A top-down view of a child with dark curly hair, wearing a blue and white striped shirt, tan pants, and brown shoes, sitting on a dark wood-grain floor. The child is focused on assembling a small orange and black toy car. Surrounding the child are various toys: a wooden train track with a red and white car, a red toy car, a green toy car, a white dinosaur, and other small toys. The scene is brightly lit, creating a warm and playful atmosphere.

[www.scout24.com](http://www.scout24.com)

# Scout24 AG

## Q1 2017 Results Conference Call

May 10, 2017

**SCOUT 24**

# Disclaimer

This document has been issued by Scout24 AG (the "Company" and, together with its direct and indirect subsidiaries, the "Group") and does not constitute or form part of and should not be construed as any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of the Company, nor shall any part of it nor the fact of its distribution form part of or be relied on in connection with any contract or investment decision, nor does it constitute a recommendation regarding the securities of the Company or any present or future member of the Group.

All information contained herein has been carefully prepared. However, no reliance may be placed for any purposes whatsoever on the information contained in this document or on its completeness. No representation or warranty, express or implied, is given by or on behalf of the Company or any of its directors, officers or employees or any other person as to the accuracy or completeness of the information or opinions contained in this document and no liability whatsoever is accepted by the Company or any of its directors, officers or employees nor any other person for any loss howsoever arising, directly or indirectly, from any use of such information or opinions or otherwise arising in connection therewith.

The information contained in this presentation is subject to amendment, revision and updating. Certain statements, beliefs and opinions in this document are forward-looking, which reflect the Company's or, as appropriate, senior management's current expectations and projections about future events. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein. Statements contained in this document regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The Company does not undertake any obligation to update or revise any information contained in this presentation (including forward-looking statements), whether as a result of new information, future events or otherwise. You should not place undue reliance on forward-looking statements, which speak only as of the date of this document.

This document is not an offer of securities for sale in the United States of America. Securities may not be offered or sold in the United States of America absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Neither this document nor any copy of it may be taken or transmitted into the United States of America, its territories or possessions or distributed, directly or indirectly, in the United States of America, its territories or possessions or to any US person.

By attending, reviewing or consulting the presentation to which this document relates or by accepting this document you will be taken to have represented, warranted and undertaken that you have read and agree to comply with the contents of this notice.

Nothing in this document constitutes tax advice. Persons should seek tax advice from their own consultants or advisors when making investment decisions.

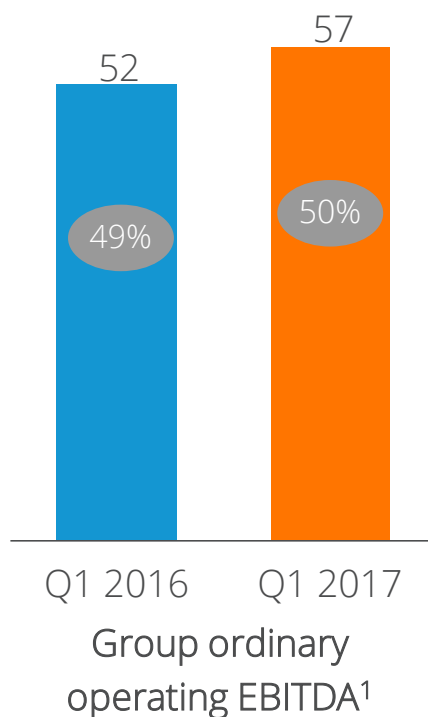
Due to rounding, numbers presented throughout this statement may not add up precisely to the totals indicated, and percentages may not precisely reflect the absolute figures for the same reason.

# Key Financial Highlights

Strong organic revenue growth...

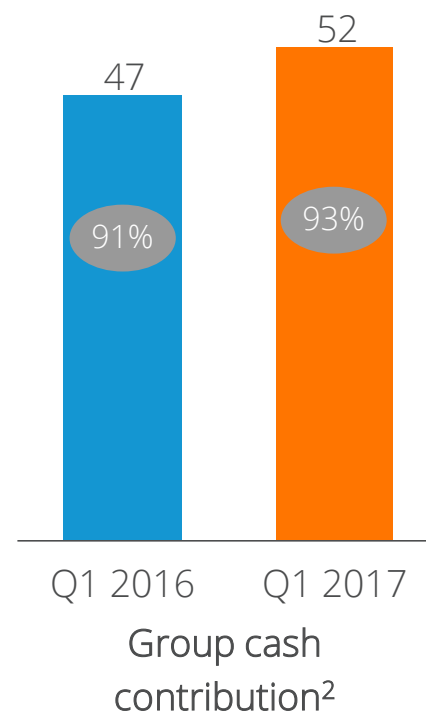


...sustainable profitability...



● ooEBITDA margin<sup>1</sup>

...and robust & visible cash flows



● Cash Conversion<sup>3</sup>

Note: All figures in € millions.

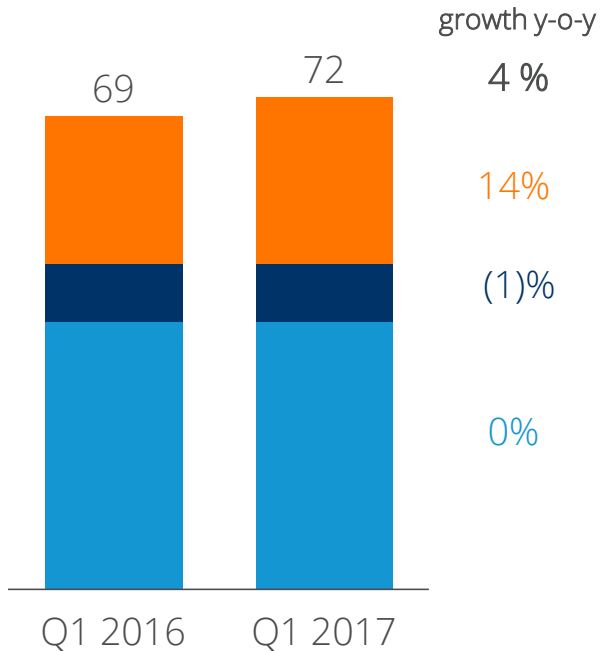
Compared with the Q1 2016 statement, the results related to European AutoTrader B.V., Amsterdam, acquired as at 1. February 2016, were considered since acquisition date (see Q2 2016 statement).

1. Ordinary operating (oo)EBITDA represents EBITDA adjusted for non-operating and special effects, ordinary operating EBITDA margin of a segment is defined as ordinary operating EBITDA as a percentage of external segment revenues.

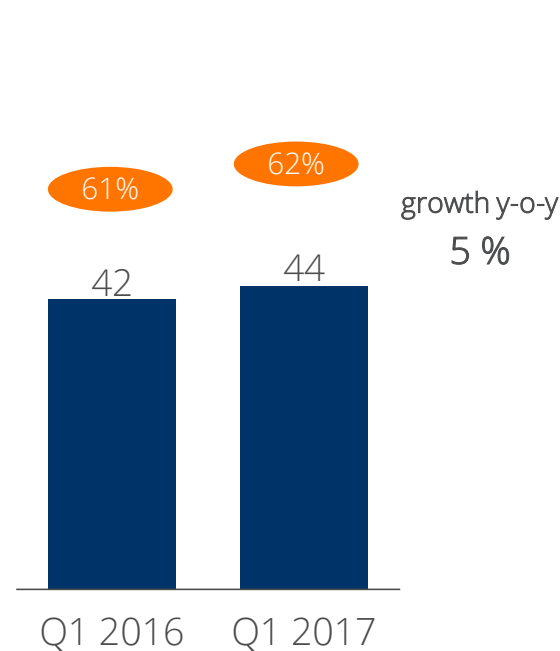
2. Cash contribution is defined as ooEBITDA less Capital expenditures, cash conversion as ooEBITDA / (ooEBITDA less Capital expenditures)

# IS24: Platform for Continued Growth

External Revenues  
(in €m)



ordinary operating EBITDA  
(in €m)



## Key highlights

### Core Agent revenues

- Core agent revenues remained flat on a y-o-y basis driven by solid ARPU increase offsetting declining Core Agent numbers

### Other Agent revenues

- Other agent revenues as well remained mainly flat on a y-o-y basis

### Other revenues

- Increase reflecting robust revenue growth in adjacent businesses combined with mostly flat private listing revenues

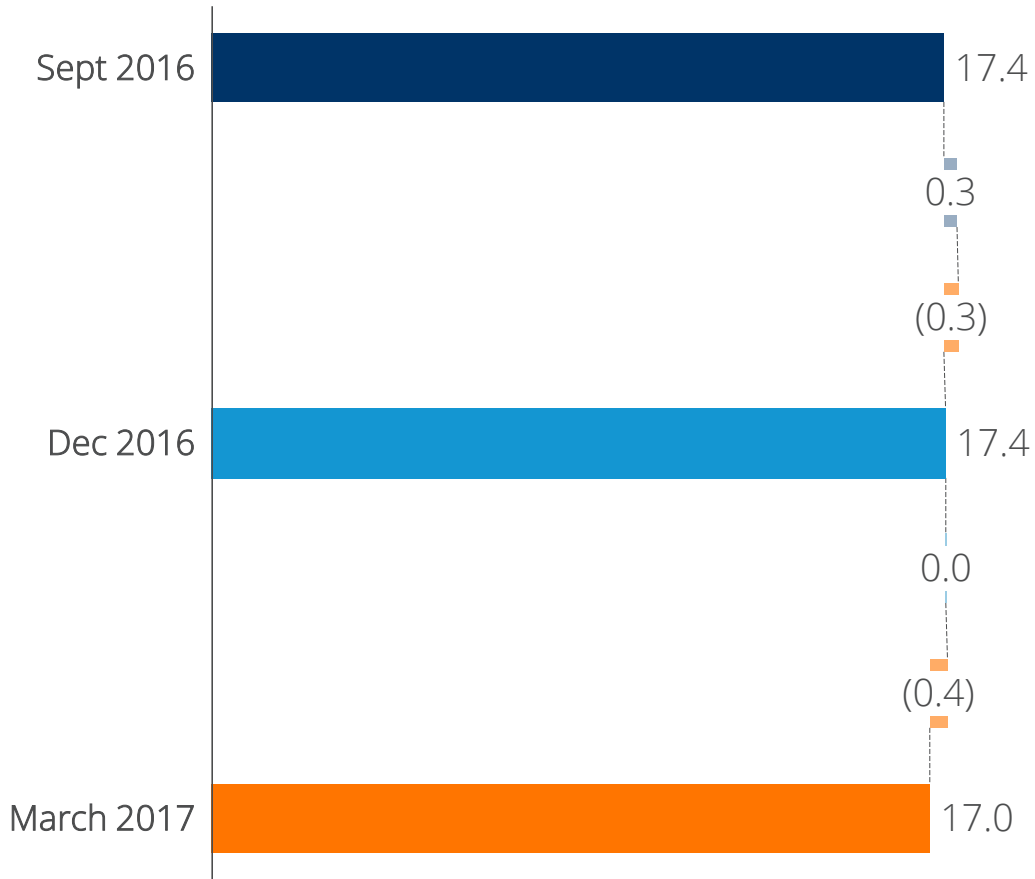
### ooEBITDA

- Margin expansion driven by moderate cost growth, with efficiencies partially offsetting investments in product innovation

■ Other revenues 
 ■ Other Agent revenues 
 ■ Core Agent revenues 
 xx% ooEBITDA margin

# IS24: Core agent evolution

## Q1 2016 trends



### Key highlights

- Excluding out of business agents, core agent numbers remained flat in Q1 2017
- Customer winback rate and new customer acquisition rate (based on monthly runrate) on a stable level in Q1 2017 compared to Q4 2016

- Net loss/gain excl. Agents leaving the business<sup>1</sup>
- Agents leaving the business / inactive Agents

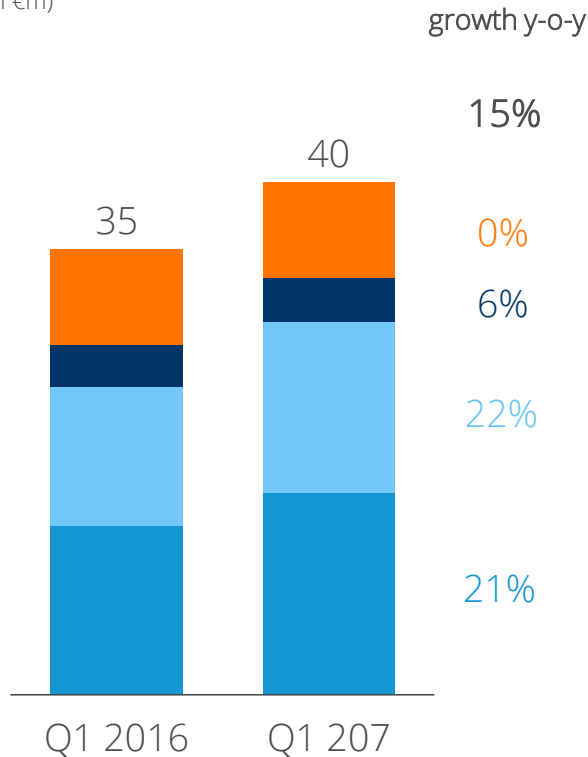
Source: Management estimates, internal data.

1. No listings at any online sources 6 months after inactivation at IS24.

# AS24: Delivering on Growth Potential

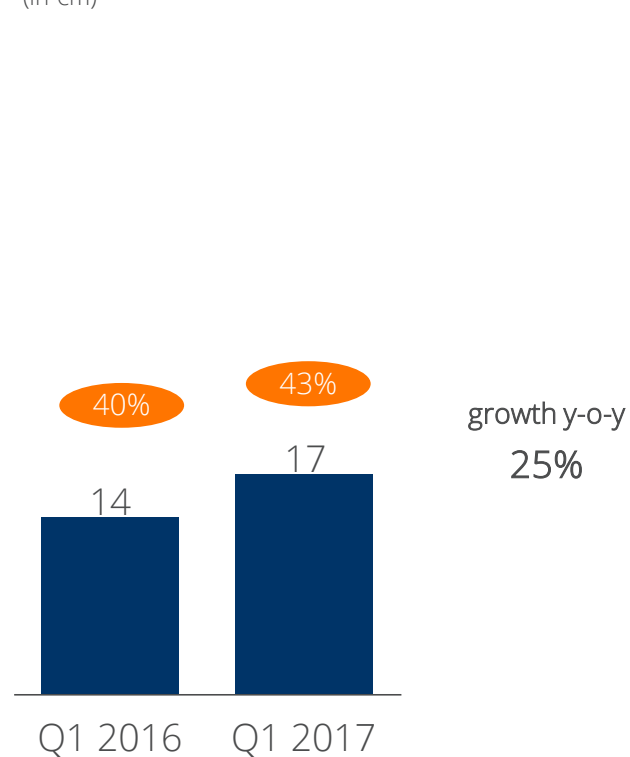
## External Revenues

(in €m)



## ordinary operating EBITDA

(in €m)



## Key highlights

### Core Dealer revenues

- Solid ARPU increase on the back of price increases and good visibility product uptake in Germany and Benelux

### Other Dealer revenues

- Ongoing success of visibility products in smaller European countries

### Other revenues

- Other revenues flat y-o-y

### ooEBITDA

- Revenue growth combined with operational gearing driving margin increase

■ Other revenues      ■ Core Dealer revenues BE/NL/IT  
■ Other dealer revenues      ■ Core Dealer revenues GER

xx% ooEBITDA margin

Note:

Compared with the Q1 2016 statement, the following changes occurred: i. consideration of the results related to European AutoTrader B.V., Amsterdam, acquired as at 1. February 2016, since acquisition date (see Q2 2016 statement).

# Ordinary Operating Cost

(in €m)	Q1 2016	Q1 2017
<b>Revenues</b>	<b>105.8</b>	<b>113.9</b>
Own work capitalised	2.6	2.6
Personnel (incl. external labour)	(29.7)	(31.2)
Marketing (online & offline)	(12.7)	(13.8)
IT	(4.2)	(3.8)
Other costs	(9.6)	(11.0)
<b>Total operating cost</b>	<b>(53.6)</b>	<b>(57.4)</b>
<b>Ordinary operating EBITDA</b>	<b>52.2</b>	<b>56.5</b>
<b>Ordinary operating EBITDA-margin</b>	<b>49.3%</b>	<b>49,6%</b>

- including €0.6m for stock-option programme for employees (SOP)
- increase driven by regular salary increase as well as seasonality effects

- driven by investments product innovation in 2017

Note:  
Compared with the Q1 2016 statement, the following changes occurred: In order to increase transparency, the aggregation of expenses was modified partially as at 1. January 2017, in particular a reclass from Other operating expenses to IT expenses. To ensure comparability with the previous year's accounting periods, the corresponding figures were restated retrospectively (EUR 0.1 million).

# Below EBITDA Items

(in €m)		Q1 2016	Q1 2017
	Ordinary operating EBITDA	52.2	56.5
	Non-operating items	(3.5)	(3.2)
	Reported EBITDA	48.6	53.3
	D&A	(3.9)	(4.3)
PPA Effect	D&A on PPA items	(12.1)	(10.2)
	EBIT	32.6	38.8
	Results Equity Method	(0.0)	(0.0)
Interest	Finance Income	0.0	1.3
	Finance Cost	(12.5)	(3.5)
	Earnings before Tax	20.1	36.6
Taxes	Taxes on Income	(7.1)	(12.4)
	Earnings after Tax	13.0	24.2
	Earnings per Share (in €)	0.12	0.23
	Adjusted Earnings <sup>1</sup>	26.4	33.5
	Earnings per Share adjusted (in €) <sup>1</sup>	0.25	0.31

## Comments

- include €0.5m effect from share-based compensation (Management Equity Programmes), €0.8m performance based compensation stemming from a purchase price agreement, €1.1m of cost relating to M&A, €0.9m personnel cost relating to the reorganisation

- significantly reduced interest rate (Q1 2017: 1,7%; Q1 2016: 4,0% average throughout the quarter) driving decrease
- Q1 2016 including €2.7 million expense from derivative instruments, Q1 2017 with €1.3 million gain (0% floor on EURIBOR, **non-cash relevant**)

- Low-to-mid 30% effective tax rate expected for the Full Year 2017 (slightly higher than normalized rate of 31.5%)



# Capital structure

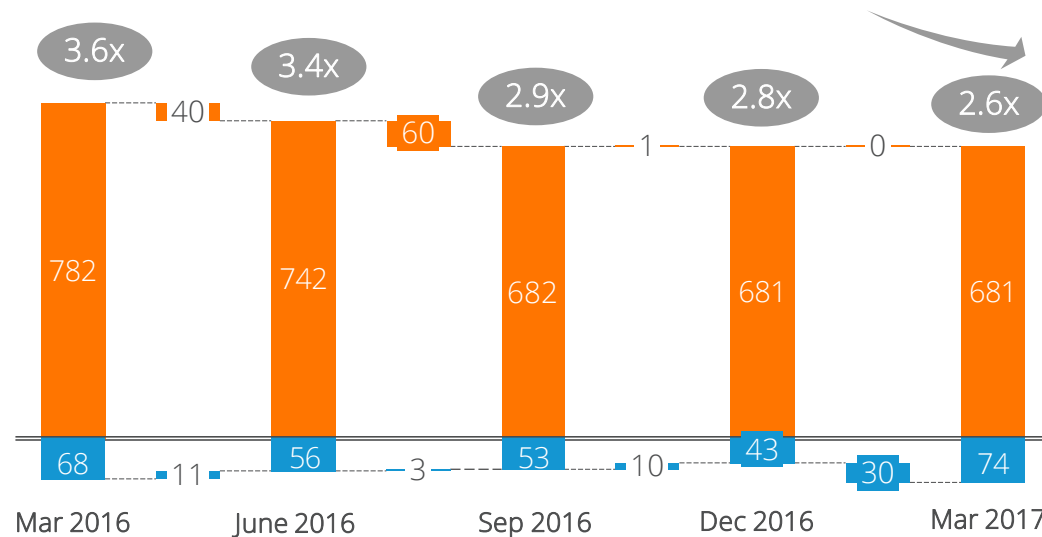
Strong deleveraging profile and low interest margins supporting dividend payment

## Margin ratchet thresholds

Leverage (Net Debt/EBITDA)	Margin <sup>1</sup>	
	Term Loan	Revolving Facility <sup>2</sup>
>3.00x	2.00%	1.60%
>2.50x	1.70%	1.30%
>2.00x	1.50%	1.10%
>1.50x	1.30%	0.90%
>1.00x	1.10%	0.70%
<1.00x	0.90%	0.50%

## Key highlights

- Refinancing end of 2016 significantly improved interest margins, as business de-levers over time, margin ratchet will reduce interest expense further
- Management and Supervisory Board will propose **0.30€ Dividend per share** to Annual General Meeting in June 2017
- Target **pay-out ratio of 30.0% to 50.0%** of adjusted net income over time

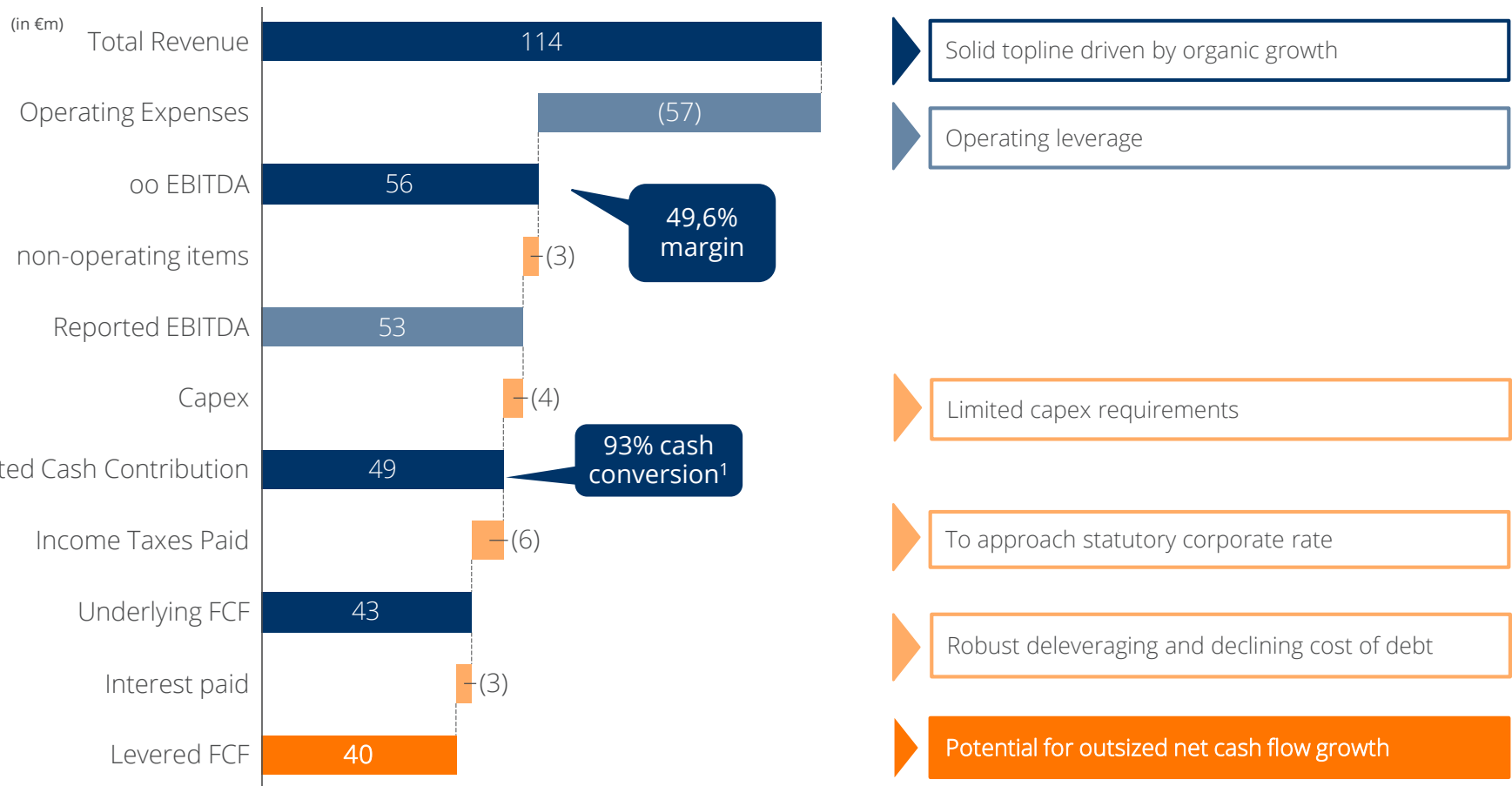


■ Gross Debt     
 ● Leverage (Net debt<sup>3</sup> / ordinary operating EBITDA)     
 ■ Cash and cash equivalents

1. Leverage test on a quarterly basis with new spread applicable 45 days post quarter end  
 2. Revolving Facility is subject to a utilisation fee depending of the amount drawn (<33.3% : 0.1%, <66.7% : 0.2%, >66.7% : 0.4%)  
 3. Net debt is defined as total debt (current and non-current liabilities) less cash and cash equivalents

# Recap: Strong Free Cash Flow Generation

## Revenue to Free Cash Flow Bridge (3M 2017)



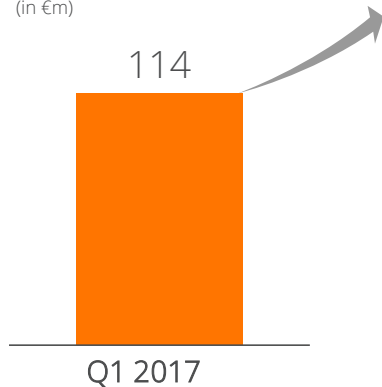
1. Cash conversion is defined as (oo EBITDA less Capital Expenditure) / oo EBITDA .

# Outlook Full Year 2017 [unchanged]

## On track to reach targets

### Revenues

(in €m)

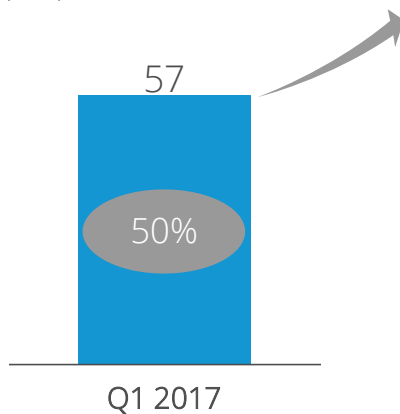


Group revenues expected to record a **high-single-digit** percentage growth rate

- IS24 is expected to achieve a **mid-single** percentage revenue growth rate, revenue growth weighted towards second half 2017 with acceleration to a **mid- to high-single-digit** growth rate
- AS24 is expected to grow revenues at a **mid-teens** percentage rate

### ordinary operating EBITDA

(in €m)



Group ooEBITDA margin is expected to **increase by around one percentage point**

- IS24 is expected to achieve an ordinary operating EBITDA margin **on a slightly lower (but, at least 61%) or a comparable level** than in 2016
- AS24 margin expected to **expand by at least five percentage points**

● ooEBITDA margin

# Q&A

# Reconciliation Adjusted Earnings<sup>1</sup>

(in €m)	Q1 2016	Q1 2017
Earnings before Tax	20.1	36.6
Add back non-operating items	3.5	3.2
Add back D&A on PPA items	12.1	10.2
Add back extraordinary finance expense/ income and effects from derivative instruments	2.7	(1.3)
Deduct Profit from disposal of investments accounted for using the equity method	-	-
Adjusted Earnings before Tax	38.5	48.7
Adjusted Tax based on normalized Tax rate	(12.1)	(15.2)
Non-Controlling interest	0.1	(0.0)
Adjusted Earnings attributable to owners of the parent	26.6	33.4
Earnings per Share adjusted (in €) <sup>1</sup>	0.25	0.31
Weighted average of shares (in million)	107.6	107.6

Based on relevant nominal tax rate as stated in Annual Report 2015 and 2016 respectively.

Q1 2015: 31.44%;  
Q1 2016: 31.30%

1. Voluntary information, unaudited, not reviewed.

# Income Statement

(EUR '000)

	Q1 2017	Q1 2016 <sup>1</sup>
Revenues	113,858	105,780
Own work capitalised	2,559	2,581
Other operating income	197	372
<b>Total operating performance</b>	<b>116,614</b>	<b>108,733</b>
Personnel expenses	(28,361)	(26,705)
Advertising expenses	(13,870)	(12,684)
IT expenses	(3,823)	(4,237)
Other operating expenses	(17,308)	(16,468)
<b>EBITDA (Earnings before interest, tax, depreciation and amortisation)</b>	<b>53,252</b>	<b>48,639</b>
Depreciation and amortisation	(14,419)	(16,083)
<b>EBIT (Earnings before interest and tax)</b>	<b>38,833</b>	<b>32,556</b>
Results from investments accounted for using the equity method	(11)	(1)
Financial income	1,323	48
Financial expenses	(3,539)	(12,483)
<b>Net financial result</b>	<b>(2,227)</b>	<b>(12,436)</b>
<b>Earnings before tax</b>	<b>36,607</b>	<b>20,120</b>
<b>Income taxes</b>	<b>(12,374)</b>	<b>(7,132)</b>
<b>Earnings after tax</b>	<b>24,233</b>	<b>12,988</b>
Of which attributable to:		
Non-controlling interests	-	(140)
Shareholders of the parent company	24,233	13,128
<b>Basic earnings per share</b>		
Earnings per share after tax	0.23	0.12
<b>Diluted earnings per share<sup>2</sup></b>		
Earnings per share after tax	0.22	0.12

1. Compared with the Q1 2016 statement, the following changes occurred: i. consideration of the results related to European AutoTrader B.V., Amsterdam, acquired as at 1. February 2016, since acquisition date (see Q2 2016 statement). ii. In order to increase transparency, the aggregation of expenses was modified partially as at 1. January 2017, in particular a reclass from Other operating expenses to IT expenses. To ensure comparability with the previous year's accounting periods, the corresponding figures were restated retrospectively (kEUR 859).

2. The dilution is based solely on potential shares deriving from share-based compensation.

# Balance Sheet

## Assets

(EUR '000)

	31/03/2017	31/12/2016
<b>Current assets</b>	129,816	96,175
Cash and cash equivalents	73,874	43,441
Trade receivables	43,311	43,275
Financial assets	502	406
Income tax receivables	1,030	1,249
Other assets	11,099	7,804
<b>Non-current assets</b>	2,025,183	2,034,722
Goodwill	816,231	816,231
Trademarks	983,451	983,523
Other intangible assets	207,771	217,560
Property, plant and equipment	9,462	9,953
Investments accounted for using the equity method	2,705	1,666
Financial assets	535	535
Deferred tax assets	2,441	3,482
Other assets	2,587	1,772
<b>Balance sheet total</b>	2,154,998	2,130,897

# Balance Sheet

## Equity and liabilities

(EUR '000)

	31/03/2017	31/12/2016
<b>Current liabilities</b>	115,840	112,300
Trade payables	22,257	27,897
Financial liabilities	32,456	31,835
Other provisions	2,520	4,027
Income tax liabilities	24,191	15,870
Other liabilities	34,415	32,671
<b>Non-current liabilities</b>	1,023,483	1,027,827
Financial liabilities	645,045	645,539
Pensions and similar obligations	461	443
Other provisions	613	632
Income tax liabilities	58	29
Deferred tax liabilities	374,844	378,579
Other liabilities	2,463	2,605
<b>Equity</b>	1,015,676	990,770
Subscribed share capital	107,600	107,600
Capital reserve	427,778	427,570
Retained earnings	479,274	455,041
Measurement of pension obligations	-88	-85
Other reserves	1,112	1,107
Treasury shares (0 shares, previous year 13,400 shares)	-	-463
<b>Equity attributable to shareholders of parent company</b>	1,015,676	990,770
<b>Non-controlling interests</b>	-	-
<b>Balance sheet total</b>	2,154,998	2,130,897



# Cash Flow Statement

(EUR '000)

	Q1 2017	Q1 2016 <sup>1</sup>
<b>Earnings after tax</b>	<b>24,233</b>	<b>12,988</b>
Depreciation and amortisation	14,419	16,083
Income tax expense/(income)	12,374	7,132
Financial income <sup>1</sup>	(1,323)	(48)
Financial expenses <sup>1</sup>	3,539	12,483
Result from investments accounted for using the equity method	11	1
Result on disposal of intangible assets and property, plant and equipment	2	(2)
Other non-cash transactions	672	1,092
Change in other assets not attributable to investing or financing activities	(4,146)	(1,797)
Change in other liabilities not attributable to investing or financing activities	(4,037)	(6,768)
Change in provisions	(1,514)	(705)
Income taxes paid	(6,497)	(2,401)
<b>Cash flow from operating activities</b>	<b>37,733</b>	<b>38,058</b>
Purchases of intangible assets	(3,396)	(4,265)
Purchases of property, plant and equipment	(677)	(590)
Proceeds from disposal of intangible assets and property, plant and equipment	3	5
Payments to acquire financial assets	(141)	-
Proceeds from sale of financial assets	47	155
Payments for acquisitions of at equity investments	(100)	-
Payments made to acquire subsidiaries	-	(27,745)
Interest received	2	12
<b>Cash flow from investing activities</b>	<b>(4,262)</b>	<b>(32,428)</b>
Repayment of short-term financial liabilities	(44)	(52)
Interest paid	(2,997)	(8,426)
<b>Cash flow from financing activities</b>	<b>(3,041)</b>	<b>(8,478)</b>
Effect of foreign exchange rate changes on cash and cash equivalents	3	(8)
<b>Change in cash and cash equivalents</b>	<b>30,433</b>	<b>(2,856)</b>
<b>Cash and cash equivalents at start of period</b>	<b>43,441</b>	<b>70,639</b>
<b>Cash and cash equivalents at end of period</b>	<b>73,874</b>	<b>67,783</b>

# IR Contact details and financial calendar

## Financial Calendar (expected)

Thursday 8 June 2017	Annual General Meeting
Wednesday 9 August 2017	Half Year Report 2017
Wednesday 8 November 2017	Interim Report Q3 2017
Mid of November 2017 (Date to be confirmed)	Capital Markets Day

Full year report  
[report.scout24.com/2016](http://report.scout24.com/2016)

<http://www.scout24.com/en/Investor-Relations.aspx>

## Investor Relations Contact



**Britta Schmidt**  
Vice President Investor  
Relations & Treasury



**Diana Apostol**  
Junior Manager  
Investor Relations

Tel : +49 89 444 56 3278 ; Fax : +49 89 444 56 193278; Email : [ir@scout24.com](mailto:ir@scout24.com)