SCOUT 24

Life-changing moments

ANNUAL REPORT
2015

Key Financial Highlights

(in EUR million)	2015 Three-month period ended 12/31/15	2014 Three-month period ended 12/31/14	+/- in %	2015 Twelve-month period ended 12/31/15	2014 Three-month period ended 03/31/14	2014 Nine-month period ended 31.12.14	2014 Twelve-month period ended 12/31/14[6]	+/- in %
External Revenues	**105,2**	**92,5**	**13,8 %**	**393,6**	**82,5**	**262,9**	**345,3**	**14,0 %**
therein Core operations	**104,3**	**91,7**	**13,8 %**	**390,3**	**81,7**	**260,5**	**342,1**	**14,1 %**
IS24	69,8	61,3	13,8 %	266,7	55,7	175,8	231,4	15,3 %
AS24	33,4	29,5	13,0 %	120,7	24,6	82,3	106,9	13,0 %
Corporate	1,2	0,8	nm	2,8	1,4	2,4	3,9	nm
EBITDA[1]	**41,2**	**26,4**		**166,9**	**28,8**	**58,6**	**87,4**	
therein Core operations	**40,4**	**25,7**		**166,0**	**30,8**	**58,5**	**89,3**	
IS24	35,8	29,5		147,9	29,9	89,6	119,5	
AS24	8,1	4,6		39,7	5,0	14,0	19,0	
Corporate	(3,5)	(8,4)		(21,7)	(4,1)	(45,1)	(49,2)	
Ordinary operating EBITDA[2]	**45,0**	**38,9**	**15,4 %**	**189,6**	**33,3**	**115,2**	**148,6**	**27,6 %**
therein Core operations	**44,7**	**38,2**	**17,0 %**	**188,8**	**34,0**	**115,1**	**149,0**	**26,7 %**
IS24	40,0	34,7	15,2 %	159,2	30,3	99,0	129,3	23,1 %
AS24	8,9	7,3	21,9 %	43,8	5,1	26,0	31,1	40,9 %
Corporate	(2,3)	(2,8)	18,1 %	(8,7)	(1,5)	(7,0)	(8,5)	(1,8 %)
Reconciliation management fee[3]	(1,9)	(1,0)	87,0%	(5,5)	n/a	(2,9)	(2,9)	91,0%
EBITDA-margin[2] **therein Core operations**	**42,7 %**	**42,1 %**	**1,5 %**	**48,2 %**	**40,4 %**	**43,8 %**	**43,0 %**	**11,9 %**
therein Core operations	**42,9 %**	**41,7 %**	**2,8 %**	**48,4 %**	**41,6 %**	**44,2 %**	**43,6 %**	**11,1 %**
IS24	57,3 %	56,6 %	1,2 %	59,7 %	54,5 %	56,3 %	55,9 %	6,8 %
AS24	26,7 %	24,8 %	7,8 %	36,2 %	20,8 %	31,6 %	29,1 %	24,7 %
Capital expenditure	**5,5**	**7,7**	**(28,9 %)**	**19,3**	**2,0**	**12,2**	**14,2**	**35,3 %**
therein Core operations	**5,5**	**7,5**	**(27,3 %)**	**19,3**	**2,0**	**12,0**	**14,0**	**37,1 %**
Cash contribution[4]	**39,5**	**31,2**	**26,4 %**	**170,3**	**31,3**	**103,0**	**134,3**	**26,8 %**
Cash– and Cash equivalents				**70,6**			**21,4**	**230,0 %**
Net financial debt[5]				**711,3**			**624,2**	**13,9 %**
Equity				**921,3**			**1.060,2**	**(13,1 %)**
Equity ratio				**42,4 %**			**48,3 %**	**(12,2 %)**
FTE (per end of period)				**1.120**			**1.084**	**3,3 %**

1 EBITDA is defined as profit before financial results, income taxes, depreciation and amortization, impairment write-downs and the result of sales of subsidiaries.
2 Ordinary operating EBITDA represents EBITDA adjusted for non-operating and special effects, ordinary operating EBITDA margin of a segment is defined as ordinary operating EBITDA as a percentage of external segment revenues.
3 Ordinary operating EBITDA of Core operations includes reconciliation of management fee charges by the Corporate segment to the IS24 and AS24 segments, as the management fee is part of the ordinary operating result of Corporate while in the IS24 and AS24 segments, it is accounted for as a non-operating effect and therefore excluded from ordinary operating EBITDA.
4 Cash contribution is defined as ordinary operating EBITDA less capital expenditure.
5 Net financial debt is defined as total debt (nominal value of interest bearing liabilities) less cash- and cash equivalents.

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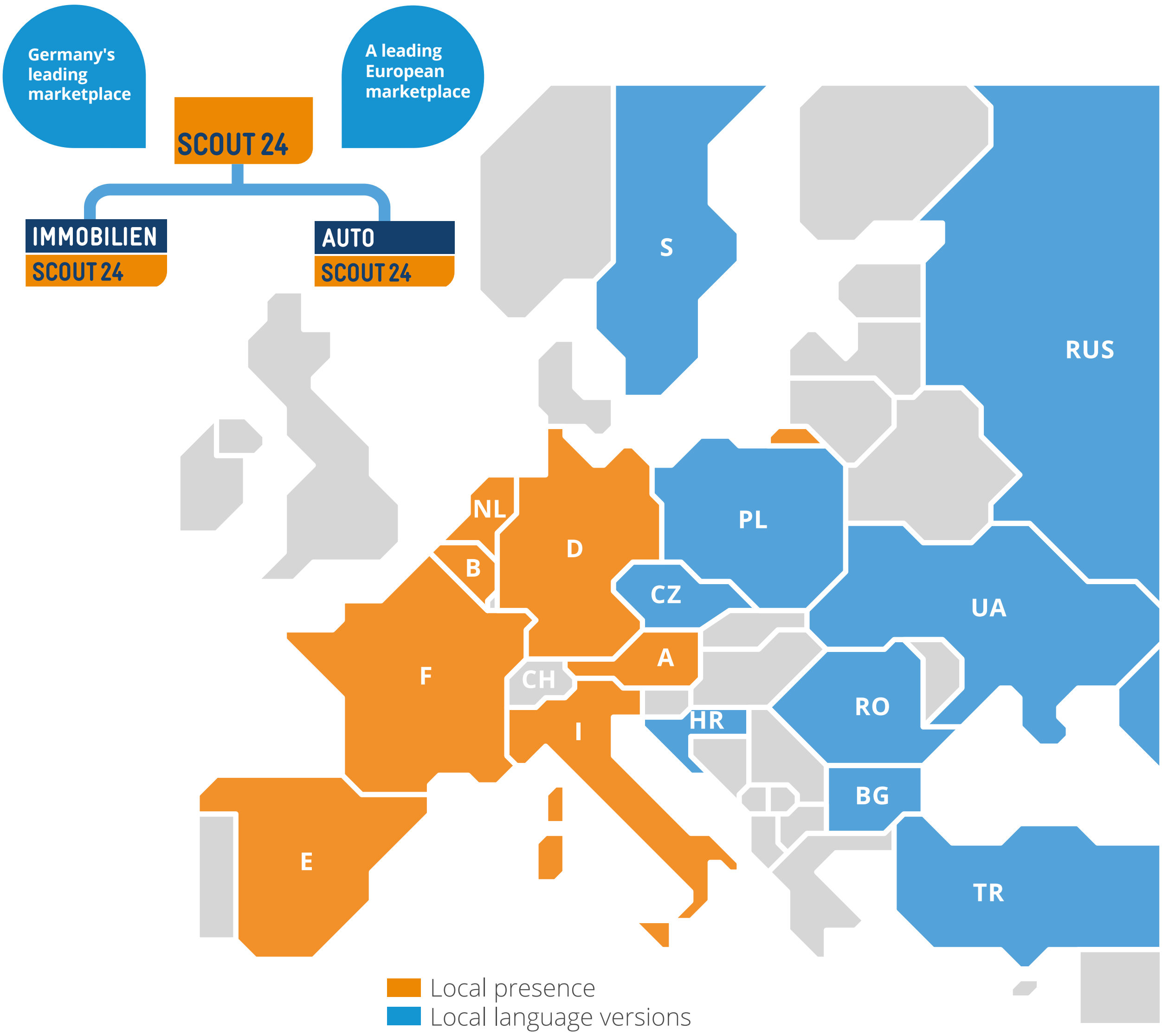
OneScout24

Two leading digital marketplaces under one roof

Scout 24 provides digital marketplaces that help people make their property and car dreams come true – simply, efficiently and stress-free. We generate revenues from these marketplaces by selling classified ads and advertising space, along with other services and tools for our customers and users.

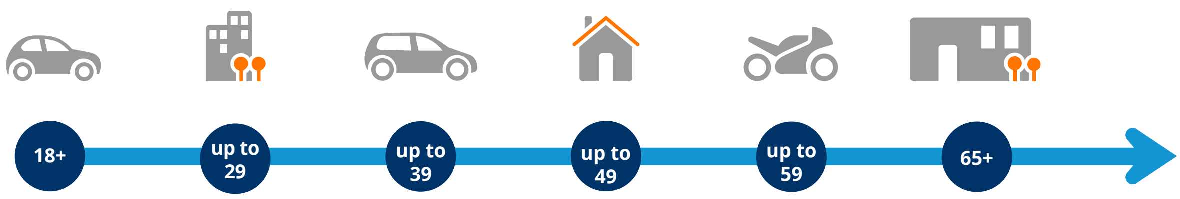


Marketplaces & services

Our aim is to offer users the largest selection of properties and vehicles, along with a unique range of services to buy, finance and maintain real estate and vehicles. As OneScout24, we benefit from the fact that an estimated more than one in every three ImmobilienScout24 users are also looking for a vehicle at the same time, while almost one in every three AutoScout24 users are also looking for a new property.

Life Stages

We are partners during life's moments of change, which is when we are there to help people – and through their whole lives. Finding a new home or buying a car are some of life's important, recurring events. Intelligent data evaluation enables such life events to be planned to a certain extent, and users' latest purchasing requirements to be researched. This makes Scout24 a particularly attractive place for other service providers to advertise their products and services.



First car	First apartment	More income/ family planning	Own home	Life dreams	Retirement
Many young people's dream: their first car. AutoScout24 finds it.	Study or training: ImmobilienScout24 finds the right first apartment.	Need for a larger car and/or larger apartment.	Eventually you have to own your own home, whether house or apartment	Children have left home, more money for hobbies: how about a motorbike, classic car or sports car?	Living closer to the children again, and driving your dream car.

SILVANA OPREA (38), BANK CLERK FROM WIEHL NEAR COLOGNE

On foot, through light and space

Silvana Oprea made her first big move at the age of 15, when she emigrated from Rumania to Germany. Arriving in Germany, she first lived for several years in Karlsruhe in the Upper Rhine region. Later, a big love led her further down the Rhine to Wiehl, in the Oberbergische region near Cologne. Here, at her husband's side, she immediately felt at home. And Wiehl – a town of some 25,000 inhabitants – also provided for all of life's little needs. So, it was clear to Silvana that she no longer had any wish to leave this little town - even if everything were to change.

New life in the old Wiehl

Finally! The long-yearned-for child was on its way. And Silvana knew immediately what she wanted: to get out of the small, dark basement apartment, and into a large apartment with its own bedroom for the little one, and especially with plenty of light for new life. Above all, she wanted to stay in Wiehl, where she had become so well integrated into the local community, and where she had her new family and friends around her.

When her son Rafael was born, Silvana gave up her job in the bank and took three years' maternity leave. Between changing diapers, breastfeeding, sleeping, and looking after baby and home, little time remained to look for a new apartment. But Silvana wanted to find a larger and more pleasant home at all costs before her child was ready to walk. The small town of Wiehl didn't seem to have many free apartments available to rent, however. And the few apartments on offer never seemed to fit her precise ideas. Silvana was slowly beginning to despair.

First steps

While they were still at the old apartment, the time for their summer vacation had almost arrived. A few days before jetting off on holiday, Silvana took another look in the small ads on ImmobilienScout24. And there it was: the perfect apartment. The important thing was not to dither, so her husband arranged to view the apartment before they left on vacation. And as soon as they saw the apartment it was clear for Silvana: she had to have it at all costs. There was a separate room for the little one. And even a large terrace, sunlit from midday until evening. They received the news while they were still on holiday – their small family would get the apartment.

When Silvana moved into the new home with her family, Rafael was not yet one year old. The larger apartment proved to be a real gift. As if he had been waiting for it, the little boy investigated the new apartment for the first time on his own feet just a week after moving in. Still cautiously at first, gripping on to the new tables and chairs for stability. And to this day Silvana still has fond memories of that moment: her son was walking freely for the first time, with light and space in the new home.

LIFE-CHANGING MOMENT
Birth of first child

Wanted/Found:
90 m² apartment to rent in Wiehl, 3 rooms, kitchen, bathroom, large terrace

Period between initial search and moving in:
around 8 months

Double luck:
Silvana not only found her dream apartment. Silvana lived "rent free" for the first three months after winning the ImmobilienScout24 lottery.

MARCO SCHNORBUS (41), PROJECT MANAGER AND CLIMATE PROTECTION CONSULTANT FROM BERLIN

Midlife

Marco Schnorbus couldn't get enough of Berlin when he was a student. Shortly before the start of the new millennium, he began his geography studies at Humboldt University, moving from Bochum to the centre of Berlin. A couple of years later, his male students' flatshare community turned into a love nest when a fellow resident moved out – and Marco's girlfriend moved in. A couple of years later, Ella and Mira were born. Suddenly, Berlin city centre no longer seemed the right place to be living. Things needed to be a little more peaceful and greener – and Marco's family needed their "own place".

Less hectic outside Berlin

The contrast with the hectic busyness in the centre of Berlin could hardly be greater. Marco travels with his family regularly to their small dacha in Brandenburg. The idyllic Biesenthal district is situated here, around half an hour's car journey from Berlin. And the small weekend cottage is close by. Here, the "hare and fox bid each other good night", as a German reference to somewhere far from the madding crowd. Marco enjoys the peace, and time with his family out in the countryside.

Marco is now looking for the ideal place to live somewhere situated between Berlin city centre life and the out-of-town idyll. When he starts to look on Immobilienscout24, he is soon attracted to a property developer's advert. Buyers for a multi-family house are already being sought for a new project in Berlin Weissensee even before the start of cons-truction. He notes that Berlin's north-east is well connected with the city via its S-Bahn railway network. So, that would work.

Together with another interested party, Marco leads the search for potential buyers for the building project, and helps select them. The priority is to have the right people living together within the same property. Around twelve months later, they have drawn together a suitable little community to allow the construction project to start. By the time summer 2015 arrives, the house has been completed without any major delays.

A new feeling of "we"

The large maisonette apartment proves to be a dream come true for Marco and his family. When the weather is fine, the energy-saving adviser is in the habit of cycling to work. Ever-ything a family needs can also be found in the apartment's immediate vicinity: a supermar-ket just opposite, and a kindergarten and several schools to choose from. The simple fact is that life here is less hectic than in the city centre. Marco discovers that he and his family are living in a very special housing community. The shared common room and a large garden offer frequent venues for joint and relaxed hours spent with neighbours (and this not only during small "public viewings" when Germany's national football team plays). Marco had never imagined that life on the fringes of Berlin could be so pleasant and lively.

LIFE-CHANGING MOMENT

Feeling of "we" in an own new home

Wanted/Found:
153 m² maisonette apartment in Berlin Weissensee; multi-family house being constructed as a unit

Period between initial contact and moving in:
around 2.5 years

Special features:
A "hand-picked" house community shares common room and garden in multi-family house

CHRISTIAN DI SIERVI (19), HOTEL MANAGEMENT STUDENT FROM BRUSSELS-ZAVENTEM

Fast and Furious

Christian has a big passion: he is crazy about cars. In just one month‘s time, he will be a proud owner of a driving licence. In just one month, he‘ll be able to drive the car that he‘s just bought – on his own. Finally! He‘s been looking at cars on the Internet since he was twelve years old. He takes photos of cars, and travels to all kinds of car shows and car races wherever and whenever he can. Car racing, tuning, speed – this is Christian‘s world.

Turbo – the main thing

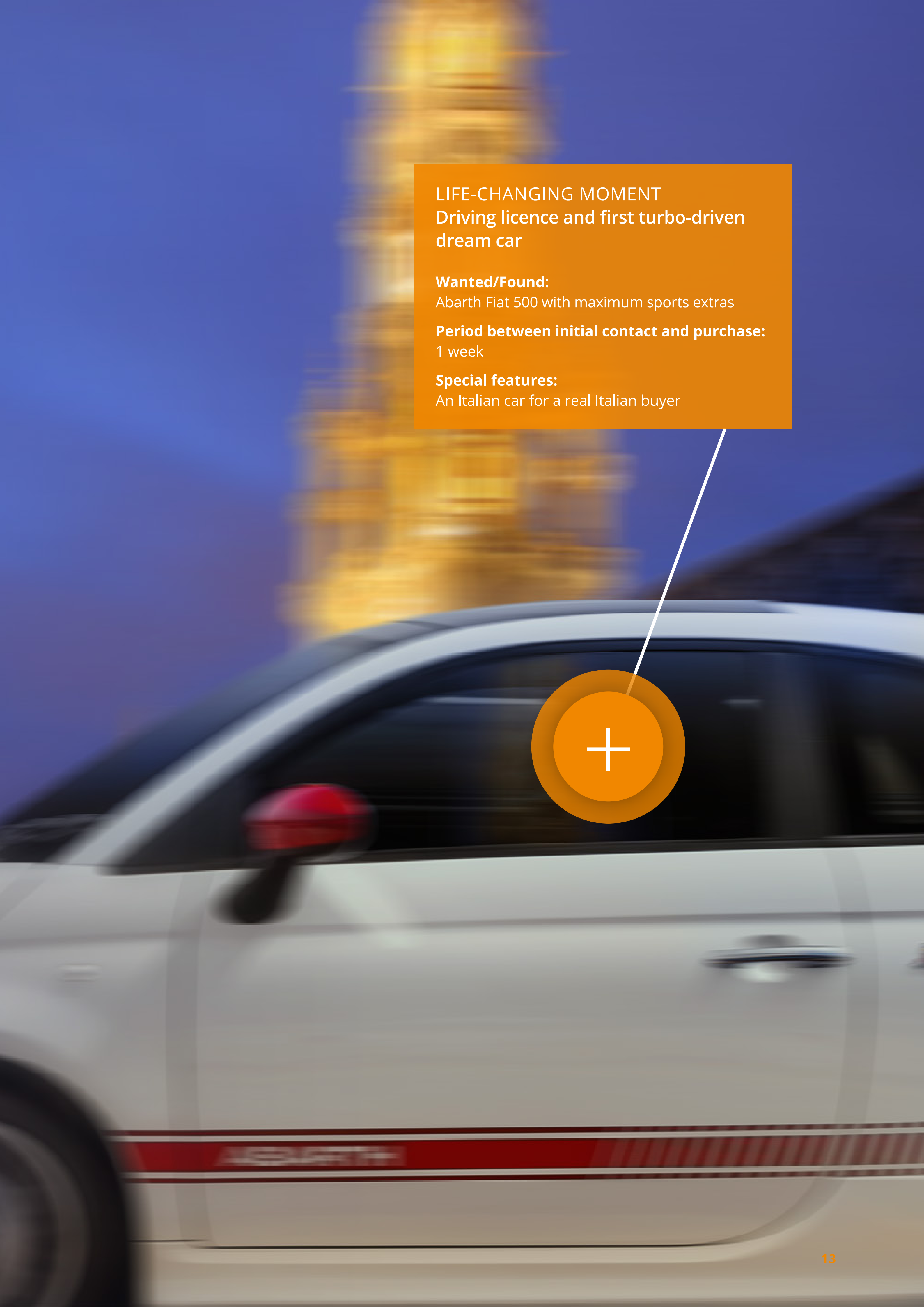
Christian‘s mother doesn‘t allow him to drive her car. She‘s too worried about scratches and scrapes, and traffic fines. And perhaps also because of Christian‘s temperament. So, he needs to get something of his own. When the hotel-manager-to-be first saw an Abarth Fiat 500 on the street, he knew: that is going to be my first car. The name of legendary sports car maker manufacturer "Abarth" – the company with the scorpion logo whose cars have won thousands of races – still stands today for sportiness and for small, temperamental cars. And for pure racing passion.

Although the son of Italian parents still has to take his driving test, Christian already starts to look for his dream car on the website of AutoScout24 Belgium. He gets 100 hits straight away. Full sports extras are very important to Christian – so that leaves five cars. Out of these five cars, he goes to inspect one at the dealer‘s – a magical moment for this car-mad, auto racing sports fan.

Having a genuine Italian car as his first car pleased him. And super-sporty as well, which is clear to see from the car‘s exterior. The small black-and-white car is four years old, has just 35,000 kilometres on the clock, and comes with full sports extras: large light-metal rims, imposing side sills, an air intake stretching across the entire car front, double exhaust pipes, rear diffuser, as well as sports seats and turbo engine. When the 500 starts up, it sounds like a Ferrari. Christian would never have found such a car for this price anywhere other than at AutoScout24. He is over the moon. A car almost like one from his favourite film, "The Fast and the Furious".

Full speed into a new phase of life

From the initial search until the purchase of car took hardly longer than a week. And his plan succeeded: just in time for passing his driving test, Christian already has his dream car parked in front of the house. Christian is also sure that his last year of training will also fly by. He will then join his parents‘ restaurant business to ensure that business there continues to run well in the future – at least as well as his new car.



LIFE-CHANGING MOMENT

Driving licence and first turbo-driven dream car

Wanted/Found:
Abarth Fiat 500 with maximum sports extras

Period between initial contact and purchase:
1 week

Special features:
An Italian car for a real Italian buyer

DR. WERNER REICHERT (66), NOW-RETIRED CHEMIST FROM DEIDESHEIM

Off-road with a pension

Werner Reichert was already crazy about cars as a young boy. While other boys of his age pushed toy cars around, he was paying a visit to his father who worked in a car showroom – selling real cars. And it was a real car that Werner wanted, too. Straight after completing school and passing his driving test, Werner – originally from Germany's Palatinate region – saved up enough money for the first car of his own – and in the early 1970s, what else but a Volkswagen Beetle?

On and off road: A rep's life on the road

An affinity with driving and a passion for cars accompanied the chemist during his entire professional life. Werner spent a lot of time on the road as a commercial representative, first in environmental protection and later in the medical laboratory area. He drove a total of around 15 different private and company cars during his professional life. SUVs particularly attracted him.

Werner discovered the fun of off-road driving. Always with care, of course. Finally, by the mid-90s, Werner was imparting driving safety instruction sessions at the Hockenheimring in his spare time, including in the motion and braking simulator. And it's only a short way from the Hockenheimring to off-road. Off-road driving became his hobby.

Now it's his

The end of his professional life in early 2015 represents the start of a new life for the chemist. For the former salesman, it also means: Goodbye, company car! Hello, private car! Werner enjoys his search on AutoScout24. For more than half a year, he monitors offers on the platform. Then he's ready. Werner finds exactly what he's looking for: a second-hand BMW X3. The diesel SUV has all the extras he wants: four-wheel-drive, automatic transmission, satnav, climate control and lots more. And soon he is standing in the dealer's showroom. Only a few days pass between his phone call and the first drive in his own car. The first few kilometres in his newly acquired second-hand car feel great. The pride of ownership is what makes it really special. Werner is happy that the car really belongs to him.

The former driving safety instructor isn't inclined to make lots of plans for his retirement – he prefers to "see what life brings his way". Springtime drives along the Weinstrasse, around Sinsheim, and at the Hockenheimring, as well as some light off-road driving are always fun for him – it's there that the four-wheel drive can show just what it's capable of.

LIFE-CHANGING MOMENT
Into retirement with a private SUV

Wanted/Found:
BMW X3 with exactly the right extras

Period between initial contact and purchase:
a few days

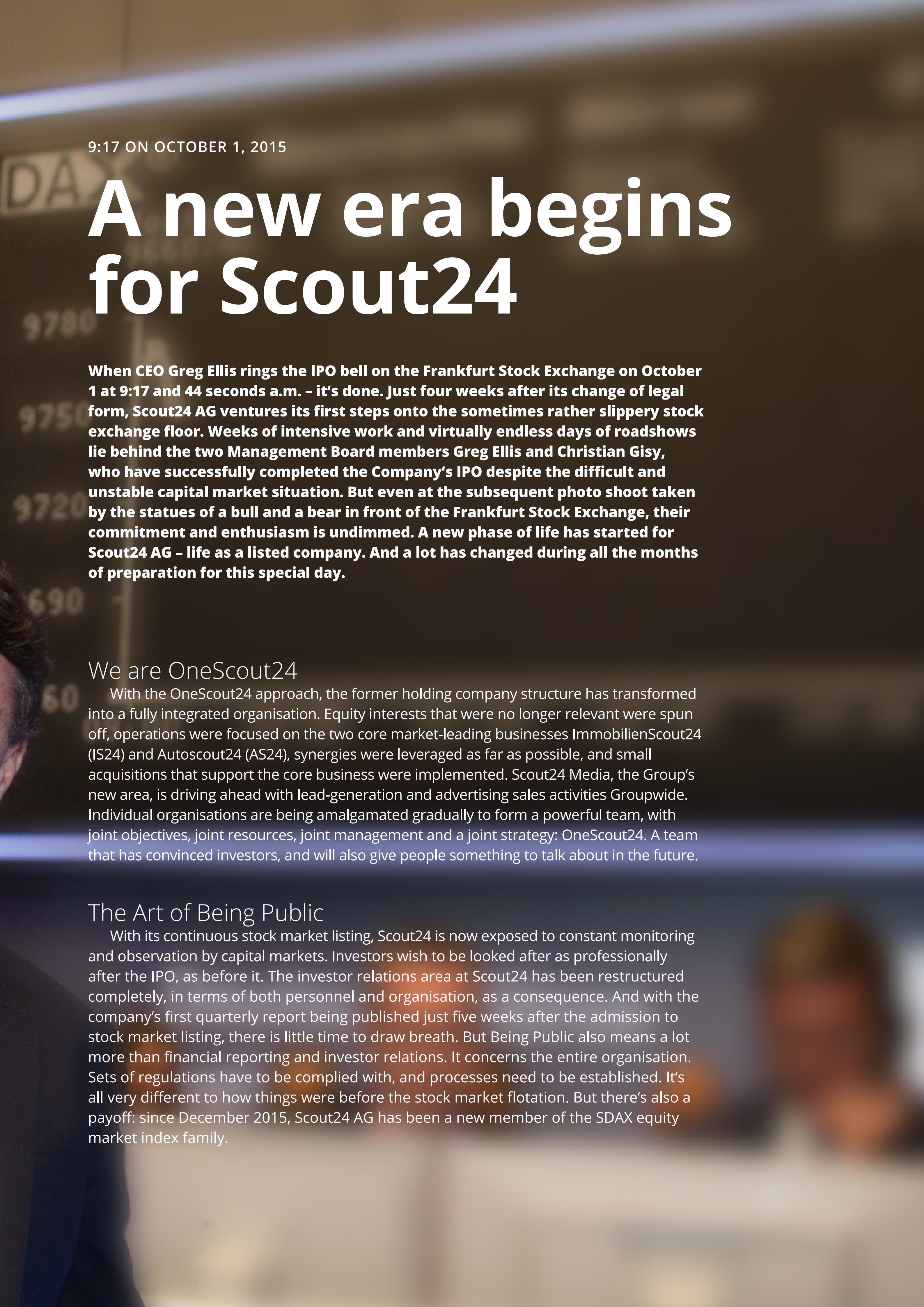
Special features:
For the former driving safety instructor at the Hockenheimring, the balance between safety and driving pleasure has to be right.

LIFE-CHANGING MOMENT
IPO of Scout24 AG

Wanted/Found:
A comfortable little place on the Frankfurt Stock Exchange, first occupancy

Period between initial contact and moving in:
6 months

Special features:
Scout24 received EUR 228 million for debt repayment on moving in (from a capital increase)



9:17 ON OCTOBER 1, 2015

A new era begins for Scout24

When CEO Greg Ellis rings the IPO bell on the Frankfurt Stock Exchange on October 1 at 9:17 and 44 seconds a.m. – it's done. Just four weeks after its change of legal form, Scout24 AG ventures its first steps onto the sometimes rather slippery stock exchange floor. Weeks of intensive work and virtually endless days of roadshows lie behind the two Management Board members Greg Ellis and Christian Gisy, who have successfully completed the Company's IPO despite the difficult and unstable capital market situation. But even at the subsequent photo shoot taken by the statues of a bull and a bear in front of the Frankfurt Stock Exchange, their commitment and enthusiasm is undimmed. A new phase of life has started for Scout24 AG – life as a listed company. And a lot has changed during all the months of preparation for this special day.

We are OneScout24

With the OneScout24 approach, the former holding company structure has transformed into a fully integrated organisation. Equity interests that were no longer relevant were spun off, operations were focused on the two core market-leading businesses ImmobilienScout24 (IS24) and Autoscout24 (AS24), synergies were leveraged as far as possible, and small acquisitions that support the core business were implemented. Scout24 Media, the Group's new area, is driving ahead with lead-generation and advertising sales activities Groupwide. Individual organisations are being amalgamated gradually to form a powerful team, with joint objectives, joint resources, joint management and a joint strategy: OneScout24. A team that has convinced investors, and will also give people something to talk about in the future.

The Art of Being Public

With its continuous stock market listing, Scout24 is now exposed to constant monitoring and observation by capital markets. Investors wish to be looked after as professionally after the IPO, as before it. The investor relations area at Scout24 has been restructured completely, in terms of both personnel and organisation, as a consequence. And with the company's first quarterly report being published just five weeks after the admission to stock market listing, there is little time to draw breath. But Being Public also means a lot more than financial reporting and investor relations. It concerns the entire organisation. Sets of regulations have to be complied with, and processes need to be established. It's all very different to how things were before the stock market flotation. But there's also a payoff: since December 2015, Scout24 AG has been a new member of the SDAX equity market index family.

We want to change something!

At Scout24, we aim to get things moving. Change things, or make them different. Which is why, for us, social commitment is much more than just a project we run. Last year more than 600 Scout24 staff were engaged in social projects during their working time – making things happen, and bringing change about.

Together with partners, we can achieve a lot. Which is why we support selected NGOs in their commitment: with our human resources, know-how, money and other resources. And because frequent get-togethers are a distinguishing feature of good partnerships, we work together particularly with NGOs, associations and initiatives directly at our locations in Munich and Berlin. We have already maintained relationships with some of our partners for several years – and often without a "marriage contract". Sealed with a handshake – with a lot of mutual trust – and with a joint objective and joint work.

Corporate Volunteering has become a focus of our social commitment. Staff work locally for, and together with, our partners. We are an innovative and dynamic IT company. Our employees‘ experience and expertise constitute a valuable asset for us – and for others. Consequently, the "pro bono" transfer of expert knowledge comprises a further important contribution to our Corporate Citizenship (CC) activities.

We encourage all employees at Scout24 to contribute with campaigns and projects. Scout24 has an eight-member Cares Team to coordinate its very varied activities. The team members work in various areas of our company, providing support to CC projects alongside their actual work at Scout24. The team is headed by a CC manager who exclusively looks after Corporate Citizenship for us. The Cares Team are constantly implementing all our employees‘ new activities and suggested projects. This enables us to structure our social commitment increasingly effectively.

"Wanting to make things happen and change things, and do things differently and better – that's the Scout24 spirit. And the way we regard our work is the same way we are committed socially. With head, hands and heart."

– Christian Gisy, CFO

To read our blog:
blog.immobilienscout24.de

Berlin know-how for a good cause

Not-for-profit organisations and associations have a lot – a lot of heart, lots of committed staff, and lots of great ideas. But what they often lack is financial resources – including for further training, for example. Inspired by inquiries from many of our partners, the idea consequently came to us to make our expert knowledge and that of other Berlin companies available pro bono to not-for-profit organisations – in the "Berlin Social Academy". In this very special academy, staff from not-for-profit organisations receive specialist knowledge and training for their mostly voluntary work.

We initiated the Berlin Social Academy in 2013, with the third already being held in 2015. Between October 12 and 15, numerous Berlin companies and staff from not not-for-profit organisations met to swap knowledge and ideas. Participants included the Nature and Biodiversity Conservation Union (NABU), Reporters Without Borders (Reporter ohne Grenzen), the Berlin City Mission (Berliner Stadtmission) and the Education Foundation (Stiftung Bildung), with further training sessions including social media, content marketing, image rights, video communication and crowdfunding.

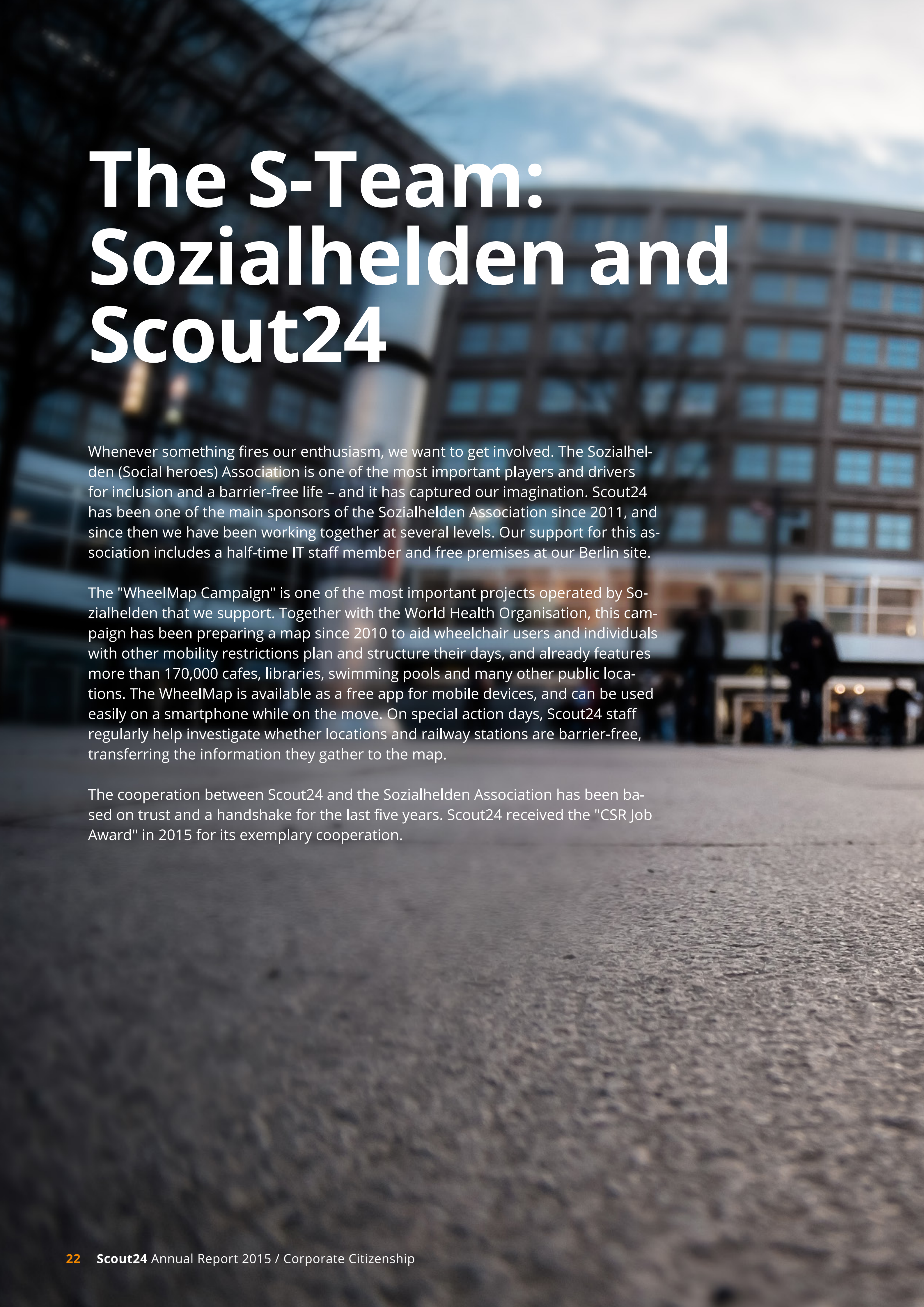
The Social Academy is to be established as a fixed institution in Berlin, and is intended to provide Berlin-based companies and organisations with a forum to develop long-term partnerships. Together, we can tackle social challenges and develop solutions. The Berlin Academy was also held in 2016, already the fourth occasion on which it has convened.

Find out more about our initiative watch
www.berlin-social-academy.de

180+
SUBSCRIBERS

20
WORKSHOPS

Along with Scout24, sponsors of the initiative include Scholz & Friends Reputation and the B.Z. "Berlin Heroes" team. Further partners and sponsors support the Academy. This network for pro bono knowledge transfer from Berlin companies to the city’s civil society is unique. We are proud to have founded this initiative, and to have motivated other companies to join us.

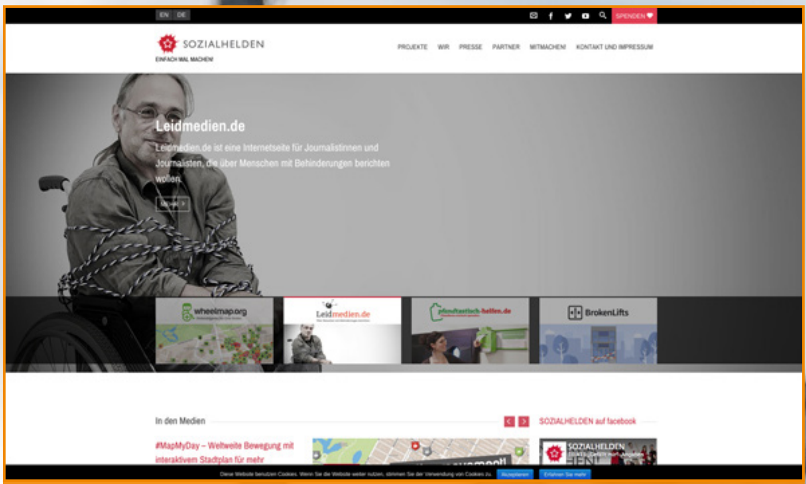


The S-Team: Sozialhelden and Scout24

Whenever something fires our enthusiasm, we want to get involved. The Sozialhelden (Social heroes) Association is one of the most important players and drivers for inclusion and a barrier-free life – and it has captured our imagination. Scout24 has been one of the main sponsors of the Sozialhelden Association since 2011, and since then we have been working together at several levels. Our support for this association includes a half-time IT staff member and free premises at our Berlin site.

The "WheelMap Campaign" is one of the most important projects operated by Sozialhelden that we support. Together with the World Health Organisation, this campaign has been preparing a map since 2010 to aid wheelchair users and individuals with other mobility restrictions plan and structure their days, and already features more than 170,000 cafes, libraries, swimming pools and many other public locations. The WheelMap is available as a free app for mobile devices, and can be used easily on a smartphone while on the move. On special action days, Scout24 staff regularly help investigate whether locations and railway stations are barrier-free, transferring the information they gather to the map.

The cooperation between Scout24 and the Sozialhelden Association has been based on trust and a handshake for the last five years. Scout24 received the "CSR Job Award" in 2015 for its exemplary cooperation.



To find out more about our cooperation visit:
www.sozialhelden.de

First place in the CSR Job Award in the
"Our Cooperation Ventures / NGOs" category

Good things don‘t happen unless you make them happen

What do the following organisations have in common: Himmelbeet interkulturelle Gemeinschaft, Kinderkram-Laden, Berliner Tafel and Kleiderkammer der Bayern-kaserne? Correct. All of these institutions were supported by Scout24 staff in 2015. But not just these, but also lots of other associations, institutions and NGOs equally. On the so-called "Social Day", our staff exchange their desks to work at not-for-profit institutions for a day. This annual day consequently forms the core of our Corporate Volunteering Program, and has already existed in this form since 2011. The range of topics supported by our staff and Scout24 in selected projects ranges from care for children, senior citizens and homeless individuals, through to animal welfare, and educational work and monument conservation.

On the occasion of the Social Day‘s fifth anniversary, the Cares Team and our staff arranged an entire "Social Week" for the first time. During this anniversary week, staff participated at various campaigns related to the topic of social commitment at Scout24. We thereby wanted to say thank you – including for our colleagues‘ energetic and effective commitment, and to our partners of many years‘ standing for our trusting collaboration. For five days, five associations with which we have worked together for five years were supported by daily charity campaigns – and by our employees, and a lot of money-raising ideas for our partners:

- **Immobilienscout24 rounds up**

Every cent counts! During the Social Week, staff had the opportunity at the Scout Casino to round up for a good cause.

- **Wish balloon – starting Social Week**

Let your wishes rise up and away and into the sky! The balloon campaign was the Care Team‘s first campaign five years ago. It marked the starting point for our Corporate Commitment, and was repeated for the opening. Scout24 staff bought hot air balloons, wrote wishes on postcards, attached the postcards to the balloons, and then let them float off into open skies.

- **Commitment Market**

Five partner organisations with which we have already worked together successfully for up to five years presented themselves at the "Commitment Market".

- **Cake fair**

Staff baked for a good cause and sold more than 30 cakes to colleagues.

- **Social Week – Fotobox**

In our Social Week Fotobox, employees got dressed up in costumes, took creative team photos, and then sold the pictures. This money was also donated.

600+ EMPLOYEES

20 WORKSHOPS

Example projects that we supported as part of the 2015 Social Day:

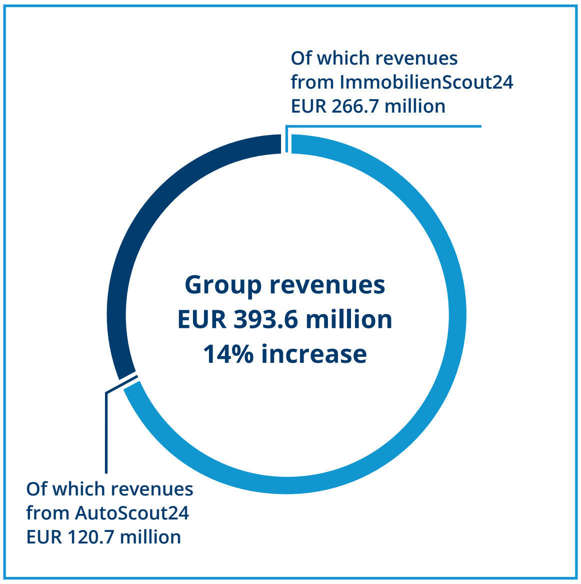
- Himmelbeet interkulturelle Gemeinschaft, Berlin – garden work
- Kinderkram-Laden, Munich – setting up a common room
- Elisabeth Diakoniewerk, Berlin – restoration and improvement works
- Kleiderkammer der Bayerkaserne, Munich – sorting donations
- Berliner Tafel e.V., Berlin – sorting food donations
- Gnadenhof Gut Streiflach, Munich – caring for animals and grounds
- Sportverein Pfefferwerk e.V., Berlin – inclusive volleyball game
- Verein Berliner Büchertisch, Berlin – children's reading festival
- Grips Theater, Berlin – social media consulting
- Jewish Cemetery, Berlin – grave care
- Ronald McDonald Haus, Munich – renovating apartment for families

You can see the video of the Social Day 2015 under following link:
report.scout24.com/socialday

See the link below to find our Fotowall:
walls.io/scout24social

GREG ELLIS
Chief Executive Officer

With Group revenues increasing by 14% to EUR 393.6 million, 2015 was our most successful financial year. This revenue growth was primarily driven by the strong performance of our two core businesses Immobilien-Scout24 and AutoScout24.



Letter from the CEO

In 2015, the Company underwent an exciting journey where we passed some important milestones, setting the scene for our future growth. The Initial Public Offering on Frankfurt Stock Exchange with Scout24 AG shares starting to trade on October 1st, 2015 probably was the most marking event, which significantly changed the life of our Company and our people.

Preparations had started back in 2014, when Deutsche Telekom sold the major stake in our business to a group of private equity investors led by Hellman & Friedman. In the sequel we underwent a thorough strategic review and realignment of our business. As a consequence, we streamlined our product portfolio, concentrating on our two core market-leading businesses ImmobilienScout24 (IS24) and Autoscout24 (AS24) and we divested businesses that no longer fitted our strategy. Moreover, we started to transform from a mere holding structure to a fully-integrated organization with shared central functions, shared knowledge and best practices across all of our businesses.

This is what we call the "OneScout24" approach, designed to realize synergies from a closer operational integration of our main businesses and to foster our positioning as a leading and data driven market place in Germany and Europe. We have launched a number of initiatives to pool our resources for our vertical companies to become stronger, faster and even more successful - for sustainable future growth in both revenues and earnings. With this new structure and spirit, we have built a clearly focused and dynamic Group with high growth potential, representing an attractive investment opportunity for shareholders all over the world.

See infographics „OneScout24“ ↘ Page 6

The approach to the stock market in strongly volatile times was a quite demanding venture. Nevertheless, we have achieved an issue price of 30.00 Euro per share, slightly above mid of the bookbuilding range, valuing the company at some 3.2 billion Euro. We have generated some 228 million Euro for the repayment of debt, we have been included in the SDAX, and the share price is performing rather stable in the recently adverse market environment. Hence, the IPO was a great success, which we intend to justify by our future operating development.

As for our operating performance in fiscal year 2015, our hard work has started to pay off and, with our 2015 financial results, we demonstrated our ability to deliver sustainable and profitable revenue growth. Group revenues have grown by 14 percent to 393.6 million Euro, making 2015 the most successful year of our history. This growth was driven by the strong performance in both our core businesses. Total visits went up to around 64 million for our IS24 portal and to around 39 million for our AS24 portal in Germany, confirming our decision to concentrate on these two segments. Our ordinary operating Group EBITDA was up to a record high of 189.6 million Euro (2014: 148.6 million Euro), raising the margin by 5.2 percentage points to 48.2%. While these figures are quite impressive in themselves, I want to stress, that our journey is not over. It has only just started, with good progress having been made in 2015.

The improvement of our business model through the OneScout24 approach is well under way. We have sharpened the picture of how we want to work: being agile, data-driven, one team and winning. We are in the process of building an integrated IT operations organization, uniting the two infrastructure teams of Berlin and Munich, in order to harmonize our technology platforms' consumer proposition - staying focused on engaging with our consumer through more personalized offers, making the process more efficient and lives easier. We have extended our management team and evolved into a technology leadership team. We are becoming more international, promoting diversity within our teams and driving innovation.

So 2016 will see us with the required structures and people to get Scout24 to the next level: "from classifieds to market networks".

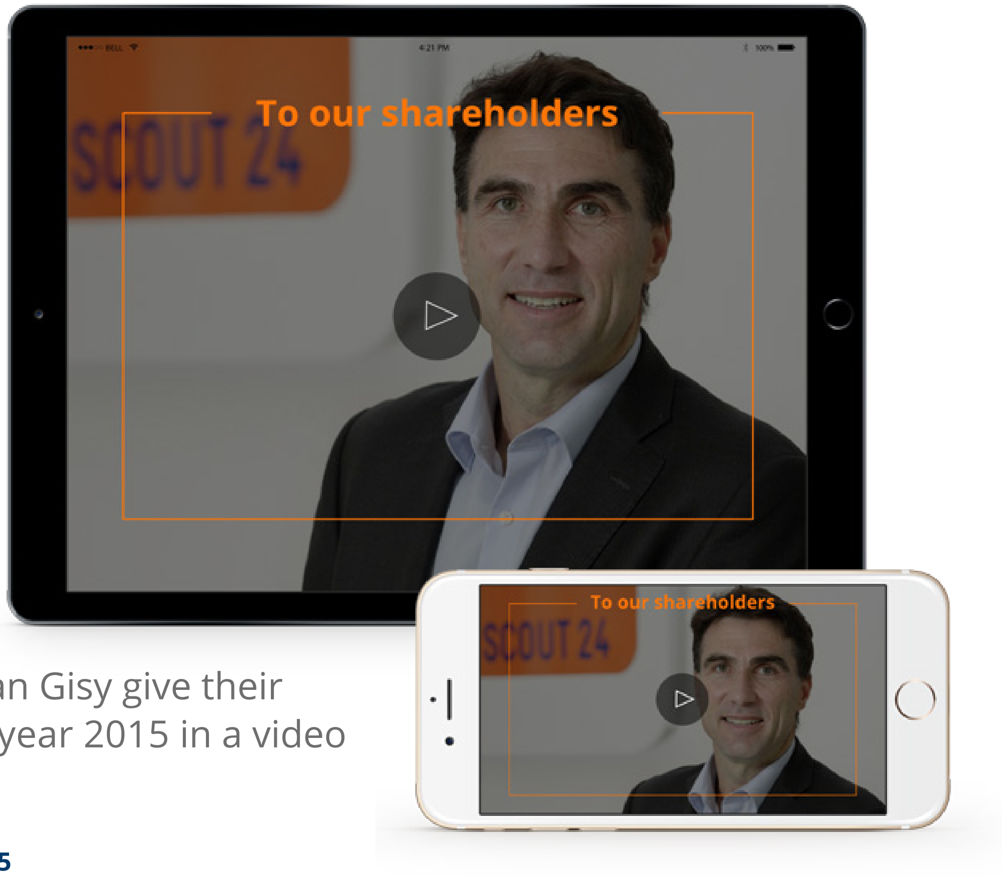
Visitors on Germany's market leading real estate portal IS24 (approximately 12 million unique monthly visitors on average in 2015) are not only searching for their new home, but also looking for the best way to finance their property, planning their relocation, or organizing their documents to apply for their dream flat in a popular area. Around 6.5 million unique visitors come to Europe's leading automotive platform AS24 each month in Germany only to find their favorite car or sell their vehicle. With the acquisition and integration of Easyautosale.com in 2015, AS24 has expanded its services for private car sellers. So, we have huge traffic on our websites that is just waiting to be converged into new business opportunities and money. With Scout24 Media, we are implementing a new comprehensive function, which will support all our ad sales activities, regardless of whether they are launched on our IS24 or AS24 platform. There are large adjacencies that expand our addressable market and growth opportunities to build consumer networks around our real estate and automotive value chains and we are ready to seize them in order to turn Scout24 into a world class modern digital business.

To get there, we are highly committed to support our users in their life changing moments – be it buying or renting a new home or finding their dream car.

Of course, all this would not be possible without the right people. So, I would like to express my sincere thanks to all our employees here at Scout24 for their contribution to our great operating success in 2015 and for bringing our idea of OneTeam to life.

Yours sincerely,

Gregory Ellis
CEO, Scout24 AG



Greg Ellis and Christian Gisy give their view on the financial year 2015 in a video statement.

report.scout24.com/video2015

Supervisory Board Report

The following individuals were appointed to the Supervisory Board upon the company's change of legal form from a limited liability company (GmbH) to a stock corporation (AG) on September 4, 2015: Stefan Goetz, Patrick Healy, Blake Kleinman, Thorsten Langheim, Alexander Graf Matuschka von Greiffenclau, Robert D. Reid, David Roche, Dr. Liliana Solomon and Vicente Vento Bosch.

Supervisory Board members

Name **Function**	**Profession**	**Member since**	**Appointed until**	**Other board positions in 2015**
Stefan Goetz Vorsitzender	Managing Director of Hellman & Friedman LLC, San Francisco, USA	September 4, 2015	AGM 2020	Verisure Holding AB, Malmö, Sweden and certain related entities in the holding structure of Securitas Direct AB, Malmö, Sweden (Member of Board of Directors); Asa HoldCo GmbH, Frankfurt am Main, Germany (Member of Board of Directors); Asa GP GmbH, Frankfurt am Main, Germany (Member of Board of Directors); Immobilien Scout GmbH, Berlin, Germany (Member of the Supervisory Board, until December 2015)
Patrick Healy Deputy Chairman (from September 4 to September 17, 2015 and from November 24, 2015; between September 17 and November 24, 2015: ordinary member)	Managing Director (Deputy CEO) of Hellman & Friedman LLC, San Francisco, USA	September 4, 2015	AGM 2020	TeamSystem Holding S.p.A., Pesaro, Italy and certain related entities in the holding structure of TeamSystem S.p.A., Pesaro, Italy (Member of Board of Directors, since March 2016); Verisure Holding AB, Malmö, Sweden and certain related entities in the holding structure of Securitas Direct AB, Malmö, Sweden (Member of Board of Directors); Web Reservations International Limited and certain subsidiaries, Dublin, Ireland (Member of Board of Directors, until October 2015); H&F Nugent 1 Limited, Edinburgh, UK and certain related entities in the holding structure of Wood Mackenzie Limited, Edinburgh, UK (Member of Board of Directors, until May 2015)
Blake Kleinmann Supervisory Board Member	Managing Director of Hellman & Friedman LLC, San Francisco, USA	September 4, 2015	AGM 2020	Asa HoldCo GmbH, Frankfurt am Main, Germany (Member of Board of Directors); Asa GP GmbH, Frankfurt am Main, Germany (Member of Board of Directors); H&F Sensor EquityCo Limited, Halifax, UK and certain related companies in the holding structure of SSP Holdings Limited, Halifax, UK (Member of Board of Directors, until March 2015); Barolo Midco S.p.A., Pesaro, Italy and certain related companies in the holding structure of TeamSystem S.p.A, Pesaro, Italy (Member of Board of Directors, since March 2016); H&F Nugent 1 Limited, Edinburgh, UK and certain related entities in the holding structure of Wood Mackenzie Limited, Edinburgh, UK (Member of Board of Directors, until May 2015)
Thorsten Langheim Supervisory Board Member	Senior Vice President Group Corporate Development of Deutsche Telekom AG, Bonn, Germany	September 4, 2015	AGM 2020	T-Mobile US, Inc., Bellevue, USA (Member of Board of Directors); T-Systems International GmbH, Frankfurt am Main, Germany (Member of Supervisory Board); Deutsche Telekom Strategic Investments GmbH, Bonn, Germany (Member of Supervisory Board); Deutsche Telekom Venture Funds GmbH, Bonn, Germany (Member of Supervisory Board)
Alexander Graf Matuschka von Greiffenclau Supervisory Board Member	Group Chief Performance Officer of VimpelCom Limited, Amsterdam, Netherlands	September 4, 2015	AGM 2020	Nokia Networks, Munich, Germany (Chief Restructuring Officer, Chief Transformation Officer, Member of the Executive Board, up to June 2015)
Robert D. Reid Supervisory Board Member	Senior Managing Director of The Blackstone Group International Partners LLP, London, UK	September 4, 2015	AGM 2020	Intelenet Global Services Private Limited, Mumbai, India (Member of the Board of Directors, since February 2016)
David Roche Supervisory Board Member	Executive chairman of goHenry Limited, Lymington, UK	September 4, 2015	AGM 2020	–
Dr. Liliana Solomon Supervisory Board Member	Member of the Management Board (CFO) of Unify Deutschland GmbH & Co. KG, Munich, Germany	September 4, 2015	AGM 2020	–
Vicente Vento Bosch Supervisory Board Member (from September 17 to November 24, 2015: Deputy Chairman)	Chief Executive Officer of Deutsche Telekom Capital Partners Management GmbH, Hamburg, Germany	September 4, 2015	AGM 2020	Deutsche Telekom Strategic Investments GmbH, Bonn, Germany (Chairman of the Supervisory Board); Deutsche Telekom Venture Funds GmbH, Bonn, Germany (Chairman of the Supervisory Board); Deutsche Telekom Capital Partners Fund GmbH, Hamburg, Germany (Managing Director); Strato AG, Berlin, Germany (Chairman of the Supervisory Board); Telekom Innovation Pool GmbH, Bonn, Germany (Member of other governing body / Beirat, since March 2015); Ströer Management SE, Dusseldorf, Germany (Member of of the Supervisory Board, since October 2015); Ströer SE, Cologne, Germany (Member of of the Supervisory Board, since November 2015); Interactive Media CCSP GmbH, Darmstadt, Germany (Chairman of the Supervisory Board, up to November 2015); Immobilien Scout GmbH, Berlin, Germany (Member of the Supervisory board, up to December 2015)

Supervisory Board Committees

Executive Committee

Name	Position
Stefan Goetz	Chairman
Patrick Healy	Member
Alexander Graf Matuschka von Greiffenclau	Member
Vicente Vento Bosch	Member

Audit Committee

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

Vom 17. September bis 1. Dezember 2015:

IPO Committee

Name	Position
Stefan Goetz	Chairman
Patrick Healy	Member
Robert D. Reid	Member
Vicente Vento Bosch	Member

Dear Shareholders,

Info on IPO
Investor Relations
↘ Page 38

Alongside a consistently positive business performance, the 2015 fiscal year also witnessed numerous structural changes at Scout24 AG (previously: Asa NewCo GmbH). Among others, these include the change in the company's legal form to a stock corporation (AG) and the IPO in September/October 2015. In the context of this change in legal form, the shareholders also elected a nine-member Supervisory Board. The Supervisory Board members have held their positions since September 4, 2015. Their terms in office last until the end of the Annual General Meeting that resolves on the formal approval of their acts (Entlastung) for the fourth fiscal year after the beginning of the term in office. The year in which the term in office begins is not counted. Thus, the members of the Supervisory Board will be in office until the end of the Annual General Meeting in the year 2020. The following report mainly provides information about the activities of the Supervisory Board in the months from September to December of the fiscal year 2015.

Since its election on September 4, 2015, 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. All members of the Supervisory Board and its Committees took part in the plenary meeting of the Supervisory Board on September 4, 2015. Four meetings of the Supervisory Board and its committees were held by way of a conference call on September 17, 27, and 30, 2015 as well as on December 1, 2015. Principally, these meetings were also attended by each individual member of the respective bodies, with the exception of the meeting on September 17, 2015, where two members of the Supervisory Board were excused and submitted their vote in writing, and the meeting on September 27, 2015 where one member of the Supervisory Board was excused and submitted its vote in writing. A written resolution was made on November 24, 2015.

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 Supervisory Board and Management Board

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 thus met all of its reporting obligations towards the Supervisory Board in the relevant period. The Supervisory Board and its committees were involved in all material business transactions and decisions of fundamental significance for the Company.

In the four months from September 4 to December 31, 2015 - as mentioned before - the Supervisory Board held a total of one plenary meeting actually attended in person and the Supervisory Board and its committees held another four meetings by way of conference calls, and also adopted one resolution in writing. The Supervisory Board members always had sufficient time to critically review the information provided by the Management Board and contribute their own opinions. At the meetings, the information were discussed in detail with the Management Board and checked for plausibility. The Supervisory Board granted its approval for individual transactions wherever it was required by law, the Company's Articles of Association or the codes of procedure for the Management Board and the Supervisory Board. The cooperation with the Management Board was characterized in every respect by responsible and purposeful action.

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 performance, 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 the first meeting, held on September 4, 2015, the Supervisory Board dealt with the election of the Supervisory Board Chairman and his Deputy, the appointment of members of the Management Board, the adoption of codes of procedure for the Supervisory Board, the Management Board, the Audit Committee and the Executive Committee and also elected the members of the Executive Committee and the Audit Committee. Furthermore, the Supervisory Board also set targets for the proportion of women in the Supervisory Board and the Management Board.

At the second meeting, held on September 17, 2015, the Supervisory Board elected a new Deputy Chairman for the Supervisory Board to replace Patrick Healy, who had stood down from this position, and dealt with the planned execution of the IPO. Moreover, the Supervisory Board decided to form an IPO Committee and elected its members.

At the meeting on September 27, 2015 the Supervisory Board approved the execution of the capital increase previously resolved by the Company's Annual General Meeting on September 17, 2015 and adjusted the wording of the Company's Articles of Association accordingly. The meeting on September 27, 2015 also adopted a resolution concerning the employment contracts with the Management Board members. In addition, the Supervisory Board addressed the compensation of the Management Board members and the salary level of the top management tier. The Supervisory Board also discussed the Declaration of Conformity with the German Corporate Governance Code and adopted a resolution in this respect.

By written resolution adopted on November 24, 2015 the Supervisory Board once again elected Patrick Healy as Deputy Supervisory Board Chairman to replace Vicente Vento Bosch, who had stood down from this role.

At the meeting on December 1, 2015, the Supervisory Board held extensive discussions together with the management concerning the company's financial situation. The Supervisory

Board discussed and adopted the budget for 2016 and approved the introduction of a phantom stock program for certain members of the management. Further topics included corporate governance, and here in particular the adoption of a resolution introducing new codes of procedure for the management at Immobilien Scout GmbH and Autoscout24 GmbH. The IPO Committee was also dissolved on this occasion. The Executive Committee was commissioned to deal with the targets for the one-year and the multiyear variable compensation for the members of the Management Board of Scout24 AG. Finally, the business performance of the segments ImmobilienScout24 GmbH and AutoScout24 GmbH was discussed in detail with the management.

Name	Sitzungsteilnahmen	Bemerkungen
Stefan Goetz	5/5	
Patrick Healy	5/5	
Blake Kleinman	4/5	not September 27, 2015
Thorsten Langheim	4/5	not September 17, 2015
Alexander Graf Matuschka von Greiffenclau	4/5	not September 17, 2015
Robert D. Reid	5/5	
David Roche	5/5	
Dr. Liliana Solomon	5/5	
Vicente Vento Bosch	5/5	

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 prepare the resolutions for the Supervisory Board and agenda items that are to be dealt with by the Board plenum. 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 always in the subsequent Supervisory Board Meeting. At its meeting on December 1, 2015, the Supervisory Board dissolved the IPO Committee previously formed on September 17, 2015. Its task had been to see to the orderly preparations of the IPO, so that keeping up the committee was not useful.

The IPO Committee held one meeting by way of a conference call on September 30, 2015 and in this meeting determined the issue price for the IPO.

The Audit Committee deals in particular with monitoring the financial reporting process, the effectiveness of the internal control system, the risk management system and the internal audit system, the audit of the financial statements, and here in particular the independence of the auditor, the additional services performed by the auditor, the granting of the audit assignment to the auditor, the setting of audit focuses and the fee agreement, and compliance.

According to the German Stock Corporation Act (Articles 107 section 4, 100 section 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. Liliana Solomon, meets these legal requirements and has also additional expertise in the fields of financial planning and controlling. Moreover, Dr. Liliana Solomon also meets the criteria set out in item 5.3.2 sentences 2 and 3 of the German Corporate Governance Code. In addition to the Chair the Audit Committee comprises the Supervisory Board members Blake Kleinman, Robert D. Reid and Vincente Vento Bosch.

In the year 2015, the Audit Committee did not hold any meetings.

The Executive Committee prepares the meetings of the full Supervisory Board and sees to ongoing matters arising between meetings. It is required in particular to prepare the Supervisory Board decisions in the fields of corporate governance and the draft resolutions for intended appointments or dismissals and - in its capacity as a Remuneration Committee - for the compensation of Management Board members. In its capacity as Nomination Committee, the Executive Committee is also responsible for compiling a list of potential candidates for the Supervisory Board to be elected by the Annual General Meeting of Shareholders.

The Chairman of the Executive Committee is Stefan Goetz. Alongside the Chairman, the Committee also includes the following members of the Supervisory Board: Vincente Vento Bosch, Patrick Healy, and Alexander Graf Matuschka von Greiffenclau.

In the year 2015, the Executive Committee did not yet hold any meetings.

Corporate Governance and Declaration of Conformity

At its inaugural meeting on September 4, 2015, the Supervisory Board held extensive discussions about the Company's corporate governance and to this end adopted the codes of procedure for the Supervisory Board, the Management Board, the Executive Committee, and the Audit Committee.

At its meeting on September 27, 2015, the Supervisory Board dealt further with corporate governance, and in particular with the Company's compliance with the German Corporate Governance Code and adopted the Declaration of Conformity. The full text of this declaration 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 set out in the German Corporate Governance Code when nominating their own 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 September 4, 2015, the Supervisory Board resolved, among others, that the Supervisory Board should include at least one female member, with a transposition deadline on June 30, 2017. This reflects the current status. Also on September 4, 2015, the Supervisory Board has resolved a target for the proportion of women in the Management Board of Scout24 of 0%, with a transposition deadline on June 30, 2017. This reflects the current status.

For the first management tier below the Management Board, the Management Board of Scout24 AG has resolved a target for the proportion of women of one fourth, with a transposition deadline at the end of June 30, 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 a transposition deadline at the end of June 30, 2017. The target for the second management tier represents an increase of the proportion of women, which is currently at 9%. The transposition deadline makes full use of the legally permissible bounds for the first-time determination of a transposition deadline.

The Supervisory Board most recently dealt with corporate governance at the Scout24 Group in its meeting on December 1, 2015 and approved new codes of procedure for its material subsidiaries Immobilien Scout GmbH and Autoscout24 GmbH.

Audit of financial statements and annual financial statements

Upon the Company's change of legal form, by resolution dated September 4, 2015 the Company's shareholders confirmed the appointment of PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft (PWC), Munich, which had already been issued previously for ASA NewCo GmbH, as auditors for the fiscal year ending on December 31, 2015. The appointment also involves appointment as auditors of the consolidated financial statements for the fiscal year ending on December 31, 2015. PWC audited the annual financial statements prepared by the Management Board in accordance with the requirements of the German Commercial Code (HGB) for the fiscal year from January 1, 2015 to December 31, 2015 and the management report of Scout24 AG, which is combined with the group management report. The auditor, PricewaterhouseCoopers Aktiengesellschaft, granted an unqualified audit opinion. The consolidated financial statements of Scout24 AG for the fiscal year from January 1, 2015 to December 31, 2015 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. The auditor also 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 financial statement documents and the audit reports were discussed in detail at the meetings of the Audit Committee and the Supervisory Board on March 16, 2016 and March 17, 2016. The auditors from PWC 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. The Chair of the Audit Committee reported extensively at the plenary meeting of 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 objections to the docments thereby submitted. The Supervisory Board therefore followed the recommendation made by the Audit Committee and concurred with the findings of the audit by the auditors. By resolution dated March 17, 2016, the Supervisory Board then approved the annual financial statements and consolidated financial statements of Scout24 AG for the 2015 fiscal year. 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 fiscal year 2015 (dependency report) according to Article 312 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:

1. the factual statements of the report are correct,

2. the consideration paid by the Company for the legal transactions stated in the report was not inappropriately high,

3. 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 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 of the Group's employees for their dedication and for the outstanding commitment they showed in the fiscal year 2015. It was their efforts that enabled us to successfully implement the structural changes at the Group and at the same time maintain the company's growth story.

Munich, March 2016

Scout24 AG

Stefan Goetz
Supervisory Board Chairman

Corporate governance

www.scout24.com

The Management and Supervisory Boards of Scout24 place great emphasis on responsible corporate management with a focus on long-term success, and are committed to the recommendations specified in the German Corporate Governance Code. The Corporate Governance Report, including the corporate governance declaration according to Section 289a of the German Commercial Code (HGB), is available on our corporate website (www.scout24.com) in the section Investor Relations/Corporate Governance.

Investor relations

The shares of Scout24 AG, Munich have been listed on the Frankfurt Stock Exchange (Prime Standard segment) since October 1, 2015. As part of the initial public offering from September 21 to September 30, 2015, the Company placed a total of 7,600,000 shares from a capital increase, and 26,000,000 shares from existing shareholders, among German and international investors. The greenshoe option granted to the underwriters by the Main Selling Shareholders (Asa HoldCo GmbH, Frankfurt am Main, merged with Willis Lux Holdings 2 S.à r.l., Luxembourg, in February 2016, and Deutsche Telekom AG, Bonn) to cover potential over-allotments was exercised for 552,556 shares, leading to a free float of 31.74%. At the issue price of EUR 30.00, the Company received gross proceeds from the capital increase of EUR 228 million.

Scout24 AG has been included in the SDAX since December 21, 2015.

IPO data

Issue volume (after execution of greenshoe option on October 30, 2015)	EUR 228.0 million; 7,600,000 shares from capital increase; EUR 796.6 million; 26,552,556 shares from existing shareholders;
Subscribed capital after IPO	EUR 107,600,000
Offer period	21.09.2015 – 30.09.2015
Book-building range	EUR 26.50 – 33.00
First trading day	01.10.2015
Issue price	EUR 30.00
First price	EUR 30.75
Market capitalisation at issue price	EUR 3,228.0 million
Free float	31,7 %
Joint Global Coordinators and Joint Bookrunners	Credit Suisse, Goldman Sachs International
Joint Bookrunners	Barclays, Jefferies, Morgan Stanley

The Scout24 share

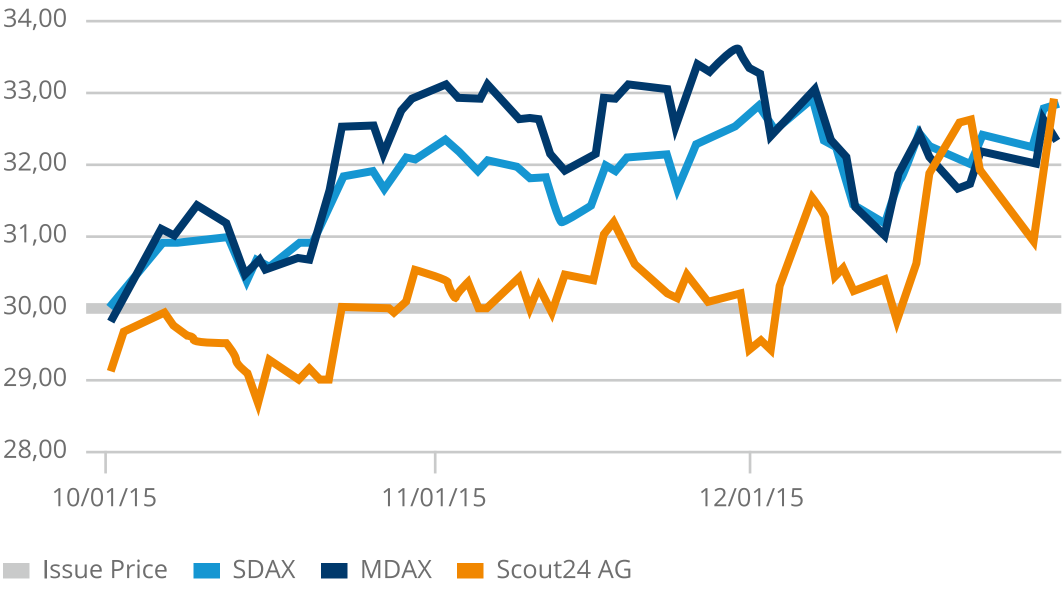
Basic data

Type of shares	Registered shares (no-par value)
Stock Exchange	Frankfurt Stock Exchange
Other trading platforms	XETRA, Frankfurt, Berlin, Dusseldorf, Hamburg, Munich, Stuttgart
Transparency level	Prime Standard
Shares outstanding	107,600,000
Subscribed capital	EUR 107,600,000
ISIN	DE000A12DM80
WKN (German Securities Identification Number)	A12DM8
Ticker symbol	G24
Specialist	ODDO Seydler Bank AG
Designated Sponsors	Credit Suisse, Goldman Sachs
Paying agent	Deutsche Bank
Share price as of 31.12.2015	EUR 32.925
52-week high*	EUR 32.925
52-week low*	EUR 28.67
Market capitalisation as of 31.12.2015	EUR 3,542.7 million
Average daily trading volume (52 weeks until 3l.12.2015)*	196,993 shares/day

* in each case from start of trading on October 1, 2015 to December 31, 2015

Following the successful initial public offering, the share price of Scout24 AG has reported a stable overall trend in a difficult and volatile market environment during 2015. Starting from the issue price of EUR 30.00 the share price reached its 2015 year low of EUR 28.67 on October 15, 2015. The share then traded around the issue price, before the inclusion in the SDAX provided strong impetus for the share price performance in December 2015. Consequently, the share price ended the year on December 30, 2015 at its year-high of EUR 32.93, an appreciation of 9.8% compared to the issue price. The relevant benchmark indices for Scout24, the SDAX and the MDAX, showed an increase of 9.5% and 7.8% respectively in the same period, so that they were even slightly outperformed by the Scout24 share.

Share price of Scout24 (indexed)



Investor relations activities

Investor relations activities in the 2015 financial year were characterized mainly by the initial public offering (IPO). Firstly, the Company had to establish the necessary organizational structures to meet the capital market requirements, including amongst others the staffing of the investor relations department, the development of the investor relations website, the expansion of the risk management and compliance departments, the establishment of an ad hoc committee from members of the departments of investor relations, corporate communications, legal and compliance, which supports and advises the Management Board on ad hoc disclosures and much more. Secondly, there were numerous tasks to perform related to the preparation and execution of the initial public offering, including the preparation of the securities prospectus, the analyst and road show presentation, as well as a number of investor relations news releases surrounding the IPO. On September 7, 2015, we announced our intention to float, and on September 10, Asa NewCo GmbH changed its name and legal form to Scout24 AG. On September 18, 2015, the bookbuilding range for the IPO was set at between EUR 26.50 and EUR 33.00 per share. In the course of the IPO road show from September 18 to 29, 2015, the members of the Management Board held more than 50 one-on-one meetings, as well as numerous group meetings with investors in three countries. At the end, these activities resulted in the successful IPO at an issue price of EUR 30.00 per share.

The start of trading of the shares on October 1, 2015, also marked the beginning of the day-to-day investor relations work. Scout24 informed investors, analyst and other interested capital market participants in numerous press and IR releases, as well as conference calls and one-on-one meetings about the Company's further development. Already on November 11, Scout24 published its first quarterly financial report informing about business progress in the first nine months of the 2015 financial year. In this context Scout24 also offered a conference call with the Management Board for interested investors, analysts and other capital market participants. From November 12 to 13, 2015, Scout24 took part in the Morgan Stanley – European TMT Conference in Barcelona, and also informed interested investors there about business trends in the first nine months of the 2015 financial year.

In the future, Scout24 will continue to communicate its business development transparently, and to maintain constant dialogue with the capital market participants, including participation in conferences, road shows, as well as one-on-one discussions and meetings. All data regarding the business development and the share as well as annual and interim reports, press releases, Company presentations and the financial calendar are available in the investor relations section of our corporate website.

Analyst coverage

Moreover, investors may also view estimates and recommendations of several independent research analysts. The following analysts cover Scout24 currently:

Broker
Barclays / Credit Suisse / Goldman Sachs / J.P. Morgan / Jefferies / MainFirst / Morgan Stanley

Analyst
Andrew Ross / Joseph Barnet-Lamb / Alexander Balakhnin / Marcus Diebel / David Reynolds / Christoph Sandner / Andrea Ferraz

Shareholder structure

The shareholder structure of Scout24 as of December 31, 2015 was as follows:

Shareholder	**Number of shares**	**in %**
Asa HoldCo GmbH (merged with Willis Lux Holdings 2 S.à r.l. in February 2016)	52.305.851	48,61 %
Deutsche Telekom AG	14.387.777	13,37 %
MEP Ord GmbH & Co. KG	3.513.627	3,27 %
German BMEP Ord GmbH & Co. KG	257.400	0,24 %
Scout Lux Management Equity Co S.à r.l.	2.982.787	2,77 %
Free float	34.152.556	31,74 %
Total	107.600.000	100,00 %

MEP Ord GmbH & Co. KG is an investment vehicle held by certain current and former managers of the Group (as limited partners). German BMEP Ord GmbH & Co. KG is an investment vehicle held by certain members of the Supervisory Board of Scout24 AG (as limited partners). Another limited partner of MEP Ord GmbH & Co. KG and German BMEP Ord GmbH & Co. KG in each case is Scout Lux Management Equity Co S.à r.l., which is owned indirectly by Hellman & Friedman and Blackstone (70%) as well as Deutsche Telekom (30%).

Combined management and Group management report of Scout24 Group and Scout24 AG

Note to the reader

As per February 12, 2014, Scout24 Group under the former holding company Scout24 Holding GmbH, Munich ("Scout24 Holding") underwent a change in ownership. Asa Hold-Co GmbH, Munich, (merged with Willis Lux Holdings 2 S.à r.l. in February 2016), whose ultimate shareholders are investment funds who are advised by affiliates of Hellman & Friedman LLC and The Blackstone Group L.P., acquired 70 percent of the shares in the Company from Deutsche Telekom AG, Bonn. As part of the transaction, Scout24 Holding became a wholly-owned subsidiary of Asa NewCo GmbH ("Asa NewCo", now: Scout24 AG, Munich). As one result of these changes, Scout24 AG, Munich had a short financial year from November 8, 2013 to March 31, 2014. The next financial year comprised the nine-month period from April 1, 2014 to December 31, 2014. The comparable figures for the consolidated financial statements of Scout24 AG for the 2015 financial year consequently comprise the nine-month period from April 1, 2014 until December 31, 2014, which limits the direct comparability of the financial statements.

In order to provide for an appropriate annual comparison given the complex financial history and considering the business performance and economic situation of Scout24, some parts of the present report refer to the period of January 1, 2014 to December 31, 2014. These data represent the sum of financials from the audited consolidated financial statements of Scout24 Holding GmbH for the from January 1, 2014 until March 31, 2014, and the financials from the audited consolidated financial statements of Asa NewCo GmbH for the period of April 1, 2014 to December 31, 2014. In addition to this annual report, an overview of the data is also available under „Scout24 Financial Highlights“ or in the Investor Relations/Financial Publications/Financial Highlights section of our corporate website.

The financial statements of Scout24 Holding and Asa NewCo for the first calendar quarter 2014 are substantially identical except for certain transaction costs in the amount of EUR 15.0 million, which burden not only operational costs but also EBITDA, as well as the operative expenses of Asa NewCo, in an amounting of EUR 0.9 million. In addition, amortization of intangible assets stemming from purchase price allocations, which are not to be attributed to the EBITDA or to the ordinary operating EBITDA, amounting to EUR 6.3 million were accounted for in the period of February 12, 2014 to March 31, 2014 in the financial statements of Asa NewCo for this period.

These items are not included in the financial statements of the Scout24 Holding as of January 1, 2014 to March 31, 2014. Nevertheless, the operational business was conducted by the Scout24 Holding in this period, so that from the Management Board‘s perspective the selected presentation gives a true and fair view of the business segments in particular.

Sections 2.2 "Group business trends" and 2.3. "Segment trends" focus as a consequence on the comparison of the summed financial information for 2014 („full 2014 year“) and the 2015 financial year. The presentation of the results of operations, financial position and net assets and its development in chapter 2.4 is based on the financial statements and as such on the comparable period of April 1, 2014 to December 31, 2014.

The management report should be read in conjunction with the consolidated financial statements and the additional disclosures.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals indicated, and percentages may not precisely reflect the absolute figures for the same reason.

1. Fundamentals of the Group

1.1. Business model and business lines

Scout24 Group (referred to as "Scout24" or the "Group") is a leading operator of digital marketplaces dedicated to the real estate and automotive sectors in Germany and other selected European countries. Our aim is to facilitate the consumer‘s journey of finding a new home or buying a new car by making it a simple, efficient and stress-free process. To that end, we seek to maintain liquidity in terms of both audience and content on our marketplaces.

Scout24 provides consumers with an extensive array of listings, as well as value-added information and services to help them search, research and make informed decisions. Consumers can search the listings for free via various channels, such as desktop, enhanced mobile applications for smartphones, or our fully responsive mobile website. In addition, the consumers benefit from specific, paid products and services. At the same time, we offer professional and private listers effective tools to present their real estate and automotive listings and to reach a large, relevant and engaged audience by providing targeted advertising and lead generation solutions in a cost-effective manner.

The products and services of our platforms are designed to meet the needs of the respective target groups, whether they are searching for or listing real estate and automotive vehicles, or advertising on our platforms. As a consequence, we generate revenues from the listing of classifieds as well as from non-listing revenues through the sale of additional tools for real estate agents, advertising, lead generation and value chain products. In terms of listing products, we offer three different models to our customers: a membership model, a listing package model, and a pay-per-listing model.
We primarily operate our business through two well-known and popular brands, ImmobilienScout24 ("IS24") and AutoScout24 ("AS24"), which also represent our main segments.

ImmobilienScout24
IS24 offers a paid listing platform to real estate professionals and private listers (home owners and tenants looking for their next tenant) where buyers and renters can search for their next home. To real estate professionals IS24 also provides additional services for acquiring and managing their customers. Consumer (meaning aspiring buyers or renters) inquiries and searches for homes translate into traffic, which drives the lead generation for professionals and private listers. IS24 as well provides assistance to consumers amongst others through valuation, credit check, relocation, mortgage financing and insurance services.

IS24 is the leading digital real estate classifieds platform in Germany in terms of consumer traffic and engagement as well as customer numbers and listings.[1] In Austria, we also operate a leading vertical real estate market place with our portals ImmobilienScout24.at and Immobilen.net. IS24 is the first choice among digital real estate classifieds platforms for 62% of consumers.[2] In 2014, the term "Immobilienscout24" was among the top five search terms on google.de.[3]

AutoScout24
AS24 offers listing platforms for used and new cars, motorcycles and commercial vehicles to dealers and private sellers, in addition to complementary services, such as the display of advertising for automotive original equipment manufacturers ("OEMs").

AS24 is a European automotive classifieds leader (management‘s estimate based on listings and UMVs) with No. 1 market positions in Italy, Belgium (including Luxembourg) and the Netherlands, as well as a No. 2 position in Germany, all based on listings.[4] AS24 also operates in the fragmented Austrian, Spanish and French markets and offers local language versions of the marketplace in 10 additional countries.

AS24 has an aided brand awareness of 87% and unaided brand awareness of 50% among Internet users aged between 18 and 65 in Germany.[5] In Italy, AS24 has an aided brand awareness of 56% and an unaided brand awareness of 32%. In Belgium, AS24 has an aided brand awareness of 61% and an unaided brand awareness of 49%. In the Netherlands, AS24 has an aided brand awareness of 69% and an unaided brand awareness of 30% in the respective peer group respectively.[6]

Corporate
Corporate is another division of Scout24 that supports the operating segments IS24 and AS24. It includes management services and certain shared services (finance, legal, human resources, facility management, IT, corporate development and strategy, risk and compliance management and other related functions) provided to the companies of the Group. The core operations of Scout24 are comprised of its two operating segments and Corporate.

Non-core operations
Excluded from core operations is, the segment "Other" ("Other"), which mainly includes FinanceScout24 ("FS24").

↘ 1 Based on Unique Monthly Visitors (“UMV”) for traffic and total time spent for engagement, comScore December 2015 (desktop only for traffic and desktop and mobile for engagement), management estimates
↘ 2 GfK Brand & Communication Research, September 2015
↘ 3 https://www.google.de/trends/topcharts
↘ 4 Autobiz, December 2015
↘ 5 Norstat, December 2015
↘ 6 Vocatus, 2014

1.2. Corporate structure

Change of name and corporate form

In the third quarter of the 2015 financial year, the major preparations were realised for the stock market listing on October 1, 2015. With a shareholder resolution dated September 4, 2015, and with effect as of September 10, 2015, Asa NewCo GmbH, Munich, was converted into a public stock corporation (in German: "Aktiengesellschaft", abbreviated as "AG"). At the same time, the Company was renamed from Asa NewCo GmbH, Munich, to Scout24 AG, Munich.

Group structure

In the reporting period, the following changes to the organisational Group structure occurred:

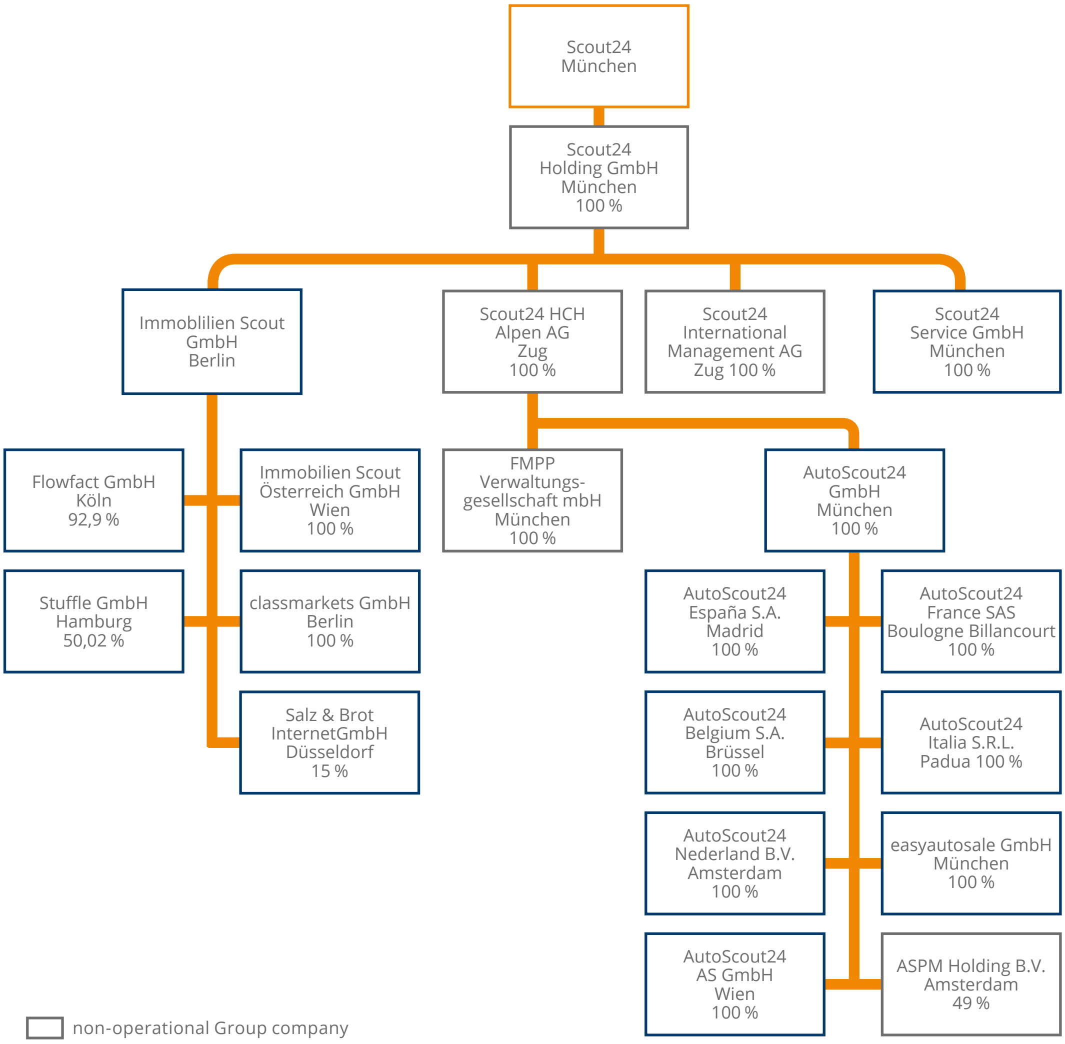
On April 16, 2015, AutoScout24 GmbH, Munich, acquired 100% of the shares in easyautosale GmbH, Munich (referred to as "easyautosale").

On September 8, 2015, Immobilien Scout GmbH, Berlin, acquired 100% of the shares in classmarkets GmbH, Berlin (referred to as "classmarkets").

On June 22, 2015 Immobilien Scout GmbH, Berlin, sold its entire equity interest in PropertyGuru Pte. Ltd., Singapore.

To further streamline the Group structure Immobilien Scout Deutschland GmbH, Frankfurt/Main, Scout24 Verwaltungs- und Beteiliungsgesellschaft mbH, Munich, and Scout Business Services GmbH, Munich, were merged into Scout24 Holding GmbH, Munich, and FS FlowFact GmbH, Cologne, was merged into FlowFact GmbH, Cologne in August 2015. The mergers were realised at carrying amounts.

The following presentation provides (in a simplified form) an overview of the direct and indirect investments of the Scout24 Group and Asa NewCo as of December 31, 2015:



Management and control

Scout24 AG is managed as a management holding company. As of the balance sheet date, Scout24 AG holds indirect interests in 16 operating subsidiaries, which are fully consolidated in the consolidated financial statements, as well as in two companies accounted for using the equity method.

The Management Board of Scout24 AG is comprised of two members. The Management Board is responsible for the Group's strategy and management. Greg Ellis is responsible for the operational functions sales, marketing, IT of IS24 and AS24, human resources, corporate communications, strategy, business development as well as mergers and acquisitions; Christian Gisy, as the chief financial officer, is responsible for the functions of finance, controlling, investor relations, treasury, legal and compliance, risk management and internal control system as well as procurement. The Supervisory Board, comprising

Additional disclosures to the individual financial statements of Scout24 AG
↘ Page 90

Compensation Report
↘ Page 180

nine members, advises the Management Board on managing the Company and supervises its conduct of business. The Supervisory Board is involved in all decisions of fundamental importance to the Company. In particular it reviews and approves and the annual financial statements and the management reports and reports to the Annual General Meeting on the results of this assessment. The Supervisory Board comprises representatives of strategic investors of Scout24 AG as well as independent industry experts. The remuneration of the Management and Supervisory Boards as well as the incentive and bonus systems are described in the compensation report of the notes to the consolidated financial statements (as part of chapter 6.5.5). The compensation report also forms part of the combined management and Group management report.

Takeover-relevant information according to Section 289 (4), Section 315 (4) of the German Commercial Code (HGB) as well as additional disclosures to the individual financial statements of Scout24 AG as integral parts of the combined management report are provided in chapter 6.2 and 7, respectively.

The Scout24 share
↘ Page 39

The Management and Supervisory Boards of Scout24 place great emphasis on responsible corporate management with a focus on long-term success, and are committed to the recommendations specified in the German Corporate Governance Code. The Corporate Governance Report, including the corporate governance declaration according to Section 289a of the German Commercial Code (HGB), is available on our corporate website (www.scout24.com) in the section Investor Relations/Corporate Governance.

Initial Public Offering

Since October 1, 2015, the shares of Scout24 AG have been listed in the Prime Standard segment of the Frankfurt Stock Exchange. Scout24 AG has been a constituent of Germany's SDAX equity index since December 21, 2015. Further details regarding the initial public offering and the share price performance are included in the "Investor Relations" chapter, and are also available up-to-date in the Investor Relations/Shares section of our corporate website.

1.3. Strategy

Our classifieds revenues are not directly dependent on the number of completed housing transactions or car sales, but on the amount and duration of listings of its customers and thus, in particular, the online marketing spend of real estate professionals and car dealers. It is vital for Scout24 to preserve its leading positions in terms of both traffic and engagement to remain attractive for listing customers. A high volume of listings and a large number of users are mutually reinforcing as providers and users tend to prefer the marketplace that has the most liquid market, and is consequently the most efficient. Accordingly, we will continuously strive to introduce new features and functionalities to our websites to offer the best user experience. Moreover, brand awareness will be increased through the efficient use of marketing spending. We plan to optimize the value proposition and the use of our classifieds portals for customers through attractive pricing models and additional services. Being a leader in user traffic and engagement, we are well positioned to benefit from the large adjacencies that expand our market and growth opportunities far beyond the core classifieds business, be it the entire property purchase or rental process or the automotive value chain. Our focus is on sustainable and profitable growth as well as on a sustainable increase of our company value.

In this context, our future M&A strategy will focus on smaller bolt-on acquisitions along the value chain, strengthening our market position or enabling us to further tap into adjacent revenue pools, or acquire new technological capabilities.

We are continuing to pursue the "OneScout24" approach, which streamlines the operations of IS24 and AS24 to more efficiently provide our users with a high-quality experience, leverage synergies and economies of scale, and promote best practice transfer across the Group. OneScout24 recognizes that the IS24 and AS24 digital marketplaces (a) broadly follow the same business model fundamentals, (b) share a significant relevant portion of their user base, as quite often real estate and automotive purchasing decisions are triggered by the same changes in peoples' lives, and (c) allow for the generation of tangible operational synergies, such as consumer-centric product development, innovation-driven IT, efficient brand marketing, best-in-class sales operations, and exceptional data opportunities that drive towards boosting efficiency.

The target value for our leverage ratio (the ratio of ordinary operating EBITDA to net debt according to the definition of the current syndicated loan agreement) is 2.50:1. We plan no dividend payment before achieving this target. As soon as the requirements have been fulfilled, and under consideration of our profitability, cash flow and planned investments, we will ensure proper participation by shareholders by means of dividends or otherwise.

1.4. Control system

In line with our strategy, we have designed our internal management system, and defined appropriate performance indicators. We differentiate between financial and non-financial performance indicators in measuring our success in implementing our strategy. Compared to last year, the non-financial performance indicator "brand awareness" is no longer taken into account for management purposes.

Our detailed monthly reporting, which contains a consolidated income statement, a consolidated balance sheet, a cash flow statement and the monthly results of our core businesses, represents an important element of our internal management system. Furthermore, at our bi-weekly Executive Leadership Team (ELT) meetings, current business performance and forecasts of financial and non-financial performance indicators for the following weeks are considered. Based on these reports, we perform budget/actual comparisons, and in the event of variations we implement further analyses or appropriate corrective measures.

These reports are supplemented by regular long-term forecasts of business performance and an annual budget process.

Both the current results of operations and the forecasts are presented to our Supervisory Board in quarterly meetings.

Performance indicators
Based on our focus on sustainable and profitable growth, as well as sustainably growing our Company value, our most important performance indicators at both Group and segment level are revenues, EBITDA[7] and ordinary operating EBITDA[8].

These are supplemented by capital expenditures in property, plant and equipment and intangible assets ("CAPEX") as well as further segment specific auxiliary indicators.

In line with our strategy, the financial success of our portals is determined essentially by the number of listings, as well as user traffic and engagement. The most important auxiliary indicators at segment level are consequently the number of listings, particularly compared to competitors, as well as key user traffic and engagement data. In addition, we examine the revenues of main customer groups and related performance indicators, such as numbers of customers and the average revenue per customer ("ARPU").

ImmobilienScout24

- The **number of listings** shows the inventory of all real estate listings on the respective website as of a certain record date (as a general rule end of month).

- **UMV (unique monthly visitors)** refers to the monthly unique visitors visiting the website via desktop PC or visiting the website via desktop PC, mobile devices or apps (multi-platform), as the case may be, regardless of how often they visit during the relevant month and (for multi-platform metrics) regardless of how many platforms (desktop and mobile) they use.[9]

- **Revenues from core agents** refer to revenues derived from IS24 core agents' purchases of memberships under the membership model, including all services provided under these new contracts. Revenues from core agents also include purchases of listing services under the listing package-based pricing model and all other services provided under these contracts for those core agents not yet transitioned to the membership model.

- **Revenues from other agents** refer to revenues derived from real estate professionals who are not core agents, and include IS24 promotions, the IS24 commercial real estate marketplace, pay-per-ad revenues, revenues from FlowFact (our customer relationship management software for real estate professionals) and non-listing revenues.

- **Other revenues** consist of revenues derived from private listings, revenues generated from direct consumer monetization (including credit checks and valuation services), lead generation revenues derived from services offered for relocation, financing and mortgages, revenues from ad sales not directly related to real estate and other sundry revenues.

- **Core Agents** are defined as real estate professionals in Germany who have a package or bundle contract with IS24. The number of core agents is defined as the number of real estate professionals as of period end who either have a package or a bundle contract at the period end.

↘ 7 EBITDA is defined as profit before financial results, income taxes, depreciation and amortization, impairment write-downs and the profit/loss from disposals of subsidiaries
↘ 8 Ordinary operating EBITDA represents EBITDA adjusted for non-operating and special effects
↘ 9 Data source: comScore

- **Core agent ARPU** in Euro per respective period is calculated by dividing the revenues generated by our core agents in the respective period by the average number of core agents at the beginning and the end of such period, and further dividing by the number of months in the period.

Autoscout24:

- **Number of listings** of a country represents the total number of new and used cars and vans on a certain record date (as a rule by mid-month) on the respective website.[10]

- **UMV (unique monthly visitors)** refers to the monthly unique visitors visiting the website via desktop PC or visiting the website via desktop PC, mobile devices or apps (multi-platform), as the case may be, regardless of how often they visit during the relevant month and (for multi-platform metrics) regardless of how many platforms (desktop and mobile) they use. The UMV for Benelux/Italy represent the aggregate of the UMVs for Belgium, the Netherlands, Luxembourg and Italy.[11]

- **Revenues from core dealers** refer to revenues derived from AS24 core dealers' purchases of listing services under the listing package-based model and all other related products purchased by such dealers.

- **Revenues from other dealers** refer to revenues from AS24 commercial vehicle market dealers, dealers from Spain, Austria and France, revenues generated through our GaragePortal and for other services for dealers such as platform interfaces. In addition, revenues from easyautosale are included.

- **Other revenues** consist of revenues derived from AS24 private listings and advertising sales (primarily from OEMs).

- The **number of core dealers** is defined as the total number of professional car and motorcycle dealers who have either a package or bundle contract to advertise their car or motorcycle listings on AS24 market websites as at period end.

- **Core dealer ARPU** in Euro per respective period is calculated by dividing the revenues generated by our AS24 core dealers in the respective period by the average number of core dealers at the beginning and the end of such period, and further dividing by the number of months in the period.

1.5. Research and development

Based on the OneScout24 approach our product development is decentralized and set up in the IS24 segment and the AS24 segment respectively, but operating in line with same principles. In the 2015 financial year it was started to migrate the AS24 platform to a common platform with IS24. Part of this project could be concluded in 2015 already.

We follow an approach of agile iterations in product development with a process of continuous improvement supported by automated testing and delivery processes which enable that developed products, extensions or bug fixes be made available at low risk and manual

↘ 10 Data source: autobiz
↘ 11 Data source: comScore

effort. Interdisciplinary teams focusing on the needs of different customer groups and users provide for more freedom, initiative and responsibility in the product development.

Having grown large as classic desktop-Internet company, due to a stringent mobile-first strategy, more than 65 percent of the total of IS24 and AS24 traffic nowadays comes through mobile channels.[12] The mobile individual increasingly searches property and cars while underway. Smartphones and tablets are replacing home desktop PCs to an ever great extent. In order to support and improve the user experience on all relevant digital devices, the focus of product development lies on native applications for smartphones, and responsive designs for all other devices.

We strive to permanently design new products that cater for the needs of our private and professional customers. For example, vendors are supported during the insertion process and in presentation of their object by the best possible product and services. In 2015 AS24 introduced among others the insertion via mobile apps and the "express-sale". IS24 developed the private contact manager to enable easy administration of received contact inquiries to private landlords and sellers. The products developed undergo regular in-house user tests in UX („User Experience") research labs so that this experience flows into product optimization, too.

Development expenses are capitalized as internally-generated intangible assets, the amount of research expenses was insignificant and is recognized in the income statement. In 2015, EUR 10.6 million of development expenses were capitalized (previous year: EUR 4.9 million). The year-on-year increase in costs is due to a technical improvement of the AS24 platform as well as the Group-wide harmonization of software development costs capitalisation and thus the first capitalisation of development costs for internally-generated software in the IS24 segment since mid-2014 (amounting to EUR 8.1 million in 2015 compared to EUR 3.1 million in 2014).

Amortisation of internally-generated intangible assets amounted to EUR 0.6 million in the 2015 financial year and EUR 0.2 million in the nine-month period from April 1 to December 31, 2014, respectively. Due to the change in ownership of Scout24 Group on February 12, 2014, all of the internally-generated intangible assets until that date were transferred to the fixed assets of Scout24 AG, were measured as part of the purchase price allocation, and consequently reported here as part of the amortization of intangible assets stemming from purchase price allocations.

1.6. Corporate Social Responsibility

It is our ambition to use our digital and technological competencies in the best way possible in order to provide state-of-the-art online marketplaces. In doing so, we help our users' property and car dreams come true in a simple, efficient and stress-free manner – this is the key to our sustainable success.

This success is substantially determined by our performances and values. We therefore documented our values in the behavioural code - our code of conduct. This shows that we act

↘ 12 Management estimates, based on the sum of IS24 and AS24 platform visitors (not reduplicated) via mobile devices, mobile optimized websites and applications in relation to the sum of total visitors monitored by own Traffic Monitor, December 2015 as responsible employer and business partner and are committed players for a sustainable community. Our code of conduct is available on our website under the section Investor Relations/Corporate Governance/Code of Conduct.

We are committed to our customers and users

For us, our customers and users are always our first priority. We support them in a long-term partnership. We know the business environment in which our customers operate, and offer them solutions tailored to their needs.

We treat data absolutely confidential and we communicate professionally

We protect the data of our customers, business partners and employees by treating this data responsibly, and using it only in accordance with the law.

We value the diversity and the commitment of our employees and do not tolerate any discrimination against them

We promote a motivational and respectful working environment where our employees may apply their entire potential. We aim to attract, support and retain highly qualified and committed employees at Scout24. We are sure that we are enriched by the diversity of our colleagues as well as their differing points of view and skills. We guarantee a safe work environment and comply with local applicable laws and regulations regarding workplace health and safety as well as all laws regarding equal opportunities and equal professional development for all employees. We do not tolerate any form of discrimination, harassment, and threatening or hostile or abusive behaviour in our workplaces. Similarly, we do not tolerate false or malicious statements or actions, which could harm our customers, employees, and shareholders of the Scout24 Group or the community. It is our aim, and we have the necessary procedures to resolve any problems respectfully, confidentially and quickly.

In all our business activities we remain constantly aware of the significance of social responsibility

In all our business activities we also act as a "Corporate Citizen", and are committed ourselves at all our sites to building strong local communities. We regard social responsibility as an integral part of our actions, and as an investment in the community, and consequently also as an investment in our own future. The social commitment of Scout24 Group focuses on strengthening the community by employee support in social projects ("Corporate Volunteering"), free knowledge transfer ("pro bono") and wide-ranging cooperation ventures with fixed social partners at the Company‘s sites.

2. Report on Economic Position

2.1. Macroeconomic and sector-specific environment

Macroeconomic trends

Scout24 is active in the real estate sector in Germany and Austria as well as in the automotive sector in Germany, Italy, Belgium (including Luxembourg), the Netherlands, Spain, France and Austria, thus in the Eurozone. Germany remains the main market of Scout24, with 85% of revenues generated in Germany in the 2015 financial year.

Germany is the largest economy in Europe with a gross domestic product of EUR 3.0 trillion in 2015. The economic situation in Germany in 2015 was marked by stable and continuous economic growth registering 1.7% year-on-year GDP growth. The main drivers are the favourable labour market situation (up 0.8% to 329,000 more employed persons compared to 2014) and higher consumer spending (+1.9% in private consumer spend and +2.8% in state consumer spend as compared to the previous year).[13] Based on an anticipated recovery in sales markets outside the Eurozone and a continuation of slightly firmer economic growth in the Eurozone, this moderate growth trend will continue in subsequent years, according to a forecast by the Deutsche Bundesbank, which sees gross domestic product growing by 1.8% in real terms in 2016, and by 1.7% in 2017.[14]

This trend in the Eurozone is expected to be similar, according to the „Eurozone Economic Outlook" published by the Association of Three Leading European Economic Institutes. According to the publication on January 12, 2016 the average increase of GDP in 2015 is forecast to be 1.5% in real terms. In the Eurozone, too, consumer demand from private households is to be the main driver of this growth. The moderate upturn will continue in 2016, with a forecast increase of 0.4% in GDP in both the first and second quarters of 2016.[15] Besides the positive macroeconomic backdrop, the relevant economic parameters for online marketplaces support our business model. Internet penetration in Germany has increased rapidly over the last decade. The development, in parallel, of a diverse array of digital media and e-commerce websites and mobile apps has promoted the use of the Internet as a fixture of German consumers' lifestyles. In total, 85% of the population in Germany used the Internet for private purposes in the first quarter 2015 (2014: 83%). A total of 70% of the users went online via mobiles, reflecting 7% year-on-year growth. A total of 89% used the Internet in searching for information on goods and services.[16]

According to a study by AS24, 7 out of 10 individuals interested in new or used cars search online for information before visiting a car dealer.[17] In Europe, 83% of private households had Internet access in 2015, a rise of 2 percentage points to the previous year.[18] This trend is increasingly having an influence on the allocation of marketing budgets. In Germany, the share of total advertising expenditures allocated by marketers to newspapers declined from 39.7% in 2005 to 25.1% in 2015 and is expected to decline further to 21.6% in 2018. By contrast, the share of online has increased from 4.9% of total advertising expenditures in 2005 to 27.0% in 2015. In 2015, online advertising expenditure was already 15.4% higher than TV marketing budgets. Online advertising expenditure is expected to continue to increase its share and reach 31.9% in 2018.[19] Car dealers are also investing more in online advertising,

↘ 13 German Federal Statistical Office, First Annual Results of January 14, 2016
↘ 14 Deutsche Bundesbank, Outlook for the German Economy, monthly report, December 2015
↘ 15 Eurozone Economic Outlook of January 12, 2016
↘ 16 German Federal Statistical Office, Private Households in the Information Society - Use of Information and Communication Technology, 2014 and 2015 surveys
↘ 17 puls market research, November 2015
↘ 18 Eurostat, Internet penetration – households, enquiry on January 22, 2016
↘ 19 ZenithOptimedia, Advertising Expenditure Forecasts, December 2015

with 54.2% of total ad expenditures comprising online advertising in 2015, compared with just 36.6% in 2014. Although the online share has almost doubled from 28.5% in 2011 to 54.2%, over one third of the dealers expect a further rise in 2016.[20]

German residential property market trends

The German property market comprises residential and commercial properties. IS24 addresses both segments but generates the majority of its revenue from the residential property market and from sales transactions.

A total of 575,000 sale transactions were realised in the residential property market in 2014. This figure is anticipated to grow by 1.7% to around 585,000 sale transactions in 2015, according to the most recent forecast from GEWOS on September 14, 2015. Based on ongoing high demand, which is supported by positive economic developments, relatively high security of employment and from favourable interest terms, GEWOS expects transaction volumes in the residential property market to grow by approximately 5.9% in 2015 compared to 2014. For 2016, a further increase of sales transactions is expected.

Germany is characterised by a highly fragmented agent population with a total of approximately 33,900 real estate agents.[21] According to Scout24 assessments, the market is in a consolidation phase, resulting in a reduction of agents being active in the market by approximately 10% in 2015 despite increasing transaction volumes. This development is partly driven by the so-called "Bestellerprinzip" (as per the "Mietrechtsnovellierungsgesetz" (German Rental Law Amendment Act [MietNovG]) newly introduced in June 2015, as well as in line with the trend towards professionalization among more advanced real estate markets. In particular smaller agent business are affected by those developments, so that Scout24 for the first time in ten years observes a declining number of agent businesses in Germany.

European automotive market trends

Germany is the largest automotive market in Europe with a total number of registered passenger cars of 44.4 million in 2014[22] and total sales of EUR 156 billion from new and used cars transactions.[23] Approximately 7.3 million used cars changed hands in 2015, which is approximately 3.7% more than in 2014, according to the German Federal Office for Motor Transport. A total of approximately 3.2 million new cars have been registered in 2015, an increase of 5.6% compared to 2014.[24] The German automotive market will continue to grow at a stable rate next year, according to the German Federation for Motor Trades and Repairs . It forecasts 3.2 million of new car registrations and 7.3 to 7.4 million changes in car ownership in 2016.[25]

Italy is Europe's second largest automotive market (excluding Russia) with approximately 37.5 million cars registered.[26] Volumes of new and used cars sold in Italy have historically declined compared to pre-crisis levels, driven in large part by an economy still struggling to emerge from a prolonged recession. Given this, the average number of online car classifieds listings fell by 8.2% in 2014. The Italian car market has nevertheless recovered over the last year, and the number of total online car classifieds listings experienced slight growth of 1.5%.[27]

↘ 20 puls market research, November 2015
↘ 21 OC&C, Management estimates
↘ 22 Kraftfahrt-Bundesamt (German Federal Office for Motor Transport)
↘ 23 DAT, 2015
↘ 24 Kraftfahrt-Bundesamt, vehicle registrations in December 2015, January 2016
↘ 25 Zentralverband Deutsches Kraftfahrzeuggewerbe (German Federation for Motor Trades and Repairs, December 2015)
OC&C, SMMT, Kraftfahrt-Bundesamt, CCFA, BCA Used Car Market Report 2014
↘ 26 OC&C, SMMT, KBA, CCFA, BCA Used Car Market Report 2014
↘ 27 Autobiz, December 2015

The vehicle markets in the Benelux region, by contrast to Italy, have proven relatively consistent in volume over the past ten years. The average number of online car listings in 2015 grew by 1.9% year-on-year.[28]

2.2. Recent Trends and Situation of the Group

The strategic review and focus on our core market-leading businesses – IS24 and AS24 – that we undertook last year, as well as the implementation of our "OneScout24" approach in the course of 2015, are paying off. Scout24 continues its growth path and has reached significant increases in external revenues and ordinary operating EBITDA, mainly driven by the introduction of the membership model in IS24, increasing customer numbers in AS24, additional acquisitions to strengthen the value chain as well as continuous improvements in cost and operational efficiencies combined with generation of synergies.

In order to support this growth path, we recently launched revamped advertising formats and packages and upgraded the advertisement technology to improve targeting capabilities, allow for programmatic advertising with real-time bidding and extend audience.

Scout24 Media, a new comprehensive business function, was launched in September 2015, which supports all ad sales activities, regardless of whether they are launched on the IS24 or AS24 platform. Moreover, Scout24 Media is pooling all activities in the field of consumer services. This Group-wide function will drive the lead generation and ad sales businesses and help position us as a leading premium and data-driven publisher in Germany and Europe.

In the third quarter of the 2015 financial year, we made the significant preparations for the IPO on October 1, 2015, which brought with it fundamental changes to our ownership and financing structure. The subscription period for the Scout24 share ran from September 21 until September 30, 2015. As a result of the IPO, Scout24 now enjoys direct access to the capital markets and a broader shareholder base. A total of 34,152,556 shares were placed in the context of the offering to German and international investors (including the partial exercise of the greenshoe option). The offering also included 7,600,000 new shares by way of a capital increase, corresponding to EUR 228 million gross proceeds for Scout24.

The IPO costs of EUR 5.5 million and additional non-operating costs of EUR 17.1 million burdened reported EBITDA for the 2015 financial year, which was up by EUR 79.6 million compared to the EBITDA for the full 2014 year to reach EUR 166.9 million. The non-operating costs in the 2015 financial year not related to the IPO comprise mainly costs with regards to the re-organization and restructuring started in 2014 as well as to the refinancing in April 2015. Moreover, cost of EUR 3.6 million resulted from an accounting effect related to share-based compensation. In 2014, EBITDA was affected by non-operating effects from the restructuring and reorganisation as well as costs related to the change in ownership at the beginning of the year.

↘ 28 Autobiz, December 2015

At the same time, external revenues for the 2015 financial year increased by 14.0% compared to the full 2014 year, driven by growth in both segments IS24 and AS24.

The Group's ordinary operating EBITDA improved by 27.6% to EUR 189.6 million, while the ordinary operating EBITDA margin increased to 48.2% compared to 43.0% in the full 2014 year. Capital expenditure in the 2015 financial year amounted to EUR 19.3 million. The investments were EUR 5.1 million higher than in the comparable period in 2014, mainly driven by the harmonization of the IT platform at AS24 as well as the first-time capitalization of software development costs at IS24 since the middle of the year 2014. As a percentage of revenues, the investment ratio was at 4.9% compared to 4.1% in the comparable previous year's period.

The Cash Contribution[29] increased by EUR 36.0 million in the 2015 financial year compared to the full 2014 year. The Cash Conversion Rate[30], based on ordinary operating EBITDA, was 90.4%, compared to 89.8% in the previous year's period.

Cash and cash equivalents amounted to EUR 70.6 million as of December 31, 2015 (December 31, 2014: EUR 21.4 million). Net financial debt[31] stood at EUR 711.1 million, compared with EUR 624.2 million as of December 31, 2014. The increase in net financial debt was mainly due to net borrowing in the reporting period (for further details see chapter 2.4.2. Financial position/Capital resources and financing structure).

With the reported figures, Scout24 has fully exceeded the forecast from the 2014 management report, which was revised in the nine-month report 2015. Both revenues of EUR 393.6 million (approximately EUR 390 million) and the ordinary operating EBITDA margin of 48.2% (47.5% - 49.0%) were in line with expectations. Non-operating costs totalled EUR 22.6 million, consequently also reaching the targeted level (approximately EUR 22 million). The same applies to capital expenditures totalling EUR 19.3 million (around EUR 20 million).

2.3. Segment trends

In order to assess the operating business performance, the Scout24 management focuses on core operations, which are comprised of IS24, AS24 and Corporate, and utilises other performance metrics in addition to EBITDA and ordinary operating EBITDA to steer the business. These performance metrics and their trends in the reporting period are outlined in the following section.

↘ 29 Cash contribution is defined as ordinary operating EBITDA less capital expenditure.
↘ 30 The cash conversion rate is defined as (ordinary operating EBITDA – capital expenditure)/ ordinary operating EBITDA.
↘ 31 Net financial debt is defined as total debt (nominal value of interest bearing liabilities) less cash and cash equivalents.

ImmobilienScout24 (IS14)

Major performance indicators

Major performance indicators (in EUR Million, unless otherwise stated)	**2015** three-month period ended 12/31/15	**2014** three-month period ended 12/31/14	**+/-** in %	**2015** twelve-month period ended 12/31/15	**2014** three-month period ended 03/31/14	**2014** nine-month period ended 12/31/14	**2014** twelve-month period ended 12/31/14	**+/-** in %
Revenues from core agents (Germany)*	38,7	34,5	12,3 %	149,6	32,3	101,0	133,3	12,3 %
Revenues from other agents*	8,3	7,7	8,6 %	33,7	5,5	19,1	24,6	37,0 %
Other revenues*	22,7	19,2	18,5 %	83,5	17,8	55,8	73,6	13,4 %
Total external revenues	**69,8**	61,3	**13,8 %**	**266,7**	55,7	175,8	231,4	**15,3 %**
EBITDA	**35,8**	29,5	**21,3 %**	**147,9**	29,9	89,6	119,5	**(23,8 %)**
Ordinary operating EBITDA	**40,0**	34,7	**15,2 %**	**159,2**	30,3	99,0	129,3	**23,1 %**
Ordinary operating EBITDA – margin %	**57,3 %**	56,6 %	**1,2 %**	**59,7%**	54,5%	56,3%	55,9%	**6,8 %**
Capital expenditure	**2,2**	3,9	**(41,8 %)**	**9,8**	0,6	6,7	7,3	**33,9 %**
Core agents (end of period, in numbers)	**19.355**	22.092	**(12,4 %)**	**19.355**	21.104	22.092	22.092	**(12,4 %)**
Core agents (average during period, in numbers)	**19.698**	22.049	**(10,7 %)**	**20.724**	21.200	21.598	21.694	**(4,5 %)**
Core agent ARPU (EUR/month)	**655**	521	**25,7 %**	**602**	508	519	512	**17,5 %**
UMV– period average (Desktop only, in numbers and million)	**7,2**	7,7	**(5,9 %)**	**7,7**	8,0	8,2	7,7	**(0,1 %)**
UMV– period average (multiplatform, in numbers and million)	**11,7**	n/a	**n/a**	**11,9**	n/a	n/a	n/a	**n/a**

ImmobilienScout24 (IS24)
External revenues of the segment IS24 continued to increase, with revenues in the reporting period up 15.3% compared with the full 2014 year. This increase is mainly driven by growth in revenues from core agents, benefiting from the introduction of the membership model since October 2014, as well as rising revenues from consumer services. By the end of December 2015, IS24 had reached a membership penetration of 76.4% among the approximately 90% of core agents targeted for migration to the membership model in 2015. Consequently, core agent ARPU (average revenue per agent) in the 2015 financial year increased to EUR 602 (up 17.5% from the previous year). The average number of core agents decreased by 970 to 20,724 as a result of churn, smaller agents shifting to the professional pay-per-ad model and agents going out of business. The latter driven by amongst others the introduction of the membership model and regulatory changes in Germany that now require the landlord to pay the agent ("Bestellerprinzip"). At the same time total number of listings on the IS24 platform remained broadly stable (approximately 503 thousand listings as per December 2014 versus approximately 504 thousand listings as per December 2015).[32] The increase of revenues from other agents is mainly attributable to revenues of EUR 12.0 million from FlowFact Group, Cologne, (referred to

↘ 32 Management estimates

as „FlowFact“), which has been consolidated since November 2014 (2014 revenues: EUR 1.9 million). Immobilien.net („Immobilien.net“, formerly operated by ERESNET GmbH, Vienna) in Austria, which is consolidated since June 2014, contributed revenues of EUR 2.0 million in 2014. The Immobilien.net business was merged with the existing IS24 business in Austria in early 2015. The increase in other revenues is mainly driven by consumer monetization products such as credit checks, relocation services and mortgage products. They also include EUR 0.5 million revenues of classmarkets GmbH, Berlin ("classmarkets"), which was acquired on September 8, 2015.

Driven by the membership model and the unlimited listing option, as well as enhancements in the private listings product, IS24 is well positioned to improve its market position, having 1.4 times the number of listings on the platform as its closest competitor (as per December 2015).[33] Based on the superior content offering, IS24 was able to underpin its leading position with regards to consumer traffic and engagement with 370 million minutes monthly time spent (desktop and mobile, 3.1 times compared to its closest competitor).[34] Total traffic of IS24 grew by 13.5% to 64 million visits in December 2015 (compared to 56 million visits in December 2014) while, driven by our mobile-first approach, mobile traffic increased by 26.7%[35] in the same period with mobile traffic now representing 68.5% of our total traffic (61.4% in December 2014). The fall in visitor numbers in December 2015 as compared to September 2015 reflects the common seasonal factor, which can be traced in the past, too.

On the basis of the positive revenue development ordinary operating EBITDA increased by 23.1% to EUR 159.2 million in the 2015 financial year compared to the previous year.

Driven by increasing efficiency, the full impact of the cost optimization program as well as the commencement of capitalization of development cost (EUR 8.1 million in the 2015 financial year compared to EUR 3.1 million in the full 2014 year) the ordinary operating EBITDA margin rose to 59.7% compared to 55.9% in the full 2014 year.

Capital expenditure was EUR 9.8 million in the reporting period compared to EUR 7.3 million in same period of 2014, mainly driven by higher capitalization of development costs, partly compensated by investments for data centres made in 2014 that were not repeated in 2015 .

↘ 33 Management estimates
↘ 34 ComScore, December 2015
↘ 35 Management estimates, based on IS24 platform via mobile devices, mobile optimized websites and IS24 applications in relation to total visitors monitored by own Traffic Monitor.

AutoScout24

Major performance indicators

Major performance indicators (in EUR Million, unless otherwise stated)	**2015** three-month period ended 12/31/15	**2014** three-month period ended 12/31/14	**+/-** in %	**2015** twelve-month period ended 12/31/15	**2014** three-month period ended 03/31/14	**2014** nine-month period ended 12/31/14	**2014** twelve-month period ended 12/31/14	**+/-** in %
Revenues from core agents (Germany)*	12,1	9,2	31,3 %	43,3	8,3	27,5	35,8	20,9 %
Revenues from core agents (Benelux/Italy)	9,6	8,2	17,3 %	36,0	7,3	23,9	31,3	15,1 %
Revenues from other agents*	3,1	2,7	13,6 %	11,6	2,7	8,3	11,0	5,7 %
Other revenues*	8,7	9,4	-7,4 %	30,0	6,3	22,6	28,9	3,8 %
Total external revenues	**33,4**	**29,5**	**13,0 %**	**120,7**	**24,6**	**82,3**	**106,9**	**13,0 %**
EBITDA	**8,1**	**4,6**		**39,7**	**5,0**	**14,0**	**19,0**	
Ordinary operating EBITDA	**8,9**	**7,3**	**21,9 %**	**43,8**	**5,1**	**26,0**	**31,1**	**40,9 %**
Ordinary operating EBITDA – margin %	**26,7 %**	**24,8 %**	**7,8 %**	**36,2%**	**20,8%**	**31,6%**	**29,1%**	**24,7 %**
Capital expenditure	**3,1**	**3,6**	**-14,1 %**	**9,0**	**1,4**	**5,1**	**6,5**	**37,7 %**
Germany			**0,0 %**					
Core agents (end of period, in numbers)	**22.298**	**19.774**	**12,8 %**	**22.298**	**17.947**	**19.774**	**19.774**	**12,8 %**
Core agents (average during period, in numbers)	**22.137**	**19.373**	**14,3 %**	**21.036**	**17.840**	**18.861**	**18.754**	**12,2 %**
Core agent ARPU (EUR/month)	**182,4**	**158,8**	**14,9 %**	**171,5**	**155,3**	**162,0**	**159,1**	**7,8 %**
UMV– period average (Desktop only, in numbers and million)	**4,2**	**4,6**	**(9,6 %)**	**4,5**	**5,1**	**4,8**	**4,9**	**(8,2 %)**
UMV– period average (multiplatform, in numbers and million)	**6,5**	**n/a**	**n/a**	**6,5**	**n/a**	**n/a**	**n/a**	**n/a**
Benelux/Italy			**0,0 %**					**0,0 %**
Core agents (average during period, in numbers)	**17.447**	**16.395**	**6,4 %**	**17.447**	**15.905**	**16.396**	**16.396**	**6,4 %**
Core agents (average during period, in numbers)	**17.363**	**16.285**	**6,6 %**	**16.922**	**15.861**	**16.151**	**16.106**	**5,1 %**
Core agent ARPU (EUR/month)	**183,7**	**167,0**	**10,0 %**	**177,2**	**154,0**	**164,6**	**161,7**	**9,5 %**
UMV– period average (Desktop only, in numbers and million)	**2,9**	**3,0**	**-5,0 %**	**3,1**	**3,4**	**3,0**	**3,1**	**2,2 %**

The external revenues in the AS24 segment continue to grow strongly with an increase of 13.0% in the 2015 financial year compared to the full 2014 year. The average number of core dealers in Germany grew by 12.8% to 22,298 with an increase in core dealer ARPU (average revenue per core dealer) of 7.8% to 171 EUR compared to the full 2014 year. Based on the rollout of the "MIA"-products in Benelux and Italy, respective core dealer ARPU increased by 9.5% to 177 EUR combined with an increase in the number of core dealers of 6.4% easyautosale GmbH, Munich ("easyautosale") since its acquisition in April 2015 added a total EUR 1.4 million of revenues in the 2015 financial year.

Following the strategy to focus on listings leadership through enhancing consumer user-friendliness with a revamped mobile offering as well as the continuous execution of the dealer acquisition strategy over the last twelve months, AS24 has managed to increase the number of listings to 1,206 thousand (versus 1,063 thousand in December 2014), and consequently almost closed the inventory gap to its main competitor in Germany, having 0.98 times the number of listings as per December 2015 compared to 0.86 times as per December 2014. In addition AS24 extended its market leadership based on number of listings in Belgium (including Luxembourg), the Netherlands and Italy.[36] Driven by the enhancements in our mobile functionality, the mobile visits in Germany increased to 55.4% of total visits in December 2015, compared to 41.8% of total visits in December 2014. Total mobile visits in percentage of total visits of Belgium, the Netherlands and Italy increased from 43.2% to 58.9% in the same period.[37]

The positive development of revenues was also reflected in ordinary operating EBITDA, which grew by 40.9% to EUR 43.8 million. The ordinary operating EBITDA margin increased by 7.1 percentage points to 36.2%.

Capital expenditure was EUR 9.0 million in the 2015 financial year compared to EUR 6.5 million in the previous year, primarily driven by investments in a technology shift of the AS24 platform combined with the transition of certain applications into the "cloud".

Corporate
External revenues declined to EUR 2.8 million EUR in the 2015 financial year (a decline by EUR 1.1 million compared to the previous year) reflecting the cessation of certain services provided to Deutsche Telekom AG, Bonn. Ordinary operating EBITDA adjusted for the management fee was negative to the tune of EUR 14.1 million in the 2015 financial year, compared to a negative EUR 11.4 million in full 2014 year. The rise is due to the development of central functions, including purchasing, as well as the bundling of functions at Group level in the corporate segment.

↘ 36 Autobiz, December 2015
↘ 37 Management estimates, based on visits to mobile accessible AS24 platforms, monitored by own Traffic Monitor

2.4. Results of operations, financial position and net assets of the Group

2.4.1. Results of Operations

External revenues of EUR 393.6 million for the 2015 financial year reflect an increase of EUR 48.3 million or 14.0% compared to the full 2014 year (EUR 130.7 million or 49.7% compared to the nine-month period from April 1 to December 31, 2014), mainly driven by growth in core operations. In the 2015 financial year, the newly acquired easyautosale and classmarkets contributed EUR 1.9 million to total revenues in 2015. Adjusted for the acquisitions of FlowFact, stuffle, easyautosale and classmarkets revenues in the 2015 financial year were up 10.5% compared to the full 2014 year.

Compared to this revenue growth, operating expenses (defined as the difference between revenues and ordinary operating EBITDA, i. e. adjusted for non-operating and special effects) before depreciation and amortization showed a disproportionately lower increase of 3.7% to EUR 204.0 million in the 2015 financial year, reflecting efficiency gains amongst others from the cost optimization program. In the full 2014 year, operating expenses amounted to EUR 196.7 million, compared with EUR 147.6 million in the nine-month period from April 1 to December 31, 2014.

As a result, ordinary operating EBITDA increased to EUR 189.6 million in the reporting period, with ordinary operating EBITDA margin at 48.2% (in full 2014 year, EUR 148.6 million and 43.0% respectively, in the nine-month period from April 1 to December 31, 2014, EUR 115.2 million and 43.8% respectively).

Ordinary operating EBITDA of easyautosale and classmarkets was negative in an amount of EUR 0.7 million and EUR 0.2 million respectively in the 2015 financial year. FlowFact added a total of EUR 4.0 million of ordinary operating EBITDA in the 2015 financial year, compared to EUR 0.3 million in 2014, since its acquisition in November. Adjusted for the acquisitions of FlowFact, stuffle, easyautosale and classmarkets, ordinary operating EBITDA in the 2015 financial year was EUR 187.1 million, with a margin of 49.3%.

The non-operating costs of the 2015 financial year amounted to EUR 22.6 million as compared to EUR 56.7 million in the nine-month period from April 1, 2014 to December 31, 2014. The non-operating costs of the period from April 1, 2014 to December 31, 2014 mostly comprised costs for legal advice and other consultancy services related to the change in ownership and further acquisitions, costs for the restructuring and reorganization, as well as costs for financing structure related consultancy.

The effect of the cost reduction and restructuring program initiated in 2014 as well as the decrease of non-operating costs is in particularly reflected in the trend in general and administrative costs. In 2015, general and administrative costs were additionally affected by IPO costs of EUR 10.5 million, of which EUR 5.5 million are to be borne by Scout24 AG, and EUR 5.0 million were charged to the selling shareholders (recognized as other operating income).

Consequently, operating profit increased to EUR 101.3 million in the reporting period, compared to EUR 8.6 million in the nine-month period from April 1 to December 31, 2014.

Operating profit is stated after depreciation and amortization in the amount of EUR 65.6 million in the reporting period, thereof EUR 48.8 million relates to intangible assets recognized from purchase price allocations.

In the 2015 financial year, net financial expenses amounted to EUR 22.4 million compared to EUR 31.1 million in the nine-month period ended December 31, 2014. This includes the profit of EUR 22.1 million from the disposal of the interest in Property Guru Pte. Ltd, Singapore. Finance costs increased from EUR 29.6 million to EUR 48.5 million, reflecting the refinancing.

Income tax expense for the 2015 financial year totalled EUR 22.0 million, resulting in an effective tax rate of 27.9%, compared to an income tax benefit of EUR 1.3 million in the nine-month period from April 1 to December 31, 2014. Income tax expense included off-setting effects from deferred taxes amounting to EUR 10.1 million, largely on amortization of assets resulting from purchase price allocations. In the nine-month period ended December 31, 2014, such deferred tax benefits amounted to EUR 6.3 million.

Accordingly, Scout24 recorded a consolidated net profit of EUR 56.9 million in the 2015 financial year, of which negative EUR 0.6 million was attributable to non-controlling interests. Consequently, earnings of EUR 57.4 million were attributable to the shareholders of the Company, resulting in earnings per share of EUR 0.56.

2.4.2. Financial position

Principles and objectives of financial management

The Group treasury function plans and manages the requirements and provision of liquid funds within the Scout Group. On the basis of an annual financial planning and a monthly rolling liquidity planning, the Group's financial flexibility and solvency at all times is ensured. For all relevant Group companies, the cash pooling procedure is additionally utilized.

A distribution of dividends is not envisaged as long as the target leverage ratio of 2.50:1 (ratio of ordinary operating EBITDA to net debt in accordance with the definition stipulated in the syndicated loan agreement) has not been achieved.

Capital resources and financing structure

As of December 31, 2015, Scout24 AG has a total credit facility under the realm of a syndicated loan agreement (Senior Facility Agreement, referred to as "SFA") of EUR 781.0 million, which was fully utilized, as well as a revolving facility of EUR 45.6 million. As of December 31, 2014, the total credit facility amounted to EUR 645.0 million, which was fully utilized, as well as a revolving facility in the amount of EUR 50 million. In the course of a refinancing in April 2015 the facility D of SFA amounted to EUR 50.0 million was fully paid and a new facility C amounted to EUR 400 million was raised. In October 2015, EUR 214.0 million were paid by the cash resulting from the IPO, of which EUR 107.0 million pro rata on facility B and C and EUR 107.0 million on facility B.

Scout24 Holding and further companies of the Scout24 Group guarantee the obligations arising from the Scout24 loan agreement. The interest rate for the facilities drawn from SFA is based on the EURIBOR plus an interest margin tied to the ratio of ordinary operating EBITDA to net debt (as defined in the SFA). In the context of the refinancing in April 2015, the interest margins were lowered by 0.25%, and consequently the current maximum interest margin is 4.25% (before refinancing: 4.50%). Furthermore, the covenants were adjusted, with the interest coverage covenant being eliminated completely, and the levels for the ratio of the ordinary operating EBITDA to net debt (as defined in the SFA) being increased, so that as of December 2015 a level of 7.75:1.00 be applicable (before refinancing: 6.25:1). The covenants were complied with during the reporting period, with the EBITDA headroom as of December 31, 2015 being in excess of 50%. The ratio of net debt to ordinary operating EBITDA was 3.74:1, and consequently below the notified target value of 4.0:1.

In order to limit interest rate risks, Scout24 AG has concluded interest rate caps. As part of the SFA, EURIBOR is limited to 0% on the downside.

In addition to cash and cash equivalents in the amount of EUR 70.6 million (December 31, 2014: EUR 21.4 million), the Company has available liquidity from the above mentioned current account credit lines in the amount of EUR 45.6 million, of which EUR 40.35 million is still available. An amount of EUR 5.25 million is allocated in connection with an ancillary facility agreement for a revolving cash credit facility in the maximum amount of EUR 3.75 million, as well as a revolving guarantee facility in the amount of up to EUR 1.5 million.

As of the balance sheet date, off-balance sheet liabilities totalled EUR 35.7 million, thereof EUR 12.7 million with a maturity of less than one year, EUR 17.9 million with a maturity between one and five years, and EUR 5.1 million with a maturity of more than five years. As of December 31, 2014, off-balance sheet liabilities amounted to EUR 54.8 million. The decrease of EUR 19.1 million is mainly attributable to a shorter remaining lease term of office space resulting from fixed-term office lease contracts, as well as to reduced obligations from service agreements resulting from cancellation of respective contracts due to insourcing.

+
Leases and other obligations
↘ Page 165

Liquidity and investment analysis

In the 2015 financial year, Scout24 generated cash flow from operating activities of EUR 124.5 million, an increase of 88% compared to EUR 66.1 million in the short financial year 2014, which is mainly driven by improved EBITDA. Offsetting effects included cash outflows for income tax payments of EUR 31.4 million related to the 2015 financial year as well as the previous year. Additionally, cash flow from operating activities was affected by cash outflows from provisions, mainly in relation to restructuring measures implemented in 2014, in the amount of EUR 6.4 million.

In the reporting period, Scout24 generated EUR 36.2 million from net divesting activities mainly due to the disposal of the investment in PropertyGuru. Excluding effects of divestments, investing cash flow would have been negative EUR 28.5 million, out of which EUR 19.3 million reflect capital expenditures in the business, mainly in IT infrastructure, and EUR 9.5 million for the acquisitions of easyautosale and classmarkets.

The cash flow from financing activities amounted to negative EUR 111.6 million in the reporting period. This includes dividends paid in an amount of EUR 421.6 million, which was partly offset by net cash raised from borrowings of EUR 350 million. As a result of the IPO, Scout24 generated cash proceeds from the issuance of new shares amounting to

EUR 219.7 million net of transaction costs, of which EUR 214.0 million were used for the repayment of facilities under the SFA.

In total, in the 2015 financial year cash and cash equivalents increased by EUR 49.2 million from EUR 21.4 million as of December 31, 2014 to EUR 70.6 million as of December 31, 2015.

2.4.3. Net assets

The Group's consolidated total assets as of December 31, 2015 of EUR 2,173.2 million remained almost unchanged compared to the previous financial year-end (December 31, 2014: EUR 2,195.1 million).

Non-current assets decreased by 3.3% to EUR 2,055.5 million (December 31, 2014: EUR 2,127.4 million). This is largely attributable to the decrease in investments by EUR 36.5 million following the disposal of the stake in Property Guru and the decrease in other intangible assets by 11.9% or EUR 35.1 million to EUR 259.5 million, which is largely driven by the amortization of purchase price allocation items.

Current assets increased from EUR 67.7 million to EUR 117.7 million, with the item making the greatest contribution to this rise being cash and cash equivalents, which increased from EUR 21.4 million to EUR 70.6 million.

Current liabilities decreased to EUR 85.5 million compared to EUR 90.2 million mainly driven by a reduction in trade payables.

Non-current liabilities increased from EUR 1,044.7 million as per December 31, 2014 to EUR 1,166.3 million as per December 31, 2015. This was mainly driven by net borrowings in the reporting period. Consequently, financial liabilities increased by EUR 131.3 million to EUR 767.9 million. Deferred tax liabilities, which were recognized primarily on temporary differences arising from purchase price allocation, decreased in line with intangible assets.

Equity decreased from EUR 1,060.2 million to EUR 921.3 million, reflecting dividend payments of EUR 421.6 million during the reporting period being only partially offset by the proceeds from the initial public offering of EUR 219.7 million and the net profit for the financial year (attributable to the Company's shareholders) of EUR 56.9 million. The equity ratio thereby now amounts to 42.4% compared to 48.3% as of December 31, 2014.

2.5. Employees

As Scout24 operates in a fast changing industry, a key competitive advantage is to attract and retain the "best and brightest" talents. The constructive use of diversity management and dealing with the social diversity of all employees is of great importance to Scout24. Scout24 stands for a respectful corporate culture, in which open and unprejudiced interaction forms a central aspect. Working for Scout24 are individuals with the most different convictions, cultural and occupation-related backgrounds, skills and values. Diversity is seen to be a strength – because it enables the Group to respond to the individual needs of customers and the challenges of a constantly changing market.

As of December 31, 2015, Scout24 employed 1,120 full-time equivalent employees ("FTE"), compared to 1,084 FTE as of December 31, 2014, excluding trainees, apprentices, short-term employees ("Aushilfen"), interns, temporary agency employees ("Leiharbeitnehmer") and freelancers. The increase in the number of employees to 1,088 is driven by slightly higher revenue growth higher than forecast in the management report 2014 for 2015.

The following tables show the number of FTE - including members of the Management Board and the Management - as of December 31, 2015, as well as of December 31, 2014, presented by segment and region:

FTE (end of Periode)

	2015 as of 12/31/15	2014 as of 12/31/14
Group	1.120	1.084
IS24	681	662
AS24	379	355
Corporate	48	48
Other	12	20

	2015 as of 12/31/15	2014 as of 12/31/14
Group	1.120	1.084
Germany	993	954
Abroad	127	130

2.6. Overall statement on financial position and performance

In the reporting period, the Scout24 Group consistently pursued its strategy of sustainable and profitable growth with a focus on the core businesses of ImmobilienScout24 and AutoScout24. We have driven our revenue growth mainly organically, but also through targeted acquisitions along our value chain. In addition, we have successfully initiated the realignment of our organization and laid the foundation for the utilization of synergies.

The development of our ordinary operating EBITDA reflects the success of our strategy. As expected, the EBITDA was affected by the IPO-related expenditures as well as by the restructuring and reorganization process started in 2014. On the basis of our margin quality, a strong cash contribution[38], a sound balance sheet structure as well as our favourable ratio of ordinary operating EBITDA to net debt, we are currently in the excellent position to further promote the transformation of our Company into the leading operator of digital marketplaces and establish and develop its profitability.

↘ 38 Cash contribution is defined as ordinary operating EBITDA less capital expenditure

3. Events after the reporting date

On February 1, 2016, AutoScout24 Nederland B.V., a subsidiary of Scout24 AG, signed an agreement to acquire all shares of the Dutch digital automotive classifieds portal European AutoTrader B.V., Amsterdam ("AutoTrader") from Sanoma Media Netherlands B.V., Amsterdam with an effective date as of 1 January 2016. The closing occurred immediately after signing. The agreed purchase price amounts to EUR 27.7 million and is fully paid in cash. Due to the proximity in time between the date of acquisition and the publication date of the financial statements a complete allocation of the acquisition price on the fair values of the acquired assets and debts pursuant to IFRS guidelines was not possible as necessary data was not available at preparation date.

AutoTrader operates the digital automotive classifieds website AutoTrader.nl in the Netherlands. With yearly revenues of more than EUR 6 million, over 4,000 professional car dealer customers, 150,000 listings and 1 million unique visitors per month, AutoTrader.nl commands a strong position in the Dutch market. With AutoScout24.nl, Scout24 already operates the leading digital automotive classifieds website in the Netherlands. Following the acquisition, Scout24 will extend its leading market position even further.

In February 2016, Asa HoldCo GmbH, Frankfurt am Main, as one of the direct shareholders of Scout24 AG, was incorporated into Willis Lux Holdings 2 S.à r.l., Luxembourg. In turn, Willis Lux Holdings 2 S.à r.l. is an affiliated company of Willis Lux Holdings S.à r.l., Luxembourg, which is the next-level parent entity that publishes financial statements.

No other corporate-specific events or developments after the balance sheet date are known which might have led to a material change in the reporting or valuation of individual assets or liability items as of December 31, 2015.

The Management and Supervisory boards of Scout24 AG propose to the Annual General Meeting to be held on June 23, 2016, that no dividend be distributed.

4. Risks and opportunities

The early identification and management of potential risks comprises an elementary component of the Company's strategy for the Scout24 Group, resulting from the realization that in connection with the strict application of the principles of a functioning risk management, the possibility also exists to identify and exploit opportunities. In order to identify and risks – and opportunities – at an early stage and manage them consistently, the Scout24 Group deploys effective management and control systems. The overall risk situation is thereby maintained at a manageable level. A risk to the Group is currently unforeseeable.

4.1. Management's overall statement on the risk position

The Internet business is on growth path in Germany, Europe and worldwide. Especially in the advertising business, the business models are moving further from offline offerings (e.g. print media) to online offerings. At the same time, the creation of transparency in online marketplaces with relevant content and offerings for users represents a significant business potential for innovative marketing strategies for the offerings and their trading platforms. Together, these developments and the opportunity and risk profile define the Scout24 Group.

Through its brand recognition and the large number of users, the Scout24 Group has continued to achieve an excellent positioning in all significant business segments. For this reason, overall we see all Scout24 companies operating in the market continuing on a growth path.

In the run-up to the initial public offering that was successfully completed on October 1, 2015, Scout24 Group has initiated a change in strategy in the previous year already, which also affects the Scout24 Group's risk profile. By transforming Scout24 Group from a holding structure overseeing independently managed segments to a fully-integrated organization with shared central functions, the Group adopted the standard operating model of best-in-class digital marketplaces worldwide. Meanwhile, the external financing has been partly repaid utilising the cash proceeds from the initial public offering.

Accordingly, we assess the risks at the time of preparation of the management report as limited; overall risk is manageable. Compared to the reporting on the stub reporting period as of December 31, 2014, no (fundamental) change has occurred to overall risk. No identifiable risks currently exist that either individually or as a whole would lead to a significant and sustainable impairment of the net assets, financial position and results of operations of the Scout24 Group.

4.2. Risk management system, compliance management system and internal control system

The basic design of the risk management system is oriented on the internationally recognized framework COSO Enterprise Risk Management Framework of the Committee of Sponsoring Organizations of the Treadway Commission. This framework links the Group-wide risk management with the internal control system ("ICS"), which is also based on the COSO framework. This integrated approach supports the Company in such a way that management and monitoring activities are directed towards the corporate objectives and their inherent risks.

The internal control system is a significant component of the risk management system and comprises the entirety of the rules and measures, principles and procedures to achieve the Company's goals. It is intended especially to ensure the security and efficiency of the business processing, as well as the reliability of the financial reporting.

The risk management function has the objective of systematically recording and assessing risks, and aims for controlled handling of such risks. It should enable the Scout24 Group to identify unfavourable developments at an early stage in order to promptly take counteractive measures and monitor them.

Risk management in the reporting period concentrated predominantly on those activities that will substantially affect future profits (ordinary operating EBITDA, EBITDA, EBIT) and are important for the Company's future prospects.

Scout24 classifies its risks according to external, financial, operational, strategic and compliance risks – so called risk fields. The assessment of the risks is carried out, to the extent possible, according to quantitative parameters, likelihood of occurrence and the potential financial impact.

At the end of 2014, a fundamental revision and new definition of the risk management of the Scout24 Group was launched. The objective of the risk and opportunity management is a holistic and integrated approach, which combines the governance components of risk management, the internal control system (ICS) and compliance, supplemented by supporting audit activities of the internal control. The starting point and connecting factor in this connection are the requirements for the risk management and compliance management systems for capital market oriented companies. The implementation started in the 2015 financial year and will presumably be completed in 2016.

4.2.1. Principles of risk and opportunity management at the Scout24 Group

The principles of responsible corporate management at the Scout24 Group include the constant, responsible weighing of risks and opportunities that arise from business activity. The goal of the risk and opportunity management is to develop a strategy and establish goals that create an optimal balance between growth and profitability on the one hand and the related risk on the other, and thereby systematically and sustainably increase shareholder value.

Our business is affected by a number of external and internal factors that harbour both risks and also opportunities. In this connection, we define risks in this report as potential events or future developments, which can result in a negative effect on the Company's development or a variance from specified goals or planned amounts. Risk characteristics, which we have already considered in our financial planning, are consequently not included in this risk definition and therefore are not explained in this report.

Scout24 assesses the opportunities and risks, which are overall substantial for the development of the Company currently in connection with the budget planning process, which takes place annually. In order to derive the integrated financial planning in this connection, both the industry and competitive environment, as well as overall market trends, are analysed and assessed according to the resultant opportunities and risks for the Company. This is complemented by the risk inventory prepared annually and updated regularly, which provides for the risks and opportunities survey and assessment by an established method throughout the Company. The specific assessment of the opportunities and risks at the time of the budget preparation are newly verified during the year in additional revisions of the planning and the risk reporting, so that a quarterly assessment of the opportunities and risks for the Scout24 Group is carried out.

4.2.2. Organizational implementation of risk and opportunity management
Overall responsibility for the risk and opportunity management system of the Scout24 Group lies with the Management Board. Until the realignment, the risk and opportunity management was coordinated via the holding company and delegated to the segments, in other words, to the operating units. In connection with the revision of the organizational structure, a central responsibility of „risk management" was introduced, which integrates and manages Group-wide the two systems for risk and compliance management as well as the internal control system. This occurs in close cooperation with the individual risk officers in the segments and central functions, who bear responsibility for implementing the risk and opportunity management system in the risk reporting units, i.e. the operating units.

In this connection, the effectiveness of the integrated risk management, compliance and internal control systems will be controlled in future through random testing by a co-sourced internal audit function provided by an external consulting firm.

4.2.3. Significant features of the internal control and risk management system with respect to the Group accounting process
A significant component of the internal monitoring system of the Company is formed by the accounting-related risk management system as well as the internal control system. Through the application of the COSO framework mentioned above, the effectiveness and efficiency of the operations as well as the completeness and reliability of the financial reporting is to be ensured through the effective interaction of the risk management system and the internal control system. In this connection, the accounting-related risk management and the internal control system include all organizational rules and measures for the recognition and the handling of the risks and the financial reporting.

We view the following characteristics of the risk management system and the internal control system to be significant:

- Process for identification, assessment and documentation of all significant accounting-relevant company processes and risk fields, including related key controls. These include processes of financial and accounting and operational company processes, which provide significant information for the preparation of the annual and consolidated financial statements, including the management report.
- Process-integrated controls (IT-supported controls and access limitations, authorization concept, especially in the case of accounting-related IT systems, "four-eyes" [dual control] system, and separation of functions).
- Standardized and documented financial bookkeeping processes.
- Group-wide guidelines for the accounting in the form of financial reporting guidelines and reporting processes.
- Regular information to all consolidated companies regarding current developments relating to accounting and financial reporting and the preparation process for the financial statements, as well as reporting deadlines.

4.2.4. Risk prevention and ensuring compliance

Risk prevention is a significant element of the risk management system and an integral component of the ordinary business activities. Consequently, risks and opportunities and their effects on the Company are discussed at bi-weekly Executive Leadership Team (ELT) meetings, in quarterly meetings with the Supervisory Board, and in regularly occurring budget, strategy and results meetings. The risk management system of Scout24 Group is completed by the inventory and assessment of all company risks drawn up on a yearly basis, the regular update of the assessment including the regular exchange with the risk management officers, as well as the reporting on quarterly risk inventory to the Management Board.

Compliance with national and internationally recognized compliance requirements forms a fixed component of risk prevention. With the revision and new definition of the risk management of the Scout24 Group launched in 2014, a rigorous realignment was carried out of the risk management, ICS and compliance with respect to the requirements of the new ownership and organizational structure and thereby also with regards to the strategic goals of the Company, including the initial public offering successfully completed on October 1, 2015. This holistic integrated governance, risk and compliance approach is expressed in the adaptation of risk and compliance-relevant company processes to the requirements of the new company structure and strategy.

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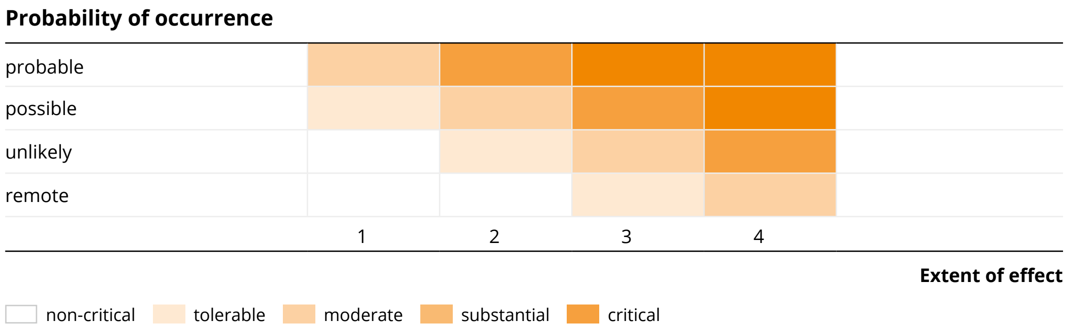
In connection with the 2014 change in ownership, the risk management and compliance management infrastructure that was directed to the needs of the previous owner was initially transferred, including all guidelines and processes in force in that context. The realignment comprises, in addition to the adaptation of the existing risk management and compliance guidelines and processes, among others, also a new code of conduct as well an external whistle-blower system. This is supplemented by a newly to be established communication and training concept regarding relevant risk and compliance information for all company units in order to accordingly sensitize all employees and to achieve a Company-wide uniform understanding of our risk management and compliance standards. The Scout24 Group thereby has a system of rules, processes and controls, the help of which enables deficits in the Company to be identified on and early basis and to be able to be minimized through appropriate measures.

4.3. Development of the risk assessment

Identifying significant risks represents the start of the process. In this connection, risks that exceed a certain materiality threshold or represent a subjective urgency are brought to the Management Board's attention on an ad hoc basis by the risk owner, or via the Vice President Risk Management. Interim reporting is oriented towards specific characteristics, and is based on presented risk assessments and respective regular updates by the departments. The development of appropriate early warning indicators is planned in connection with realignment of the risk management in 2016. The risk assessment is performed taking into consideration the anticipated effects on the net assets, financial position and results of operations, as well estimated probabilities of occurrence as "non-critical", "tolerable", "moderate", "substantial" or "critical". The quantification in this connection is primarily to make clear the relevance of the reported risk. The assessment of the monetary extent of damages is the responsibility of the business units. The time horizon for the assessment of risks amounts to approximately 2-3 years. The scales for measuring the assessment magnitudes (probability of occurrence and degree of the effect) as well as the resulting risk classification matrix are presented in the following table.



Within this matrix we classify risks with a probability of occurrence of more than 50% as probable (D), risks with a probability of occurrence less than 10% are classified as remote (A). With regards to extent of effect we classify risks with an extent of more than EUR 50 million as significant (4), risks with an impact of less than EUR 0.5 million are classified as low (1).

One element of the risk assessment comprises also the analysis of causes and interactions. Opportunities do not enter into the assessment; they are recognized in connection with the planning calculation.

The third step finally consists of the risk management. Upon the existence of certain risk indicators in relation to the defined materiality thresholds, countermeasures are developed and initiated. The defined measures and risks are updated in connection with interim reporting to management.

For the recording and reporting of risks, decentralized risk managers in the various company units are responsible. The managers categorize the risks according to a catalogue applicable throughout the group and document their results on a quarterly basis – or on an ad hoc basis – in a database.

4.3.1. Overall risk situation, risk clusters and risk fields

The overall risk situation is determined by assessing the risk clusters as the result of a consolidated consideration:

- External Risks;
- Financial Risks;
- Strategic Risks;
- Operational Risks;
- Compliance Risks.

Risk clusters, which from the current perspective could significantly affect the results of operations, the financial position and net assets of the Scout24 Group are presented below. These are not necessarily the only risks to which the Company is exposed. Further risks, which could affect our operations are currently not foreseen, or we assess these to be non-substantial. There are no pending court or supervisory procedures against the Company that could lead to significant claims or are probably not able to be fulfilled.

We assess the overall risk situation for the Group and its business units to be controllable.

4.3.2. External risks

General entrepreneurial risks

Our profitability depends critically on whether we can maintain our leading market position, especially the leading position of our ImmobilienScout24 in Germany. If we are unable to maintain these market positions, our pricing could be jeopardised, and our sales could reduce, impairing our business as a consequence.

We operate in an intensely competitive environment. Our business model is vulnerable to short-term changes in the competitive dynamic. Competitors following other business models or pricing could be able to encourage our customers to use other platforms than ours. Particularly classifieds portals on a horizontal competition level (as eBay small ads) could penetrate the real estate and car classifieds market and intensify their activities, or even large Internet operating companies (as Google or Facebook) could use their broad user group and its data in order to establish a sound customer basis at comparatively low costs.

We are highly dependent on our recognized brand names and our reputation. Any damage to our brand or reputation could lead to the loss of confidence of our target group and to related cost-intensive mitigating measures.

We are dependent upon the fact that our target group, our portals and our services are preferred over those of our competitors, which may require additional capital expenditure.

Difficult conditions in the overall economic environment could impair our business.

Technological changes could disrupt our business and the markets in which we operate and result in higher expenses or the loss of customers. For example, competitors might at any time introduce new products and service, which would make our products and services or our business model uncompetitive or even redundant. In order to keep up with the technological progress higher expenditures could be necessary for the development and improvement of our technology.

We are dependent on our systems, employees and certain business partners. Failures can substantially affect our operations.

The above-mentioned external risks are considered by us to be among the general entrepreneurial risks. Due to our leading market position, the name recognition of our brands and our constant analytical market observation, including the technological advances, we assess these risks overall to be non-critical.

Deteriorating economic environment in the automotive industry
AS24 derives a significant amount of revenues from the European automotive market, especially from original equipment manufacturers ("OEMs"). Recent developments in the automotive industry might affect advertising budgets of OEMs. We have nonetheless monitored a precisely countervailing trend in the last months. Various OEMs have partially considerably increased their advertising budgets in order to counter threatening damages caused by the "Defeat-Device" affair. Against this background we classify the risk as noncritical.

4.3.3. Financial risks
In connection with the operating activities and due to the existing syndicated loan agreement, the Scout24 Group is exposed to financial risks. The management of the short-term liquidity and longer-term financial risks is the central responsibility of the Group Treasury department, which with a focus on an efficient management of the short-term liquid funds has installed appropriate reporting and planning processes.

Currency and interest rate risk

In connection with its debt financing, Scout24 AG is subject to a risk of interest rate changes. Interest rate fluctuations (especially fluctuations of the EURIBOR) can have effects on the amount of the interest payments for existing loans as well as on the costs of refinancing. In order to limit the risk from interest rate changes, Scout24 AG concluded an interest rate cap, and regularly evaluates further options for minimizing the risks in connection with its strategy, including in consultation with the Advisory Board. The Company currently classifies its interest rate risk as tolerable.

As a Group headquartered in Germany, the euro represents the currency for both the Group and its financial reporting. Since the Scout24 Group transacts most of its business in the Eurozone, it is subject to these risks only to a minor extent. We classify the currency risk as non-critical.

Liquidity risk

The management of liquid funds represents a significant process in the Scout24 Group. The liquidity situation is monitored and managed on the basis of a financial planning and a rolling liquidity planning with a four-week horizon. In addition, the Company has a reliable generation of liquidity from the ongoing business. The Scout24 Group also has available a EUR 45.6 million revolving credit facility to ensure its liquidity. Short-term liquidity risk is tolerable as a consequence.

+
Capital resources and financing structure
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The repayment of the syndicated loan is first due in 2021, and in 2022. The liquidity risk from repayment obligations on loans is countered by refinancing activities on a timely basis, so that the risk is currently considered to be non-critical.

4.3.4. Strategic risks

Our strategic initiatives, including our decisive growth strategy, our pricing model, as well as our acquisitions or divestments can fail. We are constantly monitoring the market and the different responses in order to be able to react quickly and flexibly to changes in the customer behaviour. We train our sales staff in successful methods. Furthermore, we evaluate the potential risks and opportunities of our strategic acquisitions by comprehensive due diligence procedures. A potential risk of impairment in the following years is monitored by yearly impairment tests. In total, we classify this risk as significant with respect to our growth targets.

A part of the product strategy relates to the cooperation with various cooperation partners in order, for example, to offer our users attractive additional offerings. Furthermore, we rely on a number of cooperation partners in the area of telecommunications or data delivery. It is possible that we cannot maintain these important relationships, for example, if in the future they become competitors, or their products are not adapted to our needs. We classify this risk as tolerable.

4.3.5. Operational risks

For the successful maintenance of our operating infrastructure we will continue to require qualified technical and managerial personnel. Our future success depends on the extent to which we are successful in training, hiring, integrating and sustainably securing the loyalty of appropriately qualified employees. In order to ensure a proper staffing to meet the growth challenges and to enhance our attractiveness as employer we conduct a strategic personnel planning which implies a comprehensive recruiting.

Particular risks are seen in the loss of know-how and a lack of transfer of knowledge due to the departure of employees. An organization of working time adapted to the needs of the employees and material incentive systems are designed to keep Scout24 competitive as an attractive employer. We are dependent on the availability and the performance of experts at our management level and other personnel, and also on preserving a flexible corporate culture. We classify this risk as significant.

The security of customer information that we store, or the functioning of our portals and our general systems, can be jeopardised. Scout24 business segments are connected to geographically separated and redundant data centres in order to ensure the security and stability of our systems. The operation of the platforms is under permanent monitoring so as to quickly initiate appropriate countermeasures in case of failure. Additionally, a comprehensive multi-stage protection of our systems as well as personalized, role-based access controls guarantee protection against unauthorized access and external attacks. In order to align our cyber-security measures to current benchmarks and best practices we will conduct an in-depth external IT/ Cyber security audit in the first quarter of 2016. Due to existing and effective risk reducing measures we classify this risk as moderate.

We utilize both standardized procurement, sales and delivery contracts as well a standardized general terms and conditions. This increases the risk that such contractual conditions are invalid, and unenforceable as a result. Due to regular involvement of our legal department in the course of the procurement process, and comprehensive contract management, we classify such risk as non-critical.

We could be obligated to pay additional taxes and other levies due to tax audits, changes in the tax law, the interpretation and application of these or changes in our effective tax rate. Organizationally-caused changes can lead to higher tax expenses. Due to regular involvement of external experts in emerging tax issues we classify this risk as noncritical.

4.3.6. Compliance Risks

Besides operational and fiscal risks, a wide range of legal risks arises from our business activity. The results of legal disputes and other proceedings may cause considerable damage to our business, our reputation or our brands and entail high costs.

We are subject to a variety of laws and regulations, many of which are not yet firmly established or still developing. These include also partly very effective fields of law regarding consumer protection, data protection, e-commerce and competition. Antitrust and competition claims or investigations may also require changes in our business operation.

Any risks resulting out of this are counteracted by internal and external law experts by a thorough examination of all contractual and regulatory matters. Our endeavour is to fulfil all our obligations by continual supervision and to avoid conflicts arising from the violation of third parties rights or breach of regulatory provisions. No substantial litigation risks currently exist within the Scout24 Group. We classify this risk as tolerable as a consequence.

Change in legislation

Scout24 is affected by a variety of laws and regulations, many of which are unsettled and still developing, and could lead to a loss of customers or consumers, or a decrease in the numbers of listings on its platforms. On June 1, 2015, an amendment of German law came into force that shifts the burden to pay agency fees for rental properties from the tenant to the party ordering the service of the agent (so-called "ordering party principle" or "Bestellerprinzip"). This change in legislation may cause a structural shift from rental listings by real estate agents to private listings, with potential consequences for the market for rental properties in which Scout24 operates.

The same amendment has also implemented a rent stabilization mechanism (so-called "Mietpreisbremse") applicable in areas with a tense real estate market as defined by the federal states ("Bundesländer") in order to prevent assumed excessive rent increases. In cases of re-lettings the permissible new rent may, according to the newly introduced law, only exceed the local reference rent by 10% or correspond to the formerly agreed rent. This mechanism may constitute a burden on investments in new properties and lead to a reduction in professional and private listings as a result of decreasing construction activity and decreased property market activity.

The German legislature introduced a draft law which tightens the professional requirements for real estate agents in order to ensure a common quality standard. Under the new agent certification regime, agents would have to fulfil certain professional minimum requirements, such as providing proof of their expertise, which could in combination with the recent introduction of the so-called "Bestellerprinzip" reduce the number of agents. In consequence this may reduce the customer base of IS24 and the numbers of listings, which may negatively impact revenues from professional customers, from which IS24 derives the major share of revenues. Further, sold and leased properties are subject to energy efficiency regulations, under which sellers and landlords are obliged to obtain an energy performance certification (Energieausweis). The requirements of such energy efficiency regulation may be tightened and adversely altered in the future as has already happened in 2014. More.

stringent regulation may have consequences on listings volumes, as for example the introduction of the energy efficiency legislation led to a temporary drop in listings.

Similarly, the Energy Consumption Labelling Ordinance ("Energieverbrauchskennzeichnungsverordnung") requires sellers of goods that consume energy resources and produce carbon dioxide emissions, such as cars, to provide certain information regarding emissions and performance. Failure to provide such information when listing cars on Scout24 platforms might therefore result in administrative or legal proceedings against customers by regulatory agencies or environmental organizations. As a result, customers might refrain from listing cars on digital listing platforms such as AS24 in general or, in case of administrative or legal proceedings regarding a listing on AS24, might in particular attribute any legal consequences to Scout24 platforms. As a consequence, AS24 might incur churn and/or risk a damage to its reputation.

Due to our permanent monitoring of relevant legal and regulatory compliance risks arising in particular from changes or the introduction of domestic legal requirements we classify this risk as tolerable at present.

It is difficult for us to currently assess the risk arising from the negative consequences entailed by the elimination of EU-safe harbour within the international data transfer. Following in-depth examination of all significant IT-services contracts and, coupled with this, of the application of EU standardized clauses recommended by the EU commission, we consider this risk as tolerable at present.

Data protection
Also, any changes to the ability of Scout24 to utilize user and member data in its systems, or to share data, could impact its revenues. For example, offering value-added services, such as valuation, would be impeded if the Company were prevented from utilizing the transaction database. Likewise, Scout24 relies on e-mail and messaging services in its marketing efforts. Restrictions in the ability to contact its customers and consumers could therefore adversely affect its business. We classify this risk as tolerable.

Violations of other legal requirements
The aim of compliance is to ensure an irreproachable conduct of business at any time and in all respects. Any failure to fulfil legal requirements and report obligations, any violation of the corporate governance codex or insufficient management transparency may pose a risk to the required compliance. For this reason, Scout24 established a Group-wide code of conduct which provides for the employees‘ safety and support in various professional situations. The recently constructed compliance hotline should also support the detection of relevant infringements. Another effective preventive measure is the training on special topics as competition issues or the proper handling of insider information. Despite comprehensive measures taken within the realignment of the compliance program and our compliance organization, it is actually impossible for us to protect against us all risks. In consideration of the mentioned awareness-raising measures already applied we classify this risk as tolerable.

4.4. Opportunities

4.4.1. Overall statement on opportunities from the viewpoint of management

The Internet business continues to be on a growth trend in Germany, Europe and worldwide. In particular, in the advertising business, the business models are shifting from offline offerings (such as print media) to online offerings. For instance, online advertising expenditures corresponded to 27.0% in 2015 and a rise up to 31.9% in 2018 is expected.[39] It is precisely this development that harbours growth potential for Scout24 business models.

In addition, as a result of its high degree of brand recognition and its high number of users Scout24 has an excellent positioning.

From the viewpoint of the Management Board, Scout24 AG is therefore well positioned overall for the systematic identification and exploitation of opportunities that arise from the significant trends in its markets.

4.4.2. Significant opportunities

Potential for further income growth at ImmobilienScout24

ImmobilienScout24 is Germany's largest online real estate advertising portal for commercial and private customers with supported brand recognition of 93%.[40] Today, already over 68% of customers use our services via mobile devices; these services can be used across all devices. Our own apps have already been downloaded more than 12 million times, which underscores the attractiveness of the platform.

We are convinced that we are well positioned to seize various opportunities for revenue growth, which will extend beyond this structural market shift in connection with real estate advertising budgets (both with respect to small ads as well as general advertising). The advantageous network effect in this sector should work to our favour and, in our opinion, lead to a disproportionately high share of advertisements and visitors (measured by access numbers, reach and visitor activity) on our marketplace. In the case of our commercial real estate providers, especially regarding the larger ones, we see substantial potential to increase our share of their advertising expenditures ("share of wallet").

Our average revenues per core agent ("ARPU") have room for growth, since they are lower than those of comparable market-leading companies in other countries where the shift from offline media to online advertising portals is already further advanced. We believe that our ARPU can be significantly increased, since we are continually increasing the added value for our customers, and the market is continually shifting from print products in favour of online offerings. This development should lead in the medium term to an increase in the ordinary operating EBITDA margin in the ImmobilienScout24 segment.

↘ 39 ZenithOptimedia, Advertising Expenditure Forecasts, December 2015
↘ 40 GfK Brand & Communication Research, September 2015

Largest EU-wide online automobile advertising portal with potential for increased performance

AS24 operates the leading digital car classifieds portal in Europe and is in terms of total classifieds market leader within the vertical automotive portals in Italy, Belgium (including Luxembourg) and the Netherlands, whereas rated second in Germany.[41]

AS24 benefits from Europe-wide presence through fixed-cost digression effects. The European-wide presence allows it to allocate costs for parts of the business, especially the fixed costs for development and the operation of our Internet sites and the mobile apps to the markets. Furthermore, the Europe-wide reach enables us to provide access for regional auto dealers to the demand in the European market and thereby expand their target group of potential buyers. With a view to the cross-border sales of automobiles in Europe, this offers substantial added value.

The similarities in the sales processes and ad placements for automobiles and real estate allow us to use our expertise and our proven practices for both areas and to optimize the processes. Especially with respect to our new developments for mobile products, such as the newly introduced app for mobile phones, we can accelerate the mobile access to our offering and improve the user friendliness for our customers in our AutoScout24 segment. Parallel to this, we are attempting to increase the number of ads of smaller dealers in Germany through targeted sales and marketing campaigns, where our main competitor has a significantly stronger position. As a result, we expect an increase of the ordinary operating EBITDA margin of our AutoScout24 segment in the medium term.

Good starting position for further expansion of our online portal and development of further market opportunities along the value chain in the real estate and automobile sectors

The leading position of our IS24 portal according to access numbers and user activity[42] in Germany and of AS24 at European level provides us with a strong and far-reaching access to customers who are ready to buy, and should enable us to generate additional income from our reach, for example, through fee-based services along the value chain. We have already successfully introduced the first added-value service offerings, which should serve to support customers through the entire real estate sales or letting process.

At the same time, the European-wide presence of AutoScout24 allows us via the large number of people looking for cars to generate further income through online sales of ads and lead models along neighbouring segments of the automobile value added chain. We intend to establish AutoScout24 as the „go to“ online portal for auto manufacturers (OEM), loan and insurance agents, replacement parts and accessory dealers and repair shops.

↘ 41 Autobiz, September 2015
↘ 42 Based on visitor numbers (unique monthly visitors, "UMV") and user activity, comScore December 2015 (desktop PC for visitor numbers, desktop PC and mobile devices regarding user activity)

Stable business model with constant revenue growth, strong margins and higher cash flow generation

From 2013 to 2015, our external revenues have grown at a compound annual growth rate of 12.7%, and reached a total of EUR 393.6 million in the reporting period. Our revenues are not directly dependent on the market prices of real estate and automobiles or the number of real estate transaction or auto sales, but instead on the number and display duration of the ads placed by our customers. Through our recently introduced more individual pricing arrangement, especially through the newly introduced membership model with which our customers can offer their entire real estate portfolio, we are additionally tailoring our pricing arrangement to the specific advertising quotas of our customers.

Our marketplace model and our leading market position make us highly profitable. In the reporting period, our Group generated an ordinary operating EBITDA of EUR 189.6 million, and consequently an ordinary operating EBITDA margin of 48.2%. We believe, however, that our ordinary operating EBITDA margin can be improved even further. The relatively small investment requirements of our business model leads to a significant generation of cash flows.

Benefiting from user interest overlap in our digital marketplaces

In September 2015, Scout24 officially launched Scout24 Media at Germany's largest digital marketing exposition and conference „dmexco" in Cologne. Scout24 Media as a Group-wide function will drive the Group's lead generation and ad sales businesses and help position the Scout24 Group as a leading premium and data driven publisher in Germany and Europe. Scout24 Media combines Group-wide product marketing capabilities and resources as well as third party and agency sales teams. Based on the intensive usage of our portals and the significant synergies across IS24 and AS24, the Management Board believes Scout24 is well positioned to deliver value-added services and products that go beyond classifieds advertising. Management estimates that approximately 30% of AS24 users in Germany are also interested in real estate and approximately 43% of IS24 users in Germany are also interested in cars. This significant user base overlap allows the Group to offer relevant products and services to its consumers and to effectively offer targeted, data-driven advertising and lead-generation solutions to companies interested in reaching the large and qualified base of approximately 17 million monthly users.[43]

↘ 43 AGOF Internet facts 2015-10

5. Outlook

5.1. Market and sector expectations

As described in section 2 "Macroeconomic and sector-specific environment", Scout24 is expecting favourable tailwinds in the macroeconomic backdrop, as well as in the German real estate and European automotive markets.

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Scout24 is well positioned to benefit from those tailwinds, given its focus on core operations and European markets, where it benefits from leading market positions, high brand recognition and significant audience reach.

5.2. Company's expectations

5.2.1. Expected results of operations for the Group and the operating segments

Scout24 reported a successful financial year in 2015 with 14.0% revenue growth and an ordinary operating EBITDA margin of 48.2%, which demonstrates our ability to deliver sustainable and profitable revenue growth.

The online advertising outlook in Germany and Europe remains positive as both consumers and customers become increasingly digital. Scout24 is well positioned to benefit from this structural shift due to the market leading positions of our ImmobilienScout24 and AutoScout24 platforms, with both divisions benefiting from the shift of marketing budgets from traditional marketing channels to online. Our profitable growth is especially driven by revenues from our core agent and core dealer partners and by increasing consumer monetization.

We are confident that this momentum will continue in 2016, and expect group revenue to record a low double-digit percentage growth rate, in line with our guidance at IPO. Reflecting the scalable nature of our business model, our cost base should grow at a disproportionally lower rate than revenues and we therefore expect an ordinary operating EBITDA margin between 49.5% and 50.5%.

ImmobilienScout24 (IS24)

For 2016, we expect IS24 to achieve a high single to low double digit percentage revenue growth rate. The cost base should grow at a disproportionally slower rate than revenues resulting in an increase in ordinary operating EBITDA margin from 59.7% in 2015 to between 60.5% and 61.5% in 2016.

Revenues from core agents increased by 12.3% in 2015 compared to 2014. From an operational perspective, we saw a successful development of the most important performance indicators: IS24 migrated 76% of its customers to the new membership model, it increased its listings market share versus its closest competitor (from 1.3x to 1.4x) and it maintained a strong competitive lead in consumer traffic and engagement (3.1x the next closest competitor) while growing traffic and leads for its agent customers. The number of core agents as of December 2015 decreased by 12.4% compared to December 2014, in line with the market, and mainly driven by the substantial regulatory change in Germany, the so-called „Bestellerprinzip", that came into effect on 1 June 2015. We have already identified a number of operational initiatives to improve salesforce execution which will implement in 2016 and give us confidence in our outlook.

For 2016, the operational focus for the core agent business will be to maintain or grow its listings market share, to increase the penetration of prominence-driven products and to continue to expand membership penetration. From a financial standpoint, we would expect revenues from core agents to increase based on similar ARPU growth as 2015 and some continued decline in core agent numbers as a result of "Bestellerprinzip" and the ongoing transition to the membership model.

Revenues from other agents are estimated to grow by a low single digit percentage.

Other revenues are expected to grow by a low double-digit percentage, largely driven by increasing revenues from private listings as a result of the "Bestellerprinzip" and strong growth opportunities in the consumer monetization segment.

AutoScout24 (AS24)
For 2016, we expect AS24 (excluding the contribution of Autotrader) to grow revenues at a similar rate as 2015 and for ordinary operating EBITDA margin to expand further by a low single digit percentage point.

The number of core dealers in Germany in December 2015 grew by 12.8% compared to December 2014, mainly driven by our intensified acquisition of medium sized and smaller dealers. In 2016, we expect AS24 core German dealer revenues to grow at a low double-digit rate driven primarily by continued dealer growth.

2016 revenues from Core dealers in Benelux and Italy should grow at levels similar to 2015. In addition, we expect our recent acquisition, European AutoTrader B.V., Amsterdam ("Autotrader") to contribute revenues of around EUR 6 million.

We also expect a positive development for revenues from other dealers and other revenues.

5.2.2. Other future results of operations and financial position

In 2015, our non-operating costs included EUR 3.6 million of share-based compensation and EUR 2.0 million performance-based compensation from a share purchase agreement.

For 2016, we expect total non-operating costs to amount to approximately EUR 14.5 million. This will include approximately EUR 4.5 million of share-based compensation and around EUR 2.0 million from a share purchase agreement. Further EUR 1.2 million of share-based compensation relate to an accounting effect of the existing Management Equity program, and another 3.3 million to a virtual management equity program launched in 2015, which will lead to a first cash-out in 2017. We expect a non-recurring restructuring charge of approximately EUR 5.0 million and additional EUR 3.0 million of post-merger integration expenses for our recent Autotrader acquisition in the Netherlands.

Finally, we expect capital expenditure to be slightly lower than in 2015.

6. Other disclosures

6.1. Dependent company report

Closing statement of the Management Board report concerning relations to associated companies pursuant to Section 312 of the German Stock Corporation Act (AktG)
Scout24 AG was a company controlled by Asa HoldCo GmbH, Frankfurt am Main, in 2015 (it merged with Willis Lux Holdings 2 S.à r.l., Luxembourg, in February 2016). As no control agreement exists with Asa HoldCo GmbH, pursuant to Section 312 of the German Stock Corporation Act (AktG) the Management Board of Scout24 AG is obliged to draw up a report on the relationships to other affiliated companies. This report comprises information on the relationship to the controlling company and to other companies affiliated to the controlling company, as well as to companies of the Scout24 Group, and refers to the period after the change of the legal form as of September 10, 2015.

The Management Board, in accordance with Section 312 (3) of the German Stock Corporation Act (AktG), declares the following:

„According to circumstances known to us at the time, our Company received appropriate compensation for any legal transactions and any measures mentioned in this report on the relationships to affiliated companies at the time when these legal transactions were executed, or measures were implemented or omitted, and it was at no disadvantage by such implementation or omission of measures "

6.2. Takeover-relevant information according to Sections 289 (4) and 315 (4) of the German Commercial Code (HGB)

The following presents information according to Sections 289 (4) and 315 (4) of the German Commercial Code (HGB) as of December 31, 2015.

Composition of subscribed share capital
The subscribed share capital of Scout24 AG amounts to EUR 107.6 million. It is divided into 107,600,000 registered ordinary no-par value shares (individual share certificates) with a proportional interest in the share capital of EUR 1.00 per share. The shares are deposited by means of a global share certificate; the right to demand issuance of individual share certificates is excluded. Each no-par value share grants the same rights and carries one vote at the Company's annual shareholders' meeting. All registered shares are fully paid in.

Restrictions affecting the voting shares or the transfer of shares
During the IPO, MEP Pref GmbH & Co. KG and MEP Ord GmbH & Co. KG (together the "MEP companies") agreed in a lock-up agreement with the main shareholder (Asa HoldCo) on September 21, 2015, and in the Underwriting Agreement with the Joint Global Coordinators on September 28, 2015, that, for a period ending twelve months after the date of the first day of trading of the shares of the Company (hence up to and including September 30, 2015), they will not offer, pledge, allot, sell, distribute, transfer or otherwise dispose of, directly or indirectly, any shares in the Company, except in very limited exceptional

cases ("lock-up"). Exceptions apply particularly to transactions with affiliate companies, for certain transactions to cover certain cash tax payment obligations of managers, and the sale of shares held by the MEP companies for four former managers of Scout24. The limited partners of the MEP companies, who are therefore indirectly bound by the lock-up, are mostly current and former managers and employees of Scout24 AG and its subsidiaries. In addition the main shareholders Asa HoldCo, Deutsche Telekom AG, as well as the German BMEP Ord GmbH & Co. KG and German BMEP Pref GmbH & Co. KG, entered with the Underwriting Agreement into a lock-up obligation for a period ending six months after the date of the first day of trading (hence on March 31, 2016).

The independent Supervisory Board members agreed with the Company to re-invest a certain part of their Supervisory Board compensation in shares. Those shares are to be held for the duration of their terms of their supervisory board membership at Scout24 AG.

Direct or indirect equity investments that exceed 10% of voting rights
As of December 31, 2015, the Company is aware of the following equity investments representing more than 10% of voting rights: Asa HoldCo GmbH, Frankfurt am Main (in February 2016 merged with Willis Lux Holdings 2 S.à r.l. Luxembourg) 48.61% and Deutsche Telekom AG, Bonn 13.37%.

Shares endowed with special rights
All shares are granting the same rights, there are no classes of securities endowed with special control rights.

Control of voting rights for equity investments of employees
There are no provisions for control of voting rights, if employees participate in the share capital without directly exercising their voting rights.

Appointment and dismissal of members of the Management Board, amendments to the articles
Pursuant to section 6 (2) of the articles of Scout24 AG, the members of the Management Board are to be appointed, and appointment shall be revoked, by the Supervisory Board. Further provisions are set out in the Sections 84 and 85 of the German Stock Corporation Act (AktG). Any amendment to the articles requires a majority of at least three quarters of the attending share capital at the General Meeting of Shareholders. The provisions of Sections 179 et seq. of the German Stock Corporation Act (AktG) are applicable. According to section 10 (4) of the articles, the Supervisory Board shall be entitled to amend the articles relating solely to their wording. In particular, the Supervisory Board is authorized to amend the wording of the articles of association after complete or partial implementation of the increase of the share capital out of the Authorized Capital 2015 stipulated in section 4 (6) of the articles or after the expiry of the authorized period in accordance with the amount of the capital increase out of Authorized Capital 2015.

Authorization of the Management Board to issue new shares or buy back shares
The Management Board is authorised to increase the Company's share capital with the approval of the Supervisory Board in one or several tranches until September 3, 2020, by issuing new no-par value registered shares against contributions in cash and/or in kind, by an amount of up to EUR 50.0 million in total (Authorized Capital 2015). In this regard, the shareholders shall generally be granted a subscription right. Pursuant to Section 186 (5) AktG, the new shares may also be assumed by a credit institution or an enterprise, active in the banking sector in accordance with Section 53 (1) Clause 1 or Section 53b (1) Clause 1 or Section 53b (7) German Banking Act (Gesetz über das Kreditwesen), with the obligation to offer them to the shareholders for subscription (indirect subscription right). The Management Board, with Supervisory Board approval, is authorised to exclude shareholders' subscription rights in whole or in part in the following cases:

- in case of a capital increase against contributions in cash if the issue price of the new shares is not substantially (in the meaning of Section 186 (3) Clause 4 AktG) lower than the stock exchange price of shares of the Company carrying the same rights, and the shares issued by excluding the subscription right in accordance with Section 186 (3) Clause 4 AktG, in aggregate do not exceed ten percent (10%) of the share capital, either at the time of this authorisation entering into effect or at the time of exercise of this authorisation. Those shares must be taken into account with regard to this limit that have been issued or sold subject to exclusion of the shareholder subscription rights during the time when this authorization is in effect up to the time of exercise of the respective authorization in direct or corresponding application of Section 186 (3) Clause 4 AktG. Those shares must also be taken into account that have been issued or can still be issued by the Company on the basis of convertible bonds/bonds with warrants issued as of the point in time of the respective exercise of the authorization if the convertible bonds/bonds with warrants were issued by the Company or Group companies subject to exclusion of the subscription right of the shareholders in direct or corresponding application of Section 186 (3) Clause 4 AktG after this authorization takes effect;

- in case of capital increases against contributions in kind, in particular for the purpose of acquiring companies, parts of companies or interests in companies; for the purpose of excluding fractional amounts from the shareholders' subscription rights;

- for fractional amounts;

- for issuance of shares to employees of the Company and employees and board members of subordinated affiliated companies, and, in addition, with regard to employees in accordance with the requirements of Section 204 (3) AktG;

- for the purpose of granting subscription rights to holders of conversion or option rights related to bonds to be issued by the Company or an affiliated company.

Altogether, the portion of the share capital which is attributable to shares being issued on the basis of the Authorized Capital 2015 with the shareholders' subscription rights being excluded shall not exceed 10% of the share capital, either at the time of that authorisation taking effect or at the time when the authorisation is exercised. The shares issued or to be issued for servicing bonds with conversion or option rights or an obligation to convert them shall count towards the aforementioned 10% limitation if such bonds were issued during the term of this authorisation with the shareholders' subscription rights being excluded.

The Management Board is authorised to determine the further details of the capital increase and its implementation, in particular the content of the share-related rights and the terms and conditions of the share issue, with the approval of the Supervisory Board.

In the course of the initial public offering this authorization was partly used to an amount of EUR 7.6 million.

By resolution of the Extraordinary Meeting of Shareholders of Scout24 AG on September 17, 2015, and in accordance with Section 71 (1) No. 8 of the German Stock Corporation Act (AktG), the Management Board is authorized to purchase its own shares representing an amount of up to 10% of the lesser of the share capital at the time of the authorization or the share capital at the time of the respective exercise of the authorisation. The share capital at the time of the authorization amounted to EUR 100,000,000. This authorization may be exercised in full, or in part, once, or on several occasions and is valid until September 16, 2020. The shares may be purchased (1) on the stock market or (2) by way of a public offer to all shareholders made by the Company or (3) by way of a public invitation to submit offers for sale or (4) by granting rights to tender to the shareholders.

Material agreements of the Company that take effect in the event of a change of control following a takeover bid

Material agreements of the Group that take effect in the event of a change of control following a takeover bid are related to the revolving credit facility which was agreed in the course of the initial public offering. In the event of a change of control these agreements provide, under certain conditions, for a right to early termination for the creditor.

Compensation agreements with the members of the Board of Management or with employees in the event of a takeover bid

No such agreements exist.

6.3. Corporate Governance Declaration according to Section 289a of the German Commercial Code (HGB)

The Corporate Governance Declaration forms part of the corporate governance report, and is available in the Investor Relations/Corporate Governance section of our corporate website.

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www.scout24.com

7. Additional disclosures to the individual financial statements of Scout24 AG

The management report of Scout24 AG and the consolidated management report of the Scout24 Group were summarized. The following statements refer exclusively to the annual financial statements of Scout24 AG drawn up according to the statutory accounting regulations of Sections 242 et seq. and Sections 264 et seq. of the German Commercial Code and the complementing regulations of Sections 150 et seq. of the German Stock Corporation Act (AktG).

The consolidated management report was prepared in accordance with the International Financial Reporting Standards (IFRS). Thereby, differences arose mostly in the measurement of provisions, of fixed assets, of financial instruments and in the treatment of the IPO-related transaction costs incurred for equity financing.

7.1. Business activity of Scout24 AG

Scout24 AG as the parent entity and its direct and indirect subsidiaries build up the Scout24 Group, which is a leading operator of digital marketplaces with focus on real estate and automotive in Germany and in other selected European countries.

The object of the Company is to acquire and hold participations in other companies as well as to provide for management services to direct and indirect subsidiaries. In such function it is responsible for the management and strategic focus of the Group's business segments.

Scout24 AG provides finance, accounting, controlling, internal auditing, communication, investor relations, human resources and legal services within the Group.

The operative management and control is the responsibility of the Management Boards of Scout24 AG.

The management and control of each subsidiary of Scout24 AG is run by an effective investment controlling permanently monitoring the activities of the subsidiaries. In the course of monthly analyses, the subsidiaries' planned targets are compared with the actual figures and arising differences are analysed.

Scout24 measures the success of its subsidiaries by control parameters as EBITDA as well as ordinary operating EBITDA. EBITDA is defined as profit (based on total sales) before financial results, income taxes, depreciation and amortization, impairment write-downs and the result of sales of subsidiaries. Ordinary operating EBITDA represents EBITDA adjusted for non-operating and special effects.

These parameters are complemented by investments in tangible fixed assets and intangible assets („Investments") as well as other specific control parameters.

7.2. Results of operations, net assets and financial position of Scout24 AG

The economic situation of Scout24 AG was marked in particular by the successful initial public offering and the growth of its subsidiaries. As a whole, it was very positive.

The initial public offering of Scout24 AG was implemented on October 1, 2015. A total of 7,600,000 new shares were issued. At the issue price of EUR 30, EUR 228 million accrued to Scout24 AG, of which EUR 214 million was used to repay loans.

In order to strengthen its market position, Scout24 Group acquired easyautosale GmbH, Munich and classmarkets GmbH, Berlin in the 2015 financial year.

Results of operations

The revenue position and results of operations of Scout24 AG are presented in the following condensed income statement:

Income Statement (condensed)

EUR thousands	2015 01/01/2015 - 31/12/2015	2014 01/04/2014 - 12/31/2014	Change
Revenues	12,975	8,803	4,172
Other operating income	9,815	483	9,332
Cost of materials	-2,143	-738	-1,405
Personnel cost	-7,910	-4,932	-2,978
Depreciation and amortization	-23	-1	-22
Other operating expenses	-42,486	-42,181	-305
Income from profit transfer	127,571	74,093	53,478
Operating profit	97,799	35,527	62,272
Other interest and similar income	40,097	31,585	8,512
Interest and similar expenses	-37,007	-24,612	-12,395
Result of ordinary business activities	100,889	42,500	58,389
Taxes	-26,909	-13,484	-13,425
Profit/ (Loss) for the period	73,980	29,016	44,964

The 2015 financial year covers the period from January 1, 2015 until December 31, 2015, and consequently covers twelve months; the 2014 financial year covers the period from April 1, 2014 until December 31, 2014 and thus it covers nine months.

The revenues contain revenues from passing on of charges for management services amounting to EUR 12.9 million (previous year: EUR 8.8 million).

The other operating income amounting to EUR 9.8 million is substantially composed of charging on IPO costs to the shareholders who sold their shares during the public offering amounting to EUR 5.0 million (previous year: EUR 0 million) as well as the release of provisions amounting to EUR 4.8 million (previous year: EUR 0.3 million).

The personnel expenses increased due to the increased number of employees and the longer reporting period from EUR 4.9 million by EUR 3.0 million to EUR 7.9 million. In the 2015 financial year, Scout24 AG employed a year average of 22 staff members including the members of the Management Board (previous year: 11).

The other operating expenses amounting to EUR 42.5 million (previous year: EUR 42.2 million) are substantially determined by legal and consultancy expenses amounting to EUR 34.5 million (previous year: EUR 32.3 million).

The income from profit transfers amounted to EUR 127.6 million in the financial year (previous-year nine months: EUR 74.1 million), and resulted from the profit-and-loss transfer agreement with Scout24 Holding.

The other interest and similar income includes EUR 40.1 million of income from affiliated companies (previous-year nine months: EUR 31.6 million). Scout24 AG finances its subsidiaries' activities through a loan.

The interest expenses amounting to EUR 37.0 million (previous-year nine months: EUR 24.6 million) were incurred almost exclusively for the debt financing of Scout24 AG.

Due to the improved results taxes amounted to EUR 26.9 million in the 2015 financial year (previous-year nine months: EUR 13.5 million).

The profit amounts to EUR 74.0 million following EUR 29.0 million in the previous year.

Financial position

Scout24 AG manages the Group's liquidity through its financial management function. Scout24 AG provides for sufficient liquidity in order to meet its payment obligations at all times. This is performed on the basis of a multi-year financial planning and monthly rolling liquidity planning.

The financial position of Scout24 AG is presented by the following condensed balance sheet:

Balance Sheet (condensed)

EUR thousands	12/31/2015	12/31/2014	Change
Property, plant and equipment	229	5	224
Financial assets	1,561.929	1,686.929	-125,000
Non-current assets	**1,562.158**	**1,686.934**	**-124,776**
Trade and other receivables	506	37	469
Receivables from affiliated companies	201,841	79,267	122,574
Other assets	2,087	458	1,629
Cash and cash equivalents	30	1,212	-1,182
Current assets	**204.464**	**80,974**	**123,490**
Accruals and deferrals	2,562	24	2,538
Total assets	**1,769.184**	**1,767.932**	**1,252**
Subscribed capital	107,600	2,000	105,600
Capital reserve	423,892	301,492	122,400
Other revenue reserves	53,800	0	53,800
Unappropriated retained earnings	370,144	771,552	-401,408
Total euity	**955,436**	**1,075.043**	**-119,608**
Provisions	**20,295**	**27,508**	**-7,213**
Liabilities	**791,929**	**665,380**	**126,549**
Accruals and deferrals	**1,524**	**0**	**1,524**
Total liabilities and equity	**1,769.184**	**1,767.932**	**1,252**

The financial assets remained unchanged to the previous year and consist of shares in affiliated companies amounting to EUR 1,064.3 million, and loans to affiliated companies amounting to EUR 497.7 million (previous year: EUR 622.7 million).

The current assets consist of receivables from affiliated companies amounting to EUR 201.8 million (previous year: EUR 79.3 million) essentially deriving from the profit-and-loss transfer agreement amounting to EUR 127.6 million (previous year: EUR 74.1 million) concluded with the Scout Holding GmbH, and of receivables from the cash-pooling amounting to EUR 68.1 million (previous year liability: EUR 10.0 million).

As of December 31, 2015, cash and cash equivalents amounted to EUR 0.03 (previous year: EUR 1.2 million) and exclusively contained bank deposits.

The accruals and deferrals on the assets side amounting to EUR 2.6 million essentially contain expenses for the insurance related to the initial public offering amounting EUR 2.0 million and rental licenses amounting EUR 0.4 million. The term of the insurance is up to the year 2026. At the same time, a part of the charging on of these expenses to shareholders is presented under accruals and deferrals on the equity and liabilities side of the balance sheet in the amount of EUR 1.5 million.

The subscribed share capital increased by EUR 105.6 million to EUR 107.6 million upon the issue of new shares amounting EUR 7.6 million and the conversion of EUR 98.0 million from the capital reserve. The premium from the initial public offering amounting to EUR 220.4 million was incorporated in the capital reserve, and as such the capital reserve increased from EUR 301.5 million by EUR 122.4 million to a total of EUR 423.9 million.

An amount of EUR 53.8 million was allocated to other revenue reserves from the profit of the year amounting to EUR 74.0 million.

By the payment of dividends amounting to EUR 421.6 million in the 2015 financial year and the unappropriated retained earnings for the 2015 financial year amounting to EUR 20.2 million, the total unappropriated retained earnings changed by EUR 401.4 million, from EUR 771.5 million to EUR 370.1 million.

The total equity share amounts to 54.0% (previous year: 60.8%).

The provisions decreased from EUR 27.5 million by EUR 7.2 million to EUR 20.3 million, basically due to the decrease of provisions for outstanding invoices.

The liabilities consist of liabilities to credit institutions amounting to EUR 780.8 million (previous year: EUR 646.4 million). The increase of bank liabilities amounting to EUR 134.4 million basically results from further borrowings amounting to EUR 400.0 million. On the other side, loans amounting to EUR 50.0 million and EUR 214.0 million were paid back.

7.3. Risk and opportunities report of Scout24 AG

The business development of Scout24 AG is shaped by the economic performance of the individual subsidiary. For this reason, the risks and opportunities taken by the subsidiaries are also applicable to Scout24 AG. The statements relating to the risk and opportunities situation of the Scout24 Group may be deemed as a summary of the risk situation of Scout24 AG.

The description pursuant to Section 289 (5) of the German Commercial Code (HGB) referring to the essential features of the internal control and risk management system as regards the financial reporting process for the Scout24 AG is included in the risk and opportunities report of the Group.

7.4. Forecast report for Scout24 AG

Due to the interdependence between Scout24 AG and its subsidiaries, the results of Scout24 AG are almost completely determined by its subsidiaries. For this reason, Scout24 AG endeavours to support its subsidiaries in order to ensure and further develop their market success.

The management focuses on such activities which can decisively influence the future income (EBITDA) and which have a crucial impact on the future prospects of the Company.

Scout24 AG expects increasing revenues in the financial year 2016 as the management functions will be further developed. The expected positive development of the subsidiaries in 2016 will lead to a further considerable increase of the result of Scout24 AG, whereas EBITDA will be slightly burdened by further consolidation of central functions into Scout24 AG.

For the coming years, management does not expect any significant capital expenditure on the level of Scout24 AG.

In general, the statements made in the forecast report of the Scout24 Group on the development of the market, sales and results apply to Scout24 AG accordingly.

Munich, March 17, 2016
Scout24 AG

The Management Board

Gregory Ellis   Christian Gisy

Consolidated financial statements

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06 Notes to the consolidated financial statements

1. Consolidated financial statements

Notes to the consolidated income statement
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EUR '000	Note	2015 01/01/2015 - 12/31/2015	2014 04/01/2014- 12/31/2014
Revenues	**6.3.1**	**393,580**	**262,861**
Cost of sales	6.3.2	- 43,370	- 40,238
Gross profit		**350,210**	**222,623**
IT and product service costs	6.3.3	- 51,602	- 35,005
Distribution and marketing costs	6.3.4	- 135,120	- 99,775
General and administrative expenses	6.3.5	- 68,201	- 80,697
Other operating income	6.3.6	6,841	1,625
Other operating expenses	6.3.7	- 810	- 146
Operating profit		**101,318**	**8,625**
Loss from investments accounted for using the equity method	6.3.8	- 805	- 1,905
Profit from disposal of investments accounted for using the equity method	6.3.8	22,098	-
Finance income	6.3.9	4,808	455
Finance expenses	6.3.10	- 48,541	- 29,644
Net financial income/(expenses)		**- 22,440**	**- 31,094**
Profit/(Loss) before income taxes		**78,878**	**- 22,469**
Income tax (expenses)/benefit	6.3.11	- 22,009	1,289
Profit/(Loss) from continuing operations		**56,869**	**- 21,180**
Profit for the period from discontinued operations		-	1,010
Profit/(Loss) for the period		**56,869**	**- 20,170**
Attributable to:			
Non-controlling interests		- 571	- 241
Owners of the parent		57,440	- 19,929

Earnings per share

EUR '000	Note	2015 01/01/2015 - 09/30/2015	2014 04/01/2014- 12/31/2014
Basic earnings per share	**6.3.12**		
From continuing operations		0.56	-1.21
From discontinued operations		-	0.01
From profit/(loss) for the period		0.56	-1.20
Diluted earnings per share	**6.3.12**		
From continuing operations		0.56	-1.21
From discontinued operations		-	0.01
From profit/(loss) for the period		0.56	-1.20

Accompanying notes form an integral part of the consolidated financial statements

2. Consolidated statement of comprehensive income

EUR '000	2015 01/01/2015 - 12/31/2015	2014 04/01/2014- 12/31/2014
Profit/ (Loss) for the period	**56,869**	**- 20,170**
Items that may be subsequently reclassified to profit or loss		
Currency translation differences	161	- 238
Share of currency translation differences from investments accounted for using the equity method	161	- 238
Reclassification of currency translation differences due to disposal of investments accounted for using the equity method	69	829
Currency translation differences	- 37	- 267
Share of currency translation differences from investments accounted for using the equity method	17	-
Reclassification of currency translation differences due to disposal of investments accounted for using the equity method		
	49	562
Other comprehensive income/(loss) for the period, net of tax	**210**	**324**
Total comprehensive income/(loss) for the period	**57,079**	**- 19,846**
Attributable to:		
Non-controlling interests	- 571	- 241
Owners of the parent	57,650	- 19,605
Total comprehensive income/(loss) for the period	**57,079**	**- 19,846**
Total comprehensive income/(loss) attributable to equity shareholders arises from:		
Continuing operations	57,650	- 20,615
Discontinued operations	-	1,010
	57,650	- 19,605

Accompanying notes form an integral part of the consolidated financial statements

3. Consolidated balance sheet

Notes to the consolidated balance sheet
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Assets EUR '000	**Note**	**2015** 12/31/2015	**2014** 12/31/2014
Current assets		**117,669**	**67,708**
Cash and cash equivalents	6.4.1	70,639	21,409
Trade and other receivables	6.4.2	37,817	35,120
Financial assets	6.4.3	333	1,919
Income tax receivables	6.3.11	285	494
Other assets	6.4.4	8,595	8,766
Non-current assets		**2,055.521**	**2,127.383**
Goodwill	6.4.5	787,283	783,479
Trademarks	6.4.5	983,685	982,713
Other intangible assets	6.4.5	259,454	294,505
Property, plant and equipment	6.4.6	12,994	17,119
Investments accounted for using the equity method	6.4.7	1,648	38,173
Financial assets	6.4.3	795	3,327
Deferred tax assets	6.3.11	6,746	6,206
Other assets	6.4.4	2,916	1,861
Total assets		**2,173.190**	**2,195.091**

Liabilities EUR '000		**2015** 12/31/2015	**2014** 12/31/2014
Current liabilities		**86,887**	**90,178**
Trade and other payables	6.4.8	25,642	32,434
Financial liabilities	6.4.9	5,966	1,759
Provisions for other liabilities and charges	6.4.10	4,662	9,090
Income tax liabilities	6.3.11	15,295	14,954
Other liabilities	6.4.11	35,322	31,941
Non-current liabilities		**1,164.973**	**1,044.691**
Financial liabilities	6.4.9	767,913	636,611
Pensions and other post-employment benefit obligations	6.4.12	527	989
Provisions for other liabilities and charges	6.4.10	882	2,399
Income tax liabilities	6.3.11	29	16
Deferred tax liabilities	6.3.11	392,961	402,590
Other liabilities	6.4.11	2,661	2,086
Equity	**6.4.13**	**921,330**	**1,060.222**
Subscribed capital		107,600	2,000
Capital reserve		424,120	304,104
Appropriated capital reserve		800,000	800,000
Retained earnings		- 412,175	- 48,189
Other reserves		1,098	1,049
Non-controlling interests		687	1,258
Total liabilities and equity		**2,173.190**	**2,195.091**

Accompanying notes form an integral part of the consolidated financial statements

4. Consolidated statement of changes in equity

EUR '000	Subscribed capital	Capital reserve	Appropriated capital reserve	Retained earnings	Other reserves	Owners' equity	Non-controlling interests	Total equity
Balance as at 04/01/2014	**2,000**	**301,492**	**800,000**	**- 21,622**	**487**	**1,082.357**	**- 24**	**1,082.333**
Remeasurement of obligations for post-employment benefits	-	-	-	- 238	-	- 238	-	- 238
Currency translation differences	-	-	-	-	562	562	-	562
Loss for the period	-	-	-	- 19,929	-	- 19,929	- 241	- 20,170
Addition	-	-	-	-	-	-	-	-
Total comprehensive losses for the period	**-**	**-**	**-**	**- 20,167**	**562**	**- 19,606**	**- 241**	**- 19,846**
Share-based compensation	-	2.612	-	-	-	2,612	-	2,612
Changes in consolidated companies	-	-	-	-	-	-	1,522	1.522
Dividend distribution	-	-	-	- 6,400	-	- 6,400	-	- 6,400
Balance as at 12/31/2014 - 01/01/2015	**2,000**	**304,104**	**800,000**	**- 48,189**	**1,049**	**1,058.964**	**1,258**	**1,060.222**
Remeasurement of obligations for post-employment benefits	-	-	-	161	-	161	-	161
Currency translation differences	-	-	-	-	49	49	-	49
Profit for the period	-	-	-	57,440	-	57,440	- 571	56,869
Addition								
Total comprehensive income for the period	**-**	**-**	**-**	**57,601**	**49**	**57,650**	**- 571**	**57,079**
Capital increase	7,600	214,447	-	-	-	222,047	-	222,047
Capital increase from company funds	98,000	- 98,000	-	-	-	-	-	-
Share-based compensation	-	3,569	-	-	-	3,569	-	3,569
Dividend distribution	-	-	-	- 421,588	-	- 421,588		- 421,588
Balance as at 12/31/2015	**107,600**	**424,120**	**800,000**	**- 412,175**	**1,098**	**920,643**	**687**	**921,330**

Accompanying notes form an integral part of the consolidated financial statements

5. Consolidated cash flow statement

EUR '000	2015 01/01/2015 - 31/12/2015	2014 04/01/2014- 31/12/2014
Result from continuing operations	**56,869**	**-21,180**
Depreciation, amortization and impairments of intangible assets and property, plant and equipment	65,613	50,063
Income taxes	22,009	-1,289
Interest income	-241	-283
Interest expense	47,687	26,422
Other financial result	-3,713	3,050
Result from investments accounted for using the equity method	805	1,905
Result from the disposal of investments accounted for using the equity method	-22,098	-
Result from disposal of subsidiaries	-	-124
Result from disposals of intangible assets and property, plant and equipment	25	71
Other non-cash transactions	3,686	2,788
Change in other assets not attributed to investing or financing activities	-4,244	190
Change in other liabilities not attributed to investing or financing activities	-4,155	2,263
Change in provisions	-6,360	2,312
Income taxes paid	-31,402	-1,107
Result from discontinued operations	-	1,010
Net cash generated from operating activities	**124,481**	**66,091**
Purchases of intangible assets	-16,231	-7,348
Purchases of property, plant and equipment	-3,036	-4,696
Advance payments made in connection with investing activities	-	-148
Proceeds from the disposal of intangible assets and of property, plant and equipment	129	112
Payments to acquire financial assets	-111	-1,753
Proceeds from the disposal of financial assets	2,716	42
Payments for acqusitions of subsidiaries, net of cash acquired	-9,525	-41,083
Proceeds from the disposal of investments accounted for using the equity method	59,880	-
Payments made in connection with the disposal of at equity investments	-2,082	-
Proceeds from the sale of discontinued operations	4,240	16,021
Interest received	239	283
Cash flow from investing activities of continuing operations	**36,219**	**-38,570**
Repayment of short-term financial liabilities	-145	-920
Proceeds from long-term financial liabilities	400,000	-
Repayment of long-term financial liabilites	-264,83	-10,000
Interest paid	-37,610	-25,150
Payments for cost of debt acquisition	-7,726	-
Payments for acquisition of derivative financial instruments	-55	-880
Proceeds from capital increases less transaction costs	219,674	-
Dividends paid	-421,588	-1,400
Cash flow from financing activities of continuing operations	**-111,633**	**-38,350**
Effect of foreign exchange rate changes on cash and cahs equivalents	163	13
Change in cash and cash equivalents total	**49,230**	**-10,816**
Cash and cash equivalents at beginning of reporting period	**21,409**	**32,225**
Cash and cash equivalents at end of reporting period	**70,639**	**21,409**

Accompanying notes form an integral part of the consolidated financial statements

6. Notes to the consolidated financial statements

6.1. Information about the company and basis for preparing the financial statements

6.1.1. Information about the company
With a shareholder resolution dated September 4, 2015, and with effect as of September 10, 2015, Asa NewCo GmbH, Munich, was converted into the legal form of a public stock corporation under German law (in German: "Aktiengesellschaft", abbreviated as "AG"). At the same time, the company was renamed from Asa NewCo GmbH, Munich, to Scout24 AG, Munich. The company has its corporate seat in Munich, Germany, and its legal address is as follows: Dingolfinger Str. 1-15, 81673 Munich, Germany.

Starting with January 1, 2015, the financial year of Scout24 AG is the calendar year from January 1 until December 31. The previous financial year was a stub period from April 1 to December 31, 2014. The comparable prior-period figures for the consolidated income statement and consolidated statement of comprehensive income comprise the April 1 to December 31, 2014 period.

The shares of Scout24 AG (hereinafter also referred to as the "company") have been listed on the Frankfurt Stock Exchange since October 1, 2015. As part of the initial public offering from September 21 to September 30, 2015, the company placed a total of 7,600,000 shares from a capital increase and 26,000,000 shares from existing shareholders with German and international investors. The greenshoe option granted to the underwriters by the Main Selling Shareholders (Asa HoldCo GmbH, Frankfurt am Main, and Deutsche Telekom AG, Bonn) to cover potential over-allotments was exercised for 552,556 shares, leading to a free float of 31.7%. At the issue price of EUR 30.00, the company received gross proceeds from the capital increase of EUR 228 million. Scout24 AG has been included in the SDAX equity index since December 21, 2015.

The Scout24 share
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As of December 31, 2015, the indirect parent company of Asa NewCo was Asa HoldCo GmbH (Asa HoldCo). Asa HoldCo, in turn, is controlled indirectly by various funds of Hellman & Friedman LLC (H & F). The next highest parent company of Scout24 AG that publishes consolidated financial statements is Willis Lux Holdings S.à.r.l. based in Luxembourg. Besides H & F, Blackstone Group L.P. also owns an interest in this company. Along with Asa HoldCo, further owners of Scout24 AG include Deutsche Telekom AG (DTAG) and management participation companies (see 6.5.5 Related party disclosures). Scout24 AG as the parent entity forms together with its direct and indirect subsidiaries the Scout24 Group (hereinafter also referred to as "Scout24" or the "Group").

The Scout24 Group is a group of companies with online marketplaces in Germany and other selected European countries in the business areas of real estate, mobility and financial services.

With its digital marketplaces, Scout24 is represented in a total of eight countries and offers private and business customers possibilities for placing small ads. The company also provides supplemental small ads services, online advertising space, and acts as a generator for business contacts (leads). These services are also available to other online platforms. Furthermore, the company operates websites in ten additional language versions.

The best-known marketplaces of Scout24 are Immobilien Scout, AutoScout24 and FinanceScout24.

The trademarks JobScout24 and TravelScout24 are operated by third parties under licensing and cooperation agreements. FriendScout24 is operated by FriendScout24 GmbH, which was sold in the previous financial year. An unlimited, free-of-charge right of usage was granted for the FriendScout24 trademarks.

6.1.2. Basis of preparation

Scout24 AG prepares its consolidated financial statements in accordance with the rules of the International Accounting Standards Board (IASB), London, applicable on the balance sheet date. It complies with the International Financial Reporting Standards (IFRS) as well as the interpretations of the International Financial Reporting Standards Interpretations Committee (IFRS IC), as adopted by the European Union, as well as with the supplementary commercial law regulations of Article 315a (3) in conjunction with (1) of the German Commercial Code (HGB).

As of December 31, 2015, Scout24 implemented all mandatorily applicable accounting standards. For information about the application of new or amended standards and interpretations, please refer to Section 6.1.3 New accounting regulations.

The annual financial statements of the companies included in the Group are based on uniform accounting policies according to IFRS, as adopted by the EU.

The financial year for all of the companies included in the Group corresponds to the calendar year. All companies including associates and joint ventures (equity accounted companies) are included on the basis of the financial statements that they prepare as of December 31, 2015 for the January 1 to December 31, 2015 period.

The consolidated financial statements are prepared based on historical costs, limited by the fair value of available-for-sale financial assets and by the recognition of financial assets and financial liabilities (including derivative financial instruments) measured at fair value through profit and loss. The balance sheet presentation distinguishes between current and non-current assets and liabilities. The consolidated income statement is classified using the cost of sales format. The consolidated financial statements are prepared in the euro, which is the reporting currency. Unless otherwise indicated, figures are generally presented in thousands of euros. The tables and information presented can contain differences due to rounding.

On March 17, 2016, the Management Board released the consolidated financial statem-ents for publication.

6.1.3. New accounting regulations

i. Standards, interpretations and amendments that required first-time mandatory application in the financial year elapsed

In addition to the previous standards, all of the accounting standards adopted by the EU and requiring application as of January 1, 2015 by Scout24 were implemented. There were no material effects from the initial application. The standards applicable beginning as of January 1, 2015 are presented in the following table.

Standard	Interpretations	Effects
	Improvements to the International Financial Reporting Standards, 2011-2013 Cycle, and IFRIC-21 Levies	Not relevant or no material effects

ii. Standards, interpretations and amendments requiring mandatory application in future reporting periods (published standards not yet requiring mandatory application)

The following new or revised accounting standards already issued by the IASB were not applied to the consolidated financial statements for the 2015 financial year as application was not yet mandatory. Some of the effects of the new or amended standards on the financial statements are still being analysed.

Standard	Interpretations	Mandatory application according to IASB for financial years beginning on or after[1]:	Mandatory EU application for financial years beginning on or after[1]:	Effects
IFRS 9	Financial Instruments	01/01/2018	EU endorsement outstanding	Still being analysed
IFRS 14	Regulatory Deferral Accounts	01/01/2016	EU endorsement not planned	Not relevant
IFRS 15	Revenue from Contracts with Customers	01/01/2018	EU endorsement outstanding	Still being analysed
IFRS 16	Leases	01/01/2019	EU endorsement outstanding	Still being analysed
IFRS 10, IFRS 12, IAS 28	Amendments to IFRS 10, IFRS 12 and IAS 28: Investment Entities Applying the consolidation exemption	Still outstanding	EU endorsement outstanding	Not relevant
IFRS 10, IAS 28	Amendments to IFRS 10, IAS 28: Sale or contribution of assets between an investor and its associate or joint venture	Still outstanding	EU endorsement outstanding	Still being analysed
IFRS 11	Amendments to IFRS 11: Acquisition of an Interest in a Joint Operation	01/01/2016	01/01/2016	No expected relevance
IAS 1	Amendments to IAS 1: Disclosure Initiative	01/01/2016	01/01/2016	No effects (relates to disclosure requirements, especially the structure of notes to financial statements)
IAS 7	Amendments to IAS 7: Disclosure Initiative	01/01/2017	EU endorsement outstanding	Still being analysed
IAS 12	Amendments to IAS 12: Clarification connected with deferred tax assets	01/01/2017	EU endorsement outstanding	Still being analysed
IAS 16, IAS 38	Amendments to IAS 16, IAS 38: Clarification of acceptable depreciation and amortisation methods	01/01/2016	01/01/2016	No effects
IAS 16, IAS 41	Amendments to IAS 16, IAS 41: Agriculture	01/01/2016	01/01/2016	Not relevant
IAS 19	Amendments to IAS 19: Employee Benefits – Employer Contributions	01/07/2014	01/02/2015	Voluntary early application occurred in the 2014 financial year. No significant effects arose
IAS 27	Amendments to IAS 27: Equity Method in Separate Financial Statements	01/01/2016	01/01/2016	Not relevant
	Improvements to the International Financial Reporting Standards, 2010-2012 Cycle	01/07/2014	01/02/2015	Not relevant or no material effects
	Improvements to the International Financial Reporting Standards, 2012-2014 Cycle	01/01/2016	01/01/2016	No significant effects arose

1 Status as of January 29, 2016

6.1.4. Consolidation principles

Scope of consolidation

Subsidiaries are companies that Scout24 AG controls either directly or indirectly. Control exists if, and only if, Scout24 AG has the possibility, directly or indirectly, to determine the financial and business policy in such a way that the Group companies benefit from the activities of these companies.

The existence or effect of substantial potential voting rights that can be exercised or converted at present, including potential voting rights held by other Group companies, are taken into account when assessing whether a company is controlled. Scout24 AG and all domestic and foreign subsidiaries over which Scout24 AG has control, directly or indirectly, and which are not insignificant, are fully consolidated in the consolidated financial statements.

Joint arrangements where two or more parties exercise joint management of an activity are to be classified either as joint operations or as joint ventures.

A joint operation is characterised by the fact that the parties involved in joint management (joint operators) have rights to the assets attributable to the arrangement, or obligations for their liabilities. A joint operator recognises the assets, liabilities, income and expenses that are attributable to it, as well as its interest in the joint assets, liabilities, income and expenses.

In a joint venture, by contrast, the parties involved in joint management (partner entities) possess rights to the company's net assets. Associates are companies over which Scout24 AG exercises significant influence, and which are neither subsidiaries nor joint ventures. Both associates and joint ventures are included in the consolidated financial statements applying the equity method. Their results are reported under net finance costs.

Number	12/31/2015	12/31/2014
Scout24 AG and fully-consolidated subsidiaries		
Germany	11	12
Foreign	10	11
Investments accounted for unsing the equity method		
Germany	1	1
Foreign	1	2
Non-consolidated companies		
Germany	-	-
Foreign	-	1
Total	**23**	**27**

In the fiscal year 2015, Immobilien Scout Deutschland GmbH, Frankfurt am Main, Scout24 Verwaltungs- und Beteiligungsgesellschaft mbH, Munich, and Scout Business Services GmbH, Munich, were merged into Scout24 Holding GmbH, Munich. JobScout24 International Holding AG was merged into Scout24 International Management AG, both domiciled in Baar. FS FlowFact GmbH, Cologne, was merged into FlowFact GmbH, Cologne. The mergers were conducted at book values.

A complete list of the shareholdings of Scout24 AG is attached as Appendix 1.

Consolidation methods

Subsidiaries are fully consolidated applying the acquisition method as of the date control is acquired, and deconsolidated as of the date control is lost.

Intercompany transactions, receivable and liability balances as well as unrealised gains and losses on transactions between Group companies are eliminated on consolidation.

When a subsidiary is sold, the assets and liabilities that have been included until that date, as well as goodwill allocable to the subsidiary, are offset with the disposal proceeds.

Investments in associates and joint ventures are included in the consolidated financial statements applying the equity method according to IAS 28, and initially recognised at cost. After the acquisition date, the cost is increased or decreased annually by the pro-rata comprehensive result. Dividends paid by the associate accordingly reduce the acquisition cost at the date of distribution. At each reporting date, the Group examines whether there are indications that an impairment loss must be recognised with respect to investments in associates or joint ventures. In such a case, the difference between the carrying amount and the recoverable amount is recognised as an impairment charge in the income statement. Dilution gains and losses resulting from investments in companies accounted for using the equity method are recognised in profit or loss. Other changes in the equity of associates or joint ventures are not taken into consideration.

Foreign currency translation

The financial statements of subsidiaries and companies accounted for using the equity method, which are outside of the euro area are translated according to the concept of functional currency. The functional currency of the subsidiaries depends on the primary economic environment in which the respective operations are carried out. The functional currency of all Scout24 Group companies is the respective local currency. The reporting currency of the consolidated financial statements is the euro (EUR).

Transactions in foreign currencies are converted at the relevant exchange rate at the date of the transaction. In subsequent periods, monetary assets and liabilities are measured at the closing rate, and exchange differences are recognized through profit or loss. Non-monetary items, which were measured at historical cost are converted at the rate on the day of the transaction. In addition, non-monetary items, which are measured at their fair value in a foreign currency are converted at the rate effective as of the date of the measurement at fair value.

Financial statements of foreign subsidiaries whose functional currency is not the euro are translated into euros using the modified reporting date method. In this connection, items in the income statement are translated at the annual average rate. Equity is translated at historical rates and asset and liability items are translated at the closing rate as of the balance sheet date. All exchange rate differences resulting from the translation of financial statements in foreign currencies are recognized in other reserves within equity. These translation differences are only recognized in the income statement on the sale of the relevant subsidiary.

The underlying exchange rates for currency translation are presented below:

1 Euro in foreign currency unit	**12/31/15**	**12/31/14**
Switzerland		
Spot rate CHF	1,0835	1,2024
Average rate CHF	1,0679	1,2116
Singapore		
Spot rate SGD	1,5068	1,6058
Average rate SGD	1,4990	1,6641

For the fiscal year 2015, the indicated exchange rate was applicable at the time of deconsolidation (30.06.2015) of Property Guru Pte.Ltd., Singapore (Section 6.2).

6.1.5. Accounting estimates and judgements

The preparation of consolidated financial statements requires management to use certain accounting estimates and assumptions that may have an impact on net assets, financial position, and results of operations. Material assumptions and estimates are made for purchase price allocations, uniform Group useful lives of non-current assets, the recoverability of receivables, the recognition and measurement of provisions and recognition of deferred taxes. The actual results arising later may deviate from these estimates.

The assumptions and estimates that give rise to the risk that a material adjustment of the carrying amounts of assets and liabilities may be necessary in future reporting periods are described as follows:

Purchase price allocation

For the purchase price allocation in connection with business combinations, assumptions are required to be made regarding the recognition and measurement of assets and liabilities.The determination of the fair value of the acquired assets and the assumed liabilities at the time of acquisition, as well as the useful lives of the acquired intangible assets and property, plant and equipment requires the use of assumptions. The measurement of intangible assets is to a large extent based on forecast cash flows and discount rates. The actual cash flows can significantly deviate from the cash flows which underlie the determination of the fair value, which can lead to other values and impairment losses.

Trademarks

Indefinite useful lives are used for trademarks, as it is assumed that these will generate cash flows over an indefinite period. For this reason, a brand is not amortised until its useful life is determined to be of definite nature. Trademarks are subject to an impairment test at least once annually and additionally when indications exist for a potential impairment.

Impairment of goodwill

In accordance with the accounting policy presented below, goodwill is subject to an impairment test at least once annually and additionally when indications exist for a potential impairment. In this connection, goodwill is first assigned to a cash generating unit and tested for impairment based on forward-looking assumptions. This requires an estimate of the recoverable amount of the cash generating units to which the goodwill has been allocated. For the determination of the recoverable amount, the expected future cash flows of the cash generating units are estimated and an appropriate discount rate is applied. Future changes in the expected cash flows and discount rates can lead to impairment losses in the future.

Deferred tax assets

The recognition of deferred tax assets is dependent on the expected future earnings development. For detailed information regarding the development of deferred tax assets as well as total income taxes please refer to 6.3.11 Income Taxes.

6.1.6. Accounting policies

The material accounting policies are presented below.

Business combinations

Business combinations are accounted for using the acquisition method. The assets, liabilities and contingent liabilities identified in accordance with the requirements of IFRS 3 are measured at their fair value at the time of acquisition and compared to the cost of the acquisition. Goodwill is determined as the excess of the sum of the acquisition costs, the amount of non-controlling interests and the fair value of the equity interest held by Scout24 prior to the acquisition date (business combination achieved in stages) over the fair value of the recognisable assets and liabilities. Any difference arising from the remeasurement of equity interests already held by Scout24 is recognised through profit or loss.

If the sum of the acquisition costs, the amount of non-controlling interests and the fair value of the equity interest, held by Scout24, prior to the acquisition date (step acquisition) is less than the fair value of the recognisable assets and liabilities in the event of a favourable acquisition, the difference is recognised in profit or loss.

Goodwill is tested for impairment at least once annually and if additional triggering events occur. Any impairment write-down is recognised through profit or loss. The impairment test is carried out in accordance with IAS 36.

Acquisition-related costs are recognised through profit or loss.

Contingent purchase price obligations are measured at their fair value at the date of acquisition. Subsequent changes to the value are recognised in accordance with IAS 39 either through profit or loss or directly in equity. If contingent purchase price obligations qualify as equity, no remeasurement is made. At the date of settlement, it is accounted for within equity.

Financial Instruments

Classification

Classification as the basis for measuring financial instruments is performed in accordance with IAS 39. Classification is based on the purpose for which financial assets were acquired, or financial liabilities were assumed. Possible categories of financial instruments include:

a. Assets
- Financial assets measured at fair value through profit or loss, whereby a differentiation is made between those that (i) are classified as such on initial recognition and those financial assets measured at fair value through profit or loss [FVTPL] and those which (ii) pursuant to IAS 39 are categorised as held for trading (trading assets, FAHfT);
- Held-to-maturity investments (HTM);
- Loans and receivables (LaR);
- Available-for-sale financial assets (AfS).

b. Liabilities
- Financial liabilities measured at fair value through profit or loss, whereby a differentiation is made between those that (i) are categorised as such on initial recognition, and those financial liabilities measured at fair value through profit or loss [FVTPL], and those which (ii) pursuant to IAS 39 are categorised as held-for-trading (FLHfT);
- Available-for-sale financial assets (AfS);
- Financial liabilities measured at amortised cost (FLAC).

Initial recognition and measurement

Depending on accounting method, a regular way purchase or sale financial assets can be recognised or derecognised as of the trade date or the settlement date. The method applied is to be applied consistently for all purchases or sales of financial assets that belong to the same category of financial assets. Scout24 applies the trade date accounting method. The trade date is the date on which Scout24 commits itself to a purchase or sale.

Financial assets and liabilities are initially recognised at fair value. Transaction costs for financial instruments measured at fair value through profit or loss are expensed. For all other financial instruments, initial measurement is at fair value plus transaction costs.

Subsequent measurement

Depending on the classification of the financial instruments, subsequent measurement is at i) amortised cost or ii) fair value; as far as fair value changes are concerned, a distinction continues to be made between value changes recognised in profit or loss, and value changes carried directly to equity.

i) Amortised cost
- Held-to-maturity investments
- Loans and receivables
- Financial liabilities measured at amortised cost

ii) Fair value
- Financial assets measured at fair value through profit or loss; recognised in the income statement under other operating income (expenses)
- Available-for-sale financial instruments; fair value changes carried directly to equity, under "other comprehensive income"
- Financial liabilities measured at fair value through profit or loss; fair value changes recognised in the income statement

The individual categories can be specified as follows:

Category: Financial assets measured at fair value through profit or loss

Financial instruments measured at fair value through profit or loss are financial instruments held for trading. A financial instrument is assigned to this category if it was acquired with the intention of being resold soon. Derivatives are also assigned to this category if they are not designated as a hedging instrument. To date, Scout24 has not made use of the option to designate financial instruments on initial recognition as assets or liabilities measured at fair value through profit or loss (fair value option).

Category: Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments where the company intends and has the ability to hold them until maturity, which do not meet the definition of loans and receivables, and which are designated on initial recognition as „measured at fair value through profit or loss“ or as "available for sale".

Category: Loans and receivables

Loans and receivables are non-derivative financial instruments issued or acquired by the company with fixed or determinable payments, which are not quoted in an active market.

Category: Available-for-sale financial assets

Available-for-sale financial assets are all non-derivatives which either were so designated or are not assigned to the other categories.

Impairment

Based on various types of evidence, Scout24 is required to assess on each reporting date whether objective indications exist that a financial asset has become impaired. Any impairment of a financial instrument is equivalent to the difference between the carrying amount of a financial asset and the present value of its future cash flows. Discounting is based on the original effective interest rate. Impairment losses are expensed, as a matter of principle. The available-for-sale financial instruments category comprises an exception to this. Related fair value changes are recognised in equity, and are not recognised in profit or loss until the financial instrument is sold. If impairment losses are reversed in subsequent periods, such reversals are to be to no more than the amortised cost. Reversals of impairment losses are to be recognised in profit or loss.

Dividend income

Dividend income from financial assets is recognised through profit and loss under other operating income when the Group's legal right to the income arises.

Offsetting and derecognition

Financial assets and liabilities are only offset and presented on a net basis in the balance sheet if a legal right exists to offset, and if the intent exists to either settle on a net basis or to realise the asset and settle the related liability simultaneously.

Financial assets are derecognised when the rights to payments from the financial assets have expired or have been transferred, and the Group has transferred substantially all the risks and rewards of ownership.

Cash and cash equivalents

Cash and cash equivalents include bank balances, cheques, cash on hand and short-term deposits with residual terms of not more than three months calculated from the acquisition date. They are measured at nominal values, which correspond to their fair values by virtue of their short-term maturity.

Trade receivables and other financial assets

Trade receivables and other financial assets which are classified as current assets are recognised at their fair value, plus transaction costs. For non-current receivables and other non-current financial assets, the fair value is calculated as the present value of the future cash flows, discounted using the market interest rate on the closing date. They are subsequently measured at amortised cost applying the effective interest method.

At every reporting date an assessment is made as to whether objective evidence exists for the impairment of a financial asset or a group of financial assets.

A financial asset or a group of financial assets is impaired and a respective write-down is to be recognised if objective evidence for impairment exists as the result of one or more events subsequent to the time of the initial recognition of the financial asset. Furthermore, events leading to impairment must have reliably estimable effects on the assumed future cash flows of the financial asset or group of financial assets.

Valuation allowances are recorded for all doubtful receivables. Such valuation allowances are determined based on an individual risk assessment and depending on the aging structure of overdue receivables. A valuation allowance based on previous experience is calculated on a portfolio basis.

The decision to recognise impairment adjustments either in a separate valuation allowance account or as a direct write-down of the receivable depends on the degree of reliability of the risk assessment. Due to the different operating segments and local circumstances, this judgement lies with the respective individual responsible for the portfolio.

Available-for-sale financial assets

Equity investments and non-consolidated shares in affiliated companies are classified as available-for-sale financial assets and recognised at fair value. Changes in the fair value are recognised in other comprehensive income. In the case of an impairment or a sale of securities which are classified as held for sale, all changes in the fair value that were originally recognised in equity are reclassified to the income statement and are shown under gains and losses on investments. Interest and dividend payments from securities classified as held for sale are presented in the income statement under financial income.

At the end of the respective reporting period the Group investigates whether objective evidence exists of an impairment of individual or of a group of financial assets. To assess regarding the existence of an impairment of debt instruments, the same criteria are applied as described above for loans and other financial assets.

A significant or sustained decline in the fair value of equity instruments classified as held for sale below their acquisition cost can also comprise evidence of impairment. If such evidence exists for financial assets held for sale, the cumulative loss, as the difference between the purchase price and the fair value less impairment losses, is to be reclassified from equity to profit or loss.

Reversals of impairment write-downs of equity instruments, whose previous impairment was recognised in the Group income statement, are not recognised in the Group profit or loss. In the case of an impairment reversal in subsequent periods after the occurrence of an impairment of a financial instrument classified as held for sale, and this can be objectively attributed to an event after the occurrence of the impairment, then the impairment loss is reversed through the Group profit or loss.

Financial liabilities

Financial liabilities and other liabilities are recognised at fair value using the effective interest method less transaction costs. The price is determined either by reference to an active market or at fair value using valuation methods. In subsequent periods, financial liabilities are measured at amortised cost using the effective interest method. Any difference between the net loan amount and the repayment value is amortised over the term of the financial liabilities and recognised in the income statement.

Investments accounted for using the equity method

Associates and joint ventures included in the consolidated financial statements are recognised using the equity method.

When applying the equity method the cost of the shareholding is adjusted by the share of the change in net assets attributable to Scout24. Prorated losses that exceed the value of the Group's equity interest in an entity accounted for using the equity method, taking into account any attributable non-current loans, are not recognised. Recognised goodwill is presented in the carrying amount of the entity accounted for using the equity method. Unrealised intercompany profits and losses from transactions with companies accounted for using the equity method are eliminated proportionately during consolidation if the underlying transactions are material.

During impairment testing, the carrying amount of an entity accounted for using the equity method is compared with its recoverable amount. If the carrying amount exceeds the recoverable amount, the difference must be recognised as an impairment. If the reasons for a previously recognised impairment no longer exist, a corresponding reversal of the impairment is recognised through profit and loss.

The financial statements of equity investments accounted for using the equity method are generally prepared based on uniform Group accounting policies.

Intangible assets (excluding goodwill)

Intangible assets (acquired; excluding goodwill) are recognized at historical cost less accumulated amortization (except assets with indefinite useful economic lives) and impairment losses.

Internally-generated intangible assets are capitalized if all of the requirements of IAS 38 are satisfied. The following criteria are relevant in this respect:

A The technical feasibility of completing the intangible asset exists so that it will be available for use or sale.
B The Group intends to complete the intangible asset and use or sell it.
C The Group is able to use or sell the intangible asset.
D The manner in which the intangible asset will generate probable future economic benefits can be demonstrated; the Group can, among other things, demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.
E The Group has adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
F The Group is able to reliably measure the expenditure attributable to the intangible asset during its development.

The useful lives and amortization methods of intangible assets are reviewed at least at each period-end reporting date.

If current expectations deviate from the previous estimates, appropriate adjustments are recognized as changes in accounting estimates pursuant to IAS 8.

Intangible assets with indefinite useful lives are not subject to scheduled amortization. Instead, they are tested for impairment both annually as well as when there are indications of impairment.

The expected economic useful lives are as follows:

Trademarks	Indefinite*
Contractual customer relationships	2-15 years
Internally-generated intangible assets	3-5 years
Purchased software	3-5 years
Other concessions, rights and licenses	2-7 years

* The value of trademarks with a definite useful life is not material and is therefore amortized over a period of between two and five years

Scout24 separates trademarks into two categories: (1) trademarks with a definite useful life and scheduled amortization and (2) trademarks with an indefinite useful life without scheduled amortization. Scout24 determines the useful life of trademarks based on specific factors and circumstances. In determining the useful life, Scout24 considers the contractual agreement underlying the asset, the historical development of the asset, the long-term corporate strategy for this asset, all statutory or other local regulations which could have an effect on the useful life of the asset as well as the competitive situation and specific market conditions.

If trademarks with an indefinite useful life totalling EUR 983 million were instead recognized with a useful life of either one or ten years, amortization would be EUR 983 million in one year or EUR 98.3 million per year over the next 10 years respectively.

Contractual customer relationships include existing subscribers, in particular commercial customers such as real estate agents and car dealerships. These customer relationships represent ongoing business with an assumed useful life of two to 15 years.

Purchased software, other concessions, rights and licenses are presented as technology-based intangible assets in the purchase price allocation (see Section 6.2 Changes in the scope of consolidation).

Goodwill

Goodwill arises from the acquisition of subsidiaries and represents the difference amount between the purchase price and the fair value of the assumed identifiable assets, liabilities and contingent liabilities.

For purposes of the impairment test, goodwill is assigned to the cash generating unit or group of cash generating units which are expected to benefit from synergies arising from the acquisition. The cash generating units represent the lowest level within the company at which the goodwill is monitored for internal management purposes.

Goodwill is not amortized on a scheduled basis, but is tested for impairment on an annual basis and additionally if there are any indications of potential impairment.

Goodwill is tested for impairment by comparing the carrying amount of the cash generating unit or units with its/their recoverable amount. The recoverable amount corresponds to the higher of the two amounts: fair value less cost to sell and value in use.

If the carrying amount exceeds the recoverable amount, an impairment exists and the carrying amount is written down to the recoverable amount. If the fair value less costs to sell is greater than the carrying amount it is not necessary to calculate the value in use; the asset is not impaired. An appropriate valuation technique is used to determine the fair value less costs to sell. This technique is based on market prices, valuation multipliers, discounted cash flow valuation techniques or other available indicators of the fair value. A subsequent reversal of an impairment loss on goodwill, recognized in a previous financial year or interim reporting period, due to the reasons for the impairment no longer applying, is not permitted. Goodwill is recognized in the currency of the acquired company.

Property, plant and equipment

Property, plant and equipment is measured at purchase or production cost, less scheduled straight-line depreciation and any impairments. Cost includes the cost directly allocable to the acquisition as well as borrowing costs if the recognition criteria are satisfied.

The depreciation periods are based on the expected economic useful life and are uniform throughout the Group as follows:

Leasehold improvements	5 years
Other equipment, operating and office equipment	3-13 years

In case of leasing depreciation is recognized over the lease term or if shorter, over the useful life of the asset.

Repair and maintenance expenses are expensed when incurred.

The residual carrying amounts and economic useful lives are reviewed at each period end and adjusted if necessary. Property, plant and equipment is tested for impairment testing if events or changed circumstances indicate that an impairment may have occurred. In such cases, the impairment is tested pursuant to IAS 36. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The remaining useful life is adjusted accordingly, if necessary.

If the reasons for a previously recognized impairment no longer exist, these assets are written up through profit and loss, whereby such a reversal of an impairment loss may not result in a carrying amount exceeding the one that would have resulted had no impairment been recognized in previous periods.

Gains and losses from disposals of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amounts of the property, plant and equipment and are recognized in the income statement in "other operating income" in the case of a gain and in "other operating expenses" in the case of a loss.

Provisions

Provisions are recognized if the Group has a current obligation due to a past event and it is probable this will lead to an outflow of resources embodying economic benefits and this outflow of resources can be estimated reliably. The amount of the provision corresponds to the best estimate of the settlement amount of the present obligation as of the reporting date, whereby expected reimbursements from third parties are not offset but rather recognized as a separate asset if realization is virtually certain. If the time value of money is significant, the provision is discounted using the risk-equivalent market interest rate.

Pensions and other post-employment obligations

The Group has both defined benefit and defined contribution pension plans.

A defined contribution plan is a pension scheme under which the Group pays fixed contributions to a non-Group company (fund). The Group has no legal or constructive obligation to make additional contributions if the fund does not have sufficient assets to settle the pension entitlements of all employees from the current and previous fiscal years. In contrast, defined benefit plans typically specify an amount of pension benefits that an employee will receive upon retirement, which as a rule is dependent on one or more factors such as age, length of service in the company and salary.

Italy

The pension plan in Italy is based on the regulations of the TRF (Trattamento di Fine Rapporto), which provides for capital payments upon retirement from the company. The basis is the Italian labour law (para 2120 codice civile). The entitlement to benefits is accrued annually in the amount of the respective pensionable salary and discounted according to the development of inflation. This plan has no plan assets.

Switzerland

The employees in Switzerland are insured by the Vita Sammelstiftung in accordance with the Swiss Federal Occupational Retirement, Survivors' and Disability Pensions Act (BVG) against risks of age, death and invalidity. The Vita Sammelstiftung is a foundation legally independent from Scout24 whose highest governing body is made up equally of employee and employer representatives of the associated companies. This governing body determines, among others, the amount of the pension benefits as well as the investment strategy for the plan assets based on a periodically performed asset-liability study. The basis for the asset-liability study are the benefit obligations determined according to the pension regulations. These are decisive for the cash flows of the collective foundation. The investment of plan assets is additionally based on a regulation developed by the governance body in the context of the legal investment rules. The investment committee of the governance body is responsible for its implementation. The benefit payments of the pension plan are in excess of the legally prescribed minimum. They result from the employee and employer contributions as well as interest on the plan assets of the insured employees defined annually by the governance body based on legal requirements (defined contribution plan within the meaning of the BVG). The contributions of the employer and employees are determined based on the amount of the pensionable salary and the age. Should an insured employee leave Scout24 before reaching retirement age and thereby before the pensionable age, a termination benefit is transferred according to the law to the new pension solution of the insured person as determined on the basis of pension regulations. This termination benefit comprises, in addition to the funds paid by the insured person into the pension plan, the employee and employer contributions and a legally prescribed surcharge. Upon reaching retirement age, the insured employees can choose whether they desire to receive their benefits in the form of a pension or entirely or partially as a capital payment. Old-age pensions are to be adjusted for price increases in accordance with the pension law provisions within the limits of the financial possibilities of a pension plan. Although based on pension law, the pension plan is currently fully funded, the financial situation of the collective foundation Vita is such that an adjustment to current pension payments for price increases will not be possible in the foreseeable future.

The pension law in Switzerland provides that the benefits earned are to be entirely funded by yearly contributions specified in the regulations. If an underfunding according to pension law results from inadequate investment income or actuarial variances, the governing body is legally obliged to take measures to remediate such underfunded amounts within a period of 5 to a maximum of 7 years. In addition to adjustments to the benefit plan, such measures also include additional contribution payments on the part of the affected companies and the insured employees. The current financial situation of the collective foundation Vita does not require any such restructuring measures.

The provision for the defined benefit pension provisions is calculated annually by an independent actuary based on the projected unit credit method. Actuarial gains and losses are recognized in other comprehensive income without profit or loss effect.

According to IAS 19.93 and taking into consideration the amendment issued by the IASB on November 21, 2013, which is effective as of January 1, 2014, the calculation method with consideration of the risk sharing mandatorily applies only to pension plans whereby the contributions are defined as dependent upon service years. Since the contributions to the pension plans of Scout24 International Management AG, Baar, Switzerland, are defined as dependent on age, the company has an option to apply the risk sharing or not. Scout24 International Management AG decided to apply the risk sharing. The application of the risk sharing permits certain employee contributions to be considered as negative benefits in the calculation of the benefit obligation. However, the effects of the risk sharing on the amount of the benefit obligation, as well as on the current service cost in this connection are relatively minor.

Contingent liabilities and off-balance sheet contractual obligations

Contingent liabilities and off-balance sheet contractual obligations are not recognized as liabilities in the consolidated financial statements until utilization is probable.
In the context of a business combination, however, contingent liabilities are accounted for in accordance with IFRS 3 if their present value can be reliably determined.

Contingent assets

Contingent assets arise from unplanned or unexpected events from which an inflow of economic benefits to the company is possible. Contingent assets are not recognized in the financial statements until the flow of economic benefits is virtually certain. Contingent assets are disclosed in the notes to the financial statements if the inflow of the economic benefit is probable.

Contingent purchase price liabilities

For contingent purchase price liabilities, the initial and subsequent measurement is performed according to IFRS 3 at fair value through profit or loss. From a formal point of view, contingent purchase price liabilities do not fall under one of the categories of IAS 39.

Equity

Transaction costs in connection with equity transactions are accounted for as a deduction from equity, net of tax. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and capital reserves.

Taxes on income

Income taxes comprise both current as well as deferred taxes.

Current taxes on income are calculated on the basis of the local tax regulations in effect or adopted as of the balance sheet date in which the respective company operates and generates taxable income.

Deferred taxes are recognized for temporary differences between the amounts recognized in the IFRS balance sheets of the Group companies and the tax accounts as well as for tax loss carryovers. No deferred taxes are recognized if these result from the first-time recognition of an asset of liability in connection with a transaction not representing a business combination and whereby neither the IFRS result (before income taxes) nor the result under tax provisions are affected. Additionally, deferred taxes are not recognized on the first-time recognition of an IFRS goodwill amount. Deferred taxes are calculated using the tax regulations in effect or adopted at the end of the reporting period and which are expected to be in effect at the time of reversal or realization of the temporary difference.

Deferred tax assets are only recognized if it is probable that a taxable profit will be available against which the deductible temporary differences can be used.

Deferred tax liabilities are also recognized for temporary differences from investments in subsidiaries and companies accounted for using the equity method, except if the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Taxes on income are recognized in profit or loss with the exception of those which relate to matters which are offset in other comprehensive income or directly in equity. Taxes on income that relate to such matters are also recognized in the other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if an enforceable right exists to set off deferred taxes and these deferred taxes are in connection with taxes on income which are assessed by the same tax authority on either the same taxable entity or different entities which intend to settle the amounts on a net basis.

Share-based compensation

The company's management equity programs are recognized pursuant to IFRS 2 as "Share-based compensation". IFRS 2 requires the implications of share-based compensation to be accounted for in the company's results and assets and financial position. This also includes expenses incurred to grant equity instruments to employees. Accordingly, the fair value of the work performed by employees is to be recognized as consideration for the equity instruments thereby granted both as expenses through profit or loss and as an increase in equity. As the fair value of the work performed by employees cannot be reliably determined, however, reference is made for measurement purposes to the fair value of the equity instruments at the time at which they are granted.

Leasing

Pursuant to IAS 17, leases where a substantial portion of the risks and opportunities associated with economic ownership remain with the lessor are to be treated as operating leases by the lessee. All other leases represent finance leases from the lessee's point of view.

At the beginning of a finance lease, from the lessee's point of view the asset in question as well as a corresponding liability are recognized in the amount of the fair value of the asset, or if lower, in the amount of the present value of the minimum lease payments. For subsequent measurement, the minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. In addition, depreciation and possible impairment losses for the asset are considered. Depreciation is recognized over the lease term, or if shorter, over the useful life of the asset.

The lease payments from operating leases are recognized on a straight-line basis over the term of the corresponding contracts in the income statement.

Principles underlying revenue recognition

Revenue is realized and recognized when the service or delivery is performed and/or the risk of ownership has been transferred to the recipient of the service or the buyer and it is probable that the economic benefits of the transaction will flow to the company and the amount of the revenues can be measured reliably. Revenues are shown net of sales taxes, sales reductions and credits. The underlying estimates of the Group are based on historical amounts taking into consideration the nature of the customer, the transaction and particular features of the agreement.

The measurement of revenues arising from barter transactions is performed on the basis of the fair value of the services rendered, if the fair value can be determined reliably. Revenues arising from barter transactions are recognized in accordance with SIC-31. Pursuant to SIC-31, the revenue generated from advertising services performed within a barter transaction cannot be reliably measured as the fair value of the advertising service received. The seller, in this case Scout24, can in specific circumstances nevertheless reliably measure the revenue at the fair value of the advertising service it performs within a barter transaction if exclusive reference for comparison is made transactions that do not constitute barter transactions and that:

a. Relate to advertising comparable to the advertising of the barter transaction to be assessed;
b. Occur frequently;
c. Predominate in terms of their number and value as a proportion of all advertising transactions concluded;
d. Are settled by cash or using another means of settlement whose fair value can be reliably determined; and
e. Are not concluded with the same contractual partner as the barter transaction to be assessed.

Revenues from online-ads and from generating business contacts ("leads") are recognized on a straight-line basis over the period of the contract. Revenues from online-ads, depending on the nature of the advertising contract, are recognized in the period in which the advertising is placed. In cases where invoicing occurs in advance, revenue, including discounts and trial periods, is initially recorded under deferred revenues and is then recognised through profit or loss at the time of the rendering of services based on the contract

Revenues realised from the granting of temporary rights of use of software licenses are recognised on a pro-rata basis over the period of the license. If the features are predominantly those of a sale, revenues are recognised immediately. Revenues from the maintenance business are recognised on a pro-rata basis over the period of the rendering of services. Revenues from service contracts which are invoiced based on hours worked are recognised when the services are performed.

Finance income and finance costs

Finance income and finance costs comprise interest income and expenses as well as foreign currency gains and losses. Finance income and costs are recognised using the effective interest method.

Earnings per share

With a shareholder resolution dated August 28, 2015, and with effect as of September 3, 2015, the subscribed share capital of Scout24 AG was increased by EUR 98,000 thousand, from EUR 2,000 thousand to EUR 100,000 thousand, through a conversion from the capital reserve.

With a shareholder resolution dated September 4, 2015, and with effect as of September 10, 2015, all former preferred shares were converted on the basis of a fixed conversion ratio into voting shares with dividend-entitlement from January 1, 2015. This conversion ratio settled all preferential profit entitlements of the former holders of preferred shares.

The previous year's earnings per share were restated due to the aforementioned changes to the subscribed share capital. This adjustment assumed that 100,000,000 shares had already been in issue at the start of the period presented.

With effect as of September 28, 2015, the subscribed share capital of Scout24 AG was increased by a further EUR 7,600 thousand against cash capital contributions. The related shares are dividend-entitled from January 1, 2015.

As of the reporting date, the subscribed share capital consequently amounted to EUR 107,600 thousand, divided into 107,600,000 no par value shares.

Basic earnings per share are calculated as the consolidated net result for the year which is attributable to owners of the parent company, divided by the weighted average outstanding common shares.

There were no dilutive effects in the reporting period.

6.2. Changes to the scope of consolidation

6.2.1. Company acquisitions in the reporting period

The scope of consolidation changed as follows during the reporting period:

On April 16, 2015, AutoScout24 GmbH, Munich, acquired 100% of the shares in easyautosale GmbH, Munich (referred to as "easyautosale"). On September 8, 2015, Immobilien Scout GmbH, Berlin, acquired 100% of the shares in classmarkets GmbH, Berlin (referred to as "classmarkets").

The purchase price for the acquisition of the 100% interest in easyautosale by AutoScout24 GmbH, Munich, on April 16, 2015, amounted to EUR 6,522 thousand, and was paid in cash. Since April 16, 2015, Scout24 AG, Munich, has exercised control over easyautosale. Easyautosale provides an internet marketplace for sellers and buyers of used cars. After entering data for their second-hand cars, private sellers receive a valuation of the car and a minimum sales price. After agreeing the price, easyautosale offers the car exclusively to car dealers. The parties to the sale contract in this context are exclusively the private seller and the car dealer. Easyautosale is not a contractual party in this context. The company's sales revenues consist of sales commissions. The valuation of used cars comprises easyautosale's USP. The company is assigned to the AutoScout24 segment.

The EUR 3,109 thousand of goodwill from the transaction derives from the strategically complementary business model and the company's staff. The goodwill is not deductible for tax purposes.

The following table summarises the consideration paid for easyautosale as well as the fair value of the assets and liabilities acquired:

Consideration

EUR '000	April 16, 2015
Cash	6,522
Total consideration transfered	**6,522**

Recognized fair value amounts of identifiable assets acquired and liabilities assumed

EUR '000	April 16, 2015
Identifiable Tradename	819
Development costs	2,296
Contractual customer relationships	1,701
Other intangible assets	7
Property, plant and equipment	44
Trade and other receivables	141
Cash	964
Provision for other liabilities and charges	-9
Deferred tax liabilities	-1,512
Trade payables and other liabilities	-1,038
Total idebtifiable net assets	**3,413**
Goodwill	3,109
Total	**6,522**

In this connection, the fair value of the trade receivables and other assets amounts to EUR 141 thousand. The entire fair value is seen as recoverable. The difference in relation to the gross amount is immaterial.

Acquisition-related costs in the amount of EUR 135 thousand were recognised as expense in general administrative expenses.

Since the first consolidation, easyautosale has contributed EUR 1,440 thousand of revenues and a result after taxes of EUR -1,248 thousand to the income statement. If easyautosale had already been consolidated since January 1, 2015, the company would have contributed EUR 2,061 thousand to sales revenues, and a loss of EUR 1,603 thousand to earnings after tax.

On September 8, 2015, Immobilien Scout GmbH, Berlin, acquired 100% of the shares in classmarkets. The provisional purchase price in the amount of EUR 4,094 thousand was paid in cash. A reimbursement claim of EUR 17 thousand was nevertheless recognised on the basis of the final closing balance sheet. The adjusted acquisition price consequently amounts to EUR 4,077 thousand. In addition, a contingent acquisition price of EUR 100 thousand was agreed that was also paid in December. Since September 8, 2015, Scout24 AG, Munich, has exercised control over classmarkets. classmarkets operates around 50 regional online real estate portals for publishers. In addition to this, classmarkets operates Immobilo.de, a vertical meta-search platform. The company is assigned to the Immobilien-Scout24 segment.

The EUR 2,217 thousand of goodwill from the transaction derives from the strategically complementary business model and the company's staff. The goodwill is not deductible for tax purposes.

The following table summarises the consideration paid for classmarkets as well as the fair value of the assets and liabilities acquired:

Consideration

EUR '000	September 8, 2015
Cash	4,094
Contingent consideration	100
Total consideration transferred	**4,194**
Reimbursement claim	-17
Total consideration	**4,177**

Recognized fair value amounts of identifiable assets acquired and liabilities assumed

EUR '000	September 8, 2015
Identifiable tradename	505
Development costs	1,241
Contractual consumer relationship	601
Other intangible assets	18
Property plant and equipment	14
Trade and other receivables	200
Cash	229
Provision for other liabilities and charges	-7
Deferred tax liabilities	-738
Trade payables and other liabilities	-103
Total identifiable net assets	**1,960**
Goodwill	2,217
Total	**4,177**

In this connection, the fair value of the trade receivables and other assets amounts to EUR 200 thousand. The entire fair value is seen as recoverable. The difference in relation to the gross amount is immaterial.

Acquisition-related costs in the amount of EUR 130 thousand were recognised as expense in general administrative expenses.

Since the first consolidation, classmarkets has contributed EUR 541 thousand of revenues and a result after taxes of EUR 104 thousand to the income statement. If classmarkets had already been consolidated since January 1, 2015, the company would have contributed EUR 1,587 thousand to sales revenues, and a profit of EUR 112 thousand to earnings after tax.

The development of goodwill per cash-generating unit can be seen in the following table:

EUR '000	**CGU ImmobilienScout24**	**CGU AutoScout24**	**Total**
Goodwill as at 31/03/2014	655,954	98,016	753,970
New acquisitions	29,509	0	29,509
Goodwill as at 12/31/2014 – 01/01/2015	685,463	98,016	783,479
New acquisitions	2,217	3,109	5,325
Adjustment within one year measurement period against goodwill	-1,521	-	-1,521
Goodwill as at 12/31/2015	686,159	101,125	787,283

The EUR 1,400 thousand adjustment against goodwill during the one-year valuation period relates to the revaluation of the contingent purchase price liability that was recognised in the previous financial year in connection with the acquisition of FlowFact GmbH, Cologne. For details, please refer to Section 6.5.3 Disclosures on financial instruments.

In addition, an acquired liability of Stuffle GmbH, Berlin, was subsequently revalued in an amount of EUR 121 thousand.

6.2.2. Company disposals in the reporting period

On June 22, 2015 Immobilien Scout GmbH, Berlin, sold its entire equity interest in Property-Guru Pte. Ltd., Singapore. For the result from the disposal, please see 6.3.8, Results from investments accounted for using the equity method.

6.2.3. Company acquisitions in the prior period

On May 28, 2014, AE BG Theta Holding GmbH, Vienna, a wholly-owned subsidiary of ImmobilienScout GmbH, Berlin, acquired 100% of the shares in ERESNET GmbH, Vienna. The purchase price in the amount of EUR 15,746 thousand was paid in cash. Since May 28, 2014, Asa NewCo has exercised control over ERESNET GmbH. ERESNET GmbH is, i.a., the operator of the leading real estate portal in Austria. Together with Immobilien-Scout24.at, which already exists in Austria, the leading marketplace for real estate in Austria should emerge as a result. The company is assigned to the ImmobilienScout24 segment.

Goodwill in the amount of EUR 13,432 thousand which arose on acquisition is substantiated by the strong market position, synergies and future products of ERESNET. The goodwill is not deductible for tax purposes.

The following table summarises the consideration paid for ERESNET GmbH as well as the fair value of the assets and liabilities acquired:

Consideration

EUR '000	**05/28/2014**
Cash and cash equivalents	15.746
Total consideration	**15.746**

Recognized fair value amounts to identifiable assets acquired and liabilities assumed

EUR '000	**05/28/2014**
Trademarks (included in intangible assets)	436
Developmental costs (included in intangible assets)	751
Contractual customer relationships (included in intangible assets)	1,668
Oter intangible assets	87
Property, plant and equipment	175
Financial assets	11
Trade, other receivables and other assets	704
Cash and cash equivalents	414
Provisions	-788
Deferred tax liabilities	-714
Trade payables, deferred credits and other liabilities	-430
Total identifiable net assets at fair value	**2,314**
Goodwill	13,432
Total	**15,746**

Acquisition-related costs in the amount of EUR 747 thousand were recognised as expense in general administrative expenses.

If ERESNET GmbH had been included in the consolidated financial statements for the entire 2014 stub financial year, it would have contributed EUR 2,777 thousand to revenues and a EUR -756 thousand post-tax loss. Since the first consolidation, the company contributed EUR 2,050 thousand of revenues and a EUR -841 thousand post-tax loss to the Group in the 2014 stub reporting period.

As of October 31, 2014, ERESNET GmbH was merged with AE BG Theta Holding GmbH. The merger was realised at carrying amounts. Subsequently, AE BG Theta Holding GmbH changed its name to Immobilien Scout Österreich GmbH.

On October 31, 2014, Immobilien Scout GmbH, Berlin, a 100% subsidiary of Asa NewCo, acquired 100% of the shares in FlowFact AG, Cologne, including its subsidiaries and investments. The purchase price amounted to EUR 31,066 thousand. Of this amount, EUR 26,566 thousand was paid in cash, and contingent consideration of EUR 4,500 thousand was agreed to (we refer to the further disclosures in Section 6.5.3 Disclosures on financial instruments). The contingent consideration is dependent upon the achievement of specified EBITDA amounts. Within the 12-month valuation period, the value of the contingent purchase price was reduced by EUR 1,400 thousand to EUR 3,100 thousand, with EUR 600 thousand being deducted as a contingent liability from the transferred purchase price. This contingent asset results from an indemnifying clause of the previous shareholders for the assumption of contingent liabilities from tax risks in the same amount by Scout24.

Scout24 AG exercises control over FlowFact AG. With an entry in the commercial register on December 29, 2014, FlowFact AG was transformed into FlowFact GmbH. The company develops and operates, i.a., CRM solutions for companies in the real estate industry. Together with the Makler Manager of Immobilien Scout GmbH, FlowFact GmbH is expected to become the leading supplier for real estate agents in the area of software solutions. The company is assigned to the ImmobilienScout24 segment.

Goodwill in the amount of EUR 12,758 thousand that arose on acquisition is substantiated by the strong market position, future products and the acquired employee base of FlowFact. The goodwill is not deductible for tax purposes.

The following table[2] summarises the agreed consideration paid for FlowFact AG as well as the fair value of the assets and liabilities acquired:

Consideration

EUR '000	10/31/2014
Cash and cash equivalents	26,566
Contingent consideration	3,100
Total transferred consideration	**29,666**
Reimbursement claim	-600
Total consideration	**29,066**

2 Updated on the basis of IFRS 3.49

Recognised fair value amounts of identifiable assets acquired and liabilities assumed

EUR '000	**10/31/2014**
Trademarks (included in intangible assets)	11,118
Developmental costs (included in intangible assets)	6,975
Contractual customer relationships (included in intanible assets)	5,112
Other intangible assets	69
Property, plant and equipment	545
Financial assets	4
Trade, other receivables and other assets	1,532
Cash and cash equivalents	809
Provisions	-103
Contingent liability from tax risks	-600
Deferred tax liabilities	-7,300
Bank borrowings	-732
Trade, other payables and other liabilities	-1,121
Total identifiable net assets at fair value	**16,308**
Goodwill	12,758
Total	**29,066**

Acquisition-related costs in the amount of EUR 904 thousand were recognised as expense in general administrative expenses.

If FlowFact AG had been included in the consolidated financial statements for the entire 2014 stub reporting period, it would have contributed EUR 8,358 thousand to revenues and EUR 468 thousand to post-tax income. Since the first consolidation, the company with its subsidiaries contributed EUR 1,857 thousand of revenues and EUR 104 thousand of post-tax income to the Group in the 2014 stub reporting period.

On November 7, 2014, Immobilien Scout GmbH, Berlin, as a 100% subsidiary of Scout24 AG, acquired 50.02% of the newly created shares in Stuffle GmbH, Hamburg, through a cash contribution to equity of the company in the amount of EUR 1,500 thousand. Scout24 AG exercises control over Stuffle GmbH. The purpose of the company is the operation of a platform for a digital marketplace where third parties can trade products and merchandise over the internet or a mobile device, as well as related developmental and sales activities. The company is assigned to the ImmobilienScout24 segment. The goodwill in the amount of EUR 1,797 thousand is substantiated by the future innovation strength and the acquired employee base of the company, and is not deductible for tax purposes. Pursuant to the option under IFRS 3.19, the Scout24 Group recognises goodwill arising from this transaction in the amount relating to the acquirer and also to the non-controlling interests. The measurement of the non-controlling interests' portion was performed taking into consideration the cash contribution rendered in connection with the acquisition of the non-controlling interests.

The following table[3] summarises the agreed consideration paid for Stuffle GmbH as well as the fair value of the assets and liabilities acquired:

Consideration

EUR '000	11/07/2014
Cash and cash equivalents	1,500
Total consideration	**1,500**
Fair Value of non-controlling interests	**1,499**

Recognised fair value amounts of identifiable assets acquired and liabilities assumed

EUR '000	11/07/2014
Other intangible assets	128
Property, plants and equipment	28
Trade, other receivables and other assets	66
Cash and cash equivalents	1,506
Provisions	- 2
Liabilities to non-controlling interests	- 364
Trade payables, deferred credits and other liabilities	- 160
Total identifiable net assets at fair value	**1,202**
Goodwill	1,797
Total	**2,999**

Acquisition-related costs in the amount of EUR 71 thousand were recognised as expense in general administrative expenses.

If Stuffle GmbH had been included in the consolidated financial statements for the entire 2014 stub reporting period, it would have contributed EUR 9 thousand to revenues and a EUR -1,074 thousand loss after taxes. Since the first consolidation, the company contributed

↘ 3 Updated on the basis of IFRS 3.49

EUR 1 thousand of revenues and a EUR -482 thousand post-tax loss to the Group in the 2014 stub reporting period.

6.3. Notes to the consolidated income statement

6.3.1. Revenue

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Revenues comprise those of the core services in the amount of EUR 374,280 thousand (previous year: EUR 259,198 thousand) as well as other revenues in the amount of EUR 19,300 thousand (previous year: EUR 3,663 thousand). Revenues of the core services comprise sales revenues from the sale of online-ads, the provision of advertising space, and the generation of business contacts ("leads"). The other revenues mainly arise from the activities of the companies acquired in the financial year under review, and at the end of the previous year, and which do not comprise core services of Scout24 AG (among others CRM-Software for real estate agents). The afore-mentioned revenues are revenues from the rendering of services pursuant to IAS 18.35b.

Revenues from barter transactions of services in the amount of EUR 1,689 thousand (previous year: EUR 1,851 thousand) are included in the revenues of the core services.

6.3.2. Cost of sales

Cost of sales amounting to EUR 43,370 thousand (previous year: EUR 40,238 thousand) contain all costs that Scout24 had to expend in order to generate the sales of the financial period.

Cost of sales represent all expenses in connection with the operation of websites and mobile applications („apps“). These include, for example, data line costs, rent expenses, maintenance costs, licensing costs as well as directly attributable personnel expenses such as salaries, commissions, social benefits and bonuses. Also shown under cost of sales are, for example, so-called special placements, brand and domain expenses as well as the amortisation of the customer base.

6.3.3. IT and product service costs

Presented under the IT and product service costs are primarily costs for developing IT systems and ongoing operations of IT systems and platforms. These include personnel expenses, including salaries and social benefits for employees who are involved in the design, development and testing of the websites.

6.3.4. Distribution and marketing costs

Distribution and marketing expenses include personnel expenses such as salaries, commissions, social benefits and bonuses for employees in sales, sales assistance, customer support, marketing or public relations. Also included in this item are all expenses for promotion and marketing, installation/equipment costs on a per capita basis, and expenses in connection with doubtful receivables.

6.3.5. General and administrative expenses

Included in general and administrative expenses are, for example, personnel expenses such as salaries, social benefits and bonuses for management, expenses of the personnel, finance, legal and tax and other administrative departments. Also included in this item are fees for legal, tax and other services performed by third parties as well as installation and equipment costs.

A key reason for the fall in administrative costs in the financial year elapsed were the personnel restructuring measures launched in the previous financial year. The previous financial year's administrative costs also included costs for the reorganisation of the Scout Group.

6.3.6. Other operating income

Other operating income comprises the following:

EUR '000	2015 01/01/2015 - 12/31/2015	2014 04/01/14 - 12/31/14
Reimbursements from charge-outs	5,116	556
Charge-out rent	296	222
Gain from disposal of non-current assets	69	67
Gain from disposal of subsidiaries	0	124
Other	1,360	656
Total	**6,841**	**1,625**

Of the compensation for offsetting, an amount of EUR 5,023 thousand relates to offsetting the costs of the IPO for Scout24 AG. The item „Other" comprises among others income from the sale of commission claims in the field of insurance as well as refunds of levies from social security institutions.

6.3.7. Other operating expenses

Other operating expenses comprise the following:

EUR '000	2015 01/01/2015 - 12/31/2015	2014 04/012014 - 12/31/2014
Adjustment Earn Out	- 669	-
Loss on disposal of non-current assets	- 94	- 138
Other	- 47	- 9
Total	**- 810**	**- 146**

6.3.8. Results from investments accounted for using the equity method

The results from investments accounted for using the equity method comprise the following:

EUR '000	2015 01/01/2015 - 12/31/2015	2014 04/01/2014 - 12/31/2014
PropertyGuru Pte. Ltd., Singapore	- 821	- 1.905
Energieausweis48 GmbH, Germany	16	-
ASPM Holding B. V., Amsterdam, Netherlands	-	-
Total	**- 805**	**- 1.905**

Proportional currency translation differences were additionally recognised in other comprehensive income in the amount of EUR -37 thousand (previous year: EUR -267 thousand).

Income from the disposal of interests in equity accounted companies in 2015 arises from the disposal of shares in PropertyGuru Pte. Ltd., Singapore, on June 22, 2015. The effects of the disposal on the consolidated financial statements as of December 31, 2015 are presented below:

EUR '000	2015 01/01/2015 - 12/31/2015
Equity interest as of December 31, 2014 / January 1, 2015	36,541
Loss from investments accounted for using the equitiy method	- 821
Currency translation differences from investments accounted for using the equity method	- 37
Equity interests as of disposal date	35,683
Total consideration	59,880
Transaction costs	- 2,082
Currency translation differences due to disposal of investments accounted for using the equity method subsequently recycled through profit or loss	- 17
Profit from disposal of investments accounted for using the equity method	**22,098**

6.3.9. Finance income

The finance income comprises the following:

EUR '000	2015 01/01/2015 - 12/31/2015	2014 04/01/2014 - 12/31/2014
Companies	2,540	-
Gains from derivative instruments	1,461	-
Financing	566	172
Interest income - third parties	142	207
Interest income - associates	99	76
Total	**4,808**	**455**

The income from purchase price receivables relates to a purchase price tranche that accrued subsequently in the year under review arising from the disposal of Scout24 Schweiz AG, Wünnewil–Flamaat, in January 2014, by Scout24 Holding GmbH. Due to uncertainty about the inflow, the purchase price receivable was measured at zero in the previous year, with the inflow thereby being recognised in full in profit or loss in the year under review.

Income from derivative financial instruments relates to the measurement of the interest floor in connection with the facilities under the Senior Facility Agreement („SFA“). For more information see Section 6.4.9 Financial liabilities.

6.3.10. Finance costs

The finance costs comprise the following:

EUR '000	2015 01/01/2015 - 12/31/2015	2014 04/01/2014 - 12/31/2014
Interest expense - third parties	- 47,687	- 26,421
Expenses from derivative instruments	- 119	- 2,400
Financing	- 686	- 787
Other	- 49	- 36
Total	**- 48,541**	**- 29,644**

The interest expense to third parties results almost exclusively from the credit lines taken out under the "Senior Facility Agreement" (hereinafter: "SFA"). For details see Section 6.4.9 Financial liabilities.

6.3.11. Income taxes

Effective as of April 1, 2014, a profit and loss transfer agreement was concluded between Scout24 AG and Scout24 Holding GmbH. Since 2007 or 2008, profit transfer agreements exist between Scout24 Holding GmbH and its domestic subsidiaries AutoScout24 GmbH, Scout24 Services GmbH, FMPP GmbH (all based in Munich), and Immobilien Scout GmbH (based in Berlin).

On the basis of these agreements, a profit transfer was realised in the aforestated periods in the amount of EUR -127,571 thousand to Scout24 AG.

All of the aforementioned companies are in a consolidated tax group for income taxes, with Scout24 AG as the controlling company. Scout24 AG is thus liable for income taxes for the entire tax consolidation group. Tax allocations were not made to the tax group subsidiaries.

The current taxes paid or owed in the individual countries as well as deferred taxes are shown as income tax expense.

EUR '000	12/31/2015	12/31/2014
Current tax		
Current tax on losses for the period	- 32,000	- 5,558
Adjustments in respects of prior periods	- 81	529
Total current tax expense	- 32,081	- 5,029
Deferred tax		
Deferred tax from temporary differences	13,413	4,789
Deferred tax of tax deductible IPO-costs recorded in equity	-2,374	
Deferred tax from tax losses carried forward	- 967	1,529
Total deferred tax income	10,072	6,318
Total income tax	- 22,009	1,289

The current taxes paid or owed in the individual countries are shown as income tax expense. Taxes on income in this context comprise trade tax, corporation tax and the solidarity surcharge, as well as corresponding foreign taxes on income. The corporate income tax rate in Germany amounted, as in the previous year, to 15% for the 2015 assessment period, with the solidarity charge to be applied with this amounting to 5.5%. The trade tax rate changed to 15.61% due to changes to trade tax breakdown amounts (previous year: 15.65%). This generates a Group tax rate of 31.44% for 2015 (previous year: 31.47%).

The reasons for the difference between the expected and the reported tax expense within the Group as follows:

EUR '000	01/01/2015 12/31/2015	04/01/2014 - 12/31/2014
Profit/Loss before income taxes from continuing operations	**78,878**	**- 22,469**
Expected income tax expenses/income 2015: 31,44% (2014: 31,47%)	- 24,796	7,071
Adjustment in respect of prior periods	3,194	1,940
Income not subject to tax	7,408	- 166
Expenses not deductible for tax purposes	- 881	- 3,966
Permanent differences	- 33	- 1,594
Tax effects from investments accounted for using the equity method	-	- 599
Tax effects from losses carried forward	- 3,694	- 274
Adjustment to domestic tax rates applicable to profit/(losses) in the respective countries	- 1,189	- 1,028
Tax rates differing from Group tax rate	369	- 95
Others	- 2,386	-
	- 22,009	**1,289**
Effective Group income tax rate	**- 27.9 %**	**- 5.7 %**

The tax effects from previous years arise mainly from the change in the average Group tax rate compared with the previous period, the merger of Eresnet GmbH with Immobilien Scout Österreich GmbH, a subsequent purchase price payment for the disposal of Scout24 International Management AG (to sale of the shares in January 2014), and tax payments/ reimbursements for previous years. The non-deductible expenses derive mainly from the taxable proceeds from the participating interest disposal at the level of Immobilien Scout GmbH, on which 5% tax is levied. The effects relating to the local taxes are predominantly due to the trade tax addition of remuneration for liabilities of Scout24 AG. The item "Other" comprises deferred taxes in the amount of EUR 2,374 thousand on IPO-related expenses recognized directly in equity, which are tax-deductible.

The tax receivables and tax liabilities are presented as of the balance sheet date as follows:

EUR '000	12/31/2015	12/31/2014
Income tax receivables (current)	285	494
Income tax receivables	**285**	**494**
Income tax payables (current)	15,295	14,954
Income tax payables (current)	29	16
Income tax payables	**15,324**	**14,970**

The net deferred tax assets report the following changes:

EUR '000	12/31/2015	12/31/2014
Opening balance	**6,206**	**7,181**
Acquisition of subsidaries	- 98	-
(Charged)/credited to the income statement and directly through other comprehensive income, respectively	638	- 975
Closing balance	**6,746**	**6,206**
Of which: current	2,175	3,181

The deferred tax liabilities report the following changes:

EUR '000	12/31/2015	12/31/2014
Opening balance	**402,590**	**401,931**
Acquisition of subsidaries	-657	8,013
(Charged)/credited to the income statement and directly through other comprehensive income, respectively	-8,972	- 7,354
Closing balance	**392,961**	**402,590**
Of which: current	-	6,681

The deferred tax liabilities result mainly from purchase price allocations at Group level in the amount of EUR 1,304,320 thousand. Deferred tax liabilities were recognised taking into consideration depreciation and amortisation as of December 31, 2015, in the amount of EUR 380,187 thousand, of which EUR 337,963 thousand relate to Immobilien Scout GmbH, including its investments, and EUR 42,214 thousand relate to AutoScout24 GmbH including its participating interests, and EUR 10 thousand to Scout24 Holding GmbH.

Deferred tax assets and liabilities on timing differences and tax loss carried forward in the Group can be allocated to the following items:

EUR '000	12/31/2015		12/31/2014	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Trade and other receivables	-	-	7	25
Other assets	-	-	-	-
Current assets	**-**	**-**	**7**	**25**
Trademarks	143	309,349	-	308,620
Other intangible assets	1,224	80,097	58	88,489
Property, plant and equipment	1,275	107	1,068	524
Financial assets	0	0	-	1,977
Other assets	186	1,556	21	749
Non-current assets	**2,829**	**391,109**	**1,147**	400,359
Trade and other payables	-	-	82	-
Financial liabilities	-	-	2,472	6,628
Provisions for other liabilities and charges	-	-	-	-
Other liabilities	2,158	-	620	28
Current liabilities	**2,158**	**-**	**3,174**	**6,656**
Pensions and other post-employment obligations	74	26	139	-
Provisions for other liabilities and charges	472	-	1,107	-
Other liabilities	7	4,735	-	-
Non-current liabilities	**553**	**4,761**	**1,246**	**-**
Losses carried forward/Interest carried forward	**4,115**	**-**	**5,082**	**-**
Total	**9,655**	**395,870**	**10,656**	**407,040**
Of which: non-current	7,497	395,887	7,475	400,359
Offsetting	- 2,909	- 2,909	- 4,450	- 4,450
Of which: current	-	-		
Of which: non-current	- 2,909	- 2,909		
Amount recognized	**6,746**	**392,961**	**6,206**	**402,590**

The deferred tax assets from tax losses carried forward outlined below are not recognized or adjusted after recognition in so far as the realisation of the respective tax benefits is not or no longer expected in the medium term or because they are tax losses carried forward prior to fiscal unity, which can not be utilized for the time of fiscal unity. It is not planned to reverse the fiscal unity in the medium term.

Corporate income tax losses carried forward of EUR 9,744 thousand (previous year: EUR 4,696 thousand) in Germany, EUR 9,744 thousand (previous year: EUR 4,696 thousand) were not recognised for deferred tax purposes.

Trade tax losses carried forward of EUR 10,104 thousand (previous year: EUR 4,578 thousand) in Germany, EUR 10,104 thousand (previous year: EUR 4,578 thousand) were not recognised deferred tax purposes.

Corporate income tax losses carried forward of EUR 17,080 thousand (previous year: EUR 15,066 thousand) abroad, EUR 16,573 thousand (previous year: EUR 14,174 thousand) were not recognised for deferred tax purposes.

The interest carried forward in the meaning of the interest barrier rule according to German tax law of EUR 14,359 thousand that was recognised at Scout24 AG in 2014 (previous period: EUR 17,631 thousand) was treated in its entirety as having retained its value in 2015.

No deferred tax liabilities were recognised on temporary differences in connection with investments in subsidiaries amounting to EUR 4,756 thousand (previous year: EUR 24,227 thousand) because it is not probable that these temporary differences will reverse in the foreseeable future.

6.3.12. Earnings per share

EUR '000		2015 01/01/2015 - 12/31/2015	2014 04/01/2014 - 12/31/2014
Profit/(Loss) from continuing operations for the period	EUR '000	56,869	- 21,180
Less: Loss attributable to non-controlling interests	EUR '000	- 571	- 241
Less: Advanced profits pro rata temporis of the year attributable to owners of preference shares	EUR '000	-	- 99,649
Profit/(Loss) from continuing operations attributable to owners of the parent	EUR '000	57,440	- 120,588
Weighted average number of shares in Scout24 AG in issue	Number	101,978.082	100,000.000
Basic earnings per share from continuing operations	EUR '000	0.56	- 1.21
Diluted earnings per share from continuing operations	EUR '000	0.56	- 1.21
Income from discontinued operations for the period	EUR '000	-	1,010
Less: Profit/(Loss) attributable to non-controlling interests	EUR '000	-	0
Income from discontinued operations attributable to owners of the parent	EUR '000	-	1,010
Weighted average number of shares in Scout24 AG in issue	Number	101,978.082	100,000.000
Basic earnings per share from discontinued operations	EUR	0.00	0.01
Diluted earnings per share from discontinued operations	EUR	0.00	0.01

There are no dilution effects for the current nor previous reporting period.

In the 2015 financial year, the company, on the basis of a shareholder resolution, paid dividends of EUR 421,588 thousand to the holders at that time of preferred shares.

6.3.13. Personnel expenses and number of employees

EUR '000	2015 01/01/2015 - 12/31/2015	2014 04/01/2014 - 12/31/2014
Wages and salaries	- 83,058	- 53,799
Social security costs	- 12,091	- 8,935
Pension costs and other post-employment benefits	- 829	- 770
Total	**- 95,978**	**- 63,504**

The average number of employees breaks down as follows:

EUR '000	2015 01/01/2015 - 12/31/2015	2014 04/01/2014 - 12/31/2014
Executives	40	37
Other employees	1,077	1,051
Total	**1,117**	**1,088**

6.4. Notes to the consolidated balance sheet

6.4.1. Cash and cash equivalents

Cash and cash equivalents include bank balances and cash in hand in the amount of EUR 70,639 thousand (prior year: EUR 21,409 thousand).

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6.4.2. Trade and other receivables

Trade and other receivables consist of the following:

EUR '000	12/31/2015	12/31/2014
Trade receivable - third parties	36,312	34,293
Receivables - other related companies	1,505	827
Total	**37,817**	**35,120**

The allowances on trade receivables report the following changes:

EUR '000	
Balance as at 04/01/2014	**- 310**
Additions	- 1,302
Utilization	109
Reversal	10
Balance as at 12/31/2014 - 01/01/2015	**- 1,493**
Change in group of consolidated companies	- 30
Additions	- 2,321
Utilization	510
Reversal	313
Currency translation differences	1
Balance as at 12/31/2015	**- 3,020**

The additions to and reversals of bad debt allowances for impaired receivables are presented under distribution expenses. Utilization covers the derecognition of former written down receivables.

The following table shows the maturity structure of trade receivables that were not impaired as of the closing date:

EUR '000	12/31/2015	12/31/2014
Net Value	**37,817**	**35,120**
Provisions for bad debts	**- 3,020**	**- 1,493**
Gross value	**40,837**	**36,613**
Doubtful trade receivables before impairment	**7,553**	**5,594**
Doubtful trade receivables before impairment	**16,196**	**18,522**
Neither past due nor impaired		
less than 30 days	12,734	10,037
30 to 90 days	3,257	1,679
more than 90 days	1,097	781

Where trade receivables are neither impaired nor past due, there are no indications as of the closing date that the debtors would not meet their payment obligations.

With regard to the trade receivables that were past due as of the reporting date but not impaired, based on the customers‘ credit history and current credit rating, there are no indications that they are not able to meet their obligations.

6.4.3. Financial assets

The financial assets as of the repective closing dates are comprised of the following:

EUR '000	12/31/2015	12/31/2014
Current		
Creditors with debit accounts	231	149
Receivables from associates	94	-
Receivables from other related companies	8	20
Receivables from company sale	-	1,700
Other	-	50
Total	**333**	**1,919**
Non-current		
Refund claims	600	600
Investments	180	-
Loans - associates	-	2,316
Loans - third parties	-	268
Shares in unconsolidated companies	-	64
Other	15	79
Total	**795**	**3,327**

The reimbursement claim includes a contingent receivable from third parties, which corresponds with a contingent liability for tax risks in the same amount.

The participating interests item relates to the non-controlling interest in Salz & Brot Internet GmbH that was acquired in the year under review.

Receivables due from equity accounted companies arise mainly from short-term lendings to Energieausweis48 GmbH.

No objective indications existed as of the reporting date that the recognised financial assets might be impaired.

6.4.4. Other assets

The other assets as of the respective closing dates are composed of the following:

EUR '000	12/31/2015	12/31/2014
Current		
Prepaid expenses and deferred charges	4,899	5,129
Taxes other than income taxes	2,010	1,235
Rent deposit	798	798
Deferred revenues from services	420	-
Payments in advance	83	1,073
Other	385	531
Total	**8,595**	**8,766**
Non-current		
Prepaid expenses and deferred charges	2,831	1,770
Other	85	91
Total	**2,916**	**1,861**

The prepaid expenses and deferred charges item in the reporting period includes EUR 33 thousand of prepaid expenses and deferred charges in respect of other related companies (previous period: EUR 35 thousand).

In the reporting period, as well as in the previous period, taxes that do represent income taxes relate to value-added tax refund claims and prepayments.

The increase in non-current prepaid expenses and deferred charges is due to an eleven-year insurance premium paid in advance.

6.4.5. Intangible assets

EUR '000	Goodwill	Trademarks	Internally developed software	Concessions rights and licenses	Contractual customer relationships	Intangible assets unter construction	Other intangible assets	Total
Cost								
Balance as at 04/01/2014	**753,970**	**971,310**	**-**	**84,410**	**237,100**	**2,943**	**324,453**	**2,049.733**
Change in group of consolidated companies	29,509	11,554	-	7,675	6,780	-	14,455	55,518
Additions	-	-	1,168	1,106	-	5,104	7,378	7,378
Disposals	-	-	-	- 133	-	-	- 133	- 133
Reclassifications	-	-	2,977	152	-	- 3,129	-	-
Balance as at 12/31/2014 - 01/01/2015	**783,479**	**982,864**	**4,145**	**93,210**	**243,880**	**4,918**	**346,153**	**2,112.496**
Change in group of consolidated companies	5,325	1,323	-	3,562	2,302	-	5,864	12,512
Additions	-	-	1.241	562	-	14.488	16.291	16.291
Disposals	- 1,521	-	-	- 5	-	-	- 5	- 1,526
Reclassifications	-	-	8,154	187	-	- 8,341	-	-
Currency translation differences	-	-	-	1	-	-	1	1
Balance as at 12/31/2015	**787,283**	**984,187**	**13,540**	**97,517**	**246,182**	**11,065**	**368,304**	**2,139.774**
Accumulated depreciation and impairment								
Balance as at 04/01/2014	**-**	**- 10**	**-**	**- 3,538**	**- 3,476**	**-**	**- 7,014**	**- 7,024**
Change in group of consolidated companies	-	-	-	332	-	-	332	332
Additions (Depreciation)	-	- 141	- 151	- 20,938	- 20,088	-	- 41,177	- 41,318
Additions (Impairment)	-	-	-	- 3,902	-	-	- 3,902	- 3,902
Disposals	-	-	-	112	-	-	112	112
Balance as at 12/31/2014 - 01/01/2015	**-**	**- 151**	**- 151**	**- 27,934**	**- 23,564**	**-**	**- 51,649**	**- 51,800**
Additions (Depreciation)	-	- 351	- 612	- 29,361	- 27,228	-	- 57,201	- 57,552
Balance as at 12/31/2015	**-**	**- 502**	**- 763**	**- 57,295**	**- 50,792**	**-**	**- 108,850**	**- 109,352**
Net book value								
Balance as of December 31, 2014	783,479	982,713	3,994	65,276	220,316	4,918	294,504	2,060.696
Balance as of December 31, 2015	787,283	983,685	12,777	40,222	195,390	11,065	259,454	2,030.422

Borrowing costs for intangible assets in development are not capitalised.

Goodwill is allocated to the CGUs as follows:

EUR '000	12/31/2015	12/31/2014
CGU ImmobilienScout24	686,159	685,463
CGU AutoScout24	101,125	98,016
Total	**787,283**	**783,479**

Goodwill is not amortised, but is instead impairment-tested at least once annually pursuant to IAS 36 on the basis of the value in use according to the approach described in Section 6.1.6 Accounting policies. On the basis of this impairment test according to IAS 36, there were no impairments neither in the current period nor in prior year.

In performing the impairment test on goodwill, for the CGUs ImmobilienScout24 and AutoScout24 an after-tax WACC of 7.3% (previous year: 8.5%) was applied. In determining the WACC, a long-term growth rate of 2.0% (previous year: 2.0%) was assumed. The need for an impairment write-down did not result for either of the CGUs, even in the case of simultaneously reducing the growth rate to 0% (previous year: 0%) and increasing the cost of capital rate to 8.9% (previous year: 16.0%). The detailed planning period covered 4 years.

The allocation of trademarks to the CGUs is presented as follows:

EUR '000	12/31/2015	12/31/2014
ZGE ImmobilienScout24	873,620	873,203
ZGE AutoScout24	109,974	109,300
ZGE Corporate	90	210
Total	**983,685**	**982,713**

Most trademarks (carrying amount as per December 31, 2015: EUR 982,623 thousand, previous year: EUR 982,118 thousand) are not amortised, but are instead impairment-tested at least once annually pursuant to IAS 36 on the basis of the value in use according to the approach described in Section 6.1.6 Accounting policies. Based on this IAS 36 impairment test, no impairments arose in either the current period or in the previous year.

The trademarks allocated to CGU Corporate as well as a trademark of the CGU Immobilien-Scout24 and one trademark allocated to the CGU AutoScout24 (carrying amount as of December 31, 2015: EUR 1,062 thousand; previous year: EUR 385 thousand) were amortised over their respective specific useful lives for which positive cash flows are expected.

The additional trademarks allocated to the CGUs ImmobilienScout24 and AutoScout24 were assigned indefinite useful lives, since it is expected that positive cash flows will result from these over an indefinite period. All of these trademarks are tested for impairment according to IAS 36 at least annually on the basis of their fair value less costs to sell, or on the basis of the value in use of the respective CGU, according to approach described in Section 6.1.6 Accounting policies.

The valuation is carried out according to the relief-from-royalty method and a valuation model with a detailed planning period of four years, i.e., it is calculated what license payments would have to be paid if the related intangible assets were not owned by the Scout24 Group. The value is then calculated as the present value of saved future royalty payments.

For all trademarks, a WACC of 7.3% (previous year: 8.5%) and a long-term growth rate of 2.0% (previous year: 2.0%) were applied. For the trademarks of the CGU ImmobilienScout24, a royalty of 30% (previous year: 30%) was assumed and of the CGU AutoScout24 of 10% (10%). Licensing fees of 6% were imputed for the FlowFact trademark.

Even if the growth rate is reduced to 0% (previous year: 0%) and the cost of capital is increased to 10.47% (previous year: 9.5%), there is no impairment requirement for the Immobilien Scout trademark.

For the trademark AutoScout24, the growth rate could be reduced to 0% (previous year 0%) with a simultaneous increase in the WACC of 12.85% (previous year: 10%) without the need for an impairment.

No impairment requirement would arise for the FlowFact trademark given a reduction in the growth rate to 0% while at the same time increasing the WACC to 7.6%.

The aforementioned assumptions correspond to historical empirical values, and are consistent with external information sources.

No requirement existed for impairment write-downs to be applied in the reporting period (previous year: EUR 3,902 thousand).

6.4.6. Property, plant and equipment

EUR '000	Land and leasehold improvements	Other equipment, operating and office equipment	Total
Cost			
Balance as at 04/01/2014	**188**	**16,792**	**16,980**
Change in group of consolidated companie	97	648	745
Additions	-	5,238	5,238
Disposals	- 96	- 2,921	- 3,017
Balance as at 12/31/2014 - 01/01/2015	**189**	**19,757**	**19,946**
Change in group of consolidated companies	-	58	58
Additions	-	4,020	4,020
Disposals	-	- 1,788	- 1,788
Currency translation differences	-	1	1
Balance as at 12/31/2015	**189**	**22,048**	**22,237**
Accumulated depreciation and impairment			
Balance as at 04/01/2014	**- 9**	**- 849**	**- 858**
Additions (Depreciation)	- 56	- 4,776	- 4,832
Additions (Impairment)	-	- 12	- 12
Disposals	16	2,859	2,875
Balance as at 12/31/2014 - 01/01/2015	**- 49**	**- 2,778**	**- 2,827**
Additions (Depreciation)	- 52	- 6,760	- 6,812
Additions (Impairment)	-	- 1,248	- 1,248
Disposals	-	1,645	1,645
Currency translation differences	-	- 1	- 1
Balance as at 12/31/2015	**- 101**	**- 9,142**	**- 9,243**
Net book value			
Balance as of December 31, 2014	140	16,979	17,119
Balance as of December 31, 2015	88	12,906	12,994

Procurement transactions have the normal retentions of title.

Impairment in the financial year under review results in an amount of EUR 1,248 thousand from the non-commissioning of a plant due to outdated technology in the Immobilien-scout24 segment.

Included in operating and office equipment are the following amounts for a lease whereby the Group is the lessee:

EUR '000	12/31/2015	12/31/2014
Assets capitalized on finance leases	265	265
Accumulated depreciation	- 94	-68
Net book value	171	197

Scout24 rents various business assets in the area of operating and office equipment. The original contract period amounts to five years and eight months and ends on September 1, 2019. The economic owner of the assets is Scout24.

6.4.7. Investments accounted for using the equity method

The associates and joint ventures included in the consolidated financial statements are recognised using the equity method at their pro-rata shareholders' equity.

The following table gives an overview of associates and joint ventures as of December 31, 2015 and 31 December 2014:

Company name	Registered office	Share ownership	Nature of participation	12/31/2015 Method of valuation	12/31/2014 Method of valuation	Remark
Energieausweis48 GmbH	Cologne, Germany	50.00 %	Joint venture	Equity	Equity	
ASPM Holding B.V.	Amsterdam, Netherlands	49.00 %	Associated company	Equity	Equity	
PropertyGuru Pte Ltd.	Singapore, Singapore	0.00 %	Associated company	n.a.	Equity	1

Comment 1:

The interest in Property Guru Pte. Ltd., Singapore, was sold with effect as of June 22, 2015. The shareholding amounted to 41.38% as of December 31, 2014. The effect from the sale of the shareholding is explained in Section 6.3.8 Results from investments accounted for using the equity method.

The carrying amount of all immaterial joint ventures amounted to EUR 16 thousand (previous year: EUR 0 thousand). The carrying amount of all immaterial associates amounted to EUR 1,632 thousand (previous year: EUR 1,632 thousand).

The summarised financial information of the immaterial joint venture, adjusted for the investment share held by Scout24, can be seen in the following table.

EUR '000	12/31/2015	12/31/2014
Net book value Energieausweis48 GmbH	16	0

EUR '000	01/01/2015 - 12/31/2015	04/01/2014 - 12/31/2014
Profit/(Loss) from continuing operations	23	- 7
Profit for the period from discontinued operations	-	-
Other result, net of tax	-	-
Profit/(Loss) for the period	23	- 7

The cumulative unrecognised proportional gains/losses from the equity consolidation of joint ventures amounted to EUR +7 thousand (previous year: EUR -7 thousand). The unrecognised proportional gains/losses from the equity consolidation for the reporting period amounted to EUR +7 thousand (previous year: EUR -7 thousand). Decisions regarding Energieausweis48 GmbH can only be made jointly on the part of both partners.

The equity accounted companies employed 6 staff as of December 31, 2015 (previous year: 297). The reduced number of staff at equity accounted companies is attributable to the disposal of Property Guru Pte. Ltd., Singapore.

Contingent liabilities do not exist with respect to the indirect shares of Scout24 in associates and joint ventures.

As in the previous year, in the financial year under review Scout24 AG received no dividend from ASPM Holding B.V., Amsterdam. This associated company will be liquidated prospectively within 2016.

6.4.8. Trade and other payables

EUR '000	12/31/2015	12/31/2014
Trade payables - third parties	25,580	32,338
Liabilities - other related companies	62	96
Total	**25,642**	**32,434**

6.4.9. Financial liabilities

As of the balance sheet date, financial liabilities comprise the following:

EUR '000	12/31/2015	12/31/2014
Current		
Accrued bank interest	278	1,633
Finance Lease	45	44
Liabilities - portfolio companies	120	60
Liabilities - associates	1,631	18
Contingent purchase price liabilities	3,769	-
Other	123	4
Total	**5,966**	**1,759**
Non-current		
Bank Borrowings	765,826	627,502
Contingent purchase price liabilities	-	4,500
Derivative financial liabilities	1,818	2,817
Liabilities - portfolio companies	53	-
Liabilities- associates	-	1,614
Finance lease	133	178
Third party interest	83	-
Total	**767,913**	**636,611**

In order to finance its operating activities, the company has concluded a Senior Facility Agreement (SFA) with an international banking syndicate. As of the reporting date, the SFA comprises Facility B and Facility C (previous year: Facility B and Facility D), and a revolving credit facility.

The drawn facilities comprise the following:

EUR '000	12/31/2015	12/31/2014	Contractual Repayment Date
Facility B	424,015	595,000	February 2021
Facility C	356,985	-	April 2022
Facility D	-	50,000	February 2022
	781,000	645,000	

On April 15, 2015, the Group concluded an amendment and rewording agreement relating to the SFA. This agreement includes a new Facility C, of which EUR 400,000 thousand has been drawn. At the same time, Facility D, from which an amount of EUR 50,000 thousand was drawn previously, was terminated. Overall, this resulted in a further net drawdown of borrowings under the SFA of EUR 350,000 thousand, and consequently to an original overall lending status of EUR 995,000 thousand. After the IPO, repayments of EUR 214,000 thousand occurred, so that Facilities B and C were drawn down in a total amount of EUR 781,000 thousand as of December 31, 2015.

The revolving credit line amounts to EUR 45,584 thousand with a term until April 2020. No amounts were drawn down under the revolving credit line as of December 31, 2015 and December 31, 2014.

Furthermore, Scout24 has concluded a side loan agreement to the SFA with an international German bank. This agreement contains a revolving line for cash withdrawals in the maximum amount of EUR 3,750 thousand and a guarantee facility of up to EUR 1,500 thousand. The volume of the side loan agreement is applied to the available total volume of the revolving credit line of the SFA. As of December 31, 2015, EUR 421 thousand (previous year: EUR 629 thousand) had been utilised of the guarantee facility for rental deposits.

Under the SFA, the Group pledged its shares in Scout24 Holding GmbH and its subsidiaries as security over the entire term of the SFA. The loan receivable of Scout24 AG from Scout24 Holding was pledged to the banking syndicate. The bank accounts of Scout24 AG were also pledged. As of the reporting date, the shares in Scout24 Holding with a value of EUR 1,064,263 thousand were pledged, and the bank accounts with a balance of EUR 30 thousand were pledged as collateral.

The interest rate for the facilities drawn from SFA is based on the EURIBOR plus an interest margin tied to the ratio of ordinary operating EBITDA to net debt (as defined in the SFA). In order to limit interest rate changes Scout24 AG concluded interest rate caps. Within the SFA EURIBOR is downwards limited to 0%.

Acquisition-related costs for the conclusion of the SFA are deducted from the original fair value of the loan and amortised over the term of loan using the effective interest method. Also, the embedded interest-floor-rate in connection with the Facility D was deducted from the original fair value of the Facility D and is amortised through profit or loss over the term of the loan.

As of December 31, 2015, contingent consideration liabilities exist in the amount of EUR 3,769 thousand (previous year: EUR 4,500 thousand) in connection with the acquisition of FlowFact GmbH.

As in the prior year, the non-current financial liabilities to associates are to ASPM Holding B.V.

Finance leases are composed as follows:

EUR '000	12/31/2015	12/31/2014
Gross liabilities from Finance lease - minimum leasing payments		
up to 1 year	51	51
1-3 years	102	102
3-5 years	38	89
more than 5 years		
	191	242
Future finance costs for finance lease	- 14	- 8
Net present value Finance lease	177	234

The distribution of the fair values is shown as follows:

EUR '000	12/31/2015	12/31/2014
up to 1 year	50	51
1-3 years	95	99
3-5 years	32	84
more than 5 years		
	177	234

The financial liabilities are measured at amortised cost using the effective interest rate method.

6.4.10. Provisions for other liabilities and charges

EUR '000	Provisions for litigation risks	Provisions for anticipated losses / guarantees	Personnel provisions	Other provisions	Accrual for restructuring	Provision for tax risks	Total
As at 04/01/2014	**3,915**	**-**	**168**	**880**	**2,794**	**-**	**7,757**
Of which: current	1,529	-	-	23	2,614	-	4,166
Change in group of consolidated companies	17	-	-	92	- 62	600	647
Additions	298	700	28	62	8,228	-	9,316
Utilization	- 27	-	- 55	- 22	- 2,181	-	- 2,285
Reclassification	- 3,565	-	-	-	218	-	- 3,347
Reversal	- 89	-	-	- 497	- 21	-	- 607
Interest	-	-	6	2	-	-	8
As at 12/31/2014 - 01/01/2015	**549**	**700**	**147**	**517**	**8.976**	**600**	**11,489**
Of which: current	127	-	-	116	8,847	-	9,090
Change in group of consolidated companies	-	-	-	12	-	-	12
Additions	1,064	-	38	46	2,240	50	3,438
Utilization	- 143	- 397	-	- 96	- 8,127	- 32	- 8,795
Reclassification	-	-	- 131	-	-	-	- 131
Reversal	- 25	-	-	- 171	- 281	-	- 477
Interest	-	-	7	1	-	-	8
As at 12/31/2015	**1,445**	**303**	**61**	**309**	**2,808**	**618**	**5,544**
Of which: current	1,371	287,000	-	178	2,808	18	4,662

Provisions for litigation relate mainly to cases involving employees. The differing uncertainties within this provision were measured sufficiently.

The restructuring provisions of the reporting period as well as of the prior period relate to Group-wide restructuring programs. For all underlying employment contracts termination agreements were completed, of which the major part will be executed in the following year. The income and expenses from the restructuring provision are distributed among all functional areas.

The provisions for tax risks relate mainly to contingent liabilities; a receivable from the prior shareholders (indemnification asset) was recognised in the same amount.

Provisions that are not expected to lead to an outflow of resources in the subsequent year are carried at their discounted settlement amount on the balance sheet date. Provisions that were already disclosed in the previous year were unwound in the reporting period in accordance with their term. The discount factor is based on market interest rates.

The outflow is mainly expected within the next financial year - with the amount shown in the short term than above. For the amount shown as non-current asset outflow of EUR 867 thousand is expected within the next two to five years and EUR 39 thousand for the period over five years.

6.4.11. Other liabilities

The other liabilities as of the respective closing dates were comprised of the following:

EUR '000	12/31/2015	12/31/2014
Current		
Liabilities to employees	16,941	16,164
Deferred revenues	8,826	9,245
Taxes other than income taxes	5,839	3,472
Liabilities to parent companies	915	-
Liabilities to other related companies	1,135	-
Other	1,666	3,060
Total	**35,322**	**31,941**
Non-current		
Deferred revenues	1,279	-
Liabilities to parent companies	646	
Liabilities to other related companies	736	
Tax liabilities from tax audits	-	2,069
Other	-	17
Total	**2,661**	**2,086**

The liabilities to employees are essentially composed of bonuses. The other deferred revenues comprise primarily deferred revenues for online listing sales.

Other current liabilities as of December 31, 2014 included tax liabilities of EUR 1,190 thousand arising from tax audits conducted at AutoScout Italy. Tax liabilities from tax audits also related to Scout24 Italy in an amount of EUR 2,069 thousand. Both positions report a balance of zero as of December 31, 2015.

6.4.12. Pensions and other post-employment benefit obligations

The Group has retirement benefits in the form of defined benefit and defined contribution plans.

Defined contribution plans are in the form of retirement, disability and survivor benefits, the amount of which is based on length of employment and salary. The employer's contributions for the statutory pension insurance system to be paid in Germany are considered to comprise such defined contribution plans. The Group's payments to defined contribution pension plans are primarily contributions for the statutory pension insurance system in Germany and Switzerland. In the reporting period the expenses relating to defined contribution pension plans were EUR 5,864 thousand (previous year: EUR 4,566 thousand).

For defined benefit plans, the obligation amount, the plan assets and the provision report the following changes:

EUR '000	Present value of obligation	Fair value of plan assets	Provision
Opening balance	2,009	- 1,020	989
Current service cost	106		106
Interest expense/(income)	22	- 8	14
Gains / (losses) from remeasurement	- 520	-	- 520
of which:			
- Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-
- Experience (gains)/losses	- 524	-	- 524
- (Gain)/Loss from change in financial assumptions	4	-	4
- (Gain)/loss from change in demographic assumptions	-	-	-
Past service costs			
Exchange rate differences	178	- 126	52
Conributions to plan assets	18	- 53	- 35
of which:			
- Employer contributions	18	- 18	-
- Employee contributions	-	- 35	- 35
Payments	- 1,271	1,192	- 79
of which:			
- Benefit payments	-	-	-
Effects of business combinations			
Risk premiums	- 15	15	-
Balance 12/31/2015	**527**	**0**	**527**

EUR '000	Present value of obligation	Fair value of plan assets	Provision
Opening balance	1,114	- 454	660
Current service cost	93	-	93
Interest expense/(income)	22	- 9	13
Gains / (losses) from remeasurement	390	- 90	300
of which:			
- Return on plan assets, excluding amounts included in interest expense/(income)	-	- 90	- 90
- Experience (gains)/losses	169	-	169
- (Gain)/Loss from change in financial assumptions	221	-	221
- (Gain)/loss from change in demographic assumptions	-	-	-
Past service costs	-	-	-
Exchange rate differences	13	- 10	3
Conributions to plan assets	21	- 57	- 36
of which:			
- Employer contributions	21	- 21	-
- Employee contributions	-	- 36	- 36
Payments	376	- 420	- 44
of which:			
- Benefit payments	-	-	-
Effects of business combinations	-	-	-
Risk premiums	- 20	20	-
Balance 12/31/2014	**2,009**	**- 1,020**	**989**

Risk premiums are premiums for one-year risk insurance policies which cover disability and the potential event of death.

As of December 31, 2015, the pension obligations on defined benefit pension plans in Switzerland amount to EUR 0 thousand (previous year: EUR 1,493 thousand) and in Italy to EUR 527 thousand (previous year: EUR 516 thousand). As part of the change of employer in the constellation of the professional pension scheme in Switzerland, the pension capital is offset by a state-controlled scheme set up for this purpose, with the employer's obligation thereby ceasing. As all staff in Switzerland left the company 2015 and their pension capital transferred to the new employer's pension scheme, no obligation for Scout24 exists at the end of the year, and consequently no pension provision for the Swiss pensions.

The following actuarial assumptions were used to determine the pension provision for Switzerland as of December 31, 2014: Actuarial interest rate: 2.50%; salary growth rate: 1.50% and pension growth rate 0%.

For the valuation of the Swiss pension obligations, as in prior year, the BVG 2010 GT mortality tables were applied.

The following actuarial assumptions were used to determine the pension provision for Italy as of December 31, 2015: Actuarial interest rate: 1.90%; salary growth rate: 3.00% and inflation 2.00%.

The pension obligations in Italy have a duration of 12.34 years (previous year: 12.7 years). The plan assets are divided into the following:

The plan assets for the previous year (elapsed financial year: EUR 0 thousand) are divided into the following:

EUR '000	Fair value of plan assets	of which: assets with a quoted market price in active markets	of which: assets without a quoted market price in active markets
Cash and cash equivalents	13	13	-
Equity instruments	265	265	-
Debt instruments	485	485	-
Property, plant and equipment	107		107
Other	150	150	-
Total	**1,020**	**913**	**107**

In the 2016 financial year, payments of EUR 52 thousand will be paid prospectively by the company to the plan participants. In the prior year, payments of EUR 51 thousand were expected to be made from the company to plan participants as well as contributions to the plan assets of EUR 52 thousand.

6.4.13. Equity

Consolidated statement of changes in equity
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Subscribed share capital

The subscribed share capital amounts to EUR 107,600 thousand as of December 31, 2015 (previous year: EUR 2,000 thousand), and is divided into 107,600,000 registered shares each with a notional interest in the share capital of EUR 1 per share. All registered shares are fully paid in.

With a shareholder resolution dated August 28, 2015, the subscribed share capital of Scout24 AG was increased by EUR 98,000 thousand, from EUR 2,000 thousand to EUR 100,000 thousand, through a conversion from the capital reserve. The resolution was notified to the commercial register and became effective when it was entered in the commercial register on September 3, 2015.

At the Extraordinary General Meeting of Shareholders on September 4, AsaNewCo GmbH, Munich, was converted by way of change of company form into Scout24 AG, Munich, and the articles of Scout24 AG were established. The entry in the commercial register occurred on September 10, 2015.

With a shareholder resolution dated September for 2015, and with effect from September 10, 2015, all former preferred shares were converted on the basis of a fixed conversion ratio into voting shares with dividend-entitlement from January 1, 2015. This conversion ratio settled all preferential profit entitlements of the former holders of preferred shares.

With effect as of September 28, 2015, the subscribed share capital of Scout24 AG was increased by a further EUR 7,600 thousand against cash capital contributions. The related 7,600,000 shares are dividend-entitled from January 1, 2015. These shares were issued to the underwriter on the condition that the underwriter place these shares among a broad group of investors in the planned IPO, and pay to the company a premium above nominal value less certain agreed costs. The subscribed share capital amounted to EUR 107,600 thousand as of December 31, 2015, which corresponds to 107,600,000 shares.

Authorised Capital

Pursuant to the company's articles, the Management Board of Scout24 AG, Munich, is authorised to increase the company's share capital, with Supervisory Board approval, in one or several tranches up until (and including) September 3, 2020, by issuing new no-par value registered shares against contributions in cash and/or in kind, by an amount of up to EUR 50,000 thousand in total (Authorised Capital 2015). The shareholders shall generally be granted subscription rights in this context. The Management Board is nevertheless authorised, with Supervisory Board assent, to exclude such subscription rights in certain cases.

Treasury shares

The Management Board is authorised until September 16, 2020, to purchase treasury shares pursuant to Section 71 (1) Number 8 of the German Stock Corporation Act (AktG) for any permissible purpose within the context of statutory restrictions and under certain terms.

Capital reserve
As part of the capital increase in the 2015 financial year, an amount of EUR 98,000 thousand was converted from the capital reserve to subscribed share capital.

As a result of the IPO on October 1, 2015, proceeds of EUR 228,000 thousand accrued to the company, of which EUR 220,400 thousand were allocated to the capital reserve as a premium. Transaction costs connected with the IPO reduce the capital reserve by EUR 5,953 thousand (after deducting tax).

In connection with share-based compensation, EUR 3,569 thousand was also allocated to the capital reserve.

Capital transferred from capital reserve
Pursuant to local legislation, capital reserves of EUR 800,000 thousand were allocated to the appropriated capital reserve in early 2014.

Other reserves
Included in other reserves are primarily translation differences.

Dividend
In the 2015 financial year, the company, on the basis of a shareholder resolution, paid dividends of EUR 421,588 thousand to the holders at that time of preferred shares. Amount of EUR 417,632 thousand was paid to the owners, and capital gains tax of EUR 3,956 thousand was deducted for the owners' account.

Non-controlling interests
The following tables include summarised information regarding significant non-controlling interests from the point of view of the Scout24 Group (prior to consolidation adjustments): The non-controlling interests relate to the subsidiary Stuffle GmbH, Berlin. Liquid assets amount to EUR 502 thousand as of December 31, 2015 (previous year: EUR 1,033 thousand).

EUR '000	12/31/2015	12/31/2014
Balance sheet information related to other interests		
Current assets	552	1.168
Non-current assets	76	144
Current liabilities	56	134
Non-current liabilities	995	579

EUR '000	2015 01/01/2015 - 12/31/2015	2014 04/01/2014 - 12/31/2014
P&L-Information related to other interests		
Revenues	21	1
Loss from continuing operations	- 1,142	- 482
Result for the period from discontinued operations (attributable to owners of the parent)	-	-
Other result	-	-
Total result	-	-

6.5. Other disclosures

Consolidated cash flow statement
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6.5.1. Notes to the consolidated cash flow statement

The cash flow statement presents how cash and cash equivalents changed during the financial year. In accordance with IAS 7 Statement of Cash Flows a distinction is made between changes in cash from operating, investing and financing activities.

The cash funds presented in the cash flow statement comprise all cash and cash equivalents reported in the balance sheet.

The indirect method is used for operating cash flow and the direct method is used for cash flow from financing and investing activities. Effects from currency translations and changes in the scope of consolidation were eliminated during the calculation.

Cash flows from operating activities of continuing operations were generated in the reporting period in the amount of EUR 124,481 thousand (previous period: EUR 66,091 thousand). Other non-cash transactions mainly comprise amounts recognised in profit or loss arising from share-based payments, as well as income from the re-measurement of a financial liabilities.

Cash flows from investing activities (reporting period: EUR 36,219 thousand, previous period: EUR -38,570 thousand) relating to continuing operations comprise mainly EUR 59,880 thousand of payments received for the disposal of shares in PropertyGuru Pte. Ltd., Singapore. This was chiefly offset by the outgoing payment of EUR -16,231 thousand for expenses connected with the acquisition of intangible assets (previous year: EUR -7,348 thousand).

Cash flow from financing activities in an amount of EUR -111,633 thousand relating to continuing operations (previous year: EUR -38,350 thousand) includes an incoming amount of EUR 400,000 thousand from drawing down short-term and medium-term financial liabilities. In April 2015, a new Facility C equivalent to this amount was drawn down as part of the agreement relating to the SFA. At the same time, Facility D was repaid in full in an amount of EUR 50,000 thousand. From the cash inflows from the refinancing, dividends of EUR 421,588 thousand were paid out to the holders of preferred shares. From the IPO of Scout24, funds of EUR 219,674 thousand after transaction costs accrued to the company from issuing new shares. Of this amount, an amount of EUR 214,000 thousand was utilised to repay the facilities under the SFA.

6.5.2. Disclosures on leases and other obligations

The obligations from operating leases and other obligations as of the closing dates are as follows:

EUR '000	2015 Total	2015 Residual term up to 1 year	2015 Residual term between 1 and 5 years	2015 Residual term more than 5 years	2014 Total	2014 Residual term up to 1 year	2014 Residual term between 1 and 5 years	2014 Residual term more than 5 years
Obligations on operating leases	**28,830**	**6,364**	**16,501**	**5,965**	**37,452**	**7,312**	**21,160**	**8,980**
Obligations on maintenance and service agreements	7,015	5,947	1,042	26	17,344	12,360	4,984	-
Other obligations	357	357	-	-	-	-	-	-
Total	**36,202**	**12,668**	**17,543**	**5,991**	**54,796**	**19,672**	**26,144**	**8,980**

Obligations on operating leases result mainly from rental contracts for offices.

Rental expenses in the amount of EUR 4,896 thousand (previous year: EUR 4,946 thousand) were paid during the fiscal year for operating leases. The obligations from maintenance and service agreements are with third parties for data processing centres and databases.

6.5.3. Disclosures on financial instruments

Carrying amounts and fair values

The following table presents the reconciliation of the balance sheet items and the categories pursuant to IAS 39, analysed in subsequent measurement by "measurement at amortised cost" and "measurement at fair value" as well as by category and fair value by classification.

Cash and cash equivalents, trade receivables as well as the other financial receivables and assets essentially have a short residual term. Therefore their carrying amounts as of the end of the reporting period correspond approximately to the fair value.

The carrying amount of the current financial liabilities represents approximately the fair value as of the closing date. Liabilities are measured by means of the effective interest method. Measurement is performed by the company's Group accounting function. There were no changes in measurement methods in the reporting period.

Long-term financial assets included in current assets also comprise investments in other companies' equity instruments that are not recognised according to the equity method. These are recognised at cost, since, due to the lack of an active market for these companies, their fair value and cash flows cannot be reliably determined. For this reason, no fair value is disclosed for these investments. No intention currently exists to sell these investments. These instruments comprise participating interests in a start-up.

In accordance with IFRS 13, financial assets and liabilities measured at fair value must be allocated to the three levels of the fair value hierarchy. The individual levels of the fair value hierarchy are defined as follows:

- **Level 1:** Application of unadjusted quoted prices in an active market for identical assets and liabilities, to which the company has access on the date of valuation
- **Level 2:** Application of strictly directly or indirectly observable significant inputs that are not assigned to Level 1
- **Level 3:** Utilisation of at least one non-observable significant input.

For reclassification between the individual levels of the fair value hierarchy it is assumed that these are performed at the end of the period. In the reporting period, no reclassifications between Level 1 and Level 2 occurred in the measuremen–––t of fair values. A reclassification occurred from Level 3 to Level 2 due to the utilisation of credit risk premiums observable on the market as part of measuring other non-current financial liabilities.

Recognition approach pursuant to IAS 39

EUR '000	Measurement category pursuant to IAS 39	Carrying amount as of 12/31/2015	At Amortized cost	At cost	At fair value through profit and loss	Fair Value as of 12/31/2015	Level in fair value hierarchy
Assets							
Cash and cash equivalents	LAR	70,639	70,639	-	-	n/a	
Trade receivables	LAR	37,817	37,817	-	-	n/a	
Other current financial assets	LAR	333	333	-	-	n/a	
Other non-current financial assets		795					
Available-for-sale financial assets	AfS	180	-	180	-	n/a	
Derivative financial instruments	FAHfT	0	-	-	0	0	2
Other non-current financial assets	LAR	615	615	-	-	588	2
Liabilities							
Trade payables	FLAC	25,642	25,642	-	-	n/a	
Current financial liabilities		5,966					
Finance lease	n/a	45	45	-	-	50	
Other current financial liabilities	FLAC	2,152	2,152	-	-	n/a	
Contingent purchase price liabilities	n/a	3,769	-	-	3.769	3.769	3
Other current liabilities		35,322		-			
Other current financial liabilities	FLAC	807	807	-	-	n/a	
Other current non-financial liabilities	n/a	34,515	34,515	-	-	n/a	
Non-current financial liabilities		767,913					
Derivative financial instruments	FLHfT	1,818	-	-	1,818	1,818	3
Finance lease	n/a	133	133	-	-	127	
Other non-current financial liabilities	FLAC	765,962	765,962	-	-	731,298	2
Of which aggregated by IAS 39 categories							
Loans and Receivables	LaR	109,404					
Available for Sale	AfS	180					
Financial Assets Held for Trading	FAHfT	0					
Financial Liabilities Held for Trading	FLHfT	1,818					
Financial Liabilities Measured at Amortized Cost	FLAC	794,564					

Recognition approach pursuant to IAS 39

EUR '000	Measurement category pursuant to IAS 39	Carrying amount as of 12/31/2014	At Amortized cost	At cost	At fair value through profit and loss	Fair Value as of 12/31/2014	Level in fair value hierarchy
Assets							
Cash and cash equivalents	LAR	21,409	21,409	-	-	n/a	
Trade receivables	LAR	35,119	35,120	-	-	n/a	
Other current financial assets	LAR	1,919	1,919	-	-	n/a	
Other non-current financial assets		3,327	3,199				
Available-for-sale financial assets	AfS	64	-	64	-	n/a	
Derivative financial instruments	FAHfT	64	-		64	64	2
Other non-current financial assets	LAR	3,199	3,199	-	-	2,596	2
Liabilities							
Trade payables	FLAC	32,434	32,434	-	-	n/a	
Current financial liabilities		1,759					
Finance lease	n/a	44	-	-	-	51	
Other current financial liabilities	FLAC	1,715					
Other current liabilities		31,941					
Other current financial liabilities	FLAC	1,009	1,009	-	-	n/a	
Other current non-financial liabilities	n/a	30,932					
Non-current financial liabilities		636,611					
Derivative financial instruments	FLHfT	2,818	-	-	2,817	2,817	3
Contingent purchase price liabilities	n/a	4,500	-	-	4,500	4,500	3
Finance lease	n/a	178				183	
Other non-current financial liabilities	FLAC	629,115	629,115	-	-	655,159	2
Of which aggregated by IAS 39 categories							
Loans and Receivables	LaR	61,647					
Available for Sale	AfS	64					
Financial Assets Held for Trading	FAHfT	64					
Financial Liabilities Held for Trading	FLHfT	2,818					
Financial Liabilities Measured at Amortized Cost	FLAC	664,273					

The superordinate balance sheet item "other non-current financial assets" largely comprises a contingent receivable of EUR 600 thousand arising from the acquisition of FlowFact AG, whose fair value is measured applying a discounted cash flow model based on risk-free market interest rates in the form of German government bonds, and a credit risk premium deriving from corporate bonds with a corresponding rating. As all inputs are directly or indirectly observable, the instrument is assigned to Level 2.

Current financial liabilities to associates include outstanding capital contributions due to ASPM Holding B.V. (EUR 1,632 thousand), which are recognised at amortised cost. Due to the short term of this financial instrument, the carrying amount represents an appropriate approximation of the fair value.

Non-current financial liabilities largely comprise liabilities connected with the SFA. The fair value is calculated with a discounted cash flow model applying a discount rate that reflects the risk-free rate plus an appropriate credit risk premium. Premiums on corporate bonds with the same rating as Scout24 were utilised for the credit risk premium. The modelled yield curve takes trends similar to the market into account.

The initial and subsequent measurement of contingent consideration liabilities is performed at fair value through profit or loss in accordance with IFRS 3. Theoretically, these contingent consideration liabilities do not fall under the categories of IAS 39.

The measurement of these liabilities is performed under the application of partially non-observable data (Level 3). The inputs in this connection are based on conditions specified in the purchase price negotiations, the respective probabilities of occurrence, and underlying planning data for business trends.

The purchase price liability has a remaining term of three months as of December 31, 2015. Due to the short term, it is assumed that the carrying amount of EUR 3,769 thousand approximates market value.

The following table shows an overview of the changes in the instruments in Level 3 (contingent consideration liabilities) for both financial years as of December 31, 2015 and December 31, 2014:

Contingent purchase price liabilities

EUR '000	2015 01/01/2015 - 12/31/2015	2014 04/01/2014 - 12/31/2014
Balance as at the beginning of the period	**4,500**	**836**
New contingent purchase price liabilities	100	4,500
Settlements	- 100	- 836
Adjustment within one year measurement period against goodwill	- 1,400	-
Total gains for the period included in the income statement, under „other operating income/expense"	669	-
Balance as at the end of the period	**3,769**	**4,500**
Change in unrealised losses for the period included in profit or loss for liabilities held at the end of the reporting period	669	-

In connection with the acquisition of FlowFact AG in the previous financial year, contingent consideration agreements were concluded that depend on reaching certain EBITDA thresholds.

The sensitivity analysis in connection with the contingent consideration liability of Flow-Fact AG leads to the following effects:

If the assumed adjusted EBITDA amount in 2015 is 10 percent higher, the contingent consideration payment increases by 19% and EUR 731 thousand.

In the event that the assumed adjusted EBITDA amount is 10 percent lower in 2015, the contingent consideration payment would decrease by 32% and thereby by EUR 1,217 thousand.

The fair value of the interest rate floor, which is assigned to Level 3 of the fair value hierarchy, is determined using valuation methods based on non-observable data. The floor is measured on a risk-free basis applying a shifted Black-Scholes model, and subsequently adjusted to reflect the credit risk by applying the „add-on" approach. Significant inputs for the measurement include the German government bond yield curve, one-month Euribor forward interest rates, and congruent-maturity credit risk premiums. Due to the 0% floor rate, the input not observable on the market is the volatility, which was calculated on the basis of expert estimates. If the volatility changed by +5%, the effect on the result would be EUR -78 thousand. A -5% change in volatility (absolute value change) generates a EUR +56 thousand effects on results.

Scout24 AG continues to hold three caps. Two of the three caps also existed in the previous year with a fair value of EUR 64 thousand. A further cap was acquired in 2015. All three caps had a fair value of approximately zero euros as of the measurement date.

The following table shows an overview of the changes of the instruments in Level 3 (interest rate floor) for both financial years as of December 31, 2015 and December 31, 2014.

EUR '000	2015 01/01/2015 - 12/31/2015	2014 04/01/2014 - 12/31/2014
Balance as at the beginning of the period	**2,818**	**1,234**
New financial liability (interest rate floor)	460	-
Settlements	-	-
Total (losses)/gains for the period included in the income statement, under „finance income/ costs“	- 1,460	1,584
Balance as at the end of the period	**1,818**	**2,818**
Change in unrealised (losses)/gains for the period included in the come statement for liabilities at the end of the reporting period	1,358	1,584

Net gains/losses:

The following assignment of the net gains and losses was made to the categories according to IAS 39:

EUR '000	Measurement category persuant to IAS 39	2015 01/01/2015 - 12/31/2015	2014 04/01/2014 - 12/31/2014
Loans and receivables	LaR	330	- 2,196
Financial liabilities measured at amortized cost	FLAC	- 47,806	- 27,113
Financial assets and liabilities held for trading	FAHfT/FLHfT	1,342	- 1,584
Recognized through the income statement	**Total**	**- 46,135**	**- 30,893**
Available-for-sale financial assets	AfS	-	-
Recognized through other comprehensive income		**-**	**-**

The net result from the "LaR" measurement category includes primarily interest income, impairment losses on receivables and gains/(losses) on the derecognition of receivables. The net result from the "FLAC" category comprises predominantly amortisation of the SFA loans. Expenses from financial derivatives, interest expenses on cash pool liabilities and exchange losses on financial liabilities are shown in the net result for the "FAHfT/FLHfT" category.

Netting

Financial assets and liabilities on the basis of master netting arrangements are only netted if an enforceable right to offset exists, and settlement on a net basis is intended. If, however, no right to offset exists, the financial assets and liabilities are to be recognised at their respective gross amounts as of the balance sheet date. As a result of the master offsetting agreement, a conditional right to offset arises, which is only provided if it is claimed. In 2014, rebates were taken into account for the first time.

a) Financial assets

The following financial assets were netted in the balance sheet under the master offsetting agreements or similar agreements:

EUR '000	12/31/2015 Trade receivables	12/31/2014 Trade receivables	12/31/2015 Total	12/31/2014 Total
Gross amount of recognised financial assets	49,434	51,188	49,434	51,188
Gross amount of financial liabilities set off in the balance sheet	- 11,617	- 16,068	- 11,617	- 16,068
Net amounts of financial assets presented in the balance sheet	37,817	35,120	37,817	35,120
Amounts which are shown in the balance sheet on without netting				
– Financial instruments	-	-	-	-
– Cash collateral received	-	-	-	-
Net amount	37,817	35,120	37,817	35,120

b) Financial liabilities

The following financial liabilities were netted in the balance sheet under the master offsetting agreements or similar agreements:

EUR '000	12/31/2015 Trade payables	12/31/2014 Trade payables	12/31/2015 Total	12/31/2014 Total
Gross amount of recognised financial assets	37,259	48,502	37,259	48,502
Gross amount of financial liabilities set off in the balance sheet	- 11,617	- 16,068	- 11,617	- 16,068
Net amounts of financial assets presented in the balance sheet	25,642	32,434	25,642	32,434
Amounts which are shown in the balance sheet on without netting				
– Financial instruments	-	-	-	-
– Cash collateral received	-	-	-	-
Net amount	25,642	32,434	25,642	32,434

6.5.4 Financial risk management and capital management

The Scout24 Group is exposed to various financial risks from its business activities, which are explained below as credit risk, liquidity risk, foreign currency risk and interest rate risk. Financial risk management is carried out by Group treasury. Group treasury identifies, measures and hedges financial risks in close cooperation with the Group's operating units. Appropriate changes are made to processes in reaction to changes in the risk situation. The objective of risk management is to reduce the financial risk through planned measures.

Credit risk

Credit risk is managed at Group level. Credit risks arise from cash and cash and cash equivalents, current financial assets, trade receivables and other receivables. Customer risks are systematically recorded, analysed and managed in the respective subsidiary, whereby both internal and external information sources are utilised. The maximum credit risk was reflected by the carrying amounts of the financial assets recognised in the balance sheet. No collateral or other credit enhancements existed that would reduce the credit risk from financial assets.

Credit risks arise especially in connection with trade receivables and other receivables. Since the Group's business model is based on a broad customer base, the risk of a significant bad-debt loss is to be considered relatively minor. To the extent default risks are identifiable, these are countered by an active receivable management as well as credit assessments of customers.

Liquidity risk

Liquidity risk describes the risk that Scout24 cannot meet its financial obligations, or can only meet them to a limited extent. The coverage of the financial resources requirements is provided by the operating cash flows and through the external financing in connection with the SFA. Liquidity risks are centrally monitored and managed for the entire Group by the operating cash management of Scout24. The risk of a potential liquidity shortage is monitored by way of periodic liquidity planning and monthly cash flow analyses. The due dates of financial liabilities are continually monitored and managed.

Balance as at December 31, 2015	up to 1 year	1-3 years	3-5 years	more than 5 years
Non-derivative financial instruments				
trade and other payables	25,642	-	-	-
Financial liabilities	39,914	68,934	78,415	810,991
Financial lease liabilities	51	102	38	-
Derivative financial instruments				
Derivative financial instruments	936	1,006	-	-

Balance as at December 31, 2014	up to 1 year	1-3 years	3-5 years	more than 5 years
Non-derivative financial instruments				
trade and other payables	32,434	-	-	-
Financial liabilities	31,230	65,732	62,771	687,410
Financial lease liabilities	51	102	89	-
Derivative financial instruments				
Derivative financial instruments	513	995	737	325

The above table shows the future undiscounted cash outflows (interest and principal) with respect to the existing financial liabilities. The amounts are accordingly not reconcilable with the amounts in the balance sheet; solely the amounts for trade payables and other liabilities are reconcilable, since these are not discounted due to immateriality. Future cash outflows based on variable interest rates are determined by applying forward interest rates on the basis of the EURIBOR yield curve as of December 31, 2015.

In order to avoid short-term liquidity risks within the Group, a Group-wide cash pooling exists between Scount24 and its subsidiaries. Short-term funds transfers within the Group lead to lower financing costs at the subsidiaries.

Currency and interest rate risk

The Group is currently exposed to certain currency risks. Revenues are primarily generated in euro. Translation risks from the translation of assets and liabilities of foreign subsidiaries into the reporting currency are generally not hedged.

Due to the Group-wide cash management, the Group internal receivables and payables are maintained in euro. As a result, for those foreign subsidiaries of Scout24 whose functional currency is not the euro, effects arise in the income statement from exchange rate fluctuations. These effects are not eliminated in connection with the consolidation. As of the reporting date, subsidiaries utilising the Swiss franc as functional currency held EUR 211 thousand of cash management receivables (previous year: EUR 65,901 thousand), which were not exposed to significant fluctuations during the year. Singapore dollar-denominated loan receivables due from Property Guru Pte. Ltd., Singapore (previous year: EUR 2,180 thousand) no longer existed as of the reporting date, as the participating interest in the company was sold during the year under review. A sensitivity analysis of the Singapore dollar is no longer required for this reason.

A sensitivity analysis was performed on the Swiss franc. In this connection, a strengthening and weakening of the respective currency by +10% and -10% was simulated in order to analyse possible effects on the result in the event of a strengthening or devaluation of the respective currency. The result is presented as follows:

EUR '000	12/31/2015 Change in foreign exchange		12/31/2014 Change in foreign exchange	
Effects on profit before income tax	**- 10 %**	**10 %**	**- 10 %**	**10 %**
CHF	- 24	29	5.938	- 7.257
SGD	n/a	n/a	- 198	242

Since there is no hedge accounting, there are no effects on other comprehensive income.

The Scout24 Group is subject to interest rate risks due to the long-term external financing in connection with the SFA. The loans taken up with variable interest rates (1-month EURIBOR) in euro expose the Group to a cash flow interest-rate risk. As of December 31, 2015, the risk comprises Facility B with EUR 424,015 thousand (previous year: EUR 595,000 thousand) and Facility C with EUR 356,985 thousand (previous year: EUR 0 thousand). Facility D with EUR 50,000 thousand (previous year: EUR 50,000 thousand) was repaid in the year under review.

Based on the simulations carried out, the Group determined the effects on results of defined interest rate changes. The scenarios are analysed for liabilities which represent the significant portion of the interest-carrying liabilities. Given an assumed change in the market interest rate as of the respective reporting date of +100 or -30 basis points, the following effects on the pretax result would arise:

EUR '000	12/31/2015 Change in interest rate chage basis points		12/31/2014 Change in interest rate chage basis points	
Effects on profit before income tax	**- 30**	**+ 100**	**- 100**	**+ 100**
Non-derivative financial instruments	989	- 6.182	111	- 5.887
Derivative financial instruments	- 3.748	2.386	- 218	9.193

In the previous year, a move in interest rates to below 0% was deemed unrealistic. In 2015, due to the very low interest rates, a move in interest rates to below 0% is seen as possible.

No effects on other comprehensive income arise as no hedge accounting occurs.

Liquidity management and investment is centralised at Scout24 as part of the Group-wide treasury management system. When investing cash and cash equivalents, the banks and types of investment are selected carefully and monitored regularly in connection with treasury management reporting. The risk position as well as the compliance with risk limits are also regularly monitored. Cash and cash equivalents are only invested with renowned commercial banks with high credit ratings.

The ratio of EBITDA from operating activities to net debt amounts to 3.74:1.00, thereby within the target range of <4.00:1.00.

Capital management

Scout24 Group's objective with respect to capital management is to secure the Group as a going concern and finance its long-term growth. The capital structure of Scout24 is optimised continuously, and adapted to respective general economic conditions.

Management is based on a leverage ratio that is used as a financial covenant within the framework of the SFA. The values regarding the ratio of ordinary operating EBITDA and net debt (as defined in the SFA) were raised in the course of the refinancing. Thus, as of December 2015, a ratio of 7.75 : 1.00 is valid (prior to refinancing 6.25:1.00). In the reporting period the covenants were met. The covenant regarding interest cover was eliminated without substitution.

The capital structure is monitored based on monthly reporting on net debt to the management meeting. Where required, necessary financing measures are carried out by Scout24 AG in the international financial markets. As of the reporting date, the net debt is presented as follows:

EUR '000	12/31/2015	12/31/2014
Financial liabilities	- 773,859	- 638,370
Cash and cash equivalents	70,639	21,409
Net financial liabilities	**- 703,240**	**- 616,961**

6.5.5. Related party disclosures

Related companies

In the reporting period and also the prior year, the direct shareholders of Scout24 AG (formerly: Asa NewCo GmbH, see Section 6.1.1 Information about the company) as of the reporting date were Asa HoldCo and DTAG. Asa HoldCo, in turn, is controlled indirectly by various funds of Hellman & Friedman LLC (H & F). The next highest parent of Scout24 AG that publishes consolidated financial statements is Willis Lux Holdings S.à.r.l., based in Luxembourg. Besides H & F, Blackstone Group L.P. (BG) also owns an interest in this company.

H&F, BG and DTAG, as well as all companies controlled by them, or over which they can exercise significant influence, consequently comprise related party companies of Scout24 AG in the category of owners. Related party individuals are considered to be persons who exercise a significant influence on the financial and business policies of Scout24, including their immediate family members. These also include members of the Management and Supervisory boards of Scout24 AG.

Due to the change of corporate form to that of a public stock corporation in the financial year elapsed, a new Supervisory Board was appointed comprising nine members. Each member is entitled to receive an amount of EUR 80 thousand as a fee for their Supervisory Board activities. Some members have waived their fees.

Scout24 exchanges rental services (premises, vehicles) and other services (e.g. telecommunications, IT, advertising) with related companies. Other operating income in the 2015 financial year relates to proportionate IPO costs charged on.

The extent of business dealings with related companies is presented in the following overview:

Revenue

EUR '000	2015 01/01/2015- 12/31/2015	2014 04/01/2014 - 12/31/2014
Other related companies	1.070	818
Subsidiaries	1	-
Associates	10	-
Total	**1.081**	**818**

Expenses

EUR '000	2015 01/01/2015- 12/31/2015	2014 04/01/2014 - 12/31/2014
Other related companies	- 1,782	- 1,950
Associates	-	- 25
Total	**- 1,782**	**- 1,975**

Moreover, expenses for the reporting period comprise compensation for a consultancy contract with Alexander Graf Matuschka von Greiffenclau cancelled in the reporting period (fee of EUR 97 thousand).

Other operating income

EUR '000	2015 01/01/2015 - 12/31/2015	2014 04/01/2014 - 12/31/2014
Parent companies	2,348	-
Other related companies	2,959	842
Total	**5,307**	**842**

Finance income

EUR '000	2015 01/01/2015 - 12/31/2015	2014 04/01/2014 - 12/31/2014
Associates	99	76
Total	**99**	**76**

Transactions with related parties were conducted on the same terms as transactions with independent business partners.

Receivables

EUR '000	2015 01/01/2015 - 12/31/2015	2014 04/01/2014 - 12/31/2014
Other related companies	1,545	1,108
Associates	94	2,316
Total	**1,639**	**3,424**

Liabilities

EUR '000	2015 01/01/2015 - 12/31/2015	2014 04/01/2014 - 12/31/2014
Parent companies	1.561	-
Other related companies	1.933	101
Tochterunternehmen	173	60
Subsidiaries	1,631	1,632
Total	**5,298**	**1,793**

The outstanding balances at the end of the reporting period are unsecured and will be settled by cash payment, or the offsetting of receivables and payables. No guarantees exist for receivables due from, and liabilities due to, related parties. No valuation adjustments were applied to receivables due from related party companies.

Related individuals

Compensation report

The compensation report, also as part of the combined management report, describes the main features of the compensation scheme for the Management and Supervisory boards of Scout24 AG. It explains the structure and level of compensation of individual Management and Supervisory board members. The compensation report forms part of the audited notes to the consolidated financial statements, and complies with applicable statutory regulations; it also takes into account the recommendations of the German Corporate Governance Code, in the version dated May 5, 2015.

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 standardized 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 total compensation including all variable compensation cannot exceed 3.25 times fixed compensation in this context. Management Board compensation comprised the following components in the 2015 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, and is paid monthly.

One-year variable compensation

One-year variable compensation existed in the form of an annual bonus, whose level is measured on the basis of a target amount and target attainment in percent. Payment of such compensation can also lapse entirely if targets are missed. The structure of this variable compensation is based on predefined targets for revenue and EBITDA from normal operating activities.

Share-based payment

The Management Board members received share-based payment from the Management Equity Program (MEP). In the reporting period, personnel expenses resulting from equity -settled share-based payments in the amount of EUR 951 thousand (previous year: EUR 1,250 thousand) were attributable to members of the Management Board.

This program is explained below.
In connection with the takeover of shares in the Scout24 Group by Hellman & Friedman LLC (H&F), a management participation program was established in the 2014 financial year.

Management Board members, additional managers and employees of the Advisory Board (hereinafter: participants) of the Scout24 Group were granted the possibility, commencing in the previous year, to indirectly acquire shares in the Scout24 Group via a specified structure.

The purchase price for the transfer of the shares to the management participation companies was determined under consideration of the purchase price of the Scout24 Group as of February 12, 2014 and represents the extrapolated value at the time of the acquisition.

In the event of the sale of shares in Scout24 AG or in the event of their leaving the company, the participants receive payments at market value to the extent that they accrued vested equity:

- The preferred shares acquired from the participants are fully vested at the time of the acquisition.
- The common shares acquired from the participants are vested on a staggered basis and with respect to the generated sales proceeds from common shares. These are paid on an extended basis. One year after the acquisition of the shares, the payout amounts to 20%, with this amount increasing by 5% each further quarter.

In addition, the articles set rules for the management participation companies, according to which, in the case of a withdrawal of a participant, the participant receives for the non-vested portion either the purchase price or market value, whichever is lower.

In particular, the following rules are relevant:
- A participant withdrawing as a "preferred leaver" (withdrawal due to death, or classification by the company's Advisory Board as a "preferred leaver") receives market value for restitution of his shares.
- A participant withdrawing as a "good leaver" (withdrawal due to classification by the company's Advisory Board as a "good leaver", and no subsequent breach of contractual duties or non-competition agreement) receives in the first five years since the formation of the company for the restitution of his shares an amount consisting of market value and purchase price. For the portion that is vested, the participant receives the market price; for the portion that is not vested, he receives either the purchase price or lower market value, whichever is lower.
- A participant withdrawing as a "bad leaver" (termination by the participant, or termination of the employment by the company for good cause, or due to private insolvency of the participant) receives as payment for the restitution of his shares either the purchase price or market value, whichever is lower.

The participants and management participation companies are subject to various disposal restrictions:

- The participants are only permitted to sell or otherwise dispose of their investments with written approval from Asa HoldCo.
- The shares held by the management participation companies are subject to a "drag-along, tag-along" rule. In the event of a share sale, Asa HoldCo and DTAG can request from the management participation companies that they should not sell their shares to third parties on terms less favourable than Asa HoldCo and DTAG. Each individual participant has the right to the simultaneous sale of the shares attributable to him, whereby the conditions are not permitted to be less favourable than those from sales of Asa HoldCo and DTAG.

The determination of the fair value of the ordinary and preferred shares is performed applying an option pricing model (Black-Scholes formula). The model reflects the equity value derived from acquisition of the Scout24 Group as of February 12, 2014, the exercise price based on the nominal value of the preferred shares with interest accumulated annually, and the expected term of the granted equity instruments. On the basis of the data from the German Bundesbank, a risk-free rate of 0.15% was applied as of the valuation date as of February 12, 2014, which had been derived from hypothetical zero-coupon bonds without credit risk with the assumed remaining term of the equity instruments. Due to the lack of observable volatility in the market, recourse was made to listed companies similar to the Scout Group. Annual volatility of 30% was determined in this context. Additional parameters and expected dividends were not included in the fair value measurement.

Before the IPO that was implemented on October 1, 2015, Asa NewCo GmbH was converted into a public stock corporation („Aktiengesellschaft“ under German law) on September 10, 2015, bearing the name Scout24 AG. Only one class of share in this public stock corporation now exists.

The preferred shares and the participants‘ common shares were consequently aggregated to form one share class.

The allocation of the shares to the participants was based on the issue price for the new shares:

The value of the participants‘ equity was derived from the issue price, and allocated to the common shares and preferred shares according to a mechanism determined in the company agreement, in order to determine the participants‘ value in the newly created share class.

As part of the IPO, the participants utilised their entitlement to sell all of their vested preferred shares and 50% of their vested common shares.

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 one-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 2,437.5 thousand gross, and in the case of Mr Gisy to a maximum amount of EUR 1,300 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 May 5, 2015, the following table presents the sums granted for the 2015 year to the Management Board members in office as of December 31, 2015, 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

	Gregory Ellis CEO since 03/2014				Christian Gisy CFO since 09/2014			
EUR '000	2014	2015	2015 min	2015 max	2014	2015	2015 min	2015 max
Fixed compensation	525.0	750.0	750.0	750.0	133.3	400.0	400.0	400.0
Ancillary benefits	135.0	289.6	289.6	289.6	6.0	42.5	42.5	42.5
Total fixed compensation	**660.0**	**1,039.6**	**1,039.6**	**1,039.6**	**139.3**	**442.5**	**442.5**	**442.5**
One-year variable compensation	461.4	562.5	-	1,125.0	153.8	300.0	-	450.0
Special payment[1]	-	-	-	1,687.5	-	-	-	900.0
Multi-year variable compensation	-	-	-	-	-	-	-	-
Share based payments (MEP)	-[2]	-	-	-	-[2]	-	-	-
Total variable compensation	**461.4**	**562.5**	**-**	**2,812.5**	**153.8**	**300.0**	**-**	**1,350.0**
Pension expense	50.0	50.0	50.0	50.0	3.3	16.7	16.7	16.7
Total compensation	**1,171.4**	**1,652.1**	**1,089.6**	**2,437.5**	**296.5**	**759.3**	**459.3**	**1,300.0**

1 The special payment is limited to the triple of the annual variable compensation - the annual total compensation is limited to EUR 2,437.5 thousand for Mr. Ellis and EUR 1,300.0 thousand for Mr. Gisy respectively.
2 For the fiscal year 2014: Disclosure is omitted due to the first admission to trading on a stock exchange in 2015

Allocation according to DCGK

	Gregory Ellis CEO since 03/2014		Christian Gisy CFO since 09/2014	
EUR '000	2015	2014	2015	2014
Fixed compensation	750.0	525.0	400.0	133.3
Ancillary benefits	289.6	135.0	42.5	6.0
Total fixed compensation	**1,039.6**	**660.0**	**442.5**	**139.3**
One-year variable compensation	418.1	-	125.0	-
Special payment	-	-	-	-
Multi-year variable compensation	-	-	-	-
Share based payments (MEP)	-	-[2]	-	-[2]
Total variable compensation	**418.1**	**-**	**125.0**	**-**
Pension expense	50.0	50.0	16.7	3.3
Total compensation	**1,507.8**	**710.0**	**584.3**	**142.7**

2 For the fiscal year 2014: Disclosure is omitted due to the first admission to trading on a stock exchange in 2015.

Total compensation paid to the Management Board according to HGB

The following table shows the total compensation paid to the Management Board members active in 2014 and/or 2015, presented on the basis of the German Commercial Code (HGB).

Management Board compensation, according to HGB

	Gregory Ellis CEO since 03/2014		Christian Gisy CFO since 09/2014		Total	
EUR '000	2015	2014	2015	2014	2015	2014
Fixed compensation	750.0	525.0	400.0	133.3	1,150.0	658.3
Ancillary benefits	289.6	135.0	42.5	6.0	332.2	141.0
Total fixed compensation	**1,039.6**	**660.0**	**442.5**	**139.3**	**1,482.2**	**799.3**
One-year variable compensation	871.9	461.4	450.0	153.8	1,321.9	615.3
Prior year adjustment	- 43.3	-	- 28.8	-	- 72.1	-
Special payment	-	-	-	-	-	-
Multi-year variable compensation	-	-	-	-	-	-
Total variable compensation	**828.6**	**461.4**	**421.2**	**153.8**	**1,249.8**	**615.3**
Pension expense	50.0	50.0	16.7	3.3	66.7	53.3
Total compensation	**1,918.2**	**1,171.4**	**880.5**	**296.5**	**2,798.7**	**1,467.9**

Management Board compensation according to IFRS

Total compensation presented according to International Financial Reporting Standards (IFRS) is shown in the following table:

Management Board compensation, according to IFRS

	Gregory Ellis CEO since 03/2014		Christian Gisy CFO since 09/2014		Total	
EUR '000	2015	2014	2015	2014	2015	2014
Fixed compensation	750.0	525.0	400.0	133.3	1,150.0	658.3
Ancillary benefits	289.6	135.0	42.5	6.0	332.2	141.0
Total fixed compensation	**1,039.6**	**660.0**	**442.5**	**139.3**	**1,482.2**	**799.3**
One-year variable compensation	871.9	461.4	450.0	153.8	1,321.9	615.3
Prior year adjustment	- 43.3	-	- 28.8	-	- 72.1	-
Special payment	-	-	-	-	-	-
Share-based payment (MEP)[1]	810.0	1,092.3	141.3	158.0	951.3	1.250.3
Total variable compensation	**1,638.6**	**1,553.7**	**562.5**	**311.8**	**2,201.0**	**1.865.6**
Pension expense	50.0	50.0	16.7	3.3	66.7	53.3
Total compensation	**2,728.2**	**2,263.7**	**1,021.7**	**454.5**	**3,749.9**	**2.718.2**

1 Expenses for Share-based payments (equity settled), included in personnel expenses

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 the financial year under review (previous year: EUR 644 thousand).

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 2015 financial year:

Shares out of MEP (Management board)

	Gregory Ellis CEO since 03/2014	Christian Gisy CFO since 09/2014
EUR '000	2015	2015
Number of shares 10/01 (in thousand)		
preferred shares	15,2	9,1
ordinary shares[1]	1.431,3	246,5
Sale of shares related to initial public offering (IPO)		
preferred shares	- 15,2	- 9,1
ordinary shares[1]	- 214,7	- 24,6
Number of shares[1] as at 12/31	**1.216,6**	**221,8**

1 GmbH-share equals one ordinary share

Changes to the compensation structure from 2016

The one-year variable compensation granted in the 2015 financial year will be replaced from January 1, 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 281.25 thousand gross for Mr. Ellis and EUR 150 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 an over-achievement of the targets.

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 multi-year variable compensation is EUR 281.25 thousand gross for Mr. Ellis and EUR 150 thousand gross for Mr. Gisy for each three-year period 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 in the first financial year of the respective three-year period 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 an over-achievement of the targets. 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.

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 September 4, 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 2015 financial year:

Supervisory board remuneration[1]

EUR '000		Fixed remuneration	Total
Stefan Goetz[2]	2015	-	-
	2014		-
Patrick Healy[2]	2015	-	-
	2014		-
Blake Kleinman[2]	2015	-	-
	2014		-
Thorsten Langheim[2]	2015	-	-
	2014		-
Alexander Graf Matuschka von Greiffenclau	2015	26.7	26.7
	2014		-
Robert D. Reid[2]	2015	-	-
	2014		-
David Roche	2015	36.7	36.7
	2014	5.0	5.0
Dr. Liliana Solomon	2015	36.7	36.7
	2014		-
Vicente Vento Bosch[2]	2015	-	-
	2014		-
Total	2015	100	100
	2014	5.0	5.0

1 without expenses and V.A.T. reimbursed
2 waiving of fixed remuneration for the term of appointment

Shares out of BMEP (Supervisory board)

	2015 Thorsten Langheim	2015 Alexander Graf Matuschka von Greiffenclau	2015 Vicente Vento Bosch
Number of shares 10/01 (in thousand)			
preferred shares	2.1	6.5	2.6
ordinary shares[1]	58.4	176.1	70.4
Sale of shares related to Initial public offering (IPO)			
preferred shares	- 2.1	- 6.5	- 2.6
ordinary shares[1]	- 9.1	- 27.4	- 11.0
Number of shares[1] as at 12/31	**49.3**	**148.6**	**59.4**

1 GmbH-share equals one ordinary share

Reimbursement of outlays (excluding VAT reimbursed) paid to Supervisory Board members amounted to EUR 8 thousand in the financial year under review.

In the reporting period, personnel expenses resulting from equity-settled share-based payments in the amount of EUR 175 thousand (previous year: EUR 195 thousand) were attributable to the members of the Supervisory Board.

Membership of supervisory boards and other controlling bodies
The following Management Board members hold similar further positions:

Management Board
Mr. Gregory Ellis: Sportsbet Pty Ltd., Melbourne
Mr. Christian Gisy: Business Heads AG, Winnweiler

Supervisory Board

The Supervisory Board comprised the following nine individuals as of December 31, 2015:

Name Function	Profession	Member since	Appointed until	Other board positions in 2015
Stefan Goetz Chairman	Managing Director of Hellman & Friedman LLC, San Francisco, USA	September 4, 2015	AGM 2020	Verisure Holding AB, Malmö, Sweden and certain related entities in the holding structure of Securitas Direct AB, Malmö, Sweden (Member of Board of Directors); Asa HoldCo GmbH, Frankfurt am Main, Germany (Member of Board of Directors); Asa GP GmbH, Frankfurt am Main, Germany (Member of Board of Directors); Immobilien Scout GmbH, Berlin, Germany (Member of the Supervisory Board, until December 2015)
Patrick Healy Deputy Chairman (between September 17 and November 24, 2015: only ordinary member)	Managing Director (Deputy CEO) of Hellman & Friedman LLC, San Francisco, USA	September 4, 2015	AGM 2020	TeamSystem Holding S.p.A., Pesaro, Italy and certain related entities in the holding structure of TeamSystem S.p.A., Pesaro, Italy (Member of Board of Directors, since March 2016); Verisure Holding AB, Malmö, Sweden and certain related entities in the holding structure of Securitas Direct AB, Malmö, Sweden (Member of Board of Directors); Web Reservations International Limited and certain subsidiaries, Dublin, Ireland (Member of Board of Directors, until October 2015); H&F Nugent 1 Limited, Edinburgh, UK and certain related entities in the holding structure of Wood Mackenzie Limited, Edinburgh, UK (Member of Board of Directors, until May 2015);
Blake Kleinmann Supervisory Board Member	Managing Director of Hellman & Friedman LLC, San Francisco, USA	September 4, 2015	AGM 2020	Asa HoldCo GmbH, Frankfurt am Main, Germany (Member of Board of Directors); Asa GP GmbH, Frankfurt am Main, Germany (Member of Board of Directors); H&F Sensor EquityCo Limited, Halifax, UK and certain related companies in the holding structure of SSP Holdings Limited, Halifax, UK (Member of Board of Directors, until March 2015); Barolo Midco S.p.A., Pesaro, Italy and certain related companies in the holding structure of TeamSystem S.p.A, Pesaro, Italy (Member of Board of Directors, since March 2016); H&F Nugent 1 Limited, Edinburgh, UK and certain related entities in the holding structure of Wood Mackenzie Limited, Edinburgh, UK (Member of Board of Directors, until May 2015);

Thorsten Langheim Supervisory Board Member	Senior Vice President Group Corporate Development of Deutsche Telekom AG, Bonn, Germany	September 4, 2015	AGM 2020	T-Mobile US, Inc., Bellevue, USA (Member of Board of Directors); T-Systems International GmbH, Frankfurt am Main, Germany (Member of Supervisory Board); Deutsche Telekom Strategic Investments GmbH, Bonn, Germany (Member of Supervisory Board); Deutsche Telekom Venture Funds GmbH, Bonn, Germany (Member of Supervisory Board)
Alexander Graf Matuschka von Greiffenclau Supervisory Board Member	Group Chief Performance Officer of VimpelCom Limited, Amsterdam, Netherlands	September 4, 2015	AGM 2020	Nokia Networks, Munich, Germany (Chief Restructuring Officer, Chief Transformation Officer, Member of the Executive Board, up to June 2015)
Robert D. Reid Supervisory Board Member	Senior Managing Director of The Blackstone Group International Partners LLP, London, UK	September 4, 2015	AGM 2020	Intelenet Global Services Private Limited, Mumbai, India (Member of the Board of Directors, since February 2016)
David Roche Supervisory Board Member	Executive chairman of goHenry Limited, Lymington, UK	September 4, 2015	AGM 2020	
Dr. Liliana Solomon Supervisory Board Member	Member of the Management Board (CFO) of Unify Deutschland GmbH & Co. KG, Munich, Germany	September 4, 2015	AGM 2020	.
Vicente Vento Bosch Supervisory Board Member (from September 17 to November 24, 2015: Deputy Chairman)	Chief Executive Officer of Deutsche Telekom Capital Partners Management GmbH, Hamburg, Germany	September 4, 2015	AGM 2020	Deutsche Telekom Strategic Investments GmbH, Bonn, Germany (Chairman of the Supervisory Board); Deutsche Telekom Venture Funds GmbH, Bonn, Germany (Chairman of the Supervisory Board); Deutsche Telekom Capital Partners Fund GmbH, Hamburg, Germany (Managing Director); Strato AG, Berlin, Germany (Chairman of the Supervisory Board); Telekom Innovation Pool GmbH, Bonn, Germany (Member of other governing body / Beirat, since March 2015); Ströer Management SE, Dusseldorf, Germany (Member of of the Supervisory Board, since October 2015); Ströer SE, Cologne, Germany (Member of of the Supervisory Board, since November 2015); Interactive Media CCSP GmbH, Darmstadt, Germany (Chairman of the Supervisory Board, up to November 2015); Immobilien Scout GmbH, Berlin, Germany (Member of the Supervisory board, up to December 2015)

Disclosure regarding additional share-based payments

Apart from the members of the Management Board and the Supervisory Board, a number of managers of Scout24 Group were entitled in both the previous year and in the reporting period to take part in the Management Equity Program initiated in 2014, thus having the opportunity to acquire shares in Scout24 Group within a predefined structure.

In the reporting period, personnel expenses resulting from equity-settled share-based payments in the amount of EUR 1,513 thousand (previous year: EUR 1,167 thousand) were attributable to such managers.

The position of shares arising from the MEP held by managers reports the following changes in the 2015 financial year:

EUR '000	**2015** Manager
Number of shares 10/01 (in thousand)	
Preferred shares	90.3
Ordinary shares[1]	2,458.0
Share of sales related to initial public offering (IPO)	
Preferred shares	- 90.3
Ordinary shares[1]	- 382.8
Number of shares[1] as at 12/31	**2,075.2**

1 GmbH share equals one ordinary share

In 2015, a virtual stock option program for an additional four managers was introduced. Under this program the managers have the opportunity to acquire 232,500 virtual stock options within a period of four years. During the four-year vesting period, the vesting after one year is 25%, with this amount increasing by 6.25% each further quarter.

In accordance with the contractual arrangements the Company has the option to settle the share-based payment in cash or in shares. In accordance with IFRS 2 the Company has opted for an equity-settled transaction for this form of payment.

The determination of the fair value of the stock option was performed applying an option-pricing model (binomial model), resulting in values between EUR 26.65 and EUR 28.33.

In the reporting period, personnel expenses related to equity-settled share-based payments under this stock option program introduced in 2015 amounted to EUR 930 thousand (previous year: EUR 0.00).

In the past fiscal year, the Company recognized total personnel expenses resulting from equity-settled share-based payments of EUR 3,569 thousand (previous year: EUR 2,612 thousand).

The participants in the Management Equity Program initiated in 2014 were allowed to sell their vested shares at a share price of EUR 30.

6.5.6. Segment information

IFRS 8 requires a demarcation of operating segments based on a company's internal management and reporting. The organisational and reporting structure of the Scout24 Group reflects management by business areas. As the main decision-maker, the Management Board assesses the performance of the various segments and the allocation of resources on the basis of a reporting system that it has established.

The Scout24 Group structures its operating activities into two operating segments ("ImmobilienScout24" und "AutoScout24") as well as the supporting "Corporate" segment.

The "ImmobilienScout24" bundles all activities relating to the digital real estate classifieds portal for commercial and private customers. The primary listings enable the sale and rental of real estate. Users can browse these ads free of charge. Additionally, the users and customers are offered further products with additional added value. Furthermore, the segment generates advertising revenue with third-party suppliers, such as insurance and financial service companies, utilities, or removal companies.

The "AutoScout24" operating segment comprises all activities in the online car classifieds portal, likewise for both commercial and private customers. The primary listings enable the sale of new and second-hand motor vehicles. Users can browse these listings free of charge. Additionally, the users and customers are offered further products with additional added value. Furthermore, the segment generates advertising revenue with third-party suppliers. Third-party providers also include automotive manufacturers (Original Equipment Manufacturers / OEMs).

The "Corporate" segment comprises management services and further cross-Group services to support the operating segments. It contains the central functions including treasury, legal, corporate development and strategy, risk and compliance management, and other similar areas. Additionally, online marketing services are offered both for Group companies and external customers. This segment also includes licensing income from the sale of the JobScout24 and TravelScout24 trademarks to third parties.

In the reporting period, revenues from the "Other" segment result primarily from the sale of online advertising space and also the generation of business contacts (leads) in the area of financial services.

The valuation principles for segment reporting are basically the same that apply to the external accounting; for further details please refer to note 6.1.6. "Accounting Policies".

Scout24 measures its segments' performance by the control parameters EBITDA as well as ordinary operating EBITDA. Segment EBITDA is defined as profit (based on total revenues) before the financial result, income taxes, depreciation and amortisation, impairment write-_ downs, and the result from sales of subsidiaries. Ordinary operating EBITDA represents EBITDA adjusted for non-operating and special effects. These include primarily expenses for restructuring, expenses in connection with the capital structure of the company and company acquisitions (realised and unrealised), as well as profit and loss effects from share-based compensation programs. In the reporting period, consolidated non-operating and special effects amounted to EUR -22,624 thousand (previous year: EUR -56,660 thousand). In the period under review, these primarily comprised EUR -5,500 thousand of costs for the IPO, as well as expenses arising from the restructuring and reorganisation that was started in the previous year. In the previous year, these comprised primarily expenses in connection with the restructuring and reorganisation of the Group.

The segment investments comprised capital expenditures for property, plant and equipment and intangible assets, including capitalised development expenses for internally-generated non-current assets, however excluding goodwill. They also include advance payments made for property, plant and equipment and intangible assets.

In the previous year, the reconciliation separately includes the elimination of the FriendScout24 operations due to their classification as discontinued operations. In this connection, the reconciliation for EBITDA and ordinary operating EBITDA of FriendScout24 includes in each case external EBITDA and external ordinary operating EBITDA. The „Other" reconciliation item consolidates the intersegment relationships. For EBITDA, ordinary operating EBITDA, and segment investments realised by the „Other" segment, intersegment relationships are also consolidated in the reconciliation item where such relationships exist. The reconciliation item in ordinary operating EBITDA is mainly due to the consolidation of a management fee for which the Corporate segment invoices the operating segments to cover certain management services. This offsetting boosts ordinary operating EBITDA in the Corporate segment, but does not affect the offsetting recipients.

Revenues between the segments are invoiced at market prices.

The key indicators applied by Scout24 to assess the performance of its segments are as follows:

Segment information

EUR '000		Revenues from external customers	Inter-segment revenues	Total segment revenues	EBITDA	Ordinary operating EBITDA	Capital expenditure
ImmobilienScout24	01/01/2015 - 12/31/2015	266,757	869	267,626	147,878	159,228	9,810
	04/01/2014 - 12/31/2014	175,761	189	175,950	89,575	99,018	6,699
AutoScout24	01/01/2015 - 12/31/2015	120,736	912	121,648	39,740	43,757	8,995
	04/01/2014 - 12/31/2014	82,330	680	83,010	13,992	26,031	5,129
Corporate	01/01/2015 - 12/31/2015	2,817	10,034	12,851	- 21,663	- 8,650	459
	04/01/2014 - 12/31/2014	2,450	6,668	9,118	- 45,100	- 7,022	176
Total – reportable Segments	**01/01/2015 - 12/31/2015**	**390,310**	**11,815**	**402,125**	**165,955**	**194,335**	**19,264**
	04/01/2014 - 12/31/2014	**260,541**	**7,537**	**268,078**	**58,467**	**118,027**	**12,004**
Other	01/01/2015 - 12/31/2015	3,269	271	3,540	977	1,121	3
	04/01/2014 - 12/31/2014	14,281	335	14,616	1,184	1,610	6,073
Reconciliation							
FriendScout24	01/01/2015 - 12/31/2015	-	-	-	-	-	-
	04/01/2014 - 12/31/2014	- 11,961	-	- 11,961	- 1,130	- 1,529	- 496
Other reconciling items	01/01/2015 - 12/31/2015	1	- 12,086	- 12,085	-	- 5,899	-
	04/01/2014 - 12/31/2014	-	- 7,872	- 7,872	44	- 2,883	- 5,391
Total – consolidated	**01/01/2015 - 12/31/2015**	**393,580**	**-**	**393,580**	**166,932**	**189,557**	**19,267**
	04/01/2014 - 12/31/2014	**262,861**	**-**	**262,861**	**58,565**	**115,225**	**12,190**

Other reconciliation items correspond mainly to intragroup eliminations.

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

EUR '000	01/01/2015 - 12/31/2015	04/01/2014 - 12/31/2014
Ordinary operating EBITDA	**189,557**	**115,225**
Non-operating effects	- 22,625	- 56,660
EBITDA	**166,932**	**58,565**
Depreciation, amortization and impairment	- 65,613	- 50,063
Result from the sale of subsidiaries	-	123
Results from investments accounted for using the equity method	- 805	- 1,905
Result from the sale of equity investments	22,098	-
Other financial result	- 43,733	- 29,189
Benefit/ Loss before income tax from continuing operations	**78,879**	**- 22,469**

For the presentation of information by geographic region, revenues and non-current assets are presented according to the location of the respective Scout24 company.

EUR '000	01/01/2015-12/31/2015 Revenues from external customers	04/01/2014-12/31/2014 Revenues from external customers	12/31/2015 Non-current assets *	12/31/2014 Non-current assets *
Germany	334,137	223,259	2,032,011	2,101,308
Foreign	59,443	39,602	15,968	16,542
Total	**393,580**	**262,861**	**2,047,980**	**2,117,850**

* Non-current assets include intangible assets, property, plant and equipment, investments accounted for at equity and other non-current assets

The following table shows revenues analysed by core operating business and other revenues. Sales revenues from the core business include revenues from listings, the provision of advertising space and generation of leads. The other revenues arise from the activities of the companies acquired in the financial year under review, and at the end of the previous year, and which do not comprise core services of Scout24 AG.

EUR '000	**Revenues from external customers** 01/01/2015 - 12/31/2015	**Revenues from external customers** 04/01/2014 - 12/31/2014
Revenues from core services	374,280	259,198
Revenues from other services	19,300	3,663
Total	**393,580**	**262,861**

Impairment losses of EUR 1,248 thousand applied in the period under review to property, plant and equipment (other equipment, operating and office equipment) related to the ImmobilienScout24 segment.

6.5.7. Fees and services of the auditor

The total professional fees and services for the auditors of the consolidated financial statements are composed as follows:

Fees and services of the auditor EUR '000	**01/01/2015 - 12/31/2015**	**04/01/2014 - 12/31/2014**
Audit services	1,278	2,166
Other consulting services	2,994	20
Tax advisory services	14	26
Other services	21	2,883
Total	**4,307**	**5,095**

6.5.8. Subsequent events

On February 1, 2016, AutoScout24 Nederland B.V., a subsidiary of Scout24 AG, signed an agreement to acquire all shares of the Dutch digital automotive classifieds portal European AutoTrader B.V. ("AutoTrader") from Sanoma Media Netherlands B.V., with an effective date as of 1 January 2016. The closing occurred immediately after signing. The agreed purchase price amounts to EUR 27.7 million and is paid in cash.

Due to the proximity in time between the acquisition date and the publication date of the financial statements, a complete allocation of the acquisition price to the fair values of the acquired assets and liabilities pursuant to IFRS guidelines was not possible as the requisite data were not available at the date of preparing these financial statements.

AsaHoldCo GmbH, Frankfurt am Main, as one of the direct owners of Scout24 AG, was merged with Willis Lux Holdings 2 S.à r.l., Luxembourg, with effect as of February 4, 2016. Willis Lux Holdings 2 S.à.r.l. is a wholly-owned subsidiary of Willis Lux Holdings S.à.r.l., Luxembourg, which publishes consolidated financial statements as the next higher parent company.

No other corporate-specific events or developments after the balance sheet date are known which might have led to an essential change in the reporting or valuation of individual assets or liability items as of December 31, 2015.

The Management and Supervisory boards of Scout24 AG propose to the Annual General Meeting to be held on June 23, 2016, that no dividend be distributed.

6.5.9. Corporate Governance Code

The Management and Supervisory boards of Scout24 AG have issued a statement of conformity pursuant to the German Corporate Governance Code (Section 161 of the German Stock Corporation Act [AktG]), which was published on the website of Scout24 AG in September 2015 (www.scout24.com).

Munich, March 17, 2016
Scout24 AG

The Management Board

Gregory Ellis   Christian Gisy

Name and registered office of company

EUR '000		Currency	in %	Full consolidated (F) at-equity consolidation (E) Not consolidated (nc)
Scout24 AG (formerly Asa NewCo GmbH)	Munich (Germany)	EUR	100.00 %	F
Scout24 Holding GmbH	Munich (Germany)	EUR	100.00 %	F
Scout24 HCH Alpen AG (formerly Scout24 AG)	Baar (Switzerland)	CHF	100.00 %	F
Scout24 International Management AG	Baar (Switzerland)	CHF		
FMPP Verwaltungsgesellschaft mbH (formerly FinanceScout24 GmbH)	Munich (Germany)	EUR	100.00 %	F
AutoScout24 GmbH	Munich (Germany)	EUR	100.00 %	F
AutoScout24 Espana S.A.	Madrid (Spain)	EUR	100.00 %	F
AutoScout24 Belgium S.A.	Brüssel (Belgium)	EUR	100.00 %	F
AutoScout24 Italia S.R.L.	Padua (Italy)	EUR	100.00 %	F
AutoScout24 Nederland B.V.	Amsterdam (Netherlands)	EUR	100.00 %	F
AutoScout24 France SAS	Boulogne Billancourt (France)	EUR	100.00 %	F
AutoScout24 AS GmbH	Vienna (Austria)	EUR	100.00 %	F
easyautosale GmbH	Munich (Germany)	EUR	100.00 %	F
Immobilien Scout GmbH	Berlin (Germany)	EUR	100.00 %	F
Immobilien Scout Österreich GmbH (formerly AE BG Theta Holding GmbH)	Vienna (Austria)	EUR	100.00 %	F
Flowfact GmbH	Cologne (Germany)	EUR	100.00 %	F
IMPLIUS GmbH (formerly IMPLIUS AG)	Cologne (Germany)	EUR	100.00 %	F
Flow Fact Schweiz AG	Zurich (Switzerland)	CHF	100.00 %	F
Stuffle GmbH	Hamburg (Germany)	EUR	50.02 %	F
classmarkets GmbH	Berlin (Germany)	EUR	100.00 %	F
Scout24 Services GmbH (formerly Scout24 Verwaltungs- und Beteiligungsgesellschaft mbH)	Munich (Germany)	EUR	100.00 %	F
Energieausweis48 GmbH	Cologne (Germany)	EUR	50.00 %	E
ASPM Holding B.V.	Amsterdam (Netherlands)	EUR	49.00 %	E
Salz & Brot Internet GmbH	Duesseldorf (Germany)	EUR	15.00 %	nc

The non-controlling interests are caused by the consolidation of Stuffle GmbH.

Responsibility statement

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

Munich, March 17, 2016
Scout24 AG

The Management Board

Gregory Ellis   Christian Gisy

Copy of the Auditor's Report

We have audited the consolidated financial statements prepared by the Scout24 AG, Munich, comprising the income statement and the statement of comprehensive income, the balance sheet, statement of changes in equity, cash flow statement and the notes to the consolidated financial statements, together with the group management report, which is combined with the management report of the Scout24 AG, Munich, for the business year from January 1 to December 31, 2015. The preparation of the consolidated financial statements and the combined management report in accordance with the IFRSs, as adopted by the EU, and the additional requirements of German commercial law pursuant to § (Article) 315a Abs. (paragraph) 1 HGB ("Handelsgesetzbuch": German Commercial Code) are the responsibility of the parent Company's Board of Managing Directors. Our responsibility is to express an opinion on the consolidated financial statements and the combined management report based on our audit

We conducted our audit of the consolidated financial statements in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated finan- cial statements in accordance with the applicable financial reporting framework and in the com- bined management report are detected with reasonable assurance. Knowledge of the business ac- tivities and the economic and legal environment of the Group and expectations as to possible mis- statements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the combined management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of the entities to be in- cluded in consolidation, the accounting and consolidation principles used and significant estimates made by the Company ́s Board of Managing Directors, as well as evaluating the overall presenta- tion of the consolidated financial statements and the combined management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion based on the findings of our audit the consolidated financial statements comply with the IFRSs as adopted by the EU, the additional requirements of German commercial law pur- suant to § 315a Abs. 1 HGB and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these provisions. The combined management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future develop- ment."

Munich, March 17, 2016

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Holger Graßnick Wirtschaftsprüfer (German Public Auditor)	ppa. Oleksandra Vedernykova Wirtschaftsprüferin (German Public Auditor)

Glossary

- AGOF Internet facts 2015-10: Unique Users per month, based on Internet users aged 10 and above in Germany for stationary media, and aged 14 and above respectively for mobile media, aggregated data from IS24, AS24 and FS24 no double counting, survey period August 1, 2015 to October 31, 2015, by the online survey working group Arbeitsgemeinschaft Online Forschung (AGOF) e.V., Frankfurt am Main

- Autobiz, December 2015: Autobiz, European Panel - Cross Analysis, December 2015

- ARPU: Average revenue per user, calculated by the revenues generated by our IS24 core agents or AS24 core dealers in the respective period by the average number of core agents/dealers at the beginning and the end of such period, and further divided by the number of months in the period

- BCA: British Car Auctions (BCA), The Used Car Market Report 2014

- CCFA: Comité des Constructeurs Français d'Automobiles (CCFA), German car market slows as France, Spain, Italy continue recovery, Automotive News Europe, July 2014

- ComScore, December 2015: comScore MMX®, Mobile Metrix Media Trend, Germany, comScore, Long Term Media Trend, Germany

- DAT, 2015: DAT Report 2015, Deutsche Automobil Treuhand GmbH, Ostfildern

- Deutsche Bundesbank: Deutsche Bundesbank, Frankfurt am Main

- Eurozone Economic Outlook: Joint initiative of Ifo Institute, Munich, INSEE, Paris, and ISTAT, Rome.

- Core agents: The number of core agents is defined as the number of real estate professionals as of period end who either have a package or a bundle contract at the period end.

- Core dealers: The total number of professional car and motorcycle dealers who have either a package or bundle contract with AS24 as at period end

- Eurostat: European Commission, Eurostat, Luxembourg; percentage of private households with Internet access. Including any form of Internet use, population aged between 16 and 74

- Statistisches Bundesamt: German Federal Statistical Office, Wiesbaden

- GEWOS: GEWOS Institut für Stadt-, Regional- und Wohnforschung GmbH, IMA® info 2015

- GfK Brand & Communication Research, September 2015: GfK Brand & Communication Research, Germany, September 2015, n = 142, Advertising Tracking, ImmobilienScout24, Wave 62, „ Which of these online real estate market places is first choice for you when searching for real estate?“

- Kraftfahrt-Bundesamt (German Federal Office for Motor Transport: Kraftfahrt-Bundesamt, Flensburg

- Norstat, December 2015: Study by Norstat Deutschland GmbH, Munich, commissioned by AutoScout24, n=400 (Internet users in possession of driving license), December 2015

- OC&C: Study commissioned by the Company and prepared by OC&C Strategy Consultants Limited, London, United Kingdom entitled "The German Real Estate and European Automotive Advertising Markets" and dated August 7, 2014

- puls Marktforschung, November 2015: Study by puls Marktforschung GmbH, Schwaig commissioned by AutoScout24, n=550 (car dealers), inquiry period October 13, 2015 to November 13, 2015

- Vocatus, 2014 Vocatus AG, Gröbenzell, study commissioned by AutoScout24 "Marketing Barriers in B2C Marketing", December 2014

- ZenithOptimedia, Advertising Expenditure Forecasts, December 2015: Zenith Optimedia Group Limited, London; Advertising Expenditure Forecasts December 2015

- Zentralverband Deutsches Kraftfahrzeuggewerbe (German Federation for Motor Trades and Repairs, December 2015: Zentralverband Deutsches Kraftfahrzeuggewerbe e.V. (German Association of the Automotive Industry), Bonn; Press release "Kfz-Gewerbe: Stabiler Start ins neue Jahr" ("Vehicle repair trade: A stable start into the next year", December 2015

Disclaimer

This document may contain forward-looking statements regarding the business, results of operations, financial condition and earnings outlook of Scout24 Group. These statements may be identified by words such as "may", "will", "expect", "anticipate", "contemplate", "intend", „plan“, „believe“, „continue“ and „estimate“ and variations of such words or similar expressions. These forward-looking statements are based on the current views and assumptions of Scout24 management and are subject to risks and uncertainties. Such statements are subject to a number of known and unknown risks and uncertainties and there is no guarantee that the anticipated results and developments will actually materialize. In fact, actual results and developments may differ materially from those reflected in our forward-looking statements. Differences may be due to changes in the general macroeconomic and competitive environment, capital market risks, exchange rate fluctuations, changes in international and national laws and regulations, especially regarding tax laws and regulation, relevant for Scout24, and many other factors.Scout24 undertakes no obligation to revise or update any forward-looking statements as a result of new information, future events or otherwise, unless expressly required to do so by law. This report is a non-binding English translation of the original German annual report.

Both reports are available for download on our Internet website at www.scout24.com/en/Investor-Relations/Financial-Publications/Financial-Reports/financial-reports.aspx.

In case of any deviations between the two reports, the German version shall always prevail over the English translation.

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