

Rocket Internet SE: Key Portfolio Companies Continue to Advance Towards Profitability

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SUMMARY

• *Aggregate net revenues of key portfolio companies grow by 32% to EUR 1,043 million H1 2016 vs. H1 2015 // • Aggregate adjusted EBITDA margin of key portfolio companies improves from -32% in H1 2015 to -17% in H1 2016*

Rocket Internet SE's ("Rocket Internet", "the Company") key portfolio companies have taken further significant steps towards profitability in the first half of 2016. As a result, the aggregate adjusted EBITDA margin improved from -32% in the first half of 2015 to -17% in the first half of 2016 and absolute EBITDA losses decreased by EUR 84 million.

The key companies in the core sectors Food & Groceries, Fashion, General Merchandise, and Home & Living – HelloFresh, foodpanda, Global Fashion Group ("GFG"), Jumia, Home24 and Westwing – grew aggregate net revenues on average 32% to EUR 1,043 million in H1 2016.

Highlights of the key companies' development in the first half of 2016 include: HelloFresh, the leading global fresh meals at home provider, continued to show attractive growth with net revenue improving by 159% in H1 2016. GFG significantly improved its profitability. Dafiti, GFG's Latin America's online fashion retailer, improved its adjusted EBITDA margin from -37% in the first half 2015 to -9.6% in the first half 2016 and Russian online fashion company Lamoda improved its adjusted EBITDA margin from -16.2% in the first half 2015 to -6.1% in the first half 2016. Middle Eastern online fashion retailer Namshi turned profitable at adjusted EBITDA level in H1 2016. Online Home & Living company Westwing also demonstrated further progress on its path to profitability with an adjusted EBITDA margin in the first half year 2016 of -8.4% compared to -31.7% in the first half year 2015.

As announced on September 1st, 2016, special items, in particular impairments at GFG, weighed on the consolidated IFRS results of Rocket Internet in the first half of 2016. Overall, the consolidated loss for the first half of 2016 was EUR 617 million. As a result of deconsolidation effects, group revenues in the first half of 2016 decreased to EUR 29 million compared to EUR 71 million in first half of 2015.

Rocket Internet announces today that it has expanded its existing convertible buyback program. Rocket Internet may spend an additional EUR 85 million on convertible buybacks until 30 September

2017. The initial buyback program resulted in a buyback volume (nominal) of EUR 164 million as of September 20, 2016, almost completing the initially announced buyback program.

“The first half 2016 results have shown that Rocket internet’s key portfolio companies continue to progress on their path to profitability”, says Oliver Samwer, CEO of Rocket Internet. “We are on track to meet our profitability targets, with at least three of our key portfolio companies turning profitable until the end of 2017.”

For an overview of the detailed H1 2016 results for key portfolio companies, please see the appendix or visit our website.

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About Rocket Internet

Rocket Internet builds and invests in Internet companies that take proven online business models to new, fast-growing markets. Rocket Internet focuses on five industry sectors of online and mobile retail services that make up a significant share of consumer spending: Food & Groceries, Fashion, General Merchandise, Home & Living and Travel. Its network of companies operates a variety of business models in a large number of countries around the world with more than 36,000 employees at the end of 2015. Rocket Internet SE is listed on the Frankfurt Stock Exchange (ISIN DE000A12UKK6, RKET). For further information please visit www.rocket-internet.com.

Disclaimer / Important Note

Despite not having control over the key portfolio companies mentioned above, the aggregate financial information is shown on a 100% basis (i.e. 100% of net revenues and EBITDA). The actual legal and economic interest of the Rocket Internet group in the network companies shown above is far lower than 100%. Please refer to Rocket Internet SE’s 2015 consolidated financial statements for additional information on the group’s consolidation policies and its segment information. This document contains forward-looking statements. These statements are based on the current views, expectations and assumptions of the management of Rocket Internet SE and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those described in such statements due to, among other things, changes in the general economic and competitive environment, risks associated with capital markets, currency exchange rate fluctuations and competition from other companies, changes in international and national laws and regulations, in particular with respect to tax laws and regulations, and other factors. Rocket Internet does not assume any obligations to update any forward-looking statements.

RELEVANT LINKS

 **Rocket Internet**
<http://www.rocket-internet.de>

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Our Focus

Our e-commerce companies include retail companies in the areas of fashion, general merchandise, home and living, office supplies and food and groceries. Our marketplace companies seek to displace traditional supply chains by creating venues where buyers and sellers can transact directly, and include real estate and car online classifieds, travel and transport, and food delivery companies. Our third sector, financial technology, includes companies that focus on bringing together borrowers and lenders in regions and segments that are underserved by traditional banks, particularly in the consumer and small and medium-sized enterprise segments, and on facilitating payments. Our travel companies seize opportunities in the rapidly growing online travel and transport sector. They focus currently on vacation packages and online travel booking.

Our Strategy

As part of our global strategy, we have created regional Internet groups in Africa, Asia Pacific and the Middle East in order to bundle local market and business model insights, facilitate regional commercial, strategic and investment partnerships, in particular with mobile telecommunication providers, enable local recruiting and sourcing and accelerate the regional rollout of our companies. We have developed proprietary technology where we believe it provides our companies with a competitive advantage. Our proprietary technology is highly flexible and scalable and provides our companies with significant cost and speed advantages, particularly during their initial rapid launch and rollout processes.

Our Platform

Our platform has enabled us to build a large, global network of companies and has historically put us in a position to launch more than 10 new companies every year through application of a standardized business model identification and development process. Every new company that we start accelerates the virtuous circle of synergy creation among our companies. The larger the size of our network of companies, the more significant our opportunity is to benefit from synergies and network effects with respect to our suppliers, solution providers, customers and employees.



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