

A busy train station with people walking and digital displays. The scene is captured from a low angle, showing the lower half of the frame filled with pedestrians. In the background, there are large digital displays and a train. The overall atmosphere is one of a modern, bustling transit hub.

STRÖER

Full Year Results 2015

22 March 2016 | Ströer SE & Co. KGaA

Agenda



01

Key Developments

- Good Start into 2016
- Dividend Proposal for 2015

Udo Müller

02

Operational Highlights

- Deep dive into Digital

Christian Schmalzl

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Financials

- Net Income Analysis
- Key Performance Indicators

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Udo Müller

Full Year Results 2015 – Confirmation of Preliminary Result

EURm		FY 2015 ▲		Q4 2015 ▲	
Revenues	Reported ⁽¹⁾	823.7	+14%	270.5	+28%
	Organic ⁽²⁾		+10%		+13%
Operational EBITDA		207.5	+40%	85.7	+42%
Operational EBITDA margin		24.8%	+4.6%pts	31.3%	+3.3%pts
EBIT (adjusted) ⁽³⁾		135.8	+38%	65.4	+42%
Net income (adjusted) ⁽⁴⁾		106.3	+89%	53.2	+83%
Operating cash flow		190.3	+54%	103.6	+100%
Capex ⁽⁵⁾		76.3	+69%	25.8	+33%
		31 Dec 2015		31 Dec 2014	
Net Debt / Leverage Ratio		231.2/1.1x		275.0 / 1.9x	

(1) According to IFRS 11

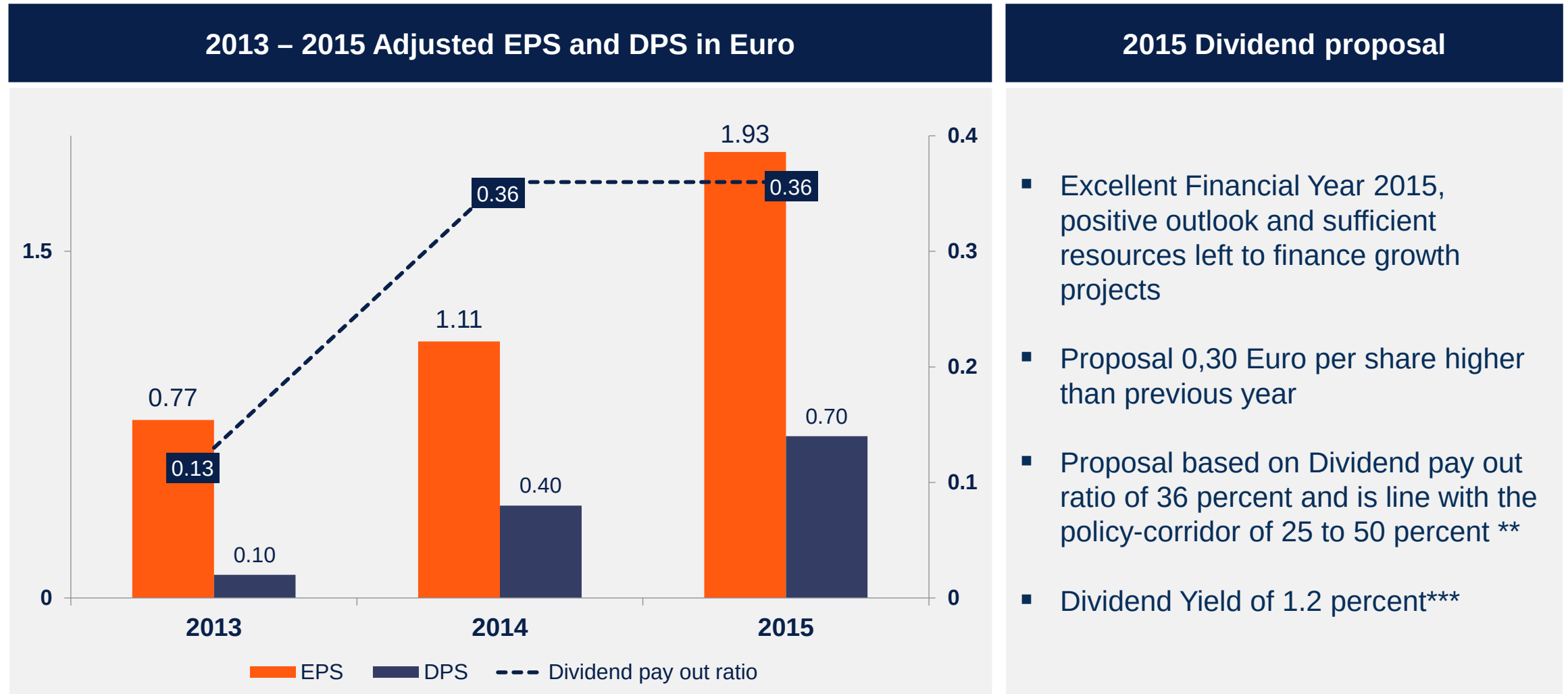
(2) Organic growth = excluding exchange rate effects and effects from the (de)consolidation and discontinuation of operations

(3) EBIT adjusted for exceptional items, amortization of acquired advertising concessions and impairment losses on intangible assets (Joint ventures are consolidated proportional)

(4) EBIT (adj.) net of the financial result adjusted for exceptional items and the normalized tax expense (32.5% tax rate in 2014 and 15,8% in 2015)

(5) Cash paid for investments in PPE and intangible assets

Dividend raised to 0,70 Euro per Share*

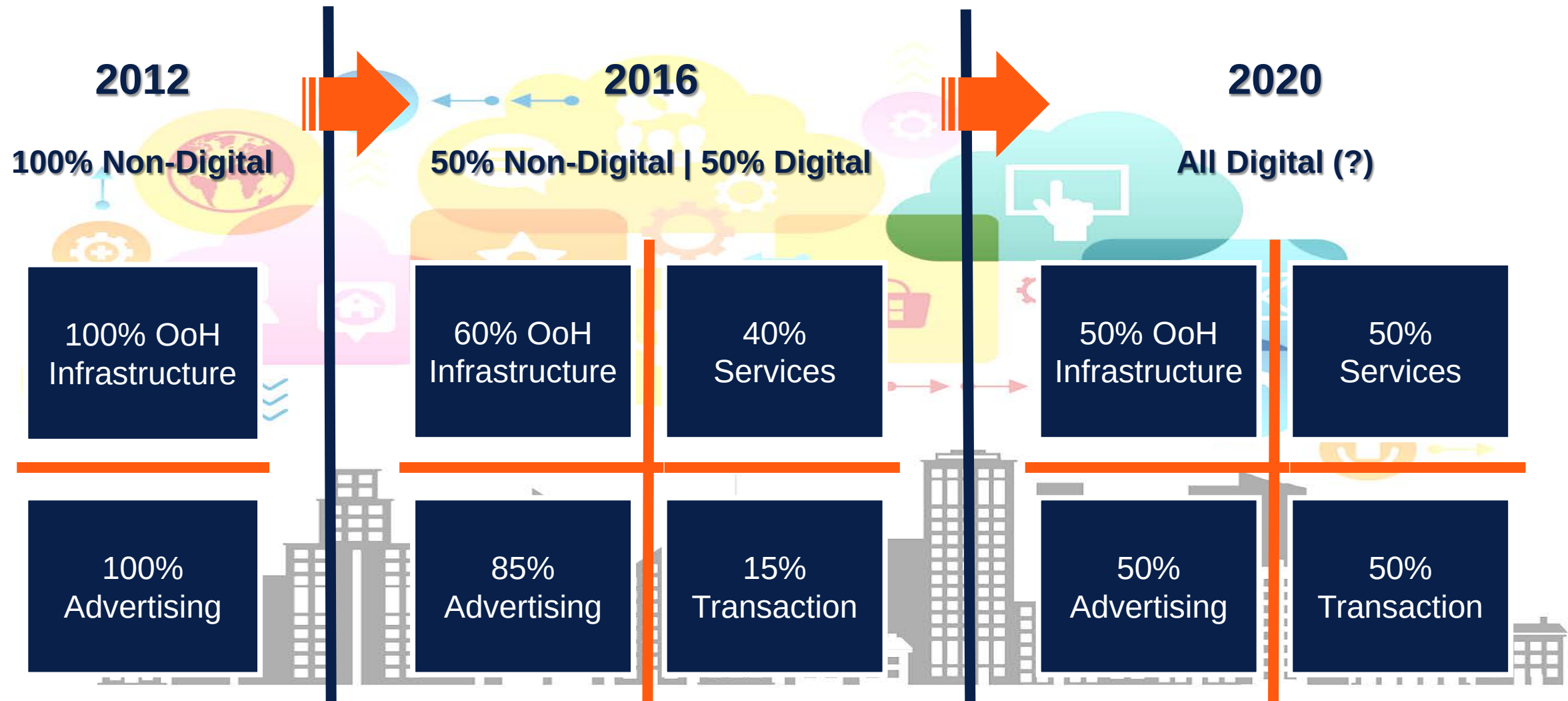


* Proposed 2015 dividend subject to AGM resolution,

** Dividend pay out for 2015 is calculated on the basis of 55,3m shares

*** Based on share price of EUR 57.90 on Dec 30, 2015

Strategic Roadmap of our Business Transformation



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Segment “Digital”: Revenue Streams & reported Products (2016e)



Display (Desktop & Mobile) 50% of revenue

- Monetisation of digital traffic (both mobile and desktop) via display advertising
- Strong German No.1 position with exclusive 3rd party inventory as well as own assets (~ 40%)
- To agencies, direct clients, SMBs



Video (Multiscreen) 20% of revenue

- Monetisation of video views across home/desktop, mobile and public screens
- Dedicated video specialists for own assets as well as sales house and product/tech development
- To agencies, direct clients, SMBs



Transaction & Subscription 30% of revenue

- Monetization of traffic of own assets via affiliate and performance marketing offers
- Own e-commerce models and shopping concepts integrated in content verticals
- Dedicated subscription models

Segment “Digital”: Reported Products & Growth Drivers (2016e)



Display (Desktop & Mobile) ~5-10% Revenue Growth

- Further market consolidation (organically/un-organically)
- Massive mobile growth
- Tech stack for programmatic and data driven advertising
- Local sales: huge potential of small and mid-sized clients



Video (Multiscreen) ~15% Revenue Growth

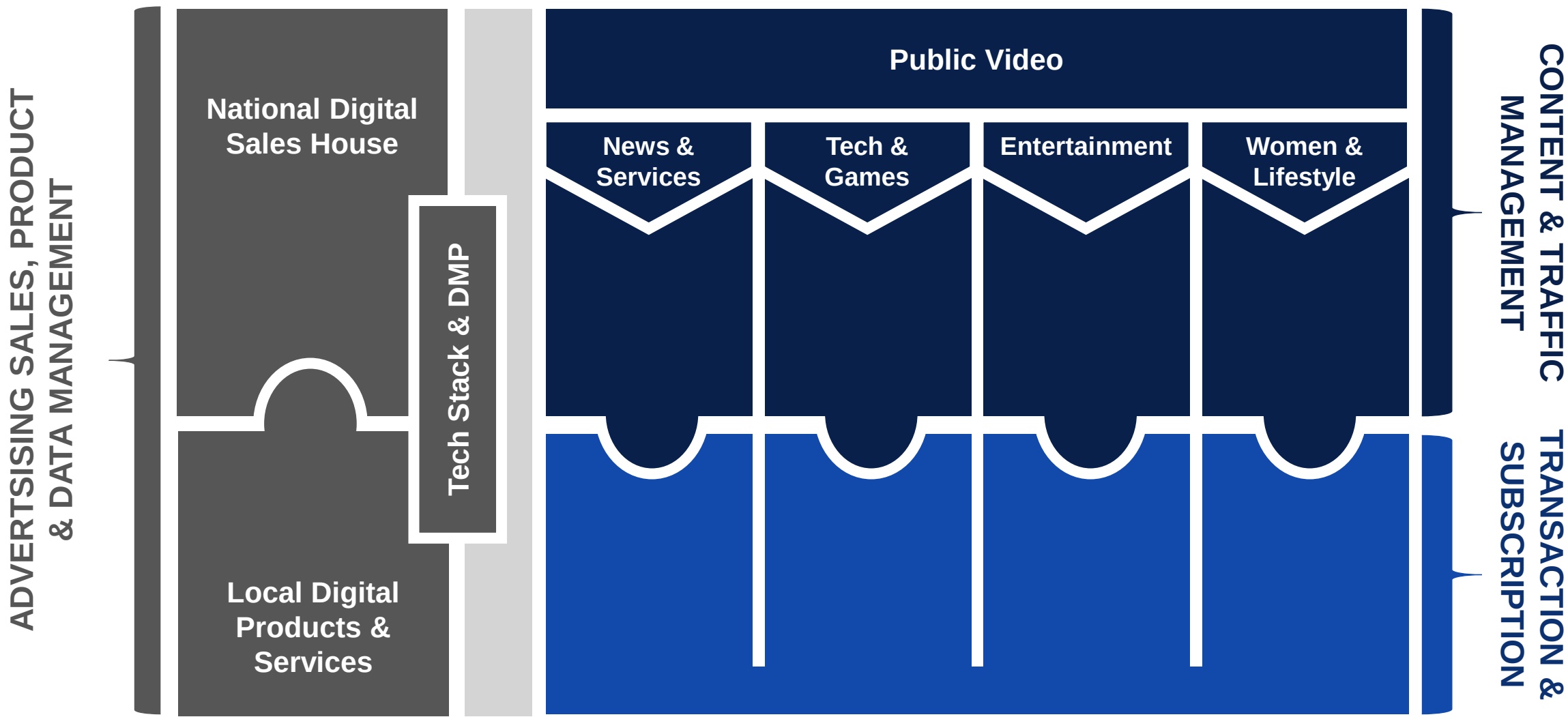
- Strong structural growth of video products across all our platforms
- Unique multiscreen approach including integrated ad-serving
- Focussed video strategy for own content assets as well as strong growth of MCN TubeOne



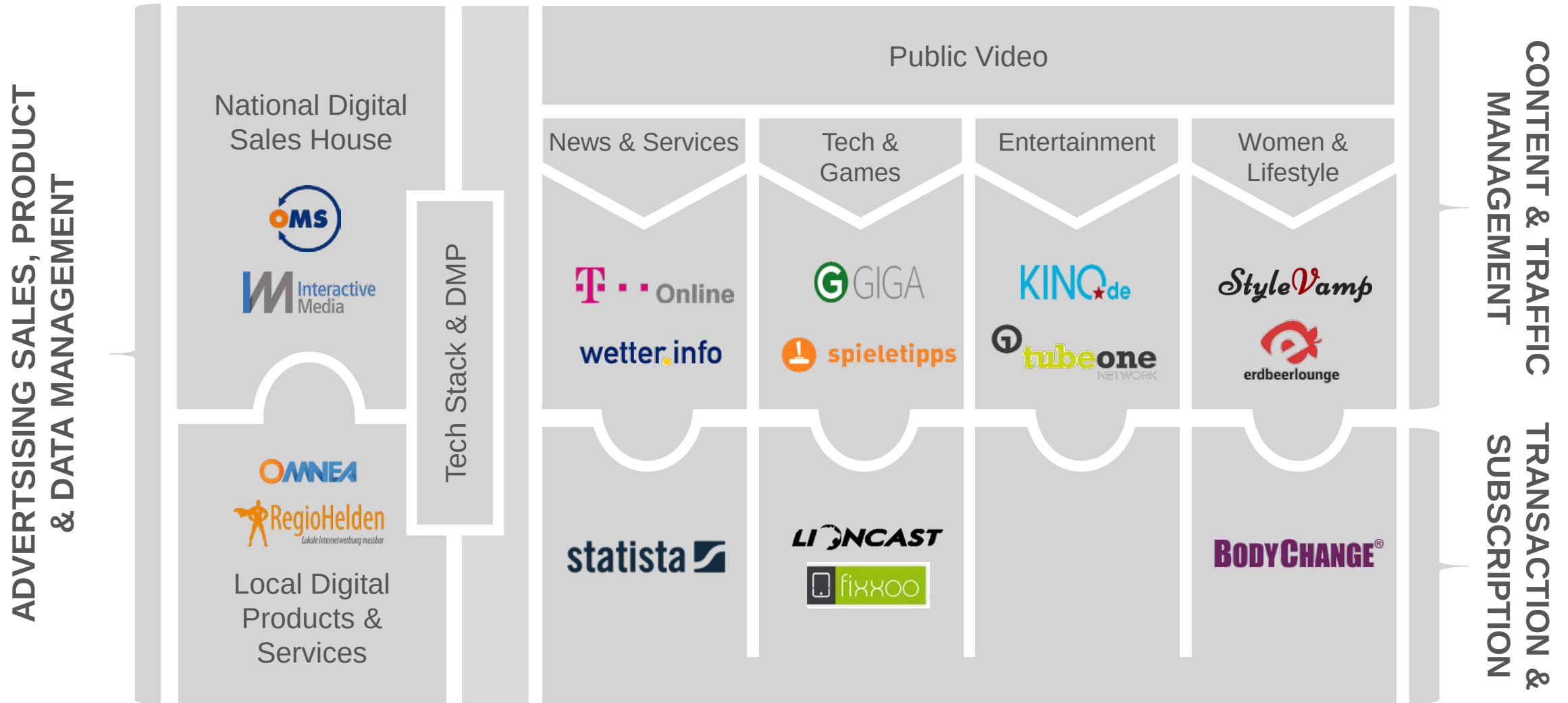
Transaction & Subscription ~20% Revenue Growth

- Growth of subscription business with e.g. Statista or BodyChange
- Strong growth of digital marketing services for SMBs (locally)
- Diversification of content revenues via e-commerce models and affiliate revenues

Segment “Digital”: Overall Structure & Units



Segment “Digital”: Units & integrated/acquired Companies (EXAMPLES!)



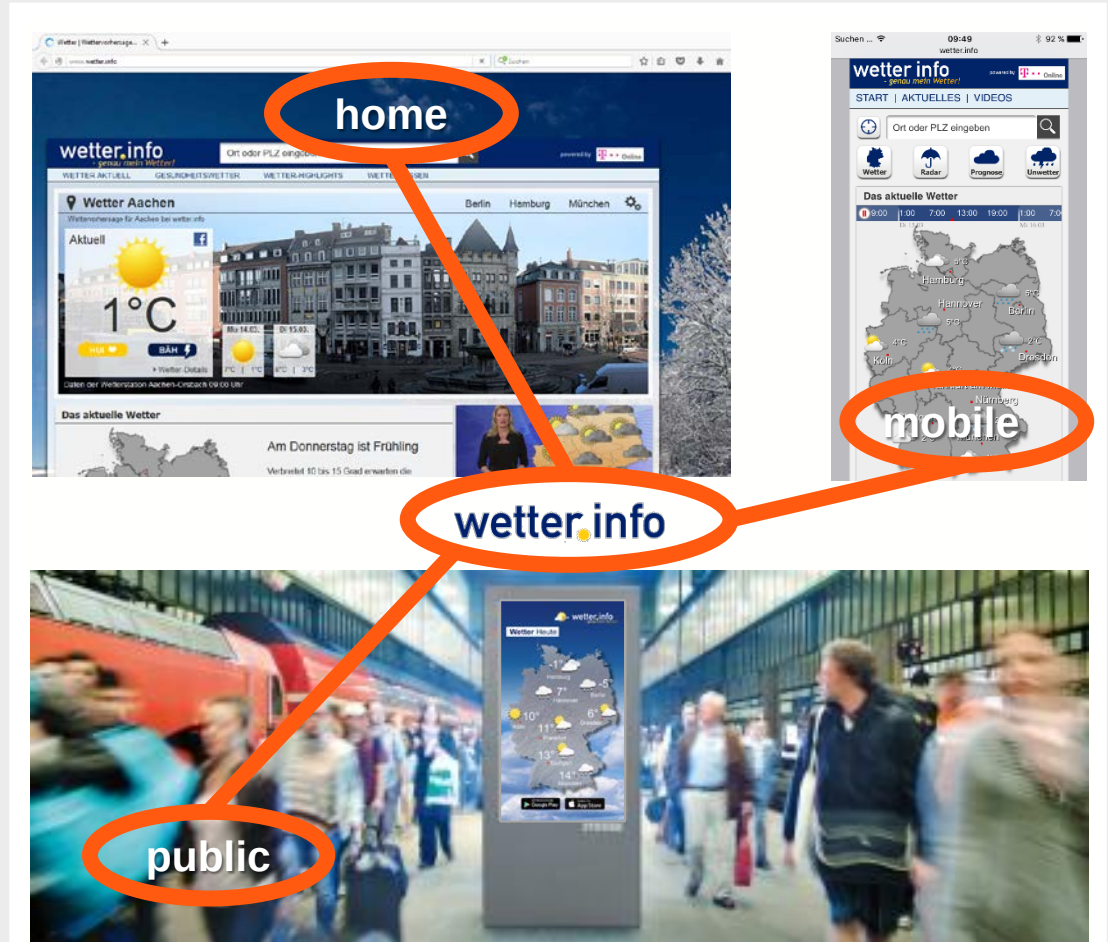
Segment “Digital”: Constant Leverage of various Synergy Areas



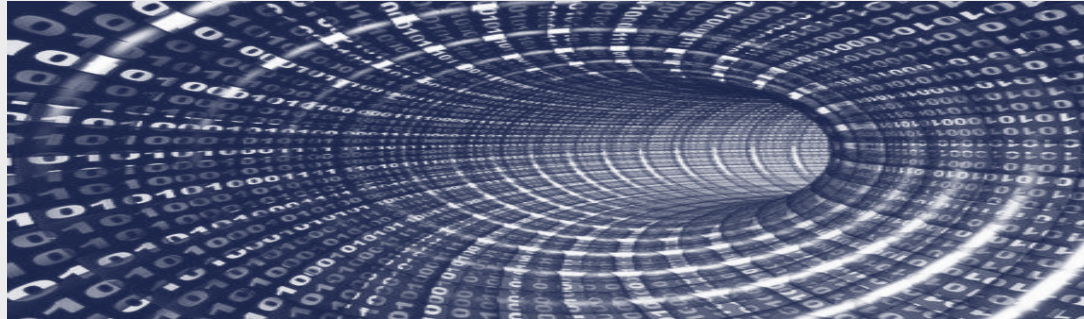
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Example “Content”

- Content from verticals can be also leveraged for public video (multi-touchpoint-strategy for portals)
- 25-30% of content can be leveraged across verticals
- Publishing tech stack (Performance publishing suite) can be used across all assets
- Product development (e.g. video or mobile strategy) can be leveraged across the entire group



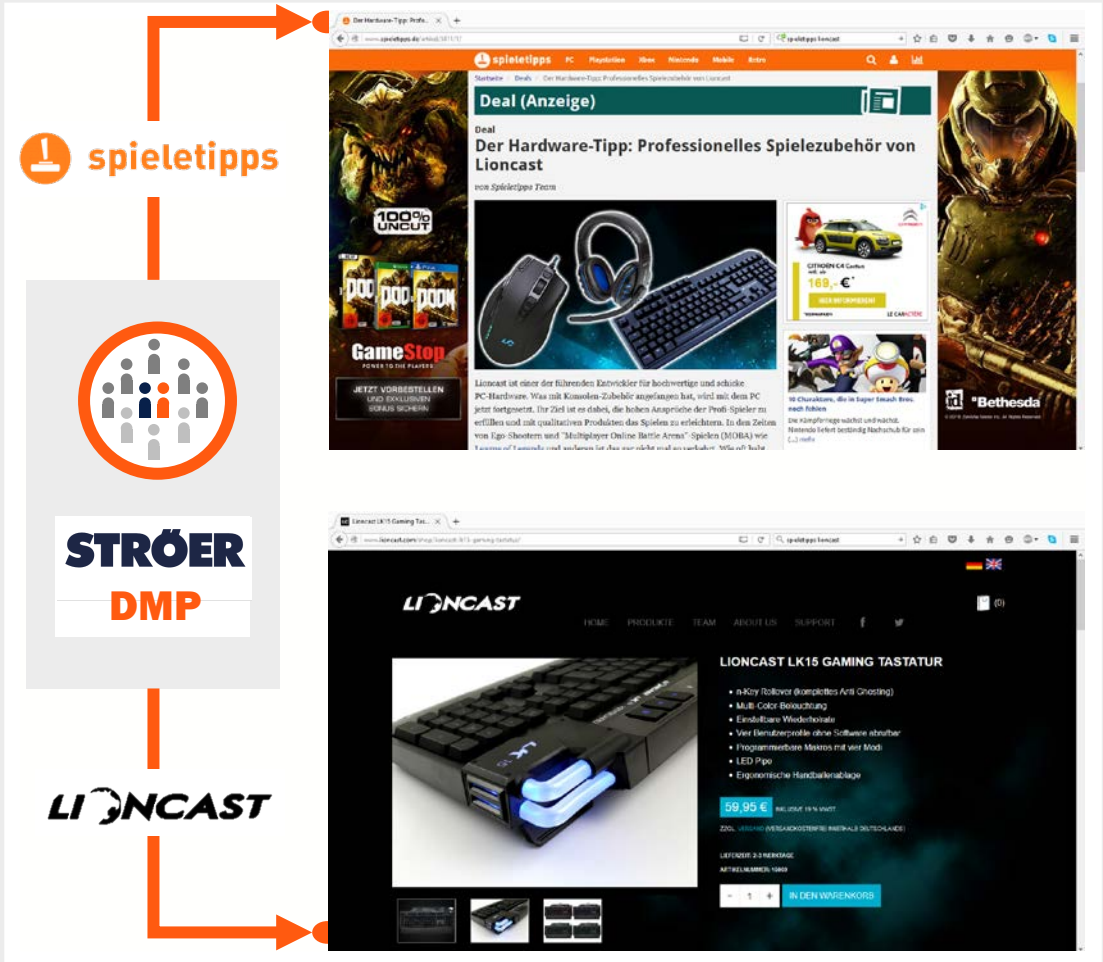
Segment “Digital”: Constant Leverage of various Synergy Areas



2

Example “Data“

- Joint Data Management Platform across all assets and traffic sources to cluster and profile target groups
- 47m Uniques “Behavioural Data”, 23m Uniques “User Profiles”, 19m Uniques “Shopping Data”
- Higher eCPMs from ad revenues, better performance marketing & inbound sales results, smarter traffic engineering and content production



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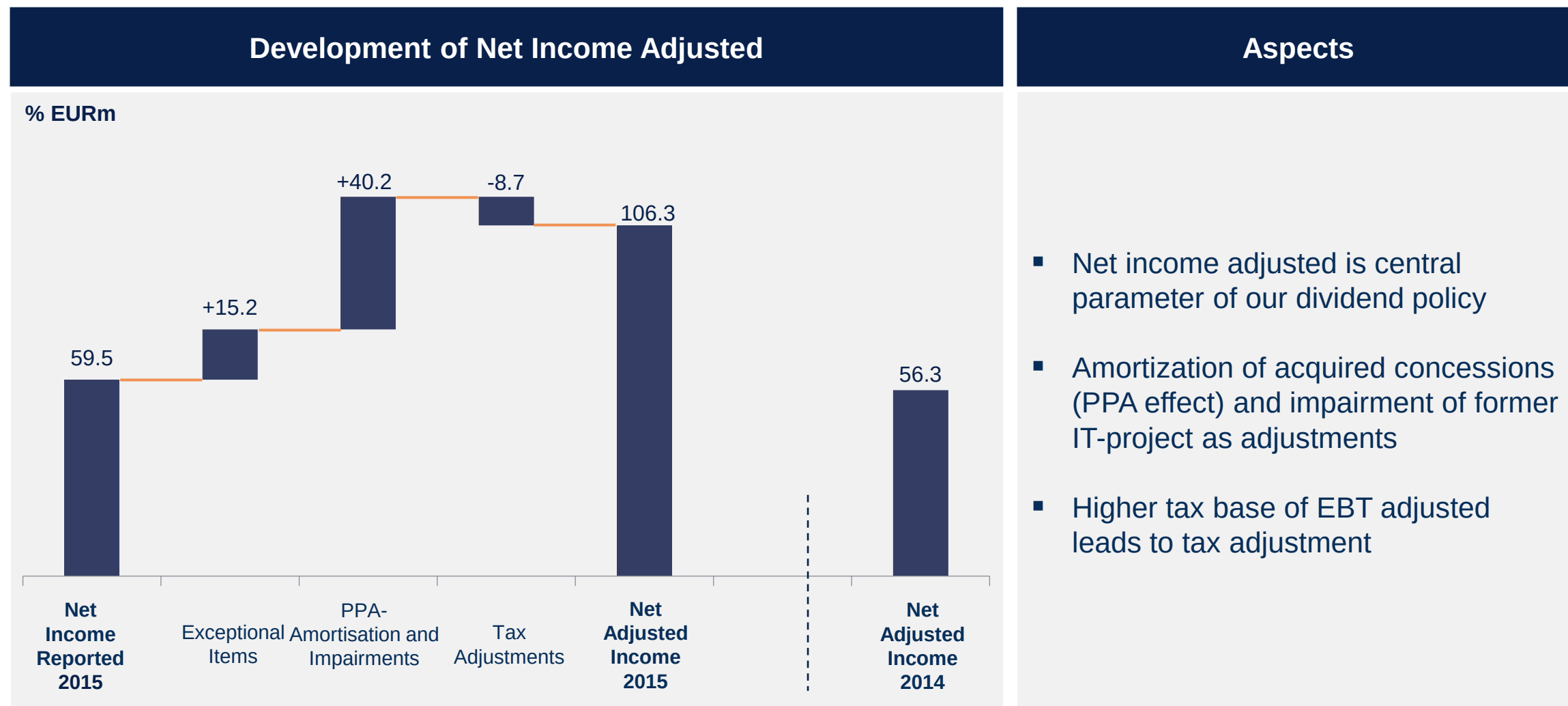
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Ströer SE FY 2015 Results

EURm	FY 2015	FY 2014	y-o-y	Aspects
Revenues ⁽¹⁾	823.7	721.1	+14.2%	- Higher exceptionals due to M&A especially TOL/IAM - Financial result further reduced by lower interest rates and financial debt level - Tax expenses diminished by efficient group structure
Operational EBITDA	207.5	148.1	+40.2%	
Exceptionals	-15.2	-9.9	-54.4%	
IFRS 11 adjustment	-4.5	-3.9	-15.5%	
EBITDA	187.8	134.3	+39.9%	
Depreciation & Amortisation	110.1	81.8	+34.6%	
Thereof PPA and Impairment	40.2	33.1	+21.4%	
EBIT	77.7	52.5	+48.0%	
Financial result	-9.3	-14.8	+36.9%	
Earnings before tax	68.4	37.7	+81.3%	
Tax	-8.9	-14.4	+38.5%	
Net income	59.5	23.3	> +100%	
Net income adjusted	106.3	56.3	+88.6%	

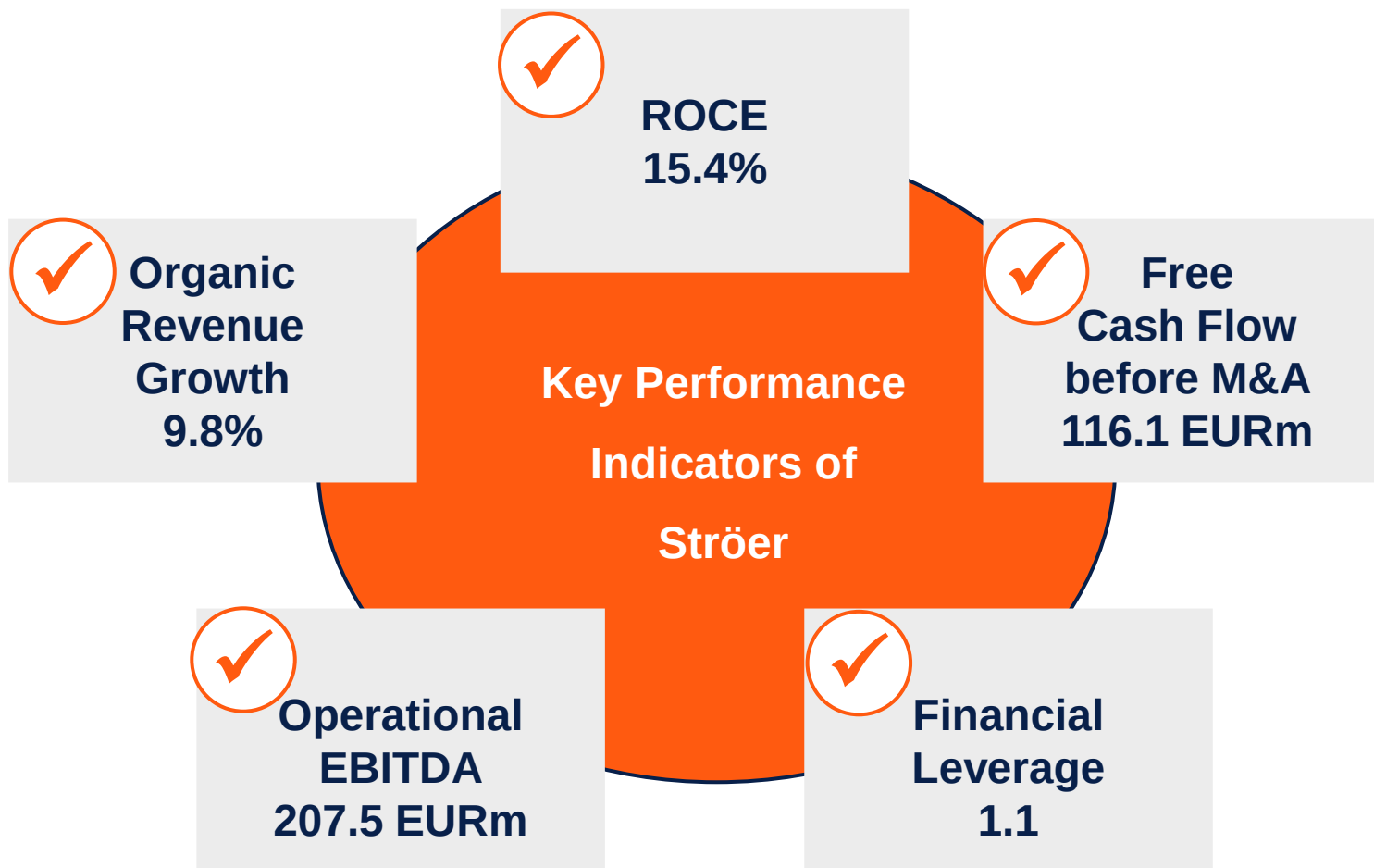
(1) According to IFRS

Transition of Net Income to Net Income Adjusted



Steering the Ströer Group – Key Performance Indicators

In 2015, all Key Performance Indicators of Ströer Group performed well



ROCE – Measuring Value Creation

ROCE Development over Time

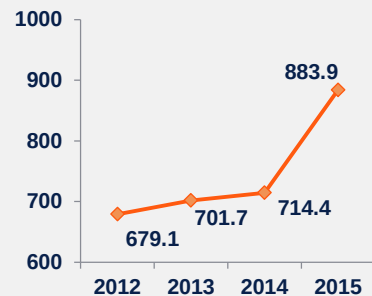
Adjusted EBIT

EURm

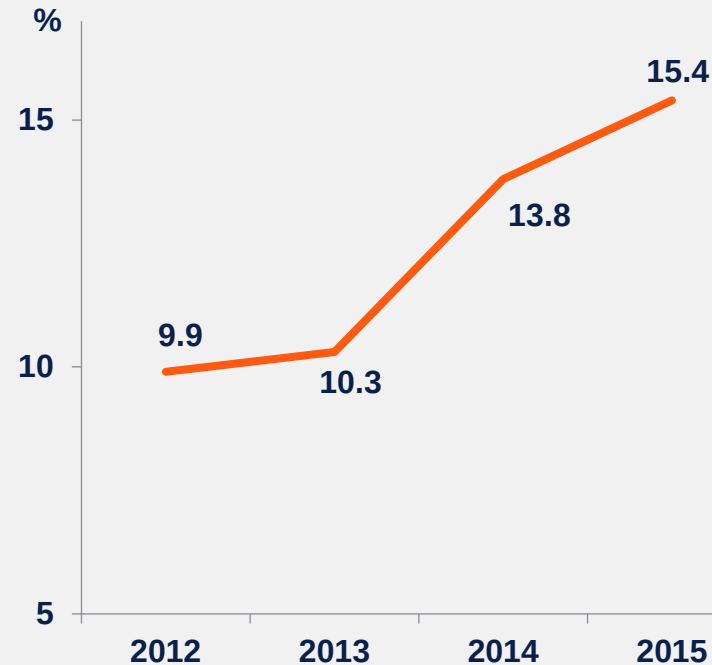


Capital Employed

EURm



ROCE



Aspects

- EBIT Adjustments:
 - exceptional items
 - amortization of acquired advertising concessions (PPA effect)
 - impairment losses on intangible assets
- Increasing Adjusted EBIT in line with strong operational performance
- Capital Employed arithmetic average of total assets less non-interest-bearing responsibilities
- Increasing Capital employed due to investments and acquisitions
- Despite significant capital employment expansion stable ROCE in 2016 expected

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Guidance in Detail for 2016

Group	Reported Sales Organic Growth Operational EBITDA	1.1 – 1.2 EURbn Mid to high single digit percentage 270 – 280 EURm		
Segments	Digital	OOH Germany	OOH International	
	Organic Growth Around 10 percent EBITDA-Margin 25 – 30 percent	Organic Growth Mid single digit percent EBITDA-Margin 26 – 27 percent	Organic Growth Mid single digit percent EBITDA-Margin 17 – 18 percent	

Next Catalysts



Capital Markets Day on 29th April 2016 in London



Quarterly Report Q1 to be published on 12th May 2016



Annual General Meeting 23rd June 2016



Agenda Capital Markets Day

1 Strategic Update

- Evolution of Ströer over Time
- Strategic Framework
- Priorities for Ströer

2 Deep Dive into Digital

- Ad Sales House
- Digital Publishing
- Transactional revenues
- Areas of Synergies

3 Financial Update

- Update on Re-Financing
- New Reporting Structure
- Capital Allocation