

INSPIRING PEOPLE

Quarterly Statement
Third Quarter 2017

Interim consolidated financial statements for the nine months
and the quarter ended September 30, 2017



Table of Contents

Table of Contents	1
Key Financial Highlights	2
Business Development	3
Group	3
ImmobilienScout24 (IS24).....	4
AutoScout24 (AS24)	5
Outlook	5
Consolidated income statement (IFRS, unaudited)	6
Consolidated balance sheet (IFRS, unaudited)	7
Consolidated cash flow statement (IFRS, unaudited)	8
Segment information (IFRS, unaudited)	9
Reconciliation ordinary operating EBITDA	10

Disclaimer:

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

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

Scout24 also uses alternative performance measures, not defined by IFRS, to describe the Scout24 Group's results of operations. These should not be viewed in isolation, but treated as supplementary information. The special items used to calculate some alternative performance measures arise from the integration of acquired businesses, restructuring measures, impairments, gains or losses resulting from divestitures and sales of shareholdings, and other material expenses and income that generally do not arise in conjunction with Scout24's ordinary business activities. Alternative performance measures used by Scout24 are defined in the "Glossary" section of Scout24's Annual Report 2016 which is available at www.scout24.com/financial-reports.

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. Information on quarterly financials have not been subject to the audit and thus are labelled "unaudited".

Key Financial Highlights

(EUR millions)	Q3 2017*	Q3 2016	% change	9M 2017*	9M 2016	% change
External revenues	120.1	110.5	8.7%	353.5	326.3	8.3%
IS24	75.5	71.3	5.9%	222.1	211.5	5.0%
AS24	43.2	37.8	14.3%	126.9	110.5	14.8%
Ordinary operating EBITDA¹	62.7	58.2	7.7%	185.5	167.6	10.7%
IS24	47.4	45.6	3.9%	138.8	133.5	4.0%
AS24	22.5	17.7	27.1%	62.0	47.5	30.5%
Ordinary operating EBITDA-margin¹	52.2%	52.7%	(0.5)pp	52.5%	51.4%	1.1pp
IS24	62.7%	64.0%	(1.3)pp	62.5%	63.1%	(0.6)pp
AS24	52.0%	46.8%	5.2pp	48.9%	43.0%	5.9pp
EBITDA²	59.4	53.9	10.3%	171.5	153.6	11.7%
IS24	44.1	40.9	7.8%	128.8	120.3	7.1%
AS24	20.7	15.8	31.0%	55.5	41.9	32.5%
Capital expenditure	6.3	4.1	53.0%	15.7	13.7	14.6%
Cash contribution³	56.3	54.0	4.2%	169.8	153.9	10.4%
Cash conversion⁴	89.9%	92.9%	(3.0)pp	91.5%	91.8%	(0.3)pp

*All figures in the table above do not include results of Gebrauchtwagen.at

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

² EBITDA is defined as profit before financial results, income taxes, depreciation and amortisation, impairment write-downs and the result of sales of subsidiaries.

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

⁴ Cash conversion is defined as ordinary operating EBITDA less capital expenditure divided by ordinary operating EBITDA.

Business Development

Group

Scout24 continued the solid performance also in Q3 2017. The good performance was mainly driven by a strong increase in core dealer ARPU (average revenue per core dealer) in the AutoScout24 ("AS24") segment, an expected slight acceleration in ImmobilienScout24 ("IS24") core agent revenues and an increase in revenues deriving from consumer monetisation initiatives.

According to the unaudited consolidated financial statements, Group revenues (excluding revenues from the latest acquisition Gebrauchtwagen.at) for the third quarter increased by 8.7% to EUR 120.1 million (Q3 2016: EUR 110.5 million).

Group ordinary operating EBITDA (excluding the contribution from Gebrauchtwagen.at) improved by 7.7% to EUR 62.7 million (Q3 2016: EUR 58.2 million). Reported Group EBITDA for the third quarter 2017 was up 10.3% to EUR 59.4 million compared to the third quarter 2016, reaching EUR 53.9 million. It included non-operating costs of EUR 3.2 million, which were attributable to costs related to M&A activities and personnel expenses. Personnel expenses mainly relate to the reorganisation carried out, but also include share-based compensation for management equity programs as well as performance-based remuneration from share purchase agreements. Consolidated reported net profit for the period was EUR 28.7 million (Q3 2016: EUR 19.5 million), resulting in basic earnings per share of EUR 0.27 (Q3 2016: EUR 0.18).

Cash contribution increased by 4.2% to EUR 56.3 million, supporting Group's financial flexibility. The Cash Conversion Rate¹, based on ordinary operating EBITDA, reached 89.9% in the third quarter 2017, slightly below previous year's comparable period (Q3: 2016 92.9%), on the back of higher Capital Expenditure. On a nine-month comparison, Cash Conversion Rate was on a stable high level of 91.5% (9M 2016: 91.8%). In spite of the acquisition of Gebrauchtwagen.at and a voluntary prepayment towards the syndicated bank loan in August, cash and cash equivalents amounted to EUR 52.9 million as of 30 September 2017, highlighting the strong free cash flow generation. Total net financial debt² therefore amounted to EUR 593.7 million, leading to a leverage (ratio of net debt to ordinary operating EBITDA of the last twelve months) of 2.46:1 (31 December 2016: 2.82:1).

¹ The cash conversion rate is defined as (ordinary operating EBITDA – capital expenditure)/ ordinary operating EBITDA. Ordinary operating EBITDA and capital expenditure are explained accordingly in the further course of the report.

² Total net financial debt is defined as total debt (current and non-current liabilities) less cash and cash equivalents.

ImmobilienScout24 (IS24)

(EUR millions)	Q3 2017	Q3 2016	% change	9M 2017	9M 2016	% change
Revenue from core agents (Germany)	40.1	39.2	2,3%	118.8	117.1	1.5%
Revenue from other agents	9.0	8.9	1.1%	26.9	26.3	2,3%
Other revenues	26.4	23.2	13.8%	76.3	68.1	12.0%
Total external revenues	75.5	71.3	5.9%	222.1	211.5	5.0%
Ordinary operating EBITDA	47.4	45.6	3.9%	138.8	133.5	4.0%
Ordinary operating EBITDA - margin %	62.7	64.0%	(1.3)pp	62,5%	63.1%	(0,6)pp
EBITDA	44.1	40.9	7.8%	128.8	120.3	7.1%
Capital expenditure	4.6	2.6	76.1%	9.9	7.7	27.4%

Revenues from core agents slightly increased year-on-year to EUR 40.1 million mainly supported by low churn in the core agent base. At 17,230, the number of core agents slightly increased compared to June 2017 (17,046 core agents) and decreased by 0.8% against September 2016 mainly due to agents leaving the market. In Q3 2017, including agents leaving the market, core agent numbers increased against Q2 2017 on the back of very low churn levels and sustainably high winback and acquisition rates. The positive development in core agent trends in Q3 2017 exceeds core agent numbers in Q2 2017 as well as our guidance of flat core agent numbers. Revenues from other agents remained mainly flat year over year. Other revenues increased by 13.8 % to EUR 26.4 million in the third quarter of 2017 (Q3 2016: EUR 23.2 million), mainly due to consumer monetization initiatives.

Due to its superior content, IS24 maintained its strong competitive lead in listings share as well as consumer traffic and engagement in the third quarter of 2017.

AutoScout24 (AS24)

(EUR millions)	Q3 2017*	Q3 2016	% change	9M 2017*	9M 2016	% change
Revenue from core dealers (Germany)	16.6	14.0	18.6%	48.7	40.7	19.7%
Revenue from core dealers (Benelux/Italy)	14.9	12.6	18.3%	42.9	36.1	18.8%
Revenue from other dealers	3.5	3.5	0.0%	10.5	10.2	2.9%
Other revenues	8.2	7.8	5.1%	24.8	23.5	5.5%
Total external revenues	43.2	37.8	14.3%	126.9	110.5	14.8%
Ordinary operating EBITDA	22.5	17.7	27.1%	62.0	47.5	30.5%
Ordinary operating EBITDA -margin %	52.0%	46.8%	5.2pp	48.9%	43.0%	5.9pp
EBITDA	20.7	15.8	31.0%	55.5	41.9	32.5%
Capital expenditure	1.7	1.3	29.3%	5.3	5.6	(5.9)%

*All figures in the table above do not include results of Gebrauchtwagen.at

External revenues in the AS24 segment reported a strong growth with an increase of 14.3 % in Q3 2017 compared with Q3 2016. This dynamic development predominantly reflects the sustainable growth in revenue from core dealers of 18.6% in Germany, and of 18.3% in Benelux/Italy. Revenues from other dealers and other revenues increased at a slightly slower pace than expected due to a less dynamic development in "Express Sale" respectively display revenues.

AS24 sustained its content leadership positions in Belgium, Netherlands and Italy with regards to general classifieds and automotive classified competitors and continued to work on closing the gap towards its competitor in Germany.

Outlook

The performance of Scout24 Group in the first nine months 2017 was overall again in line with the Management Board's expectations reaching a high-single digit revenue growth and an ordinary operating EBITDA-margin expansion of around one percentage point. Scout24 is highly confident to reach the targets for the financial year 2017 communicated on 9 August 2017. Driven by additional investment in product, Scout24 expects capital expenditure to amount to around EUR 22.0 million, slightly higher than previously communicated. We expect additional non-operating costs for post-merger integration activities of the recent acquisition Gebrauchtwagen.at. For details, please refer to our 2017 half-year financial report, which is available in the investor relations section at www.scout24.com. Scout24 will provide an outlook for 2018 upon publication of its Full Year 2017 results in March 2018.

Consolidated income statement (IFRS, unaudited)

(EUR '000)	Q3 2017*	Q3 2016 ¹	9M 2017*	9M 2016 ¹
Revenues	120,058	110,456	353,479	326,328
Own work capitalised	4,945	2,728	10,717	8,189
Other operating income	202	367	500	1,128
Total operating performance	125,205	113,551	364,696	335,645
Personnel expenses	(30,239)	(28,208)	(88,671)	(83,240)
Advertising expenses	(12,513)	(11,027)	(38,414)	(35,672)
IT expenses	(4,189)	(3,718)	(12,038)	(12,105)
Other operating expenses	(18,841)	(16,728)	(54,047)	(51,012)
EBITDA (Earnings before interest, tax, depreciation and amortisation)	59,423	53,870	171,526	153,616
Depreciation, amortisation and impairment losses	(14,639)	(16,416)	(42,970)	(48,854)
EBIT (Earnings before interest and tax)	44,784	37,453	128,556	104,761
Results from investments accounted for using the equity method	2	19	(16)	18
Financial income	27	82	3,447	174
Financial expenses	(3,907)	(8,677)	(10,971)	(31,739)
Net financial result	(3,878)	(8,576)	(7,540)	(31,547)
Earnings before tax	40,906	28,878	121,016	73,214
Income taxes	(12,175)	(9,399)	(37,385)	(24,250)
Earnings after tax	28,731	19,479	83,631	48,964
Of which attributable to:				
Non-controlling interests	0	(20)	0	(240)
Shareholders of the parent company	28,731	19,498	83,631	49,204

*All figures in the table above do not include results of Gebrauchtwagen.at

Earnings per Share

(in EUR)	Q3 2017*	Q3 2016	9M 2017*	9M 2016
Basic earnings per share				
Earnings per share after tax	0.27	0.18	0.78	0.46
Diluted earnings per share				
Earnings per share after tax	0.27	0.18	0.78	0.46

*All figures in the table above do not include results of Gebrauchtwagen.at

¹ The following change has occurred compared with the Group interim report on the first nine months of 2016: to enhance transparency, as of 1 January 2017 a reclassification of other operating expenses to IT expenses was implemented. This represents a voluntary change in the presentation of financial statements within the meaning of IAS 8.14b. To ensure comparability with the previous year's accounting periods, the figures of the previous year were restated retrospectively (Q3: EUR 657 thousand; 9M: EUR 2,173 thousand).

Consolidated balance sheet (IFRS, unaudited)

Assets (EUR '000)	30/09/2017*	31/12/2016
Current assets	107,865	96,175
Cash and cash equivalents	52,912	43,441
Trade receivables	43,388	43,275
Financial assets	668	406
Income tax receivables	1,541	1,249
Other assets	9,356	7,804
Non-current assets	2,031,824	2,034,722
Goodwill	816,231	816,231
Trademarks	983,306	983,523
Other intangible assets	192,298	217,560
Property, plant and equipment	8,055	9,953
Investments accounted for using the equity method	1,068	1,666
Financial assets	25,169	535
Deferred tax assets	2,861	3,482
Other assets	2,836	1,772
Balance sheet total	2,139,689	2,130,897
Equity and liabilities (EUR '000)	30/09/2017	31/12/2016
Current liabilities	76,844	112,300
Trade payables	22,552	27,897
Financial liabilities	448	31,835
Other provisions	5,267	4,027
Income tax liabilities	8,287	15,870
Other liabilities	40,290	32,671
Non-current liabilities	1,019,195	1,027,827
Financial liabilities	646,189	645,539
Pensions and similar obligations	496	443
Other provisions	678	632
Income tax liabilities	52	29
Deferred tax liabilities	369,570	378,579
Other liabilities	2,210	2,605
Equity	1,043,650	990,770
Subscribed share capital	107,600	107,600
Capital reserve	428,692	427,570
Retained earnings	506,392	455,041
Measurement of pension obligations	(96)	(85)
Other reserves	1,062	1,107
Treasury shares (0 shares, previous year 13,400 shares)	-	(463)
Equity attributable to shareholders of parent company	1,043,650	990,770
Non-controlling interests	-	-
Balance sheet total	2,139,689	2,130,897

*All figures in the table above do not include results of Gebrauchtswagen.at

Consolidated cash flow statement (IFRS, unaudited)

(EUR '000)	9M 2017*	9M 2016
Earnings after tax	83,631	48,964
Depreciation and amortisation	42,970	48,854
Income tax expense/(income)	37,385	24,250
Financial income	(3,447)	(174)
Financial expenses	10,971	31,739
Result from investments accounted for using the equity method	16	(18)
Result on disposal of intangible assets and property, plant and equipment	3	(73)
Other non-cash transactions	1,894	3,846
Change in other assets not attributable to investing or financing activities	(2,733)	304
Change in other liabilities not attributable to investing or financing activities	1,882	(6,066)
Change in provisions	1,320	(466)
Income taxes paid	(53,620)	(1,953)
Cash flow from operating activities	120,272	149,207
Purchases of intangible assets	(14,099)	(12,235)
Purchases of property, plant and equipment	(1,633)	(1,492)
Proceeds from disposal of intangible assets and property, plant and equipment	134	83
Payments to acquire financial assets	(312)	(147)
Proceeds from sale of financial assets	47	10
Payments for acquisitions of at equity investments	(350)	-
Payments made to acquire subsidiaries	(24,984)	(29,509)
Interest received	1,885	88
Proceeds from disposal of discontinued activities	-	32
Cash flow from investing activities	(39,312)	(43,170)
Repayment of short-term financial liabilities	(30,160)	(100,206)
Proceeds from long-term financial liabilities	29	-
Interest paid	(9,048)	(23,046)
Dividends paid	(32,280)	-
Cash flow from financing activities	(71,459)	(123,252)
Effect of foreign exchange rate changes on cash and cash equivalents	(30)	(3)
Change in cash and cash equivalents	9,471	(17,218)
Cash and cash equivalents at start of period	43,441	70,639
Cash and cash equivalents at end of period	52,912	53,420

*All figures in the table above do not include results of Gebrauchtwagen.at

Segment information (IFRS, unaudited)*

(EUR '000)		External revenues	Inter-segment revenues	Total segment revenues	EBITDA	Ordinary operating EBITDA	Capital expenditure
ImmobilienScout24	Q3 2017	75,523	28	75,551	44,053	47,370	4,563
	Q3 2016	71,304	59	71,363	40,862	45,630	2,591
AutoScout24	Q3 2017	43,235	13	43,247	20,712	22,472	1,721
	Q3 2016	37,828	219	38,047	15,848	17,713	1,331
Corporate	Q3 2017	19	15,481	15,500	(5,441)	(4,850)	60
	Q3 2016	238	9,079	9,317	(2,974)	(2,267)	215
Total - reportable segments	Q3 2017	118,777	15,522	134,299	59,325	64,992	6,344
	Q3 2016	109,371	9,356	118,727	53,736	61,076	4,136
Other	Q3 2017	1,281	457	1,739	98	102	-
	Q3 2016	1,085	70	1,156	133	188	9
Other reconciling items	Q3 2017	-	(15,979)	(15,979)	-	(2,429)	-
	Q3 2016	-	(9,426)	(9,426)	-	(3,094)	-
Total (consolidated)	Q3 2017	120,058	-	120,058	59,423	62,665	6,344
	Q3 2016	110,456	-	110,456	53,870	58,170	4,145

*All figures in the table above do not include results of Gebrauchtwagen.at

(EUR '000)		External revenues	Inter-segment revenues	Total segment revenues	EBITDA	Ordinary operating EBITDA	Capital expenditure
ImmobilienScout24	9M 2017	222,092	73	222,165	128,812	138,766	9,865
	9M 2016	211,518	431	211,949	120,346	133,534	7,745
AutoScout24	9M 2017	126,902	103	127,005	55,537	62,038	5,301
	9M 2016	110,495	589	111,084	41,882	47,516	5,635
Corporate	9M 2017	396	46,758	47,154	(13,358)	(8,040)	565
	9M 2016	1,144	20,245	21,389	(8,962)	(5,394)	313
Total - reportable segments	9M 2017	349,390	46,934	396,324	170,991	192,763	15,731
	9M 2016	323,157	21,266	344,423	153,266	175,657	13,693
Other	9M 2017	4,089	1,299	5,388	535	559	-
	9M 2016	3,171	205	3,376	350	595	35
Other reconciling items	9M 2017	-	(48,233)	(48,233)	-	(7,811)	-
	9M 2016	-	(21,471)	(21,471)	-	(8,700)	-
Total (consolidated)	9M 2017	353,479	-	353,479	171,526	185,511	15,731
	9M 2016	326,328	-	326,328	153,616	167,553	13,728

*All figures in the table above do not include results of Gebrauchtwagen.at

Reconciliation ordinary operating EBITDA

The following table shows the reconciliation of the Group's ordinary operating EBITDA and EBITDA to the IFRS pre-tax result from continuing operations:

(EUR '000)	Q3 2017*	Q3 2016	9M 2017*	9M 2016
Ordinary operating EBITDA	62,665	58,170	185,511	167,553
Non-operating effects	(3,242)	(4,300)	(13,985)	(13,937)
of which personnel expenses	(2,547)	(4,398)	(11,253)	(11,795)
of which attributable to M&A transactions	(270)	(160)	(1,992)	(2,139)
of which other non-operating costs	(426)	256	(740)	(0)
EBITDA	59,423	53,870	171,526	153,616
Depreciation, amortisation and impairment losses	(14,639)	(16,416)	(42,970)	(48,854)
Result from investments accounted for using the equity method	2	19	(16)	18
Other financial result	(3,880)	(8,595)	(7,524)	(31,565)
Earnings before tax	40,906	28,878	121,016	73,214

*All figures in the table above do not include results of Gebrauchtwagen.at

