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**“At A Glance”
The Story of the adidas Group**

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The adidas Group at a glance

adidas – a name that stands for competence in all sectors of sport around the globe. The vision of company founder Adolf (“Adi”) Dassler has long become reality and his corporate philosophy the guiding principle for successor generations.

The idea was as simple as it was brilliant. Adi Dassler’s aim was to provide every athlete with the best possible equipment. It all began in 1920, when Adi Dassler made his first shoes using the few materials available after the First World War.

Today, the adidas product range extends from footwear and apparel to accessories for all kinds of different sports. The key priorities are: running, football, basketball and training.

In 1949 Adi Dassler first registered adidas in the commercial register (Handelsregister) in Fürth (near Herzogenaurach). The official name of the company back then was “Adolf Dassler adidas Sportschuhfabrik”. After a period spanning almost 70 years, the Dassler Family withdrew from the company in 1989, and the enterprise was transformed into a corporation (“Aktiengesellschaft”).

French-born Robert Louis-Dreyfus was Chairman of the Executive Board from April 1993 to March 2001. It was he who initiated adidas’ flotation on the stock market in November 1995. Since 2001, Herbert Hainer has been leading the Group.

adidas Group – In 1997, adidas acquired the Salomon group, and the company’s name changed to adidas-Salomon AG. The Salomon group also included the TaylorMade golf brand.

In October 2005, the Salomon business segment, including the related subsidiaries and brands Salomon, Mavic, Bonfire, Arc’Teryx and Cliché, was sold to the Finnish Amer Sports Corporation. The company changed its legal name to “adidas AG” following shareholder approval at the Annual General Meeting in May 2006.

On January 31, 2006, adidas-Salomon AG acquired Reebok International Ltd. The closing of the Reebok transaction marked a new chapter in the history of the adidas Group. By combining two of the most respected and well-known brands in the worldwide sporting goods industry, the new Group benefits from a more competitive worldwide platform, well-defined and complementary brand identities, a wider

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range of products, and a stronger presence across teams, athletes, events and leagues. And in June 2006, the company's name is changed to adidas AG.

The adidas Group has well over 42,000 employees worldwide, with more than 3,000 working at the company's headquarters in Herzogenaurach. A team of designers, product developers and experts for biomechanics and material technology carries out research in Portland and at adidas' second technology centre in Scheinfeld near Nuremberg.

In Scheinfeld models, prototypes and made-to-measure performance products are also manufactured and tested. It is here that adidas maintains the only sports shoe production facility still in existence in Germany.

More than 170 subsidiaries guarantee marketplace presence for products of the adidas Group around the world. Sales and distribution of adidas products is grouped in four regions worldwide: Europe/Emerging Markets, North America, Asia/Pacific and Latin America. Today, the adidas Group is Europe's biggest supplier of athletic footwear and sports apparel.

Adi Dassler - the man who gave adidas its name

Adolf Dassler was inspired by a single idea when he made his first shoes in 1920, at the age of just 20. His vision was to provide every athlete with the best footwear for his respective discipline. It was this principle that guided him right up until his death in 1978.

His first shoe, made from the few materials available in the difficult post-war period, was produced from canvas. A passionate athlete himself, from the very beginning Adi Dassler was in close contact with sports participants and was always present in person at important sports events.

Adi Dassler focused his work on the classic disciplines of track and field. In the mid 1920s he was already experimenting with spikes. Athletes wore special shoes from his workshop for the first time at the 1928 Olympic Games in Amsterdam.

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In the mid 1930s Adi Dassler was already making 30 different shoes for eleven sports, and he had a workforce of almost 100 employees. In less than two decades adidas advanced to become the world's leading sports shoe manufacturer.

After the turmoil of the Second World War, Adi Dassler made a fresh start. In 1947, with 47 workers, he began putting into practice the knowledge gained from the pre-war period and also new ideas. Adi Dassler made the first post-war sports shoes using canvas and rubber from American fuel tanks. In 1949 he registered the company named "Adolf Dassler adidas Sportschuhfabrik" in the commercial register in Fürth.

The breakthrough came for Adi Dassler when Germany won the Soccer World Cup in 1954. In the legendary Final against Hungary, the German team wore boots with screw-in studs – by adidas.

Parallel to the rapid developments in sport, Adi Dassler strove to specialize and optimize his products. Adi Dassler was the first entrepreneur to use sports promotion in order to make the public aware of his innovations. He started using well-known athletes as advertising for his products. Many famous athletes such as Jesse Owens, Muhammad Ali, Max Schmeling, Sepp Herberger and Franz Beckenbauer counted themselves among the friends of the Dassler Family.

Aggressive publicity became one of the cornerstones of his corporate policy. From now on, Adi Dassler came up with a product innovation for every major event, documenting the superiority of adidas footwear. In constant contact with active athletes in a wide variety of disciplines, he developed the optimal shoe for almost every sport. Together with his son Horst, Adi Dassler created an international company that was, and still is, present at all the world's major sporting events.

From the mid 1960s, adidas also started producing apparel for competition and training. Ball production began in 1963, and ever since 1970 the Official Matchball at all major soccer events has been an adidas product.

Adi Dassler died in 1978, at the age of 78. Carrying on his heritage and his ideas, his name and his developments will continue to help athletes in their efforts to push the limits of performance, on into the new millennium.

Following the death of the company founder, Adi Dassler's widow Käthe and his son Horst took charge of running the company. Horst Dassler perfected the opportunities offered by sports promotion. Under his guidance, adidas became a

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global leader in the sector of innovation in sports marketing. He was also responsible for establishing the brand in France. Horst Dassler died unexpectedly in 1987, at the early age of 51.

In 1989, adidas was transformed into a corporation (“Aktiengesellschaft”). At the beginning of the 1990s, after a difficult transition period, adidas returned to its roots and its original objective. Producing top products in top quality again became the company’s guiding principle. In 1991, adidas launched adidas EQUIPMENT, a line of performance-oriented, functional footwear and apparel.

With streetball in 1992, adidas started specifically addressing a younger target group. In 1993, Robert Louis-Dreyfus took over management of the company. The Frenchman initiated the comeback of the Three Stripes. In 1995, the adidas share was one of the most interesting new introductions on the stock market. In 1997, adidas AG and the Salomon group combined to form adidas-Salomon AG. In 1998 TaylorMade was separated from the Salomon Group and combined with adidas Golf. Since 2001, Herbert Hainer has been leading the Group.

In October 2005, the Salomon business segment, including the related subsidiaries and brands Salomon, Mavic, Bonfire, Arc’Teryx and Cliché, was sold to the Finnish Amer Sports Corporation.

On January 31, 2006, Reebok International Ltd. was acquired providing the new adidas Group with a footprint of around € 9.5 billion (\$11.8 billion) in the global athletic footwear, apparel and hardware markets.

The adidas story

1920

Adi Dassler makes his first shoe in his workshop in Herzogenaurach near Nuremberg in Germany. The shoe made of canvas was a training shoe for runners and cost two reichsmarks.

Adi Dassler followed three guiding principles in his development work: produce the best shoe for the requirements of the sport, protect the athlete from injury, and make the product durable.

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1925

Adi Dassler develops the first special shoes for soccer and track & field. For the first time shoes with studs and spikes are introduced.

He also constructs different shoes for the different distances and uses state-of-the-art materials to achieve a saving in weight.

1928

Adi Dassler's shoes are worn at the Olympic Games for the first time. Adi Dassler takes care of "his" athletes in Amsterdam and strives to optimize the respective shoes, working closely with the athletes. Lina Radke-Batschauer is the first athlete to win an Olympic gold medal in adidas shoes. She ran the women's 800m in world record time.

1931

Adi Dassler makes his first tennis shoes.

1936

The Olympic Games in Berlin are the sporting highlight for Jesse Owens. He sets new bests in almost all of the twelve events in which he competes. The black US-American is the most successful athlete in Berlin, winning four gold medals.

1937

Adi Dassler's range now comprises 30 different shoes for a total of eleven sports.

1946

The first Adi Dassler sports shoes produced after the war are made using canvas and rubber from American fuel tanks.

1948

Adi Dassler starts up production again, with 47 workers.

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1949

On August 18th, 1949, Adi Dassler first registers the “Adolf Dassler adidas Sportschuhfabrik” in the commercial register (Handelsregister) in Fürth.

Adi Dassler focuses his efforts on new football shoes. He produces his first shoes with moulded rubber studs.

1950

The first of the “Samba” all-round soccer shoes are launched on the market. The Samba continues to be regarded as the classic all-round training shoe today.

1952

adidas is the most widely worn German sports shoe brand at the Olympic Games in Helsinki. For the first time track shoes with removable spikes are used. Emil Zatopek wins three gold medals in one week, in adidas shoes. He triumphs in the 5,000m and 10,000m and in the marathon. An achievement that has not been repeated since. The first adidas sports bags are introduced.

1954

The German team wins the World Cup for the first time. Adi Dassler is at the game in Berne; at half-time he adapts the players’ shoes to the ground conditions, using screw-in studs. The soccer shoe worn in the Final in Berne is later called “World Champion”.

1957

Development of the first nylon half-soles for sprint shoes.

1960

At the Olympic Games in Rome, 75% of all track & field athletes rely on adidas shoes. Wilma Rudolph, who suffered from polio as a child, takes the gold in the 100m and 200m and in the 4x100m relay. To mark the Olympic Games, the “Rom” training shoe is launched.

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1962

adidas shoes dominate the Soccer World Cup in Chile. They are worn in all 32 games.

1963

The first adidas balls are developed and produced.

1964

adidas presents the lightest track shoe ever made. The "Tokio 64" weighs just 135 grams per shoe. At the Olympic Games in Tokyo, Willi Holdorf - in adidas - is the first German to take gold in the decathlon.

1967

The first adidas sports apparel is produced - with the ever popular Three Stripes, of course.

1968

adidas athletes also dominate the Olympic Games in Mexico. Dick Fosbury clears 2.24m with a new high jump technique and takes the gold medal. adidas is the first company in the world to produce injection-moulded multi-stud soles of polyurethane, giving a one-year guarantee on the sole. The first jogging shoe, "Achill", is launched.

1970

In Mexico an adidas ball, the "Telstar", is the official ball at a Soccer World Cup for the first time. Right up until the present day, all goals at major soccer events are scored with adidas balls.

1971

Muhammad Ali and Joe Frazier face each other in the "Fight of the Century". Both wear special boxing boots developed by Adi Dassler.

1972

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The German team wins the European Soccer Championships in adidas shoes. At the Olympic Games in Munich, Ulrike Meyfarth wins her first Olympic gold in the high jump. The “Adilette” is introduced, still one of the classics in the adidas range today.

1974

Following on the European Championship title, the German team wins the World Cup again. The first adidas tennis rackets are launched.

1976

Edwin Moses wins gold in the 400m hurdles at the Olympic Games in Montreal. The “TRX” jogging shoe is introduced. adidas also sets the pace in the winter sports sector, with newly developed X-country ski bindings.

1978

All goals at the Soccer World Cup in Argentina are scored with the “Tango”, the official matchball.

Adi Dassler dies at the age of 78. His son Horst carries on the adidas heritage.

1979

The “Copa Mundial”, the world’s best-selling soccer shoe ever, is launched. It is still being produced today in Germany, among other countries until today.

1980

The German team wins the European Soccer Championships for the second time, outfitted from head to toe in adidas.

1984

At the Olympic Summer Games in Los Angeles, 124 out of 140 nations compete in adidas. 259 medals are won in products with the Three Stripes. Ulrike Meyfarth wins her second Olympic gold medal (after 1972) in the high jump.

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1985

Eleven out of twelve teams at the European Basketball Championships put their trust in the Three Stripes. The “Marathon Training” running shoe is awarded a “very good” rating by Stiftung Warentest, the independent German consumer test institute. adidas is awarded the “German Marketing Prize”. adidas star Ivan Lendl plays his way to the top of the world tennis rankings.

1986

Again the spotlight is on adidas at the Soccer World Cup in Mexico. The adidas “Azteca”, the world’s first synthetic World Cup matchball, is introduced.

1987

Horst Dassler dies at the age of 51.

1988

adidas launches the revolutionary “TORSION®” sole system, still used today for a wide variety of sports shoes.

1989

adidas becomes a corporation (“Aktiengesellschaft”), but retains its family ownership.

1991

adidas EQUIPMENT is launched. The new label denotes performance-orientated footwear and apparel.

1992

At the Olympic Games in Barcelona, Heike Henkel takes the gold in the high jump. The first adidas streetball tournament takes place in Marx Engels Square in Berlin. Considered merely a trend in 1992, streetball has since become firmly established as a sport. Thousands of players compete to win in 3-on-3 fair-play games.

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1993

Robert Louis-Dreyfus becomes President of adidas AG. New sales and marketing strategies pave the way for the successful turnaround. The Originals wave surfaces. Trendsetters such as Madonna wear classic sports footwear and apparel in the 1970s style. The "Gazelle" is produced again in small quantities.

1994

The year of the comeback. adidas reports a clear upward trend in sales and earnings. "Predator®" is the name of the revolutionary soccer shoe introduced on the occasion of the Soccer World Cup in the USA. The "adidas Predator Cup", a soccer tournament for young talent, takes place for the first time in co-operation with the adidas Bundesliga clubs in Germany.

1995

It is now 75 years since Adi Dassler made his first shoes. adidas sets milestones in the events scene. adidas attracts participants and spectators to its events in the sectors of basketball, streetball, soccer, track & field, outdoor and tennis. Six years after the family-owned company was transformed into a corporation, adidas goes public. The adidas share is one of the most interesting new listings on the stock market in Germany.

1996

1996 turns out to be one of the most successful years in adidas history. At the European Soccer Championships and the Atlanta Olympic Games adidas successfully underlines its ambition to become the leading sports brand in the world.

Five of the 16 teams at the European Championships wear adidas. adidas also supplies the Official Matchball and equips the referees and linesmen. The innovative adidas soccer shoes with Traxion sole technology are an instant success and represent a new milestone in the development of soccer shoes. The German team wins the European Soccer Championships – fully outfitted in adidas.

adidas has chosen 1996, the centenary of the modern Olympic Games, to celebrate past successes and triumphs still to come - symbolized by the concept "We knew then - we know now". This concept reaps rich rewards with gold medals by Donovan Bailey (Canada) in the 100m, Lars Riedel (Germany) in the discus, Nourredine

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Morceli (Algeria) in the 1500m, Haile Gebrselassie (Ethiopia) in the 10,000m and Felix Savon (Cuba) in boxing. adidas equips 33 nations in Atlanta; 6,000 participants wear adidas, and adidas supplies products for 21 of the 26 sports. No other brand has been so closely associated with so many athletes in so many sports over so many years as adidas.

1997

A new generation of adidas athletes symbolizes the innovative technologies and contemporary design of adidas products.

Anna Kournikova in tennis, and David Beckham and Alessandro del Piero in soccer are just some of the exceptional talents in their sport who are on the way to becoming the stars of the future, with adidas.

adidas announces the acquisition of the Salomon group (with the brands Salomon, TaylorMade, Mavic and Bonfire). This acquisition creates one of the world's leading sporting goods groups with a portfolio of outstanding brands. The name of the new group is changed to adidas-Salomon AG.

1998

In June the adidas-Salomon share is admitted to the DAX, comprising Germany's 30 largest quoted companies.

The highlight of 1998 is the FIFA World Cup™ in France. adidas is the first sporting goods company to be named Official Sponsor of a Soccer World Cup and equips hosts France, who go on to become the new World Champions. adidas has worldwide license rights to the world's biggest single sporting event. adidas supplies the official World Cup matchball, equips 12,000 World Cup officials and volunteers, outfits the referees and linesmen and delivers numerous revolutionary soccer technologies. Alongside France, adidas is official supplier to Argentina, Germany, Yugoslavia, Romania and Spain.

1999

In the spring, adidas-Salomon employees move into reconfigured and refurbished headquarters. With the creation of the so-called "World of Sports" on a former US Army base, adidas-Salomon AG decides long-term in favour of Herzogenaurach as the company's corporate headquarters, and thus in favour of the birthplace of the

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adidas brand. In the first phase, the campus-style World of Sports provides space for 600 people working in the Global Marketing departments.

adidas celebrates its 50th anniversary. And following a successful turnaround, the company is now in top form. For the first time, adidas-Salomon AG exceeds DM 10 billion, with sales of DM 10.471 billion. The number of employees now totals 12,829 worldwide.

adidas is Official Sponsor of the Women's World Cup 1999 in the USA, underlining its dominant position as the number one soccer brand. Alongside Germany, adidas is partner to Sweden, Japan, China and Australia. The Three Stripes are also highly visible at the last sporting highlight of the millennium. adidas, as Official Sponsor, dominates the World Track & Field Championships in Seville, and is once again supplier to numerous federations and athletes. Additionally, adidas is named Official Supplier and Licensee for the European Soccer Championships in 2000.

In November, Herbert Hainer is appointed as Deputy Chairman and Chief Operating Officer of adidas-Salomon AG. He is to become Robert Louis-Dreyfus' successor as CEO in spring 2001.

2000

With its adidas brand, adidas-Salomon dominates the two outstanding sports events of the year: the European Soccer Championships in Holland and Belgium, and the Olympic Summer Games in Sydney. adidas, Official Supplier and Licensee of EURO 2000™, equips European Champions France and the most outstanding player of the tournament, Zinedine Zidane. Alongside Zidane, David Beckham (England), Patrick Kluivert (Holland) and Alessandro del Piero (Italy) wear the revolutionary new adidas soccer shoe, the EQUIPMENT Predator® Precision. More than 25% of the goals in this tournament are scored by players wearing this shoe. The adidas EQUIPMENT Silverstream is the Official Matchball of the tournament.

In Sydney, adidas underlines its competence as an Olympic brand. adidas is represented in 26 of 28 sports. More than 3,000 athletes wear adidas. adidas develops revolutionary products based on the concept of "Energy Maintenance" for six sports: swimming, track & field, cycling, fencing, weightlifting and wrestling. The most lasting impression of all is left by the adidas EQUIPMENT Full Body Swimsuit, in which Ian Thorpe, Australia's 17-year-old national hero, wins three gold medals and sets four world records, becoming the star of the Sydney Olympics.

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With the “Road to Sydney” program, adidas produces the first sporting goods soap in the industry’s history. It is televised worldwide by leading TV channels. Prior to this, adidas is named “Advertiser of the Year” and is presented with the prestigious Clio Award in New York.

In October, adidas-Salomon AG is selected to join the Dow Jones Sustainability Indexes (DJSI). The DJSI are the world’s first global indices tracking the performance of the leading sustainability-driven companies worldwide. In the Annual Review 2000, Dow Jones analyzed the social, environmental and financial performance of adidas-Salomon AG and concluded that adidas-Salomon is an industry leader on sustainability issues. In particular Dow Jones recognized that adidas-Salomon has made significant progress in improving the social and environmental conditions in the factories which supply its products.

adidas underlines its position as the undisputed market leader in soccer and signs a long-term agreement as Official Sponsor and Licensee of the FIFA World Cup™ 2002 and 2006 and the Women’s World Cup 2003.

Also in October, adidas-Salomon presents an exciting new structure for its core brand adidas in New York. Instead of the traditional divisional structure of Footwear and Apparel/Accessories, adidas has three divisions: Forever Sport, Original and EQUIPMENT. In 2002, the divisions were renamed into adidas Sport Performance, adidas Sport Heritage and adidas Sport Style. As of 2007, there are two divisions: Sport Performance - intending to support and equip all athletes in the best possible way and Sport Style – targeting the lifestyle consumer.

November 3 marks the 100th birthday of the late Adi Dassler, the founder of adidas.

adidas-Salomon’s sales are at a new record level in 2000 reaching € 5.8 billion. The Growth and Efficiency Program, initiated earlier in the year, is completed, successfully paving the way for future success for the Group.

2001

Herbert Hainer is officially appointed as CEO and Chairman of the Executive Board of adidas-Salomon AG effective March 8, 2001.

adidas, as the first brand in the sporting goods industry, launches the “Customization Experience” project introducing a new business model in the

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industry giving consumers the opportunity to create their own unique footwear to their exact personal specifications in terms of function, fit and looks.

In September the first adidas Originals store opens in Berlin, followed by Tokyo in December. In addition, the first adidas megastores open in Paris and Amsterdam.

adidas and Germany's most successful football club FC Bayern Munich agree on a unique strategic partnership. While acquiring a 10% stake in FC Bayern Munich AG, adidas renews its contract as official sponsor, supplier and licensee until 2010.

adidas-Salomon achieves record-breaking sales of € 6.1 billion. Management keeps its promise of a 15% increase in earnings per share by putting together a team that is committed to maximizing the financial results through the Group's passion for performance, innovation and heritage.

adidas-Salomon ends the year as the top performer in the DAX-30, Germany's leading stock index, with a gain of 28%, and the share price outperforms the index by 48%.

2002

At the Olympic Winter Games in Salt Lake City, adidas and Salomon athletes win a combined 191 medals (62 gold, 67 silver and 62 bronze). adidas outfits more than 50% of all individual athletes, eight national Olympic teams and several sports federations at these Games. Overall highlights include Christoph Langen and André Lange in bobsled and the victorious German women's biathlon team, all wearing adidas. The list of victorious Salomon athletes is headed by Janica Kostelić who wins a historical 4 medals (including 3 golds) at Winter Games in alpine skiing, and Fritz Strobl who wins the marquee men's downhill event, both using Salomon skis.

adidas opens its new North American headquarters in February. The adidas Village, as it is called, is located 5 minutes from downtown Portland in an area undergoing a program of urban renewal and unites all adidas and Salomon employees in Portland, Oregon under one roof.

In March, ClimaCool®, adidas' footwear innovation featuring a 360° ventilation system, makes its global debut. Through the introduction of new, breathable materials in all areas of the shoe, ClimaCool™ allows consumers' feet to "feel the breeze". One month later, adidas introduces its second innovation for the year. a³ (pronounced "a-cubed") is more than a cushioning system. It is an Energy

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Management system that cushions, guides and drives the foot for the perfect footstrike.

The 2002 FIFA World Cup™ in Korea and Japan in June gives adidas the perfect platform to further strengthen and extend its leadership in football and improve its market position in Asia. adidas presents the Predator® Mania, an improved version of the earlier Predator® boots, and football players wear jerseys with the Dynamic Layering Concept. The Fevernova™ is the Official Matchball for the 2002 FIFA World Cup™.

adidas confirms its football leadership by selling over 6 million footballs, more than 1.5 million replica jerseys and over half a million pairs of Predator® Mania.

As in 2001, the adidas-Salomon share is once again the top performer in the DAX-30, Germany's leading stock index. Group sales rise 7% to reach a record level of € 6.5 billion.

2003

adidas signs a sponsorship agreement for the European Football Championships 2004 in Portugal, thus becoming the official sponsor of every major football tournament and event. Besides the 2003 FIFA Women's World Cup™ and the UEFA Champions League™, adidas is also already signed on as the official sponsor for the 2006 FIFA World Cup Germany™. With the agreement, the company once again manifests its position as the world's leading football brand.

Over the summer, the new JetConcept makes its successful entry into the swimming world when adidas launches this new bodysuit at the FINA World Swimming Championships in Barcelona, an event also sponsored by the company. Thanks to small integrated riblets, the JetConcept reduces the drag a swimmer faces in the water. Ian Thorpe, the first swimmer to ever wear the revolutionary suit, wins two gold medals, one silver medal and one bronze medal.

In order to optimize its debt structure and financing terms, adidas-Salomon launches a € 400 million convertible bond offering in August. The bond's maturity is set at 15 years and is convertible into approximately 4 million shares of adidas-Salomon AG.

In September, adidas-Salomon is included in the Dow Jones Sustainability Indexes (DJSI) for the fourth consecutive time.

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Also in September, adidas opens three new Originals Stores. The store in Miami South Beach marks the second opening in the US after New York. Korea welcomes its first adidas Originals Store in Seoul, and Italy sees a new grand opening in Milan.

In October, the adidas sponsored German football team celebrates its fourth title at the 2003 Women's Football World Cup in the United States. Nia Künzer scores the Golden Goal for the 2-1 victory over Sweden in an unforgettable final.

In November, Herbert Hainer, CEO and Chairman of the Executive Board of adidas-Salomon AG, receives the Bambi in the business category.

In December, adidas moves some of the major marketing positions to its North American headquarters in Portland, Oregon. Erich Stamminger, in addition to his responsibilities as member of the Executive Board of adidas-Salomon AG, takes on the position as CEO and President of adidas America Inc. This move allows adidas to further strengthen its efforts in North America.

At the end of the year, adidas celebrates the opening of the new Factory Outlet in Herzogenaurach. The outlet consists of a 3,500 square metre building with sales floor space of around 2,000 square metres.

Despite tough market conditions, 2003 turns out to be a record year for adidas-Salomon. Sales reach € 6.3 billion, which equals a 5% improvement in currency-neutral terms. Net income increases by 14% to € 260 million: another record high.

2004

"Impossible is Nothing" is the central message of a global brand campaign that adidas launches in February. It brings to life the attitude adidas shares with athletes around the world – the desire to render the impossible possible, to push yourself further, to surpass limits, to break new ground. The campaign shows the rich stable of adidas athletes past and present, including the greatest of all time, boxing legend Muhammad Ali, long-distance runner Haile Gebrselassie, football icon David Beckham and NBA star Tracy McGrady.

At the beginning of the year adidas launches the new PredatorPulse™, the best football boot ever made, thus underlining its position as the number one brand in football. The new Predator® football boot features the revolutionary PowerPulse™ technology. This technology is based on a simple principle already used in the

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construction of tennis rackets and golf clubs: optimal distribution of the mass. The Predator®, which celebrates its 10th birthday this year, is the world's best selling football boot and is endorsed by some of the world's best players such as FIFA World Player of the Year Zinedine Zidane, David Beckham, Raúl, Michael Ballack, Kaká and Rui Costa.

In March adidas and David Beckham take their long-lasting relationship to an even higher level. They extend their contract until 2008 and at the same time unveil David Beckham's personal logo. This logo represents the merging together of two of the most powerful brands in world sport.

adidas has a role as a National Supporter and Official Licensee of UEFA EURO 2004™ in Portugal and Official Supplier of the matchball, the Roteiro™. adidas outfits five federations: Greece, France, Germany, Spain and Latvia.

The UEFA EURO 2004™ ends with a tremendous success of the Greek national football team. The Greek team clearly proves that sport is about achieving the impossible. When they entered EURO, Greece had never won a match in a major tournament. When they left, they were European Champions. With this victory, five out of the six most recent European champions were wearing the adidas Three Stripes.

For adidas, the UEFA EURO 2004™ also proves to be a commercial success. More than 1.3 million replica jerseys, over 1.2 million UEFA EURO 2004™ licensed products and more than 250,000 pieces of our newly introduced women's football range have been sold.

In August adidas uses the Olympic Games in Athens as a platform for showcasing the brand once again. adidas is official outfitter of 22 National Olympic Committees, including host nation Greece, the USA, Germany, Great Britain, France and Cuba. In total, more than 4,000 athletes from 45 different countries compete in the Three Stripes and adidas provides products for 26 out of the 28 Olympic sports.

Athletes wearing adidas shoes or apparel win 147 gold, 73 silver and 93 bronze medals. Among the successful adidas athletes are record-setting swimmer star Ian Thorpe (Australia), high jumper Hestrie Cloete (South Africa), running legend Haile Gebrselassie (Ethiopia), weightlifter Pyrros Dimas (Greece), 100m World Champion Kim Collins (St. Kitts and Nevis), Olympic Sprint Champion Maurice Greene (USA) and the record-breaking decathlete Roman Sebrle (Czech Republic), who debut adidas' latest innovations in footwear and apparel at the Olympic Games.

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In September adidas and Stella McCartney announce a long-term partnership, presenting the *adidas by Stella McCartney* sport performance collection. For the first time ever a high-end fashion designer has created a functional sport performance range for women. The first collection is available in stores across the US, Japan and Europe starting spring/summer 2005.

In December, after three years of highly confidential in-house development, the most advanced shoe ever hits selected markets: the "adidas_1" provides intelligent cushioning by automatically and continuously adjusting itself. It does so by sensing the cushioning level, using a sensor and a magnet. It then understands whether the cushioning level is too soft or too firm via a small computer.

2004 is another outstanding year for adidas-Salomon AG. The gross margin reaches an all-time high of 47.2%, net income increases by 21% and sales grow 7% to reach € 6.478 billion. Sales in the football category see a more than 20% increase to over € 900 million.

2005

New partnerships are signed at the beginning of 2005: adidas announces its new role as the Official Sportswear Partner for the Beijing 2008 Olympic Games. Additionally, adidas will outfit the Chinese Olympic teams for the Turin 2006 Olympic Winter Games and the Beijing 2008 Olympic Games. This agreement will be a powerful contributor to increasing adidas' brand profile with consumers in the Asian market. Together with Chelsea Football Club, adidas also announces a sponsorship agreement which comes into effect for the 2006/7 season.

On May 2, adidas-Salomon AG enters into a sale and purchase agreement to sell its Salomon business segment, including the related subsidiaries and brands Salomon, Mavic, Bonfire, Arc'Teryx and Cliché, to Amer Sports Corporation. The transaction is completed on October 19, 2005.

In July, adidas-Salomon AG and Porsche Design Group sign a long-term strategic partnership including licensing agreement. The objective of the cooperation is to jointly establish a hi-tech premium brand in the sports sector. The first products become available in 2007 worldwide.

In the run-up to the Track and Field World Championships, adidas and Polar introduce the world's first completely integrated training system. Called 'Project

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Fusion', it seamlessly integrates Polar heart rate and speed and distance monitoring equipment into adidas apparel and footwear. The products become available in spring 2006.

adidas athlete Elena Isinbayeva makes history and becomes the first female pole vaulter to clear 5 metres. At the Track and Field World Championships in Helsinki, Elena beats her own world record by one centimetre. Other adidas athletes are also successful: Jeremy Wariner (400m), Allyson Felix (200m) and Jaouad Gharib (marathon) dominate their disciplines to become World Champions.

On August 3, adidas-Salomon AG announces the planned acquisition of Reebok. The combination of adidas and Reebok accelerates the adidas Group's strategic intent in the global athletic footwear, apparel and hardware markets. The transaction value is approximately € 3.1 billion.

The adidas Group closes 2005 with 12% growth in currency-neutral sales. The operating margin reaches a record-level high, and operating profit is up by 21%. Net income attributable to shareholders increases 22% to € 383 million.

2006

On January 31, 2006, adidas-Salomon AG announces that it has closed its acquisition of Reebok International Ltd. providing the new adidas Group with a footprint of around € 9.5 billion (\$11.8 billion) in the global athletic footwear, apparel and hardware market.

"We are delighted with the closing of the Reebok transaction, which marks a new chapter in the history of our Group," says adidas-Salomon AG Chairman and CEO Herbert Hainer. "By combining two of the most respected and well-known brands in the worldwide sporting goods industry, the new Group will benefit from a more competitive worldwide platform, well-defined and complementary brand identities, a wider range of products, and a stronger presence across teams, athletes, events and leagues."

With a history that dates back to 1895, when JW Foster created the first track spike in Bolton, England, Reebok began operating in the US in 1979 and started aggressive international expansion in the late 1980s.

At the Investor Day in London on April 11, the adidas Group and the National Basketball Association announce an 11-year strategic global merchandising

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partnership that will make the adidas brand the official uniform and apparel provider for the NBA, the Women's National Basketball Association (WNBA) and the NBA Development League (D-League) beginning with the 2006-07 NBA season. The Reebok brand will continue to be a global marketing partner of the NBA and will maintain the ability to create NBA branded footwear.

At the Annual General Meeting in Fürth/Germany on May 11, shareholders approve the renaming of adidas-Salomon AG to adidas AG.

adidas is the clear winner of the 2006 FIFA World Cup™. "We exceeded all of our football and business goals for the World Cup." With these words, Herbert Hainer sums up adidas' role as Official Sponsor, Supplier and Licensee of the 2006 FIFA World Cup™. By achieving record football sales of over € 1.2 billion, up more than 30% from 2005, adidas succeeds in further expanding its global football market leadership position. A record 3 million replica jerseys are sold, including 1.5 million jerseys of the German national team. In comparison, adidas sold 1.5 million federation jerseys and 250,000 German jerseys at the last World Cup in 2002.

The next major football events are just around the corner. In June, UEFA and adidas sign a long-term partnership granting adidas the global sponsorship rights for the UEFA EURO 2008™ in Austria and Switzerland. In addition, UEFA and adidas extend their UEFA Champions League partnership, making adidas the Official Ball Supplier for the UEFA Champions League until 2009.

In September, Reebok launches its new global ad campaign "When Did I Know?", celebrating the individuality and exploring the defining moments of its NFL superstars. As a reflection of Reebok's brand positioning of individuality and authenticity, each ad depicts the precise instant when Reebok's top players knew they were destined for greatness. As the official outfitter of the NFL, Reebok is the only brand with the ability to show some of the league's best athletes, including Peyton Manning (Indianapolis Colts), Vince Young (Tennessee Titans) and Roy Williams (Dallas Cowboys), in this unique and poignant light.

Additionally further successful collaborations with Yohji Yamamoto and Stella McCartney are both extended until 2010.

In November the adidas Group announces the sale of the Greg Norman Collection wholesale business to MacGregor Golf Company.

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2007

One year after the closing of the acquisition of Reebok by the adidas Group, the company outlines the strategic direction of the brand for 2007 and beyond. At the Reebok Global Headquarters in Canton, Massachusetts in January, Herbert Hainer, Chairman and CEO of the adidas Group, Paul Harrington, President and CEO of Reebok, and Uli Becker, Chief Marketing Officer of Reebok, explain their new and sustainable positioning to turn Reebok into an American-inspired, global brand that celebrates individuality in sport and life.

The three-divisional set-up, established in 2000, has been very successful for adidas. Now, the divisional structure is evolving. At the core, there will be a two-divisional set-up of Sport Performance and Sport Style. Within Sport Performance, clear focus lies on Running, Football, Basketball and other global performance categories. Sport Style, comprised of the previous Sport Heritage and Sport Style divisions, will specifically target the lifestyle consumer.

In March, adidas presents the evolution of its brand attitude “Impossible is Nothing” with a campaign that encourages everyone to take their first step in reaching their impossible. Through stories of real sports heroes attempting and achieving what once seemed like impossible goals, adidas hopes to inspire people to think about their own obstacles and how to overcome them.

In April, Reebok launches a groundbreaking campaign showing the ease of running at the speed of chat. The “Run Easy” philosophy is born out of the conviction that running has, over time, become focused on performance, distance and speed. The multi-faceted campaign features celebrities from around the world demonstrating its central message, that running should be about enjoying the ride.

In August, the German Football Association (DFB) and adidas announce the long-term extension of their successful partnership of more than 50 years until the year 2018. Under the new endorsement agreement, adidas will remain Official Outfitter of the DFB until the end of 2018 and will continue to supply the complete ranges of match, training and leisure apparel for all DFB teams. “The cooperation between adidas and the DFB is undeniably something very special. There are only few other examples in the world of such a strong and proven partnership between a company and a federation. I am glad to see one of the longest and most successful partnerships in sport continue with this new agreement,” said Herbert Hainer, CEO and Chairman of adidas AG.

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In September, the Rockport Company takes an evolutionary leap with the highly anticipated global launch of the Rockport with adidas TORSION® collection. From its contemporary style and design to its advanced performance and comfort features, the new collection builds on Rockport's legacy in footwear innovation and further highlights the synergies at play within the adidas Group.

In December, adidas unveils the adidas "EUROPASS", the match ball for the UEFA EURO 2008™. As the Official Sportswear Partner of this major sports event, adidas will supply all officials, referees, volunteers and ball boys. With the broad presence in Europe and beyond, adidas wants to further strengthen and extend its global football market leadership.

Towards the end of the year, the adidas Sport Style division presents new highlights of the Y-3 collection at the New York Fashion Week. Separately, adidas announces a new product collaboration with Diesel - adidas Originals Denim by Diesel becomes available in stores in February 2008.

2007 is a record year for the adidas Group - generating sales of € 10.3 billion and posting a net income of € 551 million.

2008

In February TaylorMade-adidas Golf announces the sale of its Maxfli and related trademarks to Dick's Sporting Goods. The Noodle trademark and all golf ball patents remain with TaylorMade-adidas Golf.

As of April 1, Uli Becker is the new President and CEO of the Reebok brand. The former Chief Marketing Officer of Reebok succeeds Paul Harrington.

adidas and Samsung announce their strategic partnership in March and unveil miCoach - a real-time training system included in a mobile phone, designed to motivate, inspire and enable athletes at all levels to reach their training goals. It is the most advanced interactive training system by collecting and turning personal data into individual training plans based on one's fitness level and specific goals.

Also in April, adidas launches the football campaign for 2008 in Germany. The world's biggest football stars meet the world's smallest football teams in a film project called "Dream Big". The concept continues the adidas tradition of showcasing elite-level athletes alongside real people, inspiring and enabling them to

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achieve their impossible, further enhancing the brand statement “Impossible is Nothing”.

The UEFA EURO 2008™ in Austria and Switzerland starts in June. adidas, as the Official Partner and Licensee, produces the match ball EUROPASS and equips five national teams: Germany, Spain, France, Romania and Greece are among the 16 best teams in Europe to fight for the title.

Spain takes the European Championship title in an exciting all-adidas final. On the business side, the UEFA EURO 2008™ is also a very successful event for adidas, underlining the brand’s leadership in the football market worldwide.

In July, Reebok and driving ace Lewis Hamilton announce a multi-year partnership at a spectacular media event. At the event, Reebok unveils “The Athlete within the Driver,” giving media a rare insight into Hamilton’s demanding fitness regime. Hamilton reveals how Reebok’s new SmoothFit™ training footwear and apparel range is helping him to train better than ever before.

In August, the highly anticipated Beijing 2008 Olympic Games start. As Official Sportswear Partner, adidas supplies around 3 million products to more than 100,000 federations, volunteers, officials, all torch bearers and others. In addition, more than 3,000 athletes, 16 National Olympic Committees and 214 federations compete in adidas products from the “Made for Beijing” collection.

Among the successful adidas athletes who win Olympic Gold are double Olympic swimming champion Britta Steffen (Germany), Britain’s cycling sprint sensation Chris Hoy, US gymnast Shawn Johnson, 110m hurdler Dayron Robles (Cuba), Italian fencing legend Maria Valentina Vezzali, Norwegian javelin champion Andreas Thorkildson, footballer Lionel Messi from Argentina and judo champion Xian Dongmei (China).

After the closing of the Olympic Games, adidas also celebrates huge business success: The adidas Group is market leader in China and will continue to expand this position in the years to come. The opening of the world’s largest adidas store in Beijing and Reebok’s contract with Chinese basketball superstar Yao Ming contribute to this success.

adidas will also be Official Sportswear Partner of the London 2012 Olympic and Paralympic Games. The partnership with London 2012 will be the biggest single investment adidas has ever put into a UK sporting event.

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In September, adidas and the Russian Football Union (RFU) announce a long-term partnership until 2018. Both partners work together in order to promote football on all levels. Under the new agreement adidas will supply all RFU teams including the Olympic football team.

The adidas Group announces in October that TaylorMade-adidas Golf has successfully completed its tender offer for the outstanding shares of Ashworth, Inc. Through the acquisition of Ashworth, TaylorMade-adidas Golf becomes the leading and most balanced golf apparel company with a complete apparel offering for golfers globally. The transaction enables TaylorMade-adidas Golf to widen its product range, to further strengthen its distribution platform and to extend its marketing presence.

With a profit of € 642 million and sales of € 10.8 billion, 2008 ends as another record year for the adidas Group.

2009

In 2009, the adidas brand celebrates its 60th anniversary. adidas Originals launches “60 years of Soles and Stripes”, a campaign that honours the 3-Stripes with a big house party.

In March, Reebok and the entertainment company Cirque du Soleil announce their partnership. The innovative gym workout for women, JUKARI Fit to Fly™, is the first in a series of initiatives to come out of this new, long-term partnership.

After an eight-year period of continued expansion and double-digit earnings growth, in May the adidas Group decides to create a new organisational structure to set the foundation for sustainable long-term growth. This realignment of the business will speed up the Group’s efforts to successfully navigate the challenging market environment and to emerge from the economic downturn even stronger than before.

Following the successful roll-out in Asia, the adidas Group implements a Joint Operating Model between adidas and Reebok in Europe and in Latin America. Within this new organisational structure, both the adidas and the Reebok brand remain separate and distinct while leveraging the Group’s strength with its customers and in all back-office functions.

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In addition, the adidas Group announces its decision to separate the responsibilities between global brand and global sales management on the Board level. Going forward, Board responsibilities are as follows:

- Herbert Hainer, CEO, Global Sales
- Glenn Bennett, Global Operations
- Robin Stalker, Chief Financial Officer
- Erich Stamminger, Global Brands

At the Annual General Meeting of the adidas Group in May, it is announced that the mandate of Herbert Hainer, adidas Group CEO, due to expire in 2010, has been extended. Herbert Hainer started his career with adidas in 1987 and was appointed CEO in March 2001.

At its constituent meeting, the newly composed Supervisory Board of adidas AG elects Igor Landau as the new Chairman of the Supervisory Board. Igor Landau succeeds Dr. Hans Friderichs, who did not stand for re-election at the regular Supervisory Board elections during this year's Annual General Meeting.

On July 4, the adidas Group's former CEO Robert Louis-Dreyfus passes away, aged 63. From April 1993 to May 2001 he led the company and the adidas brand back to the top of the global sporting goods industry with new marketing and sales strategies. The adidas Group is deeply indebted to Robert Louis-Dreyfus. Without any doubt, we owe the excellent market position our company enjoys today in great part to the outstanding legacy of Robert Louis-Dreyfus.

The International Day of Peace on September 21 marks the kick-off for a historical gesture between adidas and PUMA: In support of the peace initiative "PEACE ONE DAY" the two sportswear companies shake hands for the first time after six decades. As a sign of amicable cooperation, employees of both companies play football together in the Adi-Dassler-Stadium at the adidas Group's headquarters in Herzogenaurach. These events are the first joint activities of both companies since their founders Rudolf and Adi Dassler left their shared enterprise and established adidas and PUMA more than 60 years ago. The joint initiative aims at raising awareness for PEACE ONE DAY and the necessity of global peace.

The year 2009 ends with another highlight: In December, adidas together with FIFA presents the adidas JABULANI, the Official Match Ball for the 2010 FIFA World Cup South Africa™. The name JABULANI originates from the Bantu language isiZulu, one of the eleven official languages of the Republic of South Africa. Literally translated, "JABULANI" means "to celebrate". Comprising only eight, completely new,

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thermally bonded 3-D panels, which for the first time are spherically moulded, the JABULANI is perfectly round and even more accurate than any ball ever before. The newly developed “Grip’n’Groove” profile allows an exceptionally stable flight and perfect grip under all conditions. The launch of the Official Match Ball marks the start of the countdown to the 2010 FIFA World Cup™ in South Africa.

The year 2009 for the adidas Group closes with sales of € 10.38 billion and net income of € 245 million.

2010

The year 2010 starts with Reebok International Ltd. and Armani S.p.A. announcing a multi-year global alliance in January. Aiming to create a special collection, combining active style with sport and technology – EA7 and Emporio Armani labels team up with Reebok’s innovation and technologies, resulting in the ultimate active wear concept. The collection is infused with Reebok’s sporting DNA and its unique fitness and training heritage.

In March, adidas and the National Basketball Association (NBA) announce an extension of their global partnership giving adidas exclusive rights to all apparel in Europe beginning with the 2010-11 NBA season. Products are available beginning October 1, 2010 to coincide with the tip-off of NBA Europe Live presented by EA SPORTS™.

The sporting highlight of the year is the 2010 FIFA World Cup South Africa™ starting on June 11. adidas is the Official Sponsor, Supplier and Licensee of the FIFA World Cup™ and provides the Official Match Ball JABULANI as well as the equipment for all officials, referees, volunteers and ball kids. In the 2010 FIFA World Cup™, adidas equips more than 200 players as well as 12 teams: host nation South Africa, the to-become world champion Spain, Germany, Argentina, Mexico, Paraguay, France, Japan, Nigeria, Slovakia, Denmark and Greece.

The 2010 FIFA World Cup™ is a great sales success for adidas underlining the global power this tournament has: adidas achieves record sales of more than 1.5 billion Euro in the football category. Altogether, more than 6.5 million replica jerseys have been sold; this includes bestsellers such as Germany, Mexico, South Africa, Argentina and Spain with sales of around 1 million units or more each.

Also in June, Herbert Hainer announces that the adidas Group’s golf division TaylorMade-adidas Golf has achieved global market leadership and is now the biggest golf company worldwide. TaylorMade-adidas Golf is the number one in terms

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of sales, bolstered by TaylorMade being the unrivalled market leader in the key golf category – metalwoods – in the world’s biggest golf market, North America. In addition, adidas Golf together with Ashworth has become the global market leader in golf apparel.

In September, for the 11th consecutive time, adidas AG has been selected to join the Dow Jones Sustainability Indexes (DJSI), the world's first global sustainability index family tracking the performance of the leading sustainability-driven companies worldwide. The annual review of the DJSI family is based on a thorough analysis of corporate economic, environmental and social performance, assessing issues such as corporate governance, risk management, branding, climate change mitigation, supply chain standards and labour practices.

The adidas AG converts its no-par-value bearer shares to registered no-par-value shares (registered shares) in October. Effective October 11, 2010, adidas AG registered shares are traded under a new ISIN code on the stock exchange. The trading symbol remains ADS.DE. Registered shares require that a share register be kept, in which adidas AG shareholders are entered to be authorised to participate in general meetings and exercise voting rights.

Towards the end of the year, in November, the adidas Group presents its 2015 strategic business plan at its Investor Day in Herzogenaurach. Named “Route 2015”, the plan aims at growing the business of the entire adidas Group compared to the expected 2010 results by 45% to 50% to € 17 billion in 2015.

Based on the Group’s strong brands, premium products, extensive global presence and its commitment to innovation and the consumer, the adidas Group aspires to outperform total market growth (both GDP and sporting goods market) and to continue growing its bottom line faster than its top line. In addition, the Group plans to lay the foundation for leadership in the sporting goods industry by outgrowing its major competitor in the next five years. The Group targets a compounded annual earnings growth rate of 15% and wants to reach an operating margin of 11% sustainably by 2015 at the latest.

The year 2010 for the adidas Group closes with sales of € 11.99 billion and net income of € 567 million.

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