



PRESS RELEASE

Trading Environment dents PUMA's First Quarter Sales and Profit

Herzogenaurach, May 14, 2013

2013 First Quarter Facts

- Consolidated sales fall by 2.3% currency adjusted to € 782 million
- EPS reduced from € 4.92 to € 3.36
- Transformation and Cost Reduction Program on track
- New Chief Executive Officer Björn Gulden appointed
- PUMA partner Borussia Dortmund reaches Champions League final

Key Sales Figures at a Glance

Sales by regions and product segments € million	Q1		growth rates	
	2013	2012	Euro	currency adjusted
Breakdown by regions				
EMEA	347,9	368,0	-5,5%	-4,8%
Americas	260,2	260,8	-0,2%	1,8%
Asia/Pacific	173,4	192,1	-9,7%	-2,9%
Total	781,6	820,9	-4,8%	-2,3%
Breakdown by product segments				
Footwear	373,1	414,6	-10,0%	-7,8%
Apparel	256,1	267,6	-4,3%	-1,1%
Accessories	152,4	138,7	9,9%	11,9%
Total	781,6	820,9	-4,8%	-2,3%

Michael Laemmermann, Chief Financial Officer of PUMA SE: "In the current challenging business climate, especially in Europe and in Asia, we are continuing to implement our Transformation and Cost Reduction Program aimed at improving efficiencies and our cost base. This will increase PUMA's profitability in the long-term. Confirming our increased focus on Performance, PUMA's visibility and credibility as a premium football brand have been further enhanced with Borussia Dortmund's progress to the Champions League final."

Sales Performance by Region

Business climate in Europe remains challenging

Sportlifestyle company PUMA recorded a decline in first quarter sales as Eurozone retail spending continued to weaken and sales in Asia were affected by an unusually long winter. Sales fell by 2.3% in currency adjusted terms to € 782 million when compared to the first quarter of 2012.

PUMA's sales in the **Americas** improved by 1.8% currency adjusted to € 260 million. There were strong performances in Mexico and Brazil, where Teamsport was bolstered by Rio de Janeiro soccer club Botafogo, and Argentina, where Lifestyle collections are resonating well. Our Cobra PUMA Golf division continues to deliver outstanding results, which is also reflected in rising sales in North America.

Sales in the **EMEA** region were impacted in particular by the softening in retail spending, exacerbated by the unusually long winter, and fell by 4.8% currency adjusted to € 348 million. Strong performances in Russia, Turkey and the D-A-CH region, where classic footwear models such as the Suede and new Motorsport apparel lines resonated well, could not completely offset weak performances in Italy and France. Steadfastly high levels of unemployment in the southern regions of the Eurozone added to the difficult retail environment.

In the **Asia/Pacific** region, sales declined by 2.9% currency adjusted to € 173 million. India, supported by excellent sales in Running and Teamsports, and Australia delivered positive performances which could not quite offset the less satisfactory numbers from Japan, where

there was an unusually harsh winter, and China, where Fitness & Training products in particular did not perform as expected.

Satisfying retail performance

PUMA's **Retail sales** increased by 13.9% currency adjusted to € 135 million, representing a 17.3% share of total sales. This rise in sales was supported by excellent results from our e-commerce business, particularly in North America.

Sales Performance by Segment

Lack of Sporting Events impacts Footwear Sales; Mobium on the Rise

In the first quarter of 2013, **Accessories** performed exceptionally well during the first three months of 2013, rising by 11.9% currency adjusted to € 152 million. This outstanding performance was once again led by Cobra PUMA Golf and our North American joint venture for socks and bodywear.

Apparel sales declined modestly in the first quarter by 1.1% currency adjusted to € 256 million. Although Fundamentals were lower, Cobra PUMA Golf and Running continued to perform well. In **Teamsport**, the spotlight remains firmly on our most successful team, Borussia Dortmund, whose journey to this season's Champions League final at the end of May has captured the imagination of football fans around the world underlining PUMA's position as a premium football brand.

PUMA has also recently successfully introduced its ISPO award winning **PUMA ACTV** and **RCVR** performance apparel. By fusing compression technology with inbuilt athletic taping, ACTV and RCVR apparel increase the body's performance and improve its recovery times, taking this category to the next level.

Footwear sales declined by 7.8% currency adjusted to € 373 million. The decline was caused in part by the Teamsport category, which did not perform as well in a non-event year, and Training & Fitness was impacted by the shrinking demand for toning products. In **Lifestyle**

PUMA's new range of Suede and Archive Lite Models were very well received, with our Future Suede Lite and TX-3 shoes resonating extremely well with consumers in the Asia/Pacific region.

Following the launch of "The Nature of Performance" brand platform to revitalize our Performance categories, PUMA **Running** was invigorated by our new Adaptive Running shoe, the **PUMA Mobium Elite**. The Mobium Elite is delivering encouraging sell-through in many markets, including the United States and Asia/Pacific region.

Transformation Program being implemented according to plan

The implementation of PUMA's Transformation Program continued during the first quarter. The set up of PUMA's new Business Unit, supported by our Performance and Lifestyle pillars, is now complete and the evolution to a market and consumer focused organization continues. Each of PUMA's six Business Units will be managed by one fully accountable Business Unit General Manager. Each team is wholly situated at one location to be able to react faster to consumer trends and optimize each team's efforts. PUMA's European consolidation of 23 countries into 7 areas is also on track, with our D-A-CH and Iberia areas now established. In retail, 45 underperforming stores were closed by the end of the first quarter.

PUMA will continue to execute on all of the measures set out under the Transformation and Cost Reduction Program in 2012 in order to benefit the Company in both the mid- and long-term.

Margin, Expenses and Profitability

Gross Profit Margin softens to 49.1%

PUMA's gross profit margin fell from 51.2% to 49.1% year on year. Pressure on the gross profit margin in the first quarter came in the most part from two sources: Substantial currency headwinds due to the negative hedging position in the first quarter of 2013 compared to the same period last year, and also continued inventory management with a particular focus on Footwear, combined with higher input costs. As a consequence, Footwear margins dropped from 49.5% to 46.1% and Apparel retreated from 53.5% to 51.5%, while Accessories improved from 51.9% to 52.6%.

OPEX decrease as a result of the Transformation and Cost Reduction Program

The broad approach undertaken to reduce costs by PUMA under both programs enabled the Company to reduce operating expenditure in nearly all areas, resulting in a decrease in OPEX of 3.9% to € 310 million.

Operating Result (EBIT) impacted by drop in gross profit margin

Despite the cost savings achieved by the measures undertaken under the Cost Reduction Program, **operating profit** declined in the first three months of 2013 from € 102 million to € 79 million due to the decline in sales and gross profit margin. As a consequence, the EBIT ratio decreased from 12.4% last year to 10.1% this year.

Financial Result declines

The **financial result** declined from € 1.1 million to € -4.0 million in the first quarter, due mainly to negative currency conversion impacts.

Earnings before Taxes (EBT) retreat

PUMA's **EBT** for the first quarter declined to € 75 million in 2013 compared to € 103 million in 2012, representing 9.6% of sales compared to 12.6% for the same period last year. Consequently, **tax expenses** abated from € 28 million to € 22 million, representing a tax rate of 29.3% versus 27.1% for the first quarter of 2012.

Net Earnings soften

Consolidated **net earnings** dropped by 32.0% from € 74 million to € 50 million. **Earnings per share** therefore also fell back from € 4.92 in 2012 to € 3.36 in the first quarter of 2013.

Net Assets and Financial Position

Equity continues to strengthen

PUMA's equity base continued to strengthen, with the **equity ratio** moving up slightly from 66.4% to 66.7% compared to the first quarter of 2012. Shareholder's equity is now equivalent to € 1,676 million, up from € 1,652 million.

Working Capital increases

PUMA's overall **Working Capital** increased by 7.0% to € 775 million due to the reduction of working capital related liabilities. A continued strong emphasis on **inventory** management resulted in almost flat stock levels at € 592 million. **Trade receivables** declined by 4.3% to € 594 million, due to the lower revenues in the quarter.

Cashflow / Capex

The **Free Cashflow** improved from € -200 million last year to € -154 million this year due to lower payments for acquisitions in spite of the decline in earnings before tax.

Capex declined from € 14 million to € 9 million, which was mainly invested in the opening and refitting of selected retail stores as well as office and IT equipment.

Cash Position improved

PUMA's **net cash** position improved slightly from € 203 million to € 207 million at the end of the first quarter.

General Matters

New Chief Executive Officer appointed

PUMA SE's Administrative Board appointed Björn Gulden as PUMA's new Chief Executive Officer (CEO), effective 1 July 2013. Björn brings to PUMA an extensive international experience of nearly 20 years in the sporting goods and footwear industry, where he has held a variety of senior management positions.

Outlook for the Financial Year 2013

In view of PUMA's first quarter results and of continuing economic uncertainty in certain key markets, Management now expects a low- to mid-single-digit decline in currency-adjusted full-year net sales. This forecast represents a slight downward revision compared to the guidance provided with the 2012 full-year results.

Management reiterates its expectations for continued pressure on the gross profit margin. Under these circumstances, PUMA is also unlikely to meet its original guidance of low- to mid-single-digit growth in EBIT before special items. However, PUMA's Management confirms that it expects net earnings to increase compared to the 2012 level.

First Quarter

Income Statement	Q1/2013 € million	Q1/2012 € million	Devi- ation
Sales	781,6	820,9	-4,8%
Cost of sales	-397,6	-400,7	-0,8%
Gross profit	384,0	420,1	-8,6%
- in % of consolidated sales	49,1%	51,2%	
Royalty and commission income	4,8	4,3	11,9%
Other operating income and expenses	-309,8	-322,4	-3,9%
Operating result (EBIT)	79,0	102,0	-22,6%
- in % of consolidated sales	10,1%	12,4%	
Financial result / Income from associated companies	-4,0	1,1	
Earnings before taxes (EBT)	75,0	103,1	-27,2%
- in % of consolidated sales	9,6%	12,6%	
Taxes on income	-22,0	-27,9	-21,3%
- Tax rate	29,3%	27,1%	
Net earnings attributable to non-controlling interests	-2,8	-1,2	
Net earnings	50,3	73,9	-32,0%
Earnings per share (€)	3,36	4,92	-31,8%
Earnings per share (€) - diluted	3,36	4,92	-31,8%
Weighted average shares outstanding	14,965	15,010	-0,3%
Weighted average shares outstanding - diluted	14,966	15,017	-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	Mar. 31,'13 € million	Mar. 31,'12 € million	Devi- ation	Dec. 31,'12 € million
ASSETS				
Cash and cash equivalents	260,0	245,8	5,8%	407,3
Inventories	591,6	587,1	0,8%	552,5
Trade receivables	593,7	620,5	-4,3%	507,0
Other current assets (Working Capital related)	178,3	162,4	9,8%	167,4
Other current assets	17,2	15,8	8,5%	8,4
Current assets	1.640,7	1.631,5	0,6%	1.642,6
Deferred taxes	139,0	110,3	26,1%	152,0
Other non-current assets	734,2	744,3	-1,4%	735,7
Non-current assets	873,2	854,6	2,2%	887,6
Total Assets	2.513,9	2.486,2	1,1%	2.530,3
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current bank liabilities	53,4	42,6	25,3%	44,1
Trade payables	376,0	393,5	-4,5%	376,1
Other current liabilities (Working Capital related)	212,9	252,7	-15,8%	227,2
Other current liabilities	66,9	10,0	571,8%	156,1
Current liabilities	709,2	698,8	1,5%	803,5
Deferred taxes	54,6	64,8	-15,7%	54,1
Pension provisions	31,1	30,1	3,3%	30,7
Other non-current liabilities	43,4	40,8	6,3%	44,7
Non-current liabilities	129,1	135,7	-4,9%	129,4
Shareholders' equity	1.675,6	1.651,6	1,5%	1.597,4
Total Liabilities and Shareholders' equity	2.513,9	2.486,2	1,1%	2.530,3

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Cashflow Statement	1-3/2013 € million	1-3/2012 € million	Devi- ation
Earnings before taxes (EBT)	75,0	103,1	-27,2%
Financial result and non cash effected expenses and income	13,7	17,8	-23,3%
Cashflow - gross	88,7	120,9	-26,6%
Change in net working capital	-177,4	-193,9	-8,5%
Taxes and interest payments	-38,8	-26,5	46,4%
Cashflow from operating activities	-127,5	-99,5	28,1%
Payments for acquisitions	-19,5	-88,6	-78,0%
Payments for investments in fixed assets	-8,9	-13,8	-35,4%
Other investing activities	2,4	1,8	31,3%
Cashflow from investing activities	-26,1	-100,6	-74,1%
Free Cashflow	-153,6	-200,1	-23,3%
Free Cashflow (before acquisition)	-134,0	-111,5	20,2%
Dividends paid to non-controlling interests	-0,4	-0,6	-32,6%
Other changes	7,8	7,2	8,2%
Cashflow from financing activities	7,4	6,6	11,7%
Effect on exchange rates on cash	-1,1	-9,0	-87,6%
Change in cash and cash equivalents	-147,3	-202,5	-27,3%
Cash and cash equivalents at beginning of financial year	407,3	448,2	-9,1%
Cash and cash equivalents end of the period	260,0	245,8	5,8%

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Notes to the editors:

- This press release and financial reports are posted on www.about.puma.com.
- PUMA SE stock symbol:
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Notes relating to forward-looking statements:

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PUMA

PUMA is one of the world's leading Sportlifestyle companies that designs and develops footwear, apparel and accessories. It is committed to working in ways that contribute to the world by supporting Creativity, SAFE Sustainability and Peace, and by staying true to the principles of being Fair, Honest, Positive and Creative in decisions made and actions taken. PUMA starts in Sport and ends in Fashion. Its Sport Performance and Lifestyle labels include categories such as Football, Running, Motorsports, Golf and Sailing. Sport Fashion features collaborations with renowned designer labels such as Alexander McQueen, Mihara Yasuhiro and Sergio Rossi. The PUMA Group owns the brands PUMA, Cobra Golf and Tretorn. The company, which was founded in 1948, distributes its products in more than 120 countries, employs more than 10,000 people worldwide and has headquarters in Herzogenaurach/Germany, Boston, London and Hong Kong. For more information, please visit <http://www.puma.com>