

A photograph of two women running down a set of stairs. The woman in the foreground is wearing a brown leather jacket over a white shirt and light-colored trousers. She has blonde hair and is looking down with a determined expression. The woman behind her is wearing a grey jacket and blue jeans. The background is a light-colored stone wall.

The winner takes it all - not always

**Ulrich Gros – CFO of Immowelt
ICMA Madrid, October 22nd 2015**

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Immowelt & Immonet: two leading real estate portals in Germany – competitors until 2015



270 employees

located in Nuremberg

Founded in **1991**,
launched in **1996**

Focus on Germany



250 employees

located in Hamburg

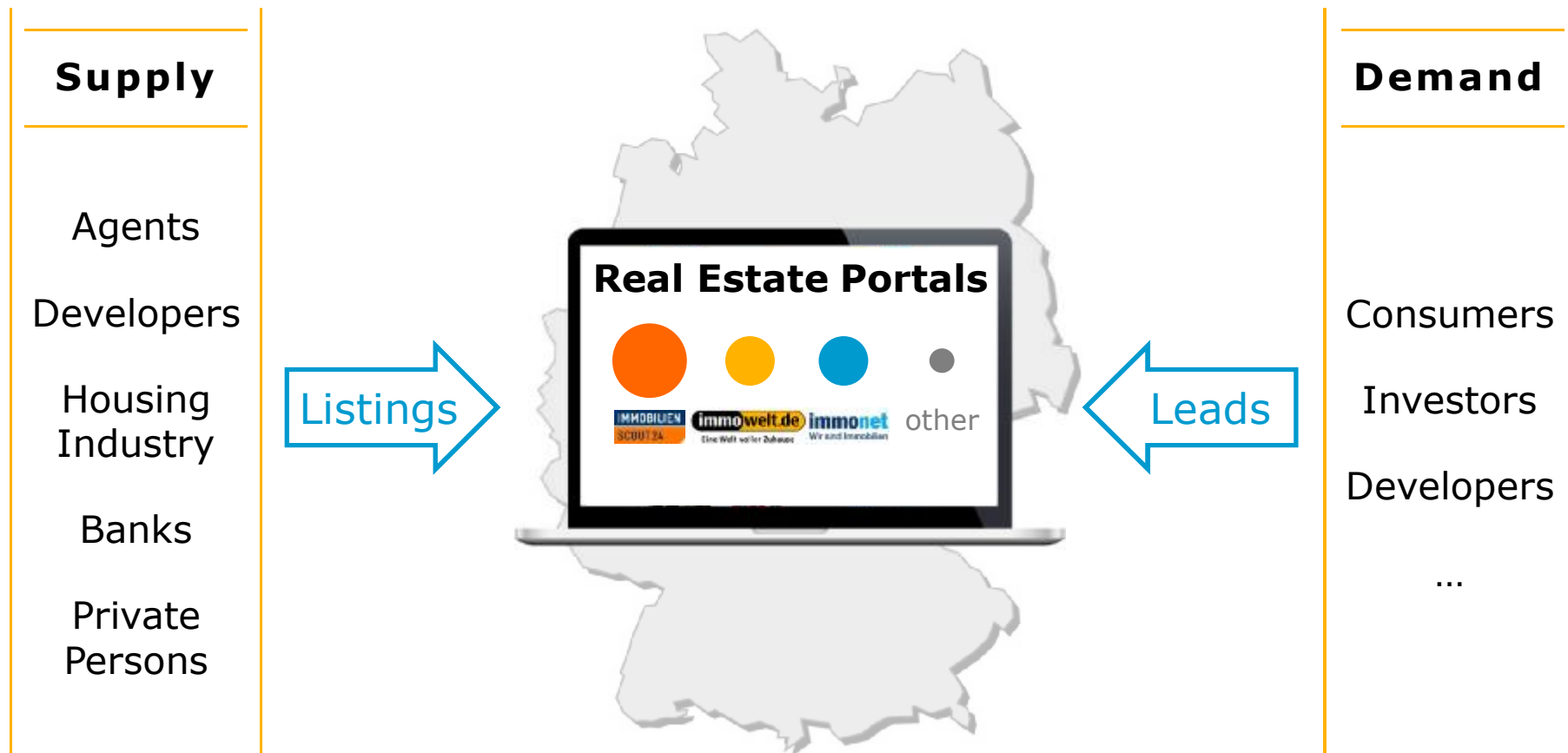
Launched in **2003**



two competitors
two powerful brands
both equal #2 in the market



In 2014 the German market for online RE classifieds was mature and established

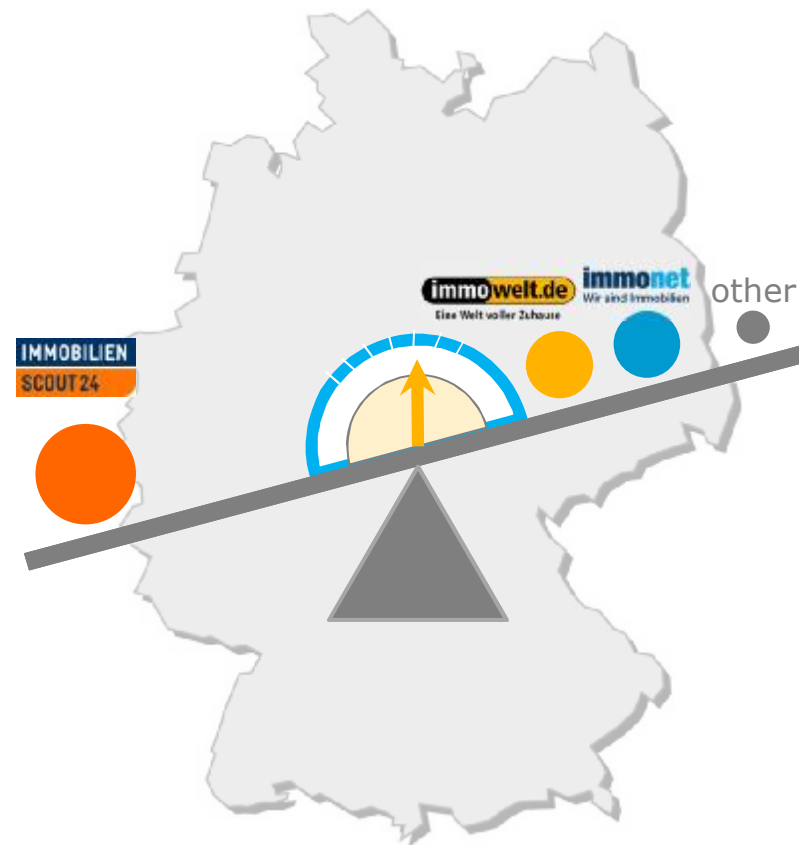


Note: simplified illustration

***But was this established market in balance?
Lets look at the market participants goals***

Supply

Demand



Note: simplified illustration

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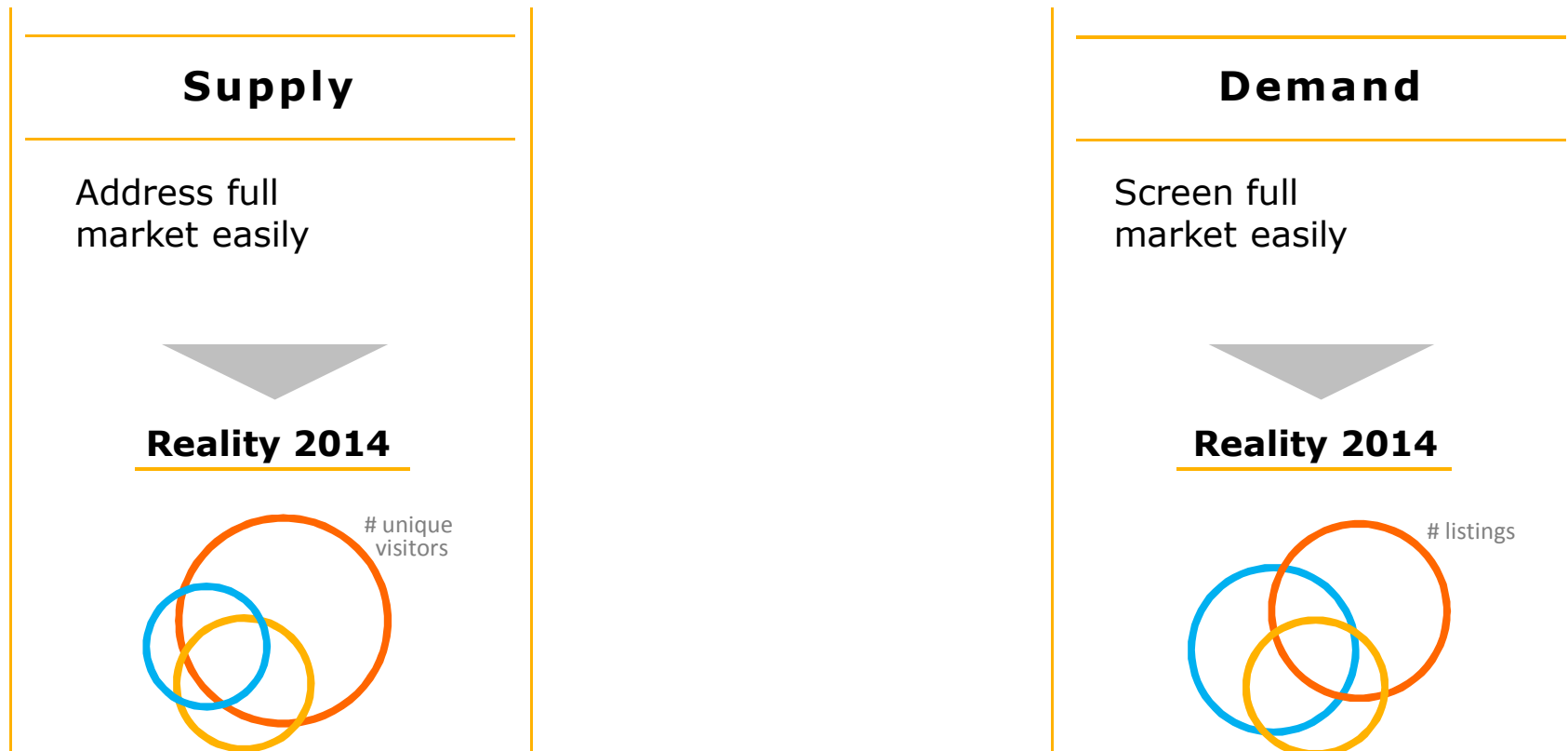
Key objectives of market participants – were they able to succeed?



Note: simplified illustration

15

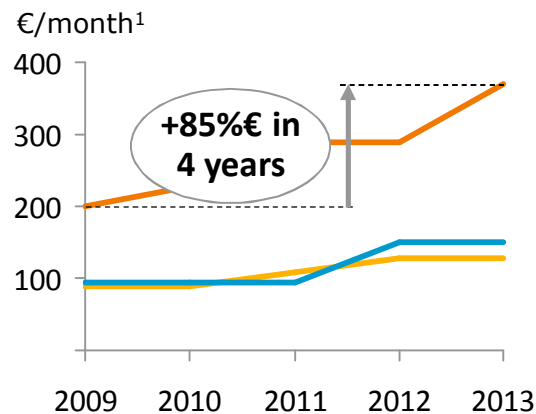
Supply/Demand: Access market easily? **For both sides not easy to cover full market**



2

Supply: Stable prices/ value for money? **IS24 prices are "extreme" and will continue**

Although their price is high..



„In the last five years
Scouts pricing policy
was **extreme** – this
brought agents to
withdraw listings“

Axel Kloth
Vice-President IVD²

..IS24 expects more to come



"The superior value that
leading digital classifieds
platforms provide [...] tend
to give them some **pricing**
headroom."

Scout24 AG
IPO Prospectus p. 193

Evolution of Monthly ARPU (€)



— IS24 — IW — IN

1. Monthly fee for 10 listings in Berlin
2. Largest German Real Estate Association
Sources: Portals, Scout24 AG prospectus, Brandeins Oct.2015

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Immowelt+Immonet: Full market coverage? **Not alone – but together high coverage**

()

**Regional search volumes are quite complementary –
so a combination of both portals makes a perfect fit**

**Search volume
per region**

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&



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Darker shade =
higher search volume

1) Graphs show search volume of top 10 regions in relation to
peak region on the map normalized at 100 (IW&IN values added)
Sources: Google trends, Oct. 2015


















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Immowelt+Immonet: Competitiveness/ scale? Not alone – but together comparable to IS24

()

DIMENSION	 	  
Employees (headcount)		 + PARTNERSHIP + PERSONAL CONTACT
Processes (value chain depth)		 + SERVICE LEVEL + SERVICE DEPTH
Branding (budget)		 + FOCUS & REACH + AWARENESS
Technology (usage)		 + MUCH FASTER + SCALE & EFFICIENCY
Software (engineering effort)		 + BEST OF 2 WORLDS + SCALE
Know-how (skills & experience)		 + INNOVATION + PROFESSIONALISM

Note: simplified illustration

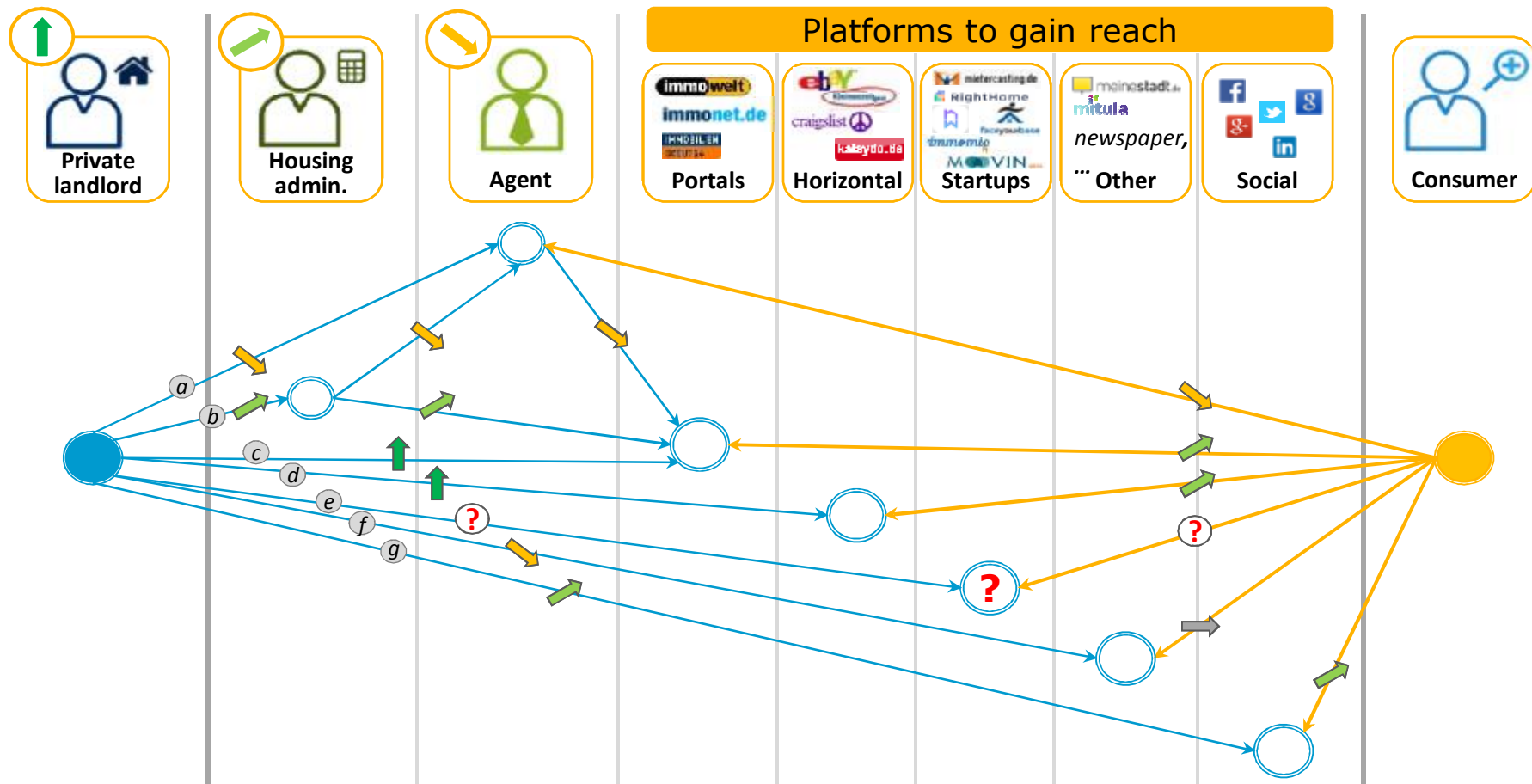
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Demand: Reliable, stable sources? Bestellerprinzip: game changer & startup push

EXPECTED CHANGES AFTER TENANT LAW REFORM



→ Supply
 ← Demand
 ↑ More importance expected
 ↓ Less importance expected

Note: simplified illustration
Sources: Immowelt, Immonet

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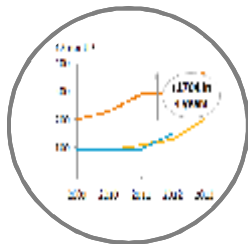
Altogether the ideal situation for Immowelt and Immonet to join forces!

Supply

Address full market easily



Stable prices/
value for money



Full market coverage

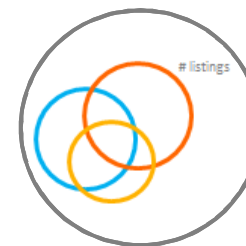


Competitive position/
scale



Demand

Screen full market easily

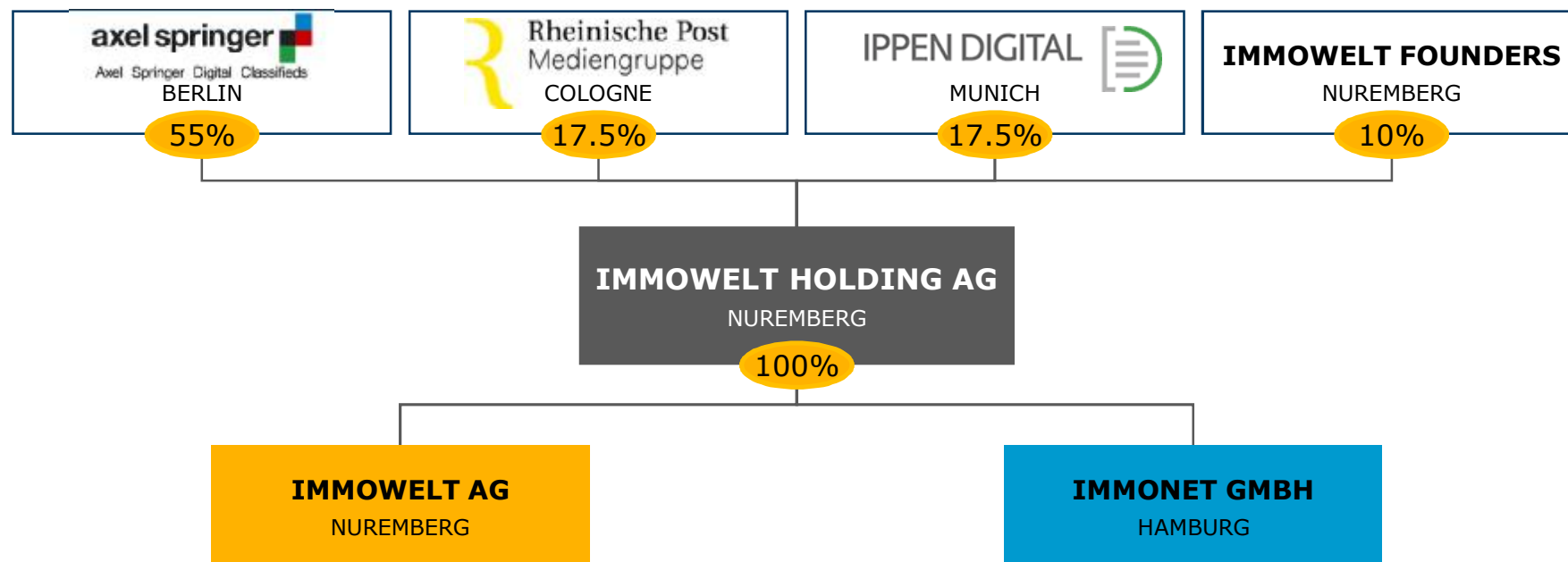


Reliable,
stable sources



Contracts were signed in February, integration started in April after antitrust approval

SHAREHOLDER STRUCTURE



Note: simplified illustration

Now we look forward with the ambition to grow – and invest for all our customers

GROWTH AND PROFESSIONALISM



MORE THAN

500

EMPLOYEES

NO

HEADCOUNT
REDUCTION

„DUO“ PRODUCT FAST & FLEXIBLE

FULL COVERAGE WITH
A SINGLE PRODUCT



FLEXIBLE PACKAGES
FROM 1 LISTING/ MONTH



POWERFUL BRAND BUILDING



LARGE MEDIA
NETWORK



STRONG
CAMPAIGN

*Currently we
run the biggest
campaign in the
company's history*

MORE
VISIBILITY

83%

BRAND AWARENESS

Source: Innofact AG, May 2015

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Our new product: the DUO-Partnership BOTH OF US - BETTER THAN ONE

MORE REACH

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MILLION
MONTHLY
VISITS

MORE SERVICE



***Wholehearted
service*** in Nuremberg
and Hamburg and one
personal contact

MORE TIME AND PARTNERSHIP

We always were and
stay ***partner of
RE professionals***



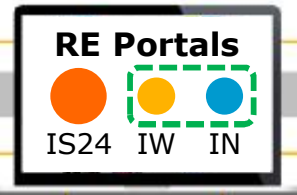
Faster publishing of
listing , ***faster***
responses, ***faster***
reaching the goals

With DUO we combine our strengths to deliver the best value to our customers

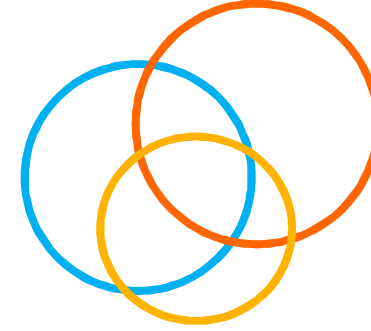
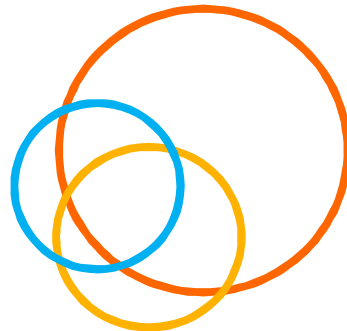
OBJECTIVE

**Until
mid
2015**

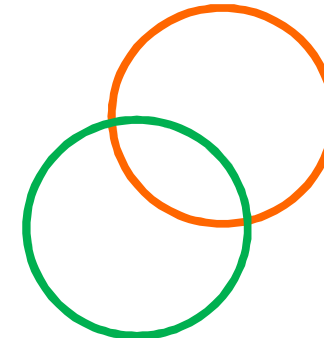
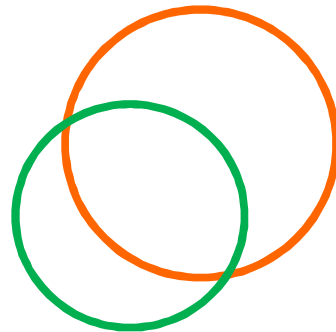
Supply side
(# unique visitors)



Demand side
(# listings)



**From
mid
2015**



— IS24 — IW — IN — IW+IN

Note: simplified illustration

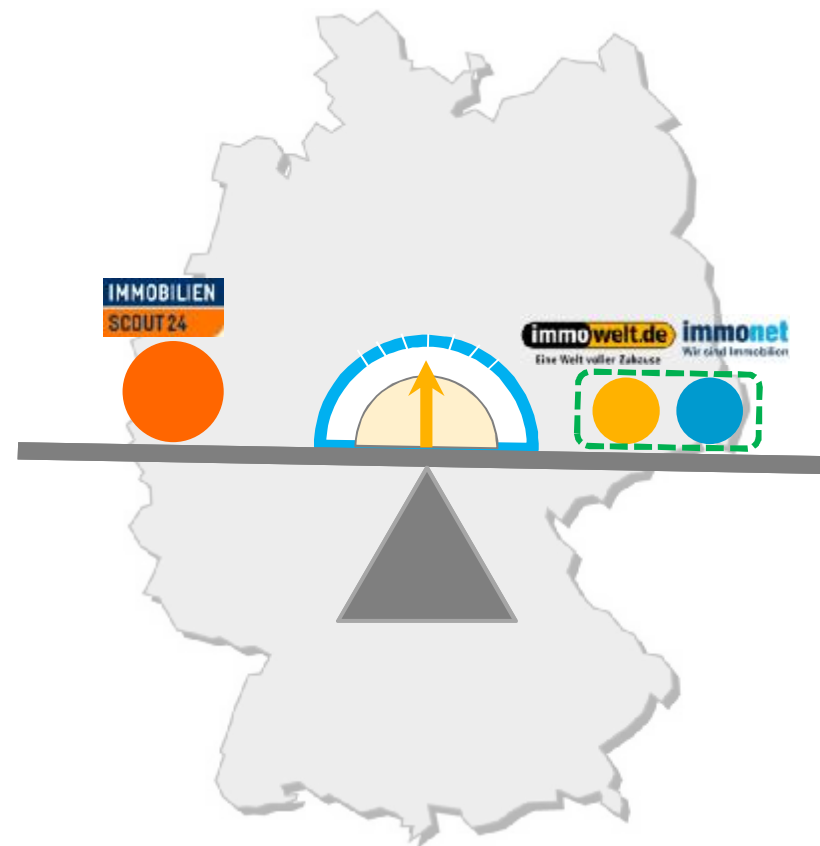
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Together we can change the game – from an uphill battle to eye level – and aim to win!

Supply

Demand



Note: simplified illustration (IW, IN and IS24 only)

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***THANK
YOU***