

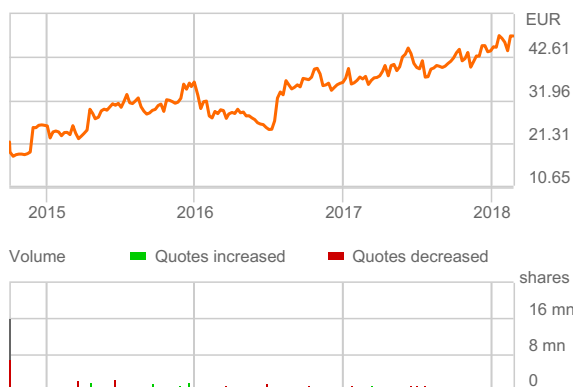
## COMPANY PROFILE

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 almost 2,000 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 warehouses in Northern Italy, France and Sweden 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 about 200 million visits per month. In the third quarter of 2017, 72 percent of traffic came from mobile devices, resulting in 22.2 million active customers by the end of the quarter.

### Key Highlights

- Large and growing addressable market, with goal to grow from 1% market share to 5%+ (=€20bn revenues)
- Leading European online platform for fashion with >2bn visits per year (70% coming from mobile devices, >22m active customers)
- Preferred partner for fashion brands, being their digital strategy
- Best-in-class e-commerce logistics infrastructure and technology team
- Attractive financial profile: 20-25% revenue growth, solid profitability, strong capital base

## SHARE CHART



## CALENDAR

<b>Mar 01, 2018</b>	Publication annual financial report
<b>May 08, 2018</b>	Publication quarterly statement (call-date Q1)
<b>May 23, 2018</b>	Annual General Meeting
<b>Jun 05, 2018</b>	Capital Markets Day 2018 in Berlin
<b>Aug 07, 2018</b>	Publication half-yearly financial report
<b>Nov 06, 2018</b>	Publication quarterly statement (call-date Q3)

## MANAGEMENT BOARD



Robert Gentz



David Schneider



Rubin Ritter

## SUPERVISORY BOARD

- > Alexander Samwer
- > Shanna Prevé
- > Beate Siert
- > Jørgen Madsen Lindemann
- > Lothar Lanz (Chair)
- > Dominik Asam
- > Anders Holch Povlsen
- > Dylan Ross
- > Konrad Schäfers

## 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 (2,7% share*)
Segment	Prime Standard
Last Dividend	0.00 EUR (for 2016)
No. of shares	247,384,898
Market Cap (basic)	EUR 11.83 bn
52 week high	49.90 EUR
52 week low	35.43 EUR
Stock exchanges	Prime Standard in Frankfurt; open market in Berlin-Bremen, Düsseldorf, Hamburg, Hannover, Munich and Stuttgart

\*Average October 2017

## SHAREHOLDER STRUCTURE

Ultimate Shareholder <sup>1</sup>	Ownership
Verdere S.à.r.l. (Kinnevik)	31.63%
Bestseller Handels B.V. (Anders Holch Povlsen)	10.06%
Baillie Gifford & Co	6.84%
Zerena GmbH (Global Founders)	4.98%
Tengemann Verwaltungs- und Beteiligungs GmbH	4.97%
Founders <sup>2</sup>	3.69%
Vanguard World Funds <sup>2</sup>	3.02%
Allianz Global Investors GmbH	3.02%
Public free float <sup>3</sup>	31.79%

1: Voting rights held directly or by a subsidiary. The overview reflects the notifications pursuant to sec. 21 WpHG ("BaFin-notifications") and sec. 26a WpHG (change in total voting rights) received by Zalando SE as of 28 September 2017

2: Aggregate shareholding of the founders

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

## FINANCIAL INFORMATION

EUR m	2015	Q1/16	Q2/16	Q3/16	Q4/16	2016	Q1/17	Q2/17	Q3/17
<b>Revenue</b>	2,958.2	796.1	916.4	834.8	1,091.6	3,639.0	980.2	1,100.5	1,074.7
% growth	33.6%	23.7%	25.0%	17.1%	25.7%	23.0%	23.1%	21.5%	28.7%
Cost of Sales	(1,624.0)	(462.7)	(483.2)	(490.6)	(593.1)	(2,029.6)	(574.8)	(585.0)	(636.2)
<b>Gross Profit</b>	1,334.1	333.4	433.3	344.3	498.4	1,609.4	405.4	515.5	438.5
% margin	45.1%	41.9%	47.3%	41.2%	45.7%	44.2%	41.4%	46.8%	40.8%
Selling and Distribution Costs	(1,118.9)	(277.2)	(310.0)	(283.1)	(353.5)	(1,223.7)	(339.2)	(377.7)	(384.0)
Administrative Expenses	(129.0)	(40.6)	(48.9)	(48.7)	(53.1)	(191.3)	(52.8)	(60.4)	(62.6)
Other Operating Income	10.2	1.5	3.5	1.3	10.4	16.7	2.7	1.5	3.2
Other Operating Expenses	(7.0)	(0.7)	(0.7)	(1.1)	(1.6)	(4.1)	(1.1)	(2.7)	(1.0)
<b>EBIT</b>	89.6	16.4	77.2	12.7	100.7	207.0	14.9	76.3	(5.9)
% margin	3.0%	2.1%	8.4%	1.5%	9.2%	5.7%	1.5%	6.9%	(0.5%)
Net Financial Result	(3.0)	(6.2)	1.7	(3.3)	(6.3)	(14.1)	(3.6)	(2.3)	(3.7)
<b>EBT</b>	86.6	10.3	78.9	9.4	94.4	192.9	11.3	74.0	(9.6)
% margin	2.9%	1.3%	8.6%	1.1%	8.6%	5.3%	1.2%	6.7%	(0.9%)
Income and Other Tax	34.9	(5.7)	(28.0)	(4.4)	(34.4)	(72.5)	(6.2)	(26.5)	(1.5)
<b>Net Income</b>	121.5	4.6	50.9	5.0	60.0	120.5	5.1	47.4	(11.1)
% margin	4.1%	0.6%	5.6%	0.6%	5.5%	3.3%	0.5%	4.3%	(1.0%)
Depreciation & Amortization	34.2	9.1	10.1	11.1	17.8	48.2	12.6	13.6	15.2
<b>EBITDA</b>	123.8	25.5	87.3	23.8	118.5	255.2	27.5	89.8	9.4
% margin	4.2%	3.2%	9.5%	2.9%	10.9%	7.0%	2.8%	8.2%	0.9%
Equity-settled Share Based Compensation (SBC)	17.9	3.8	3.7	6.8	5.6	19.9	5.4	5.5	6.3
<b>Adjusted EBIT (before SBC)</b>	107.5	20.2	80.9	19.5	95.6	216.3	20.3	81.8	0.4
% margin	3.6%	2.5%	8.8%	2.3%	8.8%	5.9%	2.1%	7.4%	0.0%
<b>Adjusted EBITDA (before SBC)</b>	141.7	29.3	91.0	30.6	113.4	264.5	32.8	95.3	15.7
% margin	4.8%	3.7%	9.9%	3.7%	10.4%	7.3%	3.4%	8.7%	1.5%

## KEY FINANCIAL INDICATORS

	2015	Q1/16	Q2/16	Q3/16	Q4/16	2016	Q1/17	Q2/17	Q3/17
Site Visits (m) <sup>1</sup>	1,656.4	479.5	480.2	468.6	563.2	1,991.6	617.6	595.2	615.8
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%
Active Customers (m) <sup>3</sup>	17.9	18.4	18.8	19.2	19.9	19.9	20.4	21.2	22.2
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
Average Orders per Active Customer	3.1	3.2	3.3	3.4	3.5	3.5	3.6	3.7	3.8
Average Basket Size (in EUR) <sup>5</sup>	67.8	66.5	66.2	62.8	70.2	66.6	63.0	64.5	62.0
Adjusted Fulfillment Costs (% of Revenue) <sup>6</sup>	26%	24%	23%	24%	22%	23%	25%	27%	27%
Adjusted Marketing Costs (% of Revenue) <sup>7</sup>	12%	10%	10%	10%	10%	10%	9%	7%	8%

## SEGMENTAL FINANCIAL INFORMATION

EUR m	2015	Q1/16	Q2/16	Q3/16	Q4/16	2016	Q1/17	Q2/17	Q3/17
<b>Revenue</b>	2,958.2	796.1	916.4	834.8	1,091.6	3,639.0	980.2	1,100.5	1,074.7
DACH	1,580.1	405.8	471.4	407.1	529.4	1,813.8	475.0	542.9	497.7
Rest of Europe	1,211.6	334.5	383.2	374.0	478.4	1,570.2	428.3	469.8	489.7
Other	166.5	55.8	61.8	53.7	83.8	255.1	76.9	87.8	87.2
<b>As % of Total</b>									
DACH	53.4%	51.0%	51.4%	48.8%	48.5%	49.8%	48.5%	49.3%	46.3%
Rest of Europe	41.0%	42.0%	41.8%	44.8%	43.8%	43.1%	43.7%	42.7%	45.6%
Other	5.6%	7.0%	6.7%	6.4%	7.7%	7.0%	7.8%	8.0%	8.1%
<b>Segment Revenue Growth</b>	33.6%	23.7%	25.0%	17.1%	25.7%	23.0%	23.1%	20.1%	28.7%
DACH	28.0%	16.9%	14.7%	9.7%	17.5%	14.8%	17.0%	15.2%	22.3%
Rest of Europe	40.5%	26.3%	34.3%	24.3%	32.7%	29.6%	28.0%	22.6%	30.9%
Other	41.8%	76.9%	68.9%	30.8%	46.2%	53.2%	37.8%	42.1%	62.5%
<b>EBIT</b>	89.6	16.4	77.2	12.7	100.7	207.0	14.9	76.3	(5.9)
DACH	92.2	37.4	63.8	38.1	82.2	221.4	32.8	54.0	12.8
Rest of Europe	(10.2)	(18.5)	14.4	(20.8)	18.7	(6.2)	(21.4)	15.0	(19.1)
Other	7.5	(2.4)	(1.0)	(4.5)	(0.2)	(8.1)	3.4	7.3	0.4
<b>% EBIT Margin</b>	3.0%	2.1%	8.4%	1.5%	9.2%	5.7%	1.5%	6.9%	(0.5%)
DACH	5.8%	9.2%	13.5%	9.3%	15.5%	12.2%	6.9%	9.9%	2.6%
Rest of Europe	(0.8%)	(5.5%)	3.8%	(5.6%)	3.9%	(0.4%)	(5.0%)	3.2%	(3.9%)
Other	4.5%	(4.4%)	(1.6%)	(8.5%)	(0.2%)	(3.2%)	4.4%	8.3%	0.5%
<b>Adjusted EBIT (before SBC)</b>	107.5	20.2	80.9	19.5	95.6	216.3	20.3	81.8	0.4
DACH	101.9	39.3	65.7	41.4	80.0	226.3	35.5	56.7	15.7
Rest of Europe	(3.3)	(17.0)	15.9	(17.9)	15.7	(3.3)	(19.1)	17.3	(16.2)
Other	8.9	(2.1)	(0.6)	(4.0)	(0.1)	(6.7)	3.9	7.8	0.9
<b>% Adjusted EBIT Margin (before SBC)</b>	3.6%	2.5%	8.8%	2.3%	8.8%	5.9%	2.1%	7.4%	0.0%
DACH	6.4%	9.7%	13.9%	10.2%	15.1%	12.5%	7.5%	10.4%	3.2%
Rest of Europe	(0.3%)	(5.1%)	4.1%	(4.8%)	3.3%	(0.2%)	(4.5%)	3.7%	(3.3%)
Other	5.3%	(3.7%)	(1.0%)	(7.4%)	(0.1%)	(2.6%)	5.1%	8.8%	1.1%

## BALANCE SHEET

EUR m	2015	Q1/16	Q2/16	Q3/16	2016	Q1/17	Q2/17	Q3/17
<b>Total Non-Current Assets</b>	<b>253.1</b>	<b>264.8</b>	<b>323.4</b>	<b>364.7</b>	<b>392.6</b>	<b>456.6</b>	<b>527.6</b>	<b>567.4</b>
Property, Plant and Equipment	128.2	136.6	169.4	203.0	243.0	300.3	331.8	352.2
Other Financial Assets	25.0	24.1	38.7	39.6	44.1	43.8	22.1	27.2
Non-Financial Assets	3.5	3.3	3.6	3.3	3.0	2.8	2.6	2.3
Other Non-Current Assets	96.3	100.8	111.6	118.9	102.5	109.7	171.0	185.8
<b>Total Current Assets</b>	<b>1,863.5</b>	<b>1,931.6</b>	<b>1,878.6</b>	<b>2,113.2</b>	<b>2,145.6</b>	<b>2,230.5</b>	<b>2,182.9</b>	<b>2,435.9</b>
Inventories	493.5	590.4	445.3	620.9	576.9	718.7	663.4	859.3
Trade and Other Receivables	149.7	162.8	164.4	167.4	216.0	231.4	247.0	260.1
Other Assets <sup>8</sup>	244.0	237.2	233.0	348.5	380.0	330.5	297.0	231.9
Cash and Cash Equivalents <sup>8</sup>	976.2	941.2	1,035.9	976.4	972.6	949.9	975.1	1,084.6
<b>Total Assets</b>	<b>2,116.5</b>	<b>2,196.4</b>	<b>2,202.0</b>	<b>2,477.9</b>	<b>2,538.2</b>	<b>2,687.0</b>	<b>2,710.5</b>	<b>3,003.4</b>
<b>Total Equity</b>	<b>1,271.4</b>	<b>1,278.3</b>	<b>1,332.5</b>	<b>1,342.9</b>	<b>1,407.5</b>	<b>1,415.1</b>	<b>1,473.6</b>	<b>1,474.9</b>
Issued capital	247.0	247.0	247.1	247.2	247.2	247.2	247.3	247.3
Capital Reserves	1,140.9	1,144.7	1,148.9	1,156.1	1,161.0	1,166.4	1,171.7	1,178.0
Retained Earnings	1.4	(0.1)	(0.9)	(2.9)	(2.4)	(5.3)	(0.6)	5.7
Accumulated Gain	(118.0)	(113.4)	(62.5)	(57.5)	(0.6)	6.8	54.6	44.2
Minority Interests	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.3)
<b>Total Non-Current Liabilities</b>	<b>31.3</b>	<b>29.6</b>	<b>29.0</b>	<b>30.5</b>	<b>32.5</b>	<b>29.5</b>	<b>55.8</b>	<b>60.0</b>
Financial Liabilities	14.4	13.6	12.8	12.0	11.2	10.5	9.8	8.9
Other Non-Current Liabilities	16.9	16.0	16.2	18.5	21.4	19.0	45.9	51.1
<b>Total Current Liabilities</b>	<b>813.8</b>	<b>888.4</b>	<b>840.5</b>	<b>1,104.5</b>	<b>1,098.2</b>	<b>1,242.5</b>	<b>1,181.1</b>	<b>1,468.5</b>
Trade Payables and Similar Obligations	645.8	737.7	675.3	946.2	920.5	1,047.9	947.3	1,234.7
Other Current Liabilities	168.0	150.8	165.2	158.3	177.7	194.6	233.8	233.7
<b>Total Equity &amp; Liabilities</b>	<b>2,116.5</b>	<b>2,196.4</b>	<b>2,202.0</b>	<b>2,477.9</b>	<b>2,538.2</b>	<b>2,687.0</b>	<b>2,710.5</b>	<b>3,003.4</b>
<b>Net Working Capital</b>	<b>(2.6)</b>	<b>15.5</b>	<b>(65.5)</b>	<b>(157.9)</b>	<b>(127.6)</b>	<b>(97.7)</b>	<b>(37.0)</b>	<b>(115.3)</b>

## CASH FLOW STATEMENT

EUR m	2015	2016	Q3/16	Q3/17	YTD/17
<b>Net Income</b>	<b>121.5</b>	<b>120.5</b>	<b>5.0</b>	<b>(11.1)</b>	<b>41.5</b>
Non-Cash Expenses from Share-Based Payments	17.9	19.9	6.8	6.3	17.2
Cash paid for settlement of Claims from Share-Based Payments	(2.3)	0.0	0.0	0.0	0.0
Depreciation	34.2	48.2	11.1	15.2	41.4
Income Taxes	(34.9)	72.5	4.4	1.5	34.2
Income Taxes Paid, Less Refunds	(0.0)	(33.8)	(4.6)	(15.1)	(34.5)
Change in Provisions	(0.5)	0.1	1.1	0.1	(0.1)
Other Non-Cash Income	(1.0)	1.2	0.3	(1.1)	1.9
Change in Inventories and Receivables	(154.2)	(147.4)	(178.6)	(209.1)	(312.9)
Change in Trade Liabilities	154.9	264.3	264.7	287.0	312.3
Change in Other Assets / Other Liabilities	(16.2)	(69.7)	(47.3)	18.6	53.7
<b>Cash Flow from Operating Activities</b>	<b>119.4</b>	<b>275.8</b>	<b>63.0</b>	<b>92.3</b>	<b>154.7</b>
Payments for Investments in Fixed and Intangible Assets	(60.0)	(181.7)	(47.7)	(45.7)	(175.6)
Payments for Acquisitions	(16.8)	(30.4)	0.0	(6.7)	(33.4)
Cash Paid for Investments in Term Deposits	(155.0)	(65.0)	(75.0)	70.0	160.0
Change in Restricted Cash	35.3	0.0	0.0	2.7	10.4
<b>Cash Flow from Investing Activities</b>	<b>(196.5)</b>	<b>(277.1)</b>	<b>(122.7)</b>	<b>20.3</b>	<b>(38.6)</b>
Payments Received from Capital Increases	6.4	1.1	0.6	0.0	0.6
Repurchase of treasury shares	(1.7)	(0.7)	0.0	0.0	(0.7)
Cash Repayments of Loans	(3.2)	(3.2)	(0.8)	(0.5)	(2.2)
<b>Cash Flow from Financing Activities</b>	<b>1.5</b>	<b>(2.9)</b>	<b>(0.2)</b>	<b>(0.5)</b>	<b>(2.3)</b>
<b>Change in Cash and Cash Equivalents</b>	<b>(75.7)</b>	<b>(4.1)</b>	<b>(60.0)</b>	<b>112.0</b>	<b>113.8</b>
<b>Effect of exchange rate on cash and cash equivalents</b>	<b>0.9</b>	<b>0.5</b>	<b>0.5</b>	<b>(2.5)</b>	<b>(1.8)</b>

<sup>1</sup> 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.

<sup>2</sup> Mobile is defined as tablets, mobile site and apps.

<sup>3</sup> 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.

<sup>4</sup> 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.

<sup>5</sup> 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.

<sup>6</sup> 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.

<sup>7</sup> 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.

<sup>8</sup> 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.