

**PRESS RELEASE****Record earnings for 2017: Ströer plans to substantially increase the dividend distribution to EUR 1.30 per share**

- **Consolidated revenue mushrooms 18% from EUR 1.12b to EUR 1.33b**
- **Operational EBITDA climbs 17% from EUR 283m to EUR 331m**
- **Adjusted profit for the period up 19% from EUR 154m to EUR 184m**

Cologne, 27 March 2018                      Ströer is confirming the preliminary results announced in February for fiscal year 2017: Annual revenue grew by 18% from EUR 1.12b to EUR 1.33b with organic revenue growth of around 9%. Operational EBITDA increased by a very substantial 17%, up from EUR 283m to EUR 331m. Adjusted profit for the period developed very well once again, climbing 19% from EUR 154m to EUR 184m. Free cash flow (before M&A transactions) improved by 6% from EUR 139m to EUR 146m despite one-off expenses. The leverage ratio rose marginally from 1.2 to 1.4.

**“In 2017 – as in prior years – Ströer reported strong increases in revenue and earnings to record highs, meeting or beating all targets. In order to allow our shareholders to participate appropriately in our success, we will propose a dividend increase of 18% from EUR 1.10 to EUR 1.30 per share at this year’s shareholder meeting,”** says Udo Müller, founder and Co-CEO of Ströer.

**“Our strategy is working: Ströer is on a sustained growth path. We are clearly focused on our strategic objective of being the most customer-centric media company with a vertically integrated portfolio of branding, performance and dialog products. We got off to a good start in fiscal year 2018. Our acquisitions in dialog marketing are also making a decisive contribution to this thoroughly positive development,”** says Christian Schmalzl, Co-CEO of Ströer. **“We are confirming our current guidance of operational EBITDA of around EUR 375m before IFRS effects,**

**or EUR 535m taking the effects from IFRS 11 and IFRS 16 into account, and consolidated revenue of around EUR 1.6b for 2018.”**

In light of the positive course of business, the board of management of the Ströer Group intends to propose a dividend increase of EUR 0.20 from EUR 1.10 to EUR 1.30 per qualifying share at the shareholder meeting in Cologne on 30 May 2018. At 40%, the dividend payout ratio is within the target range of 25% and 50%.

## **Operating segments**

### *Ströer Digital*

The Ströer Digital segment saw its revenue grow further across all product groups in fiscal year 2017. Investments in other digital business models, such as the subscription business and our successful entry into the performance-driven dialog marketing business, contributed significantly to this success. The related revenue contributions from these investments were allocated in full to the transactional product group.

Annual revenue in the Ströer Digital segment shot up 38% in 2017, rising from EUR 514.8m to EUR 710.2m. Operational EBITDA also developed very well and climbed around 28% from EUR 145.4m to EUR 186.7m. The operational EBITDA margin stood at 26.3%. As Ströer is continually adding to and expanding its business, the segment figures can only be compared with those of the prior year to a limited extent.

### *Out-of-Home Germany*

Fiscal year 2017 was an extremely successful year for the OOH Germany segment. This success was driven by business from both national as well as regional customers – with the latter business benefiting greatly from the ongoing expansion of the local sales organization. Revenue was lifted by the positive development of the German market for out-of-home business as a whole. In 2017, the segment's revenue grew 7.5% from EUR 501.2m to EUR 538.7m. Operational EBITDA was up 10.4% from EUR 137.1m to EUR 151.3m. The operational EBITDA margin was slightly higher year on year at 28.1%.

## Out-of-Home International

In the fiscal year, the OOH International segment's revenue declined around 16% from EUR 135.6m to EUR 114.2m. This development is primarily attributable to the termination of the unprofitable marketing contract with the City of Istanbul in June 2017. This step was one of the measures the Group initiated in response to the difficult macroeconomic conditions in Turkey. Additional negative effects on the segment's revenue recognized in euros arose from the persistently tense market environment in Turkey and the continued weakness of the Turkish lira. In spite of challenges on the Polish out-of-home market, Ströer managed to generate revenue on a par with the prior year in Poland. The blowUP group meanwhile successfully expanded its business activities in the fiscal year and grew its revenue. Overall, the segment generated operational EBITDA of EUR 16.5m (prior year: EUR 21.2m) as well as an operational EBITDA margin of 14.5% in fiscal year 2017 (prior year: 15.7%).

## THE GROUP'S FINANCIAL FIGURES AT A GLANCE

In EUR m	2017	2016 <sup>1)</sup>	2015	2014	2013
<b>Revenue</b>	<b>1,331.0</b>	<b>1,123.3</b>	<b>823.7</b>	<b>721.1</b>	<b>622.0</b>
<b>Operational EBITDA</b>	<b>331.2</b>	<b>282.8</b>	<b>208.3</b>	<b>148.1</b>	<b>118.0</b>
Adjustment effects	15.9	26.8	15.2	9.9	5.2
IFRS 11 adjustment	5.1	4.4	4.5	3.9	4.0
<b>EBITDA</b>	<b>310.2</b>	<b>251.6</b>	<b>188.6</b>	<b>134.3</b>	<b>108.8</b>
Amortization, depreciation and impairment losses	183.5	166.2	111.8	81.8	74.8
thereof attributable to purchase price allocations and impairment	80.5	77.3	37.2	31.0	28.7
<b>EBIT</b>	<b>126.7</b>	<b>85.3</b>	<b>76.8</b>	<b>52.5</b>	<b>34.0</b>
Financial result	8.9	10.0	9.3	14.8	19.8
<b>EBT</b>	<b>117.8</b>	<b>75.3</b>	<b>67.5</b>	<b>37.7</b>	<b>14.2</b>
Taxes	19.0	8.5	8.6	14.4	9.7
<b>Consolidated profit for the period</b>	<b>98.8</b>	<b>66.8</b>	<b>58.8</b>	<b>23.3</b>	<b>4.5</b>
<b>Adjusted consolidated profit for the period</b>	<b>183.6</b>	<b>153.8</b>	<b>106.9</b>	<b>56.3</b>	<b>36.3</b>
<b>Free cash flow (before M&amp;A transactions)</b>	<b>146.2</b>	<b>138.5</b>	<b>116.4</b>	<b>79.6</b>	<b>39.3</b>
<b>Net debt</b>	<b>457.1</b>	<b>330.3</b>	<b>231.2</b>	<b>275.0</b>	<b>326.1</b>
<b>Leverage ratio</b>	<b>1.38</b>	<b>1.17</b>	<b>1.11</b>	<b>1.91</b>	<b>2.76</b>

<sup>1)</sup> Restated retroactively due to the purchase price allocations that were finalized after 31 December 2016.

## About Ströer

Ströer is a leading digital multi-channel media company and offers its customers end-to-end solutions along the entire marketing and sales value chain. Ströer's objective is to be the most customer-centric media company. The addition of dialog marketing enables Ströer to offer customers holistic performance-based solutions ranging from location or content-specific reach and interaction across the entire spectrum of dialog marketing through to transactions. Furthermore, in digital publishing, the Company publishes premium content across all digital channels, offering one of Germany's widest reaching networks with its t-online.de and special interest sites.

The Ströer Group commercializes and operates several thousand websites in German-speaking countries in particular and operates approximately 300,000 advertising media in the out-of-home segment. It has approximately 13,000 employees at over 100 locations. In fiscal year 2017, Ströer generated revenue of EUR 1.33b. Ströer SE & Co. KGaA is listed in Deutsche Börse's MDAX.

For more information on the Company, please visit [www.stroeer.com](http://www.stroeer.com).

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