GROWING TO THE NEXT LEVEL

ProSiebenSat.1
Media SE

Half-Yearly Financial Report 2016

Content

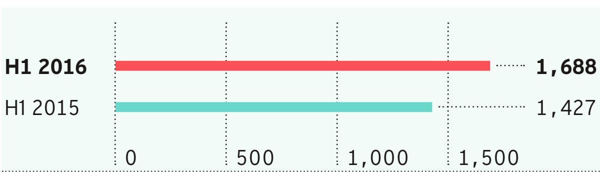
PROSIEBENSAT.1 AT A GLANCE

ProSiebenSat.1 Group is one of the most successful independent media companies in Europe with a strong lead in TV and the digital market. The Group grows dynamically with revenues increasing by 18 % to EUR 1,688 million. At the same time, recurring EBITDA rose by 9 % to EUR 424 million. All segments contributed to this. The Company employs 5,849 people in average. The most important revenue market is Germany. Here, the ProSiebenSat.1 share has been included into the German equity index DAX since March 2016.

Advertising-financed free TV is the Group's core business. The station family comprising SAT.1, ProSieben, kabel eins, sixx, SAT.1 Gold, and ProSieben MAXX is the Number 1 in the German audience and TV advertising markets. The Group has tapped into an additional attractive business area through the distribution of its television channels in HD quality. At the same time, the Group successfully networks the wide reach of its TV business with a strong digital unit. Already today, ProSiebenSat.1 is Germany's leading video marketer on the Internet and with maxdome or Studio71 one of the most successful providers of digital entertainment. However, the Internet is not only changing the entertainment industry, digital media also influence consumer behavior. This is why, ProSiebenSat.1 has built up a successful e-commerce business of digital platforms in recent years that is now one of the Group's most important growth drivers. This broadcasting, digital entertainment and ventures & commerce portfolio is supplemented by the international program production and distribution company Red Arrow. Thus, ProSiebenSat.1 has a broadly diversified revenue and earnings base. By 2018, ProSiebenSat.1 intends to increase its revenues by EUR 1.85 billion up to around EUR 4.2 billion, compared to 2012.

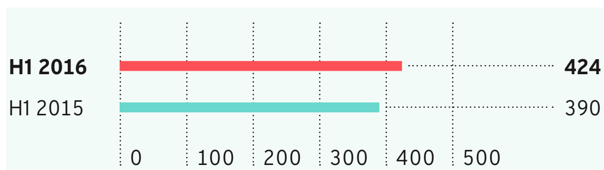
Revenues

EUR m



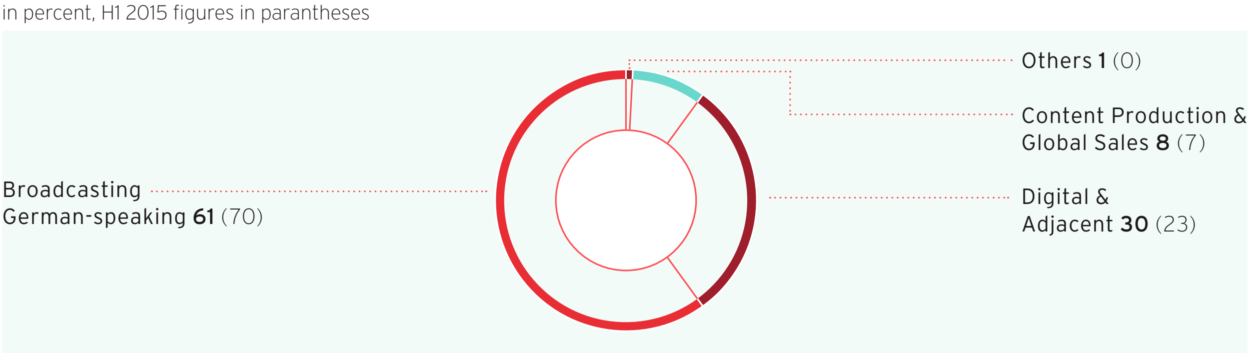
Recurring EBITDA

EUR m



Group revenue share by segment

in percent, H1 2015 figures in parantheses



All information relates to continuing operations.

ACTUAL FIGURES 2015		FORECASTS 2016
+13 %	**Revenues** Increase to EUR 3,261 million	Significant increase
+4 %	**Broadcasting German-speaking** Increase to EUR 2,152 million	Slight increase
+39 %	**Digital & Adjacent** Increase to EUR 846 million	Significant increase
+30 %	**Content Production & Global Sales** Increase to EUR 262 million	Significant increase
+9 %	**Recurring EBITDA** Increase to EUR 926 million	Mid to high single-digit increase
+4 %	**Broadcasting German-speaking** Increase to EUR 734 million	Slight increase
+32 %	**Digital & Adjacent** Increase to EUR 170 million	Significant increase
+31 %	**Content Production & Global Sales** Increase to EUR 25 million	Significant increase
+11 %	**Underlying net income**[1] Increase to EUR 464 million	Mid to high single-digit increase
2.1	**Leverage ratio**[2]	1.5 - 2.5
29.5 %	**German TV audience market**[3] Growth by 0.8 percentage points	Consolidate leading market position at a high level

All information relates to continuing operations.

1 Adjustment due to the retroactive adjustment of changes in the fair value of put options and earn-out liabilities in the second quarter of 2016.

2 Adjusted for LTM recurring EBITDA from the Eastern European business.

3 Relevant target group of 14- to 49-year-olds.

A

GROUP INTERIM MANAGEMENT REPORT

Content

Explanatory Notes on Reporting Principles

Reporting on the basis of continuing operations: Unless otherwise indicated, the analysis of earnings, financial position and performance is based on continuing operations. This reflects the performance indicators relevant to ProSiebenSat.1. In accordance with IFRS 5, the earnings contributions that arise in connection with disposals are not included in the individual items of the income statement; they are shown separately as the "Result from discontinued operations." This also applies to the statement of cash flows, where the corresponding cash flows are recognized as "Cash flow from discontinued operations."

Reporting and use of non-IFRS figures: In addition to the financial information determined according to IFRS, this half-year financial report also includes non-IFRS figures. The reconciliation of these non-IFRS figures with the corresponding IFRS figures is described at Group earnings from page 16 onwards. Detailed definitions of the non-IFRS figures can be found in the glossary of the 2015 Annual Report starting on page 320.

These figures are not determined on the basis of IFRS and may therefore differ from other entities' non-IFRS figures. Therefore, they do not replace the IFRS figures and are not more important than the IFRS figures, but they do provide supplementary information. We are convinced that the non-IFRS figures are of particular interest to our investors for the following reasons:

- Non-recurring items can influence or even overshadow operating performance; figures adjusted for such items therefore offer supplementary information for the assessment of the Company's operating performance.
- Moreover, underlying net income is an important factor at ProSiebenSat.1 Media SE for the calculation of the dividend payment, as we want to give the shareholders a share in the Company's operating profitability.
- The Group has implemented a holistic management system. Non-IFRS figures are calculated consistently for the past and the future; they form an important foundation for internal controlling and the management's decision-making processes.

In response to the current change in the legal environment for financial reporting within the EU, ProSiebenSat.1 Media SE will conceptually refine the non-IFRS figures and adjust the way they are presented as of January 1, 2017. The changes will primarily ensure greater transparency. The following main adjustments will be made from January 1, 2017: Full reconciliation of the consolidated income statement prepared according to IFRS with the non-IFRS figures used by ProSiebenSat.1 Media SE, conceptual refinement of individual figures and renaming of recurring EBITDA.

Accounting of share-based payments from the Group Share Plans: ProSiebenSat.1 involves its employees in the company's success with performance-based compensation. This also includes share-based compensation plans (Group Share Plans) in which selected managers and the Executive Board participate. In this context, participants receive so called performance share units that entitle them to subscribe for shares. Due to the decision of the Executive Board and Supervisory Board of March 11, 2016, to settle the claims of the beneficiaries of the Group Share Plans in cash in the future and the associated conversion of the accounting for these share-based payments from equity settlement to cash settlement, share-based payments with cash settlement according to IFRS 2 are recognized in this half-year financial report. In contrast to previous accounting (equity settlement), the ongoing recognition in profit or loss of changes in the fair value of the obligation with cash settlement planned in accordance with IFRS 2 results in much higher earnings volatility, which is attributable to the fluctuations in the price of the ProSiebenSat.1 share. For the first time, ProSiebenSat.1 Group is therefore adjusting recurring EBITDA and underlying net income for the portion of the changes in the fair value of the share-based payment plans that affects profit or loss, which results from the difference between the share price on the issue date and the current price on the closing date. Figures for the previous year are not being adjusted, as there were no similar effects in the previous year due to the recognition as "equity-settled share based payments" at that time.

Valuation of Earn-outs and put options: Due to the Company's increasing M&A activities and the current investment strategy, the obligations from Earn-outs and put options have steadily increased as ProSiebenSat.1 Group acquires further shares in connection with the acquisition of the ability to control these entities. In the second quarter of 2016, ProSiebenSat.1 Media SE therefore decided to correct for the changes in the fair value of these liabilities in the calculation of underlying net income. This adjustment results in greater transparency by revealing these effects and enables better comparison with operating performance. The adjustment is retroactive; the previous year's figure was adjusted accordingly.

Predictive statements on future earnings, financial position and performance: Our forecasts are based on current assessments of future developments. In this context, we draw on our budget planning and comprehensive market and competitive analyses. The forecasted values are calculated in accordance with the reporting principles used in the financial statements and are consistent with the adjustments described in the management report.

Future Business and Industry Environment, page 32.

Risk and Opportunity Report, page 31.

However, forecasts naturally entail certain insecurities, which could lead to positive or negative deviations from planning. If imponderables occur or if the assumptions on which the forward-looking statements are made do not apply, actual results may deviate materially from the statements made or the results implicitly expressed. Developments that could negatively impact this forecast include, for example, lower economic momentum than expected at the time this report was prepared. These and other factors are explained in detail in the Risk and Opportunity Report of the 2015 Annual Report. There we also report on additional growth potential; opportunities that we have not yet or not fully budgeted for could arise from corporate strategy decisions, for example.

Potential risks are recognized systematically and regularly as part of the Group-wide risk management process; additional information on current developments can be found on page 31 of this half-year financial report. Significant events after the end of the period are explained in the Notes, note 11. The publication date of the half-year financial report 2016 is August 4, 2016.

Rounding of financial figures: Due to rounding, it is possible that percentage figures given do not exactly reflect the absolute figures to which they relate and that the individual figures do not exactly add up to the totals shown.

IMPORTANT EVENTS H1 2016

ProSiebenSat.1 Group is growing in all segments and is expanding its value chain. To this end, ProSiebenSat.1 has invested in the digital unit and its international production and distribution network Red Arrow, among other things. At the same time, the Group gives its shareholders an appropriate part in the company's success. For financial year 2015, ProSiebenSat.1 will distribute a dividend of EUR 1.80 per dividend-entitled common share.

COMPANY

MAY

Expansion of the Executive Board reflects growth strategy. (a) Christof Wahl has been a member of the Executive Board of ProSiebenSat.1 Media SE since May 1, 2016. He is responsible for digital entertainment and also assumes the position of Chief Operating Officer for the Group as a whole. The expansion of the Executive Board reflects the Group's dynamic business performance. As of July 1, 2016, the segment structure was also adjusted. The current Digital & Adjacent segment was split into two individual segments: Digital Ventures & Commerce and Digital Entertainment. The Digital Ventures & Commerce segment is managed by Dr. Christian Wegner. Jan David Frouman has been a member of the Executive Board since March 2016. He is in charge of Content & Broadcasting, which also includes the German-speaking TV business.

a

JUNE

Annual General Meeting resolves dividend of EUR 1.80 per share. The Annual General Meeting of ProSiebenSat.1 Media SE took place in Munich on June 30. Shareholders resolved a dividend of EUR 1.80 per dividend-entitled common share. This equates to a payout ratio of 82.6% in terms of underlying net income. The Group is thus continuing its earnings-oriented and shareholder-friendly dividend policy. The Annual General Meeting approved the by-election to the Supervisory Board and all other resolutions proposed with a large majority.

BROADCASTING GERMAN-SPEAKING

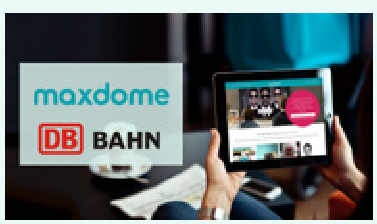
APRIL

ProSiebenSat.1 launches app for advertising leaflets. With marktguru, ProSiebenSat.1 has launched a new platform in Germany that bundles retailers' advertising leaflets into a single app. Users can not only browse leaflets, but also click on product names, brands, categories and offer details and find all the product and retailer information they need quickly. This platform offers advertisers the possibility to distribute printed leaflets online and on mobile platforms, too, and network with TV advertising. ProSiebenSat.1 is thus expanding its portfolio for advertising customers. In the first quarter of 2016, the Group was already involved in marketing outdoor digital surfaces. As a result, ProSiebenSat.1 now offers all types of relevant advertising space from TV to online and mobile platforms to outdoor digital surfaces.

DIGITAL & ADJACENT

JUNE

maxdome concludes exclusive partnership with Deutsche Bahn. From the end of 2016, ICE passengers will be able to watch films and series on maxdome (b), ProSiebenSat.1 Group's online video library. The Group has concluded a long-term partnership with Deutsche Bahn. This means that maxdome will be integrated into the ICE portal of Deutsche Bahn as the only video service, which will be accessible via on-board WiFi. A changing selection of 50 series and films will be made available to all travelers for free. maxdome subscribers will even be able to access up to 1,000 programs. With this new partnership, maxdome will can significantly increase its reach. Every year, around 80 million people in Germany travel with ICE trains.



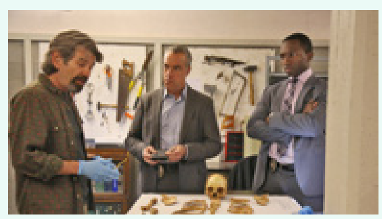
b

CONTENT PRODUCTION & GLOBAL SALES

APRIL

Red Arrow invests in Mad Rabbit in Canada and the USA. Red Arrow Entertainment Group has invested in the newly established production company Mad Rabbit. (c) The joint venture, which is based in Toronto and Los Angeles, produces high-value fiction formats for the global market. Red Arrow has a minority interest in the company and all future Mad Rabbit projects will be distributed around the world by Red Arrow International. Fiction programs are particularly relevant for the Group because of the high international demand. This is why Red Arrow is increasingly investing in its fiction portfolio with the aim to further position itself as a global production and distribution company on the TV market.

c



d

APRIL

Amazon orders third season of "Bosch." (d) Red Arrow is further growing dynamically in key English-speaking markets. In April, Amazon Studios ordered the third season of the crime series "Bosch" from Red Arrow. "Bosch" is produced by Red Arrow's subsidiary Fabrik Entertainment and is marketed worldwide by Red Arrow International. Following the major success of the first three seasons of "Married at First Sight" in the USA, the US-american TV station FYI has also been broadcasting the fourth season of the successful format developed by Red Arrow's subsidiary, Snowman Productions, since the end of July. Overall, Red Arrow International has sold "Married at First Sight" in over 130 countries so far.

Our Group: Basic Principles

Concerning the topic sustainability, we refer to the respective chapter in the Annual Report 2015 from page 97; it also contains information about the employees. Additionally, this Interim Report includes further information on key figures of the personnel area from page 28.

In the second quarter and first half of 2016, there were no significant changes compared to the basic principles of the Group described on pages 84 to 109 of the Annual Report 2015.

Report on the Economic Position: Q2 2016

Business and Industry Environment

Development of Audience Shares and User Figures

ProSiebenSat.1 Group operates advertising-financed free TV stations in Germany, Austria and Switzerland and offers these in both SD and HD quality. The following tables provide an overview of audience shares by country:

ProSiebenSat.1 Group audience shares by country

in percent	Q2 2016	Q2 2015	H1 2016	H1 2015
Germany	27.8	29.8	28.0	29.3
Austria	22.6	23.3	23.1	22.3
Switzerland	16.7	19.0	17.5	18.6

Figures are based on 24 hours (Mon-Sun).
Germany: SAT.1, ProSieben, kabel eins, sixx, SAT.1 Gold, ProSieben MAXX; advertising-relevant target group 14-49 year olds. Source: AGF in cooperation with GfK/TV Scope 6.1/SevenOne Media Committees Representation. **Austria:** SAT.1 Österreich, ProSieben Austria, kabel eins austria, sixx Austria, SAT.1 Gold Österreich, ProSieben MAXX Austria, PULS 4; advertising-relevant target group 12-49 year olds. Source: AGTT/GfK Fernsehforschung/Evogenius Reporting. **Switzerland:** SAT.1 Schweiz, ProSieben Schweiz, kabel eins Schweiz, sixx Schweiz, SAT.1 Gold Schweiz, ProSieben MAXX Schweiz, Puls 8 (since October 8, 2015); advertising-relevant target group 15-49 year olds; market shares relate to the German-speaking part of Switzerland D-CH. Source: Mediapulse TV Panel.

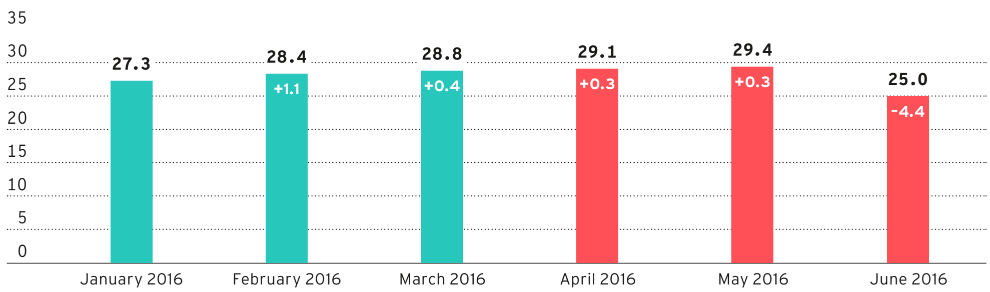
Risk and Opportunity Report, page 31.

Major Influencing Factors on Financial Position and Performance, page 14.

In the second quarter of 2016, the free TV stations in Germany achieved a combined market share of 27.8% among viewers aged between 14 and 49 (previous year: 29.8%); in the first six months, the audience share was 28.0% (previous year: 29.3%). The European soccer championship influenced the development of market shares in June 2016. It was primarily broadcast by the public stations. Due to the European championship ProSiebenSat.1 also purposefully postponed the launch of new programs until the second half of the year. However, ProSiebenSat.1 remained the leader in the German audience market and in the second quarter was 4.8 percentage points ahead of the stations marketed by IP Deutschland (RTL, VOX, n-tv, Super RTL, RTL Nitro, RTLplus). These stations had a combined market share of 23.0% (previous year: 24.3%). At the same time, a trend of monthly growth is emerging at the ProSiebenSat.1 stations. The chart below illustrates this trend. A second reason for the year-on-year decline is a comparative effect: In the second quarter of 2015, the ProSiebenSat.1 stations posted a particularly high market share, marking a ten-year high at 29.8%.

Development of ProSiebenSat.1 Group's audience shares per month

in percent



= Q1 2016 = Q2 2016 Basis: All German TV households (German-speaking), A 14-49, 24 hours (Mon-Sun).
Source: AGF in cooperation with GfK/TV Scope/ProSiebenSat.1 TV Deutschland.

As expected, the audience ratings of the major ProSiebenSat.1 stations declined due to the general conditions mentioned above. By contrast, the smaller special-interest stations sixx, ProSieben MAXX and SAT.1 Gold, which reach an audience less interested in soccer, were stable. The tables below give an overview of the market shares of the individual advertising-financed TV stations on the German market.

Audience shares of ProSiebenSat.1 stations in Germany

Target group 14- to 49-year-olds

in percent	Q2 2016	Q2 2015
SAT.1	8.6	9.4
ProSieben	10.2	10.8
kabel eins	5.2	5.6
sixx	1.4	1.4
SAT.1 Gold	1.3	1.4
ProSieben MAXX	1.0	1.2

Relevant target groups

in percent	Q2 2016	Q2 2015
SAT.1: Adults 14- to 59-year-olds	8.5	9.5
ProSieben: Adults 14- to 39-year-olds	13.8	14.7
kabel eins: Adults 14- to 49-year-olds	5.2	5.6
sixx: Women 14- to 39-year-olds	2.2	2.7
SAT.1 Gold: Women 40- to 64-year-olds	2.7	2.3
ProSieben MAXX: Men 14- to 39-year-olds	1.8	1.9

Figures are based on 24 hours (Mon-Sun). Germany: SAT.1, ProSieben, kabel eins, sixx, SAT.1 Gold, ProSieben MAXX.
Source: AGF in cooperation with GfK/TV Scope 6.1/SevenOne Media Committees Representation.

Major Influencing Factors on Financial Position and Performance, page 14.

Risk and Opportunity Report, page 31.

The advance in digitalization is giving ProSiebenSat.1 Group new opportunities to refinance its programming and additional platforms for efficient programming exploitation: In addition to the launch of new channels, the broadcasting of programs in HD quality is one example. With that, ProSiebenSat.1 participates in the technical service fees that end customers pay to the respective providers for programs in HD quality. The number of users of the satellite digital platform HD+, which distributes private free TV stations in Germany, is continuously rising. In Germany, ProSiebenSat.1 HD stations had 6.7 million users in the second quarter of 2016 (previous year: 5.7 million). In parallel with the expansion of the free TV offering ProSiebenSat.1 Group has established a network of digital platforms. Based on the most recently published data from April 2016, ProSiebenSat.1's web offerings in Germany reached around 31 million unique users (previous month: around 32 million unique users); the multi-channel network (MCN) Studio71 is one of the five largest MCNs in the world with around 5 billion video views a month. In addition to these primarily advertising-financed online platforms, the Group also operates the video-on-demand (VoD) portal maxdome. The online video library generates revenues from subscriptions (SVoD) and pay-per-view. In the second quarter of 2016, the number of subscription video-on-demand (SVoD) users increased by 71% and the number of video views rose by 32%. maxdome is available on traditional TV sets, PCs and mobile phones. With over 50,000 titles, it offers the most extensive range in Germany. In June, maxdome also concluded an exclusive partnership with Deutsche Bahn, by which maxdome will be integrated into the ICE portal of Deutsche Bahn as the only video service available. With this new partnership, the online video library will be able to significantly increase its reach. Every year, around 80 million people in Germany travel with ICE trains.

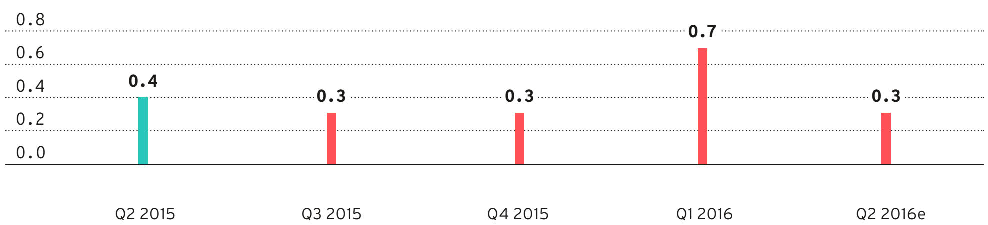
Important Events H1 2016, page 7.

Development of Economy and Advertising Market

In the first quarter, the German economy grew by 0.7 % year-on-year in real terms and thus had a relatively dynamic start to 2016. The institutes expect moderate growth over the rest of the year. The German Institute for Economic Research (DIW) forecasts economic growth of 0.3 % for the second quarter of 2016.

Development of gross domestic product in Germany

in percent, change vs. previous quarter



Adjusted for price, seasonal and calendar effects. Sources: Destatis, DIW Economic Barometer June 2016, e = estimate.

The expansion continues to be driven primarily by the domestic economy. Significant stimuli came from private consumption, which is benefiting from the ongoing increase in employment, significant growth in wages and higher government spending. Against this backdrop, revenues in retail also grew by 2.0 % in real terms in the first half of the year (January to May); they account for around a quarter of private consumption.

In the euro zone, the economy stabilized at the beginning of the year: In the first quarter of 2016, the economy grew by 0.6 % in real terms quarter-on-quarter. The ifo Institute expects real growth of 0.3 % compared to the previous quarter. Here, too, growth is likely to be driven primarily by private consumption. At the same time, the forecasts continue to indicate uncertainties: Firstly, the outlook is characterized by the persisting economic slowdown of key emerging countries like China or Russia; secondly, the British vote on leaving the EU (Brexit) could hurt consumer sentiment. In this context, the International Monetary Fund (IMF) has lowered its global growth forecast for 2016 by 0.1 percentage points to 3.1 %.

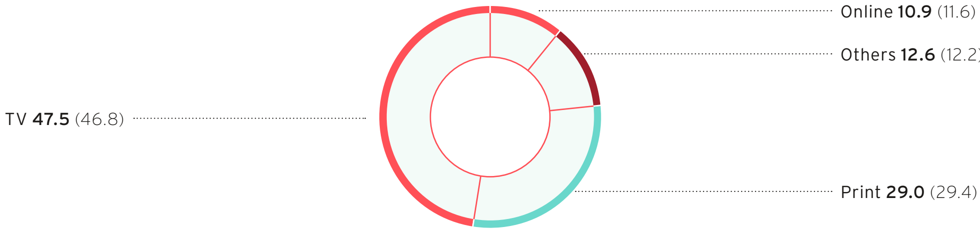
Future Business and Industry Environment, page 32.

The TV advertising market reflects the generally positive domestic economy in Germany. According to Nielsen Media Research, gross TV advertising investment rose by 8.7 % in the second quarter of 2016 to EUR 3.534 billion (previous year: EUR 3.252 billion). On a half-year basis, there was an 9.5 % increase to EUR 6.867 billion (previous year: EUR 6.273 billion). In both reporting periods, higher TV investments provided strong growth stimuli, especially in the body care, services, automotive and cleaning industries. At the same time, TV made further gains compared to other media: In the second quarter, 47.5 % of advertising investment in the German market went on TV advertising (previous year: 46.8 %). In the first half of the year, this figure climbed 1.0 percentage points to 47.5 %.

Major Influencing Factors on Financial Position and Performance, page 14.

Media mix German gross advertising market

in percent, Q2 2015 figures in parentheses



Source: Nielsen Media Research.

Development of Audience Shares and User Numbers, page 8.

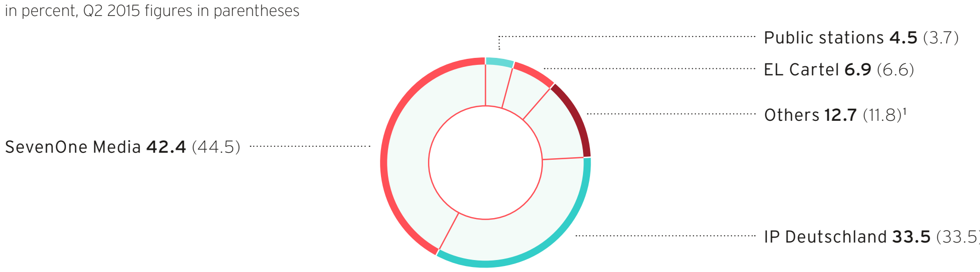
In this market environment, the Group generated TV advertising revenues of EUR 1.497 billion (previous year: EUR 1.446 billion). According to Nielsen Media Research, this corresponds to growth of 3.5% compared to the second quarter of 2015. In the first six months, revenues increased by 5.4% to EUR 2.911 billion (previous year: EUR 2.763 billion). This results in a market share of 42.4% for both the second quarter and the first half year. ProSiebenSat.1 Group therefore remains the market leader in the German TV advertising market. The decline in the market share is mainly attributable to a temporary effect, as the broadcast of the European soccer championship briefly resulted in gains in market share for the public stations (+ 0.8 percentage pts. gross).

Gross advertising market data from Nielsen Media Research deliver important indicators for an objective assessment of advertising market development. However, gross data allow only limited conclusions to be drawn about actual advertising revenues as they do not take into account discounts, self-promotion or agency commission. In addition, the figures from Nielsen Media Research also include TV spots from media-for-revenue-share and media-for-equity transactions. ProSiebenSat.1 also assesses the development of the TV advertising market in the second quarter and over the first half of the year as positive on a net basis. Both reporting periods developed in line with our expectations.

Future Business and Industry Environment, page 32.

Shares German gross TV advertising market

in percent, Q2 2015 figures in parentheses



1 Among others, this includes Discovery Communications (+1.1% pts.), Sport1 Media (+0.1% pts.), Walt Disney Company Germany (+0.1% pts.). Source: Nielsen Media Research.

TV advertising markets in Germany, Austria and Switzerland on a gross basis

in percent	Development of the TV advertising market in Q2 2016 Change against previous year	Development of the TV advertising market in H1 2016 Change against previous year
Germany	**8.7**	9.5
Austria	**11.3**	8.7
Switzerland	**5.5**	6.9

in percent	Market share of ProSiebenSat.1 in Q2 2016	Market share of ProSiebenSat.1 in Q2 2015	Market share of ProSiebenSat.1 in H1 2016	Market share of ProSiebenSat.1 in H1 2015
Germany	**42.4**	44.5	**42.4**	44.0
Austria	**36.4**	37.6	**36.4**	36.7
Switzerland	**24.1**	28.5	**26.0**	29.0

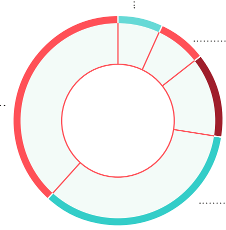
Germany: January – June, gross, Nielsen Media. **Austria:** January – June, gross, Media Focus.
Switzerland: January – June, the advertising market shares relate to the German-speaking part of Switzerland, gross, Media Focus.

Nielsen Media Research – here plus adjustments of SevenOne Media on the basis of current sales results – designates gross figures for the online advertising market in Germany, excluding among others Google/YouTube, Facebook.

The advertising budgets for in-stream video ads continue to see dynamic development: In the second quarter of 2016, the market volume in Germany increased by 23.7 % to EUR 134.1 million (gross) compared to EUR 108.4 million in the previous year. Over the six-month period, the market volume grew by 33.1 percent to EUR 262.0 million (previous year: EUR 196.8 million). This relates to forms of Internet video advertising shown before, after or during a video stream. By marketing them, ProSiebenSat.1 Group generated gross revenues of EUR 49.2 million (previous year: EUR 45.7 million) in the second quarter. On a half-year basis, the Company generates EUR 97.8 million (previous year: EUR 82.0 million). In addition to in-stream videos, the online advertising market also includes display ads such as traditional banners and buttons. Overall, investments in online forms of advertising increased by 1.5 % to EUR 820.2 million (previous year: EUR 808.2 million). In the first half of 2016, they amounted to EUR 1.563 billion (previous year: EUR 1.545 billion). Despite the advancing market fragmentation, ProSiebenSat.1 Group also is the leading marketer for video advertising in the internet.

Shares German gross online advertising market for in-stream video ads

in percent, Q2 2015 figures in parentheses



Source: Nielsen Media Research plus adjustments of SevenOne Media on the basis of current sales results (as of July 18, 2016).

Comparison of Actual and Expected Business Performance

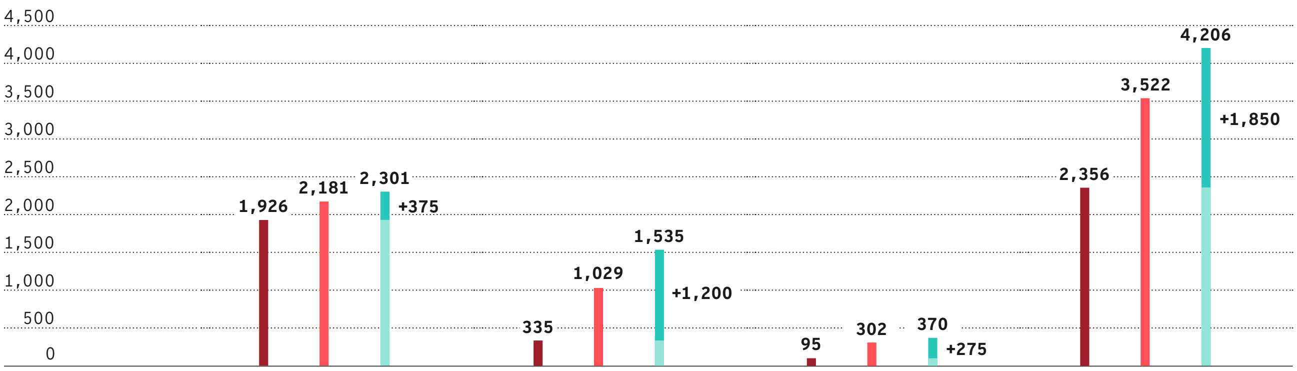
Major Influencing Factors on Financial Position and Performance, page 14.

Company Outlook, page 33.

In the second quarter and first half of 2016, all segments performed in line with expectations. This applies both to financial parameters and to the German TV family's audience share as our most important non-financial performance indicator. In addition to organic growth, the expansion of the portfolio strengthened the Group's revenue performance. Over the year as a whole, ProSiebenSat.1 budgeted profitable revenue growth of more than EUR 200 million from acquisitions in the past financial year. In this context, ProSiebenSat.1 Group significantly increased its consolidated revenues and operating earnings figures recurring EBITDA and underlying net income in the reporting period. The leverage ratio is still within the target range of 1.5 to 2.5. ProSiebenSat.1 does not provide any intra-year forecasts unless significant deviations arise. For this reason, actual values are not compared in detail to expected figures for the second quarter and first half of 2016 here.

Revenue growth targets 2018 and degree of achievement Q2 2016

EUR m



Degree of achievement Q2 2016	Broadcasting German-speaking[1]	Digital & Adjacent[2]	Content Production & Global Sales	**ProSiebenSat.1 Group**
EUR m	255	694	207	**1,165**
in percent	68	58	75	**63**

= 2012
= Q2 2016 (LTM)
= 2018e

Growth of external revenues vs. 2012 from continuing operations.
1 External revenues including pay TV.
2 External revenues excluding pay TV.
LTM = last twelve months; e = estimate.

Based on this positive business performance, we confirm our Company Outlook, which is published on page 33 of this half-year financial report. At the same time, we are confirming our mid-term targets: For 2018, ProSiebenSat.1 Group is aiming for revenue growth of EUR 1.85 billion compared to financial year 2012. Consolidated revenues are thus expected to increase to EUR 4.2 billion in 2018. Recurring EBITDA is expected to rise by EUR 350 million to almost EUR 1.1 billion in the same period. At the end of the second quarter of 2016, the Group already achieved 63.0 % of its medium-term revenue target and 61.5 % of its anticipated recurring EBITDA growth. At the same time, the Group generated 44.0 % of its revenues outside the advertising-financed TV business. This figure is set to increase to around 50 % by 2018. This shows that ProSiebenSat.1 Group is right on track. These financial objectives reflect our vision of a Broadcasting, Digital Entertainment and Commerce Powerhouse. By consistently networking the core business of advertising-financed free TV with diversified digital offers, the Group is further developing and growing dynamically.

Major Influencing Factors on Earnings, Financial Position, and Performance

ProSiebenSat.1 generates a large amount of its consolidated revenues from video advertising on TV. In the second quarter of 2016, they amounted to EUR 496 million (previous year: EUR 493 million) or 56% of total revenues (previous year: 64%). The advertising market closely correlates with macroeconomic developments and private consumer spending in particular. This could also be seen in the second quarter and first half of 2016. Private household spending were likely to further increase and to positively influence the advertising industry's willingness to invest. In addition, structural changes had an impact on market growth and thus on the pricing level. As a result of its high reach, TV also gained market shares from print. This structural shift toward video advertising is also apparent in online media. In-stream videos considerably increased in comparison to online advertising overall. ProSiebenSat.1 is the leading advertising sales company for video advertising on TV and online media and is capitalizing growth in this area successfully.

Future Business and Industry Environment, page 32.

ProSiebenSat.1 is also the market leader in the German audience market and provides the highest reach. This is a key criterion for the pricing of advertising and thus for our budget planning. The objective is to perpetuate this leading market position at a high level. After a record year, the Group also managed to achieve this in the first two quarters of 2016. At the same time, the market share saw a year-on-year decrease. The Group anticipated this decline, which was mainly due to the TV broadcast of the European soccer championship on public stations.

The TV advertising market is growing solidly and is supporting our profitable revenue growth. At the same time, the Group is pursuing a diversification strategy with the aim to develop new revenue models and expand the value chain with digital offers. In the core business, the distribution of TV stations in HD quality is an important factor for participating in the momentum of digital markets. The number of HD users further increased. As a result, in the reporting period, the distribution revenues of ProSiebenSat.1 Group developed dynamically. At the same time, ProSiebenSat.1 Group is expanding its portfolio with entertainment offerings on digital platforms while gradually developing these offerings. The market for digital entertainment offerings is growing significantly overall – we are benefiting from this and have also further increased the number of maxdome users among others. This change is being driven by broadband Internet access with fast data transfer rates.

Development of Audience Shares and User Figures, page 8.

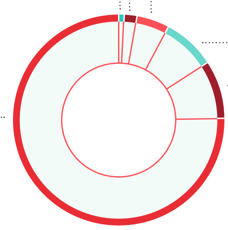
In this context, there are two apparent trends that further accelerate our revenue growth. Nowadays, purchases are frequently made on the Internet. As a result, the e-commerce market has high potential. The Internet has thus established itself as a sales channel and is generating synergies with TV advertising at the same time. For instance, this is reflected in the fact that nearly 50% of all Germans have purchased a product directly on the Internet as a result of TV advertising. The momentum of TV towards search requests online is significant, particularly for brands that have their own online store. This is why ProSiebenSat.1 is investing in e-commerce portals that are suitable for marketing purposes via video advertising on TV. The Group is developing thematically related portfolios in a targeted manner – known as verticals – since bundling leads to additional revenue and cost synergies. An example for the vertical strategy is to invest in online travel offers, which ProSiebenSat.1 manages under the umbrella brand 7Travel. In the second quarter of 2016, the Travel Cluster made another significant contribution to growth. This is mainly attributable to the initial consolidation of etraveli since December 2015. Revenues relating to other 7Travel portals remained below the high figure of the previous year due to current developments in the travel industry.

Notes, note 2
"Scope of consolidation,"
page 40.

Divestments are also part of this M&A strategy. The Group regularly analyzes its portfolio and, among other things, assesses the potential synergy which is resulting from the networking of the digital portfolio with the TV business. In this context, ProSiebenSat.1 sold its Games activities in the second quarter of 2016. The Games business was deconsolidated as of June 30, 2016; it was assigned to the Digital & Adjacent segment.

Revenues by region

in percent, Q2 2015 figures in parantheses



While macroeconomic conditions and industry-specific and structural effects can significantly influence our business performance, currency effects have no material impact on the Group's financial situation. In the second quarter of 2016, the Group generates the majority of its revenues in Germany (77 %) and thus in the eurozone. 9 % of consolidated revenues are attributable to the US. The United Kingdom is one of the smallest individual markets with a revenue share of 1 %.

Borrowings and
Financing Structure,
page 20.

Financial implications may arise from the license agreements since they were predominantly concluded with US studios. However, the Group limits the associated risks resulting from exchange rate fluctuations using derivative financial instruments. The Group also uses hedging instruments to limit potential interest rate risks. This ensures that variable-interest loans and borrowings are entirely covered by different hedging instruments. However, this will give rise to inefficiencies due to the current negative interest rate environment. In this context, the hedging relationship for the existing interest rate swaps had to be resolved in the first half of 2016. These effects are recognized in the other financial result and are explained in more detail in chapter 6 "Financial instruments" in the Notes to the interim consolidated financial statements.

Group Earnings

Revenue and Earnings Performance in the Second Quarter of 2016

Selected key figures of ProSiebenSat.1 Group in the second quarter of 2016

	ProSiebenSat.1 continuing operations	
EUR m	**Q2 2016**	**Q2 2015**
Consolidated revenues	886	772
Operating costs[1]	638	539
Total costs	688	584
Cost of sales	461	406
Selling expenses	109	80
Administrative expenses	113	98
Other operating expenses	5	0
EBIT	211	193
Recurring EBITDA[2]	254	238
Non-recurring items (net)[3]	4	-12
EBITDA	258	226
Consolidated net profit attributable to shareholders of ProSiebenSat.1 Media SE	136	118
Underlying net income[4]	133	122

1 Total costs excl. depreciation and amortization and non-recurring expenses.
2 EBITDA adjusted for non-recurring items.
3 Non-recurring expenses netted against non-recurring income.
4 Consolidated net profit after non-controlling interests from continuing activities before the effects of purchase price allocations and additional non-recurring items.

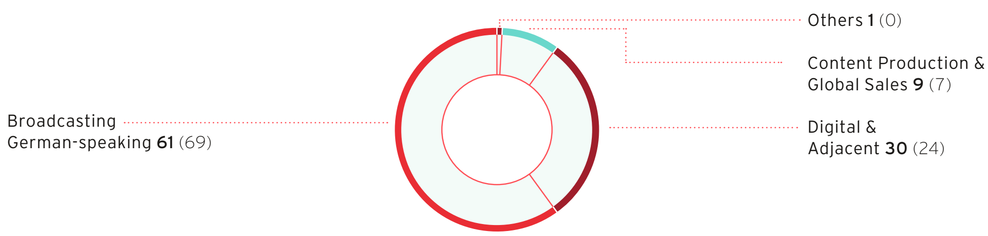
In the second quarter of 2016, ProSiebenSat.1 Group increased its **consolidated revenues** to EUR 886 million. This corresponds to growth of 15 % or EUR 114 million compared to the previous year's figure. All segments contributed to this:

Business Development of the Segments, page 26.

- The **Broadcasting German-speaking** segment with the core business of advertising-financed television recorded an external revenue increase of 1 % or EUR 6 million to EUR 541 million. This corresponds to a share in consolidated revenues of 61 % (previous year: 69 %).
- The **Digital & Adjacent** segment made the highest contribution to growth. Revenues grew by 43 % or EUR 79 million to EUR 263 million. This is based on acquisitions.
- The **Content Production & Global Sales** segment also developed dynamically. It increased its revenue contribution by 42 % or EUR 23 million to EUR 77 million. This segment grows both organically and due to acquisitions.

Group revenue share by segment

in percent, Q2 2015 figures in parantheses



Total costs are made up of the cost of sales, selling expenses, administrative expenses, and other operating expenses, totaling EUR 688 million in the second quarter of 2016. This 18 % or EUR 103 million increase is primarily the result of the following developments:

- The majority of the cost increase was due to a rise in the **cost of sales** by 14 % or EUR 55 million to EUR 461 million. Firstly, this was the result of the expansion of the digital portfolio, in which the initial consolidation of various digital platforms in particular had an impact on the cost level. Costs for the expansion of the VoD offering and the existing Commerce portfolio also increased as a result of higher revenues. Secondly, the higher business volume and acquisitions in the Content Production & Global Sales segment characterized cost development. By contrast, the consumption of programming assets – the Group's largest cost item – was at the level of the previous year and amounted to EUR 212 million (previous year: EUR 212 million).

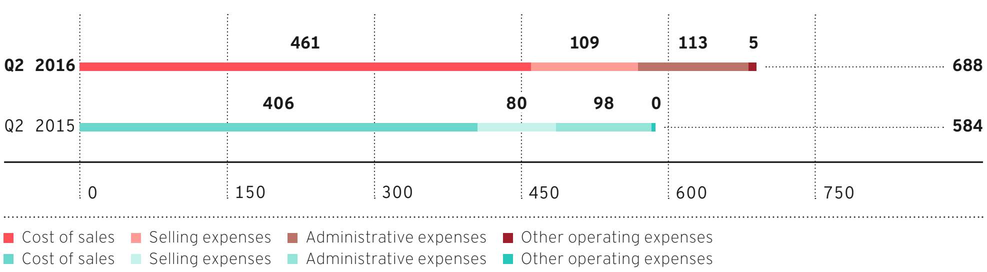
- **Selling expenses** increased by 37 % or EUR 29 million to EUR 109 million. This was also due to the expansion of the portfolio in the Digital & Adjacent segment. In addition, organic growth in the VoD and Commerce fields affected cost development.

- **Administrative expenses** amounted to EUR 113 million, this corresponds to an increase of 15 % or EUR 14 million. A reason for the increase in administrative expenses was the development of personnel expenses. The number of employees increased as a result of acquisitions. Personnel expenses also rose accordingly. In addition, higher consulting costs and the amortization of purchase price allocations occured due to portfolio measures.

Employees, page 28.

Total costs

EUR m



Operating costs adjusted for depreciation, amortization and non-recurring expenses amounted to EUR 638 million (previous year: EUR 539 million). This equates to an increase of 18 %. The following table shows a reconciliation of operating costs from total costs. Operating costs are the cost item which is relevant to recurring EBITDA:

Reconciliation of operating costs

EUR m	Q2 2016	Q2 2015
Total costs	688	584
Non-recurring expenses	3	12
Depreciation and amortization[1]	47	33
Operating costs	**638**	**539**

1 Amortization/depreciation and impairment of intangible assets and property, plant and equipment.

For ProSiebenSat.1 Group, **recurring EBITDA** adjusted for non-recurring items is the central key performance indicator for managing profitability. It rose to EUR 254 million as a result of the positive revenue momentum (previous year: EUR 238 million). This marks an increase of 7% year-on-year. The corresponding **recurring EBITDA margin** was 28.7% (previous year: 30.8%). The margin development reflects dynamic revenue growth in the Digital & Adjacent segment in particular, which gradually increased its share in revenues and earnings compared to the TV advertising business. Here, the cost and revenue structures of the two segments differ: While the free TV segment shows a margin of 35.6% in the second quarter, the recurring EBITDA margin of the Digital & Adjacent segment was 15.9%.

Business Development of the Segments, page 26.

Group EBITDA increased by 14% to EUR 258 million (previous year: EUR 226 million). It contains non-recurring items amounting to EUR 4 million (previous year: EUR -12 million) that comprise various incomes and expenses. In the second quarter of 2016, the disposal of the Games business resulted in a non-recurring income of EUR 6 million. In addition, a valuation effect of share-based payments with cash settlements in the amount of EUR 5 million was recognized. This was offset by expenses relating to M&A projects and reorganizations in the amount of EUR 7 million. The table below shows a reconciliation of the operating earnings figures:

Notes, note 2 "Scope of consolidation," page 40.

Explanatory Notes on Reporting Principles, page 5.

Reconciliation of recurring EBITDA from continuing operations

EUR m	Q2 2016	Q2 2015
Earnings before taxes	201	173
Financial result	-10	-20
EBIT	**211**	**193**
Depreciation and amortization[1]	47	33
thereof from purchase price allocations	15	7
EBITDA	**258**	**226**
Non-recurring items (net)[2]	-4	12
Recurring EBITDA	**254**	**238**

1 Amortization/depreciation and impairment of intangible assets and property, plant and equipment.

2 Non-recurring expenses of EUR 3 million (previous year: EUR 12 million) less non-recurring income of EUR 6 million (previous year: EUR 0 million).

The **financial result** also continued to improve compared to the second quarter of 2015. It amounted to minus EUR 10 million and comprises the interest result, income from investments accounted for using the equity method, and the other financial result. The main driver for the improvement of the financial result by 48% or EUR 10 million was the development of the other financial result. It amounted to EUR 9 million compared to minus EUR 3 million in the previous year and comprised a positive valuation adjustment to shares in Zenimax Media Inc. of EUR 30 million. In contrast, inefficiencies from interest rate hedging transactions due to the current negative interest rate environment had a unfavorable impact on the other financial result in particular. Due to impairments on financial investments, the Group posted an expense of EUR 7 million for the second quarter of 2016 (previous year: EUR 1 million).

Notes, note 6 "Financial instruments," page 45.

The developments described resulted in an increase in **earnings before taxes** to EUR 201 million. This equates to growth of 16% or EUR 28 million. The income tax expense amounted to EUR 63 million (previous year: EUR 54 million) at a tax rate of 31.5% (previous year: 31.0%). After tax, this resulted in net profit for the period of EUR 137 million. This means that net income rose by 15% or EUR 18 million year-on-year.

At the same time, **underlying net income** increased by 8% and amounted to EUR 133 million (previous year: EUR 122 million). This earnings figure is adjusted for various non-recurring items that were above operating profitability. This includes amortization from purchase price allocations

Explanatory Notes on Reporting Principles, page 5.

and impairments on financial investments. Since the second quarter of 2016, valuation effects from Earn-outs and put options and the aforementioned valuation effects of share-based payments with cash settlements have also been adjusted. Specifically, underlying net income for the second quarter of 2016 is calculated as follows:

Reconciliation of underlying net income from continuing operations

EUR m	Q2 2016	Q2 2015
Consolidated net profit (after non-controlling interests)	136	118
Amortization from purchase price allocations (after tax)[1]	10	5
Impairments on other financial investments	8	1
Reassessment of interests accounted for using the equity method in connection with first-time consolidations	-/-	-6
Inefficiencies from financial derivatives (after tax)[2]	2	-/-
Valuation adjustments shares ZeniMax Media Inc.	-30	-/-
Valuation effects put options and earn-out liabilities (after tax)[3]	12	4
Valuation effects Group Share Plans (after tax)[4]	-3	-/-
Other effects	-1	-/-
Underlying net income	**133**	**122**

1 Amortization of purchase price allocations before tax: EUR 15 million (previous year: EUR 7 million).
2 Inefficiencies from financial derivatives before tax: EUR 3 million (previous year: EUR 0 million).
3 Valuation effects put options and earn-out liabilities before tax: EUR 6 million (previous year: EUR 5 million).
4 Valuation effects Group Share Plans before tax: minus EUR 5 million (previous year: EUR 0 million).

Notes, note 7 "Contingent liabilities and other financial obligations," page 48.

The result after taxes from discontinued operations amounted to minus EUR 42 million (previous year: EUR -1.0 million). It contains tax expenses of EUR 40 million. In the second quarter, ProSiebenSat.1 Media SE settled an additional tax claim including interest and penalties for a former branch in Sweden.

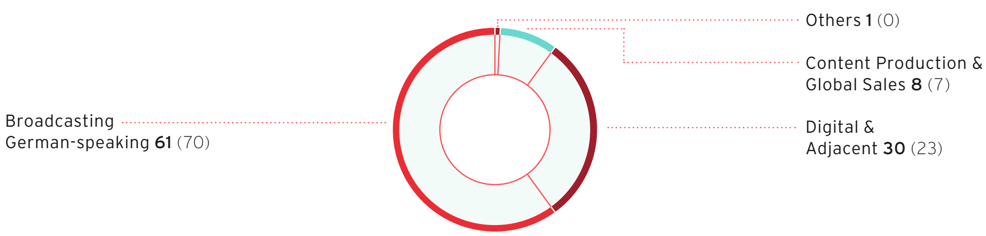
Revenue and Earnings Performance in the First Half of 2016

The revenue and earnings performance in the first half of 2016 reflects developments in the second quarter of this year.

On a half-year basis, the Group increased its **total revenues** by 18 % or EUR 261 million to EUR 1,688 million. All segments contributed to this dynamic revenue growth. The Group's target is to use additional revenue potential, particularly in the digital industry, and become more independent overall from the highly profitable yet economically sensitive free TV business. This strategic objective indicates the development of revenue shares per segment, also for the first half of the year. ProSiebenSat.1 Group further increased the share of the two segments Digital & Adjacent and Content Production & Global Sales in consolidated revenues. Altogether, they contributed 38 % or EUR 645 million to consolidated revenues (previous year: 30 % or EUR 422 million).

Group revenue share by segment

in percent, H1 2015 figures in parantheses



In recent months, the Group has made various acquisitions and expanded its market position thanks to portfolio expansions. Against this backdrop, **total costs** increased by 22% or EUR 246 million to EUR 1,371 million. **Operating costs**, i.e. total costs adjusted for non-recurring items of EUR 11 million (previous year: EUR 19 million) and depreciation and amortization of EUR 86 million (previous year: EUR 62 million), also rose by 22% and amounted to EUR 1,274 million (previous year: EUR 1,045 million).

Dynamic revenue development also resulted in growth of the relevant operating earnings figures over the first six months. **EBITDA** increased by 13% and amounted to EUR 420 million (previous year: EUR 371 million) while **EBITDA adjusted for non-recurring items** rose by 9% to EUR 424 million (previous year: EUR 390 million). **Underlying net income** also significantly increased and amounted to EUR 207 million (previous year: EUR 193 million). Underlying net income is calculated as follows; it is the key earnings figure for the measurement of dividends:

Explanatory Notes on Reporting Principles, page 5.

Reconciliation of underlying net income from continuing operations

EUR m	H1 2016	H1 2015
Consolidated net profit (after non-controlling interests)	203	179
Amortization from purchase price allocations (after tax)[1]	17	8
Impairments on other financial investments	8	4
Reassessment of interests accounted for using the equity method in connection with first-time consolidations	-/-	-6
Inefficiencies from financial derivatives (after tax)[2]	4	-/-
Valuation adjustments shares ZeniMax Media Inc.	-30	3
Valuation effects put options and earn-out liabilities (after tax)[3]	10	5
Valuation effects Group Share Plans (after tax)[4]	-3	-/-
Other effects	-1	0
Underlying net income	**207**	**193**

1 Amortization of purchase price allocations before tax: EUR 25 million (previous year: EUR 11 million).
2 Inefficiencies from financial derivatives before tax: EUR 6 million (previous year: EUR 0 million).
3 Valuation effects put options and earn-out liabilities before tax: EUR 4 million (previous year: EUR 6 million).
4 Valuation effects Group Share Plans before tax: EUR 5 million (previous year: EUR 0 million).

Group Financial Position and Performance

Borrowings and Financing Structure

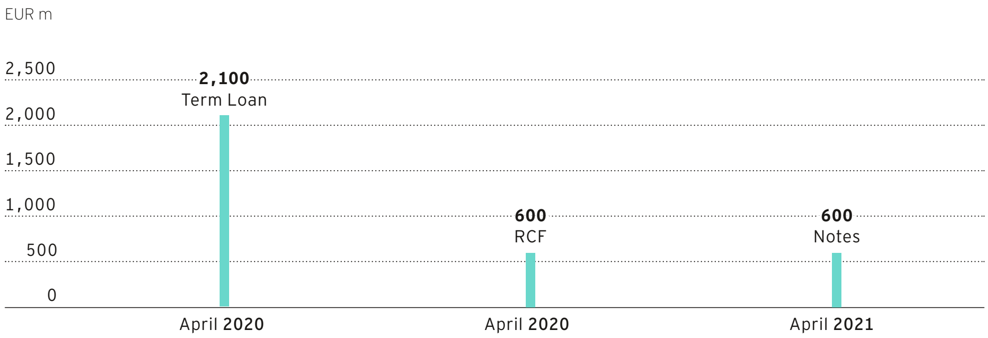
ProSiebenSat.1 Group uses various financing instruments. As of June 30, 2016, the Group's financing comprised an unsecured facilities agreement consisting of a term loan of EUR 2,100 million as well as a revolving credit facility (RCF) of EUR 600 million. In addition, the Group has unsecured notes in the amount of EUR 600 million, which are listed on the regulated market of the Luxembourg stock exchange (ISIN DE000A11QFA7).

Notes, note 6 "Financial instruments," page 45.

Amounts drawn under the RCF and interest payable on the term loan are variable. ProSiebenSat.1 Group hedges potential risks from changes in variable interest rates with derivative financial instruments in the form of interest rate swaps and interest rate options. The Group is constantly observing the development of financial markets and adjusting its derivatives to the interest rate environment if required. Further information on interest rate hedges can be found in the Notes under note 6. The proportion of fixed interest was 100% of the entire long-term financing portfolio as of June 30, 2016 (June 30, 2015: approx. 95%; December 31, 2015: approx. 78%). The average fixed-interest swap rate remains unchanged at around 3.12% per annum. The fixed-rate coupon of the notes is 2.625% per annum. The chart below provides an overview of debt financing instruments according to maturity and amount:

Rating of ProSiebenSat.1 Group: Ratings represent an independent assessment of an entity's credit quality. The rating agencies do not take the ProSiebenSat.1 Group's facilities agreement or notes into account in their credit ratings.

Debt financial instruments and maturities as of June 30, 2016



ProSiebenSat.1 Group practices active financial management and benefited from the favorable environment on the financial markets last year with financing measures. In the second quarter of 2015, ProSiebenSat.1 Group extended its facilities agreement by one year to April 2020. In addition, the Group increased its loan by EUR 700 million to EUR 2,100 million in October of last year. The amounts of the other instruments have not changed compared to the reporting dates of the previous year. As of June 30, 2016, no drawings had been made on the RCF. In this context, ProSiebenSat.1 Group's **debt capital** had a share of 88 % in total assets as of June 30, 2016 (December 31, 2015: 82 %; June 30, 2015: 83 %). At 57 % or EUR 2,677 million, the majority of debt capital was attributable to non-current and current financial liabilities (December 31, 2015: 61 % or EUR 2,675 million; June 30, 2015: 62 % or EUR 1,974 million).

Analysis of Assets and Capital Structure, page 24.

Financing Analysis

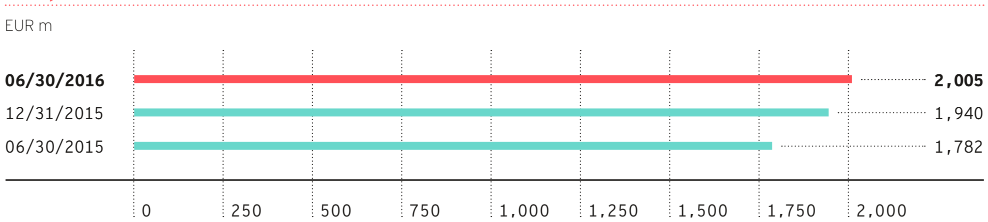
The **leverage ratio** is still moving within the target range (leverage factor). Net financial debt amounted to EUR 2,005 million as of June 30, 2016. As a result, the ratio of net debt to adjusted EBITDA in the last twelve months resulted in a leverage factor of 2.1 (last twelve months recurring EBITDA; LTM recurring EBITDA). The leverage ratio is a key indicator for Group-wide financial and investment planning. The target is a value between 1.5 and 2.5.

Analysis of Assets and Capital Structure, page 24.

The increase in **net financial debt** by 13 % or EUR 223 million compared to the reporting date of the previous year in June reflects the higher investment volume. ProSiebenSat.1 Group pursued numerous M&A projects and expanded its portfolio, particularly in the second half of 2015. Net financial debt also rose compared to December 31, 2015. The difference is 3 % or EUR 65 million. This reflects the development of cash and cash equivalents since the fourth quarter is usually the period of the Group's financial year with the greatest cash flow. As a result, cash and cash equivalents decreased by 9 % or EUR 63 million compared to December 31, 2015.

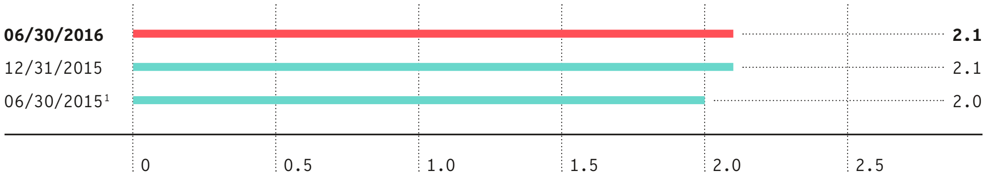
Analysis of Liquidity and Capital Expenditure, page 22.

Group net financial debt



Ratio net financial debt to LTM recurring EBITDA (leverage ratio)

EUR m



1 Adjusted for the LTM recurring EBITDA contribution of Eastern European operations.
Net financial debt is defined as total borrowings minus cash and cash equivalents and certain current financial assets. The leverage ratio is derived by calculating the ratio of net financial debt to recurring EBITDA of the last twelve months (LTM recurring EBITDA).

Analysis of Liquidity and Capital Expenditure

ProSiebenSat.1 Group's cash flow statement shows the generation and use of cash flows. It is broken down into cash flow from operating activities, cash flow from investing activities and cash flow from financing activities. Cash and cash equivalents shown in the cash flow statement correspond to the cash and cash equivalents reported in the statement of financial position as of June 30. Significant changes in cash flow items of continuing operations are described below with developments in the first half of the year largely reflecting the effects of the second quarter.

Cash Flow Statement

EUR m	Q2 2016	Q2 2015	H1 2016	H1 2015
Result from continuing operations	**137**	**119**	**205**	**182**
Result from discontinued operations	**-42**	**-1**	**-42**	**1**
Cash flow from continuing operations	447	426	860	801
Cash flow from discontinued operations	0	0	-2	1
Change in working capital	-43	-21	-26	5
Dividends received	0	0	6	6
Taxes paid	-60	-39	-110	-78
Interest received	2	0	2	0
Interest paid	-36	-31	-58	-49
Cash flow from operating activities of continuing operations	**310**	**335**	**675**	**685**
Cash flow from operating activities of discontinued operations	**-40**	**0**	**-42**	**-1**
Cash flow from investing activities of continuing operations	**-310**	**-259**	**-677**	**-609**
Cash flow from investing activities of discontinued operations	**0**	**0**	**0**	**0**
Free cash flow of continuing operations	**0**	**76**	**-2**	**76**
Free cash flow of discontinued operations	**-40**	**0**	**-42**	**-1**
Free cash flow (total)	**-40**	**76**	**-45**	**75**
Cash flow from financing activities of continuing operations	**-11**	**-358**	**-16**	**-361**
Cash flow from financing activities of discontinued operations	**0**	**0**	**0**	**0**
Effect of foreign exchange rate changes of continuing operations on cash and cash equivalents	0	1	-3	8
Change in cash and cash equivalents	-51	-282	-63	-278
Cash and cash equivalents at beginning of reporting period	723	475	734	471
Cash and cash equivalents at end of reporting period	**672**	**193**	**672**	**193**

Cash flow from operating activities decreased despite a positive earnings performance. It amounted to EUR 310 million in the second quarter of 2016 (previous year: EUR 335 million) and EUR 675 million in the first half year (previous year: EUR 685 million). This decline mainly reflects the development of working capital and a rise in taxes and interests paid. Cash flow from discontinued operations amounted to minus EUR 40 million in the second quarter (previous year: EUR 0

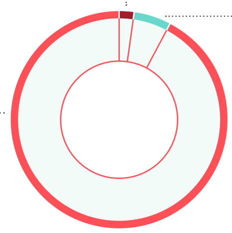
Group Earnings, page 16.

million) and minus EUR 42 million in the first half of 2016 (previous year: EUR -1 million). Cash outflow from discontinued operations takes into account the payment of tax arrears for a former branch in Sweden of EUR 40 million.

In the second quarter, cash flows from investing activities resulted in an increase to minus EUR 310 million (+19 % or EUR -50 million year-on-year). In the first half of the year, **investment cash flow** amounted to minus EUR 677 million (+11 % or EUR -68 million year-on-year).

Investments by segment[1]

in percent, H1 2015 figures in parantheses



1 Investments by segments before M & A activities.

The chart above provides a breakdown of investments by segment for the first half year. Key investments were:

Explanatory note on the programming supply: Programming investments are a focal point in investing activities. In addition to the purchasing of licensed formats and commissioned productions, in-house formats secure the Group's programming supply. They are based on the development and implementation of own ideas and, unlike commissioned productions, are produced primarily for broadcasting in the near future. For this reason, they are recognized immediately as an expense in the cost of sales and are not considered as an investment.

Explanatory note on the additions to the scope of consolidation: Assets resulting from initial consolidations are not reported as segment-specific investments. Funds used for the acquisition of the first-time consolidated entities are shown as "cash outflow from additions to the scope of consolidation."

- **Investments in programming assets:** Cash outflow for the acquisition of programming rights amounted to EUR 242 million. This is a 25 % or EUR 48 million increase compared to the previous year. In the second quarter, programming investments were broken down as follows: EUR 151 million or 62 % was used for the acquisition of licensed programs and EUR 90 million or 37 % was used for commissioned productions. In the first half of the year, cash outflows increased by 2 % or EUR 8 million to EUR 519 million. In both periods, programming investments were made almost exclusively in the Broadcasting German-speaking segment.

- **Other intangible assets and property, plant and equipment:** EUR 31 million was spent on other intangible assets in the second quarter of 2016. This equates to a 77 % or EUR 14 million year-on-year increase. In the first six months, investments increased to EUR 54 million (+51 % or EUR 18 million year-on-year). In this context, the Group primarily invested in the Digital & Adjacent segment (60 % in the second quarter of 2016 and 63 % in the first half of 2016). Investing activities focused on internally generated intangible assets and software licenses. On a quarterly and half-year basis, investments in property, plant and equipment amounted to EUR 7 million and EUR 12 million respectively and were thus at the level of the previous year (previous year: EUR 8 million and EUR 12 million respectively). In the second quarter, 62 % and 27 % were attributed to the Broadcasting German-speaking and Digital & Adjacent segments respectively.

- **Cash outflow from additions to the scope of consolidation:** Cash outflow from additions to the scope of consolidation amounted to EUR 19 million in the second quarter (previous year: EUR 34 million). In the first half of 2016, expenses rose by EUR 40 million to EUR 74 million. This item primarily reflects the purchase price payment for the acquisition of Dorsey Pictures in the first quarter of this year and deferred purchase price payments for the acquisition of etraveli and SMARTSTREAM.TV.

In the second quarter of 2016, **free cash flow** amounted to EUR 0 (previous year: EUR 76 million) and minus EUR 2 million in the first half of 2016 (previous year: EUR 76 million). The decline in free cash flow reflects higher investments in particular. In particular, programming investments rose in the second quarter, as previously described. Cash outflows within the context of acquisition activities and for the purchase of intangible assets rose in the first half of the year.

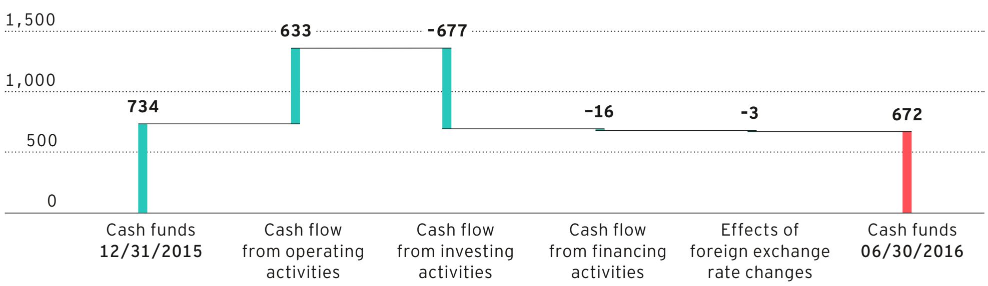
In the second quarter, **cash flow from financing activities** amounted to minus EUR 11 million (previous year: EUR -358 million). In the first half of the year, it was minus EUR 16 million (previous year: EUR -361 million). Dividend payments of EUR 342 million were reflected in cash outflows for 2015. These payments were made in May 2015. In 2016, the dividends were paid out in July and thus in the third quarter.

Analysis of Assets and Capital Structure, page 24.

These cash flows resulted in **cash and cash equivalents** of EUR 672 million. On December 31, 2015, cash and cash equivalents amounted to EUR 734 million.

Change in cash and cash equivalents

EUR m

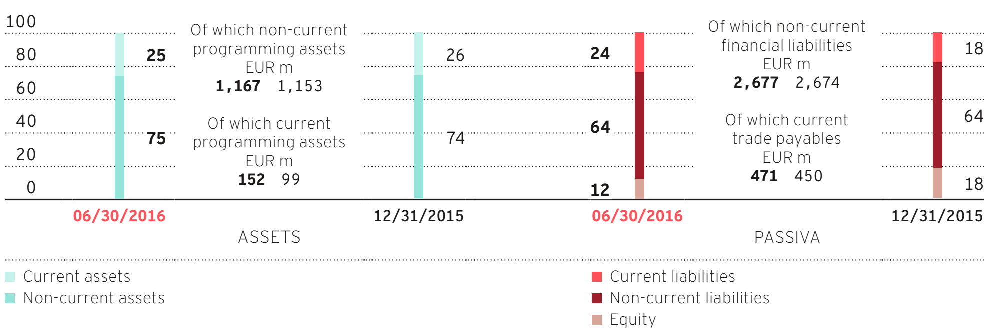


Analysis of Assets and Capital Structure

Total assets changed only marginally and amounted to EUR 5,324 million as of June 30, 2016 (December 31, 2015: EUR 5,310 million). There were no material structural or quantitative changes in the statement of financial position compared to December 31, 2015. The asset and capital structure continues to be solid. Individual value changes to key items in the statement of financial position are described below:

Structure of the Statement of Financial Position

in percent



- **Current and non-current assets:** Goodwill amounted to EUR 1,651 million (December 31, 2015: EUR 1,649 million). As a result, its share in total assets remained unchanged at 31% as of June 30, 2016. Other intangible assets developed almost stable and amounted to EUR 555 million (December 31, 2015: EUR 553 million). Other non-current financial and non-financial assets rose by 6% to EUR 324 million (December 31, 2015: EUR 307 million). This development was primarily due to the write-up of shares in Zenimax. On the other hand, currency hedge effects had a diminishing impact. At EUR 136 million, other current financial and non-financial assets were close to the level of the previous year (December 31, 2015: EUR 137 million).

  In addition to goodwill, programming assets are among ProSiebenSat.1's most important assets and, like at the closing date on December 31, 2015, made up 25% of total assets (previous year: 24%). They comprise **non-current and current programming assets**, which increased by 5% to EUR 1,319 million (December 31, 2015: EUR 1,252 million). In contrast, trade receivables fell by 6% and amounted to EUR 359 million (December 31, 2015: EUR 383 million). Compared to December 31, 2015, cash and cash equivalents decreased by 9% or EUR 63 million to EUR 672 million. As a result, the Group had a comfortable level of liquidity as of June 30, 2016.

Analysis of Liquidity and Capital Expenditure, page 22.

- **Equity:** Equity fell by 33% to EUR 628 million despite a higher level of profitability (December 31, 2015: EUR 943 million). The Group therefore had an equity ratio of 12% (December 31, 2015: 18%). This development reflects accounting effects in particular. By resolution of the Annual General Meeting on June 30, 2016, dividends of EUR 386 million for financial year 2015 were recognized in current financial liabilities. Payments of EUR 1.80 per share were made to shareholders on July 1, 2016. A second reason was the reclassification of share-based compensation components in the amount of EUR 58 million in the first quarter of 2016.

Explanatory Notes on Reporting Principles, page 5.

- **Current and non-current liabilities:** As a result of the restructuring and reclassification described above, other current financial liabilities and other non-current provisions increased compared to December 31, 2015. As a result, debt capital also increased by 8% or EUR 328 million to a total of EUR 4,696 million. However, **non-current and current financial liabilities** reported in debt capital have not changed significantly and amounted to EUR 2,677 million as against EUR 2,675 million compared to December 31, 2015.

Borrowings and Financing Structure, page 20.

Business Development of the Segments

Broadcasting German-speaking Segment

Revenue and Earnings Performance in the Second Quarter of 2016

Notes, note 3 "Segment reporting," page 43.

Development of Economy and Advertising Market, page 10.

Group Earnings, page 16.

In the second quarter of 2016, **external revenues** in the Broadcasting German-speaking segment increased by 1% or EUR 6 million to EUR 541 million. This positive revenue performance is primarily attributable to higher TV advertising revenues. At the same time, the Group increased its distribution revenues from free TV programs in high definition (HD).

EBITDA increased by 7% or EUR 13 million to EUR 206 million. **Recurring EBITDA** adjusted for non-recurring items increased by 2% to EUR 201 million (previous year: EUR 197 million). The **recurring EBITDA margin** developed stable at 35.6% (previous year: 35.6%) and reflects revenue growth with cost efficiency at the same time.

Revenue and Earnings Performance in the First Half of 2016

In the first half of the year, the Broadcasting German-speaking segment also developed very profitably. As a result of higher TV advertising revenues and distribution revenues, revenues rose by 3% to EUR 1,034 million (previous year: EUR 1,005 million). At the same time, **recurring EBITDA** grew by 3% to EUR 332 million (previous year: EUR 323 million). The corresponding **recurring EBITDA margin** was 30.8% (previous year: 31.0%). **EBITDA** including non-recurring items increased by 5% or EUR 17 million to EUR 332 million.

Key figures Broadcasting German-speaking segment

EUR m	Q2 2016	Q2 2015	H1 2016	H1 2015
Segment revenues	**565**	553	**1,079**	1,041
External revenues	**541**	535	**1,034**	1,005
Internal revenues	**24**	18	**45**	35
EBITDA	**206**	193	**332**	315
Recurring EBITDA	**201**	197	**332**	323
Recurring EBITDA margin (in %)[1]	**35.6**	35.6	**30.8**	31.0

1 Based on segment revenues.

Digital & Adjacent Segment

Revenue and Earnings Performance in the Second Quarter of 2016

Notes, note 3 "Segment reporting," page 43.

External revenues in the Digital & Adjacent segment increased to EUR 263 million in the second quarter of 2016. This equates to growth of 43% or EUR 79 million. In recent months, the Group has expanded its portfolio with digital platforms and online portals and invested in innovative technologies. In the second quarter of 2016, the strongest revenue driver was thus the Ventures & Commerce portfolio. etraveli and Verivox made the most significant contributions to growth here. These e-commerce portals have been consolidated since December 2015 and August 2015 respectively. The initial consolidation of the US-multi-channel network CDS (now: Studio71) also had an impact. Moreover, the Group developed its expertise in the area of digital advertising technology. In the second half of 2015, it had acquired majority interests in SMARTSTREAM.TV and Virtual Minds. In addition to growth as a result of acquisitions, revenues of the existing commerce portfolio and of the digital entertainment offerings with maxdome also increased. In contrast, revenues from the Adjacent business and incomes from the online Games business developed below the previous year's level among others.

Major Influencing Factors on Financial Position and Performance, page 14.

Group Earnings, page 16.

The expansion of the portfolio also affected the cost development. In addition, the individual business areas have different margin structures and growth momentum, resulting in a decline in the **recurring EBITDA margin** to 15.9% (previous year: 20.2%). Despite higher costs, **recurring EBITDA** adjusted for non-recurring items increased by 15% to EUR 43 million (previous year: EUR 37 million). **EBITDA** increased by 45% or EUR 14 million to EUR 44 million. This includes non-recurring income from the disposal of the Games business.

Revenue and Earnings Performance in the First Half of 2016

In the first half of the year, **external revenues** in the Digital & Adjacent segment increased to EUR 504 million. This equates to an increase by 57 % or EUR 183 million. **Recurring EBITDA** increased by 21 % to EUR 78 million (previous year: EUR 64 million). The corresponding **recurring EBITDA margin** was 15.1 % (previous year: 19.8 %). **EBITDA** also increased by 40 % or EUR 22 million to EUR 76 million. The revenue and earnings performance was characterized by the effects in the second quarter, which are described above.

Key figures Digital & Adjacent segment

EUR m	Q2 2016	Q2 2015	H1 2016	H1 2015
Segment revenues	**271**	185	**517**	325
External revenues	**263**	184	**504**	322
Internal revenues	**8**	2	**12**	3
EBITDA	**44**	30	**76**	54
Recurring EBITDA	**43**	37	**78**	64
Recurring EBITDA margin (in %)[1]	**15.9**	20.2	**15.1**	19.8

1 Based on segment revenues.

Content Production & Global Sales Segment

Revenue and Earnings Performance in the Second Quarter of 2016

Notes, note 3 "Segment reporting," page 43.

In the Content Production & Global Sales segment, **external revenues** increased by 42 % to EUR 77 million (previous year: EUR 54 million). Compared to the second quarter of 2015, revenue growth was firstly organic, with the production business in the US in particular developing positively. The distribution business also had a positive impact. Secondly, acquisitions strengthened the revenue momentum. In addition to the first-time consolidation of the US production company Karga Seven Pictures in November 2015, Dorsey Pictures, a company newly acquired in January 2016, contributed to revenue growth.

The segment's costs also rose as a result of acquisitions and the higher business volume. Due to the significant increase in revenues, operating key earnings figures grew at high rates nevertheless. **EBITDA** improved to EUR 9 million (previous year: EUR 3 million). **Recurring EBITDA** increased to EUR 10 million (previous year: EUR 4 million); the corresponding **recurring EBITDA margin** doubled against this backdrop to 10.8 % (previous year: 5.9 %).

Revenue and Earnings Performance in the First Half of 2016

The first half of the year reflects the development of the second quarter of 2016. **External revenues** in the Content Production & Global Sales segment grew both organically and as a result of acquisitions, and amounted to EUR 140 million. This corresponds to an increase of 40 % or EUR 40 million compared to the first half of 2015. This resulted in an **EBITDA** increase to EUR 14 million (previous year: EUR 4 million). At the same time, **recurring EBITDA** increased to EUR 16 million (previous year: EUR 5 million); the **recurring EBITDA margin** improved to 9.1 % (previous year: 3.8 %).

Key figures Content Production & Global Sales segment

EUR m	Q2 2016	Q2 2015	H1 2016	H1 2015
Segment revenues	**96**	68	**172**	124
External revenues	**77**	54	**140**	100
Internal revenues	**19**	14	**32**	24
EBITDA	**9**	3	**14**	4
Recurring EBITDA	**10**	4	**16**	5
Recurring EBITDA margin (in %)[1]	**10.8**	5.9	**9.1**	3.8

1 Based on segment revenues.

Employees

As of June 30, 2016, the Group had 5,985 employees calculated on the basis of full-time equivalents (previous year: 4,578). The average number of full-time equivalents in the first half of 2016 was 5,849 (previous year: 4,422). Due to the greater number of employees, the personnel expenses reported in cost of sales, selling expenses and administrative expenses also increased. They grew by 35 % or EUR 74 million to EUR 286 million in the first half of 2016, of which EUR 137 million is attributable to the second quarter of 2016 (previous year: EUR 112 million).

The increase in the average number of employees by 32 % or 1,427 is primarily attributable to the expansion of the digital activities: In the first six months of 2016, the increase in the Digital & Adjacent segment totaled 67 % or 945 employees. This development is mainly due to acquisitions. In particular, the initial consolidations of etraveli, Verivox and Collective Digital Studio (CDS; now: Studio71) resulted in an increase in staff. The tables below provide an overview of employee distribution by segment and region:

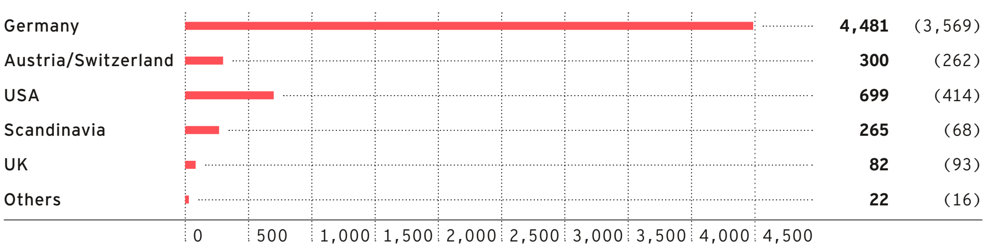
Employees by segment[1]

average full-time equivalents, H1 2015 figures in parantheses

1 The total amount of 5,849 average full-time equivalents contains 54 employees not allocated to a segment.

Employees by region

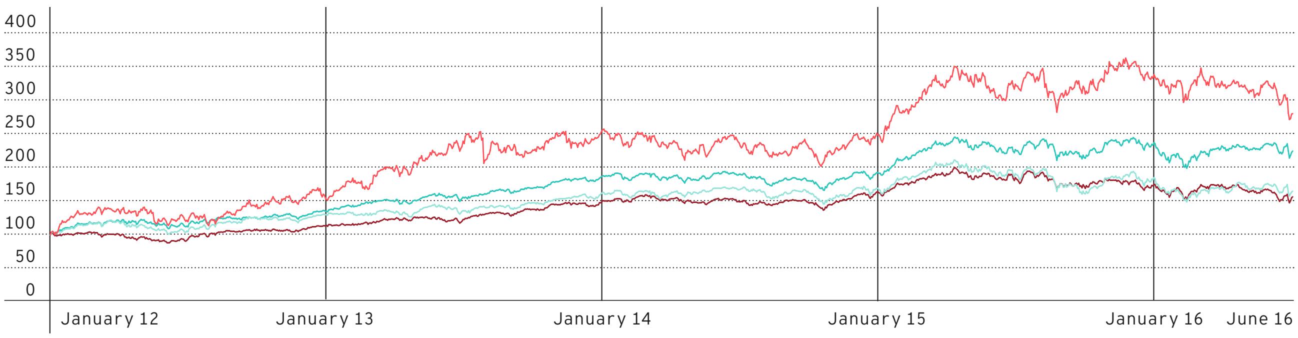
average full-time equivalents, H1 2015 figures in parantheses



The ProSiebenSat.1 share

Performance of the ProSiebenSat.1 share. ProSiebenSat.1 Media SE was the first German media company to be listed in the DAX. The company has been listed since March 2016. The share concluded the first half of 2016 at EUR 39.22. It achieved its highest closing price at EUR 48.66 on March 1. The share's performance reflects the stock exchange environment in the first six months:

Price performance of the ProSiebenSat.1 Share



Basis: Xetra closing quotes, an index of 100 = January 2012. Source: Reuters.

Development of Economy and Advertising Market, page 10.

In the first half of 2016, geopolitical events, such as the ongoing conflicts in the Ukraine and the Middle East, determined trading on stock exchanges worldwide. In addition, there were terror attacks in Paris, Brussels, and Istanbul. The economic situation in Asia and resulting developments on commodity markets – particularly the low price of crude oil – also led to price declines. By contrast, the continued expansionary monetary policy of the European Central Bank (ECB) and positive economic growth in the USA yielded positive signals. The referendum to the so called Brexit was also a particularly striking event. On June 24, 2016, the day after the vote on the exit of Great Britain from the EU, the global financial and foreign exchange markets record significant price declines.

In this environment, stock markets further developed volatile in the first six months. The ProSiebenSat.1 share dropped by 16 % compared to December 31, 2015 after the share's value increased to 34 % in financial year 2015, which was considerably above the comparative index. In the first half of 2016, the share showed a weaker performance than comparative indices overall. The DAX and the EURO STOXX Media Index each lost around 10 % at the end of the first half of the year.

Comparison of Actual and Expected Business Performance, page 13.

ProSiebenSat.1 Media SE maintains an open dialog with capital market participants. We regularly give information about all key events and developments at ProSiebenSat.1. Numerous awards attest to the company's transparent communication. Part of this communication strategy is the formulation of clear growth targets for the Group and its segments. In addition, recommendations by financial analysts are an important basis for decision-making, especially for institutional investors. 46 % of analysts recommended the ProSiebenSat.1 share as a buy and another 38 % came out in favor of holding the share. Only 15 % issued a sell recommendation. As of June 30, 2016, the analysts' median price target was EUR 49 (previous year: EUR 46). At the end of the period under review, a total of 26 brokerage firms and financial institutions actively analyzed the ProSiebenSat.1 share and published research reports.

		01/01/–06/30/2016	01/01/–06/30/2015	01/01/–06/30/2014	01/01/–06/30/2013	01/01/–06/30/2012
High (XETRA)	EUR	48.66	48.98	35.55	33.50	19.83
Low (XETRA)	EUR	38.00	33.31	29.60	21.85	14.19
Closing price (XETRA)	EUR	39.22	44.30	32.54	33.02	17.62
Free float market capitalization on Jun. 30 (according to Deutsche Börse)	EUR m	9000.4	9295.8	7240.7	3308.6	1576.7
Total XETRA volume	Units	101,545,284	84,687,573	103,792,885	66,559,766	83,119,019
Total XETRA trading volume (number of shares)	Units	805,915	682,964	830,343	532,478	654,480

Important Events H1 2016, page 7.

Annual General Meeting for financial year 2015. The Annual General Meeting of ProSiebenSat.1 Media SE for financial year 2015 took place on June 30, 2016. Around 750 shareholders, shareholder representatives and guests took part in the meeting. This was ProSiebenSat.1's first Annual General Meeting as a DAX member. Attendance was around 67 % of share capital (previous year: approx. 42 %).

Shareholders approved the dividend proposal for financial year 2015 and resolved to distribute a dividend of EUR 1.80 per dividend-entitled share. This equates to a total payout of EUR 386 million and a payout ratio of 82.6 % of Group underlying net income. The dividend was paid out on July 1, 2016. Ketan Mehta was also elected to the Supervisory Board. Already in November 2015, Mehta succeeded Philipp Freise by way of judicial appointment. The Annual General Meeting approved all other proposed resolutions with a large majority.

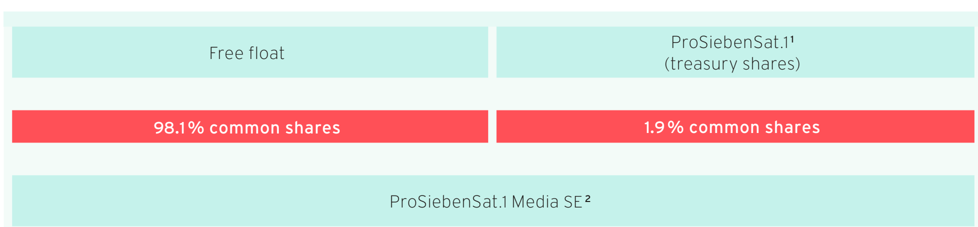
Key figures on the ProSiebenSat.1 share

		06/30/2016	06/30/2015	06/30/2014	06/30/2013	06/30/2012
Share capital[1] as of closing date	EUR	218,797,200	218,797,200	218,797,200	218,797,200	218,797,200
Number of common shares as of closing date	Units	218,797,200[2]	218,797,200[2]	218,797,200[2]	218,797,200[2]	109,398,600
Number of preference shares as of closing date	Units	-/-	-/-	-/-	-/-	109,398,600[2]
Dividend per entitled common share	EUR	-/-	1.80	1.60	1.47	5.63
Dividend per entitled preference share	EUR	-/-	-/-	-/-	-/-	5.65
Total dividend	EUR m	-/-	386	342	313	1.201

1 The share capital of ProSiebenSat.1 Media SE amounts to EUR 218,797,200.00 and since August 16, 2013, is divided into 218,797,200 registered common shares with a nominal share in the share capital of EUR 1.00 each. As a result of the conversion of the 109,398,600 non-voting bearer preference shares into 109,398,600 voting registered common shares, all (218,797,200) of the company's registered common shares are now tradable, i.e. both the formerly unlisted registered common shares and the registered common shares resulting from the conversion of the bearer preference shares. Until August 16, 2013, only the bearer preference shares of ProSiebenSat.1 Media SE were publicly traded.
2 Including treasury shares.

Shareholder structure of ProSiebenSat.1 Media SE. The shareholder structure is virtually unchanged in comparison to December 31, 2015. The shares are mostly held by institutional investors in the US, the UK and Germany. In total, 98.1% were held in free float (December 31, 2015: 97.9 %).

Shareholders structure of ProSiebenSat.1 Media SE as of June 30, 2016



1 Shares are not entitied to vote nor to a dividend.
2 The shares capital of ProSiebenSat1. Media SE amounts to EUR 218,797,200.00 and is divided into 218,797,200 registered common shares,

Risk and Opportunity Report

We estimate that there are currently no risks that, individually or in combination with other risks, could have a material or lasting adverse effect on the earnings, financial position, and performance. The identified risks pose no threat to the company as a going concern, even looking into the future. As of the date this half-year report was prepared, the Executive Board still considers the overall risk situation as limited and manageable for this reason.

We still rate the majority of the issues presented in the latest Annual Report as a slight risk. The opportunity situation has not changed either. The risks and opportunities identified as significant are described in the 2015 Annual Report from page 157. The organizational requirements for risk and opportunity management are also explained here. The Annual Report was published on March 15, 2016 and is available at: www.ProSiebensat1.com/en/page/geschaeftsbericht.

Current Development of Individual Risks

We have an effective risk management system. The assessment of the overall risk situation is the result of an aggregate analysis of the Group's main risk clusters: "operating risks," "financial risks," "compliance risks," and "other risks." The internal Risk Managers assess both their probability of occurrence and potential financial implications on a quarterly basis.

At the end of the first half of 2016, there were no fundamental changes in the overall risk situation although individual risk items decreased in the area of compliance risks. In this context, we provide information on changes in contingent liabilities and other financial obligations under note 7 in the Notes to this report.

The risk of declines in the audience shares of our free TV stations has increased slightly, as new and upcoming stations in the German free TV market are intensifying the competition. ProSiebenSat.1 has been actively involved in shaping the fragmentation of the market for many years. In the second half of 2016, the Group will launch another free TV station, K1 doku. We are thus continuing our successful multi-station strategy, with which we acquire new viewers and advertising customers. In addition, our broad station portfolio allows us to efficiently exploit our programming rights. Under certain circumstances, we assess the implications of a decline in audience shares as significant and the probability of occurrence as possible. With a combined market share of 28.0% in the first half of 2016, ProSiebenSat.1 Group continues to lead the German free TV market despite negative influences from the European soccer championship on the public stations. Overall, we have therefore identified no new effects on the ProSiebenSat.1 stations' sale of advertising from the modified risk assessment. For this reason, we continue to assess this category as a medium risk as of the end of the first half of the year.

Development of Audience Share and User Figures, page 8.

At the same time, the impact of financial risks slightly declined as we took further hedging measures in the first half of 2016. ProSiebenSat.1 Group uses interest rate swaps and interest rate options to hedge its variable-interest term loans against changes in the interest rate caused by the market. The hedge ratio increased to 100% as of the reporting date (Q4 2015: 78%). As a result, the entire long-term financing portfolio is covered by interest rate derivatives. At the same time, the revolving credit facility (RCF) continues to be unused. Against this backdrop, we classify the financial implications resulting from the change in interest rates as low with regard to their potential severity, with a possible probability of occurrence. Therefore, we classify the impact of interest rate risks at the end of the first half of 2016 as minor overall. At the end of 2015, their impact was still classified as "medium."

Notes, notes 6 "Financial Instruments," page 45.

Outlook

Future Business and Industry Environment

Development of Economy and Advertising Market, page 10.

The German economy continued to grow in the first half of 2016. Against this backdrop, the economic research institutes have slightly increased their growth forecasts for Germany: The Hamburg World Economy Institute (HWWI) expects real growth of 1.5 % for the year as a whole, the International Monetary Fund (IMF) 1.6 % and the Institute for the World Economy (IfW) 1.9 %. For 2017, the institutes forecast a continuation of the moderate upward trend, but with somewhat less momentum than in the current year. The expansion is likely to be driven mainly by the domestic economy: A robust labor market, growth in real wages and higher household incomes will continue to support private consumption. Government consumer spending is also likely to increase as a result of the refugee migration. In contrast, a little less growth stimulus is expected from external trade. Although exports have grown somewhat, especially to the rest of Europe, they are not likely to contribute much to growth in a persistently difficult global environment and with rising imports.

There are uncertainties from regions outside Germany: On June 23, 2016, the majority of people in Great Britain voted to leave the European Union in a referendum. The political and economic consequences of the vote cannot be fully foreseen as yet. Furthermore, the institutes see economic risks in the weakness of key emerging countries. In addition, volatile financial markets and numerous instances of geopolitical turmoil are also diminishing growth prospects. In this context, the International Monetary Fund (IMF) has decreased its growth forecast for 2016 to 3.1%; in January, the IMF forecast for the global economy was still 3.4 %. For the euro zone, the IMF anticipates growth of 1.6 % for 2016 and 1.4 % for 2017.

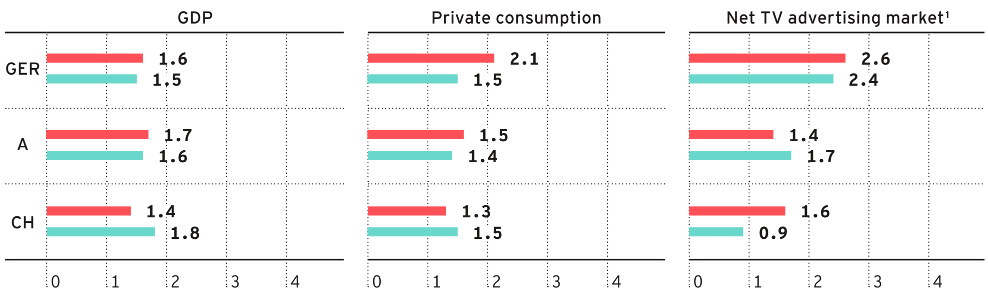
ProSiebenSat.1 Group is adhering to its advertising market forecast even after the Brexit vote and expects net market growth of 2 % to 3 % over the year as a whole. We thus reaffirm the planning for the TV advertising and audience market published in the 2015 Annual Report. Although global economic uncertainty has increased recently, the prospects for the German TV advertising market remain positive. Private consumption, which is seen as the most important indicator for the development of the advertising markets, is benefiting from the persistently robust labor market and income data. In addition, the sector-specific underlying data paint a positive picture overall: TV is the medium with the furthest reach and is benefiting from structural gains.In the second quarter of 2016, TV increased its market share to 47.5 %, while print media lost 0.4 % in the advertising market.

Major Influencing Factors on Financial Position and Performance, page 14.

The net TV advertising market grew by 3 % last year according to the German Advertising Federation (Zentralverband der deutschen Werbewirtschaft, ZAW). For 2016, the institutes likewise anticipate net growth by a low to medium single-digit percentage (WARC: +4.3 %, ZenithOptimedia: +3.0 %, Magna Global: +4.6 %). For the German online advertising market, forecasts are at about 7 % to 8 % (WARC: +7.1%, ZenithOptimedia: +7.9 %, Magna Global: +8.4 %). The advertising market as a whole is likely to grow by a low single-digit percentage (WARC: +2.4 %, ZenithOptimedia: +2.6 %, Magna Global: +2.3 %). The figure below provides an overview of the material economic and sector-specific indicators; further information on growth prospects on the digital markets can be found in the Annual Report 2015 from page 179.

Forecasts for real gross domestic product, private consumption and net TV advertising market in countries important for ProSiebenSat.1

in percent, change vs. previous year



2016 **2017** **Source:**
GER: Joint Economic Analysis Group (Gemeinschaftsdiagnose), Spring 2016.
A: European Commission, European Economic Forecast Winter 2016.
CH: Secretary of State for Economy (SECO), Economic Tendencies Summer 2016.
1 ZenithOptimedia, Advertising Expenditure Forecasts March 2016, figures adjusted on a net basis, nonetheless methodological differences between different countries and sources.

Company Outlook

Actual Figures and Forecasts, page 3.

On the basis of business performance so far and the described industry developments, we confirm the full-year guidance for the Group and its segments. ProSiebenSat.1 Group can look back on solid growth in the first half of 2016; all segments are performing successfully in line with our expectations.

ProSiebenSat.1 Group published its Company Outlook at the Annual Press Conference on February 25, 2016. The Company also outlined the individual targets and the planning assumptions in detail on pages 182 to 185 of the 2015 Annual Report, which has been available since March 15, 2016, on the Group's website at www.ProSiebenSat1.com. Another overview of the targets for all relevant financial and non-financial performance indicators is shown on page 13 of this half-year financial report.

B

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Content

Income Statement

Income Statement of ProSiebenSat.1 Group

EUR m	Q2 2016	Q2 2015	H1 2016	H1 2015
CONTINUING OPERATIONS				
1. Revenues	886	772	1,688	1,427
2. Cost of sales	-461	-406	-916	-796
3. **Gross profit**	**425**	**367**	**772**	**631**
4. Selling expenses	-109	-80	-222	-153
5. Administrative expenses	-113	-98	-229	-175
6. Other operating expenses	-5	0	-5	-2
7. Other operating income	12	4	17	8
8. **Operating profit**	**211**	**193**	**333**	**310**
9. Interest and similar income	2	0	2	0
10. Interest and similar expenses	-22	-19	-48	-41
11. Interest result	-20	-19	-46	-40
12. Income from investments accounted for using the equity method	1	2	3	3
13. Other financial result	9	-3	9	-11
14. **Financial result**	**-10**	**-20**	**-34**	**-48**
15. **Profit before income taxes**	**201**	**173**	**299**	**262**
16. Income taxes	-63	-54	-94	-80
17. **Profit for the period from continuing operations**	**137**	**119**	**205**	**182**
DISCONTINUED OPERATIONS				
18. Result from discontinued operations (net of income taxes)	-42	-1	-42	1
PROFIT FOR THE PERIOD	**95**	**119**	**163**	**183**
Attributable to shareholders of ProSiebenSat.1 Media SE	94	117	160	180
Non-controlling interests	1	1	2	3
EUR				
Earnings per share				
Basic earnings per share	0.44	0.55	0.75	0.84
Diluted earnings per share	0.42	0.54	0.73	0.83
Earnings per share from continuing operations				
Basic earnings per share	0.64	0.55	0.95	0.84
Diluted earnings per share	0.62	0.55	0.93	0.83
Earnings per share from discontinued operations				
Basic earnings per share	-0.20	0.00	-0.20	0.00
Diluted earnings per share	-0.20	0.00	-0.20	0.00

Statement of Comprehensive Income

Statement of Comprehensive Income of ProSiebenSat.1 Group

EUR m	Q2 2016	Q2 2015	H1 2016	H1 2015
Profit for the period	**95**	**119**	**163**	**183**
Items subsequently reclassified to profit or loss				
Change in foreign currency translation adjustment	-2	-1	-13	12
Changes in fair value of cash flow hedges	33	-40	-19	111
Deferred tax on other comprehensive income	-9	11	5	-31
Other comprehensive income for the period	**22**	**-29**	**-27**	**92**
Total comprehensive income for the period	**117**	**89**	**136**	**274**
Attributable to Shareholders of ProSiebenSat.1 Media SE	116	88	133	271
Non-controlling interests	1	1	2	3

Statement of Financial Position

Statement of Financial Position of ProSiebenSat.1 Group

EUR m		06/30/2016	12/31/2015[1]	06/30/2015
A.	**Non-current assets**			
I.	Goodwill	1,651	1,649	1,092
II.	Other intangible assets	555	553	294
III.	Property, plant and equipment	218	226	210
IV.	Investments accounted for using the equity method	54	25	30
V.	Non-current financial assets	311	291	316
VI.	Programming assets	1,167	1,153	1,150
VII.	Other receivables and non-current assets	12	15	6
VIII.	Deferred tax assets	9	13	11
		3,979	**3,926**	**3,109**
B.	**Current assets**			
I.	Programming assets	152	99	129
II.	Inventories	13	8	4
III.	Current financial assets	65	72	70
IV.	Trade receivables	359	383	307
V.	Current tax assets	14	22	25
VI.	Other receivables and current assets	71	65	41
VII.	Cash and cash equivalents	672	734	193
		1,345	**1,384**	**768**
	Total assets	**5,324**	**5,310**	**3,877**

EUR m		06/30/2016	12/31/2015[1]	06/30/2015
A.	**Equity**			
I.	Subscribed capital	219	219	219
II.	Capital reserves	543	600	595
III.	Consolidated equity generated	-199	26	-185
IV.	Treasury shares	-14	-20	-29
V.	Accumulated other comprehensive income	122	150	100
VI.	Other equity	-63	-54	-43
	Total equity attributable to shareholders of ProSiebenSat.1 Media SE	608	922	657
VII.	Non-controlling interests	20	21	18
		628	**943**	**675**
B.	**Non-current liabilities**			
I.	Non-current financial debt	2,677	2,674	1,974
II.	Other non-current financial liabilities	374	353	159
III.	Trade payables	56	67	36
IV.	Other non-current liabilities	29	34	35
V.	Provisions for pensions	24	23	22
VI.	Other non-current provisions	36	17	9
VII.	Deferred tax liabilities	229	245	156
		3,425	**3,412**	**2,391**
C.	**Current liabilities**			
I.	Current financial debt	-/-	1	0
II.	Other current financial liabilities	464	147	96
III.	Trade payables	471	450	430
IV.	Other current liabilities	231	243	198
V.	Provisions for taxes	44	62	31
VI.	Other current provisions	60	53	55
		1,270	**955**	**810**
	Total equity and liabilities	**5,324**	**5,310**	**3,877**

1 The comparative figures as of December 31, 2015 are restated due to the retrospective adjustment of the first-time consolidation of Studio71 LP (Note 2 „Scope of consolidation").

Cash Flow Statement

Cash Flow Statement of ProSiebenSat.1 Group

EUR m	Q2 2016	Q2 2015	H1 2016	H1 2015
Result from continuing operations	137	119	205	182
Result from discontinued operations (net of income taxes)	-42	-1	-42	1
Result for the period	**95**	**119**	**163**	**183**
Income taxes	63	54	94	80
Financial result	10	20	34	48
Depreciation/amortization and impairment of other intangible and tangible assets	47	33	86	62
Consumption/reversal of impairment of programming assets	212	206	447	437
Change in provisions for pensions and other provisions	-10	3	4	10
Gain/loss on the sale of assets	-6	-4	-5	-2
Other non-cash income/expenses	-6	-5	-4	-15
Cash flow from continuing operations	447	426	860	801
Cash flow from discontinued operations	0	0	-2	1
Cash flow total	**447**	**426**	**859**	**802**
Change in working capital	-43	-21	-26	5
Dividends received	0	0	6	6
Income tax paid	-60	-39	-110	-78
Interest paid	-36	-31	-58	-49
Interest received	2	0	2	0
Cash flow from operating activities of continuing operations	310	335	675	685
Cash flow from operating activities of discontinued operations	-40	0	-42	-1
Cash flow from operating activities total	**270**	**335**	**633**	**684**
Proceeds from disposal of non-current assets	1	0	1	1
Payments for the acquisition of other intangible and tangible assets	-39	-25	-66	-48
Payments for the acquisition of financial assets	-6	-9	-17	-17
Proceeds from disposal of programming assets	2	7	4	8
Payments for the acquisition of programming assets	-242	-193	-519	-511
Payments for the issuance of loan receivables to external parties	-/-	-2	-/-	-3
Cash flows from obtaining control of subsidiaries or other business (net of cash and cash equivalents acquired)	-19	-34	-74	-34
Cash flows from losing control of subsidiaries or other business (net of cash and cash equivalents disposed of)	-7	-5	-7	-5
Cash flow from investing activities of continuing operations	-310	-259	-677	-609
Cash flow from investing activities of discontinued operations	-/-	-/-	-/-	-/-
Cash flow from investing activities total	**-310**	**-259**	**-677**	**-609**
Free cash flow of continuing operations	0	76	-2	76
Free cash flow of discontinued operations	-40	0	-42	-1
Free cash flow	**-40**	**76**	**-45**	**75**
Dividends paid	-/-	-342	-/-	-342
Repayment of interest-bearing liabilities	-1	0	-1	0
Repayment of finance lease liabilities	-4	-3	-7	-6
Proceeds from the sale of treasury shares	1	1	6	2
Payments for shares in other entities without change in control	-2	-5	-2	-6
Proceeds from non-controlling interests	1	-/-	1	-/-
Payments in connection with refinancing measures	-/-	-2	-/-	-2
Dividend payments to non-controlling interests	-6	-7	-13	-7
Cash flow from financing activities of continuing operations	-11	-358	-16	-361
Cash flow from financing activities of discontinued operations	-/-	-/-	-/-	-/-
Cash flow from financing activities total	**-11**	**-358**	**-16**	**-361**
Effect of foreign exchange rate changes on cash and cash equivalents	0	1	-3	8
Change in cash and cash equivalents total	**-51**	**-282**	**-63**	**-278**
Cash and cash equivalents at beginning of reporting period	723	475	734	471
Cash and cash equivalents of continuing operations at end of reporting period	**672**	**193**	**672**	**193**

Statement of Changes in Equity

Statement of Changes in Equity of ProSiebenSat.1 Group

EUR m	Subscribed capital	Capital reserves	Consolidated equity generated	Treasury shares	Accumulated other comprehensive income: Foreign currency translation adjustment	Fair value changes of cash flow hedges	Valuation of provisions for pensions	Deferred taxes	Other equity	Total equity attributable to shareholders of ProSiebenSat.1 Media AG	Non-controlling interests	Total equity
December 31, 2014	219	592	-23	-30	5	13	-8	-1	-28	738	16	754
Profit for the period	-/-	-/-	180	-/-	-/-	-/-	-/-	-/-	-/-	180	3	183
Other comprehensive income	-/-	-/-	-/-	-/-	11	111	-/-	-31	-/-	91	0	92
Total comprehensive income	**-/-**	**-/-**	**180**	**-/-**	**11**	**111**	**-/-**	**-31**	**-/-**	**271**	**3**	**274**
Dividends	-/-	-/-	-342	-/-	-/-	-/-	-/-	-/-	-/-	-342	-7	-349
Share-based payments	-/-	3	-/-	2	-/-	-/-	-/-	-/-	-/-	4	-/-	4
Other changes	-/-	0	0	-/-	-/-	-/-	-/-	-/-	-15	-15	6	-8
June 30, 2015	**219**	**595**	**-185**	**-29**	**16**	**124**	**-8**	**-32**	**-43**	**657**	**18**	**675**

Statement of Changes in Equity of ProSiebenSat.1 Group

EUR m	Subscribed capital	Capital reserves	Consolidated equity generated	Treasury shares	Accumulated other comprehensive income: Foreign currency translation adjustment	Fair value changes of cash flow hedges	Valuation of provisions for pensions	Deferred taxes	Other equity	Total equity attributable to shareholders of ProSiebenSat.1 Media AG	Non-controlling interests	Total equity
December 31, 2015	219	600	26	-20	22	185	-8	-50	-54	922	21	943
Profit for the period	-/-	-/-	160	-/-	-/-	-/-	-/-	-/-	-/-	160	2	163
Other comprehensive income	-/-	-/-	-/-	-/-	-13	-19	-/-	5	-/-	-27	0	-27
Total comprehensive income	**-/-**	**-/-**	**160**	**-/-**	**-13**	**-19**	**-/-**	**5**	**-/-**	**133**	**2**	**136**
Dividends	-/-	-/-	-386	-/-	-/-	-/-	-/-	-/-	-/-	-386	-13	-399
Share-based payments	-/-	-57	-/-	6	-/-	-/-	-/-	-/-	-/-	-51	-/-	-51
Other changes	-/-	-/-	0	-/-	-/-	-/-	-/-	-/-	-9	-9	9	0
June 30, 2016	**219**	**543**	**-199**	**-14**	**9**	**165**	**-8**	**-44**	**-63**	**608**	**20**	**628**

Notes to the Interim Financial Statement of ProSiebenSat.1 Group at June 30, 2016

1 General Principles

The interim consolidated financial statements of ProSiebenSat.1 Media SE (together with its subsidiaries "the Company," "Group" or "ProSiebenSat.1 Group") as of and for the period ended June 30, 2016 were prepared in accordance with IAS 34 "Interim Financial Reporting."

ProSiebenSat.1 Media SE compiles and publishes its interim consolidated financial statements in euros, in accordance with IFRS as endorsed by the EU. Unless specifically indicated otherwise, all amounts are presented in millions of euro (EUR m). The figures reflect the continuing operations of ProSiebenSat.1 Group unless specifically stated otherwise.

The prior-year figures are presented on a comparable basis and, where necessary, have been adjusted accordingly. Due to rounding, it is possible that individual figures presented in these interim consolidated financial statements do not add exactly to the totals shown.

The interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements under IFRS as of and for the financial year ended December 31, 2015, and the associated explanatory notes contained therein, as published by ProSiebenSat.1 Media SE on March 15, 2016.

The Group's core business is subject to strong seasonal fluctuations. ProSiebenSat.1 Group generally generates a disproportionately high share of its annual revenues in the fourth quarter because both propensity to spend and television use tend to rise significantly during the Christmas season. The results for the first six months of the financial year 2016 therefore do not necessarily permit predictions as to future business performance.

The accounting policies applied in the interim consolidated financial statements as of and for the period ended June 30, 2016 are the same as for the consolidated financial statements for the financial year 2015. For further information on the accounting policies applied, please refer to the consolidated financial statements as of and for the financial year ended December 31, 2015, which form the basis for these interim consolidated financial statements.

ProSiebenSat.1 Group has applied all the amendments to IFRS that were required to be applied from the financial year 2016. The initial application had no impact on the earnings, financial position and performance of ProSiebenSat.1 Group.

The Annual General Meeting of ProSiebenSat.1 Media SE on June 30, 2016 resolved the distribution of a dividend of EUR 1.80 per common share for the financial year 2015. In total, the dividend amounted to EUR 386 million. The dividend was paid out on July 1, 2016, and was thus recognized in other current financial liabilities as of the reporting date.

2 Scope of consolidation

The number of subsidiaries included in the interim consolidated financial statements changed as follows in the first six months of the financial year 2016:

Consolidated subsidiaries

	Germany	Other countries	Total
Included at December 31, 2015	94	106	200
Additions	5	6	11
Disposals	– 4	– 1	– 5
Included at June 30, 2016	**95**	**111**	**206**

In addition to the fully consolidated entities, 19 associates (December 31, 2015: 15) and three joint ventures (December 31, 2015: 3) were accounted for using the equity method in the interim consolidated financial statements as of and for the period ended June 30, 2016. Five (December 31, 2015: 5) subsidiaries with suspended or only minor business activities are not included in consolidation.

Acquisitions

In the reporting period, the provisional initial consolidation of Studio71 LP, Los Angeles, USA (formerly Collective Digital Studio LLC) as of the acquisition date was retroactively restated within the 12-month valuation period. The fair value of the put option for the acquisition of another 25.0% of shares was reduced by USD 7 million (EUR 6 million) to USD 89 million (EUR 80 million) as of the acquisition date (July 27th, 2015) according to IFRS 3 and simultaneously resulted in an adjusted goodwill of USD 177 million (EUR 160 million) at this date.

The following key entity was acquired in the first half of the financial year 2016:

Significant Acquisitions

Company	Purpose of the company	Acquired voting rights	Percentage of consolidation	Contract date	Acquisition of control
Dorsey Pictures LLC (formerly: Orion Entertainment LLC)	US producer of non-scripted TV programs and branded entertainment offerings in the "outdoor adventure" genre.	60.0%	100.0%	01/15/2016	01/15/2016

Acquisition of a share of 60% in Dorsey Pictures LLC (formerly as Orion Entertainment LLC)

As of January 15, 2016, ProSiebenSat.1 Group acquired a share of 60% in Dorsey Pictures LLC, Denver, USA and therefore gained control over this entity. The entity and its subsidiaries are allocated to the Content Production & Global Sales segment (see Note 3 "Segment reporting"). Incidental costs of acquisition of EUR 1 million were incurred in connection with the acquisition of this entity. The purchase price per IFRS 3 is made up of the following elements:

Dorsey Pictures LLC – Purchase Price per IFRS 3

	USD m	EUR m
Cash purchase price	28	26
Variable consideration	2	2
Contingent consideration - put option	20	18
Purchase price per IFRS 3	**51**	**46**

The contingent purchase price component consists in a put option agreed with the existing shareholders for the purchase of another 40% of shares due not earlier than 2021 and is measured on the basis of a contractually defined multiplier. Its fair value was USD 21 million (EUR 19 million) as of the reporting date. On the basis of sensitivity analyses performed, ProSiebenSat.1 Group expects the pro rata enterprise value to range from USD 26 million to USD 28 million (EUR 24 million to EUR 25 million) as of the acquisition date.

The table below shows the value of the identified assets acquired and liabilities assumed in connection with the acquisition as at the acquisition date. The amounts below were provisionally measured until a fully independent valuation will be completed.

Akquisition Dorsey Pictures LLC

EUR m	Fair value at acquisition
Other intangible assets	22
Thereof identified in the purchase price allocation	22
Property, plant and equipment	1
Non-current assets	**23**
Programming assets	1
Trade receivables	5
Current assets	**6**
Other liabilities	3
Current liabilities and provisions	**3**
Total net assets	**26**
Purchase price per IFRS 3	46
Goodwill	**20**

The identified goodwill is tax deductible over 15 years in the amount of the acquired share of 60% and is recorded in the functional currency, the US dollar. It is particularly attributable to the following areas in relation to the acquisition:

- Expansion of the business in non-scripted and branded entertainment;
- Expected synergies resulting from the connection to the existing distribution network.

In the context of the purchase price allocation, the following other intangible assets identified separately from goodwill were recognized:

Purchase price allocation Dorsey Pictures LLC

Asset	Fair Value at acquisition in EUR m	Expected useful life in years
Customer relationship	20	10-15
Shows in production	2	1

Including the entity from the beginning of the financial year until the initial consolidation in January 2016 would not have had a significant impact on the earnings, financial position and performance of ProSiebenSat.1 Group. Since the initial consolidation until June 30, 2016, the entity contributed revenues of USD 11 million (EUR 10 million) and earnings after taxes of USD 1 million (EUR 0 million) to consolidated net profit.

Disposals of subsidiaries in the first half of the financial year 2016

Disposal of Games activities

With the contract dated May 19, 2016 and effective as of June 30, 2016, ProSiebenSat.1 Group sold all Games activities. These activities were allocated to the Digital & Adjacent segment. As part of this transaction, 100.0% of the shares in ProSiebenSat.1 Games GmbH, Unterföhring, with its 100.0% shares in the subsidiaries Aeria Games GmbH, Berlin, Aeria Games, Inc., Wilmington, USA, and SevenGamesNetwork GmbH, Berlin, were transferred to gamigo AG, Hamburg.

In return, the Group obtained a share of 33.0% in the share capital of gamigo AG. This investment was capitalized as an associate accounted for using the equity method with a fair value of EUR 32 million at the transaction date and was allocated to the Digital & Adjacent segment. In addition, ProSiebenSat.1 Group became entitled to a cash payment totaling EUR 5 million to be paid no later than 12 or 18 months after the transfer date in two equal amounts and with an interest of 4.0% per annum. As the contingent purchase price component, ProSiebenSat.1 Group is also entitled to a profit share of individual mobile games in the calendar years of 2016 and 2017.

Overall, the transaction resulted in income of EUR 6 million, which was generated from the deconsolidation and reported in other operating income.

3 Segment reporting

The Group is divided into the three reporting segments "Broadcasting German-speaking," "Digital & Adjacent" and "Content Production & Global Sales." The following table contains the segment information relating to the continuing operations of ProSiebenSat.1 Group:

Segment information of ProSiebenSat.1 Group Q2

EUR m	Segment Broadcasting German-speaking Q2 2016	Segment Digital & Adjacent Q2 2016	Segment Content Production & Global Sales Q2 2016	Total Segments continuing operations Q2 2016	Other / Eliminations Q2 2016	**Total consolidated financial statements Q2 2016**
Revenues	565	271	96	931	-45	**886**
External revenues	541	263	77	881	5	**886**
Internal revenues	24	8	19	50	-50	**-/-**
EBITDA[1]	206	44	9	259	-1	**258**
Recurring EBITDA	201	43	10	255	-1	**254**

1 This information is provided on a voluntary basis as part of segment reporting.

EUR m	Segment Broadcasting German-speaking Q2 2015	Segment Digital & Adjacent Q2 2015	Segment Content Production & Global Sales Q2 2015	Total Segments continuing operations Q2 2015	Other / Eliminations Q2 2015	**Total consolidated financial statements Q2 2015**
Revenues	553	185	68	806	-34	**772**
External revenues	535	184	54	772	-/-	**772**
Internal revenues	18	2	14	34	-34	**-/-**
EBITDA[1]	193	30	3	227	-1	**226**
Recurring EBITDA	197	37	4	238	-1	**238**

1 This information is provided on a voluntary basis as part of segment reporting.

Segment information of ProSiebenSat.1 Group H1

EUR m	Segment Broadcasting German-speaking H1 2016	Segment Digital & Adjacent H1 2016	Segment Content Production & Global Sales H1 2016	Total Segments continuing operations H1 2016	Other / Eliminations H1 2016	**Total consolidated financial statements H1 2016**
Revenues	1,079	517	172	1,768	-80	**1,688**
External revenues	1,034	504	140	1,679	9	**1,688**
Internal revenues	45	12	32	89	-89	**-/-**
EBITDA[1]	332	76	14	422	-2	**420**
Recurring EBITDA	332	78	16	426	-1	**424**

1 This information is provided on a voluntary basis as part of segment reporting.

EUR m	Segment Broadcasting German-speaking H1 2015	Segment Digital & Adjacent H1 2015	Segment Content Production & Global Sales H1 2015	Total Segments continuing operations H1 2015	Other / Eliminations H1 2015	**Total consolidated financial statements H1 2015**
Revenues	1,041	325	124	1,489	-62	**1,427**
External revenues	1,005	322	100	1,427	-/-	**1,427**
Internal revenues	35	3	24	62	-62	**-/-**
EBITDA[1]	315	54	4	373	-2	**371**
Recurring EBITDA	323	64	5	392	-1	**390**

1 This information is provided on a voluntary basis as part of segment reporting.

The reconciliation between the segment values and the consolidated values for continuing operations is shown below:

Reconciliation of segment information

EUR m	Q2 2016	Q2 2015	H1 2016	H1 2015
RECURRING EBITDA				
Recurring EBITDA of reportable segments	255	238	426	392
Other/Eliminations	-1	-1	-1	-1
Recurring EBITDA of the Group	**254**	**238**	**424**	**390**
Non-recurring result	4	-12	-5	-19
Financial result	-10	-20	-34	-48
Depreciation and amortization	-40	-29	-79	-58
Impairment	-7	-4	-7	-4
Consolidated profit before taxes	**201**	**173**	**299**	**262**

Entity-wide disclosures for ProSiebenSat.1 Group are provided below. These disclosures also relate to the Group's continuing operations:

Entity-wide disclosures

Geographical breakdown	GER		AT/CH		USA		Scandinavia		UK		Other		Total consolidated financial statements	
EUR m	Q2 2016	Q2 2015	Q2 2016	Q2 2015	Q2 2016	Q2 2015	Q2 2016	Q2 2015	Q2 2016	Q2 2015	Q2 2016	Q2 2015	Q2 2016	Q2 2015
External revenues	683	656	71	66	79	33	42	3	9	10	2	4	**886**	**772**
EUR m	H1 2016	H1 2015	H1 2016	H1 2015	H1 2016	H1 2015	H1 2016	H1 2015	H1 2016	H1 2015	H1 2016	H1 2015	H1 2016	H1 2015
External revenues	1,314	1,211	127	122	146	67	82	4	15	16	4	7	**1,688**	**1,427**

ProSiebenSat.1 Media SE will adjust its segment structure in the digital activities in the third quarter of 2016. Since responsibilities were redefined due to a consistent focus on digital growth drivers, the current Digital & Adjacent segment will be reported as two operating segments: "Digital Ventures & Commerce" and "Digital Entertainment". Accordingly ProSiebenSat.1 Media SE will adjust Management Reporting as of July 1, 2016.

4 Income taxes

The nominal tax rate that is relevant for the Group remained unchanged at 28.0 %. For the calculation of the Group's tax expenses for the first six months of 2016, the effective Group tax rate expected for the full financial year of 31.5 % (previous year: 30.5 %) was used. The difference from the nominal tax rate is largely attributable to non-deductible operating expenses and changes in the feasibility of deferred taxes. For further tax issues refer to Note 7 "Contingent liabilities and other financial obligations".

5 Programming assets

In the first half of 2016, ProSiebenSat.1 Group acquired programming assets of EUR 520 million (previous year: EUR 511 million). The additions include free-TV rights of EUR 424 million (previous year: EUR 435 million), other TV rights such as pay TV, video-on-demand and mobile TV rights of EUR 19 million (previous year: EUR 21 million) in addition to advance payments made in the amount of EUR 77 million (previous year: EUR 55 million).

6 Financial instruments

ProSiebenSat.1 Group is exposed to a variety of financial risks in its operating business, such as foreign currency risk, interest rate risk, credit risk and liquidity risk. The Group's financial risk management strategy and the methods to determine the fair value of certain financial instruments have not changed materially since the end of the financial year 2015. The 2015 Annual Report contains the financial instrument disclosures in Note 35 "Further notes on financial risk management and financial instruments according to IFRS 7." In the first half of 2016, the Group also concluded interest rate options of EUR 2,850 million to hedge the interest rate risk in the period from 2016 to 2020. Thereof, EUR 1,250 million relate to the period from 2016 to 2018 and EUR 1,600 million relate to the period from 2018 to 2020. In addition, interest rate options of EUR 1,350 million were concluded to limit the risk arising from the current negative interest rate level. Thereof, EUR 850 million relate to the period from 2016 to 2018 and EUR 500 million relate to the period from 2018 to 2020.

The ongoing development of negative interest rates and the associated increase of the hedging ineffectiveness meant that the accounting in accordance with IAS 39 regulations (hedge accounting) of the existent interest rate swaps, with a total volume of EUR 2,650 million, has been ceased and resulted in the termination of the hedge. At this date, an expense of EUR 2 million resulting from hedging ineffectiveness (previous year: EUR 0 million) was recognized in the reporting period. The changes in the market value of the interest rate swaps recognized in accumulated other comprehensive income in relation to the effective part of the hedge amounted to minus EUR 37 million with the termination of hedge accounting and will be reversed through profit and loss over the original duration of the hedges. The expense resulting from this release amounted to EUR 5 million and is shown in the other financial result in the reporting period. With the termination of hedge accounting, the valuation of interest rate swaps is recognized through profit and loss. This resulted in income of EUR 2 million, which is shown in the other financial result. The market value of the interest rate swaps was minus EUR 43 million as of June 30, 2016.

The table below shows the carrying amounts and fair values of all categories of financial assets and liabilities of ProSiebenSat.1 Group. The fair value hierarchy reflects the significance of the input data used for measurement and is organized as follows:

- (Unadjusted) quoted prices on active markets for identical assets or liabilities (Level 1),
- Input data for the asset or liability that are observable either directly (as prices) or indirectly (derived from prices) but that are not quoted prices as in Level 1 (Level 2),
- Input data used for the asset or liability that are not based on observable market data (non-observable input data) (Level 3).

Carrying amounts and fair values of financial instruments as per June 30, 2016

EUR m	Presented in the Statement of Financial Position as	Carrying amount	Category					Fair Value			
			At fair value through profit and loss	Hedging instruments	Loans and receivables	Available-for-sale	Other financial liabilities	Level 1	Level 2	Level 3	Total
Financial assets											
Measured at fair value											
Financial assets designated at fair value[1]	Non-current financial assets	20	20	-/-	-/-	-/-	-/-	20	-/-	-/-	20
Other equity instruments	Non-current financial assets	88	88	-/-	-/-	-/-	-/-	-/-	-/-	88	88
Derivatives for which hedge accounting is not applied	Current and non-current financial assets	17	17	-/-	-/-	-/-	-/-	-/-	6	11	17
Hedge derivatives	Current and non-current financial assets	201	-/-	201	-/-	-/-	-/-	-/-	201	-/-	201
Not measured at fair value											
Cash and cash equivalents[2]	Cash and cash equivalents	672	-/-	-/-	672	-/-	-/-				
Loans and receivables[2]	Current and non-current financial assets	379	-/-	-/-	379	-/-	-/-				
Financial assets at cost[2]	Current and non-current financial assets	30	-/-	-/-	-/-	30	-/-				
Total		**1,407**	**125**	**201**	**1,051**	**30**	**-/-**	**20**	**207**	**99**	**326**
Financial liabilities											
Measured at fair value											
Liabilities from put options and Earn-outs	Other financial liabilities	293	293	-/-	-/-	-/-	-/-	-/-	-/-	293	293
Derivatives for which hedge accounting is not applied	Other financial liabilities	43	43	-/-	-/-	-/-	-/-	-/-	43	-/-	43
Hedge derivatives	Other financial liabilities	1	-/-	1	-/-	-/-	-/-	-/-	1	-/-	1
Not measured at fair value											
Bank loans	Financial debt	2,081	-/-	-/-	-/-	-/-	2,081	-/-	2,089	-/-	2,089
Notes	Financial debt	595	-/-	-/-	-/-	-/-	595	634	-/-	-/-	634
Liabilities from finance leases	Other financial liabilities	77	-/-	-/-	-/-	-/-	77	-/-	82	-/-	82
Financial liabilities at (amortised) cost[2]	Other financial liabilities and trade payables	950	-/-	-/-	-/-	-/-	950				
Total		**4,042**	**337**	**1**	**-/-**	**-/-**	**3,704**	**634**	**2,216**	**293**	**3,143**

1 Position solely includes shares in investment funds, that serve to cover pension obligations, but are not plan assets within the meaning of IAS 19.

2 The carrying amount is an appropriate approximator for fair value.

Carrying amounts and fair values of financial instruments as per December 31, 2015

			Category					Fair Value			
EUR m	Presented in the Statement of Financial Position as	**Carrying amount**	At fair value through profit and loss	Hedging instru-ments	Loans and receiv-ables	Available-for-sale	Other financial liabilities	Level 1	Level 2	Level 3	**Total**
Financial assets											
Measured at fair value											
Financial assets designated at fair value[1]	Non-current financial assets	20	20	-/-	-/-	-/-	-/-	20	-/-	-/-	20
Other equity instruments	Non-current financial assets	79	79	-/-	-/-	-/-	-/-	-/-	-/-	79	79
Derivatives for which hedge accounting is not applied	Current and non-current financial assets	18	18	-/-	-/-	-/-	-/-	-/-	7	11	18
Hedge derivatives	Current and non-current financial assets	234	-/-	234	-/-	-/-	-/-	-/-	234	-/-	234
Not measured at fair value											
Cash and cash equivalents[2]	Cash and cash equivalents	734	-/-	-/-	734	-/-	-/-				
Loans and receivables[2]	Current and non-current financial assets	397	-/-	-/-	397	-/-	-/-				
Total		**1,482**	**116**	**234**	**1,131**	**-/-**	**-/-**	**20**	**241**	**89**	**350**
Financial liabilities											
Measured at fair value											
Liabilities from put options and Earn-outs[3]	Other financial liabilities	283	283	-/-	-/-	-/-	-/-	-/-	-/-	283	283
Hedge derivatives	Other financial liabilities	52	-/-	52	-/-	-/-	-/-	-/-	52	-/-	52
Not measured at fair value											
Bank loans	Financial debt	2,080	-/-	-/-	-/-	-/-	2,080	-/-	2,055	-/-	2,055
Notes	Financial debt	595	-/-	-/-	-/-	-/-	595	616	-/-	-/-	616
Liabilities from finance leases	Other financial liabilities	82	-/-	-/-	-/-	-/-	82	-/-	87	-/-	87
Financial liabilities at (amortised) cost[2]	Other financial liabilities and trade payables	599	-/-	-/-	-/-	-/-	599				
Total		**3,692**	**283**	**52**	**-/-**	**-/-**	**3,356**	**616**	**2,195**	**283**	**3,093**

1 Position solely includes shares in investment funds, that serve to cover pension obligations, but are not plan assets within the meaning of IAS 19.
2 The carrying amount is an appropriate approximator for fair value.
3 Comparative figures per December 31, 2015, were restated due to the retrospective adjustment of first time consolidation of Studio71 LP at acquisition date (see Note 2 "Scope of consolidation").

Other financial assets at cost particularly comprise the investment in ZeniMax Media Inc., Rockville, USA, whose value was fully adjusted in financial year 2015. When the interim consolidated financial statements were being prepared, ProSiebenSat.1 Group received a binding purchase offer for all of the shares in ZeniMax Media Inc. amounting to USD 34 million (EUR 30 million). Therefore the original impairment no longer applied as of June 30, 2016 and a reversal of impairment had to be booked in the amount of this offering price, which was recognized in other financial result. The closing of the transaction is expected for the third quarter of 2016.

Incidentally, the measurement method and input factors to determine the fair values of the financial instruments measured at fair value in the statement of financial position are essentially unchanged and can be found in the notes to the consolidated financial statements for financial year 2015.

The following table shows the reconciliation of the respective fair values to the end of the reporting period for the items listed, which are regularly measured at fair value and assigned to level 3:

Reconciliation of level 3 fair values

EUR m	Derivatives, for which hedge accounting is not applied, at fair value through profit and loss	Liabilities from put options and earn outs at fair value through profit and loss
January 1, 2016	**11**	**283[2]**
Results included in income statement as well as in other comprehensive income (unrealized)[1]	-/-	10
Additions from acquisitions	-/-	18
Disposals/Payments	-/-	-14
Other changes	-/-	-4
June 30, 2016	**11**	**293**

1 This item includes compounding effects and further valuation adjustments.

2 Comparative figures per December 31, 2015, were restated due to the retrospective adjustment of first time consolidation of Studio71 LP at acquisition date (see Note 2 "Scope of consolidation").

7 Contingent liabilities and other financial obligations

With the exception of the items described below, there were no material changes as at June 30, 2016 regarding the contingent liabilities reported in the consolidated financial statements under IFRS as at December 30, 2015.

Tax risks in connection with the disposal of subsidiaries in Sweden

After the SBS Group was acquired, the investment structure was adjusted in January 2008. This meant that the Swedish business was transferred with all assets and liabilities, functions and employees to a Swedish branch of the Dutch parent company SBS Broadcasting Europe B.V. The structure was reviewed by the tax authorities in Sweden and the Netherlands.

An agreement could not be reached with the Swedish Tax Agency, accordingly ProSiebenSat.1 Group's took legal action. Two stages of the proceedings have been completed to date. In May 2016, the court of appeal confirmed the first instance verdict of the Swedish fiscal court, which followed the legal opinion of the Swedish Tax Authorities, in the second instance. The additional tax claims of SEK 374 million (EUR 40 million) for the period between 2008 and 2013 were thus due for payment in the second quarter of 2016. This tax expense is reported in the result from discontinued operations after taxes.

ProSiebenSat.1 Media SE will file an application of approval of the appeal against the decision of the court. If this appeal is granted, the case will be tried before the Supreme Court of Sweden in the final instance.

In the Netherlands, an agreement was reached with the tax authorities in June 2016, resulting in no additional tax charge for the ProSiebenSat.1 Group. The risk reported in the Annual Report as of December 31, 2015 no longer exists.

Other financial obligations

At June 30, 2016, other financial obligations totaled EUR 3,561 million (December 31, 2015: EUR 3,951 million). These obligations derive from contractual agreements entered into before the closing date and pertain to payment obligations due after the reporting date.

Other financial obligations

EUR m	June 30, 2016	December 31, 2015
Purchase commitments for programming assets	3,129	3,451
Distribution	203	238
Leasing and long-term rental commitments	92	99
Other financial obligations	138	163
Total	**3,561**	**3,951**

8 Share-based payments

By resolution of March 11, 2016, the Supervisory Board of ProSiebenSat.1 Media SE exercised its option and resolved to settle the Group Share Plans from 2012 to 2015 in cash exclusively. The Group has taken this resolution into account and changed its accounting for share-based payments from the Group Share Plans in the first quarter of 2016 from equity settlement to cash settlement. Following this change, the amounts recognized in capital reserves for the Group Share Plans from 2012 to 2015 were reclassified to other non-current provisions or other current liabilities. The expired Group Share Plan from 2012 was paid out in full in the amount of EUR 27 million in the second quarter of 2016. Otherwise, the plan conditions for the Group Share Plans are unchanged and still comply with the information presented in the notes to the consolidated financial statements and condensed management report as at December 31, 2015.

Of the performance share units granted under the other Group Share Plans, 1,889 from Group Share Plan 2013, 1,523 from Group Share Plan 2014 and 4,614 from Group Share Plan 2015 expired in the first six months of financial year 2016.

335,450 stock options issued under the LTIP 2010 (cycle 2010 and 2011) were exercised in the first six months of financial year 2016. Therefore, the number of treasury shares declined from 4,579,400 as of December 31, 2015 to 4,243,950 as of June 30, 2016.

9 Earnings per share

In accordance with IAS 33.4A, basic and diluted earnings per share are presented below the income statement (see page 35).

The tables below show the parameters for calculating earnings per share for the first half of the reporting year and of the comparative year.

Group Share Plans (see Note 8 "Share-based payments") contain ProSiebenSat.1 Media SE's option to determine the type of settlement using equity or cash. Due to the dilution effect, these plans are treated as if they were settled in common shares in the second quarter and first half of 2016 for the calculation of earnings per share in accordance with IAS 33.58.

Profit measures included in calculating earnings per share

EUR m	Q2 2016	Q2 2015	H1 2016	H1 2015
Result attributable to the shareholders of ProSiebenSat.1 Media SE (basic)	94	117	160	180
Thereof from continuing operations (basic)	136	118	203	179
Thereof from discontinued operations (basic)	-42	-1	-42	1
Valuation effects of share-based payments after taxes	-3	-/-	-3	-/-
Result attributable to the shareholders of ProSiebenSat.1 Media SE (diluted)	91	117	157	180
Thereof from continuing operations (diluted)	133	118	200	179
Thereof from discontinued operations (diluted)	-42	-1	-42	1

Numbers of shares included in calculating earnings per share

Shares	Q2 2016	Q2 2015	H1 2016	H1 2015
Weighted average number of shares outstanding (basic)	214,530,284	213,703,278	214,418,143	213,636,297
Dilution effect based on stock options and rights to shares	559,392	1,843,493	559,392	1,843,493
Weighted average number of shares outstanding (diluted)	**215,089,676**	**215,546,771**	**214,977,535**	**215,479,790**

10 Related party transactions

The Executive Board of ProSiebenSat.1 Media SE expanded by two members within the first half of 2016. On March 1, 2016, Jan David Frouman was appointed to the Executive Board of ProSiebenSat.1 Media SE. He is in charge of the newly created Executive Board department Content & Broadcasting, which comprises TV activities with all station brands and the Group's content strategy in Germany, Austria, and Switzerland. He also remains as CEO and Chairman in charge of the Red Arrow Entertainment Group's global production business. Christof Wahl was appointed to the Executive Board of ProSiebenSat.1 Media SE as of May 1, 2016. Christof Wahl is in charge of Digital Entertainment and also acts as Chief Operating Officer (COO) for ProSiebenSat.1 Group.

During the first six months of the financial year 2016, revenues from the sale of goods and rendering of services as well as other income from transactions with related entities amounted to EUR 65 million (previous year: EUR 59 million). As of June 30, 2016, receivables from the respective entities amounted to EUR 23 million (December 31, 2015: EUR 16 million).

In the first six months of the financial year 2016, the Group received goods and services from its related entities and recognized according expenses amounting to EUR 16 million (previous year: EUR 11 million). Liabilities to these entities amounted to EUR 4 million as of June 30, 2016 (December 31, 2015: EUR 9 million).

In the above business transactions, the Company bought and sold products and services on prevailing market terms.

The Executive Board of ProSiebenSat.1 Media SE exercised 82,000 stock options issued under the LTIP 2010 in the first six months of the financial year 2016, which had been granted to the respective Board members before their accession to the Executive Board. The relevant share sale was published on ProSiebenSat.1 Group's website (www.prosiebensat1.com) in accordance with section 15a of the German Securities Trading Act (WpHG).

Seven Ventures GmbH, a subsidiary of ProSiebenSat.1 Media SE, entered into a general agreement for compensated advertising services with Heilpflanzenwohl AG, Pfäffikon, Switzerland, as of July 7, 2016. Heilpflanzenwohl AG is a subsidiary of BetterLife Healthcare AG, Schwyz, Switzerland, in which the CEO of ProSiebenSat.1 Media SE, Thomas Ebeling, and his family members hold collectively an interest of 50 %. The share of BetterLife Healthcare AG in Heilpflanzenwohl AG amounts to 80 %.

As part of this general agreement Heilpflanzenwohl AG acquires for a monetary consideration TV advertising slots from Seven Ventures GmbH. The general agreement ends as of December 31, 2019. The delivery of compensated advertising services is subject to separate agreements to be concluded until December 31, 2019. These separate agreements can have a duration of up to three years. Until June 30, 2016, no separate agreements were closed and no advertising services were delivered.

The revenue potential from the general agreement amounts up to EUR 40 million for ProSiebenSat.1 Group, depending on the used TV advertising time. In addition, there is a potential revenue participation for Seven Ventures GmbH for utilization of material rights for advertised products.

The delivery of TV advertising services takes place on prevailing market terms. The prevailing market terms were confirmed by a third party opinion. The agreement is in line with the defined requirements by the Supervisory Board of ProSiebenSat.1 Group for private investments of Executive Board Members. Thomas Ebeling was not involved in the negotiation of the general agreement and the respective approval by the Executive Board.

Christof Wahl held an indirect interest of 50 % in Executive Interim Partners GmbH, Grünwald during the reporting period. ProSiebenSat.1 Group received Interim-Management-Services from Executive Interim Partners GmbH based on a contractual agreement in the reporting period.

ProSiebenSat.1 Group received respective services amounting to EUR 42k since the accession to the Executive Board of Christof Wahl as of May 1, 2016.

Christof Wahl significantly reduced his interest in Executive Interim Partners GmbH until the date of preparation of the interim consolidated financial statements. Thus the related-party relationship does not longer exist on the aforementioned date.

In the first six months of the financial year 2016, the members of the Supervisory Board acquired 5,694 shares in the Company.

There have been no other material changes or transactions in the first six months of financial year 2016 in comparison with those described in the notes to the consolidated financial statements for financial year 2015.

11 Events after the interim reporting period

Acquisition of another 77.92 % of shares in Stylight GmbH

Effective as of July 1, 2016, ProSiebenSat.1 Group increased its share in Stylight GmbH, Munich, by 77.92 % to 100.0 % and thus gained control over this entity. The entity and its associated subsidiary are allocated to the Digital Ventures & Commerce segment (see Note 3 "Segment reporting"). The company operates an online portal relating to Fashion and Home & Living and therefore complements the ProSiebenSat.1 Beauty & Accessories vertical. The purchase price according to IFRS 3 comprises a cash purchase price and the fair value of the already existing investment accounted for using the equity method as of the acquisition date and amounts to around EUR 78 million.

Acquisition of 65.0 % of shares in 44 Blue Studios, LLC

Effective as of July 15, 2016, ProSiebenSat.1 Group acquired a share of 65.0 % in 44 Blue Studios, LLC, Burbank, USA and thus gained control over this entity. The entity and its subsidiaries are allocated to the Content Production & Global Sales segment (see Note 3 "Segment reporting"). The group of companies is an US non-scripted production house focused on docu-series, factual entertainment and studio-based concepts. The purchase price according to IFRS 3 comprises a cash purchase price of USD 21 million (EUR 19 million) and a contractually agreed purchase price adjustment. In addition, a put option was agreed with the existing shareholders for the acquisition of a further 35.0 % of the shares maturing no earlier than 2022. The fair value of the contingent purchase price component is measured on the basis of a contractually defined multiplier to determine the estimated enterprise value in 2021. As ProSiebenSat.1 Group has an unconditional obligation to meet the terms of the put option on exercise, the consolidation percentage used on the basis of the present ownership was 100.0 % as of July 15, 2016.

Further events after the closing date

Beyond this, no further reportable events of material effect on the earnings, financial position and performance of ProSiebenSat.1 Group or ProSiebenSat.1 Media SE occurred between the end of the second quarter of 2016 and July 26, 2016, the date of authorization of this financial report for publication and forwarding to the Supervisory Board.

July 26, 2016
The Executive Board

Responsibility Statement by Management

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

Unterföhring, July 26, 2016

The Executive Board

Thomas Ebeling
(CEO)

Dr. Gunnar Wiedenfels
(CFO)

Conrad Albert
(External Affairs & Industries Relations, General Counsel)

Jan David Frouman
(Content & Broadcasting)

Dr. Ralf Schremper
(Strategy & Investments)

Christof Wahl
(Digital Entertainment & Group Chief Operating Officer)

Dr. Christian Wegner
(Digital Ventures & Commerce)

Review Report

To ProSiebenSat.1 Media SE, Unterföhring

We have reviewed the condensed interim consolidated financial statements of the ProSiebenSat.1 Media SE, Unterföhring, – comprising the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Cash Flow Statement, the Statement of Changes in Equity and selected explanatory notes – together with the interim group management report of the ProSiebenSat.1 Media SE, Unterföhring, for the period from January 1, to June 30, 2015 that are part of the semi annual according to § 37 w (or § 37 x Abs. 3) WpHG [„Wertpapierhandelsgesetz“: “German Securities Trading Act“]. The preparation of the condensed interim consolidated financial statements in accordance with International Accounting Standard IAS 34 “Interim Financial Reporting” as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the Company’s management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We performed our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with IAS 34, “Interim Financial Reporting” as adopted by the EU, and that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor’s report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with IAS 34, “Interim Financial Reporting” as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Munich, August 2, 2016

KPMG AG
Wirtschaftsprüfungsgesellschaft

Sailer
Wirtschaftsprüfer
[German Public Auditor]

Schmidt
Wirtschaftsprüfer
[German Public Auditor]

C
ADDITIONAL INFORMATION

Content

Group Key Figures: Multi-Year Overview

EUR m	Q2 2016	Q2 2015	Q2 2014	Q2 2013	Q2 2012	Q2 2011	Q2 2010	Q2 2009	Q2 2008	Q2 2007
Revenues	**886**	772	691	625	561	692	650	694	802	552
Revenue margin before income taxes (in percent)	**22.6**	22.4	19.3	21.6	18.3	17.3	11.9	12.2	11.0	26.0
Total costs	**688**	584	518	456	421	519	522	547	657	407
Operating costs[1]	**638**	539	476	421	368	456	428	496	602	396
Consumption of programming assets	**212**	212	209	202	202	274	214	262	319	231
Recurring EBITDA[2]	**254**	238	219	209	196	239	224	201	204	159
Recurring EBITDA margin (in percent)	**28.7**	30.8	31.7	33.5	34.9	34.5	34.4	29.0	25.4	28.8
EBITDA	**258**	226	209	198	160	210	165	177	189	159
Non-recurring items[3]	**4**	-12	-10	-12	-36	-28	-58	-24	-14	0
EBIT	**211**	193	178	176	143	176	130	147	152	149
Financial result	**-10**	-20	-44	-41	-40	-56	-53[9]	-63	-64	-5
Profit before income taxes	**201**	173	133	135	103	120	78[9]	85	88	144
Consolidated net profit (after non-controlling interests)[4]	**94**	117	96	136	84	129	77[9]	46	60	87
Profit from discontinued operations (net of income taxes)	**-42**	-1	7	46	12	47	26	-/-	-/-	-/-
Underlying net income[5]	**133**	122[14]	108	104	100	95	87	53	74	88
Basic earnings per share (underlying)[6]	**0.62**	0.57[14]	0.51	0.49	-/-	-/-	-/-	-/-	-/-	-/-
Investments in programming assets	**242**	193	215	208	188	232	220	278	327	212
Free cash flow	**0**	76	99	10	113	151	154	100	-7	118
Cash flow from investing activities	**-310**	-259	-272	-284	-198	-258	-247	-294	-389	-220

EUR m	H1 2016	H1 2015	H1 2014	H1 2013	H1 2012	H1 2011	H1 2010	H1 2009	H1 2008	H1 2007
Revenues	**1,688**	1,427	1,272	1,188	1,060	1,288	1,226	1,321	1,531	1,053
Revenue margin before income taxes (in percent)	**17.7**	18.3	16.1	17.4	15.8	13.0	8.4	5.9	5.2	20.1
Total costs	**1,371**	1,125	995	917	821	1,029	1,021	1,125	1,340	839
Operating costs[1]	**1,274**	1,045	923	859	747	923	888	1,032	1,246	818
Consumption of programming assets	**449**	443	429	431	421	536	461	540	672	479
Recurring EBITDA[2]	**424**	390	359	337	318	369	342	295	292	241
Recurring EBITDA margin (in percent)	**25.1**	27.3	28.2	28.4	30.0	28.6	27.9	22.3	19.1	22.9
EBITDA	**420**	371	345	321	278	338	274	268	274	241
Non-recurring items[3]	**-5**	-19	-15	-17	-40	-31	-68	-27	-18	0
EBIT	**333**	310	287	281	245	262	209	206	202	220
Financial result	**-34**	-48	-83	-74	-78	-95	-107[9]	-129	-123	-9
Profit before income taxes	**299**	262	205	207	167	167	103[9]	78	80	211
Consolidated net profit (after non-controlling interests)[4]	**160**	180	133	192	135	167	99[9]	44	52	128
Profit from discontinued operations (net of income taxes)	**-42**	1	-6	51	22	52	31	-/-	-/-	-/-
Underlying net income[5]	**207**	193[14]	164	155	141	129	120	64	80	130
Basic earnings per share (underlying)[6]	**0.97**	0.90[14]	0.77	0.73	-/-	-/-	-/-	-/-	-/-	-/-
Investments in programming assets	**519**	511	469	489	457	581	574	658	679	482
Free cash flow	**-2**	76	-47	-13	21	6	15	-6	-80	150
Cash flow from investing activities	**-677**	-609	-647	-583	-497	-620	-603	-680	-719	-480

EUR m	06/30/2016	06/30/2015	06/30/2014	06/30/2013	06/30/2012	06/30/2011	06/30/2010	06/30/2009	06/30/2008	06/30/2007
Programming assets	**1,319**	1,279	1,233	1,335	1,574	1,504	1,623	1,473	1,282	1,043
Equity	**628**	675	426	1,682	1,358	1,202	757[9]	493[9]	922[9]	1,375
Equity ratio (in percent)	**11.8**	17.4	12.5	37.2	27.4	19.1	12.0[9]	8.3[9]	15.4[9]	64.6
Cash and cash equivalents	**672**	193	146	1,287	304	882	750	599	633	214
Financial liabilities	**2,677**	1,974	1,970	1,841	2,339	3,766	4,026	4,027	3,839	187
Leverage[7]	**2.1**	2.0[10]	2.2[11]	0.7[13]	2.3	3.1	4.1	5.1	5.2	-/-
Net financial debt	**2,005**	1,782	1,824[12]	554[13]	2,034	2,842	3,275	3,427	3,689	-27
Employees[8]	**5,985**	4,578	4,173	3,281	2,705	4,302	3,865	5,195	5,915	3,062

1 Total costs excl. depreciation and amortization and non-recurring expenses.
2 EBITDA before non-recurring (exceptional) items.
3 Non-recurring expenses netted against non-recurring income.
4 Consolidated net profit attributable to shareholders of ProSiebenSat.1 Media SE including discontinued operations.
5 Consolidated profit for the period attributable to shareholders of ProSiebenSat.1 Media SE before the effects of purchase price allocations and additional special items.
6 Due to the merger of share classes in 2013, from this year on basic earnings per share (underlying) are shown. Prior year figures were not determined.
7 Ratio net financial debt to recurring EBITDA in the last twelve months.
8 Full-time equivalent positions as of reporting date from continuing operations.
9 After changes in accounting policies according to IAS 8 and corresponding adjustment of previous-year figures. For information regarding the change in accounting policy, please refer to the Annual Report 2010, page 123.
10 Adjusted for the recurring EBITDA contribution of Eastern European operations.
11 After reclassification of cash and cash equivalents of Eastern European operations. Adjusted for the LTM recurring EBITDA contribution of Northern and Eastern European operations.
12 After reclassification of cash and cash equivalents of Eastern European operations.
13 Before reclassification of cash and cash equivalents from the Eastern European activities.
14 Adjustment due to retrospective adjustment of changes in the fair value of put options and earn-out liabilities in the second quarter of 2016.

Segment Key Figures: Multi-Year Overview

EUR m	Q2 2016	Q2 2015	Q2 2014	H1 2016	H1 2015	H1 2014
Broadcasting German-speaking						
External revenues	**541**	535	511	**1,034**	1,005	960
Recurring EBITDA[1]	**201**	197	188	**332**	323	308
Recurring EBITDA margin (in %)[2]	**35.6**	35.6	35.7	**30.8**	31.0	31.1
EBITDA	**206**	193	185	**332**	315	304
Digital & Adjacent						
External revenues	**263**	184	149	**504**	322	255
Recurring EBITDA[1]	**43**	37	31	**78**	64	55
Recurring EBITDA margin (in %)[2]	**15.9**	20.2	20.5	**15.1**	19.8	21.3
EBITDA	**44**	30	25	**76**	54	48
Content Production & Global Sales						
External revenues	**77**	54	31	**140**	100	57
Recurring EBITDA[1]	**10**	4	1	**16**	5	-1
Recurring EBITDA margin (in %)[2]	**10.8**	5.9	3.4	**9.1**	3.8	-1.6
EBITDA	**9**	3	1	**14**	4	-2

1 EBITDA before non-recurring (exceptional) items.
2 Based on total segment revenues, see Note 3 "Segment reporting".

Explanatory Notes on Reporting Principles:
The values shown relate to key figures from continuing operations reported in line with IFRS 5. In connection with the strategic focusing on German-speaking television, the international program production and distribution business, and digital and adjacent business activities, the operations named below were deconsolidated as follows: Operations in Belgium and the Netherlands: Classification as discontinued operations since the second quarter of 2011, deconsolidation on June 8, 2011, and July 29, 2011, respectively.
Operations in Denmark, Sweden, Norway and Finland: Classification as discontinued operations since the fourth quarter of 2012, deconsolidation on April 9, 2013.
Operations in Hungary and Romania: Classification as discontinued operations since the fourth quarter of 2012, deconsolidation on February 25, 2014 (Hungary), April 2, 2014 (Romanian TV) and August 4, 2014 (Romanian radio).
The income statement items of the operations in question were grouped together as a single line item, result from discontinued operations, and reported separately until their deconsolidation. In addition to the operating earnings generated until the time of the respective deconsolidations, the result from discontinued operations shown after taxes also includes the corresponding results of deconsolidation. For the income statement and cash flow statement, the respective figures for the previous year were presented on a comparable basis in line with IFRS 5. No further adjustment of figures from earlier previous years was made. The figures in the respective previous years' statements of financial position were not adjusted.

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Forward-looking statements

This report contains forward-looking statements regarding ProSiebenSat.1 Media SE and ProSiebenSat.1 Group. Such statements may be identified by the use of such terms as “expects,” “intends,” “plans,” “assumes,” “pursues the goal,” and similar wording. Various factors, many of which are outside the control of ProSiebenSat.1 Media SE, could affect the Company’s business activities, success, business strategy and results. Forward-looking statements are not historical facts, and therefore incorporate known and unknown risks, uncertainties and other important factors that might cause actual results to differ from expectations. These forward-looking statements are based on current plans, goals, estimates and projections, and take account of knowledge only up to and including the date of preparation of this report. Given these risks, uncertainties and other important factors, ProSiebenSat.1 Media SE undertakes no obligation, and has no intent, to revise such forward-looking statements or update them to reflect future events and developments. Although every effort has been made to ensure that the provided information and facts are correct, and that the opinions and expectations reflected here are reasonable, ProSiebenSat.1 Media SE assumes no liability and offers no warranty as to the completeness, correctness, adequacy and/or accuracy of any information or opinions contained herein.

FINANCIAL CALENDAR

08/04/2016	**Publication of the Half-Yearly Financial Report of 2016** Press Release, Conference Call with analysts and investors, Conference Call with journalists
11/03/2016	**Publication of the Quarterly Statement for the Third Quarter of 2016** Press Release, Conference Call with analysts and investors, Conference Call with journalists
02/23/2017	**Press Conference/IR Conference on figures 2016** Press Release, Conference Call with analysts and investors, Conference Call with journalists
03/16/2017	**Publication of the Annual Report 2016**
05/11/2017	**Publication of the Quarterly Statement for the First Quarter of 2017** Press Release, Conference Call with analysts and investors, Conference Call with journalists
08/03/2017	**Publication of the Half-Yearly Financial Report of 2017** Press Release, Conference Call with analysts and investors, Conference Call with journalists
11/09/2017	**Publication of the Quarterly Statement for the Third Quarter of 2017** Press Release, Conference Call with analysts and investors, Conference Call with journalists

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