



## QUARTERLY STATEMENT Q1 2016

### First Quarter Sales Growth across all Segments

Herzogenaurach, April 29, 2016

- Sales increase by 3.7% to € 852 million (+7.3% currency adjusted), with Footwear being the main growth driver
- Gross profit margin remains flat at 46.8%, as price adjustments, combined with an improved product offering, compensate negative impacts from a stronger US-Dollar
- EBIT improves by 10.1% to € 41.3 million, despite increased marketing investments to support key initiatives
- Strong momentum in women's business continues, underpinned by the successful launches of new products and marketing concepts

#### **Bjørn Gulden, Chief Executive Officer of PUMA SE:**

"The first quarter of 2016 developed as we expected. We saw organic growth in all segments and all regions. The development in certain currencies slowed down the reported growth in both top and bottom line.

We are especially happy to see that our sell through to consumers is improving. Both in our own retail and with our retail partners we see a continuous improvement. This is especially strong in our women's business, where the launches of new products and new marketing concepts have started to show excellent results.

We do now look forward to this year's great sport events. The Copa América, the UEFA Euro 2016, and the Olympics in Rio are all events that will have a positive impact on our industry and where we look forward to showcase PUMA as an innovative and design driven sports brand.

Despite the negative impact of currencies we confirm our outlook for the full year."

## Sales Development:

Sales by regions and product segments		Q1		growth rates	
€ million	2016	2015	Euro	currency adjusted	
<b>Breakdown by regions</b>					
EMEA	354,4	341,6	3,8%	6,6%	
Americas	288,1	289,0	-0,3%	5,4%	
Asia/Pacific	209,4	190,8	9,8%	11,2%	
<b>Total</b>	<b>851,9</b>	<b>821,4</b>	<b>3,7%</b>	<b>7,3%</b>	
<b>Breakdown by product segments</b>					
Footwear	392,0	378,1	3,7%	8,5%	
Apparel	290,1	279,8	3,7%	7,0%	
Accessories	169,8	163,4	4,0%	5,1%	
<b>Total</b>	<b>851,9</b>	<b>821,4</b>	<b>3,7%</b>	<b>7,3%</b>	

PUMA's **sales** growth continued in the first quarter of 2016. Sales increased by 3.7% to € 851.9 million (+7.3% currency adjusted), compared to € 821.4 million in the previous year.

In the **EMEA** region, sales grew by 3.8% to € 354.4 million (+6.6% currency adjusted), with stronger growth in Germany, Austria, and France. This development was supported by a good performance of the Teamsport category prior to the UEFA Euro 2016. We anticipate further growth in Teamsport for the second quarter leading up to the event. Our teams Italy, Switzerland, Austria, Slovakia, and Czech Republic will all be wearing PUMA jerseys featuring PUMA's new ACTV Thermo-R technology, which helps to maintain the best body temperature.

Sales in the **Americas** region remained flat at € 288.1 million in reported terms, but grew 5.4% on a currency adjusted basis. All major countries in the region continued to improve, while the Latin American region was strongly impacted by the weakness of its currencies, notably the Argentinian Peso. This impacted the sales development in Euro terms severely.

Sales in the **Asia/Pacific** region recorded the highest growth rate, improving 9.8% (+11.2% currency adjusted) to € 209.4 million. China was the strongest performer in the quarter, followed by India.

PUMA's **Footwear** segment grew for the seventh quarter in a row. Sales rose by 3.7% (+8.5% currency adjusted) to € 392.0 million, with strong gains in the Sportstyle as well as

the Running and Training categories, supported especially by the successful launches of women's silhouettes.

With an increase of 3.7% (+7.0% currency adjusted) to € 290.1 million, the performance in **Apparel** was also positive, as our Training and TeamSport products continued to resonate well with our customers.

**Accessories** saw a rise of 4.0% (+5.1% currency adjusted) to € 169.8 million despite a continued weak Golf environment.

PUMA's **own and operated retail sales**, including e-commerce, increased 15.1% currency adjusted to € 158.7 million representing 18.6% of total sales in the first quarter of 2016. This was achieved by strong like for like sales growth, caused by better product offer and improved consumer experience in the stores, and the expansion of new stores built with the new "Forever Faster" store design.

#### **Gross Profit Margin and Operating Expenses:**

The **gross profit margin** remained broadly unchanged at 46.8%, despite the negative currency impact from the stronger US-Dollar in 2016 compared to last year. PUMA was able to successfully implement selective price adjustments and our improved product mix helped to mitigate the negative impact from a stronger US-Dollar. Footwear gross profit margins improved from 42.9% to 43.5%, while Apparel margins declined from 50.7% to 49.9% and Accessories softened from 49.6% to 49.2%.

**Operating expenses** rose only 3.0% and amounted to € 361.7 million in the first quarter 2016. That increase stemmed mainly from intensified marketing activities and retail upgrades, while other operating areas and functions were able to keep the cost stable.

#### **Operating Result and Net Earnings:**

**Operating result (EBIT)** was ahead of the first quarter 2015 by 10.1% at € 41.3 million, as sales grew stronger than operating expenses, supported by a stable gross profit margin.

**Net earnings** improved by 4.0% to € 25.8 million (prior year: € 24.8 million) and **earnings per share** were up correspondingly at € 1.73 compared to € 1.66 in the first quarter 2015.

### **Working Capital:**

PUMA's **working capital** increased by 3.2% from € 744.7 million to € 768.4 million in line with the higher sales and business volumes.

### **Outlook 2016:**

We continue to expect a currency adjusted high single digit increase of net sales, a gross profit margin on previous year's level (45.5%), an increase of currency-adjusted operating expenses in a mid to high single-digit range, and an operating result (EBIT) between € 115 million and € 125 million.

### **Brand and Marketing:**

One highlight for PUMA in the first quarter was the FENTY PUMA by Rihanna fashion show at New York Fashion Week in February. A series of styles for the female consumer have been launched successfully, both in collaboration with Rihanna as well as in our inline collection. Key footwear styles such as Creeper and FENTY Trainer sold out within weeks or days. We also reintroduced our iconic DISC system into running by launching the IGNITE DISC. In Motorsport we introduced the first products under our new partnership with Red Bull Formula One Racing.

## First Quarter

Income Statement	Q1/2016 € million	Q1/2015 € million	Devi- ation
<b>Sales</b>	<b>851,9</b>	<b>821,4</b>	3,7%
Cost of sales	-453,1	-436,5	3,8%
<b>Gross profit</b>	<b>398,8</b>	<b>384,9</b>	3,6%
- in % of consolidated sales	46,8%	46,9%	
Royalty and commission income	4,1	3,7	12,7%
Other operating income and expenses	-361,7	-351,1	3,0%
<b>Operating result (EBIT)</b>	<b>41,3</b>	<b>37,5</b>	10,1%
- in % of consolidated sales	4,8%	4,6%	
Financial result / Income from associated companies	-1,6	0,9	>-100%
<b>Earnings before taxes (EBT)</b>	<b>39,7</b>	<b>38,4</b>	3,4%
- in % of consolidated sales	4,7%	4,7%	
Taxes on income	-11,3	-10,8	4,2%
- Tax rate	28,3%	28,1%	
Net earnings attributable to non-controlling interests	-2,6	-2,8	-5,6%
<b>Net earnings</b>	<b>25,8</b>	<b>24,8</b>	4,0%
<b>Earnings per share (€)</b>	<b>1,73</b>	<b>1,66</b>	4,0%
<b>Earnings per share (€) - diluted</b>	<b>1,73</b>	<b>1,66</b>	4,0%
Weighted average shares outstanding (million)	14,940	14,940	0,0%
Weighted average shares outstanding - diluted (million)	14,940	14,940	0,0%

Rounding differences may be observed in the percentage and numerical values expressed in millions of Euro since the underlying calculations are always based on thousands of Euro.

Balance Sheet	Mar. 31,'16 € million	Mar. 31,'15 € million	Devi- ation	Dec. 31,'15 € million
<b>ASSETS</b>				
Cash and cash equivalents	222,7	295,0	-24,5%	338,8
Inventories	677,6	648,0	4,6%	657,0
Trade receivables	587,0	596,4	-1,6%	483,1
Other current assets (Working Capital related)	157,1	200,3	-21,5%	154,9
Other current assets	32,5	104,5	-68,9%	51,0
<b>Current assets</b>	<b>1.677,0</b>	<b>1.844,2</b>	-9,1%	<b>1.684,8</b>
Deferred taxes	221,8	195,4	13,5%	219,8
Other non-current assets	699,6	734,0	-4,7%	715,7
<b>Non-current assets</b>	<b>921,4</b>	<b>929,5</b>	-0,9%	<b>935,5</b>
<b>Total Assets</b>	<b>2.598,3</b>	<b>2.773,7</b>	-6,3%	<b>2.620,3</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
Current financial liabilities	36,9	59,9	-38,4%	14,0
Trade payables	424,5	466,7	-9,1%	519,7
Other current liabilities (Working Capital related)	228,9	233,2	-1,9%	242,4
Other current liabilities	218,6	151,6	44,2%	103,9
<b>Current liabilities</b>	<b>908,8</b>	<b>911,5</b>	-0,3%	<b>880,0</b>
Deferred taxes	56,4	69,8	-19,2%	64,2
Pension provisions	23,9	27,0	-11,7%	23,8
Other non-current liabilities	32,5	28,1	15,8%	32,9
<b>Non-current liabilities</b>	<b>112,8</b>	<b>124,9</b>	-9,7%	<b>121,0</b>
<b>Shareholders' Equity</b>	<b>1.576,7</b>	<b>1.737,2</b>	-9,2%	<b>1.619,3</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>2.598,3</b>	<b>2.773,7</b>	-6,3%	<b>2.620,3</b>

Rounding differences may be observed in the percentage and numerical values expressed in millions of Euro since the underlying calculations are always based on thousands of Euro.

### **Financial Calendar FY 2016:**

February 18, 2016	Financial Results FY 2015
April 29, 2016	Quarterly Statement Q1 2016
May 4, 2016	Annual General Meeting
July 27, 2016	Interim Report Q2 2016
November 10, 2016	Quarterly Statement Q3 2016

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

### **Media Relations:**

Kerstin Neuber - Corporate Communications - PUMA SE - +49 9132 81 2984 - kerstin.neuber@puma.com

### **Investor Relations:**

Johan-Philip Kuhlo – Global Strategy - PUMA SE - +49 9132 81 0 – investor-relations@puma.com

### **Notes to the editors:**

- The financial reports are posted on [www.about.puma.com](http://www.about.puma.com).
- PUMA SE stock symbol:  
Reuters: PUMG.DE, Bloomberg: PUM GY,  
Börse Frankfurt: ISIN: DE0006969603– WKN: 696960

### **Notes relating to forward-looking statements:**

This document contains forward-looking statements about the Company's future financial status and strategic initiatives. The forward-looking statements are based on the current expectations and assumptions of the management team. These are subject to a certain level of risk and uncertainty including, but not limited to those described above or in other disclosures, in particular in the chapter Risk and Opportunity Management in the Group Management Report. In the event that the expectations and the assumptions do not materialize or unforeseen risks arise, the Company's actual results can differ significantly from expectations. Therefore, we cannot assume responsibility for the correctness of these statements.

## **PUMA**

---

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 established a history of making fast product designs 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. It engages in exciting collaborations with renowned design brands to bring innovative and fast designs to the sports world. The PUMA Group owns the brands PUMA, Cobra Golf, Dobotex and Brandon. The company distributes its products in more than 120 countries, employs more than 10,000 people worldwide, and is headquartered in Herzogenaurach/Germany. For more information, please visit <http://www.puma.com>