

SCHIBSTED AT A GLANCE

- NOK 18,059 million revenues
- NOK 3,268 million EBITDA
- 8,300+ employees
- 23 countries
- 33 online classifieds products
- 7 leading newspapers in Norway and Sweden
- 800 million people market footprint
- Engaging millions of people worldwide

Schibsted Media Group is a listed company headquartered in Oslo, Norway with more than 8,300 employees in 23 countries. Millions of people around the world interact with Schibsted's popular digital services through our media houses, our digital marketplaces and our growth companies.

MARKETPLACES

Connecting millions of buyers and sellers every month, we provide leading online marketplaces in 23 countries around the globe. In 2019 our Marketplaces operations outside of the Nordics will be spun off and established as an independent, listed company: Adevinta ASA. Trading will start on 10 April 2019. Schibsted will retain majority ownership in Adevinta ASA at the time of listing, and intends to remain a long-term active owner of Adevinta ASA. We believe this decision will bring more value to our users, customers, employees and shareholders in the long term. Our marketplaces in Norway, Sweden and Finland will constitute the new business area Nordic Marketplaces.

PUBLISHING

As the largest media group in Scandinavia, our world-class media houses continue to shape the media landscape of today – and tomorrow. We believe that we, together with our users, can contribute to a more sustainable society by what we do every day. In Scandinavia our media houses such as VG, Aftenposten, Bergens Tidende, Aftonbladet and Svenska Dagbladet keep people informed and updated on important issues in society. From 2019 this business area will be known as News Media.

GROWTH

We invest in tech startups with great ideas and a disruptive mindset, helping entrepreneurs build market-leading companies locally and internationally. Our growth companies, such as Lendo and Prisjakt, provide our users with popular digital consumer services that make everyday life a bit easier. From 2019 this business area will be known as Next.

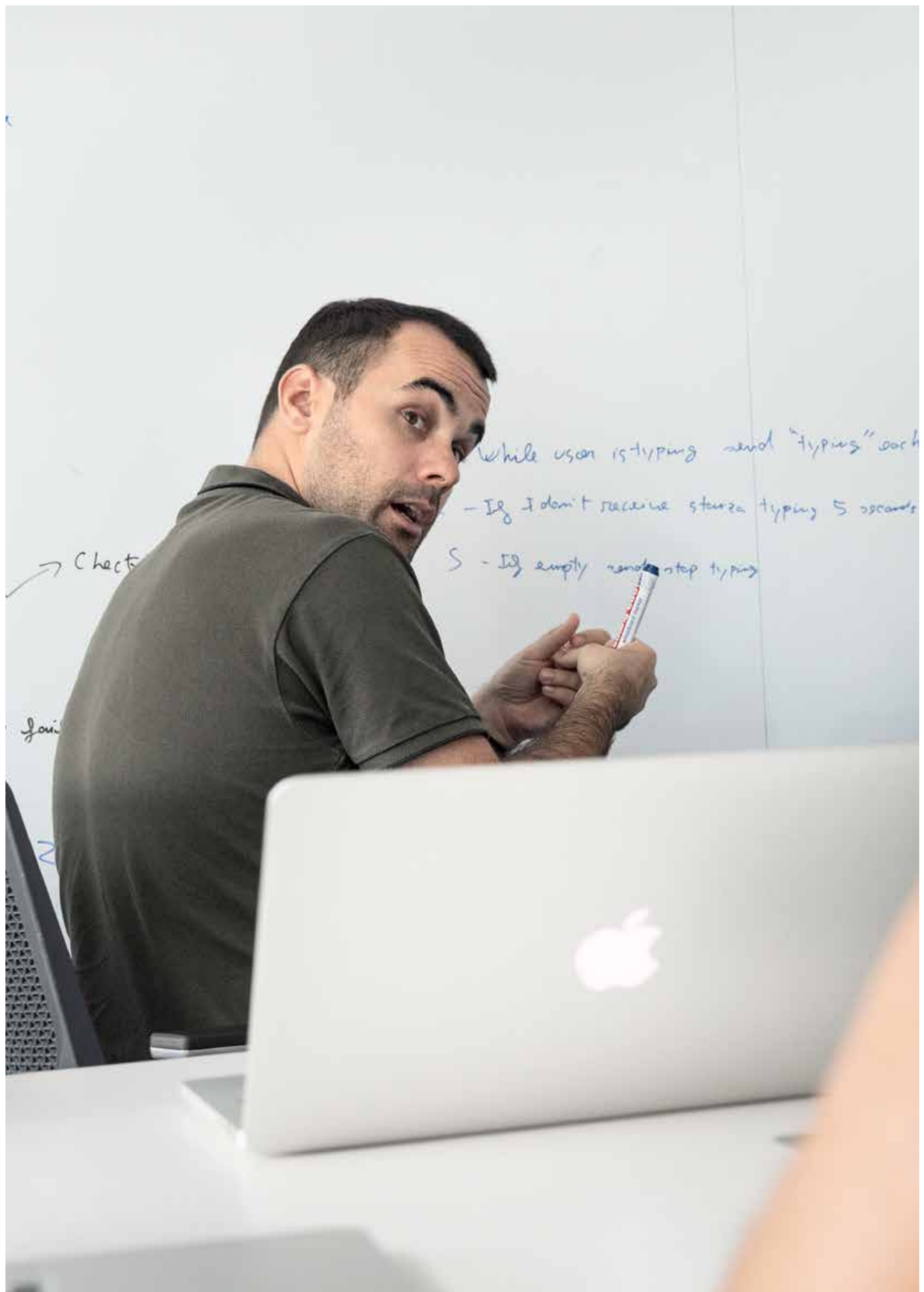
Schibsted will continue to be a company of leading digital consumer brands with a strong footprint in the Nordics. Schibsted is deeply embedded in the daily lives of consumers in the Nordic region. Every week Schibsted reaches 79 percent of consumers in Norway and 82 percent in Sweden, contributing to the everyday lives of millions of users in these markets.

Positioned in one of the world's most dynamic regions in terms of digital services, Schibsted will continue to be at the forefront of innovation and structural growth.

On 1 December 2018 Kristin Skogen Lund was appointed CEO of Schibsted. Rolv Erik Ryssdal, former CEO of Schibsted, was appointed CEO of Adevinta on the same date.

Effective from 1 January 2019, Schibsted will be organized into three business areas: Nordic Marketplaces, News Media and Next:

- **Nordic Marketplaces** led by Anders Skoe, CEO of FINN and asset owner for Blocket (Sweden) and Tori (Finland)
- **News Media** led by Siv Juvik Tveitnes, former COO/Head of Publishing operations in the Media Division
- **Next** (financial services, venture investments and organic growth initiatives) led by Raoul Grünthal, previously CEO of Schibsted Media.



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SCHIBSTED ADAPTS TO A NEW REALITY

In 2018 it became clear that we are facing a new reality – as a company, as employees, and as global digital consumers. In this new reality, fake news seems to travel faster than truth on social media; reliable sources of information are being greatly challenged; authoritarianism and populism are growing, and perhaps most worryingly, our way of life is disrupting Earth itself. Within this reality, Schibsted continues to deliver on its strong purpose in society while at the same time strengthening our market positions and improving our financial results in our marketplace, media and growth businesses.

I started my journey with Schibsted in early December 2018 and am already well under way planning the coming years for our company. I am proud to take over the reins of a company whose key purpose, mission and impressive results constantly inspire me.

Establishing two new growth companies

In September 2018 Schibsted announced that we will spin off our international marketplaces businesses into a separate, listed company. This is a major strategic step for the Group that will create new opportunities and shareholder value for both the new company Adevin ASA and the remaining Schibsted. The first day of trading for Adevin ASA will be 10 April 2019, and the listing venue will be Oslo Børs.

Schibsted has a solid and rapidly growing portfolio of digital consumer offerings that empower people across the Nordics in their daily life. As a digital front runner, the Nordics will be key to further developing existing offerings and technology and testing new exciting solutions and disruptive offerings. Schibsted's new structure and management team were announced at the end of 2018. The new organization reflects Schibsted's three business areas – Marketplaces, News Media and Next – and a group foundation which serves as an enabler of long-term business growth. Our goal is that our leading marketplaces, growth initiatives and media operations will increasingly realize synergies and help us further develop value creation for our customers and shareholders and for society.

Before we continue our journey, our annual report gives us the opportunity to look back on a productive and important year for all our business areas, one which we believe has created a solid foundation for future growth. Some financial highlights are:

• Impressive revenue growth for our marketplaces

I am proud to see that our marketplace operations are developing strongly, with both impressive revenue growth and improved EBITDA margins. This is particularly driven by improved monetization in the verticals in key markets like France, Spain, Brazil and Norway.

• Securing a strong editorial footprint to maintain digital growth

Our publishing operations – which will be part of the News Media business area going forward – have experienced a slight revenue incline and have maintained solid operating margins, driven by good digital growth and tight cost control. High quality in our editorial products is paramount in order to continue building long-term viable revenue models, and I am glad to see that the number of digital subscribers continues to grow.

• Introducing a new growth operation

In September we announced a plan to roll our successful financial services product Lendo in three new markets where we see significant potential for value creation. This means Lendo now is available in six countries in total: Norway, Sweden, Finland, Denmark, Poland and Austria. Schibsted sees financial services as an exciting growth area. Lendo currently is the most important initiative in this field, but we have several others under development that look promising.

A company with a bigger purpose

Schibsted's purpose in society is embedded in everything we do. Everything we build should be based on a solid foundation that ensures continuous delivery as a reliable provider of news and information and a strong contributor to the circular economy. Ultimately it's all about our customers and about being able to meet their needs in a sustainable and trustworthy way; not least when developing our platforms for secondhand trade.



Best wishes,

KRISTIN SKOGEN LUND
CEO of Schibsted

BOARD OF DIRECTORS' REPORT



Schibsted's Board 2018-2019: From left Finn Våga, Birger Steen, Ingunn Saltbones, Orla Noonan, Ole Jacob Sunde (Chair), Torbjörn Ek, Christian Ringnes, Philippe Vimard and Orla Noonan. Eugenie van Wiechen was not present at the photo session.

From the outset, 2018 and the start of 2019 has been a period of fundamental change in Schibsted. After a thorough strategy process, we decided to spin off our international market-places in a separate, listed company. At the same time, we have initiated a reorganization onboarding Kristin Skogen Lund as our new CEO; the third in Schibsted's 26 years as a public company. With the Board's support, she is reviewing the strategy of Schibsted going forward.

These changes will enable us to adapt to the world around us. Customer behavior is changing, competitors are improving their offerings and technology is creating new opportunities. It is part of Schibsted's DNA to take advantage of changes, making bold decisions, to create added value for users, customers, shareholders and society. Schibsted was an early mover in the Scandinavian online markets. From the mid 1990's we have invested steadily in developing digital consumer services. Today, the Nordic countries are among the most advanced online markets globally, both in the public and private domains. It is Schibsted, through Finn, VG, Aftonbladet and our other online brands, who can claim credit for having pioneered this development - through stamina and willingness to take risks. From 2005 and onwards we continued by conquering several on-line classifieds markets internationally. The latter is what we are now in the process of spinning off in Adevinta, a company expected to reach a market value of several billion euros.

At the same time as the international classifieds operation is ready to leave home, new babies are growing up with a promising future. Schibsted sees the financial services and "fintech" landscape as an interesting field of growth, with Lendo as the clearest example of success. By helping consumers to obtain transparency in a chaotic market for unsecured consumer loans in Norway, Sweden and Finland, Lendo has built a revenue base of NOK 852 million with strong profitability.

This brings us to the core of Schibsted's strategy: to create new digital winners by leveraging our strong reach, competence, access to data and market knowledge. We will continue to develop digital services providing consumers with high quality information to take decisions on issues which are important in their life. By linking innovative business models, advanced technology and great entrepreneurs with our existing network of businesses, brands and talent in our core markets, we believe it is possible to drive significant

and sustainable value-creating growth. The potential is evident both in our core markets as well as adjacent businesses by leveraging our brand positions and access to valuable data.

A common denominator is that we strive to deliver on our mission statement "Empowering people in their daily life". Here lies, in fact, an advantage compared to many other digital companies, as our success is closely linked to our customers' success. We are relentlessly focusing on increased transparency and benefit for our customers and users. For example, we operate efficient and transparent marketplaces, we deliver independent and relevant news, and we help consumers make the best personal finance decisions. In the social responsibility section of this annual report, we elaborate on our contributions to society, including the reduced impact on the environment by buying second-hand items instead of new ones.

Adevinta will continue to be majority-owned by Schibsted. It is the Board's ambition to continue to be a supportive long-term and attentive shareholder. The potential for further growth and value creation in Adevinta is large, and as an anchor shareholder we aim to contribute to this development. At the same time, the Board will treat Adevinta as a separate, independent company, and seek influence through the shareholders' meeting and board representation.

Finally, the Board would like to sum up 2018 as a year not only of important strategic decisions, but also of strong financial performance. Our news media have shown their ability to continue to adapt to their fast-changing commercial markets with high-quality independent journalism as a key asset. Our marketplaces have continued to grow fast with improved operating margins, and the Growth portfolio has performed well and, not least, made several interesting new investments.

Further description of structural changes

In November 2018 Schibsted acquired the French second-hand fashion vertical Vide Dressing.

In December 2018 Schibsted increased its ownership interest in Shpock to 100%, while the increase of ownership in SCM Spain to 100% was completed in January 2019.

Schibsted has also been involved in other minor acquisitions and disposals during 2018.

Further comments on the Group's results

Schibsted's operating revenues in 2018 totaled NOK 18,059 million (NOK 16,943 million)¹. The 7-percent increase was mainly driven by growth in marketplaces and online revenues from media houses, while offline revenues in media houses continued to decline during the year. Group's gross operating profit (EBITDA²) amounted to NOK 3,268 million (NOK 2,606 million)¹, equivalent to growth of 25 percent. The growth was driven primarily by revenue increases in Marketplaces and reduced losses in Investment phase operations. See the section on each business area for more details.

Schibsted's share of profit (loss) from joint ventures and associates totaled NOK 60 million (NOK -113 million)¹. This development is a combination of profitability in Brazil, reduced losses, and changes in composition of entities presented as joint ventures and associates.

Impairment loss in 2018 was NOK -747 million (NOK -49 million)¹. This is mainly related to write-down of goodwill related to Yapo in Chile, Compricer in Sweden and some projects within product and technology development. The write-down of goodwill in Chile is a partial reversal of the gain recorded in 2017 related to re-measurement of previously held equity interest in Yapo.

In 2018 Group's other income and expenses amounted to NOK -55 million (NOK 1,505 million)¹. This is mainly related to restructuring costs. In 2017 this was mainly related to the transactions with Telenor, where Schibsted recorded NOK 821 million on gains on sales and NOK 490 million related to gains from re-measurement of previously held equity interests in business combinations achieved in stages. In 2017 Schibsted also recorded a gain of NOK 201 million related to the sale of Hitta.se as other income.

Operating profit in 2018 amounted to NOK 1,794 million (NOK 3,315 million)¹.

Financial position and cash flow

Net cash flow from operating activities was NOK 1,781 million for the year, compared to NOK 1,290 million in 2017. The increase is primarily related to an increase in gross operating profit partly offset by higher tax payments and increased working capital. The change in working capital in 2018 was negatively affected by NOK 240 million in trade receivables that was settled during Christmas but was in transit from an external cash collection agency at the year-end.

Net cash outflows from investing activities was NOK 953 million for the year, compared to NOK 4,546 million in 2017. The decrease is primarily related to a reduction in acquisitions of subsidiaries and net investments of other shares. Similarly, the change in net cash flow from financing activities, from a cash inflow of NOK 3,558 million to a cash outflow of NOK 608 million, is primarily related to the financing of those investing activities in 2017.

The carrying amount of the Group's assets decreased by NOK 291 million to NOK 27,325 million during 2018 and the Group's net interest-bearing debt decreased by NOK 232 million to NOK 2,383 million. The Group's equity ratio was 54 percent at the end of 2018, compared to 55 percent at the end of 2017.

Schibsted ASA has a well diversified loan portfolio with loans from both the Norwegian bond market and Nordic Investment Bank. In addition, Schibsted has a revolving credit facility of EUR 300 million which was not drawn upon.

Comments on the business areas

Unless otherwise stated, all percentages in this section are based on NOK amounts.

Marketplaces

In 2018 Marketplaces experienced revenue growth of 14 percent and EBITDAⁱⁱⁱ growth of 27 percent, driven mainly by strong development in the marketplaces sites in Norway, France and Spain and by reduced losses in operations within Investment phase.

Developed phase

France

In France, Leboncoin.fr is the leading marketplaces site, and holds a number-one position within real estate, cars and generalist ads.ⁱⁱ In 2018 France had revenue growth in local currency of 18 percent. The growth was driven by positive results from monetization efforts in jobs, continued growth in real estate and cars. Display advertising also contributed positively to the strong growth, but with a lower growth rate than the verticals. EBITDAⁱⁱⁱ in local currency grew by 11 percent.

Norway

Finn.no is the number-one website for marketplaces in Norwayⁱⁱ and one of the strongest brands in the country, regardless of industry. Finn.no is the market leader within real estate, cars, jobs and generalist ads. Marketplaces Norway had a strong year in 2018 with revenue growth of 12 percent, driven by revenue increases in all classified verticals, especially real estate and jobs. Display advertising sales were still soft. EBITDAⁱⁱⁱ grew by 18 percent.

Spain

Schibsted's operations in Spain are market leaders within marketplaces and hold number-one positions in real estate, cars, jobs and generalist ads.ⁱⁱ In 2018 revenue growth in local currency was 16 percent, driven by jobs, cars and real estate. Display advertising also contributed positively to the strong growth, but with lower growth rate than the verticals. EBITDAⁱⁱⁱ growth in local currency was 36 percent.

Sweden

Blocket.se holds a leading position for marketplaces in Swedenⁱⁱ and is among the strongest brands in the country across all industries. Bytbil.se is the leading marketplaces for cars in Sweden.ⁱⁱ Marketplaces Sweden's operating revenues in local currency decreased 4 percent in 2018. Cars and jobs contributed positively, while display advertising was more challenging. EBITDAⁱⁱⁱ in Marketplaces Sweden in local currency decreased by 13 percent compared to last year.

Other developed phase

Subito.it is the leading generalist and car marketplace site in Italy. It also holds a strong position in the jobs market.ⁱⁱ Revenues continued to grow in 2018, but at a slower growth rate than last year due to soft development in display advertising. In Ireland, Distilled Media

holds leading positions in the generalist, cars and real estate verticals.ⁱⁱ Revenue growth in 2018 was positive. Willhaben.at is the leader in the real estate, generalist markets in Austria. It also holds a strong position in the jobs and cars market.ⁱⁱ The site continued to grow fast in terms of traffic, with corresponding revenue growth. In Hungary, Schibsted owns the leading car marketplace siteⁱⁱ, Hasznaltauto.hu and the leading generalist siteⁱⁱ, Jofogas.hu. Revenues continued to grow at a steady pace in 2018.

Investment phase

In 2018 the Investment phase portfolio continued to develop strongly in terms of revenue and traffic growth. Revenue growth in 2018 was 18 percent and the negative EBITDAⁱⁱⁱ in 2018 was improved by 35 percent.

In Brazil, OLX.com.br has a strong brand and leadership positions in traffic and volumes of verticalsⁱⁱ. Revenues grew rapidly in 2018 due to continued monetization of the cars and real estate verticals. Revenue growth in local currency was 61 percent and OLX.com.br was EBITDAⁱⁱⁱ positive in 2018 with a EBITDAⁱⁱⁱ margin of 5 percent.

Shpock, a native app for generalist ads, expands the market and attracts new user groups and items. Shpock has built strong market positions in the UK and in other selected markets. In 2018 Shpock continued to run marketing campaigns in several markets, but on a smaller scale than last year. EBITDAⁱⁱⁱ losses in 2018 were 39 percent lower than in 2017. Schibsted has decided to initiate a strategic shift at Shpock. This implies that Shpock will be moving towards break-even during 2019.

Schibsted also holds market positions with good potential in several other markets, such as Segundamano.mx in Mexico, Avito.ma in Morocco, Corotos.com.do in the Dominican Republic, Tayara.tn in Tunisia, Kufar.by in Belarus, Yapo.cl in Chile and Tori.fi in Finland. They are number oneⁱⁱ in their respective markets, and all sites experienced revenue increases in 2018.

Publishing

Publishing comprises leading newspapers in Norway and Sweden and printing plant operations and distribution operations in the Norwegian market. In Norway, the newspapers include the national newspapers VG and Aftenposten and the regional newspapers Bergens Tidende, Stavanger Aftenblad and Fædrelandsvennen. In Sweden, the newspapers include the national newspapers Aftonbladet and Svenska Dagbladet. All newspapers are strong brands and hold leading positions within their region.

In 2018 revenues in Publishing increased 1 percent. Publishing experienced an improved trend for online advertising, especially VG. Circulation revenues were stable due to solid growth in digital subscription revenues. Sales of print newspapers continued to decline. The EBITDAⁱⁱⁱ margin in 2018 was 8 percent.

Growth

Growth comprises a portfolio of web-based growth companies including Lendo and Prisjakt. Lendo has become one of the leading marketplaces for consumer lending in the Nordics since it was founded in 2007.

In 2018 revenues in Growth increased 10 percent (excluding Hitta.se, divested end of July 2017). The margin improved to 23 percent (21 %).

Lendo is present in Sweden, Norway, Finland and Denmark with services within consumer finance. The growth rate of Lendo Group was 21 percent, driven by higher volumes. The EBITDA^{III} margin was 38 percent.

Prisjakt is present in Norway, Sweden, Finland and other selected markets with price comparison services for e-commerce. Prisjakt had revenue growth of 18 percent in 2018, and an EBITDA^{III} margin of 31 percent.

Research and development

Schibsted has been at the heart of the digital transformation for more than 20 years, and continues to invest substantial resources in improving and developing products offered to its users. All Group entities are making continuous efforts to further develop both existing products and products that will provide new revenue flows. In 2018 innovation efforts focused on marketplace platforms, media platforms, privacy, advertising technology, data analytics and identity.

Operational and financial risks

Schibsted is operating in an industry that is subject to constant change, and is exposed to increased competition from disruptive players, technology and new business models. Furthermore, Schibsted's display advertising revenues, marketplace revenues from the recruitment markets, and to some extent real estate markets, are affected by macroeconomic cycles, i.e. unemployment rates, real estate prices and GDP growth rates. Schibsted's commitment to technology and innovation, and to diversification of revenue streams from Publishing, Marketplaces and Growth companies, are vital contributors to bringing these risks to an appropriate level.

External cyber-attacks and threats against Schibsted's IT security may cause incidents of loss of personal data, fraud, loss of sensitive business data and inaccessible or unreliable services. Prevention of such attacks has high priority and is a vital part of Schibsted's business.

Through its operations outside Norway, Schibsted is exposed to fluctuations in the exchange rates of other currencies, mainly Euro and Swedish kronor. The Group makes use of loans in foreign currencies and financial derivatives to mitigate its currency exposure.

Schibsted's credit risk is considered low as trade receivables are diversified through a high number of customers, customer categories and markets. Moreover, a major part of sales is done through prepaid



subscriptions or advertisements and credit card payments on the purchase date. Liquidity risk associated with cash flow fluctuations is also considered low as Schibsted has adequate equity and solid credit facilities. See note 23 in the financial statements for more details on currency risk, credit risk and liquidity risk.

Statement of corporate governance

Schibsted's governance systems are based on principles set out in the Norwegian Code of Conduct for Corporate Governance. In accordance with section 3-3b of the Norwegian Accounting Act, an overall report of corporate governance at Schibsted has been prepared and enclosed as a separate document in the annual report. This statement is an integral part of the Board of Directors' report.

Sustainability Report

In accordance with section 3-3c of the Norwegian Accounting Act, a report of sustainability has been prepared. The report is included as a separate document in the annual report and includes details on working environment, injuries, accidents, sickness absence, equality and non-discrimination, as well as social responsibility and external environment. This report is an integral part of the Board of Directors' report.

Schibsted ASA

Schibsted ASA is the parent company of the Group and is located in Oslo, Norway. The company supplies and performs services for the

Group's other companies. Schibsted ASA delivered a profit after tax of NOK 1 019 million (NOK -515 million)ⁱ. As at 31 December 2018 Schibsted ASA had total assets of NOK 31,618 million (NOK 30,297 million)ⁱ. The equity ratio was 53 percent (54 percent)ⁱ.

The Board of Directors proposes the following allocation:

Proposed dividend: NOK 477 million
Transferred to other equity: NOK 542 million

As of 31 December 2018 Schibsted ASA had total equity of NOK 16,783 million. The Board of Directors has determined that Schibsted ASA had adequate equity and liquidity at year-end 2018.

Outlook

Schibsted excluding Adevinta

The Nordic region is perceived to be a digital frontrunner region and as such, a good venture lab to test new digital and disruptive offerings. Schibsted will build on its track record of being able to create and scale new business models and leverage technological disruptions to evolve successfully in the Nordics and beyond. We will concentrate on leveraging the combined force of our various operations, founded on our well-known consumer brands, high traffic volumes, and on our ability to harvest rich data and attract top talent.

Schibsted expects to see continued good revenue development for its marketplace operations Finn.no, Blocket.se and Tori.fi. Increased monetization of verticals and development of value-added services and adjacent growth opportunities are expected to be key drivers. Within Schibsted Growth, including Financial Services, Lendo is expected to continue to grow well, although moderate expansion investment into new markets, like Denmark, Poland and Austria, will hamper margins somewhat. Prisjakt is expected to continue with solid top-line growth and healthy margins.

The operations in News Media (formerly Publishing) will continue to develop their digital business models based on strong editorial products.

Adevinta

Adevinta endeavours to maintain and expand its favorable competitive positions and markets while also capturing further core and adjacent growth opportunities. Adevinta will continue to benefit from organic online classifieds market growth, focused particularly on tapping the untapped potential that lies in its strong verticals. At the same time, Adevinta is focused on driving initiatives to increase market shares of traffic, listings and eventually monetization and profitability. France, Spain and Brazil are expected to be the key drivers for growth going forward, driven by continued strong development of its verticals.

Going concern

Based on Schibsted's long-term strategy and forecasts, and in accordance with section 3-3a of the Norwegian Accounting Act, the Board confirms that the prerequisites for the going concern assumption exist and that the financial statements have been prepared based on a going concern basis.

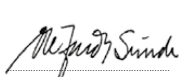
i Figures in parentheses are for the corresponding period for the previous year.

ii Source: Mediametrie; Comscore; Gemius; Similarweb – competitive positions based on traffic. Spain: SCM Spain aggregated position.

iii EBITDA (before other income and expenses, impairment, joint ventures and Associates).

Paris, 21 March 2019

Schibsted ASA's Board of Directors



Ole Jacob Sunde
Chairman of the Board



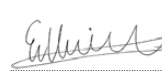
Christian Ringnes
Board member



Birger Steen
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Philippe Vimard
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Eugénie Van Wiechen
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Torbjörn Ek
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Ingunn Saltbones
Board member



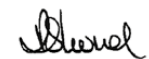
Finn E. Våga
Board member



Marianne Budnik
Board member



Orla Noonan
Board member



Kristin Skogen Lund
CEO