STRÖER

Quarterly financial report Q3 2015

Ströer SE

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THE GROUP'S FINANCIAL FIGURES AT A GLANCE

		Q3 2015	Q3 2014	Change	9M 2015	9M 2014	Change
Revenue[1]	EUR m	**189.8**	**174.6**	**8.7%**	**553.2**	**509.3**	**8.6%**
by segment							
OOH Germany[2]	EUR m	110.7	105.8	4.7%	324.8	307.5	5.6%
Ströer Digital	EUR m	51.7	39.0	32.4%	139.9	110.7	26.4%
OOH International	EUR m	32.6	34.5	-5.4%	105.7	105.8	-0.1%
by product group							
Billboard[2]	EUR m	76.3	76.5	-0.2%	232.4	230.3	0.9%
Street furniture[2]	EUR m	36.9	36.2	2.0%	111.7	105.2	6.2%
Transport[2]	EUR m	13.6	12.9	5.3%	40.2	38.5	4.5%
Digital[3]	EUR m	52.3	40.1	30.3%	142.3	113.8	25.1%
Other[2]	EUR m	13.7	11.6	18.4%	36.9	30.4	21.1%
Organic growth[4]	%	10.3	15.7		9.1	10.9	
Gross profit[5]	EUR m	52.0	48.0	8.2%	158.3	144.2	9.8%
Operational EBITDA[6]	EUR m	**43.4**	**30.1**	**44.1%**	**121.8**	**87.8**	**38.6%**
Operational EBITDA[6] **margin**	%	22.5	17.0		21.6	16.9	
Adjusted EBIT[7]	EUR m	25.4	18.1	40.2%	70.4	52.6	33.7%
Adjusted EBIT[7] margin	%	13.2	10.2		12.5	10.2	
Adjusted profit or loss for the period[8]	EUR m	19.2	9.9	94.3%	53.0	27.2	94.7%
Adjusted earnings per share[9]	EUR	0.40	0.20	99.7%	1.08	0.54	99.3%
Profit or loss for the period[10]	EUR m	6.9	2.5	> 100%	25.2	4.9	> 100%
Earnings per share[11]	EUR	0.15	0.05	> 100%	0.51	0.09	> 100%
Investments[12]	EUR m				50.4	25.8	95.1%
Free cash flow[13]	EUR m				7.5	34.1	-78.1%
					30 Sep 2015	**31 Dec 2014**	**Change**
Total equity and liabilities[1]	EUR m				976.8	953.9	2.4%
Equity[1]	EUR m				293.7	320.7	-8.4%
Equity ratio	%				30.1	33.6	
Net debt[14]	EUR m				304.3	275.0	10.6%
Employees[15]	number				2,647	2,380	11.2%

1) Joint ventures are consolidated using the equity method - according to IFRS 11

2) Joint ventures are consolidated proportionately (management approach)

3) Revenue from the Ströer Digital segment and digital OOH revenue from other segments

4) Excluding exchange rate effects and effects from the (de-)consolidation and discontinuation of operations (joint ventures are consolidated proportionately)

5) Revenue less cost of sales (joint ventures are consolidated using the equity method - according to IFRS 11)

6) Earnings before interest, taxes, depreciation and amortization adjusted for exceptional items (joint ventures are consolidated proportionately)

7) Earnings before interest and taxes adjusted for exceptional items, amortization of acquired advertising concessions and impairment losses on intangible assets (joint ventures are consolidated proportionately)

8) Adjusted EBIT before non-controlling interests net of the financial result adjusted for exceptional items and the normalized tax expense (joint ventures are consolidated proportionately)

9) Adjusted profit or loss for the period net of non-controlling interests divided by the number of shares (48,869,784)

10) Profit or loss for the period before non-controlling interests (joint ventures are consolidated using the equity method - according to IFRS 11)

11) Actual profit or loss for the period net of non-controlling interests divided by the number of shares (48,869,784)

12) Including cash paid for investments in property, plant and equipment and in intangible assets (joint ventures are consolidated using the equity method - according to IFRS 11)

13) Cash flows from operating activities less cash flows from investing activities (joint ventures are consolidated using the equity method - according to IFRS 11)

14) Financial liabilities less derivative financial instruments and cash (joint ventures are consolidated proportionately)

15) Headcount of full and part-time employees (joint ventures are consolidated proportionately)

FOREWORD BY THE BOARD OF MANAGEMENT

Dear shareholders,

We can look back upon nine very successful months in 2015: we grew revenue by 8.6% to EUR 553.2m and our operational EBITDA rose by a considerable 38.6% to EUR 121.8m in the same period. Adjusted profit for the period rose significantly to EUR 53.0m. At the same time, and in spite of intensive acquisition activities, we improved our leverage ratio to 1.67.

The spotlight this year was on the game-changing acquisitions of Germany's internet portal with the widest reach, t-online.de, and of InteractiveMedia, Germany's biggest online marketer according to the industry group AGOF (Arbeitsgemeinschaft Online Forschung). The Federal Cartel Office approved the acquisition without any conditions. In addition, we are going to acquire, subject to approval by the Federal Cartel Office, the national digital marketer for regional newspapers in Germany, OMS. Thanks to the experience we have gained in the consolidation of the out-of-home advertising market in Germany, we are able to integrate our digital acquisitions quickly and efficiently and leverage synergies across the entire value chain. In particular, the strategically important acquisitions of t-online.de, InteractiveMedia and OMS take us to a new level as a group and stoke even more customer interest in our products and communication solutions. A new benchmark is establishing itself for the entire digital industry: with the acquisition of InteractiveMedia, and even without including OMS, Ströer is the clear number one in terms of reach on the German market according to AGOF with some 43 million internet users. The internet portal t-online.de, which was taken over by Ströer, also ranks number one according to AGOF.

Today we are a multi-channel media company. We have a growing structural backbone in the shape of out-of-home media business which we complement with faster growing digital business models. For the first time, in Germany the gross amount spent on OOH compared to Radio was significantly higher in the last nine months. Following our most recent acquisitions, we will generate around 40.0% of our revenue in the coming year in the Digital segment, with this share set to grow further in the future. We will continue to strive to increase the revenue contribution of the Digital segment to 50.0% in the coming years and beyond.

Based on the continued positive development in the third quarter, our acquisitions and the improved outlook for the rest of the year, we have increased our guidance for the year 2015 as a whole. We forecast organic growth in the high single-digit percentage range and expect operational EBITDA up to EUR 200m.

Best wishes,
The Board of Management

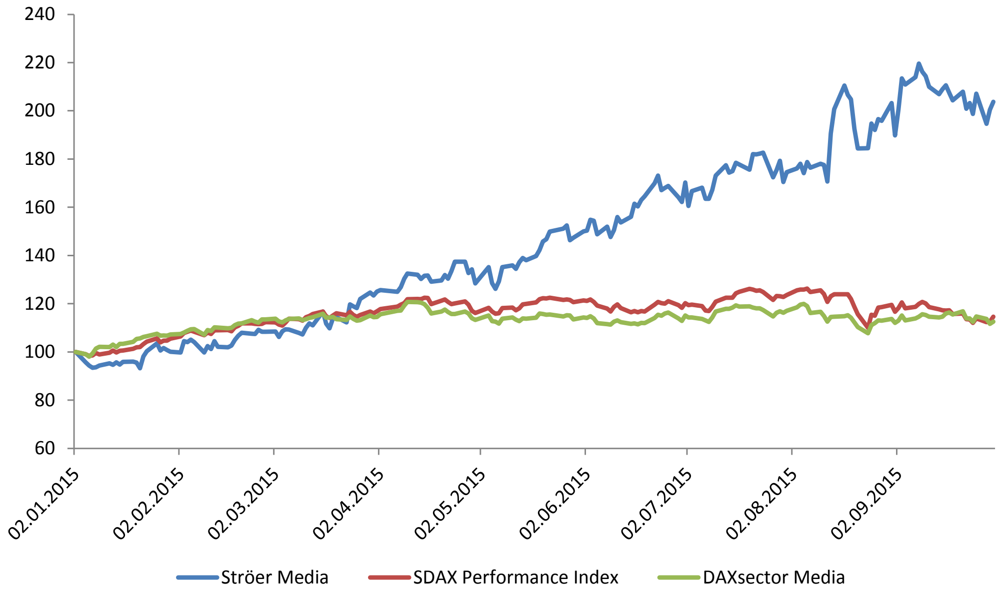
  

Udo Müller   Dr. Bernd Metzner   Christian Schmalzl

SHARE

Despite a large amount of uncertainty on the capital market due to the pending decision by the US Federal Reserve as well as due to economic growth faltering in China, the Ströer share performed extremely well again in the third quarter.

While the DAX lost some 15.5% in the third quarter, Ströer stock gained 19.6%. On 30 September, the share closed at EUR 52.63, which is an increase of 103.7% compared with the start of the year and meant it outperformed the DAX Media Index sector, which only gained 21.3% in the last nine months.



Extraordinary shareholder meeting

On 25 September 2015, Ströer SE's extraordinary shareholder meeting took place at the Koelnmesse Congress Center and was attended by some 80 participants. The reason for the extraordinary shareholder meeting was the proposed change of the legel structure from Ströer SE to a partnership limited by shares (KGaA). Overall, around 79.0% of the capital stock was represented. Most of the resolutions proposed by the supervisory board and board of management were accepted by majorities of more than 80.0%. This also included the proposed conversion to a KGaA, which was accepted by a majority of over 84.0%.

Stock exchange listing, market capitalization and trading volume

Ströer SE stock is listed in the Prime Standard of the Frankfurt Stock Exchange and has been listed in the SDAX, a selection index of Deutsche Börse, since September 2010. Based on the closing share price on 30 September 2015, market capitalization came to EUR 2.6b.

We are continuing our efforts to boost the attractiveness of the Ströer share for investors, for example by improving its liquidity and increasing the volume of trading in our shares on Xetra. The average daily volume of Ströer stock traded on German stock exchanges more than doubled compared with the first nine months of 2014 and now stands at approximately 130,000 shares per day.

Analysts' coverage

The performance of Ströer SE is tracked by 13 teams of analysts. Based on their assessments, all 13 are giving a "buy" recommendation. The latest broker assessments are available at http://ir.stroeer.de.

Investment bank	Recommendation*
Hauck & Aufhäuser	Buy
Jefferies	Buy
Oddo Seydler	Buy
KeplerCheuvreux	Buy
Commerzbank	Buy
Bankhaus Lampe	Buy
Citigroup	Buy
Deutsche Bank	Buy
Liberum	Buy
J.P. Morgan	Buy
Morgan Stanley	Buy
Exane BNP	Buy
MainFirst	Buy

*As of 11 November 2015

Shareholder structure

CEO Udo Müller holds 24.22%, supervisory board member Dirk Ströer holds 29.95% and board of management member Christian Schmalzl holds around 0.07% of Ströer SE shares. The free float comes to around 40.0%.

According to the notifications made to the Company as of 30 September 2015, the following parties reported to us that they hold more than 3.0% of the voting rights in Ströer SE: Sambara Stiftung 5.73%, Allianz Global Investors Europe 4.98%.

Information on the current shareholder structure is permanently available online at http://ir.stroeer.de.

INTERIM GROUP MANAGEMENT REPORT

INTERIM GROUP MANAGEMENT REPORT

BACKGROUND OF THE STRÖER GROUP

Business model, segments and organizational structure

Ströer SE is a leading provider in the commercialization of out-of-home and online advertising in Germany, and offers its advertising customers individualized and integrated communications solutions. Its portfolio of branding and performance products offers customers new opportunities for addressing specific target groups while increasing the relevance of the Ströer Group as a contact for media agencies and advertisers.

The Company's business model is based on offering traditional out-of-home (OOH) advertising, public videos shown on screens installed in train stations and shopping malls (formerly the digital Out-of-Home Channel (DOOH)), as well as online display and video marketing via stationary internet and mobile devices and tablets. This means that we can offer advertisers a platform for optimizing campaigns, combining substantial reach with the precise targeting of customer groups.

The high impact of the advertising and the ability to address consumers directly at the point of sale for example in shopping centres can measurably influence purchasing decisions. The Ströer Group is also a one-stop provider of all the steps in the digital value chain necessary for a fully integrated digital business model: for publishers as well as for agencies and advertisers.

The Ströer Group further extended its service offering in the fiscal year. For example, Erdbeerlounge GmbH, that runs a website with an interactive online offering aimed at women, was acquired in the first half, in addition to the internet portals "spieletipps.de," "SpielAffe," "KralOyun" and "Games1.com." Also in the first half of the year, Ströer purchased the majority of the shares in Content Fleet GmbH. Content Fleet GmbH is an experienced and successful partner in developing content strategies to boost reach and e-commerce sales as well as to improve the reach of brand messages.

Furthermore, the Ströer Group acquired a total of 90% of the shares in RegioHelden GmbH in the third quarter. RegioHelden GmbH is a specialist provider for local and regional online advertising. Its portfolio includes search engine marketing and optimization (SEO) as well as web design and call measurement. The company also offers successful and proven technology solutions in regional online advertising.

In the fourth quarter, Ströer acquired InteractiveMedia CCSP GmbH and the internet portal t-online.de from Deutsche Telekom AG, effective 2 November 2015. As a result, Ströer's portfolio now also includes Germany's largest internet portal and Germany's third largest online marketer. The transaction was valued at around EUR 300.0m. Through this acquisition, Ströer has successfully taken the decisive step towards becoming a digital multi-channel media company. At the same time, Deutsche Telekom AG has become a shareholder of Ströer and received shares as part of a capital increase in return for a non-cash contribution.

In addition, Ströer signed a purchase agreement in September 2015 to acquire OMS Vermarktungs GmbH & Co. KG, Düsseldorf, as well as its general partner. OMS is the leading premium marketer of high-quality editorial environments for regional daily newspapers and offers its advertising customers solutions for addressing attractive target groups with display, mobile, moving-picture and cross-media campaigns across all screens. In return for the shares acquired, the seller OMS-Online Marketing Service GmbH & Co. KG will gain a 10.0% share in Ströer Digital Group GmbH. The transaction is subject to approval from the federal cartel office and is expected to be closed in the first quarter of 2016.

With a view to shareholder participation in the success of fiscal year 2014, Ströer SE paid a dividend to its shareholders in the third quarter of 2015 following a corresponding resolution passed at the shareholder meeting on 30 June 2015 at the recommendation of the supervisory board and board of management. Based on this resolution, a total of EUR 19.5m of the accumulated profit of EUR 46.0m generated by Ströer SE in fiscal year 2014 was distributed.

Furthermore, at an extraordinary shareholder meeting on 25 September 2015, a resolution was adopted to convert the group holding company Ströer SE into a partnership limited by shares (KGaA).

This interim management report covers the period from 1 January to 30 September 2015.

ECONOMIC REPORT

Macroeconomic development

The macroeconomic environment continued to deteriorate on a global scale in the third quarter of 2015. The International Monetary Fund (IMF) therefore again revised its forecast for global economic growth in 2015 downwards from 3.3% in July to its current 3.1%. The reasons cited were the slump in commodity prices, the emerging turnaround in interest rates in the US and in particular the cooling off of the economy in China. Despite the ailing Chinese economy and the related decline in orders placed with German companies, as well as the current crisis in the Volkswagen Group, leading economic researchers are not anticipating a slump in the German economy. In their fall report, they are predicting growth in GDP of 1.8% for 2015. The German Federal Government too is still predicting stable economic growth in its fall forecast and anticipates an increase of 1.7%.

Due to the continued tensions in the Middle East and the political uncertainties, the World Bank has revised its forecast for economic growth in Turkey downwards from 3.5% to 3.0%. The economic outlook for Poland is thought to be stable despite political flashpoints in Europe. The EU Commission therefore expects growth for 2015 to be on a par with the prior year at 3.3%. The OECD is predicting that the Polish economic growth will increase slightly in the coming year.

The development of exchange rates was also not homogenous. While the Polish zloty increased by 0.7% against the euro compared with 31 December 2014, the Turkish lira fell by more than 16.0% against the euro in the first nine months of 2015 after a short-lived recovery at the end of 2014. This development is based in particular on the continued geopolitical tensions in the region as well as the parliamentary elections at the beginning of June, and the related new election in November. Overall, the Turkish lira remains at a very low level.

RESULTS OF OPERATIONS OF THE GROUP AND THE SEGMENTS

Consolidated income statement

In EUR m	Q3 2015		Q3 2014		Change	
Revenue	189.8	100.0%	174.6	100.0%	15.3	8.7%
Cost of sales	-137.9	-72.6%	-126.6	-72.5%	-11.3	-8.9%
Gross profit	**52.0**	**27.4%**	**48.0**	**27.5%**	**4.0**	**8.2%**
Selling expenses	-22.6	-11.9%	-22.1	-12.7%	-0.5	-2.0%
Administrative expenses	-23.0	-12.1%	-19.9	-11.4%	-3.1	-15.7%
Other operating income	5.4	2.8%	2.9	1.6%	2.5	86.3%
Other operating expenses	-1.5	-0.8%	-2.1	-1.2%	0.5	25.8%
Share in profit or loss of equity method investees	0.6	0.3%	0.6	0.4%	0.0	-3.3%
EBIT	**10.9**	**5.7%**	**7.5**	**4.3%**	**3.4**	**45.3%**
EBITDA	**36.4**	**19.2%**	**26.8**	**15.4%**	**9.6**	**35.7%**
Operational EBITDA	**43.4**		**30.1**		**13.3**	
Financial result	-2.6	-1.3%	-3.5	-2.0%	0.9	26.5%
EBT	**8.3**	**4.4%**	**4.0**	**2.3%**	**4.3**	**>100%**
Income taxes	-1.4	-0.7%	-1.5	-0.9%	0.1	7.4%
Consolidated result	**6.9**	**3.6%**	**2.5**	**1.4%**	**4.4**	**>100%**

In EUR m	9M 2015		9M 2014		Change	
Revenue	553.2	100.0%	509.3	100.0%	43.9	8.6%
Cost of sales	-395.0	-71.4%	-365.1	-71.7%	-29.8	-8.2%
Gross profit	**158.3**	**28.6%**	**144.2**	**28.3%**	**14.1**	**9.8%**
Selling expenses	-72.4	-13.1%	-68.4	-13.4%	-4.1	-5.9%
Administrative expenses	-62.5	-11.3%	-61.0	-12.0%	-1.5	-2.5%
Other operating income	12.5	2.3%	11.1	2.2%	1.3	12.1%
Other operating expenses	-6.4	-1.2%	-6.0	-1.2%	-0.4	-7.1%
Share in profit or loss of equity method investees	2.9	0.5%	2.4	0.5%	0.5	22.4%
EBIT	**32.3**	**5.8%**	**22.3**	**4.4%**	**10.0**	**44.7%**
EBITDA	**106.4**	**19.2%**	**79.3**	**15.6%**	**27.2**	**34.3%**
Operational EBITDA	**121.8**		**87.8**		**33.9**	
Financial result	-7.5	-1.4%	-12.2	-2.4%	4.7	38.8%
EBT	**24.8**	**4.5%**	**10.1**	**2.0%**	**14.7**	**>100%**
Income taxes	0.3	0.1%	-5.2	-1.0%	5.5	n.d.
Profit or loss for the period	**25.2**	**4.6%**	**4.9**	**1.0%**	**20.2**	**>100%**

At the beginning of fiscal year 2015, Ströer aligned its internal controlling and thus also the structure of its **segments** to reflect current developments and the Group's new focus. In this context, the public video business, which was previously part of the Ströer Germany segment's digital business, was transferred to the Ströer Digital segment, due to the high level of similarity in operations. As such, the remaining Germany segment has since solely comprised the German out-of-home business, which is aptly reflected in the new name "Out-of-Home Germany (OOH Germany)." We have also optimized our internal controlling in relation to our international out-of-home business. We grouped Ströer Turkey, Ströer Poland and blowUP into a new segment, "Out-of-Home International (OOH International)." The prior-year figures were restated accordingly to reflect the new segment structure.

With regard to its economic development, the Ströer Group can once again look back on a very successful quarter in which it continued on its profitable growth course unabated. Overall the Group generated **revenue** of EUR 553.2m in the first nine months of the fiscal year, which was EUR 43.9m higher than in the prior year. Besides the considerable hike in digital business of EUR 29.2m, which was attributable to both acquisitions and organic growth, the OOH Germany segment was able to contribute to revenue growth thanks to its consistently robust business performance. By comparison, the performance of the OOH International segment was rather muted in the first nine months, owing in particular to the ongoing geopolitical uncertainties in Turkey and the market environment in Poland which remains challenging.

The higher revenue brought with it a higher **cost of sales**. This was due in particular to full-year effects in the Ströer Digital segment where the acquisitions in the prior quarters had a corresponding effect on the cost of sales. The OOH Germany segment also reported a rise in costs, stemming primarily from higher lease expenses for its advertising media locations. The OOH International segment was also saddled with a higher cost of sales than in the prior year due to increased lease expenses. Overall, in light of the considerable growth in revenue compared with the same prior-year period, **gross profit** grew by EUR 14.1m and amounted to EUR 158.3m.

Due to the acquisitions made in the prior quarters and the related integration costs, as well as the continued strong expansion of our regional sales organization in Germany, **selling expenses** rose by EUR 4.1m year on year. Given the development of revenue described above, the ratio of selling expenses to revenue was down on the prior-year level at 13.1% (prior year: 13.4%).

By contrast, despite the aforementioned acquisitions and aided by a comprehensive cost-cutting program, administrative expenses as a percentage of revenue fell 0.7 percentage points to 11.3% in the past nine months. Adjusted for the considerable expenses incurred in the acquisition of InteractiveMedia CCSP GmbH and the t-online.de internet portal, the ratio would have fallen even more. In absolute terms, **administrative expenses** came to EUR 62.5m in the reporting period, which corresponds to an increase of EUR 1.5m.

At EUR 12.5m, **other operating income** was a slight EUR 1.3m higher than in the prior year (prior year: EUR 11.1m), while **other operating expenses** only rose marginally, coming to EUR 6.4m as of the reporting date (prior year: EUR 6.0m). These two items include the results from the recognition and reversal of provisions, disposals of non-current assets, bad debt allowances and exchange differences from operating activities.

Also slightly higher was the **share in profit or loss of equity method investees**, which stood at EUR 2.9m as of the reporting date (prior year: EUR 2.4m).

Compared with the prior year, the noticeably higher gross profit had a very positive effect on the Ströer Group's **EBIT** resulting in a corresponding increase (EUR 32.3m; prior year: EUR 22.3m). **Operational EBITDA** benefited even more clearly, recording sizable growth compared with the same prior-year period (EUR 121.8m; prior year: EUR 87.8m). Boosted by this upwards trend, return on capital employed (**ROCE**) — adjusted for amortization of our advertising concessions — came to 16.6% (prior year: EUR 12.4%).

The **financial result** of the Ströer Group was equally pleasing. Besides a further reduction in the capital market interest rate, the renewed favorable interest margin grid adjustment in April 2015 and the persistently lower leverage ratio, which has a direct impact on the interest margin payable by Ströer, came to bear in particular. Against this backdrop, the financial result improved by EUR 4.7m to EUR -7.5m.

The **tax result** also improved by EUR 5.5m due to structural adjustments in the Group, despite considerably higher EBT. At the end of the first nine months, tax income amounted to EUR 0.3m whereas a tax expense of EUR 5.2m was incurred in the prior year.

Overall, at EUR 25.2m, the Ströer Group's **profit for the period** was a marked EUR 20.2m higher than in the same prior-year period. This substantial increase was shaped in particular by a significant improvement in operating activities. Furthermore, the trend in the financial and tax result had also a significant positive effect. This development was slightly dampened in particular by non-recurring advisory expenses in connection with the recent acquisitions. Overall, Ströer seamlessly drove forward the good performance of the prior quarters and continued on its profitable growth course in the third quarter.

Results of operations of the segments

Out-of-Home Germany

In EUR m	Q3 2015	Q3 2014	Change		9M 2015	9M 2014	Change	
Segment revenue, thereof	110.7	105.8	5.0	4.7%	324.8	307.5	17.3	5.6%
Billboard	50.5	48.9	1.6	3.3%	147.9	144.2	3.7	2.5%
Street furniture	32.3	31.0	1.3	4.2%	96.3	90.0	6.2	6.9%
Transport	13.6	12.9	0.7	5.3%	40.2	38.5	1.7	4.5%
Other	14.3	12.9	1.4	10.6%	40.4	34.7	5.7	16.4%
Operational EBITDA	28.6	20.8	7.8	37.5%	78.7	58.2	20.5	35.2%
Operational EBITDA margin	25.8%	19.7%	6.2 percentage points		24.2%	18.9%	5.3 percentage points	

Segment reporting in the Ströer Group follows the management approach under IFRS 8 according to which external segment reporting should follow the internal reporting structure. The internal reporting structure of the Ströer Group is based on the concept of proportionate consolidation of **joint ventures**. As a result, despite the new provisions under IFRS 11, 50.0% of the four joint ventures' contributions are included in the figures detailed below for the Out-of-Home Germany segment, as in the past. The other segments are not affected by this approach as there are no joint ventures in their portfolios. For information on the reconciliation of segment figures to group figures, please see our explanations in section 6 "Segment information."

As in the prior quarters, the Out-of-Home Germany segment achieved noteworthy increases in **revenue** again in the third quarter. The upwards trend both in national and regional sales continued unabated, with a string of sales measures having a positive effect in addition to consistently robust demand.

Revenue from the **billboard** product group was up EUR 3.7m on the prior year in the first three quarters of 2015 and came to EUR 147.9m as of the reporting date. The national sales organization, which was optimized last year, spurred on growth in this product group, which addresses both regional and national customer groups. Regional sales also made a substantial contribution to revenue growth thanks to its substantially larger local sales force. The product group **street furniture**, which focuses more on national and international customers, grew by EUR 6.2m in the first nine months and generated total revenue of EUR 96.3m. The increase in revenue in the **transport** product group was primarily due to an uptake in demand for station media while the product group **other** largely saw its revenue grow on the back of production-based income. This can be largely attributed to the general increase in revenue from small local customers as this customer group is much more interested in full-service solutions, including the production of advertising materials.

The increase in revenue was accompanied by a further increase in **cost of sales**, although this increase was comparably moderate. The mild development of costs is largely attributable to the cost-cutting program which was expanded in the prior year and which has had a markedly positive impact on our cost structure in the fiscal year. Overheads have also benefited from this favorable development such that **operational EBITDA** totaled EUR 78.7m for the first nine months (prior year: EUR 58.2m), while at 24.2%, the **operational EBITDA margin** was a considerable 5.3 percentage points higher than in the prior year.

Ströer Digital

In EUR m	Q3 2015	Q3 2014	Change		9M 2015	9M 2014	Change	
Segment revenue, thereof	51.7	39.0	12.6	32.4%	139.9	110.7	29.2	26.4%
Digital (Online)	51.4	38.8	12.6	32.6%	139.3	110.1	29.2	26.5%
Other	0.2	0.2	0.0	-2.2%	0.6	0.6	0.0	7.7%
Operational EBITDA	13.8	8.9	4.9	54.7%	37.8	23.4	14.4	61.4%
Operational EBITDA margin	26.7%	22.9%	3.9 percentage points		27.0%	21.2%	5.9 percentage points	

As in the prior quarters, the Ströer Digital segment continued on its strong growth course. However, as we are continually adding to and expanding our business, the current results can only be compared to the prior-year figures to a limited extent. With regard to organic growth, digital marketing in Germany and the public video business in particular both reported strong growth. While digital marketing succeeded in monetarizing the base of publishers which it had strengthened in the prior year and in selling more video and mobile products, public video reported a year-on-year increase in demand, especially from new customers. The integration of the newly acquired companies is being driven forward. We are increasingly able to leverage synergies and economies of scale on both the revenue and cost side.

Out-of-Home International

In EUR m	Q3 2015	Q3 2014	Change		9M 2015	9M 2014	Change	
Segment revenue, thereof	32.6	34.5	-1.9	-5.4%	105.7	105.8	-0.1	-0.1%
Billboard	25.8	27.6	-1.8	-6.4%	84.5	86.1	-1.6	-1.9%
Street furniture	4.6	5.2	-0.6	-11.1%	15.4	15.2	0.3	1.7%
Other	2.2	1.7	0.5	27.5%	5.7	4.5	1.2	27.6%
Operational EBITDA	3.7	3.5	0.2	5.0%	15.3	14.6	0.8	5.2%
Operational EBITDA margin	11.3%	10.2%	1.1 percentage points		14.5%	13.8%	0.7 percentage points	

The OOH International segment includes our Turkish and Polish out-of-home activities and the western European giant poster business of the blowUP group.

Revenue in these three sub-segments was largely stable in the first nine months of the fiscal year, with the segment reporting a slight decrease in revenue overall (EUR 105.7m compared with EUR 105.8m in the prior year). In the largest sub-segment, Turkey, the ongoing geopolitical uncertainties and the related weakness in the Turkish lira had a particularly negative impact in the third quarter. While revenue in local currency was kept stable in this period, it decreased considerably in euros within the third quarter. Our Polish out-of-home activities were on a par with the prior year with market environment remaining challenging. Our western European giant poster business was unable to match the considerable growth rates of the prior year but managed to maintain the high level of revenue of the prior year.

In terms of **cost of sales**, all three sub-segments varied in their development. While our out-of-home business in Turkey and the blowUP group reported slightly higher cost of sales due to increased lease expenses, costs in Poland continued to fall. Taking additional cost-savings in overheads into account, the segment achieved **operational EBITDA** of EUR 15.3m overall, representing an increase of EUR 0.8m. The **operational EBITDA margin** improved by 0.7 percentage points to 14.5%.

FINANCIAL POSITION

Credit facilities agreement

As of 28 April 2015, the Ströer Group amended the credit facility agreed in April 2014 with a banking syndicate of selected German and foreign banks to reflect the current situation of the Group. In this context, the Group's borrowing costs were again reduced significantly. In addition, the volume was reduced from EUR 500.0m to EUR 450.0m, with the possibility to increase it by a further EUR 100.0m at a later date. The term of the facility was also extended by one year until 2020. The costs incurred in connection with the amended financing arrangement are being amortized over the term.

Liquidity and investment analysis

In EUR m	9M 2015	9M 2014
Cash flows from operating activities	86.8	71.6
Cash flows from investing activities	-79.3	-37.5
Free cash flow	7.5	34.1
Cash flows from financing activities	-18.2	-40.6
Change in cash	-10.7	-6.5
Cash	35.3	33.9

In the first nine months of 2015, the Ströer Group generated **cash flows from operating activities** of EUR 86.8m, which is an increase of EUR 15.2m compared with the already very good figure for the prior year. This development was forged by the ongoing increase in operating activities for the Group as a whole, which brought about a EUR 27.2m improvement in EBITDA. Furthermore, cash flows were positively impacted by a considerable reduction in interest payments thanks to the optimized group refinancing and by a long-term reduction in tax payments, the latter being largely attributable to the group realignment mid-fiscal year. The positive effect from the reduction in working capital as in the prior year of EUR 16.2m could not be repeated in 2015.

Cash flows from investing activities came to EUR -79.3m as of the reporting date (prior year: EUR -37.5m), which is a reflection of our commitment to our chosen growth course, evidenced also by the significant expansion in the investment volume for intangible assets and property, plant and equipment as well as additional business acquisitions. Overall, Ströer financed the strong growth in digital business entirely from cash flows from operating activities, giving rise to a **free cash flow** of EUR 7.5m - testimony to the Ströer Group's robust internal financing capability.

Cash flows from financing activities amounted to EUR -18.2m in the reporting period (prior year: EUR -40.6m). This was due in particular to the EUR 19.5m dividend paid to shareholders of Ströer SE. Furthermore, due financial liabilities were repaid using existing credit lines.

Cash decreased by a total of EUR 10.7m in the first nine months of the fiscal year to EUR 35.3m.

Financial structure analysis

The Ströer Group had **non-current liabilities** of EUR 406.7m as of 30 September 2015. The slight increase of EUR 3.3m compared with year-end is chiefly due to higher financial liabilities, which are available to us long term as part of our credit facility. This contrasts with a moderate decline in deferred tax liabilities, which is primarily attributable to the amortization of recognized hidden reserves.

The Group saw its **current liabilities** grow by EUR 46.7m compared with the figure as of 31 December 2014. This effect stems primarily from trade payables, which were a considerable EUR 38.4m higher than the year-end figure. While this increase is predominantly attributable to the customary variance during the year, the stepped-up investment activities of the Ströer Group also played a noticeable part. Other changes in current liabilities, however, were of marginal importance.

Consolidated equity declined by EUR 27.1m to EUR 293.7m in the reporting period. This reduction is primarily due to exchange rate effects from the translation of our foreign operations. Furthermore, the distribution of a dividend to the shareholders of Ströer SE and the successive acquisition of shares in group companies in which Ströer has not held all the shares to date had a downward effect on equity. By contrast, profit for the first nine months had a positive effect on equity. The equity ratio thus decreased slightly from 33.6% to 30.1%.

Net debt

Net debt, operational EBITDA and the leverage ratio are calculated in accordance with the Ströer Group's internal reporting structure. Accordingly, the four entities accounted for using the equity method in which Ströer holds 50.0% of shares are still included in these figures on a pro rata basis. As such, these three ratios were unaffected by the transition to IFRS 11 in 2014.

In EUR m		30 Sep 2015	31 Dec 2014	Change	
(1)	Non-current financial liabilities	317.0	307.7	9.3	3.0%
(2)	Current financial liabilities	42.6	36.5	6.1	16.7%
(1)+(2)	Total financial liabilities	359.6	344.2	15.4	4.5%
(3)	Derivative financial instruments	17.6	21.6	-3.9	-18.3%
(1)+(2)-(3)	Financial liabilities excl. derivative financial instruments	341.9	322.6	19.3	6.0%
(4)	Cash	37.7	47.6	-9.9	-20.8%
(1)+(2)-(3)-(4)	**Net debt**	**304.3**	**275.0**	**29.2**	**10.6%**

Due to extensive investments and the distribution of a dividend to the shareholders of Ströer SE, net debt rose to EUR 304.3m in the reporting period. By contrast however, the leverage ratio, defined as the ratio of net debt to operational EBITDA, declined further due to the renewed improvement in operating activities and stood at just 1.67 at the end of the third quarter.

NET ASSETS

Consolidated statement of financial position

In EUR m	30 Sep 2015	31 Dec 2014	Change	
Assets				
Non-current assets				
Intangible assets	559.9	542.4	17.5	3.2%
Property, plant and equipment	198.9	198.7	0.2	0.1%
Investment in equity method investees	23.1	24.0	-0.9	-3.6%
Tax assets	4.2	4.7	-0.5	-9.7%
Receivables and other assets	13.1	15.0	-1.9	-12.7%
Subtotal	**799.2**	**784.8**	**14.4**	**1.8%**
Current assets				
Receivables and other assets	135.0	117.8	17.2	14.6%
Cash	35.3	46.1	-10.7	-23.3%
Tax assets	5.6	4.3	1.3	30.6%
Inventories	1.7	0.9	0.8	84.5%
Subtotal	**177.6**	**169.1**	**8.5**	**5.1%**
Total assets	**976.8**	**953.9**	**23.0**	**2.4%**
Equity and liabilities				
Equity and non-current liabilities				
Equity	**293.7**	**320.7**	**-27.1**	**-8.4%**
Liabilities				
Financial liabilities	317.3	307.7	9.6	3.1%
Deferred tax liabilities	48.3	54.8	-6.6	-12.0%
Provisions	41.1	40.8	0.3	0.7%
Subtotal	**406.7**	**403.3**	**3.3**	**0.8%**
Current liabilities				
Trade payables	160.1	121.7	38.4	31.5%
Financial and other liabilities	85.4	74.4	11.0	14.7%
Provisions	20.3	23.1	-2.8	-12.1%
Income tax liabilities	10.7	10.5	0.2	2.0%
Subtotal	**276.5**	**229.8**	**46.7**	**20.3%**
Total equity and liabilities	**976.8**	**953.9**	**23.0**	**2.4%**

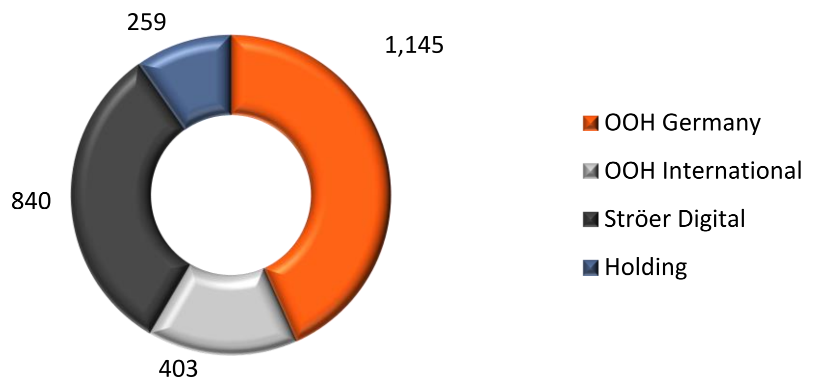
Analysis of the net asset structure

As of the reporting date, **non-current assets** of the Ströer Group were EUR 14.4m higher than the 2014 year-end value. This increase is almost exclusively attributable to additions made in connection with acquisitions of companies and operations as well as the acquisition of individual advertising rights. The changes in the other items of non-current assets were of marginal importance.

Current assets of the Group increased by EUR 8.5m in the reporting period. This increase was mainly due to the EUR 17.2m rise in receivables and other assets, in particular from the rise in lease prepayments which are customarily made during the year. By contrast, cash decreased within the normal range of fluctuation. There were no other significant changes to report.

EMPLOYEES

The Ströer Group employed a total of 2,647 people as of 30 September 2015 (31 December 2014: 2,380). The allocation of employees to the different segments is shown in the following chart.



OPPORTUNITIES AND RISKS

Our comments in the group management report as of 31 December 2014 remain applicable with regard to the presentation of opportunities and risks (see pages 64 to 69 of our 2014 annual report). As in the past, we are currently not aware of any risks to the Company's ability to continue as a going concern. Any material divergence from the planning assumptions used for the individual segments and any changes in the external parameters applied to calculate the cost of capital could lead to the impairment of intangible assets or goodwill.

FORECAST

In its interim forecast from mid-September, the OECD assumes that economic growth in the eurozone will be slower than expected despite favorable conditions. The OECD forecasts GDP growth of 1.6% for Germany for the full year 2015. The German government and the leading German economic researchers are projecting slightly higher growth of 1.7% and 1.8% in their most recent publications. Due to tensions in the Middle East, economic growth in Turkey is expected to slow down marginally with the World Bank projecting growth of only 3.0% in its latest forecast. By contrast, economic prospects in Poland are forecast to remain stable on the whole. The EU Commission is forecasting growth in 2015 to remain on a par with the prior year at 3.3%.

In relation to the development of the Ströer Group, we expect organic growth in the high single-digit percentage range and operational EBITDA up to EUR 200m.

SUBSEQUENT EVENTS

InteractiveMedia CCSP GmbH / internet portal t-online.de

With economic effect as of 2 November 2015, Ströer SE acquired all shares of Digital Media Products GmbH in which InteractiveMedia CCSP GmbH and the internet portal t-online.de from Deutsche Telekom AG are consolidated. The transaction is valued at around EUR 300.0m. Through this acquisition, Ströer has successfully taken the decisive step towards becoming a digital multi-channel media company. At the same time, Deutsche Telekom AG has become a shareholder of Ströer and received shares as part of a capital increase in return for a non-cash contribution. We expect an additional revenue contribution of over EUR 120m in 2016 and a contribution to operational EBITDA of approximately EUR 45m.

OMS Vermarktungs GmbH & Co. KG

On 14 September 2015, Ströer signed a purchase agreement with OMS-Online Marketing Service GmbH & Co. KG, Düsseldorf, on the acquisition of OMS Vermarktungs GmbH & Co. KG, Düsseldorf, and its general partner. OMS Vermarktungs GmbH & Co. KG is the leading premium marketer of high-quality editorial environments for regional daily newspapers and offers its advertising customers solutions for addressing attractive target groups with display, mobile, moving-picture and cross-media campaigns across all screens. In return for the shares acquired, OMS-Online Marketing Service GmbH & Co. KG will gain a 10.0% share in Ströer Digital Group GmbH. The transaction is subject to approval from the federal cartel office and is expected to be closed in the first quarter of 2016.

FaceAdNet GmbH

With economic effect as of 1 October 2015, the Ströer Group acquired a total of 52.0% in FaceAdNet GmbH, Mannheim. FaceAdNet GmbH is an online social publisher and social software provider which publishes high quality content on its own online magazines and distributes content for the most renowned German publishing and media companies through its network. The provisional purchase price for the acquired shares amounts to approximately EUR 1.9m.

Lioncast / PetTec / Dockin

With economic effect as of 1 November 2015, Ströer also acquired the operations of "Lioncast," "PetTec" and "Dockin" by way of an asset deal. The three e-commerce operations are active in the segments of gaming accessories, accessories for smartphones and tablets and electronic articles for dog training. The provisional purchase price for the acquired assets amounts to approximately EUR 3.6m.

Omnea GmbH

With effect as of 2 November 2015, the Ströer Group also acquired 80.0% of Omnea GmbH, Berlin. Omnea GmbH provides local businesses with various internet technology services to support their communications strategy. The provisional purchase price for the shares comes to around EUR 4.9m.

KissMyAds GmbH

Finally, Ströer signed a contract on 10 November 2015 to purchase all shares in KissMyAds GmbH, Cologne. KissMyAds is a mobile marketing performance network and focuses on the improvement of reach of mobile devices. The purchase price amounted to EUR 3.0m.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Consolidated interim financial statements

CONSOLIDATED INCOME STATEMENT

In EUR k	Q3 2015	Q3 2014 [1]	9M 2015	9M 2014 [1]
Revenue	189,837	174,578	553,230	509,295
Cost of sales	-137,860	-126,561	-394,951	-365,132
Gross profit	**51,977**	**48,017**	**158,279**	**144,164**
Selling expenses	-22,555	-22,103	-72,421	-68,355
Administrative expenses	-22,984	-19,870	-62,488	-60,978
Other operating income	5,351	2,871	12,490	11,140
Other operating expenses	-1,524	-2,054	-6,407	-5,984
Share in profit or loss of equity method investees	592	612	2,882	2,356
Financial result	-2,562	-3,483	-7,488	-12,226
Profit or loss before taxes	**8,295**	**3,990**	**24,848**	**10,116**
Income taxes	-1,412	-1,526	333	-5,174
Consolidated profit or loss for the period	**6,883**	**2,464**	**25,181**	**4,942**
Thereof attributable to:				
Owners of the parent	7,313	2,447	25,060	4,258
Non-controlling interests	-430	17	121	684
	6,883	**2,464**	**25,181**	**4,942**
Earnings per share (EUR, basic)	0.15	0.05	0.51	0.09
Earnings per share (EUR, diluted)	0.15	0.05	0.51	0.09

1) Restated retroactively due to the purchase price allocations that were finalized after 30 September 2014

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In EUR k	Q3 2015	Q3 2014 [1)]	9M 2015	9M 2014 [1)]
Consolidated profit or loss for the period	**6,883**	**2,464**	**25,181**	**4,942**
Other comprehensive income				
Amounts that will not be reclassified to profit or loss in future periods				
Actuarial gains and losses	0	0	33	0
Income taxes	0	0	-11	0
	0	0	22	0
Amounts that could be reclassified to profit or loss in future periods				
Exchange differences on translating foreign operations	-14,758	742	-20,736	9,083
Income taxes	555	-70	723	-315
	-14,203	672	-20,013	8,768
Other comprehensive income, net of income taxes	**-14,203**	**672**	**-19,991**	**8,768**
Total comprehensive income, net of income taxes	**-7,320**	**3,136**	**5,190**	**13,710**
Thereof attributable to:				
Owners of the parent	-5,810	2,324	6,551	11,231
Non-controlling interests	-1,510	812	-1,361	2,479
	-7,320	**3,136**	**5,190**	**13,710**

1) Restated retroactively due to the purchase price allocations that were finalized after 30 September 2014

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets (in EUR k)	30 Sep 2015	31 Dec 2014 [1]
Non-current assets		
Intangible assets	559,903	542,405
Property, plant and equipment	198,897	198,744
Investments in equity method investees	23,116	23,990
Financial assets	180	151
Other financial assets	1,957	1,815
Other non-financial assets	10,937	13,005
Income tax assets	383	383
Deferred tax assets	3,851	4,308
Total non-current assets	**799,224**	**784,801**
Current assets		
Inventories	1,712	928
Trade receivables	89,673	87,438
Other financial assets	11,331	8,892
Other non-financial assets	33,972	21,467
Income tax assets	5,592	4,280
Cash and cash equivalents	35,342	46,071
Total current assets	**177,622**	**169,076**
Total assets	**976,846**	**953,877**

Equity and liabilities (in EUR k)	30 Sep 2015	31 Dec 2014 [1]
Equity		
Subscribed capital	48,870	48,870
Capital reserves	348,844	348,094
Retained earnings	-47,148	-50,515
Accumulated other comprehensive income	-64,791	-46,281
	285,776	**300,168**
Non-controlling interests	7,896	20,578
Total equity	**293,672**	**320,746**
Non-current liabilities		
Provisions for pensions and similar obligations	26,247	27,025
Other provisions	14,864	13,782
Financial liabilities	317,293	307,700
Deferred tax liabilities	48,258	54,829
Total non-current liabilities	**406,663**	**403,335**
Current liabilities		
Other provisions	20,339	23,147
Financial liabilities	45,941	40,475
Trade payables	160,098	121,739
Other liabilities	39,449	33,959
Income tax liabilities	10,684	10,476
Total current liabilities	**276,512**	**229,795**
Total equity and liabilities	**976,846**	**953,877**

[1] Restated retroactively due to the purchase price allocations that were finanalized after 31 December 2014

CONSOLIDATED STATEMENT OF CASH FLOWS

In EUR k	9M 2015	9M 2014 [1]
Cash flows from operating activities		
Profit or loss from the period	25,181	4,942
Expenses (+)/income (-) from the financial and tax result	7,155	17,400
Amortization, depreciation and impairment losses (+) on non-current assets	74,096	56,916
Share in profit or loss of equity method investees	-2,882	-2,356
Cash received from profit distributions of equity method investees	2,947	3,135
Interest paid (-)	-7,469	-12,433
Interest received (+)	39	44
Income taxes paid (-)/received (+)	-5,473	-8,068
Increase (+)/decrease (-) in provisions	-2,712	-2,318
Other non-cash expenses (+)/income (-)	-2,493	-2,261
Gain (-)/loss (+) on disposals of non-current assets	698	436
Increase (-)/decrease (+) in inventories, trade receivables and other assets	-18,946	-7,930
Increase (+)/decrease (-) in trade payables and other liabilities	16,620	24,095
Cash flows from operating activities	**86,760**	**71,602**
Cash flows from investing activities		
Cash received (+) from the disposal of intangible assets and property, plant and equipment	969	516
Cash paid (-) for investments in intangible assets and property, plant and equipment	-50,422	-25,840
Cash paid (-) for investments in equity method investees	-222	-137
Cash received from (+)/cash paid for (-) the acquisition of consolidated entities	-29,622	-12,049
Cash flows from investing activities	**-79,296**	**-37,509**
Cash flows from financing activities		
Cash received (+) from equity contributions	0	1,609
Cash paid (-) to (non-controlling) interests	-25,491	-10,399
Cash received (+) from borrowings	22,017	0
Cash paid (-) for the modification of existing borrowings	-914	-3,924
Cash repayments (-) of borrowings	-13,805	-27,901
Cash flows from financing activities	**-18,193**	**-40,616**
Cash at the end of the period		
Change in cash	-10,729	-6,522
Cash at the beginning of the period	46,071	40,461
Cash at the end of the period	**35,342**	**33,939**
Composition of cash		
Cash	35,342	33,939
Cash at the end of the period	**35,342**	**33,939**

[1] Restated retroactively due to the purchase price allocations that were finalized after 30 September 2014

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In EUR k	Subscribed capital	Capital reserves	Retained earnings	Accumulated other comprehensive income: Exchange differences on translating foreign operations	Total	Non-controlling interests	Total equity
1 Jan 2015 [3]	**48,870**	**348,094**	**-50,515**	**-46,281**	**300,168**	**20,578**	**320,746**
Consolidated profit or loss for the period	0	0	25,060	0	25,060	121	25,181
Other comprehensive income	0	0	0	-18,509	-18,509	-1,482	-19,991
Total comprehensive income	0	0	25,060	-18,509	6,551	-1,361	5,190
Change in basis of consolidation	0	0	0	0	0	-171	-171
Share-based payment	0	750	0	0	750	0	750
Effects from changes in ownership interests in subsidiaries without loss of control	0	0	738	0	738	-16,753	-16,015
Obligation to purchase own equity instruments	0	0	-2,883	0	-2,883	6,468	3,585
Dividends	0	0	-19,548	0	-19,548	-865	-20,413
30 Sep 2015	**48,870**	**348,844**	**-47,148**	**-64,791**	**285,776**	**7,896**	**293,672**

In EUR k	Subscribed capital	Capital reserves	Retained earnings	Accumulated other comprehensive income: Exchange differences on translating foreign operations	Total	Non-controlling interests	Total equity
1 Jan 2014 [1]	**48,870**	**347,391**	**-66,397**	**-53,465**	**276,400**	**20,308**	**296,708**
Consolidated profit or loss for the period	0	0	4,258	0	4,258	684	4,942
Other comprehensive income	0	0	0	6,973	6,973	1,795	8,768
Total comprehensive income	0	0	4,258	6,973	11,231	2,479	13,710
Change in basis of consolidation	0	0	0	0	0	825	825
Share-based payment	0	460	0	0	460	0	460
Cash received from capital increases by non-controlling interests	0	0	0	0	0	1,608	1,608
Effects from changes in ownership interests in subsidiaries without loss of control	0	0	-1,616	0	-1,616	-2,383	-3,999
Obligation to purchase own equity instruments	0	0	3,456	0	3,456	1,324	4,780
Dividends	0	0	-4,887	0	-4,887	-2,016	-6,903
30 Sep 2014 [2]	**48,870**	**347,851**	**-65,186**	**-46,492**	**285,044**	**22,145**	**307,189**

[1] Restated retroactively due to the first-time adoption of IFRS 11

[2] Restated retroactively due to the purchase price allocations that were finalized after 30 September 2014

[3] Restated retroactively due to the purchase price allocations that were finalized after 31 December 2014

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

General

1 Information on the Company and the Group

Ströer SE (formerly Ströer Media SE) is a listed company. The Company has its registered office at Ströer Allee 1, 50999 Cologne. The Company is entered in the Cologne commercial register under HRB no. 82548.

The purpose of Ströer SE and the entities (the Ströer Group or the Group) included in the condensed consolidated interim financial statements (the consolidated interim financial statements) is the provision of services in the areas of media, advertising, commercialization and communication, in particular, but not limited to, the commercialization of out-of-home media and online advertising. The Group markets all forms of out-of-home media, from traditional billboards and transport media through to digital media.

See the relevant explanations in the notes to the consolidated financial statements as of 31 December 2014 for a detailed description of the Group's structure and its operating segments.

2 Basis of preparation of the financial statements

The consolidated interim financial statements for the period from 1 January to 30 September 2015 were prepared in accordance with IAS 34, "Interim Financial Reporting." The consolidated interim financial statements must be read in conjunction with the consolidated financial statements as of 31 December 2014.

The disclosures required by IAS 34 on changes to items in the consolidated statement of financial position (also known as a balance sheet), the consolidated income statement and the consolidated statement of cash flows are made in the interim group management report.

Due to rounding differences, figures in tables may differ slightly from the actual figures.

The consolidated interim financial statements and interim group management report were not the subject of a review.

3 Accounting policies

The figures disclosed in these consolidated interim financial statements were determined in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. The accounting policies applied in the consolidated financial statements as of 31 December 2014 were also applied in these consolidated interim financial statements except for the following accounting changes:

- Improvements to IFRSs (collection of amendments for 2010 to 2012) (effective for fiscal years beginning on or after 1 July 2014)
- Improvements to IFRSs (collection of amendments for 2011 to 2013) (effective for fiscal years beginning on or after 1 July 2014)

The other new standards and amendments to other standards that have also become effective do not have a significant effect on the Group's net assets, financial position and results of operations.

The comparative figures for the first nine months of 2014 also had to be adjusted in the income statement to account for the final figures from those purchase price allocations that were finalized after 30 September 2014. These relate to MBR Targeting GmbH, GAN Ströer GmbH, TubeONE Networks GmbH, STRÖER media brands AG (formerly GIGA Digital AG) and the "kino.de" and "video.de" portals. The comparative figures in the statement of financial position were retroactively adjusted due to purchase price allocations for TubeONE Networks GmbH, STRÖER media brands AG (formerly GIGA Digital AG), Webguidez Entertainment GmbH and the "kino.de" and "video.de" portals that were finalized after 31 December 2014.

The corresponding adjustments in the income statement are presented in the following reconciliation:

Income statement **In EUR k**	**Adjusted** **9M 2014**	**Purchase price allocation**	**According to Q3 2014 report** **9M 2014**
Revenue	509,295	0	509,295
Cost of sales	-365,132	-1,101	-364,031
Gross profit	144,164	-1,101	145,265
Selling expenses	-68,355	0	-68,355
Administrative expenses	-60,978	0	-60,978
Other operating income	11,140	0	11,140
Other operating expenses	-5,984	0	-5,984
Share in profit or loss of equity method investees	2,356	0	2,356
Financial result	-12,226	0	-12,226
Profit or loss before taxes	**10,116**	**-1,101**	**11,217**
Income taxes	-5,174	290	-5,464
Consolidated profit or loss for the period	**4,942**	**-811**	**5,753**
Thereof attributable to:			
Owners of the parent	4,258	-675	4,934
Non-controlling interests	684	-136	819
	4,942	**-811**	**5,753**

The following overview provides a reconciliation of the original published statement of financial position as of 31 December 2014 to the comparative figures as of 31 December 2014 contained in the current 9M/Q3 2015 quarterly report following the purchase price allocations:

Assets (in EUR k)	**Adjusted 31 Dec 2014**	**Purchase price allocation**	**According to 2014 annual report 31 Dec 2014**
Non-current assets			
Intangible assets	542,405	1,902	540,503
Property, plant and equipment	198,744	0	198,744
Investments in equity method investees	23,990	0	23,990
Financial assets	151	0	151
Other financial assets	1,815	0	1,815
Other non-financial assets	13,005	0	13,005
Income tax assets	383	0	383
Deferred tax assets	4,308	0	4,308
	784,801	**1,902**	**782,899**
Current assets			
Inventories	928	0	928
Trade receivables	87,438	0	87,438
Other financial assets	8,892	24	8,868
Other non-financial assets	21,467	0	21,467
Income tax assets	4,280	0	4,280
Cash and cash equivalents	46,071	0	46,071
	169,076	**24**	**169,053**
Total assets	**953,877**	**1,926**	**951,951**

Equity and liabilities (in EUR k)	Adjusted	Purchase price allocation	According to 2014 annual report
Equity	**31 Dec 2014**		**31 Dec 2014**
Subscribed capital	48,870	0	48,870
Capital reserves	348,094	0	348,094
Retained earnings	-50,515	-558	-49,956
Accumulated other comprehensive income	-46,281	0	-46,281
	300,168	**-558**	**300,727**
Non-controlling interests	20,578	1,167	19,411
	320,746	**608**	**320,138**
Non-current liabilities			
Provisions for pensions and other obligations	27,025	0	27,025
Other provisions	13,782	0	13,782
Financial liabilities	307,700	0	307,700
Deferred tax liabilities	54,829	1,708	53,121
	403,335	**1,708**	**401,628**
Current liabilities			
Other provisions	23,147	0	23,147
Financial liabilities	40,475	-390	40,865
Trade payables	121,739	0	121,739
Other liabilities	33,959	0	33,959
Income tax liabilities	10,476	0	10,476
	229,795	**-390**	**230,186**
Total equity and liabilities	**953,877**	**1,926**	**951,951**

4 Accounting estimates

Preparation of the consolidated interim financial statements in compliance with IFRSs requires management to make assumptions and estimates which have an impact on the figures disclosed in the consolidated financial statements and consolidated interim financial statements. The estimates are based on historical data and other information on the transactions concerned. Actual results may differ from such estimates. The accounting estimates and assumptions applied in the consolidated financial statements as of 31 December 2014 were also used to determine the estimated values presented in these consolidated interim financial statements.

5 Related party disclosures

See the consolidated financial statements as of 31 December 2014 for information on related party disclosures. The Ströer Group acquired three advertising rights from a related party in the period under review. There were no other significant changes as of 30 September 2015.

6 Segment information

As of 1 January 2015, the Ströer Group aligned its internal controlling and thus also the structure of its segments to reflect current developments within the Group. In this context, it has bundled its business into three segments which operate independently on the market in close cooperation with the group holding company Ströer SE. The three segments are OOH Germany, Ströer Digital and OOH International. While the Ströer Digital segment now also includes the public video business, which was previously under the umbrella of the German OOH business, the OOH International segment comprises the business in Turkey and Poland as well as the giant poster business blowUP.

The allocation of service costs between the holding company and the OOH Germany segment was restructured at the beginning of 2015 to ensure uniform cost allocation throughout the Group. Amounts for 2014 were restated accordingly.

Irrespective of the provisions under IFRS 11, segment reporting follows the management approach under IFRS 8 according to which external segment reporting should follow the internal reporting structure. The internal reporting structure of the Ströer Group is based on the concept of proportionate consolidation of joint ventures. As a result, despite the new provisions under IFRS 11, 50.0% of the joint ventures' earnings contributions are included in all segment figures as in the past. In contrast to the presentation in the income statement, they are not presented as a single net line item according to the equity method.

Reconciliation of the segment reporting by operating segment:

In EUR k	Q3 2015	Q3 2014
Total segment results (operational EBITDA)	**46,084**	**33,231**
Reconciliation items	-2,730	-3,150
Group operational EBITDA	**43,354**	**30,081**
Adjustment (exceptional items)	-6,056	-2,480
Adjustment (IFRS 11)	-914	-798
EBITDA	**36,383**	**26,804**
Amortization, depreciation and impairment	-25,527	-19,330
Financial result	-2,562	-3,483
Consolidated profit or loss before income taxes	**8,295**	**3,990**

In EUR K	9M 2015	9M 2014
Total segment results (operational EBITDA)	**131,783**	**96,186**
Reconciliation items	-9,992	-8,343
Group operational EBITDA	**121,791**	**87,844**
Adjustment (exceptional items)	-12,231	-5,996
Adjustment (IFRS 11)	-3,129	-2,590
EBITDA	**106,432**	**79,258**
Amortization, depreciation and impairment	-74,096	-56,916
Financial result	-7,488	-12,226
Consolidated profit or loss before income taxes	**24,848**	**10,116**

The reconciliation includes IFRS 11 adjustment effects for amortization, depreciation and impairment and the financial and tax result of our equity method investees.

REPORTING BY OPERATING SEGMENT

In EUR k	OOH Germany	Ströer Digital	OOH International	Reconciliation	Equity method reconciliation	Group value
Q3 2015						
External revenue	109,228	51,019	32,589	0	-2,999	189,837
Internal revenue	1,515	631	11	-2,156	0	0
Segment revenue	110,743	51,650	32,600	-2,156	-2,999	189,837
Operational EBITDA	28,596	13,804	3,684	-2,730		43,354
Q3 2014						
External revenue	104,351	38,602	34,355	0	-2,729	174,578
Internal revenue	1,424	417	120	-1,961	0	0
Segment revenue	105,775	39,019	34,475	-1,961	-2,729	174,578
Operational EBITDA	20,801	8,921	3,510	-3,150		30,081

In EUR k	OOH Germany	Ströer Digital	OOH International	Reconciliation	Equity method reconciliation	Group value
9M 2015						
External revenue	320,528	137,751	105,222	0	-10,271	553,230
Internal revenue	4,278	2,149	435	-6,861	0	0
Segment revenue	324,806	139,900	105,657	-6,861	-10,271	553,230
Operational EBITDA	78,654	37,793	15,335	-9,992		121,791
9M 2014						
External revenue	303,570	109,431	105,255	0	-8,961	509,295
Internal revenue	3,907	1,263	499	-5,669	0	0
Segment revenue	307,477	110,694	105,754	-5,669	-8,961	509,295
Operational EBITDA	58,186	23,422	14,578	-8,343		87,844

REPORTING BY PRODUCT GROUP

In EUR k	Billboard	Street furniture	Transport	Digital	Other	Equity method reconciliation	Group value
Q3 2015							
External revenue	76,322	36,892	13,622	52,286	13,713	-2,999	189,837
Q3 2014							
External revenue	76,474	36,178	12,936	40,135	11,584	-2,729	174,578

In EUR k	Billboard	Street furniture	Transport	Digital	Other	Equity method reconciliation	Group value
9M 2015							
External revenue	232,377	111,694	40,240	142,314	36,876	-10,271	553,230
9M 2014							
External revenue	230,304	105,198	38,519	113,795	30,441	-8,961	509,295

Selected notes to the consolidated income statement, the consolidated statement of financial position, the consolidated statement of cash flows and other notes

7 Seasonality

The Group's revenue and earnings are seasonal in nature. Revenue and earnings are generally lower in the first and third quarters compared to the second and fourth quarters.

8 Disclosures on business combinations

Erdbeerlounge GmbH

With economic effect as of 2 January 2015, the Ströer Group acquired all the shares in Erdbeerlounge GmbH, Cologne. Erdbeerlounge GmbH runs a website with an interactive online offering aimed expressly at women. It offers users a communication network, a magazine with editorial content on women's issues and an entertainment section. The purchase price for the acquired shares amounts to approximately EUR 2.3m.

Pacemaker AOS GmbH

With economic effect also as of 2 January 2015, the Ströer Group acquired a further 10.0% stake in Pacemaker AOS GmbH, Cologne, and now holds more than 90.0% of the shares overall. The company operates in the area of re-targeting advertising on the internet. The purchase price for the acquired shares amounts to approximately EUR 2.2m.

Kölner Aussenwerbung Gesellschaft mit beschränkter Haftung

In addition, with economic effect as of 1 January 2015, Ströer acquired the remaining 49.0% of the shares in Kölner Aussenwerbung Gesellschaft mit beschränkter Haftung, Cologne, for a final purchase price of EUR 3.6m. The Ströer Group now thus holds all shares in the company.

spieletipps.de

With economic effect as of 1 February 2015, the Ströer Group acquired a business unit for the operation of the "spieletipps.de" internet portal. Under this domain, the business unit operates an internet games portal with a database containing tips and solutions for computer and video games, as well as an online editorial that delivers news, test reports and background reports. The overall purchase price for the acquired business unit is EUR 3.5m.

SpielAffe / KralOyun / Games1.com

With economic effect as of 1 January 2015, the Ströer Group acquired a business unit for the operation of the "SpielAffe," "KralOyun," and "Games1.com" internet portals. These portals offer free online games to internet users. The purchase price for the assumed business unit is EUR 4.4m.

Ströer Digital International GmbH (formerly Ballroom International CEE Holding GmbH)

On 2 February 2015, the Ströer Group entered into a contractual agreement whereby the remaining shares in Ballroom International GmbH, Glonn, were transferred to the Ströer Group by being offset against warranty claims without any further purchase price payment. A purchase price liability originally recognized as of the reporting date was not paid.

Content Fleet GmbH

With economic effect as of 1 April 2015, the Ströer Group acquired a total of 70.2% of the shares in Content Fleet GmbH, Hamburg. Content Fleet GmbH uses a special technology for developing customized content and portals for content distributors. The purchase price for the acquired shares amounts to approximately EUR 4.2m.

adscale GmbH

With economic effect also as of 1 April 2015, Ströer acquired the remaining shares in adscale GmbH. The purchase price for the approximately 2.9% stake amounts to some EUR 1.4m.

GAN Ströer GmbH

With effect as of 4 May 2015, the Ströer Group acquired the remaining 30.0% of the shares in GAN Ströer GmbH. The purchase price for the acquired shares came to approximately EUR 1.0m.

STRÖER media brands AG (formerly GIGA Digital AG)

With economic effect as of 5 May 2015, the Ströer Group acquired the remaining 9.8% of the shares in STRÖER media brands AG. The purchase price for these shares was EUR 1.4m.

blowUP Media GmbH

Ströer increased its investment in blowUP Media GmbH from 90.0% to 100.0% with economic effect as of 27 May 2015. The purchase price for the acquired 10.0% stake amounts to a total of approximately EUR 2.6m.

Internet BillBoard a.s.

With economic effect as of 9 June 2015, Ströer also acquired an additional 34.5% of the shares in Internet BillBoard a.s. The purchase price was around EUR 1.3m. As a result, Ströer now holds a total of 85.0% of the shares in the company.

Ad-Vice sp. z o.o.

With economic as of 2 July 2015, Ströer acquired all the shares in Ad-Vice sp. z o.o., Warsaw, Poland, for a preliminary purchase price of around EUR 1.1m. Ad-Vice sp. z o.o. is an online ad network which provides complete e-marketing solutions for its customers.

RegioHelden GmbH

Finally, with economic effect as of 3 August 2015, Ströer acquired a total of 90.0% of the shares in RegioHelden GmbH, Stuttgart. RegioHelden GmbH is a specialist provider for local and regional online advertising. Its portfolio includes search engine marketing and optimization as well as web design and call measurement. The company also offers successful and proven technology solutions in regional online advertising. The preliminary purchase price for the acquired shares came to around EUR 15.0m.

9 Financial instruments

The following table presents the carrying amounts and fair values of the financial instruments included in the individual items of the statement of financial position, broken down by class and measurement category according to IAS 39.

In EUR k	Measurement category pursuant to IAS 39	Carrying amount as of 30 Sep 2015	Amortized cost	Fair value recognized directly in equity	Fair value through profit or loss	Fair value as of 30 Sep 2015
Assets						
Cash	L&R	35,342	35,342			35,342
Trade receivables	L&R	89,673	89,673			89,673
Other non-current financial assets	L&R	1,957	1,957			1,957
Other current financial assets	L&R	11,331	11,331			11,331
Available-for-sale financial assets	AFS	180	180			n.a.
Equity and liabilities						
Trade payables	AC	160,098	160,098			160,098
Non-current financial liabilities	AC	313,375	312,726		649	313,375
Current financial liabilities	AC	31,933	29,496		2,437	31,933
Derivatives not in a hedging relationship (level 2)	FVTPL	0			0	0
Obligation to purchase treasury shares (level 3)	AC	17,644	0	17,644	0	17,644
Thereof aggregated by measurement category pursuant to IAS 39:						
Loans and receivables	L&R	138,303	138,303			138,303
Available-for-sale financial assets	AFS	180	180			n.a.
Financial liabilities measured at amortized cost	AC	523,050	502,320	17,644	3,086	523,050
Financial liabilities at fair value through profit or loss	FVTPL	0			0	0

		Carrying amount pursuant to IAS 39				
In EUR k	Measurement category pursuant to IAS 39	Carrying amount as of 31 Dec 2014	Amortized cost	Fair value recognized directly in equity	Fair value through profit or loss	Fair value as of 31 Dec 2014
Assets						
Cash	L&R	46,071	46,071			46,071
Trade receivables	L&R	87,438	87,438			87,438
Other non-current financial assets	L&R	1,815	1,815			1,815
Other current financial assets	L&R	8,892	8,892			8,892
Available-for-sale financial assets	AFS	151	151			n.a.
Equity and liabilities						
Trade payables	AC	121,739	121,739			121,739
Non-current financial liabilities	AC	301,640	297,392		4,248	301,640
Current financial liabilities	AC	24,942	24,382		560	24,942
Derivatives not in a hedging relationship (level 2)	FVTPL	878	0		878	878
Obligation to purchase treasury shares (level 3)	AC	20,715	0	20,715	0	20,715
Thereof aggregated by measurement category pursuant to IAS 39:						
Loans and receivables	L&R	144,216	144,216			144,216
Available-for-sale financial assets	AFS	151	151			n.a.
Financial liabilities measured at amortized cost	AC	469,036	443,513	20,715	4,808	469,036
Financial liabilities at fair value through profit or loss	FVTPL	878			878	878

Due to the short terms of cash and cash equivalents, trade receivables, trade payables, other financial assets and current financial liabilities, it is assumed that the fair values correspond to the carrying amounts.

The fair values of the liabilities to banks included in non-current financial liabilities are calculated as the present values of the estimated future cash flow taking into account

Ströer's own credit risk (Level 2 fair values). Market interest rates for the relevant maturity date are used for discounting. It is therefore assumed as of the reporting date that the carrying amount of the non-current financial liabilities is equal to the fair value.

The fair value hierarchy levels and their application to the Group's assets and liabilities are described below.

Level 1: Listed market prices are available in active markets for identical assets or liabilities.

Level 2: Quoted or market prices for similar financial instruments on an active market or for identical or similar financial instruments on a market that is not active or inputs other than quoted prices that are based on observable market data.

Level 3: Valuation techniques that use inputs which are not based on observable market data.

Changes in the assessment of the level to be used for measuring the assets and liabilities are made at the time any new facts are established. At present, derivative financial instruments are measured at fair value in the consolidated financial statements and are all classified as Level 2. Additionally, there are contingent purchase price liabilities from acquisitions as well as put options for shares in various group entities that are each classified as Level 3.

10 Subsequent events

See the disclosures made in the interim group management report for information on subsequent events.

Cologne, 11 November 2015

Udo Müller	Dr. Bernd Metzner	Christian Schmalzl
CEO	CFO	COO

ADJUSTED INCOME STATEMENT

Reconciliation of the consolidated income statement to the non-IFRS figures disclosed in the financial reports.

Q3 2015 In EUR m	Income statement in accordance with IFRSs	Reclassification of amortization, depreciation and impairment losses	Reclassification from equity method to proportionate consolidation	Reclassification of adjustment items	Income statement for management accounting purposes	Impairment and amortization of advertising concessions	Exchange rate effects from intragroup loans	Tax normalization	Elimination of exceptional items	Adjusted income statement for Q3 2015	Adjusted income statement for Q3 2014
Revenue	**189.8**		**3.0**		**192.8**					**192.8**	**177.3**
Cost of sales	-137.9	23.2	-1.1	-0.1	-115.9					-115.9	-110.1
Selling expenses	-22.6										
Administrative expenses	-23.0										
Overheads	-45.5	2.3	-0.4	6.4	-37.2					-37.2	-38.1
Other operating income	5.4										
Other operating expenses	-1.5										
Other operating result	3.8		0.0	-0.2	3.6					3.6	1.1
At equity income	0.6		-0.6		0.0						
Operational EBITDA					**43.4**					**43.4**	**30.1**
Amortization and depreciation		-25.5	-0.5		-26.0	8.0				-18.0	-12.0
Operational EBIT					**17.3**	**8.0**				**25.4**	**18.1**
Exceptional items				-6.1	-6.1				6.1	0.0	0.0
Financial result	-2.6		0.0		-2.6		0.0			-2.5	-3.5
Income taxes	-1.4		-0.3		-1.8			-1.8		-3.6	-4.8
Profit or loss for the period	**6.9**	**0.0**	**0.0**	**0.0**	**6.9**	**8.0**	**0.0**	**-1.8**	**6.1**	**19.2**	**9.9**

9M 2015 In EUR m	Income statement in accordance with IFRSs	Reclassification of amortization, depreciation and impairment losses	Reclassification from equity method to proportionate consolidation	Reclassification of adjustment items	Income statement for management accounting purposes	Impairment and amortization of advertising concessions	Exchange rate effects from intragroup loans	Tax normalization	Elimination of exceptional items	Adjusted income statement for 9M 2015	Adjusted income statement for 9M 2014
Revenue	**553.2**		**10.3**		**563.5**					**563.5**	**518.3**
Cost of sales	-395.0	67.1	-3.1	0.3	-330.7					-330.7	-317.6
Selling expenses	-72.4										
Administrative expenses	-62.5										
Overheads	-134.9	7.0	-1.1	11.8	-117.2					-117.2	-118.0
Other operating income	12.5										
Other operating expenses	-6.4										
Other operating result	6.1		0.0	0.1	6.2					6.2	5.1
At equity income	2.9		-2.9		0.0						
Operational EBITDA					**121.8**					**121.8**	**87.8**
Amortization and depreciation		-74.1	-1.4		-75.5	24.1				-51.4	-35.2
Operational EBIT					**46.2**	**24.1**				**70.4**	**52.6**
Exceptional items				-12.2	-12.2				12.2	0.0	0.0
Financial result	-7.5		0.0		-7.5		0.1			-7.4	-12.3
Income taxes	0.3		-1.5		-1.2			-8.7		-10.0	-13.1
Profit or loss for the period	**25.2**	**0.0**	**0.0**	**0.0**	**25.2**	**24.1**	**0.1**	**-8.7**	**12.2**	**53.0**	**27.2**

FINANCIAL CALENDAR

February 2016	Announcement of provisional results for 2015
March 2016	Publication of the 2015 annual report

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