

Investment AB Kinnevik

*Skoppsbron 18
P.O. Box 2094
SE-103 13 Stockholm, Sweden
www.kinnevik.se*



*Publ. Reg. no 556047-9742
Phone +46 8 562 000 00
Fax +46 8 20 37 74*

PRESS RELEASE

9 May, 2014

ZALANDO REPORTS NET REVENUES OF EUR 501 MILLION IN FIRST QUARTER 2014

Investment AB Kinnevik today announced that Zalando has reported the following development in the first quarter:

- Group net revenues increased by 35% to EUR 501 million compared to the first quarter 2013 (EUR 372m).
- Group EBIT margin improved significantly year-on-year.
- Improvement mainly driven by higher fulfilment productivity increased marketing efficiency and good start into spring/summer season.

Rubin Ritter, Member of the Zalando Management Board, commented: “The start to the year has been promising, with a significant improvement in Q1 margin year-on-year, so we are on track with our plans for 2014. The improvement in the first quarter underlines our plan to take a significant step towards, but not quite reaching, EBIT breakeven at group level for the full year 2014.”

Please refer to attached press release from Zalando for further information.

Kinnevik discloses the information provided herein pursuant to the Securities Market Act (Sw. lagen om värdepappersmarknaden (2007:528)). The information was submitted for publication on 9 May, 2014 at 8.00am (CET).

For further information, visit www.kinnevik.se or contact:

Torun Litzén, Director, Investor Relations Phone +46 (0)8 562 000 83

Mobile +46 (0)70 762 00 83

Investment AB Kinnevik is a leading, long-term oriented, investment company based in Sweden. Kinnevik primarily invests in consumer centric businesses that provide innovative and value-added technology-enabled services. Our main areas of focus are the Communications, e-Commerce, Entertainment and Financial Services sectors. We own significant stakes in over 50 companies that operate in more than 80 countries across five continents, with a particular emphasis on growth markets. The Kinnevik Group employs more than 90 000 people around the world.

Kinnevik actively supports the companies in which it invests and plays an influential role on their respective Boards. Kinnevik was founded in 1936 by three Swedish families who continue to play a leadership role in the ownership of the Company and in the pursuit of its entrepreneurial ventures.

Kinnevik's shares are listed on Nasdaq OMX Stockholm's list for large cap companies under the ticker codes KINV A and KINV B.

Zalando with strong start into 2014

- **Strong increase of first quarter group revenues, up 35 per cent to EUR 501 million**
- **Group EBIT margin improved significantly year-on-year**
- **Improvement mainly driven by higher fulfilment productivity, increased marketing efficiency and good start into spring/summer season**

Berlin, May 9, 2014 - Zalando, Europe's leading online platform for fashion, has had a strong start to the year. Group revenues grew to EUR 501 million¹ or by 35 per cent compared to the first quarter in 2013 (Q1/2013: EUR 372 million), which was impacted by adverse weather conditions. Revenues in the DACH region increased by 27 per cent to EUR 284 million (Q1/2013: EUR 223 million). Group EBIT margin improved significantly year-on-year, but remained negative in the first quarter 2014 due to seasonality and continued investment. The improvement was mainly driven by higher fulfilment productivity, increased marketing efficiency and a good start into the spring/summer season.

“The start to the year has been promising, with a significant improvement in Q1 margin year-on-year, so we are on track with our plans for 2014,” said Rubin Ritter, Member of the Zalando Management Board. “The improvement in the first quarter underlines our plan to take a significant step towards, but not quite reaching, EBIT breakeven at group level for the full year 2014.”

The extension units to the first self-designed fulfilment center in Erfurt have been completed in the first quarter of 2014, making Erfurt the largest e-commerce facility in Europe and resulting in higher fulfilment efficiency. The ramp-up of operations at the new fulfilment center in Mönchengladbach is ongoing and on track.

Zalando registered total visits of 332 million in the first quarter of 2014, compared to 275 million during Q1/2013. The push towards mobile devices has continued, with over 38 per

¹ All figures are unaudited, except for full year 2013 numbers.

cent of traffic in Zalando online shops coming from mobile devices and tablets at the end of Q1/2014. Active customers grew to 13.5 million at the end of Q1/2014 compared to 10.3 million at the end of Q1/2013, which further improved marketing efficiency. Various onsite and process improvements like the roll-out of pick-up points in additional countries further improved the customer experience during Q1/2014; additional features like the internationalization of the Zalando mobile app are in the pipeline for the summer.

According to final audited figures, EBIT margin for 2013 improved by 0.7 per cent (0.5 per cent according to preliminary figures) to minus 6.5 per cent from minus 7.2 per cent in 2012.

Table 1: Zalando Group – Revenues (EUR million)

	Q1/2013	Q1/2014	YoY %	FY 2013
Zalando Group	372	501	35%	1,762
Thereof: DACH ¹ region	223	284	27%	1,056

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

About Zalando

Zalando (www.zalando.com) is Europe's leading online retailer for shoes and fashion. Working with over 1,500 international brands, Zalando presents an extensive selection of products for women, men and children, ranging from popular high street brands to much sought-after designer labels. Exclusive accessories and sportswear make up Zalando's wide range of products. A combination of unique services – free delivery and returns, a free service helpline and an extended day returns policy – make online shopping at Zalando a convenient and secure online experience. The company was founded by Robert Gentz and David Schneider in 2008 and its headquarters are located in Berlin. Following its success in Germany, Zalando launched an Austrian site in 2009 and shops for the Netherlands and France followed in 2010. In 2011 Zalando expanded to Italy, the UK and to Switzerland. Since 2012 Zalando has also been available in Sweden, Belgium, Spain, Denmark, Finland, Poland, and Norway. Deliveries were extended to Luxembourg in 2013.

Contact

Steffen Heinzelmann
Corporate Communications
Tel.: +49 (0)30-20968-1332
E-Mail: Steffen.Heinzelmann@zalando.de



Zalando AG

Registered at Amtsgericht Charlottenburg Berlin, HRB154823B
VAT-ID: DE 260543043 Tax Number: 37/125/21423
Management Board: Robert Gentz, David Schneider, Rubin Ritter
Chairperson of the Supervisory Board: Cristina Mayville Stenbeck