PRESS RELEASE

Dynamic start: Ströer presents strong first quarter 2018 results

- **Consolidated revenue up a substantial 20% from EUR 281m to EUR 337m**
- **Operational EBITDA climbs 16%, up from EUR 95m to EUR 110m**
- **Adjusted profit for the quarter soared 42% from EUR 21m to EUR 29m**

Cologne, 15 May 2018 Ströer SE & Co KGaA continued on the sustainable growth course of the past fiscal years in the first quarter of 2018. Quarterly revenue mushroomed 20% like on like, up from EUR 281m to EUR 337m. Organic revenue growth stood at 6.8%. Operational EBITDA in the first quarter climbed 16%, up from EUR 95m to EUR 110m (excluding the effects from IFRS 11 and IFRS 16, this represents an increase of 17% from EUR 56m to EUR 65m). Adjusted profit for the period developed very well, growing 42% from EUR 21m to EUR 29m (excluding the effects from IFRS 11 and IFRS 16, this represents an increase of 32% from EUR 25m to EUR 33m).

Ströer successfully expanded its product portfolio in the past months adding the newly established Direct Media segment and thus reaffirmed its strategic objective of making integrated offerings available along the marketing and sales funnel and the entire customer journey. Strengthening operations with the heavily performance-driven dialog media business underlines Ströer's strategic aim to be Germany's most customer-centric media company. Owing to the strategic expansion of operations, the Ströer Group reorganized its segment structure. In addition to the newly established Direct Media segment, Content Media and OOH Media complement the reorganized segment structure of the media company Ströer. The German and international location-based OOH segments were consolidated into the OOH Media segment. The segment Content

Media houses all of Ströer's digital operations such as content, marketing and publishing.

"In the first quarter of 2018, we made, as expected, a successful start to the fiscal year, achieved sustainable profitable growth and saw our KPIs improve. This development and the consistently strong results are testimony that our strategy is paying off," says Udo Müller, founder and Co-CEO of Ströer. "We are confirming our guidance for 2018 of operational EBITDA of around EUR 375m before IFRS effects, or operational EBITDA of EUR 535m taking the effects from IFRS 11 and IFRS 16 into account, and total consolidated revenue of around EUR 1.6b."

"Our new segment structure reflects the strategic expansion of the business to include the dialog media business. We now also have the opportunity to talk to our customers about holistic performance-based solutions, ranging from location or content-specific reach across the entire spectrum of dialog marketing through to the final transaction and customer retention," explains Ströer's Co-CEO Christian Schmalzl. "We are thus creating the conditions for the further profitable growth of our Company."

Operating segments

As of 1 January 2018, the Ströer Group consolidated its OOH Germany and OOH International segments in a new segment, OOH Media. At the same time, the previous segment Ströer Digital was split into two new segments, namely Content Media and Direct Media. This new segmentation reflects the business expansion. The prior-year figures were restated accordingly in line with the new structure.

Content Media

In the first quarter of 2018, the Content Media segment grew its revenue from EUR 115.9m to EUR 123.2m, with organic revenue growth of 9.1%. With respect to the individual product groups, the development was positive across the board. The video product group was buoyed by both robust demand for moving-picture formats in the public domain (public video) as well as online videos. The display business also grew moderately in the first quarter of this year. In the product group digital marketing services, business with subscription models (Statista) as well as local digital product marketing business with small and medium-sized customers (RegioHelden) was particularly positive.

Taking the effects of IFRS 11 and IFRS 16 into account, operational EBITDA was slightly down on the prior year (EUR 34.2m; prior year: EUR 35.1m) due to seasonal effects and start-up costs for the launch of the watson.de portal, which directly became the no. 2 millennial portal in Germany, following a very successful market launch. However, for fiscal year 2018 as a whole, the Company expects to see a significant improvement in operational EBITDA year on year. The corresponding operational EBITDA margin thus came to 27.8% (prior year: 30.3%).

Direct Media

The new segment Direct Media comprises the dialog marketing and transactional product groups. Given the fact that the dialog marketing operations were newly acquired, there are no comparative figures for the first quarter of the prior year for this product group. The integration and restructuring of the newly acquired operations is being driven forward in this segment in the meantime. Adjusted for the sale of the Vitalsana business in December 2017 and the discontinuation of e-commerce business, the transactional product group would have generated strong revenue growth of EUR 6m, an increase of around 17%. By contrast, the product group recorded a decline in revenue of EUR 5.9m to EUR 27.5m compared with the first quarter of the prior year. In this context, business from own-products such as Asam Beauty and Ströer Products in particular posted substantial growth.

Overall, the segment reported organic growth of 12.4% and generated revenue of EUR 76.5m (prior year: EUR 33.4m), operational EBITDA of EUR 14.4m (prior year: EUR 3.2m) and an operational EBITDA margin of 18.8% (prior year: 9.6%) in the reporting period, taking the effects from IFRS 11 and IFRS 16 into account. Given the low capital-intensive business model for dialog media, the adjusted EBIT margin stood at 16%, up three percentage points on the average adjusted EBIT margin at group level. The Direct Media segment thus lifts the adjusted EBIT margin for the Group as a whole.

OOH Media

The previous segments OOH Germany and OOH International were combined into the new OOH Media segment as of 1 January 2018. This new segment saw its revenue grow to EUR 141.3m in the first quarter of 2018, with organic revenue growth of 2.4%. Despite the seasonal effects in Q1, which slightly flattened segment revenue growth, the

Company will achieve the growth target of the past years in the mid-single-digit percentage range for the year 2018 as a whole.

In terms of the individual product groups, performance varied. The large formats product group suffered significant losses following the termination of the advertising concession contract in Istanbul and the tumble in the value of the Turkish lira. The street furniture product group, which mainly serves national and international customer groups, reported slightly declining revenue compared with the prior year. By contrast, the transport product group, which operates almost exclusively in the German OOH market, was up slightly year on year. The other product group gained even more ground. Stepped-up local sales activities and sophisticated digital products such as Roadside Screens will contribute to the overall positive development of the segment.

Against the backdrop of higher revenue, operational EBITDA also rose from EUR 61.1m to EUR 65.1m. The operational EBITDA margin picked up from 44.6% to 46.1%.

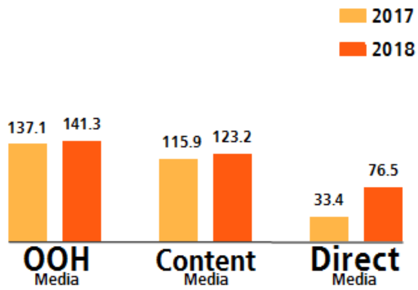
THE GROUP'S FINANCIAL FIGURES AT A GLANCE

Revenue

EUR 336.6m

(prior year: EUR 281.2m)

SEGMENT REVENUE
In EUR m



OPERATIONAL EBITDA

EUR 109.8m

(prior year: EUR 94.7m)

OPERATIONAL EBITDA-MARGIN

32.6%

(prior year: 33.7%)

ORGANIC REVENUE GROWTH

6.8%

(prior year: 8.8%)

ADJUSTED CONSOLIDATED PROFIT

EUR 29.2m

(prior year: EUR 20.5m)

FREE CASH FLOW BEFORE M&A TRANSACTIONS

EUR 43.5m

(prior year: EUR 28.0m)

ROCE

17.2%

(prior year: 16.2%)

In EUR m	**After adjustment for IFRS 11 and IFRS 16 Q1 2018[1)]**	**After adjustment for IFRS 11 and IFRS 16 Q1 2017[1)]**	**Before adjustment for IFRS 11 and IFRS 16 Q1 2018**	**Before adjustment for IFRS 11 and IFRS 16 Q1 2017**
Revenue (reported)	**336.6**	**281.2**	**336.6**	**281.2**
IFRS 11 adjustment	-	-	2.6	3.3
Revenue (Management View)	**336.6**	**281.2**	**339.2**	**284.5**
Operational EBITDA	**109.8**	**94.7**	**64.9**	**55.6**
Adjustment effects	7.7	4.4	7.7	4.8
IFRS 11 adjustment	-	-	0.9	1.2
EBITDA	**102.1**	**90.2**	**56.4**	**49.5**
Amortization, depreciation and impairment losses	81.3	77.7	38.9	40.2
thereof attributable to purchase price allocations and impairment	15.2	16.2	15.5	16.5
EBIT	**20.8**	**12.5**	**17.5**	**9.3**
Financial result	9.1	8.2	2.5	1.5
EBT	**11.7**	**4.3**	**15.0**	**7.8**
Taxes	1.9	0.8	2.5	0.8
Consolidated profit for the period	**9.7**	**3.5**	**12.5**	**7.0**
Adjusted consolidated profit for the period	**29.2**	**20.5**	**32.6**	**24.7**
Free cash flow (before M&A transactions)	**43.5**	**28.0**	**-15.8**	**-23.4**
Net debt	**533.6**	**376.9**	**527.4**	**368.4**

[1)] The "IFRS 11 adjustment" relates to the alignment of the internal reporting to the external reporting. This alignment had an effect on several non-GAAP KPIs. The „IFRS 16 adjustment" results from the first-time application of this new standard.

About Ströer

Ströer is a leading digital multi-channel media company and offers its customers end-to-end solutions along the entire marketing and sales value chain. Ströer's objective is to be the most customer-centric media company. The addition of dialog marketing enables Ströer to offer customers holistic performance-based solutions ranging from location or content-specific reach and interaction across the entire spectrum of dialog marketing through to transactions. Furthermore, 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 13,000 employees at over 100 locations. In fiscal year 2017, Ströer generated revenue of EUR 1.33b. Ströer SE & Co. KGaA is listed in Deutsche Börse's MDAX.

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

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