

## **Rocket Internet Portfolio Companies Show Continued Growth and Improvement in Profitability in 2015**

- **Continued strong average revenue growth across companies in focus sectors of 69.4% in 2015**
- **Six percentage points average improvement in adj. EBITDA margin across companies in focus sectors**
- **Gross cash position of EUR 1.8 billion**
- **Rocket Internet SE 2015 full year results in line with expectations**
- **Rocket Internet sold a 9.1% stake in Lazada to Alibaba for USD 137 million, valuing the company at USD 1.5 billion (c. 15x multiple for Rocket Internet)**

**Berlin, Germany, April 14, 2016** – The major portfolio companies of Rocket Internet SE's company network have again grown significantly in 2015 across the key sectors Food & Groceries, Fashion, General Merchandise and Home & Living. These companies experienced strong average revenue growth of 69.4% year over year and also an average improvement in adjusted EBITDA margin of six percentage points.

Particularly noteworthy in 2015 was personalized fresh food at home provider HelloFresh's 338.0% growth in net revenue. Similarly, Africa's leading general merchandise platform Jumia grew gross merchandise volume ("GMV") by 205.6% and net revenue by 117.8%, continuing to increase its share of marketplace transactions on its platform. Demonstrating great progress on the path to profitability are our Middle Eastern Fashion company Namshi and Home & Living company Westwing, with adjusted EBITDA margins of negative 2.1% and negative 6.4% respectively in Q4 2015.

Our companies continue to be attractive investments for third party capital, as demonstrated by the recent investments of Axa, Goldman Sachs and Orange into Africa Internet Group at the beginning of 2016. The total funding round including existing shareholders amounted to over EUR 300 million at a EUR 1.0 billion post-money valuation, representing a c. 50% valuation increase compared to the previous funding round. On April 12, 2016, Rocket Internet

sold a 9.1% stake in its South-East Asian general merchandise marketplace Lazada to Alibaba for USD 137 million. In addition, Alibaba is investing USD 500 million into Lazada, at a valuation of USD 1.5 billion, making Alibaba the controlling shareholder. Rocket Internet's remaining fully diluted stake after the transaction and taking into account Alibaba's investment of new funds is 8.8%. The valuation represents an approximately 15x multiple of Rocket Internet's total invested capital of c. EUR 18 million.

Rocket Internet is optimistic about 2016. "We have already seen some good progress this year. For Rocket Internet, 2015 was the year in which the losses of our strategic (major) portfolio companies should have peaked, as we already announced in September 2015", said Rocket Internet CEO Oliver Samwer when presenting the 2015 results. Rocket Internet's goal is to make its companies profitable in the long-run. "To achieve this, growth is more important than profitability in the early years of a company. That is why Rocket Internet invested strongly in the growth of its companies in 2015". Oliver Samwer said Rocket Internet was sticking to its target that three of its major companies should be profitable by the end of 2017.

For the first time, Rocket Internet SE reported full year IFRS 2015 consolidated results. Rocket Internet does not fully consolidate many of its key companies but accounts for them under the equity method. Consolidated revenues remained stable at EUR 128.3 million in 2015 compared to 128.2 million in 2014, including fees from consulting services as well as revenues of fully consolidated subsidiaries. A much smaller result from deconsolidation of subsidiaries and a share of loss of associates and joint ventures were the primary contributors to a net loss in 2015 of EUR 197.8 million compared to a net income of EUR 428.8 million in 2014. The company continues to have a strong consolidated cash balance of EUR 1.8 billion at the end of 2015.

Companies, in which Rocket Internet SE is or will be invested, will generally, and subject to conditions, have access to co-investment capital by the Rocket Internet Capital Partners fund, which has aggregate commitments of USD 742 million.

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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 over 110 countries on six continents 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](http://www.rocket-internet.com).

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