

Report by the Administrative Board

Dear Shareholders,

In financial year 2017, the Administrative Board has exercised all its duties under the law, statutes and company rules. It has managed the Company, determined the basic business strategies and monitored their implementation by the Managing Directors.

In this regard, the Administrative Board has in its four regular meetings discussed and resolved on the Company's business policies, all relevant aspects of corporate development and corporation planning, the Company's economic situation, including its net assets, financial position and results of operations, and all key decisions for the Group. All members participated in drawing up the resolutions. The Managing Directors have informed the Administrative Board regularly, comprehensively, and in a timely manner in written and verbal form about the implementation of all decisions and about all major business transactions. Furthermore, an extraordinary and a constitutive meeting of the Administrative Board took place.

The Administrative Board discussed in detail all of the Company's key business transactions, based on the reports by the Managing Directors and the committees, and presented its own ideas. The Managing Directors has provided the Administrative Board with information on any deviations from business performance based on the specifications that have been given to the Managing Directors by the Administrative Board. The Administrative Board verified all of these explanations using the supporting documents submitted. The Administrative Board was involved in all key decisions at an early stage. In addition, the Chairman of the Administrative Board and other members of the Administrative Board maintained, and continue to maintain, regular verbal or written contact with the Managing Directors and keep themselves informed of all major developments. Overall, these discussions did not give rise to any doubts that the Managing Directors were managing the Group in anything other than a lawful and proper manner.

Main advisory focus

In the financial year 2017, the focus was primarily on the following topics: Audit and approval of the 2016 financial statements, dividend policy, setting the agenda for the Annual General Meeting of April 12, 2017, ongoing business development, the Group's financial position, business planning for 2018 and medium-term planning, including investments, compliance and internal control system as well as material litigation in the Group. In addition, the Administrative Board has dealt intensively with the corporate governance, especially with the definition of a competence profile for the Administrative Board. The agenda also included setting new targets for the proportion of women on the Administrative Board, at the level of the Managing Directors and at the two management levels below the Managing Directors.

To address these topics, the Administrative Board reviewed the Company's financial reports and records.

Conflicts of interest

The members of the Administrative Board are required to disclose any conflicts of interest immediately. In the past year, no such disclosures were made.

Committees

In its constitutive meeting on April 12, 2017 the Administrative Board established four committees to perform its duties. The Board receives regular reports on their work. The members of the committees are listed in the Notes to the Consolidated Financial Statements of the Annual Report.

Personnel Committee

The Personnel Committee is responsible for entering into and making changes to Managing Directors' employment contracts and for establishing policies for Human Resources and personnel development. It met once in 2017. Discussions focused on recommendations for setting bonus payments for the Managing Directors. The Administrative Board was given a respective recommendation for a resolution.

Audit Committee

The Audit Committee held four regular meetings in financial year 2017. In particular, the Audit Committee is responsible for accounting issues and monitoring the accounting process, the effectiveness of the internal control system, risk management and the risk management system, internal audits, compliance and the statutory audit of the financial statements, with particular regard to the required independence of the statutory auditors, issuing the audit mandate to the statutory auditors, defining the audit areas of focus, any additional services to be performed by the auditors and the fee agreement.

Sustainability Committee

The Committee is responsible for promoting corporate sustainability and an awareness of the need to act fairly, honestly, positively and creatively in every decision made and every action taken. One meeting was held in 2017. Main focus of the discussions was the progress achieved on the ten sustainability targets to be achieved by PUMA by 2020. The committee looked in detail at individual projects for example in the area of social commitment (such as "Right to Play"), the financial support for manufacturers on reaching specific energy targets, or the elimination of certain pollutants in the production chain. In addition, the results of the symposium "Talks at Banz", which took place in Hong Kong for the first time after thirteen years thus enabling direct coordination with the manufacturers on the realization of the sustainability goals, were presented to the committee.

Nominating Committee

The Nominating Committee proposes suitable shareholder candidates to the Administrative Board for its voting recommendations to the Annual General Meeting. It held one meeting in the last financial year. The Nominating Committee recommended to the Administrative Board that the Administrative Board proposes the election of Mr. Jean-François Palus (Group Managing Director and member of the Administrative Board of Kering S.A., Paris/France), Mr. Jean-Marc Duplaix (Chief Financial Officer (CFO) of Kering S.A., Paris/France), Mr. Thore Ohlsson (President of Elimexo AB, Falsterbo/Sweden) and Ms. Béatrice Lazat (Human Resources Director, Kering S.A.,

Paris/ France) at the Annual General Meeting on April 12, 2017.

Corporate Governance

As in previous years, the Administrative Board addressed current developments in the German Corporate Governance Code (GCGC) in the financial year 2017. It defined a competence profile for the Administrative Board. The GCGC contains essential statutory regulations and recommendations for the management and supervision of listed companies and standards for responsible corporate governance. The corporate governance standards have long been a part of the corporate routine. None of this is changed in the single-tier corporate governance system now in place at PUMA.

Pursuant to Paragraph 3.10 of the GCGC, the Administrative Board reports on corporate governance in the Corporate Governance Report. With very few exceptions, the Company satisfies the requirements of the GCGC and explains these system-related exceptions, as well as deviations from the GCGC resulting from PUMA's single-tier system, in the Statement of Compliance. The Statement of Compliance of November 9, 2017 is available to our shareholders at any time on the Company's website under <http://about.puma.com/en/investor-relations/corporate-governance/declaration-of-compliance/>.

Annual financial statements adopted

The annual financial statements for PUMA SE prepared by the Managing Directors in accordance with German Commercial Code (Handelsgesetzbuch/HGB), the consolidated financial statements and the combined management report for PUMA SE and the PUMA Group, each for the financial year 2017, prepared in accordance with Section 315a HGB on the basis of the International Financial Reporting Standards (IFRS) have been audited by the statutory auditors, Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, who were appointed at the Annual General Meeting on April 12, 2017 and commissioned by the Administrative Board to audit the annual financial statements and the consolidated financial statements and have been given an unqualified auditor's opinion.

In their report, the statutory auditors conclude that PUMA's institutionalized risk management system, in accordance with Section 91(2) of the German Stock Corporation Act (Aktiengesetz/AktG), is capable of detecting at an early stage and countering any developments that might jeopardize the continuity of the Company as a going concern. The Administrative Board has been updated by the Managing Directors regularly on all relevant risks in this regard, in particular their assessments of market and procurement risks, financial risks (including currency risks) and organizational risks.

The accounting records, the audit reports from the statutory auditors and the Managing Directors' recommendation on the appropriation of net profit were made available to all members of the Administrative Board in a timely manner. At the meeting of the Audit Committee on February 9, 2018 and at the subsequent Administrative Board meeting held on the same day, the statutory auditors reported on the key results of their audit and discussed them in detail with the Managing Directors and the members of the Administrative Board. No discrepancies were detected.

The Administrative Board reviewed in detail the annual financial statements, the combined management report for PUMA SE and the PUMA Group, the Managing Directors' recommendation on the appropriation of net profit and the consolidated financial statements and raised no objections. In accordance with the recommendation of the Audit Committee, the Administrative Board agreed with the results of the audit of both statements and approved the annual financial statements of PUMA SE and the consolidated financial statements for the 2017 financial year. The 2017 annual financial statements have thus been adopted.

The Administrative Board and the Managing Directors resolved to propose to the Annual General Meeting a distribution of a dividend of € 12.50 per dividend entitled share for the financial year 2017. In this context, the liquidity situation of the Company, the financing and the effects on the capital market were discussed. A total amount of around € 187 million will be paid out in dividends from PUMA SE's net income. The remaining net income of around € 81 million will be carried forward.

Finally, in its meeting on February 9, 2018, the Administrative Board examined in detail the combined non-financial report in accordance with §§ 315c in conjunction with §§ 289c to 289e of the German Commercial Code (HGB) and raised no objections.

Report on relationships with affiliated companies

Since April 10, 2007, PUMA SE has been a dependent company of Sapardis SE, a wholly owned subsidiary of Kering S.A, which in turn is a subsidiary of Artémis S.A. (due to the voting right majority), pursuant to Section 17 of the German Stock Corporation Act (AktG). The report by the Managing Directors on relations with affiliated companies (Dependent Company Report) specified in Section 312 AktG has been made available to the Administrative Board. The report has been reviewed by the statutory auditors, who issued the following auditor's opinion:

"We have duly examined and assessed the report and hereby certify that:

1. the information contained in the report is correct,
2. the payments made by the corporation in the legal transactions listed in the report were not unduly high and
3. regarding the other measures listed in the report, there are no circumstances indicating a materially different assessment from that of the Managing Directors."

After a thorough review, the Administrative Board agreed with the Dependent Company Report prepared by the Managing Directors and approved the auditors' findings. No objections were raised.

Personnel changes in the Administrative Board

There were the following changes in personnel on the part of the shareholder representatives in the financial year 2017: Mr. Guy Buzzard, representative of the employees on the Administrative Board, passed away on March 12, 2017. Moreover, the Annual General Meeting on April 12, 2017 elected an Administrative Board consisting of six members. The members are Mr. Jean-François Palus (Group Managing Director and

member of the Administrative Board of Kering S.A., Paris/France), Mr. Jean-Marc Duplaix (Chief Financial Officer (CFO) of Kering S.A., Paris/France), Mr. Thore Ohlsson (President of Elimexo AB, Falsterbo/Sweden) and Ms. Béatrice Lazat (Human Resources Director, Kering S.A., Paris, France) as shareholder representative and Mr. Martin Koepfel and Mr. Gernot Heinzl as employees' representatives. Each of their term of office end with the close of the Annual General Meeting that adopts the resolutions approving the actions of the Board for the financial year 2021.

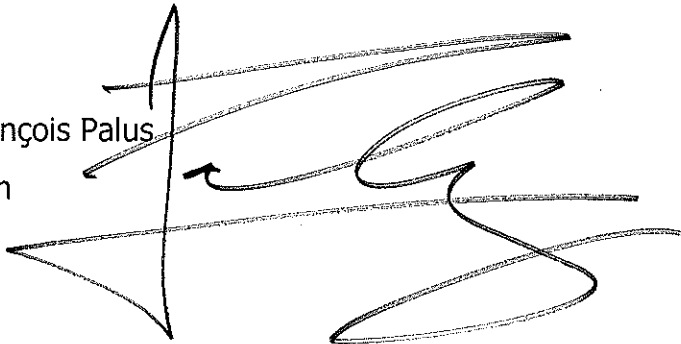
Thanks

We would like to express our gratitude and recognition to the Managing Directors, the management teams at the Group companies, the Works Council and all our employees for their hard work and their outstanding cooperation.

Herzogenaurach, February 12, 2018

On behalf of the Administrative Board

Jean-François Palus
Chairman

A handwritten signature in black ink, consisting of several overlapping, fluid strokes that form a complex, abstract shape. The signature is positioned to the right of the name and title.

