

PRESS RELEASE

Ströer Media SE significantly boosts operating result and increases guidance for 2014 on the back of a strong Q3

- **Consolidated revenue up 18% in the third quarter to EUR 174.6m**
- **Strong organic growth of 15.7% in Q3**
- **Digital revenue (Online) up 51.3% to EUR 27.7m**
- **Operational EBITDA rises strongly to EUR 30.1m (up 47.9%)**
- **At EUR 27.2m, adjusted profit more than doubles in the first nine months of 2014**
- **Free cash flow improves by EUR 53m year on year**

Cologne, 12 November 2014 Ströer Media SE was able to seamlessly continue its excellent business performance recorded in the first half of the year. Consolidated revenue increased by 18% to EUR 174.6m in the third quarter of 2014. Organic growth was also robust, at 15.7% in Q3. High digital growth and strong poster business provided the basis for this successful development.

As a strong multi-media marketer, Ströer has enhanced its importance among customers and agencies while consolidating its position in the market. For Ströer, the third quarter was shaped by innovations such as 360 degree multi-screen campaigns, the newly launched multi-screen ad server for the public video network presented at the Dmexco trade fair, and the iBeacon testing platform “Open Playground” at Düsseldorf’s central railway station.

Operational EBITDA was up a significant 47.9% in the third quarter to EUR 30.1m. The operational EBITDA margin also improved to 17.0% from 13.5% in the prior year. One particular highlight is the steep climb in net adjusted profit by 108% to EUR 27.2m in the first nine months of the year.

The favorable business performance also had a positive knock-on effect on the financial position. Free cash flow was improved considerably on the prior year (up EUR 53m) and the leverage ratio was reduced significantly to 2.2.

“We are very pleased with the third quarter. We have continued to see a very positive business performance since the beginning of the year and have been able to significantly improve all key financial figures. One particular highlight is the immense improvement in profit, with profit for the period rising considerably on the prior year. Following a strong third quarter, we expect to see a continuation of the positive business performance for the rest of the year and have increased the guidance for fiscal year 2014 in light of this. For us, this is further confirmation that we are on the right track with our strategy,” commented Udo Müller, CEO of Ströer.

Operating segments

Ströer Germany

The out-of-home business recorded a strong third quarter in 2014. In the third quarter of 2014, the Ströer Germany segment increased its revenue by 18.7% against the 2013 comparative period to EUR 115.3m. The segment’s operational EBITDA also grew substantially by EUR 6.4m (up 32.2%) to EUR 26.3m. At 22.8%, the operational EBITDA margin significantly exceeded the prior-year level of 20.4%.

Ströer Turkey

Organic growth adjusted for currency effects came to 3.4% in the Ströer Turkey segment in the third quarter of the year. Revenue stood at EUR 20.1m in the third quarter due to currency effects (down 5.7%). The operational EBITDA margin increased to 8.1% (prior year: 5.3%) and operational EBITDA exceeded the prior year at EUR 1.6m.

Ströer Digital (Online)

Revenue in the Ströer Digital (Online) segment increased considerably in the third quarter of 2014 to EUR 27.7m (up 51.3%). As expected, operational EBITDA was also robust in the reporting period at EUR 2.1m. In addition to the revenue and earnings contributions of the companies acquired in 2013, the new Ströer Digital segment contains the contributions from the majority interest in the GAN Group acquired in the

first half of 2014 and from Tube One Networks GmbH. Overall, this segment performed as planned.

“Other” segment

The “Other” segment includes our Polish out-of-home activities and the western European giant poster business of the blowUP division. The blowUP division increased its revenue contribution by 10% in the third quarter of 2014. Poland’s contribution to revenue in the first nine months of the year was virtually unchanged year on year. The “Other” segment recorded a 45% rise in operational EBITDA to EUR 1.9m in the third quarter. Likewise, the operational EBITDA margin increased significantly to 13%. Segment revenue for the quarter rose by 4.3% overall to EUR 14.3m.

Outlook

The guidance for fiscal year 2014 has been raised on the back of a strong third quarter.

For the fourth quarter of 2014, Ströer expects total group revenue growth of between 10% and 15%, with organic growth of at least 10%.

For the full year 2014, the Company expects organic growth of around 10% and operational EBITDA of approximately EUR 145m.

The Group's financial figures at a glance

In EUR m	9M 2014	9M 2013	Change
Revenue ¹	509.3	430.1	18.4%
by segment			
Ströer Germany ²	334.0	302.0	10.6%
Ströer Turkey	62.0	70.5	-12.1%
Ströer Digital (Online)	79.4	27.8	>100%
Other (Ströer Poland and blowup)	43.7	39.5	10.7%
by product group			
Billboard ²	232.4	213.0	9.1%
Street furniture ²	105.2	102.8	2.3%
Transport ²	71.2	67.6	5.2%
Digital (Online)	79.1	27.7	>100%
Other ²	30.4	28.1	8.2%
Organic growth (%) ³	10.9	4.8	
Gross profit ⁴	145.3	120.4	20.7%
Operational EBITDA ⁵	87.8	67.7	29.7%
Operational EBITDA margin ⁵ (%)	16.9	15.4	
Adjusted EBIT ⁶	52.6	35.2	49.6%
Adjusted EBIT margin ⁶ (%)	10.2	8.0	
Adjusted profit or loss for the period ⁷	27.2	13.1	>100%
Adjusted earnings per share ⁸ (EUR)	0.54	0.30	80.5%
Profit or loss for the period ⁹	5.8	-8.3	n.d.
Earnings per share (EUR) ¹⁰	0.10	-0.18	n.d.
Investments ¹¹	25.8	26.6	-3.0%
Free cash flow ¹²	34.1	-18.6	n.d.
	30 Sep 2014	31 Dec 2013	Change
Total equity and liabilities ¹	946.5	953.1	-0.7%
Equity ¹	306.1	297.0	3.1%
Equity ratio (%)	32.3	31.2	
Net debt ¹³	303.6	326.1	-6.9%
Employees (number) ¹⁴	2,366	2,223	6.4%

¹ Joint ventures are consolidated at-equity - according to IFRS 11

² Joint ventures are consolidated proportional (management approach)

³ Excluding exchange rate effects and effects from the (de-)consolidation and discontinuation of operations (Joint ventures are consolidated proportional)

⁴ Revenue less cost of sales (Joint ventures are consolidated at-equity - according to IFRS 11)

⁵ Earnings before interest, taxes, depreciation and amortization adjusted for exceptional items (Joint ventures are consolidated proportional)

⁶ Earnings before interest and taxes adjusted for exceptional items, amortization of acquired advertising concessions and impairment losses on intangible assets (Joint ventures are consolidated proportional)

⁷ Adjusted EBIT before non-controlling interest net of the financial result adjusted for exceptional items and the normalized tax expense (Joint ventures are consolidated proportional)

⁸ Adjusted profit or loss for the period net of non-controlling interests divided by the number of shares outstanding after the IPO (42,098,238) plus time-weighted addition of the shares from the capital increase (6,771,546) on 3 June 2013

⁹ Profit or loss for the period before non-controlling interest (Joint ventures are consolidated at-equity - according to IFRS 11)

¹⁰ 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) plus time-weighted addition of the shares from the capital increase (6,771,546) on 3 June 2013

¹¹ Including cash paid for investments in property, plant and equipment and in intangible assets (Joint ventures are consolidated at-equity - according to IFRS 11)

¹² Cash flows from operating activities less cash flows from investing activities (Joint ventures are consolidated at-equity - according to IFRS 11)

¹³ Financial liabilities less derivative financial instruments and cash (Joint ventures are consolidated proportional)

¹⁴ Headcount of full and part-time employees (Joint ventures are consolidated proportional)



About Ströer

Ströer Media SE is a leading provider of online advertising and out-of-home, 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 several thousand websites and more than 280,000 out-of-home advertising faces. With consolidated revenue of EUR 634m for the full year 2013, Ströer Media SE is one of largest providers of out-of-home media in Europe in terms of revenue.

The Ströer Group has approximately 2,300 employees at over 70 locations.

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

Press Contact

Marc Sausen
Ströer Media SE
Head of Group Communication
Ströer-Allee 1 · 50999 Cologne
Telephone: +49 (0) 2236 / 96 45-246
Fax: +49 (0) 2236 / 96 45-6246
Email: msausen@stroeer.de

Investor Relations

Dafne Sanac
Ströer Media SE
Manager Investor Relations
Ströer-Allee 1 · 50999 Cologne
Telephone: +49 (0) 2236 / 96 45-356
Fax: +49 (0) 2236 / 96 45-6356
Email: ir@stroeer.de