

## **zooplus AG: Continued strong growth and rising earnings in 2016**

- **Sales increase by 28% to EUR 909 m (2015: EUR 711 m)**
- **Earnings before taxes (EBT) improve from EUR 12.7 m to EUR 17.9 m**
- **Free cash flow of EUR 8.9 m allows growth to be financed internally**
- **Sales in 2017 expected to reach a minimum of EUR 1,125 m and EBT projected in the range of EUR 17 m to EUR 22 m**
- **Target for the year 2020 is sales of at least EUR 2 bn**

**Munich, March 23, 2017** – zooplus AG (WKN 511170, ISIN DE0005111702, ticker symbol ZO1), Europe's leading online retailer of pet supplies, recorded another successful year of business development in the 2016 financial year. The Group achieved sales of EUR 908.6 m for a year-on-year increase of 27.7% and equivalent to an absolute rise of EUR 197.3 m. Sales on a currency-adjusted basis increased by 29.4%. Double-digit sales growth rates were achieved in all 30 European regional markets. The strong growth was driven mainly by the high loyalty of existing customers as well as the positive development of business with new customers.

Earnings before taxes (EBT) amounted to EUR 17.9 m, or EUR 5.2 m above the prior year (2015: EUR 12.7 m). The high growth in 2016 led to another significant improvement in cost efficiency. Total costs as a percentage of sales for marketing, logistics, payment transactions, personnel, IT, administration, interest and depreciation/amortization were reduced by 2.0 percentage points to 27.8% compared to 29.8% in the prior year. At the same time, other operating income as a percentage of sales increased from 4.4% in 2015 to 4.8% in 2016. In a persistently intensive competitive environment, both of these improvements more than offset the decline in gross margin from 27.1% in the prior year to 25.0% in 2016. The total margin (gross margin plus other operating income) amounted to 29.8% (2015: 31.6%).

The solid earnings development and continued improvement in working capital resulted in another year of positive free cash flow amounting to EUR 8.9 m, despite an absolute rise in sales of almost EUR 200 m. This level also contributed to zooplus AG's solid balance sheet ratios. As of the December 31, 2016 reporting date, the Group's equity ratio was 52%.

For the 2017 financial year, the zooplus AG Management Board is forecasting sales of at least EUR 1,125 m and earnings before taxes (EBT) in the range of EUR 17 m and EUR 22 m.

Dr. Cornelius Patt, CEO of zooplus AG, in his comments on the company's business development said: "In 2016, we further strengthened our position as the market leader in the online retailing of pet supplies in Europe and continued to consistently follow our successful strategy. This past financial year demonstrated once again that high growth keeps our competitors at a distance and at the same time increases cost efficiency. In 2017, we intend to continue pursuing this growth path and plan to reach sales of significantly more than EUR 1 bn for the first time. Even beyond the year 2017, growing sales and expanding market share will continue to take priority over the short-term maximization of earnings. Based on this intention, we as the Management Board of zooplus AG, have made it our goal to exceed the threshold of at least EUR 2 bn in sales by as early as the year 2020. We plan to continue to finance our strong growth through our earnings and a further improvement in working capital."

The complete 2016 Annual Report can be downloaded from the company's website at <http://investors.zooplus.com>.

### Company profile:

zooplus AG was founded in 1999 and today is Europe's leading online retailer for pet supplies measured by sales. In the 2016 financial year, sales totaled EUR 909 m, roughly 74% of which was generated internationally. The company's business model has been launched successfully in 30 European countries. zooplus sells products for all major pet breeds. The product range includes pet food (dry and wet food and food supplements) and accessories such as scratching posts, dog baskets, and toys in all price categories. In addition to a selection of over 8,000 products, zooplus customers benefit from a variety of interactive content and community offerings. The pet supplies market is an important market segment in the European retail landscape. Gross sales of pet food and accessories within the European Union amount to around EUR 26 bn. Based on the continued vigorous growth anticipated in the European e-commerce market, zooplus expects its dynamic performance to continue.

Online at: [www.zooplus.de](http://www.zooplus.de)

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