Quarterly Statement for the Nine Months Ended September 30, 2016

Rocket Internet SE, Berlin

Translation from German

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

- **In July 2016, Global Fashion Group (GFG) announced its latest financing round. Rocket Internet SE invested cash and received shares from the conversion of existing convertible preference shares. The transaction implied a valuation of Global Fashion Group at EUR 1.0 billion following the investment (post-money) leading to significant impairment losses at Global Fashion Group, which were already reflected with its pro rata share in Rocket Internet SE's half year results.**
- **In August 2016, Global Fashion Group sold its subsidiary Jabong (India) to the Flipkart Group for USD 70 million in cash.**
- **In August 2016, Linio raised up to EUR 50 million in a new financing round at an implied valuation of EUR 100 million pre-money. Rocket Internet did not participate in this financing round. Upon completion of the financing round Rocket Internet SE's fully-diluted stake in Linio will decrease below 5%.**
- **In September 2016, Home24 agreed to a EUR 20 million funding round at a EUR 420 million post-money valuation. Rocket Internet participated with a EUR 1 million investment in the current financing round. Post transaction Rocket Internet SE's direct stake in Home24 amounts to 42.7%.**
- **In September 2016, the buyback program for convertible bonds issued in July 2015, initially limited to EUR 150 million, has been expanded by an additional up to EUR 85 million to be spent until September 30, 2017.**
- **On September 26, 2016, Rocket Internet SE's shares were approved for admission to the regulated market segment (Prime Standard) of the Frankfurt Stock Exchange.**

Results of Rocket Internet Group for the Nine Months Ended September 30, 2016 at a Glance

- **As a result of deconsolidation of subsidiaries, revenue of Rocket Internet Group decreased by 65% to EUR 40 million in the first nine months of 2016 compared to EUR 112 million in the first nine months of 2015.**
- **In particular the Group's share of impairment losses of Global Fashion Group primarily weighed on the result for the period in the nine months ended September 30, 2016, which had already been reported in the half year results.**
- **Cash and cash equivalents decreased from EUR 1,683 million as of June 30, 2016 to EUR 1,504 million as of September 30, 2016. The decrease is mainly attributable to investing activities and repurchases of convertible bonds.**

	As of and for the nine months ended September 30		
In EUR million	*2016*	*2015*	*Δ in %*
Revenue	40	112	-65%
Loss for the period	-642	-60	-979%
Cash and cash equivalents[1) 2)]	1,504	1,809	-17%

1) Cash and cash equivalents amounted to EUR 1,683 million as of June 30, 2016 and EUR 1,769 million as of December 31, 2015.

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

Key Developments of Reportable Segments for the Nine Months Ended September 30, 2016

- **Ongoing growth of revenue of our reportable segments in the first nine months of 2016 compared to the first nine months of 2015.**
- **Continued improvement of EBITDA and EBITDA margin of our reportable segments during first nine months 2016 compared to the first nine months 2015.**
- **Strong cash positions in all our reportable segments.**
- **Comparability of the reportable segments Jumia and GFG with prior periods is affected by various transactions in the first nine months 2016.**

	Revenue			**EBITDA**[1]			**Cash and cash equivalents**		
In EUR million	*Jan 1 – Sep 30*			*Jan 1 – Sep 30*			*As of Sep 30*		
	2016	**2015**	**∆ in %**	**2016**	**2015**	**∆ in %**	**2016**	**2015**	**∆ in %**
HelloFresh	438	198	121%	-71	-57	-24%	99	81	23%
foodpanda	38	23	65%	-49	-76	36%	58	96	-39%
Jumia	54	107	-49%	-82	-71	-15%	22	9	137%
Home & Living	352	326	8%	-56	-108	48%	43	80	-47%
GFG	706	649	9%	-122	-252	51%	191	64	201%

[1] Earnings before interest, tax, depreciation and amortization and impairments

The reportable segments HelloFresh (formerly referred to as Food 1), foodpanda (formerly referred to as Food 2), Jumia, Home & Living and GFG (formerly referred to as Fashion) reflect the most mature business activities of Rocket Internet. The segment information is presented on a 100% basis (i.e. 100% of the revenues, segment results and cash and cash equivalents).

Comparability of the reportable segments for the nine months ended September 30, 2016 with the prior period is affected by the following transactions:

- The reportable segment GFG disposed Jabong (operations in India) during the nine months ended September 30, 2016.
- The new reportable segment Jumia was established following the merger of the general merchandise business activities with the other African marketplace and classifieds businesses combined in Africa Internet Holding GmbH.

Historically, the Group reported the segment General Merchandise which included operations of Linio, Jumia (AEH) and Lazada.

- In April 2016, Lazada was partially sold to Alibaba and ceased to represent an operating segment due to the loss of significant influence from thereon. Accordingly, in the Group’s interim condensed consolidated financial statements for the first half of 2016 Lazada was only presented as part of the reportable segment General Merchandise until its partial disposal in April 2016.
- Starting from July 1, 2016 Linio ceased to represent an operating segment, due to the loss of significant influence as a result of non-participation of Rocket Internet SE in the most recent financing round, and is no longer presented as part of a reportable segment.
- The merger of the African general merchandise business activities with the other marketplace and classifieds businesses in the region resulted in the creation of the new reportable segment Jumia. For comparability the financial information of the former operating

segment Jumia for the nine months ended September 30, 2015 was reclassified from the segment General Merchandise into the new reportable segment Jumia.

HelloFresh

Revenue increased strongly from EUR 198 million in the nine months ended September 30, 2015 to EUR 438 million in the nine months ended September 30, 2016, driven by continued growth across all geographies.

EBITDA margin (defined as EBITDA divided by revenue) improved from negative 29% in the nine months ended September 30, 2015 to negative 16% in the nine months ended September 30, 2016 due to increased efficiencies in procurement and operating costs. EBITDA decreased from negative EUR 57 million in the nine months ended September 30, 2015 to negative EUR 71 million in the nine months ended September 30, 2016, mainly due to the expansion in North America and the United Kingdom.

Cash and cash equivalents increased mainly due to proceeds from capital increases compensating negative operating cash flows.

foodpanda

Revenue increased by 65% from EUR 23 million in the nine months ended September 30, 2015 to EUR 38 million in the nine months ended September 30, 2016, mainly due to higher fees and a larger number of orders in key markets.

EBITDA improved by 36% from negative EUR 76 million in the nine months ended September 30, 2015 to negative EUR 49 million in the nine months ended September 30, 2016, primarily due to higher operational efficiency and lower expenses for marketing measures.

The change of cash and cash equivalents is primarily the result of continuing losses throughout the reporting period.

Jumia

On August 30, 2016 the former operating segment Jumia, that represented the general merchandise business by the group under Africa eCommerce Holding GmbH (AEH), was merged into Africa Internet Holding GmbH (AIG). Consequently, starting from September 30, 2016 the performance of the entire African operations (Jumia general merchandise businesses together with other marketplace and classifieds businesses in Africa) is reviewed at AIG-level solely and is subsumed within the new operating segment Jumia.

Revenue of Jumia decreased by 49% from EUR 107 million in the nine months ended September 30, 2015 to EUR 54 million in the nine months ended September 30, 2016, mainly impacted by the continuing shift from e-commerce towards a marketplace business model, by the slowdown of the Nigerian economy and by currency devaluations in June 2016.

EBITDA for the first nine months 2016 is negatively affected by additional losses related to other marketplace and classifieds businesses contributed by AIG in the merger with AEH. This is particularly attributable to the early stage of the contributed businesses.

The increase in cash and cash equivalents mainly results from the merger of AIG with AEH and proceeds from capital calls.

Home & Living

The segment Home & Living contains Westwing group and Home24 group.

Revenue of our Home & Living segment increased by 8% from EUR 326 million in the nine months ended September 30, 2015 to EUR 352 million in the nine months ended September 30, 2016. The reduced growth has been driven by an increased focus on profitability.

EBITDA improved by 48% from negative EUR 108 million in the nine months ended September 30, 2015 to negative EUR 56 million in the nine months ended September 30, 2016, as a result of operational improvements. The EBITDA margin improved from negative 33% in the nine months ended September 30, 2015 to negative 16% in the nine months ended September 30, 2016.

The change of cash and cash equivalents results from operating losses partially compensated by proceeds from financing rounds during the reporting period.

GFG

During the nine-month period ended September 30, 2016, the segment GFG (Global Fashion Group) excludes Jabong (operations in India), which was disposed of in August 2016.

Revenue increased by 9% from EUR 649 million in the nine months ended September 30, 2015 to EUR 706 million in the nine months ended September 30, 2016. Revenue growth was lower given that the 2015 figure includes and the 2016 figure excludes revenues of Jabong. During the nine months ended September 30, 2015, Jabong contributed revenues of EUR 91 million to the GFG segment. Excluding Jabong revenue of the segment would have increased by 27% in the first nine months 2016.

EBITDA improved by 51% from negative EUR 252 million in the nine months ended September 30, 2015 to negative EUR 122 million in the nine months ended September 30, 2016. The EBITDA margin improved from negative 39% in the nine months ended September 30, 2015 to negative 17% in the nine months ended September 30, 2016. These changes were due to operational improvements and the exclusion of operations in India in the nine months ended September 30, 2016.

Cash and cash equivalents increased primarily due to the financing round in 2016 and the proceeds from the disposal of Jabong.

Rocket Internet Group – Key figures as of and for the period ended September 30, 2016

	As of and for the nine months ended September 30		
In EUR million	*2016*	*2015*	*Δ in %*
Revenue	40	112	-65%
Result from deconsolidation of subsidiaries	44	134	-67%
Share of profit/loss of associates and joint ventures	-499	-82	-505%
EBITDA	-507	-78	-550%
EBIT	-511	-83	-514%
Financial result	-136	24	-665%
Loss for the period	-642	-60	-979%
Cash and cash equivalents at the end of the period[1) 2)]	1,504	1,809	-17%

1) Cash and cash equivalents amounted to EUR 1,683 million as of June 30, 2016 and EUR 1,769 million as of December 31, 2015.
2) Including cash and cash equivalents included in the balance sheet position *Assets classified as held for sale*.

Revenue

Revenue decreased significantly primarily due to deconsolidation, disposal and the winding down of fully consolidated subsidiaries.

Result from deconsolidation of subsidiaries

The result from deconsolidation of subsidiaries mainly originated from the transition to associates and joint ventures (deemed disposal). The positive result from deconsolidation of subsidiaries in the nine-month period of 2015 is predominantly attributable to the deconsolidation of Kanui and Tricae (now part of Global Fashion Group).

Share of profit/loss of associates and joint ventures

The share of profit/loss from associates and joint ventures overall is negative. The loss in the first nine months 2016 is primarily attributable to the proportionate share of loss from Global Fashion Group of which the significant amount relates to impairment charges recognized by Global Fashion Group. Additionally, Rocket Internet recognized further impairment losses related to shares of Global Fashion Group, Linio and other companies on Group level. Lazada contributed in total a net gain in the first nine months 2016. This amount includes the Group's share of the net loss of Lazada and a disposal gain, which includes both a gain relating to the shares sold as well as a fair value gain due to the revaluation of the interest retained. Furthermore, the share of profit/loss from associates and joint ventures includes losses attributable to HelloFresh and to foodpanda.

In the nine-month period of 2015, the share of profit/loss from associates and joint ventures included losses attributable to Global Fashion Group, to Africa Internet Holding, to HelloFresh and to Linio as well as a share of profit attributable to Lazada.

EBITDA / EBIT

EBITDA deteriorated significantly from negative EUR 78 million in the nine months ended September 30, 2015 to negative EUR 507 million in the nine months ended September 30, 2016. This deterioration was mainly due to the impairment-driven decrease in the share of profit/loss of associates and joint ventures, decline in result from deconsolidation of subsidiaries and the decrease in revenue, which were only partially offset by the decrease in employee benefits expenses, the decrease in expenses for purchased merchandise and purchased services and the decrease in other operating expenses.

EBIT deteriorated significantly from negative EUR 83 million in the nine months ended September 30, 2015 to negative EUR 511 million in the nine months ended September 30, 2016.

Financial result

The financial result primarily includes net changes (gains and losses) in the fair value of equity instruments accounted for at fair value through profit or loss, the gain from the buyback of convertible bonds and interest expenses from convertible bonds.

Loss for the period

The nine-month period 2016 is characterized by impairment losses of several associated companies, valuation losses of equity instruments accounted for at fair value through profit or loss, divestments of stakes in various companies (Pizzabo.it, La Nevera Roja, Bonnyprints and Lazada), the expansion of existing companies and the development of new business models as well as investments in existing and new businesses. No longer viable business models were discontinued, sold or limited to operate regionally.

Cash and cash equivalents

Cash and cash equivalents decreased from EUR 1,683 million as of June 30, 2016 by EUR 179 million to EUR 1,504 million as of September 30, 2016. The change is mainly due to investing activities and repurchases of convertible bonds. In addition to cash and cash equivalents, the Group had short-term bank deposits of EUR 154 million as of September 30, 2016.

Events after the Reporting Period

The Rocket Internet Capital Partners (RICP) funds held a third close on October 4, 2016, which took total combined commitments to USD 869 million. The USD 127 million new commitments were subscribed by third party investors and Rocket Internet (maintaining its 10% stake).

On October 11, 2016, Frankfurt Stock Exchange announced an extraordinary adjustment in the SDAX. Effective as of October 14, 2016, the shares of Rocket Internet SE were included in the SDAX index.

On November 3, 2016, foodpanda announced that it has agreed to sell 100% of its Russian Delivery Club business to the Mail.Ru Group, a leading Russian internet company for USD 100 million.

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

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 and services that make up a significant share of consumer spending: Food & Groceries, Fashion, General Merchandise, Home & Living and Travel. Its network of companies operates in a large number of countries around the world with more than 36,000 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 November 29, 2016 (editorial deadline) and was submitted for publication on November 30, 2016 (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 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 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/financial-information. 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 the network 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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