

Q3 TRADING UPDATE: ZALANDO RAISES FULL-YEAR ADJUSTED EBIT MARGIN GUIDANCE

- **Zalando expects a full-year adjusted EBIT margin of 5.0-6.0%**
 - **Q3 revenues at EUR 827-841 million (16-18% growth)**
 - **Adjusted EBIT of EUR 8-25 million (1.0-3.0% margin)**
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BERLIN, OCTOBER 18, 2016 // Zalando SE, Europe's leading online platform for fashion, grew group revenues in the third quarter of 2016 to EUR 827-841 million or by 16-18% (Q3 2015: EUR 713 million), according to preliminary figures. Zalando expects to achieve an adjusted EBIT of EUR 8-25 million, corresponding to an adjusted EBIT margin of 1.0-3.0% (Q3 2015: EUR -24 million, -3.3%). In the first nine months of 2016 Zalando achieved revenues of EUR 2,540-2,554 million, growing by around 22% (first nine months 2015: EUR 2,090 million). Adjusted EBIT for the first nine months is expected to come in at EUR 109-126 million, a margin of around 4.6% at the mid-point of the range (first nine months 2015: EUR 36 million, 1.7%).

Rubin Ritter, co-CEO, said: "In the third quarter we outperformed a sluggish fashion market and improved our profitability significantly, allowing us to increase our guidance for the full-year EBIT margin. We remain on track to reach our targeted revenue growth for the full year. This proves again our ability to find the adequate tradeoff between growth and margin, depending on market conditions."

As a result, Zalando reiterates its growth ambition for the next few years with 2016 coming in towards the higher end of the 20-25% growth corridor and increases full-year adjusted EBIT margin guidance for 2016 to 5.0-6.0%.

All figures reported herein are preliminary and unaudited. Full financial disclosure for the third quarter will be published on November 10, 2016.

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 160 million visits per month. In the second quarter of 2016, around 65 per cent of traffic came from mobile devices, resulting in 18.8 million active customers by the end of the quarter.

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