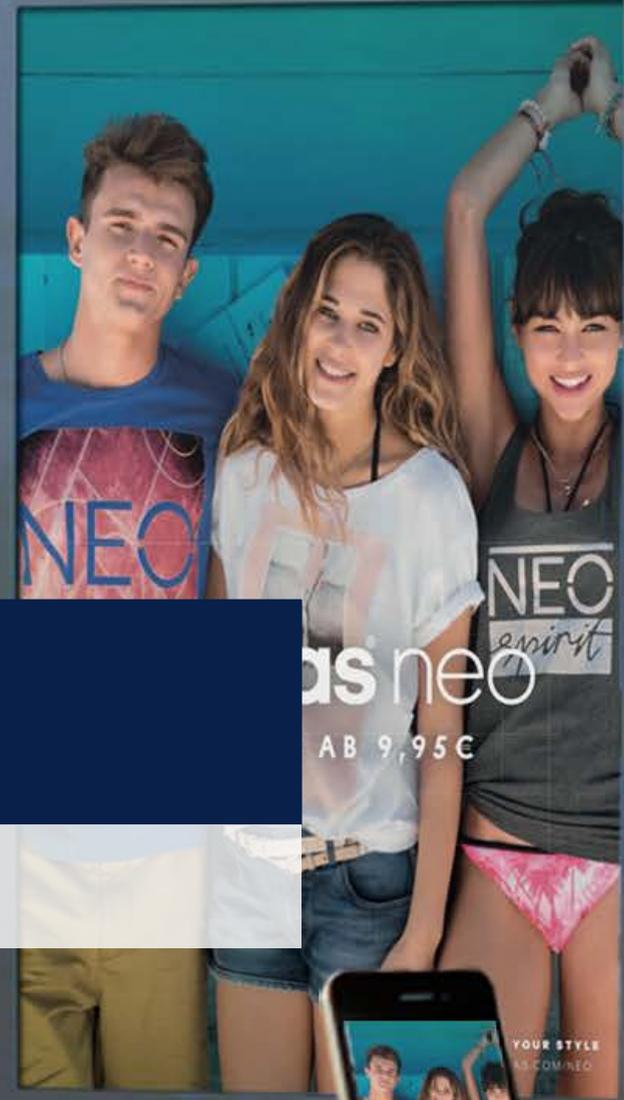


**STRÖER**

# STRÖER MEDIA SE All things digital

June 23<sup>rd</sup> 2015 | London

STRÖER  digital



# Agenda

## 01

### Company Overview

- Ströer at a glance
- Ströer Reporting
- Transformation

## 02

### Digital Transformation

- OoH Digitalization
- Digital media sales house
- Digital content

## 03

### Media Sales regional

- Market
- Multilevel sales structure
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### Guidance and Outlook

- Q1 results 2015
- Growth dynamics
- Guidance

# Ströer at a glance

## Digital



- #1 in the AGOF ranking
- #5 in the ComScore ranking
- 6,000 websites

## OOH Germany



- #1 OoH in Germany
- 230,000 advertisement faces
- Europe's largest ad market

## OOH International



- #1 OoH in Turkey
- ca. 43,000 advertisement faces
- Europe's largest emerging market
- #1 OoH in Poland
- #1 European giant poster network (GER, UK, ES, Benelux)

## Digital (25% of revenue)



Display, Video, Mobile

## Out of home (75% of revenue)



Billboard

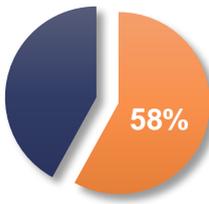


Street furniture



Transport

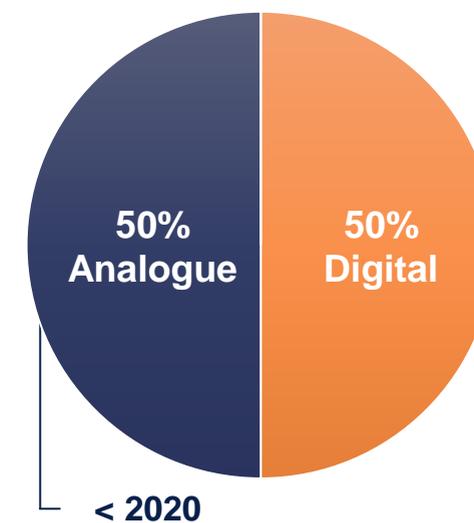
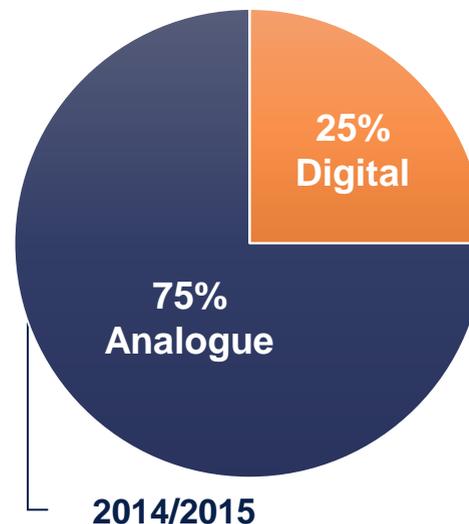
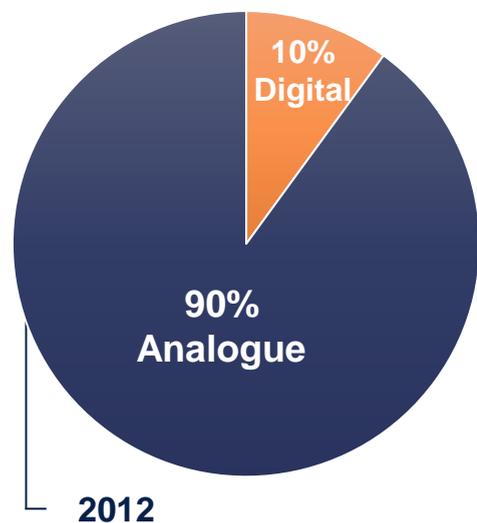
# Ströer Reporting – Summary 2014

	Ströer Media SE	Digital	OoH Germany	OoH International	Recon.*
					
<b>Statutory Net Sales</b>	<b>721.1</b>	<b>165.4</b>	<b>429.1</b>	<b>147.3</b>	<b>-20.7</b>
<b>Operational EBITDA</b>	<b>148.1</b>	<b>39.0</b>	<b>95.3</b>	<b>24.6</b>	<b>-10.9</b>
<b>Op. EBITDA Margin</b>	<b>20.2%</b>	<b>23.6%</b>	<b>22.2%</b>	<b>16.7%</b>	

€m

\*includes Holding, Consolidation and IFRS11 adjustments

# Transformation from an Analogue to a Digital Hybrid Player



## CAGR (2012 – 2020)

- Public video > 5%
- Display/Mobile > 15%
- Video ~20%

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# OoH Phase 1

## National Public Video Network is constantly growing

More than 3.000 video displays reaching more than 30M people per month

**Station Video** (>1.000 screens)



**Supermotion Board** (6 boards)



**Mall Video** (>1.700 screens)



**Infoscreen** (>300 screens)



# OoH Phase 2

## 2015 is our starting point for digital street furniture roll-out

The first 50 digital pillars in Hamburg planned



The first 50 digital pillars in Cologne planned



# OoH Phase 2

## 2015 is our starting point for digital roadside roll-out

First Ströer LED board in Düsseldorf



Expansion in Wuppertal & Hamburg planned



# Digital media phase 1

## Creating the leading national sales house

#	AGOF Ranking	UU (%)	UU (m)
1	<b>Ströer Digital</b>	<b>72.4</b>	<b>40.15</b>
2	InteractiveMedia CCSP	63.6	35.29
3	Axel Springer Media Impact	63.4	35.19
4	SevenOne Media	59.8	33.18
5	Tomorrow Focus Media	57.4	31.86
6	IP Deutschland	52.0	28.85
7	OMS	46.6	25.86
8	eBay	42.9	23.79
9	United Internet Media	42.9	23.77
10	G+J Electronic Media Sales	41.2	22.88

### New publishers in Q1



### Business description

Strong expansion of publishers attracting females between 20 and 35

Leading German newspapers attracting around 5m UU

Information portal around the running cinema programme

# Digital media phase 2

## Increasing our first party inventory share - strengthening our margins

> 15 acquisitions the last 2 years

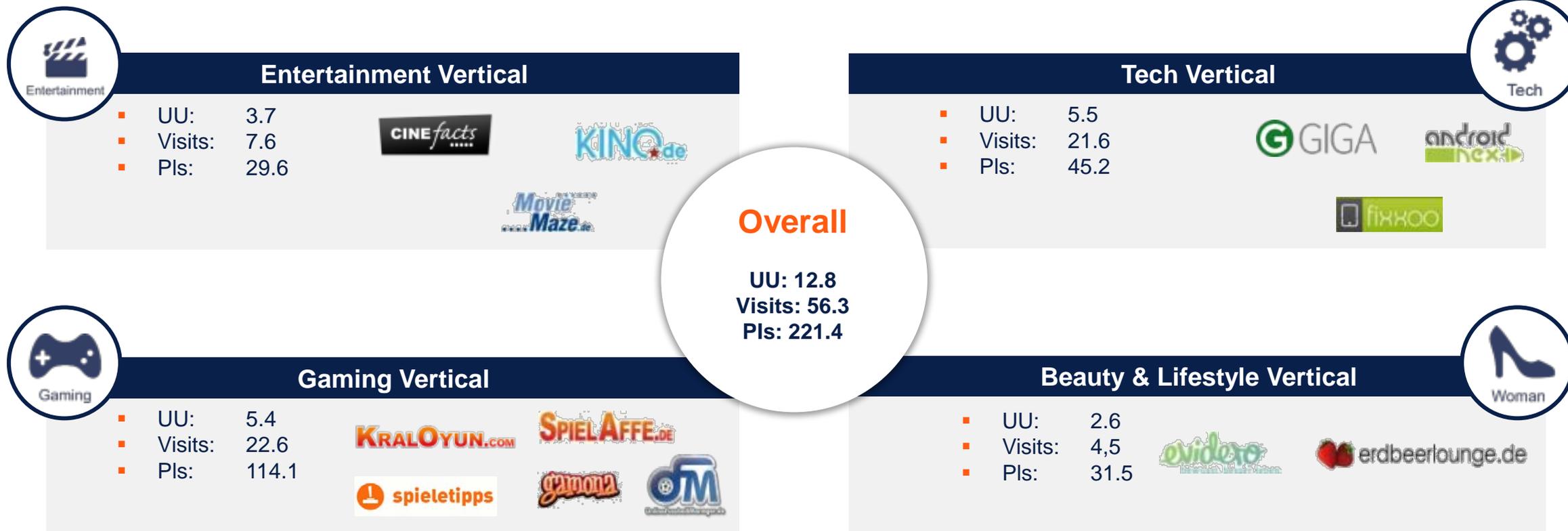
Digital content



Focus on bolt-on publishing acquisitions for marketing verticals

# Digital media phase 2

## Ströer verticals reach > 220m Page Impressions per month



\*Quelle: ComScore, interne Daten 2015-05

# Digital media phase 2

## MCN TubeOne operates five social video verticals

### Entertainment

- 4,9 Mio. UU
- 287 Mio. Views
- 23 Mio. Abonnenten

#### Top 3 YouTuber:

- ApeCrime
- Simon Desue
- FlyingPandas



ApeCrime

### Sport & Fitness

- 0,7 Mio. UU
- 8 Mio. Views
- 0,8 Mio. Abonnenten

#### Top 3 YouTuber:

- Alon Gabbay
- FlyingUwe
- InfitnessTV



Alon Gabbay

tubeone

10,7 Mio. UUs  
580 Mio.  
Videoviews

### Technic & Games

- 2,8 Mio. UU
- 172 Mio. Views
- 9,7 Mio. Abonnenten

#### Top 3 YouTuber:

- GermanLetsPlay
- Unge
- Demtendo



GermanLetsPlay

### Beauty & Lifestyle

- 2,3 Mio. UU
- 112 Mio. Views
- 7,7 Mio. Abonnenten

#### Top 3 YouTuber:

- DagiBee
- ShirinDavid
- Paolo Maria



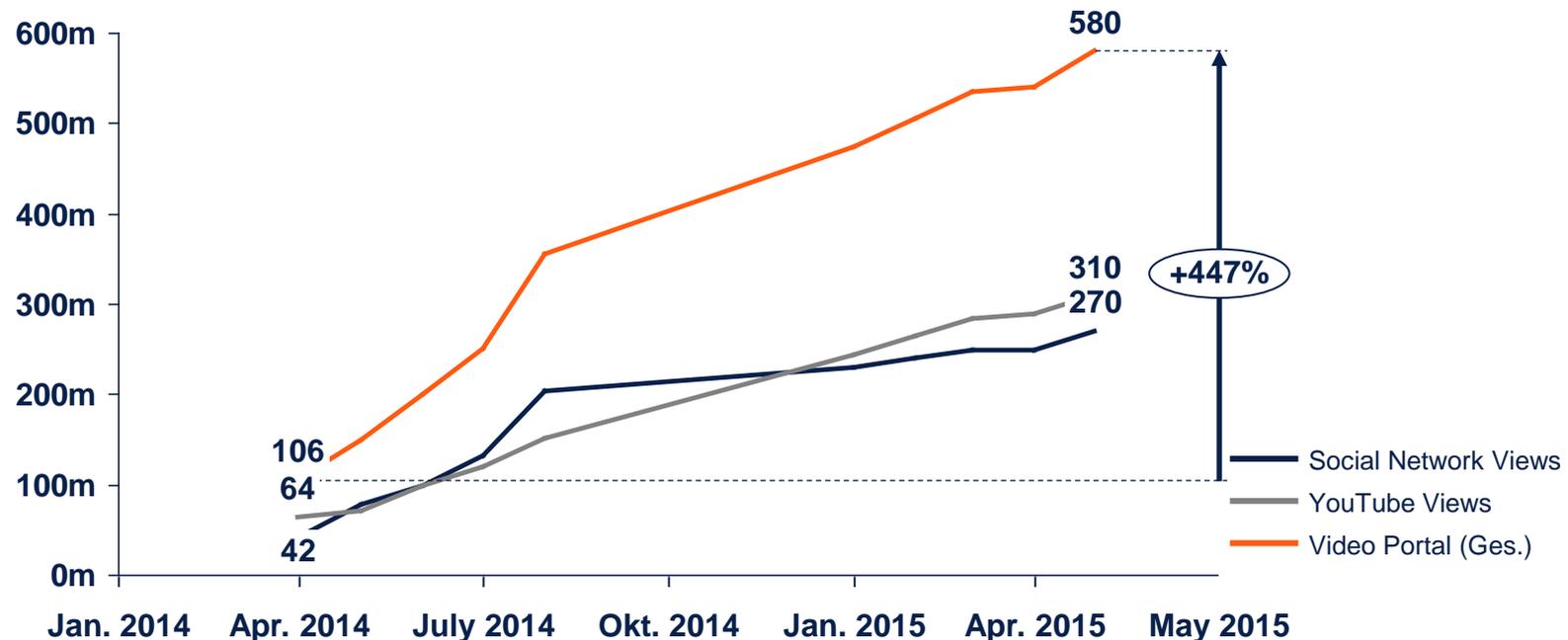
Dagi Bee

New: Family & Living

## Digital media phase 2

### TubeOne is the biggest social video network in Germany

Development of views since take over



**TubeOne is the biggest social MCN in Germany with 580m views**

# Digital media phase 2 – acquisition of contentfleet

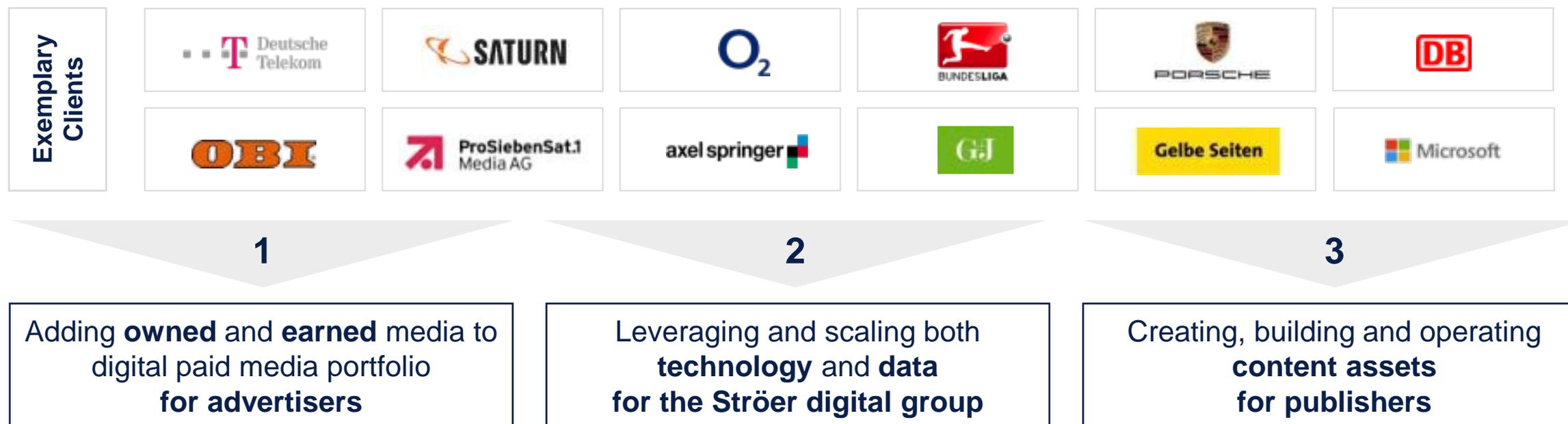
## Expanding our offering for customized owned & earned media platforms

### Key Facts and structure:

- Founded in 2010 > 100 employees in Hamburg/Berlin
- Content, social media and project experts
- Technology and data specialists: proprietary systems
- Broad Freelancer network for content creation

### Focus Area: Content Marketing

- Strategic marketing approach focused on creating and distributing valuable, relevant, and consistent content to attract and retain a clearly-defined audience
- Ultimate KPI: to drive profitable customer interaction



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# Scaling up multilevel sales structure for local ad products

## Acquisition of Regiohelden to close end of July

### Since 2012 built up of Regional Sales Structure

- Focus on regional customers which are neither served by agencies nor by a self service concept
- Headcount (2015E): 335, thereof
  - Backoffice personnel 50
  - Sales personnel 180
  - Additions ~100
- Solid platform for future growth

### + Regiohelden/ yellow page product of digital age

- Search engine marketing
- Search engine optimization (including directory entry management)
- Web design/website marketing
- Call measurement

### Development of Key Performance Indicator Sales Orders



# Unique product offering Regiohelden

I

## Marketing websites

- Clean design (template based)
- Mobile-ready/responsive
- Professional content created by Regiohelden (copy library & stock photos)
- Strong call-to-action
- SEO-ready (wordpress based custom CMS)



II

## Google AdWords campaign

- Flexible Budget (starting at 250€/month)
- Campaign templates
- Bid management & optimization
- Geo-targeting

III

## SEO

- Professional SEO campaign & reporting
- Own website or Regiohelden Marketing Website
- Factory-like inhouse fulfilment

IV

## Google+ Local Page

- Optimized content for local search

V

## Directory entries

- Correct business information in 30+ portals and 20+ apps



# Acquisition of Regiohelden creates multilevel synergies

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# Q1 Results 2015, Guidance Statement 2015, Outlook 2017

	Q1 2015	▲	FY Guidance old	FY Guidance new	Outlook 2017
<b>Revenue</b>	161.8 Mio.	11 %	Mid single digit organic growth	Mid to high single digit organic growth	1 Billion
<b>Operational EBITDA</b>	26.3 Mio.	59.4%	170 - 180 Mio.	At least 180 Mio.	EBITDA Margin 22 – 23 %
<b>Organic Revenue Growth</b>	8.3%	(2014: 4.5%)			Sources of Growth: 2/3 organic, 1/3 non-organic

# Balanced segment portfolio with excellent growth dynamics

Ströer Media SE	Midterm growth expectations	Midterm margin target	Rationale
Digital	 <p>&gt; 10 % organic + some bold-on acquisitions</p>	~ 25%	<ul style="list-style-type: none"> <li>▪ Further trend towards digitalization</li> <li>▪ Exploiting leading market position in Germany</li> <li>▪ Efficiency gains and further investment in own content publishing activities</li> </ul>
OoH Germany	 <p>~ 5 % organic</p>	~ 25%	<ul style="list-style-type: none"> <li>▪ Continuing growth initiatives (e.g. regional sales)</li> <li>▪ Benefitting from megatrends mobility / urbanization</li> <li>▪ Further optimization of cost base</li> </ul>
OoH International	 <p>~5% organic</p>	> 20%	<ul style="list-style-type: none"> <li>▪ Exploiting excellent market position in Turkey</li> <li>▪ Benefitting from professionalizing market in Poland</li> <li>▪ Continued growth of European blowUP activities</li> </ul>

## Guidance

**We confirm our guidance last raised April 2015.**

For the full year of 2015 we expect a mid to high single digit organic growth rate and an operational EBITDA of at least 180 EURm.