

## **PRESS RELEASE**

### **Ströer significantly grows revenue and operational EBITDA in the first six months and adds a dialog marketing platform to its multi-channel strategy**

- **Consolidated revenue increases by 19% from EUR 502m to EUR 597m**
- **Operational EBITDA climbs 18% from EUR 115m to EUR 136m**

Cologne, 10 August 2017                      Ströer SE & Co. KGaA continues on its profitable growth course in the first six months of 2017. Revenue grew 19% year on year from EUR 502m to EUR 597m, with organic revenue growth at 7.6%. Operational EBITDA increased by a substantial 18% in the first six months, up from EUR 115m to EUR 136m. Adjusted profit for the period developed positively, up 14% from EUR 61m to EUR 70m. At the same time, Ströer reduced its leverage ratio from 1.5 in the prior-year period to 1.4 in the first half of 2017.

**“Our strategy has proved successful, allowing us to continue Ströer’s profitable growth course. All core segments have contributed to this positive momentum. In the last few weeks, we have also created another profitable growth segment in the Group by entering the performance-based dialog marketing business,”** 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,”** adds Co-CEO Christian Schmalzl. **“We expect a strong and robust development in the next quarter on a par with the first six months, along with a highly positive impact on future results from our acquisitions Avedo and Ranger Marketing.”**

## Operating segments

### *Ströer Digital*

Revenue in the Ströer Digital segment increased by 44% in the first six months of 2017, up from EUR 210m to EUR 302m, with organic growth at 12.3%. All product groups contributed to this growth. Aside from the subscription and digital commerce business, our public video business and the expansion of our sales operations for local digital solutions geared to small and medium-sized companies significantly boosted growth.

Operational EBITDA also developed very well and shot up 41% from EUR 55m to EUR 77m. The operational EBITDA margin came to 25.4%, virtually the same as in the prior year.

As Ströer is continually 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*

With business remaining robust, revenue growth in the OOH Germany segment remained strong in the second quarter of 2017. This growth was once again largely driven by regional business in light of the continued expansion of the local sales organization.

The segment reported organic revenue growth of more than 6%, up from EUR 235m to EUR 250m in the first six months of the year. Operational EBITDA grew even more strongly, rising by over 12% from EUR 59m to EUR 66m. The development of the operational EBITDA margin was also very positive, climbing from 25.2% to 26.6% in the first six months of 2017. 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.

## *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.

Revenue in the OOH International segment in the first half of 2017 remained shaped by the tense political situation and the unfavorable macroeconomic conditions in Turkey. The Turkish advertising market has come under considerable pressure and the Turkish lira's losses have also deepened compared to the prior year. Both effects had an adverse impact on revenue shown in euro terms.

Overall, due to the significant burdens associated with the Turkish business, the segment reported a 13% decline in revenue from EUR 70m to EUR 61m. Operational EBITDA decreased accordingly, down from EUR 11m to EUR 5m. The EBITDA margin dropped from 16.2% to 8.7%.

## The Group's financial figures at a glance

<p><b>REVENUE</b></p> <p><b>EUR 597.4 m</b> (prior year: EUR 502.3m)</p> <hr/> <p><b>BY SEGMENT</b> in EUR m</p> <table border="1"> <thead> <tr> <th>Segment</th> <th>2016</th> <th>2017</th> </tr> </thead> <tbody> <tr> <td>DIGITAL</td> <td>210.3</td> <td>302.4</td> </tr> <tr> <td>OOH GERMANY</td> <td>234.6</td> <td>249.5</td> </tr> <tr> <td>OOH INTERNATIONAL</td> <td>69.8</td> <td>60.6</td> </tr> </tbody> </table>	Segment	2016	2017	DIGITAL	210.3	302.4	OOH GERMANY	234.6	249.5	OOH INTERNATIONAL	69.8	60.6	<p><b>OPERATIONAL EBITDA</b></p> <p><b>EUR 135.9 m</b> (prior year: EUR 115.4m)</p> <hr/> <p><b>ORGANIC REVENUE GROWTH</b></p> <p><b>7.6%</b> (prior year: 8.7%)</p> <hr/> <p><b>FREE CASH-FLOW BEFORE M&amp;A TRANSACTIONS</b></p> <p><b>EUR 19.6 m</b> (prior year: EUR 40.7m)</p>	<p><b>OPERATIONAL EBITDA MARGIN</b></p> <p><b>22.5%</b> (prior year: 22.7%)</p> <hr/> <p><b>ADJUSTED CONSOLIDATED PROFIT FOR THE PERIOD</b></p> <p><b>EUR 70.1 m</b> (prior year: EUR 61.3m)</p> <hr/> <p><b>ROCE</b></p> <p><b>16.4%</b> (prior year: 17.3%)</p>
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In EUR m	Q2 2017	Q2 2016	6M 2017	6M 2016
<b>Revenue</b>	316.2	276.2	597.4	502.3
<b>Operational EBITDA</b>	80.3	69.2	135.9	115.4
Adjustment effects	5.9	5.5	10.8	10.9
IFRS 11 adjustment	1.2	1.1	2.4	2.0
<b>EBITDA</b>	73.2	62.7	122.7	102.4
Amortization, depreciation and impairment losses	40.5	34.7	80.7	68.4
thereof attributable to purchase price allocations and impairment losses	16.6	15.9	33.0	30.7
<b>EBIT</b>	32.7	28.0	42.0	34.0
Financial result	2.1	3.3	3.6	5.1
<b>EBT</b>	30.6	24.6	38.5	28.9
Income taxes	4.1	2.7	4.9	3.1
<b>Consolidated profit for the period</b>	26.5	21.9	33.5	25.9
<b>Adjusted consolidated profit for the period</b>	45.5	40.5	70.1	61.3
<b>Free cash flow (before M&amp;A transactions)</b>			19.6	40.7
<b>Net debt</b>			418.5	365.2
<b>Leverage ratio</b>			1.38	1.49

## About Ströer

Ströer SE & Co. KGaA is a leading digital multi-channel media company and offers advertising customers individualized and fully integrated, end-to-end solutions along the entire marketing and sales value chain. 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. Ströer also offers its customers comprehensive performance-based sales solutions with its own dialog marketing segment. In digital publishing, the Company publishes premium content across all digital channels, offering one of Germany's widest reaching networks with its t-online.de and special interest sites.

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 6,500 employees at over 70 locations. In fiscal year 2016, Ströer generated revenue of EUR 1.12b. Ströer SE & Co. KGaA is listed in Deutsche Börse's MDAX.

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

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