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Financial Results for 4th Quarter and Financial Year 2000

Herzogenaurach, March 9, 2001 – PUMA AG announces its consolidated financial results for the 4th Quarter and the Financial Year 2000 (IAS).

Highlights 4th Quarter

- Consolidated sales increase 28.8%
- Footwear growth remains strong at 43.3%
- Gross profit margin 38.4% above average
- SG&A increase at a lower rate than sales
- EBT better than expected at € 0.8 million

Highlights Financial Year 2000

- Consolidated sales increase 24.1%
- Worldwide brand sales up 16.2%
- Gross profit margin 38.2% versus 38.0%
- Investment in marketing and product on a high level
- EBT increase 47.5%
- Earnings per share before one-time gains up 53.2% from € 0.62 to € 0.95
- Earnings per share after one-time gains soared 84.3 % from € 0.62 to € 1.14

Outlook 2001

- Order backlog up 24.0%
- Sales goal of 1 billion DM (€ 511 million) expected earlier than planned

Including the 4th quarter, the financial year 2000 was well ahead of expectations. Sales increased in the 4th quarter by 28.8% from € 64.7 million to € 83.3 million. Net earnings reached € 2.5 million or € 0.17 per share versus € 0.2 million or € 0.01 per share last year. In addition, one-time gains of € 4.3 million (net of taxes € 3.0 million) were realized in the 4th quarter. Including one-time gains, net earnings improved by 84.3 % to € 5.5 million or € 0.37 per share.

In 2000, sales increased by 24.1% to € 462.4 million. Net earnings before one-time gains increased by 53.2% from € 9.5 million to € 14.6 million or from € 0.62 to € 0.95 per share. Including one-time gains, net earnings increased by 84.3% to € 17.6 million or € 1.14 per share.

Jochen Zeitz, Chairman and CEO, said, "We are very pleased that PUMA made such a successful leap into the new millennium. We realized double-digit growth in a sluggish industry, which makes PUMA one of the fastest growing brands in 2000. We also managed to significantly improve profitability, an indication that the investments we made over the past years are paying off."

4th Quarter 2000

Consolidated net sales increased by 28.8% from € 64.7 million to € 83.3 million. By product segment, footwear achieved the strongest growth with 43.3%. Accessories significantly increased by 32.6% and apparel by 14.2%. In actual amounts, Western Europe and the Americas achieved the strongest growth.

Gross profit margin reached 38.4% which is above the year's average. Royalty and commission income increased by € 6.7 million to € 8.7 million. SG&A increased by 14.4% from € 32.6 million to € 37.3 million which was at a lower rate than sales.

EBT showed a positive result of € 0.8 million against a loss of € 1.8 million in the previous year. Net earnings before one-time gains increased from € 0.2 million to € 2.5 million. This corresponds to an earnings per share of € 0.17 against € 0.01 last year. Including one-time gains, the bottom line was positively affected by € 4.3 million (net of taxes: € 3.0 million), as total net earnings soared to € 5.5 million or € 0.36 per share.

Results for Financial Year 2000

Sales and earnings position

In 2000, **consolidated sales** reached € 462.4 million, a 24.1 % increase compared to € 372.7 million in 1999. Currency adjusted, the sales growth was 16.8 %. Worldwide **PUMA brand sales** including license sales grew by 16.2 % from € 714.9 million to € 831.1 million. Currency adjusted, the increase was 7.8 %.

Strong growth in footwear

Footwear was the strongest performer in the past financial year reaching 29.6%. Footwear sales increased from € 209.0 million to € 270.9 million. Apparel rose by 17.7 % from € 139.0 million to € 163.5 million and accessories by 13.2 % from €24.7 to million to € 28.0 million.

Gross profit strengthens against sales

Gross profit strengthened against sales and increased by 24.5 % from € 141.7 million to € 176.4 million. As a result, gross profit margin improved versus last year from 38.0 % to 38.2 %, despite the weak Euro in comparison to the U.S. dollar.

Royalty and commission income increases

Royalty and commission income increased by 20.8 % from € 23.9 million to € 28.9 million. This increase was due to both royalty income and commission realized by distributors and licensees of the intra-group sourcing organization.

High brand investment continues

Selling, administrative, and general expenses are subdivided into the following areas of operation: marketing, product development and design, and other selling, administration and general expenses. Marketing expenses increased by 9.9 % from € 61.0 million to € 67.0 million, which is 14.5 % (16.4 %) of sales revenue. Investments in the fields of product development and design grew by 19.9 % from € 15.2 million to € 18.2 million, or 3.9 % (4.1 %) as a percent of sales. Other selling, administrative and general expenses increased from € 68.3 million to € 90.6 million.

EBIT increases by 40.4 %

EBIT significantly increased by 40.4 % from € 16.3 million to € 22.8 million. As a percentage of sales, this amounts to 4.9 % compared to 4.4 % in the previous year.

EBT surpass expectations

Earnings before taxes rose by 47.5 % from € 14.4 million to € 21.2 million. Initial expectations at the beginning of the year and the income improvements revised in fall (20 % to 30 %) were markedly exceeded. The gross return on sales was 4.6 % in 2000 compared to 3.9 % in 1999.

Lower tax rate

Current income tax expenses increased from € 3.0 million to € 4.4 million. The taxes largely relate to withholding taxes on foreign royalty income at PUMA AG and taxes on the income of some subsidiaries. Including deferred taxes, the tax rate could be lowered from 41.7% to 31.2%, primarily due to the fact that intra-group write-downs of investments led to a significant tax expense reduction.

Earnings per share +53.2 %

Net income before one-time gains increased from € 9.5 million to € 14.6 million, significantly surpassing expectations. This result equals a net return on sales of 3.2 % (2.6 %). Earnings per share amounted to € 0.95 in 2000 compared to € 0.62 in 1999, an increase of 53.2 %. Including one-time gains, net earnings improved by 84.3 % to € 17.6 million or € 1.14 per share.

Balance Sheet

Equity ratio 42.1 %

The balance sheet total increased 16.8 % from € 266.6 million to € 311.5 million. This increase is primarily due to a rise in inventory and trade receivables. Shareholders' equity was € 131.3 million versus € 112.2 million last year. At 42.1 %, the equity ratio remained at the previous year level.

Net liquidity improves

As of December 31, 2000, the Company's liquid funds amounted to € 42.9 million (€ 35.5 million). Bank liabilities amounted to € 38.1 million (€ 34.4 million). Net liquidity improved by € 3.7 million despite a strong increase in sales.

Working capital 17.0 % of sales

As a percentage of sales, working capital declined from 20.6 % to 17.0 %. Inventories increased by € 9.9 million or 11.7 % to € 95.0 million, which was at a lower rate than sales. Trade and other receivables increased by 37.0 % from € 79.4 million to € 108.7 million. Trade payables including other liabilities rose from € 71.8 million to € 90.9 million. Tax accruals and other accruals increased from € 33.5 million to € 39.9 million.

Regional Highlights

In absolute terms, **Western Europe** achieved the strongest sales growth. Consolidated sales in Western Europe rose by € 40.2 million from € 227.2 million to € 267.4 million, an increase of 17.7 %. Footwear rose by 24.5 %, apparel by 11.0 %, and accessories by 4.1 %. Italy and France experienced the strongest sales growth.

Despite a sluggish market environment, consolidated sales in the **Americas** improved by 40.3 % from € 84.8 million to € 119.0 million. In the U.S., sales increased by 47.9 % or 26.7 %, currency-adjusted. In U.S. dollar terms, footwear sales in the U.S. increased by 31 %, apparel by 11 % and accessories by 60 %. Overall, the U.S. footwear market seems to be on an upward trend, whereas the apparel market continues to be difficult.

Sales in **Asia/Pacific Rim** improved from € 38.1 million to € 44.7 million. Australia, New Zealand and the Pacific Islands, serviced by PUMA subsidiaries, were the main contributors to the sales generated in this region. Footwear rose by 10.1 %, apparel by 24.0 % and accessories by 21.4 %.

In **Eastern Europe**, sales amounted to € 21.4 million and exceeded the previous year's result by 29.4 %. All product categories contributed to this growth: Footwear +22,8 %, apparel +33.0 % and accessories +78.1 %.

Consolidated sales in the **Africa/Middle East** region improved significantly from € 6.1 million to € 9.9 million with footwear increasing by 72.2 %, apparel by 53.4 % and accessories by 5.9 %. This improvement was primarily due to positive sales trends in the Middle East, which rose from € 4.5 million to € 7.7 million, and in Africa, which rose from € 1.6 million to € 2.2 million.

Outlook

Order backlog increases by 24 %

The order backlog was € 232.1 million on December 31, 2000, a 24.0 % increase compared to the previous year. Currency-adjusted, the order backlog rose by 19.1 %.

The breakdown by region is as follows: Western Europe +28.9 %, Eastern Europe +59.2 %, Americas +9,9 %, Asia/Pacific Rim +5.9 %, Africa/Middle East +40.7 %.

By product segment, footwear order backlog increased by 34.1 %, apparel +4.4 % and accessories + 14.2 %. Orders largely comprise deliveries in the first and second quarter of 2001.

Double-digit sales and earnings increases expected for the third consecutive year

For the third consecutive year, management expects currency-adjusted double-digit sales growth in 2001. The management therefore anticipates that PUMA will beat its Five-Year Plan sales target of DM 1 billion in 2001, one year earlier than planned, assuming a stable exchange rate scenario. This sales target was set to be achieved in 2002, as announced during the 4th quarter in 1997. The gross profit margin is expected to remain at the previous year's level. Investments in marketing, product development and design are planned at a level well above the industry average. Total selling, administrative and general expenses, however, are expected to decline as a percentage of sales. At present, PUMA anticipates earnings before taxes to increase at a faster rate than sales. The tax rate is expected to range between 35 % and 38 %.

Given a positive order situation, 2001 is expected to be another successful year for PUMA, taking the company one step further to achieving its goal to be one of the world's most desirable sports brands.

The Board of Management

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.

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*PUMA® is the alternative sports brand that successfully mixes the influences from sport, fashion and lifestyle.
For further information please visit www.puma.com & www.pumabiz.com*

**Consolidated Income Statements (IAS)
for the 4. Quarter and the Financial Year 2000**

	Q4 `00	Q4 `99	Devi-	1-12'00	1-12'99	Devi-
	Mio. €	Mio. €	ation	Mio. €	Mio. €	ation
Footwear	42,5	29,7	43,3%	270,9	209,0	29,6%
Apparel	35,2	30,8	14,2%	163,5	139,0	17,7%
Accessories	5,6	4,3	32,6%	28,0	24,7	13,2%
Western Europe	45,8	37,1	23,2%	267,4	227,2	17,7%
Eastern Europe	3,3	1,6	115,4%	21,4	16,5	29,4%
Asia/Pacific Region	11,1	10,7	4,1%	44,7	38,1	17,3%
America	20,8	13,5	53,8%	119,0	84,8	40,3%
Africa/Middle East	2,3	1,8	26,6%	9,9	6,1	62,8%
Net sales, total	83,3	64,7	28,8%	462,4	372,7	24,1%
Cost of sales	-51,3	-38,4	33,7%	-286,0	-231,0	23,8%
Gross Profit	32,0	26,3	21,6%	176,4	141,7	24,5%
- in % of net sales	38,4%	40,7%		38,2%	38,0%	
Royalty and commission income	8,7	6,7	29,2%	28,9	23,9	20,8%
	40,7	33,1	23,1%	205,3	165,6	24,0%
Selling, general and administrative expenses	-37,3	-32,6	14,4%	-175,7	-144,4	21,7%
EBITDA	3,4	0,5	634,1%	29,6	21,2	39,7%
Depreciation and amortisation	-2,5	-1,9	31,7%	-6,8	-4,9	37,2%
EBIT	0,9	-1,5	-160,5%	22,8	16,3	40,4%
- in % of net sales	1,1%	-2,3%		4,9%	4,4%	
Financial expenses	-0,1	-0,3	-69,9%	-1,6	-1,9	-14,2%
EBT	0,8	-1,8	-143,9%	21,2	14,4	47,5%
- in % of net sales	0,9%	-2,8%		4,6%	3,9%	
Income taxes	1,8	1,3	31,5%	-6,6	-6,0	10,4%
- Tax ratio				31,2%	41,7%	
Minorities	0,0	0,6		0,0	1,1	
Net earnings before e.o. items	2,5	0,2		14,6	9,5	53,3%
Extraordinary items, net	3,0	0,0		3,0	0,0	
Net earnings after minorities	5,5	0,2		17,6	9,5	84,4%
Net earnings per share before e.o. items (€)	0,17	0,01		0,95	0,62	53,3%
Net earnings per share (€)	0,36	0,01		1,14	0,62	84,4%

Consolidated Balance Sheet (IAS) as of Dezember 31, 2000

	Dec. 2000 Mio. €	Dec. 1999 Mio. €	Devi- ation
ASSETS			
Cash and cash equivalents	42,9	35,5	20,8%
Inventories	95,0	85,1	11,7%
Receivables and other current assets	109,7	80,8	35,8%
Total current assets	247,5	201,3	22,9%
Deferred Income Taxes	28,8	32,3	-10,9%
Property and equipment, net	30,0	27,0	11,1%
Goodwill and other long-term assets	5,2	6,0	-13,0%
	311,5	266,6	16,8%
LIABILITIES AND SHAREHOLDER'S EQUITY			
Short-term bank borrowings	38,1	34,4	10,7%
Accounts payable	69,9	60,1	16,4%
Other current liabilities	56,9	45,2	26,0%
Total current liabilities	164,9	139,6	18,1%
Pension accruals	13,4	12,8	5,0%
Long-term liabilities interest bearing	1,9	2,0	-7,1%
Minority interest	0,0	0,0	
Total Shareholders' equity	131,3	112,2	17,0%
	311,5	266,6	16,8%

Selected Key Figures (IAS)

	1-12/'00 Mio. €	1-12/'99 Mio. €	Devi- ation
Worldwide brand sales	831,1	714,9	16,2%
Equity ratio	42,1%	42,1%	
Working capital	78,8	76,6	2,9%
Order backlog	232,1	187,2	24,0%
Investment/Capital expenditure	8,6	9,5	-9,6%
Headcount (December 31)	1.522	1.424	6,9%
Outstanding shares (Mio.)	15,390	15,390	

Rounding differences may arise in percentages and totals for figures presented in millions as calculation is always based on the figures stated in thousands.