



zalando (XETRA:ZAL) 2Q 2016 RESULTS: STRONG REVENUE GROWTH, INCREASED MARGIN GUIDANCE

- Zalando reported revenue growth in the neighborhood of 24% to 26%, from €909 million to €924 million, in line with a consensus of €917 million, in preliminary results for 2Q16.
- The company expects its 2Q16 EBIT margin to be in the range of 7.5% to 9.5%, up from 4.1% in 2Q15.
- Zalando expects to deliver 20% to 25% revenue growth during FY16 and increased its adjusted EBIT margin to a range of 4% to 5.5%.

2Q16 RESULTS

In preliminary results for 2Q16, Zalando, a Germany-based online fashion retailer, reported revenue growth of 24% to 26%. The company estimated 2Q16 revenues are €909 million to €924 million, in line with the consensus estimate of €917 million.

The company predicted an adjusted EBIT for the quarter in the range of €68 million to €88 million, which is an adjusted EBIT margin of 7.5% to 9.5%, up from the 2Q15 margin of 4.1%. Analysts forecast EBIT for the period of €45.8 million and an EBIT margin of 5%.

Zalando's management commented the company had a very strong second quarter and delivered a substantial increase in profitability. They said the operating leverage of the business also developed strongly and they continue to push forward with growth investments in customer proposition and platform initiatives.

Full financial disclosure for 2Q16 will be published on August 11, 2016.

GUIDANCE

Zalando confirmed its forecast to deliver 20% to 25% revenue growth during FY16. The company increased its adjusted EBIT margin guidance for the period to a range of 4% to 5.5%, up from the 3% to 4.5% range indicated in the 1Q16 trading update.

Analysts had estimated the company will generate €3.7 billion in revenue—a year-over-year increase of 25%—and an EBIT margin of 3.8% in FY16.



FLASH REPORT

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