

**zooplus AG:****Continuation of growth path in the first half of 2018**

- **Sales increase 24% to EUR 643 m in the first half of 2018 (H1 2017: EUR 517 m / +21%)**
- **Private label sales grow above average at 37% year-on-year**
- **Gross margin in the second quarter improves by 1.2 percentage points over the first quarter of 2018**
- **Earnings before taxes (EBT) of EUR -9.2 m impacted by strong focus on investment (H1 2017: EUR 5.1 m); improvement expected in the second half of the year**
- **Positive operating cash flow of EUR 8.0 m due to improved working capital**
- **Sales and earnings outlook confirmed for full-year 2018**

**Munich, August 22, 2018** – zooplus AG (WKN 511170, ISIN DE0005111702, ticker symbol ZO1), Europe's leading online retailer of pet supplies, consistently followed its growth path in the first six months of the 2018 financial year. With sales of EUR 643 m, growth of 24% (currency-adjusted: 25%) was achieved compared to the same period of the previous year (H1 2017: EUR 517 m). Business with private label food and litter grew disproportionately with sales in this segment growing 37% versus the same period of the prior year. Sales growth in the first six months of 2018 continued to reach double-digit levels in all 30 regional markets driven by the continued very high level of loyalty from existing customers along with a steady increase in new customers. The sales retention rate adjusted for currency effects in the first half of 2018 reached 94%, while the number of registered new customers increased 16% compared to the same period of the previous year.

The gross margin (sales less cost of materials) developed well during the year, rising significantly from 27.1% in the first quarter to 28.3% in the second quarter of 2018. Price increases from suppliers were more than offset by improvements in purchasing conditions and measures related to pricing.

The positive development of the gross margin was offset by the company's continued focus on investment, particularly in the areas of marketing, personnel and one-time costs in the logistics area for the further expansion of logistics capacities. In the second quarter of 2018, the floor

space of the UK fulfillment center was tripled. This new location provides the basis for further strong sales growth in the United Kingdom while improving the quality of deliveries for customers. Earnings before taxes (EBT) amounted to EUR -9.2 m in the first half of 2018 (H1 2017: EUR 5.1 m). In the second half-year, the Management Board expects a significant improvement in earnings coming from seasonal effects, a positive development in the gross margin and increased cost efficiency.

Operating cash flow in the first half of 2018 reached a positive level of EUR 8.0 m. The strong growth coupled with a higher level of investment was again financed by operating cash flow based on further improvements in working capital.

Dr. Cornelius Patt, CEO of zooplus AG, explains: "In the first half of 2018, we consistently followed our growth path to expand our leading market position in the European online pet supplies market. With sales up 24%, and even 25% on a currency-adjusted basis, we exceeded our target in the first half of the year based on our full-year forecast and are well on our way to reaching our full-year target. In the second quarter, the indicated improvement in the gross margin took effect and also led to an improvement in the EBT margin versus the prior quarter. Our goal on a full-year basis is to balance our focus on growth and investment to further expand our market position with an appropriate development of earnings. We expect the gross margin to stabilize further in the second half of the year and will focus more on improving cost efficiency. In doing so, we clearly remain by our target of achieving two billion euros in sales in the year 2020."

For the full year 2018, based on the current business development and the significant improvement in earnings anticipated in the second half of the year, the Management Board confirms both the sales growth target of 21% to 23% compared to the previous year and an EBT margin in the range of +0.5% to -0.5% based on sales.

The complete report for the first half of 2018 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. zooplus already occupies the No. 2 market position in the combined market for online and brick-and-mortar retailers of pet supplies. 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.

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

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