



SCOUT 24

Q3 2018 Results Conference Call

Scout24 AG

Christian Gisy (CFO)

www.scout24.com

Munich | Berlin | 07 November 2018

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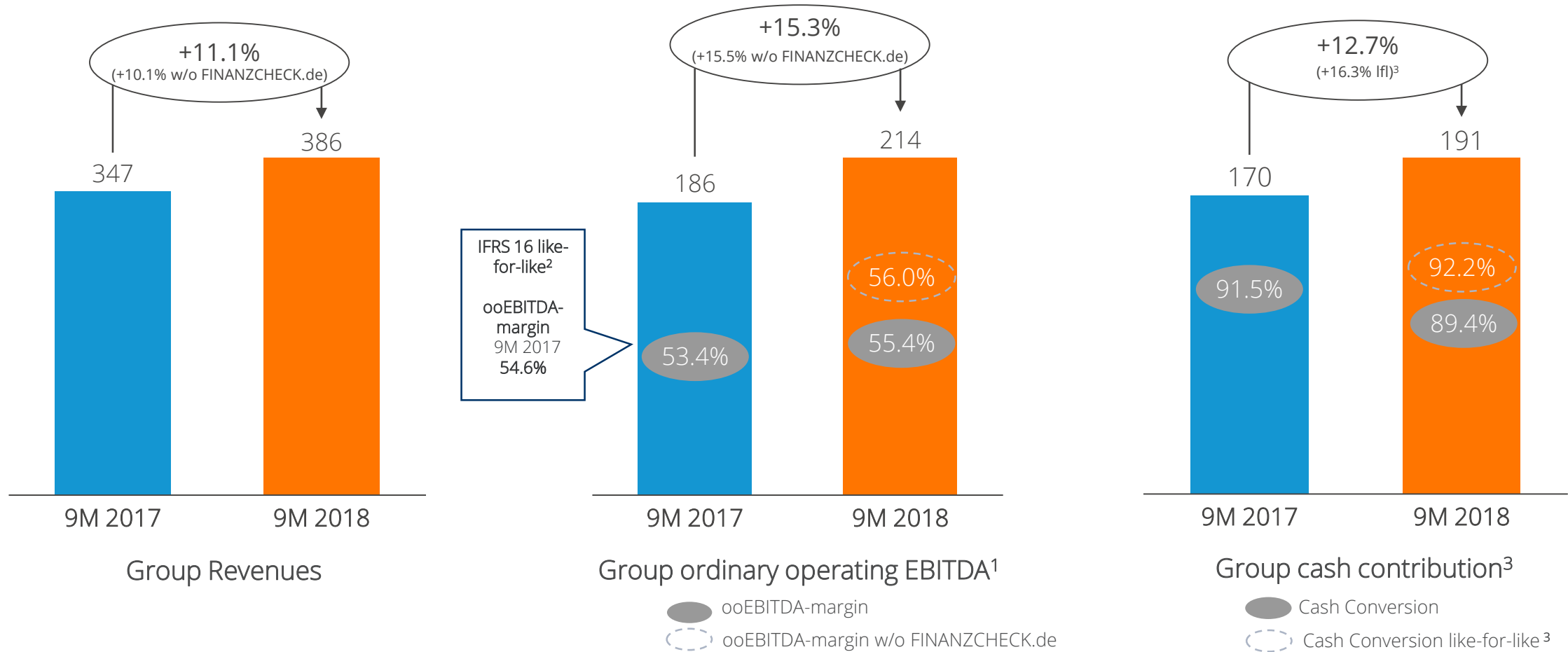
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Key Financial Highlights

STRONG ORGANIC REVENUE GROWTH ...SUSTAINABLE PROFITABILITY... ...AND ROBUST & VISIBLE CASH FLOWS

in €m



9M 2017 restated for IFRS 15. 9M 2018 figures considering financial reporting adjustments for IFRS 9, IFRS 15, IFRS 16. 9M 2018 cash contribution adjusted for capital expenditures incurred due to the application of IFRS 16.

FFG FINANZCHECK Finanzportale GmbH ("FINANZCHECK.de") was acquired August 28, 2018. The Q3 and 9M 2018 figures reflect the contribution of FINANZCHECK.de as of September 1, 2018. The revenue contribution was a positive EUR 3.3 million and the ordinary operating EBITDA contribution was a negative EUR 0.3 million.

1) Ordinary operating (oo)EBITDA represents EBITDA adjusted for non-operating and special effects. These include primarily expenses for reorganisation, expenses in connection with the capital structure of the company and company acquisitions (realised and unrealised), as well as parts of the effects.

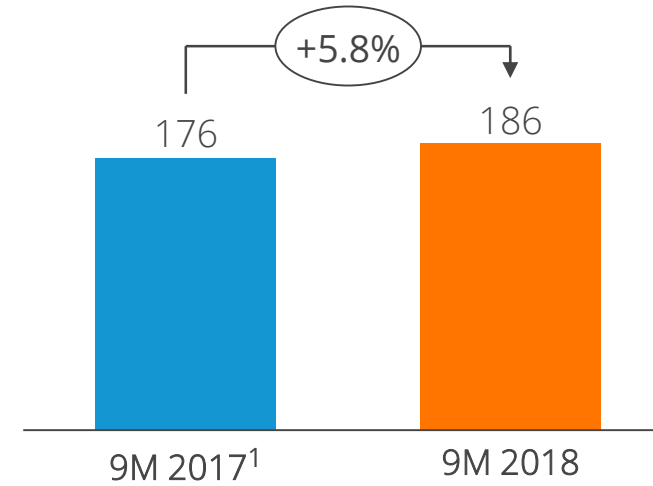
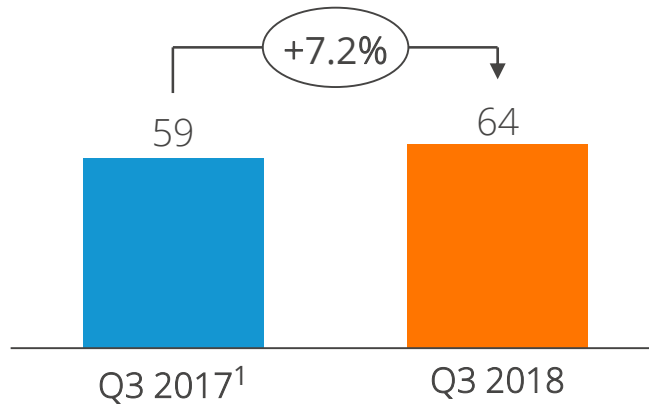
2) Like-for-like comparison reflects pro-forma adjustment as if IFRS 16 would have been adopted in 2017.

3) Cash contribution is defined as ooEBITDA less Capital expenditures, cash conversion as ooEBITDA / (ooEBITDA less Capital expenditure). Cash Conversion like-for-like does not include FINANZCHECK.de contribution and extraordinary capital expenditures (for office relocation in Munich) of a total of €5.9m.

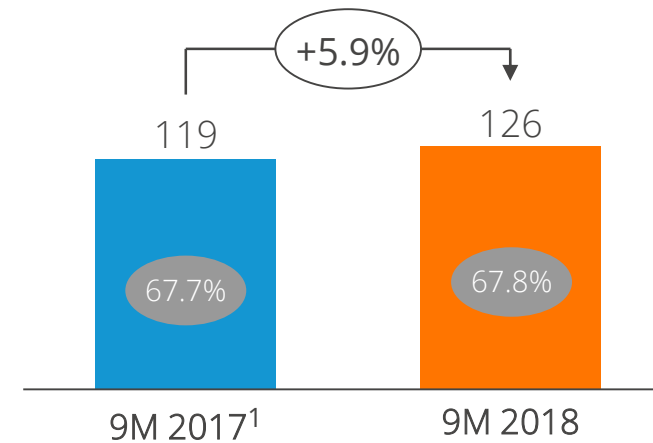
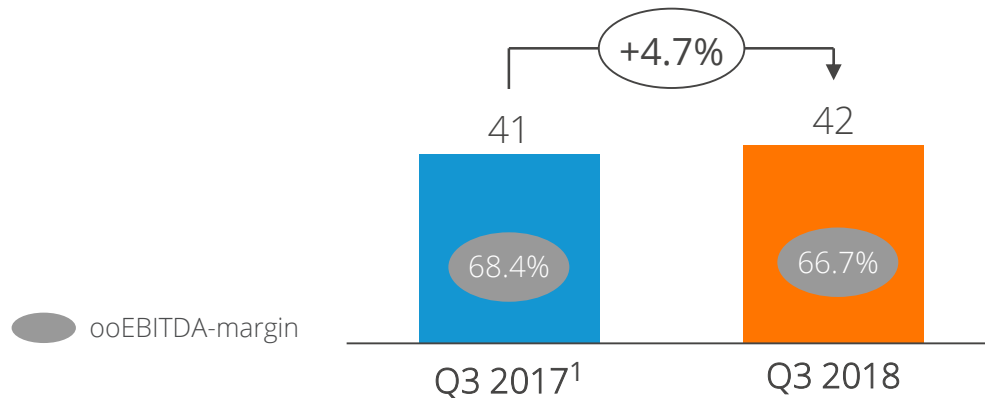
ImmobilienScout24

REVENUE GROWTH ACCELERATES FURTHER IN Q3 2018

External Revenues



ordinary operating EBITDA

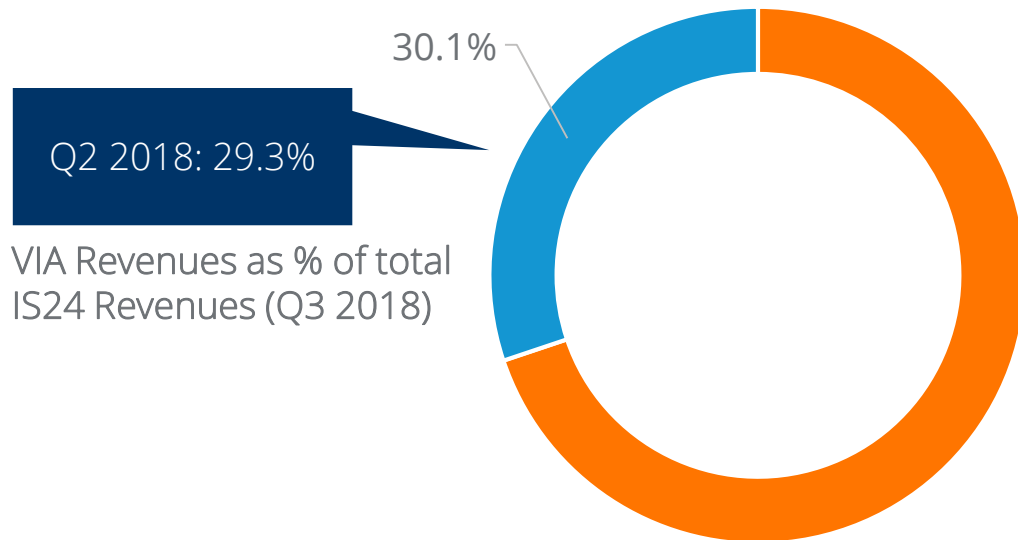


ooEBITDA-margin

1) Q3 2017 and 9M 2017 financials restated for IFRS 15, Q3 2018 and 9M 2018 considering financial reporting adjustments for IFRS 9, IFRS 15, IFRS 16.

ImmobilienScout24

VIA - PROVIDING VALUE TO OUR PARTNER'S BUSINESS



Value-added Product Solutions



Premium listing products

Successfully market existing objects

Media Display Advertising products

Build local reputation & brand

Acquisition products

Increase stock and market share

ImmobilienScout24

UPDATE ON BESTELLERPRINZIP FOR SALE

Current environment

- There is no legislative draft in place yet and no information on further steps by the German Government and / or a possible timeline for the introduction of a law
- A total property sales commission between 4.76% and 7.14% (incl. VAT) is paid across Germany today depending on the federal state (in 11 out of 16 federal states the total commission rate of 7.14% is applicable)
- In 11 out of 16 federal states the agent commission is split (50/50) between buyer and seller. The seller already now pays at least half (in most cases 3.57% incl. VAT each) of the agent commission.

Latest developments

- A representative of the CDU has now officially opposed against the Bestellerprinzip for sale (Elisabeth Winkelmeier-Becker in an interview with RedaktionsNetzwerk Deutschland, RND).
- Engel & Völkers, the largest agent franchise company in Germany, has published an open letter to Chancellor Angela Merkel to advocate a commission split in all federal states of 3.0% (excl. VAT) each for seller and buyer. This will be discussed with the Ministry of Justice and Consumer Affairs on 7 November, 2018.
- Ring Deutscher Makler (RDM) threatens with a constitutional complaint against the Bestellerprinzip. Neither a burden of the seller nor a binding split of the commission between buyer and seller are in line with the industry associations convictions.

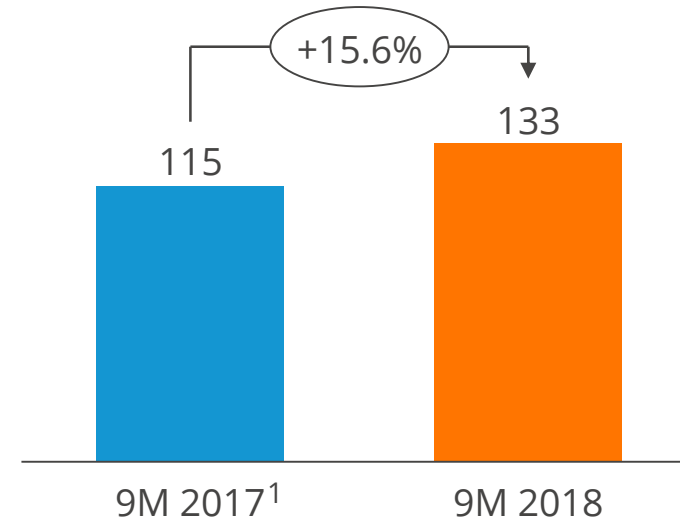
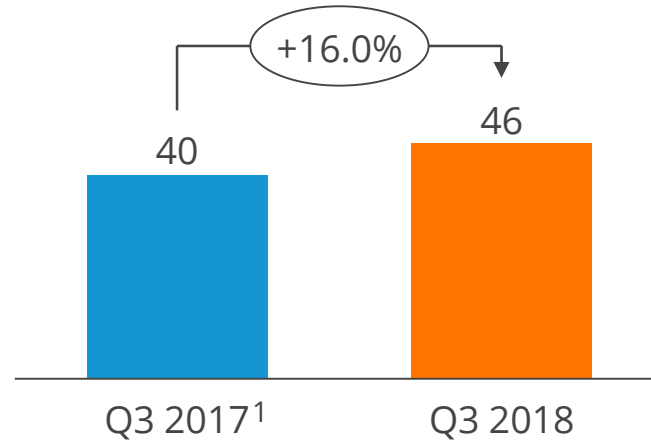
Scout24 is well prepared for various regulatory developments

- Scout24 product strategy and suite is designed to support agents in a potentially changing regulatory environment and we foster an active discussion with our partner base about potential next steps.
- Our sales force is well equipped and trained to support this process.
- We have experience in successfully handling regulatory changes (e.g. introduction of Bestellerprinzip for rental property in 2015).

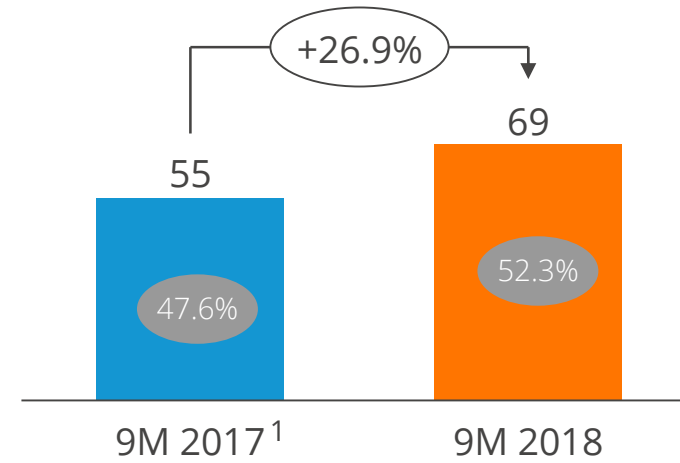
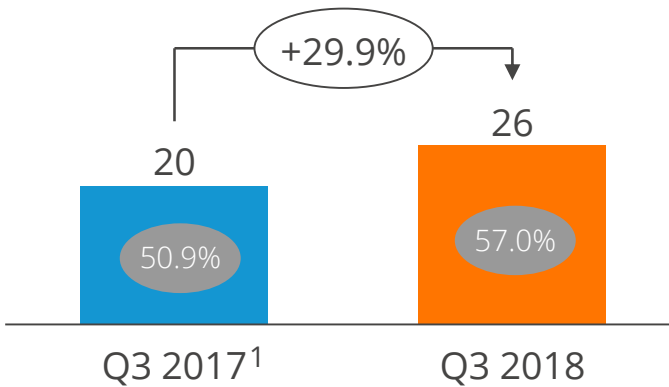
AutoScout24

RECURRING DOUBLE-DIGIT REVENUE GROWTH

External Revenues



ordinary operating EBITDA

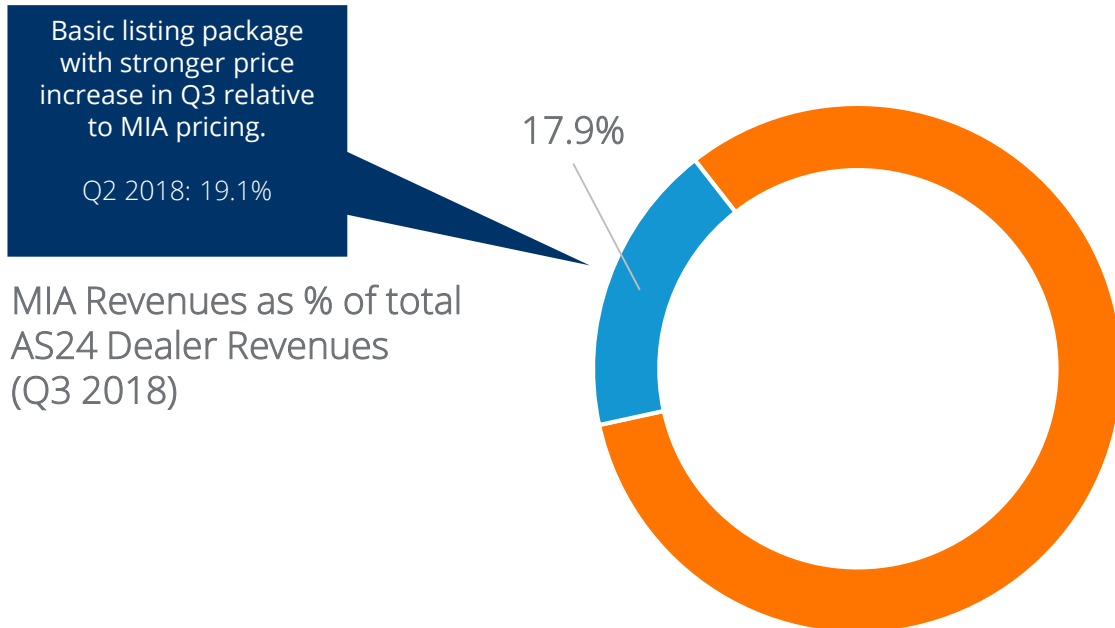


ooEBITDA-margin

1) Q3 2017 and 9M 2017 financials restated for IFRS 15, Q3 2018 and 9M 2018 considering financial reporting adjustments for IFRS 9, IFRS 15, IFRS 16.

AutoScout24

PROVIDING CLEAR BENEFIT TO OUR PARTNERS



Value-added Product Solutions

Pole-Position



Premium listing products

Increase demand performance

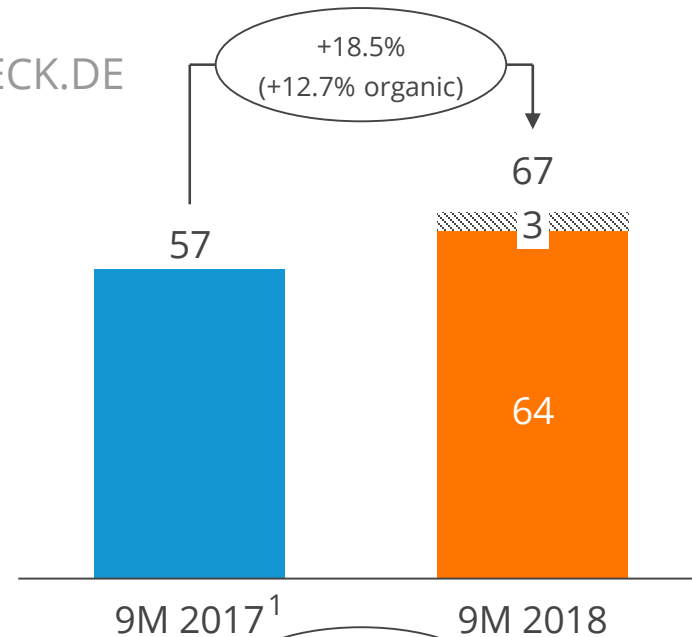
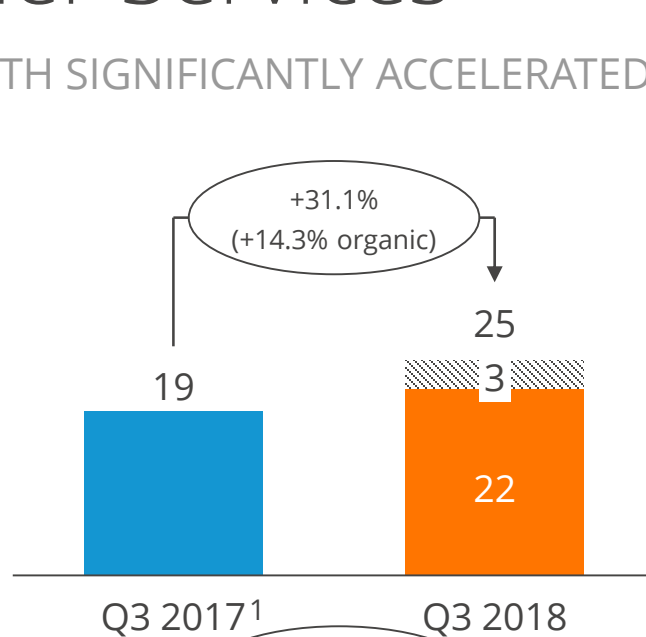
Media Display Advertising products

Build local reputation & brand

Consumer Services

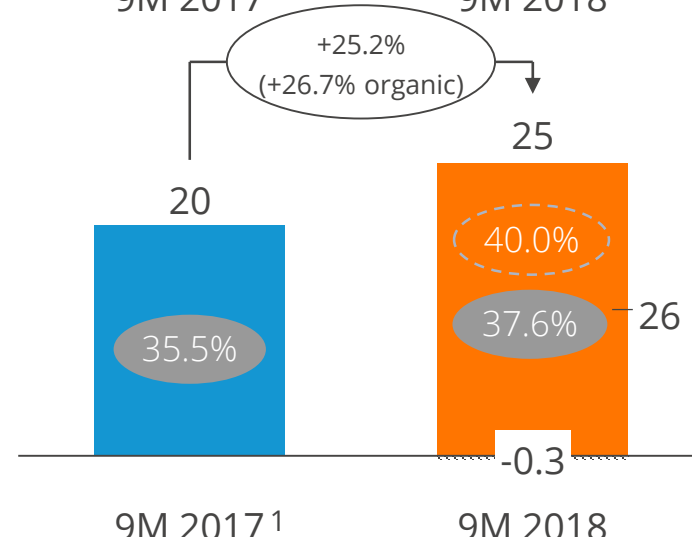
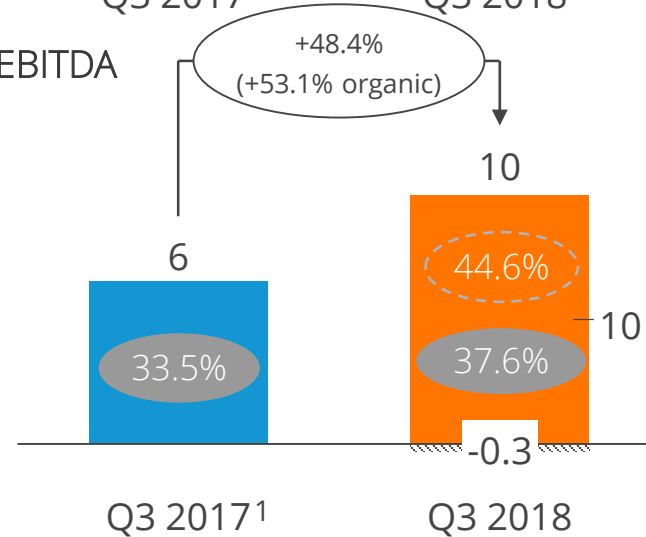
REVENUE GROWTH SIGNIFICANTLY ACCELERATED BY FINANZCHECK.DE

External Revenues



FINANZCHECK.de²

ordinary operating EBITDA

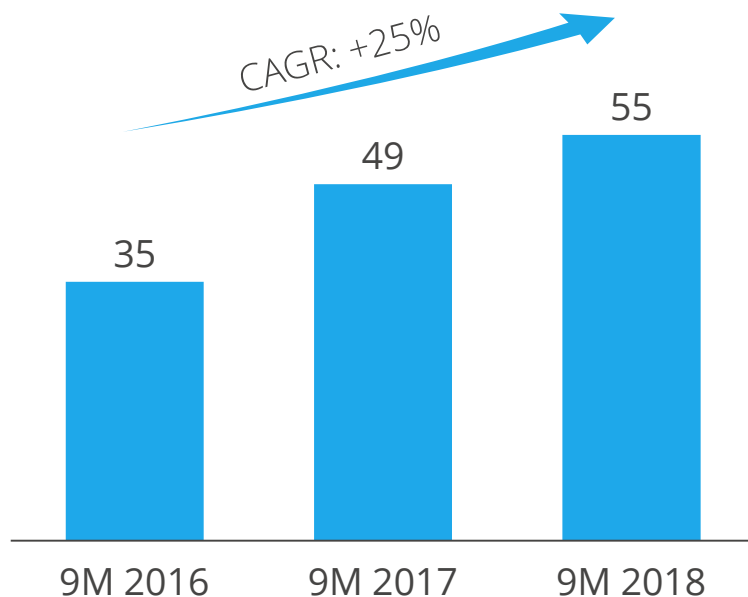


ooEBITDA-margin
ooEBITDA-margin organic

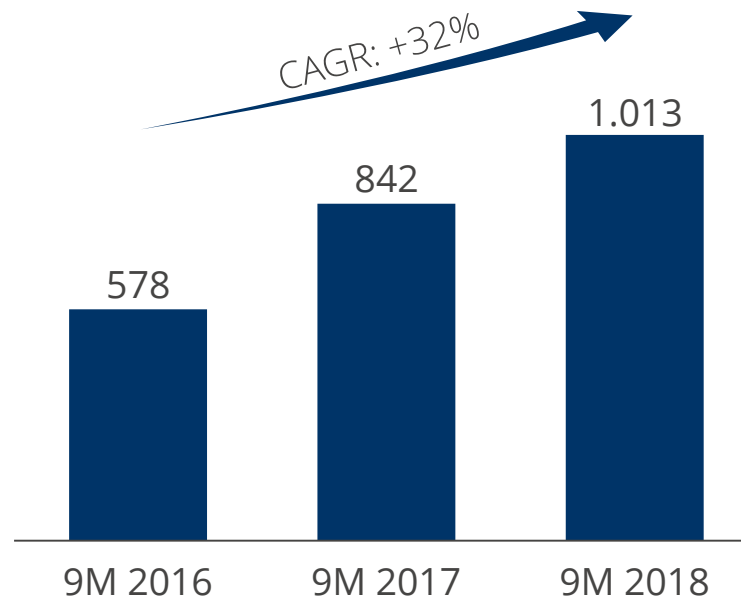
1) Q3 2017 and 9M 2017 financials restated for IFRS 15, Q3 2018 and 9M 2018 considering financial reporting adjustments for IFRS 9, IFRS 15, IFRS 16.

2) FFG FINANZCHECK Finanzportale GmbH ("FINANZCHECK.de") was acquired August 29, 2018. The Q3 and 9M 2018 figures include the contribution of FINANZCHECK.de as of September 1, 2018. The revenue contribution for the period of consolidation into the Scout24 Group was a positive EUR 3.3 million and the ordinary operating EBITDA contribution was a negative EUR 0.3 million.

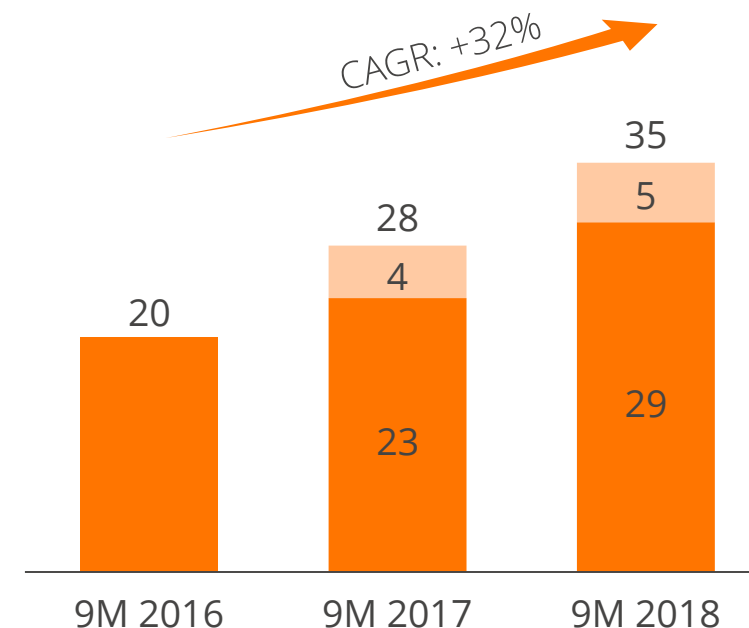
Brokered loans (thousands)¹



Brokered loans volume (€m)²



Revenue (€m)



Pro Forma Reconciling items³
 Pro Forma Revenue contribution³

1) Cumulative customers who have requested a loan and accepted terms and conditions

2) Based on completed transactions

3) Showing pro-forma revenue contribution and intercompany reconciliation if FINANZCHECK.de would have been included starting January 1 2017. Revenue contribution since acquisition was a positive EUR 3.3 million in September 2018.

Ordinary Operating Cost

(in €m)	9M 2017	9M 2018 ¹
Revenues	347.4	385.8
Own work capitalised	10.7	13.7
Personnel (incl. external labour)	(94.9)	(106.6)
Marketing (online & offline)	(38.3)	(41.4)
IT	(12.0)	(14.6)
Other costs	(27.4)	(23.0)
Total operating cost	(161.9)	(171.9)
Ordinary operating EBITDA	185.5	213.9
Ordinary operating EBITDA-margin	53.4%	55.4%

- Increase in capitalisation of internally generated assets partially due to change in methodology of accounting (€3.0m) offset by increase of external labour

- Increase mainly driven by consolidation of FINANZCHECK.DE as well as (organic) increase in staff of ~7% (77 FTE) in 9M 2018 compared to 9M 2017

- Increase partially due to change in methodology of accounting (€3.0m) in the area of external labour offset by increase in own work capitalised

- Reflecting migration data center in cloud-based platform solutions

- Decrease mainly driven by adoption of IFRS 16

2017 figures restated for IFRS 15. H1 2018 figures considering financial reporting adjustments for IFRS 9, IFRS 15, IFRS 16

1) includes FINANZCHECK.de since 1. September 2018 with a revenue contribution of EUR 3.3 million and an ordinary operating EBITDA contribution of negative EUR 0.3 million.

Below EBITDA Items

(in €m)	9M 2017	9M 2018
Ordinary operating EBITDA	185.5	213.9
Non-operating items	(14.0)	(18.0)
Reported EBITDA	171.5	196.0
D&A	(13.8)	(21.0)
D&A on PPA items	(29.1)	(27.1)
EBIT	128.6	148.0
Results Equity Method	(0.0)	0.0
Finance Income	3.4	7.7
Finance Cost	(11.0)	(11.3)
Earnings before Tax	121.0	144.5
Taxes on Income	(37.4)	(41.8)
Earnings after Tax	83.6	102.6
Earnings per Share (in €)	0.78	0.95
Adjusted Earnings¹	110.3	124.3
Earnings per Share adjusted (in €)¹	1.03	1.16

- Includes expenses of €8.3m for share-based compensation, €5.9m for M&A related activities and €0.9m for the office relocation in Munich
- Includes €1.6m of extraordinary income for the sale of the trade mark JobScout24 CH

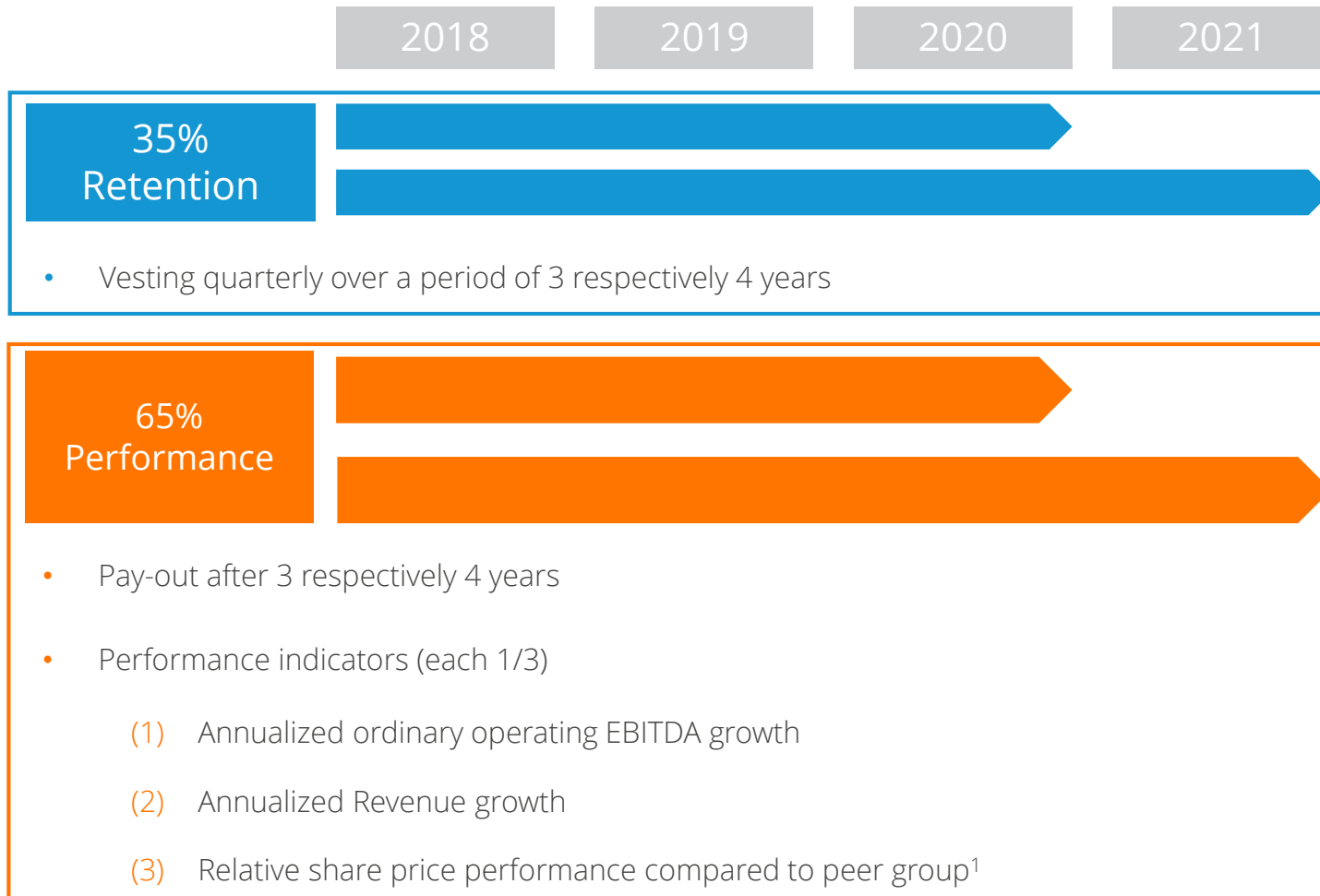
- Includes €4.7m of depreciation resulting from the adoption of IFRS 16

- 9M 2018 includes €6.2m income driven by interest benefit due to refinancing (one-time effect) and negative €2.7m effect driven by amortization and change in valuation (non-cash relevant)
- 9M 2017 includes €1.9m income related to reimbursed interest payments on a tax liability
- Underlying interest cost down €2.4m compared to 9M 2017

- Effective tax rate of 29.0% driven by one-off reduction of deferred tax liabilities

1) Unaudited. Excluding Non-recurring items and D&A on PPA items, calculated with normalized tax rate. Detailed reconciliation in appendix.

New long term incentive programme (LTIP)

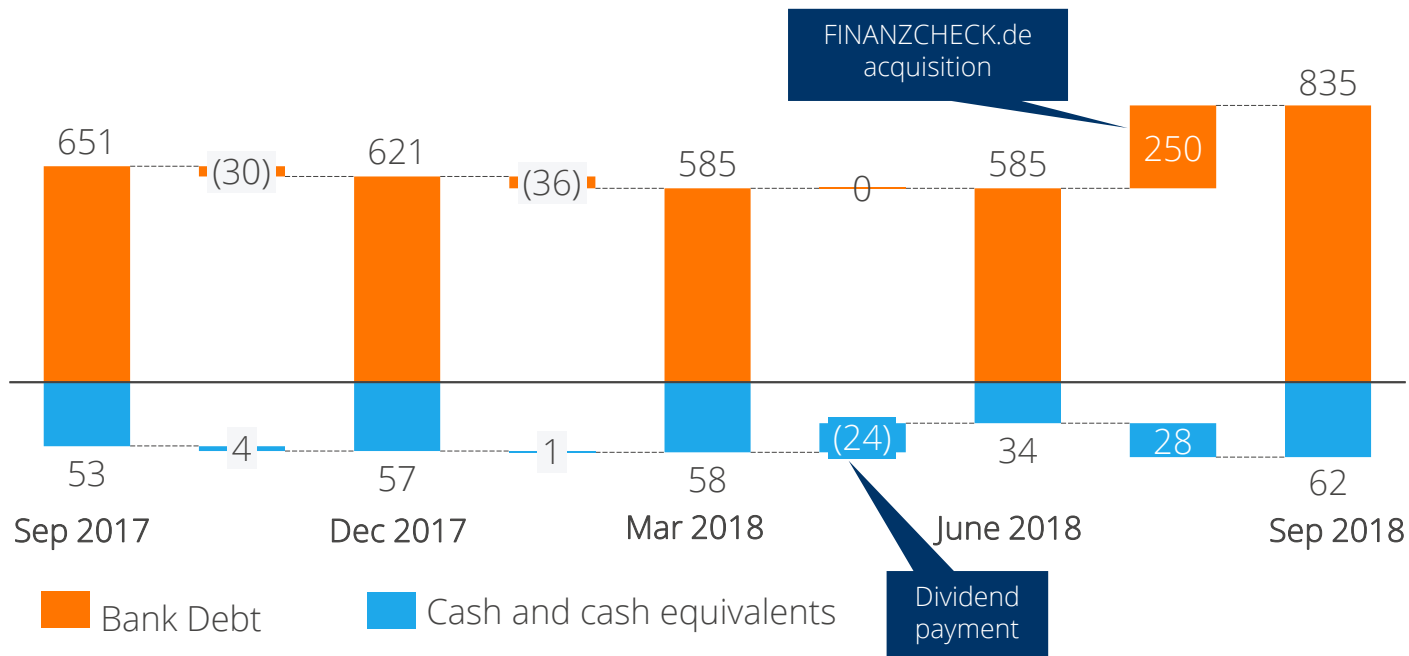


- Replacement of existing MEP (only valid for a limited amount of people, running out in 2019)
- Started in Q3 2018 for key personnel of the company, around 90 participants as of today
- Strong focus on performance (65%) with target achievement of 0%-200%, 100% implies at least double-digit revenue and profitability growth
- Total P&L impact over 4 years (valued acc. to IFRS2 as of today) ~€60m, of which €10.5m in 2018
- Share-based payments, including LTIP, are reported as part of the non-operating items as its valuation is to a significant part driven by the share price development rather than operational activity.

¹) Measured in total shareholder return, peer group comprising of Right-move PLC, Auto Trader Group PLC, REA Group Limited, Schibsted ASA, Axel Springer SE, Carsales.Com Ltd.

Capital Structure

Debt structure (as per August 2018) ¹	Loan volume (€m)	Margin
Term loan	300	1.15%
RCF I (drawn)	70	0.85%
RCF I (undrawn)	130	
RCF II (drawn)	250	0.80%
RCF II (undrawn)	250	
Schuldschein	215	



- Debt structure reflecting successful early refinancing of bank debt in July 2018
- Successfully financed the acquisition of FINANZCHECK.de with the M&A revolving facility II (RCF II)
- Net debt/ordinary operating EBITDA ratio of 2.6x to 2.7x expected by end of 2018

We have clear priorities for cash

Re-invest in growth

M&A activities targeted to strengthen market positions or grow adjacencies business

Return cash to shareholders

Dividend pay-out ratio of 30.0% to 50.0% of adjusted net income over time

Repay debt

Target leverage ratio of 1.0x to 1.5x over time

Outlook Full Year 2018

OUTLOOK FULLY CONFIRMED

Revenue

ImmobilienScout24 5.0% to 6.0% growth

AutoScout24 At least €180.5m

Scout24 Consumer Services At least €87.0m

Scout24 Group organic 9.0% to 11.0% growth

Contribution of FINANZCHECK.de in 2018¹ Around €12.0m

Scout24 Group 11.5% to 13.5% growth

ordinary operating EBITDA margin

ImmobilienScout24 At least 68.0%

AutoScout24 Around 52.0%

Scout24 Consumer Services Increase by at least one percentage point

Scout24 Group organic Between 56.0% and 57.5%

FINANZCHECK.de in 2018¹ Around negative 14%

Scout24 Group Around 54.5% to 56.0%

Appendix

SCOUT24 AG 9M 2018 Results



Recap: New accounting regulations as of 2018

IFRS 9, IFRS 15, IFRS 16 ARE BEING APPLIED AS OF 1 JANUARY 2018 IN REPORTING OF SCOUT24 AG

**IFRS
9**

Financial Instruments

**IFRS
15**

Revenue from contracts with customers

**IFRS
16**

Leases

Financial year 2017 figures to be restated for IFRS 15

Reconciliation Adjusted Earnings

(in €m)	9M 2017		9M 2018
Earnings before Tax	121.0		144.5
Add back non-operating items	14.0		18.0
Add back D&A on PPA items	29.1		27.1
Add back extraordinary finance expenses / income and effects from derivative instruments ¹	(3.0)		(7.6)
Adjusted Earnings before Tax	161.1	} Change due to different normalized tax rate	181,7
Adjusted Tax based on normalized Tax rate	(50.9)		(57.4)
Non-Controlling interest	-		-
Adjusted Earnings attributable to owners of the parent company	110.3		124.3
Earnings per Share adjusted (in €)	1.03		1.16
Weighted average of shares (in million)	107.6		107.6

1) Does not include financial expenses incurred due to the application of IFRS16

Income Statement

(EUR '000)	9M 2017	9M 2018
Revenues	347.4	385.8
Own work capitalised	10.7	13.7
Other operating income	0.5	2.4
Total operating performance	358.6	402.0
Personnel expenses	(88.7)	(97.3)
Advertising expenses	(38.4)	(42.9)
IT expenses	(12.0)	(15.0)
Other operating expenses	(48.0)	(50.8)
EBITDA (Earnings before interest, tax, depreciation and amortisation)	171.5	196.0
Depreciation and amortisation	(43.0)	(47.9)
EBIT (Earnings before interest and tax)	128.5	148.0
Results from investments accounted for using the equity method	0	0.1
Financial income	3.5	7.7
Financial expenses	(11)	(11.3)
Net financial result	(7.5)	(3.5)
Earnings before tax	121.0	144.5
Income taxes	(37.4)	(41.8)
Earnings after tax	83.6	102.6
Basic earnings per share (EUR)	0.78	0,95
Diluted Earnings per share	0.78	0,95

Balance Sheet 1 / 2

Assets (EUR '000)	31.12.2017	30.09.2018
Current assets	115.275	141.514
Cash and cash equivalents	56.659	61.541
Trade receivables / contract assets	47.432	59.001
Financial assets	1.075	1.511
Income tax receivables	2.653	2.082
Other assets	7.456	17.379
Non-current assets	2.025.188	2.313.992
Goodwill	836.675	1.080.987
Trademarks	984.609	992.619
Other intangible assets	188.873	189.770
Right-of-use asset leases		30.396
Property, plant and equipment	8.161	14.277
Investments accounted for using the equity method	1.052	1.163
Financial assets	991	2.292
Deferred tax assets	2.312	1.450
Other assets	2.515	1.038
Balance sheet total	2.140.463	2.455.506

Balance Sheet 2 / 2

Equity and liabilities (EUR '000)	31.12.2017	30.09.2018
Current liabilities	159.194	182.422
Trade payables	22.224	26.080
Financial liabilities	79.511	70.629
Lease liabilities		6.661
Other provisions	6.889	10.504
Income tax liabilities	12.843	25.813
Contract liabilities	9.735	10.647
Other liabilities	27.992	32.088
Non-current liabilities	915.773	1.162.064
Financial liabilities	538.043	755.085
Lease liabilities		24.963
Pension and similar obligations	526	556
Other provisions	3.569	5.367
Income tax liabilities	62	66
Deferred tax liabilities	371.492	373.958
Other liabilities	2.081	2.069
Equity	1.065.496	1.111.020
Subscribed share capital	107.600	107.600
Capital reserve	423.302	423.745
Retained earnings	533.659	576.040
Measurement of pension obligations	(121)	(158)
Other reserves	1.056	3.793
Equity attributable to shareholders of parent company	1.065.496	1.111.020
Balance sheet total	2.140.463	2.455.506

Cash Flow Statement 1 / 2

(EUR '000)

	9M 2017	9M 2018
Earnings after tax	83.631	102.636
Depreciation, amortisation and impairment losses	42.970	47.941
Income tax expense/(income)	37.385	41.840
Financial income	(3.447)	(7.700)
Financial expenses	10.971	11.344
Result from investments accounted for using the equity method	16	(111)
Result on disposal of intangible assets and property, plant and equipment	3	(1.665)
Other non-cash transactions	1.894	(2.111)
Change in other assets not attributable to investing or financing activities	(2.733)	(8.747)
Change in other liabilities not attributable to investing or financing activities	1.882	(3.124)
Change in provisions	1.320	5.403
Income tax paid	(53.620)	(36.596)
Cash flow from operating activities	120.272	149.110
Investments in intangible assets	(14.099)	(15.561)
Investments in property, plant and equipment	(1.633)	(8.407)
Proceeds from disposal of intangible assets and property, plant and equipment	134	1.860
Investments in financial assets	(312)	
Proceeds from sale of financial assets	47	112
Payments for acquisitions of at equity investments	(350)	(350)
Payments made for acquires subsidiaries	(24.984)	(266.346)
Interest received	1.885	(26)
Cash flow from investing activities	(39.312)	(288.718)

Cash Flow Statement 2 / 2

(EUR '000)

	9M 2017	9M 2018
Cash flow from investing activities	(39.312)	(288.718)
Repayment of short-term financial liabilities	(30.160)	(33.070)
Raising of medium- and long-term financial liabilities	29	465.000
Repayment of medium- and long-term financial liabilities		(220.029)
Interest paid	(9.048)	(7.165)
Dividends paid	(32.280)	(60.256)
Cash flow from financing activities	(71.459)	144.480
Effect of foreign exchange rate changes on cash and cash equivalents	(30)	10
Change in cash and cash equivalents	9.471	4.882
Cash and cash equivalents at beginning of period	43.441	56.659
Cash and cash equivalents at end of period	52.912	61.541

IFRS changes to be considered for 2017 and Outlook 2018

IFRS 15 (Recognition of Revenues)

- Mandatory as of 1 January 2018
- 2017 financials **restated**, Actuals 2018 and Outlook 2018 **adapted** to reflect adjustment
- Negative impact on Revenue of € 7.2m in 2017

IFRS 16 (Accounting of Leases)

- Mandatory as of 1 January 2019, Scout24 early adopter
- 2017 **not** restated, Actuals 2018 and Outlook 2018 **adapted** to reflect adjustment
- Impact on ordinary operating EBITDA of positive ~€ 6.7m for full year 2018
- € 35.7m to balance sheet extension in the first nine months 2018 and additional depreciation of € 7.0m for the full year 2018

IFRS 9 (Valuation of Financial Instruments)

- Mandatory as of 1 January 2018
- 2017 **not** restated, Actuals 2018 **adapted** to reflect adjustment
- No impact on P&L, € 3.9m impact in Trade Receivables and € 2.7m impact in Retained Earnings for opening balance sheet 2018

No impact on underlying operational growth and profitability trajectory

IR Contact details and financial calendar

Financial Calendar 2019

(expected)

Preliminary FY 2018 Results

February 12, 2019

Publications

Full year report

report.scout24.com/2017

CSR Report

csrbericht.scout24.com/en

Q3 and 9M 2018 report

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

Group Interim Report H1 & Q2 2018

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

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