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PRESS RELEASE

28 August, 2014

## ZALANDO REPORTS NET REVENUES OF EUR 1,047 MILLION IN FIRST HALF-YEAR 2014

**Investment AB Kinnevik today announced that Zalando has reported the following development in the first half-year:**

- Group revenues increased by 29.5% to EUR 1,047 million (EUR 809m).
- Positive group EBIT margin of 1.2 %, DACH region clearly profitable with EBIT margin of 4.6% (both numbers excluding costs for stock based compensation).
- Margin improvement driven by all major cost lines

Rubin Ritter, Member of the Zalando Management Board, commented: “Achieving a positive group EBIT margin in the first half-year is a major success for Zalando. Historically, our performance in the first half of any financial year tended to be weaker than in the second half.”

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 28 August, 2014 at 8.00am (CET).

**For further information, visit [www.kinnevik.se](http://www.kinnevik.se) or contact:**

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*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 result in first half-year 2014***

- **Group revenues increased by 29.5 per cent versus previous year to EUR 1,047 million**
- **Positive group EBIT<sup>1</sup> margin of 1.2 per cent, DACH region clearly profitable with EBIT<sup>1</sup> margin of 4.6 per cent**
- **Margin improvement driven by all major cost lines**

**Berlin, August 28, 2014** – Zalando had a very successful first half of 2014. Group revenues grew by 29.5 per cent to EUR 1,047 million in the first six months (HY/2013: EUR 809 million), while revenues in the DACH region increased by 21.2 per cent to EUR 594 million (HY/2013: EUR 490 million). EBIT improved significantly, with a positive group EBIT<sup>1</sup> margin for the first half-year 2014 of 1.2 per cent (HY/2013: -8.9 per cent) and DACH continues to lead the way, reaching clear profitability of 4.6 per cent. The significant margin improvement was driven by all major cost line items, including cost of sales, fulfillment and marketing. Zalando confirms its preliminary figures released on July 18, 2014.

“Achieving a positive group EBIT margin in the first half-year is a major success for Zalando. Historically, our performance in the first half of any financial year tended to be weaker than in the second half,” said Rubin Ritter, Member of the Management Board.

The ramp-up of operations at the new fulfilment center in Mönchengladbach is on track and fulfillment efficiency has increased during the first half-year 2014. The Zalando mobile app has been rolled out successfully across all international markets, resulting in a mobile traffic share of 41 per cent during Q2 and over 3.8 million app downloads by the end of Q2. Zalando registered total visits of 323 million in the second quarter of 2014 (Q2/2013: 294 million). Active customers grew to 13.7 million at the end of Q2/2014, compared to 11.6 million at the end of Q2/2013, which further improved marketing efficiency.

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<sup>1</sup> Excluding equity-settled stock based compensation costs.

**Table 1: Zalando Group – Revenues and EBIT (EUR million)**

	Q2/2013	Q2/2014	HY/2013	HY/2014	FY 2013
<b>Group revenues</b>	437	546	809	1,047	1,762
Thereof: DACH region <sup>2</sup>	268	310	490	594	1,056
<b>Group EBIT<sup>3</sup></b>	-31	35	-72	12	-109

## About Zalando

Working with over 1,500 international brands, Zalando ([www.zalando.com](http://www.zalando.com)) 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 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

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## Zalando SE

Registered at Amtsgericht Charlottenburg Berlin, HRB 158855 B  
VAT-ID: DE 260543043 Tax Number: 37/125/21423  
Management Board: Robert Gentz, David Schneider, Rubin Ritter  
Chairperson of the Supervisory Board: Cristina Stenbeck

<sup>2</sup> DACH region is comprised of Germany, Austria, and Switzerland.

<sup>3</sup> Excluding equity-settled stock based compensation costs.