

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

HAUCK & AUFHÄUSER ROADSHOW

9th October 2013 London | **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

Improved H1 Outdoor and Online trading

€ MM	H1 2013	H1 2012	Change
Revenues	289.0	267.4	+8.1%
Organic growth ⁽¹⁾	5.0%	-4.9%	
Operational EBITDA	47.4	40.8	+16.2%
Net adjusted income ⁽²⁾	9.8	2.9	>+100%
Investments ⁽³⁾	16.2	20.5	-20.7%
Free cash flow ⁽⁴⁾	-1.0	-12.1	+91.6%
Net debt ⁽⁵⁾	321.4	314.0	+2.3%
Leverage ratio	2.8x	2.8x	+0.8%

Notes: (1) Organic growth = excluding exchange rate effects and effects from the (de)consolidation and discontinuation of operations; (2) Operational EBIT net of the financial result adjusted for exceptional items, amortization of acquired intangible advertising concessions and the normalized tax expense (32.5% tax rate); (3) Cash paid for investments in PPE and intangible assets; (4) Free cash flow = cash flows from operating activities less cash flows from investing activities; (5) Net debt = financial liabilities less cash (excl. hedge liabilities)

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

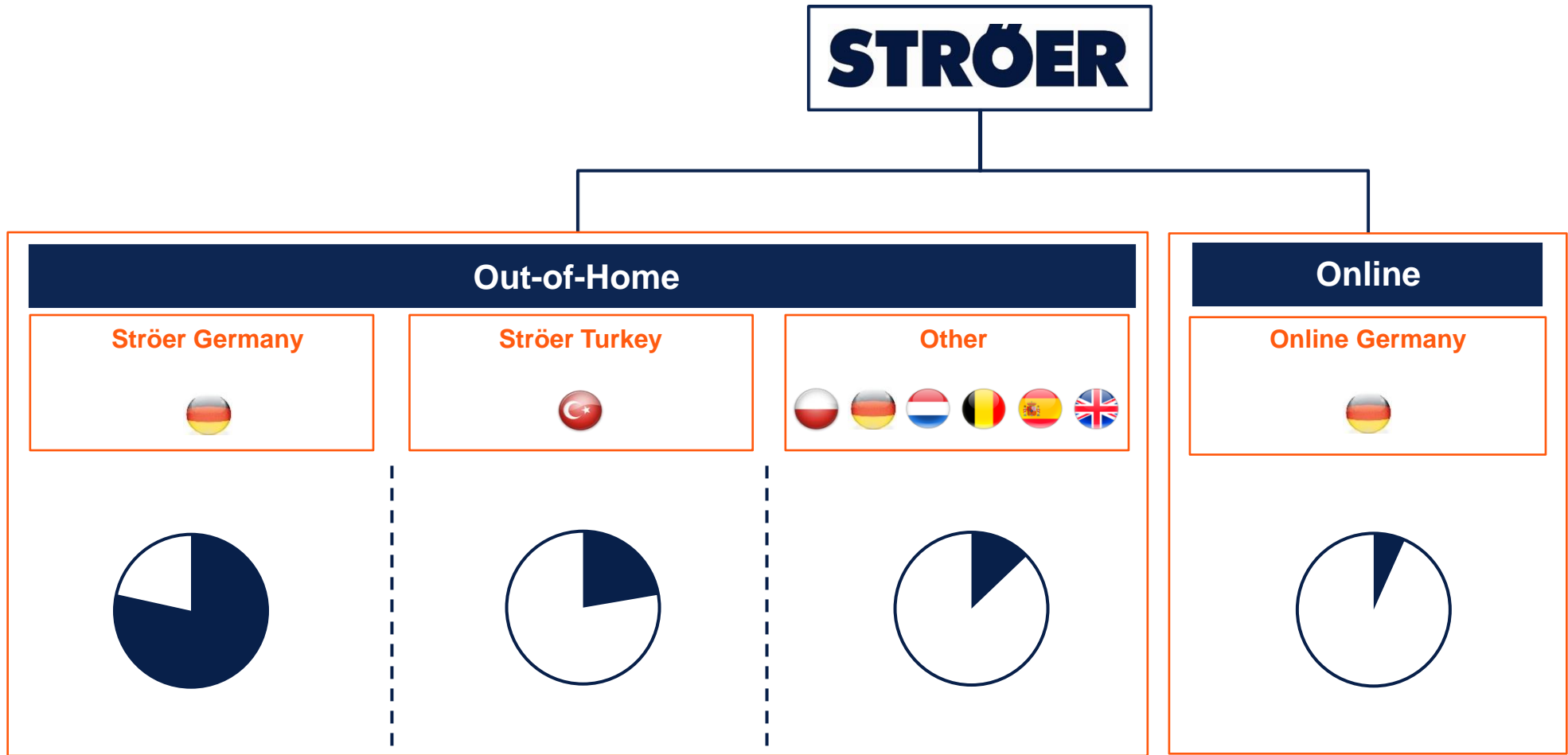
Giant poster network Europe

Germany, UK, Spain, Benelux

#1

Independent Online media sales house Germany

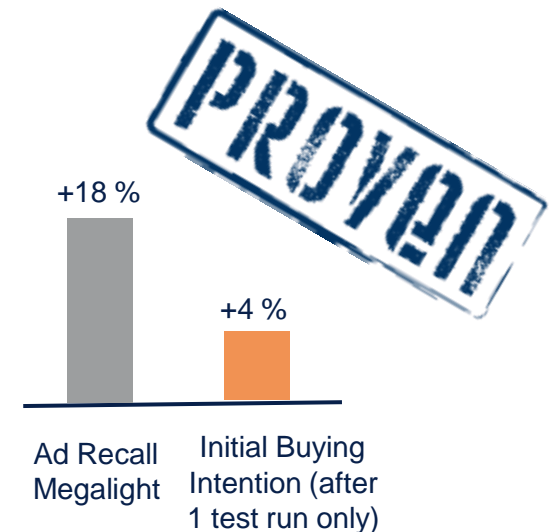
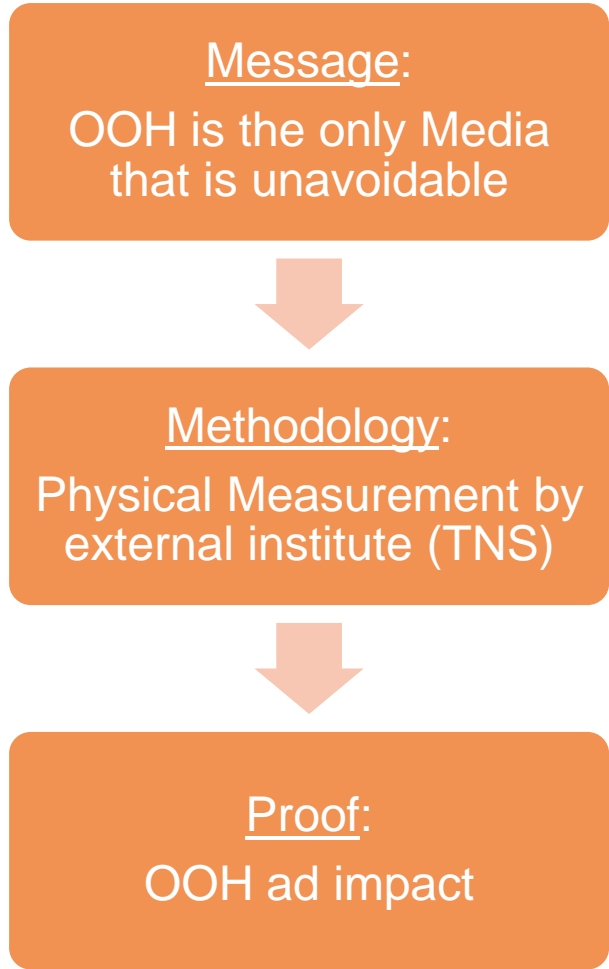
Online introduced as new reporting segment from Q2



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



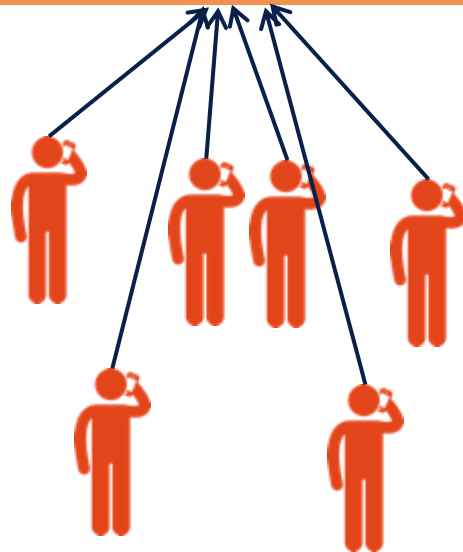
- Six-digit Euro campaign budget
- Extremely fast build-up of reach
- Fixed number of video ad impressions



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

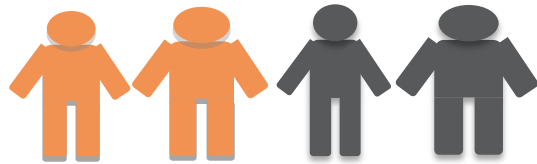
Around Point of Sale & Billboard

Support through Billboard campaign

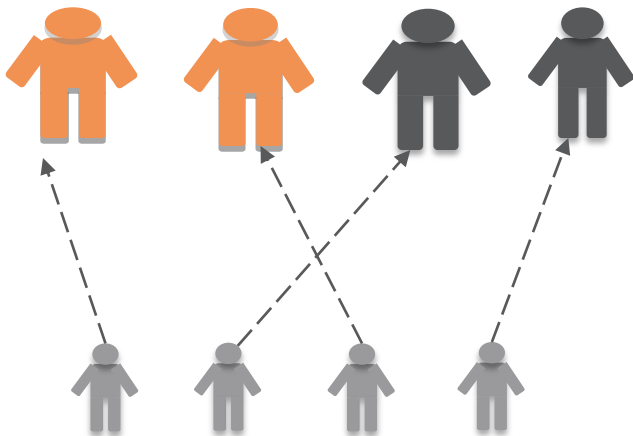


Real-time advertising geared to local retail needs

Acquisition of mbr targeting* - Evaluation of Big Data in Real Time



Consumer Action Mining



Customer focused approach

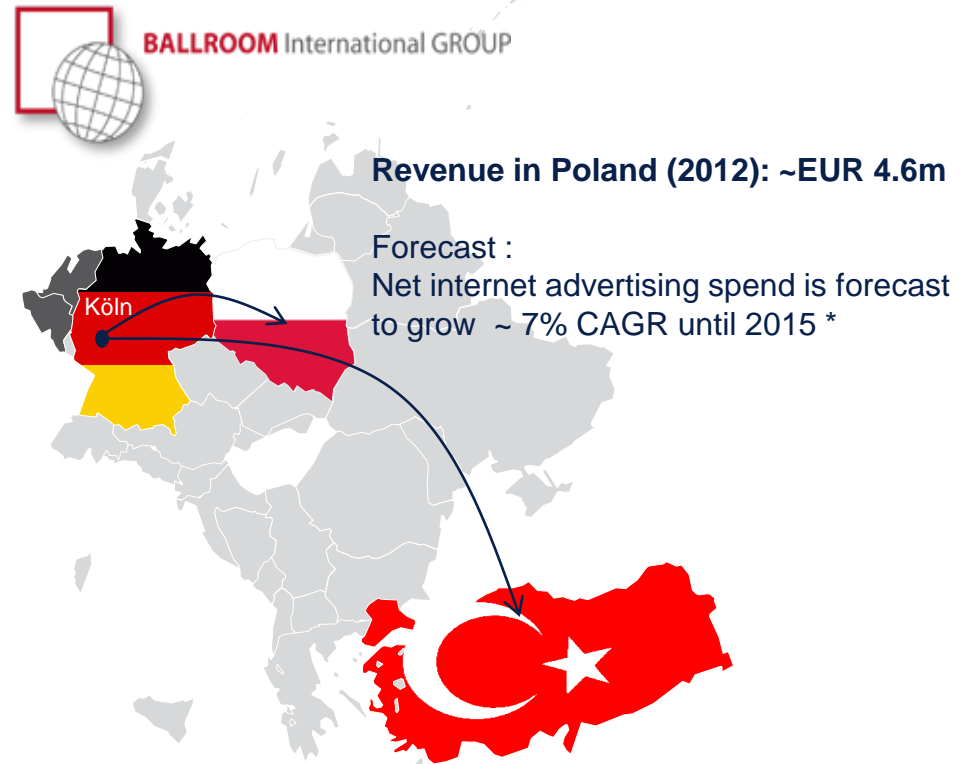
- Proprietary algorithm developed by 13 years of academic research (Consumer Action Mining)
- Dynamic and automated system evaluating big data in real time
- Identification of customers without external support or interpretation of socio-demographics
- Technical infrastructure and expertise in place

Benefits for the Group:

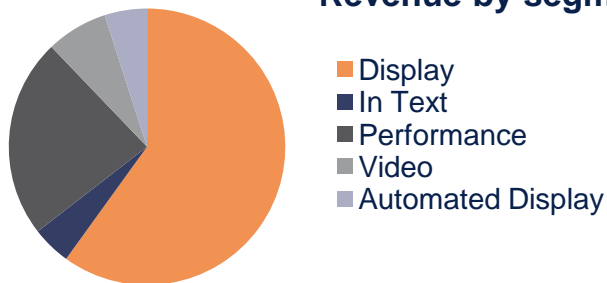
- Offering Re-Targeting Solutions and first “Pro-Targeting“ Solutions in the market
- Leverage our existing RTB platform and traditional sales business

Acquisition of the Ballroom Group - Internationalising our online strategy into our core foreign markets

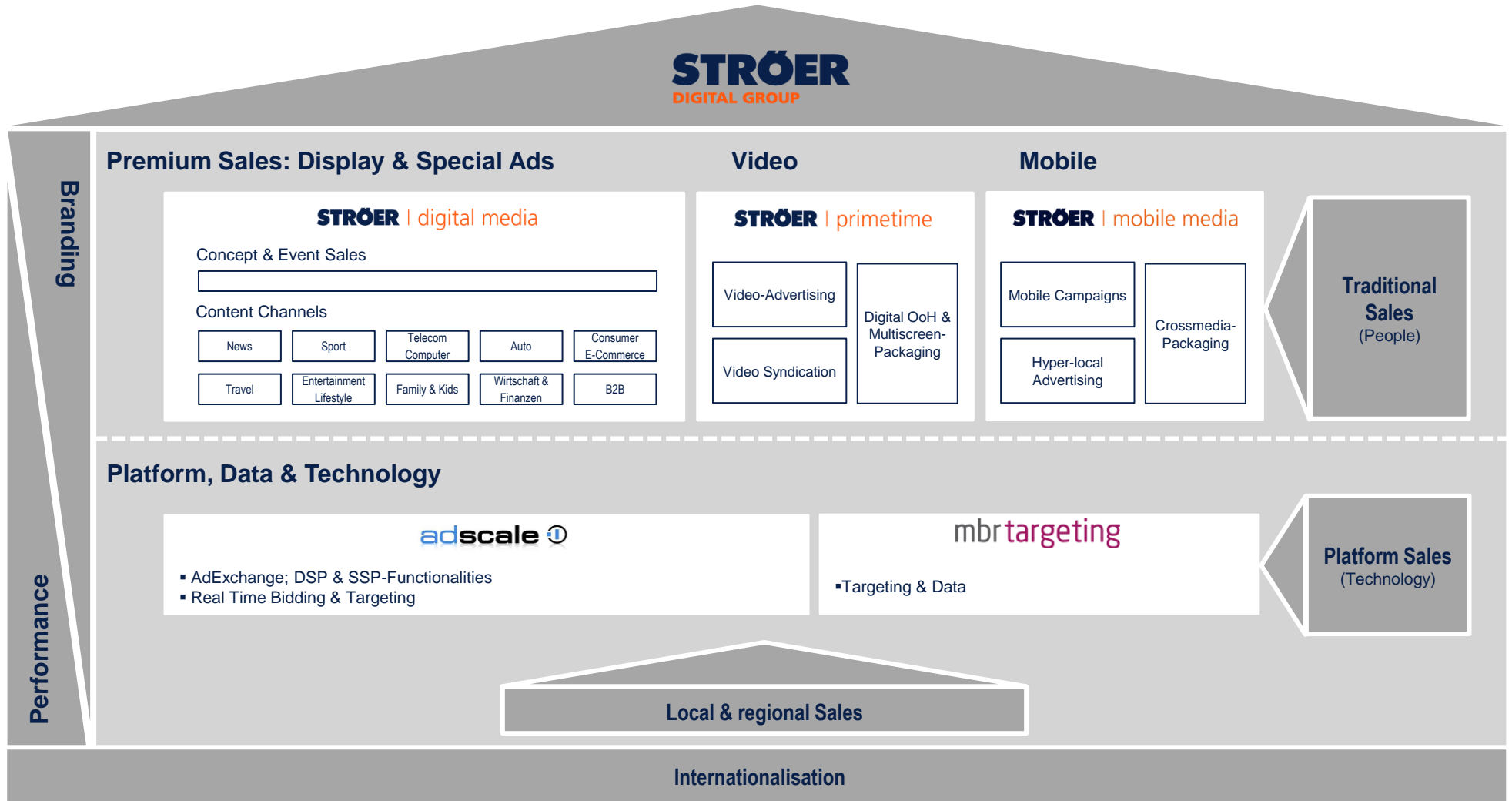
- No 1 independant sales house in Poland and Turkey
- ~ EUR 25m of revenue (~80% of total revenue) generated in Turkey and Poland
- Proprietary technology
- Significant know-how and product technology
- e.g. iBillboard RTB, Vidyoda, Adserver
- Diversified product offering:
 - Ad Exchange
 - Display and Online advertising
 - Performance Marketing
- To be first time consolidated in our Q3 results



Revenue by segment



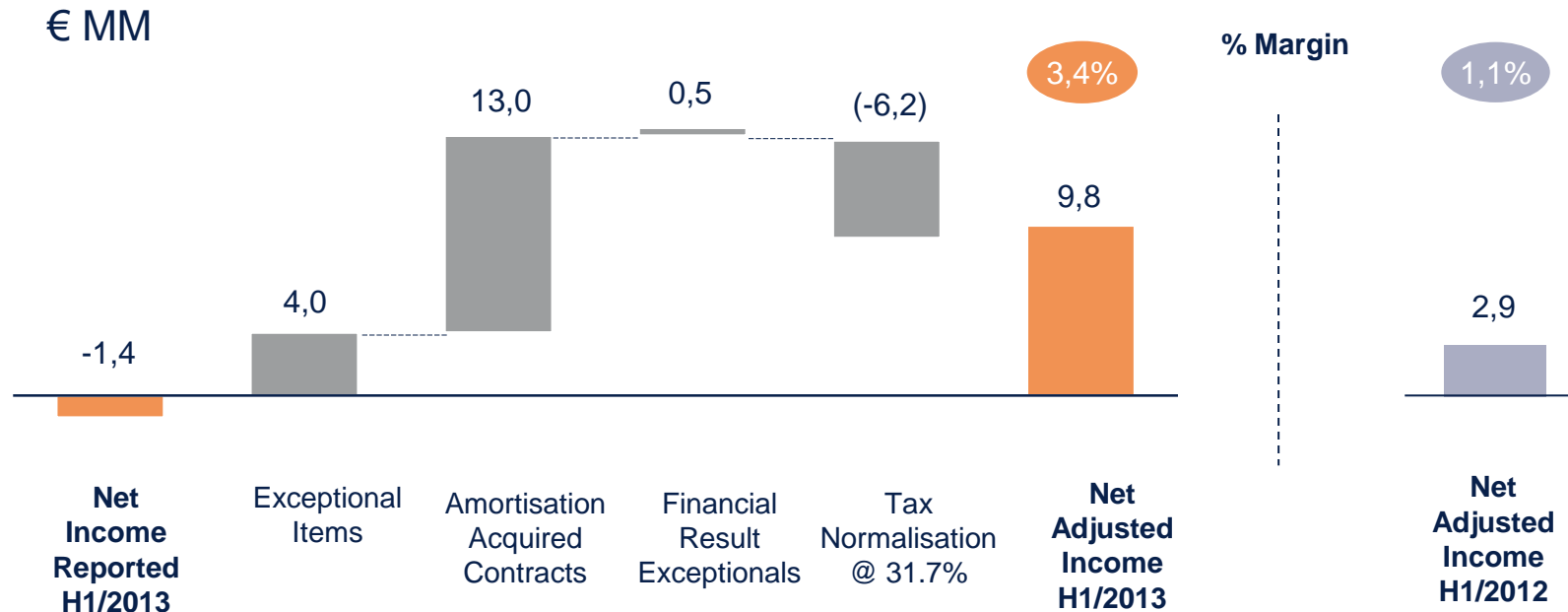
Ströer Digital Group: On track to service the entire digital value chain



Improved operational EBITDA and solid revenue performance

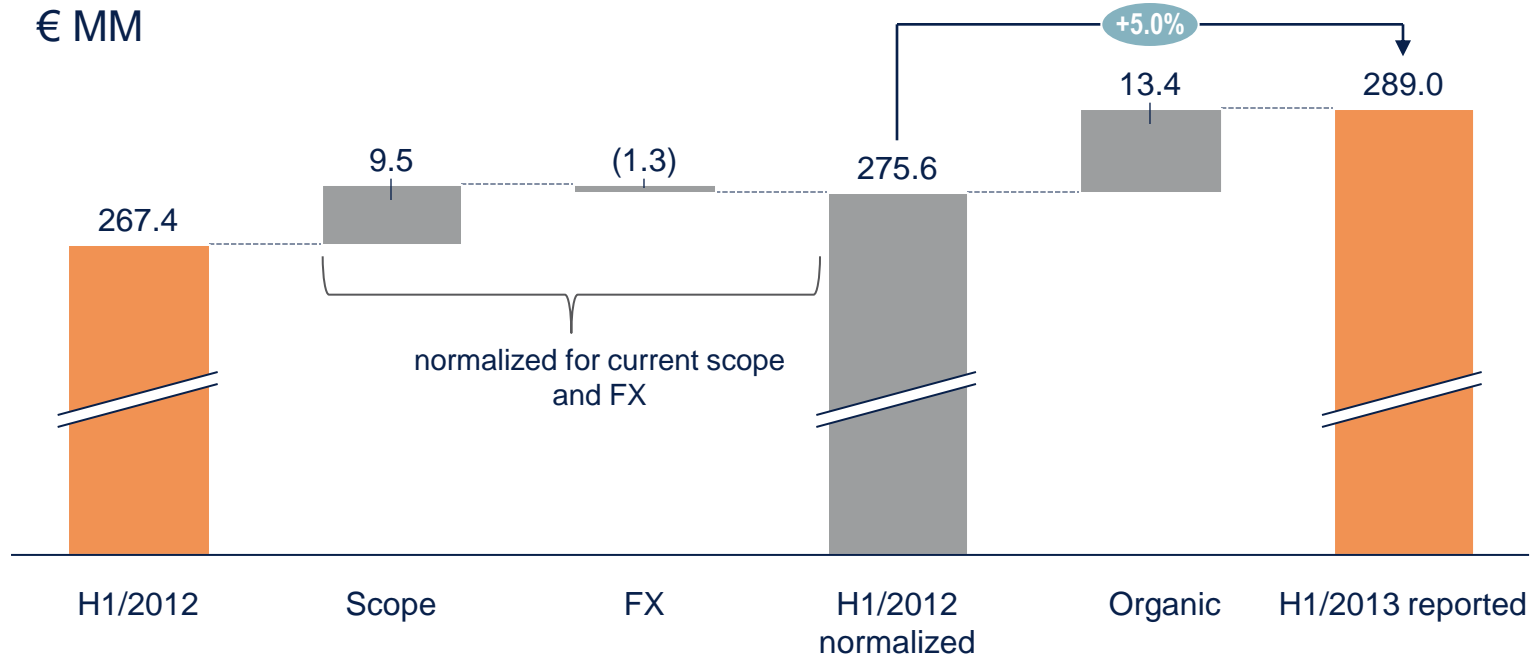
(€ MM)	H1 2013	H1 2012	Change (%)
Revenues	289.0	267.4	+8
Direct costs	-171.8	-159.3	-8
SG&A	-72.4	-70.0	-3
Other operating result	2.6	2.7	-4
Operational EBITDA	47.4	40.8	+16
<i>Margin %</i>	<i>16.4</i>	<i>15.3</i>	
Depreciation	-20.0	-18.1	-10
Amortisation	-15.2	-14.3	-6
Exceptional items	-4.0	-2.2	-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



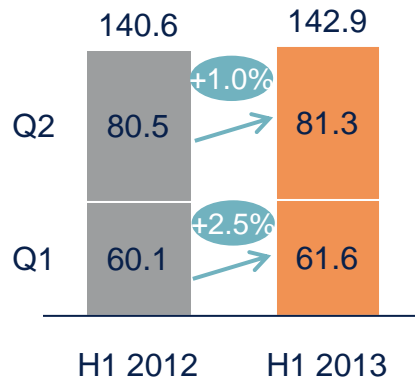
- Positive revenue development in Germany and Turkey
- Scope effects exclusively from online
- Pronounced effects from FX fluctuations in Turkey in Q2

Stronger demand throughout all product groups

BILLBOARD

€ MM

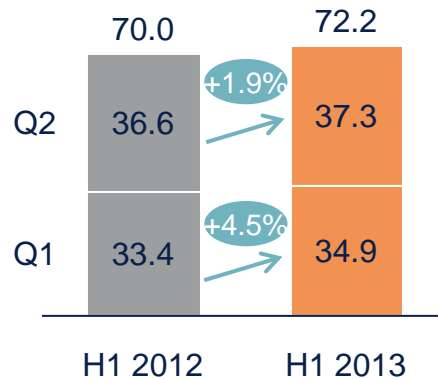
Reported % **+1.6%**



STREET FURNITURE

€ MM

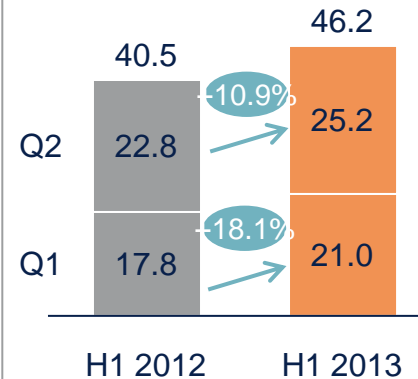
Reported % **+3.2%**



TRANSPORT

€ MM

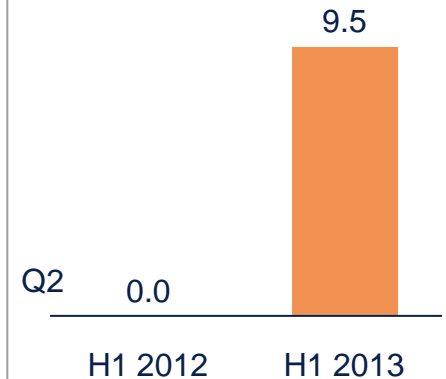
Reported % **+14.1%**



ONLINE

€ MM

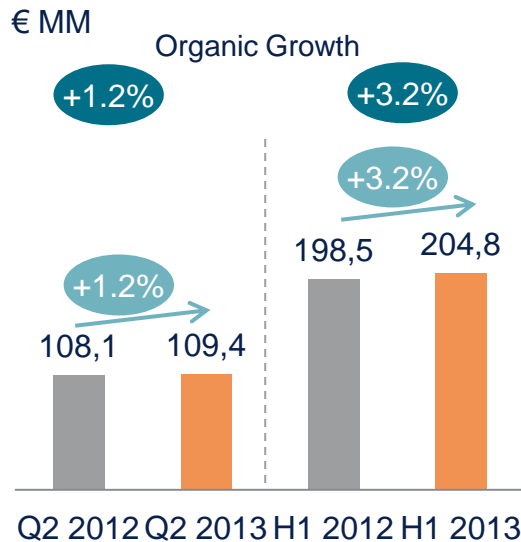
Reported % **n.d.**



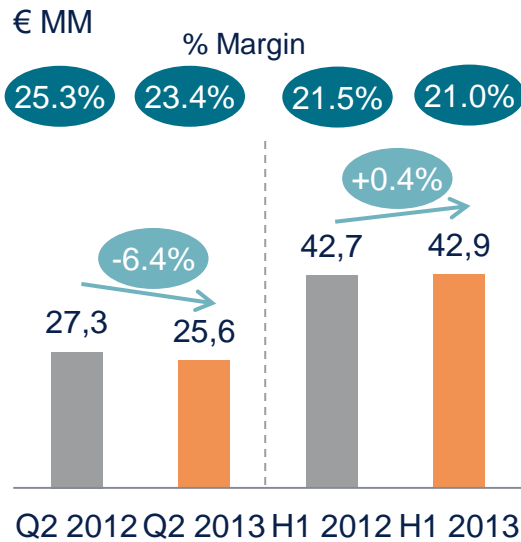
- Increased demand for Billboards driven by new Istanbul assets
- Street furniture performance owing to better trading conditions with national accounts
- Substantial improvement in Transport fuelled by digital assets

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

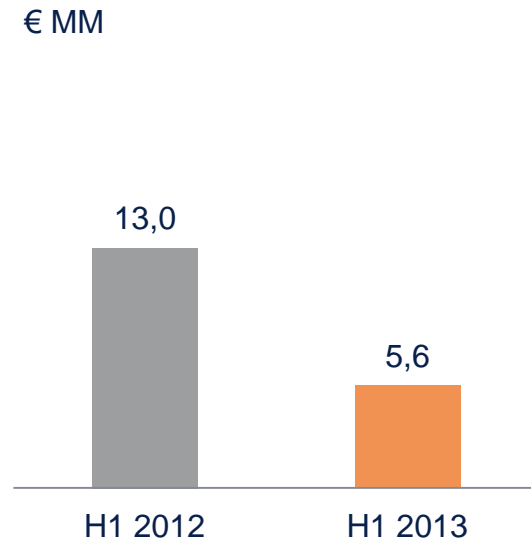
REVENUES



OPERATIONAL EBITDA



INVESTMENTS*



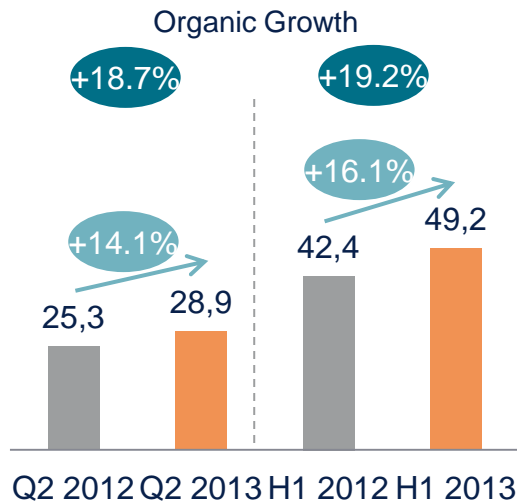
- Positive revenue development driven by digital products
- Share of digital revenues increased from 7% in H1/2012 to 10% in H1/2013
- Moderate capital expenditure

* Cash paid for investments in PPE and intangible assets

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

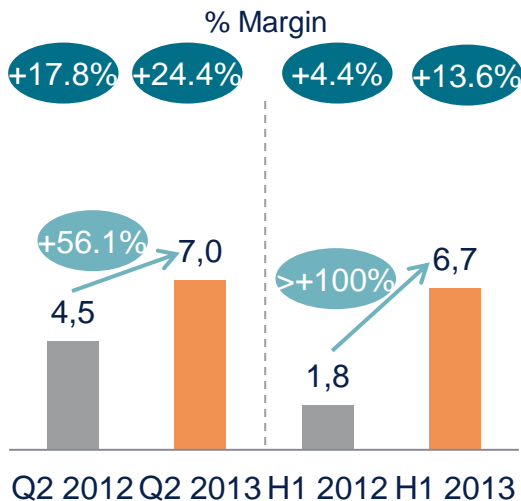
REVENUES

€ MM



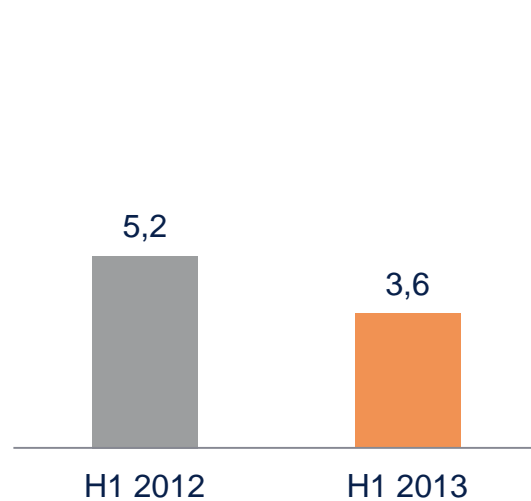
OPERATIONAL EBITDA

€ MM



INVESTMENTS*

€ MM



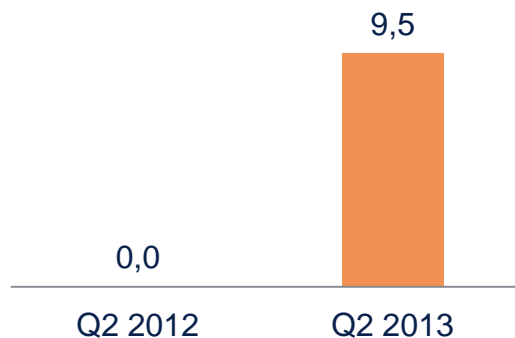
- Continuously strong sales momentum on regional and national levels
- Significant revenue improvement in Istanbul, positive market response to recently launched Giant Board formats and high filling ratios
- Devaluation of Turkish Lira negatively affects the absolute contributions to Euro at Group level

* 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



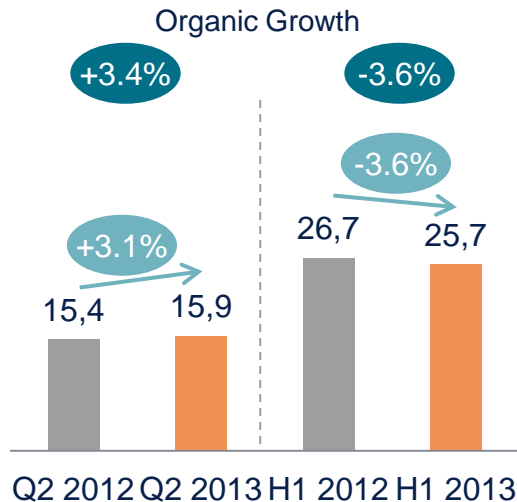
- Includes pro-rata revenue and EBITDA contributions of adscale, Ströer Digital Group as well as Location-based advertising ('Radcarpet')
- Post merger integration and set-up of new management structure in progress
- Revenues and EBITDA contribution in line with expectations

*Cash paid for investments in PPE and intangible assets

Ströer Other*: Strong EBITDA contribution from BlowUP

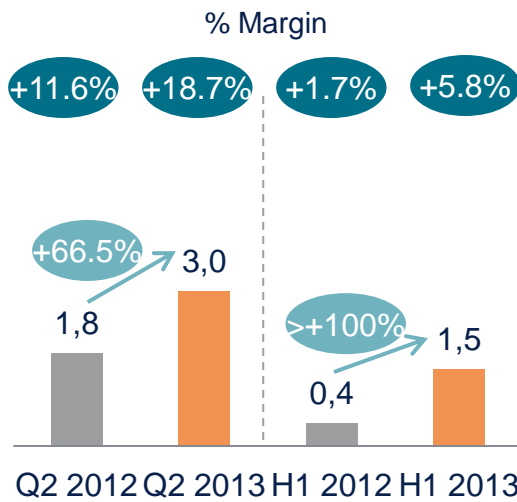
REVENUES

€ MM



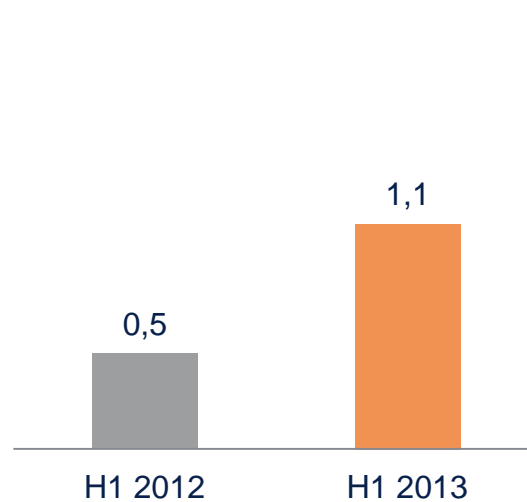
OPERATIONAL EBITDA

€ MM



INVESTMENTS*

€ MM



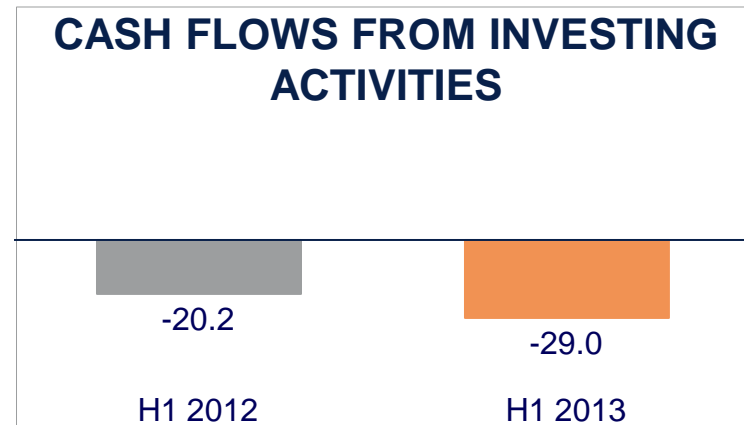
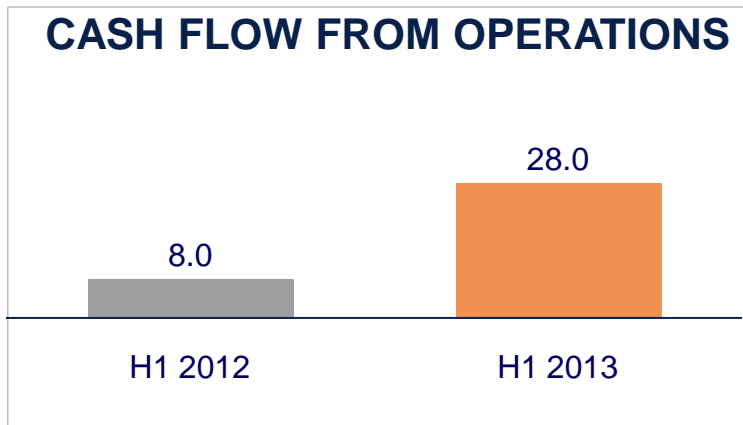
- BlowUP with strong topline performance boosting operational EBITDA
- Ströer Poland suffering from soft market dynamics
- First visible impact of recently enforced cost efficiency measures in Poland

* BlowUPMedia Group and Ströer Poland

** Cash paid for investments in PPE and intangible assets

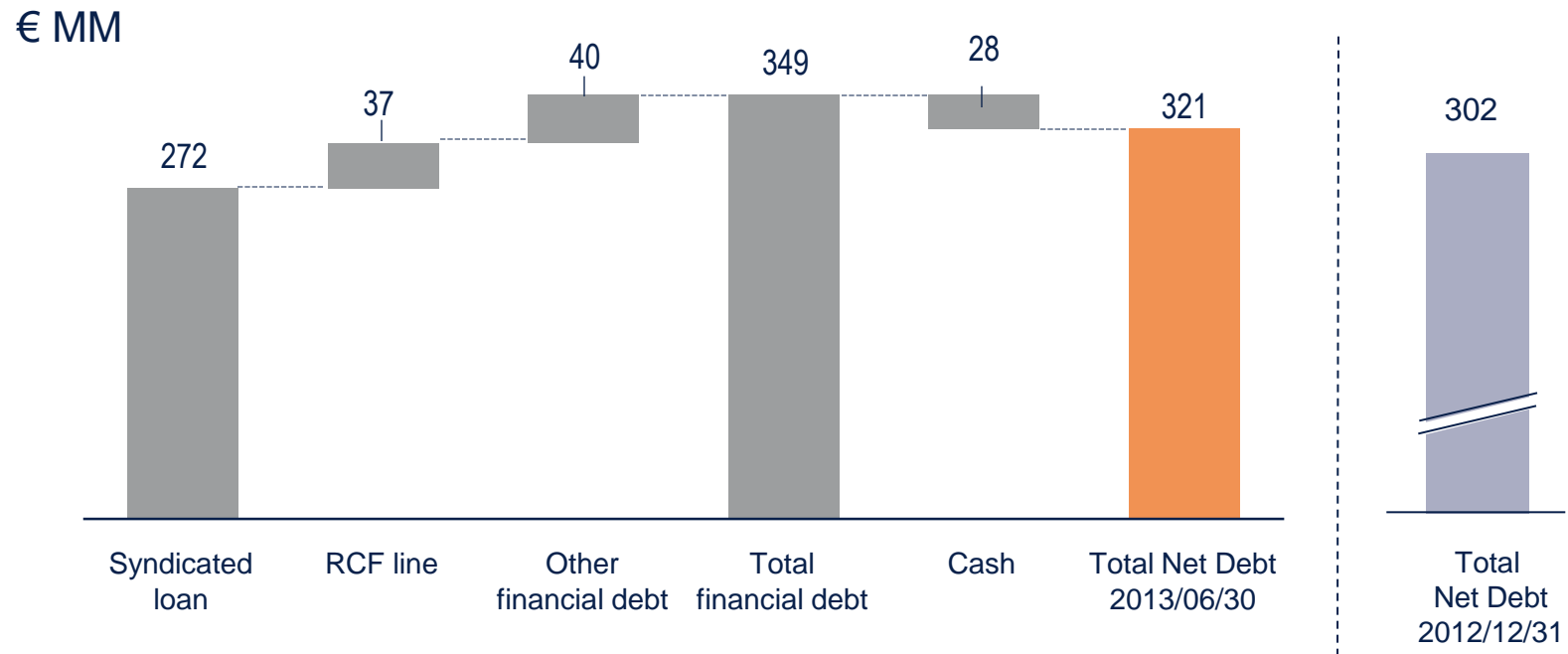
Group free cash flow: Strong swing in cash generation from operations

€ 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

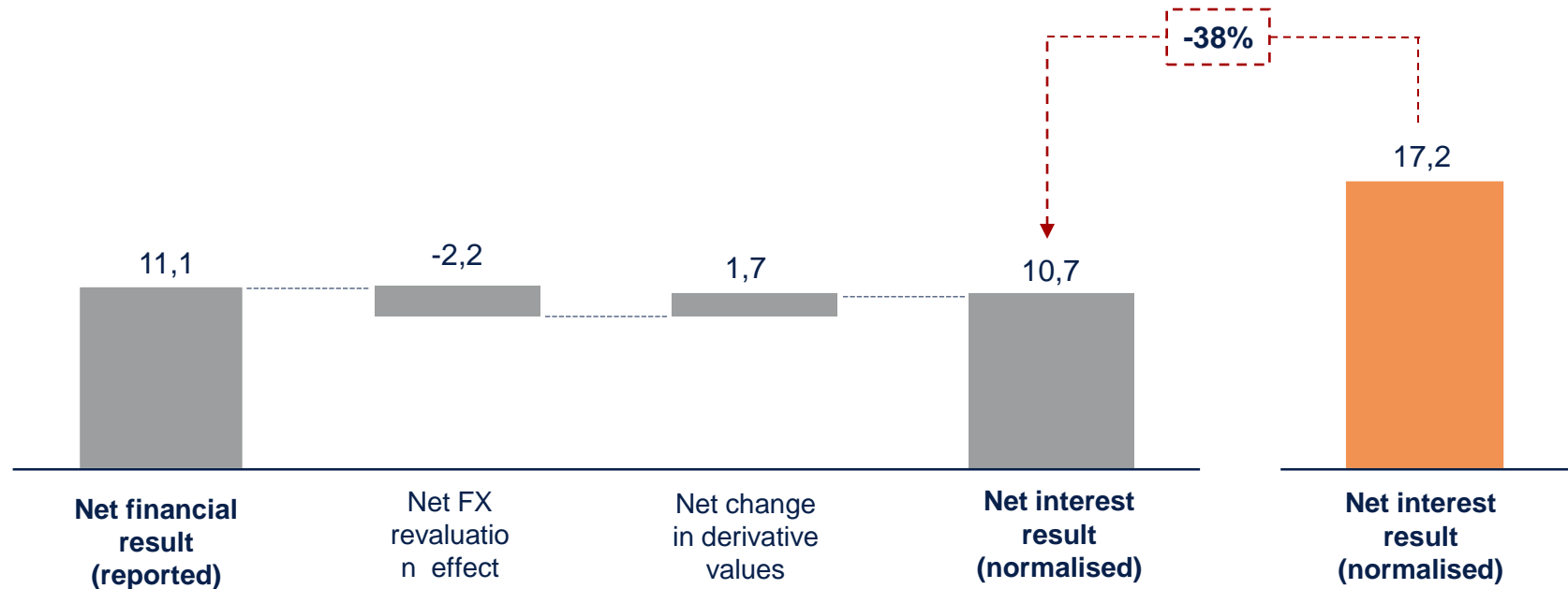
Slight increase of net debt in H1/2013



- 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.

Q&A Session with Ströer AG's Executive Board



Udo Müller
CEO



Alfried Bührdel
CFO



Christian Schmalzl
COO

Disclaimer

This presentation contains “forward looking statements” regarding Ströer Media AG (“Ströer”) or Ströer Group, including opinions, estimates and projections regarding Ströer’s or Ströer Group’s financial position, business strategy, plans and objectives of management and future operations. Such forward looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of Ströer or Ströer Group to be materially different from future results, performance or achievements expressed or implied by such forward looking statements. These forward looking statements speak only as of the date of this presentation and are based on numerous assumptions which may or may not prove to be correct. No representation or warranty, express or implied, is made by Ströer with respect to the fairness, completeness, correctness, reasonableness or accuracy of any information and opinions contained herein. The information in this presentation is subject to change without notice, it may be incomplete or condensed, and it may not contain all material information concerning Ströer or Ströer Group. Ströer undertakes no obligation to publicly update or revise any forward looking statements or other information stated herein, whether as a result of new information, future events or otherwise.