



**Strong sales and EBIT growth continues in the second Quarter  
PUMA slightly adapts full-year guidance for 2019**

Herzogenaurach, July 31, 2019

**2019 Second Quarter Facts**

- Sales increase by 15.7% currency-adjusted to € 1,227 million (+16.9% reported) driven by continued growth in all regions and product divisions
- Gross profit margin improves to 49.3%
- Operating expenses (OPEX) increase 16.5% due to higher sales related costs as well as higher marketing and retail investments
- Operating result (EBIT) up by 39% to € 80 million (last year: € 58 million)
- PUMA exercises 1:10 share split
- PUMA athlete Danny Green wins the NBA Championship with the Toronto Raptors
- PUMA is well represented at the FIFA Women's World Cup in France by sponsoring 78 individual players and quarter finalist Italy
- PUMA team Senegal reaches the final of the 2019 Africa Cup of Nations in Egypt
- PUMA launches very successfully the kits of Manchester City and also announces the signing of Pep Guardiola as a brand ambassador

**2019 Half-Year Facts**

- Sales increase by 15.5% currency-adjusted to € 2,546 million (+16.8% reported)
- Gross profit margin up 80 basis points at 49.2%
- Operating expenses (OPEX) increase by 16.6% and grow at a slightly lower rate than reported sales
- Operating result (EBIT) improves by 31% from € 170 million to € 223 million
- Net earnings increase from € 99 million last year to € 144 million and earnings per share increase from € 0.66 last year to € 0.96 respectively

- Héloïse Temple-Boyer and Fiona May elected as new members of the supervisory board
- PUMA announces the signing of the football clubs Manchester City as well as Valencia CF and will be official matchball partner of Spanish Football League “LaLiga”

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

“The second quarter of 2019 developed very positively for us, with sales growing 15.7% currency-adjusted and EBIT increasing 39%. All divisions and all regions saw healthy improvement. New styles of footwear sold well, apparel continued to be strong, replenishment orders for both apparel and footwear developed well and our direct-to-consumer business also performed well.

With this development in the first half-year and the current expectations for the second half, we have slightly adapted our outlook for the full year, expecting revenues to now improve around 13% in constant currency and the full-year EBIT to come in between € 410 million and € 430 million.

We would also like to mention that we are extremely happy with the cooperation with our new partner Manchester City and the entire City Football Group. The launch of their kits has been very successful and the initial sales have been higher than we both expected.”

### Sales Development:

Sales by regions and product divisions	Second Quarter				First Half-Year			
	Q2		growth rates		1-6		growth rates	
€ million	2019	2018	Euro	currency adjusted	2019	2018	Euro	currency adjusted
<b>Breakdown by regions</b>								
EMEA	449.2	416.0	8.0%	8.4%	950.9	896.7	6.0%	6.9%
Americas	462.8	377.3	22.7%	19.7%	879.4	725.0	21.3%	18.1%
Asia/Pacific	314.8	255.9	23.0%	21.6%	715.8	558.5	28.2%	25.4%
<b>Total</b>	<b>1,226.8</b>	<b>1,049.2</b>	<b>16.9%</b>	<b>15.7%</b>	<b>2,546.0</b>	<b>2,180.3</b>	<b>16.8%</b>	<b>15.5%</b>
<b>Breakdown by product divisions</b>								
Footwear	590.1	511.1	15.4%	14.5%	1,229.4	1,091.5	12.6%	11.7%
Apparel	432.1	349.6	23.6%	22.7%	900.4	713.7	26.2%	24.8%
Accessories	204.6	188.4	8.6%	6.3%	416.2	375.0	11.0%	8.6%
<b>Total</b>	<b>1,226.8</b>	<b>1,049.2</b>	<b>16.9%</b>	<b>15.7%</b>	<b>2,546.0</b>	<b>2,180.3</b>	<b>16.8%</b>	<b>15.5%</b>

## Second Quarter 2019

PUMA's strong **sales** growth continued in the second quarter of 2019. Sales increased by 15.7% currency-adjusted to € 1,226.8 million (+16.9% reported). The Asia/Pacific and Americas regions continued to contribute with double-digit increases, while growth in the EMEA region was at a high single-digit rate. Both Apparel and Footwear showed strong growth in the second quarter, improving by 22.7% and 14.5% respectively, while Accessories grew moderately by 6.3%. PUMA experienced growth across the categories with Sportstyle, Motorsport and Golf showing the highest growth rates.

The **gross profit margin** improved to 49.3% in the second quarter (last year: 48.6%). Positive impacts from channel and product mix, lower discounts and positive currency impacts led to margin improvements.

**Operating expenses (OPEX)** rose by 16.5% to € 531.6 million in the second quarter. The increase was mainly caused by higher sales-related variable costs, including logistics costs as well as higher marketing and retail investments.

The **operating result (EBIT)** increased by 39.4% from € 57.6 million last year to € 80.3 million due to a strong sales growth combined with an improved gross profit margin and a slight operating leverage.

**Net earnings** increased from € 31.1 million to € 49.7 million and **earnings per share** were up from € 0.21 in the second quarter last year to € 0.33 correspondingly.

## First Half-Year 2019

**Sales** for the first half-year 2019 rose by 15.5% currency-adjusted to € 2,546.0 million (+16.8% reported). The strong sales development was largely driven by double-digit currency-adjusted growth rates in Asia/Pacific, where China continued to be the main growth driver, and the Americas. EMEA was at a more moderate level with a mid single-digit growth rate. From a

product division perspective, the sales growth was driven by double-digit growth in Apparel with an increase of 24.8% as well as in Footwear, which grew by 11.7%.

**Wholesale** continued to drive growth with an increase of 13.8% currency-adjusted, supported by a strong performance of our key accounts. PUMA's own and operated **retail sales** increased by 21.5% currency-adjusted to € 599.6 million including eCommerce. This represented a share of 23.6% of total sales for the first half of 2019 (22.5% in the previous year). The reasons for the rise are a like-for-like sales growth in our own retail stores, the expansion of our retail store network and a continued strong growth of our eCommerce business.

The **gross profit margin** improved by 80 basis points from 48.4% to 49.2% in the first half of 2019. Positive impacts from channel and product mix, lower discounts and positive currency impacts led to margin improvements.

**Operating expenses (OPEX)** increased by 16.6% and amounted to € 1,042.3 million. The increase was driven by higher sales related variable costs as well as continued investments in IT-infrastructure, marketing and our own retail business.

The **operating result (EBIT)** grew by 31.2% from € 169.8 million last year to € 222.8 million in the first half of 2019 due to a strong sales growth combined with an increased gross profit margin and a slight operating leverage. This led to an improved EBIT-margin of 8.8% compared to 7.8% in the first half last year.

**Net earnings** rose by 46.3% to € 144.1 million (last year: € 98.5 million). This translates into **earnings per share** of € 0.96 compared to € 0.66 in the first half of 2018.

## Working Capital

**Inventories** were up by 19.4% at € 1,063.3 million due to the general sales growth, more retail stores as well as earlier receipts of products in order to balance supplier capacities and thereby avoid delivery issues. **Trade receivables** rose by only 11.2% to € 704.7 million. On the

liabilities side, **trade payables** were up by 15.9% to € 740.1 million. This resulted in an increase of **working capital** by 15.7% to € 792.9 million.

### Cashflow

The **free cashflow** in the first half of 2019 decreased slightly to € -104.4 million (1-6/2018: € -97.9 million). This development was a result of higher capital expenditures and an increase of working capital, while earnings before taxes (EBT) improved significantly. In addition, the first-time application of IFRS 16 Leases had a positive effect on the free cashflow. Please refer to the Notes to the Interim Report for a detailed description of the effects of the first-time application of IFRS 16 Leases.

### Outlook 2019

The second quarter of 2019 saw a continued strong increase of sales and profitability. As a consequence and based on our expectations for the remainder of the year, we slightly adapt our guidance for the full year 2019. PUMA now expects that currency-adjusted sales will increase around 13% (previous guidance: currency-adjusted increase of around 10%). The gross profit margin is still anticipated to improve slightly (2018: 48.4%) and we continue to expect that operating expenses (OPEX) will increase at a slightly lower rate than sales. The operating result (EBIT) is now expected to come in between € 410 million and € 430 million (previous guidance: between € 395 million and € 415 million). In line with the previous guidance, management expects that net earnings will improve significantly in 2019.

### Brand and Strategy Update

With the announcement of several new partnerships, PUMA had an exciting first half of the year 2019.

In **Football**, PUMA signed its largest deal ever - both in terms of scope and ambition - teaming up with City Football Group, which includes reigning English Premier League champions

Manchester City and a total of five teams on four continents. The new 2019/20 kits were successfully launched in July and exceeded any first day sales in the club's history. In addition to the club, PUMA signed Manchester City's iconic manager Pep Guardiola as a brand ambassador.

We also announced that in Spain, starting in the 2019/20 season, we will supply the official ball used in all professional matches of LaLiga Santander and LaLiga 1|2|3. To expand our presence in Spanish club football, we entered a long-term agreement with Valencia CF, one of Spain's most successful teams.

Together with its existing partnerships, these new deals ensure that PUMA has a title contending presence in each of the key European football leagues.

At the FIFA Women's World Cup in France, we sponsored quarter finalist Italy and 78 individual players. To celebrate women's football, PUMA launched the latest evolution of the PUMA ONE football boot as the PUMA ONE Trailblazer, exclusively worn by our leading female players.

In other **Teamsport** events, PUMA team Denmark took the title at the Handball World Championships and PUMA athletes Rasmus Lauge from Denmark and Bjarte Myrhol from Norway were named part of the event's All-Star team. Beyond that, PUMA team New Zealand won the Women's Netball World Championships in Liverpool.

In **Track & Field**, PUMA is already getting ready for the Olympic Games in Tokyo in 2020 and added several new athletes to its roster: world champion 400m hurdler Karsten Warholm, rising pole vault star Armand Duplantis, 2019 NCAA 100m and 200m champion Divine Oduduru, 2019 NCAA 100 meter hurdles champion Janeek Brown, long-jumper and sprinter Blessing Okagbare, high jumper Naoto Tobe and the Portuguese Athletics Federation.

In **Motorsport**, PUMA entered into a long-term contract with Porsche to become the exclusive technical partner for racing gear as well as shoes, caps and luggage. As part of our vision to bring the track to the street, PUMA launched a separate collaboration with Porsche Design, for co-branded footwear, apparel, and accessories, aimed at the higher end of the market. We also partnered with W Series, the first racing competition for women, supplying high-performance racewear for all drivers.

Our athletes continued to perform well at the pinnacle of Motorsport, as PUMA teams won two of the most prestigious races on the calendar: Lewis Hamilton in the Mercedes AMG Petronas

won the Formula 1 Monaco Grand Prix and Simon Pagenaud of Team Penske claimed victory at the Indianapolis 500.

Adding to its leading offering in Motorsport, PUMA became the official trackside retail partner for Formula 1.

PUMA's first full NBA **Basketball** season after the company's return to the sport last year saw the Toronto Raptors shooting guard Danny Green become the first PUMA athlete to win the NBA Championship since Isiah Thomas in 1990.

PUMA launched its debut basketball shoe, the Clyde Court, in several new colorways as well as its second performance basketball shoe, the Uproar. Both products were highly visible throughout the NBA Season, the All-Star Game, the Playoffs, and the NBA Finals. In addition, we brought back a key heritage basketball style: the Ralph Sampson. The Ralph Sampson is a shoe with street style appeal and the initial response was very encouraging.

In **Golf**, PUMA's latest signing Gary Woodland won the US Open as his first major title and created a lot of media echo with his "star-spangled" IGNITE PWRADAPT golf shoes.

In **Sportstyle**, the RS-X franchise continues to be a bestseller within the "chunky shoe category", supported by the launch of the RS-X Trophy at the beginning of the year as well as by collaborations with MTV and Motorola. The Cali and Cali Bold, presented by PUMA's ambassador Selena Gomez, were also among PUMA's best-selling franchises in the first half of the year.

On the operational side, we continued to invest in our **distribution** and **logistical** network as well as in **organizational processes**. In the first six months of 2019, PUMA added 33 (net) owned and operated retail stores while in China, our partners opened around 200 new PUMA retail locations. In August, we will open our New York flagship store on Fifth Avenue, which will be another milestone for our company. At the beginning of the year, we started working on our new multichannel distribution center in Geiselwind, Germany. Construction is on track and the center is expected to be operational in early 2021. In addition, PUMA North America announced the opening of a new distribution hub just outside of Indianapolis for 2020.

Income Statement	Second Quarter			First Half-Year		
	Q2/2019 € million	Q2/2018 € million	Devi- ation	1-6/2019 € million	1-6/2018 € million	Devi- ation
<b>Sales</b>	<b>1,226.8</b>	<b>1,049.2</b>	16.9%	<b>2,546.0</b>	<b>2,180.3</b>	16.8%
Cost of sales	-621.6	-539.1	15.3%	-1,294.0	-1,124.7	15.1%
<b>Gross profit</b>	<b>605.2</b>	<b>510.0</b>	18.7%	<b>1,252.0</b>	<b>1,055.6</b>	18.6%
- in % of consolidated sales	49.3%	48.6%		49.2%	48.4%	
Royalty and commission income	6.7	3.9	73.1%	13.1	7.9	64.3%
Other operating income and expenses	-531.6	-456.3	16.5%	-1,042.3	-893.7	16.6%
<b>Operating result (EBIT)</b>	<b>80.3</b>	<b>57.6</b>	39.4%	<b>222.8</b>	<b>169.8</b>	31.2%
- in % of consolidated sales	6.5%	5.5%		8.8%	7.8%	
Financial result / Income from associated companies	-1.0	-2.9	-65.6%	-5.0	-13.4	-62.3%
<b>Earnings before taxes (EBT)</b>	<b>79.3</b>	<b>54.7</b>	45.0%	<b>217.8</b>	<b>156.5</b>	39.2%
- in % of consolidated sales	6.5%	5.2%		8.6%	7.2%	
Taxes on income	-21.4	-15.4	38.9%	-58.8	-43.5	35.2%
- Tax rate	27.0%	28.2%		27.0%	27.8%	
Net earnings attributable to non-controlling interests	-8.1	-8.1	0.0%	-14.8	-14.4	2.7%
<b>Net earnings</b>	<b>49.7</b>	<b>31.1</b>	59.7%	<b>144.1</b>	<b>98.5</b>	46.3%
<b>Earnings per share (€) *</b>	<b>0.33</b>	<b>0.21</b>	59.7%	<b>0.96</b>	<b>0.66</b>	46.3%
<b>Earnings per share (€) - diluted *</b>	<b>0.33</b>	<b>0.21</b>	59.7%	<b>0.96</b>	<b>0.66</b>	46.3%
Weighted average shares outstanding (million) *				149.51	149.46	0.0%
Weighted average shares outstanding - diluted (million) *				149.51	149.46	0.0%

\* Earnings per share and the number of outstanding shares for the prior period were adjusted retroactively to the 1:10 stock split carried out in the second quarter of 2019

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	June 30,'19 € million	June 30,'18 € million	Devi- ation	Dec. 31,'18 € million
<b>ASSETS</b>				
Cash and cash equivalents	366.2	360.0	1.7%	463.7
Inventories	1,063.3	890.5	19.4%	915.1
Trade receivables	704.7	633.6	11.2%	553.7
Other current assets (working capital)	201.6	187.8	7.4%	187.7
Other current assets	49.9	48.3	3.2%	72.6
<b>Current assets</b>	<b>2,385.7</b>	<b>2,120.3</b>	12.5%	<b>2,192.8</b>
Deferred taxes	212.3	202.3	4.9%	207.6
Other non-current assets	1,558.5	777.2	100.5%	806.8
<b>Non-current assets</b>	<b>1,770.8</b>	<b>979.6</b>	80.8%	<b>1,014.4</b>
<b>Total Assets</b>	<b>4,156.5</b>	<b>3,099.8</b>	34.1%	<b>3,207.2</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
Current financial liabilities	188.2	271.2	-30.6%	20.5
Trade payables	740.1	638.4	15.9%	705.3
Other current liabilities (working capital)	436.6	388.4	12.4%	447.3
Other current liabilities	159.0	20.3	-	22.1
<b>Current liabilities</b>	<b>1,523.9</b>	<b>1,318.2</b>	15.6%	<b>1,195.2</b>
Deferred taxes	46.4	42.1	10.3%	47.7
Pension provisions	29.5	29.9	-1.3%	28.9
Other non-current liabilities	772.8	96.2	-	213.1
<b>Non-current liabilities</b>	<b>848.7</b>	<b>168.2</b>	-	<b>289.7</b>
<b>Shareholders' Equity</b>	<b>1,783.8</b>	<b>1,613.4</b>	10.6%	<b>1,722.2</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>4,156.5</b>	<b>3,099.8</b>	34.1%	<b>3,207.2</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.

Cashflow Statement	1-6/2019 € million	1-6/2018*	Devi- ation
		€ million	
<b>Earnings before taxes (EBT)</b>	<b>217.8</b>	<b>156.5</b>	39.2%
Financial result and non cash effected expenses and income	126.2	30.0	-
<b>Cashflow - gross</b>	<b>344.0</b>	<b>186.5</b>	84.5%
Change in net working capital	-246.4	-183.8	34.0%
Tax payments and dividends received	-82.2	-56.2	46.4%
<b>Cashflow from operating activities</b>	<b>15.3</b>	<b>-53.5</b>	-128.6%
Payments for acquisitions	0.0	0.0	-
Payments for investments in fixed assets	-120.7	-44.4	171.6%
Other investing activities	0.9	0.1	-
<b>Cashflow from investing activities</b>	<b>-119.7</b>	<b>-44.3</b>	170.1%
<b>Free Cashflow</b>	<b>-104.4</b>	<b>-97.9</b>	6.7%
<b>Free Cashflow (before acquisitions)</b>	<b>-104.4</b>	<b>-97.9</b>	6.7%
Dividends paid to equity holders of the parent company	-52.3	-186.8	-72.0%
Dividends paid to non-controlling interests	-18.4	-30.0	-38.7%
Proceeds from borrowings	164.4	259.7	-36.7%
Other changes	-87.0	-7.5	-
<b>Cashflow from financing activities</b>	<b>6.7</b>	<b>35.4</b>	-81.2%
Effect of exchange rates on cash	-0.0	7.5	-100.2%
<b>Change in cash and cash equivalents</b>	<b>-97.8</b>	<b>-55.0</b>	77.8%
Cash and cash equivalents at beginning of financial year	463.9	415.0	11.8%
<b>Cash and cash equivalents end of the period</b>	<b>366.2</b>	<b>360.0</b>	1.7%

\* Prior-year figures adjusted, see notes to the consolidated financial statements Dec. 31, 2018, chapter 27 (notes to the cash flow statement)

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 2019:**

February 14, 2019	Financial Results FY 2018
April 18, 2019	Annual General Meeting
April 26, 2019	Quarterly Statement Q1 2019
July 31, 2019	Interim Report Q2 2019
October 24, 2019	Quarterly Statement Q3 2019

The financial releases and other financial information are available on the Internet at „[about.puma.com](http://about.puma.com)“.

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### **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**

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PUMA is one of the world's leading Sports Brands, designing, developing, selling and marketing footwear, apparel and accessories. For 70 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, Basketball, 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 and Dobotex. The company distributes its products in more than 120 countries, employs more than 13,000 people worldwide, and is headquartered in Herzogenaurach/Germany.