

## PRESS RELEASE

### **Ströer continuing on its profitable course of digital growth in Q3 and significantly raising its guidance for both 2015 and 2016**

- **Ströer anticipating consolidated revenue of between EUR 1.1b and EUR 1.2b and operational EBITDA of between EUR 270m and EUR 280m for 2016**
- **Ströer expecting operational EBITDA up to EUR 200m for 2015**
- **10% organic revenue growth in the third quarter 2015**
- **Consolidated revenue up to EUR 189.8m in Q3 2015**
- **Operational EBITDA climbs 44% to EUR 43.4m in Q3 2015**
- **Adjusted profit up two-fold in the third quarter 2015 to almost EUR 19.2m**

Cologne, 11 November 2015      Ströer SE continued its dynamic, digital-driven growth course in the third quarter of 2015 and confirmed the positive business development of the prior quarters. On the basis of the faster than originally expected growth in the Digital segment, Ströer is considerably raising its guidance for 2015 and 2016: The Company is forecasting operational EBITDA of up to EUR 200m (previously EUR 180m) for the current fiscal year. For 2016, Ströer anticipates consolidated revenue of EUR 1.1b to EUR 1.2b (previously EUR 1b) and operational EBITDA of between EUR 270m and EUR 280m (previously EUR 230m to EUR 240m), with 50% of operational EBITDA expected from the Digital segment.

Organic revenue growth was 10% in the third quarter 2015. Overall, revenue grew to EUR 189.8m in the third quarter 2015 and to EUR 553.2m in the first nine months. The upward trend in revenue also had a positive effect on operational EBITDA, which climbed by 44% on the prior-year quarter to EUR 43.4m. The operational EBITDA margin also improved significantly from 17% in the prior year to 22.5% in Q3 2015. The

adjusted profit for the same period almost doubled to EUR 19.2m. Despite strong investing activities and game-changing acquisitions, Ströer improved its leverage ratio (net debt to operational EBITDA) from 2.2 at the end of Q3 2014 to 1.7 thanks to its good operating results.

The good business performance is the result of focusing on a range of different digital business models, which the Company is pursuing further. In the Out-of-Home Germany segment, Ströer started the digitalization of roadside billboards in the third quarter of 2015. The roll-out of digital pillars and billboards is starting now in key German cities such as Cologne, Düsseldorf and Hamburg. Ströer is the first company globally to roll out a nationwide network of beacons. A total of 50,000 advertising media at highly-frequented traffic hubs in Germany will be equipped with iBeacon technology by the end of 2016.

**“We have made Ströer a leading digital multi-channel media company in Germany based on our cornerstones of Big Data, Digital Content and Out-of-Home infrastructure. We are convinced that this unique combination of our business segments will continue to generate substantial value added for our shareholders in the future,” says Udo Müller, CEO of Ströer. “We have a strong M&A pipeline – without losing sight of our strict cost discipline – and are focusing on transactions that directly increase value for the Ströer Group.”**

In 2016, Ströer will generate 40% of its revenue in the Digital segment and expects this number to increase to 50% in the midterm. The most recent acquisitions highlight the focus on digitalization in all segments. Ströer Digital Group acquired KissMyAds, a leading mobile platform for app installments, which offers customers technical solutions to start high performance campaigns on the mobile web. The transaction is subject to approval from the federal cartel office. Ströer Content Group acquired Lioncast, an e-commerce company located in the gaming sector, which completes Ströer’s gaming vertical. Through the acquisition of Lioncast Ströer is able to maximize the monetization of its gaming reach via advertising, downloads, subscriptions and e-commerce. Furthermore, Ströer together with Deutsche Telekom AG and Falk Technologies has agreed to establish a Series A venture fund for disruptive, digital business models – subject to approval by the Federal Cartel Office.

## Operating segments

### *Out-of-Home Germany*

Revenue in the Out-of-Home Germany segment was up 4.7% in the third quarter of 2015 to EUR 110.7m and increased by 5.6% to EUR 324.8m in the first nine months of 2015. Operational EBITDA also developed very well and rose 37.5% in the third quarter to EUR 28.6m. In the first nine months, the value grew by 35.2% to EUR 78.7m. The EBITDA margin also improved significantly to 25.8%. In the first nine months, the EBITDA margin rose to 24.2%.

### *Digital*

The Digital segment comprises the Group's entire digital operations including online advertising, the content business of the Ströer Content Group and the Group's public video activities. The segment constitutes a cornerstone of the Group's corporate strategy and is a primary driver of steady and sustainable growth within the Group. The segment's revenue grew by 32.4% in the third quarter to total EUR 51.7m. In the first nine months of 2015, the business grew 26.4% and reported revenue of EUR 139.9m. The strong organic growth came to 34.8% in the third quarter and 28.3% for the first nine months. Operational EBITDA for the Digital segment increased by 54.7% in the third quarter of 2015 to EUR 13.8m. In the first nine months, operational EBITDA grew 61.4% to EUR 37.8m.

### *Out-of-Home International*

The OOH International segment was shaped by a challenging market environment. Despite the challenges, revenue remained largely stable and stood at EUR 105.7m at the end of the first nine months. Operational EBITDA rose by 5.2% to EUR 15.3m.

## The Group's financial figures at a glance

in EUR m	9M 2015	9M 2014	Change
<b>Revenue (1)</b>	<b>553,2</b>	<b>509,3</b>	<b>8,6%</b>
<b>by segment</b>			
OoH Germany (2)	324,8	307,5	5,6%
Ströer Digital	139,9	110,7	26,4%
OoH International	105,7	105,8	-0,1%
<b>by product group</b>			
Billboard (2)	232,4	230,3	0,9%
Street furniture (2)	111,7	105,2	6,2%
Transport (2)	40,2	38,5	4,5%
Digital (3)	142,3	113,8	25,1%
Other (2)	36,9	30,4	21,1%
Organic growth (4)	9,1	10,9	
Gross profit (5)	158,3	144,2	9,8%
<b>Operational EBITDA (6)</b>	<b>121,8</b>	<b>87,8</b>	<b>38,6%</b>
<b>Operational EBITDA (6) margin</b>	<b>21,6</b>	<b>16,9</b>	
Adjusted EBIT (7)	70,4	52,6	33,7%
Adjusted EBIT (7) margin	12,5	10,2	
Adjusted profit or loss for the period (8)	53,0	27,2	94,7%
Adjusted earning per share (9)	1,08	0,54	99,3%
Profit or loss for the period (10)	25,2	4,9	> 100%
Earning per share (11)	0,51	0,09	> 100%
Investments (12)	50,4	25,8	95,1%
Free cash flow (13)	7,4	34,1	-78,2%
	<b>30 Sep 2015</b>	<b>31 Dec 2014</b>	<b>Change</b>
Total equity and liabilities (1)	976,8	953,9	2,4%
Equity (1)	293,7	320,7	-8,4%
Equity ratio	30,1	33,6	
Net debt (14)	304,3	275,0	10,6%
Employees (15)	2.647	2.380	11,2%

- 1) Joint ventures are consolidated at-equity - according to IFRS 11
- 2) Joint ventures are consolidated proportional (management approach)
- 3) Revenues of segment Ströer Digital and digital OoH revenues of other segments
- 4) Excluding exchange rate effects and effects from the (de-)consolidation and discontinuation of operations (Joint ventures are consolidated proportional)
- 5) Revenue less cost of sales (Joint ventures are consolidated at-equity - according to IFRS 11)
- 6) Earnings before interest, taxes, depreciation and amortization adjusted for exceptional items (Joint ventures are consolidated proportional)
- 7) 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)
- 8) 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)
- 9) Adjusted profit or loss for the period net of non-controlling interests divided by the number of shares outstanding (48.869.784)
- 10) Profit or loss for the period before non-controlling interest (Joint ventures are consolidated at-equity - according to IFRS 11)
- 11) Actual profit or loss for the period net of non-controlling interests divided by the number of shares outstanding (48.869.784)
- 12) Including cash paid for investments in property, plant and equipment and in intangible assets (Joint ventures are consolidated at-equity - according to IFRS 11)
- 13) Cash flows from operating activities less cash flows from investing activities (Joint ventures are consolidated at-equity - according to IFRS 11)
- 14) Financial liabilities less derivative financial instruments and cash (Joint ventures are consolidated proportional)
- 15) Headcount of full and part-time employees (Joint ventures are consolidated proportional)

## **About Ströer**

Ströer SE is a big digital multi-channel media company, and offers its advertising customers individualized and fully integrated premium communications solutions. In the field of digital media, Ströer is setting forward-looking standards for innovation and quality in Europe and is opening up new opportunities for targeted customer contact for its advertisers.

The Ströer Group commercializes several thousand websites especially in German-speaking countries and around 300,000 advertising faces in the field of “out-of-home”. The Group has approximately 2,500 employees at over 70 locations.

In the full year 2014, Ströer SE generated consolidated revenue of EUR 721m.

The Ströer SE is listed on the SDAX of the German Stock Exchange.

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

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