

## **Explanatory report pursuant to § 176 para. 1 sentence 1 of the German Stock Corporation Act (AktG) regarding the disclosures pursuant to § 289 paras. 4 and 5 as well as § 315 paras. 4 and 2 No. 5 of the German Commercial Code (HGB)**

Pursuant to § 289 paras. 4 and 5, § 315 paras. 4 and 2, No. 5 of the German Commercial Code (HGB), the Management Board provides the following explanations regarding the combined management report for the Ströer Media AG and the Group:

The Management Board based the information on the prevalent situation in fiscal year 2013. The information pertains to (i) the subscribed capital, (ii) the limitations relating to voting rights or the transfer of shares, (iii) the direct or indirect investment in capital exceeding ten percent of the voting rights, (iv) shares with special control rights, (v) the legal requirements and provisions of the Company's Articles of Association regarding the appointment and dismissal of members of the Management Board and regarding amendments to the Articles of Association, (vi) the authorization of the Management Board, especially with regard to the possibility of issuing or buying back shares, (vii) material agreements of the Company that are conditional on a change of control following a takeover bid, and (viii) agreements with Management Board members providing for compensation in the event of a change of control.

The composition of the Company's registered share capital and the rights associated with the issued no-par value bearer shares of the Company are also described in the Company's Articles of Association. To the best knowledge of the Management Board there are no contractual limitations related to the voting rights. Limitations on share voting rights may, however, result from provisions of the German Stock Corporation Act. For example, shareholders are subject to a voting ban under certain conditions (§ 136 AktG). Furthermore, the Company has no voting rights from its own shares (§ 71b AktG).

The direct and indirect capital shareholdings exceeding ten percent of the voting rights have been represented accurately. The information regarding the appointment and dismissal of Management Board members and the details regarding amendments to the Articles of Incorporation accurately reflect the content of the provisions of the German Stock Corporation Act and the Articles of Association.

All authorizations of the Management Board to issue and buy back shares are based on corresponding enabling resolutions of the General Meeting. The enabling resolutions of the General Meeting and the resulting authorizations have been reflected accurately.

Insofar as agreements have been made with Management Board members regarding their compensation in the event of a change of control, the agreements serve to maintain the independence of the Management Board members. The material agreements of the Company which are conditional on a change of control following a takeover bid and the resulting consequences have been reflected accurately.

Any other information pursuant to § 289 para. 4 and § 315 para. 4 HGB refers to circumstances that do not pertain to Ströer Media AG. For this reason, the Management Board did not elaborate on such circumstances in the Ströer Media AG combined management and Group management report. There are no voting right limitations, no controlling of voting rights by employees holding interests in the capital of the Company, no agreements between the Company and their employees providing for compensation in the event of a takeover bid, and no shares with special control rights.

The main components of the internal control and risk management system regarding the accounting system are reflected accurately in the management report and correspond to the Management Board's current knowledge.

Cologne, May 2014

Ströer Media AG

Management Board

Udo Müller  
(Chairman)

Christian Schmalzl