STRÖER

Ströer SE & Co. KGaA
Barclays Media and Telecom Forum

6th September 2017 | London

Two Key Business Approaches with a very different Profile

LOCAL HEROES

VS

GLOBAL CHAMPIONS

- Local market specification know-how
- Local execution quality
- Local do-it-for-you solutions with strong local client access

Strong barrier to entry

- Global tech-based standardisation
- Global premium content rights
- Global data-supported network effects

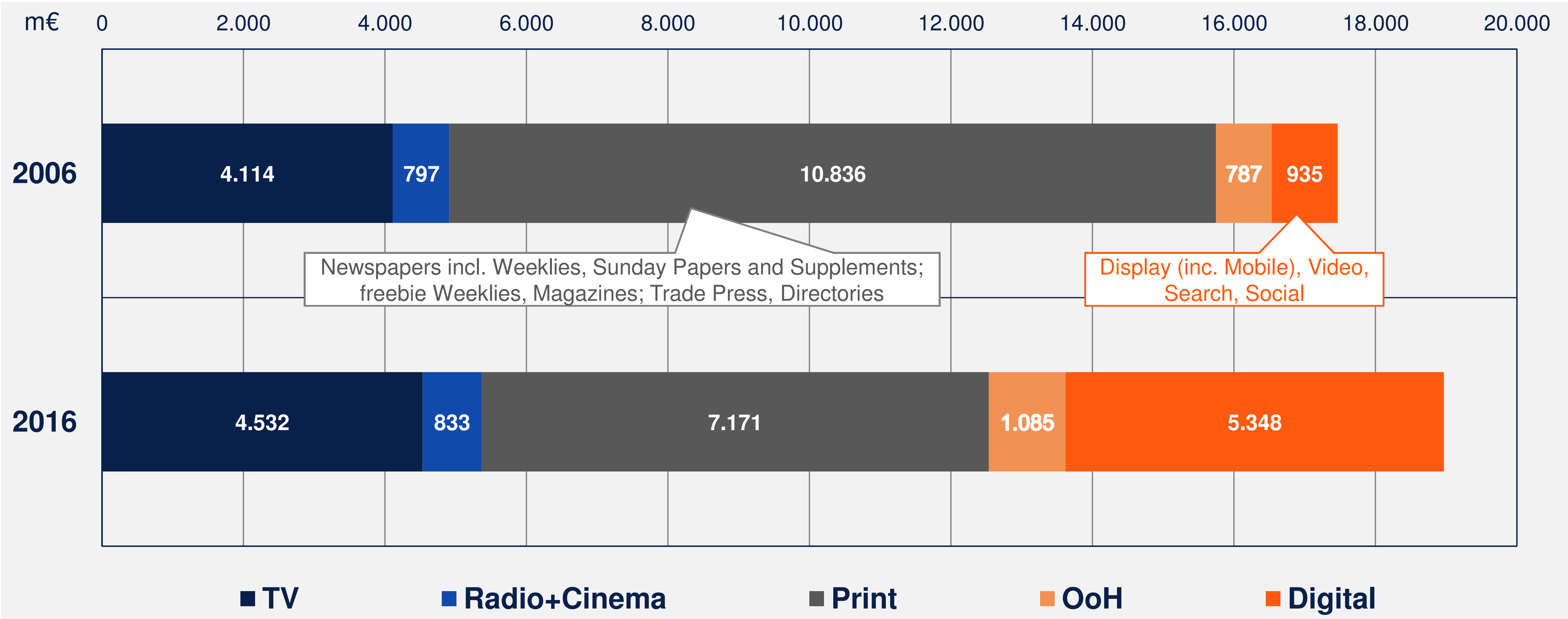
Strong barrier to entry

Our business segments have a clear & consistent local hero profile:

- Local market know-how is absolutely key
- Execution-quality & do-it-for-you focus
- Diversified rights portfolio
- High market entry barriers

Tectonic Changes within the Global Advertising Landscape Example: Germany

Net Revenues per ATL Medium in m€ - Basis: ZAW Annual Report (incl. projections for 2016)



Sources: ZAW, BVDW/OVK, Statista/ZenithOptimedia, Schickler, PWC

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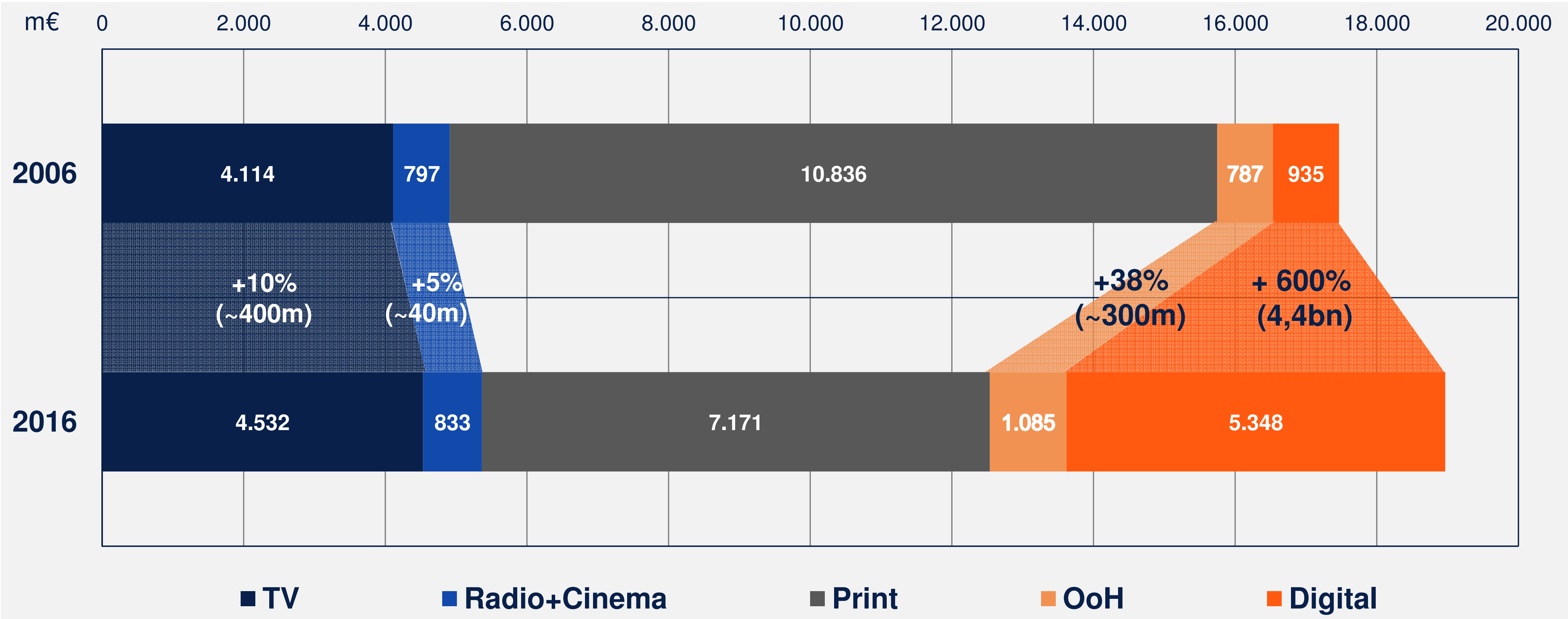
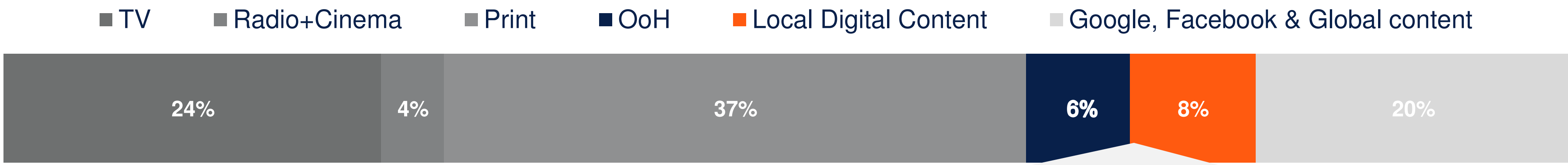


Sources: ZAW, BVDW/OVK, Statista/ZenithOptimedia, Schickler, PWC

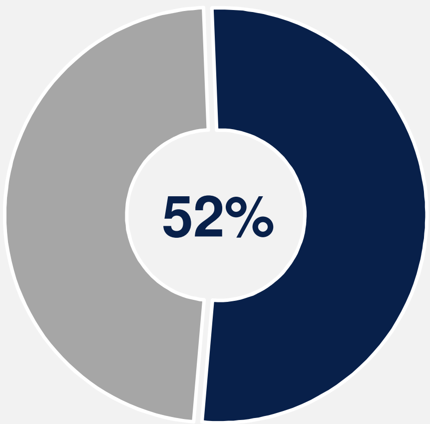
Successful Execution of our Strategy in Above the Line Media

Current Market Position of Ströer Group within the two Focus Areas



OoH: Ströer Market Share*

more than 90% national coverage: almost impossible to substitute in OoH plans

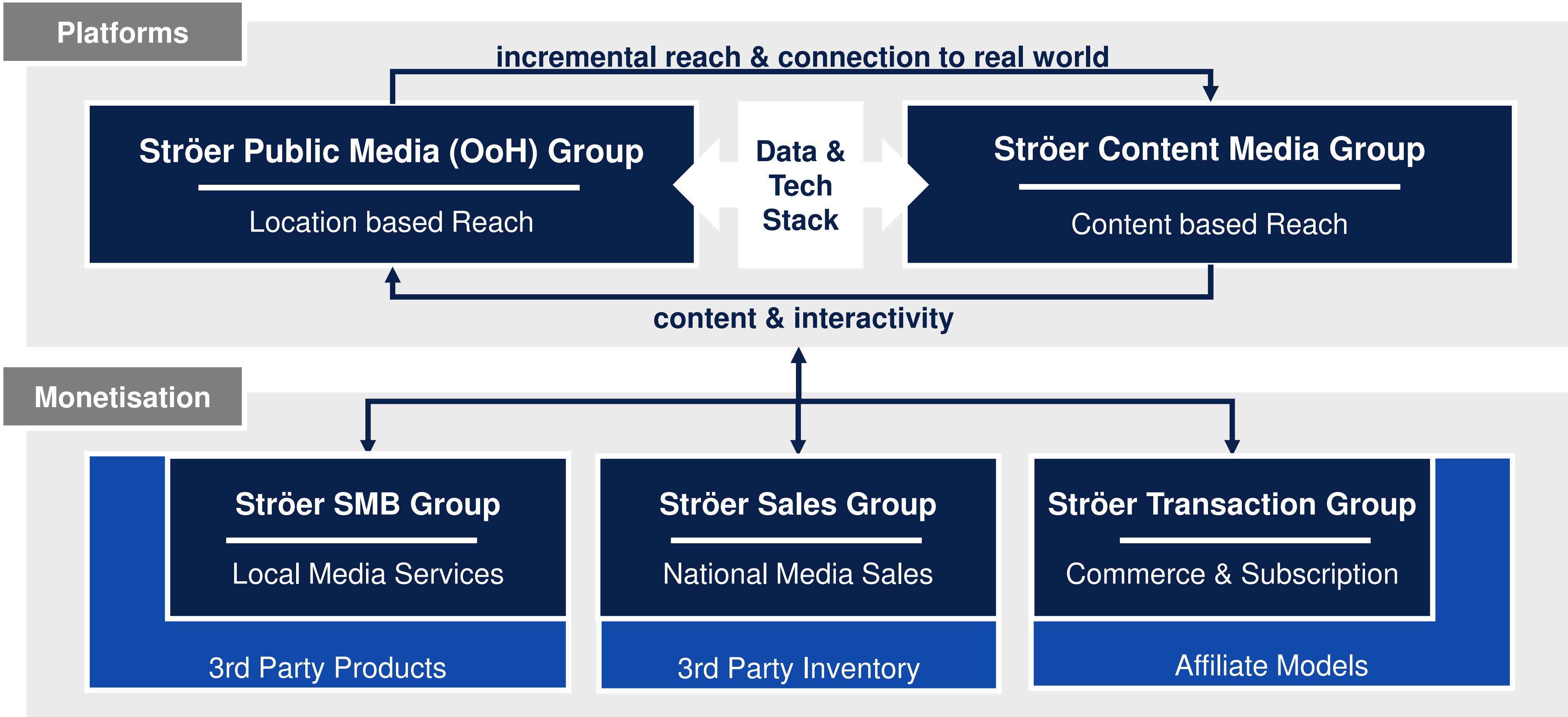


Local Digital Content: Ströer Market Share*

more than 80% audience coverage: massive potential for digital plan over-weight!

Sources: ZAW, BVDW/OVK, Statista/ZenithOptimedia, Schickler, PWC
*Status Q2/2017

Ströer Multi-Channel & Integrated Monetisation Ecosystem

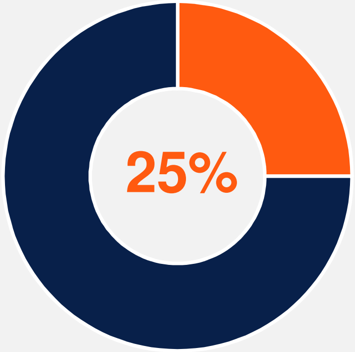


Ströer‘s strategy is addressing market challenges

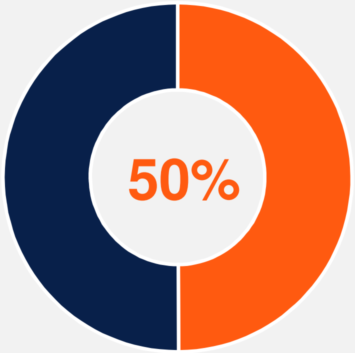
1. **Leveraging the incremental potential of digitisation for OoH**
2. **Online: consolidation of 1st & 3rd party inventory + integration at public media reach**
3. **Do-it-for-you services for SMB only national Sales Force for local ad products**
4. **Smart and focused digital niches**

1 Delivery against our 4 Year Target* of +1,000 Premium Screens?

time gone*



target delivery



Location		May 2016	May 2017	FC Q4/2017
Stations		1,052	+97	+80
Malls		2,137	+198	+80
Public Transport		303	+86	+120
Roadside		7	+119	+80
TOTAL		3,499	+500	+360

* Announced at the CMD 2016 end of April 2016

2 Our Online Consolidation Strategy is constantly evolving

Further Inventory Consolidation in Q1/2017

1 January – from Axel Springer: aufeminin Group

e.g.

8.2m UUs, strengthening women and health vertical

2 February – from Funke Group: Funke Digital Assets

e.g.

4.9m UUs, strengthening news & local products

3 March – from Bauer Group Bauer Xcel Assets

e.g.

14.3 UUs, strengthening women & car vertical

4 April – Data Joint Venture with Otto Group Media

Over 60 e-commerce platforms, e.g.

- Combining the largest digital sales house (>45m UUs) and the largest data provider (>25m CRM profiles)
- Kick-off with 10 lifestyle segments in combination with age, gender, shopping habits and price sensitivity
- High impact branding formats in brand safe context („made in Germany")

3 Our Ad Sales Units accelerate Cross Media Integration

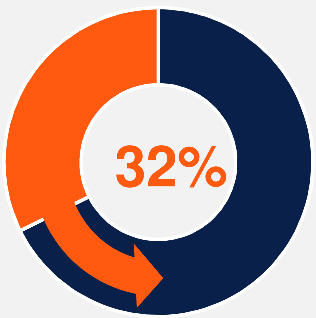
Ströer SMB Group

Local Media Services

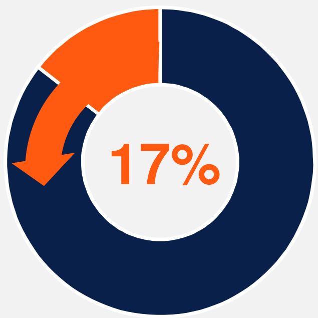
Ströer Sales Group

National Media Sales

Share of small local clients (“signage & subscription”) vs. regional clients (“campaigns & services”)



Share of digital services and ad revenues vs. out-of-home media and production revenues



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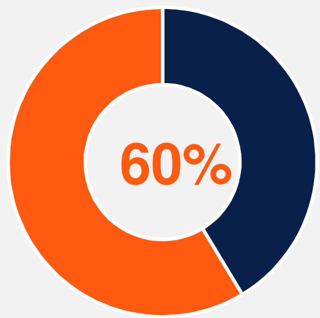
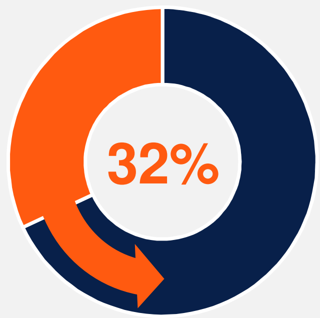


Share of direct client deals and relationships vs. revenues managed by media agencies/intermediates

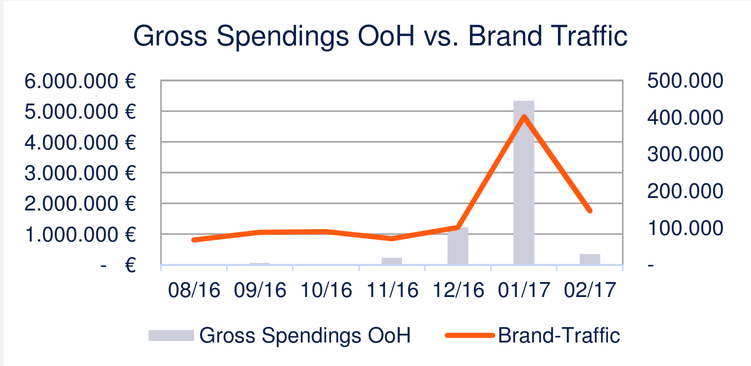


Revenue mix/structure on the basis of German market (e2017).

4 Marketing Case Bodychange: OoH drives Brand & Direct Traffic

OoH Campaigns – for Brand & REWE Coop

Boost for Direct Traffic



Multi-Channel Model

- Leveraging group relationship with REWE for roll-out of multi-channel presence; in combination with strong local OoH campaign to push sale
- Co-operation with health insurances regarding health protection: Bodychange as licenced partner allows clients to get subscription funded and subsidized by health insurances
- Network effects between online-/offline media as well as different sales channels

Our Targets for 2017: Consistent KPIs & Sustainable Performance

Our Key KPIs and Guidance Statements

1	Total Revenues	~1.3 bn €
2	Organic Growth	mid to high single digit
3	EBITDA	320 – 330 m€
4	Free Cash Flow	~145 m€
5	Net Income Adj.	> 175m€
6	ROCE	Stable (PY: 16.9%)

Guidance Achievement Year by Year

EURm	2013			2014			2015			2016			2017E	
	Guidance	Actual		Guidance	Actual		Guidance	Actual		Guidance	Actual		Guidance	Actual
Organic growth	Low single digit	**3.5%**	✓	>10%	**11.4%**	✓	High single digit	**9.8%**	✓	5-10%	**7.2%**	✓	5-10%	
Operational EBITDA	Moderate increase	**118 (+10%)**	✓	~145	**148**	✓	>200	**208**	✓	>280	**285**	✓	320 - 330	
Net Income Adj.	Moderate increase	**36 (+51%)**	✓	>50	**56**	✓	~100	**107**	✓	>150	**156**	✓	>175	
Free cash Flow*	Moderate increase	**39**	✓	Slight increase	**80 (+103%)**	✓	~100	**116**	✓	~135	**139**	✓	~145	
Return on Capital Employed (ROCE)	Moderate increase	**10.3%**	✓	>10%	**13.8%**	✓	Consider-able increase	**15.4% (+1.6% p.p.)**	✓	stable	**16.9 %**	✓	~16.9%	

Source: Company filings, broker research

* Free Cash Flow before M&A

Recap of Q2 Market Dynamics

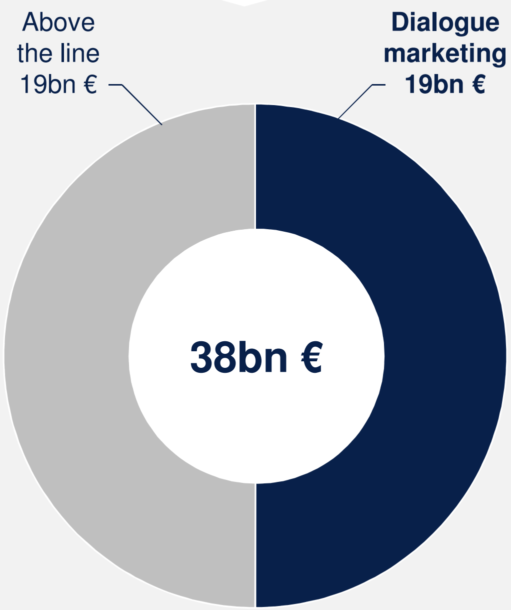
1. **Strong new business development in Out-of-Home – especially with digital companies and e-commerce clients driving incremental revenues**

2. **Outperforming local online market with integrated concepts and full service packages on 1st and 3rd party inventory (beyond global GAFA standards)**

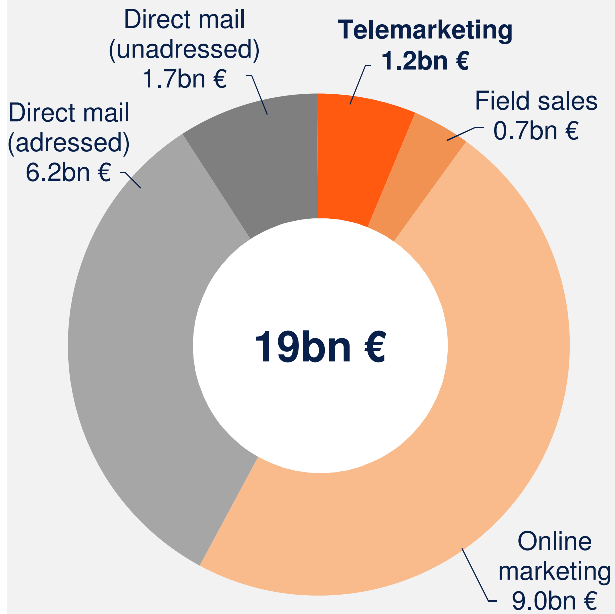
3. **Continuous & on-going regional and local sales growth: leveraging hunter salesforce to drive sustainable business (cross-media)**

Acquisition of Avedo Opens Up new Strategic Business Segment

Total Market Context incl. Dialogue Marketing



Dialogue Marketing Segment



Avedo

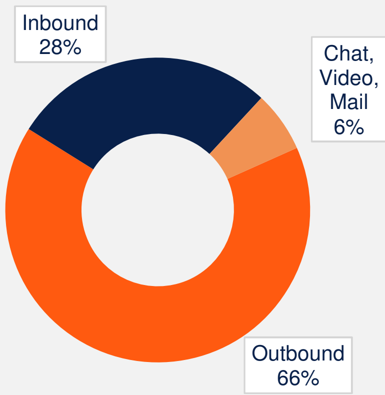
- Top 3 outbound call-center
- Owner/founder-driven company with >15 years experience
- 1,850 employees in 6 offices across Germany
- 1.6 million outbound calls per month (+0.75 inbound calls) and overall 30 million consumer contacts per year
- Top centralized IT-infrastructure with fully scalable setup
- Growing diversified business: chat, messenger, email & video calls

Sources: Total Market - ZAW, PWC, Statista; Dialogue Marketing – Deutsche Post Dialogmonitor, Genesys, Statista.

Avedo: Nucleus for new Dialogue Marketing Platform

Avedo

Revenue Mix



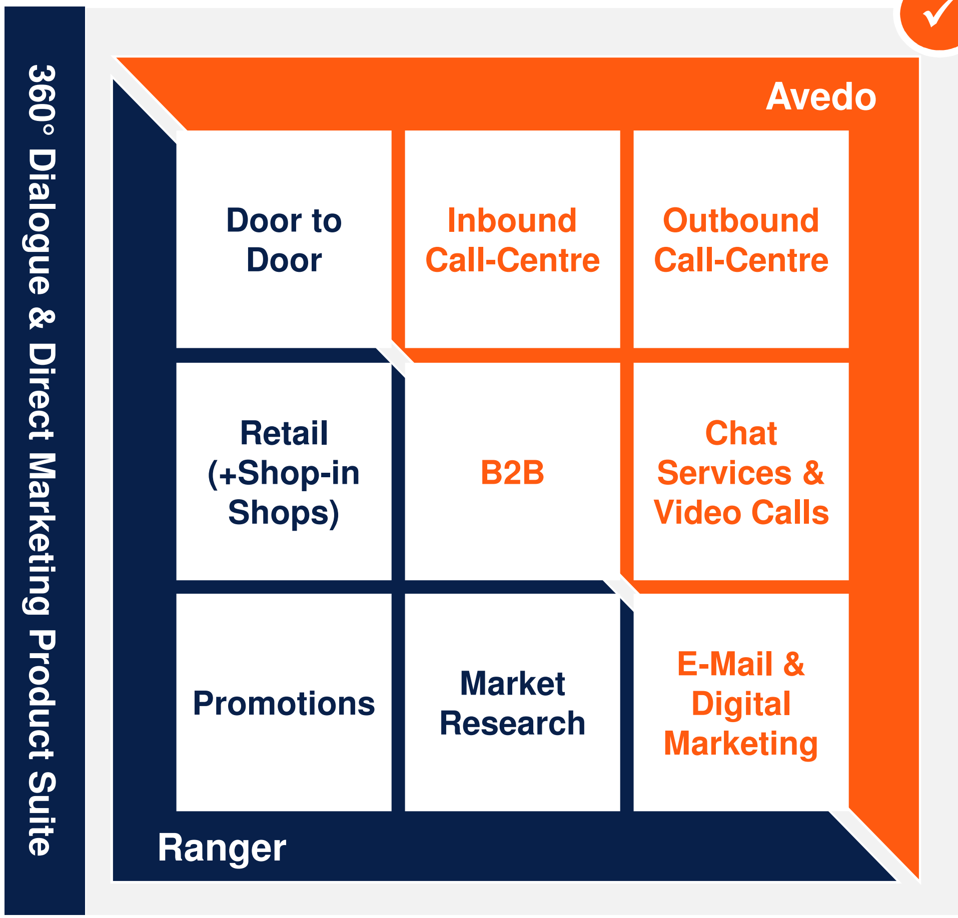
Clients & References

1&1, Adobe, Akamai, AMD, Nespresso, Netgear, O2, Quark, Applause, AOK, Sunrise, Sixt, sonnenklar TV, sonoro, Attunity, DataCore, BigXtra, ciber, Telefónica, Tech Data, EnBW, DTM, daegis, DKV, vodafone, Berlin Direkt, Cambridge, Baby Smile, Wie einfach, e-plus, ERGO, e.on, CHECK24, Career Partner, sky, FTI, HanseMerkur, Jobvite, Gothaer, GENEVA, Deutsche Bank, maxdome, ebay, mainova, Kaspersky, mobile.de, logitech, Kabel Deutschland, Handelsblatt, GLS, Vattenfall, Sparkasse, Schwarzkopf & Henkel, IBM

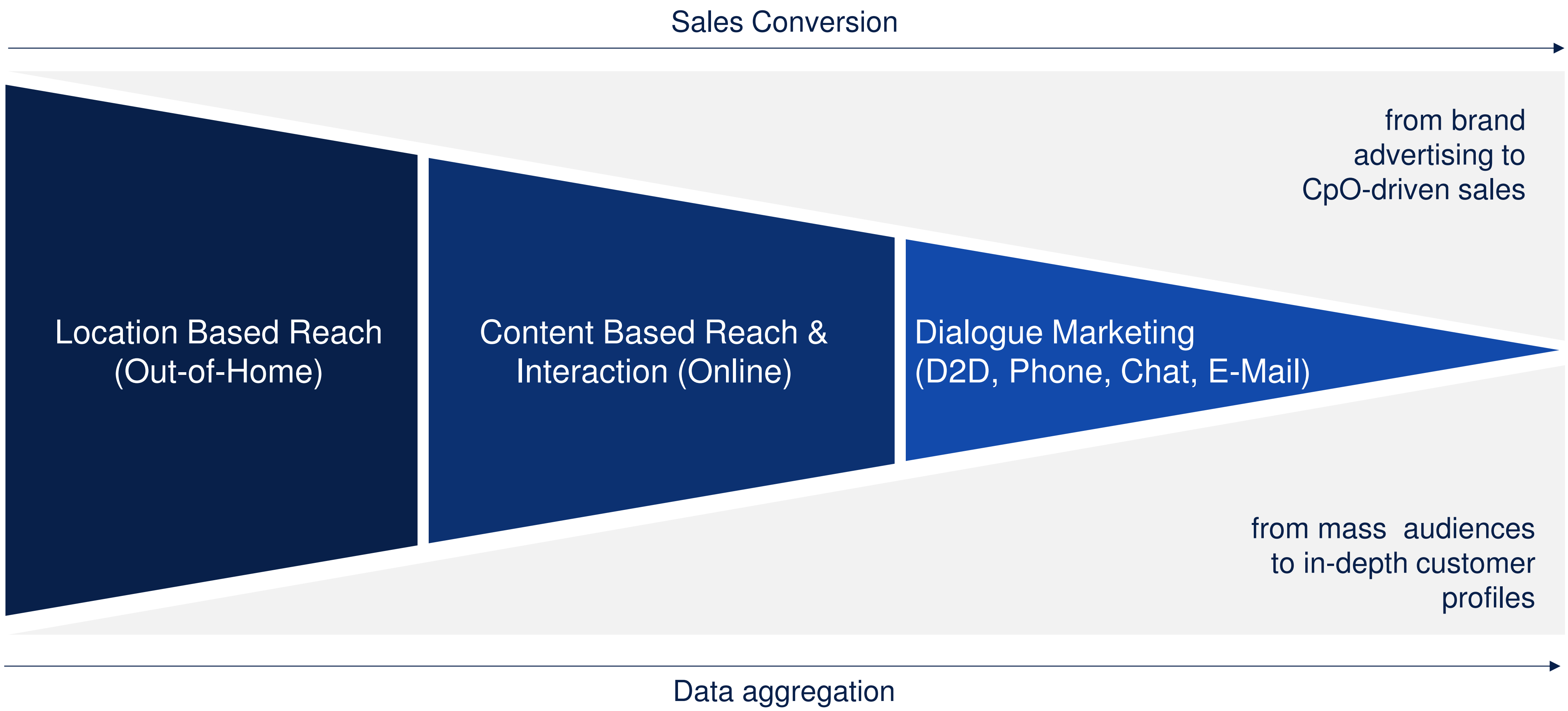
Ranger: Complementing our new Dialogue Marketing Platform

RANGER

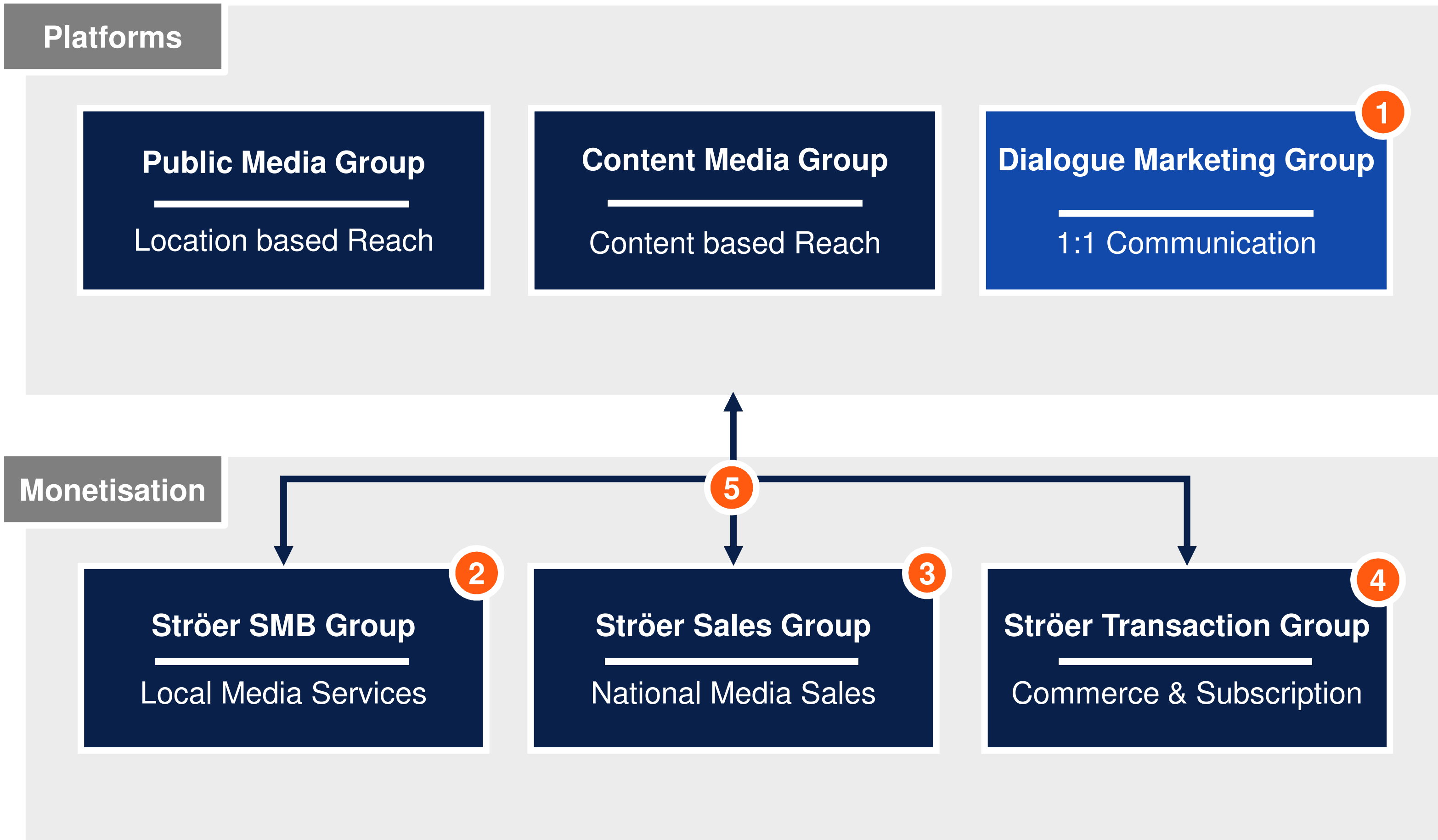
- One of Europe's leading companies for personalized customer services
- Presence via 150 sales offices and more than 1,500 sales employees & regional sales partners
- > 1,000,000 direct customer contacts per month
- > 60,000 contracts signed per month
- > 12,000 telephone contacts per day
- More than 35 customers in different sectors with focus on telecommunications, tv & media, finance & insurance as well as energy
- Specialized team for B2B clients (currently 15% of revenues)
- Substantial synergy potential with both Avedo and Ströer SMB business



Leveraging Consumer Access by Ideal Cascade of Communication



Strong Synergy Potential with Ströer Multi-Channel Ecosystem



1. Complementing marketing offering to clients by Dialogue Marketing Platform
2. Leveraging Dialogue Marketing Platform for own SMB business
3. Maximizing own levers in cut-through-competition via larger trading volume with clients
4. Leveraging Direct Marketing Platform for commerce & subscription models
5. Group synergies on recruitment, training, data & process optimization

Key Logics Behind the Avedo & Ranger Transactions

- **Complementing product range along the full marketing & sales funnel from branding solutions to performance sales**
- **Successful platform to broaden and deepen customer access and improve our overall "share of wallet"**
- **Expected growth dynamics in dialogue marketing segment due to growing disconnect of brands and consumers via global platform ecosystems**
- **Fully consistent with our capabilities and strategic focus on do-it-for-you-solutions and businesses driven by local execution quality**

Outlook for Q3: Next Quarterly Results November 10

1. Similar to the development in the first six months: solid & robust business across the entire group with expected growth for Q3 fully in line with annual guidance

2. Strong momentum for OoH Germany fueled by both national sales and extended local salesforce activities – similar to HY1

3. Digital segment consistently on growth track regarding top line growth, market share development as well as consolidation and integration processes

4. OoH International with still challenging macro environment but under control and without substantial group impact