CREATING FUTURE NETWORKS

Group Interim Report

First Half and Second Quarter 2019

Interim consolidated financial statements for the six months and the quarter ended 30 June 2019

Contents

Key financials

(EUR millions)	Q2 2019*	Q2 2018*	% Change	H1 2019*	H1 2018*	% Change
External revenue	**151.9**	**127.8**	**18.9%**	**300.7**	**251.2**	**19.7%**
IS24	67.2	61.8	8.7%	132.3	122.3	8.2%
AS24	46.2	40.4	14.4%	91.5	79.2	15.5%
CS	38.4	25.4	51.1%	76.9	49.5	55.1%
Ordinary operating EBITDA[1]	**82.9**	**75.1**	**10.4%**	**153.9**	**138.8**	**10.9%**
IS24	47.0	43.6	7.7%	90.2	83.6	7.9%
AS24	26.4	21.6	22.1%	51.2	39.1	31.2%
CS	11.4	11.5	-0.4%	16.6	19.9	-16.8%
Ordinary operating EBITDA margin, %[1]	**54.6%**	**58.7%**	**-4.1pp**	**51.2%**	**55.2%**	**-4.0pp**
IS24	69.9%	70.6%	-0.7pp	68.2%	68.3%	-0.1pp
AS24	57.2%	53.6%	3.6pp	56.0%	49.3%	6.7pp
CS	29.8%	45.2%	-15.4pp	21.6%	40.2%	-18.6pp
EBITDA[2]	**63.2**	**70.2**	**-10.0%**	**121.7**	**131.0**	**-7.1%**
Capital expenditure (adjusted)[5]	**5.2**	**10.1**	**-48.5%**	**10.8**	**18.0**	**-40.0%**
Cash contribution[3]	**77.7**	**65.0**	**19.5%**	**143.1**	**120.7**	**18.6%**
Cash conversion[4]	**93.7%**	**86.5%**	**7.2pp**	**93.0%**	**87.0%**	**6.0pp**

* Advertising revenue with OEM partner agencies and the corresponding ordinary operating EBITDA is no longer reported in the AutoScout24 segment as of 1 January 2019 but rather in the Scout24 Consumer Services segment due to the close structural relationship with Third-Party Display Revenue; the figures of the previous year have been restated accordingly.

1 Ordinary operating EBITDA refers to EBITDA adjusted for non-operating effects, which mainly include restructuring expenses, expenses in connection with the Company's capital structure and company acquisitions (realised and unrealised), costs for strategic projects as well as effects on profit or loss from share-based payment programmes. The ordinary operating EBITDA margin of a segment is defined as ordinary operating EBITDA as a percentage of external segment revenue.

2 EBITDA is defined as profit before net finance expenses, income taxes, depreciation and amortisation, impairment losses and gains or losses on the sale of subsidiaries.

3 Cash contribution is defined as ordinary operating EBITDA less capital expenditure (adjusted).

4 The cash conversion rate is defined as ordinary operating EBITDA less capital expenditure (adjusted) divided by ordinary operating EBITDA.

5 Capital expenditure (adjusted) does not include capital expenditure made due to the application of IFRS 16.

The Scout24 share

Share data

Type of shares	Registered shares (no-par value)
Stock exchange	Frankfurt Stock Exchange
Other trading platforms	XETRA, Berlin, Düsseldorf, Hamburg, Hanover, Munich, Stuttgart, Tradegate
Transparency level	Prime Standard
Total number of shares	107,600,000
Share capital	EUR 107,600,000.00
ISIN	DE000A12DM80
WKN (German security identification number)	A12DM8
Ticker symbol	G24
Specialist	ODDO Seydler Bank AG
Designated sponsors	Goldman Sachs, ODDO Seydler Bank AG
Paying agent	UniCredit Bank AG
Share price as of 28 Jun. 2019	EUR 46.72
52-week high*	EUR 47.66
52-week low*	EUR 34.10
Market capitalisation as of 28 Jun. 2019	EUR 5,027 million
Average daily trading volume (52 weeks prior to 28 Jun. 2019)**	327,504 shares/day

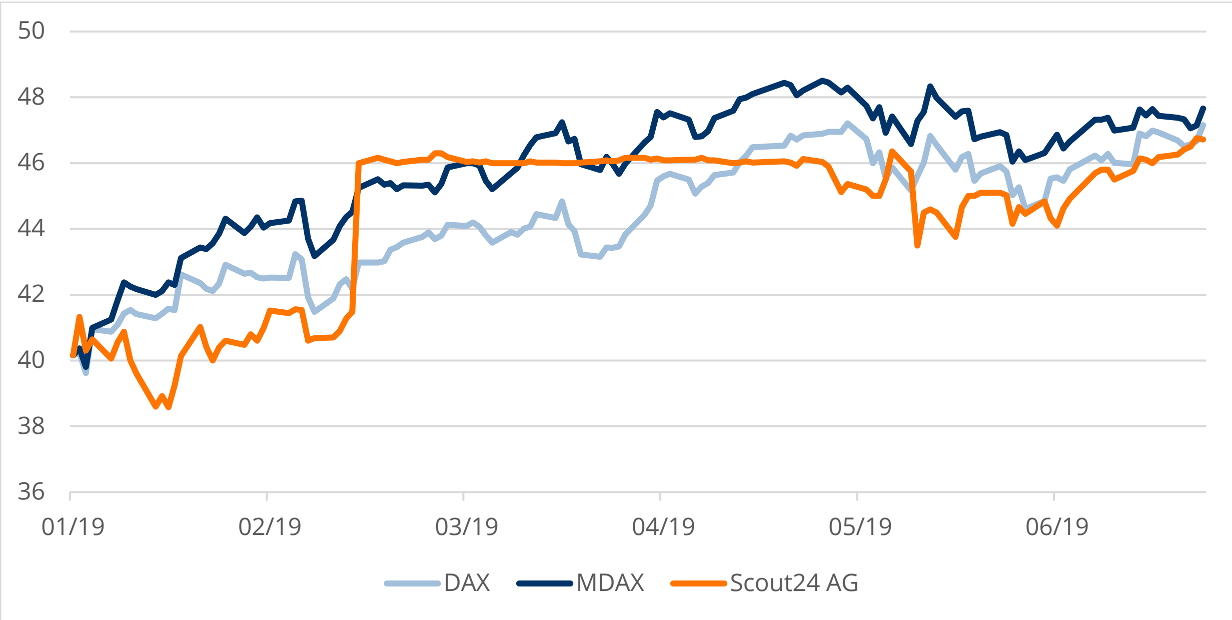
* In each case based on the closing price, source: Frankfurt Stock Exchange
**All securities exchanges including Tradegate, source: Comdirect

In the first six months of 2019, the German stock market, measured in terms of the benchmark German index DAX, appeared to have recovered well after the considerable losses seen in the previous year. A better macroeconomic outlook, the US Federal Reserve's more cautious interest rate policy and the prospect of an amicable settlement in the trade conflict between the United States and China gave stocks a big boost in the first few months of the year. Stocks thus hit the current annual low of 10,417 points already on 3 January 2019. After an annual high of 12,413 points on 3 May 2019, the unexpected renewed escalation of the trade conflict with new penal tariffs imposed by the United States against China initially put an end to the upward trend. China's response by likewise raising penal tariffs erased any hope of a rapid solution. Stock markets soared towards new heights in the course of June, buoyed by the prospect of even looser monetary policy by the ECB and the US Federal Reserve to support the economy. Overall, the DAX closed the first six months of the year at 12,399 points, up 17.4% year on year.

Against this backdrop, the stock market price of the Scout24 share was influenced to a much greater extent by the takeover fantasies that had been simmering since mid-December 2018 than by the Company's fundamental development. Even the good preliminary results for the 2018 financial year had little impact on the share price, which reached its annual low of EUR 38.58 already on 16 January 2019. On 15 February 2019, Scout24 AG's former major shareholders, Hellman & Friedman and the Blackstone Group, decided to issue a joint takeover bid with an offer price of EUR 46.00 per share. The offer was subject to a minimum acceptance threshold of 50%. The stock markets responded accordingly, with share prices until the end of April not straying far from the offer price. At the beginning of May, quotations began to give way noticeably as doubt increased that the takeover would go ahead. On 14 May 2019, the bidders announced that their takeover bid had failed. The acceptance threshold had reached around 42.8%, clearly falling short of the minimum acceptance threshold of 50% plus one share. Scout24's share price initially lost considerable ground, but recovered quickly upon publication on the same day of the financials for the first quarter of 2019. Over the following weeks, the stock markets' focus returned to Scout24's fundamental development, lifting the share price to its annual high of EUR 46.76 by the end of June. The Scout24 share thus closed the first six months of the year up 16.5% on the previous-year level of EUR 40.10.

The benchmark indices DAX and MDAX relevant for Scout24 grew at a slightly stronger rate of +17.4% and +18.7% respectively over the same period.

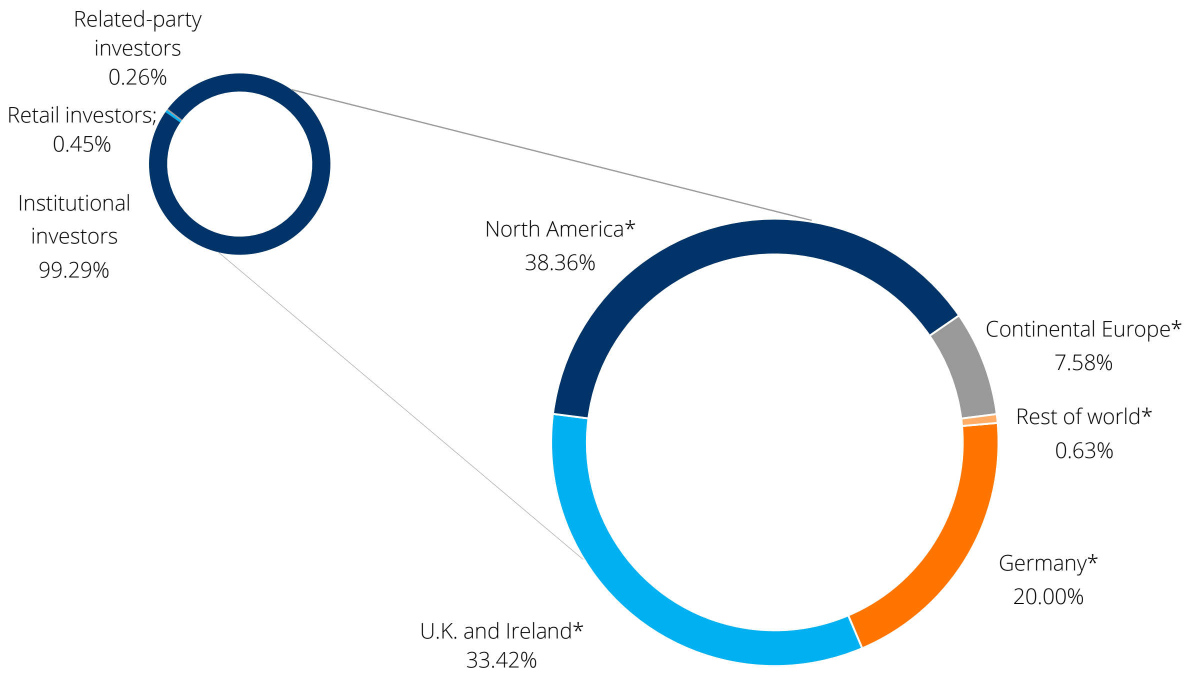
Share price development of Scout24 (indexed)



Shareholder structure

Following the failed takeover offer by Hellman & Friedman and the Blackstone Group, the Scout24 share's free float remains close to 100%. MEP Ord GmbH & Co. KG, the investment vehicle for certain current and former executives of the Group still has a shareholding of 0.26%.

The free float of 99.74% is mainly held by institutional shareholders. The publicly available information covers about 67% of the free float. Of the shareholders identified, institutional shareholders from North America account for the largest share of 38.36%, followed by institutional shareholders from the U.K. and Ireland with 33.42%, Germany with 20.00% and Continental Europe with 7.58%.



* Distribution of free float based on a non-comprehensive shareholder survey as of 19 July 2019

Analyst coverage

In addition to relevant corporate information, investors can also access estimates and recommendations by various independent analysts. The following analysts cover Scout24 currently. A consensus on the current analyst recommendations and target prices can be found on › www.scout24.com in the Investor Relations section.

Broker	Analyst
Bankhaus Lampe	Christoph Bast
Bank of America Merrill Lynch	Vivek Ghiya
Barclays	Andrew Ross
Credit Suisse	Joseph Barnet-Lamb
Deutsche Bank	Fathima Nizla Naizer
Exane BNP Paribas	William Packer
Goldman Sachs	Lisa Yang
HSBC	Christopher Johnen
J.P. Morgan	Marcus Diebel
Kepler Cheuvreux	Craig Abbott
Liberum	Ian Whittaker
Macquarie	Bob Liao
Morgan Stanley	Miriam Adisa
Pareto Securities AS	Mark Josefson
RBC	Sherri Malek
UBS	Richard Eary
Warburg	Marius Fuhrberg

Investor relations activities

Scout24 informs investors, analysts and other interested capital market participants in numerous press and IR releases, as well as many conference calls and one-on-one meetings about the Company's further development. In the period from 27 March to 3 April 2019, Scout24 met with interested investors at roadshows held in Frankfurt, London, New York and Edinburgh. The data on business development, the share, as well as annual and interim reports, press releases, company presentations, details of roadshows and conference participations as well as the financial calendar are available in the Investor Relations section of the Company's website www.scout24.com.

Interim group management report

Change in the reporting structure

As the Group's chief operating decision-maker, the Management Board decided to make minor adjustments to the Group's internal management system as well as the reporting structure and system for the year 2019. Advertising revenue with OEM partner agencies (2018: EUR 15 million) and the corresponding ordinary operating EBITDA (2018: EUR 9 million) is no longer reported in the AutoScout24 segment as of 1 January 2019 but rather in the Scout24 Consumer Services segment due to the close structural relationship with Third-Party Display Revenue. Revenue from the project business with OEMs, however, remains in the AutoScout24 segment, but is reported as part of Revenue with Dealers in Germany and European Core Countries. The previous year's figures were restated accordingly in line with the changed reporting structure.

Changes in the consolidation scope in 2018 and 2019

In the third quarter of 2018, Scout24 acquired FFG FINANZCHECK Finanzportale GmbH ("FINANZCHECK.de"), one of the leading consumer finance platforms in Germany. The earnings of FINANZCHECK.de are included in the financial figures of Scout24 AG as of 1 September. FINANZCHECK.de is allocable to the Scout24 Consumer Services segment. Its contribution to revenue in the 2018 financial year amounted to EUR 12.3 million, while its contribution to ordinary operating EBITDA was a negative EUR 2.0 million. If FINANZCHECK.de had already been consolidated as of 1 January 2018, it would have contributed EUR 18.2 million to revenue and negative ordinary operating EBITDA of EUR 1.5 million in the first six months of 2018.

In December 2018, the Company sold its shares in classmarkets GmbH, Berlin ("classmarkets") and contributed 100% of the shares in AutoScout24 España S.A., Madrid, Spain ("AS24 Spain") to Alpinia Investments 2018, S.L.U., Madrid, Spain. The contribution to revenue by classmarkets and AS24 Spain in the first six months of 2018 amounted to EUR 4.7 million, while their contribution to ordinary operating EBITDA was EUR 2.7 million.

The Scout24 Group's financials for the 2018 financial year, which have been adjusted for consolidation effects (indicated as "adjusted"), include FINANZCHECK.de's contribution to Group revenue and ordinary operating EBITDA as if FINANZCHECK.de had been consolidated as of 1 January 2018. The contributions by classmarkets and AS24 Spain to Group revenue and ordinary operating EBITDA are not taken into account, i.e. the figures adjusted for consolidation effects are presented as if the entities had already been deconsolidated as of 1 January 2018.

In the first six months of 2019, Scout24 HCH Beteiligungs AG with registered offices in Bonn was incorporated as a wholly owned subsidiary of Scout24 AG.

Business model and strategy

Business model and operating segments

The Scout24 Group (hereinafter also referred to as "Scout24" or the "Group") is a leading operator of digital marketplaces specialising in real estate and cars in Germany and other selected European countries. Finding a new home or buying a new car represent two very important decisions in people's – and therefore our users' – lives. We accompany our users to help them make the best decisions. To that end, we seek to connect a large number of listings and users on our digital marketplaces. In addition, we offer our users individual additional services that help them from their search, to the decision and through to the rental, purchase or sale of real estate or the purchase or sale of a car. With our digital marketplaces, we have created a market network that addresses the needs and expectations of users and customers alike – and evolves with them. Our vision is to make the real estate and car markets more transparent. With the help of data-driven solutions and communication options, we want to efficiently connect prospective buyers and sellers and digitise the transaction. In this context, our aim is to align our products and services within our market network to key steps of the transaction so that we can accompany our users throughout their consumer journey when they buy or sell a property or a car. Beyond endeavouring to offer a seamless digital experience, we also aim to distil valuable insights regarding our users' other future needs. Our insights into the life cycles of users provides us an even deeper understanding of their needs right through to the execution of the transaction – e.g. when a user is expected to begin to look for a new car or a new home. With this in mind, the acquisition of FINANZCHECK.de in 2018 will also help build up our expertise and strengthen our product range in this field. The acquisition of FINANZCHECK.de has the objective of expanding the market network offering, for instance, in the automotive financing sector. This approach allows us to strategically orient our offer at additional user touchpoints so that we can also accompany our users' next consumer journey within the Scout24 market network.

Users can avail themselves of our offers for free via various channels such as desktop PC, mobile applications ("apps") or our mobile website. Our digital platforms' products and services are designed to meet the needs of the respective target groups, whether they are searching for or listing real estate or cars, or advertising on our platforms. We offer our professional and private listers efficient tools to optimally present their real estate and automotive listings on our portals and to reach a large, relevant and engaged audience. In addition, we offer especially customised and cost-effective marketing solutions and lead generation for our listing and other customers. Users can also take advantage of special additional products and services, some of which are fee-based, that help them throughout the process of buying or selling real estate and cars.

As a consequence, we generate revenue from listings as well as from non-listing services, such as additional product solutions for real estate agents and car dealers, advertising, lead generation as well as products and consumer services along the value chain. In terms of listing products, we offer three different models to commercial agents: a membership model, a listing package or project model, and a pay-per-ad model. Professional car dealers can conclude a contract for a package of services.

We operate our digital marketplaces primarily through the well-known and popular brands, ImmobilienScout24 ("IS24") and AutoScout24 ("AS24"). Together with the Scout24 Consumer Services ("CS") segment that was established as of 1 January 2018, these are our three operating segments.

ImmobilienScout24

IS24 is a digital marketplace offering both real estate professionals and private listers (homeowners and tenants seeking successor tenants) the opportunity to place – for a fee – real estate classifieds in order to reach potential buyers and tenants. Users – i.e. prospective buyers or tenants – can search through the listings free of charge. Inquiries and searches by users – meaning aspiring buyers or tenants – translate into traffic on our digital marketplaces, which drives lead generation for both professional and private listers.

The main products of IS24 are therefore listings for the sale and rental of real estate. For business real estate professionals, IS24 additionally offers services that support customer acquisition and care. Customers who have a listings contract with IS24 can boost their listings' effectiveness with supplementary products that can be booked for a fee individually from a range of product solutions tailored to their needs for branding, image and acquisition purposes ("VIA" products). For example, they can book visibility products to give their listing a more prominent placing in search results and reach a greater audience for their listings. With targeted display advertising measures, they can increase the visibility of their company brand and pursue a tailored customer approach. Furthermore, IS24 offers the possibility to obtain leads for new mandates. Individual supplementary products can also be added on for a fee in the pay-per-ad model.

IS24 is the leading digital real estate classifieds platform in Germany in terms of number of real estate listings and customers[1] as well as traffic and user engagement.[2] The German Institute for Service Quality (DISQ), which recognised "Germany's Best Online Portals 2019" together with the television broadcaster NTV, has ranked ImmobilienScout24 as one of the top real estate portals in Germany.[3]

In Austria, we also operate a leading real estate listings marketplace with our portals ImmobilienScout24.at and Immobilien.net.[4] The Immodirekt.at portal has also been part of the Scout24 Group in Austria since 2016.

AutoScout24

AS24 is a digital marketplace for automobiles and offers listing platforms for used and new cars, motorcycles and commercial vehicles to dealers and private sellers. AS24 offers professional car dealers and private sellers the opportunity to place listings in order to reach potential buyers. Users – i.e. prospective buyers – can search through the listings free of charge. Inquiries and searches by users translate into traffic, which drives lead generation for both professional and private listers.

Car dealers have to pay a fee to place a listing. The main AS24 products are therefore listings for the sale of new and second-hand cars. In addition, dealers who have a listing contract with AS24 can boost their listings' effectiveness with supplementary products they can book for a fee individually from a range of product solutions tailored to their needs for marketing, image and acquisition purposes ("MIA" products). Private sellers can place listings for free or sell their car to verified dealers through the direct sale option.

The AutoScout24 Group operates Europe's largest digital car marketplace and it is among the leading players[5] in the Core Countries Italy, Belgium, Luxembourg, the Netherlands, Austria and Germany. AS24 also operates in France and offers local language versions of the marketplace in ten additional countries. Moreover, at AutoScout24.com, AS24 offers an

[1] Management estimate based on the number of real estate listings compared with other real estate listings portals

[2] Based on unique monthly visitors (UMV) and user engagement, ComScore May 2019 (desktop PC for UMV, desktop PC and mobile devices for user engagement)

[3] "Germany's Best Online Portals 2019" awarded by German Institute for Service Quality (DISQ) in cooperation with television broadcaster NTV, May 2019

[4] Management estimate based on the number of real estate listings compared with other real estate listings portals (excluding general classifieds portals comprising very different product categories)

[5] Management estimate based on number of listings; June 2019

English-language version that also enables cross-border searches. The AutoScout24 Group also operates the digital automotive marketplaces AutoTrader.nl in the Netherlands and Gebrauchtwagen.at in Austria.

Along with the high degree of brand recognition, AutoScout24 enjoys users' trust: the German Institute for Service Quality, which recognised "Germany's Best Online Portals 2019" together with the television broadcaster NTV, ranked AutoScout24 as one of the top second-hand car portals in Germany.[6]

Scout24 Consumer Services

As a segment active across multiple platforms, Scout24 Consumer Services (CS) pools all services along the value chain of the real estate or automobile market as well as advertisements from third parties on the Scout24 Group's digital marketplaces. As of 1 January 2018, Scout24 Consumer Services operates as a separate segment within the Scout24 Group. Since 1 September, FINANZCHECK.de is also allocable to the Scout24 Consumer Services segment; the revenue is reported in the Revenue with Finance Partners revenue line.

Via the core platforms and brands ImmobilienScout24 and AutoScout24, CS offers supplementary services – in some cases for a fee – designed to support users, from their search to the decision and through to the rental, purchase or sale of a residential property or the purchase or sale of a car. CS generates revenue from the use of our offers along the real estate and automotive value chains through the sale of leads, the intermediation of services (e.g. credit checks and premium membership) or the placement of third-party advertising on the Scout24 Group's platforms. In the business with finance partners the CS segment generates revenue from the intermediation of consumer loans, e.g. in connection with mortgage and car financing, as well as from advertisements and listings purchased by finance partners.

With the CS segment, Scout24's management pursues the strategy to cover the entire consumer journey in the long term with tailored offers and services. We want to accompany users from the search to the decision process and through to completing the purchase of a property or car, and to remain in touch with the users after the transaction is completed. Our vision is to cover the end-to-end consumer journey in order to tap into additional revenue potential in adjacent areas along the real estate and automotive value chains. CS operates across multiple platforms and delivers on this strategy.

Strategy

Our listings revenue is not directly dependent on the number of completed real estate transactions or car sales, but rather on the number and duration of customers' listings and consequently, in particular, the online marketing spend of real estate professionals and car dealers. To remain attractive for listing customers, it is vital for Scout24 to maintain and expand its leading positions in terms of both traffic and user engagement. A high volume of listings and a large number of users are mutually reinforcing, as sellers and users tend to prefer the marketplace that offers the most liquidity, and is consequently the most efficient. Our lead with respect to traffic and user engagement puts us in a good position to benefit from the revenue and growth potential in the large market segments adjacent to our core business, be it along the value chain for the entire real estate purchase or rental process or for the automotive market. By expanding services along the value chains, we are consistently aligning with our users' needs, as well as pursuing our strategy of further developing our market network.

Accordingly, we continuously strive to introduce new functionalities to our websites to offer the best user experience in each case. We are continually working towards digitising the consumer journey along the value chains of the real estate and automotive markets. We endeavour to fully cover and thus digitise the relevant touchpoints with users from the search to the completion of a transaction. On our platforms, we connect seekers and sellers, and offer them products and services along the real estate and automotive value chains beyond the scope of listings. We have thus created a market network that addresses the needs of users and customers alike. Driven by the expectations of our users and

[6] "Germany's Best Online Portals 2019" awarded by German Institute for Service Quality in cooperation with television broadcaster NTV, May 2019

customers for greater functionality, personalisation and relevance, we continually enhance our market network. With attractive pricing models and by optimising and enhancing our product and service range, we plan to continuously improve the value proposition of our listings portals for our customers and users. With our market network, our ambition is also to offer our users utmost transparency on the real estate and automotive market.

Our core competence is the collection, processing and interpretation of data. Backed by our data-driven product solutions, we can support our users in making the best decisions for their real estate purchase, sale or rental, or when buying or selling a car. Starting with a functional and intuitive search experience, we accompany users over the rest of their consumer journey. At the same time, we offer them additional products and services specifically tailored to their needs. In this way, we not only help people searching for real estate find their dream home, but also offer them additional support with our Premium Membership product. Premium Membership at ImmobilienScout24 allows real estate hunters to quickly and easily apply for their preferred properties using a digital application folder that includes an up-to-date credit score. With our price atlas we supply both seekers and sellers of real estate relevant market data regarding the historical trends of offer prices in cities and regions. In addition, we support private sellers of real estate in determining the value of their property as well as preparing the listing for their property using our tailored advertising products. Private sellers of real estate seeking professional support marketing their property can find a suitable agent using the agent search engine on the ImmobilienScout24 platform. On the AutoScout24 platform, too, we offer prospective car buyers a functional and intuitive search function. We offer additional services for the search for cars with our data-driven price assessment for listed cars on our platform and by showing an example of a monthly financing offer. For users looking to find a buyer for their car, we offer both listing products as well as the option of using our direct sale product to sell their car directly to a dealer.

Aside from conventional listings products, we additionally offer our business partners in the real estate agency and car dealer segments a range of product solutions especially tailored to their needs. These solutions are designed to support their efforts to market their offers and their corporate brands. For example, we offer the possibility to improve the effectiveness of their listings with the help of fee-based visibility products that can be additionally booked, and assist them in managing their image with our marketing products for professional sellers or targeted advertising solutions in the area of display advertising. In addition to the product solutions for marketing, we also offer our customers products designed for winning new customers or properties for sale. For instance, we offer our professional customers in the real estate area an agent search engine that helps them find relevant leads to win new contracts to sell properties.

Our strategy for all operating segments focuses on sustainable and profitable growth as well as on the sustainable growth of our Company's value. In this context, our M&A strategy focuses on strategic acquisitions along the value chain that strengthen our market position or enable us to further tap into adjacent revenue pools or quickly expand our technological capabilities. In the 2018 financial year, we acquired FINANZCHECK.de, an online portal offering consumer finance with a proprietary technology platform. This acquisition is of high strategic importance as it improves our coverage of the consumer journey and thus expands our offering within our market network. We can now stay in touch with our users beyond the actual transaction and thus gain a better understanding of other future needs. As a result, we are able to tap into additional revenue potential with tailored offers and to expand our business in the Consumer Services operating segment.

Our focus on sustainable and profitable company growth also determines our capital structure. Our first priority is to finance further growth (organic and through acquisitions). As a second priority, we want to let our shareholders share our success and are pursuing a corresponding dividend and share buyback policy. Finally, as our third priority, we plan to reduce our leverage ratio (the ratio of net debt to ordinary operating EBITDA for the last twelve months).

For 2018, the Management Board and Supervisory Board propose to the Annual General Meeting the payment of a dividend of EUR 0.64 per dividend-entitled share. This corresponds to a total distribution of EUR 68.9 million. Based on the share price as of 28 December 2018, the dividend yield is 1.6%. This is a year-on-year increase in the dividend of more than 14% (dividend for the 2017 financial year: EUR 0.56 per share).

Management system

We have designed our internal management system in line with our strategy and defined appropriate performance indicators. We differentiate between financial and non-financial performance indicators in measuring our success in implementing our strategy. Our monthly reporting, which comprises a consolidated statement of profit or loss, a consolidated statement of financial position, a consolidated statement of cash flows and the monthly segment profits, constitutes an important element of our internal management system. Furthermore, at our regular Management Board meetings, we discuss the current business performance of the Group and the operating segments as well as forecasts of financial and non-financial performance indicators for the following weeks. Based on these reports, we perform comparisons of budgeted and actual figures and, in the event of divergences, we conduct further analyses or take appropriate corrective measures. These reports are supplemented by long-term forecasts of business performance, as needed, and an annual budget planning process. Both the current results of operations and the forecasts are presented to the Supervisory Board at quarterly meetings.

Performance indicators

Given our focus on sustainable and profitable growth as well as sustainably increasing our company value, our most important performance indicator at both Group and segment level is ordinary operating EBITDA, supplemented by revenue and the ordinary operating EBITDA margin.

In line with our strategy, the financial success of our portals is essentially determined by the number of listings, as well as user reach and traffic. The most important auxiliary indicators at platform level are consequently the number of listings, particularly compared with our competitors, as well as user reach and user engagement. For the ImmobilienScout24, AutoScout24 and Scout24 Consumer Services segments, we also analyse revenue by main customer group and field of operation. In addition, for the ImmobilienScout24 and AutoScout24 segments, we analyse the corresponding direct drivers of revenue, such as the number of customers and the average revenue per user (ARPU) for the month.

ImmobilienScout24

- The **number of listings** refers to the total number of all real estate listings on the respective website as of a specific cut-off date (as a general rule, the end of the month).[7]
- **UMV** refers to the unique monthly visitors to the website via desktop PC, mobile devices or apps (multi-platform), irrespective of how often they visit the portal during the month in question and (for multi-platform metrics) irrespective of how many platforms (desktop and mobile) they use.[8]
- **Sessions** refers to the average monthly number of visits to the IS24 platforms via desktop PC, mobile, devices, websites optimised for mobile devices or apps, measured with our Traffic Monitor (Google Analytics).
- **Revenue with Residential Real Estate Partners** contains revenue from residential real estate generated with IS24 agent customers who purchase a contractual membership model or book an individual listing under a pay-per-ad model. Also reported here is revenue from services generated by IS24 in connection with these contracts or other contracts for the use of supplementary products that customers can additionally book individually for a fee from a range of product solutions tailored to their needs for branding, image and acquisition purposes ("VIA" products).
- **Revenue with Business Real Estate Partners** contains revenue generated in the area of commercial real estate as well as in the building and real estate development area, generated when IS24's agent customers, builders or property developers purchase a contractual membership model or a project-based model. Also reported here is

[7] Data source: Management estimate
[8] Data source: comScore

revenue from services generated by IS24 in connection with these contracts or other contracts for the use of supplementary products that customers can additionally book individually for a fee from a range of product solutions tailored to their needs for branding, image and acquisition purposes ("VIA" products).

- **Revenue with Private Listers and Other** contains revenue generated with private listers that results from booking a classified under a pay-per-ad model, revenue from FlowFact (our customer relationship management software for real estate professionals) and other non-listing revenue. Revenue from our portals in Austria is also reported here.
- The **number of residential real estate partners** (contractual) is defined as the number of customers as of the end of a given period in the area of residential real estate with whom a contractual relationship is in place under a membership model.
- The **number of business real estate partners** (contractual) is defined as the number of customers as of the end of a given period active in the area of building or property development with whom a contractual relationship is in place under a membership or project model.
- **ARPU from residential real estate partners** (contractual) in euros for a given period is calculated by dividing the revenue generated from our contractual residential real estate partners in the respective period by the average number of contractual residential real estate partners (calculated from the number of contractual residential real estate partners at the beginning and end of the period), and further dividing by the number of months in the period.
- **ARPU from business real estate partners** (contractual) in euros for a given period is calculated by dividing the revenue generated from our contractual business real estate partners in the respective period by the average number of contractual business real estate partners (calculated from the number of contractual business real estate partners at the beginning and end of the period), and further dividing by the number of months in the period.

AutoScout24

- The **number of listings** for each country refers to the total number of new and used cars and vans on a specific cut-off date (as a rule, the end of the month) on the website in question.[9]
- **UMV** refers to the unique monthly visitors to the website via desktop PC, mobile devices or apps (multi-platform), irrespective of how often they visit the portal during the month in question and (for multi-platform metrics) irrespective of how many platforms (desktop and mobile) they use.[10]
- **Sessions** refers to the average monthly number of visits to the AS24 platforms via desktop PC, mobile, devices, websites optimised for mobile devices or apps, measured with our Traffic Monitor (Google Analytics).
- **Revenue with Dealers** in **Germany** or with Dealers in **European Core Countries** (Belgium, Luxembourg, the Netherlands, Italy and Austria) contains revenue generated from partner dealers selling passenger cars, motorcycles and commercial vehicles who have purchased a contractual listing package in said countries. Revenue generated from services under these contracts or other contracts for the use of fee-based supplementary products that customers can additionally book individually from a range of product solutions tailored to their needs for marketing, image and acquisition purposes (MIA) is also reported here.
- **Other Revenue** contains revenue generated with private listers under the pay-per-ad model, revenue from our Garage Portal and other services for our partner dealers such as platform interfaces. Revenue from the Express Sale product and our portals' revenue outside our European Core Countries is also reported here.
- The **Number of Partner Dealers** is defined as the number of commercial dealers for cars, motorcycles and commercial vehicles in Germany or our European Core Countries (Belgium, Luxembourg, Italy, the Netherlands and Austria) as of the end of a given period who have a contract to place vehicle listings on our platform.
- **ARPU from Partner Dealers** in **Germany** and ARPU from Partner Dealers in **European Core Countries** in euros for a specific period is calculated by dividing the revenue generated from our partner dealers in Germany and partner dealers in our European Core Countries in a given period by the average Number of Partner Dealers in Germany or European Core Countries (calculated from the Number of Partner Dealers at the beginning and end of the period), and further dividing by the number of months in the given period.

[9] Data source: Management estimate

[10] Source: AGOF

Scout24 Consumer Services

- **Revenue with Finance Partners** comprises revenue that results from the intermediation of consumer loans, e.g. in connection with mortgage and car loans as well as revenue from finance partners purchasing a contractual membership model for listing on our platform or additional contracts for the use of fee-based supplementary products that can be added on individually.
- **Services Revenue** comprises revenue generated from services offered on our platforms, including both revenue generated with users as well as revenue from lead generation for our partners (for example, for credit checks, sale of relocation leads to moving companies, etc.).
- **Third-Party Display Revenue** contains revenue generated in the area of display advertising of non-real state and non-automotive third parties.

Macroeconomic and sector-specific environment

Macroeconomic trends

Scout24 is active in the real estate sector in Germany and Austria as well as in the automotive sector in Germany, Italy, Belgium, Luxembourg, the Netherlands, France and Austria, and consequently in large parts of the eurozone. Germany remains the main market of Scout24, accounting for 82% of its total revenue in the 2018 financial year and 83% in the first six months of 2019. Germany's economy recovered noticeably in the first quarter of 2019, having stagnated in the second half of 2018. Accordingly, gross domestic product was 0.7% up on the previous year and 0.4% up on the fourth quarter of 2018.[11] However, these positive effects are expected to peter out or even reverse as the year continues. In this scenario, the growth rate forecast for Germany for the full year 2019 is merely 0.6%. For 2020, the growth rate is expected to reach 1.2% based on increasing economic momentum.[12] In the eurozone, a lower growth rate than 2018 of 1.3% is forecast for 2019 and of 1.5% for 2020.[13]

Given the described macroeconomic trends, our business model is mainly driven by the economic conditions for digital marketplaces. The Internet is meanwhile widespread and has obtained general recognition in Germany and the rest of Europe as an information and communication medium. The development of a large number of digital media and e-commerce websites as well as mobile apps has led to a situation in which Internet use has become common among the population. This trend also influences the allocation of marketing budgets. In Germany, the share of online advertising spend has increased from 13.3% of total advertising expenditure in 2008 to 35.9% in 2018. In 2018, online advertising expenditure was already 58.4% higher than TV marketing budgets.[14] Online advertising expenditure is expected to continue to increase its share from a forecast 38% in 2019 to 43% by 2021.[15]

German residential property market trends

The German property market comprises residential and commercial properties. IS24 addresses both segments, but generates most of its revenue from the residential property market and there specifically from sales transactions.

According to the September 2018 forecast issued by the independent consulting and research institute GEWOS, investment in residential and commercial real estate is expected to continue to rise in 2019. GEWOS expects by far the most revenue in Germany's real estate sector to be generated with residential properties, as the continuing high level of demand for residential properties for own-use buyers and investors alike reportedly still outstrips supply, further driving up prices and revenue.[16]

The German Property Federation's Spring Real Estate Industry Report 2019 likewise predicts that the German real estate sector will initially continue to benefit from favourable mortgage terms, a good economic climate and high demand for residential space in urban areas in 2019, despite facing economic-policy challenges. However, it sees a trend of optimism gradually waning, with, as a result, only moderate growth rates at a high level for the full year. Capacity utilisation and a shortage of skilled labour are increasingly expected to prevent more dynamic growth. [17]

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[11] German Federal Statistical Office, press release no. 196 dated 23 May 2019
[12] Deutsche Bundesbank, Outlook for the German economy, June 2019
[13] World Economic Outlook, April 2019
[14] ZenithOptimedia data query 31 January 2019
[15] ZenithOptimedia, press release dated 8 July 2019
[16] GEWOS, September 2018
[17] Spring Real Estate Industry Report 2019 by the Immobilienweisen Expert Panel

European automotive market trends

AS24 generates its revenue in Germany and selected European countries (Belgium, Luxembourg, the Netherlands, Italy, France, Austria), as well as primarily in the area of used car transactions.

For 2019, the German Federation for Motor Trades and Repairs (ZDK) expects new car registrations of roughly 3.43 million, which would be at the 2018 level. New registrations of passenger cars are expected to reach 1.23 million and new registrations of commercial vehicles around 2.2 million. ZDK anticipates a slight decrease in the used car market to between 7.2 and 7.3 million cars changing hand in 2019, on account of the ongoing diesel problem.[18]

According to the German Federal Motor Transport Authority (KBA), in the first six months of 2019 approximately 1.8 million passenger cars were newly registered (up 0.5% on the previous year) and 3.6 million used cars changed owners (down 0.6% on the previous year) in Germany.[19]

In Europe, the economic uncertainty was considerably more pronounced towards the end of the second half of 2018. At 8.2 million vehicles, over 3% fewer vehicles were registered in the first six months of 2019 than in the previous year (H1 2018: 8.4 million).[20]

Business performance of the Group

Scout24 performed very positively once again in the first six months of 2019, buoyed by strong growth in the AS24 and CS segments as well as continuing positive dynamics in the ImmobilienScout24 ("IS24") segment.

The Scout24 Group's external revenue increased by 19.7% to EUR 300.7 million in the first six months of 2019 (H1 2018: EUR 251.2 million). Adjusted for consolidation effects[21], i.e. taking into account the contribution of FINANZCHECK.de and without the contributions of the deconsolidated entities AS24 Spain and classmarkets in the first six months of 2018, the growth rate came to 13.6% (adjusted revenue for H1 2018: EUR 264.7 million).

The Group's ordinary operating EBITDA increased in the first six months of 2019 to EUR 153.9 million (H1 2018: EUR 138.8 million; adjusted[22]: EUR 134.6 million). This is equivalent to a growth rate of 10.9% in relation to the previous year, or of 14.3% on an adjusted basis, which is slightly higher than the revenue growth rate (adjusted). The ordinary operating EBITDA margin is 51.2% (H1 2018 adjusted: 50.8%; H1 2018: 55.2%). Despite the greater level of investment made in the first quarter of 2019 in the Scout24 Group's future growth, the ordinary operating EBITDA margin has thus increased compared with the adjusted margin for the previous year. At EUR 82.9 million, ordinary operating EBITDA for the second quarter of 2019 was up 10.4% compared with the previous-year level (Q2 2018: EUR 75.1 million; Q2 2018 adjusted: EUR 73.0 million). The ordinary operating EBITDA margin was 54.6% (Q2 2018: 58.7%; Q2 2018 adjusted: 54.0%). A reconciliation of ordinary operating EBITDA is provided in the section > Results of operations, financial position and net assets of the Group on page 24 of this report.

[18] German Federation for Motor Trades and Repairs, November 2018

[19] German Federal Motor Transport Authority, vehicle registrations in June 2019, July 2019

[20] European Automobile Manufacturers Association (ACEA), press release dated 17 July 2019

[21] If FINANZCHECK.de had already been consolidated as of 1 January 2018, it would have contributed EUR 18.2 million to revenue in the first six months of 2018. If AS24 Spain and classmarkets had already been deconsolidated as of 1 January 2018, revenue in the first six months of 2018 would have been EUR 4.7 million lower.

[22] If FINANZCHECK.de had already been consolidated as of 1 January 2018, it would have contributed negative ordinary operating EBITDA of EUR 1.5 million in the first six months of 2018. If AS24 Spain and classmarkets had already been deconsolidated as of 1 January 2018, ordinary operating EBITDA in the first six months of 2018 would have been EUR 2.7 million lower.

Capital expenditure (adjusted) amounted to EUR 10.8 million in the first six months of 2019 (Q2 2019: EUR 5.2 million) and was thus lower than the previous-year levels (H1 2018: EUR 18.0 million; Q2 2018: EUR 10.1 million). The year-on-year decrease is essentially attributable to the higher capital expenditure on property, plant and equipment made in connection with the office relocation in Munich in the first six months of 2018. As a percentage of revenue, the capital expenditure ratio was 3.6% in the first six months of 2019 compared with 7.2% in the comparative period of the previous year.

Year on year, the cash contribution[23] rose by 18.6% to EUR 143.1 million in the first six months of 2019 and by 19.5% to EUR 77.7 million in the second quarter of 2019 (H1 2018: EUR 120.7 million; Q2 2018: EUR 65.0 million). Adjusted for consolidation effects, the cash contribution came to EUR 63.0 million for the second quarter of 2018 and EUR 116.7 million for the first six months of 2018. The cash conversion rate[24], based on ordinary operating EBITDA, increased from 87.0% in the first six months of 2018 to 93.0%, mainly as a result of the lower level of capital expenditure described above. The adjusted cash conversion rate for the first six months of 2018 came to 86.7%.

Cash and cash equivalents amounted to EUR 69.2 million as of 30 June 2019 (31 December 2018: EUR 59.2 million). Net financial debt[25] stood at EUR 686.2 million, compared with EUR 750.6 million as of 31 December 2018 (30 June 2018: EUR 581.8 million). The leverage ratio (ratio of net debt to ordinary operating EBITDA for the last twelve months) is 2.24:1 (31 December 2018: 2.58:1; 30 June 2018: 2.2:1).

The figures that have been presented lie fully within the range of the forecast for the 2019 financial year. At 19.7% (adjusted: 13.6%), revenue growth matches expectations (growth rate between 15.0% and 17.0%, and adjusted revenue growth ranging between the low to mid-teens), and at 51.2%, the ordinary operating EBITDA margin is on track to reaching the target corridor for the full year 2019 (between 52.0% and 54.0%). In the second quarter of 2019, the ordinary operating EBITDA margin stood at 54.6% and was thus higher than in the first quarter of 2019 (47.7%); this corresponds to its usual development over the course of the year and supports the forecast for the full year. Non-operating costs totalled EUR 32.2 million in the first six months, and are thus above the targeted level for the full year (between EUR 25.0 million and EUR 27.0 million). This development is primarily due to higher expenses relating to stock option programmes for selected employees and management equity programmes. At EUR 10.8 million, total adjusted capital expenditure for the first six months of 2019 is within the scope forecast of roughly EUR 25.0 million for the full year 2019.

[23] Cash contribution is defined as ordinary operating EBITDA less capital expenditure (adjusted).

[24] The cash conversion rate is defined as ordinary operating EBITDA less capital expenditure (adjusted) divided by ordinary operating EBITDA.

[25] Net financial debt is defined as total current and non-current financial liabilities (including lease liabilities) less cash.

Segment trends

A detailed description of the key indicators is provided in the section › Management system on page 13.

ImmobilienScout24 (IS24)

(EUR millions)	Q2 2019	Q2 2018*	% Change	H1 2019	H1 2018*	% Change
Revenue with Residential Real Estate Partners	34.0	30.2	12.5%	67.0	59.7	12.2%
Revenue with Business Real Estate Partners	14.7	13.1	12.0%	29.0	25.6	13.2%
Revenue with Private Listers and Others	18.5	18.5	0.3%	36.3	36.9	-1.8%
Total external revenue	**67.2**	**61.8**	**8.7%**	**132.3**	**122.3**	**8.2%**
Ordinary operating EBITDA	**47.0**	**43.6**	**7.7%**	**90.2**	**83.6**	**7.9%**
Ordinary operating EBITDA margin, %	**69.9%**	**70.6%**	**-0.7pp**	**68.2%**	**68.3%**	**-0.1pp**

* Includes a contribution for Q2 2018 of around EUR 0.6 million (H1 2018: EUR 1.1 million) from classmarkets, which has been deconsolidated in the meantime, and ordinary operating EBITDA of around EUR 0.2 million (H1 2018: EUR 0.3 million).

	H1 2019	H1 2018	% Change
Residential Real Estate Partners (contractual) (as of end of period, number)	14,850	14,301	3.8%
Residential Real Estate Partner ARPU (EUR/month)	659	626	5.1%
Business Real Estate Partners (contractual) (as of end of period, number)	2,808	2,785	0.8%
Business Real Estate Partner ARPU (EUR/month)	1,715	1,517	13.0%
Desktop UMV (millions)[26]	5.4	6.3	-14.3%
Multiplatform UMV (millions)[27]	14.0	13.9	0.7%
Sessions per month (millions)[28]	95.8	87.6	9.4%

External revenue in the IS24 segment grew by 8.2% to EUR 132.3 million in the reporting period compared with the previous year (H1 2018: EUR 122.3 million). Adjusted for consolidation effects,[29] revenue grew by 9.1%. This growth rate is within the scope forecast for the full year 2019 (growth rate of between 8.0% and 10.0% and on an adjusted basis between 9.0% and 11.0%).

This growth was chiefly driven by the strong development of Revenue with Business Real Estate Partners and Revenue with Residential Real Estate Partners which continued their growth trajectory in the first six months of 2019, again enjoying double-digit growth rates. Improved monetisation of the existing contractual customer base, combined with a further increase in the number of real estate partners compared with the previous year, were the main drivers of growth here. At 14,850, the number of residential real estate partners at the end of the first six months of 2019 was 3.8% higher than in the previous year (H1 2018: 14,301). At 2,808, the number of business real estate partners grew slightly by 0.8%

[26] comScore, as of June 2019; average for the period from January to May 2018 and January to May 2019 respectively
[27] comScore, as of June 2019; average for the period from January to May 2018 and January to May 2019 respectively
[28] Management estimate; average for the respective period
[29] Adjusted for consolidation effects: without taking into account classmarkets' contribution to revenue for the first six months of 2018.

compared with the end of the first six months of 2018 (H1 2018: 2,785). ARPU from residential real estate partners (contractual) reached EUR 659 an increase of 5.1% compared with the previous-year level (H1 2018: EUR 626). ARPU from business real estate partners (contractual) likewise recorded a significant increase to EUR 1,715, which was 13.0% above the previous-year level (H1 2018: EUR 1,517). Revenue with Private Listers and Others in the first six months of 2019 of EUR 36.3 million was slightly below the 2018 comparative period (H1 2018: EUR 36.9 million), above all due to the deconsolidation of classmarkets in December 2018. On a comparable basis, i.e. without taking into account classmarkets' contribution in the first six months of 2018, revenue essentially remained stable, increasing 1.2% in relation to the 2018 comparative period (H1 2018 adjusted: EUR 35.9 million).

Ordinary operating EBITDA increased by 7.9% compared with the previous year to EUR 90.2 million. Measured by ordinary operating EBITDA margin, the segment's profitability reached 68.2% (H1 2018: 68.3%; adjusted[30]: 68.7%) and is thus on track to fulfilling the expectations of up to 70.0% for the full year.

IS24 continued to hold its strong competitive lead in the first six months of 2019, both measured by its share of the listings market as well as traffic and user engagement. The total number of listings on the IS24 platform increased in the first six months of 2019 in a year-on-year comparison (approximately 462 thousand listings as of the end of the first six months of 2019 compared with approximately 453 thousand listings as of the end of the first six months of 2018). At the same time, we also expanded our listings market share in relation to the competition.[31] Compared with the closest competitor, the number of listings increased from 1.8 times as of June 2018 to 1.9 times as of June 2019.[32]

In the first six months of 2019, users spent an average of 529 million minutes per month on the IS24 platform (desktop and mobile, 2.8 (H1 2018: 2.6) times the level reached by its closest competitor).[33] Compared with the first six months of 2018 (87.6 million), the average number of sessions per month on the websites increased by 9.4% to 95.8 million in the first six months of 2019.[34]

[30] Adjusted for consolidation effects: without taking into account classmarkets' contribution to ordinary operating EBITDA for the first quarter of 2018.
[31] Management estimates
[32] Management estimates
[33] comScore, as of June 2019; average for January 2019 to May 2019
[34] Management estimate; average for the respective period

AutoScout24 (AS24)

(EUR millions)	Q2 2019*	Q2 2018*/**	% Change	H1 2019*	H1 2018*/**	% Change
Revenue with Dealers in Germany	23.0	18.9	21.4%	46.1	37.4	23.1%
Revenue with Dealers in European Core Countries	21.6	18.3	18.0%	42.2	35.7	18.0%
Other Revenue	1.6	3.1	-49.2%	3.2	6.0	-46.4%
Total external revenue	**46.2**	**40.4**	**14.4%**	**91.5**	**79.2**	**15.5%**
Ordinary operating EBITDA	**26.4**	**21.6**	**22.1%**	**51.2**	**39.1**	**31.2%**
Ordinary operating EBITDA margin, %	**57.2%**	**53.6%**	**3.6pp**	**56.0%**	**49.3%**	**6.7pp**

* Advertising revenue with OEM partner agencies and the corresponding ordinary operating EBITDA is no longer reported in the AutoScout24 segment as of 1 January 2019 but rather in the Scout24 Consumer Services segment due to the close structural relationship with Third-Party Display Revenue; the figures of the previous year have been restated accordingly.

** Includes a contribution for Q2 2018 of around EUR 1.5 million (H1 2018: EUR 2.9 million) from AS24, which has been deconsolidated in the meantime, and ordinary operating EBITDA of around EUR 0.9 million (H1 2018: EUR 1.6 million).

	H1 2019	H1 2018	% Change
Partner Dealers, Germany (as of end of period, number)	22,413	26,752	-16.2%
Partner Dealers ARPU, Germany (EUR)	326	226	44.6%
Partner Dealers, European Core Countries (as of end of period, number)	21,720	22,013	-1.3%
Partner Dealers ARPU, European Core Countries (EUR)	321	266	20.6%
Desktop UMV, Germany (millions)[35]	3.5	4.1	-14.7%
Multiplatform UMV, Germany (millions)[36]	8.8	8.9	1.1%
Sessions per month, Germany (millions)[37]	53.6	49.8	7.6%
Sessions per month, European Core Countries (millions)[38]	56.8	51.6	10.1%

External revenue in the AS24 segment increased in the first six months of 2019 by 15.5% compared with the first six months of 2018 to EUR 91.5 million (H1 2018: EUR 79.2 million). Adjusted for consolidation effects, revenue grew by 20.0%.[39] The development of revenue in the first six months of 2019 thus exceeded expectations for the full year (adjusted revenue growth of between 12.0% and 14.0% and an unadjusted revenue growth rate of between 9.0% and 11.0%).

The sustained positive development is mainly attributable to ARPU growth of our dealer customers, both in Germany and in the other European Core Countries (Belgium, Luxembourg, Netherlands, Italy and Austria). Both revenue lines are benefitting from improved monetisation of the customer base and the success of the MIA product range. This was offset to a small extent by effects from the disposal of TruckScout24 in the first six months of 2019. The vehicle categories of

[35] AGOF, June 2019, average for the respective period from January to May
[36] AGOF, June 2019, average for the respective period from January to May
[37] Including sessions on eastern European language versions of AS24 platform
[38] Management estimate; number of sessions H1 2019 including AutoScout24 platforms in Austria and AutoTrader.nl in the Netherlands.
[39] Adjusted for consolidation effects: without taking into account AutoScout24 Spain's contribution to revenue for the first six months of 2018.

sprinter vans, vans, campervans/caravans were not disposed of and are planned to be integrated in the AS24 platform as of year-end 2019. The Number of Partner Dealers in Germany decreased slightly compared with the end of the first six months of 2018, mainly reflecting the ongoing optimisation of the customer base with a sharper core focus of sales on medium-sized or large customers. Whereas the Number of Partner Dealers in Germany was in decline in the first quarter of 2019, dealer numbers steadied again in the second quarter of 2019. All measures to optimise the customer base are expected to be completed by the end of 2019 as planned. The Number of Partner Dealers in the European Core Countries remained largely stable compared with the first six months of 2018. Thanks to the improved monetisation and the optimisation of the customer base, AS24 reported a 44.6% increase in ARPU in Germany and an increase of 20.6% in the European Core Countries (H1 2019: EUR 326 and EUR 321 respectively; H1 2018: EUR 226 and EUR 266 respectively). Ordinary operating EBITDA also increased significantly by 31.2% compared with the first six months of 2018 to EUR 51.2 million (H1 2018: EUR 39.1 million), or by 36.9% on an adjusted basis (H1 2018 adjusted: EUR 37.4 million).

Measured by ordinary operating EBITDA margin, the segment's profitability increased year on year by 6.7 percentage points due to the strong operating leverage, reaching 56.0% in the first six months of 2019 (H1 2018: 49.3%). Adjusted for consolidation effects, the ordinary operating EBITDA margin was 6.9 percentage points higher than in H1 2018 (49.1%). Profitability in the first six months of 2019 thus also exceeded the expectations of an ordinary operating EBITDA margin of up to 54.0%.

In the first six months of 2019, AS24 recorded a consistently high number of listings in Germany, with more than one million listings per month and 1,097 thousand listings on average (compared with 1,115 thousand listings in the period from January to June 2018).[40] AS24 continues to rank a solid second in the German market.

Moreover, AS24 successfully defended its market leadership based on numbers of listings in Belgium, Luxembourg, the Netherlands, Italy and Austria.[41] The number of sessions rose further in Germany as well as in the European Core Countries.[42]

[40] Management estimate
[41] Management estimate
[42] Management estimate

Scout24 Consumer Services (CS)

(EUR millions)	Q2 2019*	Q2 2018*	% Change	H1 2019*	H1 2018*	% Change
Revenue with Finance Partners	21.4	10.6	102.1%	42.6	20.6	106.5%
Services Revenue	8.9	6.7	33.2%	18.1	13.5	33.3%
Third-Party Display Revenue	8.2	8.2	-0.1%	16.3	15.4	5.6%
Total external revenue	**38.4**	**25.4**	**51.1%**	**76.9**	**49.5**	**55.1%**
Ordinary operating EBITDA	**11.4**	**11.5**	**-0.4%**	**16.6**	**19.9**	**-16.8%**
Ordinary operating EBITDA margin, %	**29.8%**	**45.2%**	**-15.4pp**	**21.6%**	**40.2%**	**-18.6pp**

* Advertising revenue with OEM partner agencies and the corresponding ordinary operating EBITDA is no longer reported in the AutoScout24 segment as of 1 January 2019 but rather in the Scout24 Consumer Services segment due to the close structural relationship with Third-Party Display Revenue; the figures of the previous year have been restated accordingly.

The CS segment generated external revenue of EUR 76.9 million in the first six months of 2019, up 55.1% on the first six months of 2018 (H1 2018: EUR 49.5 million). This rise chiefly reflects the acquisition of FINANZCHECK.de closed in the third quarter of 2018. FINANZCHECK.de has been included in the Scout24 Group by way of full consolidation since 1 September 2018. Adjusted revenue growth, i.e. as if FINANZCHECK.de had already been part of the Scout24 Group since 1 January 2018, was 14.6% in the first six months of 2019. This growth was primarily driven by higher Revenue with Finance Partners, mainly due to FINANZCHECK.de's contribution, as well as the significant contribution to the CS segment's total revenue growth accounted for by Services Revenue, which recorded a growth rate of 33.3%. Growth drivers for Services Revenue included in particular the intensified monetisation of our offering for users, particularly through the continuing success of premium membership. Compared with the first six months of the previous year, Third-Party Display Revenue performed solidly with a growth rate of 5.6%, or 8.7% adjusted for consolidation effects. At EUR 16.6 million, the segment's ordinary operating EBITDA was below the previous-year level as expected on account of the negative contribution from FINANZCHECK.de (H1 2018: EUR 19.9 million). Measured by ordinary operating EBITDA margin, the CS segment's profitability came to 21.6% in the first six months of 2019 (H1 2018: 40.2%; adjusted: 26.3%). Driven by the customary advertising expenditure made in the sector in the first quarter of 2019, the ordinary operating EBITDA margin even reached as much as 29.8% in the second quarter of 2019.

Reinforced by the positive developments seen throughout the first six months of 2019 as expected, the CS segment is ideally on track to achieving the targets for the 2019 financial year communicated in the 2018 annual report. These targets include adjusted revenue growth of between 15.0% and 17.0% (unadjusted: percentage rates ranging between the high 30s and low 40s), as well as a slightly lower ordinary operating EBITDA margin of up to 30% on account of a negative contribution from FINANZCHECK.de.

Results of operations, financial position and net assets of the Group

Result of operations

Scout24 has continued its growth trajectory in the first six months of 2019, increasing its revenue by EUR 49.5 million or 19.7% compared with the first six months of 2018 (EUR 251.2 million) to EUR 300.7 million. All operating segments made their contribution in this respect, along with the acquisition of FINANZCHECK.de in particular. In relation to the second quarter of 2018, external revenue increased by EUR 24.1 million or 18.9% to EUR 151.9 million in the second quarter of 2019 (Q2 2018: EUR 127.8 million).

Development costs in the Scout24 Group are recognised as internally generated intangible assets and thereby increase total operating performance. In the first six months of 2019, development costs of EUR 9.1 million (H1 2018: EUR 9.6 million) were recognised as an intangible asset, which is around the same level as in the previous year. Other operating income, as another component of total operating performance, reached EUR 2.3 million in the first six months of 2019 and was thus EUR 0.2 million higher than the previous-year level (H1 2018: EUR 2.1 million).

Personnel expenses amounted to EUR 90.5 million in the first six months of 2019, an increase of EUR 30.6 million or 51.1% year on year. Personnel expenses for the first six months of 2019 include non-operating effects of EUR 22.9 million (H1 2018: EUR 4.9 million). Without taking into account the non-operating effects, the increase in personnel expenses was in proportion to the increase in average headcount (H1 2019: 1,518 FTEs; H1 2018: 1,242 FTEs). For the most part, the non-operating effects of EUR 22.9 million incurred under personnel expenses are attributable to management equity programmes as well as stock option programmes for selected employees.

Advertising expenses stood at EUR 44.1 million, up 56.4% year on year (H1 2018: EUR 28.2 million). Advertising expenses thus rose at a higher rate than revenue (H1 2019: 14.7% of revenue; H1 2018: 11.2% of revenue). The increase in advertising expenses is primarily attributable to advertising expenses incurred by FINANZCHECK.de. IT expenses also increased in the first six months of 2019 by 23.5% to EUR 12.1 million (H1 2018: EUR 9.8 million). The increase was again principally attributable to the consolidation of FINANZCHECK.de as well as the ongoing migration of the data centre solutions to the cloud and the resulting growing share of cloud-based platform and software solutions.

Other operating expenses increased by EUR 9.8 million or 28.9% compared with the first six months of 2018 to EUR 43.7 million (H1 2018: EUR 33.9 million). This increase in the first six months of 2019 compared with the first six months of 2018 is due to the addition of FINANZCHECK.de's expenses (EUR 4.2 million) as well as non-plannable M&A costs incurred in connection with the Hellmann & Friedman and Blackstone takeover bid (EUR 6.0 million).

Overall, expenses thus rose at a higher rate than total operating performance (up 44.4% compared with an 18.7% increase in total operating performance). As a result of this development, earnings before interest, tax, depreciation and amortisation (EBITDA) decreased to EUR 121.7 million in the reporting period, falling by 7.1% compared with the first six months of 2018 (EUR 131.0 million). In the second quarter of 2019, EBITDA totalled EUR 63.2 million, down 10.0% in relation to the second quarter of 2018 (EUR 70.2 million).

EBITDA includes non-operating costs of EUR 32.2 million (H1 2018: EUR 7.8 million). Non-operating costs include above all non-recurring costs attributable to M&A transactions including post-merger integration as well as personnel expenses from share-based payments. In addition, non-operating costs comprise personnel expenses attributable to changes in the organisational structure, including costs attributable to leave of absence and severance payments, as well as costs of a non-recurring or extraordinary nature. In the first six months of 2019, non-operating costs mainly comprised personnel expenses of EUR 22.9 million, which included expenses from share-based payments of EUR 21.5 million, and costs attributable to M&A transactions and post-merger integration (EUR 8.8 million). The Group's ordinary operating EBITDA increased accordingly by 11.0% from EUR 138.8 million to EUR 153.9 million, which corresponds to a margin of 51.2%

(H1 2018: 55.2%). In the second quarter of 2019, the Group's ordinary operating EBITDA amounted to EUR 82.9 million (Q2 2018: EUR 75.1 million).

A reconciliation of ordinary operating EBITDA to the EBITDA of the Group is presented below:

Reconciliation of ordinary operating EBITDA

(EUR millions)	H1 2019	H1 2018
Ordinary operating EBITDA	**153.9**	**138.8**
Non-operating costs	-32.2	-7.8
of which personnel expenses	-22.9	-4.9
of which attributable to M&A transactions	-8.8	-3.2
of which other non-operating costs/income	-0.6	0.4
EBITDA	**121.7**	**131.0**

Depreciation, amortisation and impairment losses amounted to EUR 35.8 million, of which EUR 19.4 million was attributable to intangible assets arising from purchase price allocations (H1 2018: EUR 31.4 million and EUR 17.9 million respectively).

The financial result for the first six months of 2019 amounted to EUR -9.1 million, compared with EUR -7.1 million in the first six months of 2018. This development was mainly attributable to higher finance expenses (H1 2019: EUR 9.1 million; H1 2018: EUR 8.2 million) as a result of the higher financial liabilities for the acquisition of FINANZCHECK.de.

Income tax expenses totalled EUR 24.7 million in the first six months of 2019, resulting in an effective tax rate of 32.1%, compared with tax expenses of EUR 26.1 million and a tax rate of 28.2% in the first six months of 2018.

This led to earnings after tax for the Group fully attributable to the shareholders of the parent company for the first six months of 2019 of EUR 52.1 million (H1 2018: EUR 66.4 million) and, accordingly, earnings per share of EUR 0.48 (H1 2018: EUR 0.62 per share).

Financial position

As of 30 June 2019, Scout24 AG had access to a total line of credit of EUR 1,000.0 million under a syndicated loan agreement (term loan and revolving facility agreement, hereinafter "RFA"). The unsecured syndicated loan comprises a EUR 300.0 million term loan, a revolving credit facility of EUR 200.0 million and a revolving credit facility totalling EUR 500.0 million earmarked for acquisition purposes. The residual liability on the term loan was EUR 300 million as of 30 June 2019. An amount of EUR 20 million had been drawn from the revolving credit facility as of 30 June 2019. EUR 215 million of the revolving credit facility earmarked for acquisition purposes had been drawn as of 30 June 2019. The amount drawn from the revolving credit facility and the amount drawn from the revolving credit facility earmarked for acquisition purposes are reported either under current or non-current financial liabilities based on an assessment of the repayment date. As of 30 June 2019, the amount drawn from the revolving credit facility earmarked for acquisition purposes was reported under non-current liabilities, while the amount drawn from the revolving credit facility was reported under current financial liabilities. In addition, EUR 35 million of the credit facility earmarked for acquisitions was repaid early in the reporting period.

The interest rate charged on the facilities drawn under the syndicated loan is based on the EURIBOR plus an interest margin linked to the leverage ratio. A floor of 0.0% is set for the EURIBOR. The promissory note issued in March 2018 comprises tranches with terms ranging between three and six years and both fixed and variable interest rates. In the first six months of 2019, a repayment of EUR 18 million was made on the non-current, fixed tranche.

The covenant applicable under the RFA (upon breach of which the facility falls due for repayment) refers to the ratio of net debt to ordinary operating EBITDA for the last twelve months (leverage ratio) and is 3.50:1. The covenant was complied with in the reporting period with a leverage ratio of 2.24:1 as of 30 June 2019 (31 December 2018: 2.58:1), resulting in an EBITDA headroom to the covenant of 36.1%. The promissory note is not subject to any covenants, although the investors are entitled to an interest rate increase if a leverage ratio of 3.25:1 is exceeded.

Scout24 generated a cash flow from operating activities of EUR 78.8 million in the first six months of 2019, down 18.6% year on year (H1 2018: EUR 96.8 million). This development was mainly attributable to income tax payments of EUR 47.1 million, which included subsequently tax-assessed advance payments for the 2018 financial year (EUR 11.6 million) as well as payments for the 2017 financial year (EUR 8.3 million).

The negative cash flow from investing activities amounting to minus EUR 4.4 million (H1 2018: minus EUR 16.6 million) included positive effects from proceeds from subsidiaries sold in the previous year (EUR 5.3 million) as well as dividends from investments accounted for using the equity method totalling EUR 1.3 million (H1 2018: EUR 0 million). A further offsetting effect arose from the development of investments in property, plant and equipment (minus EUR 1.2 million), which were considerably lower than in the first six months of 2018 (H1 2018: minus EUR 8.1 million). This decrease in capital expenditure on property, plant and equipment is mainly due to capital expenditure in the 2018 financial year in connection with the office relocation in Munich. At minus EUR 9.7 million, investments in intangible assets were slightly lower than the previous-year level (minus EUR 10.0 million).

Cash flow from financing activities totalled minus EUR 64.4 million in the first six months of 2019 (H1 2018: minus EUR 103.3 million). This includes interest paid of EUR 6.9 million (H1 2018: EUR 5.7 million) as well as the repayment of medium- and long-term financial liabilities of EUR 53.0 million (H1 2018: EUR 220.0 million).

Along with the balance of cash of EUR 69.2 million (30 June 2018: EUR 33.6 million; 31 December 2018: EUR 59.2 million), the Group also has liquidity of EUR 200.0 million from the aforementioned revolving credit facility, of which EUR 20 million had been drawn as of 30 June 2019. Aside from the RFA, further lending agreements with a total volume of EUR 1.9 million have been concluded for guarantee facilities.

Net assets

The Group's total assets as of 30 June 2019 came to EUR 2,448.8 million, thus decreasing by 0.6% compared with 31 December 2018 (EUR 2,464.3 million).

Current assets increased by EUR 9.5 million from EUR 137.1 million to EUR 146.6 million, mainly due to the higher cash balance as a result of the continuing positive business performance.

Non-current assets dropped by 1.1% or EUR 25.0 million to EUR 2,302.2 million (31 December 2018: EUR 2,327.2 million). This mainly reflects amortisation of other intangible assets.

Current liabilities decreased in the reporting period by EUR 23.7 million or 17.1% from EUR 138.4 million in December 2018 to EUR 114.7 million in June 2019, mainly due to the decrease in income tax liabilities and trade payables.

Non-current liabilities fell by EUR 43.7 million or 3.8% to EUR 1,109.7 million (31 December 2018: EUR 1,153.4 million). This decrease was mainly attributable to the repayment of long-term financial liabilities of EUR 50.9 million.

Equity increased from EUR 1,172.5 million as of 31 December 2018 to EUR 1,224.5 million as of 30 June 2019. Accordingly, the equity ratio stands at 50.0% as of 30 June 2019 (31 December 2018: 47.6%).

Employees

Scout24 is active in an environment marked by constant change and that continually gives rise to new innovations. Consequently, our ability to attract and retain outstanding talent for our Company constitutes a decisive competitive factor in order to prevail in future as market leader in this dynamic sector. Scout24 invests in the continuous development of employees and encourages them to actively contribute to shaping the Company. An honest feedback culture and dialogue across hierarchies and team boundaries enables innovations for the benefit of customers and users. Scout24 stands for a respectful corporate culture in which unprejudiced interaction forms a central aspect. Individuals with highly diverse cultural and career backgrounds, skills and views work here. Diversity is seen as a strength – because it enables the Group to respond to the challenges of a constantly evolving market.

As of 30 June 2019, Scout24 employed 1,544 full-time equivalent employees (FTEs), compared with 1,226 FTEs as of 30 June 2018, excluding trainees, apprentices, short-term employees, student interns, temporary agency employees and freelancers.

Risks and opportunities

Risks

Scout24 is exposed to a number of risks that are described in detail in the "Risks and opportunities" section of the combined management report of the Scout24 Group and Scout24 AG for the 2018 financial year. The Management Board is aware of the following changes as of the end of the first six months of 2019 resulting from our updated assessment of existing risks or risks that are objectively becoming more manifest:

External risks

1.4. Competition & market

As already described in the 2018 annual report, our business model is vulnerable to short-term changes in the competitive dynamic. In order to maintain our leading market positions, our consumer experience must at a minimum meet international standards for us not to be pushed out of the market by existing competitors or even new players, who might target our leading market positions with novel products in particular. Some competitors in our market and competitive environment have recently begun cooperating. We therefore believe that individual risks in this area have increased, but consider them overall to be manageable, as we monitor market trends on an ongoing basis.

Finally, the risk of potential intervention by activist shareholders has increased significantly.

Based on the material changes described and further individually immaterial changes within the risk area, we now consider the probability of occurrence still overall unlikely, but the quantitative impact significant.

3.1. Human resources

We are currently experiencing a high level of employee turnover which, in our assessment, is in line with the general standard level in the industry. This involves the risk of not being able to adequately transfer knowledge, but we have made process improvements as described under section 5.9. Finally, there is the possibility that this might have a negative effect on Scout24's employer branding. We therefore now assess the probability of occurrence for this risk area as possible, while the assessment of quantitative impact remains unchanged from that given in the 2018 annual report.

5.9 Know-how drain

In comparison with the risk situation as of 31 December 2018, we have improved the knowledge transfer process when employees leave the Company and, in order to improve risk clustering, have assigned this to the risk area of human resources. This measure has overall improved the risk area of know-how drain. In conclusion, the analysis of the risk area of know-how drain now has a remote probability of occurrence and a low quantitative impact.

On aggregate, in its assessment of the Group's risk potential as of 30 June 2019, the Management Board concluded that the risks are limited, and the overall risk is manageable. It did not identify any risks that, either individually or collectively with other risks, could jeopardise the Scout24 Group's ability to continue as a going concern.

Opportunities

E-commerce continues on a growth track in Germany, the rest of Europe and globally. In the listings business in particular, business models are shifting from offline offerings (such as print media) to online offerings. It is precisely this change that generates significant growth potential for the Scout24 business models.

Through its high brand recognition and large number of users, the Scout24 Group has continued to achieve an excellent positioning in all significant operating segments. For this reason, the Management Board sees all Scout24 entities operating in the market continuing on a growth track overall.

From the Management Board's perspective, Scout24 AG is overall well positioned for the systematic identification and exploitation of opportunities that arise from the major trends in its markets.

Opportunities are also detailed in the "Risks and opportunities" section of the combined management report of the Scout24 Group and Scout24 AG for the 2018 financial year. The Management Board is not aware of any significant changes in the opportunities cluster as of the end of the first six months of 2019 and there have not been any fundamental changes compared with the opportunities described in the combined management report.

Outlook

The following section provides an overview of the expectations for the financial year 2019. There is no detailed planning for non-financial performance indicators; these are not reported upon separately in the outlook section.

Market and sector expectations

As described in the section "Macroeconomic and sector-specific environment", Scout24 is expecting favourable tailwinds from a further increase in the proportion of total advertising budgets spent nationwide on online advertisements as well as the stable macroeconomic development on the German real estate and the German and European automotive markets.

The Scout24 Group is well positioned to benefit from those tailwinds, given its leading market positions, high brand recognition and significant user reach in the German and European markets.

Company expectations

Scout24 has closed the first six months of 2019 successfully, with 19.7% revenue growth and an ordinary operating EBITDA margin of 51.2%. The Group is thus on track to fulfilling the forecast for the 2019 financial year as published in the 2018 annual report. This is once again evidence of the rigour with which the Scout24 Group pursues its goals.

The online advertising market outlook in Germany and Europe remains positive as both private users and customers increasingly adopt digital communication. With its market leading platforms, ImmobilienScout24 and AutoScout24, Scout24 is ideally positioned to take advantage of this ongoing structural tailwind. Both platforms are benefiting from the shift in marketing budgets from traditional (print) media to online media. In addition, partners and users of Scout24 are increasingly expecting digitisation throughout the process of buying or selling real estate and cars. Due to the intensive use of the marketplaces IS24 and AS24, Scout24 is in an outstanding position to further tap into the potential in this area and to firmly establish both marketplaces as market networks around real estate and cars in Germany and in Europe. Scout24's profitable growth is especially driven by revenue generated with our agent and dealer customers as well as by revenue resulting from improved monetisation of our consumer services offering along the value chain of the entire real estate purchase or rental process and the automobile market.

We expect that this momentum will continue in the last six months of 2019 and that Group revenue will grow by between 15.0% and 17.0% in the 2019 financial year as forecast so far. Adjusted for consolidation effects – i.e. taking into account the contribution of FINANZCHECK.de for the full year 2018[43] and excluding the contributions of the deconsolidated entities AS24 Spain and classmarkets[44] – the percentage growth rate will range between the low to mid-teens. In view of further investment in the growth of FINANZCHECK.de, we anticipate an ordinary operating EBITDA margin ranging between 52.0% and 54.0%. Adjusted for consolidation effects, this corresponds to a low single-digit percentage increase in the margin, as we continue to benefit from the scalability of our business model and the resulting slower increase of our total costs relative to revenue. In addition, looking at the year as a whole, we expect the cost base to rise at a slower rate in the last six months than in the first six months of 2019.

Non-operating costs of EUR 32.2 million were incurred in the first six months of 2019. This figure includes personnel expenses of EUR 21.5 million from share-based payments. These have exceeded the level forecast for the full 2019 financial year (EUR 16.0 million) by EUR 5.5 million in the first six months of 2019, above all due to the positive development of the share price and the associated development of the performance factors. If share price developments in the last six months of 2019 are as dynamic as in the first six months, we expect personnel expenses from share-based payments of around EUR 12.0 million in the last six months of 2019, which would bring the total for the full financial year to roughly EUR 33.5 million. In addition, non-recurring costs of EUR 8.8 million attributable to strategic and M&A transactions as well as post-merger integration were incurred in the first six months of 2019 (forecast for 2019 financial year: EUR 7.0 million). For the last six months of 2019, we expect expenses totalling approximately EUR 2.0 million, mainly for continued post-merger integration (full 2019 financial year: up to EUR 10.8 million). Non-recurring reorganisation expenses are not expected to exceed EUR 4.0 million. We thereby expect non-operating costs of around EUR 50.0 million for the 2019 financial year.

Finally, we continue to expect capital expenditure (adjusted) to add up to around EUR 25.0 million.

Segment expectations

As the Group's chief operating decision-maker, the Management Board decided to make minor adjustments to the Group's internal management system as well as the reporting structure and system for the year 2019. Advertising revenue with OEM partner agencies (2018: EUR 15 million) and the corresponding ordinary operating EBITDA (2018: EUR 9 million) is no longer reported in the AutoScout24 segment as of 1 January 2019 but rather in the Scout24 Consumer Services segment owing to the close structural relationship with Third-Party Display Revenue. Revenue from the project business with OEMs, however, remains in the AutoScout24 segment, but is reported as part of Revenue with Dealers in Germany and European Core Countries instead of as a separate line item.

[43] If FINANZCHECK.de had already been consolidated as of 1 January 2018, it would have contributed EUR 38.2 million to revenue and a negative ordinary operating EBITDA of EUR 4.3 million.

[44] The deconsolidation of AS24 Spain and classmarkets had an impact on revenue of EUR 8.8 million, while the effect on ordinary operating EBITDA was EUR 4.8 million.

If the new reporting structure had already been applied in 2018, the key indicators would have been as follows:

(EUR millions)	External revenue 2018	% change on previous year	Ordinary operating EBITDA 2018	Ordinary operating EBITDA margin 2018
ImmobilienScout24	250.0	6.0%	170.3	68.1%
AutoScout24	166.3	16.0%	88.4	53.2%
Scout24 Consumer Services	115.3	24.1%	40.4	35.0%
Total, reportable segments	531.6	12.6%	299.1	56.3%
Reconciling items	0.1	-65.7%	-7.6	n/a
Total, consolidated (unchanged)	**531.7**	**12.5%**	**291.5**	**54.8%**

For the IS24 segment, we anticipate revenue growth adjusted for consolidation effects[45] for 2019 of between 9.0% and 11.0%, with an expected unadjusted revenue growth rate between 8.0% and 10.0%. The growth is mainly driven by ARPU growth with our agent customers in residential real estate as well as commercial real estate backed by stable customer regain and new acquisition rates coupled with low customer churn. Growth of ordinary operating EBITDA is expected to slightly outpace revenue growth owing to slower cost growth. The ordinary operating EBITDA margin for the full year 2019 should thus climb to as much as 70.0%.

For the AS24 segment, we expect in 2019 an increase in external revenue for the still fully consolidated entities[46] of between 12.0% and 14.0%. This corresponds to an unadjusted revenue growth rate of between 9.0% and 11.0%. For AS24, the main driver of revenue growth is likewise ARPU growth of our dealer customers, especially in Germany, Belgium, Netherlands, Italy and Austria. Revenue growth is slightly burdened through the expected lower growth in project revenue with OEMs owing to longer project lead times. Furthermore, our platform for commercial vehicles ("TruckScout24") was sold in the first six months of 2019 as planned, which is why we expect to see revenue decrease by an amount in the low single-digit millions here. Owing to the operating leverage, we expect growth of ordinary operating EBITDA to exceed revenue growth. The ordinary operating EBITDA margin for 2019 should thus climb to as much as 54.0%.

Scout24 Consumer Services' adjusted external revenue (i.e. as if FINANZCHECK.de had already been part of the Scout24 Group since 2018) is expected to grow in 2019 by between 15.0% and 17.0%. That corresponds to an unadjusted revenue growth percentage rate ranging between the high 30s and low 40s. Revenue growth will mainly be driven by increased use of our offerings along the real estate and automotive value chains, particularly in the brokerage of consumer loans including in mortgage and car financing, credit checks and premium membership. The ordinary operating EBITDA margin will decrease slightly on 2018 owing to a negative contribution from FINANZCHECK.de, although it will still reach up to 30.0%.

[45] Adjusted for consolidation effects: without taking into account classmarkets' contribution to revenue totalling EUR 2.1 million for 2018.

[46] This takes into account the deconsolidation of AS24 Spain due to the transfer of shares to an associate with a contribution to revenue in 2018 of EUR 6.7 million and to ordinary operating EBITDA of EUR 4.1 million.

Glossary to the management report

- ARPU: Average revenue per user per month, calculated as the revenue generated from (contractual) residential real estate partners and business real estate partners (IS24) and dealers in Germany and European Core Countries (AS24) in the respective period divided by the average number of (contractual) real estate partners and dealers respectively (calculated from the number of (contractual) real estate partners and dealers at the beginning and end of the period) and further divided by the number of months in the corresponding period.
- Business real estate partners: Commercial real estate agents in Germany active in commercial real estate as well as in building and property development, who have contracted a package or bundle of services from IS24.
- Capital expenditure (adjusted): Defined as capital expenditure adjusted for the effects arising from first-time application of accounting standard IFRS 16 (Leases).
- Cash contribution: Ordinary operating EBITDA less capital expenditure (adjusted).
- Consolidation effect: Accounting process that eliminates all intracompany transactions within a group (expenses/revenue, liabilities and equity) and presents all of the corresponding entities as if they were a single company.
- EBIT: Earnings before interest and tax.
- EBITDA: Earnings before interest, tax, depreciation and amortisation, i.e. profit before net finance expenses, income taxes, depreciation and amortisation, impairment losses and gains or losses on the sale of subsidiaries.
- EBITDA margin: EBITDA as a percentage of external revenue (for the respective segment).
- External revenue: Revenue that Scout24 entities generate with customers that are not entities of the Scout24 Group.
- Finance partners: Service providers focused on the financial services sector who have either contracted a package or bundle of services from the Scout24 Group.
- Lead: Generating a business contact, i.e. contact data of a qualified prospect who is interested in a certain product and has given his or her consent to his or her data being shared.
- Listings (number of listings): For IS24, refers to the total number of all real estate listings on the website as of a specific cut-off date (as a rule, the end of the month). For AS24, refers to the total number of new and used cars and vans on a specific cut-off date (as a rule, the end of the month) in the respective country on the website in question.
- Net financial debt/net debt: Total current and non-current liabilities (including lease liabilities) less cash.
- OEM: Original equipment manufacturer, automotive manufacturer.
- Ordinary operating EBITDA: refers to EBITDA adjusted for non-operating effects, which mainly include restructuring expenses, expenses in connection with the Company's capital structure and company acquisitions (realised and unrealised), costs for strategic projects as well as effects on profit or loss from share-based payment programmes.
- Ordinary operating EBITDA margin: Ordinary operating EBITDA as a percentage of external revenue.
- Partner dealers: Commercial car, commercial vehicle or motorcycle dealers who have either contracted a package or bundle of services from AS24.
- Sessions: The number of visits within a reporting period in which individual users interact with web or app offerings via a device (desktop PC, mobile devices or apps (multiplatform)). A session ends automatically after 30 minutes (or longer) without user interaction.
- Revenue: Revenue is all cumulative income generated from ordinary operating activities during the corresponding accounting period.
- Revenue adjusted for acquisitions: Group revenue reported excluding entities acquired.
- Unique monthly visitors (UMV): Unique monthly visitors to the website via desktop PC, mobile devices or apps (multi-platform), irrespective of how often they visit the portal during the month in question and (for multi-platform metrics) irrespective of how many platforms (desktop PC and mobile) they use (source: ComScore for IS24, AGOF for AS24).

- User engagement: Measures the total number of minutes a unique monthly visitor to the online platform spends on various interactions.
- User reach: The extent to which users are reached measured in terms of unique monthly visitors that we reach with our digital marketplaces within a given time period.

Interim consolidated financial statements (condensed) and notes

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1. Consolidated statement of profit or loss

(EUR '000)	Note	Q2 2019	Q2 2018	H1 2019	H1 2018
Revenue	**6.3**	**151,898**	**127,790**	**300,684**	**251,193**
Own work capitalised	*	4,504	4,952	9,093	9,625
Other operating income	*	1,516	149	2,283	2,098
Total operating performance		**157,919**	**132,891**	**312,060**	**262,916**
Personnel expenses	*	-47,434	-29,056	-90,473	-59,916
Advertising expenses	*	-17,875	-12,102	-44,077	-28,223
IT expenses	*	-6,205	-5,045	-12,124	-9,825
Other operating expenses	*	-23,224	-16,501	-43,735	-33,921
Earnings before interest, tax, depreciation and amortisation – EBITDA		**63,181**	**70,187**	**121,650**	**131,030**
Amortisation, depreciation and impairment losses	*	-18,087	-15,682	-35,816	-31,410
Earnings before interest and tax – EBIT		**45,094**	**54,505**	**85,834**	**99,620**
Profit/loss from investments accounted for using the equity method	6.4	-317	12	-124	41
Finance income	*	166	49	166	1,049
Finance expenses	*	-4,896	-2,553	-9,140	-8,186
Financial result		**-5,046**	**-2,492**	**-9,097**	**-7,096**
Earnings before tax		**40,048**	**52,013**	**76,737**	**92,524**
Income taxes	6.5	-13,289	-15,696	-24,656	-26,120
Earnings after tax		**26,759**	**36,317**	**52,081**	**66,405**
Of which attributable to:					
Shareholders of the parent company		**26,759**	**36,317**	**52,081**	**66,405**

Earnings per share

(EUR)	Note	Q2 2019	Q2 2018	H1 2019	H1 2018
Basic earnings per share	**6.6**				
Earnings per share after tax		**0.25**	**0.34**	**0.48**	**0.62**
Diluted earnings per share[1]	**6.6**				
Earnings per share after tax		**0.25**	**0.34**	**0.48**	**0.62**

[1] The dilution is based solely on potential shares deriving from share-based payments.

2. Consolidated statement of comprehensive income

(EUR '000)	Note	Q2 2019	Q2 2018	H1 2019	H1 2018
Earnings after tax		**26,759**	**36,317**	**52,081**	**66,405**
Items that will not be reclassified to profit or loss:					
Measurement of pension obligations – before tax	*	0	-12	0	-24
Deferred taxes on measurement of pension obligations	*	0	6	0	6
Measurement of financial assets designated at fair value through other comprehensive income (FAFVOCI) – before tax	6.9	-180	-	-180	-
Deferred taxes on measurement of FAFVOCI	*	-	-	-	-
Sum of the items that will not be reclassified to profit or loss		**-180**	**-6**	**-180**	**-18**
Items that may be reclassified subsequently to profit or loss:					
Currency differences	*	2	6	5	4
Sum of the items that may subsequently be reclassified to profit or loss		**2**	**6**	**5**	**4**
Other comprehensive income, after tax		**-178**	**0**	**-175**	**-14**
Total comprehensive income		**26,581**	**36,317**	**51,907**	**66,390**
Of which attributable to:					
Shareholders of the parent company		26,581	36,317	51,907	66,390
Total comprehensive income		**26,581**	**36,317**	**51,907**	**66,390**

3. Consolidated statement of financial position

Assets (EUR '000)	Note	30 Jun. 2019	31 Dec. 2018 (adjusted)*
Current assets		**146,616**	**137,079**
Cash and cash equivalents	*	69,234	59,202
Trade receivables	*	60,859	59,378
Financial assets	6.9	1,242	7,493
Income tax assets	*	1,223	721
Other assets	6.9	14,058	10,284
Non-current assets		**2,302,165**	**2,327,233**
Goodwill	6.7; 6.8	1,071,074	1,071,356
Trademarks	*	991,589	992,061
Other intangible assets	*	156,898	176,441
Right-of-use assets from leases	*	27,425	29,710
Property, plant and equipment	*	12,443	13,679
Investments accounted for using the equity method	*	37,833	39,207
Financial assets	6.9	2,041	2,580
Deferred tax assets	*	1,878	1,206
Other assets	6.9	984	992
Total assets		**2,448,781**	**2,464,311**

Equity and liabilities (EUR '000)	Note	30 Jun. 2019	31 Dec. 2018 (adjusted)*
Current liabilities		**114,650**	**138,393**
Trade payables	*	25,056	38,103
Financial liabilities	6.9	22,113	23,404
Lease liabilities	*	6,591	6,620
Other provisions	*	8,858	8,973
Income tax liabilities	*	17,051	28,452
Contract liabilities	*	10,928	9,650
Other liabilities	6.9	24,053	23,190
Non-current liabilities		**1,109,671**	**1,153,407**
Financial liabilities	6.9	705,081	756,020
Lease liabilities	*	21,641	23,799
Pensions and similar obligations	*	565	546
Other provisions	*	32,545	13,214
Income tax liabilities	*	66	61
Deferred tax liabilities	*	347,318	357,121
Other liabilities	*	2,455	2,646
Equity		**1,224,459**	**1,172,511**
Subscribed share capital	*	107,600	107,600
Capital reserve	6.10	171,098	423,689
Retained earnings	6.10	945,009	640,296
Measurement of pension obligations	*	-121	-121
Other reserves	*	872	1,047
Equity attributable to shareholders of parent company		**1,224,459**	**1,172,511**
Total equity and liabilities		**2,448,781**	**2,464,311**

* Also see note 6.8 Non-current assets held for sale.

4. Consolidated statement of changes in equity

(EUR '000)	Note	Subscribed share capital	Capital reserve	Retained earnings	Measurement of pension obligations	Other reserves	Equity attributable to shareholders of parent company	**Total equity**
Balance at 1 Jan. 2018		**107,600**	**423,302**	**536,384**	**-121**	**1,056**	**1,068,221**	**1,068,221**
Measurement of pension obligations	*	-	-	-	-18	-	-18	**-18**
Currency differences	*	-	-	-	-	4	4	**4**
Earnings after tax	*	-	-	66,405	-	-	66,405	**66,405**
Total comprehensive income	*	**-**	**-**	**66,405**	**-18**	**4**	**66,390**	**66,390**
Share-based payments	*	-	247	-	-	-	247	**247**
Dividends	*	-	-	-60,256	-	-	-60,256	**-60,256**
Balance at 30 Jun. 2018		**107,600**	**423,550**	**542,533**	**-140**	**1,060**	**1,074,603**	**1,074,603**
Balance at 1 Jan. 2019		**107,600**	**423,689**	**640,296**	**-121**	**1,047**	**1,172,511**	**1,172,511**
Measurement of pension obligations	*	-	-	-	0	-	0	**0**
Measurement of financial assets designated at fair value through other comprehensive income (FAFVOCI)	6.9	-	-	-	-	-180	-180	**-180**
Currency differences	*	-	-	-	-	5	5	**5**
Earnings after tax	*	-	-	52,081	-	-	52,081	**52,081**
Total comprehensive income	*	**-**	**-**	**52,081**	**0**	**-175**	**51,907**	**51,907**
Share-based payments	*	-	42	-	-	-	42	**42**
Withdrawal from the capital reserve	6.10	-	-252,632	252,632	-	-	-	**-**
Balance at 30 Jun. 2019		**107,600**	**171,098**	**945,009**	**-121**	**872**	**1,224,459**	**1,224,459**

5. Consolidated statement of cash flows

(EUR '000)	H1 2019	H1 2018
Earnings after tax	**52,081**	**66,405**
Amortisation, depreciation and impairment losses	35,816	31,410
Income tax expense	24,656	26,120
Finance income	-166	-1,049
Finance expense	9,140	8,186
Profit/loss from investments accounted for using the equity method	124	-41
Gain/loss on disposal of intangible assets and property, plant and equipment	-29	-1,663
Other non-cash transactions	245	1,704
Change in trade receivables and other assets not attributable either to investing or financing activities	-4,045	-8,663
Change in trade payables and other liabilities not attributable to investing or financing activities	-11,099	-3,375
Change in provisions	19,191	-14
Income taxes paid	-47,120	-22,204
Cash flow from operating activities	**78,794**	**96,816**
Investments in intangible assets, including internally generated intangible assets and intangible assets under development	-9,657	-9,965
Investments in property, plant and equipment	-1,160	-8,085
Proceeds from disposal of intangible assets and property, plant and equipment	202	1,798
Proceeds from disposal of financial assets	-	42
Acquisition of investments accounted for using the equity method	-350	-350
Dividends from investments accounted for using the equity method	1,250	-
Interest received	4	1
Proceeds from subsidiaries sold in the previous year	5,300	-
Cash flow from investing activities	**-4,411**	**-16,559**
Repayment of short-term financial liabilities	-4,448	-32,310
Raising of medium- and long-term financial liabilities	-	215,000
Repayment of medium- and long-term financial liabilities	-53,000	-220,029
Interest paid	-6,908	-5,714
Dividends paid	-	-60,256
Cash flow from financing activities	**-64,356**	**-103,309**
Net foreign exchange differences	5	2
Change in cash and cash equivalents	**10,032**	**-23,050**
Cash and cash equivalents at beginning of period	**59,202**	**56,659**
Cash and cash equivalents at end of period	**69,234**	**33,609**

6. Selected explanatory notes to the interim consolidated financial statements

6.1. Information about the Company and basis for preparing the financial statements

6.1.1. Information about the Company

Information about Scout24 AG and the Scout24 Group
Scout24 AG (hereinafter also referred to as the "Company") is a listed public stock corporation with its registered office in Munich, Germany. The business address is: Bothestrasse 11-15, 81675 Munich, Germany. Scout24 AG is registered at the Munich District Court (HRB 220 696).

The shares of Scout24 AG have been listed on the Prime Standard of the Frankfurt Stock Exchange since 1 October 2015. As of 18 June 2018, Scout24 AG has been listed on the MDAX stock exchange segment.

Scout24 AG as the parent entity and its direct and indirect subsidiaries together form the Scout24 Group (hereinafter also referred to as "Scout24" or the "Group").

The Scout24 Group is a group of entities with digital marketplaces in Germany and other selected European countries in the real estate, automotive and financial services sectors.

Takeover bid by Hellman & Friedman and Blackstone
On 15 February 2019, Pulver BidCo GmbH, a holding company jointly controlled by funds which in turn are advised by Hellman & Friedman LLC and group entities of Blackstone Group L.P., ("BidCo") had announced its decision to make a voluntary public takeover bid ("takeover bid") to all shareholders of Scout24 AG for all of its Scout24 shares at an offer price of EUR 46.00 in cash. The takeover bid was subject to a minimum acceptance threshold of 50% plus one share and a market MAC (no decline of the DAX 30 by more than 27.50%) and other customary conditions, in particular merger control clearance. Following a careful and thorough review, the Management Board and the Supervisory Board of the Company concluded to support the takeover bid. Accordingly, on 15 February 2019 Scout24 AG and BidCo signed an investment agreement for a strategic partnership.

On 14 May 2019, BidCo informed the Company that the takeover bid for Scout24 shares issued failed to reach the minimum acceptance threshold of 50% plus one share. The takeover bid was therefore not successful. Expenses of EUR 6 million were recognised in the first six months of 2019 in connection with the takeover bid.

6.1.2. Basis of presentation

These interim condensed consolidated financial statements ("interim consolidated financial statements") as of 30 June 2019 have been prepared applying International Accounting Standard (IAS) 34 "Interim Financial Reporting" and in accordance with Article 115 of the German Securities Trading Act (WpHG). Generally, the same accounting policies and estimation methods are applied as in the consolidated financial statements for the 2018 financial year. A detailed description of such policies and methods is published in the notes to the consolidated financial statements for 2018. Standards and interpretations that become effective beginning on or after 1 January 2019 did not lead to any further changes in accounting policies. All IASs and IFRSs as well as interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), formerly Standing Interpretations Committee (SIC), that were effective as of 30 June 2019 were adopted.

The interim consolidated financial statements as of 30 June 2019 have been prepared in euros. Unless otherwise indicated, figures are generally presented in thousands of euros. The tables and information presented can contain rounding differences.

The business activities of Scout24 are not generally subject to seasonal effects. Considering the usual business performance over the year, the fourth calendar quarter tends to be stronger than the other three calendar quarters.

The interim consolidated financial statements were authorised for issue by the Management Board on 5 August 2019.

6.1.3. Changes in accounting estimates

As of 2019, additional attributes of the customer base are considered when determining the estimated default risk and expected credit losses for trade receivables in accordance with IFRS 9. This change in accounting estimates has led to other operating expenses of EUR 175 thousand as of 30 June 2019.

6.2. Changes in the consolidation scope

In the first six months of 2019, Scout24 HCH Beteiligungs AG with registered offices in Bonn was incorporated as a wholly owned subsidiary of Scout24 AG.

6.3. Revenue

The table below shows revenue by category:

External revenue (EUR '000)	**Q2 2019**	**Q2 2018**	**H1 2019**	**H1 2018**
ImmobilienScout24				
Revenue with Residential Real Estate Partners	33,982	30,216	67,018	59,735
Revenue with Business Real Estate Partners	14,719	13,141	29,024	25,631
Revenue with Private Listers and Others	18,532	18,470	36,288	36,943
Total external revenue	**67,233**	**61,827**	**132,330**	**122,309**
AutoScout24				
Revenue with Dealers in Germany*	22,987	18,939	46,090	37,443
Revenue with Dealers in European Core Countries*	21,611	18,312	42,164	35,739
Other Revenue	1,601	3,149	3,209	5,987
Total external revenue	**46,199**	**40,400**	**91,462**	**79,169**
Scout24 Consumer Services				
Revenue with Finance Partners	21,368	10,573	42,560	20,608
Services Revenue	8,872	6,658	18,055	13,549
Third-Party Display Revenue	8,184	8,196	16,259	15,392
Total external revenue	**38,424**	**25,427**	**76,875**	**49,549**
Total, reportable segments	**151,855**	**127,654**	**300,667**	**251,028**
Central group functions/consolidation	43	136	17	165
Total external revenue of the Group	**151,898**	**127,790**	**300,684**	**251,193**

* The presentation of revenue by geographic region is based on the respective Scout24 entity's registered office.

6.4. Profit/loss from investments accounted for using the equity method

As of 30 June 2019, there was objective evidence of impairment relating to eleven55 GmbH, Berlin, an associate included in the consolidated financial statements as of 31 December 2018. The impairment loss of EUR 870 thousand on the investment accounted for using the equity method was recognised within profit/loss from investments accounted for using the equity method.

As of 30 June 2019, the purchase price allocation for the associate included in the consolidated financial statements as of 31 December 2018, Alpinia Investments 2018, S L.U., Madrid, is still provisional because the identification and measurement of the acquired assets and liabilities has not yet been completed due to legal restrictions.

6.5. Income taxes

The applicable nominal tax rate for the Group is 31.26%. The expected effective tax rate as of year end is 32.13%. Applying the budgeted tax rate and after recognising tax effects from previous years, the effective tax rate for the period from 1 January to 30 June 2019 amounts to 34.84%. The difference between the nominal tax rate and the effective tax rate is mainly attributable to the reduction of deferred tax assets recognised on the unused tax losses and budgeted current losses incurred by FFG Finanzcheck Finanzportale GmbH, to tax effects from additions and reductions for local taxes as well as to tax effects from previous years.

The difference between the tax rate of 32.13% expected and the effective tax rate for the first six months of 2019 is attributable to higher operating expenses, in particular for marketing, at the level of FFG Finanzcheck Finanzportale GmbH in the first quarter. FFG Finanzcheck Finanzportale GmbH is expected to incur a net loss for the 2019 financial year, which has been included in the computation of the budgeted tax rate.

6.6. Earnings per share

		Q2 2019	Q2 2018	H1 2019	H1 2018
Earnings after tax	**(EUR '000)**	**26,759**	**36,317**	**52,081**	**66,405**
less: earnings attributable to non-controlling interests	(EUR '000)	-	-	-	-
Earnings attributable to shareholders of the parent company	**(EUR '000)**	**26,759**	**36,317**	**52,081**	**66,405**
Weighted average number of shares for earnings per share					
Basic	Number	107,600,000	107,600,000	107,600,000	107,600,000
Diluted	Number	107,743,723	107,769,738	107,765,478	107,780,139
Earnings per share					
Basic	EUR	0.25	0.34	0.48	0.62
Diluted	EUR	0.25	0.34	0.48	0.62

6.7. Reallocation of goodwill based on revenue allocation

Due to the changed allocation at segment level of the business activities relating to advertisements by OEM partner agencies and the corresponding changed allocation of revenue and ordinary operating EBITDA contributions, the associated goodwill was likewise reallocated from the AutoScout24 cash-generating unit to the Consumer Services cash-generating unit as of 1 January 2019. For comparison purposes, the allocation of goodwill as of 31 December 2018 is presented below:

(EUR '000)	Goodwill as of 1 Jan. 2019	Goodwill as of 31 Dec. 2018 (adjusted)*
ImmobilienScout24 cash-generating unit	661,901	661,901
AutoScout24 cash-generating unit	143,827	145,217
Scout24 Consumer Services cash-generating unit	265,628	264,239
Total	**1,071,356**	**1,071,356**

* Also see note 6.8 Non-current assets held for sale.

There was no indication of impairment either as of 1 January 2019 or as of 30 June 2019.

6.8. Non-current assets held for sale

In November 2018, management committed to a plan to sell the subsidiaries FlowFact GmbH and FlowFact Schweiz AG, which are part of the ImmobilienScout24 segment. In the 2018 consolidated financial statements of the Scout24 Group, these entities were accordingly classified and presented as a disposal group as of 31 December 2018.

In April 2019, management decided to make a change to the original plan of sale. This change involves an interruption of the disposal process in order to increase the disposal group's profitability and attract a larger number of potential buyers. As a result of the change to the plan of sale, the criteria for classification as non-current assets held for sale are no longer all satisfied.

In accordance with the change to the plan of sale, the subsidiaries FlowFact GmbH and FlowFact Schweiz AG were no longer classified as disposal group in the Scout24 Group's interim consolidated financial statements. Accordingly, the assets and liabilities of the FlowFact group were transferred out of the separate items "assets held for sale" and "liabilities associated with assets held for sale" in the statement of financial position back to the respective items. Consequently, the carrying amounts reported in the statement of financial position as of 31 December 2018 have likewise been adjusted retrospectively. On account of the subsequently recorded attributable amortisation and depreciation, this reclassification had an effect of EUR -790 thousand on earnings after tax for the 2019 financial year and of EUR -259 thousand for the 2018 financial year.

The recoverable amount of the FlowFact disposal group was determined as of the reclassification date. In the process, an impairment loss of EUR 282 thousand was identified. This was allocated in full to goodwill and charged to impairment losses for the 2019 financial year.

6.9. Disclosures on financial instruments

Carrying amounts and fair values

The following table presents the reconciliation as of 30 June 2019 of the balance sheet items and the categories pursuant to IFRS 9, analysed by category and with respect to fair value by class.

In accordance with IFRS 13, financial assets and liabilities measured at fair value must be allocated to the three levels of the fair value hierarchy. The individual levels of the fair value hierarchy are defined as follows:

- Level 1: Inputs are unadjusted quoted prices in an active market for identical assets or liabilities that the Company can access at the measurement date
- Level 2: Significant inputs other than those included in Level 1 that are observable, either directly or indirectly
- Level 3: Inputs including at least one unobservable significant input

For reclassification between the individual levels of the fair value hierarchy it is assumed that these are performed at the end of the period. In the first six months of 2019, there were no reclassifications between the individual levels in the fair value measurement.

(EUR '000)	IFRS 9 measure-ment category	Carrying amount as of 30 Jun. 2019	Amount recognised in accordance with IFRS 9: Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Fair value as of 30 Jun. 2019	Level of the fair value hierarchy
Assets							
Cash and cash equivalents	FAAC	69,234	69,234	-	-	n/a	
Trade receivables	FAAC	60,859	60,859	-	-	n/a	
Current financial assets	FAAC	1,242	1,242	-	-	n/a	
Financial assets included in current "other assets"	FAAC	784	784	-	-	n/a	
Non-current financial assets	FAAC	2,041	2,041	-	-	2,041	2
Financial assets included in non-current "other assets"	FAAC	984	984	-	-	968	2
Equity and liabilities							
Trade payables	FLAC	25,056	25,056	-	-	n/a	
Current financial liabilities		28,705					
– Lease liabilities	n/a	6,591	6,591	-	-	n/a	
– Liability for contingent consideration	FLFVTPL	560	-	-	560	560	3
– Other current financial liabilities	FLAC	21,553	21,553	-	-	n/a	
Financial liabilities included in current "other liabilities"	FLAC	1,586	1,586	-	-	n/a	
Non-current financial liabilities		726,722					
– Derivative financial instruments	FLFVTPL	3,284	-	-	3,284	3,284	2
– Lease liabilities	n/a	21,641	21,641	-	-	n/a	
– Other non-current financial liabilities	FLAC	701,797	701,797	-	-	699,762	2
Of which aggregated by IFRS 9 category							
Financial assets measured at amortised cost	FAAC	135,144					
Financial liabilities measured at amortised cost	FLAC	749,992					
Financial liabilities measured at fair value through profit or loss	FLFVTPL	3,844					
Financial assets measured at fair value through other comprehensive income	FAFVOCI	0					

Cash, trade receivables as well as other current financial assets and liabilities essentially have a short residual term. Therefore, their carrying amounts as of the end of the reporting period approximate their fair value. The carrying amount of current financial liabilities approximates their fair value as of the reporting date. Financial liabilities at amortised cost (FLAC) are measured using the effective interest method. There were no changes in valuation techniques in the reporting period.

As of 30 June 2019 and 31 December 2018, the financial assets recognised in current other assets mainly include creditors with debit balances and short-term rental deposits. Due to the short-term maturity of these items, the carrying amount represents an appropriate approximation of their fair value. Previous-year receivables of EUR 5,300 thousand from the sale of classmarkets GmbH were settled in the 2019 financial year.

Non-current financial assets comprise investments in other entities' equity instruments that are recognised at fair value through other comprehensive income (FAFVOCI). This investment of EUR 180 thousand in Salz & Brot GmbH reported as of 31 December 2018 was written off in full in the 2019 financial year. The impairment loss was recognised through other comprehensive income.

Non-current financial assets as of 30 June 2019 and as of 31 December 2018 mainly comprise deferred transaction costs attributable to the revolving credit line.

As of 30 June 2019 and 31 December 2018, the financial assets reported under non-current other assets mostly consist of long-term rental deposits of EUR 984 thousand, whose fair values are calculated using a discounted cash flow model based on risk-free market interest rates in the form of German government bonds, and a credit risk premium derived from corporate bonds with a corresponding rating. As all inputs are directly or indirectly observable, the instruments are assigned to level 2.

As of 30 June 2019 and 31 December 2018, current financial liabilities mainly comprise the revolving credit facility of EUR 20,000 thousand. As of 30 June 2019, current financial liabilities include a liability for contingent consideration from company acquisitions of EUR 560 thousand relating to the acquisition of immosuma GmbH in the 2018 financial year. Due to the short-term maturity of these items, the carrying amount represents an appropriate approximation of their fair value. The last instalment of the purchase price for the acquisition of eleven55 GmbH, which had been reported under other current financial liabilities as of 31 December 2018 at an amount of EUR 350 thousand, was paid in the 2019 financial year.

As of 30 June 2019 and 31 December 2018, non-current financial liabilities mostly consist of the liabilities relating to the loan concluded in December 2016 (term loan A) and the liabilities for the promissory note loan ("Schuldscheindarlehen") issued in March 2018. The liabilities' fair value is calculated using a discounted cash flow model based on a discount rate derived from the risk-free market rate adjusted to reflect an appropriate credit risk premium. Premiums on corporate bonds with the same rating as Scout24 were utilised for the credit risk premium. The yield curve that was modelled takes into consideration trends similar to the market. Other non-current liabilities also include revolving facility II, which was concluded in August 2018. In the first six months of 2019, an early repayment of EUR 18,000 thousand was made on the promissory note loan ("Schuldscheindarlehen") and of EUR 35,000 thousand on revolving facility II.

The following table presents the reconciliation as of 31 December 2018 of the balance sheet items and the categories pursuant to IFRS 9, analysed by category and with respect to fair value by class.

(EUR '000)	IFRS 9 measurement category	Carrying amount as of 31 Dec. 2018 (adjusted)*	Amount recognised in accordance with IFRS 9 Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Fair value as of 31 Dec. 2018 (adjusted)*	Level of the fair value hierarchy
Assets							
Cash and cash equivalents	FAAC	59,202	59,202	-	-	n/a	
Trade receivables	FAAC	59,378	59,378	-	-	n/a	
Current financial assets	FAAC	7,493	7,493	-	-	n/a	
Financial assets included in current "other assets"	FAAC	646	646	-	-	n/a	
Non-current financial assets		2,580					
– Financial assets (investments)	FAFVOCI	180	-	180	-	n/a	
– Other non-current financial assets	FAAC	2,400	2,400	-	-	2,400	2
Financial assets included in non-current "other assets"	FAAC	988	988	-	-	928	2
Equity and liabilities							
Trade payables	FLAC	38,103	38,103	-	-	n/a	
Current financial liabilities		30,024					
– Lease liabilities	n/a	6,620	6,620	-	-	n/a	
– Liability for contingent consideration	FLFVTPL	560	-	-	560	560	3
– Other current financial liabilities	FLAC	22,844	22,844	-	-	n/a	
Financial liabilities included in current "other liabilities"	FLAC	1,271	1,271	-	-	n/a	
Non-current financial liabilities		779,819					
– Derivative financial instruments	FLFVTPL	1,353	-	-	1,353	1,353	2
– Lease liabilities	n/a	23,799	23,799	-	-	n/a	
– Other non-current financial liabilities	FLAC	754,667	754,667	-	-	719,766	2
Of which aggregated by IFRS 9 category							
Financial assets measured at amortised cost	FAAC	130,107					
Financial liabilities measured at amortised cost	FLAC	816,885					
Financial liabilities measured at fair value through profit or loss	FLFVTPL	1,913					
Financial assets measured at fair value through other comprehensive income	FAFVOCI	180					

* Also see note 6.8 Non-current assets held for sale.

In connection with the acquisition of immosuma GmbH in the 2018 financial year, contingent consideration was arranged that is linked to the achievement of specific hurdle rates. The fair value of the liability for contingent consideration, which is assigned to level 3 of the fair value hierarchy, is determined applying valuation techniques based on unobservable data as presented in the following.

An amount of EUR 260 thousand of the liability for contingent consideration is dependent on revenue and an amount of EUR 300 thousand is dependent on a hurdle rate for user traffic and related changes. The adjustment amount is additionally contingent on a cost budget that, if exceeded, causes the adjustment to be forfeited. The reference period for the assessment of whether the specific hurdle rates were achieved was 1 July 2018 to 30 June 2019. Since all hurdle rates were reached, the liability for contingent consideration corresponds to an amount payable of EUR 560 thousand.

The table below shows an overview of changes in level 3 instruments (liability for contingent consideration) for the reporting period from 1 January 2019 to 30 June 2019 and the previous year:

(EUR '000)	2019 1 Jan. 2019 - 30 Jun. 2019	2018 1 Jan. 2018 - 31 Dec. 2018
Balance	**560**	**560**
New liabilities for contingent consideration	0	0
Settled liabilities for contingent consideration	0	0
Total for the period reported under other operating expenses/income	0	0
Balance	**560**	**560**
Changes in unrealised losses for the period included in gains/losses from liabilities held at the end of the period	-	-

6.10. Equity

In the first six months of 2019, an amount of EUR 252,632 thousand was withdrawn from the capital reserve and transferred to the retained earnings.

6.11. Share-based payments

The terms and conditions of the current share-based payment programmes are unchanged and the corresponding information presented in the notes to the consolidated financial statements and in the combined group management report as of 31 December 2018 continues to apply. For detailed information on the individual programmes, please refer to the 2018 annual report. In the scope of the long-term incentive programme (LTIP), 155 thousand shares were issued in the first six months of 2019; 121 thousand of these shares are attributable to active members of the Management Board with associated personnel expenses of EUR 2,264 thousand as of 30 June 2019.

6.12. Related party disclosures

Related parties in the meaning of IAS 24 are deemed to be individuals or entities which Scout24 AG can influence, which can influence Scout24 AG, or which are influenced by a party related to Scout24 AG.

Related parties (entities)

Throughout the past quarters in 2019 and as of the reporting date 30 June 2019, no party was able to exert control or significant influence over Scout24 AG.

In the course of its ordinary business activities, the Scout24 Group has relationships with some of its associates and joint ventures, which are disclosed below.

(EUR '000)	Total	Alpinia Inv. 2018, S L.U. (associate)	Other associates	Joint ventures
	H1 2019			
Services rendered and other income	685	676	-	9
Services received and other expenses	-126	-29	-	-97
	30 Jun. 2019			
Receivables	621	619	-	2
Liabilities	271	271	-	-

The extent of business relationships with related party entities in the 2018 financial year is presented in the table below:

(EUR '000)	Total	Alpinia Inv. 2018, S L.U. (associate)	Other associates	Joint ventures
	H1 2018			
Services rendered and other income	-	-	-	-
Services received and other expenses	-	-	-	-
	31 Dec. 2018			
Receivables	6	6	-	-
Liabilities	1,128	756	350	22

Management Board

Effective 18 June 2019, Dr. Dirk Schmelzer was appointed to Scout24 AG's Management Board as Chief Financial Officer (CFO). Dr. Dirk Schmelzer's remuneration matches the structure of remuneration of the other active members of the Management Board.

Christian Gisy remained a simple member of the Management Board and stepped down from his office on the Management Board effective as of the end of the day on 30 June 2019, ending his term of office which by contract would have expired on 30 September 2019. In connection with Mr. Gisy's stepping down from the board, an agreement was concluded to continue to pay his regular pro rata remuneration of EUR 258 thousand for the remaining months until 30 September 2019. In addition, a non-compete clause was arranged for a period until 30 September 2020 with compensation payments of EUR 300 thousand.

6.13. Segment reporting

As the Group's chief operating decision-maker, the Management Board decided to make minor adjustments to the Group's internal management system as well as the reporting structure and system for the year 2019. Advertising revenue with OEM partner agencies (2018: EUR 15 million) and the corresponding ordinary operating EBITDA (2018: EUR 9 million) is no longer reported in the AutoScout24 segment as of 1 January 2019 but rather in the Scout24 Consumer Services segment owing to the close structural relationship with Third-Party Display Revenue. Revenue from the project business with OEMs, however, remains in the AutoScout24 segment, but is reported as part of Revenue with Dealers in Germany and European Core Countries. The previous-year figures have been restated accordingly.

The key indicators applied by Scout24 to assess the performance of its segments are as follows:

(EUR '000)		External revenue	Ordinary operating EBITDA
ImmobilienScout24	Q2 2019	67,233	47,006
	Q2 2018	61,827	43,628
AutoScout24	Q2 2019	46,199	26,425
	Q2 2018	40,400	21,649
Scout24 Consumer Services	Q2 2019	38,424	11,436
	Q2 2018	25,427	11,481
Total, reportable segments	**Q2 2019**	**151,855**	**84,867**
	Q2 2018	**127,654**	**76,758**
Central group functions/consolidation	Q2 2019	43	-1,922
	Q2 2018	136	-1,697
Total, consolidated	**Q2 2019**	**151,898**	**82,945**
	Q2 2018	**127,790**	**75,061**

(EUR '000)		External revenue	Ordinary operating EBITDA
ImmobilienScout24	H1 2019	132,330	90,185
	H1 2018	122,309	83,551
AutoScout24	H1 2019	91,462	51,230
	H1 2018	79,169	39,061
Scout24 Consumer Services	H1 2019	76,875	16,567
	H1 2018	49,549	19,914
Total, reportable segments	**H1 2019**	**300,667**	**157,982**
	H1 2018	**251,027**	**142,526**
Central group functions/consolidation	H1 2019	17	-4,100
	H1 2018	165	-3,742
Total, consolidated	**H1 2019**	**300,684**	**153,882**
	H1 2018	**251,193**	**138,784**

The following table shows the reconciliation of the Group's ordinary operating EBITDA and EBITDA to earnings before tax:

(EUR '000)	Q2 2019	Q2 2018	H1 2019	H1 2018
Ordinary operating EBITDA	**82,945**	**75,061**	**153,882**	**138,784**
Non-operating costs	-19,764	-4,874	-32,232	-7,754
of which personnel expenses	-13,632	-2,301	-22,915	-4,946
of which attributable to M&A transactions	-5,946	-2,008	-8,778	-3,218
of which other non-operating income/costs	-186	-565	-538	411
EBITDA	**63,181**	**70,187**	**121,650**	**131,030**
Amortisation, depreciation and impairment losses	-18,087	-15,682	-35,816	-31,410
Profit/loss from investments accounted for using the equity method	-317	12	-124	41
Other financial result	-4,729	-2,504	-8,974	-7,137
Earnings before tax	**40,048**	**52,013**	**76,737**	**92,524**

Ordinary operating EBITDA refers to EBITDA adjusted for non-operating effects, which mainly include restructuring expenses, expenses in connection with the Company's capital structure and company acquisitions (realised and unrealised), costs for strategic projects as well as effects on profit or loss from share-based payment programmes.

6.14. Events after the reporting period

The Management Board and the Supervisory Board propose that the Annual General Meeting on 30 August 2019 adopt a resolution to pay out a dividend of EUR 0.64 per dividend-entitled share for the past financial year 2018. This is equivalent to a total dividend of EUR 68,864,000.00.

With the agreement of the Supervisory Board, Scout24 AG's Management Board decided to introduce a share buyback programme with a volume totalling up to EUR 300 million which, based on the current share price, corresponds to approximately 6.0% of share capital. The programme is planned to start on 2 September 2019 and be completed over the following twelve months. Scout24 AG thus makes use of an authorisation granted by the 2017 Annual General Meeting and reserves the right to discontinue the share repurchase programme at any time.

As of 1 July 2019, Mr. Michael Zahn no longer holds an office on the Supervisory Board. Mr. David Roche and Dr. Liliana Solomon have stepped down from their offices as members of the Supervisory Board with effect as of the end of the Annual General Meeting on 30 August 2019.

Responsibility statement

To the best of our knowledge, we assure that in accordance with the accounting principles applicable for interim financial reporting the interim consolidated financial statements give a true and fair view of the Group's net assets, financial position and results of operations and that the interim group management report gives a true and fair view of the Group's business development including the business performance and situation and describes the significant opportunities and risks relating to the Group's expected future development for the rest of the financial year.

Munich, 5 August 2019
Scout24 AG

The Management Board

Tobias Hartmann

Dr. Dirk Schmelzer

Dr. Thomas Schroeter

Ralf Weitz

Review Report

To Scout24 AG, Munich

We have reviewed the condensed interim consolidated financial statements of the Scout24 AG – comprising consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of changes in equity, consolidated cash flow statement and selected explanatory notes to the interim consolidated financial statement – together with the interim group management report of the Scout24 AG, for the period from 1 January to 30 June 2019 that are part of the semi annual financial report according to § 115 WpHG ["Wertpapierhandelsgesetz": "German Securities Trading Act"]. The preparation of the condensed interim consolidated financial statements in accordance with International Accounting Standard IAS 34 "Interim Financial Reporting" as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We performed our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the EU, and that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor's report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Berlin, 30 August 2019

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Schmidt	Säuberlich
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

Disclaimer

This document may contain forward-looking statements regarding the business, results of operations, financial condition and earnings outlook of Scout24 Group. These statements may be identified by words such as "may", "will", "expect", "anticipate", "contemplate", "intend", "plan", "believe", "continue" and "estimate" and variations of such words or similar expressions. These forward-looking statements are based on the current views and assumptions of Scout24 management and are subject to risks and uncertainties. Such statements are subject to a number of known and unknown risks and uncertainties and there is no guarantee that the anticipated results and developments will actually materialise. In fact, actual results and developments may differ materially from those reflected in our forward-looking statements. Differences may be due to changes in the general macroeconomic and competitive environment, capital market risks, exchange rate fluctuations, changes in international and national laws and regulations, especially regarding tax laws and regulation, relevant for Scout24, and many other factors. Scout24 undertakes no obligation to revise or update any forward-looking statements as a result of new information, future events or otherwise, unless expressly required to do so by law.

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.

The interim group management report should be read in conjunction with the interim consolidated financial statements and the explanatory notes.

This report is a non-binding English translation of the original German group interim report as of 30 June 2019. Both reports are available for download on our Internet website at www.scout24.com/Financial-Reports.

In case of any divergence between the two reports, the German version shall have precedence over the English translation.

Next events and reports

The Annual General Meeting of Scout24 AG for the 2018 financial year will take place in Munich on Friday, 30 August 2019.

Scout24 plans to publish the interim report for the first nine months of the 2019 financial year on Thursday, 7 November 2019.

Imprint

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Photo: Getty Images

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