

## PRESS RELEASE

### Ströer continues on its growth path

- **Ströer builds on successful first half of the year**
- **Consolidated revenue up 10.5% to EUR 439.3m**
- **4.8% organic growth**
- **Operational EBITDA increases by 15.8% to EUR 67.7m**
- **Another clear improvement in adjusted profit or loss for the period**

Cologne, 19 November 2013      In the third quarter of 2013, Ströer Media AG continued its positive performance from the first half of the year. In the first nine months, revenue increased by 10.5% year on year to EUR 439.3m. Once again, this was due to the upturn in business in Turkey and sustained revenue growth from digital out-of-home products on the German market. The Ströer Group also generated additional revenue of EUR 27.8m after completing the acquisitions to build up its online advertising business. Gross profit rose by 15.0% to EUR 127.5m.

Operational EBITDA again improved to EUR 67.7m – a significant increase on the prior-year figure of EUR 58.5m. The operational EBITDA margin therefore climbed from 14.7% to 15.4%. The loss for the period of EUR 7.1m in the first nine months of the fiscal year was EUR 10.3m lower than the prior-year figure (loss of EUR 17.4m). This is attributable to both the positive trend in the Ströer Group's operating business and improvements resulting from the optimization of the financing structure in the prior year that was also driven by favorable interest rate trends on the capital markets.

Accordingly, at EUR 13.1m, adjusted profit for the period was again well in excess of the prior-year figure of EUR 2.8m.

In the traditional out-of-home media segment, Ströer invested selectively in specific growth projects in Germany and abroad in the first nine months of 2013. This led to an 11.4% reduction in the investment volume to EUR 26.6m (prior year: EUR 30.1m).

**“We are extremely pleased with the current developments because they show that our investments are paying off and that we are pursuing the right strategy,” said Udo Müller, CEO of Ströer. “The expansion of our advertising media portfolio in Turkey is at last bearing the expected fruit. Our acquisitions have also enabled us to drive forward our digital strategy and establish ourselves as one of the key players in Germany’s online advertising market.”**

## **Operating segments**

### *Ströer Germany*

In the first nine months of 2013, the Ströer Germany segment increased its revenue by EUR 8.5m year on year to EUR 302.0m, with the regional customer business continuing its upward trend from the prior quarters. Overall, operational EBITDA improved slightly by EUR 1.8m year on year in the first nine months of 2013 to EUR 62.8m, while the operational EBITDA margin was on a par with the prior year at 20.8%.

In particular, the “other” and “transport” product groups lifted their revenue significantly in the first nine months – the latter primarily due to dynamic revenue growth from digital advertising media. The proportion of segment revenue generated by digital formats totaled 9.3% at the end of the first nine months.

### *Ströer Turkey*

The Ströer Turkey segment again increased its revenue in the third quarter of 2013. In the first nine months, segment revenue was up by a total of EUR 7.6m to EUR 70.5m. This consistently positive trend is mainly due to the expansion of advertising media capacity in Istanbul and the launch of new products as well as higher customer demand. The revenue growth was

accompanied by an increase in the cost of sales, although this was more than offset. As a result, there were considerable year-on-year improvements in both operational EBITDA from EUR 1.4m to EUR 7.8m and the operational EBITDA margin from 2.3% to 11.1%.

### *Online segment*

The Ströer Group has been gradually entering the online advertising business since the second quarter of 2013. As this business represents an important pillar of the corporate strategy, Ströer is including it in a separate segment. The new Online segment performed in line with expectations, contributing revenue of EUR 27.8m. In addition to the revenue from adscale GmbH, 91% of which was acquired in April, and Ströer Digital Media GmbH, which has been wholly owned since June, the third quarter saw the first pro rata revenue contributions from the acquisition of the location-based advertising segment of Servtag GmbH (Ströer Mobile Media) and the Ballroom Group.

The integration of the newly acquired entities into the Ströer Group remains on schedule.

### *“Other” segment*

The “Other” segment includes Ströer’s Polish out-of-home activities and the western European giant poster business of the blowUP division.

While revenue in Poland was impacted by sustained price pressure and persistently low capacity utilization rates, blowUP’s encouraging business performance in the UK and Germany led to a considerable increase in its revenue. Although segment revenue fell overall by 4.3% to EUR 39.5m, operational EBITDA improved significantly (EUR 2.8m, up 84.2%) and the operational EBITDA margin rose slightly (7.0%, up 3.4 percentage points) due to the clear results of the cost-cutting program in Poland.

## Outlook

For the fourth quarter of this year, we expect revenues in the out-of-home segment to be flattish due to the comparably strong fourth quarter the year before, while we expect increasing revenue contributions from the online segment.

## The Group's financial figures at a glance

In EUR m	9M 2013	9M 2012	Change
Revenue	439.3	397.4	10.5%
Ströer Germany	302.0	293.4	2.9%
Ströer Turkey	70.5	62.9	12.1%
Online	27.8	0.0	n.d.
Other	39.5	41.2	-4.3%
Billboard	213.0	207.6	2.6%
Street furniture	102.8	102.7	0.2%
Transport	67.6	61.8	9.4%
Online	27.8	0.0	n.d.
Other	28.0	25.3	11.1%
Organic growth <sup>1</sup>	4.8	-5.1	
Gross profit <sup>2</sup>	127.5	110.9	15.0%
Operational EBITDA <sup>3</sup>	67.7	58.5	15.8%
Operational EBITDA <sup>3</sup> margin	15.4	14.7	
Adjusted EBIT <sup>4</sup>	35.2	29.3	20.2%
Adjusted EBIT <sup>4</sup> margin	8.0	7.4	
Adjusted profit or loss for the period <sup>5</sup>	13.1	2.8	> 100%
Adjusted earnings per share <sup>6</sup> (EUR)	0.29	0.09	> 100%
Profit or loss for the period <sup>7</sup>	-7.1	-17.4	59.4%
Earnings per share <sup>8</sup> (EUR)	-0.16	-0.39	59.4%
Investments <sup>9</sup>	26.6	30.1	-11.4%
Free cash flow <sup>10</sup>	-20.0	-7.5	<-100%
	<b>30 Sep 2013</b>	<b>31 Dec 2012</b>	<b>Change</b>
Total equity and liabilities	961.4	863.7	11.3%
Equity	293.3	279.6	4.9%
Equity ratio	30.5	32.4	
Net debt <sup>11</sup>	339.8	302.1	12.5%
Employees <sup>12</sup>	2,206	1,750	26.1%

<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) plus the time-weighted addition of the shares from the capital increase (6,771,546) on 3 June 2013

<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 reported 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

<sup>9</sup> Including cash paid for investments in property, plant and equipment and in intangible assets

<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
	9M 2013	9M 2012	in EUR m	in %
Revenue	302.0	293.4	8.5	2.9%
Billboard	123.5	122.7	0.8	0.7%
Street furniture	85.0	86.0	-1.0	-1.2%
Transport	67.1	61.2	6.0	9.8%
Other	26.4	23.7	2.8	11.6%
Organic growth	2.9%	-5.2%		up 8.1 percentage points
Operational EBITDA	62.8	61.0	1.8	3.0%
Operational EBITDA margin	20.8%	20.8%		0.0 percentage points

### Ströer Turkey

in EUR m			Change	Change
	9M 2013	9M 2012	in EUR m	in %
Revenue	70.5	62.9	7.6	12.1%
Billboard	52.9	46.3	6.6	14.3%
Street furniture	17.5	16.3	1.1	6.8%
Transport	0.1	0.1	0.0	-6.9%
Other	0.0	0.2	-0.1	-87.5%
Organic growth	19.5%	-3.2%		up 22.7 percentage points
Operational EBITDA	7.8	1.4	6.4	>100%
Operational EBITDA margin	11.1%	2.3%		up 8.8 percentage points

### Other

in EUR m			Change	Change
	9M 2013	9M 2012	in EUR m	in %
Revenue	39.5	41.2	-1.8	-4.3%
Billboard	36.6	38.7	-2.1	-5.3%
Street furniture	0.4	0.4	0.1	14.7%
Transport	0.4	0.5	-0.2	-27.8%
Other	2.1	1.7	0.4	24.3%
Organic growth	-3.2%	-7.4%		up 4.2 percentage points
Operational EBITDA	2.8	1.5	1.3	84.2%
Operational EBITDA margin	7.0%	3.7%		up 3.4 percentage points

Note: all figures are rounded



### **About Ströer**

Ströer Media AG is a leading provider of out-of-home and online advertising, and offers its advertising customers individualized and fully integrated premium communications solutions. In the field of digital media, Ströer is setting new standards for innovation and quality in Europe and is thus opening up new and innovative opportunities for targeted customer contact for its advertisers.

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

The Ströer Group has approximately 2,200 employees at over 70 locations.

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

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