



Ströer Out-of-Home Media AG

Company Presentation

Credit Agricole Cheuvreux S.A.

German Corporate Conference

21st and 22nd of January 2013, Frankfurt

Agenda.

1

Change in market environment

2

Update on corporate strategy

3

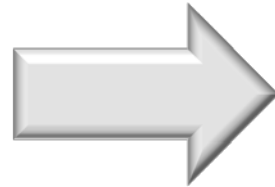
Recent Online acquisitions

Digitisation drives dynamic change in the media landscape.

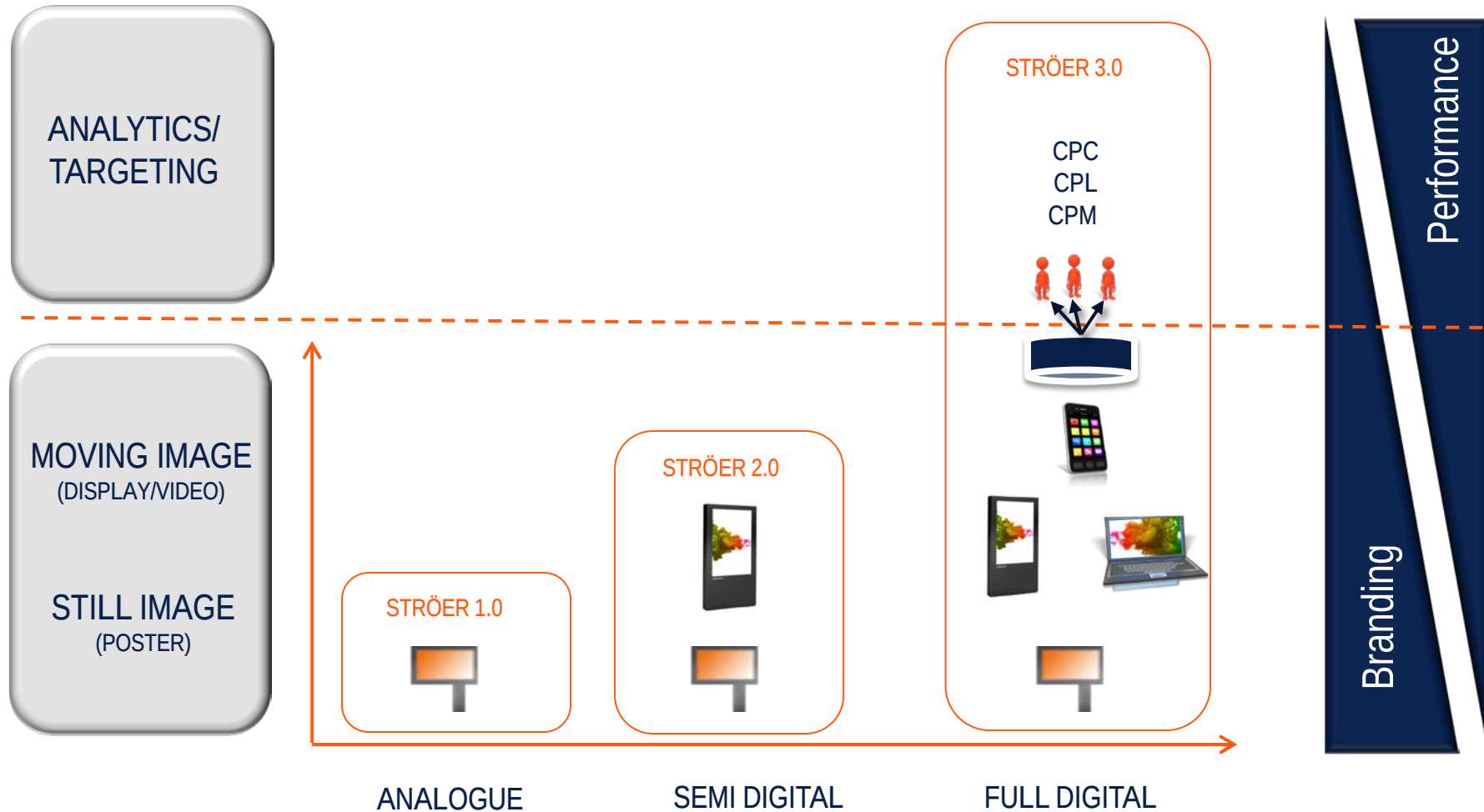


The world has turned into a screen. At your fingertips.

Technical barriers between different media erode. Now.



Ströer 3.0 – Platform for sustainable growth in the digital age.



Ströer 3.0 – Geared to growth. Utilise strong set-up and market ties



New and improved growth opportunities. In OOH and Online.



new growth platform for Online branding & performance products

leverage unsold OOH inventory for publisher website acquisition

develop new regional online package

merge digital OOH & online video into one product

.....to become the largest trading partner of agencies outside TV.

Ströer 3.0 - 6 fields of operation. Including Online.



		Sales Organisation	
		national	regional/local
Portfolio Management & Product Development	OoH (classic)		
	OoH (digital)		
	Online		

Develop our sales organisation. Broaden the product range.



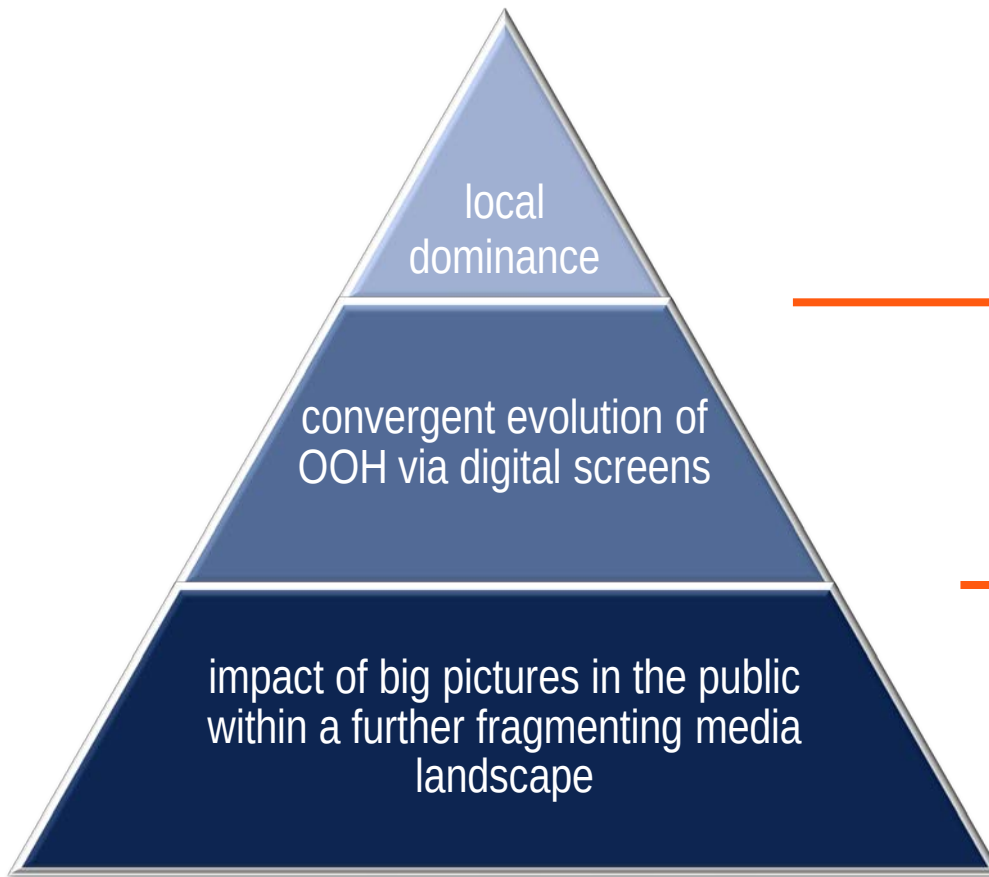
Portfolio Management &
Product Development

Sales Organisation Germany		
	national	regional/local
OoH (classic)		
OoH (digital)		
Online		

Drive national out-of-home sales. Radical focus on our USPs.



Win OOH market share in the digital age. 3 key sales drivers.

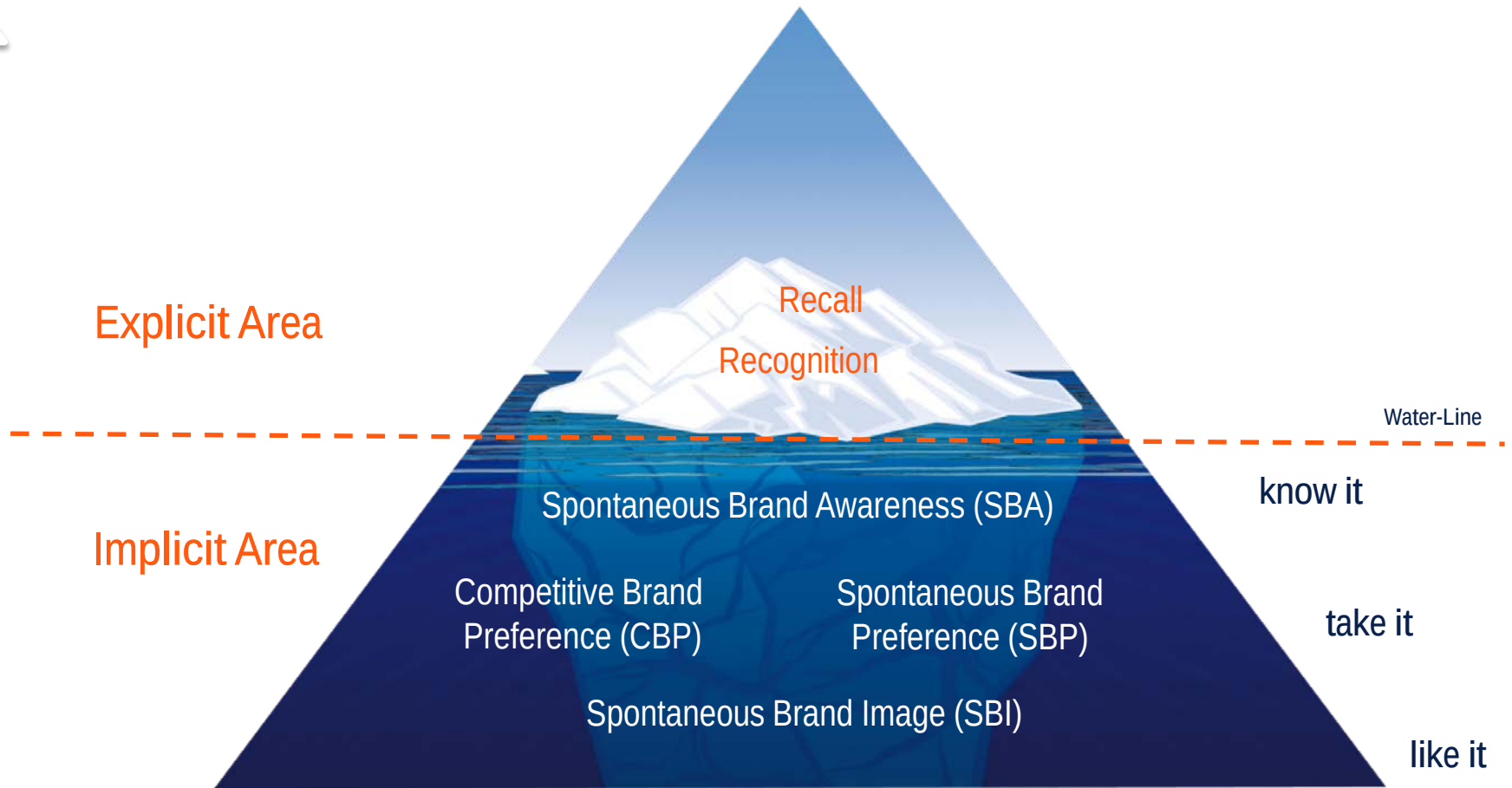


“Hyper Locality”

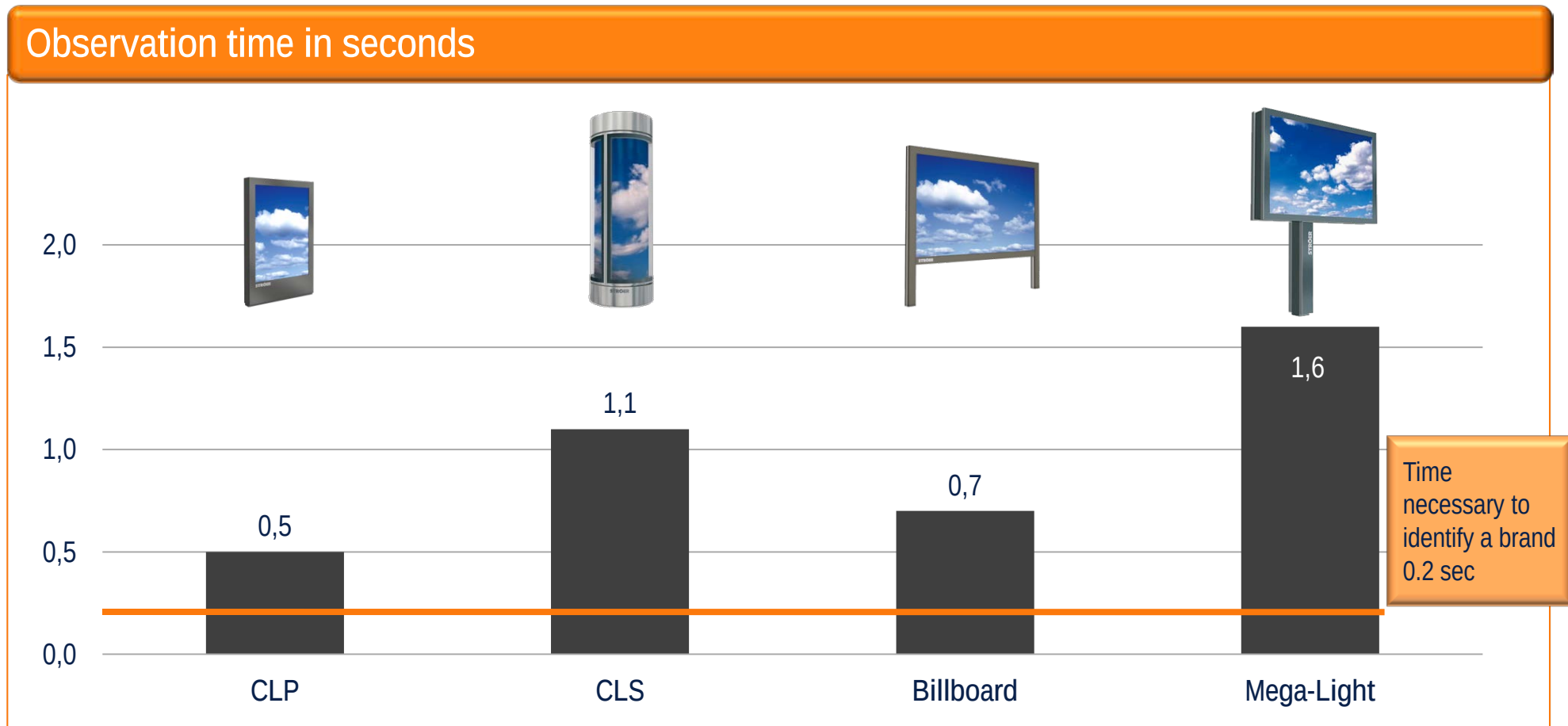
“Multiscreen-Planning”

“Deep Impact”

Deep Impact – It's about explicit and implicit factors!



Deep impact. Mega-Light observation time at Print level.



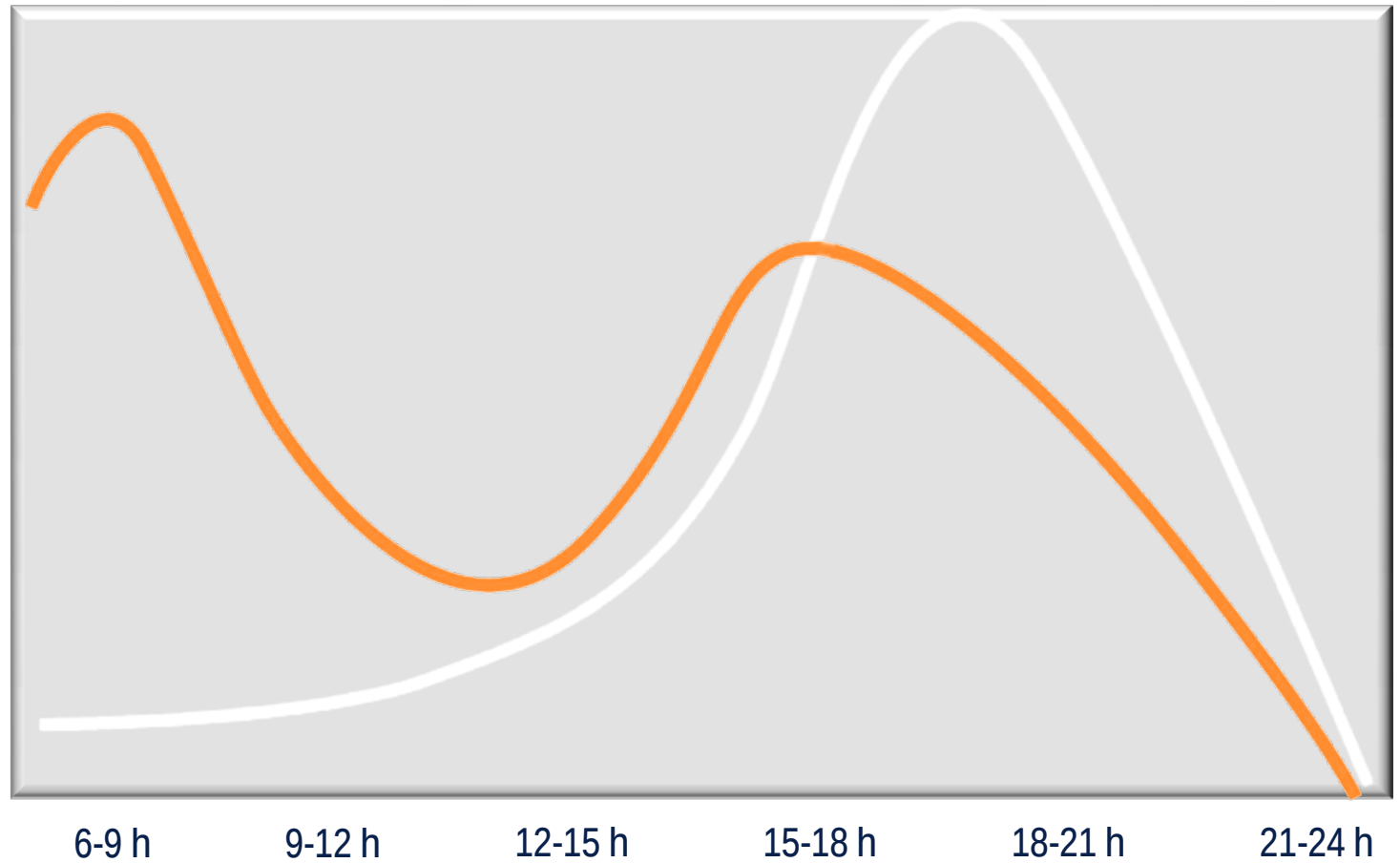
Obvious complimentary strengths. Go for multiple screens.



OC



TV





Ströer public catwalk-net

Out of Home-Channel station network. Very relevant touchpoint.



net reach across stations

45%

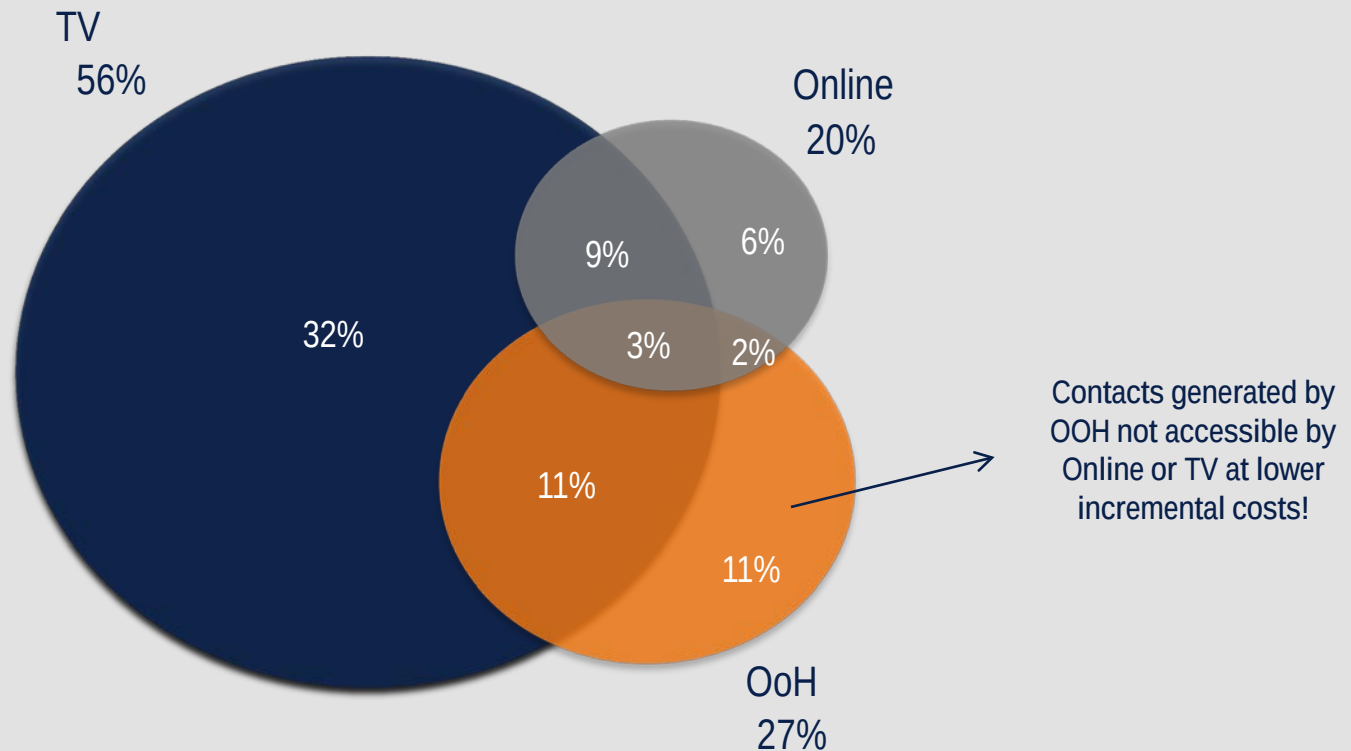
Ø duration per stay

15 minutes

Impressive GfK / TV-Panel research. Multiscreen-Planning wins.



April-May 2012: Real Campaign for “International Retail Brand”



Local Dominance – be brand-specific in a unique way.





Local Dominance – fully integrated into brand campaigns!

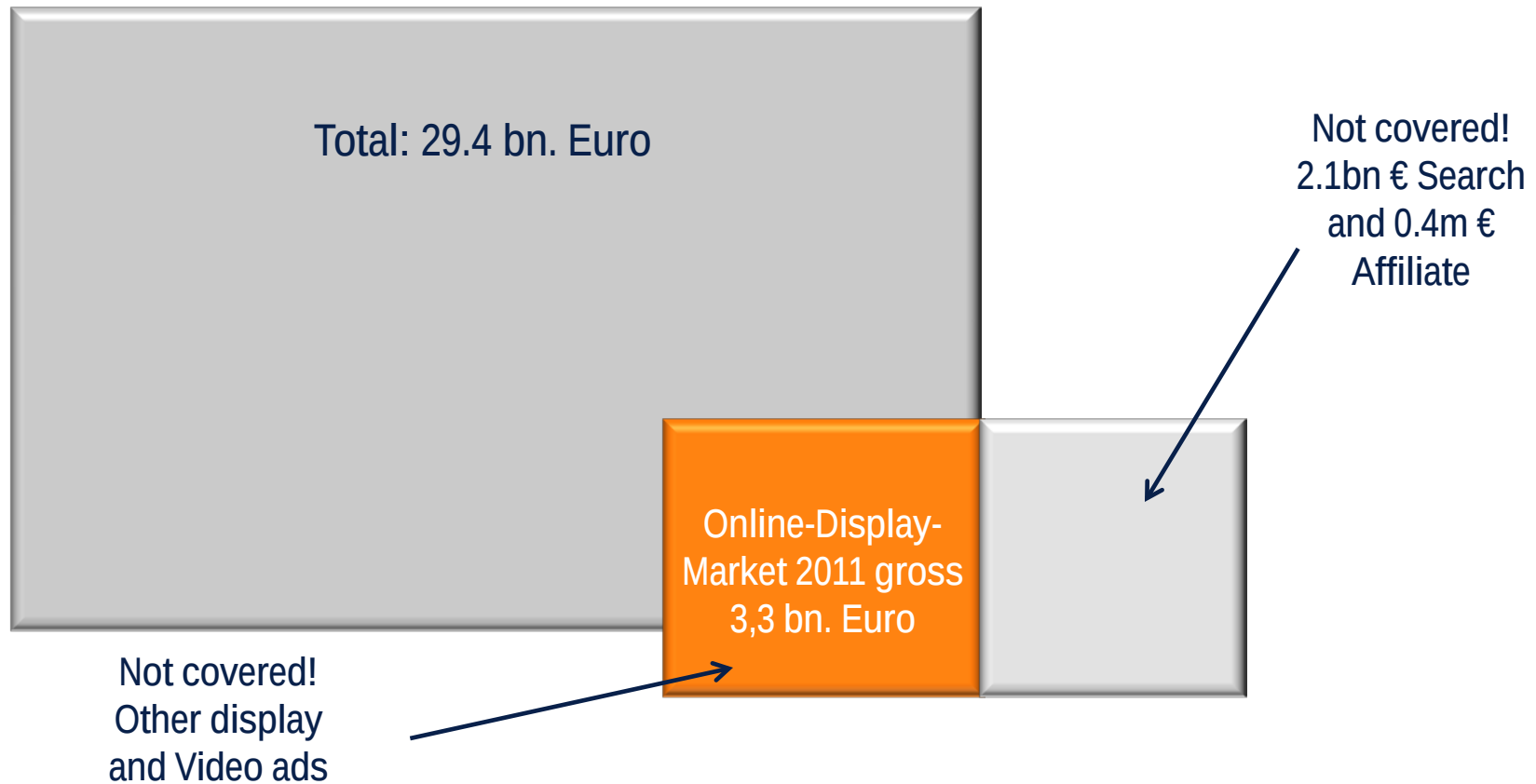
National Online Sales.

Consolidate in a highly fragmented market.



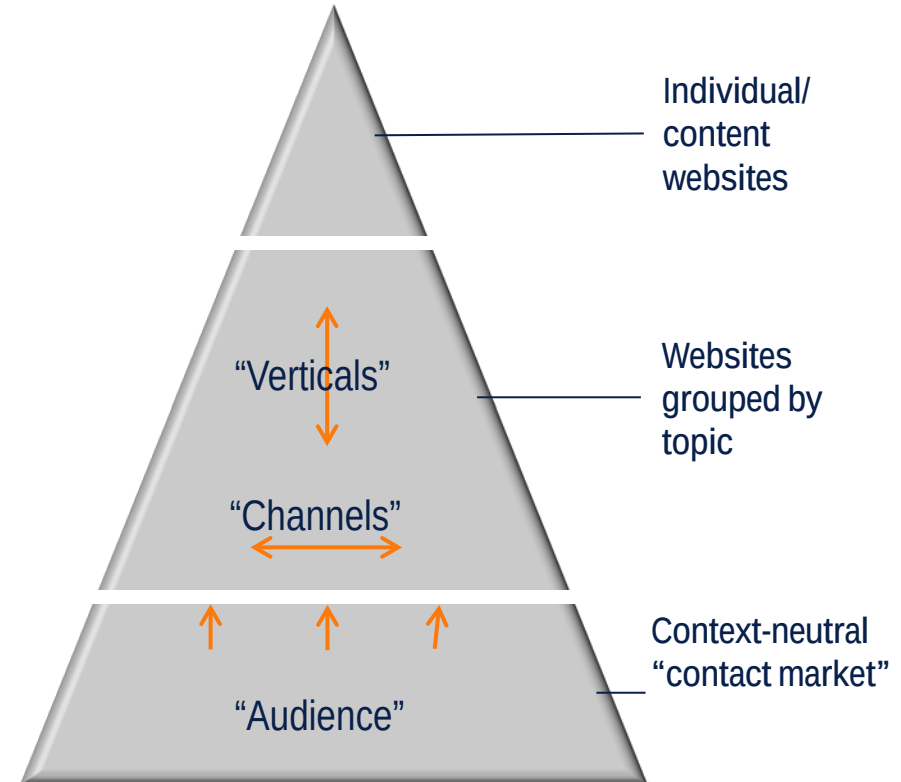
Rough Online market size. Not every thing covered by NIELSEN.

German advertising market as per Nielsen Research - GROSS



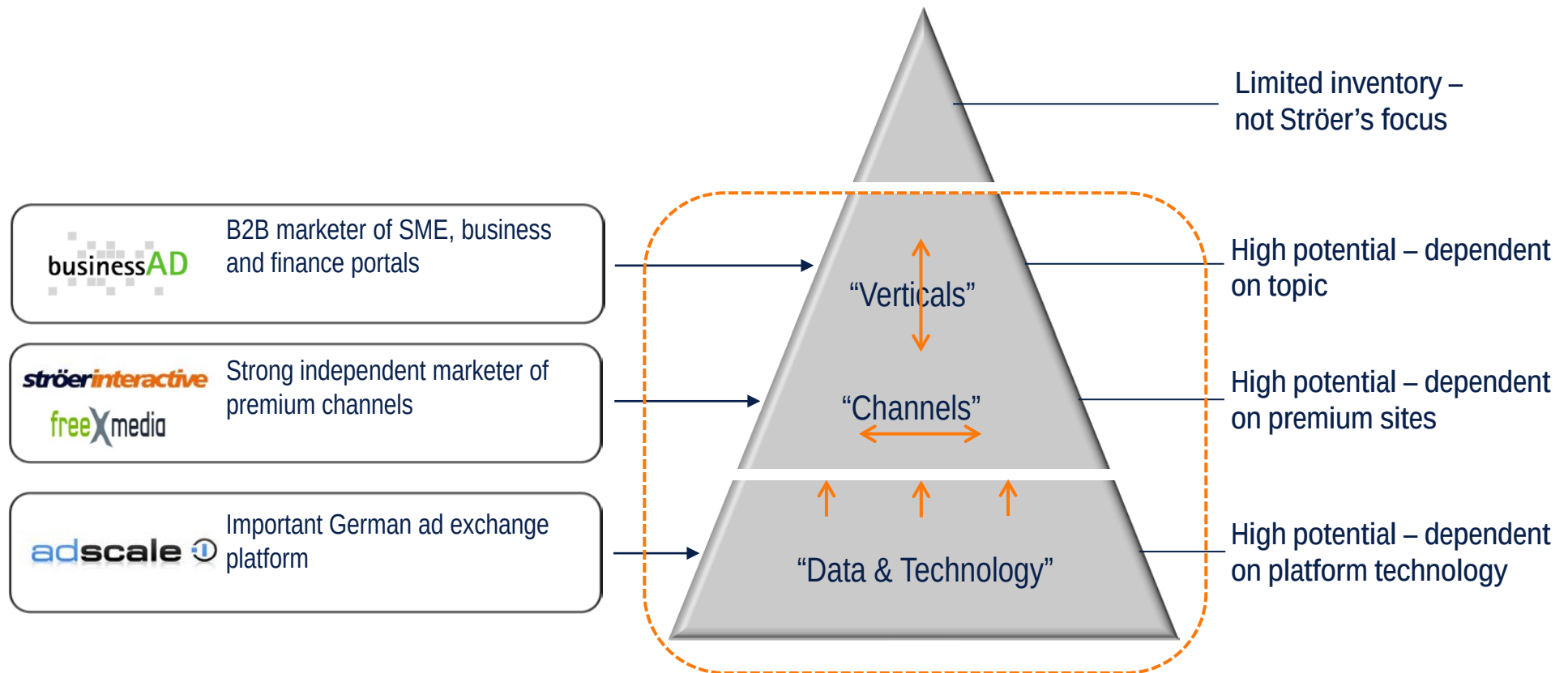
The window for consolidation is open. Right now.

- Fragmented market – little market power
- Top 20 marketers = ~50% market share
- First set of smaller deals: Consolidation has started
- Publisher-bound providers focused on traditional reach-based advertising
- So far no “one stop shop” for bundling technology, inventory and audience



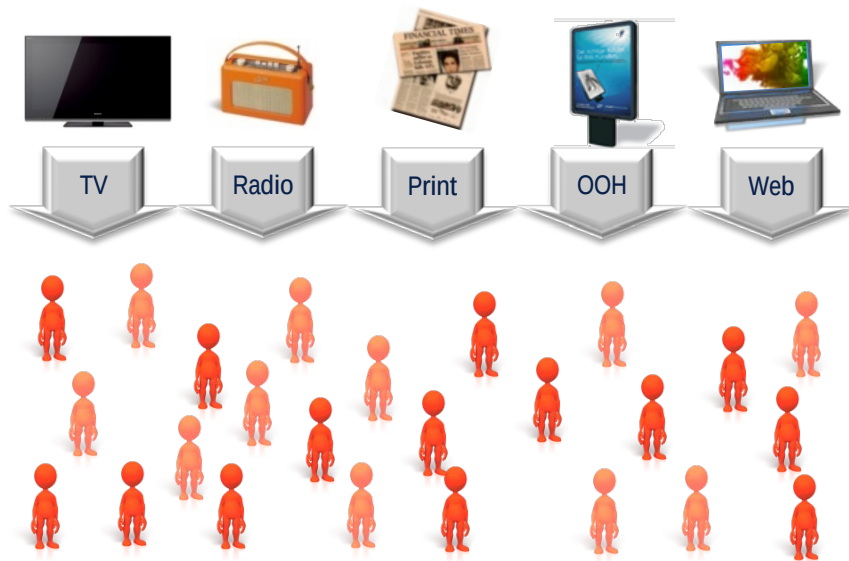
Ströer Online Group.

Right mix of inventory, technology and audience data.



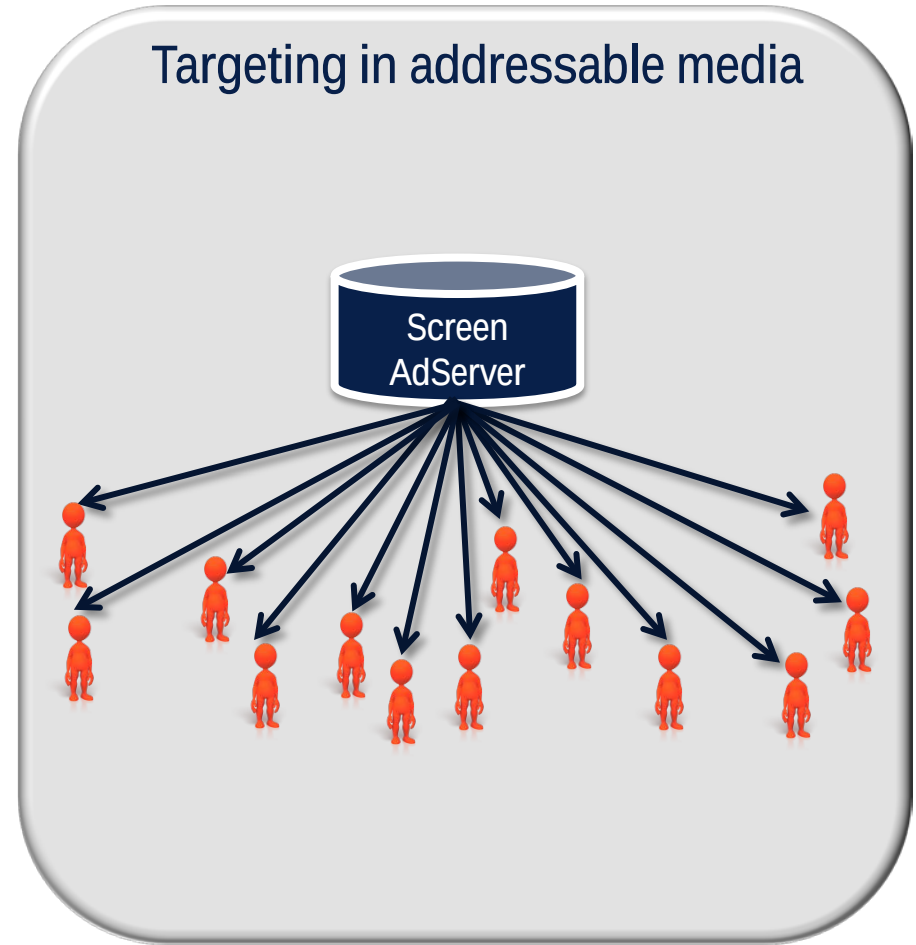
Digital Out of Home. The interface between OOH and Online.

Buying Media Placements



♂ = target group ♀ = wastage

Targeting in addressable media

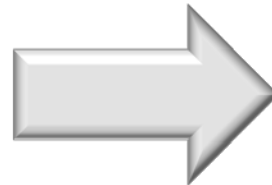


Clear Online strategy. Consolidation in two steps.

Step 1

Building a new and leading player in the online advertising market by

- Starting with a significant volume
- Acquiring assets in all relevant areas (inventory, technology, data)
- Carefully consolidating them into a full service partner for clients and publishers



Step 2

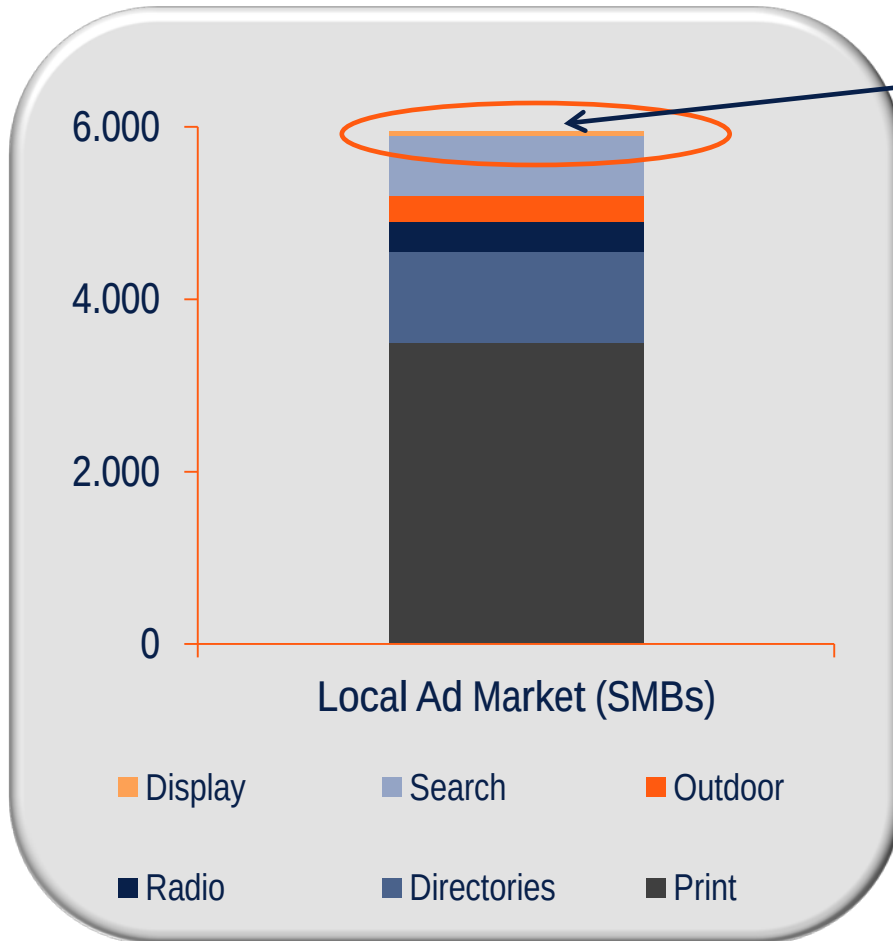
Growth through active consolidation of the market

- Taking over sales activities of other players / publishers
- Developing local products and leveraging local sales infrastructure
- Integrating digital OoH

Regional OoH and Online. Make and build a new market.



Attractive local advertising market. Strong Ströer position.



Regional display market not yet existing!

- More than 4bn Euro in Print Products
- Current Ströer footprint:
 - ~ 40k active clients
 - Ø 5k Euro annual spend
 - 60% Ströer OoH market share

Cornerstones of both transactions. Attractive deal terms.



- Agreements to acquire all shares incl. options for shares held by management
- Price not disclosed, payable in cash
- Purchase price EBITDA multiple expected in the high single-digits (based on 2012e)
- Closing expected in April 2013

Interactive Group (SIG)



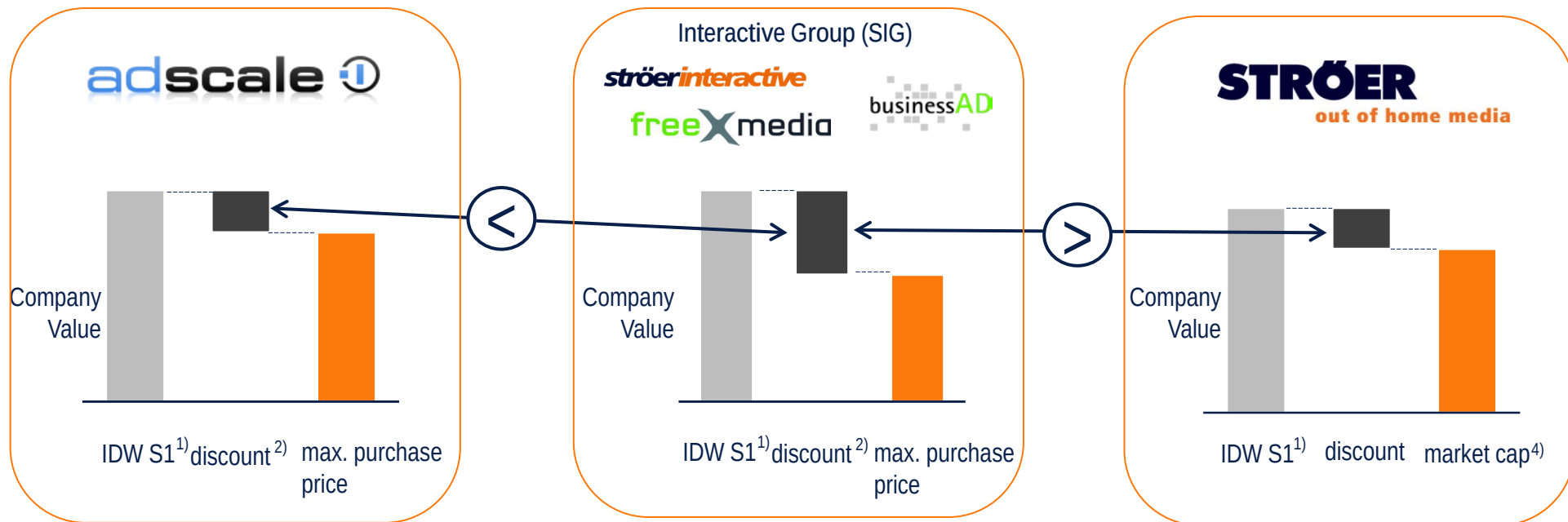
- Purchase agreement with Media Ventures GmbH, owned by Dirk Ströer (51%) und Udo Müller (49%)
- Purchase price EBITDA multiple in the high single-digits (based on 2012e). Largely payable in shares, earn-out payable in cash
- Capital increase of up to 6.8m new SAX shares from authorised capital in return for contribution in kind
- Closing expected in Q2 2013

- Aggregate transaction costs of around 1,5 to 2,0m €
- Combined revenues in the area of 70-80m€ (2012e)
- Total maximum cash & debtfree purchase price up to 87m€ only if EBITDA ~12m € in 2013/14 (~7x EBITDA)



All players have some kind of 3rd party inventory – but only few players are really independent

How do we ensure that the related party deal is fairly valued?



Two conditions must be satisfied:

- 1) The % discount of SIG + 5 ppts³ must be greater than the % discount achieved for Adscale
- 2) The € discount of SIG must be greater than the per share € discount of Ströer AG times 6.8m shares

If one of these is not met, the number of newly issued shares will be reduced until both of the 2 conditions hold.

1) IDW S1 valuation performed by independent big-four auditor
 2) Discount defined as delta between IDW S1 value and the agreed maximum purchase price including earn-outs
 3) The % discount of SIG + 5 ppts must amount to at least 25%
 4) Market cap based on trailing 90 day average as of 16 December 2012

Milestones of the two acquisitions. Closing expected in Q2 2013.



adscale

ströerinteractive

businessAD

freeXmedia



Extraordinary shareholder meeting on the provisional extension of the articles of incorporation is to be held in Cologne on 7 March 2013.

Key Focus Areas for 2013-2016. Four main pillars of action.

1

Strengthen and further develop our core OoH business – in the context of on-going digitalization

2

Further “digitalize“ our company and become a consolidator in the Online advertising market

3

Aggressively grow our regional sales including the non-developed local Online market

4

Leverage our leading market position outside Germany to monetize our investments & know how

Q&A session with Ströer board of management



Udo Müller

Co-Founder, CEO



Alfried Bührdel

CFO and
Executive Vice President



Christian Schmalzl

COO

Disclaimer

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