

PRESS RELEASE

Record results: Ströer presents strong third quarter results

- **Consolidated revenue in the first 3 quarters increases by 7% from EUR 1,113m to EUR 1,187m**
- **(Adjusted) EBITDA in the first 3 quarters climbs 7% from EUR 364m to EUR 389m**
- **Adjusted profit in the first 3 quarters up by 6% from EUR 119m to EUR 126m**
- **Organic growth in the first 3 quarters at over 7%**

Cologne, 13 November 2019

Ströer SE & Co. KGaA is continuing on the sustainable and profitable growth course of the past fiscal years. Revenue in the first three quarters of 2019 was up 7%, from EUR 1,113m to EUR 1,187m. Organic revenue growth stood at 7.3%. (Adjusted) EBITDA also increased by 7% in the first nine months, up from EUR 364m to EUR 389m. Adjusted profit for the first nine months also developed positively, rising some 6% from EUR 119m to EUR 126m.

With its “Out-of-Home plus” strategy (OOH plus) – the combination of the core OOH business and the supporting Content and Direct Media segments – Ströer is focusing on the German market and thus has a solid basis for long-term organic growth as well as high profitability. The extensive tech and content know-how from Ströer’s digital segments bolsters the digitalization of the core OOH business. With OOH and online, Ströer operates in the fastest growing media channels in the German advertising market. Ströer expects the structural upward trend for OOH, which is being driven mainly by the ongoing digitalization, to continue for at least another 10 years with growth rates of around 5%. In order to ensure growth at the upper end of the expected structural market growth and increase the utilization of its infrastructure inventory, Ströer, as the first nationally operating OOH player, has developed a new growth strategy “OOH plus,” which enables better and above all more direct customer access as well as expected revenue growth that is well in excess of the market average.

“OOH remains the fastest growing media channel in the German advertising market. Our OOH plus strategy allows us to leverage this momentum. The positive development of our key financials is testimony to our success. The digitalization of our advertising media and the strong growth in demand for programmatic Out-of-Home products contributed to our success in the third quarter,” says Udo Müller, founder and Co-CEO of Ströer.

“We saw a good performance and strong, organic growth again in the third quarter. Our organic growth in the first nine months of the year totaled 7.3%. We are optimizing the structure of the Direct Media segment, focusing on the high-margin sales areas that contribute directly to our core business,” says Christian Schmalzl, Co-CEO of Ströer. “Given the strong order intake for the fourth quarter, we expect organic revenue growth at the upper end of the 3% to 7% guidance range, that we previously communicated, for the fiscal year as a whole.”

Operating segments

OOH Media

Revenue in the OOH Media segment rose 7% from EUR 461m to EUR 495m in the first three quarters of 2019. Overall, the segment increased its (adjusted) EBITDA by 5% in the same period, up from EUR 213m to EUR 224m, with an (adjusted) EBITDA margin of 45.2% (prior year: 46.1%).

Digital OOH & Content

Revenue in the Digital OOH & Content segment grew from EUR 394m in the prior year to EUR 400m in the first nine months of 2019, with organic revenue growth at just under 8%. The consistently positive development of the DOOH business more than offset the effects from the sale of a number of non-core activities such as Mobile Performance and Twiago in the first quarter and allowed the segment to further sharpen its profile. (Adjusted) EBITDA increased by 12%, up from EUR 122m to EUR 136m, with public video and Statista making the main contribution. The (adjusted) EBITDA margin stood at 34.1% (prior year: 30.9%).

Direct Media

Segment revenue for Direct Media climbed from EUR 270m to EUR 318m in the first three quarters of 2019. Organic revenue growth stood at 16%. The positive sales development was largely driven by the good performance of direct sales operations. Against the background of the continued integration and optimization of processes in this segment, (Adjusted) EBITDA was at around EUR 42m (prior year: EUR 43m), the (adjusted) EBITDA margin was 13.2% (prior year: 15.9%).

THE GROUP'S FINANCIAL FIGURES AT A GLANCE

Continuing operations

<p>REVENUE EUR 1,186.6m (prior year: EUR 1,112.7m)</p>	<p>EBITDA (ADJUSTED)¹ EUR 388.8m (prior year: EUR 364.0m)</p>	<p>EBITDA-MARGIN (ADJUSTED) 32.8% (prior year: 32.7%)</p>												
<p>SEGMENT REVENUE In EUR m</p> <table border="1"> <thead> <tr> <th>Segment</th> <th>2018</th> <th>2019</th> </tr> </thead> <tbody> <tr> <td>OOH Media</td> <td>461.2</td> <td>494.7</td> </tr> <tr> <td>Digital OOH & Content</td> <td>394.4</td> <td>399.5</td> </tr> <tr> <td>Direct Media</td> <td>270.4</td> <td>318.4</td> </tr> </tbody> </table>	Segment	2018	2019	OOH Media	461.2	494.7	Digital OOH & Content	394.4	399.5	Direct Media	270.4	318.4	<p>ORGANIC REVENUE GROWTH 7.3% (prior year: 8.1%)</p>	<p>ADJUSTED CONSOLIDATED PROFIT EUR 126.4m (prior year: EUR 119.2m)</p>
Segment	2018	2019												
OOH Media	461.2	494.7												
Digital OOH & Content	394.4	399.5												
Direct Media	270.4	318.4												
	<p>FREE CASH FLOW BEFORE M&A TRANSACTIONS EUR 200.2m (prior year: EUR 137.1m)</p>	<p>ROCE 18.6% (prior year: 17.9%)</p>												

In EUR m	Q3 2019	Q3 2018	9M 2019	9M 2018
Revenue	399.2	386.8	1,186.6	1,112.7
EBITDA (adjusted) ¹	132.8	127.1	388.8	364.0
Adjustment effects	13.2	8.2	27.8	23.1
EBITDA	119.5	118.9	360.9	340.9
Amortization, depreciation and impairment losses	92.9	86.8	268.7	251.7
thereof attributable to purchase price allocations and impairment losses	18.7	15.5	53.3	52.2
EBIT	26.6	32.2	92.2	89.2
Financial result	8.5	7.4	23.4	23.2
EBT	18.1	24.7	68.8	66.0
Taxes	2.6	3.1	11.5	8.9
Consolidated profit for the period	15.5	21.7	57.3	57.1
Adjusted consolidated profit for the period	42.4	40.7	126.4	119.2
Free cash flow (before M&A transactions)			200.2	137.1
Net debt (30 Sep)			647.4	622.4

¹ "EBITDA (adjusted)" is in substance identical to the previous term "operational EBITDA."



About Ströer

Ströer is a leading German outdoor advertiser and offers advertisers individualized, fully integrated complete solutions along the entire marketing and sales value chain. With the "OOH plus" strategy, Ströer relies on the strengths of the OOH business supported by the flanking business segments Content and Direct Media. With this combination, the company is in a position to continuously expand its relevance to customers and, thanks to strong market shares and long-term contracts on the German market, is in an excellent position to benefit disproportionately from market growth in the coming years.

The Ströer Group markets and operates several thousand websites, mainly in German-speaking countries, and operates around 300,000 out-of-home advertising media. The portfolio includes all media used outside the home - from classic poster media to exclusive advertising rights at railway stations and digital out-of-home media. The Content and Direct Media segments flank the core business. With dialogue marketing, Ströer offers its customers complete solutions on a performance basis - from location- or content-based reach and interaction to the entire spectrum of dialogue marketing through to the transaction. In addition, the media house publishes premium content in digital publishing via all digital channels and, with offerings such as t-online.de and special interest portals, offers one of the widest reach networks in Germany.

The company employs around 13,000 people at more than 100 locations. In the 2018 financial year, Ströer generated sales of 1.6 billion euros. Ströer SE & Co. KGaA is listed in the SDAX of Deutsche Börse.

More information about the company can be found at www.stroeer.com.

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