

PRESS RELEASE

Ströer continues its growth path

- **Consolidated revenue up 8.6% in 2011 to EUR 577.1m**
- **At 6.2%, organic growth in Germany outpaces entire advertising market**
- **Operational EBITDA increases by 3.9% to EUR 132.3m**
- **Operating cash flow more than triples to EUR 95.0m**
- **Net debt down by 4.9% to 2.3 times operational EBITDA**
- **Contract portfolio strengthened by winning 12 tenders, among other factors**
- **Performance study confirms high reach of Out-of-Home-Channel**

Cologne, 29 March 2012 Ströer Out-of-Home Media AG continued on its growth path in fiscal year 2011, mainly due to its strong performance in Germany. The Group's revenue increased by 8.6% from EUR 531.3m in the prior year to EUR 577.1m. Adjusted for increases in investments and exchange rate effects, organic growth in the Group amounted to 4.8% (prior year: 7.5%). Ströer's revenue growth also lifted its key performance indicator, operational EBITDA, by 3.9% in 2011 to EUR 132.3m (prior year: EUR 127.3m). Operational EBITDA represents earnings before interest, taxes, depreciation and amortization adjusted for one-time income and expense effects (such as the cost of reorganization measures or changes in the investment portfolio).

The operational EBITDA margin was 22.9% after 24.0% in the prior year due to upfront costs for expanding the advertising media portfolio in Turkey. Exchange losses of around EUR 15m reduced earnings for the period to EUR -3.6m overall, compared with a high profit for the period of EUR 58.1m in the prior year, which was due in particular to special effects relating to the increase in the portfolio of investments in Ströer Kentvizyon. Adjusted for these and similar measurement effects, profit for the period was up by 21.4%

to EUR 40.3m (prior year: EUR 33.2m), confirming Ströer's strong performance.

In 2011, the Ströer Group reduced its net debt by 4.9% to 2.3 times (prior year: 2.5 times) operational EBITDA. This effect is primarily due to the sharp increase in free cash flow, i.e., the difference of EUR 38.0m between operating cash flow and investment funds (prior year: EUR -68.2m). Operating cash flow improved in particular, more than tripling from EUR 30.3m in 2010 to EUR 95.0m.

“We are shaping the future of out-of-home advertising. Our consistently strong performance in winning concessions gives us a firm basis to continue driving forward quality and innovation in out-of-home advertising. We are delivering concrete proof of this by expanding our digital activities – in particular by rolling out our Out-of-Home-Channel network in train stations and shopping malls – and therefore creating the third pillar in the moving-picture market,” said Udo Müller, CEO of Ströer. **“This will allow us to leverage growth opportunities for the future because digitalization is setting the pace and direction of the media market and is taking out-of-home advertising into a new and promising dimension.”**

In the fiscal year, Ströer invested heavily in the quality and capacity of its advertising media portfolio to provide additional growth potential for out-of-home advertising. The main focus of investments here was on premium products in Germany, such as the Out-of-Home-Channel (OC), which is the largest digital moving-picture network with a nationwide reach installed by Ströer in German train stations. The acquisition of ECE flatmedia GmbH, a provider of digital marketing concepts for shopping malls, will enable Ströer to expand its OC network to malls. In 2011, the Company also drove forward the roll-out of Premium Billboards and significantly expanded its advertising media capacity in Turkey. Overall, Ströer increased its investments by 82.6% in the fiscal year to EUR 52m (prior year: EUR 28.5m).

The investments in the Out-of-Home-Channel are already bearing fruit. A performance study published today by Ströer proves that the reach achieved by its Out-of-Home-Channel in train stations is comparable with that of medium-sized German television stations (VOX, kabel eins and RTL II). The representative study credits the new digital out-of-home advertising network with a monthly advertising media reach of 58% among the young target group of 14 to 29-year-olds, and 41% among 14 to 49-year-olds. The study strengthens the Out-of-Home-Channel's position in the moving-picture market. The market research institute Enigma/GfK surveyed more than 5,000 people from October to December.

Operating segments

Ströer Germany

The largest segment, Ströer Germany, which accounts for approximately 74% of revenue, increased its revenue by 4.2% in 2011 to EUR 427.3m (prior year: EUR 409.9m). At 6.2%, Ströer's organic revenue growth exceeded the increase recorded by the advertising market in 2011, which was 3.5% based on gross advertising spending according to Nielsen Media Research. Operational EBITDA in the domestic market climbed by 5.3% to EUR 115.3m (prior year: EUR 109.5m), while the operational EBITDA margin rose slightly by 0.3 percentage points to 27%. Overall, Ströer Germany generated 8.5% of its revenue from digital advertising media in 2011. To further maximize this potential, Ströer pooled its entire digital expertise centrally in Ströer Digital Media GmbH in fall 2011. In addition, improved booking figures for premium products helped the Company expand in Germany.

These results allowed Ströer to drive forward the structural growth in out-of-home advertising in Germany. Based on gross advertising spending calculated by Nielsen Media Research, the poster segment exceeded the EUR 1b mark for the first time. This means that the market share accounted for by posters increased from 3.9% in the prior year to 4.2%.

Ströer Turkey

In Turkey, Ströer lifted its revenue by 29.7% to EUR 89.0m (prior year: EUR 68.6m), mainly due to the full consolidation of the segment – in September 2010, Ströer increased its stake in the Turkish company from 50% to 90%. In Turkey, organic growth was 5.1% despite being impacted by a change in the law on TV advertising times and a significant slowdown in economic growth in the second half of the year. The expansion in advertising media capacity, which should secure Ströer additional growth, also led to higher lease expenses. As a result, operational EBITDA decreased by 7.2% to EUR 20.3m (prior year: EUR 21.9m) and the operational EBITDA margin fell to 22.8% (prior year: 31.9%).

Other segment

The Other segment, which comprises Ströer Poland's business activities and the blowUP group's giant poster business, contributed EUR 61.4m (prior year: EUR 52.9m) to total revenue. The segment's 16% revenue growth is due to the contribution by News Outdoor Poland, which was acquired in 2010, and the dynamic, mid-single-digit percentage increase in the giant poster business in the Benelux countries and the UK. The segment's organic growth was -3.6% (prior year: 11.2%), reflecting the single-digit decrease in organic revenue at Ströer Poland. However, the two companies together lifted operational EBITDA by 37.1% to EUR 5.7m (prior year: EUR 4.1m), while the operational EBITDA margin was up by 1.4 percentage points to 9.3% (prior year: 7.8%). Ströer drove forward the integration of News Outdoor Poland by reorganizing the management team in June. And as digitalization is also reaching the giant poster business, blowUP invested mainly in giant digital posters in the past fiscal year.

Product groups

Ströer's three product groups – billboard, street furniture and transport – recorded substantial revenue growth in 2011. At 20.9%, the transport product group saw the highest increase across the Group and generated revenue of EUR 89.2m (prior year: EUR 73.8m). This positive development was driven

primarily by high-margin digital advertising media in Germany. In the domestic market alone, revenue from the transport product group was up by 22.1% to EUR 87.9m (prior year: EUR 72.0m).

The street furniture product group, which comprises bus and tram stop shelters, City-Light posters and advertising columns, lifted its revenue by 12% to EUR 150.8m (prior year: EUR 134.6m). This trend was boosted significantly by high demand from advertising companies coupled with the expansion of capacity.

Revenue from billboards – the highest volume product group – grew by 9.9% in 2011 to EUR 302.0m (prior year: EUR 274.7m). In Germany, the newly launched Premium Billboard was particularly well received by advertisers. In Turkey, billboard revenue even jumped by 39.1% to EUR 65.1m (prior year: EUR 46.8m) thanks to high demand.

As expected, revenue in the other product group decreased by 27% to EUR 35.1m (prior year: EUR 48.1m) due to the discontinuation of certain service activities which are not part of the core business, in particular the purchase of additional advertising spaces from third parties previously performed by an internal agency, which ceased in mid-2010.

Outlook

Given the prevailing uncertainty in our core markets, Ströer expects the Group's organic growth for the first quarter of 2012 – which is generally a quarter with a lower volume – to decline by 3 to 4%.

For fiscal year 2012, Ströer expects low to mid-single-digit organic revenue growth, whereas the Company estimates that the business activities in the second six months are expected to increase.

The Group's financial figures at a glance

In EUR m	2011	2010 ¹	Change
Revenue	577.1	531.3	8.6%
Ströer Germany	427.3	409.9	4.2%
Ströer Turkey	89.0	68.6	29.7%
Other	61.4	52.9	16.0%
Billboard	302.0	274.7	9.9%
Street furniture	150.8	134.6	12.0%
Transport	89.2	73.8	20.9%
Other	35.1	48.1	-27.0%
Organic growth ²	4.8	7.5	
Gross profit ³	205.0	198.6	3.2%
Operational EBITDA ⁴	132.3	127.3	3.9%
Operational EBITDA ⁴ margin	22.9	24.0	
Adjusted EBIT ⁵	96.3	97.4	-1.1%
Adjusted EBIT ⁵ margin	16.7	18.3	
Adjusted profit or loss for the period ⁶	40.3	33.2	21.4%
Adjusted earnings per share ⁷ (EUR)	0.96	0.74	29.4%
Profit or loss for the period ⁸	-3.6	58.1	n.d.
Earnings per share ⁹ (EUR)	-0.08	1.34	n.d.
Investments ¹⁰	52.0	28.5	82.6%
Free cash flow ¹¹	38.0	-68.2	n.d.
	31 Dec 2011	31 Dec 2010	Change
Total equity and liabilities	982.6	987.1	-0.4%
Equity	273.5	294.4	-7.1%
Equity ratio	27.8	29.8	
Net debt ¹²	304.3	320.1	-4.9%
Employees ¹³	1,730	1,731	-0.1%

¹ Retrospectively restated due to the completion of the purchase price allocation for Ströer Kentvizyon Reklam Pazarlama A.S. and Ströer City Marketing Sp. z.o.o.(formerly News Outdoor Poland Sp. z.o.o.)

² Excluding exchange rate effects and effects from the (de-)consolidation and discontinuation of operations

³ Revenue less cost of sales

⁴ 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

⁵ 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

⁶ Adjusted EBIT before non-controlling interest net of the financial result adjusted for exceptional items and the normalized tax expense

⁷ Adjusted profit or loss for the period net of reported non-controlling interests divided by the number of shares outstanding after the IPO (42,098,238)

⁸ Profit or loss for the period before non-controlling interests

⁹ Actual profit or loss for the period net of reported non-controlling interests divided by the number of shares outstanding after the IPO (42,098,238)

¹⁰ 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

¹¹ Cash flows from operating activities less cash flows from investing activities

¹² Financial liabilities less derivative financial instruments and cash

¹³ Headcount (full and part-time employees)

Financial figures of the segments

Ströer Germany

In EUR m			Change	Change
	2011	2010	in EUR m	in %
Revenue	427.4	409.9	17.4	4.3%
Billboard	179.6	179.0	0.6	0.3%
Street furniture	127.2	113.6	13.6	11.9%
Transport	87.9	72.0	15.9	22.1%
Other	32.6	45.2	-12.6	-27.8%
Organic growth	6.2	4.6%		1.6% points
Operational EBITDA	115.3	109.5	5.8	5.3%
Operational EBITDA margin	27.0%	26.7%		+0.3% points

Ströer Turkey

In EUR m			Change	Change
	2011	2010	in EUR m	in %
Revenue	89.0	68.6	20.4	29.7%
Billboard	65.1	46.8	18.3	39.1%
Street furniture	23.0	20.5	2.5	12.3%
Transport	0.9	1.3	-0.4	-33.2%
Organic growth	3.8%	36.3%		-32.5% points
Operational EBITDA	20.3	21.9	-1.6	-7.2%
Operational EBITDA margin	22.8%	31.9%		-9.1% points

Other

In EUR m			Change	Change
	2011	2010	in EUR m	in %
Revenue	61.4	52.9	8.5	16.0%
Billboard	57.3	48.9	8.4	17.2%
Street furniture	0.5	0.5	0.0	6.5%
Transport	0.4	0.5	-0.1	-17.6%
Other	3.2	3.0	0.1	4.7%
Organic growth	-3.6%	11.2%		n.d
Operational EBITDA	5.7	4.1	1.5	37.1%
Operational EBITDA margin	9.3%	7.8%		+1.4% points

About Ströer

Ströer Out-of-Home Media AG, Cologne, 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 577.1m for fiscal year 2011, is one of the leading out-of-home advertising companies in Germany, Turkey and Poland. In terms of revenue, Ströer is one of Europe's largest providers of out-of-home advertising.

The acquisition of ECE flatmedia GmbH has enabled the Ströer Group to expand its digital out-of-home media portfolio to include shopping malls. The advertising media portfolio of the Cologne-based SDAX-listed company thus comprises digital moving-picture networks in Germany's largest train stations, in underground and suburban railway stations and now also in the country's largest shopping malls.

In addition, Ströer boasts a broad offering of out-of-home advertising products that set new standards in terms of the quality, innovation and design of advertising media and street furniture. Ströer's street furniture has won 27 international awards. The Ströer Group has approximately 1,700 employees at over 70 locations.

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

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