

MALL Refers to a building or set of buildings that contain a variety of retail units and independent shops with interconnecting walkways, enabling customers to walk from unit to unit under one roof.

MARKET CAPITALIZATION Total market value of all outstanding shares.
Market Capitalization = number of outstanding shares x current market price.

MARKET RISK PREMIUM Extra return that the overall market or a particular stock must provide over the risk-free rate to compensate an investor for taking a relatively higher risk.
Market risk premium = market risk – risk-free rate.

MARKETING WORKING BUDGET Promotion and communication spending including sponsorship contracts with teams and individual athletes, as well as advertising, retail support, events and other communication activities, but excluding marketing overhead expenses.

METALWOODS Golf clubs (drivers and fairway woods) which are constructed from steel and/or titanium alloys. The name also pays homage to persimmon wood, which was originally used in the creation of these products. This is the largest product category in terms of sales in the golf market, as well as for TaylorMade-adidas Golf.

MINORITY INTERESTS Part of net income which is not attributable to the reporting company. Outside ownership interests in subsidiaries that are consolidated with the parent company for financial reporting purposes.

MONO-BRANDED STORES adidas, Reebok or Rockport branded stores not operated or owned by the adidas Group but by franchise partners. This concept is used especially in the emerging markets, such as China, benefiting from local expertise of the respective franchise partners.

▷ see also **Franchising**

MOTION ANALYSIS TECHNOLOGY (MATT™) The technology gathers vital swing information and statistics using multiple high-speed cameras. MATT distills that information to create a three-dimensional computer-animated image of a player's swing viewable from every angle. The technology is typically used for club fitting, swing analysis, biomechanics research and also in the development process for new golf clubs.

MOVABLE WEIGHT TECHNOLOGY™ (MWT™) Gives the golfer the power to adjust the clubhead's center of gravity by changing the configuration of up to four movable weights, which promotes changes to the shot's direction, height, spin and distance.

NATURAL HEDGES Offset of currency risks that occurs naturally as a result of a company's normal operations, without the use of derivatives. For example, revenue received in a foreign currency and used to pay known commitments in the same foreign currency.

NBA (NATIONAL BASKETBALL ASSOCIATION) Premier professional men's basketball league in the USA, comprising 30 teams.

NET BORROWINGS Portion of gross borrowings not covered by the sum of cash and short-term financial assets. If a negative figure is shown, this indicates a net cash position.
Net borrowings = short-term borrowings + long-term borrowings – cash – short-term financial assets.

NHL (NATIONAL HOCKEY LEAGUE) Premier professional men's ice hockey league in North America, comprising 30 teams from the USA and Canada.

OPERATING EXPENSES Expenses which are not directly attributable to the products or services sold. Operating expenses are expenses for sales, marketing overheads and marketing working budget, research and development, general and administrative costs as well as depreciation of non-production assets.

OPERATING LEASE Method of leasing assets over periods less than the expected lifetime of those assets. An operating lease is accounted for by the lessee without showing an asset or a liability on his balance sheet. Periodic payments are accounted for by the lessee as operating expenses for the period.

OPERATING MARGIN Operating profit as a percentage of net sales. Measure of a company's profitability after cost of sales and operating expenses. Best indicator of the profitability of operating activities.

Operating margin = (operating profit/net sales) x 100.

OPERATING OVERHEADS Expenses which are not directly attributable to the products or services sold such as costs for sales, marketing overheads, logistics, research and development, as well as general and administrative costs.

OPERATING PROFIT Profit from operating activities after cost of sales and operating expenses.
Operating profit = gross profit + royalty and commission income – marketing working budget – operating overheads.

OPERATING WORKING CAPITAL Company's short-term disposable capital which is used to finance its day-to-day business. In comparison to working capital, operating working capital does not include non-operational items such as cash, financial assets and taxes. ▷ see also

Working Capital

Operating working capital = accounts receivable + inventories – accounts payable.

OPTION Financial instrument which ensures the right to purchase (call option) or to sell (put option) a particular asset (e.g. shares or foreign exchange) at a predetermined price (strike price) on or before a specific date.

ORDER BACKLOGS ▷ see **Backlogs**

OTHER OPERATING EXPENSES (AND INCOME) Operating expenses (and income) for sales, marketing, research and development, as well as for logistics and central finance and administration. Also includes amortization of goodwill and trademarks.

OVER-THE-COUNTER MARKET (OTC MARKET) When a traded stock is not listed on a stock exchange. In such cases, brokers negotiate directly with one another over computer networks and by phone.