

PRESS RELEASE

Ströer got off to a very good start in fiscal year 2017 and is presenting a strong first quarter

- **Consolidated revenue increases substantially by 24% from EUR 226m to EUR 281m**
- **Operational EBITDA climbs 20% from EUR 46m to EUR 56m**
- **Adjusted profit for the quarter up 18% from EUR 21m to EUR 25m**

Cologne, 11 May 2017

Ströer SE & Co KGaA continues on its profitable growth course in the first quarter of 2017. Quarterly revenue grew 24% year on year from EUR 226m to EUR 281m, with organic revenue growth at almost 9%. Operational EBITDA increased by a substantial 20%, up from EUR 46m to EUR 56m. Adjusted profit for the period developed positively, up 18% from EUR 21m to EUR 25m. Ströer also reduced its leverage ratio from 1.4 in the prior-year period to 1.3 in Q1 2017.

“We got off to a very good start in fiscal year 2017. Our KPIs have developed exceptionally well, and all core segments are contributing to this very good business performance. We will continue to build on this positive development in the second quarter,” says Udo Müller, founder and Co-CEO of Ströer. “We are confirming our current guidance of operational EBITDA of more than EUR 320m and consolidated revenue of around EUR 1.3b for 2017.”

Operating segments

Ströer Digital

The Ströer Digital segment saw its revenue grow further across all product groups in the first quarter of 2017. Investments in other digital business models, with the revenue contributions recorded under the transactional product group, also contributed to the robust growth.

Revenue in the Ströer Digital segment increased by 59% in the first quarter of 2017, up from EUR 93.2m to EUR 147.9m. Operational EBITDA also developed very well and

shot up 46% from EUR 24.0m to EUR 35.2m. The EBITDA margin decreased slightly to 23.8%.

As Ströer is continually adding to and expanding its business, the segment figures can only be compared with those of the prior year to a limited extent. The integration and targeted restructuring of the newly acquired companies was driven forward in the reporting period and we are frequently able to leverage synergies and economies of scale on both the revenue and cost side.

Out-of-Home Germany

The OOH Germany segment was able to build on the excellent performance in the prior year in the first quarter of 2017, improving it further in many areas. The steady ongoing further development of the local sales organization also had a particularly positive effect overall.

The segment reported revenue growth of more than 5%, up from EUR 108.3m to EUR 114.0m. Operational EBITDA was up almost 6% from EUR 24.9m to EUR 26.3m. The operational EBITDA margin remained unchanged year-on-year at 23.1%. The increase in revenue was accompanied at the same time by a higher cost of sales, which was due primarily to both higher revenue-based lease payments and to higher running costs.

In terms of the individual product groups, however, development varied. The large formats product group, which focuses on national as well as regional and local customer groups, could not quite match the excellent double-digit growth rates achieved in the prior year, and saw its revenue decrease slightly year on year at EUR 46.2m (prior year: EUR 48.0m).

By contrast, the street furniture product group, which is more targeted at national and international customer groups, grew once more year on year, achieving a new record of EUR 34.8m.

The segment's transport product group also saw a further increase in revenue, bolstered in particular by business with many local customers. At EUR 18.8m, the other product group benefited even more significantly from the strong growth in business with regional and local customers (prior year: EUR 13.7m). These customer groups specifically are traditionally more interested in full-service solutions, including the production of advertising materials, than large cross-regional or national customers. Furthermore, this product group reports continued growth in revenue generated with local customers from the commercialization of the new digital roadside screen products.

Out-of-Home International

The OOH International segment includes the Turkish and Polish out-of-home activities and the western European giant poster business of the blowUP group.

In the first quarter of 2017, the segment generated revenue of EUR 26.6m, closing almost EUR 3.5m down on the prior year. The main reasons were in particular the continued tense political situation in Turkey, which put considerable pressure on both the Turkish lira and the Turkish advertising market. Both effects had a downward impact on revenue shown in euro terms. At the same time the Polish advertising market remained challenging with business here also seeing slight decreases compared with the prior year. Only the western European giant poster business was able to slightly offset the negative development in Turkey and Poland, reporting a further increase in revenue.

The declining revenue was coupled with lower cost of sales in Turkey in particular, as well as in Poland, whereas the blowUP group recorded higher revenue-linked costs. Overall, the segment generated operational EBITDA of EUR -0.3m in the first quarter (prior year: EUR 1.8m) and an operational EBITDA margin of -1.2% (prior year: 5.9%).

THE GROUP'S FINANCIAL FIGURES AT A GLANCE

In EUR m	Q1 2017	Q1 2016
Revenue	281.2	226.2
Operational EBITDA	55.6	46.2
Adjustment effects	4.8	5.4
IFRS 11 adjustment	1.2	1.0
EBITDA	49.5	39.8
Amortization, depreciation and impairment losses	38.9	33.7
thereof attributable to purchase price allocations and impairment losses	15.2	14.8
EBIT	10.6	6.0
Financial result	1.5	1.7
EBT	9.1	4.3
Income taxes	1.2	0.3
Consolidated profit for the period	7.9	4.0
Adjusted consolidated profit for the period	24.7	20.8
Free cash flow (before M&A transactions)	-23.4	2.5
Net debt	368.4	314.0
Leverage ratio	1.25	1.38

About Ströer

Ströer SE & Co. KGaA is a leading digital multi-channel media company and offers 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 and operates several thousand websites in German-speaking countries in particular and operates approximately 300,000 advertising media in the out-of-home segment. It has approximately 4,600 employees at over 70 locations. In fiscal year 2016, Ströer generated revenue of EUR 1.12bn. Ströer SE & Co. KGaA is listed in Deutsche Börse's MDAX.

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

Press contact Ströer

Marc Sausen
Ströer SE & Co. KGaA
Director Corporate Communications
Ströer-Allee 1 · 50999 Cologne
Phone: +49 2236 / 96 45-246
E-Mail: presse@stroeer.de

Investor Relations contact Ströer

Dafne Sanac
Ströer SE & Co. KGaA
Head of Investor & Credit Relations
Ströer-Allee 1 · 50999 Cologne
Phone: +49 2236 / 96 45-356
E-Mail: dsanac@stroeer.de

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