

ZALANDO POWERS AHEAD IN FIRST HALF OF 2015

- **Positive outlook for second half: revenue growth guidance for FY 2015 raised to 28-31 percent, adjusted EBIT margin guidance reconfirmed at 4.5 percent**
 - **Half year revenues up 31.5 percent to EUR 1.38 billion, 16.4 million active customers; adjusted EBIT at EUR 59.2 million or 4.3 percent margin**
 - **Construction of third self-designed logistics hub in Germany to start in fall 2015, Monchengladbach to be expanded to maximum capacity, satellite warehouse outside of Germany to be piloted**
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BERLIN, AUGUST 13, 2015 // Zalando SE, Europe's leading online platform for fashion, has further accelerated its growth momentum in the first half of 2015 by continued focus on customer experience. As a result, management now forecasts revenue growth of 28-31 percent for the financial year 2015, significantly above the initial 20-25 percent guidance.

To enable continued growth and customer satisfaction, Zalando evolves its warehouse footprint, with the focus on three pillars: The construction of a third self-designed logistics hub in Germany, expanding capacity at the existing warehouse in Monchengladbach to the maximum, as well as piloting the first satellite warehouse in Italy. Construction of the new hub in Germany, which will have similar capacity to Erfurt and Monchengladbach, is set to start in fall 2015, with completion of the first stage and manual operation planned for late 2016. Full capacity in Monchengladbach will be reached in the first half of 2017. Together with a service provider, piloting Zalando's first satellite warehouse in Italy is set to start in early 2016.

Rubin Ritter, Member of the Management Board, said: "Zalando is powering ahead to take full advantage of the great opportunities in European fashion e-commerce. Thanks to our clear focus on customer satisfaction, we have delivered exceptional revenue growth at scale and improving profitability in the first half of 2015."

Reaccelerated growth combined with clear profitability

Zalando's revenue growth reaccelerated significantly: Group revenues rose by 31.5 percent to EUR 1.38 billion in the first half of 2015 (HY 2014: EUR 1.05 billion), mainly driven by a considerably larger active customer base. In the DACH segment, revenue grew by 27.6 percent to EUR 758.1 million in the first half of 2015 (HY 2014: EUR 594.2 million). In the Rest of Europe segment, revenue grew by 37.8 percent from EUR 399.3 million to EUR 550.3 million. Revenues in the Other segment grew by 27.2 percent to EUR 68.1 million (HY 2014: EUR 53.6 million).

Zalando achieved clear profitability with an adjusted EBIT of EUR 59.2 million in the first half of 2015, corresponding to an adjusted EBIT margin of 4.3 percent (HY 2014: EUR 12.4 million, 1.2 percent). Adjusted EBIT in the DACH region was at EUR 46.8 million or a margin of 6.2 percent (HY 2014: EUR 27.3 million, 4.6 percent). The Rest of Europe segment achieved break even with a margin of 1.2 percent or adjusted EBIT of EUR 6.6 million (HY 2014: EUR -18.4 million, -4.6 percent). The segment Other recorded an adjusted EBIT of EUR 5.8 million or a margin of 8.5 percent (HY 2014: EUR 3.5 million, 6.5 percent).

In the second quarter of 2015, Zalando achieved revenues of EUR 733.0 million, up 34.1 percent (Q2 2014: EUR 546.4 million). Adjusted EBIT was EUR 30.2 million at group level, corresponding to an EBIT margin of 4.1 percent (Q2 2014: EUR 35.1 million, 6.4 percent). Group EBIT was adversely affected by a temporary increase in payment costs.

Active customers grow to 16.4 million, headcount rises by about 1,500 employees

The number of active customers grew strongly to a total of 16.4 million (Q2 2014: 13.7 million) in the second quarter, or by one million additional active customers compared to the first quarter 2015. Zalando registered 412 million visits in the second quarter of 2015 (Q2 2014: 323 million visits). Visits from mobile devices were up further to 57 percent during the second quarter. The Zalando app was downloaded about 11 million times by the end of the second quarter of 2015. Compared to 7,588 employees as of December 31, 2014, the headcount rose by 1,491 to 9,079 employees as of June 30, 2015. The significant growth was primarily driven by hiring in the fulfillment centers and the tech departments.

Zalando raises revenue guidance for 2015

Following a strong spring/summer season, during the second quarter of 2015 revenues have continued to develop above expectations. Given its first half-year performance, Zalando is now expecting to exceed its annual revenue growth corridor of 20-25 percent for 2015 and is increasing guidance to 28-31 percent. Guidance for 2015 adjusted EBIT margin remains unchanged at around 4.5 percent.

Zalando group – Revenues and adjusted EBIT (EUR million)

	Q2 2015	Q2 2014	HY 2015	HY 2014	FY 2014
Group revenues	733.0	546.4	1,376.6	1,047.1	2,214.0
% growth	34.1%	25.1%	31.5%	29.5%	25.7%
DACH ¹	411.0	310.3	758.1	594.2	1,234.0
<i>% growth</i>	<i>32.5%</i>	<i>16.0%</i>	<i>27.6%</i>	<i>21.2%</i>	<i>16.8%</i>
Rest of Europe ²	285.3	206.1	550.3	399.3	862.6
<i>% growth</i>	<i>38.5%</i>	<i>35.6%</i>	<i>37.8%</i>	<i>39.6%</i>	<i>36.9%</i>
Other ³	36.6	30.0	68.1	53.6	117.4
<i>% growth</i>	<i>21.9%</i>	<i>75.5%</i>	<i>27.2%</i>	<i>65.6%</i>	<i>55.0%</i>
Adjusted group EBIT⁴	30.2	35.1	59.2	12.4	82.0
Adjusted group EBIT margin	4.1%	6.4%	4.3%	1.2%	3.7%
DACH ^{1 4}	14.4	27.5	46.8	27.3	83.0
<i>Adjusted EBIT margin</i>	<i>3.5%</i>	<i>8.9%</i>	<i>6.2%</i>	<i>4.6%</i>	<i>6.7%</i>
Rest of Europe ^{2 4}	11.3	3.4	6.6	-18.4	-11.6
<i>Adjusted EBIT margin</i>	<i>4.0%</i>	<i>1.7%</i>	<i>1.2%</i>	<i>-4.6%</i>	<i>-1.3%</i>
Other ^{3 4}	4.4	4.2	5.8	3.5	10.5
<i>Adjusted EBIT margin</i>	<i>12.0%</i>	<i>14.0%</i>	<i>8.5%</i>	<i>6.5%</i>	<i>9.0%</i>

1. DACH segment is comprised of Germany, Austria, and Switzerland.

2. Rest of Europe segment includes all other countries in which Zalando presently operates.

3. All other sales channels are grouped into the segment Other, which mainly includes Zalando Lounge and the Zalando outlet stores in Berlin and Frankfurt.

4. Adjusted to exclude equity-settled stock based compensation costs.

Zalando's half year report is available [online](#), additional details regarding payment costs can be found in the [earnings presentation](#). Zalando will report figures for the third quarter 2015 on November 12, 2015 and publish a trading update prior to that. The publication date of the trading update will be announced on the Zalando Investor Relations website in advance.

NOTES TO EDITORS

ABOUT ZALANDO

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 three centrally located fulfillment centers in Germany allows us to efficiently serve our customers throughout Europe. 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 135 million visits per month. In the second quarter of 2015, around 57 percent of traffic came from mobile devices, resulting in close to 16.4 million active customers by the end of the quarter.

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