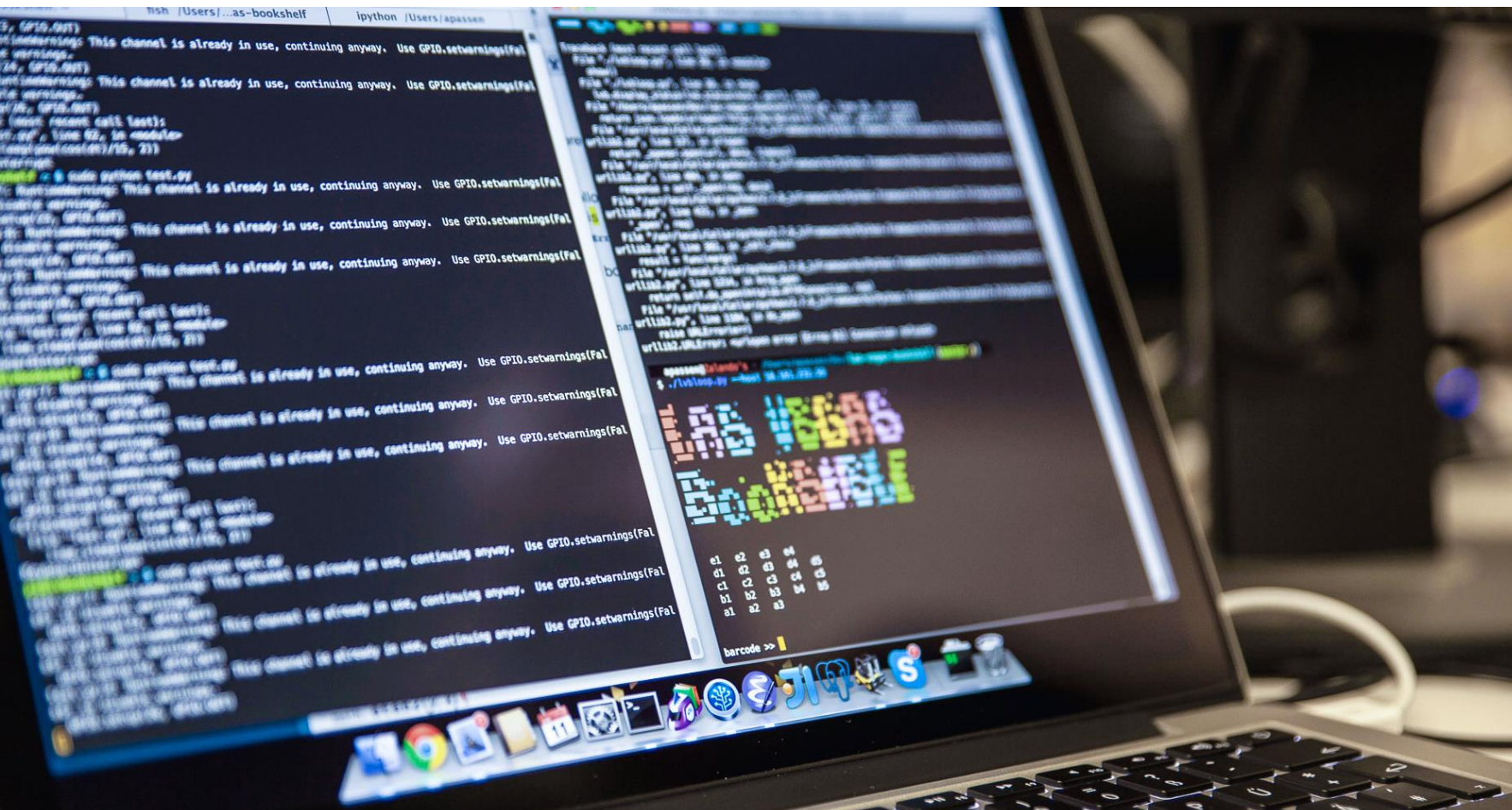




EUROPE'S LEADING ONLINE FASHION DESTINATION



Q3/2017 EARNINGS CALL



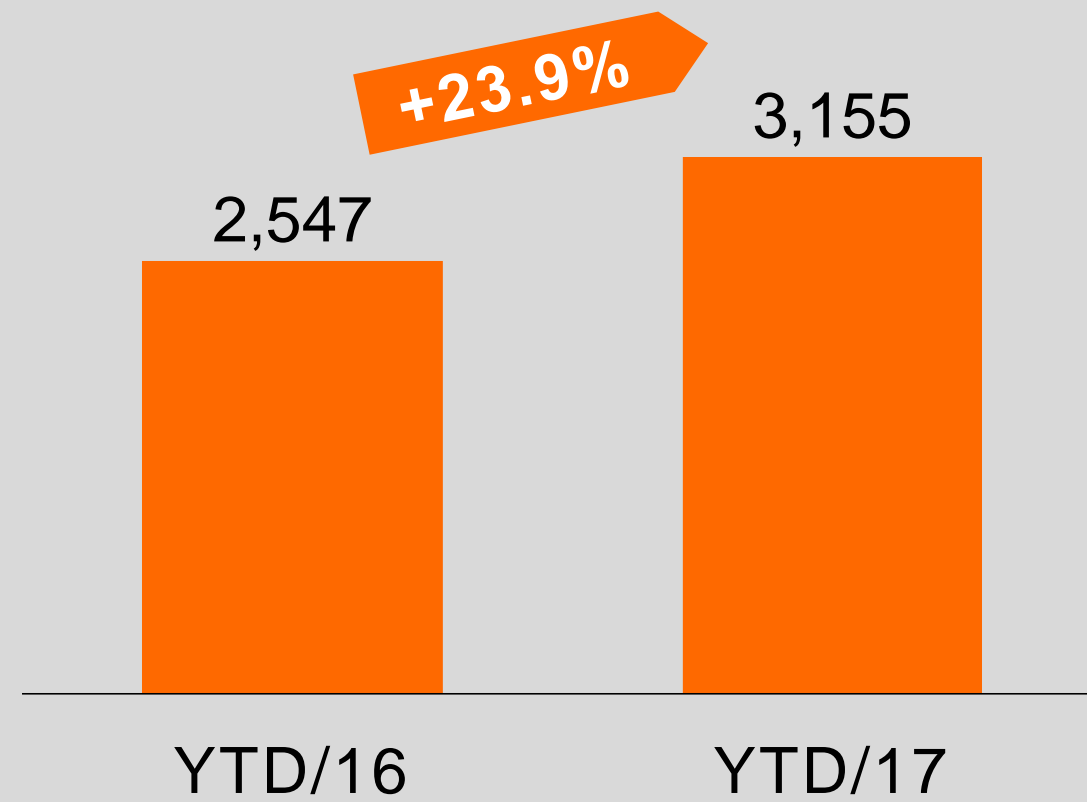
07-11-2017

**RESULTS HIGHLIGHTS AND
BUSINESS UPDATE**

9M/17: INVESTMENTS PAY OFF AND RESULT IN FASTER GROWTH

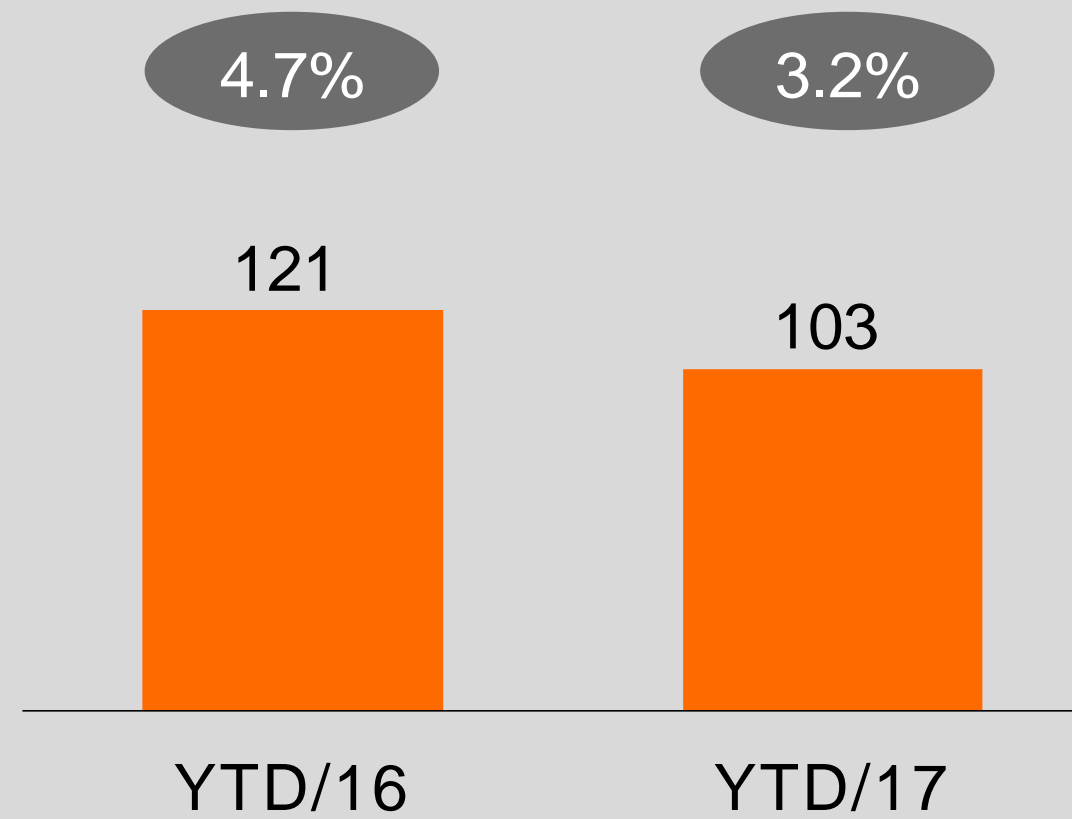
REVENUE GROWTH IN UPPER HALF OF TARGET CORRIDOR

In €m



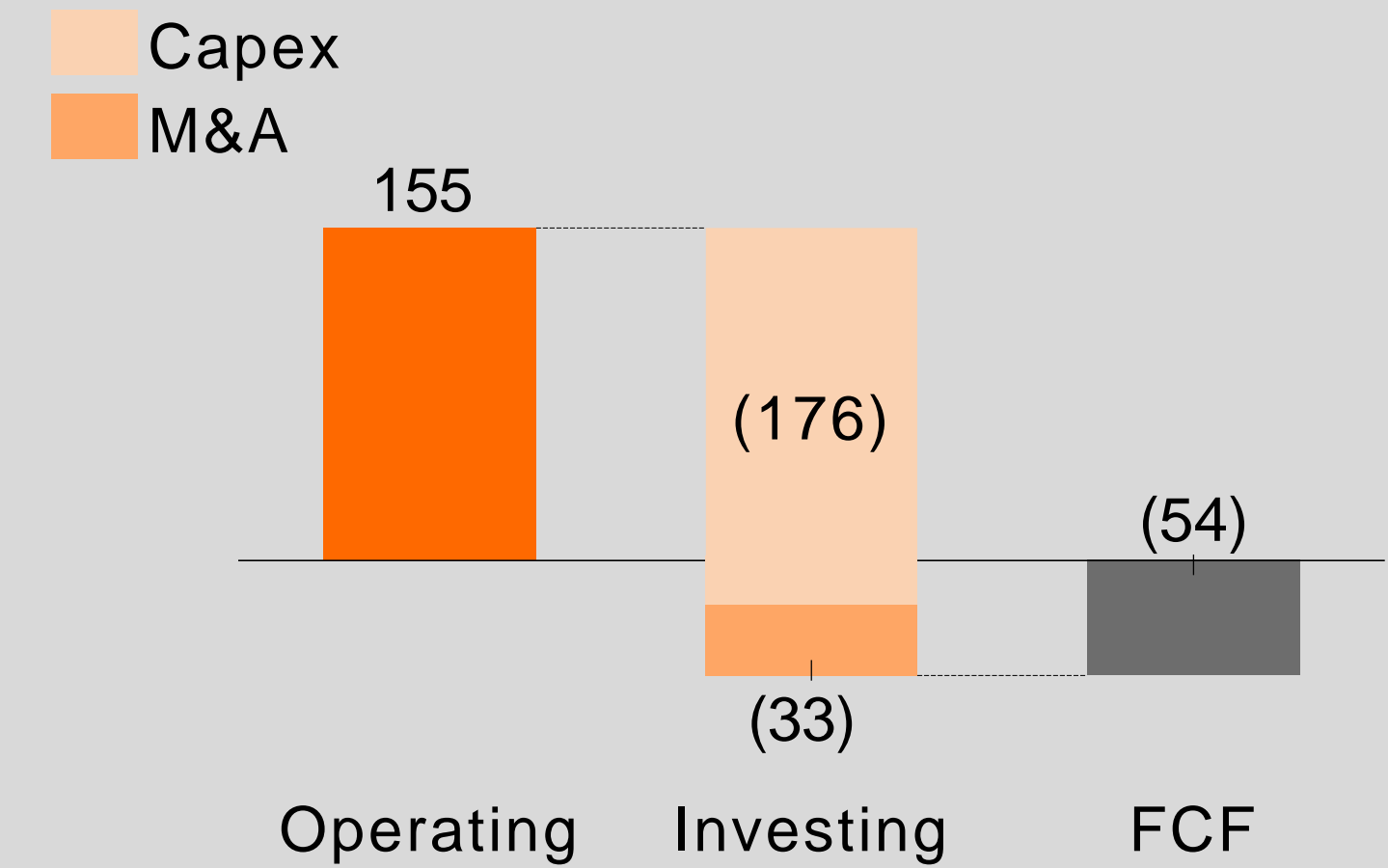
GROWTH INVESTMENTS IMPACT EBIT

EBIT excl. SBC¹ in €m



STRONG INVESTMENTS CONTINUE

In €m



(1) Excluding equity-settled stock-based compensation costs ("SBC") of €17.2m in YTD/17.

IN Q3, WE CONTINUED TO PUSH FORWARD OUR UNIQUE SHOPPING EXPERIENCE...

DIGITAL EXPERIENCE

- Improvements along all customer use-cases: (1) search, (2) browse and (3) inspiration
- 72% of site visits from mobile devices
- New tech hub in Lisbon



ASSORTMENT

- Inditex' „Pull&Bear“ now available
- Launch of beauty in Spring 2018
- 450+ Bread&&Butter exclusive pieces
- „miadidas“ customization feature integrated

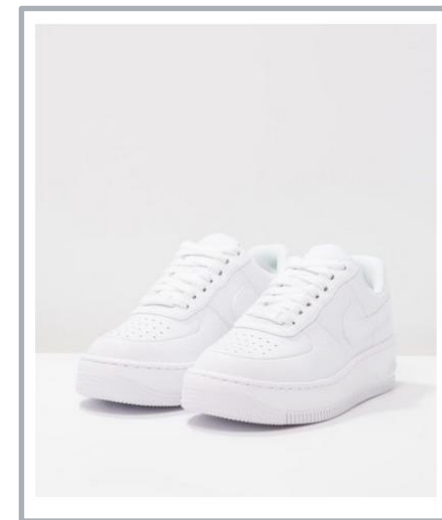
- Kick-off of 2nd Poland hub
- Go-live of Swedish spoke
- On demand delivery pilot in Berlin (“Zalando bringt’s dir”)

- Strong performance of men driven by James Franco campaign
- 2nd edition of B&&B with 30k visitors and 1.5bn media impressions
- Lounge expansion into Poland

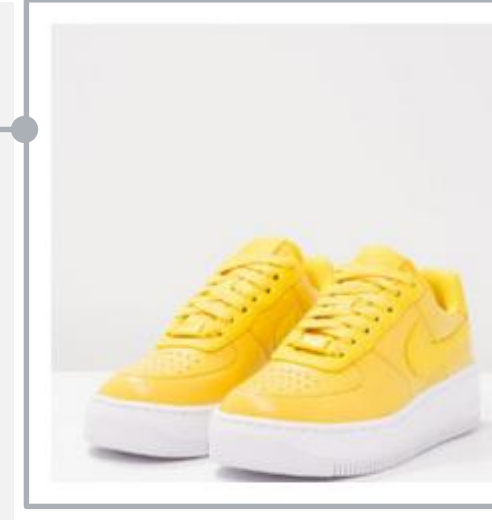
CONVENIENCE

BRAND

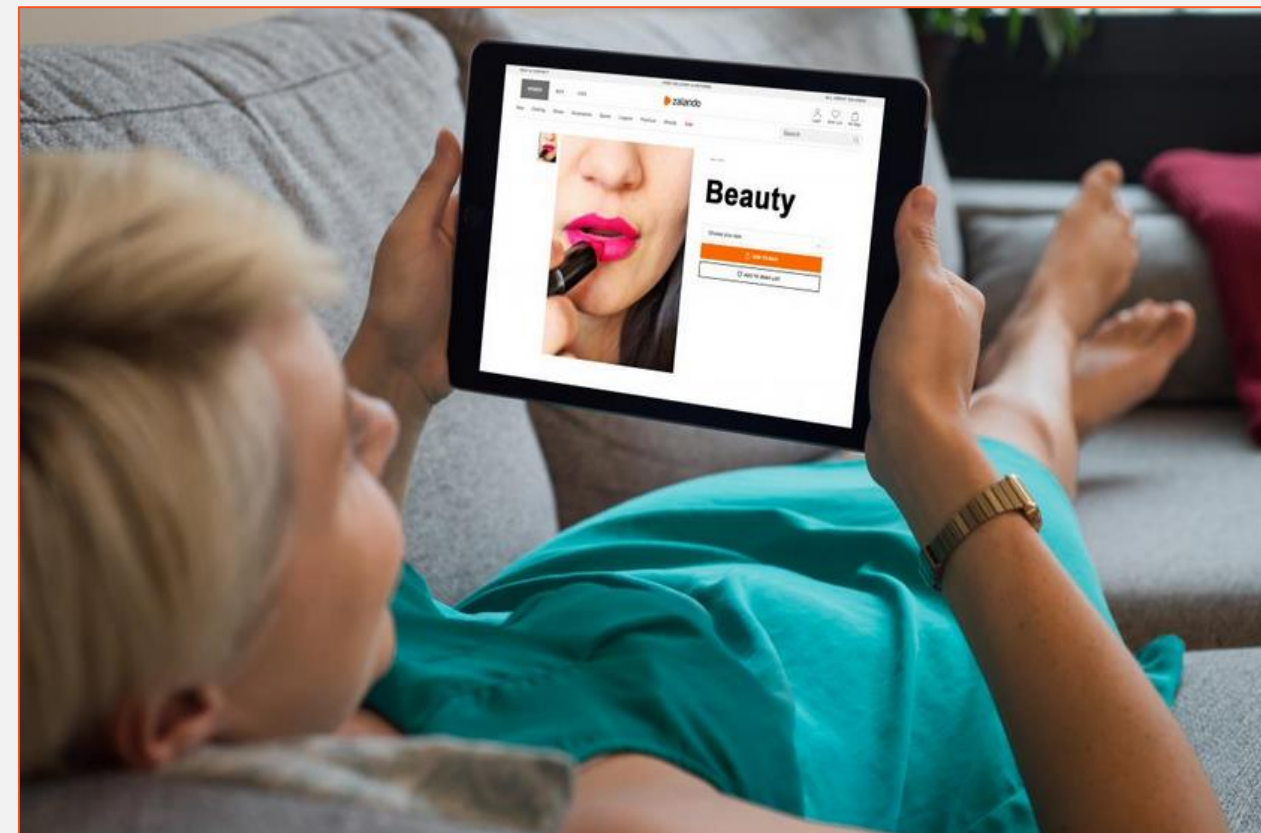
...WITH AN OUTSTANDING ASSORTMENT COMPOSITION



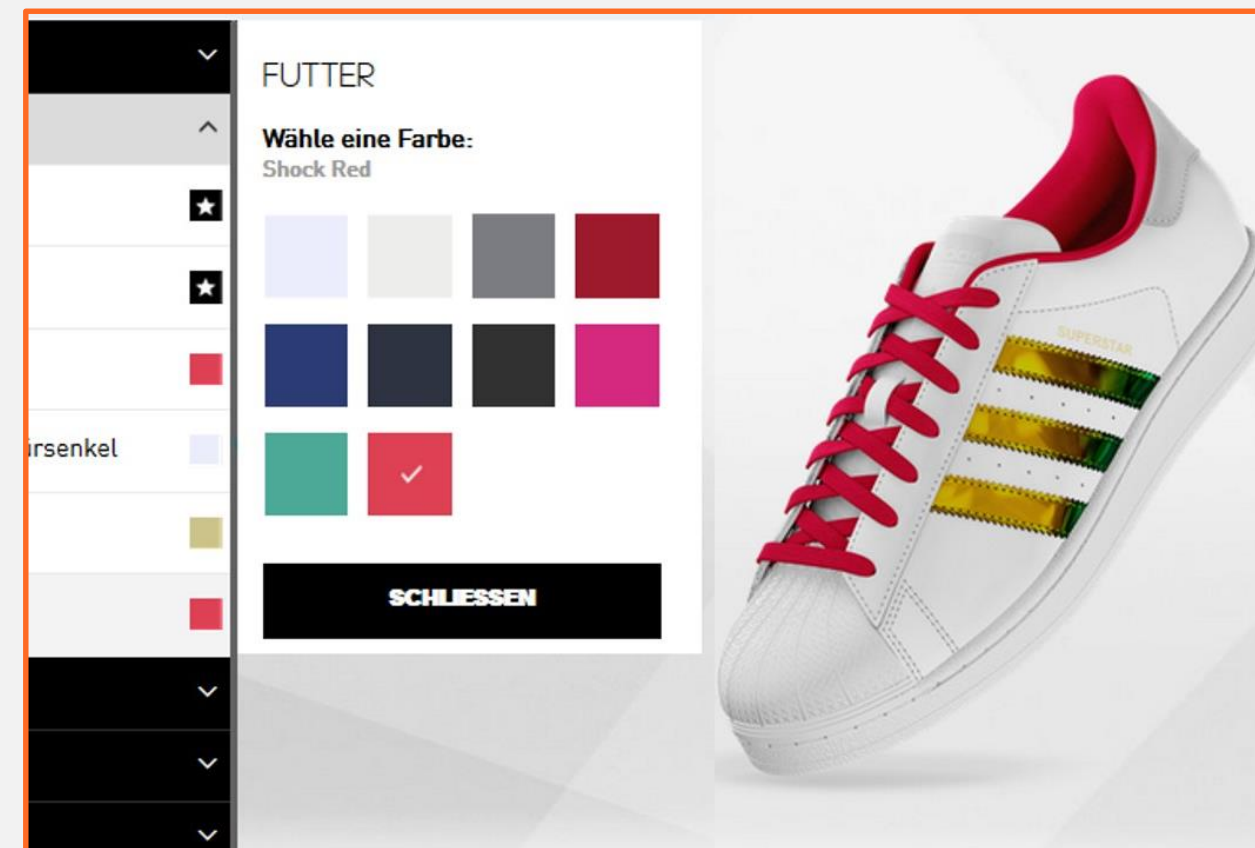
450+ EXCLUSIVE PIECES LAUNCHED AT BREAD&&BUTTER



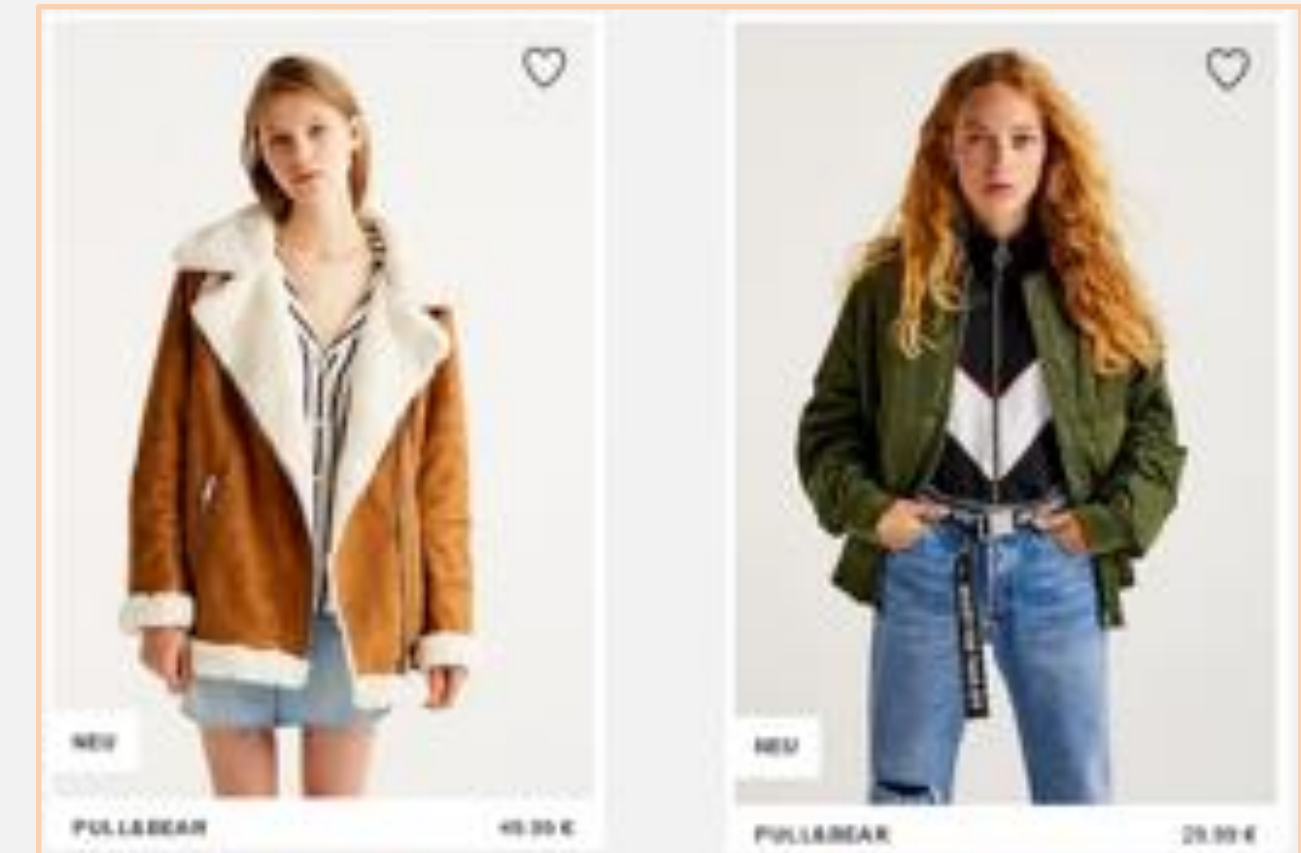
LAUNCH OF BEAUTY IN SPRING 2018



„MIADIDAS“ CUSTOMIZATION INTEGRATED IN ZALANDO SHOP



BROADER SELECTION WITH PULL&BEAR

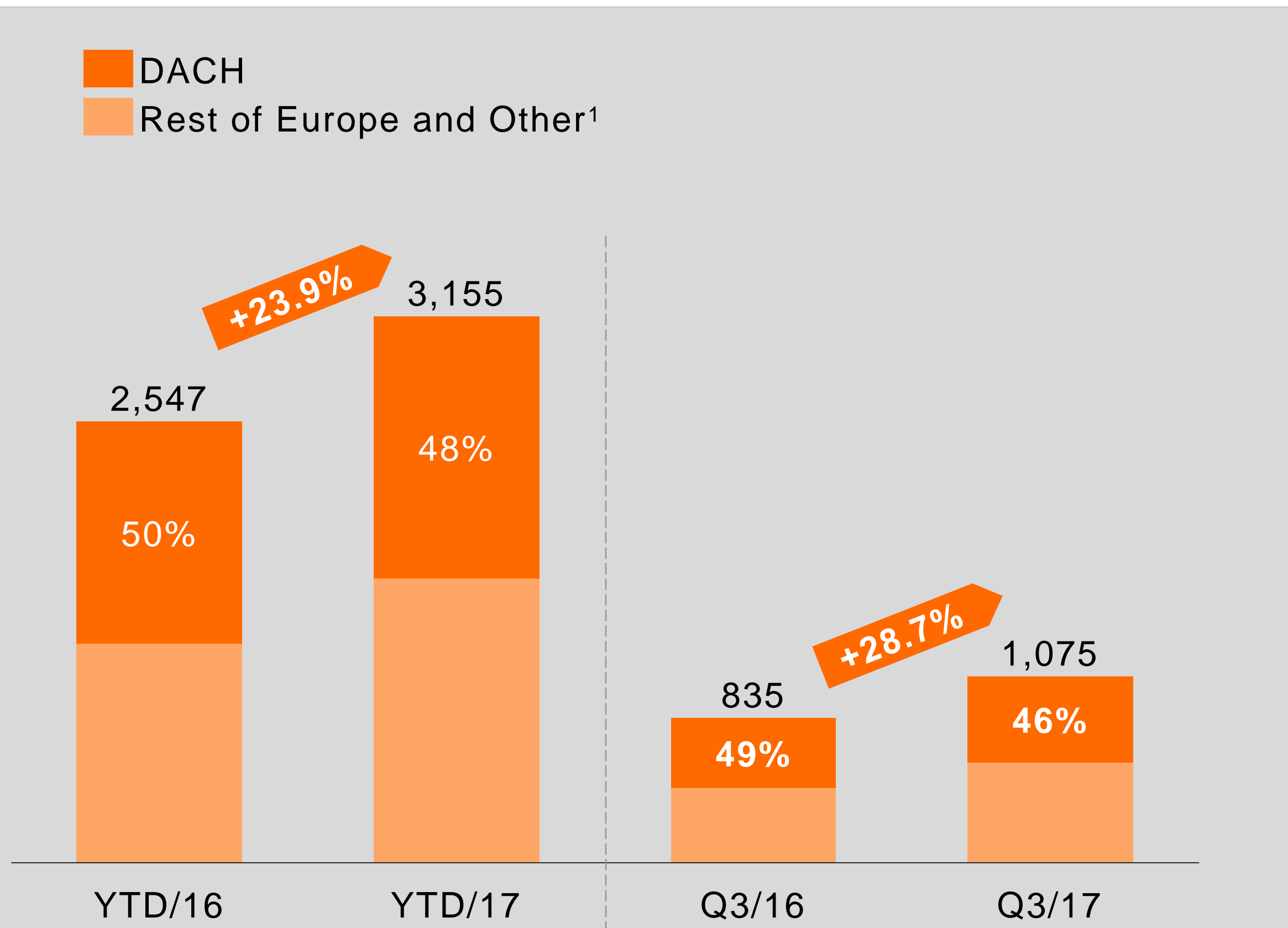


FINANCIAL UPDATE Q3/2017

STRONG GROWTH ABOVE TARGET CORRIDOR

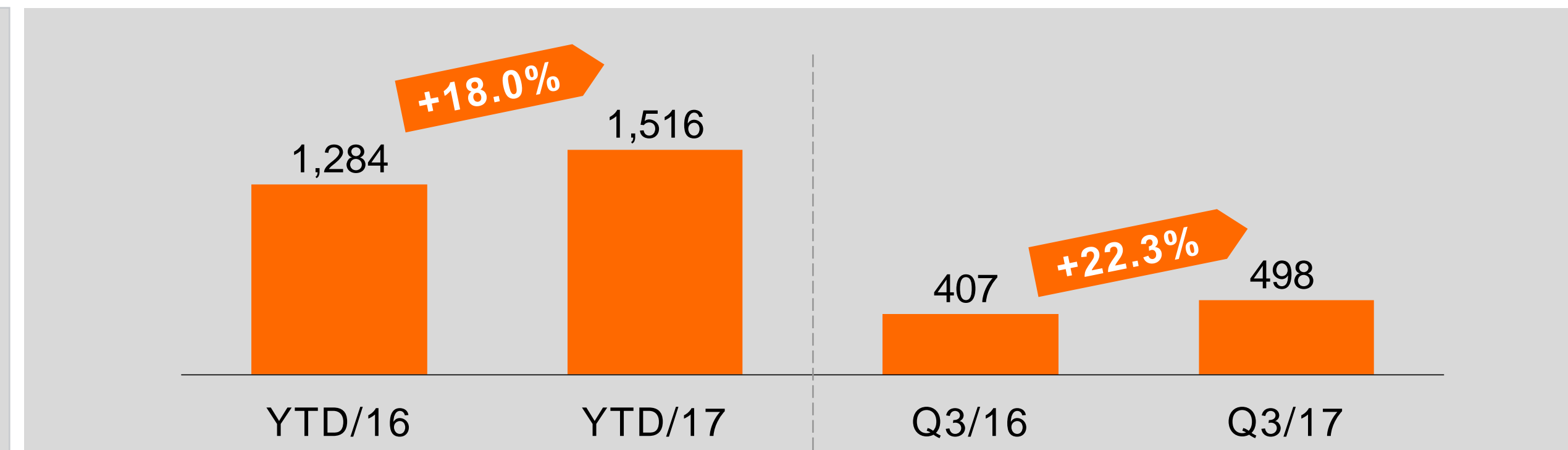
GROUP REVENUE

In €m



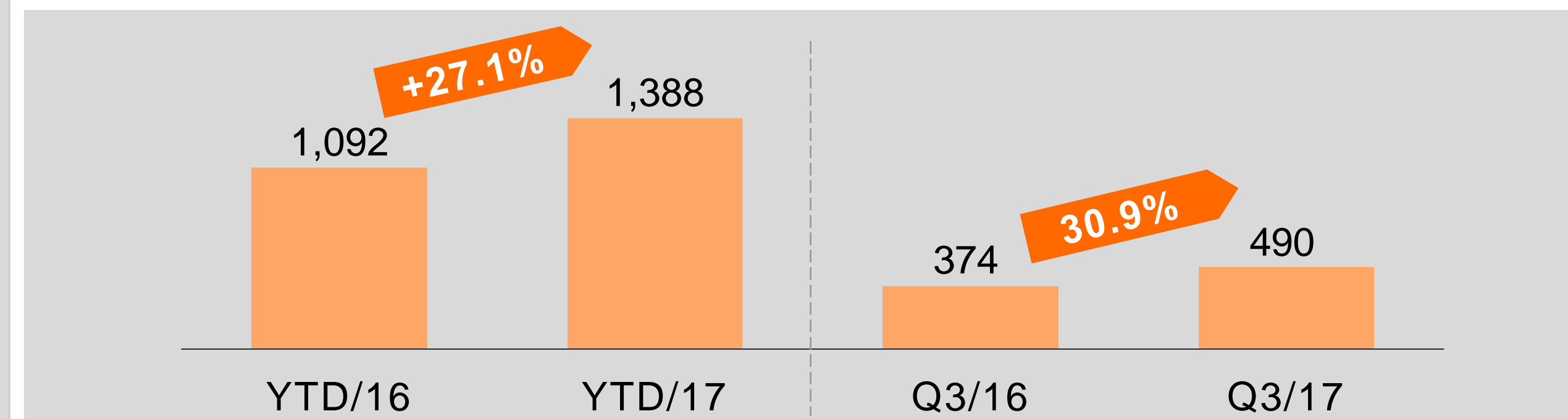
DACH REVENUE

In €m



REST OF EUROPE REVENUE

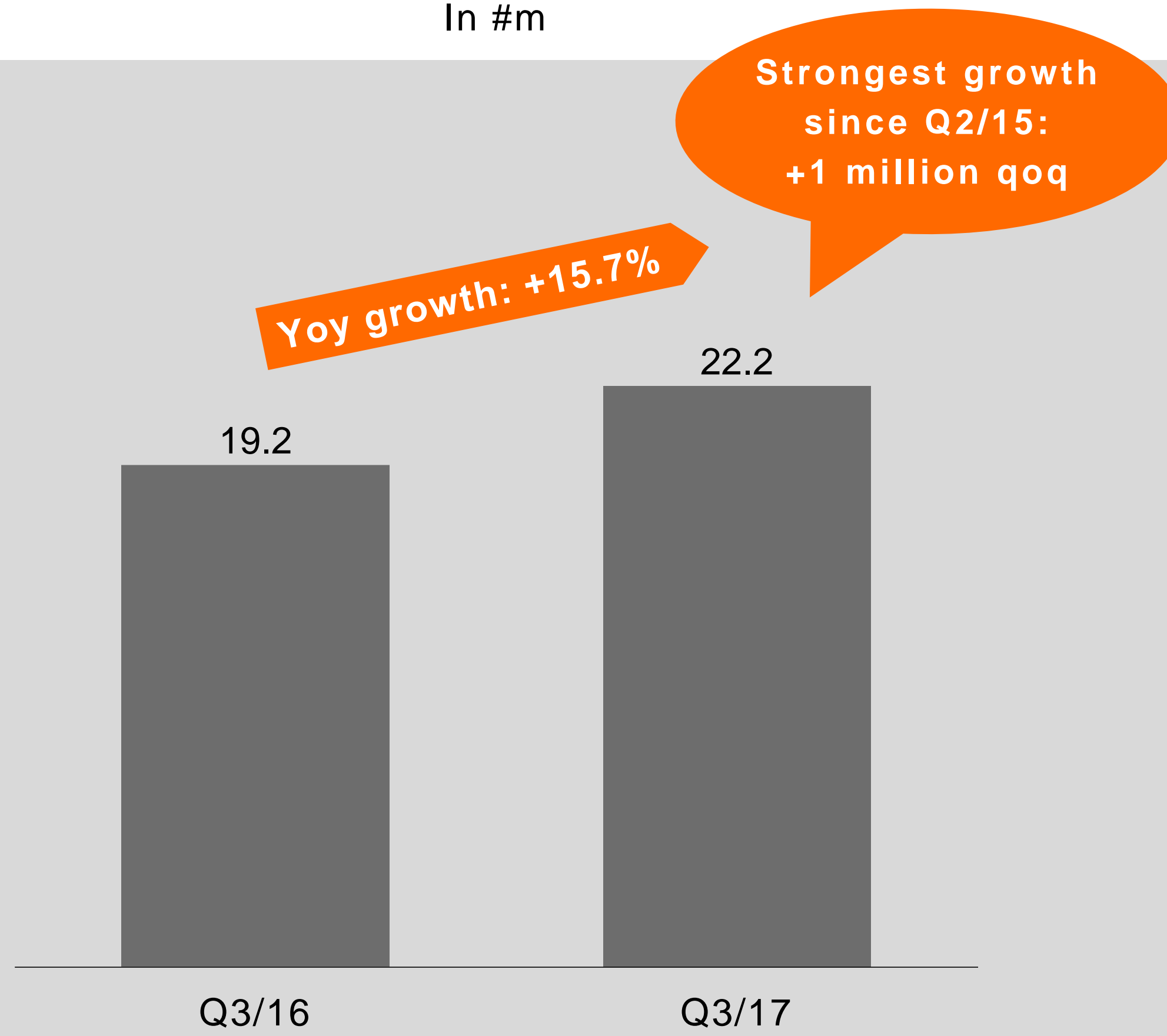
In €m



OUTSTANDING ACTIVE CUSTOMER GROWTH ACCELERATION

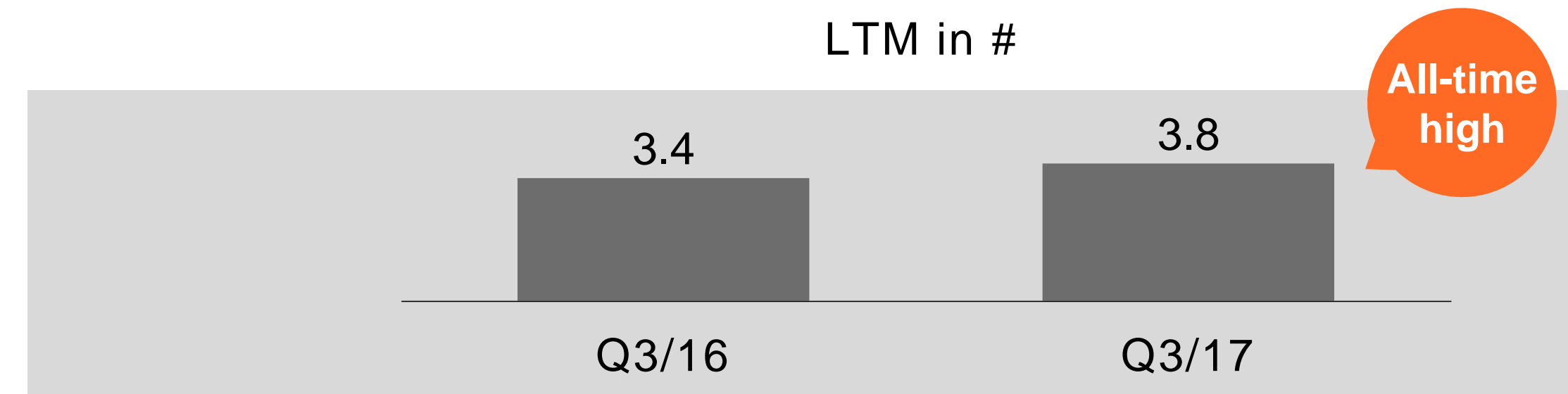
ACTIVE CUSTOMERS

In #m

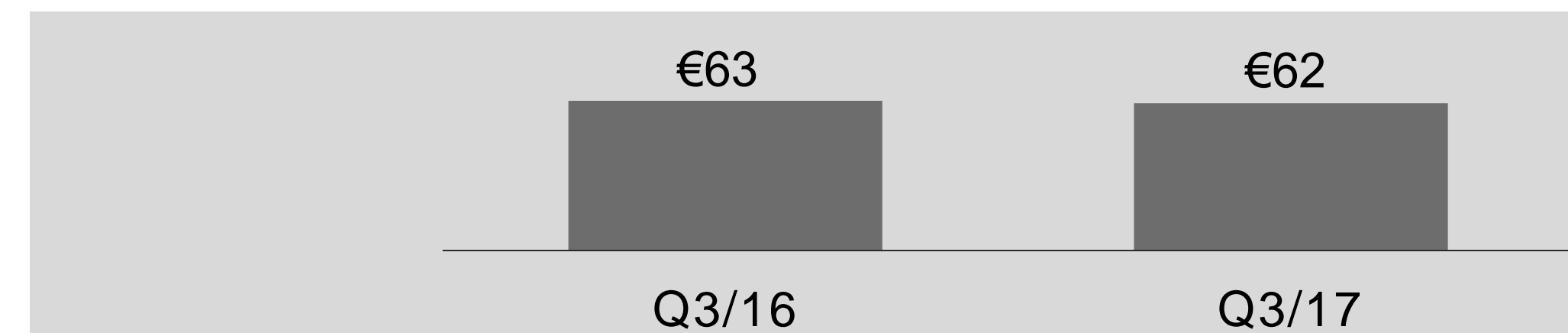


AVERAGE ORDER PER ACTIVE CUSTOMER

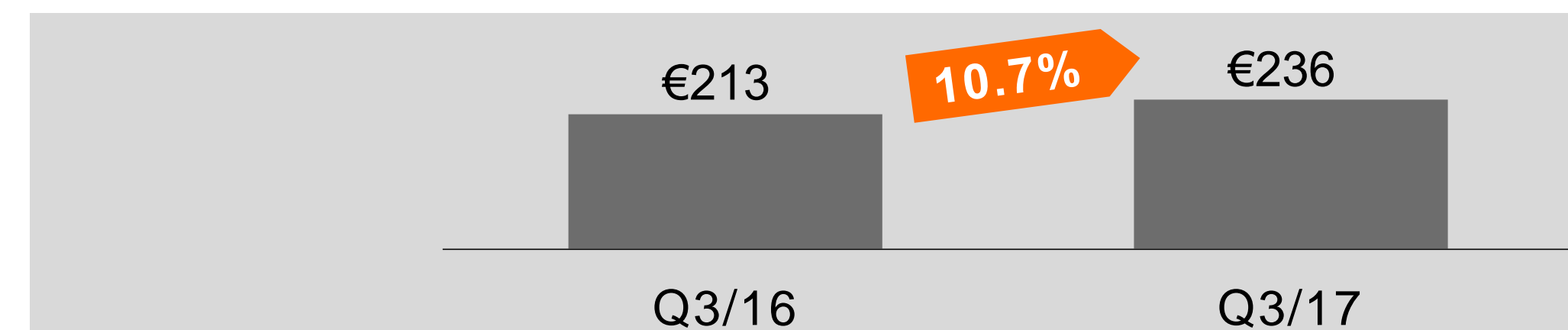
LTM in #



AVERAGE BASKET SIZE AFTER RETURNS¹



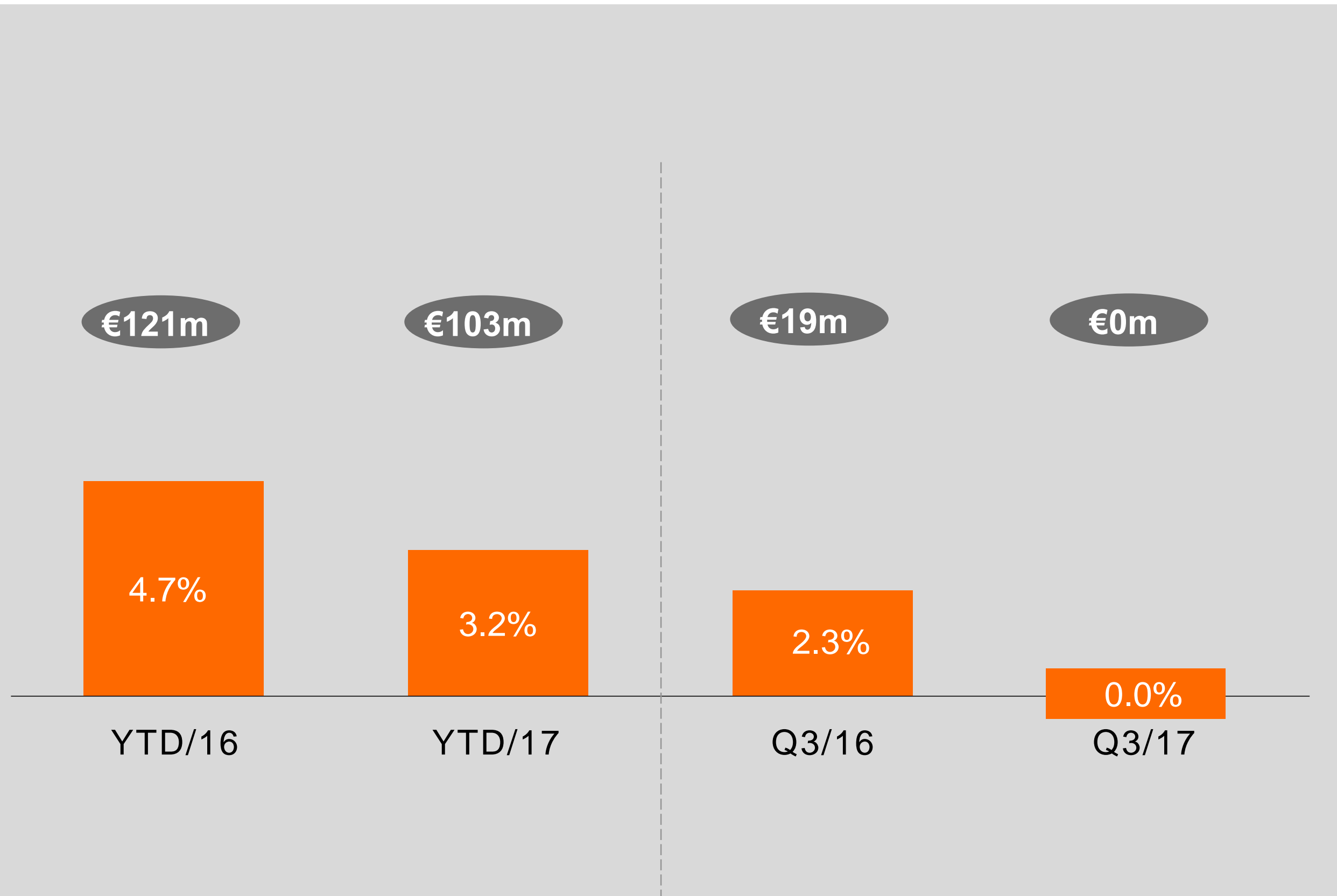
GMV PER ACTIVE CUSTOMER²



GROWTH ACCELERATION DRIVEN BY INVESTMENTS

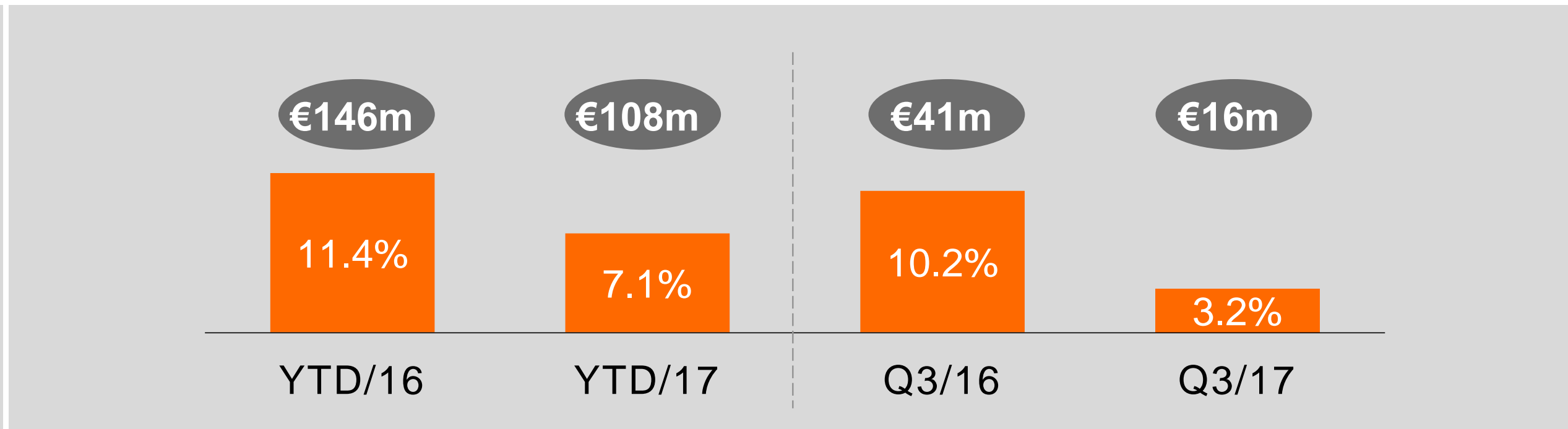
GROUP EBIT

EBIT margin (excl. SBC¹)



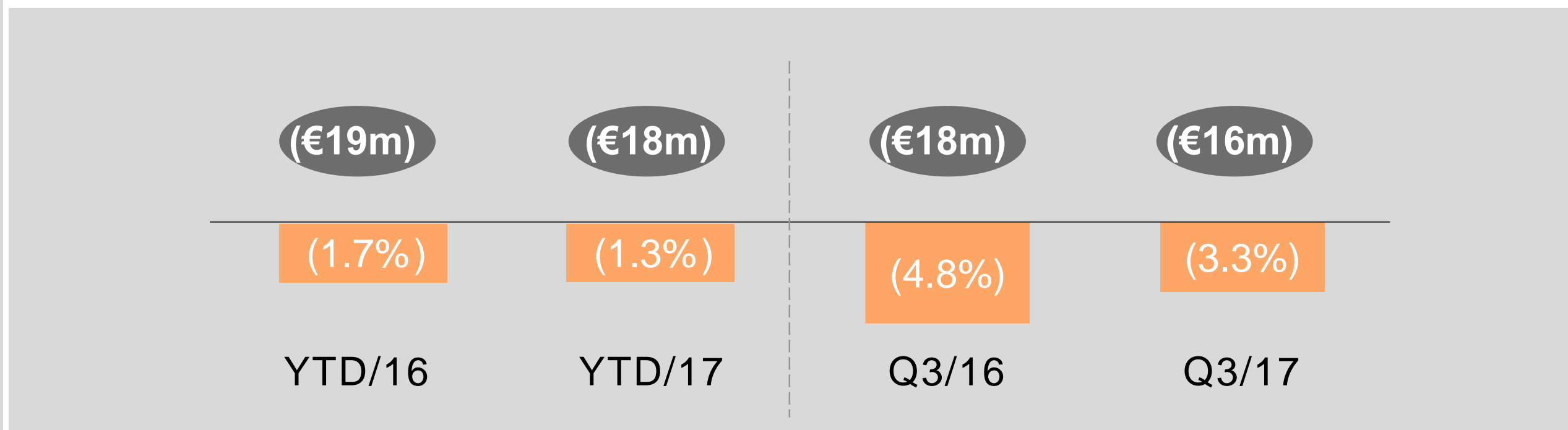
DACH EBIT

EBIT margin (excl. SBC¹)



REST OF EUROPE EBIT

EBIT margin (excl. SBC¹)



GROWTH INVESTMENTS MOSTLY IN FULFILLMENT COST LINE: CAPACITY EXPANSION & INNOVATION

COSTS AND MARGINS excl. SBC¹ in percent of revenue

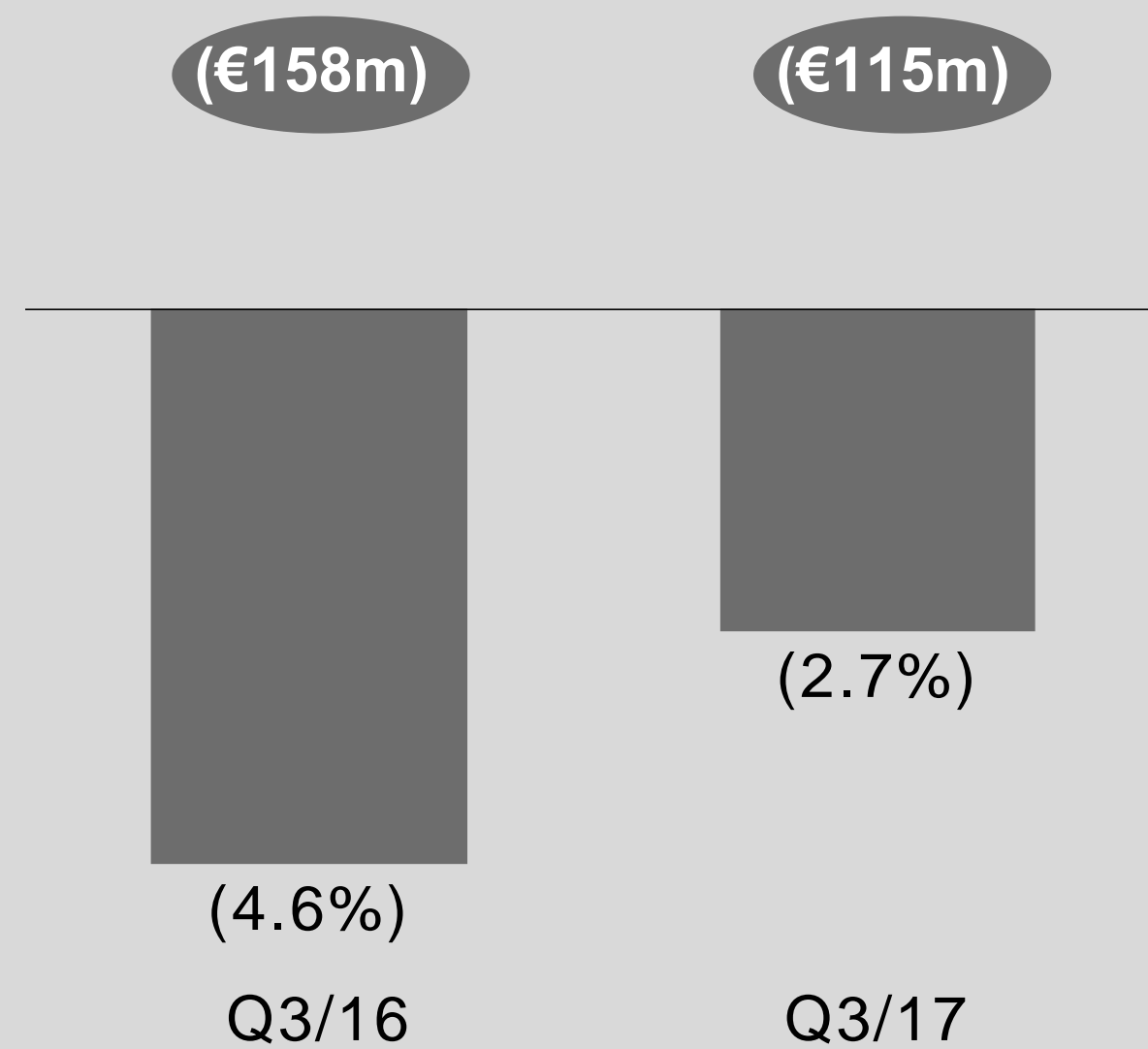
| | YTD 17 | | | Q3 | | |
|--|---------|---------|---------|---------|---------|---------|
| | 2016 | 2017 | Delta | 2016 | 2017 | Delta |
| COST OF SALES | (56.2%) | (56.8%) | 0.5pp | (58.6%) | (59.0%) | 0.5pp |
| GROSS PROFIT | 43.8% | 43.2% | (0.5pp) | 41.4% | 41.0% | (0.5pp) |
| FULFILLMENT COSTS | (23.7%) | (26.3%) | 2.6pp | (24.0%) | (27.0%) | 3.0pp |
| MARKETING COSTS | (10.2%) | (8.3%) | (1.8pp) | (9.5%) | (8.4%) | (1.1pp) |
| ADMINISTRATIVE EXPENSES & OTHER | (5.1%) | (5.3%) | 0.2pp | (5.6%) | (5.5%) | (0.1pp) |
| EBIT | 4.7% | 3.2% | (1.5pp) | 2.3% | 0.0% | (2.3pp) |

Mostly higher logistic costs: convenience and warehouse ramp-up

LOGISTICS INVESTMENTS CONTINUE

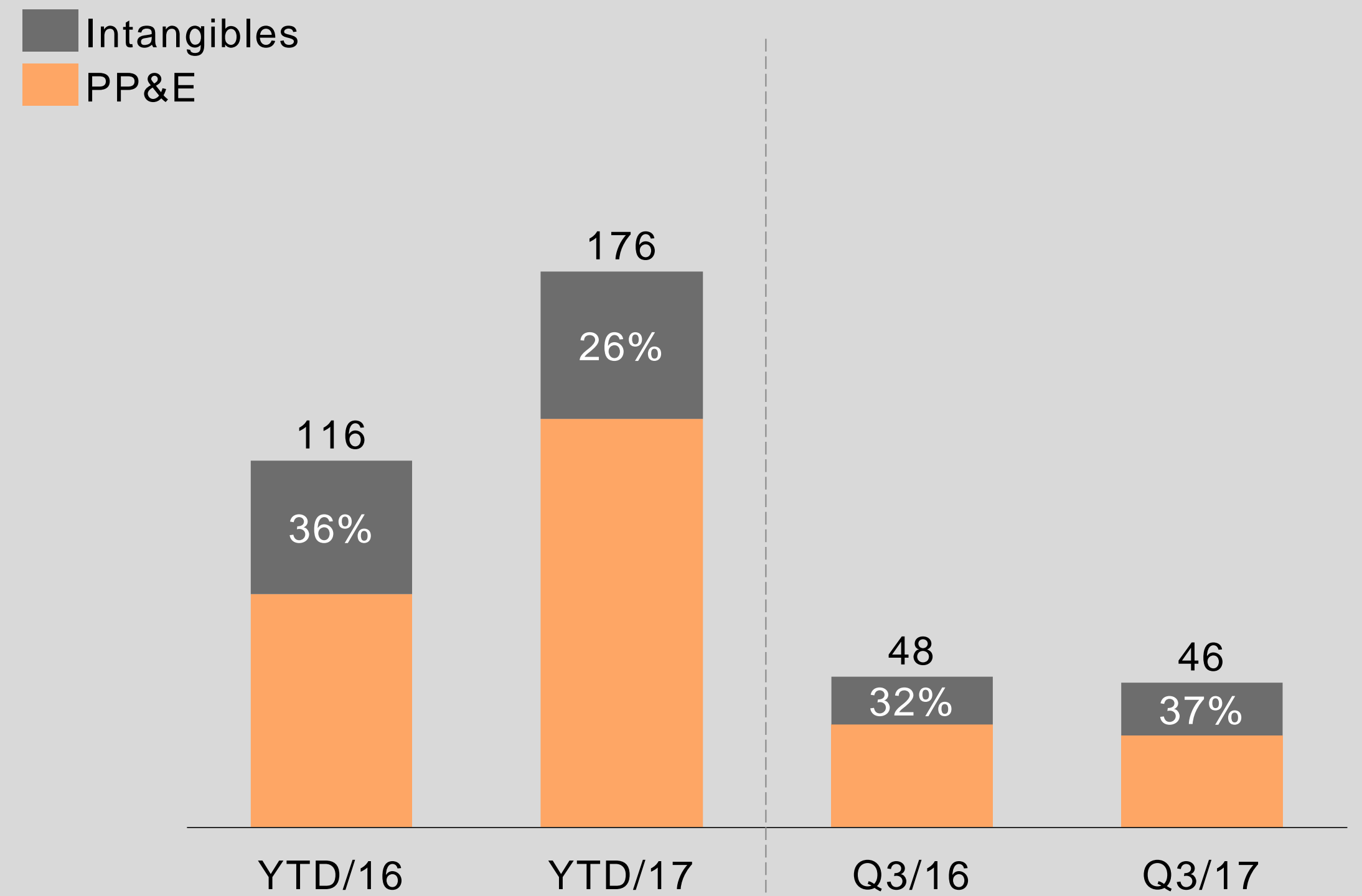
NET WORKING CAPITAL (END OF Q3)

in percent of annualized revenue



CAPITAL EXPENDITURE¹

in €m

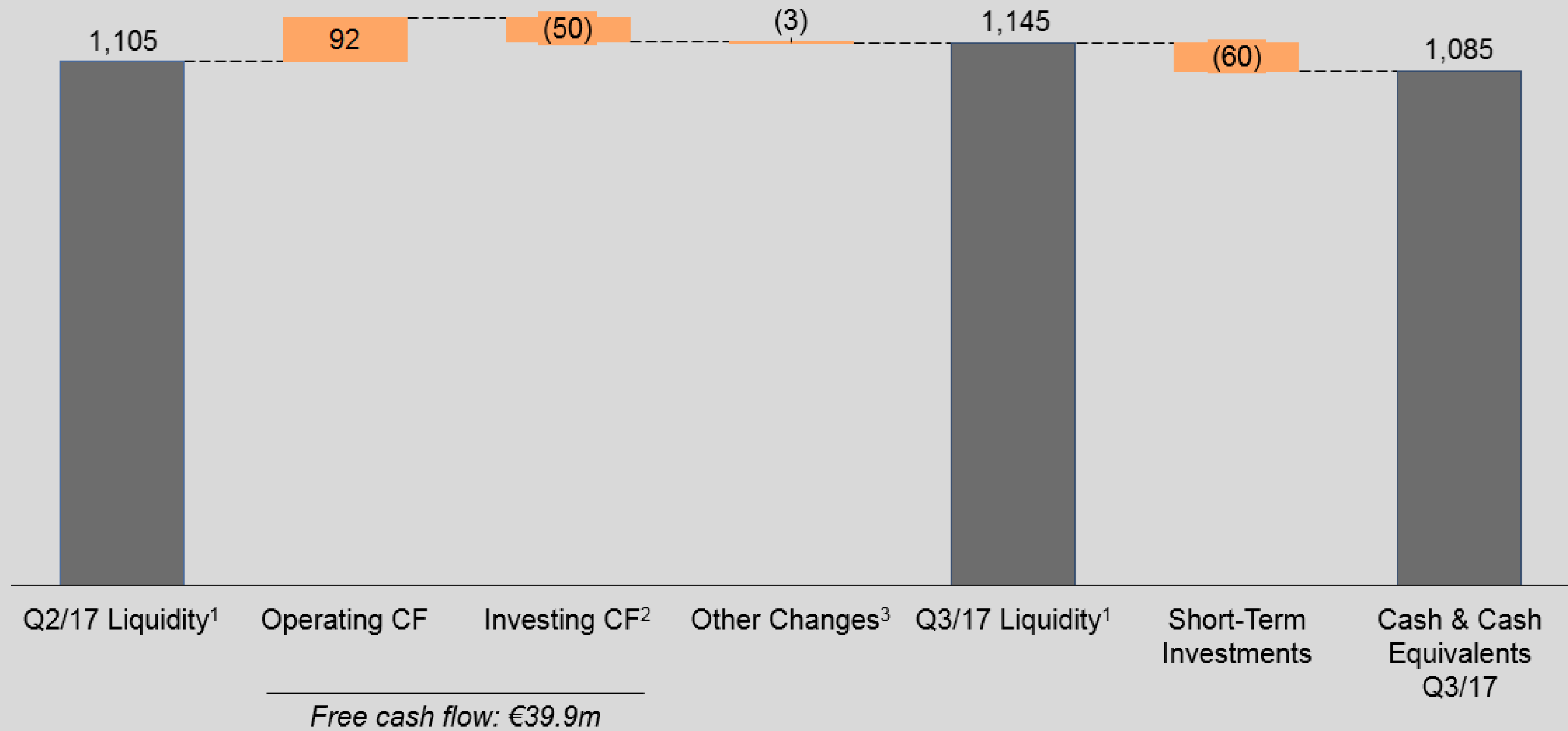


⁽¹⁾ Excludes payments for acquisitions of €6.7m in Q3/17 and of €33.4m in YTD/17, respectively.

LIQUIDITY REMAINS STABLE

CASH FLOW DEVELOPMENT (Q3)

In €m



(1) Both Q2/17 and Q3/17 liquidity include investments into short-term deposits with maturity of more than 3 and less than 12 months of €130m and €60m, respectively.
 (2) Includes investments in fixed and intangible assets and payments for acquisitions and change in restricted cash.
 (3) Includes financing cash flow (-€0.5m) and effect of exchange rate on cash and cash equivalents (-€2.5m).

OUTLOOK

OUTLOOK FOR FY2017

Revenue growth in the upper half of the range of 20 - 25%

Adj. EBIT¹ margin: slightly below 5.0%

Slightly negative working capital at year-end and ~€250m capex²



ISSUED SHARE CAPITAL

SHARE INFORMATION

As of 30-September-2017

| | |
|---|---|
| Type of Shares | Ordinary bearer shares with no-par value (<i>Stückaktien</i>) |
| Stock Exchange | Frankfurt Stock Exchange |
| Market Segment | Regulated Market (<i>Prime Standard</i>) |
| Index Listings | MDAX (2.7% share ¹) |
| Total Number of Shares Outstanding | 247,384,898 |
| Issued Share Capital | €247,384,898 |

SHARE STOCK OPTION PROGRAMS

As of 30-Sept-2017

| Program | # Options outstanding | Strike price |
|-----------------------------|-----------------------|--------------|
| Various | 63,580 | 1.00 |
| SOP 2011 | 2,440,350 | 5.65 |
| SOP 2013 | 9,817,500 | 15.63 |
| SOP 2014 – Tranche pre IPO | 4,946,863 | 17.72 |
| SOP2014 – Tranche Mar 2015 | 607,489 | 22.79 |
| SOP 2014 – Tranche May 2015 | 222,230 | 25.03 |
| SOP 2014 – Tranche Aug 2015 | 190,812 | 29.92 |
| SOP 2014 – Tranche Nov 2015 | 58,900 | 30.48 |
| SOP 2014 – Tranche Mar 2016 | 326,216 | 31.60 |
| Total | 18,673,940 | |

EMPLOYEE INCENTIVE PLAN²

As of 30-Sept-2017

| Program | # Options outstanding | Strike price |
|--------------------------------|-----------------------|--------------|
| EIP 2016 – Summer Tranche 2016 | 106,670 | 1.00 |
| EIP 2016 – Summer Tranche 2016 | 542,195 | 27.10 |
| EIP 2016 – Summer Tranche 2016 | 171,196 | 32.52 |
| EIP 2016 – Winter Tranche 2016 | 16,861 | 1.00 |
| EIP 2016 – Winter Tranche 2016 | 66,464 | 36.83 |
| EIP 2016 – Winter Tranche 2016 | 36,368 | 44.20 |
| EIP 2017 – Summer Tranche 2017 | 145,535 | 1.00 |
| EIP 2017 – Summer Tranche 2017 | 606,380 | 41.03 |
| EIP 2017 – Summer Tranche 2017 | 232,108 | 49.23 |
| Total | 1,923,777 | |

INCOME STATEMENT

| €m | FY/14 | FY/15 | Q3/16 | Q3/17 | YTD/17 |
|-----------------------------------|----------------|----------------|--------------|----------------|----------------|
| Revenue | 2,214.0 | 2,958.2 | 834.8 | 1,074.7 | 3,155.3 |
| <i>% growth</i> | 25.7% | 33.6% | 17.1% | 28.7% | 23.9% |
| Cost of Sales | (1,255.3) | (1,624.0) | (490.6) | (636.2) | (1,796.0) |
| Gross Profit | 958.7 | 1,334.1 | 344.3 | 438.5 | 1,359.3 |
| <i>% margin</i> | 43.3% | 45.1% | 41.2% | 40.8% | 43.1% |
| Selling and Distribution Costs | (793.8) | (1,118.9) | (283.1) | (384.0) | (1,100.9) |
| Administrative Expenses | (109.1) | (129.0) | (48.7) | (62.6) | (175.8) |
| Other Operating Income | 12.2 | 10.2 | 1.3 | 3.2 | 7.5 |
| Other Operating Expenses | (5.8) | (7.0) | (1.1) | (1.0) | (4.8) |
| EBIT | 62.1 | 89.6 | 12.7 | (5.9) | 85.3 |
| <i>% margin</i> | 2.8% | 3.0% | 1.5% | (0.5%) | 2.7% |
| Net Financial Result | (4.5) | (3.0) | (3.3) | (3.7) | (9.6) |
| EBT | 57.7 | 86.6 | 9.4 | (9.6) | 75.7 |
| <i>% margin</i> | 2.6% | 2.9% | 1.1% | (0.9%) | 2.4% |
| Income and Other Tax | (10.5) | 34.9 | (4.4) | (1.5) | (34.2) |
| Net Income | 47.2 | 121.5 | 5.0 | (11.1) | 41.5 |
| <i>% margin</i> | 2.1% | 4.1% | 0.6% | (1.0%) | 1.3% |
| Depreciation & Amortization | 25.8 | 34.2 | 11.1 | 15.2 | 41.5 |
| EBITDA | 88.0 | 123.8 | 23.8 | 9.4 | 126.8 |
| <i>% margin</i> | 4.0% | 4.2% | 2.9% | 0.9% | 4.0% |
| Share Based Compensation (SBC) | 19.8 | 17.9 | 6.8 | 6.3 | 17.2 |
| Adj. EBIT (adj. for SBC) | 82.0 | 107.5 | 19.5 | 0.4 | 102.5 |
| <i>% margin</i> | 3.7% | 3.6% | 2.3% | 0.0% | 3.2% |
| Adj. EBITDA (adj. for SBC) | 107.8 | 141.7 | 30.6 | 15.7 | 144.0 |
| <i>% margin</i> | 4.9% | 4.8% | 3.7% | 1.5% | 4.6% |

SHARE BASED COMPENSATION

| €m | FY/14 | FY/15 | Q3/16 | Q3/17 | YTD/17 |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Per Income Statement Line Item | | | | | |
| Cost of Sales | 4.4 | 4.5 | 1.7 | 1.7 | 4.4 |
| Selling and Distribution Costs | 9.6 | 9.0 | 3.4 | 3.4 | 8.8 |
| Administrative Expenses | 5.8 | 4.5 | 1.7 | 1.7 | 3.9 |
| Share Based Compensation | 19.8 | 17.9 | 6.8 | 6.3 | 17.2 |
| As % of revenue | | | | | |
| Per Income Statement Line Item | | | | | |
| Cost of Sales | 0.2% | 0.2% | 0.2% | 0.2% | 0.1% |
| Selling and Distribution Costs | 0.4% | 0.3% | 0.4% | 0.3% | 0.3% |
| Administrative Expenses | 0.3% | 0.2% | 0.2% | 0.1% | 0.1% |
| Share Based Compensation | 0.9% | 0.6% | 0.8% | 0.6% | 0.6% |

SEGMENTS

| €m | FY/14 | FY/15 | Q3/16 | Q3/17 | YTD/17 |
|--------------------------|----------------|----------------|---------------|----------------|----------------|
| Revenue | 2,214.0 | 2,958.2 | 834.8 | 1,074.7 | 3,155.3 |
| DACH | 1,234.0 | 1,580.1 | 407.1 | 497.7 | 1,515.6 |
| Rest of Europe | 862.6 | 1,211.6 | 374.0 | 489.7 | 1,387.8 |
| Other | 117.4 | 166.5 | 53.7 | 87.2 | 251.9 |
| As % of total | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| DACH | 55.7% | 53.4% | 48.8% | 46.3% | 48.0% |
| Rest of Europe | 39.0% | 41.0% | 44.8% | 45.6% | 44.0% |
| Other | 5.3% | 5.6% | 6.4% | 8.1% | 8.0% |
| EBIT | 62.1 | 89.6 | 12.7 | (5.9) | 85.3 |
| DACH | 72.3 | 92.2 | 38.1 | 12.8 | 99.6 |
| Rest of Europe | (18.6) | (10.2) | (20.8) | (19.1) | (25.4) |
| Other | 8.4 | 7.5 | (4.5) | 0.4 | 11.1 |
| % margin | 2.8% | 3.0% | 1.5% | (0.5%) | 2.7% |
| DACH | 5.9% | 5.8% | 9.3% | 2.6% | 6.6% |
| Rest of Europe | (2.2%) | (0.8%) | (5.6%) | (3.9%) | (1.8%) |
| Other | 7.2% | 4.5% | (8.5%) | 0.5% | 4.4% |
| Adjusted EBIT | 82.0 | 107.5 | 19.5 | 0.4 | 102.5 |
| DACH | 83.0 | 101.9 | 41.4 | 15.7 | 107.8 |
| Rest of Europe | (11.6) | (3.3) | (17.9) | (16.2) | (17.9) |
| Other | 10.5 | 8.9 | (4.0) | 0.9 | 12.6 |
| % adjusted margin | 3.7% | 3.6% | 2.3% | 0.0% | 3.2% |
| DACH | 6.7% | 6.4% | 10.2% | 3.2% | 7.1% |
| Rest of Europe | (1.3%) | (0.3%) | (4.8%) | (3.3%) | (1.3%) |
| Other | 9.0% | 5.3% | (7.4%) | 1.1% | 5.0% |

BALANCE SHEET

| €m | Q3/16 | Q3/16 (% of total assets) | Q3/17 | Q3/17 (% of total assets) |
|---|----------------|---------------------------------|----------------|---------------------------------|
| Total Non-Current Assets | 364.7 | 14.7% | 567.4 | 18.9% |
| Thereof: Property, Plant and Equipment | 203.0 | 8.2% | 352.2 | 11.7% |
| Other Financial Assets | 39.6 | 1.6% | 27.2 | 0.9% |
| Non-Financial Assets | 3.3 | 0.1% | 2.3 | 0.1% |
| Other Non-Current Assets | 118.9 | 4.8% | 185.8 | 6.2% |
| Total Current Assets | 2,113.2 | 85.3% | 2,435.9 | 81.1% |
| Thereof: Inventories | 620.9 | 25.1% | 859.3 | 28.6% |
| Trade and Other Receivables | 167.4 | 6.8% | 260.1 | 8.7% |
| Other Assets ¹ | 348.5 | 14.1% | 231.9 | 7.7% |
| Cash and Cash Equivalents ¹ | 976.4 | 39.4% | 1084.6 | 36.1% |
| Total Assets | 2,477.9 | 100.0% | 3,003.4 | 100.0% |
| Total Equity | 1,342.9 | 54.2% | 1,474.9 | 49.1% |
| Thereof: Issued Capital | 247.2 | 10.0% | 247.3 | 8.2% |
| Capital Reserves | 1,156.1 | 46.7% | 1,178.0 | 39.2% |
| Retained earnings | (2.9) | (0.1%) | 5.7 | 0.2% |
| Accumulated Loss | (57.5) | (2.3%) | 44.2 | 1.5% |
| Minority Interests | 0.0 | 0.0% | (0.3) | (0.0%) |
| Total Non-Current Liabilities | 30.5 | 1.2% | 60.0 | 2.0% |
| Thereof: Financial Liabilities | 12.0 | 0.5% | 8.9 | 0.3% |
| Other Non-Current Liabilities | 18.5 | 0.7% | 51.1 | 1.7% |
| Total Current Liabilities | 1,104.5 | 44.6% | 1,468.5 | 48.9% |
| Thereof: Trade Payables and Similar Obligations | 946.2 | 38.2% | 1234.7 | 41.1% |
| Other Current Liabilities | 158.3 | 6.4% | 233.7 | 7.8% |
| Total Equity & Liabilities | 2,477.9 | 100.0% | 3,003.4 | 100.0% |
| Net Working Capital | (157.9) | (4.7%) | (115.3) | (2.7%) |

CASH FLOW STATEMENT

| €m | FY2014 | FY2015 | Q3/16 | Q3/17 | YTD/17 |
|--|---------------|----------------|----------------|----------------|----------------|
| Net Income | 47.2 | 121.5 | 5.0 | (11.1) | 41.5 |
| Non-Cash Expenses from Share-Based Payments | 19.8 | 17.9 | 6.8 | 6.3 | 17.2 |
| Cash Settlement of Claims from Share-Based Payments | 0.0 | (2.3) | 0.0 | 0.0 | 0.0 |
| Depreciation | 25.8 | 34.2 | 11.1 | 15.2 | 41.4 |
| Income Taxes | 10.5 | (34.9) | 4.4 | 1.5 | 34.2 |
| Income Taxes Paid, Less Refunds | 0.0 | (0.0) | (4.6) | (15.1) | (34.5) |
| Change in Provisions | 1.0 | (0.5) | 1.1 | 0.1 | (0.1) |
| Other Non-Cash Income | (0.2) | (1.0) | 0.3 | (1.1) | 1.9 |
| Change in Inventories and Receivables | (68.7) | (154.2) | (178.6) | (209.1) | (312.9) |
| Change in Trade Liabilities | 94.9 | 154.9 | 264.7 | 287.0 | 312.3 |
| Change in Other Assets/Other Liabilities | 44.6 | (16.2) | (47.3) | 18.6 | 53.7 |
| Cash Flow from Operating Activities | 174.9 | 119.4 | 63.0 | 92.3 | 154.7 |
| Payments for Investments in Fixed and Intangible Assets | (51.1) | (60.0) | (47.7) | (45.7) | (175.6) |
| Payments for Acquisitions | 0.0 | (16.8) | 0.0 | (6.7) | (33.4) |
| Cash Paid for Investments in Term Deposits | 0.0 | (155.0) | (75.0) | 70.0 | 160.0 |
| Change in Restricted Cash | (0.8) | 35.3 | 0.0 | 2.7 | 10.4 |
| Cash Flow from Investing Activities | (51.9) | (196.5) | (122.7) | 20.3 | (38.6) |
| Payments Received from Capital Increases | 510.1 | 6.4 | 0.6 | 0.0 | 0.6 |
| Cash Received from Loans | 3.9 | 0.0 | 0.0 | 0.0 | 0.0 |
| Repurchase of treasury shares | 0.0 | (1.7) | 0.0 | 0.0 | (0.7) |
| Cash Repayments of Loans | (3.2) | (3.2) | (0.8) | (0.5) | (2.2) |
| Cash Flow from Financing Activities | 510.8 | 1.5 | (0.2) | (0.5) | (2.3) |
| Change in Cash & Cash Equivalents | 633.8 | (75.7) | (60.0) | 112.0 | 113.8 |
| Effects of Exchange Rate on Cash & Cash Equivalents | 0.0 | 0.9 | 0.5 | (2.5) | (1.8) |

KPI DEVELOPMENT

| | 2015 | Q1/16 | Q2/16 | Q3/16 | Q4/16 | 2016 | Q1/17 | Q2/17 | Q3/17 |
|---|---------|-------|-------|-------|-------|---------|-------|-------|-------|
| Site Visits (m) ¹ | 1,656.4 | 479.5 | 480.2 | 468.6 | 563.2 | 1,991.6 | 617.6 | 595.2 | 615.8 |
| Mobile Visit Share (in % of Site Visits) ² | 57.1% | 62.3% | 64.7% | 67.0% | 68.1% | 65.6% | 68.8% | 69.7% | 71.8% |
| Active Customers (m) ³ | 17.9 | 18.4 | 18.8 | 19.2 | 19.9 | 19.9 | 20.4 | 21.2 | 22.2 |
| Number of Orders (m) ⁴ | 55.3 | 15.6 | 17.5 | 16.4 | 19.6 | 69.2 | 19.9 | 22.2 | 22.5 |
| Average Order per Active Customer | 3.08x | 3.20x | 3.32x | 3.39x | 3.48x | 3.48x | 3.60x | 3.69x | 3.80x |
| Average Basket Size (in €) ⁵ | 67.8 | 66.5 | 66.2 | 62.8 | 70.2 | 66.6 | 63.0 | 64.5 | 62.0 |
| Fulfillment Cost Ratio (in % of revenue) ⁶ | 26% | 24% | 23% | 24% | 22% | 23% | 25% | 27% | 27% |
| Marketing Cost Ratio (in % of revenue) ⁷ | 12% | 10% | 10% | 10% | 10% | 10% | 9% | 7% | 8% |

(1) Site Visits defined as the number of series of page requests from the same uniquely identified client at Zalando, including website, m.site and apps in the measurement period. A visit is considered ended when no requests have been recorded in more than 30 minutes.

(2) Mobile is defined as tablets, mobile site and apps.

(3) Active Customers defined as the number of customers placing at least one order in the last twelve months in the measurement period irrespective of cancellations or returns.

(4) Number of Orders defined as the number of customer orders placed in the measurement period irrespective of cancellations or 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.

(5) Average Basket Size defined as the transactional revenue (incl. VAT and transactional volume of Partner Program) after cancellations or returns divided by the number of orders.

(6) Fulfillment Cost Ratio defined as fulfillment cost as a proportion of revenue in the measurement period. Fulfillment costs mainly include logistics, content creation, service and payment expenses, as well as allocated overhead costs. Fulfillment costs therefore comprises all selling and distribution costs, except for marketing costs. All numbers shown excluding equity-settled SBC costs.

(7) Marketing Cost Ratio defined as marketing cost as a proportion of revenue in the measurement period. Marketing cost mainly consists of advertising expenses including search engine marketing, television, online display and other marketing channels as well as allocated overhead cost. All numbers shown excluding equity-settled SBC costs.

FINANCIAL CALENDAR 2018

| March 2018 | | | | |
|------------|----|----|----|----|
| M | T | W | T | F |
| | | | 1 | 2 |
| 5 | 6 | 7 | 8 | 9 |
| 12 | 13 | 14 | 15 | 16 |
| 19 | 20 | 21 | 22 | 23 |
| 26 | 27 | 28 | 29 | 30 |

| May 2018 | | | | |
|----------|----|----|----|----|
| M | T | W | T | F |
| | 1 | 2 | 3 | 4 |
| 7 | 8 | 9 | 10 | 11 |
| 14 | 15 | 16 | 17 | 18 |
| 21 | 22 | 23 | 24 | 25 |
| 28 | 29 | 30 | 31 | |

| August 2018 | | | | |
|-------------|----|----|----|----|
| M | T | W | T | F |
| | | 1 | 2 | 3 |
| 6 | 7 | 8 | 9 | 10 |
| 13 | 14 | 15 | 16 | 17 |
| 20 | 21 | 22 | 23 | 24 |
| 27 | 28 | 29 | 30 | 31 |

| November 2018 | | | | |
|---------------|----|----|----|----|
| M | T | W | T | F |
| | | | 1 | 2 |
| 5 | 6 | 7 | 8 | 9 |
| 12 | 13 | 14 | 15 | 16 |
| 19 | 20 | 21 | 22 | 23 |
| 26 | 27 | 28 | 29 | 30 |

| Date | Action |
|--|---|
| Wednesday + Thursday, 15 + 16-Nov 2017 | Morgan Stanley European TMT Conference, Barcelona |
| Wednesday, 29 -November | Roadshow Stockholm |
| Thursday, 30-November | Roadshow Paris |
| Jan 2018 ¹ | Q4/2017 Trading Update |
| Thursday, 1-Mar | Q4/2017 Results |
| Tuesday, 8-May | Q1/2018 Results |
| Wednesday, 23-May | Annual General Meeting 2018 |
| Tuesday, 7-August | Q2/2018 Results |
| Tuesday, 6-November | Q3/2018 Results |

DISCLAIMER

Certain statements in this communication may constitute forward looking statements. These statements are based on assumptions that are believed to be reasonable at the time they are made, and are subject to significant risks and uncertainties. You should not rely on these forward-looking statements as predictions of future events and we undertake no obligation to update or revise these statements. Our actual results may differ materially and adversely from any forward-looking statements discussed on this call due to a number of factors, including without limitation, risks from macroeconomic developments, external fraud, inefficient processes at fulfillment centers, inaccurate personnel and capacity forecasts for fulfillment centers, hazardous material / conditions in production with regard to private labels, lack of innovation capabilities, inadequate data security, lack of market knowledge, risk of strike and changes in competition levels.