

IN THE FOLLOWING INTERVIEW, HERBERT HAINER, ADIDAS GROUP CEO AND CHAIRMAN, REVIEWS 2007, AND DISCUSSES THE GROUP'S STRATEGIC AND FINANCIAL OUTLOOK.

HERBERT, THE ADIDAS GROUP AGAIN MADE BIG STRIDES IN 2007. WHAT DO YOU THINK WERE THE CENTRAL DRIVERS OF YOUR STRONG PERFORMANCE?

*Following the acquisition of Reebok and the big success we achieved at the FIFA World Cup™ in 2006, we knew we had a lot to accomplish in 2007 to keep the Group's momentum moving in the right direction. And I am extremely proud that all our hard work has helped the Group achieve new record sales and net income levels. Currency-neutral sales grew 7%. Gross margin increased strongly to 47.4%. Operating margin exceeded our initial expectations – reaching 9.2%. Net income and EPS grew 14% – and all this despite conditions that got tougher in some important markets as the year went on.*

*Our focus on performance and executional excellence was a big contributor to our success in 2007. We took further strides in innovation and design leadership, winning several awards, and gained market share in core sports categories such as running and football. We put increased emphasis on controlled space as a key distribution channel for future growth – which means everything from new own-retail formats and expanded franchise networks in emerging markets to creative shop-in-shop concepts in more mature markets. We also made digital communication a strategic priority for all our brands. And as we gear up for another intense year of competition both on and off the playing field, I am convinced these steps have positioned our Group to go even further, even faster.*

THE ADIDAS BRAND EXCEEDED YOUR INITIAL EXPECTATIONS FOR THE YEAR WITH 12% CURRENCY-NEUTRAL SALES GROWTH. WHAT WERE THE MAIN FACTORS BEHIND THIS SUCCESS?

*A strong product pipeline and commitment to innovation are the fundamental factors behind adidas' success. The brand continued to strengthen its focus on five strategic categories – and grew in all of them. Sales outpaced industry growth rates in all regions. The brand's success in emerging markets, controlled space expansion and continued dominance in its European home market fueled a third consecutive year of double-digit currency-neutral revenue growth. Even more important – the segment broke new gross and operating margin records at 47.4% and 12.9%, respectively. This is proof that adidas' priorities and positioning, coupled with its ability to harness synergies from the Reebok acquisition, helped take the brand a major step forward in operational performance. With order backlogs up 17% – the highest level in nearly 10 years – I am confident adidas will further enhance its leading market positions around the globe in 2008.*

*“I am extremely proud that all our hard work has helped the Group achieve new record sales and net income levels.”*

*“adidas' success in emerging markets, controlled space expansion and continued dominance in its European home market fueled a third consecutive year of double-digit currency-neutral revenue growth.”*