Audit opinion as of December 31, 2009

Auditors' report

We have audited the annual financial statements, consisting of the balance sheet, the statement of income, and the notes to the financial statements, together with the bookkeeping system and the management report of Scout24 Holding GmbH, Munich, for the business year from January 1 to December 31, 2009. The maintenance of books and records and the preparation of the annual financial statements and the management report in accordance with German commercial law are the responsibility of the Company's management. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and the management report based on our audit.

We conducted our audit of the annual financial statements in accordance with § 317 of the German Commercial Code (*Handelsgesetzbuch* – HGB) and the generally accepted German standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer in Deutschland (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 annual financial statements in conformity with German principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and evaluations of possible misstatements 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 books and records, the annual financial statements, and the management report are examined primarily on a test basis within the framework of the audit. The audit includes an assessment of the accounting principles used and significant estimates made by the Company's management, as well as an evaluation of the overall presentation of the annual financial statements and the management report. We believe that our audit provides a reasonable basis for our opinion.

This translation is for courtesy purposes only. The German original prevails.

Our audit has not led to any reservations.

In our opinion, based on our findings from our audit, the annual financial statements are in line with statutory requirements and give a true and fair view of the net assets, financial position, and results of operations of the Company in accordance with German principles of proper accounting. The management report is consistent with the annual financial statements and as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development.

Munich, March 5, 2010

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Andreas Fell Carsten Tanzer Auditor Auditor

This translation is for courtesy purposes only. The German original prevails.

Scout24 Holding GmbH, Munich

Management report for the 2009 financial year

I) General explanations

Scout24 Holding GmbH is a wholly-owned subsidiary of Deutsche Telekom AG, Bonn, which is also the highest-tier parent company.

Scout24 Holding GmbH, Munich and its subsidiaries are included in the consolidated financial statements of Deutsche Telekom AG, Bonn.

Pursuant to § 291 German Commercial Code, (*Handelsgesetzbuch* – HGB), the Scout24 Group, with Scout24 Holding GmbH as the parent, is exempt from the duty to prepare consolidated financial statements.

The purpose of Scout24 Holding GmbH is the acquisition and management of investments in companies that offer online Internet services, as well as performing all directly-related actions and measures.

Scout24 Holding GmbH's most important direct and indirect equity investments include the operators of the online marketplaces: "autoscout24.de", "immobilienscout24.de," "jobscout24.de," "financescout24.de" and "friendscout24.de." These operators are the market leaders in their respective segment in Germany or at least among the largest market participants.

In addition, the Company has an indirect interest in Scout24 Schweiz AG, Wünnewil-Flamatt, Switzerland. Scout24 Schweiz AG operates the online marketplaces, "ImmoScout24," "AutoScout24," "topjobs" and "JobScout24" in Switzerland.

The "local24.de" online marketplace is operated by Scout24 Holding GmbH.

Scout24 Holding GmbH manages the Scout24 Group both strategically and financially and provides services to that end across the Group.

This translation is for courtesy purposes only. The German original prevails.

II) Economic environment

According to a publication of the German Federal Ministry of Finance (*Bundesfinanzministerium*), the economic environment developed as follows:

Beginning at the end of 2008, Germany saw a drastic decline in economic activity in the wake of the global economic and financial crisis. This decline continued unabated in 2009. Industrial production fell to an extent not previously seen and, at its economic low point in April of this year, was around 30 percent lower than one year before. A slow economic recovery began in the 2nd quarter of 2009, which continued at a faster pace in the 3rd quarter. For example, gross domestic product (GDP) rose quarter-on-quarter by 0.4 percent in the 2nd quarter and by 0.7 percent in the 3rd quarter (in each case adjusted for price, calendar and season). While the economic recovery appears to be solidifying, the severity of the economic decline can still be read from a comparison to the previous year. Economic output in the 3rd quarter of 2009 was 4.7 percent lower in real terms than in the comparable prior-year period.

Overall, the German Federal Ministry of Finance expects a decline in macroeconomic activity of 5.0 percent in real terms for 2009. Real GDP growth of 1.2 percent is expected for 2010.

III) Industry and competitive environment

The opportunities and risks that arise in connection with the changes in market conditions at the Scout24 companies with active platform marketing are of material significance for the earnings performance of Scout24 Holding GmbH. In this regard, Immobilien Scout GmbH, Berlin, and AutoScout24 GmbH, Munich, contribute the largest shares to the reporting company's earnings.

Even if all active Scout24 companies go on the market with a single comparable platform from an IT perspective in order to combine supply and demand for particular products or services, the target groups operate in different general conditions with respect to their industry and competition.

This translation is for courtesy purposes only. The German original prevails.

AutoScout24 GmbH, Munich:

At AutoScout24 GmbH the industry environment is characterized by a decline in changes in owner registrations since 2008.

The online ad market for used vehicles in Germany continues to be dominated by AutoScout24 GmbH and mobile.international GmbH. This success is attributable not only to the extensive offering of vehicles, the continuing large number of dealer locations tied by contract to AutoScout24 GmbH, Munich in spite of the crisis, and to new products in 2009, but also to a large extent to brand recognition.

The German "cash for clunkers" program created a boom in demand for new vehicles in 2009, so that the number of new registrations increased. Even the business vehicle market, which was weakened by the economic uncertainty, was unable to slow this boom. Private consumers with demand for smaller autos pushed forward their purchases of new vehicles. As a result, the market for new company vehicles will grow in 2010 and the market for new private vehicles will decline.

The Internet was the most important source of information for automotive trading by a significant margin. According to various market studies, between 75 and 90 percent of those surveyed use the Internet when searching for a vehicle.

Immobilien Scout GmbH, Berlin:

In 2009, Immobilien Scout GmbH also retained its position as the most used marketplace for residential property in the German-language Internet. Immobilien Scout GmbH further expanded its advantage over other real estate portals in the final months of the year under review. When searching for property, 88 percent of all Internet users deliberately go to the market leader's website. This result is also reflected in the real estate portal's track record: Almost one out of every three searchers find their desired new property through Immobilien Scout GmbH and the trend is increasing. Other real estate portals such as Immowelt or Immonet are far behind in this respect. Just 7.3 percent (Immonet) and 5 percent (Immowelt) of searchers actually find what they are looking for at these portals (source: W3B study by the Hamburger market research institute Fittkau & Maas 12/2009).

The growing use of Immobilien Scout GmbH's Internet portal by individuals looking for real estate is highly attractive to both professional as well as private sellers. The number of real estate vendors also increased again year-on-year. In 2009, the number of commercial vendors with listing products increased from more than 28,000 in the prior year to approximately 29,000. In addition, almost 70,000 vendors use the EASY product each month.

This translation is for courtesy purposes only. The German original prevails.

JobScout24 GmbH, Munich:

The economic situation, which has been deteriorating since the end of September 2008, had a considerable impact on the job classifieds business. The economic situation resulted in major uncertainty in the labor market. Significant industry and service segments stopped hiring, introduced reduced working hours (e.g., automotive industry) or had waves of layoffs. Small and medium-sized suppliers were also affected. Only necessary jobs were filled, demand fell significantly and very quickly.

The overall industry posted revenue declines of between 20 percent and 40 percent in 2009. The downward development in the help wanted ads market started at the beginning of the financial crisis and did not stabilize until towards the end of the year, at a very low level.

FriendScout24 GmbH, Munich

Even if vast parts of the dating industry reported January 2009 as one of the best months in their existence, 2009 as a whole cannot live up to the double-digit growth rates of the recent past. Excluding the industry-specific interim high at the beginning of the year, typically resulting from singles with New Year's resolutions to look for a partner, the market shows stagnating to declining momentum.

The worldwide financial and economic crisis is one of the primary causes for these market conditions.

Besides FriendScout24, only two other major competitors remain in the German market. Meetic, the French provider, had already acquired the German platform, Neu.de, at the end of 2007 and took over the German business of Match.com in mid-2009. Though the Neu.de brand is focusing marketing activities in Germany, Meetic and Match (continue) to scale back. In addition to Neu.de and Meetic, iLove must be classified as the second relevant competitor.

This translation is for courtesy purposes only. The German original prevails.

IV) Revenue and earnings performance

Net revenue of EUR 4,125 thousand is chiefly composed of income from brand and domain licenses (EUR 2,158 thousand), from internal cost charging with Scout24 companies (EUR 1,614 thousand) and from revenues from third parties (EUR 289 thousand).

Compared with the previous year, **net revenue** rose by EUR 1,471 thousand (+55 percent), from EUR 2,654 thousand to EUR 4,125 thousand. The increase in net revenue is essentially due to the income from brand and domain licenses.

Other operating income totaling EUR 951 thousand is below the prior-year level (EUR 2,077 thousand). The decline was caused primarily by lower foreign currency gains totaling EUR 126 thousand (previous year: EUR 798 thousand) and income from the disposal of property, plant and equipment of EUR 1 thousand (previous year: EUR 491 thousand), while income from the reversal of accruals increased to EUR 627 thousand (previous year: EUR 490 thousand).

At EUR 146 thousand, **expenses relating to goods and services purchased** in 2009 was EUR -124 thousand (-46 percent) below the 2008 level (EUR 270 thousand).

The proportion of net revenue (EUR 1,967 thousand) attributable to expenses relating to goods and services purchased (EUR 146 thousand) is 8 percent, below the prior-year level of 10 percent. Revenues of EUR 2,158 thousand from brand and domain licenses in the year under review were not included in this treatment as, except for amortization or write-downs, they are not offset by expenses relating to goods and services purchased.

Personnel expenses rose by EUR 567 thousand (+9 percent), predominantly from the increase in the average headcount in 2009.

Depreciation, amortization and write-downs of noncurrent assets increased by EUR 3,082 thousand (418 percent) due to higher capital spending. The amortization over a period of 15 years of the acquisition price paid for trademarks and domain addresses resulted in a EUR 2,141 thousand increase in annual amortization expense. In addition,

This translation is for courtesy purposes only. The German original prevails.

higher capital expenditures for software increased amortization in the year under review by EUR 868 thousand.

Overall, **other operating expenses** in 2009 (EUR 7,031 thousand) declined by EUR 3,387 thousand or -33 percent compared with 2008 (EUR 10,418 thousand).

Specifically, these expenses were as follows:

General and administrative expenses declined by EUR 1,302 thousand (-24 percent), primarily due to the decrease in expenses for IT services of EUR 338 thousand and the reduction in expenses for recruitment totaling EUR 369 thousand.

Marketing expenses declined year-on-year by EUR 957 thousand (-49 percent). This resulted from a reduction in costs for public relations (EUR 271 thousand), for online marketing (EUR 509 thousand) and for offline marketing (EUR 256 thousand). However, these were offset by higher expenses for market research totaling EUR 125 thousand.

Consulting fees fell by EUR 786 thousand (-31 percent) as a result of a decrease in tax consulting fees of EUR 399 thousand (insourcing of the tax department) and a reduction in other consulting services of EUR 349 thousand.

Travel and entertainment expenses declined by EUR 161 thousand in 2009 (-38 percent), in particular through reduction in event costs of EUR 175 thousand.

Net interest expense improved year-on-year from EUR -19,667 thousand to EUR -5,766 thousand in the year under review.

Interest income declined due to the repayment of loans provided by Scout24 Holding GmbH to Scout24 companies. In return, these Scout24 companies are provided liquidity through the cash pooling at Scout24 Holding GmbH. Interest income also reflects the overall reduction in market interest rates for bank balances.

The significant decline in interest expense is rooted foremost in the almost complete repayment of the reporting company's loan liabilities in connection with the recapitalization. The aforementioned effect of the continually declining interest rate level also impacted the interest charged for the utilization of liquidity in favor of the reporting company.

Finance income in the year under review was EUR 0 thousand. In contrast, Immobilien Scout GmbH, Berlin made a dividend distribution of EUR 13,279 thousand during the previous year.

This translation is for courtesy purposes only. The German original prevails.

Income from profit and loss transfer agreements totaling EUR 121,592 thousand was realized in the year under review. This includes Immobilien Scout GmbH, Berlin with EUR 60,684 thousand (previous year: EUR 39,492 thousand), AutoScout24 GmbH, Munich with EUR 50,626 thousand (previous year: EUR 27,051 thousand) and FriendScout24 GmbH, Munich with EUR 10,282 thousand (previous year: EUR 12,179 thousand). Income from profit and loss transfer agreements in the previous year was EUR 78,722 thousand. Income from profit and loss transfer agreements in the year under review thus increased by EUR 42,870 thousand (+54 percent).

As in the previous year, Immobilien Scout GmbH, Berlin, and AutoScout24 GmbH, Munich, were the two Scout24 companies that realized by far the highest net income before profit transfers. Immobilien Scout GmbH, Berlin, is the market leader in Germany and is continually expanding its position. AutoScout24 GmbH, Munich, has the leading market position in Germany and is the market leader or in a leading market position in key European countries.

Expenses arising from loss absorption in the year under review totaled EUR 25,239 thousand, an increase of EUR 20,351 thousand (+416 percent) from the prior year (EUR 4,888 thousand).

These expenses comprised loss absorptions from the following companies: JobScout24 GmbH, Munich totaling EUR 21,868 thousand (previous year: EUR 3,550 thousand), FinanceScout24 GmbH, Munich totaling EUR 2,928 thousand (previous year: EUR 593 thousand), and Scout24 GmbH, Munich totaling EUR 443 thousand (previous year: EUR 745 thousand).

The **result from ordinary business activities** increased by EUR 23,349 thousand (+43 percent) in the year under review, from EUR 54,469 thousand in the previous year to EUR 77,818 thousand.

The increase of EUR 23,349 thousand in the result from ordinary business activities is primarily attributable to the following effects:

- increase in income from profit transfers totaling EUR 42,870 thousand

- increase in expenses from loss absorptions totaling EUR 20,351 thousand. The increase in expenses from loss absorption at JobScout24 GmbH, Munich resulted

This translation is for courtesy purposes only. The German original prevails.

from the incurrence of a liability, together with interest, of EUR 18,894 thousand as of December 31, 2009 to Deutsche Telekom Value Added Services Austria GmbH, Vienna.

Net income for the 2009 financial year of EUR 77,819 thousand (previous year: EUR 54,450 thousand) will be transferred in connection with the profit and loss transfer agreement to Deutsche Telekom AG, Bonn.

V) Notes on significant financial performance indicators

Scout24 Holding GmbH's significant **financial** performance indicators developed as follows year-on-year:

EBIT
2008: EUR 74,136 thousand
2009: EUR 83,584 thousand

EBIT (earnings before interest, taxes and extraordinary income) before profit/loss transfer for the financial year just ended of EUR 83,584 thousand increased by EUR 9,448 thousand compared with the previous year. Taking into account the 2009 loss absorptions, the profit and loss transfer agreements contributed EUR 22,520 thousand more to EBIT year-on-year. However, no income related to associated and related companies was collected in 2009 (previous year: EUR 13,279 thousand).

EBIT is almost completely determined by income from profit transfers, expenses from loss absorption, and income related to associated and related companies. The respective economic market success of a Scout24 company bound to the reporting company by means of a profit and loss transfer agreement has an impact on Scout24 Holding GmbH's overall results.

The remaining income and expenses of Scout24 Holding GmbH can be planned reliably as the incurrence of costs and the income are largely constant. With the exception of the "local24.de" platform, Scout24 Holding GmbH does not have to control any business model directly dependent on a third market.

This translation is for courtesy purposes only. The German original prevails.

Working capital ratio from third-party trade receivables/liabilities:
2008: 9.9 percent
2009: 3.8 percent

In addition to the effect of the comparison only as of the closing date, as of December 31, 2009 there were fewer open receivables from goods and services than as of December 31, 2008, due to consistent collection.

Working capital ratio from financing relationships (cash pool, loans):
2008: 13 percent
2009: 28 percent

This indicator rose as a result of an increase in positive incoming payments by the Scout24 Group in the current financial year, which correspondingly increased the credit balance with the cash pool manager, Deutsche Telekom AG, Bonn.

Ratio of noncurrent assets to current assets
2008: 316 percent
2009: 208 percent

Financial assets/equity investments (i.e., subsidiaries, associated and related companies) are by far the largest reportable asset items in the balance sheet in accordance with the described corporate purpose. The acquisition of trademarks and domain rights gave rise to extraordinarily high additions in 2009.

Noncurrent assets
2008: EUR 499,399 thousand
2009: EUR 585,583 thousand

The acquisition of trademarks and domain rights for EUR 32,113 thousand as well as the increases in equity investments through payments into their additional paid-in capital totaling EUR 55,871 thousand explain the significant increase in the balance as of the closing date.

VI) Net worth and financial position

Total assets increased year-on-year by 33 percent from EUR 651,757 thousand to EUR 866,785 thousand.

Noncurrent assets rose by a total of EUR 86,184 thousand (+17 percent) in the 2009 financial year. The increase in noncurrent assets resulted primarily from the increase of EUR 32,113 thousand in additions recognized under intangible assets for the acquisition of

This translation is for courtesy purposes only. The German original prevails.

trademarks and domain addresses and the increase of EUR 55,871 thousand in the carrying amounts of equity investments.

Total capital expenditures in the 2009 financial year were EUR 90,004 thousand (previous year: EUR 2,340 thousand).

Trade receivables declined by EUR 123 thousand (-72 percent) compared with the last closing date. This change arose chiefly from the incoming payment of EUR 83 thousand in 2009 on a single invoice from 2008.

Receivables from subsidiaries increased by EUR 128,977 thousand (+86 percent) compared with the last closing date. This increase was initially due to EUR 42,869 thousand higher receivables from profit and loss transfers and a EUR 104,003 thousand higher cash pool balance at Deutsche Telekom AG, Bonn. In contrast, loan receivables declined in connection with the recapitalization and primarily by EUR 19,203 thousand through the repayment of a loan by Deutsche Telekom AG, Bonn.

Other assets in the year under review were EUR 50 thousand (previous year: EUR 249 thousand). The significant reduction is due mainly to the realization of the items existing on the prior year's closing date. As of December 31, 2009, this item comprises travel expense advances totaling EUR 8 thousand and prepayments on goods and services of EUR 42 thousand.

Prepaid expenses and deferred charges increased from EUR 39 thousand to EUR 229 thousand as a result of cumulatively accrued supplier invoices already paid as measured on the reporting date for goods and services relating to periods after the reporting date. These accrued cash outflows will be properly recognized as expenses in the following year.

Additional paid-in capital increased by EUR 99,000 thousand through a payment received from the parent, Deutsche Telekom AG, Bonn. In an agreement dated May 18, 2009, Deutsche Telekom AG, Bonn undertook to make a payment in this amount on behalf of Scout24 Holding GmbH to additional paid-in capital pursuant to § 272 (2) no. 4 HGB. The payment was made on May 20, 2009.

This translation is for courtesy purposes only. The German original prevails.

Accruals declined by EUR 1,115 thousand year-on-year. This is largely a result of the decline in other accruals for trailing supplier invoices (primarily marketing) (EUR -705 thousand) and from the reduction of personnel-related accruals (EUR -381 thousand).

Trade payables declined by EUR 453 thousand (-26 percent) year-on-year. This is in part attributable to the reporting date effect, as well as to the fact that several large invoices received in 2008 from marketing suppliers and invoices related to noncurrent assets were not paid until January 2009.

Liabilities to subsidiaries increased over the previous year's reporting date by EUR 117,626 thousand (+24 percent).

The increase of EUR 117,626 thousand as of the reporting date resulted from liabilities still open from the settlement for supplier identification (EUR 17,480 thousand), higher disclosure of liabilities from profit/loss transfers (EUR 43,533 thousand) and increased liabilities from the cash pool (EUR 117,058 thousand). This is partially offset by reduced loan and interest liabilities as a result of the recapitalization measures totaling EUR 60,248 thousand.

Other liabilities remained virtually unchanged and totaled EUR 133 thousand (previous year: EUR 110 thousand). These include tax liabilities of EUR 124 thousand (previous year: EUR 102 thousand) for wage and church taxes yet to be passed on.

At EUR 116 thousand, **deferred income** was 31 percent below the previous year's level of EUR 169 thousand. Substantively, this does not comprise any additional unique items because it is a pure reporting date treatment. The deferred revenue will be properly recognized in the following year.

The parent, Deutsche Telekom AG, Bonn, has issued the following **financing measures** and **comfort letter**:

- The loan of EUR 322,491 thousand issued in 2007 was extended in writing on March 27, 2009 until July 24, 2011.

- A comfort letter in effect until April 30, 2010 for EUR 20,000 thousand was issued on April 7, 2009.

This translation is for courtesy purposes only. The German original prevails.

In addition, the Scout24 Group is integrated into the Group-wide cash pooling system at Deutsche Telekom AG, Bonn. Accordingly, the Scout24 Group can request liquidity at any time without restriction as to the period or amount.

VII) Human Resources

As of December 31, 2009, Scout24 Holding GmbH had a total staff of 70 full-time and 3 part-time employees. As of December 31, 2008, the total headcount was 59 full-time and 2 part-time employees.

Taken as an annual average, the Company had 70 full-time and 2 part-time employees in 2009. The previous year's average was 55 full-time employees and 1 part-time employee.

VIII) Capex

2009 capital expenditure on property, plant and equipment and intangible assets totaled EUR 34,132 thousand (previous year: EUR 2,346 thousand).

Of that amount, EUR 33,775 thousand (prior year: EUR 1,588 thousand) was attributable to **intangible assets**. The acquisition of trademarks and domain addresses by Deutsche Telekom Value Added Services GmbH, Vienna, for EUR 32,113 thousand represents by far the largest single item for capital spending on intangible fixed assets in the financial year just ended.

Additional capital expenditures relate to purchased software development in the IT platforms (EUR 315 thousand), the acquisition, adaptation and installation of new software for the reporting of financial statement, financial, and consolidation data, as well as KPIs from Scout24 companies to Scout24 Holding GmbH totaling EUR 868 thousand, and the acquisition, adaptation and installation of a new human resource management and information system totaling EUR 65 thousand.

Capital expenditures for **property, plant and equipment** totaled EUR 366 thousand (previous year: EUR 758 thousand) and comprise office equipment, IT hardware, and leasehold improvements. The majority of the capitalizable renovation work totaling EUR 632 thousand was carried out in the previous year.

Financial assets increased by a total of EUR 55,872 thousand. Of that amount, EUR 55,567 thousand was attributable to the equity interest in Scout24 AG, Baar,

This translation is for courtesy purposes only. The German original prevails.

Switzerland (business address: Rosenheimer Str. 143b, D-81671 Munich). The increase was made by direct payments by the reporting company into the additional paid-in capital of the second-tier subsidiaries JobScout24 GmbH, Munich, of EUR 36,904 thousand and FinanceScout24 GmbH, Munich, of EUR 18,663 thousand.

In the year under review, Scout24 Holding GmbH acquired a 24.96 percent direct interest in Scout24 S.L. (in liquidation), Madrid, Spain by paying EUR 1 thousand into the capital stock and EUR 253 thousand to the subsidiary's additional paid-in capital.

The direct equity interest in Scout24 Verwaltungs- & Beteiligungsgesellschaft mbH was increased by EUR 50 thousand. This was also made by a payment by the reporting company into the additional paid-in capital.

The EUR 1 thousand increase in the equity investment in Immobilien Scout GmbH, Berlin resulted from the conversion of the subsidiary's capital stock to the euro, approved on May 20, 2009, and the related increase in the capital contribution of Scout24 Holding GmbH of EUR 1 thousand to EUR 87 thousand.

IX) Opportunities and risks associated with future development

Internet business remains on a growth trend. The business models for classified advertising are shifting from offline business towards online business. It is this change in particular that provides growth potential to all Scout24 business models.

The Scout24 Group retains its excellent positioning thanks to a high degree of brand recognition and large number of users combined with a ranking as the market leader or in a leading market position.
Overall, we therefore see the Scout24 companies operating on the market on a continued growth trajectory. Immobilien Scout GmbH, the Autoscout24 Group and FriendScout24 GmbH are the strongest growth drivers.

However, growth potential is being displaced by an ever-increasing risk of recession emerging in Germany. This will not completely bypass the Internet business market without a trace. The overall scope and the estimate of the effects on the growth rates of the Scout24 Group cannot currently be definitively forecast.

Scout24 Holding GmbH evaluates the significant opportunities and risks to the development of the Group overall as part of the annual budget planning process. The planning process covers the current year and the three subsequent years. To derive the integrated financial budget both the industry and competitive environment as well as the

This translation is for courtesy purposes only. The German original prevails.

general market development are analyzed and the opportunities and risks arising for the Company are evaluated accordingly. The itemized opportunities and risks that are estimated when the budget is prepared are re-verified during the year in additional budget updates for the current year so that the opportunities and risks for the Scout24 Group are evaluated quarterly.

For the 2010 financial year we expect to see stagnation in the German economy that, from today's perspective, could trigger a recessive development of the overall economy. However, opportunities for the Scout24 Group as an Internet marketplace also arise from a general increase in the use of the Internet in Germany and Europe in spite of the generally expected stagnation in Germany. The current expansion of infrastructure in Germany is giving an ever-increasing percentage of the German population the ability to access services of the World Wide Web and thus to also use the Scout24 Group's offering.

Market-based factors

Risks related to a change in market conditions at the Scout24 companies involved in active platform marketing are of material significance for Scout24 Holding GmbH. The development of these markets is closely linked to the development of the overall economy. In Germany, the industry remains characterized by predatory competition. Management considers the fallout of the financial market crisis, which can result in a sharply increasing number of insolvencies, among other things, to be of material significance to Scout24 Holding GmbH. This can have a substantial influence on the existing customer base and on the planned new acquisition rates in the markets in which Scout24 companies actively generate revenue and income.

On the other hand, there is an opportunity that Internet marketplaces can be used as additional sales tools in the consolidating market and that the number of possible users rises at the Scout24 companies involved in active platform marketing. The looming consolidation effects will increase in the coming years. We see this opportunity as probable. It is a determining parameter for the future growth of the Scout24 Group.

Other internal factors

In spite of the recession, there is a current scarcity in two areas of the labor market. For one, recruiting IT and software development specialists is difficult. For another, experienced job applicants are lacking in the field of online marketing. Scout24 Holding GmbH has therefore established its own online marketing trainee program in order to specifically target attracting job applicants for online marketing as well as to create the basis for establishing loyalty to the Company at an early stage. Scout24 Holding GmbH is

This translation is for courtesy purposes only. The German original prevails.

confident it will be able to successfully recruit new employees in these fields due to the Company's high name recognition and the strong attractiveness of its location.

Financial and non-financial steering parameters:
Scout24 Holding GmbH's business is controlled using financial and non-financial steering parameters. Management utilizes the key performance indicators: revenue, EBIT, earnings after taxes, various forms of working capital, noncurrent assets and capital expenditures as material financial steering parameters. The development of these key performance indicators was discussed in the presentation of revenue and earnings performance.

X) Outlook for the coming two years

The current economic situation in Germany remains characterized by major uncertainties. The consequences of the financial crisis remain unclear; neither the duration nor extent of the crisis can be forecast reliably. Generally, however, one must brace oneself for a longer continuation of the recession.

As discussed under **result from ordinary business activities**, Scout24 companies with an active business model and their economic success in the market determine the reporting company's net income almost completely. Scout24 Holding GmbH therefore strives, among other things, to support companies such as Immobilien Scout GmbH, Berlin, AutoScout24 GmbH, Munich, FriendScout24 GmbH, Munich, FinanceScout24 GmbH, Munich, JobScout24 GmbH, Munich and Scout24 GmbH in order to ensure and further expand their market success.

This translation is for courtesy purposes only. The German original prevails.

We expect revenue and EBIT at the domestic companies listed below to develop as follows:

	2010
Immobilien Scout GmbH, Berlin	millions of €
-Revenue	127.5
-EBITDA	55.9
-EBIT	52.1
AutoScout24 GmbH, Munich	millions of €
-Revenue	80.6
-EBITDA	14.3
-EBIT	8.3
FriendScout24 GmbH, Munich	millions of €
-Revenue	44.6
-EBITDA	3.7
-EBIT	3.0
FinanceScout24 GmbH, Munich	millions of €
-Revenue	14.7
-EBITDA	-2.1
-EBIT	-2.5
JobScout24 GmbH, Munich	millions of €
Revenue	6.6
-EBITDA	-0.7
-EBIT	-0.9

	2010	2011
Total:	**millions of €**	**millions of €**
-Revenue	**274.0**	**305.3**
-EBITDA	**71.1**	**85.2**
-EBIT	**60.0**	**74.0**

This translation is for courtesy purposes only. The German original prevails.

In relation to these as well as all other Scout24 companies this means:

- The increase in the result from ordinary business activities in the next financial years should come from additional growth in the core classifieds and advertising business of the Scout24 companies active in the market.

- The desired growth in **classifieds** will come from retaining existing customers as well as consistent customer acquisition. Important measures to this end are new business models (e.g., the launch on December 1, 2009 of ElocalListing at JobScout24 GmbH, Munich) and additional revenue generation from selective price increases and the sale of additive services to existing customers.

- As in the previous year, **advertising** will benefit from the shift in the marketing investments made by the industry from the classic forms of advertising to the Internet medium. Advertising sales will primarily see the further expansion of customer relationships with agencies and manufacturers, as well as greater acquisition of clients, not only within Germany, but also at the European level.

- In addition to the expansion and continual optimization of sales activities in the year under review, price increases were successfully passed on and accepted by customers at Immobilien Scout GmbH, Berlin, to increase its result from ordinary activities. This positive effect on earnings is a component of the higher profits transferred to Scout24 Holding GmbH, Munich from these two Scout24 companies in connection with the existing profit and loss transfer agreements. The continual optimization of cost structures at all Scout24 companies will continue to improve the result from ordinary activities, in particular in the next two financial years.

- Including all domestic and foreign companies, the Scout24 Group is striving overall for revenue of EUR 329 million with EBIT of EUR 76 million for 2010, and revenue of EUR 369 million, with EBIT of EUR 88 million for 2011.

This translation is for courtesy purposes only. The German original prevails.

XI) Events after the balance sheet date (Reporting pursuant to § 289 (2) HGB)

There were no other significant events after the balance sheet date. In addition, no major changes in the structure, administration or legal form of the Company or in Human Resources are planned.

Munich, March 5, 2010
Scout24 Holding GmbH

Dr. Martin Enderle Marc Sevray

This translation is for courtesy purposes only. The German original prevails.

Annual financial statements for the financial year from January 1 to December 31, 2009

This translation is for courtesy purposes only. The German original prevails.

Scout24 Holding GmbH, Munich

Balance sheet as of December 31, 2009

Assets

	Dec. 31, 2009	Dec. 31, 2008
	€	€
A. Noncurrent assets		
I. Intangible assets		
1. Industrial and similar rights and assets and licenses in such rights and assets	32.838.509	1.316.116
2. Advance payments	15.689	1.250.083
	32.854.198	2.566.199
II. Property, plant and equipment		
1. Leasehold improvements	718.181	734.044
2. Plant and office equipment	629.118	562.917
3. Advance payments	0	26.394
	1.347.299	1.323.355
III. Financial assets		
Investments in subsidiaries	551.381.440	495.509.841
	585.582.937	**499.399.395**
B. Current assets		
I. Receivables and other assets		
1. Trade accounts receivable	48.862	171.827
2. Receivables from subsidiaries (of which from shareholders: € 128.613.057; prior year: € 22.026.923)	279.784.300	150.807.675
3. Other assets	50.002	248.582
	279.883.165	151.228.084
II. Cash in hand and cash in banks	1.089.726	1.089.940
	280.972.891	**152.318.024**
C. Prepaid expenses and deferred charges	**228.748**	**39.271**
	866.784.576	**651.756.690**

This translation is for courtesy purposes only. The German original prevails.

Shareholders' equity and liabilities

	Dec. 31, 2009	Dec. 31, 2008
	€	€
A. Shareholders' equity		
I. Capital stock	1.000.000	1.000.000
II. Additional paid-in capital	243.456.120	144.456.120
III. Loss carryforwards	0	-19.917
IV. Net income	0	19.917
	244.456.120	**145.456.120**
B. Accruals		
Other accruals	**4.192.830**	**5.307.494**
C. Liabilities		
1. Trade accounts payable	1.278.289	1.731.510
2. Payables to subsidiaries (of which to shareholders: € 401.214.068; prior year: € 386.661.686)	616.608.642	498.982.637
3. Other liabilities (of which from taxes: € 123.743; prior year € 102.026) (of which from social security: € 482; prior year: € 8.452)	133.200	110.479
	618.020.131	**500.824.626**
D. Deferred income	**115.495**	**168.450**
	866.784.576	**651.756.690**

This translation is for courtesy purposes only. The German original prevails.

Scout24 Holding GmbH, Munich

Statement of income for the financial year from January 1 to December 31, 2009

	2009	2008
	€	€
1. Net revenue	4.125.125	2.653.677
2. Other operating income	950.815	2.076.741
3. Goods and services purchased		
Services purchased	-146.291	-270.319
4. Personnel costs		
a) Wages and salaries	-5.872.005	-5.478.132
b) Social security contributions and expenses for pension plans (of which for old age provisions: € 75.253; prior year: € 0)	-977.434	-803.935
5. Depreciation, amortization and write-downs	-3.818.884	-737.337
6. Other operating expenses	-7.030.517	-10.417.841
7. Income related to subsidiaries, associated and related companies (of which from subsidiaries: € 0 (prior year: € 13.279.343)	0	13.279.343
8. Income from profit transfer agreements	121.591.791	78.721.906
9. Other interest and similar income (of which from subsidiaries: € 2.301.570 (prior year: € 3.658.234)	2.305.075	3.659.377
10. Interest and similar expenses (of which to subsidiaries: € 8.070.508 (prior year: € 23.326.190)	-8.070.508	-23.326.554
11. Expenses arising from loss transfers	-25.238.903	-4.888.476
12. Results from ordinary business activities	**77.818.264**	**54.468.450**
13. Income taxes reimbursed	361	1.756
14. Profit transferred under the terms of a profit transfer agreement	-77.818.625	-54.450.289
15. Net income	**0**	**19.917**

This translation is for courtesy purposes only. The German original prevails.

Notes to the annual financial statements for the 2009 financial year

I. General details

As of the 2009 financial year, Scout24 Holding GmbH, Munich prepares its annual financial statements pursuant to the provisions for medium-sized corporations.

As of December 31, 2009, the company met the size criteria for a medium-sized corporation pursuant to § 267 (2) and (4) German Commercial Code (*Handelsgesetzbuch* – HGB) on the second reporting date of two consecutive financial years. This criterion was not yet met in the 2008 financial year. The financial statements for the 2008 financial year were still prepared pursuant to the provisions for small corporations pursuant to § 267 (1) and (4) HGB.

The financial year begins on January 1 and ends on December 31 of each year.

The provisions for medium-sized corporations in the HGB and the German Act on Limited Liability Companies (*Gesetz betreffend die Gesellschaften mit beschränkter Haftung* – GmbHG) regarding the classification and the disclosure of items in the balance sheet items and the statement of income were complied with when preparing the annual financial statements of Scout24 Holding GmbH.

The size-related exemptions as defined in § 288 HGB for medium-sized corporations were utilized.

For reasons of standardization, the statement of income within the Scout24 Group was prepared using the total cost method as defined in § 275 (2) HGB.

Scout24 Holding GmbH is a wholly-owned subsidiary of Deutsche Telekom AG, Bonn, which is also the highest-tier parent company.

A profit and loss transfer agreement between Scout24 Holding GmbH and Deutsche Telekom AG has been in place since January 1, 2005, which obligates Scout24 Holding GmbH to transfer profits and Deutsche Telekom AG to absorb losses. The corresponding entry into the commercial register was made on September 20, 2005. This agreement runs for an indefinite period and is first eligible for termination after five years, i.e., after December 31, 2009.

This translation is for courtesy purposes only. The German original prevails.

Scout24 Holding GmbH, Munich

The following profit and loss transfer agreements exist between Scout24 Holding GmbH, Munich and its direct or indirect subsidiaries, which obligate the subsidiaries to transfer profits to Scout24 Holding GmbH, Munich and Scout24 Holding GmbH, Munich to absorb losses of these companies:

- **FriendScout24 GmbH, Munich:** The profit and loss transfer agreement was concluded by resolution dated December 7, 2007, effective as of January 1, 2007. The entry in the commercial register was made on December 14, 2007. The agreement has an indefinite term and can be terminated for the first time after five years, i.e., after December 31, 2011.

- **FinanceScout24 GmbH, Munich:** The resolution on the agreement was adopted on December 7, 2007. The agreement became effective as of January 1, 2007. The entry in the commercial register was made on December 21, 2007 under its trading name at the time of FinanceScout24 Aktiengesellschaft, Hamburg. The agreement runs for an indefinite period and can be terminated for the first time after five years, i.e., after December 31, 2011.

- **JobScout24 GmbH, Munich:** The agreement was concluded by resolution dated December 7, 2007, effective as of January 1, 2007. The entry in the commercial register was made on December 13, 2007. This agreement also runs for an indefinite period and can be terminated for the first time after five years, i.e., after December 31, 2011.

- **Immobilien Scout GmbH, Berlin:** The resolution was adopted on December 16, 2008, with contractual effect as of January 1, 2008. The entry in the commercial register was made on December 29, 2008. The agreement runs for an indefinite period and can be terminated for the first time after five years, i.e., after December 31, 2012.

- **AutoScout24 GmbH, Munich:** The agreement was concluded on October 21, 2008, effective as of January 1, 2008, and entered in the commercial register on October 24, 2008. The agreement has a five-year term and can be terminated for the first time after December 31, 2012.

This translation is for courtesy purposes only. The German original prevails.

- **Scout24 GmbH, Munich:** The agreement runs from January 1, 2008 and was concluded on September 2, 2008. The entry in the commercial register was made on October 16, 2008. This agreement also runs for an indefinite period and can be terminated for the first time after five years, i.e., after December 31, 2012.

II. Accounting policies

The following accounting policies, which remained unchanged from the previous period, were significant for the preparation of the annual financial statements.

Intangible assets, if purchased, are recognized at cost and amortized on a straight line basis over the normal useful life of 3 to 15 years.

Property, plant and equipment is recognized at acquisition or production cost and is reduced by depreciation where appropriate. To the extent necessary, write-downs are recognized to the lower of cost or market value. Movable and immovable assets are depreciated pro rata in accordance with their normal useful life of between three and ten years. In accordance with the provisions of the 2008 Corporate Tax Reform Act (*Unternehmensteuerreformgesetz*), independently usable assets, the cost of which exceeds EUR 150 but not EUR 1,000, are recorded in a summary account (asset pool), which is depreciated on a straight line basis over five years at 20 percent per year. These assets are presented as disposals in the statement of noncurrent assets when they are written off in full.

Financial assets are recognized at cost or the lower fair value.

Receivables and **other assets** are measured using the nominal value less appropriate allowances for recognizable individual risks. As in the previous year, an additional reduction for the general credit risk was not recognized.

Bank balances and **cash on hand** are presented at the nominal amounts. To the extent there are credit balances in foreign currencies at the balance sheet

This translation is for courtesy purposes only. The German original prevails.

date, they are measured using the rate on the transaction date or the lower rate at the balance sheet date.

Payments made prior to the balance sheet closing date are presented as **deferred income** if they represent an expense for a certain period after that date.

Shareholders' equity is recognized at the nominal amount. The company's capital stock is fully paid up and held in full by Deutsche Telekom AG, Bonn.

Sufficient allowance is made for all identifiable risks when calculating **accruals**. They are recognized in the amount deemed necessary according to prudent commercial judgment pursuant to § 253 (1) HGB.

Other accruals are established based on prudent business judgment and take into account all recognizable risks and uncertain obligations using the amount of their anticipated utilization.

Liabilities are reported at the redemption amount.

Receivables and liabilities in foreign currencies are measured using the rate at the balance sheet date. In so doing, foreign currency receivables and other assets denominated in foreign currencies are measured using the respective rate at the transaction date or the lower closing rate as of the balance sheet date. Liabilities denominated in foreign currencies are recognized using the respective rate at the transaction date or the higher closing rate as of the balance sheet date.

Deferred income includes income that represents revenue for a particular period after the reporting date.

Revenue is presented net without consideration of value added tax and recognized in the period when services are billed based on the realization principle.

This translation is for courtesy purposes only. The German original prevails.

III. Notes to the balance sheet

Noncurrent assets

The classification of the asset items summarized in the balance sheet and their development during the year under review are presented in the statement of changes in noncurrent assets.

Intangible assets

Primarily, purchased software, brand names and domain rights are presented under intangible assets. In the year under review, brand names and domain rights totaling EUR 32,113 thousand were purchased from Deutsche Telekom Value Added Services Austria GmbH, Vienna and break down as follows:

	Thousands of €
"Scout24" umbrella brand	1,652
"ElectronicScout24"	8
"FinanceScout24"	3,819
"FriendScout24"	20,641
"JobScout24"	1,797
"JobScout24 CH"	2,259
"Top Jobs on the Net"	1,704
"TravelScout24"	233
Total	**32,113**

The purchase price of the individual brands and domains was determined by an independent expert.

Property, plant and equipment

Property, plant and equipment comprises leasehold improvements, operating and office equipment and prepayments.

Financial assets

Financial assets comprise shares in subsidiaries.

Scout24 Holding GmbH holds 100 percent of the shares of Scout24 AG, Baar, Switzerland (business address: Rosenheimer Strasse 143b, D-81671 Munich).

This translation is for courtesy purposes only. The German original prevails.

Scout24 Holding GmbH, Munich

As of December 31, 2008, Scout24 AG's shareholders' equity was CHF 221,400,360. Capital stock was CHF 532,081. The company reported a net loss of CHF 10,351,037 in the 2008 financial year. Audited closing figures are not yet available for the 2009 financial year.

Scout24 Holding GmbH holds 24.96 percent of the shares in Scout24 S.L. (in liquidation), Madrid, Spain. As of December 31, 2008, the shareholders' equity of Scout24 S.L. (in liquidation) was EUR -203,336. Capital stock totaled EUR 3,006. The company reported a net loss of EUR 505 in the 2008 financial year. Audited closing figures are not yet available for the 2009 financial year.

In addition, Scout24 Holding GmbH holds 100 percent of the shares of Scout24 GmbH, Munich. Scout24 GmbH's shareholders' equity at the closing date was EUR 724,962. Scout24 GmbH reported capital stock of DEM 75,000 (EUR 38,347 reported in the balance sheet). As of the balance sheet date, Scout24 GmbH's net loss for the financial year before profit/loss transfer was EUR 442,482.

In addition, Scout24 Holding GmbH holds 100 percent of the shares of Scout24 Verwaltungs- und Beteiligungsgesellschaft mbH, Munich. The company's shareholders' equity was EUR 47,024 and the net loss for the financial year was EUR 89.
Scout24 Verwaltungs- und Beteiligungsgesellschaft mbH has capital stock of EUR 25,000 and reported no own business activity for 2009.

Scout24 Holding GmbH also holds 60.104 percent of the shares in Immobilien Scout GmbH, Berlin.

Immobilien Scout GmbH reported shareholders' equity of EUR 4,115,566. Capital stock was increased by EUR 14.56 in connection with the conversion to the euro and is now EUR 144,250 (previous year: EUR 144,235). Scout24 Holding GmbH was permitted to take over the new capital contribution; its capital contribution increased in this context by EUR 599 to EUR 86,700. Net income before profit/loss transfer of EUR 60,684,267 was generated in the financial year just ended.

Scout24 Holding GmbH also holds 100 percent of the shares of Scout24 International Management AG, Baar, Switzerland.
As of December 31, 2008, the shareholders' equity of Scout24 International Management AG was CHF 44,267,743. The company has capital stock of CHF 250,000 and reported net income of CHF 1,762,677 in the 2008 financial year. Audited closing figures are not yet available for the 2009 financial year.

The carrying amounts of the equity investments changed as follows:

This translation is for courtesy purposes only. The German original prevails.

Scout24 Holding GmbH, Munich

Name and domicile	Equity interest	Value of the investment Dec. 31, 2008 **Thousands of €**	Changes **Thousands of €**	Equity interest	Value of the investment Dec. 31, 2009 **Thousands of €**
Scout24 AG, Baar, Switzerland (business address: Rosenheimer Str. 143b, D-81671 Munich)	100.00 %	145,426	55,567	100.00 %	200,993
Scout24 S.L. (in liquidation), Madrid, Spain	0.00 %	0	254	24.96 %	254
Scout24 International Management AG, Baar, Switzerland	100.00 %	25,680	0	100.00 %	25,680
Immobilien Scout GmbH, Berlin	59.77 %	323,850	1	60.104 %	323,851
Scout24 Verwaltungs- und Beteiligungsgesellschaft mbH, Munich	100.00 %	25	50	100.00 %	75
Scout24 GmbH, Munich	100.00 %	528	0	100.00 %	528
Total		**495,509**	**55,872**		**551,381**

During the financial year Scout24 Holding GmbH made payments to additional paid-in capital of the second-tier subsidiaries FinanceScout24 GmbH, Munich (EUR 18,663 thousand) and JobScout24 GmbH, Munich (EUR 36,904 thousand). The carrying amount of the equity investment of Scout24 AG increased correspondingly by a total of EUR 55,567 thousand. The reporting company had a direct interest of 24.96 percent (EUR 254 thousand) in Scout24 S.L. (in liquidation), Madrid, Spain for the first time in 2009.

During the financial year the reporting company made a payment of EUR 50 thousand to the additional paid-in capital of Scout24 Verwaltungs- und Beteiligungsgesellschaft mbH, Munich.

The increase in the equity investment at Immobilien Scout GmbH, Berlin of EUR 599 resulted from conversion of the capital stock of Immobilien Scout GmbH from DEM to EUR resolved on May 20, 2009 and the related increase in the capital contribution of Scout24 Holding GmbH by EUR 599 to EUR 86,700.

These measures increased the **financial assets** in 2009 by a total of EUR 55,872 thousand.

This translation is for courtesy purposes only. The German original prevails.

Scout24 Holding GmbH, Munich

Scout24 Holding GmbH has a direct and indirect interest in the following companies:

Name and domicile	Equity interest	Shareholders' equity Dec. 31, 2009	Net profit/loss before profit/loss transfer
	%	in thousands	in thousands
AutoScout24 GmbH, Munich	100.0	€ 48,169	€ 50,625
AutoScout24 Espana S.A., Madrid ***)	100.0	€ -266	€ 397
AutoScout24 Italia S.R.L., Padua ***)	100.0	€ 2,844	€ 1,254
AutoScout24 Belgium S.A., Brussels ***)	100.0	€ 1,563	€ 1,285
AutoScout24 France SAS, Paris ***)	100.0	€ -3,162	€ 305
AutoScout24 Nederland B.V., Amsterdam***)	100.0	€ 2,664	€ 950
AutoScout24 AS GmbH, Vienna***)	100.0	€ -78	€ 124
AutoScout24 Scandinavia A.B., Stockholm***)	100.0	SEK 57	SEK -14
AutoScout24 d.o.o., Zagreb***)	75.0	€ 0	€ 0
FinanceScout24 GmbH, Munich	100.0	€ 3,559	€ -2,928
FriendScout24 GmbH, Munich	100.0	€ 4,536	€ 10,282
Immobilien Scout Deutschland GmbH, Berlin***)	100.0	€ 22	€ 0
Immobilien Scout GmbH, Berlin	100.0	€ 4,116	€ 60,684
JobScout24 International Holding AG, Baar, Switzerland***)	100.0	CHF 11,310	CHF -1,108
JobScout24 GmbH, Munich	100.0	€ 20,324	€ -21,868
Scout24 AG, Baar, Switzerland***)	100.0	CHF 221,400	CHF 10,351
(business address: Rosenheimer Str. 143b, D-81671 Munich)			
Scout24 GmbH, Munich	100.0	€ 725	€ -442
Scout24 International Management AG, Baar, Switzerland***)	100.0	CHF 44,268	CHF 1,763
Scout24 Schweiz Holding AG, Wünnewil-Flamatt, Switzerland***)	50.1	CHF 7,220	CHF 8,750
Scout24 Schweiz AG, Flamatt, Switzerland***)	57.6	CHF 10,944	CHF 7,051
SCOUT Business Services GmbH, Munich	100.0	€ 76	€ -5
Scout24 Verwaltungs- und Beteiligungsgesellschaft mbH, Munich	100.0	€ 47	€ 0
XL AG, Munich (in liquidation) *)	100.0	€ 38	€ -1
Scout24 S.L. (in liquidation), Madrid **) ***)	100.0	€ -203	€ -1

*) The company was dissolved by resolution dated December 11, 2009. The settlement year is the calendar year. The request for entry into the commercial register was filed with the Munich register court (*Registergericht*) in December 2009.

**) Pursuant to a resolution dated December 28, 2009 the liquidation of the company was entered in the commercial register.

***) Disclosure of prior-year figures from 2008 as the 2009 annual financial statements are not yet available.

Receivables and other assets

This translation is for courtesy purposes only. The German original prevails.

Trade receivables have a **remaining maturity** of one year or less.

Receivables from subsidiaries total EUR 279,784 thousand (previous year: EUR 150,808 thousand). This increase of EUR 128,976 thousand resulted from an increase of EUR 42,869 thousand in receivables from profit and loss transfers and an increase of EUR 104,003 thousand in the cash pool credit balance at Deutsche Telekom AG, Bonn. In contrast, loan receivables declined in connection with the recapitalization.

Subsidiary	Dec. 31, 2009 thousands of €	Dec. 31, 2008 thousands of €	Change thousands of €
JobScout24 GmbH - loans including interest	0	11,901	-11,901
JobScout24 GmbH – trade receivables	243	423	-180
JobScout24 GmbH – cash pool interest	0	120	-120
FinanceScout24 GmbH – cash pool including interest	3,661	434	3,227
FinanceScout24 GmbH – trade receivables	243	312	-69
FinanceScout24 GmbH – loans including interest	0	17,882	-17,882
FriendScout24 GmbH – profit/loss transfer	10,282	12,179	-1,897
FriendScout24 GmbH – trade receivables	1,772	1,344	428
Immobilien Scout GmbH – trade receivables	21	0	21
Immobilien Scout GmbH – profit/loss transfer	60,684	39,492	21,192
Scout24 Schweiz Holding AG – loans including interest	6,155	3,310	2,845
AutoScout24 GmbH – profit/loss transfer	50,625	27,051	23,574
Scout24 Schweiz AG – trade receivables	181	236	-55
Scout24 GmbH – loans including interest	0	249	-249
Scout24 GmbH – trade receivables	57	774	-717
Deutsche Telekom Group – trade receivables	17,247	13,453	3,794
Deutsche Telekom Group – value added tax from consolidated tax group	2,998	0	2,998
Deutsche Telekom Group – cash pool including interest	125,615	21,612	104,003
Other subsidiaries	0	36	-36
Total	**279,784**	**150,808**	**128,976**

This translation is for courtesy purposes only. The German original prevails.

The **receivables from subsidiaries** have a **remaining maturity** of one year or less.

Receivables of EUR 128,613 thousand are due from the **shareholder**, Deutsche Telekom AG, (previous year: EUR 22,027 thousand) resulting from the cash pool credit balance of EUR 125,615 thousand and from credits from value added tax in connection with the consolidated tax group totaling EUR 2,998 thousand. The increase in the cash pool credit balance resulted predominantly from cash and cash equivalents generated by the subsidiaries in 2009.

Other assets in the year under review were EUR 50 thousand (previous year: EUR 249 thousand). The significant reduction is due primarily to the realization of the items existing on the prior year's reporting date. As of December 31, 2009, this item comprised travel expense advances totaling EUR 8 thousand and prepayments on goods and services of EUR 42 thousand.

All other assets have a remaining maturity of one year or less.

The reporting company's additional paid-in capital increased by EUR 99,000 thousand due to a payment made in May 2009 by the parent, Deutsche Telekom AG, Bonn.

Other accruals

The following items are presented in other accruals:

	thousands of €
Outstanding invoices	1,471
Tax risks	1,460
Outstanding bonus payments to employees	838
Outstanding vacation entitlements	143
Year-end closing costs	29
Miscellaneous	252
Total	**4,193**

This translation is for courtesy purposes only. The German original prevails.

Liabilities

As of the closing date, **trade payables** totaled EUR 1,279 thousand (previous year: EUR 1,732 thousand) and have a **remaining maturity** of up to one year.

The year-on-year decline of EUR 453 thousand (-26 percent) is chiefly attributable to the fact that several large invoices received in 2008 from marketing suppliers and invoices related to noncurrent assets were not paid until January 2009.

Liabilities to subsidiaries were EUR 616,609 thousand (previous year: EUR 498,983 thousand).

The increase of EUR 117,626 thousand as of the closing date resulted from liabilities still open from the settlement for supplier identification (EUR 17,480 thousand), higher disclosure of liabilities from profit/loss transfer (EUR 43,533 thousand) and increased liabilities from the cash pool (EUR 117,058 thousand). This is partially offset by the reduced loan and interest liabilities as a result of the recapitalization measures totaling EUR 60,248 thousand.

Subsidiary	Dec. 31, 2009 thousands of €	Dec. 31, 2008 thousands of €	Change thousands of €
Scout24 AG – trade payables	0	313	-313
Scout24 AG – loans including interest	0	19,243	-19,243
Scout24 AG – cash pool including interest	17,344	2,357	14,987
Scout24 International Management AG – trade payables	149	0	149
Scout24 International Management AG – cash pool including interest	1,305	0	1,305
JobScout24 GmbH, Munich – profit/loss transfer	21,868	3,550	18,318
JobScout24 GmbH – trade payables	79	42	37
JobScout24 GmbH – cash pool including interest	15,330	0	15,330
JobScout24 International Holding AG – loans including interest	0	1,638	-1,638
JobScout24 International Holding AG – cash pool including interest	1,203	0	1,203
FinanceScout24 GmbH – profit/loss transfer	2,928	593	2,335
Immobilien Scout GmbH – trade payables	3,771	2,191	1,580
Immobilien Scout GmbH – cash pool including interest	56,305	0	56,305

This translation is for courtesy purposes only. The German original prevails.

Scout24 Holding GmbH, Munich

Scout24 Verwaltungs- und Beteiligungsgesellschaft mbH – cash pool including interest	47	0	47
AutoScout24 GmbH – trade payables	13,406	7,594	5,812
AutoScout24 GmbH – loans including interest	0	12,200	-12,200
AutoScout24 GmbH – cash pool including interest	57,058	30,231	26,827
Scout24 Schweiz AG – trade payables	28	0	28
Scout24 GmbH – profit/loss transfer	442	745	-303
Scout24 GmbH – cash pool including interest	179	0	179
Scout24 GmbH – trade payables	30	0	30
Scout Business Services GmbH – cash pool including interest	67	0	67
FriendScout24 GmbH – trade payables	2,662	2	2,660
FriendScout24 GmbH – cash pool including interest	18,355	19,646	-1,291
XL AG – cash pool including interest	40	0	40
Deutsche Telekom AG – trade payables	60	2	58
Deutsche Telekom AG – loans including interest	323,336	332,210	-8,874
Deutsche Telekom AG - profit/loss transfer	77,819	54,450	23,369
Deutsche Telekom Value Added Services Austria GmbH - loans including interest	0	11,868	-11,868
Deutsche Telekom Value Added Services Austria GmbH - trade payables	2,798	0	2,798
Interactive Media CCSP GmbH - trade payables	0	10	-10
Other subsidiaries	0	98	-98
Total	**616,609**	**498,983**	**117,626**

The **liabilities to subsidiaries** have the following remaining maturities:

Up to one year: EUR 294,118 thousand

More than 1 year and not more than 5 years: EUR 322,491 thousand.

Liabilities to the shareholder, Deutsche Telekom AG, Bonn, total EUR 401,215 thousand (previous year: EUR 386,662 thousand) comprising a loan liability including interest totaling EUR 323,336 thousand, a liability from profit transfer

This translation is for courtesy purposes only. The German original prevails.

of EUR 77,819 thousand and trade payables totaling EUR 60 thousand. The loan has a residual term through July 24, 2011.

Other payables total EUR 133 thousand (previous year: EUR 110 thousand). The tax liabilities of EUR 124 thousand (previous year: EUR 102 thousand) included therein relate solely to wage and church taxes yet to be paid.

IV. Notes to the statement of income

Net revenue

Net revenue as well as expenses relating to goods and services purchased were adjusted for corresponding income and expenses with subsidiaries from the compensation for supplier identification. Accordingly, revenues were netted with expenses relating to goods and services purchased totaling EUR 67,117 thousand in the year under review.

Other operating income

Other operating income in the year under review was EUR 951 thousand (previous year: EUR 2,077 thousand) and was primarily attributable to income relating to other periods from the reversal of accruals of EUR 627 thousand as well as from currency gains of EUR 126 thousand from the current financial year.

Other operating expenses

The following table shows the composition of other operating expenses:

	thousands of €
Legal and consulting fees	1,723
Services purchased from subsidiaries	1,684
General administrative expenses	1,610
Marketing expenses	966

This translation is for courtesy purposes only. The German original prevails.

IT	692
Travel and entertainment	267
Personnel leasing	88
Total	**7,030**

Expenses relating to other periods are not included.

Net interest expense improved year-on-year from EUR -19,667 thousand to EUR -5,766 thousand in the year under review.

Income related to subsidiaries, associated and related companies

No dividend payments (previous year: EUR 13,279 thousand) were collected in the year under review.

Income from profit transfer agreements

Income from profit transfer agreements increased by EUR 42,870 thousand (+54 percent) year-on-year, from EUR 78,722 thousand to EUR 121,592 thousand and is presented below:

Company	2009 thousands of €	2008 thousands of €	Change thousands of €
Immobilien Scout GmbH, Berlin	60,684	39,492	21,192
AutoScout24 GmbH, Munich	50,626	27,051	23,575
FriendScout24 GmbH, Munich	10,282	12,179	-1,897
Total	**121,592**	**78,722**	**42,870**

Cost of loss absorption

The cost of loss absorption increased by EUR 20,351 thousand (+416 percent) year-on-year, from EUR 4,888 thousand to EUR 25,239 thousand and is presented below:

This translation is for courtesy purposes only. The German original prevails.

Company	2009 thousands of €	2008 thousands of €	Change thousands of €
JobScout24 GmbH, Munich	21,868	3,550	18,318
FinanceScout24 GmbH, Munich	2,928	593	2,335
Scout24 GmbH, Munich	443	745	-302
Total	**25,239**	**4,888**	**20,351**

The **result from ordinary business activities** increased by EUR 23,349 thousand (+43 percent) in the year under review, from EUR 54,469 thousand in the previous year to EUR 77,818 thousand.

The increase of EUR 23,349 thousand in the result from ordinary business activities is attributable to the following effects:

- Increase in income from profit/loss transfer totaling EUR 42,870 thousand

- Increase in cost of loss absorption totaling EUR 20,351 thousand. The increase in cost of loss absorption at JobScout24 GmbH, Munich resulted from the incurrence of a liability, together with interest, of EUR 18,894 thousand as of December 31, 2009 to Deutsche Telekom Value Added Services Austria GmbH, Vienna.

Profit transferred under the terms of a profit and loss transfer agreement

Net income for the 2009 financial year of EUR 77,819 thousand (previous year: EUR 54,450 thousand) will be transferred in connection with this profit and loss transfer agreement to Deutsche Telekom AG, Bonn.

This translation is for courtesy purposes only. The German original prevails.

V. Other disclosures

Parent company and consolidation

Deutsche Telekom AG is the parent of Scout24 Holding GmbH.

Scout24 Holding GmbH, Munich and its subsidiaries are included in the consolidated financial statements of Deutsche Telekom AG, Bonn.

The Scout24 Group, with the parent, Scout24 Holding GmbH, is exempted from the duty to prepare consolidated financial statements pursuant to § 291 HGB.

Directors

The appointed directors are:

- Dr. Martin Enderle, Dipl.-Mathematiker, Munich, Director
- Marc Sevray, Dipl.-Kaufmann, Munich, CFO

Overall power of attorney with a director or another holder of commercial power of attorney (*Prokurist*) has been issued to:

- Hans-Peter Hupfer, Baar, Switzerland, Attorney

Total remuneration of the directors and executive bodies

In accordance with the protective clause of § 286 HGB, the total remuneration of the directors is not disclosed as this disclosure may result in the identification of the remuneration of a particular member of the directors.

No other remuneration, advances or loans in relation to directors and advisory council members (including previous members of these executive bodies) has been made.

Supervisory Board

The following persons are members of the Supervisory Board:

Harald Eisenächer, Berlin, Segment Chairman, Deutsche Telekom AG, Bonn

Stefan Behrendt, Darmstadt, Senior Executive, Deutsche Telekom AG, Bonn

Christian Schmahl, Wiesbaden, Segment Chairman, Deutsche Telekom AG, Bonn

This translation is for courtesy purposes only. The German original prevails.

Employees

As of December 31, 2009, Scout24 Holding GmbH had a total staff of 70 full-time and 3 part-time employees. Taken as an annual average, the company had 70 full-time and 2 part-time employees.

Other financial obligations

In addition to the liabilities disclosed in the balance sheet, the company has other financial obligations from rental and leasing agreements totaling EUR 706 thousand (previous year: EUR 677 thousand).

Other financial obligations	**2010** thousands of €	**2011** thousands of €	**2012** thousands of €	**2013 and thereafter** thousands of €
– from rental agreements	266	68	0	0
of which: to subsidiaries	0	0	0	0
– from lease obligations	64	37	7	0
of which: to subsidiaries	64	37	7	0
– from IT operating services	88	88	88	0
of which: to subsidiaries	88	88	88	0

There were no contingent liabilities within the meaning of § 251 HGB as of the balance sheet date.

Exemption from publication of the annual financial statements

On June 29, 2009, in accordance with the option in § 264 (3) HGB, the shareholders' meeting resolved to forego publication pursuant to § 325 HGB for the **2009 financial year**. The resolution was published in the electronic Federal Gazette on August 10, 2009.

The company is included as a direct subsidiary in the consolidated financial statements of Deutsche Telekom AG, Bonn (HRB 6794, Bonn District Court) which are published in the electronic Federal Gazette.

This translation is for courtesy purposes only. The German original prevails.

Guarantees and commitments

There were no **guarantees and commitments** as of the closing date.

Transactions not included in the balance sheet

There were no material off-balance sheet transactions.

Munich, March 05, 2010

Managing Director	Managing Director
.....	.....
Dr. Martin Enderle	Marc Sevray

This translation is for courtesy purposes only. The German original prevails.

Statement of noncurrent assets for 2009

This translation is for courtesy purposes only. The German original prevails.

Scout24 Holding GmbH, Munich

Statement of noncurrent assets for 2009

	Acquisition costs			
	Jan. 1, 2009	Additions	Disposals	Reclassifications
	€	€	€	€
I. Intangible assets				
1. Industrial property and similar rights and assets, and licenses in such rights and assets	2.076.565	33.452.955	0	1.557.066
2. Advance payments	1.250.083	322.445	0	-1.556.839
	3.326.648	33.775.400	0	227
II. Property, plant and equipment				
1. Leasehold improvements	913.514	14.934	0	61.929
2. Plant and office equipment	1.081.038	341.791	-6.061	-35.762
3. Advance payments	26.394	0	0	-26.394
	2.020.946	356.725	-6.061	-227
III. Financial assets				
1. Investments in subsidiaries	495.509.841	55.871.599	0	0
	495.509.841	55.871.599	0	0
	500.857.435	**90.003.724**	**-6.061**	**0**

This translation is for courtesy purposes only. The German original prevails.

Dec. 31, 2009
€
37.086.586
15.689
37.102.275
990.377
1.381.006
0
2.371.383
551.381.440
551.381.440
590.855.098

This translation is for courtesy purposes only. The German original prevails.

Depreciation, amortization and write-downs				Net carrying amount	
Jan. 1, 2009	Additions	Disposals	Dec. 31, 2009	Dec. 31, 2009	Dec. 31, 2008
€	€	€	€	€	€
760.449	3.487.627	0	4.248.076	32.838.510	1.316.116
0	0	0	0	15.689	1.250.083
760.449	3.487.627	0	4.248.076	32.854.199	2.566.199
179.470	92.726	0	272.196	718.181	734.044
518.121	238.531	-4.763	751.889	629.117	562.917
0	0	0	0	0	26.394
697.591	331.257	-4.763	1.024.085	1.347.298	1.323.355
0	0	0	0	551.381.440	495.509.841
0	0	0	0	551.381.440	495.509.841
1.458.040	**3.818.884**	**-4.763**	**5.272.161**	**585.582.937**	**499.399.395**

This translation is for courtesy purposes only. The German original prevails.