



PUMA AG Rudolf Dassler Sport

INTERIM REPORT

1st Quarter of 2005



INTERIM REPORT

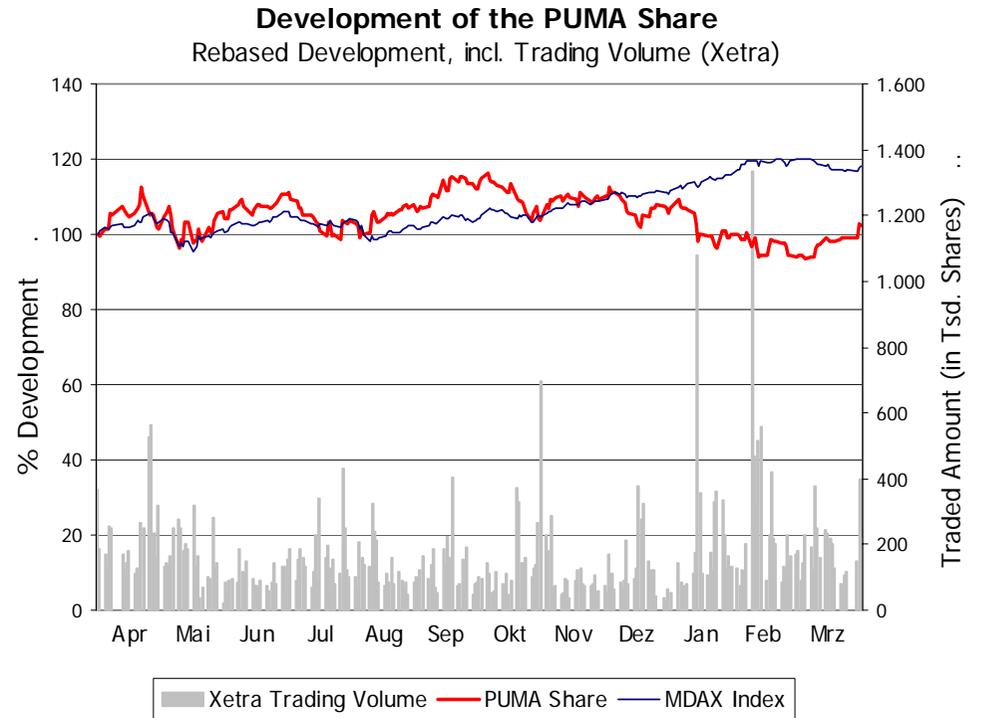
1st Quarter of 2005

- Global brand sales increase more than 18% currency-neutral
- Consolidated sales grew almost 14% (currency neutral)
- Gross profit margin on highest level in company's history at 53.4%
- EBIT margin increases to 26.5%
- EPS improves by 13.5% from €5.00 to €5.68
- Future orders once again increase by more than 6% currency-neutral and reach €812 million
- Management reaffirms sales and earnings expectations for 2005



CONTENT

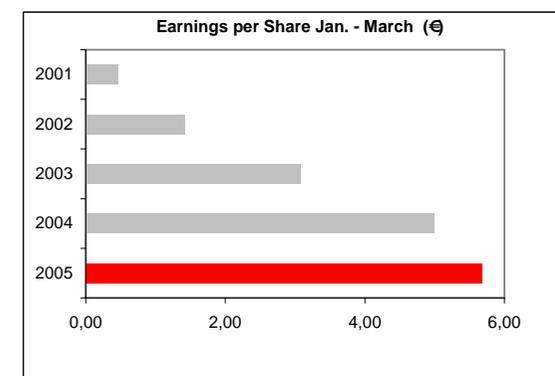
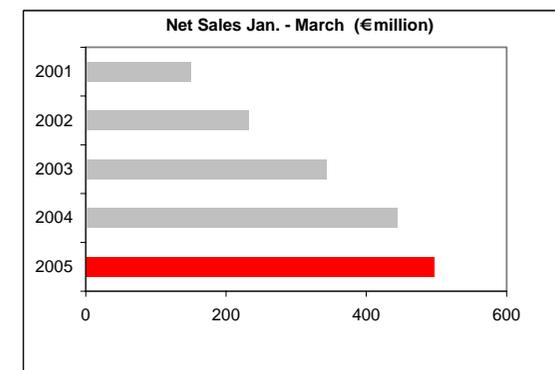
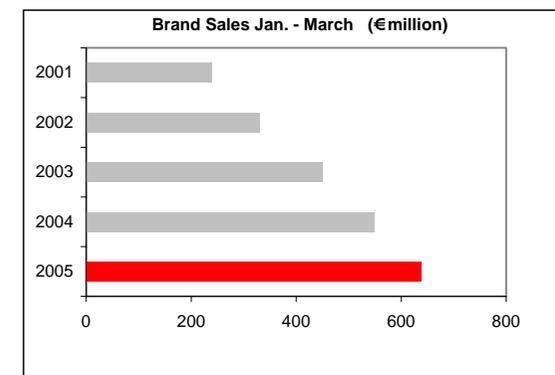
Financial Highlights	4
Sales and Earnings Review	5 - 6
Net Assets and Financial Position	6
Share buy-back	7
Regional Development	7
Outlook	8 - 9
Balance Sheet	10
Income Statements	11
Cashflow Statement	12
Changes in Equity	13
Segment Data	14
Notes to the Interim Report	15 - 16
Board of Management/Supervisory Board	17
Financial Calendar	18



Financial Highlights

	1-3/2005 €Mio.	1-3/2004 €Mio. *	Devi- ation
Brand Sales	638,8	549,3	16,3%
Consolidated net sales	496,5	443,8	11,9%
Gross profit in %	53,4%	51,7%	
EBT	132,6	116,9	13,4%
- in %	26,7%	26,3%	
Net earnings	90,9	80,1	13,5%
- in %	18,3%	18,0%	
Total assets	1.086,0	839,1	29,4%
Equity ratio in %	58,2%	54,0%	
Working capital	276,1	237,8	16,1%
Cashflow - gross	137,0	119,4	14,7%
Free cashflow (before acquisition)	-23,2	4,9	-568,6%
Earnings per share (in €)	5,68	5,00	13,5%
Cashflow - gross per share (in €)	8,56	7,46	14,8%
Free cashflow per share (in €)	-1,45	0,31	-568,7%
Share price at end of the period	193,13	179,30	7,7%
Market capitalization at end of the period	3.086,5	2.856,9	8,0%
Orders on hand	812,3	776,6	4,6%
Investments in tangible and intangible assets	17,1	6,4	167,0%

* Restated according to IFRS 2



Sales and Earnings Review

Global brand sales up over 18%

PUMA's worldwide branded sales, which include consolidated and license sales, rose 18.1% currency-neutral or, in Euro by 16.3% to €639 million. Footwear sales improved by 13.3% (in Euro 11.5%) to €376 million, Apparel by 21.5% (19.7%) to €211 million and Accessories by a strong 46.9% (45.1%) to €52 million.

Consolidated sales almost 14% above last year

Consolidated sales increased for the 25th consecutive quarter and continued with another double-digit growth of 13.7% currency-neutral in Q1. In Euro, this means an increase of 11.9% to €497 million. Sales in the largest segment, Footwear, were up 12.1% (in Euro 10.6%) to €338 million and Apparel by 12.4% (11.2%) to €124 million. Accessories realized the strongest growth rate with 32.5% (30.1%) and sales climbed to €35 million. All regions contributed positively to this performance.

Gross profit margin on highest level in company history at 53.4%

With its 17th consecutive quarter of positive development, the gross profit margin increased in Q1 by another 170 basis points to 53.4%, resulting once again in the highest gross profit margin in company history. In particular, margin in the segments Apparel and Accessories were up strongly: Apparel increased 4 percentage points to 53.4% and Accessories by 5 percentage points to 51.1%. Footwear added another 0.7 percentage points on top of its already high level, moving from 52.9% to 53.6% despite the difficult market environment in Europe.

Positive development in licensed business

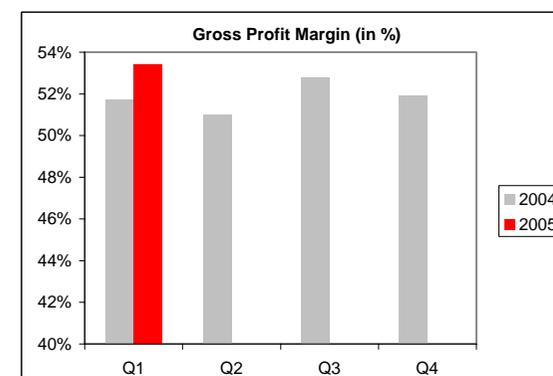
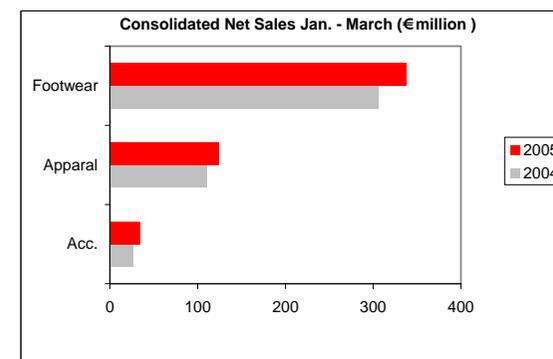
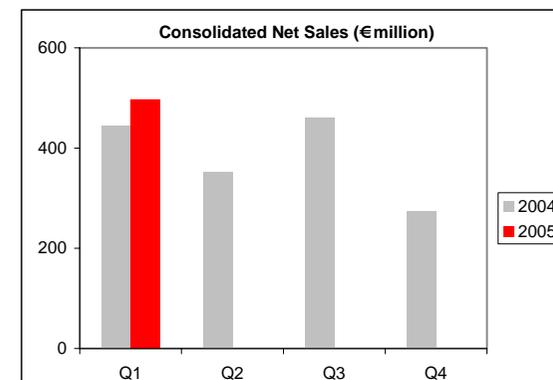
Licensed sales increased significantly by 34.9% to €142 million. Licensee development was consistently positive globally, with particularly strong growth occurring in Asia,

where double-digit growth rates in all licensee countries confirms the long-term potential of this region. Royalty and commission income was up 12.6% to €12.5 million in first quarter.

SG&A expenses at 28.4%

In total, SG&A rose 17.7% to €141 million in Q1 2005. As a percentage of sales, the cost ratio increased from 27% to 28.4%, due to the expansion of own retail activities and additional personnel expenses resulting from the management incentive program.

Marketing/Retail expenses rose by 22.3% to €63 million, representing a cost ratio of 12.6% compared to 11.5% in the previous year. Product development and design expenses increased by 7.3% to €9 million and remained nearly constant at 1.8% of sales. Other selling, general and administrative expenses were up 15.2% to €69 million, or from 13.6% to 14% of sales.



Further increase in profitability

Due to the increase in sales and strong gross profit margin, operating profit (EBIT) increased 13% to €132 million resulting in EBIT improvement from 26.2% to 26.5%. Pre-tax profit grew by 13.4% to €133 million. Tax expenses increased from €36 million to €39 million, while the tax rate declined from 31% to 29.5%.

Earnings per share

In Q1, net earnings grew by 13.5% and therefore once again faster than sales. In absolute amounts, net earnings accounted for €91 million versus €80 million in last year's quarter. The net return increased from 18.0% to 18.3%. Earnings per share jumped 13.5% from €5.00 to €5.68. Diluted earnings per share were calculated at €5.63 compared with €4.88.

Net Assets and Financial Position

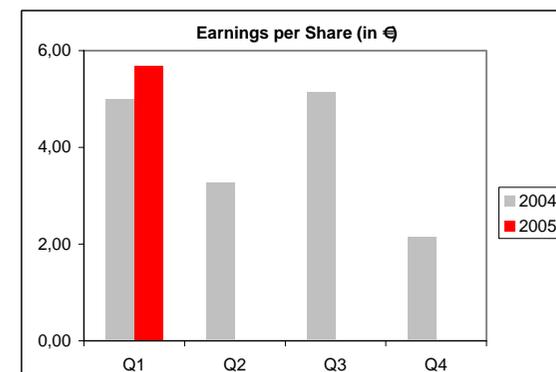
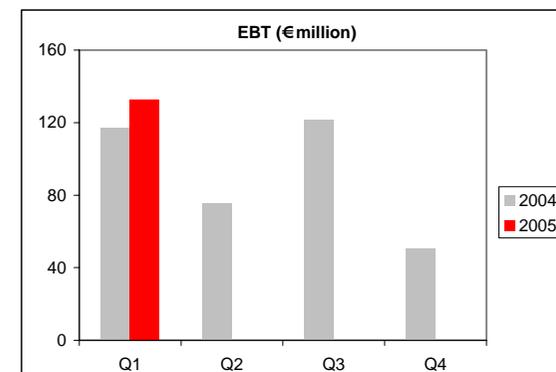
Equity ratio increased to 58%

Despite a 29.4% increase in the balance sheet total to €1,086 million, shareholder equity further improved. The end of March equity ratio reached 58.2% compared with 54% at the end of last year's quarter.

Very strong financial position

Inventory increased by 8.1% over last year to €190 million and receivables were up by 14.8% to €387 million. Excluding a first time consolidation effect inventories are up 3.4% and receivables by 6%. Cash and cash equivalents grew from €184 million to €323 million and bank debts remained at last year's level of €22 million. Net liquidity improved from €161 million to €302 million at the end of the quarter.

Free cashflow was minus €25 million compared with €5 million last year. The decline was mainly due to significantly higher tax payments as well as an increase in capital expenditures. Furthermore, cashflow was affected by an inventory shift from December to January.



Share Buyback

PUMA purchased another 80,000 of its own shares during the first three months of 2005. At quarter-end, a total of 685,000 shares were held as treasury stock, accounting for 4.1% of total share capital.

Regional Development

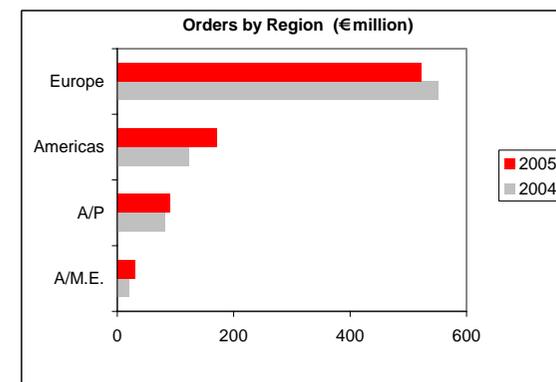
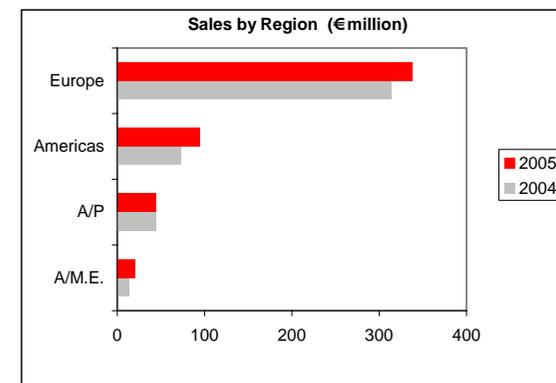
All regions contributed with positive growth

European sales were up by 7.8% to €338 million during the first three months and represented 68.1% of consolidated sales. Gross profit margin reached a new record and climbed from 54.7% to 56.9%. Orders on hand stood at €522 million, a decline of 5.5% versus last year which is mainly a result of stronger than expected sales in Q1, and an economic weakness in Western Europe. Furthermore, last year's number was positively influenced by major sporting events in the summer of 2004.

Sales in the **Americas** continued to grow strongly. Currency-adjusted, Q1 sales jumped 37.7% and in Euro terms by 29.5% to €94 million. The region accounts for 19% of consolidated sales. In addition, gross profit margin improved significantly by 130 basis points from 44.8% to 46.1%. The currency-adjusted orders volume was up by a strong 48%, or in Euro by 38.8% to €170 million. In the **US** market, sales increased by 29.5% to USD96 million and order growth showed a further acceleration, up by 36.3% to USD190 million at the end of March.

Asia/Pacific sales increased currency-neutral by 3.2% (in Euro terms -1.5%) to €44 million and contributed 8.8% to consolidated sales. The gross profit margin in this region improved strongly from 48% to 50.9%. As of March 31, 2005, orders on hand were up 15% currency-adjusted (in Euro terms 9.9%) and totaled €90 million. In branded sales, the Asian region in particular developed very positively with growth rates of over 22% and 28% currency adjusted.

In **Africa/Middle East** sales increased significantly by 59.4% to €20 million, accounting for 4.1% of consolidated sales. The gross profit margin climbed strongly from 29.1% to 34.6%. Orders on hand showed a further strong increase of almost 50%.

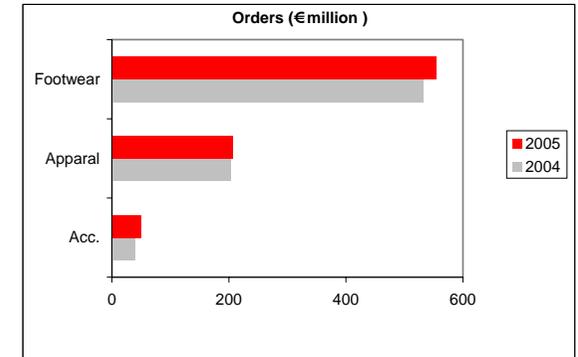


Outlook

Future orders up

Orders on hand as of March 31, 2005 stood currency-adjusted 6.2% above last year, marking the 37th consecutive quarter of orders increase. In Euro terms, orders grew by 4.6% to €812 million. The future orders mainly include orders for shipments in Q2 and Q3.

Footwear orders were up by 6.1% (in Euro terms 4.1%) to €555 million and Apparel totaled €207 million, an increase of 2.1% (1.4%). Strongest growth was realized in Accessories, with orders up by 29.5% (27.4%) to €51 million.



Management confirms sales and earnings expectations for 2005

Taking into account a strong performance in Q1, management expects to show mid to high single digit sales growth and reaffirms the guidance given earlier this year for the outlook FY2005. The license business should increase in a double-digit range.

Depending on product and regional mix, the gross profit margin is now expected in a range between 51% and 52%. Selling, general and administrative expenses should yield a cost ratio between 30.5% and 31%. An operating margin of clearly above 20% is expected, placing PUMA in the upper range within the sporting goods industry. The tax rate is expected to be around 29%.

Management is optimistic that earnings will also see mid to high single digit growth on a like for like basis. This would lead to new records in both sales and profit. PUMA is planning to announce the strategy for Phase IV (2006-2010) in line with the second quarter release in calendar week 30.

Jochen Zeitz, CEO: "PUMA once again was able to show strong overall growth and profitability on a very high level in Q1, setting the basis for another record year in 2005 and a strong financial position for entering the new Phase IV of the company's development in 2006."



Balance Sheet

	Mar. 31, '05 €Mio.	Mar. 31, '04 €Mio. *	Devi- ation	Dec. 31, '04 €Mio. *
ASSETS				
Cash	323,3	183,7	76,0%	369,3
Inventories	189,9	175,7	8,1%	201,1
Receivables and other current assets	387,3	337,3	14,8%	189,9
Total current assets	900,5	696,7	29,3%	760,3
Deferred income taxes	49,9	40,0	24,7%	51,6
Property and equipment, net	92,2	70,3	31,1%	84,7
Goodwill and other long-term assets	43,4	32,1	35,3%	33,0
	1.086,0	839,1	29,4%	929,6
LIABILITIES AND SHAREHOLDERS' EQUITY				
Short-term bank borrowings	21,8	22,4	-2,7%	12,9
Accounts payable	161,4	148,0	9,1%	136,9
Other current liabilities	121,9	85,0	43,5%	124,0
Total liabilities	305,2	255,4	19,5%	273,9
Pension accruals	21,5	18,6	15,7%	21,2
Tax accruals	51,6	47,0	9,7%	33,7
Other accruals	66,3	62,2	6,6%	53,8
Long-term liabilities interest bearing	0,0	0,0		0,0
Deferred income taxes	9,6	3,2	201,4%	9,6
Total shareholders' equity	631,9	452,7	39,6%	537,5
	1.086,0	839,1	29,4%	929,6

* Restated according to IFRS 2



Income Statements

	Q1/2005 €Mio.	Q1/2004 €Mio. *	Devi- ation
Net sales	496,5	443,8	11,9%
Cost of sales	-231,5	-214,6	7,9%
Gross profit	265,0	229,2	15,6%
- in % of net sales	53,4%	51,7%	
Royalty and commission income	12,5	11,1	12,6%
Selling, general and administrative expenses	-141,1	-119,9	17,7%
EBITDA	136,5	120,4	13,3%
Depreciation and amortisation	-5,0	-4,0	22,9%
EBIT	131,5	116,4	13,0%
- in % of net sales	26,5%	26,2%	
Interest result	1,1	0,6	101,4%
EBT	132,6	116,9	13,4%
- in % of net sales	26,7%	26,3%	
Income taxes	-39,1	-36,2	8,1%
- Tax ratio	29,5%	31,0%	
Minorities	-2,7	-0,7	308,2%
Net earnings after minorities	90,9	80,1	13,5%
Net earnings per share (€)	5,68	5,00	13,5%
Net earnings per share (€) - diluted	5,63	4,88	15,4%
Weighted average shares outstanding	15,996	15,999	0,0%
Weighted average shares outstanding - diluted	16,134	16,409	-1,7%

* Restated according to IFRS 2



Cashflow Statement

	1-3/2005 €Mio.	1-3/2004 €Mio. *	Devi- ation
Earnings before taxes on income	132,6	116,9	13,4%
Depreciation	5,0	4,0	22,9%
Non cash effected expenses and income	-0,6	-1,6	-61,5%
Cashflow - gross	137,0	119,4	14,7%
Change in net assets	-120,4	-97,8	23,1%
Taxes, interests and other payments	-20,5	-12,9	59,0%
Cashflow from operating activities	-3,9	8,7	-145,3%
Cashflow from investing activities	-19,2	-3,7	415,0%
Free Cashflow	-23,2	4,9	-568,6%
Dividend payments	-16,0	0,0	
Purchase of own shares	-14,9	-19,2	-22,5%
Other changes	6,0	6,2	-4,3%
Cashflow from financing activities	-24,9	-13,0	92,0%
Effect on exchange rates on cash	3,7	1,1	232,3%
Change in cash and cash equivalents	-44,4	-6,9	-541,7%
Cash and cash equivalents at beginning of financial year	369,3	190,6	93,8%
Cash and cash equivalents end of the period	324,9	183,7	76,9%

* Restated according to IFRS 2



Changes in Equity

	€ Mio.	€ Mio.	€ Mio.	€ Mio.	€ Mio.	€ Mio.	€ Mio.	€ Mio.	€ Mio.	
Subscribed capital	Group reserves				Consolidated profit/net income for the year	Treasury stock	Total Equity before Minorities	Minorities	Total Equity	
	Capital reserve	Revenue reserves	Difference from currency conversion	Cashflow hedges						
Dec. 31, 2003 (reported)	41,6	50,4	59,5	-15,2	-10,7	278,5	-20,9	383,0	0,8	383,8
Adjustment / restatement		0,9				-0,9		0,0		0,0
Dec. 31, 2003 (restated)	41,6	51,3	59,5	-15,2	-10,7	277,6	-20,9	383,0	0,8	383,8
Currency changes			4,8					4,8	0,0	4,8
Net effect on cashflow hedges, net of taxes					2,2			2,2		2,2
Value of employees services	0,3							0,3		0,3
Consolidated profit					80,1			80,1	0,7	80,7
Purchase of treasury stock							-19,2	-19,2		-19,2
Mar. 31, 2004 (restated)	41,6	51,6	59,5	-10,4	-8,5	357,7	-40,1	451,3	1,4	452,7
Dec. 31, 2004 (reported)	42,7	72,5	169,5	-33,0	-30,3	414,6	-100,2	535,8	2,4	538,2
Adjustment / restatement		6,1				-6,8		-0,7		-0,7
Dec. 31, 2004 (restated)	42,7	78,6	169,5	-33,0	-30,3	407,8	-100,2	535,1	2,4	537,5
Dividend payment						-16,0		-16,0		-16,0
Currency changes			11,1					11,1		11,1
Net effect on cashflow hedges, net of taxes					18,8			18,8		18,8
Value of employees services	1,6							1,6		1,6
Consolidated profit					90,9			90,9	2,9	93,8
Purchase of treasury stock							-14,9	-14,9		-14,9
Mar. 31, 2005	42,7	80,2	169,5	-21,9	-11,5	482,7	-115,1	626,6	5,3	631,9



Segment Data



	Sales		Gross profit	
	1-3/2005	1-3/2004	1-3/2005	1-3/2004
by head office location of customer				
Breakdown by regions	€ Mio.	€ Mio.	%	%
Europe	338,0	313,6	56,9%	54,7%
America	94,2	72,8	46,1%	44,8%
- thereof USA in US\$	96,2	74,3		
Asia/Pacific Rim	43,8	44,5	50,9%	48,0%
Africa/Middle East	20,5	12,9	34,6%	29,1%
	496,5	443,8	53,4%	51,7%

	Sales		Gross profit	
	1-3/2005	1-3/2004	1-3/2005	1-3/2004
Breakdown by product segments	€ Mio.	€ Mio.	%	%
Footwear	338,2	305,9	53,6%	52,9%
Apparel	123,6	111,2	53,4%	49,4%
Accessories	34,7	26,7	51,1%	46,1%
	496,5	443,8	53,4%	51,7%



Notes to the Interim Report

ACCOUNTING STANDARDS

The unaudited interim report of PUMA AG and its subsidiaries (which together form the PUMA group) for the first quarter was prepared according to the International Financial Reporting Standards (IFRS) passed by the International Accounting Standards Board (IASB).

The accounting standards applied in the preparation of this interim report correspond to all committing standards and interpretations of IASB which are valid starting from January 1st, 2005. The standards of the "Improvement Project" applied the first time in fiscal year 2005. Compared to the annual report 2004 the differences are based upon the first time implementation of IFRS2 and IFRS 3.

The valuation of the Management Incentive Programs (IFRS 2 "Share-based Payments") of Tranche III and IV was made retroactively to the date of issue. The expenses were prorated to the Vesting Period. In addition, the SAR program was booked at Fair Value for the first time. The total P&L effect amounting to €2.6 million (last year €0.3 million) was booked as personal expenses and in the balance sheet as capital reserves (SOP) and liability/provision respectively. Last year's number was restated for comparable reasons.

According to IFRS 3 / IAS 36 "Impairment of Assets" the Goodwill of a purchase of participation will no longer be depreciated regularly but there will be an Impairment Test at regular intervals. Thus, an ordinary depreciation of Goodwill not applied starting from January 1st, 2005 (last years period: €0.4 million). Extraordinary amortization in value was not necessary.

This interim report is partly based on assumptions and estimates which have an effect on the amounts and on the breakdown of the reported assets and liabilities as well as of the revenues and expenses. The actual values may, in some exceptional cases, differ from these assumptions and estimates at a later date. The corresponding changes if and when they occur will be reflected in the results as soon as the findings are revised.

CONSOLIDATED GROUP

Effective January 1, 2005, PUMA AG took over the majority of the former distributor of Greece due to a Joint Venture agreement. This is also the initial consolidation date. The company will be incorporated into the PUMA organization and the operations should be integrated accordingly.

Due to the change in the consolidated group, assets and liabilities were affected at the date of initial consolidation as follows:

	€ million
Inventory	5.5
Receivables	21.6
Other assets	3.6
Bank liabilities	-5.7
Other liabilities	-24.8
	0.2

The effect on consolidated net earnings was not significant.

SEASONAL VARIANCE

The group's sales fluctuate with the season. Consequently, the sales and resulting earnings vary in the course of a year. Normally, sales and earnings reach their peak in the first and third quarter while the second, and particularly the fourth quarter may be characterized by lower levels.

EMPLOYEES

	2005	2004
Number of employees at the beginning of the period	3,910	3,189
Number of employees at the end of the period	4,088	3,221
Average number of employees	3,999	3,205



EARNINGS PER SHARE

Earnings per share are calculated according to IAS 33 by dividing the result for the period by the weighted average number of outstanding shares. As of March 31, 2005 there were outstanding stock options from the Management Incentive Program which have diluted the earnings per share.

	2005	2004
Earnings per share	€5.68	€ 5.00
Diluted earnings per share	€5.63	€ 4.88

The earnings per share in the last year period was adjusted according to the restatement.

DIVIDEND

According to the Annual Shareholders' Meeting on March 30, 2005, a dividend of €1.00 per share was approved. The dividend totaled €16.0 million and was paid to the shareholders beginning on March 31, 2005.

SHAREHOLDERS' EQUITY

Subscribed Capital

As of March 31, 2005 the subscribed capital amounted to €42.7 million, divided into 16,666,714 no par value shares.

Treasury Stock

During the first quarter the company added 80,000 shares to the treasury stock which corresponded to an investment of €14.9 million. At the end of March, the PUMA held a total of 685,000 shares for an investment of €115.1 million. This represents 4.1% of the total stock

capital. This item reduces equity capital (see "Changes in Equity").

Development of the Amount of the Shares

	2005	2004
Number of shares at the beginning of the period	16,666,714	16,233,714
+ conversion of Management Incentives		
Number of shares at the end of the period/subscribed capital	16,666,714	16,233,714
thereof own shares/treasury stocks	-685,000	-300,000
Shares outstanding at the end of the period	15,981,714	15,933,714
Weighted average number of shares, outstanding	15,996,220	15,999,265
Diluted number of shares	16,134,229	16,409,267

Authorized Capital

In accordance with the Company statutes, authorized capital totaling €15.4 million exists. The authorization was granted until May 13, 2007.

Management Incentive Program

Out of the options (SOP) issued to the management a total of 691,500 stock options were outstanding at end of the reporting period, whereby 194,500 are allocated to the board of management. In addition, the board of management also has 100,000 virtual options.

EVENTS AFTER THE BALANCE SHEET DATE

No events have occurred after the balance sheet date which may affect the financial situation and earnings position as of March 31, 2005.

Herzogenaurach, April 26, 2005

The Board of Management



Board of Management

Jochen Zeitz

Chairman/CEO
(Marketing, Sales, Finance, Administration
and Human Resources)

Martin Gänsler

Deputy Chairman
(Research, Development, Design and Sourcing,
Environmental and Social Affairs)

Ulrich Heyd

(Legal Affairs and Industrial Property Rights)

Group Executive Committee

Beside the Board of Management, the “Global
Functional Directors” complement the “Group
Executive Committee”:

Antonio Bertone

(Brand Management)

Peter Mahrer

(International Sales)

Dieter Bock

(Finance)

Klaus Bauer

(Operations, Human Resources)

Supervisory Board

Werner Hofer

(Chairman)

Thore Ohlsson

(Deputy Chairman)

Arnon Milchan

David Matalon

Katharina Wojaczek

(Employees' Representative)

Erwin Hiddel

(Employees' Representative)



Financial Calendar

30. CW 2005	Financial Results Q2 2005 Analyst/Investor day – Phase IVI
43. CW 2005	Financial Results Q3 2005 Analyst Conference Call
6. CW 2006	Financial Results FY2005 Press Conference Analyst Conference Call
16./14. CW 2006	Annual Shareholders' Meeting FY2005
17. CW 2006	Financial Results Q1 2006 Analyst Conference Call

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

Published by:

PUMA AG Rudolf Dassler Sport
Würzburger Str. 13
D-91074 Herzogenaurach

Tel.: +49 (0)9132 81-0
Fax: +49 (0)9132 81-2246
email: investor-relations@puma.com
Internet: <http://www.puma.com>

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® is the global athletic brand that successfully fuses influences from sport, lifestyle and fashion. PUMA's unique industry perspective delivers the unexpected in sportlifestyle footwear, apparel and accessories, through technical innovation and revolutionary design. Established in Herzogenaurach, Germany in 1948, PUMA distributes products in over 80 countries. For further information please visit www.puma.com

