

zooplus AG: Successful continuation of strong growth trend in the 2017 financial year

- **Sales increase 22% to EUR 1,111 m (2016: EUR 909 m)**
- **Earnings before taxes (EBT) amount to EUR 4.1 m (2016: EUR 17.9 m) due to higher investment**
- **Operating cash flow of EUR 3.3 m – growth financed internally**
- **2018 sales growth projected between 21% to 23% and EBT anticipated in the range of -0.5% to 0.5% of sales**

Munich, March 22, 2018 – zooplus AG (WKN 511170, ISIN DE0005111702, ticker symbol ZO1), Europe's leading online retailer of pet supplies, continued to grow strongly in the 2017 financial year. Group sales rose by 22.2% year-on-year to EUR 1,110.6 m and significantly surpassed a level of more than one billion euro for the first time. Sales in absolute terms increased by EUR 202 m. Adjusted for currency effects, sales growth equaled 22.8%. Double-digit growth rates were achieved in all 30 European regional markets in the past financial year, driven primarily by the continued very high level of loyalty among existing customers and the company's success in acquiring new customers, particularly in the second half of the year. The highest quarterly growth rate for the 2017 financial year was achieved in the fourth quarter of 2017, which recorded year-on-year growth of 24.8%.

zooplus continued to operate profitably in the 2017 financial year, generating earnings before taxes (EBT) of EUR 4.1 m. As a result of the higher investments in attractive pricing, marketing, logistics and IT, EBT in the reporting year was lower than the prior year's level of EUR 17.9 m. In a persistently competitive environment it is a clear priority of zooplus to offer the best value for money in the market. As a consequence, the total margin (gross margin plus other income) slightly declined to 29.2% (2016: 29.8%) and the total cost ratio increased by one percentage point to 28.8% (2016: 27.8%).

With cash flows from operating activities in the past financial year of EUR 3.3 m (2016: EUR 12.5 m), zooplus again demonstrated the ability of its operating business to generate the resources required for the company's high growth. More efficient use of capital was instrumental in achieving this and brought down the working capital ratio (based on sales) to

a level of only 5.1% (2016: 6.3%), which allowed for a slight reduction in working capital despite an increase in sales of more than EUR 200 m.

At an equity ratio of 46.5% as of the December 31, 2017 reporting date (December 31, 2016: 52.0%), zooplus AG's very solid balance sheet structure was reconfirmed in the reporting year and provides the necessary basis for the continued high growth planned for the future.

Dr. Cornelius Patt, CEO of zooplus AG, in his comments on the company's business development, says: "In the 2017 financial year, zooplus successfully continued on the road of steadily expanding its position as Europe's leading online retailer of pet supplies. With more than EUR 1.1 bn in sales last year, we have now moved up to become the number two among the largest retailers in the overall European market for online and bricks-and-mortar pet supplies. The measures we have taken to accelerate our business with new customers and strengthen our overall growth are having a positive effect. We are investing more in offering our customers an attractive product range, in addition to our investments in our marketing activities, logistics network and IT development capacity, so that, as an e-commerce specialist, we can provide an outstanding shopping experience in our segment. zooplus is taking advantage of the market's potential while maintaining its lead in a highly competitive market environment. In the 2018 financial year, we will continue to focus on further growth as we are firmly convinced that this strategy will generate the highest long-term value for the company."

Based on the above, the zooplus AG Management Board is forecasting sales growth of between 21% and 23% for the 2018 financial year and earnings before taxes (EBT) as a percentage of sales in the range of -0.5% to 0.5%, in light of the company's plans to continue focusing strongly on investments.

The full 2017 Annual Report is available on 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 of pet supplies measured by sales. In the 2017 financial year, sales totaled EUR 1,111 m, roughly 75% 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. 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.

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