

Press Release

Hamburg, 10 February 2020

Otto Group focus companies report very satisfactory e-commerce growth

According to preliminary forecasts the Otto Group will close the 2019/2020 financial year ending 29 February 2020 with global online revenues of around 8.1 billion euros, compared to 7.7 billion euros for the 2018/2019 financial year. In the German e-commerce market, the retail and services group generated revenues of approximately 5.6 billion euros, versus 5.3 billion euros in the previous year.

A particularly positive aspect of this is the revenue development at focus companies within the Otto Group; in the Multichannel Retail segment these include OTTO, Crate&Barrel, Bonprix, the Witt Group, About You, and the Mytoys Group. In this segment, e-commerce revenues provisionally climbed around 11 percent* versus the 2018/2019 financial year. This shows that the focused growth strategy adopted by the Otto Group is paying off, particularly in online retail. As already announced, the Otto Group is making targeted investments in selected own businesses – called focus companies – with particularly promising growth and earnings potential.

Sebastian Klauke, Member of the Otto Group Executive Board, E-Commerce, Technology, Business Intelligence and Corporate Ventures: “This very healthy e-commerce growth at our focus companies shows we are on the right track and that our efforts are paying off. The technological challenges and demands on us as a retailer are major – and will stay that way. Considering this, our sustained growth in the face of fierce competition makes me optimistic about our future.”

According to initial forecasts, overall online growth at the global Otto Group will be around 5.5 percent, and in Germany over 6 percent. Within the Otto Group’s company portfolio, forecasts indicate that the single company OTTO raised its online revenues by up to 8 percent in 2019/2020. Together with ECE, the European market leader in the shopping centre business, in the financial year now ending OTTO presented a

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Connected Commerce business concept in a completely new form of cooperation in Germany, creating a unique, unified cross-channel combination of over-the-counter and online retail. Furthermore, in December OTTO celebrated the best-ever Christmas business period in the company's history.

About You continues to generate unabated growth. The young fashion and tech company is forecast to have raised revenues by more than 60 percent to over 740 million euros in 2019/2020. Thanks to this powerful growth, About You already ranks among Europe's top 3 online fashion shops. It is now doing business online in ten European markets and has already secured market leadership in four of these in a very short space of time, thanks to its focus on customer inspiration and personalisation as well as its pioneering role in social media marketing.

At the same time, the Witt Group is forecast to report e-commerce growth of over 13 percent. The Witt Group tests its online shops in the company's own Use Lab for user-friendliness, and develops its shop features further in line with the needs of its own mainly female customer base. Moreover, the Witt Group is one of the first About You Cloud customers and relies on this technology to power one of today's most advanced online retail platforms.

“Right across the entire Otto Group we're getting better and better at harnessing the advantages of digital business models in a genuinely effective way”, says Sebastian Klauke. “Technology is an essential asset on our journey to becoming a fully digitalised retail and services corporate group.”

* Having brought in external investors, About You was deconsolidated and since then has been included at-equity in the Group's Consolidated Financial Statements.

Otto Group

Founded in Germany in 1949, today the Otto Group is a globally active retail and services group with around 52,560 employees in 30 major company groups and does business in over 30 countries in Europe, North and South America, and Asia. Its business activities are grouped into three segments: Multichannel Retail, Financial Services, and Service. In the 2018/19 financial year (to 28 February), the Otto Group generated revenues of 13.4 billion euros. With online revenues of approximately 7.7 billion euros, the Otto Group is one of the world's largest online retailers. The Group's particular strength is its broad market presence with differentiated product and service offers to diverse customer target groups in almost all of the world's relevant economic regions. Numerous strategic partnerships and joint ventures provide the Otto Group with excellent opportunities to transfer know-how and leverage areas of synergy potential. Group companies demonstrate a high degree of corporate responsibility and willingness to collaborate with one another; at the same time this guarantees flexibility, customer proximity and optimum target-group appeal in their respective national markets.

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