

# adidas

## adidas is the European leader in sports equipment

### GBL data as of June 30, 2018

Capital held by GBL (%) .....	7.50
Market value of the investment (EUR million) .....	2,934
Voting rights (%) .....	7.50
Contribution to GBL's portfolio (%) .....	15.29

### Half-year results 2018

- In the first half of 2018, revenues increased by 10% on a currency-neutral basis. In euro terms, revenues grew by 3% to EUR 10.8 billion (2017: EUR 10.5 billion). From a brand perspective, currency-neutral revenues for brand adidas grew by 12%. Reebok sales declined by 3% on a currency-neutral basis versus the prior year.
- The gross margin improved by 1.8 percentage points to 51.7% (2017: 49.9%), reflecting the positive effects from an improved pricing mix, which more than offset negative currency effects as well as a less favorable channel mix and higher input costs.
- The company's operating profit grew by 17% to EUR 1.3 billion (2017: EUR 1.1 billion), representing an operating margin of 12.4% (2017: 10.9%), an increase of 1.5 percentage points compared to the prior year.
- Net income from continuing operations grew by 19% to EUR 960 million (2017: EUR 809 million), resulting in an 18% increase in basic earnings per share from continuing operations to EUR 4.71 (2017: EUR 4.00).
- Net cash as of June 30, 2018 amounted to EUR 89 million, representing an improvement of EUR 824 million compared to net borrowings of EUR 735 million in the prior year. This development was driven by a decrease in short-term borrowings as well as an increase in the company's cash position, mainly related to the strong generation of cash from operating activities.

### Key financial data

(in EUR million)	06/30/2018	12/31/2017 <sup>(1)</sup>	06/30/2017 <sup>(1)</sup>
Net sales	10,809	21,218	10,485
Operating profit	1,338	2,070	1,142
Net income from continuing operations	960	1,430 <sup>(2)</sup>	809
Net income attributable to shareholders	936	1,097	613
Net cash/(net borrowings)	89	484	(735)

(1) Restated to reflect continuing operations as a result of the divesture of the Rockport, TaylorMade, Adams Golf, Ashworth and CCM Hockey businesses

(2) Excluding a FY17 negative one-time tax impact

**GBL**

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