

WIEDER DA:
Die original Coca-Cola-Gläser
1 Glas gratis zum McMenü®

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STRÖER

STARBUCKS

5-11 → → BMZ → → 250 m →

WIEDER DA:
Die original Coca-Cola-Gläser
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Premium assets Structural growth

Ströer Out-of-Home Media AG
Investor Presentation
Roadshow September 2011

1 in underpenetrated and attractive growth markets

#1 in GERMANY

Europe's largest ad. market



#1 in TURKEY

Europe's largest emerging market

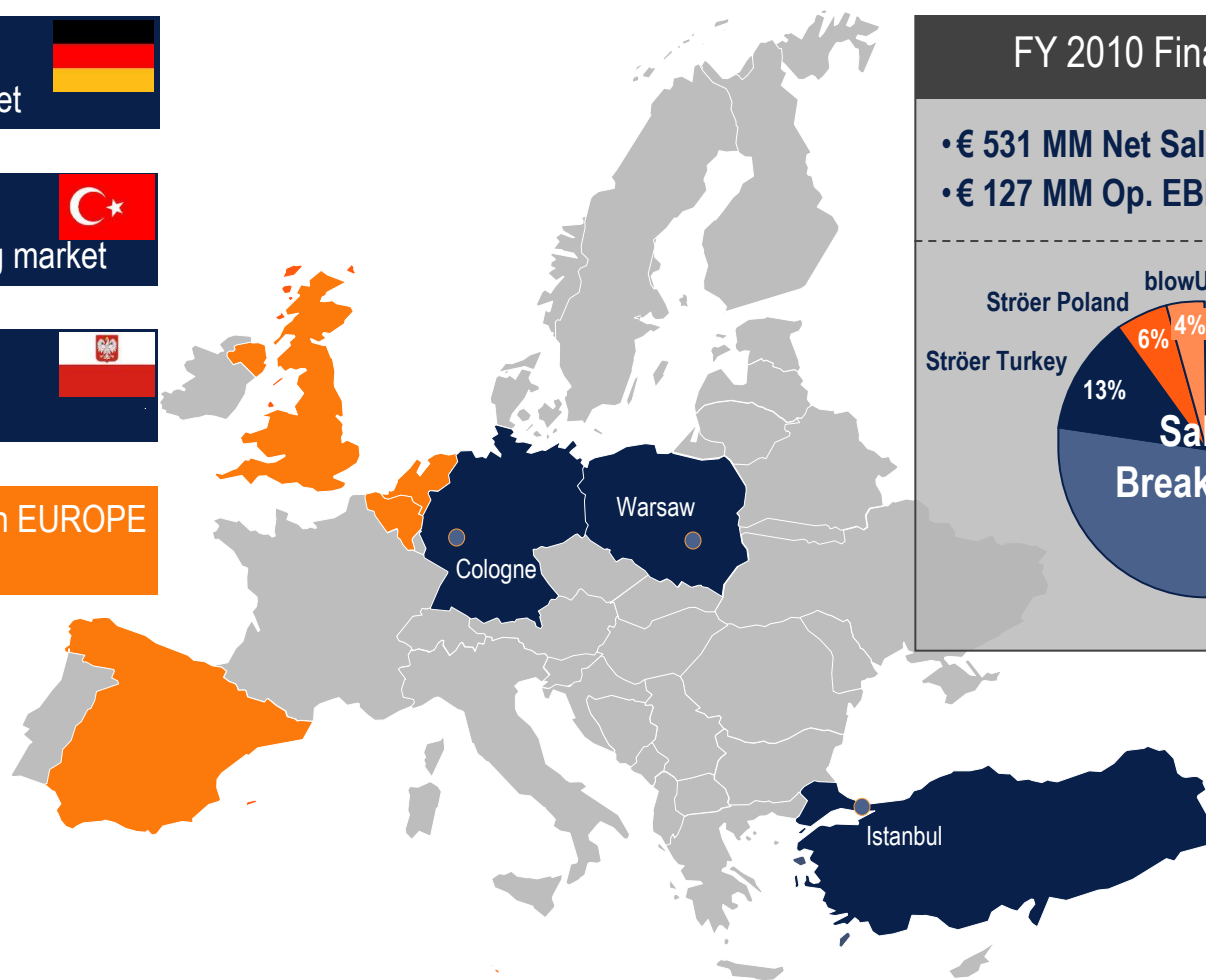


#1 in POLAND

Largest CEE market



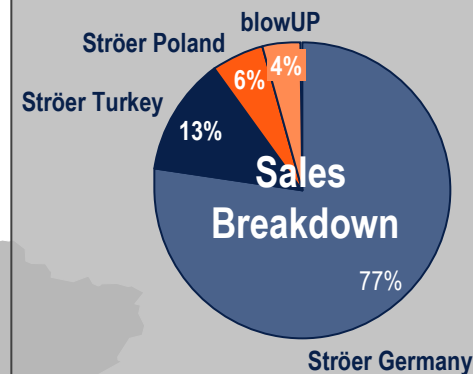
#1 Giant Poster network in EUROPE
(D, UK, E, Benelux)



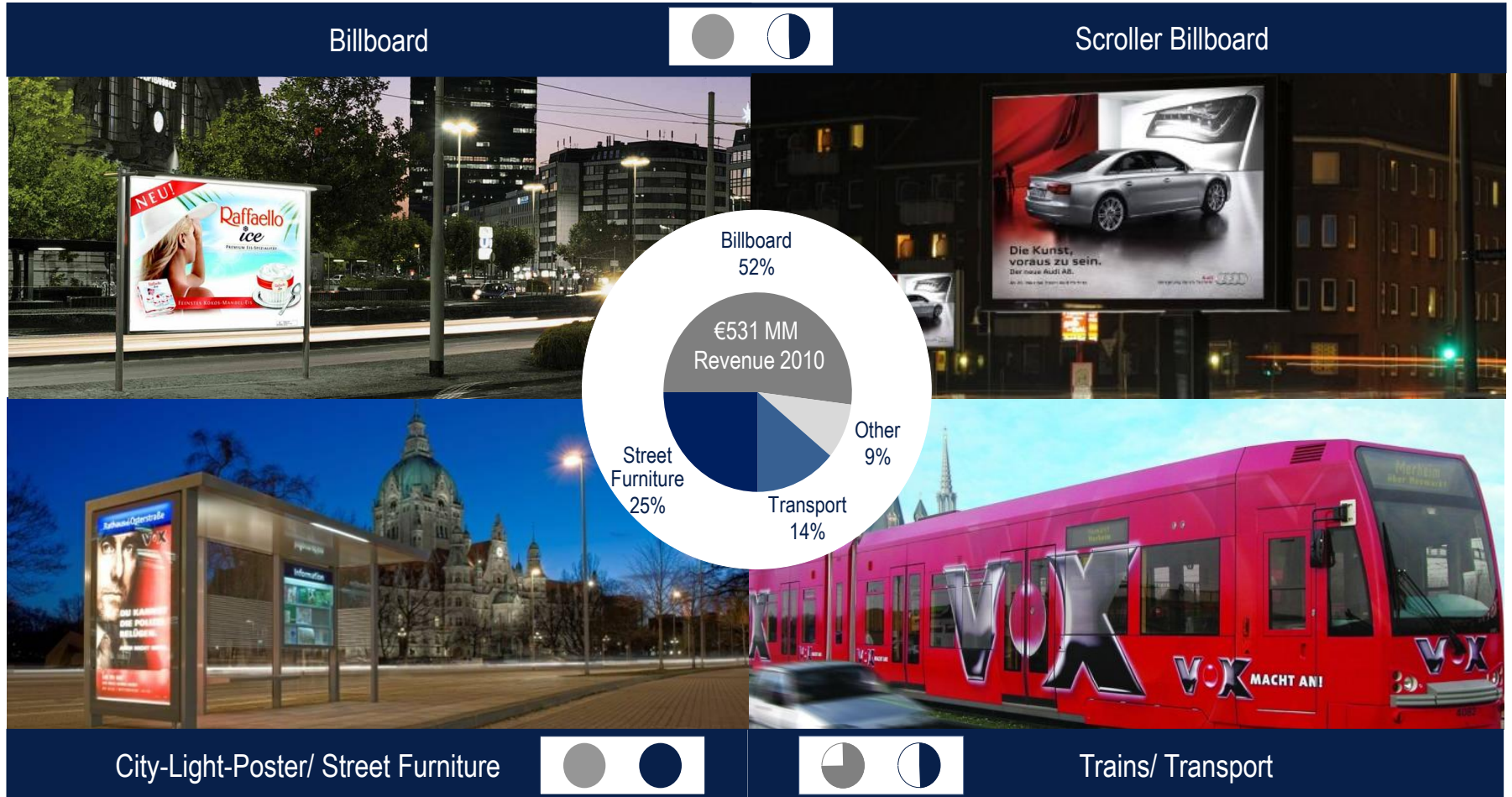
- Core markets
- blowUP media
- Regional HQ

FY 2010 Financials

- € 531 MM Net Sales (+13%)
- € 127 MM Op. EBITDA (+27%)

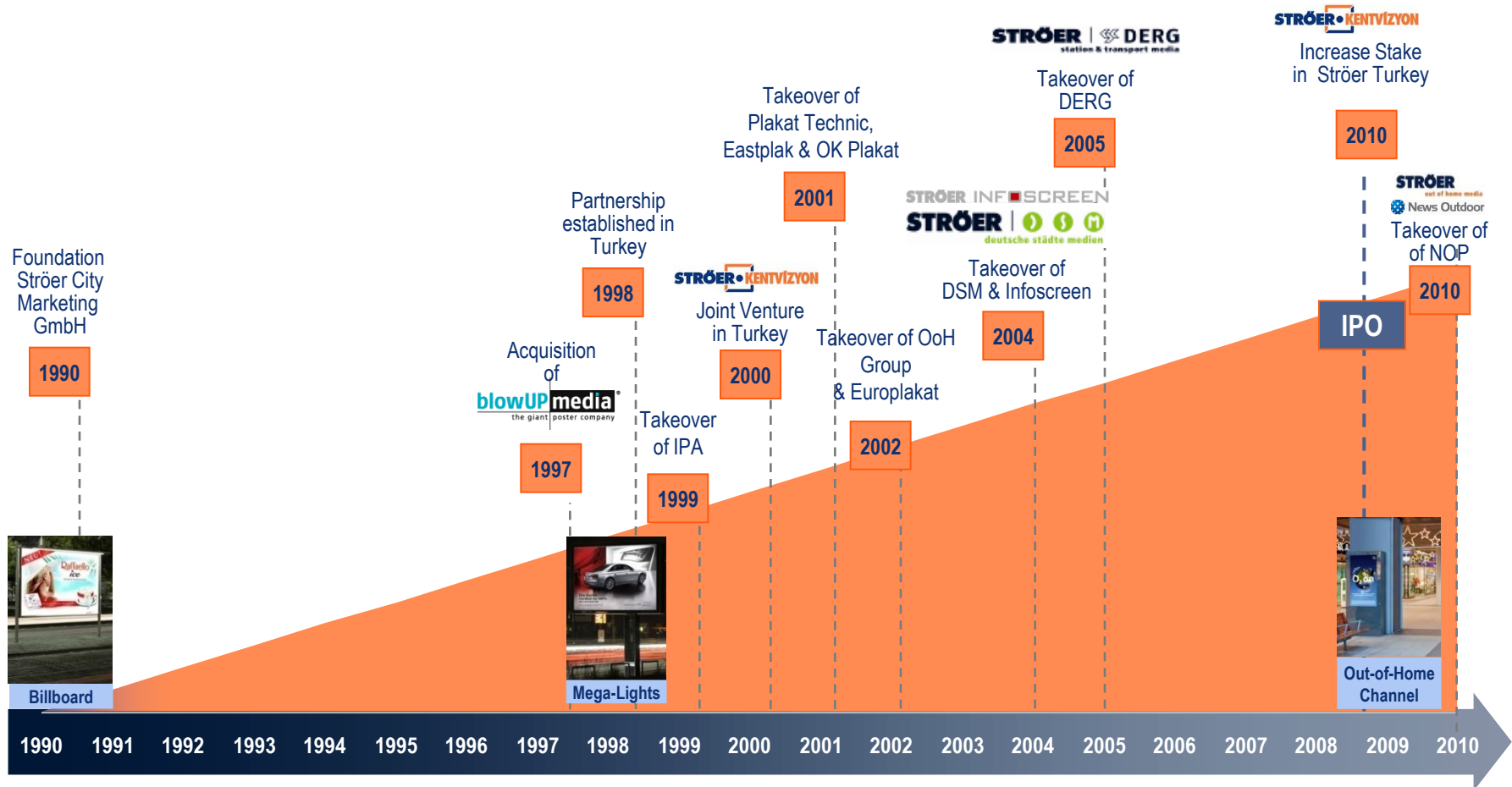


State-of-the-art product portfolio with favorable margin and capex profile



● = margin intensity ● = capex intensity

Ströer AG: 20 years of organic and acquisitive growth



Source: Company Information

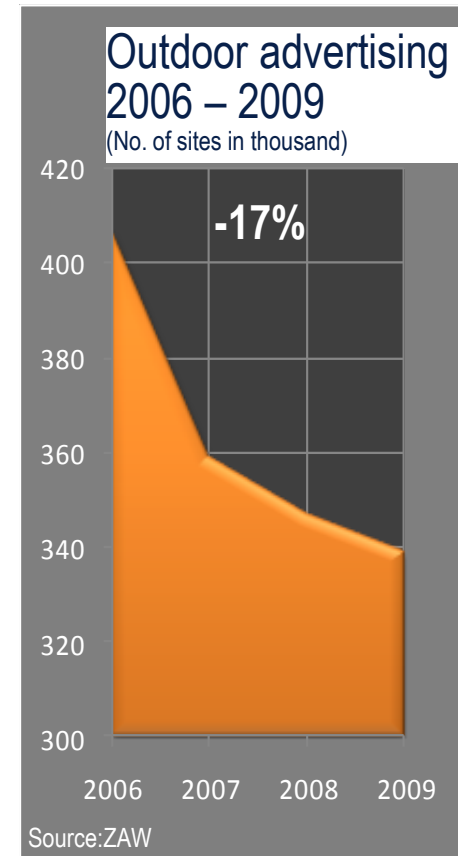
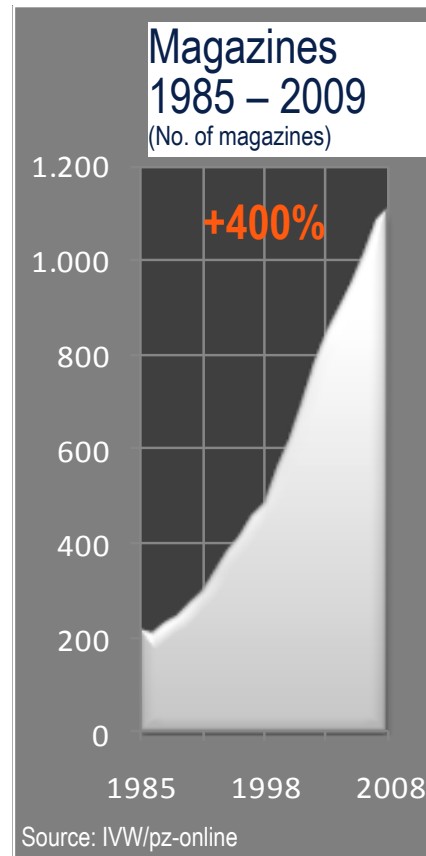
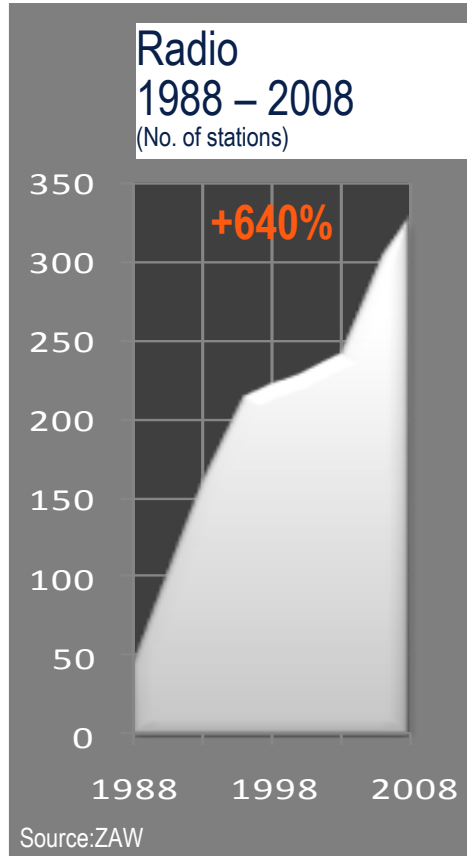
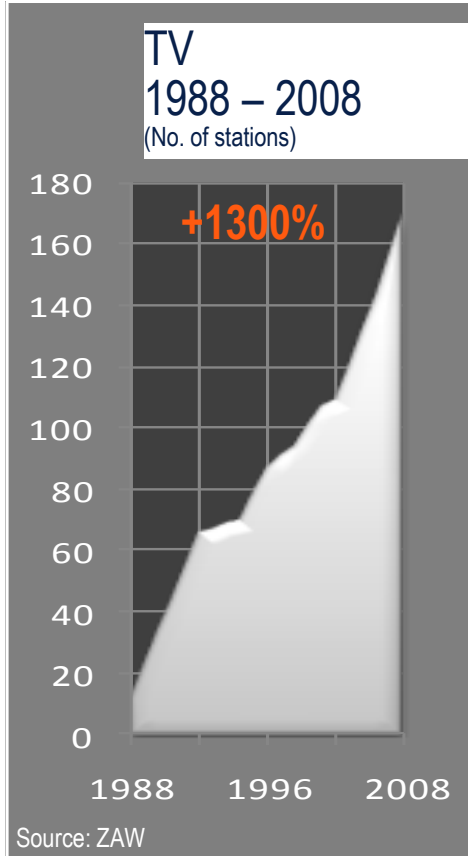


- **Ongoing structural shift to outdoor** in Germany, Europe's biggest ad market
- Sales focus on **Top 200 advertisers** paying off
- Relevance of **digital products** in product mix increasing
- Progress in **foreign operations** in spite of external effects & OPEX investments
- **7.3% Group organic revenue growth** in H1 particularly fuelled by Germany
- **Recurring earnings** (net adjusted income) up 41% in H1
- EUR 22m capex fully cash flow financed allowing **flat net debt** vs. prior year-end
- Stable **contract portfolio**

Who are structural winners and losers in the dramatically changing media landscape?



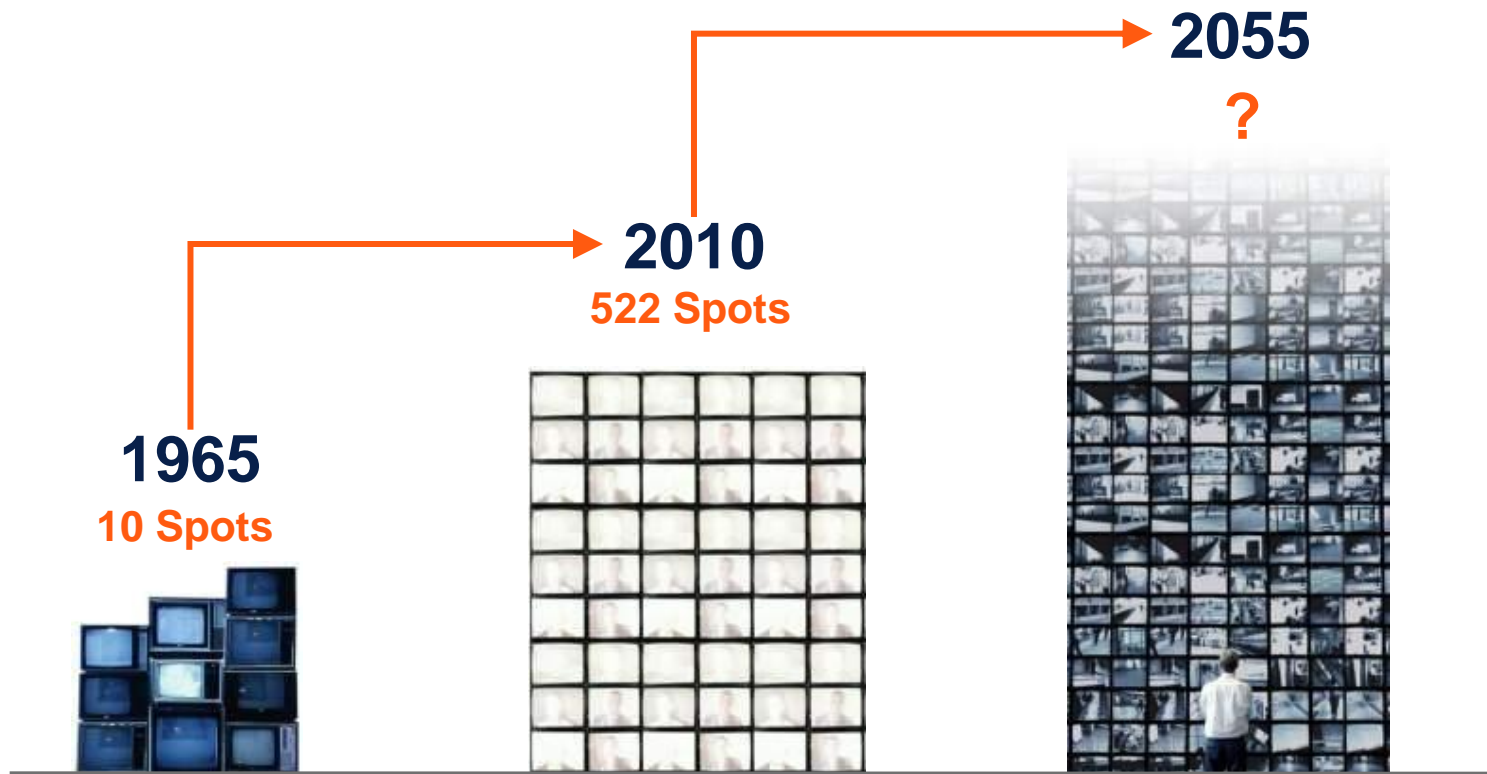
Media inventory becomes commodity leading to increasing fragmentation in all areas except...



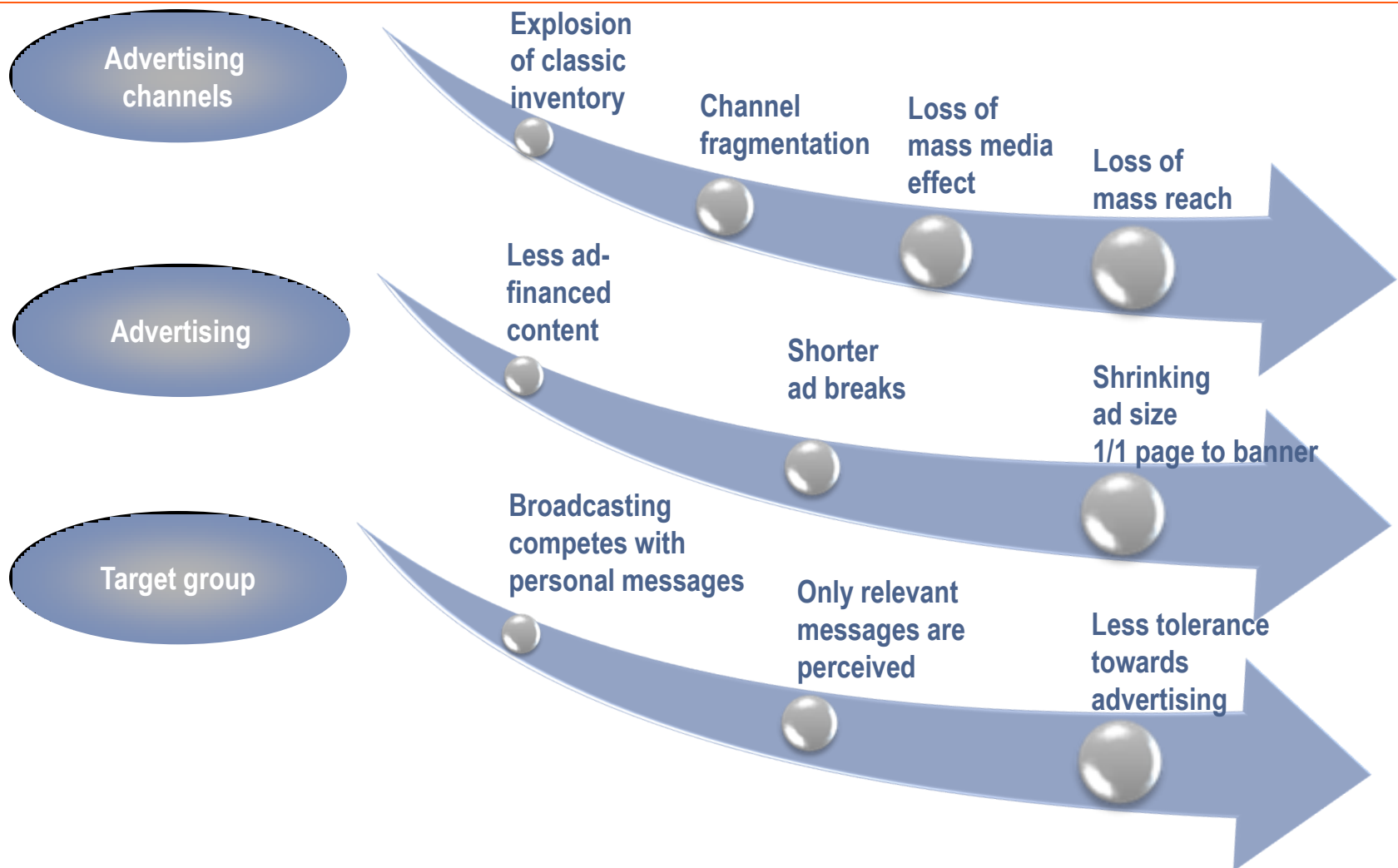
...in the OOH-sector where consolidation & innovation result in better capitalisation

Media fragmentation in all areas: Single placements lose their value

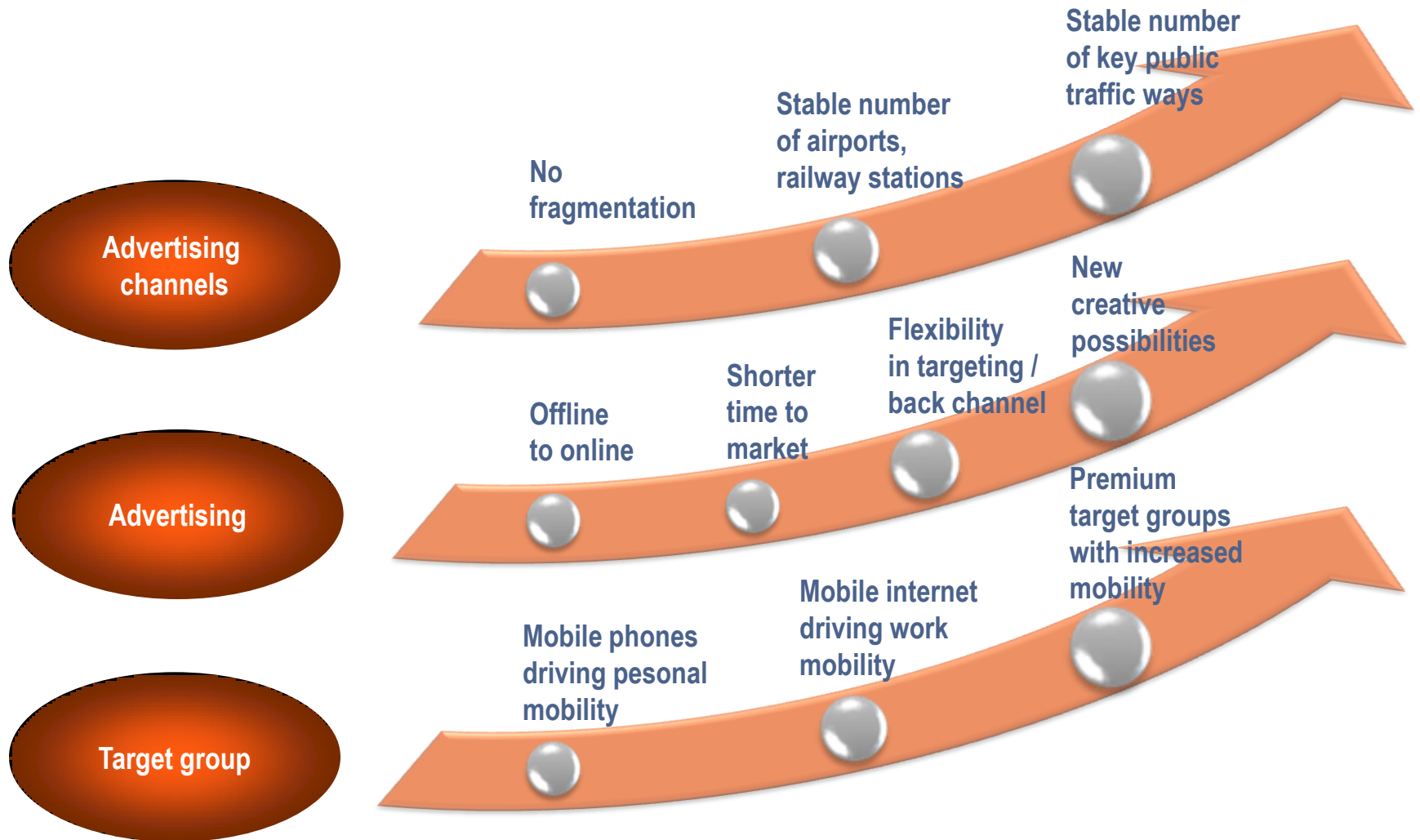
Number of aired TV Spots to get 80% reach



Structural change through digitalization – A challenge for content based ad channels



Structural change through digitalization – An opportunity for location based ad channels / outdoor media



In a digitalized
media world
outdoor is the
only source for
BIG IMAGES & LARGE REACH
at the same time



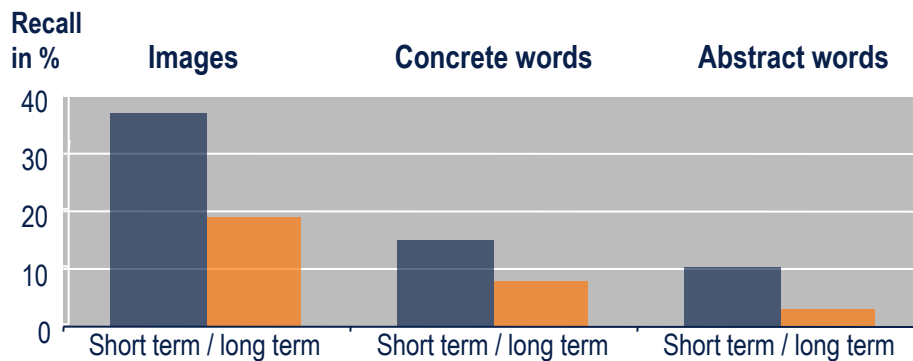
The human eye processes more impressions than the ear



„Images are fast impacts to the brain“

Advantages of image communication

„The larger the image, the better the recall performance“
(Kroeber-Riel, W. (1996, Bildkommunikation))

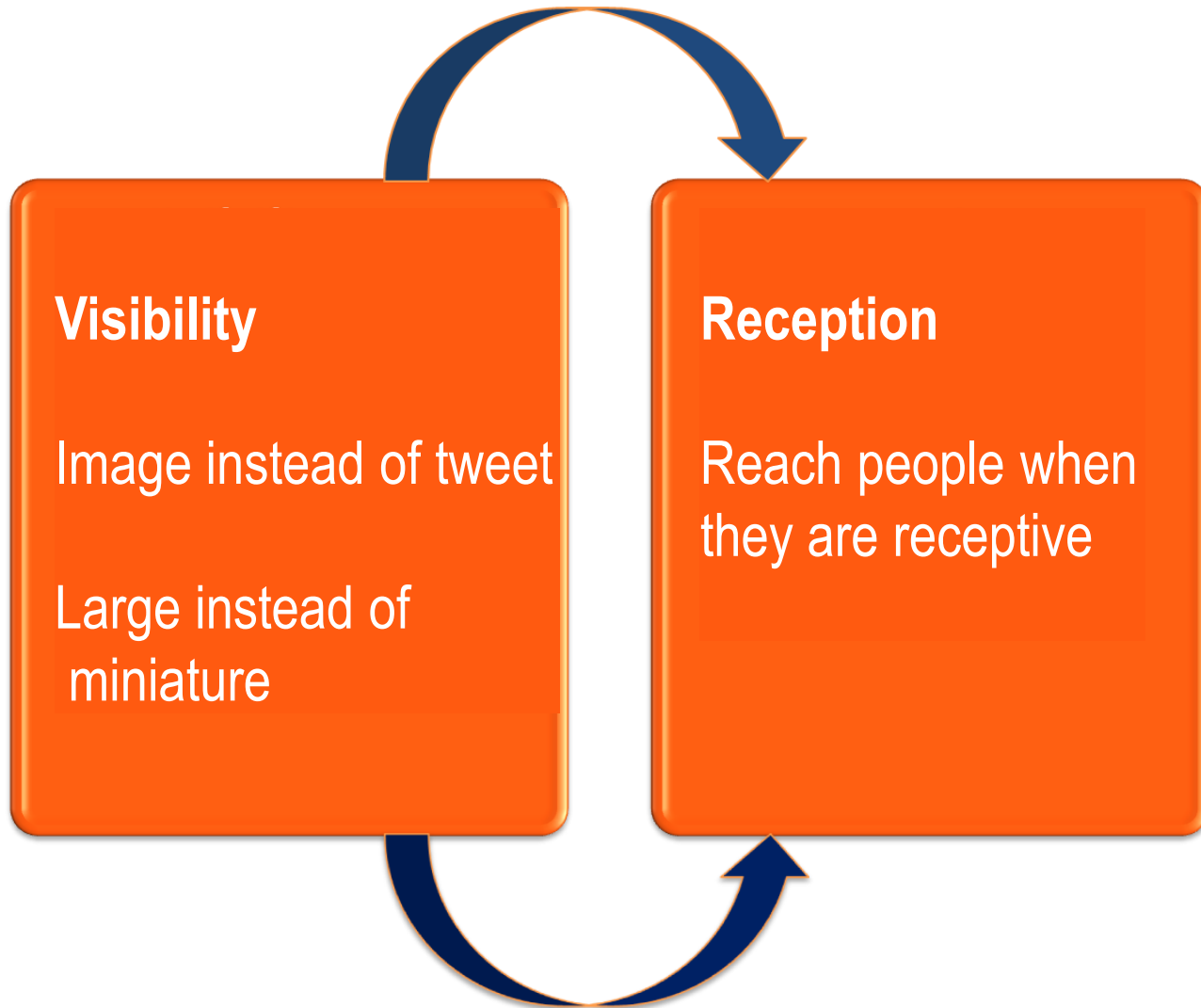


Source: Kroeber-Riel, W.: Picture Communication; Paivio, A.: Imagery and Verbal Processes



Take a close look at the iceberg!







We create Visibility!



We create Visibility!



**Die Kunst,
voraus zu sein.**
Der neue Audi A8.

Ab 20. März bei Ihrem Audi Partner.

Audi 
Vorsprung durch Technik



7.6-201 11.1.
187PS/132 kW
100 km/h: 7.1 s
180 km/h: 25.5 s

www.audi.de

We create Visibility!



We create Visibility!

Favorable German ad market 2011: NIELSEN data confirms structural shift to outdoor

- Gross advertising market increases 4.6% in H1 2011
- Strongest growing media: Internet, cinema, poster
- Poster with above average growth of 11% and 25 BPS higher market share at 4.2%
- Nielsen forecast H2 2011:
 - ✓ Total German ad market with anticipated growth rate of up to 4%
 - ✓ OOH market expected to outperform total ad market

Favorable German ad market 2011: Promising development of TOP 200 in H1 2011*

- Nielsen -TOP 200 advertisers increased gross spend on poster by 19% yoy compared to 11% growth of TOP 200 spending across all media
- Market share of poster with Nielsen-Top 200 advertisers advanced from 3.4% to 4.0%
- Ströer's best performing industries: FMCG, automotive and retail



* Top 200 advertisers as defined by Nielsen Media Research

TUIfly.com

Mehr Airlines,
Mehr Auswahl,
Mehr Schnell

Flüge
ab 31€

STROER

TUIfly.com – das superschnelle Flug-Retie-Portal

Growth project Germany: premium billboard

The billboard features a photograph of a dark Opel Insignia sedan on a city street. The car is the central focus, with a blurred background of pedestrians and buildings. Below the image, the text reads: "Die OPEL INSIGNIA SEHEN UND GEGEHEN WERDEN." followed by smaller text: "Das beste Auto, das wir je gebaut haben." and "Auf dem neuesten Stand der Technik & Innovationen." The Opel logo is positioned to the right of the text. On the left side of the billboard, the name "STROER" is written vertically. At the bottom, there is a small URL "www.opel.de" and a line of fine print.



STROER.de
Postfach 10155
50667 Köln, NRW

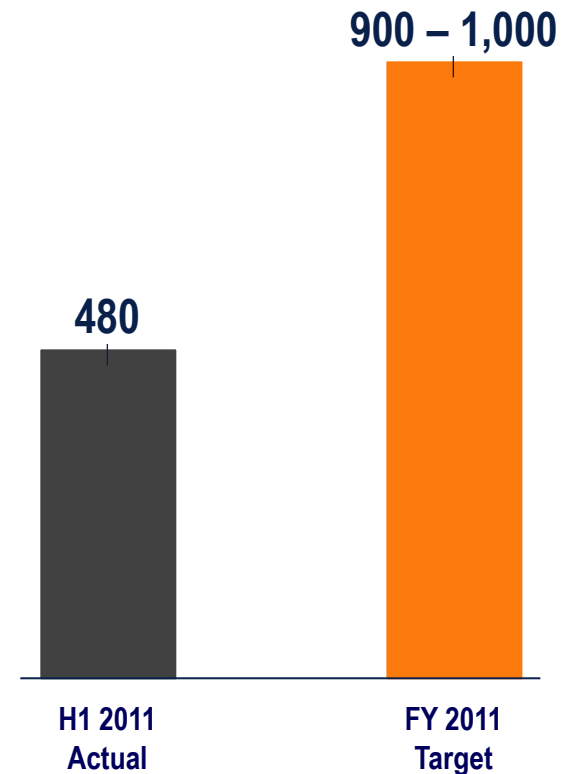
Premium billboard rollout progressing well



- Focus on prime locations in major metropolitan cities
- Rising number of new locations in addition to upgrade of traditional boards
- Super-size locations with up to 3 displays in a row allowing new creative concepts
- Increasing number of customers upgrading campaigns with premium billboards
- Customer base further enlarged (selection):



Number of installed displays



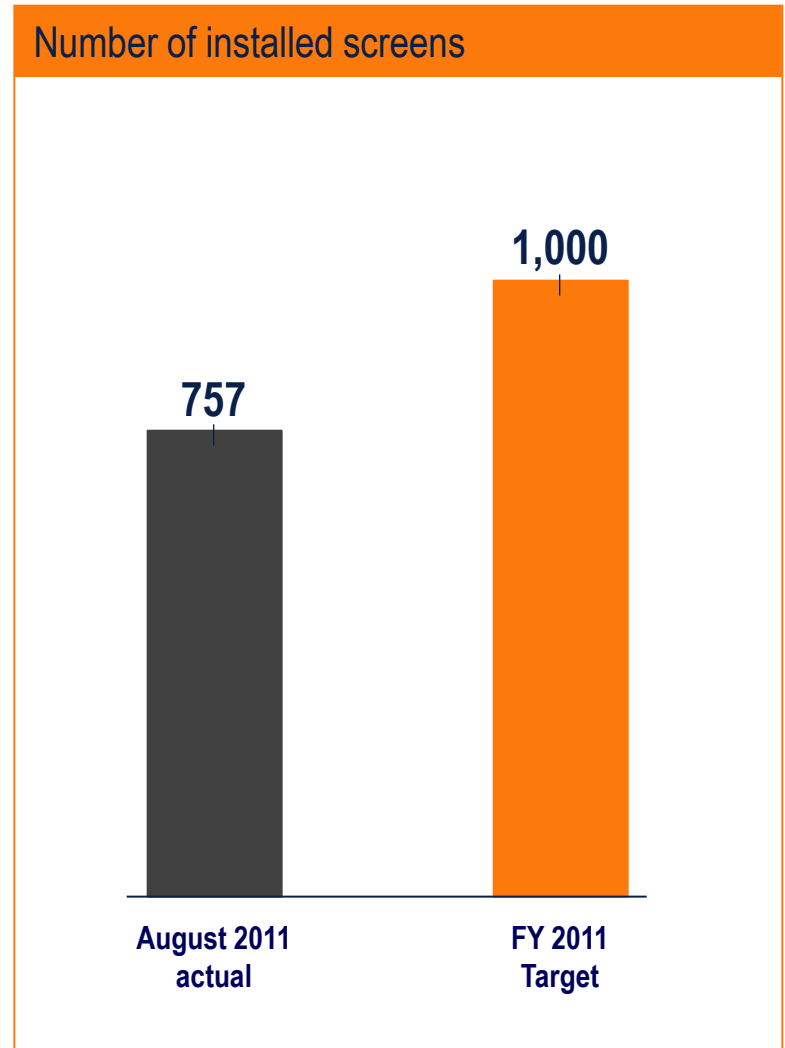


Growth project Germany: Out-of-Home-Channel

Out-of-home channel with growing network and increasing demand



- More than 750 Screens installed and well on track for up to 1,000 by Dec 11
- Rollout focus now on top stations in Hamburg, Cologne, Düsseldorf
- Key national accounts driving order backlog:



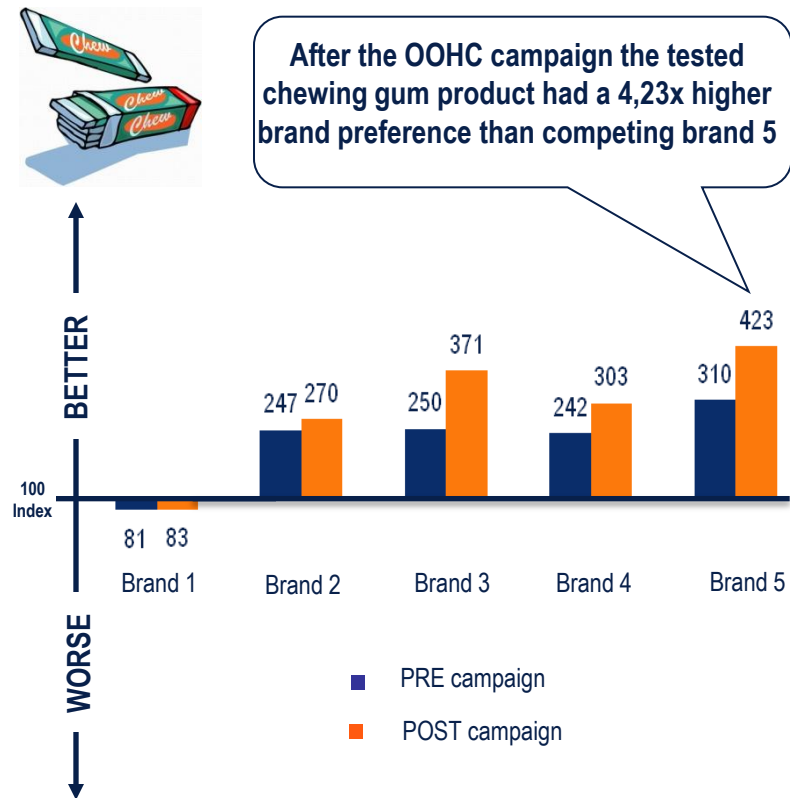
Research Case Out-of-Home Channel: Significantly increasing brand preference for TOP 200 account



Survey approach: spontaneous preference

- tested product:
international chewing gum brand (TOP 200 account)
- location:
Munich main station
- sample size:
200 respondents
- sample characteristic:
only non-buyers of tested product
- survey design:
interviews pre- and post campaign
spontaneous preference response („deep impact“)

Survey results: increased brand preference



Research Case Out-of-Home Channel: The channel screens fit the image of modern brands perfectly



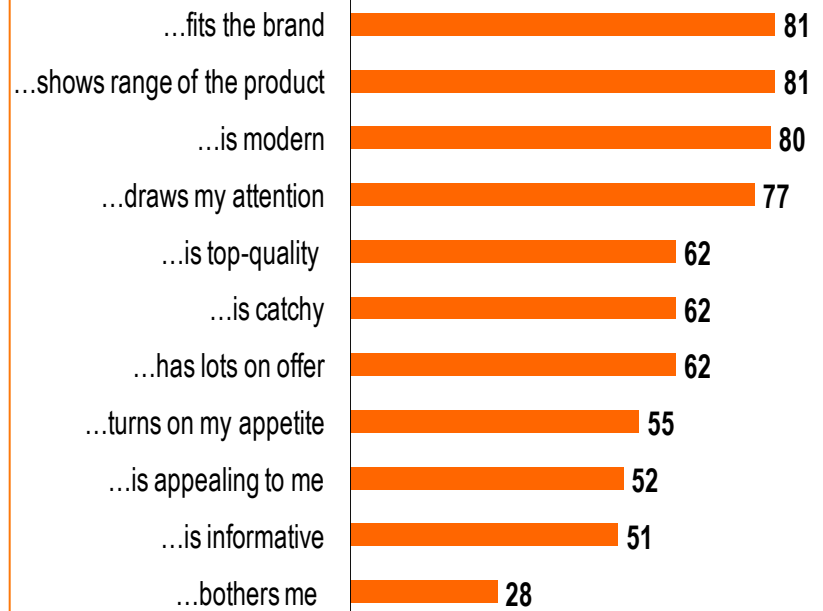
Survey approach: traditional interview

- tested product:
international chocolate brand (TOP 200 account)
- locations:
Frankfurt and Stuttgart main stations
- survey size:
300 respondents
- survey design:
face-to-face interviews
- campaign design:
4 flights in May/June

Survey results: efficient ad platform



Screen with advertised chocolate...



TÜM
MUDO CITY'LERDE

%50
'YE VARAN
YAZ İNDİRİMİ!

MUDO
CITY
Dünya Burada!

STRÖER

301 SINIK 304 SINIK
302 SINIK 303 SINIK
300 SINIK HEMERKİTİPE
KİSİ

MCA STORE
2 TAKIM
2 GÖMLEK
2 KRAVAT
249 YTL
TAKSİTLE
6 TAKSİTLE

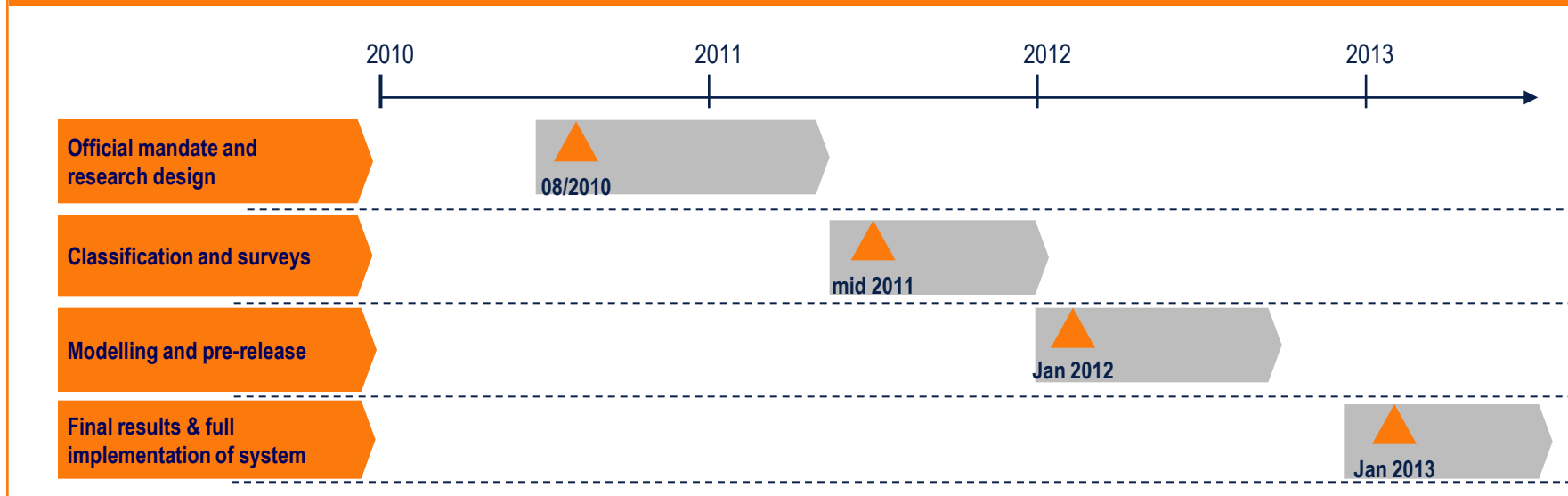
Hatay
59 YTL
TAKSİTLE
6 TAKSİTLE

Ströer Turkey



- Favorable macro picture increasingly impacted by signs of overheating and adverse FX
- One-off effects (audiovisual reform and political campaigning) reduced OoH growth rate
- First phase of audience measurement POSTAR kicked off:

Road map for introduction of the outdoor audience measurement system POSTAR in Turkey



Ströer Turkey: development of operations



- H1 organic revenue growth supported by strong regional and giant poster business
- Margin decline due to one-off revenue impediments and increased direct costs mainly due to concession scope effects
- Sales strategy in H2 directed towards customers with lower TV exposure with good progress
- Organic revenue growth in H2 difficult to anticipate given low visibility and ongoing TV reform impacts



Megaboard, Ankara



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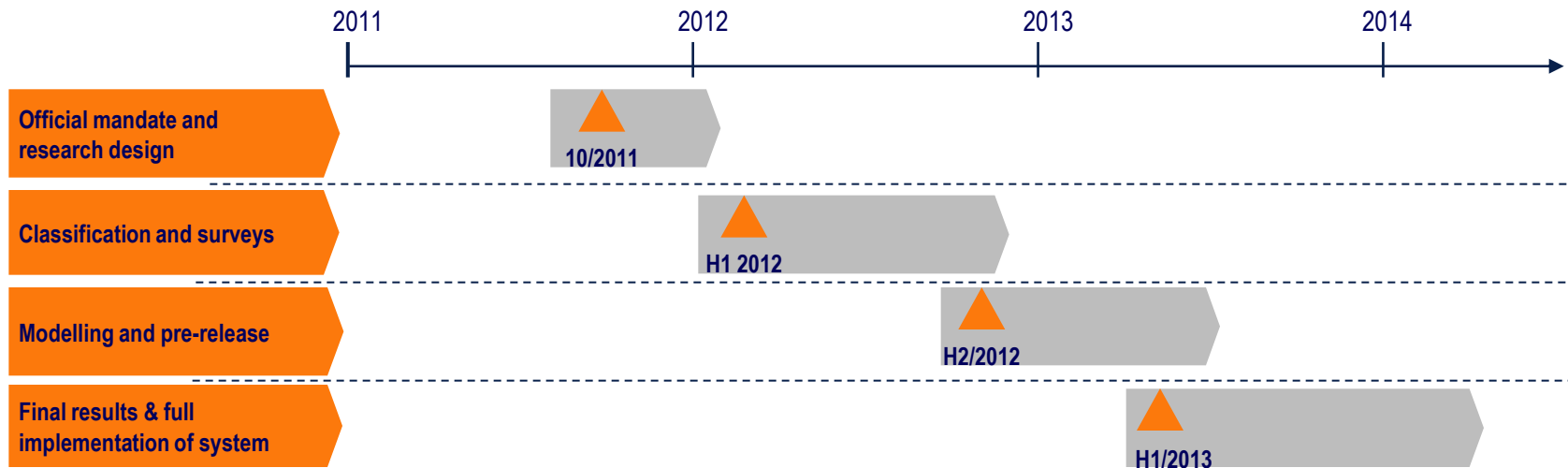
Ströer Poland

WB 4555C



- Solid GDP growth and fairly stable Zloty/EUR FX rate
- Bus shelter tender in Warsaw in progress (bidding consortium Ströer / AMS), decision expected by year-end
- Audience measurement initiative POSTAR signed and rollout started

Road map for introduction of the outdoor audience measurement system POSTAR in Poland



Ströer Poland: development of operations



- Softer OOH market development continued in H1 leading to negative organic revenue growth rates
- Trading momentum improved after recent reinforcement of management
- Increased business scope and cost synergies supported H1 margins
- Improved trading environment expected in H2



Ströer financials H1 2011





Financials at a glance:

Strong growth in topline and net adjusted income

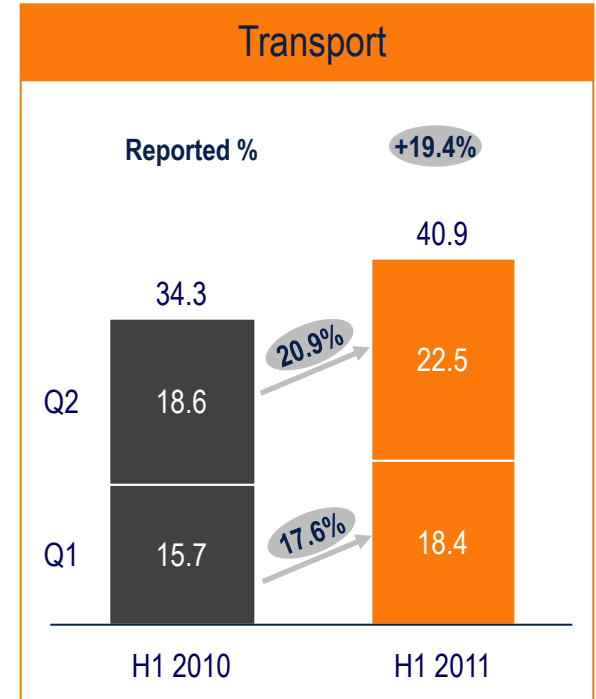
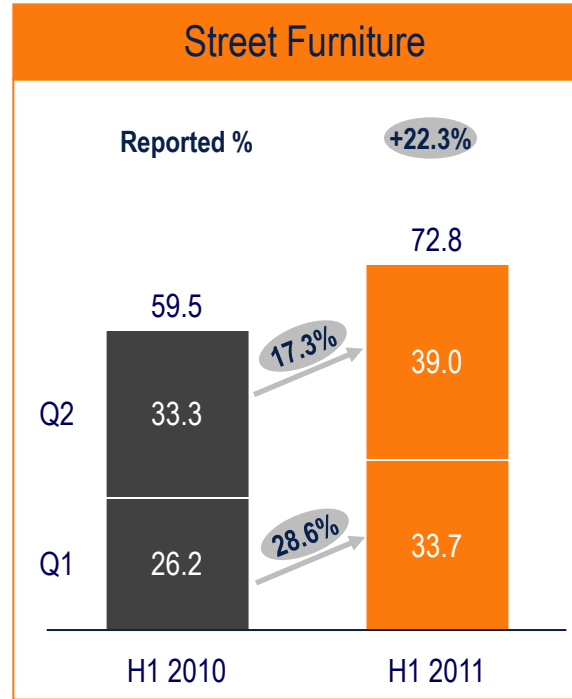
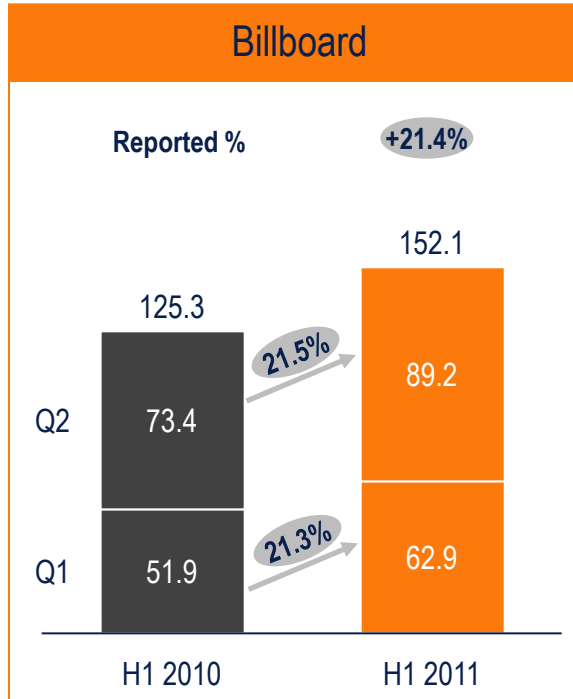
€ MM	H1 2011	H1 2010	Change
Revenues	282.3	242.2	+16.6%
Organic growth ⁽¹⁾	7.3%	10.0%	
Operational EBITDA	59.8	52.4	+14.0%
Net adjusted income ⁽²⁾	16.5	11.7	+41.0%
Investments ⁽³⁾	22.5	6.6	+238.3%
Free cash flow ⁽⁴⁾	1.7	3.2	-46.3%
	H1 2011	31.12. 2010	Change
Net debt ⁽⁵⁾	319.3	320.1	-0.2%
Leverage ratio ⁽⁶⁾	2.4x	2.4x	0.0%

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 flows from investing activities excluding M&A; (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), (6) Net Debt to LTM Operational Ebitda adjusted for full consolidation of Ströer Turkey



Ströer Group revenue: Balanced increase across all product groups

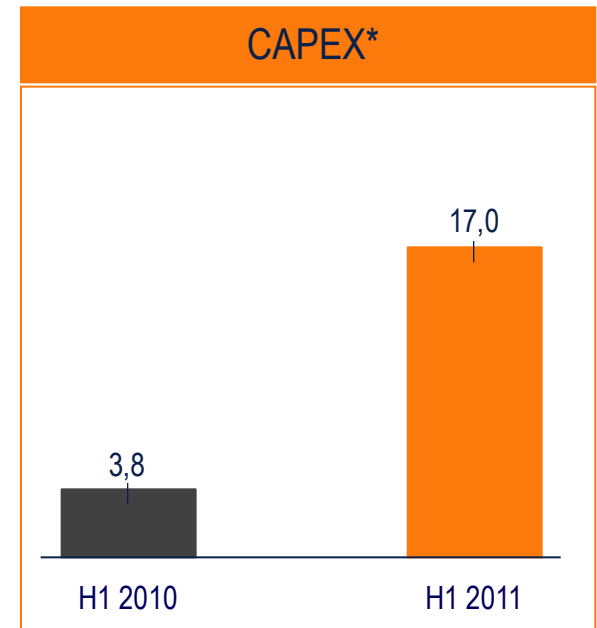
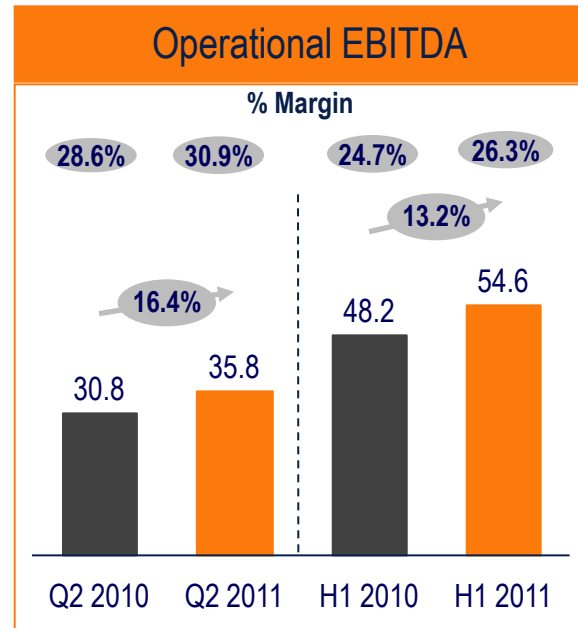
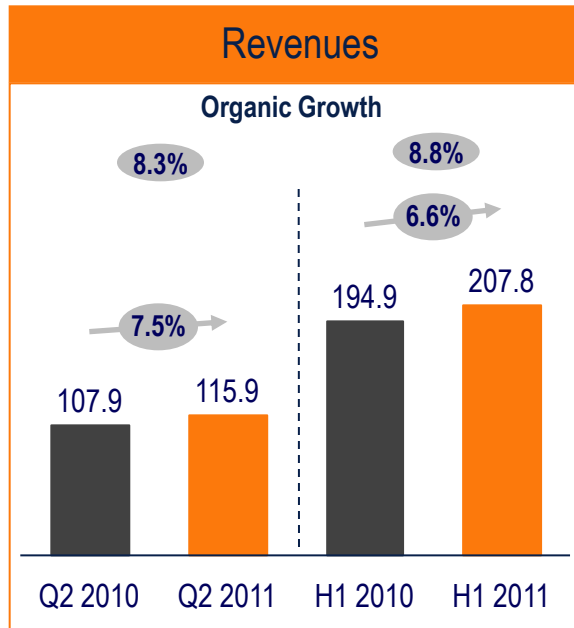
€ MM



- Growth in billboard largely due to consolidation effects in TR and PL
- German operations lifted street furniture sales mainly on the back of higher filling ratios
- Growth in transport revenues supported by double-digit increase in digital revenues



€ MM



- Double digit growth of digital products supported by Out-of-Home-Channel sales
- 160 BPS margin lift due to higher share of premium products and moderate overhead increases
- Capex increase mainly caused by ramp-up of digital Out-of-Home-Channel network

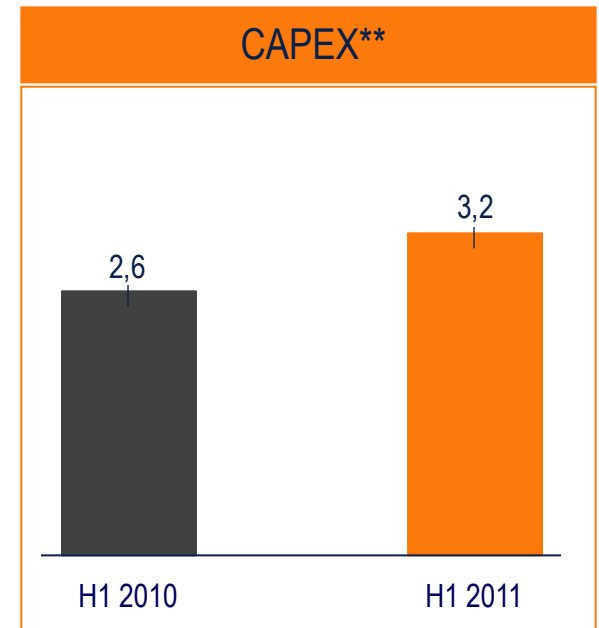
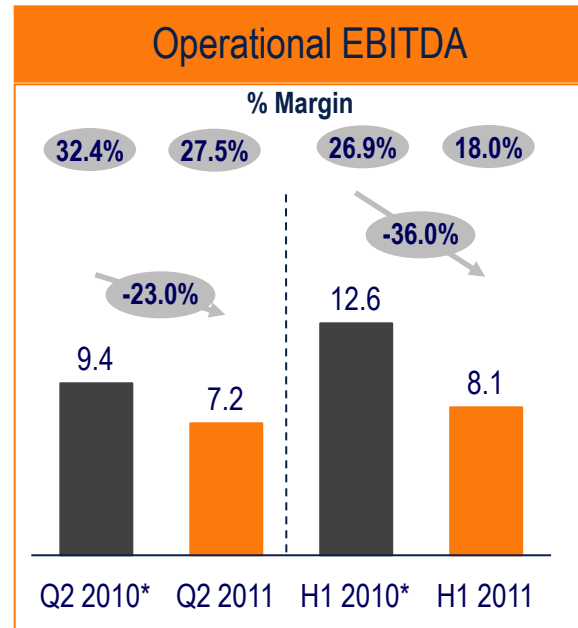
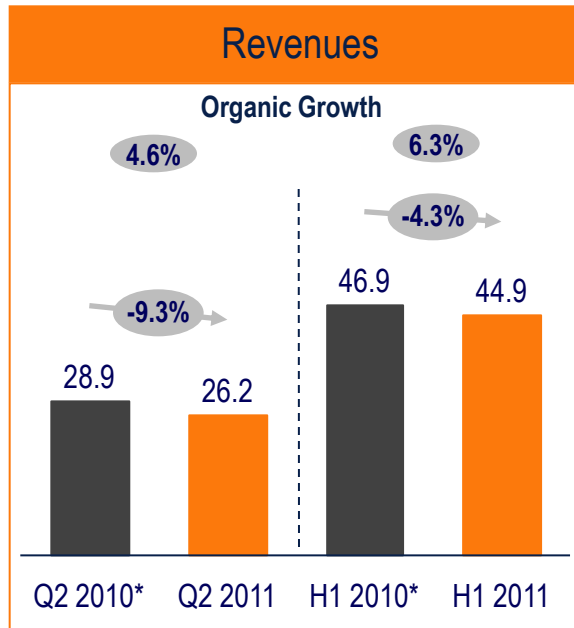
* w/o Acquisitions

Ströer Turkey

Ongoing growth in a challenging environment



€ MM



- Organic growth >6% despite adverse impact from audiovisual reform and elections in May/June
- Lower top line growth, changes in concession portfolio and adverse FX impacted Op. EBITDA
- Overhead costs down on last year resulting from cost containment measures

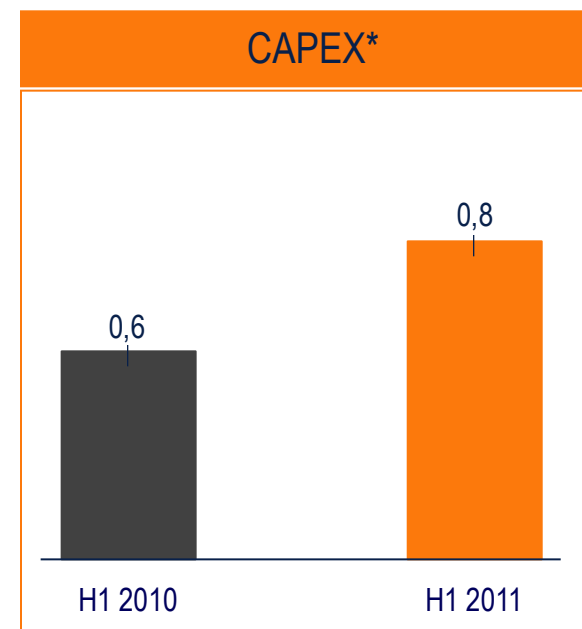
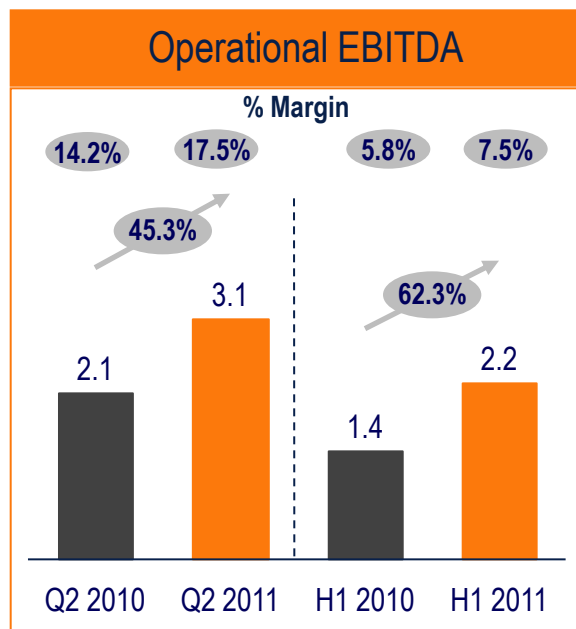
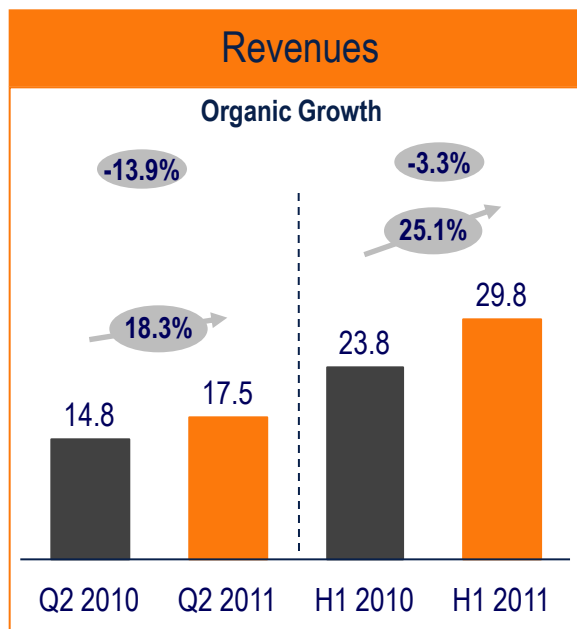
* 100% view

** w/o Acquisitions

Ströer Rest of Europe*

Margin improvements posted by Poland and blowUP operations

€ MM



- Strong revenue growth partly due to scope effects from News Outdoor Poland acquisition
- BlowUP delivered solid high-sing digit organic revenue growth despite Q2 weakness
- Both operations contributed to a 170 BPS Operational EBITDA margin improvement

We expect the macroeconomic development in our core markets to be slower in the second half of 2011. While we remain confident of achieving the forecast of mid to high single-digit organic growth for the Group for the year as a whole, we now assume performance will be at the lower end of this corridor due to the changed macroeconomic situation. For the third quarter of 2011, we expect organic revenue growth for the Group to be around 3%.

We will continue on our strategic course even in this phase and see the growth projects through as planned, even though, in the short term, this may make it more difficult to achieve an operating margin on a par with the prior year. However, we expect that these initiatives will generate significant earnings contributions from as early as 2012 and continue to anticipate a positive medium-term performance as a result.

Disclaimer

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