



Press Release

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10 per cent higher revenue with Furniture and Furnishings assortments – OTTO continues profitable growth trend

In the 2016/17 financial year (to 28 February 2017) OTTO was also able to acquire some 15 per cent more new customers than in the previous year and can now count on a total active customer base of 6.1 million. With these the Hamburg-based online retailer has generated overall revenues of EUR 2.722 billion, six per cent more than in the previous year. OTTO thus reports growth for the seventh year in a row, as well as a positive earnings result.

“We have consistently continued our growth trajectory – above plan, and profitably”, said a satisfied Marc Opelt, Member of the OTTO Management Board for Marketing and Sales, hosting the annual Financial Press Conference at the end of the company’s financial year 2016/17 for the first time in his new role as OTTO Spokesman. The Hamburg-based online retailer generated overall revenues of around EUR 2.722 billion, six per cent more than in the previous year. On the earnings side OTTO achieved profit in the single-digit range.

The almost 1.9 million new customers acquired by OTTO made a major contribution to this success. With these, OTTO has a base of around 6.1 million active customers who have purchased over the last 12 months. This customer base once again drove double-digit growth in the Multimedia assortment area, and ensured that OTTO was able to further expand its market-leading position in online furniture retail in Germany: total revenues in the Furniture and Furnishings area rose by 10 per cent versus the 2015/16 financial year to reach over EUR 911 million.

“No other company in Germany sells more furniture and furnishings via the Internet than OTTO”, said Opelt.

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'The Lions' Den' and Guido – TV stars generate clicks at OTTO.de

OTTO also achieved broad public awareness via a deal with Lions' Den juror Ralf Dümmler. Whenever the entrepreneur and long-standing OTTO partner invested in good product ideas on the TV show, these products were immediately offered for sale on OTTO.de – in real time and parallel to the broadcast. This speed to market has paid off: mobile shop access via smartphone doubled, and brand-new products such as the branded sports towel of a Hamburg team of company founders sold up to 20,000 articles.

At the same time, OTTO is benefiting from a large-scale cooperation with star designer Guido Maria Kretschmer. Not only has he designed his own interior furnishings line for the company but has also created a new fashion collection, which he presented personally in Hamburg. These Fashion and Living assortment articles are to be advertised in a TV campaign launching right away. "OTTO and I share the same goal: we want people who buy our products to feel good. We aim to provide good products for our customers' home interiors and wardrobes", said designer Guido Maria Kretschmer at the press conference.

Renting not buying – OTTO NOW test exceeds initial expectations

With its pilot project OTTO NOW, over recent months OTTO has been testing a possible expansion of the current business model: in parallel to selling its assortments via OTTO.de, OTTO NOW offers the alternative option of renting selected products for a limited time. This market test links in with the 'sharing economy' trend and provided the young project team with overwhelming feedback: within just three weeks the generous test budget was almost used up, with customers seizing the chance to rent TVs, coffee machines and running machines in particular. "Our goal is to give good ideas a chance quickly, and to test them pragmatically on the market. On the basis of these results we can weigh up their chances of making it as long-term business models", Opelt explains.

Outlook: assortment expansion and around 300 new jobs

Once again in the new 2017/18 financial year, OTTO intends to invest major sums in the further development of the organisation's digital mindset, to continue to drive the growth curve and a further significant expansion of the customer base. "We will use market opportunities consistently and even faster than we have so far. We will further expand our assortments and continue to work on creating the perfect shopping experience. To do this we will once again create 300 new positions and continually search for well-qualified employees who want to help shape the future of the company – particularly in the IT, E-Commerce and Business Intelligence divisions", says Opelt, outlining his perspective on the coming months.

Further information is available on the Internet at: www.OTTO.de/unternehmen.

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