

TRADING UPDATE: ZALANDO BREAKS ONE BILLION EURO BARRIER IN Q4

- **Q4 revenues at EUR 1,086-1,094 million (25-26% growth), adjusted EBIT of EUR 81-104 million (7.5-9.5% margin)**
 - **Full year revenues at EUR 3,633-3,642 million, adjusted EBIT of EUR 202-225 million (5.6-6.2% margin)**
 - **Zalando to expand fulfillment footprint in Sweden**
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BERLIN, JANUARY 17, 2017 // Zalando SE, Europe's leading online platform for fashion, grew revenues in the fourth quarter of 2016 by 25-26% to EUR 1,086-1,094 million (Q4 2015: EUR 868.5 million), according to preliminary figures. Zalando expects to achieve an adjusted EBIT of EUR 81-104 million, corresponding to an adjusted EBIT margin of 7.5-9.5% (Q4 2015: EUR 71.8 million or 8.3%) for the same period.

In the financial year 2016, Zalando achieved group revenues of EUR 3,633-3,642 million (FY 2015: EUR 2,958 million) growing between 22.9-23.1%, in line with its full-year guidance. Profitability improved substantially, with adjusted EBIT approximately doubling to EUR 202-225 million and corresponding to a margin of 5.6-6.2% (FY 2015: EUR 107.5 million, 3.6%).

"We have completed a successful 2016. For the first time we broke the billion-euro revenue barrier in a single quarter, a clear result of our customer focus," said Rubin Ritter, co-CEO. "We will continue to emphasize growth and further invest behind an ever-improving customer experience across all our markets."

Zalando intends to open a satellite warehouse in Sweden in the course of 2017, similar to its satellite warehouses in France and Italy. The facility will be run by a service provider and aims to further improve Zalando's customer proposition in its important Nordic markets in Sweden, Norway, Finland and Denmark.

All figures reported herein are preliminary and unaudited. Full financial disclosure for the fourth quarter and financial year 2016, together with the management guidance for the financial year 2017, will be published on March 1, 2017.

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 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 third quarter of 2016, more than 65 percent of traffic came from mobile devices, resulting in 19.2 million active customers by the end of the quarter.

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