



PRESS RELEASE

Sales Growth and improved Operating Result in Second Quarter

Herzogenaurach, July 27, 2016

2016 Second Quarter Facts

- Sales improve by 13% currency adjusted to € 827 million (+7% reported) with growth across all product segments
- Gross profit margin declines to 45.6%, negatively affected by stronger US-Dollar
- Moderate increase in OPEX of 3%
- Operating result (EBIT) improves by 75% to € 12 million
- Great visibility of PUMA in the UEFA Euro 2016 with five national teams wearing PUMA jerseys and PUMA player Antoine Griezmann being the top scorer and Player of the Tournament

2016 Half-Year Facts

- Sales up by 10% currency adjusted to € 1,678 million (+5% reported) with growth in all product segments and regions
- Gross profit margin decreases slightly to 46.2% due to negative currency impacts
- Operational leverage with OPEX increasing by 3% only
- Operating result (EBIT) rises by 20% to € 53 million
- Earnings per share improve by 28% to € 1.84
- PUMA Women's category further strengthened by continued launches of products such as the PUMA Fierce and new partnership with New York City Ballet

Sales Development:

Sales by regions and product segments	Q2		growth rates		1-6		growth rates	
€ million	2016	2015	Euro	currency adjusted	2016	2015	Euro	currency adjusted
Breakdown by regions								
EMEA	321,3	270,5	18,8%	23,5%	675,7	612,2	10,4%	14,0%
Americas	315,6	328,4	-3,9%	5,0%	603,6	617,4	-2,2%	5,2%
Asia/Pacific	189,6	173,8	9,1%	10,3%	399,0	364,5	9,4%	10,8%
Total	826,5	772,7	7,0%	12,8%	1.678,4	1.594,1	5,3%	9,9%
Breakdown by product segments								
Footwear	360,2	358,8	0,4%	7,3%	752,2	736,9	2,1%	7,9%
Apparel	299,1	263,3	13,6%	19,5%	589,2	543,1	8,5%	13,0%
Accessories	167,1	150,7	10,9%	14,1%	336,9	314,1	7,3%	9,4%
Total	826,5	772,7	7,0%	12,8%	1.678,4	1.594,1	5,3%	9,9%

Bjørn Gulden, Chief Executive Officer of PUMA SE:

“We are happy with the development in the second quarter. Sales developed as expected with double-digit organic growth. Gross profit margin continued to be under pressure due to the strong US-Dollar, but based on good cost discipline, we achieved operational leverage and saw nice improvements in both EBIT and net earnings.

We continue to see better sell-out of our products in the stores, as we feel consumers are getting more interested in our brand and products again. Meanwhile, we continue to work hard with the leading retailers in order to secure more and better space in their stores.

We felt that our teams and players in Euro 2016 in France gave us a lot of good visibility. We now see that our women initiatives with products and marketing around Rihanna and Kylie Jenner are working very well. Finally, we are looking forward to great Olympic days in Rio where fantastic athletes like Usain Bolt will be wearing our innovative and design driven products.”

Second Quarter 2016

Sales:

PUMA's sales growth continued in the second quarter 2016. **Sales** improved by 12.8% currency adjusted to € 826.5 million (+7.0% reported) with all segments contributing to this positive development.

The **EMEA** region performed extraordinarily well, posting a double-digit growth rate of 23.5% currency adjusted to € 321.3 million (+18.8% reported). All countries within the

region showed strong performances, especially in the Teamsport category which gained extra momentum due to the UEFA Euro 2016.

In the **Americas** region, sales increased by 5.0% currency adjusted to € 315.6 million with growth in North- and Latin America. In Euro terms, however, sales decreased by 3.9%, as the weakness of currencies in Latin America, notably in Argentina, had a negative impact on reported sales.

The **Asia/Pacific** (APAC) region performed well with sales increasing by 10.3% currency adjusted to € 189.6 million (+9.1% in Euro terms). China was the main driver of this positive development.

Footwear was able to continue its growth path. Sales came in at € 360.2 million, representing an increase of 7.3% currency adjusted (+0.4% reported). Especially Sportstyle, Fundamentals and Teamsport achieved major gains.

Apparel posted the highest growth rate among the three product segments, improving by 19.5% currency adjusted to € 299.1 million (+13.6% reported). This excellent result derives mainly from the success of the Teamsport category, fuelled by the UEFA Euro 2016 and high growth in other product categories.

Sales in **Accessories** improved by 14.1% currency adjusted to € 167.1 million (+10.9% in Euro terms), driven by a higher demand for backpacks and headwear amongst others.

Gross Profit Margin and Operating Expenses:

The negative currency impact from the stronger US-Dollar continued to put pressure on the **gross profit margin**, resulting in a decrease of 110 basis points to 45.6%, which is reflected in all product segments: The Footwear gross profit margin softened slightly from 42.3% to 41.9%, the Apparel margin fell from 50.7% to 49.5% and the Accessories margin declined more strongly, mainly due to the difficult golf market, from 50.0% to 46.6%.

Operating expenses (OPEX) increased only by 3.2% to € 368.8 million. The increase is mainly due to investments in PUMA retail stores and additional marketing activities associated with the UEFA Euro 2016. Other operating areas and functions kept the costs stable.

Operating Result and Net Earnings:

The **operating result (EBIT)** improved by 75.1% to € 11.9 million. The main reason for this is the sales growth combined with the only moderate increase in operating expenses.

Net earnings amounted to € 1.6 million compared to a loss of € -3.3 million last year, translating into **earnings per share** of € 0.11 after a loss of € -0.22 in the second quarter of 2015.

First Half-Year 2016

Sales:

Based on two good quarters, **sales** for the first half-year 2016 improved by 9.9% currency adjusted to 1,678.4 million (+5.3% reported). The main driver was the strong performance in the EMEA and APAC regions. This sales development supports our full-year guidance of a high single-digit growth of currency adjusted net sales.

Sales in the **EMEA** region showed the highest increase, rising by 14.0% currency adjusted to € 675.7 million (+10.4% in Euro terms), with France and the DACH area (Germany, Austria, Switzerland) having developed particularly well. From a product perspective, all three product segments recorded double-digit growth.

In the **Americas** region, sales rose by 5.2% currency adjusted to € 603.6 million (-2.2% reported). North- and Latin America contributed to this positive development. However, negative currency effects in Latin America, notably in Argentina, continued to impact the sales development in Euro terms.

The **Asia/Pacific** region was also a strong driver of the overall growth of PUMA in the first half of 2016. Sales were up by 10.8% currency adjusted to € 399.0 million (+9.4% reported). China recorded a double-digit growth rate and Japan also showed a solid upturn. This positive development was supported by strong demand for PUMA Footwear in the region.

Sales in PUMA's **Footwear** segment amounted to € 752.2 million, representing an improvement of 7.9% currency adjusted (+2.1% reported). Especially Sportstyle and Fundamentals achieved major gains.

Apparel grew by 13.0% currency adjusted to € 589.2 million (+8.5% reported), contributing the major part of the overall sales increase. The strong performance is mainly due to the ongoing success of Teamsport as well as Running & Training products.

Accessories sales rose by 9.4% currency adjusted to € 336.9 million (+7.3% in Euro terms), driven by a higher demand for backpacks and headwear amongst others.

Including eCommerce, PUMA's own and operated **retail sales** increased by 12.2% currency adjusted to € 344.7 million. This represents a share of 20.5% of total sales for the first half of 2016 (20.2% in the previous year). The reasons for this rise are a healthy like-for-like sales growth and the extension of our retail store network, as well as a growing eCommerce business.

Gross Profit Margin and Operating Expenses:

At 46.2%, the **gross profit margin** was 60 basis points below last year's 46.8%, solely due to the negative currency impact on our cost of sales from the stronger US-Dollar. Despite this impact the margin for the Footwear segment improved slightly from 42.6% to 42.7% thanks to a better product mix, whereas margins for the Apparel as well as for the Accessories segments went down from 50.7% to 49.7% and from 49.8% to 47.9% respectively.

Operating expenses (OPEX) amounted to € 730.5 million in the first half of 2016, being up moderately by 3.1%. The slightly higher costs compared to 2015 derive from intensified marketing activities and retail upgrades, while other operating areas and functions were able to keep the costs stable.

Operating Result and Net Earnings:

At € 53.2 million, the **operating result (EBIT)** for the reporting period came in 20.1% higher than in 2015. This is due to the operational leverage as sales increased stronger than operating expenses.

At € 27.4 million, **net earnings** also improved by 27.6% (prior year: € 21.5 million). As a consequence, **earnings per share** went up to € 1.84 versus € 1.44 in the last year.

Working Capital and Cashflow

Working Capital:

As at the balance sheet date, PUMA's **working capital** amounted to 658.2 million, increasing only by 2.9% compared to June 30, 2015, in spite of higher sales and business volumes. This development in working capital is the result of an increase of inventories (+9.0%) combined with a slight reduction of trade receivables (-1.6%) and a moderate increase of trade payables (+2.7%).

Cashflow:

The **free cash flow before acquisitions** improved significantly by 40.1% amounting to € -100.5 million.

Outlook 2016

We continue to expect a currency adjusted high single-digit increase of net sales, a gross profit margin on previous year's level (45.5%), an increase in currency adjusted operating expenses in a mid to high single-digit range and an operating result (EBIT) between € 115 million and € 125 million.

Brand and Product Update

The UEFA Euro 2016 in France proved to be a great stage to showcase PUMA as an innovative and design driven sports brand. With an on-field presence of almost 40% across all matches, PUMA's five participating teams secured a strong visibility with their kits featuring our apparel technology ACTV Thermo-R. While Switzerland and Slovakia reached the round of sixteen following passionate and decisive appearances, Italy made it to the quarter final beating former European Champion Spain. A clear highlight was France's Antoine Griezmann, who was voted Player of the Tournament by the UEFA after being the top scorer with six goals that he shot in his dual coloured PUMA Tricks boots. PUMA player Olivier Giroud was ranked third in the scoring table of the event, while European Champion Portugal's Rui Patricio emerged as the Goalie of the Tournament. They all sported the yellow-pink boots on the pitch, in addition to players like Cesc Fàbregas, Nolito, Gianluigi Buffon, Giorgio Chiellini, Adam Lallana and Grzegorz Krychowiak.

In the English Premier League, Leicester City Football Club made the unthinkable happen at the end of the season in May. The "Foxes" became the first PUMA team to take the Premier League title after an extraordinary season, while PUMA-sponsored Arsenal FC secured the second rank. Both teams qualified for the UEFA Champions League.

In the run-up to the Olympic Games in Rio this August, PUMA signed a partnership with the Athletics Association of Barbados (AAB) as the supplier of performance race and training wear along with all the federation apparel needs through the next major championships. With Jamaica, Cuba, Grenada, Dominican Republic and the Bahamas already in PUMA's Caribbean stable, signing Barbados continues a focus on an area of the world where fast reigns supreme. The Barbados Track & Field team will first wear PUMA apparel in Rio, with the deal seeing PUMA support the Caribbean nation through the next two IAAF World Championships.

In our Motorsport category, PUMA released the latest edition to its DISC footwear franchise, the futuristic looking metallic silver BMW X-CAT DISC. This striking shoe showcases PUMA's reinvented DISC technology of internal wires that tighten the upper, which was originally launched in 1991 and provides ultimate comfort and a snug fit. In Formula One, our three partnered teams Mercedes AMG Petronas, Scuderia Ferrari and Red Bull Racing are currently holding the top ranks in both the drivers' and the constructors' standings in this year's superb season so far.

In our Running category, we continued to expand our successful IGNITE franchise: the all-new IGNITE Dual for Autumn-Winter 16. It provides ultimate flexibility and cushioning for mid- and long-distance runners, thanks to the special sole with IGNITE FOAM and grooves. It is also available in IGNITE Dual Disc and IGNITE Dual evoKnit iterations.

Strategy Update

In the first half of 2016, PUMA continued to make inroads into becoming the Fastest Sports Brand in the World. The two major football tournaments - Copa America and the UEFA Euro 2016 - on the one side and the further accelerated success of our women's initiative "The Future is Female" on the other were the dominating factors for us.

With our five sponsored teams as well as our high profile players sporting our new PUMA TRICKS boots and gloves, PUMA achieved great visibility through these events. We have been leveraging this momentum with our key retail partners. Building on the impressive sell-through results of TRICKS during the 2014 world cup, we generated healthy sell-in of TRICKS this year. Many key retailers including Intersport, Dick's Sporting Goods and Kamo supported them with very visible in-store executions.

The overwhelming reactions to our FENTY PUMA by Rihanna runway show during the New York Fashion Week and especially the social media buzz further strengthened the FENTY footwear launches. The FENTY Trainer and the CREEPER's new color ways were sold out in days, the Fur Slide in hours or minutes. In a partnership with Kylie Jenner, a key influencer for young women in the US and new PUMA brand ambassador, PUMA has launched another revolutionary silhouette, the FIERCE performance training shoe. All of these products generated great sell-in and sell-out results, which continue to strengthen our relationship with key retailers. This includes Foot Locker's women-only banner SIX:02, that has decided to dedicate additional space to PUMA shop-in-shops in their stores.

In June, we announced our partnership with New York City Ballet (NYCB), one of the leading dance companies in the world, as their official off-stage active wear partner. Starting in October 2016, a number of dancers from the New York City Ballet will be featured in several PUMA creative and marketing campaigns that will highlight women in sports and culture. In addition, PUMA and New York City Ballet will explore ways for PUMA to support a variety of NYCB initiatives, including the ballet company's education, audience development and dancer health and wellness efforts.

PUMA strongly believes in the power of sports that improves people's health around the world every day. As we want to make a difference in the lives of people, including the most disadvantaged ones, we have partnered with Right To Play. Right To Play is a global organization, founded by four-time Olympic gold medalist Johann Olav Koss, and uses the transformative power of play to educate and empower children facing adversity. This year PUMA supports Right To Play with a donation and delivery of equipment such as 10,000 footballs to children in need.

Income Statement	Second Quarter			Year to Date		
	Q2/2016 € million	Q2/2015 € million	Devi- ation	1-6/2016 € million	1-6/2015 € million	Devi- ation
Sales	826,5	772,7	7,0%	1.678,4	1.594,1	5,3%
Cost of sales	-449,8	-412,2	9,1%	-902,9	-848,6	6,4%
Gross profit	376,7	360,6	4,5%	775,5	745,5	4,0%
- in % of consolidated sales	45,6%	46,7%		46,2%	46,8%	
Royalty and commission income	4,0	3,7	10,0%	8,2	7,3	11,3%
Other operating income and expenses	-368,8	-357,4	3,2%	-730,5	-708,5	3,1%
Operating result (EBIT)	11,9	6,8	75,1%	53,2	44,3	20,1%
- in % of consolidated sales	1,4%	0,9%		3,2%	2,8%	
Financial result / Income from associated companies	-4,0	-5,7	-30,6%	-5,5	-4,8	15,2%
Earnings before taxes (EBT)	8,0	1,1	-	47,7	39,5	20,7%
- in % of consolidated sales	1,0%	0,1%		2,8%	2,5%	
Taxes on income	-2,3	2,4	-	-13,6	-8,4	61,8%
- Tax rate	29,2%	-220,2%		28,5%	21,3%	
Net earnings attributable to non-controlling interests	-4,0	-6,8	-41,3%	-6,6	-9,6	-31,0%
Net earnings	1,6	-3,3	-	27,4	21,5	27,6%
Earnings per share (€)	0,11	-0,22	-	1,84	1,44	27,6%
Earnings per share (€) - diluted	0,11	-0,22	-	1,84	1,44	27,6%
Weighted average shares outstanding (million)				14,940	14,940	0,0%
Weighted average shares outstanding - diluted (million)				14,940	14,940	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	June 30,'16 € million	June 30,'15 € million	Devi- ation	Dec. 31,'15 € million
ASSETS				
Cash and cash equivalents	261,7	337,9	-22,6%	338,8
Inventories	768,0	704,5	9,0%	657,0
Trade receivables	515,6	523,8	-1,6%	483,1
Other current assets (Working Capital related)	166,1	195,8	-15,1%	154,9
Other current assets	37,8	62,6	-39,6%	51,0
Current assets	1.749,2	1.824,5	-4,1%	1.684,8
Deferred taxes	221,5	201,5	9,9%	219,8
Other non-current assets	722,8	716,4	0,9%	715,7
Non-current assets	944,2	917,9	2,9%	935,5
Total Assets	2.693,4	2.742,3	-1,8%	2.620,3
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current financial liabilities	32,7	21,7	50,6%	14,0
Trade payables	572,9	557,9	2,7%	519,7
Other current liabilities (Working Capital related)	218,6	226,1	-3,3%	242,4
Other current liabilities	147,7	170,5	-13,3%	103,9
Current liabilities	971,9	976,2	-0,4%	880,0
Deferred taxes	56,6	56,2	0,7%	64,2
Pension provisions	21,7	26,4	-17,7%	23,8
Other non-current liabilities	42,1	32,9	27,9%	32,9
Non-current liabilities	120,4	115,5	4,2%	121,0
Shareholders' Equity	1.601,1	1.650,6	-3,0%	1.619,3
Total Liabilities and Shareholders' Equity	2.693,4	2.742,3	-1,8%	2.620,3

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.

Cashflow Statement	1-6/2016 € million	1-6/2015 € million	Devi- ation
Earnings before taxes (EBT)	47,7	39,5	20,7%
Financial result and non cash effected expenses and income	34,8	26,1	33,4%
Cashflow - gross	82,5	65,6	25,7%
Change in net working capital	-136,5	-184,6	-26,0%
Taxes and interest payments	-19,8	-21,4	-7,8%
Cashflow from operating activities	-73,8	-140,4	-47,4%
Payments for acquisitions	-6,8	0,0	
Payments for investments in fixed assets	-31,0	-36,4	-14,9%
Other investing activities	4,3	9,1	-52,6%
Cashflow from investing activities	-33,5	-27,3	22,6%
Free Cashflow	-107,3	-167,8	-36,0%
Free Cashflow (before acquisitions)	-100,5	-167,8	-40,1%
Dividends paid to equity holders of the parent company	-7,5	-7,5	0,0%
Dividends paid to non-controlling interests	-8,9	-24,7	-64,1%
Proceeds from short-term borrowings	24,3	115,2	-78,9%
Other changes	21,7	10,4	109,0%
Cashflow from financing activities	29,7	93,4	-68,2%
Effect on exchange rates on cash	0,6	10,8	-94,7%
Change in cash and cash equivalents	-77,1	-63,6	21,3%
Cash and cash equivalents at beginning of financial year	338,8	401,5	-15,6%
Cash and cash equivalents end of the period	261,7	337,9	-22,6%

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.

Financial Calendar FY 2016:

February 18, 2016	Financial Results FY 2015
April 29, 2016	Quarterly Statement Q1 2016
May 4, 2016	Annual General Meeting
July 27, 2016	Interim Report Q2 2016
November 10, 2016	Quarterly Statement Q3 2016

The financial releases and other financial information are available on the Internet at „about.puma.com“.

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Notes to the editors:

- The financial reports are posted on www.about.puma.com.
- PUMA SE stock symbol:
Reuters: PUMG.DE, Bloomberg: PUM GY,
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Notes relating to forward-looking statements:

This document contains forward-looking statements about the Company's future financial status and strategic initiatives. The forward-looking statements are based on the current expectations and assumptions of the management team. These are subject to a certain level of risk and uncertainty including, but not limited to those described above or in other disclosures, in particular in the chapter Risk and Opportunity Management in the Group Management Report. In the event that the expectations and the assumptions do not materialize or unforeseen risks arise, the Company's actual results can differ significantly from expectations. Therefore, we cannot assume responsibility for the correctness of these statements.

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 and Training, Golf, and Motorsports. It engages in exciting collaborations with renowned design brands to bring innovative and fast designs to the sports world. The PUMA Group owns the brands PUMA, Cobra Golf and Dobotex. The company distributes its products in more than 120 countries, employs more than 11,000 people worldwide, and is headquartered in Herzogenaurach/Germany. For more information, please visit <http://www.puma.com>