

# Adidas lifts profit outlook after 'strong' quarter

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German sporting goods maker Adidas on Wednesday lifted its profit expectations for 2018 after a "strong" third quarter that saw brisk global demand for its sportswear and sneakers.

But the group's Reebok brand continued to struggle, despite the efforts of British fashion designer Victoria Beckham who unveiled her first mini collection for the brand.

The Adidas group posted a net profit of 656 million euros (\$751 million) between July and September, up 19 percent on the same period a year earlier.

Revenues increased by a currency-neutral eight percent to 5.9 billion, Adidas said in a statement, powered by double-digit growth in the key regions of North America, China and "excellent" online sales.

Sales in Russia were up seven percent as the group continued to benefit from a World Cup-related boost even after the football extravaganza ended.

Chief executive Kasper Rorsted hailed a quarter marked by "high-quality growth".

"We achieved strong profitability improvements despite a significant increase in marketing investments and severe currency headwinds," he said.

The Bavaria-based group singled out Argentina as a weak spot, where revenues were negatively impacted by the country's currency woes.

Sales at struggling US sports brand Reebok meanwhile plunged nearly five percent, despite a robust performance from its Classics shoe range.

Reebok has struggled to impress at Adidas since it was snapped up in 2005 in an attempt to narrow the gap with main rival Nike.

The US [brand](#) is undergoing a vast restructuring that includes store

closures and a stronger focus on the women's market, boosted by the likes of Victoria Beckham.

The singer-turned-designer presented her debut capsule collection for Reebok in July, a minimalist line inspired by the 1990s and former basketball superstar Shaquille O'Neal.

Looking ahead, Adidas said it is now expecting net income for the whole of 2018 to grow 16 to 20 percent to 1.6-1.7 billion euros, up from an earlier predicted increase of 13 to 17 percent.

Full-year revenues are expected to climb by eight or nine percent year-on-year, down from a previous estimate of around 10 percent "due to lower-than-initially-expected growth in western Europe".

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