

## PRESS RELEASE

### **Ströer Media AG: Positive business performance in the first quarter**

- **Consolidated revenue up 5.8% to EUR 125.5m**
- **5.9% organic growth**
- **Operational EBITDA increases by 45.6% to EUR 13.5m**
- **Clear improvement in adjusted profit or loss for the period**
- **Further reduction in net debt**

Cologne, 15 May 2013                      In the first quarter of 2013, Ströer Media AG built on the positive trends already indicated in the final weeks of 2012 and increased its revenue by EUR 6.8m year on year to EUR 125.5m. Organic consolidated revenue grew by 5.9%, mainly due to higher revenue in Germany and Turkey – across all product groups. Gross profit was also up 5.0% to EUR 31.3m.

Operational EBITDA rose significantly by 45.6% to EUR 13.5m, boosted by a favorable product mix and continuous cost control. As a result, the operational EBITDA margin therefore increased from 7.8% to 10.8%.

At EUR minus 6.3m, the loss for the period remained virtually unchanged against the prior-year level. The financial result in the first quarter of 2013 deteriorated slightly by EUR minus 0.6m to EUR minus 4.6m. In the prior-year quarter, the appreciation of the Turkish lira and the Polish zloty led to exceptional income due to revaluation of intragroup euro loans granted by the holding company to its foreign subsidiaries. This effect, which was not repeated in the first quarter 2013, could not be fully compensated by lower interest expenses from the optimization of the Group's financing structure in August 2012. The optimized financial result is particularly reflected in the

significant improvement in the adjusted loss for the period which, at EUR minus 2.0m, was 67.6% lower than in the prior year (loss of EUR minus 6.2m).

The Group's net debt decreased slightly by EUR 2.5m in the reporting period to EUR 299.6m, primarily due to the positive free cash flow of EUR 9.0m. As a result, the leverage ratio (the ratio between net debt and operational EBITDA) fell slightly to 2.7.

In the first quarter of 2013, Ströer continued to adjust the pace of its investments to reflect the market conditions and invested selectively in specific growth projects in Germany and abroad. Overall, Ströer reduced its investments by 23.8% to EUR 6.1m (prior year: EUR 8.0m).

**“We are very pleased with the first quarter. We were able to carry forward the momentum from the final weeks of 2012 into the new year and report a positive business performance in Germany and Turkey,” said Udo Müller, CEO of Ströer. “2013 will also be shaped by our entry into the online advertising market. We will use our existing and new infrastructure to strategically focus on issues such as the regionalization of online advertising.”**

## **Operating segments**

### *Ströer Germany*

In the first quarter of 2013, the Ströer Germany segment increased its revenue by EUR 5.0m year on year to EUR 95.4m. Higher lease and electricity costs were partially offset by savings in other areas such as administration and maintenance. Therefore our operational EBITDA also improved considerably by 12.5% to EUR 17.3m (prior year: EUR 15.4m). At the same time, the operational EBITDA margin rose to 18.2% (prior year: 17.0%). In addition to the segment's regional operations, business with nationally operating customers picked up. In particular, revenue in the transport product group was up by a significant 18.4% on the prior-year

quarter to EUR 20.8m due to improved Out-of-Home Channel and Infoscreen bookings. Overall, the proportion of segment revenue generated by digital media rose to 8.9% (prior year: 6.4%).

### *Ströer Turkey*

The improvement in the booking situation seen by the Ströer Turkey segment at the end of the last quarter of 2012 continued in the first quarter of 2013. This led to 19.0% growth in segment revenue to EUR 20.3m. Ströer Turkey's business profited from the ongoing expansion of advertising media capacity in Istanbul as well as the giant and premium board formats launched in the past year. Overall, the increase in revenue more than offset higher lease payments and operating costs for the advertising media portfolio, allowing the segment to improve both its operational EBITDA (EUR minus 0.3m) and its operational EBITDA margin (minus 1.7%).

### *Other segment*

The "Other" segment includes Ströer's Polish out-of-home activities and the western European giant poster business of the blowUP division. Continuing price pressure and reduced demand were felt in the Polish market in particular. However, there were signs of a recovery in the international giant poster business towards the end of the first quarter. Segment revenue fell by 12.8% to EUR 9.8m. This decline was largely offset by savings in running costs and overheads. Consequently, operational EBITDA deteriorated only slightly by EUR 0.2m year on year to EUR minus 1.5m. The corresponding operational EBITDA margin went from minus 11.9% to minus 15.2%.

### *Forecast*

For the second quarter of 2013 we are expecting a slight growth in total organic revenue of 1%. The dynamic growth in Turkey will continue, while the revenue in Germany will be subdued and in the segment Other will be decreasing. In addition, Ströer will also first-time account for the unorganic revenue and profit contributions from the two acquisitions in the online marketing field, one completed in April and one to be completed in June.

## The Group's financial figures at a glance

In EUR m	3M 2013	3M 2012	Change
Revenue	125.5	118.6	5.8%
Ströer Germany	95.4	90.4	5.5%
Ströer Turkey	20.3	17.1	19.0%
Other	9.8	11.3	-12.8%
Billboard	61.6	60.1	2.5%
Street furniture	34.9	33.4	4.5%
Transport	21.0	17.8	18.1%
Other	8.0	7.4	7.6%
Organic growth <sup>1</sup>	5.9	-2.9	
Gross profit <sup>2</sup>	31.3	29.8	5.0%
Operational EBITDA <sup>3</sup>	13.5	9.3	45.6%
Operational EBITDA <sup>3</sup> margin	10.8	7.8	
Adjusted EBIT <sup>4</sup>	2.5	-0.4	n.d.
Adjusted EBIT <sup>4</sup> margin	2.0	-0.3	
Adjusted profit or loss for the period <sup>5</sup>	-2.0	-6.2	67.6%
Adjusted earnings per share <sup>6</sup> (EUR)	-0.04	-0.13	69.2%
Profit or loss for the period <sup>7</sup>	-6.3	-6.2	-1.8%
Earnings per share <sup>8</sup> (EUR)	-0.14	-0.13	-7.6%
Investments <sup>9</sup>	6.1	8.0	-23.8%
Free cash flow <sup>10</sup>	9.0	-23.9	n.d.
	31 Mar 2013	31 Dec 2012	Change
Total equity and liabilities	889.6	863.7	3.0%
Equity	274.5	279.6	-1.8%
Equity ratio	30.9	32.4	
Net debt <sup>11</sup>	299.6	302.1	-0.8%
Employees <sup>12</sup>	1,754	1,750	0.2%

<sup>1</sup> Excluding exchange rate effects and effects from the (de-)consolidation and discontinuation of operations

<sup>2</sup> Revenue less cost of sales

<sup>3</sup> 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

<sup>4</sup> 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

<sup>5</sup> Adjusted EBIT before non-controlling interests net of the financial result adjusted for exceptional items and the normalized tax expense

<sup>6</sup> 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)

<sup>7</sup> Profit or loss for the period before non-controlling interests

<sup>8</sup> 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)

<sup>9</sup> 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

<sup>10</sup> Cash flows from operating activities less cash flows from investing activities

<sup>11</sup> Financial liabilities less derivative financial instruments and cash

<sup>12</sup> Headcount (full and part-time employees)

## Key financials of the segments

### Ströer Germany

In EUR m			Change	Change
	3M 2013	3M 2012	in EUR m	in %
Revenue	95.4	90.4	5.0	5.5%
Billboard	36.9	36.3	0.6	1.6%
Street furniture	30.0	29.4	0.6	2.1%
Transport	20.8	17.6	3.2	18.4%
Other	7.6	7.1	0.6	8.3%
Organic growth	5.5%	-2.1%		7.6% points
Operational EBITDA	17.3	15.4	1.9	12.5%
Operational EBITDA margin	18.2%	17.0%		1.1% points

### Ströer Turkey

In EUR m			Change	Change
	3M 2013	3M 2012	in EUR m	in %
Revenue	20.3	17.1	3.2	19.0%
Billboard	15.6	13.3	2.3	17.6%
Street furniture	4.7	3.8	0.9	24.0%
Transport	0.0	0.0	0.0	-3.6%
Other	0.0	0.0	0.0	-8.0%
Organic growth	20.0%	-5.1%		25.1% points
Operational EBITDA	-0.3	-2.7	2.3	87.2%
Operational EBITDA margin	-1.7%	-15.6%		13.9% points

### Other

In EUR m			Change	Change
	3M 2013	3M 2012	in EUR m	in %
Revenue	9.8	11.3	-1.4	-12.8%
Billboard	9.2	10.6	-1.4	-12.9%
Street furniture	0.1	0.1	0.0	-13.4%
Transport	0.1	0.1	0.0	-9.5%
Other	0.4	0.5	0.0	-10.7%
Organic growth	-13.1%	-5.3%		-7.8% points
Operational EBITDA	-1.5	-1.3	-0.2	-11.2%
Operational EBITDA margin	-15.2%	-11.9%		-3.3% points

Note: all figures are rounded

## **About Ströer**

Ströer Media AG, Cologne, together with its subsidiaries, provides advertisers with tailored out-of-home and online communication solutions.

Having grown as a specialist for 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, Ströer complemented its predominantly brand-based out-of-home portfolio in the second quarter of 2013 to include the new online business segment “Ströer Digital” which offers more transaction-oriented reach-based marketing on the internet. In the field of digital media, Ströer is setting new standards for innovation and quality in Europe and is thus opening up new opportunities for advertisers and the Company.

The Ströer Group commercializes more than 280,000 out-of-home advertising faces and several thousand websites. With consolidated revenue of EUR 560m for full-year 2012, Ströer Media AG is one of largest providers of out-of-home advertising in Europe in terms of revenue.

The Ströer Group has approximately 1,800 employees at over 70 locations.

For more information on the Company, please visit [www.stroeer.de](http://www.stroeer.de).

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