



ISSUER RATING
LongTerm

OUTLOOK
Stable

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RATING ACTION AND RATIONALE

- EthiFinance Ratings affirms PUMA SE's long-term rating at BBB+, maintaining its Stable outlook.
- Puma is a global sportswear company specializing in performance and lifestyle apparel, footwear, and accessories.
- Our rating's affirmation is reflected by a net adjusted leverage below 2.0x and a capitalisation ratio above 130%. However, the interest coverage ratio stood at a level of 7.6x (vs 9.5x in FY23 and 18.6x in FY22), which is below our current rating threshold. In FY24, Puma reported 4% organic growth, partially offset by adverse foreign exchange effects of -2%. Growth was primarily driven by the D2C segment (including e-commerce) in Europe and Latin America, supported by a strategic shift from low-margin core to the more profitable Sportstyle Prime segment targeting trend-savvy consumers. Unlike our last review expectations, adjusted EBITDA stood at €963m with a 10bps yoy margin contraction due to underperformance in LATAM and EEMEA. Looking ahead, we forecast a revenue CAGR (2025-27e) of 2.9%, with an adjusted EBITDA margin of 10.3% on average during our forecast period. The softness in revenue generation and profitability in 2025 is mainly linked to muted trading momentum, potential pressure on order intake, and €75m in one-off costs from the ongoing cost efficiency program. Net adjusted leverage is expected to temporarily deteriorate to 2.2x in FY25 due to the expected EBITDA decrease, before gradually improving to 1.4x by 2027. Despite the adverse conjunctural evolution in credit metrics expected by end-2025, we forecast Puma's financial risk profile will not deteriorate even more, and thus we maintain our Stable outlook.
- However, our rating remains constrained by rather low barriers to entry in the sportswear industry. Puma as a mature heritage brand, faces increasing competitive pressure from emerging athletic sportswear brands such as Asics and ON, both of which have gained notable market share in footwear over the past two years. This trend could potentially erode Puma's market share in specific regions. Additionally, the sportswear industry is highly susceptible to shifting consumer preferences, evolving market trends, and a volatile macroeconomic environment, all of which could impact sales revenue and put pressure on profitability over time.
- Under our methodology, the consumer goods sector has medium ESG risks (sector heatmap score between 3 and 3.4). This results in a neutral impact on the industry risk rating. Regarding environmental factors, the sector has a low impact on the climate, with a moderate use of resources. However, it has a high impact on pollution, due to the significant amount of waste generated, and a medium impact on biodiversity; linked to the goods produced and their transportation. It involves a medium impact over suppliers and consumers, and a low impact on communities.
- Our ESG assessment at the company level is positive, with a score between 1.0 and 1.5. Consequently, our updated ESG score impacts positively on our anchor rating. The yoy improvement in our score is mainly due to (i) greater independence of the board (5 independent members vs 1 in 2023), (ii) an improvement in social KPIs and the reporting of the waste production metrics for the first time. In addition, Puma is sourcing 100% of renewable electricity for its own entities.

ISSUER DESCRIPTION

Puma is a German multinational that designs and distributes sporting goods (athletic and casual footwear, clothing, and accessories) through a network of (i) around 66 wholesale distributors (Amazon, Foot Locker, Zalando, etc.) accounting for 72% of FY24 sales, (ii) more than 800 Puma-branded flagship and outlet stores worldwide, and (iii) its e-commerce platform (incl. shopping app). The production process is mostly outsourced to third-parties located in low-cost countries. Puma is the 3rd largest sportswear manufacturer, after Nike and adidas, employing more than 21,000 worldwide.

For FY24, Puma reported sales of €8.8bn and adjusted EBITDA of €963m with an EthiFinance Ratings-adjusted net leverage ratio of 1.7x at end-2024. As of 10 July 2025, Puma's market capitalization was c. €3.45bn and the main shareholder is the Pinault Family through Financière Pinault with a 28.7% ownership stake.

LIQUIDITY PROFILE

We assess Puma's liquidity profile as 'Good', since the company can repay all its upcoming debt maturities, without refinancing, for more than two years.

MAIN FINANCIAL FIGURES & FORECASTS

Main financial figures. €m						
	2023	2024	2025e	2026e	2027e	24vs23
Turnover	8 602	8 817	8 855	9 168	9 621	2,5%
Adj EBITDA ⁽¹⁾	949	963	821	971	1 050	1,4%
Adj EBITDA Margin ⁽¹⁾	11,0%	10,9%	9,3%	10,6%	10,9%	-0,1pp
EBIT	592	585	414	549	597	-1,2%
EBIT Margin	6,9%	6,6%	4,7%	6,0%	6,2%	-0,2pp
Interest expenses	(100)	(127)	(130)	(124)	(106)	-27,5%
EBT	692	712	544	673	703	2,9%
Total Assets	6 640	7 141	7 168	7 414	7 629	7,5%
Equity	2 582	2 829	2 810	2 971	3 138	9,5%
Adj Total Financial Debt ⁽²⁾	1 970	2 017	2 040	2 084	2 035	2,4%
Adj Net Financial Debt ⁽²⁾	1 463	1 649	1 766	1 620	1 520	12,7%
Equity / Adj TFD ⁽²⁾	131,1%	140,3%	137,7%	142,5%	154,2%	9,2pp
Adj NFD / Adj EBITDA ^{(1) (2)}	1,5x	1,7x	2,2x	1,7x	1,4x	0,2x
Funds From Operations	634	579	594	706	783	-8,7%
FFO / Adj NFD ⁽²⁾	43,3%	35,1%	33,6%	43,6%	51,5%	-8,2pp
Adj EBITDA / Interest ⁽¹⁾	9,5x	7,6x	6,3x	7,9x	9,9x	-1,9x

(1) The adjusted EBITDA excludes income from rental activities and income from the sale of fixed assets and finance leases
(2) The adjusted net debt includes debt-like items such as factoring and pension benefits

CREDIT RATING

Credit Rating	
Business Risk Profile	BBB
Industry risk assessment	BBB-
Industry's ESG	Neutral
Competitive Positioning	BBB
Governance	BBB+
Financial Risk Profile	BBB+
Cash flow and leverage	BBB+
Capitalisation	A-
Company's ESG	Positive
Anchor Rating	BBB+
Modifiers	-
Final Rating	BBB+

RATING SENSITIVITY

Detailed below are the factors that individually or collectively could impact the company's rating:

- Long-term rating positive factors (↑).

We could upgrade our rating should Puma's credit metrics improve further on a sustained basis. Specifically, a potential catalyst for such upgrade could be an EthiFinance Ratings interest coverage ratio equal to or above 13.5x, in addition to a net adjusted leverage of 1.0x. Also, an upgrade is subject to stable trends in the whole fashion and apparel industry, which is closely tied to market sentiment, and brand image.

- Long-term rating negative factors (↓).

We may consider downgrading our long-term rating in the event of a significant deterioration in Puma's credit metrics, such as the EthiFinance Ratings adjusted net leverage exceeding 2.0x on a sustained basis, and/or the interest coverage ratio falling below 6.0x. Additionally, industry headwinds such as high operating costs, or potential controversies, could result in a rating downgrade in the event of a significant material impact on the company's financials.

Sources of information

The credit rating issued in this report is unsolicited. The credit rating is based exclusively on public information, being the main sources the following:

1. Annual Audit Report.
2. Corporate Governance Report.
3. Corporate Website.
4. Information published in the Official Bulletins.

The information was thoroughly reviewed to ensure that it is valid and consistent, and is considered satisfactory. Nevertheless, EthiFinance Ratings assumes no responsibility for the accuracy of the information and the conclusions drawn from it.

Level of the rated entity participation in the rating process

Unsolicited Credit Rating	
With Rated Entity or Related Third Party Participation	NO
With Access to Internal Documents	NO
With Access to Management	NO

Additional information

- The rating was carried out in accordance with Regulation (EC) N°1060/2009 of the European Parliament and the Council of 16 September 2009, on credit rating agencies. Principal methodology used in this research are :
 - Corporate Rating Methodology - General : <https://www.ethifinance.com/download/corporate-rating-methodology-general/?wpdmdl=35203>
- The rating scale used in this report is available at <https://www.ethifinance.com/en/ratings/ratingScale>.
- EthiFinance Ratings publishes data on the historical default rates of the rating categories, which are located in the central statistics repository CEREP, of the European Securities and Markets Authority (ESMA).
- In accordance with Article 6 (2), in conjunction with Annex I, section B (4) of the Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009, it is reported that during the last 12 months EthiFinance Ratings has not provided ancillary services to the rated entity or its related third parties.
- The issued credit rating has been notified to the rated entity, and has not been modified since.

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