STRÖER

Half-year financial report 6M/Q2 2013

STRÖER MEDIA AG

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THE GROUP' S FINANCIAL FIGURES AT A GLANCE

		Q2 2013	Q2 2012	Change	6M 2013	6M 2012	Change
Revenue	EUR m	**163.5**	**148.8**	**9.9%**	**289.0**	**267.4**	**8.1%**
by segment							
Ströer Germany	EUR m	109.4	108.1	1.2%	204.8	198.5	3.2%
Ströer Turkey	EUR m	28.9	25.3	14.1%	49.2	42.4	16.1%
Online	EUR m	9.5	0.0	n.d.	9.5	0.0	n.d.
Other (Ströer Poland and BlowUP)	EUR m	15.9	15.4	3.1%	25.7	26.7	-3.6%
by product group							
Billboard	EUR m	81.3	80.5	1.0%	142.9	140.6	1.6%
Street furniture	EUR m	37.3	36.6	1.9%	72.2	70.0	3.2%
Transport	EUR m	25.2	22.8	10.9%	46.2	40.5	14.1%
Online	EUR m	9.5	0.0	n.d.	9.5	0.0	n.d.
Other	EUR m	10.2	8.9	14.9%	18.2	16.3	11.6%
Organic growth[1]	%	4.4	-6.5		5.0	-4.9	
Gross profit[2]	EUR m	54.1	48.7	11.2%	85.5	78.5	8.9%
Operational EBITDA[3]	EUR m	**33.9**	**31.5**	**7.5%**	**47.4**	**40.8**	**16.2%**
Operational EBITDA[3] margin	%	20.7	21.2		16.4	15.3	
Adjusted EBIT[4]	EUR m	22.7	21.9	3.7%	25.3	21.6	17.2%
Adjusted EBIT[4] margin	%	13.9	14.7		8.7	8.1	
Adjusted profit or loss for the period[5]	EUR m	11.8	9.1	30.4%	9.8	2.9	> +100%
Adjusted earnings per share[6]	€	0.24	0.22	8.0%	0.21	0.09	> +100%
Profit or loss for the period[7]	EUR m	4.9	5.9	-18.2%	-1.4	-0.2	< -100%
Earnings per share[8]	€	0.08	0.15	-45.7%	-0.05	0.01	n.d.
Investments[9]	EUR m				16.2	20.5	-20.7%
Free cash flow[10]	EUR m				-1.0	-12.1	91.6%
					30 Jun 2013	**31 Dec 2012**	**Change**
Total equity and liabilities	EUR m				940.1	863.7	8.8%
Equity	EUR m				319.0	279.6	14.1%
Equity ratio	%				33.9	32.4	
Net debt[11]	EUR m				321.4	302.1	6.4%
Employees[12]	number				1,984	1,750	13.4%

1) 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
4) Earnings before interest and taxes adjusted for exceptional items, amortization of acquired advertising concessions and impairment losses on intangible assets
5) Adjusted EBIT before non-controlling interests net of the financial result adjusted for exceptional items and the normalized tax expense
6) Adjusted profit or loss for the period net of non-controlling interests divided by the number of shares outstanding after the IPO (42,098,238) plus the time-weighted addition of the shares from the capital increase (6,771,546) on 3 June 2013
7) Profit or loss for the period before non-controlling interests
8) Actual profit or loss for the period net of non-controlling interests divided by the number of shares outstanding after the IPO (42,098,238) plus the time-weighted addition of the shares from the capital increase (6,771,546) on 3 June 2013
9) Including cash paid for investments in property, plant and equipment and in intangible assets
10) Cash flows from operating activities less cash flows from investing activities
11) Financial liabilities less derivative financial instruments and cash
12) Headcount (full and part-time employees)

FOREWORD BY THE BOARD OF MANAGEMENT

Dear shareholders,

The positive revenue trend in the first quarter of this year also continued in the second quarter and led to an organic revenue growth of 5.0% overall in the first half of 2013. Once again, this was driven by revenue increases in Germany and Turkey.

In Germany, the main positive factor was the greater demand for digital out-of-home products. The dynamic revenue growth in Turkey was attributable to the expansion of our portfolio under the new Istanbul contract, the positive response to our new giant billboard format and high capacity utilization. The acquisitions of adscale GmbH and Ströer Digital Group GmbH, which were closed in April and June respectively,* enabled us to successfully complete the planned purchase of the online marketing companies announced in December 2012 and to add the marketing of online advertising to our business model. In May, we also acquired the location-based advertising segment ("RAdcarpet") of Servtag GmbH, Berlin, thereby adding a specialist in online advertising for mobile devices to our online portfolio.

We believe that the developments in the first half of this year confirm our strategic decision to further strengthen our market position in our core markets of Germany, Turkey and Poland. We want to offer our customers in these countries individualized communications solutions across the entire digital value chain and at the same time become a fully integrated marketer of out-of-home and online advertsing.

The trends we have observed during Q2 seem to continue throughout Q3. However, following a more quiet summer period in our markets we are currently expecting an organic growth rate of around 1% for the third quarter 2013.

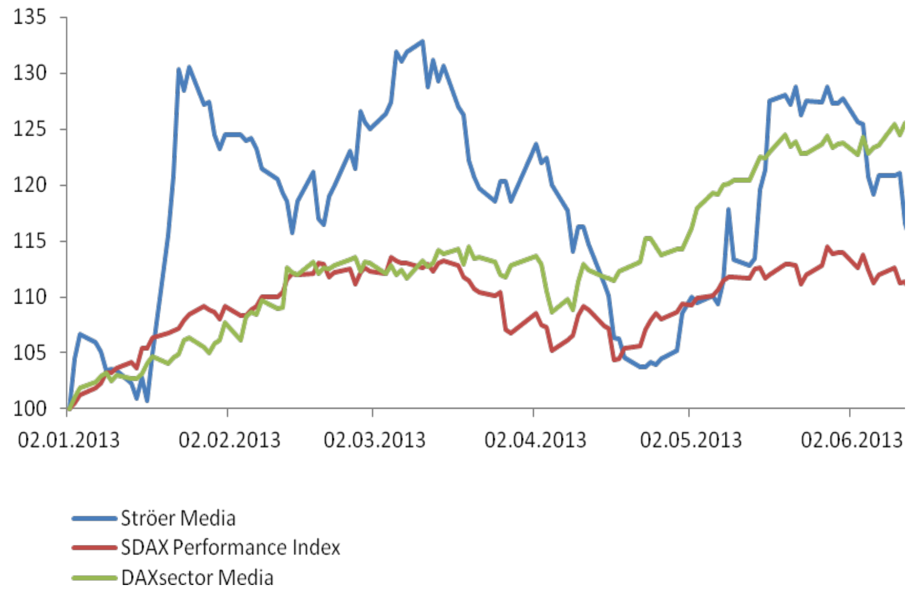
The Board of Management

Udo Müller　　Alfried Bührdel　　Christian Schmalzl

* See the "Disclosures on business combinations" in the "Notes to the condensed consolidated interim financial statements."

SHARE

The continuing expansive monetary policy in the eurozone, coupled with positive sentiment indicators in Germany, again boosted share prices in the second quarter. The DAX reached a record high of 8,557 points on 22 May, up 2.3% over the entire first six months. Ströer's share price increased by 12% over the first half of 2013, peaking at EUR 8.96 in the reporting period on 11 March. In the second quarter, the share reacted temporarily sensitive to the political unrest in Turkey for a short time and closed the first six months at EUR 7.57.



Shareholder meeting

Ströer Media AG's shareholder meeting was held at the Koelnmesse Congress Center on 8 August 2013 and was attended by approximately 70 shareholders, guests and representatives of the press. Overall, around 77% of the capital stock was represented. All resolutions proposed by the supervisory board and board of management were accepted by majorities of more than 90%.

Stock exchange listing, market capitalization and trading volume

Ströer 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 closing share price on 28 June 2013, market capitalization came to EUR 368m.

We are continuing our efforts to boost the attractiveness of the Ströer share for investors, for example by improving its liquidity and the volume of trading in our shares on Xetra. The average daily volume of Ströer stock traded on German stock exchanges was some 48,000 shares in the first half of 2013 – almost 4% higher than the comparative prior-year figure. Including over-the-counter (OTC) trading between investors and brokers, an average of around 98,000 shares were traded daily in the first six months of 2013 (prior year: around 136,000 shares). The proportion of overall trading accounted for by the stock exchange rose from 34% in the prior year to 48% in the first half of 2013.

Analysts' coverage

The performance of Ströer Media AG is tracked by 10 teams of analysts. Based on the most recent assessments, three of the analysts are giving a "buy" recommendation, six say "hold" and one "sell." The latest broker assessments are available at www.stroeer.de/investor-relations and are presented in the following table:

Investment bank	Recommendation*
Berenberg Bank	Hold
Citigroup Global Markets	Hold
Close Brothers Seydler Research	Hold
Commerzbank	Hold
KeplerChevreux	Sell
Deutsche Bank	Buy
Goldman Sachs	Hold
Hauck & Aufhäuser Institutional Research	Buy
J.P. Morgan	Buy
Morgan Stanley	Hold

*As of 30 June 2013

Shareholder structure

Our capital stock increased by 6,771,546 shares due to the utilization of the authorized capital for the acquisition of Ströer Digital Group GmbH on 3 June 2013. The total number of Ströer shares issued was 48,869,784 at the end of the reporting period.

CEO Udo Müller holds 24.22%, supervisory board member Dirk Ströer holds 29.95% and CFO Alfried Bührdel and board of management member Christian Schmalzl together hold around 0.15% of Ströer Media AG shares. The free float comes to 40,10%.

According to the notifications made to the Company as of the date of publication of this report on 22 August 2013, the following parties reported to us that they hold more than 3% of the voting rights in Ströer Media AG: Sambara Stiftung (5.73%), DWS Investment (5.05%), Credit Suisse (4.63%), JO Hambro Capital Management (3.01%), Allianz Global Investors Europe (3.00%).

Information on the current shareholder structure is permanently available at www.stroeer.de/investor-relations.

INTERIM GROUP MANAGEMENT REPORT

Interim group management report

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INTERIM GROUP MANAGEMENT REPORT

GROUP STRUCTURE AND REPORTING PERIOD

The Ströer Group is a leading provider in the area of out-of-home advertising and commercialization services for online advertising. Its key operations are in Germany, Turkey and Poland. Through the subsidiaries of the BlowUP division, Ströer also has operations in the UK, the Netherlands, Spain and Belgium. Ströer offers out-of-home advertising services for the billboard, street furniture and transport product groups in all its core markets. In addition, the Ströer Group is now active in the commercialization of online advertising, offering its customers individualized communications solutions across the entire digitalized value chain – from inventory and technology through to audience targeting.

The Group gradually built up its online portfolio through various acquisitions during the first half of the year. Effective 4 April 2013, Ströer Media AG acquired around 91% of the shares in adscale GmbH, Munich. It also acquired all shares in Ströer Digital Group GmbH, Cologne, effective 3 June 2013. This holding company holds all shares in Ströer Digital Media GmbH (formerly Ströer Interactive GmbH) and freeXmedia GmbH as well as 50.4% of shares in Business Advertising GmbH.

Effective 23 May 2013, the Ströer Group additionally acquired the location-based advertising product group ("RAdcarpet") from Servtag GmbH, Berlin, in an asset deal via its group entity Ströer Mobile Media GmbH. RAdcarpet is a location-based advertising network specialized in local and hyperlocal mobile advertising.

The activities of the newly acquired entities are bundled in Ströer Digital Group GmbH and presented in the separate "Online" segment.

This interim management report covers the period from 1 January to 30 June 2013.

BUSINESS ENVIRONMENT

Macroeconomic development

The macroeconomic environment improved slightly in the second quarter of 2013, leading to the view that the economy in both Germany and the eurozone as a whole bottomed out in the winter of 2012/2013. Germany's ifo business climate index for industry and trade again increased in June 2013 and the chances of a slight recovery in the second half of 2013 and in 2014 are seen as positive overall. However, the muted growth of the global economy and the uncertain outcome of the sovereign debt crisis in Europe are continuing to prevent a dynamic upturn in German gross domestic product.

The Turkish economy has fallen short of expectations in the year to date, with the World Bank forecasting only moderate growth for the country in full-year 2013. The weak momentum in the eurozone is also affecting the economy in Poland, whose finance ministry has reduced its growth forecast to 1.5% for 2013.

The Turkish lira and Polish zloty weakened against the euro in the first half of 2013. The zloty fell by approximately 6.5% compared with 31 December 2012, while the lira declined by 7.0%. This led to negative exchange rate effects for Ströer.

Industry performance

Although the performance of the overall advertising market remains subdued based on Nielsen Media Research's measure of gross advertising revenue, out-of-home media and the internet based advertising trend. We are expecting this trend to continue for the rest of the year.

The advertising market in Turkey is growing faster than the overall economy. The Turkish Association of Advertising Agencies (TAAA) is forecasting slightly less than double-digit growth for full-year 2013.

The Polish media market and in particular the out-of-home advertising market are currently facing a very difficult situation. Smaller advertising budgets are intensifying price pressure in the country's entire media sector. According to the net figures recorded by the Polish Chamber of Commerce for Out-of-Home Advertising (IGRZ), the Polish out-of-home advertising market contracted by 18% in the first half of 2013.

BUSINESS PERFORMANCE AND RESULTS OF OPERATIONS OF THE GROUP AND THE SEGMENTS

Results of operations of the Group

Consolidated income statement

In EUR m	Q2 2013		Q2 2012		Change	
Continuing operations						
Revenue	163.5	100.0%	148.8	100.0%	14.8	9.9%
Cost of sales	-109.4	-66.9%	-100.1	-67.3%	-9.3	-9.3%
Gross profit	**54.1**	**33.1%**	**48.7**	**32.7%**	**5.5**	**11.2%**
Selling expenses	-20.7	-12.6%	-19.2	-12.9%	-1.5	-7.9%
Administrative expenses	-20.8	-12.7%	-17.5	-11.8%	-3.4	-19.2%
Other operating income	3.1	1.9%	4.4	3.0%	-1.4	-31.4%
Other operating expenses	-1.8	-1.1%	-2.6	-1.7%	0.8	31.7%
EBIT	**13.9**	**8.5%**	**13.9**	**9.3%**	**0.0**	**0.1%**
EBITDA	**31.5**	**19.3%**	**30.1**	**20.2%**	**1.5**	**4.8%**
Operational EBITDA	**33.9**	**20.7%**	**31.5**	**21.2%**	**2.4**	**7.5%**
Financial result	-6.5	-4.0%	-6.9	-4.6%	0.4	**5.8%**
EBT	**7.4**	**4.5%**	**7.0**	**4.7%**	**0.4**	**6.0%**
Income taxes	-2.6	-1.6%	-1.1	-0.7%	-1.5	<-100%
Post-tax profit or loss from continuing operations	**4.9**	**3.0%**	**5.9**	**4.0%**	**-1.1**	**-18.2%**
Profit or loss for the period	**4.9**	**3.0%**	**5.9**	**4.0%**	**-1.1**	**-18.2%**

In EUR m	6M 2013		6M 2012		Change	
Continuing operations						
Revenue	289.0	100.0%	267.4	100.0%	21.6	8.1%
Cost of sales	-203.6	-70.4%	-188.9	-70.6%	-14.6	-7.7%
Gross profit	**85.5**	**29.6%**	**78.5**	**29.3%**	**7.0**	**8.9%**
Selling expenses	-40.6	-14.0%	-39.8	-14.9%	-0.8	-2.1%
Administrative expenses	-39.1	-13.5%	-35.5	-13.3%	-3.6	-10.1%
Other operating income	6.0	2.1%	9.1	3.4%	-3.1	-34.4%
Other operating expenses	-3.4	-1.2%	-6.2	-2.3%	2.7	44.2%
EBIT	**8.3**	**2.9%**	**6.1**	**2.3%**	**2.2**	**35.5%**
EBITDA	**43.4**	**15.0%**	**38.5**	**14.4%**	**4.9**	**12.7%**
Operational EBITDA	**47.4**	**16.4%**	**40.8**	**15.3%**	**6.6**	**16.2%**
Financial result	-11.1	-3.9%	-10.9	-4.1%	-0.2	**-2.2%**
EBT	**-2.8**	**-1.0%**	**-4.8**	**-1.8%**	**1.9**	**40.5%**
Income taxes	1.4	0.5%	4.6	1.7%	-3.1	-68.6%
Post-tax profit or loss from continuing operations	**-1.4**	**-0.5%**	**-0.2**	**-0.1%**	**-1.2**	**<-100%**
Profit or loss for the period	**-1.4**	**-0.5%**	**-0.2**	**-0.1%**	**-1.2**	**<-100%**

The Ströer Group again increased its **revenue** in the second quarter of this year compared with the corresponding prior-year period. Consequently, revenue rose by EUR 21.6m year on year to EUR 289.0m in the first six months. This trend is mainly due to the continued growth in revenue from our digital advertising media in Germany. In Turkey, we benefited from robust customer demand, which we were able to meet due to the expansion of our advertising media capacity. In addition, the acquisitions finalized in the second quarter to build up our online advertising business are reflected for the first time in our consolidated revenue by around EUR 9m.

The increase in revenue was accompanied by a EUR 14.6m rise in the **cost of sales** to EUR 203.6m in the same period. This was primarily attributable to inflation-related increases in lease payments in Turkey as well as higher lease payments in Germany. Furthermore, the expansion in capacity led to a rise in running and electricity costs, while the first-time consolidation of the online marketers also increased the cost of sales. Overall, **gross profit** improved by EUR 7.0m to EUR 85.5m.

Selling expenses were up by EUR 0.8m year on year to EUR 40.6m, but decreased by EUR 0.4m excluding the Online segment. **Administrative expenses** rose by EUR 3.6m compared with the first half of 2012 to EUR 39.1m. Alongside additional expenses of EUR 1.7m due to the newly acquired entities, this item chiefly reflects higher amortization charges on software as part of the restructuring of the IT landscape, the moderate increase in salaries and higher bonus provisions. Nevertheless, selling and administrative expenses as a percentage of revenue fell slightly overall from 28.1% in the first half of the prior year to 27.6%.

Other operating income declined from EUR 9.1m in the prior year to EUR 6.0m in the first six months of 2013. EUR 1.3m of this decrease was attributable to lower exchange gains from operating activities. **Other operating expenses** fell by EUR 2.7m to EUR 3.4m. A large proportion of this decrease (EUR 1.0m) also related to exchange rate effects from operating activities.

The abovementioned effects meant that the Ströer Group's **EBITDA** improved by EUR 4.9m in the first half of 2013 to EUR 43.4m. **Operational EBITDA** also rose sharply by just under EUR 6.6m to EUR 47.4m.

At EUR -11.1m, the Ströer Group's **financial result** almost matched the prior-year level despite highly contrasting effects within this item. In particular, the exchange result from valuation effects on intragroup loans at EUR -2.2m, granted by the holding company to its foreign subsidiaries in the first half of 2013 was EUR 7.8m lower than in the prior-year period (EUR 5.6m). In contrast, Ströer recorded a EUR 7.3m improvement in its interest result due to the optimization of the Group's financing structure in August 2012, as well as favorable interest rate trends on the capital markets and the expiry of fixed interest commitments in October 2012 and April 2013. Furthermore, the valuation of interest rate swaps led to a positive earnings contribution of EUR 1.7m (prior year: EUR 0.7m).

In the first half of 2013, **income taxes** decreased by EUR 3.1m year on year and reached EUR 1.4m. This was mainly attributable to the change in the Group's expected effective tax rate for full-year 2013 applicable to the pre-tax profit or loss reported in the interim financial statements.

The EUR 1.4m **loss for the period** in the first six months of the fiscal year was higher than the prior-year figure (loss of EUR 0.2m). However, while the result for the first half of 2012 reflected positive special effects within the financial result, the corresponding figure this year is marked by sustained improvements in both the operating result and the financial result.

Business and earnings development by segment

Ströer Germany

In EUR m	Q2 2013	Q2 2012	Change		6M 2013	6M 2012	Change	
Segment revenue, thereof	109.4	108.1	1.3	1.2%	204.8	198.5	6.3	3.2%
Billboard	45.3	47.6	-2.3	-4.8%	82.1	83.9	-1.7	-2.1%
Street furniture	29.7	29.7	0.0	0.0%	59.8	59.2	0.6	1.0%
Transport	25.0	22.4	2.6	11.5%	45.9	40.0	5.8	14.5%
Other	9.4	8.4	1.0	11.7%	17.0	15.4	1.6	10.1%
Operational EBITDA	25.6	27.3	-1.7	-6.4%	42.9	42.7	0.2	0.4%
Operational EBITDA margin	23.4%	25.3%	-1.9 percentage points		21.0%	21.5%	-0.6 percentage points	

The Ströer Germany segment increased its revenue slightly year on year in the second quarter of 2013. As expected, it was unable to fully match the revenue growth of the first quarter as some campaigns were brought forward due to the relatively early Easter holiday. Revenue in the first six months as a whole rose by EUR 6.3m to EUR 204.8m. While bookings by our major national customers increased slightly over the first six months, our regional business continued to remain on a growth trajectory.

Muted demand in the second quarter prevented the billboard product group from building on the moderate revenue growth of the first quarter. This led to a slight decline of EUR 1.7m compared with the first half of 2012. The street furniture product group generated revenue of EUR 59.8m in the reporting period, up EUR 0.6m year on year. In contrast, the transport product group once again benefited from the substantial growth in the digital segment, with significant contribution of double-digit growth rates in Out-of-Home Channel. The proportion of segment revenue generated by digital formats rose to around 9.8%.

The increase in revenue in the Ströer Germany segment was accompanied by a rise in rental and lease expenses as well as running costs. Higher electricity costs in particular had an adverse effect on operational EBITDA. Consequently, the operational EBITDA margin also declined slightly.

Ströer Turkey

In EUR m	Q2 2013	Q2 2012	Change		6M 2013	6M 2012	Change	
Segment revenue, thereof	28.9	25.3	3.6	14.1%	49.2	42.4	6.8	16.1%
Billboard	21.4	18.3	3.0	16.6%	36.9	31.6	5.4	17.0%
Street furniture	7.4	6.8	0.6	9.5%	12.1	10.6	1.6	14.7%
Transport	0.0	0.0	0.0	-3.3%	0.1	0.1	0.0	-3.5%
Other	0.0	0.1	-0.1	-94.1%	0.0	0.1	-0.1	-87.6%
Operational EBITDA	7.0	4.5	2.5	56.1%	6.7	1.8	4.9	>100%
Operational EBITDA margin	24.4%	17.8%	6.6 percentage points		13.6%	4.4%	9.3 percentage points	

The Ströer Turkey segment continued its growth trajectory in the second quarter of 2013. On the one hand, its sustained upward trend is due to the giant and premium boards launched in Istanbul in the past year, which continue to experience high customer demand. On the other hand, the significant expansion of advertising media capacity in Istanbul in particular contributed to the encouraging performance. Segment revenue was up by EUR 6.8m year on year to EUR 49.2m at the end of the reporting period. Organic growth adjusted for exchange rate effects came to 19.2%.

The growth in segment revenue was contrasted with a higher cost of sales in some cases. A large proportion of the fixed lease agreements are inflation-indexed, which means that any increase in inflation leads to an automatic adjustment of the lease payments. These increases in lease payments also affected advertising media capacity that was created by the billboard marketing contract in Istanbul and that in some cases did not generate any income as it was still being installed at the beginning of the year. At the same time, general running costs were also slightly higher than in the prior year, while overheads saw a minor decrease. Overall, the increase in costs was more than offset by the jump in revenue. This led to an improvement in operational EBITDA and a further upturn in the operational EBITDA margin.

Online

In EUR m	Q2 2013	Q2 2012	Change		6M 2013	6M 2012	Change	
Segment revenue, thereof	9.5	-	-	-	9.5	-	-	-
Online	9.5	-	-	-	9.5	-	-	-
Operational EBITDA	0.6	-	-	-	0.6	-	-	-
Operational EBITDA margin	6.1%	-		-	6.1%	-		-

In the second quarter the Ströer Group gradually entered the online advertising business (see the "Disclosures on business combinations" in the "Notes to the condensed consolidated interim financial statements"). This step represents an important pillar of our corporate strategy and we are reporting its contributions in a separate segment. The new Online segment comprises the revenue and earnings contributions of adscale GmbH (91% acquired in April), Ströer Digital Group GmbH, which was acquired in full in June, and contributions from the takeover of the location-based advertising segment of Servtag GmbH. Although the above figures do not reflect a full quarter due to the Group's gradual entry into the online business, the results to date are in line with our expectations. The integration of the newly acquired entities into the Ströer Group is also proceeding according to plan.

Other

In EUR m	Q2 2013	Q2 2012	Change		6M 2013	6M 2012	Change	
Segment revenue, thereof	15.9	15.4	0.5	3.1%	25.7	26.7	-1.0	-3.6%
Billboard	14.6	14.6	0.0	0.2%	23.8	25.1	-1.3	-5.3%
Street furniture	0.2	0.1	0.1	52.8%	0.3	0.2	0.0	16.8%
Transport	0.2	0.3	-0.1	-36.9%	0.3	0.4	-0.1	-28.2%
Other	1.0	0.5	0.5	>100%	1.4	0.9	0.4	47.3%
Operational EBITDA	3.0	1.8	1.2	66.5%	1.5	0.4	1.0	>100%
Operational EBITDA margin	18.7%	11.6%	7.1 percentage points		5.8%	1.7%	4.1 percentage points	

The "Other" segment includes our Polish out-of-home activities and the western European giant poster business of the BlowUP division.

Revenue in the Poland sub-segment was hit hard by the still very weak advertising market environment. Lower capacity utilization rates led to continuing price pressure. However, this trend was partly offset by a rigorous cost-cutting program aimed at leases and overheads. Despite, the persistently weak revenue resulted in a decline of operational EBITDA, the operational EBITDA margin remained largely stable.

In the BlowUP sub-segment, the signs of an upturn became more visible in the reporting period. Revenue in the UK in particular picked up significantly due to our good location portfolio and lively customer demand. The cost of sales and overheads increased only marginally compared with the first half of 2012.

Overall, these factors generously offset the unfavorable development in the Poland sub-segment. The operational EBITDA margin was robust due to the ongoing recovery of the BlowUP sub-segment.

FINANCIAL POSITION

Liquidity and investment analysis

In EUR m	6M 2013	6M 2012
Cash flows from operating activities	28.0	8.0
Cash flows from investing activities	-29.0	-20.2
Free cash flow	-1.0	-12.1
Cash flows from financing activities	5.2	-9.9
Change in cash	4.2	-22.0
Cash	27.6	112.0

Cash flows from operating activities increased EUR 19.9m in the first six months of 2013 from EUR 8.0m in the same prior-year period to EUR 28.0m. This upward trend is largely due to the following contrasting factors. Current trade receivables, adjusted for additions from business combinations, decreased slightly in 2013 (down EUR 2.6m), following an increase of EUR 8.4m in the prior-year period. This is mainly due to the fact that payments due at the end of 2012 from some key accounts were received in the new year. Ströer also was able to spread certain parts of its payments more equally over the year in 2013. In addition, interest payments decreased by EUR 6.8m compared with the first six months of the prior year due to the optimized financing structure, lower interest rates on the capital market and expired fixed interest commitments. Higher income tax payments have an adverse effect relating to tax backpayments for prior years and adjustments made to current tax prepayments.

Cash flows from investing activities amounted to EUR -29.0m. The decrease compared to the prior year (EUR -20.2m) is attributable to payments of EUR 13.2m made for online advertising acquisitions. The ongoing cautious investment in our advertising media portfolio gave rise to a counter effect. Overall, **free cash flow** came to EUR -1.0m (prior year: EUR -12.1m).

Cash flows from financing activities result in particular from funds raised to finance the purchase price payment for the acquisition of adscale GmbH made in April 2013. Further, there was an outflow of EUR 6.0m in connection with the acquisition of an additional 15% of the shares in BlowUP Media GmbH.

Overall, **cash** increased by EUR 4.2m to EUR 27.6m. However, this figure is significantly short of the respective prior-year amount of EUR 112.0m, which saw a substantial decrease after the new financing structure was implemented and loan liabilities were repaid in July 2012.

Financial structure analysis

Non-current liabilities were up to EUR 411.6m compared with EUR 403.2m as of 31 December 2012. Except for non-current financial liabilities, there were no significant changes to the individual items in the statement of financial position compared with year-end. Of the total increase of EUR 8.3m, EUR 1.3m related to items of entities which were included in the consolidated financial statements for the first time in 2013. The EUR 11.3m increase in non-current financial liabilities is primarily due to payments made for the acquisition of adscale GmbH and for the acquisition of 15% of the shares in BlowUP Media GmbH.

Current liabilities increased by EUR 28.6m from EUR 180.9m as of 31 December 2012 to EUR 209.5m. Adjusted for the newly acquired online advertising companies, the increase was EUR 10.2m. Thereof EUR 8.6m related to higher current financial liabilities, which were due in particular to the acquisition of shares in Ströer Digital Group GmbH and adscale GmbH (earn-out liabilities). In addition, the increase reflects the higher level of trade payables due to invoice timing factors (up EUR 5.8m (adjusted)) and higher other liabilities (up EUR 7.1m (adjusted)). The latter mainly relates to the customer prepayments received for agreed advertising services in subsequent periods which generally give rise to a higher balance at the start of the year. In contrast, current income tax liabilities were down EUR 10.5m (adjusted). The decrease was due in particular to tax backpayments for prior fiscal years.

The EUR 39.4m increase in **equity** compared with 31 December 2012 to EUR 319.0m is largely due to the capital increase, which was carried out in June in return for a non-cash contribution. Thus, subscribed capital was increased by EUR 6.8m and capital reserves by EUR 50.5m. Contrasting effects include in particular exchange rate effects in connection with the translation of our Turkish and Polish activities and an increase in obligations from issued put options in connection with business combinations. Overall, the equity ratio improved from 32.4% as of 31 December 2012 to 33.9% as of 30 June 2013.

Net debt

In EUR m		30 Jun 2013	31 Dec 2012	Change	
(1)	Non-current financial liabilities	322.3	311.0	11.3	3.6%
(2)	Current financial liabilities	40.6	31.6	9.0	28.6%
(1)+(2)	Total financial liabilities	362.9	342.5	20.3	5.9%
(3)	Derivative financial instruments	13.9	16.9	-3.1	-18.1%
(1)+(2)-(3)	Financial liabilities excl. derivative financial instruments	349.0	325.6	23.4	7.2%
(4)	Cash	27.6	23.5	4.2	17.8%
(1)+(2)-(3)-(4)	**Net debt**	**321.4**	**302.1**	**19.2**	**6.4%**

Net debt rose EUR 19.2m to EUR 321.4m in the reporting period. The main factors causing this development were, among other things, new liabilities from business combinations (earn-out liabilities) and payments made in connection with the acquisition of shares in adscale GmbH and an additional 15% of shares in BlowUP Media GmbH. Overall, this results in a leverage ratio of 2.8.

NET ASSETS

Consolidated statement of financial position

In EUR m	30 Jun 2013	31 Dec 2012	Change	
Assets				
Non-current assets				
Intangible assets	555.1	488.1	67.0	13.7%
Property, plant and equipment	212.9	225.9	-13.0	-5.7%
Tax assets	9.0	5.0	4.0	80.5%
Receivables and other assets	12.9	14.3	-1.3	-9.4%
Subtotal	**789.9**	**733.3**	**56.7**	**7.7%**
Current assets				
Receivables and other assets	113.4	96.7	16.7	17.2%
Cash	27.6	23.5	4.2	17.8%
Tax assets	4.2	4.8	-0.6	-13.0%
Inventories	4.9	5.5	-0.5	-10.0%
Subtotal	**150.1**	**130.5**	**19.7**	**15.1%**
Total assets	**940.1**	**863.7**	**76.4**	**8.8%**
Equity and liabilities				
Non-current equity and liabilities				
Equity	**319.0**	**279.6**	**39.4**	**14.1%**
Liabilities				
Financial liabilities	322.3	311.0	11.3	3,6%
Deferred tax liabilities	51.7	55.1	-3.4	-6,2%
Provisions	37.6	37.2	0.4	1,1%
Subtotal	**411.6**	**403.2**	**8.3**	**2.1%**
Current liabilities				
Trade payables	101.0	80.5	20.6	25.6%
Financial and other liabilities	84.9	65.9	19.0	28.8%
Provisions	17.7	18.6	-0.8	-4.5%
Income tax liabilities	5.9	16.0	-10.1	-63.1%
Subtotal	**209.5**	**180.9**	**28.6**	**15.8%**
Total equity and liabilities	**940.1**	**863.7**	**76.4**	**8.8%**

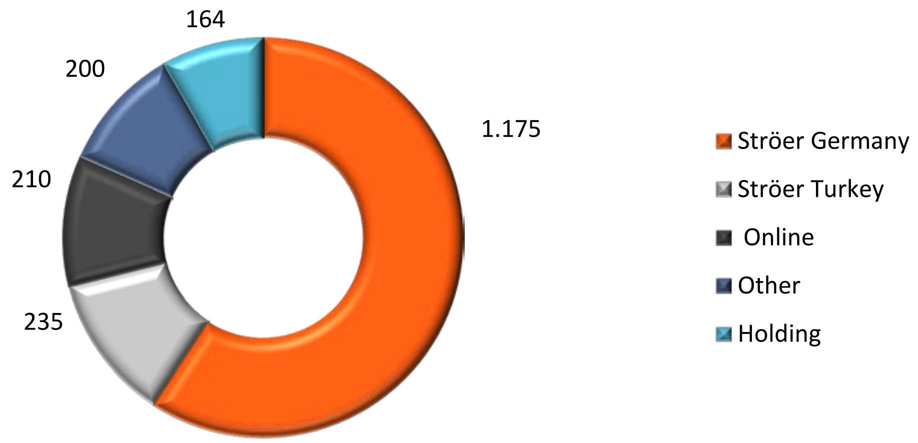
Analysis of the net asset structure

Non-current assets increased by EUR 56.7m to EUR 789.9m compared with 31 December 2012, mainly due to goodwill of the acquired online marketers of EUR 80.8m which was reported for the first time and is included in intangible assets. This goodwill will be accounted for temporarily because the purchase price allocation (PPA) in connection with the allocation of hidden reserves to the individual assets has not yet been completed. Amortization of advertising concessions and exchange losses on advertising concessions of our foreign operations had a contrasting effect on intangible assets. Property, plant and equipment decreased by EUR 13.0m. This was due in particular to depreciation, which was significantly higher than additions from investments. The recognition of deferred taxes also contributed to the increase in non-current assets.

Current assets came to EUR 150.1m as of the reporting date, which was EUR 19.7m higher than as of 31 December 2012. EUR 20.7m of this increase relates to assets of the online marketers, which were included for the first time. EUR 14.4m of the EUR 20.7m relates to current trade receivables. Adjusted for this effect, the item would have decreased by EUR 2.6m. The other non-financial assets rose by EUR 7.9m compared with year-end 2012. This change resulted from significant lease prepayments to public-sector contractual partners that have since been set off against the corresponding lease payments.

EMPLOYEES

The Ströer Group employed a total of 1,984 persons as of 30 June 2013 (31 December 2012: 1,750). The allocation of employees to the different segments is shown in the following chart.



OPPORTUNITIES AND RISK REPORT

Our comments in the group management report as of 31 December 2012 remain applicable with regard to the presentation of opportunities and risks (see pages 78 to 82 of our 2012 annual report). As in the past, we are currently not aware of any risks to the Company's ability to continue as a going concern. Any material divergence from the planning assumptions used for our Turkish segment or Polish sub-segment and any changes in the external parameters applied to calculate the cost of capital could lead to the impairment of intangible assets or goodwill.

FORECAST

The economic conditions in the second quarter of 2013 – based on information currently available - largely confirm our expectations. We expect growth in the Germany market to slightly outperform the eurozone average. The overall economic performance in Turkey is likely to improve on the prior year, while the challenging development in Poland is expected to prevail.

The trends we have observed during Q2 seem to continue throughout Q3. However, following a more quiet summer period in our markets we are currently expecting an organic growth rate of around 1% for the third quarter 2013.

SUBSEQUENT EVENTS

Ballroom International CEE Holding GmbH

Effective 31 July 2013, Ströer Media AG acquired the first 34.7% of the shares in Ballroom International CEE Holding GmbH, Munich, and a further 18.8% as of 1 August 2013. Ballroom International CEE Holding GmbH is an internet advertiser, which operates on Ströer's core foreign markets – Poland and Turkey – as well as in Hungary, Romania and the Czech Republic, offering ad exchange services, video and display advertising as well as performance marketing. The provisional purchase price for the shares acquired in the group is EUR 19.5m. However, it may change as a result of contractual price adjustment clauses (earn-out arrangements).

ECE flatmedia GmbH

Effective as of 17 July 2013, the Ströer Group sold 14.9% of its shares in ECE flatmedia GmbH, Hamburg, to its co-shareholders, the ECE Group, via its group company Infoscreen GmbH. The shares were sold in order to more closely align company and shareholder interests and the purchase price totaled around EUR 2.1m. The purchase price was offset against liabilities due to the buyer. After the transaction was completed, the Ströer Group still held 75.1% of the shares in the company.

Conditional capital 2013

On 8 August 2013, the shareholder meeting of Ströer Media AG approved an amendment to the articles of incorporation and bylaws, on the basis of which a new Article 6a was added. Accordingly, the capital stock has been increased conditionally by a maximum of EUR 3,176,400 by issuing a maximum of 3,176,400 bearer shares of no par value (conditional capital 2013). The sole purpose of the conditional capital increase is for the supervisory board to grant, as empowered by resolution of the shareholder meeting dated 8 August 2013, rights to bearers of stock options under the Stock Option Plan 2013.

There were no other significant events or developments of particular importance after the reporting date of 30 June 2013.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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CONSOLIDATED INCOME STATEMENT

In EUR k	Q2 2013	Q2 2012	6M 2013	6M 2012
Continuing operations				
Revenue	163,550	148,780	289,012	267,411
Cost of sales	-109,409	-100,111	-203,560	-188,924
Gross profit	**54,140**	**48,669**	**85,452**	**78,487**
Selling expenses	-20,681	-19,165	-40,590	-39,765
Administrative expenses	-20,844	-17,487	-39,073	-35,493
Other operating income	3,054	4,450	5,951	9,069
Other operating expenses	-1,757	-2,574	-3,443	-6,172
Finance income	992	5,389	4,340	11,440
Finance costs	-7,490	-12,285	-15,478	-22,340
Profit or loss before taxes	**7,414**	**6,997**	**-2,841**	**-4,775**
Income taxes	-2,562	-1,063	1,429	4,559
Post-tax profit or loss from continuing operations	**4,852**	**5,934**	**-1,412**	**-216**
Consolidated profit or loss for the period	**4,852**	**5,934**	**-1,412**	**-216**
Thereof attributable to:				
Owners of the parent	3,472	6,118	-2,306	619
Non-controlling interests	1,380	-184	894	-835
	4,852	**5,934**	**-1,412**	**-216**
Earnings per share (EUR, basic) from continuing operations	0.08	0.15	-0.05	0.01
Earnings per share (EUR, diluted) from continuing operations	0.08	0.14	-0.05	0.01

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In EUR k	Q2 2013	Q2 2012	6M 2013	6M 2012
Consolidated profit or loss for the period	**4,852**	**5,934**	**-1,412**	**-216**
Other comprehensive income				
Amounts that will not be reclassified to profit or loss in future periods				
Income taxes	0	0	0	39
	0	**0**	**0**	**39**
Amounts that could be reclassified to profit or loss in future periods				
Exchange differences on translating foreign operations	-12,489	4,592	-11,256	8,577
Cash flow hedges	0	1,548	0	2,368
Income taxes	0	-518	0	-785
	-12,489	**5,622**	**-11,256**	**10,160**
Other comprehensive income, net of income taxes	**-12,489**	**5,622**	**-11,256**	**10,199**
Total comprehensive income, net of income taxes	**-7,637**	**11,556**	**-12,668**	**9,983**
Thereof attributable to:				
Owners of the parent	-8,299	11,286	-12,983	10,066
Non-controlling interests	662	270	315	-83
	-7,637	**11,556**	**-12,668**	**9,983**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets (in EUR k)	30 Jun 2013	31 Dec 2012
Non-current assets		
Intangible assets	555,093	488,128
Property, plant and equipment	212,902	225,873
Investment property	1,290	1,300
Financial assets	101	101
Trade receivables	4	100
Other financial assets	1,842	2,008
Other non-financial assets	9,678	10,743
Income tax assets	635	635
Deferred tax asssets	8,399	4,370
Total non-current assets	**789,943**	**733,258**
Current assets		
Inventories	4,906	5,453
Trade receivables	77,337	65,607
Other financial assets	8,102	11,080
Other non-financial assets	27,985	20,059
Income tax assets	4,174	4,799
Cash and cash equivalents	27,634	23,466
Total current assets	**150,138**	**130,463**
Total assets	**940,081**	**863,721**

Equity and liabilities (in EUR k)	30 Jun 2013	31 Dec 2012
Equity		
Subscribed capital	48,870	42,098
Capital reserves	346,979	296,490
Retained earnings	-56,170	-47,838
Accumulated other comprehensive income	-35,272	-24,594
	304,407	**266,156**
Non-controlling interests	14,609	13,419
Total equity	**319,016**	**279,575**
Non-current liabilities		
Pension provisions and other obligations	23,589	23,924
Other provisions	13,979	13,244
Financial liabilities	322,274	310,952
Deferred tax liabilities	51,711	55,117
Total non-current liabilities	**411,552**	**403,237**
Current liabilities		
Other provisions	17,725	18,558
Financial liabilities	40,607	31,584
Trade payables	101,028	80,466
Other liabilities	44,258	34,329
Income tax liabilities	5,895	15,973
Total current liabilities	**209,513**	**180,910**
Total equity and liabilities	**940,081**	**863,721**

CONSOLIDATED STATEMENT OF CASH FLOWS

In EUR k	6M 2013	6M 2012
Cash flows from operating activities		
Profit or loss for the period	-1,412	-216
Expenses (+)/income (-) from the financial and tax result	9,709	6,341
Amortization, depreciation and impairment losses (+) on non-current assets	35,122	32,414
Interest paid (-)	-8,993	-15,835
Interest received (+)	22	430
Income taxes paid (-)/ received (+)	-14,858	-3,241
Increase (+)/decrease (-) in provisions	-2,337	-3,118
Other non-cash expenses (+)/income (-)	-3,802	-2,947
Gain (-)/loss (+) on the disposal of non-current assets	441	682
Increase (-)/decrease (+) in inventories, trade receivables and other assets	1,518	-20,906
Increase (+)/decrease (-) in trade payables and other liabilities	12,586	14,446
Cash flows from operating activities	**27,996**	**8,050**
Cash flows from investing activities		
Cash received (+) from the disposal of property, plant and equipment	400	330
Cash paid (-) for investments in property, plant and equipment	-10,171	-17,986
Cash paid (-) for investments in intangible assets	-6,075	-2,511
Cash paid (-) for investments in financial assets	0	-5
Cash received (+) from/paid (-) for the acquisition of consolidated entities	-13,173	0
Cash flows from investing activities	**-29,020**	**-20,172**
Cash flows from financing activities		
Cash received (+) from equity contributions	0	541
Cash paid (-) to shareholders	-7,087	-1,411
Cash received (+) from borrowings	13,156	3,841
Cash repayments (-) of borrowings	-877	-12,864
Cash flows from financing activities	**5,192**	**-9,893**
Cash at the end of the period		
Change in cash	4,169	-22,015
Cash at the beginning of the period	23,466	134,041
Cash at the end of the period	**27,634**	**112,026**
Composition of cash		
Cash	27,634	112,026
Cash at the end of the period	27,634	112,026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In EUR k	Subscribed capital	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 2013	**42,098**	**296,490**	**-47,838**	**-24,594**	**0**	**266,156**	**13,419**	**279,575**
Consolidated profit or loss for the period	0	0	-2,306	0	0	-2,306	894	-1,412
Other comprehensive income	0	0	0	-10,678	0	-10,678	-578	-11,256
Total comprehensive income	0	0	-2,306	-10,678	0	-12,983	315	-12,668
Changes in basis of consolidation	0	0	0	0	0	0	983	983
Capital increase by way of non-cash contribution	6,772	50,489	0	0	0	57,261	0	57,261
Cash received from capital increases from non-controlling interests	0	0	0	0	0	0	0	0
Effects from changes in ownership interests in subsidiaries without loss of control	0	0	-5,215	0	0	-5,215	-783	-5,998
Obligation to purchase own equity instruments	0	0	-812	0	0	-812	1,804	992
Dividends	0	0	0	0	0	0	-1,128	-1,128
30 Jun 2013	**48,870**	**346,979**	**-56,170**	**-35,272**	**0**	**304,407**	**14,609**	**319,016**

In EUR k	Subscribed capital	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 2012	**42,098**	**296,490**	**-45,113**	**-29,817**	**-3,310**	**260,348**	**13,109**	**273,457**
Consolidated profit or loss for the period	0	0	619	0	0	619	-835	-216
Other comprehensive income	0	0	39	7,825	1,584	9,448	704	10,152
Total comprehensive income	0	0	658	7,825	1,584	10,067	-131	9,936
Changes in basis of consolidation	0	0	0	0	0	0	0	0
Capital increase by way of non-cash contribution	0	0	0	0	0	0	0	0
Cash received from capital increases from non-controlling interests	0	0	0	0	0	0	535	535
Effects from changes inownership interests in subsidiaries without loss of control	0	0	541	0	0	541	754	1,295
Obligation to purchase own equity instruments	0	0	-5,569	0	0	-5,569	16	-5,553
Dividends	0	0	0	0	0	0	-1,459	-1,459
30 Jun 2012	**42,098**	**296,490**	**-49,483**	**-21,992**	**-1,726**	**265,387**	**12,824**	**278,211**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

General

1 Information on the Company and Group

Ströer Media AG (formerly Ströer Out-of-Home Media AG) (Ströer AG) is registered as a stock corporation under German law. The Company has its registered office at Ströer Allee 1, 50999 Cologne. The Company is entered in the Cologne commercial register under HRB no. 41548.

The purpose of Ströer AG and the entities (the Ströer Group or the Group) included in the condensed consolidated interim financial statements (the consolidated interim financial statements) is the provision of services in the areas of media, advertising, commercialization and communication, in particular, but not limited to, the commercialization of out-of-home media and online advertising. The Group markets all forms of out-of-home media, from traditional billboards and transport media through to digital media. See the relevant explanations in the notes to the consolidated financial statements as of 31 December 2012 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 30 June 2013 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 2012.

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.

The consolidated interim financial statements and interim group management report were not the subject of a review.

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 2012 were also applied in these consolidated interim financial statements except for the following accounting changes.

An amendment to **IAS 1**, "Presentation of Financial Statements," was applicable for the first time for fiscal years beginning on or after 1 July 2012. Under this amendment, items that are recognized in other comprehensive income must be presented separately according to whether or not they could be reclassified subsequently to profit or loss. Application of the amended IAS 1 led to a corresponding breakdown of items in the statement of comprehensive income. This detailed presentation did not have any effect on the Group's net assets, financial position and results of operations.

The IASB also amended significant elements of **IAS 19**, "Employee Benefits." The amendments are effective for fiscal years beginning on or after 1 January 2013. The key amendment is the elimination of the option when accounting for actuarial gains or losses. In future, actuarial gains or losses may only be recognized in other comprehensive income. At the same time, there are new rules on how to determine net interest, especially with regard to the expected interest income on plan assets. As the Group already recognizes actuarial gains or losses in other comprehensive income and there are no plan assets, the application of the amended standard does not affect the method of accounting or presentation in the consolidated financial statements.

In addition, the IASB has issued **IFRS 13**, "Fair Value Measurement." IFRS 13 establishes a single source of guidance for fair value measurement. Although the initial application of this standard as of 1 January 2013 did not have a significant effect on the consolidated financial statements, additional disclosures are required in the Group's interim financial reporting. See the additional disclosures under note 9, "Financial instruments."

The amendments to other standards that have also become effective did not have a significant effect on the Group's net assets, financial position and results of operations.

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 2012 were also used to determine the estimated values presented in these consolidated interim financial statements.

5 Related party disclosures

Ströer AG has restructured its intragroup loans to its foreign subsidiaries in Poland and Turkey. Unlike in the past, the loans are now extended for an unlimited period. They replace the earlier loan arrangements for a similar volume. Since they have an indefinite term, the loans now meet the criteria of a net investment as defined by IAS 21. As a result, any exchange rate effects from the intragroup loans are recorded in other comprehensive income.

See the consolidated financial statements as of 31 December 2012 for further information on related party disclosures. Except for the loan structure, there were no significant changes as of 30 June 2013.

6 Segment information

See the explanations in the consolidated financial statements as of 31 December 2012 for information on the different segments and product groups.

Reconciliation of the segment reporting by operating segment

In EUR k	Q2 2013	Q2 2012
Total segment results (operational EBITDA)	**36,187**	**33,633**
Reconciliation items	-2,324	-2,138
Group operational EBITDA	**33,862**	**31,495**
Adjustment effects	-2,349	-1,433
EBITDA	**31,514**	**30,062**
Amortization, depreciation and impairment	-17,602	-16,170
Finance income	992	5,389
Finance costs	-7,490	-12,285
Consolidated earnings before income taxes	**7,414**	**6,997**

In EUR k	6M 2013	6M 2012
Total segment results (operational EBITDA)	**51,687**	**45,030**
Reconciliation items	-4,296	-4,245
Group operational EBITDA	**47,391**	**40,785**
Adjustment effects	-3,972	-2,246
EBITDA	**43,419**	**38,539**
Amortization, depreciation and impairment	-35,122	-32,414
Finance income	4,340	11,440
Finance costs	-15,478	-22,340
Consolidated earnings before income taxes	**-2,841**	**-4,775**

REPORTING BY OPERATING SEGMENT

In EUR k	Ströer Germany	Ströer Turkey	Online	Other	Reconciliation	Group value
Q2 2013						
External revenue	109,278	28,869	9,482	15,921	0	163,550
Internal revenue	99	0	0	0	-99	0
Segment revenue	109,377	28,869	9,482	15,921	-99	163,550
Operational EBITDA	25,587	7,045	577	2,977	-2,324	33,862
Q2 2012						
External revenue	108,050	25,287	-	15,442	0	148,780
Internal revenue	69	5	-	0	-74	0
Segment revenue	108,119	25,292	-	15,442	-74	148,780
Operational EBITDA	27,331	4,514	-	1,788	-2,138	31,495

In EUR k	Ströer Germany	Ströer Turkey	Online	Other	Reconciliation	Group value
6M 2013						
External revenue	204,605	49,188	9,482	25,737	0	289,012
Internal revenue	169	5	0	0	-174	0
Segment revenue	204,774	49,194	9,482	25,737	-174	289,012
Operational EBITDA	42,922	6,704	577	1,483	-4,296	47,391
6M 2012						
External revenue	198,365	42,343	-	26,702	0	267,411
Internal revenue	147	31	-	-1	-177	0
Segment reveneue	198,512	42,374	-	26,701	-177	267,411
Operational EBITDA	42,737	1,849	-	445	-4,245	40,785

REPORTING BY PRODUCT GROUP

In EUR k	Billboard	Street furniture	Transport	Online	Other	Group value
Q2 2013						
External revenue	81,261	37,332	25,237	9,482	10,236	163,550
Q2 2012						
External revenue	80,485	36,629	22,760	-	8,905	148,780

In EUR k	Billboard	Street furniture	Transport	Online	Other	Group value
6M 2013						
External revenue	142,880	72,205	46,232	9,482	18,213	289,012
6M 2012						
External revenue	140,573	69,985	40,534	-	16,319	267,411

Selected notes to the consolidated income statement, the consolidated statement of financial position, the consolidated statement of cash flows and other notes

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

BlowUP Media GmbH, Cologne

On 16 May 2012, the Ströer Group through Ströer AG concluded a purchase agreement for a further 15% of the shares in BlowUP Media GmbH, Cologne. The acquisition was deferred to take effect as of 1 January 2013 and increased Ströer's shareholding in the company from 75% to 90%. The minimum purchase price for the additional shares is approximately EUR 6m. The effect from the price adjustment clauses contained in the purchase agreement cannot be assessed at present and, in the event of a clearly positive business performance, could lead to further purchase price payments in the mid-single-digit million range in the coming years.

adscale GmbH, Munich

The Ströer Group initially acquired around 91% of the shares in adscale GmbH, Munich, through its group holding company Ströer Media AG, with effect as of 4 April 2013. The purchase agreement was notarized on 14/15 December 2012.

In the area of online advertising, adscale GmbH operates a technology-based marketplace (ad exchange) for a connected portfolio of around 5,000 websites. The purchase price for the shares acquired, before standard purchase price adjustments, is EUR 20.2m. However, it may rise in the future as a result of contractual adjustment clauses (earn-out arrangements).

The acquisition gave rise to transaction costs of EUR 35k which were reported under administrative expenses.

The provisional fair values of the assets acquired and liabilities acquired are presented below:

In EUR k	
Internally generated intangible assets	3,543
Other intangible assets	20
Property, plant and equipment	269
Deferred tax assets	305
Trade receivables	4,618
Financial assets	187
Other assets	23
Income tax assets	41
Cash and cash equivalents	5,111
Other provisions	510
Deferred tax liabilities	973
Trade payables	3,248
Financial liabilities	6
Other liabilities	481
Income tax liabilities	20
Net assets acquired	8,880

The fair value and gross amount of the receivables acquired break down as follows:

In EUR k	Fair value	Gross amount
Trade receivables	4,618	4,700
Financial assets	187	187
Other assets	23	23

The fair value of the receivables acquired is the best estimate for the expected cash flows from these receivables.

The fair value of the assets and liabilities in the purchase price allocation is still provisional. Hence, the fair values of the assets and liabilities acquired and goodwill may be adjusted. In addition, the effect from the price adjustment clauses contained in the purchase agreement cannot be assessed at present. The purchase price and hence goodwill may also be adjusted as a result.

The goodwill breaks down as follows:

In EUR k	
Purchase price already transferred	20,177
Expected purchase price payments in subsequent periods	1,919
Non-controlling interests	765
Net assets acquired	8,880
Goodwill	13,981

The allocation to the adjustment item for non-controlling interests was made on the basis of the share in equity.

Since control was obtained, adscale has contributed the following revenue and profit or loss after taxes which are included in the consolidated income statement.

In EUR k	Revenue	Profit after taxes
4 Apr to 30 Jun 2013	5,837	234

RAdcarpet, Berlin

Effective 23 May 2013, the Group acquired the RAdcarpet product group from Servtag GmbH, Berlin, in an asset deal via its group entity Ströer Mobile Media GmbH. RAdcarpet is a location-based advertising network specialized in local and hyperlocal mobile advertising. It allows advertisers to pinpoint the location of their target groups who are located in the immediate vicinity of their own or competitors' stores. The purchase price for the assets acquired, including expected purchase price adjustments, is approximately EUR 0.5m. However, it may change in the future as a result of contractual adjustment clauses (earn-out arrangements).

Ströer Digital Group GmbH, Cologne

Effective 3 June 2013, Ströer AG acquired all shares in Ströer Digital Group GmbH. Ströer Digital Group GmbH is a holding company, which in turn holds all shares in Ströer Digital Media GmbH (formerly Ströer Interactive GmbH) and freeXmedia GmbH as well as 50.4% of shares in Business Advertising GmbH. The agreement was notarized on 21/22 December 2012. The companies held by Ströer Digital Group GmbH are primarily active in the exclusive marketing of websites and enter into service contracts with publishers for this purpose. The contracted websites are bundled horizontally and/or vertically into topic channels (e.g., car channel) for specific target groups and are offered to advertising customers and agencies using various online products. The purchase price for Ströer Digital Group GmbH, before offsetting financial liabilities and cash reserves, is a maximum of EUR 63.1m. The basic component of the purchase price liability was settled by issuing a maximum of around 6.8 million new shares in Ströer AG at an issue price of EUR 7.31 per share (see our comments in the section "Shareholder structure" in the chapter entitled "Share"). Any purchase price liability arising from the contractually agreed price adjustment clauses (earn-out arrangements) will be paid in cash. Costs of EUR 26k directly attributable to the capital increase were directly offset against the capital reserves.

The acquisition gave rise to transaction costs of EUR 275k which were reported under administrative expenses.

The provisional fair values of the assets acquired and liabilities acquired are presented below:

In EUR k	
Intangible assets	571
Property, plant and equipment	200
Trade receivables	10,247
Financial assets	71
Other assets	492
Income tax assets	173
Cash and cash equivalents	1,940
Other provisions	2
Trade payables	11,603
Other liabilities	943
Income tax liabilities	272
Net assets acquired	875

The fair value and gross amount of the receivables acquired break down as follows:

In EUR k	Fair value	Gross amount
Trade receivables	10,247	10,396
Financial assets	71	71
Other assets	492	492

The fair value of the receivables acquired is the best estimate for the expected cash flows from these receivables.

The fair value of the assets and liabilities in the purchase price allocation is still provisional. Hence, the fair values of the assets and liabilities acquired and goodwill may be adjusted. In addition, the effect from the price adjustment clauses contained in the purchase agreement cannot be assessed at present. As a result, the purchase price could change.

Under IFRSs, the non-cash contribution made in connection with the capital increase is valued at the price on the date on which the shares were issued. On this basis, goodwill breaks down as follows:

In EUR k	
Capital increase	57,287
Expected purchase price payments in subsequent periods	9,850
Non-controlling interests	218
Net assets acquired	875
Goodwill	66,480

The allocation to the adjustment item for non-controlling interests was made on the basis of the share in equity.

Since control was obtained, Ströer Digital Group GmbH including subsidiaries has contributed the following revenue and profit or loss after taxes which are included in the consolidated income statement.

In EUR k	Revenue	Loss after taxes
3 Jun to 30 Jun 2013	3,608	-79

Summary information

The effects on the cash flows from investing activities are presented below:

In EUR k	
Total payments made	-20,224
Total cash acquired	7,051
Net cash flows from business combinations	-13,173

The aggregate increases in the asset and liability items at the date of first-time inclusion are presented below:

In EUR k	Carrying amounts in the local balance sheets	Provisional adjustment	Provisional carrying amounts in Ströer's consolidated statement of financial position
Goodwill	0	80,808	80,808
Internally generated intangible assets	3,543		3,543
Other intangible assets	737		737
Property, plant and equipment	477		477
Deferred tax assets	305		305
Trade receivables	14,866		14,866
Financial assets	259		259
Other assets	515		515
Income tax assets	213		213
Cash and cash equivalents	7,051		7,051
Other provisions	512		512
Deferred tax liabilities	973		973
Trade payables	14,852		14,852
Financial liabilities	6		6
Other liabilities	1,424		1,424
Income tax liabilities	291		291
Net assets	9,908	80,808	90,716

The effect on the Group’s revenue and profit or loss after taxes in the consolidated financial statements had all the entities acquired in 2013 been fully consolidated as of 1 January 2013 is presented below. The amounts do not include any effects from the purchase price allocation.

In EUR k	Revenue	Profit after taxes
1 Jan to 30 Jun 2013	32,455	583

9 Financial instruments

The following table presents the carrying amounts and fair values of the financial instruments included in the individual items of the statement of financial position, broken down by class and measurement category according to IAS 39.

			Carrying amount in accordance with IAS 39			
In EUR k	Measurement category pursuant to IAS 39	**Carrying amount as of 30 Jun 2013**	Amortized cost	Fair value recognized directly in equity	Fair value through profit or loss	**Fair value as of 30 Jun 2013**
Assets						
Cash	L&R	27,634	27,634			27,634
Trade receivables	L&R	77,341	77,341			77,341
Other non-current financial assets	L&R	1,842	1,842			1,842
Other current financial assets	L&R	8,102	8,102			8,102
Available-for-sale financial assets	afs	101	101			n.a.
Equity and liabilities						
Trade payables	AC	101,028	101,028			101,028
Non-current financial liabilities	AC	316,556	316,556			316,556
Current financial liabilities	AC	32,453	32,453			32,453
Derivatives not in a hedging relationship	FVTPL	3,279			3,279	3,279
Obligation to purchase treasury shares	AC	10,593	10,593	0	0	10,593
Thereof aggregated by measurement category pursuant to IAS 39:						
Loans and receivables	L&R	114,919	114,919			114,919
Available-for-sale financial assets	afs	101	101			n.a.
Financial liabilities measured at amortized cost	AC	460,630	460,630	0	0	460,630
Financial liabilities at fair value through profit or loss	FVTPL	3,279			3,279	3,279

			Carrying amount in accordance with IAS 39			
In EUR k	Measurement category pursuant to IAS 39	**Carrying amount as of 31 Dec 2012**	Amortized cost	Fair value recognized directly in equity	Fair value through profit or loss	**Fair value as of 31 Dec 2012**
Assets						
Cash	L&R	23,466	23,466			23,466
Trade receivables	L&R	65,706	65,706			65,706
Other non-current financial assets	L&R	2,008	2,008			2,008
Other current financial assets	L&R	11,080	11,080			11,080
Available-for-sale financial assets	afs	101	101			n.a.
Equity and liabilities						
Trade payables	AC	80,466	80,466			80,466
Non-current financial liabilities	AC	305,010	305,010			305,010
Current financial liabilities	AC	20,582	20,582			20,582
Derivatives not in a hedging relationship	FVTPL	5,346			5,346	5,346
Obligation to purchase treasury shares	AC	11,598	11,598	0	0	11,598
Thereof aggregated by measurement category pursuant to IAS 39:						
Loans and receivables	L&R	102,260	102,260			102,260
Available-for-sale financial assets	afs	101	101			n.a.
Financial liabilities measured at amortized cost	AC	417,656	417,656			417,656
Financial liabilities at fair value through profit or loss	FVTPL	5,346			5,346	5,346

Due to the short terms of cash and cash equivalents, trade receivables, trade payables, other financial assets and current financial liabilities, it is assumed that the fair values correspond to the carrying amounts.

The fair values of the liabilities to banks included in non-current financial liabilities are calculated as the present values of the estimated future cash flows. Market interest rates are used for discounting, in relation to the relevant maturity date. It is therefore assumed as of the reporting date that the carrying amount of the non-current financial liabilities is equal to the fair value.

The fair value hierarchy levels and their application to the Group's assets and liabilities are described below.

Level 1: Listed market prices are available in active markets for identical assets or liabilities.

Level 2: Directly (e.g., price) or indirectly (e.g., derived from prices) observable information other than listed market prices is available.

Level 3: The information on assets and liabilities is not based on observable market data.

At present, only derivative financial instruments are measured at fair value in the consolidated financial statements on the basis of generally available data (e.g., yield curve). All of the carrying amounts of these financial instruments are classified as Level 2.

10 Subsequent events

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

Cologne, 22 August 2013

Udo Müller	Alfried Bührdel	Christian Schmalzl
Chief Executive Officer	Chief Financial Officer	Chief Operating Officer

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim condensed consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Cologne, 22 August 2013

Ströer Media AG

Udo Müller	Alfried Bührdel	Christian Schmalzl
Chief Executive Officer	Chief Financial Officer	Chief Operating Officer

ADJUSTED INCOME STATEMENT

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

Q2 2013 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 Q2 2013	Adjusted income statement for Q2 2012
Revenue	**163.5**			**163.5**						**163.5**	**148.8**
Cost of sales	-109.4	15.8		-93.6						-93.6	-85.3
Selling expenses	-20.7										
Administrative expenses	-20.8										
Overheads	-41.5	1.8	2.3	-37.5						-37.5	-33.9
Other operating income	3.1										
Other operating expenses	-1.8										
Other operating result	1.3		0.1	1.4						1.4	1.8
Operational EBITDA				**33.9**						**33.9**	**31.5**
Amortization, depreciation and impairment losses		-17.6		-17.6	6.5					-11.1	-9.6
EBIT				**16.3**						**22.7**	**21.9**
Exceptional items			-2.3	-2.3					2.3	0.0	0.0
Finance income	1.0										
Finance costs	-7.5										
Financial result	-6.5			-6.5		-0.6	1.9			-5.2	-8.5
Income taxes	-2.6			-2.6				-3.1		-5.7	-4.4
Profit or loss for the period	**4.9**	**0.0**	**0.0**	**4.9**	**6.5**	**-0.6**	**1.9**	**-3.1**	**2.3**	**11.8**	**9.1**

6M 2013 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 6M 2013	Adjusted income statement for 6M 2012
Revenue	**289.0**			**289.0**						**289.0**	**267.4**
Cost of sales	-203.6	31.7		-171.8						-171.8	-159.3
Selling expenses	-40.6										
Administrative expenses	-39.1										
Overheads	-79.7	3.4	3.9	-72.4						-72.4	-70.0
Other operating income	6.0										
Other operating expenses	-3.4										
Other operating result	2.5		0.0	2.6						2.6	2.7
Operational EBITDA				**47.4**						**47.4**	**40.8**
Amortization, depreciation and impairment losses		-35.1		-35.1	13.0					-22.1	-19.2
EBIT				**12.3**						**25.3**	**21.6**
Exceptional items			-4.0	-4.0					4.0	0.0	0.0
Finance income	4.3										
Finance costs	-15.5										
Financial result	-11.1			-11.1		-1.7	2.2			-10.7	-17.2
Income taxes	1.4			1.4				-6.2		-4.7	-1.4
Profit or loss for the period	**-1.4**	**0.0**	**0.0**	**-1.4**	**13.0**	**-1.7**	**2.2**	**-6.2**	**4.0**	**9.8**	**2.9**

FINANCIAL CALENDAR

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DISCLAIMER

This interim 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 interim report. This interim report does not constitute an offer to sell or an invitation to submit an offer to purchase securities of Ströer Media AG. There is no obligation to update the statements made in this interim report.

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