



STRÖER COMPANY PRESENTATION

January 2015 - Dr. Bernd Metzner (CFO)

STRÖER

Agenda

1 Market & Strategy

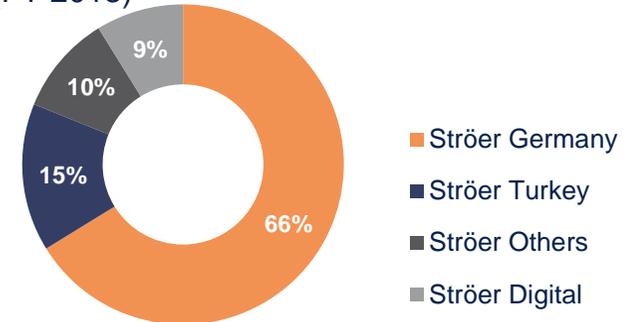
2 Financials

3 Outlook

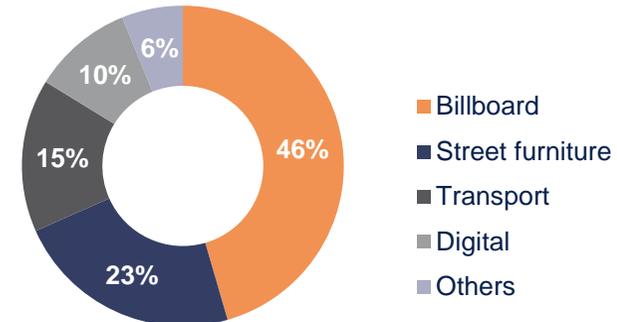
Ströer at a glance

- Ströer Media AG was founded in 1990 and developed into a leading provider of out-of-home and online advertising services
- Around 635 EURm total group revenue in 2013 and 2,223 employees
- Listed on the SDAX since 2010, around 40% freefloat
- We operate via the following segments: Ströer Germany, Ströer Turkey, Ströer Others, Ströer Digital
- We offer advertising clients individualized and fully integrated communications solutions

Revenue by reporting segment
(FY 2013)



Revenue by product group
(FY 2013)



Strong player in its core markets

- #1** **Ooh in Germany**
Europe's largest ad market 
- #1** **Ooh in Turkey**
Europe's largest emerging market 
- #1** **Ooh in Poland**
Largest CEE market 
- #1** **European giant poster network**
GER, UK, ES, BENELUX
- #1** **Leading integrated online marketer** 

> 280,000 ooh advertising faces

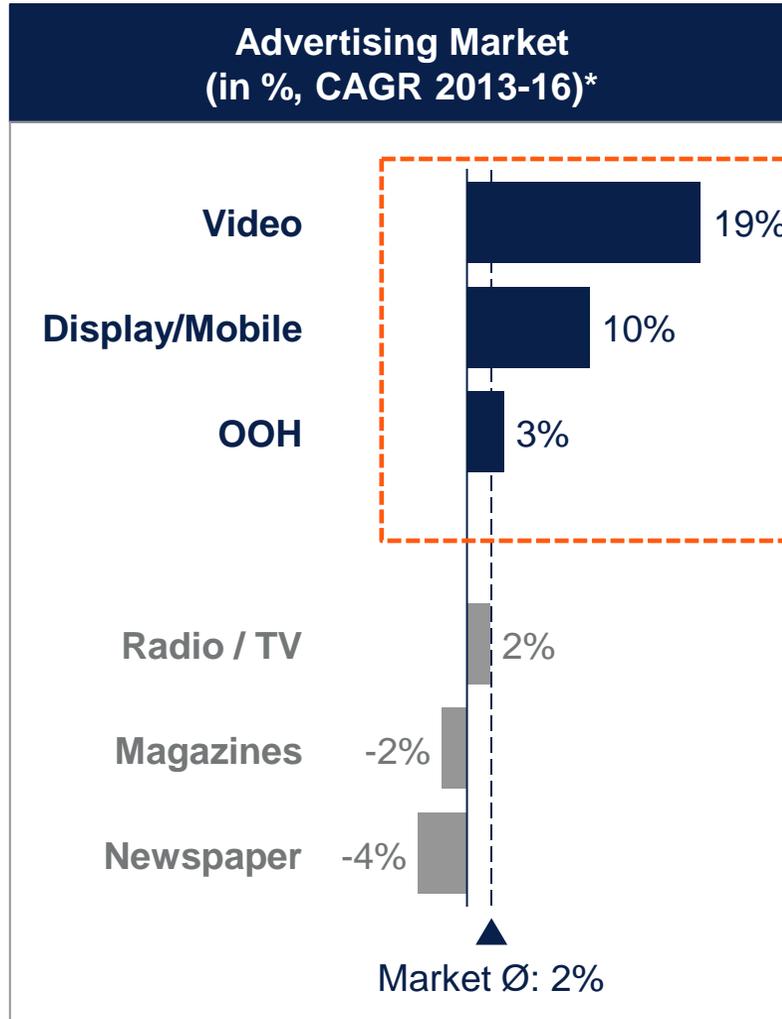
~36m Unique User in Germany *

> 90 office locations

>2,200 employees



Focus on highest growing ad subsegments

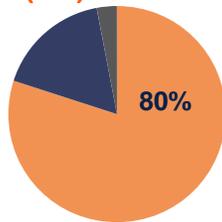


- Ströer's focus**
- **Video:**
 - TOP3 leading social video network
 - 352m video views per months
 - Leading public video network in Europe
 - **Display/Mobile**
 - # 1 marketer in Germany
 - 300-400 exclusive websites and access to around 5,000
 - Leading hyper local targeting technology
 - **OOH**
 - # 1 marketer in Germany
 - 230,000 advertising faces
 - 4000 digital displays

Ströer Germany: Strong market leader

Billboards

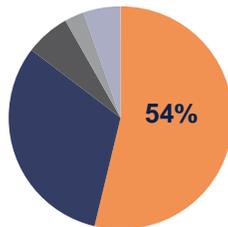
Mega-Lights (ML)



■ Ströer

Source: FAW 2012

Billboards ⁽¹⁾ (9sqm)

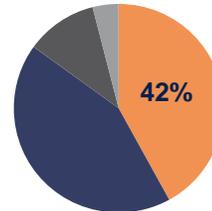


■ Ströer

Source: Company estimates for competitor share

Street Furniture

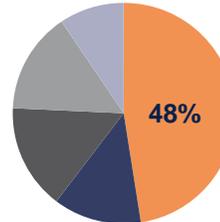
City-Light-Posters



■ Ströer

Source: FAW 2012

Traditional Columns

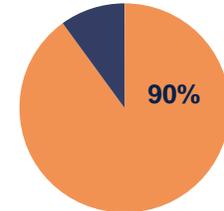


■ Ströer

Source: Company Estimates

Transport

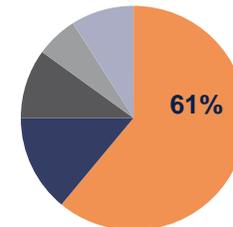
Railway Stations



■ Ströer

Source: Company estimates, year 2012

Trains and Buses ⁽⁴⁾



■ Ströer

Source: Company estimates

Extending client portfolio across all industries and market categories

New clients (examples)*

Finance



Fashion and Retail



Pharmaceuticals / FMCG



Media and Entertainment

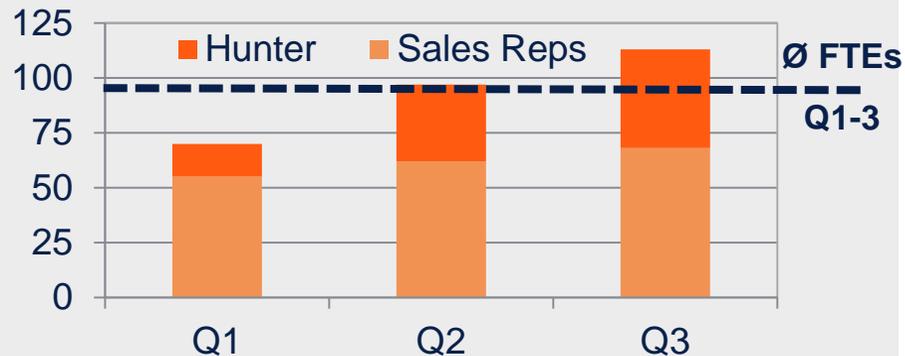


Broadening Footprint of OoH in
“new” categories

Deepening customer base in
“traditionally strong” categories

Incremental local sales development: Current performance fully on track

Dedicated new business headcount: Local sales



Split of campaign & signage revenues



Revenue development: Currently 70% retention rate yoy through high signage share!



Ströer Digital: Building a strong platform for future digital growth

 50.4%	B2B marketer of SME, business and finance portals
 100%	Strong independent marketer of premium channels
 100%	Strong independent marketer of premium channels
 97%	Important German ad exchange platform
 100% <i>(asset deal)</i>	Pioneer in location based advertising
 62.3%	International online marketer with presence in Turkey and Poland
 79.1%	Technology leader in precise target group identification
 70%	Leading marketer of in-game advertising in Germany
 51%	Leading German online video channel Network
	Agreement for exclusive Sales & Marketing of advertising products

The last 18 months

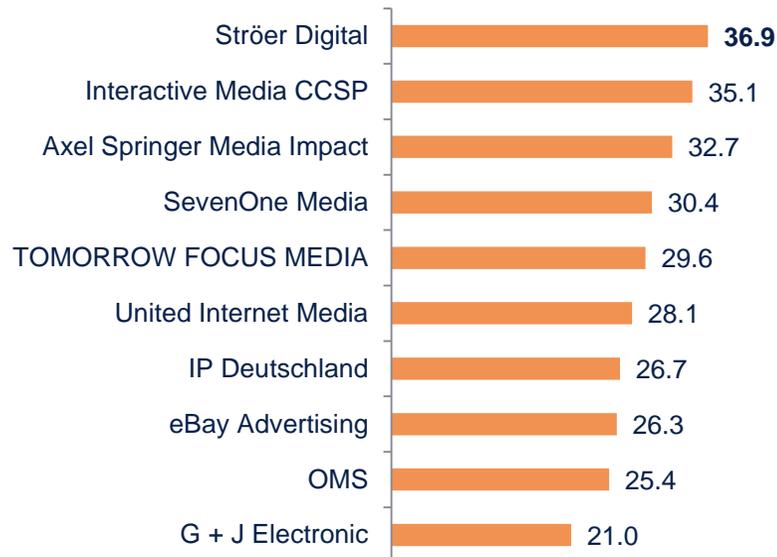
Now #1 Digital Marketer

Integration well on track

~ EUR120m revenues p.a. expected

Leading market position from the start

UNIQUE USERS (M)* PER MONTH OCTOBER 2014 (AGOF**)



- Strong Inventory of nearly 400 websites in Germany
- ~37 m unique users
- ~66% reach

PUBLISHERS BY SEGMENT****

Business & Finance (~10 publishers)***



Travel (~35 publishers)



Digital Life (~30 publishers)



Lifestyle & Active Living (~45 publishers)



Energy & Telco (~5 publisher)



Business & B2B*** (~70 publisher)



Social Networks (~10 publishers)



Sports (~25 publishers)



Family & Kids (~30 publishers)



Economy (~20 publishers)



Automotive (~30 publishers)



News & Entertainment (~30 publisher)



eCommerce (~12 publisher)



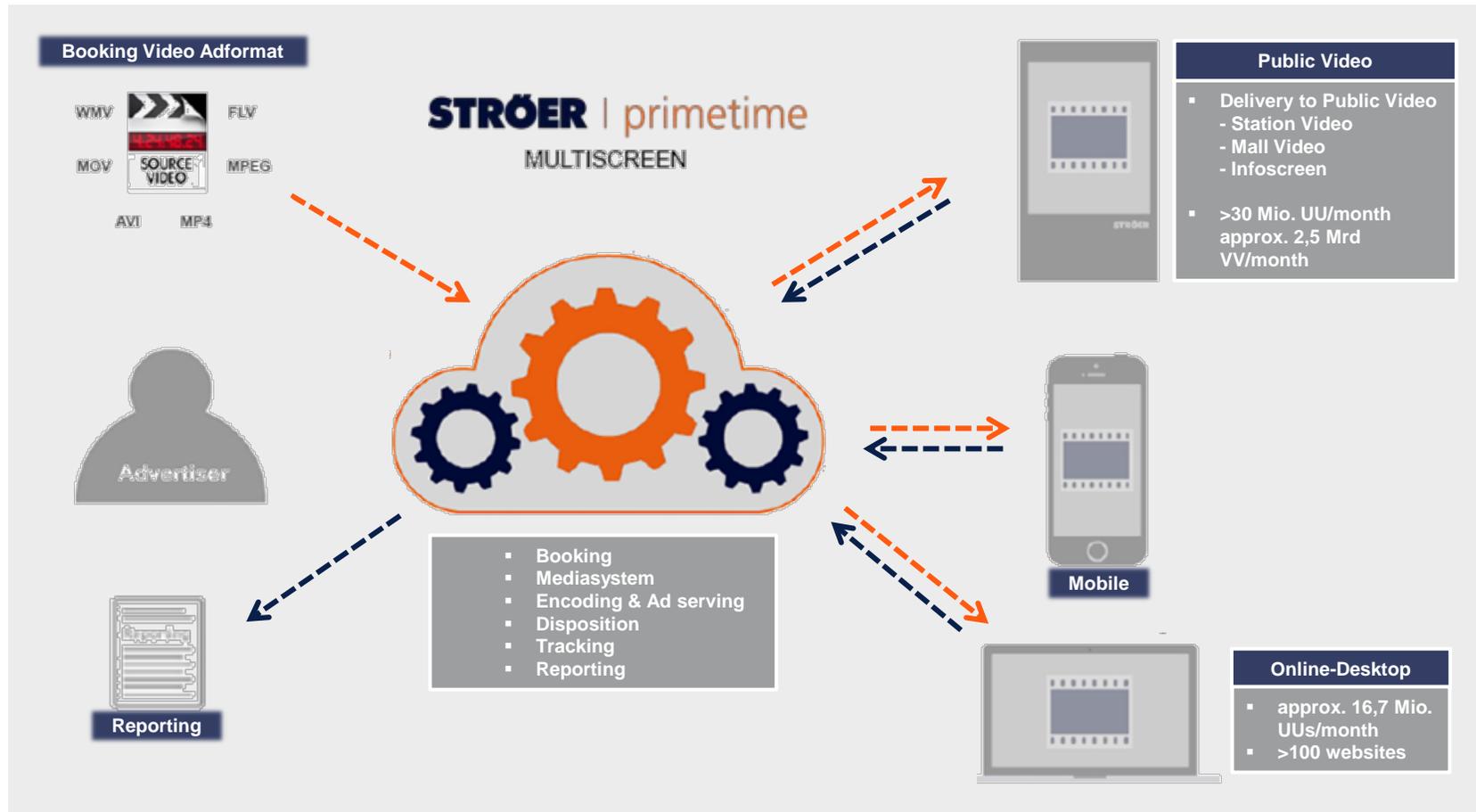
* Individuals who have visited a Web site (or network)

** Source: AGOF internet facts, The Arbeitsgemeinschaft Online Forschung, affiliation of leading online marketers in Germany

*** BusinessAD

****includes publishers since inception

Fully integrated multiscreen product in place: Video share from 4% to 14% within Digital segment



---> Clients adserver delivers ad format to the Ströer Adserver, from where the distribution to the different media channels (Online, Mobile & Public Video) follows

<--- Reporting Data is being delivered in realtime back to the clients adserver

Ströer's new strategy pays off

**New structure
Outdoor/Digital
creates synergies
from the start**

**Increased relevance
to customers and
agencies**

**Strong focus on
regional
development
Outdoor/Digital**

**National sales under
direct leadership of
Board/COO**

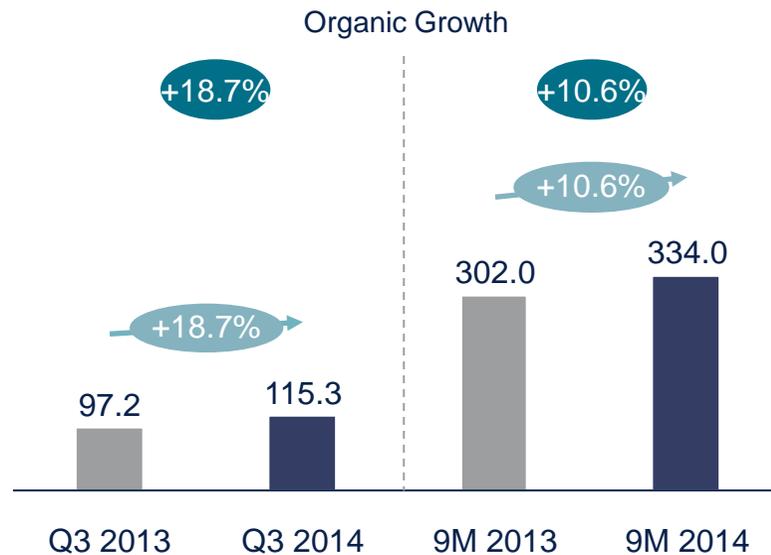


Spring/Fall

Ströer Germany: Strong growth in a stable market environment

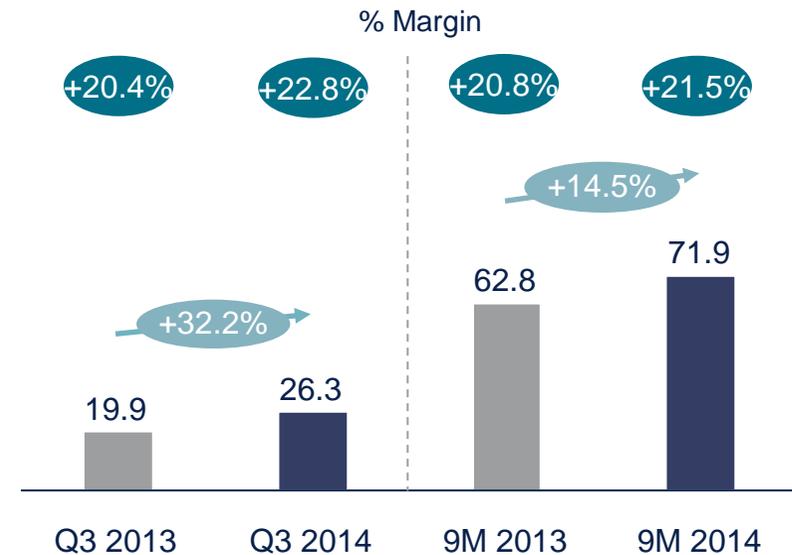
REVENUES

€MM



OPERATIONAL EBITDA

€MM

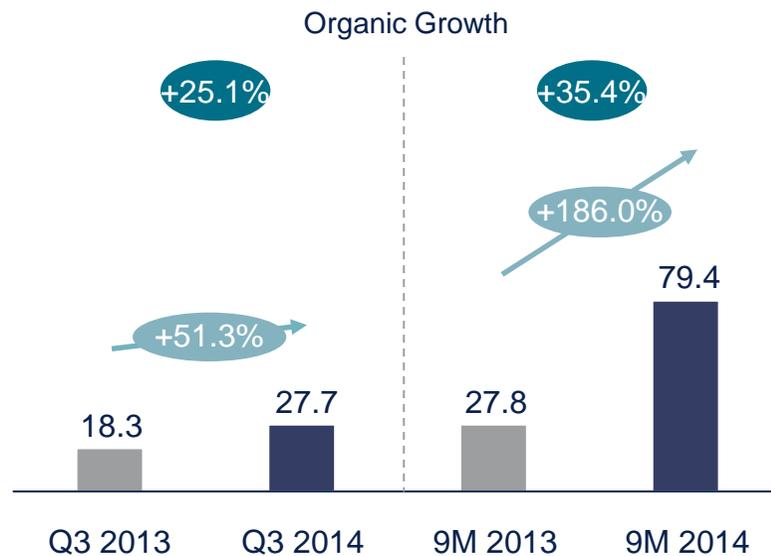


- Revenue growth along all product segments in overall stable market environment
- Positive sentiment both in regional and national sales
- Slight improvement of operational EBITDA margin

Ströer Digital: Reported revenues increased threefold

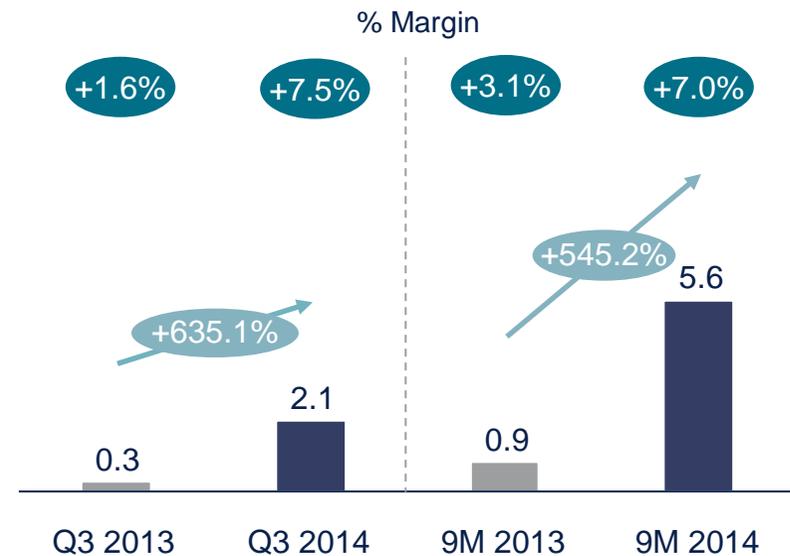
REVENUES

€MM



OPERATIONAL EBITDA

€MM

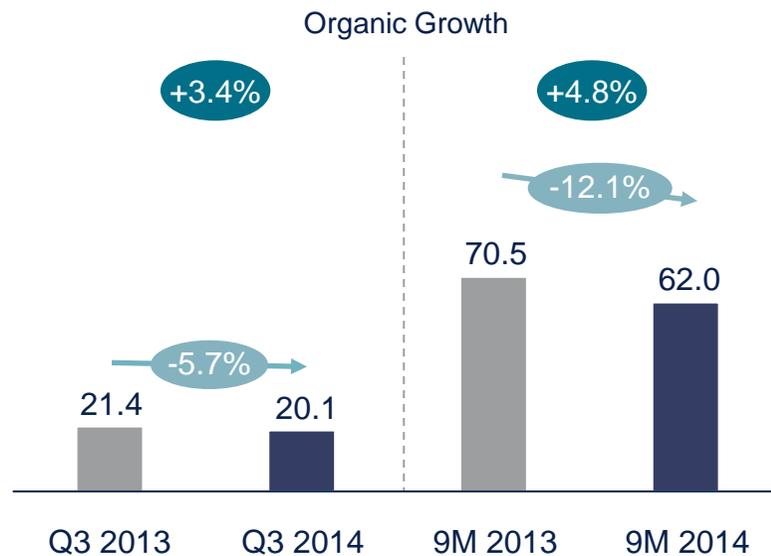


- Revenues tripled to 79.4 EURm fuelled by organic growth and enlarged scope
- Organic growth at 35% yoy
- Operational EBITDA in line with expectation

Ströer Turkey: Solid organic and operational EBITDA growth

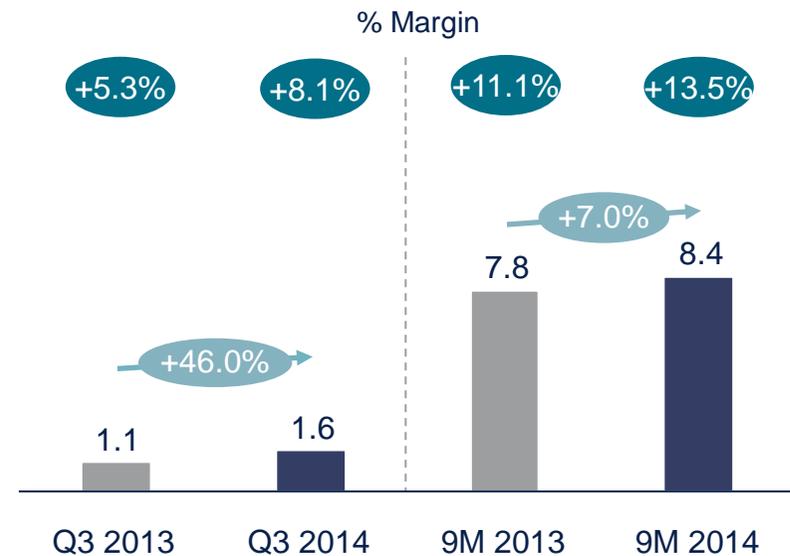
REVENUES

€MM



OPERATIONAL EBITDA

€MM

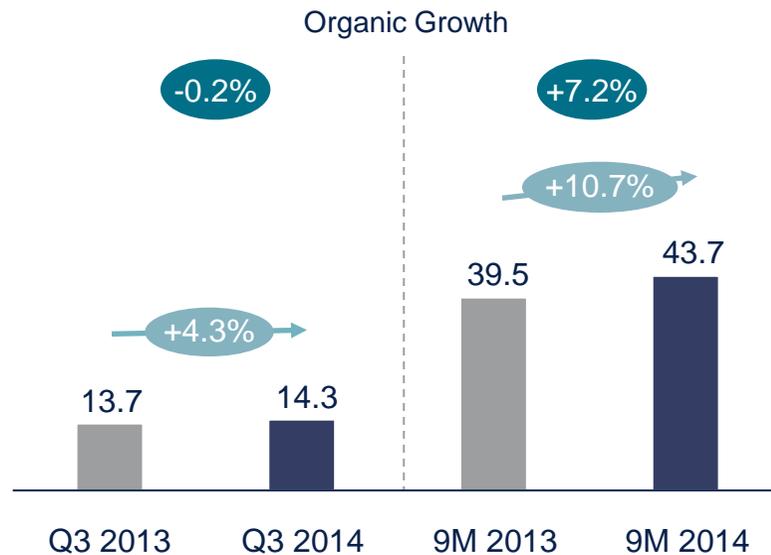


- Solid organic growth based on regional demand despite macro uncertainties
- Currency devaluation effects impaired reported revenue line
- Improved cost base leading to higher operational EBITDA

Ströer Other*: Strong EBITDA from both BlowUP and Ströer Poland

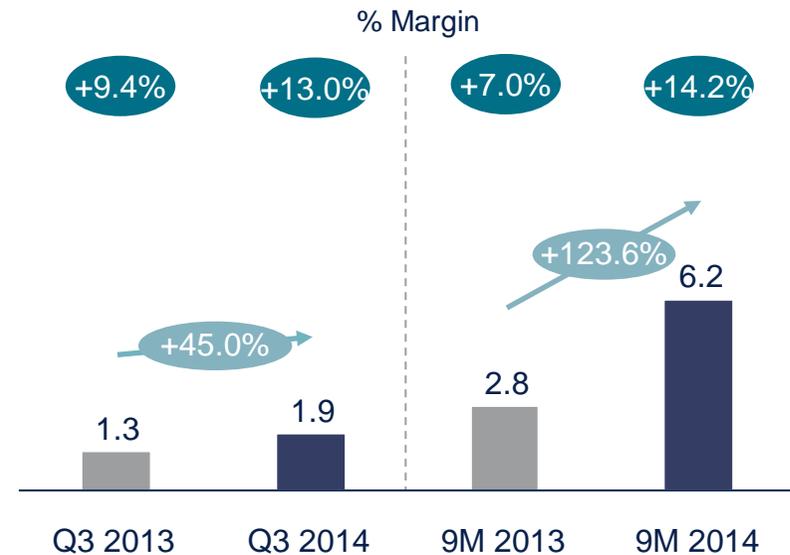
REVENUES

€MM



OPERATIONAL EBITDA

€MM



- BlowUP with strong topline and operational EBITDA performance
- In Poland, media markets still soft but continuously stabilizing
- Op. EBITDA of Ströer Poland benefitting from rigorous cost saving program

Cash flow analysis

FREE CASH FLOW	9M 2014	9M 2013	▲
Op. EBITDA	87.8	67.7	30%
- Interest (paid)	-12.4	-13.1	5%
- Tax (paid)	-8.1	-13.4	40%
-/+ Δ WC	16.2	12.4	30%
- Exceptionals	-6.0	-5.3	-14%
- Others	-5.9	-9.1	35%
Operating Cash Flow	71.6	39.3	82%
Investing Cash Flow	-37.5	-57.9	35%
FREE CASH FLOW	34.1	-18.6	+53m

- Better underlying performance leading to increase of operational EBITDA
- Continuous improvement of net interest cash out
- Tax in 2014 normalised
- 2013: extraordinary year for M&A activities (new Digital segment established)

53 EURm free cash flow increase yoy

Summary: Ströer's strategy pays off

- ✓ Revenue Growth by 18.4% to 509.3 EURm
- ✓ Operational EBITDA expanded by 29.7% to 87.8 EURm
- ✓ Net income (adj.) improved by 108% to 27 EURm
- ✓ Free Cash-Flow improved by 53 EURm to 34 EURm YTD
- ✓ Strong financial position, leverage ratio down to 2.2x EBITDA

Outlook



For the fourth quarter of 2014 we expect total group revenue growth from 10 to 15% with organic growth of at least 10%.

For the full year of 2014 we expect to increase our group revenue organically by at least 10% and raise the operational EBITDA-guidance to around 145 Million Euro.

Next events

- **24th February 2015**
 - Preliminary Press Release 2014
- **25th March 2015**
 - Full Year Results 2014

Appendix



Ströer Media SE 9M 2014 results

€MM		9M 2014	▲	Q3 2014	▲
Revenues	reported ⁽¹⁾	509.3	+18%	174.6	+18%
	organic ⁽²⁾		+11%		+16%
Operational EBITDA		87.8	+30%	30.1	+48%
Op. EBITDA margin		16.9%	+1.5%pts	17.0%	+3.4%pts
EBIT (adj.) ⁽³⁾		52.6	+50%	18.1	+83%
Net income (adj.) ⁽⁴⁾		27.2	+108%	9.9	+204%
Free Cash Flow		34.1	+53EURm	27.4	+46EURm
Capex ⁽⁵⁾		25.8	-3%	8.4	-19%
		30 Sep 2014		31 Dec 2013	
Net debt ⁽⁶⁾ / Leverage Ratio		303.6 / 2.2x		326.1 / 2.8x	

(1) According to IFRS 11

(2) Organic growth = excluding exchange rate effects and effects from the (de)consolidation and discontinuation of operations

(3) EBIT adjusted for exceptional items, amortization of acquired advertising concessions and impairment losses on intangible assets (Joint ventures are consolidated proportional)

(4) EBIT (adj.) net of the financial result adjusted for exceptional items and the normalized tax expense (32.5% tax rate)

(5) Cash paid for investments in PPE and intangible assets

(6) Net debt = financial liabilities less cash (excl. hedge liabilities)



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