

Supervisory Board Report

Supervisory Board members in the financial year 2016

Name Function	Profession exercised	Member since	Appointed until	Other board positions in 2016
Stefan Goetz Chairman	Managing Director of Hellman & Friedman LLC, San Francisco, USA	4 September 2015	AGM 2020	Verisure Holding AB, Malmö, Sweden, and further related companies within the share- holding structure of Securitas Direct AB, Malmö, Sweden (Management Board member); Asa HoldCo GmbH, Frankfurt am Main, Germany (Member of Board of Directors, until Febru- ary 2016); Asa GP GmbH, Düsseldorf, Germany (member of Board of Directors)
Patrick Healy Deputy Chairman	Managing Director (Deputy CEO) of Hellman & Friedman LLC, San Francisco, USA	4 September 2015	AGM 2020	TeamSystem Holding S.p.A., Pesaro, Italy and further relat- ed entities in the shareholding structure of TeamSystem S.p.A., Pesaro, Italy (Superviso- ry Board member); Verisure Holding AB, Malmö, Sweden, and further related companies within the share- holding structure of Securitas Direct AB, Malmö, Sweden (Supervisory Board member)
Blake Kleinman Supervisory Board member	Managing Director of Hellman & Friedman LLC, San Francisco, USA	4 September 2015	AGM 2020	Asa HoldCo GmbH, Frankfurt am Main, Germany (member of Board of Directors, until February 2016); Asa GP GmbH, Düsseldorf, Germany (member of Board of Directors); H&F Sensor EquityCo Limited, London, UK; Barolo Midco S.p.A., Pesaro, Italy and further entities in the holding structure of TeamSys- tem S.p.A., Pesaro, Italy (Supervisory Board member, since March 2016); Latta Investments Sp. z o.o. (September 2016 to Novem- ber 2016); Realta Investments Sp. z o.o. (October 2016 to November 2016);

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Thorsten Langheim Supervisory Board member	Senior Vice President Group Corporate Development of Deutsche Telekom AG, Bonn, Germany	4 September 2015	AGM 2020	T-Mobile US, Inc., Bellevue, USA (Supervisory Board member); T-Systems International GmbH, Frankfurt am Main, Germany (Supervisory Board member); Deutsche Telekom Strategic Investments GmbH, Bonn, Germany (Supervisory Board member); Deutsche Telekom Venture Funds GmbH, Bonn, Germany (Supervisory Board member) Deutsche Telekom Capital Partners Management GmbH, Hamburg, Germany (Invest- ment Committee Chairman); Stiftung Deutsche Sporthilfe, Frankfurt, Germany (Supervi- sory Board member) Deutsche Funkturm GmbH, Münster, Germany (Supervi- sory Board Chairman)
Alexander Graf Matuschka von Greiffenclau Supervisory Board member	Group Chief Perfor- mance Officer, mem- ber of the Executive Board of VimpelCom Limited, Amsterdam	4 September 2015 until 23 January 2017	resigned 23 January 2017	Pakistan Mobile Communica- tions Limited, Islamabad, Pakistan (Management Board member) VIP-CKH Luxembourg S.à r.l., Luxembourg, Luxembourg (Management Board member)
Robert D. Reid Supervisory Board member	Management Board member at The Blackstone Group New York, USA	4 September 2015	AGM 2020	Intelenet Global Services Private Limited, Mumbai, India (member of the Board of Directors since February 2016)
David Roche Super- visory Board mem- ber	Chairman of the Board of Directors of goHenry Ltd., Lymington, UK	4 September 2015	AGM 2020	Guestline Ltd., Shrewsbury, UK;
Dr. Liliana Solomon Supervisory Board member	Member of the Board of Directors (CFO) of Arqiva Broadcast Ltd. (since 1 July 2016), Winchester, UK	4 September 2015	AGM 2020	-

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Vicente Vento Bosch Supervisory Board member	Management Board member (CEO) of Deutsche Telekom Capital Partners Management GmbH, Hamburg, Germany	4 September 2015	AGM 2020	Deutsche Telekom Strategic Investments GmbH, Bonn, Germany (Chairman of the Supervisory Board); Deutsche Telekom Venture Funds GmbH, Bonn, Germany (Supervisory Board Chairman); Deutsche Telekom Capital Partners Fund GmbH, Ham- burg, Germany (Managing Director); Strato AG, Berlin, Germany (Supervisory Board Chairman); Telekom Innovation Pool GmbH, Bonn, Germany (Advi- sory Board member since March 2015); Ströer Management SE, Düs- seldorf, Germany (Supervisory Board member); Ströer SE, Cologne, Germany (Supervisory Board member); Ströer SE & Co. KGaA, Cologne, Germany (Supervisory Board member); eValue 2nd Fund GmbH (Advi- sory Board member); Nexmo Inc., San Francisco, US (Supervisory Board member, January 2016 to June 2016)

The member of the Supervisory Board Alexander Graf Matuschka von Greiffenclau resigned from his position with effect of 23 January 2017.

Supervisory Board Committees in the financial year 2016

Executive Committee

Name	Position
Stefan Goetz	Chairman
Patrick Healy	Member
Alexander Graf Matuschka von Greiffenclau (until 23/01/2017)	Member
Vicente Vento Bosch	Member

Audit Committee

Name	Position
Dr. Liliana Solomon	Chairwoman
Blake Kleinman	Member
Robert D. Reid	Member
Vicente Vento Bosch	Member

Dear shareholders,

The Scout24 Group continued its positive development during the 2016 financial year, again reaching its self-defined revenue and earnings targets. The Supervisory Board supported and consulted with the Management Board in the targeted business expansion. The following report informs about the work of the Supervisory Board in the financial year 2016.

The Supervisory Board performed all of the duties and met all of the obligations incumbent on it by law, the Company's Articles of Association and the codes of procedure for the Management Board and the Supervisory Board. In total, the Supervisory Board held four plenary meetings during the 2016 financial year. No Supervisory Board member was absent from more than half of the meetings of the Supervisory Board. At the Supervisory Board meeting on 17 March 2016, one Supervisory Board member was excused and one member submitted a written vote. At the meeting on 29 September 2016, one member was excused and at the meeting on 1 December 2016, three members were excused.

Name	Participation in meetings	Notes
Stefan Goetz	4/4	
Patrick Healy	4/4	
Blake Kleinman	4/4	
Thorsten Langheim	2/4	not on 29 September 2016 and 1 December 2016
Alexander Graf Matuschka von Greiffenclau	2/4	not on 17 March 2016 and 1 December 2016
Robert D. Reid	3/4	not on 1 December 2016
David Roche	4/4	
Dr. Liliana Solomon	4/4	
Vicente Vento Bosch	4/4	

The Supervisory Board monitored the Management Board in its management of the business on an ongoing basis and advised it on all matters of importance to the Company. The Supervisory Board was at all times convinced of the lawfulness, correctness, expediency and economic efficiency of the management of the Company.

Cooperation between the Supervisory and Management boards

The Management Board provided the Supervisory Board with regular, timely and comprehensive information in detailed oral and written reports to the Supervisory Board on all issues of relevance to the whole Company regarding strategy, planning, business development, risk position, risk management and compliance and consequently fully met all its reporting obligations to the Supervisory Board in the relevant period. In this context, the Supervisory Board and its committees were involved in all important business transactions and decisions of fundamental significance for the Company.

The Supervisory Board members always had sufficient time to review critically the information provided by the Management Board and contribute their own opinions. At the meetings, the information was discussed in detail with the Management Board and checked for plausibility. The Supervisory Board granted its approval for individual transactions wherever required by law, the Company's Articles of Association or the codes of procedure for the Management or Supervisory Boards. Collaboration with the Management Board was characterised by responsible and purposeful action in all respect.

Between the meetings, the members of the Supervisory Board, and especially the Supervisory Board Chairman and the Chairs of the Executive Committee and the Audit Committee were also in regular contact both with each other and with the Management Board. These discussions focused above all on matters relating to the Company's strategy, planning, business development, risk situation, risk management, corporate governance, and compliance. Material insights arising as a result were reported to the other Supervisory Board members at the latest at the next meetings of the Supervisory Board plenum or its committees.

No interests of conflict arose within the Supervisory Board in the period under report.

Main focus of work in the Supervisory Board plenum

At its meeting on 17 March 2016, the Supervisory Board concerned itself with the proposal to the Annual General Meeting (AGM) regarding a change of the auditing firm, the budget and the current financials for 2016. The Supervisory Board passed a resolution to approve the date and agenda of the 2016 AGM. The statement of conformity to the German Corporate Governance Code as well as the deviations from the German Corporate Governance Code were discussed. The Supervisory Board passed a resolution to approve the statement of conformity.

At the meeting on 22 June 2016, the Supervisory Board concerned itself with the IT security audit, the data protection audit, the risk management update and the compliance update. The internal audit plan for 2016 was also discussed. Moreover, the Supervisory Board passed a resolution to approve an extraordinary repayment towards its existing bank loan.

At the meeting on 29 September 2016, the Supervisory Board resolved upon the date for the 2017 AGM. In addition, it discussed specific M&A projects as well as the financial outlook for both the current and the upcoming financial year. Individual aspects of the Scout24 Media segment were presented and subsequently discussed.

At the meeting on 1 December 2016, the Supervisory Board held extensive discussions together with the management regarding the financial situation of both Scout24 AG and the Group. In this context, the Supervisory Board discussed and resolved upon the budget for the financial year 2017. The business development of

the segments Immobilien Scout GmbH and AutoScout24 GmbH in 2016 was also discussed in detail with the management.

Committees

To perform its tasks efficiently, the Supervisory Board has currently formed two committees, namely an Executive Committee, which also assumes the roles of a nomination committee and a remuneration committee, and an Audit Committee. These committees prepare the resolutions for the Supervisory Board as well as agenda items that are to be dealt with by the Board. Furthermore, the Supervisory Board has delegated certain defined powers, where legally permissible, to its committees. The Committee Chairs report to the Supervisory Board on the respective committee's work at the subsequent Supervisory Board meeting.

The Audit Committee is concerned in particular with the monitoring of the accounting process, the effectiveness of the internal control system, the risk management system and the internal audit system, the audit of the financial statements, and in the latter case particularly the independence of the auditor, the additional services provided by the auditor, the appointment of the auditor, the definition of key audit matters, and the fee agreement, as well as compliance.

Pursuant to the German Stock Corporation Act (Sections 107 (4), 100 (5) AktG), the Audit Committee must include at least one independent member who has expertise in the fields of financial reporting and auditing. The Audit Committee Chair, Dr. Liliانا Solomon, meets these legal requirements and has additional expertise in the fields of financial planning and controlling. Moreover, Dr. Liliانا Solomon also meets the criteria set out in Section 5.3.2 clauses 2 and 3 of the German Corporate Governance Code. Besides the Chair, the Audit Committee also includes Supervisory Board members Blake Kleinman, Robert D. Reid and Vincente Vento Bosch.

The Audit Committee held a total of two plenary meetings and one meeting by way of a telephone conference in 2016. All committee members were present at all such meetings. The main focus of consultations in the Audit Committee included:

- the proposal for the appropriation of profits
- the refinancing of existing bank loans
- internal audits
- the risk management and the compliance report

The Executive Committee prepares the meetings of the Supervisory Board and is also occupied with handling ongoing matters arising between the meetings. In particular it has to prepare the Supervisory Board resolutions in the fields of corporate governance and in connection with proposals for intended appointments or dismissals and - in its capacity as Remuneration Committee - for the compensation of Management Board members. In its capacity as Nomination Committee, the Executive Committee proposes potential candidates to the Supervisory Board for its election proposal to the shareholders' Annual General Meeting.

Stefan Goetz is the Chairman of the Executive Committee. Beside the Chair, the committee also included the following Supervisory Board members in the financial year 2016: Vincente Vento Bosch, Patrick Healy, and Alexander Graf Matuschka von Greiffenclau.

The Executive Committee held one meeting in the financial year 2016. Three Committee members were present at this meeting, with one member being excused. Main topics of consultations included:

- the IPO of Scout24 AG that took place six months prior to the meeting
- Management Board compensation

Corporate governance and statement of conformity

At its meeting on 17 March 2016, the Supervisory Board discussed in detail the Company's corporate governance. It also concerned itself with matters of compliance with the German Corporate Governance Code and approved the current statement of conformity. The full text of this statement has been published on the Investor Relations / Corporate Governance section of the Company's corporate website (www.scout24.com/en/PortalData/2/Resources/ir/Entsprechenserklaerung_DCGK_en_aktuell.pdf).

The Management and Supervisory Boards will comply with the principles of diversity in the German Corporate Governance Code when nominating candidates for corporate bodies and management functions in future. Both Boards attach great value to suitably qualified advice and monitoring of the Management Board by the Supervisory Board.

The Supervisory Board has set itself the target of including an appropriate number of women among its members. In its first meeting on 4 September 2015, the Supervisory Board resolved, among other matters, that the Supervisory Board should include at least one female member, with an implementation deadline on 30 June 2017. This reflects the current status. Also on 4 September 2015, the Supervisory Board has resolved upon a target for the proportion of women in the Management Board of Scout24 AG of 0 %, with an implementation deadline on 30 June 2017. This reflects the current status.

For the first management tier below the Management Board, the Management Board of Scout24 AG has resolved upon a target for the proportion of women of one fourth, with an implementation deadline at the end of 30 June 2017. The target for the first management tier reflects the current status. However, this does not rule out the possibility of a rising proportion of women on that level. For the second tier below the Management Board, the Management Board of Scout24 AG has resolved a target for the proportion of women of one fifth, with an implementation deadline at the end of 30 June 2017. The target for the second management tier represents an increase of the proportion of women, which is currently at 14 %. The implementation

deadline makes full use of the legally permissible bounds for the first-time determination of an implementation deadline.

Most recently the Supervisory Board concerned itself with corporate governance at Scout24 Group on 23 March 2017.

Composition of the Management and Supervisory boards

There were no changes to the composition of the Management and Supervisory Boards of Scout24 AG in the 2016 financial year. Supervisory Board member Alexander Graf Matuschka von Greiffenclau resigned from his position with effect of 23 January 2017.

Audit of financial statements and annual financial statements

Pursuant to the resolution of the AGM on 23 June 2016, the Supervisory Board mandated KPMG AG Wirtschaftsprüfungsgesellschaft ("KPMG"), Berlin, with the audit of the annual financial statements and the consolidated financial statements of Scout24 AG for the financial year ending on 31 December 2016. KPMG audited the annual financial statements for the financial year from 1 January 2016 to 31 December 2016, prepared by the Management Board to the accounting principles of the German Commercial Code (HGB), and the management report of Scout24 AG, which is aggregated with the Group management report. KPMG AG issued an unqualified audit opinion. The consolidated financial statements of Scout24 AG for the financial year from 1 January 2016 to 31 December 2016 and the Group management report combined with the Company's management report, were prepared pursuant to § 315a of the German Commercial Code (HGB) in accordance with IFRS international accounting standards as adopted by the European Union. Unqualified audit opinions were also granted both for the consolidated financial statements and for the combined management report. Moreover, the auditor found that the Management Board had established an appropriate information and monitoring system whose design and handling were suitable to detect any risks to the Company's continued existence at an early stage.

The complete documentation of the financial statements and the audit reports were discussed in detail at the meetings of the Audit Committee on 22 March 2017 and the Supervisory Board on 23 March 2017. The auditors reported on the key findings of their audit. Furthermore, they informed the Board of their findings on internal control and risk management in respect of the financial reporting process and were available to answer additional questions and provide information. At the plenary meeting, the Audit Committee Chair reported extensively to the Supervisory Board on the audit of the annual and consolidated financial statements by the Audit Committee. Following in-depth inspection and discussion of the annual financial statements, the consolidated financial statements, and the combined management report, the Supervisory Board did not raise any reservations relating to the documents submitted. The Supervisory Board therefore followed the recommendation of the

Audit Committee and concurred with the findings of the audit by the auditors. By resolution dated 23 March 2017, the Supervisory Board then approved the annual financial statements and consolidated financial statements of Scout24 AG for the financial year 2016. The annual financial statements of Scout24 AG are thus adopted.

Management Board's report on relations with associated companies / Audit of the Dependency Report

The report on relations with associated companies in the financial year 2016 (dependency report) pursuant to Section 312 of the German Stock Corporation Act (AktG) that was prepared by the Management Board was submitted to the Supervisory Board in due time.

The external auditors audited the dependency report and issued the following audit opinion:

"On the basis of our proper audit and judgement we confirm that:

the factual statements of the report are correct,
the consideration paid by the company for the legal transactions stated in the report was not inappropriately high,
regarding the measures stated in the report, there are no circumstances that allow an essentially different assessment than that given by the management board."

The auditor submitted the audit report to the Supervisory Board. The dependency report and the related audit report were made available to the Supervisory Board in due time.

The Supervisory Board, for its part, examined the Management Board's dependency report and the auditor's audit report on the basis of respective supporting documents.

The auditor's report related to the dependency report was available to all members of the Supervisory Board in due time and was discussed with the attending auditors. On completion of its examination, the Supervisory Board does not have any objections to the report and the contained closing statement by the Management Board.

Acknowledgements

The Supervisory Board would like to thank the Management Board members and all Group employees for their dedication and the outstanding contribution they made in the financial year 2016. Their efforts enabled us to successfully implement the structural changes at the Group and at the same time continue the Company's growth story.

Munich, March 2017

Scout24 AG
Supervisory Board

A handwritten signature in black ink, appearing to read 'Stefan Goetz', with a long horizontal flourish extending to the right.

Stefan Goetz
Supervisory Board Chairman