

COMPANY PROFILE

Zalando (<https://corporate.zalando.com>) is Europe's leading online fashion platform for women, men and children. We offer our customers a one-stop, convenient shopping experience with an extensive selection of fashion articles including shoes, apparel and accessories, with free delivery and returns. Our assortment of over 1,500 international brands ranges from popular global brands, fast fashion and local brands, and is complemented by our private label products. Our localized offering addresses the distinct preferences of our customers in each of the 15 European markets we serve: Austria, Belgium, Denmark, Finland, France, Germany, Italy, Luxembourg, the Netherlands, Norway, Spain, Sweden, Switzerland, Poland and the United Kingdom. Our logistics network with four centrally located fulfillment centers in Germany allows us to efficiently serve our customers throughout Europe, supported by a warehouse in Northern Italy with a focus on local customer needs. We believe that our integration of fashion, operations and online technology give us the capability to deliver a compelling value proposition to both our customers and fashion brand partners. Zalando's shops attract over 160 million visits per month.

In the fourth quarter of 2016, more than 68 percent of traffic came from mobile devices, resulting in 19.9 million active customers by the end of the quarter.

SHARE CHART



SHAREHOLDER STRUCTURE

Ultimate Shareholder ¹	Ownership
Verdere S.à.r.l. (Kinnevik)	31.72%
Bestseller Handels B.V. (Anders Holch Povlsen)	10.04%
Zerena GmbH (Global Founders)	8.77%
Baillie Gifford & Co	6.86%
Tengelmann Verwaltungs- und Beteiligungs GmbH	4.98%
Founders ²	3.70%
Vanguard World Funds ²	3.02%
Public free float ³	30.90%

¹: Voting rights held directly or by a subsidiary. The overview reflects the notifications pursuant to sec. 21 WpHG received by Zalando SE as of 18 November 2016 ("BaFin-notifications") and sec. 26a WpHG (change in total voting rights)

²: Aggregate shareholding of the founders

³: Free float calculated as total less BaFin filings and founders' stake

MANAGEMENT BOARD



David Schneider



Robert Gentz



Rubin Ritter

SUPERVISORY BOARD

- > Alexander Samwer
- > Beate Siert
- > Jørgen Madsen Lindemann
- > Konrad Schäfers
- > Lothar Lanz (Chair)
- > Anders Holch Povlsen
- > Dylan Ross
- > Kai-Uwe Ricke
- > Lorenzo Grabau

SHARE PRICE INFORMATION

ISIN	DE000ZAL1111
WKN	ZAL111
Share type	Ordinary
Bloomberg Code	ZAL:GR
Reuters Code	ZALG.F
Ticker	ZAL
Branch	eCommerce
Index	Stoxx Europe 600, MSCI Germany Index, MDax (2,3% share*)
Segment	Prime Standard
Last Dividend	0.00 EUR (for 2015)
No. of shares	247,255,868
Market Cap (basic)	EUR 8.85 bn
52 week high	41.12 EUR
52 week low	22.81 EUR
Stock exchanges	Prime Standard in Frankfurt; open market in Berlin-Bremen, Dusseldorf, Hamburg, Hannover, Munich and Stuttgart

*Average January 2017

CALENDAR

May 09, 2017	Publication of the first quarter results 2017.
May 31, 2017	Annual General Meeting 2017
Jun 20, 2017	Capital Markets Day 2017
Aug 10, 2017	Publication of the second quarter results 2017
Nov 07, 2017	Publication of the third quarter results 2017

Zalando SE

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FINANCIAL INFORMATION

EUR m	2014	Q1/15	Q2/15	Q3/15	Q4/15	2015	Q1/16	Q2/16	Q3/16	Q4/16	2016
Revenue	2,214.0	643.6	733.0	713.1	868.5	2,958.2	796.1	916.4	834.8	1,091.6	3,639.0
% growth	25.7%	28.5%	34.1%	42.2%	30.5%	33.6%	23.7%	25.0%	17.1%	25.7%	23.0%
Cost of Sales	(1,255.3)	(353.5)	(378.5)	(424.7)	(467.3)	(1,624.0)	(462.7)	(483.2)	(490.6)	(593.1)	(2,029.6)
Gross Profit	958.7	290.1	354.5	288.4	401.2	1,334.1	333.4	433.3	344.3	498.4	1,609.4
% margin	43.3%	45.1%	48.4%	40.4%	46.2%	45.1%	41.9%	47.3%	41.2%	45.7%	44.2%
Selling and Distribution Costs	(793.8)	(236.8)	(297.4)	(282.9)	(301.8)	(1,118.9)	(277.2)	(310.0)	(283.1)	(353.5)	(1,223.7)
Administrative Expenses	(109.1)	(29.1)	(31.7)	(34.2)	(34.0)	(129.0)	(40.6)	(48.9)	(48.7)	(53.1)	(191.3)
Other Operating Income	12.2	3.0	2.2	1.5	3.5	10.2	1.5	3.5	1.3	10.4	16.7
Other Operating Expenses	(5.8)	(2.0)	(2.0)	(0.7)	(2.3)	(7.0)	(0.7)	(0.7)	(1.1)	(1.6)	(4.1)
EBIT	62.1	25.1	25.7	(27.8)	66.6	89.6	16.4	77.2	12.7	100.7	207.0
% margin	2.8%	3.9%	3.5%	(3.9%)	7.7%	3.0%	2.1%	8.4%	1.5%	9.2%	5.7%
Net Financial Result	(4.5)	5.4	(0.9)	(6.3)	(1.2)	(3.0)	(6.2)	1.7	(3.3)	(6.3)	(14.1)
EBT	57.7	30.6	24.8	(34.1)	65.4	86.6	10.3	78.9	9.4	94.4	192.9
% margin	2.6%	4.7%	3.4%	4.8%	7.5%	2.9%	1.3%	8.6%	1.1%	8.6%	5.3%
Income and Other Tax	(10.5)	(6.3)	(1.8)	5.6	37.3	34.9	(5.7)	(28.0)	(4.4)	(34.4)	(72.5)
Net Income	47.2	24.3	23.0	(28.5)	102.7	121.5	4.6	50.9	5.0	60.0	120.5
% margin	2.1%	3.8%	3.1%	(4.0%)	11.8%	4.1%	0.6%	5.6%	0.6%	5.5%	3.3%
Depreciation & Amortization	25.8	7.5	8.0	8.7	10.0	34.2	9.1	10.1	11.1	17.8	48.2
EBITDA	88.0	32.6	33.7	19.1	76.6	123.8	25.5	87.3	23.8	118.5	255.2
% margin	4.0%	5.1%	4.6%	(2.7%)	8.8%	4.2%	3.2%	9.5%	2.9%	10.9%	7.0%
Equity-settled Share Based Compensation (SBC)	19.8	4.0	4.4	4.3	5.2	17.9	3.8	3.7	6.8	5.6	19.9
Adjusted EBIT (before SBC)	82.0	29.1	30.2	(23.5)	71.8	107.5	20.2	80.9	19.5	95.6	216.3
% margin	3.7%	4.5%	4.1%	(3.3%)	8.3%	3.6%	2.5%	8.8%	2.3%	8.8%	5.9%
Adjusted EBITDA (before SBC)	107.8	36.6	38.1	(14.8)	81.8	141.7	29.3	91.0	30.6	113.4	264.5
% margin	4.9%	5.7%	5.2%	(2.1%)	9.4%	4.8%	3.7%	9.9%	3.7%	10.4%	7.3%

KEY FINANCIAL INDICATORS

	Q1/15	Q2/15	Q3/15	Q4/15	2015	Q1/16	Q2/16	Q3/16	Q4/16	2016
Site Visits (m) ¹	392.8	411.8	393.9	457.9	1,656.4	479.5	480.2	468.6	563.2	1,991.6
Mobile Visit Share (in % of Site Visits) ²	52.6%	56.6%	58.8%	59.9%	57.1%	62.3%	64.7%	67.0%	68.1%	65.6%
Active Customers (m) ³	15.4	16.4	17.2	17.9	17.9	18.4	18.8	19.2	19.9	19.9
Number of Orders (m) ⁴	12.0	14.0	13.8	15.4	55.3	15.6	17.5	16.4	19.6	69.2
Average Orders per Active Customer	2.8	2.9	3.0	3.1	3.1	3.2	3.3	3.4	3.5	3.5
Average Basket Size (in EUR) ⁵	68.0	67.4	63.3	72.1	67.8	66.5	66.2	62.8	70.2	66.6
Adjusted Fulfillment Costs (% of Revenue) ⁶	25%	28%	27%	23%	26%	24%	23%	24%	22%	23%
Adjusted Marketing Costs (% of Revenue) ⁷	12%	12%	12%	11%	12%	10%	10%	10%	10%	10%

SEGMENTAL FINANCIAL INFORMATION

EUR m	Q1/15	Q2/15	Q3/15	Q4/15	2015	Q1/16	Q2/16	Q3/16	Q4/16	2016
Revenue	643.6	733.0	713.1	868.5	2,958.2	796.1	916.4	834.8	1,091.6	3,639.0
DACH	347.1	411.0	371.2	450.7	1,580.1	405.8	471.4	407.1	529.4	1,813.8
Rest of Europe	265.0	285.3	300.8	360.5	1,211.6	334.5	383.2	374.0	478.4	1,570.2
Other	31.5	36.6	41.1	57.3	166.5	55.8	61.8	53.7	83.8	255.1
As % of Total										
DACH	53.9%	56.1%	52.1%	51.9%	53.4%	51.0%	51.4%	48.8%	48.5%	49.8%
Rest of Europe	41.2%	38.9%	42.2%	41.5%	41.0%	42.0%	41.8%	44.8%	43.8%	43.1%
Other	4.9%	5.0%	5.8%	6.6%	5.6%	7.0%	6.7%	6.4%	7.7%	7.0%
Segment Revenue Growth	28.5%	34.1%	42.2%	30.5%	33.6%	23.7%	25.0%	17.1%	25.7%	23.0%
DACH	22.3%	32.5%	34.4%	24.0%	28.0%	16.9%	14.7%	9.7%	17.5%	14.8%
Rest of Europe	37.1%	38.5%	52.1%	35.8%	40.5%	26.3%	34.3%	24.3%	32.7%	29.6%
Other	33.9%	21.9%	50.3%	57.1%	41.8%	76.9%	68.9%	30.8%	46.2%	53.2%
EBIT	25.1	25.7	(27.8)	66.6	89.6	16.4	77.2	12.7	100.7	207.0
DACH	30.2	11.9	(5.1)	55.3	92.2	37.4	63.8	38.1	82.2	221.4
Rest of Europe	(6.3)	9.7	(23.4)	9.8	(10.2)	(18.5)	14.4	(20.8)	18.7	(6.2)
Other	1.2	4.1	0.6	1.5	7.5	(2.4)	(1.0)	(4.5)	(0.2)	(8.1)
% EBIT Margin	3.9%	3.5%	(3.9%)	7.7%	3.0%	2.1%	8.4%	1.5%	9.2%	5.7%
DACH	8.7%	2.9%	(1.4%)	12.3%	5.8%	9.2%	13.5%	9.3%	15.5%	12.2%
Rest of Europe	(2.4%)	3.4%	(7.8%)	2.7%	(0.8%)	(5.5%)	3.8%	(5.6%)	3.9%	(0.4%)
Other	3.9%	11.3%	1.6%	2.7%	4.5%	(4.4%)	(1.6%)	(8.5%)	(0.2%)	(3.2%)
Adjusted EBIT (before SBC)	29.1	30.2	(23.5)	71.8	107.5	20.2	80.9	19.5	95.6	216.3
DACH	32.3	14.4	(2.8)	57.9	101.9	39.3	65.7	41.4	80.0	226.3
Rest of Europe	(4.7)	11.3	(21.7)	11.8	(3.3)	(17.0)	15.9	(17.9)	15.7	(3.3)
Other	1.4	4.4	1.0	2.1	8.9	(2.1)	(0.6)	(4.0)	(0.1)	(6.7)
% Adjusted EBIT Margin (before SBC)	4.5%	4.1%	(3.3%)	8.3%	3.6%	2.5%	8.8%	2.3%	8.8%	5.9%
DACH	9.3%	3.5%	(0.8%)	12.8%	6.4%	9.7%	13.9%	10.2%	15.1%	12.5%
Rest of Europe	(1.8%)	4.0%	(7.2%)	3.3%	(0.3%)	(5.1%)	4.1%	(4.8%)	3.3%	(0.2%)
Other	4.5%	12.0%	2.5%	3.6%	5.3%	(3.7%)	(1.0%)	(7.4%)	(0.1%)	(2.6%)

BALANCE SHEET

EUR m	Q1/15	Q2/15	Q3/15	2015	Q1/16	Q2/16	Q3/16	2016
Total Non-Current Assets	179.1	175.6	192.9	253.1	264.8	323.4	364.7	392.6
Property, Plant and Equipment	108.8	110.1	119.8	128.2	136.6	169.4	203.0	243.0
Other Financial Assets	32.3	26.3	30.8	25.0	24.1	38.7	39.6	44.1
Non-Financial Assets	3.0	4.0	3.7	3.5	3.3	3.6	3.3	3.0
Other Non-Current Assets	35.0	35.2	38.6	96.3	100.8	111.6	118.9	102.5
Total Current Assets	1,758.8	1,767.1	1,919.6	1,863.5	1,931.6	1,878.6	2,113.2	2,145.6
Inventories	474.6	432.5	590.4	493.5	590.4	445.3	620.9	576.9
Trade and Other Receivables	169.8	167.3	154.6	149.7	162.8	164.4	167.4	216.0
Other Assets ⁸	153.6	193.8	249.8	244.0	237.2	233.0	348.5	380.0
Cash and Cash Equivalents ⁸	960.9	973.5	924.9	976.2	941.2	1,035.9	976.4	972.6
Total Assets	1,937.9	1,942.7	2,112.6	2,116.5	2,196.4	2,202.0	2,477.9	2,538.2
Total Equity	1,148.1	1,182.0	1,164.8	1,271.4	1,278.3	1,332.5	1,342.9	1,407.5
Issued capital	245.6	246.6	246.8	247.0	247.0	247.1	247.2	247.2
Capital Reserves	1,123.0	1,130.1	1,134.4	1,140.9	1,144.7	1,148.9	1,156.1	1,161.0
Retained Earnings	(5.3)	(2.6)	4.2	1.4	(0.1)	(0.9)	(2.9)	(2.4)
Accumulated Loss	(215.2)	(192.2)	(220.6)	(118.0)	(113.4)	(62.5)	(57.5)	1.6
Total Non-Current Liabilities	33.9	33.0	33.8	31.3	29.6	29.0	30.5	32.5
Financial Liabilities	16.8	16.0	15.2	14.4	13.6	12.8	12.0	11.2
Other Non-Current Liabilities	17.1	17.0	18.6	16.9	16.0	16.2	18.5	21.4
Total Current Liabilities	755.9	727.6	914.0	813.8	888.4	840.5	1,104.5	1,098.2
Trade Payables and Similar Obligations	609.8	569.1	758.2	645.8	737.7	675.3	946.2	920.5
Other Current Liabilities	146.1	158.5	155.8	168.0	150.8	165.2	158.3	177.7
Total Equity & Liabilities	1,937.9	1,942.7	2,112.6	2,116.5	2,196.4	2,202.0	2,477.9	2,538.2
Net Working Capital	34.5	30.7	(13.3)	(2.6)	15.5	(65.5)	(157.9)	(127.6)

CASH FLOW STATEMENT

EUR m	FY2014	FY2015	Q4/15	Q4/16	FY2016
Net Income	47.2	121.5	102.7	60.0	120.5
Non-Cash Expenses from Share-Based Payments	19.8	17.9	5.2	5.6	19.9
Cash paid for settlement of Claims from Share-Based Payments	0.0	(2.3)	0.0	0.0	0.0
Depreciation	25.8	34.2	10.0	17.8	48.2
Income Taxes	10.5	(34.9)	(37.3)	34.4	72.5
Income Taxes Paid, Less Refunds	0.0	(0.0)	(0.0)	(4.6)	(33.8)
Change in Provisions	1.0	(0.5)	(0.2)	(0.6)	0.1
Other Non-Cash Income	(0.2)	(1.0)	(0.3)	1.9	1.2
Change in Inventories and Receivables	(68.7)	(154.2)	101.8	(4.7)	(147.4)
Change in Trade Liabilities	94.9	154.9	(111.4)	(20.7)	264.3
Change in Other Assets / Other Liabilities	44.6	(16.2)	7.4	(24.0)	(69.7)
Cash Flow from Operating Activities	174.9	119.4	77.8	65.2	275.8
Payments for Investments in Fixed and Intangible Assets	(51.1)	(60.0)	(20.8)	(65.9)	(181.7)
Payments for Acquisitions	0.0	(16.8)	0.0	(1.2)	(30.4)
Cash Paid for Investments in Term Deposits	(155.0)	(155.0)	0.0	0.0	(65.0)
Change in Restricted Cash	(0.8)	35.3	(4.2)	0.0	0.0
Cash Flow from Investing Activities	(51.9)	(196.5)	(25.1)	(67.1)	(277.1)
Payments Received from Capital Increases	510.1	6.4	0.8	0.0	1.1
Repurchase of treasury shares	0.0	(1.7)	(1.7)	(0.7)	(0.7)
Cash Received from Loans	3.9	0.0	0.0	0.0	0.0
Cash Repayments of Loans	(3.2)	(3.2)	(0.8)	(0.8)	(3.2)
Cash Flow from Financing Activities	510.8	1.5	(1.8)	(1.5)	(2.9)
Change in Cash and Cash Equivalents	633.8	(75.7)	51.0	(3.4)	(4.1)
Effect of exchange rate on cash and cash equivalents	0.0	0.9	0.4	(0.4)	0.5

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.

⁸ Other assets includes investments into short-term deposits of €220m, which are not listed under Cash and Cash Equivalents due to their maturity of more than 3 but less than 12 months.