

# CREATING FUTURE NETWORKS

SCOUT24 AG | Q1 2019 Results Conference Call | May 14, 2019

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Quarterly figures unaudited. All numbers regarding 2019 segment structure unaudited and preliminary only, if not otherwise stated.

## Takeover Bid

### HELLMAN & FRIEDMAN AND BLACKSTONE REACHES MINIMUM ACCEPTANCE THRESHOLD

- According to information provided by the Bidder, the minimum acceptance threshold of 50% plus one Scout24 share was exceeded
  - Takeover bid subject to merger control clearance
- With Hellman & Friedman and Blackstone, Scout24 has won new anchor investors and also long-term strategic partners
  - Supporting the Scout24 Management Board in executing its growth plans
  - Providing expertise and resources to strengthen the online classifieds platform with a clear focus on core European markets
  - Maintaining current Group integrity

## Takeover Bid

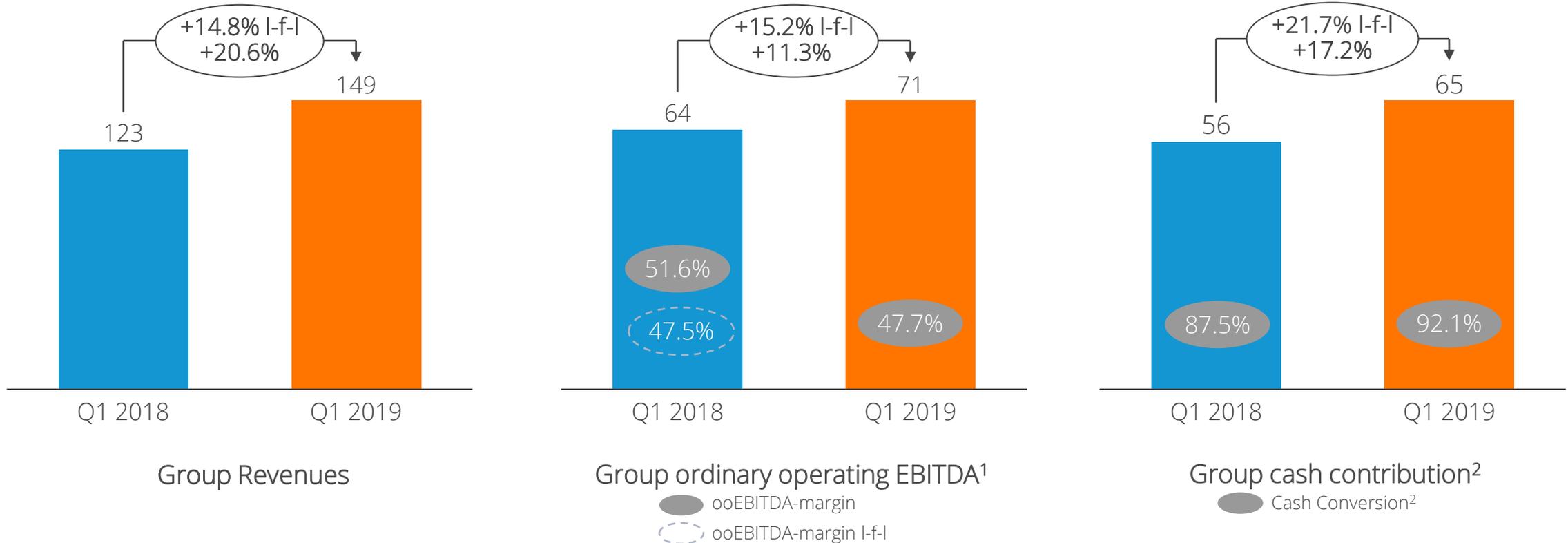
TAKEOVER BID BY HELLMAN & FRIEDMAN AND BLACKSTONE REJECTED BY MAJORITY OF SHAREHOLDERS

- Minimum acceptance threshold of 50 percent plus one share not reached
- Management and Supervisory Board had expressed support for the strategic partnership with Hellman & Friedman and Blackstone
  - We fully respect the decision of our shareholders. We see this decision as a vote of confidence in the successful future and management of Scout24 as an independent company
- Future-oriented strategy, growth targets and forecast for 2019 remain unaffected by outcome of the takeover bid

# Key Financial Highlights

WE DELIVER STRONG REVENUE GROWTH AND EVEN STRONGER SUSTAINABLE PROFITABILITY AND CASH FLOWS

in €m



I-f-I: Like-for-like, i.e. as if new acquisitions or divestments would have been consolidated/deconsolidated in 2018 already.

1) Ordinary operating (oo)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.

2) Cash contribution is defined as ooEBITDA less capital expenditures (adjusted, i.e. excluding IFRS16 effects), cash conversion as ooEBITDA / (ooEBITDA less capital expenditure (adjusted)).

# Recap: Disclosure Adjusted to Reflect Operations

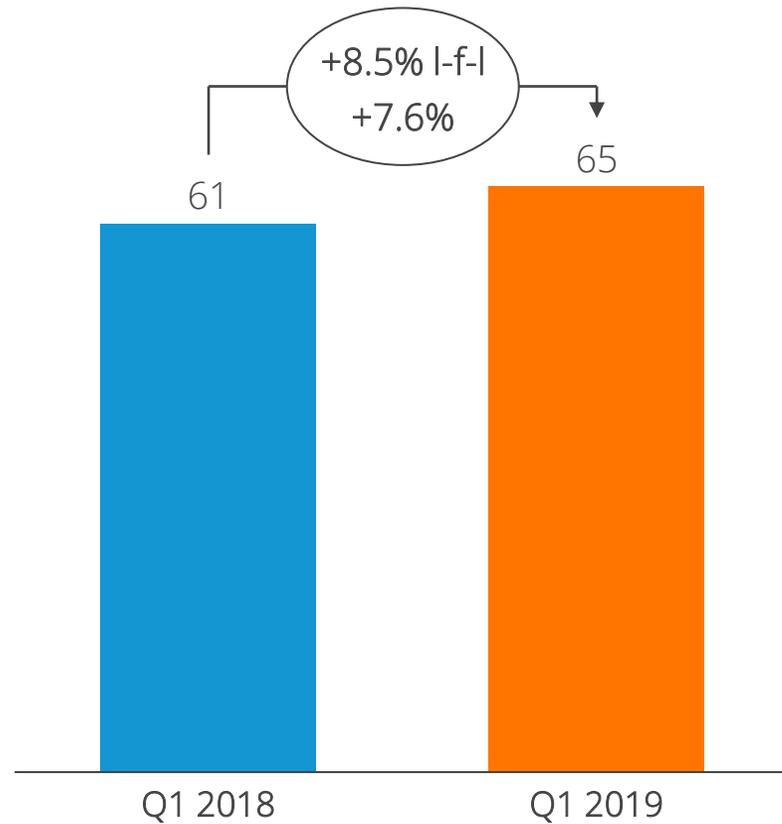
Revenue (in €m)	2018 as reported	2018 new disclosure	YOY new disclosure
ImmobilienScout24	250.0	250.0	6.0%
AutoScout24	181.5	166.0	15.8%
Scout24 Consumer Services	100.1	115.6	24.5%
Scout24 Group	531.7	531.7	12.5%

ordinary operating EBITDA (in €m)	2018 as reported	2018 new disclosure	Margin new disclosure
ImmobilienScout24	170.3	170.3	68.1%
AutoScout24	97.2	88.2	53.1%
Scout24 Consumer Services	31.6	40.6	35.2%
Scout24 Group	291.5	291.5	54.8%

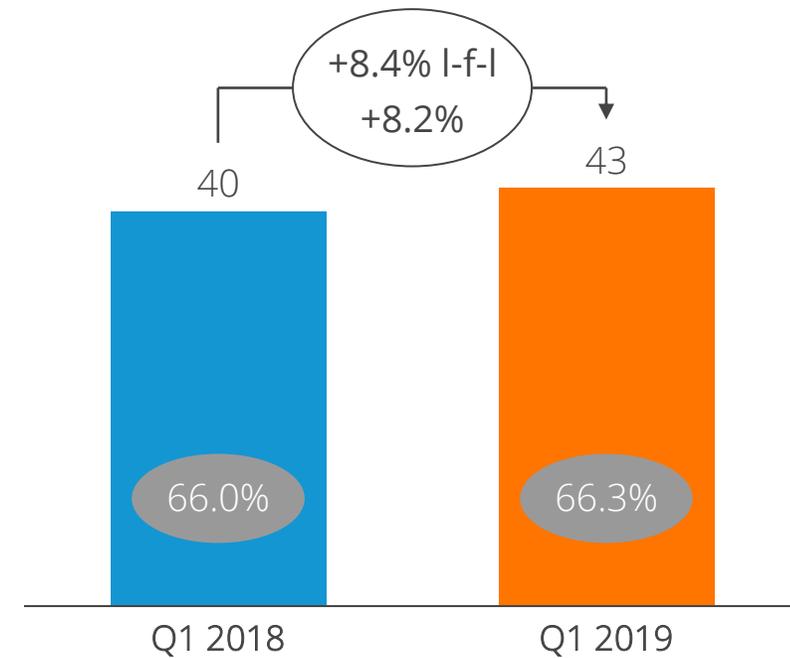
# ImmobilienScout24

REVENUES WITH RESIDENTIAL REAL ESTATE PARTNERS WITH DOUBLE-DIGIT GROWTH RATE IN Q1 2019

in €m  
External Revenues



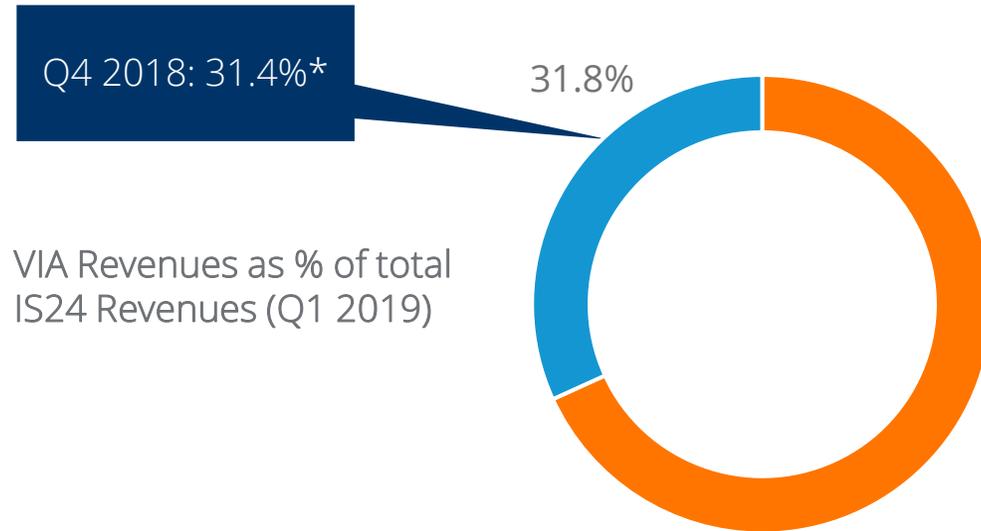
ordinary operating EBITDA



ooEBITDA-margin

# ImmobilienScout24

VIA - PROVIDING VALUE TO OUR PARTNERS' BUSINESS



## Value-added Product Solutions



Premium listing products

Successfully market existing objects

Media Display Advertising products

Build local reputation & brand

Acquisition products

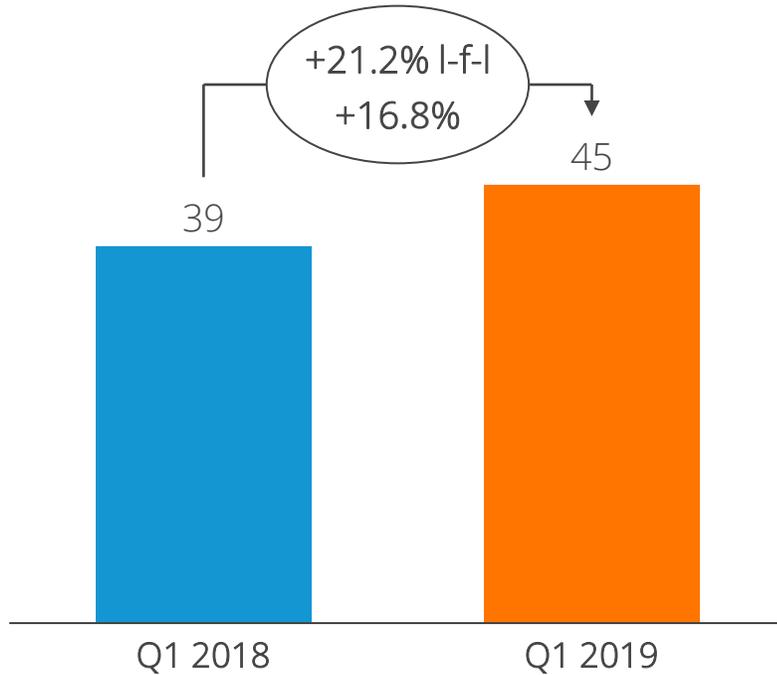
Increase stock and market share

\*Q4 2018 figure like-for-like without classmarkets

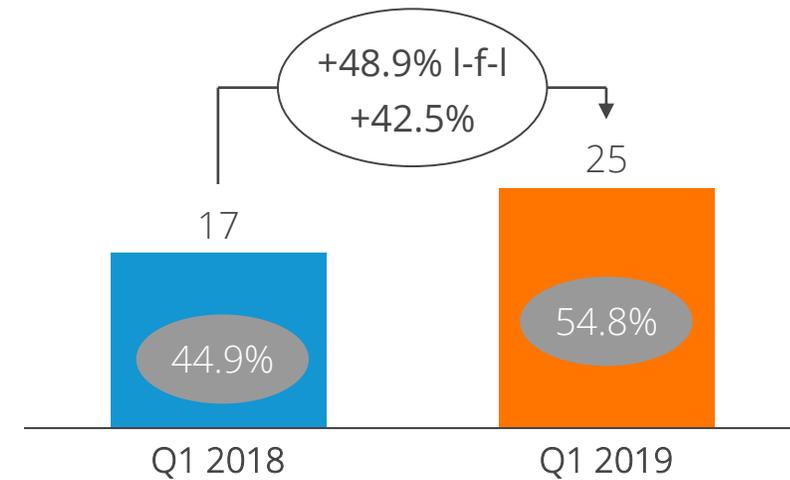
# AutoScout24

## FURTHER INCREASE IN ARPU DRIVING POSITIVE DEVELOPMENT

in €m  
External Revenues



ordinary operating EBITDA



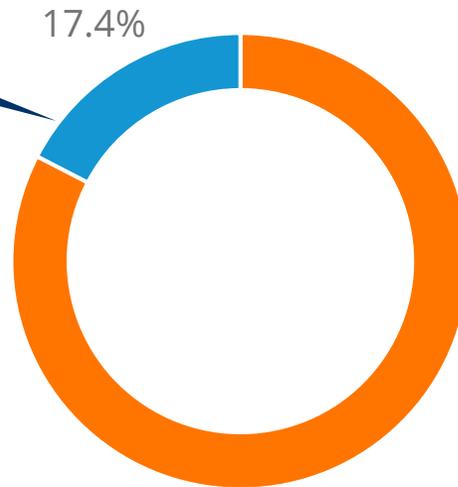
ooEBITDA-margin

# AutoScout24

PROVIDING CLEAR BENEFIT TO OUR PARTNERS

Q4 2018: 17.9%\*

MIA Revenues as % of total AS24 Dealer Revenues (Q1 2019)



## Value-added Product Solutions

Pole-Position



Premium listing products

Increase demand performance

Media Display Advertising products

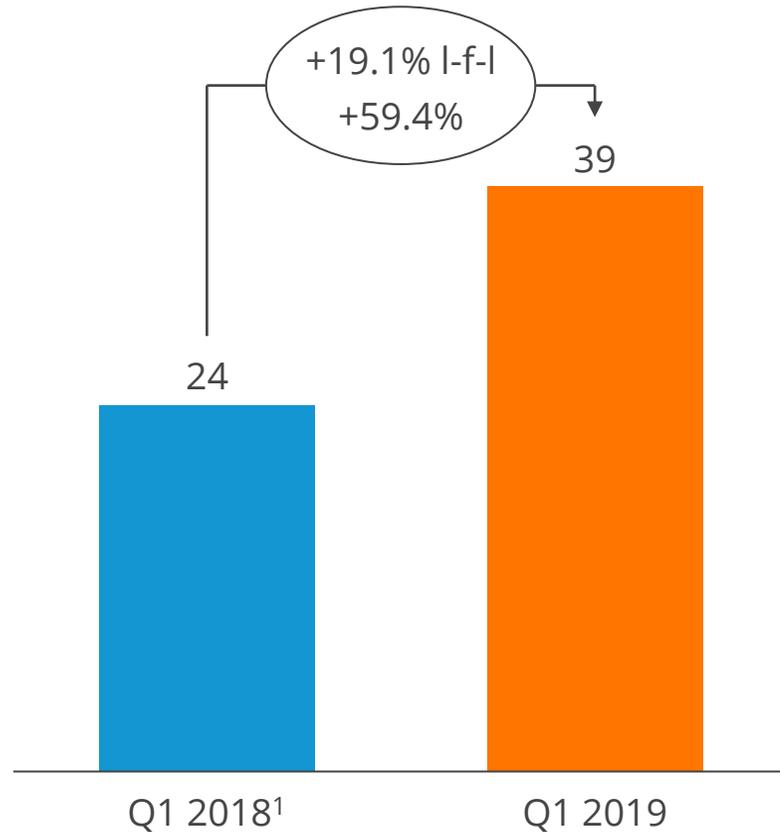
Build local reputation & brand

\*Q4 2018 figure like-for-like without AS Spain

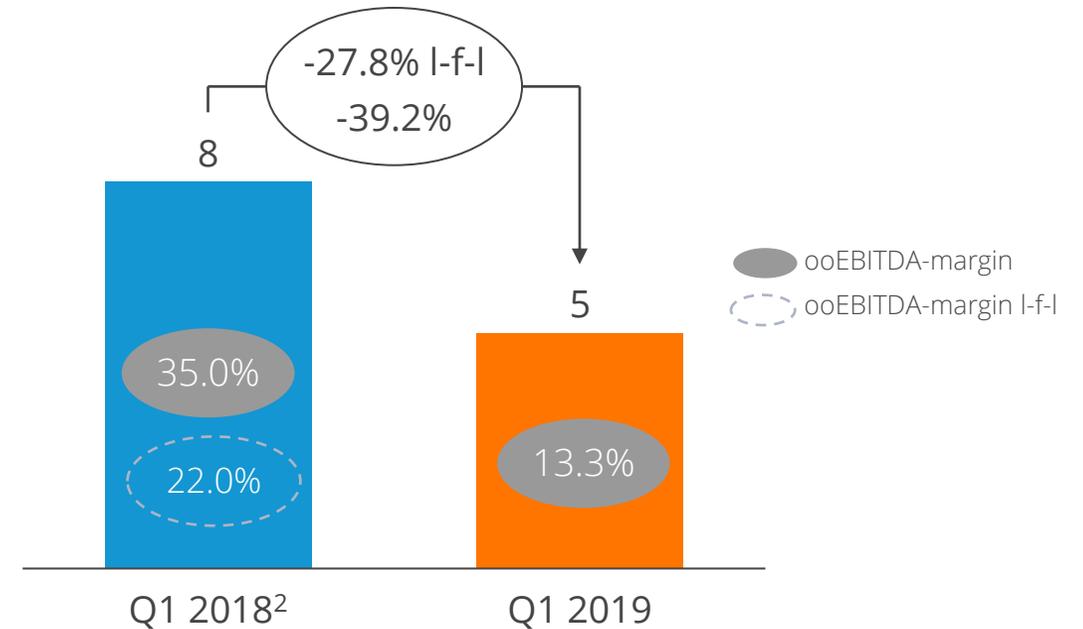
# Consumer Services

GROWTH WAS DRIVEN BY REVENUE WITH FINANCING PARTNERS AND SERVICES INCL. FINANZCHECK.DE

in €m  
External Revenues



ordinary operating EBITDA



I-f-I: Like-for-like, i.e. as if new acquisitions or divestments would have been consolidated/deconsolidated in 2018 already.  
1) Considering the consolidation effects in Q1 2018, revenue figure would be €32m (like-for-like).  
2) Considering the consolidation effects in Q1 2018, ooEBITDA figure would be €7m (like-for-like).

# Ordinary Operating Cost

(in €m)	Q1 2018	Q1 2019
<b>Revenues</b>	<b>123.4</b>	<b>148.8</b>
Own work capitalised	4.7	4.6
Personnel (incl. external labour)	(36.3)	(41.9)
Marketing (online & offline)	(15.4)	(25.4)
IT	(4.6)	(5.9)
Other costs	(8.1)	(9.2)
<b>Total operating cost</b>	<b>(59.7)</b>	<b>(77.8)</b>
<b>Ordinary operating EBITDA</b>	<b>63.7</b>	<b>70.9</b>
<b>Ordinary operating EBITDA-margin</b>	<b>51.6%</b>	<b>47.7%</b>

- Increase mainly driven by consolidation of FZ.de

- Higher marketing costs reflecting investments into future group growth (incl. FZ.de)

- Reflecting ongoing migration of data center in cloud-based platform solutions

- Increase driven by consolidation of FZ.de

# Below EBITDA Items

(in €m)	Q1 2018	Q1 2019
<b>Ordinary operating EBITDA</b>	<b>63.7</b>	<b>70.9</b>
Non-operating items	(2.9)	(12.5)
<b>Reported EBITDA</b>	<b>60.8</b>	<b>58.5</b>
D&A	(5.1)	(5.4)
D&A on PPA items	(9.0)	(9.4)
<b>EBIT</b>	<b>45.1</b>	<b>41.9</b>
Results Equity Method	(0.0)	(0.2)
Finance Income	1.0	(0.0)
Finance Cost	(5.6)	(4.2)
<b>Earnings before Tax</b>	<b>40.5</b>	<b>37.8</b>
Taxes on Income	(10.4)	(11.7)
<b>Earnings after Tax</b>	<b>30.1</b>	<b>26.1</b>
<b>Earnings per Share (in €)</b>	<b>0.28</b>	<b>0.24</b>
<b>Adjusted Earnings<sup>1</sup></b>	<b>35.1</b>	<b>41.1</b>
<b>Earnings per Share adjusted (in €)<sup>1</sup></b>	<b>0.33</b>	<b>0.38</b>

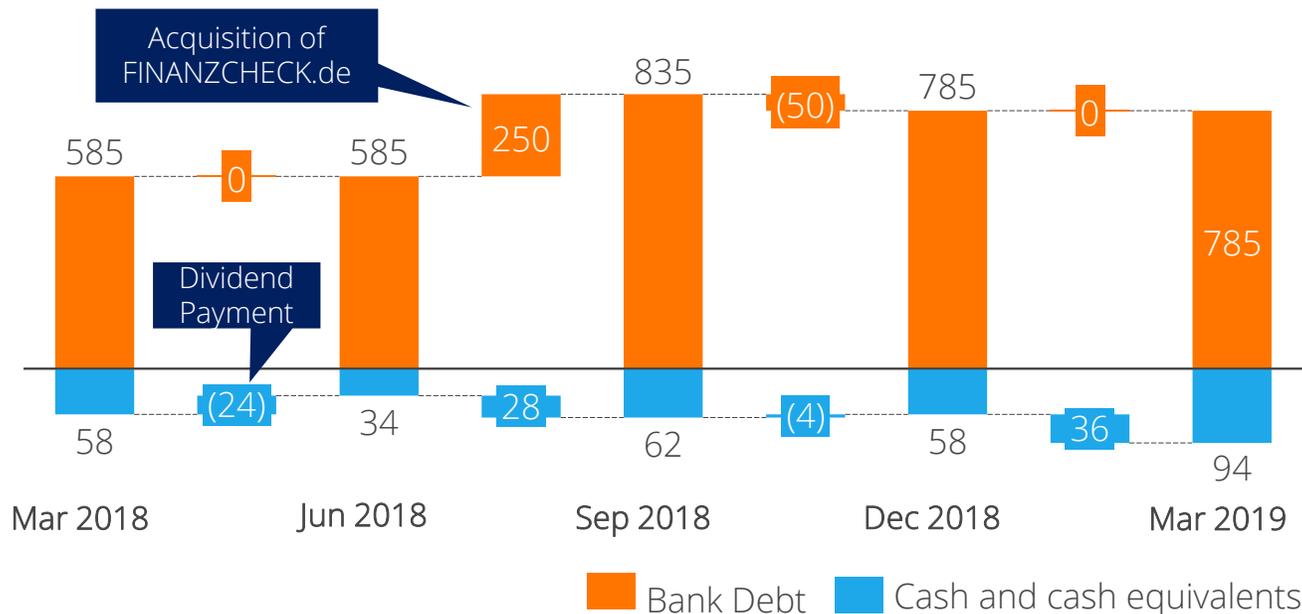
- Includes personnel expenses of €9.3m, which mainly result from share-based compensation, as well as €2.8m for M&A related activities

- Lower finance cost in Q1 2019 mainly attributable to less amortization of capitalized financing fees caused by successful refinancing in 2018 (amortization: Q1 2019: €0.7m vs. Q1 2018: €3.0m)

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

# Capital Structure

Debt structure	Loan volume (€m)	Current Margin	Margin going forward
<b>Term loan</b>	<b>300</b>	<b>1.35%</b>	<b>1.15%</b>
<b>RCF I (drawn)</b>	<b>20</b>	<b>1.05%</b>	<b>0.85%</b>
RCF I (undrawn)	180		
<b>RCF II (drawn)</b>	<b>250</b>	<b>1.00%</b>	<b>0.80%</b>
RCF II (undrawn)	250		
<b>Schuldschein</b>	<b>215</b>		



- 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)
- €50m from excess cash flow used to pay down RCF I in December 2018
- Leverage ratio March 2019 at 2.38:1 down from December 2018 (2.57:1)

# 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 2019

REITERATING FULL YEAR OUTLOOK

## Revenue growth<sup>1</sup>

<b>ImmobilienScout24</b>	<b>9.0% to 11.0%</b> reported 8.0% to 10.0%
<b>AutoScout24</b>	<b>12.0% to 14.0%</b> reported 9.0% to 11.0%
<b>Scout24 Consumer Services</b>	<b>15.0% to 17.0%</b> reported high 30% to low 40%
<b>Scout24 Group</b>	<b>low- to mid-teens</b> reported 15.0% to 17.0%

## ordinary operating EBITDA margin

<b>ImmobilienScout24</b>	<b>Up to 70.0%</b>
<b>AutoScout24</b>	<b>Up to 54.0%</b>
<b>Scout24 Consumer Services</b>	<b>Up to 30.0%</b>
<b>Scout24 Group</b>	<b>Between 52.0% and 54.0%</b>

<sup>1</sup>) Like-for-like, i.e. as if new acquisitions or divestments would have been consolidated/deconsolidated in 2018 already. Reported: based on 2018 reported numbers in new financial disclosure.



# Appendix

SCOUT24 AG Q1 2019 Results



# Reconciliation Adjusted Earnings

(in €m)	Q1 2018	Q1 2019
<b>Earnings before Tax</b>	<b>40.5</b>	<b>37.8</b>
Add back non-operating items	2.9	12.5
Add back D&A on PPA items	9.0	9.4
Add back extraordinary finance expenses / income and effects from derivative instruments <sup>1</sup>	(1)	0.5
<b>Adjusted Earnings before Tax</b>	<b>51.3</b>	<b>60.0</b>
Adjusted Tax based on normalised Tax rate <sup>2</sup>	(16.2)	(18.9)
Non-Controlling interest	-	-
<b>Adjusted Earnings attributable to owners of the parent company</b>	<b>35.1</b>	<b>41.1</b>
<b>Earnings per Share adjusted (in €)</b>	<b>0.33</b>	<b>0.38</b>
Weighted average of shares (in million)	107.6	107.6

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

2) Normalised tax rate for the calculation of EPS figures: 31,6% (2018); 31,3% (2019)

# Income Statement

(EUR '000)	Q1 2018	Q1 2019
<b>Revenues</b>	123.4	148.8
Own work capitalised	4.7	4.6
Other operating income	1.9	0.8
<b>Total operating performance</b>	130.0	154.1
Personnel expenses	(30.9)	(43.0)
Advertising expenses	(16.1)	(26.2)
IT expenses	(4.8)	(5.9)
Other operating expenses	(17.4)	(20.5)
<b>EBITDA (Earnings before interest, tax, depreciation and amortisation)</b>	60.8	58.5
Depreciation, amortisation and impairment losses	(15.7)	(16.6)
<b>EBIT (Earnings before interest and tax)</b>	45.1	41.9
Results from investments accounted for using the equity method	(0)	0.2
Financial income	1.0	(0.0)
Financial expenses	(5.6)	(4.2)
<b>Net financial result</b>	(4.6)	(4.1)
<b>Earnings before tax</b>	40.5	37.8
Income taxes	(10.4)	(11.7)
<b>Earnings after tax</b>	30.1	26.1
<b>Earnings per share (EUR)</b>	0.28	0.24
Diluted Earnings per share	0.28	0.24

# Balance Sheet 1 / 2

(EUR '000)

Assets

	31/12/2018	31/03/2019
<b>Current assets</b>	168.9	200.0
Cash and cash equivalents	58.4	92.8
Trade receivables	58.4	57.9
Financial assets	7.4	2.2
Income tax receivables	0.7	1.0
Other assets	10.1	11.8
Assets held for sale	33.8	34.3
<b>Non-current assets</b>	2,295.8	2,284.1
Goodwill	1,064.1	1,064.1
Trademarks	980.9	980.7
Other intangible assets	169.0	159.9
Right-of-use asset leases	24.7	24.0
Property, plant and equipment	13.3	12.8
Investments accounted for using the equity method	39.0	37.9
Financial assets	2.6	2.4
Deferred tax assets	1.2	1.2
Other assets	1.0	1.0
<b>Total assets</b>	2,464.7	2,484.1

# Balance Sheet 2 / 2

(EUR '000)

	31/12/2018	31/03/2019
Equity and liabilities		
<b>Current liabilities</b>	148.0	140.7
Trade payables	37.6	32.9
Financial liabilities	23.4	21.8
Lease liabilities	6.0	6.1
Other provisions	9.0	9.6
Income tax liabilities	28.5	22.2
<b>Contract liabilities</b>	9.7	10.8
Other liabilities	22.1	25.4
Liabilities associated with assets held for sale	11.7	11.8
<b>Non-current liabilities</b>	1,143.9	1,144.5
Financial liabilities	756.0	756.2
Lease liabilities	19.2	18.5
Pension and similar obligations	0.5	0.5
Other provisions	13.2	20.1
Income tax liabilities	0.0	0.0
Deferred tax liabilities	352.2	346.6
Other liabilities	2.6	2.5
<b>Equity</b>	1,172.8	1,198.9
Subscribed share capital	107.6	107.6
Capital reserve	423.7	171.1
Retained earnings	640.6	919.3
Measurement of pension obligations	(0.1)	(0.1)
Other reserves	1.0	1.1
Equity attributable to shareholders of parent company	1,172.8	1,198.9
<b>Total equity and liabilities</b>	2,464.7	2,484.1

# Cash Flow Statement 1 / 2

(EUR '000)

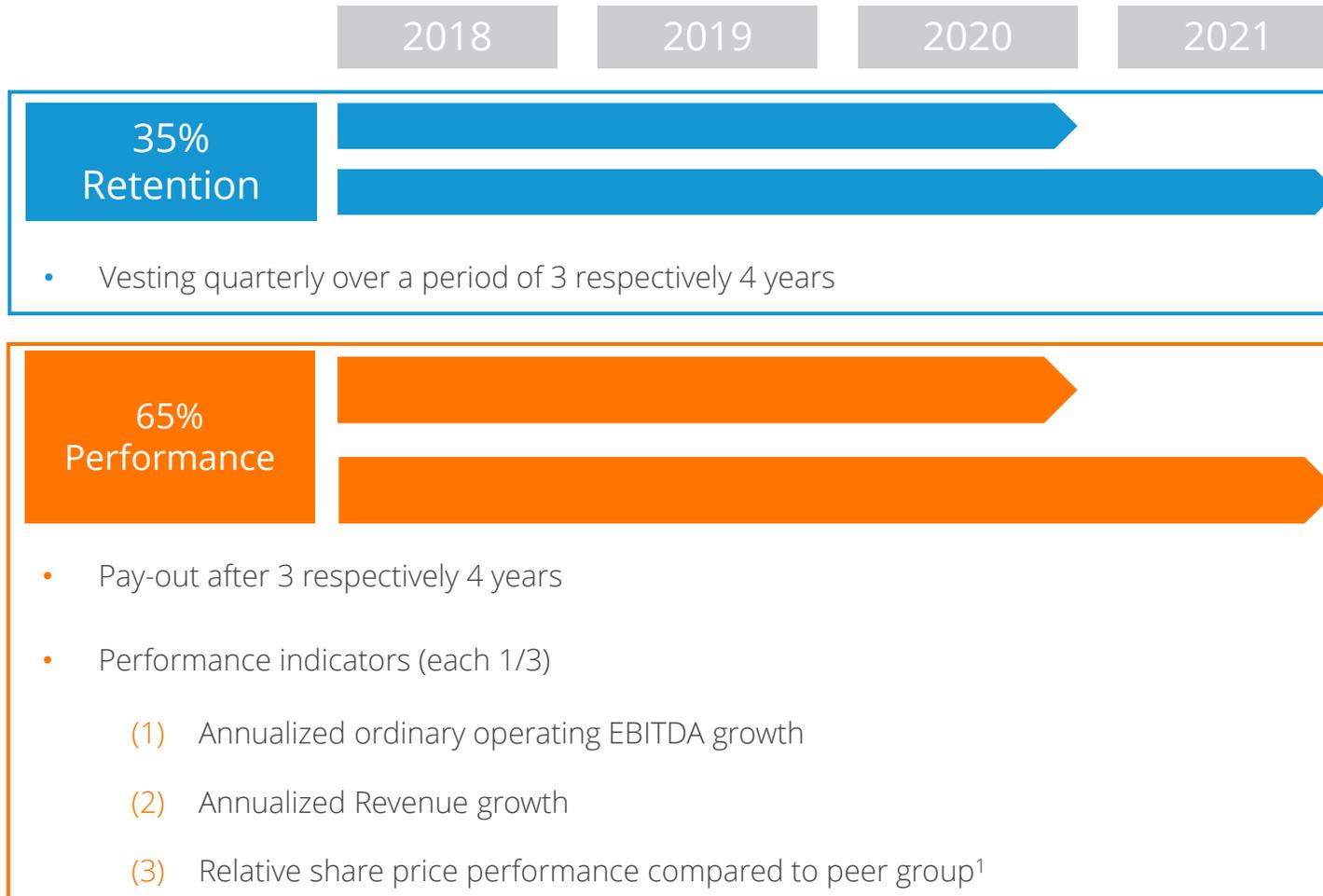
	Q1 2018	Q1 2019
<b>Earnings after tax</b>	<b>30.1</b>	<b>26.1</b>
Depreciation, amortisation and impairment losses	15.7	16.6
Income tax expense/(income)	10.4	11.7
Financial income <sup>1</sup>	(1.0)	(0.0)
Financial expenses <sup>1</sup>	5.6	4.2
Result from investments accounted for using the equity method	(0.0)	(0.2)
Result on disposal of intangible assets and property, plant and equipment	(1.7)	(0.0)
Other non-cash transactions	0.3	(0.0)
Change in other assets not attributable to investing or financing activities	(4.4)	(1.1)
Change in other liabilities not attributable to investing or financing activities	4.2	(0.5)
Change in provisions	(0.4)	7.5
Income tax paid	(12.1)	(23.7)
<b>Cash flow from operating activities</b>	<b>46.8</b>	<b>40.8</b>
Investments in intangible assets, including internally generated assets and assets in development	(4.8)	(4.9)
Investments in property, plant and equipment	(3.1)	(0.7)
Proceeds from disposal of intangible assets and property, plant and equipment	1.7	(0.0)
Proceeds from sale of financial assets	(0.0)	(0.0)
Payments for acquisitions of at equity investments	(0.4)	(0.4)
Dividends from companies accounted for using the equity method	(0.0)	1.3
Interest received	(0.0)	(0.0)
Disposal of subsidiaries	(0.0)	5.3
<b>Cash flow from investing activities</b>	<b>(6.6)</b>	<b>0.6</b>

# Cash Flow Statement 2 / 2

(EUR '000)

	Q1 2018	Q1 2019
<b>Cash flow from investing activities</b>	<b>(6.6)</b>	<b>0.6</b>
Repayment of short-term financial liabilities	(31.5)	(2.6)
Drawing down of medium and long term financial liabilities	215.0	(0.0)
Repayment of medium- and long-term financial liabilities	(220.0)	(0.0)
Interest paid	(2.4)	(4.4)
<b>Cash flow from financing activities</b>	<b>(38.9)</b>	<b>(7.0)</b>
Effect of foreign exchange rate changes on cash and cash equivalents	(0.0)	(0.0)
Change in cash and cash equivalents	1.3	34.4
Cash and cash equivalents at beginning of period	56.7	58.4
<b>Cash and cash equivalents at end of period</b>	<b>58.0</b>	<b>92.8</b>

# 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 €7.1m occurred in Q1 2019
- 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

<sup>1</sup>) 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.

# AutoScout24: Adjusted to Reflect Operations

AS24 as reported

AutoScout24 (in €m)	H1 2018	H2 2018	FY 2018
Revenue with Dealers Germany	36.7	40.8	77.5
Revenue with Dealers in European Core Countries	35.4	38.3	73.7
Revenue with OEM	8.7	10.2	18.9 (-18.9)
Other Revenue	5.9	5.5	11.4
<b>Revenue</b>	<b>86.7</b>	<b>94.8</b>	<b>181.5</b>
<b>Ordinary Operating EBITDA</b>	<b>43.2</b>	<b>54.0</b>	<b>97.2 (-9.0)</b>
<b>Margin</b>	<b>49.8%</b>	<b>56.9%</b>	<b>53.5% (-3.1 pp)</b>

AS24 new disclosure<sup>1</sup>

AutoScout24 (in €m)	H1 2018	H2 2018	FY 2018
Revenue with Dealers Germany	37.4	42.8	80.2 (+2.7)
Revenue with Dealers in European Core Countries	35.7	38.5	74.3 (+0.6)
Other Revenue	6.0	5.6	11.5 (+0.1)
<b>Revenue</b>	<b>79.1</b>	<b>86.9</b>	<b>166.0</b>
<b>Ordinary Operating EBITDA</b>	<b>39.0</b>	<b>49.1</b>	<b>88.2</b>
<b>Margin</b>	<b>49.3%</b>	<b>56.5%</b>	<b>53.1%</b>

**Consumer  
Services**  
+15.5 revenue  
+9.0 ooEBITDA

1) Reflecting Financials as if the new disclosure would have been implemented already in 2018. Figures unaudited.

# Scout24 Consumer Services: Adjusted to Reflect Operations

Scout24 CS as reported

Scout24 Consumer Services (in €m)	H1 2018	H2 2018	FY 2018
Revenue with Finance Partners	20.6	34.2	54.8
Services revenue	13.5	14.4	27.9
3 <sup>rd</sup> Party Display revenue	7.9	9.5	17.4
<b>Revenue</b>	<b>42.0</b>	<b>58.1</b>	<b>100.1</b>
<b>Ordinary Operating EBITDA</b>	<b>15.8</b>	<b>15.8</b>	<b>31.6</b>
<b>Margin</b>	<b>37.6%</b>	<b>38.8%</b>	<b>31.6%</b>

Scout24 CS new disclosure<sup>1</sup>

Scout24 Consumer Services (in €m)	H1 2018	H2 2018	FY 2018
Revenue with Finance Partners	20.6	34.2	54.8
Services revenue	13.5	14.4	27.9
3 <sup>rd</sup> Party Display revenue	15.4	17.4	32.9 (+15.5)
<b>Revenue</b>	<b>49.6</b>	<b>66.0</b>	<b>115.6</b>
<b>Ordinary Operating EBITDA</b>	<b>20.0</b>	<b>20.7</b>	<b>40.6 (+9.0)</b>
<b>Margin</b>	<b>40.2%</b>	<b>31.3%</b>	<b>35.2% (+3.6 pp)</b>

1) Reflecting Financials as if the new disclosure would have been implemented already in 2018. Figures unaudited.

# IR Contact details and financial calendar

## Financial Calendar 2019

Half year report 2019  
Annual general meeting  
Interim report Q3 2019

## (expected)

August 13, 2019  
August 30, 2019  
November 7, 2019

## Publications

Full year report  
[report.scout24.com/2018](http://report.scout24.com/2018)

CSR Report  
[csrbericht.scout24.com/en](http://csrbericht.scout24.com/en)

Group Annual Report 2018  
<http://www.scout24.com/en/Investor-Relations.aspx>

Britta Schmidt  
Vice President  
Investor Relations & Controlling

Kai Knitter  
Director  
Investor Relations

Diana Apostol  
Manager  
Investor Relations

Ender Gülcan  
Junior Financial Analyst  
Investor Relations

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