

## **PRESS RELEASE**

Cologne, 30 November 2010

### **Ströer Group reports double-digit growth in the first nine months of 2010**

#### **Outlook for full year 2010 confirmed**

- Revenue up 12.2% in the first nine months of 2010
- Increase in profitability: Operational EBITDA up 24.9%
- Net debt down significantly and capital structure optimized
- Stake increased in the Turkish entity Ströer Kentvizyon and acquisition of News Outdoor Poland complete
- Launch of first nationwide network of digital out-of-home media in Germany

Ströer Out-of-Home Media AG (Ströer), one of Europe's leading providers of out-of-home advertising based in Cologne, looks back on a solid performance in the first nine months of the year. Consolidated revenue was up 12.2% to EUR 369.1m (prior year: EUR 328.9m) at the end of September and the Group's operational EBITDA (earnings before interest, taxes, depreciation and amortization adjusted for exceptional items) reported above average growth, climbing 24.9% to EUR 74.8m (prior year: EUR 59.9m).

**“We are extremely pleased with our performance. We used some of the IPO proceeds from July as planned to build on our market presence in Poland and Turkey and drive forward our leading market positions. We also reduced our net debt considerably. This puts us in a position to accelerate our growth course and boost our business value,”** said Udo Müller, co-founder and CEO of the Ströer Group, today in Cologne.

If the Turkish joint venture Ströer Kentvizyon had been fully consolidated since 2009, consolidated revenue would have increased 13.4% year on year to EUR 399.8m in the first nine months of the fiscal year. On the same basis, consolidated organic growth would have stood at 11.4% in the third quarter and the Group's operational EBITDA (earnings before interest, taxes, depreciation and amortization adjusted for exceptional items) would have risen by 25.2% to EUR 81.7m (prior year: EUR 65.3m). The equity interest in Ströer Kentvizyon was increased from 50% to 90% on 2 September 2010. The Turkish operations have since been included in full in the consolidated financial statements of the Ströer Group.

The Group's net assets and financial position improved significantly in the third quarter thanks to the EUR 287.8m capital injection from the IPO (before transaction costs). At EUR 301.4m, net debt was down considerably as of 30 September 2010 (31 December 2009: EUR 495.4m). Profit adjusted for exceptional items in the first nine months of 2010 rose to EUR 13.2m compared with EUR 1.5m in the same prior-year period. Cash flows from operating activities, adjusted for the special effects from the IPO and the acquisitions, rose to EUR 32.8m, reflecting the Group's much improved results of operations.

### **Operating segments and growth initiatives**

The consolidated financial statements of the Ströer Group show a significant increase in revenue in the core markets of Germany, Turkey and Poland in the first nine months of 2010 compared with the prior-year period. With a revenue contribution of EUR 40.0m (prior year: EUR 23.7m) and a growth rate of 68.7%, the Turkish operations made a particularly strong contribution in this period. Operational EBITDA climbed 67.4% to EUR 9.0m (prior year: EUR 5.4m).

The largest segment, Ströer Germany, saw its revenue increase 6.9% to EUR 293.1m (prior year: EUR 274.2m) in the first nine months of 2010. With EUR 69.0m and a growth rate of 19.1% (prior year: EUR 57.9m), the home

market also made the largest contribution to operational EBITDA. Ströer has triggered a quiet “revolution” in Germany with the launch of a nationwide network of digital out-of-home media: the Company will install out-of-home channel media at the 200 top German train stations. Around 1,000 digital screens are set to be installed by the end of 2011, with which advertisers can achieve a net reach of more than 20% of the general public in Germany.

**“Digitalization is revolutionizing the media market. The new advertising media are lending a whole new dimension and importance to digital out-of-home media thanks to its emotional and large-format messages. Booking lead times for customers are reduced to virtually zero which makes the out-of-home channel one of the most efficient forms of advertising,” comments Udo Müller.**

In the “Other” segment, which comprises our Polish activities and the European giant poster business of the blowUP division, revenue increased 16.5% to EUR 36.1m (prior year: EUR 31.0m). Operational EBITDA in this segment nudged up slightly from EUR 1.9m to EUR 2.1m. Along with Germany and Turkey, Ströer now also boasts a leading market position in Poland following the completed acquisition of News Outdoor Poland. With around 20,800 advertising spaces in more than 200 cities, the Company is planning to drive forward the consolidation of the Polish out-of-home market.

### **Product groups**

The considerable year-on-year improvement in business performance is also reflected in the positive development of all of the Group’s product groups. The billboard product group reported significant revenue growth in the first nine months of 2010, with revenue coming in at EUR 192.6m (up 13.6%) and accounting for 52.2% of the Group’s total revenue. The street furniture product group also reported strong revenue growth in the same period with an increase of 13.1% to EUR 87.4m, making up 23.7% of consolidated revenue. Revenue in the transport product group increased in the first three quarters by 4.0% to EUR 51.4m and accounted for 13.9% of revenue. Other revenue con-

tributions of EUR 37.6m (product group other) were up 15.7% and accounted for 10.2% of consolidated revenue.

### Outlook

The third quarter of 2010 has reconfirmed Ströer's growth strategy. In the traditionally strong fourth quarter, Ströer is looking to repeat the sales successes achieved in the year to date despite relatively high prior-year figures. Overall, management is thus optimistic going into the fourth quarter and, based on the assumption that the Turkish joint venture Ströer Kentvizyon had been fully consolidated since 2009, anticipates at least 9% organic growth for the whole of 2010.

### The Group's financials at a glance

In EUR m	Q3 2010	Q3 2009	Change	9M 2010	9M 2009	Change
Revenue	126.9	110.7	+14.6%	369.1	328.9	+12.2%
Operational EBITDA	22.4	19.7	+13.8%	74.8	59.9	+24.9%
Operational EBITDA margin	17.6%	17.8%	-0.1 points	20.3%	18.2%	+2.1 points
Profit (adjusted for exceptional items)	1.4	0.4	>100%	13.2	1.5	>100%

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**About Ströer**

Ströer Out-of-Home Media AG specializes in all forms of out-of-home media, from traditional posters and advertising at bus and tram stop shelters and on vehicles, through to digital and interactive media. The Company markets more than 280,000 advertising spaces and is one of Europe's leading out-of-home advertisers. In terms of revenue, Ströer is number one in its core markets Germany, Turkey and Poland. In these markets, the Company provides its customers with extensive networks for national advertising campaigns. The Ströer Group has approximately 1,700 employees at over 60 locations. Its portfolio covers a wide range of out-of-home advertising products. The Company takes pride in the high quality, innovation and sophisticated design of its advertising media and street furniture. When it comes to design for the public sphere, Ströer's products set new standards. Ströer's street furniture has received 27 international awards. For more information on the Company, please visit [www.stroeer.com](http://www.stroeer.com)