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# Scout24 AG

## Company Presentation

September 2017

**SCOUT 24**



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Our Purpose:  
Inspiring people's best  
decisions.



# Scout24 Group

## Life Beats on the Scout24 Platforms

2

Household Brand Names

IMMOBILIEN  
SCOUT 24

AUTO  
SCOUT 24

1

Dedicated Unit  
Tackling Adjacent Business

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Media

Leading

Marketplace in Europe

for Real Estate<sup>1</sup>  
and Automotive<sup>1</sup>

Mobile  
first<sup>2</sup>

7 out of 10 engage  
on the go



5

Core Geographies  
and an overall presence  
in 18 countries

80m

Household Reach<sup>3</sup>

More than  
3 million  
active  
listings<sup>4</sup>

Source:

1. Management estimate; Leading position in real estate classifieds in Germany in terms of listings and traffic as well as a leading position in Europe (Belgium, Luxembourg, Netherlands, Italy) for automotive classifieds, based on listings and traffic, June 2017.

2. Source: Management estimates, own traffic monitor, June 2017

3. Based on latest World Bank population data and OECD average household size data.

4. Based on management estimates and Autobiz, June 2017

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# Our Growth Path

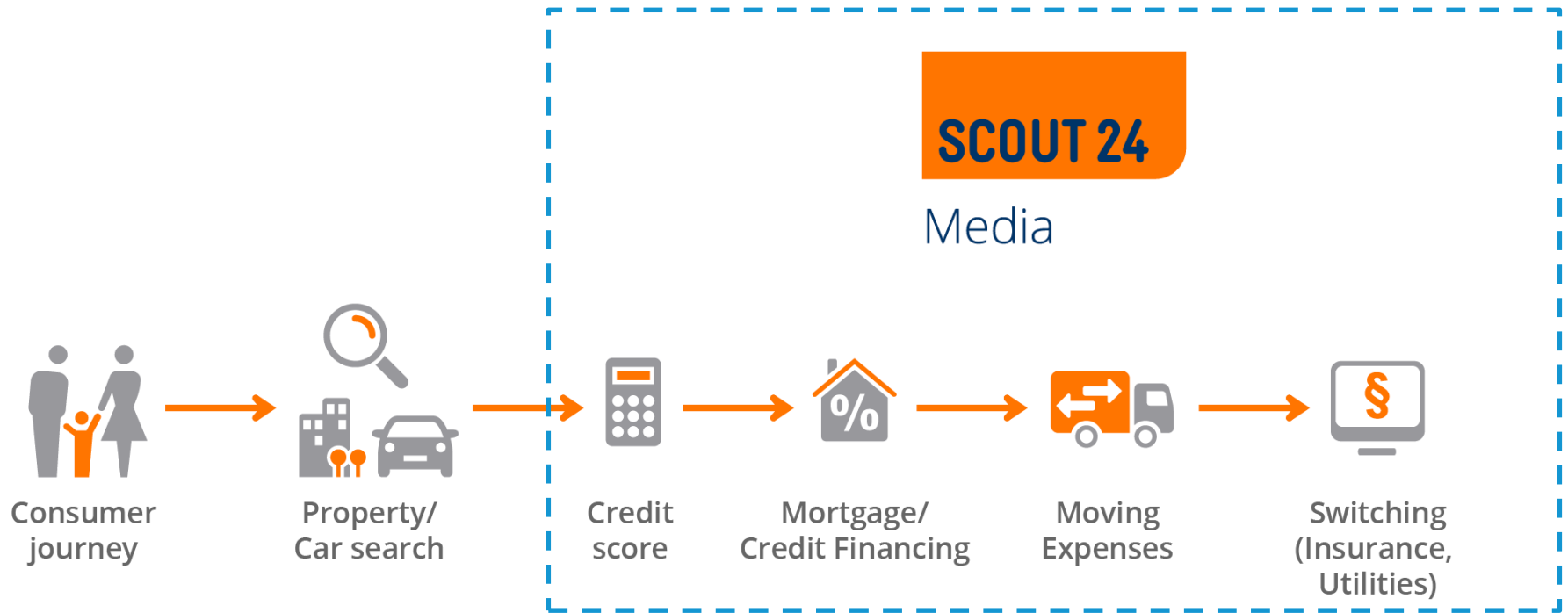
## Continue to Pursue Monetization of Core Verticals














1. ARPU = Average Revenue per User

# Expanded Growth Opportunity

Well Positioned for Further Growth Along Value-Chains



# Key Investment Highlights

-   1 Strong Tailwinds in the German Digital Classifieds Market
-  2 Clear No. 1 Market Position in the Attractive German Property Market
-  3 Significant Monetization and ARPU Upside at IS24
-  4 A European Automotive Classifieds Leader, with Strong Momentum
-   5 Large Adjacencies that Expand our Addressable Market and Growth Opportunity
-   6 Strong Innovation Power Transforming How People Get Products and Services
-   7 Substantial Growth with Increasing Profitability and Cash Generation

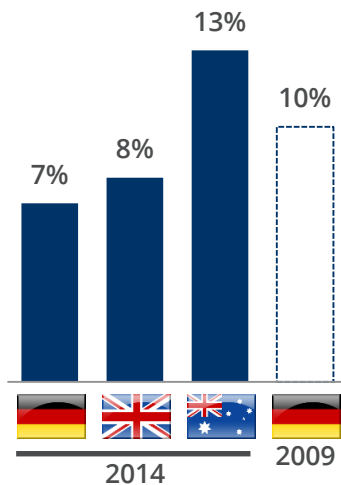
# Strong Tailwinds in the German Digital Classifieds Market

1

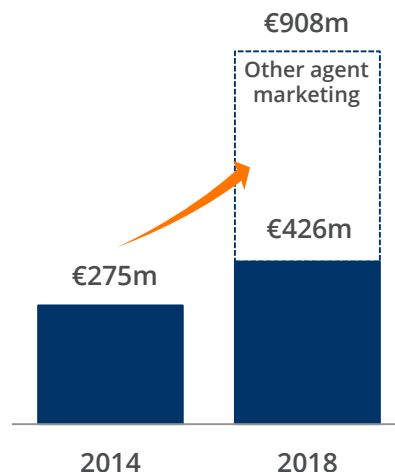


## Upside in Property Classifieds with Shift to Online

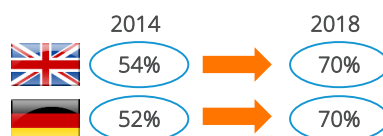
Property Classifieds Spend as % of Agents' Residential Transaction Revenue



Online Property Classifieds Evolution in Germany

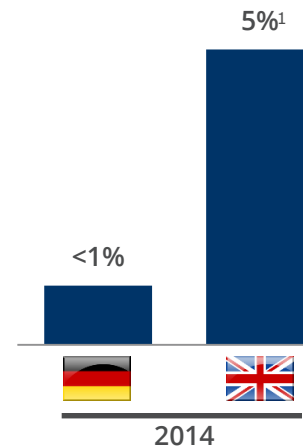


Property Classifieds % Online



## Auto Classifieds Benefit from Similar Tailwinds

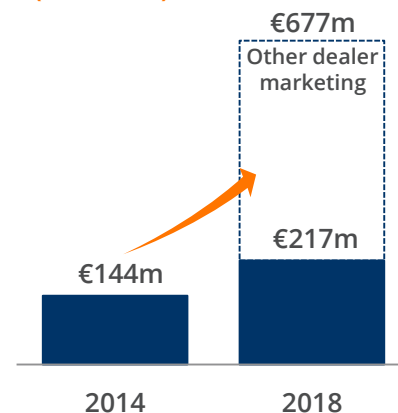
Auto Online Classifieds Spend as % of Dealers' Gross Margin



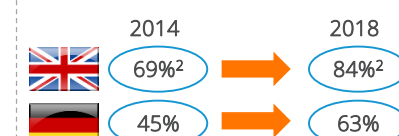
Online Auto Classifieds Evolution in Germany

Auto ad spend (incl. OEM)

€2bn+



Auto Classifieds % Online



Source: OC&C analysis 2014, unless otherwise stated. 2018 classifieds forecasts based on OC&C average case.

1. Source: PwC, "Growing complexity driving change in the automotive market", December 2014.

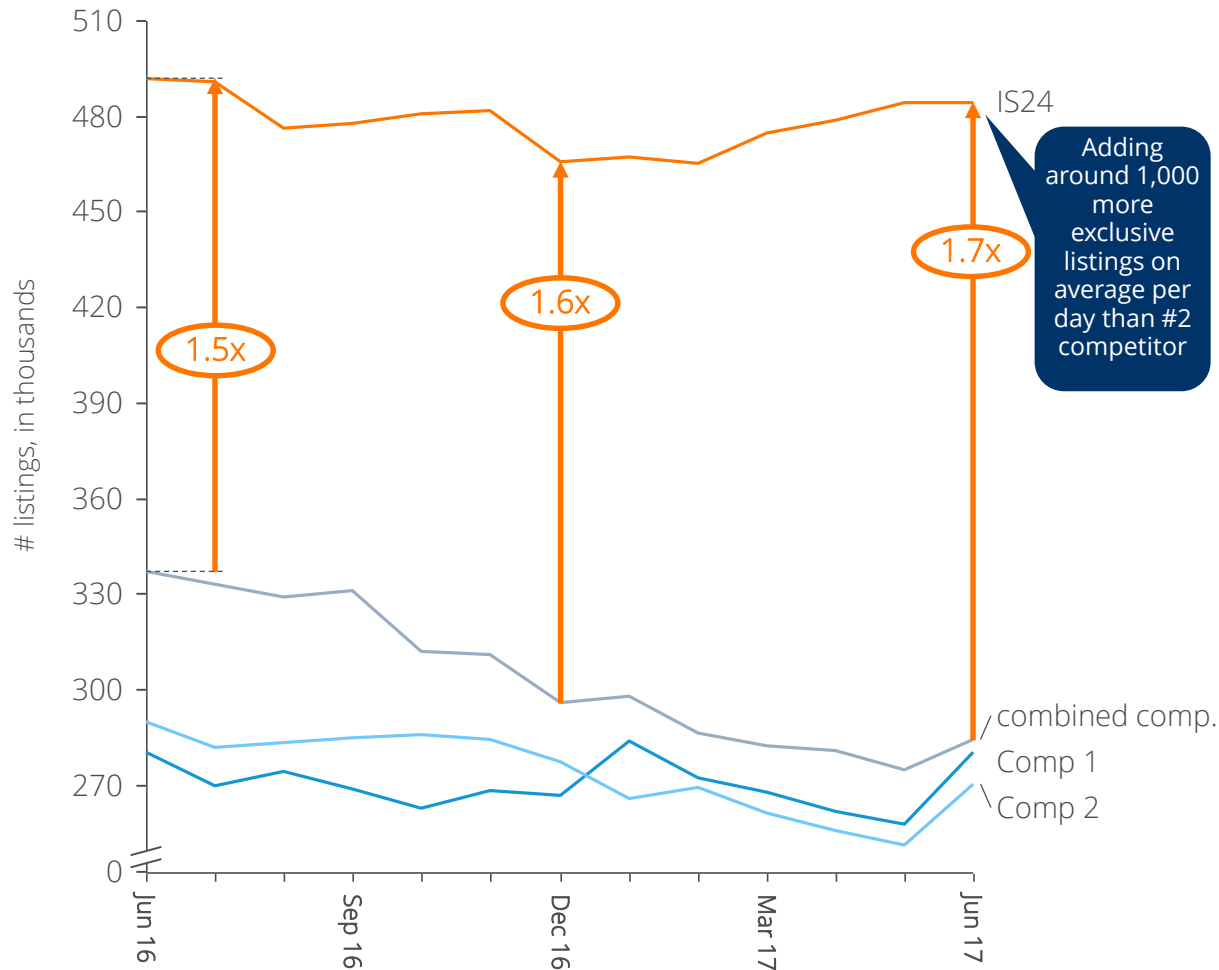
2. Source: Enders Analysis, March 2015.

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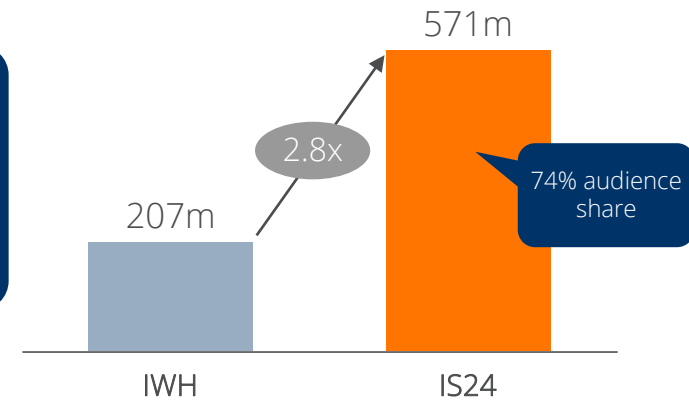
# Clear No. 1 Market Position German Real Estate In Terms of Content and Audience



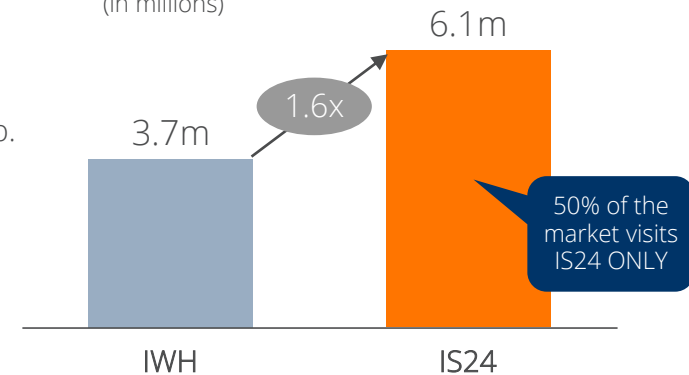
Listings position



Time Spent (H1 2017)  
(in minutes)



Unique Visitors (H1 2017)<sup>1</sup>  
(in millions)



Source: Listings: Management estimates, internal data. Customers with at least one active listing at the respective date (usually end of month). Traffic and Engagement: Based on average Unique Monthly Visitors ("UMV") for traffic and total time spent for engagement in H1 2017, comScore MMX May 2017 (desktop only for traffic and desktop and mobile for engagement). H1 2017 average based on January – May data. Audience share based on total time spent within Germany competitor set for online property classifieds which includes IS24, Immonet and Immowelt.

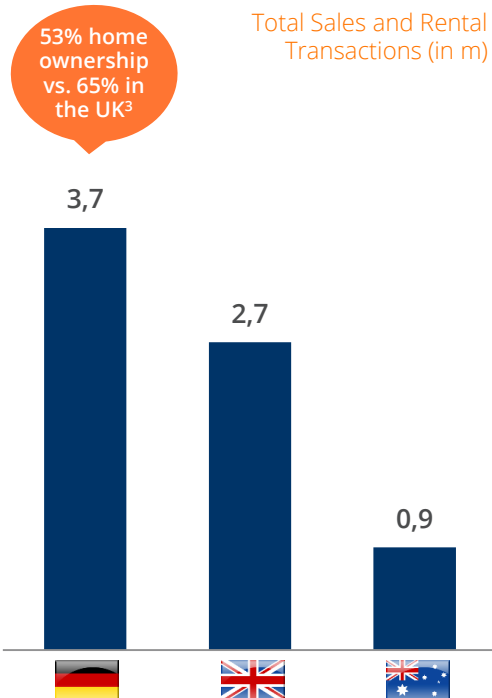
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# Clear No. 1 Market Position German Real Estate

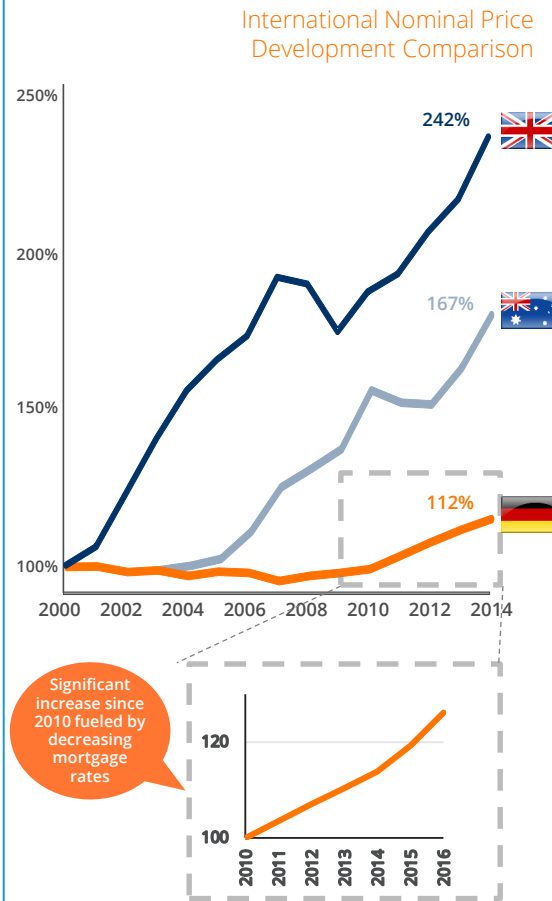
## Attractive Market with Room for Growth



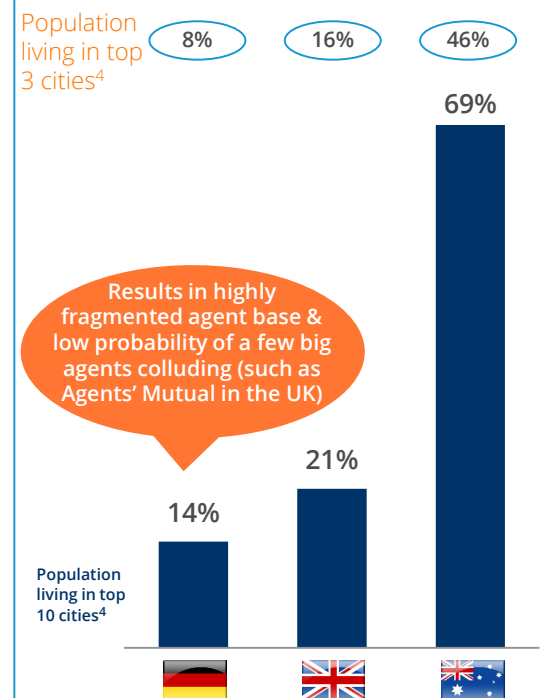
### The German Market is Very Large...<sup>1</sup>



### ...Highly Resilient<sup>2</sup>...



### ...and Highly Decentralized



1. Source: ONS (UK, 2014), GEWOS (Germany, 2013), ABS (Australia, 2013), English Housing Survey (UK, 2013-14), OC&C analysis.

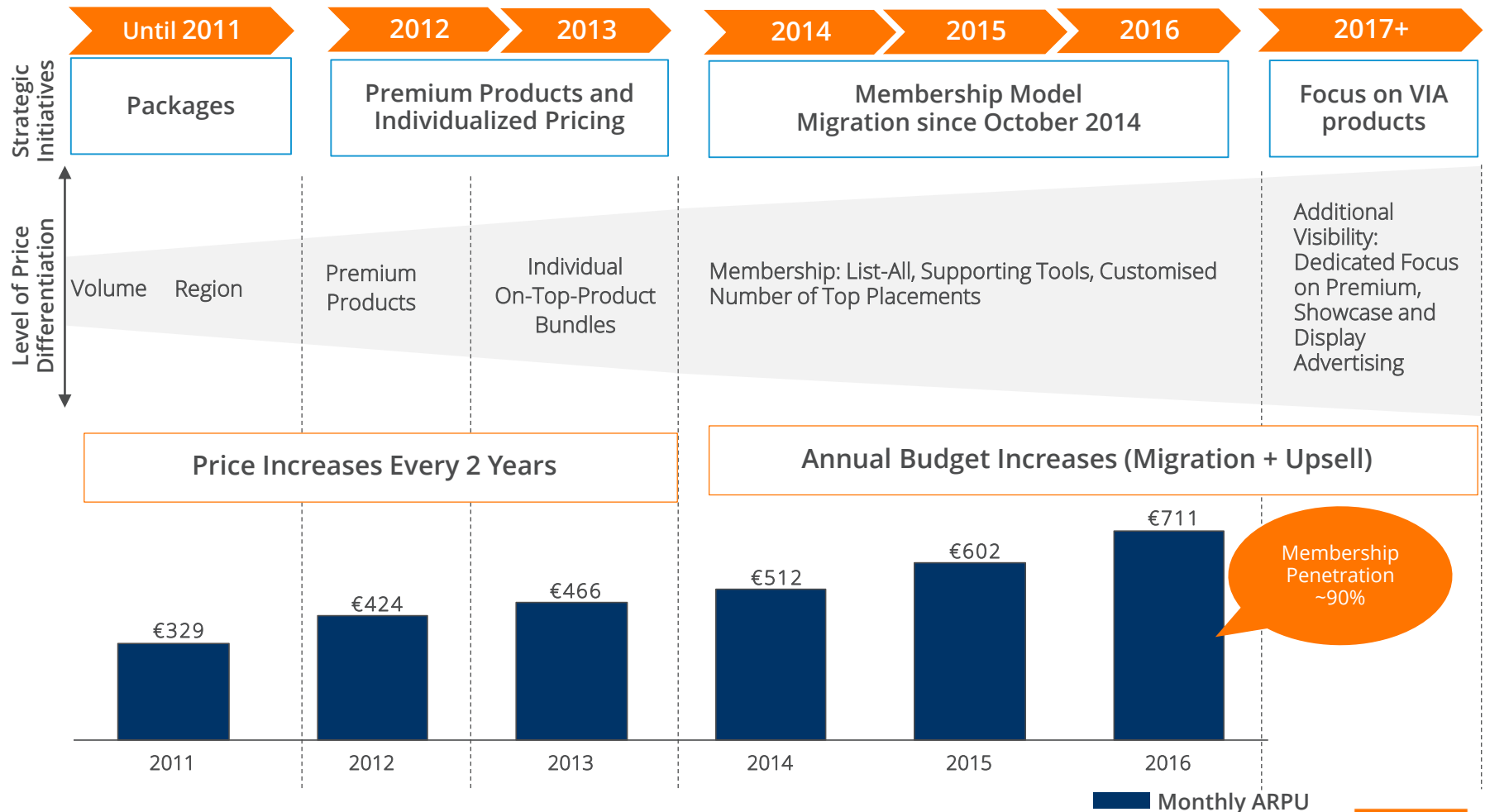
2. Source: Statistisches Bundesamt, ONS, INSEE, OC&C 2014 analysis.

3. Source: Eurostat, 2014

4. Source: ONS, ABS, Statistisches Bundesamt, various statistical offices for individual German states ("Statistisches Landesamt"), OC&C 2014 analysis.

# Significant Monetization and ARPU Upside at IS24

Membership Model Increases Price Differentiation



Source: Company information.

Note: ARPU definition: Revenues from core agents for the period divided by the average number of core agents at BoP and EoP and divided by the # of months in the period.

1. Among the approximately 90% of core agents that are targeted for migration to the membership model, end of December 2016.

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# Significant Monetization and ARPU Upside at IS24

## Membership Model Delivers Increased Exposure to Drive Value

3



Exposure<sup>1</sup>

8.0x

4.0x

2.3x

1x

### Membership platform

#### Basic Product Set

List all  
Logo, Market Navigator  
Up to 50% Top Listings

#### VIA Power Products

#### Media Display Advertising

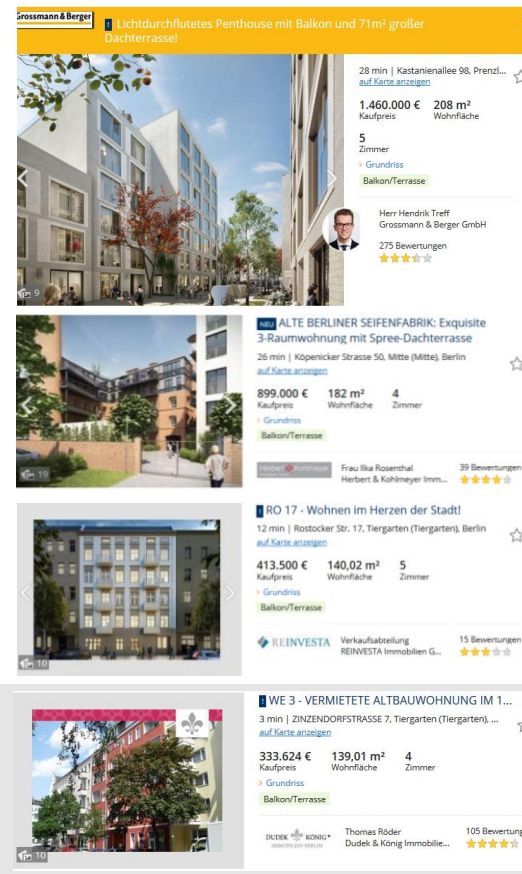
Acquisition Lead  
(available to Membership  
Customers only)

Showcase  
Listing

Premium  
Listing

Top  
Listing

Standard  
Listing



Source:

1. Company information. Exposure = object clicked in result lists (excl. lists resorted by users and pre-fab house lists) containing all VIA power products and less than 1,500 listings, data as of 27.06-26.07.2015.

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# A European Automotive Classifieds Leader, with Strong Momentum

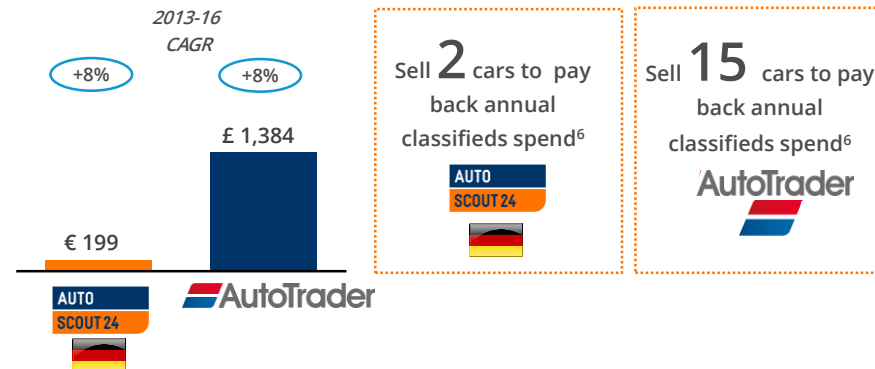
4



					Display & Other Countries
	Dealers +10% YoY				
AS24 Dealer Locations <sup>2</sup>	25.5k	8.0k	4.6k	6.4k	
AS24 Dealer Listings <sup>3</sup>	1,013k	309.7k	86.7k	237.9k	
AS24 Position (Dealer Listings) <sup>3</sup>	On Par	#1	#1	#1	
Aided Brand Awareness <sup>4</sup>	#1	#1	-	#1	
% of AS24 Revenue (H1 2017)	38%	33%			29%

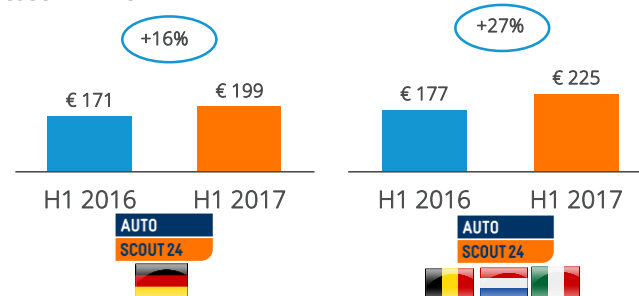
## Peer Group Comparison: Significant growth potential in ARPU

### Monthly ARPU 2016<sup>4</sup>



## Delivering on growth potential

### YoY Increase in ARPU<sup>1</sup>



1. Combined data for Belgium and Luxembourg.

2. Source: Management estimates (June 2017)

3. Source: Autobiz (June 2017)

4. Source: Norstat (December 2016) among other automotive marketplaces, Belgium not part of the study

5. Source: Public filings (Auto Trader UK), company information (AS24). 2014 AS24 ARPU (core dealers in Germany) compared to Auto Trader UK reported ARPU for FY ending 31 March 2016. Auto Trader UK ARPU reported on the basis of retailers, excluding home traders.

6. Source: Auto Trader March 2015 IPO prospectus (for Auto Trader UK), company information (for AS24).

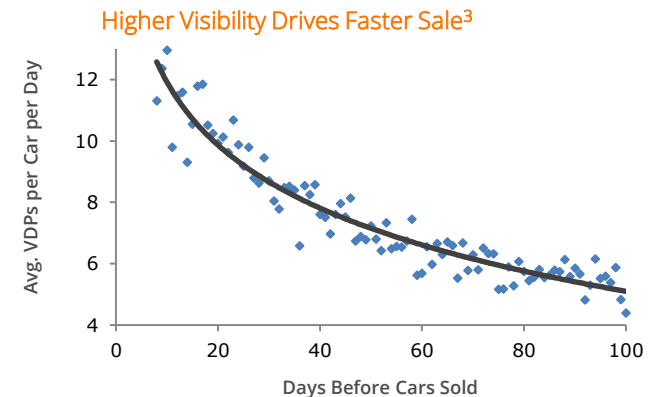
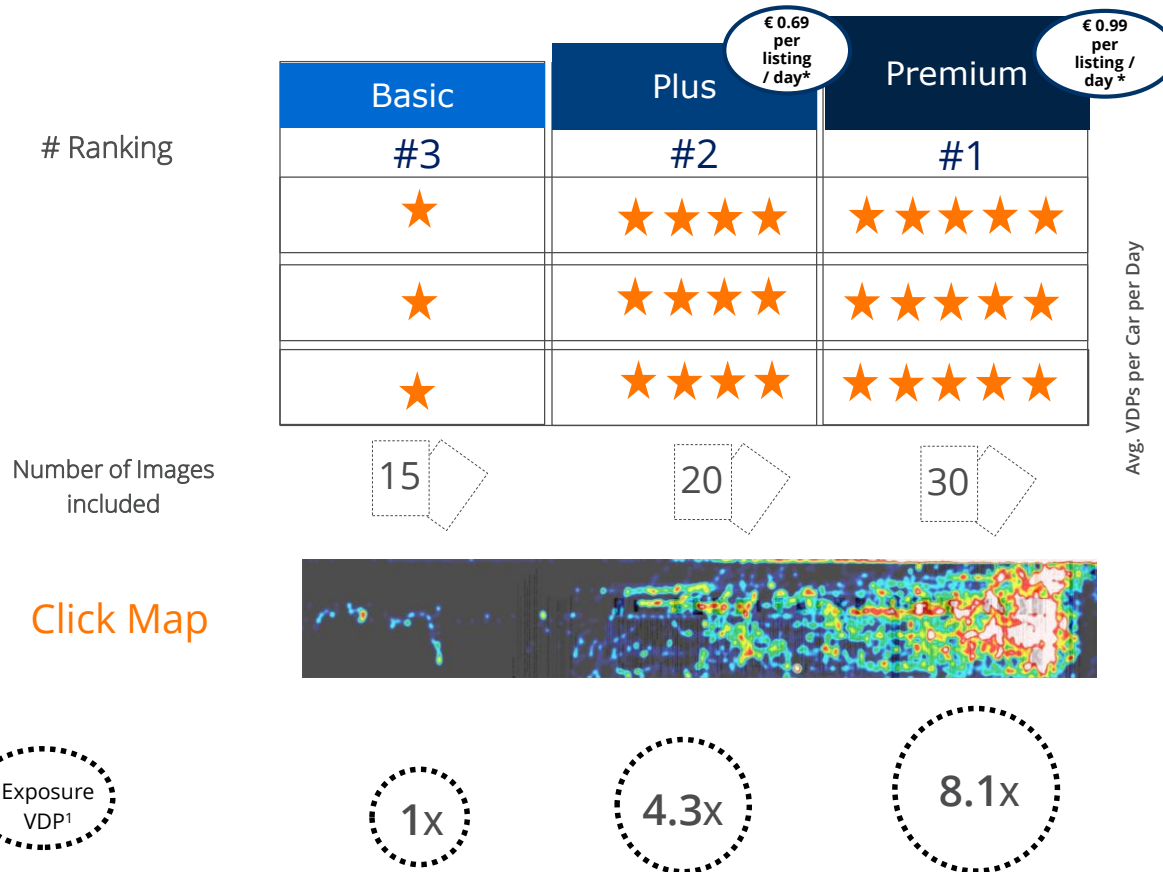
6. Source: OC&C analysis.

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# A European Automotive Classifieds Leader

## Accelerate Monetization via Marketing Power

4



1. Source: Company information. VDP = Vehicle Detailed Page Views. Analysis compares vehicles within the same price range, for the period of the first quarter 2016  
 2. Source: Company information. As of 01.06.2015 – 30.06.2015. Data set assumes that cars are sold when they are taken off AS24 website.  
 3. Prices Marketing Power Products in Germany, European prices for Plus and Premium listings differ.

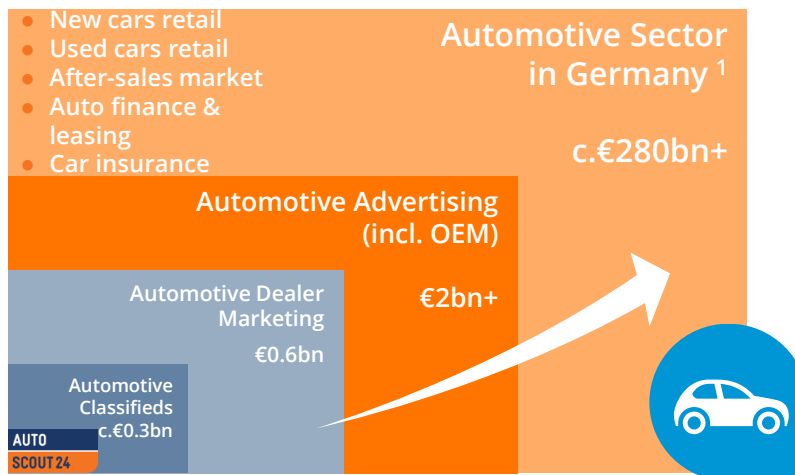
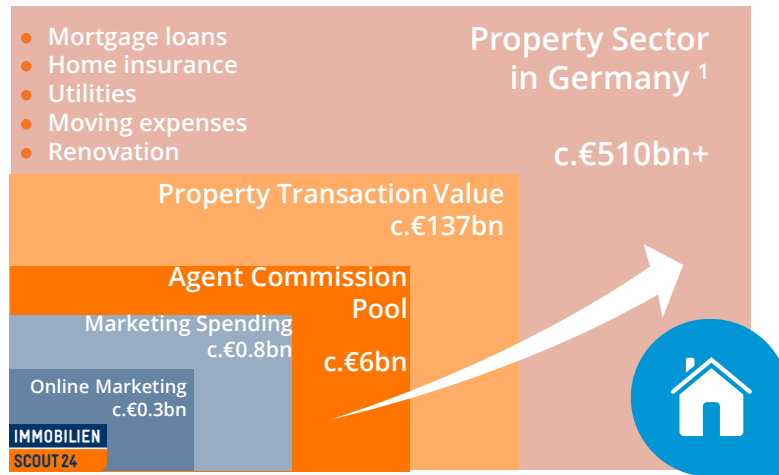
# Large Adjacencies

Expanding Our Addressable Market and Growth Opportunity

5



25 % OF THE GERMAN GDP



**Scout24 is Extremely Well Positioned for Long-Term Growth along Real-estate And Automotive Value Chain**

- Unique position to **tap large adjacencies** at IS24 and AS24 and
- Capitalize on leading position to take advantage of the **convergence** between marketplaces, networks and workflows
- **Significant user overlap** between IS24 and AS24
- **Cross-leverage its combined user base** at scale

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1. Source: OC&C 2014 analysis.

# Large Adjacencies

Expanding Our Addressable Market and Growth Opportunity

5



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Media

## Three Approaches to Monetize Audience

A

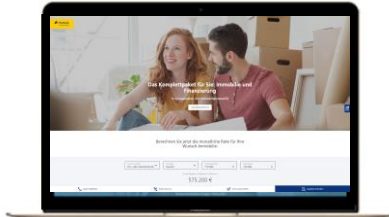
Direct  
Monetization



- » Examples: Credit Check, Property Valuation
- » Paid-for products that ease the search and/or selling experience for both users and customers
- » Direct monetization and payment on IS24

B

Indirect  
Monetization  
(Lead Gen)



- » Examples: Mortgage Loans, Relocation Service
- » Price comparison services for products not directly offered by IS24
- » Monetization via leads to providers

C

Monetization  
via Ad Sales  
(Display)



- » Examples: Ad Campaigns, Programmatic
- » 3rd Party Display Advertising

+21%

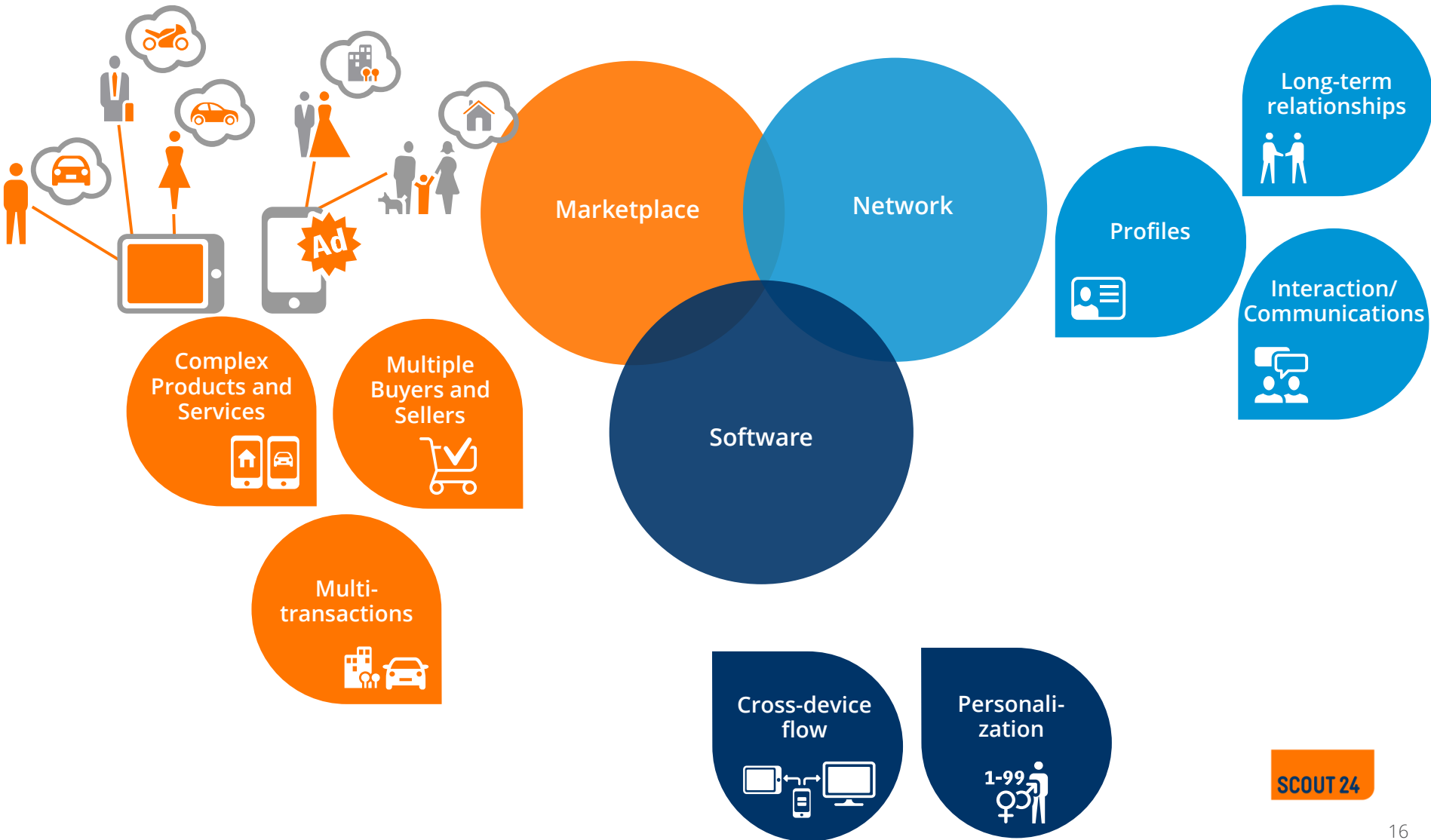
Revenue  
growth 2016

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# From Classifieds to Market Network

Transforming How People Get Products and Services

6



# Transforming Consumer Experience

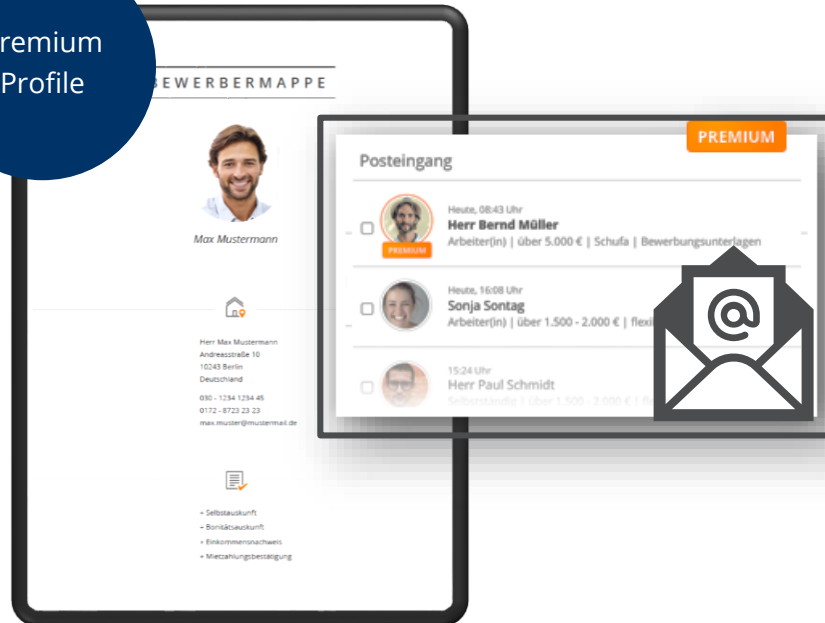
Continuously Digitizing the Process of Property Rental & Buying



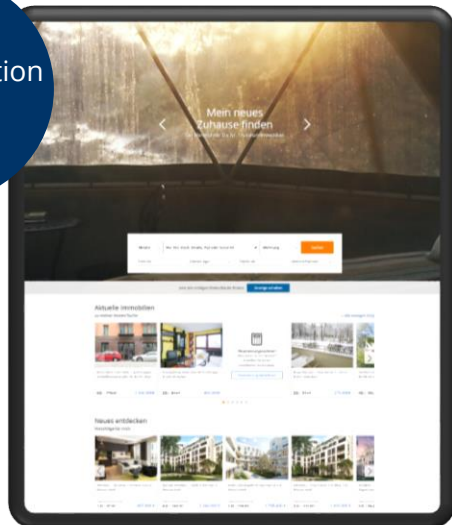
Virtual Reality



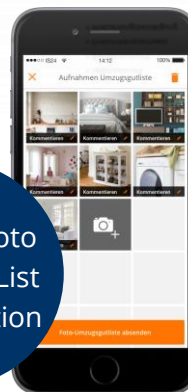
Premium Profile



Recommendation Engine



In-App Photo Inventory List for Relocation



Push Notification



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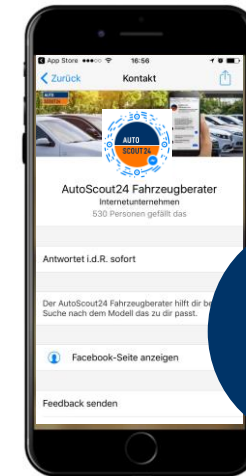
# Transforming Consumer Experience

Continuously Digitizing the Process of Buying and Selling a Car

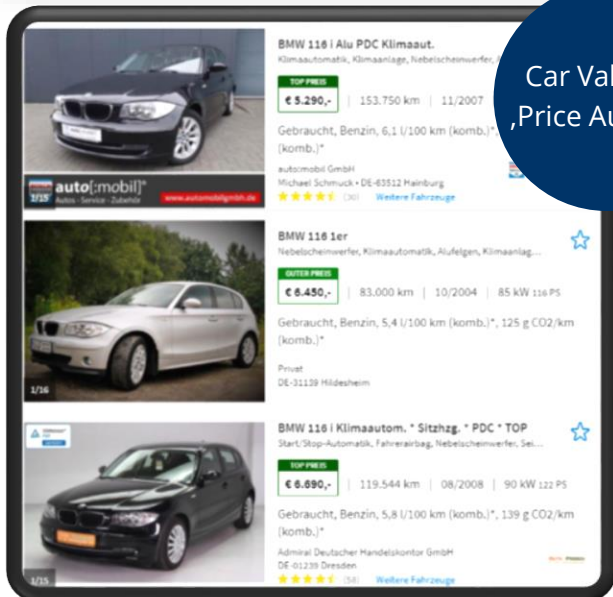
6



Testdriver  
Wanted



Chat Bot  
Helping  
in Selection  
Process



Car Valuation  
'Price Authority'

AUTO  
SCOUT 24

NEW TIER PRODUCT  
TO BE LAUNCHED IN Q4

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# Look into the Lab

## Utilising User Overlap



6



## Re-directing engaged traffic from IS24 to AS24 without impairing engagement on IS24



1. Based on average Unique Monthly Visitors ("UMV") for traffic, comScore MMX May 2017 (desktop and mobile). H1 2017 average based on January – May data.

2. Daily active users.

3. Based on early Alpha-Testing, short trial period of some days only.

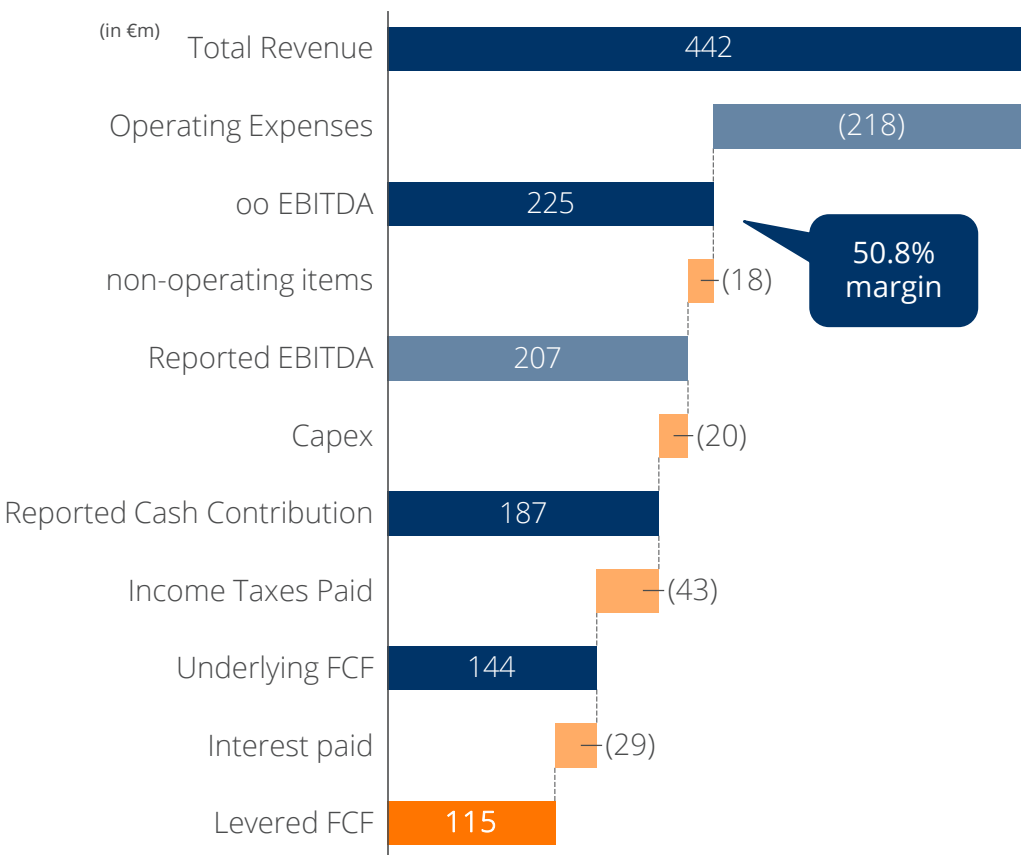
# Strong Cash Flow Generation

## With Clear Priorities for Free Cash

7



### Revenue to Free Cash Flow Bridge (2016)



- Solid topline driven by organic growth
- Cost efficiencies and significant operating leverage
- Decreasing non-operating cost
- Limited capex requirements
- To approach statutory corporate rate
- Robust deleveraging and significantly improved cost of debt
- Potential for continuous net cash flow growth  
Target pay-out ratio of 30.0% to 50.0% of adjusted net income over time

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# Attractiveness of the Scout24 Business Model

IMMOBILIEN  
SCOUT 24

AUTO  
SCOUT 24

SCOUT 24

Media

## ✓ Favourable dynamics

- » Structural top-line growth driven by the ongoing print-to-digital shift
- » Exceptional brand and strong network effects in a classic two-sided market with high barriers to success

## ✓ Recurring revenue

- » High-growth, subscription-based model underpinned by superior customer ROI proposition
- » High market penetration and high retention rates showcase Scout24's must-have, mission-critical service

## ✓ OneScout24

- » Fully-integrated organization across two market-leading verticals, allows for tangible operational synergies
- » IS24 and AS24 follow similar business model fundamentals and share a significant portion of their user base

## ✓ Operating leverage

- » Superior value proposition implying significant ARPU uplift potential
- » Scalable technology and low marginal cost drive high operating leverage

## ✓ Strong cash generation

- » Low capex requirements and favorable working capital trends lead to high cash generation
- » Clear priorities for free cash

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# Scout24 Investor Relations

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[www.scout24.com/en/Investor-Relations.aspx](http://www.scout24.com/en/Investor-Relations.aspx)

Full Year Report 2016

[report.scout24.com/2016](http://report.scout24.com/2016)

Group Interim Report 2017

[www.scout24.com/en/Investor-Relations/Financial-Publications/Financial-Publications.aspx](http://www.scout24.com/en/Investor-Relations/Financial-Publications/Financial-Publications.aspx)