

STRÖER



Sixth German Corporate Conference Goldman Sachs

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Challenges & Opportunities

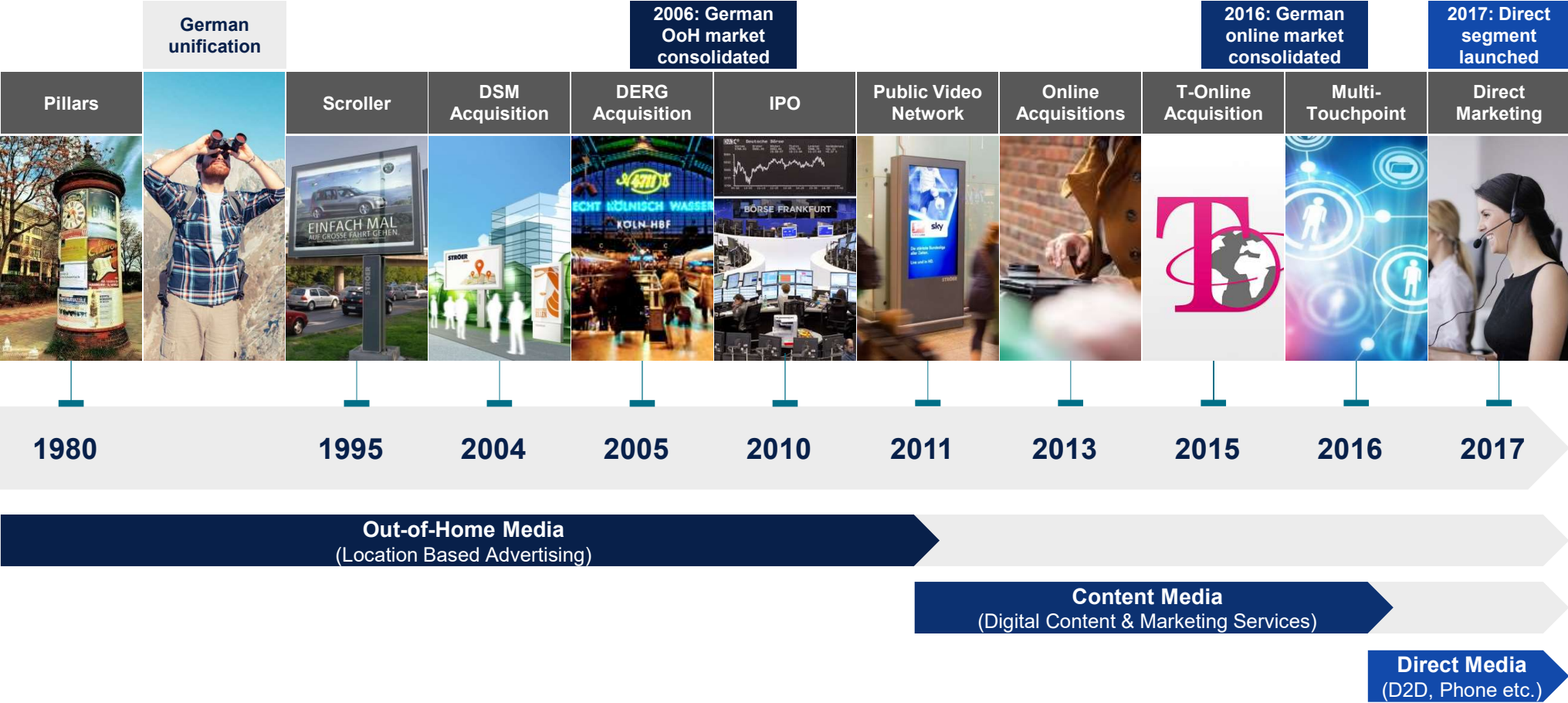
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Financial Update



**“The most customer-centric,
multi-channel media company
in/from Germany.”**

Milestones of Ströer's strategic Development



Ströer – The leading digital multi channel media company



13.000 employees



1,6 bn € sales*



#2 in the callcenter ranking



More than 100 locations



134 Mio. direct customer contacts



300.000 advertising mediums



50,65 Mio. unique users**



5 Bill. video views***



Source: *entire year 2018 (Outlook), ** AGOF digital facts 2018-05 (16+ years old), users of mobile and/or stationary offers (in the last 3 months)
***per month/own research– from Dec 2017

Segment Expectation for 2018*

<p>Group Guidance</p>	<p>Reported Revenues ~ 1.6 bn€ Organic Growth mid to high single digit percentage Operational EBITDA ~ 375 m€</p>		
<p>Segment Expectation</p>	<p>Out-of-Home Media</p>	<p>Content Media</p>	<p>Direct Media</p>
	<p>Revenues ~ 700 m€</p> <p>Op. EBITDA-Margin ~24-27 percent</p>	<p>Revenues ~ 500 to 550 m€</p> <p>Op. EBITDA-Margin ~31-34 percent</p>	<p>Revenues ~ 350 to 400 m€</p> <p>Op. EBITDA-Margin ~12-15 percent (17 percent target state)</p> <p>Adj. EBIT-Margin 10-13 percent (15 percent target state)</p>

Note: Revenue split per segment w/o group consolidation
 *Before application of IFRS 11 and IFRS 16

Robust & Sustainable Growth Drivers in all Key Segments

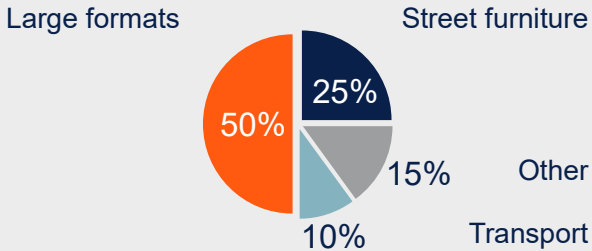
Out-of-Home Media (Location Based Advertising)	Content Media (Digital Content & Marketing Services)	Direct Media (D2D, Phone, Chat, Mail, CpO)
Key logics:		
<ol style="list-style-type: none"> 1. Slightly growing and robust portfolio market share with growing audience through urbanization and mobility 2. 54%* of revenues coming from local and regional business (vs. 46% national ad market) 3. Digitization is driving both inventory value, monetization potential and yield optimization 	<ol style="list-style-type: none"> 1. Meanwhile strong market position amongst German players and consolidation opportunities beyond 30%** market share 2. 51%*** of revenues coming from direct client relationships and direct programmatic sources 3. Strong & highly profitable own assets in combination with 345**** of the top 700 German websites 	<ol style="list-style-type: none"> 1. Growing clients' demand to manage & drive direct consumer contacts when GAFA is more and more controlling access channels 2. Market fragmentation and lack of professionalization & scale is offering strategic opportunities 3. Massive digitisation opportunities in combination with group synergies & 360° sales channels

* 12M/2017; ** Source OVK: 12M/2017; *** 12M/2017; **** Source AGOF: 12M/2017

Estimated Product Split in New Segment Structure for 2018

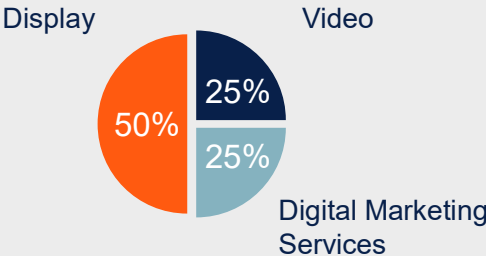
OoH Media

Revenues: ~ 700 m€*



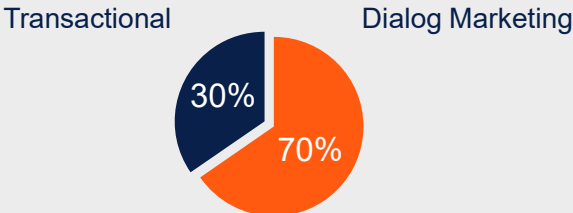
Content Media

Revenues: ~ 500 to 550 m€*



Direct Media

Revenues: ~ 350 to 400 m€*



* Expected revenue split per segment w/o group consolidation and before IFRS changes



- public media | #1 OOH provider | posters | train stations | transport | Street | Giant Posters | long-term advertising | 300,000 advertising spaces | street furniture | geomarketing | wide reach | high contact frequency



CONTENT MEDIA

- online advertising | digital publishing | displays | video | public video | mobile | #1 quality marketer | #1 news portal | native advertising | programmatic advertising | data | influencer marketing | t-online.de | Ströer media brands | 53 million unique users*

*AGOF e.V. / daily digital facts 1 February 2018 / period: January 2018

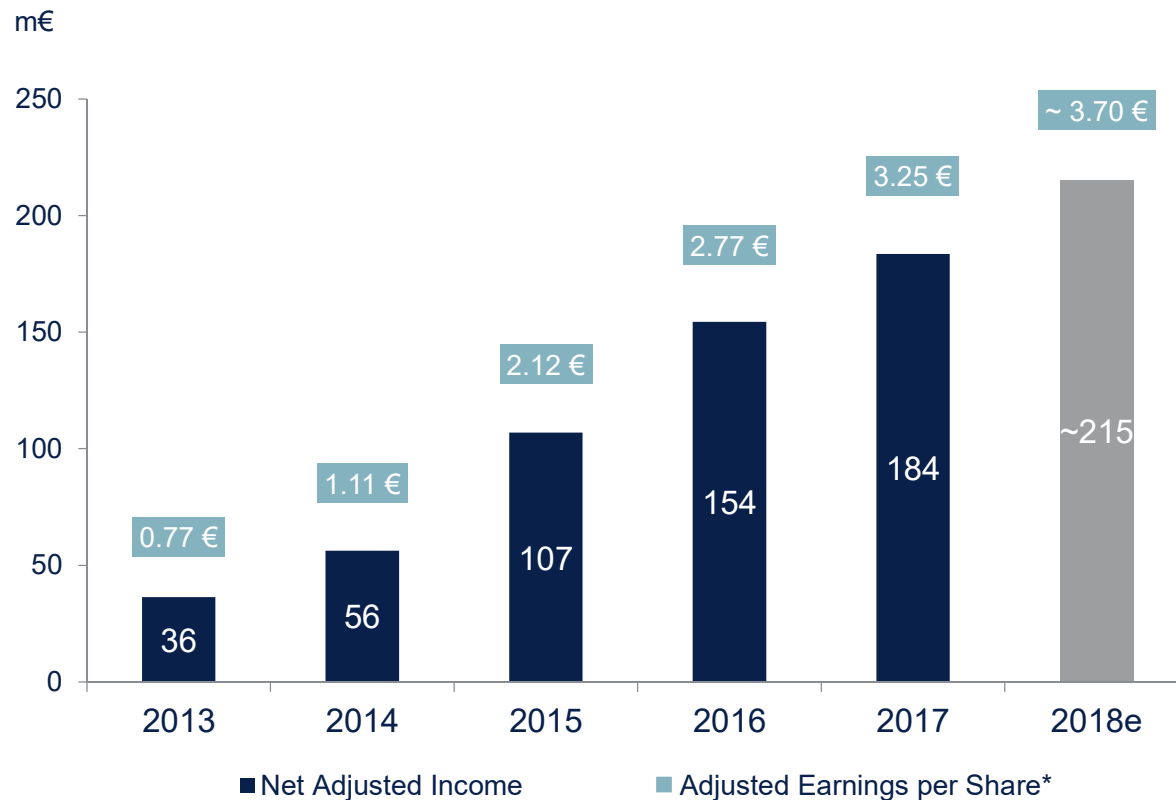


DIRECT MEDIA

- **dialogue marketing** | telemarketing | market-oriented sales force | chat | non-voice | dialogue media platform | omni-channel solutions | **customer dialogue** | transaction | 360° range of services | quality | **performance-based sales**

Adjusted Earnings per Share Development since 2013

Net Adjusted Income & Adjusted Earnings per Share*



Comment

- Adj. EPS quintupled from 2013 to 2018
- Strong underlying operational performance
- Value accretive acquisitions for shareholders
- Financial expenses significantly reduced

Note: Financials for 2013-2017 actuals, 2018 Guidance (before IFRS changes)
*After minorities

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Consumer Access for Advertisers has changed dramatically

Traditional value-chain business model

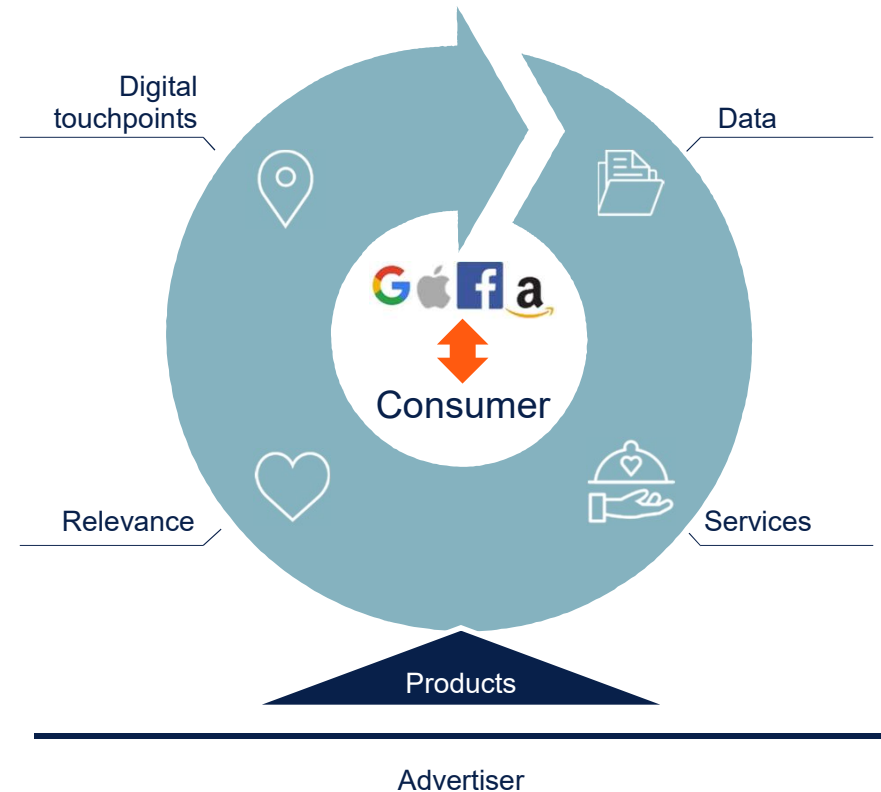
Linear and one way



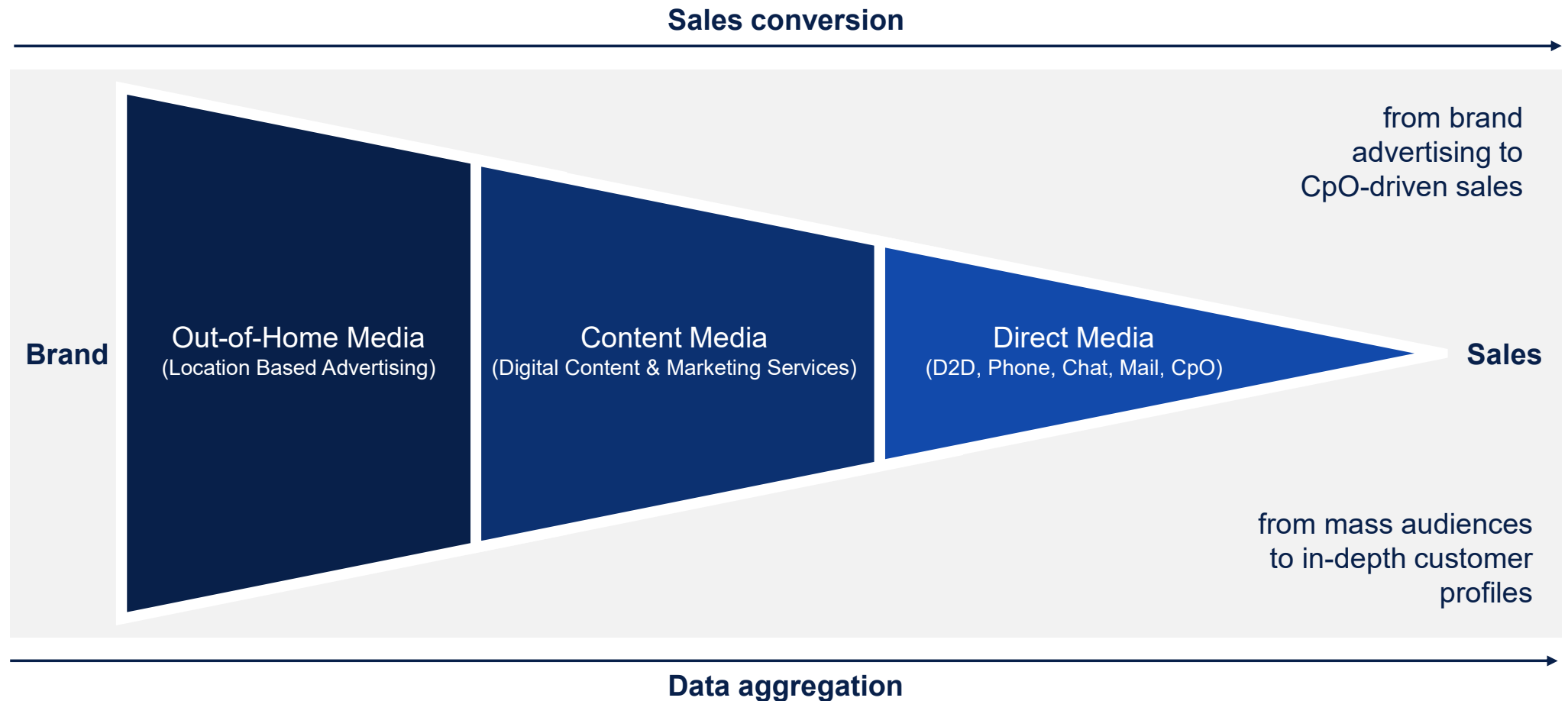
Value-chain disruption

Data/platform driven CRM business model

Two way and continuous



Complementing integrated Brand-Performance-Sales Funnel



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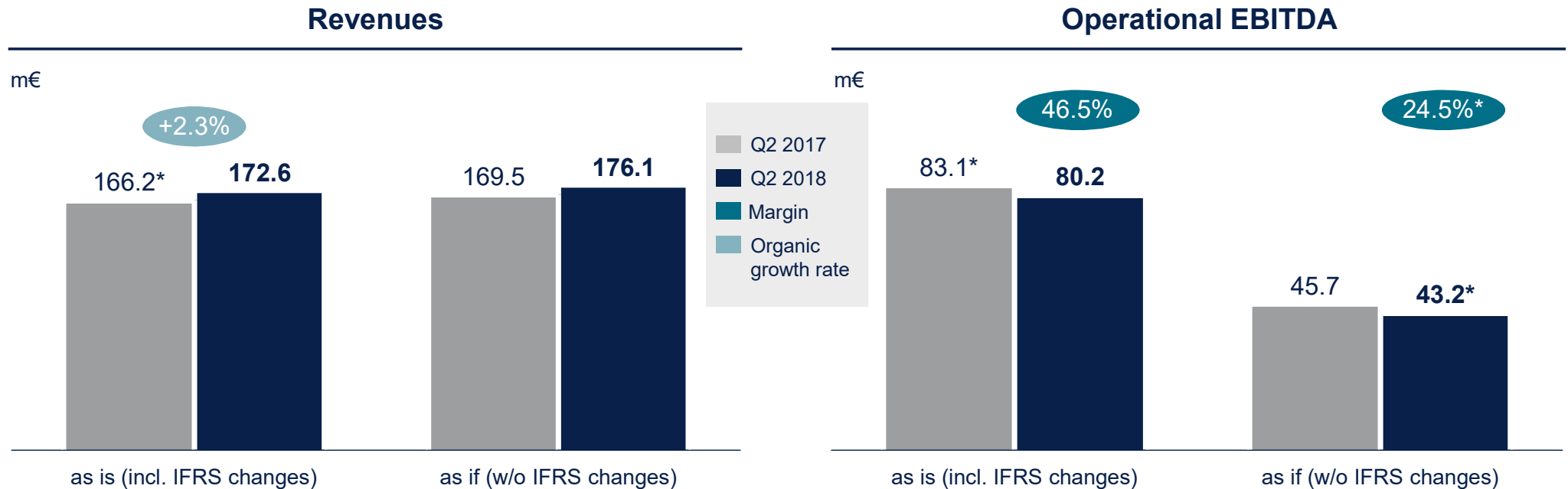
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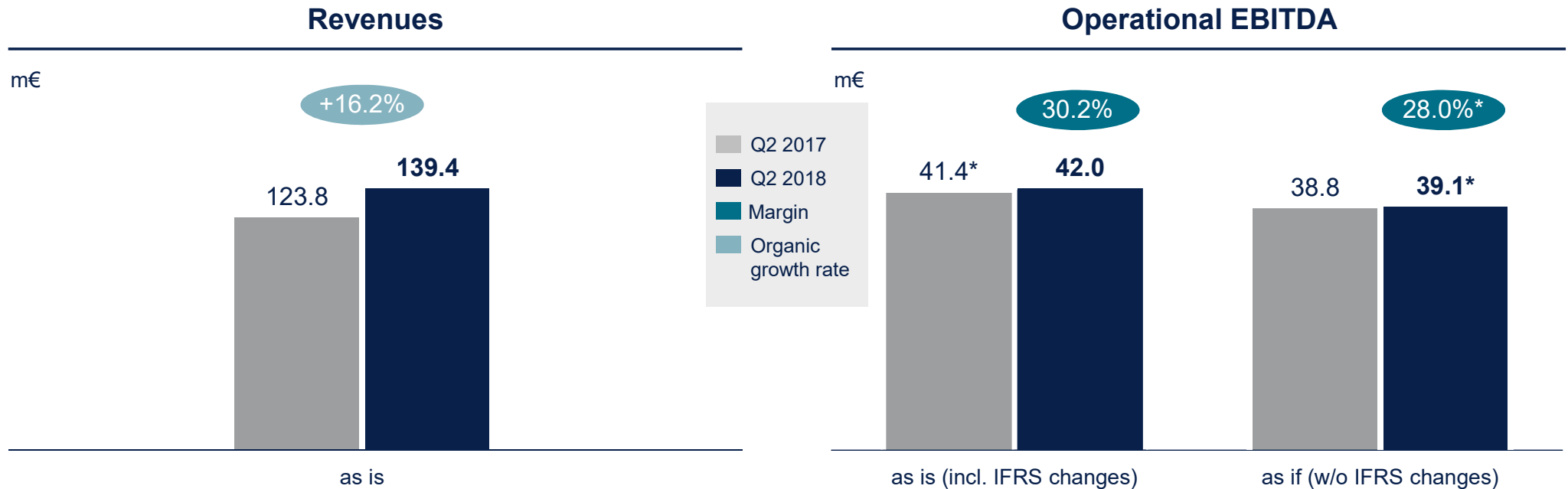
OoH Media: Sustainable Growth Performance in challenging Markets



- Sustainable growth in Germany supported by local and regional sales initiatives
- Op. EBITDA affected by further investments into organic growth opportunities and Turkey operations
- Smaller bold on acquisitions in OoH Media (e.g. UAM Group) in line with expectations

*Pro forma

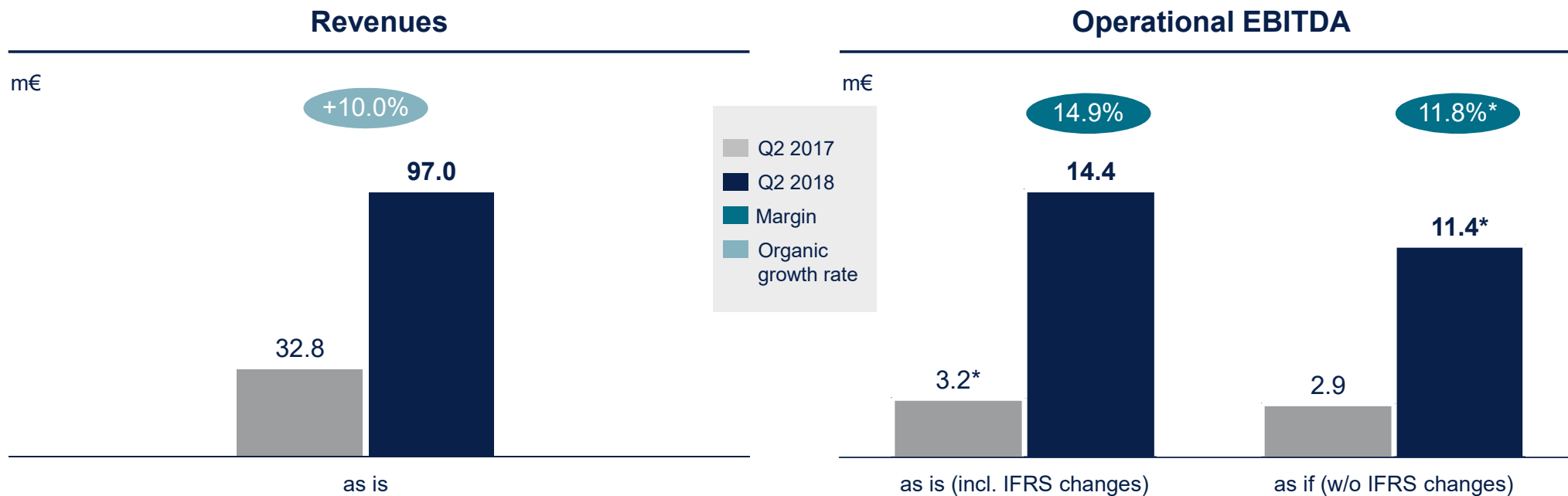
Content Media: Strong organic Growth continues in Q2 2018



- Strong organic growth in both newly acquired and established content media assets, all product groups positively effected
- No material impact of General Data Protection Regulation adoption
- Op. EBITDA margin affect by unfavorable product mix and ramp up costs for watson.de, our new online portal for millennials

*Pro forma

Direct Media: Profitable Growth backed by new Businesses



- Direct Media strongly above PY driven by acquired business in Dialog Marketing and strong organic growth
- First time consolidation of DV-COM and D+S 360 for a full quarter
- Segment's profitability target state of 17% Operational EBITDA margin confirmed

*Pro forma

Results 6M 2018

m€		6M 2018	6M 2017 (pro forma) ⁽¹⁾	▲
Revenues	Reported	741.5	597.4	+24%
	Organic ⁽²⁾	7.8%	7.6%	+0.2%pts
Operational EBITDA		242.2	216.7	+12%
EBIT (adjusted) ⁽³⁾		107.4	91.8	+17%
EBIT (adjusted) margin		14.5%	15.4%	-0.9%pts
Net income (adjusted) ⁽³⁾		75.5	62.4	+21%
Operating cash flow		158.6	157.9	+0%
Capex		64.0	60.7	+5%
		30 Jun 2018	31 Dec 2017	
Net Debt ⁽⁴⁾ / Leverage Ratio ⁽⁵⁾		611.5 / 1.8x	463.3 / 1.4x	

(1) Retroactive application of IFRS 16 and elimination of prior IFRS 11 adjustment

(2) Excluding exchange rate effects and effects from (de)consolidation and discontinuation of operations

(3) Adjusted for exceptional items and additional other reconciling factors in D&A (PPA related amortization and impairment losses), in financial result and in income taxes (applying a normalized tax rate of 15.8%)

(4) Financial liabilities less cash, excl. IFRS 16 lease obligations and elimination of prior IFRS 11 adjustment

(5) Net debt divided by Op. EBITDA of last 12 month (adjusted for IFRS 16)

Guidance Statement 2018: Reconfirmed

**For 2018 we expect total revenues of around 1.6 billion Euro and
an Operational EBITDA of around 375 Million Euro***

*w/o IFRS changes

Outlook for Q3: Next Quarterly Results on November 13

1. **Similar to development of the last 22 quarters: solid business across the entire group with expected growth for 2018 in line with annual guidance**
2. **Overall challenging OoH Media business despite robust regional and local sales development**
3. **Content Media segment consistently on track regarding top line growth, market share development as well as consolidation and integration processes with successful launch of new assets**
4. **Direct Media on track and in line with expectations – significant group synergies, cost cutting opportunities post merger and investments in new technologies**

A person wearing a dark blue suit and tie is shown from the chest up, with their hands clasped in front of them. The background is a dark blue color with a repeating pattern of small, white, stylized human figures. Overlaid on the center of the image is the word "STRÖER" in large, bold, white, sans-serif capital letters. The letter 'O' in "STRÖER" has a circular cutout that reveals the person's hands clasped behind it.

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