



PRESS RELEASE

First Quarter Sales Show Growth of PUMA

Currency effects weigh on reported margins

Herzogenaurach, May 6, 2015

2015 First Quarter Facts

- Sales up by 4.4% currency-adjusted (+13.2% reported) to € 821 million, growth across all regions and mainly driven by Footwear
- Gross profit margin down, solely due to foreign currency impacts
- OPEX increase because of marketing expenses, investments in IT, opening of new retail stores, also strongly impacted by unfavorable currency rates
- EBIT stands at € 38 million
- PUMA IGNITE running shoe technology successfully launched in February
- Outlook adjusted to reflect currency impact

Key Sales Figures at a Glance

Sales by regions and product segments € million	Q1		growth rates	
	2015	2014	Euro	currency adjusted
Breakdown by regions				
EMEA	341,6	337,3	1,3%	0,2%
Americas	289,0	235,2	22,9%	5,6%
Asia/Pacific	190,8	153,3	24,5%	10,9%
Total	821,4	725,7	13,2%	4,4%
Breakdown by product segments				
Footwear	378,1	320,9	17,8%	7,8%
Apparel	279,8	245,9	13,8%	5,7%
Accessories	163,4	158,9	2,8%	-4,6%
Total	821,4	725,7	13,2%	4,4%

Bjørn Gulden, Chief Executive Officer of PUMA SE: “PUMA’s first quarter sales grew slightly stronger than expected. This was mainly caused by a very positive development in footwear. We are working very hard to improve our product offer, and although we know we have some ways to go, we feel that this growth in footwear confirms that we are on the right path.

The negative development in currencies, had a significant negative impact on our gross profit margin and operational expenses and therefore also on our EBIT and net earnings. We do work hard to „counter“ these negative currency effects, but do currently not have enough leverage to fully neutralize the impact and have therefore adjusted our outlook for the full year EBIT and net earnings.

We will continue our strategy to become the Fastest Sports Brand in the World and will continue to invest in Product, Marketing, Retail and IT to lay the foundation for solid profitable growth in the future.”

Sales growth in the first quarter

PUMA’s first quarter **sales** performance in 2015 was slightly ahead of our expectations. Currency-adjusted sales increased by 4.4% to € 821 million. In reported terms, this corresponds to a growth of 13.2%.

Positive sales development in all regions

Sales in the **EMEA** region rose by 0.2% currency-adjusted to € 342 million. Southern European countries developed positively in the first quarter, while the United Kingdom saw a decline due to a softer Lifestyle business. The Middle East and Africa regions continued to show a solid performance in most of the countries and across all categories.

In the **Americas** region, sales grew by 5.6% currency-adjusted to € 289 million, with both North America and Latin America developing positively.

Asia/Pacific sales increased by 10.9% currency-adjusted to € 191 million with strong performance in China and India supported by the improved Footwear business.

Footwear leads segment performance in the first quarter

Footwear sales increased by 7.8% currency-adjusted to € 378 million. This was driven by a higher demand for PUMA's Running, Training & Fitness products, which was partly triggered by the successful launch of the PUMA IGNITE running shoe in mid-February.

Apparel sales increased by 5.7% currency-adjusted to € 280 million. A strong demand for PUMA's Fundamentals, Running, Training & Fitness and Golf products underpinned this good performance.

Accessories sales decreased by 4.6% currency-adjusted to € 163 million. This is related to lower sales of socks and bodywear in the North American market.

Satisfying retail performance

PUMA's first quarter **Retail sales** increased by 7.3% on a currency-adjusted basis to € 144 million, with comparable sales in full-price stores and outlets slightly up. PUMA also operated a higher number of stores. Retail sales represented 17.5% of total sales compared to 17.1% last year.

Negative currency impacts affect gross profit margin

PUMA's **gross profit margin** declined from 48.5% to 46.9% in the first quarter, solely due to negative currency impacts. The strength of the US Dollar compared to major "unhedged" and not fully hedged currencies including Russian Ruble, Mexican Peso, Brazilian Real, Turkish Lira and Argentinian Peso led to this decrease. The Footwear gross profit margin declined from 44.1% to 42.9%. Apparel decreased from 53.6% to 50.7%, and Accessories remained at previous year's level of 49.6% (Q1 2014: 49.7%). In absolute figures, gross profit increased by 9.3% in reported terms from € 352 million to € 385 million.

Higher OPEX in line with expectations

As communicated previously, PUMA continued to invest in the “Forever Faster” marketing campaign in the first quarter 2015. There was no major campaign in the first quarter in 2014. In addition, we have started to invest in our IT infrastructure and we continued with our retail strategy to open additional retail stores, mainly in emerging markets. As with the gross profit margin, OPEX was heavily impacted by the unfavorable currency developments. As a consequence, PUMA’s **OPEX** increased by 17.7% to € 351 million. PUMA’s management continues to put a strong emphasis on strict control of other operating costs. In constant currencies, the increase in OPEX amounts to 9.5%.

Operating result (EBIT) declines

Despite the sales growth in the first quarter 2015, the lower gross profit margin and increased operating expenditures both impacted by negative currency developments led to a decrease of PUMA’s **operating result (EBIT)** from € 59 million to € 38 million. The EBIT ratio decreased from 8.1% to 4.6%.

Financial result improves

The **financial result** improved from € -3.2 million to € 0.9 million in the first quarter. The result turned positive due to currency conversion impacts.

Net earnings decrease

PUMA’s consolidated **net earnings** declined by 30.3% from € 36 million to € 25 million. As a result, **earnings per share** decreased from € 2.38 to € 1.66 in the first quarter of the year.

Net Assets and Financial Position

Working capital rose in line with sales

Inventories increased by 23.7% (11.9% currency adjusted) to € 648 million due to earlier deliveries in order to better service our key strategic accounts. **Trade receivables** increased by 17.9% (6.2% currency adjusted) to € 596 million compared to 31 March 2014, which was driven by higher sales. **Trade payables** were similarly affected by currency exchange rates and

increased by 36.7% to € 467 million. As a result, PUMA's **working capital** rose by 10.6% from € 674 million to € 745 million at the end of March 2015.

Cashflow / Capex

The **free cashflow before acquisitions** declined to € -233 million mainly due to lower cashflows from operating activities as a result of the increased working capital.

Capex increased from € 12 million to € 16 million, which was mainly invested in the opening of selected retail stores as well as IT equipment.

Stable cash position

PUMA's **cash and cash equivalents** position at € 295 million as of 31 March 2015 remained broadly stable at last year's level of € 301 million.

Brand and Product Update

Following the launch of our latest running innovation PUMA IGNITE by the World's Fastest Man Usain Bolt on New York City's Times Square, the sell-through of this innovative footwear technology has been off to a good start both in retail and wholesale. The innovative IGNITE foam technology offers the highest energy return in the industry and strongly represents our new "Forever Faster" positioning.

In order to further strengthen our dominant position in Motorsport, we recently announced a new long-term Formula 1 partnership with INFINITI RED BULL RACING. Effective 1 January 2016, we will be the official, licensed supplier of team and race wear. In addition, we will exclusively produce and distribute INFINITI RED BULL RACING licensed replica, fanwear and lifestyle collections for global distribution. We will also prominently feature INFINITI RED BULL RACING in our brand and motorsport marketing campaigns in 2016 and beyond.

Our partnership with Red Bull will span beyond Formula 1 racing. We have also signed a new multi-year partnership with the "Wings for Life World Run", which was co-founded by Red Bull founder Dietrich Mateschitz to fund scientific research for spinal cord injuries. This will serve as

a platform to promote our IGNITE running and CELL apparel technology. As the exclusive official sportswear partner, event staff and athletes participating in the Wings for Life World Run sported PUMA footwear, apparel and accessories. 100% of all starting fees and donations will go directly to spinal cord research.

Our Teamsport category saw the extension of one of PUMA's longest-standing and most successful partnerships in Football: through our new long-term contract with the Italian Football Federation (FIGC), PUMA has increased its marketing rights as well as retained the exclusive Master License to actively manage the entire global licensing portfolio of the Federation. PUMA, who first became partner of "Gli Azzurri" in 2003, will also continue as the official technical supplier to all associated FIGC teams.

In March, PUMA won the "2014 Marketing Leader Award" from Foot Locker Europe. The award has recognized PUMA's "Forever Faster" marketing campaign, which was launched in Autumn/Winter 2014 and the growth of brand awareness through the effective use of advertising, public relations and event marketing. This underlines the impact of our "Forever Faster" campaign and the close collaboration with our retail partners.

Strategy Update

We have made further progress towards becoming the Fastest Sports Brand in the World. We have launched successful products for this year's Spring Summer season, including our new IGNITE running technology. Over the coming seasons we will continue to develop the IGNITE platform with innovations, material updates and product launches supported by dedicated media activities.

We have said that we would enhance our product communication, telling better and simpler stories to the consumers and utilize our assets. This promise is reflected in our ongoing marketing campaign "Forever Faster". The current theme is more product-focused and features Usain Bolt running in the IGNITE as well as star-footballers including Mario Balotelli and Cesc Fàbregas in action with our latest football boot innovation evoPOWER.

Our new multi-year partnership with Rihanna has already generated a lot of positive PR and social media buzz. Rihanna is an ideal brand ambassador, thanks to both her personality and iconic style. She is currently featured in an in-store marketing campaign promoting PUMA's key training styles of the season. In August, Rihanna will also play a key role in the brand campaign Forever Faster, featured along PUMA's world-class athletes such as Usain Bolt and Sergio Aguero. Later she will be the Creative Director for her own line of training & lifestyle products.

In terms of improving the quality of our distribution, our sales organizations are working hard to intensify our relationships with key strategic accounts as well as building new partnerships with strong retailers in both established and emerging markets. Amongst others we have continued our collaboration with Foot Locker and opened the first European PUMA Lab at the Foot Locker store in Milan in February. We have also added new locations to their US portfolio in Philadelphia and Atlanta.

As for PUMA's own retail, we have developed a new instore concept which will ensure that our PUMA stores better tell our product stories, reveal the technologies behind them and strengthen PUMA's positioning as a sports brand. Last month, we started the global roll-out with our PUMA store in Herzogenaurach. It will continue to be implemented in our stores world-wide, with the shops in Hong Kong and Mexico City being next in line. Continuing our efforts to improve and expand our online presence, we have expanded the selection of our eCommerce website to include our more exclusive PUMA Select products as of May.

We continue to work on simplifying our organizational structure and setup. In Indonesia we have transitioned from a distributor to a new subsidiary which will improve our presence in this important market. In terms of our IT enhancement, we continue to work on our focus areas including standardized ERP systems, overall IT infrastructure and also tools to enable more efficient design and planning processes. These investments are essential in order to achieve our vision of becoming the Fastest Sports Brand in the World. We will continue to drive our growth strategy forward with better, and faster collections, continued investments into our brand, our organization, our distribution and our IT infrastructure.

Outlook for the Financial Year 2015

In 2015, PUMA will continue its strong marketing investments to further enhance and reinforce our brand positioning, making a further step in getting PUMA back on a path of more profitable and sustainable growth.

After the positive sales development in the first quarter 2015, we continue to expect an increase in the medium single-digit range for full-year currency-adjusted net sales.

However, as already indicated in the outlook for 2015 at the beginning of this year, the continued adverse developments of foreign exchange rates during the recent months, particularly the strengthening of the US Dollar versus nearly all other currencies, had a significant negative impact on PUMA's reported gross profit margin. PUMA has already taken and will continue to take countermeasures, but the impact will not fully offset the negative currency impact on the gross profit margin. As a consequence, we now foresee a drop in the gross profit margin for the full year in a range of 100 to 150 basis points versus last year (2014: 46.6%).

As announced at the beginning of this year, we will continue to invest strongly in marketing, in the upgrade of PUMA's current IT infrastructure and the extension of our own retail store network. This will result in an increase in OPEX, that will be further exacerbated by negative currency impacts. At the same time, PUMA's management will continue to put a strong emphasis on strict control of other operating costs.

As a consequence of the now expected drop in gross profit margin and adverse currency effects on OPEX, we now expect EBIT for the full year to come in at a range between € 80 million and € 100 million. Net earnings will be impacted accordingly.

First Quarter

Income Statement	Q1/2015 € million	Q1/2014 € million	Devi- ation
Sales	821,4	725,7	13,2%
Cost of sales	-436,5	-373,5	16,8%
Gross profit	384,9	352,2	9,3%
- in % of consolidated sales	46,9%	48,5%	
Royalty and commission income	3,7	4,6	-20,1%
Other operating income and expenses	-351,1	-298,2	17,7%
Operating result (EBIT)	37,5	58,6	-36,0%
- in % of consolidated sales	4,6%	8,1%	
Financial result / Income from associated companies	0,9	-3,2	-128,9%
Earnings before taxes (EBT)	38,4	55,4	-30,7%
- in % of consolidated sales	4,7%	7,6%	
Taxes on income	-10,8	-15,9	-32,2%
- Tax rate	28,1%	28,7%	
Net earnings attributable to non-controlling interests	-2,8	-3,9	-28,8%
Net earnings	24,8	35,6	-30,3%
Earnings per share (€)	1,66	2,38	-30,3%
Earnings per share (€) - diluted	1,66	2,38	-30,3%
Weighted average shares outstanding	14,940	14,940	0,0%
Weighted average shares outstanding - diluted	14,940	14,941	0,0%

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	Mar. 31,'15 € million	Mar. 31,'14 € million	Devi- ation	Dec. 31,'14 € million
ASSETS				
Cash and cash equivalents	295,0	301,3	-2,1%	401,5
Inventories	648,0	523,7	23,7%	571,5
Trade receivables	596,4	505,8	17,9%	449,2
Other current assets (Working Capital related)	200,3	182,5	9,8%	202,4
Other current assets	104,5	4,4	2267,9%	58,0
Current assets	1.844,2	1.517,6	21,5%	1.682,5
Deferred taxes	195,4	161,1	21,3%	178,8
Other non-current assets	734,0	631,5	16,2%	688,7
Non-current assets	929,5	792,6	17,3%	867,5
Total Assets	2.773,7	2.310,3	20,1%	2.549,9
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current financial liabilities	59,9	39,7	50,8%	19,8
Trade payables	466,7	341,5	36,7%	515,2
Other current liabilities (Working Capital related)	233,2	196,9	18,4%	252,1
Other current liabilities	151,6	98,9	53,4%	35,5
Current liabilities	911,5	677,0	34,6%	822,6
Deferred taxes	69,8	48,4	44,3%	54,6
Pension provisions	27,0	28,1	-3,9%	26,0
Other non-current liabilities	28,1	39,8	-29,5%	28,4
Non-current liabilities	124,9	116,4	7,3%	109,0
Shareholders' Equity	1.737,2	1.516,9	14,5%	1.618,3
Total Liabilities and Shareholders' Equity	2.773,7	2.310,3	20,1%	2.549,9

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.

Cashflow Statement	1-03/2015 € million	1-03/2014 € million	Devi- ation
Earnings before taxes (EBT)	38,4	55,4	-30,7%
Financial result and non cash effected expenses and income	17,5	13,5	29,1%
Cashflow - gross	55,9	69,0	-19,0%
Change in net working capital	-261,9	-164,5	59,2%
Taxes and interest payments	-8,4	-21,2	-60,5%
Cashflow from operating activities	-214,4	-116,8	83,6%
Payments for acquisitions	0,0	0,0	
Payments for investments in fixed assets	-15,6	-12,4	26,5%
Other investing activities	-2,7	-2,9	-5,2%
Cashflow from investing activities	-18,3	-15,2	20,6%
Free Cashflow	-232,7	-132,0	76,4%
Free Cashflow (before acquisitions)	-232,7	-132,0	76,4%
Dividends paid to non-controlling interests	-16,7	-0,1	
Proceeds from short-term borrowings	90,4	32,2	180,4%
Other changes	40,1	13,8	191,7%
Cashflow from financing activities	113,8	45,9	148,2%
Effect on exchange rates on cash	12,5	-2,7	-563,5%
Change in cash and cash equivalents	-106,5	-88,8	19,9%
Cash and cash equivalents at beginning of financial year	401,5	390,1	2,9%
Cash and cash equivalents end of the period	295,0	301,3	-2,1%

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.

Media Relations:

Kerstin Neuber - Corporate Communications - PUMA SE - +49 9132 81 2984 - kerstin.neuber@PUMA.com

Investor Relations:

Johan-Philip Kuhlo – Global Strategy - PUMA SE - +49 9132 81 3170 – investor-relations@PUMA.com

Notes to the editors:

- This press release and financial reports are posted on www.about.PUMA.com.
- PUMA SE stock symbol:
Reuters: PUMG.DE, Bloomberg: PUM GY,
Börse Frankfurt: ISIN: DE0006969603– WKN: 6969603

Notes relating to forward-looking statements:

This document contains forward-looking information about the Company's financial status and strategic initiatives. Such information is subject to a certain level of risk and uncertainty that could cause the Company's actual results to differ significantly from the information discussed in this document. The forward-looking information is based on the current expectations and prognosis of the management team. Therefore, this document is further subject to the risk that such expectations or prognosis, or the premise of such underlying expectations or prognosis, become erroneous. Circumstances that could alter the Company's actual results and procure such results to differ significantly from those contained in forward-looking statements made by or on behalf of the Company include, but are not limited to those discussed be above.

PUMA

PUMA is one of the world's leading Sports Brands, designing, developing, selling and marketing footwear, apparel and accessories. For over 65 years, PUMA has established a history of making fast product designs for the fastest athletes on the planet. PUMA offers performance and sport-inspired lifestyle products in categories such as Football, Running, Training and Fitness, Golf, and Motorsports. It engages in exciting collaborations with renowned design brands such as Alexander McQueen and Mihara Yasuhiro to bring innovative and fast designs to the sports world. The PUMA Group owns the brands PUMA, Cobra Golf, Tretorn, Dobotex and Brandon. The company distributes its products in more than 120 countries, employs more than 10,000 people worldwide, and is headquartered in Herzogenaurach/Germany. For more information, please visit <http://www.PUMA.com>