

STRÖER

**Von der Kö
in die Höh!**

Mallorca mehrmals täglich
ab €4999*



Flieger de Mallorca.

Mehrmals
täglich

ab
€4999*



Wir sind **Condor**

Kepler Cheuvreux 18th German Corporate Conference

January 21st, 2019 | Strategic Update

STRÖER

OOH⁺



Ströer – Leading digital Multi-Channel Media Company



**13,000
employees**



**1.6 bn €
sales***



**#2
in call center ranking**



**More than 100
locations**



**134 m
direct customer contacts**



**300,000
advertising sites**



**50.35 m
unique users****

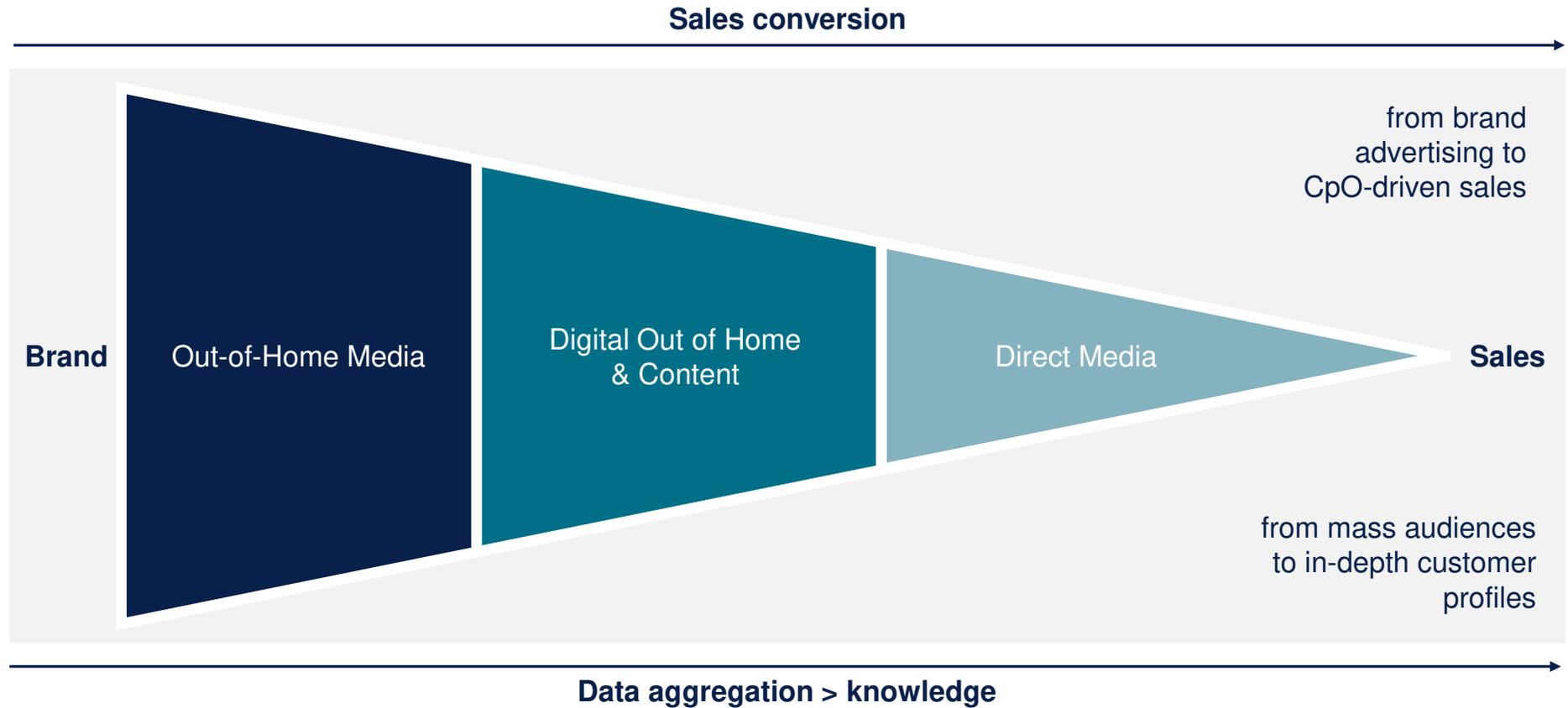


**5 bn
video views*****

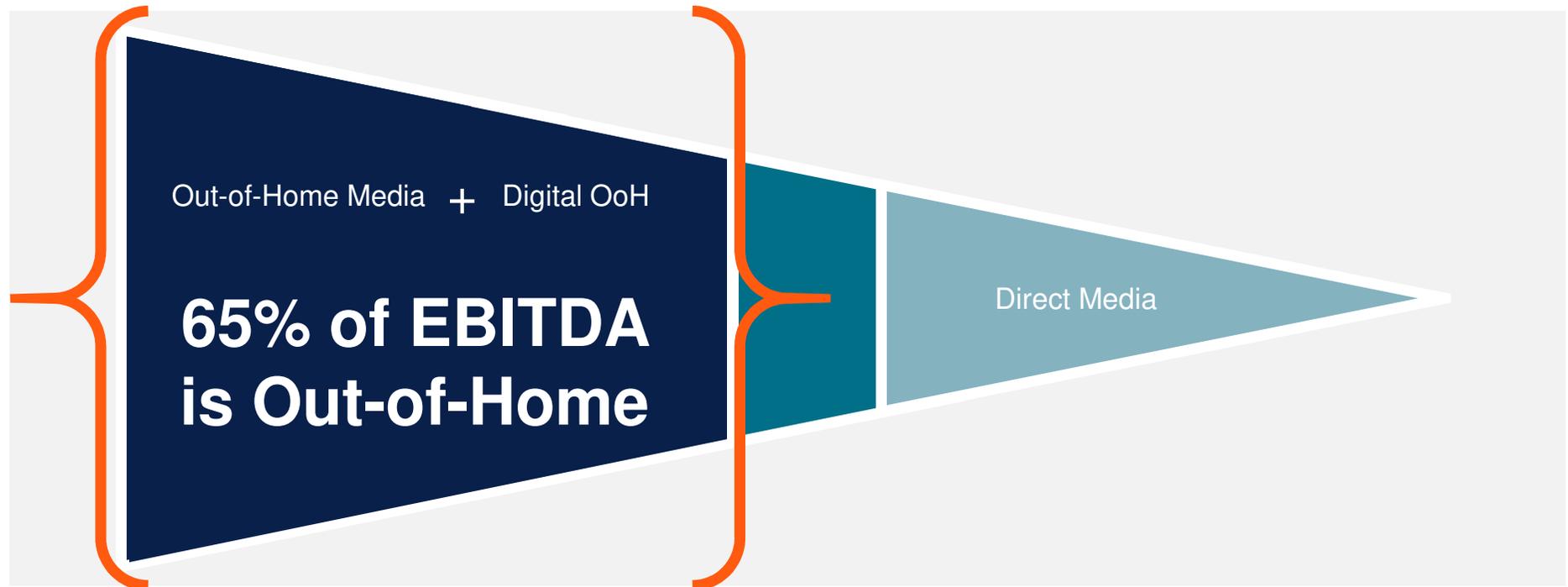


Source: *Entire year 2018 (outlook), **AGOF digital facts 2018/12 (16+ years old), users of mobile and/or stationary offers (in the last 3 months)
***per month/own research – from Dec 2017

Multi-Channel & Customer centric ...

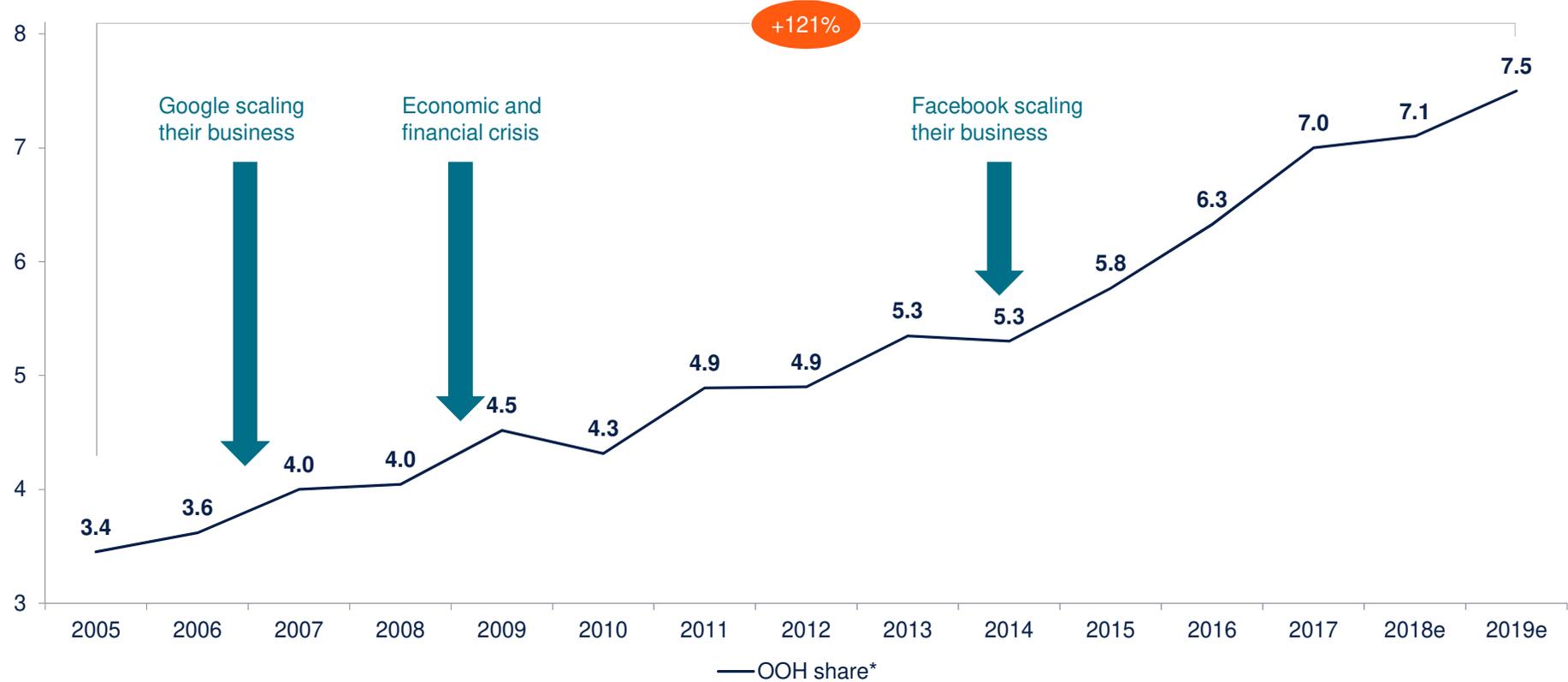


... but with one Core & Backbone: Out-of-Home!



Robust long-term Growth of Out of Home Segment in Germany

Market share of total ad market in %

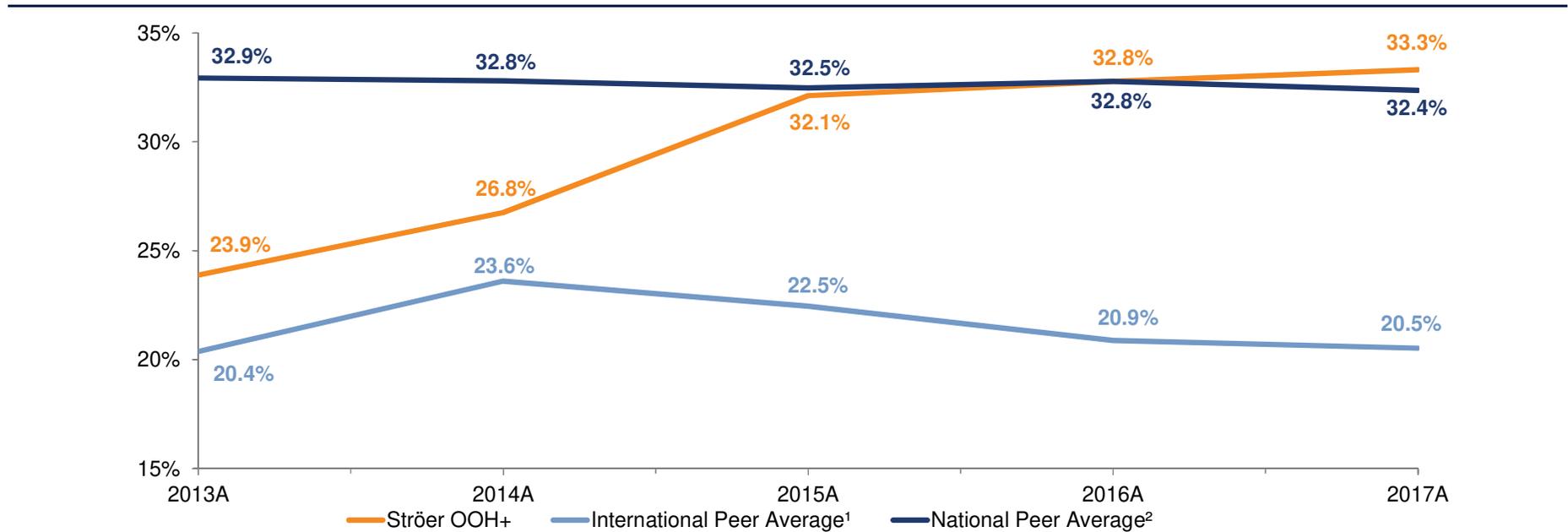


Source: Nielsen Media Research, gross advertising without advertising mail

*OOH incl. billboard, transport media incl. Public Video and Infoscreen, at-retail-media incl. Mall Video, ambient media

Strong Margin Development vs. OoH Peers in the last five Years

Adjusted EBITDA margin (in %)



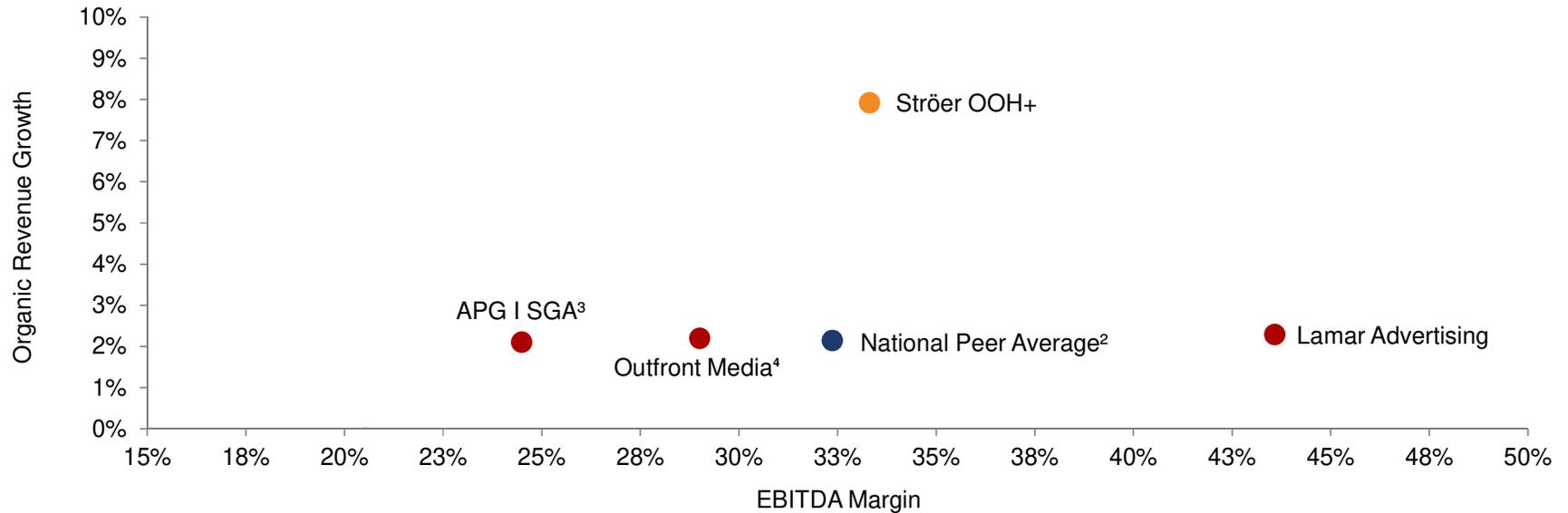
- Ströer has improved its Adj. EBITDA margin in the OOH+ segment from 23.9% in 2013 to 33.3% in 2017
- As of 2016, Ströer was able to improve its margin to the average level of national peers
- Ströer's margin is significantly ahead of international peers whose margins became under pressure over the last four years

Source: Public company filings, company information, IBES.

Note: EBITDA margin for Outfront Media based on operating income before depreciation, amortization, net gain (loss) on dispositions, stock-based compensation, restructuring charges and loss on real estate assets held for sale; ¹ Includes all Multi-Market-Players; ² Includes Lamar Advertising, Outfront Media, APG I SGA (Organic revenue growth for 2014A and 2015A only).

Margin & Growth Profile: Unique Positioning amongst National Peers

Organic revenue growth (2013A – 2017A) vs. Adj. EBITDA margin (2017A)



Source: Public company filings, company information, IBES, broker research. Note: EBITDA margin for Outfront Media based on operating income before depreciation, amortization, net gain (loss) on dispositions, stock-based compensation, restructuring charges and loss on real estate assets held for sale. ² Includes Lamar Advertising, Outfront Media, APG | SGA (Organic revenue growth for 2014A and 2015A only). ³ Organic revenue growth based on 2014A and 2015A. ⁴ EBITDA margin based on operating income before depreciation, amortization, net gain (loss) on dispositions, stock-based compensation, restructuring charges and loss on real estate assets held for sale.

Focus on one Country in combination with best Client Access

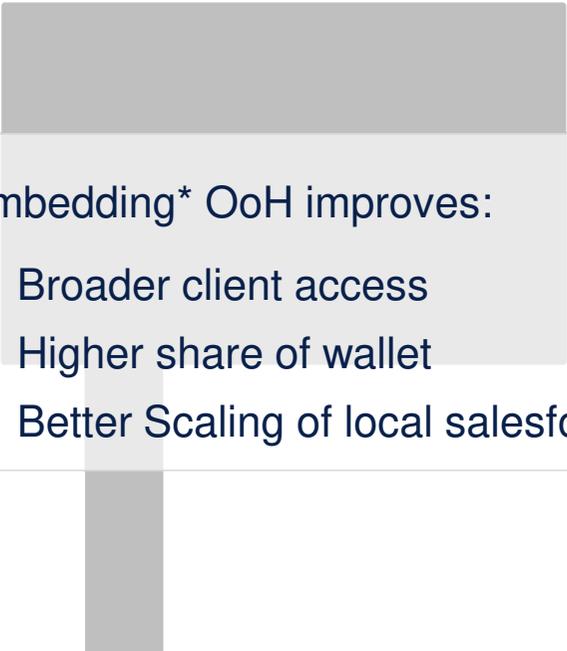
Supply side



National Focus enables:

1. More focused execution excellence
2. Less management dilution
3. Thus higher margins

Demand side



Embedding* OoH improves:

1. Broader client access
2. Higher share of wallet
3. Better Scaling of local salesforce

* In broader multi-channel approach and combining OoH with Online & Direct media.

Unique and consistently robust Market Position in Germany

Termination of engagement in Turkey/focus on Germany

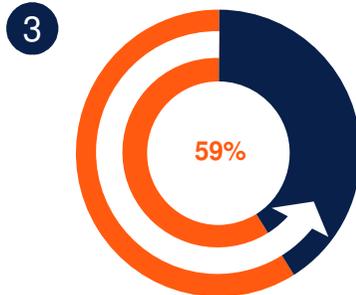


Diversified portfolio



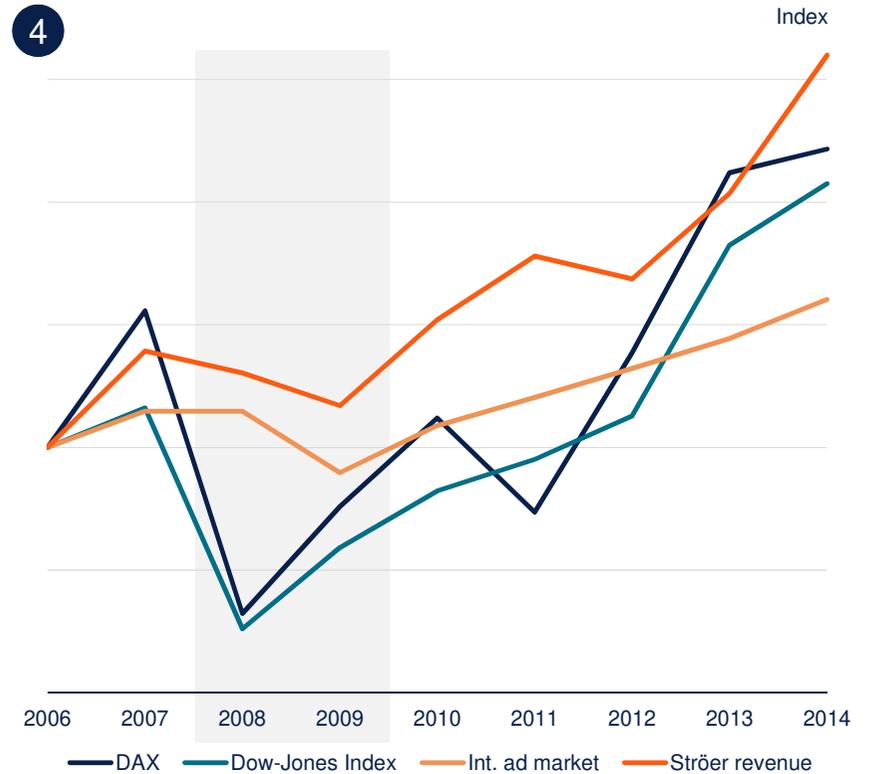
■ City contracts ■ Enterprise ■ Private

Increasing regional sales



■ Regional & local ■ National

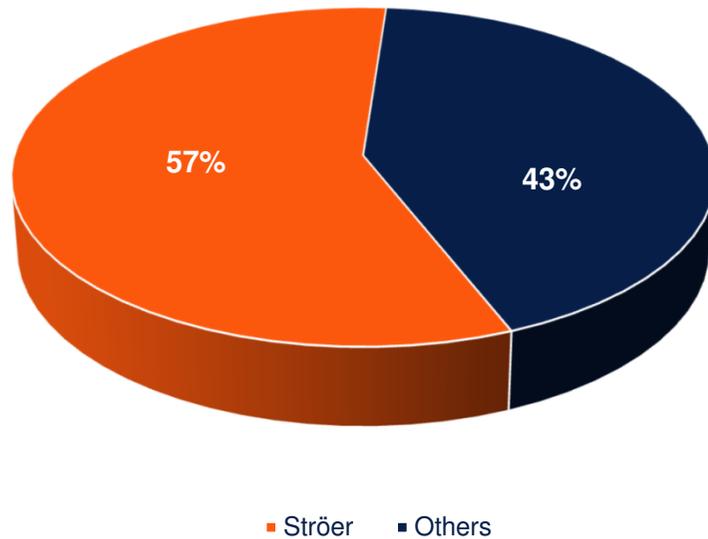
E.g. Crisis '08/'09: showing only small effect on Ströer KPIs



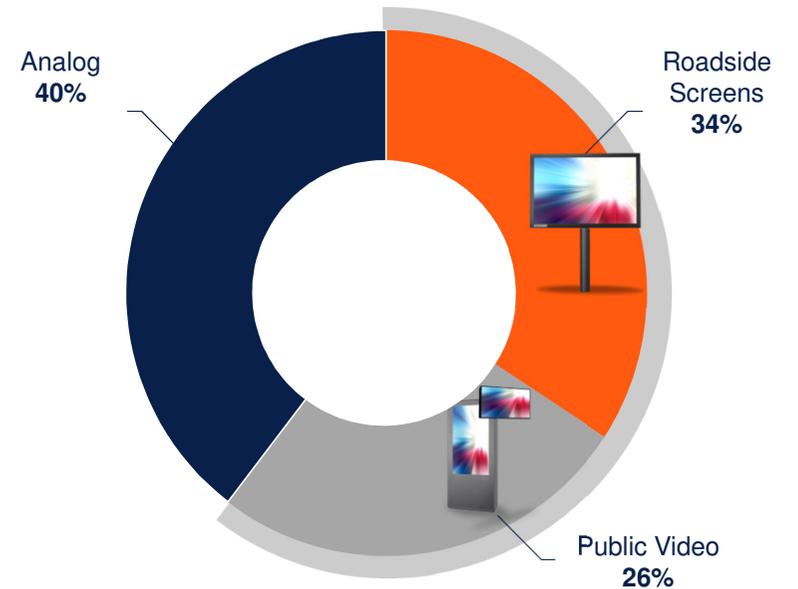
Source: Statista; internal Ströer data; ZenithOptimedia

Best prepared for Growth Path of Out-of-Home Digitization

OOH market share Germany



Investment volume OOH
Clear Focus on digitization of Inventory



Source: Nielsen Media Research, gross advertising without advertising mail. OOH incl. billboard, transport media incl. Public Video and Infoscreen, at-retail-media incl. Mall Video, ambient media; Ströer forecast from central controlling

Unbeatable Market leading DOoH Position already today

Public Video Network
(Premium traffic and shopping POIs)



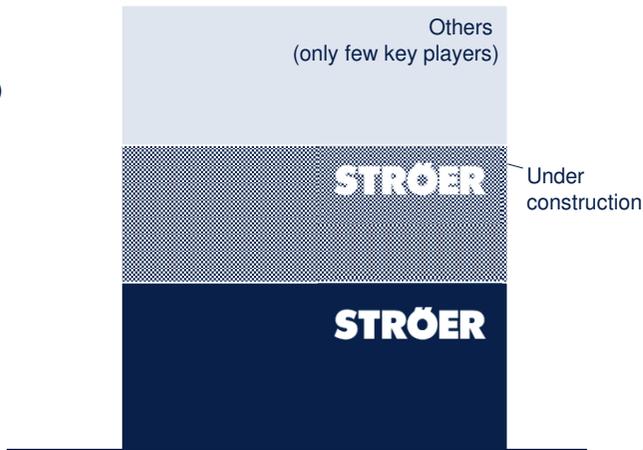
Roadside Screens
(RSS, DCLB, DCLP)



POS/Digital Signage
(Food & other channels)*



Screens



Screens

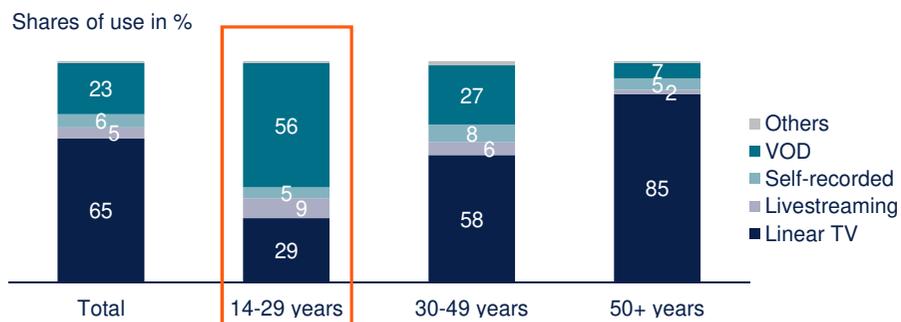


Screens

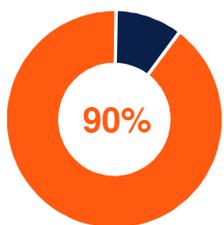
Source: In-house, DMI – Digital Out of Home Standorte Screens 2018-02-15.1.pdf; *excluding rights of promotion

Huge Capacities to benefit from shrinking Traditional Content Media

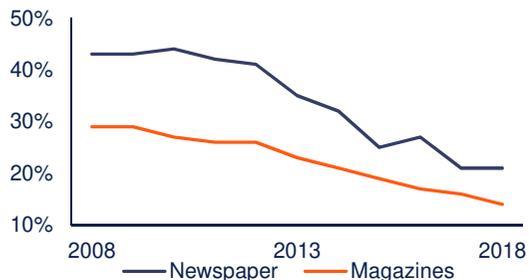
National ad market: significantly less relevance of classic TV for younger target group



Local ad market market dominated by Print

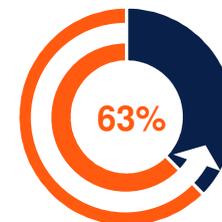


Print Other Media

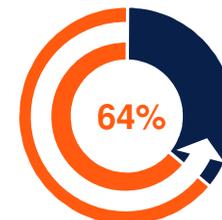


Ströer fill rates 2018 & opportunities

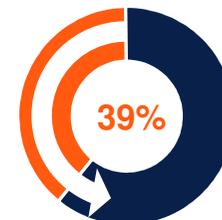
Classic Out-of-Home Media Networks (I/O)



Analog Out-of-Home Media Selected (I/O)

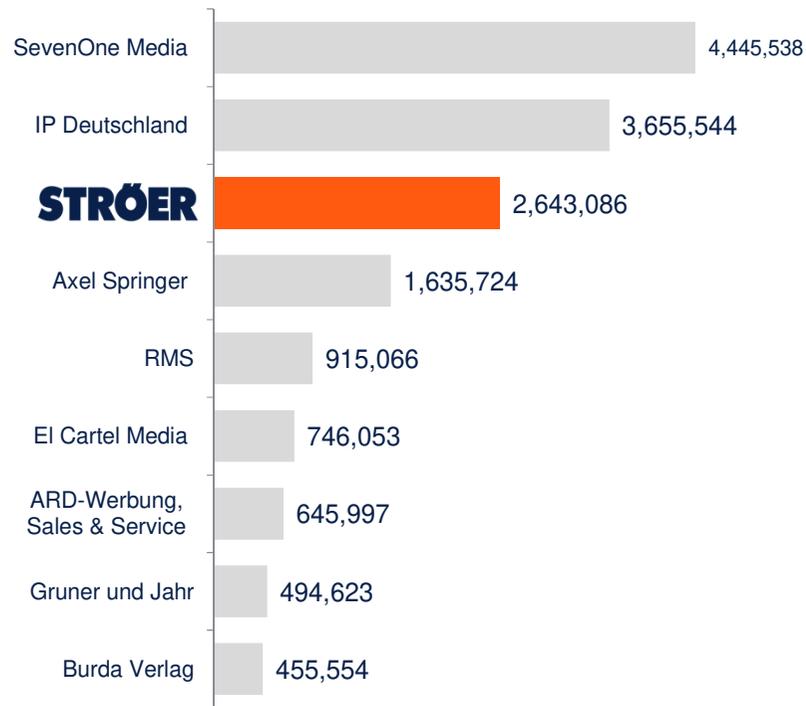


Digital Out-of-Home Media I/O, Programmatic



Top three Sales Platform: From national to hyper local Business

Media sales house ranking



Local full service provider



Sources: Nielsen Media Research Gross Advertising, Q1 – Q3 (Germany); cons. gross sales Ströer: OOH Germany + all digital saleshouses of the Group

Maximizing Share of Wallet: Marketing Partner for Key Accounts

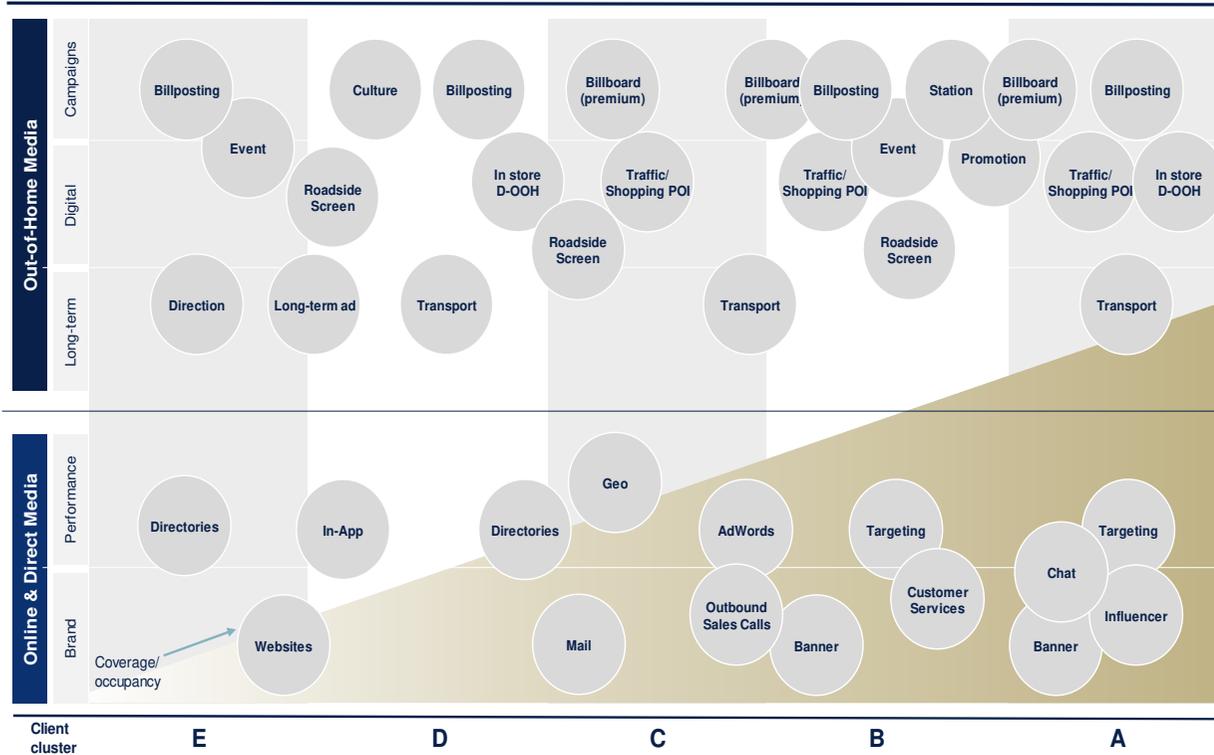


● High ◐ Medium ○ Low

OOH Media Content Media Direct Media Integrated

Minimizing Cost of Sales: Broad Product Range for SMEs

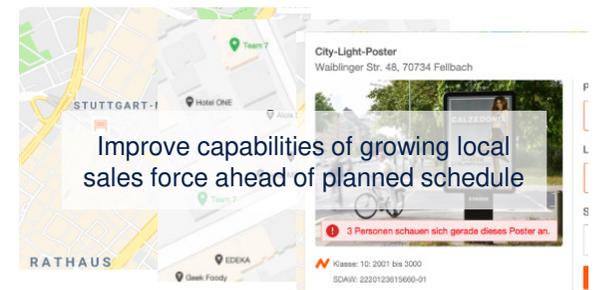
Diversified OoH, Online & Direct Media Product Portfolio across Client Clusters as well as Branding & Performance Solutions



Strong growth of local & digital sales force

Sales team/FTEs	2016	2017	e2018	e2019	e2020
Regional consultants	89	118	110	120	130
Local sales	243	284	520	685	850
"Digital only" consultants	62	58	120	140	160
Ströer SME only call center agents	40	35	50	55	60
TOTAL	434	605	800	1,000	1,200

Do it for you 'Service Platform'





OOH+

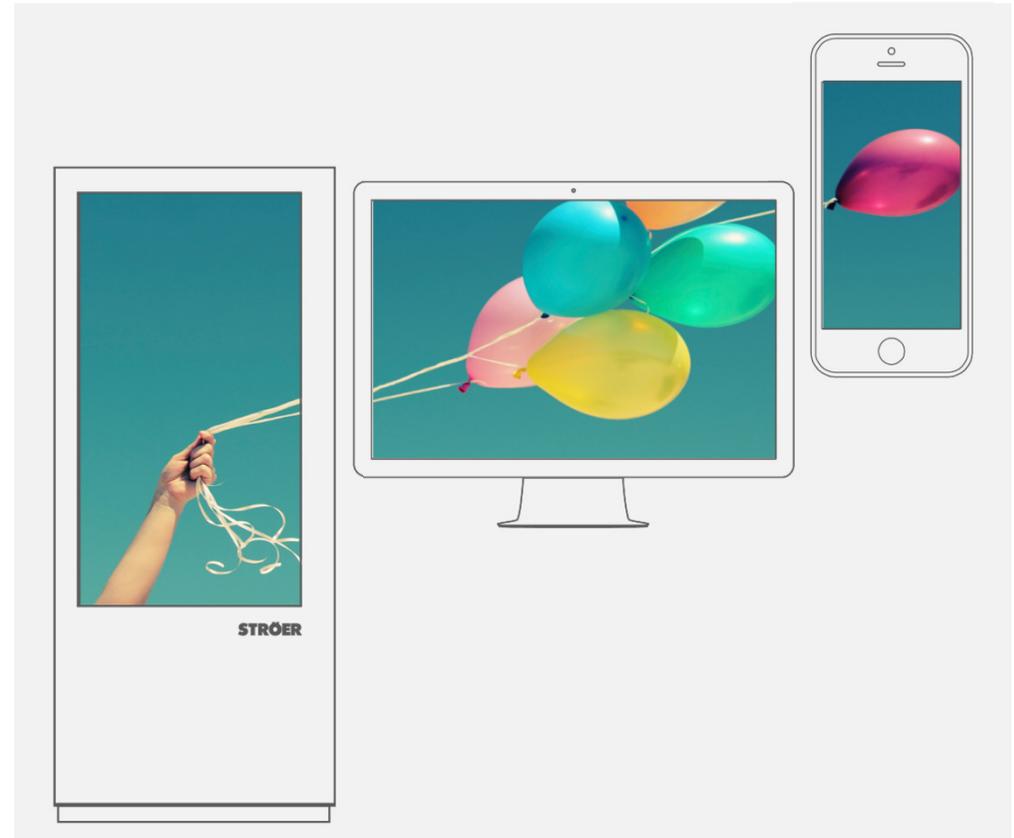
Leveraging Online Tech: Integrating DOOH in digital Ecosystem

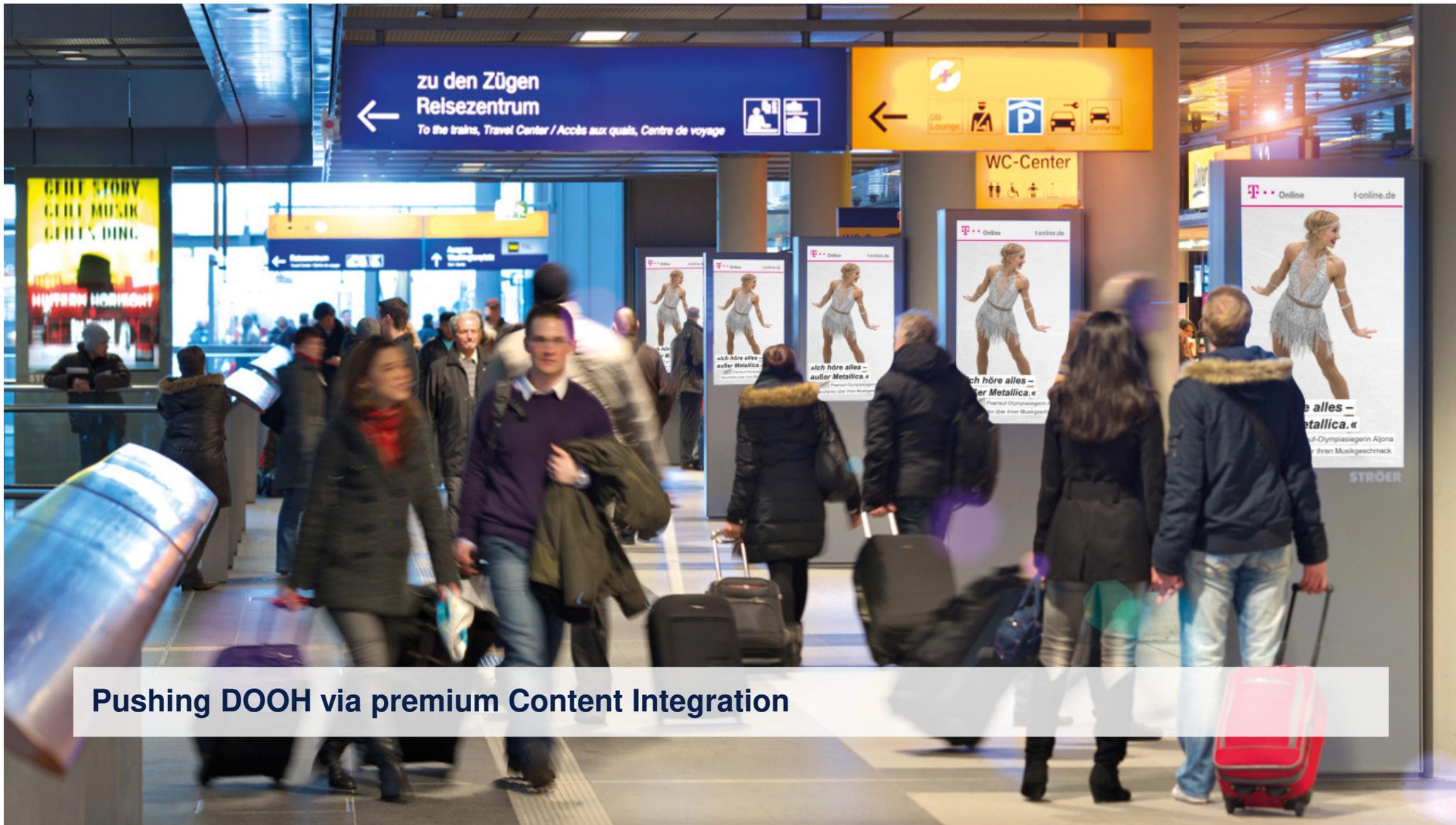
Performance

- All in one: All screens – one broadcast
- Classic and programmatic booking
- Theme channels on all screens incl. Public Video
- Near real time broadcasting

Benefit

- Interaction of digital and physical world as an important part of modern communication strategies
- Numerous content categories corresponding to online
- NEW: Target group bookings also with Public Video (fitting, location-specific)
- Easy extension of online campaigns





Pushing DOOH via premium Content Integration



Pushing DOOH via premium Content Integration

Maximizing Growth and Margin: OOH⁺

- 1 **Operational Excellence** through focused one market strategy
- 2 **Maximizing share of wallet** by combining OoH with Online and Direct Media
- 3 **Minimizing cost of sales** and developing marketing partner model with SMEs
- 4 Leveraging **tech, data and content** for DOoH by Online and Direct Media

We stay fully on Track with our organic long-term Growth Strategy

- 1 Full focus on Germany & divestment of non-core businesses
- 2 CAPEX: Continuous investment in digitization of inventory (i.e. roadside) and limited M&A (only bolt on)
- 3 OPEX: Accelerated investment in both regional and local sales force parallel to OOH+ national sales





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