



9M 2011:

Building a unique digital platform

Ströer Out-of-Home Media AG

15 November 2011

Ströer highlights 9M 2011 and recent developments



- Acquisition of ECE flatmedia: **building a unique digital platform**
- German OoH continues to capture **market share: 4.5% YTD Sep** (Nielsen)
- Success of sales focus on **Top 200 advertisers** increasingly tangible
- Continuing **strong growth in German street furniture** revenues: 18.5% in 9M
- German **digital business with > 50% revenue & profit growth**
- **5.8% 9M Group organic revenue growth** propelled by German operations
- **Recurring earnings** (net adjusted income) up 60% in 9M
- EUR 36m capex fully cash flow financed allowing **improved net debt of 2.3x**
- Stable **contract portfolio**
- Full year **guidance confirmation**

Financials at a glance:

Solid organic revenue growth and strong cash generation



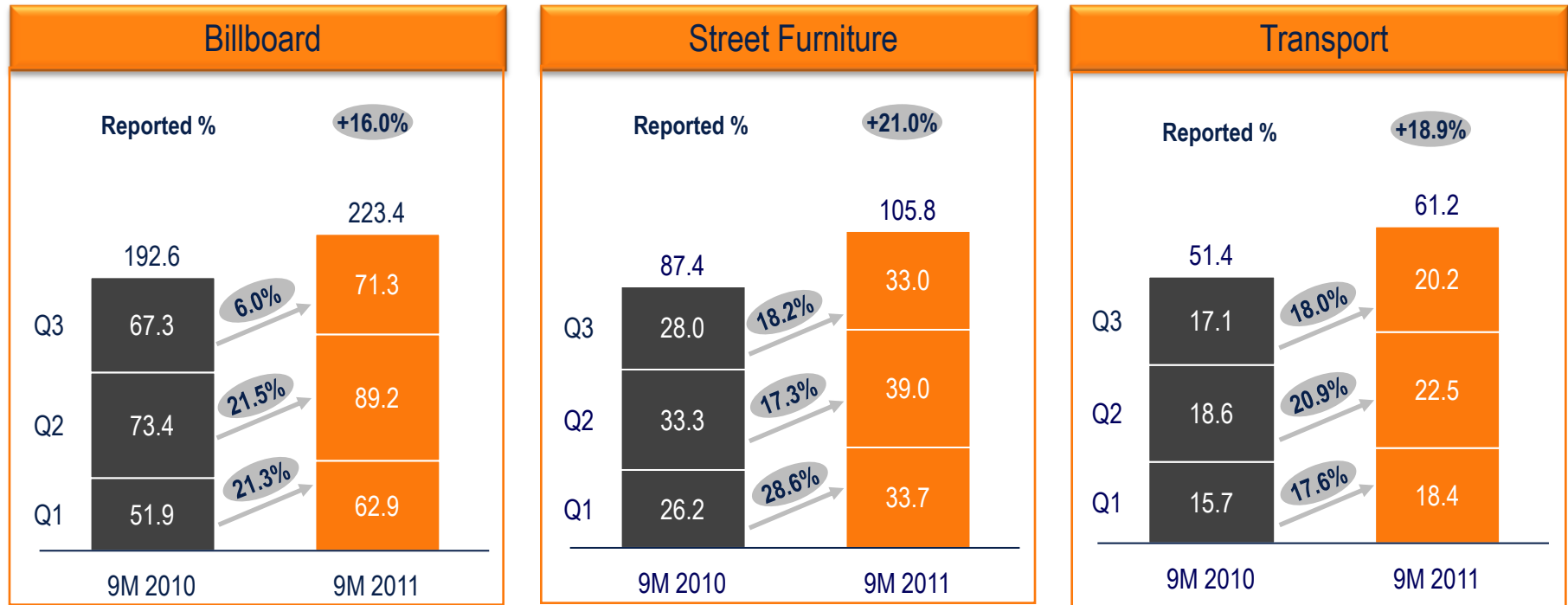
€ MM	9M 2011	9M 2010	Change
Revenues	416.3	369.1	+12.8%
Organic growth ⁽¹⁾	5.8%	9.9%	
Operational EBITDA	84.0	74.8	+12.3%
Net adjusted income ⁽²⁾	21.1	13.2	+59.9%
Investments ⁽³⁾	36.0	11.8	>100%
Free cash flow ⁽⁴⁾	18.8	-58.8	n.d.
	30.09. 2011	31.12. 2010	Change
Net debt ⁽⁵⁾	312.3	320.1	-2.4%
Leverage ratio ⁽⁶⁾	2.3x	2.4x	-3.6%

Notes: (1) Organic growth = excluding exchange rate effects and effects from the (de)consolidation and discontinuation of operations; (2) Operational EBIT net of the financial result adjusted for exceptional items, amortization of acquired intangible advertising concessions and the normalized tax expense (32.5% tax rate); (3) Cash flows from investing activities excluding M&A; (4) Free cash flow = cash flows from operating activities less cash flows from investing activities; (5) Net debt = financial liabilities less cash (excl. hedge liabilities); (6) Net Debt to LTM Operational Ebitda adjusted for full consolidation of Ströer Turkey

Ströer Group revenue: Dynamic street furniture and transport growth in Q3 and 9M



€ MM



- Increase in billboard sales on the back of consolidation effects in Turkey and Poland
- Q3 street furniture sales in Germany and Turkey fueled by demand from national advertisers
- Double-digit increase in digital revenues driving transport revenue growth

Building a powerful digital platform: Acquisition of ECE flatmedia



- No. 1 and 2 German digital market players pooling networks in train stations and shopping centers
- ECE is Germany's largest flat screen network in premium shopping centers: 1.000 screens in ~50 shopping malls
- Significant extension of digital reach to well in excess of 20% in German population
- Further roll-out of Out-of-Home Channel in shopping centers starting 2012
- One-Stop-Shop: entire digital value chain centrally coordinated by Munich based Ströer Digital



Building a unique digital platform with national reach



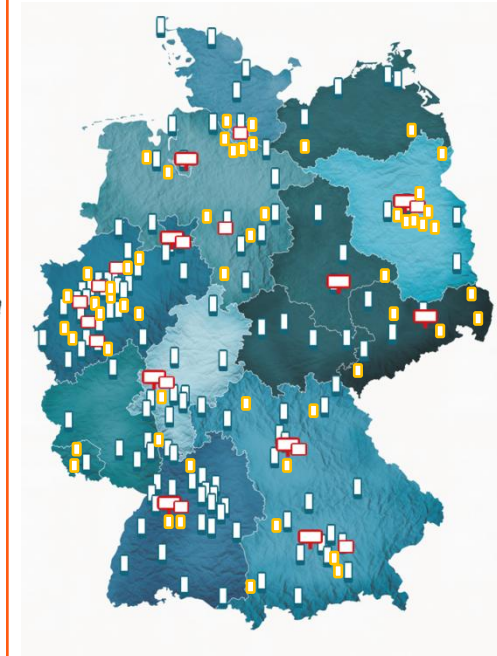
Infoscreen



OoH-Channel



ECE-flatmedia



National
Coverage



Expansion of digital network: acquisition of ECE flatmedia





Herzog & Bräuer

ECE shopping mall, Hamburg



Relevant touch points for digital media

Train and metro stations



Shopping malls



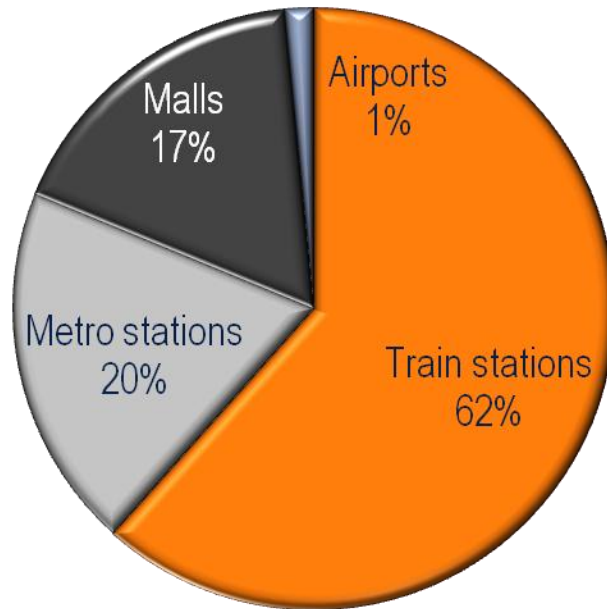
Airports



Focus on indoor due to frequencies, target groups and quality of contacts

Train/metro stations and shopping malls are most relevant areas for digitalisation

Frequencies per week
(203 million in total*)



All train stations: 125,0 mm
Top 200 train stations: 69.2 mm

Example:
Hamburg main station: 3.2 mm



Metro stations (12 cities): 40,0 mm

Example:
Munich Mareinplatz: 1.3 mm



Malls: 35,0 mm

Example:
ECE (95 malls): 10.0 mm

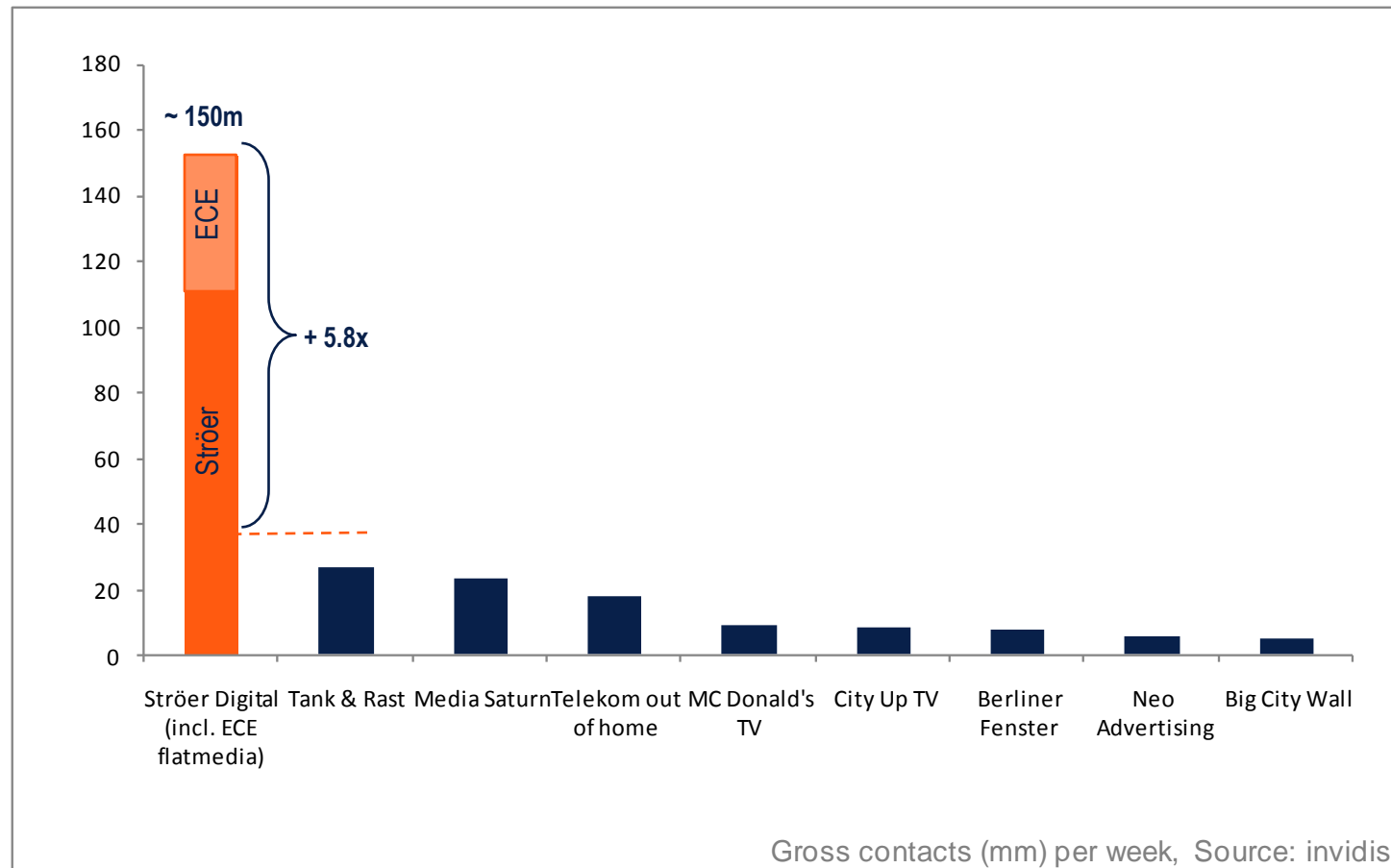


Airports: 3,0 mm

Example:
Frankfurt: 1.0 mm



Ströer clearly provides highest gross-contacts in the Digital OoH-Market



German ad market YTD September 2011: NIELSEN data confirms structural shift to outdoor



- Gross advertising market increases 4.1%
- Strongest growing relevant media:
Internet and poster
- Poster with above average growth and
4.5% market share (+44 BPS vs. Sep. LY)
- According to latest Nielsen forecast 2011
OOH is expected to outperform total ad
market growth



German ad market 2011: Excellent development of TOP 200 in 9M 2011*



- Nielsen -TOP 200 advertisers increased gross spend on poster by 18% yoy compared to 1% growth of TOP 200 spending across all media
- Market share of poster with Nielsen-Top 200 advertisers advanced from 3.6% to 4.2%
- Ströer's best performing industries: FMCG, automotive and retail



* Top 200 advertisers as defined by Nielsen Media Research



Growth project Germany: premium billboard



BASE
www.base.de

„Keine Wissenschaft, einfach Smartphone aus-suchen, dann die Flats.“

Die Flats unter den Colonnas.
Phantasie (Golf Cabriolet)

BASE
www.base.de

„Einfach ausgesucht: mein Smartphone und meine Flats.“

Die Flats unter den Colonnas.
Phantasie (Golf Cabriolet)

BASE
www.base.de

Der Golf unter den Colonnas.
Das neue Golf Cabriolet.

VW

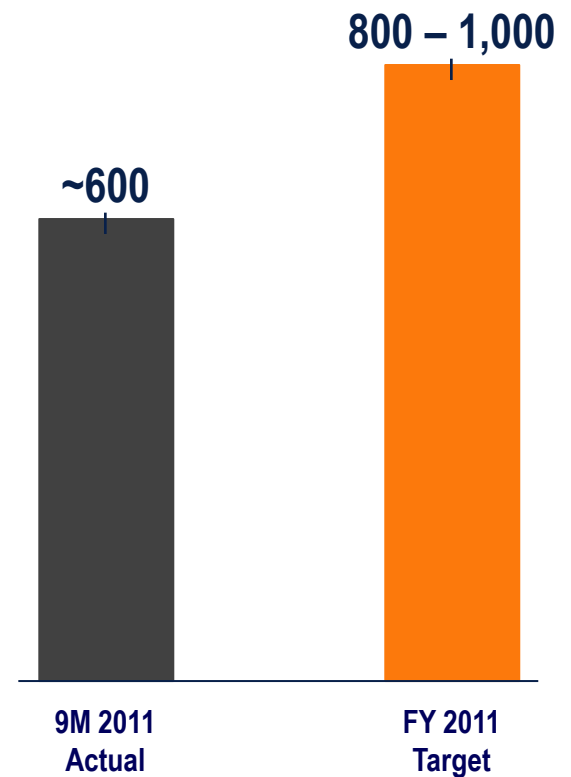
Premium billboard rollout progressing well



- Focus on prime locations in major metropolitan cities
- Rising number of new locations in addition to upgrade of traditional boards
- Super-size locations with up to 3 displays in a row allowing new creative concepts
- Increasing number of customers upgrading campaigns with premium billboards
- Customer base further enlarged (selection):



Number of installed displays





Growth project Germany: Out-of-Home-Channel

Out-of-home channel installation and marketing with increasing success rate



- More than 800 Screens installed and well on track for 900-1,000 by end of Dec 11
- Focus on screens in top railway stations
- First customers with spendings over 1m Euro p.a.
- Germany's No. 3-TV-spender Ferrero with first successful flight
- First market research case with Samsonite shows high impact of OC spots
- Key national accounts driving order backlog:

FERRERO



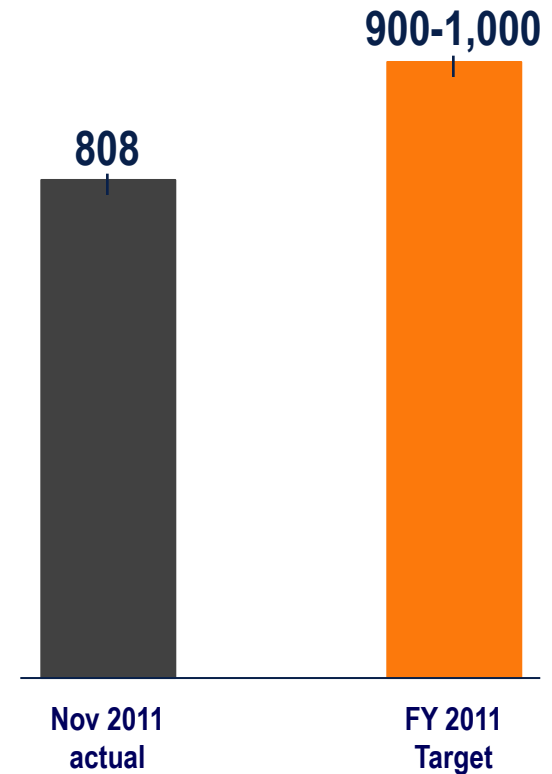
P&G



T Deutsche Telekom



Number of installed screens



Ströer financials 9M 2011



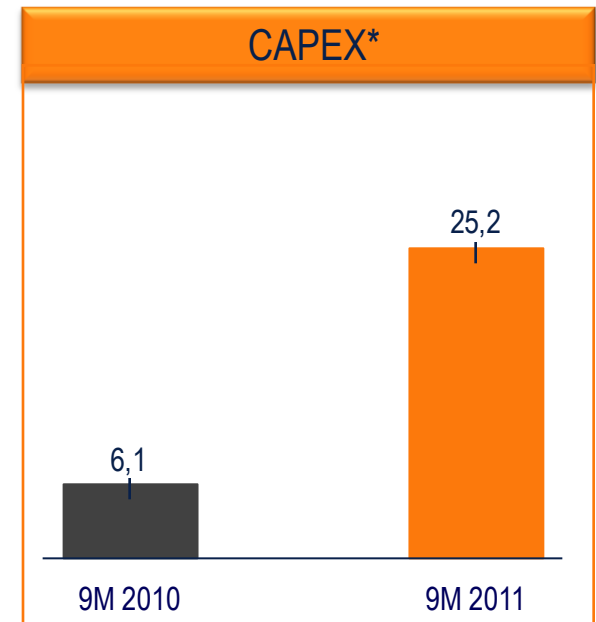
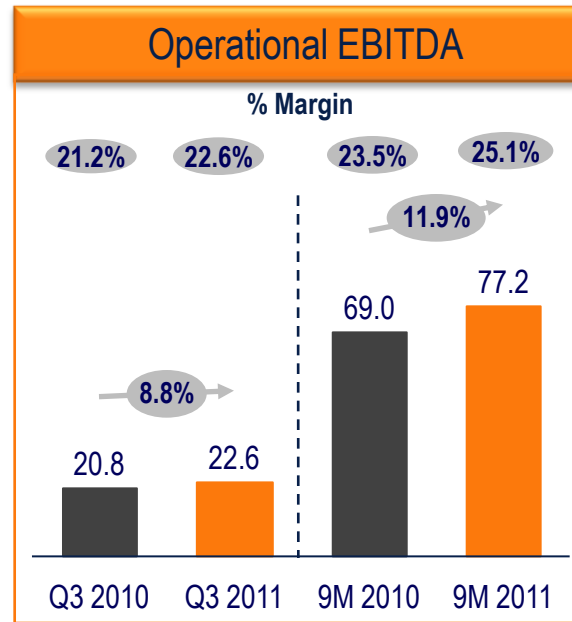
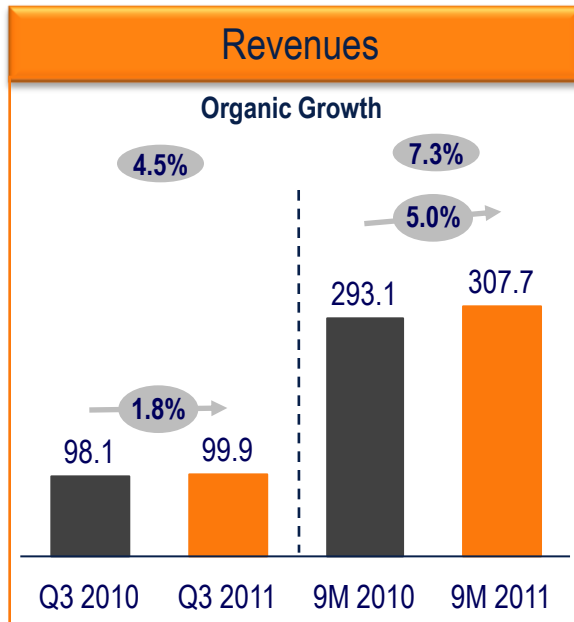
Ströer Group 9M 2011 P&L Summary



(€ MM)	9M 2011	9M 2010	Change(%)
Revenue	416.3	369.1	+13
Direct costs	-231.6	-205.2	-13
SG&A	-103.0	-92.1	-12
Other operating result	2.3	2.9	-22
Operational EBITDA	84.0	74.8	+12
<i>Margin %</i>	20.2	20.3	
Depreciation	-23.6	-17.8	-33
Amortisation	-20.7	-15.6	-33
Exceptional items	-10.2	43.3	-124
EBIT	29.5	84.7	-65
Net financial result	-41.9	-40.3	-4
Income taxes	-4.9	-4.7	-5
Net income	-17.4	39.7	n.d.
Net adjusted income	21.1	13.2	+60
<i>Margin %</i>	5.1	3.6	



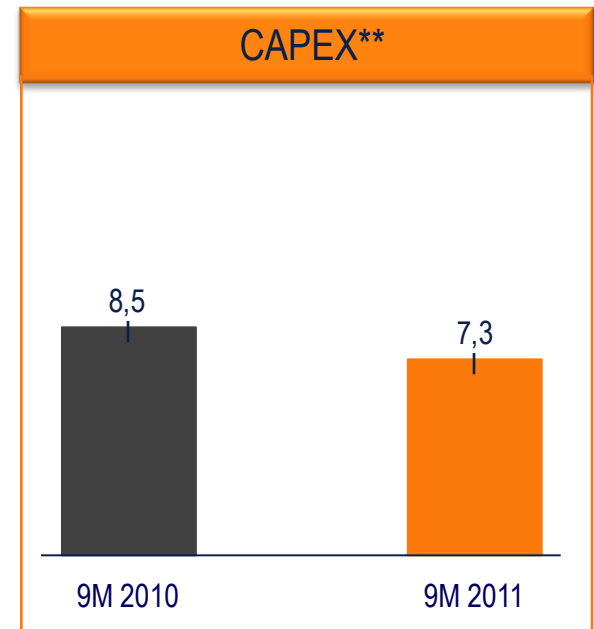
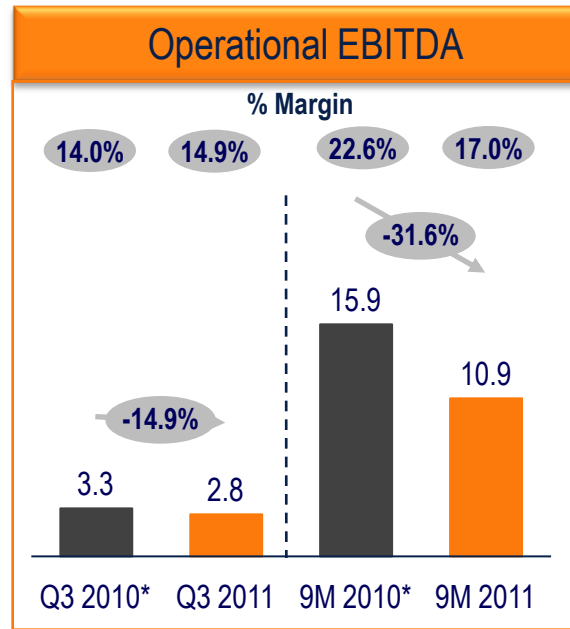
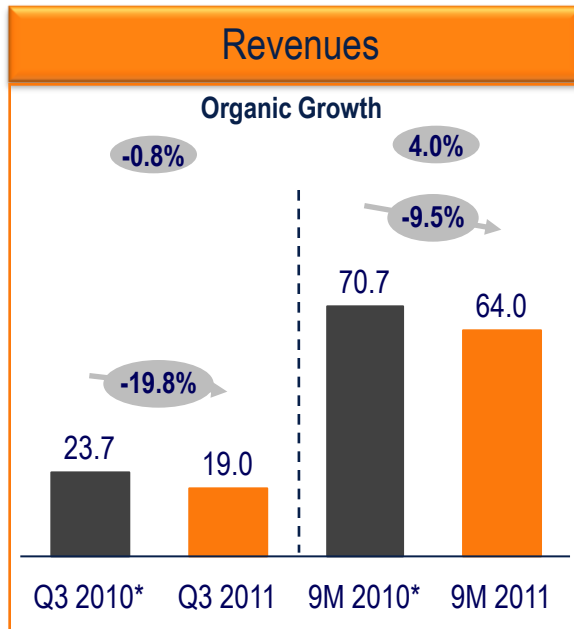
€ MM



- Double digit growth of digital products fueled by Out-of-Home-Channel and Infoscreen sales
- Margin up >150 BPS on the back of premium sales mix, solid cost control and some phasing effects
- Capex increase driven by ramp-up of digital Out-of-Home-Channel and Premium Billboard network



€ MM



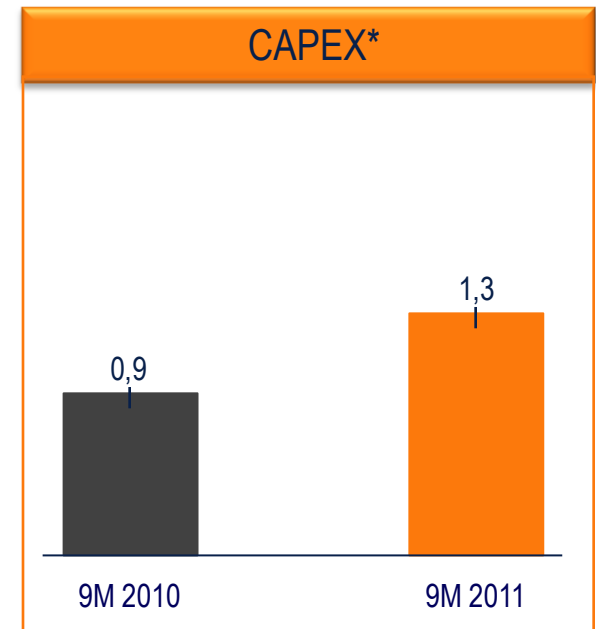
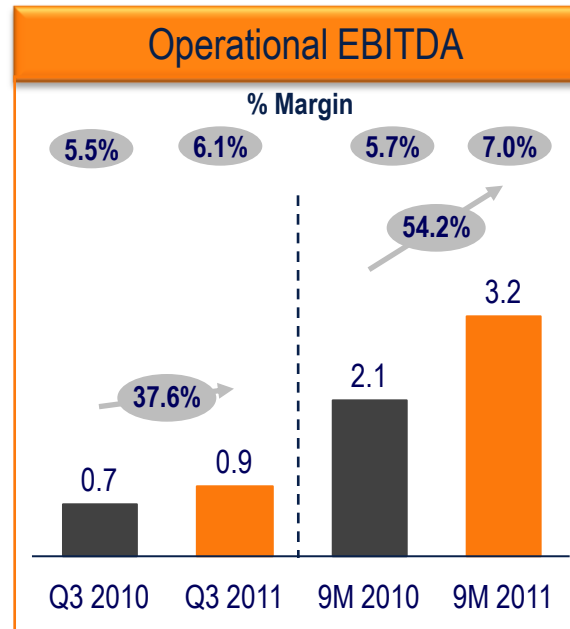
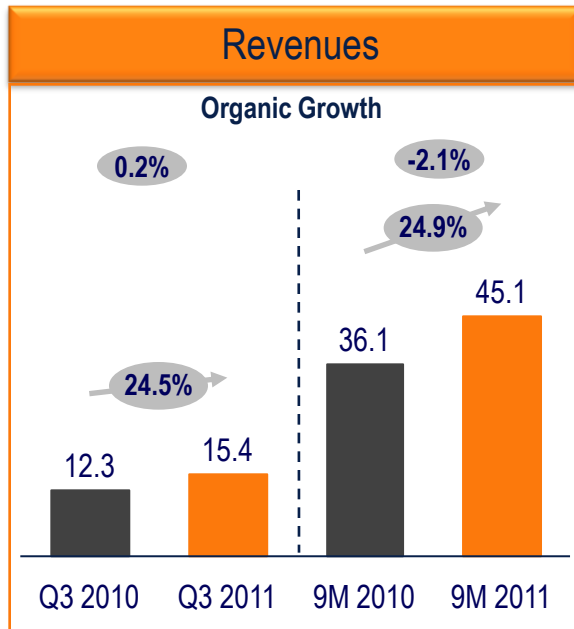
- Topline impact from audiovisual TV reform and price-sensitive elections held in May/June
- Reported figures reflect adverse movement of Turkish Lira vs. € (-13% depreciation year-on-year)
- Favourable overhead development partly offset effects from operating leverage

Ströer Rest of Europe*

Higher scope-driven topline coupled with improved margins



€ MM



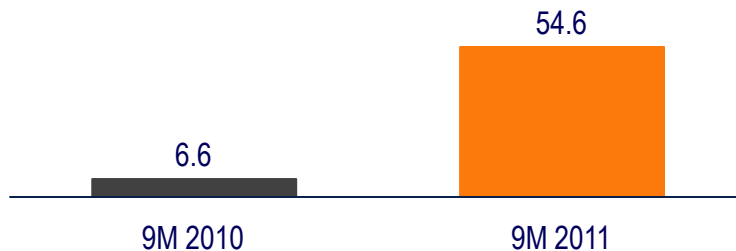
- Reported revenue growth mainly due to scope effects (News Outdoor Poland acquisition)
- Polish business benefited from higher political campaign activity in Q3 (parliamentary elections)
- Both Ströer Poland and blowUP contributed to the >130 BPS margin enhancement

Strong operational cash flow generation

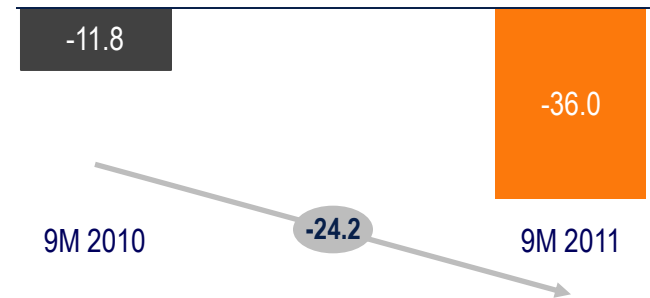


€ MM

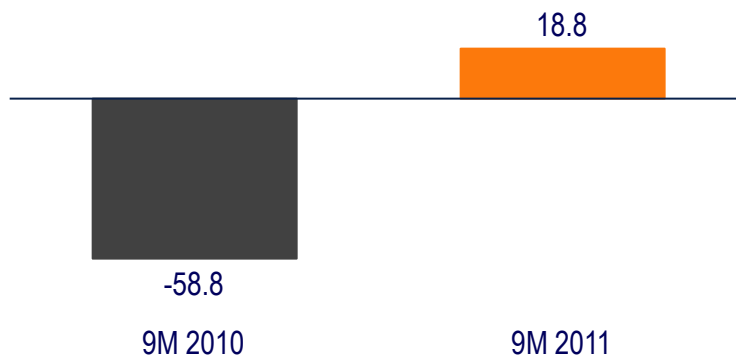
Cash flow from Operations



Cash Flow from Investing*



Free Cash Flow



Comments

- Positive impacts from working capital measures
- Substantial savings in interest payments following improved capital structure
- Increase in capital expenditure mainly driven by German growth initiatives

* excluding M&A

Ströer's management is confirming the revenue and margin forecasts made in the report on the first six months of 2011. We therefore still expect to see organic revenue growth for the Group in the mid-single-digit percentage range, which will make it difficult to maintain the operational margin at the prior-year level.

Q&A Session with Ströer AG's Executive Board



Udo Müller

Co-Founder, CEO



Alfried Bührdel

CFO and Executive Vice
President



Dirk Wiedenmann

CEO of Ströer Media
Deutschland, Board
Member

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