STRÖER

STRÖER MEDIA AG

Quarterly financial report 9M/Q3 2013

CONTENTS

THE GROUP'S FINANCIAL FIGURES AT A GLANCE

		Q3 2013	Q3 2012	Change	9M 2013	9M 2012	Change
Revenue	EUR m	**150.3**	**130.0**	**15.6%**	**439.3**	**397.4**	**10.5%**
by segment							
Ströer Germany	EUR m	97.2	94.9	2.4%	302.0	293.4	2.9%
Ströer Turkey	EUR m	21.4	20.6	3.8%	70.5	62.9	12.1%
Ströer Online	EUR m	18.3	0.0	n.d.	27.8	0.0	n.d.
Other (Ströer Poland and blowUP)	EUR m	13.7	14.5	-5.5%	39.5	41.2	-4.3%
by product group							
Billboard	EUR m	70.1	67.1	4.6%	213.0	207.6	2.6%
Street furniture	EUR m	30.6	32.7	-6.3%	102.8	102.7	0.2%
Transport	EUR m	21.4	21.3	0.6%	67.6	61.8	9.4%
Online	EUR m	18.3	0.0	n.d.	27.8	0.0	n.d.
Other	EUR m	9.8	8.9	10.1%	28.0	25.3	11.1%
Organic growth[1]	%	4.4	-5.4		4.8	-5.1	
Gross profit[2]	EUR m	42.1	32.4	29.9%	127.5	110.9	15.0%
Operational EBITDA[3]	EUR m	**20.3**	**17.7**	**15.0%**	**67.7**	**58.5**	**15.8%**
Operational EBITDA[3] margin	%	13.5	13.6		15.4	14.7	
Adjusted EBIT[4]	EUR m	9.9	7.7	28.5%	35.2	29.3	20.2%
Adjusted EBIT[4] margin	%	6.6	5.9		8.0	7.4	
Adjusted profit or loss for the period[5]	EUR m	3.3	-0.2	n.d.	13.1	2.8	>100%
Adjusted earning per share[6]	€	0.08	0.00	>100%	0.29	0.09	>100%
Profit or loss for the period[7]	EUR m	-5.6	-17.2	67.1%	-7.1	-17.4	59.4%
Earning per share[8]	€	-0.10	-0.40	75.7%	-0.16	-0.39	59.4%
Investments[9]	EUR m				26.6	30.1	-11.4%
Free cash flow[10]	EUR m				-20.0	-7.5	< -100%
					30 Sep 2013	31 Dec 2012	Change
Total equity and liabilities	EUR m				961.4	863.7	11.3%
Equity	EUR m				293.3	279.6	4.9%
Equity ratio	%				30.5	32.4	
Net debt[11]	EUR m				339.8	302.1	12.5%
Employees[12]	number				2,206	1,750	26.1%

1) Excluding exchange rate effects and effects from the (de-)consolidation and discontinuation of operations

2) Revenue less cost of sales

3) Earnings before interest, taxes, depreciation and amortization adjusted for exceptional items

4) Earnings before interest and taxes adjusted for exceptional items, amortization of acquired advertising concessions and impairment losses on intangible assets

5) Adjusted EBIT before non-controlling interest net of the financial result adjusted for exceptional items and the normalized tax expense

6) Adjusted profit or loss for the period net of non-controlling interests divided by the number of shares outstanding after the IPO (42,098,238) plus time-weighted addition of the shares from the capital increase (6,771,546) on 3 June 2013

7) Profit or loss for the period before non-controlling interest

8) Actual profit or loss for the period net of non-controlling interests divided by the number of shares outstanding after the IPO (42,098,238) plus time-weighted addition of the shares from the capital increase (6,771,546) on 3 June 2013

9) Including cash paid for investments in property, plant and equipment and in intangible assets

10) Cash flows from operating activities less cash flows from investing activities

11) Financial liabilities less derivative financial instruments and cash

12) Headcount (full and part-time employees)

FOREWORD BY THE BOARD OF MANAGEMENT

Dear shareholders,

In the third quarter of 2013, we were able to build on our positive results from the first two quarters thanks to the sustained demand for our OOH products in Germany and an improved product portfolio in Turkey. Total revenue increased by 15.6% compared to the prior-year quarter and organic growth came to 4.4%. Overall, organic revenue growth was 4.8% for the first nine months of 2013. We are currently experiencing how the ongoing trend toward digitalization is changing the entire media landscape and is increasingly blurring the boundaries between different types of media. Ströer is actively driving this change and has set itself the goal to become a convergent and fully integrated marketer. We can already offer customized one-stop communications solutions from branding to performance, allowing us to reach people where they live, move around and spend their time. In August and September, we took further major steps towards achieving our goal by acquiring the Ballroom Group and launching Ströer Primetime.

The acquisition of the Ballroom Group, whose portfolio ranges from ad exchange services, video and display advertising to performance marketing, also enables us to implement our online strategy internationally, focusing in particular on our two core foreign markets of Turkey and Poland.

Since September, Ströer Primetime has bundled our activities in moving-picture advertising on private screens (smartphones and tablets), home screens (PCs) and public screens (digital Out-of-Home displays). This multi-screen scenario makes our new exclusive marketer a one-stop provider of services ranging from cross-media planning and booking to campaign monitoring. In the area of digital Out-of-Home displays, we also added another shopping center in Frankfurt to our "Out-of-Home Channel Mall" moving-picture network and launched our 1,500th screen. Our digital moving-picture channels receive more than 500 million video views per week – underscoring how powerful our networks already are and the reach they can achieve.

For the fourth quarter of this year, we expect revenues in the Out-of-Home segment to be flattish due to the comparably strong fourth quarter the year before, while we expect increasing revenue contributions from the Online segment.

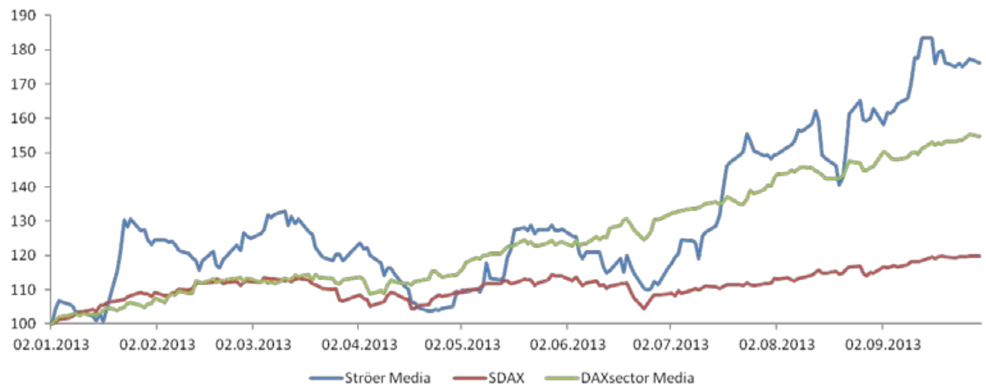
Thank you for your trust.

The Board of Management

Udo Müller Alfried Bührdel Christian Schmalzl

SHARE

The Ströer share performed well in the first nine months of 2013, gaining 76% against the beginning of the year to close the nine-month reporting period at EUR 11.90. The Ströer stock significantly outperformed the SDAX, which grew by 20% in the same period. Particularly in the third quarter, the Ströer's share price increased by 50% to reach a new high for 2013 of EUR 12.38 on 13 September. Its performance was supported by the stability of the German economy, the DAX's historic high of 8.770 points on 19 September and the continuing expansive monetary policy pursued by the US.



Stock exchange listing, market capitalization and trading volume

Ströer Media AG 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 2013, market capitalization came to EUR 582m.

We are continuing our efforts to boost the attractiveness of the Ströer share for investors, for example by improving its liquidity and the volume of trading in our shares on Xetra. The average daily volume of Ströer stock traded on German stock exchanges was some 49,000 shares in the first nine months of the year – almost 21% higher than the comparative prior-year figure. Including over-the-counter (OTC)[1] trading between investors and brokers, an average of around 106,000 shares were traded daily in the first nine months of 2013 (prior year: around 110,000 shares). The proportion of overall trading accounted for by the stock exchange rose from 34% in the prior year to 46% in the first nine months.

Shareholder meeting

Our annual shareholder meeting was held in Cologne on 8 August 2013. All resolutions proposed by the supervisory board and board of management were accepted with approval rates of more than 90%. The members of the board of management and supervisory board were exonerated for fiscal year 2012. The shareholder meeting confirmed the election of

[1] OTC activities include: BATS Europe, Equiduct, Turqouise, CHI-X, BOAT, London OTC, Stuttgart OTC

Christoph Vilanek, CEO of freenet AG, as a member of the supervisory board for a minimum term until the 2016 shareholder meeting.

Analysts' coverage

The performance of Ströer Media AG is tracked by 10 teams of analysts. Based on the assessments at the end of the nine-month reporting period, three of the analysts are giving a "buy" recommendation and seven say "hold." The latest broker assessments are available at www.stroeer.de/investor-relations and are presented in the following table:

Investment bank	Recommendation[2]
Berenberg Bank	Hold
Citigroup Global Markets	Hold
Close Brothers Seydler Research	Hold
Commerzbank	Hold
KeplerChevreux	Hold
Deutsche Bank	Buy
Goldman Sachs	Hold
Hauck & Aufhäuser Institutional Research	Buy
J.P. Morgan	Buy
Morgan Stanley	Hold

Shareholder structure

The total number of Ströer shares issued was 48,869,784 at the end of the reporting period.

CEO Udo Müller holds 24.22%, supervisory board member Dirk Ströer holds 29.95% and CFO Alfried Bührdel and board of management member Christian Schmalzl together hold around 0.15% of Ströer Media AG shares. The free float comes to 40.01%.

According to the notifications made to the Company as of the date of publication of this report on 19 November 2013, the following parties reported to us that they hold more than 3% of the voting rights in Ströer Media AG: Sambara Stiftung (5.73%), Allianz Global Investors Europe (5.13%), Deutsche Asset & Wealth Management Investment (4.84%), Credit Suisse (4.63%), JO Hambro Capital Management (3.01%).

Information on the current shareholder structure is permanently available at www.stroeer.de/investor-relations.

[2] As of 30 September 2013

INTERIM GROUP MANAGEMENT REPORT

INTERIM GROUP MANAGEMENT REPORT

GROUP STRUCTURE AND REPORTING PERIOD

The Ströer Group is a leading provider in the area of out-of-home advertising and commercialization services for online advertising. Its key operations are in Germany, Turkey and Poland. Through the subsidiaries of the BlowUP division, Ströer also has operations in the UK, the Netherlands, Spain and Belgium. Ströer offers out-of-home advertising services for the billboard, street furniture and transport product groups in all its core markets. In addition, the Ströer Group is now active in the commercialization of online advertising, offering its customers individualized communications solutions across the entire digitalized value chain – from inventory and technology through to audience targeting.

The Group gradually built up its online portfolio through various acquisitions during the first nine months of the year. Effective 4 April 2013, Ströer Media AG acquired around 91% of the shares in adscale GmbH, Munich. It also acquired all shares in Ströer Digital Group GmbH, Cologne, effective 3 June 2013. This holding company holds all shares in Ströer Digital Media GmbH (formerly Ströer Interactive GmbH) and freeXmedia GmbH as well as 50.4% of shares in Business Advertising GmbH.

Effective 23 May 2013, the Ströer Group additionally acquired the location-based advertising product group ("RAdcarpet") from Servtag GmbH, Berlin, in an asset deal via its group entity Ströer Mobile Media GmbH. RAdcarpet is a location-based advertising network specialized in local and hyperlocal mobile advertising.

Ströer Media AG also acquired a total of 53.4% of the shares in Ballroom International CEE Holding GmbH, Munich, effective 31 July 2013. Ballroom International CEE Holding GmbH is an internet advertiser, which operates on Ströer's core foreign markets – Poland and Turkey – as well as in Hungary, Romania and the Czech Republic, offering ad exchange services, video and display advertising as well as performance marketing.

This interim management report covers the period from 1 January to 30 September 2013.

BUSINESS ENVIRONMENT

Macroeconomic development

The third quarter of 2013 saw a slight improvement in the economic climate in Europe, mainly due to more positive expectations for the next six months. The German economy also made a more confident start to the fall, with the country's ifo business climate index for industry and trade recording its fifth successive increase. Although companies rate their current business situation as less satisfactory, their outlook was again upbeat.

According to the International Monetary Fund (IMF), the Turkish economy slowed slightly in the third quarter of 2013. Despite this trend, which is expected to continue in the fourth quarter, the IMF is forecasting an increase in the country's gross domestic product (GDP) of 3.8% for the entire year. Economic development in Poland will be affected by the weakness in the eurozone and persistently low domestic demand. The country's growth is only expected to reach 1.3% for 2013.

The Turkish lira and Polish zloty weakened against the euro in the first nine months of 2013. The zloty fell by approximately 3.8% compared with 31 December 2012, while the lira declined by 16.8%. This led to negative effects on the Ströer Group's revenue and earnings.

Industry performance

The performance of the overall advertising market in Germany improved slightly based on Nielsen Media Research's measure of gross advertising revenue, with out-of-home media recording the highest increase in gross revenue. The internet also saw above-average growth compared with the prior year. Although ZenithOptimedia is forecasting a slight decline in net revenue for the overall advertising market in full-year 2013, it expects marginal growth in the out-of-home segment and a mid-single-digit percentage rise for the internet segment.

The advertising market in Turkey grew faster than the overall economy in the reporting period. However, the official estimates by the Turkish Association of Advertising Agencies (TAAA) were not available at the time this interim management report was prepared.

The overall Polish media market and in particular the out-of-home advertising market is still weak. Shrinking advertising budgets are intensifying price pressure across the different segments of the country's media sector. According to the net figures recorded by the Polish Chamber of Commerce for Out-of-Home Advertising (IGRZ), the Polish out-of-home advertising market contracted by 15% the first nine months of 2013.

BUSINESS PERFORMANCE AND RESULTS OF OPERATIONS OF THE GROUP AND THE SEGMENTS

Results of operations of the Group

Consolidated income statement

In EUR m	Q3 2013		Q3 2012		Change	
Continuing operations						
Revenue	150.3	100.0%	130.0	100.0%	20.3	15.6%
Cost of sales	-108.2	-72.0%	-97.6	-75.1%	-10.6	-10.9%
Gross profit	**42.1**	**28.0%**	**32.4**	**24.9%**	**9.7**	**29.9%**
Selling expenses	-21.1	-14.1%	-17.5	-13.5%	-3.6	-20.6%
Administrative expenses	-20.2	-13.4%	-16.4	-12.6%	-3.8	-23.1%
Other operating income	3.4	2.3%	2.6	2.0%	0.8	30.6%
Other operating expenses	-1.9	-1.3%	-1.9	-1.4%	0.0	-0.8%
EBIT	**2.3**	**1.5%**	**-0.7**	**-0.6%**	**3.1**	**>100%**
EBITDA	**19.0**	**12.7%**	**16.7**	**12.8%**	**2.3**	**14.0%**
Operational EBITDA	**20.3**	**13.5%**	**17.7**	**13.6%**	**2.7**	**15.0%**
Financial result	-3.9	-2.6%	-15.1	-11.6%	11.2	74.1%
EBT	**-1.6**	**-1.1%**	**-15.9**	**-12.2%**	**14.3**	**89.9%**
Income taxes	-4.0	-2.7%	-1.3	-1.0%	-2.8	<-100%
Post-tax profit or loss from continuing operations	**-5.6**	**-3.8%**	**-17.2**	**-13.2%**	**11.5**	**67.1%**
Profit or loss for the period	**-5.6**	**-3.8%**	**-17.2**	**-13.2%**	**11.5**	**67.1%**

In EUR m	9M 2013		9M 2012		Change	
Continuing operations						
Revenue	439.3	100.0%	397.4	100.0%	41.9	10.5%
Cost of sales	-311.8	-71.0%	-286.5	-72.1%	-25.3	-8.8%
Gross profit	**127.5**	**29.0%**	**110.9**	**27.9%**	**16.6**	**15.0%**
Selling expenses	-61.7	-14.0%	-57.3	-14.4%	-4.4	-7.8%
Administrative expenses	-59.2	-13.5%	-51.9	-13.1%	-7.4	-14.2%
Other operating income	9.4	2.1%	11.7	2.9%	-2.3	-19.8%
Other operating expenses	-5.3	-1.2%	-8.0	-2.0%	2.7	33.7%
EBIT	**10.6**	**2.4%**	**5.4**	**1.4%**	**5.2**	**97.5%**
EBITDA	**62.5**	**14.2%**	**55.2**	**13.9%**	**7.2**	**13.1%**
Operational EBITDA	**67.7**	**15.4%**	**58.5**	**14.7%**	**9.3**	**15.8%**
Financial result	-15.1	-3.4%	-26.0	-6.5%	11.0	42.1%
EBT	**-4.4**	**-1.0%**	**-20.7**	**-5.2%**	**16.2**	**78.5%**
Income taxes	-2.6	-0.6%	3.3	0.8%	-5.9	n.d.
Post-tax profit or loss from continuing operations	**-7.1**	**-1.6%**	**-17.4**	**-4.4%**	**10.3**	**59.4%**
Profit or loss for the period	**-7.1**	**-1.6%**	**-17.4**	**-4.4%**	**10.3**	**59.4%**

Like in the past two quarters, Ströer Group's **revenue** was also significantly up compared to prior-year level, in the third quarter of this year. In the first nine months, revenue increased by EUR 41.9m to EUR 439.3m. This positive trend is partly due to sustained revenue growth from our digital advertising media in Germany, as well as the expansion of our advertising media capacity and our improved product portfolio in Turkey. The Ströer Group also generated additional revenue of EUR 27.8m from the acquisitions completed in the second and third quarter of this year to build up the online advertising business.

The growth in revenue was partly reduced by the higher **cost of sales**, which came to EUR 311.8m (up EUR 25.3m year on year). The main factors here were higher lease payments in Germany and Turkey, with the increase in Turkey being particularly attributable to inflation adjustments for individual leases. At the same time, the year-on-year expansion of digital advertising media capacity in Germany and an overall rise in demand in Turkey, also led to higher electricity and running costs. An additional effect came from the first-time consolidation of the online advertising companies acquired in the fiscal year. Overall, **gross profit** improved by 15.0% from EUR 110.9m in the prior-year period to EUR 127.5m.

At 27.5%, selling and administrative expenses as a percentage of revenue were on a par with the prior-year period in the first nine months of 2013. **Selling expenses** rose by EUR 4.4m to EUR 61.7m. Excluding the costs of the new online segment, the increase was only EUR 0.1m. This was due in particular to expenses for introducing a system to measure the audience reach of advertising media in Turkey, which led to additional costs of EUR 0.3m. **Administrative expenses** climbed by EUR 7.4m to EUR 59.2m. Adjusted for the new online segment, the increase amounted to EUR 2.8m. This was partly attributable to the moderate rise in salaries, allocations to bonus provisions, as well as higher software amortization.

Other operating income decreased by EUR 2.3m year on year to EUR 9.4m. EUR 1.3m of this decline was attributable to lower exchange gains from operating activities. There was also a fall in **other operating expenses,** which were down by EUR 2.7m on the prior year to EUR 5.3m. A large proportion of this decrease (EUR 1.0m) also related to exchange rate effects from operating activities.

Overall, **EBITDA** improved by EUR 7.2m to EUR 62.5m. **Operational EBITDA** recovered to a similar extent, climbing sharply from EUR 58.5m in the prior year to EUR 67.7m.

Compared with the prior year, the development of the **financial result** reflects various and in some cases contrasting effects. While the exchange result from intragroup loans granted by the holding company to its foreign subsidiaries contributed income of EUR 6.1m in the prior year, the figure for the current fiscal year deteriorated by EUR 7.5m to EUR -1.4m. In contrast, the interest result improved by EUR 10.5m due to the optimization of the Group's financing structure in July 2012, favorable interest rate trends on the capital markets and the expiry of interest rate hedges in October 2012 and April 2013. Furthermore, the prior-year financial result was reduced by a one-time effect of EUR 7.5m from the restructuring of the Group's refinancing arrangements. Finally, the valuation of interest rate hedges also led to a slight improvement of EUR 1.5m compared with the prior year to EUR 2.1m.

The positive trend in profit or loss before taxes was reflected in **income taxes** by a corresponding tax expense of EUR 2.6m following tax income of EUR 3.3m in the prior year.

At EUR 7.1m, the **loss for the period** in the first nine months was EUR 10.3m lower than the prior-year figure (loss of EUR 17.4m). This is attributable to both, the positive trend in the Ströer Group's operating business, and improvements in the financial result due to the optimization of the financing structure in the prior year that was also aided by favorable interest rate trends on the capital markets.

Business and earnings development by segment

Ströer Germany

In EUR m	Q3 2013	Q3 2012	Change		9M 2013	9M 2012	Change	
Segment revenue, thereof	97.2	94.9	2.3	2.4%	302.0	293.4	8.5	2.9%
Billboard	41.3	38.8	2.5	6.5%	123.5	122.7	0.8	0.7%
Street furniture	25.2	26.8	-1.6	-6.1%	85.0	86.0	-1.0	-1.2%
Transport	21.3	21.1	0.2	0.8%	67.1	61.2	6.0	9.8%
Other	9.4	8.2	1.2	14.5%	26.4	23.7	2.8	11.6%
Operational EBITDA	19.9	18.2	1.6	8.9%	62.8	61.0	1.8	3.0%
Operational EBITDA margin	20.4%	19.2%	1.2 percentage points		20.8%	20.8%	0.0 percentage points	

The Ströer Germany segment again increased its revenue year on year in the third quarter. In the first nine months of 2013, revenue was up by EUR 8.5m against the prior year to EUR 302.0m, with our regional customer business continuing to record strong growth.

Revenue in the billboard product group rose by EUR 2.5m year on year in the third quarter of 2013 and climbed slightly by EUR 0.8m in the first nine months of the fiscal year to EUR 123.5m. This was particularly due to our investments into our Megalight Select premium products. In contrast, the street furniture product group saw its revenue decline slightly by EUR 1.0m compared with the prior year to EUR 85.0m. However, the transport product group clearly benefited from the dynamic revenue growth in digital advertising media leading to a revenue increase by EUR 6.0m to EUR 67.1m. The double-digit growth rates generated by the Out-of-Home Channel made a significant contribution to this increase in the first nine months of this year. The proportion of segment revenue generated by digital formats therefore came to 9.3%. The other product group also grew its revenue by EUR 2.8m compared with the first nine months of 2012, due to the positive effect of higher production revenue.

The increase in segment revenue was partly offset by a corresponding rise in costs. Among other things, this was attributable to higher lease expenses and a significant increase in running costs. In particular, the jump in electricity costs resulting from higher purchase prices and growing digitalization dampened the increase in operational EBITDA. Overall, operational EBITDA improved by EUR 1.8m year on year in the first nine months of 2013, while the operational EBITDA margin was on a par with the prior year.

Ströer Turkey

In EUR m	Q3 2013	Q3 2012	Change		9M 2013	9M 2012	Change	
Segment revenue, thereof	21.4	20.6	0.8	3.8%	70.5	62.9	7.6	12.1%
Billboard	16.0	14.7	1.3	8.6%	52.9	46.3	6.6	14.3%
Street furniture	5.3	5.8	-0.4	-7.8%	17.5	16.3	1.1	6.8%
Transport	0.0	0.0	0.0	-13.5%	0.1	0.1	0.0	-6.9%
Other	0.0	0.0	0.0	-87.5%	0.0	0.2	-0.1	-87.5%
Operational EBITDA	1.1	-0.4	1.5	n.d.	7.8	1.4	6.4	>100%
Operational EBITDA margin	5.3%	-2.0%	7.3 percentage points		11.1%	2.3%	8.8 percentage points	

The Ströer Turkey segment recorded further year-on-year revenue growth in the third quarter of the fiscal year. In the first nine months, revenue rose by EUR 7.6m to EUR 70.5m. This consistently positive trend is primarily due to the significant improvement in our advertising media portfolio in Istanbul and the roll-out of our new giant and premium board products combined with higher customer demand. The billboard product group in particular, benefited from the aforementioned development leading to a revenue increase by EUR 6.6m to EUR 52.9m. Revenue in the remaining product groups was roughly at the prior-year level. The segment's organic growth adjusted for exchange rate effects came to 19.5%.

The increase in revenue was only partly muted by a higher cost of sales. While additional expenses from rent increases were moderate in the first nine months due to exchange rate effects, the rise in general running costs was more pronounced as a result of higher capacity utilization. However, overheads were virtually unchanged against the prior year.

The development of revenue and costs led to a noticeable improvement in both operational EBITDA and the operational EBITDA margin.

Online

In EUR m	Q3 2013	Q3 2012	Change		9M 2013	9M 2012	Change	
Segment revenue, thereof	18.3	-	-	-	27.8	-	-	-
Online	18.3	-	-	-	27.8	-	-	-
Operational EBITDA	0.3	-	-	-	0.9	-	-	-
Operational EBITDA margin	1.6%	-		-	3.1%	-		-

Since the beginning of the second quarter of 2013, the Ströer Group has gradually entered the online advertising business (see the "Disclosures on business combinations" in the "Notes to the condensed consolidated interim financial statements"). This step represents an important pillar of our corporate strategy and we are reporting its contributions in a separate segment. The new Online segment comprises the revenue and earnings contributions of adscale, approximately 91% of which was acquired in April, Ströer Digital Group, which was acquired in full in June, and the contributions from the takeover of the location-based advertising segment of Servtag GmbH and from the Ballroom Group. The above revenue and earnings figures are in line with our expectations to date. The integration of the newly acquired entities into the Ströer Group also remains on schedule.

Other

In EUR m	Q3 2013	Q3 2012	Change		9M 2013	9M 2012	Change	
Segment revenue, thereof	13.7	14.5	-0.8	-5.5%	39.5	41.2	-1.8	-4.3%
Billboard	12.8	13.5	-0.7	-5.4%	36.6	38.7	-2.1	-5.3%
Street furniture	0.1	0.1	0.0	10.8%	0.4	0.4	0.1	14.7%
Transport	0.1	0.1	0.0	-26.8%	0.4	0.5	-0.2	-27.8%
Other	0.7	0.7	0.0	-5.5%	2.1	1.7	0.4	24.3%
Operational EBITDA	1.3	1.1	0.2	21.6%	2.8	1.5	1.3	84.2%
Operational EBITDA margin	9.4%	7.3%	2.1 percentage points		7.0	3.7%	3.4 percentage points	

The "Other" segment includes our Polish out-of-home activities and the western European giant poster business of the BlowUP division. The performance of each of the two individual sub-segments has developed contrastingly year on year over the nine months period.

The Ströer Poland sub-segment recorded a low double-digit percentage decrease in revenue in the first nine months, caused by sustained price pressure and persistently low capacity utilization rates in a very difficult market environment. However, the reduction in revenue was offset in particular by a rigorous cost-cutting program, which meant that operational EBITDA was slightly above the prior-year figure.

The BlowUP sub-segment sharply increased its revenue year on year in the first three quarters of 2013, mainly due to an encouraging business performance in the UK and Germany. In contrast, there was only a slight rise in the cost of sales and overheads in the same period, as a result of which operational EBITDA and the operational EBITDA margin were significantly higher than in the prior year.

Overall, these factors led to an improvement in the segment's operational EBITDA and a slight increase in the operational EBITDA margin.

FINANCIAL POSITION

Liquidity and investment analysis

In EUR m	9M 2013	9M 2012
Cash flows from operating activities	37.9	23.0
Cash flows from investing activities	-57.9	-30.5
Free cash flow	-20.0	-7.5
Cash flows from financing activities	34.8	-103.6
Change in cash	14.8	-111.1
Cash	38.3	23.0

The Ströer Group generated **cash flows from operating activities** of EUR 37.9m in the first nine months of the current fiscal year, up EUR 14.9m on the prior-year period. Higher earnings had a favorable effect on cash flows from operating activities. Changes in current trade receivables also made a positive contribution: after an increase of EUR 4.6m in the prior-year period, receivables decreased by EUR 2.9m in the current year, adjusted for additions from business combinations. This was mainly due to the fact that payments due at the end of 2012 from some key accounts were not received until the new year. Ströer was also able to spread certain parts of its payments more equally over the year in 2013. In addition, interest payments were reduced by EUR 7.9m due to the optimized financing structure, lower interest rates on the capital market and expired fixed interest commitments. By contrast, income tax payments increased significantly due to tax backpayments for prior assessment periods and adjusted current tax prepayments in the Ströer Group.

Cash flows from investing activities of EUR -57.9m were largely shaped by payments of EUR 31.6m for online advertising acquisitions. In addition, investments in restructuring the IT landscape were stepped up, while we scaled back investments in our advertising media portfolio slightly. Overall, free cash flow came to EUR -20.0m (prior year: EUR -7.5m).

Cash flows from financing activities of EUR 34.8m reflect in particular the higher funds raised to finance the acquisition of online advertising companies. By contrast, cash flows in the prior year (EUR -103.6m) were impacted by the repayment of substantial loan liabilities as part of the new financing structure implemented in July 2012.

Overall, **cash** increased by EUR 14.8m to EUR 38.3m in the first nine months of the fiscal year.

Financial structure analysis

The Ströer Group's **non-current liabilities** were up by EUR 35.9m on year-end 2012 to EUR 439.1m as of 30 September 2013. This development was due in particular to additions of EUR 41.6m in non-current financial liabilities, most of which relate to debt-financed payments for the acquisition of adscale GmbH, a further 15% stake in BlowUP Media GmbH and 53.4% of the shares in Ballroom International CEE Holding GmbH. In addition the increase in financial liabilities includes obligations from put options for shares in the acquired entities. In contrast, the addition of non-current liabilities of EUR 2.3m of the newly acquired entities due to first-time inclusion in the consolidated financial statements is of minor significance.

Current liabilities increased by EUR 48.0m to EUR 228.9m as of 30 September 2013 compared with the end of 2012, EUR 32.7m of this increase related to current liabilities of the acquired entities that were included in the consolidated financial statements for the first time in 2013. This figure mainly comprises trade payables of EUR 21.1m and other liabilities of EUR 9.8m. Adjusted for these acquisition effects, current liabilities rose by EUR 15.3m. This amount is primarily composed of higher current financial liabilities (up EUR 18.2m), higher trade payables (up EUR 6.5m) and lower income tax liabilities (down EUR 11.2m). The adjusted growth in current financial liabilities is mainly attributable to the liabilities from the business combinations and liabilities to banks. By contrast, income tax liabilities decreased due to tax backpayments made in the current fiscal year for prior assessment years.

The Ströer Group reports **equity** of EUR 293.3m as of 30 September 2013, up EUR 13.7m on 31 December 2012. This change is due to various and in some cases contrasting effects in the current fiscal year. For example, a capital increase in return for a non-cash contribution in June 2013 led to a EUR 57.3m increase in equity. Contrasting effects include exchange rate effects from the translation of our Turkish and Polish activities, which had a negative impact on the Ströer Group's equity. At the same time, new obligations from put options acquired in connection with the business combinations and the consolidated profit or loss for the first nine months reduced equity accordingly. Due to the increase in total assets from the business combinations, the equity ratio fell slightly from 32.4% as of 31 December 2012 to 30.5% as of 30 September 2013 despite the increase in equity in absolute terms.

Net debt

In EUR m		30 Sep 2013	31 Dec 2012	Change	
(1)	Non-current financial liabilities	352.5	311.0	41.6	13.4%
(2)	Current financial liabilities	51.1	31.6	19.5	61.8%
(1)+(2)	Total financial liabilities	403.7	342.5	61.1	17.8%
(3)	Derivative financial instruments	25.6	16.9	8.6	50.8%
(1)+(2)-(3)	Financial liabilities excl. derivative financial instruments	378.1	325.6	52.5	16.1%
(4)	Cash	38.3	23.5	14.8	63.2%
(1)+(2)-(3)-(4)	**Net debt**	**339.8**	**302.1**	**37.7**	**12.5%**

Net debt rose EUR 37.7m to EUR 339.8m in the first nine months of the fiscal year. The increase was due in particular to the new earn-out liabilities and debt-financed payments made in connection with the acquisition of shares in adscale GmbH, a further 15% stake in BlowUP Media GmbH and 53.4% of the shares in Ballroom International CEE Holding GmbH. Overall, this results in a leverage ratio of 2.92.

NET ASSETS

Consolidated statement of financial position

In EUR m	30 Sep 2013	31 Dec 2012	Change	
Assets				
Non-current assets				
Intangible assets	564.4	488.1	76.3	15.6%
Property. plant and equipment	208.3	225.9	-17.5	-7.8%
Tax assets	6.5	5.0	1.5	30.6%
Receivables and other assets	12.1	14.3	-2.1	-15.0%
Subtotal	**791.4**	**733.3**	**58.2**	**7.9%**
Current assets				
Receivables and other assets	122.2	96.7	25.4	26.3%
Cash	38.3	23.5	14.8	63.2%
Tax assets	4.6	4.8	-0.2	-4.0%
Inventories	4.9	5.5	-0.6	-10.7%
Subtotal	**169.9**	**130.5**	**39.5**	**30.2%**
Total assets	**961.4**	**863.7**	**97.6**	**11.3%**
Equity and liabilities				
Non-current equity and liabilities				
Equity	**293.3**	**279.6**	**13.7**	**4.9%**
Liabilities				
Financial liabilities	352.5	311.0	41.6	13.4%
Deferred tax liabilities	49.4	55.1	-5.7	-10.4%
Provisions	37.2	37.2	0.0	0.1%
Other liabilities	0.0	0.0	0.0	n.d.
Subtotal	**439.1**	**403.2**	**35.9**	**8.9%**
Current liabilities				
Trade payables	108.1	80.5	27.6	34.3%
Financial and other liabilities	97.6	65.9	31.7	48.1%
Provisions	18.0	18.6	-0.6	-3.1%
Income tax liabilities	5.3	16.0	-10.7	-67.0%
Subtotal	**228.9**	**180.9**	**48.0**	**26.6%**
Total equity and liabilities	**961.4**	**863.7**	**97.6**	**11.3%**

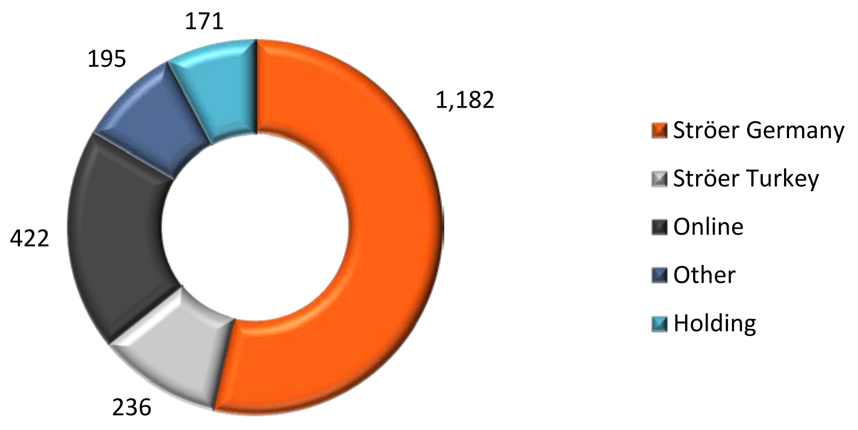
Analysis of the net asset structure

As of 30 September 2013, **non-current assets** stood at EUR 791.4m, up EUR 58.2m on 31 December 2012, EUR 76.3m of this increase was due to additions of intangible assets that mainly comprise the goodwill of the acquired online marketers of EUR 99.3m which was reported for the first time. This goodwill figure is provisional because the purchase price allocation (PPA) in connection with the allocation of hidden reserves to individual assets has not yet been completed. In addition, intangible assets of EUR 16.2m were added due to the abovementioned business combinations and the restructuring of the Group's IT landscape. Amortization of advertising concessions and exchange losses on advertising concessions as well as the goodwill of our foreign operations had a contrasting effect. Furthermore, the Ströer Group recorded a significant change in property, plant and equipment, which decreased by EUR 17.5m in the first nine months of the fiscal year due to both the amortization and exchange losses of our foreign operations. These two effects significantly overcompensated for the investments in property, plant and equipment made in the same period.

Current assets rose EUR 39.5m to EUR 169.9m compared with 31 December 2012. Overall, this is due entirely to additions of assets of the online marketers included for the first time, which primarily affected trade receivables (EUR 25.3m) as well as other non-financial assets and cash. Adjusted for additions from business combinations, trade receivables decreased by EUR 2.9m and financial assets by EUR 2.6m. Cash showed a contrasting trend, improving to EUR 6.4m on an adjusted basis.

EMPLOYEES

The Ströer Group employed a total of 2,206 persons as of 30 September 2013 (31 December 2012: 1,750). The allocation of employees to the different segments is shown in the following chart.



OPPORTUNITIES AND RISK REPORT

Our comments in the group management report as of 31 December 2012 remain applicable with regard to the presentation of opportunities and risks (see pages 78 to 82 of our 2012 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 our Turkish segment or Polish sub-segment 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 the beginning of September, the OECD expects that the eurozone as a whole will no longer be in recession. The OECD expects Germany's GDP to grow by 0.7% in 2013. According to a current forecast by the IMF from October 2013, Turkey is now expected to see full-year GDP growth of 3.8% compared with 2012. By contrast, the IMF forecasts a fall in growth to a comparatively low 1.3% for Poland.

ZenithOptimedia's most recent forecast for the performance of the advertising market in Germany in 2013 assumes a slight fall in advertising expenditure by 1.5%. By contrast, the Turkish advertising market is looking very robust this year, with growth in advertising expenditure of 10.0% expected for the year as a whole. However, ZenithOptimedia forecasts a significant decrease in advertising expenditure by 6.0% in Poland.

For the fourth quarter of this year, we expect revenues in the Out-of-Home segment to be flattish due to the comparably strong fourth quarter the year before, while we expect increasing revenue contributions from the Online segment.

SUBSEQUENT EVENTS

MBR Targeting GmbH, Berlin

Effective 1 October 2013, the Ströer Group acquired a total of 79.1% of the shares in MBR Targeting GmbH, Berlin, via its group company Ströer Digital Group GmbH. MBR Targeting GmbH develops and markets innovative targeting technologies which facilitate the exact identification of online target groups and professional data management. The purchase price for the shares acquired including the settlement of loan obligations is approximately EUR 6m. Options to purchase the remaining 20.9% of the shares at a later date have also been agreed.

adscale GmbH, Munich

Effective 1 October 2013, the Ströer Group acquired a further 5.7% of the shares in adscale GmbH, Munich, via its group company Ströer Digital Group GmbH, thereby increasing Ströer's shareholding in the company to approximately 97%. The purchase price for the additional shares is approximately EUR 1.7m.

There were no other significant events or developments of particular importance after the reporting date of 30 September 2013.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Consolidated interim financial statements

CONSOLIDATED INCOME STATEMENT

In EUR k	Q3 2013	Q3 2012	9M 2013	9M 2012
Continuing operations				
Revenue	150,324	130,003	439,335	397,414
Cost of sales	-108,232	-97,594	-311,792	-286,518
Gross profit	**42,092**	**32,409**	**127,543**	**110,896**
Selling expenses	-21,132	-17,516	-61,722	-57,281
Administrative expenses	-20,171	-16,387	-59,244	-51,880
Other operating income	3,423	2,620	9,374	11,690
Other operating expenses	-1,890	-1,875	-5,333	-8,048
Finance income	1,820	6,275	6,160	17,715
Finance costs	-5,741	-21,403	-21,219	-43,743
Profit or loss before taxes	**-1,599**	**-15,877**	**-4,440**	**-20,651**
Income taxes	-4,041	-1,278	-2,611	3,280
Post-tax profit or loss from continuing operations	**-5,639**	**-17,155**	**-7,051**	**-17,371**
Consolidated profit or loss for the period	**-5,639**	**-17,155**	**-7,051**	**-17,371**
Thereof attributable to:				
Owners of the parent	-4,788	-16,963	-7,094	-16,344
Non-controlling interests	-851	-192	43	-1,027
	-5,639	**-17,155**	**-7,051**	**-17,371**
Earnings per share (EUR, basic) from continuing operations	-0.10	-0.40	-0.16	-0.39
Earnings per share >(EUR, diluted) from continuing operations	-0.10	-0.40	-0.16	-0.39

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In EUR k	Q3 2013	Q3 2012	9M 2013	9M 2012
Consolidated profit or loss for the period	**-5,639**	**-17,155**	**-7,051**	**-17,371**
Other comprehensive income				
Amounts that will not be reclassified to profit or loss in future periods				
Income taxes	0	0	0	39
	0	0	0	39
Amounts that could be reclassified to profit or loss in future periods				
Exchange differences on translating foreign operations	-11,713	-1,257	-22,969	7,320
Cash flow hedges	0	2,482	0	4,850
Income taxes	0	-805	0	-1,590
	-11,713	420	-22,969	10,580
Other comprehensive income, net of income taxes	**-11,713**	**420**	**-22,969**	**10,619**
Total comprehensive income, net of income taxes	**-17,352**	**-16,735**	**-30,020**	**-6,752**
Thereof attributable to:				
Owners of the parent	-15,826	-16,397	-28,809	-6,331
Non-controlling interests	-1,526	-338	-1,211	-421
	-17,352	**-16,735**	**-30,020**	**-6,752**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets (in EUR k)	30 Sep 2013	31 Dec 2012
Non-current assets		
Intangible assets	564,436	488,128
Property, plant and equipment	208,332	225,873
Investment property	1,285	1,300
Financial assets	327	101
Trade receivables	0	100
Other financial assets	938	2,008
Other non-financial assets	9,570	10,743
Income tax assets	635	635
Deferred tax asssets	5,903	4,370
Total non-current assets	**791,426**	**733,258**
Current assets		
Inventories	4,867	5,453
Trade receivables	87,997	65,607
Other financial assets	9,641	11,080
Other non-financial assets	24,515	20,059
Income tax assets	4,605	4,799
Cash and cash equivalents	38,302	23,466
Total current assets	**169,927**	**130,463**
Total assets	**961,353**	**863,721**

Equity and liabilities (in EUR k)	30 Sep 2013	31 Dec 2012
Equity		
Subscribed capital	48,870	42,098
Capital reserves	347,179	296,490
Retained earnings	-73,449	-47,838
Accumulated other comprehensive income	-46,309	-24,594
	276,291	**266,156**
Non-controlling interests	16,973	13,419
Total equity	**293,264**	**279,575**
Non-current liabilities		
Pension provisions and other obligations	23,410	23,924
Other provisions	13,780	13,244
Financial liabilities	352,563	310,952
Deferred tax liabilities	49,388	55,117
Total non-current liabilities	**439,141**	**403,237**
Current liabilities		
Other provisions	17,985	18,558
Financial liabilities	51,118	31,584
Trade payables	108,095	80,466
Other liabilities	46,472	34,329
Income tax liabilities	5,278	15,973
Total current liabilities	**228,948**	**180,910**
Total equity and liabilities	**961,353**	**863,721**

CONSOLIDATED STATEMENT OF CASH FLOWS

In EUR k	9M 2013	9M 2012
Cash flows from operating activities		
Profit or loss for the period	-7,051	-17,371
Expenses (+)/income (-) from the financial and tax result	17,670	22,748
Amortization, depreciation and impairment losses (+) on non-current assets	51,840	49,865
Interest paid (-)	-13,145	-21,074
Interest received (+)	45	589
Income taxes paid (-)/ received (+)	-17,868	-6,424
Increase (+)/decrease (-) in provisions	-1,773	-3,010
Other non-cash expenses (+)/income (-)	-5,391	-4,862
Gain (-)/loss (+) on the disposal of non-current assets	776	833
Increase (-)/decrease (+) in inventories, trade receivables and other assets	6,556	-7,048
Increase (+)/decrease (-) in trade payables and other liabilities	6,247	8,771
Cash flows from operating activities	**37,905**	**23,015**
Cash flows from investing activities		
Cash received (+) from the disposal of property, plant and equipment	317	488
Cash paid (-) for investments in property, plant and equipment	-16,109	-25,119
Cash paid (-) for investments in intangible assets	-10,534	-4,941
Cash paid (-) for investments in financial assets	0	-5
Cash received (+) from/paid (-) for the acquisition of consolidated entities[1)]	-31,576	-936
Cash flows from investing activities	**-57,901**	**-30,514**
Cash flows from financing activities		
Cash received (+) from equity contributions	0	541
Cash paid (-) to shareholders	-7,400	-1,558
Cash received (+) from borrowings	43,650	325,723
Transaction costs paid (-) for borrowings	0	-6,900
Cash repayments (-) of borrowings[1)]	-1,417	-421,363
Cash flows from financing activities	**34,832**	**-103,557**
Cash at the end of the period		
Change in cash	14,836	-111,056
Cash at the beginning of the period	23,466	134,041
Cash at the end of the period	**38,302**	**22,984**
Composition of cash		
Cash	38,302	22,984
Cash at the end of the period	**38,302**	**22,984**

1) The prior-year figure was adjusted for the repayment of a non-current liability from business combinations of EUR 3.4m as, according to the predominant opinion in the relevant literature, the settlement of such non-current liabilities should now be presented as repayments of borrowings and not as cash paid for the acquisition of entities.

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	Accumulated other comprehensive income: Cash flow hedges	Total	Non-controlling interests	Total equity
1 Jan 2013	**42,098**	**296,490**	**-47,838**	**-24,594**	**0**	**266,156**	**13,419**	**279,575**
Consolidated profit or loss for the period	0	0	-7,094	0	0	-7,094	43	-7,051
Other comprehensive income	0	0	0	-21,715	0	-21,715	-1,254	-22,969
Total comprehensive income	0	0	-7,094	-21,715	0	-28,809	-1,211	-30,020
Changes in basis of consolidation	0	0	0	0	0	0	3,006	3,006
Capital increase by way of non-cash contribution	6,772	50,489	0	0	0	57,261	0	57,261
Share-based payment	0	200	0	0	0	200	0	200
Cash received from capital increases from non-controlling interests	0	0	0	0	0	0	0	0
Effects from changes in ownership interests in subsidiaries without loss of control	0	0	-4,383	0	0	-4,383	310	-4,073
Obligation to purchase own equity instruments	0	0	-14,134	0	0	-14,134	2,663	-11,471
Dividends	0	0	0	0	0	0	-1,214	-1,214
30 Sep 2013	**48,870**	**347,179**	**-73,449**	**-46,309**	**0**	**276,291**	**16,973**	**293,264**

In EUR k	Subscribed capital	Capital reserves	Retained earnings	Accumulated other comprehensive income: Exchange differences on translating foreign operations	Accumulated other comprehensive income: Cash flow hedges	Total	Non-controlling interests	Total equity
1 Jan 2012	**42,098**	**296,490**	**-45,113**	**-29,817**	**-3,310**	**260,348**	**13,109**	**273,457**
Consolidated profit or loss for the period	0	0	-16,344	0	0	-16,344	-1,027	-17,371
Other comprehensive income	0	0	39	6,714	3,260	10,013	606	10,619
Total comprehensive income	0	0	-16,305	6,714	3,260	-6,331	-421	-6,752
Changes in basis of consolidation	0	0	0	0	0	0	0	0
Capital increase by way of non-cash contribution	0	0	0	0	0	0	0	0
Share-based payment	0	0	0	0	0	0	0	0
Cash received from capital increases from non-controlling interests	0	0	0	0	0	0	535	535
Effects from changes inownership interests in subsidiaries without loss of control	0	0	541	0	0	541	754	1,295
Obligation to purchase own equity instruments	0	0	-6,482	0	0	-6,482	902	-5,580
Dividends	0	0	0	0	0	0	-1,558	-1,558
30 Sep 2012	**42,098**	**296,490**	**-67,359**	**-23,103**	**-50**	**248,076**	**13,321**	**261,397**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

General

1 Information on the Company and the Group

Ströer Media AG (formerly Ströer Out-of-Home Media AG) (Ströer AG) is registered as a stock corporation under German law. The Company has its registered office at Ströer Allee 1, 50999 Cologne. The Company is entered in the Cologne commercial register under HRB no. 41548.

The purpose of Ströer AG 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 2012 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 2013 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 2012.

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 2012 were also applied in these consolidated interim financial statements except for the following accounting changes.

An amendment to **IAS 1**, "Presentation of Financial Statements", was applicable for the first time for fiscal years beginning on or after 1 July 2012. Under this amendment, items that are recognized in other comprehensive income must be presented separately according to whether or not they could be reclassified subsequently to profit or loss. Application of the amended IAS 1 led to a corresponding breakdown of items in the statement of comprehensive income. This detailed presentation did not have any effect on the Group's net assets, financial position and results of operations.

The IASB also amended significant elements of **IAS 19**, "Employee Benefits." The amendments are effective for fiscal years beginning on or after 1 January 2013. The key amendment is the elimination of the option when accounting for actuarial gains or losses. In future, actuarial gains or losses may only be recognized in other comprehensive income. At the same time, there are new rules on how to determine net interest, especially with regard to the expected interest income on plan assets. As the Group already recognizes actuarial gains or losses in other comprehensive income and there are no plan assets, the application of the amended standard does not affect the method of accounting or presentation in the consolidated financial statements.

In addition, the IASB has issued **IFRS 13**, "Fair Value Measurement." IFRS 13 establishes a single source of guidance for fair value measurement. Although the initial application of this standard as of 1 January 2013 did not have a significant effect on the consolidated financial statements, additional disclosures are required in the Group's interim financial reporting. See the additional disclosures under note 9, "Financial instruments."

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

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 2012 were also used to determine the estimated values presented in these consolidated interim financial statements.

5 Related party disclosures

Ströer AG has restructured its **intragroup loans** to its foreign subsidiaries in Poland and Turkey. Unlike in the past, the loans are now extended for an unlimited period. They replace the earlier loan arrangements for a similar volume. Since they have an indefinite term, the loans now meet the criteria of a net investment as defined by IAS 21. As a result, any exchange rate effects from the intragroup loans are recorded in other comprehensive income.

Also, Ströer Media AG's shareholder meeting approved a conditional capital increase on 8 August 2013. The sole purpose of the conditional capital increase is to grant rights to bearers of stock options under the **Stock Option Plan 2013** (see our explanations in note 11 "Conditional Capital 2013"). Some options have already been granted under this stock option plan.

See the consolidated financial statements as of 31 December 2012 for further information on related party disclosures. Except for the loan structure and the granted options, there were no significant changes as of 30 September 2013.

6 Segment information

See the explanations in the consolidated financial statements as of 31 December 2012 for information on the different segments and product groups.

Reconciliation of the segment reporting by operating segment:

In EUR k	Q3 2013	Q3 2012
Total segment results (operational EBITDA)	**22,568**	**18,899**
Reconciliation items	-2,233	-1,219
Group operational EBITDA	**20,335**	**17,680**
Adjustment effects	-1,295	-978
EBITDA	**19,040**	**16,702**
Amortization. depreciation and impairment	-16,718	-17,450
Finance income	1,820	6,275
Finance costs	-5,741	-21,403
Consolidated earnings before income taxes	**-1,599**	**-15,877**

In EUR k	9M 2013	9M 2012
Total segment results (operational EBITDA)	**74,255**	**63,929**
Reconciliation items	-6,530	-5,464
Group operational EBITDA	**67,726**	**58,465**
Adjustment effects	-5,267	-3,224
EBITDA	**62,459**	**55,241**
Amortization. depreciation and impairment	-51,840	-49,865
Finance income	6,160	17,715
Finance costs	-21,219	-43,743
Consolidated earnings before income taxes	**-4,440**	**-20,651**

REPORTING BY OPERATING SEGMENT

In EUR k	Ströer Germany	Ströer Turkey	Online	Other	Reconciliation	Group value
Q3 2013						
External revenue	96,978	21,347	18,288	13,710	0	150,324
Internal revenue	228	7	0	28	-264	0
Segment revenue	97,207	21,354	18,288	13,738	-264	150,324
Operational EBITDA	19,871	1,124	284	1,289	-2,233	20,335
Q3 2012						
External revenue	94,897	20,572	-	14,535	0	130,003
Internal revenue	40	0	-	0	-41	0
Segment revenue	94,937	20,573	-	14,535	-41	130,003
Operational EBITDA	18,250	-411	-	1,060	-1,219	17,680

in EUR k	Ströer Germany	Ströer Turkey	Online	Other	Reconciliation	Group value
9M 2013						
External revenue	301,584	70,535	27,771	39,447	0	439,335
Internal revenue	397	13	0	28	-438	0
Segment revenue	301,981	70,548	27,771	39,475	-438	439,335
Operational EBITDA	62,793	7,829	861	2,772	-6,530	67,726
9M 2012						
External revenue	293,262	62,916	-	41,236	0	397,414
Internal revenue	187	31	-	0	-217	0
Segment reveneue	293,449	62,946	-	41,236	-217	397,414
Operational EBITDA	60,987	1,438	-	1,505	-5,464	58,465

REPORTING BY PRODUCT GROUP

In EUR k	Billboard	Street furniture	Transport	Online	Other	Group value
Q3 2013						
External revenue	70,149	30,635	21,418	18,288	9,833	150,324
Q3 2012						
External revenue	67,070	32,698	21,296	-	8,938	130,003

In EUR k	Billboard	Street furniture	Transport	Online	Other	Group value
9M 2013						
External revenue	213,029	102,840	67,649	27,771	28,046	439,335
9M 2012						
External revenue	207,643	102,683	61,830	-	25,258	397,414

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

BlowUP Media GmbH, Cologne

On 16 May 2012, the Ströer Group through Ströer AG concluded a purchase agreement for a further 15% of the shares in BlowUP Media GmbH, Cologne. The acquisition was deferred to take effect as of 1 January 2013 and increased Ströer's shareholding in the company from 75% to 90%. The minimum purchase price for the additional shares is approximately EUR 6m. The effect from the price adjustment clauses contained in the purchase agreement cannot be assessed at present and, in the event of a clearly positive business performance, could lead to further purchase price payments in the mid-single-digit million range in the coming years.

adscale GmbH, Munich

The Ströer Group initially acquired around 91% of the shares in adscale GmbH, Munich, through its group holding company Ströer Media AG, with effect as of 4 April 2013. The purchase agreement was notarized on 14/15 December 2012.

In the area of online advertising, adscale GmbH operates a technology-based marketplace (ad exchange) for a connected portfolio of around 5.000 websites. The purchase price for the shares acquired, before standard purchase price adjustments, is EUR 20.2m. However, it may rise in the future as a result of contractual adjustment clauses (earn-out arrangements).

The acquisition gave rise to transaction costs of EUR 35k which were reported under administrative expenses.

The fair value of the assets and liabilities in the purchase price allocation is still provisional. Hence, the fair values of the assets and liabilities acquired and goodwill may be adjusted.

Since control was obtained, adscale has contributed the following revenue and profit or loss after taxes which are included in the consolidated income statement.

In EUR k	Revenue	Profit after taxes
4 Apr to 30 Sep 2013	10,189	579

RAdcarpet, Berlin

Effective 23 May 2013, the Group acquired the RAdcarpet product group from Servtag GmbH, Berlin, in an asset deal via its group entity Ströer Mobile Media GmbH. RAdcarpet is a location-based advertising network specialized in local and hyperlocal mobile advertising. It allows advertisers to pinpoint the location of their target groups who are located in the immediate vicinity of their own or competitors' stores. The purchase price for the assets acquired, including expected purchase price adjustments, is approximately EUR 0.5m. However, it may change in the future as a result of contractual adjustment clauses (earn-out arrangements).

Ströer Digital Group GmbH, Cologne

Effective 3 June 2013, Ströer AG acquired all shares in Ströer Digital Group GmbH. Ströer Digital Group GmbH is a holding company, which in turn holds all shares in Ströer Digital Media GmbH (formerly Ströer Interactive GmbH) and freeXmedia GmbH as well as 50.4% of shares in Business Advertising GmbH. The agreement was notarized on 21/22 December 2012. The companies held by Ströer Digital Group GmbH are primarily active in the exclusive marketing of websites and enter into service contracts with publishers for this purpose. The contracted websites are bundled horizontally and/or vertically into topic channels (e.g., car channel) for specific target groups and are offered to advertising customers and agencies using various online products. The purchase price for Ströer Digital Group GmbH, before offsetting financial liabilities and cash reserves, is a maximum of EUR 63.1m. The basic component of the purchase price liability was settled by issuing a maximum of around 6.8 million new shares in Ströer AG at an issue price of EUR 7.31 per share. Any purchase price liability arising from the contractually agreed price adjustment clauses (earn-out arrangements) will be paid in cash. Costs of EUR 26k directly attributable to the capital increase were directly offset against the capital reserves.

The fair value of the assets and liabilities in the purchase price allocation is still provisional. Hence, the fair values of the assets and liabilities acquired and goodwill may be adjusted.

Since control was obtained, Ströer Digital Group GmbH including subsidiaries has contributed the following revenue and profit or loss after taxes which are included in the consolidated income statement.

In EUR k	Revenue	Loss after taxes
3 Jun to 30 Sep 2013	12,638	-730

Ballroom International CEE Holding GmbH, Munich

Effective 31 July 2013, Ströer Media AG acquired 53.4% of the shares in Ballroom International CEE Holding GmbH, Munich. Ballroom International CEE Holding GmbH is an internet advertiser, which operates on Ströer's core foreign markets – Poland and Turkey – as well as in Hungary, Romania and the Czech Republic, offering ad exchange services, video and display advertising as well as performance marketing. The provisional purchase price for the shares acquired in the group is EUR 19.5m. However, it may change as a result of contractual price adjustment clauses (earn-out arrangements).

The acquisition gave rise to transaction costs of EUR 31k which were reported under administrative expenses.

The provisional fair values of the assets acquired and liabilities acquired are presented below:

In EUR k

Internally generated intangible assets	980
Other intangible assets	578
Goodwill (from separate financial statements)	627
Property, plant and equipment	420
Deferred tax assets	195
Trade receivables	12,908
Financial assets	77
Other assets	1,530
Income tax assets	120
Cash and cash equivalents	1,080
Other provisions	0
Deferred tax liabilities	230
Trade payables	7,694
Financial liabilities	1,654
Other liabilities	4,820
Income tax liabilities	131
Net assets acquired	3,987

The fair value and gross amount of the receivables acquired break down as follows:

In EUR k	Fair value	Gross amount
Trade receivables	12,908	13,198
Financial assets	77	77
Other assets	1,530	1,530

The fair value of the receivables acquired is the best estimate for the expected cash flows from these receivables.

The fair value of the assets and liabilities in the purchase price allocation is still provisional. Hence, the fair values of the assets and liabilities acquired and goodwill may be adjusted. Goodwill breaks down as follows:

In EUR k	
Purchase price already transferred	19,500
Expected purchase price payments in subsequent periods	342
Non-controlling interests	2,006
Net assets acquired	3,987
Goodwill	17,861

The allocation to the adjustment item for non-controlling interests was made on the basis of the share in equity.

Since control was obtained, Ballroom International CEE Holding GmbH including its subsidiaries has contributed the following revenue and profit or loss after taxes which are included in the consolidated income statement.

In EUR k	Revenue	Loss after taxes
31 Jul to 30 Sep 2013	4,831	-268

Summary information

The effects on the cash flows from investing activities are presented below:

In EUR k	
Total payments made	-39,707
Total cash acquired	8,131
Net cash flows from business combinations	-31,576

The aggregate increases in the asset and liability items are presented below:

In EUR k	Carrying amounts in the local balance sheets	Provisional adjustment	Provisional carrying amounts in Ströer's consolidated statement of financial position
Goodwill	627	98,669	99,296
Internally generated intangible assets	4,524		4,524
Other intangible assets	1,315		1,315
Property, plant and equipment	897		897
Deferred tax assets	500		500
Trade receivables	27,774		27,774
Financial assets	336		336
Other assets	2,045		2,045
Income tax assets	333		333
Cash and cash equivalents	8,131		8,131
Other provisions	512		512
Deferred tax liabilities	1,202		1,202
Trade payables	22,546		22,546
Financial liabilities	1,660		1,660
Other liabilities	6,244		6,244
Income tax liabilities	422		422
Net assets	13,895	98,669	112,564

The effect on the Group's revenue and profit or loss after taxes in the consolidated financial statements had all the entities acquired in 2013 been fully consolidated as of 1 January 2013 is presented below. The amounts do not include any effects from the purchase price allocation.

In EUR k	Revenue	Loss after taxes
1 Jan to 30 Sep 2013	482,484	-6,855

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 2013	Carrying amount in accordance with IAS 39: Amortized cost	Fair value recognized directly in equity	Fair value through profit or loss	Fair value as of 30 Sep 2013
Assets						
Cash	L&R	38,302	38,302			38,302
Trade receivables	L&R	87,997	87,997			87,997
Other non-current financial assets	L&R	938	938			938
Other current financial assets	L&R	9,641	9,641			9,641
Available-for-sale financial assets	afs	327	327			n.a.
Equity and liabilities						
Trade payables	AC	108,095	108,095			108,095
Non-current financial liabilities	AC	335,789	335,789			335,789
Current financial liabilities	AC	42,314	42,314			42,314
Derivatives not in a hedging relationship	FVTPL	2,484			2,484	2,484
Obligation to purchase treasury shares	AC	23,069	23,069	0	0	23,069
Thereof aggregated by measurement category pursuant to IAS 39:						
Loans and receivables	L&R	136,878	136,878			136,878
Available-for-sale financial assets	afs	327	327			n.a.
Financial liabilities measured at amortized cost	AC	509,267	509,267	0	0	509,267
Financial liabilities at fair value through profit or loss	FVTPL	2,484			2,484	2,484

In EUR k	Measurement category pursuant to IAS 39	Carrying amount as of 31 Dec 2012	Carrying amount in accordance with IAS 39: Amortized cost	Fair value recognized directly in equity	Fair value through profit or loss	Fair value as of 31 Dec 2012
Assets						
Cash	L&R	23,466	23,466			23,466
Trade receivables	L&R	65,706	65,706			65,706
Other non-current financial assets	L&R	2,008	2,008			2,008
Other current financial assets	L&R	11,080	11,080			11,080
Available-for-sale financial assets	afs	101	101			n.a.
Equity and liabilities						
Trade payables	AC	80,466	80,466			80,466
Non-current financial liabilities	AC	305,010	305,010			305,010
Current financial liabilities	AC	20,582	20,582			20,582
Derivatives not in a hedging relationship	FVTPL	5,346			5,346	5,346
Obligation to purchase treasury shares	AC	11,598	11,598	0	0	11,598
Thereof aggregated by measurement category pursuant to IAS 39:						
Loans and receivables	L&R	102,260	102,260			102,260
Available-for-sale financial assets	afs	101	101			n.a.
Financial liabilities measured at amortized cost	AC	417,656	417,656			417,656
Financial liabilities at fair value through profit or loss	FVTPL	5,346			5,346	5,346

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 flows. Market interest rates are used for discounting, in relation to the relevant maturity date. 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: Directly (e.g., price) or indirectly (e.g., derived from prices) observable information other than listed market prices is available.

Level 3: The information on assets and liabilities is not based on observable market data.

At present, only derivative financial instruments are measured at fair value in the consolidated financial statements on the basis of generally available data (e.g., yield curve). All of the carrying amounts of these financial instruments are classified as Level 2.

10 Subsequent events

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

11 Conditional capital 2013

On 8 August 2013, the shareholder meeting of Ströer Media AG approved an amendment to the Company's articles of incorporation and bylaws, on the basis of which a new Article 6a was added. According to this article, the capital stock has been increased conditionally by a maximum of EUR 3,176,400 by issuing a maximum of 3,176,400 bearer shares of no par value (conditional capital 2013). The sole purpose of the conditional capital increase is to grant subscription rights to bearers of stock options under the Stock Option Plan 2013.

Cologne, 19 November 2013

Udo Müller	Alfried Bührdel	Christian Schmalzl
Chief Executive Officer	Chief Financial Officer	Chief Operating Officer

ADJUSTED INCOME STATEMENT

Q3 2013 In EUR m	Income statement in accordance with IFRSs	Reclassification of amortization, depreciation and impairment losses	Reclassification of adjustment items	Income statement for management accounting purposes	Impairment and amortization of advertising concessions	Valuation effects from derivatives	Exchange rate effects from intragroup loans	Tax normalization	Elimination of exceptional items	Adjusted income statement for Q3 2013	Adjusted income statement for Q3 2012
Revenue	**150.3**			**150.3**						**150.3**	**130.0**
Cost of sales	-108.2	14.7		-93.5						-93.5	-81.6
Selling Expenses	-21.1										
Administrative expenses	-20.2										
Overheads	-41.3	2.0	1.5	-37.9						-37.9	-31.4
Other operating income	3.4										
Other operating expenses	-1.9										
Other operational result	1.5		-0.2	1.3						1.3	0.6
Operational EBITDA				**20.3**						**20.3**	**17.7**
Amortization, depreciation and impairment losses		-16.7		-16.7	6.3					-10.4	-10.0
EBIT				**3.6**						**9.9**	**7.7**
Exceptional items			-1.3	-1.3					1.3	0.0	0.0
Finance income	1.8										
Finance costs	-5.7										
Financial result	-3.9			-3.9		-0.4	-0.8			-5.1	-7.9
Income taxes	-4.0			-4.0				2.5		-1.6	0.1
Profit or loss for the period	**-5.6**	**0.0**	**0.0**	**-5.6**	**6.3**	**-0.4**	**-0.8**	**2.5**	**1.3**	**3.3**	**-0.2**

9M 2013 In EUR m	Income statement in accordance with IFRSs	Reclassification of amortization, depreciation and impairment losses	Reclassification of adjustment items	Income statement for management accounting purposes	Impairment and amortization of advertising concessions	Valuation effects from derivatives	Exchange rate effects from intragroup loans	Tax normalization	Elimination of exceptional items	Adjusted income statement for 9M 2013	Adjusted income statement for 9M 2012
Revenue	**439.3**			**439.3**						**439.3**	**397.4**
Cost of sales	-311.8	46.5		-265.3						-265.3	-240.9
Selling expenses	-61.7										
Administrative expenses	-59.2										
Overheads	-121.0	5.3	5.4	-110.2						-110.2	-101.4
Other operating income	9.4										
Other operating expenses	-5.3										
Other operating result	4.0		-0.1	3.9						3.9	3.4
Operational EBITDA				**67.7**						**67.7**	**58.5**
Amortization, depreciation and impairment losses		-51.8		-51.8	19.3					-32.6	-29.2
EBIT				**15.9**						**35.2**	**29.3**
Exceptional items			-5.3	-5.3					5.3	0.0	0.0
Finance income	6.2										
Finance costs	-21.2										
Financial result	-15.1			-15.1		-2.1	1.4			-15.8	-25.1
Income taxes	-2.6			-2.6				-3.7		-6.3	-1.3
Profit or loss for the period	**-7.1**	**0.0**	**0.0**	**-7.1**	**19.3**	**-2.1**	**1.4**	**-3.7**	**5.3**	**13.1**	**2.8**

FINANCIAL CALENDAR

Ströer will publish the financial calendar for 2014 on the homepage
www.stroeer.de/investor-relations in December 2013.

IR CONTACT

Ströer Media AG
Dafne Sanac
Manager
Investor Relations
Ströer Allee 1 . 50999 Cologne
Phone +49 (0)2236 . 96 45-356
Fax +49 (0)2236 . 96 45-6356
dsanac@stroeer.de

PRESS CONTACT

Ströer Media AG
Marc Sausen
Head of
Group Communications
Ströer Allee 1 . 50999 Cologne
Phone +49 (0)2236 . 96 45-246
Fax +49 (0)2236 . 96 45-6246
msausen@stroeer.de

IMPRINT

Publisher
Ströer Media AG
Ströer Allee 1 . 50999 Cologne
Phone +49 (0)2236 . 96 45-0
Fax +49 (0)2236 . 96 45-299
info@stroeer.de

Cologne Local Court
HRB no. 41 548
VAT identification no.: DE811763883

This interim report was published on 19 November 2013
and is available in German and English.
In the event of inconsistencies. the German version shall prevail.

DISCLAIMER

Publisher
Ströer Media AG
Ströer Allee 1 . 50999 Cologne
+49 (0)2236 . 96 45-0 Phone
+49 (0)2236 . 96 45-299 Fax
info@stroeer.de