For immediate release

MEDIA CONTACT:

Ulf Santjer, Tel. +49 9132 81 2489

INVESTOR CONTACT:

Dieter Bock, Tel. +49 9132 81 2261

Herzogenaurach, Germany, August 3, 2006 – PUMA AG announces its consolidated financial results for the 2nd Quarter and First Half-Year of 2006

Highlights Q2:

- Outstanding success during World Cup: Not only the most teams but also the World Champion wearing PUMA
- Consolidated sales increase more than 38%
- Gross profit margin above 51%
- EBIT margin impacted as expected by strong brand investments
- EPS at €3.12 versus €3.64

Highlights First Half-Year:

- Global brand sales reach almost €1.4 billion, up 16%
- Consolidated sales up more than 33%
- Gross profit margin at 52%
- EBIT margin better than expectations at 17%
- EPS at €8.95 compared to €9.32

Outlook 2006:

- Despite strong sales growth, orders remain on high level, up 35% currency adjusted
- Management confirms full-year guidance with top line growth up to 35% and EBIT level of about €360 million

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Outstanding success during World Cup

For the first time in the company history, a PUMA sponsored national team has won the World Cup Final: The Squadra Azzurri from Italy.
PUMA was the dominant kit supplier at the championships, with a strong portfolio of 12 teams and gained brand visibility throughout 56% of all games on the pitch. PUMA was also among the top three brands in terms of player presence on the field, with 18% of all players wearing the innovative v1.06 product line. PUMA now has a great starting position with regards to the Euro 2008 in Switzerland and Austria, where both host federations are sponsored by PUMA. Looking ahead to the World Cup 2010 in South Africa, PUMA will continue as the dominant brand in African Football and will enter the tournament with Italy as the reigning champion and tournament favourite.

Sales and Earnings Development

Global branded sales up 16% reaching almost €1.4 billion in six months

PUMA's branded sales, which include consolidated sales and licensee sales, reached €620 million during Q2, thus marking a 17.1% (currency adjusted 17.2%) increase over last year.
During the first six months, branded sales grew 16.1% (currency adjusted 14.3%) to €1,356 million. Footwear sales increased 13.9% (12.1%) to €770 million, Apparel improved by 19.2% (18.2%) to €469 million and Accessories rose by 18.9% (18.8%) to €118 million.

Consolidated sales rise more than 38% in Q2 and 33% in first six months

In Q2, consolidated sales grew strong 38.2% (currency adjusted 38.7%) to €547 million. First-time consolidations contributed 22% to the growth. In total, Footwear was up 23.7% (24.3%) to €328 million and Apparel improved by a strong 81.2% (81.5%) to €182 million. Accessories realized a growth of 22.8% (25.3%) to €37 million. Team Sport sales contributed the strongest sales growth with over 40%.
Sales in the first six months rose by 33.3% or 31.3% currency adjusted to €1,189 million. Like-for-like, organic growth contributed a strong 12.9% and new consolidations 20.4% to the overall performance. In total, Footwear increased 20.5% (currency adjusted 18.5%) to €727 million, Apparel improved by 71.2% (69.5%) to €383 million and Accessories by 22.2% (22.1%) to €79 million.

Licensed business

The licensed business increased on a like-for-like basis by 30.9% in Q2, and 18.6% after six months.
However, due to the take-backs of six license markets as of the beginning of this year, total licensed sales declined by 45.5% to €73 million and by 39.6% to €167 million respectively. Based on the remaining licensed business, royalty and commission income was €7.3 million in Q2 and €15.8 million for the first half.

Gross profit margin remains on a high level

Due to the planned and implemented shift in regional and product mix, the gross profit margin reached 51.4% in Q2 compared to 53.2% last year. First half gross profit margin reached 51.9% versus 53.3% last year. The Footwear margin decreased from 53.6% to 51.8% and Apparel from 53.4% to 51.8% while Accessories increased from 50.3% to 53.5%.

SG&A expenses impacted by strong brand investments

Due to the strong brand investments and the regional expansion total SG&A expenses increased in Q2 by 54.4% to €211 million and by 49,8% to €416 million during the first six months. As a percentage of sales, the cost ratio increased in line with expectations from 34.5% to 38.6% or from 31.1% to 35% respectively.

For the first half, Marketing/Retail expenses increased by 61.7% and accounted for €207 million or 17.4% of sales versus 14.4% last year, in line with expectations. In particular, the marketing campaign for the World Cup and other marketing and retail expenses led to the increase. Product development and design expenses rose by 40.6% to €27 million and, as a percentage of sales, from 2.1% to 2.3%. Other selling, general and administrative expenses were up 39.5% to €182 million, or from 14.6% to 15.3% as a percentage of sales. The increase in other SG&A expenses is related to the extended infrastructure and operations for Phase IV expansion and in line with expectations.

EBIT above expectation

Due to strong brand investments EBIT in Q2 declined by 15.4% to €69 million and by 5.6% to €201 million after six months. This resulted in an EBIT margin of 12.7% and 16.9% respectively. Taking into account the full-year guidance of a high single-digit decline in EBIT, H1 came out better than expected given the high investments.

With an interest result of €2.1 million in Q2 and €4 million for the first half, pre-tax profit decreased by 14.5% to €71 million and by 4.9% to €205 million respectively. During the first six months, tax rate remained at 29% on last years level.
As a result, net earnings were down by 14.9% to €50 million in Q2 and by 4.4% to €143 million in the first half. Net margin was calculated at 9.2% (last year 14.9%) for Q2 and at 12% (16.8%) for the first six months.

Earnings per share

Earnings per share in Q2 reached €3.12, a decrease of 14.3% versus last year. Year-to-date earnings per share were down by only 4% to €8.95, better than expected. Diluted EPS translates to €3.03 and €8.81 respectively.

Net Assets and Financial Position

Strong equity ratio

Total assets grew by 28.5% to €1,526 million and the equity ratio of 63.1% was almost equal to last year, despite the effect of the regional expansion on total assets.

Working capital

Inventories increased by 37.5%, reaching €333 million and receivables grew by 26.2% to €402 million. Total working capital at the end of June amounted to €447 million compared to €320 million last year. As of June the seasonality as well as the regional expansion affected the working capital. Excluding the regional expansion, inventories increased by 22.6%, receivables by 8.5% and total working capital by 25.1%.

Capex / Cashflow
Capex increased from €38 million to €81 million and in line with expectations. Acquisitions contributed €47 million to the total Capex in H1. Tax payments were €57 million versus €65 million last year. Including the investments for acquisitions and the further working capital need in these countries, free cashflow was €-99 million compared to €-8.2 million last year.

Cash position
Due to the planned investments, total cash decreased from €370 million to €355 million and bank debts grew slightly from €37 million to €48 million. As a consequence, the net cash position decreased from €332 million to €306 million.

Share Buyback

PUMA continued its share buy back program in Q2 as expected and added 100,000 shares to the treasury stock, which corresponded to an investment of €30 million. At the end of June, the company held a total of 1,040,000 shares for a total investment of €204 million. This represents 6.1% of the total stock capital.

Regional Development

Change in regional mix

Due to the license take-backs, the regional mix changed significantly as expected resulting in a more balanced business portfolio. In H1, EMEA accounts for 50.5% (last year 67.1%), Americas for 29.7% (22.7%) and Asia/Pacific for 19.8% (10.2%).

Sales in the **EMEA-region** reached €261 million in Q2, an increase of 8.9% versus last year. Year-to-date, sales increased by 0.4% to €600 million. The gross profit margin reached 55% compared to 55.3% last year. Orders on hand end of June were up a strong 16.1%. Total orders in this region accounted for €564 million and all countries reported an improvement versus last reporting dates.

Sales in the **Americas** reached €172 million in Q2 and therefore a growth of 58.3% (currency adjusted 57.6%). First half sales were up 74.5% (65.8%) to €354 million. The gross profit margin decreased by 50 basis points to 47.7%. The order volume was up by 39% to €285 million, or currency adjusted by 44%. The **US** market contributed with a strong top-line growth of 46% in Q2 and 53.7% after six months. Orders for the US were up by almost 20% totalling $252 million at the end of June.

In Q2, the **Asia / Pacific** region increased sales by 140.7% (currency adjusted 144.4%) to €114 million. After six months the sales growth was 158.4% (161.3%) and reached €235 million. The regional expansion in particular contributed to the overall performance. The gross profit margin in this region was down by 70 basis points and reached 50.6%. As of June orders on hand were up 111.5% (currency adjusted 117.5%) and totaled €171 million.

Outlook 2006

Future orders up 35% currency adjusted

Total orders on hand as of June increased by 32.2% or currency adjusted by 34.5% and totaled €1,020 million. All regions reported favorable double-digit growth rates. The orders are mainly for delivery in the second half of 2006.

By segment, Footwear orders were up by 25.6% (currency adjusted 28%) to €674 million. Apparel orders increased to €289 million, an increase of 48.4% (50.1%) and Accessories totaled €57 million with a growth of 41.3% (45.8%).

Management confirms full-year guidance

Due to the strong first six months and the future order growth development management reaffirms the full-year guidance, which was already upgraded earlier this year with a sales growth of up to 35%.

Due to the regional and product mix, the full-year gross profit margin should range between 50% and 51%. Selling, general and administrative expenses are expected to rise to or slightly above 35% of sales.

Taking into account the better than expected performance in H1, management is optimistic that operating profit (EBIT) will reach the earlier given guidance of around €360 million or 15% on sales. The tax rate should stay on last year's level around 29%. As a result, net earnings should decline by a high single-digit versus last year and should significantly exceed the original expectations for 2006 communicated with the Phase IV strategy mid last year.

Jochen Zeitz, CEO: "By supplying the World Champion Italian National Team along with our overall strong brand visibility at the Football World Cup, as well as further outstanding performances in new product categories like Golf, PUMA was able to strengthen its position as one of the most desirable sportlifestyle brand. Combined with half year results that exceeded our expectations, it has been a very successful first six months of 2006 and of Phase IV of our long-term business development plan."

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Income Statements

	Q2/2006 € million	Q2/2005 € million	Devi-ation	1-6/2006 € million	1-6/2005 € million	Devi-ation
Net sales	**546,6**	**395,5**	38,2%	**1.189,5**	**892,0**	33,3%
Cost of sales	-265,5	-185,0	43,5%	-571,6	-416,5	37,2%
Gross profit	**281,1**	**210,5**	33,6%	**617,9**	**475,5**	30,0%
- in % of net sales	51,4%	53,2%		51,9%	53,3%	
Royalty and commission income	7,3	13,8	-47,2%	15,8	26,3	-40,2%
	288,4	224,3	28,6%	633,7	501,8	26,3%
Selling, general and administrative expenses	-210,8	-136,5	54,4%	-416,0	-277,6	49,8%
EBITDA	**77,6**	**87,7**	-11,6%	**217,7**	**224,2**	-2,9%
Depreciation and amortisation	-8,3	-5,9	40,5%	-16,2	-10,9	49,1%
EBIT	**69,3**	**81,9**	-15,4%	**201,5**	**213,3**	-5,6%
- in % of net sales	12,7%	20,7%		16,9%	23,9%	
Interest result	2,1	1,7	26,7%	4,0	2,8	43,4%
EBT	**71,4**	**83,5**	-14,5%	**205,5**	**216,2**	-4,9%
- in % of net sales	13,1%	21,1%		17,3%	24,2%	
Income taxes	-20,0	-24,2	-17,3%	-59,6	-63,3	-5,9%
- Tax ratio	28,1%	29,0%		29,0%	29,3%	
Net earnings attributable to miniority interest	-1,3	-0,4		-2,7	-3,1	-12,8%
Net earnings	**50,1**	**58,9**	-14,9%	**143,2**	**149,8**	-4,4%
Net earnings per share (€)	**3,12**	**3,64**	-14,3%	**8,95**	**9,32**	-4,0%
Net earnings per share (€) - diluted	**3,03**	**3,61**	-16,2%	**8,81**	**9,24**	-4,7%
Weighted average shares outstanding				16,002	16,066	-0,4%
Weighted average shares outstanding - diluted				16,250	16,207	0,3%

Rounding differences may be observed in the percentage and numerical values expressed in millions of Euro since the underlying calculations are always based on thousands of Euro.

Balance Sheet

	June 30, '06 € million	June 30, '05 € million	Devi-ation	Dec. 31, '05 € million
ASSETS				
Cash and cash equivalents	354,5	369,8	-4,1%	475,5
Inventories	332,7	241,9	37,5%	238,3
Trade receivables	402,0	318,6	26,2%	277,5
Other current assets	95,3	72,8	30,9%	80,1
Current assets	**1.184,4**	**1.003,1**	18,1%	**1.071,4**
Deferred income taxes	57,1	31,0	84,5%	48,6
Property, plant and equipment	143,2	101,3	41,3%	121,9
Intangible assets	125,9	44,3	184,3%	59,4
Other non-current assets	15,0	7,3	104,3%	19,8
Non-current assets	**341,1**	**183,9**	85,5%	**249,6**
	1.525,6	**1.187,0**	28,5%	**1.321,0**
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current bank liabilities	48,5	37,4	29,6%	45,1
Trade payables	178,2	159,4	11,8%	178,7
Tax provisions	34,2	42,0	-18,8%	24,2
Other current provisions	102,7	93,3	10,1%	51,1
Liabilities from acquisitions	21,2	0,0		6,9
Other current liabilities	78,5	68,9	14,0%	78,5
Current liabilities	**463,3**	**401,0**	15,5%	**384,5**
Deferred income taxes	20,0	9,6	108,3%	20,0
Pension provisions	21,5	21,6	-0,7%	22,6
Liabilities from acquisitions	50,2	0,0		10,7
Other non-current liabilities	7,5	4,3	74,0%	7,8
Non-current liabilities	**99,2**	**35,6**	178,9%	**61,2**
Total shareholders' equity	**963,1**	**750,4**	28,3%	**875,4**
	1.525,6	**1.187,0**	28,5%	**1.321,0**

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Cashflow Statement

	1-6/2006 € million	1-6/2005 € million	Deviation
Earnings before taxes on income	**205,5**	**216,2**	**-4,9%**
Depreciation	16,2	10,9	49,1%
Non cash effected expenses and income	-6,1	-7,8	-21,0%
Cashflow - gross	**215,6**	**219,3**	**-1,7%**
Change in net assets	-180,4	-128,3	40,6%
Taxes, interests and other payments	-57,2	-65,1	-12,0%
Cashflow from operating activities	**-22,1**	**25,9**	**-185,2%**
Payments for acquisitions	-47,2	-7,4	540,4%
Purchase of property and equipment	-34,2	-30,4	12,5%
Interest received and others	4,3	3,7	17,2%
Cashflow from investing activities	**-77,1**	**-34,1**	**126,2%**
Free Cashflow	**-99,1**	**-8,2**	**1112,4%**
Capital increase	52,0	14,8	251,7%
Dividend payments	-31,8	-16,0	99,2%
Purchase of own shares	-44,4	-14,9	198,4%
Other changes	13,3	13,7	-2,8%
Cashflow from financing activities	**-11,0**	**-2,4**	**353,2%**
Effect on exchange rates on cash	-10,9	11,1	-198,7%
Change in cash and cash equivalents	**-121,0**	**0,5**	25849,8%
Cash and cash equivalents at beginning of financial year	475,5	369,3	28,8%
Cash and cash equivalents end of the period	**354,5**	**369,8**	**-4,1%**

Segment Data

	Sales		Gross profit		Sales		Gross profit	
	Q2/2006	Q2/2005	Q2/2006	Q2/2005	1-6/2006	1-6/2005	1-6/2006	1-6/2005
	by head office location of customer				by head office location of customer			
Breakdown by regions	€ million	€ million	%	%	€ million	€ million	%	%
EMEA	261,1	239,7	54,7%	54,9%	600,4	598,2	55,0%	55,3%
America	171,7	108,5	47,9%	50,1%	353,6	202,6	47,7%	48,2%
- thereof USA in US$	160,4	109,8			317,0	206,3		
Asia/Pacific Rim	113,8	47,3	49,3%	51,7%	235,5	91,1	50,6%	51,3%
	546,6	395,5	51,4%	53,2%	1.189,5	892,0	51,9%	53,3%

	Sales		Gross profit		Sales		Gross profit	
	Q2/2006	Q2/2005	Q2/2006	Q2/2005	1-6/2006	1-6/2005	1-6/2006	1-6/2005
Breakdown by product segments	€ million	€ million	%	%	€ million	€ million	%	%
Footwear	327,9	265,1	51,6%	53,6%	727,0	603,3	51,8%	53,6%
Apparel	181,6	100,2	50,7%	53,3%	383,2	223,9	51,8%	53,4%
Accessories	37,1	30,2	53,7%	49,4%	79,2	64,8	53,5%	50,3%
	546,6	395,5	51,4%	53,2%	1.189,5	892,0	51,9%	53,3%

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