

SPORT PERFORMANCE: EQUIPPING ATHLETES TO ACHIEVE THEIR OWN IMPOSSIBLES No brand has a more distinguished history or stronger connection with sport than adidas. Everything at adidas reflects the spirit of its founder Adi Dassler. That means adidas intends to support and equip all athletes in the best possible way to help them achieve their optimal performance. Therefore, adidas Sport Performance remains the brand's primary focus both in terms of product and brand initiatives. The division will continue to generate at least 70 % of adidas brand revenues going forward. Although the adidas Sport Performance division offers products in almost every sports category, the key priorities are:

- ⇒ Running
- ⇒ Football
- ⇒ Basketball
- ⇒ Training

In all these areas, adidas strives to be the leading global brand in terms of sales. 80 % of revenue growth in the Sport Performance division between now and 2010 is expected to come from these four categories. Additionally, adidas plans to further extend its global market leadership position in the tennis category going forward.

adidas aims to consistently present the brand attitude "Impossible is Nothing" in targeted and relevant consumer communication. The "Impossible is Nothing" brand campaign encourages consumers to achieve their own personal "impossible" goals – no matter what they might be – and underlines that adidas will help them in their pursuit of these goals.

SPORT PERFORMANCE – RUNNING: BUILDING CREDIBILITY WITH HIGH-PERFORMANCE ATHLETES Running continues to be adidas' highest category priority and will be critical to the brand's success moving forward. Because of the category's global importance, the brand is committed to support running with a substantial portion of overall marketing spend – now in both event and non-event years. adidas holds the number two position in terms of sales in the category globally.

The brand's philosophy is to inspire and enable runners on all levels. adidas focuses on building credibility with the high-performance athlete first because for the brand this credibility is the foundation for eventually tapping into the broader opportunity in the running category, the casual runner. As runners tend to seek consistency and proven technologies, the adidas product range is built on several well-established product families that address specific consumer needs (e.g. adiSTAR, Supernova, Response, adiZero, BOUNCE™). By segmenting and tailoring distribution, supporting retail partners and utilizing partnerships with selected global marathon events (e.g. the Boston, London and Berlin Marathons), the brand expects to leverage its product offering globally and further strengthen its position in the running market.

SPORT PERFORMANCE – FOOTBALL: INCREASING THE BRAND'S LEADERSHIP POSITION Being the most popular sport worldwide, football is clearly one of adidas' key strategic priorities. For over 50 years, adidas has led all major developments in football boot technology and balls. adidas is the world's leading football brand in terms of sales. Building on its success around the 2006 FIFA World Cup™, the brand strives to increase its leadership position by continuously creating the industry's top products and fully leveraging its outstanding portfolio of promotion partners.

Promotion partners include leading football associations (e.g. FIFA, UEFA), national federations (e.g. Germany, France, Spain, Romania, Greece, Argentina, Mexico, Japan), leagues (e.g. Major League Soccer in the USA), clubs (e.g. Real Madrid, A.C. Milan, Chelsea FC, Liverpool FC, FC Bayern Munich, River Plate) and individual players (e.g. Kaká, Lionel Messi, David Beckham, Michael Ballack). In 2007, adidas' momentum in the category continued and the brand further strengthened its global market position.

In 2008, most product and marketing efforts will revolve around the European Football Championship (UEFA EURO 2008™), which represents a key platform for the brand in Europe. The event also has a significant global relevance, evoking strong interest among football fans worldwide. Based on new product and marketing concepts plus a proven strength in translating those into commercial success, adidas expects to extend its leadership in the category going forward.