



windeln.de Continues Growth in the First Quarter – China Impacts Outlook

- **Revenues grow by 46% year over year in the first quarter; number of active customers increases to more than one million**
- **Adjusted EBIT margin of -14.8% influenced by lower growth rates in China and one-time effects**
- **Slower growth after regulatory changes in China weighs on full-year outlook**

Munich, Germany, May 24, 2016. windeln.de AG, Europe's leading online retailer for baby, toddler and children's products, achieved EUR 52.1 million in revenues compared to the same quarter of 2015, a 46% increase. Strong growth in Europe, particularly from the further business expansion in markets outside Germany, contrasted with lower growth rates growth in China. The number of active customers increased to more than one million in the first quarter, and also the number of orders rose in comparison to the fourth quarter.

At EUR 12.2 million, the European business outside Germany (International Shops), which was emphasized through the acquisitions of feedo and bebitus and the launch of the Italian online shop pannolini.it in the previous year, made a large contribution with a share of around 21% of total revenues in the first quarter. At EUR 34.8 million, the German Shop, through which Chinese business is also handled, recorded an increase of 13% over the same quarter of 2015. The Shopping Clubs (nakiki.de and nakiki.it) saw revenues rise by 43% to EUR 5.1 million. Revenues in the German-speaking region (DACH) grew by 25% year over year.

Adjusted EBIT margin below prior year as expected

Gross profit improved to EUR 14.9 million (prior year: EUR 9.1 million) resulting in a gross margin of 28.6% (prior year: 25.6%) showing the continuous increase in gross margin. As expected, the adjusted EBIT margin of -14.8% was lower than in the previous year (prior year: -3.6%). This was mainly due to lower growth for the Chinese business in the first quarter (+11% compared to prior year), the consolidation of feedo, bebitus and pannolini.it which were not yet consolidated in the previous year, internal and external costs in connection with introducing the new ERP system and costs related to relocating the bebitus warehouse in Spain.

New import regulation results in consumer reluctance in China

Despite good growth in the first quarter, windeln.de has adjusted the outlook for the full year 2016 as communicated in the ad-hoc announcement on May 18, 2016. windeln.de is forecasted year over year revenues growth of around 30% for the full year 2016 and an adjusted EBIT margin of between -10% and -12%. The gross profit margin is expected to be at least 28%.

The adjustment of the forecast is primarily based on the lower expected revenues for China following changes made to the import regulations and customs duties for goods deliveries to China. These changes were made by the Chinese government in early April. windeln.de deliveries to China are not directly affected by this, except for a moderate increase in customs duties. However, Chinese customers are holding back foreign purchases in the months of April and thus far in May due to uncertainty about certain details and the effective implementation of the new regulation. "China continues to be an important and attractive market for us which we want to develop further in the second half of the year by opening a Tmall Shop," says Konstantin Urban, co-founder and board member of windeln.de. "With our European countries continuing to grow above-average, we have built another strong foothold in addition to our German and Chinese businesses."

The introduction of the ERP system will be almost completed at the end of May leading to a negative impact on earnings in the second quarter. Alexander Brand, co-founder and board member of windeln.de: “The introduction of the ERP system has been a large and necessary project for windeln.de. Already in the upcoming months it will significantly improve operating performance and scalability of our business. This was an essential investment in the future of windeln.de and its further growth.”

Overview of figures for Q1 2016 and Q1 2015

	Q1 2016	Q1 2015*
Revenues (in EUR million)	52.1	35.6
Gross profit from sales (in EUR million)	14.9	9.1
<i>in % of revenues</i>	28.6	25.6
Adjusted EBIT (in EUR million)	-7.7	-1.3
<i>in % of revenues</i>	-14.8	-3.6
Revenues by business segment (in EUR million)		
German Shop	34.8	30.7
International Shops	12.2	1.4
Shopping Clubs	5.1	3.5
Adjusted EBIT contribution by business segment (in EUR million)		
German Shop	-0.2	1.7
<i>in % of revenues</i>	-0.7	5.5
International Shops	-2.9	-0.5
<i>in % of revenues</i>	-23.7	-38.1
Shopping Clubs	-1.2	-0.8
<i>in % of revenues</i>	-24.1	-21.8

* Share-based payments were adjusted retroactively in the Q1 2015 comparative period. Details on the adjustment are given in the nine months report 2015.



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About windeln.de

windeln.de is one of the leading pure online retailers for baby, toddler and children's products with a presence in ten European countries, including Germany, Austria, Switzerland, the Czech Republic and Spain. The Company also operates a successful e-commerce business with products for babies and toddlers for customers in China. windeln.de offers approximately 100,000 products and around 1,000 brands sold via the German Shop windeln.de and the International Shops pannolini, feedo and bebitus as well as the online shopping clubs nakiki.de (formerly windelbar.de) and nakiki.it. The product portfolio includes everything from diapers, baby food, children's furniture, toys, clothes and strollers to child car seats. windeln.de was founded in October 2010 and currently has more than 500 employees in Germany and abroad. The Company has been listed in the Prime Standard of the Frankfurt Stock Exchange since May 6, 2015. For more information, go to <http://corporate.windeln.de>.