STRÖER
out of home media

Quarterly report Q1 2011

Key Performance indicators

The Group's financial figures at a glance

In EUR m	Q1 2011	Q1 2010	Change
Revenue	**122.9**	**105.1**	**17.0%**
Ströer Germany	91.9	87.0	5.6%
Ströer Turkey	18.7	9.0	>100%
Other	12.3	9.0	36.3%
Billboard	62.9	51.9	21.3%
Street furniture	33.7	26.2	28.6%
Transport	18.4	15.7	17.6%
Other	7.8	11.3	-30.9%
Organic growth[1]	9.7%	5.3%	85.1%
Gross profit[2)]	36.7	36.0	2.0%
Operational EBITDA[3)]	**16.2**	**16.7**	**-3.1%**
Operational EBITDA[3)] margin	**13.2%**	**15.9%**	
Adjusted EBIT[4)]	6.8	10.3	-34.2%
Adjusted EBIT[4)] margin	5.5%	9.8%	
Adjusted profit or loss for the period[5)]	-1.2	-0.4	n.d.
Profit or loss for the period	-6.7	-9.5	n.d.
Earnings per share[6)] (EUR)	-0.16	-0.22	
	Q1 2011	Q1 2010	Change
Investments[7)]	12.0	3.4	>100%
Free cash flow[8)]	-22.0	-0.7	n.d.
	31 Mar 2011	31 Dec 2010	Change
Total equity and liabilities	978.6	989.1	-1.1%
Equity	284.8	296.5	-3.9%
Equity ratio	29.1%	30.0%	
Net debt[9)]	333.6	320.1	4.2%
Employees[10)]	1,728	1,731	-0.2%

1) Organic growth: excluding exchange rate effects and effects from the (de-) consolidation and discontinuation of operations

2) Revenue less cost of sales

3) Earnings before interest, taxes, depreciation and amortization adjusted for exceptional items and effects from the phantom stock program which was terminated as of the IPO

4) Earnings before interest and taxes adjusted for exceptional items, effects from the phantom stock program which was terminated as of the IPO, amortization of acquired advertising concessions and impairment losses on intangible assets

5) Adjusted EBIT net of the financial result adjusted for exceptional items and the normalized tax expense

6) Calculated as actual profit or loss for the period divided by the number of shares outstanding after the IPO

7) Including cash paid for investments in property, plant and equipment and in intangible assets but excluding cash paid for investments in non-current financial assets and cash paid for the acquisition of consolidated entities

8) Cash flows from operating activities less cash flows from investing activities

9) Financial liabilities less derivative financial instruments and cash

10) Headcount

Foreword by the board of management

Dear shareholders,

We continued to build on the success of our record year 2010 in the first quarter of 2011. In the first three months, consolidated revenue rose by 17% to EUR 122.9m (prior year: EUR 105.1m). With organic revenue growth of 9.7%, we are standing tall as one of Europe's fastest growing media groups. Our core business in Germany, Europe's largest advertising market, performed particularly well in the first quarter of 2011, with both organic revenue and operational EBITDA up on the prior year. The giant poster business of the blowUP division and the Turkey segment also posted an exceptionally positive revenue performance.

In the prior year, we created the basis for expanding our innovative digital out-of-home channel with national reach. As part of this project, over 500 large-format HD screens were installed at German train stations by April of this year, including screens at the Berlin, Munich, Stuttgart and Frankfurt train stations. We will be able to offer our customers an advertising network of up to 1,000 screens as planned by the end of the year, with which we will reach 20% of the overall population. The technical implementation of our second growth project in Germany, premium billboards, is also going according to plan. The market, and in particular our strategic core target group of the top 200 advertising customers, has shown great interest in these product campaigns and our other premium products, which led to a strong increase in the volume of bookings in the first quarter. Furthermore, the most recent industry surveys make us optimistic about the current fiscal year: over 90% of the experts from German media agencies are forecasting an increase in the total gross advertising spend for 2011 and over 80% expect to see an increase in spending for out-of-home advertising.

The Turkey segment continued on its growth course, posting impressive organic revenue growth of 8.9% in the first quarter of 2011 even though new legislation on TV advertising and related price increases led to delays in bookings affecting all media products, which could still be felt at the beginning of the second quarter. We do not expect to see a stronger increase in growth until the effects of this - which will be intensified by the upcoming parliamentary elections in Turkey at the beginning of June - have tailed off. In Poland, the advertising market and out-of-home business witnessed a downward trend in the first quarter despite the positive macroeconomic effects. All the same, this region is still highly attractive for our business and will grow considerably through gradual consolidation and professionalization measures.

Bolstered by the favorable changes in media use, we are focusing on growth with our product innovations. For fiscal year 2011, we expect organic revenue growth to be around the mid to upper single-digit mark.

Our first annual general meeting as a listed company will take place on 15 June 2011 in Cologne. We look forward to welcoming you, our shareholders, at the Koelnmesse Congress Center.

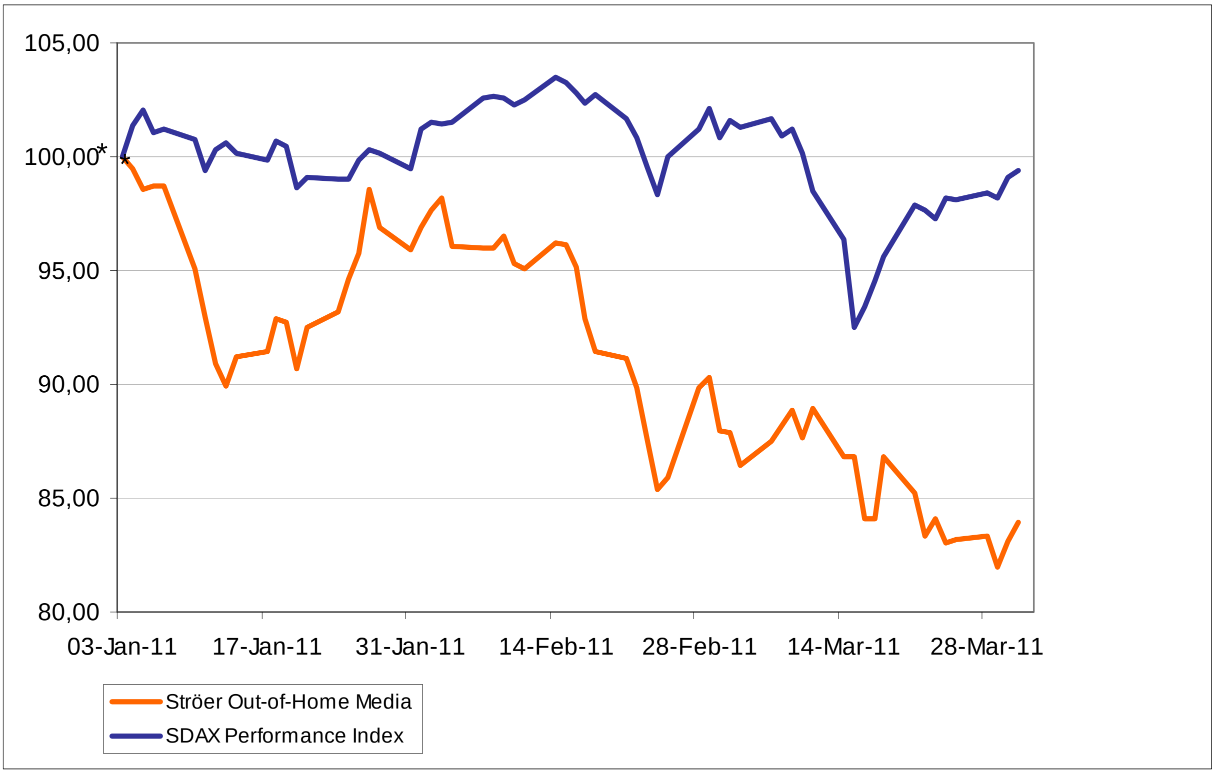
Yours sincerely,

Udo Müller Alfried Bührdel Dirk Wiedenmann

Share

The price of Ströer Out-of-Home Media AG stock on the markets in 2010 peaked at EUR 26.74 at year-end, a significant increase on the issue price of EUR 20.00. The positive development, seen in particular towards the end of the year, did not continue seamlessly in the first quarter of 2011. Although trading kicked-off at almost the same level at the start of the year, the share price was highly volatile from mid-January to mid–February, ranging from a high of EUR 27.00 to a low of EUR 24.60. This was followed by a downward movement to EUR 22.41. The share price picked up again slightly on 31 March 2011, the last trading day of the first quarter. On the reporting date, trading closed at EUR 22.95, down 16% since the start of the year. The SDAX stood at 5,144 points at the end of March and therefore also reported a decrease in the same period, although it was down just 0.6%.

The Ströer share compared with the SDAX
(1 January to 31 March 2011)



* 3 Jan 2011 =100, indexed prices, closing prices in Xetra
Source: Deutsche Börse Group

<u>Stock exchange listing, market capitalization and trading volume</u>

Ströer Out-of-Home Media AG stock is listed in the Prime Standard of the Frankfurt Stock Exchange and has been listed in the SDAX, a selection index of Deutsche Börse, since September 2010. Based on the share price on 31 March 2011, market capitalization came to EUR 0.97b.

The average volume of Ströer stock traded on German stock exchanges was 23,038 shares in the first quarter. This does not include over-the-counter (OTC) trading between investors and brokers. Overall, OTC accounted for 74% of trading in the period under review. In terms of the average number of shares traded daily, the volume of OTC trading stood at just under 71,000 shares, which is more than three times the volume of Ströer stock traded daily on the German stock exchanges.

Analysts' coverage

Ströer Out-of-Home Media AG is currently tracked by 12 teams of analysts. Based on the most recent assessments, 9 of the analysts are giving a "buy" or "overweight" recommendation and 2 say "hold" and 1 "overweight."

Shareholder structure

The total number of Ströer shares issued comes to 42,098,238. CEO Udo Müller holds 28.12%, supervisory board member Dirk Ströer holds 28.33% and CFO Alfried Bührdel and board of management member Dirk Wiedenmann together hold around 0.1% of Ströer Out-of-Home Media AG shares. Udo Müller, Dirk Ströer and Alfried Bührdel agreed to a lock-up period of 12 months as part of the IPO which expires on 15 July 2011.

43.44% of shares are in free float. According to the information available to the Company as of 31 March 2011, Franklin Templeton Group, Tiger Global, BlackRock and TIAA-CREF each hold more than 3% of the rights in Ströer Out-of-Home Media AG. We received additional voting right announcements after the close of the reporting period. As of the date of publication of this report, the following parties reported to us that they held more than 3% of the voting rights in Ströer Out-of-Home Media AG: Fidelity (5.30%), Franklin Templeton Group (4.76%) and Tiger Global (3.05%).

Interim group management report

The Group and the reporting period

The Ströer Out-of-Home Media Group is a leading provider of out-of-home media in Europe with key operations in Germany, Turkey and Poland. Through the subsidiaries of the blowUP division, it also has operations in four other European countries. Ströer provides billboard, street furniture and transport media services in all of its core markets.

This interim management report covers the period from 1 January to 31 March 2011.

Results of operations, net assets and financial position of the Group

Results of operations

Consolidated income statement
In EUR m

	Q1 2011		Q1 2010		Change	
Continuing operations						
Revenue	122.9	100.0%	105.1	100.0%	17.8	17.0%
Cost of sales	-86.2	-70.1%	-69.1	-65.8%	-17.1	24.8%
Gross profit	**36.7**	**29.9%**	**36.0**	**34.2%**	**0.7**	**2.0%**
Selling expenses	-19.2	-15.6%	-17.2	-16.3%	-2.0	11,7%
Administrative expenses	-19.0	-15.4%	-18.0	-17.1%	-1.0	5,5%
Other operating income	3.3	2.7%	4.1	3.9%	-0.9	-21.0%
Other operating expenses	-2.5	-2.0%	-2.0	-1.9%	-0.5	28.4%
EBIT	**-0.7**	**-0.6%**	**3.0**	**2.9%**	**-3.7**	**n. d.**
EBITDA	**15.2**	**12.3%**	**13.3**	**12.7%**	**1.8**	**13.9%**
Operational EBITDA	**16.2**	**13.2%**	**16.7**	**15.9%**	**-0.5**	**-3.1%**
Financial result	-9.8	-8.0%	-10.5	-10.0%	0.7	6.5%
EBT	**-10.5**	**-8.6%**	**-7.5**	**-6.1%**	**-3.0**	**-40.1%**
Income taxes	3.9	3.1%	-1.9	-1.8%	5.8	n. d.
Post-tax loss from continuing operations	**-6.7**	**-5.4%**	**-9.5**	**-9.0%**	**2.8**	**29.3%**
Loss for the period	**-6.7**	**-5.4%**	**-9.5**	**-9.0%**	**2.8**	**29.3%**

In the seasonally weaker first quarter, the Group managed to increase its revenue by 17.0%, pushing it up from EUR 105.1m to EUR 122.9m. Besides the effects from the consolidation of the equity interests acquired or topped up in the second half of 2010 (in particular in Turkey and Poland), there was strong organic revenue growth in the core markets of Germany and Turkey. The growth dynamic in Turkey was dampened by the decision to considerably restrict TV advertising times which is creating a mood of uncertainty on the Turkish media market.

EBITDA was up 13.2% to EUR 15.2m. This is mainly due to the EUR 17.8m increase in revenue which was only contrasted by an increase of EUR 11.6m in cost of sales adjusted for depreciation and amortization. An advantageous development was seen in selling and administrative expenses as a percentage of revenue, which fell 2.4 percentage points on Q1 2010 and only accounted for 31% of revenue.

The increase in the EBITDA-related cost of sales ratio from 57.1% to 58.3% was more than compensated for by the improvement in overheads. In this context, it should be noted that cost of sales reflects a higher portion of fixed leases due to the full consolidation of the acquired business units. Furthermore, lease payments were made, in particular in Turkey, for newly acquired advertising concessions. However, as the advertising media for these sites are in the process of being installed, no notable revenue has been able to be generated as yet. The above effects from consolidation measures and project start-ups had a corresponding effect on operational EBITDA. The slight decrease in earnings of EUR 0.5m to EUR 16.2m can also be attributed to the fact that higher costs were incurred in the prior-year period for the IPO which were adjusted in the presentation of operational EBITDA.

Gross profit is influenced by depreciation and amortization effects arising in connection with the hidden reserves recognized in the purchase price allocation and the increased installation of new advertising media in the second half of 2010. These depreciation and amortization effects came to EUR 14.5m in the first quarter of 2011, compared with EUR 9.0m in the prior year.

The optimization of the group structure in 2010 led to interest savings of EUR 2.1m in the period under review and accrued interest of just EUR 8.7m. However, this favorable development was overshadowed by non-cash valuation effects. On the one hand, the Turkish lira came under pressure in Q1 2011, which led to changes in the value of intragroup loans of EUR 3.9m net. On the other hand, higher interest rate expectations on the money market led to positive valuation effects of EUR 2.6m net for interest rate instruments not in a hedge. Overall, the financial result improved by 6.5% on the comparative period and came to -EUR 9.8m.

Due to positive effects from the application of the group tax rate, the loss for the period improved by EUR 2.8m, or 29.3%, and came to just EUR 6.7m, compared with EUR 9.5m in the comparative prior-year period.

Net assets

Consolidated statement of financial position
In EUR m

	31 Mar 2011	31 Dec 2010	Change	
Assets				
Non-current assets				
Intangible assets	518.5	533.6	-15.1	-2.8%
Property, plant and equipment	212.8	214.3	-1.5	-0.7%
Tax assets	11.8	9.4	2.5	26.1%
Receivables and other assets	9.3	9.2	0.0	0.6%
	752.4	766.5	-14.1	-1.8%
Current assets				
Receivables and other assets	130.7	107.2	23.5	22.0%
Cash	86.4	106.1	-19.7	-18.6%
Tax assets	3.3	4.2	-0.9	-22.4%
Inventories	5.8	5.1	0.7	14.0%
	226.2	222.6	3.6	1.6%
Total assets	**978.6**	**989.1**	**-10.5**	**-1.0%**
Equity and liabilities				
Non-current equity and liabilities				
Equity	284.8	296.5	-11.7	-3.9%
Debt				
Financial liabilities	420.1	426.6	-6.5	-1.5%
Deferred tax liabilities	62.1	64.9	-2.8	-4.4%
Provisions	35.4	36.8	-1.4	-3.8%
	517.7	528.3	-10.7	-2.0%
Current liabilities				
Trade payables	70.5	67.9	2.6	3.8%
Financial and other liabilities	83.3	70.3	13.0	18.5%
Provisions	14.6	17.7	-3.1	-17.5%
Income tax liabilities	7.7	8.4	-0.6	-7.7%
	176.1	164.3	11.8	7.2%
Total equity and liabilities	**978.6**	**989.1**	**-10.5**	**-1.0%**

In comparison to 31 December 2010, the Group's total assets only changed marginally.

Non-current assets decreased by EUR 10.4m to EUR 752.4m. This decrease was mainly due to the regular amortization of advertising concessions, which was compensated for in part by the deferral during the year of deferred taxes to the tax losses accumulated in the first quarter of 2011.

Current assets remained almost unchanged, up 1.6%. However, there was a shift in this asset category between cash and receivables and other assets, as the Group made lease prepayments in the first quarter which will be offset against lease liabilities in the course of the year.

The reduction in non-current liabilities can be attributed to the development of interest rate hedges. Due to the favorable development of the expected term structure, the present values recognized for the interest rate hedges were reduced.

Current liabilities were up EUR 11.8m to EUR 176.1m. This development is due to the customer prepayments disclosed in financial and other liabilities for long-term contracts which generally have a high balance at the start of the year. Other interest deferrals were also made.

Financial position

In EUR m	Q1 2011	Q1 2010
Cash flows from operating activities	-10.1	2.7
Cash flows from investing activities	-11.9	-3.4
Free cash flow	-22.0	-0.7
Cash flows from financing activities	2.3	-0.9
Change in cash	-19.7	-1.7
Cash	86.4	55.6

The development of cash is primarily influenced by base effects in working capital and an increase in investing activities, which led to a free cash flow of –EUR 22.0m.

With regard to the change in cash flows from operating activities, it should be noted that the lease prepayments disclosed in working capital stem, among other things, from the significant increase in leases in 2010. In this context, the outflow was EUR 2.2m higher than in the comparative quarter. At the same time, the number of payment runs increased, which, however, will ease the burden in the second quarter.

The significant increase in cash outflows for investments is primarily attributable to the establishment of the out-of-home channel.

Net debt

In EUR m		31 Mar 2011	31 Dec 2010	Change	
(1)	Non-current financial liabilities	420.1	426.6	-6.5	-1.5%
(2)	Current financial liabilities	48.5	39.2	9.4	23.9%
(1)+(2)	Total financial liabilities	468.6	465.7	2.9	0.6%
(3)	Derivative financial instruments	48.7	39.5	9.2	23.3%
(1)+(2)-(3)	Financial liabilities excl. derivative financial instruments	420.0	426.2	-6.3	-1.5%
(4)	Cash	86.4	106.1	-19.7	-18.6%
(1)+(2)-(3)-(4)	**Net debt**	**333.6**	**320.1**	**13.5**	**4.2%**

The Group's net debt increased slightly, rising by 4.2% to EUR 333.6m due to the lower volume of cash.

Business and earnings development by segment

Ströer Germany

In EUR m	Q1 2011	Q1 2010		Change
Revenue, thereof	91.9	87.0	4.9	5.6%
Billboard	38.3	37.5	0.8	2.2%
Street furniture	28.7	23.5	5.2	22.2%
Transport	18.1	15.4	2.7	17.4%
Other	6.9	10.7	-3.9	-36.0%
Operational EBITDA	18.7	17.4	1.3	7.6%
Operational EBITDA margin	20.4%	20.0%	up 0.4 percentage points	

The Ströer Germany segment maintained the growth course it set in the prior year. Revenue and operational EBITDA were up once again.

The operational EBITDA margin increased by 40 basis points. The positive margin development is mainly due to an improved lease ratio (defined as the percentage of leases to revenue). In addition, the segment benefited once again from a greater volume of campaigns booked on premium advertising media with attractive margins which are being commercialized nationally as network products for street furniture and billboards. The share in revenue of business conducted with the top 200 advertising customers increased accordingly.

The strong growth in revenue in the transport product group clearly reflects the sales success of digital products. In comparison to the prior-year period, revenue from this group grew once again by a high double-digit percentage rate.

In the "Other" advertising media product group, the decrease in revenue can be attributed to the discontinuation of service activities which are not a focus of the core business and is the reason for the difference between the reported and organic revenue growth rate.

Ströer Turkey

In EUR m	Q1 2011	Q1 2010		Change
Revenue, thereof	18.7	9.0	9.7	>100%
Billboard	13.5	6.2	7.3	>100%
Street furniture	4.9	2.7	2.2	83.9%
Transport	0.3	0.2	0.2	>100%
Operational EBITDA	0.9	1.6	-0.8	-46.7%
Operational EBITDA margin	4.6%	18.0%	down 13.4 percentage points	

The development of the Ströer Turkey segment was mainly shaped by the full consolidation performed in September 2010. The comments on revenue and earnings are therefore based on an assumed full consolidation as of 1 January 2010:

In EUR m	Q1 2011	Q1 2010		Change
Revenue	18.7	18.1	0.7	3.7%
Operational EBITDA	0.9	3.3	-2.4	-73.3%
Operational EBITDA margin	4.6%	18.0%	down 13.4 percentage points	

The Turkish segment is continuing on its impressive path of organic revenue growth, reporting an increase of 8.9% in the first quarter of 2011. The organic growth in revenue would have been considerably greater had it not been for the changes in TV advertising regulations and the related price increases. The difference to the reported revenue growth is only due to an unfavorable change in the euro exchange rate.

The decrease in operational EBITDA and the operational EBITDA margin is due, among other things, to one-time effects from the signing of new concession contracts as the lease expenses are already due for payment but cannot yet be offset by corresponding revenue. In addition, in light of the intact growth course, some contracts were changed from revenue-based leases to fixed leases. This is expected to push up margins based on the steady increase in revenue.

Other

In EUR m	Q1 2011	Q1 2010		Change
Revenue, thereof	12.3	9.0	3.3	36.3%
Billboard	11.1	8.2	2.9	35.6%
Street furniture	0.1	0.1	0.1	65.0%
Transport	0.1	0.1	-0.1	-61.0%
Other	0.9	0.6	0.4	63.8%
Operational EBITDA	-0.8	-0.7	-0.1	-12.7%
Operational EBITDA margin	-6.6%	-8.0%	up 1.4 percentage points	

The "Other" segment includes our Polish out-of-home activities and the western European giant poster business of the blowUP division. In the first quarter, the segment reported a considerable increase in revenue but only a marginal change in operational EBITDA. The operational EBITDA margin improved by 1.4 percentage points.

With a high double-digit jump in revenue, the blowUP division once again demonstrated the sheer dynamism of its activities and achieved a significantly higher operational EBITDA. The Polish advertising market was on a downward trend in the reporting period, and the out-of-home market was unable to buck this trend. In comparison to the prior-year period, we reported a mid-single-digit decrease in organic revenue growth. As our advertising concessions in Poland are largely based on fixed leases, operational EBITDA was dragged down considerably.

Employees

The Ströer Group employed a total of 1,728 persons as of 31 March 2011 (31 December 2010: 1,731). The allocation of employees to the different segments is shown in the following table.

Segment	Employees
Ströer Germany	1,135
Ströer Turkey	240
Other	208
Holding company	145
Total	**1,728**

Opportunities and risks

For a presentation of opportunities and risks, see our comments in the group management report as of 31 December 2010.

Subsequent events

There were no subsequent events which would need to be reported.

Forecast for 2011

General economic conditions

In April 2011, the German government once again upped its growth forecast for the full year. It now expects to see GDP grow by 2.6% on a broad basis. According to the Federal Ministry of Economics, the upswing in Germany is being driven by lively investing activities and an increase in consumption spending on the domestic market. Consumption spending is expected to grow by 1.3% in real terms in 2011. The positive trend is also expected to continue on the labor market, with the average number of unemployed persons once again expected to fall slightly below the prior-year level. Germany's export economy is continuing to motor ahead and does not appear to have been affected by the natural disaster in Japan or the political unrest in North Africa.

In 2010, Turkey reported an exceptionally high increase in GDP of 8.9%. Growth of between 4.5% and 4.8% is expected for 2011, and will underscore Turkey's leading position as one of Europe's emerging markets. Robust private demand and strong credit market growth are the economic drivers. Although the economic upturn from 2010 has slowed down, it is nonetheless expected to last.

Economic recovery in Poland is expected to speed up slightly, in particular on the back of more profitable business activities, favorable financing options and EU subsidies. Economic growth came to 3.8% in the prior year and the Polish government expects to see growth of 4.0% in 2011.

The industry

We expect the performance of the advertising markets in Germany and Turkey to largely reflect the general economic situation as presented in the group management report as of 31 December 2010.

The performance of the Polish out-of-home market is expected to initially fall below the overall market average as, although market consolidation has been initiated, it has still to be completed and the results from the industry-wide measurement of the audience reach of all advertising spaces (POSTAR) are not expected to be available until 2012/2013. We assume that the consolidation kick-started by us will continue in the medium term but do not see any signs of consolidation for the current year. In addition, given the current downward market trends, we expect the out-of-home market to be flat at best for the year as a whole and it could fall short of the forecast by ZenithOptimedia and the Polish Chamber of Commerce for Out-of-Home Advertising ["Izba Gospodarcza Reklamy Zewnetrznej": IGRZ] cited in the group management report as of 31 December 2010. Nonetheless, we still consider the Polish out-of-home market to be an attractive market and expect to benefit from the professionalization measures introduced there in terms of sales, pricing and quality over the coming two years.

Further outlook for business and earnings development

Ströer Out-of-Home Media AG is confident that the Group will benefit from a favorable macroeconomic situation, new projects and structural growth in the full fiscal year 2011. The Company expects to see another year of record revenue and operational EBITDA with solid organic consolidated revenue growth around the mid to high-single-digit mark driven by the solid growth in Germany and positive performance by the Turkish operations. Management expects the growth momentum in Turkey to be stronger in the second half compared with the first half of 2011 when the one-time effects from the introduction of major restrictions on TV advertising times and the parliamentary elections ease off. Nonetheless, these effects will noticeably impede revenue growth in Turkey in the first six months. Against this background, the Company anticipates organic revenue growth of around 4% for the Group in the second quarter of 2011. Due to the extensive investments in further growth, the full year EBITDA margin is only expected to increase at best marginally year on year.

Consolidated income statement

In EUR k	Q1 2011	Q1 2010
Continuing operations		
Revenue	122,887	105,067
Cost of sales	-86,202	-69,090
Gross profit	**36,685**	**35,977**
Selling expenses	-19,169	-17,165
Administrative expenses	-18,983	-18,002
Other operating income	3,277	4,149
Other operating expenses	-2,514	-1,958
Finance income	5,945	1,950
Finance expenses	-15,778	-12,472
Loss before taxes	**-10,537**	**-7,521**
Income taxes	3,850	-1,942
Post-tax loss from continuing operations	**-6,687**	**-9,463**
Loss for the period	**-6,687**	**-9,463**
Thereof attributable to:		
Owners of the parent	-6,220	-9,624
Non-controlling interests	-467	161
	-6,687	**-9,463**
Earnings per share (EUR, basic)		
from continuing operations	-0.15	-0.41
Earnings per share (EUR, diluted)		
from continuing operations	-0.15	-0.41

Consolidated statement of comprehensive income

In EUR k	Q1 2011	Q1 2010
Loss for the period	**-6,687**	**-9,463**
Other comprehensive income		
Exchange differences on translating foreign operations	-8,222	1,813
Cash flow hedges	4,822	-3,296
Actuarial gains and losses	0	0
Income taxes relating to components of other comprehensive income	-1,565	1,057
Other comprehensive income, net of income taxes	**-4,965**	**-426**
Total comprehensive income, net of income taxes	**-11,652**	**-9,889**
Thereof attributable to:		
Owners of the parent	-10,339	-10,153
Non-controlling interests	-1,313	264
	-11,652	**-9,889**

Consolidated statement of financial position as of 31 March 2011

Assets (in EUR k)	31 Mar 2011	31 Dec 2010
Non-current assets		
Intangible assets	518,471	533,546
Property, plant and equipment	211,314	212,831
Investment property	1,505	1,510
Financial assets	96	96
Trade receivables	1,705	934
Other financial assets	2,089	2,162
Other non-financial assets	5,383	6,029
Income tax assets	847	845
Deferred tax assets	11,002	8,551
	752,412	**766,504**
Current assets		
Inventories	5,786	5,075
Trade receivables	82,792	73,414
Other financial assets	8,229	8,016
Other non-financial assets	39,674	25,721
Income tax assets	3,282	4,232
Cash	86,387	106,120
	226,150	**222,578**
	978,562	**989,082**

Equity and liabilities (in EUR k)	31 Mar 2011	31 Dec 2010
Equity		
Subscribed capital	42,098	42,098
Capital reserves	296,490	296,490
Retained earnings	-52,891	-45,095
Accumulated other comprehensive income	-22,679	-18,560
	263,018	**274,933**
Non-controlling interests	21,798	21,536
	284,816	**296,469**
Non-current liabilities		
Pension provisions and other obligations	21,225	21,317
Other provisions	14,217	15,510
Financial liabilities	420,105	426,562
Deferred tax assets	62,112	64,947
	517,659	**528,336**
Current liabilities		
Other provisions	14,570	17,670
Financial liabilities	48,539	39,170
Trade payables	70,497	67,917
Other liabilities	34,734	31,129
Income tax liabilities	7,747	8,391
	176,087	**164,277**
	978,562	**989,082**

Consolidated statement of cash flows

In EUR k	Q1 2011	Q1 2010
Cash flows from operating activities		
Loss or profit before interest and taxes from continuing operations	-705	3,001
Write-downs (+) of non-current assets	15,871	10,317
Interest paid (-)	-1,841	-2,146
Interest received (+)	235	124
Income taxes paid (-)/received (+)	-2,699	-1,898
Increase (+)/decrease (-) in provisions	-3,323	-1,362
Other non-cash expenses (+)/income (-)	-1,206	1,372
Gain (-)/loss (+) on the disposal of non-current assets	207	337
Increase (-)/decrease (+) in inventories, trade receivables and other assets	-22,461	-20,242
Increase (+)/decrease (-) in trade payables and other liabilities	5,788	13,177
Cash flows from operating activities	-10,134	2,680
Cash flows from investing activities		
Cash received (+) from the disposal of property, plant and equipment	252	102
Cash paid (-) for investments in property, plant and equipment	-11,587	-3,029
Cash paid (-) for investments in intangible assets	-392	-385
Cash paid (-) for investments in financial assets	-29	-25
Cash received (+) from/paid (-) for the disposal of consolidated entities	-99	-58
Cash flows from investing activities	-11,855	-3,395
Cash flows from financing activities		
Cash received (+) from borrowings	2,279	0
Cash repayments (-) of borrowings	-24	-945
Cash flows from financing activities	2,255	-945
Cash at the end of the period		
Change in cash	-19,733	-1,660
Cash at the beginning of the period	106,120	57,257
Cash at the end of the period	86,387	55,597
Composition of cash		
Cash	86,387	55,597
Cash at the end of the period	86,387	55,597

Consolidated statement of changes in equity as of 31 March 2011

In EUR k	Subscribed capital: Common shares	Subscribed capital: Preferred shares	Capital reserves	Retained earnings	Accumulated other comprehensive income: Exchange differences on translating foreign operations	Accumulated other comprehensive income: Cash flow hedges	Total	Non-controlling interests	Total equity
1 Jan 2011	**42,098**	**0**	**296,490**	**-45,095**	**-10,822**	**-7,738**	**274,933**	**21,536**	**296,469**
Loss for the period	0	0	0	-6,220	0	0	-6,220	-467	-6,687
Other comprehensive income	0	0	0	0	-7,376	3,257	-4,119	-846	-4,965
Total comprehensive income	0	0	0	-6,220	-7,376	3,257	-10,339	-1,313	-11,652
Change in basis of consolidation	0	0	0	0	0	0	0	0	0
Capital increase using company funds	0	0	0	0	0	0	0	0	0
Issue of shares	0	0	0	0	0	0	0	0	0
Direct costs relating to going public (after tax)	0	0	0	0	0	0	0	0	0
Effects from the sale of ownership interests in subsidiaries without loss of control	0	0	0	1,265	0	0	1,265	-1,265	0
Obligation to purchase treasury shares	0	0	0	-2,841	0	0	-2,841	2,841	0
Dividends	0	0	0	0	0	0	0	0	0
31 Mar 2011	**42,098**	**0**	**296,490**	**-52,891**	**-18,198**	**-4,481**	**263,018**	**21,798**	**284,816**

In EUR k	Subscribed capital: Common shares	Subscribed capital: Preferred shares	Capital reserves	Retained earnings	Accumulated other comprehensive income: Exchange differences on translating foreign operations	Accumulated other comprehensive income: Cash flow hedges	Total	Non-controlling interests	Total equity
1 Jan 2010	**474**	**38**	**34,509**	**-81,543**	**-4,667**	**-12,424**	**-63,613**	**15,528**	**-48,085**
Loss for the period	0	0	0	-9,624	0	0	-9,624	161	-9,463
Other comprehensive income	0	0	0	0	1,710	-2,239	-529	103	-426
Total comprehensive income	0	0	0	-9,624	1,710	-2,239	-10,152	264	-9,888
Capital increase using company funds	0	0	0	0	0	0	0	0	0
Obligation to purchase treasury shares	0	0	0	-69	0	0	-69	69	0
Dividends	0	0	0	0	0	0	0	-59	-59
31 Mar 2010	**474**	**38**	**34,509**	**-91,236**	**-2,957**	**-14,663**	**-73,835**	**15,802**	**-58,033**

Reporting by operating segment

In EUR k	Ströer Germany	Ströer Turkey	Other	Reconciliation	Group value
Q1 2011					
External revenue	91,875	18,740	12,271	0	122,887
Internal revenue	10	0	0	-10	0
Segment revenue	91,885	18,740	12,271	-10	122,887
Operational EBITDA	18,739	868	-813	-2,611	16,183
Q1 2010					
External revenue	87,023	9,034	9,010	0	105,067
Internal revenue	4	0	0	-4	0
Segment revenue	87,027	9,034	9,010	-4	105,067
Operational EBITDA	17,409	1,627	-722	-1,620	16,695

Reporting by product group

In EUR k	Billboard	Street furniture	Transport	Other	Group value
Q1 2011					
External revenue	62,909	33,724	18,446	7,807	122,887
Q1 2010					
External revenue	51,872	26,220	15,681	11,294	105,067

Notes to the condensed consolidated interim financial statements

General

1 Information on the Company and Group

Ströer Out-of-Home Media AG (Ströer) has its registered office at Ströer Allee 1 in Cologne (Germany) and is entered in the commercial register of Cologne Local Court under HRB no. 41548.

The purpose of the Company and the other entities (the Ströer Group or the Group) included in the condensed consolidated interim financial statements (the consolidated interim financial statements) is the commercialization of out-of-home media. The Group uses all forms of out-of-home media, from traditional billboards and transport media through to digital media to reach its target audience. See the relevant explanations in the notes to the consolidated financial statements as of 31 December 2010 for a detailed description of the Group's structure and its operating segments.

2 Basis of preparation of the financial statements

The consolidated interim financial statements for the period from 1 January to 31 March 2011 were prepared in accordance with IAS 34, *Interim Financial Reporting*. The consolidated interim financial statements must be read in conjunction with the consolidated financial statements as of 31 December 2010.

The disclosures required by IAS 34 on changes to items in the consolidated statement of financial position (also known as a balance sheet), the consolidated income statement and the consolidated statement of cash flows are made in the interim group management report.

Due to rounding differences, figures in tables may differ slightly from the actual figures.

3 Accounting policies

The figures disclosed in these consolidated interim financial statements were determined in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. The accounting policies applied in the consolidated financial statements as of 31 December 2010 were also applied in these consolidated interim financial statements.

4 Accounting estimates

Preparation of the consolidated interim financial statements in compliance with IFRSs requires management to make assumptions and estimates which have an impact on the figures disclosed in the consolidated financial statements and consolidated interim financial statements. The estimates are based on historical data and other information on the transactions concerned. Actual results may differ from such estimates. The accounting estimates and assumptions applied in the consolidated financial statements as of 31 December 2010 were also used to determine the estimated values presented in these consolidated interim financial statements.

5 Related party disclosures

See the consolidated financial statements as of 31 December 2010 for information on related party disclosures. There were no significant changes as of 31 March 2011.

6 Segment information

See the explanations in the consolidated financial statements as of 31 December 2010 for information on the different segments and product groups.

Reconciliation of the segment reporting by operating segment

In EUR k	Q1 2011	Q1 2010
Total segment results (operational EBITDA)	18,794	18,314
Material items	-2,611	-1,620
Group operational EBITDA	16,183	16,695
Adjustment effects	-1,017	-3,377
EBITDA	15,166	13,318
Amortization and depreciation	-15,871	-10,317
Finance income	5,945	1,950
Finance costs	-15,778	-12,472
Consolidated loss before income taxes	-10,537	-7,521

7 Seasonality

The Group's revenue and earnings are seasonal in nature. Revenue and earnings are generally lower in the first and third quarters compared to the second and fourth quarters.

8 Disclosures on business combinations

Purchase price allocation of Ströer City Marketing Sp. z.o.o. (formerly News Outdoor Poland Sp. z.o.o.)

The purchase price for the purchase price allocation as of 31 December 2010 is still provisional. For this reason, goodwill is also provisional.

The adjustment of the provisional purchase price allocation had the following effects on the income statement and statement of financial position as of 31 December 2010:

In EUR k

Advertising concessions	17,351
Goodwill	-13,532
Property, plant and equipment	-159
Deferred tax assets	40
Deferred tax liabilities	3,298
Other provisions	212
Trade payables	303
Write-downs of advertising concessions and contracts on hand (recognized in cost of sales)	425
Other operating income	42
Income taxes	222

Goodwill breaks down as follows:

In EUR k	
Purchase price	22,618
Net assets acquired	16,221
Non-controlling interests	64
Goodwill	6,333

9 Subsequent events

See the disclosures made in the group management report for information on subsequent events.

Cologne, 18 May 2011

Udo Müller Chief Executive Officer	Alfried Bührdel Chief Financial Officer	Dirk Wiedenmann Member of the Board of Management

Adjusted income statement

Reconciliation of the consolidated income statement to the non-IFRS figures disclosed in the financial reports.

Q1 2011 In EUR m	Income statement in accordance with IFRSs	Reclassification of amortization, depreciation and impairment losses	Reclassification of adjustment items	Income statement for management accounting purposes	Impairment and amortization of advertising concessions	Valuation effects from derivatives	Exchange rate effects from intragroup loans	Tax normalization	Elimination of exceptional items	Adjusted income statement for Q1 2011	Adjusted income statement for Q1 2010
Revenue	**122.9**			**122.9**						**122.9**	**105.1**
Cost of sales	-86.2	14.6		-71,6						-71.6	-60.0
Selling expenses	-19.2										
Administrative expenses	-19.0										
Overheads	-38.2	1.3	0.8	-36.1						-36.1	-30.5
Other operating income	3.3										
Other operating expenses	-2.5										
Other operating result	0.8		0.2	1.0						1.0	2.1
Operational EBITDA				**16.2**						**16.2**	**16,7**
Amortization and depreciation		-15.9		-15.9	6.4					-9.4	-6.4
Operational EBIT				**0.3**						**6.8**	**10.3**
Exceptional items			-1.0	-1.0					1.0	0.0	0.0
Finance income	5.9										
Finance costs	-15.8										
Net financial result	-9.8			-9.8		-2.6	3.9			-8.5	-10.8
Income taxes	3.9			3.9				-3.3		0.6	0.2
Loss from discontinued operations (net of tax)	0.0			0.0						0.0	0.0
Profit or loss for the period	**-6.7**	**0.0**	**0.0**	**-6.7**	**6.4**	**-2.6**	**3.9**	**-3.3**	**1.0**	**-1.2**	**-0.4**

Financial calendar

15 June 2011	Annual general meeting, Cologne
16 August 2011	Publication of the H1/Q2 report for 2011
15 November 2011	Publication of the 9M/Q3 report for 2011

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Disclaimer

This quarterly report contains forward-looking statements which entail risks and uncertainties. The actual business development and results of Ströer Out-of-Home Media AG and of the Group may differ significantly from the assumptions made in this quarterly report. This quarterly report does not constitute an offer to sell or an invitation to submit an offer to purchase securities of Ströer Out-of-Home Media AG. There is no obligation to update the statements made in this quarterly report.