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PRESS RELEASE

Ströer Media AG: Strong digital growth drives the Group's revenue in the first six months

- **Consolidated revenue up 18.5% to EUR 334.7m**
- **Digital revenue (Online) quintupled to EUR 51.7m**
- **Operational EBITDA grows 21.9% to EUR 57.8m**
- **Adjusted earnings surge some 76% to EUR 17.3m**

Cologne, 20 August 2014 Ströer Media AG repeated the positive business performance of the first quarter, building on it with significant growth in the second three months as well. Consolidated revenue increased by 18.5% to EUR 334.7m in the first half of 2014. Organic growth was also robust, growing 11.1% in Q2. The primary driver of this positive development was digital revenue, which quintupled on the prior year, coupled with strong organic growth of more than 50% from a low starting basis. Thanks to a series of operational measures, the poster business also contributed to the growth of the Group with an encouraging revenue increase.

With its combined strengths as a fully integrated digital marketer and a strong, established provider of out-of-home advertising, Ströer is in a position to boost its relevance among advertising customers and agencies and leverage synergies for the entire Group.

Operational EBITDA was up a significant 21.9% in the first half of the year to EUR 57.8m. The operational EBITDA margin also improved to 16.9% from 16.4% in the prior year. One particular highlight is the steep climb in net adjusted profit by around 76% to EUR 17.3m.

The favorable business performance also had a positive knock-on effect on the financial position. Despite business combinations and dividend payments, the leverage ratio fell substantially: the dynamic leverage ratio now stands at approximately 2.5.

"We are very pleased with the first six months. We sustained the momentum from the beginning of the year and achieved significant improvements in all key financials. A particular achievement is the large increase in net adjusted profit. At the same time, we have made a good start to the second six months and are pleased that the integration of our various digital acquisitions is progressing so successfully," said Udo Müller, CEO of Ströer.

Operating segments

Ströer Germany

In the first half of 2014, the Ströer Germany segment increased its revenue by 6.8% against the 2013 comparative period to EUR 218.6m. The segment's operational EBITDA also increased substantially by 6.4% to EUR 45.7m. At the same time, the operational EBITDA margin hovered around the prior-year level at 20.9% (prior year: 21.0%). On the back of an extremely good start to the second half of the year, we continue to anticipate a positive business performance.

Ströer Turkey

Organic growth adjusted for currency effects came to 5.4% in the Ströer Turkey segment. Due to currency effects, revenue lost ground in the first six months, falling 14.8% to EUR 41.9m. We expect Ströer Turkey to trend toward slower growth in the second half of the year with unchanged positive growth rates. The operational EBITDA margin increased to 16.1% (prior year: 13.6%) and operational EBITDA was on a par with the prior year at EUR 6.7m.

Ströer Digital (Online)

Revenue in the new Ströer Digital (Online) segment quintupled to EUR 51.7m in the first half of 2014. As expected, operational EBITDA amounted to EUR 3.5m in the reporting period. In addition to the revenue and earnings contributions of the companies acquired in 2013, the new Ströer Digital segment contains the contributions from the majority-acquired GAN Group purchased in the first half of 2014 and from TUBE ONE Networks GmbH. Overall, this segment is performing as planned.

“Other” segment

The “Other” segment includes our Polish out-of-home activities and the western European giant poster business of the blowUP division. Thanks to an extraordinary good order intake, the blowUP group boosted its revenue contributions considerably by more than 40%. Poland’s contribution to revenue was virtually unchanged year on year. Overall, operational EBITDA in the “Other” segment climbed by more than 100% to EUR 4.3m in the first half of 2014. Likewise, the operational EBITDA margin increased significantly to 14.7%. Segment revenue rose by 14.2% overall to EUR 29.4m.

Outlook

For the third quarter of 2014, Ströer predicts revenue growth of 10% to 15% for the entire Group. Organic growth is expected to be around 10%.

For the whole of 2014, the Company anticipates organic growth in the upper single-digit percent range and operational EBITDA of at least EUR 135m.

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The Group's financial figures at a glance

In EUR m	6M 2014	6M 2013	Change
Revenue[1]	334.7	282.4	18.5%
by segment			
Ströer Germany[2]	218.6	204.8	6.8%
Ströer Turkey	41.9	49.2	-14.8%
Ströer Digital (Online)	51.7	9.5	>100%
Other (Ströer Poland and blowup)	29.4	25.7	14.2%
by product group			
Billboard[2]	155.1	142.9	8.5%
Street furniture[2]	69.0	72.2	-4.4%
Transport[2]	46.5	46.2	0.6%
Digital (Online) [2]	51.5	9.5	>100%
Other[2]	18.9	18.2	3.4%
Organic growth (%)[3]	8.4	5.0	
Gross profit[4]	97.4	81.1	20.1%
Operational EBITDA[5]	57.8	47.4	21.9%
Operational EBITDA margin[5] (%)	16.9	16.4	
Adjusted EBIT[6]	34.5	25.3	36.5%
Adjusted EBIT margin[6] (%)	10.1	8.7	
Adjusted profit or loss for the period[7]	17.3	9.8	76.0%
Adjusted earnings per share[8] (EUR)	0.33	0.21	59.4%
Profit or loss for the period[9]	3.4	-1.7	n.d.
Earnings per share (EUR)[10]	0.05	-0.06	n.d.
Investments[11]	17.4	16.2	7.3%
Free cash flow[12]	6.7	0.1	>100%
	30 Jun 2014	**31 Dec 2013**	**Change**
Total equity and liabilities[1]	946.7	951.6	-0.5%
Equity[1]	299.7	296.0	1.2%
Equity ratio (%)	31.7	31.1	
Net debt[13]	325.3	326.1	-0.2%
Employees (number)[14]	2.315	2,223	4.1%

[1] Joint ventures are consolidated at-equity - according to IFRS 11
[2] Joint ventures are consolidated proportional (management approach)
[3] Excluding exchange rate effects and effects from the (de-)consolidation and discontinuation of operations (Joint ventures are consolidated proportional)
[4] Revenue less cost of sales (Joint ventures are consolidated at-equity - according to IFRS 11)
[5] Earnings before interest, taxes, depreciation and amortization adjusted for exceptional items (Joint ventures are consolidated proportional)
[6] 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)
[7] 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)
[8] Adjusted profit or loss for the period net of non-controlling interests divided by the number of shares outstanding after the IPO (42,098,238) plus time-weighted addition of the shares from the capital increase (6,771,546) on 3 June 2013
[9] Profit or loss for the period before non-controlling interest (Joint ventures are consolidated at-equity - according to IFRS 11)
[10] Actual profit or loss for the period net of non-controlling interests divided by the number of shares outstanding after the IPO (42,098,238) plus time-weighted addition of the shares from the capital increase (6,771,546) on 3 June 2013
[11] Including cash paid for investments in property, plant and equipment and in intangible assets (Joint ventures are consolidated at-equity - according to IFRS 11)
[12] Cash flows from operating activities less cash flows from investing activities (Joint ventures are consolidated at-equity - according to IFRS 11)
[13] Financial liabilities less derivative financial instruments and cash (Joint ventures are consolidated proportional)
[14] Headcount of full and part-time employees (Joint ventures are consolidated proportional)

About Ströer

Ströer Media AG is a leading provider of online advertising and out-of-home, and offers its advertising customers individualized and fully integrated premium communications solutions. In the field of digital media, Ströer is setting new standards for innovation and quality in Europe and is thus opening up new and innovative opportunities for targeted customer contact for its advertisers.

The Ströer Group commercializes several thousand websites and more than 280,000 out-of-home advertising faces. With consolidated revenue of EUR 634m for the full year 2013, Ströer Media AG is one of largest providers of out-of-home media in Europe in terms of revenue.

The Ströer Group has approximately 2,300 employees at over 70 locations.

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

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