

Scout24 AG publishes preliminary results for 2020: Q4 strongest revenue quarter, annual guidance fully met.

- Annual Group revenues increase by 1.2 % to EUR 353.8 million.
- Ordinary operating EBITDA margin remains stable at 60.0 %.
- Residential Real Estate segment sees 3.5 % revenue growth.
- Implementation of market network strategy is progressing well.
- Focus on sustainability is being extended.

Munich / Berlin, 23 February 2021

The 2020 financial year of the Scout24 Group was marked by the successful completion of the AutoScout24 transaction and, from March onwards, by the impact of the Covid-19 pandemic. The strategic focus was on the leading digital marketplace ImmoScout24. Management responded quickly to the Covid-19 crisis and launched a comprehensive immediate action programme for customers already at the end of March. Where possible, cost efficiencies were realised. Despite Covid-19, Scout24 continued to invest into the future. For example, product enhancements and innovations were implemented throughout the financial year, and a strategically important acquisition was completed with immoverkauf24. In the third quarter, the largest advertising campaign in the company's history was launched. Furthermore, the Group extended its focus on sustainability with climate protection and diversity initiatives.

KEY FINANCIALS GROUP (PRELIMINARY, UNAUDITED)

(EUR million)	Q4 2020	Q4 2019 ¹	Change	FY 2020	FY 2019 ¹	Change
Group revenue	91.2	89.7	+16 %	353.8	349.7	+1.2 %
Ordinary operating EBITDA ²	54.7	55.5	-1.4 %	212.3	209.3	+1.4 %
Ordinary operating EBITDA margin	60.0 %	61.8 %	-1.8 pp	60.0 %	59.9 %	+0.1 pp

¹ In accordance with IFRS 5, the previous year's figures were retrospectively adjusted for discontinued operations.

² Ordinary operating EBITDA corresponds to EBITDA adjusted for non-operating effects such as expenses for share-based payment, M&A activities, reorganisation, and strategic projects

Management Board Summary

"In 2020, we demonstrated to be a reliable and responsible partner in difficult times: We strengthened the relationships with our customers and created strong momentum for our continued successful growth. We have never lost sight of our strategic objectives. Through the ongoing enhancement of our digital product offering, we are progressing well with the development towards a comprehensive market network, thereby further expanding our addressable markets. This is also reflected in our diversified revenue mix, where consumer subscriptions and mandate leads are increasingly replacing revenues from private listings and 3rd party display. At the same time, we are thinking beyond the financials. As part of our 2020 strategy, we are making Scout24 an even more sustainable digital company with an enhanced impact on society and climate," comments Tobias Hartmann, CEO of Scout24 AG.

"Throughout the 2020 financial year, Scout24's business model has proven to be exceptionally resilient in the Covid-19 pandemic. In a difficult macro environment, we have operated successfully and reliably achieved our guidance. At the same time, our financial strength has given us the flexibility to make promising future-oriented investments. The extended lockdown and persistent uncertainties caused by Covid-19 make it difficult to deliver quantitative forecasts for the current financial year. However, we still feel confident with the revenue estimates formulated in December 2020. Accordingly, for 2021 we expect growth in the mid to high single-digit percentage range for the Residential Real Estate segment, slight growth for the Business Real Estate segment and declining to flat revenues in the Media & Other segment," explains Dirk Schmelzer, CFO of Scout24 AG.

Full-year Development 2020

Preliminary Group revenues rose by 1.2 % year-on-year to EUR 353.8 million (2019: EUR 349.7 million) in 2020, with the revenues of the immoverkauf24 acquisition contributing to this since the third quarter. The revenue performance fully meets the annual guidance, adjusted in August, of Group revenues in-line with the prior-year level.

Ordinary operating EBITDA for the 2020 financial year is expected to come in at EUR 212.3 million, an increase of 1.4 % compared to the prior-year figure (2019: EUR 209.3 million). The ordinary operating EBITDA margin reached 60.0 %, slightly up on the previous year (2019: 59.9 %). This is also in line with the guided Group ordinary operating EBITDA margin of around 60 %.

The business activities of Scout24 are divided into three segments - Residential Real Estate, Business Real Estate and Media & Other.

In the Residential Real Estate segment, revenues increased by 3.5 % from EUR 244.9 million to an expected EUR 253.4 million. This segment proved most resilient to the Covid-19 crisis due to a high proportion of contractually secured revenues from commercial customers such as real estate agents. Residential Real Estate Partner ARPU (average revenue per core customer per month) increased 2.5 % year over year. Declining revenues due to the free-to-list offer for private customers were more than offset by strongly growing revenues from consumer subscriptions (MieterPlus, KäuferPlus) and from the Realtor Lead Engine product (sales mandate leads, including immoverkauf24 revenues since the third quarter). The segment thus also met its forecast for the year of stable to slightly rising revenues. The segment's ordinary operating EBITDA margin remained stable at 63.2 % (2019: 63.2 %).

The Business Real Estate segment recorded a slight decrease in revenues of 0.7 %, from EUR 69.6 million in 2019 to an expected EUR 69.1 million in 2020. While contractually secured revenues with commercial agents remained stable year-on-year, revenues with project developers and new home builders showed a slight downward trend. However, this segment also met its forecast for the year. The ordinary operating EBITDA margin of the Business Real Estate segment increased year-on-year to 71.2 % (2019: 70.2 %).

Revenues in the Media & Other segment decreased in the 2020 financial year, primarily due to the shrinking 3rd party media business as a result of market and Covid-19 conditions, which were not compensated even by the growing ImmoScout24 Austria business. As a result, segment revenues declined by 12.1 % from EUR 35.3 million in fiscal 2019 to an expected EUR 31.0 million in fiscal year 2020. The segment thus also met the annual forecast of a revenue decline in the low double-digit percentage range. The segment's ordinary operating EBITDA margin decreased by 0.8 percentage points from 39.5 % in the 2019 financial year to 38.7 % in the 2020 financial year.

Fourth Quarter 2020 Development

In the fourth quarter of 2020, Scout24 generated the highest quarterly revenues of the financial year according to preliminary data. Consolidated revenues thus amounted to EUR 91.2 million, 1.6 % more than in the prior-year quarter (Q4 2019: EUR 89.7 million). In this context, the Residential Real Estate segment achieved growth of 5.1 % year-on-year to EUR 65.2 million, despite the continued free-to-list offering. The main reason for this, in addition to the robust partner business with stable ARPUs year-on-year, was the strong growth in revenues from consumer subscriptions and the Realtor Lead Engine product. In the Business Real Estate segment, quarterly revenues were down 3.9 % at EUR 17.5 million, with both agent business and developer business declining. Revenues in the Media & Other segment decreased by 13.5 % to EUR 8.3 million due to the shrinking advertising business and despite growing Austrian business.

Preliminary Group ordinary operating EBITDA amounted to EUR 54.7 million in the fourth quarter of 2020, 1.4% lower than in the fourth quarter of 2019 (EUR 55.5 million). This decrease is primarily attributable to the change in revenue mix described above. The Group ordinary operating EBITDA margin is expected to come in at 60.0 % compared to 61.8 % in the fourth quarter of 2019.

FINANCIALS AT A GLANCE (PRELIMINARY, UNAUDITED)

(EUR million, if not indicated otherwise)	Q4 2020	Q4 2019 ¹	Change	FY 2020	FY 2019 ¹	Change
External revenue of ImmoScout24 (without group functions/consolidation/other)	91.1	89.9	+1.3 %	353.5	349.8	+1.1 %
thereof Residential Real Estate	65.2	62.0	+5.1 %	253.4	244.9	+3.5 %
thereof Residential Real Estate Partners	46.3	42.6	+8.8 %	176.2	165.6	+6.4 %
<i>ARPU² Residential Real Estate Partners (EUR/month)</i>	<i>717</i>	<i>718</i>	<i>-0.2 %</i>	<i>716</i>	<i>698</i>	<i>+2.5 %</i>
thereof Consumers	18.9	19.4	-2.9 %	77.2	79.3	-2.7 %
thereof Business Real Estate	17.5	18.2	-3.9 %	69.1	69.6	-0.7 %
<i>ARPU² Business Real Estate Partners (EUR/month)</i>	<i>1,801</i>	<i>1,828</i>	<i>-1.5 %</i>	<i>1,754</i>	<i>1,761</i>	<i>-0.4 %</i>
thereof Media & Other	8.3	9.6	-13.5 %	31.0	35.3	-12.1 %
Ordinary operating EBITDA³ (without group functions/consolidation/other)	56.2	56.2	-0.1 %	221.3	217.6	+1.7 %
thereof Residential Real Estate	40.8	39.6	+3.1 %	160.1	154.8	+3.4 %
thereof Business Real Estate	12.4	13.6	-8.3 %	49.2	48.9	+0.7 %
thereof Media & Other	3.0	3.1	-5.1 %	12.0	13.9	-13.9 %
Ordinary operating EBITDA margin in % (without group functions/consolidation/other)	61.7 %	62.6 %	-0.9 pp	62.6 %	62.2 %	+0.4 pp
<i>thereof Residential Real Estate</i>	<i>62.6 %</i>	<i>63.8 %</i>	<i>-1.2 pp</i>	<i>63.2 %</i>	<i>63.2 %</i>	<i>+0.0 pp</i>
<i>thereof Business Real Estate</i>	<i>71.0 %</i>	<i>74.4 %</i>	<i>-3.4 pp</i>	<i>71.2 %</i>	<i>70.2 %</i>	<i>+1.0 pp</i>
<i>thereof Media & Other</i>	<i>35.5 %</i>	<i>32.3 %</i>	<i>+3.2 pp</i>	<i>38.7 %</i>	<i>39.5 %</i>	<i>-0.8 pp</i>

1 The prior-year figures have been adjusted retrospectively for discontinued operations in accordance with IFRS 5.

2 Average revenue per user per month, calculated over the revenue generated with the respective partners in the reported period divided by the average number of partners in this period, further divided by the number of months in the corresponding period.

3 Ordinary operating EBITDA corresponds to EBITDA adjusted for non-operating effects such as expenses for share-based payment, M&A activities, reorganisation, strategic projects.

Listings and Traffic

Activity on the ImmoScout24 marketplace was subject to sharp fluctuations as a result of various Covid-19 lockdown measures, declared in the financial year, during the two major infection waves in spring and starting in October 2020. The sharp decline in traffic in March was mitigated by the rapid implementation of the Covid-19 immediate action programme, in particular the free-to-list offer for private customers. Within less than four weeks, users and sessions were back above pre-crisis levels. Year-on-year, the number of monthly users (UMV) increased by 2.1 % to 13.8 million (average of individual months), while the number of sessions rose by 7.4 % to 101.4 million monthly visits.

Listing figures at the end of the year were below the previous year's level. In addition to Covid-19, this was driven by declining transaction numbers. However, while the numbers fell, transaction volumes rose, providing a good basis for business with real estate agents in particular.

NON-FINANCIAL PERFORMANCE INDICATORS

	FY 2020	FY 2019	Change
ImmoScout24.de listings ¹	416,973	434,116	-3.9 %
ImmoScout24.de monthly users (million) ²	13.8	13.5	+2.1 %
ImmoScout24.de monthly sessions (million) ³	101.4	94.4	+7.4 %

1 Source: ImmoScout24.de core data; listings in Germany (average as of the end of the month)

2 Unique monthly visitors (UMV) to ImmoScout24.de (average of the individual months), irrespective of how often they visit the marketplace during the month and irrespective of how many different platforms (desktop and mobile) they use; Source: AGOF e. V.

3 Number of all monthly visits (average of the individual months) in which individual users interact with the website or app via a device; a visit is considered completed if the user is inactive for 30 minutes or more; source: internal measurement using Google Analytics

Market Network Strategy

It is the clear goal of Scout24 to create a comprehensive ecosystem for real estate in Germany and Austria. Thus, ImmoScout24 is being expanded into a networked marketplace that efficiently covers all the needs of the main user groups and offers the best possible user experience. Within this network, real estate should not just be advertised and searched for. The entire process surrounding the sale and rent of real estate will be further digitised and monetised. This approach leads to a more diversified revenue base. Whereas five years ago, 85 % of revenues were generated with listings as the core product, in 2020 the percentage was 74 %. In contrast, a significantly larger share of revenue was generated with complementary products and services (leads and consumer subscriptions) related to real estate listings (2020: 23 %; 2015: 9 %), with the remainder (2020: 3 %; 2015: 6 %) coming primarily from the 3rd-party advertising business (excluding Austria and FLOWFACT). At the same time, the revenue structure is gaining both quality and continuity. Thus, the share of recurring revenues increased from 69 % in 2015 to 81 % in 2020.

Capital Structure and Repurchase Offer 2021

With the completion of the AutoScout24 transaction on April 1, 2020, Scout24 received net proceeds of EUR 2.8 billion resulting in a high net financial surplus. The company initially used the proceeds from the transaction to reduce its debt. Thus, a total of EUR 680 million in loans were repaid in fiscal 2020. In June 2020, a dividend (for the financial year 2019) of EUR 93.7 million was distributed. In addition, the Management Board has formulated a clear plan to return capital to shareholders. In a share buyback programme initiated in April 2020, shares worth EUR 483 million were repurchased via the stock exchange until the end of the year. The next milestone is a capital reduction, as approved by the Annual General Meeting at the proposal of the Management Board and Supervisory Board, by means of the repurchase and redemption of treasury shares with a volume of up to around EUR 1.0 billion. In addition, shares with a volume of around EUR 200 million are to be repurchased in 2021 via a regular share buyback programme. Including the share buyback programme in 2020, a total of up to EUR 1.7 billion is to be returned to shareholders.

The repurchase offer will be made exclusively under the laws of the Federal Republic of Germany. Shareholders located or domiciled, resident or habitually resident in the United States or who are acting for the account or benefit of such persons will not be eligible to participate in the repurchase offer. Offer documents, when issued, will not be distributed or sent into the United States. This communication does not constitute an offer to purchase securities or the solicitation of an offer to purchase securities in the United States, Germany or any other jurisdiction.

Further information on the capital reduction by way of repurchase and cancellation of treasury shares is available at: www.scout24.com/en/investors/share/repurchase-offer-2021.

Next Reporting Dates

Scout24 will publish its annual report for the financial year 2020 on Thursday, March 25, 2021.

About Scout24

Scout24 is one of the leading digital companies in Germany. With the digital marketplace ImmoScout24, for residential and commercial real estate, we successfully bring together homeowners, real estate agents, tenants, and buyers – and we have been doing so for more than 20 years. With around 13.8 million users per month, ImmoScout24 is the market leader for digital real estate listing and search. To digitise the process of real estate transactions, ImmoScout24 is continually developing new products and building up an ecosystem for renting, buying, and commercial real estate in Germany and Austria. Scout24 is a listed stock corporation (ISIN: DE000A12DM80, Ticker: G24) and member of the MDAX and the DAX50 ESG. Further information is available on [Twitter](#) and [LinkedIn](#). Since 2012, ImmoScout24 has also been active in the Austrian residential and business real estate market.

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Scout24 also uses alternative performance measures, not defined by IFRS, to describe the Scout24 Group's results of operations. These should not be viewed in isolation, but treated as supplementary information. The special items used to calculate some alternative performance measures arise from the integration of acquired businesses, restructuring measures, impairments, gains or losses resulting from divestitures and sales of shareholdings, and other expenses and income that generally do not arise in conjunction with Scout24's ordinary business activities. Alternative performance measures used by Scout24 are defined in the "Glossary" section of Scout24's Group Management Report 2019 which is available at www.scout24.com/financial-reports.

Due to rounding, numbers presented throughout this statement may not add up precisely to the totals indicated, and percentages may not precisely reflect the absolute figures for the same reason. Information on the quarterly financials has not been subject to audit and is thus preliminary.