

The logo for Scout24, featuring the text "SCOUT 24" in a bold, blue, sans-serif font. The text is centered within an orange rectangular background that has rounded corners on the right side.

**SCOUT 24**

**Annual financial statements of Scout24 AG  
for the financial year  
01/01/2016 - 12/31/2016**

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## 1. Balance sheet

Assets (EUR '000)	12/31/2016	12/31/2015
<b>A. Fixed assets</b>		
I. Intangible fixed assets		
1. Purchased industrial property and similar rights and assets and licenses to such rights and assets	23	-
2. Payments in advance	842	-
	865	-
II. Property, plant and equipment		
1. Operational equipment and office equipment	283	197
2. Payments in advance and assets under construction	-	32
	283	229
III. Financial assets		
1. Shares in affiliated companies	1,064,263	1,064,263
2. Loans to affiliated companies	497,666	497,666
	1,561,929	1,561,929
	<b>1,563,077</b>	<b>1,562,158</b>
<b>B. Liquid assets</b>		
I. Receivables and other assets		
1. Trade receivables	5,022	506
2. Receivables from affiliated companies	188,997	201,841
3. Other assets	263	2,087
	194,282	204,434
II. Cash on hand and bank balances	143	30
	<b>194,425</b>	<b>204,464</b>
<b>C. Prepaid expenses</b>	<b>2,953</b>	<b>2,562</b>
<b>Balance sheet total</b>	<b>1,760,456</b>	<b>1,769,184</b>

Liabilities (EUR '000)	12/31/2016	12/31/2015
<b>A. Equity</b>		
I. Issued capital	107,587	107,600
1. Subscribed share capital	107,600	107,600
2. Par value of own shares	(13)	-
II. Capital reserve	423,170	423,892
III. Reserves for treasury shares	13	-
IV. Other retained earnings	53,800	53,800
V. Balance sheet profit	454,608	370,144
	<b>1,039,178</b>	<b>955,436</b>
<b>B. Provisions</b>		
1. Tax provisions	13,168	12,863
2. Other provisions	20,344	7,432
	<b>33,512</b>	<b>20,295</b>
<b>C. Liabilities</b>		
1. Liabilities to banks	680,031	780,817
2. Trade payables	1,818	4,585
3. Liabilities to affiliated companies	181	3
4. Liabilities to companies with which there are participating interests	-	1,906
5. Other liabilities (thereof from taxes EUR 4,213 thousand; previous year EUR 4,573 thousand) (thereof for social security EUR 5 thousand; previous year: EUR - thousand)	4,353	4,618
	<b>686,383</b>	<b>791,929</b>
<b>D. Deferred income</b>	<b>1,383</b>	<b>1,524</b>
<b>Balance sheet total</b>	<b>1,760,456</b>	<b>1,769,184</b>

**2. Profit and loss account**

(EUR '000)	<b>01/01/2016 – 12/31/2016</b>	<b>01/01/2015 – 12/31/2015</b>
1. Revenues	37,659	12,975
2. Other operating income	3,065	9,815
3. Material costs		
Costs for purchased services	(18,664)	(2,143)
4. Personnel costs		
Wages and salaries	(17,114)	(7,489)
Social security contributions and costs of retirement benefits (thereof for retirement benefits EUR 202 thousand; previous year EUR 16 thousand)	(1,256)	(421)
5. Amortisation and depreciation of intangible and tangible fixed assets	(57)	(23)
6. Other operating costs	(14,068)	(42,486)
7. Income from profit transfer agreements	129,852	127,571
8. Income from financial asset loans	32,623	35,536
9. Other interest and similar income	2,211	4,561
10. Interest and similar expenses	(34,383)	(37,007)
11. Taxes on income and profit	(35,539)	(26,861)
<b>12. Earnings after tax</b>	<b>84,329</b>	<b>74,028</b>
13. Other taxes	135	(48)
<b>14. Annual net profit</b>	<b>84,464</b>	<b>73,980</b>
15. Retained earnings	370,144	349,964
16. Allocation to other revenue reserves	-	(53,800)
<b>17. Balance sheet profit</b>	<b>454,608</b>	<b>370,144</b>

### 3. Notes

#### 3.1. Basis for preparing the annual financial statements and summary of essential accounting and valuation methods

##### 3.1.1. General information

Scout24 AG (hereinafter also called "Scout24" or "Company") is a listed stock corporation (Aktiengesellschaft) within the meaning of the German Stock Corporation Act with a registered office in Munich, Germany. The business address is: Dingolfinger Str. 1-15, 81673 Munich. Scout24 AG is registered at Munich District Court (HRB 220696).

The purpose of the Company is the acquisition and holding of interests in other companies and the provision of management services for direct and indirect subsidiaries. Moreover, since the 2016 financial year, external sales from the ScoutMedia business has been brought to account by Scout24 AG for the subsidiaries and passed on to these subsidiaries.

The financial year of Scout24 AG, Munich, is the calendar year from 1 January to 31 December 2016. The comparative figures of the prior period cover the period from 1 January to 31 December 2015. The annual financial statements as of 31 December 2016 have been prepared in EUR. Unless stated otherwise, figures are always expressed in thousand. The tables and information presented can contain rounding differences.

As the parent company, Scout24 AG, together with its direct and indirect subsidiaries, forms the Scout24 Group, which is a leading operator of digital marketplaces with its focus on real estate and automobiles in Germany and several selected European countries. An overview of the companies of the Scout24 Group is provided in the table "List of shareholdings of Scout24 AG".

The company is a listed stock corporation as defined in section 264 of the German Commercial Code (HGB), and in conjunction with section 267 para. 3 sentence 2 HGB always qualifies as a large corporation. The profit and loss account is structured in accordance with the total cost method. The annual financial statements and management report have been prepared in accordance with the guidelines for rendering of accounts of sections 242 ff and sections 264 ff HGB and the supplemental guidelines of sections 150 ff AktG.

Since 1 October 2015 the shares of Scout24 AG, Munich have been traded on the Prime Standard of the Frankfurt Stock Exchange.

##### 3.1.2. Essential accounting and valuation methods

The accounting and valuation methods remained largely unchanged for the preparation of the annual financial statements, unless new findings required an alternative valuation. The accounting and valuation methods were made under the assumption of the going concern principle (section 252 para. 1 no. 2 HGB).

##### Balance sheet

Intangible fixed assets and tangible fixed assets are valued at acquisition costs, reduced by scheduled straight line depreciation and any impairment losses. Payments in advance are recognised at nominal value.

Low-value assets (acquisition costs of more than EUR 150 to EUR 1000) are recognised in a collective item and are depreciated over five years. Assets with acquisition costs up to EUR 150 are recognised as an expense.

Financial assets are valued at acquisition cost or, in the case of foreseeable ongoing impairment, at the lower fair market value. Loans are recognised at the nominal value.

Receivables and other assets are reported at nominal value with deduction of impairment allowances.

Liquid funds are recognised at the nominal value.

Prepaid expenses include payments made prior to the balance sheet date, which represent expenditure for a certain time after this date.

Equity is reported at the nominal amount. The nominal value of acquired treasury shares is deducted from the item Subscribed share capital. The difference between the nominal amount and the acquisition cost of the treasury shares is netted against the freely available reserves.

Provisions are recognised in the amount required to settle the obligation based on prudent commercial assessment. Future price and cost increases are taken into account where there is sufficient objective evidence that they will occur. Provisions maturing in more than one year are discounted according to their residual term, using the average market interest rate of the past seven financial years published by the German Central bank.

Liabilities are recognised at the settlement amount.

Deferred taxes arise from temporary differences between the German commercial book value of assets, liabilities and deferred income/prepaid expenses and the tax basis amounts of such assets and liabilities, as well as from tax losses carried forward. After netting tax assets and tax liabilities there is a net asset position, which in accordance with the option cited in section 274 para. 1 sentence 2 HGB, is not recognised. Deferred taxes were valued on the basis of a tax rate of 31.33 % (previous year: 31.44 %). This includes corporate tax, trade tax and solidarity surcharge of the Scout24 AG tax group. The deferred tax assets are attributable mainly to differences in the valuation of property, plant and equipment and provisions. The deferred tax liabilities resulted especially from capitalized internally-generated intangible assets in the financial statements of a tax group subsidiary.

Deferred income includes revenues that represent operating income for a specific period after the balance sheet date.

**Profit and loss account**

Revenues are recognised when services have been provided. They are reported excluding value added tax, discounts and credit memos.

The amortisation and depreciation of intangible and tangible fixed assets is performed in accordance with the forecast duration of use, which is between 3 and 13 years for intangible fixed assets and movable property, plant and equipment. In the case of forecast ongoing depreciation, extraordinary depreciation and amortisation is performed.

Repairs and maintenance costs are recognised at the time they are incurred as expenses.

Personnel expenses during the vesting period at the level of the value of the option on the grant date and corresponding capital reserves are recognised for employee stock option plans with optional fulfilment in cash or in Scout24 AG shares. As the Company initially needs to buy back treasury shares to service the stock option plans, the Company has a deferred payment obligation arising from shares which are to be bought back, which has been taken into account by creating provisions amounting to the difference between the exercise price and the share price on the balance sheet date. These provisions are funded at the expense of the retained earnings, which would be reduced as a result of the acquisition and sale of treasury shares due to the loss incurred from acquisition and sale.

**Derivative financial instruments**

For derivative financial instruments the fair value is determined. The option specified in section 254 HGB for creation of valuation units is not exercised. For financial derivatives with a negative fair value a provision for anticipated losses is made in the same amount. For a positive fair value, the financial derivative is not recognised due to the realisation principle derived from the imparity principle and the principle of unrecognised pending transactions.

**Foreign currency translation**

Business transactions in foreign currencies are shown at the time of the transaction with the exchange rate valid at that point in time.

Non-current foreign currency receivables are recognised at the foreign exchange rate at the time the receivable is created or at the lower fair market value, taking as a basis the average spot exchange rate on the balance sheet date (imparity principle). Current foreign currency receivables (residual term of one year or less) as well as liquid funds or other current assets in foreign currencies are converted at the average spot exchange rate on the balance sheet date.

Non-current foreign currency liabilities are valued at the foreign exchange bid rate at the time the liability is created or at the higher market value on the balance sheet date, taking as a basis the average spot exchange rate on the balance sheet date (imparity principle). Current foreign currency liabilities (residual term of one year or less) are converted at the average spot exchange rate on the balance sheet date.

### 3.2. Notes to the balance sheet

#### Fixed assets

The classification of and changes in the individual fixed asset items, including the depreciation, are shown in the attached fixed asset movement schedule in the attachment.

In the financial year and in the previous year there was no extraordinary depreciation.

#### Shares in affiliated companies

Scout24 AG holds 100 % of Scout24 Holding GmbH, Munich, which in turn holds direct and indirect shares of other Scout24 Group companies:

#### List of shareholdings of Scout24 AG

		in %	Result of the year in EUR '000 <sup>1</sup>	Equity in EUR '000 <sup>1</sup>	
Scout24 Holding GmbH	Munich (Germany)	100.0 %	-	202,489	<sup>2</sup>
Scout24 HCH Alpen AG	Vaduz (Liechtenstein)	100.0 %	(8,046) TCHF	217,644 TCHF	
Scout24 International Management AG i. L.	Zug (Switzerland)	100.0 %	340 TCHF	921 TCHF	
FMPP Verwaltungsgesellschaft mbH i. L.	Munich (Germany)	100.0 %	-	3,559	<sup>2</sup>
AutoScout24 GmbH	Munich (Germany)	100.0 %	-	48,169	<sup>2</sup>
AutoScout24 Espana S.A.	Madrid (Spain)	100.0 %	418	1,656	
AutoScout24 Belgium S.A.	Brussels (Belgium)	100.0 %	2,806	10,267	
AutoScout24 Italia S.R.L.	Padua (Italy)	100.0 %	5,420	8,282	
AutoScout24 Nederland B.V.	Amsterdam (Netherlands)	100.0 %	3,226	6,490	
European AutoTrader B.V.	Hoofdoorp (Netherlands)	100.0 %	725	166	
AutoScout24 France SAS	Boulogne Billancourt (France)	100.0 %	68	227	
AutoScout24 AS GmbH	Vienna (Austria)	100.0 %	86	206	
Immobilien Scout GmbH	Berlin (Germany)	100.0 %	-	7,516	<sup>2</sup>
Immobilien Scout Österreich GmbH	Vienna (Austria)	100.0 %	(2,760)	3,622	
AGIRE Handels- und Werbegesellschaft mbH	Vienna (Austria)	100.0 %	63	601	
my-next-home GmbH	Saarbrücken (Germany)	100.0 %	(17)	295	
FlowFact GmbH	Cologne (Germany)	92.9 %	(434)	3,252	<sup>2,3,4</sup>

IMPLIUS GmbH	Cologne (Germany)	100.0 %	263	(119)	<sup>3</sup>
Flow Fact Schweiz AG	Zurich (Switzerland)	100.0 %	34 TCHF	246 TCHF	
classmarkets GmbH	Berlin (Germany)	100.0 %	265	728	
Scout24 Services GmbH	Munich (Germany)	100.0 %	(32)	5,075	<sup>2,3</sup>
Energieausweis48 GmbH	Cologne (Germany)	50.0 %	45	(11)	
ASPM Holding B.V.	Amsterdam (Netherlands)	49.0 %	(19)	2,709	<sup>5</sup>

1 Values from the 2015 annual financial statements

2 Earnings determined within the scope of a profit-and-loss transfer agreement

3 Values from the preliminary 2015 annual financial statements

4 FlowFact GmbH holds 7.1 % of its own shares

5 Values from the preliminary 2014 annual financial statements

### Loans to affiliated companies

Loans to affiliated companies include a claim arising from a loan to Scout24 Holding GmbH, Munich, in the amount of EUR 497,666 thousand (previous year: EUR 497,666 thousand). The loan has a term until August 2022 and an interest rate of 6.62 % p.a.

### Trade receivables

Trade receivables in the amount of EUR 5,022 thousand (previous year: EUR 506 thousand) essentially consist of receivables from the Scout24 Media business. All trade receivables are due within one year.

### Receivables from affiliated companies

The receivables from affiliated companies essentially consist of receivables from profit transfers in the amount of EUR 129,852 thousand (previous year: EUR 127,571 thousand), receivables from cash pooling in the amount of EUR 44,352 thousand (previous year liabilities: EUR 68,143 thousand), the passing on of costs for services in the amount of EUR 5,178 thousand (previous year: EUR 2,252 thousand), interest receivables in the amount of EUR 5,506 thousand (previous year: EUR 180 thousand) and the passing on of costs in the fiscal unit for value added tax purposes within the Scout24 Group in the amount of EUR 3,683 thousand (previous year: EUR 3,695 thousand), all with a maturity of less than one year. Transfer of profit or loss is substantiated by the profit-and-loss transfer agreement dated 29 July 2014 between Scout24 AG and Scout24 Holding GmbH. As of the balance sheet date there are no receivables from the shareholders (previous year: EUR 0 thousand).

### Other assets

Other assets mostly consist of other payments in advance in the amount of EUR 109 thousand (previous year: EUR 78 thousand) and receivables in the amount of EUR 107 thousand (previous year: EUR 1,964 thousand), which legally only occur after the balance sheet date. In this regard, this is deductible input tax in the following year. The other assets have a residual maturity of up to one year, as in the previous period.

### Cash on hand and bank balances

Cash on hand and bank balances in the amount of EUR 143 thousand (previous year: EUR 30 thousand) are assets with a short-term maturity.

**Prepaid expenses**

The prepaid expenses essentially consist of the expenses accounted for on an accrual basis for insurance for the initial public offering in the amount of EUR 1,778 thousand (previous year: EUR 1,961 thousand) as well as accruals for software licence expenses in the amount of EUR 562 thousand (previous year: EUR 413 thousand), of which EUR 1,653 thousand (previous year: EUR 1,778 thousand) have a residual term of more than one year on the reference date.

**Equity****Subscribed share capital**

As of 31 December 2016, the subscribed share capital is EUR 107,600 thousand (previous year: EUR 107,600 thousand) and is organised in EUR 107,600,000 no-par value ordinary shares with a mathematical share in the capital stock of EUR 1 per share. The registered shares are fully paid-up.

**Authorised capital**

According to the Articles of Association, the Management Board of Scout24 AG, Munich is authorised to increase the share capital with the consent of the Supervisory Board by 3 September 2020 one time or several times by up to a total of EUR 50,000 thousand against cash contributions and/or contributions in kind through the issue of new bearer shares (authorised capital 2015). In this regard, a general subscription right must be granted to the shareholders. However, the Management Board is authorised to exclude this subscription right in specific cases with the consent of the Supervisory Board.

**Treasury shares**

Until 16 September 2020, the Management Board is authorised to purchase treasury shares in accordance with section 71 para. 1 no. 8 AktG for any permissible purpose within the framework of legal restrictions and under specific conditions.

Within the scope of a program for share-based payments, the Company repurchased ordinary shares and these shares were then passed on to the participants in the last financial year. As a result of this procedure, 13,400 of the Company's treasury shares with a share in the capital stock of EUR 13,400 were held by the Company as of the balance sheet date. The shares were acquired at a price of EUR 34.53 per share on December 30, 2016.

**Capital reserve**

As part of the capital increase in the 2015 financial year, there was a conversion from the capital reserve into the subscribed share capital in the amount of EUR 98,000 thousand pursuant to Section 272 para. 2 no. 1 HGB (German Commercial Code).

Through the initial public offering on 1 October 2015, proceeds in the amount of EUR 228,000 thousand have been provided to the Company, of which EUR 220,400 thousand have been allocated to the capital reserve as paid-in surplus in accordance with section 272 para. 2 no. 4 HGB.

Within the scope of the acquisition of treasury shares and the subsequent issue of these shares to employees under the share option program, EUR 1,585 thousand was removed from the capital reserve pursuant to section 272 para. 2 no. 4 HGB. Furthermore, EUR 3,800 thousand was used to create provisions for shares to be repurchased from the capital reserve pursuant to section 272 para. 2 no. 4 HGB.

Furthermore, personnel expenses in the amount of EUR 4,663 thousand in connection with the share-based payment were recognised in the capital reserve pursuant to section 272 para. 2 no. 2 HGB.

In addition, the capital reserve pursuant to section 272 para. 2 no. 4 HGB was reduced by EUR 13 thousand through the creation of the reserve for treasury shares.

### Retained earnings

As half of the share capital has been allocated to other revenue reserves, no allocations have been made in 2016.

### Balance sheet profit

In the year under review, the balance sheet profit developed as follows:

(EUR '000)	12/31/2016	12/31/2015
as of 01/01/2016	370,144	771,552
Annual net profit	84,464	73,980
Dividend distribution	-	(421,588)
Allocation to other revenue reserves	-	(53,800)
<b>as of 12/31/2016</b>	<b>454,608</b>	<b>370,144</b>

### Provisions

The **provisions for taxes** can be broken down as follows:

(EUR '000)	12/31/2016	12/31/2015
Corporation tax	5,965	5,731
Trade tax	6,875	6,817
Solidarity tax	328	315
Other	-	-
<b>Total</b>	<b>13,168</b>	<b>12,863</b>

The **other provisions** can be broken down as follows:

(EUR '000)	12/31/2016	12/31/2015
Provisions for outstanding invoices	11,586	1,014
Personnel provisions	4,350	3,595
Provision for share-based payment	3,800	-
Provision for potential losses	-	2,121
Other	608	702
<b>Total</b>	<b>20,344</b>	<b>7,432</b>

The provisions for outstanding invoices include services already provided but not yet invoiced by suppliers. The significant increase resulted from the acquisition of the Scout24 Media business by Scout24 AG and unpaid transaction costs for refinancing totalling EUR 5,402 thousand (additional explanations regarding the refinancing are provided under Liabilities to banks).

The personnel-related provisions include accumulated overtime, vacation days not taken, variable remuneration claims of the employees, lump sum settlements, as well as Management Board bonuses. The increase resulted from the higher number of employees working for Scout24 AG.

## Liabilities

The **liabilities to banks** are broken down as follows:

(EUR '000)	12/31/2016	12/31/2015
Loan - term loan	600,000	424,015
Loan - revolving credit line	80,000	356,985
Accrued interest	31	278
Discount interest rate floor	-	(461)
<b>Total</b>	<b>680,031</b>	<b>780,817</b>

The company entered into a Senior Facility Agreement (SFA) with an international bank consortium until 30.12.2016 to finance its business activities. The SFA comprised Facility B and Facility C (previous year: Facility B and Facility C) and a revolving credit facility, which was not used during the financial year.

On 5 April 2016, Scout24 AG made a voluntary partial repayment of Facility B amounting to EUR 40,000 thousand in accordance with the credit terms. Scout24 AG made another voluntary partial repayment of Facility B amounting to EUR 60,000 thousand on 12 September 2016.

On 19 December 2016, Scout24 concluded a new loan agreement (Term and Revolving Facilities Agreement – hereinafter referred to as the "FA") with eleven European consortium banks led by UniCredit Bank AG with a term until December 2021. The loan agreement provides for a loan in the form of a term loan in the amount of EUR 600,000 thousand and a revolving credit facility in the amount of EUR 200,000 thousand.

The payout was made on 29 December 2016 in the amount of EUR 680,000 thousand in total, drawing a revolving credit facility in the amount of EUR 80,000 thousand. On 30 December 2016, the SFA was fully repaid with a repayment amount of EUR 681,000 thousand.

Furthermore, Scout24 AG repaid a loan agreement that is subordinated to the SFA with an international German bank. This agreement contained a revolving line for cash drawings in the maximum amount of EUR 3,750 thousand, as well as a guaranteed credit line up to EUR 1,500 thousand. The volume of the subordinated loan agreement was part of the total available volume of the revolving credit of the SFA. An independent guarantee facility was created during the course of the repayment of the SFA for the guaranteed credit line of EUR 417 thousand (previous year: EUR 421 thousand) drawn for rental security deposits on 31 December 2016.

The interest rate on the drawn facilities is based on EURIBOR plus an interest margin which is linked to the ratio of the EBITDA from ordinary activities to net debt. Within the scope of the SFA and the new FA, the EURIBOR has a lower limit of 0 %. The interest margin has a range of 0.9 % to 2.0 % for the loan term of the FA. The range for the revolving credit line is 0.5 % to 1.6 %.

Additional costs in the amount of EUR 5,402 thousand were recognised as an expense for the refinancing.

No collateral has been provided for the new credit exposure.

The following subsidiaries of Scout24 AG have assumed joint and several liability under the new FA loan agreement:

- Immobilien Scout GmbH
- Autoscout24 GmbH
- Scout24 Holding GmbH

The liability to banks in the amount of EUR 680,000 thousand have a residual term of one to five years (previous year: EUR 781,000 thousand with a residual term of more than five years) and the liabilities in the amount of EUR 31 thousand (previous year: EUR 278 thousand) have a residual term of up to one year.

The **trade payables** in the amount of EUR 1,818 thousand (previous year: EUR 4,585 thousand) have a residual term of up to one year, as in the previous period.

The **liabilities to affiliated companies** have a residual maturity of up to one year, as in the previous period.

The **other liabilities** can be broken down as follows:

(EUR '000)	12/31/2016	12/31/2015
Value added tax	3,704	4,383
Wage and church tax	509	160
Other	140	75
<b>Total</b>	<b>4,353</b>	<b>4,618</b>

A fiscal unit for value added tax purposes with Scout24 AG as the parent company exists between Scout24 AG and Scout24 Holding GmbH, Munich, Scout24 Services GmbH, Munich, AutoScout24 GmbH, Munich, as well as Immobilien Scout GmbH, Berlin. The other liabilities have a residual term of up to one year, as in the previous period.

#### **Deferred income**

The deferred income essentially consists of the cost transfers for the insurance expenditures for the initial public offering to the shareholders in the amount of EUR 1,383 thousand (previous year: EUR 1,524 thousand), of which EUR 142 thousand (previous year: EUR 142 thousand) are short-term and EUR 674 thousand (previous year: EUR 815 thousand) have a term of over five years.

### 3.3. Notes to the profit and loss account

#### Revenues

Revenues are primarily generated in Germany and almost exclusively result from management services, cost transfers and external revenues from the Scout24 Media business. They increased year on year by EUR 24,684 thousand from EUR 12,975 thousand to EUR 37,659 thousand. This resulted from the services charged to third parties which Scout24 Media receives from its subsidiaries within the scope of the Scout24 Media business and from the increase in management service expenses which are passed on to subsidiaries. In this regard, there was no effect resulting from the first-time application of section 277 para. 1 HGB in the version of the German Accounting Directive Implementation Act (BilRUG). The comparability of current revenues with those of the previous year is not affected.

Revenues from affiliated companies in the amount of EUR 20,207 thousand (previous year: EUR 10,890 thousand) were generated.

#### Other operating income

The other operating income declined year on year by EUR 6,750 thousand from EUR 9,815 thousand to EUR 3,065 thousand. This is mainly attributable to income through the transfer of costs of the IPO to shareholders in the amount of EUR 5.0 million in 2015 and the reduction of income not related to the accounting period. The income not related to the accounting period results exclusively from the reversal of provisions in the amount of EUR 2,623 thousand (previous year: EUR 4,551 thousand). In this regard, there was no effect resulting from the first-time application of section 277 para. 1 HGB in the version of the BilRUG. The comparability of the current other operating income with that of the previous year is not affected. Income from currency translation amounted to EUR 3 thousand (previous year: EUR 144 thousand).

#### Other operating costs

The other operating costs are broken down as follows:

(EUR '000)	12/31/2016	12/31/2015
Legal costs and consulting fees	3,756	34,447
Rental expenses	1,868	1,851
Marketing, advertising, public relations	1,794	151
Motor vehicle costs	1,492	1,310
Travel and hospitality costs	1,040	564
Expenses for temporary licences	1,030	235
Other personnel costs	977	1,081
Contributions and fees	254	397
Currency conversion expenditure	4	492
Allocation of derivatives	-	1,357
Other	1,853	601
<b>Total</b>	<b>14,068</b>	<b>42,486</b>

Expenses for temporary licences totalling EUR 1,030 thousand relate to software licences. In the previous year, these expenses were listed under Other. The other expenses include IT services in the amount of EUR

564 thousand (previous year: EUR 3 thousand) and insurance contributions in the amount of EUR 331 thousand (previous year: EUR 122 thousand).

The other operating costs fell by EUR 28,418 thousand. In the previous year, these costs were primarily the result of legal and consulting fees in connection with the IPO. In this regard, there was no effect resulting from the first-time application of section 277 para. 1 HGB in the version of the BilRUG. The comparability of the current other operating costs with those of the previous year is not affected.

#### **Income from profit transfer agreements**

Income from profit transfer agreements in the amount of EUR 129,852 thousand (previous year: EUR 127,571 thousand) is attributable exclusively to the transfer of earnings of Scout24 Holding GmbH. A profit-and-loss transfer agreement with Scout24 Holding GmbH has been in place since 29 July 2014.

#### **Income from financial asset loans**

Income from financial asset loans in the amount of EUR 32,623 thousand (previous year: EUR 35,536 thousand) exclusively includes income from affiliated companies, as in the previous year. In the previous year, this income was reported under the item Other interest and similar income.

#### **Other interest and similar income**

Other interest and similar income includes income from affiliated companies in the amount of EUR 1,593 thousand (previous year: EUR 3,256 thousand).

#### **Interest and similar expenses**

Interest and similar expenses were essentially incurred for the financing from the consortium banks. The item includes interest and similar expenses paid to affiliated companies in the amount of EUR 0 thousand (previous year: EUR 514 thousand). Interest expenses in the amount of EUR 8 thousand (previous year: EUR 0 thousand) were incurred from the valuation of long-term provisions.

### **3.4. Other Information**

#### **Group affiliation**

As a listed corporation, Scout24 AG prepares a consolidated financial statement (smallest consolidated group) in agreement with the International Financial Reporting Standards, as endorsed in the European Union, as well as the supplementary accounting provisions contained in section 315a para. 1 HGB. This consolidated financial statement prepared by Scout24 AG will be published in the electronic German Federal Gazette, "Bundesanzeiger".

Willis Lux Holdings S.à r.l., with registered office in Luxembourg, held the majority of the voting rights directly in Scout24 AG and its subsidiaries until September 2016. The consolidated financial statement of Willis Lux Holdings S.à r.l. is available at the company's registered office and is also published in the electronic Federal Gazette (Luxembourg).

### Contingent liabilities

Scout24 AG has taken over rental guarantees in the amount of EUR 416 thousand.

### Other financial commitments

The other financial commitments on the balance sheet date are shown as follows:

(EUR '000)	12/31/2016				12/31/2015			
	Total	Remain- ing term of up to 1 year	Remain- ing term of more than 1 year	Remain- ing term of more than 5 years	Total	Remain- ing term of up to 1 year	Remain- ing term of more than 1 year	Remain- ing term of more than 5 years
Obligations from rent and lease contracts	4,449	2,005	2,444	-	4,425	1,993	2,432	-
Obligations from maintenance and service contracts	97	90	7	-	97	90	7	-
<b>Total</b>	<b>4,546</b>	<b>2,095</b>	<b>2,451</b>	<b>-</b>	<b>4,521</b>	<b>2,082</b>	<b>2,439</b>	<b>-</b>

### Employees

On average over the year, 72 employees (previous year: 20) were employed.

Number of employees	2016	2015
Management Board	5	4
Employees	67	16
<b>Total</b>	<b>72</b>	<b>20</b>

### Fees charged by auditors

Information concerning the fees charged by auditors is provided in the Consolidated Notes.

### Disclosure of related party transactions

Related parties are legal entities and natural persons that are able to exert influence on Scout24 AG or over which Scout24 AG exercises control or has significant influence.

The members of the Management Board and of the Supervisory Board and their family members, the direct and indirect subsidiaries of Scout24 AG as well as Willis Lux Holdings 2 S.à r.l. in liquidation as controlling company of Scout24 AG and companies affiliated with Willis Lux Holdings 2 S.à r.l. in liquidation have been identified as related parties.

Transactions have been concluded with related parties, in particular with the subsidiaries of Scout24 AG. All transactions with related parties are always concluded at conditions that are usual for the market.

### Events after the balance sheet date

On 23 January 2017, the Supervisory Board member Alexander Graf Matuschka von Greiffenclau resigned from office.

The Management Board of Scout24 AG will propose a dividend of EUR 0.30 per share to the Supervisory Board, which equates to a total distribution of EUR 32,280 thousand. In this regard the current financial statement does not consider a dividend liability.

No further events or developments have become known after the balance sheet date which would have resulted in a significant change to the disclosure or the valuation approach for the individual assets and liabilities as of 31 December or which should have been reported.

### Company organs

#### Management Board

##### Gregory Ellis

Chief Executive Officer (Vorsitzender des Vorstandes), Berlin

##### Christian Gisy

Chief Financial Officer (Vorstand Finanzen), Dusseldorf

The Management Board members exercise their function on full-time basis.

#### Membership of supervisory boards and other controlling bodies

The following Management Board members hold similar further positions:

Mr. Christian Gisy: Business Heads AG, Winnweiler

#### Management Board compensation

The Supervisory Board sets the compensation for the Management Board members. In doing so, the Supervisory Board pays attention – with due regard of the standardised requirements set out in Article 87 section 1 Stock Corporation Act [AktG] – to the appropriateness of the compensation in terms of the tasks of the individual Management Board members, personal performance, the economic and business situation, the Company's success and profitability, and future prospects, as well as the market-conformity of compensation taking into account the comparable environment, and the compensation structure otherwise applicable within the Company.

The compensation scheme for the Management Board of Scout24 AG is oriented to creating an incentive for performance-based corporate management. It comprises fixed and performance-based components. The variable compensation and hence also the total compensation is capped to a maximum amount.. Management Board compensation comprised the following components in the 2016 financial year:

##### Fixed compensation

The Management Board members received a fixed basic salary based on the respective Management Board members' areas of activity and responsibility, that is paid monthly.

##### Variable compensation components

The Management Board members' variable compensation components were modified with effects as of 1

January 2016. The variable compensation consists of one-year variable compensation and multi-year variable compensation.

The one-year variable compensation granted in the 2015 financial year was replaced with effect from 1 January 2016 by one-year variable compensation whose target amount stands at 50 % of the previous target amount.

The Supervisory Board determines the targets and their weighting at the end of each financial year for the next year and informs the Management Board in writing. The targets can be financial targets (e.g., annual revenue growth rate, adjusted EBITDA growth rate and cumulative free cash flow) and/or non-financial targets. The target amount for the one-year variable compensation is EUR 292.50 thousand gross for Mr. Ellis and EUR 161.25 thousand gross for Mr. Gisy if the targets have been achieved (100 %). The Supervisory Board determines the exact amount at its own discretion, taking into account the achievement of the targets and recommendations of the Supervisory Board's Executive Committee. The Supervisory Board also determines whether and to what extent the entitlement is increased in case of performance exceeding 100 % of target.

From 2016, multi-year variable compensation will also be granted whose target amount corresponds to the one-year variable compensation. The Supervisory Board determines the targets and weighting for the Board Member's multi-year variable compensation at the end of each financial year for the next three years and informs the Management Board in writing. The targets can be financial targets (e.g., multi-year revenue growth rate, multi-year adjusted EBITDA growth rate and multi-year cumulative free cash flow) and/or non-financial targets. The target amount for the one-year variable compensation is EUR 292.50 thousand gross for Mr. Ellis and EUR 161.25 thousand gross for Mr. Gisy if the targets set by the Supervisory Board have been achieved (100 %). The Supervisory Board determines the exact amount at its own discretion, taking into account individual target attainment and recommendations of the Supervisory Board's Executive Committee. The Supervisory Board also determines whether and to what extent the entitlement is increased in case of performance exceeding 100 % of target. After the Supervisory Board approves the financial statements for the first financial year of each three-year period, the Board Members are granted an advance payment for the multi-year variable compensation. Possible deviations are due at the end of the three-year period.

Payment of such compensation can also lapse entirely if targets are missed.

### **Share-based payment**

The Management Board members received share-based payment from the Management Equity Program, (abbreviated as MEP). In this respect, the Management Board members have acquired shares in the known today as Scout24 AG in the financial year 2014, which may only be sold on the capital market after a gradual vesting period and under the prerequisite of a block trade. As Scout24 AG itself does not have any fulfillment obligation here, this stock option program is not reflected in the annual financial statements. In the context of board member compensation, these payments are classified as share-based payments by third parties.

### **Pension expense**

Scout24 AG pays its Management Board members fixed pension fund contributions for the duration of their employment contracts, or grants pension payments to existing commitments to employee pension schemes. Besides this, the company itself has entered into no pension contracts for Management Board members, or granted pension commitments.

**Ancillary benefits**

Ancillary benefits include mainly rent costs subsidies, costs assumed for flights home, compensatory payments for waiving the utilisation of a company car, and reimbursement of health and long-term care insurance policies equivalent to the maximum monthly amount that the Company would be required to pay for statutory health and long-term care insurance. Non-cash benefits consist in participating in group accident and term life assurance cover. Management Board members are insured as part of Group-wide insurance against invalidity risk with an insurance sum of EUR 400 thousand (EUR 1,000 thousand given full invalidity), and with an insurance sum of EUR 500 thousand in the case of a fatal accident.

**Special payment**

At the Supervisory Board's discretion, Management Board members can be granted special payments for extraordinary services during the financial year. Such special payments cannot exceed three times the sum of one-year variable compensation and multi-year variable compensation.

**Limitation on total annual compensation**

Annual compensation consisting of all compensation components including pensions, special payments and ancillary benefits of any type is limited in the case of Mr Ellis to a maximum amount of EUR 2,490.00 thousand gross, and in the case of Mr Gisy to a maximum amount of EUR 1,352.5 thousand gross.

**Payments at the end of Management Board activity**

For the instance of early termination of employment contracts by the company without important reason, the Management Board employment contracts include a settlement commitment equivalent to two times annual compensation including any ancillary benefits, albeit to a maximum of the compensation that would be paid until the end of the contract.

Post-contract prohibitions on competition exist with the Management Board members that include compensation to be paid by the Company for the duration of the existence of the post-contract prohibition on competition for a two-year period. If this is applied, the Management Board members in each case receive monthly compensation for the duration of the post-contract competitive prohibition equivalent to half of the last fixed compensation paid, including any ancillary benefits.

Mr Ellis is required to subtract other income from the compensation payment to be paid to him.

Mr Gisy is required to subtract other income from the compensation payment to be paid to him. If the total amount consisting of compensation payment and settlement payable in the case of termination of the Management Board contract (irrespective of whether such termination is due to expiry, or early termination as a result of regular termination by the company), and in the case of a full two-year competitive prohibition period, not correspond to 100 % of the fixed salary last paid to Mr Gisy (plus the amount for a company car and payment to the employee pension scheme), Mr Gisy is entitled to payment of the difference as further severance payment.

The Company is entitled to waive the prohibition on competition. In such an instance, the compensation payment reduces pro rata temporis from the waiver date.

As part of the Management Board contract with Mr Ellis, the regulation also exists that, in the case of the termination of his Management Board activity, Mr Ellis shall receive an amount of EUR 50 thousand as lump-sum compensation of outlays for the relocation of his family to Australia.

### Disclosures pursuant to the German Corporate Governance Code

Pursuant to the requirements of the German Corporate Governance Code (DCGK) dated 5 May 2015, the following table presents the sums granted for the 2016 reporting year and for the preceding 2015 financial year those for the previous year to the Management Board members in office as of 31 December 2016, including ancillary benefits, and including the achievable maximum and minimum compensation for variable compensation components, as well as the actual amount accrued, for the reporting year.

#### Benefits granted according to DCGK

(EUR '000)	Gregory Ellis CEO since 03/2014				Christian Gisy CFO since 09/2014			
	2015	2016	2016 min	2016 max	2015	2016	2016 min	2016 max
Fixed compensation	750.0	780.0	780.0	780.0	400.0	430.0	430.0	430.0
Ancillary benefits	289.6	249.0	249.0	249.0	42.5	35.9	35.9	35.9
<b>Total</b>	<b>1,039.6</b>	<b>1,029.0</b>	<b>1,029.0</b>	<b>1,029.0</b>	<b>442.5</b>	<b>465.9</b>	<b>465.9</b>	<b>465.9</b>
One-year variable compensation <sup>1</sup>	562.5	292.5	-	1,118.5	300.0	161.3	-	688.4
Multi-year variable compensation <sup>1</sup>	-	292.5	-	292.5	-	161.3	-	161.3
<b>Total</b>	<b>1,602.1</b>	<b>1,614.0</b>	<b>1,029.0</b>	<b>2,440.0</b>	<b>742.5</b>	<b>788.4</b>	<b>465.9</b>	<b>1,315.5</b>
Pension expense	50.0	50.0	50.0	50.0	16.7	37.0	37.0	37.0
<b>Total compensation</b>	<b>1,652.1</b>	<b>1,664.0</b>	<b>1,079.0</b>	<b>2,490.0</b>	<b>759.3</b>	<b>825.4</b>	<b>502.9</b>	<b>1,352.5</b>

<sup>1</sup> The variable compensation components are limited by annual total compensation.

#### Allocation according to DCGK

(EUR '000)	Gregory Ellis CEO since 03/2014		Christian Gisy CFO since 09/2014	
	2016	2015	2016	2015
Fixed compensation	780.0	750.0	430.0	400.0
Ancillary benefits	249.0	289.6	35.9	42.5
<b>Total</b>	<b>1,029.0</b>	<b>1,039.6</b>	<b>465.9</b>	<b>442.5</b>
One-year variable compensation <sup>1</sup>	984.4	418.1	480.0	125.0
Special payment	75.0	-	75.0	-
Multi-year variable compensation	-	-	-	-
<b>Total</b>	<b>2,088.4</b>	<b>1,457.7</b>	<b>1,020.9</b>	<b>567.5</b>
Pension expense	50.0	50.0	37.0	16.8
<b>Total compensation</b>	<b>2,138.4</b>	<b>1,507.7</b>	<b>1,057.9</b>	<b>584.3</b>

<sup>1</sup> The variable compensation components are limited by annual total compensation.

As part of the IPO in October 2015, Mr. Ellis sold 229,865 shares at a price of EUR 30 per share. The proceeds amounted to EUR 6,487 thousand after deducting standard market fees.

As part of the IPO in October 2015, Mr. Gisy sold 33,705 shares at a price of EUR 30 per share. The proceeds amounted to EUR 937 thousand after deducting standard market fees.

The Management Board members did not make any share sales during the financial year elapsed.

### Total compensation of the Management Board pursuant to German Accounting Standard Number 17 (DRS 17)

The total compensation of individual Management Board members active in the 2016 reporting year and in the previous year pursuant to DRS 17 is presented in the following table:

#### Management Board compensation pursuant to DRS 17

(EUR '000)	Gregory Ellis CEO since 03/2014		Christian Gisy CFO since 09/2014		Total	
	2016	2015	2016	2015	2016	2015
<b>Non-performance-related compensation components</b>						
Fixed compensation	780.0	750.0	430.0	400.0	1,210.0	1,150.0
Ancillary benefits	249.0	289.6	35.9	42.5	284.9	332.2
Pension expense	50.0	50.0	37.0	16.7	87.0	66.7
<b>Total</b>	<b>1,079.0</b>	<b>1,089.6</b>	<b>502.9</b>	<b>459.2</b>	<b>1,581.9</b>	<b>1,548.9</b>
<b>Performance-related compensation components</b>						
One-year variable compensation	984.4	418.1	480.0	125.0	1,464.4	543.1
Special payment	75.0	-	75.0	-	150.0	-
<b>Total</b>	<b>1,059.4</b>	<b>418.1</b>	<b>555.0</b>	<b>125.0</b>	<b>1,614.4</b>	<b>543.1</b>
<b>Components of long-term incentive effects</b>						
Multi-year variable compensation	-	-	-	-	-	-
<b>Total compensation excluding third-party remuneration</b>	<b>2,138.4</b>	<b>1,507.7</b>	<b>1,057.9</b>	<b>584.2</b>	<b>3,196.3</b>	<b>2,092.0</b>

For the 2016 (2015) financial year, each Management Board member was granted one-year variable compensation with a target value for Mr. Ellis of EUR 292.5 thousand (EUR 562.5 thousand), and for Mr. Gisy of EUR 161.3 thousand (EUR 300 thousand). As the final level of the variable compensation lies at the discretion of the Supervisory Board and it will not determine the level of the compensation until after the annual financial statements have been prepared, such commitments are not included in the total compensation for the 2016 financial year.

The one-year variable compensation included in the total compensation for 2016 (2015) derives from a commitment in 2015 (2014).

For the 2016 (2015) financial year, each Management Board member was granted multi-year variable compensation with a target value for Mr. Ellis of EUR 292.5 thousand (EUR 0 thousand), and for Mr. Gisy of EUR 161.3 thousand (EUR 0 thousand). As the final level of the variable compensation lies at the discretion of the Supervisory Board and it will not determine the level of the compensation in the following year until after the end of the three-year period, such commitments are not included in the total compensation for the 2016 financial year.

### D&O insurance

The Management Board members are included in pecuniary loss liability insurance cover (directors & officers / D&O insurance). This D&O insurance covers personal liability risk for the instance that claims for financial losses are brought against Management Board members as part of exercising their professional duties for the company. In this context, the Management Board members are subject to a deductible equivalent to 10 % of the loss, limited to up to one and a half times their annual fixed compensation.

### Compensation paid to former management members

No compensation was paid to former Management members in either the financial year under review or in the previous year.

### Additional disclosures about share-based payment instruments

The position of shares arising from the MEP held by active Management Board members reports the following changes in the 2016 financial year:

### Shareholdings deriving from the MEP (Management Board)

in '000	Gregory Ellis CEO seit 03/2014	Christian Gisy CFO seit 09/2014
	2016	2016
<b>Number of shares 01/01/2015</b>	<b>1,446.5</b>	<b>255.5</b>
Exercised	229.9	33.7
<b>Number of shares 12/31/2015 / 01/01/2016</b>	<b>1,216.6</b>	<b>221.8</b>
<b>Exercisable shares 12/31/2015<sup>2</sup></b>	<b>286.3</b>	<b>37.0</b>
Average remaining contractual term	1.7 Jahre	1.9 Jahre
Issued	-	-
Exercised	-	-
Forfeited	-	-
<b>Number of shares<sup>1</sup> 12/31/2016</b>	<b>1,216.6</b>	<b>221.8</b>
<b>Exercisable shares 12/31/2016<sup>2</sup></b>	<b>572.5</b>	<b>86.3</b>
Average remaining contractual term	1.2 Jahre	1.4 Jahre

1 One share corresponds to one ordinary share

2 The exercisable shares are shares which have already been earned over the gradual vesting period. However, it is only possible to dispose of these shares in connection with a block trade

The Company has not granted loans to the members of the Management Board nor assumed guarantees and / or other guarantees for these persons.

### Supervisory Board

The Supervisory Board comprised the following nine individuals with similar further positions as of 31 December 2016:

Name Function	Profession exercised	Member since	Appointed until	Further mandates in 2016
Stefan Goetz Chairman	Managing Director of Hellman & Friedman LLC, San Francisco,	September 4 2015	AGM 2020	Verisure Holding AB, Malmö, Sweden, and further related companies within the share-

Name Function	Profession exercised	Member since	Appointed until	Further mandates in 2016
	USA			<p>holding structure of Securitas Direct AB, Malmö, Sweden (Management Board member);</p> <p>Asa HoldCo GmbH, Frankfurt am Main, Germany (Managing Director, until February 2016);</p> <p>Asa GP GmbH, Düsseldorf, Germany (Managing Director);</p>
Patrick Healy Deputy Chairman	Managing Director (Deputy CEO) of Hellman & Friedman LLC, San Francisco, USA	September 4 2015	AGM 2020	<p>TeamSystem Holding S.p.A., Pesaro, Italy and further related entities in the shareholding structure of TeamSystem S.p.A., Pesaro, Italy (Supervisory Board member, since March 2016);</p> <p>Verisure Holding AB, Malmö, Sweden, and further related companies within the shareholding structure of Securitas Direct AB, Malmö, Sweden (Supervisory Board member);</p>
Blake Kleinman Supervisory Board member	Managing Director of Hellman & Friedman LLC, San Francisco, USA	September 4 2015	AGM 2020	<p>Asa HoldCo GmbH, Frankfurt am Main, Germany (Managing Director, until February 2016);</p> <p>Asa GP GmbH, Düsseldorf, Germany (member of Board of Directors);</p> <p>H&amp;F Sensor EquityCo Limited, London, UK</p> <p>Barolo Midco Holding S.p.A., Pesaro, Italy and further related entities in the shareholding structure of TeamSystem S.p.A., Pesaro, Italy (Supervisory Board member, since March 2016);</p> <p>Latta Investments Sp. z o.o. (September 2016 to November 2016);</p> <p>Realta Investments Sp. z o.o. (October and 16 November 2016);</p>

Name Function	Profession exercised	Member since	Appointed until	Further mandates in 2016
				2016)
Thorsten Langheim Supervisory Board member	Senior Vice President Group Corporate Development of Deutsche Telekom AG, Bonn, Germany	September 4 2015	AGM 2020	<p>T-Mobile US, Inc., Bellevue, USA (member of Board of Directors);</p> <p>T-Systems International GmbH, Frankfurt am Main, Germany (Supervisory Board member);</p> <p>Deutsche Telekom Strategic Investments GmbH, Bonn, Germany (Supervisory Board member);</p> <p>Deutsche Telekom Venture Funds GmbH, Bonn, Germany (Supervisory Board member)</p> <p>Deutsche Telekom Capital Partners Management GmbH, Hamburg, Germany (Investment Committee Chairman);</p> <p>Stiftung Deutsche Sporthilfe, Frankfurt am Main, Germany (Supervisory Board member)</p> <p>Deutsche Funkturm GmbH, Münster, Germany (Supervisory Board Chairman)</p>
Alexander Graf Matuschka von Greiffenclau Supervisory Board member	Group Chief Performance Officer, member of the Executive Board of VimpelCom Limited, Amsterdam, Netherlands	September 4 2015 to January 23 2017	Resigned with effect from January 23 2017	<p>Pakistan Mobile Communications Limited, Islamabad, Pakistan (Management Board member);</p> <p>VIP-CKH Luxembourg S.à r.l., Luxembourg, Luxembourg (Management Board member)</p>
Robert D. Reid Supervisory Board member	Management Board member, The Blackstone Group New York, USA	September 4 2015	AGM 2020	Intelenet Global Services Private Limited, Mumbai, India (member of the Board of Directors)
David Roche Supervisory Board member	Chairman of the Board of Directors goHenry Ltd., Lymington, UK	September 4 2015	AGM 2020	Guestline Ltd., Shrewsbury, UK (member of the Board of Directors)
Dr. Liliana	Member of the Board	September	AGM 2020	-

Name Function	Profession exercised	Member since	Appointed until	Further mandates in 2016
Solomon Supervisory Board member	of Directors (CFO) of Arqiva Broadcast Ltd. (since July 2016), Winchester, UK	4 2015		
Vicente Vento Bosch Member Supervisory Board member	Management Board member (CEO) of Deutsche Telekom Capital Partners Management GmbH, Hamburg, Germany	September 4 2015	AGM 2020	<p>Deutsche Telekom Strategic Investments GmbH, Bonn, Germany (Chairman of the Supervisory Board);</p> <p>Deutsche Telekom Venture Funds GmbH, Bonn, Germany (Chairman of the Supervisory Board);</p> <p>Deutsche Telekom Capital Partners Fund GmbH, Hamburg, Germany (Managing Director);</p> <p>Strato AG, Berlin, Germany (Chairman of the Supervisory Board);</p> <p>Telekom Innovation Pool GmbH, Bonn, Germany (Advisory Board member);</p> <p>Ströer Management SE, Düsseldorf, Germany (Supervisory Board member);</p> <p>Ströer SE, Cologne, Germany (Supervisory Board member);</p> <p>Ströer SE &amp; Co. KGaA, Cologne, Germany (Supervisory Board member);</p> <p>eValue 2nd Fund GmbH, Berlin, Germany (Advisory Board member)</p> <p>Nexmo Inc., San Francisco, USA (Supervisory Board member, January to June 2016)</p>

#### Supervisory Board compensation

The compensation paid to the Supervisory Board is based on the corresponding provisions contained in the Company's articles.

The Supervisory Board members receive annual fixed compensation of EUR 80 thousand. In addition, Supervisory Board members receive reimbursement of all expenses, as well as reimbursement of all VAT payable on their compensation and expenses. No special payments and meeting fees are granted. Besides this, the Supervisory Board members have committed themselves to utilising 26 % of their compensation to purchase shares in Scout24 AG. The Supervisory Board members who have waived their entitlement to fixed compensation payments are presented in the adjacent table.

The Supervisory Board members in office were appointed to the Supervisory Board as part of the change of the Company's legal form on 4 September 2015, with compensation for this period being granted pro rata temporis. An Advisory Board existed as a voluntary supervisory body until the Company's change of legal form. If Supervisory Board members also belong to the Advisory Board, and have received share-based compensation in their function as Advisory Board members, this is disclosed in the following table.

The Supervisory Board members received the following compensation in the 2016 financial

### Supervisory Board remuneration<sup>1</sup>

(EUR '000)		Fixed remuneration	Total
Stefan Goetz <sup>2</sup>	2016	-	-
	2015	-	-
Patrick Healy <sup>2</sup>	2016	-	-
	2015	-	-
Blake Kleinman <sup>2</sup>	2016	-	-
	2015	-	-
Thorsten Langheim <sup>2</sup>	2016	-	-
	2015	-	-
Alexander Graf Matuschka von Greiffenclau	2016	80.0	80.0
	2015	26.7	26.7
Robert D. Reid <sup>2</sup>	2016	-	-
	2015	-	-
David Roche	2016	80.0	80.0
	2015	36.7	36.7
Dr. Liliana Solomon	2016	80.0	80.0
	2015	36.7	36.7
Vicente Vento Bosch <sup>2</sup>	2016	-	-
	2015	-	-
Total	2016	240.0	240.0
	2015	100.0	100.0

<sup>1</sup> Without expenses and VAT reimbursed

<sup>2</sup> Waiving of fixed remuneration for the term of appointment

Moreover, expenses for the 2015 financial year comprise compensation for a consultancy contract with Alexander Graf Matuschka von Greiffenclau that was cancelled in the 2015 financial year (fee of EUR 97 thousand).

Reimbursement of outlays (excluding VAT reimbursed) paid to Supervisory Board members amounted to EUR 53 thousand (previous year: EUR 8 thousand) in the financial year under review. Along with reimbursement of necessary outlays, Supervisory Board members receive, in addition to their compensation claim, a lump sum of EUR 1 thousand each for each year in which they are a Supervisory Board member.

## Shareholdings deriving from the BMEP (Supervisory Board)

in '000	Thorsten Langheim	Alexander Graf Matuschka von Greiffenclau	Vicente Vento Bosch
<b>Number of shares 01/01/2015</b>	<b>60.5</b>	<b>182.5</b>	<b>73.0</b>
Exercised	11.3	33.9	13.6
<b>Number of shares 12/31/2015 / 01/01/2016</b>	<b>49.3</b>	<b>148.6</b>	<b>59.4</b>
<b>Exercisable shares 12/31/2015<sup>2</sup></b>	<b>11.3</b>	<b>34.2</b>	<b>13.7</b>
Issued	-	-	-
Exercised	14.7	77.4	39.4
Forfeited	-	-	-
<b>Number of shares<sup>1</sup> 12/31/2016</b>	<b>34.6</b>	<b>71.2</b>	<b>20.0</b>
<b>Exercisable shares 12/31/2016<sup>2</sup></b>	<b>8.3</b>	<b>-</b>	<b>-</b>

1 One share corresponds to one ordinary share

2 The exercisable shares are shares which have already been earned over the gradual vesting period. However, it is only possible to dispose of these shares in connection with a block trade

The shares outstanding as of 31 December 2016 possess a weighted average remaining contractual term of 1.2 years (previous year: 1.7 years).

**Voting rights notifications**

According to Sec. 160 para. 1 No. 8 of the German Stock Corporation Act (AktG) disclosures must be made regarding the existence of investments that were published according to Sec. 21 para. 1 or 1a of the German Securities Trading Act (WpHG). The table below shows the reportable investments for which notification was given in financial year 2016. All voting rights notifications were published by Scout24 AG in accordance with Sec. 26 para. 1 WpHG and are available on the [Company's website](http://www.scout24.com/en/Investor-Relations/Financial-News/Voting-Rights.aspx). ([www.scout24.com/en/Investor-Relations/Financial-News/Voting-Rights.aspx](http://www.scout24.com/en/Investor-Relations/Financial-News/Voting-Rights.aspx))

**Published notifications of reportable investments pursuant to Sec. 160 para. 1 No.8 AktG, Sec. 20 para. 1 or 4 AktG as well as Sec. 21 para. 1 or para. 1a WpHG<sup>1</sup>**

<b>Notifying party</b>	<b>Published on</b>	<b>Date of reaching or crossing the threshold</b>	<b>Reporting threshold</b>	<b>Notification pursuant to German Securities Trading Act (WpHG)</b>	<b>Shareholding in % before notification</b>	<b>Shareholding in % after notification</b>	<b>Number of voting rights</b>
Morgan Stanley, Wilmington, Delaware, USA - Morgan Stanley & Co. International plc, London, UK	29/12/2016	26/12/2016	5 %	Sec. 21 para. 1, 22 para. 1 s.1 No. 6, Sec. 22 para. 1 s. 2, Sec. 22 para. 1 s. 1 No. 1	4.91 %	5.13 %	5,517,871
Morgan Stanley, Wilmington, Delaware, USA - Morgan Stanley & Co. International plc, London, UK	29/12/2016	23/12/2016	5 %	Sec. 21 para. 1, 22 para. 1 s.1 No. 6, Sec. 22 para. 1 s. 2, Sec. 22 para. 1 s. 1 No. 1	5.30 %	4.91 %	5,284,844
Morgan Stanley, Wilmington, Delaware, USA - Morgan Stanley & Co. International plc, London, UK	08/12/2016	01/12/2016	5 %	Sec. 21 para. 1, 22 para. 1 s.1 No. 6, Sec. 22 para. 1 s. 2, Sec. 22 para. 1 s. 1 No. 1	5.67 %	2.78 %	2,987,994
Morgan Stanley, Wilmington, Delaware, USA - Morgan Stanley & Co. International plc, London, UK	08/12/2016	02/12/2016	5 %	Sec. 21 para. 1, 22 para. 1 s.1 No. 6, Sec. 22 para. 1 s. 2, Sec. 22 para. 1 s. 1 No. 1	2.78 %	5.52 %	5,942,003
Deutsche Telekom AG, Bonn, Germany - Willis Lux Holdings 2 S.à.r.l. i. L., Luxembourg, Luxembourg - MEP Ord GmbH & Co. KG, Düsseldorf, Germany	05/10/2016	27/09/2016	50 %	Sec. 21 para. 1, 22 para. 1 s.1 No. 6, Sec. 22 para. 1 s. 2, Sec. 22 para. 1 s. 1 No. 1	61.98 %	44.41 %	47,790,128
H&F Corporate Investors VII, Ltd., George Town, Cayman Islands - Willis Lux Holdings 2 S.à.r.l. i. L., Luxembourg, Luxembourg	05/10/2016	27/09/2016	50 %	Sec. 21 para. 1, 22 para. 1 s.1 No. 6, Sec. 22 para. 1 s. 2, Sec. 22 para. 1 s. 1 No. 1	68.26 %	44.41 %	47,790,128

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- MEP Ord GmbH & Co. KG, Düsseldorf, Germany								
- Deutsche Telekom AG, Bonn, Germany								
BlackRock, Inc. Wilmington, Delaware, USA								
- BLACKROCK (Luxembourg) S.A. Luxembourg, Luxembourg					Sec. 21 para. 1, 22 para. 1 s.1 No. 6, Sec. 22 para. 1 s. 2, Sec. 22 para. 1 s. 1 No. 1			
- BlackRock Investment Management (UK) Ltd., London, UK	16/09/2016	12/09/2016	5 %			5.03 %	4.96 %	5,331,958
BlackRock Global Funds, Luxembourg, Luxembourg					Sec. 21 para. 1			
	14/09/2016	08/09/2016	3 %			3.03 %	2.91 %	3,128,779
Allianz SE, München, Germany					Sec. 21 para. 1, 22 para. 1 s.1 No. 6, Sec. 22 para. 1 s. 2, Sec. 22 para. 1 s. 1 No. 1			
- Allianz Global Investors GmbH, Frankfurt a. M., Germany	22/08/2016	12/08/2016	3 %			N/A %	3.20 %	3,440,569
Morgan Stanley, Wilmington Delaware, USA					Sec. 21 para. 1, 22 para. 1 s.1 No. 6, Sec. 22 para. 1 s. 2, Sec. 22 para. 1 s. 1 No. 1			
- Morgan Stanley & Co. International plc, London, UK	22/04/2016	14/04/2016	5 %			- %	5.67 %	6,102,307

<sup>1</sup> Please note that the details regarding the investment as a percentage and number of voting rights may now be out of date.

**Corporate Governance Code in accordance with section 161 AktG**

In accordance with section 161 AktG, the Management Board and the Supervisory Board have submitted the prescribed declaration concerning the Corporate Governance Code and have made it permanently available to the shareholders on the Company's website ([www.scout24.com](http://www.scout24.com)).

**Munich, 16 March 2017**

Scout24 AG

The Management Board

Gregory Ellis

Christian Gisy

**Attachment: Development of the fixed assets**

(in '000)	Acquisition costs and production				
	01/01/2016	Accruals	Withdrawals	Rebooking	12/31/2016
<b>Intangible assets</b>					
Industrial property rights and similar rights and values	-	27	-	-	27
Payments in advance	-	842	-	-	842
	-	869	-	-	869
<b>Property, plant and equipment</b>					
Operational equipment and office equipment	221	103	(8)	44	360
Payments in advance and assets under construction	32	12	-	(44)	-
	253	115	(8)	-	360
<b>Financial assets</b>					
Shares in affiliated companies	1.064.263	-	-	-	1.064.263
Loans to affiliated companies	497.666	-	-	-	497.666
	1.561.929	-	-	-	1.561.929
<b>Total</b>	<b>1.562.182</b>	<b>984</b>	<b>(8)</b>	<b>-</b>	<b>1.563.158</b>

(in '000)	Cumulative write-offs				
	01/01/2016	Accruals	Withdrawals	Rebooking	12/31/2016
<b>Intangible assets</b>					
Industrial property rights and similar rights and values	-	(4)	-	-	(4)
Payments in advance	-	-	-	-	-
	-	(4)	-	-	(4)
<b>Property, plant and equipment</b>					
Operational equipment and office equipment	(24)	(53)	-	-	(77)
	(24)	(53)	-	-	(77)
<b>Financial assets</b>					
Shares in affiliated companies	-	-	-	-	-
Loans to affiliated companies	-	-	-	-	-
	-	-	-	-	-
<b>Total</b>	<b>(24)</b>	<b>(57)</b>	<b>-</b>	<b>-</b>	<b>(81)</b>

(in '000)	Asset value	
	31.12.2016	31.12.2015
Intangible assets		
Industrial property rights and similar rights and values	23	-
Payments in advance	842	-
	865	-
Property, plant and equipment		
Operational equipment and office equipment	283	197
Property, plant and equipment	-	32
	283	229
Financial assets		
Shares in affiliated companies	1.064.263	1.064.263
Loans to affiliated companies	497.666	497.666
	1.561.929	1.561.929
<b>Total</b>	<b>1.563.077</b>	<b>1.562.158</b>

**Responsibility statement**

According to the best of our knowledge, we assure that, pursuant to applicable accounting principles for financial statements, a true and fair view of the company's financial position and performance is conveyed, that in the company's management report, which is aggregated together with that for the Group, the progression of business, including business results and the company's position, are presented so as to convey a true and fair view, and that the main opportunities and risks entailed in the company's prospective development are described.

**Munich, 16 March 2017**

Scout24 AG

The Management Board

Gregory Ellis

Christian Gisy