



QUARTERLY STATEMENT Q3 2017

Strong Sales and EBIT growth continues in the Third Quarter Upgrade of the Full-Year Guidance for 2017

Herzogenaurach, October 24, 2017

2017 Third Quarter Facts

- Sales increase by 17% currency adjusted to € 1,122 million (+13% reported) with double-digit growth in all regions
- Gross profit margin up by 230 basis points to 48.1%
- Operating expenses (OPEX) increases by 11% driven by higher marketing, selling and retail expenses
- Operating result (EBIT) rises to € 101 million (last year: € 60 million)
- PUMA partners with singer, actress and social media icon Selena Gomez
- The new PUMA ONE collection drives improved Football sell-through

2017 Nine Month Facts

- Sales up by 16% currency adjusted to € 3,096 million (+16% reported), with all regions showing double-digit growth and footwear being the main growth driver
- Gross profit margin up 120 basis points at 47.3%
- Operating leverage with operating expenses (OPEX) increasing by only 12%
- Operating result (EBIT) improves to € 215 million (last year: € 114 million)
- Net earnings almost doubled from € 67 million last year to € 134 million and earnings per share increase from € 4.48 last year to € 8.94 respectively
- PUMA footwear styles "BASKET HEART" and "IGNITE Limitless" continued to be popular with customers
- Women's business further strengthened through second Rihanna collection this year, launched in September

Bjørn Gulden, Chief Executive Officer of PUMA SE:

“The third quarter was another good quarter for us with double-digit growth in all regions and strong growth in all product segments. With gross profit margin exceeding our expectations and a continued focus on operating expenses, we were able to deliver a very positive and better than expected operating result (EBIT).

This development in the third quarter combined with a good orderbook for the fourth quarter made us raise the outlook for the full year. We now expect currency adjusted sales to increase between 14% and 16% and the operating result (EBIT) to come in between € 235 million and € 245 million.”

Sales Development:

Sales by regions and product segments	Third Quarter				Nine Months			
	Q3		growth rates		1-9		growth rates	
€ million	2017	2016	Euro	currency adjusted	2017	2016	Euro	currency adjusted
Breakdown by regions								
EMEA	498,3	408,6	22,0%	22,7%	1.298,2	1.084,3	19,7%	19,7%
Americas	376,6	342,9	9,8%	15,6%	1.077,6	946,6	13,8%	14,3%
Asia/Pacific	246,9	238,7	3,4%	10,2%	719,8	637,7	12,9%	13,7%
Total	1.121,8	990,2	13,3%	17,4%	3.095,6	2.668,5	16,0%	16,4%
Breakdown by product segments								
Footwear	545,3	458,8	18,9%	23,2%	1.507,2	1.211,0	24,5%	24,9%
Apparel	391,8	377,4	3,8%	7,6%	1.053,0	966,6	8,9%	9,4%
Accessories	184,7	154,0	19,9%	23,9%	535,5	491,0	9,1%	9,1%
Total	1.121,8	990,2	13,3%	17,4%	3.095,6	2.668,5	16,0%	16,4%

Third Quarter 2017

PUMA's **sales** growth continued in the third quarter of 2017. Sales rose by 17.4% currency-adjusted to € 1,121.8 million (+13.3% reported), compared to € 990.2 million in the previous year. All regions supported the sales growth showing a double-digit increase. Footwear continued to be the main growth driver and Accessories also increased double-digit, while Apparel grew at a more modest rate.

The **gross profit margin** improved by 230 basis points from 45.8% to 48.1% in the third quarter. Further improvements in sourcing, higher sales of new products with a higher margin and selective price adjustments helped to improve the gross profit margin despite negative currency impacts.

Operating expenses (OPEX) grew by 11.4% to € 442.6 million in the third quarter. The increase was driven by higher marketing, selling and retail expenses, while costs for other operating functions grew only moderately.

The **operating result (EBIT)** increased from € 60.3 million last year to € 101.2 million due to strong sales growth combined with an improved gross profit margin.

Net earnings rose from € 39.5 million to € 62.1 million and **earnings per share** increased correspondingly from € 2.64 to € 4.16 in the third quarter.

Nine Months 2017

Sales for the nine-month period increased by 16.4% currency adjusted to € 3,095.6 million (+16.0% reported) and were above expectations. All regions showed double-digit growth with Footwear being the main growth driver. Major gains were achieved by the Running and Training and Sportstyle categories, with Platform, Suede, BASKET HEART, FIERCE and IGNITE Limitless footwear styles performing well.

Including eCommerce, PUMA's own and operated **retail sales** rose by 22.0% currency adjusted to € 673.0 million. This represents a share of 21.7% of total sales for the nine-month period (20.6% in the previous year). The performance was achieved by positive like-for-like growth in our existing retail stores, opening of new stores and strong growth in our eCommerce business.

The **gross profit margin** improved by 120 basis points from 46.1% to 47.3% in the first nine months of 2017. The increase of the gross profit margin, despite the negative currency impacts, was driven by further improvements in sourcing, higher sales of new products with a higher margin and selective price adjustments.

Operating expenses (OPEX) rose by 11.7% and amounted to € 1,260.3 million. The increase was due to higher sales-related variable costs, intensified marketing activities and investments in own retail stores. Costs for other operating functions grew only moderately.

The **operating result (EBIT)** improved from € 113.5 million last year to € 214.8 million in the first nine months of 2017. This development underlines the improved operating performance, with strong sales growth, a higher gross profit margin and an improved operating leverage.

Net earnings in the first nine months almost doubled and came in at € 133.6 million (last year: € 67.0 million). This result translates into **earnings per share** of € 8.94 compared to € 4.48 last year.

Working Capital

Despite the double-digit sales growth and a higher number of owned and operated retail stores, PUMA's **working capital** increased only modestly to € 762.8 million, an increase of 4.3%. **Inventories** were up 11.3% at € 795.8 million in order to ensure product availability, to support further growth and to meet the increased need for products due to our additional retail stores. **Trade receivables** rose by 16.0% to € 677.4 million and **trade payables** were up 20.6% to € 580.5 million.

Outlook 2017

In light of the strong third-quarter increase in sales and profitability as well as the positive business outlook for the fourth quarter of 2017, **PUMA raises the full-year guidance** for its consolidated sales, gross profit margin, operating expenses and operating result (EBIT).

The Management now expects that currency adjusted **sales** will increase between 14% and 16% (previous guidance: currency adjusted increase between 12% and 14%). The **gross profit margin** is now anticipated to improve to approx. 46.5% (previous guidance: approx. 46.0%). Due to the expected increase in sales, the Management now foresees **operating expenses (OPEX)** to increase at a low double-digit percentage rate (previous guidance: increase at a high single-digit percentage rate).

As a consequence, the **operating result (EBIT)** is now anticipated to come in between € 235 million and € 245 million (previous guidance: between € 205 million and € 215 million). In line with the previous guidance, the Management still expects that **net earnings** will improve significantly in 2017.

Income Statement	Third Quarter			Nine Months		
	Q3/2017 € million	Q3/2016 € million	Devi- ation	1-9/2017 € million	1-9/2016 € million	Devi- ation
Sales	1.121,8	990,2	13,3%	3.095,6	2.668,5	16,0%
Cost of sales	-581,8	-536,4	8,5%	-1.631,6	-1.439,3	13,4%
Gross profit	540,0	453,8	19,0%	1.464,0	1.229,3	19,1%
- in % of consolidated sales	48,1%	45,8%		47,3%	46,1%	
Royalty and commission income	3,9	3,9	-1,6%	11,0	12,1	-8,7%
Other operating income and expenses	-442,6	-397,4	11,4%	-1.260,3	-1.127,9	11,7%
Operating result (EBIT)	101,2	60,3	67,9%	214,8	113,5	89,2%
- in % of consolidated sales	9,0%	6,1%		6,9%	4,3%	
Financial result / Income from associated companies	-3,4	-1,3	169,1%	-5,9	-6,8	-13,5%
Earnings before taxes (EBT)	97,8	59,0	65,7%	208,9	106,7	95,8%
- in % of consolidated sales	8,7%	6,0%		6,7%	4,0%	
Taxes on income	-28,3	-17,3	63,5%	-59,1	-30,9	91,3%
- Tax rate	28,9%	29,3%		28,3%	29,0%	
Net earnings attributable to non-controlling interests	-7,4	-2,2	233,5%	-16,2	-8,8	82,9%
Net earnings	62,1	39,5	57,2%	133,6	67,0	99,5%
Earnings per share (€)	4,16	2,64	57,2%	8,94	4,48	99,5%
Earnings per share (€) - diluted	4,16	2,64	57,2%	8,94	4,48	99,5%
Weighted average shares outstanding (million)				14,942	14,940	0,0%
Weighted average shares outstanding - diluted (million)				14,942	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	Sep. 30,'17 € million	Sep. 30,'16 € million	Devi- ation	Dec. 31,'16 € million
ASSETS				
Cash and cash equivalents	238,2	237,7	0,2%	326,7
Inventories	795,8	715,0	11,3%	718,9
Trade receivables	677,4	584,1	16,0%	499,2
Other current assets (Working Capital related)	166,4	148,8	11,8%	141,4
Other current assets	29,5	30,8	-4,3%	79,2
Current assets	1.907,2	1.716,4	11,1%	1.765,4
Deferred taxes	208,7	217,2	-3,9%	229,5
Other non-current assets	748,4	732,7	2,1%	770,2
Non-current assets	957,1	949,9	0,8%	999,7
Total Assets	2.864,3	2.666,3	7,4%	2.765,1
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current financial liabilities	39,0	34,8	11,9%	25,3
Trade payables	580,5	481,4	20,6%	580,6
Other current liabilities (Working Capital related)	296,2	235,3	25,9%	242,3
Other current liabilities	133,9	150,3	-10,9%	46,6
Current liabilities	1.049,6	901,8	16,4%	894,9
Deferred taxes	54,3	58,1	-6,6%	63,1
Pension provisions	31,5	22,0	43,4%	31,6
Other non-current liabilities	68,7	47,8	43,7%	53,3
Non-current liabilities	154,5	127,9	20,8%	148,0
Shareholders' Equity	1.660,2	1.636,6	1,4%	1.722,2
Total Liabilities and Shareholders' Equity	2.864,3	2.666,3	7,4%	2.765,1

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Financial Calendar FY 2017:

February 9, 2017	Financial Results FY 2016
April 12, 2017	Annual General Meeting
April 25, 2017	Quarterly Statement Q1 2017
July 26, 2017	Interim Report Q2 2017
October 24, 2017	Quarterly Statement Q3 2017

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

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Notes to the editors:

- The financial reports are posted on 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 and Dobotex. 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>