



**Quarterly Statement as of
March 31, 2017**

Rocket Internet SE, Berlin

Translation from German

Material Events at Rocket Internet Group and Selected Companies during the First Quarter 2017 at a Glance

- In the first quarter 2017, the share price of Rocket Internet SE decreased by EUR 3.11 from EUR 19.14 as of December 31, 2016 to EUR 16.03 as of March 31, 2017. Accordingly, the market capitalization changed from about EUR 3.2 billion to about EUR 2.6 billion. In the first quarter 2017, average daily trading via the electronic computer trading system XETRA recognized on average 402,000 shares (previous year 201,000 shares) with an average value of EUR 7.5 million (previous year EUR 4.3 million) traded daily. Until the editorial deadline of this quarterly statement as of May 30, 2017 the share price increased to EUR 21.35.
- In February 2017, our shareholder Kinnevik placed half of its stake (6.6% of the outstanding shares of Rocket Internet) at a share price of EUR 19.25 increasing the free float to 29.4% from previous 22.8%.
- The Rocket Internet Capital Partners Fund held its final close on January 18, 2017, which took total combined commitments to USD 1.0 billion (hard cap). The USD 137 million new commitments were subscribed by third party investors and Rocket Internet.
- In January 2017, HelloFresh completed the EUR 85 million financing round announced on December 19, 2016. The financing round implies a EUR 2.0 billion pre-money valuation of HelloFresh. Rocket Internet's stake in HelloFresh decreased slightly from about 56% to about 53% post the transaction.
- In February 2017, Global Fashion Group announced a strategic partnership of ZALORA with Ayala Group in the Philippines. Ayala Group takes a 49% stake in ZALORA Philippines.

Results of Rocket Internet Group for the First Quarter 2017 at a Glance

- Because of the deconsolidation of subsidiaries (such as La Nevera Roja, Clickbus Brazil, Somuchmore, Spotcap, Bonnyprints, Vaniday, Pizzabo, Bonativo, SpaceWays) and the decrease of consulting services performed for our companies, Rocket Internet Group's revenue decreased by 42% to EUR 9 million in the first quarter 2017 compared to EUR 15 million in the first quarter 2016.
- The result for the first quarter 2017 is particularly characterized by impairment losses from joint ventures. The result for the prior year period was primarily impacted by the impairment losses of Global Fashion Group. The loss for the period amounts to EUR 86 million in comparison to a loss of EUR 342 million in the prior year period.
- Cash and cash equivalents decreased from EUR 1,402 million as of December 31, 2016 to EUR 1,297 million as of March 31, 2017. The decrease is mainly attributable to investing activities and further repurchases of convertible bonds.

In EUR million	Quarter ended March 31		
	<i>2017</i>	<i>2016</i>	<i>Δ in %</i>
Revenue	9	15	-42%
Loss for the period	-86	-342	75%
Cash and cash equivalents^{1) 2)}	1,297	1,748	-26%

¹⁾ Cash and cash equivalents amounted to EUR 1,402 million as of December 31, 2016.

²⁾ Including cash and cash equivalents included in the balance sheet position *Assets classified as held for sale*.

Key Developments of Selected Companies for the First Quarter 2017

- Ongoing growth of revenue of our selected companies in the first quarter 2017 compared to the prior year period, particularly HelloFresh (45%), Delivery Hero (68%) and GFG (35%).
- Continued improvement of the adjusted EBITDA margin of our selected companies during the first quarter 2017 compared to the prior year period, particularly HelloFresh, GFG as well as the Home & Living entities Westwing and Home24.

Additional information on the key developments of selected companies can be found on the website of the parent Company: <https://www.rocket-internet.com/investors>.

Rocket Internet Group – Key Figures for the First Quarter 2017

<i>In EUR million</i>	Quarter ended March 31		
	2017	2016	Δ in %
Revenue	9	15	-42%
Result from deconsolidation of subsidiaries	0	18	-100%
Share of profit/loss of associates and joint ventures	-72	-329	78%
EBITDA	-92	-316	71%
EBIT	-93	-317	71%
Financial result	5	-23	122%
Loss for the period	-86	-342	75%
Cash and cash equivalents at the end of the period^{1) 2)}	1,297	1,748	-26%
Cash flow from operating activities	-16	-29	45%
Cash flows from investing activities	-64	14	-576%
Cash flows from financing activities	-22	1	-1,845%

¹⁾ Cash and cash equivalents amounted to EUR 1,402 million as of December 31, 2016.

²⁾ Including cash and cash equivalents included in the balance sheet position *Assets classified as held for sale*.

Revenue

Revenue decreased primarily due to deconsolidation, sale and the winding down of fully consolidated subsidiaries that took place during the 2016 financial year as well as due to the decrease of consulting services performed for our companies.

Result from deconsolidation of subsidiaries

There were no significant deconsolidations of subsidiaries in the first quarter 2017. The result from deconsolidation of subsidiaries in the first quarter 2016 mainly originated from the transition to joint ventures (deemed disposal).

Share of profit/loss of associates and joint ventures

The share of profit/loss from associates and joint ventures improved by EUR 257 million in the first quarter 2017 in comparison to the prior year period, but remained negative. The loss of EUR 72 million mainly results from impairment losses of the shares in joint ventures recognized on Group level as well as to a minor degree from losses of the Group's share of profit/loss from associated companies and joint ventures. Those negative effects were partially compensated by deemed disposal gains.

In the first quarter 2016, the share of profit/loss from associates and joint ventures included impairments attributable to Global Fashion Group, as well as losses attributable to HelloFresh and to Lazada.

EBITDA / EBIT

EBITDA improved significantly from negative EUR 316 million in the first quarter 2016 to negative EUR 92 million in the first quarter 2017. This increase was mainly due to the improvement of the share of profit/loss of associates and joint ventures, the decline in other operating expenses and the decrease in expenses for purchased merchandise and purchased services. Those effects were only partially offset by the decrease in the result from deconsolidation, the decrease in revenues and the increase in employee benefits expenses. The increase in employee benefits expenses mainly results from the revaluation of the liabilities for cash-settled share-based payments and the increased expenses for equity-settled share-based payments. EBIT increased significantly from negative EUR 317 million in the first quarter 2016 to negative EUR 93 million in the first quarter 2017.

Financial result

The financial result improved by EUR 27 million, which mainly results from the net changes (gains and losses) in the fair value of equity instruments accounted for at fair value through profit or loss. Additionally in the first quarter 2017, the interest income from loan receivables to network companies increased and the interest expenses decreased due to the repurchase of convertible bonds.

Loss for the period

The first quarter 2017 was characterized by impairment losses of joint ventures, a decrease of Group revenue, a positive financial result, the selective expansion of existing companies, the evaluation of several new businesses as well as investments in existing and new businesses.

Cash and cash equivalents / Cash flow

Cash and cash equivalents decreased from EUR 1,402 million as of December 31, 2016 by EUR 104 million to EUR 1,297 million as of March 31, 2017. The cash flow from operating activities improved by EUR 13 million to negative EUR 16 million. In the first quarter 2017, the cash flows from investing activities of negative EUR 64 million were characterized by the granting of loans to our companies, payments into Rocket Internet Capital Partners Fund as well as the purchase of shares in companies. The cash flows from financing activities in the amount of negative 22 million are mainly characterized by the repurchase of convertible bonds. In addition to cash and cash equivalents, the Group had short-term bank deposits of EUR 162 million as of March 31, 2017 (EUR 163 million as of December 31, 2016).

Events after the Reporting Period

On May 12, 2017, Delivery Hero announced an investment of EUR 387 million, primarily in newly issued shares, by global internet and entertainment group Naspers, at a valuation in line with the previous valuation after the contribution of foodpanda. Rocket Internet SE's fully diluted stake in Delivery Hero will decrease due to the Naspers' investment and other effects from about 38% to about 33%.

On 24 May, 2017, Global Fashion Group announced a strategic partnership with Emaar Malls PJSC, Dubai (a subsidiary of Emaar Properties PJSC, Dubai). Under the partnership, Emaar Malls acquires a 51% stake in Namshi for a consideration of USD 151 million including an investment in Namshi for its future growth.

No other events of particular significance occurred after the end of the reporting period.

About Rocket Internet

Rocket Internet incubates and invests in Internet companies with proven business models. It provides operational support to its companies and helps them scale internationally. Rocket Internet focuses predominantly on four industry sectors of online and mobile retail and services that make up a significant share of consumer spending: Food & Groceries, Fashion, General Merchandise and Home & Living. Rocket Internet's selected companies are active in a large number of countries around the world with more than 28,000 employees. Rocket Internet SE is listed on the Frankfurt Stock Exchange (ISIN DE000A12UKK6, RKET). For further information, please visit www.rocket-internet.com.

About this Document

This document is a Quarterly Statement pursuant to Sec. 51a of the Exchange Rules for the Frankfurt Stock Exchange. This Quarterly Statement was prepared on May 30, 2017 (editorial deadline) and was submitted for publication on May 31, 2017 (publication date).

Disclaimer and other Notes

This document contains forward-looking statements. These statements are based on the current views, expectations and assumptions of the management of Rocket Internet SE ("Rocket Internet") and involve known and unknown risks and uncertainties. Actual results, performance or events may differ materially from those expressed or implied 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 assumes no obligation to update any information or forward-looking statement contained herein, save for any information required to be disclosed by law.

The financial figures have been prepared in conformity with International Financial Reporting Standards (IFRS) as adopted by the EU. This Quarterly Statement is not an Interim Financial Report within the meaning of International Accounting Standard (IAS) 34. Further information on the accounting methods used can be found in the most recent annual report at www.rocket-internet.com/investors. Furthermore, this document includes in IFRS not clearly defined additional financial measures that are or may be so-called non-GAAP financial measures. These supplemental financial measures should not be viewed in isolation or as alternatives to assess the position of the Group as presented in accordance with IFRS. Other enterprises that report or describe similarly titled financial measures may calculate them differently.

Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

All participation quotas for our companies shown in the Quarterly Statement are based on the Group's ownership calculated pursuant to the respective accounting rules (e.g. reflecting the transaction closing dates, dates of change in control, considering trust shares allocated to the Group, excluding stakes indirectly held via RICP etc.) and may therefore differ from the respective information (beneficial interest including RICP) published on the Company's website which is based on the signing dates.

This document is a translation of the original German version and is intended to be used for informational purposes only. While every effort has been made to ensure the accuracy and completeness of the translation, please note that the German original is binding.



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