

PRESS RELEASE

Ströer continues on its growth course in the first quarter 2011

- Consolidated revenue up 17.0% in the first quarter of 2011 to EUR 122.9m
- Consolidated organic growth at 9.7%
- Strong performance by Ströer Germany with high organic revenue growth of 9.4%
- Operational EBITDA down slightly on the prior year due to start-up costs for various new projects
- High investments in further growth

Cologne, 19 May 2011 Ströer Out-of-Home Media AG, one of Europe's leading providers of out-of-home advertising based in Cologne, continued on its strong growth course in the first quarter of 2011. Organic growth came to 9.7% (Q1 2010: 5.3%). Total revenue of the Ströer Group was up 17.0% to EUR 122.9m (Q1 2010: EUR 105.1m) and was driven by revenue growth in all of the Company's segments. At EUR 16.2m, operational EBITDA at the Ströer Group was down slightly on the prior year (Q1 2010: EUR 16.7m) due to start-up costs for various projects.

“Ströer Out-of-Home Media AG was able to build on the success of its record year 2010 in the first quarter of this year and continued on its dynamic growth course,” said Udo Müller, co-founder and CEO of the Ströer Group, in Cologne today. **“This makes us one of the strongest growing media companies in Europe. Our performance in Germany was particularly dynamic and we saw the level of bookings from the top 200 advertisers balloon thanks to our product innovations.”**

Operating segments

Ströer Germany

In the seasonally soft first quarter, the Ströer Germany segment continued on its steady growth course. At 9.4%, organic growth was at the upper end of our expectations. Revenue rose by 5.6% to EUR 91.9m (Q1 2010: EUR 87.0m), while operational EBITDA was pushed up 7.6% to EUR 18.7m despite various start-up costs for the out-of-home channel and premium billboards projects (Q1 2010: EUR 17.4m). This boosted the operational EBITDA margin by a further 0.4 percentage points to 20.4% and was achieved by an increase in bookings by the top 200 advertising customers, an improved lease ratio and a greater volume of campaigns booked on high-margin premium advertising media.

Ströer Turkey

The Company also started the year on a good footing in the Turkish market and achieved organic growth of 8.9% in this segment. However, the advertising market was overshadowed by a mood of uncertainty toward the end of the first quarter due to changes in TV advertising regulations. Revenue - based on the assumption that the Turkish business had already been fully consolidated in the prior-year quarter, only increased by 3.7% to EUR 18.7m (Q1 2010: EUR 18.1m) due to unfavorable exchange effects.

Operational EBITDA and the operational EBITDA margin were particularly affected by changes in the concession portfolio which came into effect at the start of the year but will not generate any corresponding income until later in the year due to the set-up of additional advertising media, among other things.

Other segment

The “Other” segment, which includes the Polish out-of-home activities and the giant poster business of the blowUP division, achieved organic growth of 14.0%. Revenue shot up 36.3% to EUR 12.3m (Q1 2010: EUR 9.0m). Operational EBITDA only decreased by a marginal EUR 0.1m to -EUR 0.8m, while the operational EBITDA margin improved by 1.4 percentage points in the first three months.

Product groups

On a consolidated basis, the billboards product group grew by 21.3% to EUR 62.9m like on like (Q1 2010: EUR 51.9m). This growth was mainly fuelled by the Turkey segment which reported billboard revenue of EUR 13.5m in the first quarter, a more than two-fold increase, largely due to the full consolidation of Ströer Turkey (Q1 2010: EUR 6.2m).

The street furniture product group grew by 28.6% to EUR 33.7m (Q1 2010: EUR 26.2m). The Ströer Germany segment contributed EUR 5.2m to this growth (Q1 2011: EUR 28.7m), reporting an increase of 22.2% itself (Q1 2010: EUR 23.5m). Revenue from transport media stood at EUR 18.4m in the first quarter (Q1 2010: EUR 15.7m). This represents growth of 17.6% and can be largely attributed to the increase in revenue from the German market for digital advertising faces. Overall, Ströer Germany boasted an increase of 17.4% or EUR 2.7m to EUR 18.1m (Q1 2010: EUR 15.4m).

On 1 April, the initial set-up phase for the out-of-home channel entailing the installation of 500 screens was successfully completed and screens were set up at central train stations such as in Berlin, Munich, Stuttgart and Frankfurt am Main. At the same time, we incorporated this world unique digital network into our regular marketing activities. On 1 January, Ströer Out-of-Home Media AG began establishing its network of premium billboards. By the end of 2015, this network will include 5,000 high-quality advertising media at top sites.

Forecast

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 EBITDA margin is only expected to increase at best marginally year on year.

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 loss for the period ⁵	-1.2	-0.4	n.d.
Loss for the period	-6.7	-9.5	n.d.
Earnings per share ⁶ (EUR)	-0.16	-0.22	
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 Operational 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

Key financials by operating segment

Ströer Germany

In EUR m			Change	
	Q1 2011	Q1 2010	In EUR m	in %
Revenue	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%
Organic growth	9.4%	5.0%		85.8%
Operational EBITDA	18.7	17.4	1.3	7.6%
Operational EBITDA margin	20.4%	20.0%		up 0.4 percentage points

Ströer Turkey

In EUR m			Change	
	Q1 2011	Q1 2010	In EUR m	in %
Revenue	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%
Organic growth	8.9%	23.3%		-61.9%
Operational EBITDA	0.9	1.6	-0.8	-46.7%
Operational EBITDA margin	4.6%	18.0%		down 13.4 percentage points

Other

In EUR m			Change	
	Q1 2011	Q1 2010	In EUR m	in %
Revenue	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%
Organic growth	14.0%	-8.4%		n.d
Operational EBITDA	-0.8	-0.7	-0.1	-12.7%
Operational EBITDA margin	-6.6%	-8.0%		up 1.4 percentage points

About Ströer

Ströer Out-of-Home Media AG, together with its subsidiaries, specializes in all forms of out-of-home advertising media, from traditional posters and advertising at bus and tram stop shelters and on vehicles, through to sophisticated digital out-of-home advertising media. The Group commercializes more than 280,000 advertising faces and, with consolidated revenue of EUR 531.3m for fiscal year 2010, is the market leader in Germany, Turkey and Poland and one of Europe's leading out-of-home advertisers. The Company provides its customers with extensive networks for national advertising campaigns and has been establishing the world's largest network of out-of-home moving images with national reach since December 2010. By the end of 2011, 1,000 high-quality screens at the 200 most highly frequented train stations will be linked up and controlled and operated centrally from Munich. In addition, Ströer boasts a broad portfolio of out-of-home products and sets new standards in terms of the quality, innovation and design of advertising media and street furniture. Ströer's street furniture has received 27 international awards. The Ströer Group has approximately 1,700 employees at over 60 locations.

For more information on the Company, please visit www.stroeer.com

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