



**EUROPE'S LEADING ONLINE FASHION DESTINATION**

Capital Markets Day: Tech @ Zalando

25 March 2015

# TABLE OF CONTENTS



- **TECH @ ZALANDO IN 2015:**  
Status Quo and Technology Preview



- **ZALANDO FASHION PLATFORM:**  
The Shift to Openness



- **FROM DATA TO FASHION INSIGHT:**  
The Value Catalyst of the Platform



- ✓ **700+ employees**
- ✓ **50+ Nationalities**
- ✓ **4 Locations<sup>1</sup>**
- ✓ **New Tech Hubs in 2015**
- ✓ **75% New projects & innovation**

(1) Berlin, Dortmund, Erfurt, and Mönchengladbach.



**Public API launch –  
new Apps on our  
platform**

**Loyalty system for  
our customers**

**User-generated  
content in our Shop**

**World-class in-  
season management  
tools**

**Industry-leading  
analytics tools for  
Brand Partners**

**And so much  
more...**







- 1 Large Tech Team Growth
- 2 Multiple Tech Hubs
- 3 Lots of Small Risks
- 4 Getting the Best from our People

# TABLE OF CONTENTS



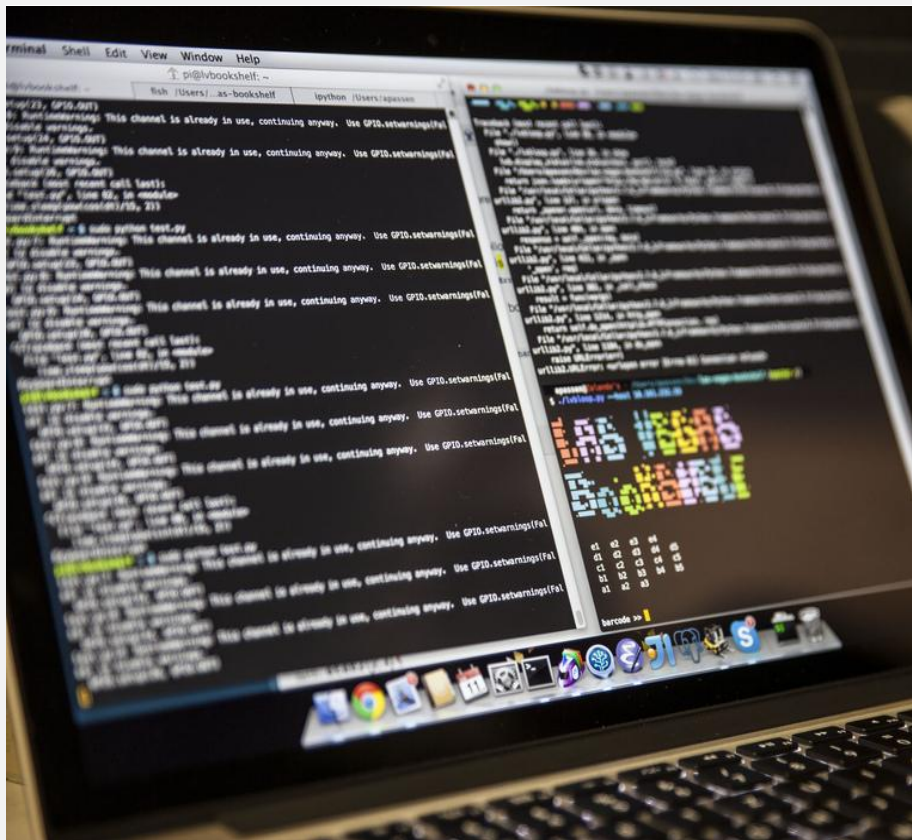
- **TECH @ ZALANDO IN 2015:**  
Status Quo and Technology Preview



- **ZALANDO FASHION PLATFORM:**  
The Shift to Openness



- **FROM DATA TO FASHION INSIGHT:**  
The Value Catalyst of the Platform

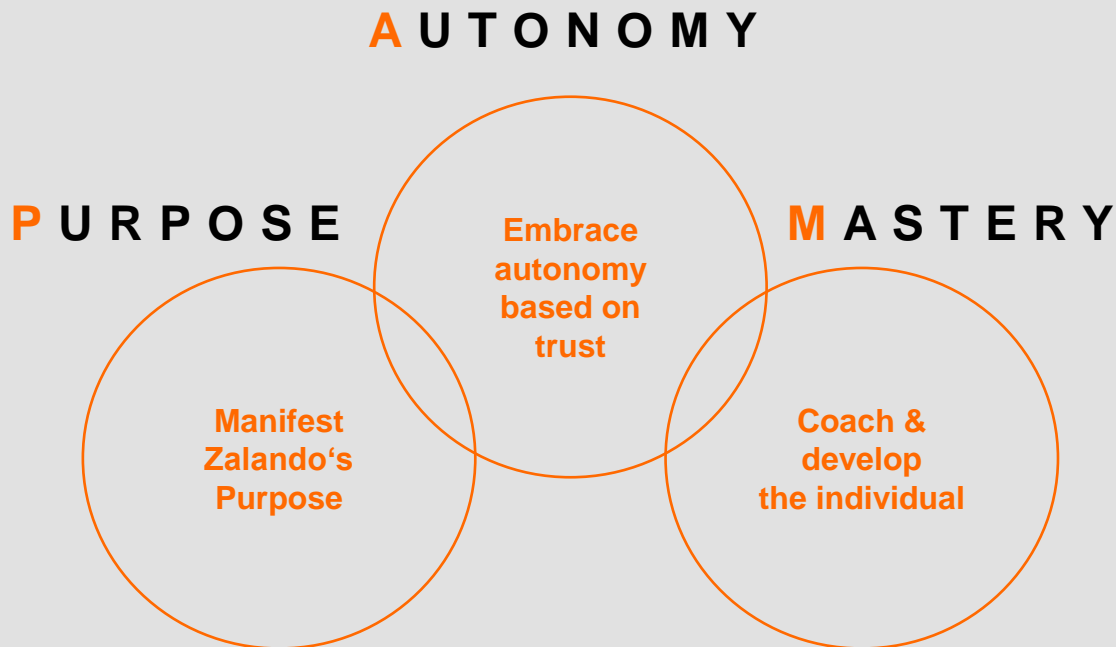


1 HOW WE ORGANIZE

2 HOW WE BUILD

3 HOW WE SECURE





*"The confluence of self-organizing autonomous teams, supported by trust and armed with purpose, in the pursuit of mastery."*

## 2 HOW WE BUILD: FASHION AS A SERVICE

*Enable an entire fashion ecosystem atop a next-generation data platform*

*Cutting-edge approaches to moving fast, safely, in parallel*

**Fashion as a Service**

*Powerful anti-complexity measures in order to build-to-last*

*Elastic, scale-on-demand to tackle the global market*

**API First**

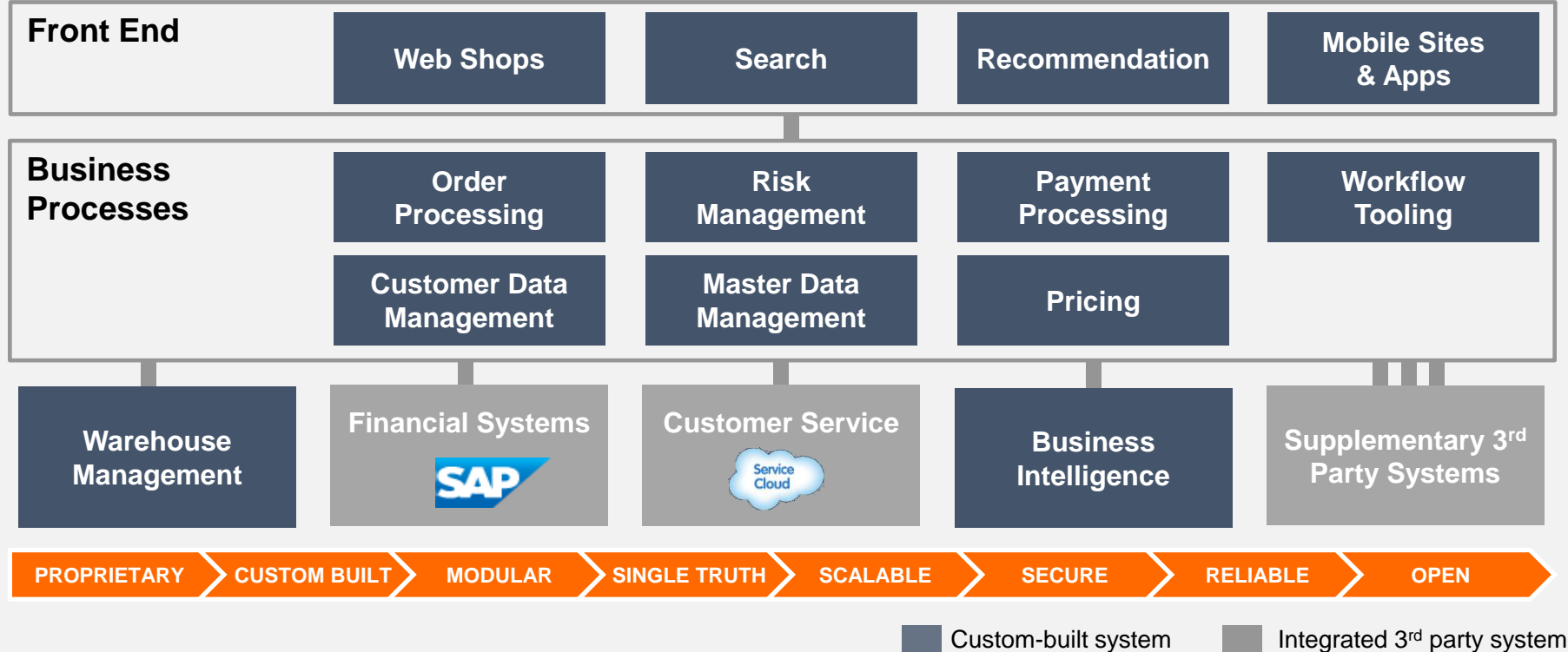
**REST**

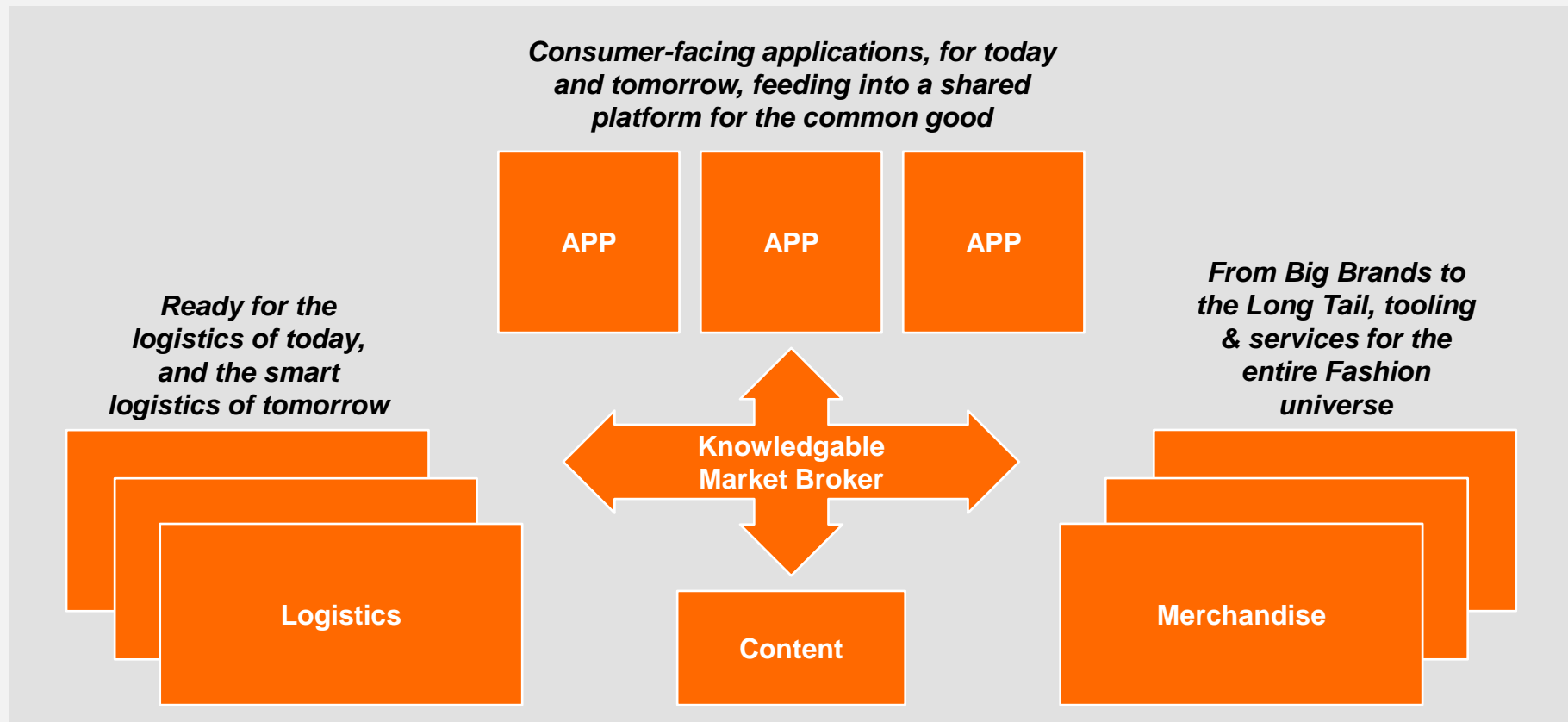
**SaaS**

**Microservices**

**Cloud**

## 2 HOW WE BUILD: STATUS QUO





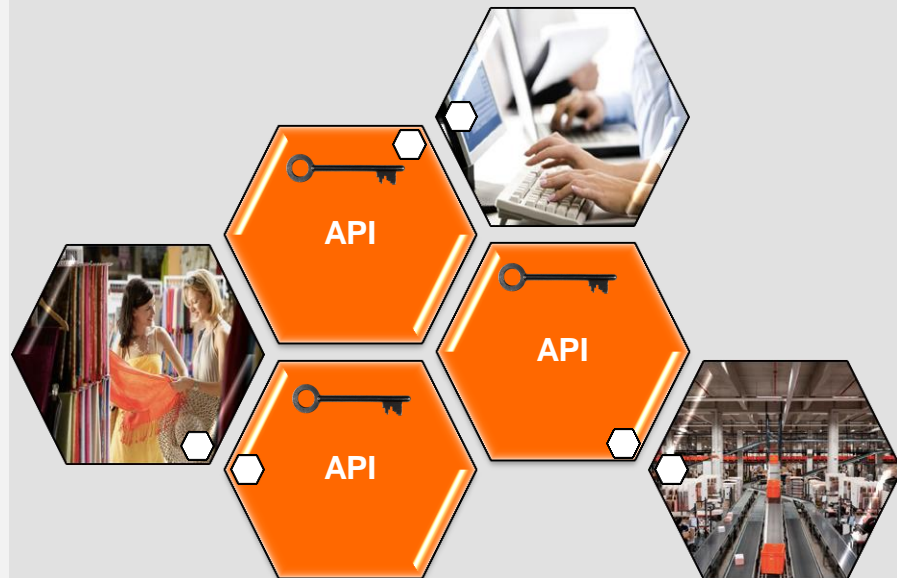


Tightly controlled, closed environment



- A single system, highly secured
- Internet-grade security between Zalando and the world

Loosely coupled, open environment



- Many smaller systems, decoupled
- Internet-grade security between systems
- Extremely flexible trust model

# TABLE OF CONTENTS



- **TECH @ ZALANDO IN 2015:**  
Status Quo and Technology Preview



- **ZALANDO FASHION PLATFORM:**  
The Shift to Openness



- **FROM DATA TO FASHION INSIGHT:**  
The Value Catalyst of the Platform



- 1 Platform Full of Fashion Insight
- 2 The Machine Intelligence Wave

## 1 Customers



- Platform acts as **trusted advisor** to customer
- Algorithms to capture **current & short-term needs and intent** of customer
- Platform **links preferences & recommendations**

## 2 Brands and other partners



- Help brands and other partners to **better target potential customers**
- **Seamless cross device** shopping experience across **customer interfaces**
- **Advanced analytics** on what's hot and what's not, etc.

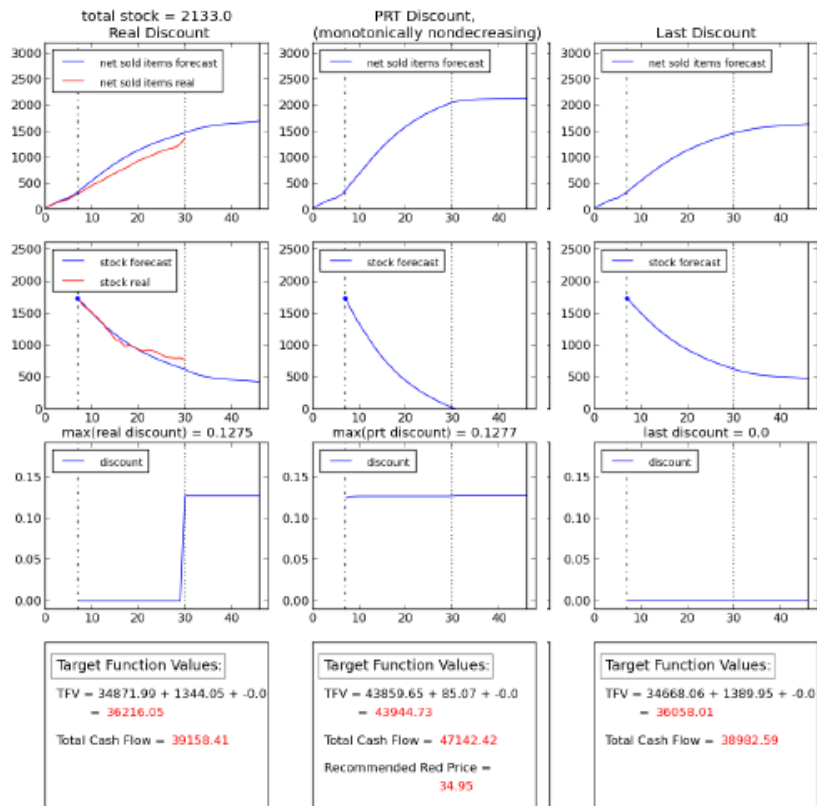
## 3 Products



- **Demand forecasts** to predict sell-through of new products
- **Improved decision making** regarding product releases
- Advanced **business management & campaign monitoring**



# EXAMPLE: SALES & DEMAND FORECASTS



- **SALES FORECAST BY ARTICLE:**  
new platform service will include access to our *'Forecast Engine'*
- **DEMAND BY DISCOUNT SCENARIOS:**  
scenario-based consumer demand estimates, e.g., discount and on-premise visibility
- **MERCHANDISING TRADE-OFFS QUANTIFIED:**  
aided decision-making: explicit benefit & cost analysis

Three broad trends open up new opportunities in machine intelligence:

1 MOORE'S LAW

2 FALLING HARDWARE COSTS

3 DATA DELUGE

Inputs to Proof of Concept at Zalando in fall 2014:

Nvidia GeForce Titan Z,  
8 Gflops, 7k MHz,  
7mn transistors

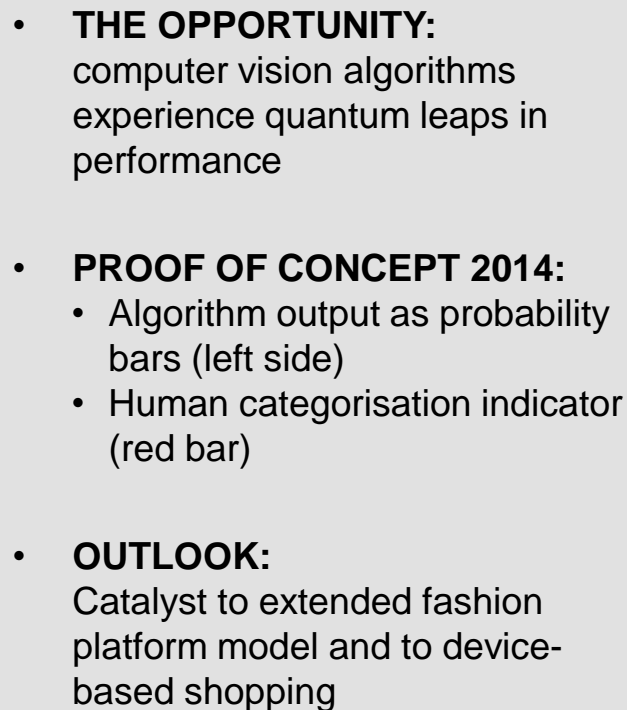


*TAG015:*  
Classic pumps

1.2 mn article photos plus  
tags from our catalogue



*TAG087:* Long-  
sleeve shirt



# Q&A





These materials do not constitute an offer of securities for sale or a solicitation of an offer to purchase securities of Zalando SE (together with its subsidiaries, the “Company”) in any jurisdiction. The distribution of this presentation may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This presentation contains certain forward-looking statements relating to the business, financial performance and results of the Company and/or the industry in which the Company operates. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words “believes,” “expects,” “predicts,” “intends,” “projects,” “plans,” “estimates,” “aims,” “foresees,” “anticipates,” “targets,” and similar expressions. The forward-looking statements contained in this presentation, including assumptions, opinions and views of the Company or cited from third party sources, are solely opinions and forecasts which are uncertain and subject to risks. Actual events may differ significantly from any anticipated development due to a number of factors, including without limitation, changes in general economic conditions, in particular economic conditions in Germany, changes affecting interest rate levels, changes in competition levels, changes in laws and regulations, environmental damages, the potential impact of legal proceedings and actions and the Group’s ability to achieve operational synergies from past or future acquisitions. The Company does not guarantee that the assumptions underlying the forward-looking statements in this presentation are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this presentation or any obligation to update the statements in this presentation to reflect subsequent events. The forward-looking statements in this presentation are made only as of the date hereof. Neither the delivery of this presentation nor any further discussions of the Company with any of the recipients thereof shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since such date. Consequently, the Company does not undertake any obligation to review, update or confirm investors’ expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of the presentation.

This presentation contains summary information only and does not purport to be comprehensive and is not intended to be (and should not be used as) the basis of any analysis or other evaluation. In addition, the information in this presentation is subject to change. No representation or warranty (express or implied) is made as to, and no reliance should be placed on, any information, including projections, estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein.