 2013 reflect continuing operations as a result of the planned divestiture of the Rockport business.

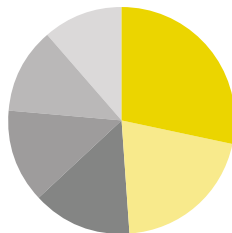
2) Includes continuing and discontinued operations.

3) 2014 excluding goodwill impairment of € 78 million.

4) 2013 excluding goodwill impairment of € 52 million.

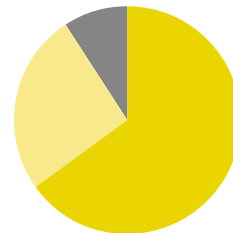
5) Subject to Annual General Meeting approval.

SALES SPLIT BY REGION^{1) 2)}



Western Europe	28%
North America	20%
Other Asian Markets	14%
European Emerging Markets	13%
Greater China	12%
Latin America	11%

SALES SPLIT BY SEGMENT



Wholesale	65%
Retail	26%
Other Businesses ¹⁾	9%

Further information
is available at:
WWW.ADIDAS-GROUP.COM/INVESTORS

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

2) Rounding differences may arise.



FACTS & FIGURES

REASONS TO INVEST IN ADIDAS

ONE OF THE GLOBAL LEADERS
IN THE SPORTING GOODS INDUSTRY

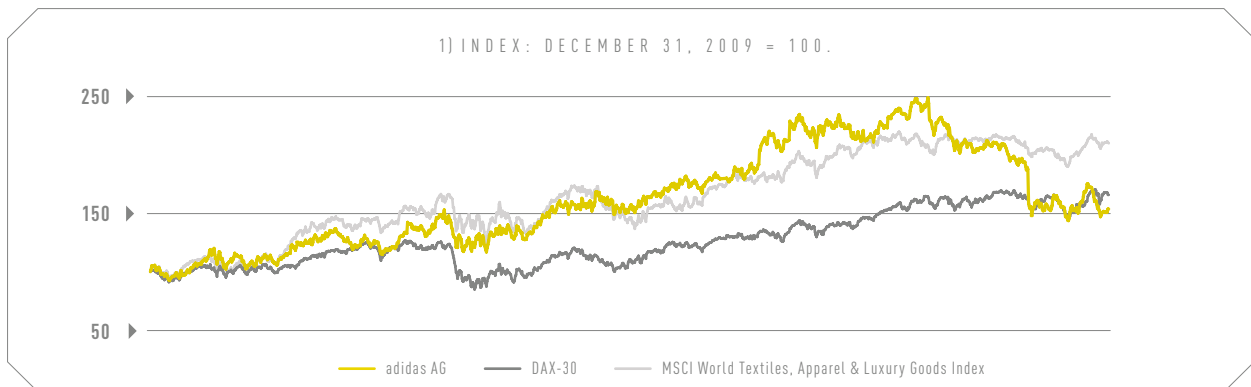
CLEAR MARKET POSITIONING
DIVERSE BRAND PORTFOLIO

INNOVATION LEADERSHIP AND CUTTING-EDGE DESIGN

STRONG MEDIUM- TO LONG-TERM
GROWTH AND PROFITABILITY OPPORTUNITIES

SOCIALLY AND ENVIRONMENTALLY RESPONSIBLE
CREATING LONG-TERM SHAREHOLDER VALUE

FIVE-YEAR SHARE PRICE DEVELOPMENT¹⁾

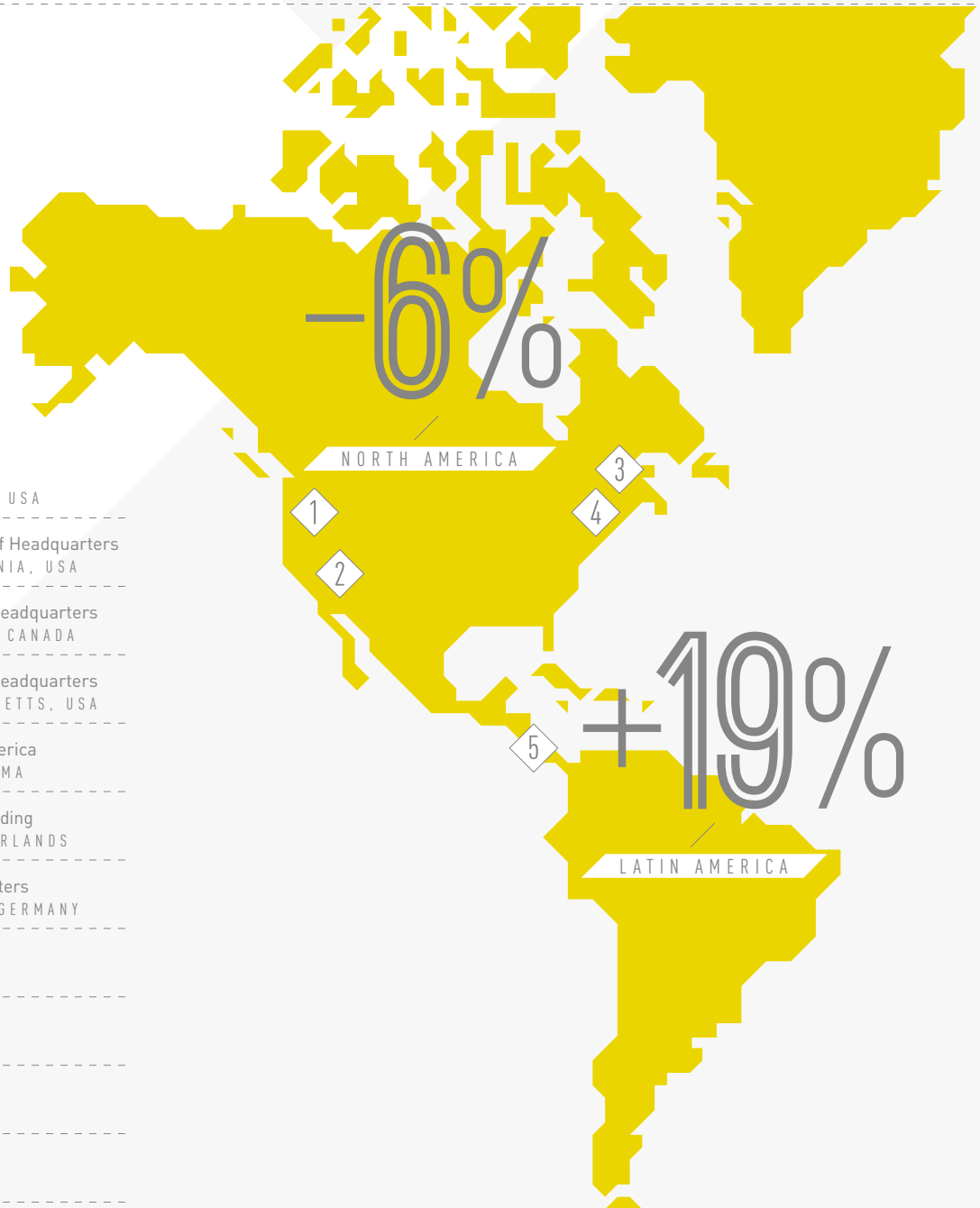


ADIDAS AG SHARE INFORMATION

Year-end closing price	€ 57.62
No. of shares outstanding at year-end	204,327,044
ISIN	DE000A1EWWW0
Market capitalisation	€ 11,773.32
Type	Registered no-par-value shares
Stock exchange	All German stock exchanges
Stock symbol	ADS, AD SG n. DE



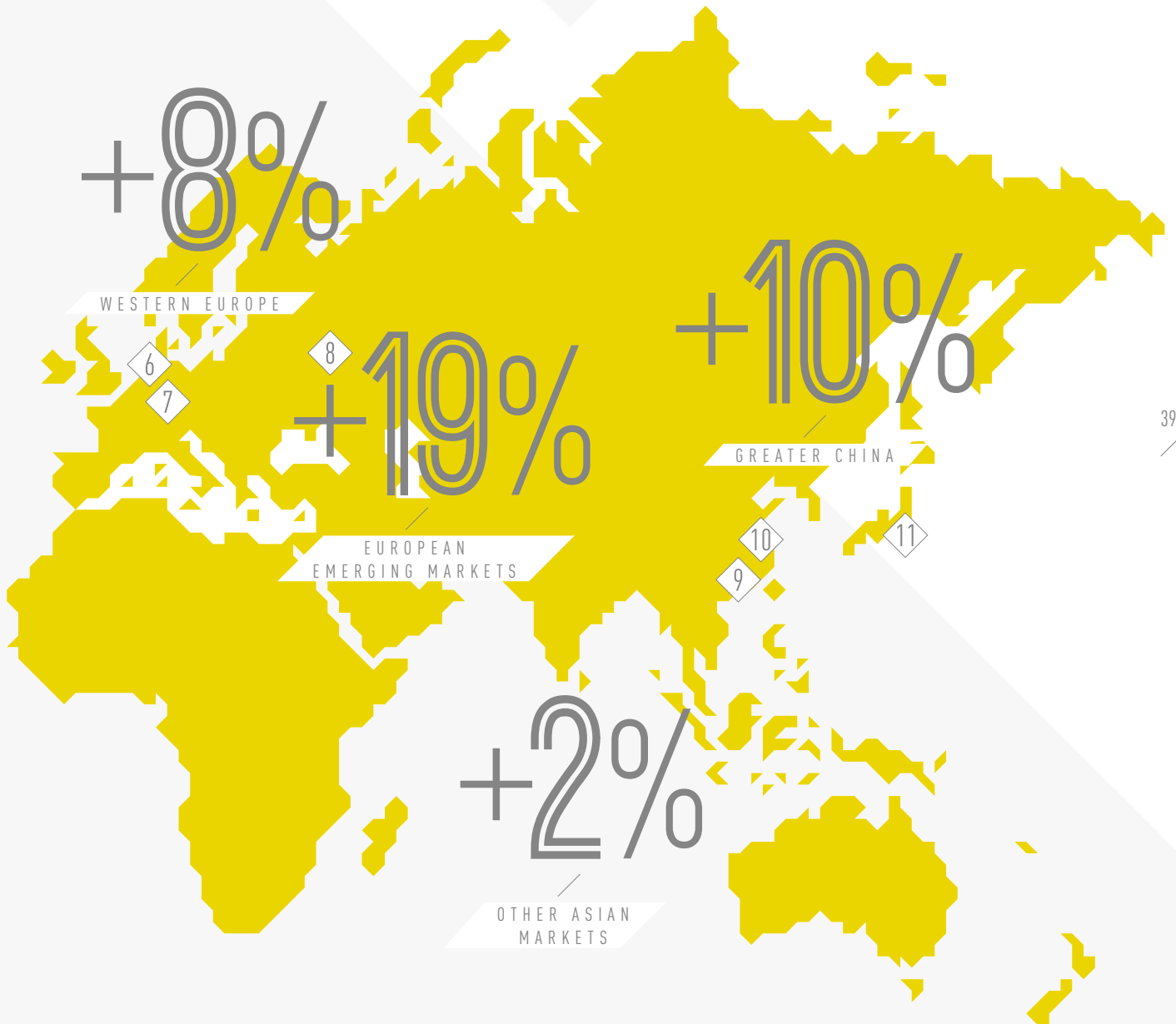
OUR GROUP AROUND THE WORLD



- 1 adidas North America
PORTLAND/OREGON, USA
- 2 TaylorMade-adidas Golf Headquarters
CARLSBAD/CALIFORNIA, USA
- 3 Reebok-CCM Hockey Headquarters
MONTREAL/QUEBEC, CANADA
- 4 Reebok International Headquarters
CANTON/MASSACHUSETTS, USA
- 5 adidas Group Latin America
PANAMA CITY, PANAMA
- 6 adidas International Trading
AMSTERDAM, NETHERLANDS
- 7 adidas Group Headquarters
HERZOGENAURACH, GERMANY
- 8 adidas Group Russia
MOSCOW, RUSSIA
- 9 adidas Global Sourcing
HONG KONG, CHINA
- 10 adidas Group China
SHANGHAI, CHINA
- 11 adidas Group Japan
TOKYO, JAPAN



Major Locations and Regional Sales
Development in 2014¹⁾



39 / 2014

¹⁾ On a currency-neutral basis.



OPERATIONAL AND SPORTING

HIGHLIGHTS

2014

Q1

JANUARY

01.01.

adidas Sport Performance introduces its new retail concept – HomeCourt – in its world's largest store, the adidas Brand Centre in Beijing.



06.01.

adidas Golf introduces the adizero One, taking golf footwear to a new level of lightness and stability.

15.01.

adidas Originals presents the latest member of the ZX family during Berlin Fashion Week: the ZX Flux.



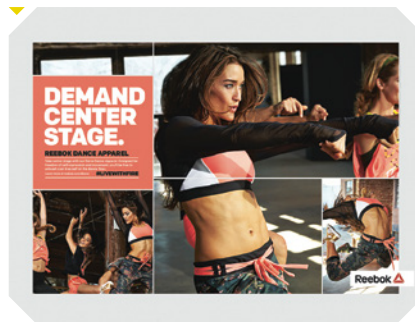
20.01.

TaylorMade introduces three new irons: Tour Preferred MB, Tour Preferred MC, Tour Preferred CB.



28.01.

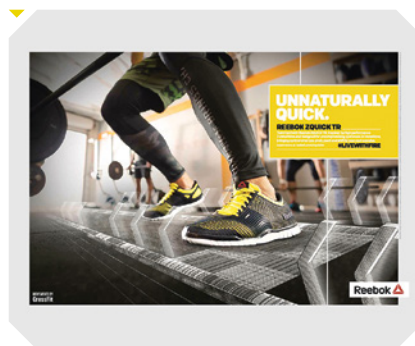
Reebok launches its global brand campaign 'Live With Fire 2.0' which conveys to consumers the physical, mental and social benefits awaiting those who want to be fit for life.



FEBRUARY

13.02.

Reebok unveils the ZSeries running collection, featuring a unique foam for ultimate ground contact and a lightweight, cushioned and more responsive ride.



17.02.

Reebok introduces its first obstacle racing footwear collection, the All Terrain series, designed and engineered for the sport of obstacle racing.

26.02.

The adidas Supernova Glide 6 is listed as Editor's Choice for running shoes in the Runner's World US March 2014 edition.

27.02.

adidas launches the Samba Primeknit, the world's first knitted football boot. It features an upper that is knitted from heel to toe, providing a bespoke second-skin fit that retains the strength of a conventional boot.

MARCH

06.03.

After 30 successful years, Erich Stamminger officially says goodbye to the adidas Group and hands over to Eric Liedtke who assumes responsibility for Global Brands on an Executive Board level.



27.03.

adidas welcomes Pharrell Williams to the adidas family and announces its adidas Originals x Pharrell Williams collaboration with first products coming out in the summer.



28.03.

Reebok Hockey launches its RibCor skate, featuring Reebok's Pump technology and a new agility profile which offers players an increased range of motion for forward or backward flexibility.

28.03.

adidas Originals opens its remodelled flagship store in Berlin showcasing the brand-new adidas Originals retail concept Neighbourhood.



OPERATIONAL AND SPORTING

HIGHLIGHTS

2014

Q2

APRIL

01.04.

adidas launches ClimaChill, a revolutionary cooling technology. It provides an instant 'chill' effect, supporting athletes' performance in warm conditions by lowering their body temperature.



13.04.

Over 12,000 runners participate in Reebok's first Color Run in France starting at the Hôtel de Ville and finishing at Tour Eiffel in Paris.



14.04.

adidas and NBA All-Star point guard Damian Lillard of the Portland Trail Blazers announce the extension of their partnership.

MAY

12.05.

adidas presents Battle Pack, the official footwear collection for the 2014 FIFA World Cup in Brazil. Players such as Mesut Özil, James Rodriguez and Lionel Messi wear and showcase the boots during the event.



24.05.

adidas launches the 2014 FIFA World Cup Brazil commercial 'The Dream' featuring football players such as Lionel Messi, Dani Alves and Bastian Schweinsteiger. The video reaches more than 30 million views on YouTube within the first days after its launch.

27.05.

adidas launches miCoach Smart Ball, a ball technology with integrated sensors which capture data on how the ball is kicked. It also provides coaching tips and guidance to help players improve their game.



27.05.

CCM introduces its new Resistance helmet. The helmet's new technology helps better manage the rotational aspect of hockey hits to the head.

JUNE

02.06.

Reebok and Les Mills present 'The Project: Immersive Fitness' that takes studio workouts to the next level with an innovative and futuristic concept.



11.06.

adidas announces a strategic partnership with bluesign technologies, the leading Swiss provider of assessment tools in the textile industry. The common goal is to identify harmful chemical substances before the manufacturing process starts.

12.06.

The World Cup kicks off in São Paulo. As Official Sponsor, Supplier and Licensee of the 2014 FIFA World Cup, adidas again supplies the Official Match Ball of the tournament and equips officials, referees, volunteers and ball kids. In addition, nine teams and around 300 players compete for the World Cup title in Brazil in adidas products.



12.06.

8,000 fitness enthusiasts join Reebok's Spartan Race in Madrid.

16.06.

TaylorMade sponsored asset Martin Kaymer captures the 2014 U.S. Open, becoming the first German to win this tournament.





OPERATIONAL AND SPORTING

HIGHLIGHTS

2014

Q3

JULY

09.07.

adidas presents the latest addition to its miCoach digital fitness system with the introduction of Fit Smart – a training device that measures heart rate, calories, pace, distance and stride rate, all from the wrist.



13.07.

adidas sponsored team Germany wins the 2014 FIFA World Cup. From having both finalists, the winning team and all three adidas golden award winners to achieving record football sales of € 2.1 billion and being the most talked-about brand in social media, adidas dominated the tournament on and off the pitch.



14.07.

TaylorMade introduces its Tour Preferred Ultimate Driving Iron (UDI), a club designed to deliver long distance on tee shots.

14.07.

adidas and Manchester United announce an Official Partnership. Starting with the 2015/2016 season, adidas will become the global Technical Sponsor and Official Licensing Partner of Manchester United for ten years.

18.07.

CCM presents its new Tacks skate, engineered to provide players with explosive acceleration.



27.07.

adidas' game-changing Boost technology is officially introduced to basketball. NBA stars Damian Lillard and Derrick Rose present the new Crazylight Boost and D Rose 5 Boost to media in Las Vegas, Nevada.

31.07.

Reebok opens its new Union Square FitHub in the heart of Manhattan. It follows the successful openings of four other Reebok FitHubs in the New York/New Jersey region.



AUGUST

05.08.

Reebok launches the CrossFit Nano 4.0 – the latest generation of the 'official shoe of fitness' – in retail.



22.08.

The adidas Originals #miZXFLUX app takes sneaker customisation to the next level, giving users the possibility to apply any image in the world from their smartphone to their ZX Flux model.



SEPTEMBER

03.09.

adidas and brand ambassador Selena Gomez host #NEOrunway, the world's first tweet-powered fashion show, in New York City. Entirely created by teens around the world, the event unveils adidas NEO's new collection in a unique show for the digital age.

04.09.

adidas and Rita Ora launch their first joint adidas Originals by Rita Ora collection in London.



28.09.

adidas athlete Dennis Kimetto runs the fastest marathon in history with a time of 2:02:57 wearing the adizero Adios Boost at the 2014 Berlin Marathon.



OPERATIONAL AND SPORTING

HIGHLIGHTS

2014

Q4

OCTOBER

13.10.

adidas Golf presents the next generation of the tour360 footwear franchise: tour360 x. The all-new outsole is designed to increase stability and surface area contact throughout the swing.



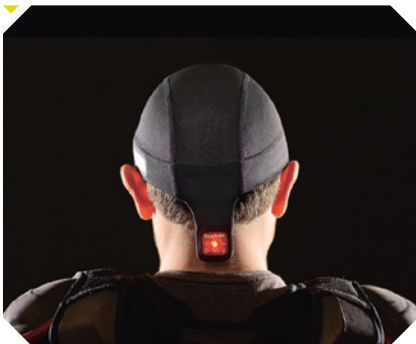
15.10.

TaylorMade launches its new RSi irons. Their technology is designed to improve consistency and distance on off-centre hits.



15.10.

Reebok Checklight receives the 2014 Innovation By Design Award. The Checklight skull cap that can be worn in all helmeted and non-helmeted contact sports activities uses motion sensors to measure any impact the athlete experiences and displays actionable impact level data.



27.10.

adidas launches the new #openallwinter campaign. The global campaign presents the new ClimaHeat range: a diverse range of winter products that thanks to their outstanding insulation properties will keep their wearer warm even in extreme conditions.



NOVEMBER

10.11.

adidas Originals presents another new silhouette: the Tubular. It embodies adidas Originals' creative future-oriented philosophy with a new bold and progressive sneaker design.



12.11.

Lukas Irmler and Reinhard Kleindl become the first slackliners to successfully cross the Victoria Falls in Africa in a height of 100 metres. adidas is sponsor of the two athletes as well as the spectacular project.



24.11.

Reebok announces the acquisition of the boxing and martial arts brand Luta and its alliance with 'Fight for Peace', a non-profit organisation which helps young people in communities affected by crime and violence.

25.11.

The #miadidasstudio – an atelier and place of inspiration – opens its doors in Berlin. In these surroundings, adidas Originals has created a place for its fans to experience adidas Originals customisation.



DECEMBER

02.12.

Reebok announces its partnership with Ultimate Fighting Championship (UFC). Reebok will become the exclusive global outfitter of all UFC athletes and will also provide apparel for UFC fans.



03.12.

The Footwear News magazine 'Shoe of the Year' award goes to the Stan Smith. Since its initial launch, 40 million pairs have been sold worldwide, making it the best-selling adidas shoe of all time.



MAJOR SPORTING EVENTS 2015

Our Group's most important upcoming sporting events are listed in this overview.

JAN / FEB  ▶ MAR  ▶

JAN 15 – FEB 1

**IHF Men's Handball
World Championship**
QATAR
adidas Official Sports
Equipment Outfitter

JAN 17 – FEB 8

CAF Africa Cup of Nations
EQUATORIAL GUINEA
adidas Official Sponsor and
Official Match Ball Supplier

FEB 13 – 15

NBA All-Star Weekend
NEW YORK, USA
adidas Official Outfitter of
National Basketball Association

MAR 5 – 15

Biathlon World Championships
KONTIOLAHTI, FINLAND
Supplying Gold Partner of
International Biathlon Union

MAR  ▶ APR  ▶ MAY  ▶

MAR 28

**IAAF World
Cross Country Championships**
GUIYANG, CHINA
Official IAAF Partner

APR 20

Boston Marathon
BOSTON/MASSACHUSETTS,
USA
adidas Official Apparel and
Footwear Outfitter

APR 26

Virgin Money London Marathon
LONDON, UK
adidas Official Sponsor for
Footwear and Sportswear

MAY 14

**UEFA Women's Champions League
Final**
BERLIN, GERMANY
adidas Official Sponsor

MAY  ▶ MAY / JUN  ▶ JUN  ▶

MAY 27

UEFA Europa League Final
WARSAW, POLAND
adidas Official Supplier Partner

MAY 24 – JUN 7

French Open – Roland Garros
PARIS, FRANCE
adidas Official Supplier

JUN 6

UEFA Champions League Final
BERLIN, GERMANY
adidas Official Sponsor

JUN 13

adidas NYC Grand Prix
NEW YORK, USA
adidas Official Title Sponsor

JUN / JUL  ▶ AUG  ▶ SEP  ▶ DEC  ▶

JUN 6 – JUL 5

**FIFA
Women's World Cup**
CANADA
adidas Official FIFA Partner

AUG 22 – 30

**IAAF
World Championships**
BEIJING, CHINA
adidas Official IAAF Partner

SEP 27

BMW Berlin Marathon
BERLIN, GERMANY
adidas Official Main Sponsor

DEC 5 – 20

**IHF Women's Handball
World Championship**
DENMARK
adidas Official Sports Equipment Outfitter

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also available in German.

For further adidas Group publications,
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Investor Relations and Media App from the App Store.

To improve readability, registered trademarks
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