



PRESS RELEASE

PUMA posts 6.1% Sales Growth in the First Quarter

Profitability affected by slow-down in Europe

Herzogenaurach, April 25, 2012

Highlights First Quarter 2012

- Consolidated sales increase by 6.1% to € 820.9 million.
- Gross profit margin falls by 120 basis points to 51.2%.
- EBIT decline by 8.1% to € 102 million.
- Net earnings decrease slightly, by 4.9% to € 74 million.
- EPS decline from € 5.17 to € 4.92.
- Long-term contractual partnership with the Italian Football Federation extended.

Outlook for the Financial Year 2012

- Management reiterates full-year sales target of high single-digit growth for 2012.
- Management continues to see net earnings increasing in the mid-single digit range for 2012.

“After a strong finish in 2011, PUMA’s first-quarter sales growth could not keep pace with that of recent quarters, translating into weaker bottom line results, said **Franz Koch, CEO of PUMA SE**. “Our first quarter sales performance indicates that we are facing challenges in Europe. As a consequence, we have begun to respond to these challenges, optimizing the efficiency of our business model in the EMEA region. In addition, I am confident that the product innovations we have in the pipelines will contribute to achieving our full-year sales and earnings targets against the background of this extraordinary sports year.”

Key Sales Figures at a Glance

Sales by regions and product segments		Q1		growth rates	
€ million	2012	2011	Euro	currency adjusted	
Breakdown by regions					
EMEA	368,0	374,5	-1,7%	-1,4%	
Americas	260,8	235,1	10,9%	8,5%	
Asia/Pacific	192,1	163,9	17,2%	10,2%	
Total	820,9	773,4	6,1%	4,2%	
Breakdown by product segments					
Footwear	414,6	417,2	-0,6%	-2,1%	
Apparel	267,6	241,8	10,7%	8,0%	
Accessories	138,7	114,4	21,2%	19,0%	
Total	820,9	773,4	6,1%	4,2%	

Sales Performance By Region

EMEA sales decline in a challenging consumer environment

With consumer spending remaining sluggish within the Eurozone, Sportlifestyle company PUMA's first-quarter sales increased by 6.1% in Euro terms and 4.2% currency adjusted to € 820.9 million compared to last year.

Sales in the **EMEA** region softened by 1.4% currency adjusted to € 368 million, as restrained consumer spending in the wake of the financial crisis in the Eurozone continued to impact demand. In addition to the challenging overall business climate, the late arrival of winter in Europe dampened sales at wholesale accounts and retailers, which slowed the in-take of spring collections and therefore had an effect on PUMA's first-quarter sales.

As a consequence, PUMA has begun to respond to these challenges, optimizing the efficiency of its business model in the EMEA region. To this end Sergio Bucher, formerly PUMA's Head of Global Retail, was appointed the new General Manager for Europe. In line with the transformation outlined in the "Back on the Attack" growth strategy, the company is currently in the process of streamlining the country organizations and centralizing some of the back-office functions on a regional level.

A strong sales performance in **Asia/Pacific** and the **Americas** counterbalanced the softening sales in the EMEA region. Fuelled by growth in India, Korea and Japan, which all saw significant demand for PUMA's Motorsport, Running and Lifestyle products, Asian sales climbed 10.2% currency adjusted to € 192.1 million.

Sales in the **Americas** improved by 8.5% currency adjusted to € 260.8 million. Within the Latin American region, Mexico, Argentina and Brazil in particular posted strong, double-digit growth rates. North America was up, supported by the new joint ventures Wheat Accessories and Janed socks and bodywear.

Sales Performance By Segment

Footwear sales soften primarily in mature markets

Footwear sales declined 2.1% currency adjusted to € 414.6 million in the first quarter. However, PUMA has seen promising results of some of its major recent footwear product launches.

For example, the **ARCHIVE LITE**, an ultralight shoe with a contemporary look, is generating a **double-digit sell-through** in key leading doors in various countries in Europe and Asia. These styles have a distinct unique selling point, are bold, young and colorful and are the proof that PUMA is heading in the right direction. PUMA has extended its Lightweight Concept, incorporating further styles for the fourth quarter to fully capitalize on this opportunity.

The relevance of the Lightweight concept also applies to PUMA's Performance categories. In 2012, PUMA's **Year of Speed**, the company will be launching a new performance collection at the end of May that for the first time encompasses all of PUMA's sport categories. Inspired by Usain Bolt, the collection answers every athlete's need for speed by taking performance technology and innovations, and incorporating them in footwear and apparel developed for various sports.

Sales in the **Apparel** segment climbed 8% currency adjusted to € 267.6 million. The Lifestyle and Performance collections resonated well with consumers in all markets. Running, Lifestyle and Golf apparel products in particular were in demand. PUMA further expects an increase in Apparel sales on the back of UEFA Euro 2012.

Accessories jumped 19% currency adjusted to € 138.7 million, where Cobra PUMA Golf continues to deliver an outstanding performance, while the new joint venture for socks and bodywear in the North American market follows suit.

PUMA's **Teamsport** category was further strengthened in the first quarter by the signing of a long-term sponsorship contract with the Slovak Football Association, and the confirmation of a new long-term contractual partnership with the Italian Football Federation that sees PUMA now actively managing the entire licensing portfolio of the Federation's assets on a global basis.

PUMA also expanded its international club portfolio by signing the Brazilian Club Botafogo from Rio de Janeiro and the Italian Serie A club US Palermo. In addition, PUMA extended its partnership with French football club Girondins de Bordeaux. The Teamsport business is expected to benefit not only from these new acquisitions, but also from the UEFA Euro 2012 in Poland/ Ukraine in June.

PUMA **Running** was driven by the light-weight PUMA Faas range, which includes the ongoing best-seller PUMA Faas 300. The Running category will receive a further support in the second quarter with the unveiling of Olympic performance and lifestyle collections of the Jamaican athletics team designed by Cedella Marley, daughter of Reggae legend Bob Marley, at the beginning of June.

Motorsport remained active during the first quarter. PUMA boosted its Formula 1 portfolio by signing new contracts with Mercedes GP Petronas. Nico Rosberg then provided the perfect start to this partnership, scoring his maiden F1 victory in his Mercedes AMG Petronas car at the Chinese Grand Prix in Shanghai two weeks ago.

Sales in **Sailing** also continued to increase as the marketing activities around the Volvo Ocean Race and the press coverage of PUMA's most recent success in this ocean marathon have been positive. In the current America's Cup World Series PUMA, who serves as the exclusive licensee for the America's Cup Event Authority and the PUMA-sponsored Team ORACLE Racing, are getting prepared for the next exciting regattas in Venice in May and Newport, Rhode Island in June.

Expenses and Profitability

Gross Profit Margin softens to 51.2% in the first quarter of 2012

Input price pressures were mainly responsible for the drop of the **gross profit margin** in the first quarter, which comprised 51.2% of group sales, down from 52.4% at the same point last year. Hedging also had a negative effect, as did the product and regional mix.

As a consequence, Footwear fell back from 51.3% to 49.5%, Apparel dropped slightly from 53.7% to 53.5% and Accessories declined from 54.0% to 51.9% which is mainly due to the first time inclusion of the newly added US sock and bodywear business, which carries lower margins.

Satisfying retail performance

Retail sales constituted € 122 million, or 14.9% of total sales, in the first three months of 2012, an improvement of 15.2% year on year, underlined by positive comparable sales in the current store portfolio and newly opened stores in 2012.

Operating Expenses rise as growth strategy is implemented

Operating expenses rose by 8.0% to € 322 million in the first quarter of 2012, as the "Back on the Attack" growth strategy continues to be implemented. This represents 39.3% of group sales compared to 38.6% in 2011. This increase was mostly due to rising marketing, research, design and development expenditures. Another component of the increase is the expansion of the retail store portfolio over the past twelve months.

Operating Result (EBIT) impacted by drop in gross profit margin

Operating profit declined in the first three months of 2012 from € 111.0 million to € 102.0 million, caused mainly by the drop in gross profit margin. The moderate increase in operating expenses was in line with PUMA's plans. As a consequence, the EBIT ratio decreased from 14.4% last year to 12.4% this year.

Financial Result / Income from associated companies improves

The **financial result** improved from € -0.2 million to € 1.1 million in the first quarter due to positive currency developments.

Earnings before Taxes (EBT) lower

PUMA's first-quarter **EBT** was lower at € 103.1 million in 2012 compared to € 110.8 million in 2011, representing 12.6% of group sales compared to 14.3% at this time last year. **Tax expenses** also fell from € 33.1 million to € 27.9 million, representing a tax rate of 27.1% versus 29.9% for the comparable period in 2011.

Net Earnings drop slightly

Consolidated **net earnings** dropped slightly by 4.9% from € 77.7 million to € 73.9 million. **Earnings per share** therefore also fell back from € 5.17 in 2011 to € 4.92 in the first quarter of 2012.

Net Assets and Financial Position

Equity rises

Total assets as of March 31st rose by 7.9% from € 2,303 million to € 2,486 million due to increases in both inventories and trade receivables. The **equity ratio** moved up from 60.6% to 66.4% when compared to the first quarter of 2011, once again strengthening the capital base. Shareholder's equity is now equivalent to € 1,652 million, up from € 1,396 million.

Working Capital increases

PUMA's overall **Working Capital** increased by 21.0% to € 723.7 million. Looking at assets, **inventories** rose by 26.4% to € 587.1 million. This is mainly due to anticipated sales growth in the upcoming quarters, continuous expansion of our retail store network and higher average prices per unit. **Trade receivables** also increased by 7.4% to € 620.5 million, broadly in line with sales growth.

Cashflow (before acquisitions) remains constant

The **Free Cashflow** (before acquisitions) remained constant at € -111.5 million. Outflows consisted mostly of working capital increases. The payments for acquisitions relate to the purchase of the outstanding Dobotex shares, effected on the 1st of January 2012.

Capex continued to increase by 28.1% to € -13.8 million and went mainly into Retail stores, supply chain initiatives and IT projects as "Back on the Attack" investments continued.

Cash Position reduced

The **Total cash** position was reduced by 18.3% from € 300.8 million to € 245.8 million, caused by the purchase of the remaining Dobotex shares. Including stable bank debts, the net cash position finished at € 203.2 million.

Outlook for the Financial Year 2012

PUMA's management has taken actions to improve the company's cost structure and strengthen product desirability to foster sales growth and profitability. PUMA is confident of achieving the full year targets as outlined in the 2011 annual report. Management continues to foresee sales increases in the high single-digit range and an increase in net earnings in the mid-single digit range for the full year.

First Quarter

Income Statement	Q1/2012 € million	Q1/2011 € million	Devi- ation
Sales	820,9	773,4	6,1%
Cost of sales	-400,7	-367,8	9,0%
Gross profit	420,1	405,6	3,6%
- in % of consolidated sales	51,2%	52,4%	
Royalty and commission income	4,3	4,0	8,3%
Other operating income and expenses	-322,4	-298,6	8,0%
Operating result (EBIT)	102,0	111,0	-8,1%
- in % of consolidated sales	12,4%	14,4%	
Financial result / Income from associated companies	1,1	-0,2	
Earnings before taxes (EBT)	103,1	110,8	-7,0%
- in % of consolidated sales	12,6%	14,3%	
Taxes on income	-27,9	-33,1	-15,7%
- Tax rate	27,1%	29,9%	
Net earnings attributable to non-controlling interests	-1,2	0,0	
Net earnings	73,9	77,7	-4,9%
Earnings per share (€)	4,92	5,17	-4,8%
Earnings per share (€) - diluted	4,92	5,15	-4,5%
Weighted average shares outstanding	15,010	15,018	-0,1%
Weighted average shares outstanding - diluted	15,017	15,074	-0,4%

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,'12	Mar. 31,'11	Devi-	Dec. 31,'11
	€ million	€ million	ation	€ million
ASSETS				
Cash and cash equivalents	245,8	300,8	-18,3%	448,2
Inventories	587,1	464,3	26,4%	536,8
Trade receivables	620,5	577,8	7,4%	533,1
Other current assets (Working Capital related)	162,4	168,8	-3,8%	167,6
Other current assets	15,8	0,4		28,7
Current assets	1.631,5	1.512,2	7,9%	1.714,5
Deferred taxes	110,3	96,1	14,7%	109,1
Other non-current assets	744,3	694,9	7,1%	758,2
Non-current assets	854,6	791,0	8,0%	867,3
Total Assets	2.486,2	2.303,2	7,9%	2.581,8
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current bank liabilities	42,6	38,8	10,0%	35,1
Trade payables	393,5	340,2	15,7%	431,4
Other current liabilities (Working Capital related)	252,7	272,7	-7,3%	272,1
Other current liabilities	10,0	65,1	-84,7%	100,5
Current liabilities	698,8	716,8	-2,5%	839,2
Deferred taxes	64,8	55,1	17,7%	63,6
Pension provisions	30,1	24,5	22,6%	29,8
Other non-current liabilities	40,8	110,9	-63,2%	44,0
Non-current liabilities	135,7	190,5	-28,8%	137,5
Shareholders' equity	1.651,6	1.395,9	18,3%	1.605,2
Total Liabilities and Shareholders' equity	2.486,2	2.303,2	7,9%	2.581,8

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Cashflow Statement	1-3/2012 € million	1-3/2011 € million	Devi- ation
Earnings before taxes (EBT)	103,1	110,8	-7,0%
Financial result and non cash effected expenses and income	17,8	13,6	31,6%
Cashflow - gross	120,9	124,3	-2,8%
Change in net working capital	-193,9	-181,2	7,0%
Taxes and interest payments	-26,5	-47,0	-43,7%
Cashflow from operating activities	-99,5	-103,9	-4,3%
Payments for acquisitions	-88,6	-39,0	127,1%
Payments for investments in fixed assets	-13,8	-10,8	28,1%
Other investing activities	1,8	1,3	45,0%
Cashflow from investing activities	-100,6	-48,6	107,3%
Free Cashflow	-200,1	-152,5	31,2%
Free Cashflow (before acquisition)	-111,5	-113,5	-1,8%
Dividends paid to non-controlling interests	-0,6	0,0	0,0%
Purchase of own shares	0,0	-10,9	-100,0%
Other changes	7,2	-3,2	-324,1%
Cashflow from financing activities	6,6	-14,1	-146,9%
Effect on exchange rates on cash	-9,0	-12,2	-26,3%
Change in cash and cash equivalents	-202,5	-178,8	13,2%
Cash and cash equivalents at beginning of financial year	448,2	479,6	-6,5%
Cash and cash equivalents end of the period	245,8	300,8	-18,3%

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Media Relation:

Ulf Santjer - Corporate Communications - PUMA SE - +49 9132 81 2489 – ulf.santjer@puma.com
Kerstin Neuber - Corporate Communications - PUMA SE - +49 9132 81 2984 - kerstin.neuber@puma.com

Investor Relations:

Carl Baker – Finance - PUMA SE - +49 9132 81 3188 – carl.baker@puma.com

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>