



PRESS RELEASE

PUMA reconfirms annual Outlook after posting strong Third-Quarter Sales

Herzogenaurach, October 25, 2011

Highlights Third Quarter 2011

- Consolidated sales increased by 10.2% currency adjusted to € 841.6 million
- Gross profit margin remained at 50.0% despite volatile input prices
- EBIT improved by 1,8% to € 118.6 million
- Net earnings remained flat at € 81.7 million
- EPS are up to € 5.45 from € 5.43
- PUMA has signed football stars Agüero, Falcao and Fàbregas

Highlights First Nine Months of 2011

- Consolidated sales climbed 11.0% currency adjusted to € 2.3 billion
- Gross profit margin remained at a sector-best 50.6%
- EBIT rose by 2.2% to € 285.0 million
- Net earnings improved by 4.7% to € 197.1 million
- EPS increased from € 12.51 to € 13.15

Key Sales Figures at a Glance

Sales by customers	Q3		growth rates		1-9		growth rates	
	2011	2010*	Euro	currency adjusted	2011	2010*	Euro	currency adjusted
Breakdown by regions								
EMEA	410,6	379,0	8,4%	9,5%	1.075,2	998,5	7,7%	7,6%
Americas	235,0	236,7	-0,7%	6,7%	695,6	639,6	8,7%	14,2%
Asia/Pacific	196,0	168,7	16,2%	16,4%	517,8	444,8	16,4%	14,3%
Total	841,6	784,3	7,3%	10,2%	2.288,5	2.083,0	9,9%	11,0%
Breakdown by product segments								
Footwear	431,1	417,2	3,3%	7,0%	1.200,8	1.117,3	7,5%	9,5%
Apparel	294,7	263,8	11,7%	13,8%	760,7	699,3	8,8%	8,9%
Accessories	115,8	103,3	12,2%	13,9%	326,9	266,4	22,7%	22,8%
Total	841,6	784,3	7,3%	10,2%	2.288,5	2.083,0	9,9%	11,0%

* adjusted comparable figures according to IAS 8, see chapter 3 in the notes to the Consolidated Financial Statements as of December 31, 2010 and the notes to the Financial Report as of September 30, 2011

Outlook for the remainder of the Financial Year 2011

- PUMA's management reiterates that PUMA's target is € 3 billion in sales for the full year.
- In light of PUMA's "Back on the Attack" growth strategy, investments and expenses will remain at a high level, and gross profit margins will continue to be stressed based on procurement price volatilities.
- Management continues to foresee an improvement of net earnings in mid single-digits for the full year.

"PUMA posted a very solid sales performance for the fifth consecutive quarter," said **Franz Koch, CEO of PUMA SE**. "This underpins our 5-year growth strategy, which is already delivering results. After a strong performance in the first nine months of this year, we are now approaching our sales target of € 3 billion for the full year, and despite continuing cost pressures we maintain our forecast of an improvement in net earnings in mid single-digits."

Asia/Pacific and Latin America drive PUMA's Sales Growth in the Third Quarter – Performance Business accelerating

PUMA's third-quarter consolidated sales rose 10.2% currency adjusted and 7.3% in Euro terms to € 841.6 million compared to last year, representing the most successful quarterly performance in the firm's history. Asia and Latin America provided the platform for these numbers, underpinning the excellent overall result with double-digit growth.

With all product categories contributing to this increase, **Footwear** rose 7.0% currency adjusted to € 431.1 million, **Apparel** went up 13.8% to € 294.7 million and **Accessories** climbed 13.9% to € 115.8 million.

PUMA's **Running** category in particular grew significantly, boosted by Usain Bolt's spectacular performances at the Track & Field World Championships in Daegu and by the light-weight concept which includes our best selling **PUMA Faas range**. The shoe is constructed with BioRide Technology which provides runners with a naturally responsive ride. PUMA's **Women's Fitness** category is growing strongly, a consequence of enhanced targeting of the female consumer demographic with PUMA's Bodytrain concept. PUMA's **Sailing** category also improved, as sales have been accelerating in the run-up to PUMA's participation in the Volvo Ocean Race 2011-2012. Given the duration of this sailing marathon and in the light of our new extended range of outdoor products, PUMA expects the positive performance of its Sailing category to continue.

PUMA's five-year growth plan "Back on the Attack" already yielding fruit

As previously detailed, PUMA is continuing to work on improving its performance categories without losing sight of its Sportlifestyle positioning as a brand. This was laid out in the company's growth strategy one year ago, which focused on strengthening PUMA's **Sports Performance** business alongside its lifestyle segment. To further boost PUMA's brand visibility on international football pitches and underline our position as the No. 3 football brand, PUMA signed three of the world's top football stars during the third quarter: Manchester City's Sergio Agüero, Atletico Madrid's Falcao and FC Barcelona's Cesc Fàbregas.

PUMA also introduced its new football boot, the **Powercat 12**. These boots will be worn by Fàbregas, Nemanja Vidic of Manchester United and Gianluigi Buffon, goalkeeper of the Italian National Team, amongst others. This innovative boot features the new **PUMA 3D DUO Power Shooting Technology**, applied to the inside of the boot.

Cobra-PUMA-Golf also continues to perform well, where the 360 degree offering appeals to discerning consumers. PUMA also congratulates its brand ambassador and golf professional Lexi Thompson who, at 16 years of age, has become the youngest ever winner on the LPGA tour in America.

Asia/Pacific and Latin America remain the main growth areas in the quarter

In regional terms, PUMA continued its excellent performance in **Asia/Pacific**, with sales growing by 16.4% currency-adjusted to € 196.0 million. Light-weight Running gear such as the Faas range and Women's Fitness products (Bodytrain) drove the overall growth in this region.

EMEA also performed well, posting an increase of 9.5% currency adjusted to € 410.6 million. Russia, Turkey, Spain and Germany in particular contributed to this performance.

Sales in the **Americas** grew by 6.7% currency-adjusted but were down 0.7% in Euro terms at € 235.0 million. Latin America delivered a remarkable top-line performance, reflecting broad-based double-digit growth across all countries in the region, while North America had to comp against strong double-digit growth numbers from the previous year.

Consolidated sales for the **nine-month** period climbed 11.0% currency adjusted (9.9% in Euro terms) to € 2.29 billion. **EMEA** sales rose 7.7% (7.6% currency adjusted), the **Americas** improved a satisfying 8.7% (14.2% currency adjusted) and **Asia/Pacific** climbed an impressive 16.4% (14.3% currency adjusted).

Nine-month sales across all product categories continued to climb. **Footwear** sales were up 7.5% (9.5% currency adjusted), **Apparel** sales increased 8.8% (8.9% currency adjusted) and

Accessories grew 22.7% (22.8% currency adjusted), due in part to the full year effect of the Cobra golf acquisition last year.

Gross Profit Margin remains at industry-leading levels despite cost pressure

PUMA's ongoing efficiency drive has resulted in a third quarter **gross profit margin** of 50.0%, which remains the industry leading number.

The Footwear segment had a gross profit margin of 49.8%, up from 49.7%. Apparel stood at 50.3%, up from 50.0%. Accessories were at 50.0%, a decline from 51.8% which can be attributed to higher procurement costs.

For the **first nine months** of 2011, gross profit margin is down slightly to 50.6% from 51.0% compared to last year. The Footwear margin is currently at 49.8% down from 50.4%, Apparel down from 51.9% to 50.9% and Accessories up from 51.2% to 52.4%.

Operating Expenses

Operating expenses rose by 9.7% to € 307.0 million during the third quarter of 2011. As a percentage of sales, this represents a slight increase from 35.7% to 36.5% compared to last year. For the full year to the end of September 2011, **Operating expenses** rose by 13.6% to € 885.5 million. Increases in expenditure arose from our continued investments outlined in our 5-year growth plan and the full year effects caused by the extension of the scope of consolidation with Cobra and PUMA Spain now fully included. The majority of those incremental increases went into Marketing, Product Design and enhancements in our supply chain.

EBIT

Operating profit improved to € 118.6 million from € 116.6 million in line with expectations. This represents 14.1% of consolidated sales versus 14.9% at this time last year. On a nine month basis EBIT was up 2.2% to € 285.0 million.

Financial Result / Income from associated companies

The **financial result** declined from € -1.4 million to € -2.1 million, however, the nine month number improved from € -4.1 million last year to € -3.9 million.

Earnings before Taxes

PUMA's third quarter **EBT** rose from € 115.1 million to € 116.6 million. They also rose from € 274.8 million to € 281.1 million on a nine month basis. Quarterly **tax expenses** increased from € 33.4 million to € 34.9 million and the **tax rate** increased from 29.0% to 30.0% in the quarter but improved from 31.5% to 30.0% as of September 30, 2011.

Net Earnings

Consolidated **net earnings** were flat at € 81.7. **Earnings per share** rose from € 5.43 to € 5.45, and diluted earnings per share were up from € 5.39 to € 5.45.

For the first nine months of 2011, net earnings rose by 4.7% to € 197.1 million. EPS increased by 5.1% to € 13.15.

Net Assets and Financial Position

Equity

Total assets (as of September 30, 2011) grew by 4.5% from € 2,319.0 million to € 2,422.5 million. This rise is primarily attributable to an increase in both inventories and trade receivables based on the additional volume in business. The **equity ratio** rose sharply from 57.8% to 62.9%, signifying further improvement in our capital base. In absolute figures, shareholders' equity increased by 13.7% from € 1,340.2 million to € 1,524.3 million.

Working Capital

PUMA's overall **Working Capital** went up by 35.0% to € 668.7 million. On the asset side, **inventories** went up by 18.5% from € 449.2 million to € 532.4 million, supporting our

continued and expected sales growth in addition to our new styles and offerings. **Trade receivables** also increased, up 13.3% from € 538.9 million to € 610.5 million. This again is an effect of our growth in sales compared to this point in time last year.

Cashflow/ Capex

The **Free Cashflow** (before acquisitions) came in at € -89.4 million versus € 57.9 million last year. The additional outflow resulted from tax payments and higher working capital needed as well as higher CAPEX. For **Capex**, the company spent € 44.6 million versus € 35.5 million in 2010. The increase derives mainly from investments in the improvement of organizational processes and IT systems as well as in the expansion of our Retail store portfolio, all of which continue to be integral components of our growth strategy.

Cash Position

Total cash (as of September 30, 2011) dropped by 30.7% to € 289.5 million from € 417.9 million last year. **Bank debts** were reduced by 39.9% from € 57.2 million to € 34.4 million. As a result, the **net cash position** decreased 29.3%, from € 360.7 million to € 255.1 million.

Share buyback

PUMA did not activate its share buyback program during the third quarter of 2011.

Outlook for the Financial Year 2011

Going into the final quarter of 2011, we reiterate that PUMA's target is €3 billion in sales for the full year. Our overall outlook remains positive despite the current uncertainty afflicting various markets at this time. We anticipate ongoing input cost volatility, although we have demonstrated in the third quarter that our ability to maintain gross profit margins remains undiminished. As previously communicated, our current elevated operating and capital expenditures are an integral part of our growth strategy. None the less, we continue to expect full year net earnings to improve in the mid-single digit range.

Third Quarter

Full Year

Income Statement	Third Quarter			Full Year		
	Q3/2011 € million	Q3/2010 * € million	Devi- ation	1-9/2011 € million	1-9/2010 * € million	Devi- ation
Sales	841,6	784,3	7,3%	2.288,5	2.083,0	9,9%
Cost of sales	-420,8	-391,8	7,4%	-1.131,4	-1.021,1	10,8%
Gross profit	420,8	392,5	7,2%	1.157,1	1.061,9	9,0%
- in % of consolidated sales	50,0%	50,0%		50,6%	51,0%	
Royalty and commission income	4,8	4,0	19,1%	13,4	14,0	-4,3%
Other operating income and expenses	-307,0	-279,9	9,7%	-885,5	-779,2	13,6%
Operational result before special items	118,6	116,6	1,8%	285,0	296,7	-3,9%
- in % of consolidated sales	14,1%	14,9%		12,5%	14,2%	
Special items	0,0	0,0		0,0	-17,8	-100,0%
EBIT	118,6	116,6	1,8%	285,0	278,9	2,2%
- in % of consolidated sales	14,1%	14,9%		12,5%	13,4%	
Financial result / Income from associated companies	-2,1	-1,4	46,3%	-3,9	-4,1	-6,1%
EBT	116,6	115,1	1,2%	281,1	274,8	2,3%
- in % of consolidated sales	13,9%	14,7%		12,3%	13,2%	
Taxes on income	-34,9	-33,4	4,5%	-84,2	-86,4	-2,6%
- Tax rate	30,0%	29,0%		30,0%	31,5%	
Net earnings attributable to minority interest	0,1	-0,1		0,2	-0,1	
Net earnings	81,7	81,7	0,1%	197,1	188,2	4,7%
Earnings per share (€)	5,45	5,43	0,5%	13,15	12,51	5,1%
Earnings per share (€) - diluted	5,45	5,39	1,1%	13,14	12,43	5,7%
Weighted average shares outstanding				14,988	15,047	-0,4%
Weighted average shares outstanding - diluted				14,993	15,138	-1,0%

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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	Sep. 30,'11 € million	Sep. 30,'10 *	Devi- ation	Dec. 31,'10 € million	Dec. 31,'09 * € million
ASSETS					
Cash and cash equivalents	289,5	417,9	-30,7%	479,6	485,6
Inventories	532,4	449,2	18,5%	439,7	344,4
Trade receivables	610,5	538,9	13,3%	447,0	347,4
Other current assets (Working Capital related)	166,8	136,3	22,4%	177,6	115,1
Other current assets	17,4	3,7	377,4%	3,3	1,7
Current assets	1.616,5	1.545,9	4,6%	1.547,2	1.294,2
Deferred taxes	86,2	63,7	35,3%	96,5	64,8
Other non-current assets	719,7	709,3	1,5%	722,9	566,0
Non-current assets	805,9	773,0	4,3%	819,4	630,8
Total Assets	2.422,5	2.319,0	4,5%	2.366,6	1.925,0
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current bank liabilities	34,4	57,2	-39,9%	42,8	48,3
Trade payables	390,0	376,5	3,6%	344,3	265,7
Other current liabilities (Working Capital related)	250,9	252,3	-0,6%	315,5	258,7
Other current liabilities	108,0	86,9	24,2%	96,4	54,8
Current liabilities	783,2	773,0	1,3%	799,0	627,5
Deferred taxes	50,9	45,9	10,9%	50,7	4,4
Pension provisions	25,7	24,7	4,1%	26,1	25,4
Other non-current liabilities	38,4	135,2	-71,6%	104,4	134,4
Non-current liabilities	115,0	205,8	-44,1%	181,2	164,2
Shareholders' equity	1.524,3	1.340,2	13,7%	1.386,4	1.133,3
Total Liabilities and Shareholders' equity	2.422,5	2.319,0	4,5%	2.366,6	1.925,0

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Cashflow Statement	1-9/2011	1-9/2010 *	Devi- ation
	€ million	€ million	
EBT	281,1	274,8	2,3%
Non cash effected expenses and income	49,9	45,4	9,7%
Cashflow - gross	331,0	320,2	3,4%
Change in net working capital	-244,9	-176,1	39,1%
Taxes, interests and other payments	-133,4	-56,9	134,4%
Cashflow from operating activities	-47,3	87,2	-154,2%
Payments for acquisitions	-42,5	-102,4	-58,5%
Purchase of property and equipment	-44,6	-35,5	25,6%
Interest received and others	2,5	6,1	-59,3%
Cashflow from investing activities	-84,6	-131,8	-35,8%
Free Cashflow	-131,8	-44,6	195,8%
Free Cashflow (before acquisition)	-89,4	57,9	-254,5%
Dividend payments	-26,8	-27,1	-1,1%
Purchase of own shares	-26,6	-23,4	14,1%
Other changes	-5,4	6,1	-189,7%
Cashflow from financing activities	-58,9	-44,4	32,6%
Effect on exchange rates on cash	0,6	21,3	-97,1%
Change in cash and cash equivalents	-190,2	-67,7	180,8%
Cash and cash equivalents at beginning of financial year	479,6	485,6	-1,2%
Cash and cash equivalents end of the period	289,5	417,9	-30,7%

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Notes to the editors:

- This press release and financial reports are posted on www.about.puma.com.
- PUMA SE stock symbol:
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Notes relating to forward-looking statements:

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PUMA

PUMA is one of the world's leading Sportlifestyle companies that designs and develops footwear, apparel and accessories. It is committed to working in ways that contribute to the world by supporting Creativity, SAFE Sustainability and Peace, and by staying true to the principles of being Fair, Honest, Positive and Creative in decisions made and actions taken. PUMA starts in Sport and ends in Fashion. Its Sport Performance and Lifestyle labels include categories such as Football, Running, Motorsports, Golf and Sailing. Sport Fashion features collaborations with renowned designer labels such as Alexander McQueen, Mihara Yasuhiro and Sergio Rossi. The PUMA Group owns the brands PUMA, Cobra Golf and Tretorn. The company, which was founded in 1948, distributes its products in more than 120 countries, employs more than 10,000 people worldwide and has headquarters in Herzogenaurach/Germany, Boston, London and Hong Kong. For more information, please visit <http://www.puma.com>