

zooplus AG: Continuation of growth path in the first quarter of 2018

- **Sales increase 26% year-on-year in the first quarter of 2018 to EUR 323 m (3M 2017: EUR 257 m)**
- **Sales of private label food and cat litter grow 37% over the same quarter in previous year**
- **Earnings before taxes (EBT) of EUR -5.5 m affected by stronger focus on investment and gross margin effects (3M 2017: EUR 3.4 m)**
- **Positive operating cash flow of EUR 10.0 m**
- **Sales and earnings outlook confirmed for full-year 2018**

Munich, May 17, 2018 – zooplus AG (WKN 511170, ISIN DE0005111702, ticker symbol ZO1), Europe's leading online retailer of pet supplies, consistently maintained its growth path in the first three months of the 2018 financial year. With sales of EUR 323 m (3M 2017: EUR 257 m), the company achieved year-on-year growth of 26% (currency-adjusted: also 26%). Private label business showed an above average sales growth of 37% compared to the same quarter in previous year. Growth was supported by the continued high level of loyalty of existing customers and the accelerated year-on-year growth in registered new customers. The sales retention rate adjusted for currency effects reached 94% in the first quarter of 2018, while the number of registered new customers achieved year-on-year growth of 28%. Growth was again broadly spread internationally with double-digit growth rates recorded in all 30 regional markets. The higher investment in the expansion of our market leadership in the online retailing of pet supplies continues to pay off.

Earnings before taxes (EBT) in the first three months of 2018 reached EUR -5.5 m (3M 2017: EUR 3.4 m). Increased investment since the second half of 2017 to expand the company's leadership in a persistently, very competitive market coupled with temporary effects from the annual negotiations not yet fully concluded with the industry, which mainly affected the gross margin, were the key factors influencing earnings in the first quarter of 2018.

Cash flows from operating activities developed positively and reached a level of EUR 10.0 m in the first quarter of 2018. As a result, the high level of growth could be fully financed with the operating cash flow given the further improvement in working capital.

Dr. Cornelius Patt, CEO of zooplus AG, explains: "Driving sales growth to expand our market position as Europe's leading online pet supply retailer continues to be the priority in our strategic alignment. We successfully accelerated our growth further in the first quarter of 2018, thereby exceeding our target set for our full-year sales growth in the first three months of the year. Earnings before taxes, in contrast, were slightly below our expectations in the first quarter. Our broad investment focus resulted in a higher cost ratio while, at the same time, some supplier discussions were not yet finalized by the end of the first quarter. In addition, the market environment on the sales side still remained highly competitive. Both of these factors led to a declining gross margin in the first quarter of 2018. As a result, we expect the gross margin to improve in the coming quarters.

We will continue to develop our overall offer in the months ahead, especially in the logistics area. As a result of the excellent development of our activities in the United Kingdom, we are currently trebling the area of our local fulfillment center. This will improve our delivery quality in the British market and secure our future position as this market becomes more autonomous. We will also expand our continental European network of fulfillment centers by adding locations in Italy and Spain in the course of 2018.

We are confident that we are taking the right actions to expand our market leadership and increase the company's long-term value and we confirm our 2018 full-year forecast for both sales and earnings."

The zooplus AG Management Board is forecasting sales growth of 21% to 23% for the full year of 2018 and an EBT margin based on sales ranging from +0.5% to -0.5%.

The complete report for the first three months 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.

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