

Capital Markets Day
2019



ZALANDO. THE STARTING POINT FOR FASHION



FEBRUARY 28, 2019



**HIGHLIGHTS AND
BUSINESS UPDATE**

HIGHLIGHTS AND LOWLIGHTS Q4/18

HIGHLIGHTS



+25%
Revenue growth

Strong growth at upper end of target corridor

+31%
Site visits

Significant traffic increase

+1.3m
Active customers

Strongest quarterly increase in 5 years

€118m
Adj. EBIT

Solid margin >7%

LOWLIGHTS



-5.0%
Average basket size

Continuing trend of decreasing basket economics

-1.5pp
Gross margin yoy

Higher discounting level

RECORD-BREAKING BLACK FRIDAY PROVES SCALABILITY OF OUR OPERATIONS AND SYSTEMS



More than **23,000,000 site visits**

Our customers ordered **~2,000,000 times**

Acquired **220,000 new customers**

Cohort quality comparable to rest of year

More than **60% GMV growth** compared to Black Friday 2017

Our operations and systems were tested to the maximum: **>4,200 orders per minute**

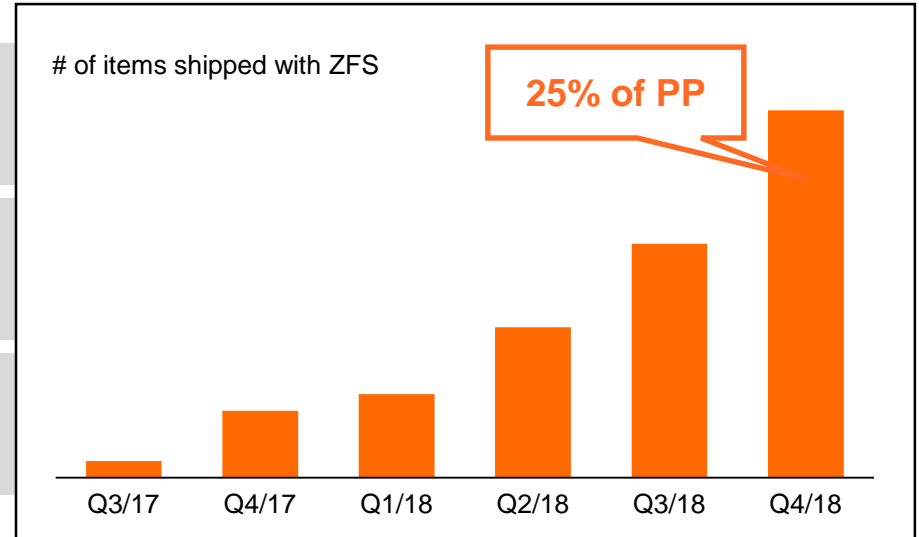
PLATFORM TRANSITION FURTHER UNFOLDING, DELIVERING IMPORTANT PROOF POINTS

More than **25% of Partner Program items** are now fulfilled by Zalando Fulfillment Solutions (ZFS)

Partner Program customer proposition approaching wholesale:
NPS now on par with wholesale NPS

Strong push in internationalization:
Share of Partner Program outside Germany above 40%

ZFS COVERAGE OF PARTNER PROGRAM ITEMS



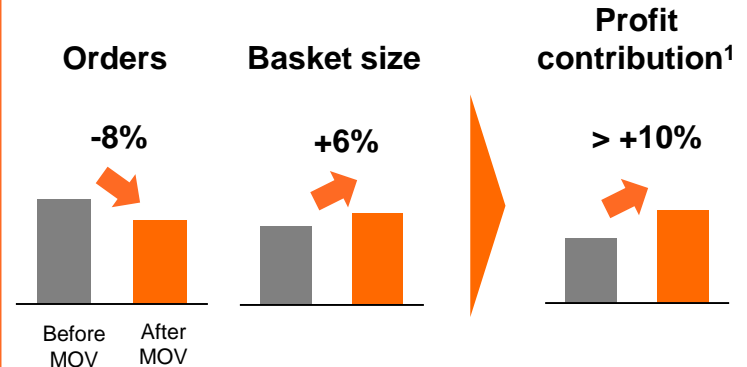
INTRODUCTION OF A MINIMUM ORDER VALUE AS FIRST STEP TOWARDS DE-AVERAGING THE CUSTOMER EXPERIENCE

MOV is an important element to de-average customer experience

- Move from a “one-size-fits-all” offering to a differentiated customer experience
- MOV allows us to continue to offer merchandise customers are looking for at all price points
- Maintain leading convenience proposition with lowest fee in market

Positive impact on unit economics

🇮🇹 Introduction in Italy in November



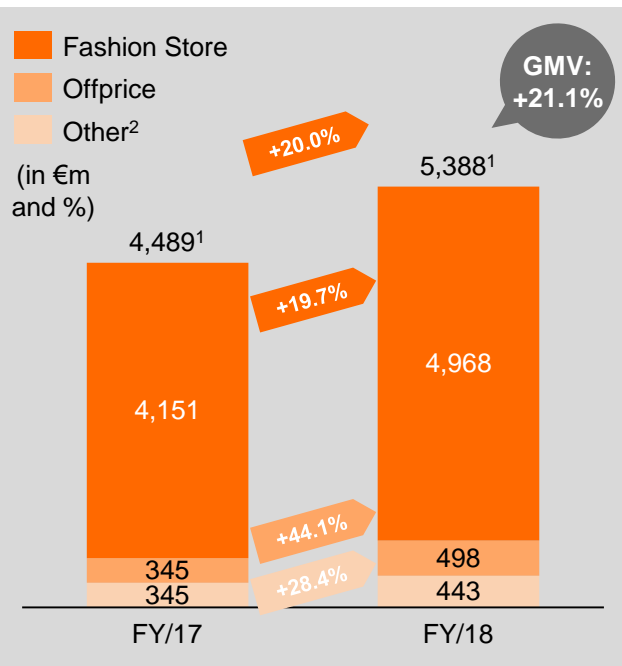
FINANCIAL UPDATE Q4/2018

AS PLATFORM TRANSITION UNFOLDS, GMV WILL BE KEY GROWTH METRIC

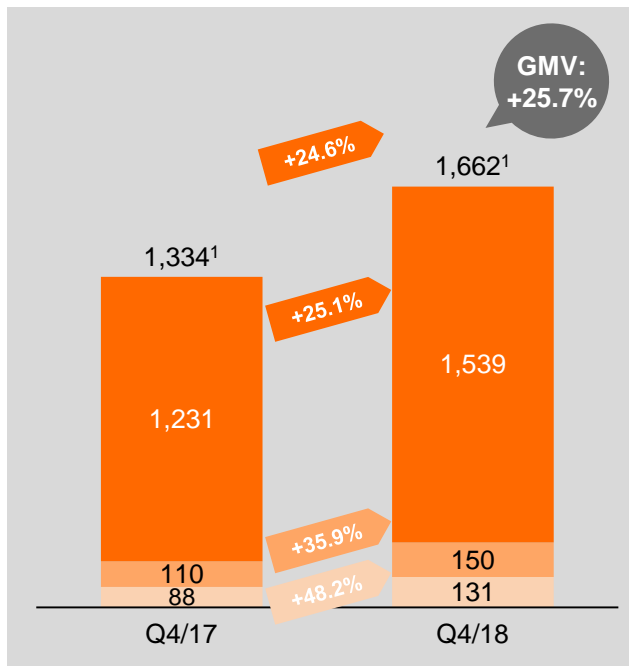
| GMV to revenue bridge Q4/18 | Impact | Comment |
|----------------------------------|--------|---|
| GMV growth Q4/18 | +25.7% | <ul style="list-style-type: none">• Net¹ B2C merchandise value incl. VAT |
| Increasing Partner Program share | - | <ul style="list-style-type: none">• Only commission is booked as revenue |
| B2B and other B2C revenue | + | <ul style="list-style-type: none">• Only in revenue: ZFS, ZMS, Plus, etc. |
| Revenue recognition | +/- | <ul style="list-style-type: none">• Point of order (GMV) vs. customer receipt (revenue) |
| Revenue growth Q4/18 | +24.6% | <ul style="list-style-type: none">• IFRS standards |

STRONG GROWTH FINISH TO THE YEAR

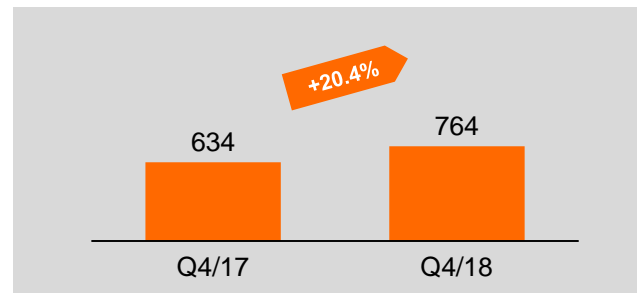
REVENUE: GROUP (FY)



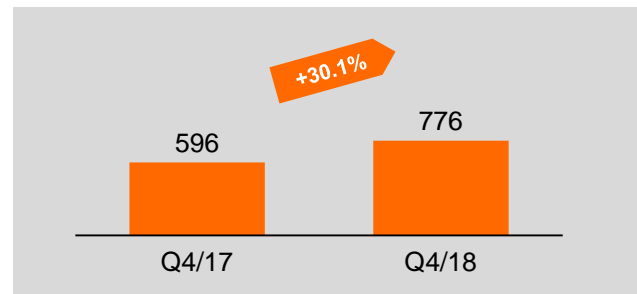
GROUP (Q4)



FASHION STORE – DACH (Q4)

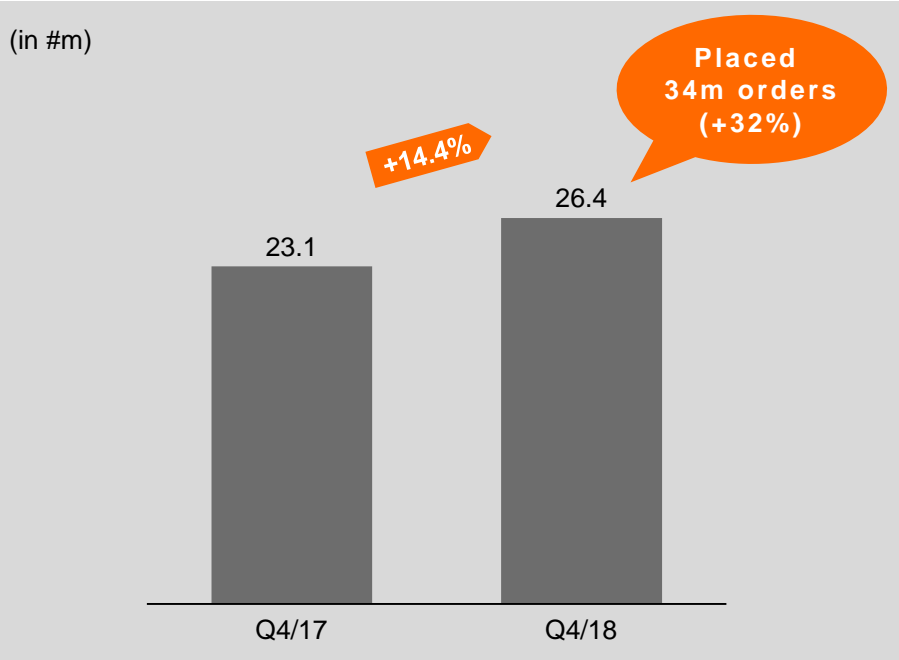


FASHION STORE – REST OF EUROPE (Q4)

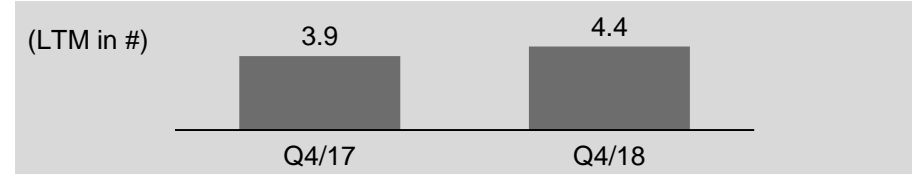


STRONGEST ABSOLUTE GROWTH IN ACTIVE CUSTOMERS SINCE Q2/13

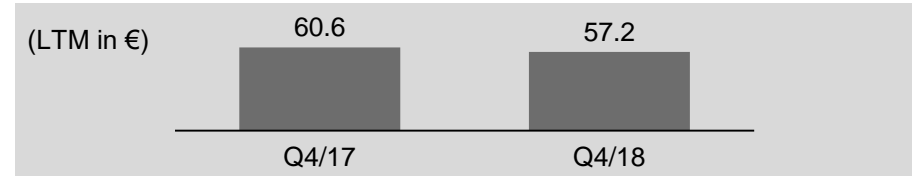
ACTIVE CUSTOMERS



AVERAGE ORDERS PER ACTIVE CUSTOMER



AVERAGE BASKET SIZE AFTER RETURNS¹

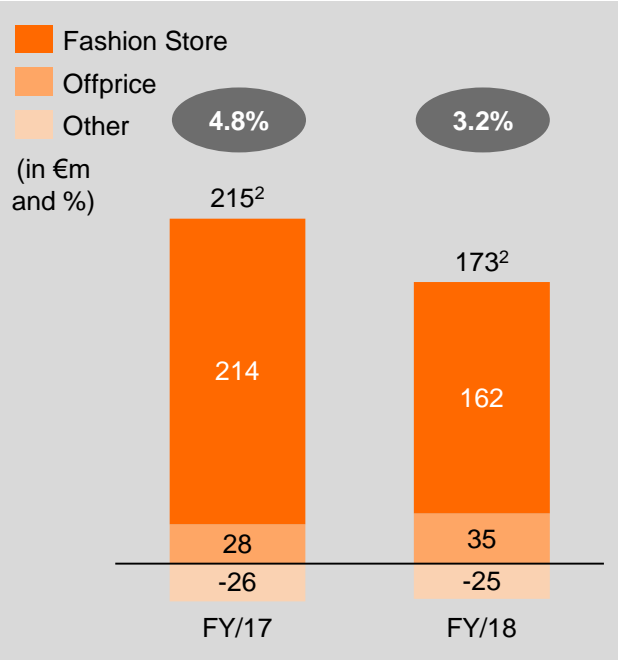


GMV PER ACTIVE CUSTOMER²

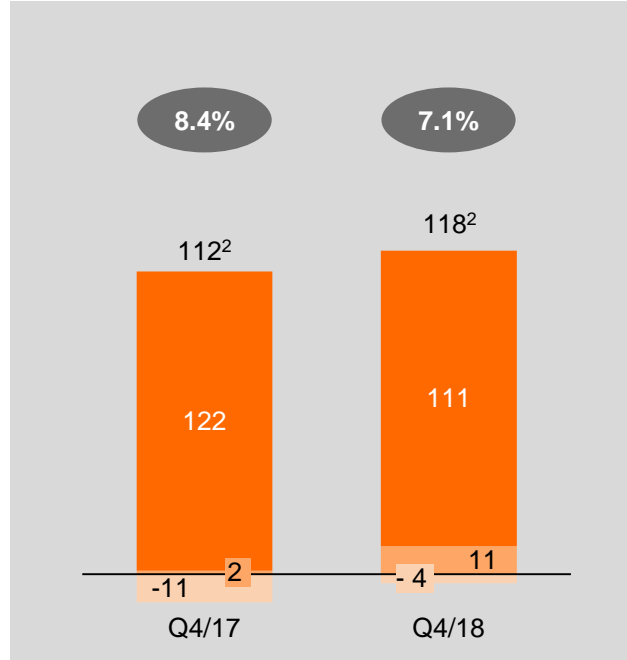


STABLE Q4 EBIT AT 7% MARGIN DESPITE INVESTMENTS

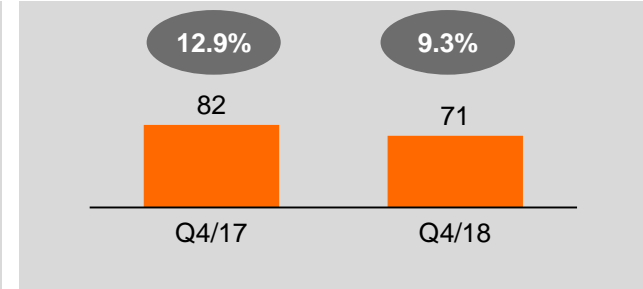
ADJ. EBIT: GROUP (FY)¹



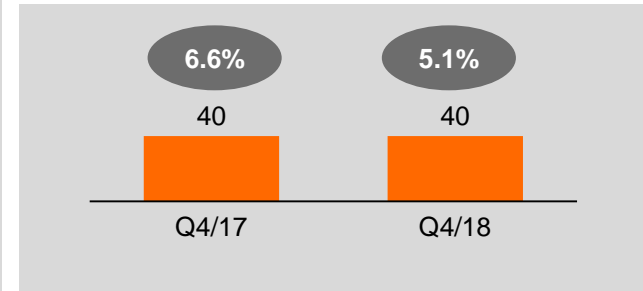
GROUP (Q4)¹



FASHION STORE – DACH (Q4)



FASHION STORE – REST OF EUROPE (Q4)



(1) Excluding equity-settled share-based payment expense ("SBC"), restructuring costs and non-operating one-time effects of €54.2m in FY/18 (FY/17: €27.5m),

Q4/18: €15.1m (Q4/17: €10.3m)

(2) FY/18 (FY17) contains €0.7m (-€0.0m) reconciliation of internal adj. EBIT. Q4/18 (Q4/17): -€0.1m (€0.0m)

HIGHER DISCOUNTING LEVEL, BUT LOWER PRESSURE ON FULFILLMENT COSTS

COSTS AND MARGINS¹

(in % of revenue)

| | FY | | | Q 4 | | |
|--|---------|---------|---------|---------|---------|---------|
| | 2017 | 2018 | Delta | 2017 | 2018 | Delta |
| COST OF SALES | (56.2%) | (57.6%) | 1.4pp | (54.8%) | (56.3%) | 1.5pp |
| GROSS PROFIT | 43.8% | 42.4% | (1.4pp) | 45.2% | 43.7% | (1.5pp) |
| FULFILLMENT COSTS | (25.9%) | (27.7%) | 1.8pp | (24.9%) | (25.4%) | 0.5pp |
| MARKETING COSTS | (7.9%) | (7.2%) | (0.7pp) | (7.0%) | (7.4%) | 0.4pp |
| ADMINISTRATIVE EXPENSES & OTHER | (5.3%) | (4.4%) | (0.9pp) | (4.8%) | (3.7%) | (1.1pp) |
| ADJ. EBIT | 4.8% | 3.2% | (1.6pp) | 8.4% | 7.1% | (1.3pp) |

Higher discounting, in line with market

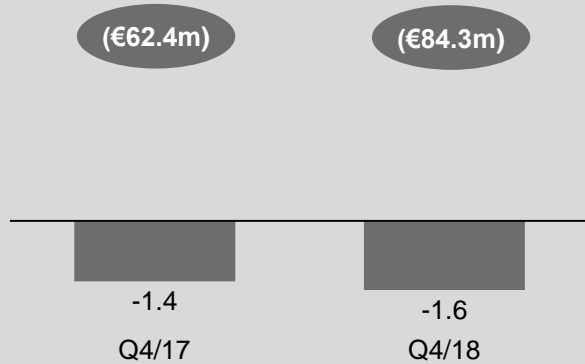
Lower order split and return rate

Marketing investment as planned

WORKING CAPITAL AND CAPEX IN LINE WITH GUIDANCE

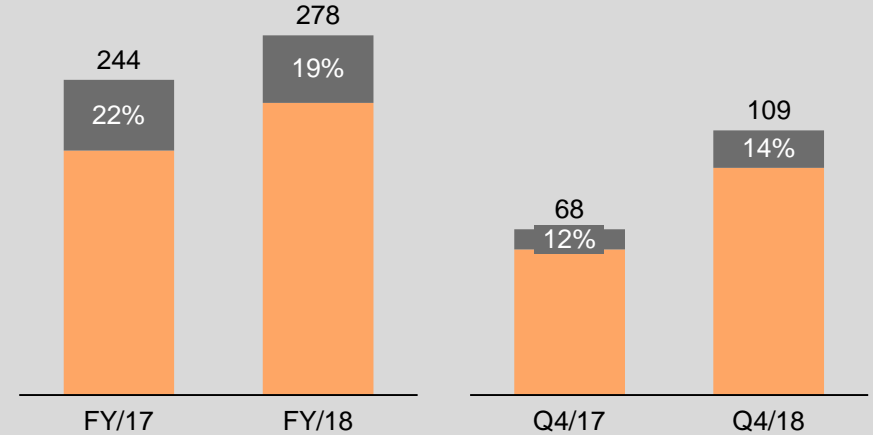
NET WORKING CAPITAL (END OF Q4)

(in % of annualized revenue)



CAPITAL EXPENDITURE¹

■ Intangibles
■ PP&E
(in €m)



OUTLOOK

IN 2018, WE MADE STRONG PROGRESS WITH OUR PLATFORM TRANSITION WHILE CAPTURING IMPORTANT LEARNINGS

ACHIEVEMENTS

- Significantly increased scale**
 - >3bn site visits
 - >110m orders
 - >26m active customers
- Platform transition unfolding**
 - >10% PP GMV share
 - >25% ZFS share¹
 - >60% ZMS growth
- New growth opportunities**
 - Added **beauty**
 - Entered **new markets**
 - Roll-out **Zalando Plus**



LEARNINGS

- We are operating in a **challenging environment**
- Customer behavior and Partner Program with **strong impact on basket economics**
- We need to **actively manage platform transition**

WE WILL CONTINUE ON OUR PLATFORM TRANSITION

GMV GROWTH IN 20-25% RANGE; REVENUE GROWTH AT THE LOW END OF THE 20 – 25% RANGE

ADJ. EBIT¹: €175 – 225M

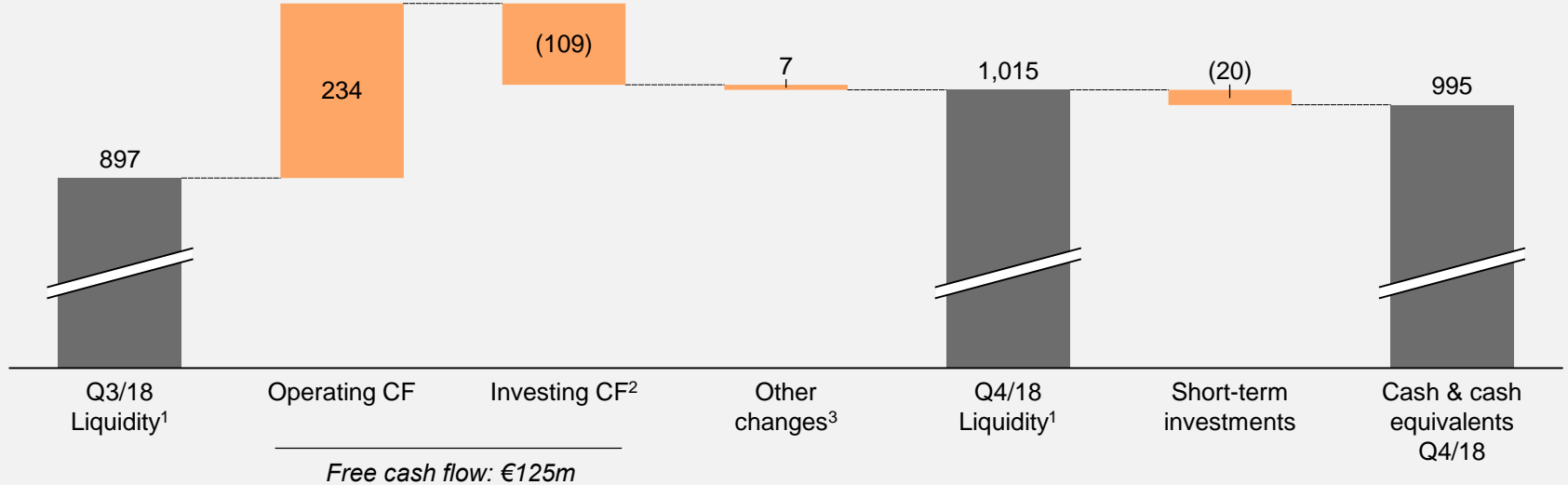
SLIGHTLY NEGATIVE WORKING CAPITAL + AROUND €300M CAPEX²

Q & A



CONTINUED STRONG LIQUIDITY POSITION

(in €m)



(1) Both Q3/18 and Q4/18 liquidity include investments into short-term deposits with maturity of more than 3 and less than 12 months of -€20m, respectively.

(2) Includes investments in fixed and intangible assets and payments for acquisitions and change in restricted cash (+€1.0m)

(3) Includes financing cash flow (-€8.6m) and effect of exchange rate on cash and cash equivalents (+€1.6m).

ISSUED SHARE CAPITAL

SHARE INFORMATION (AS OF DEC 31, 2018)

| | |
|---|---|
| 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 |
| Total Number of Shares Outstanding | 250,649,759 |
| Issued Share Capital | €250,649,759 |

STOCK OPTION PROGRAMS (AS OF DEC 31, 2018)

| Program | # Options outstanding | Weighted average exercise price (EUR) |
|-----------------------|-----------------------|---------------------------------------|
| SOP 2011 ¹ | 1,346,400 | 5.65 |
| SOP 2013 ¹ | 9,445,771 | 15.37 |
| SOP 2014 ¹ | 4,119,559 | 20.15 |
| LTI 2018 | 5,250,000 | 47.44 |
| Total | 20,161,730 | 24.05 |

EMPLOYEE INCENTIVE PLANS (AS OF DEC 31, 2018)

| Program | # Options outstanding | Weighted average exercise price (EUR) |
|--------------|-----------------------|---------------------------------------|
| EIP | 3,470,790 | 36.07 |
| VSOP 2017 | 870,000 | 42.24 |
| VSOP 2018 | 750,000 | 47.44 |
| Total | 5,090,790 | 38.80 |

INCOME STATEMENT

| €m | FY/15 ¹ | FY/16 ¹ | FY/17 ¹ | FY/18 | Q4/17 ¹ | Q4/18 |
|--------------------------------|--------------------|--------------------|--------------------|----------------|--------------------|----------------|
| Revenue | 2,958.2 | 3,639.0 | 4,489.0 | 5,387.9 | 1,333.7 | 1,661.6 |
| <i>% growth</i> | 33.6% | 23.0% | 23.4% | 20.0% | 22.2% | 24.6% |
| Cost of Sales | (1,624.0) | (2,029.6) | (2,529.6) | (3,107.0) | (733.6) | (936.8) |
| Gross Profit | 1,334.1 | 1,609.4 | 1,959.4 | 2,280.9 | 600.1 | 724.8 |
| <i>% margin</i> | 45.1% | 44.2% | 43.6% | 42.3% | 45.0% | 43.6% |
| Selling and Distribution Costs | (1,118.9) | (1,223.7) | (1,530.8) | (1,899.2) | (429.8) | (547.4) |
| Administrative Expenses | (129.0) | (191.3) | (242.9) | (268.9) | (67.1) | (73.1) |
| Other Operating Income | 10.2 | 16.7 | 11.8 | 18.7 | 4.3 | 7.9 |
| Other Operating Expenses | (7.0) | (4.1) | (9.9) | (12.3) | (5.1) | (9.4) |
| EBIT | 89.6 | 207.0 | 187.6 | 119.2 | 102.3 | 102.7 |
| <i>% margin</i> | 3.0% | 5.7% | 4.2% | 2.2% | 7.7% | 6.2% |
| Net Financial Result | (3.0) | (14.1) | (12.4) | (13.6) | (2.8) | (7.9) |
| EBT | 86.6 | 192.9 | 175.2 | 105.6 | 99.5 | 94.8 |
| <i>% margin</i> | 2.9% | 5.3% | 3.9% | 2.0% | 7.5% | 5.7% |
| Income and Other Tax | 34.9 | (72.5) | (73.6) | (54.4) | (39.4) | (38.7) |
| Net Income | 121.5 | 120.5 | 101.6 | 51.2 | 60.1 | 56.1 |
| <i>% margin</i> | 4.1% | 3.3% | 2.3% | 0.9% | 4.5% | 3.4% |
| Depreciation & Amortization | 34.2 | 48.2 | 58.7 | 86.5 | 17.4 | 27.0 |
| EBITDA | 123.8 | 255.2 | 246.4 | 205.7 | 119.7 | 129.8 |
| <i>% margin</i> | 4.2% | 7.0% | 5.5% | 3.8% | 9.0% | 7.8% |
| Share Based Compensation (SBC) | 17.9 | 19.9 | 27.5 | 43.3 | 10.3 | 15.1 |
| Adj. EBIT² | 107.5 | 216.3 | 215.1 | 173.4 | 112.6 | 117.8 |
| <i>% margin</i> | 3.6% | 5.9% | 4.8% | 3.2% | 8.4% | 7.1% |
| Adj. EBITDA² | 141.7 | 264.5 | 273.8 | 259.9 | 130.0 | 144.9 |
| <i>% margin</i> | 4.8% | 7.3% | 6.1% | 4.8% | 9.7% | 8.7% |

SHARE BASED COMPENSATION

| €m | FY/15 | FY/16 | FY/17 | FY/18 | Q4/17 | Q4/18 |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Per Income Statement Line Item | | | | | | |
| Cost of Sales | 4.5 | 5.0 | 6.9 | 3.6 | 2.4 | 1.0 |
| Selling and Distribution Costs | 9.0 | 9.9 | 13.7 | 10.1 | 4.9 | 2.9 |
| Administrative Expenses | 4.5 | 5.0 | 6.9 | 29.5 | 2.9 | 11.2 |
| Share Based Compensation | 17.9 | 19.9 | 27.5 | 43.3 | 10.3 | 15.1 |
| As % of revenue | FY/15 | FY/16 | FY/17 | FY/18 | Q4/17 | Q4/18 |
| Per Income Statement Line Item | | | | | | |
| Cost of Sales | 0.2% | 0.1% | 0.2% | 0.1% | 0.2% | 0.1% |
| Selling and Distribution Costs | 0.3% | 0.3% | 0.3% | 0.2% | 0.4% | 0.2% |
| Administrative Expenses | 0.2% | 0.1% | 0.2% | 0.5% | 0.2% | 0.7% |
| Share Based Compensation | 0.6% | 0.5% | 0.6% | 0.8% | 0.8% | 0.9% |

SEGMENTS¹

| €m | FY/15 | FY/16 | FY/17 (reported) | FY/17 (restated) | FY/18 | Q4/17 (restated) | Q4/18 |
|--------------------------------|----------------|----------------|------------------|------------------|----------------|------------------|----------------|
| Revenue | 2,958.2 | 3,639.0 | 4,489.0 | 4,489.0 | 5,387.9 | 1,333.7 | 1,661.6 |
| Fashion Store | | | | 4,150.5 | 4,967.7 | 1,230.7 | 1,539.1 |
| <i>thereof DACH</i> | 1,580.1 | 1,813.8 | 2,145.6 | 2,150.0 | 2,483.7 | 634.4 | 763.5 |
| <i>thereof Rest of Europe</i> | 1,211.6 | 1,570.2 | 1,973.6 | 2,000.5 | 2,484.0 | 596.3 | 775.6 |
| Offprice | | | | 345.3 | 497.5 | 110.1 | 149.7 |
| Other | 166.5 | 255.1 | 369.9 | 345.3 | 444.8 | 88.5 | 132.8 |
| Reconciliation | | | | (352.0) | (522.0) | (95.6) | (160.0) |
| As % of total | 100.0% | 100.0% | 100% | 100.0% | 100.0% | 100.0% | 100.0% |
| Fashion Store | | | | 92.5% | 92.2% | 92.3% | 92.6% |
| Fashion Store – DACH | 53.4% | 49.8% | 47.8% | 47.9% | 46.1% | 47.6% | 46.0% |
| Fashion Store – Rest of Europe | 41.0% | 43.1% | 44.0% | 44.6% | 46.1% | 44.7% | 46.7% |
| Offprice | | | | 7.7% | 9.2% | 8.3% | 9.0% |
| Other | 5.6% | 7.0% | 8.2% | 7.7% | 8.3% | 6.6% | 8.0% |
| Reconciliation | | | | (7.8%) | (9.7%) | (7.2%) | (9.6%) |
| Adjusted EBIT | 107.5 | 216.3 | 215.1 | 215.1 | 173.4 | 112.6 | 117.8 |
| Fashion Store | | | | 213.7 | 162.0 | 121.5 | 110.9 |
| <i>thereof DACH</i> | 101.9 | 226.3 | 188.5 | 193.5 | 139.9 | 81.9 | 71.1 |
| <i>thereof Rest of Europe</i> | (3.3) | (3.3) | 21.6 | 20.3 | 22.0 | 39.6 | 39.7 |
| Offprice | | | | 27.6 | 35.2 | 1.9 | 11.1 |
| Other | 8.9 | (6.7) | 5.0 | (26.3) | (24.4) | (10.8) | (4.0) |
| Reconciliation | | | | 0.0 | 0.7 | (0.0) | (0.1) |
| % adjusted margin | 3.6% | 5.9% | 4.8% | 4.8% | 3.2% | (8.4%) | (7.1%) |
| Fashion Store | | | | 5.2% | 3.3% | 9.9% | 7.2% |
| Fashion Store – DACH | 6.4% | 12.5% | 8.8% | 9.0% | 5.6% | 12.9% | 9.3% |
| Fashion Store – Rest of Europe | (0.3%) | (0.2%) | 1.1% | 1.0% | 0.9% | 6.6% | 5.1% |
| Offprice | | | | 8.0% | 7.1% | 1.8% | 7.4% |
| Other | | 5.3% | 1.3% | (7.6%) | (5.5%) | (12.2%) | (3.0%) |
| Reconciliation | | | | 0.0% | (0.1%) | (0.0%) | 0.1% |

BALANCE SHEET

| €m | Q4/17 | Q4/17 (% of total assets) | Q4/18 | Q4/18 (% of total assets) |
|---|----------------|------------------------------|----------------|------------------------------|
| Total Non-Current Assets | 569.6 | 19.1% | 760.2 | 23.5% |
| Thereof: Property, Plant and Equipment | 350.5 | 11.8% | 546.4 | 16.9% |
| Other Financial Assets | 31.8 | 1.1% | 18.7 | 0.6% |
| Non-Financial Assets | 3.5 | 0.1% | 3.8 | 0.1% |
| Other Non-Current Assets | 183.8 | 6.1% | 191.4 | 5.8% |
| Total Current Assets | 2,410.7 | 80.9% | 2,473.5 | 76.5% |
| Thereof: Inventories | 778.9 | 26.1% | 819.5 | 25.3% |
| Trade and Other Receivables | 278.7 | 9.4% | 395.1 | 12.2% |
| Other Assets ¹ | 287.6 | 9.7% | 263.9 | 8.2% |
| Cash and Cash Equivalents ¹ | 1,065.5 | 35.8% | 995.0 | 30.8% |
| Total Assets | 2,980.3 | 100.0% | 3,233.7 | 100.0% |
| Total Equity | 1,539.0 | 51.6% | 1,549.1 | 47.9% |
| Thereof: Issued Capital | 247.2 | 8.3% | 247.9 | 7.7% |
| Capital Reserves | 1,182.4 | 39.7% | 1,155.6 | 35.7% |
| Retained earnings | 8.7 | 0.3% | (4.9) | -0.2% |
| Accumulated Loss | 100.7 | 3.4% | 150.7 | 4.7% |
| Minority Interests | (0.1) | 0.0% | (0.1) | 0.0% |
| Total Non-Current Liabilities | 71.9 | 2.4% | 70.9 | 2.2% |
| Thereof: Financial Liabilities | 8.4 | 0.3% | 5.6 | 0.2% |
| Other Non-Current Liabilities | 63.5 | 2.1% | 65.3 | 2.0% |
| Total Current Liabilities | 1,369.5 | 46.0% | 1,613.7 | 49.9% |
| Thereof: Trade Payables and Similar Obligations | 1,120.0 | 37.6% | 1,298.9 | 40.2% |
| Other Current Liabilities | 249.5 | 8.4% | 314.8 | 9.7% |
| Total Equity & Liabilities | 2,980.4 | 100.0% | 3,233.7 | 100.0% |
| Net Working Capital | (62.4) | (1.2%) | (84.3) | (1.3%) |

CASH FLOW STATEMENT

| €m | FY/15 | FY/16 | FY/17 | FY/18 | Q4/17 | Q4/18 |
|--|----------------|----------------|---------------|----------------|---------------|----------------|
| Net Income | 121.5 | 120.5 | 101.6 | 51.2 | 60.1 | 56.1 |
| Non-Cash Expenses from Share-Based Payments | 17.9 | 19.9 | 27.5 | 43.3 | 10.3 | 15.1 |
| Cash Settlement of Claims from Share-Based Payments | (2.3) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Depreciation & Amortization | 34.2 | 48.2 | 58.7 | 86.5 | 17.4 | 27.0 |
| Income Taxes | (34.9) | 72.5 | 73.6 | 54.4 | 39.4 | 38.7 |
| Income Taxes Paid, Less Refunds | (0.0) | (33.8) | (49.4) | (42.4) | (14.9) | (10.5) |
| Change in Provisions | (0.5) | 0.1 | (1.5) | 0.3 | (1.3) | (0.2) |
| Other Non-Cash Income | (1.0) | 1.2 | 6.5 | 4.2 | 4.6 | 3.6 |
| Change in Inventories and Receivables | (154.2) | (147.4) | (251.0) | (157.0) | 61.8 | 134.5 |
| Change in Trade Liabilities | 154.9 | 264.3 | 198.4 | 180.6 | (113.9) | (44.0) |
| Change in Other Assets/Other Liabilities | (16.2) | (69.7) | 29.2 | (8.5) | (24.4) | 13.4 |
| Cash Flow from Operating Activities | 119.4 | 275.8 | 193.7 | 212.8 | 39.0 | 233.9 |
| Payments received from the sale of fixed assets | - | - | - | 58.9 | - | 1.9 |
| Payments for Investments in Fixed and Intangible Assets | (60.0) | (181.7) | (243.9) | (278.4) | (68.2) | (109.1) |
| Payments for Acquisitions | (16.8) | (30.4) | (34.9) | (7.1) | (1.5) | (1.8) |
| Cash Paid for Investments in Term Deposits | (155.0) | (65.0) | 180.0 | 20.0 | 20.0 | 0.0 |
| Change in Restricted Cash | 35.3 | 0.0 | 10.4 | (0.4) | 0.0 | 0.0 |
| Cash Flow from Investing Activities | (196.5) | (277.1) | (88.3) | (207.0) | (49.7) | (108.9) |
| Payments Received from Capital Increases | 6.4 | 1.1 | 3.9 | 38.2 | 3.3 | 3.1 |
| Cash Received from Loans | 0.0 | (0.7) | 0.0 | 0.0 | 0.0 | 0.0 |
| Repurchase of treasury shares | (1.7) | 0.0 | (11.3) | (111.3) | (10.6) | (10.8) |
| Cash Repayments of Loans | (3.2) | (3.2) | (3.2) | (2.8) | (1.1) | (1.0) |
| Cash Flow from Financing Activities | 1.5 | (2.9) | (10.6) | (75.9) | (8.3) | (8.6) |
| Change in Cash & Cash Equivalents | (75.7) | (4.1) | 94.8 | (70.1) | (19.0) | 116.4 |
| Effects of Exchange Rate on Cash & Cash Equivalents | 0.9 | 0.5 | (1.9) | 0.3 | (0.1) | 1.6 |

KPI DEVELOPMENT

| | Q1/17 | Q2/17 | Q3/17 | Q4/17 | 2017 | Q1/18 | Q2/17 | Q3/18 | Q4/18 | 2018 |
|---|-------|-------|-------|-------|---------|-------|-------|-------|-------|---------|
| Site Visits (m) ¹ | 617.6 | 595.2 | 615.6 | 735.1 | 2,563.5 | 713.5 | 734.3 | 728.7 | 960.7 | 3,137.2 |
| Mobile Visit Share (in % of Site Visits) ² | 68.8% | 69.7% | 71.8% | 72.1% | 70.7% | 76.6% | 78.4% | 80.0% | 81.6% | 79.3% |
| Active Customers (m) ³ | 20.4 | 21.2 | 22.2 | 23.1 | 23.1 | 23.9 | 24.6 | 25.1 | 26.4 | 26.4 |
| Number of Orders (m) ⁴ | 19.9 | 22.2 | 22.5 | 25.8 | 90.5 | 25.4 | 29.0 | 27.7 | 34.1 | 116.2 |
| Average Order per Active Customer (LTM) | 3.60x | 3.69x | 3.80x | 3.92x | 3.92x | 4.02x | 4.18x | 4.30x | 4.40x | 4.40x |
| Average Basket Size (in €) (LTM) ⁵ | | | | 60.6 | 60.6 | 59.4 | 58.4 | 57.7 | 57.2 | 57.2 |
| Gross Merchandise Volume (in €bn) ⁶ | 1.21 | 1.35 | 1.30 | 1.63 | 5.49 | 1.43 | 1.65 | 1.52 | 2.05 | 6.64 |
| Fulfillment Cost Ratio (in % of revenue) ⁷ | 25% | 27% | 27% | 25% | 26% | 28% | 28% | 30% | 25% | 28% |
| Marketing Cost Ratio (in % of revenue) ⁸ | 9% | 7% | 8% | 7% | 8% | 7% | 6% | 8% | 7% | 7% |

(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) Defined as GMV divided by the number of orders.

(6) GMV is defined as the value of all merchandise sold to customers after cancellations and returns and including VAT, dynamically reported. It does not include B2B revenues (e.g. Partner Program commission, Zalando Marketing Services or Zalando Fulfillment Solutions) and other B2C revenues (e.g. service charges like express delivery fees) – these are included in revenue only. GMV is recorded based on the time of the customer order.

(7) 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.

(8) 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 2019

| May 2019 | | | | |
|--------------|----|----|----|----|
| M | T | W | T | F |
| | | 1 | 2 | 3 |
| 6 | 7 | 8 | 9 | 10 |
| 13 | 14 | 15 | 16 | 17 |
| 20 | 21 | 22 | 23 | 24 |
| 27 | 28 | 29 | 30 | 31 |
| August 2019 | | | | |
| M | T | W | T | F |
| | | | 1 | 2 |
| 5 | 6 | 7 | 8 | 9 |
| 12 | 13 | 14 | 15 | 16 |
| 19 | 20 | 21 | 22 | 23 |
| 26 | 27 | 28 | 29 | 30 |
| October 2019 | | | | |
| M | T | W | T | F |
| | 1 | 2 | 3 | 4 |
| 7 | 8 | 9 | 10 | 11 |
| 14 | 15 | 16 | 17 | 18 |
| 21 | 22 | 23 | 24 | 25 |
| 28 | 29 | 30 | 31 | |

| Date | Action |
|--------------------------------------|---|
| Monday, 5-March – Wednesday, 7-March | NDR London, New York, Toronto, Montreal |
| Monday, 6-March | Consumer and Retail Conference Boston |
| Tuesday, 19-March | NDR Paris |
| Tuesday, 26-March | NDR Dublin |
| Wednesday, 27-March | Consumer and Retail Conference London |
| Thursday, 4-April | German Conference, Baden-Baden |
| Thursday, 2-May | Q1/2019 Results |
| Wednesday, 22-May | Annual General Meeting 2018 |
| Thursday, 1-August | Q2/2019 Results |
| Thursday, 31-October | Q3/2019 Results |

DISCLAIMER

Certain statements in this communication may constitute forward looking statements. These statements are based on assumptions that are believed to be reasonable at the time they are made, and are subject to significant risks and uncertainties. You should not rely on these forward-looking statements as predictions of future events and we undertake no obligation to update or revise these statements. Our actual results may differ materially and adversely from any forward-looking statements discussed on this call due to a number of factors, including without limitation, risks from macroeconomic developments, external fraud, inefficient processes at fulfillment centers, inaccurate personnel and capacity forecasts for fulfillment centers, hazardous material / conditions in production with regard to private labels, lack of innovation capabilities, inadequate data security, lack of market knowledge, risk of strike and changes in competition levels.