

PRESS RELEASE

Record earnings for 2015 and very dynamic start to 2016: Ströer plans to increase the dividend distribution to EUR 0.70 per share

- **Consolidated revenue increases substantially by more than 14% to EUR 824m**
- **Organic growth at 10%**
- **Operational EBITDA climbs 40% to EUR 208m**
- **Adjusted earnings for the year up almost two-fold to EUR 106m**
- **Lowest leverage ratio since the IPO**

Cologne, 22 March 2016 Ströer is confirming the preliminary results announced in February for fiscal year 2015. Annual revenue grew by more than 14% to EUR 824m, with organic growth at 10%. Operational EBITDA increased by 40% to EUR 208m. Adjusted earnings for the year rose sharply and almost doubled to EUR 106m. At EUR 114m, free cash flow (before M&A) was in the three-digit millions for the first time, improving by around 50%. Within the space of a year, Ströer also considerably reduced its leverage ratio from 1.9 to 1.1, the lowest ratio since going public.

“2015 was an excellent year for Ströer. All our KPIs improved significantly. We were also able to carry this positive momentum into the current fiscal year. All our segments are contributing to this excellent performance – in particular our digital segment which has pushed revenue up almost two-fold in the year to date. In order to allow our shareholders to participate in our success, we will propose a EUR 0.30 dividend increase to EUR 0.70 per share at this year’s shareholder meeting,” says Udo Müller, CEO of Ströer. **“We are confirming our current guidance of EUR 270m to EUR 280m EBITDA and consolidated revenue of**

between EUR 1.1b and EUR 1.2b for 2016. We expect organic revenue growth to be in the mid to high single-digit percentage range.”

The board of management and supervisory board will propose to the shareholder meeting on 23 June 2016 that the dividend distribution be increased to 70 cents per qualifying share for fiscal year 2015.

Operating segments

Digital

The Ströer Digital segment reported strong growth once again in the fiscal year and thus continued unabated on its upwards trajectory. Revenue in the Ströer Digital segment shot up 47.2% to EUR 243.5m in 2015. Operational EBITDA also developed well, and doubled to EUR 79.5m. The EBITDA margin improved significantly in fiscal year 2015, rising to 32.7%.

Adjusted for the business acquisitions, all areas of the digital segment saw strong organic growth, led by our public video products. While digital marketing succeeded in monetizing the base of publishers which it had strengthened in the prior year and also sold more video and mobile products, public video reported a year-on-year increase in demand, especially from new customers. At the same time, our investments in other digital business models also contributed to robust organic growth. The integration of the newly acquired companies was driven forward and we are increasingly able to leverage synergies and economies of scale on both the revenue and cost side.

Out-of-Home Germany

In fiscal year 2015, the Ströer Group recorded significant growth in revenue in the Out-of-Home Germany segment, with both national and regional business contributing considerably to that growth. Revenue in the OOH Germany segment was up 8.1% in organic terms to EUR 464.0m in 2015. Operational EBITDA also developed very well and rose 27.2% to EUR 124.5m. The EBITDA margin improved in fiscal year 2015, rising to 26.8%.

In addition to demand which continues to be very robust and dynamic, this upwards trend was bolstered by a number of marketing measures. The billboard product group,

which targets both national and regional customers, saw its revenue increase by EUR 10.4m to EUR 208.6m. This product group benefited on the one hand from the optimization of the national sales organization in the prior year, and on the other hand from the related expansion of the regional network marketing structure, which had a markedly positive effect on business. By contrast, the street furniture product group mainly serves national and international customer groups. Business was expanded further in this product group too, allowing it to close the fiscal year with revenue of EUR 137.6m, an increase of EUR 8.2m. The transport product group, which has only comprised advertising on buses and trains since the start of 2015, closed the year at a low level with just marginal increases in revenue. The strong growth in other product group was primarily due to higher production-based income. This increase is largely due to the growth in revenue from small local customers as this customer group is much more interested in full-service solutions, including the production of advertising materials. Due to increased operating activities, the Out-of-Home Germany segment also saw its cost of sales increase, albeit at a much lower rate than revenue. In this connection, the cost-cutting program that was expanded in the prior year had a markedly positive impact on the cost structure in 2015 in particular. The cost cuts also led to a sustained reduction in overheads.

Out-of-Home International

The OOH International segment includes our Turkish and Polish out-of-home activities and the western European giant poster business of the blowUP group. The OOH International segment generated revenue totaling EUR 142.8m in 2015, down slightly on the prior year. This drop in revenue was primarily due to the geopolitical uncertainties and the related depreciation of the Turkish lira affecting the Turkey sub-segment. In local currency, however, revenue only fell marginally. In Poland, revenue was also slightly lower than in the prior year given the persistently challenging market environment. Despite falling short of the high growth rates attained in the prior year, the blowup group maintained and marginally increased the level of revenue seen in the prior year. In terms of cost of sales, all three sub-segments varied in their development. While our out-of-home business in Turkey and the blowUP group reported higher cost of sales due to increased lease expenses, costs in Poland continued to fall. Given the additional cost savings in overheads, operational EBITDA improved overall to EUR 25.0m. The operational EBITDA margin also picked up and came to 17.5%.

Key performance indicators

In EUR m	2015	2014	Change
Revenue ¹	823.7	721.1	14.2%
By segment			
Ströer Digital	243.5	165.4	47.2%
Ströer Germany ²	464.0	429.1	8.1%
Ströer International	142.8	147.3	-3.0%
By product group			
Billboard ²	323.1	319.0	1.3%
Street Furniture ²	158.0	149.5	5.7%
Transport ²	54.5	52.6	3.6%
Digital ³	242.9	169.5	43.3%
Others ²	59.3	43.1	37.6%
Organic growth (%) ⁴	9.8	11.4	
Gross profit ⁵	262.6	214.9	22.2%
Operational EBITDA ⁶	207.5	148.1	40.2%
Operational EBITDA ⁶ -margin (%)	24.8	20.2	
Adjusted EBIT ⁷	135.8	98.5	37.8%
Adjusted EBIT ⁷ -margin (%)	16.2	13.4	
Adjusted profit or loss for the period ⁸	106.3	56.3	88.6%
Adjusted earnings per share (EUR) ⁹	2.10	1.11	89.3%
Profit or loss for the period ¹⁰	59.5	23.3	> +100%
Earnings per share (EUR) ¹¹	1.16	0.43	> +100%
Investments ¹²	76.3	45.2	68.6%
Free cash flow ¹³	92.4	65.5	41.1%
	31 Dec 2015	31 Dec 2014	Change
Total equity and liabilities ¹	1.458.4	953.9	52.9%
Equity ¹	675.2	320.7	> +100%
Equity ratio (&)	46.3	33.6	
Net debt ¹⁴	231.2	275.0	-15.9%
Employees ¹⁵	3.270	2.380	37.4%

¹ Joint ventures are consolidated using the equity method – in accordance with IFRS 11 (since 2013)

² Joint ventures are consolidated proportionately (management approach)

³ Revenue from the Ströer Digital segment and digital OOH revenue from other segments

⁴ Excluding exchange rate effects and effects from the (de-)consolidation and discontinuation of operations (joint ventures are consolidated proportionately). The Ströer Group adjusted its method of calculation in 2015.

⁵ Revenue less cost of sales (joint ventures are consolidated using the equity method – in accordance with IFRS 11) (since 2013)

⁶ Earnings before interest, taxes, depreciation and amortization adjusted for exceptional items (joint ventures are consolidated proportionately)

⁷ Earnings before interest and taxes adjusted for exceptional items, amortization of acquired advertising concessions and impairment losses on intangible assets (joint ventures are consolidated proportionately)

⁸ Adjusted EBIT before non-controlling interests net of the financial result adjusted for exceptional items and the normalized tax expense (joint ventures are consolidated proportionately)

⁹ Adjusted profit or loss for the period net of reported non-controlling interests divided by the number of shares outstanding (48,869,784) plus the time-weighted addition of the shares from the capital increase (6,412,715) on 2 November 2015

¹⁰ Profit or loss for the period before non-controlling interests (joint ventures are consolidated using the equity method – in accordance with IFRS 11) (since 2013)

¹¹ Actual profit or loss for the period net of reported non-controlling interests divided by the number of shares outstanding (48,869,784) plus the time-weighted addition of the shares from the capital increase (6,412,715) on 2 November 2015

¹² Including cash paid for investments in property, plant and equipment and in intangible assets (joint ventures are consolidated using the equity method – in accordance with IFRS 11) (since 2013)

¹³ Cash flows from operating activities less cash flows from investing activities (joint ventures are consolidated using the equity method – in accordance with IFRS 11) (since 2013)

¹⁴ Financial liabilities less derivative financial instruments and cash (joint ventures are consolidated proportionately)

¹⁵ Headcount of full and part-time employees (joint ventures are consolidated proportionately)

About Ströer

Ströer SE & Co. KGaA is a big digital multi-channel media company, and offers its advertising customers individualized and fully integrated premium communication solutions. In the field of digital media, Ströer is setting forward-looking standards for innovation and quality in Europe and is opening up new opportunities for targeted customer contact for its advertisers.

The Ströer Group commercializes several thousand websites especially in German-speaking countries and around 300,000 advertising faces in the field of "out-of-home". The Group has approximately 3,300 employees at over 70 locations. In the full year 2015, Ströer SE generated consolidated revenue of EUR 824m. The Ströer SE & Co. KGaA is listed on the MDAX of the German Stock Exchange.

For more information on the Company, please visit www.stroeer.com.

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