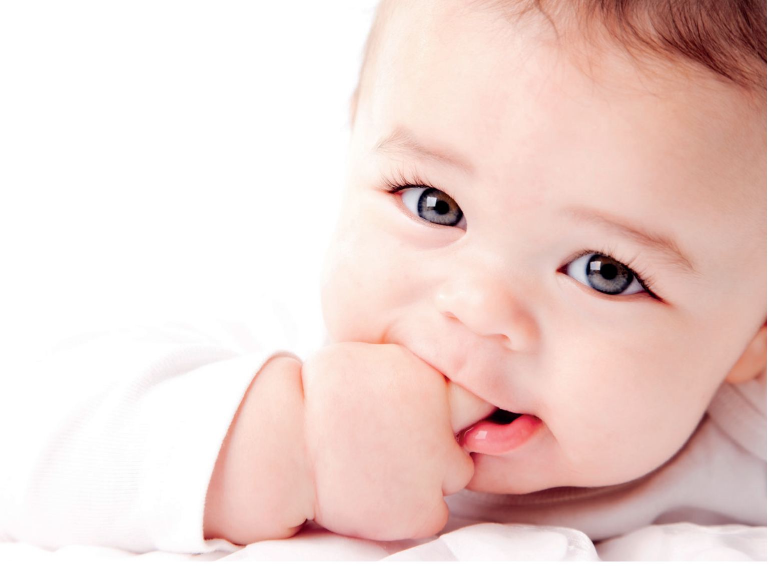
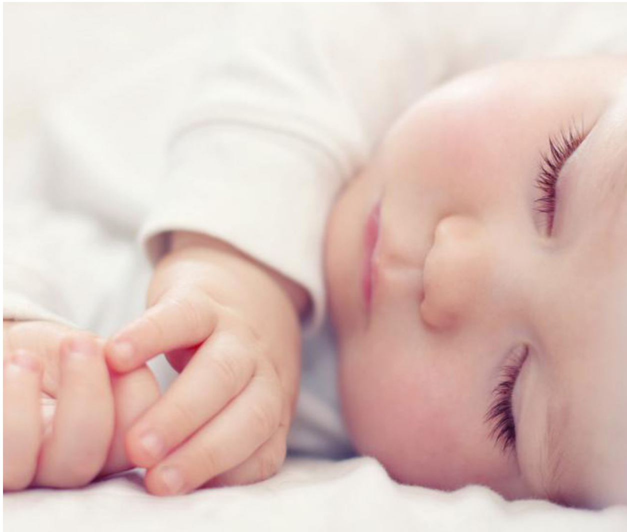
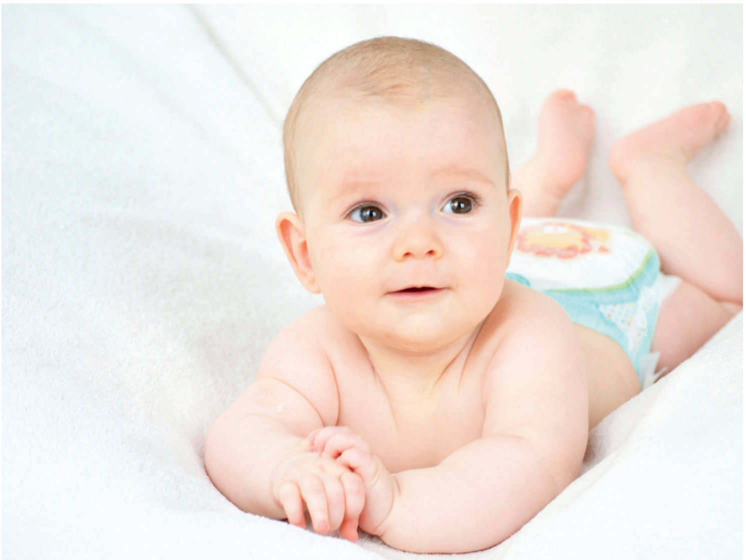


windeln.de
Everything for my baby





Half Year Report 2015
January - June 2015

Table of Contents

windeln.de Group at a Glance

Interim Group Management Report

- Basic Information on the Group
- Economic Report
- Subsequent Events
- Risks
- Opportunities
- Outlook

Consolidated Interim Financial Statements

- Consolidated Statement of Profit and Loss and other Comprehensive Income
- Consolidated Statement of Financial Position
- Consolidated Statement of Changes in Equity
- Consolidated Statement of Cash Flow
- Condensed Notes to the Consolidated Financial Statements

Service

- Glossary
- Financial Calendar
- Imprint

windeln.de Group at a Glance

Performance Indicators	H1 2015	H1 2014	Q2 2015	Q2 2014
Site Visits	29,083,473	15,806,562	14,784,636	8,483,294
Mobile Visit Share (in % of Site Visits)	66.0%	50.4%	66.5%	52.7%
Mobile Orders (in % of Number of Orders)	47.14%	35.10%	47.62%	37.25%
Active Customers	612,775	371,724	612,775	371,724
Number of Orders	913,168	575,342	460,389	302,531
Average Orders per Active Customer (in Number of Orders)	2.75	2.68	2.75	2.68
Share of Repeat Customer Orders (in % of Number of Orders)	83.76%	83.38%	83.76%	83.38%
Gross Order Intake (in EUR)	86,049,506	49,448,621	44,133,304	26,208,028
Average Order Value (in EUR)	94.23	85.95	95.86	86.63
Returns (in % of Net Merchandise Value)	6.72%	5.47%	7.41%	5.78%
Marketing Cost Ratio (in % of Revenues)	6.3%	5.1%	7.4%	5.3%
Fulfilment Cost Ratio (in % of Revenues)	10.2%	11.9%	9.8%	11.5%
Adjusted Other SG&A Expenses (in % of Revenues)	15.0%	16.6%	16.3%	16.3%
Earnings Position				
Revenues (in kEUR)	75,026	40,637	39,377	21,554
Gross Profit (in kEUR)	19,622	9,232	10,493	4,785
Gross Profit (as % of Revenues)	26.2%	22.7%	26.6%	22.2%
Operating Contribution (in kEUR)	7,310	2,311	3,728	1,154
Operating Contribution (as % of revenues)	9.7%	5.7%	9.5%	5.4%
Adjusted EBIT (in kEUR)	-3,965	-4,453	-2,689	-2,362
Adjusted EBIT (as % of revenues)	-5.3%	-11.0%	-6.8%	-11.0%
Net Asset and Financial Position				
Cash flow from operating activities (in kEUR)	-3,817	-5,134	-5,019	-2,897
Cash flow from investing activities (in kEUR)	-1,209	-447	-624	-237
Cash and cash equivalents at the end of the period (in kEUR)	122,565	4,074	122,565	4,074
Other				
Basic earnings per share (in EUR)	-0.45	-0.18	-0.18	-0.15
Diluted earnings per share (in EUR)	-0.43	-0.17	-0.17	-0.14

PP = Percentage points

Interim Group Management Report as of June 30, 2015

1. Basic Information on the Group

1.1 Organizational Structure of the Group

windeln.de AG ("windeln.de") is the parent company of the windeln.de group. On April 16, 2015 windeln.de changed its legal form from windeln.de GmbH to windeln.de AG.

1.2 Business Model

windeln.de is one of the leading and fastest growing online retailers for baby, toddler and children products in Germany, Austria, Switzerland and Italy. Windeln.de provides a convenient e-commerce offering service the needs of young families. Windeln.de offers more than 100,000 products from over 1,000 brands, which young parents can comfortably order online. The offer ranges from diapers and baby food to child furniture, toys, clothing, strollers and car seats, making windeln.de a one-stop shop for parents.
Windeln.de pursues two distinct business models. Through the websites "windeln.de", "windeln.ch", "kindertraum.ch", "toys.ch" and "pannolini.it", windeln.de offers a broad range of immediately available products. These are held on stock in order to permit fast delivery. The online shop "windelbar.de" is an online shopping club that offers registered clients a fast-changing assortment of products at significant discounts to regular retail prices. Delivery of these products takes 2-3 weeks after ordering.
The company also sells baby products to customers China. To provide a convenient shopping experience to Chinese customers, windeln.de has i.a. integrated Alipay in 2013 and launched a Chinese translation of the website in 2014. The Group serves its customers from three warehouses (Grossbeeren, Munich in Germany and Uster in Switzerland). Delivery to customers is handled by national and international parcel delivery services. Windeln.de also runs an offline shop in Grünwald and and a showroom in Uster/Switzerland.

1.3 Strategy

windeln.de's growth strategy is geared towards becoming the leading pure-play online retailer servicing the needs of young families in Europe and for Chinese customers. To achieve this objective the Group pursues the following strategies:

- Grow share of total addressable market in DACH region and China by growing the customer base in these regions as well as increasing the order volume per customer.

- Expand regional footprint into other European countries through a combination of targeted acquisitions of locally established businesses with a compelling market position and organic growth in such markets.

- Expand product offering by adding new merchandise in order to further increase the attractiveness of our offering to customers as well as to cross-sell into higher-margin non-consumable products. In the DACH region windeln.de focuses on products for young mothers, whereas in China German quality non-consumable products for babies and toddlers will be added.

2. Economic Report

2.1 General Economic Conditions

Being a pure online retailer for baby, toddler and children products, the Group is strongly influenced not only by the general economic development and consumer sentiment but also by the development of e-commerce and mail order.

Germany's economy is still on the upside. The Kiel Institute for the World Economy (IfW), forecasted a GDP increase of 1.8% for the current year, accelerating to 2.1% in 2016. Due to the persistently favourable monetary conditions private consumption and the upturn in investment continued to be the most important drivers of the economy. Apart from that, exports were stimulated by the decline in the value of the Euro. The inflation is on the rise again and is expected to reach 2% in the upcoming year[1]. The risks of an economic downturn, resulting from a deepening of the Greek crisis, are thought to be much smaller than predicted a few years ago.

Net retail sales are 5.1% higher in comparison with the same period in the previous year, according to the Federal Statistical Office (Destatis). Ecommerce and mail order even achieved growth rates of 16.8%[2]. The positive outlook for Germany is only lessened by a slight decrease of the ifo business climate index in June from 108.5 to 107.4 points[3].

In contrast, the global economy is performing poorly with world production, measured in terms of purchasing-power parities, expected to rise only 3.4 percent in 2015– a moderate pace of expansion in historical comparison. Especially economic dynamics in China remained very subdued. Despite an upturn in industrial output and increasing retail sales, the IfW expects a further economic slowdown. In its first two quarters the economy grew by only 1.4% and 1.7 % respectively, compared to 7.4% last year.

2.2 Industry related Economic Conditions – Market for babies, toddlers and children

German and European Market Characteristics

The total addressable market for baby, toddler and children products in Germany is estimated to be worth EUR 4.2 billion in 2014 for babies in the age group of 0 to 3 years and according to the Group's own estimates EUR 8.4 billion in 2014 for babies and children in the age group of 0 to 6 years[4]. Customer demand in this market exhibits limited cyclicality, supported by relatively stable birth rates and highly predictable customer needs and shopping patterns. From 2009 to 2013, the crude birth rate[5] in Germany increased by 4.9% from 8.1 to 8.5[6].

The European market for baby, toddler and children products is very fragmented. According to the Group's own estimates, the European market (excluding Germany) for baby, toddler and children products (age group of 0 to 3 years) had a total size of EUR 28.2 billion in 2014 and a total size of EUR 56.5 billion in 2014 for babies and children in the age group of 0 to 6 years. Thus, the European market is about 7 times larger than the total addressable market in Germany[7].

1 IfW 2015
2 Federal Office of Statistics Germany, (https://www.destatis.de/DE/PresseService/Presse/Pressemitteilungen/2015/07/PD15_275_45212.html)
3 ifo Institut 2015
4 Euromonitor International Ltd., Analysis of Baby and Toddler Products Retail in Germany, Februar 2015 (commissioned by the company) („Euromonitor")
5 The crude birth rate relates to the number of births during the year to the average population in that year. The value is expressed per 1,000 inhabitants.
6 Eurostat Data European Commission, January 2015, Crude birth rate: http://ec.europa.eu/eurostat/tgm/download.do?tab=table&plugin=1&language=en&pcode=tps00112
7 Company estimates extrapolated from data provided by Eurostat

Interim group management report
Consolidated interim financial statements
Service

German and European E-Commerce Market

The growth of the e-commerce market for baby consumables and other baby and toddler products is of key importance to the Group.

Consumers have increased their online retail spend on baby consumables and other baby and toddler products from EUR 265.8 million in 2011 to EUR 392.8 million in 2014. Hence, the Group believes that the online market share of the total market for baby, toddler and children products in Germany is likely to increase over the mid-term. Euromonitor expects the online market share to expand from 9.3% in 2014 to 12.1% in 2017. This corresponds to a market value of EUR 4.4 billion in 2017[8].

The Group believes that the online channel is highly suitable to market baby consumables given similar characteristics to product categories such as consumer electronics, consumer appliances or fashion (including apparel and footwear) that already show significant online penetration rates. Baby, toddler and children products are typically branded, non-perishable and are purchased with high frequency. This offers a significant opportunity for the online penetration to increase over time. Moreover, demand for baby, toddler and children products is highly predictable while exhibiting low customization requirements. In addition, the ability to shop at anytime from anywhere and having the products delivered increases convenience significantly compared to the traditional offline retail shopping experience.

The German online market for baby, toddler and children products remains largely underpenetrated compared to other product categories such as consumer electronics, consumer appliances, fashion (apparel and footwear) or beauty and personal care.

Across all product categories, German online retail penetration is expected to increase from 6.1% in 2013 to 11.2% in 2018, but will still lag behind the UK and Norway[9]. Other major European markets such as France, Spain and Italy lag behind even further and are expected to grow with roughly the same momentum. The Group believes that e-commerce penetration as well as online infrastructure and usage will continue to grow throughout Europe.

Chinese Cross-Border E-Commerce Market

windeln.de also serves the Chinese cross-border e-commerce market where Chinese consumers access and purchase directly from foreign online retailers. The total market value is estimated at EUR 18.4 billion[10]. Concurrent to the continuous increase disposable income, demand for foreign high-quality products is also increasing. The product categories primarily purchased online from overseas are cosmetics and personal care items (56.8%) as well as maternal and child products (55.3%)[11]. The Chinese cross-border e-commerce market is expected to grow from currently CNY 128.4 billion (approximately EUR 18.4 billion) to over CNY 372.2 billion (approximately EUR 53.5 billion) in 2017.

In 2014, the cross-border online shopping market for maternal and children products reached a total of CNY 53.2 billion (EUR 7.6 billion), accounting for 41.5% of the total cross-border online shopping market in China[12].

8 See Fn 4, Euromonitor
9 eMarketer Inc., Retail Sales Worldwide Will Top $22 Trillion This Year, http://www.emarketer.com/Article/Retail-Sales-Worldwide-Will-Top-22-Trillion-This-Year/ 1011765#sthash.ijARW0lp.dpuf
10 IResearch Consulting Group, 2015 China cross-border online shopper behaviour report, January 2015, statistical model and online survey conducted on iClick, (erstellt im Auftrag des Konzerns) ("IResearch")
11 See Fn 10, IResearch
12 See Fn 10, IResearch

The rise of cross-border online baby product shopping is driven by several structural trends. With more than 16.9 million births in 2014 and a forecasted increase to 17.9 million births in 2015[13], the Chinese baby market is set to grow substantially. This trend is aided by the relaxation of the Chinese one-child policy that became effective in November 2013. Additionally, an increasing number of babies are being fed with infant milk formula in lieu of breast-feeding. The Chinese milk formula consumption has increased by 110% from 346.6k tons in 2009 to 727.8k tons in 2014[14]. The rising demand for foreign high quality products is also due to past scandals with local baby formula products. Furthermore the middle class in China is rising, with a forecasted CAGR of 7.9% GDP per capita from 2014 to 2019[15]. For these reasons, the Group believes that the Chinese baby market will continue growing substantially in the coming years.

2.3 Business Development and Significant Events

2.3.1 Business Development

In the first half of 2015, the Group was able to successfully achieve its growth objectives.

The customer base grew further in the second quarter of 2015. The Group had 613k active customers who made at least one purchase from windeln.de in the last twelve months (556k in the first quarter of 2015).

The Group continued to widen its range of products, i.e. by introducing the well-known bio brand Alnatura.

In May 2015, the Italian subsidiary Pannolini.it S.r.l. launched the web shop “pannolini.it”. Simultaneously, “Cash on Delivery”, which is frequently used by Italian customers, was introduced as a new payment method.

In the first half of 2015, windeln.de also introduced the first private label “Dimbo-World”. The brand offers high quality leather shoes, produced by external partners. The shoes are sold through the shopping club windelbar.de and have a comparably high margin potential.

2.3.2 Significant Events

IPO

On May 6, 2015, windeln.de shares have started trading on the regulated market (Prime Standard) of the Frankfurt stock exchange.

The offering related to the sale of 11,404,899 ordinary bearer shares of the company with no-par value (Stückaktien), each such share representing a notional value of EUR 1.00 and with full dividend rights from January 1, 2015, consisting of 5,400,000 newly issued ordinary bearer shares with no-par value (Stückaktien) from the IPO capital increase, 4,517,304 ordinary bearer shares with no-par value (Stückaktien) from the holdings of the selling shareholders and 1,487,595 ordinary bearer shares with no-par value (Stückaktien) in connection with a potential over-allotment.

13 China Population Association read on China Internet Information Center, January 2015, http://www.china.org.cn/china/2015-02/10/content_34781027.htm
14 Euromonitor International Ltd., Packaged Food 2015 edition
15 International Monetary Fund, October 2014, http://www.imf.org/external/pubs/ft/weo/2014/02/weodata/weorept.aspx?pr.x=24&pr.y=7&sy=2010&ey=2019&scsm= 1&ssd=1&sort=country&ds=.&br=1&c=924&s=NGDPDPC&grp=0&a=

The period during which investors could submit purchase orders for the offer shares in the price range from EUR 16.50 to EUR 20.50 began on 23 April 2015 and ended on 5 May 2015. The high demand from investors significantly exceeded the number of shares offered for purchase. The Company set the offer price at EUR 18.50 on 5 May 2015. windeln.de generated cash flow of EUR 97 million in the course of the IPO, after deducting the base fee withheld by banks and not considering the proceeds from the preferential allocation program for employees (see below). The Greenshoe option granted by the underwriters was not exercised.

In connection with the IPO, windeln.de set up a preferential allocation program for the benefit of all employees of the group to allow them to participate even more in the development of its business. Employees had the opportunity to acquire shares free of charge, shares at a discount price and shares at full price with a guaranteed allocation. The preferential allocation program was very well received, 270 employees participated.

Acquisition of Feedo Sp. z o.o.

On April 17, 2015, the Company entered into an acquisition agreement regarding the acquisition of Feedo Sp. z o.o. with its online shops "www.feedo.cz", "www.feedo.sk", "www.feedo.pl". Feedo Sp. z o.o. is a fast growing pure-play online retailer focusing on baby and toddler products. It targets customers located in the Czech Republic, Poland and Slovakia.
In the financial year 2014, Feedo Sp. z o.o. generated consolidated revenues of approximately EUR 6m almost all of which were generated from Czech customers. With this acquisition, the Group intends to expand into the Eastern European market.
As the acquisition was subject to different closing conditions, which were not fully met as of June 30, 2015, and windeln.de AG did not have control over the Feedo Group, the Feedo Group was not consolidated as of June 30, 2015.

Formation of a further Group Company

As of April 24, 2015 windeln.de AG has established pannolini.it S.r.l. as a 100% subsidiary. As a service company, the company will provide intercompany services in connection with the access to the Italian market.

In the second quarter 2015, windeln.de worked on building up the Italian online shop. After translation of the product offering, the website "pannolini.it" went live in May.

Management Board

The managing directors of windeln.de GmbH, Alexander Brand and Konstantin Urban, have been appointed as members of the management board of windeln.de AG. In addition, Dr. Nikolaus Weinberger has been appointed as a member of the management board.

Supervisory Board

The following six persons were appointed as members of the first supervisory board of windeln.de AG: Dr. Christoph Braun, Fausto Boni, Nenad Marovac, David Reis, Francesco Rigamonti and Willi Schwerdtle. Willi Schwerdtle is the chairman of the supervisory board.

As of April 21, 2015 there has been a change in the supervisory board. Fausto Boni has left the supervisory board at his own request and Dr. Edgar Carlos Lange has been appointed as member of the supervisory board.

Credit Line

On April 9, 2015 windeln.de AG entered into a secured credit framework agreement with DZ BANK AG Deutsche Zentral-Genossenschaftsbank in the amount of EUR 4m. The Credit Framework Agreement is secured by inventory and assignment of receivables (Globalzession). It is subject to customary covenants, for example the monthly compliance with certain liquidity ratios by the Company. The agreement terminates on March 31, 2016.
The total credit line of windeln.de amounted to EUR 14m as of June 30, 2015.

2.4 Net asset, financial and income position of the windeln.de Group

Financial Position

Consolidated Statement of Profit and Loss

in kEUR	H1 2015	H1 2014	Change in total in kEUR	(relative) in %	Q2 2015	Q2 2014	Change in total in kEUR	(relative) in %
Revenues	75,026	40,637	34,389	85%	39,377	21,554	17,823	83%
Cost of sale	-55,404	-31,405	-23,999	-76%	-28,884	-16,769	-12,115	-72%
Gross profit	**19,622**	**9,232**	**10,390**	**113%**	**10,493**	**4,785**	**5,708**	**119%**
Selling and distribution expenses	-20,155	-11,428	-8,727	-76%	-11,176	-5,945	-5,231	-88%
Administrative expenses	-9,774	-4,014	-5,760	-143%	-4,323	-2,065	-2,258	-109%
Other operating income	2,591	120	2,471	2,059%	2,205	51	2,154	4,224%
Other operating expenses	-305	-15	-290	-1,933%	-42	-8	-34	-425%
Earnings before interest and taxes (EBIT)	**-8,021**	**-6,105**	**-1,916**	**-31%**	**-2,843**	**-3,182**	**339**	**11%**
Financial income	7	2,669	-2,662	-100%	5	353	-348	-99%
Financial expenses	-103	-56	-47	-84%	-92	-31	-61	-197%
Financial result	**-96**	**2,613**	**-2,709**	**-104%**	**-87**	**322**	**-409**	**-127%**
Earnings before taxes (EBT)	**-8,117**	**-3,492**	**-4,625**	**-132%**	**-2,930**	**-2,860**	**-70**	**-2%**
Income taxes	-1,528	-88	-1,440	-1,636%	-1,333	-50	-1,283	-2,566%
Profit or loss for the period	**-9,645**	**-3,580**	**-6,065**	**-169%**	**-4,263**	**-2,910**	**-1,353**	**-46%**

In the first half of 2015, the Group generated revenues of EUR 75,026k equaling an increase of 85% compared to the first half of 2014 (EUR 40,637k). The Group was able to significantly increase revenues in all regions, online shops as well as across all product categories. The increase in revenues is also attributable to a growing number of orders as well as a larger base of active customers that placed at least one order within the past twelve months.

The margin (gross profit in relation to revenues) increased in the first half of 2015 by 3% to 26% compared to the prior period. Compared to the second quarter of 2014 the margin increased even by 4%. The positive margin development is primarily attributable to the increase in sales of higher-margin products as well as improved purchasing conditions with suppliers.

In the first half year of 2015, selling and distribution expenses increased. However, with 103% relative to gross profit they were lower than in the previous period (124%). This is partly attributable to lower average transport costs due to improved rates.

Administrative expenses in relation to gross profit rose disproportionally from 43% to 50%. On the one hand, this was due to a growing number of employees. In particular, the departments IT-administration, finance, legal, strategy & expansion hired additional employees in order to realize major current and planned projects such as the IPO, acquisitions and the further (organic) internationalization (e.g. Italy). Additionally, in the first half of 2015, stock options were issued to additional members of the management team and the management board, that had partially been vested in the past. Because of the higher company value in the first quarter of 2015, additional expenses were recognized for cash-settled shared-based compensation. On the other hand, the increase in administrative expenses can be explained by expenses related to the IPO, mostly in terms of costs for legal, consulting and auditing services. In the first half of 2015, EUR 1,561k were recognized in such context.

In the first half of 2015, other operating income and expenses increased by EUR 2,471 respective EUR 290k compared to the prior year period. Other operating income includes internal and external costs passed on to shareholders in connection with the IPO in the amount of EUR 2,059k .
Furthermore, higher currency gains of EUR 308k stood against currency losses of EUR 288k . The group increased its business in different currencies than the functional currency. The group recorded an increasing volume of receivables in Swiss Francs. In addition, the volume purchased from foreign suppliers outside the Euro area has grown, especially related to windelbar.

In the first half year 2015, earnings before interest and taxes (EBIT) decreased from minus EUR 6,105k by 31% to minus EUR 8,021k. Relative to revenues EBIT improved from -15 % to -11%.

The financial result decreased from EUR 2,613k in the first half of 2014 to minus EUR 96k for the first half of 2015. In the previous period, the valuation of a derivative instrument (the conditional purchase price reimbursement in connection with the acquisition of windeln.ch AG) at fair value resulted in an income of EUR 2,661k while in the first half of 2015, expenses of EUR 86k were recorded.

The increase in tax expenses from EUR 88k to EUR 1,528k is mostly attributable to the write-off of deferred tax assets of windeln.de AG as the company does not recognize deferred tax assets due to a lacking profit history.

The profit or loss for the period changed from minus EUR 3,580k in the first half of 2014 to minus EUR 9,645k in the first half of 2015. This is mainly attributable to the over proportional increase in administrative expenses as well as the negative financial result in the first quarter of 2015 in comparison to the positive financial result in the same time period in 2014.

Other Consolidated Financial Data

Earnings before interest and taxes (EBIT) is adjusted for group managing purposes by expenses related to share-based payments, by expenses respectively income considered as extraordinary and/or non-recurring in connection with the IPO, acquisitions and integration of new subsidiaries as well as expenses in connection with the expansion of the group.

in kEUR	H1 2015	H1 2014	Change in total in kEUR	Change in (relative) in %	Q2 2015	Q2 2014	Change in total in kEUR	Change in (relative) in %
Earnings before interest and taxes (EBIT)	**-8,021**	**-6,105**	**-1,916**	**-31%**	**-2,843**	**-3,182**	**339**	**11%**
Adjusted for costs related to IPO	316	-	316		1,242	-	1,242	
thereof expenses	-1,561	-	-1,561		-635	-	-635	
thereof income	1,877	-	1,877		1,877	-	1,877	
Adjusted for costs for acquisition, integration and expansion	-536	-	-536		-431	-	-431	
Adjusted for share-based payments	-3,836	-1,652	-2,184	-132%	-965	-820	-145	-18%
thereof cost of sales	-5	-	-5		-5	-	-5	
thereof selling and distribution expenses	-263	-112	-151	-135%	-89	-33	-56	-170%
thereof administrative expenses	-3,568	-1,540	-2,028	-132%	-871	-787	-84	-11%
adjusted EBIT	**-3,965**	**-4,453**	**488**	**11%**	**-2,689**	**-2,362**	**-327**	**-14%**

	H1 2015	H1 2014	Change in total in kEUR	Change in (relative) in %	Q2 2015	Q2 2014	Change in total in kEUR	Change in (relative) in %
Gross profit (in % of revenues)	26.2%	22.7%		3.5%	26.6%	22.2%		4%
adjusted EBIT (in kEUR)	-3,965	-4,453	488	11%	-2,689	-2,362	-327	-14%
adjusted EBIT (in % of revenues)	-5.3%	-11.0%		5.7%	-6.8%	-11.0%		3.2%

The adjusted EBIT increased from minus EUR 4,453k in the first half of 2014 to minus EUR 3,965k in the first half of 2015. The improvement mainly resulted from the increasing gross profit in % of revenues (26,2 % in the first half of 2015 compared to 22.7% in the first half of 2014) as well as the disproportional increase of fulfilment costs and adjusted other selling and distribution and administrative expenses compared to the revenue increase.

Income Position of the Segments of windeln.de Group

in kEUR	H1 2015	H1 2014	Change in total in kEUR	Change in (relative) in %	Q2 2015	Q2 2014	Change in total in kEUR	Change in (relative) in %
Revenues	**75,026**	**40,637**	**34,389**	**85%**	**39,377**	**21,554**	**17,823**	**83%**
windeln.de	64,438	35,742	28,696	80%	33,740	19,021	14,719	77%
windelbar	7,237	3,398	3,839	113%	3,688	1,745	1,943	111%
windeln.ch	3,351	1,497	1,854	124%	1,949	788	1,161	147%
EBIT	**-8,021**	**-6,105**	**-1,916**	**-31%**	**-2,843**	**-3,182**	**339**	**11%**
windeln.de contribution	2,920	-67	2,987	4,458%	1,503	-160	1,663	1,039%
windelbar contribution	-2,451	-971	-1,480	-152%	-1,665	-559	-1,106	-198%
windeln.ch contribution	-1,477	-1.130	-347	-31%	-907	-582	-325	-56%
adjusted EBIT	**-3,965**	**-4,453**	**488**	**11%**	**-2,689**	**-2,362**	**-327**	**-14%**
windeln.de contribution	3,382	-22	3,404	15,473%	1,679	-157	1,836	1,169%
windelbar contribution	-2,381	-903	-1,478	-164%	-1,608	-529	-1,079	-204%
windeln.ch contribution	-1,049	-1,050	1	0%	-515	-537	22	4%

The growth of the Group has been consistent across all segments. In the first half of 2015, the segment windeln.de achieved growth in revenues of 80%, the segment windelbar of 113% and the segment windeln.ch of 124 % compared to previous year period.

For assessing the operational result of the segments, the company also considers EBIT and EBIT margin before expenses with respect to share-based payments as well as extraordinary or non-recurring expenses or income related to the IPO, acquisitions, the integration of new subsidiaries and expansion. The calculated KPIs are named adjusted EBIT and adjusted EBIT-margin.

The positive development of the adjusted EBIT was mainly due to the segment windeln.de. In the first half of 2015, windeln.de was able to achieve an adjusted EBIT margin of 5.2% compared to -0.1% in previous year period. Windeln.ch was able to improve the adjusted EBIT margin from -70.1% to -31.3%.

Income Position of the Regions of windeln.de Group

in kEUR	H1 2015	H1 2014	Change in total in kEUR	Change in (relative) in %	Q2 2015	Q2 2014	Change in total in kEUR	Change in (relative) in %
Revenues	**75,026**	**40,637**	**34,389**	**85%**	**39,377**	**21,554**	**17,823**	**83%**
DACH-region	32,539	17,288	15,250	88%	17,095	9,236	7,860	85%
China	41,100	22,619	18,481	82%	21,522	11,983	9,539	80%
Other/Rest of Europe	1,387	729	658	90%	760	335	425	127%

The Group substantially increased its revenues across all regions. In the first half of 2015, revenues increased by 88% in the DACH region, 82% in the China region, and 90% in “other/rest of Europe”, compared to the respective prior year period.

Financial Position

in kEUR	H1 2015	H1 2014	Change in total in kEUR	(relative) in %
Profit or loss for the period	**-9,645**	**-3,580**	**-6,065**	**-169%**
Net cash flows from / used in operating activities	**-3,817**	**-5,134**	**1,317**	**26%**
Net cash flows from / used in investing activities	**-1,209**	**-447**	**-762**	**-170%**
Net cash flows from / used in financing activities	**93,761**	**9,388**	**84,373**	**899%**
Cash and cash equivalents at the beginning of the period	33,830	267	33,563	12,570%
Net increase/decrease in cash and cash equivalents	88,735	3,807	84,928	2,231%
Cash and cash equivalents at the end of the period	**122,565**	**4,074**	**118,491**	**2,908%**

In the first half of 2015, the group generated a negative cash flow from operating activities in the amount of EUR 3,817, which is an improvement of 26% compared to the previous year period. The positive development can be explained by the increase of current liabilities.

Cash flow from investing activities increased to minus EUR 1.209k (prior year period: minus EUR 447k). The cash outflow results from increasing investments into the web shop which is in line with the increase of intangible assets.

Cash flow from financing activities was significantly positive with EUR 93,761k. This is mainly due to the IPO in May 2015. In the first quarter of 2014, cash flow from financing activities was positive due to a financing round (EUR 9.388k).

The equity ratio has increased from 61% as of December 31, 2014 to 86% as of June 30, 2015. This is primarily due to the capital increase in connection to the IPO (EUR 99,823k).

In addition, as of June 30, 2015, obligations in connection with share based payment arrangements were recorded in the share premium account (EUR 9,814k) due to modifications done to the program in the first quarter 2015. Opposite effects resulted from the overall loss of EUR -9,645k and costs in connection with the issuance of company's equity in the amount of EUR -3,259k, which were recorded in equity.

In the first half of 2015, three new contracts for credit lines were closed within the group to provide further financing possibilities besides equity financing.
On March 18, 2015 windeln.de AG entered into a secured borrowing base credit framework agreement with Commerzbank in the amount of EUR 5m. The borrowing Base Credit Agreement is secured, in particular, by inventory and assignment of receivables (Globalzession). It is subject to customary covenants, for example the compliance with certain liquidiy ratios by the Company. The Borrowing Base Credit Agreement terminates on March 18, 2016.
On March 20, 2015 windeln.de AG entered into a secured revolving credit facility agreement with Deutsche Bank in the amount of EUR 5m. The Revolving Credit Facility was entered into for an indefinite term and is secured by inventory and assignment of receivables (Globalzession).
On April 9, 2015 windeln.de AG entered into a secured credit framework agreement with DZ BANK AG Deutsche Zentral-Genossenschaftsbank in the amount of EUR 4m. The Credit Framework Agreement is secured by inventory and assignment of receivables (Globalzession) and is subject to customary covenants, for example the compliance with certain liquidiy ratios by the Company. The agreement terminates on March 31, 2016.

As of June 30, 2015 the overdraft facility in connection with this agreement was drawn by EUR 5k.

Financial Status

Assets in kEUR	June 30, 2015	December 31, 2014	Change in total in kEUR	(relative) in %
NON-CURRENT ASSETS				
Intangible assets	4,800	4,043	757	19%
Fixed assets	533	480	53	11%
Other financial assets	4	0	4	
Total non-current assets	**5,337**	**4,523**	**814**	**18%**
CURRENT ASSETS				
Inventories	14,134	10,754	3,380	31%
Prepayments	546	285	261	92%
Trade receivables	2,249	1,725	524	30%
Other financial assets	6,561	3,939	2,622	67%
Other non-financial assets	1,720	1,988	-268	-13%
Cash and cash equivalents	122,565	33,830	88,735	262%
Total current assets	**147,775**	**52,521**	**95,254**	**181%**
TOTAL ASSETS	**153,112**	**57,044**	**96,068**	**168%**

Equity and liabilities in kEUR	June 30, 2015	December 31, 2014	Change in total in kEUR	relativ in %
EQUITY				
Issued capital	25,395	163	25,232	15,480%
Share premium	150,058	68,911	81,147	118%
Accumulated loss	-44,133	-34,488	-9,645	28%
Cumulated other comprehensive income	299	35	264	754%
Total equity	**131,619**	**34,621**	**96,998**	**280%**
NON-CURRENT LIABILITIES				
Defined benefit obligations and other accrued employee benefits	88	6,406	-6,318	-99%
Financial liabilities	77	85	-8	-9%
Other financial liabilities	80	-	80	
Deferred tax liabilities	363	322	41	13%
Total non-current liabilities	**608**	**6,813**	**-6,205**	**-91%**
CURRENT LIABILITIES				
Other Provisions	1,687	1,246	441	35%
Financial liabilities	34	1,532	-1,498	-98%
Trade payables	13,583	8,830	4,753	54%
Deferred revenue	2,092	1,985	107	5%
Income tax payables	1	5	-4	-80%
Other financial liabilities	2,936	1,629	1,307	80%
Other non-financial liabilities	552	383	169	44%
Total current liabilities	**20,885**	**15,610**	**5,275**	**34%**
BALANCE SHEET TOTAL	**153,112**	**57,044**	**96,068**	**168%**

As of June 30, 2015 total non-current assets increased to EUR 5,337k (December 31, 2014: EUR 4,523k). This is primarily attributable to additionally capitalized development costs for the online shops, which exceed amortization in the same period.

Current assets amounted to EUR 147,775k in comparison to EUR 52,521k on December 31, 2014 and have therefore risen by 181%.
This is mainly due to the strong increase of cash and cash-equivalents by EUR 88,735k due to the IPO of the parent Group company.
Inventories increased by EUR 3,380k in line with the group's growth to ensure even faster delivery. Since 2015, windeln.de additionally purchases full containers of products in order to get better supplier conditions due to larger volumes.

Current financial assets increased by EUR 2,622k. This is mainly due to the reimbursement of IPO costs as of June 30, 2015, resulting in claims against the selling shareholders of EUR 2,222k.

As of June 30, 2015 equity amounts to EUR 131,619k and significantly exceeded the level of December 31, 2014 (EUR 34,621k). For further explanation, see chapter "Financial Position".

Non-current liabilities decreased by EUR 6,205k in comparison to December 31, 2014. This mainly resulted from the modification of the existing share-based payment agreements to equity-settlement. As of December 31, 2014, the obligations were recognized as cash-settled share based payments under non-current liabilities (EUR 6,349k). In the first quarter of 2015, these obligations were reclassified into share premium. As of June 30, 2015, equity settled share-based payments in the amount of EUR 11,249k are recognized in share premium.

In the first half of 2015, current liabilities increased by EUR 5,275k compared to the end of 2014, due to increased accounts payables by EUR 4,753k. On the one hand inventory was built up which caused a higher number of invoices from suppliers. On the other hand, there were higher liabilities due to the IPO in relation to legal and professional fees. There is an opposing effect that the group has drawn only EUR 5k of the facility line as of June 30, 2015 (December 31, 2014: EUR 1.505k).

As of June 30, 2015 the amount of the total assets amounted to EUR 153,112k, which is significantly above the value as of December 31, 2014 (EUR 57,044k).

Conclusion

The first half of 2015 was positive for the windeln.de group as revenues increased and EBIT margin improved.

2.5 Non-financial Performance Indicators

Performance Indicators	H1 2015	H1 2014	Q2 2015	Q2 2014
Site Visits	29,083,473	15,806,562	14,784,636	8,483,294
Mobile Visit Share (in % of Site Visits)	66.0%	50.4%	66.5%	52.7%
Mobile Orders (in % of Number of Orders)	47.14%	35.10%	47.62%	37.25%
Active Customers	612,775	371,724	612,775	371,724
Number of Orders	913,168	575,342	460,389	302,531
Average Orders per Active Customer (in Number of Orders)	2.75	2.68	2.75	2.68
Share of Repeat Customer Orders (in % of Number of Orders)	83.76%	83.38%	83.76%	83.38%
Gross Order Intake (in EUR)	86,049,506	49,448,621	44,133,304	26,208,028
Average Order Value (in EUR)	94.23	85.95	95.86	86.63
Returns (in % of Net Merchandise Value)	6.72%	5.47%	7.41%	5.78%
Marketing Cost Ratio (in % of Revenues)	6.3%	5.1%	7.4%	5.3%
Fulfilment Cost Ratio (in % of Revenues)	10.2%	11.9%	9.8%	11.5%
Adjusted Other SG&A Expenses (in % of Revenues)	15.0%	16.6%	16.3%	16.3%

In a prior-year comparison the key performance indicators for our corporate management show a positive development. The number of active customers increased from 372 thousand as of June 30, 2014 to 613 thousand as of June 30, 2015. The number of orders significantly grew compared to the previous year period by 59% to 913 thousand (575 thousand in prior year period). Both, the growing number of customers as well as the increasing number of orders were driven by significantly higher website traffic. The number of site visits grew by 84% from 15,807 thousand as of June 30, 2014 to 29,084 thousand as of June 30, 2015. In May 2015 our new Italian online shop pannolini.it went live.

2.6 Employees

The number of employees grew from 398 as of March 31, 2015 to 440 as of June 30, 2015 (both numbers including the employees outside of Germany). This increase is mainly due to additional personal hired in the administrative area as well as in IT.

3. Subsequent Events

3.1 Acquisition of Bebitus Retail S.L.

On 10 August 2015, the Company entered into an acquisition agreement regarding the acquisition of Bebitus Retail S.L. (“bebitus”). Bebitus is a fast growing pure play online retailer specialized in baby- and toddler products. Based in Barcelona, bebitus targets customers located in Spain, Portugal and France. In 2014, revenues amounted to approx. EUR 7m.

The aggregate purchase price amounts to approximately EUR 5 million plus additional purchase price payments which are subject to the business reaching certain revenue targets for the years until 2017. The closing of the acquisition is subject to conditions, that to date are not yet all fully met.

3.2 Acquisition of Feedo Sp. z o.o.

With the approval of the transaction by the supervisory board on July 3, 2015, the last closing condition mentioned in the acquisition agreement regarding 100 % of the shares in Feedo Sp. z o.o., dated on April 17, 2015, was met.
As of July 3, 2015, the following companies are in a 100 % ownership of the group and therefore they have to be fully consolidated as of this date.: Feedo Sp. z o.o. (Warsaw, Poland), MyMedia s.r.o., (Prague, Czech Republic) and MyMedia Sp. z o.o. (Warsaw, Poland).

3.3 Capital Increase

After balance sheet date the company performed two capital increases relating to the acquisition of Feedo (partly paid in shares), and the employee stock option program. Thereby, the share capital was raised to EUR 25,745,826.

4. Risks

4.1 Strategic Risks

Negative developments in general economic conditions could adversely impact consumer spending for some of the group's product categories. The future success of windeln.de further depends on the continued growth of e-commerce.
The group is subject to intense competition that presents a constant threat to the success of the business. Failure to provide customers with an attractive online shopping experience could limit growth and prevent the group from achieving or maintaining profitability.
The plan to expand its business internationally will expose the Group to a variety of different local legal, regulatory, tax and cultural standards which it might fail to comply with. The company aims to counter this risk by the necessary legal consultation.
In order to expand the offering across Europe and into new product categories, windeln.de expects to pursue acquisitions of other companies, businesses or assets, any of which could result in significant additional expenses, fail to achieve anticipated benefits, or fail to be properly integrated.
The group is heavily dependent on the sales of baby food products to customers in the People's Republic of China. If the business environment should change, this could have a negative effect on the results of operations and net assets of the group.
Future success will depend on the ability of windeln.de to cross-sell new and higher-margin products to its customers.

4.2 Operative Risks

The Group is dependent on a limited number of suppliers of baby nutrition and diapers and there is a risk that the suppliers could discontinue selling to windeln.de on financially viable terms, fail to supply it with high-quality and compliant merchandise, or fail to comply with applicable laws or regulations. By maintaining close cooperation with suppliers and through on-going quality control of the goods the group aims to minimize this risk.
In order to expand the offering across Europe and into new product categories, the Company expects to pursue further acquisitions of other companies. The future success of windeln.de is dependent on the successful integration of said acquisitions.
Any failure to operate, maintain, integrate and scale network and mobile infrastructure and other technology could have a material adverse effect on the group's business, financial condition and results of operations. A failure to adopt and apply technological advances in a timely manner could limit growth and prevent from achieving or maintaining profitability.

windeln.de depends on key management and may be unable to attract suitably qualified personnel. Also, there is the risk that executive managers leave the company and a suitable replacement can't be found in time. The group counters this risk by offering long-term remuneration models.

5. Opportunities

The online share in the market for baby, toddler and children products in Germany is relatively low compared to other product categories (i.e. consumers' electronics, shoes, etc.), which offers potential for growth. Studies expect a yearly growth of the online market share of 12.1% in the years 2014 to 2017[16].

The Group has great potential to expand into other markets outside of Germany. In Europe the e-commerce market shows high growth rates as it does in Germany. In most European countries the online share in the market for baby, toddler and children products is still significantly lower than in Germany and therefore offers additional growth potential.

The European markets are fragmented with no distinct market leader in most European countries, which provides the opportunity for consolidation. windeln.de AG was able to successfully integrate windeln.ch AG (formerly Kindertraum AG) after acquisition – one of the fastest growing online retailers for baby and children products in Switzerland in the first Quarter of 2014. Going forward, the Group plans to make further acquisitions in order to to take advantage of inorganic growth in addition to its organic growth.

windeln.de believes that, as in the past, further economies scale can be achieved in logistics and technology infrastructures.

To most effectively address the needs of young families, the group aims to further widen its product assortment by adding new categories. With over 100,000 products from over 1,000 brands windeln.de already offers its customers a wide and appealing selection of products for young families. By significantly increasing the share of products with higher margins in the past 3 years, windeln.de has shown that it is able to advance into product areas with higher margins.

The successful growth of the group relies on the expertise and motivation of its employees. windeln.de needs to continuously reinforce it's team. Therefore the recruiting of new employees as well as keeping existing employees motivated is a priority.

6. Outlook

The positive development in online retail is expected to continue. Total online retail market volume in Germany is forecasted at EUR 43.6 bn in 2015 (EUR 39.0bn in 2014)[17]. The total market volume for baby, toddler and kids' products is expected at EUR 4.3 bn. The online share is assumed at 10.3 %, which translates into a volume of the relevant market at EUR 439.6.[18] Looking at countries outside of Germany, the market potential in e-commerce retail is even greater, as the online share is estimated to be lower than in Germany.

16 See Fn 4: Euromonitor
17 Trade Association Germany: Development of E-Commerce Sales in the Past Few Years, November 2014
18 See Fn 4: Euromonitor

The Group aims to continue organic growth in the DACH region. In 2015, growth in the DACH region as well as in other European markets is likely to be moderately slower than in the past. In the medium term, however, windeln.de expects to grow above the forecast rate for the baby consumables online market in Germany (26.7% CAGR for 2014 to 2017[19]). The Group aims to achieve this growth by increasing the customer base, the number of orders and the value of orders per customer.

Furthermore, the group intends to continue to selectively expand the scope of the business in terms of geography and product categories. To pursue the European expansion strategy and by using the proceeds of the Offering, the Group intends to further raise the level of investment outside the DACH region, through targeted acquisitions of locally established businesses with a compelling market position and, or alternatively, through organic growth into such markets. In 2015, the focus countries for a market expansion are Italy, Eastern Europe and – after the successful completion of the acquisition of bebitus – also Spain, France and Portugal.
In China, the company intends to grow organically and aims to achieve approximately the same annual growth (in absolute EUR terms) in the medium term that was achieved in the fiscal year ended December 31, 2014.
In all of these markets, the Group continues to expand the product and service offering in order to further increase attractiveness to customers and to cross-sell into higher-margin non-consumable products.

In the medium term, we intend to further enhance profitability in particular by:

- focusing on reducing cost of sales as a percentage of revenues to a high 60s percent range through leveraging our strong partnerships with brands to negotiate more favorable purchasing terms, continuing to improve our pricing algorithm and continuing to cross-sell from consumable baby, toddler and children products into higher-margin non-consumable products for babies, toddlers, children and young mothers by further broadening our product offering;

- maintaining fulfilment costs low as a percentage of revenues at approximately previous year's levels through continuous efficiency improvements;

- maintaining attractive marketing costs as a percentage of revenues by focusing on increasing our share of wallet for our existing and returning customers.

- implementing higher degrees of process optimization, scale effects and acquisition synergies with the aim to lower Adjusted Other SG&A Expenses as a percentage of revenues.

Strong revenue growth, as well as significant improvement of the adjusted EBIT margin in the first half of 2015 are a good basis for the further business development and achieving set goals for the full year 2015 with around +70% organic revenues growth year over year plus additional revenue contribution from expansion as well as further improvement of the adjusted EBIT margin.

19 See Fn 4: Euromonitor

Consolidated Interim Financial Statements

Consolidated Statement of Profit and Loss and other Comprehensive Income

in kEUR	H1 2015	H1 2014	Q2 2015	Q2 2014
Revenues	75,026	40,637	39,377	21,554
Cost of sales	-55,404	-31,405	-28,884	-16,769
Gross profit	**19,622**	**9,232**	**10,493**	**4,785**
Selling and distribution expenses	-20,155	-11,428	-11,176	-5,945
Administrative expenses	-9,774	-4,014	-4,323	-2,065
Other operating income	2,591	120	2,205	51
Other operating expenses	-305	-15	-42	-8
Earnings before interest and taxes (EBIT)	**-8,021**	**-6,105**	**-2,843**	**-3,182**
Financial income	7	2,669	5	353
Financial expenses	-103	-56	-92	-31
Financial result	**-96**	**2,613**	**-87**	**322**
Earnings before taxes (EBT)	**-8,117**	**-3,492**	**-2,930**	**-2,860**
Income taxes	-1,528	-88	-1,333	-50
Profit or loss for the period	**-9,645**	**-3,580**	**-4,263**	**-2,910**
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:				
Deferred taxes relating to items that will not be reclassified	0	0	0	0
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:				
Exchange differences on translation of foreign operations	264	15	10	5
Other comprehensive income, net of tax	**264**	**15**	**10**	**5**
TOTAL COMPREHENSIVE INCOME, net of tax	**-9,381**	**-3,565**	**-4,253**	**-2,905**
Basic earnings per share (in EUR)	-0.45	-0.18	-0.18	-0.15
Diluted earnings per share (in EUR)	-0.43	-0.17	-0.17	-0.14

Consolidated Statement of Financial Position

Assets

in kEUR	June 30, 2015	December 31, 2014
NON-CURRENT ASSETS		
Intangible assets	4,800	4,043
Fixed assets	533	480
Other financial assets	4	0
Total non-current assets	**5,337**	**4,523**
CURRENT ASSETS		
Inventories	14,134	10,754
Prepayments	546	285
Trade receivables	2,249	1,725
Other financial assets	6,561	3,939
Other non-financial assets	1,720	1,988
Cash and cash equivalents	122,565	33,830
Total current assets	**147,775**	**52,521**
TOTAL ASSETS	**153,112**	**57,044**

Equity and liabilities

in kEUR	June 30, 2015	December 31, 2014
EQUITY		
Issued capital	25,395	163
Share premium	150,058	68,911
Accumulated loss	-44,133	-34,488
Cumulated other comprehensive income	299	35
Total equity	**131,619**	**34,621**
NON-CURRENT LIABILITIES		
Defined benefit obligations and other accrued employee benefits	88	6,406
Financial liabilities	77	85
Other financial liabilities	80	-
Deferred tax liabilities	363	322
Total non-current liabilities	**608**	**6,813**
CURRENT LIABILITIES		
Other Provisions	1,687	1,246
Financial liabilities	34	1,532
Trade payables	13,583	8,830
Deferred revenue	2,092	1,985
Income tax payables	1	5
Other financial liabilities	2,936	1,629
Other non-financial liabilities	552	383
Total current liabilities	**20,885**	**15,610**

Consolidated Statement of Changes in Equity

in kEUR	Issued capital	Share premium	Accumu-lated loss	Actuarial gains/ losses from remeasure-ment of defined benefit pension plans	Exchange differen-ces on translation of foreign operations	Other compre-hensive income	Total Equity
As at January, 1 2015	**163**	**68,911**	**-34,488**	**10**	**25**	**35**	**34,621**
Total compre-hensive income for the period	0	0	-9,645	0	264	264	-9,381
Issue of share capital	25,232	74,592	0	0	0	0	99,824
Transaction costs	0	-3,259	0	0	0	0	-3,259
Share-based payments	0	9,814	0	0	0	0	9,814
As at June 30, 2015	**25,395**	**150,058**	**-44,133**	**10**	**289**	**299**	**131,619**
As at January 1, 2014	**124**	**27,587**	**-24,661**	**-1**	**-8**	**-9**	**3,041**
Total compre-hensive income for the period	0	0	-3,580	0	15	15	-3,565
Issue of share capital	14	11,136	0	0	0	0	11,150
Transaction costs	0	-122	0	0	0	0	-122
Share-based payments	0	0	0	0	0	0	0
As at June 30, 2014	**138**	**38,601**	**-28,241**	**-1**	**7**	**6**	**10,504**

Consolidated Statement of Cash Flow

in kEUR	H1 2015	H1 2014
Profit or loss for the period	-9,645	-3,580
Amortisation (+) /write-up (-) of intangible assets	346	248
Depreciation (+) /write-up (-) of fixed assets	76	89
Increase (+) /decrease (-) in other current provisions	441	17
Non-cash expenses (+) from employee benefits	3,496	1,653
Other non-cash expenses (+) /income (-) items	49	4
Increase (-) /decrease (+) in inventories	-3,380	-2,923
Increase (-) /decrease (+) in prepayments	-261	-14
Increase (-) /decrease (+) in trade receivables	-524	-653
Increase (-) /decrease (+) in other assets	-2,094	-2,101
Increase (+) /decrease (-) in trade payables	4,744	1,026
Increase (+) /decrease (-) in deferred revenue	107	484
Increase (+) /decrease (-) in other liabilities	1,291	481
Interest expenses (+) / income (-)	13	47
Income tax expenses (+) /income (-)	1,524	88
Net cash flows from / used in operating activities	**-3,817**	**-5,134**
Purchase (-) of intangible assets	-1,083	-385
Purchase (-) of fixed assets	-127	-70
Interest received (+)	1	8
Net cash flows from / used in investing activities	**-1,209**	**-447**
Proceeds (+) from issue of shares	99,824	11,150
Transaction cost (-) on issue of shares	-4,530	-183
Repayment (-) of finance-lease liabilities	-18	-7
Proceeds (+) from financial liabilities	5	390
Repayment (-) of financial liabilities	-1,506	-1,906
Interest paid (-)	-14	-56
Net cash flows from / used in financing activities	**93,761**	**9,388**
Cash and cash equivalents at the beginning of the period	33,830	267
Net increase/decrease in cash and cash equivalents	88,735	3,807
Cash and cash equivalents at the end of the period	**122,565**	**4,074**

Condensed Notes to the Interim Consolidated Financial Statements as of June 30, 2015

1. General Information

windeln.de AG is the parent company of the windeln.de Group. The company has been converted from windeln.de GmbH into windeln.de AG as from April 16, 2015.
The condensed and unaudited interim consolidated financial statements as of June 30, 2015 were released for publication by resolution of the management board on August 21, 2015.

Initial Public Offering - IPO

Windeln.de shares have been traded on the regulated market (Prime Standard) of the Frankfurt Stock Exchange since May 6, 2015.
The listing was preceded by an offer for the sale of 11,404,899 no-par value ordinary bearer shares (shares with no-par value) with an imputed share in share capital of EUR 1 each. The offer comprised 5,400,000 new, no-par value ordinary bearer shares (shares with no-par value) from the IPO capital increase, 4,517,304 no-par value ordinary bearer shares (shares with no-par value) from the participation of dispensed shareholders and 1,487,595 no par value bearer shares (shares with no-par value) in connection with a potential over-allotment.
Investors had the option to purchase shares from April 23, 2015 to May 5, 2015 in an offering range from EUR 16.50 to EUR 20.50. The demand from investors significantly exceeded the number of shares offered for purchase. The company set the issue price share at EUR 18.50 on May 5, 2015.
In the course of the IPO, windeln.de generated a cash inflow of EUR 97.2m, after deducting the base fee withheld by banks. The Greenshoe option granted by the underwriters was not exercised.

Management Board

The management directors of windeln.de GmbH, Alexander Brand and Konstantin Urban, have been appointed as members of the management board of windeln.de AG. In addition, Dr. Nikolaus Weinberger has been appointed as a member of the management board.

Supervisory Board

The following six persons were appointed as members of the first supervisory board: of windeln.de AG: Dr. Christoph Braun, Fausto Boni, Nenad Marovac, David Reis, Francesco Rigamonti and Willi Schwerdtle. Willi Schwerdtle is the chairman of the supervisory board.
As of April 21, 2015 there has been a change in the supervisory board. Fausto Boni has left the supervisory board on his own request and Dr. Edgar Carlos Lange has been appointed as member of the supervisory board.

2. Accounting Principles

The condensed interim consolidated financial statements as of June 30, 2015 were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union (EU). These interim consolidated financial statements conform with the regulation IAS 34 "Interim Financial Reporting".
The condensed interim consolidated financial statements do not include all information and disclosures required for consolidated financial statements as of year-end and must therefore be read in conjunction with the consolidated financial statements for the year ending December 31, 2014.
The same accounting and measurement principles were applied as in the consolidated financial statements for the financial year ending December 31, 2014. Exceptions are related to new respectively revised accounting standards applicable as of financial year 2015. For this we refer to section 4.2 "New IASB Accounting Principles" of our notes to the consolidated financial statements as of December 31, 2014. IFRS standards respectively revised standards applicable for the first time in this reporting period have no effects on the net asset, financial and income position of the windeln.de Group.

3. Scope of Consolidation

The Group's scope of full consolidation as of June 30, 2015 has been extended by pannolini.it S.r.l. (compare to next section) compared to December 31, 2014. The same consolidation methods applied in the consolidated financial statements for the year ending December 31, 2014.

Acquisition Agreement regarding the Acquisition of Feedo Sp. z o.o.

On April 17, 2015, windeln.de AG entered into an acquisition agreement regarding the acquisition of Feedo Sp. z o.o., Warsaw, Poland, that operates the online retail shops "www.feedo.cz", "www.feedo.sk" and "www.feedo.pl" together with its subsidiaries (MyMedia s.r.o., Prague, Czech Republic, and MyMedia Sp. z o.o., Warsaw, Poland). Feedo Group is a fast growing pure-play online retailer focused on baby and toddler products. Registered office of the group company is Poland, target customers of Feedo Group are located in Poland, the Czech Republic and Slovakia. In its financial year 2014, Feedo Sp. z o.o. had generated consolidated revenues of approximately EUR 6m almost all of which were generated from Czech customers. With this acquisition, the Group intends to expand to the Eastern European market.
As the acquisition is subject to different closing conditions which were not fully met as of June 30, 2015, and windeln.de AG did not have control over the Feedo Group, the Feedo Group has not been consolidated as of June 30, 2015.

Formation of a further Group Company

As of April 24, 2015 windeln.de AG has established pannolini.it S.r.l. as a 100 % subsidiary. As a service company, the company will render intercompany services in connection with the access to the Italian market.

Liquidation of Urban-Brand Schweiz GmbH

In April 2015, the management board decided to dissolve Urban-Brand Schweiz GmbH with registered office in Männedorf, Switzerland. The company does not carry out any business activities anymore as all activities are carried out through windeln.ch AG with registered office in Uster, Switzerland. There are no material impacts on the net asset, financial and income position of the group due to the liquidation. As of June 30, 2015, total assets of the company amounts to EUR 39k and consist almost for 100 % of cash, which will stay within the Group after liquidation, respectively equity.

4. Notes to the Consolidated Statement of Financial Position and to the Consolidated Statement of Profit and Loss

4.1 Equity

Capital Increases, Conversion and Authorized Capital

With resolution as of March 25, 2015, a part of the capital reserve in the amount of EUR 19,831,954 was converted into share capital through the issuance of new shares with a nominal value of EUR1. The capital increase only became effective upon registration with the commercial register on April 16, 2015.
After the effectiveness of the capital increase, the share capital of the company in the amount of EUR 19,994,511 has become the share capital of the newly formed windeln.de AG. The share capital is divided into 19,994,511 ordinary bearer shares (shares with no-par value).
In addition, an authorized capital in the amount of EUR 9,997,255 has been created (Authorized Capital 2015), exercisable until March 24, 2020.
With resolution as of May 4, 2015, the share capital was increased by EUR 5,400,000 utilizing the Authorized Capital 2015. The capital increase became effective upon registration with the commercial register on May 5, 2015.
With resolution as of May 4, 2015, the Authorized Capital 2015 was increased to EUR 12,697,255. The limitation was extended until May 3, 2020. The registration with the commercial register took place on May 19, 2015.

Issued Capital

As of June 30, 2015, the issued capital of the parent company amounts to EUR 25,394,511 (December 31, 2014: EUR 162,557). It has been paid in full and consists out of 25,394,511 no-par value ordinary bearer shares (shares with no-par value).

Share Premium

As of June 30, 2015, the share premium amounts to EUR 150,058k (December 31, 2014: EUR 68,911k). The share premium is composed as follows:

in kEUR	June 30, 2015	December 31, 2014
Premium from financing rounds resp. IPO	167,729	67,906
Capital increases out of reserves	-25,232	-
Transaction costs of the financing rounds resp. IPO	-3,688	-429
Share-based payments	11,249	1,434
Total	**150,058**	**68,911**

The increase of the premium from financing rounds respectively IPO, which is presented in share premium, represents in total the income in connection with the IPO in May 2015. Also, the change in transaction costs of the financing rounds respectively IPO, which are presented in share premium, is related to the costs incurred to the company in connection with the IPO, reduced by the related income tax effects.
The increase of share-based payments, which are presented in share premium, is mainly related to the modification of the virtual stock option program in the first quarter 2015, compare section 4.3. In addition, the issued bonus shares and preference shares in connection with an employee program in the amount of EUR 76k are included in this line.

Accumulated Loss

The accumulated loss is the result of losses carried forward from the previous reporting period as well as from the result of the current reporting period.
The development of equity is presented in detail in the consolidated statement of changes in equity.

4.2 Earnings per Share

Undiluted earnings per share are calculated as a quotient from consolidated earnings for the period to be allocated to the shareholders of the parent company and the weighted average of issued shares during the reporting period. In line with IAS 33.26, the weighted average of issued shares during the reporting period is adjusted by 19,831,954 newly issued shares in April 2015, as the increase of the shares happened without a corresponding change in resources.
Diluted earnings per share are calculated by dividing the consolidated earnings for the period to be allocated to the shareholders of the parent company by the weighted average quantity of issued shares in circulation during the reporting period and the newly issued shares in April 2015 plus the shares equivalents leading to the dilution.

	H1 2015	H1 2014	Q2 2015	Q2 2014
Undiluted earnings				
Earnings of the period (in kEUR)	-9,645	-3,580	-4,263	-2,910
Undiluted weighted average of issued shares (in thousands)	21,656	19,966	23,318	19,970
Earnings per share (in EUR)	**-0.45**	**-0.18**	**-0.18**	**-0.15**
Diluted earnings				
Earnings of the period (in kEUR)	-9,645	-3,580	-4,263	-2,910
Diluted weighted average of issued shares (in thousands)	22,454	20,636	24,136	20,659
Earnings per share (in EUR)	**-0.43**	**-0.17**	**-0.17**	**-0.14**

4.3 Share-based Payments

In the first quarter 2015, the existing share-based payment agreements with nine current and former employees of the Group were modified due to the potential future IPO. The modified agreements are now treated as equity settled share-based payment arrangements according to IFRS 2. The incremental fair value of all modified options amounts to EUR 15,064 (EUR 0.02 per option) as of the modification date. The fair value of the modified options is determined by Monte Carlo Simulation. Market input parameters are estimated in the same way before and after modification.
In addition to the share-based payment agreements which already existed as of December 31, 2014, further eight share-based payment arrangements were conducted with employees of the Group in the first quarter 2015. These are treated in line with the existing modified agreements as equity settled share-based payment arrangements.

In the second quarter 2015, the company entered into a share-based payment arrangement with a member of the management board. This arrangement includes cash-settled share-based payments (stock options) and a share-based payment for which the company has the option how to settle (Restricted Stock Units, RSU). As the company plan to settle in real equity instruments the accounting of this part of the arrangement will be done as equity-settled share-based payments. The share price was determined via Bloomberg out of the XETRA trading system closing rate as of June 30, 2015. The volatility was determined as maturity-adequate historical volatility of similar companies (peer group) over remaining period. The respective expected volatility is based on the assumption that you can project from the historical volatility to future trends, so that the volatility occurred in fact can be different to the adopted assumptions. The expected dividend yield is based on marked assumptions with regards to the amount of expected dividend of the windeln.de share for the years 2015 and 2016. The risk free interest rate were determined using market rates with the same expected maturity as the valued options.

In the first half of 2015 the expenses recorded for these share-based payments amount to EUR 3,402k (H1 2014: EUR 1,653k). The respective expense in the second quarter 2015 amount to EUR 531k (Q2 2014: EUR 821k).
As of June 30, 2015, the carrying value of the liability from cash settled share-based payments amounts to EUR 12k (December 31, 2015: EUR 6,349k). The obligation has been recorded as non-current liability.
As of June 30, 2015 an amount of EUR 9,739k has been recorded for equity-settled share-based payments in share premium (December 31, 2014: -).

The options recorded in equity developed as follows:

	Stock Options*	**RSU**
Outstanding at the beginning of the reporting period (January 1, 2015)	752,476	0
Expired during the reporting period	0	0
Forfeit during the reporting period	0	0
Exercised during the reporting period	197,378	0
Granted during the reporting period	90,981	384
Outstanding at the end of the reporting period (June 30, 2015)	646,079	384
Exercisable at the end of the reporting period (June 30, 2015)	642,620	0

* Due to the modification the number of shares has been changed compared to Q1. The presentation was adjusted accordingly.

The following input parameters were used in the Monte Carlo Simulation:

	Stock Options	RSU
Expected volatility (%)	37.46% - 40.80%	38.58%
Risk free interest rate (%)	0.00%	0.00%
Expected dividend yield (%)	0.00%	0.00%
Anticipated maturity of the options (years)	0.25 – 4	4
Average market rate of the share (in EUR)	11.53-13.25	14.69

In the course of the IPO the company issued bonus shares and preference shares in connection with an employee program in the second quarter 2015. The respective expenses amount to EUR 76k.
In connection with the acquisition of windeln.ch AG end of 2013, a share-based payment arrangement was granted to a member of the management team and the respective shares were issued already in the point of closing. The respective personnel expense will be spread pro-rata on a straight-line basis over the vesting period of two years. The expenses recorded in the first half of 2015 amount to EUR 358k (H1 2014: EUR 358k). The respective expense in the second quarter 2015 amount to EUR 179k (Q2 2014: EUR 179k).

4.4 Financial Liabilities

On April 9, 2015, windeln.de AG entered into a secured credit framework agreement with DZ BANK AG Deutsche Zentral-Genossenschaftsbank in the amount of EUR 4m. The Credit Framework Agreement is secured by inventory and assignment of receivables (Globalzession) and provides for customary covenants, for example that the Company must ensure a certain monthly liquidity ratio. The agreement terminates on March 31, 2016.
As of June 30, 2015, the overdraft facility in connection with this agreement was drawn by EUR 5k.

4.5 Disclosures on Fair Value Measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows:

- Level 1: Quoted unadjusted market prices in active markets for identical assets or liabilities;
- Level 2: Directly or indirectly observable input factors, which are not categorized in level 1;
- Level 3: Unobservable input factors.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.
If a financial instrument is to be classified as Level 3, the management board decides which valuation process will be used. In order to help in the decision-making process, the in-house valuation department present various alternatives to the management board. After having selected a valuation process, this will be used continuously with regards to this financial instrument. The fair value will be measured at least quarterly.

The following table shows the assets and liabilities measured at fair value as of June 30, 2015:

in kEUR	Level 1	Level 2	Level 3
Assets measured at fair value			
Contingent consideration	-	-	2,125
Liabilities for which fair values are disclosed			
Obligation under finance lease	-	107	-

The following table shows the assets and liabilities measured at fair value as of December 31, 2014:

in kEUR	Level 1	Level 2	Level 3
Assets measured at fair value			
Contingent consideration	-	-	2,211
Liabilities for which fair values are disclosed			
Obligation under finance lease	-	112	-

There were no reclassifications between the different levels during the reporting period. If circumstances arise which require a change in classification, the affected financial instruments will be reclassified quarterly.

Contingent Consideration

As part of the purchase agreement which was closed with the previous owners of windeln.ch AG, a conditional consideration component was agreed upon. According to this, a return of up to 2,784 shares to the Group by the former owners may become necessary under certain conditions. The fair value of the contingent consideration is measured on a quarterly basis. The valuation approach used for this estimation is described in detail in the notes to the consolidated financial statements as of December 31, 2014 in section 7 “Group information and business combinations” and was applied consistently during the reporting period. This financial instrument is classified as Level 3, since future estimated revenues and EBITDA values are used in the calculation of the fair value. As of June 30, 2015, cumulated revenues of EUR 12,271k (December 31, 2014: EUR 11,600k) and a cumulated EBITDA under EUR -1,575k (December 31, 2015: EUR -1,575k) is expected for the relevant business sector and the relevant time span.
As of June 30, 2015, the fair value of the contingent consideration amounted to EUR 2,125k compared to EUR 2,211k as of December 31, 2014.
Changes to the fair value are recognized in financial income or financial expenses in profit or loss. In the first half of 2015, due to changes in the fair value of the financial instrument, financial expenses are recorded in the amount of EUR 86k (H1 2014: financial income of EUR 2,661k). In the second quarter 2015 the respective expense amount to EUR 84 (Q2 2014: income in the amount of EUR 345).

Obligations under Finance Lease

Leased assets, which can be considered as acquired assets with long-term financing, were classified in line with IAS 17 as finance lease arrangements. The corresponding assets are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. The corresponding finance lease liability is recognized in the statement of financial position as financial liability and classified as Level 2.

4.6 Additional Disclosures in Financial Instruments

The following table shows carrying amounts and fair values of all financial instruments recorded in the consolidated financial statements and how the assets and liabilities or parts of the totals of each category are classified into the valuation categories according to IAS 39 respectively the valuation according to IAS 17:

in kEUR	Category acc. to IAS 39	**Carrying amount June 30, 2015**	Measurement according to IAS 39: At cost	Fair value (through equity)	Fair value (through p&l)	**Measure-ment acc. to IAS 17**	**Fair value June 30, 2015**
Financial assets							
Other non-current financial assets	LaR / afs	4	4	-	-	-	**4**
Trade receivables	LaR	2,249	2,249	-	-	-	**2,249**
Other current financial assets	LaR / afs / hft	6,561	4,436	-	-2,125	-	**6,561**
Cash and cash equivalents	LaR	122,565	122,565	-	-	-	**122,565**
Financial liabilities							
Non-current finance-lease liabilities	n.a.	77	-	-	-	77	**77**
Trade payables	FLAC	13,583	13,583	-	-	-	**13,583**
Current financial liabilities	FLAC	4	4	-	-	-	**4**
Current finance-lease liabilities	n.a.	30	-	-	-	30	**30**
Other current financial liabilities	FLAC	2,936	2,936	-	-	-	**2,936**
Totals per category acc. to IAS 39							
Available for sale (afs)	afs	4	4	-	-	-	**4**
Financial asset held for trading (hft)	hft	2,125	-	-	2,125	-	**2,125**
Loans and receivables (LaR)	LaR	129,250	129,250	-	-	-	**129,250**
Financial liabilities measured at amortized cost (FLAC)	FLAC	16,523	16,523	-	-	-	**16,523**

in kEUR	Category acc. to IAS 39	**Carrying amount June 30, 2015**	Measurement according to IAS 39			**Measure-ment acc. to IAS 17**	**Fair value June 30, 2015**
			At cost	Fair value (through equity)	Fair value (through p&l)		
Financial assets							
Other non-current financial assets	afs	0	0	-	-	-	**0**
Trade receivables	LaR	1,725	1,725	-	-	-	**1,725**
Other current financial assets	LaR / afs / hft	3,939	1,728	-	2,211	-	**3,939**
Cash and cash equivalents	LaR	33,830	33,830	-	-	-	**33,830**
Financial liabilities							
Non-current finance-lease liabilities	n.a.	85	-	-	-	85	**85**
Trade payables	FLAC	8,830	8,830	-	-	-	**8,830**
Current financial liabilities	FLAC	1,532	1,532	-	-	-	**1,532**
Current finance-lease liabilities	n.a.	26	-	-	-	26	**26**
Other current financial liabilities	FLAC	1,629	1,629	-	-	-	**1,629**
Totals per category acc. to IAS 39							
Available for sale (afs)	afs	4	4	-	-	-	**4**
Financial asset held for trading (hft)	Hft	2,211	-	-	2,211	-	**2,211**
Loans and receivables (LaR)	LaR	37,279	37,279	-	-	-	**37,279**
Financial liabilities measured at amortized cost (FLAC)	FLAC	11,991	11,991	-	-	-	**11,991**

Due to the short maturity of the cash and cash equivalents, trade receivables and trade payables as well as other current financial assets and other current financial liabilities, it is assumed for these items, that the fair values correspond with the carrying amounts.

In other non-current financial assets, the investment in Urban-Brand Management Ltd. is included with a value of EUR 1 (December 31, 2014: EUR 1). In other non-current financial assets, members' shares in a cooperative in the amount of EUR 4k are included (December 2014: EUR 4k). Both financial assets are classified as "available for sale". As in regards to the valuation, an active market or traded price cannot be omitted nor can the fair value be reliably measured, both assets are measured "at cost".

The fair values of the current financial liabilities correspond with their carrying amounts, since the contractually agreed interest rates do not deviate significantly from the market-standard interest rates.

Classifications remained unchanged during the reporting period.

5. Segment Reporting

For management purposes windeln.de Group is organized into business units based on its different online-shops and, in line with the rules of IFRS 8, has the following reportable business segments:

- The business segment “windeln.de” operates the online-shop windeln.de and since May 2015 the online-shop pannolini.it.

- The business segment “windelbar” operates the online-shop windelbar.de, which offers its services as part of a free subscription to an online shopping club.

- The business segment “windeln.ch” operates the online-shops windeln.ch, kindertraum.ch and toys.ch.

The management board monitors revenues and adjusted operating results of its business units separately for the purpose of making decisions on resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements. Financial result, income taxes, rental expenses related to office buildings and depreciation and amortization are managed on a Group basis and are not allocated to operating segments. The performance measure “EBIT contribution” per business segment consists of gross profit less allocated selling, distribution and administrative expenses as well as the proportional other operating income and expenses. The business departments Human Resources, IT, Finance as well as the management team render services to the group (shared services). These expenses are not managed on individual business segments and are disclosed in the position “Corporate”.
There are no intersegment transactions in the internal reporting structure. There is no information available on segment assets or liabilities.

The Group’s operating business is not subject to any material seasonal deviations.

The segments developed as follows in the first half year:

in kEUR	H1 2015				
	windeln.de	**windelbar**	**windeln.ch**	**Other/Elim.**	**Total**
Revenues	**64,438**	**7,237**	**3,351**	**-**	**75,026**
EBIT contribution	**2,920**	**-2,451**	**-1,477**	**-24**	**-1,032**
Adjustment share-based payments	*379*	*70*	*428*		*877*
Costs in connection with expansion	*83*				*83*
adjusted EBIT contribution	**3,382**	**-2,381**	**-1,049**	**-24**	**-72**
in % of revenues	*5.3%*	*-32.9%*	*-31.3%*		*-0.1%*
Corporate					-6,989
Earnings before interest and taxes (EBIT)					**-8,021**
Financial result					-96
Income taxes					-1,528
Profit or loss for the period					**-9,645**

in kEUR	H1 2014				
	windeln.de	**windelbar**	**windeln.ch**	**Other/Elim.**	**Total**
Revenues	**35,742**	**3,398**	**1,497**	**-**	**40,637**
EBIT contribution	**-67**	**-971**	**-1,130**	**-296**	**-2,464**
Adjustment share-based payments	*45*	*68*	*80*		*193*
adjusted EBIT contribution	**-22**	**-903**	**-1,050**	**-296**	**-2,271**
in % of revenues	*-0.1%*	*-26.6%*	*-70.1%*		*-5.6%*
Corporate					-3,641
Earnings before interest and taxes (EBIT)					**-6,105**
Financial result					2,613
Income taxes					-88
Profit or loss for the period					**-3,580**

in kEUR	Q2 2015				
	windeln.de	windelbar	windeln.ch	Other/Elim.	Total
Revenues	**33,740**	**3,688**	**1,949**	**-**	**39,377**
EBIT contribution	**1,503**	**-1,665**	**-907**	**160**	**-909**
Adjustment share-based payments	*93*	*57*	*392*		*542*
Costs in connection with expansion	*83*				*83*
adjusted EBIT contribution	**1,679**	**-1,608**	**-515**	**-208**	**-284**
in % of revenues	*5.0%*	*-43.6%*	*-26.4%*		*-0.7%*
Corporate					-1,934
Earnings before interest and taxes (EBIT)					**-2,843**
Financial result					-87
Income taxes					-1,333
Profit or loss for the period					**-4,263**

in kEUR	Q2 2014				
	windeln.de	windelbar	windeln.ch	Other/Elim.	Total
Revenues	**19,021**	**1,745**	**788**	**-**	**21,554**
EBIT contribution	**-160**	**-559**	**-582**	**-41**	**-1,342**
Adjustment share-based payments	*3*	*30*	*45*		*78*
adjusted EBIT contribution	**-157**	**-529**	**-537**	**-41**	**-1,264**
in % of revenues	*-0.8%*	*-30.3%*	*-68.2%*		*-5.9%*
Corporate					-1,840
Earnings before interest and taxes (EBIT)					**-3,182**
Financial result					322
Income taxes					-50
Profit or loss for the period					**-2,910**

6. Related Party Disclosures

The following material changes with regards to transactions with related parties compared to the consolidated financial statements as of December 31, 2014 were noted:
A contingent consideration of EUR 2,125k (December 31, 2014: EUR 2,211k) was granted to a member of the management team in connection with the acquisition of windeln.ch AG. In addition, in connection with this transaction, a prepayment for share-based payments was granted to a member of the management team. A current non-financial asset has been recorded in the amount of EUR 359 as of June 30, 2015 (December 31, 2014: EUR 717k).
In connection of the recharge of IPO related costs to dispensed shareholders in the amount of EUR 2,059k, in total EUR 216k were recharged to two members of the management board and one member of the management team. The income is recognized in the second quarter 2015 in other operating income. As of June 30, 2015 receivables due from two members of the management board and one member of the management team were recorded in the amount of EUR 257k, which are presented in other financial assets.

7. Subsequent Events

7.1 Akquisition of Feedo Sp. z o.o.

With the approval of the transaction by the supervisory board on July 3, 2015, the last closing condition mentioned in the acquisition agreement regarding 100 % of the shares in Feedo Sp. z o.o., dated on April 17, 2015, was met.

As of July 3, 2015, the following companies are in a 100 % ownership of the Group and therefore they have to be fully consolidated as of this date:

- Feedo Sp. z o.o., Warsaw, Poland
- MyMedia s.r.o., Prague, Czech Republic
- MyMedia Sp. z o.o., Warsaw, Poland

At acquisition date, the fair value of the identified assets and liabilities of the Feedo Group is as follows:

kEUR	
Intangible assets	14,317
Fixed assets	89
Inventories	496
Trade receibales[1]	115
Other assets	341
Cash and cash equivalents	665
Loan liability due to windeln.de AG	- 596
Trade payables	- 1,485
Deferred tax liabilities	- 2,719
Other liabilities	- 180
Identified net assets at fair value	**11,044**

Three investors as well as both founders of the Feedo Group were shareholders of Feedo Sp. z o.o. Both founders get new managing director contracts as of July 3, 2015.
The consideration transferred for the acquisition of Feedo Sp. z o.o. is composed of three purchase price components, cash, shares in windeln.de AG as well as a contingent consideration (Earn Out). In addition share-based payment arrangements were negotiated.

7.2 Cash

As of July 3, 2015 all shareholders of Feedo Sp. z o.o. receive cash in the total amount of EUR 8,050k.

7.3 Shares in windeln.de AG

As of July 3, 2015 one of the investors receives a fix number of shares in windeln.de AG. Under consideration of the share price as of July 3, 2015 in the amount of EUR 11.74, the fair value of the shares as of the acquisition date amounts to EUR 79k.
On July 3, 2015, both founders of the Feedo Group receive a fix number of shares in windeln.de AG. Under consideration of the share price as of July 3, 2015 in the amount of EUR 11.74, the fair value of the shares as of the acquisition date amounts to EUR 1,728k.
The shares were issued by windeln.de AG newly out of the Authorized Capital 2015.

7.4 Contingent Consideration

In addition, one of the investors as well as both founders will receive a contingent consideration (Earn Out). The earn out amount will be calculated based on the revenue growth with customers located in Poland, Czech Republic as well as Slovakia for the years 2014 until 2017 and consists out of three instalments (2015, 2016, 2017). A corresponding revenue multiple will be determined based on the annual revenue growth which is the basis for the future valuation. For the years 2015 until 2017, each of the beneficiaries will receive a part of the Earn Out based on 15 % of the preassigned valuation. The issuance of shares in windeln.de AG should be settled through the payment of the nominal value of the shares in the amount of EUR 1.00. The amount of shares will be determined by the amount of the respective earn out and the unweighted average of closing prices of the windeln.de AG share during the month of March of the year following the relevant Earn Out year. The Earn Out will be settled in March of the following year using the share price at that point of time. Windeln.de AG has the discretion of making a cash payment instead.
The contingent consideration can come up to a maximal undiscounted amount of EUR 18,087, but at least EUR 182k.

7.5 Share-based Payments

The issuance of shares in windeln.de AG to both founders as well as the contingent consideration granted to the founders are characterized as employee benefits as both founders need to be employed within the Group for a period of 36 months starting as of July 3, 2015 (so called vesting period) in order to receive the full amount of the commitment. If they leave the Group within the 36 months period they need to sell 1/36th of the already received shares to windeln.de AG for each month they leave before the end of the vesting period. The repurchase price is depending on the reason for the retirement and is calculated as % of the share price at that time. The outstanding Earn Out will be reduced as well depending on the reason of retirement respective the date of retirement.
Hence, in line IFRS 2 this share-based payment needs to be accounted for separately as real equity instrument granted for the provision of job performance.

7.6 Purchase Price

At the point in time when the interim financial statements are prepared the allocation of the components of the contract into purchase price and into share-based payments as well as the determination of the respective fair values is incomplete as different approaches are possible and the assessment of the circumstances has not been finalized yet.

Hence, the following required notes as for IFRS 3. B64 f, g, k and l in connection with IFRS 3. B66 cannot be disclosed or only partially disclosed: Notes for allocation of contract obligation components between the purchase price and share-based payments, disclosures of fair value of contingent consideration as well as the subsequent measurement of those, disclosures to share-based payments as well as the respective subsequent measurement and disclosures relating to the amount of goodwill.

It is expected that the allocation of the purchase price for Feedo Group results in a positive difference which will be capitalized as goodwill. Basis for this goodwill are the expected synergies resulting from the combined business activities, the strengthened access to the Eastern European market, and other intangible assets which do not meet the recognition criteria.

The transaction costs related to the acquisition of Feedo Sp. z o.o. are recorded as expenses and are presented as administrative expenses. In this context, EUR 144k expenses were recorded in the first half of 2015.

Between January 1 and July 2, the Feedo Group has generated revenues in the amount of EUR 4,648k, whilst losses totaled EUR 847k in the same period of time.

7.7 Acquisition Agreement regarding the Acquisition of Bebitus Retail S.L.

On August 10, 2015, windeln.de AG entered into an acquisition agreement regarding the acquisition of 100 % of the shares in Bebitus Retail S.L. Bebitus Retail S.L. is a fast growing pure play online retailer focusing on baby and toddler products. Based in Barcelona, target customers are located in Spain, Portugal and France. In the financial year 2014, the company generated revenues of approximately EUR 7m. The total purchase price amounts to approximately EUR 5m and an additional contingent consideration, which is subject to the achievement of defined revenue targets for the years 2015 to 2015. In addition a share-based payment arrangement will be granted to both founders as they should be employed within the group going forward as well. The acquisition is subject to certain closing conditions which have been met only partially yet.

7.8 Capital Increases

With resolution as of July 3, 2015, the share capital was increased by EUR 153,937 utilizing the Authorized Capital 2015. The capital increase became effective upon registration with the commercial register on July 27, 2015. After partial utilization, the Authorized Capital amounts to EUR 12,543,318.

With resolution as of July 3, 2015, the share capital was increased by EUR 197,378 utilizing the Authorized Capital 2015. The capital increase became effective upon registration with the commercial register on August 7, 2015. After partial utilization, the Authorized Capital amount to EUR 12,345,940.

7.9 Long Term Incentive Plan 2015

With resolution as of August 4, 2015, the supervisory board has decided to set up a Long Term Incentive Plan for selected key employees as well as managing directors of foreign subsidiaries. The plan consists out of Stock Options on the one hand and out of Restricted Stock Units on the other hand.

Munich, August 21, 2015

Alexander Brand	Konstantin Urban	Dr. Nikolaus Weinberger

Declaration of the legal representatives

To the best of our knowledge, we declare that, according to the principles of proper consolidated reporting applied, the consolidated financial statements provide a true and fair view of the company's net assets, financial position and results of operations, that the consolidated management report presents the company's business including the results and the company's position such as to provide a true and fair view and that the major opportunities and risks of the company's anticipated growth for the remaining financial year are described.

Munich, August 27, 2015

The Management Board

Service

1. Glossar

Site visits

We define Adjusted Other SG&A Expenses (in % of revenues) as Adjusted Other SG&A Expenses divided by revenues. We define Adjusted Other SG&A Expenses as selling and distribution expenses plus administrative expenses and other operating expense less other operating income, but excluding marketing and fulfillment costs, share-based compensation expenses, as well as extraordinary or non-recurring expenses or income related to the IPO, acquisitions, the integration of new subsidiaries and expansion.

Mobile Visit Share

We define Mobile Visit Share (in % of Site Visits) as the number of visits via mobile devices (smartphones and tablets) to our mobile optimized websites divided by the total number of Site Visits in the measurement period. We have excluded visits to our online magazine and visits from China. We exclude visits from China because the most common online translation services on which most of our customers who order for delivery to China rely to translate our website content are not able to do so from their mobile devices, and therefore very few of such customers order from their mobile devices. Measured by Google Analytics.

Mobile Orders

We define Mobile Orders (in % of Number of Orders) as the number of orders via mobile devices to our mobile optimized websites divided by the total Number of Orders in the measurement period. We have excluded orders from China. Measured by Google Analytics.

Active Customers

We define Active Customers as the number of customers placing at least one order in the 12 months preceding the end of the measurement period, irrespective of returns.

Number of Orders

We define Number of Orders as the number of customer orders placed in the measurement period irrespective of returns. An order is counted on the day the customer places the order. Orders placed and orders delivered may differ due to orders that are in transit at the end of the measurement period or have been cancelled. Every order which has been placed, but for which the products in the order have not been shipped (e.g., the products are not available or the customer cancels the order), is considered "cancelled".

Average Orders per Active Customer

We define Average Orders per Active Customer as Number of Orders divided by the number of Active Customers in the measurement period.

Share of Repeat Customer Orders

We define Share of Repeat Customer Orders as the number of orders from Repeat Customers divided by the Number of Orders during the measurement period.

Gross Order Intake

We define Gross Order Intake as the aggregate Euro amount of customer orders placed in the measurement period minus cancellations. The Euro amount includes value added tax and excludes marketing rebates.

Average Order Value

We define Average Order Value as Gross Order Intake divided by the Number of Orders in the measurement period.
Returns (in % of Net Merchandise Value)
We define Returns (in % of Net Merchandise Value) as the Net Merchandise Value of items returned divided by Net Merchandise Value in the measurement period.

Marketing Cost Ratio

We define Marketing Cost Ratio as marketing costs divided by revenues for the measurement period. Marketing costs consist mainly of advertising expenses, including search engine marketing, online display and other marketing channel expenses, as well as costs for our marketing tools and allocated overhead costs, but not costs related to our loyalty program. Allocated overhead costs include rent and depreciation, but not costs of shared services.

Fulfillment Cost Ratio

We define Fulfillment Cost Ratio as fulfillment costs divided by revenues for the measurement period. Fulfillment costs consist of logistics and rental expenses.

Adjusted Other SG&A Expenses (in % of revenues)

We define Adjusted Other SG&A Expenses (in % of revenues) as Adjusted Other SG&A Expenses divided by revenues. We define Adjusted Other SG&A Expenses as selling and distribution expenses plus administrative expenses and other operating expense less other operating income, but excluding marketing and fulfillment costs, share-based compensation expenses, as well as extraordinary or non-recurring expenses or income related to the IPO, acquisitions, the integration of new subsidiaries and expansion.

2. Financial Calender

Publication of the second quarter results 2015:	27. August 2015
Annual analyst conference 2015	14. September 2015
Publication of the third quarter results 2015:	26. November 2015

3. Legal notice

Editorial team and contact

windeln.de AG
Hofmannstrasse 51
81379 Munich, Germany
corporate.windeln.de

Investor Relations

Alexandra von Kempis
E-Mail: investor.relations@windeln.de

Corporate communications

Amelie Heinz
E-Mail: presse@windeln.de

Concept, text, layout and design

windeln.de AG

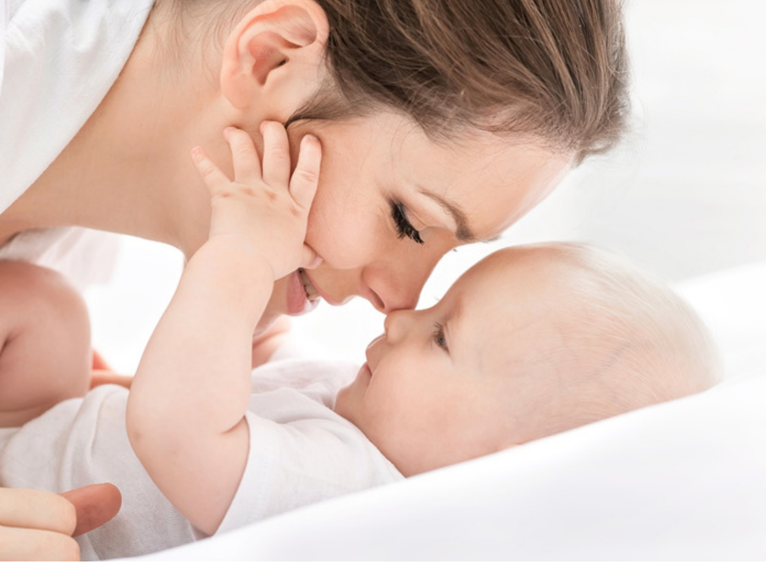
Picture credits

Fotolia, iStock

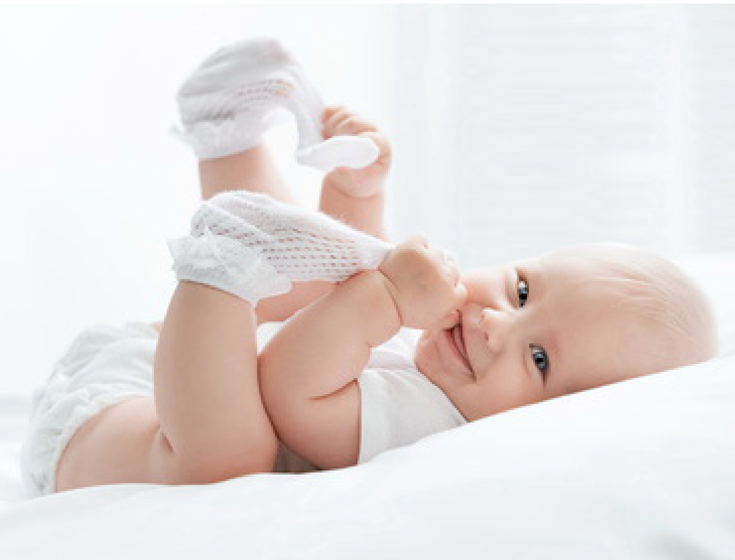
Statement relating to the future

This interim report contains statements that relate to the future and are based on assumptions and estimates made by the management of windeln.de AG. Even if the management is of the opinion that these assumptions and estimates are appropriate, the actual development and the actual future results may vary from these assumptions and estimates as a result of a variety of factors. These factors include, for example, changes to the overall economic environment, the statutory and regulatory conditions in Germany and the EU and changes in the industry. windeln.de AG makes no guarantee and accepts no liability for future development and the actual results achieved in the future matching the assumptions and estimates stated in this interim report.

It is neither the intention of windeln.de AG nor does windeln.de AG accept a special obligation to update statements related to the future in order to align them with events or developments that take place after this report is published. The interim report is available in English. If there are variances, the German version has priority over the English translation. It’s is available for download in both languages at https://corporate.windeln.de/



windeln.de
Everything for my baby



windeln.de AG
Hofmannstraße 51
81379 München