

Nakisa Lease Administration Case Study—**PUMA**

PUMA Meets IFRS 16 Compliance and Streamlines
Global Lease Accounting Operations with Nakisa
Lease Administration



NAKISA[®]



PUMA is one of the world's leading sports brands, designing, developing, selling and marketing footwear, apparel and accessories. For more than 70 years, PUMA has relentlessly pushed sport and culture forward by creating fast products for the world's fastest athletes. PUMA offers performance and sport-inspired lifestyle products in categories such as football, running and training, basketball, golf, and motorsports. PUMA collaborates with renowned designers and brands to bring sport influences into street culture and fashion. The PUMA Group owns the brands PUMA, Cobra Golf and stichd. The company distributes its products in more than 120 countries, employs more than 13,000 people worldwide, and is headquartered in Herzogenaurach, Germany.

The Challenge In PUMA initially sought a lease accounting solution to comply with the IFRS 16 lease accounting standard. PUMA's diverse and complex leasing portfolio includes over 2,200 global leasing contracts in multiple currencies. These contracts range from leases for IT and office equipment, transportation, and real estate leases for their many storefronts, offices, and warehouses. PUMA's operations include 17 European-based companies and 82 organizations based around the world. Over 290 users located across multiple territories are responsible for accurately maintaining PUMA's contracts and data. Given the variety of leases as well as the number of users, PUMA, who had previously been working with a variety of Excel-based tools, required a single global lease accounting solution capable of helping them close their books on time, centralizing incremental borrowing rates (IBR) for their global market, and streamlining their lease accounting compliance process. Moreover, PUMA wanted a user-friendly application that would easily accommodate the large user base operating the data.

Why Nakisa Lease Administration "We selected Nakisa Lease Administration to comply with IFRS 16 requirements and because we were very pleased with the tool's wide range of disclosure reporting capabilities for these requirements. As well, by automating and centralizing our lease accounting process, we wanted to keep the workload low, particularly given the diversified users and entities working in the solution," said Barbara Book, Senior Teamhead of Consolidation & Group Reporting.

The Nakisa solution, easily accessible to PUMA's global users, covers the full range of PUMA's compliance needs as the solution can store right-of-use (ROU) assets, lease liabilities, and payment schedules, and is the best solution for the management of complex lease portfolios with multiple currencies. PUMA was also pleased with Nakisa's comprehensive disclosure reporting abilities, as well as with the tool's ability to produce a single report that encompasses the full range of their leasing data. "Nakisa Lease Administration is an intuitive application that is able to handle all types of leases.

 **Industry**
Sporting goods industry

 **Headquarters**
Herzogenaurach,
Bavaria, Germany

 **Company Revenue**
€5.5 billion

 **ERP**
Multiple SAP and non-SAP ERP systems

 **Number of Contracts**
2,200+

 **Additional Lease Liabilities Recognized Under IFRS 16 on Adoption Date**
€615.6 million

 **Business Benefits**

- Centralized contract data
- Visibility into lease liabilities and commitments
- Streamlined lease accounting processes to increase operational efficiencies
- Improved stakeholder decision-making with accessible and actionable lease data
- Scalability



We also found it to be the only solution that comprehensively operates in multiple currencies, which is ideal for our global business requirements,” said Ms. Book.

The Result PUMA, whose motto is “forever faster,” was able to meet their compliance needs on time. Nakisa Lease Administration enabled PUMA to streamline their lease compliance and accounting processes with a single tool. This feature was particularly critical to their Group Reporting Team, whose users, located around the world, required the ability to implement their updates and changes to the software directly. With the Nakisa solution, PUMA’s IBR calculations became fully centralized, significantly reducing time and labor costs. Nakisa Lease Administration provides PUMA with an intuitive user interface and a centralized view of their leasing portfolio. “Prior to working with Nakisa, our lease accounting processes were not centralized; we needed to bring our data into a single tool. With Nakisa Lease Administration, we have found both month-end and quarter-end closing processes to be much more straightforward operations. The solution just makes our lives easier,” said Holger Wegerer, Global Director Corporate Accounting.

“Using Nakisa Lease Administration, PUMA was able to streamline their lease accounting process for compliance purposes and beyond,” said Imran Mia, Nakisa’s VP of Global Solutions Engineering–Finance. “The tool’s ability to manage a lease portfolio in multiple currencies was an important point for PUMA from the start. We are pleased that PUMA is able to save time, centralize their reporting, and gain visibility into their business operations thanks to our solution.”

“With Nakisa Lease Administration, we have found both month-end and quarter-end closing processes to be much more straightforward operations.”

– Holger Wegerer, Global Director Corporate Accounting, PUMA

