

YOU ARE AN OFFICIAL SPONSOR OF THE UEFA EURO 2008™ AND THE BEIJING OLYMPIC GAMES. HOW IMPORTANT ARE THESE AND OTHER MAJOR SPORTING EVENTS FOR THE ADIDAS GROUP?

A key competitive advantage of our Group is the tremendous experience and know-how we have gained from our long tradition of partnering with major sporting events and leagues. We are the only sports company to ever sponsor a football World Cup. We currently partner with a number of the top marathons around the world – including London, Boston and Berlin. And our Group has long-term relationships with every major sports league in North America.

I firmly believe we are unrivalled in leveraging the opportunities major sporting events provide. That means not only maximizing licensed sales, but also enhancing the visibility of our top products and promotion partners to underscore the Group's credibility and authenticity in performance sport. Although sponsoring these events comes at a cost, we have seen time and time again that the long-term benefits to brand image far exceed the short-term expenses associated with these events.

In 2008, the European Football Championship will be the perfect stage to demonstrate our Group's dominance in the world's favorite sport. adidas' role as an Official Sponsor of the event and Outfitter of five participating teams will help the brand achieve a new sales record in the football category of over € 1.2 billion – generated solely from true performance products.

And at the Beijing Olympics, both of our two biggest brands will be front and center. For adidas this means being the Official Sportswear Partner to the event as well as outfitting 16 National Olympic Committees – including the hosts China. For Reebok, this means partnering with the event's biggest local star – basketball great – Yao Ming. This event will help our Group become the market leader in China this year, as well as drive sales growth throughout the region in 2008 and beyond.

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