

NEWS RELEASE

PETMED EXPRESS D/B/A 1-800-PETMEDS ANNOUNCES ITS FIRST FISCAL QUARTER FINANCIAL RESULTS AND ITS QUARTERLY DIVIDEND OF \$0.27 PER SHARE

7/22/2019

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Delray Beach, Florida, July 22, 2019 - PetMed Express, Inc. (NASDAQ: PETS) today announced its financial results for the quarter ended June 30, 2019. Net sales for the quarter ended June 30, 2019 were \$80.0 million, compared to \$87.4 million for the quarter ended June 30, 2018, a decrease of 8.5%. Net income was \$5.3 million, or \$0.26 diluted earnings per share, for the quarter ended June 30, 2019, compared to net income of \$12.6 million, or \$0.62 diluted earnings per share, for the quarter ended June 30, 2018, a 57% decrease in diluted earnings per share.

Menderes Akdag, President and CEO, commented: "Our sales and gross margins were negatively impacted by increased online competition and aggressive pricing in the market that forced us to reduce our prices. Our average order value declined from \$90 in the quarter ended June 30, 2018 to \$86 in the June 30, 2019 quarter. During the quarter we bought back approximately 613,000 shares of our common stock for \$11.5 million, with an average price of \$18.73 per share. Cash from operations for the quarter was negatively impacted by an \$8.8 million increase in inventory, the result of cost-advantaged inventory buys that we made during the quarter. We intend to return to

normal inventory levels in future quarters. One of our long-term strategic initiatives and primary goals has always been to have direct purchasing relationships with the major manufacturers. We made further progress on this initiative in the current quarter, which may help improve our gross margins in the future. In fiscal 2020, we will continue to be price competitive and will focus on optimizing our marketing in this more competitive environment and being more efficient with our advertising spending. In addition, we will be investing in our e-commerce platform to better service our customers. This platform will enable us to improve upon our already strong net promoter score of 83%. We believe this customer satisfaction measure reflects the strong bond we have with our customers and will assist the Company with future customer retention."

The Board of Directors declared a quarterly dividend of \$0.27 per share on the Company's common stock. The dividend will be payable on August 9, 2019, to shareholders of record at the close of business on August 2, 2019. The Company intends to continue to pay regular quarterly dividends; however, the declaration and payment of future dividends is discretionary and will be subject to a determination by the Board of Directors each quarter following its review of the Company's financial performance.

This morning at 8:30 A.M. Eastern Time, Mr. Akdag will host a conference call to review the quarter's financial results. To access the call, which is open to the public, please dial (888) 455-1758 (toll free) or (203) 827-7025. Callers will be required to supply PETMEDS as the passcode. For those unable to participate in the live event, the call will be available for replay from 10:00 A.M. on July 22, 2019 until August 5, 2019 at 11:59 P.M. To access the replay, call (800) 947-6586 (toll free) or (203) 369-3971, and enter passcode 5500.

Founded in 1996, PetMed Express is America's Largest Pet Pharmacy, delivering prescription and non-prescription pet medications and other health products for dogs and cats at competitive prices direct to the consumer through its 1-800-PetMeds toll free number and on the Internet through its website at **www.1800petmeds.com**.

This press release may contain "forward-looking" statements, as defined in the Private Securities Litigation Reform Act of 1995 or by the Securities and Exchange Commission, that involve a number of risks and uncertainties, including the Company's ability to meet the objectives included in its business plan. Important factors that could cause results to differ materially from those indicated by such "forward-looking" statements are set forth in Management's Discussion and Analysis of Financial Condition and Results of Operations in the PetMed Express Annual Report on Form 10-K for the year ended March 31, 2019. The Company's future results may also be impacted by other risk factors listed from time to time in its SEC filings, including, but not limited to, the Company's Form 10-Q and its Annual Report on Form 10-K. For investment relations contact PetMed Express, Inc., Bruce S. Rosenbloom, CFO, 561-526-4444.

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