

STRÖER

Lesekomfort: 1. Klasse

Kindle Paperwhite
Lesen wie auf echtem Papier.
Integrierte Beleuchtung.

amazon

Bücher in einem Zug durchlesen

Kindle Paperwhite
Bis zu acht Wochen Akku-Laufzeit.

amazon

COMMERZBANK SECTOR CONFERENCE

28.08.2013 – Frankfurt | **Ströer Media AG**

Ströer Group developments in H1 2013

- 8% total revenue growth vs. H1 12 with underlying organic revenue growth of 5%
- First time recognition of Online revenues with some EUR 9m in Q2 13
- Year-on-year increase in Group operational EBITDA by EUR 7m to EUR 47m
- Group operational EBITDA margin up 115 BPS to 16.4%
- Significant improvement of Net Adjusted Income to EUR 9.8m (up 6.9m EUR y-o-y)
- Free cash flow improved on the back of higher profits and favorable working capital
- Completion of online acquisitions as planned
- Expansion of our Online strategy into our core international markets on track

Leading positions in OOH and Online in our core markets

#1

OOH Germany

Europe's largest ad market

#1

OOH Turkey

Europe's largest emerging market

#1

OOH Poland

Largest CEE market

#1

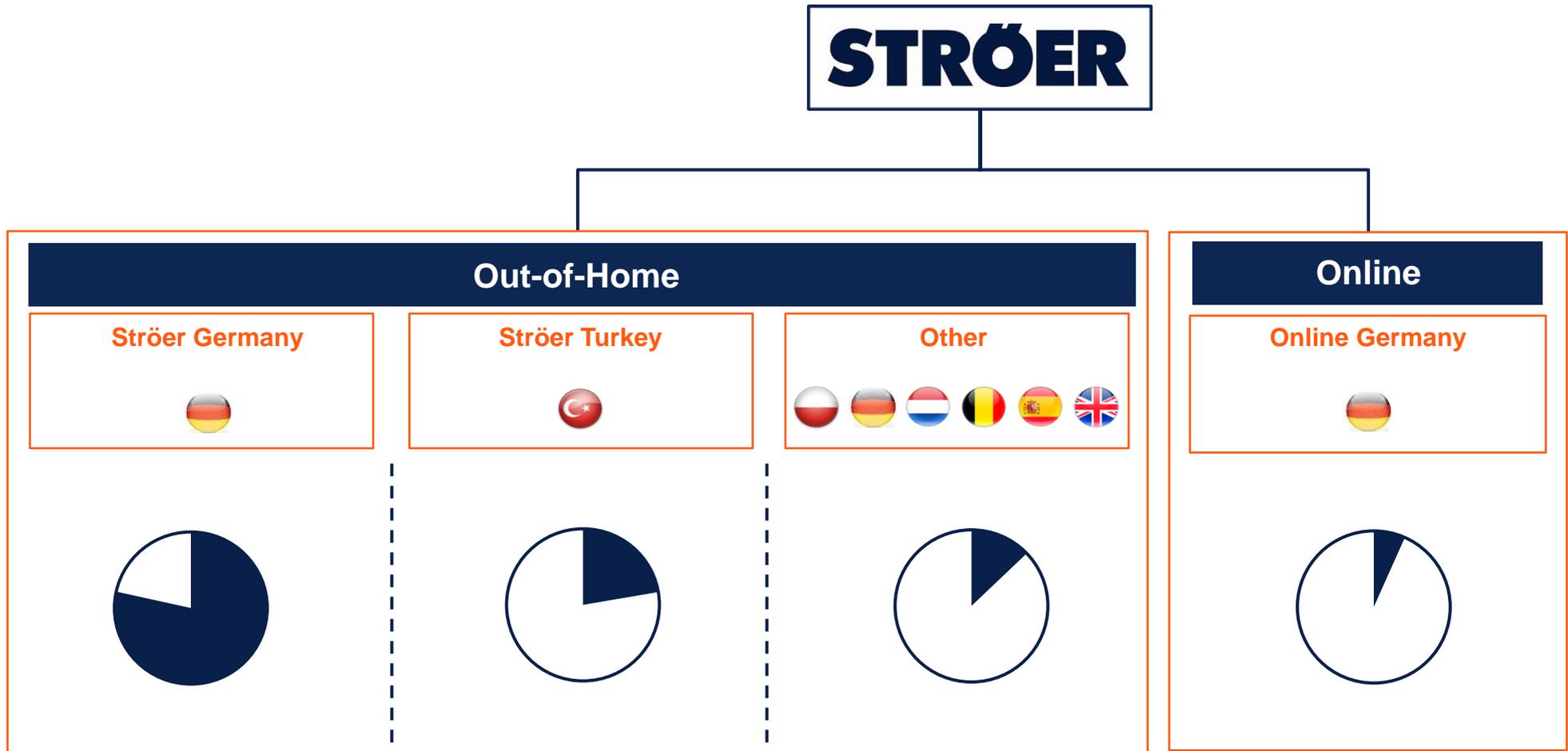
Giant poster network Europe

Germany, UK, Spain, Benelux

#1

Independent Online media sales house Germany

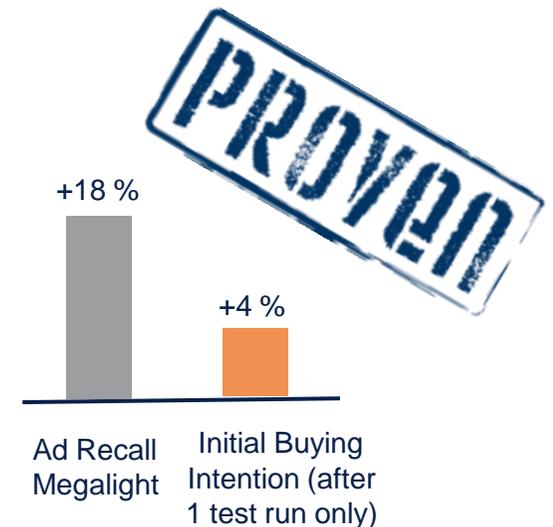
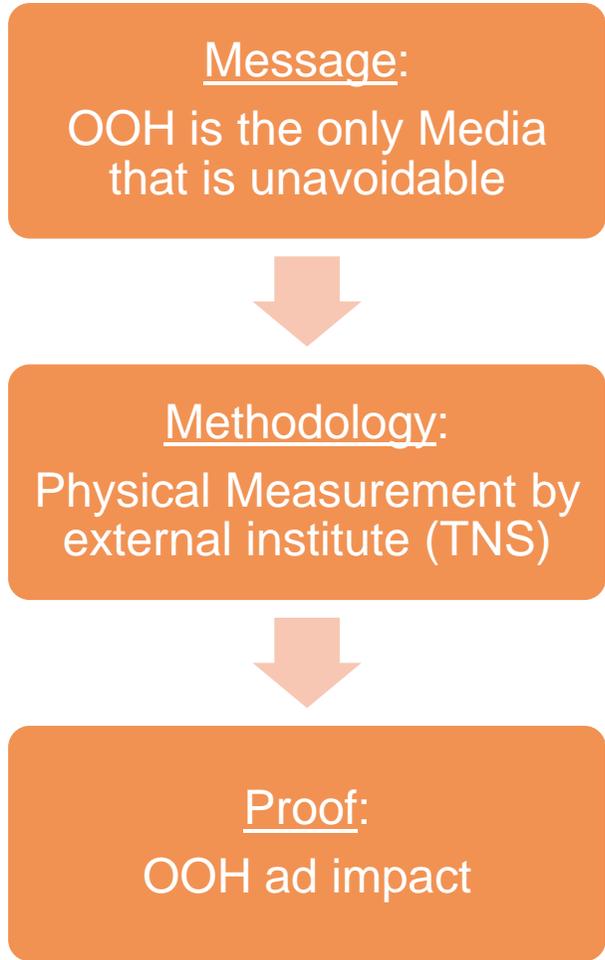
Online introduced as new reporting segment from Q2



Atlas Study: Proof of concept for OOH ad impact



- Awarded test design (virtual reality simulator)
- Proven and representative user and product data
- Rolled out to foreign operations



Examples for new key accounts recently unlocked in German outdoor for campaigning in 2nd half of 2013

7-digit € budget



-
- Location Based Advertising in the proximity of Aldi Stores
 - First ever use of OOH

7-digit € budget



-
- OOH broadcasting Campaign with Megalights
 - Replacement of originally planned TV campaign

6-digit € budget



-
- Branded Entertainment in digital OOH and Online
 - First ever use of digital OOH

Build-up of separate sales force to drive regional sales growth



Capture sales potential in regional ad market (~4bn€ market size)

Tackle local customers currently engaged in below-the-line media and directory services

Grow number of sales agents from 60 to 500 over next few years

Achieve substantial double-digit net revenues over time

New multi-screen products for Outdoor and Online now available

OOH
Video Advertising
Fast reach booster
through nationwide
network

Online
Video Advertising
High targeting /
re-targeting
response

Solution:
Multi-Screen Video Broadcasting

The innovation case:



Multi-screen Approach



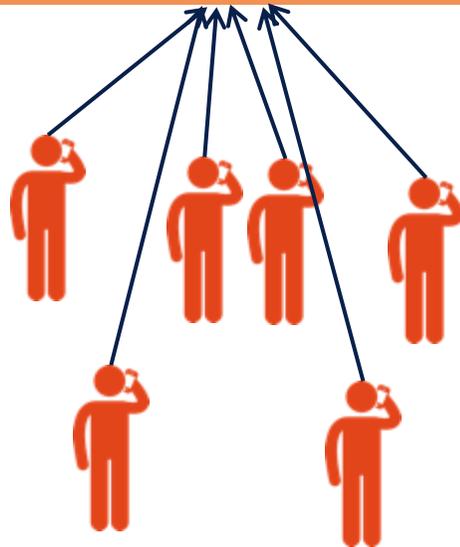
- Six-digit Euro campaign budget
- Extremely fast build-up of reach
- Fixed number of video ad impressions



Fully automated allocation of Online Video and DOOH inventory in real time planned for 2014

Ströer mobile media: Example Deutsche Telekom campaign

Identification of specific mobile phone users



Distribution of hyperlocal banner ads

Replace your old iPhone!
In your T-Mobile Shop - just 2,5 km away!

2,5km

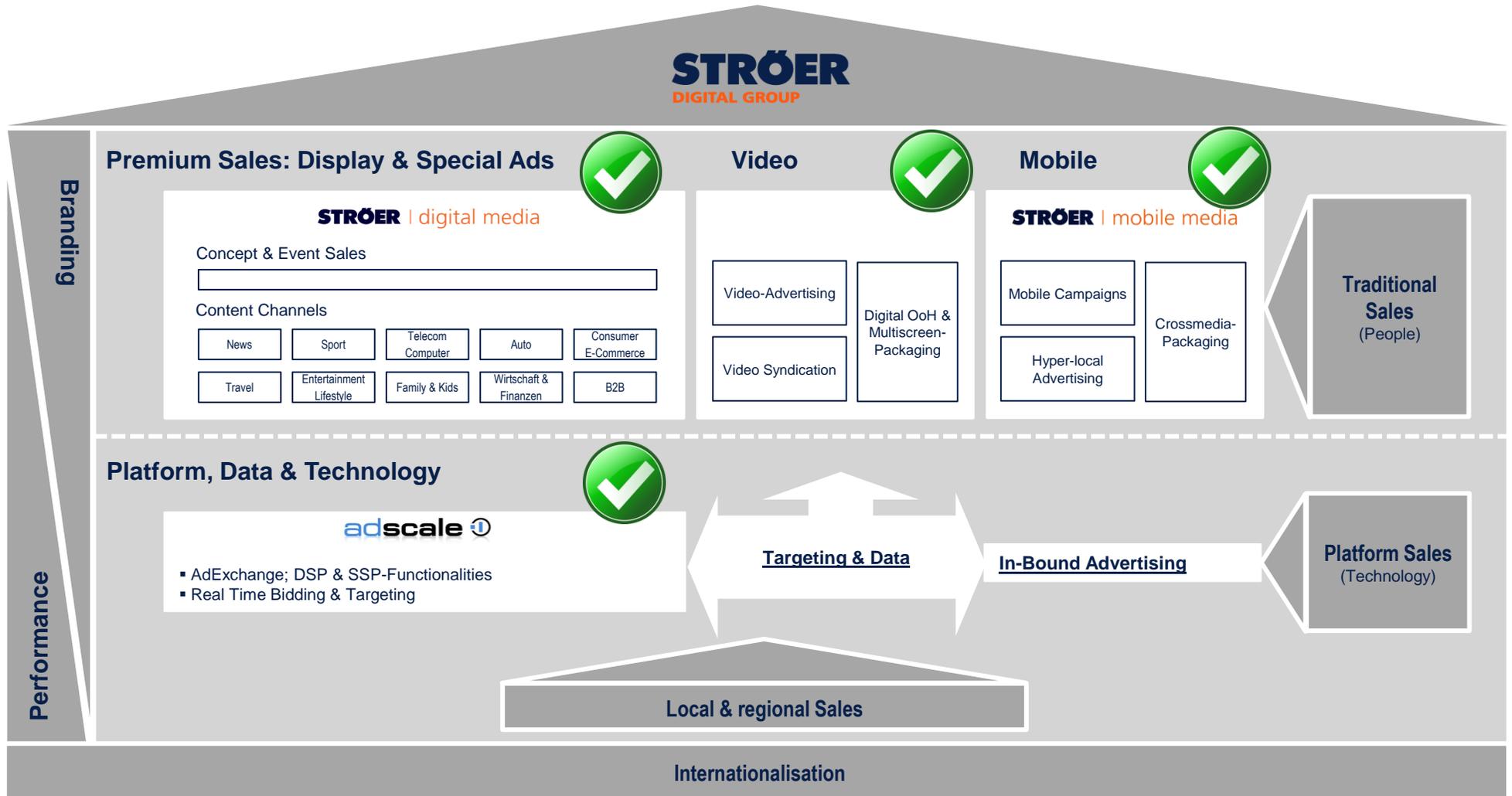
Point of Sale & Billboard

Support through Billboard campaign



Real-time advertising geared to local retail needs

Ströer Digital Group: On track to service the entire digital value chain



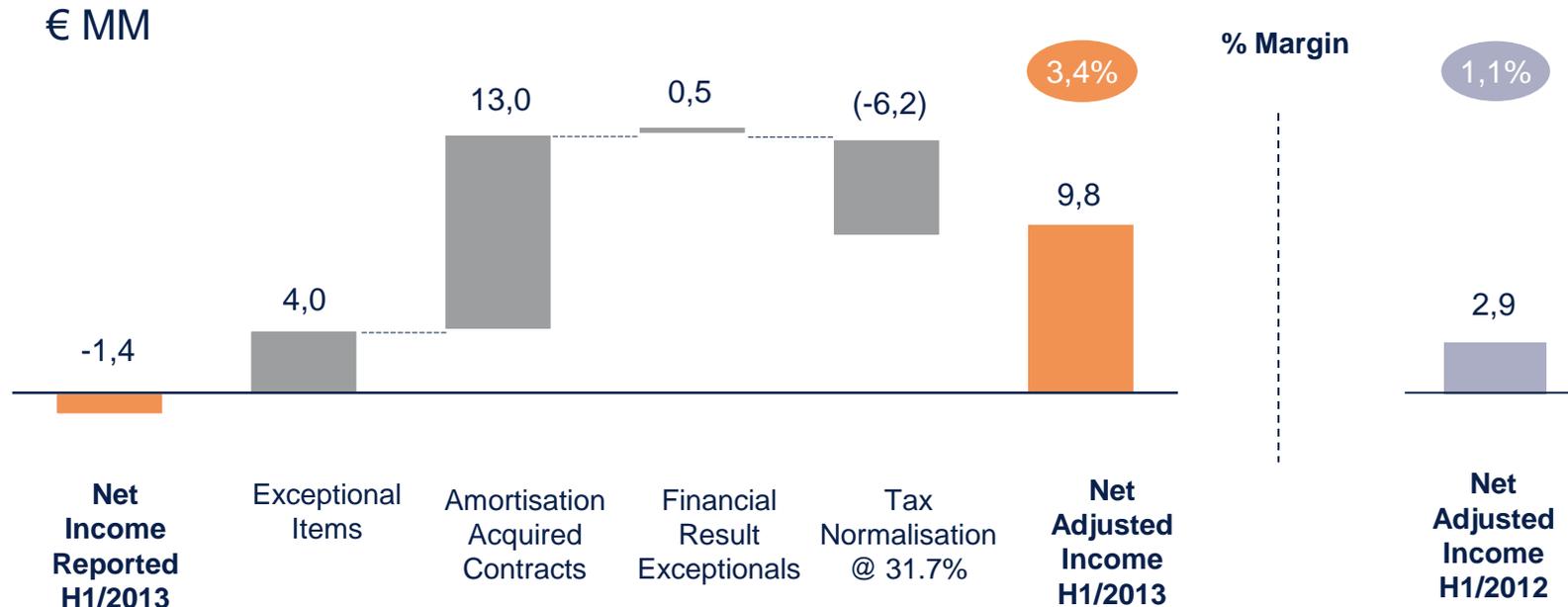
Financials



Improved operational EBITDA and solid revenue performance

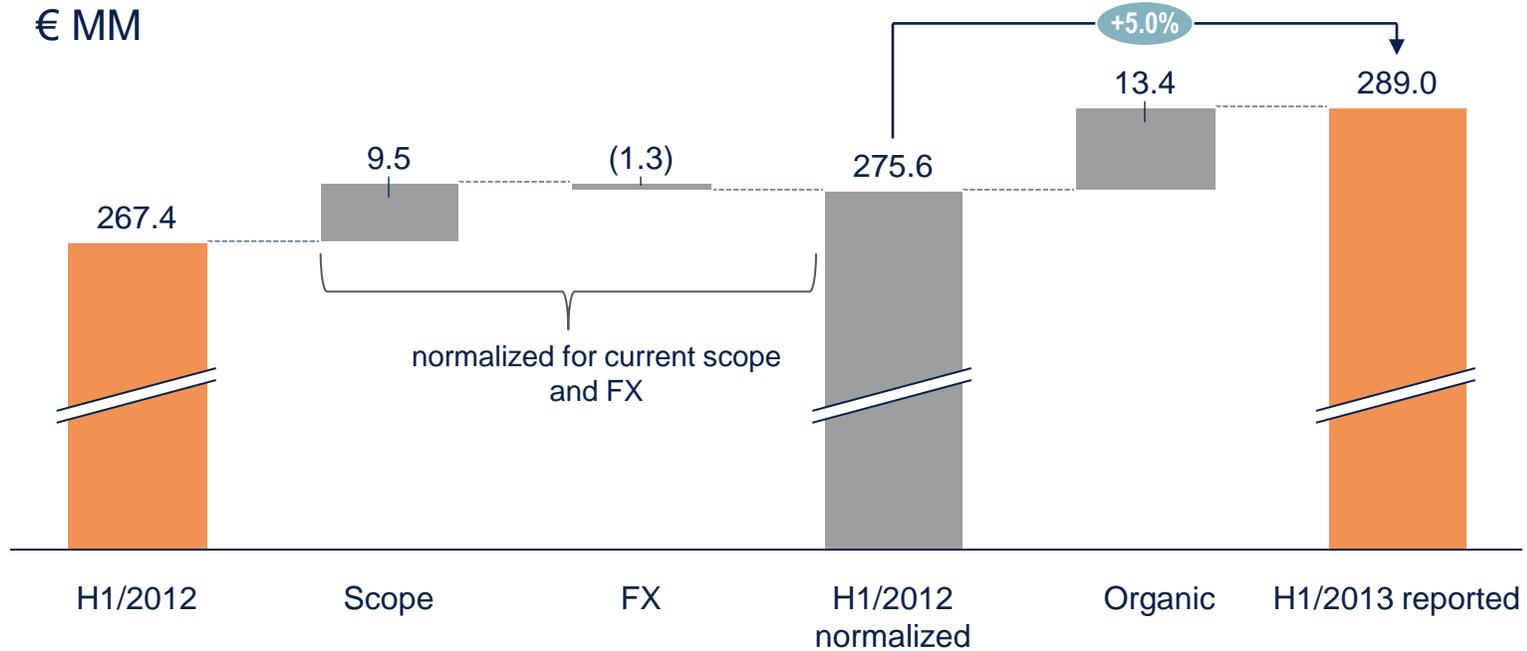
(€ MM)	H1 2013	H1 2012	Change (%)
Revenues	289.0	267.4	+8
Direct costs	-171.8	-159.3	-8
SG&A	-72.4	-70.0	-3
Other operating result	2.6	2.7	-4
Operational EBITDA	47.4	40.8	+16
<i>Margin %</i>	<i>16.4</i>	<i>15.3</i>	
Depreciation	-20.0	-18.1	-10
Amortisation	-15.2	-14.3	-6
Exceptional items	-4.0	-2.2	-77
EBIT	8.3	6.1	+35
Net financial result	-11.1	-10.9	-2
Income taxes	1.4	4.6	-69
Net income	-1.4	-0.2	<-100
Net adjusted income	9.8	2.9	>+100
<i>Margin %</i>	<i>3.4</i>	<i>1.1</i>	

Group net adjusted income increased due to better underlying profits and further improved financial result



- Key adjustment for amortization of acquired concessions (PPA effect)
- Exceptional items include one-off costs for online acquisitions and efficiency measurements
- Adjustment of financial result mainly due termination of interest hedges and net revaluation effects from FX movements in H1/2013

Group organic revenue growth bridge



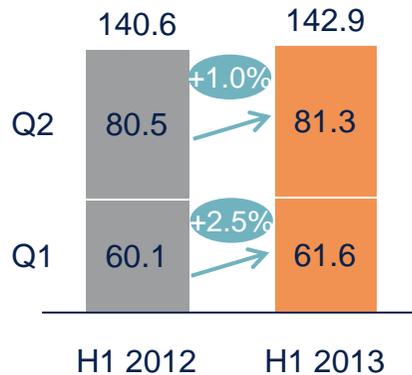
- Positive revenue development in Germany and Turkey
- Scope effects exclusively from online
- Pronounced effects from FX fluctuations in Turkey in Q2

Stronger demand throughout all product groups

BILLBOARD

€ MM

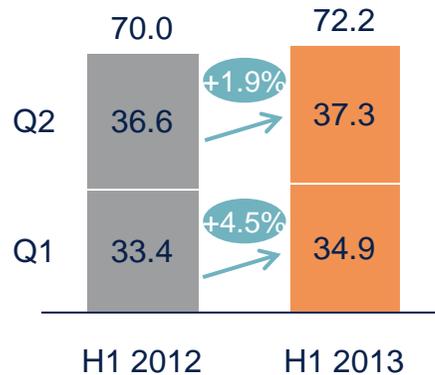
Reported % **+1.6%**



STREET FURNITURE

€ MM

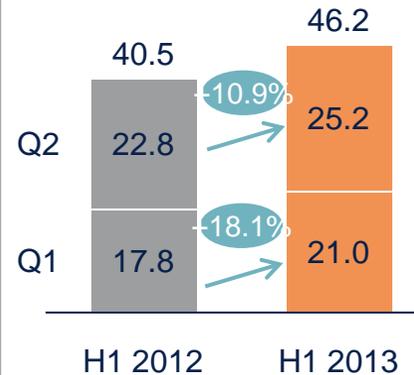
Reported % **+3.2%**



TRANSPORT

€ MM

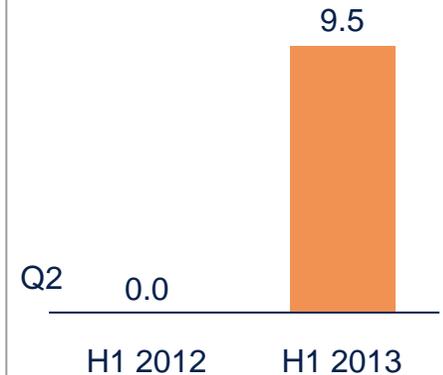
Reported % **+14.1%**



ONLINE

€ MM

Reported % **n.d.**



- Increased demand for Billboards driven by new Istanbul assets
- Street furniture performance owing to better trading conditions with national accounts
- Substantial improvement in Transport fuelled by digital assets

Ströer Germany: Revenues up in a muted market due to demand for our digital products

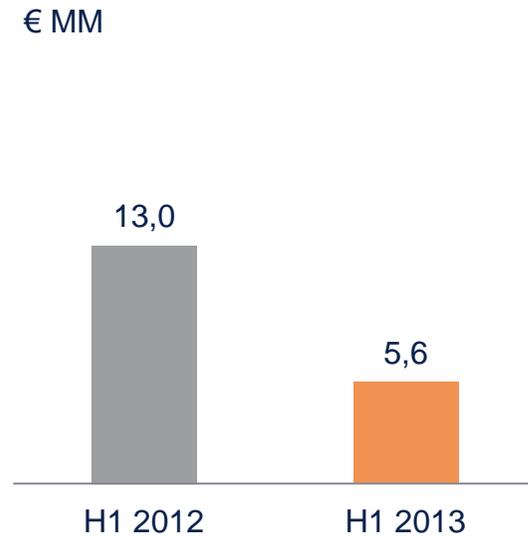
REVENUES



OPERATIONAL EBITDA



INVESTMENTS*



- Positive revenue development driven by digital products
- Share of digital revenues increased from 7% in H1/2012 to 10% in H1/2013
- Moderate capital expenditure

* Cash paid for investments in PPE and intangible assets

Ströer Turkey: Continued growth backed by new assets and product launches

REVENUES

€ MM



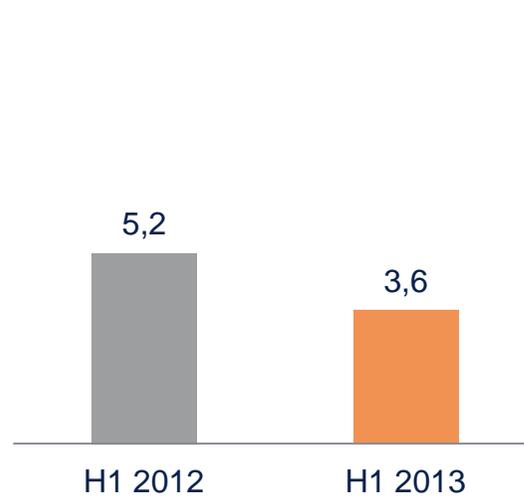
OPERATIONAL EBITDA

€ MM



INVESTMENTS*

€ MM



- Continuously strong sales momentum on regional and national levels
- Significant revenue improvement in Istanbul, positive market response to recently launched Giant Board formats and high filling ratios
- Devaluation of Turkish Lira negatively affects the absolute contributions to Euro at Group level

* Cash paid for investments in PPE and intangible assets

Ströer Online: New reporting segment with first contribution in Q2

REVENUES

€ MM



OPERATIONAL EBITDA

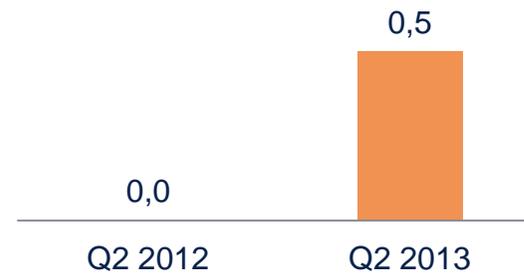
€ MM

% Margin



INVESTMENTS*

€ MM



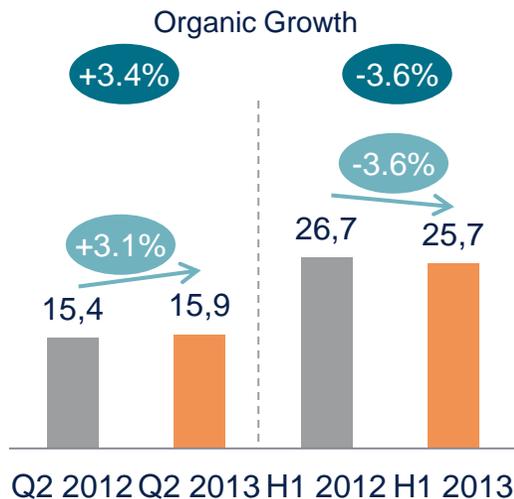
- Includes pro-rata revenue and EBITDA contributions of adscale, Ströer Digital Group as well as Location-based advertising ('Radcarpet')
- Post merger integration and set-up of new management structure in progress
- Revenues and EBITDA contribution in line with expectations

*Cash paid for investments in PPE and intangible assets

Ströer Other*: Strong EBITDA contribution from BlowUP

REVENUES

€ MM



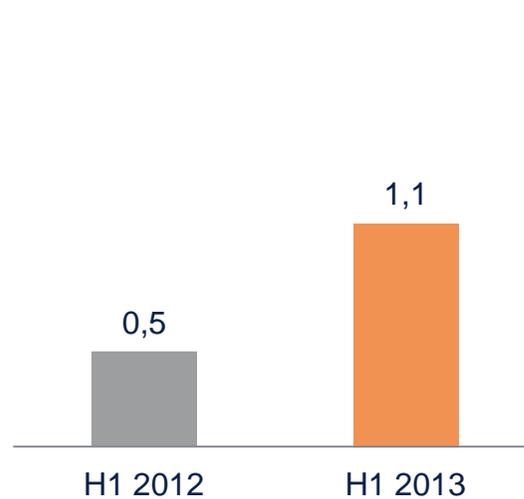
OPERATIONAL EBITDA

€ MM



INVESTMENTS*

€ MM



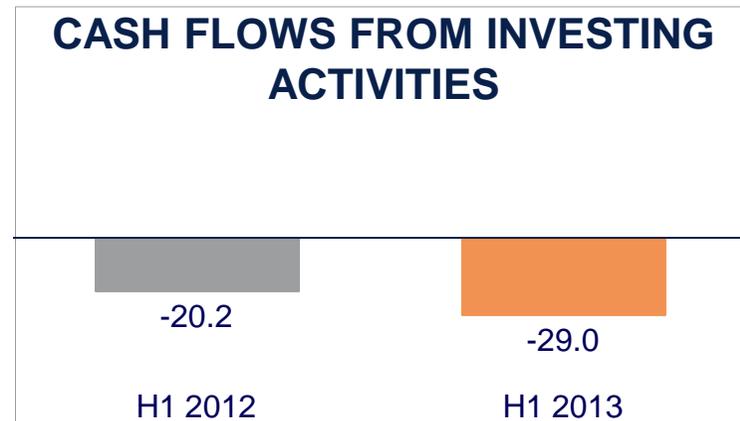
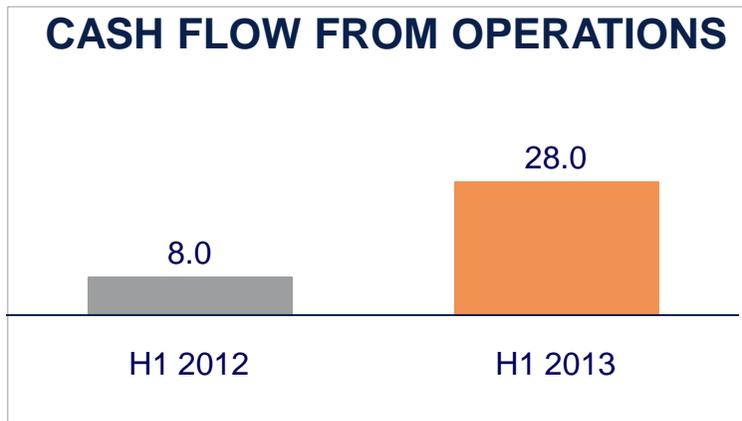
- BlowUP with strong topline performance boosting operational EBITDA
- Ströer Poland suffering from soft market dynamics
- First visible impact of recently enforced cost efficiency measures in Poland

* BlowUPMedia Group and Ströer Poland

** Cash paid for investments in PPE and intangible assets

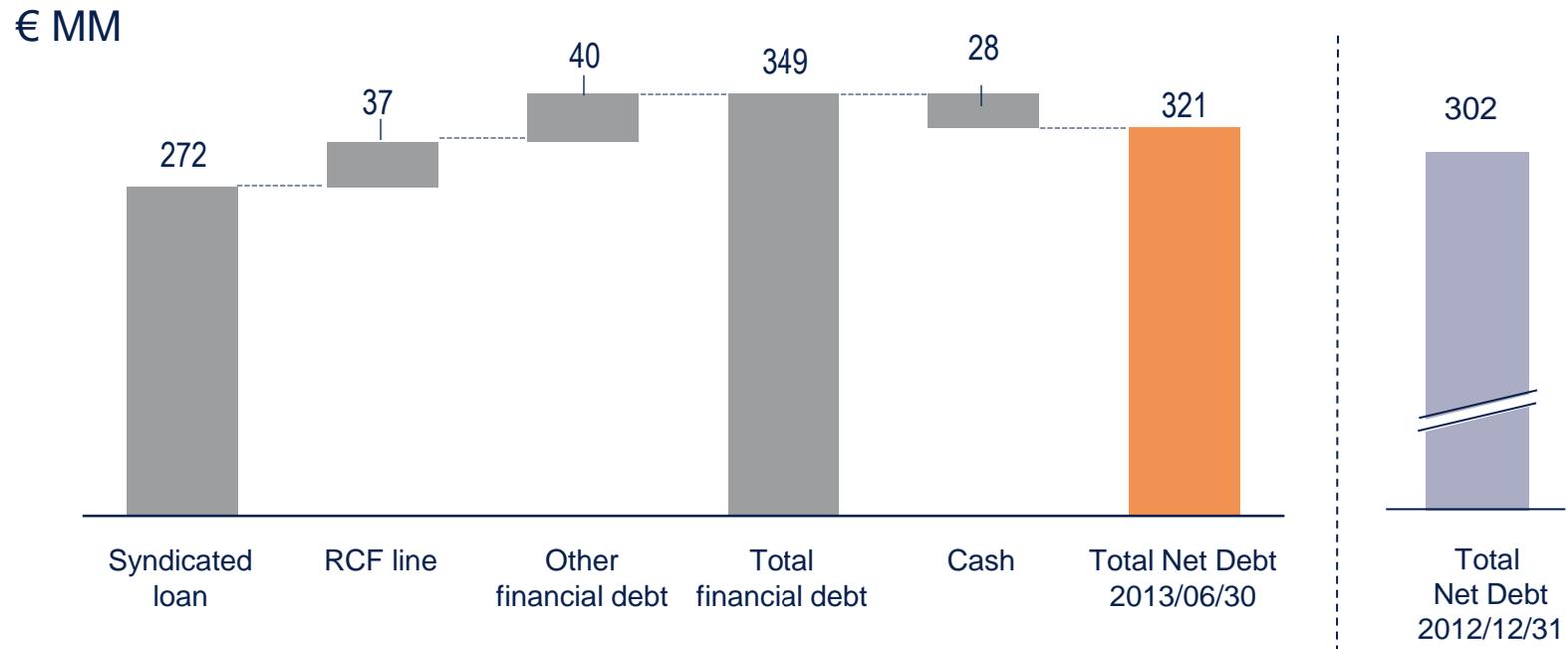
Group free cash flow: Strong swing in cash generation from operations

€ MM



- Operational cash flow benefitting from working capital improvements
- Prior year included higher investments due to Istanbul ramp-up
- Investing cash flow includes acquisition of adscale

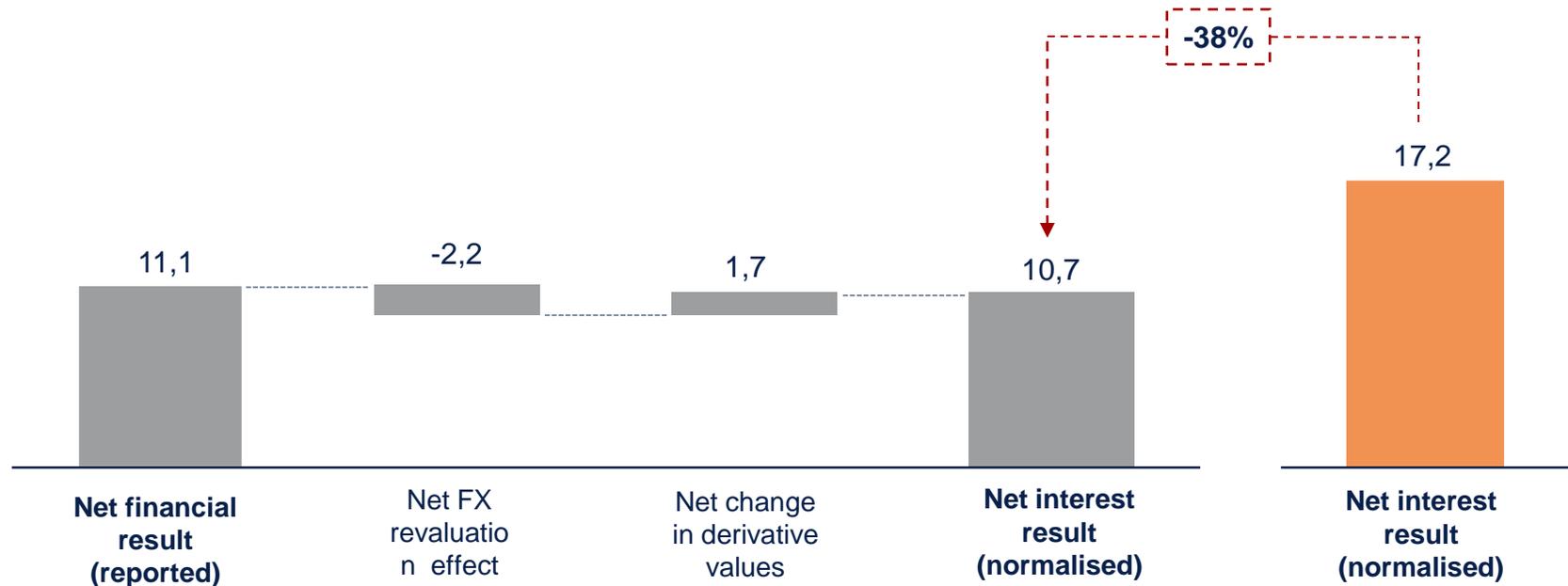
Slight increase of net debt in H1/2013



- Slight increase of net debt due to acquisitions made in the quarter
- Increase of “other financial debt” due to liabilities on future earn-out agreements

Underlying net interest charge further improved in 2013

€ MM



- Lower debt service following optimized loan structure as part of refinancing in 07/2012
- Further savings from termination of interest hedges that became due in April 2013
- Significant net revaluation effects from FX movements in H1/2013

The trends we have observed during Q 2 seem to continue throughout Q3.

However, following a more quiet summer period in our markets we are currently expecting an organic growth rate of around 1% for the third quarter 2013.

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