FOREVERFASTER

PUMA TRAINING 2015

Annual Report 2015

PUMA TIMELINE OUR HIGHLIGHTS IN 2015

FOREVER FASTER PUMA

RUNNING INNOVATION IGNITE

The World's Fastest Man Usain Bolt is at the heart of a spectacular stunt in New York City's Times Square to launch the PUMA IGNITE, which provides maximum energy return, comfort and optimal durability.

RED BULL PARTNERSHIP ANNOUNCEMENT

PUMA announces a new long-term partnership with the INFINITI RED BULL RACING F1 team. Effective from January 2016, PUMA has become the official licensed partner and official supplier of team and racewear.

LIGHTEST FOOTBALL BOOT TO DATE

PUMA introduces its lightest football match boot to date. The evoSPEED SL is designed to give footballers a new game advantage by enhancing speed and agility.

IAAF WORLD CHAMPIONSHIPS

9 Gold Medals, 4 Silver and 5 Bronze across PUMA's teams: The Athletics World Championships in Beijing are a big PUMA success with six-time Olympic Champion Usain Bolt winning three gold medals and further cementing his reputation as a legend.

LEXI THOMPSON WINS AGAIN

COBRA PUMA GOLF athlete Lexi Thompson wins the LPGA KEG Hana Bank Championship in South Korea, proving her outstanding talent once again with her second victory of the year and sixth overall.

UN CLIMATE CHANGE CONFERENCE

As an official partner of COP21, PUMA equips 180 students in charge of welcoming visitors during the UN Climate Change Conference taking place from 30 November to 11 December in Paris.

LAUNCH OF THE EVOPOWER 1.2 FG

PUMA kicks off the year with the evolution of its most powerful football boot. Shortly after the launch, PUMA starts its "Head to Head" campaign with its most prominent players competing in evoSPEED and evoPOWER boots.

EXTENSION WITH ITALIAN FOOTBALL FEDERATION

Together with the Italian Football Federation (FIGC), PUMA announces a new comprehensive partnership extending and increasing PUMA's marketing rights to manage the entire global licensing portfolio of the federation's assets.

ARSENAL RECORD FA CUP WIN

Arsenal FC wins the FA Cup for the second year in a row to become the most successful club in the history of the competition with a record of 12 titles.

CHILE WINS COPA AMÉRICA

For the first time ever, the Chilean football national team wins the Copa América wearing PUMA kits. The host team Chile beats Argentina 4-1 on penalties to win the title.

PUMA BY RIHANNA DEBUT

The "Creeper", the maiden sneaker from PUMA BY RIHANNA under her FENTY Label, comes into the stores and is sold out within hours. It is the first in a series of Rihanna-inspired footwear and apparel styles.

EURO 2016 KIT LAUNCH

PUMA introduces the new home kits for Italy, Switzerland, Austria, Czech Republic and Slovakia for the European Championships 2016 in France featuring the new apparel technology ACTV Thermo-R that helps players maintain an optimum body temperature.

CONTENT

PUMA'S TRAINING GOALS CONTINUOUS FOCUS ON BECOMING FOREVER**FASTER**

2014	2015	2016+
FIX THE BASICS	**TRAIN HARD**	**CELEBRATE RESULTS**

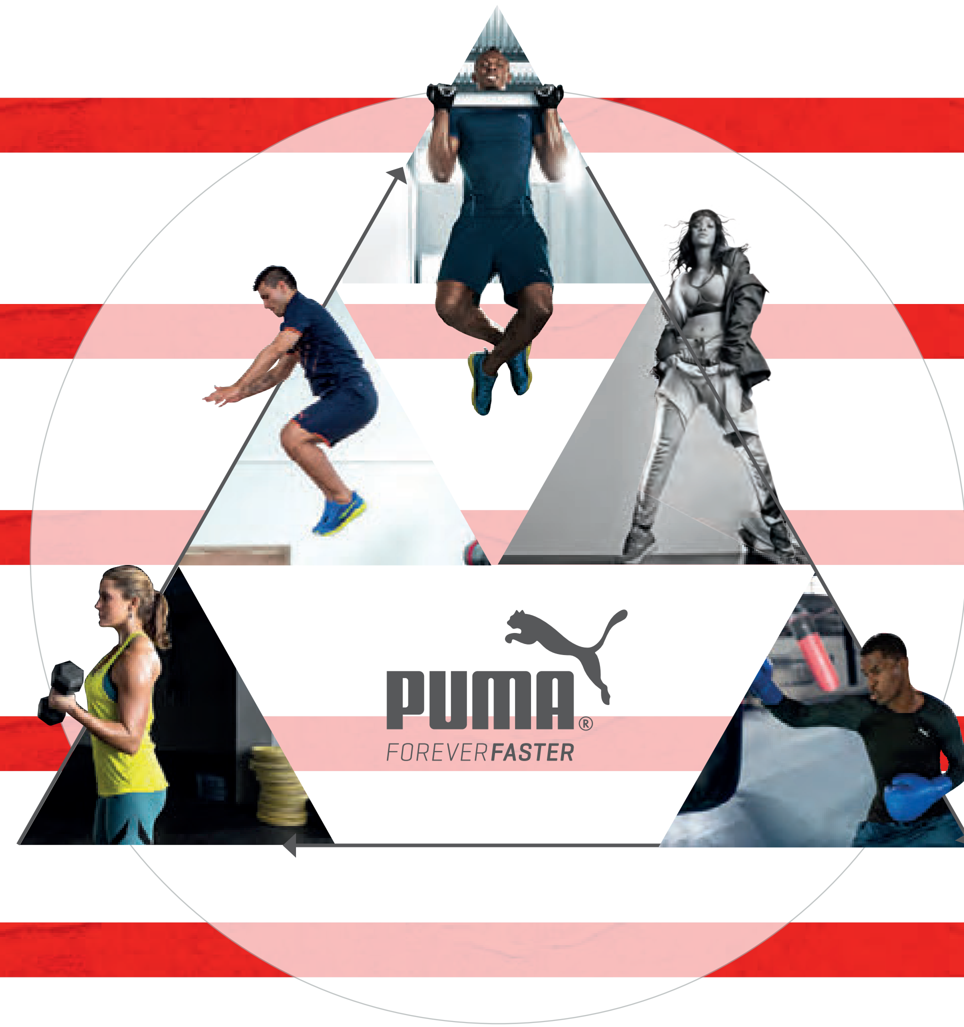
REPOSITION *PUMA AS THE FASTEST SPORTS BRAND IN THE WORLD* P | 4

IMPROVE *THE PRODUCT ENGINE* P | 16

OPTIMIZE *THE DISTRIBUTION QUALITY* P | 36

INCREASE *THE SPEED OF PUMA'S ORGANIZATION* P | 8

RENEW *THE IT INFRASTRUCTURE* P | 8



TO OUR SHAREHOLDERS

Foreword

FOREWORD

Letter from Bjørn Gulden

Dear Shareholders of PUMA,

2015 was a successful year, in which we have further strengthened the PUMA brand, presented better products and further improved the co-operation with our retail partners. Our hard work has started to show results: 2015 delivered the highest net sales we have ever had based on growth across all regions and product categories. We know there is still a lot to improve – but I am happy to say that we achieved progress on all of our key priorities towards our mission of becoming the World's Fastest Sports Brand.

In 2015 we focused on five strategic priorities: Increasing PUMA's brand heat, improving our product engine, optimizing our distribution quality, increasing the speed within our organization, and upgrading our IT infrastructure.

"In 2015 we achieved progress on all of our key priorities."

One focus of our activities in 2015 was clearly to continue the **repositioning of our brand**, which began in 2014 with the largest brand campaign in our company history. Our second "Forever Faster" advertising campaign in 2015 focused on our brand ambassadors and showed how they were training with PUMA products to get into shape for the major events in 2016. Rihanna

"WHAT ARE YOU TRAINING FOR?"

"Together as a team, we are constantly training towards our mission of becoming the Fastest Sports Brand in the world. #NoMatterWhat"

Bjørn Gulden, CEO

joined Usain Bolt, Arsenal London and other athletes for the campaign. That included her first TV spot for our new training shoe IGNITE XT.

With regards to the **improvement of our product engine**, our collections in 2015 stood out for their clearer design, more innovative technologies, and greater commerciality of the products. Not only was the feedback from our retail partners more positive, but also the increase in sell-in and sell-through shows that the product improvements have started to resonate well with our partners and consumers. The product highlights in 2015 included our new running shoe technology IGNITE, which we have built into a cornerstone of our Running and Training category. In Football, we continued to strengthen our product platforms evoSPEED and evoPOWER with new products such as the evoSPEED SL, which is the lightest football shoe in the market at 103 grams. In Lifestyle, we introduced the first shoe models designed by Rihanna. We will launch a complete women's collection of shoes and textiles under the "FENTY by Rihanna" label in 2016, which was presented at the New York Fashion Week in February 2016.

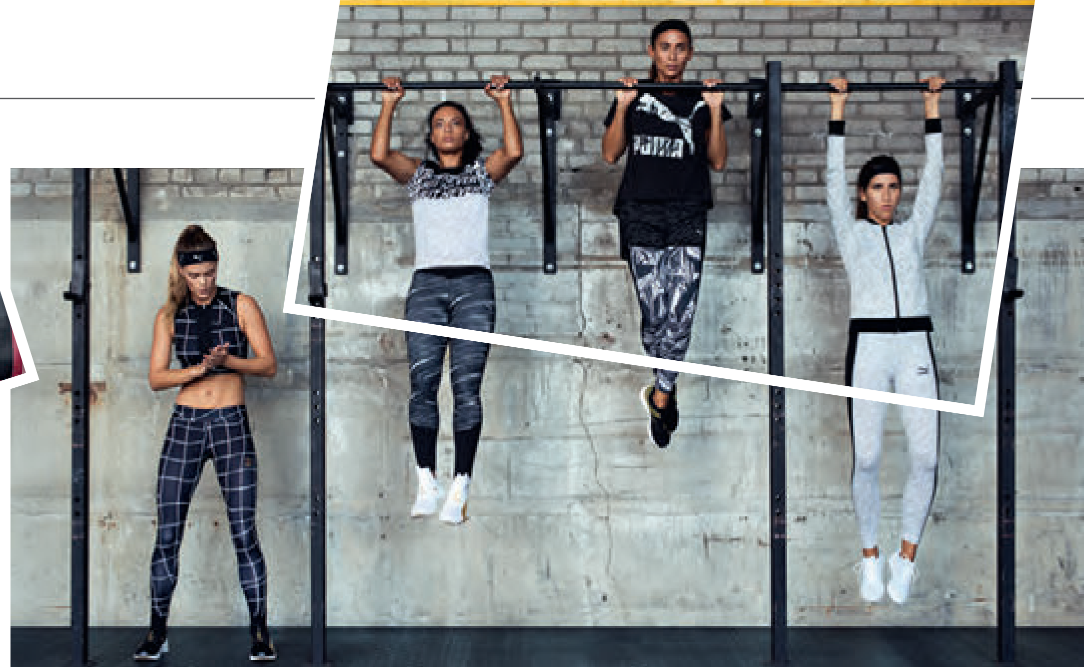
"The increase in sell-in and sell-through shows that the product improvements have started to resonate well with our partners and consumers."

Through joint product and marketing programs with our key retailers, we managed to further improve the **quality of our sales and distribution**. In 2015, we continued the roll-out of the retail concept "PUMA Lab", initially launched with Foot Locker in 2014, both in the U.S. and in first locations in Europe and Australia. During the year we intensified our collaboration with other well-known retailers such as Finish Line, Champs, and INTERSPORT with the aim of improving the presence of the PUMA brand in stores, better communicating our product promise on site, and thereby achieving a sustained sales increase.

PUMA's own retail stores saw the launch of our new "Forever Faster" store concept, which improves the presentation of our products and related technologies and strengthens our position as a sports brand. This concept was first introduced at group headquarters in Herzogenaurach and then in more than 20 additional locations throughout the year. To further improve and expand our online presence, we have rolled out and further enhanced our integrated web shop in 2015.

One of the key projects in terms of our **organizational structure** was standardizing and optimizing the processes between PUMA and its suppliers by establishing a new platform to manage global order and invoice flows. Beyond that, PUMA has also made further progress in the modernization of our IT setup, which included the optimization of our basic IT-infrastructure and improved internal workflows.

Furthermore, we simplified our organization in other areas to make processes faster. For example by merging our two non-perfor-



mance product areas Sportstyle and Fundamentals under joint leadership. In addition, we have combined the two regions Europe and EEMEA under joint management and are serving the heterogeneous Asian markets more effectively now. By integrating the regional team in APAC into the global organization we eliminated this additional reporting layer and gave local management direct access to our global resources. We are very confident that all of these changes and investments will bring PUMA a step closer to becoming the Fastest Sports Brand in the World.

I am especially proud to see our positive development in the women's business, where our co-operation with Rihanna and a strong product offering have increased the interest from both retailers and consumers.

We believe that **"The future is female"**. Athletic wear is turning into fashion as women are increasingly integrating sportswear and sports-inspired pieces into their daily outfits. PUMA as the most fashion-forward global sports brand has both the sports authenticity and the fashion credibility to own the space where the gym meets the runway. This is why 2016 and the coming seasons will see us increasing our strategic focus on the female target group. As our brand ambassador and Creative Director, Rihanna is a key element of this strategy and will continue to influence both our Performance and Sportstyle women's collections with her intuitive, highly individual style.

"We want to own the space where the gym meets the runway"

Sustainability also remains a priority for us. We have finished our 2010 to 2015 target period with significant reductions in paper consumption and waste creation for our own entities. In addition, we met our target of improving social standards at PUMA's third-party suppliers and successfully finished a large-scale resource efficiency program for our key suppliers in Asia. We remain committed to the United Nations Global Compact and its ten principles and have set ourselves ten ambitious new sustainability targets that we aim to reach by 2020.

We know that our people are our biggest asset. This is why I would like to take this opportunity to express my sincerest thanks to our team at PUMA – as well as to you, our shareholders, for your continued support and belief in us. The positive development in 2015 would not have been possible without the hard work of everyone at PUMA. This is also reflected by the theme of this Annual Report, "PUMA Training". We are all training to become a little bit better and faster every day. Through our continuous training, we have laid the groundwork to capitalize on an amazing sports year in 2016 – with the Olympic Games in Rio, the Copa América in the USA and the UEFA Euro in France. 2016 will see us training towards better products, more and better marketing and an even closer co-operation with our retailers.

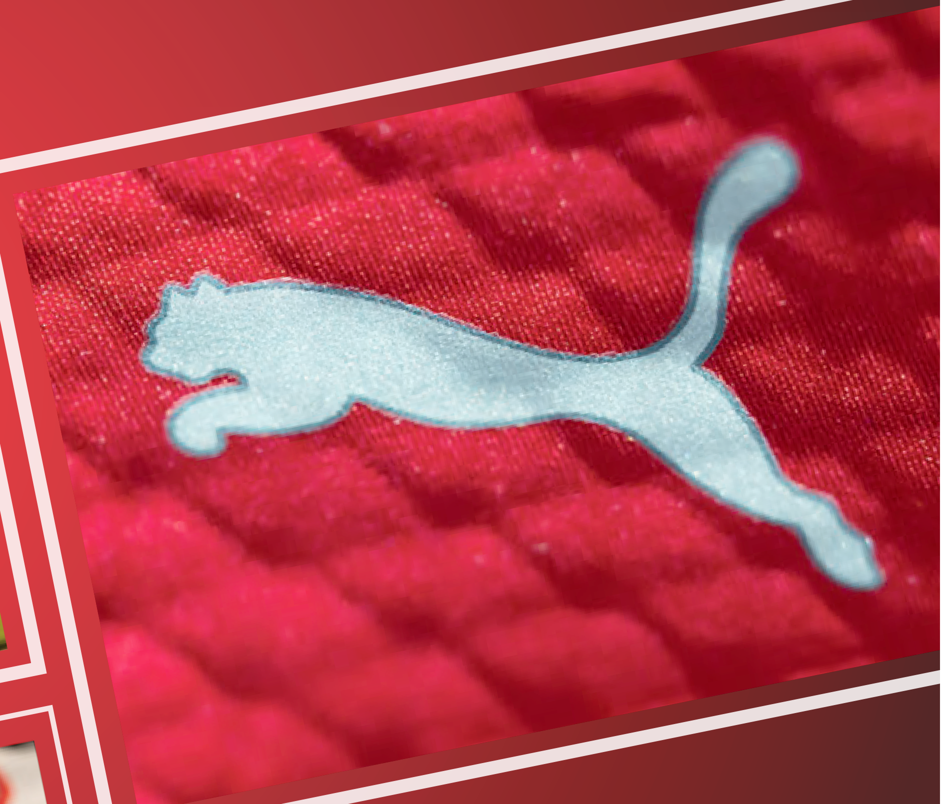
Yours,

Bjørn Gulden

COMPANY OVERVIEW

COMPANY

Operations Strategy 9



OPERATIONS STRATEGY

In order to achieve our vision of becoming the fastest sports brand in the world, 2015 saw continued investments into better and faster collections, into our brand, our organization, our distribution and our IT infrastructure.

"WHAT ARE YOU TRAINING FOR?"

"All our actions share one common goal – to become 'Forever Faster' in providing services to our customers. #NoMatterWhat"

Lars Sørensen, Chief Operating Officer

PUMA's Global Operations department under the leadership of Chief Operating Officer Lars Sørensen comprises our product development, sourcing, trading and logistics activities as well as the group's IT and Business Solutions functions. The joint ambition of all of these functions is to provide commercial products at the best price and quality and at the right time to our customers.

Faster lead times, cost management and better product availability

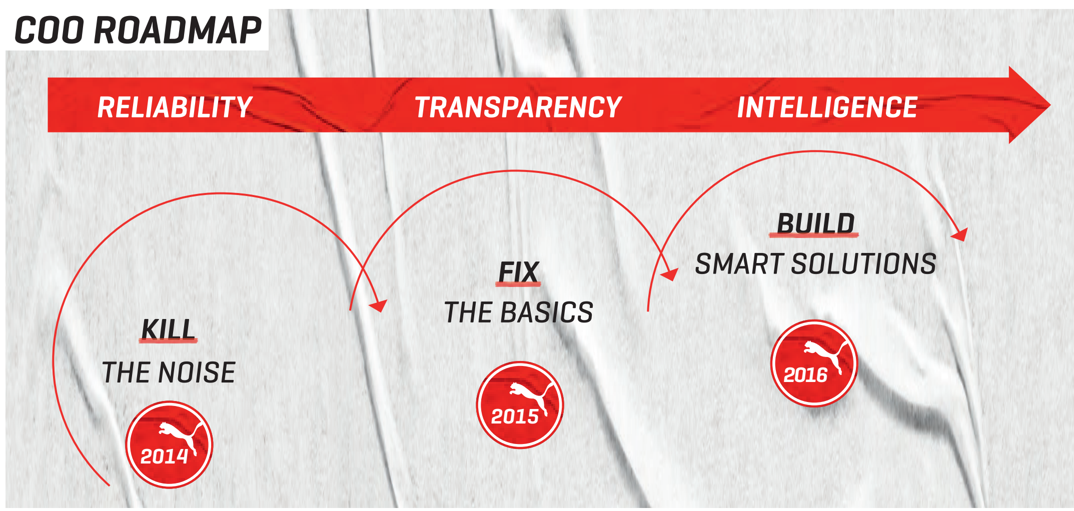
In 2015, we continued to reduce our standard production lead-times across all of our product divisions and implemented fast-track capabilities. This will enable us to react faster to trends and customer needs. Furthermore, we implemented dedicated footwear supply chains to gain specialization benefits across PUMA's product categories, separating our Performance from Sportstyle and commodity products. This led to efficiency benefits in product creation and helped us to mitigate negative impacts from increasing labor cost. Our PUMA International Trading (PIT) organization, which serves as a global trading hub between our third-party suppliers and the sales subsidiaries of the PUMA Group, significantly improved the transparency and control over all of our transactions, resulting in a better on-time delivery performance.

Faster Business Solutions for Faster Business Processes

In order to implement fast business processes and IT systems, PUMA's Business Solutions team focused on three main areas in 2015: further implementing PUMA's end-to-end trading setup, continuing to build capabilities and processes to improve our design, development and planning processes, and optimizing the IT infrastructure.

PUMA International Trading (PIT):
2015 saw the global rollout of our trading platform PUMA International Trading (PIT) across all of PUMA's sales subsidiaries and third party suppliers to centrally manage all global order and invoice flows. One of the prerequisites was the implementation of an improved ERP-system supporting these standardized processes with our sourcing partners.

Design, Development and Planning:
To increase our efficiency in the product creation process, we built what we call "toolboxes": Toolbox capabilities drive transparency, efficiency and speed in managing our main product components such as materials and graphics. These and other, more basic capabilities, are key for the implementation of advanced product management tools in 2016.



IT Foundation:
In 2015, we upgraded our IT landscape to lay the foundation for further global standardization and enhancements in the coming years. One of the most visible impacts in 2015 was the global implementation of Microsoft Outlook and complementary communication and collaboration capabilities.

Looking Ahead...

The year 2016 is highlighted by major sport events and a pipeline full of new, commercial PUMA products. We will further capitalize on the structural improvements, which lay the foundation for a lean and efficient company in the future. Looking ahead, both expanding the scope of our International Trading Organization and building enhanced capabilities and tools across product development, planning and reporting are the main priorities – in line with our overall strategy of being "Forever Faster".

COMPANY OVERVIEW

BRAND

BRAND STRATEGY

PUMA is "Forever Faster". "Forever Faster" is sports with personality. These statements are the foundation for everything we do as a brand.

Rihanna's FENTY Collection debut at New York Fashion Week proved that we are a fashion-forward sports brand

"Forever Faster" means to be braver, more confident, more determined, and above all joyful. What "Forever Faster" really aims to convey is the way Usain Bolt lives his life. He could have stuck with his first 100m world record. But he smashed it in 9.63 seconds. Then trained, focused, and ran it in 9.58. Then, being Usain Bolt, he danced his way through a victory lap. We merge product innovation with standout athletes in order to change the game and become the World's Fastest Sports Brand.

Our Brand Values

The PUMA brand is grounded in four values: brave, confident, determined, and joyful. They motivate us to surpass our potential, and use our knowledge and history in sport to further establish credibility, authenticity, and an appreciation for the games we play.

BRAVE: *We are unafraid to take risks.*

CONFIDENT: *Whatever we do, we do with conviction.*

DETERMINED: *Nothing comes between us and realizing our dreams.*

JOYFUL: *We live to play the game and we play with heart.*

Through "Forever Faster", we bring consistency to our marketing campaigns, putting a stronger focus on product and product benefits, and often highlighting it within a story about one of our top athletes. Our roster includes the best of the best: Usain Bolt, the World's Fastest Man, in the IGNITE Disc; track and field star Jenna Prandini in PWRSHAPE training apparel;

Victories don't happen without serious training. Just ask Usain Bolt and Sergio Agüero

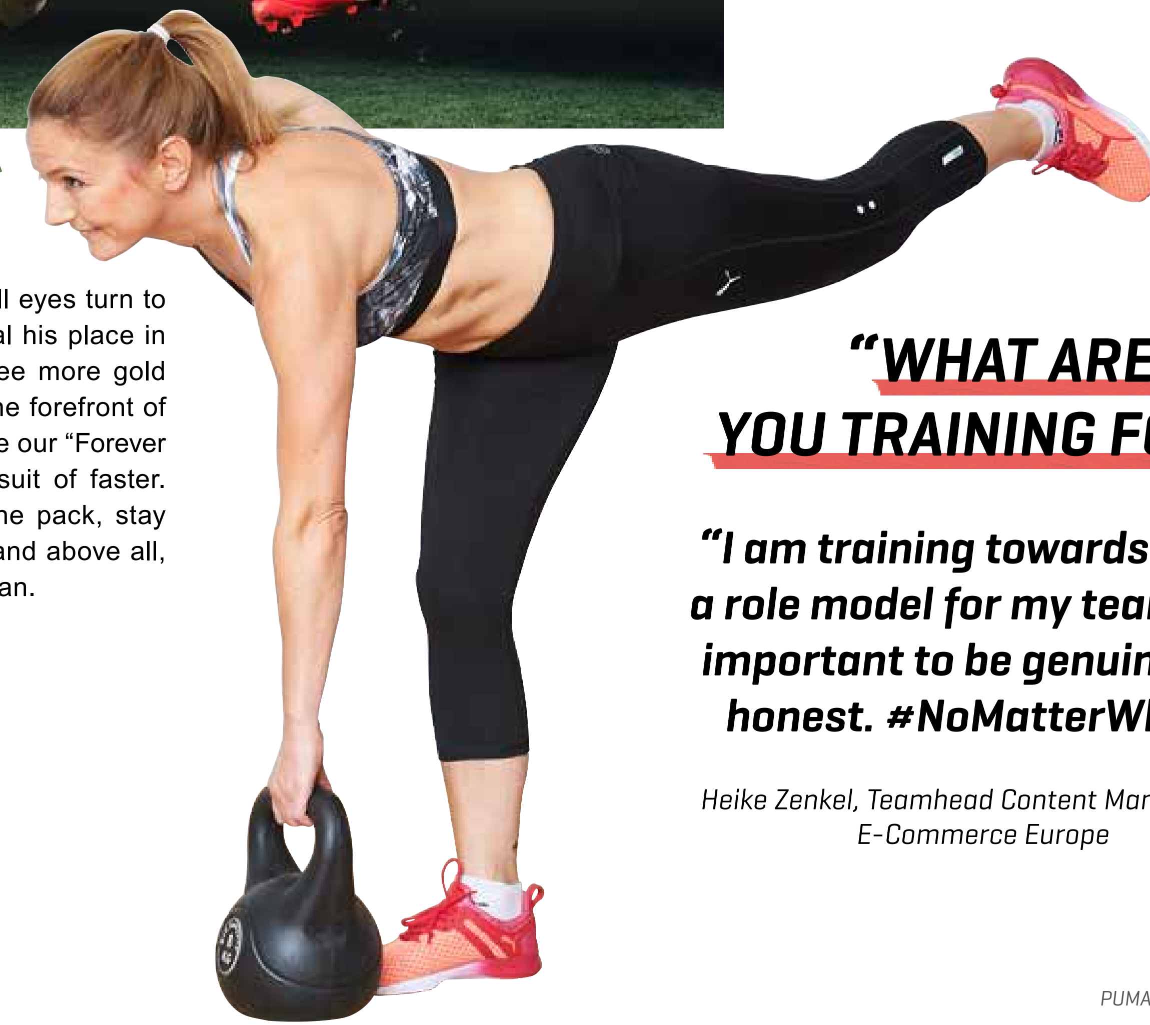
footballers Olivier Giroud in evoPOWER and Sergio Agüero in evoSPEED; and finally, Rihanna, our Women's Creative Director and design muse, in her Creeper.

Ready for an Extraordinary Sports Year

The year 2016 promises fantastic sporting moments on some of the world's biggest stages: Copa América and the EURO 2016 in football, and the Summer Olympics in Rio de Janeiro. Following this sports calendar, we will launch innovative products throughout the year, starting with a women's training collection in February, Tricks football boots in April, and our latest from the IGNITE franchise in July.

Of course, August is when all eyes turn to Usain Bolt as he aims to seal his place in sporting history and win three more gold medals. With innovation at the forefront of the PUMA brand, we continue our "Forever Faster" journey and the pursuit of faster. Our goal? To forever lead the pack, stay true to our sporting history, and above all, play with heart like only we can.

▶ *The next round of Cuban boxing legends train #NoMatterWhat.*



"WHAT ARE YOU TRAINING FOR?"

"I am training towards being a role model for my team. It is important to be genuine and honest. #NoMatterWhat."

Heike Zenkel, Teamhead Content Management E-Commerce Europe

PUMA WOMEN'S BRAND POSITIONING: PUMA IS THE MOST FASHION-FORWARD GLOBAL SPORTS BRAND

Bjørn Gulden, CEO

"Today, women are more active, confident and powerful than they have ever been. They are pushing the limits through sports and fashion. As a brand, we promise to offer women stylish and fashion-forward performance and sportstyle gear to help them live the PUMA values - brave, confident, determined, joyful - in all moments of life. From sports to street."

"Women have the highest expectations when it comes to style, coolness and trends. Understanding the female consumers and creating the best products for them will have a spill-over effect on our overall business. Women will make us cross the line!"

Torsten Hochstetter, Global Creative Director

"Jil Sander, Christy Turlington, Serena Williams. Just to name some women who have been an integral part of PUMA´s history. Even today with Rihanna, we show clearly that PUMA and women are a natural, authentic fit. You can see that clearly in our design signature and the way we manage our design and PLM teams. The future is female? For sure not. It's now. It´s part of our DNA."

Reinhard Dischner, General Manager Sportstyle

Nina Graf-Vlachy, Global Director Strategy

"Our ultimate goal is to empower our consumers and employees to be the best version of themselves. Through our designs, technology, and messaging we encourage them to run faster, train harder, and live bolder in all of life's moments. In the end, they are powerful, elegant, and stylish – just like the Cat."

"PUMA women's business does more than balancing our portfolio across the genders. It enriches it and challenges everything we know about product and how to bring it to life. It drives us to be better at our jobs and deliver beyond consumers' and customers' expectations."

Kevin Tolchard, Global Director Merchandising and Go-To-Market

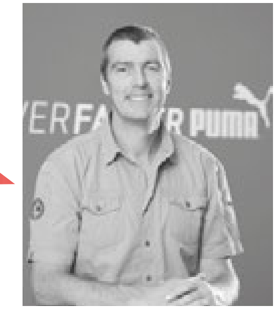
"The importance that the PUMA brand is placing on speaking to women makes me proud and happy because I feel strongly that our brand more than any other has the ability to elevate the female experience in both sports and fashion equally. This is exactly what female consumers are all about today."

Karin Baust, General Manager Running and Training

"The signing of Rihanna in autumn 2014 was the starting point of a new era for PUMA's strategy to address the women's activewear market.
Rihanna has already become a small yet pivotal part of our Women's business, but she alone will not make us successful in this business segment. Success will come from a comprehensive approach to Product, Marketing and Sales, implemented in the market in a cohesive way."

Adam Petrick, Global Director Brand Marketing

"The future is female is passé – the present is female! If half of regional directors in EEMEA are female, it stands to reason that they influence our brand to be appealing to the female consumer. And so it is – our consumer appeal is growing, the more women we hire."



Martyn Bowen, General Manager EMEA

Suzanne Embleton, Director Sales Apparel PUMA North America

"Athleisure is no longer a trend, it is a lifestyle that is not going away. Activewear is making its way out of the gym and out to dinner. Women are seeking versatile, fashion-forward footwear and apparel that can be worn day to night in a way that reflects confidence and comfort in today's multi-tasking life."

"Chinese women, like Chinese, are willing to conquer the world: but they want to do it their way, their female way in being active and healthy, performant and elegant. For that quest, PUMA is their partner, understanding their needs and ambition."

Philippe Boquillon, General Manager PUMA China

COMPANY OVERVIEW

PRODUCT

Performance

From IGNITE and evoSPEED SL to Rihanna and Bolt: We are sports. We are "Forever Faster":

Sportstyle

Sport is Lifestyle: We fuse sports authenticity with fashion credibility:

Licensing

Complementing and enhancing our Performance and Sportstyle offering:

PERFORMANCE

In 2015, we made big strides in improving the innovation, commerciality and attractiveness of our products, especially in regards to PUMA's performance offering. The following sections provide an overview of the sporting highlights and most important activities in each of our performance categories.

"WHAT ARE YOU TRAINING FOR?"

"It's the special moments of a game I train hard for every day, to be able to score, to be awake and make an impact in the game, even after 90 minutes on the pitch #NoMatterWhat."

Sergio Agüero (27), Striker for Manchester City

TEAMSPORT

Product Innovations: More Speed, Power and Accuracy

2015 kicked off with PUMA's launch of the new evoPOWER 1.2 FG football boot. Like its predecessor, it is inspired by the power generated by a barefoot kick. In addition, we launched the latest iteration of our eye-catching Duality football boots, continuing the theme of two distinctly coloured boots in one pair. This was applied to PUMA's two football boot families, evoPOWER and evoSPEED, and worn by PUMA stars such as Cesc Fàbregas, Sergio Agüero, Marco Reus, and Antoine Griezmann.

PUMA first became partner of the "Squadra Azzurra" in 2003. Pictured left to right: Italy Captain Gianluigi Buffon, PUMA CEO Bjørn Gulden, President of the FIGC Carlo Tavecchio, FIGC First Team Coach Antonio Conte and FIGC General Director Michele Uva

▶ For the launch of PUMA's new evoSPEED 1.3 Dragon, Manchester City striker Sergio Agüero and Borussia Dortmund midfielder Marco Reus met up for another unusual football encounter...

"Gli Azzurri" Continue to Excel with PUMA as its Partner

In March, we extended one of PUMA's longest-standing and most successful partnerships in football: through our new long-term contract with the Italian Football Federation (FIGC), PUMA increased its marketing rights as well as retained the exclusive Master License to actively manage the entire global licensing portfolio of the FIGC. PUMA, who first became partner of "Gli Azzurri" in 2003, also continues as the official technical supplier to all associated FIGC teams.

Strong Brand Presence at Copa América and the FIFA Women's World Cup

At the Copa América, PUMA partnered host nation Chile crowned their stellar performance throughout the tournament with their first continental trophy. The PUMA team secured their triumph with a penalty shootout over archrival Argentina and its PUMA star Sergio Agüero, who was amongst the tournament's top goal scorers with three goals.

At the FIFA Women's World Cup, PUMA star Marta made headlines by becoming the all-time leading scorer in Women's World Cup history, while Germany's Célia Šašić finished the tournament as the top goal scorer with six goals. Together with the three participating PUMA teams Cameroon, Ivory Coast and Switzerland, more than 50 PUMA players contributed to a strong on-pitch presence for PUMA.

evoSPEED SL: PUMA's Lightest Match Boot to Date

Both the Copa América and the FIFA Women's World Cup in Canada served as a great stage for the introduction of PUMA's innovative football boot evoSPEED SL. The newly revealed boot is PUMA's lightest

Radamel Falcao wearing the PUMA evoSPEED football boot

match boot to date thanks to a super light and almost translucent textile upper material. The evoSPEED SL is worn on pitch by some of the world's best players including Sergio Agüero, Marco Reus, Radamel Falcao and Marco Verratti.

An Exciting Sports Year Ahead

In line with our mission to be the Fastest Sports Brand in the World, PUMA's Teamsport business unit aims to continue regaining credibility in football through its partnered teams and players such as Cesc Fàbregas, Sergio Agüero, Marta, and Marco Reus as well as the likes of Arsenal FC, Borussia Dortmund and the Italian national team. Both the 2016 UEFA European Championship next year in France, where PUMA will be represented through Italy, Czech Republic, Slovakia, Austria and Switzerland, as well as the Copa América Centenario with PUMA-partnered Uruguay will be major opportunities for PUMA to showcase its renewed focus on sports.

Switzerland, Slovakia, Italy as well as Czech Republic and Austria are all outfitted in PUMA at the European Championships 2016™ in France this summer

Here's how we presented PUMA's 2015/16 iconic red and white Arsenal FC Home Shirt, engineered to maximize power, energy, and comfort.

RUNNING AND TRAINING

Rihanna joined Usain Bolt, Arsenal London and other athletes for our "Forever Faster" campaign in 2015

Igniting the World of Running and Training

In our Running and Training category, 2015 was an important year to make further progress towards becoming the Fastest Sports Brand in the World. Following the launch of our running innovation PUMA IGNITE by the World's Fastest Man Usain Bolt in New York City's Times Square in February 2015, the sell-through of this new footwear technology was a huge success. The innovative IGNITE foam technology offers maximized energy return, step-in-comfort, and durability while strongly representing PUMA's "Forever Faster" positioning.

The Start of a Renewed Focus on Women

Our women's performance wear is created specifically for the female body in order to help our female consumers perform stronger, faster, and longer. In 2015, we started to feature our brand ambassador and Creative Director Rihanna prominently through an in-store marketing campaign focusing on key female training styles. Rihanna is an ideal brand ambassador admired by women across the world, thanks to both her personality and iconic style. Affirming our strong commitment to the female consumer, our campaign started with the IGNITE XT – a lightweight trainer with a responsive footbed technology that provides the perfect underline to every workout: breathability, resilience, and support. Later in 2015, Rihanna featured our IGNITE XT training shoe and other commercial products in a television commercial as well as online and other offline media as part of our second major "Forever Faster" brand campaign with a dedicated focus on Training.

With our PWRSHAPE apparel line – designed specifically for the female athlete – we offered superior stretch fabric and a next-to-skin fit for for optimal support, compression, and shaping, while providing a full range of motion.

[What does Bolt do now that he's the World's Fastest Man? He trains for faster. Stay tuned.]

"WHAT ARE YOU TRAINING FOR?"

"I am training to become the greatest. That's what I work towards. To be remembered, to have a place in history. #NoMatterWhat."

Usain Bolt (29), World's Fastest Man

Maintaining the Optimum Temperature: PWRCOOL and PWRWARM

Throughout the season, we continued to develop our IGNITE franchise with the launch of IGNITE PWRCOOL. PWRCOOL is PUMA's innovative cooling technology designed to keep the body at an optimal temperature, that is incorporated into a complete collection of thermo-regulated apparel and footwear designed with CoolCELL.

Jamie Granger, Rihanna's personal trainer, is one of the faces of our Women's Training collection

▶ [Engineered for responsiveness, the all new IGNITE PWRCOOL maximizes energy to propel you forward. Watch here!]

PUMA's long history of working with Jamaican athletes such as the Fastest Man in the World, Usain Bolt, and Olympic medalist Hansle Parchment, provided the perfect conditions to test PWRCOOL as part of the development process. In addition, we designed the IGNITE PWRWARM packed with cold-friendly technology accompanied by a thermo-regulating apparel collection to keep the feet and body at an optimum temperature in the chilliest of conditions in the coldest of climates.

Jamaica Continues to be the Leading Powerhouse in Running

During the 2015 IAAF World Championships in Beijing, we benefitted from excellent athlete and team performances with 18 podium positions for PUMA-sponsored athletes and teams. The World's Fastest Man Usain Bolt once again proved his status as the greatest athlete of all time with triumphs in the 100m and 200m as well as the 4x100m relay, extending his record-breaking personal haul of IAAF World Championships gold medals to 11. The stellar performances of the Jamaican Team, which finished second in the medals table after Kenya, as well as the performances of the other PUMA teams including the Bahamas, Cuba, Grenada, Cayman Islands, Switzerland, and the Dominican Republic, secured a strong brand visibility for PUMA throughout the competition.

Our collections stand out for their clearer design and more innovative technologies for a great workout

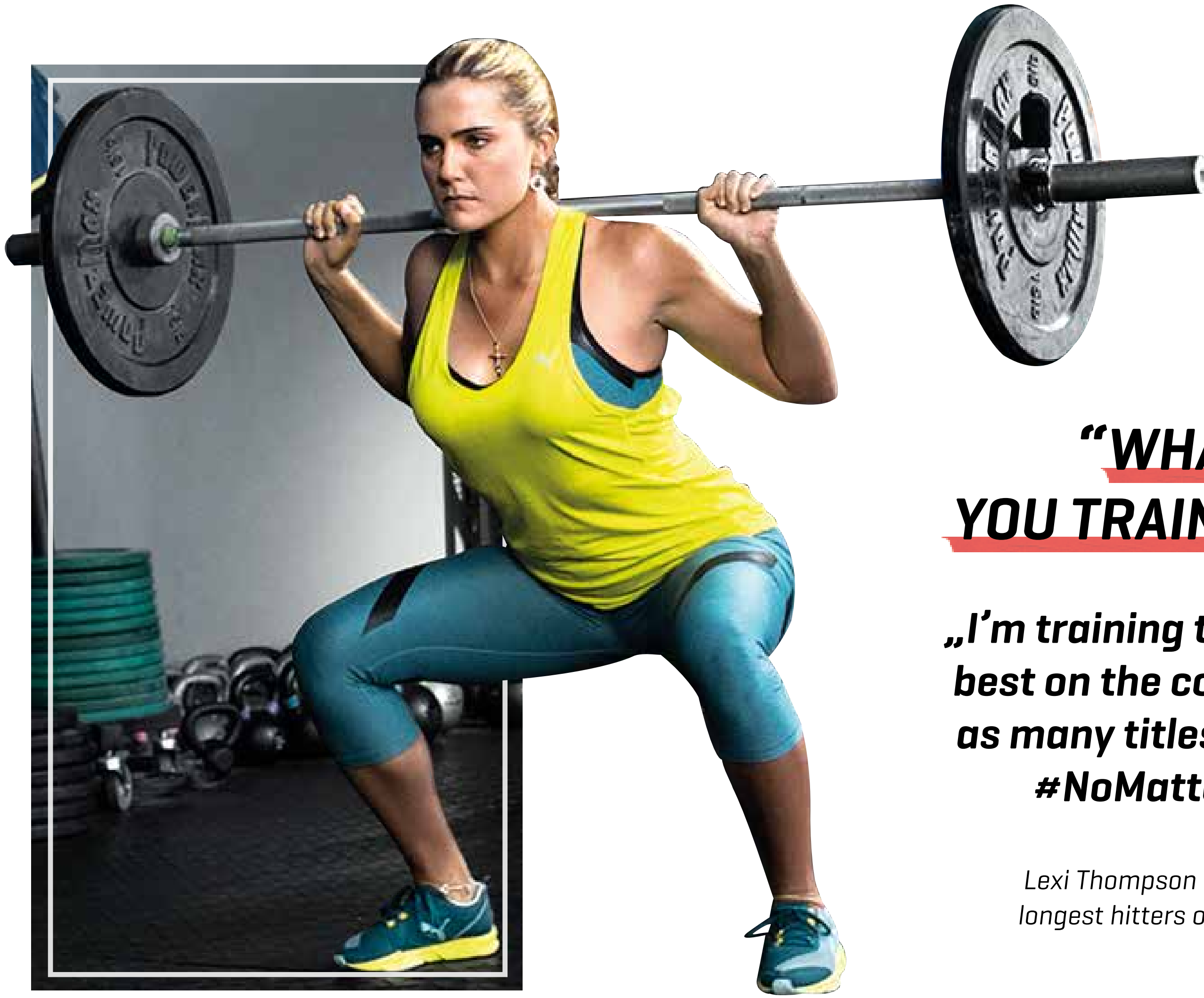
Keep on Training! #NoMatterWhat

The great achievements of our athletes in Beijing's National Stadium came only shortly after the launch of our second major "Forever Faster" brand campaign with a dedicated focus on Training. Asking the question "What are you training for?" the campaign was brought to life through the unique training stories of PUMA's most elite ambassadors such as Usain Bolt, Rihanna, Sergio Agüero, Arsenal Football Club, and the Cuban national boxing team. Underpinning this campaign was PUMA's latest innovative footwear offering within the IGNITE franchise: the IGNITE XT. The training shoe's responsive design maximizes energy and movement throughout high intensity workouts.

Crossing the Line in 2016

With the World's Fastest Man and many other outstanding athletes in the starting blocks for the upcoming 2016 Olympics in Rio de Janeiro, we are continuing to reinforce our performance positioning and are ready to cross the line. Our solid portfolio of world-class athletes like Usain Bolt, Asafa Powell, Jenna Prandini, Yarisley Silva, Andre de Grasse, Hansle Parchment, Michelle Jenneke, and Pedro Pichardo as well as a pipeline full of innovative and commercial products are the basis to further cement our status as the Fastest Sports Brand in the World in the seasons to come.

GOLF



"WHAT ARE YOU TRAINING FOR?"

„I'm training to perform my best on the course and win as many titles as possible, #NoMatterWhat."

Lexi Thompson (21), one of the longest hitters on the LPGA Tour

Combining Innovation and Style

PUMA Golf specializes in bringing stylish, fashion-forward, performance-ready golf apparel, footwear and accessories to the market that help golfers "Look Better. Feel Better. Play Better." In 2010, PUMA acquired COBRA GOLF, a leader in golf club innovation with a rich history of creating high-quality equipment. Now, COBRA PUMA GOLF continues to deliver a full package of game-changing, innovative products, and fashion-forward style that help golfers of all ages and levels enjoy the game.

Game-Changing Technologies and Stylish Collections

In 2015, COBRA GOLF introduced the Fly-Z family of products including the latest in adjustable weight technology with the Fly-Z+ Driver. It features a new FlipZone weight technology – a moveable weight system

engineered to provide two different flight paths in one club head that enables maximum distance for any swing and any golfer. PUMA Golf continues to bring fresh colours and styles to golfers. An example of this was the introduction of the TITANTOUR, a premium tour golf shoe that was designed to be "The Coolest Shoe in Golf" in temperature management, utilizing revolutionary, space-inspired Outlast technology along with a sleek, eye-catching silhouette.

Top Performances of our First-Class Athletes

Lead athlete Rickie Fowler had one of the best years of his career during the 2015 season, taking home three trophies at THE PLAYERS Championship, the Scottish Open and the Deutsche Bank Championship, seven top 10 finishes and playing on the winning

▶ *The TITANTOUR Golf Shoe – The Coolest Shoe in Golf. Watch the video here!*

President's Cup Team. Lexi Thompson, who continues to be one of the longest hitting players on the LPGA Tour, bombed her way to a stunning victory at the 2015 LPGA KEB-HanaBank Championship.

▶ *Watch how the Fly-Z-Driver delivers the ultimate blend of maximum distance and increased forgiveness.*

Fowler takes home the trophy at the 2015 Deutsche Bank Championship

What's Next?

COBRA PUMA GOLF will continue to bring key breakthrough technologies to the market in 2016, announcing the return of KING to the product line with the new KING LTD Driver. Fueled by research in space, the KING LTD features a revolutionary SpacePort design that allowed the brand to design its first ever Zero CG driver. With the TITANTOUR IGNITE Golf Shoe, PUMA Golf is on trend to continue making a splash in the footwear category, along with new apparel technology and fun accessories with a wide range of options for golfers of all ages and styles.

MOTORSPORT

MERCEDES AMG PETRONAS driver Lewis Hamilton was on top of the podium after a thrilling F1 season to become World Champion for the third time

In DTM, PUMA's partnered team BMW Motorsport took the 2015 Manufacturers' Championship title, the team's third win since returning to the series in 2012 and a brilliant achievement by the team and drivers.

Continuing our Legacy as the Fastest Brand in Motorsport

2015 was a "Forever Faster" year for PUMA Motorsport with a strong presence on the racing track. In Formula One, MERCEDES AMG PETRONAS dominated the season decked out in PUMA's high performance race gear. Lewis Hamilton won his third Formula One Drivers' World Championship with his 10th victory of 2015 at a thrilling United States Grand Prix, while the team had already sealed the 2015 Constructors' Championship. Scuderia Ferrari also had a very strong season with some superb driving by Sebastian Vettel and Kimi Raikkonen and the iconic Rosso Corsa red regularly graced the podium.

BMW triumph: 2015 was a successful season for PUMA's partner in the DTM series

For more than ten years, PUMA has worked with Scuderia Ferrari to develop innovative, ergonomic designs inspired by performance like the PUMA FutureCat

Underlining our Leading Position in Motorsport

As of January 2016, PUMA is the Official Licensed Partner and Official Supplier of Team and Racewear to RED BULL RACING, outfitting the Formula One team with performance racewear, footwear and teamwear. Strengthening PUMA's long heritage in Motorsport, which dates back to 1999, we are excited to build upon this partnership and explore new territory in the world of Motorsport together with our strong portfolio of excellent Motorsport teams and drivers.

Great [brand] synergy: PUMA CEO Bjørn Gulden shaking hands with Christian Horner, Team Principal of RED BULL RACING

10th Anniversary of Partnership Collection

In 2015, PUMA celebrated 10 years of partnership with Scuderia Ferrari, releasing a series of product collections to mark this anniversary. A re-release of the iconic FutureCat and a Scuderia Ferrari special edition of PUMA's classic Suede launched in February, followed by the Ferrari Premium Collection in April, a capsule collection of 10 special edition products – were all inspired by the legendary Scuderia Ferrari race team.

SPORTSTYLE

PUMA's Sportstyle offering represents our broad range of sports-inspired lifestyle collections. It provides our consumers with day-to-day favorite footwear and apparel to meet their demands of a sporty lifestyle and serve all needs from basics to premium.

Our premium SELECT collaborations with unique assorted design houses and street fashion designers allow us to reach consumers from high-end fashion to niche streetwear connoisseurs. "Cool stuff that works" – with this in mind, PUMA's Sportstyle offering represents our "Forever Faster" mantra by bringing trends from the world of sports to the street.

Elevating our Styles and Pushing our Women's Offering

For Autumn/Winter 2015, PUMA elevated famous styles with subtle, contemporary flourishes including our IGNITE technology and urban inspired patterns. We refreshed our women's products with looks that are steeped in sports: All-over print leggings and windbreakers complemented clean, contemporary cut sweats, hoodies and crews to create a luxurious sports-inspired wardrobe. Women's footwear continued to push the limits. The application of print on the women's Aril and R698 elevate the iconic running shoes to a modern style statement, whilst the IGNITE Fast Forward, a performance thoroughbred, explored stylish colours and textures.

Building on a Strong Heritage and Credibility with Women

With Rihanna as our global brand ambassador for Women's Training and PUMA Women's Creative Director, we continued to improve our product offering for female customers. Building on a strong heritage

Rihanna's first product introduction as PUMA Women's Creative Director included the PUMA Creeper shoe released in September 2015 – which was a huge success

▶ [Here is the PUMA Eskiva, fusing true sport heritage and high fashion with its contemporary, low-profile look.]

Rihanna directly influences PUMA's Performance and Sportstyle women's collections with her intuitive, highly individual style

and credibility with women, we started to launch the first in a series of Rihanna-inspired footwear and apparel styles in 2015. The "Creeper" was the first sneaker from PUMA by Rihanna under her FENTY Label. It remixes the iconic PUMA Suede with a creeper sole inspired by the NYC punk rock scene with high-end details and Rihanna's signature branding. The first limited edition black and white color-way of the Creeper was available only on our PUMA.com website and a PUMA-hosted pop-up store in New York's SoHo neighborhood. The shoe generated unprecedented social media and PR coverage for PUMA and sold out within hours.

In November, we introduced the Eskiva – a lifestyle sneaker for the ladies inspired by the PUMA Gong, a boxing shoe that originally released in the '70s. The Eskiva champions PUMA's athletic roots by keeping true to the original silhouette. Fusing it with modern material updates results in a stylish sleek finish. Not compromising in comfort, its low profile is very flattering while its soft leather upper and easy lacing system fits like a sock.

"WHAT ARE YOU TRAINING FOR?"

"I am training towards reducing the timeline from sketch to shop floor, and pushing the boundaries of design whilst making it appeal to a wide customer base. #NoMatterWhat."

Benjamin Lamprey, Designer Sportstyle Apparel Men

Two legends in one picture: Boris Becker presents the "Becker OG", the iconic footwear of his legendary first Wimbledon victory in 1985

▶ See our leather-clad PUMA Basket in action, bringing classic game to street style without missing a beat.

65 Years of Unmatched On-Court Glory and Off-Court Style

Our Spring/Summer 2015 collection saw the return of classic court silhouettes like the Becker OG and Match74 – inspired by one of PUMA's greatest sports icons, world-renowned Boris Becker. The re-issues retained the original silhouette but crossed over from court to street, making it a versatile and relevant sneaker for street wear. The launch of the Becker OG was supported by exclusive event activations in Melbourne and Wimbledon starring Boris Becker.

For Autumn/Winter 2015, the Basket returned to the streets in a fresh monotone, white-on-white execution. In the '60s, the Basket was one of several PUMA warm-up shoes to declare a new era on the basketball court. A brother of the PUMA Suede, it rapidly moved its way up the style roster by opting for all-over leather.

PUMA Suede and R698: Reviving PUMA's Iconic Styles

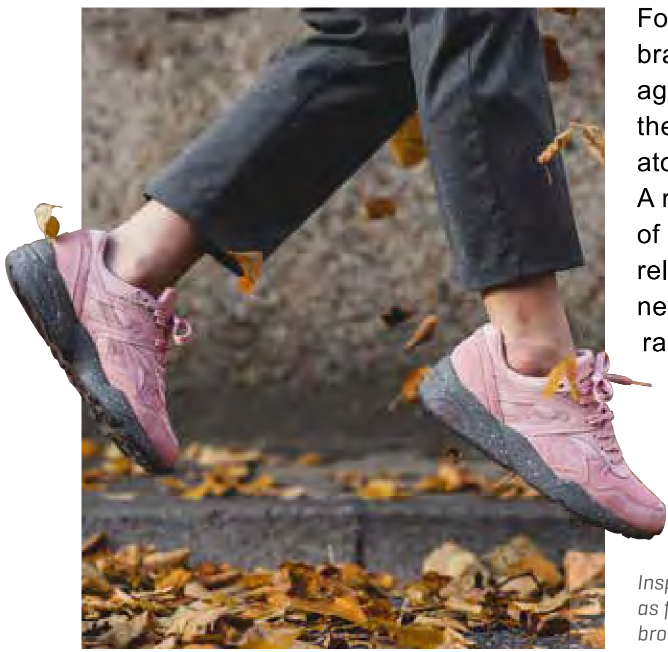
Since its birth in 1968, the PUMA Suede has enjoyed a 47-year run as both a benchmark for footwear design and a cultural artifact from one of the most progressive and historically significant eras of the twentieth century. The Suede hit new levels of fame

▶ "Check out the PUMA Suede, our icon of sports-inspired style and streetwise swagger."

during the '80s dawn of b-boys and hip hop beats, taking over New York City blocks. And to this day, it remains PUMA's most epic icon of sport-inspired styles with its smooth suede and streetwise swagger. In 2015, the PUMA Suede made a comeback in classic black-white and peacoat colourway as well as a monotone, black-on-black iteration.

Wear your idol: PUMA fulfills childhood dreams by offering co-branded apparel, accessories and footwear collections of childhood heroes like Superman or Tom & Jerry

"The truth always comes from the street" – The PUMA x ALIFE collection has become a synonym for a fresh, diverse lifestyle that goes far beyond footwear



For Autum/Winter 2015, PUMA celebrated the Trinomic R698 by setting it against a new perspective – through the lens of the photographers and creators of the new digital sneaker culture. A range of brilliant contemporary iterations of the brand's iconic archive runner was released with styles that tailor to today's new breed of visual curators. The new range featured everything from neoprene and technical fabrics to street-ready print and material applications on top of the model's distinctive technology filled sole.

Inspired by the Disc Blaze, the Trinomic R698 serves as further development of the Trinomic technology, brought to light in the Early '90s

The Right Outfit for Every Challenge in a Kid's Life

For our young consumers, PUMA Kids offers the right choice for every activity. Having partnered with Warner Bros. Consumer Products, PUMA created a range of PUMA shoes, apparel and accessories for kids that sport Tom & Jerry and Superman. The Spring/Summer 2015 collection spanned infant to teens and included trainers, t-shirts, shorts, sweat jackets, head wear, swimwear and bags that all combined fun and entertainment with lifestyle and sports functionality.

Furthermore, PUMA signed a licensing agreement with the nonprofit educational organisation Sesame Workshop. The first PUMA Sesame Street co-branded collection was launched in January 2016, features popular characters such as Elmo and the Cookie Monster and spans all age groups starting with toddlers.

PUMA x ALIFE: Mixing Sports with New York's Street Culture

In February, PUMA rekindled its partnership with New York based lifestyle brand ALIFE through the release of their highly anticipated collaborative collection for Spring/Summer 2015. The collection seamlessly pulls together

Our collection by NYC girl Vashtie proves what's possible when genuine creative vision meets history

ALIFE's diverse creativity while staying true to PUMA's heritage. Through apparel, footwear and accessories the collection tells the story of downtown New York, which is an integral part of PUMA's rich streetwear history.

PUMA x VASHTIE: Styles Inspired by Urban Subways and Glamorous Parties

In March, PUMA launched its collaboration with Vashtie Kola, New York's modern wonder woman, who has cultivated the downtown NYC scene for the last decade and works as a DJ, movie director, fashion model, and designer. For her exclusive PUMA collection, Vashtie Kola worked closely with PUMA's designers and looked to the early break dancers stealing the scene in NYC. Vashtie's second collection for Autumn/Winter 2015 was an evolution of her previous line, drawing particularly on street and soccer wear focused on PUMA's two hero silhouettes, R698 and the States Mid.

PUMA x Stampd: Embracing Modern Youth Culture

In July 2015, we launched our collaboration with luxe street wear brand Stampd. Merging PUMA's sporting heritage with Stampd's knowledge of modern youth culture, we paved the way for the future of street fashion. Chris Stamp, a west coast 'Avant Street' influencer, who received a GQ award in 2015 for Best New Menswear Designer in America, created a luxury performance athletic line that appeals directly to the modern high-street trend of today.

Infusing classic elements into youthful, contemporary style, designer Chris Stamp puts a sophisticated spin on streetwear

'80s "B-Boy" culture and '90s "Alternastyle" served as an inspiration for PUMA x VASHTIE

PUMA x SWASH enhances familiar sport styles with fanciful hand-drawn and painted artwork

PUMA x SWASH London: Blending Handcrafted Designs with Classic PUMA Styles

In September, PUMA released its collaborative collection with the East London based print and fashion house SWASH

Michael Cherman launched ICNY to create products that are both functional and fashionable – the same goal PUMA is committed to

A shared philosophy: Every collection of Parisian label Brooklyn We Go Hard is made to be worn by a passionate and open-minded generation

London. Our PUMA x SWASH footwear collection demonstrated the playful and artistic theme of this collaboration, taking classic designs and filling them with a newfound life. The Blaze of Glory, known for its athletic construction, was given the trademark SWASH treatment. Furthermore, the XT2+ Trinomic underwent a similar reinvention, taking on bold and intricate patterns true to SWASH London's design ethos.

PUMA x ICNY: Functionality Meets Fashion

October 2015 saw the release of our collaborative collection with alternative sportswear pioneer ICNY. Capitalizing on the expertise of ICNY's reflective technology and PUMA's rich sporting history, our debut designs by ICNY were purposeful yet packed with style to make trendsetters go wild.

Almost invisible! Taking sports to new heights, BAPE® integrates its signature camouflage motif and bold graphic style into classic PUMA products

PUMA x BAPE: Fusing High Street Style and Sports

In November 2015, we announced our partnership with Japanese street label, BAPE also known as A Bathing Ape. The Autumn/Winter 2015 PUMA x BAPE collection features a fusion of high street style and sports by integrating BAPE's iconic camouflage print and graphics into PUMA's sports performance apparel and footwear. The range extends to accessories and includes bags, football socks and headbands.

LICENSING

PUMA has a clear vision and strategy for the PUMA partner license portfolio, which includes a specific mix of authentic and contemporary products that complement and enhance the PUMA Performance and Sportstyle product ranges.

Enhancing and Complementing PUMA's Performance and Sportstyle Product Ranges

For a number of product categories, such as eyewear, watches and personal care products, PUMA grants specialist and market-leading third-party companies the right to design, develop, manufacture and distribute those products bearing the PUMA trademarks and logos in line with PUMA's brand positioning as the Fastest Sports Brand in the world. PUMA's licensing strategy focuses on brand enhancement and product extensions, with current licensed partners in four key categories to support this strategy: personal care products, eyewear (optical and sunglasses), watches and related accessories and safety shoes.

Personal Care: The Best Performance at Every Level

In 2015, PUMA signed an extensive and long-term agreement with L'Oréal as its new partner for personal care products. Since the start of this partnership, the dedicated team at L'Oréal in Paris has been working on a new and exciting range. L'Oréal has been a global phenomenon and market-leading company for beauty and personal care products for over 105 years and has product distribution and brand penetration in luxury goods, mass market, department stores, pharmacies and drugstores, hair styling salons, travel retail and branded retail channels.

Representing the ultimate style of the legendary PUMA Suede sneaker: the PUMA Suede Watch

Eyewear: Performance Through Continuous Innovation

In July 2015, PUMA announced Kering Eyewear as its new partner for PUMA eyewear. Following the announcement of the partnership, Kering Eyewear has been working to develop and design PUMA optical frames and sunglasses, segmented in three main categories: Performance, Active and Sportstyle. Each product segment is characterized by style, form and function and combines lens technology and colour, making the eyewear distinctive, stylish and functional. PUMA Sportstyle eyewear is complemented by ranges including eyewear specifically designed for running, cycling and golf to reflect PUMA's brand DNA and heritage in sport and performance.

Watches: Captivating Time, Sport and Style

The PUMA TIME product ranges designed, developed and distributed by PUMA's longstanding partner MYWA, saw another product milestone in 2015 with the launch of a watch based on one of PUMA's most iconic styles: the PUMA Suede Watch. With a limited edition of 1968 watches sold in a special case construction with ribbed sides and a modern and sleek dial with the PUMA Suede logo, it represents the ultimate style of the legendary PUMA Suede sneaker. 2015 also saw the introduction of another fantastic watch: the new Ultrasize Bold 50 Chrono. Featuring an architectural build of 50mm and a new 3D cut-out dial, it is designed for the stylish and active consumer.

Safety Shoes: Style Meets Safety and Performance

Since 2002, ISM, an established German manufacturer and distributor of safety shoes and workplace functional apparel, has been PUMA's partner for PUMA SAFETY shoes. 2015 saw the introduction of the new PUMA SAFETY TECHNICS LINE, which was specifically designed for industrial customers. ISM also developed the new SAFETY KNIT™ inspired by the PUMA evoKNIT, which has a fully knitted upper for a sock-like fit and will be introduced into the market in 2016.

COMPANY OVERVIEW

DISTRIBUTION

DISTRIBUTION STRATEGY

In order to improve the quality of our sales and distribution, we established further joint product and marketing programs with key retailers and rolled out our new "Forever Faster" store design.

Brand Mix

The PUMA Group owns the brands PUMA and COBRA GOLF as well as the affiliate company Dobotex, which manufactures and markets licensed socks and body wear. As the PUMA brand accounts for the vast majority of the group's net sales and constitutes the core of the PUMA Group, the outlined distribution strategy focuses predominantly on the PUMA brand.

Regional Mix

PUMA is structured into five regions: Europe, EEMEA (Eastern Europe, Middle East and Africa), North America, Latin America and APAC. Due to the particularly heterogeneous nature of our Asian markets, we dissolved the regional reporting layer in APAC in 2015 and gave the respective areas direct access to our global organization. Each region and area is led by a General Manager, who has full profit and loss responsibility for all countries within the respective region or area. In terms of the regional sales priorities, PUMA will continue to leverage its strengths in key growth markets in EEMEA, Asia and Latin America like India, China and Mexico respectively to ensure stable sales growth for the company. The focus in Europe is to enhance the service level to our wholesale partners as well as to further simplify the organizational structure. With this objective in mind, the two regions Europe and EEMEA were set under joint management in 2015. The strategic priority for North America is to build on the positive development in 2015, continue the repositioning of PUMA as a performance brand and increase the presence in quality wholesale distribution channels.

"WHAT ARE YOU TRAINING FOR?"

"I am training to make the most of my capabilities and be the best possible version of myself. #NoMatterWhat."

Benjamin Böhm,
Teamhead Retail Accounting

PUMA's new "Forever Faster" store concept at display in our Berlin store

Our Milan store features PUMA's Head to Head campaign for evoPOWER

Channel Mix

PUMA distributes its products via three different distribution channels: wholesale, PUMA's owned and operated retail and eCommerce stores. Wholesale accounted for 79% of net sales in 2015 and remains the biggest sales channel for the PUMA Group. With regard to the channels, PUMA has the highest growth rate expectations for eCommerce. PUMA's focus in the wholesale business is to continue to build joint product and marketing programs together with key accounts. These measures shall increase the business share of the most important accounts of PUMA's total wholesale net sales and thereby increase the net sales quality. In Retail, PUMA has introduced a completely new store design in 2015. The new design has been rolled out to 20 owned and operated stores worldwide, including Hong Kong, Istanbul, Veracruz and our headquarters in Herzogenaurach. The new and refurbished stores allow us to better tell our product stories, reveal the technologies behind them and strengthen PUMA's positioning as a sports brand. PUMA will continue to open new stores in strategic growth cities and focus on driving traffic into and improving the sales productivity of its existing owned and operated stores. The growth of eCommerce has been and will be further supported by the completion of the rollout of the unified website PUMA.com as well as further enhancements for the consumer experience.

Product Sales Mix

PUMA sells and markets footwear, apparel and accessories in categories such as Football, Running and Training, Golf, Motorsport and Sportstyle. With a heritage of designing shoes for more than 65 years, Footwear is and remains the foundation of PUMA's business and its key strategic priority, having generated 45% of net sales in 2015. On our mission to become "The Fastest Sports Brand in the World", we will leverage our clear positioning in sports to sell performance and sports-inspired lifestyle products.

Improvement of Our Distribution Quality

We are convinced that strong relationships with our main retail partners are a key to ensure the commercial success of our products. Therefore, we launched additional successful joint product and marketing programs with multiple retailers to showcase our brand in the right retail environment and drive sell-through with our

Rihanna's first Training collection has arrived in stores

PUMA products for sale in PUMA Lab at Footlocker in Milan

partners. Together with our partner Foot Locker we continued the rollout of our jointly developed retail concept "PUMA Lab" in the US market and opened a first location in Europe. Additionally, in North America PUMA has improved its presence with shop-in-shops, special wall units and permanent in-store communication at major sports accounts such as Finish Line and Champs. Several customer-specific marketing campaigns such as the evoCHALLENGE campaign with INTERSPORT have further solidified PUMA's partnerships with key retailers. In 2016, we will continue to foster strong retail partnerships and launch further product and marketing programs with our most important key accounts in every region.

"By the end of 2014, PUMA has become the largest brand in India – not just in sports, but across all global brands in the space of footwear, apparel and accessories. Our focus on retail and specifically running stores set our brand rolling in the market and has helped to integrate a strong culture of sell-through orientation."

Abhishek Ganguly, General Manager PUMA India

SUSTAINABILITY

SUSTAINABILITY STRATEGY[1]

With our mission to be the Fastest Sports Brand in the world, we have the opportunity and the responsibility to ensure that our products are manufactured in decent workplace conditions where human rights are respected.

PUMA's Sustainability Strategy is based on more than 20 years of Code of Conduct monitoring experience at our manufacturing partners as well as regular stakeholder communication, industry collaboration and expert feedback – both on a corporate and increasingly on a regional level.

Our latest full scale Materiality Analysis to identify our most relevant issues was conducted in 2013. The results are still valid and displayed in the graph F.1 below. 2015 was a year for us to focus on the ▶ UN Guiding Principles for Human Rights and Business. Therefore, we assigned the expert organization Shift to perform a human rights gap analysis for our global operations including our supply chain. The validity of our Materiality Analysis was also discussed and re-confirmed during our Annual Stakeholder Meeting Talks at Banz.

On the environmental side, we learned from the 2013 and 2014 results of the Environmental Profit and Loss account (E P&L), carried out by PUMA's majority shareholder Kering, where we have to place the focus of our efforts to improve our global environmental footprint.

Looking back at PUMA's sustainability targets from 2010 to 2015, we have

"WHAT ARE YOU TRAINING FOR?"

"I am training to be more efficient and faster in creating transparent supply chains, enhancing industry collaboration and finding sustainable solutions. #NoMatterWhat."

Kai-Ingela Gerasch,
Engineer Corporate Sustainability

[1] G4-18, G4-19, G4-20, G4-21

certainly achieved progress in some areas, whilst realizing that the road to a sustainable development is long. We have merely walked the first steps on this journey.

In order to accelerate our pace in line with our company slogan “Forever Faster,” we defined ten target areas for the period ahead of us until 2020 (“10FOR20”), which are comprised of a broad range of topics including human rights, corporate governance and health and safety matters.

We assigned relevant Key Performance Indicators (KPIs) to each of the identified target areas in order to go beyond counting audits and failures, instead focusing on tracking and managing performance improvements.

The year 2015 also saw some significant changes in PUMA’s sustainability organization, namely a reorganization of the sustainability department from social and environmental teams into a supply chain and a corporate sustainability arm.

With more than 15 years of sustainability related work, sustainability has become an important value in our strategy and an integrated part of PUMA’s business. Our sustainability department, which is responsible for the execution of PUMA’s sustainability strategy, reports to Lars Sørensen, PUMA’s Chief Operating Officer[3].

Governance Structure

Constant Review of Our Sustainability Performance

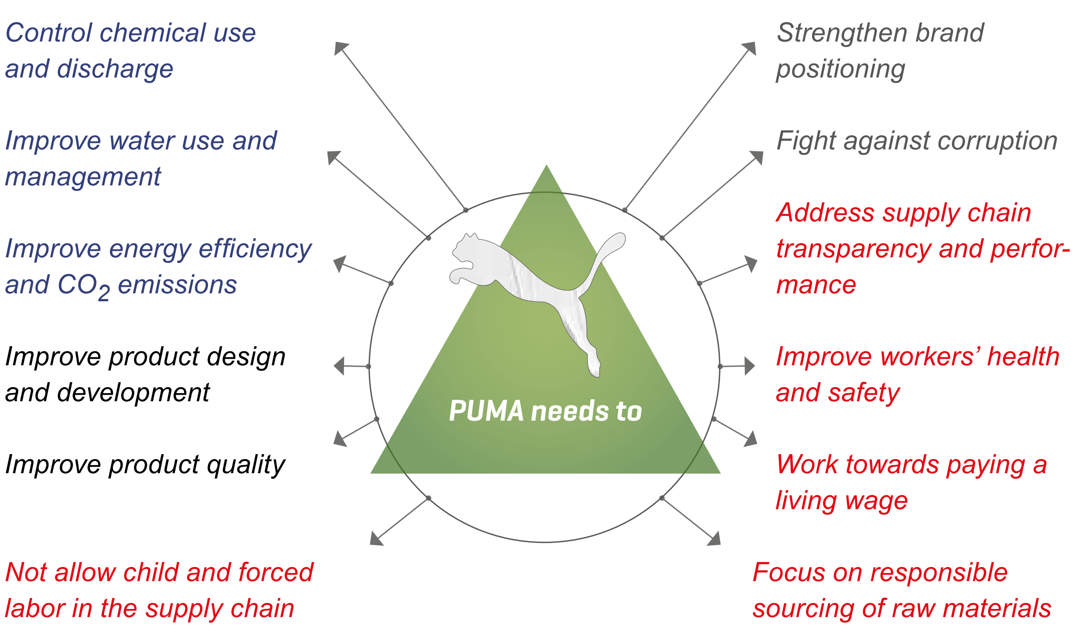
Our sustainability department is in constant exchange with PUMA’s Managing Directors and top management on sustainability topics through executive reports as well as in-person meetings. In addition, PUMA seeks frequent feedback from internal as well as external stakeholders.

The Board of Management reports to PUMA’s majority shareholders via the Administrative Board Sustainability Committee.

Administrative Board Sustainability Committee

The highest governance body at PUMA in

F.1 **Materiality Analysis**[2]



Environment | Corporate | Supply Chain | Product

A shoe factory in Cambodia that participated in our supplier efficiency program SAVE

[2] G4-23, [3] G4-18, G4-19, G4-20, G4-21

French Handball World Champion Luc Abalo wearing a PUMA T-Shirt made of 100% organic cotton for the COP21 conference in Paris

terms of sustainability is the Sustainability Committee at SE level. It is responsible for the supervision and setting-up of PUMA's sustainability strategy. The Sustainability Committee convened once in 2015.

Current members of the Sustainability Committee are:

François-Henri Pinault
Jean-François Palus
Martin Köppel

Reporting According to GRI G4

Since our sustainability report "Perspective" in 2003, PUMA has reported about its sustainability program according to the guidance of the Global Reporting Initiative (GRI), which developed detailed and widely recognized guidelines on sustainability reporting.

This report has been developed in accordance to the GRI G4 guidelines using the "Core" option. This option enables us to report on the impacts related to our economic, environmental and social and governance performance. It includes topics that are material to PUMA's business and our key stakeholders and that constitute our sustainability targets. These targets have been systematically developed in accordance with the feedback from all of PUMA's stakeholders as described in the following section.

Rankings and Ratings [4]

For PUMA, it is crucial to frequently engage with our stakeholders to reflect on our sustainability program, adjust to new requirements and, if necessary, to adjust our course. The continuous evaluation and assessment through external parties is an important indicator for our strategy and our actions going forward. During the year 2015, PUMA was assessed by a number of organizations including the following:

Carbon Disclosure Project
Disclosure Score 98%, Performance Category C

Dow Jones Sustainability Index (DJSI)
Membership ceased after eight years of continuous membership due to low market capitalization of PUMA (not related to sustainability performance)

FTSE4Good
Member status confirmed for the tenth consecutive year

IFC Vendor Finance Program
PUMA SAFE compliance program accepted by the IFC as entry criteria

Institute for Public & Environmental Affairs (IPE China)
Ranked 17th place out of 100 global companies in terms of environmental performance

Oekom Research
Prime Status continued

Rank a Brand
Industry Leader Sustainability

Sustainable Apparel Coalition
Highest number of connections on SAC Higg Index for Europe

Verbraucher Initiative e.V.
Silver Rating on Sustainability Communication to Consumers

Critical Issues

2015 saw a number of critical incidents involving PUMA's external suppliers that required immediate action on our behalf. An example of this was a waste water compliance issue identified at a PUMA-nominated leather supplier in Taiwan. As part of a government-driven investigation by the regulatory authority in Taiwan, a tannery and PUMA-accredited leather supplier in Taiwan admitted breaching the local waste water regulations. Consequently, the tannery was temporarily suspended from the Leather Working Group and lost the PUMA-approved supplier status. We are following up on the situation with the help of the Leather Working Group to ensure these circumstances are promptly rectified. Future orders at this supplier depend on an effective remediation.

We were also challenged by a labor rights NGO when a Vietnamese factory suspend-

[4] G4-18, G4-19, G4-20, G4-21, G4-24, G4-25, G4-26, G4-27

ed a larger number of workers after production came to a halt following a factory fire. We sent out local compliance experts to conduct interviews with some of the workers to ensure that all suspended workers received severance pay in line with Vietnamese regulations.

Stakeholder Dialogue[5]

PUMA's sustainability strategy is based on continuous feedback from its stakeholders from all over the world including customers and consumers, direct and indirect employees, suppliers, regulators, nongovernmental organizations, international agencies, foundations, academics, and many others.

Talks at Banz 2015

Having evolved from a small discussion "round-table" format to an innovative and forward-thinking debate, PUMA invited a group of external and internal stakeholders to the 12th Talks at Banz in November 2015 around the subject "Mainstreaming Sustainability." More than 40 national and international stakeholders and sustainability experts as well as PUMA's CEO Bjørn Gulden and COO Lars Sørensen attended. Discussion topics centered on, amongst others, the Climate Change debate that took place in the lead-up to the UN Climate Conference in Paris, as well as the UN Guiding Principles on Human Rights and Business.

PUMA invited a group of external and internal stakeholders to the 12th innovative and forward-thinking debate Talks at Banz

A list of participating stakeholders can be found ▶ here.

The key results of this stakeholder meeting, which provided us with valuable and constructive feedback on our sustainability strategy, are listed below:

- PUMA needs to expand its sustainability efforts deeper into the supply chain;
- An ambitious cotton strategy should be implemented;
- PUMA will develop a "science-based" CO_2 target to support the limitation of climate change to a maximum of two degrees.

In addition to the Talks at Banz, PUMA's sustainability team organized eight Round Tables for 273 factories in all major sourcing regions around the globe in order to engage with our regional stakeholders. Besides PUMA Tier 1 and Material Suppliers, several Round Tables also had NGOs and/or external experts participating to ensure the inclusion of external insights.

PUMA participated in a record number of international meetings and conferences on sustainability to exchange learnings with peers and catalyze collaborations. Some examples are listed below:

- SAC European and Global Meetings
- ZDHC Board Meeting and Global Meeting
- AFIRM Global Meetings
- FLA Board Meeting
- COP21: Train to Paris
- IPE Annual Conference
- WWF Meeting on Carbon Accounting
- German Partnership for Sustainable Textiles Meetings
- European UN Global Compact Meeting
- bluesign® Annual Conference
- Textile Exchange Global Conference

On a regional level, our compliance and sustainability experts participated in multi-brand forums and meetings in China, Vietnam, Turkey and El Salvador.

Human Rights

The UN Guiding Principles on Business and human rights (UNGPs) are the internationally accepted framework defining the respective duties and responsibilities for states and companies to protect, respect and remedy human rights impacts. For over two decades, PUMA has been working to ensure the respect of human rights not only internally, but also along its supply chain. In 2015, we decided to expand our approach and align with the UNGPs.

We asked Shift, one of the most renowned global expert organizations on the UNGPs, to conduct a high-level gap analysis of our policies and processes for managing human rights risks in our global operations against the expectations of the UNGPs and make recommendations on how to further implement the UNGPs. A summary report of this analysis can be found ▶ here.

[5] G4-18, G4-19, G4-20, G4-21, G4-24, G4-25, G4-26, G4-27

F.2

Supplier Roundtables[6]

CHINA

113 Factories
199 Participants
Main Topics:
1. New SAFE Audit Tool 2015
2. Legal Updates Coverage
3. Audit Performance & Workers Grievance Review
4. Best Practice Sharing
5. PUMA RSL Database Training

VIETNAM

42 Factories
67 Participants
Main Topics:
1. Global Structure & Direction
2. New SAFE Audit Tool 2015
3. PUMA RSL Database Training
4. Best Practice Sharing
5. SAVE Project

CAMBODIA

14 Factories
25 Participants
Main Topics:
1. Global Structure & Direction
2. New SAFE Audit Tool 2015
3. PUMA RSL Database Training
4. Best Practice Sharing
5. SAVE Project

ARGENTINA

18 Factories
20 Participants
Main Topics:
1. New SAFE Audit Tool 2015
2. Stakeholder Engagement/Brand Collaboration
3. PUMA RSL Database Training
4. Workers' Complaints Channel

INDIA

26 Factories
54 Participants
Main Topics:
1. Sustainability Update
2. MRSL and Chemical Mgmt. Update
3. PUMA RSL Database Training
4. Bangladesh ACCORD & Fire Safety
5. SAVE Project

TURKEY

25 Factories
52 Participants
Main Topics:
1. PUMA.Safe and Sustainability Global Structure
2. Vulnerable Workers in the Supply Chain
3. Regional Updates on the Audit Performance
4. PUMA RSL Database Training

BANGLADESH

10 Factories
39 Participants
Main Topics:
1. Bangladesh ACCORD Building Safety
2. Environmental Issues and Legal Requirement
3. PUMA RSL Database Training
4. SAVE Project

INDONESIA

25 Factories
35 Participants
Main Topics:
1. Global Structure & Direction
2. New SAFE Audit Tool 2015
3. PUMA RSL Database Training
4. Best Practice Sharing

[6] G4-19, G4-20, G4-21, G4-24, G4-25, G4-26, G4-27

Exchange between PUMA employees and suppliers at a roundtable meeting in Turkey

"We have the chance to make sustainability free of competition in order to create amazing tools together, which help us to measure social and environmental performance, even on the production level. Transparency is just a matter of time. The more we do this voluntarily and see the benefits, the better it will be for everybody."

Baptiste Carriere-Pradal, VP Europe, Sustainable Apparel Coalition

The key findings, which have been incorporated into PUMA's overall sustainability strategy, were:

1) Expand PUMA's social/labor compliance program beyond direct suppliers and ensure that due diligence, grievance mechanisms and remediation processes cover the complete supply chain;

2) Conduct a risk assessment including the lowest tiers (such as raw material producers of cotton or leather) to identify potential human rights violations, for example child labor in cotton production in India or bonded labor in cattle ranching in Brazil;

3) Focus efforts on the most severe risks to people, including screening for higher-risk country contexts;

4) Involve local stakeholders, including our own employees, in high-risk countries like Bangladesh, China or India in the due diligence process;

5) Communicate possible salient human rights issues;

6) Where local law conflicts with human rights (including core labor rights), review how we seek to meet the spirit of the international standards, for example by ensuring alternative mechanisms to exercise the right to freedom of association in China and Vietnam.

We will follow up on those recommendations as part of our new "10FOR20" targets and sustainability strategy, which covers human rights in a dedicated target section[7].

Environmental Profit and Loss Account

After PUMA issued its first E P&L in 2011, we shifted the E P&L project to group level of our French majority shareholder Kering.

Since then, Kering has published two versions of the E P&L for the whole ▶ Kering Group for 2013 and 2014. We analyzed both the Group E P&L as well as PUMA's individual E P&L performance to define our future sustainability strategy.

Looking at all three E P&L versions, it becomes obvious that the major environmental impact is centered on two main patterns:

1) Emissions of energy-related greenhouse gases along all tiers of the supply chain (and even beyond, i.e. during consumer usage phase for apparel).

2) Land use change, greenhouse gas emissions and related issues during raw material production stage.

In addition, the temperature and chemical intensive wet processing of fabrics and leather in fabric mills, dye-houses and tanneries offers the opportunity to work on resource efficiency and waste water cleaning technology.

While setting our new target areas (see section "New Targets 10FOR20"), we therefore focused on a more sustainable raw material usage as well as reducing our climate impact across the full product lifecycle.

For more information on Kering's E P&L, please visit the link below:

▶ http://www.kering.com/en/sustainability/epl.

[7] G4-19, G4-20, G4-21, G4-24, G4-25, G4-26, G4-27

SUSTAINABILITY TARGETS

Social Target

Factory audits remain the main enforcement tool of compliance to PUMA's Code of Conduct and provide us with an instant picture of the level of compliance of the factory. As part of our so-called Sustainability Scorecard 2015, we aimed for 90% of PUMA's suppliers to receive an audit rating of A or B+ by 2015. PUMA continues to use the A, B+, B-, C and D grading criteria to rate factory performance against our Code of Conduct. For more information regarding PUMA's auditing process, please click ▶ here.

While viewing the rating performance over the years, it needs to be considered that in 2014 the audit rating methodology was changed significantly by expanding the audit questions from 200 questions to 323 questions. Additionally, stricter penalties were imposed for non-compliance with critical issues, thereby making it more difficult for suppliers to achieve an A or B+ rating. Therefore, the target was adjusted in 2014 from 90% A and B+ compliance according to the old rating methodology to a 70% A and B+ rating score according to the new rating methodology.

T.1 Audit Ratings of PUMA Group Sourcing Tier 1 Suppliers

Audit Rating	Tier 1 Factories 2014	% of Sourcing Volumes by Rating	Tier 1 Factories 2015	% of Sourcing Volumes by Rating
A	46	25	50	28
B+	73	49	102	52
B-	20	3	49	18
C	10	5	8	1.47
D	1	0.1	2	0.04
No Rating*	66	17	16	0.1
Total	216	100	227	100

* Suppliers in low risk countries with limited/low production volumes

The table below shows the audit ratings from PUMA Group Sourcing Tier 1 suppliers in 2014 and 2015. Taking into account the changes described above, 152 suppliers (67%) have achieved an A or B+ rating. If we consider the production volumes represented by those suppliers, this figure is 80%.

Reflecting on the 2015 target, we can conclude that the original targets of 90% (rating system) and 70% (new rating system) were missed in terms of absolute number of suppliers. Considering production volume and the stricter new rating methodology, the new 2015 target was achieved with **80% of our production volume sourced from A or B+ rated suppliers**.

Going forward, we will break down our performance for our core suppliers beyond audit

"The Parisian Climate Agreement of December 2015 represents a global energy transition. In regard to companies, the management of supply chains is of crucial importance. With its sustainability strategy, PUMA is on the right track to anchor climate protection even deeper and more effectively and align the company consistently on a 2°-economy."

Sabine Nallinger, CEO, Stiftung 2°

result categories and measure more specific individual KPIs, for example social security coverage, overtime hours or payments in relation to the minimum wage. In 2015, we started reporting these KPIs already for our Chinese key suppliers.

We will also continue to expand into lower tiers within the supply chain, thereby shifting the scope of our social compliance efforts from a 100% coverage of all Tier 1 suppliers (regardless of their size) towards an 80% coverage of our sourcing volume including Tier 1 as well as component and material suppliers.

Environmental Targets

Our 2015 environmental targets are broken down into efficiency targets for our own entities (offices, stores and warehouses) and targets for our key suppliers.

Energy Consumption and CO_2 Emissions

Energy consumption and CO_2 emissions for our own entities are mainly comprised of

- Electricity consumption within our buildings
- Consumption of natural gas or district heat for heating our buildings
- Consumption of fuel for our company cars

This composition gives us the opportunity to create win-win situations by both improving our environmental performance and saving money through more energy efficient buildings, heating systems and company cars.

The average emission factor of our PUMA car fleet at the headquarters in Germany, for example, has decreased in 2015 from 132 gr CO_2/km to 122 gr CO_2/km, resulting in financial savings of approximately € 30,000 per year for the 227 company cars in Germany alone.

Related to electricity consumption, we saw the first opening of a PUMA store in 2015 under our new "Forever Faster" store concept, which exclusively uses highly energy efficient LED lights. By year-end 2015, 20 PUMA stores globally had executed the new concept and thus fully converted to energy efficient lighting. The introduction of the first LEDs in our stores was accompanied by professional energy efficiency audits in PUMA stores in France, Germany and the UK.

Looking at the overall energy figures, we can see that we could achieve a relative reduction of 6% energy consumption per employee from 2010 to 2015. In absolute terms, the energy consumption increased by 8%.

This translates into a relative CO_2 emission reduction of 20% for Scope 1 (direct emissions) and 13% for Scope 2 (indirect emissions). This was also supported by a significant increase in the purchase of renewable electricity from 10% in 2011 to 14% in 2015 as well as the energy creation from several photovoltaic power plants at headquarters and stores in Herzogenaurach, Germany, and at the head office in the USA.

For an overview of our performance against targets, please refer to table T.2 E-KPIs on the next page.

1. Figures include PUMA owned or operated offices, warehouses and stores. Outsourced warehouses and franchised stores are excluded.
2. Includes paper consumption for office usage in offices, warehouses and stores, excludes card board and paper bags consumption.
3. Data includes extrapolations or estimations where no real data could be provided.
4. Excludes on-site generated and consumed energy as well as energy produced on site and sold to the grid.
5. Includes own production sites in Argentina. All other production is outsourced to independent supplier factories, some warehouse operations are outsourced to independent logistic providers, franchised stores are excluded.
6. Store data is derived from exemplary stores in each country and extrapolated to cover all stores; methodological changes over the last 3 years do influence results.
7. PUMA uses own methodology for CO_2 accounting, with reference to the GHG protocol, but only reports CO_2 emissions, not CO_2 equivalent emissions.
8. PUMA uses own methodology for CO_2 accounting, with reference to the GHG protocol, but only reports data from business travel, transportation of goods as well as from production of Tier 1 suppliers under Scope 3 emissions.

T.2

E-KPIs [1,2,3,4,5,6,7,8]

2015	Total	Deviation in % to					Total / employee	Deviation in % to					Total/ m²	Deviation in % to					Total/ TO kEuro	Deviation in % to				
		2014	2013	2012	2011	2010		2014	2013	2012	2011	2010		2014	2013	2012	2011	2010		2014	2013	2012	2011	2010
Energy consumption (kWh)	81,620,952	2	0	-7	9	8	7,488	3	-2	-10	4	-6	163	3	-3	-8	3	5	24.1	-11	-12	-10	-3	-14
Electricity consumption from renewable tariff (kWh)	11,360,291	3	29	14	51	–																		
Water (m³)	104,221	-4	-16	-14	-8	-11	9.6	-2	-17	-16	-15	-22	0.2	-1	-18	-15	-12	-12	0.03	-16	-26	-17	-19	-29
Waste (kg)	5,006,919	16	6	-1	-20	-22	463.1	18	5	-4	-26	-32	10	19	4	-2	-22	-23	1.48	2	-6	-5	-29	-38
Recycled waste (kg)	2,949,003	8	5	17	35	30																		
Paper consumption (kg)	241,198	-20	-10	-23	-39	-36	22	-18	-11	-25	-43	-44	0.5	-18	-3	-19	-39	4	0.07	-30	-20	-26	-46	-49
Certified and recycled paper (kg)	134,919	-31	-13	-27	-45	-25																		
Percentage renewable energy	14	2	29	22	38	–																		
Percentage recycled waste	59	-7	-1	18	68	67																		
Percentage certified and recycled paper	56	-14	-4	-5	-10	18																		

CO_2 Data [1,2,3,4,5,6,7,8]

2015													[kg]						[kg]					
1. Direct CO_2 emissions fossile fuels (t), *(old CO_2 emission factor)*	3,312 *(2,813)*	*4*	*13*	*7*	*36*	*24*	*0.3*	*6*	*11*	*4*	*32*	*9*	*6*	*6*	*10*	*6*	*30*	*21*	*1*	*-9*	*-1*	*3*	*21*	*-1*
2. Direct CO_2 emissions car fleet (t), *(old CO_2 emission factor)*	3,984 *(3,500)*	*-8*	*-17*	*-21*	*-23*	*-26*	*0.3*	*-6*	*-18*	*-23*	*-26*	*-35*	*7*	*-5*	*-18*	*-22*	*-27*	*-27*	*1*	*-19*	*-26*	*-24*	*-32*	*-41*
Total Scope 1, *(old CO_2 emission factor)*	**7,296** ***(6,313)***	*-3*	*-6*	*-11*	*-5*	*-10*	*0.6*	*-1*	*-7*	*-13*	*-8*	*-20*	*12.7*	*0*	*-8*	*-11*	*-9*	*-11*	*2*	*-15*	*-17*	*-14*	*-15*	*-28*
Total Scope 2, Indirect CO_2 emissions electricty & steam (t), *(old CO_2 emission factor)*	**35,591** ***(27,444)***	*2*	*-1*	*-7*	*16*	*-1*	*2.5*	*4*	*-3*	*-9*	*12*	*-13*	*55*	*5*	*-4*	*-8*	*10*	*-3*	*8*	*-11*	*-13*	*-10*	*3*	*-21*
Total Scope 1+2, *(old CO_2 emission factor)*	42,887 *(33,757)*	*1*	*-2*	*-8*	*11*	*-3*	*3.1*	*3*	*-4*	*-10*	*8*	*-15*	*68*	*4*	*-4*	*-8*	*6*	*-5*	*10*	*-11*	*-14*	*-11*	*-1*	*-22*
1. CO_2 emissions from business travel train transportation(t)	39	*-14*	*-19*	*-29*	*-60*	*-50*	*0.0*	*-12*	*-21*	*-30*	*-62*	*-51*	*0.1*	*-12*	*-20*	*-31*	*-61*	*-56*	*0.01*	*-24*	*-28*	*-31*	*-64*	*-60*
1. CO_2 emissions from business travel air transportation (t)	10,152	*17*	*20*	*15*	*-8*	*19*	*0.9*	*20*	*18*	*12*	*-10*	*4*	*20*	*20*	*17*	*14*	*-12*	*17*	*3*	*3*	*5*	*11*	*-18*	*-5*
2. CO_2 emissions from B2B transport of goods (t)*	57,085	*10*	*30*	*35*	*17*	*29*	*5.3*	*12*	*28*	*32*	*13*	*14*	*115*	*13*	*27*	*34*	*11*	*27*	*17*	*-3*	*15*	*30*	*4*	*3*
3. CO_2 emissions from production in Tier 1 supply chain	79,902	*-6*	*0*	*-5*	*-14*	*-19*																		
Total reported Scope 3	**147,178**	*1*	*11*	*9*	*-4*	*-2*	*13.6*	*3*	*10*	*7*	*-7*	*-14*	*297*	*4*	*8*	*8*	*-9*	*-4*	*43*	*-11*	*-2*	*5*	*-15*	*-22*
Total, *(old CO_2 emission factor)*	190,065 *(180,935)*	*1*	*8*	*5*	*-1*	*-3*	*16.8*	*3*	*7*	*3*	*-4*	*-14*	*365*	*4*	*6*	*5*	*-6*	*-4*	*53*	*-11*	*-5*	*2*	*-12*	*-22*
Total without B2B and production *(old calculation)*	53,078 *(43,948)*	*4*	*2*	*-3*	*6*	*1*	*4.1*	*6*	*1*	*-6*	*3*	*-11*	*89*	*7*	*0*	*-4*	*1*	*0*	*13*	*-8*	*-10*	*-7*	*-6*	*-19*

CO_2 Emissions from Transportation of Goods

Most of PUMA's transportation activities originate from the main manufacturing markets in Asia, which serve all other markets globally, and this is why transportation is a key contributor to the CO_2 emissions.

The rise in tons emitted from 51,784 t to 57,828 t by 11.7% is fully in line with the rise in tonnage transported due to more goods sold due to PUMA's new strategic setup.

Emissions per ton transported have remained stable throughout the previous years, which is due to diligent planning and implementation of guidelines and programs to save space and use best available means of transportation focused on the needs of the business.

Courier services are reported separately by PUMA's main stakeholder Kering, located in Paris, France. The current indication is that courier service B2B emissions account for less than 3% of our overall B2B emissions globally.

While we clearly missed our 25% reduction target set from 2010 to 2015, our declared goal remains to continuously drive our partners and service providers to improve efficiency of transport vehicles and services. This goes hand in hand with improvements made to the supply chain.

T.3

CO_2 Comparison* from Transportation of Goods

	2010	2011	2012	2013	2014	2015	Dev. 2015 vs. 2014	Dev. % (2015 vs. 2014)	Dev. 2015 vs. 2010	Dev. % (2015 vs. 2010)
Roadfreight	6,194	7,330	8,065	8,291	8,637	9,524	887	10.3	3,330	53.8
Railfreight	546	597	448	450	547	643	96	17.5	97	17.8
Seafreight	21,585	24,312	22,276	21,908	25,766	28,664	2,898	11.2	7,079	32.8
Airfreight	15,857	16,569	11,546	13,182	16,834	18,997	2,163	12.8	3,140	19.8
Total (tons)	44,182	48,808	42,335	43,832	51,784	57,828	6,044	11.7	13,646	30.9

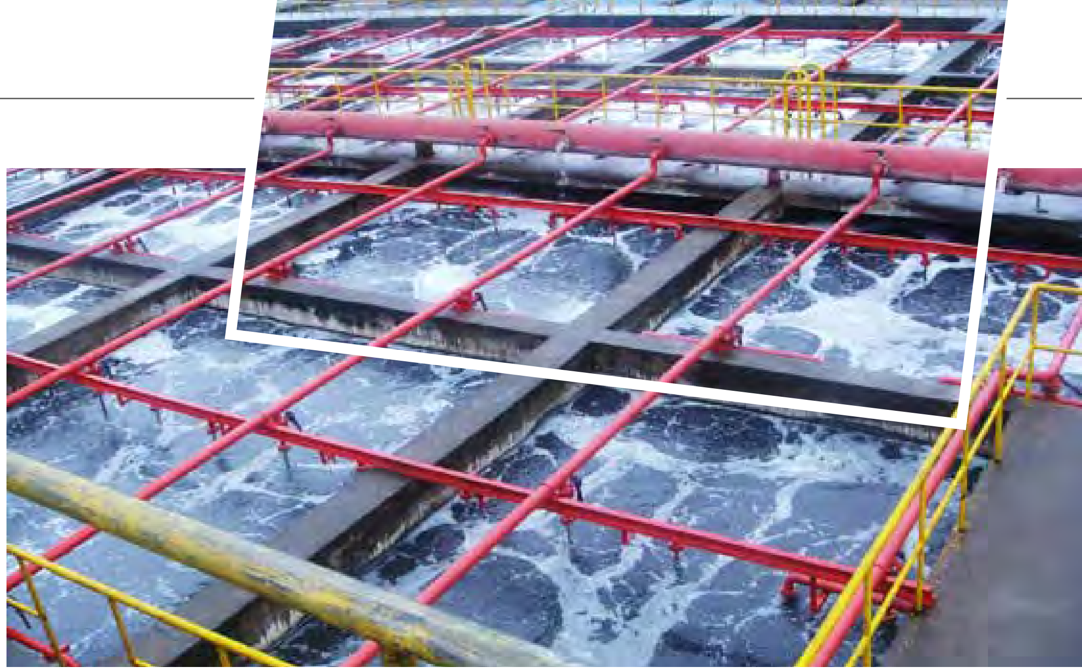
* Excluding courier service

We are fully aware that to effectively limit global climate change to two degrees or less, much more ambitious targets are required going forward. Even though PUMA is only one of many players in the global climate debate, we stand ready to contribute our fair share. Therefore, we have committed to calculating a science-based target for PUMA together with climate experts from WWF, the Carbon Disclosure Project and Stiftung 2° and plan to implement this target within the next two years.

T.4

tCO_2 per Ton Transported

	2010	2011	2012	2013	2014	2015	Dev. 2015 vs. 2014	Dev. % (2015 vs. 2014)	Dev. 2015 vs. 2010	Dev. % (2015 vs. 2010)
Roadfreight	0.059	0.065	0.060	0.062	0.067	0.067	0.000	0.4	0.008	13.7
Railfreight	0.024	0.025	0.021	0.021	0.026	0.030	0.004	14.0	0.006	23.3
Seafreight	0.285	0.294	0.290	0.288	0.332	0.481	0.150	45.1	0.196	68.9
Airfreight	5.466	5.686	5.802	6.189	6.163	6.031	-0.132	-2.1	0.565	10.3
Total (tons)	0.215	0.217	0.181	0.188	0.224	0.223	0.000	-0,2	0.008	3.9



This picture exhibits the aerobic process of a typical waste water treatment plant in a dyeing mill in China that produces fabrics for PUMA products

Water Consumption

Water consumption from our own entities is mainly for sanitary and kitchen usage. Therefore, the saving opportunities lie within water-efficient toilets, faucets, dishwashers, etc. The capturing and usage of rain water, as is done in our German headquarters, is another way to save grid water consumption, since drinking water quality is not always needed for all purposes.

Looking at table T.2, we have achieved relative and absolute savings of 22% and 11%, and therefore fell short of our 2015 target by only 3%. At an average cost of € 2 per m^3, the saving of 12,000 m^3 grid water per year also helped us to realize a financial saving of approximately € 25,000 per year.

For the next target period, we will no longer focus on water consumption in our own entities, but rather on water consumption and treatment in our supply chain, which has by far more relevance in terms of environmental impact.

Waste Creation

Through the usage of office paper, packaging materials in our warehouses and packaging of the goods sold in our stores, we are creating significant volumes of waste.

Fortunately, most of this waste is recyclable. Particularly through the segregation and recycling of cardboard and paper as secondary raw material, we can even generate some revenue from our waste and thus help to reduce the disposal cost for waste overall.

Between 2010 and 2015, the percentage of waste going into recycling increased and now stands at 59% of all waste being recycled, while the overall amount of waste per full-time employee has decreased significantly by 32%.

We have therefore achieved our target of 25% reduction for 2015. Going forward, we will continue to measure the creation and recycling of our waste on a global level. For the future targets up to 2020, we will focus – similar to the water consumption – on our manufacturing partners rather than our own entities, because waste production in the supply chain is significantly higher than at PUMA's own locations.

Paper Consumption

Paper consumption from our own entities (excluding product packaging) could be reduced significantly over the last five years. For both the average consumption per full time employee (-44%) and the total overall consumption (-36%), we achieved our 25% reduction target.

This in turn helps to save on the cost of paper and also adds significantly to the waste reduction, since paper and cardboard is our largest waste fraction.

Extrapolating on the paper savings with the cost of office paper at € 1 per kg, we estimate the total savings made at over € 100,000 per year.

Besides reducing unnecessary consumption, we have constantly been increasing the percentage of recycled and/or certified paper within our own entities. Starting from 47% in 2010, we now stand at 56% of certified and/or recycled paper consumption and will continue to push increasing this figure further.

Nevertheless, also in the field of paper and cardboard consumption we will shift our focus and target from the corporate level more towards the production level going forward. As a first and important step, we already implemented an FSC®-certified new standard shoe box with a recycled paper content of over 90% for our footwear products. To put this into perspective, we are using approximately 50 times more recycled and certified paper through the new box than in all of our offices, stores and warehouses worldwide.

NEW TARGETS “10FOR20”

The year 2015 marked the end of our five-year non-financial target period. Therefore, we have worked together with our stakeholders to set new targets for the next five years.

Acknowledging that we have mainly focused on environmental targets within our own sphere of influence for the period from 2010 to 2015, we have now balanced this with adding health and safety, human rights and governance targets for 2020 as well as shifting our focus deeper into the supply chain.

Taking into account our learnings from the E P&L, the Human Rights Gap Analysis and our continuous stakeholder dialogue, we are also setting a strong focus on sourcing significant volumes of more sustainable raw materials. In order to do so, we are partnering with expert and industry organizations like bluesign technologies, the Better Cotton Initiative or the Forest Stewardship Council.

In the year of publication of the new Sustainable Development Goals from the United Nations and the 21st UN Climate Conference in Paris, we were not only active as a sponsor of the event and via our partner organizations like the German CEO initiative “Stiftung 2°”. We also concluded that in order to contribute our fair share to a global warming that is limited to two degrees Celsius, we need to set our own future CO_2 targets in line with this 2 degree scenario.

Please find below the new targets “10FOR20”:

F.3 PUMA Corporate Sustainability Targets “10FOR20”

SOCIAL COMPLIANCE
[relates to SDG 3, 5, 8 and 10]
Compliance with Industry Standards/ ILO Core Conventions for all key suppliers, including Tier 2&3

STAKEHOLDER ENGAGEMENT
[relates to SDG 17]
Stakeholder Dialogue, Public Reporting (GRI), Consumer Information

GOVERNANCE
[relates to SDG 8, 16]
Maintain and run a state of the art Compliance Management System (incl. Anti-Corruption measures)

ENVIRONMENTAL P&L
[relates to SDG 7, 12]
Continue to report on the EP&L every two years under the lead of Kering

HUMAN RIGHTS
[relates to SDG 3, 4, 5, 10]
Embed human rights across our operations and suppliers. Help to positively impact the communities where PUMA is present

PUMA Sustainability Targets 2020

WATER
[relates to SDG 6]
Industry Good Practice for consumption and effluent treatment) is met by 90% of PUMA key suppliers with wet processing facilities

HEALTH & SAFETY
[relates to SDG 3]
Zero Fatal Accidents; injury rate below industry average

CLIMATE
[relates to SDG 13]
Science-based CO_2 reduction target to be developed (2016) and implemented (2020)

CHEMICALS
[relates to SDG 3, 6]
Zero Discharge of Hazardous Chemicals from our Supply Chain by 2020

MATERIALS
[relates to SDG 12, 15]
More sustainable alternatives used for our key materials (cotton, polyester, leather, cardboard, PU)

SDG = United Nations Sustainable Development Goals

SOCIAL SUSTAINABILITY

Introduced back in 1993, PUMA's Code of Conduct (CoC) sets a clear minimum standard for supply chain partners and is displayed in all of PUMA's directly contracted partner factories. It also forms an essential part of our purchasing contracts.

The year 2015 saw the start of a shift in the context of social sustainability. As a member of the Fair Labor Association, PUMA has made a commitment to regularly audit 100% of its factories on Tier 1 level with regard to social as well as health and safety and basic environmental standards – for more than 10 years already. In the past years, we carried out these audits regardless of order volume, risk status of the country or processes covered at the Tier 1 supplier.

This has led to a workload of over 300 audits per year and more than 5,000 audits since the start of our audit program in 1999. It also led to a situation where a significant number of our Tier 1 suppliers have been audited by PUMA at least five times over the last ten years, while only a limited number of their subcontractors, component suppliers or key material suppliers were audited for social standards at all. The very same Tier 1 suppliers are also regularly audited by or on behalf of other brand customers, while the lower tiers of the supply chain remain largely without monitoring for social aspects. At the same time, we increasingly realize the same audit findings at the same factories over time, which means that the problems are not truly addressed despite multiple audits by multiple brands.

In other words, the auditing system alone does not deliver what it is supposed to and a substantial paradigm shift is required besides detailed follow ups on corrective actions from audit reports.

Realizing this challenge may not be entirely new for experts in the social compliance field – and various organizations and companies have tried to address the problem at its root cause.

Therefore, going forward, we plan to:

"It can be very hard for companies in the apparel sector to understand where their products and materials are coming from. The challenge for these companies is to improve their understanding of the impact on their value chain. At the end of the day, consistently working on increasing transparency in the supply chain is actually going to help you to manage your business – including your impacts on people."

Julie Schindall, Senior Adviser, Shift

1) **Focus our social compliance program** with close follow up on those suppliers who are responsible for **80% of our business volume**. By doing so, we cut out a larger number of factories with small order volumes from PUMA or our licensees, where we do not have much influence to push for improvements. Those factories will still be monitored via external assessment reports, ideally sharing those with other brands. At the same time, we free our own resources to work more closely with the factories that produce the vast majority of our products.

2) **Expand the scope of our social/labor program beyond Tier 1** to cover also all key component and material suppliers. This means ending the separation into direct contract partners that suffer from audit fatigue and their suppliers that may have never experienced a social/labor audit at all.

3) Focus on the measurement and subsequent management of **relevant and measurable KPIs** such as staff turnover rates, average overtime worked, average payments compared to minimum wage, etc.

4) **Step up multi-brand collaboration** through organizations like the Sustainable Apparel Coalition, the Fair Labor Association and the Better Work Program of the ILO. This includes sharing of audit results and follow up, joint capacity building projects and eventually even the **replacement of single-brand audits** through an aligned industry approach.

Audit Statistics 2015

In total, PUMA carried out 384 audits in 2015 and assessed 332 facilities, meaning some of those factories have been audited more than once on the search of the effective implementation of corrective actions. Over 95% of the active supply base has been assessed under the ▸ Fair Factories Clearinghouse system as of year-end 2015. The remaining suppliers received an A grade during 2014 and they will only be re-assessed in 2016. In an effort to reduce audit fatigue, 21 PUMA factories have joined the Better Work Program of the International Labor Organization and were therefore not considered in PUMA's own audit scope. At the end of the year, **34 factories were made inactive** and taken off the supplier base **because of failure to meet our standards**.

T.5 **Number of Audits 2013-2015**

	Initial Audits*			Re-audit**		
Region	2013	2014	2015	2013	2014	2015
Asia	272	243	61	42	47	241
America	37	33	10	3	6	27
EMEA	24	33	13	0	5	32
Total	**333**	**309**	**84**	**45**	**58**	**300**

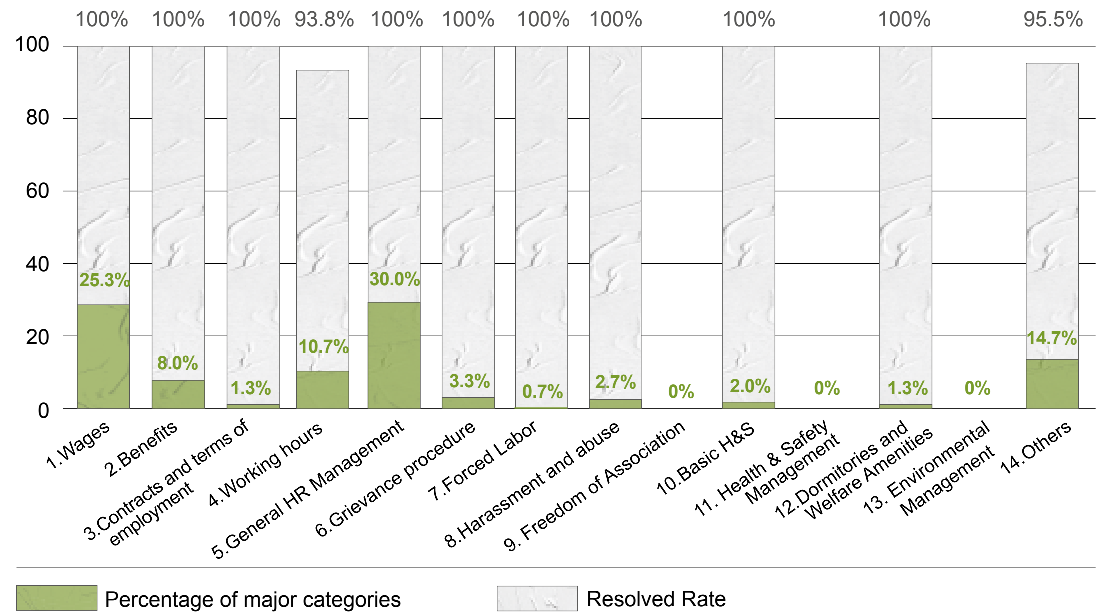
* new factory ** existing factories

T.6 **Audited Factories End-Year Ratings 2013-2015**

Audit Rating	2013			%	2014			%	2015			%
	Tier 1	Tier 2-3	Total		Tier 1	Tier 2-3	Total		Tier 1	Tier 2-3	Total	
A	40	1	41	11	43	2	45	14	36	1	37	11
B+	157	6	163	45	145	12	157	47	156	16	172	52
B-	103	8	111	30.5	92	6	98	30	75	12	87	26
C	31	0	31	8.5	29	2	31	9	25	2	27	8
D	18	1	19	5	0	0	0	0	9	0	9	3
Total*	**349**	**16**	**365**	**100**	**309**	**22**	**331**	**100**	**301**	**31**	**332**	**100**

* includes all tiers and PUMA Group Sourcing as well as Licensee suppliers

F.4 **Resolution Analysis of 2015**



Resolution of Complaints

PUMA offers several grievance channels to the workers of our manufacturing partners. For example, our Code of Conduct is displayed in all Tier 1 suppliers worldwide, and holds the email addresses and phone numbers of our compliance team, which receives and processes over 100 worker complaints each year. Other mechanisms include the use of the social network "QQ" in China, SMS messages and the third party complaints procedure run by the Fair Labor Association, of which PUMA is a member.

Wages, general health and safety, working hours as well as benefits management ranked highest amongst workers' complaints received in the supply chain. In total, 150 complaints from 51 facilities were received in 2015. The global resolution rate grew by 10.3% compared to 2014, and reached 98.7% in 2015. Three regions including EMEA, India/Bangladesh and Americas have a 100% resolution rate; followed by China (99.3%) and Indonesia, Malaysia and South Korea (50%). All Zero Tolerance and Critical Issues were resolved in 2015.

This year, we are reporting for the first time the results of our Social KPI survey amongst our key suppliers. Due to the fact that the collection and reporting of this data is new, we only report the KPIs from 16 of our Chinese suppliers (the ones with the largest production volume for each category). From next year onwards, we plan to expand our reporting scope to other major sourcing regions.

Description of Activities

The Better Work Program of the International Labor Organization (ILO) and the International Finance Corporation (IFC) is an initiative aiming to end audit fatigue and promote joint implementation of progress across multiple buyers at individual factories.

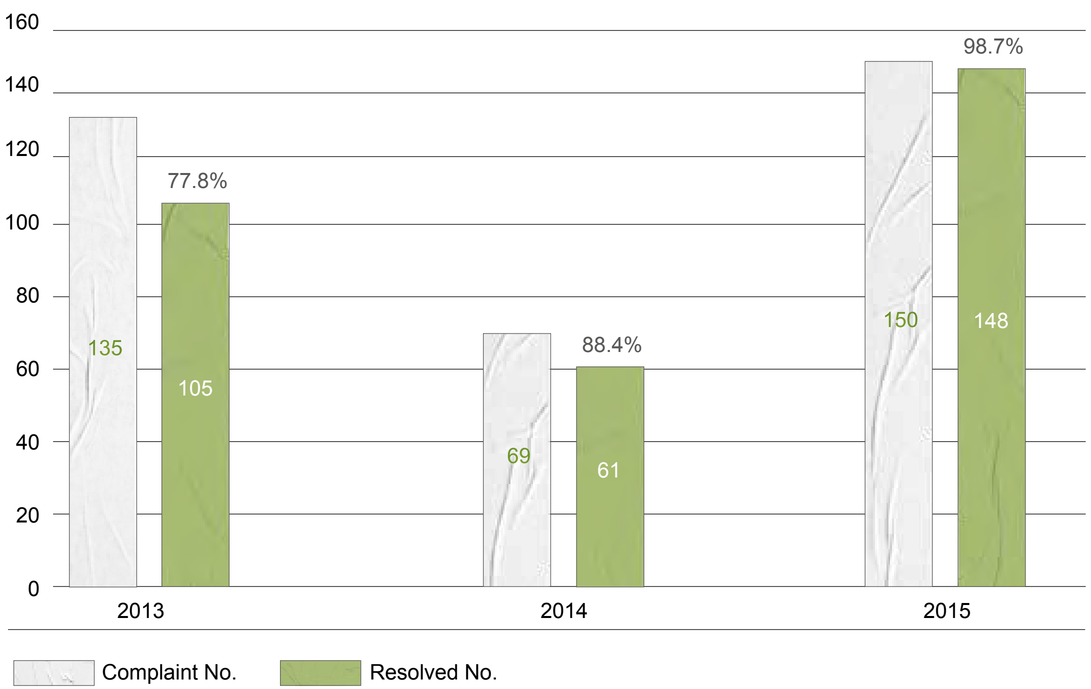
The program is currently active in eight sourcing countries, of which four are significant sourcing markets for PUMA, namely Vietnam, Bangladesh, Cambodia and Indonesia.

During the year 2015, PUMA had enrolled 21 factories under the ILO Better Work program, covering some apparel and accessories suppliers in Vietnam and mostly apparel production from Cambodia, where Better Work membership is mandatory for exporting garment factories.
From 2016 onwards, PUMA will ask all suppliers in Cambodia to join the program, irrespective of their product category. We also aim to expand the Better Work coverage in the current countries to allow for more shared audits and remediation efforts in line with our new compliance strategy.

Vendor Financing Program

Last year, PUMA's compliance program SAFE was also formally accepted by the IFC Vendor Financing Program. In an effort to provide an incentive to suppliers with good compliance and sustainability ratings, the IFC offers attractive financing conditions for vendors who have achieved a SAFE A or B+ rating.

F.5 **Resolution Analysis of Recent Three Years**



T.7 **Social KPIs of Selected Chinese Suppliers 2015**

KPI*	Apparel	Footwear	Accessories	Supplier Average
Annual Staff Turnover Rate (%)	41	85	62	63
Gross Wage paid** above the Minimum Wage (%)	22	18	3	15
Workers covered by Social Insurance (%)	74	25	69	56
Average Overtime per Week (hours/week)	10	17	14	13
Workplaces where there is one or more trade union(s) (%)	92	21	80	64

* average figures from 16 Chinese Suppliers
** excluding overtime and bonuses

HEALTH & SAFETY

"With our partners like PUMA our work is targeted at reducing the use of pesticides and their toxicity in the production of cotton, making better use of water, thereby increasing yields, and improving livelihoods. All of this serves one fundamental goal, which is to become mainstream."

Alan McClay,
CEO, Better Cotton Initiative

Building Safety

Two years after the Rana Plaza disaster, the work of the Bangladesh Accord on Fire and Building Safety has shown first substantial results. All seven PUMA suppliers in Bangladesh had their buildings assessed for structural building and fire safety and 650 corrective measures were suggested. In the meantime, over 300 corrective measures were implemented, while we follow up on the remaining actions.

As building safety concerns within our supply chain are not limited to Bangladesh, we expanded our activities related to this topic into China, Vietnam and Cambodia. As of today, ten suppliers in China, six suppliers in Cambodia and 18 suppliers in Vietnam have been assessed as a part of our PUMA building safety initiative. For the year 2016, we aim to expand the initiative into at least one additional country.

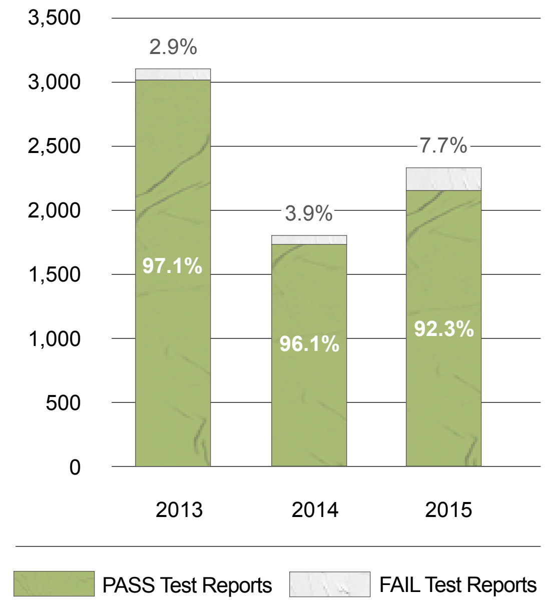
Product Safety/ Restricted Substances

PUMA places the highest emphasis on protecting the health of our consumers. Therefore, we have been operating a Restricted Substances List (RSL) and policy for RSL testing for more than 15 years. This means that all materials used in PUMA products need to be tested for RSL compliance prior to production. The only exception is already certified materials according to OEKO-TEX® or the bluesign® system, which have proven to fulfill our requirements on product safety already during the certification process.

The most recent PUMA RSL can be found ▶ here.

Please find in Table 8 the statistics on the results of the PUMA RSL testing from the last three years. One test report usu-

F.6 **Failure Statistic 2013-2015**



T.8 **RSL Statistic 2013-2015**

Division	Total Number of Test Reports			Number of Failed Test Reports			% Failure			Number of OEKO-TEX® & bluesign® certifications		
	2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
Accessories	483	361	624	28	27	50	5.8%	7.5%	8.0%	32	43	89
Apparel	272	116	480	7	1	33	2.6%	0.9%	6.9%	192	100	234
Footwear	1,751	954	1,150	11	5	91	0.6%	0.5%	7.9%	46	5	129
Licensees & Subs	559	238		30	30		5.4%	12.6%		58	55	
Others	46	137	82	13	7	5	28.3%	5.1%	6.1%		38	15
Total	**3,111**	**1,806**	**2,336**	**89**	**70**	**179**	**2.9%**	**3.9%**	**7.7%**	**328**	**241**	**467**

ally contains several tested substances. Even if only one of the substances failed the RSL requirements, it is counted as a failed test report in the statistics. The 7.7% of materials that were tested with one or more RSL failures were not allowed to be used in the production process. For those materials, the reason for the failure was identified, corrected and a re-test was done to ensure compliance. The data is based on our new RSL database, which was established in 2015. RSL tests from licensees and subsidiaries are no longer reported separately but included in the product categories.

The increase in failures from 4% to 8% is caused by lowering the limit values in our RSL in 2014 and a more stringent reporting procedure through our new RSL database.

Figure 7 shows the substance groups that were most commonly found in failed materials. Failures in solvents, pH-value and APEOs were the most common ones to be detected. As described above, failed materials cannot be used in PUMA products and suppliers receive support in rectifying the failures. The analysis on substance group level as shown in Figure 7 provides an insight into the performance of our suppliers, enabling us to investigate the root cause of failures and offering specific support to supply chain partners, e.g. specific trainings on chemicals.

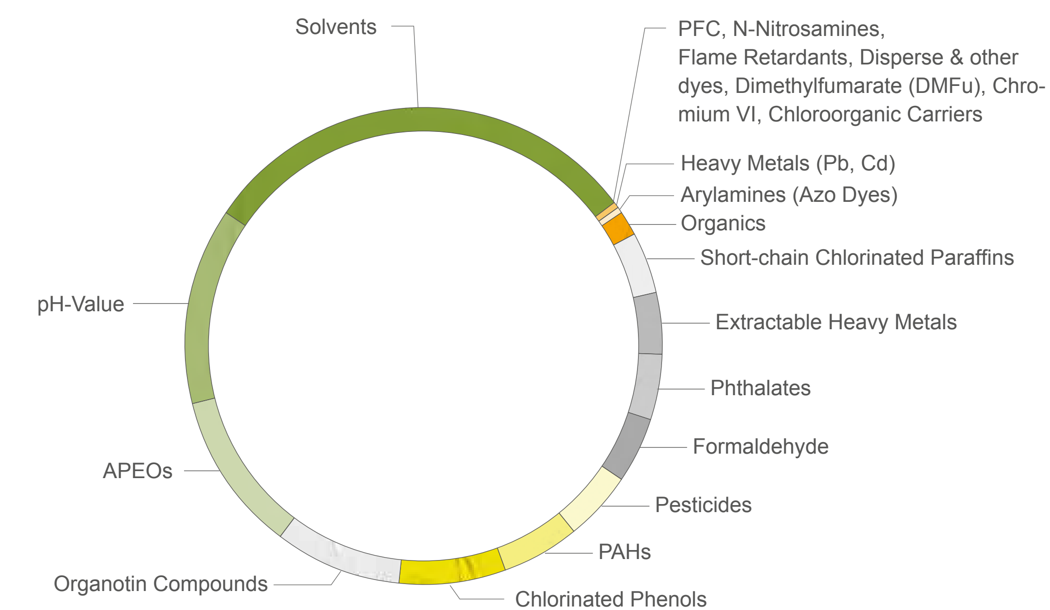
Declining VOC Consumption in Footwear Production

Another aspect related to consumer as well as worker health and safety concerns the usage of solvents in footwear production.

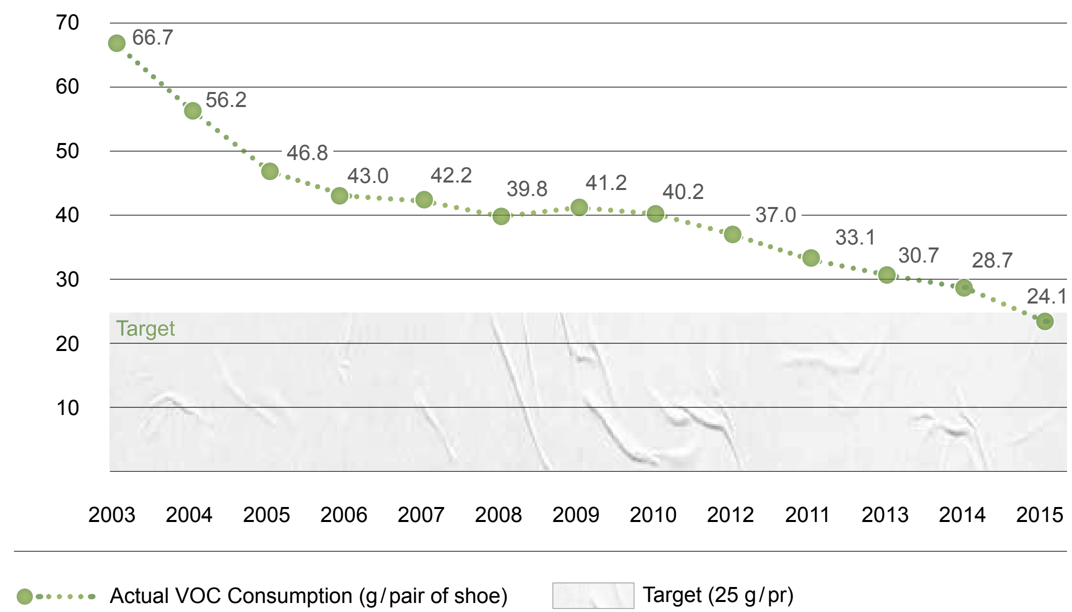
PUMA had set a long-term target of 25 grams of VOC (volatile organic compounds) per pair in footwear production already back in 2003.

Now, 12 years later, we have finally achieved this target, but do not want to stop there. The next interim target is 20 g/pair, with the long-term target of eliminating solvent-based processes and using water-based substitutes completely wherever technically feasible.

F.7 ***Proportional Distribution of Failures 2015 among Substance Groups in tested materials***



F.8 ***Development of the VOC Consumption per Pair of Shoe from 2003 to 2015***



ENVIRONMENTAL SUSTAINABILITY

Corporate Level

Our corporate level environmental performance was already covered in the 2015 target review chapter. In addition, PUMA sponsored the UN Conference on Climate Change (COP21) in Paris with clothing for the stewards and stewardesses who assisted visitors to find the conference. French Handball World Champion Luc Abalo helped to communicate this small but symbolic step in support of the climate conference.

As part of the Commit to Action Campaign on the Road to Paris, PUMA formally committed to developing a science-based target for climate change within the next two years. We also publicly committed to continue reporting on our carbon footprint and climate change program as part of mainstream financial reporting and to a responsible corporate engagement in climate policy.

Supplier Level

The Environmental Profit and Loss Account (E P&L) from Kering clearly indicates that the majority of the environmental footprint is caused in the manufacturing and raw material stages. Therefore, the environmental program of PUMA does not stop at our own company, but naturally expands into our supply chain.

For over ten years already, every supplier compliance audit conducted has covered core labor standards, occupational health and safety, and basic environmental aspects.

With the creation of the Zero Discharge of Hazardous Chemicals Group (ZDHC) in 2011 and the subsequent formulation of a ZDHC joint environmental audit protocol, PUMA has gone one step further; in 2015, we made sure our largest vertically integrated suppliers, as well as material suppliers have undergone at least one detailed environmental audit.

"We need brands that ideally implement a sustainable chemical management in the supply chain. PUMA can be one of those examples and contribute to gradually improve the standards in the supply chain. There are already committed manufacturers, who have the technologies and know-how, in order to reach the next level of a sustainable production."

Peter Waeber, CEO, bluesign technologies

To avoid duplication of effort and audit fatigue, PUMA joined forces with other brands in the sporting goods sector, and accepts environmental audits conducted by other ZDHC brands as well as the Leather Working Group (LWG) and bluesign®.

With these co-operations in place, PUMA has taken the lead and conducted environmental audits for twelve key material suppliers globally, including four factories in mainland China, three in Taiwan, three in Bangladesh, one in Turkey and one in Gua-

The bluesign® system:

The bluesign® system focus guarantees the application of sustainable ingredients in a clean process at which end stands a safely manufactured product. As a result, the textile industry manages the natural resources soundly and responsibly, reduces water and air emissions, improves its waste water treatment and generally reduces its ecological footprint.

With this holistic approach, the bluesign® system unites all partners of the textile industry in order to realize an environmentally friendly, sustainable textile production worldwide.

www.bluesign.com

temala. The twelve factories involve different types ranging from knitting mills, dyeing mills, tanneries, synthetic leather producers, to zipper suppliers, golf club manufacturers and vertical apparel suppliers. These factories were either audited by PUMA's internal auditors or the global audit firm ITS. From the perspective of PUMA divisions, there are five apparel factories, three footwear factories, three accessory factories, and one COBRA PUMA GOLF factory covered.

From the results of the audits it becomes evident that most of the material suppliers audited still need to go a long way to be fully aligned with the ZDHC environmental audit protocol (Version 2.0), and some were found to be lacking even very basic requirements.

In the meantime, each audited supplier has already implemented a double-digit number of corrective actions. We will continue to follow up with our key material suppliers for not only environmental performance, but start to assess them for social performance as well. To supplement the environmental auditing, PUMA has initiated waste water testing for our 33 largest wet processing facilities, again in co-operation with other brands of our sector. The results of this waste water testing campaign are published on the website of the ▶ Institute of Public and Environmental Affairs (IPE) in China, under the individual name of each supplier company.

To support further alignment within our industry as part of the Sustainable Apparel Coalition (SAC), we rolled out the SAC Higg Index Environmental Facilities Module to over 100 PUMA key suppliers in 2015. Expanding on a similar effort which hit 77 suppliers mainly from Tier 1 of our supply chain, we have now expanded the SAC Higg coverage also specifically to our material suppliers.

We hope that the expansion of the Higg Index in 2016 will integrate environmental auditing and allow for the collection of detailed E-KPIs at supplier level. In the meantime, we have been collecting PUMA-specific regular environmental KPIs from our key suppliers over the last years. Please find the results of this data collection in table T.10.

As we can see from the table T.10, the year 2015 saw significant reductions for all E-KPIs compared to the previous year.

Reflecting on our original targets to improve those KPIs by 25% between 2011 and 2015 it is clear that this target has been met for water consumption in all three product categories. Accessories and Footwear met the waste target, while Apparel reported an increase of waste during the target period. The energy target was met by Accessories only, with

ZDHC Foundation:

ZDHC is a textile industry collaboration of 21 leading brands, affiliates and associate members. Its vision is the widespread implementation of sustainable chemistry and best practices in the textile industry to protect consumers, workers and the natural environment.

The ZDHC Roadmap demonstrates the ZDHC group's collaborative efforts in leading the apparel and footwear industry towards zero discharge of hazardous chemicals for all products across all pathways by 2020.

www.roadmaptozero.com

T.9 *Environmental Audit Results from 12 Key Suppliers*

Country	Certified Environmental Management System	Valid Waste Water Permit	Officially licensed Hazardous Waste Contractor	Valid Air Emission Permit	Environmental Training Program
China	✓	✗	✓	✗	✓
Bangladesh	✓	✓	✗	✓	✓
Bangladesh	✓	✓	✗	✓	✓
Bangladesh	✓	✓	✓	✓	✓
Taiwan	✓	✓	✓	✓	✗
Taiwan	✗	✓	✓	✓	✗
China	✗	✗	✓	✗	✗
China	✗	✓	✓	✓	✗
China	✗	✗	✓	✗	✗
Guatemala	✗	✓	✗	✗	✗
Taiwan	✗	✓	✗	✓	✗
Turkey	✓	✓	✓	✓	✓
Compliance rate	50%	75%	67%	67%	42%

Apparel and Footwear reporting a more or less stable energy consumption per pair or piece over time and thus failed the reduction target.

It is encouraging to see that all three product divisions realized savings in terms of CO_2 per piece or pair, even though the savings ranked only from 3% to 9%.

Supplier Efficiency Program SAVE

Our large-scale resource efficiency program SAVE came to a conclusion at the end of 2015. Thirty-five PUMA and H&M key suppliers in the countries Bangladesh, Cambodia, China and Indonesia have undergone extensive training, received detailed on-site assessments, and were provided with a list of economically viable resource efficiency measures to save energy, water and waste.

Overall, 321 potential measures were identified. Out of these, 222 measures were reported with an average payback period of two years, indicating a saving potential of over USD 5 million.

We will continue to work with the suppliers participating in SAVE to realize those savings and consequently share the positive experience with other suppliers to multiply the effect.

T.10 **Summary of Supplier E-KPIs* - 2015**

E-KPI	Unit	WEIGHTED Value 2011	Value 2012	Value 2013	Value 2014	Value 2015	% Change (2014 vs. 2015)	% Change (2011 vs. 2015)	Range 2015 Min	Max
Accessories										
Energy/piece	kWh	0.5	0.4	0.5	0.4	0.38	-5%	-25%	0.20	0.68
CO_2/piece (Scope 1, 2 and 3)	kg	N/A	N/A	N/A	0.4	0.39	-7%	N/A	0.19	0.76
CO_2/piece (Scope 1, 2 & Biz Travel)	kg	0.3	0.3	0.4	0.3	0.28	-10%	-6%	0.11	0.60
Water/piece	l	27	6.9	8.6	6.7	6.20	-7%	-77%	2.66	9.66
Waste/piece	g	27	23	37	28	24.79	-12%	-8%	13.07	37.57
Apparel										
Energy/piece	kWh	0.6	0.7	0.8	0.8	0.62	-23%	3%	0.2	1.9
CO_2/piece (Scope 1, 2 and 3)	kg	N/A	N/A	N/A	0.4	0.36	-10%	N/A	0.1	1.4
CO_2/piece (Scope 1, 2 & Biz Travel)	kg	0.3	0.3	0.3	0.3	0.27	-9%	-9%	0.1	0.9
Water/piece	l	15	8.2	7.8	7.6	6.83	-10%	-54%	0.4	28.6
Waste/piece	g	42	72	81	61	50.62	-17%	21%	1.3	113.4
Footwear										
Energy/pair	kWh	1.5	1.5	1.5	1.5	1.53	-1%	2%	0.3	2.9
CO_2/pair (Scope 1, 2 and 3)	kg	N/A	N/A	N/A	1.4	1.35	-4%	N/A	0.2	2.4
CO_2/pair (Scope 1, 2 & Biz Travel)	kg	0.9	0.9	0.9	0.9	0.87	-6%	-3%	0.2	1.9
Water/pair	l	32	24.2	26.8	23.5	18.30	-22%	-43%	1.4	39.3
Waste/pair	g	176	147	122	119	113.59	-5%	-35%	33.5	159.0

* Figures derived from 52 core suppliers worldwide, divided into three product divisions covering 80% of PUMA production worldwide.

F.9 **Highlights from the SAVE Project**

- More than **500** attendees trained.
- **4** volumes of Sustainability Guidelines and solid training materials.
- **48** factories joined to onsite assessment
- **35** factories submitted action plans.
- **24** knowledge sharing forums.
- Case study book.
- Computer based training system.

T.11 **Overview of More Sustainable Materials Used in 2015**

Apparel				Accessories		Footwear			
Polyester	**%**	**Cotton**	**%**	**Polyester**	**%**	**Leather**	**%**	**Cardboard & Paper**	**%**
Polyester conventional	85	Conventional cotton	97	Polyester conventional	80	Gold	89	Recycled content	89
Polyester bluesign®	15	Organic cotton	3	Polyester bluesign®	20	Silver	4	FSC® certified content	85
						Bronze	6		
						Not certified	<1		
						Traceability rating A/B	20		

Material Performance

The year 2015 marked a change in the raw material strategy of PUMA. While we were still listed by Textile Exchange as the 10th largest consumer of organic cotton and 5th largest user of recycled polyester in their 2015 sector benchmark report, significant upcharges on those more sustainable raw materials in combination with a decreasing overall profitability of the company meant that we had to find more cost effective solutions when it comes to more sustainable raw material usage.

We continue to believe that to create real impact, more sustainable raw materials have to be used in significant volumes and not only for niche sustainability collections. Therefore, we have identified bluesign® certified technical fabrics and cotton from the Better Cotton Initiative (BCI) as key materials in our apparel and accessories ranges. Leather from Leather Working Group-certified tanneries and Forest Stewardship certified paper and cardboard complement the list of cost effective more sustainable raw materials.

To fill this new raw material strategy with life, we have ensured that our main shoe box is 100% FSC® certified. This shoe box accounts for over 70% of all shoe boxes sold in 2015, a value that will be increased further in 2016.

Over 90% of all leather used in 2015 was sourced from medal rated tanneries of the Leather Working Group.

Our partnership with bluesign technologies was extended during the last year, resulting in 15% of all polyester used in our Apparel and 20% of accessories collections being bluesign® certified.

For cotton, we continued the use of organic cotton but with 3% on a much smaller scale than before. In parallel, we prepared for membership in the Better Cotton Initiative, which will officially start on January 1st, 2016. From next year onwards, we plan to use up to 20% BCI cotton in our products.

STAKEHOLDER AND INDUSTRY COLLABORATION

We believe that in order to mainstream the sustainability efforts of our industry and to achieve long-term and stable positive impact within the factories and communities we operate in, it is absolutely necessary to collaborate with our industry peers.

While in most cases we may be able to influence our direct contract partners at the first tier of the supply chain – at least during the time of our collaboration – our influence is already declining at the second tier of subcontractors and component suppliers. At the material supplier level, PUMA is typically neither a direct customer of the fabric mills or tanneries, nor the most important buyer.

Therefore, we have placed a large emphasis on industry alignment and collaboration and where feasible try to support existing industry initiatives.

We also believe that to make the overall system more efficient, individual industry organizations need to align with others working in the same field, ideally converging their tools or at least harmonizing their systems.

Examples of our efforts to support industry alignment and collaboration were already listed throughout the sustainability chapter of this report. The most important ones are:

- Harmonizing the PUMA compliance audit tool with the methodology of FLA and Better Work (completed)
- Lobbying for a harmonization or convergence of the various existing supplier social compliance assessments under the umbrella of the SAC
- Lobbying for the introduction of relevant social KPIs as part of the SAC framework on social standards to measure performance in addition to compliance
- Replacing the PUMA-specific environmental key performance data collection with the planned environmental data collection of the SAC
- Supporting a convergence of the environmental audit/assessment tools from ZDHC and SAC
- Supporting the publication of a joint Restricted Substances List by the AFIRM Group (completed)
- Co-Leading the creation of a harmonized waste water guidance document and its implementation via the ZDHC

Such harmonization and alignment will potentially free up resources currently spent by brands and suppliers alike on multiple audits for the same factories, multiple test reports for hazardous chemicals on the same materials and effluents, as well as multiple capacity building and training projects focusing on similar subjects and suppliers.

Instead, we plan to use our resources more effectively on creating true positive impact for our direct and indirect employees as well as the communities and environment they operate in. Our new targets “10FOR20” will guide our work in this respect.

ANTI-CORRUPTION EFFORTS[8]

"To take actions against corruption is often the basis to push through objectives in other sustainability areas."

Sylvia Schenk, Chair of Working Group Sport, Transparency Deutschland

PUMA is a sports brand that conducts business worldwide. As such, we are well aware that we potentially face the risk of non-compliance with laws and regulations by PUMA employees or business partners in all our business functions and all countries where we conduct business. Those risks include the risk of corruption, which can vary from "low" to "high" depending on the country.

PUMA is a member of the UN Global Compact and commits to its principles, among them the 10th principle: "Businesses should work against corruption in all its forms, including extortion and bribery." The fight against corruption therefore is highlighted as a major goal of our Compliance Program, and also a regular topic during dialogues with NGOs, e.g. the stakeholder dialogue meeting Talks at Banz.

At PUMA, compliance-related topics are primarily addressed at the group-level in the PUMA SE Risk & Compliance Committee, which consists of a defined group of senior management members, including Managing Directors of PUMA SE.

Each planned Compliance (including anti-corruption) initiative at PUMA is presented to and agreed on by the main governance bodies (i.e. Managing Directors of PUMA SE, Audit Committee, Administrative Board).

Apart from the complaint channel for supply chain workers that PUMA operates, PUMA also continues to keep a global, third-party-controlled whistle blowing hotline, as reported in previous years.

The major areas for PUMA regarding business ethics and compliance as well as expected behavior are summarized in the PUMA Code of Ethics. PUMA CEO Bjørn Gulden communicated the current version of the PUMA Code of Ethics – including PUMA's policy regarding Gifts & Hospitality – to all PUMA employees worldwide. The document is available for download at PUMA's group-wide Intranet. The PUMA Code of Ethics is also available online at ▸ http://about.puma.com/en/sustainability/standards/coe.

Updates of the PUMA Code of Ethics are carried out on a regular basis.

Accompanying the PUMA Code of Ethics, PUMA has – in cooperation with its major shareholder Kering – introduced a group-wide ethics e-learning program with the goal to increase awareness among employees for business ethics including corruption. This program was launched in 2014 and continued in 2015 with its 2nd edition consisting of modules covering the following topics: behavior at the work place, respecting human rights, respect for the environment and anti-bribery.

The e-learning edition of 2015 was promoted by PUMA's CEO, as the sponsor of the campaign, to all PUMA employees. All PUMA employees worldwide were called to take part in the ethics e-learning program; as per July 2015, 55% of PUMA employees had completed it.

Going forward, PUMA will continue to focus on increasing the amount of employees covered by the online training program as well as trained face-to-face. In 2015, Kering has established a new Compliance Program, which PUMA has joined. The Compliance Program will strongly focus on antitrust and anti-corruption.

We welcome your comments on our PUMA sustainability strategy and its implementation as well as any topics covered in the sustainability chapter of this report at ▸ sustainability@puma.com.

[8] G4-24

COMPANY OVERVIEW

OUR EMPLOYEES

“WHAT ARE YOU TRAINING FOR?”

“I am training hard to always move forward and take the next step. However, taking breaks and enjoying past achievements is equally important. #NoMatterWhat.”

Simon Holthaus, Junior Manager Sports Marketing Football National Teams

PEOPLE@PUMA

Attracting the best talents from all over the world as well as retaining engaged employees belongs to our company’s main goals. We are on a constant search for qualified employees with the right skill sets to continuously grow in the dynamic markets we do business in.

PUMA is successfully facing rapidly growing demands regarding its attractiveness as an employer by providing a holistic approach that includes individual development, talent management, and benefits. All of this ties in well with PUMA’s strategy of being “Forever Faster” and strengthens our positioning as an employer of choice.

Growing Talent

Young talents are an important pillar of PUMA’s development strategy. We believe in developing and fostering our young employees from an early point in their career to equip them with the necessary skill sets for their various roles in the PUMA Group. Building on the success in previous years, PUMA once more expanded the number of apprentices and dual students in 2015. This year, 23 new dual students and apprentices joined PUMA headquarters in Herzogenaurach. In total, PUMA had 60 apprentices and dual students by the end of 2015, majoring in different fields of study such as International Business or Warehouse Logistics. Through their classes at vocational school or college they gain expertise and can apply the knowledge at their PUMA workplace.

Training and Development

We believe that qualified, motivated and talented colleagues, who live up to our mantra of being “Forever Faster” are a prerequisite for PUMA’s future growth and strengthen our positioning as a global

Fostering young talents: our new apprentices and dual students at our headquarters

Close control of the ball: An ILP group facing challenges on the soccer court

player. In addition, employees who are willing to continuously develop themselves – both professionally and personally – can grow beyond their limits and contribute to the company's success. PUMA offers a variety of trainings and workshops, either pre-defined or tailored to individual needs. In 2015, 8,550 employees worldwide have taken part in trainings and workshops with a total of 155,624 hours. This is a slight increase compared to the numbers of last year.

An important part of our training and development strategy are the trainings for our management, which were further expanded throughout 2015. A central element of these management trainings is the PUMA International Leadership Program (ILP), which has been a success in the past years, as it helps to establish a consistent leadership approach on a global basis and supports managers in their leadership skills and daily business decisions. The ILP program is in place worldwide with groups of participants in our EMEA, APAC, LATAM and North America regions. In 2015, 166 managers globally participated in PUMA's ILP, which will be continued and extended in the coming years.

Talent Management

Professional talent management and succession planning are essential to lay the foundation for our company's long-term development and success. At PUMA, we therefore focus on providing our employees with attractive career and development opportunities within the company in line with our areas of growth and the resulting future demands for qualified team members.

In addition to annual appraisal talks, which are carried out with all employees to discuss company and personal goals, PUMA introduced a company-wide talent management culture in 2015 with a focus on management training and career development. Therefore, our internal integrated performance and talent management system People@PUMA was further rolled out and updated. At the end of 2015, 5,685 employees across PUMA offices worldwide worked with People@PUMA and its different modules (performance management, compensation & benefits, career & succession planning, training & development, skills & competency management).

We consider our managers to be the main drivers in discovering and fostering talents, so we enabled them through extensive training to understand the process of talent management and successfully implement it in their respective departments. PUMA developed a talent management business simulation, which teaches managers in a playful yet holistic approach to identify, recruit and develop internal talents. In 2015, systematic talent conferences were conducted with managers at all levels up to board conferences on Managing Director's level. Talents with either horizontal or vertical development potential are constantly being identified, considering aspects such as individual performance, potential, development direction and mobility. This analysis of employee profiles enables PUMA to prepare individual development plans. Additionally, internal successors for important key positions are discussed at an early stage.

This process has been started in our headquarters in Germany; with North America, EEMEA, APAC and Europe to follow in the upcoming months. Furthermore, People@PUMA is equipped with a global internal talent pool, making it possible to match talents with internal vacancies. One key goal of our extended talent management is – in addition to the fast staffing of vacancies through internal candidates – to guarantee a high global mobility within the PUMA Group.

Diversity

A diverse workforce is another key element of PUMA's unique corporate culture. We are convinced that our success and competitiveness relies on our ability to embrace diversity by bringing together employees with various nationalities, backgrounds and experiences. As part of our PUMA spirit, we foster diversity and the courage to think and be different and therefore ensure an impartial working environment, where all employees have equal opportunities, regardless of gender, race, nationality, ethnic origin, religion or ideology, physical ability, age, sexual orientation or identity. This approach is reflected by our diverse workforce with employees from 44 countries and one-day cultural awareness trainings offered to all new employees at headquarters in Germany. Through these trainings, an important understanding of differences and similarities is gained and how to take advantage of them in order to make daily work more effective.

In 2015, we had 47% of female employees and 53% of male employees. This almost balanced ratio has been stable over the past

"WHAT ARE YOU TRAINING FOR?"

"I am training to start every day motivated so that I can achieve great results. Excellence in sports and my professional life is very important for me. #NoMatterWhat."

Anna Christgau, Trainee

T.1 **Percentage of women in management**

Region	2013	2014	2015
APAC	34%	38%	42%
LATAM	30%	29%	33%
North America	38%	40%	42%
Europe	34%	29%	30%
EEMEA		39%	39%
Total	**34%**	**35%**	**37%**

* Until 2013 the regions Europe and EEMEA were reported combined.

F.1 **Wellbeing@PUMA**

years. Across all management levels, of the workforce women accounted for 37%. Even though this number has increased compared to the previous year, we continue our worldwide efforts to raise the percentage of women in management positions, especially on the upper management levels.

To achieve this increase, PUMA has committed to a women's quota of 20% and 30% respectively for the two management levels underneath the managing directors. We have set the goal to reach these figures until end the of June 2017. PUMA aims to continuously support the development of women in management positions and to set an example of a diverse company with equal opportunities for both genders.

Wellbeing@PUMA

We believe that employees are more motivated and productive at work, if they feel well – both mentally and physically. This is one of the reasons why our concept Wellbeing@PUMA was further expanded and updated in 2015 to broaden our range of offers to employees and to provide a holistic package of benefits for them. While originating at headquarters in Herzogenaurach, our Wellbeing@PUMA approach has also been picked up by various PUMA sites around the world and adapted to local needs and regulations. All of our Wellbeing@PUMA initiatives have one idea in common: to offer a variety of services and benefits that make PUMA's employees feel good and healthy and make our company an even more attractive place to work at.

In line with our roots in sports, we offer a variety of one-time sports events and activities throughout the year as well as regular internal sports courses. For the employees at our headquarters, 24 events and 20 weekly sports courses were offered in 2015, with a total of 1,540 registrations, which reflects an increase of more than 25% compared to 2014. Similar initiatives and courses have been implemented worldwide.

As our wellbeing approach combines four different aspects of wellbeing – mental, structural, social and physical initiatives – we cater to our employees' needs in all of these categories. In 2015, our headquarters in Germany successfully conducted "audit beruf & familie" (job & family) and received the relevant certificate, which proves that we already offer a wide range of different actions to support our employees' work-life balance and will further extend this in order to facilitate the integration of both their private and professional lives.

Working Conditions and Flexible Working Modules

We want our employees to enjoy an attractive and inviting working environment, as we believe this supports a good work environment and results in commitment and loyalty. Our goal is to minimize the number of employee-initiated exits and to keep the percentage of employees in a permanent

When the mountain calls. The snow shoe hiking group reached its destination

Zertifikat seit 2015
audit beruf**und**familie

PUMA's certification of a family-oriented human resources policy that supports employees in different phases of life

employment above 80%. In the last year, 81% of employees worldwide had a permanent contract and the employments of almost 30% employees were covered by a collective bargaining agreement. The turnover rate in 2015 varied between 7% and 66%, depending on the share of the retail business in the respective markets and the region. In total, a turnover rate of 28% was recorded. The availability of a variety of flexible working modules at PUMA allows our rather young workforce with an average age of 33 in 2015 to make arrangements regarding their working conditions that suit their individual needs. This ultimately leads to a more productive and engaged workforce and is also reflected in the number of employees employed in part-time, which was at 25% at the end of 2015.

Employee Opinion Survey

In October 2015, we conducted our biannual global employee opinion survey, together with our majority shareholder Kering and the external provider Hay Group. More than 7,600 employees took part and seized the opportunity to state their opinion about their workplace and their professional life. Compared to the last survey in 2013, the participation rate increased to 76%, which is a plus of 14%. We at PUMA value the high engagement of our employees and are proud of their commitment and loyalty to the brand. Across all questions, PUMA performed very well and the percentage of favourable answers considerably rose, which reflects a higher employee satisfaction than two years ago. The most improved area is Training & Development with +6% compared to 2013, which shows that our actions towards these topics in the last years have been appreciated by employees all over the world. Reflected areas that need improvement will be identified on global, country or department level and appropriate actions will be taken in the coming months.

Let's dance: children of our employees having fun at the PUMA kids day

Smiling faces among kids in Nepal following a product donation

Social Networks

Since we started our employer-related social media initiatives in 2012, we have constantly expanded our presence in social networks such as Facebook, Twitter, LinkedIn and Xing. The number of people, who follow us on these channels, has continuously grown since then. For example, our base of followers on our employer LinkedIn account has almost grown fivefold to over 140,000 since its launch in 2013. Through of these different platforms, we can easily and effectively communicate job postings, general facts and figures and trending isssues, while also establishing a constant dialogue with our target groups. Furthermore, PUMA is represented on different employer review websites like kununu and glassdoor, which are important sources for direct feedback from applicants, current and former employees. Our aim is to manifest PUMA as a sports company and attractive employer in the minds of our followers.

Charity Cat

Throughout 2015, PUMA continued its support of Charity Cat e.V., the charity founded by PUMA employees in 2004. The organization again benefitted from various product donations, as well as financial donations from PUMA SE or its employees.

In 2015, one of Charity Cat's key topics was the global refugee situation. Forming close synergies with PUMA SE's HR department, Charity Cat reached out to regional organisations such as the "Flüchtlingsbetreuung Herzogenaurach" (refugee support Herzogenaurach), "Ehrenamtliche Flüchtlingsbetreuung in Erlangen" (volunteers supporting refugees in Erlangen) or "Oase Hersbruck" with donations including football kits and boots for sports activities, much-needed winter jackets and other articles of clothing.

On an international level, Charity Cat focussed on Nepal following the earthquake in April. Charity Cat rounded up a donation of € 951.43 from PUMA employees to € 2,000, which it donated to HUMEDICA for emergency relief. This came on top of € 3,000 that had already been donated to this organization.

Further financial donations were made to "Nepalhilfe-im-kleinen-Rahmen e.V.", which will use these funds for rebuilding projects, particularly schools, in remote mountainous regions of Nepal. The organization has become part of Charity Cat's portfolio of ongoing partner projects, which also include the Children Promotion Society (CPS) in Nepal, children's charity FONMAEH on Haiti, children's house "Bolle" in Berlin or "Von Herz zu Herz" that helps families in need on the Philippines.

For more information on Charity Cat's project portfolio, please visit ▶ www.charity-cat.de.

Worker's Council

The European worker's council of PUMA SE had 14 members in 2015, seven of which were women. They represent employees in ten countries. The Chairman is German, the other member of the Executive Committee is Austrian.

The German worker's council of PUMA SE consists of ten male and five female members. The Chairperson and the Vice Chairperson both have the German nationality.

Furthermore, there is an employee who represents the interests of handicapped employees.

Occupational Health and Safety

We are striving to keep our employees healthy and safe by providing a work environment, which is geared towards different aspects of safety and health.

In our locations around the world, safety related trainings are conducted in order to prepare employees for potential emergency situations. These trainings amounted to a total of 9,720 hours in 2015. In the past year, 5,737 employees have been trained in fire evacuation and 3,270 in employees in first aid. These numbers reflect an increase compared to the previous year and show PUMA's continuous effort on this topic.

The health and motivation of our employees is reflected in our absenteeism rate due to sickness, which was at 1.78% in 2015 – a further reduction compared to 2014 and a continuation of the positive trend from past years. Worldwide, 119 accidents that caused a work

"WHAT ARE YOU TRAINING FOR?"

"With my training I want to maintain a balance in my life – between work and play as well as between mental and physical fitness. #NoMatterWhat."

Lisa Huber, Product Line Manager Accessories stoppage were recorded. This corresponds to an injury rate of 1.07, according to the Occupational Safety and Health Administration (OSHA).

Compensation and Benefits

Worldwide, PUMA offers an attractive set of compensation and benefit programs to attract the best talents in the market as well as to retain and reward talented employees.

Collective bargaining agreements are in place at a lot of subsidiaries and allow for a salary exceeding industry average and extended annual leave. Furthermore, a variety of benefit plans such as defined contribution and deferred compensation retirement plans are offered. In order to stay competitive in the market as well as to ensure compatibility with our corporate goals, regular compensation and benefit reviews are conducted.

Since we believe that strong performances need to be rewarded, we seek to create a compensation program in line with individual and/or business performance. Short-term and long-term incentives or bonus plans are offered to a certain group of employees.

Short-term incentive plan payouts are linked to both business performance and sustainability targets. Long-term rewards include stock options.

"WHAT ARE YOU TRAINING FOR?"

"I am training to get a little bit better every day, to take PUMA's Employer Branding forward. #NoMatterWhat."

Franziska Traut, Manager Human Resources Development

INDEPENDENT ASSURANCE REPORT

To PUMA SE, Herzogenaurach

We have been engaged to perform a limited review of the materiality analysis, management approaches and quantitative and qualitative information in the sustainability part of the annual report (hereinafter: the report) of PUMA SE, Herzogenaurach (hereinafter: PUMA), for the business year starting January 1st, to December 31st, 2015. It was not part of our engagement to review any product or service related statements, any links to external sources, future-looking statements, or statements from external experts.

Management's Responsibility

The Company's Board of Directors is responsible for the accurate preparation of the report in accordance with the criteria stated in the Sustainability Reporting Guidelines G4 of the Global Reporting Initiative (GRI) and the Corporate Accounting and Reporting Standard (Scope 1 and 2) and the Corporate Value Chain (Scope 3) Standard of the World Resources Institute/World Business Council for Sustainable Development (WBCSD) (hereinafter: "GHG Protocol").

This responsibility includes the selection and application of appropriate methods to prepare the report as well as the usage of reasonable assumptions and estimates for individual sustainability disclosures. Furthermore, the responsibility includes designing, implementing and maintaining systems and processes relevant for the preparation of the report in a way that it is free of – intended or unintended – material misstatements.

Our Independence and Quality Control

We have met the requirements regarding independence along with the additional requirements relating to professional conduct of the IESBA Code of Ethics for Professional Accountants, which is based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional conduct worthy of the profession.

The quality assurance system of Deloitte & Touche GmbH is based on the International Standard on Quality Control 1 "Quality Control for Audit, Assurance and Related Service Practices" (ISQC 1) and, in addition on national statutory requirements and professional standards, especially the Professional Code for Certified Accountants as well as the joint statement of WPK (Chamber of Public Accountants) and IDW (Institute of Public Auditors in Germany): Requirements for quality assurance in the auditing practice (VO 1/2006).

Practitioner's responsibility

Our responsibility is to express a conclusion based on our work performed and the evidences obtained on the above mentioned information of the report.

Procedures and extend of the assurance engagement

We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information". This standard requires that we comply with our professional duties and give an attestation, based on the results of our work, as to whether any matters have come to our knowledge that could give rise to the assumption that the sustainability information as stated in the Annual Report 2015 does not comply, in all material respects, with the above mentioned criteria of the Sustainability Reporting Guidelines G4 of the GRI. In a limited assurance engagement the evidence gathering procedures are more limited than in a reasonable assurance engagement. Hence, the scope of a limited review is less comprehensive and may not reasonably assure all material facts as could a reasonable assurance. The selection of audit activities is subject to the auditor's own judgement. This includes the assessment of the risk of material misstatement in the report under consideration of the GRI reporting criteria.

Our assurance procedures included the following areas:

- Strategy & Business Context
- Chemical Management & Raw Materials
- Environmental and Social Reporting
- Emission Reporting (Scope 1,2 and 3)
- Logistics
- Supply Chain Management (incl. Social & Environmental Audit System)
- Human Resources

Within the scope of our work, we performed amongst others the following procedures when conducting the limited assurance engagement:

- Gaining an understanding of the process for determining material sustainability topics and respective boundaries of PUMA
- Interviews with relevant staff at group level responsible for providing the data and information, carrying out internal control procedures and consolidating the data and information, including the explanatory notes (on-site interviews and conference calls)
- Analytical procedures on relevant data
- Comparison of selected data with corresponding data in the PUMA consolidated financial statement and management and management report
- Evaluation of relevant information on sustainability performance

Our Conclusion

Based on our limited review, nothing has come to our knowledge that could give rise to the assumption that the materiality analysis, management approaches and quantitative and qualitative information in the sustainability part of the annual report 2015 of PUMA SE, Herzogenaurach does not comply with the criteria of the Sustainability Reporting Guidelines G4 of the GRI and the Corporate Value Chain (Scope 3) Standard of the World Resources Institute/World Business Council for Sustainable Development (WBCSD).

Recommendations

Without qualifying our conclusion above, we make the following recommendations for the further development of the company's sustainability management and sustainability reporting

- Further integration of sustainability and financial figures
- Timely setting-up of measurements and internal control systems for new targets and corresponding KPIs
- Enhanced improvement of data aggregation on relevant KPIs to ensure long-term sustainability performance measurement
- Enlarge scope of S-KPIs and deepen E-KPIs in the supply chain

This assurance report is issued based on an assurance engagement agreed upon with PUMA SE. The assurance engagement to obtain limited assurance is issued on purpose of PUMA SE and the report is solely for information purposes of PUMA SE on the results of the assurance engagement. This assurance report is not intended as a basis for (financial) decision-making by third parties of any kind. We have responsibility only towards PUMA. We do not assume any responsibilities for third parties.

Munich, 15th of February 2016

Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft

[Christof Stadter]
(Certified Public Accountant)

[Vinzenz Fundel]
Manager Sustainability

GROUP MANAGEMENT REPORT

"WHAT ARE YOU TRAINING FOR?"

"Being the fastest brand in Motorsport we continuously strive to become faster and more efficient in all aspects of our business. #NoMatterWhat."

Michael Lämmermann,
Chief Financial Officer

OVERVIEW 2015

PUMA got off to a strong start in the financial year 2015 with the successful introduction of our latest running innovation, IGNITE, in New York's Time Square by the fastest man in the world, Usain Bolt. IGNITE's innovative foam technology improves energy recovery when running and therefore embodies our Forever Faster mission statement. Sales got off to a solid start both at our retail partners and at PUMA's own retail stores and sales figures remained at a very high level throughout the year. The introduction of IGNITE included a series of short films in which teams of runners from ten major cities around the world illuminate their cities in very different ways. The campaign quickly became a viral success in social media and generated positive resonance online and in the press.

In the Team Sports category, we once again underscored our strong position and achieved a high brand presence both at the Copa América in Chile and the FIFA Women's World Cup in Canada. In the Copa América, Chile, the host and PUMA team capped its strong performance in the tournament by winning its first continental championship. In the women's soccer World Cup, PUMA star Marta made headlines by taking sole possession of the record for most goals in World Cup history, while the German national player Célia Šašic was the top scorer of the tournament with six goals. Together with the three PUMA teams Cameroon, Ivory Coast and Switzerland, the more than 50 PUMA players created a strong brand presence during the World Cup.

In our Running and Training category, we enjoyed a successful World Athletics Championship in Beijing in August, where the PUMA-sponsored athletes and teams turned in outstanding performances and reached the podium 18 times. Usain Bolt, the fastest man in the world, further strengthened his status as the most successful athlete of all time with three victories - at 100 meters, 200 meters, and in the 4x100 meter relay - giving him a total of 11 world championship gold medals. The performance of the team from Jamaica, which was second on the medals table after Kenya, and the performances of the other PUMA-sponsored teams the Bahamas, Cuba, Grenada, Cayman Islands, Switzerland and the Dominican Republic, ensured a strong presence of the PUMA brand during the competition.

In our successful Motorsports category, with our partners Mercedes AMG Petronas and Scuderia Ferrari we again underscored PUMA's position as the leading supplier in Formula 1. Mercedes driver Lewis Hamilton secured his third world title at the US Grand Prix. This was the most successful season in more than 60 years for the Silver Arrow, which was victorious in the Constructors' Championship very early on.

In September, COBRA PUMA GOLF player Rickie Fowler won the Deutsche Bank Championship at TPC Boston. In his typical orange outfit, he once again took first place using our COBRA driver from the Fly-Z+ range, and wore clothing and shoes from our 2015 fall/winter collection, including the Titantour, the most popular shoe in the world of golf today. COBRA PUMA GOLF star Lexi Thompson won the LPGA KEG Hana Bank Championship in South Korea; her second tournament victory and sixth title overall demonstrated again that she is an exceptional talent.

In addition, in the financial year 2015 we continued to accelerate the improvement of our product range for women and our more targeted consumer approach in this area. A key element of this is the partnership we have developed jointly with the international star Rihanna as brand ambassador and creative director. Rihanna plays an important role in our second Forever Faster brand campaign, in which we have invested several million euros and which focuses on “training”. We introduced the first shoe models and apparel inspired by Rihanna in her role as brand ambassador. The Creeper model is Rihanna’s first sneaker under her FENTY label. The shoe received a great deal of attention on social media and in the press and was sold out within hours.

In order to further increase the quality of our sales, we have continued to work hard with our sales organizations to improve both the relations with our strategic customers and new customer relationships with major retailers in traditional and growth markets. For example, we continued to expand our presence in major sports retailers in the North American market such as Finish Line and Champs by adding new shop-in-shop systems, special shelving units and permanent in-store communication. In our own retail stores we moved forward with the global introduction of our new Forever Faster store concept.

We also continued to simplify our organizational structure and setup in the last financial year. This included putting the PUMA regions Europe and EEMEA under joint management. In addition, we created synergies in many areas which made PUMA both faster and more efficient.

Regarding the optimization of our IT department, we continued to work on implementing a standardized ERP system, renewing our IT infrastructure and improving our design and product development processes.

With the measures successfully initiated in 2014 and successfully continued in 2015, we are firmly convinced that we are on the right path. However, one thing bears repeating: We know that the repositioning of PUMA and the turnaround of the business will take time as we need to continue to build confidence in the marketplace that we are on the right track. We are convinced that our efforts have already translated into better products, stronger marketing and more efficient operations.

PUMA’s rising sales show that we are on the right path with respect to improving our product offering. The strong sales in the Performance category, especially in the shoe business, underscores the extremely high profile of our products. Group sales rose, currency-adjusted, by 6.5% in the last financial year. In the reporting currency, the Euro, this corresponds to an increase of 14.0% to about € 3.4 billion. In 2015, gross profit margin decreased by 110 basis points to 45.5% compared to the previous year due to negative exchange rate effects. This reduced operating income to € 96.3 million from € 128.0 million in the previous year. The gross profit margin and operating income were thus at the upper end of the adjusted forecast. Consolidated net income was € 37.1 million (previous year: € 64.1 million) and earnings per share were € 2.48 compared to € 4.29 in 2014.

At the end of the year, the PUMA share listed at € 198.65, a 15.1% increase over the share price at the end of the previous year (€172.55). This means that the market capitalization has risen to around € 3.0 billion.

PUMA GROUP ESSENTIAL INFORMATION

Commercial Activities and Organizational Structure

The registered offices of the PUMA Group are located in Herzogenaurach, Germany. We trade under the name PUMA SE. Our internal reporting activities are based according to regions (EMEA, America and Asia/Pacific) and products (footwear, apparel and accessories). A detailed description of the various segments can be found in paragraph 25 of the Notes to the Consolidated Financial Statements.

Our revenues are derived from the sale of products from the PUMA and COBRA Golf brands via the wholesale and retail trade, as well as from sales directly to consumers in our own retail stores and online stores.

PUMA markets and distributes its products worldwide primarily via its own subsidiaries. There are distribution agreements in place with independent distributors in some countries.

As of December 31, 2015, 108 subsidiaries were controlled directly or indirectly by PUMA SE. Our subsidiaries carry out various tasks at the local level, such as sales, marketing, product development, procurement and management. A full list of all subsidiaries and an associated company can be found in paragraph 2 of the Notes to the Consolidated Financial Statements.

To be the Fastest Sports Brand in the world

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 been producing the most innovative products 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. PUMA engages in exciting collaborations with renowned design brands such as Alexander McQueen as well as designers like BWGH (Brooklyn We Go Hard) and Vashtie to bring innovative and fast designs to the sports world. The PUMA Group owns the brands PUMA and COBRA Golf as well the subsidiary Dobotex. PUMA distributes its products in more than 120 countries and employs more than 11,000 people worldwide.

In 2013, Bjørn Gulden (CEO) introduced PUMA's new mission statement: To be the Fastest Sports Brand in the world. The company's mission not only reflects PUMA's new brand positioning of being Forever Faster, it also serves as the guiding principle for the company expressed through all of its actions and decisions. Our objective is to be fast in reacting to new trends, fast in bringing new innovations to the market, fast in decision-making and fast in solving problems for our partners.

Strategic priorities

Our strategy encompasses five strategic priorities: the repositioning of PUMA as the World's Fastest Sports Brand, the improvement of our product engine, the optimization of our distribution quality, increasing the speed within our organization and infrastructure, and renewing our IT infrastructure.

The **repositioning of our brand**, which we began in 2014 with the largest brand campaign in company history, was clearly the focus of our activities again in 2015. Our objective is to demonstrate that PUMA is back in sports and that our brand has great assets and a distinctive attitude: Brave, confident, determined, and joyful. The second Forever Faster brand campaign, in which we invested several million Euros in 2015, focuses on our brand ambassadors and shows how they are training with PUMA products to get into peak form for the major competitions in 2016. Rihanna joined Usain Bolt, Arsenal London and other athletes for the campaign on a number of fronts, including the first TV spot for our training shoe IGNITE XT. Leading up to this, she ensured a high level of attention in the media and on social networks.

In 2015 we made great strides in **further improving our product engine**. The collections stood out for their clearer design, more innovative technology and the greater commerciality of the products. Not only was the feedback from our retail partners positive, but the significant increase in sales strengthens our conviction that we are heading in the right direction. The product highlights in 2015 include our new running shoe technology IGNITE, which we have expanded into a cornerstone of our Running and Training category with continuous new product launches – such as the IGNITE PWRCOOL and the IGNITE XT – since its market introduction in February. In Football, we continued to strengthen our position and further expanded our product platforms evoSPEED and evoPOWER. The new products include evoSPEED SL, which is now the lightest football shoe in the market at 103 grams. In Lifestyle, we introduced the first shoe styles inspired by Rihanna. The Creeper is Rihanna's first sneaker under her FENTY label. The shoe received a great deal of attention on social media and in the press and the first color options were sold out within hours. In addition, we also introduced the boxing-inspired Eskiva shoe. We will introduce a complete women's collection of shoes and apparel in 2016 working with Rihanna as creative director.

In order to improve the **quality of our sales and distribution**, we introduced joint product and marketing programs with our key retailers to showcase our brand in the right retail environment and drive sell-through with our partners. In 2015, we continued the roll-out of the retail concept “PUMA Lab”, initially launched with Foot Locker in 2014, both in the U.S. and in the first location in Europe. During the year we began collaborating with other well-known retailers with the aim of improving the presence of the PUMA brand in stores, better communicating our product promise on site, and thereby achieving a sustained sales increase. For example, we continued to expand our presence in major sports retailers such as Finish Line and Champs by adding new shop-in-shop systems, special shelving units and permanent in-store communication. We also developed a completely new Forever Faster store concept for the Company’s own retail stores. This concept was first introduced at the Group headquarters in Herzogenaurach and then in 20 additional locations during the year. The new store concept optimizes the presentation of our products and the related technologies and strengthens our position as a sports brand. To further expand our online presence, we launched an improved, integrated web shop and rolled it out in other markets in 2015. The continuous optimization of the website and our online product offering is a high priority for PUMA.

In 2015, we continued to optimize our **organizational structure and setup** by making them faster. One of the key projects was standardizing and optimizing the procedures between PUMA and its external suppliers by restructuring the sourcing organization to manage global order and invoice flows. We also simplified our organization in other areas and made processes faster. For example, our Sportstyle and Fundamentals product areas were merged under the leadership of a single manager. PUMA is also more efficiently organized now in the Europe and Asia/Pacific regions and can react more quickly to dynamic market influences.

We also made further progress in the modernization and expansion of our **IT infrastructure** in 2015. As part of this initiative, we have made it possible for additional markets to access a single ERP system and modernized the IT infrastructure at PUMA worldwide. In 2016, we will again focus on three areas: optimize our IT infrastructure, start the implementation of a standard ERP system to support our sourcing and trading functions, and set up platforms to improve the design, development and planning processes. We are very confident that our investment in these areas will lay the foundation for a fast, lean and efficient company in the future.

Sustainability remains an important value

Social, economic and environmental sustainability are among the core values at PUMA. We believe that the balance of these three aspects is key to the sustainable development of our business and faster is how we are working with our partners towards a more just and sustainable future, accelerating positive change in the industry and the world. Our mission to be the fastest sports brand in the world also includes assuming responsibility for ensuring that our products are manufactured under appropriate working conditions and produced by suppliers who respect human rights.

We believe that “The future is female”

For years, the market segment of female consumers has been an above-average performer for sports products. And women will continue to be more and more involved in sports worldwide, and sports is having an ever increasing influence on fashion. PUMA is a pioneer in this segment and we have set standards for years with the success of our models and collaborations with designers. And we are now strengthening our strategic focus on the female target group. A key element of this strategy is the partnership we have developed jointly with the international star Rihanna as brand ambassador and creative director. Rihanna took on an important role in our second Forever Faster brand campaign in 2015. In 2016 with the introduction of a complete women’s collection of shoes and textiles, she will be a vital part of improving our product offering for women in our Performance and Sportstyle categories.

Product Development and Design

Product philosophy and strategy

PUMA is one of the world's leading Sports Brands, developing, selling and marketing footwear, apparel and accessories in our Performance and Sportstyle categories. In Performance, we focus on lightweight, comfortable and dynamic product concepts, while our Sportstyle lines are inspired by our roots in sports. Product responsibility is organized within our global business units and regional design centers, with PUMA's design language for all collections defined by our creative director Torsten Hochstetter. To improve our product engine, in 2015 we initiated key projects to enhance our product designs, develop more innovative technologies and increase the commerciality of our product range.

Following the introduction of our latest running innovation, IGNITE, in New York's Times Square by the fastest man in the world, Usain Bolt, sales of our new running shoe technology got off to a strong start – both with our retail partners and through Puma's own retail stores. IGNITE's innovative shock-absorbing technology improves energy recovery when running and, with the best figures in this area among our competitors, the shoe embodies our mission statement "Forever Faster".

In our Spring/Summer collection, we expanded our successful IGNITE product program to include the IGNITE PWRCOOL. PWRCOOL is PUMA's technology for cooling which maintains optimum body temperature and thus saves energy. The apparel and shoes in the PWRCOOL collection are made of CoolCELL materials: advanced materials that transport perspiration to the outside and allow optimal temperature regulation through the use of anatomically positioned mesh panels on the body's heat zones.

In the Team Sports category, we once again underscored our strong position and achieved a high brand presence both at the Copa América in Chile and the FIFA Women's World Cup in Canada. The two tournaments provided a perfect platform for introducing the innovative PUMA football shoe evoSPEED SL. The new model's light, almost transparent outer textile material makes it our lightest football shoe yet. The PUMA SPEEDFRAME contributes to minimizing weight while providing the necessary stability.

In addition, we continued to accelerate the improvement of our product range for women and our more targeted consumer approach in this area. Building on a strong history and the high credibility we enjoy among our female consumers, we will continue to focus on the growth potential in this segment. A key element in this strategy is our partnership with the international star Rihanna. In 2015, we introduced the first shoe models and apparel inspired by Rihanna in her role as brand ambassador in our Forever Faster brand campaign. The Creeper model is Rihanna's first sneaker under her FENTY label. It is a blend of PUMA's classic Suede with a "creeper" platform sole inspired by the New York punk rock scene and Rihanna's trademark. The first limited edition of the Creeper in black and white attracted a great deal of attention on social media and in the press, and was sold out within a few hours. In November, the boxing-inspired Eskiva shoe followed, giving a small taste of the complete women's collection of shoes and apparel which we will introduce in 2016.

2015 has shown that we are on the right path with respect to improving our product offering. The strong sales performance, especially in the shoe business, underscores the extremely high profile of our products. Our successful product initiatives are an affirmation of our objective of being the fastest sports brand in the world. In the coming seasons we will continue our efforts to further improve our product range – especially for women. The continuous optimization in our close cooperation with major retail partners is an essential component of our strategy for new product introductions.

Sourcing

Sourcing refers to the central management of the purchasing of products for PUMA and the Group's own brand, COBRA. The necessary sourcing tasks are carried out centrally by the Group company **World Cat Ltd.** in Hong Kong.

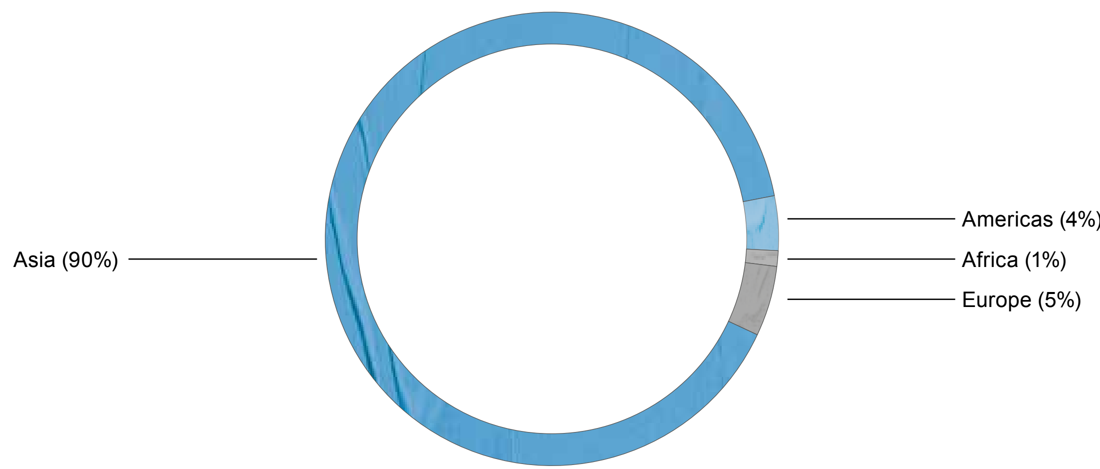
World Cat Ltd. manages the various branches located around the world from Hong Kong. In addition to the registered offices, the various locations in China, Vietnam, Bangladesh, India, Turkey, South Africa, Brazil and El Salvador manage the collaboration with suppliers and also monitor the production processes on site.

Processes are continuously improved in line with the six core principles of partnership, transparency, flexibility and speed, simplicity and effectiveness, thus satisfying the aim of offering service at a high level for all PUMA brands and creating a sustainable production and supply chain. In order to further strengthen the link between customer demands, product design and production, product knowledge is moved closer to production, thus ensuring any developments in the market can be adapted to more quickly.

World Cat Ltd. optimizes the supply chain with independent suppliers within its global production network, from the purchase of materials to production, right through to the delivery of products. The aim is to offer an optimum service to the various PUMA brands in order to meet and continue to improve global requirements for quality and safety, along with environmental and social aspects in production. At the same time, continuous improvements are being made in its role as purchasing agent with respect to costs, flexibility and delivery reliability.

PUMA established a new sourcing structure in 2015. The formation and global introduction of PUMA International Trading GmbH (PIT) as a global trading company reorganized the supply chain. PUMA International Trading GmbH, which has its headquarters in Germany, makes purchases from third-party suppliers and sells to PUMA distribution subsidiaries. It also handles all the associated transactions. This new business model ensures transparency within the supply chain and reduces the complexity of the transactions. In addition, hedging was centralized at PIT.

F.1 **Sourcing Markets 2015**



The Sourcing Markets

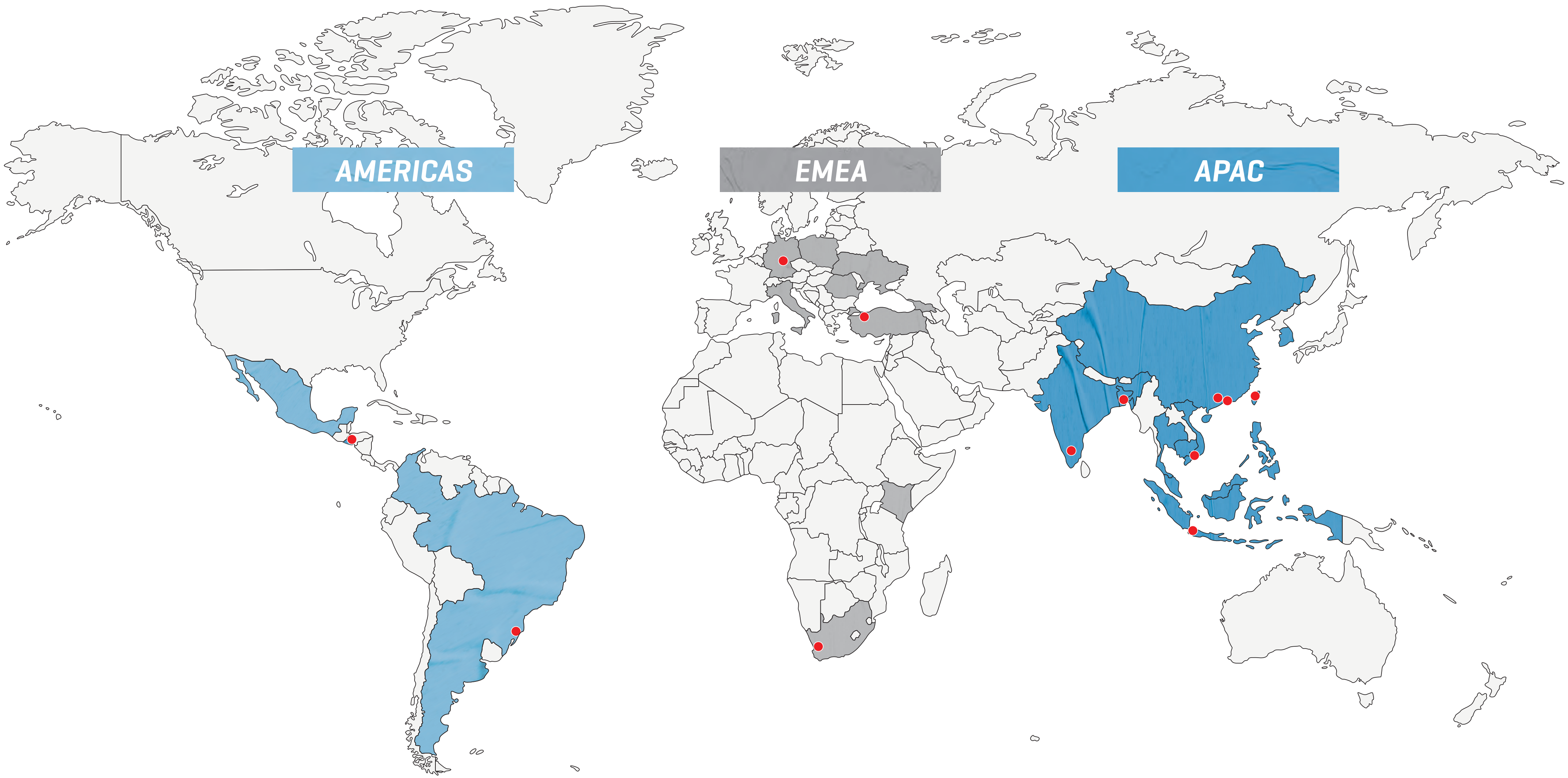
During the financial year 2015, World Cat Ltd. worked together with 189 suppliers in 32 countries. The strategic cooperation with long-term partners was one of the key competitive advantages in 2015, ensuring stable procurement in turbulent market conditions. The geographic focus of the production sites located in China as the primary sourcing country has shifted slightly to South East Asia.

Asia remains the strongest sourcing region overall with 90% of the total volume, followed by Europe with 5%, America with 4 % and Africa with 1%.

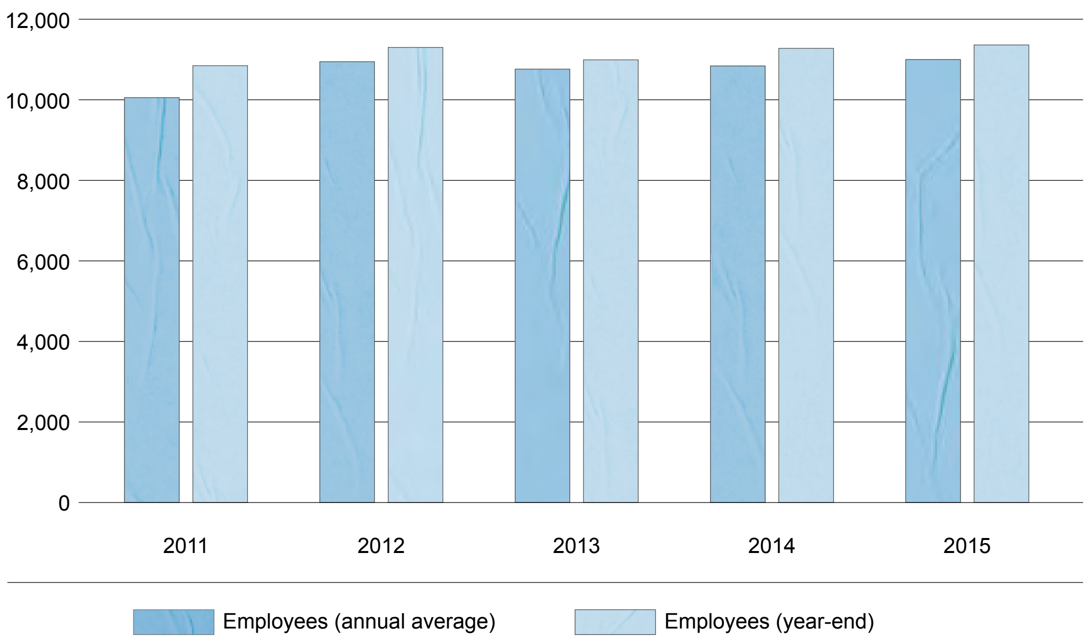
As a result, the six most important sourcing countries (86% of the total volume) are all located on the Asian continent. Vietnam took over the lead from China in 2015 with a total of 29%, an increase of 3 percentage points from the previous year. China followed at 26%, a reduction of 4 percentage points from 2014. Cambodia was in third place with 12%. Bangladesh, which focuses on apparel, moved up to fourth place at 9%. Indonesia, which focuses on footwear production, produces 7 % of the total volume and is in fifth place. India is in sixth place with 4 %.

Rising labor costs, political unrest and macroeconomic factors all had a negative impact on sourcing markets in 2015. This therefore increases the need to take into account the risks these factors present when allocating production. This is a crucial component of our sourcing strategy in order to ensure the secure and competitive sourcing of products.

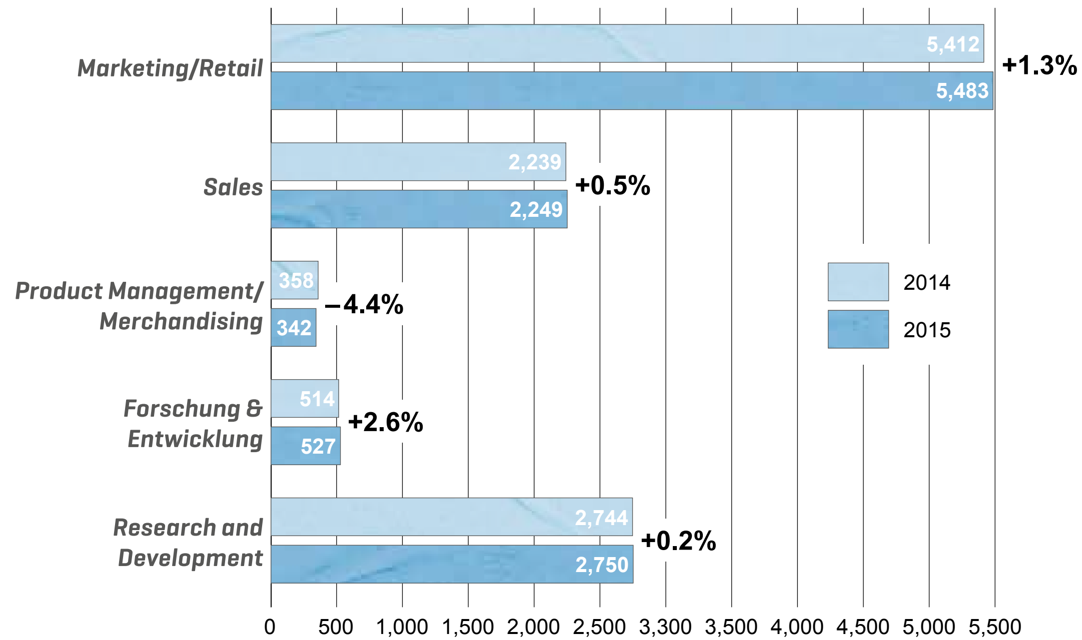
World Cat's Sourcing Regions



F.2 **Development Emloyees**



F.3 **Employees (year-end)**



Number of employees

In 2015 the **annual average** number of employees worldwide was 10,988 compared to 10,830 in the previous year. The increase was mainly related to the higher number of the company's own retail stores.

Overall personnel expenses in 2015 rose by 13.7% from € 425.3 million to € 483.8 million and the average personnel expense per employee was € 44.0 thousand compared to € 39.3 thousand in the previous year.

As of **December 31, 2015**, the number of employees was 11,351, compared to 11,267 at the end of the previous year.

In the Marketing/Retail segment, the number of employees increased by 1.3 % to 5,483 employees. In Sales, the number of employees increased slightly to 2,249. The number of employees in Product Management/Merchandising decreased by 4.4 % to 342, while the number of employees in Research and Development increased by 2.6 % to 527. In the administrative and general units, the number of employees rose slightly to 2,750.

Talent Recruitment and Development

PUMA relies on the skills and qualifications of its employees in order to ensure continued growth and market expertise.

We conduct targeted recruitment across various channels, allowing us to reach a broad range of potential employees with extremely diverse experience and backgrounds. We ensure the constant professional and personal development of our staff by hiring qualified external talent and training our internal employees. At the same time, we take various measures, such as the expansion of our global performance management system, which now integrates talent management and structured succession planning in addition to performance assessment and target-setting, in an effort to retain employees over the long term. We demonstrate that we view our employees as important and valuable assets and that we wish to aid their development individually; this is clearly reflected in our actions. The long-term retention of motivated and capable employees is a core element of competitiveness today and ensures that we can perform well as both a company and an employer in our dynamic environment and can adapt to changes in the market.

In our effort to provide adequate entry-level and development opportunities to talented individuals at all levels, in addition to the range of different training and dual-track (combined work-study) programs, we also promote the systematic training of our professionals and managers. We continually develop our PUMA training offers in order to ensure that our employees have at all times comprehensive and diverse options to add to their qualifications, build on existing knowledge and acquire new skills. This approach helps employees achieve their personal goals and the company achieve its goals. In addition to a training program with a broad range of individual courses and workshops, a large number of seminars is offered with the aim of developing employees and managers over the longer term, giving them the opportunity to apply their newly acquired knowledge in practice between the individual modules and then to discuss this with other seminar participants. For example, this year we continued our successful International Leadership Program (ILP), an internal program consisting of several modules.

Compensation

PUMA offers its employees a targeted and competitive compensation system, which consists of several components. In addition to a fixed base salary, the PUMA bonus system, profit-sharing programs and various social benefits and intangible benefits form part of a performance-based compensation system. We also offer long-term incentive programs for senior management levels that recognize the sustainable development and performance of the business.

Management System

We use a variety of **indicators to manage** our performance in relation to our top corporate goals. We have defined **growth and profitability as being key targets** within finance-related areas. Our focus therefore is on improving sales and operating income. At the same time, we aim to minimize working capital and improve free cash flow. Our Group's **Planning and Management System** has been designed to provide a variety of instruments in order to assess current business developments and derive future strategy and investment decisions. This involves the continuous monitoring of key financial indicators within the PUMA Group along with a monthly comparison with budget targets. Any deviations from the targets are analyzed in detail and appropriate countermeasures are taken in the event such deviations have a negative impact.

Changes in sales revenues are also influenced by **currency exchange effects**. This is why we also state any changes in sales in Euro, the reporting currency, adjusted for currency exchange effects in order to provide information that is relevant to the decision-making process when assessing the revenue position. Currency-adjusted sales volumes are used for comparison purposes and are based on the values that would arise if the foreign currencies included in the consolidated financial statements were not translated at the average rates for the previous reporting year but were instead translated at the corresponding average rates for the current year. As a result, currency-adjusted figures are not to be regarded as a substitute or as superior financial indicators, but should instead always be regarded as additional information.

We use the indicator **free cash flow** in order to determine the change in cash and cash equivalents after deducting all expenses incurred to maintain or expand the organic business of the PUMA Group. Free cash flow is calculated from the cash flow from operating activities and investment activities. We also use the indicator **free cash flow before acquisitions**, which goes beyond free cash flow and includes an adjustment for payments that are associated with investments in companies.

We use the indicator **working capital** in order to assess the financial position. Working capital is the difference between other current assets - including in particular inventories and trade receivables - and current liabilities. Amounts that are received in connection with financing activities are not included in working capital.

Non-financial performance indicators are of only minor importance at PUMA as control variables.

ECONOMIC REPORT

General Economic Conditions

The global economy weakened slightly in 2015 compared to the previous year. According to the winter forecast of the Kiel Institute for the World Economy (IfW), the increase in global gross domestic product (GDP) for 2015 will be 3.1%, the lowest growth since the crisis year of 2009. Global production rose by 3.4% in 2014.

The advanced economies continued to record a moderate performance overall, although there were significant differences between the individual countries and regions. For example, the United States (+2.5 %) and the United Kingdom (+2.4 %) again reported the strongest growth, while the Euro zone saw only a slight increase of 1.5 % in its gross domestic product, and unemployment remained high. After contracting in the previous year (-0.1 %), the Japanese economy returned to growth with a slight increase of 0.7 %.

In the emerging markets, the economic expansion has recently been weak. While in China, indicators point to a dampening of growth (6.8 % versus 7.4 % in 2014), the recession worsened in Russia and Brazil. According to the IfW, the economies of these two countries will contract by 3.8 % and 3.6 %, respectively, in 2015.

The sporting goods industry benefited in the last financial year from rising disposable incomes and growing health consciousness in the general population. The trend towards more and more women being very active in sports contributed to this positive performance. Looking at the distribution channels, online retailers, which posted dynamic growth rates in the financial year 2015, made a solid contribution.

By contrast, volatile currencies and, in particular, the strong US dollar, which made products more expensive, had a dampening effect on earnings in the industry.

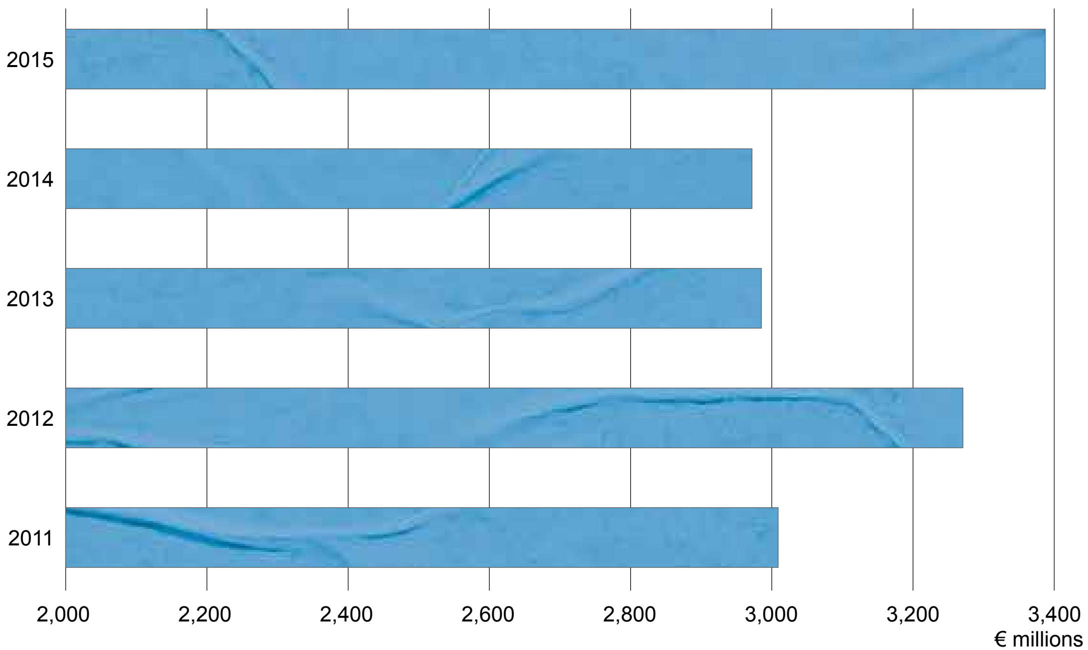
Sales

Illustration of Sales Development in 2015 Compared to 2014 Outlook

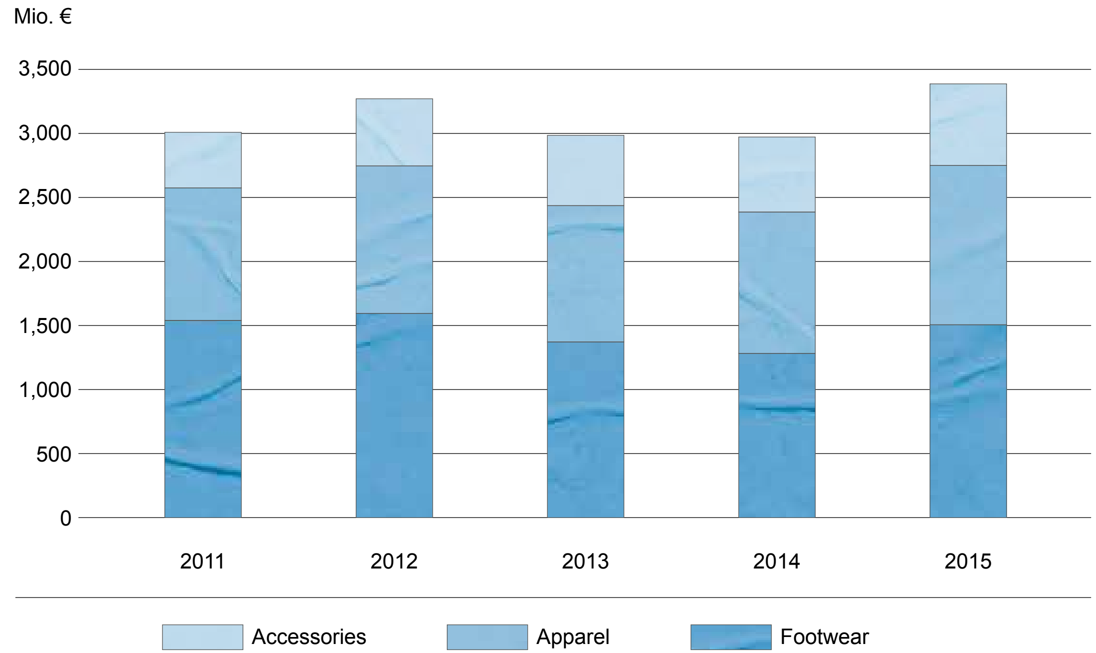
In the 2014 Annual Report, we forecast a currency-adjusted increase in consolidated sales in the mid-single-digit percentage range for the financial year 2015. This was confirmed during the year and the actual figure reached the upper end of the forecast for the full year 2015.

More details on sales development are provided below.

F.4 Consolidated Sales



F.5 Consolidated Sales by Product Segments



Consolidated Sales

PUMA increased consolidated sales in the financial year 2015 in euro, the reporting currency, by 14.0 % to € 3,387.4 million. Currency-adjusted sales increased by 6.5 %. This result is at the upper end of the forecast of currency-adjusted sales growth in the mid-single-digit percentage range.

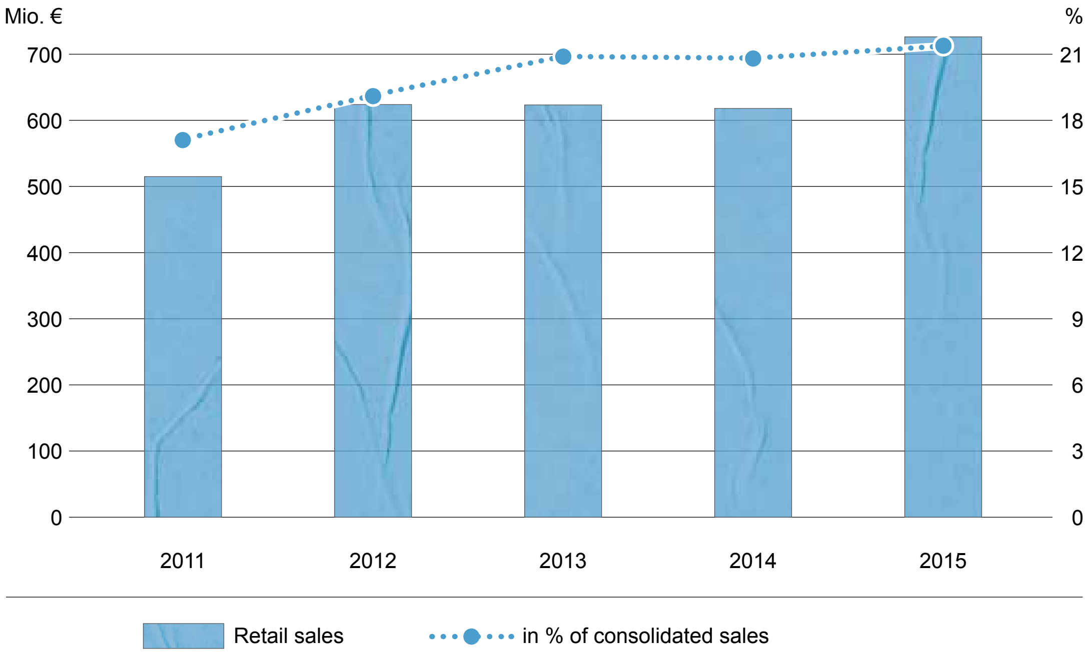
Footwear, the most important segment for PUMA, recorded a particularly strong performance in 2015 and thus continued a sustained growth trend. Boosted by the categories Running and Training as well as Team Sports, sales in the Euro, the reporting currency, increased by 17.4 % to € 1,506.1 million. Currency-adjusted sales growth was 9.2 %. This segment's share in consolidated sales rose from 43.2% in 2014 to 44.5 % in the reporting year.

In the **Apparel** segment, sales in the reporting currency improved by 12.9 % to € 1,244.8 million over an already high comparable basis in the previous year due in large part to strong demand in America. Part of the growth in sales in America is linked to PUMA Kids Apparel North America LLC. The currency-adjusted increase in sales was 6.0 %. This segment accounted for 36.7 % of consolidated sales (previous year: 37.1 %).

The significant growth in the Footwear and Apparel segments is a testament to the success of the Forever Faster strategy of increasing focus on the sports performance area.

With currency-adjusted growth of 1.7 %, sales in the **Accessories** segment were slightly above the level of the previous year. In the reporting currency, sales were € 636.4 million, which corresponds to an increase of 8.5 %. The share of consolidated sales decreased to 18.8 % (previous year: 19.7 %).

F.6 **Retail Sales**



F.7 **License Sales / Royalty and Commission Income in %**

Retail businesses

PUMA's own retail businesses include PUMA stores, factory outlets and online sales, which guarantee local availability and a controlled sell-off of PUMA products, as well as the presentation of the PUMA brand within appropriate settings.

Sales from retail activities improved by a currency-adjusted 9.3% to € 726.2 million in financial year 2015. The corresponds to a 21.4% share of overall sales (previous year: 20.8%). The sales growth was achieved both on a comparable area basis and through the targeted expansion of the portfolio of the company's own retail stores. In addition to opening additional retail stores, the optimization of the portfolio included the introduction of new store designs in selected locations. This makes it possible to present PUMA products and related technologies in an even more attractive environment and strengthens PUMA's position as a sports brand. All new and updated stores recorded increased sales in the financial year and an increased share of revenues from footwear.

We increased the offerings on PUMA's e-commerce website in order to improve and expand our online presence. For example, exclusive products from the PUMA Select collection have also been available since May.

Licensing business

For various product segments, such as fragrances, eyewear, and watches, PUMA issues licenses authorizing independent partners to design, develop and sell these products. Revenue from license agreements also includes some sales licenses for various markets.

License sales fell by a currency-adjusted 48.2% in 2015 due to the expiration of several licensing agreements at the end of 2014. In the reporting currency, the Euro, sales fell by 45.3% to around € 109.0 million. Of this amount, € 16.5 million or 15.1% was attributable to licensing and commission income, compared to € 19.4 million (9.7%) in the previous year.

T.1 **Income Statement**

	2015 € million	%	2014 € million	%	+ / – %
Sales	**3,387.4**	100.0%	**2,972**	100.0%	**14.0%**
Cost of sales	-1,847.2	-54.5%	-1,586.7	-53.4%	16.4%
Gross profit	**1,540.2**	45.5%	**1,385.4**	46.6%	**11.2%**
Royalty and commission income	16.5	0.5%	19.4	0.7%	-14.8%
Other operating income and expenses	-1,460.5	-43.1%	-1,276.8	-43.0%	14.4%
Operating income (EBIT)	**96.3**	2.8%	**128.0**	4.3%	**-24.8%**
Financial result / Income from associated companies	-11.2	-0.3%	-6.2	-0.2%	80.5%
Earnings before taxes (EBT)	**85.0**	2.5%	**121.8**	4.1%	**-30.2%**
Taxes on income	-23.3	-0.7%	-37.0	-1.2%	-36.8%
Tax rate	-27.5%		-30.4%		
Net earnings attributable to non-controlling interests	-24.6	0.7%	-20.8	-0.7%	18.4%
Net earnings	**37.1**	1.1%	**64.1**	2.2%	**-42.1%**
Weighted average shares outstanding (million)	14.940		14.940		0.0%
Weighted average shares outstanding, diluted (million)	14.940		14.940		0.0%
Earnings per share in €	2.48		4.29		-42.1%
Earnings per share, diluted in €	2.48		4.29		-42.1%

Results of Operations

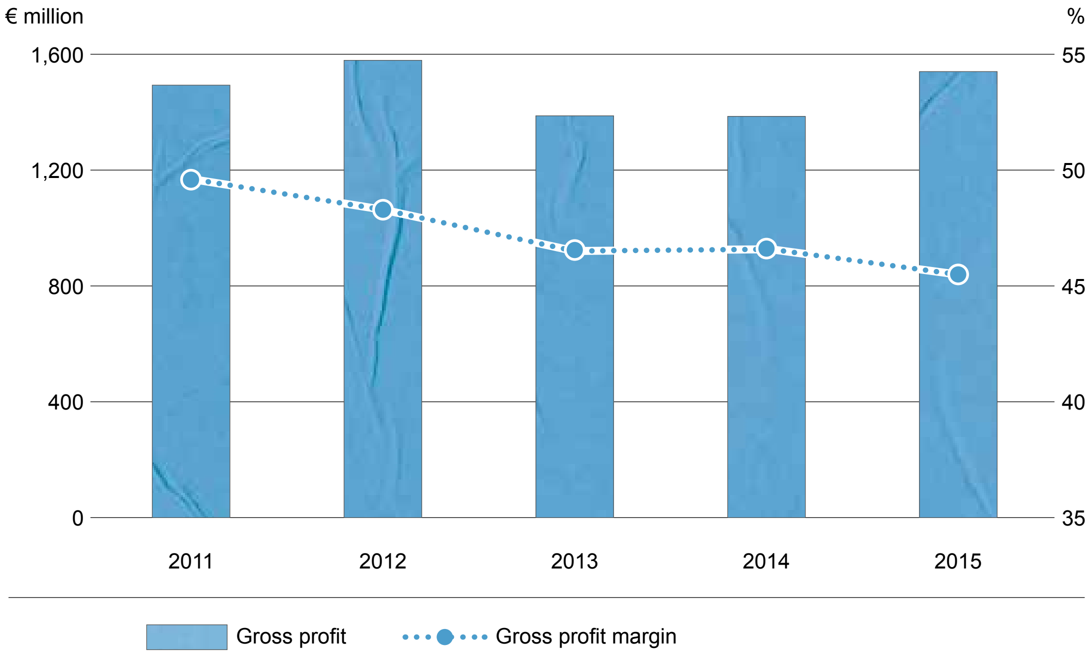
Illustration of Earnings Development in 2015 Compared to 2014

In the outlook in the 2014 Annual Report, PUMA forecasted a slight increase in gross profit margin for 2015 based on the assumption of fewer discounts and a favorable profit mix. PUMA forecasted a slight increase over 2014 in both operating income (EBIT) and net earnings.

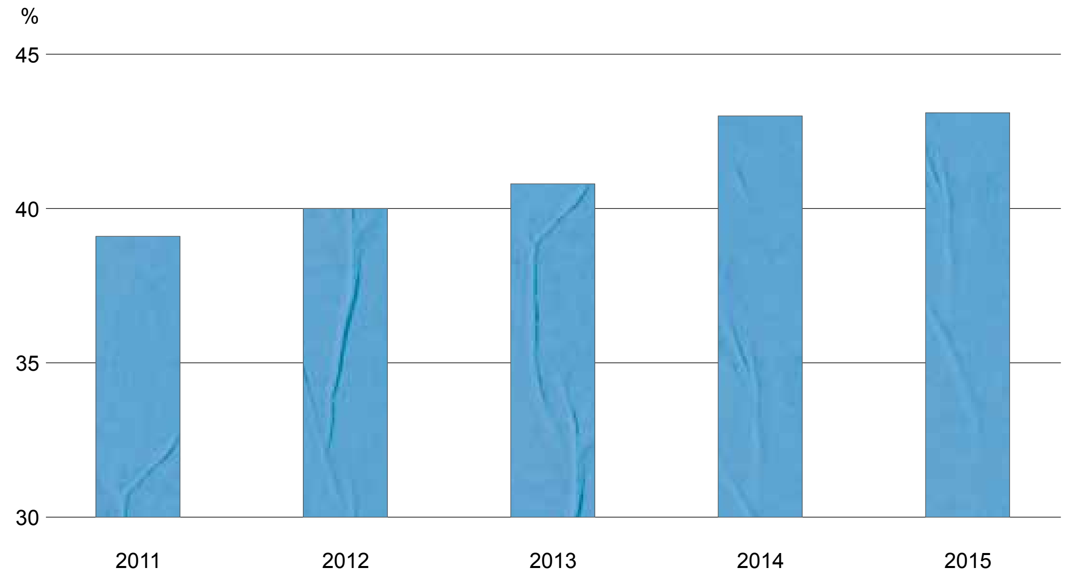
Due to the continued negative currency effects, the forecast had to be revised downwards in May 2015, as the countermeasures taken were not able to fully offset the negative exchange rate effects. While the sales forecast was maintained, PUMA expected a decline in the gross profit margin within a range of 100 to 150 basis points from the previous year (2014: 46.6%). Currency-adjusted operating income (EBIT) was expected to be between € 80 million and € 100 million (previous year: € 128.0 million). Expectations for net income were corrected in line with the adjustment to operating income.

The adjusted forecasts were confirmed during the year and were fully met for the full year 2015.

F.8 **Gross Profit/Gross Profit Margin**



F.9 **Operating Expenses as a % of Consolidated Sales**



Gross Profit Margin

In the financial year 2015, gross profit increased by 11.2% from € 1,385.4 million to € 1,540.2 million.

The gross profit margin declined by 110 basis points from 46.6% to 45.5%, due mainly to unfavorable exchange rate effects. In addition to the strong US dollar, the development of other key currencies also had a negative effect.

The decline in the margin was reflected in all product segments. The gross profit margin the Footwear segment fell from 42.6 % in the previous year to 41.2%. In Apparel, a decline from 49.5 % to 49.3 % was recorded. The gross profit margin for Accessories was 48.0 %, compared with 50.0 % in 2014.

Other Operating Income and Expenses

Strict cost controls remained a high priority for PUMA in the financial year 2015.

Excluded from these savings measures were investments in the IT infrastructure and expenses for increased marketing activities with the aim of repositioning PUMA as the fastest brand in the world. These measures included media campaigns and the sponsorship of global PUMA brand ambassadors.

The operation and opening of new retail stores contributed to the increase in other operating income and expenses. In addition, unfavorable exchange rate effects had a negative impact on other operating income and expenses. In the financial year 2015, they increased by 14.4 % from € 1,276.8 million to € 1,460.5 million.

As a percentage of sales, the expense ratio stood at 43.1%, virtually unchanged from the previous year.

In terms of sales expenditure, expenditure for marketing/retail purposes increased significantly by 16.3% from € 599.7 million to € 697.6 million. This development is primarily related to the systematic continuation of the Forever Faster brand campaign and the increase in the number of the company's own retail stores. As the increase is slightly higher in proportion to the sales development, the expense ratio increased marginally to 20.6% (previous year: 20.2%). Other sales and distribution expenses stood at € 442.8 million, an increase of 11.3 %. The expense ratio decreased from 13.4% to 13.1%.

Expenditures for product management and merchandising increased by 7.8% to € 37.5 million. The expense ratio remained stable at 1.1 % (previous year: 1.2 %). Expenditures for research and development increased by 22.7 % to € 56.7 million and the corresponding expense ratio was 1.7 % (previous year: 1.6 %).

Other operating income increased by 38.3 % and totaled € 23.9 million at the end of the financial year (previous year: € 17.3 million). Administrative and general expenses rose slightly by 16 % to € 249.8 million. The expense ratio for administrative and general expenses was slightly above the previous year's level at 7.4 % (previous year: 7.2 %).

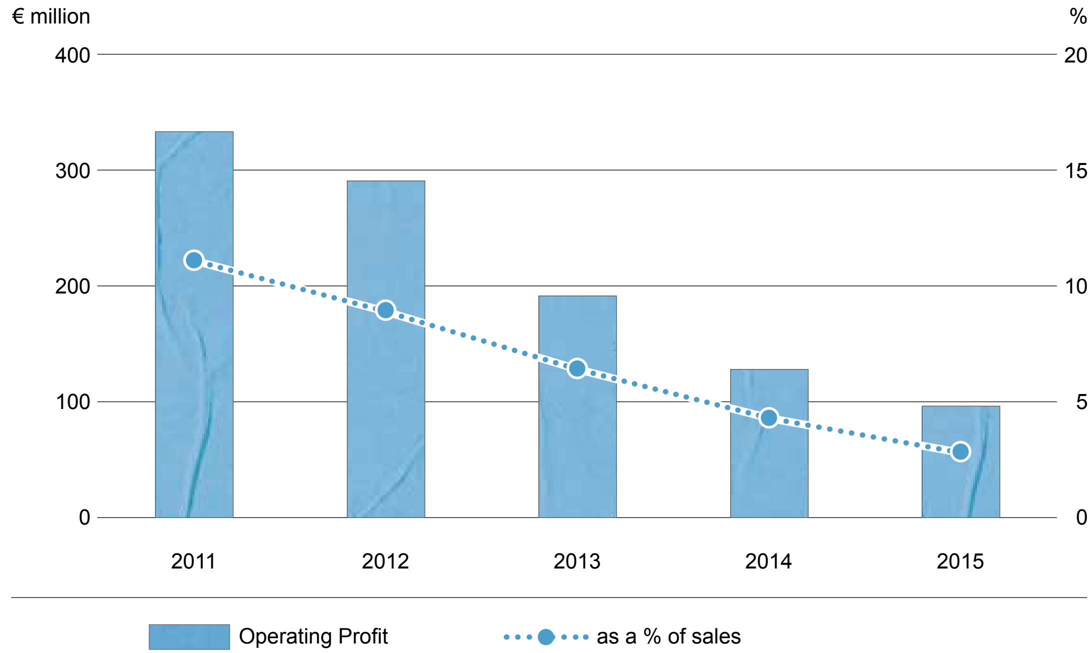
Depreciation/amortization totaling € 57.5 million (previous year: € 50.5 million) is included under the respective cost items. This represents a 14.0 % increase in depreciation/amortization compared to the previous year.

Operating Income (EBIT)
The operating income in the financial year 2015 was € 96.3 million (-24.8 % compared to the previous year) and was significantly impacted by negative effects from ongoing exchange rate fluctuations. This result is at the upper end of the adjusted forecast of € 80 million to € 100 million.

The operating margin declined accordingly from 4.3 % to 2.8 %.

Financial Result
The financial result changed from € -6.2 million to € -11.2 million. Expenses for currency conversion differences had a negative impact, resulting in increased financial expenses.

F.10 **Operational Result – EBIT**



Borrowing also increased interest expenses, which totaled € 14.4 million (previous year: € 9.8 million). Income from the associated company Wilderness Holdings Ltd, which is also included in the financial result, totaled € 1.0 million in financial year 2015 (previous year: € 1.3 million).

Earnings before taxes (EBT)
In the financial year 2015, PUMA generated earnings before taxes of € 85.0 million, a decline of 30.2 % from the previous year (€ 121.8 million). The tax expense was € 23.3 million (€ 37.0 million), resulting in a tax rate of 27.5 % (30.4 %).

Net Earnings Attributable to Non-controlling Interests
Income attributable to non-controlling interests in PUMA Wheat, PUMA Janed and PUMA Kids Apparel North America increased by 18.4 % to € 24.6 million (previous year: € 20.8 million). PUMA Wheat and PUMA Janed distribute accessories in the American market, PUMA Kids Apparel concentrates on children's clothing.

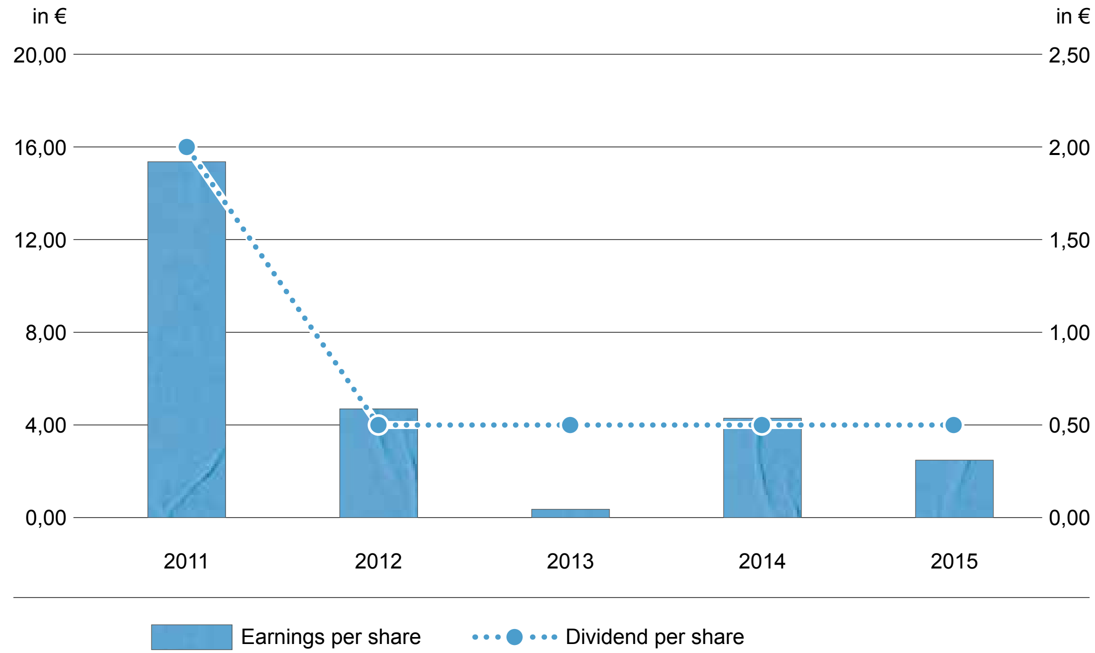
Net Earnings

Group earnings in 2015 stood at € 37.1 million and were thus in line with the expectations of the adjusted forecast. The decline was due mainly to the continued unfavorable developments in exchange rates and their negative impact on the gross profit margin. As a consequence, both earnings per share and diluted earnings per share fell to € 2.48 (previous year: € 4.29).

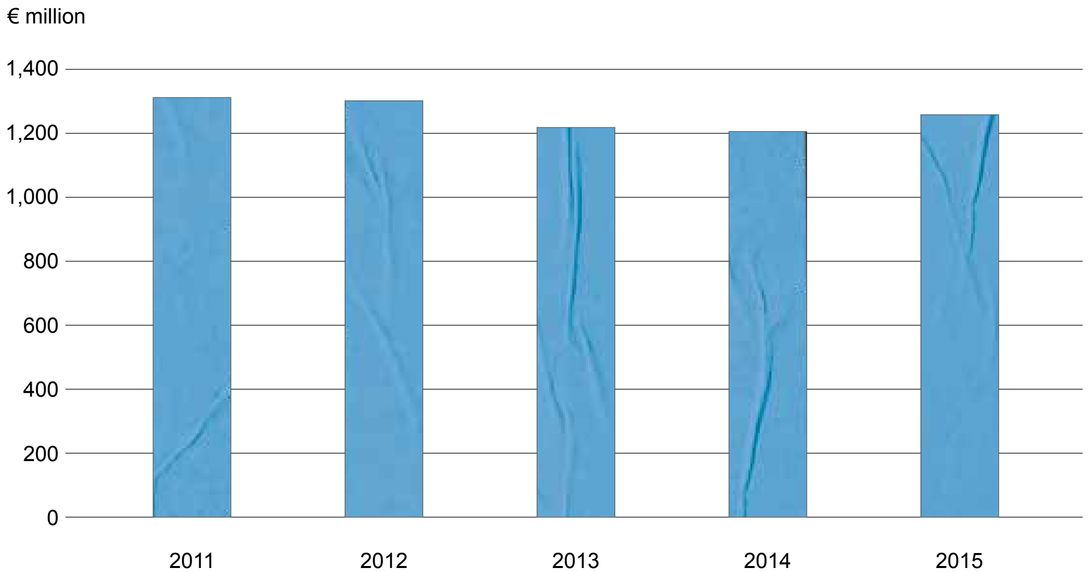
Dividends

The Managing Directors will recommend to the Administrative Board at the Annual General Meeting on May 4, 2016 that a dividend of € 0.50 per share be distributed from PUMA SE's retained earnings for financial year 2015 (previous year: € 0.50). As a percentage of consolidated sales, the payout ratio amounts to 20.2%, compared to 11.7% in the previous year. The dividends will be distributed in the days following the Annual General Meeting at which the resolution on the distribution is adopted.

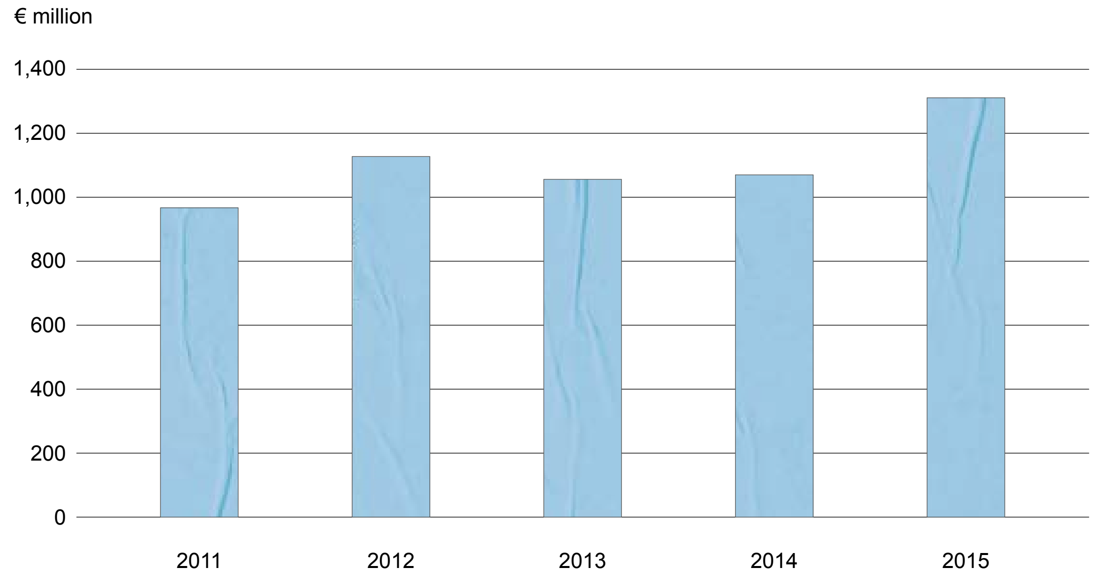
F.11 Earnings/Dividend per Share



F.12 **EMEA Sales**



F.13 **Americas Sales**



Regional Development

The currency-adjusted growth in consolidated sales of 6.5% in 2015 is attributable to the positive trend in all regions.

In the **EMEA** region, sales in the reporting currency, the Euro, improved by 4.3% to €1,258.2 million. The main drivers were the United Kingdom, France, Germany and Poland. Other Eastern European countries, the Middle East and Africa also recorded good performances. The EMEA region achieved currency-adjusted growth of 3.6%. This represented 37.1% of consolidated sales, a decline from the share in the previous year of 40.6%.

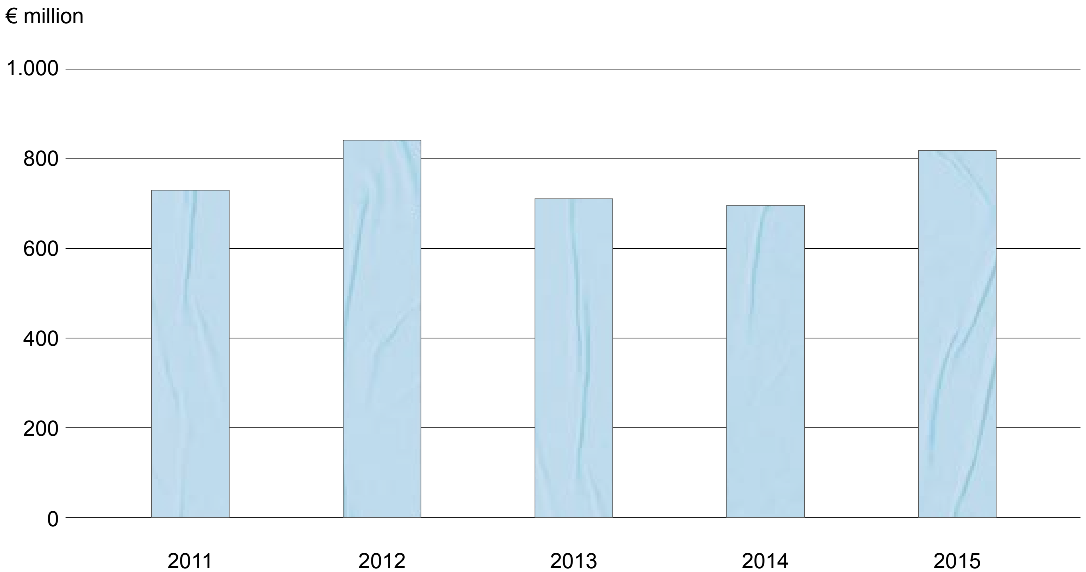
In the segments, the Footwear product category recorded a currency-adjusted increase in sales of 5.8% after seeing a decline in 2014. Currency-adjusted apparel sales rose slightly, by 0.6%. Currency-adjusted accessories sales were up by 4.5%.

The gross profit margin in the EMEA region declined from 49.6% in the previous year to 46.9% due to unfavorable exchange rate fluctuations.

In the **America** region PUMA achieved particularly dynamic growth, with both North and South America contributing to this result. In the reporting currency, the Euro, sales rose by 22.5% to €1,310.8 million. The currency-adjusted sales increase was 8.8%. The America region accounted for 38.7% of consolidated sales (previous year: 36.0%).

Looking at the product categories, both Footwear (currency-adjusted +8.5% over the previous year) and Apparel (+13.2%) turned in very strong performances. In Accessories, a currency-adjusted sales increase of 3.3% was achieved. The gross profit margin in the America region was 41.8% compared to 42.9% in 2014.

F.14 **Asia/Pacific Sales**



Currency-adjusted sales in the **Asia/Pacific** region rose by 7.6% in the reporting year. China and India, which achieved double-digit growth rates, made the biggest contributions to this performance. In Japan, the continued difficult macroeconomic environment made it difficult to increase sales. Sales both here and in Korea were at approximately the same level as the previous year. Currency-adjusted sales in the Asia/Pacific region rose by 17.5 % to € 818.4 million in the reporting currency, the Euro. This represented 24.2% of consolidated sales compared to 23.4% in 2014.

Broken down by product, Footwear was the biggest growth-driver with currency-adjusted sales improving by 16.0%. In Apparel, currency-adjusted sales increased by 5.5%, while Accessories recorded a decline of 10.7%, due mainly to lower sales in Japan.

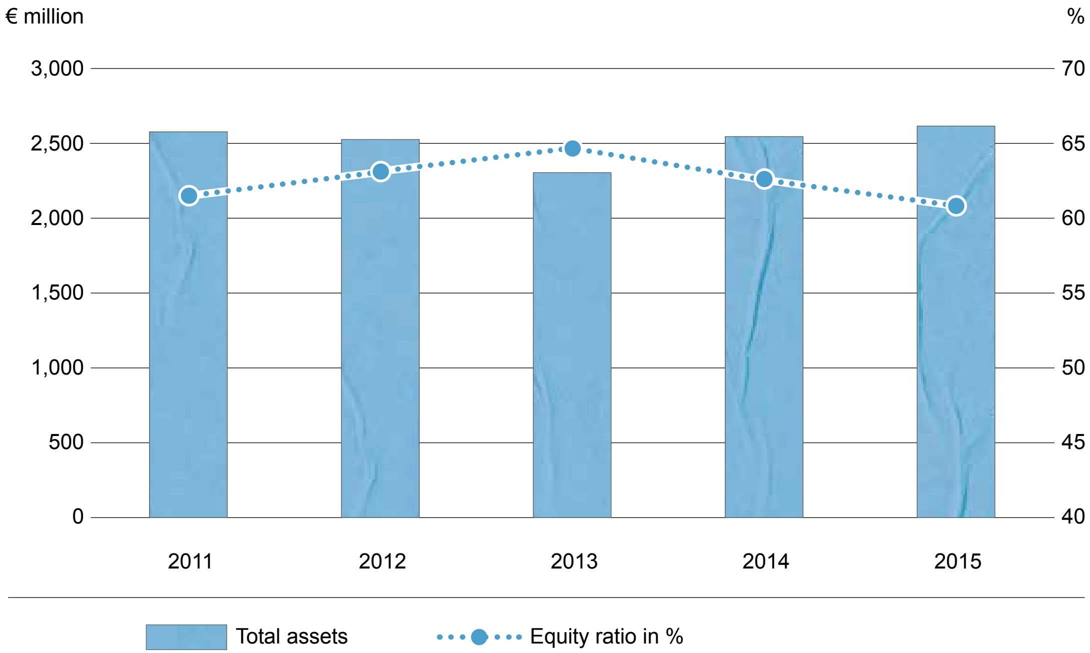
The gross profit margin in the Asia/Pacific region improved from 47.1% in 2014 to 49.0 % in the reporting year.

Net Assets and Financial Position

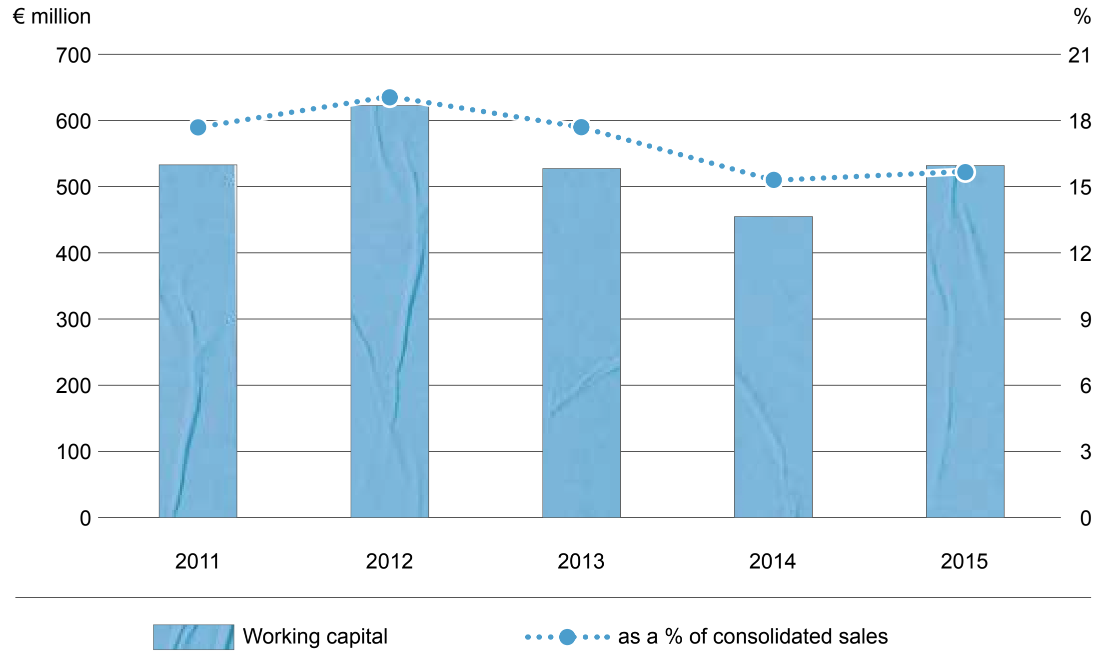
T.2 **Balance Sheet**

	31.12.2015 € million	%	31.12.2014 € million	%	+ / – %
Cash and cash equivalents	338.8	12.9%	401.5	15.7%	-15.6%
Inventories	657.0	25.1%	571.5	22.4%	15.0%
Trade receivables	483.1	18.4%	449.2	17.6%	7.6%
Other current assets (Working Capital)	154.9	5.9%	202.4	7.9%	-23.4%
Other current assets	51.0	1.9%	58.0	2.3%	-12.1%
Current assets	**1,684.8**	64.3%	**1,682.5**	66.0%	0.1%
Deferred taxes	219.8	8.4%	178.8	7.0%	22.9%
Other non-current assets	715.7	27.3%	688.7	27.0%	3.9%
Non-current assets	**935.5**	35.7%	**867.5**	34.0%	7.8%
Total assets	**2,620.3**	100.0%	**2,549.9**	100.0%	2.8%
Current financial liabilities	14.0	0.5%	19.8	0.8%	-29.5%
Trade liabilities	519.7	19.8%	515.2	20.2%	0.9%
Other current liabilities (Working Capital)	242.4	9.3%	252.1	9.9%	-3.8%
Other current liabilities	103.9	4.0%	35.5	1.4%	192.6%
Current liabilities	**880.0**	33.6%	**822.6**	32.3%	7.0%
Deferred taxes	64.2	2.5%	54.6	2.1%	17.7%
Pension provisions	23.8	0.9%	26.0	1.0%	-8.6%
Other non-current liabilities	32.9	1.3%	28.4	1.1%	15.9%
Non-current liabilities	**121.0**	4.6%	**109.0**	4.3%	11.0%
Shareholders' equity	**1,619.3**	61.8%	**1,618.3**	63.5%	0.1%
Total liabilities and shareholders' equity	**2,620.3**	100.0%	**2,549.9**	100.0%	2.8%
Working Capital	**532.9**		**455.7**		16.9%
- in % of consolidated sales	15.7%		15.3%		

F.15 **Total Assets/Equity Ratio**



F.16 **Working Capital**



Equity Ratio

PUMA continues to have an extremely solid capital base. As of December 31, 2015 total assets rose slightly by 2.8% from € 2,549.9 million to € 2,620.3 million. As equity remained virtually constant at € 1,619.3 million (previous year: € 1,618.3 million), the equity ratio fell from 63.5% to 61.8%.

Working Capital

The growth in consolidated sales was accompanied by an increase in working capital by 16.9% to € 532.9 million (previous year: € 455.7 million). In order to ensure product availability even when demand is strong and to meet the increased need for products due to our new retail stores, inventories increased by 15.0% to € 657.0 million (€ 571.5 million). At €483.1 million, trade receivables were 7.6% above the previous year's level; this rise was a result of the increase in sales in the fourth quarter of 2015. Trade payables increased slightly by 0.9% and totaled € 519.7 million on December 31, 2015 (€ 515.2 million).

Other Assets and Other Liabilities

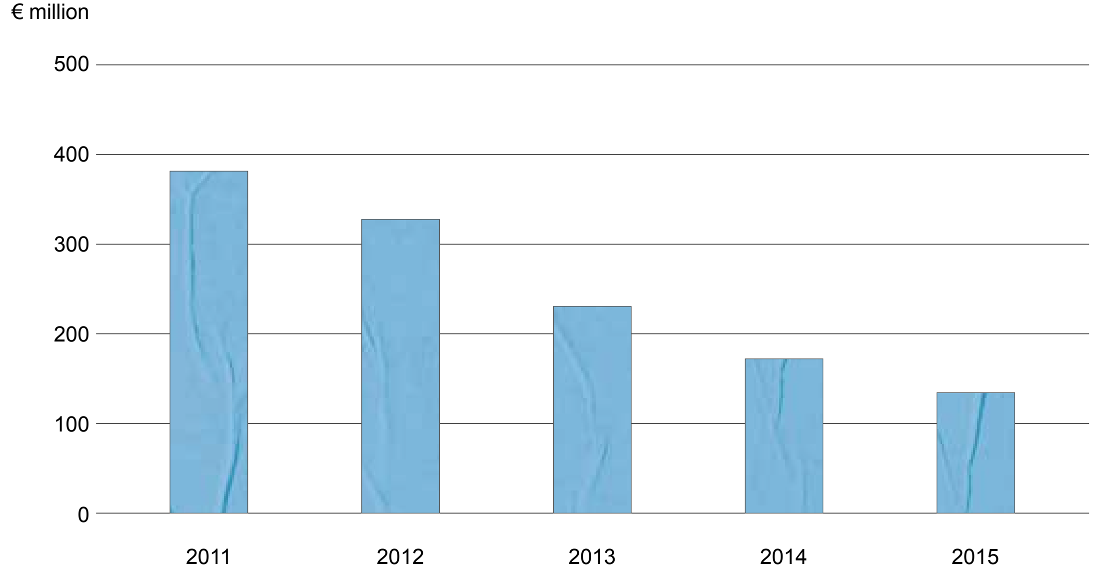
Other current assets, which include the market value of derivative financial instruments, decreased compared to the previous year by 12.1% to € 51.0 million. Other non-current assets, consisting mainly of intangible assets and property, plant and equipment, rose 3.9 % to € 715.7 million due to investments in property, plant and equipment. Compared to the previous year, other current liabilities increased from € 35.5 million to € 103.9 million. This increase was mainly the result of short term borrowings as part of financing activities at companies included in the Kering Group.

Cash Flow

T.3 **Cash Flow Statement**

	2015 € million	2014 € million	+ / – %
Earnings before tax (EBT)	85.0	121.8	-30.2%
Financial result and non cash effected expenses and income	49.4	50.4	-1.9%
Gross cash flow	**134.5**	**172.2**	**-21.9%**
Change in current assets, net	-125.1	16.8	-846.7%
Taxes, interest and dividend payments	-46.5	-62.6	-25.6%
Net cash used in / from operating activities	**-37.1**	**126.4**	**-129.4%**
Payment for acquisition of shareholdings	-0.5	-23.8	-97.8%
Payment for investing in fixed assets	-79.0	-72.6	8.8%
Other investing activities	17.8	9.4	89.5%
Net cash used in investing activities	**-61.7**	**-87.0**	**-29.1%**
Free cash flow	**-98.9**	**39.3**	-351.3%
Free cash flow (before acquisitions)	-98.3	**63.1**	-255.7%
- in % of consolidated sales	-2.9%	2.1%	
Net cash from / used in financing activities	**28.9**	**-36.2**	**-180.0%**
Effect on exchange rates on cash	7.3	8.2	-11.2%
Change in cash and cash equivalents	-62.7	11.4	-650.4%
Cash and cash equivalents at beginning of the financial year	401.5	390.1	2.9%
Cash and cash equivalents at year-end	**338.8**	**401.5**	**-15.6%**

F.17 **Gross Cash Flow**



Due to the drop in pre-tax profit compared to the previous year, gross cash flow declined to € 134.5 million (previous year: € 172.2 million). Non-cash expenses and income remained stable compared to the previous year at € 49.4 million.

In 2015, the cash outflow from operating activities was € 37.1 million (previous year: cash inflow of € 126.4 million). This development was attributable mainly to changes in net current assets* which totaled € -125.1 million due to the increase in working capital compared to 2014. By contrast, the cash outflow from tax, interest and dividend payments declined from € 62.6 million to € 46.5 million.

The cash outflow from investing activities declined from € 87.0 million to € 61.7 million in the reporting year. The cash outflow was particularly high in the previous year due to the acquisition of shares in Borussia Dortmund. Investments in fixed assets in financial year 2015 primarily relate to investments in retail, IT and other fixed assets. These investments increased from € 72.6 million in the previous year to € 79.0 million in 2015.

The free cash flow before acquisitions is the balance of the cash inflows and outflows from current operating and investing activities. Due to the decline in pre-tax profit and the higher working capital, free cash flow before acquisitions fell from € 63.1 million in 2014 to € -98.3 million. As a percentage of consolidated sales, free cash flow before acquisitions amounted to -2.9 % compared to 2.1 % in the previous year.

The cash flow from financing activities in the financial year 2015 mainly consists of € 7.5 million in dividend payments to shareholders of PUMA SE (previous year: € 7.5 million), dividend payments to non-controlling interests, and the entering into and repayment of financial liabilities. As part of its financing activities, PUMA incurred borrowings from its majority shareholder Kering in 2015. This resulted in an overall cash inflow from financing activities of € 28.9 million versus cash outflows of € 36.2 million in 2014.

As of December 31, 2015, PUMA had cash and cash equivalents of € 338.8 million, a decline of 15.6 % compared to the previous year (€ 401.5 million). The PUMA Group also had credit facilities totaling € 401.7 million as of December 31, 2015 (previous year: € 343.2 million). Unutilized credit lines totaled € 306.0 million on the reporting date, compared to € 324.4 million the previous year.

* Net working capital includes normal working capital line items plus current assets and liabilities which are not normally part of the working capital calculation.

COMPENSATION REPORT

The Managing Directors

The compensation of the Managing Directors, which is determined by the Administrative Board, consists of non-performance-based and performance-based components. The non-performance-based components consist of a fixed salary and non-cash compensation, whereas the performance-based components consist of bonuses and components with a long-term incentive effect. Along with job assignments and performance of each individual Managing Director, the criteria for calculating the total remuneration are the economic situation, long-term strategic planning and related targets, the long-term durability of targeted results and the Company's long-term prospects.

A fixed salary is paid out monthly as non-performance-based basic compensation. In addition, the Managing Directors receive non-cash compensation, such as company cars, pension contributions and insurance premiums. In principle, these benefits are granted to all Managing Directors in an equal manner and are included in the non-performance-based compensation.

The bonus component of performance-related compensation is mainly based on the PUMA Group's operating income (EBIT) and free cash flow and is staggered according to the degree to which targets are met. In addition, qualitative individual goals are set. The parties also agree on an upper limit.

The previous performance-based compensation component with a long-term incentive effect (stock appreciation rights) as part of a stock option plan was not granted beyond the 2012 financial year. The existing options can be exercised until May 2017 if the exercise criteria are met. Details on the parameters used for the respective programs are provided in Section 19 of the Notes to the Consolidated Financial Statements.

Pro-rata provisions totaling € 1.9 million (€ 0.7 million) were set up for the compensation program with long-term incentives for Managing Directors for the financial year 2015 (from the years 2013, 2014 and 2015), based on the commitments made in their employment contracts. Under the performance-based program, 70% of the compensation will be based on the medium-term performance of PUMA SE's share and 30 % will be based on the medium-term performance of Kering SA's share in relation to benchmark companies. Further information on this program can be found in Section 19 of the Notes to the Consolidated Financial Statements.

The fixed compensation for the three Managing Directors amounted to € 1.9 million (previous year: € 2.5 million for the five Managing Directors) in the financial year and variable bonuses came to € 1.5 million (previous year: € 2.4 million). Non-cash compensation totaled € 0.1 million (previous year: € 0.2 million).

The Managing Directors receive pension benefits, for which the Company took out a pension liability insurance policy. The proportion of the pension capital that is already financed through contributions to the pension liability insurance is deemed to be vested. During the financial year, € 0.4 million was allocated for Managing Directors (previous year: € 0.5 million). The present value of the pension benefits granted to Managing Directors in the amount of € 1.7 million as of December 31, 2015 (previous year: € 1.3 million) was offset against the pledged asset value of the pension liability insurance policy, which was of an equal amount.

Pension obligations to former members of the Board of Management, their widows and Managing Directors amounted to € 13.3 million (previous year: € 12.5 million) and are accordingly recognized as liabilities under pension provisions, unless they are offset against asset values of an equal amount. Pensions paid totaled € 0.2 million (previous year: € 0.2 million).

In 2015, a long-term incentive program, Game Changer 2018, was introduced for senior management and strategically important employees that will allow this group of employees to participate in PUMA SE's earnings over the medium term. € 1.0 million has been set aside for this program. An additional € 0.8 million (previous year € 0.9 million) was set aside for the predecessor program Game Changer 2017 (Tranche 2). Further information on this program can be found in Section 19 of the Notes to the Consolidated Financial Statements.

Administrative Board

In accordance with the Articles of Association, the Administrative Board has at least three members; it currently consists of nine members. The compensation of the Administrative Board is comprised of a fixed and a performance-based component. The total fixed compensation amounted to € 0.3 million (previous year: € 0.3 million).

In accordance with the Articles of Association, each member of the Administrative Board receives fixed annual compensation in the amount of € 25,000. Fixed compensation is increased by an additional fixed annual amount of € 25,000 for the Chairman of the Administrative Board, € 12,500 for the Vice Chairman of the Administrative Board, € 10,000 for the Chairman of a committee (with the exception of the Nominating Committee) and € 5,000 for each member of a committee (with the exception of the Nominating Committee).

In addition, each Administrative Board member receives performance-based compensation equal to € 20.00 for each € 0.01 by which the earnings per share figure exceeds a minimum amount of € 16.00 per share. The performance-based compensation amounts to a maximum of € 10,000 per year. The Chairman of the Administrative Board receives twice this amount (maximum € 20,000) and the Vice Chairman receives one and a half times this amount (maximum € 15,000) in compensation. Since earnings per share are below the minimum amount in the financial year, no performance-based compensation will be paid.

RISK AND OPPORTUNITY MANAGEMENT

Due to the global nature of its business activities, PUMA is constantly exposed to risks that must be monitored and limited. But where there are risks there are also opportunities, and it is important to identify, evaluate and continually monitor these by implementing effective risk and opportunity management policies.

The risk-management guidelines and organization at PUMA provide for methodical and systematic procedures. The direct responsibility for identifying and monitoring risks is assigned to functional employees or employees responsible for implementing processes. They provide information about major changes in the risk portfolio in the form of periodic and ad-hoc reports.

To do so, risk managers use a Group-wide uniform risk management system. This makes it possible to quickly and flexibly identify risks and forward them to the Risk & Compliance Committee (hereinafter referred to as "RCC"). The RCC consists of a fixed group of managing executives from various corporate divisions. The position of RCC Chairman is filled by a Managing Director. The RCC Chairman reports the results from the RCC meetings to the other Managing Directors as well as to the Administrative Board. The RCC also regularly carries out a documented risk assessment as a critical review of the existing risk portfolio and to identify any possible changes.

PUMA's Group-wide internal audits and its comprehensive reporting and controlling system are also essential components of its risk management approach. PUMA's reporting and controlling system is based on monthly financial reporting as well as the review and plausibility reports on reported information issued by Controlling.

Managers analyze opportunities and risks in annual planning discussions around the world, setting targets and defining courses of action based on the results. The comprehensive reporting system continuously monitors and generates reports on compliance with the set targets. This enables PUMA to identify any deviations or negative developments promptly and to initiate any necessary countermeasures at an early stage.

Risk and Opportunity Categories

Macroeconomic Developments

As an international company, PUMA is exposed to global macroeconomic developments. Economic developments in key sales markets can have a direct impact on consumer behavior and thus influence both sales and earnings. For example, political crises, exchange rate fluctuations, changes to the legal framework and social developments may have an effect on consumer behavior.

PUMA counters these risks through the geographic diversification of its operations and a balanced product portfolio that leaves its own creative mark intended to set the Company apart from the competition in a positive manner.

Brand Image

Brand image and brand heat are extremely important for PUMA, as consumer behavior can have a negative effect on the brand as well as a positive one.

PUMA came up with a new mission statement in 2013 in order to ensure PUMA's sporting roots are emphasized even further and to sharpen its perception as a sports brand. “To be the Fastest Sports Brand in the world”. The new brand promise “Forever Faster” and the associated long-term brand campaign was launched in August 2014 with PUMA’s top athletes like Usain Bolt, Mario Balotelli, Rickie Fowler and Lexie Thompson. The advertising campaign was continued in 2015 with the slogan “What are you training for?”. PUMA’s most famous brand ambassadors, such as Usain Bolt, Rihanna, Sergio Agüero and Arsenal FC, again took part in the campaign. Rihanna was brought on board not just as a brand ambassador, but also as a creative director. This will improve PUMA’s product offering for women and result in a more consumer-focused approach.

Counterfeit Products

Counterfeit products can cause considerable damage to consumer confidence in the brand and can devalue PUMA’s brand image. For this reason, PUMA has made fighting brand piracy a top priority. PUMA’s intellectual property team does more than just protect a strong global intellectual property portfolio of trademarks, designs and patents. PUMA also works closely with customs and other law-enforcement authorities around the world and provides input regarding the implementation of effective laws to protect intellectual property.

Reporting in the Media

A negative media report about PUMA, such as a product recall, infringement of laws, or internal or external requirements, can also do significant damage to the brand and ultimately result in the loss of sales and profit, regardless of whether these events actually happened or were just assumed by the media. PUMA protects itself against this risk through careful public relations work, which is managed from the Group’s headquarters in Herzogenaurach, Germany. In addition, PUMA regularly seeks an open dialog with key external stakeholders (e.g. NGOs) and this has been institutionalized in the “Talks at Banz”, which have been held annually since 2003.

Personnel Department

Creative potential and the commitment and performance of employees are important pillars for the success of any business and the source of significant opportunities as well. PUMA encourages independent thinking and acting, which is key in an open corporate culture with a flat hierarchy.

PUMA’s human resources strategy seeks to ensure the long-term sustainability of this successful philosophy. To achieve this goal, a control process is in place to detect and assess human-resource risks. Accordingly, special attention has been paid to managing talent, identifying key positions and high-potential individuals, and optimizing talent placement and succession planning. PUMA has instituted additional national and global regulations and guidelines to ensure compliance with legal provisions.

PUMA will continue to make targeted investments in the human-resource needs of particular functions or regions in order to meet the future requirement of its corporate strategy.

Sourcing Department

Most products are produced in the emerging markets of Asia. Production in these countries can be associated with substantial risks for PUMA. For instance, certain risks may result from factors such as fluctuations in exchange rates, changes in taxes and customs duties, trade restrictions, natural disasters and political instability, as well as the international threat of terrorism. Risks may also result from an overdependence on individual manufacturers.

The portfolio is regularly reviewed and adjusted to avoid creating a dependence on individual suppliers and sourcing markets. In order to ensure that the necessary future production capacity will be available, framework agreements are generally concluded for extended periods.

There is also the risk of a breach of ILO (International Labor Organization) core labor standards by our suppliers. The core task of the PUMA Sustainability Team is thus to verify compliance with the applicable standards in regular audits of suppliers.

Product and Market Environment

Recognizing and taking advantage of relevant consumer trends early on is key to countering the risk posed by market-specific product influences, in particular the risk of substitutability in the competitive sport and lifestyle market. Only those companies that identify these trends at an early stage will be able to gain an edge over their competitors.

PUMA's targeted investments in product design and development ensures that the characteristic PUMA design of the entire product range is consistent with the overall brand strategy (Forever Faster), thereby creating a unique level of brand recognition.

Retail

PUMA makes use of various distribution channels in order to minimize dependence on any single channel. The expansion of the Company's own retail stores is also intended to ensure that PUMA products are presented in an exclusive brand environment preferred by PUMA.

Distribution through its own retail stores is linked to various risks for PUMA, including investments in expansion and equipping stores, higher fixed costs compared to distribution through wholesalers as well as lease agreements with long-term lease obligations, all of which can have a negative impact on profitability if business declines. On the other hand, extending the value chain can deliver higher gross margins and provide better control over distribution. In addition, PUMA-owned retail stores can deliver PUMA brand experience directly to the end customer.

To avoid risks and take advantage of opportunities, PUMA performs in-depth location and profitability analyses before making investment decisions. The Company's strong controlling and key performance indicator system enables it to detect negative trends early on and take the countermeasures required to manage individual stores accordingly.

Organizational Challenges

The organizational structure of PUMA with the Group's headquarters in Herzogenaurach, a central sourcing organization in Hong Kong and local distribution companies around the world, gives the Group a global orientation. This results in a risk for PUMA that the flow of goods and information are not sufficiently supported by modern infrastructure and information technology (IT). For this reason, business processes must be continually optimized and adapted.

To accomplish this objective, PUMA continued to optimize its organizational structure and setup in 2015. The optimization of the IT infrastructure was a key project.

Currency Risks

As an international company, PUMA is subject to currency risks resulting from the disparity between the respective amounts of currency used on the purchasing and sales sides and from exchange-rate fluctuations.

PUMA's biggest procurement market is Asia, where most payments are settled in USD, while sales of the PUMA Group are mostly invoiced in other currencies. PUMA manages currency risk in accordance with internal guidelines. Currency forward contracts are used to hedge existing and future financial liabilities denominated in foreign currencies.

To hedge signed or pending contracts against currency risk, PUMA only concludes currency forward contracts on customary market terms with reputable international financial institutions and Kering Finance SNC. As of the end of 2015, the net requirements for the 2016 planning period were adequately hedged against currency effects.

Foreign exchange risks may also arise from intra-group loans granted for financing purposes. Currency swaps and currency forward transactions are used to hedge currency risks when converting intra-group loans denominated in foreign currencies into the functional currencies of the Group companies.

In order to disclose market risks, IFRS 7 requires sensitivity analyses that show the effects of hypothetical changes in relevant risk variables on earnings and equity. The periodic effects are determined by relating the hypothetical changes caused by the risk variables to the balance of the financial instruments held as of the balance sheet date. The underlying assumption is that the balance as of the balance sheet date is representative for the entire year.

Currency risks as defined by IFRS 7 arise on account of financial instruments being denominated in a currency that is not the functional currency and is monetary in nature. Differences resulting from the conversion of the individual financial statements to the Group currency are not taken into account. All non-functional currencies in which PUMA employs financial instruments are generally considered to be relevant risk variables.

Currency sensitivity analyses are based on the following assumptions:
Material primary monetary financial instruments (cash and cash equivalents, receivables, interest-bearing debt, liabilities from finance leases, non-interest-bearing liabilities) are either denominated directly in the functional currency or transferred into the functional currency through the use of currency forward contracts.

Currency forward contracts used to hedge against payment fluctuations caused by exchange rates are part of an effective cash-flow hedging relationship pursuant to IAS 39. Changes in the exchange rate of the currencies underlying these contracts have an effect on the hedge reserve in equity and the fair value of these hedging contracts.

If, as of December 31, 2015, the USD had appreciated (devalued) against all other currencies by 10%, the hedge reserve in equity and the fair value of the hedging contracts would have been € 105.5 million higher (lower) (December 31, 2014: € 59.0 million higher (lower)).

Interest-Rate Risks

At PUMA, changes in interest rates do not have a significant impact on interest rate sensitivity and therefore do not require the use of interest rate hedging instruments.

Counterparty Risks

Because of its business activities, PUMA is exposed to default risk that is managed by continuously monitoring outstanding receivables and recognizing impairment losses, where appropriate.

The default risk is limited by credit insurance and the maximum default risk is reflected by the carrying amounts of the financial assets recognized on the balance sheet.

Liquidity Risk

A liquidity reserve in the form of cash or cash equivalents as well as confirmed credit lines is maintained in order to ensure the Company's solvency at all times, its financial flexibility and the presence of a strategic liquidity buffer. Confirmed credit lines are made available until further notice or with a maturity period of less than one year.

PUMA continually analyzes short-term capital requirements through rolling cash flow planning at the level of the individual companies in coordination with the central Treasury. Thanks to the adequate liquidity of the PUMA Group and a central financing approach, any capital requirements are covered by internal financing, where and whenever possible. The central Treasury conducts medium-term liquidity planning as part of its budget process.

Legal Risks

As an international company, the PUMA Group is exposed to various legal risks. These include contractual risks or risks that a third party could assert claims and litigation for infringement of its trademark rights, patent rights or other rights. The continuous monitoring of our contractual obligations and the integration of internal and external legal experts in contractual matters should ensure that any legal risks are avoided.
.

Compliance Risks

PUMA is exposed to the risk that employees violate laws, directives and company standards (compliance violations). These risks, such as theft, fraud, breach of trust, embezzlement and corruption, as well as deliberate misrepresentations in financial reporting, may lead to significant monetary and reputational damage. PUMA therefore makes use of various tools to manage these risks. They include an integrated compliance management system, the internal control system, Group controlling and the internal audit department. The employees of PUMA also have access to an integrity hotline for reporting unethical behavior.

Summary

PUMA's risk management system allows the Company to fulfill the legal requirements pertaining to corporate control and transparency. The Management believes that, in an overall evaluation of the Company's risk situation, risk is limited and manageable and poses no threat to the continued viability of the PUMA Group.

Main Features of the Internal Control and Risk Management System as it relates to the Group's Accounting Process

PUMA SE's Managing Directors are responsible for the preparation and accuracy of the Consolidated Financial Statements and the Group Management Report. The Consolidated Financial Statements were prepared in accordance with the International Financial Reporting Standards that apply in the EU, the requirements of the German Commercial Code (HGB) and the German SE Implementation Act (SEAG). Certain disclosures and amounts are based on current estimates by the Managing Directors.

The Company's Managing Directors are responsible for maintaining and regularly monitoring a suitable internal control and risk management system covering the consolidated financial statements and the disclosures in the Group management report. This control and risk management system is designed to ensure the compliance and reliability of the internal and external accounting records, the presentation and accuracy of the consolidated financial statements, and the Group management report and the disclosures contained therein. It is based on a series of process-integrated monitoring steps and encompasses the measures necessary to accomplish these, internal instructions, organizational and authorization guidelines, the PUMA Code of Ethics, a clear separation of functions within the Group and the dual-control principle. The adequacy and operating effectiveness of these measures are regularly reviewed in internal audits.

For monthly financial reporting and consolidation, PUMA has a Group-wide reporting and controlling system that allows it to detect deviations from projected figures and accounting irregularities regularly and promptly and, where necessary, to take countermeasures.

The risk management system can regularly, as well as on an ad-hoc basis, identify events that could affect the Company's economic performance and its accounting process so that it can analyze and evaluate the resulting risks and take the necessary actions to counter them.

In preparing the consolidated financial statements and the Group management report, it is also sometimes necessary to make assumptions and estimates that are based on the information available on the balance sheet date and which will affect the reported amounts and recognition of assets and liabilities, income and expenses, contingent liabilities and other data that must be reported, as well as how these are classified.

The Administrative Board's Audit Committee meets regularly with the independent, statutory auditors, the Managing Directors and the internal audit department to discuss the results of the statutory audits of the financial statements and of the internal audits with respect to the internal control and risk management system as it relates to the accounting process. During the meeting held to discuss the annual financial statements, the statutory auditor reports to the Administrative Board on the results of the audit of the annual financial statements and the Consolidated Financial Statements.

INFORMATION CONCERNING TAKEOVERS

Section 315 [4][1] (HGB)

On the balance sheet date, subscribed capital totaled €38.6 million and was divided into 15,082,464 no-par-value shares. As of the balance sheet date, the Company held 142,551 treasury shares.

Section 315 [4][3] HGB

As of December 31, 2015 there was one shareholding in PUMA SE that exceeded 10% of the voting rights. It was held by Messrs. François-Henri Joseph Pinault and François Jean-Henri Pinault via several companies controlled by them (ranked by size of stake held by Messrs. Pinault: Financière Pinault S.C.A., Artémis S.A., Kering S.A. and SAPARDIS SE). On August 3, 2011, the share of voting rights allotted to Messrs. Pinault and to the aforementioned companies exceeded the 75% threshold and on that date stood at 75.12%. 1.15% of the share of voting rights concerned treasury shares of PUMA SE. The list of shareholdings of Kering S.A. on page 290 in the annual report for 2014 shows that Kering S.A. has an 85.81% share of the voting rights in PUMA SE.

Section 315 [4][6] HGB

Regarding the appointment and dismissal of Managing Directors, reference is made to the applicable statutory requirements of Section 40 of the German SE Implementation Act (SEAG). Moreover, Section 13[1] of PUMA SE's Articles of Association stipulates that the Administrative Board shall appoint one or several Managing Director(s). It may appoint one of these Managing Directors as Chief Executive Officer and one or two as Deputy Chief Executive Officers. Pursuant to Section 13[4] of PUMA SE's Articles of Association, Managing Directors may be dismissed only for good cause, within the meaning of Section 84[3] of the German Stock Corporation Act (AktG) or if the employment agreement is terminated, in which case a resolution must be adopted by the Administrative Board with a simple majority of the votes cast. Pursuant to Art. 9(1)c(ii) of the SE Regulation (SE-VO), the requirements for changing the Articles of Association are governed by Sections 133 and 179 of the German Stock Corporation Act (AktG). The Administrative Board is authorized to make changes to the Articles of Association that affect only the text (Article 9(3) of PUMA SE's Articles of Association).

Section 315 [4][7] HGB

Pursuant to the resolution of the Annual General Meeting dated April 24, 2012, the Administrative Board is authorized to increase the share capital by April 23, 2017 as follows:

1. By issuing up to € 7.5 million worth of up to 2,929,687 new no-par bearer shares on one or more occasions with a pro-rata amount of the share capital of € 2.56 per share in exchange for cash contributions. The new shares can also be acquired by one or several banks as determined by the Administrative Board, subject to the obligation to offer these to the shareholders for subscription (indirect subscription right). The shareholders are basically entitled to a subscription right. The Administrative Board is, however, authorized to exclude the subscription rights of shareholders to avoid fractional shares. The Administrative Board is authorized to determine the additional rights of shares and the conditions of the share issue (Authorized Capital I).

2. By issuing up to € 7.5 million worth of up to 2,929,687 new no-par bearer shares on one or more occasions with a pro-rata amount of the share capital of € 2.56 per share in exchange for cash contributions or contributions in kind. The new shares can also be acquired by one or several banks as determined by the Administrative Board, subject to the obligation to offer these to the shareholders for subscription (indirect subscription right). The Administrative Board is authorized to exclude the subscription rights of shareholders in part or in whole, once or several times
   - to avoid fractional shares;
   - in the event of capital increases against contributions in kind to carry out mergers or for the acquisition of companies, shareholdings in companies or parts of companies;
   - for capital increases against cash contributions, provided the amount of the share capital attributable to the new shares does not exceed ten percent of the share capital and the issue amount for the new shares is not significantly below the market price of already listed shares, Section 186(3)(4) AktG. The ten percent limit of the share capital is valid for the date of the resolution of the Annual General Meeting on this authorization and on the exercise date of the authorization. The sale of treasury shares, which are sold during the term of Authorized Capital II under exclusion of subscription rights of shareholders in application of section 186(3)(4) AktG, and the issuance of shares to service options or convertible bonds issued during the term of Authorized Capital II under exclusion of subscription rights of shareholders in application of section 186(3)(4) AktG, shall be counted toward the ten percent limit of the share capital.

   The Administrative Board is authorized to determine the additional rights of shares and the conditions of the share issue (Authorized Capital II).

Pursuant to the resolution passed by the Annual General Meeting of April 22, 2008, the share capital can be increased by up to € 1.5 million through the issuance of up to 600,000 new shares. The contingent capital increase shall be used exclusively for granting subscription rights (stock options) to former members of the Supervisory Board and the Managing Directors of the Company as well as other executives of the company and subordinate associated companies. The authorization period has expired. Section 4.4. of the Articles of Association of the Company will be deleted upon a respective resolution of the Administrative Board of the Company.

The resolution adopted by the Annual General Meeting on May 6, 2015 authorized the company to purchase treasury shares up to a value of ten percent of the share capital until May 5, 2020.

For more details, please refer to the relevant disclosures in the Notes to the Consolidated Financial Statements (Section 18).

SUPPLEMENTAL REPORT AND OUTLOOK

Supplemental Report

There were no events after the balance sheet date which may have a material effect on the net assets, financial position and results of operations

Outlook

Global Economic Situation

In its winter 2015 forecast, the Kiel Institute for the World Economy (IfW) assumes that global production will grow by 3.4% in 2016. The Institute has thus revised its forecast of September 2015 downward by 0.3 percentage points. For 2017, the IfW expects a rise in global gross domestic product (GDP) of 3.8%.

The advanced economies are expected to gain strength in the next two years. As a result, the Institute forecasts a 2.5% increase in GDP in both 2016 and 2017. The main drivers of this growth are expected to be the continued expansionary monetary policy, the elimination of fiscal policy disincentives and the low oil price. While the United States will probably achieve GDP growth of 2.8 % (2016) and 3% (2017), which is above average for this group of countries, the figures for the Euro zone are expected to be 1.7 % and 2.0 %, respectively.

For now, the expansion in the emerging markets will be dampened by low commodity prices and structural problems. Although these economies are expected to gradually stabilize overall, their contribution to global economic growth will continue to lag behind the levels seen in previous years.

The IfW sees risks to the global economy mainly in geopolitical developments and turmoil in the financial markets. In particular, the deterioration of the situation in the Middle East could lead to uncertainty among consumers and investors and hinder the forecast gradual recovery of the global economy.

In addition, tensions in the financial markets – for example in connection with interest rate increases in the United States – could have an effect on the real economy and dampen the momentum of the global economy.

In 2016, PUMA will continue to invest in marketing to further strengthen its brand positioning. In addition, investments will continue to be made to expand the Company's own retail stores and to optimize the IT infrastructure in order to further increase the efficiency of internal processes and make the Company even faster and leaner in the future. The focus of our sales strategy remains on the development of innovative products and close cooperation with key trading partners.

The Forever Faster brand campaign will be continued in 2016 and will be accompanied by product launches and new partnerships with brand ambassadors known worldwide.

2016 promises to be an eventful year, with major sporting events which PUMA will use to strengthen its position as a performance brand. In the Football category, PUMA will be represented at the UEFA Euro 2016 by Italy, the Czech Republic, Slovakia, Austria and Switzerland. The Copa América in the United States is another major event at which PUMA will demonstrate its focus on sports. The summer Olympics in Rio de Janeiro will give PUMA another important platform to increase its brand presence through its sponsorship of the fastest man in the world, Usain Bolt, and many other world-class athletes and teams.

Outlook

Since autumn 2014, PUMA has invested heavily into its Forever Faster Campaign to position PUMA as the Fastest Sports Brand in the World. The partnerships with PUMA's most elite ambassadors – the World's Fastest Man Usain Bolt, star striker Sergio Agüero, Golfstar Rickie Fowler, Arsenal Football Club, Borussia Dortmund, the Jamaican and Cuban Olympic Federations, multi-platinum recording artist, designer and entrepreneur Rihanna, and more – have played a major role in increasing the brand heat and sell-through for PUMA in 2015.

With major improvements in the product offering, improved sourcing and higher investments in marketing, PUMA is confident that 2016 will be a year of solid sales growth with an initial improvement of profitability. As a consequence, currency-adjusted net sales are expected to increase at a high single-digit rate for the full-year 2016. The gross profit margin is forecasted to be on previous year's level (45.5%), as countermeasures are planned to compensate the negative impact of further foreign currency developments for 2016 compared to 2015.

PUMA's OPEX are forecasted to increase in a mid to high single-digit range. From a marketing perspective, the two major sporting events in 2016 (UEFA Euro 2016 and Rio 2016 Olympic Games) will require additional funding as does investment to modernize our retail store portfolio. Ongoing investments into the upgrade of PUMA's IT-infrastructure will contribute to an increase in OPEX, but at all times management will continue to place a strong emphasis on strict control of other operating costs.

At the current exchange rate levels, PUMA's management expects that the operating result will improve in 2016 compared to last year. EBIT for the full-year 2016 is expected to come in between € 115 million and € 125 million with net earnings forecasted to improve correspondingly.

Investments

Investments totaling around € 80 million are planned for 2016. The major portion will be allocated to infrastructure investments which are necessary to help drive sustainable growth as well as the expansion of our core markets and selective investments in retail stores. In addition, there are current purchase-price liabilities from corporate acquisitions that are expected to result in a cash outflow of € 3.0 million in 2016.

Foundation for Long-Term Growth

The Managing Directors and the Administrative Board have established long-term strategic priorities. Action plans are being implemented in a targeted, value-oriented manner. PUMA's management believes that the Forever Faster corporate strategy will lay the foundations for positive long-term development.

CORPORATE GOVERNANCE REPORT INCLUDING THE STATEMENT ON CORPORATE GOVERNANCE

Effective implementation of the principles of corporate governance is an important aspect of PUMA's corporate policy. Transparent and responsible corporate governance is a key prerequisite for achieving corporate targets and for increasing the Company's value in a sustainable manner. The Administrative Board and the Managing Directors work closely with each other in the interests of the entire Company to ensure that the Company is managed and monitored in an efficient way that will ensure sustainable added value through good corporate governance.

Communication of the Statement of the Administrative Board of PUMA SE pursuant to Section 161 AktG on the German Corporate Governance Code

2015 Statement of Compliance:
Pursuant to Art. 9(1)c(ii) of the SE Regulation (SE-VO) and Section 22(6) of the German SE Implementation Act (SEAG), in conjunction with Section 161 AktG, PUMA SE's Administrative Board declares that PUMA SE has been and is in compliance with recommendations issued by the "Government Commission on the German Corporate Governance Code" (the "Code") (in the versions dated June 24, 2014 and May 5, 2015) since the last Statement of Compliance of November 2014 in consideration of the particulars of PUMA SE's single-tier system described under item 1 with the exceptions mentioned under item 2, and where it is not in compliance, explains why not.

1st **Particulars of the Single-Tier Corporate Governance System**
According to Art. 43 – 45 SE-VO, in conjunction with Sections 20 et seqq. SEAG, under the single-tier system, management of the SE is the responsibility of a single company organ, the Administrative Board (see Para. 7 of the Code's Preamble). The Administrative Board manages the Company, determines the Company's basic business strategies and monitors the implementation of said strategies by the Managing Directors. The Managing Directors manage the Company's business, represent the Company in and out of court, and are bound by instructions from the Administrative Board.

Basically, PUMA SE takes those parts of the Code that apply to the Supervisory Board and applies them to the Administrative Board and takes those parts of the Code that used to apply to the Board of Management and applies them to its Managing Directors. The following exceptions apply with respect to the legal framework for the single-tier system:

- In derogation of No. 2.2.1 p.1 of the Code, the Administrative Board must submit the annual financial statements and the consolidated financial statements to the Annual General Meeting (Section 48(2) p. 2 SEAG).

- In derogation of Nos. 2.3.1 p. 1 and 3.7(3) of the Code, the Administrative Board is responsible for convening the Annual General Meeting (Sections 48 and 22(2) SEAG).

- The duties of the Board of Management listed in Sections 4.1.1 (Corporate Governance), and 4.1.2 in conjunction with 3.2 half-sentence 1 (Development of the Company's Strategic Orientation) of the Code are the responsibility of the Administrative Board (Section 22(1) SEAG).

- The powers of the Board of Management governed by Sections 2.3.2(2) (Proxy Bound by Instructions), 3.7(1) (Statement on a Takeover Bid) and 3.7(2) (Conduct during a Takeover Bid), as well as 3.10 (Corporate Governance Report), 4.1.3 (Compliance) and 4.1.4 (Risk Management and Controlling) of the Code are the responsibility of PUMA SE's Administrative Board (Section 22(6) SEAG).

- In derogation of Nos. 5.1.2(2)(1 and 2) of the Code, Managing Directors, unlike members of the Board of Management, are not subject to a fixed, maximum term of appointment (Section 40(1)(1) SEAG).

- In derogation of Nos. 5.4.2 p. 2 and 5.4.4 of the Code, members of the Administrative Board may be appointed as Managing Directors, provided that the majority of the Administrative Board continues to consist of non-executive Managing Directors (Section 40(1) p. 2 SEAG).

2nd Exceptions to the Code's recommendations

- In derogation of No. 3.8(3) of the Code, members of the Administrative Board are provided with D&O insurance with no deductible. The Administrative Board feels that it can dispense with a deductible for members of the Administrative Board, because the D&O insurance is group insurance for people in Germany and abroad, and a deductible is fairly unusual abroad.

- In derogation of No. 4.2.3(2)(6) of the Code, the compensation of the Managing Directors does not show the maximum amount limits in total or their variable compensation components. The employment contracts of the Managing Directors were concluded in accordance with the current version of the Code and are deemed to be proper and correct by PUMA SE.

- In derogation of No. 4.2.3(5) of the Code, no limits on severance payments for premature termination as a Managing Director due to a change of control have been agreed to, because an agreement drawn up in advance would not be able to take into account the specific situation that gave rise to a premature termination or the other circumstances of the individual case of termination.

- In accordance with the authorization by the Annual General Meeting on May 7, 2013, pursuant to Section 286(5) HGB, the Company shall not publish the amounts of compensation for individual Managing Directors until the authorization expires (Sections 4.2.4 and 4.2.5 of the Code). The Managing Directors shall adhere to the authorization when they prepare the annual financial statements. Based on the authorization of the Annual General Meeting, and in derogation of No. 4.2.5(3) of the Code, the information stated in this Section regarding the compensation of the Managing Directors is not included in the Compensation Report.

- In derogation of No. 5.4.6(2) page 2 of the Code, members of the Administrative Board receive performance-based compensation that is not linked to the sustainable success of the Company. The compensation was authorized by the Annual General Meeting on April 14, 2011; it is stipulated in the Articles of Association and is deemed to be proper and correct by PUMA SE.

- Deviating from Section 5.4.6(3) of the Code, the compensation of the Administrative Board members is not shown individually. In the opinion of PUMA SE, this additional information is not relevant to the capital market, as the respective remuneration regulations are in the public domain in the Articles of Association.

Herzogenaurach, November 9 2015

PUMA SE

On behalf of the Administrative Board

Jean-François Palus

The Statement of Compliance is available at any time on the Company's website at
http://about.puma.com/de/investor-relations/corporate-governance/declaration-of-compliance/.

Relevant Disclosures of Corporate Governance Practices that are applied beyond the Regulatory Requirements

In order to fulfill our responsibility as a global sporting goods manufacturer, PUMA has developed guidelines on environmental management and on compliance with workplace and social standards (see **http://about.puma.com under "SUSTAINABILITY"**). The PUMA Code of Ethics and PUMA Code of Conduct (see **http://about.puma.com under "SUSTAINABILITY"**) prescribe ethical standards and environmental standards with which both employees in the entire PUMA Group and suppliers are required to comply.

Compliance with laws and internal regulations and values are of key importance for PUMA's corporate governance. For this reason, the existing PUMA Code of Conduct (**http://about.puma.com/en/sustainability/standards/coc**) was further developed, revised and rolled out company-wide. The communication of the PUMA Code of Ethics was made directly by the CEO of PUMA SE. To further reduce the risk of misconduct, the Code of Ethics is accompanied by guidelines governing selected risk areas in detail. Risk-based classroom training sessions in the areas of corruption and antitrust are being conducted.

Again in 2015, the CEO of PUMA SE expected all PUMA employees to complete an Ethics e-learning training course.

The establishment and monitoring of the Group's compliance structure is carried out by the PUMA SE Risk & Compliance Committee. This consists of a specified group of executives, including PUMA's CEO and CFO. The regular meetings of the Committee include the analysis of compliance risks and the establishment and approval of appropriate measures (guidelines, training courses, etc.). The Audit Committee of the Administrative Board of PUMA SE is informed regularly as to the status of the compliance structure implementation.

The employees of PUMA have access to a Group-wide integrity hotline for reporting unethical, unlawful and criminal activity.

Description of the Working Practices of the Administrative Board and the Managing Directors and the Composition and Working Practices of their Committees

PUMA SE has a **single-tier** management and control structure. According to Articles 43 – 45 SE-VO, in conjunction with Sections 20 et seqq. SEAG, under the single-tier system, management of the SE is the responsibility of a single body, the Administrative Board. The Managing Directors manage the Company's daily business. Another corporate body is the Annual General Meeting.

The **Administrative Board** of PUMA SE manages the Company, determines the Company's basic business strategies and monitors the implementation of said strategies by the Managing Directors. It appoints and dismisses the Managing Directors, decides on the compensation system and establishes the compensation. In accordance with the Articles of Association, the Administrative Board consists of at least three members. At least one independent member of the Administrative Board must have expertise in the areas of finance, accounting or auditing. The members of the Administrative Board are appointed by the Annual General Meeting, a third of them pursuant to the German Codetermination Act based on binding nominations by employee representatives. The members of the Administrative Board are appointed for a period up to the close of the Annual General Meeting that adopts the resolution approving the actions of the Board for the fourth financial year after the term of office began (the financial year in which the term of office begins is not counted) and no later than six years after the respective Administrative Board member was appointed. Administrative Board members may be reappointed.

Through May 6, 2015, there were eight members of the Administrative Board and nine members thereafter. The regular period of office of all members of the Administrative Board ends at the close of the Annual General Meeting in 2017. Details of the members of the Administrative Board can be found in the Notes to the Consolidated Financial Statements (last chapter).

Meetings of the Administrative Board must be held at least every three months. Meetings must also be held if required for the Company's well-being or if a member of the Administrative Board demands that a meeting be convened. The Administrative Board held four regular meetings in 2015.

The Administrative Board has established five committees to perform its duties and receives regular reports on their work. The principles of cooperation of the Administrative Board of PUMA SE and the duties of the committees are set out in the Rules of Procedure for the Administrative Board, which can be viewed at **http://about.puma.com** under "Corporate Governance".

The Executive Committee consists of three members. It is responsible for organizing meetings of the Administrative Board and for making decisions when instructed by the Administrative Board to do so on its behalf.

The Personnel Committee consists of three members. 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. The entire Administrative Board decides on issues involving the Managing Directors' compensation based on recommendations from the Personnel Committee.

The Audit Committee consists of three members. The Chairman of the Audit Committee must be an independent shareholder representative and must have expertise in the fields of accounting and auditing in accordance with Section 100(5) AktG. In particular, the Audit Committee is responsible for accounting issues and monitoring the accounting process, the effectiveness of the internal control system, 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. The recommendation of the Administrative Board on the selection of the statutory auditors must be based on a corresponding recommendation by the Audit Committee. Once the Annual General Meeting has appointed the statutory auditors, and the Administrative Board has issued the audit assignment, the Audit Committee shall work with the statutory auditors to specify the scope of the audit and the audit areas of focus. The statutory auditors shall attend the meeting convened by the Audit Committee to review the annual financial statements and the consolidated financial statements and shall report on the key findings of their audit. They shall also inform the Committee about other services they have provided in addition to auditing services and shall confirm their independence. Each month, the Audit Committee shall receive financial data on the PUMA Group, which will allow the tracking of developments in net assets, financial position, results of operations and the order books on a continual basis. The Audit Committee shall also deal with issues relating to the balance sheet and income statement and shall discuss these with Management. In addition, when the internal audit projects are completed, the Audit Committee shall receive the audit reports, which must also include any actions taken.

The Sustainability Committee consists of three members and is responsible for promoting business sustainability as well as awareness of the need to act fairly, honestly, positively and creatively in every decision made and every action taken.

The Nominating Committee has three members, who may only be representatives of the shareholders on the Administrative Board. The Nominating Committee proposes suitable shareholder candidates to the Administrative Board for its voting recommendations to the Annual General Meeting.

The current composition of the committees can be found in the Notes to the Consolidated Financial Statements (last chapter).

The **Managing Directors** manage the Company's business with the goal of creating sustainable value with shared responsibility. They implement the guidelines and targets issued by the Administrative Board. The Board currently consists of three members and has a chairman. The Managing Directors inform the Administrative Board regularly, comprehensively, and in a timely manner regarding all company-related issues with respect to planning, business development, the risk situation, risk management and compliance. They provide details on and reasons for deviations of business performance from established plans and objectives.

The Managing Directors are required to disclose conflicts of interest to the Administrative Board immediately and inform the other Managing Directors about any such conflicts. They are permitted to carry out additional activities, especially Supervisory Board or similar mandates outside the PUMA Group, only with the prior approval of the Administrative Board. In the past year, Managing Directors of PUMA SE had no conflicts of interest.

The principles of cooperation of the Managing Directors of PUMA SE are laid down in the Rules of Procedure for the Managing Directors, which can be viewed at **http://about.puma.com** under "Corporate Governance".

Taking Diversity and our International Culture into Account

The members of the Administrative Board of PUMA SE possess the appropriate knowledge, skills and professional experience necessary for the proper fulfillment of their duties. A sufficient number of members have strong international backgrounds. The Administrative Board has established the goal of ensuring that a sufficient number of future members of the Board will also have international backgrounds by requiring that proposed candidates to the Administrative Board must also have a strong international background and the relevant networks, international experience and orientation.

The Administrative Board has put its objective of increasing the proportion of women on the Administrative Board in concrete terms. The target for the proportion of women on the Administrative Board was set at 30% by resolution of July 22, 2015. This target must be reached by June 30, 2017. This is consistent with the requirements of the act on the equal participation of women and men in executive positions in the private and the public sector, which entered into force in May 2015 and must be implemented from January 2016.

The Chairman of the Audit Committee has specialist knowledge and experience in the application of accounting principles and internal control procedures and is independent. The Administrative Board prevents potential conflicts of interest of its members by regularly monitoring and critically scrutinizing its members' other activities. According to Section 1(4) of the Rules of Procedure for the Administrative Board, Administrative Board members may, in principle, not be over 70 years of age and their maximum term of office may not exceed three terms. Including the employees' representative on the Administrative Board, the Administrative Board has an appropriate number of independent members.

Members of PUMA SE's Administrative Board, its Managing Directors and senior staff have the opportunity to attend appropriate training and continuing education programs.

Decisions on Promoting the Participation of Women in Management Positions

The act on the equal participation of women and men in executive positions in the private and the public sector of May 2015 required PUMA to set targets for the proportion of women at the level of Managing Directors and the next two management levels below by September 30, 2015. In addition, it was required to specify a deadline for meeting these targets. Under the law the first implementation deadline must not go beyond June 30, 2017. When setting the next implementation deadline, the period may be up to five years.

On July 22, 2015, the Administrative Board of PUMA SE set a target of 20% women at the level of the Managing Directors, on the condition that PUMA SE has five or more Managing Directors. The deadline for implementation is June 30, 2017.

On July 22, 2015, the Administrative Board of PUMA SE set a target of 20 % for the first management level below the Managing Directors, to be implemented by June 30, 2017. For the second management level below the Managing Directors the Administrative Board of PUMA SE adopted a target of 30%, also to be met by June 30, 2017.

In the future, the inclusion of women among the Managing Directors shall be guaranteed in the event of a new appointment, in particular by giving special consideration to women from among several equally qualified applicants. If a position must be filled by outside candidates, special care should be taken to consider properly qualified female candidates. The same applies when filling management positions. In order to include even more women in management positions in the future, PUMA SE is using part-time and half-day models, as well as flexible working hours and the provision of more childcare places to promote a better balance between work and family life.

Directors' Dealings

In the reporting year, the Managing Directors and the members of the Administrative Board have acquired no PUMA shares. No sales were reported to us.

Shareholdings of the Administrative Board and the Managing Directors

According to the notification dated August 3, 2011 pursuant to Sections 21 and 22 of the German Securities Trading Act (WpHG), on this date Messrs. François-Henri Joseph Pinault (Administrative Board member) and François Jean-Henri Pinault indirectly held 75.12% (11,330,446 voting rights) of the voting rights in PUMA SE, of which 1.15% of the voting rights (173,377 voting rights) were treasury shares of PUMA SE.

Herzogenaurach, February 5, 2016

The Managing Directors

GULDEN

LÄMMERMANN

SØRENSEN

Declaration by the Legal Representatives

Regarding the Affirmation pursuant to Section 315(1)(6) of the German Commercial Code (HGB) (Responsibility Statement/Bilanzeid), please refer to the Notes.

CONSOLIDATED FINANCIAL STATEMENTS

"WHAT ARE YOU TRAINING FOR?"

"I am training to always be up-to-date in terms of my expertise to be well prepared for future challenges. #NoMatterWhat."

Klaus Kutschera, IFRS Specialist

T.1

Consolidated Statement of Financial Position

	Notes	31.12.2015 € million	31.12.2014 € million
ASSETS			
Cash and cash equivalents	3	338.8	401.5
Inventories	4	657.0	571.5
Trade receivables	5	483.1	449.2
Income tax receivables	22	50.5	75.0
Other current financial assets	6	76.8	93.6
Other current assets	7	78.6	91.8
Current assets		**1,684.8**	**1,682.5**
Deferred taxes	8	219.8	178.8
Property, plant and equipment	9	232.6	224.0
Intangible assets	10	403.3	391.4
Investments in associates	11	15.2	15.2
Other non-current financial assets	12	39.3	34.6
Other non-current assets	12	25.2	23.4
Non-current assets		**935.5**	**867.5**
Total assets		**2,620.3**	**2,549.9**

	Notes	31.12.2015 € million	31.12.2014 € million
LIABILITIES AND SHAREHOLDERS‘ EQUITY			
Current financial liabilities	13	14.0	19.8
Trade payables	13	519.7	515.2
Income taxes	22	49.7	58.8
Other current provisions	16	52.7	69.5
Liabilities from acquisitions	17	3.0	0.5
Other current financial liabilities	13	115.9	51.0
Other current liabilities	13	125.1	107.8
Current liabilities		**880.0**	**822.6**
Deferred taxes	8	64.2	54.6
Pension provisions	15	23.8	26.0
Other non-current provisions	16	23.5	23.1
Liabilities from acquisitions	17	0.0	2.5
Other non-current financial liabilities	13	7.2	0.3
Other non-current liabilities	13	2.2	2.5
Non-current liabilities		**121.0**	**109.0**
Subscribed capital	18	38.6	38.6
Group reserves	18	162.5	176.0
Retained earnings	18	1,441.7	1,412.0
Treasury stock	18	-31.4	-31.4
Equity attributable to the shareholders of the parent		**1,611.3**	**1,595.2**
Non-controlling interest	18	8.0	23.1
Shareholders' equity	18	**1,619.3**	**1,618.3**
Total liabilities and shareholders‘ equity		**2,620.3**	**2,549.9**

T.2

Consolidated Income Statement

	Notes	2015 € million	2014 € million
Sales	25	**3,387.4**	**2,972.0**
Cost of sales	25	-1,847.2	-1,586.7
Gross profit	25	**1,540.2**	**1,385.4**
Royalty and commission income		16.5	19.4
Other operating income and expenses	20	-1,460.5	-1,276.8
Operating income (EBIT)		**96.3**	**128.0**
Result from associated companies	21	1.0	1.3
Financial income	21	11.2	4.8
Financial expenses	21	-23.4	-12.3
Financial result		**-11.2**	**-6.2**
Earnings before taxes (EBT)		**85.0**	**121.8**
Taxes on income	22	-23.3	-37.0
Consolidated net earnings for the year		**61.7**	**84.8**
attributable to: Non-controlling interest	18	-24.6	-20.8
Equity holders of the parent (net earnings)		**37.1**	**64.1**
Earnings per share (€)	23	2.48	4.29
Earnings per share (€) - diluted	23	2.48	4.29
Weighted average shares outstanding (million)	23	14.940	14.940
Weighted average shares outstanding. diluted (million)	23	14.940	14.940

T.3

Consolidated Statement of Comprehensive Income

	After tax 2015 € million	Tax impact 2015 € million	Before tax 2015 € million	After tax 2014 € million	Tax impact 2014 € million	Before tax 2014 € million
Net earnings before attribution	**61.7**		**61.7**	**84.8**		**84.8**
Currency changes	-0.0		-0.0	29.5	0.7	28.7
Cashflow hedge						
Release to the income statement	-34.6	13.5	-48.1	3.2	-0.1	3.3
Market value for cashflow hedges	21.2	-5.3	26.5	34.6	-13.5	48.1
Net result of available-for-sale financial assets	0.5	-0.2	0.6	-2.6	1.0	-3.5
Share in the other comprehensive income of at equity accounted investments	0.2		0.2	0.1		0.1
Items expected to be reclassified to the income statement in the future	**-12.7**	**8.1**	**-20.8**	**64.8**	**-11.9**	**76.7**
Remeasurements of the net defined benefit liability	1.4	-0.3	1.7	-3.1	0.9	-4.0
Items not expected to be reclassified to the income statement in the future	**1.4**	**-0.3**	**1.7**	**-3.1**	**0.9**	**-4.0**
Other result	**-11.3**	**7.7**	**-19.1**	**61.7**	**-11.0**	**72.7**
Comprehensive income	**50.4**	**7.7**	**42.6**	**146.6**	**-11.0**	**157.5**
attributable to: Non-controlling interest	26.9		26.9	23.3		23.3
Equity holder of the parent	23.5	7.7	15.7	123.2	-11.0	134.2

T.4 Consolidated Statement of Cash Flows

	Notes	2015 € million	2014 € Million
Operating activities			
Earnings before tax (EBT)		85.0	121.8
Adjustments for:			
Depreciation	9, 10	57.5	50.5
Non-realized currency gains/losses, net		-5.3	-1.2
Result from associated companies	11	-0.9	-1.3
Financial income	21	-11.0	-4.8
Financial expenses	21	15.2	10.8
Changes from the sale of fixed assets		-16.4	0.6
Changes to pension accruals	15	-0.5	-7.1
Other non cash effected expenses/income		10.9	3.0
Gross Cashflow	26	**134.5**	**172.2**
Changes in receivables and other current assets	5, 6, 7	-8.8	-45.3
Changes in inventories	4	-92.2	-35.9
Changes in trade payables and other current liabilities	13	-24.1	98.0
Cash inflow from operating activities		9.4	188.9
Dividends received	11, 12	0.9	0.4
Interest paid	21	-9.1	-9.8
Income taxes paid	22	-38.4	-53.2
Net cash from operating activities	26	**-37.1**	**126.4**

	Notes	2015 € million	2014 € million
Investing activities			
Payment for acquisitions	17	-0.5	-2.4
Payments to acquire long term shareholdings	12	0.0	-21.4
Purchase of property and equipment	9, 10	-79.0	-72.6
Proceeds from sale of property and equipment		23.8	12.6
Payment for other assets	12	-13.2	-8.0
Interest received	21	7.2	4.8
Cash outflow from investing activities		**-61.7**	**-87.0**
Financing activities			
Changes in non-current liabilities	13	0.1	0.2
Raising/ (-) Repayment of current financial liabilities	13	71.0	-10.2
Raising of non-current financial liabilities	13	7.3	0.0
Dividend payments to equity holders of the parent	18	-7.5	-7.5
Dividend payments to non-controlling interests	18	-42.0	-16.2
Payments to acquire non-controlling interests	18	0.0	-2.6
Cash inflow/outflow from financing activities	26	**28.9**	**-36.2**
Exchange rate-related changes in cashflow		7.3	8.2
Change in cash and cash equivalents		**-62.7**	**11.4**
Cash and cash equivalents at beginning of the financial year		401.5	390.1
Cash and cash equivalents at the end of the financial year	3, 26	**338.8**	**401.5**

T.5

Statement of Changes in Equity € million

	Subscribed capital	Reserves					Retained earnings	Treasury stock	Equity before non-controlling interests	Non-controlling interests	Total equity
		Capital reserve	Revenue reserves	Difference from currency conversion	Cash flow hedges	At equity accounted investments					
December 31, 2013	**38.6**	**193.3**	**66.0**	**-137.5**	**-3.2**	**0.3**	**1,355.4**	**-31.4**	**1,481.6**	**15.7**	**1,497.3**
Net Earnings							**64.1**		**64.1**	20.8	84.8
Net income directly recognized in equity			-5.6	26.9	37.7	0.1			**59.2**	2.6	61.7
Total comprehensive income			5.6	26.9	37.7	0.1	**64.1**		**123.2**	23.3	146.6
Dividends paid to equity holders of the parent company / non-controlling interests							**-7.5**		**-7.5**	-16.2	-23.6
Valuation from option programs		0.3							**0.3**		0.3
Acquisition of non-controlling interests			-2.5						**-2.5**	-0.1	-2.6
Changes in the group of consolidated companies										0.4	**0.4**
December 31, 2014	38.6	**193.7**	**57.9**	**-110.6**	**34.6**	**0.5**	**1,412.0**	**-31.4**	**1,595.2**	**23.1**	**1,618.3**
Net Earnings							**37.1**		**37.1**	24.6	61.7
Net income directly recognized in equity			1.9	-2.4	-13.3	0.2			**-13.7**	2.3	-11.3
Total comprehensive income			1.9	-2.4	-13.3	0.2	**37.1**		**23.5**	26.9	50.4
Dividends paid to equity holders of the parent company / non-controlling interests							**-7.5**		**-7.5**	-42.0	-49.5
Changes in the group of consolidated companies				0.1					**0.1**		**0.1**
December 31, 2015	**38.6**	**193.7**	**59.7**	**-112.8**	**21.2**	**0.6**	**1,441.7**	**-31.4**	**1,611.3**	**8.0**	**1,619.3**

T.6 ***Changes in Fixed Assets 2014***

	Purchase costs					Accumulated depreciation					Carrying amounts	
	Balance Jan 1, 2014 € million	Currency changes and other changes	Additions/ retransfers	Disposals	Balance Dec 31, 2014 € million	Balance Jan 1, 2014 € million	Currency changes and other changes	Additions/ retransfers[1)]	Disposals	Balance Dec 31, 2014 € million	Balance Dec 31, 2014 € million	Balance Dec 31, 2013 € million
PROPERTY, PLANT AND EQUIPMENT												
Land, land rights and buildings including buildings on third party land	168.1	6.1	1.9	-15.8	160.3	-53.5	-1.8	-5.9	6.8	-54.4	105.9	114.6
Technical equipment and machines	8.9	4.7	4.3	-2.0	15.9	-4.6		-1.5	1.9	-4.2	11.7	4.3
Other equipment, factory and office equipment	279.5	10.1	42.3	-28.4	303.5	-196.8	-5.4	-32.4	26.2	-208.4	95.1	82.7
Payments on account and assets under construction	11.2	-9.4	9.8	-0.3	11.3						11.3	11.2
	467.7	**11.5**	**58.3**	**-46.5**	**491.0**	**-254.9**	**-7.2**	**-39.8**	**34.9**	**-267.0**	**224.0**	**212.8**
INTANGIBLE ASSETS												
Goodwill	292.6	3.5	2.2		298.3	-49.6		-7.0		-56.6	241.7	243.0
Intangible fixed assets with an indefinite useful life	120.7	14.1			134.8	-17.6				-17.6	117.2	103.1
Other intangible fixed assets	110.8	-11.5	14.3	-3.1	110.5	-82.8	12.9	-11.0	2.9	-78.0	32.5	28.0
	524.1	**6.1**	**16.5**	**-3.1**	**543.6**	**-150.0**	**12.9**	**-18.0**	**2.9**	**-152.2**	**391.4**	**374.1**

1) including impairment for fixed assets (€0.3 million) and intangible assets (€7.0 million), see chapters 9 and 10

T.6 ***Changes in Fixed Assets 2015***

	Purchase costs					Accumulated depreciation					Carrying amounts	
	Balance Jan 1, 2015 € million	Currency changes and other changes	Additions/ retransfers	Disposals	Balance Dec 31, 2015 € million	Balance Jan 1, 2015 € million	Currency changes and other changes	Additions/ retransfers[1)]	Disposals	Balance Dec 31, 2015 € million	Balance Dec 31, 2015 € million	Balance Dec 31, 2014 € million
PROPERTY, PLANT AND EQUIPMENT												
Land, land rights and buildings including buildings on third party land	160.3	8.6	8.2	-9.9	167.2	-54.4	-0.8	-5.8	5.4	-55.6	111.6	105.9
Technical equipment and machines	15.9	-0.3	2.5	-0.1	18.0	-4.2	0.3	-2.2		-6.1	11.9	11.7
Other equipment, factory and office equipment	303.5	11.4	44.2	-35.1	324.0	-208.4	-5.1	-36.7	31.3	-218.9	105.1	95.1
Payments on account and assets under construction	11.3	-13.2	7.5	-1.6	4.0						4.0	11.3
	491.0	**6.5**	**62.4**	**-46.7**	**513.2**	**-267.0**	**-5.6**	**-44.7**	**36.7**	**-280.6**	**232.6**	**224.0**
INTANGIBLE ASSETS												
Goodwill	298.3	5.6	0.2	-12.7	291.4	-56.6	-0.6		6.1	-51.1	240.3	241.7
Intangible fixed assets with an indefinite useful life	134.8	13.5			148.3	-17.6	-0.1			-17.7	130.6	117.2
Other intangible fixed assets	110.5	-2.4	16.6	-1.5	123.2	-78.0	-1.2	-12.8	1.2	-90.8	32.4	32.5
	543.6	**16.7**	**16.8**	**-14.2**	**562.9**	**-152.2**	**-1.9**	**-12.8**	**7.3**	**-159.6**	**403.3**	**391.4**

1) There was no impairment for fixed assets and intangible assets in the financial year 2015, see chapters 9 and 10

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General[1]

Under the “PUMA” brand name, PUMA SE and its subsidiaries are engaged in the development and sale of a broad range of sports and sports lifestyle products, including footwear, apparel and accessories. The company is a European stock corporation (Societas Europaea/SE) and its registered office is at PUMA WAY 1, 91074 Herzogenaurach, Germany. The competent registry court is in Fürth (Bavaria).

The consolidated financial statements of PUMA SE and its subsidiaries (hereinafter referred to as the “Group” or “PUMA”) were prepared in accordance with the International Financial Reporting Standards (IFRS) accounting standards issued by the International Accounting Standards Board (IASB), as they are to be applied in the EU, and the supplementary accounting principles to be applied in accordance with Section 315a (1) of the German Commercial Code (Handelsgesetzbuch, HGB). All IASB standards and interpretations, as they are to be applied in the EU, which are mandatory for financial years as of January 1, 2015 have been applied.

[1] G4-17

The following new and amended standards and interpretations have been used for the first time in the current financial year:

T.7

Standard	Name
First time adoption in the current financial year	
Amendment IAS 19	Defined benefit plans: employee contributions
IFRIC 21	Levies
AIP 2010 - 2012	Improvements to IFRS
AIP 2011 - 2013	Improvements to IFRS

The standards and interpretations used for the first time as of January 1, 2015 did not have any effect on the consolidated financial statements.

The following standards and interpretations have been released, but will only take effect in later reporting periods and have not been applied earlier by the Group:

T.8

Standard	Name	Date of adoption*	Planned adoption
Endorsed			
Amendment IFRS 11	Accounting for the acquisition of an interest in a joint operation	1/1/2016	1/1/2016
Amendment IAS 1	Disclosure initiative	1/1/2016	1/1/2016
Amendment IAS 16 and IAS 38	Clarification of acceptable methods of depreciation and amortization	1/1/2016	1/1/2016
Amendment IAS 16 and IAS 41	Agriculture: bearer plants	1/1/2016	1/1/2016
Amendment IAS 27	Application of the equity method in separate financial statements	1/1/2016	1/1/2016
AIP 2012 - 2014	Improvements to IFRS	1/1/2016	1/1/2016
Endorsement pending			
IFRS 9	Financial instruments	1/1/2018	1/1/2018
IFRS 14	Regulatory deferral accounts	1/1/2016	1/1/2016
IFRS 15	Revenue from contracts with customers	1/1/2018	1/1/2018
IFRS 16	Leasing	1/1/2019	1/1/2019
Amendment IFRS 10, IFRS 12 and IAS 28	Investment entities: Applying the consolidation exception	1/1/2016	1/1/2016
Amendment IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associate or joint venture	-	-

* Adjusted by EU endorsement, if applicable

Detailed analyses are still being conducted with respect to the first-time application of IFRS 9 and IFRS 16. The new leasing standard IFRS 16 will result in all future leases being accounted for in the form of a usage right and a corresponding leasing obligation. In all cases, it is presented in the income statement as a financing transaction, i.e. the usage right is normally subject to straight-line depreciation and the leasing obligation is carried forward using the effective interest method.
The company does not anticipate that the remaining standards mentioned above will have a significant impact on accounting.

The preparation of the consolidated financial statements was based on historical acquisition and manufacturing costs, with the exception of the profit or loss assessment of financial assets and liabilities at fair value.

The items contained in the financial statements of the individual Group companies are valued based on the currency that corresponds to the currency of the primary economic environment in which the company operates. The consolidated financial statements are prepared in Euros (EUR or €). Amounts shown in millions of Euros with one decimal place may lead to rounding differences, since the calculation of individual items is based on figures presented in thousands.

The cost of sales method is used for the income statement[2].

2. Significant Consolidation, Accounting and Valuation Principles

CONSOLIDATION PRINCIPLES The consolidated financial statements were prepared as of December 31, 2015, the reporting date of the annual financial statements of the PUMA SE parent company, on the basis of uniform accounting and valuation principles according to IFRS, as applied in the EU.

Subsidiaries are those companies in which the Group has existing rights that give it the ability to direct their main activities. The main activities are the activities that have a material impact on the profitability of the company. Control thus only exists if the Group is exposed to variable returns from the relationship with a company and its power over the main activities gives it the opportunity to influence these returns. As a rule, the possibility of control is based on a direct or indirect majority of the voting rights by PUMA. Subsidiaries are consolidated from the date on which the possibility of control exists. They are no longer consolidated when this possibility no longer exists.

[2] G4-17

The capital consolidation of the subsidiaries acquired after January 1, 2005 is based on the acquisition method. Upon initial consolidation, the assets, debts and contingent liabilities that can be identified as part of a business combination are stated at their fair value as of the acquisition date, regardless of the non-controlling interests (previously referred to as minority interests). At the time of the acquisition, there is a separately exercisable right to vote on whether the interests of the non-controlling shareholders are valued at fair value or at proportional net asset value.

The surplus of the acquisition costs arising from the purchase that exceeds the Group's share in the net assets stated at fair value is recognized as goodwill. If the acquisition costs are lower than the amount of the net assets stated at fair value, the difference is recognized directly in the income statement.

Pursuant to the contractual arrangement with the joint venture partners, PUMA is the beneficial owner of some controlling interests. The companies are fully included in the consolidated financial statements and, therefore, non-controlling interests are not disclosed. The present value of the capital shares attributable to the non-controlling shareholders and the present value of the residual purchase prices expected due to corporate performance are included in the capital consolidation as acquisition costs for the holdings. If there are any subsequent deviations, for acquisitions before January 1, 2010 these lead to a subsequent adjustment of the acquisition costs not affecting income. For business combinations from January 1, 2010, the costs that can be directly allocated to the acquisition as well as subsequent deviations in the present value of expected residual purchase prices are recognized in the income statement pursuant to the application of the amended IFRS 3.

With respect to the remaining controlling interests, losses attributable to non-controlling interests are allocated to the latter even if this results in a negative balance in non-controlling interests.

Receivables within the Group are offset against internal liabilities. As a general rule, any set-off differences arising from exchange rate fluctuations are recognized in the income statement to the extent that they accrued during the reporting period. If receivables and liabilities are long-term and capital-replacing in nature, the currency difference is recognized directly in equity and in "Other result".

In the course of the expense and income consolidation, inter-company sales and intra-group income are offset against the expenses attributable to them. Interim profits not yet realized within the Group and intra-group investment income are eliminated by crediting them in the income statement.

GROUP OF CONSOLIDATED COMPANIES In addition to PUMA SE, all subsidiaries in which PUMA SE, directly or indirectly, has existing rights that give it the ability to direct their main activities are fully consolidated in the consolidated financial statements. Currently the possibility of control for all Group companies is based on a direct or indirect majority of the voting rights. Associated companies are accounted for in the Group using the equity method. The changes in the number of Group companies (including the parent company PUMA SE) were as follows:

T.9

As of 12/31/2014	**117**
Formation of companies 2015	3
Disposal of companies 2015	10
As of 12/31/2015	**110**

The following changes occurred within the group of consolidated companies in financial year 2015:

The additions to the group of consolidated companies relates to the establishment of the companies Dobotex International B.V., Branded Sports Merchandising B.V., and Importationes Brand Plus Licensing S.A. de C.V.

The disposals in the group of consolidated companies relate to the closing of the companies Brandon Germany GmbH, PUMA Hungary Kft. and PUMA Serbia DOO and the sale of the companies Tretorn Finland Oy, Tretorn R&D Ltd., Tretorn Norway AS, and Hunt Sport AB. In addition, the companies PUMA Speedcat SAS, PUMA Blue Sea Ltd. and PUMA Schweiz AG left the group of consolidated companies due to mergers.

These changes in the group of consolidated companies did not have a significant effect on the net assets, financial position, and results of operations.

PUMA Vertrieb GmbH, PUMA Mostro GmbH, PUMA Sprint GmbH, PUMA International Trading GmbH and PUMA Europe GmbH have made use of the exemption under Section 264 (3) of the HGB.

T.10

The Group companies are allocated to regions as follows: as of Dec 31st 2015

No.	Companies/Legal Entities	Country	City	Shareholder	Share in capital
	Parent Company				
1.	PUMA SE	Germany	Herzogenaurach		
	EMEA				
2.	Austria PUMA Dassler Ges. m.b.H.	Austria	Salzburg	direct	100%
3.	Dobotex Austria GmbH	Austria	Salzburg	indirect	100%
4.	Wilderness Holdings Ltd.	Botswana	Maun	direct	20.0%
5.	PUMA Sport Hrvatska d.o.o.	Croatia	Zagreb	indirect	100%
6.	PUMA Czech Republic s.r.o.	Czech Republic	Prag	indirect	100%
7.	PUMA Denmark A/S	Denmark	Skanderborg	indirect	100%
8.	PUMA Estonia OÜ	Estonia	Tallinn	indirect	100%
9.	PUMA Finland Oy	Finland	Espoo	indirect	100%
10.	Brandon Oy	Finland	Helsinki	indirect	100%
11.	PUMA FRANCE SAS	France	Illkirch-Graffen-staden	indirect	100%
12.	Dobotex France SAS	France	Paris	indirect	100%
13.	PUMA International Trading GmbH	Germany	Herzogenaurach	direct	100%
14.	PUMA Europe GmbH	Germany	Herzogenaurach	direct	100%
15.	PUMA Vertrieb GmbH	Germany	Herzogenaurach	direct	100%
16.	PUMA Sprint GmbH	Germany	Herzogenaurach	direct	100%
17.	PUMA Mostro GmbH	Germany	Herzogenaurach	indirect	100%
18.	Dobotex Deutschland GmbH	Germany	Düsseldorf	indirect	100%
19.	PUMA United Kingdom Ltd.	Great Britain	London	indirect	100%
20.	PUMA Premier Ltd.	Great Britain	London	indirect	100%
21.	Dobotex UK Ltd.	Great Britain	Manchester	indirect	100%
22.	Branded Sports Merchandising UK Ltd.	Great Britain	London	indirect	100%
23.	Sport Equipment Hellas S. A. of Foot-wear, Apparel and Sportswear u.Li.	Greece	Athens	direct	100% [1]
24.	Sport Equipment TI Cyprus Ltd.	Cyprus	Nicosia	direct	100% [1]
25.	PUMA Italia Srl	Italy	Milan	indirect	100%
26.	Dobotex Italia Srl	Italy	Milan	indirect	100%
27.	PUMA Sport Israel Ltd.	Israel	Hertzeliya	indirect	100%
28.	PUMA Baltic UAB	Lithuania	Vilnius	indirect	100%
29.	PUMA Malta Ltd.	Malta	St.Julians	indirect	100%
30.	PUMA Racing Ltd.	Malta	St.Julians	indirect	100%
31.	PUMA Benelux B.V.	Netherlands	Leusden	direct	100%
32.	PUMA International Sports Marketing B.V.	Netherlands	Leusden	direct	100%
33.	Brand Plus Licensing B.V.	Netherlands	's-Hertogenbosch	direct	100%
34.	Dobotex International B.V.	Netherlands	's-Hertogenbosch	indirect	100%
35.	Branded Sports Merchandising B.V.	Netherlands	's-Hertogenbosch	indirect	100%
36.	Dobotex B.V.	Netherlands	's-Hertogenbosch	indirect	100%
37.	Dobo Logic B.V.	Netherlands	Tilburg	indirect	100%
38.	Dobotex Licensing Holding B.V.	Netherlands	's-Hertogenbosch	indirect	100%
39.	PUMA Norway AS	Norway	Oslo	indirect	100%
40.	PUMA Polska Sp. z o.o.	Poland	Warsaw	indirect	100%
41.	PUMA Sport Romania Srl	Romania	Bucharest	indirect	100%
42.	PUMA-RUS o.o.o.	Russia	Moscow	indirect	100%
43.	PUMA Slovakia s.r.o.	Slovakia	Bratsilava	indirect	100%
44.	PUMA Sports Distributors Ltd.	South Africa	Cape Town	indirect	100%
45.	PUMA Sports S.A.	South Africa	Cape Town	indirect	100%
46.	PUMA Iberia S.L.U	Spain	Barcelona	direct	100%
47.	Dobotex Spain S.L.	Spain	Barcelona	indirect	100%
48.	Brandon Company AB	Sweden	Gothenburg	direct	100%
49.	Brandon AB	Sweden	Gothenburg	indirect	100%
50.	Nrotert AB	Sweden	Helsingborg	direct	100%
51.	PUMA Nordic AB	Sweden	Helsingborg	indirect	100%
52.	Nrotert Sweden AB	Sweden	Helsingborg	indirect	100%
53.	Mount PUMA AG (Schweiz)	Switzerland	Oensingen	direct	100%
54.	PUMA Retail AG	Switzerland	Oensingen	indirect	100%
55.	Dobotex Switzerland AG	Switzerland	Oensingen	indirect	100%
56.	PUMA Spor Giyim Sananyi ve Ticaret A.S.	Turkey	Istanbul	indirect	100%
57.	PUMA Ukraine TOV	Ukraine	Kiew	indirect	100%
58.	PUMA Middle East FZ LLC	United Arab Emirates	Dubai	indirect	100%
59.	PUMA UAE LLC	United Arab Emirates	Dubai	indirect	100% [1]
	Americas				
60.	Unisol S.A.	Argentina	Buenos Aires	indirect	100%
61.	PUMA Sports Ltda.	Brazil	Sao Paulo	indirect	100%
62.	PUMA Canada, Inc.	Canada	Montreal	indirect	100%
63.	PUMA CHILE S.A.	Chile	Santiago	direct	100%
64.	PUMA SERVICIOS SPA	Chile	Santiago	indirect	100%

65.	PUMA Mexico Sport S.A. de C.V.	Mexico	Mexico City	direct	100%
66.	Servicios Profesionales RDS S.A. de C.V.	Mexico	Mexico City	indirect	100%
67.	Importaciones RDS S.A. de C.V.	Mexico	Mexico City	direct	100%
68.	Dobotex de Mexico SA de C.V.	Mexico	Mexico City	indirect	100%
69.	Importationes Brand Plus Licensing S.A. de C.V.	Mexico	Mexico City	indirect	100%
70.	Distruibuidora Deportiva PUMA S.A.C.	Peru	Lima	indirect	100%
71.	Distribuidora Deportiva PUMA Tacna S.A.C.	Peru	Tacna	indirect	100%
72.	PUMA Retail Peru S.A.C.	Peru	Lima	indirect	100%
73.	PUMA Sports LA S.A.	Uruguay	Montevideo	direct	100%
74.	PUMA Suede Holding, Inc.	USA	Westford	indirect	100%
75.	PUMA North America, Inc.	USA	Westford	indirect	100%
76.	Brandon USA, Inc.	USA	Chicago	indirect	100%
77.	COBRA Golf, Inc.	USA	Carlsbad	indirect	100%
78.	PUMA Wheat Accessories, LLC	USA	San Diego	indirect	85%
79.	Janed, LLC	USA	New York	indirect	51%
80.	PUMA Kids Apparel North America, LLC	USA	New York	indirect	51%
	Asia/Pacific				
81.	PUMA Australia Pty. Ltd.	Australia	Victoria	indirect	100%
82.	White Diamond Australia Pty. Ltd.	Australia	Victoria	indirect	100%
83.	White Diamond Properties Pty. Ltd.	Australia	Victoria	indirect	100%
84.	Kalola Pty. Ltd.	Australia	Victoria	indirect	100%
85.	Liberty China Holding Ltd.	British Virgin Islands		indirect	100%
86.	Brandon Trading (Shanghai) Ltd.	China	Shanghai	indirect	100%
87.	PUMA China Ltd.	China	Shanghai	indirect	100%
88.	Dobotex China Ltd.	China	Shanghai	indirect	100%
89.	Guangzhou World Cat Information Consulting Services Company Ltd.	China	Guangzhou	indirect	100%
90.	World Cat Ltd.	Hongkong		direct	100%
91.	Development Services Ltd.	Hongkong		direct	100%
92.	PUMA International Trading Services Ltd.	Hongkong		indirect	100%
93.	PUMA Asia Pacific Ltd.	Hongkong		direct	100%
94.	PUMA Hong Kong Ltd.	Hongkong		indirect	100%
95.	Dobotex Ltd.	Hongkong		indirect	100%
96.	Brandon Hong Kong Ltd.	Hongkong		indirect	100%
97.	PUMA Sports India Private Ltd.	India	Bangalore	indirect	100%
98.	PUMA India Retail Private Ltd.	India	Bangalore	indirect	100% [1]
99.	World Cat Sourcing India Ltd.	India	Bangalore	indirect	100%
100.	PT PUMA Cat Indonesia Ltd.	Indonesia	Jakarta	indirect	100%
101.	PUMA JAPAN K.K.	Japan	Tokio	indirect	100%
102.	PUMA Korea Ltd.	Korea	Seoul	direct	100%
103.	Dobotex Korea Ltd.	Korea	Seoul	indirect	100%
104.	PUMA Sports Goods Sdn. Bhd.	Malaysia	Kuala Lumpur	direct	100%
105.	PUMA New Zealand Ltd.	New Zealand	Auckland	indirect	100%
106.	PUMA Sports SEA Trading Pte. Ltd.	Singapore		direct	100%
107.	PUMA SEA Holding Pte. Ltd.	Singapore		indirect	100%
108.	PUMA Taiwan Sports Ltd.	Taiwan	Taipei	indirect	100% [1]
109.	World Cat Vietnam Co. Ltd.	Vietnam	Long An Province	indirect	100%
110.	World Cat Vietnam Sourcing & Development Services Co. Ltd.	Vietnam	Ho Chi Minh City	indirect	100%

1) subsidiaries which are assigned to be economically 100% PUMA Group

CURRENCY CONVERSION As a general rule, monetary items in foreign currencies are converted in the individual financial statements of the Group companies at the exchange rate valid on the balance sheet date. Any resulting currency gains and losses are immediately recognized in the income statement. Non-monetary items are converted at historical acquisition and manufacturing costs.

The assets and liabilities of foreign subsidiaries, the functional currency of which is not the Euro, have been converted to Euros at the average exchange rates valid on the balance sheet date. Expenses and income have been converted at the annual average exchange rates. Any differences resulting from the currency conversion of net assets relative to exchange rates that had changed in comparison with the previous year, were adjusted against equity.

The significant conversion rates per Euro are as follows:

T.11

Currency	2015 Reporting date exchange rate	2015 Average exchange rate	2014 Reporting date exchange rate	2014 Average exchange rate
USD	1.0887	1.1095	1.2141	1.3285
HKD	8.4376	8.6014	9.4170	10.3025
JPY	131.0700	134.3140	145.2300	140.3061
GBP	0.7340	0.7258	0.7789	0.8061

DERIVATIVE FINANCIAL INSTRUMENTS/HEDGE ACCOUNTING Derivative financial instruments are recognized at fair value at the time a contract is entered into and thereafter. At the time when a hedging instrument is acquired, PUMA classifies the derivative as a hedge for a planned transaction (cash flow hedge).

At the time when the transaction is concluded, the hedging relationship between the hedging instrument and the underlying transaction as well as the purpose of risk management and the underlying strategy are documented. In addition, assessments as to whether the derivatives used in the hedge accounting compensate effectively for a change in the fair value or the cash flow of the underlying transaction are documented at the beginning of and continuously after the hedging relationship.

Changes in the market value of derivatives that are intended and suitable for cash flow hedges and that prove to be effective are adjusted against equity, taking into account deferred taxes. If there is no complete effectiveness, the ineffective part is recognized in the income statement. The amounts recognized in equity are recognized in the income statement during the same period in which the hedged planned transaction affects the income statement. If, however, a hedged future transaction results in the recognition of a non-financial asset or a liability, gains or losses previously recorded in equity are included in the initial valuation of the acquisition costs of the respective asset or liability. The fair values of the derivative instruments used to hedge planned transactions are shown under “Other current financial assets” or “Other current financial liabilities.”

LEASING Leases are to be classified either as finance leases or operating leases. Leases where the Company, in its capacity as the lessee, is responsible for all significant opportunities and risks that arise from the use of the lease object are treated as finance leases. All other leases are classified as operating leases. The lease payments from operating leases are recorded as an expense over the term of the contract.

CASH AND CASH EQUIVALENTS Cash and cash equivalents include cash and bank balances. To the extent that bank deposits are not immediately required to finance current assets, they are invested as risk-free fixed-term deposits, presently for a term of up to three months. The total amount of cash and cash equivalents is consistent with the cash and cash equivalents stated in the cash flow statement.

INVENTORIES Inventories are valued at acquisition or manufacturing costs, or at the lower net realizable values derived from the selling price on the balance sheet date. As a general rule, the acquisition cost of the merchandise is determined using the average cost method. Value adjustments are adequately recorded, depending on age, seasonality and realizable market prices, in a manner that is standard throughout the Group.

RECEIVABLES AND OTHER ASSETS Receivables and other assets are initially stated at fair value, taking into account transaction costs, and subsequently valued at amortized acquisition cost after deduction of value adjustments. All identifiable risks with respect to value adjustments are sufficiently accounted for in the form of individual risk assessments based on historical values.

Adjustments are conducted in principle if, after recognition of the financial asset, there are objective indications for an impairment that has an effect on the expected future cash flow from that financial instrument. Significant financial difficulties of a debtor, an increased probability that a creditor becomes insolvent or enters into a clean-up procedure, or a breach of contract, e.g., a cancellation or delay in interest payments or repayments, all count as indicators for an existing impairment. The amount of the impairment loss corresponds to the difference between the carrying amount and the cash value of the expected cash flows. The non-current assets contain loans and other assets. Non-interest-bearing non-current assets are discounted to present value if the resulting effect is significant.

NON-CURRENT INVESTMENTS The investments reported under non-current financial assets belong to the category “available for sale”. This category includes financial instruments that are not loans and receivables or held-to-maturity investments and that are not stated at fair value in the income statement. The categories “held-to-maturity investments” and “financial assets stated at fair value in the income statement” do not apply within the PUMA Group.

[14] G4-17

All purchases and sales of non-current investments are recognized on the date of the trade. The initial recognition of non-current investments takes place at fair value plus transaction costs. They are also recognized in subsequent periods at fair value, if this can be reliably determined. Unrealized gains and losses are stated in comprehensive income, taking into account deferred taxes. When non-current investments are sold, the gain or loss is recognized in the income statement.

If there is material objective evidence of the impairment of non-current investments, these assets are written down against income. For equity investments categorized as “available for sale”, material objective evidence of impairment exists when there is a significant or prolonged decline in the fair value of the assets below their acquisition cost. The same applies if there is no longer an active market for listed shares.

PROPERTY, PLANT AND EQUIPMENT Property, plant and equipment are stated at acquisition cost, net of accumulated depreciation. The depreciation period depends on the expected useful life of the respective item. The straight-line method of depreciation is applied. The useful life depends on the type of assets involved. Buildings are subject to a useful life of between ten and fifty years, and a useful life of between three to ten years is assumed for moveable assets.

Repair and maintenance costs are recorded as an expense as of the date on which they were incurred. Substantial improvements and upgrades are capitalized to the extent that the criteria for capitalization of an asset item apply.

As a general rule, lease objects, the contractual basis of which is to be classified as a finance lease, are shown under property, plant and equipment; initially they are accounted for at fair value or the lower present value of the minimum lease payments, and net of accumulated depreciation in subsequent accounting periods.

GOODWILL Goodwill resulting from a business acquisition is calculated based on the difference between the purchase price and the fair value of the acquired asset and liability items. Goodwill from acquisitions is largely attributable to the intangible infrastructure acquired and the associated opportunity to make a positive contribution to corporate value.

Goodwill amounts are allocated to the Group’s cash-generating units that are expected to benefit from the synergy effects resulting from the business combination.

An impairment test of goodwill per cash-generating unit (usually the countries) is performed once a year, as well as whenever there are indicators of impairment, and can result in an impairment loss. There is no reversal of an impairment loss for goodwill.

OTHER INTANGIBLE ASSETS Acquired intangible assets largely consist of concessions, intellectual property rights and similar rights. These are valued at acquisition cost, net of cumulative amortization. The useful life of intangible assets is between three and ten years and they are subject to linear depreciation.

The item also includes acquired trademark rights, which were assumed to have an indefinite useful life in light of the history of the brand and due to the fact that the brand is continued by PUMA.

IMPAIRMENT OF ASSETS Intangible assets with an indefinite or indeterminate useful life are not subject to scheduled depreciation, but are subject to an annual impairment test. Property, plant and equipment and other intangible assets with finite useful lives are tested for impairment if there is any indication of impairment in the value of the asset concerned. In order to determine whether there is a requirement to recognize the impairment of an asset, the recoverable amount of the respective asset (the higher amount of the fair value less costs to sell and value in use) is compared with the carrying amount of the asset. If the recoverable amount is lower than the carrying amount, the difference is recognized as an impairment loss. The test for impairment is performed, if possible, at the level of the respective individual asset, otherwise at the level of the cash-generating unit. Goodwill, on the other hand, is tested for impairment only at the cash-generating unit level. If it is determined within the scope of the impairment test that an asset needs to be written down, then the goodwill, if any, of the cash-generating unit is written down initially and, in a second step, the remaining amount is distributed proportionately over the remaining assets. If the reason for the recognized impairment no longer applies, a reversal of impairment loss is recognized to the maximum amount of the written-down acquisition cost. There is no reversal of an impairment loss for goodwill.

Impairment tests are performed using the discounted cash flow method. To determine the fair value less costs to sell and value in use, the expected cash flows are based on corporate planning data. Expected cash flows are discounted using an interest rate in line with market conditions.

HOLDINGS IN ASSOCIATED COMPANIES Associated companies represent shareholdings over which PUMA has a significant influence, but which do not qualify as subsidiaries or joint ventures. Significant influence is generally assumed when PUMA holds, directly or indirectly, at least 20 percent, but less than 50 percent, of the voting rights.

Holdings in associated companies are accounted for using the equity method. Here, the shares are initially recognized at their acquisition cost and are subsequently adjusted for the pro-rata changes in the company's net assets that are attributable to PUMA. Any recognized goodwill is shown in the carrying amount of the associated company.

Within the scope of the impairment test, the carrying amount of a company valued at equity is compared with its recoverable amount provided that there is an indication that the asset has decreased in value. If the recoverable amount is lower than the carrying amount, the difference is recognized as an impairment loss. If the reasons for the previously recognized impairment no longer apply, a write-up is recognized in the income statement.

FINANCIAL DEBT, OTHER FINANCIAL LIABILITIES AND OTHER LIABILITIES As a general rule, these items are recognized at their acquisition cost, taking into account transaction costs, and subsequently recognized at amortized acquisition cost. Non-interest or low-interest-bearing liabilities with a term of at least one year are recognized at present value, taking into account an interest rate in line with market conditions, and are compounded until their maturity at their repayment amount. Liabilities from finance lease agreements are recognized as of the beginning of the lease transaction at the amount of the present value of the minimum lease amount, or at the lower fair value, and are adjusted by the repayment amount of the lease installments.

As a general rule, current financial liabilities also include the proportion of long-term loans that have a maximum residual term of up to one year.

PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS In addition to defined benefit plans, some companies provide defined contribution plans, which do not result in any further obligation other than the payment of current contributions. The pension provision for defined benefit plans is generally calculated using the projected unit credit method. This method takes into account not only pension benefits and pension rights accrued as of the reporting date, but also expected future salary and pension increases. The defined benefit obligation (DBO) is calculated by discounting expected future cash flows based on a discount rate by reference to high quality corporate bonds. The currency and estimated term of the corporate bonds are consistent with the currency and estimated term of the obligations. Some of the plans are funded. The fair value of plan assets is then deducted from the defined benefit obligation in order to determine the net defined benefit liability.

Remeasurements, resulting from actuarial profits and losses, changes in the asset ceiling and return on plan assets (without interest on the net liability) are shown in Other Comprehensive Income. The remeasurements shown in Other Comprehensive Income are part of the retained earnings and are no longer reclassified in the income statement. Past service costs are included in the pension expense when they occur.

OTHER PROVISIONS Provisions are recognized if the Group, as a result of a past event, has a current obligation and this obligation is likely to result in an outflow of resources with economic benefits, the amount of which can be reliably estimated. The provisions are recognized at their settlement value as determined on the basis of the best possible assessment and are not offset by income. Provisions are discounted if the resulting effect is significant.

Provisions for the expected expenses from warranty obligations pursuant to the respective national sales contract laws are recognized at the time of sale of the relevant products, according to the best estimate in relation to the expenditure needed in order to fulfill the Group's obligation.

Provisions are also recognized to account for onerous contracts. An onerous contract is assumed to exist where the unavoidable costs of fulfilling the contract exceed the economic benefit arising from this contract.

Provisions for restructuring measures are also recognized if a detailed, formal restructuring plan has been produced that has created a justified expectation that the restructuring measures will be carried out by those concerned due to its implementation starting or its major components having been announced.

TREASURY SHARES Treasury shares are deducted from equity at their market price as of the date of acquisition, plus incidental acquisition costs. Pursuant to the authorization of the Annual General Meeting, treasury shares can be repurchased for any authorized purpose, including the flexible management of the Company's capital requirements.

EQUITY COMPENSATION PLANS/MANAGEMENT INCENTIVE PROGRAM In accordance with IFRS 2, stock-based compensation systems are recognized at fair value and recorded under personnel costs. PUMA has stock-based compensation systems in the form of stock options (SOP) involving compensation in shares and in the form of virtual shares with cash compensation.

The expenses associated with the SOP are determined from the fair value of the options as of the grant date, without taking into account the impact of non-market-oriented exercise hurdles (e.g., forfeited options if the eligible employee leaves the Company prematurely). The expense is recorded by distributing it as personnel costs over the vesting period until the options are vested and is recognized as a capital reserve. Non-market-oriented exercise hurdles are adjusted in accordance with current expectations and the assessment of expected exercisable options is reviewed on each balance sheet date. The resulting gains and losses are recognized in the income statement and recorded through a corresponding adjustment in equity over the remaining period up to the vesting date.

For share-based remunerations with cash compensation, a liability is recognized for the services received and measured with its fair value upon addition. Until the debt is cleared, its fair value is recalculated on every balance sheet date and on the settlement date and all changes to the fair value are recognized in the income statement.

RECOGNITION OF SALES REVENUES Revenues from the sale of products (sales revenues) are recognized at the time of the transfer of the significant opportunities and risks associated with the ownership of the goods and products sold to the buyer if it is likely that the Group will derive the economic benefit from the sale. The amount of the recognized sales revenues is based on the fair value of the consideration received or to be received, taking into account returns, discounts and rebates.

ROYALTY AND COMMISSION INCOME Income from royalties is recognized in the income statement in accordance with the invoices to be submitted by the license holders. In certain cases, values must be estimated in order to permit accounting on an accrual basis. Commission income is invoiced to the extent that the underlying purchase transaction is deemed realized.

ADVERTISING AND PROMOTIONAL EXPENSES Advertising expenses are recognized in the income statement as of the date of their accrual. As a general rule, promotional expenses stretching over several years are recognized as an expense over the contractual term on an accrual basis. Any expenditure surplus resulting from this allocation of expenses after the balance sheet date is recognized in the form of an impairment of assets or a provision for anticipated losses in the respective annual financial statements.

PRODUCT DEVELOPMENT PUMA continuously develops new products in order to meet market requirements and market changes. Intangible assets are not capitalized since the criteria set forth in IAS 38 are not satisfied.

FINANCIAL RESULT The financial results include the results from associated companies as well as interest income from financial investments and interest expense from loans. Financial results also include interest expense from discounted non-current liabilities and pension provisions that are associated with acquisitions of business enterprises or arise from the valuation of pension commitments.

Exchange rate effects that can be directly allocated to an underlying transaction are shown in the respective income statement item.

INCOME TAXES Current income taxes are determined in accordance with the tax regulations of the respective countries where the individual Group companies conduct their operations.

DEFERRED TAXES Deferred taxes resulting from temporary valuation differences between the IFRS and tax balance sheets of individual Group companies and from consolidation procedures are charged to each taxable entity and shown either as deferred tax assets or deferred tax liabilities. Deferred tax assets may also include claims for tax reductions that result from the expected utilization of existing losses carried forward to subsequent years and which are sufficiently certain to materialize. Deferred tax assets or liabilities may also result from accounting treatments that do not affect net income. Deferred taxes are calculated on the basis of the tax rates that apply to the reversal in the individual countries and that are in force or adopted as of the balance sheet date.

Deferred tax assets are shown only to the extent that the respective tax advantage is likely to materialize. Value adjustments are recognized on the basis of the past earnings situation and the business expectations for the foreseeable future, if this criterion is not fulfilled.

ASSUMPTIONS AND ESTIMATES The preparation of the consolidated financial statements requires some assumptions and estimates that have an impact on the amount and disclosure of the recognized assets and liabilities, income and expenses, as well as contingent liabilities. The assumptions and estimates are based on premises, which in turn are based on currently available information. In individual cases, the actual values may deviate from the assumptions and estimates made. Consequently, future periods involve a risk of adjustment to the carrying amount of the assets and liabilities concerned. If the actual trend is different to the expected trend, the premises and, if necessary, the carrying amounts of the assets and liabilities involved are adjusted in the income statement.

All assumptions and estimates are continuously reassessed. They are based on historical experiences and other factors, including expectations regarding future global and industry-related trends that appear reasonable under the current circumstances. Assumptions and estimates particularly arise in relation to the valuation of goodwill and brands, pension obligations, derivative financial instruments and taxes. The most significant forward-looking assumptions and sources of estimation uncertainty as of the reporting date concerning the above-mentioned items are discussed below.

GOODWILL AND BRANDS A review of the impairment of goodwill is based on the calculation of the value in use. In order to calculate the value in use, the Group must estimate the future cash flows from those cash-generating units to which the goodwill is allocated. To this end, the data used were from the relevant three-year plan, which is based on forecasts of the overall economic development and the resulting industry-specific consumer behavior. Another key assumption concerns the determination of an appropriate interest rate for discounting the cash flows to present value (discounted cash flow method). The “Relief from Royalty” method is used to value brands. See paragraph 10 for further information, in particular regarding the assumptions used for the calculation.

PENSION OBLIGATIONS Pension obligations are determined using an actuarial calculation. This calculation is contingent on a large number of factors that are based on assumptions and estimates regarding the discount rate, the expected return on plan assets, future wage and salary increases, mortality and future pension increases. Due to the long-term nature of the commitments made, the assumptions are subject to significant uncertainties. Any change in these assumptions has an impact on the carrying amount of the pension obligations. The Group determines at the end of each year the discount rate applied to determine the present value of future payments. This discount rate is based on the interest rates of corporate bonds with the highest credit rating that are denominated in the currency in which the benefits are paid and the maturity of which corresponds to that of the pension obligations. See paragraph 15 for further information, in particular regarding the parameters used for the calculation.

TAXES Tax items are determined by taking into account prevailing local tax laws and the relevant administrative opinions and, due to their complexity, may be subject to different interpretations by persons subject to tax, on the one hand, and the tax authorities, on the other hand. As an effect of tax audits, different interpretations of tax laws may result in additional tax payments for prior years and are taken into account based on management’s considerations.

The recognition of deferred taxes, in particular with respect to tax loss carryforwards, requires that estimates and assumptions be made concerning future tax planning strategies as well as the expected date of initial recognition and the amount of future taxable income. The taxable income from the relevant corporate plan is derived for this judgment. This takes into account the past financial position and the business development expected in the future. Active deferred tax assets on losses carried forward are recorded for companies incurring a loss only if it is highly likely that future positive income will be achieved that can be offset against these tax loss carryforwards. Please see paragraph 8 for further information and detailed assumptions.

DERIVATIVE FINANCIAL INSTRUMENTS The assumptions used for the valuation of derivative financial instruments are based on the prevailing market conditions as of the balance sheet date and thus reflect the fair value. See paragraph 24 for further information.

3. Cash and cash equivalents

As of December 31, 2015, the Group had €338.8 million (previous year: €401.5 million) in cash and cash equivalents. The average effective interest rate of financial investments was virtually unchanged from the previous year at 0.3%. There are no restrictions on disposition.

4. Inventories

Inventories are allocated to the following main groups:

T.12

	2015 € million	2014 € million
Raw materials, consumables and supplies	19.9	17.6
Finished goods and merchandise/inventory		
Footwear	218.6	166.1
Apparel	177.3	153.5
Accessories/Other	102.6	88.1
Goods in transit	138.6	146.2
Total	**657.0**	**571.5**

The table shows the carrying amount of the inventories net of value adjustments. Of the value adjustments of €48.2 million (previous year: €62.5 million), approx. 72% (previous year approx. 69%) were recognized as expense under cost of sales in the 2015 financial year.

The amount of inventories recorded as an expense during the period mainly includes the cost of sales shown in the consolidated income statement.

5. Trade Receivables

This item consists of:

T.13

	2015 € million	2014 € million
Trade receivables, gross	521.9	488.6
Less value adjustments	-38.8	-39.4
Trade receivables, net	**483.1**	**449.2**

Allowances for trade receivables changed as follows:

T.14

	2015 € million	2014 € million
Status of value adjustments as of January 1	**39.4**	**53.9**
Exchange rate differences	0.3	0.2
Allocations	7.3	10.9
Utilization	-6.0	-19.6
Reversals	-2.2	-6.0
Status of value adjustments as of December 31	**38.8**	**39.4**

The age structure of the trade receivables is as follows:

T.15

	Gross values 2015							
	Total	of which not written down						of which written down
		Not due	0–30 days	31–60 days	61–90 days	91–180 days	over 180 days	
€ million	521.9	344.2	40.9	20.7	8.2	6.1	2.7	99.1

T.16

	Gross values 2014							
	Total	of which not written down						of which written down
		Not due	0–30 days	31–60 days	61–90 days	91–180 days	over 180 days	
€ million	488.6	312.4	39.8	15.0	6.9	5.5	1.2	107.8

With respect to trade receivables that were not written down, PUMA assumes that the debtors will satisfy their payment obligations.

6. Other Current Financial Assets

This item consists of:

T.17

	2015 € million	2014 € million
Fair value of derivative financial instruments	51.0	58.0
Other financial assets	25.8	35.6
Total	**76.8**	**93.6**

The amount shown is due within one year. The fair value corresponds to the carrying amount.

7. Other Current Assets

This item consists of:

T.18

	2015 € million	2014 € million
Prepaid expense relating to the subsequent period	35.5	35.9
Other receivables	43.1	55.9
Total	**78.6**	**91.8**

The amount shown is due within one year. The fair value corresponds to the carrying amount.

Other receivables mainly include VAT receivables amounting to €15.7 million (previous year: €24.8 million).

8. Deferred Taxes

Deferred taxes relate to the items shown below:

T.19

	2015 € million	2014 € million
Tax losses carryforwards	119.1	98.4
Non-current assets	33.0	28.4
Current assets	32.9	24.9
Provisions and other liabilities	66.0	67.8
Deferred tax assets (before netting)	**251.0**	**219.5**
Non-current assets	76.9	74.8
Current assets	14.5	20.1
Provisions and other liabilities	4.0	0.3
Deferred tax liabilities (before netting)	**95.4**	**95.2**
Deferred tax assets, net	**155.6**	**124.3**

Of the deferred tax assets, €87.7 million (previous year: €75.3 million) and, of the deferred tax liabilities, €17.6 million (previous year: €20.4 million) are current.

As of December 31, 2015, tax loss carryforwards amounted to a total of €675.0 million (previous year: €566.2 million). This results in a deferred tax asset of €192.1 million (previous year: €160.8 million). Deferred tax receivables were recognized for these items in the amount at which the associated tax advantages are likely to be realized in the form of future taxable profits. Accordingly, deferred tax receivables for tax losses of €73.0 million (previous year: €62.4 million) have not been recognized; these are non-forfeitable. In addition, no deferred taxes were recognized for deductible temporary differences amounting to €5.9 million (previous year: €6.8 million).

Deferred tax liabilities for withholding taxes from possible dividends on retained earnings of subsidiaries that serve to cover the financing needs of the respective company were not recognized, since it is most likely that such temporary differences will not be cleared in the near future.

Deferred tax assets and liabilities are netted if they relate to a taxable entity and can in fact be netted. Accordingly, they are shown in the balance sheet as follows:

T.20

	2015 € million	2014 € million
Deferred tax assets	219.8	178.8
Deferred tax liabilities	64.2	54.5
Deferred tax assets, net	**155.6**	**124.3**

The changes in deferred tax assets were as follows:

T.21

	2015 € million	2014 € million
Deferred tax assets, previous year	178.8	164.2
Recognition in the income statement	30.9	19.9
Adjustment against Other Comprehensive Income	10.1	-5.3
Deferred tax assets	**219.8**	**178.8**

The changes in deferred tax liabilities were as follows:

T.22

	2015 € million	2014 € million
Deferred tax liabilities, previous year	54.5	50.3
Recognition in the income statement	3.0	-1.4
Adjustment against Other Comprehensive Income	6.7	5.6
Deferred tax liabilities	**64.2**	**54.5**

9. Property, Plant and Equipment

Property, plant and equipment at their carrying amounts consist of:

T.23

	2015 € million	2014 € million
Land and buildings, including buildings on third-party land	111.6	105.9
Technical equipment and machinery	11.9	11.7
Other equipment, factory and office equipment	105.1	95.1
Assets under construction	4.0	11.3
Total	**232.6**	**224.0**

The carrying amount of property, plant and equipment is derived from the acquisition costs. Cumulative depreciation of property, plant and equipment amounted to €280.6 million (previous year: €267.0 million).

Property, plant and equipment include lease assets (finance lease) of €0.7 million (previous year: €0.6 million).

The changes in property, plant and equipment in the 2015 financial year are shown in “Changes in fixed assets”. There were no impairment losses that exceeded current depreciation during the reporting year (previous year: €0.3 million).

10. Intangible Assets

This item mainly includes goodwill, intangible assets with indefinite or indeterminate useful lives and assets associated with the Company’s own retail activities.

Goodwill and intangible assets with indefinite or indeterminate useful lives are not subject to scheduled amortization. Impairment tests were performed in the past financial year using the discounted cash flow method. This was based on data from the respective three-year plan. The recoverable amount was determined on the basis of the value in use; no impairment losses resulted.

The cash-generating unit ‘Tretorn’ includes total goodwill before impairment of €6.6 million (previous year: €6.6 million). This is allocated to the EMEA segment. Due to the sale of the

Tretorn market rights, the goodwill of €6.6 million was divested. The effect on income from the sale is included in the item "Other operating income and expenses" in the consolidated income statement.

The cash-generating unit 'CPG – COBRA PUMA Golf' includes intangible assets in association with the COBRA brand, with an indefinite or indeterminate useful life of €130.6 million (previous year: €117.2 million). The intangible assets are significant in comparison to the overall carrying amount of the intangible assets with an indefinite or indeterminate useful life. This is allocated to the Central Unit segment. The recoverable amount of the COBRA brand (Level 3) was determined on the basis of the "relief from royalty" method. As in the previous year, this calculation assumed a royalty rate of 8%, a 3% growth rate and a discount rate of 6.8% p.a. (previous year 7.2%).

The changes in intangible assets in the 2015 financial year are shown in "Changes in fixed assets". Other intangible assets include advance payments of €0.5 million (previous year: €5.6 million). There were no impairment losses that exceeded current depreciation (previous year: €7.0 million).

Goodwill is allocated to the Group's identifiable cash-generating units (CGUs) according to the country where the activity is carried out. Summarized by regions, goodwill is allocated as follows:

T.24

	2015 € million	2014 € million
EMEA (including Dobotex)	143.4	150.3
Americas	40.0	39.6
Asia/Pacific	56.9	51.8
Total	**240.3**	**241.7**

Assumptions used in conducting the impairment test in 2015:

T.25

	Tax rate (range)	WACC before tax (range)	WACC after tax (range)
EEA	24.5%-25.0%	7.8%-8.4%	6.3%-6.8%
EEMEA*	28.0%	16.2%	12.3%
EMEA	**24.5%-28.0%**	**7.8%-16.2%**	**6.3%-12.3%**
North America*	28.3%	8.1%	6.5%
Latin America	18.5%-35.0%	9.4%-27.2%	8.1%-25.6%
Americas	**18.5%-35.0%**	**8.1%-27.2%**	**6.5%-25.6%**
Asia/Pacific	**17.0%-30.0%**	**8.0%-10.3%**	**6.7%-8.1%**

*** Information for each of the EEMEA and North America regions relates solely to one cash-generating unit (CGU)**

A growth rate of 3% is generally assumed, and a growth rate of under 3% has only been used in exceptional cases where this is justified.

The cash-generating unit 'Dobotex' includes goodwill of €139.4 million (previous year: €139.4 million), which is significant in comparison to the overall carrying amount of the goodwill. The cash-generating unit corresponds to a business unit at PUMA that was allocated to the Central Unit segment. The recoverable amount was determined by calculating value in use, using a discount rate of 6.3% p.a. (previous year: 7.1% p.a.) and a growth rate of 2% (previous year: 2%).

Sensitivity analyses related to the performed impairment tests as of the balance sheet date indicate that neither a one percentage point increase in the discount rate nor a one percentage point decrease in the growth rate result in an impairment of goodwill or of intangible assets with an indefinite or indeterminate useful life. Accordingly, the sensitivity analyses with a one-percentage-point increase in the discount rate and the sensitivity analyses with a one-percentage-point reduction in the growth rate do not show any indication of impairment.

The following table contains the assumptions for the performance of the impairment test in the previous year:

T.26

	Tax rate (range)	WACC before tax (range)	WACC after tax (range)
EEA	24.5%-26.3%	8.7%-9.6%	7.1%-7.7%
EEMEA	20.0%-28.0%	17.2%-20.3%	12.8%-14.5%
EMEA	**20.0%-28.0%**	**8.7%-20.3%**	**7.1%-14.5%**
North America	28.3%-37.0%	8.0%-9.0%	7.2%
Latin America	18.5%-35.0%	10.4%-37.0%	9.0%-24.3%
Americas	**18.5%-37.0%**	**8.0%-37.0%**	**7.2%-24.3%**
Asia/Pacific	**17.0%-30.0%**	**9.0%-11.5%**	**7.9%-9.0%**

A growth rate of 3% is generally assumed, and a growth rate of under 3% has only been used in exceptional cases where this is justified.

11. Holdings in Associated Companies

The 20.0% interest in Wilderness Holdings Ltd. is shown under Holdings in associated companies. The carrying amount of the shares is unchanged from the previous year at €15.2 million.

The following overview shows the aggregated benchmark data of the associated companies recognized at equity. The values represent the values based on the entire company and do not relate to the shares attributable to the PUMA Group.

T.27

	2015 € million	2014 € million
Gains relating to continuing operations	4.8	6.3
Other result	0.0	0.0
Comprehensive income	4.8	6.3

PUMA's share of the net earnings of Wilderness Holdings Ltd. amounts to €1.0 million (previous year: €1.3 million).

The balance sheet date of Wilderness Holdings Ltd. is February 28, 2016. The information stated above relates to the company's financial information as of December 31.

12. Other Non-Current Assets

Other non-current financial and non-financial assets consist of:

T.28

	2015 € million	2014 € million
Non-current investments	18.5	17.9
Other financial assets	20.8	16.7
Total of other non-current financial assets	**39.3**	**34.6**
Other non-current non-financial assets	25.2	23.4
Other non-current assets, total	**64.5**	**58.0**

The non-current investments relate to the 5% share of Borussia Dortmund GmbH & Co. KGaA (BVB).

Other financial assets mainly include rental deposits of €18.8 million (previous year: €14.2 million). The other non-current non-financial assets mainly include deferrals in connection with promotional and advertising agreements.

In the 2015 financial year, there were no indicators of impairment of other non-current assets.

13. Liabilities

The residual terms of the liabilities are as follows:

T.29

	2015				2014			
		Residual term of				Residual term of		
	Total € million	up to 1 year € million	1 to 5 years € million	over 5 years € million	**Total € million**	up to 1 year € million	1 to 5 years € million	over 5 years € million
Financial liabilities	**14.0**	14.0			**19.8**	19.8		
Trade payables	**519.7**	519.7			**515.2**	515.2		
Liabilities from acquisitions of business enterprises	**3.0**	3.0			**3.0**	0.5	2.5	
Other liabilities								
Liabilities from other taxes	**33.9**	33.9			**31.9**	31.9		
Liabilities relating to social security	**6.3**	6.3			**5.6**	5.6		
Payables to employees	**70.7**	70.7			**57.7**	57.7		
Liabilities from market valuation of forward exchange transactions	**18.7**	18.7			**8.3**	8.3		
Liabilities from leases	**0.5**	0.5			**0.4**	0.4		
Other liabilities	**120.2**	110.8	9.4		**57.5**	54.8	2.7	
Total	**787.0**	777.6	9.4	0.0	**699.4**	694.2	5.2	0.0

PUMA has confirmed credit facilities totaling €401.7 million (previous year: €343.2 million). Of the financial liabilities of €95.6 million (previous year: €19.8 million), of which none (previous year: €1.0 million) was claimed from credit facilities only granted until further notice. The unused credit facilities as of December 31, 2015 amounted to €306.0 million, compared to €324.4 million the previous year.

The effective interest rate of the financial liabilities ranged between 0.6% and 12.2% (previous year: 0.5% and 14.2%).

The table below shows the cash flows of the original financial liabilities and of the derivative financial instruments with a positive and negative fair value:

Liabilities to banks can be repaid at any time.

T.30 **Cash Flows from Non-Derivative and Derivative Financial Liabilities**

	Carrying amount 2015 € million	Cash flow for 2016		Cash flow for 2017		Cash flow for 2018 et seqq.	
		Interest € million	Repayment € million	Interest € million	Repayment € million	Interest € million	Repayment € million
Non-derivative financial liabilities							
Financial liabilities	14.0		14.0				
Trade payables	519.7		519.7				
Liabilities from finance leases	0.5		0.5				
Purchase price liabilities	3.0		3.0				
Other liabilities	104.2		104.2				7.0
Derivative financial liabilities and assets							
Forward exchange transactions with cash flow hedges – inflow			1,491.2		264.8		
Forward exchange transactions with cash flow hedges – outflow			1,465.1		260.0		

The following values were determined in the previous year:

T.31 **Cash Flows from Non-Derivative and Derivative Financial Liabilities**

	Carrying amount 2014 € million	Cash flow for 2015		Cash flow for 2016		Cash flow for 2017 et seqq.	
		Interest € million	Repayment € million	Interest € million	Repayment € million	Interest € million	Repayment € million
Non-derivative financial liabilities							
Financial liabilities	19.8		19.8				
Trade payables	515.2		515.2				
Liabilities from finance leases	0.4		0.4				
Purchase price liabilities	3.0		0.5		2.5		
Other liabilities	42.6		42.6				
Derivative financial liabilities and assets							
Currency forward contracts with cash flow hedges – inflow			862.4		54.3		
Currency forward contracts with cash flow hedges – outflow			815.1		54.3		

14. Additional Disclosures on Financial Instruments

T.32

	Measurement categories under IAS 39	Carrying Amount 2015 € million	Fair Value 2015 € million	Carrying Amount 2014 € million	Fair Value 2014 € million
Assets					
Cash and cash equivalents	[1])LAR	338.8	338.8	401.5	401.5
Trade receivables	LAR	483.1	483.1	449.2	449.2
Other current financial assets	LAR	25.9	25.9	35.6	35.6
Derivatives with hedging relationship (fair value)	n.a.	46.5	46.5	57.6	57.6
Derivatives without hedging relationship (fair value)	hft	4.5	4.5	0.4	0.4
Other non-current fin. assets	LAR	20.8	20.8	16.7	16.7
Non-current investments	[3] AfS	18.5	18.5	17.9	17.9
Liabilities					
Financial liabilities	[2] OL	14.0	14.0	19.8	19.8
Trade payables	OL	519.7	519.7	515.2	515.2
Purchase price liabilities	OL	3.0	3.0	3.0	3.0
Liabilities from leases	n.a.	0.5	0.5	0.4	0.4
Other financial liabilities	OL	104.2	104.2	42.6	42.6
Derivatives with hedging relationship (fair value)	n.a.	16.1	16.1	8.3	8.3
Derivatives without hedging relationship (fair value)	hft	2.7	2.7	0.0	0.0
Total LAR		**868.6**	**868.6**	**903.0**	**903.0**
Total OL		**640.9**	**640.9**	**580.6**	**580.6**
Total AfS		**18.5**	**18.5**	**17.9**	**17.9**

[1] LAR: Loans and Receivables; [2] OL: Other Liabilities; [3] AfS: Available for Sale

Financial instruments that are valued at fair value in the balance sheet were determined using the following hierarchy:

Level 1: Use of prices quoted on active markets for identical assets or liabilities.
Level 2: Use of input factors that do not involve the quoted prices stated under Level 1, but can be observed for the asset or liability either directly (i.e., as price) or indirectly (i.e., derivation of prices).
Level 3: Use of factors for the valuation of the asset or liability that are based on non-observable market data.

The fair values of the financial assets in the "available-for-sale" category (AfS) were determined on the basis of Level 1. The market values of derivative assets or liabilities were determined on the basis of Level 2.

Cash and cash equivalents, trade receivables and other receivables have a short residual maturity. Accordingly, as of the reporting date, the carrying amount corresponds to fair value. Receivables are stated at nominal value, taking into account deductions for default risk.

Accordingly, as of the reporting date, the carrying amount of loans receivable corresponds to fair value.

The fair value of other financial assets corresponds to their carrying amounts, taking into account prevailing market interest rates. Other financial assets include €25.1 million (previous year: €16.2 million) that was pledged as rental deposits at usual market rates.

Liabilities to banks can be terminated at any time and, thus, have a short maturity. Accordingly, as of the reporting date, the carrying amount corresponds to fair value.

Trade payables have a short residual maturity. The recognized values approximate fair value.

Pursuant to the contracts entered into, purchase price liabilities associated with acquisitions of business enterprises lead to prorated payments. The resulting nominal amounts were discounted at a reasonable market interest rate, depending on the expected date of payment. As of the end of the financial year, the market interest rate only affects one company and is unchanged from the previous year at 2.3%.

The fair values of other financial liabilities are determined based on the present values, taking into account the prevailing interest rate parameters.

The fair value of derivatives with hedging relationships as of the balance sheet date is determined taking into account the prevailing market parameters. The discounted result of the comparison of the forward price on the reporting date with the forward price on the valuation date is included in the valuation.

Net income by valuation categories:

T.33

	2015 € million	2014 € million
Loans and receivables (LAR)	25.6	6.7
Other liabilities (OL)	-43.9	-17.6
Derivatives without hedging relationship	2.1	1.2
Non-current financial assets (AfS)	0.6	-3.5
Total	**-15.6**	**-13.2**

The net income was determined by taking into account interest rates, currency exchange effects, impairment losses, and gains and losses from sales.

General administrative expenses include write-downs of receivables.

15. Pension Provisions

Pension provisions result from statutory or contractual benefits, depending on the country, which are granted in the event of invalidity, death or when a certain retirement age has been reached. Pension liabilities in the PUMA Group result either from defined benefit or defined contribution plans and comprise pensions payable both now and in the future. Pension plans are financed internally or via external pension funds.

The risks associated with the pension plans are typical risks of defined benefit plans – mainly possible changes in the discount rate and, to a minor degree, inflation rates and longevity. In order to limit the risks of changed capital market conditions and demographic changes the pension plans in the countries with the main liabilities, Germany and the UK, were closed to new hires a few years ago or are fully insured.

T.34

	Germany € milion	UK € milion	Other Companies € milion	PUMA Group € milion
Present value of the defined benefit obligation 12/31/2015				
Salary-based obligations				
Annuity	0.0	37.9	6.9	44.8
Lump sum payment	0.0	0.0	5.3	5.3
Non-salary-based obligations				
Annuity	17.8	0.0	0.0	17.8
Lump sum payment	6.4	0.0	0.0	6.4

The following values were determined in the previous year:

T.35

	Germany € milion	UK € milion	Other Companies € milion	PUMA Group € milion
Present value of the defined benefit obligation 12/31/2014				
Salary-based obligations				
Annuity	0.0	35.2	7.6	42.8
Lump sum payment	0.0	0.0	4.6	4.6
Non-salary-based obligations				
Annuity	17.3	0.0	0.0	17.3
Lump sum payment	6.2	0.0	0.0	6.2

The main plan rules are described below:

The general pension agreement of PUMA SE provides benefits amounting to €127.82 per month as a maximum. This plan was closed for new hires from 1996 onwards. For some employees, individual pension agreements apply under which higher fixed pension amounts are granted. In addition, there are individual contribution based programs (to some extent deferred compensation) which are fully insured. There are no statutory minimum funding requirements. The defined benefit obligation for the German pension arrangements amounts to €24.2 million or 32.6% of the total obligation at the end of 2015. The fair value of plan assets for these arrangements amounts to €13.0 million. The corresponding balance sheet liability amounts to €11.2 million.

The defined benefit scheme in the United Kingdom has been closed to new entrants since 2006. Benefits are provided in the event of disability, death, or upon retirement and are based on salary and length of service with the company. Benefits are paid as annuities or can be converted partly into lump sum payments. There are statutory minimum funding requirements. The defined benefit obligation for the UK pension scheme amounted to €37.9 million, or 51.0% of the total obligation, at the end of 2015. The corresponding balance sheet liability amounts to €34.2 million. The provision is €3.7 million.

The present value of the defined benefit obligation is set out below:

T.36

	2015 € million	2014 € million
Present value of the defined benefit obligation January 1	**70.9**	**68.8**
Service Cost	2.7	2.5
Past service cost	-0.1	0.2
Gains (-) and losses from plan settlements	0.0	-3.1
Interest expense on defined benefit obligation	2.3	2.6
Employee contributions	0.3	0.4
Benefits paid	-2.3	-7.4
Transfers In / (Out)	-1.2	-0.1
Actuarial profits (-) and losses	-1.0	4.9
Exchange rate changes	2.7	2.1
Present value of the defined benefit obligation December 31	**74.3**	**70.9**

The changes in the plan assets are as follows:

T.37

	2015 € million	2014 € million
Fair value of plan asset January 1	**45.0**	**40.7**
Interest income on plan assets	1.6	1.6
Actuarial profits and losses (-)	0.8	0.9
Employer contributions	2.3	2.2
Employee contributions	0.3	0.4
Benefits paid	-1.6	-2.8
Transfers In / (Out)	0.0	0.0
Exchange rate changes	2.3	2.0
Fair value of plan assets December 31	**50.7**	**45.0**

The reconciliation of the pension liability is shown below:

T.38

	2015 € million	2014 € million
Present value of the defined benefit obligation	74.3	70.9
Fair value of plan assets	-50.7	-45.0
Funded status	**23.6**	**25.9**
Effect of asset ceiling	0.0	0.0
Balance sheet liability December 31	**23.6**	**25.9**

In 2015, benefits paid amounted to €2.3 million (previous year: €7.4 million). Payments in 2016 are expected to amount to €1.9 million. Of these, €0.9 million is expected to be paid directly by the employer. In 2015, contributions to external plan assets amounted to €2.3 million (previous year: €2.2 million). Contributions in 2016 are expected to amount to €2.0 million.

The changes in balance sheet liability are as follows:

T.39

	2015 € million	2014 € million
Balance sheet liability January 1	**25.9**	**28.1**
Pension expense	3.4	0.7
Actuarial gains (-) and losses recorded in Other Comprehensive Income	-1.7	4.0
Employer contributions	-2.3	-2.2
Benefits paid by the employer	-0.9	-4.8
Transfer In / (Out)	-1.2	-0.1
Exchange rate changes	0.4	0.1
Balance sheet liability December 31	**23.6**	**25.9**
Thereof pension assets	0.2	0.1
Thereof pension liabilities	23.8	26.0

Components of pension expense for the 2015 financial year are as follows:

T.40

	2015 € million	2014 € million
Service Cost	2.7	2.5
Past service cost	-0.1	0.2
Effect of settlements	0.0	-3.1
Interest expense on defined benefit obligation	2.3	2.6
Interest income on plan assets	-1.6	-1.6
Administration costs	0.1	0.1
Expenses for Defined Benefit Plans	**3.4**	**0.7**
Employer Contributions for Defined Contribution Plans	**10.6**	**8.9**
Total Expenses for Defined Benefit and Defined Contribution Plans	**14.0**	**9.6**
of which personnel costs	13.3	8.6
of which financial costs	0.7	1.0

Actuarial profits and losses recorded in Other Comprehensive Income:

T.41

	2015 € million	2014 € million
Remeasurements relating to Defined Benefit Obligation	**-1.0**	**4.9**
Actuarial profits (-) and losses resulting from changes in demographic assumptions	-2.2	0.0
Actuarial profits (-) and losses resulting from changes in financial assumptions	0.8	4.9
Actuarial profits (-) and losses due to adjustments based on experience	0.4	0.0
Remeasurements relating to plan assets	**-0.8**	**-0.9**
Effect of asset ceiling	0.0	0.0
Adjustment of administrative costs	0.1	0.0
Total remeasurements (included in Other Comprehensive Income)	**-1.7**	**4.0**

Plan asset investment categories:

T.42

	2015 € million	2014 € million
Cash and cash equivalents	0.1	0.1
Equity instruments	0.1	0.1
Bonds	12.4	11.0
Investment funds	19.6	17.6
Real estate	4.2	3.6
Insurance	13.1	11.7
Other	1.2	0.9
Total Plan Assets	**50.7**	**45.0**

Of which investment categories with a quoted market price:

T.43

	2015 € million	2014 € million
Cash and cash equivalents	0.1	0.1
Equity instruments	0.1	0.1
Bonds	12.4	11.0
Investment funds	19.4	17.4
Real estate	3.9	3.3
Insurance	0.0	0.0
Other	0.0	0.0
Plan Assets with a Quoted Market Price	**35.9**	**31.9**

As in the previous year, plan assets do not include any Group's own financial instruments or real estate used by Group companies.

The plan assets are used solely to fulfill the pension claims. There are legal funding requirements in some countries; in other countries (for example Germany) there are no rules as to how and to what extent pension plans have to be funded. In the UK, a board of trustees made up of Company representatives and employees is in charge of asset management. The UK investment strategy is aimed at long-term profits and low volatility.

The following assumptions were used to determine defined benefit obligations and pension expense:

T.44

	2015	2014
Discount rate	3.11%	3.16%
Future pension increase rate	2.35%	2.42%
Future salary increase rate	4.00%	3.91%

The assumptions stated above are a weighted average of the assumptions of the individual plans. The discount rate for all Euro zone countries was 2.00% (previous year 2.00%).

The following overview shows how the present value of the defined benefit obligation would have been affected by changes to the most significant actuarial assumption.

T.45

	2015 € million	2014 € million
Effect on present value of defined benefit obligation if		
the discount rate was 50 basis points higher	-6.4	-6.2
the discount rate was 50 basis points lower	5.6	6.0

Changes in salary and pension increase rates only have a negligible effect on the present value of the defined benefit obligation due to the structure of the benefit plans.

The weighted average duration of the pension obligations is 19 years.

16. Other Provisions

T.46

	2014 € million	Currency adjustments, retransfers € million	Addition € million	Utilization € million	Reversal € million	2015 € million
Provisions for:						
Warranties	**9.5**	0.5	1.4	-2.9		**8.5**
Purchasing risks	**6.9**		6.1	-4.6	-0.9	**7.5**
Other	**76.2**	1.1	24.7	-32.5	-9.3	**60.2**
Total	**92.6**	1.6	32.2	-40.0	-10.2	**76.2**

The warranty provision is determined on the basis of the historical value of sales generated during the past six months. It is expected that the majority of these expenses will fall due within the first six months of the next financial year. The provision for warranties includes € 3.7 million for non-current provisions (previous year: € 3.6 million).

Purchasing risks relate primarily to materials and molds that are required for the manufacturing of shoes. The provision will probably result in a payment in the following year.

Other provisions consist primarily of €27.8 million for risks associated with legal disputes (previous year: €30.0 million), €2.4 million for restructuring (previous year: €11.0 million), and €30.0 provisions for anticipated losses from pending business and other risks (previous year: €35.2 million). Other provisions includes non-current provisions amounting to €19.8 million (previous year: €19.5 million).

17. Liabilities from the Acquisition of Business Entities

Pursuant to the contracts entered into, purchase price liabilities associated with acquisitions of business enterprises lead to prorated payments. The resulting nominal amounts were discounted at a reasonable market interest rate, depending on the expected date of payment.

The purchase price liabilities consist of:

T.47

	2015 € million	2014 € million
Due within one year	3.0	0.5
Due in more than one year	0.0	2.5
Total	**3.0**	**3.0**

18. Shareholders' Equity

SUBSCRIBED CAPITAL The subscribed capital corresponds to the subscribed capital of PUMA SE. As of the balance sheet date, the subscribed capital amounted to €38.6 million and is divided into 15,082,464 bearer shares. Each no-par-value share corresponds to €2.56 of the subscribed capital (share capital).

Changes in the circulating shares:

T.48

		2015	2014
Circulating shares as of January 1	**share**	**14,939,913**	**14,939,913**
Conversion from Management Incentive Program	share	0	0
Share buy-back	share	0	0
Circulating shares as of December 31	**share**	**14,939,913**	**14,939,913**

CAPITAL RESERVE The capital reserve includes the premium from issuing shares, as well as amounts from the grant, conversion and expiration of share options.

RETAINED EARNINGS AND NET PROFIT Retained earnings and net profit include the net income of the financial year as well as the income of the companies included in the consolidated financial statements achieved in the past to the extent that it was not distributed.

RESERVE FROM THE DIFFERENCE RESULTING FROM CURRENCY CONVERSION The equity item for currency conversion serves to record the differences from the conversion of the financial statements of subsidiaries with non-Euro accounting compared to the date of first-time consolidation of the subsidiaries.

CASH FLOW HEDGES The Cash flow hedges item includes the market valuation of derivative financial instruments. The item includes €21.2 million (previous year: €34.6 million), which is offset against deferred taxes amounting to €-5.3 million (previous year: €-13.5 million).

TREASURY SHARES The resolution adopted by the Annual General Meeting on May 6, 2015 authorized the company to purchase its own shares up to a value of ten percent of the share capital until May 5, 2020. If purchased through the stock exchange, the purchase price per share may not exceed or fall below 10% of the average closing price for the Company's shares with the same attributes in the XETRA trading system (or a comparable successor system) during the last three trading days prior to the date of purchase.

The Company did not make use of the authorization to purchase treasury shares during the reporting period. As in the previous year, as of the balance sheet date, the Company holds a total of 142,551 PUMA shares in its own portfolio, which corresponds to 0.95% of the subscribed capital.

AUTHORIZED CAPITAL Pursuant to the resolution of the Annual General Meeting dated April 24, 2012, the Administrative Board is authorized to increase the share capital by April 23, 2017 as follows:

A) By issuing up to €7.5 million worth of up to 2,929,687 new no-par bearer shares on one or more occasions with a pro-rata amount of the share capital of €2.56 per share in exchange for cash contributions. The new shares can also be acquired by one or several banks as determined by the Administrative Board, subject to the obligation to offer these to the shareholders for subscription (indirect subscription right). The shareholders are basically entitled to a subscription right, whereby the shareholders' subscription right may be barred to avoid fractional amounts (Authorized Capital I).

B) By issuing up to €7.5 million worth of up to 2,929,687 new no-par bearer shares on one or more occasions with a pro-rata amount of the share capital of €2.56 per share in exchange for cash contributions. The new shares can also be acquired by one or several banks as determined by the Administrative Board, subject to the obligation to offer these to the shareholders for subscription (indirect subscription right). Shareholders have, in principle, a subscription right whereby the shareholders' subscription right may be wholly or partially barred to avoid fractional shares (Subscribed Capital II).

CONDITIONAL CAPITAL Pursuant to the resolution passed by the Annual General Meeting of April 22, 2008, the share capital could be increased by up to €1.5 million through the issuance of up to 600,000 new shares. The contingent capital increase was meant to be used exclusively for granting subscription rights (stock options) to former members of the Board and the Managing Directors of the Company as well as other executives of the company and subordinate associated companies. The authorization period has expired. Section 4.4. of the Articles of the Company will be deleted upon a respective resolution of the Administrative Board of the Company.

DIVIDENDS The amounts eligible for distribution relate to the net income of PUMA SE, which is determined in accordance with German commercial law.

The Managing Directors recommend to the Administrative Board and the Annual General Meeting that a dividend of €0.50 per circulating share, or a total of €7.5 million (with respect to the circulating shares as of December 31), be distributed to the shareholders from the net income of PUMA SE for financial year 2015. This corresponds to a payout ratio of 20.2% relative to consolidated net income compared to 11.7% in the previous year.

Appropriation of the Net Income of PUMA SE:

T.49

		2015	2014
Net income of PUMA SE as of December 31	€ million	134.3	60.7
Dividends per share	€	0.50	0.50
Number of circulating shares *	share	14,939,913	14,939,913
Total dividend *	€ million	7.5	7.5
Carried forward to the new accounting period *	€ million	126.8	53.2

* Previous year's values adjusted to the outcome of the Annual General Meeting

NON-CONTROLLING INTERESTS

The non-controlling interest remaining as of the balance sheet date relates to PUMA Wheat Accessories, LLC with €-0.5 million (previous year: €0.1 million), Janed, LLC with €7.2 million (previous year: €22.6 million) and PUMA Kids Apparel North America, LLC, with €1.3 million (previous year: €0.4 million).

CAPITAL MANAGEMENT

The Group's objective is to retain a strong equity base in order to both maintain investor and market confidence and strengthen future business performance.

Capital management relates to the consolidated equity of PUMA. This is shown in the consolidated balance sheet as well as the reconciliation statement under Changes in equity.

19. Equity Compensation Plans/Management Incentive Program

In order to provide long-term incentives and thereby retain the management staff in the Company, PUMA uses stock-based compensation systems in the form of stock option programs (SOP) and in the form of virtual shares with cash compensation.

The current programs are described below:

EXPLANATION OF "SOP" Pursuant to the resolution of the Annual General Meeting of April 22, 2008, a stock option program, "SOP 2008", was accepted in the form of a "Performance Share Program". Conditional capital was created for this purpose and the Supervisory Board and the Board of Management of PUMA AG (as of July 25, 2011 change of form into an SE) were authorized to grant subscription rights to the members of the Board of Management and other executives of the Company and of affiliated subsidiary companies for five years (after the registration of the conditional capital in the commercial register), but for at least three months after the end of the Annual General Meeting in 2013.

The term of the subscription rights issued or to be issued is five years and these subscription rights can be exercised after two years at the earliest, provided, however, that the price of the PUMA share has increased by at least 20% since the grant date. In contrast to traditional stock option programs, the equivalent amount of the increase in value of the PUMA share since the grant date is serviced with shares, whereby the beneficiary pays an option price of €2.56 per share granted if the share was issued as part of a capital increase. If employees leave the company, then their options rights expire.

Furthermore, pursuant to the authorization, the Administrative Board, in accordance with the recommendations of the German Corporate Governance Code, may limit, fully or partially, the scope and contents of subscription rights granted to the company's Managing Directors in the event of extraordinary unforeseen developments. This authorization also applies to the Managing Directors with respect to the other executive staff concerned.

The programs were valued using a binomial model or a Monte Carlo simulation.

The following parameters were used to determine the fair value:

T.50 SOP

	2008 Tranche I	2008 Tranche II	2008 Tranche III	2008 Tranche IV	2008 Tranche V
Share price as of the grant date	€199.27	€147.27	€250.50	€199.95	€265.00
Expected volatility	29.1%	47.7%	34.5%	29.2%	26.8%
Expected dividend payment	1.50%	2.31%	1.30%	1.30%	0.8%
Risk-free interest rate Former members of the Board of Management/ current Managing Directors	4.60%	1.97%	1.60%	2.40%	0.3%
Risk-free interest rate	4.60%	1.97%	1.60%	2.40%	0.3%

The historical volatility during the year prior to the date of valuation was used to determine the expected volatility.

Changes in the "SOP" during the financial year:

T.51 SOP

	2008 Tranche I	2008 Tranche II	2008 Tranche III	2008 Tranche IV	2008 Tranche V
Issue date	21.07.2008	14.04.2009	22.04.2010	15.04.2011	30.04.2012
Amount issued	113,000	139,002	126,184	151,290	145,375
Exercise price	€0.00	€0.00	€2.56	€2.56	€2.56
Residual term	0.00 years	0.00 years	0.00 years	0.29 years	1.33 years
Circulating as of January 1, 2015	**0**	**0**	**98,693**	**103,463**	**113,469**
Exercised	0	0	0	0	0
Ø Share price when exercised	€220.83	€214.57	n.a.	n.a.	n.a.
Expired	0	0	-98,693	-2,000	-6,500
Circulating as of December 31, 2015	**0**	**0**	**0**	**101,463**	**106,969**
Exercisable options as of the reporting date	0	0	0	0	0

Pursuant to Section 5 of the Option Terms and Conditions, every year the options are subject to a vesting period from December 15 for up to ten trading days after the Annual General Meeting. Accordingly, no options could be exercised as of the reporting date.

As of the date of allocation, the average fair value per option was €49.44 for "Tranche I -2008". Taking into account the vesting period, there are no further expenses for the current financial year. Of the options in circulation, 0 options belong to the previous members of the Board of Management of PUMA AG or the current Managing Directors.

Pursuant to the allocation, the average fair value per option was €53.49 for "Tranche II – 2008". Taking into account the vesting period, there are no further expenses for the current financial year. Of the options in circulation, 0 options belong to the previous members of the Board of Management of PUMA AG or the current Managing Directors.

Pursuant to the allocation, the average fair value per option was €61.81 for "Tranche III – 2008". Taking into account the vesting period, there are no further expenses for the current financial year. Of the options in circulation, 0 options belong to the previous members of the Board of Management of PUMA AG or the current Managing Directors.

Pursuant to the allocation, the average fair value per option was €40.14 for "Tranche IV – 2008". Taking into account the vesting period, there are no further expenses for the current financial year. A total of 86,463 options belong to the previous members of the Board of Management of PUMA AG or the current Managing Directors as of year-end.

Pursuant to the allocation, the average fair value per option was €44.59 for "Tranche V – 2008". Taking into account the vesting period, there are no further expenses for the current financial year. A total of 13,453 options belong to the current Managing Directors of PUMA AG as of year-end.

EXPLANATION OF "VIRTUAL SHARES", KNOWN AS "MONETARY UNITS" In 2013, the company began granting monetary units annually as part of a management incentive program. Monetary units are based on the performance of the PUMA and Kering shares. Each monetary unit entitles the holder to a cash payout at the end of its term. This payout is determined partly by the final determined price of the PUMA share (component 1), which has a 70% weighting, and partly by the final determined price of the Kering share (component 2), which has a 30% weighting. Component 1 compares the success with the average virtual stock appreciation rights of the last 30 days of the previous year. Component 2, however, measures the success by comparing the performance of Kering shares to the average performance of a benchmark portfolio of the luxury and sport sector for the same period. These monetary units are subject to a vesting period of three years. After that, there is an exercise period of two years (in the period from April to October) which can be freely used by participants for the purpose of exercising the options. The fundamental exercise condition after the vesting period is the existence of an active employment relationship with PUMA.

Provisions amounting to €1.9 million were recorded for this program in financial year 2015, based on commitments to the Managing Directors in employment contracts.

T.52 *Virtual Shares (Monetary Units)*

Issue date		01.01.2013	01.01.2014	01.01.2015
Term	Years	5	5	5
Vesting period	Years	3	3	3
Base price component 1	EUR/share	224.00	173.86	199.47
Base price component 2	EUR/share	152.00	144.00	167.00
Benchmark component 1 at the end of the financial year	EUR/share	199.47	199.47	199.47
Benchmark component 2 at the end of the financial year	EUR/share	163.57	136.54	103.49
Participants in year of issue	people	4	3	3
Participants at the end of the financial year	people	2	3	3
Number of monetary units component 1	share	1,915	3,799	3,556
Number of monetary units component 2	share	3,031	5,501	7,965

This commitment consisting of share-based remuneration transactions with cash compensation are recorded as personnel provisions and revalued on every balance sheet date at fair value. Expenses are likewise recorded over the vesting period. Based on the market price on the balance sheet date, the provision for the two programs amounted to a total of €3.0 million at the end of the financial year.

EXPLANATION OF THE PROGRAM "GAME CHANGER 2017" In addition, in 2014, a further long-term incentive program called "Game Changer 2017" was launched. Participants in this program consist mainly of top executives who report to the Managing Directors, as well as occasional key functions in the PUMA Group. The goal of this program is to promote the loyalty of this group of employees to the company and to allow them to share in the medium-term success of the company.

The duration of the program is 3 years and is based on the medium-term objectives of the PUMA Group in relation to the operating result (EBIT) (70%), working capital (15%) and gross profit margin (15%). The program calls for a provision to be formed each year upon fulfillment of the currency-adjusted targets. The credit accrued in this way will then be paid out to participants in March 2017. The payment is subject to the condition that the participant is in an ongoing employment relationship with a company of the PUMA Group as of December 31, 2016. €0.8 million was set aside for this program in the reporting year.

EXPLANATION OF THE PROGRAM "GAME CHANGER 2018" The "Game Changer 2018" program was launched in 2015; the program has the same parameters as the program "Game Changer 2017". €1.0 million was set aside for this program in the reporting year.

20. Other Operating Income and Expenses

According to the respective functions, other operating income and expenses include personnel, advertising, sales and distribution expenses as well as rental and leasing expenditure, travel costs, legal and consulting expenses, and other general expenses. Typical operating income that is associated with operating expenses was offset. Rental and lease expenses associated with the Company's own retail stores include sales-dependent rental components.

Other operating income and expenses are allocated based on functional areas as follows:

T.53

	2015 € million	2014 € million
Sales and distribution expenses	1,140.4	997.7
Product management/merchandising	37.5	34.8
Research and development	56.7	46.2
Administrative and general expenses	249.8	215.4
Other operating expenses	**1,484.4**	**1,294.1**
Other operating income	**23.9**	**17.3**
Total	**1,460.5**	**1,276.8**
Of which scheduled depreciation	57.5	50.5
Of which impairment expenses	0.0	7.3

Within the sales and distribution expenses, marketing/retail expenses account for a large proportion of the operating expenses. In addition to advertising and promotional expenses, they also include expenses associated with the Group's own retail activities. Other sales and distribution expenses include warehousing expenses and other variable sales and distribution expenses.

Administrative and general expenses include expenses for the statutory auditor of PUMA SE of €0.8 million (previous year: €0.8 million). Of this, €0.7 million is allocated to auditing expenses (previous year: €0.6 million), €0.1 million to tax advisory services (previous year: €0.1 million) and €0.0 million to other assurance services (previous year: €0.1 million).

Other operating income includes €6.1 million (previous year: €16.3 million) relating to income from the allocation of development costs and €17.8 million (previous year: €1.0 million) relating to other income.

Overall, other operating expenses include personnel costs, which consist of:

T.54

	2015 € million	2014 € million
Wages and salaries	387.1	341.3
Social security contributions	50.2	47.8
Expenses from share-based remuneration with compensation in shares	0.0	0.3
Expenses from share-based remuneration with cash compensation	1.9	0.5
Expenses for retirement pension and other personnel expenses	44.6	35.4
Total	**483.8**	**425.3**

In addition, cost of sales includes personnel costs of €20.7 million (previous year: €13.6 million).

The annual average number of full-time employees was as follows:

T.55

	2015	2014
Marketing/retail/sales	7,367	7,247
Product development/design	866	864
Administrative and general units	2,755	2,719
Total annual average	**10,988**	**10,830**

As of the end of the year, a total of 11,351 people were employed (previous year: 11,267) on a full-time basis.

21. Financial Result

The financial result consists of:

T.56

	2015 € million	2014 € million
Income from associated companies	**1.0**	**1.3**
Financial income	**11.2**	**4.8**
Interest expense	-14.4	-9.8
Interest accrued on purchase price liabilities from acquisitions of business enterprises	-0.1	-0.1
Valuation of pension plans	-0.7	-0.9
Expenses from currency conversion differences, net	-8.2	-1.5
Financial expenses	**-23.4**	**-12.3**
Financial result	**-11.2**	**-6.2**

Income from associated companies results exclusively from the shareholding in Wilderness Holdings Ltd. (see also paragraph 11).

Financial income includes only interest income.

Interest expenses relate to short-term financing liabilities.

The financial result also includes a total of €8.2 million in expenses from currency-conversion differences (previous year: expenses of €1.5 million), which are attributable to financing activities.

22. Income Taxes

T.57

	2015 € million	2014 € million
Current income taxes		
Germany	26.5	11.9
Other contries	25.0	46.4
Total current income taxes	**51.5**	**58.3**
Deferred taxes	**-28.2**	**-21.3**
Total	**23.3**	**37.0**

In general, PUMA SE and its German subsidiaries are subject to corporate income tax, plus a solidarity surcharge, and trade tax. The resulting weighted mixed tax rate applied for the financial year remains at 27.22%.

Reconciliation of the theoretical tax expense with the effective tax expense:

T.58

	2015 € million	2014 € million
Earnings before income tax	**85.0**	**121.8**
Theoretical tax expense Tax rate of the SE = 27.22% (previous year: 27.22%)	23.1	33.1
Taxation difference with respect to other countries	-12.6	-13.1
Other tax effects:		
Income tax for previous years	4.9	7.9
Losses and temporary differences for which no tax claims were recognized	9.8	2.2
Changes in tax rate	0.3	0.8
Non-deductible expenses for tax purposes and non-taxable income and other effects	-2.2	6.1
Effective tax expense	**23.3**	**37.0**
Effective tax rate	27.5%	30.4%

The tax effect resulting from items that are directly credited or debited to equity is shown directly in the statement of comprehensive income.

Other effects include withholding taxes of €11.4 million (previous year: €11.9 million).

23. Earnings per Share

The earnings per share are determined in accordance with IAS 33 by dividing the consolidated annual surplus (consolidated net earnings) attributable to the shareholder of the parent company by the average number of circulating shares. Potential shares from the management incentive program may lead to a dilution of this indicator (see paragraph 19).

The calculation is shown in the table below:

T.59

		2015	2014
Net earnings	€ million	37.1	64.1
Average number of circulating shares	share	14,939,913	14,939,913
Diluted number of shares	share	14,939,913	14,939,913
Earnings per share	€	2.48	4.29
Earnings per share, diluted	€	2.48	4.29

24. Management of the Currency Risk

In the 2015 financial year, PUMA designated “forward purchase USD” currency derivatives as cash flow hedges in order to hedge the amount payable of purchases denominated in USD, which is converted to EUR.

The nominal amounts of open rate-hedging transactions, which relate mainly to cash flow hedges, refer to currency forward contracts totaling €1,491.2 million (previous year: €862.4 million). Cash flows for these underlying transactions are expected in 2016. Please see also the details in paragraph 13.

The market values of open rate-hedging transactions on the balance sheet date consist of:

T.60

	2015 € million	2014 € million
Currency forward contracts, assets (see paragraph 6)	51.0	58.0
Currency forward contracts, liabilities (see paragraphs 13 and 14)	-18.7	-8.3
Net	**32.3**	**49.7**

The changes in effective cash flow hedges are shown in the schedule of changes in shareholders' equity and the statement of comprehensive income.

In order to disclose market risks, IFRS 7 requires sensitivity analyses that show the effects of hypothetical changes in relevant risk variables on earnings and equity. The periodic effects are determined by relating the hypothetical changes caused by the risk variables to the balance of the financial instruments held as of the balance sheet date. The underlying assumption is that the balance as of the balance sheet date is representative for the entire year.

Currency risks as defined by IFRS 7 arise on account of financial instruments being denominated in a currency that is not the functional currency and is monetary in nature. Differences resulting from the conversion of the individual financial statements to the Group currency are not taken into account. All non-functional currencies in which PUMA employs financial instruments are generally considered to be relevant risk variables.

Currency sensitivity analyses are based on the following assumptions:
Material primary monetary financial instruments (cash and cash equivalents, receivables, interest-bearing debt, liabilities from finance leases, non-interest-bearing liabilities) are either denominated directly in the functional currency or transformed into the functional currency through the use of currency forward contracts.

Currency forward contracts used to hedge against payment fluctuations caused by exchange rates are part of an effective cash-flow hedging relationship pursuant to IAS 39. Changes in the exchange rate of the currencies underlying these contracts have an effect on the hedge reserve in equity and the fair value of these hedging contracts.

If, as of December 31, 2015, the USD had appreciated (devalued) against all other currencies by 10%, the hedge reserve in equity and the fair value of the hedging transactions would have been €105.5 million higher (lower) (December 31, 2014: €59.0 million higher (lower)).

Currency risks are discussed in greater detail in the Group Management Report under the Risk Management section.

25. Segment Reporting

Segment reporting is based on geographical regions in accordance with our internal reporting structure. Sales revenues and operating results (EBIT) are shown according to the head office of the respective Group company of the corresponding region. Intra-group sales for the respective region are eliminated. Allocation of the remaining segment information is also determined on the basis of the respective group company's head office. The sum totals equal the amounts on the income statement or on the balance sheet, respectively.

The regions are subdivided into EMEA (Europe, Middle East and Africa), Americas (North and Latin America) and Asia/Pacific.

The segments' internal sales are generated on the basis of market prices. They are not considered in the representation, as they are not relevant for controlling.

Investments and depreciation/amortization relate to additions and depreciation/amortization of property, plant and equipment and intangible assets during the current financial year. In addition, total impairment expenses of €0.0 million (previous year: €7.3 million) were taken into account in the segments EMEA (€0.0 million, previous year: €1.5 million), Americas (€0.0 million, previous year: €1.4 million), Asia/Pacific (€0.0 million, previous year: €0.2 million) and central units/consolidation (€0.0 million, previous year: €4.2 million).

Since PUMA is active in only one business area, namely that of the sporting goods industry, sales revenues and gross profit are allocated based on products, i.e., according to the footwear, apparel and accessories product segments in accordance with the internal reporting structure. According to this reporting structure, except for the allocation of sales revenue and of gross profit, there is no other allocation of the operating result or of the asset and liability items.

Operating Segments 1-12/2015

T.61 Regions

	External Sales		EBIT		Investments	
	1 – 12 / 2015 € million	1-12 / 2014 € million	1 – 12 / 2015 € million	1-12 / 2014 € million	1 – 12 / 2015 € million	1-12 / 2014 € million
EMEA	**1,165.8**	1,109.8	**-16.6**	-5.6	**30.8**	26.9
Americas	**1,191.4**	968.1	**30.4**	41.6	**25.4**	27.2
Asia/Pacific	**652.6**	559.3	**31.8**	12.8	**12.5**	11.4
Central units/consolidation	**377.6**	334.8	**50.7**	79.2	**10.5**	9.3
Total	**3,387.4**	**2,972.0**	**96.3**	**128.0**	**79.2**	**74.8**

T.62 Regions

	Depreciation		Inventories		Trade Receivables	
	1 – 12 / 2015 € million	1-12 / 2014 € million	1 – 12 / 2015 € million	1-12 / 2014 € million	1 – 12 / 2015 € million	1-12 / 2014 € million
EMEA	**12.1**	12.0	**280.0**	227.2	**159.7**	160.0
Americas	**15.8**	13.4	**201.8**	191.7	**160.9**	160.4
Asia/Pacific	**10.7**	9.1	**97.7**	68.5	**91.5**	69.8
Central units/consolidation	**18.9**	16.0	**77.5**	84.1	**71.0**	59.0
Total	**57.5**	50.5	**657.0**	571.5	**483.1**	449.2

T.63 **Product**

	External Sales		Gross Profit Margin	
	1 – 12 / 2015 € million	1-12 / 2014 € million	***1 – 12 / 2015 € million***	1-12 / 2014 € million
Footwear	**1,506.1**	1,282.7	**41.2%**	42.6%
Apparel	**1,244.8**	1,103.1	**49.3%**	49.5%
Accessories	**636.4**	586.3	**48.0%**	50.0%
Total	**3,387.4**	2,972.0	**45.5%**	46.6%

T.64 **Bridge to EBT**

	1 – 12 / 2015 € million.	1-12 / 2014 € million
EBIT	**96.3**	128.0
Financial Result	**-11.2**	-6.2
EBT	**85.0**	121.8

26. Notes to the Cash Flow Statement

The cash flow statement was prepared in accordance with IAS 7 and is structured based on cash flows from operating, investment and financing activities. The indirect method is used to determine the net cash used in/ from operating activities. The gross cash flow, derived from earnings before income tax and adjusted for non-cash income and expense items, is determined within the cash flow from ongoing operating activities. Net cash used in/ from operating activities, reduced by investments in property, plant and equipment as well as intangible assets, is referred to as free cash flow.

The financial resource fund reported in the cash flow statement includes all payment methods and equivalent payment methods shown under “Cash and cash equivalents”, i.e., cash in hand, checks and temporary bank balances.

27. Contingencies and Contingent Liabilities

CONTINGENCIES As in the previous year, there were no reportable contingencies.

CONTINGENT LIABILITIES As in the previous year, there were no reportable contingent liabilities.

28. Other Financial Obligations

OBLIGATIONS FROM OPERATING LEASES The Group rents and leases offices, warehouses, facilities, and fleets of vehicles, as well as selling space for the Company’s own retail stores. Rental agreements for the retail business are concluded for terms of between five and fifteen years. The remaining rental and lease agreements have residual terms of between one and five years. Some agreements include options to renew and price adjustment clauses.

Total expenses resulting from these agreements amounted in 2015 to €143.3 million (previous year: €123.5 million). Some of the expenses are dependent on sales.

As of the balance sheet date, the obligations from future minimum rental payments for operating lease agreements are as follows:

T.65

	2015 € million	2014 € million
Under rental and lease agreements:		
2016 (2015)	119.6	103.4
2017 – 2020 (2016 – 2019)	253.4	215.5
from 2021 (from 2020)	124.9	63.3

FURTHER OTHER FINANCIAL OBLIGATIONS Furthermore, the Company has other financial obligations associated with license, promotional and advertising agreements, which give rise to the following financial obligations as of the balance sheet date:

T.66

	2015 € million	2014 € million
Under license, promotional and advertising agreements:		
2016 (2015)	157.4	135.6
2017 – 2020 (2016 – 2019)	366.3	388.1
from 2021 (from 2020)	68.4	93.9

In addition, there are industry-standard obligations concerning the provision of sports equipment under sponsorship agreements.

As customary in the industry, the promotional and advertising agreements provide for additional payments upon the reaching of pre-defined goals (e.g., medals, championships). Although these are contractually agreed upon, they naturally cannot be exactly foreseen in terms of their timing and amount.

In addition, there are other financial obligations totaling €6.7 million, of which €1.3 million relate to the years from 2017. These include service agreements of €5.7 million and obligations associated with the construction of a building costing €1.0 million.

29. Managing Directors and Administrative Board

Disclosures pursuant to Section 314 (1)(6) of the HGB (German Commercial Code)

In accordance with the Act on Disclosure of Management Board Compensation of August 3, 2005, the disclosure of the individual earnings of the members of the Board of Management and Managing Directors may be dispensed with for a period of 5 years pursuant to Section 286(5); Section 285(9)(a) sentences 5–8; Section 314(2)(2) and Section 314(1)(6)(a) sentences 5–8 of the HGB, if the Annual General Meeting passes a resolution in this regard by a 75% majority.

Pursuant to the resolution of the Annual General Meeting of May 7, 2013, the Company was authorized to refrain from disclosures pursuant to Section 285(9)(a) sentences 5–8 and Section 314(1)(6)(a) sentences 5–8 of the HGB with respect to the financial year beginning on January 1, 2013 and all subsequent financial years ending December 31, 2017 at the latest.

The Managing Directors and the Administrative Board are of the opinion that the shareholders' justified interest in information is sufficiently accounted for by the disclosure of the total compensation of the Managing Directors. The Administrative Board will ensure the appropriateness of the individual compensation in accordance with its statutory duties.

THE MANAGING DIRECTORS The compensation of the Managing Directors, which is determined by the Administrative Board, consists of non-performance-based and performance-based components. The non-performance-based components consist of a fixed salary and non-cash compensation, whereas the performance-based components consist of bonuses and components with a long-term incentive effect. Along with job assignments and performance of each individual Managing Director, the criteria for calculating the total remuneration are the economic situation, long-term strategic planning and related targets, the long-term durability of targeted results and the Company's long-term prospects.

A fixed salary is paid out monthly as non-performance-based basic compensation. In addition, the Managing Directors receive non-cash compensation, such as company cars, pension contributions and insurance premiums. In principle, these benefits are granted to all Managing Directors in an equal manner and are included in the non-performance-based compensation.

The bonus component of performance-related compensation is mainly based on the PUMA Group's operating income (EBIT) and free cash flow and is staggered according to the degree to which targets are met. In addition, qualitative individual goals are set. The parties also agree on an upper limit.

The previous performance-based compensation components with long-term incentives (appreciation rights) that were part of a stock option plan were not granted after the 2012 financial year. The existing options can be exercised until May 2017 if the exercise criteria are met. Details on the parameters for these programs can be found in paragraph 19.

Pro-rata provisions totaling €1.9 million (previous year: €0.7 million) for the compensation program with long-term incentives for the financial year 2015 (from the years 2013, 2014 and 2015) for the Managing Directors were set up based on the commitments made. Under the performance-based program, 70% of the compensation will be based on the medium-term performance of PUMA SE's share and 30% will be based on the medium-term performance of Kering SA's share in relation to benchmark companies. Further information on the program can be found in paragraph 19.

The fixed compensation for the three Managing Directors amounted to €1.9 million in the financial year (previous year: for the five Managing Directors €2.5 million) and variable bonuses came to €1.5 million (previous year: €2.4 million). Non-cash compensation totaled €0.1 million (previous year: €0.2 million).

The Managing Directors receive pension benefits, for which the Company took out a pension liability insurance policy. The proportion of the pension capital that is already financed through contributions to the pension liability insurance is deemed to be vested. During the financial year, €0.4 million was allocated for Managing Directors (previous year: €0.5 million). The present value of the pension benefits granted to Managing Directors in the amount of €1.7 million as of December 31, 2015 (previous year: €1.3 million) was offset against the pledged asset value of the pension liability insurance policy, which was of an equal amount.

Pension obligations to former members of the Board of Management, their widows and Managing Directors amounted to €13.3 million (previous year: €12.5 million) and are accordingly recognized as liabilities under pension provisions, unless they are offset against asset values of an equal amount. Pensions paid totaled €0.2 million (previous year: €0.2 million).

In 2015, a long-term incentive program, "Game Changer 2018", was introduced for global senior management and strategically important employees that will allow this group of employees to participate in PUMA SE's earnings over the medium term. €1.0 million was set aside for this program. An additional €0.8 million (previous year: €0.9 million) was set aside for the predecessor program "Game Changer 2017" (Tranche 2). Further information on the program can be found in paragraph 19.

ADMINISTRATIVE BOARD In accordance with the Articles of Association, the Administrative Board has at least three members; it currently consists of nine members. The compensation of the Administrative Board is comprised of a fixed and a performance-based component. The total fixed compensation amounted to €0.3 million (previous year: €0.3 million).

In accordance with the Articles of Association, each member of the Administrative Board receives fixed annual compensation in the amount of €25,000. Fixed remuneration is increased by an additional fixed annual amount of €25,000 for the Chairman of the Administrative Board, €12,500 for the Vice Chairman of the Administrative Board, €10,000 for the Chairman of a committee (with the exception of the Nominating Committee) and €5,000 for each member of a committee (with the exception of the Nominating Committee).

In addition, each Administrative Board member receives performance-based compensation equal to €20.00 for each €0.01 by which the earnings per share figure shown in the annual financial statements exceeds a minimum amount of €16.00 per share. The performance-based compensation amounts to a maximum of €10,000 per year. The Chairman of the Administrative Board receives twice this amount (maximum €20,000) and the Vice Chairman receives one and a half times this amount (maximum €15,000) in compensation. Since earnings per share are below the minimum amount in the financial year, no performance-based compensation will be paid.

30. Related Party Relationships

In accordance with IAS 24, relationships with related parties that control or are controlled by the PUMA Group must be reported unless such related parties are already included as consolidated companies in the consolidated financial statements of PUMA SE. Control is defined as the ability to determine an entity's financial and business policies and benefit from its activities.

SAPARDIS SE, Paris, a wholly owned subsidiary of Kering S.A., presently holds over 75% of the subscribed capital of PUMA SE. Kering S.A. is controlled by Artémis S.A., Paris, which in turn is a wholly owned subsidiary of Financière Pinault S.C.A., Paris. Consequently, all companies that are directly or indirectly controlled by Artémis S.A. and are not included in the consolidated financial statements of PUMA SE are accounted for as related companies.

In addition, the disclosure obligation pursuant to IAS 24 also extends to transactions with associated companies as well as transactions with other related parties. These include non-controlling shareholders in particular.

Transactions with related parties largely concern the sale of goods and services. These sales were concluded under normal market conditions that are also customary with third parties.

The following overview illustrates the scope of the business relationships:

Receivables from related parties are, with one exception, not subject to value adjustments. Only with respect to the receivables from a non-controlling shareholder and its group of companies were gross receivables of €52.2 million fully adjusted in value for a subsidiary of PUMA SE in Greece as of December 31, 2015 (previous year: €52.2 million). As in the previous year, no expenses were recognized in this respect in the 2015 financial year.

Liabilities to companies consolidated in the Kering Group include €74.7 million (previous year: €0.0 million) in current financial liabilities which were taken out as part of the financing activities. These liabilities are recognized under Other current financial liabilities.

The Managing Directors and the members of the Administrative Board of the PUMA Group are related parties within the meaning of IAS 24. The services and compensation of this group of individuals are shown in paragraph 29.

T.67

	Deliveries and services rendered		Deliveries and services received	
	2015 € million	2014 € million	2015 € million	2014 € million
Artémis-Group consolidated companies	0.0	0.0	0.1	0.1
Kering-Group consolidated companies	1.8	2.8	4.8	2.3
Other related parties	25.2	7.1	18.2	14.0
Total	**27.0**	**9.9**	**23.1**	**16.4**

T.68

	Net receivables from		Payables to	
	2015 € million	2014 € million	2015 € million	2014 € million
Artémis-Group consolidated companies	0.0	0.0	0.0	0.0
Kering-Group consolidated companies	2.2	1.1	75.3	0.7
Other related parties	1.9	17.9	1.8	0.2
Total	**4.1**	**19.0**	**77.1**	**0.9**

Within consulting, service and employment contracts, members of the Administrative Board received compensation from PUMA of €0.3 million (previous year: €0.3 million).

31. Corporate Governance

In November 2015, the Managing Directors and the Administrative Board submitted the required compliance declaration with respect to the recommendations issued by the Government Commission German Corporate Governance Code pursuant to Section 161 of the AktG (Aktiengesetz, German Stock Corporation Act) and published it on the Company's website (**www.puma.com**). Please also refer to the Corporate Governance Report in the Group Management Report of PUMA SE.

32. Events after the Balance Sheet Date

There were no events after the balance sheet date that had any material impact on the net assets, financial position and results of operations.

33. Declaration by the Legal Representatives

We state to the best of our knowledge that the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with the applicable accounting principles, and that the Group Management Report provides a true and fair view of the course of the development and performance of the business and the position of the Group, together with a description of the principal risks and opportunities associated with the expected performance of the Group.

DATE OF RELEASE The Managing Directors of PUMA SE released the consolidated financial statements on February 5, 2016 for distribution to the Administrative Board. The task of the Administrative Board is to review the consolidated financial statements and state whether it approves them.

Herzogenaurach, February 5, 2016

THE MANAGING DIRECTORS

Gulden Lämmermann Sørensen

MANAGING DIRECTORS

Bjørn Gulden

Chief Executive Officer (CEO)

Membership of other supervisory boards and controlling bodies:
- Tchibo GmbH, Hamburg
- Borussia Dortmund GmbH & Co. KG, Dortmund
- Dansk Supermarked A/S, Højbjerg/Dänemark
- Pandora A/S, Kopenhagen/Dänemark

Michael Lämmermann

Chief Financial Officer (CFO)

Lars Radoor Sørensen

Chief Operating Officer (COO)

Membership of other supervisory boards and controlling bodies:
- Scandinavian Brake Systems A/S, Svendborg/Dänemark

ADMINISTRATIVE BOARD

Jean-François Palus
(Chairman)
London, United Kingdom
Group Managing Director and member of the Administrative Board of Kering S.A., Paris/France, responsible for Strategy, Operations and Organization

Membership of other supervisory boards and controlling bodies:
- Kering Americas, Inc., New York/USA
- Volcom Inc., Costa Mesa/USA
- Luxury Goods International (L.G.I.) S.A., Cadempino/Switzerland
- Kering Luxembourg S.A., Luxembourg/Luxembourg
- Kering Tokyo Investment Ltd., Tokyo/Japan
- Pomellato SpA, Penne/Italy
- Volcom Luxembourg Holding S.A., Luxembourg/Luxembourg
- Sowind Group S.A., La Chaux-de-Fonds/Switzerland
- Kering Americas, Delaware/USA
- Guccio Gucci SpA, Florence/Italy
- Gucci America Inc, Delaware/USA
- Christopher Kane Ltd, London/United Kingdom
- Ulysse Nardin S.A., Le Locle/Switzerland
- Kering Eyewear SpA, Padua/Italy

François-Henri Pinault
(Deputy Chairman)
Paris, France
CEO and Chairman of the Administrative Board of Kering S.A., Paris/France

Membership of other supervisory boards and controlling bodies:
- Artémis S.A., Paris/France
- Financière Pinault S.C.A., Paris/France
- Société Civile du Vignoble de Château Latour S.C., Pauillac/France
- Christie's International Ltd., London/United Kingdom
- Bouygues S.A., Paris/France
- Soft Computing S.A., Paris/France
- Boucheron Holding S.A.S., Paris/France
- Yves Saint Laurent S.A.S, Paris/France
- Kering Holland N.V. (previously named Gucci Group N.V), Amsterdam/Netherlands
- Sapardis SE, Paris/France
- Volcom Inc., Costa Mesa/USA
- Stella McCartney Ltd., Haywards Heath/West Sussex/United Kingdom
- Kering International Ltd., London/United Kingdom
- Kering Netherlands B.V, Amsterdam/The Netherlands
- Ulysse Nardin S.A., Le Locle/Switzerland
- Kering Eyewear SpA, Padua/Italy

Thore Ohlsson
Falsterbo, Sweden
President of Elimexo AB, Falsterbo/Sweden

Membership of other supervisory boards and controlling bodies:
- Nobia AB, Stockholm/Sweden
- Bastec AB, Malmo/Sweden
- Elite Hotels AB, Stockholm/Sweden
- Tomas Frick AB, Vellinge/Sweden
- Tjugonde AB, Malmo/Sweden

Todd Hymel
Santa Ana, USA
Chief Executive Officer (CEO) of Volcom Inc., Costa Mesa/USA

Membership of other supervisory boards and controlling bodies:
- Electric Visual Evolution LLC, Costa Mesa/USA

Jean-Marc Duplaix
Paris, France
Chief Financial Officer (CFO) of Kering S.A., Paris/France

Membership of other supervisory boards and controlling bodies:
- Sapardis SE, Paris/France,
- Redcats S.A., Paris/France
- E_lite SpA, Milan/Italy
- Kering Italia SpA, Florence/Italy
- Pomellato SpA, Milan/Italy
- Kering Japan Ltd., Tokyo/Japan
- Kering Tokyo Investment Ltd., Tokyo/Japan
- Kering Luxembourg S.A., Luxembourg/Luxembourg
- Qeelin Holding Luxembourg S.A., Luxembourg/Luxembourg
- E-Kering Lux S.A., Luxembourg/Luxembourg
- Luxury Fashion Luxembourg S.A., Luxembourg/Luxembourg
- Noga Luxe S.L., Barcelona/Spain
- Kering Eyewear SpA., Padua/Italy
- GPo Holding SAS, Paris/France
- Gucci Immobiliare Leccio Srl, Florence/Italy
- Design Management Srl, Florence/Italy
- Design Management 2 Srl, Florence/Italy
- Kering Studio SAS, Paris/France
- Balenciaga Asia Pacific Ltd., Hong Kong

Belén Essioux-Trujillo
Paris, France
Senior Vice-President Human Resources, Kering S.A., Paris/France
Member since 6 May 2015

Membership of other supervisory boards and controlling bodies:
- Sapardis SE, Paris/France
- Castera SARL, Luxembourg/Luxembourg
- Luxury Goods Services SA, Cadempino/Switzerland

Bernd Illig
(Employees' Representative)
Bechhofen, Germany
Administrator IT Systems of PUMA SE

Martin Köppel
(Employees' Representative)
Weisendorf, Germany
Chairman of the Works Counsel of PUMA SE

Guy Buzzard
(Employees' Representative)
West Kirby, United Kingdom
Field Account Manager of PUMA United Kingdom Ltd.

ADMINISTRATIVE BOARD COMMITTEES

Executive Committee
Thore Ohlsson (Chairman)
Jean-Marc Duplaix
Martin Köppel

Personnel Committee
François-Henri Pinault (Chairman)
Jean-François Palus
Bernd Illig

Audit Committee
Thore Ohlsson (Chairman)
Jean-Marc Duplaix
Guy Buzzard

Sustainability Committee
Jean-François Palus (Chairman)
François-Henri Pinault
Martin Köppel

Nominating Committee
François-Henri Pinault (Chairman)
Jean-François Palus
Todd Hymel

STATUTORY AUDITOR'S OPINION

We have audited the consolidated financial statements prepared by PUMA SE, Herzogenaurach, which consist of the consolidated balance sheet, the consolidated income statement, the Group's consolidated statement of comprehensive income, the consolidated cash flow statement, the consolidated statement of changes in equity and the notes to the consolidated financial statements, as well as the Group management report for the financial year from January 1 through December 31, 2015. The Company's Managing Directors are responsible for preparing the consolidated financial statements and the Group management report in accordance with the International Financial Reporting Standards (IFRS), as applicable in the EU, as well as in accordance with the supplementary regulations under commercial law pursuant to Section 315a(1) HGB. It is our duty to render an opinion on the basis of the audit we conducted of the consolidated financial statements and the Group management report.

We conducted our audit of the consolidated financial statements pursuant to Section 317 HGB in compliance with the German principles of proper auditing established by the Institute of Public Auditors. Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the group management report are identified with reasonable assurance. Knowledge of the business activities and the Group's economic and legal environment as well as expectations of possible misstatements are taken into account when determining audit procedures. The effectiveness of the accounting-related internal control system as well as evidence supporting the disclosures in the consolidated financial statements and the Group management report are examined primarily on a random basis within the framework of the audit. The audit comprises the evaluation of the annual financial statements, the annual financial statements of the companies included in consolidation, the determination of those companies to be included in consolidation, the accounting and consolidation principles applied and material evaluations by the Managing Directors, as well as the acknowledgement of the entire presentation of the consolidated financial statements and the Group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

Based on the information obtained during our audit, in our opinion the consolidated financial statements of PUMA SE, Herzogenaurach, have been properly prepared in accordance with the IFRS, as applicable in the EU, as well as in accordance with the supplementary regulations under commercial law pursuant to Section 315a(1) HGB and give a true and fair view of the net assets, financial position and results of operations of the Group. The Group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and accurately presents the opportunities and risks of future development.

Munich, February 5, 2016

Deloitte & Touche GmbH
Audit company

(Stadter)
Auditor

(Besli)
Auditor

REPORT BY THE ADMINISTRATIVE BOARD

"WHAT ARE YOU TRAINING FOR?"

"An ambitious fitness training is similar to an ambitious job. I want to further develop the power, engagement and focus to be able to deal with new challenges ahead. #NoMatterWhat."

Peggy Petrick,
Senior Manager Logistics Customs

REPORT BY THE ADMINISTRATIVE BOARD

Dear Shareholders,

In financial year 2015, 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.

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 2015, the focus was primarily on the following topics: Audit and approval of the 2014 financial statements, dividend policy, setting the agenda for the Annual General Meeting of May 6, 2015, ongoing business development, the Group's financial position, business planning for 2016 and medium-term planning, including investments, compliance and internal control system, material litigation in the Group, sustainability, implementation of the new law for equal participation of women and men in management positions, corporate governance, including amendment of the Rules of the Procedure for the Administrative Board with respect to the maximum term of office of the members of the Administrative Board and amendment of the Rules of Procedure for the Managing Directors with respect to the age regulation.

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 The Administrative Board has established five committees to perform its duties and 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.

EXECUTIVE COMMITTEE The Executive Committee organizes the Administrative Board meetings and makes decisions when instructed by the Administrative Board to do so on its behalf. This committee did not meet in 2015.

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 2015. 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 2015. 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 2015. The discussions focused on new funding programs with the IFC (World Bank), supporting manufacturers' sustainability achievements, cooperation with the international organization SHIFT that analysis the implementation of the UN Guiding Principles for Business and Human Rights at PUMA and the integration of sustainability within the procurement team.

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 discussions focused on the elections to the Administrative Board after Mr. Michel Friocourt resigned from his position as member of the Administrative Board effective October 31, 2014. The Nominating Committee recommended that the Administrative Board proposes the election of Ms. Belén Essioux-Trujillo (Senior Vice-President Human Resources, Kering S.A., Paris, France) to the Administrative Board at the Annual General Meeting on May 6, 2015.

Corporate Governance

As in previous years, the Administrative Board addressed current developments in the German Corporate Governance Code (GCGC) in the financial year 2015. 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, 2015 is available to our shareholders at any time on the Company's website under **http://about.puma.com/de/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) and the management report for the financial year 2015 as well as the consolidated financial statements and the consolidated management report for the financial year 2015 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 & Touche GmbH, Munich, who were appointed at the Annual General Meeting on May 6, 2015 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 16, 2016 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. Further, the Managing Directors explained to the Administrative Board the disclosures made in the management report, pursuant to Sections 289(4) and (5) and Section 315(4) of German Commercial Code (HGB).

The Administrative Board reviewed in detail the annual financial statements, the management report, the Managing Directors' recommendation on the appropriation of net profit and the consolidated financial statements as well as the Group management report 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 2015 financial year. The 2015 annual financial statements have thus been adopted.

The Administrative Board likewise agrees with the Managing Directors' proposal to distribute a dividend of € 0.50 per dividend entitled share to the shareholders for financial year 2015. The dividend will be funded from cash and cash equivalents, which will not jeopardize the Company's liquidity. A total amount of € 7.5 million will be paid out in dividends from PUMA SE's net income. The remaining net income of € 126.8 million will be carried forward.

Report on Relationships with Affiliated Companies
Since April 10, 2007, PUMA SE has been a dependent company of Sapardis S.E., 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."

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 was one change in personnel on the part of the shareholder representatives. The Administrative Board elected Ms. Belén Essioux-Trujillo (Senior Vice-President Human Resources, Kering S.A., Paris, France) as shareholder representative at the Annual General Meeting on May 6, 2015. Her term of office ends with the close of the Annual General Meeting that adopts the resolutions approving the actions of the Board for the financial year 2016.

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 16, 2016

On behalf of the Administrative Board

Jean-François Palus
Chairman

GRI G4 CONTENT INDEX

"WHAT ARE YOU TRAINING FOR?"

"I am training to constantly improve myself, be it in sport, at work or regarding my own personality. Always stay in motion. #NoMatterWhat."

Anna Kopp,
Treasury Manager

GRI

General Standard Disclosures	Inclusion	Cross-reference and comments	Page Number	External Assurance DELOITTE
STRATEGY AND ANALYSIS				
G4-1	Fully	Foreword Sustainability Strategy New Targets “10FOR20”	5-7 41-42 52	✓
G4-2	Fully	Sustainability Strategy Stakeholder Dialogue New Targets “10FOR20”	41-42 44 52	✓
ORGANIZATIONAL PROFILE				
G4-3	Fully	Imprint	184	✓
G4-4	Fully	Commercial Activities and Organizational Structure	78	✓
G4-5	Fully	Commercial Activities and Organizational Structure	78	✓
G4-6	Fully	Sourcing All countries with subsidiaries are listed in the notes to the consolidated financial statement.	82-85	✓
G4-7	Fully	Notes to the Consolidated Financial Statements - 1. General Notes to the Consolidated Financial Statements - Group of Consolidated Companies All countries with subsidiaries are listed in the notes to the consolidated financial statement.	122-123 123-124	✓
G4-8	Fully	Sales All countries with subsidiaries are listed in the notes to the consolidated financial statement.	86-88	✓
G4-9	Partly	Number of employees Sales Results of Operations Dividends Quantity of products sold not disclosed for confidentiality reasons.	84 86-88 89-92 92	✓
G4-10	Partly	Diversity Working conditions and flexible working modules Number of employees Numbers only reported by gender and product type. More detailed information is deemed as not material.	67-68 69 84	✓
G4-11	Fully	Working conditions and flexible working modules	69	✓
G4-12	Fully	Sustainability Strategy New Target “10FOR20” Social Sustainability Health & Safety Environmental Sustainability	41-42 52 53-55 56-57 58-61	✓
G4-13	Fully	Strategic Priorities Significant Consolidation, Accounting and Valuation Principles More detailed information reported in the Consolidated Financial Statement.	79-80 123-131	✓
G4-14	Fully	Stakeholder Dialogue Human Rights	44 44-46	✓
G4-15	Fully	Stakeholder Dialogue	44	✓
G4-16	Fully	Stakeholder Dialogue	44	✓
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES				
G4-17	Fully	Notes to the consolidated financial statements - 1. General	122-123	✓ 162
G4-18	Fully	Sustainability Strategy Ranking and Ratings Stakeholder Dialogue	41-42 43 44	✓ 73-74
G4-19	Fully	Sustainability Strategy Rankings & Ratings Stakeholder Dialogue Human Rights More details can also be found in the report from Shift about puma on our website: http://about.puma.com/damfiles/default/sustainability/stakeholders/Shift_PUMA_UNGPs-Alignment-Recom-mendations-2015_ANNUAL-REPORT-1ae10b486c64e-6d044725830755a8211.pdf	41-42 43 44 44-46	✓ 73-74

GRI

General Standard Disclosures	Inclusion	Cross-reference and comments	Page Number	External Assurance DELOITTE
G4-20	Partly	Sustainability Strategy Rankings & Ratings Stakeholder Dialogue Human Rights More details can also be found in the report from Shift about PUMA on our website: http://about.puma.com/damfiles/default/sustainability/stakeholders/Shift_PUMA_UNGPs-Alignment-Recom-mendations-2015_ANNUAL-REPORT-1ae10b486c64e-6d044725830755a8211.pdf	41-42 43 44 44-46	✓ 73-74
G4-21	Partly	Sustainability Strategy Rankings & Ratings Stakeholder Dialogue Human Rights More details can also be found in the report from Shift about PUMA on our website: http://about.puma.com/damfiles/default/sustainability/stakeholders/Shift_PUMA_UNGPs-Alignment-Recom-mendations-2015_ANNUAL-REPORT-1ae10b486c64e-6d044725830755a8211.pdf	41-42 43 44 44-46	✓ 73-74
G4-22	Fully	No restatements done		✓ 73-74
G4-23	Fully	Materiality Analysis No new materiality aspects.	42	✓ 73-74
STAKEHOLDER ENGAGEMENT				
G4-24	Fully	Ranking & Ratings Stakeholder Dialogue Human Rights Anti-Corruption Efforts	43 44 44-46 63	✓ 73-74
G4-25	Fully	Ranking & Ratings Stakeholder Dialogue Human Rights	43 44 44-46	✓ 73-74

GRI

General Standard Disclosures	Inclusion	Cross-reference and comments	Page Number	External Assurance DELOITTE
G4-26	Fully	Ranking & Ratings Stakeholder Dialogue Human Rights	43 44 44-46	✓ 73-74
G4-27	Fully	Ranking & Ratings Stakeholder Dialogue Human Rights	43 44 44-46	✓ 73-74
REPORT PROFILE				
G4-28	Fully	Calendar Year 2015		✓
G4-29	Fully	April 2014		✓
G4-30	Fully	Annually		✓
G4-31	Fully	Imprint	184	✓
G4-32	Fully	Reporting According to GRI G4 Independent Assurance Report Statutory Auditor's Opinion The 'in accordance' option Core was chosen.	43 73-74 162	✓
G4-33	Fully	Independent Assurance Report Statutory Auditor's Opinion External assurance sought through independent audit by Deloitte & Touche GmbH. All executive levels were involved in this process.	73-74 162	✓
GOVERNANCE				
G4-34	Fully	Governance Structure Corporate Governance Report	42-43 110-111	✓
ETHICS AND INTEGRITY				
G4-56	Fully	Relevant Disclosures of Corporate Governance Practices that are applied beyond the Regulatory Requirements Social Sustainability Anti-Corruption Efforts	112 53-55 63	✓

General Standard Disclosures	Inclusion	Cross-reference and comments	Page Number	External Assurance DELOITTE
SPECIFIC STANDARD DISCLOSURES				
Category: Economic				
MATERIAL ASPECT: ECONOMIC PERFORMANCE				
G4-DMA	Fully	Overview 2015 Targets and Strategy Management System Economic Report	76-77 79-80 85 86-98	✓
G4-EC1	Fully	Overview 2015 Results of Operations Sales Cash Flow Detailed information can be found in the Consolidated Financial Statements and the notes the Consolidated Financial Statements.	76-77 89-92 86-88 97-98	✓
G4-EC2	Partly	Risk and Opportunity Management Our Sustainability Strategy Environmental Profit and Loss New Targets “10FOR20”	101-105 41-42 46 52	✓
G4-EC3	Fully	Compensation Report Notes to the Consolidated Financial Statements - 1. General Provisions for Pensions and Similar Obligations Pension Provisions	99-100 122-123 129 140-143	✓
MATERIAL ASPECT: INDIRECT ECONOMIC IMPACTS				
G4-DMA	Partly	Risk and Opportunity Management	101-105	✓
G4 - EC7	Partly	Cash Flow Partially reported as PUMA does not disclose on the development extent of investments on communities. Community needs assessments have not been conducted.	97-98	✓

General Standard Disclosures	Inclusion	Cross-reference and comments	Page Number	External Assurance DELOITTE
G4 - EC8	Partly	Sourcing General Economic Conditions Results of Operations Better Work description of activities Vendor Financing Program Environmental Sustainability - supplier level Supplier Efficiency Program SAVE	82-85 86 89-92 55 55 58-60 60	✓
MATERIAL ASPECT: PROCUREMENT PRACTICES				
G4-DMA	Partly	Sourcing Risk and Opportunity Categories	82-85 101-105	✓
G4 - EC9	Partly	Sourcing Supplier Efficiency Program SAVE	82-85 60	✓
Category: Environmental				
MATERIAL ASPECT: MATERIALS				
G4-DMA	Partly	Sustainability Strategy Environmental Profit and Loss Environmental Targets New Targets “10FOR20” Material Performance	41-42 46 48-51 52 61	✓
G4-EN1	Partly	Paper Consumption; Material Performance	51 61	✓
G4-EN2	Partly	Environmental Targets Environmental Profit and Loss Only reported in general terms. Specific percentages are reported for cotton, polyester, leather and cardboard; total figures are reported for recycled waste and recycled paper. Partially reported as PUMA is not directly producing goods, main input material is paper.	48-51 46	✓
MATERIAL ASPECT: ENERGY				
G4-DMA	Fully	Sustainability Strategy Environmental Profit and Loss Environmental Targets - Energy Consumption and CO_2 Emission New Targets “10FOR20” Environmental Sustainability Supplier Efficiency Program SAVE	41-42 46 48-49 52 58-61 60	✓

General Standard Disclosures	Inclusion	Cross-reference and comments	Page Number	External Assurance DELOITTE
G4-EN3	Partly	Environmental Profit and Loss Environmental Targets - Energy Consumption and CO_2 Emission Total renewable and non-renewable energy consumption (in KWh as well as percentage) is reported irrespective of fuel types.	46 48-49	✓
G4-EN5	Partly	Environmental Profit and Loss Environmental Sustainability - Supplier level Overall energy intensity is reported but not by sub-categories.	46 58-60	✓
G4-EN6	Partly	Environmental Targets - Energy Consumption and CO_2 Emission Supplier Efficiency Program SAVE Partially reported as energy saved and is listed as part of total energy figures	48-49 60	✓
G4-EN7	Partly	Environmental Sustainability - Table on E-KPIs Partially reported as PUMA's production of goods is outsourced. Not reported for each product, but extrapolated using data from sample supplier.	60	✓
MATERIAL ASPECT: WATER				
G4-DMA	Partly	Sustainability Strategy Environmental Profit and Loss Environmental Targets - Water Consumption New Targets "10FOR20" Environmental Sustainability Supplier Efficiency Program SAVE Not fully material for PUMA's own organizational operations but deemed material for supply-chain operations.	41-42 46 51 52 58-61 60	✓
G4-EN8	Partly	Environmental Sustainability - Table on E-KPIs Environmental Targets - Water Consumption Volume of water withdrawn by source, collection method and reuse of water discharges are not fully reported as PUMA's own entities use water only for domestic purposes and discharge into public waste water collection systems.	60 51	✓

General Standard Disclosures	Inclusion	Cross-reference and comments	Page Number	External Assurance DELOITTE
MATERIAL ASPECT: EMISSIONS				
G4-DMA	Fully	Sustainability Strategy Environmental Profit and Loss Environmental Targets New Targets "10FOR20" Environmental Sustainability	41-42 46 48-51 52 58-61	✓
G4-EN15	Partly	Environmental Targets - Energy and CO_2 Emissions Environmental Sustainability - Table on E-KPIs No quantitative reporting for CO_2 emissions from biogenic source.	48-49 60	✓
G4-EN16	Fully	Environmental Targets - CO_2 Emission from the Transportation of Goods Environmental Targets - E-KPI Table	50 49	✓
G4-EN17	Partly	Environmental Targets - E-KPI Table Environmental Sustainability - Table on E-KPIs Reported as total figures irrespective of origin, i.e. biogenic CO_2 emissions not calculated separately	49 60	✓
G4-EN18	Partly	Environmental Targets - E-KPI Table Environmental Sustainability - Table on E-KPIs Partially reported as PUMAs production production of goods is outsourced.	49 60	✓
G4-EN19	Fully	Environmental Targets - E-KPI Table Environmental Sustainability - Table on E-KPIs	49 60	✓
G4-EN21	Partly	Declining VOC Consumption in Footwear Production Partially reported because air emissions are not considered significant for PUMA's operations. Quantitative emissions of air pollution are not reported as PUMA is not directly involved in production.	57	✓

GRI

General Standard Disclosures	Inclusion	Cross-reference and comments	Page Number	External Assurance DELOITTE
MATERIAL ASPECT: EFFLUENTS AND WASTE				
G4-DMA	Partly	Sustainability Strategy Environmental Profit and Loss Environmental Targets New Targets “10FOR20” Environmental Sustainability Partially reported as detailed information is not material since PUMA has outsourced production to independent supplier factories.	41-42 46 48-51 52 58-61	✓
G4-EN22	Partly	Environmental Profit and Loss Environmental Sustainability - Supplier level (waste water disclosure on IPE) Destination, treatment method and reuse of water discharges are not fully reported as PUMA’s own entities use water only for domestic purposes and discharge into public waste water collection systems. For supply chain not reported on volume but on test methods and water quality of waste water at suppliers.	46 59	
G4-EN23	Partly	Environmental Targets - E-KPI Table Environmental Targets - Waste creation Environmental Targets - Paper Consumption Environmental Sustainability - Table on E-KPIs Partially reported in percentage. Detailed information is not material since PUMA has outsourced production to independent supplier factories.	49 51 51 60	✓
MATERIAL ASPECT: PRODUCTS AND SERVICES				
G4-DMA	Fully	Sustainability Strategy Environmental Targets New targets “10FOR20” Environmental Sustainability	41-42 48-51 52 58-61	✓

GRI

General Standard Disclosures	Inclusion	Cross-reference and comments	Page Number	External Assurance DELOITTE
G4-EN27	Fully	Environmental Targets - Paper Consumption Health & Safety - Product Safety/Restricted Substances Declining VOC Consumption in Footwear Production Environmental Sustainability - Supplier level Supplier Efficiency Program SAVE Material Performance	51 56-57 57 58-60 60 61	✓
MATERIAL ASPECT: TRANSPORT				
G4-DMA	Fully	Sustainability Strategy Environmental Targets New Targets “10FOR20” Environmental Sustainability	41-42 48-51 52 58-61	✓
G4-EN30	Fully	Environmental Targets - E-KPI Table Environmental Targets - CO_2 Emission from the Transportation of Goods Environmental Sustainability - Table on E-KPIs	49 50 60	✓
MATERIAL ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT				
G4-DMA		Sustainability Strategy Environmental Targets New Targets “10FOR20” Environmental Sustainability	41-42 48-51 52 58-61	✓
G4-EN32	Fully	Health & Safety Environmental Sustainability - Supplier level Supplier Efficiency Program SAVE	56-57 58-60 60	✓
G4-EN33	Partly	Health & Safety - Product Safety/Restricted Substances Environmental Sustainability - Supplier level Supplier Efficiency Program SAVE Data for sample suppliers reported that participated in environmental projects or were audited.	56-57 58-60 60	✓

General Standard Disclosures	Inclusion	Cross-reference and comments	Page Number	External Assurance DELOITTE
MATERIAL ASPECT: ENVIRONMENTAL GRIEVANCE MECHANISMS				
G4-DMA	Partly	Sustainability Strategy Environmental Sustainability	41-42 58-61	✓
G4-EN34	Partly	Critical Issues Only reported for selected complaints.	43-44	✓

Category: Social

Sub-Category: Labor Practices and Decent Work

General Standard Disclosures	Inclusion	Cross-reference and comments	Page Number	External Assurance DELOITTE
MATERIAL ASPECT: EMPLOYMENT				
G4-DMA	Partly	New Targets “10FOR20” People@PUMA	52 65-72	✓
G4-LA1	Partly	Working conditions and flexible working modules Number of employees Information is deemed not material. Total employee turnover and overall range of turnover are collected and reported.	69 84	✓
MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY				
G4-DMA	Fully	New Targets “10FOR20” Occupational Health and Safety	52 71-72	✓
G4-LA6	Partly	Occupational Health and Safety Partially reported only for suppliers, as occupational disease rate and minor injuries at our own entities are not significant (not material).	71-72	✓
MATERIAL ASPECT: TRAINING AND EDUCATION				
G4-DMA	Partly	Growing Talent Training and Development Talent Management	65 65-66 66-67	✓
G4-LA9	Partly	Training and Development Numbers of employees trained and total hours of training is reported, but not gender specific.	65-66	✓
G4-LA10	Partly	Growing Talent Training and Development Talent Management General training and development program in place, including leadership training. No specific lifelong learning program supporting continued employability.	65 65-66 66-67	✓
G4-LA11	Partly	Talent Management Reporting on total number of employees taking part in annual appraisal talks and talent management system, but not as percentage	66-67	✓
MATERIAL ASPECT: DIVERSITY AND EQUAL OPPORTUNITY				
G4-DMA	Partly	Diversity	67-68	✓
G4-LA12	Partly	Diversity Gender diversity reported, but not age range and minorities	67-68	✓
MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR LABOR PRACTICES				
G4-DMA	Fully	Sustainability Strategy Audit Statistics	41-42 54	✓
G4-LA14	Fully	Audit Statistics	54	✓
G4-LA15	Partly	Audit Statistics Resolution of Complaints Numbers of complaints reported, but not all complaints reported in detail.	54 54-55	✓
MATERIAL ASPECT: LABOR PRACTICES GRIEVANCE MECHANISMS				
G4-DMA	Fully	Resolution of Complaints	54-55	✓
G4-LA16	Fully	Resolution of Complaints	54-55	✓

General Standard Disclosures	Inclusion	Cross-reference and comments	Page Number	External Assurance DELOITTE
Sub-Category: Human Rights				
MATERIAL ASPECT: INVESTMENT				
G4-DMA	Fully	Human Rights Social Sustainability	44-46 53-55	✓
G4-HR1	Fully	Social Sustainability	53-55	✓
G4-HR2	Partly	Social Targets Social Sustainability Better Work Description of Activities Human Rights aspects are covered within general trainings as well as for related staff (e.g. sourcing) on the job and in dedicated meetings.	47-48 53-55 55	
MATERIAL ASPECT: NON-DISCRIMINATION				
G4-DMA	Partly	Sustainability Strategy Social Sustainability	41-42 53-55	✓
G4-HR3	Partly	Resolution of Complaints Covered for suppliers, for PUMAs own entities deemed as not material.	54-55	✓
MATERIAL ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING				
G4-DMA	Partly	Sustainability Strategy Social Sustainability	41-42 53-55	✓
G4-HR4	Partly	Resolution of Complaints Covered for selected suppliers in China, for PUMAs own entities deemed as not material.	54-55	✓

General Standard Disclosures	Inclusion	Cross-reference and comments	Page Number	External Assurance DELOITTE
Aspect: Child Labor				
G4-DMA	Partly	Sustainability Strategy Social Sustainability	41-42 53-55	✓
G4-HR5	Partly	Resolution of Complaints Covered for suppliers, for PUMAs own entities deemed as not material. No detailed information reported on which operations or suppliers are considered to have significant risk for incidents. Only actual cases in the reporting focus.	54-55	✓
MATERIAL ASPECT: FORCED OR COMPULSORY LABOR				
G4-DMA	Partly	Sustainability Strategy Social Sustainability	41-42 53-55	✓
G4-HR6	Partly	Resolution of Complaints Covered for suppliers, for PUMAs own entities deemed as not material. No detailed information reported on which operations or suppliers are considered to have significant risk for incidents. Only actual cases in the reporting focus.	54-55	✓
MATERIAL ASPECT: SECURITY PRACTICES				
G4-DMA	Partly	Sustainability Strategy Social Sustainability	41-42 53-55	✓
G4-HR7	Partly	Better Work Description of Activities Building Safety Covered for suppliers, for PUMAs own entities deemed as not material.	55 56	✓
MATERIAL ASPECT: ASSESSMENT				
G4-DMA	Fully	Sustainability Strategy Social Sustainability	41-42 53-55	✓
G4-HR9	Fully	Audit Statistics Covered for suppliers, for PUMAs own entities not material. Information reported for percentage of suppliers by regions, not by operations and country.	54	✓

GRI

General Standard Disclosures	Inclusion	Cross-reference and comments	Page Number	External Assurance DELOITTE
MATERIAL ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT				
G4-DMA	Partly	Sustainability Strategy Social Sustainability	41-42 53-55	✓
G4-HR10	Fully	Audit Statistics	54	
G4-HR11	Partly	Audit Statistics Resolution of Complaints Impact assessment of suppliers and areas of impact can be seen in the audit statistics and resolution of complaints overview. Detailed information on percentages is not in-cluded in the scope of our reporting.	54 54-55	✓
G4-DMA	Fully	Resolution of Complaints	54-55	✓
G4-HR12	Fully	Resolution of Complaints	54-55	✓

Sub-Category: Society

General Standard Disclosures	Inclusion	Cross-reference and comments	Page Number	External Assurance DELOITTE
MATERIAL ASPECT: LOCAL COMMUNITIES				
G4-DMA	Partly	Sustainability Strategy	41-42	✓
G4-SO1	Partly	Social Sustainability Environmental Sustainability Charity Cat For community engagement only qualitative data reported.	53-55 58-61 70-71	✓
MATERIAL ASPECT: ANTI-CORRUPTION				
G4-DMA	Fully	Sustainability Strategy Anti-Corruption Efforts Corporate Governance	41-42 63 110-111	✓
G4-SO3	Partly	Anti-Corruption Efforts Corporate Governance Risk and Opportunity Categories Only qualitative data disclosed.	63 110-111 101-105	✓

GRI

General Standard Disclosures	Inclusion	Cross-reference and comments	Page Number	External Assurance DELOITTE
G4-SO4	Partly	Anti-Corruption Efforts Corporate Governance Risk and Opportunity Categories Total number of participants / business partners reported, not by employee category and region.	63 110-111 101-105	✓
MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY				
G4-DMA	Partly	Sustainability Strategy Social Sustainability	41-42 53-55	✓
G4-SO9	Fully	Audit Statistics According to our policies every new supplier has to go through our initial assessment.	54	✓
G4-SO10	Partly	Audit Statistics Critical Issues Resolution of Complaints Only total numbers reported. Detailed information on per-centages is not included in the scope of our reporting.	54 43-44 54-55	✓
MATERIAL ASPECT: GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY				
G4-DMA	Fully	Resolution of Complaints	54-55	✓
G4-SO11	Fully	Resolution of Complaints	54-55	✓

GRI

General Standard Disclosures	Inclusion	Cross-reference and comments	Page Number	External Assurance DELOITTE
Sub-Category: Product Responsibility				
MATERIAL ASPECT: CUSTOMER HEALTH AND SAFETY				
G4-DMA	Fully	Sustainability Strategy Environmental Targets New Targets “10FOR20” Environmental Sustainability	41-42 48-51 52 58-61	✓
G4-PR1	Partly	Health & Safety - Product Safety/Restricted Substances Material Performance All products must be tested, but only number of RSL test reports that are stored in our database are reported.	56-57 61	✓
G4-PR2	Partly	Health & Safety - Product Safety/Restricted Substances Failures of RSL tests reported but consequences (fines, warnings) are not specifically mentioned.	56-57	✓

THE PUMA SHARE

"WHAT ARE YOU TRAINING FOR?"

"Training enables me to manage new projects with enthusiasm and self-confidence. I want to increase passion and strength to cope with new challenges and achieve ambitious goals. #NoMatterWhat."

Petra Sticker,
Teamhead Sourcing Footwear

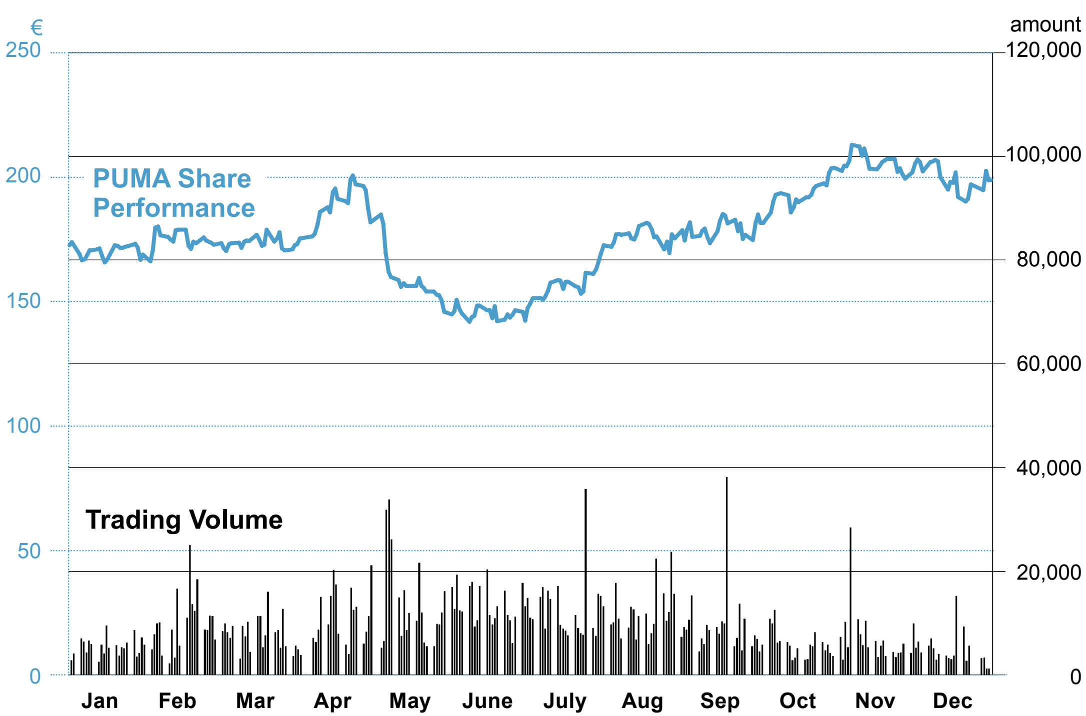
THE PUMA SHARE

The PUMA share had a very positive development in 2015 compared to prior year and showed considerable gains at the end of the stock market year. The share started into 2015 at € 172.55 and moved in the coming twelve months in a range between € 141.85 (June 8, 2015 / -17.8%) and € 212.85 (November 6, 2015 /+23.4%). As of December 30, 2015, the share was trading at € 198.65 and therefore 15.1% higher than at the closing rate of prior year. The market capitalization increased accordingly from € 2.6 billion to around € 3.0 billion. The average daily volume of shares traded increased as well to 9,416 shares compared to 7,209 shares in 2014.

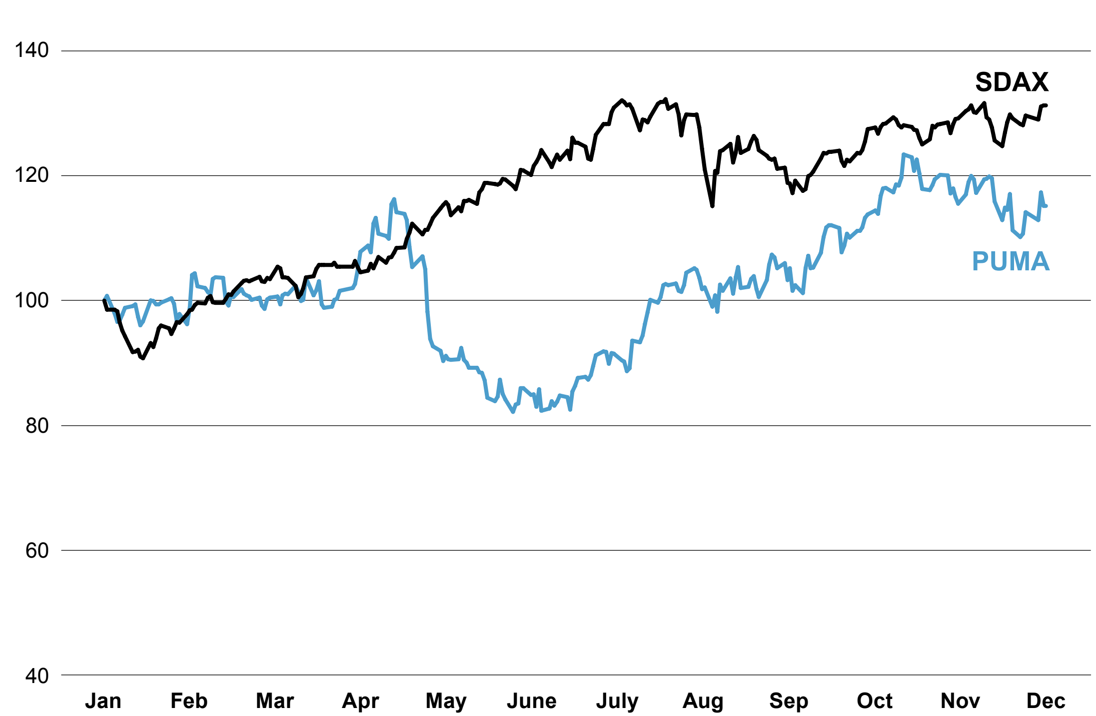
T.1 **Key Data per Share**

		2015	2014	2013	2012	2011
End of year price	€	**198.65**	172.55	235.00	224.85	225.00
Highest price listed	€	**212.85**	235.00	249.40	274.00	252.85
Lowest price listed	€	**141.85**	157.10	205.35	210.10	197.30
Daily trading volume (Ø)	amount	**9,416**	7,209	11,086	24,739	39,973
Earnings per share	€	**2.48**	4.29	0.36	4.69	15.36
Gross cashflow per share	€	**9.00**	11.52	15.44	21.89	25.47
Free cashflow (before acquisitions) per share	€	**-6.58**	4.23	3.33	5.58	4.07
Shareholders' equity per share	€	**108.39**	108.32	100.22	106.73	107.14
Dividend per share	€	**0.50**	0.50	0.50	0.50	2.00

F.1 PUMA Share Performance / Trading Volume



F.2 Share Development – rebased



The PUMA share has been registered for the regulated market (formerly official trading) on German stock exchanges since 1986. It is listed in the Prime Standard Segment and the Small-Cap Index SDAX of the German Stock Exchange [Deutsche Börse]. Moreover, membership in the Dow Jones World / STOXX Sustainability indices and the FTSE4Good index was once again confirmed.

FURTHER INFORMATION

“WHAT ARE YOU TRAINING FOR?”

“I am training to become faster – in every aspect of my life. #NoMatterWhat.”

Elina Falke.
Regional Marketing Production Manager Europe

T.1 PUMA Year-on-Year Comparison

	2015 € million	2014 € million	Deviation
Sales			
Consolidated sales	**3.387.4**	2.972.0	14.0%
- Footwear	**1.506.1**	1.282.7	17.4%
- Apparel	**1.244.8**	1.103.1	12.9%
- Accessories	**636.4**	586.3	8.5%
Result of operations			
Gross profit	**1.540.2**	1.385.4	11.2%
EBIT[1)]	**96.3**	128.0	-24.8%
EBT	**85.0**	121.8	-30.2%
Net earnings	**37.1**	64.1	-42.1%
Profitability			
Gross profit margin	**45.5%**	46.6%	-1.1%pt
EBT margin	**2.5%**	4.1%	-1.6%pt
Net margin	**1.1%**	2.2%	-1.1%pt
Return on capital employed (ROCE)	**7.9%**	11.5%	-3.6%pt
Return on equity (ROE)	**2.3%**	4.0%	-1.7%pt
Balance sheet information			
Shareholders' equity	**1.619.3**	1.618.3	0.1%
- Equity ratio	**61.8%**	63.5%	-1.7%pt
Working capital	**532.9**	455.7	16.9%
- in % of Consolidated sales	**15.7%**	15.3%	0.4%pt

T.1 PUMA Year-on-Year Comparison

	2015 € million	2014 € million.	Deviation
Cashflow and investments			
Gross cashflow	**134.5**	172.2	-21.9%
Free cashflow (before acquisition)	**-98.3**	63.1	-255.7%
Investments (before acquisition)	**79.0**	72.6	8.8%
Acquisition investments	**0.5**	23.8	-97.8%
Employees			
Number of employees (annual average)	**10.988**	10.830	1.5%
Sales per employee (k€)	**308.3**	274.4	12.3%
PUMA share			
Share price (in €)	**198.65**	172.55	15.1%
Average outstanding shares (in million)	**14.940**	14.940	0.0%
Number of shares outstanding (in million)	**14.940**	14.940	0.0%
Earnings per share (in €)	**2.48**	4.29	-42.1%
Market capitalization	**2.968**	2.578	15.1%
Average trading volume (amount/day)	**9.416**	7.209	30.6%

T.2 **PUMA Group Development (1)**

	2015 € million	2014 € million	2013 € million	2012 € million	2011 € million	2010 € million	2009* € million	2008 € million	2007 € million	2006 € million	2005 € million
Sales											
Consolidated sales	**3,387.4**	2,972.0	2,985.3	3,270.7	3,009.0	2,706.4	2,447.3	2,524.2	2,373.5	2,369.2	1,777.5
- Change in %	**14.0%**	-0.4%	-8.7%	8.7%	11.2%	10.6%	-3.0%	6.3%	0.2%	33.3%	16.2%
- Footwear	**1,506.1**	1,282.7	1,372.1	1,595.2	1,539.5	1,424.8	1,321.7	1,434.3	1,387.9	1,420.0	1,175.0
- Apparel	**1,244.8**	1,103.1	1,063.8	1,151.9	1,035.6	941.3	846.2	899.3	827.3	795.4	473.9
- Accessories	**636.4**	586.3	549.4	523.6	433.9	340.3	279.4	190.6	158.3	153.8	128.6
Result of operations											
Gross profit	**1,540.2**	1,385.4	1,387.5	1,579.0	1,493.4	1,344.8	1,243.1	1,306.6	1,241.7	1,199.3	929.8
- Gross profit margin	**45.5%**	46.6%	46.5%	48.3%	49.6%	49.7%	50.8%	51.8%	52.3%	50.6%	52.3%
Royalty and commission income	**16.5**	19.4	20.8	19.2	17.6	19.1	20.6	25.7	35.6	37.0	55.7
EBIT[1]	**96.3**	128.0	191.4	290.7	333.2	337.8	299.7	350.4	372.0	368.0	397.7
- EBIT margin	**2.8%**	4.3%	6.4%	8.9%	11.1%	12.5%	12.2%	13.9%	15.7%	15.5%	22.4%
EBT	**85.0**	121.8	53.7	112.3	320.4	301.5	138.4	326.4	382.6	374.0	404.1
- EBT margin	**2.5%**	4.1%	1.8%	3.4%	10.6%	11.1%	5.7%	12.9%	16.1%	15.8%	22.7%
Net earnings	**37.1**	64.1	5.3	70.2	230.1	202.2	79.6	232.8	269.0	263.2	285.8
- Net margin	**1.1%**	2.2%	0.2%	2.1%	7.6%	7.5%	3.3%	9.2%	11.3%	11.1%	16.1%
Expenses											
Marketing/retail	**697.6**	599.7	544.1	609.3	550.7	501.3	501.2	528.6	448.3	439.5	285.3
Personnel	**483.8**	425.3	415.7	438.8	393.8	354.1	320.2	306.4	278.0	265.7	199.4

1) EBIT before special items
* adjusted comparable figures according to IAS 8. see chapter 3 in the notes to the consolidated financial statements as of December 31. 2010

T.2 PUMA Group Development (2)

	2015 € million	2014 € million	2013 € million	2012 € million	2011 € million	2010 € million	2009* € million	2008 € million	2007 € million	2006 € million	2005 € million
Balance sheet											
Total assets	**2.620,3**	2.549,9	2.308,5	2.530,3	2.581,8	2.366,6	1.925,0	1.898,7	1.863,0	1.714,8	1.321,0
Shareholders' equity	**1.619,3**	1.618,3	1.497,3	1.597,4	1.605,2	1.386,4	1.133,3	1.177,2	1.154,8	1.049,0	875,4
- Equity ratio	**61,8%**	63,5%	64,9%	63,1%	62,2%	58,6%	58,9%	62,0%	62,0%	61,2%	66,3%
Working capital	**532,9**	455,7	528,4	623,7	534,0	404,5	323,2	436,4	406,5	401,6	255,7
- thereof: inventories	**657,0**	571,5	521,3	552,5	536,8	439,7	344,4	430,8	373,6	364,0	238,3
Cashflow											
Free cashflow	**-98,9**	39,3	29,2	-8,2	16,8	17,1	167,3	85,8	208,8	10,4	134,4
Investments (incl. acquisitions)	**79,5**	96,4	76,3	172,9	115,3	163,6	136,3	144,1	112,9	153,9	79,8
Profitability											
Return on equity (ROE)	**2,3%**	4,0%	0,4%	4,4%	14,3%	14,6%	7,0%	19,8%	23,3%	25,1%	32,6%
Return on capital employed (ROCE)	**7,9%**	11,5%	5,6%	8,6%	28,7%	31,7%	20,3%	41,0%	54,8%	58,0%	96,7%
Additional information											
Number of employees (year-end)	**11.351**	11.267	10.982	11.290	10.836	9.697	9.646	10.069	9.204	7.742	5.092
Number of employees (annual average)	**10.988**	10.830	10.750	10.935	10.043	9.313	9.747	9.503	8.338	6.831	4.425
PUMA share											
Share price (in €)	**198,65**	172,55	235,00	224,85	225,00	248,00	231,84	140,30	273,00	295,67	246,50
Earnings per share (in €)	**2,48**	4,29	0,36	4,69	15,36	13,45	5,28	15,15	16,80	16,39	17,79
Average outstanding shares (in million)	**14,940**	14,940	14,940	14,967	14,981	15,031	15,082	15,360	16,018	16,054	16,066
Number of shares outstanding (in million)	**14,940**	14,940	14,940	14,939	14,935	14,981	15,082	15,082	15,903	16,114	15,974
Market capitalization	**2.968**	2.578	3.511	3.359	3.360	3.715	3.497	2.116	4.342	4.764	3.938

* adjusted comparable figures according to IAS 8. see chapter 3 in the notes to the consolidated financial statements as of December 31. 2010

IMPRINT

PUBLISHER
PUMA SE
PUMA Way 1
91074 Herzogenaurach
Germany
Phone: 0049 (0) 9132 81 – 0
▶ ***Online: www.about.puma.com***

IF YOU HAVE ANY QUESTIONS CONCERNING THIS REPORT, PLEASE CONTACT:

CORPORATE COMMUNICATIONS
JOHANNES HACKSTETTE
Senior Manager Corporate Communications
▶ ***johannes.hackstette@puma.com***

HUMAN RESOURCES
DIETMAR KNÖSS
Director Human Resources
▶ ***dietmar.knoess@puma.com***

SUSTAINABILITY
STEFAN SEIDEL
Head of Corporate Sustainability
▶ ***stefan.seidel@puma.com***

INVESTOR RELATIONS
JOHAN-PHILIP KUHLO
Senior Manager Global Strategy
▶ ***investor-relations@puma.com***

EDITORIAL DEPARTMENTS
Corporate Communications
Investor Relations
PUMA.Safe
Human Resources

DESIGN AND REALISATION
G64-medienwelten GmbH
Planckstraße 13
Planckstudios-Magistralgebäude
22765 Hamburg
▶ ***gramlow@g64-medienwelten.de***


GAMECHANGERS
MASTER THE RULES. RULE THE PITCH.
PUMA®
FOREVERFASTER