

**STRÖER**



# Roadshow Barclays Paris

July 4<sup>th</sup> 2017 | Ströer SE & Co. KGaA

# Highlights 2016

EURm		FY 2016	▲	Aspects
Revenue	reported	1,123.3	+36.4%	<ul style="list-style-type: none"> <li>Revenue increases up to <b>1,123 EURm</b></li> <li>Operational EBITDA up to <b>285 EURm</b></li> <li>Net adjusted income increases up to <b>156 EURm</b></li> </ul>
	organic		+7.2%	
Operational EBITDA		285.2	+36.9%	
Op. EBITDA Margin		25.1%	+0.2%pts	
Adjusted EBIT		195.1	+42.8%	
Adjusted net income		156.3	+46.1%	
Free cash flow before M&A		138.5	+19.0%	
Capex		97.8	+32.2%	
		<b>31 Dec 2016</b>		
Net debt/Leverage Ratio		330.3 / 1.2x		

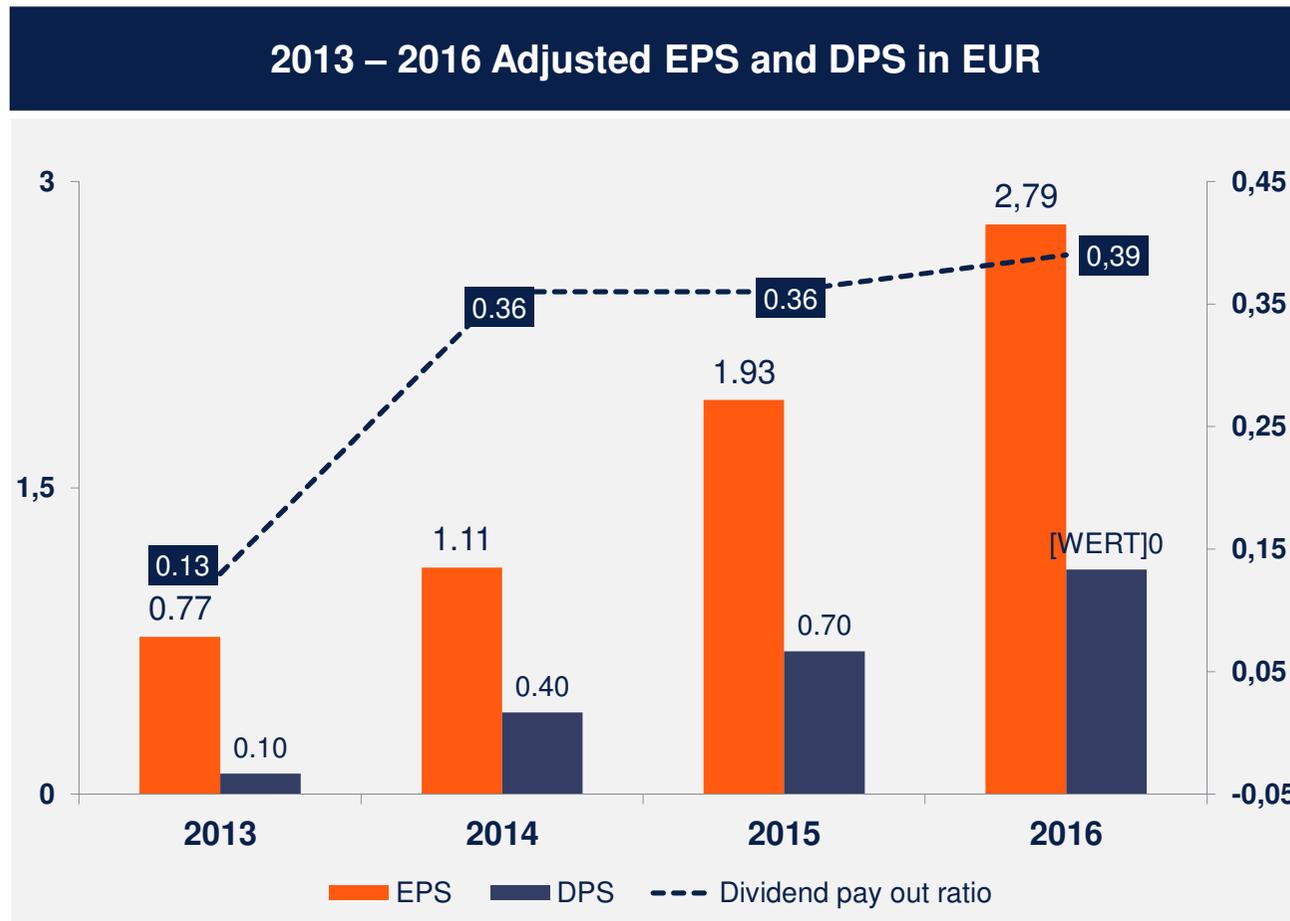
# Ströer Segments

FY 2016	Ströer KGaA	Digital	OoH Germany	OoH Int.	Recon.*
	Total				
<b>Reported Revenue</b>	<b>1,123.3</b>	<b>514.8</b>	<b>501.2</b>	<b>135.6</b>	<b>-28.3</b>
<b>Operational EBITDA</b>	<b>285.2</b>	<b>147.8</b>	<b>137.1</b>	<b>21.2</b>	<b>-21.0</b>
<b>Op. EBITDA Margin</b>	<b>25.1%</b>	<b>28.7%</b>	<b>27.4%</b>	<b>15.7%</b>	

€m

\*inklusive Holding, Konsolidierung und IFRS11 Anpassungen

# Dividends increase to 1.10 per Share\*



**Dividend recommendation 2016**

- Excellent year 2016, positive outlook and sufficient financial resources to finance further growth projects
- Dividend recommendation by 0.40 Euro higher than previous year
- Recommendation is based on a payout ratio of 39 % which is within our guided corridor of 25 to 50 % \*\*
- Dividend Yield of 2.6% \*\*\*

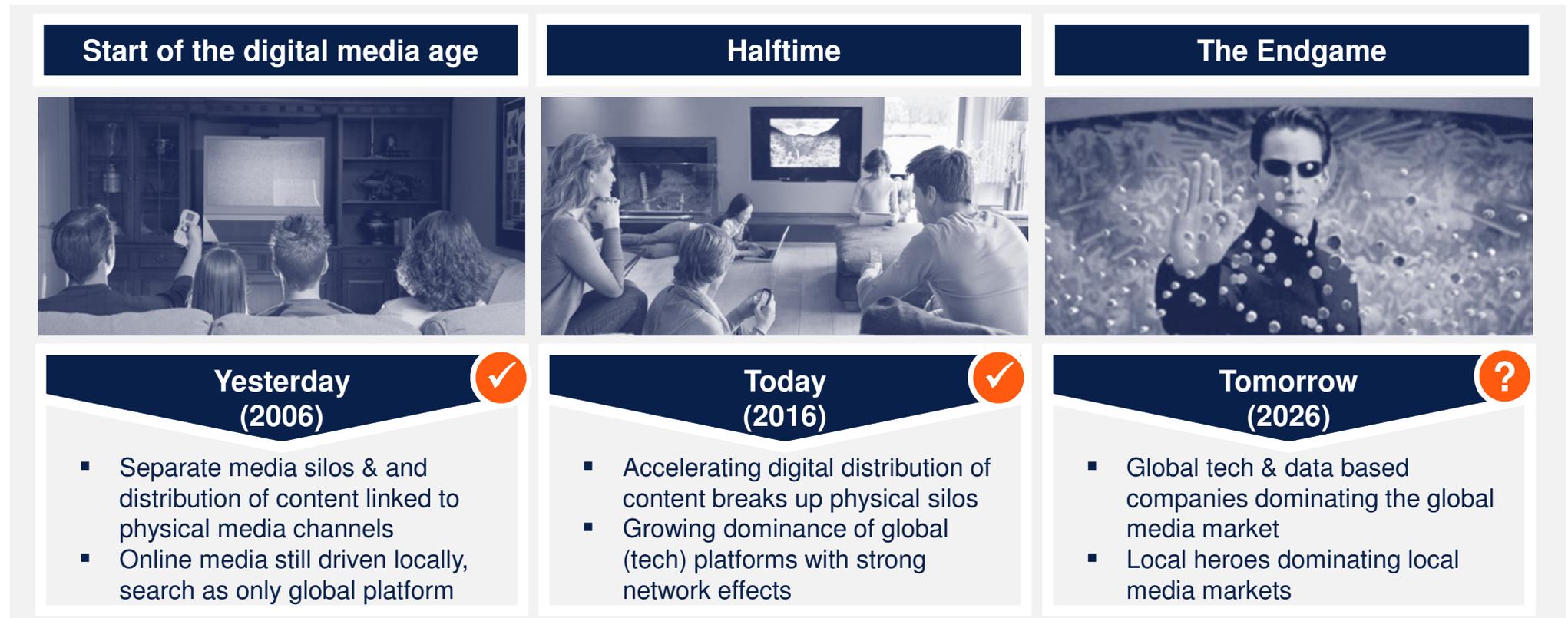
\* Dividend recommendation for the AGM on 14th June 2017  
 \*\* Calculation of the dividend payout on the basis of 55.3 Mio. Shares  
 \*\*\* On the basis of the share price of EUR 41.71 on 30th December 2016

## Guidance in Detail for 2017

Group	<p>Reported Sales ~ <b>1.3 EURbn</b></p> <p>Organic Growth <b>Mid to high single digit percentage</b></p> <p>Operational EBITDA <b>&gt; 320 EURm</b></p>		
Segments	Digital	OoH Germany	OoH International
	<p>Organic Growth <b>Around 10 percent</b></p> <p>EBITDA-Margin <b>25 – 30 percent</b></p>	<p>Organic Growth <b>Mid single digit percent</b></p> <p>EBITDA-Margin <b>Stable yoy</b></p>	<p>Organic Growth <b>Low single digit percent</b></p> <p>EBITDA-Margin <b>Slight improvement</b></p>

# Massive changes in the Media Industry

Digitisation & Globalisation will drive massive further Change



## Two Key Business Approaches with a very different Profile

**LOCAL  
HEROES**



VS



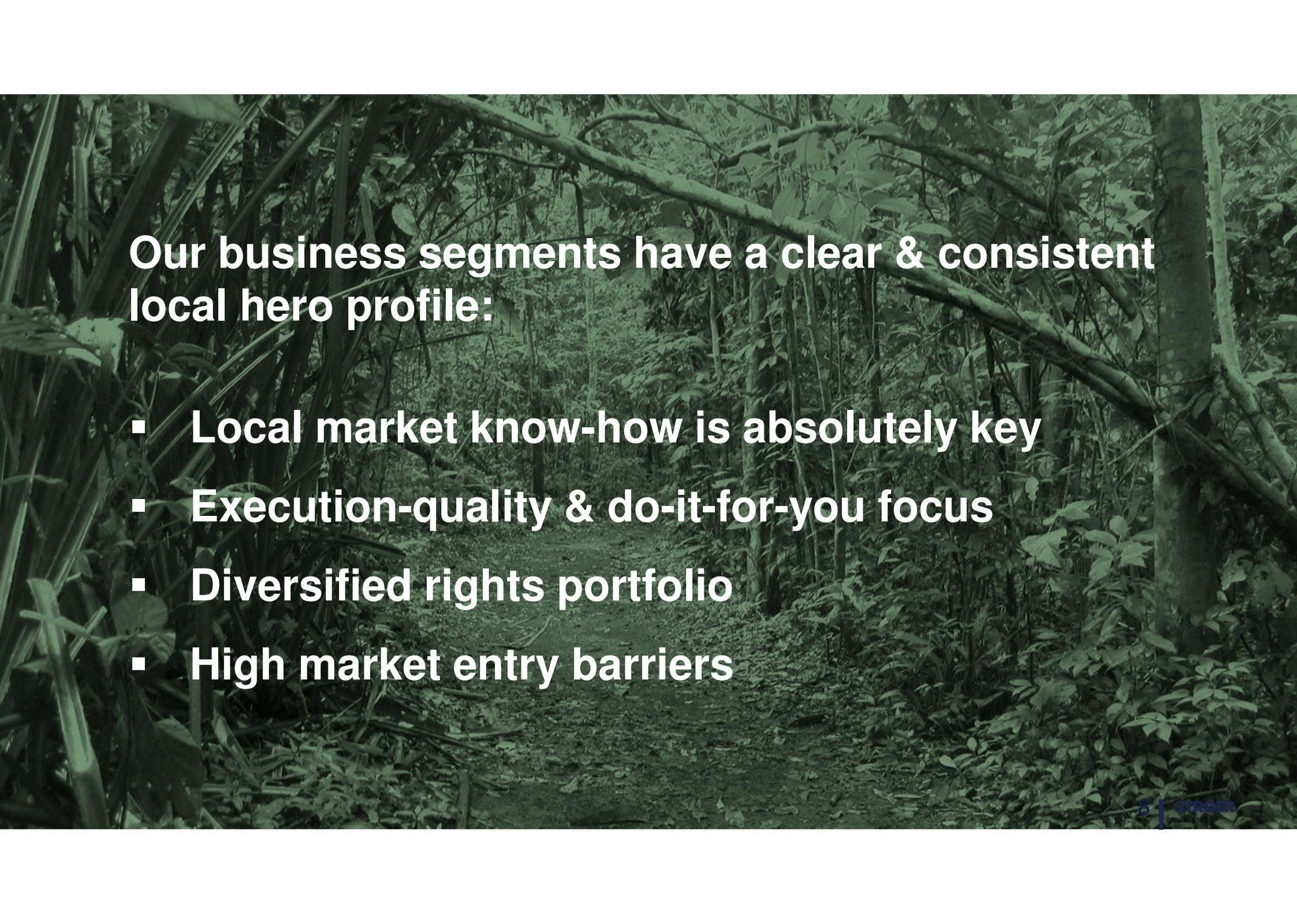
**GLOBAL  
CHAMPIONS**

- Local market specification know-how
- Local execution quality
- Local do-it-for-you solutions with strong local client access

- Global tech-based standardisation
- Global premium content rights
- Global data-supported network effects

**Strong barrier to entry**

**Strong barrier to entry**



**Our business segments have a clear & consistent local hero profile:**

- **Local market know-how is absolutely key**
- **Execution-quality & do-it-for-you focus**
- **Diversified rights portfolio**
- **High market entry barriers**

# **Ströer's strategy is addressing market challenges**

- 1. Leveraging the incremental potential of digitisation for OoH**
- 2. Online: consolidation of 1<sup>st</sup> & 3<sup>rd</sup> party inventory + integration at public media reach**
- 3. Do-it-for-you services for SMB only national Sales Force for local ad products**
- 4. Smart and focused digital niches**

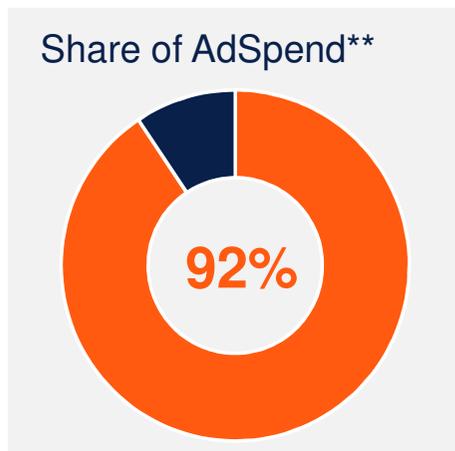
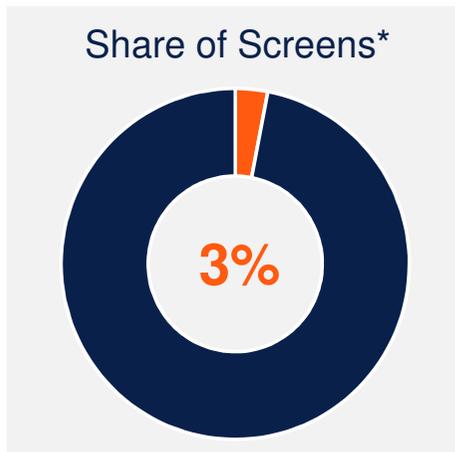
# 1 Delivery against our 4 Year Target\* of +1,000 Premium Screens?



Location		May 2016	May 2017	FC Q4/2017
Stations		1,052	+97	+80
Malls		2,137	+198	+80
Public Transport		303	+86	+120
Roadside		7	+119	+80
<b>TOTAL</b>		<b>3,499</b>	<b>+499</b>	<b>+420</b>

\* Announced at the CMD 2016 end of April 2016

# 1 Ströer DOOH/Public Video Market Shares: Only Premium works



Source: \* Invidis (2015); \*\* FAW (2015), excluding "WKZ" (Advertising Subsidy)

## 2 Our Online Consolidation Strategy is constantly evolving

Further Inventory Consolidation in Q1/2017

### 1 January – from Axel Springer: aufeminin Group

e.g.



8.2m UUs, strengthening women and health vertical

### 2 February – from Funke Group: Funke Digital Assets

e.g.



4.9m UUs, strengthening news & local products

### 3 March – from Bauer Group Bauer Xcel Assets

e.g.



14.3 UUs, strengthening women & car vertical

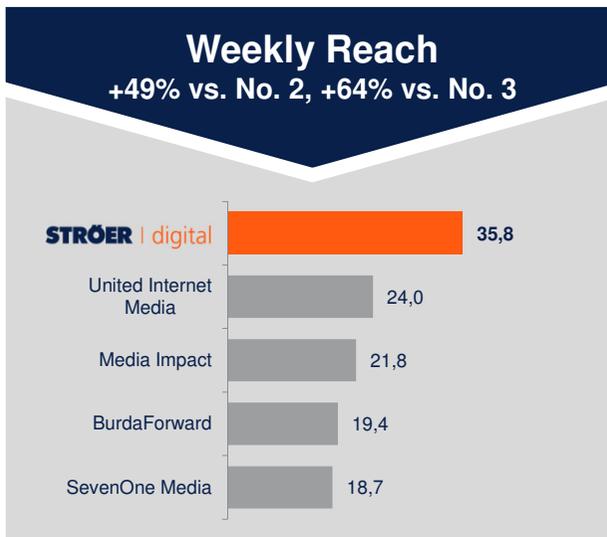
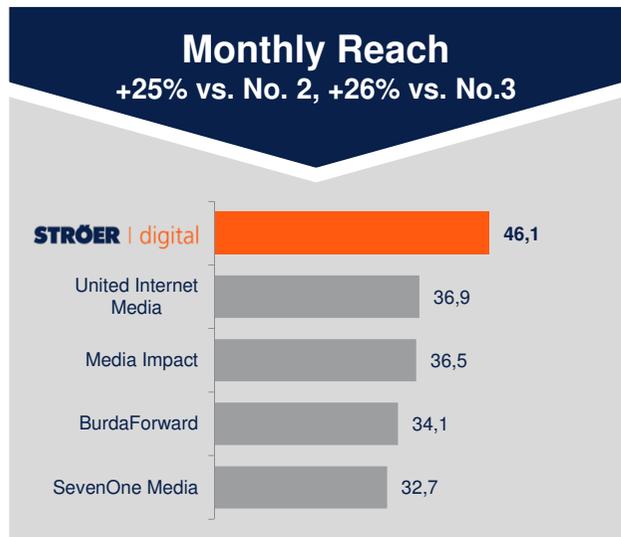
### 4 April – Data Joint Venture with Otto Group Media

Over 60 e-commerce platforms, e.g.



- Combining the largest digital sales house (>45m UUs) and the largest data provider (>25m CRM profiles)
- Kick-off with 10 lifestyle segments in combination with age, gender, shopping habits and price sensitivity
- High impact branding formats in brand safe context („made in Germany“)

## 2 Strong Market Position: Our Audience Coverage vs. Competition



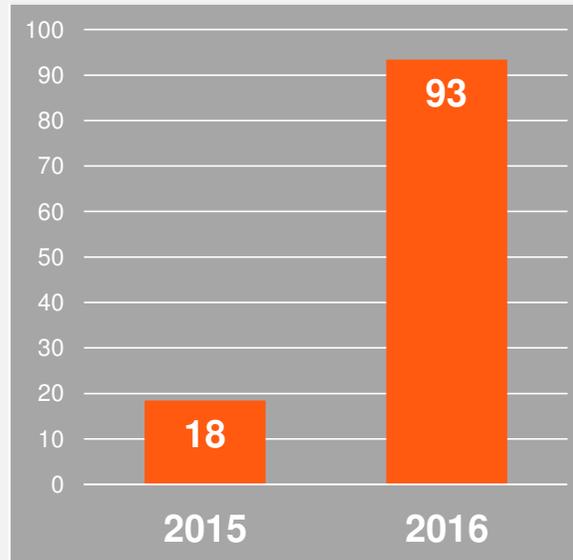
## 2 T-Online: Smart Traffic Growth Hacking

### Public Video 40m Uniques/month

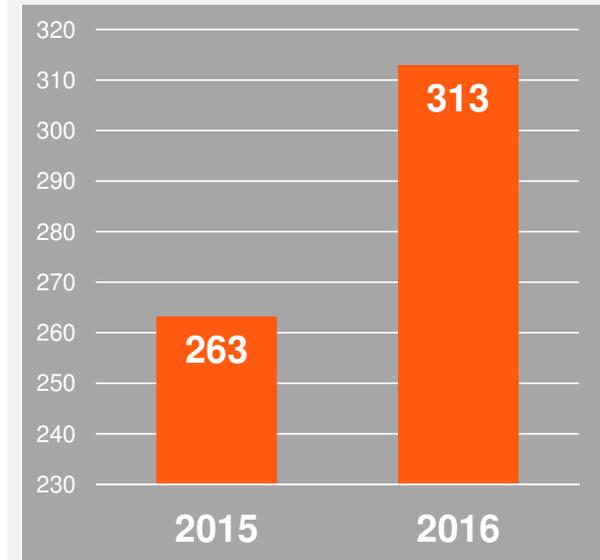
- T-Online content & brand presence since Q2/2016 on Public Video
- Massive marketing effect supporting homepage traffic



### Social-driven Visits (million) 406% YoY growth



### SEO-driven Visits (million) 19% YoY growth



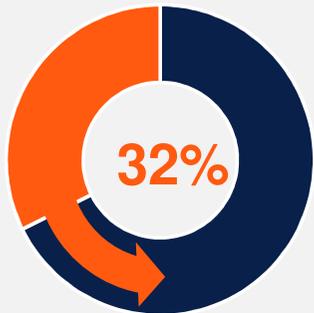
## Growing Public Distribution Platform for T-Online ...



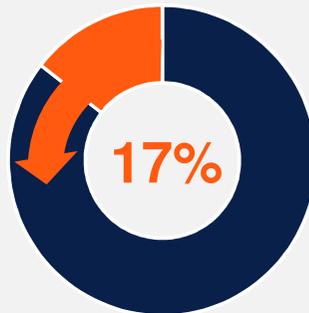
### 3 Our Ad Sales Units accelerate Cross Media Integration



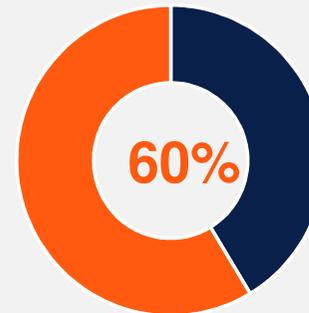
Share of small local clients  
("signage & subscription")  
vs. regional clients  
("campaigns & services")



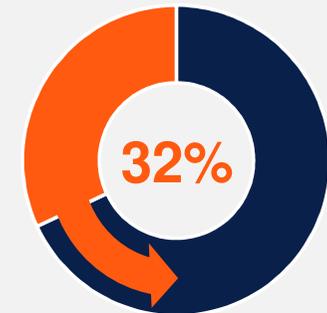
Share of digital services  
and ad revenues vs.  
out-of-home media and  
production revenues



Share of digital services  
and ad revenues vs.  
out-of-home media and  
production revenues



Share of direct client deals  
and relationships vs.  
revenues managed by media  
agencies/intermediates

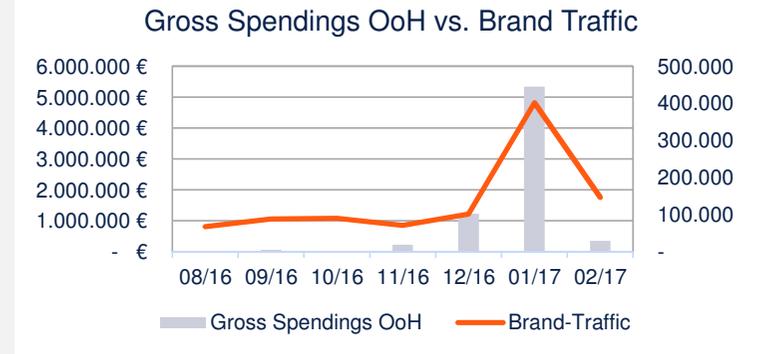


# 4 Marketing Case Bodychange: OoH drives Brand & Direct Traffic

## OoH Campaigns – for Brand & REWE Coop



### Boost for Direct Traffic



### Multi-Channel Model

- Leveraging group relationship with REWE for roll-out of multi-channel presence; in combination with strong local OoH campaign to push sale
- Co-operation with health insurances regarding health protection: Bodychange as licenced partner allows clients to get subscription funded and subsidized by health insurances
- Network effects between online-/offline media as well as different sales channels

## Outlook for Q2: Next Quarterly Results August 10

1. **Similar to the development in the first three months: solid Easter business across the entire group with expected growth for Q2 fully in line with guidance**
2. **Strong momentum for OoH Germany fueled by both national sales and extended local salesforce activities**
3. **Digital segment consistently on growth track regarding top line growth, market share development as well as consolidation and integration processes**
4. **OoH International with still challenging macro environment but under control and without substantial group impact**