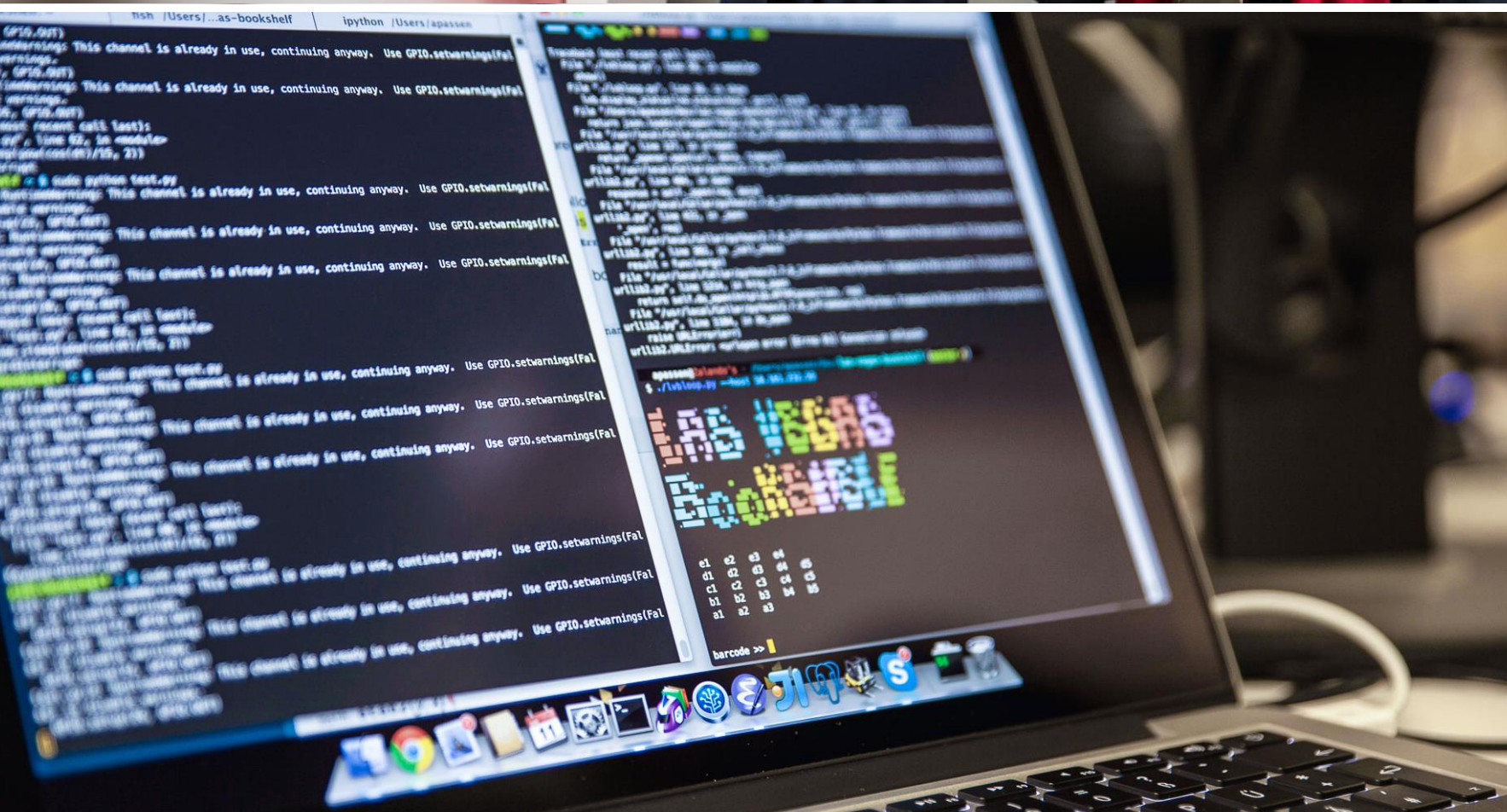




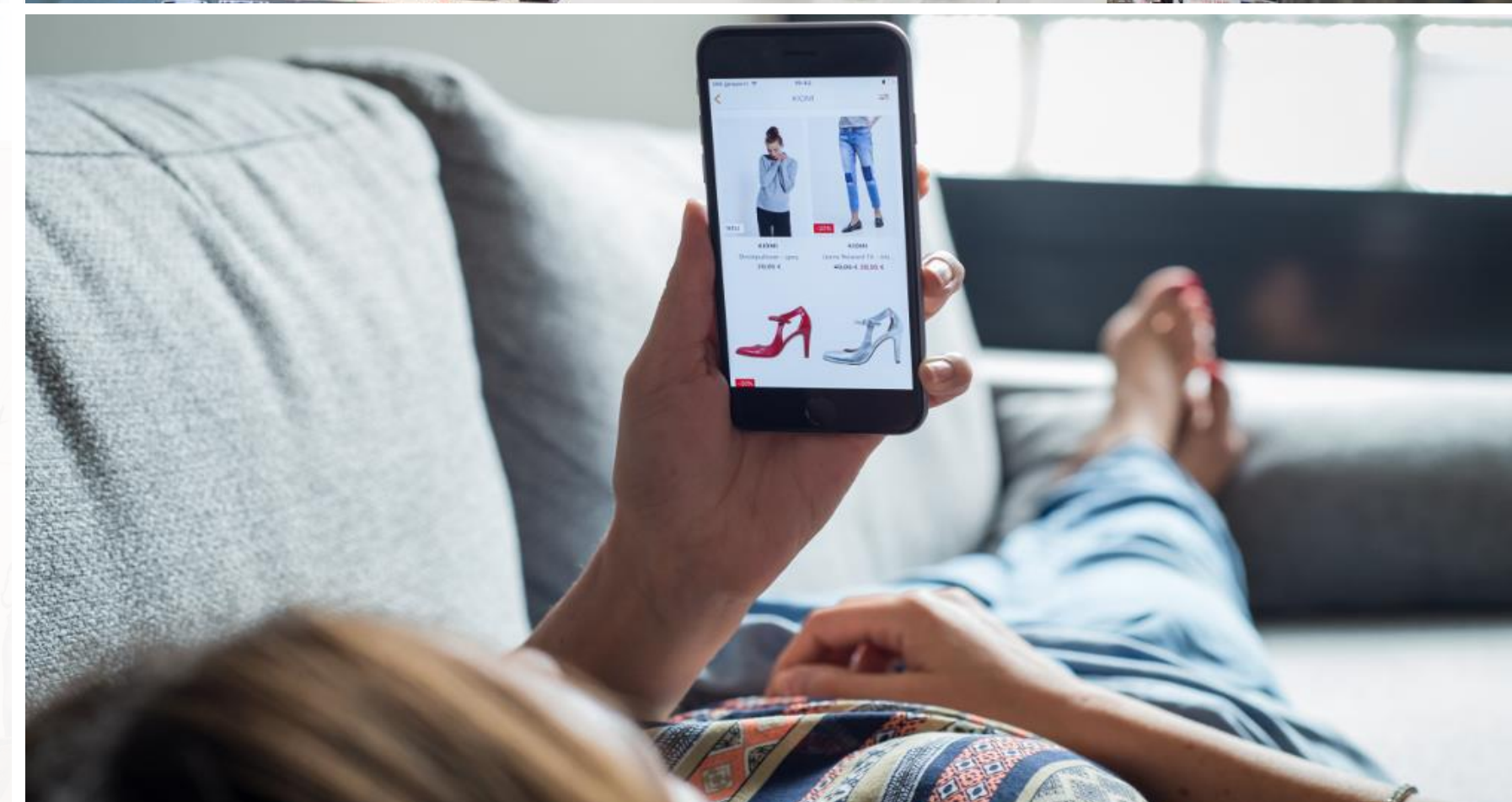
# EUROPE'S LEADING ONLINE FASHION DESTINATION



## Q4 / FY 2017 Earnings Call












01-03-2018



**RESULTS HIGHLIGHTS AND  
BUSINESS UPDATE**

# WE CONTINUE TO DELIVER ON OUR MULTI-YEAR OUTLOOK

OUR MULTI-YEAR OUTLOOK	2014	2015	2016	OUR RESULTS 2017
REVENUE GROWTH OF 20-25%				<b>REVENUE: €4,489M</b> <b>GROWTH: 23.4%</b>
SOLID PROFITABILITY				<b>ADJUSTED EBIT<sup>1</sup>: €215M</b> <b>MARGIN: 4.8%</b>
FREE CASH FLOW: NEUTRAL WORKING CAPITAL + STRATEGIC CAPEX SPEND				<b>NET WORKING CAPITAL: €(62)M</b> <b>CAPEX<sup>2</sup>: €244M</b>

# OUR ASSORTMENT IS MORE UNIQUE THAN EVER

## KEY HIGHLIGHTS 2017

### EXPANDED ASSORTMENT

- More style choices: 2.000 brands
- Increased selection & availability: 300k SKUs – supported by Partner Program

### BOOSTED FASHIONABILITY

- Added 350 new fashion brands with highlights like Pull & Bear, Stradivarius (both Inditex) and Weekday (H&M)

### REFRESHED OFFER

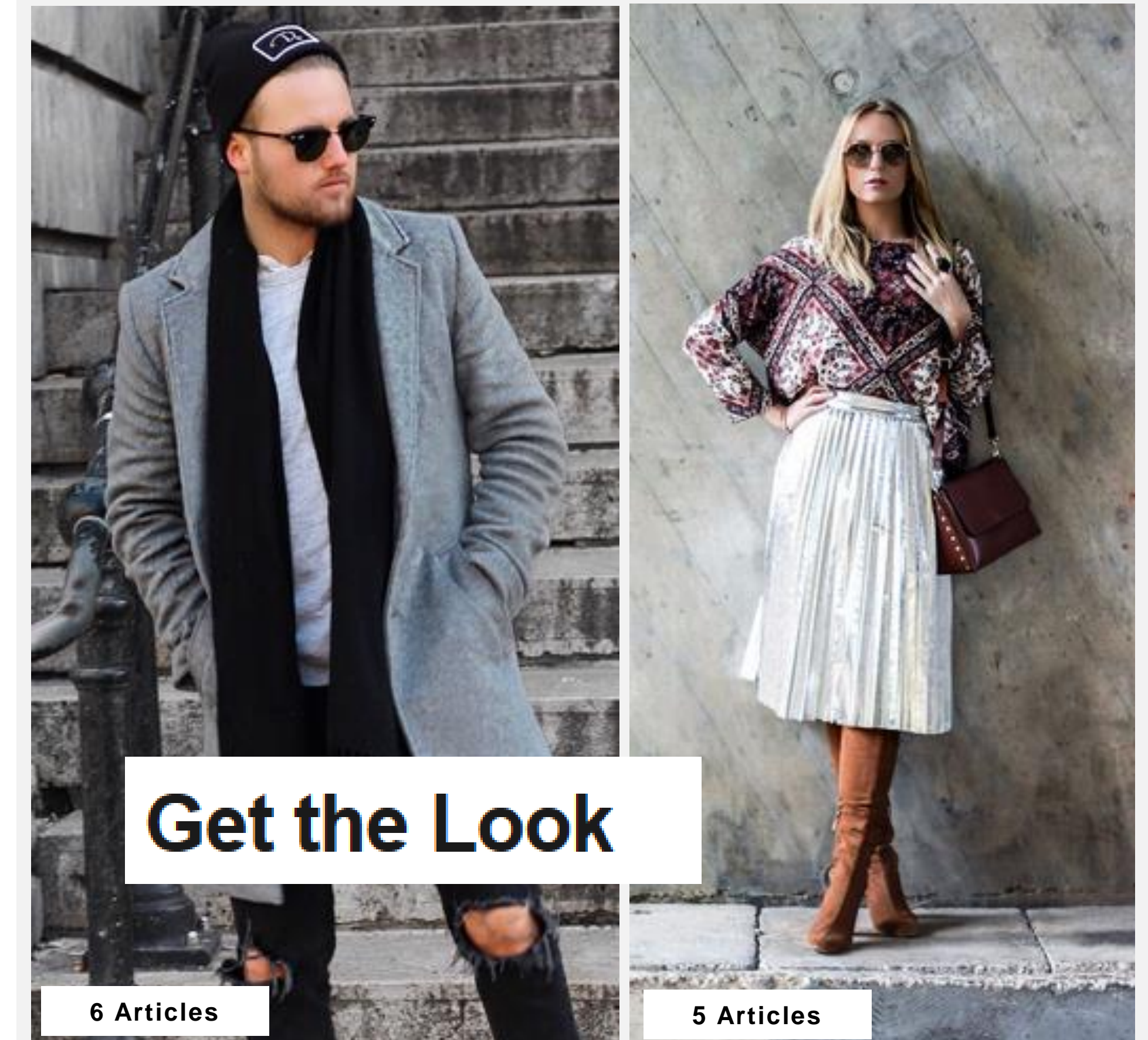
- In-season share of >95%
- Increased Fast Fashion offer with positive impact on customer satisfaction



# ON OUR WAY TOWARDS THE NEXT GENERATION DIGITAL EXPERIENCE

## KEY HIGHLIGHTS 2017

CONTINUED OPTIMIZATION	<ul style="list-style-type: none"><li>• Conversion rate<sup>1</sup>: 5.7% (+0.6pp)</li><li>• Site visits / traffic: +29% (+8.5pp)</li><li>• Non-bounce rate<sup>2</sup>: 76% (+3pp)</li></ul>
NEXT GENERATION DIGITAL EXPERIENCE	<ul style="list-style-type: none"><li>• Create more diverse and inspirational assortment entry points (e.g. outfits)</li><li>• Clear focus for 2018 on personalization</li></ul>
CONTINUED MOBILE FOCUS	<ul style="list-style-type: none"><li>• 72% site visits from mobile devices</li><li>• 1.3m app installs per month</li><li>• Launch of new convenience and customization features</li></ul>



# WE MASSIVELY RAMPED UP OUR FULFILLMENT NETWORK

## KEY HIGHLIGHTS 2017

### INCREASED CAPACITY AND EFFICIENCY

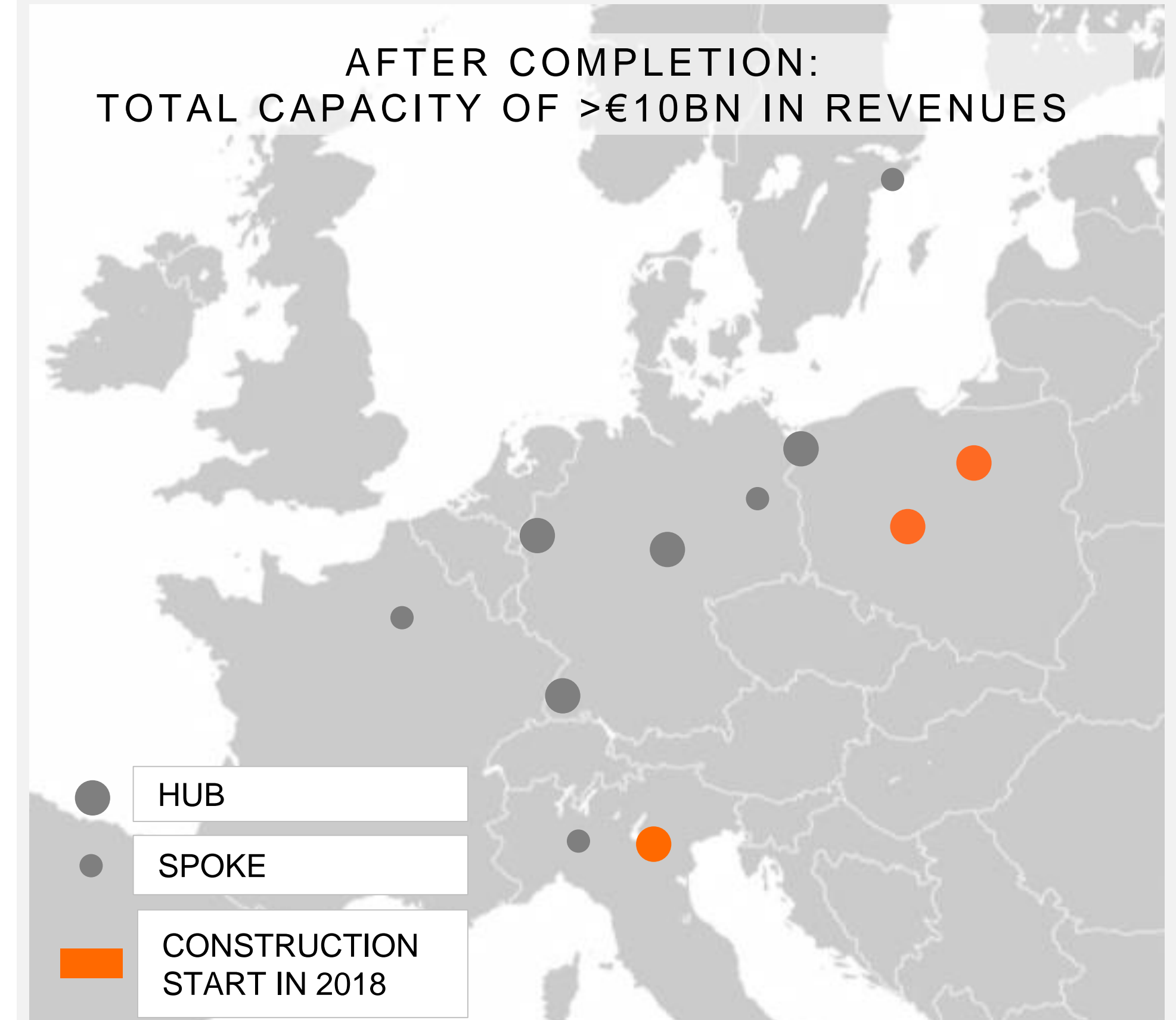
- Capacity: >€10bn after completion
- Efficiency: bagsorter in M'Gladbach at full speed processing >10m items in Q4

### SCALING NEW FULFILLMENT OPTIONS

- Expanded Same Day Delivery & Return-on-Demand offer
- Zalando Plus: Positive customer KPIs

### ACCELERATED ZALANDO FULFILLMENT SOLUTIONS

- Already ~10% of Partner Program through ZFS
- Positive impact on customer satisfaction and unit economics

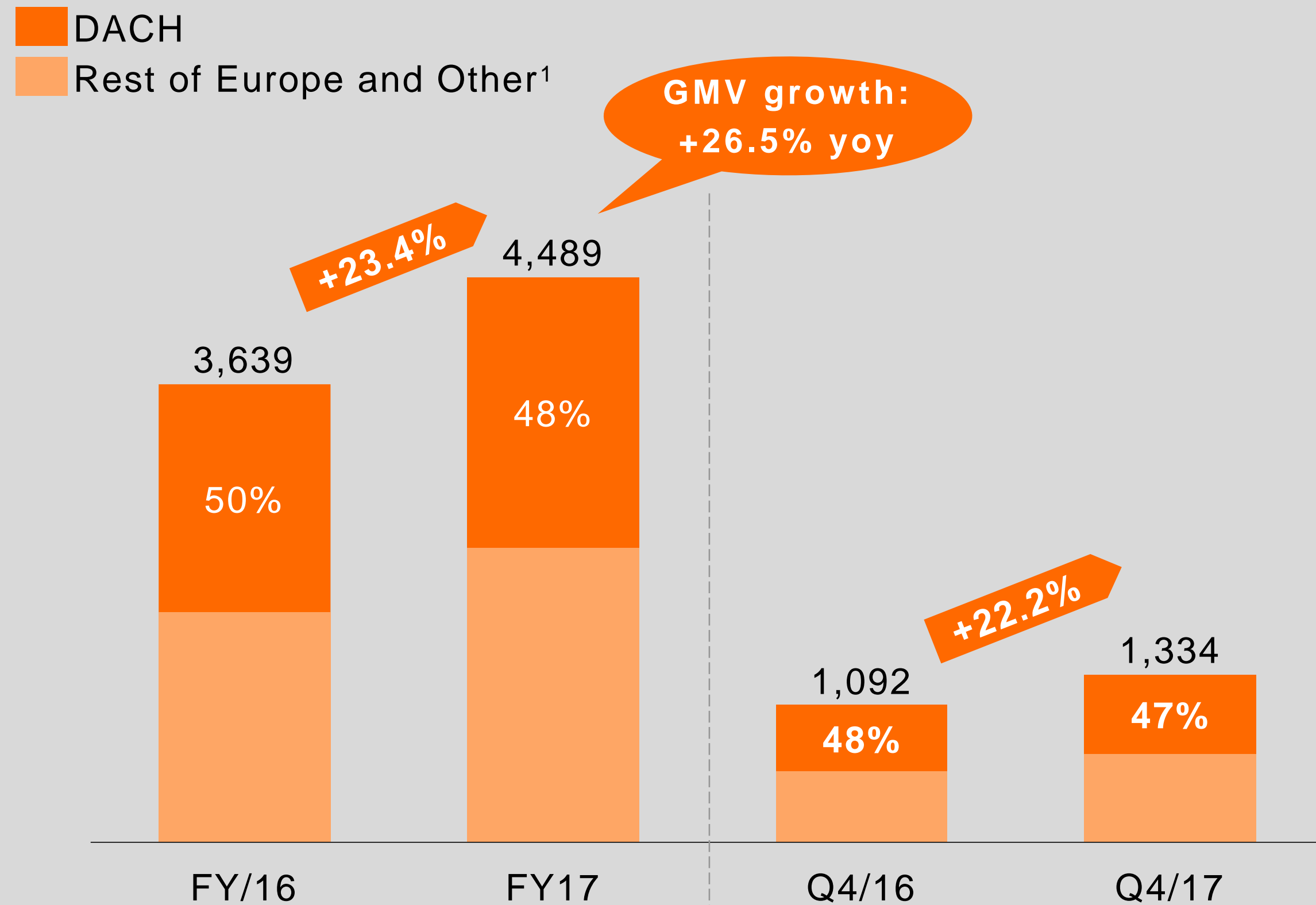


**FINANCIAL UPDATE Q4 / FY 2017**

# DACH CONTINUES WITH STRONG GROWTH MOMENTUM

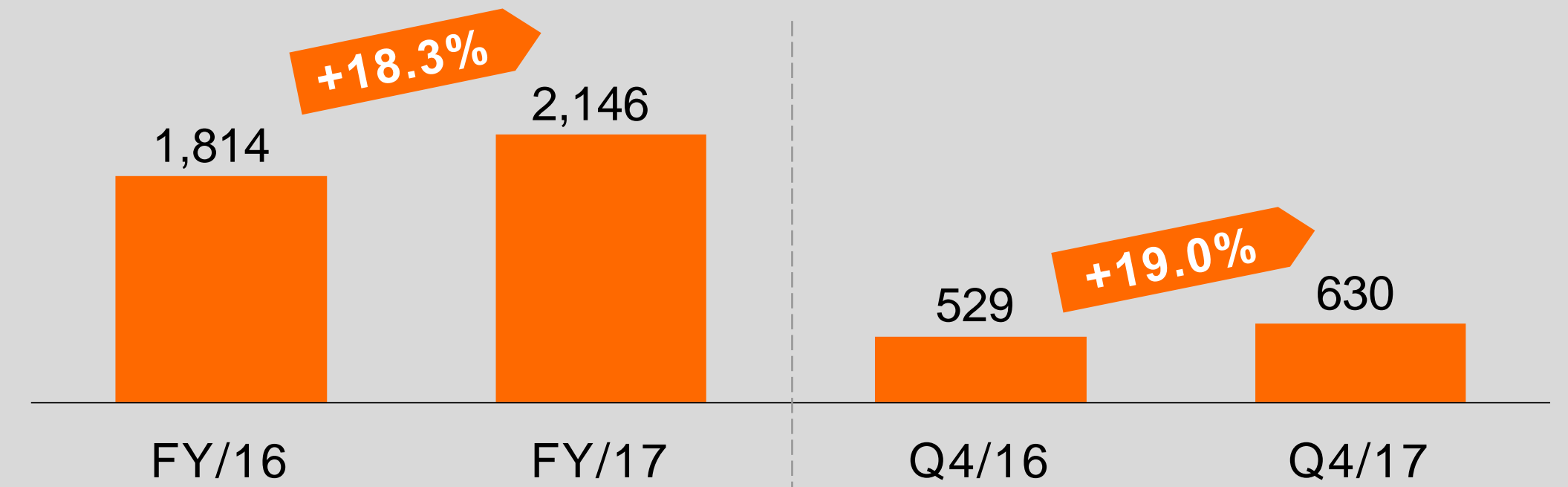
## GROUP REVENUE

in €m



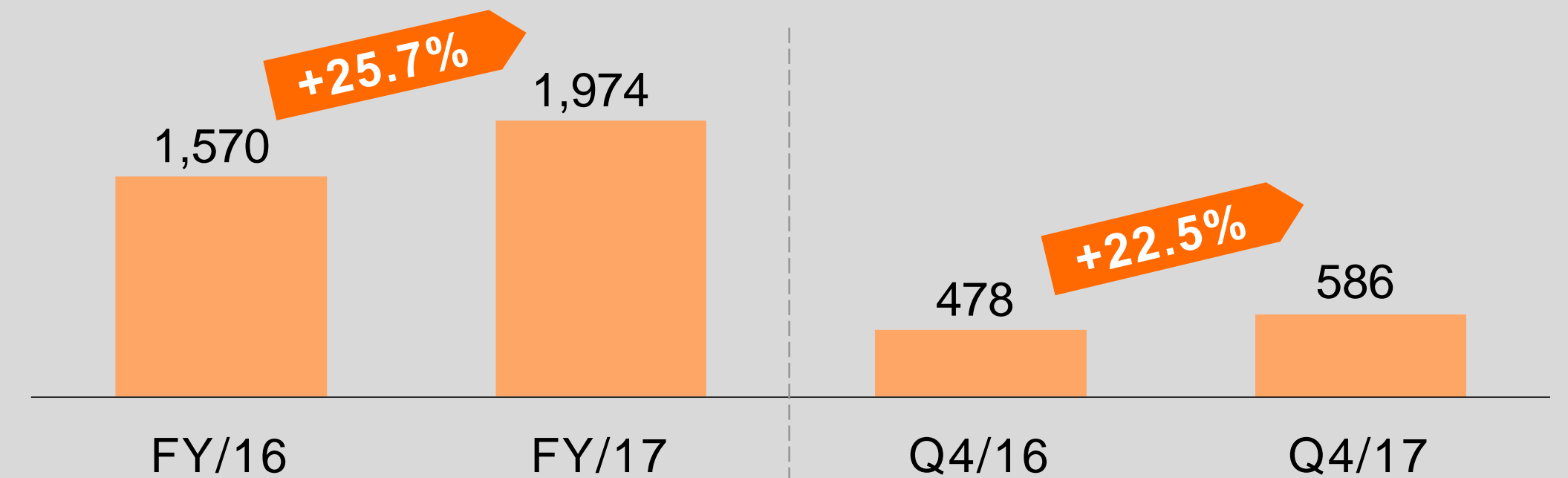
## DACH REVENUE

in €m



## REST OF EUROPE REVENUE

in €m

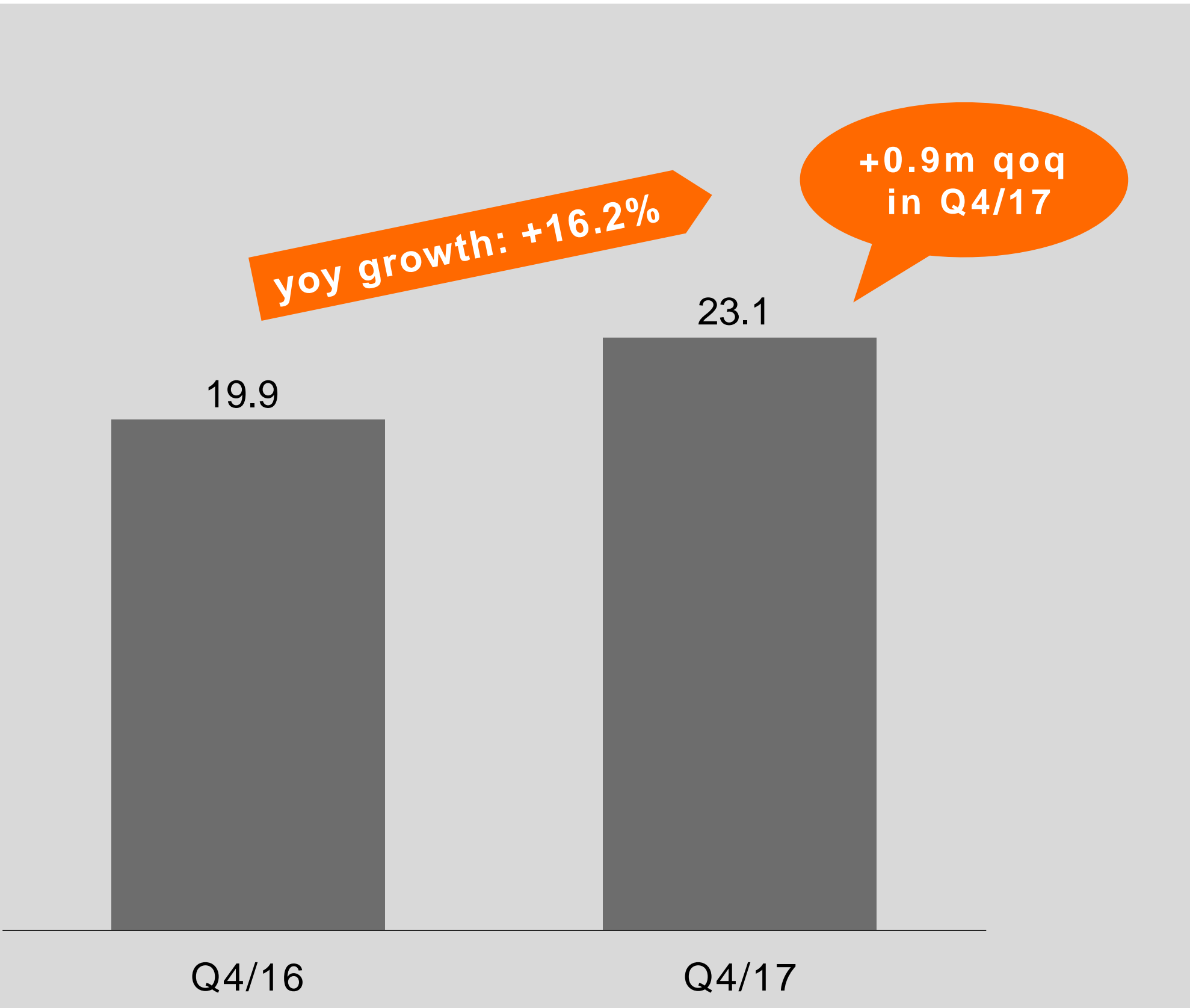




# VERY STRONG ACTIVE CUSTOMER GROWTH

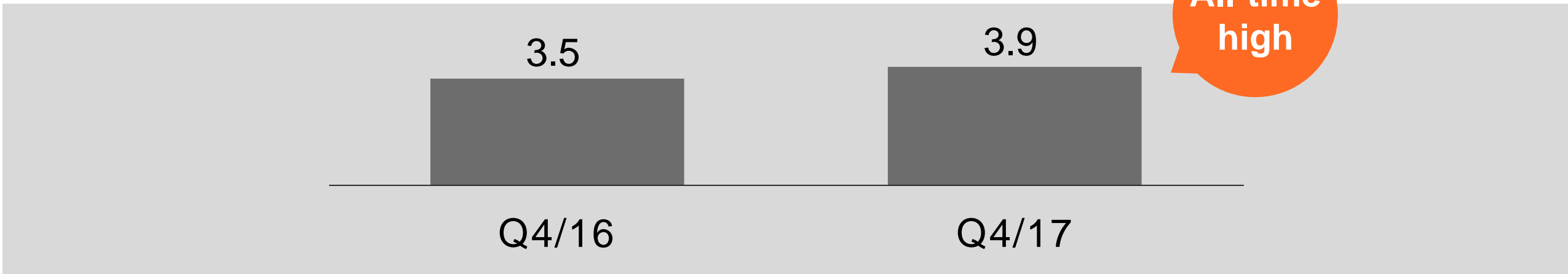
## ACTIVE CUSTOMERS

in #m

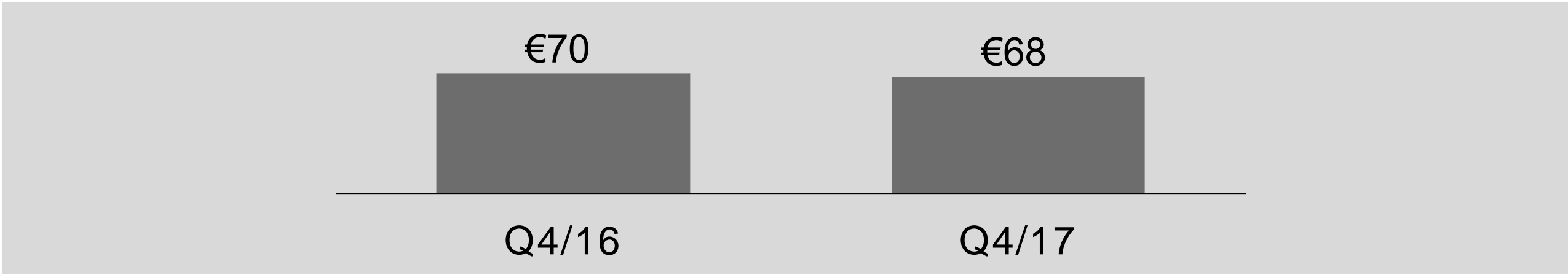


## AVERAGE ORDER PER ACTIVE CUSTOMER

LTM in #



## AVERAGE BASKET SIZE AFTER RETURNS<sup>1</sup>



## GMV PER ACTIVE CUSTOMER<sup>2</sup>

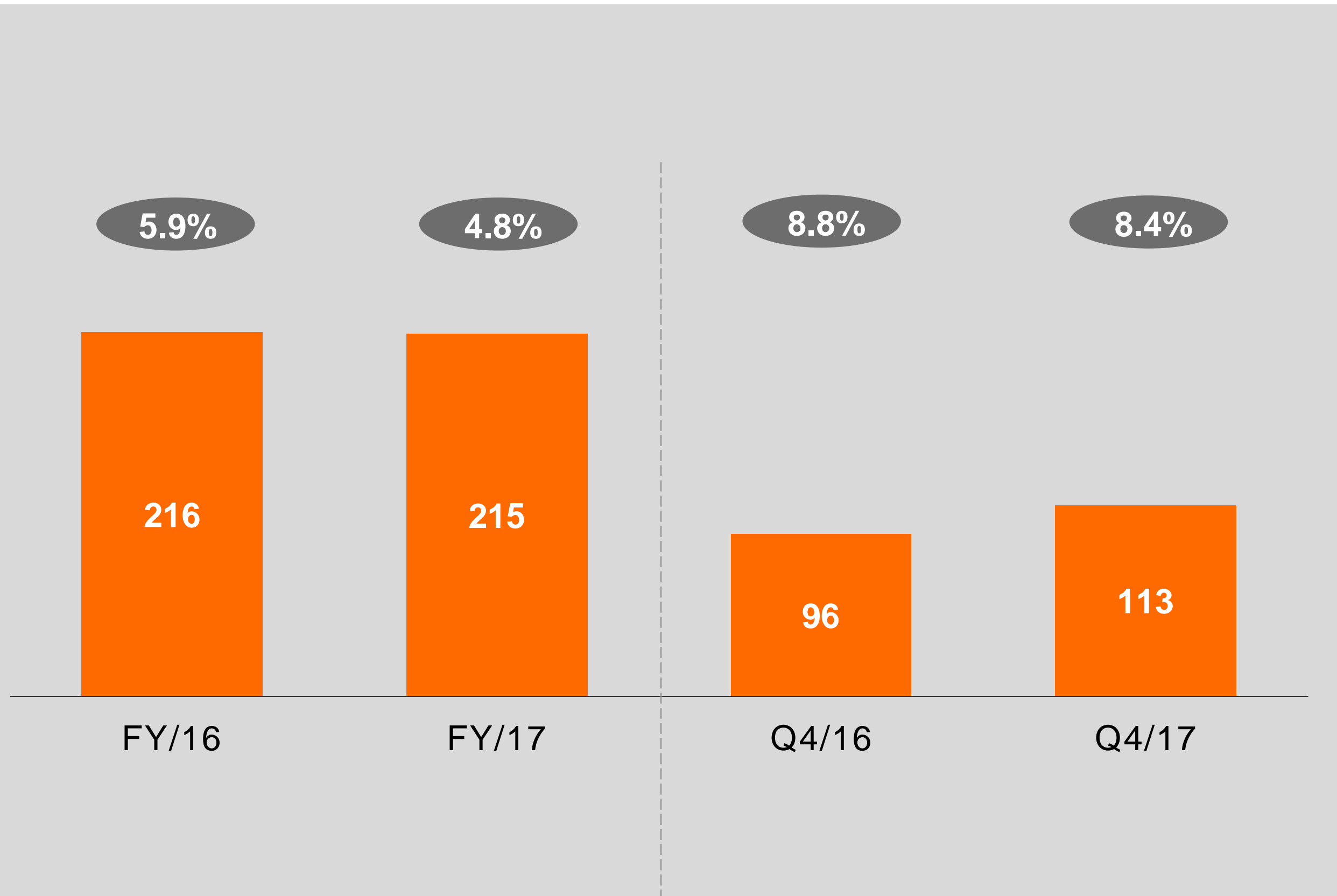


(1) Defined as the transactional revenue (incl. VAT and transactional volume of Partner Program) after cancellations or returns divided by the number of orders.  
 (2) GMV (gross merchandise volume) per active customer = average orders per active customer (LTM in #) x average basket size after returns (in €).

# REST OF EUROPE PROFITABLE FOR THE FIRST TIME ON A FULL YEAR BASIS

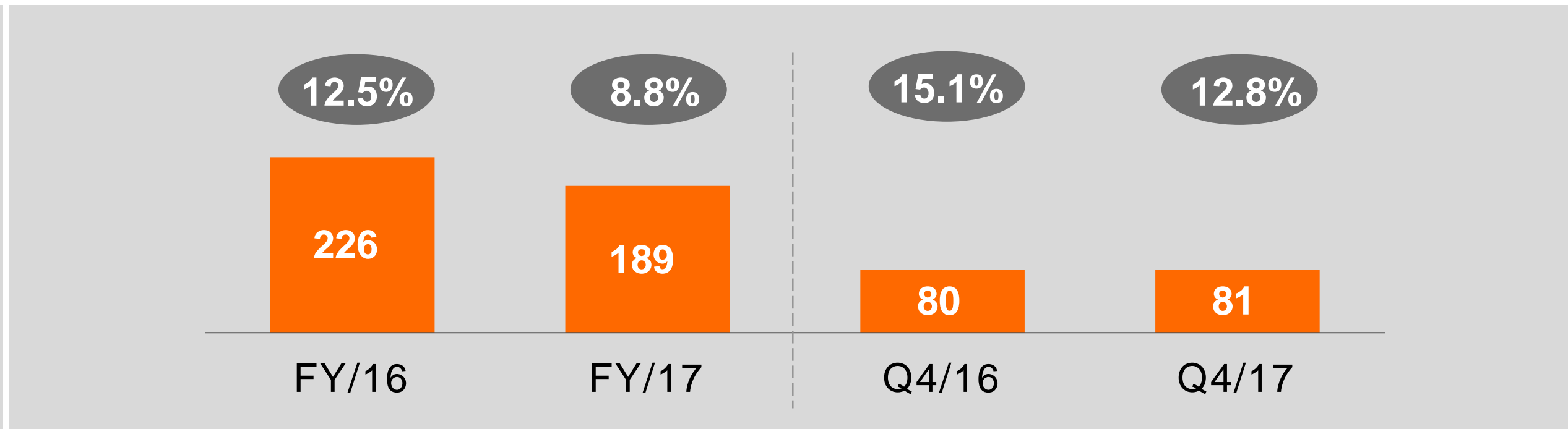
## GROUP ADJ. EBIT (MARGIN)<sup>1</sup>

in €m (in %)



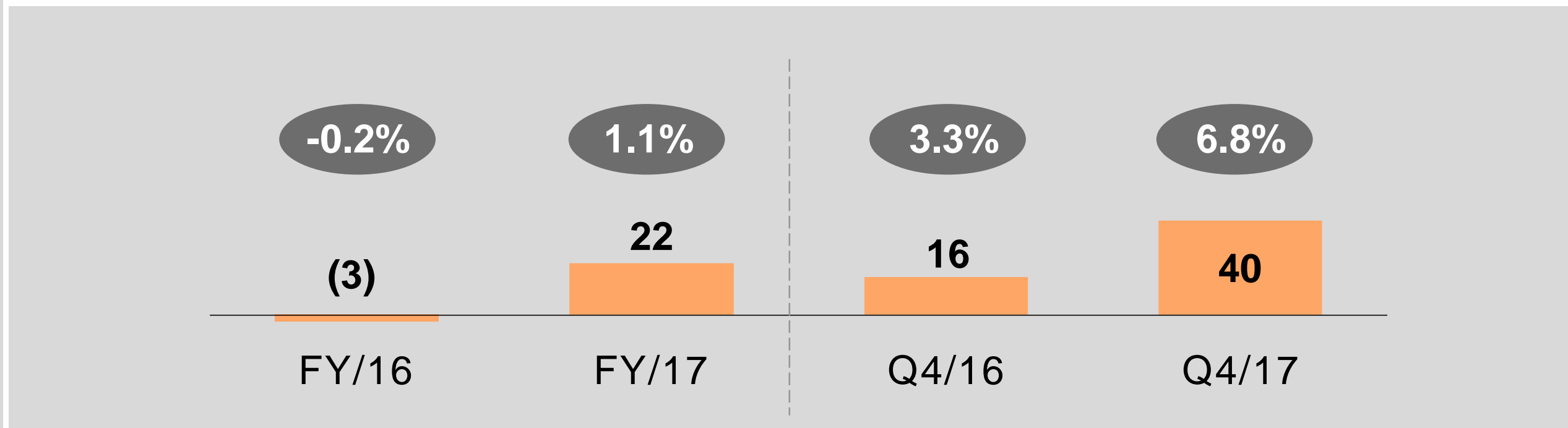
## DACH ADJ. EBIT (MARGIN)<sup>1</sup>

in €m (in %)



## REST OF EUROPE ADJ. EBIT (MARGIN)<sup>1</sup>

in €m (in %)



# CONTINUED RE-INVESTMENT OF MARKETING LEVERAGE

## COSTS AND MARGINS

excl. SBC<sup>1</sup> in % of revenue

	FY			Q4		
	2016	2017	Delta	2016	2017	Delta
Cost of sales	(55.6%)	(56.2%)	0.6pp	(54.2%)	(54.8%)	0.6pp
Gross Profit	44.4%	43.8%	(0.6pp)	45.8%	45.2%	(0.6pp)
Fulfillment costs	(23.2%)	(25.9%)	2.7pp	(21.8%)	(24.9%)	3.1pp
Marketing costs	(10.2%)	(7.9%)	(2.3pp)	(10.3%)	(7.0%)	(3.3pp)
Administrative expenses & Other	(5.1%)	(5.2%)	0.1pp	(4.9%)	(4.9)	(0.0pp)
EBIT	5.9%	4.8%	(1.1pp)	8.8%	8.4%	(0.4pp)

Continued convenience and warehouse invest

# WORKING CAPITAL AND CAPEX IN LINE WITH GUIDANCE

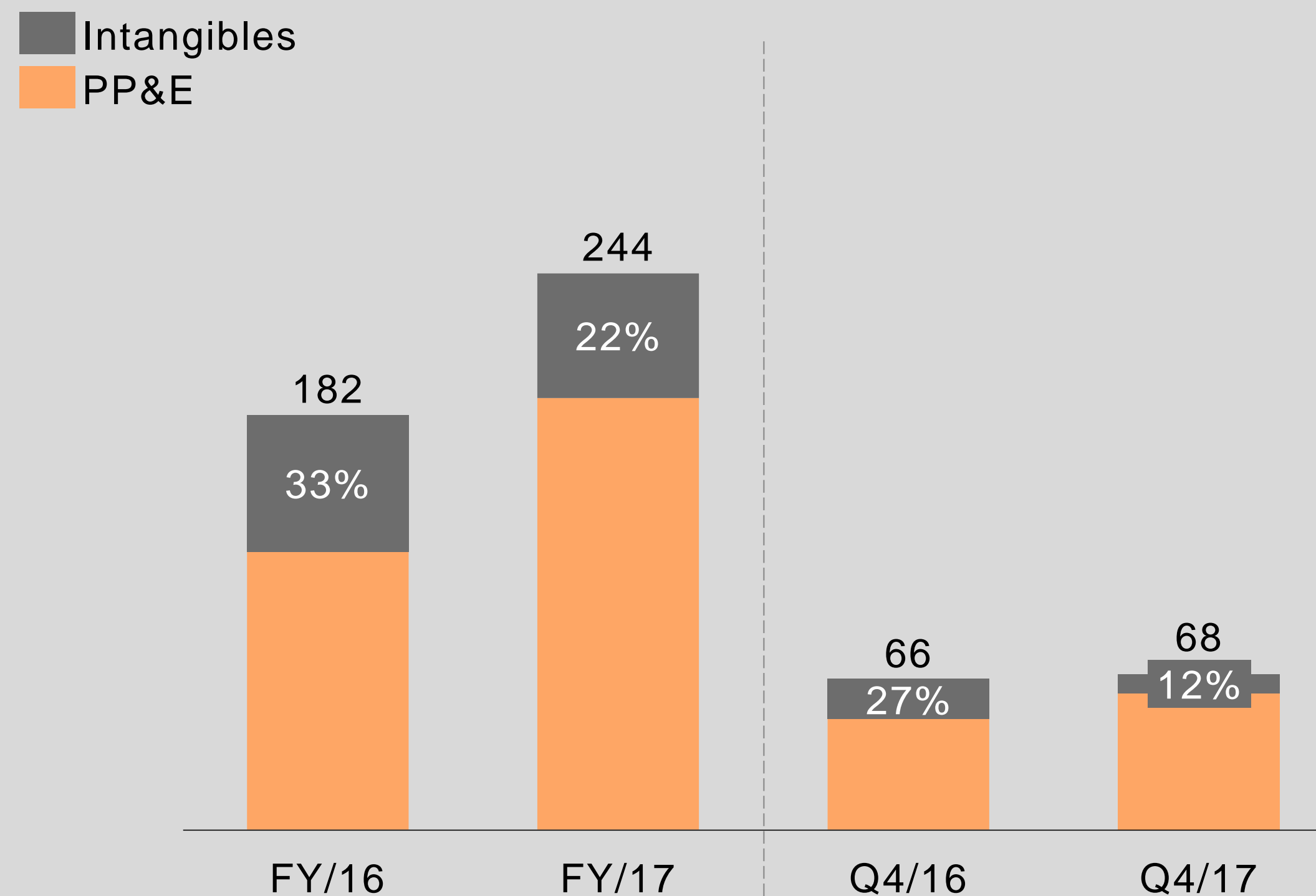
## NET WORKING CAPITAL (END OF Q4)

in % of annualized revenue



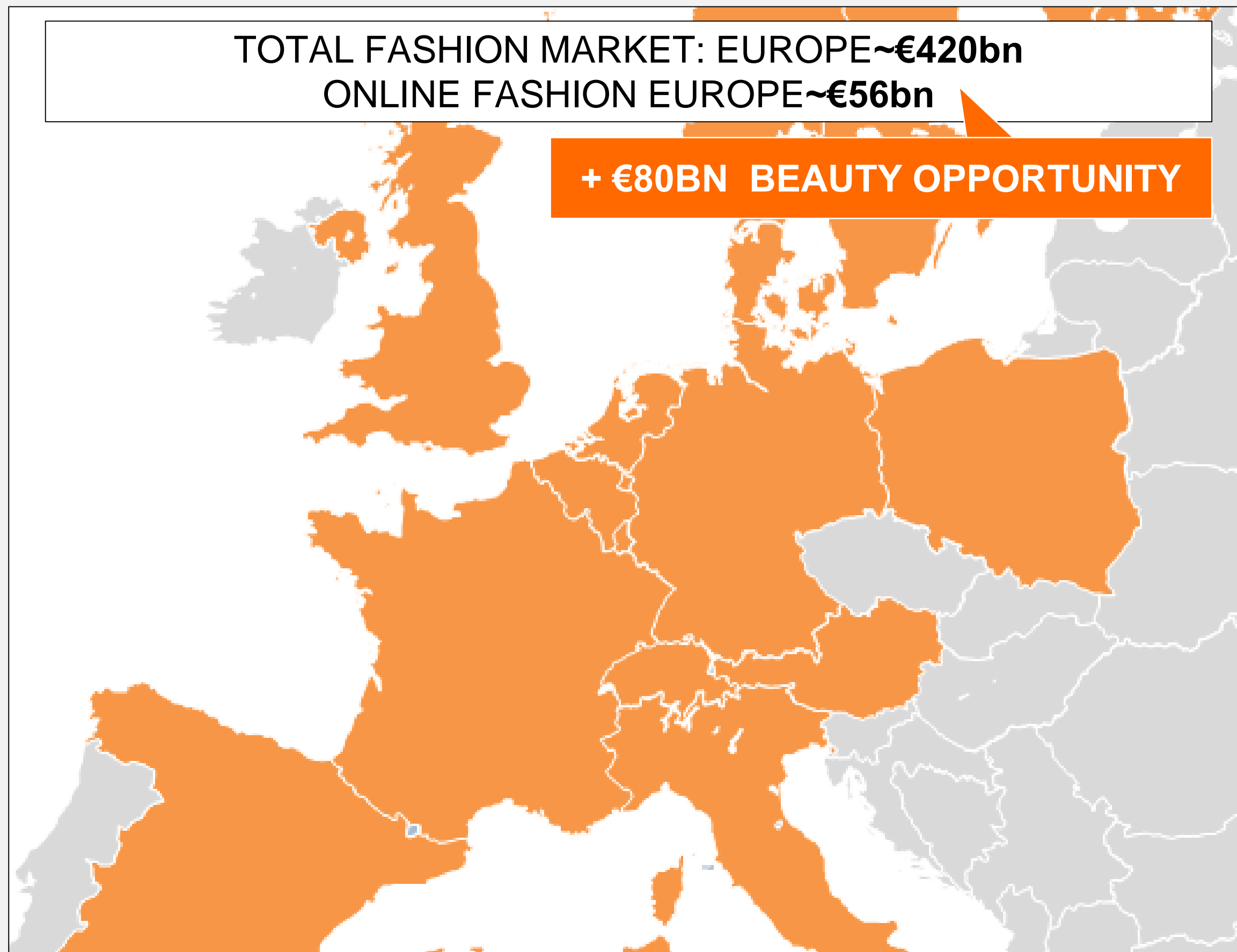
## CAPITAL EXPENDITURE<sup>1</sup>

in €m



# OUTLOOK

# A WINNING STRATEGY: FOCUS ON GAINING MARKET SHARE



## ZALANDO MARKET SHARE DEVELOPMENT based on GMV

SEGMENT & TOTAL MARKET <sup>1</sup>	2013	2017
DACH ~€95bn	~1.4%	~2.8%
REST OF EUROPE ~€325bn	~0.2%	~0.8%
TOTAL ZALANDO ~€420bn	~0.5%	~1.3%

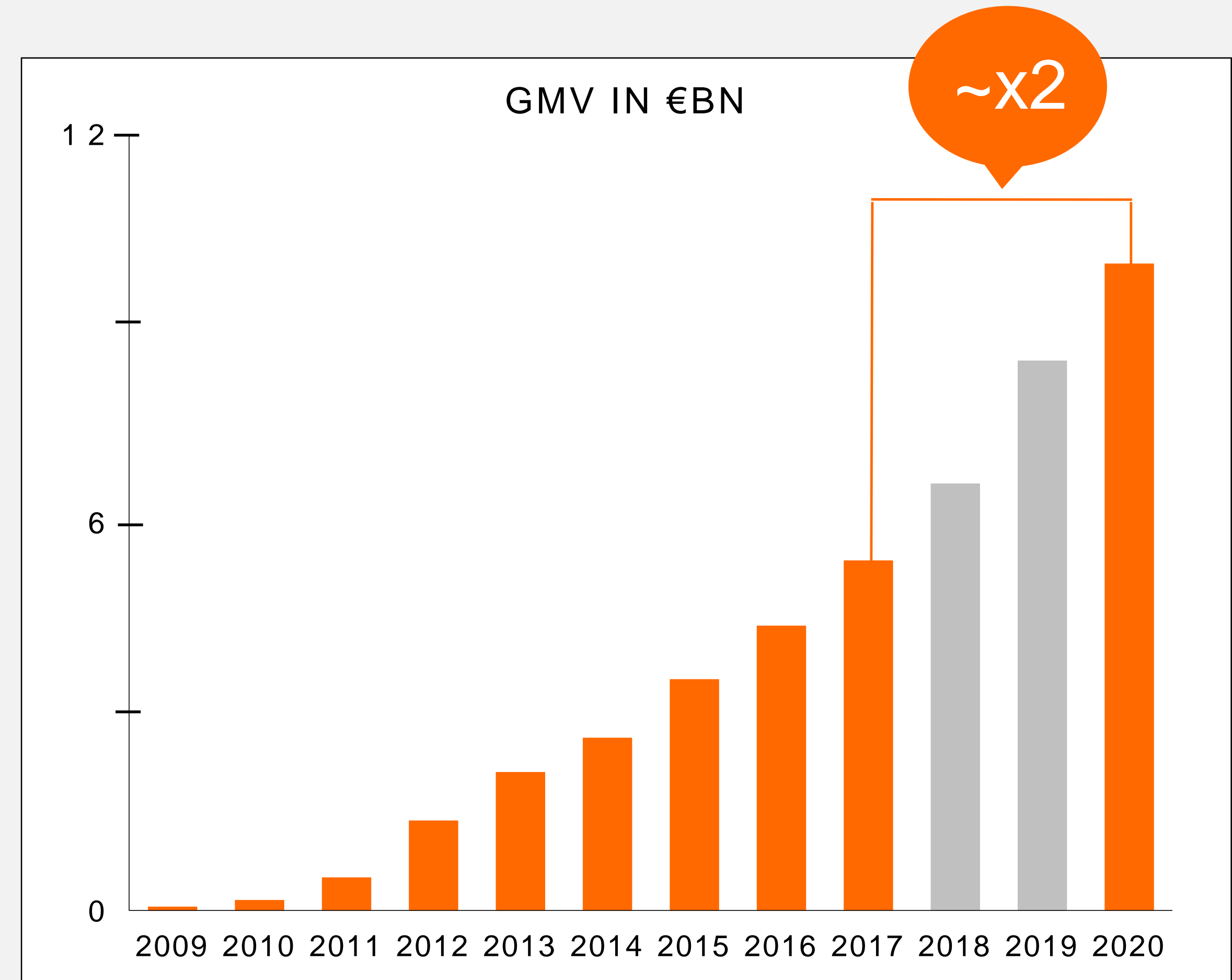
**LONG-TERM  
TARGET: 5%**

## OUR ASPIRATION: DOUBLE GMV FROM 2017 TO 2020

**#1 PRIORITY TO FOCUS ON GROWTH**  
WITH 20-25% CAGR THROUGH 2020

**OUTPERFORMANCE** OF FASHION ONLINE  
MARKET BY FACTOR 2-3X

**NO MARGIN EXPANSION** IN HIGH GROWTH  
PHASE



# 2018: WE CONTINUE TO INVEST HEAVILY INTO OUR VALUE PROPOSITION

## 1 ASSORTMENT

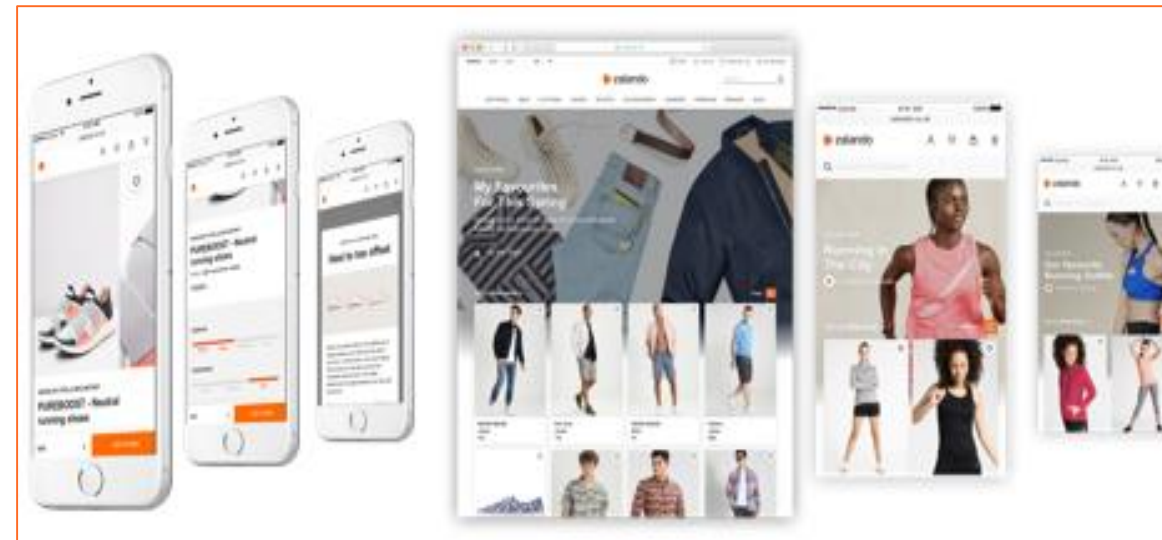


**Brand launches:** Key brands like Swarovski, Tory Burch, Massimo Dutti

**Beauty launch in March:** ~€80bn market opportunity in complimentary category

**Additional markets:** Aim to launch two European markets this year

## 2 DIGITAL EXPERIENCE



**Next Generation DX:** Serve each customer with personal Zalando shop

**Next level App:** New design and customer flow (e.g. one-tap express checkout)

**Allophones:** Offering more languages to current domains

## 3 CONVENIENCE



**Logistic Expansion:** Ramp-up of network, scale fulfillment offer & increase efficiency

**Payment:** Roll-out Paylater in more countries

**Zalando Fulfillment Solutions:** Drive growth through internationalization

## 4 PLATFORM / EMERGING BUSINESS



Integration services



Zalando Media Solutions



Fashion advice Zalon



New initiatives



# 2018 GUIDANCE REFLECTS STRATEGY TO WIN MARKET SHARE

OUR MULTI-YEAR OUTLOOK	2014	2015	2016	2017	OUR OBJECTIVES 2018
REVENUE GROWTH OF 20-25%	✓	✓✓	✓	✓	REVENUE GROWTH OF 20 – 25%
SOLID PROFITABILITY	✓✓	✓	✓✓	✓	ADJ. EBIT <sup>1</sup> : €220M – €270M <sup>2</sup>
FREE CASH FLOW: NEUTRAL WORKING CAPITAL + STRATEGIC CAPEX SPEND	✓	✓	✓✓	✓	SLIGHTLY NEGATIVE WORKING CAPITAL + AROUND €350M CAPEX <sup>3</sup>

(1) Adjusted EBIT excludes stock-based compensation and non-operative one-time effects of ~€35m.

(2) Implies adj. EBIT margin of ~4-5%.

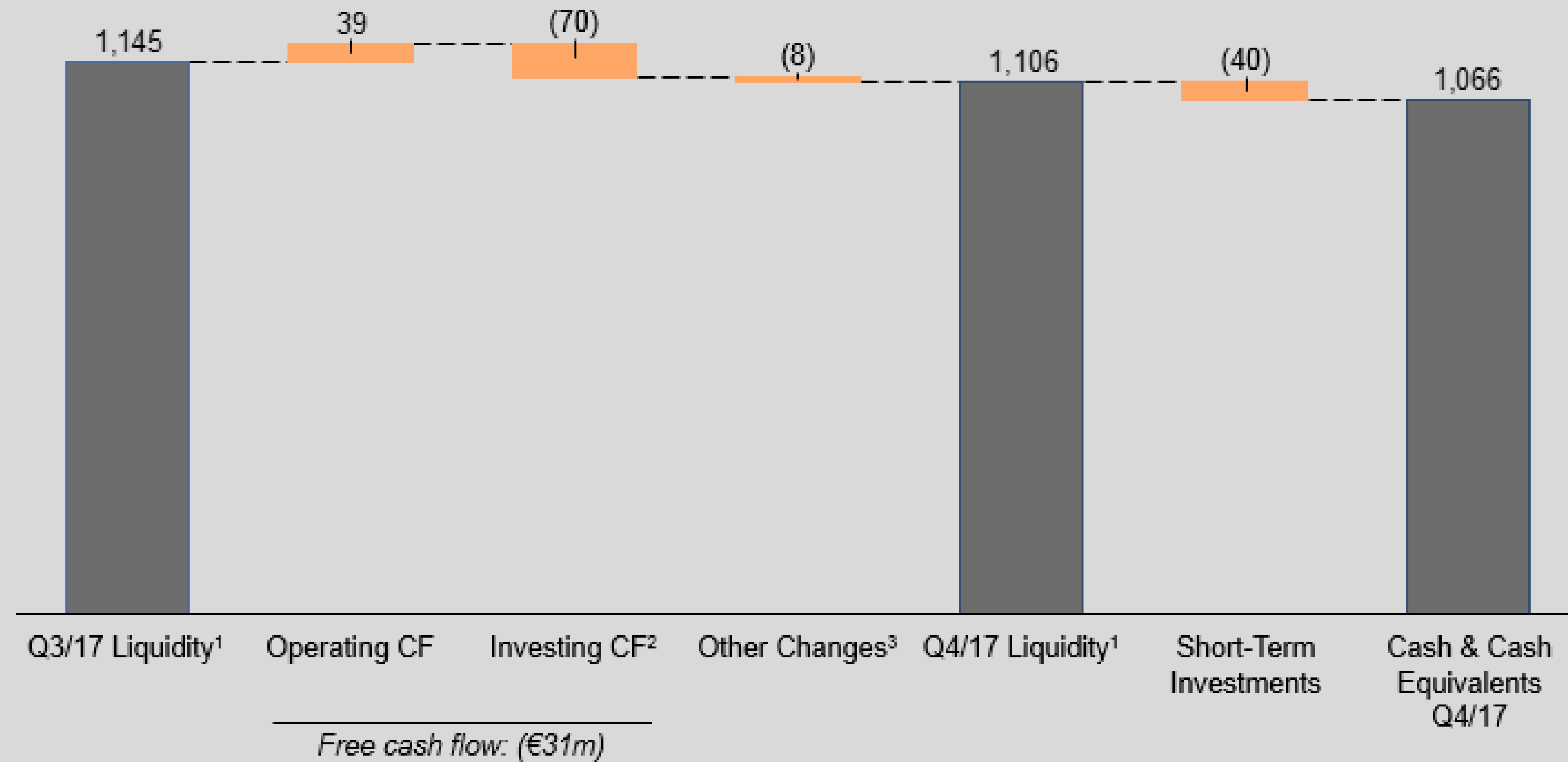
(3) Excludes investments into M&A.



# LIQUIDITY STABLE ON SOLID LEVEL

## CASH FLOW DEVELOPMENT (Q4/17)

In €m



(1) Both Q3/17 and Q4/17 liquidity include investments into short-term deposits with maturity of more than 3 and less than 12 months of €60m and €40m, respectively.  
 (2) Includes investments in fixed and intangible assets and payments for acquisitions and change in restricted cash.  
 (3) Includes financing cash flow (-€3.8m) and effect of exchange rate on cash and cash equivalents (-€0.1m).

# ISSUED SHARE CAPITAL

## SHARE INFORMATION

As of 31-Dec-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 (3.1% share <sup>1</sup> )
<b>Total Number of Shares Outstanding</b>	<b>247,384,898</b>
<b>Issued Share Capital</b>	<b>€247,384,898</b>

## SHARE STOCK OPTION PROGRAMS

As of 31-Dec-2017

Program	# Options outstanding	Weighted average exercise price (EUR)
Various	63,580	1.00
SOP 2011	1,851,300	5.65
SOP 2013	9,817,500	15.63
SOP 2014	6,296,912	19.58
<b>Total</b>	<b>18,029,292</b>	

## EMPLOYEE INCENTIVE PLAN<sup>2</sup>

As of 31-Dec-2017

Program	# Options outstanding	Weighted average exercise price (EUR)
EIP 2016	879,721	24.77
EIP 2017	1,044,056	36.45
<b>Total</b>	<b>1,923,777</b>	31.65

(1) Average February-2017.

(2) The AGM of 31-May-16 authorized the Management Board to grant options under the Employee Incentive Plan.

# INCOME STATEMENT

€m	FY/14	FY/15	FY/16	FY/17	Q4/16	Q4/17
<b>Revenue</b>	<b>2,214.0</b>	<b>2,958.2</b>	<b>3,639.0</b>	<b>4,489.0</b>	<b>1091.6</b>	<b>1,333.7</b>
<i>% growth</i>	25.7%	33.6%	23.0%	23.4%	25.7%	22.2%
Cost of Sales	(1,255.3)	(1,624.0)	(2,029.6)	(2,529.6)	(593.1)	(733.6)
<b>Gross Profit</b>	<b>958.7</b>	<b>1,334.1</b>	<b>1,609.4</b>	<b>1,959.4</b>	<b>498.4</b>	<b>600.1</b>
<i>% margin</i>	43.3%	45.1%	44.2%	43.6%	45.7%	45.0%
Selling and Distribution Costs	(793.8)	(1,118.9)	(1,223.7)	(1,530.8)	(353.5)	(429.8)
Administrative Expenses	(109.1)	(129.0)	(191.3)	(242.9)	(53.1)	(67.1)
Other Operating Income	12.2	10.2	16.7	11.8	10.4	4.3
Other Operating Expenses	(5.8)	(7.0)	(4.1)	(9.9)	(1.6)	(5.1)
<b>EBIT</b>	<b>62.1</b>	<b>89.6</b>	<b>207.0</b>	<b>187.6</b>	<b>100.7</b>	<b>102.3</b>
<i>% margin</i>	2.8%	3.0%	5.7%	4.2%	9.2%	7.7%
Net Financial Result	(4.5)	(3.0)	(14.1)	(12.4)	(6.3)	(2.8)
<b>EBT</b>	<b>57.7</b>	<b>86.6</b>	<b>192.9</b>	<b>175.2</b>	<b>94.4</b>	<b>99.5</b>
<i>% margin</i>	2.6%	2.9%	5.3%	3.9%	8.6%	7.5%
Income and Other Tax	(10.5)	34.9	(72.5)	(73.6)	(34.4)	(39.4)
<b>Net Income</b>	<b>47.2</b>	<b>121.5</b>	<b>120.5</b>	<b>101.6</b>	<b>60.0</b>	<b>60.1</b>
<i>% margin</i>	2.1%	4.1%	3.3%	2.3%	5.5%	4.5%
Depreciation & Amortization	25.8	34.2	48.2	58.7	17.8	17.4
<b>EBITDA</b>	<b>88.0</b>	<b>123.8</b>	<b>255.2</b>	<b>246.4</b>	<b>118.5</b>	<b>119.7</b>
<i>% margin</i>	4.0%	4.2%	7.0%	5.5%	10.9%	9.0%
Share Based Compensation (SBC)	19.8	17.9	19.9	27.5	5.6	10.3
<b>Adj. EBIT (adj. for SBC)</b>	<b>82.0</b>	<b>107.5</b>	<b>216.3</b>	<b>215.1</b>	<b>95.6</b>	<b>112.6</b>
<i>% margin</i>	3.7%	3.6%	5.9%	4.8%	8.8%	8.4%
<b>Adj. EBITDA (adj. for SBC)</b>	<b>107.8</b>	<b>141.7</b>	<b>264.5</b>	<b>273.8</b>	<b>113.4</b>	<b>130.0</b>
<i>% margin</i>	4.9%	4.8%	7.3%	6.1%	10.4%	9.7%

## SHARE BASED COMPENSATION

€m	FY/14	FY/15	FY/16	FY/17	Q4/16	Q4/17
<b>Per Income Statement Line Item</b>						
Cost of Sales	4.4	4.5	5.0	6.9	1.4	2.4
Selling and Distribution Costs	9.6	9.0	9.9	13.7	2.8	4.9
Administrative Expenses	5.8	4.5	5.0	6.9	1.4	2.9
<b>Share Based Compensation</b>	<b>19.8</b>	<b>17.9</b>	<b>19.9</b>	<b>27.5</b>	<b>5.6</b>	<b>10.3</b>
<b>As % of revenue</b>						
<b>Per Income Statement Line Item</b>						
Cost of Sales	0.2%	0.2%	0.1%	0.2%	0.1%	0.2%
Selling and Distribution Costs	0.4%	0.3%	0.3%	0.3%	0.3%	0.4%
Administrative Expenses	0.3%	0.2%	0.1%	0.2%	0.1%	0.2%
<b>Share Based Compensation</b>	<b>0.9%</b>	<b>0.6%</b>	<b>0.5%</b>	<b>0.6%</b>	<b>0.5%</b>	<b>0.8%</b>

## SEGMENTS

€m	FY/14	FY/15	FY/16	FY/17	Q4/16	Q4/17
<b>Revenue</b>	<b>2,214.0</b>	<b>2,958.2</b>	<b>3,639.0</b>	<b>4,489.0</b>	<b>1091.6</b>	<b>1,333.7</b>
DACH	1,234.0	1,580.1	1,813.8	2,145.6	529.4	630.0
Rest of Europe	862.6	1,211.6	1,570.2	1,973.6	478.4	585.8
Other	117.4	166.5	255.1	369.9	83.8	117.9
<b>As % of total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
DACH	55.7%	53.4%	49.8%	47.8%	48.5%	47.2%
Rest of Europe	39.0%	41.0%	43.1%	44.0%	43.8%	43.9%
Other	5.3%	5.6%	7.0%	8.2%	7.7%	8.8%
<b>EBIT</b>	<b>62.1</b>	<b>89.6</b>	<b>207.0</b>	<b>187.6</b>	<b>100.7</b>	<b>102.3</b>
DACH	72.3	92.2	221.4	175.6	82.2	76.0
Rest of Europe	(18.6)	(10.2)	(6.2)	9.6	18.7	35.0
Other	8.4	7.5	(8.1)	2.5	(0.2)	(8.7)
<b>% margin</b>	<b>2.8%</b>	<b>3.0%</b>	<b>5.7%</b>	<b>4.2%</b>	<b>9.2%</b>	<b>7.7%</b>
DACH	5.9%	5.8%	12.2%	8.2%	15.5%	12.1%
Rest of Europe	(2.2%)	(0.8%)	(0.4%)	0.5%	3.9%	6.0%
Other	7.2%	4.5%	(3.2%)	0.7%	(0.2%)	(7.3%)
<b>Adjusted EBIT</b>	<b>82.0</b>	<b>107.5</b>	<b>216.3</b>	<b>215.1</b>	<b>95.6</b>	<b>112.6</b>
DACH	83.0	101.9	226.3	188.5	80.0	80.7
Rest of Europe	(11.6)	(3.3)	(3.3)	21.6	15.7	39.6
Other	10.5	8.9	(6.7)	5.0	(0.1)	(7.6)
<b>% adjusted margin</b>	<b>3.7%</b>	<b>3.6%</b>	<b>5.9%</b>	<b>4.8%</b>	<b>8.8%</b>	<b>8.4%</b>
DACH	6.7%	6.4%	12.5%	8.8%	15.1%	12.8%
Rest of Europe	(1.3%)	(0.3%)	(0.2%)	1.1%	3.3%	6.8%
Other	9.0%	5.3%	(2.6%)	1.3%	(0.1%)	(6.5%)

# BALANCE SHEET

€m	Q4/16	Q4/16 (% of total assets)	Q4/17	Q4/17 (% of total assets)
<b>Total Non-Current Assets</b>	<b>392.6</b>	<b>15.5%</b>	<b>569.6</b>	<b>19.1%</b>
Thereof: Property, Plant and Equipment	243.0	9.6%	350.5	11.8%
Other Financial Assets	44.1	1.7%	31.8	1.1%
Non-Financial Assets	3.0	0.1%	3.5	0.1%
Other Non-Current Assets	102.5	4.0%	183.8	6.2%
<b>Total Current Assets</b>	<b>2,145.6</b>	<b>84.5%</b>	<b>2,410.7</b>	<b>80.9%</b>
Thereof: Inventories	576.9	22.7%	778.9	26.1%
Trade and Other Receivables	216.0	8.5%	278.7	9.4%
Other Assets <sup>1</sup>	380.0	15.0%	287.6	9.6%
Cash and Cash Equivalents <sup>1</sup>	972.6	38.3%	1,065.5	35.8%
<b>Total Assets</b>	<b>2,538.2</b>	<b>100.0%</b>	<b>2,980.3</b>	<b>100%</b>
<b>Total Equity</b>	<b>1,407.5</b>	<b>55.5%</b>	<b>1,539.0</b>	<b>51.6%</b>
Thereof: Issued Capital	247.2	9.7%	247.2	8.3%
Capital Reserves	1,161.0	45.7%	1,177.5	39.5%
Retained earnings	(2.4)	(0.1%)	9.6	0.3%
Accumulated Loss	1.6	0.1%	104.8	3.5%
Minority Interests	-	-	(0.1)	(0.0%)
<b>Total Non-Current Liabilities</b>	<b>32.5</b>	<b>1.3%</b>	<b>71.9</b>	<b>2.4%</b>
Thereof: Financial Liabilities	11.2	0.4%	8.4	0.3%
Other Non-Current Liabilities	21.4	0.8%	63.5	2.1%
<b>Total Current Liabilities</b>	<b>1,098.2</b>	<b>43.3%</b>	<b>1,369.5</b>	<b>46.0%</b>
Thereof: Trade Payables and Similar Obligations	920.5	36.3%	1,120.0	37.6%
Other Current Liabilities	177.7	7.0%	249.5	8.4%
<b>Total Equity &amp; Liabilities</b>	<b>2,538.2</b>	<b>100.0%</b>	<b>2,980.4</b>	<b>100%</b>
<b>Net Working Capital</b>	<b>(127.6)</b>	<b>(5.0%)</b>	<b>(62.4)</b>	<b>(2.1%)</b>



# CASH FLOW STATEMENT

€m	FY2014	FY2015	FY/16	FY/17	Q4/16	Q4/17
<b>Net Income</b>	<b>47.2</b>	<b>121.5</b>	120.5	101.6	60.0	60.1
Non-Cash Expenses from Share-Based Payments	19.8	17.9	19.9	27.5	5.6	10.3
Cash Settlement of Claims from Share-Based Payments	0.0	(2.3)	0.0	0.0	0.0	0.0
Depreciation	25.8	34.2	48.2	58.7	17.8	17.4
Income Taxes	10.5	(34.9)	72.5	73.6	34.4	39.4
Income Taxes Paid, Less Refunds	0.0	(0.0)	(33.8)	(49.4)	(4.6)	(14.9)
Change in Provisions	1.0	(0.5)	0.1	(1.5)	(0.6)	(1.3)
Other Non-Cash Income	(0.2)	(1.0)	1.2	6.5	1.9	4.6
Change in Inventories and Receivables	(68.7)	(154.2)	(147.4)	(251.0)	(4.7)	61.8
Change in Trade Liabilities	94.9	154.9	264.3	198.4	(20.7)	(113.9)
Change in Other Assets/Other Liabilities	44.6	(16.2)	(69.7)	29.2	(24.0)	(24.4)
<b>Cash Flow from Operating Activities</b>	<b>174.9</b>	<b>119.4</b>	<b>275.8</b>	<b>193.7</b>	<b>65.2</b>	<b>39.0</b>
Payments for Investments in Fixed and Intangible Assets	(51.1)	(60.0)	(181.7)	(243.9)	(65.9)	(68.2)
Payments for Acquisitions	0.0	(16.8)	(30.4)	(34.9)	(1.2)	(1.5)
Cash Paid for Investments in Term Deposits	0.0	(155.0)	(65.0)	180.0	0.0	20.0
Change in Restricted Cash	(0.8)	35.3	0.0	10.4	0.0	0.0
<b>Cash Flow from Investing Activities</b>	<b>(51.9)</b>	<b>(196.5)</b>	<b>(277.1)</b>	<b>(88.3)</b>	<b>(67.1)</b>	<b>(49.7)</b>
Payments Received from Capital Increases	510.1	6.4	1.1	3.9	0.0	3.3
Cash Received from Loans	3.9	0.0	(0.7)	0.0	(0.7)	0.0
Repurchase of treasury shares	0.0	(1.7)	0.0	(11.3)	0.0	0.0
Cash Repayments of Loans	(3.2)	(3.2)	(3.2)	(3.2)	(0.8)	(1.1)
<b>Cash Flow from Financing Activities</b>	<b>510.8</b>	<b>1.5</b>	<b>(2.9)</b>	<b>(10.6)</b>	<b>(1.5)</b>	<b>(8.3)</b>
<b>Change in Cash &amp; Cash Equivalents</b>	<b>633.8</b>	<b>(75.7)</b>	<b>(4.1)</b>	<b>94.8</b>	<b>(3.4)</b>	<b>(19.0)</b>
<b>Effects of Exchange Rate on Cash &amp; Cash Equivalents</b>	<b>0.0</b>	<b>0.9</b>	<b>0.5</b>	<b>(1.9)</b>	<b>(0.4)</b>	<b>(0.1)</b>

## KPI DEVELOPMENT

	2015	Q1/16	Q2/16	Q3/16	Q4/16	2016	Q1/17	Q2/17	Q3/17	Q4/17	2017
Site Visits (m) <sup>1</sup>	1,656.4	479.5	480.2	468.6	563.2	1,991.6	617.6	595.2	615.6	735.1	2,563.5
Mobile Visit Share (in % of Site Visits) <sup>2</sup>	57.1%	62.3%	64.7%	67.0%	68.1%	65.6%	68.8%	69.7%	71.8%	72.1%	70.7%
Active Customers (m) <sup>3</sup>	17.9	18.4	18.8	19.2	19.9	19.9	20.4	21.2	22.2	23.1	23.1
Number of Orders (m) <sup>4</sup>	55.3	15.6	17.5	16.4	19.6	69.2	19.9	22.2	22.5	25.8	90.5
Average Order per Active Customer	3.08x	3.20x	3.32x	3.39x	3.48x	3.48x	3.60x	3.69x	3.80x	3.92x	3.92x
Average Basket Size (in €) <sup>5</sup>	67.8	66.5	66.2	62.8	70.2	66.6	63.0	64.5	62.0	67.8	64.5
Fulfillment Cost Ratio (in % of revenue) <sup>6</sup>	26%	24%	23%	24%	22%	23%	25%	27%	27%	24.9%	25.9%
Marketing Cost Ratio (in % of revenue) <sup>7</sup>	12%	10%	10%	10%	10%	10%	9%	7%	8%	7.0%	7.9%

(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

May 2018					June 2018					August 2018					November 2018				
M	T	W	T	F	M	T	W	T	F	M	T	W	T	F	M	T	W	T	F
	1	2	3	4					1			1	2	3				1	2
7	8	9	10	11	4	5	6	7	8	6	7	8	9	10	5	6	7	8	9
14	15	16	17	18	11	12	13	14	15	13	14	15	16	17	12	13	14	15	16
21	22	23	24	25	18	19	20	21	22	20	21	22	23	24	19	20	21	22	23
28	29	30	31		25	26	27	28	29	27	28	29	30	31	26	27	28	29	30

Date	Action
Mon to Wed, 5-March – 7-March	USA + Canada Roadshow (New York, Boston, Montreal, Toronto)
Tuesday, 20-March	NDR Zurich
Wednesday, 21-March	NDR, Stockholm
Tuesday, 8-May	Q1/2018 Results
Wednesday, 23-May	Annual General Meeting 2018
Tuesday, 5-June	Capital Markets Day
Tuesday, 7-August	Q2/2018 Results
Tuesday, 6-November	Q3/2018 Results

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