

ProSiebenSat.1 Media SE

Quarterly Statement for the First Quarter of 2019

**WE
LOVE
TO
ENTERTAIN
CREATE
WIN**

KEY FIGURES OF PROSIEBENSAT.1 GROUP

in EUR m

	Q1 2019	Q1 2018
Revenues	913	881
Revenue margin before income taxes (in %)	19.5	5.2
Total costs	793	808
Operating costs ¹	732	689
Consumption of programming assets	232	245
Adjusted EBITDA ²	190	200
Adjusted EBITDA margin (in %)	20.8	22.7
EBITDA	180	133
Reconciling items ³	- 10	- 68
Operating result (EBIT)	129	81
Financial result	49	- 35
Result before income taxes	178	46
Net result attributable to shareholders of ProSiebenSat.1 Media SE	122	27
Adjusted net income ⁴	94	93
Adjusted earnings per share (in EUR)	0.42	0.41
Payments for the acquisition of programming assets	303	227
Free cash flow	- 54	56
Cash flow from investing activities	- 337	- 285
Free cash flow before M&A	- 61	87
	03/31/2019	03/31/2018
Employees ⁵	7,072	6,357
Programming assets	1,169	1,183
Equity	1,271	1,225
Equity ratio (in %)	19.3	18.5
Cash and cash equivalents	989	1,562
Financial debt	3,195	3,183
Leverage ratio ⁶	2.2	1.5 ⁷
Net financial debt	2,206	1,620 ⁷

¹ Total costs excl. EBITDA expense adjustments, depreciation, amortization and impairments.

² EBITDA before reconciling items.

³ EBITDA expense adjustments less income adjustments.

⁴ Net result attributable to shareholders of ProSiebenSat.1 Media SE before the amortization and impairments from purchase price allocations, adjusted for the reconciling items. These include valuation effects recognized in other financial result, valuation effects of put-options and earn-out liabilities, as well as valuation effects from interest rate hedging transactions. Moreover, the tax effects resulting from such adjustments are also adjusted. Annual Report 2018, page 85.

⁵ Full-time equivalent positions as of reporting date.

⁶ Ratio net financial debt to adjusted EBITDA in the last twelve months.

⁷ After reclassification of cash and cash equivalents of assets held for sale.

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GROUP INTERIM MANAGEMENT REPORT

AT A GLANCE

ProSiebenSat.1 Group is driving the digital transformation forward emphatically and uniting leading entertainment brands with a high-growth commerce business under one roof. In addition, the Group is achieving global success with the production and distribution business Red Arrow Studios. The Group's revenue base is therefore widely diversified. Over the next around five years, ProSiebenSat.1 Group intends to further increase the digital business' share in revenues to 50% (Q1 2018: 30%).

The Group had a positive start into 2019: Consolidated revenues rose by 4% to EUR 913 million in the first quarter of 2019 (previous year: EUR 881 million). The Content Production & Global Sales and Commerce segments both grew by a double-digit percentage and more than compensated for the expected decline in revenues in the Entertainment segment. However, the adjusted EBITDA declined. This was the effect of lower advertising revenues. With this development, the first quarter business performance is in line with the full-year targets 2019 which the Group presented in March.

At the core of our activities we will continue to provide best entertainment that people love and commerce offerings that people need. In everything we do, we want to be as close to the consumers as possible and to delight people – with the right offers at the right time, no matter where. This success is decisively shaped by our employees. In the first quarter of 2019, ProSiebenSat.1 Group had 7,072 employees (previous year: 6,357), calculated on the basis of full-time equivalents; the higher number of employees mainly results from acquisitions and the expansion of the digital portfolio.

SIGNIFICANT EVENTS

ProSiebenSat.1 Group regularly analyzes its portfolio and assesses possible growth and synergy potential. This strategy includes portfolio expansions, company disposals and investments in promising growth areas. In this context, the following events were significant in the first quarter of 2019:

- Effective as of February 21, 2019, General Atlantic PD GmbH, Munich (“General Atlantic”), contributed its 41.6% stake in Marketplace GmbH, Berlin (“Marketplace”), to NCG - NUCOM GROUP SE, Unterföhring („NuCom Group”) by way of a capital increase. General Atlantic has been a growth investor in NuCom Group since 2018; as of the reporting date on December 31, 2018, NuCom Group also held a 41.6% interest in Marketplace. At the same time, NuCom Group acquired 10.5% of the shares from other shareholders of Marketplace. The newly resulting total stake of NuCom Group and the shares held by the remaining minority shareholders were contributed effective as of February 21, 2019 to the newly founded be Around Holding GmbH, Berlin (“be Around”). After this contribution, 94.0% of the voting rights and 80.0% of the capital of be Around are attributed to NuCom Group. The overall transaction is based on a purchase price of about EUR 130 million. General Atlantic’s stake in NuCom Group thus increased from 25.1% to 28.4%. be Around operates Aroundhome (formerly Käuferportal), Germany’s largest online broker for products and services related to the home.
- By agreement of January 18, 2019, and effective as of March 1, 2019, ProSiebenSat.1 Group sold all its shares in Pluto Inc., Delaware, USA (“Pluto”), to Viacom Inc., New York, USA (“Viacom”). This occurred due to an existing drag-along right. Pluto operates a global video service and free OTT television service (over-the-top) in the USA. The transaction resulted in a cash inflow of EUR 30 million. Since the acquisition of the shares in 2016, Pluto had been included in the consolidated financial statements of ProSiebenSat.1 Group as an associated company using the equity method under IAS 28, because in addition to financial investment, the Group was also represented in the company’s management body, affording it considerable influence. The investment was allocated to the Entertainment segment. → [Group Earnings, page 8](#)
- By agreement of February 18, 2019, and effective as of February 22, 2019, SevenVentures GmbH, Unterföhring, a subsidiary allocated to the Entertainment segment, acquired approximately 14% of the voting shares in Friday Insurance S.A., Luxembourg (“Friday”), as part of a media-for-equity transaction. The purchase price totaled EUR 30 million. As an independent company with a European insurance license, Friday offers innovative insurance products in Germany.

i For further information on the above transactions, please refer to the → [Annual Report 2018 from page 228 \(Notes, Note 37 “Events after the reporting period”\)](#). Information on personnel changes in the Executive Committee of ProSiebenSat.1 Media SE, which we communicated on February 19, 2019, is also available here.

ProSiebenSat.1 Group pursues an active financial management and exploited the attractive environment on the financial markets. As a significant event after the end of the reporting period, in April 2019 the Group extended the maturity of the syndicated credit agreement consisting of a term loan and a revolving credit facility until April 2024. → [Borrowings and Financing Structure, page 12](#)

i Due to rounding, it is possible that the individual figures in this Quarterly Statement do not add up exactly to the totals shown and that percentage figures given do not reflect exactly the absolute figures to which they relate.

BUSINESS PERFORMANCE OF PROSIEBENSAT.1 GROUP

GROUP ENVIRONMENT

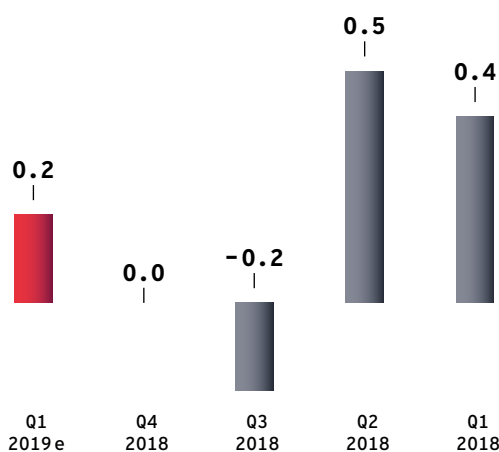
Economic Development

The German economy's growth lost momentum in 2018. Besides the ongoing problems in the automotive sector, the development of gross domestic product (GDP) is chiefly being marred by the weak global economy. In 2018 as a whole, economic growth was mainly driven by the domestic economy and by private consumption, which benefited from substantial income increases. This trend is likely to continue in the first quarter of 2019. → [Fig. 01](#)

According to preliminary information from the Federal Statistical Office, retail revenues grew by 3.9% in real terms from January to February 2019; they account for around a third of private consumption. The online and mail order business developed particularly dynamically (+8.0% in real terms). The strong construction sector is also likely to provide growth stimulus. In the first quarter of 2019, the Joint Economic Analysis Group therefore expects slight growth again, but the momentum of GDP will remain limited.

→ [Risk and Opportunity Report, page 17](#)

01 / DEVELOPMENT OF GROSS DOMESTIC PRODUCT IN GERMANY in %, change vs. previous quarter



Adjusted for price, seasonal and calendar effects.

Sources: Destatis, Joint Economic Forecast, Spring 2019. / e: estimate

Sector-Specific Development

ProSiebenSat.1 Group is consistently linking its television business to digital entertainment media and thus expanding its total reach. Together with AGF, ProSiebenSat.1 Group is working on the market launch of a convergent total reach metric for TV and digital with daily data. These new indicators will account for altered media usage. In the last few years, digitalization has extended the range of media usage: The once strong ties between content and end devices are increasingly coming undone, so the lines between different media are blurring. Linear television is now independent of the TV set. The same content is consumed via various channels on different devices; entertainment devices like smartphones and tablets are used in addition to the TV set. The associated overlaps between the various forms of use can be presented with the reach metric "total reach." As the next step, this reach is to be made addressable so that advertising can be tailored to the respective viewers in an optimum manner (smart reach).

→ [Annual Report 2018, page 99ff and page 126ff](#)

Development of the Advertising Market

After the German TV advertising market drew little benefit from the solid growth of private consumption in 2018, investments in TV advertising continued to decline at the start of the year due to the uncertainty over macroeconomic developments. There were also sector-specific effects, such as changed video usage and the growing significance of global digital corporations. This is not only affecting the German TV advertising market, but is also tending to affect the entire European advertising industry.

According to Nielsen Media Research, gross TV advertising investment in Germany fell by 2.1% to EUR 3.59 billion in the first quarter of 2019 (previous year: EUR 3.66 billion). At the same time, TV has the greatest relevance in comparison to other media: 48.6% of gross advertising investment went on TV advertising (previous year: 49.0%). Online advertising accounted for 11.1% (previous year: 10.7%). → [Fig. 02](#)

ProSiebenSat.1 Group is the market leader in the German TV advertising market. According to Nielsen Media Research, the Group achieved a market share of 37.7% (previous year: 38.8%). This equates to gross TV advertising revenues of EUR 1.35 billion (previous year: EUR 1.42 billion). → [Fig. 03](#)

Nielsen Media Research provides important indicators for assessing the advertising market's development. However, the data are collected on a gross basis. This means that they do not take account of discounts, self-promotion or agency commission; in addition, the data

also include TV spots from media-for-revenue-share and media-for-equity transactions. Furthermore, major digital players from the US such as Google and Facebook are not reflected in the Nielsen figures and therefore do not represent the entire gross market.

From ProSiebenSat.1 Group's perspective, the TV advertising market developed noticeably below the previous year's level on a net basis in the first quarter of 2019. Besides the general development of the market, the late Easter also had an effect on the advertising industry's investment behavior. → [Future Business and Industry Environment, page 18](#)

02 / MEDIA MIX GERMAN GROSS ADVERTISING MARKET in %, Q1 2018 figures in parentheses



Source: Nielsen Media Research.

03 / MARKET SHARES GERMAN GROSS ADVERTISING MARKET in %, Q1 2018 figures in parentheses



Source: Nielsen Media Research.

04 / TV ADVERTISING MARKETS IN GERMANY, AUSTRIA AND SWITZERLAND ON A GROSS BASIS in %

	Development of the TV advertising market in Q1 2019 (Change against previous year)	Market shares ProSiebenSat.1 Q1 2019	Market shares ProSiebenSat.1 Q1 2018
Germany	-2.1	37.7	38.8
Austria	-2.1	45.3	43.6
Switzerland	2.8	26.7	27.8

Germany: Nielsen Media Research, gross, January - March.

Austria: Media Focus, gross, January - March.

Switzerland: Media Focus, gross, January - March, the market shares relate to the German-speaking part of Switzerland.

Advertising budgets for in-stream video ads developed dynamically: In the first quarter of 2019, the market volume in Germany increased by 27.6% to EUR 155.3 million gross (previous year: EUR 121.7 million). By selling in-stream video ads, which are shown online before, after or during a video stream, ProSiebenSat.1 Group generated gross revenues of EUR 74.2 million in the first quarter of 2019 (previous year: EUR 54.1 million). This corresponds to a year-on-year increase of 37%. The market share therefore, rose from 44.5% to 47.8%.

Overall, investments in online advertising forms in Germany increased by 2.5% to EUR 821.8 million in the reporting period (previous year: EUR 802.0 million). This allowed the Group to increase its gross revenues by 17.0% to EUR 88.1 million in the first quarter of 2019 (previous year: EUR 75.3 million). In addition to in-stream videos, the online advertising market also includes display ads such as traditional banners and buttons. The official Nielsen Media Research online advertising statistics only include advertisement that is displayed on the websites of the Circle of Online Marketers (OVK). No data is available for advertising on digital platforms such as Google/YouTube, Facebook, or Amazon, as these providers do not report their gross revenues to Nielsen Media Research.

Development of Audience Shares and User Numbers

In Germany, the Group increased its combined audience share among 14- to 49-year-olds to 27.9% in the first quarter of 2019 (previous year: 26.8%). Thereby the larger stations ProSieben and kabel eins performed positively and also the smaller and still comparatively new stations increased their audience shares. The stations RTL, VOX, n-tv, Super RTL, NITRO, and RTLplus, which are marketed by IP Deutschland, had a market share of 26.3% in the first quarter of 2019 (previous year: 25.7%).

05 / AUDIENCE SHARES OF PROSIEBENSAT.1 GROUP

in %

	Q1 2019	Q1 2018
Germany	27.9	26.8
Austria	26.9	28.2
Switzerland	18.0	17.5

Germany: ProSiebenSat.1 Group: SAT.1, ProSieben, kabel eins, sixx, SAT.1 Gold, ProSieben MAXX, kabel eins Doku AGF in cooperation with GfK| videoSCOPE 1.1|market standard: TV | prepared on April 5, 2019; target group: 14-49.

Austria: AGTT/GfK TELETEST; Evogenius Reporting; January 1, 2018-March 31, 2019; weighted for number of people; including VOSDAL/time-shift; standard, target group: 12-49.

Switzerland: Figures are based on 24 hours (Mon-Sun). 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; market shares relate to German-speaking Switzerland; total signal; source: Media-pulse TV Panel.

In recent years, ProSiebenSat.1 Group has launched four new special interest stations in Germany, namely sixx, SAT.1 Gold, ProSieben MAXX and kabel eins Doku, and thus extended its lead in the advertising market. Today, ProSiebenSat.1 Group has seven brands in its principal revenue market, which complement each other synergistically and address different viewer groups. In addition, the Group has a complementary profile with various advertising-financed free TV stations in Austria and Switzerland. → [Fig. 05](#)

In addition to increasingly specific, targeted approaches to viewers and the sale of advertising spots, ongoing digitalization is opening up new revenue models for the TV business. The distribution of programs in high definition (HD) is one example. In Germany, ProSiebenSat.1 HD stations were able to increase the number of users to 9.7 million in the first quarter of 2019 (previous year: 8.9 million). The Group also broadcasts its programs in HD quality in Austria and Switzerland.

A further essential component of ProSiebenSat.1 Group's portfolio is the digital studio Studio71. It concentrates the broadcasting group's digital content offerings and generated over 9.0 billion video views per month worldwide in the first quarter of 2019 (previous year: 8.1 billion video views).

GROUP EARNINGS

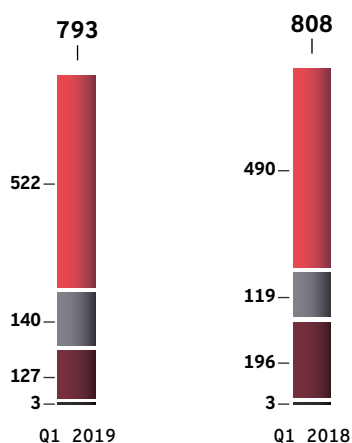
06 / SELECTED KEY FIGURES OF PROSIEBENSAT.1 GROUP in EUR m

	Q1 2019	Q1 2018
Revenues	913	881
Total costs	793	808
Operating costs	732	689
Operating result (EBIT)	129	81
Adjusted EBITDA	190	200
Reconciling items	-10	-68
EBITDA	180	133
Financial result	49	-35
Result before income taxes	178	46
Income taxes	-57	-16
Net result	121	30
Net result attributable to shareholders of ProSiebenSat.1 Media SE	122	27
Adjusted net income	94	93

In the first quarter of 2019, ProSiebenSat.1 Group increased **revenues** by 4% to EUR 913 million (previous year: EUR 881 million); adjusted for consolidation and currency effects, revenues increased by 3%. The Content Production & Global Sales and Commerce segments both grew by a double-digit percentage and more than compensated for the expected decline in revenues in the Entertainment segment. Thereby the Group grew both, organically and as a result of acquisitions to expand the digital portfolio. → [Business Development of the Segments, page 10](#)

The main reason for the revenue decline in the Entertainment segment was the development of TV advertising revenues, which were down year-on-year. Against this backdrop, the share of the non-advertising business increased to 44% in the first quarter of 2019 (previous year: 40%). ProSiebenSat.1 Group's objective is to generate additional revenues beyond the traditional TV advertising business and above all to successively increase the share of the digital business. → [Annual Report 2018, page 170](#)

07 / TOTAL COSTS in EUR m



■ Cost of sales ■ Selling expenses ■ Administrative expenses ■ Other operating expenses

Total costs declined by 2% to EUR 793 million (previous year: EUR 808 million). The decline is based on lower administrative expenses (-35% or EUR 69 million year-on-year) and reflects the Group's measures to increase efficiency. The previous year's figure is also dominated by higher reconciling items in connection with restructuring measures. The aim is to leverage synergies, streamline structures and increase the pooling of resources by making the portfolio more closely interconnected. This also includes reorganizing the holding structure as the logical continuation of the three-pillar strategy. In this context, personnel expenses declined by 14% or EUR 29 million to EUR 173 million in the first quarter of 2019. → [Fig. 07](#)

Despite the growth in revenues, **adjusted EBITDA** fell by 5% or EUR 11 million to EUR 190 million. This is due to higher operating costs, which amounted to EUR 732 million (+6% or EUR -43 million). → [Fig. 08](#) In addition to a revenue-driven cost increase in the Content Production & Global Sales and Commerce segments, this year-on-year increase is attributable partly to investments especially in the Entertainment segment. These included investments in local content, the expansion of digital platforms and an improved monetization of reach. The corresponding **adjusted EBITDA margin** was 20.8% (previous year: 22.7%). The margin declined because of the different cost and earnings structures of the individual segments.

08 / RECONCILIATION OF OPERATING COSTS

in EUR m

	Q1 2019	Q1 2018
Total costs	793	808
EBITDA expense adjustments	10	68
Depreciation, amortization and impairments ¹	51	51
Operating costs	732	689

¹ Of other intangible and tangible assets.

EBITDA grew significantly by 36% or EUR 47 million to 180 million in the first quarter of 2019 and is characterized by lower reconciling items. At minus EUR 10 million, these were significantly lower than in the previous year (previous year: EUR -68 million) and comprised the following: → [Fig. 09](#) Expenses from reorganizations fell by EUR 53 million to EUR 8 million. The high previous year's figure of EUR 61 million resulted from the implementation of the three-pillar strategy and especially from restructuring measures. These primarily concerned the Entertainment portfolio. Expenses of EUR 3 million resulted from M&A projects in the first quarter of 2019 (previous year: EUR 4 million), which were likewise primarily attributable to the Entertainment segment. Other EBITDA effects amounted to EUR 1 million (previous year: EUR -3 million). This item mainly includes fair value adjustments of share-based payments of EUR 2 million (previous year: EUR -2 million).

09 / RECONCILIATION OF ADJUSTED EBITDA in EUR m

	Q1 2019	Q1 2018
Result before income taxes	178	46
Financial result	49	-35
Operating result (EBIT)	129	81
Depreciation, amortization and impairments ¹	-51	-51
thereof from purchase price allocations	-12	-12
EBITDA	180	133
Reconciling items ²	-10	-68
Adjusted EBITDA	190	200

¹ Of other intangible and tangible assets.

² EBITDA expense adjustments of EUR 10 million (previous year: EUR 68 million) less income adjustments of EUR 0 million (previous year: EUR 0 million).

The **financial result** improved to EUR 49 million (previous year: EUR -35 million). This is mainly attributable to the positive development of the other financial result, which amounted to EUR 67 million (previous year: EUR -10 million). This includes impairments and reversals of impairment on financial assets, which increased to EUR 77 million in the first quarter of 2019 (previous year: EUR -9 million). These result in particular from the reversals of impairment on the shares in Pluto of EUR 22 million and from the reassessment of the shares, accounted for using the equity method, in Marketplace (EUR 27 million) in connection with the increase in the share and full consolidation of the newly founded be Around. EUR 16 million is attributable to the reassessment of put options; the largest individual item was the valuation of shares in digital studio Studio71. In addition, there are valuation effects from earn-out liabilities of EUR 13 million.

→ [Significant Events, page 5](#)

In addition to the other financial result, lower interest expenses led to an improvement in the financial result. This is based on the subsequent recognition of the tax deductibility of advance payments in connection with the syndicated loan from 2007, which results in interest income of EUR 5 million and tax income of EUR 3 million. In total, the interest result amounted to minus EUR 10 million (previous year: EUR -23 million). The result from investments accounted for using the equity method came to minus EUR 8 million (previous year: EUR -2 million). → [Significant Events, page 5](#)

The developments described resulted in an increase of **the result before income taxes** to EUR 178 million (previous year: EUR 46 million). Income taxes amounted to EUR 57 million (previous year: EUR 16 million) with a tax rate of 32.0% (previous year: 34.5%). The **net result** likewise increased considerably, reaching EUR 121 million (previous year: EUR 30 million). The net result attributable to shareholders of ProSiebenSat.1 Media SE increased by EUR 95 million to EUR 122 million. → [Fig. 10](#)

10 / RECONCILIATION OF ADJUSTED NET INCOME

in EUR m

	Q1 2019	Q1 2018
Net result attributable to shareholders of ProSiebenSat.1 Media SE	122	27
Other EBITDA adjustments	10	68
Depreciation, amortization and impairments from purchase price allocations ¹	13	11
Impairments on other financial assets	2	6
Reversal of impairment, reassessment and income from the sale accounted for using the equity method	-49	0
Valuation effects of put-options and earn-out liabilities	-26	6
Subsequent valuation effects relating to strategic realignments of business units in the financial result	4	-/-
Valuation effects from interest rate hedging transactions	-1	0
Reassessment of tax risks	-/-	6
Other effects	-/-	-2
Tax effects	14	-26
Minority interests	4	-2
Adjusted net income	94	93

¹ Incl. effects on associates consolidated using the equity method.

Adjusted net income was up 1% year-on-year and amounted to EUR 94 million (previous year: EUR 93 million). This item is adjusted for the above reconciling items, including the effects recognized in the other financial result as well as the expenses resulting from restructuring and portfolio measures. Basic adjusted earnings per share amounted to EUR 0.42 (previous year: EUR 0.41).

11 / RECONCILIATION OF THE INCOME STATEMENT

in EUR m

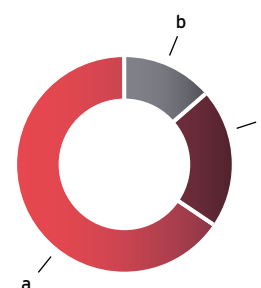
	Q1 2019 IFRS	Adjustments	Q1 2019 adjusted
Revenues	913	-/-	913
Total costs	-793	-22	-771
thereof operating costs	-732	-/-	-732
thereof depreciation, amortization and impairments	-51	-13	-39
Other operating income	9	-/-	9
Operating result (EBIT)	129	-22	151
Financial result	49	69	-19
Result before income taxes	178	46	131
Income taxes	-57	-14	-43
NET RESULT	121	32	89
Net result attributable to shareholders of ProSiebenSat.1 Media SE	122	28	94
Net result attributable to non-controlling interests	-1	4	-5
Result before income taxes	178	46	131
Financial result	49	69	-19
Operating result (EBIT)	129	-22	151
Depreciation, amortization and impairments	-51	-13	-39
thereof from purchase price allocations	-12	-12	-/-
EBITDA	180	-10	190

ProSiebenSat.1 Group also uses non-IFRS figures in the form of adjusted net income (1) and adjusted EBITDA (2). At the beginning of financial year 2017, ProSiebenSat.1 Group published a full income statement adjusted for certain influencing factors. This publication takes into account the development of reporting practices for non-IFRS figures and more stringent regulatory transparency requirements in this area.

BUSINESS DEVELOPMENT OF THE SEGMENTS

12 / REVENUE SHARE BY SEGMENT in %, 2018 figures in parentheses

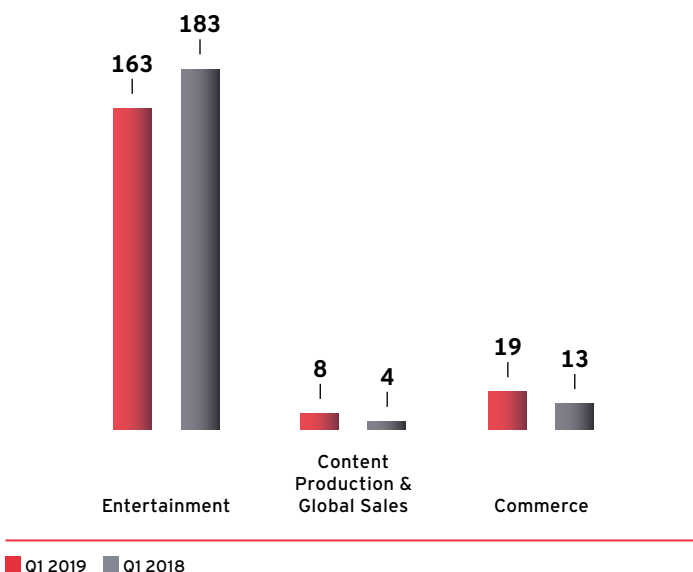
a _ Entertainment
63 (71)



b _ Content
Production &
Global Sales
15 (11)

c _ Commerce
22 (18)

13 / ADJUSTED EBITDA BY SEGMENT in EUR m



Entertainment Segment

In the first quarter of 2019, the Entertainment segment's **external revenues** amounted to EUR 579 million. This is a decline of 7% or EUR 45 million, which in addition to the deconsolidation of maxdome and 7NXT in July 2018 is primarily attributable above all to the weaker performance of the advertising business. Adjusted for consolidation and currency effects the decline amounted to 4%.

Advertising revenues declined as expected in the first quarter of 2019, which reflects particularly the general market development and the later Easter this year. While revenues from the Ventures business and program sales also declined, distribution revenues increased.

Adjusted EBITDA fell by 11% or EUR 21 million year-on-year to EUR 163 million. The revenue decline was partially compensated by efficient cost management. The **adjusted EBITDA margin** therefore came to 27.5% (previous year: 28.6%). In contrast, **EBITDA** increased by 36% to EUR 158 million (previous year: EUR 117 million). The previous year's figure is dominated in particular by expenses in connection with reorganizations. → [Group Earnings, page 8](#) → [Fig. 14](#)

14 / KEY FIGURES ENTERTAINMENT SEGMENT in EUR m

	Q1 2019	Q1 2018
Segment revenues	592	642
External revenues	579	624
Internal revenues	13	18
EBITDA	158	117
Adjusted EBITDA	163	183
Adjusted EBITDA margin ¹ (in %)	27.5	28.6

¹ Based on segment revenues.

Content Production & Global Sales Segment

In the Content Production & Global Sales segment, **external revenues** increased by 38% to EUR 135 million in the first quarter of 2019 (previous year: EUR 97 million). Adjusted for consolidation and currency effects revenues grew by 31%. The growth was driven on the one hand by digital studio Studio71, on the other hand the production business made a substantial contribution to the segment's revenue growth in the first three months of 2019.

EBITDA increased by EUR 4 million to EUR 8 million. **Adjusted EBITDA** doubled as well to EUR 8 million (previous year: EUR 4 million); the corresponding **adjusted EBITDA margin** amounted to 5.6% (previous year: 3.7%) and reflects the different margin structures of the individual business models. At the same time, the earnings performance reflects the segment's dynamic revenue growth. → [Fig. 15](#)

15 / KEY FIGURES CONTENT PRODUCTION & GLOBAL SALES in EUR m

	Q1 2019	Q1 2018
Segment revenues	148	110
External revenues	135	97
Internal revenues	13	12
EBITDA	8	4
Adjusted EBITDA	8	4
Adjusted EBITDA margin ¹ (in %)	5.6	3.7

¹ Based on segment revenues.

Commerce Segment

In the first quarter of 2019, **external revenues** in the Commerce segment were significantly higher than in the same quarter of the previous year (+25%) and amounted to EUR 199 million (previous year: EUR 159 million). The growth was positively influenced by the initial consolidations of the online dating service eHarmony Group in the second half of 2018 and of be Around, an online broker for products and services related to the home, in March 2019. At the same time, the segment is distinguished by organic revenue growth across all areas of the portfolio; the most important growth drivers were the online perfume store Flaconi GmbH and the OTC provider WindStar

Medical GmbH. Adjusted for consolidation and currency effects revenues increased by 14%. → [Significant Events, page 5](#)

Adjusted EBITDA increased by 44% to EUR 19 million (previous year: EUR 13 million) while the **adjusted EBITDA margin** amounted to 9.5% (previous year: 8.2%). **EBITDA** also increased due to the revenue growth, improving by 17% to EUR 14 million (previous year: EUR 12 million). EBITDA includes reconciling items of minus EUR 5 million after minus EUR 1 million in the previous year. In the first quarter of 2019, reconciling items resulted in particular from expenses in connection with reorganizations, especially in connection with the integration of eHarmony Group. → [Fig. 16](#)

16 / KEY FIGURES COMMERCE in EUR m

	Q1 2019	Q1 2018
Segment revenues	199	159
External revenues	199	159
Internal revenues	0	0
EBITDA	14	12
Adjusted EBITDA	19	13
Adjusted EBITDA margin ¹ (in %)	9.5	8.2

¹ Based on segment revenues.

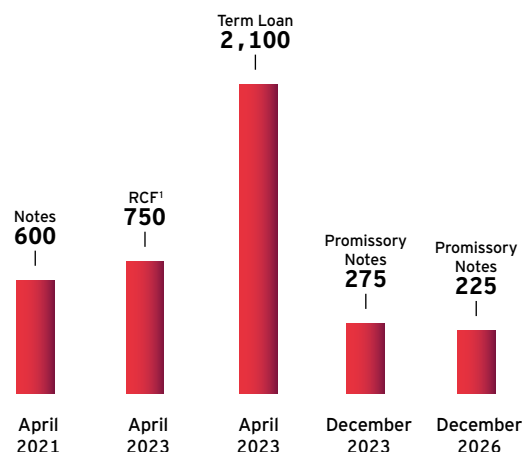
GROUP FINANCIAL POSITION AND PERFORMANCE

Borrowings and Financing Structure

ProSiebenSat.1 Group uses various financing instruments and practices active financial management. As of March 31, 2019, debt accounted for 81% of total equity and liabilities (December 31, 2018: 83%). The majority of this, at EUR 3,195 million or 60% (December 31, 2018: 59%), was attributable to current and non-current financial debt. The Group continuously monitors and assesses developments on the money and capital markets. → [Significant Events, page 5](#) → [Fig. 17](#)

i Further information on the financing instruments can be found on pages 113 and 114 of the Annual Report 2018.

17 / DEBT FINANCING INSTRUMENTS AND MATURITIES AS OF MARCH 31, 2019 in EUR m



¹ Not drawn.

i Rating agencies do not take ProSiebenSat.1 Group's loan agreement or notes into account in their credit ratings. For this reason, no corresponding statements are made here.

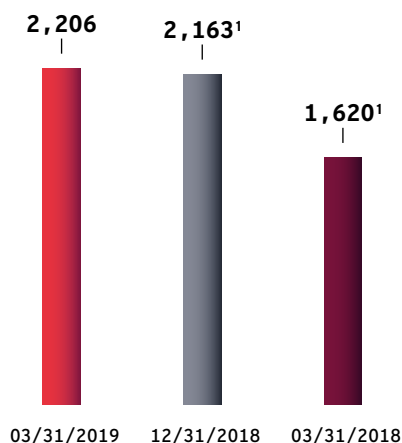
Interest payable on the syndicated term loan and the syndicated revolving credit facility (RCF) is variable and based on Euribor money market rates plus an additional credit margin. The Group uses derivative financial instruments in the form of interest rate swaps and interest rate options to hedge against interest rate changes caused by the market. As of March 31, 2019, the proportion of fixed interest was approximately 98% of the entire long-term financing portfolio (December 31, 2018: approx. 98%). The average fixed rate of the interest rate swaps was 0.5% per annum; the average interest rate cap was 1.0%. → [Analysis of Assets and Capital Structure, page 14](#)

Financing Analysis

The leverage ratio is a key indicator for Group-wide financial and investment planning. It reflects the ratio of net financial debt to adjusted EBITDA over the last twelve months (LTM adjusted EBITDA). The target is a ratio between 1.5 and 2.5 at the end of the relevant year; the target range may be exceeded for a short period of time as a result of fluctuations during the year. The leverage ratio was 2.2 as of March 31, 2019 (December 31, 2018: 2.1) with net financial debt of EUR 2,206 million (December 31, 2018: EUR 2,163 million). This higher net financial debt reflects the development of cash flows. → [Fig. 18, Fig. 19](#) → [Analysis of Liquidity and Capital Expenditure, page 13](#)

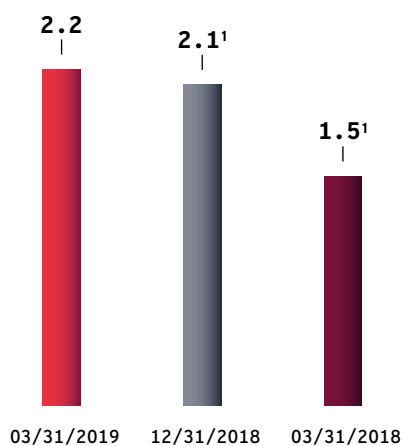
i As of March 31, 2019, the definition of ProSiebenSat.1 Group's net financial debt does not include lease liabilities according to IFRS 16, which amounted to EUR 170 million (previous year: EUR 167 million). Also not included are real estate liabilities of EUR 37 million.

18 / NET FINANCIAL DEBT in EUR m



¹ After reclassification of cash and cash equivalents of companies held for sale due to portfolio adjustment. Net financial debt is defined as financial debt minus cash and cash equivalents and certain current financial assets. The leverage ratio is derived by calculating the ratio of net financial debt to adjusted EBITDA of the last twelve months (LTM adjusted EBITDA).

19 / LEVERAGE RATIO



¹ After reclassification of cash and cash equivalents of companies held for sale due to portfolio adjustment. Net financial debt is defined as financial debt minus cash and cash equivalents and certain current financial assets. The leverage ratio is derived by calculating the ratio of net financial debt to adjusted EBITDA of the last twelve months (LTM adjusted EBITDA).

Analysis of Liquidity and Capital Expenditure

20 / CASH FLOW STATEMENT in EUR m

	Q1 2019	Q1 2018
Net result	121	30
Cash flow from operating activities	282	341
Cash flow from investing activities	-337	-285
Free cash flow	-54	56
Cash flow from financing activities	8	-32
Effect of foreign exchange rate changes on cash and cash equivalents	4	-8
Change in cash and cash equivalents	-42	17
Cash and cash equivalents at beginning of reporting period	1,031	1,559 ¹
Cash and cash equivalents classified under assets held for sale at end of reporting period	-	13
Cash and cash equivalents at end of reporting period²	989	1,562

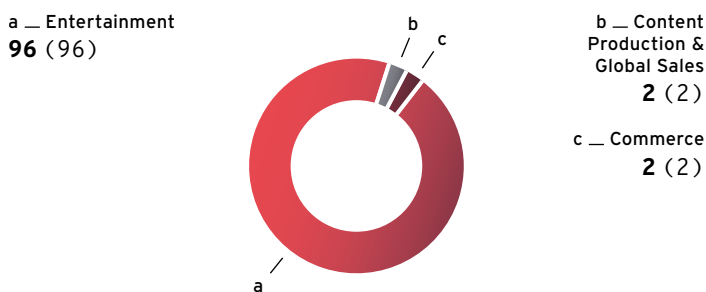
¹ Includes cash and cash equivalents from entities held for sale.

² The 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 the respective closing date.

In the first quarter of 2019, ProSiebenSat.1 Group generated a **cash flow from operating activities** of EUR 282 million (previous year: EUR 341 million). The decline primarily reflects the change in working capital. The main reason for this is a greater reduction in liabilities, slightly offset by a greater reduction in receivables.

21 / INVESTMENTS BY SEGMENT¹

in %, previous year's figures in parentheses



¹ Investments by segment before M&A activities.

For the first quarter of 2019, the Group reports a **cash flow from investing activities** of minus EUR 337 million. This equates to an increase in cash outflow of 18% or EUR 52 million, which primarily reflects higher payments for programming investments. This was countered by an increased cash inflow from the disposal of property, plant, and equipment, other intangible assets and other non-current assets.

– The cash outflow for additions to the scope of consolidation amounted to EUR 10 million in the first quarter of 2019 (previous year: EUR 25 million) and reflects the purchase price payment for

the acquisition of be Around. The comparatively high figure for the previous year includes purchase price payments for the online cancellation service Aboalarm GmbH and the e-commerce marketer Kairion GmbH and deferred purchase price payments for the US production companies Fabrik Entertainment, LLC, and Kinetic Content, LLC. → [Significant Events, page 5](#)

i Assets resulting from initial consolidations are not reported as segment-specific investments. Cash and cash equivalents used for the acquisition of the initially consolidated entities are shown as "cash outflow from additions to the scope of consolidation."

— The cash outflow for the acquisition of programming rights amounted to EUR 303 million. This is an increase of 34% or EUR 76 million compared to the previous year. As in the previous year, 100% of the programming investments were made in the Entertainment segment. 51% went on licensed programs (previous year: 55%) and 47% on commissioned productions (previous year: 44%).

i 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 cost of sales and are not considered as an investment.

— Investments in property, plant, and equipment likewise increased to EUR 9 million (previous year: EUR 8 million). Most of this was also attributable to the Entertainment segment at 65% (previous year: 86%) and, besides technical facilities and leasehold improvements, related to the new campus at the Unterföhring site. EUR 33 million went on other intangible assets (previous year: EUR 26 million). At 73%, the Group invested in other intangible assets primarily in the Entertainment segment (previous year: 67%).

The developments described resulted in a **free cash flow** of minus EUR 54 million for the first quarter of 2019 (previous year: EUR 56 million). → [Fig. 22](#)

M&A cash flow amounted to EUR 7 million, after minus EUR 31 million in the previous year. In the first quarter of 2019, this includes cash inflow from the disposal of the associated company Pluto. In addition, lower cash outflows for additions to the scope of consolidation had a positive effect. → [Significant Events, page 5](#)

The **free cash flow before M&A** amounted to minus EUR 61 million (previous year: EUR 87 million). This equates to a decrease of EUR 148 million, which is based both on the change in working capital and on a higher cash outflow for the acquisition of programming rights.

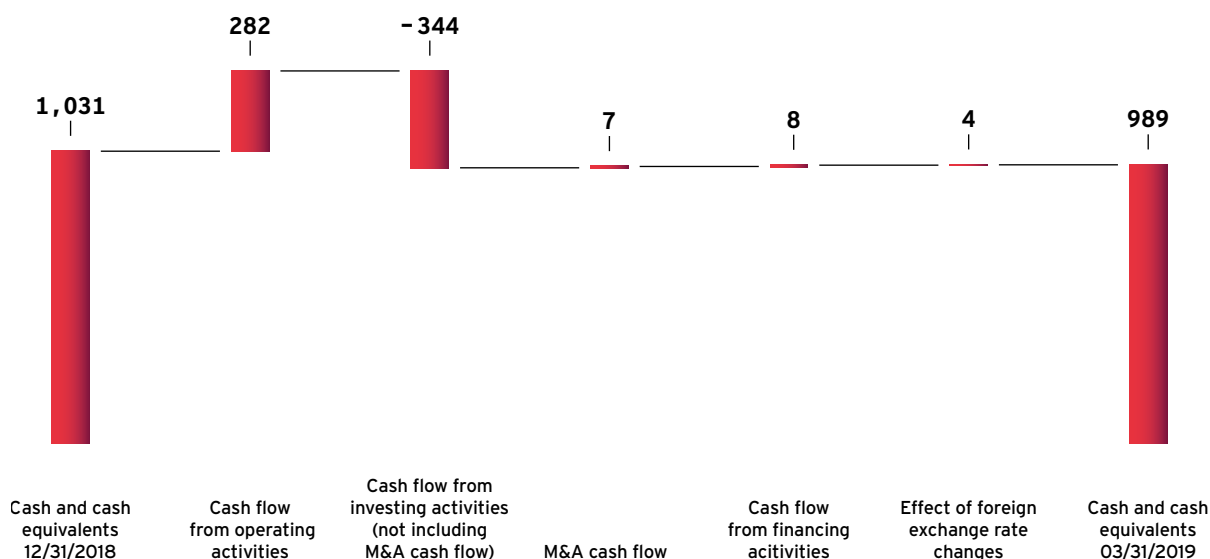
i Free cash flow: Total cash and cash equivalents generated in operating business less the balance of cash used and generated in the context of investing activities. Free cash flow before M&A: Free cash flow adjusted for cash used and generated by M&A transactions (excl. transaction costs) related to majority acquisitions that are carried out and planned, the purchase and sale of investments accounted for using the equity method and other investments with the exception of media-for-equity investments.

Cash flow from financing activities amounted to EUR 8 million (previous year: EUR -32 million). This figure is characterized by various contrary developments: The real estate loan in connection with the new campus at the Unterföhring site led to a cash inflow of EUR 15 million; there were also proceeds from non-controlling interests of EUR 7 million. A purchase price payment for additional shares in Sonoma Internet GmbH, Berlin, the company that operates the Amorelie platform, had an opposite effect in the first quarter of 2018.

The Group has a comfortable level of liquidity, although the cash flows described resulted in a decline in **cash and cash equivalents**. They amounted to EUR 989 million (previous year: EUR 1,562 million). → [Fig. 23](#)

22 / RECONCILIATION OF FREE CASH FLOW BEFORE M&A MEASURES in EUR m

	Total cash flow	M&A cash flow	Cash flow before M&A
Cash flow from operating activities	282	-/-	282
Proceeds from disposal of non-current assets	33	31	2
Payments for the acquisition of other intangible assets and property, plant and equipment	-43	-/-	-43
Payments for the acquisition of financial assets	-15	-14	-2
Proceeds from disposal of programming assets	1	-/-	1
Payments for the acquisition of programming assets	-303	-/-	-303
Payments for the issuance of loan receivables to external parties	0	0	-/-
Cash flow from obtaining control of subsidiaries or other businesses (net of cash and cash equivalents acquired)	-10	-10	-/-
Cash flow from investing activities	-337	7	-344
Free cash flow	-54	7	-61



Analysis of Assets and Capital Structure

Total assets increased by 2%, amounting to EUR 6,594 million as of March 31, 2019 (December 31, 2018: EUR 6,468 million). The most important items in the statement of financial position are described in more detail below. → [Fig. 24](#)

— **Current and non-current assets:** As of March 31, 2019, goodwill increased by 7% to EUR 2,090 million (December 31, 2018: EUR 1,962 million); its share in total assets was 32% (December 31, 2018: 30%). Other intangible assets increased by 3% to EUR 850 million (December 31, 2018: EUR 824 million). These developments are influenced by the initial consolidation of be Around. Property, plant, and equipment increased by 5% to EUR 344 million (December 31, 2018: EUR 327 million). → [Significant Events, page 5](#)

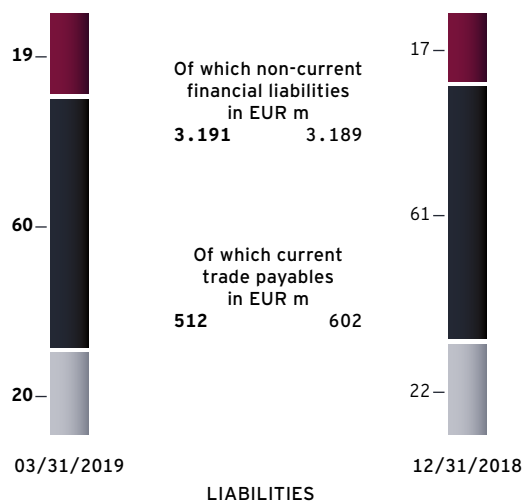
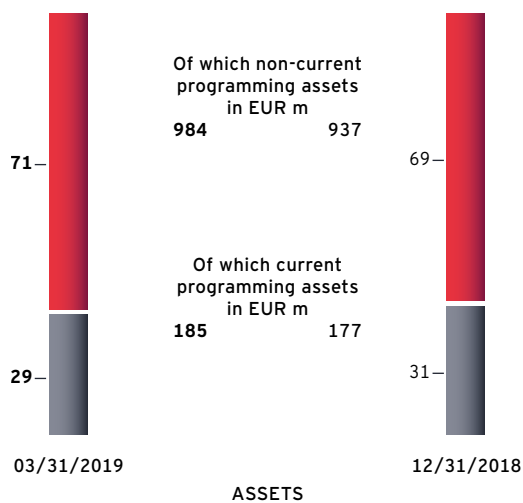
Other non-current financial and non-financial assets grew by 24% to EUR 307 million (December 31, 2018: EUR 249 million). This increase was primarily due to new media-for-equity investments and the positive development of foreign currency hedges. Other current financial and non-financial assets fell by 6% to EUR 115 million (December 31, 2018: EUR 122 million). In addition, current trade receivables decreased by 14% to EUR 452 million (December 31, 2018: EUR 529 million). → [Significant Events, page 5](#)

Programming assets increased by 5% year-on-year and amounted to EUR 1,169 million (December 31, 2018: EUR 1,113 million). Programming assets made up 18% of total assets (December 31, 2018: 17%) and comprise non-current and current programming assets.

Cash and cash equivalents amounted to EUR 989 million. This equates to a decline of 4% or EUR 42 million compared to December 31, 2018, and reflects the development of cash flows. → [Analysis of Liquidity and Capital Expenditure, page 13](#)

- **Equity:** Equity increased by 19% or EUR 201 million to EUR 1,271 million. This development is based on the positive net result and the contribution of the shares in Marketplace by General Atlantic, which led to the increase in non-controlling interests. The corresponding equity ratio was 19.3% (December 31, 2018: 16.5%). → [Significant Events, page 5](#)
- **Current and non-current liabilities:** Debt decreased slightly compared to the closing date in 2018; overall, liabilities and provisions fell by 1% compared to December 31, 2018, to EUR 5,323 million (December 31, 2018: EUR 5,398 million). The main reasons for this were the decline in trade payables, provisions for onerous contracts, and positive valuation effects from put option liabilities. New media-for-equity liabilities had an opposite effect. Non-current and current financial debt reported in debt was virtually unchanged at EUR 3,195 million (December 31, 2018: EUR 3,194 million).

24 / **STRUCTURE OF THE STATEMENT OF FINANCIAL POSITION** in %



■ Non-current assets ■ Current assets

■ Equity ■ Non-current liabilities ■ Current liabilities

RISK AND OPPORTUNITY REPORT

The opportunity situation has not changed fundamentally compared to the end of 2018. In addition, 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 financial position and performance. The identified risks pose no threat to the Company as a going concern, even looking into the future. Nevertheless, the Group's overall risk situation heightened in the first quarter of 2019 compared to the end of 2018, in particular due to macroeconomic developments. Risks that increased compared to December 31, 2018, are described in more detail below.

i ProSiebenSat.1 Media SE has implemented a comprehensive risk management system to systematically identify, assess, manage and monitor risks. Risks reported as part of this system are summarized into categories and clusters. All relevant individual risks are examined in detail and managed as part of regular reporting. We monitor all relevant risks as part of the risk management process; in this risk report, however, we focus only on changes in those risks which have been classified as medium or high in their overall significance.

Macroeconomic risks: The global economy cooled palpably over the course of 2018, partly as a consequence of growing protectionism and international trade disputes. In Europe, the threat of a no-deal Brexit also weighed down on sentiment. In Germany, these unfavorable external conditions and the development of the automotive sector, one of the key industries, brought the upward economic momentum to a halt.

At the start of 2019, the weakening of the global economic output seems to continue. According to the latest forecast by the International Monetary Fund, global GDP growth will fall from real 3.6% in 2018 to 3.3% in 2019 in real terms. Although no lasting recession is expected in Germany on account of the robust domestic economy, the strains on the export-oriented German economy are mounting. In particular, there are key risks emanating from important trading partners such as the USA, Great Britain and China. In the latest Joint Economic Forecast, the growth projection for the German economy has therefore been revised downward significantly from plus 1.9% (fall 2018) to plus 0.8%.

We, too, now consider the economic risks to be higher than in the previous quarter. As companies' advertising expenditure and other investment decisions are influenced by the general economic situation and sentiment, we see this external risk as a high risk (previously: medium) with a very high impact on earnings performance (previously: high). We continue to classify the probability of occurrence as possible.

Success of in-house and commissioned productions and local content strategy: Programs that viewers can connect with at a local level are increasingly becoming a competitive advantage over global streaming services. Therefore, ProSiebenSat.1 Group has enhanced its content strategy and is focusing more heavily on broadcasting live and local formats in addition to opportunities for digital exploitation. Due to the associated increase in the proportion of in-house and commissioned productions in programming as a whole, the effect of the risk has now risen from low to moderate. The probability of occurrence remains possible. The resulting risk has therefore increased, and we now categorize its significance as medium overall.

i The risks identified as medium or high and significant opportunities are described in the Annual Report 2018 from page 123. The organizational requirements for risk and opportunity management are also explained here. The Annual Report was published on March 21, 2019, and is available at <https://www.prosiebensat1.com/en/investor-relations/publications/annual-reports>.

OUTLOOK

FUTURE BUSINESS AND INDUSTRY ENVIRONMENT

The leading German research institutes significantly lowered their forecast for economic growth at the beginning of 2019: While in the previous quarter they still assumed an increase in German GDP of 1.9%, the forecast has now been revised by more than a percentage point to 0.8%. They chiefly blamed the forecast reduction on global economic conditions, which have reportedly continued to deteriorate as a result of political risks. According to the economic research institutes of the Joint Economic Analysis Group, the significant risks at international level include the trade dispute between the USA and China and the still-unresolved Brexit process.

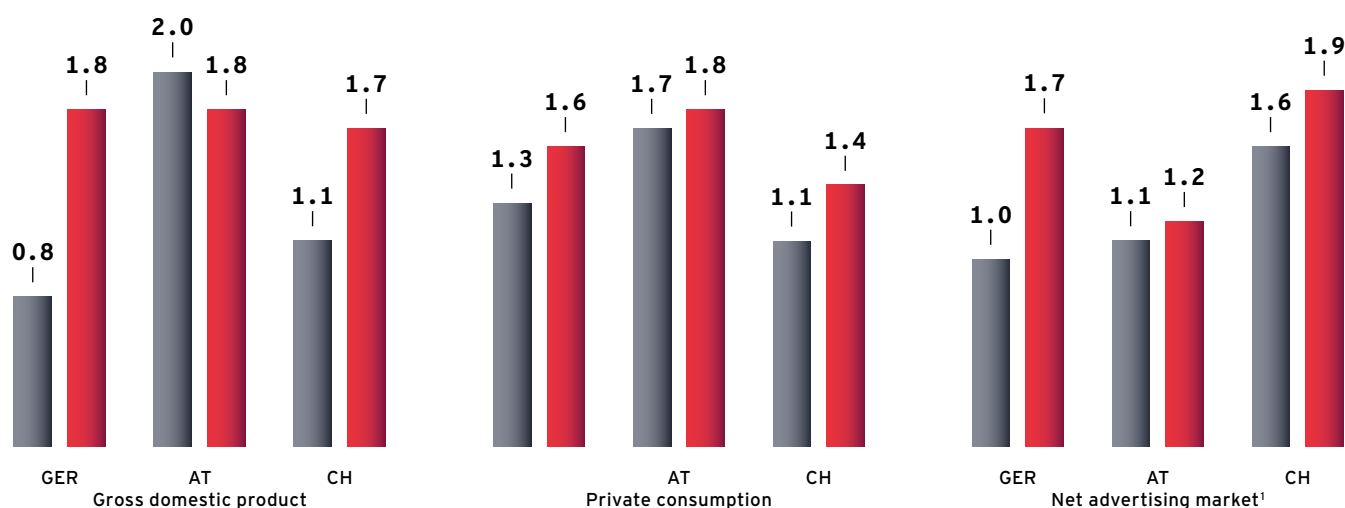
In Germany, the economy is also under pressure from the existing shortage of skilled labor, supply bottlenecks and problems in the automotive industry. Nevertheless, private consumption is expected to grow by 1.3% in 2019. The German Retail Federation (HDE) forecasts that German retail will increase its revenues this year by 2%

compared to the previous year to EUR 535.5 billion. → [Economic Development, Page 6](#) → [Risk and Opportunity Report, Page 17](#)

Given the low macroeconomic visibility, forecasts for the advertising market vary. For TV advertising, they range from current minus 1.6% (Magna Global) to an optimistic plus 1.2% in net terms (ZenithOptimedia) for 2019. According to ProSiebenSat.1 Group, the start of the advertising year was below Magna Global's forecast.

In contrast, in-stream video advertising is likely to continue its dynamic development and drive growth on the online advertising market. The research institutes anticipate a net plus of 6.4% (ZenithOptimedia) or 10.4% (Magna Global). For the German advertising market as a whole, Magna Global anticipates net growth of plus 2.4%; ZenithOptimedia forecasts growth of 1.0% for 2019. It remains to be seen whether and which implications the macroeconomic risks will have for the advertising industry and in particular for the TV advertising market. → [Fig. 25](#) → [Development of the Advertising Market, Page 6](#)

25 / FORECAST FOR GDP, PRIVATE CONSUMPTION AND NET ADVERTISING MARKET IN COUNTRIES IMPORTANT FOR PROSIEBENSAT.1 GROUP in %, change vs. previous year



■ 2019e ■ 2020e

Sources: GER: Joint Economic Forecast Spring 2019. / AT: Austrian Institute for Economic Research (WIFO); Forecast 2018–2020 of 20 December 2018 (e). / CH: Swiss Federal Statistical Office (BFS), State Secretariat Economic Affairs (SECO), press release of March 14, 2019 (e).

¹ ZenithOptimedia, Advertising Expenditure Forecasts March 2019, figures adjusted on a net basis, nonetheless methodological differences between different countries and sources. / e: estimate

COMPANY OUTLOOK

With the development described, business performance in the first quarter was in line with the full-year targets for 2019, which the Group presented at the Annual Press Conference in March as well as in the Annual Report 2018 and which are subject to the macroeconomic environment and the development of the TV advertising market. As such, for the full-year, the ProSiebenSat.1 Group continues to target a revenue increase in the mid single-digit percentage range and an adjusted EBITDA margin between 22% and 25% on Group level, respectively. As already announced, 2019 is characterized as a year of investments for the ProSiebenSat.1 Group in order to set up a future-ready Entertainment business. In accordance with this, the Group expects a pronounced decline in earnings for the second and third quarter, respectively, as planned investments in the Entertainment segment will focus on these two quarters. For the full-year, the ProSiebenSat.1 Group expects, as announced, that the decline in Group adjusted EBITDA in fiscal 2019 will be limited to a mid double-digit million amount compared to the previous year. Overall, the Group sees itself on track to achieving its full-year targets. With advertising visibility remaining low, the Group will support full-year target achievement by continued cost management efforts as well as growth and monetization initiatives in the Entertainment segment.

i The company has published detailed explanatory notes on the forecast and the anticipated Group and segment key figures on → [pages 137 and 138 of the Annual Report 2018](#).

26 / PREDICTIVE STATEMENTS

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. However, forecasts naturally entail some uncertainties that could lead to positive or negative deviations from planning. If imponderables occur or if the assumptions on which the predictive statements are made no longer 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. 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 accounted for regularly and systematically as part of the Group-wide risk management process. Significant events after the end of the reporting period are explained in the → ["Significant Events" section on page 5](#). The publication date of the Quarterly Statement for the first quarter of 2019 is May 9, 2019.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

INCOME STATEMENT

27 / INCOME STATEMENT OF PROSIEBENSAT.1 GROUP in EUR m

	Q1 2019	Q1 2018
1. Revenues	913	881
2. Cost of sales	- 522	- 490
3. Gross profit	390	392
4. Selling expenses	- 140	- 119
5. Administrative expenses	- 127	- 196
6. Other operating expenses	- 3	- 3
7. Other operating income	9	8
8. Operating result	129	81
9. Interest and similar income	0	1
10. Interest and similar expenses	- 10	- 23
11. Interest result	- 10	- 23
12. Result from investments accounted for using the equity method	- 8	- 2
13. Other financial result	67	- 10
14. Financial result	49	- 35
15. Result before income taxes	178	46
16. Income taxes	- 57	- 16
NET RESULT	121	30
Net result attributable to shareholders of ProSiebenSat.1 Media SE	122	27
Net result attributable to non-controlling interests	- 1	3
in EUR		
Earnings per share		
Basic earnings per share	0.54	0.12
Diluted earnings per share	0.53	0.11

STATEMENT OF COMPREHENSIVE INCOME

28 / STATEMENT OF COMPREHENSIVE INCOME OF PROSIEBENSAT.1 GROUP in EUR m

	Q1 2019	Q1 2018
Net result	121	30
Items subsequently reclassified to profit or loss		
Change in foreign currency translation adjustment	9	- 11
Changes in fair value of cash flow hedges	11	- 56
Deferred tax on other comprehensive income	- 3	16
Other comprehensive income	17	- 51
Total comprehensive income	138	- 21
Total comprehensive income attributable to Shareholders of ProSiebenSat.1 Media SE	139	- 24
Total comprehensive income attributable to non-controlling interests	- 1	3

STATEMENT OF FINANCIAL POSITION

29 / STATEMENT OF FINANCIAL POSITION OF PROSIEBENSAT.1 GROUP in EUR m

	03/31/2019	12/31/2018' adjusted
A. Non-current assets		
I. Goodwill	2,090	1,962
II. Other intangible assets	850	824
III. Property, plant and equipment	344	327
IV. Investments accounted for using the equity method	32	77
V. Non-current financial assets	302	244
VI. Programming assets	984	937
VII. Other receivables and non-current assets	5	4
VIII. Deferred tax assets	99	95
	4,706	4,470
B. Current assets		
I. Programming assets	185	177
II. Inventories	52	42
III. Current financial assets	58	69
IV. Trade receivables	452	529
V. Current tax assets	95	98
VI. Other receivables and current assets	57	53
VII. Cash and cash equivalents	989	1,031
	1,888	1,998
Total assets	6,594	6,468
	03/31/2019	12/31/2018' adjusted
A. Equity		
I. Subscribed capital	233	233
II. Capital reserves	1,044	1,043
III. Consolidated equity generated	3	-119
IV. Treasury shares	-64	-64
V. Accumulated other comprehensive income	53	36
VI. Other equity	-234	-246
Total equity attributable to shareholders of ProSiebenSat.1 Media SE	1,035	883
VII. Non-controlling interests	236	187
	1,271	1,070
B. Non-current liabilities		
I. Non-current financial debt	3,191	3,189
II. Other non-current financial liabilities	339	349
III. Trade payables	47	53
IV. Other non-current liabilities	33	6
V. Provisions for pensions	28	28
VI. Other non-current provisions	87	111
VII. Deferred tax liabilities	254	239
	3,979	3,974
C. Current liabilities		
I. Current financial debt	5	5
II. Other current financial liabilities	224	200
III. Trade payables	465	550
IV. Other current liabilities	336	362
V. Provisions for taxes	111	109
VI. Other current provisions	203	198
	1,345	1,424
Total equity and liabilities	6,594	6,468

¹ At December 31, 2018, an amount of EUR 116 million relating to the effects of General Atlantic's acquisition of a non-controlling interest in 2018 was reclassified between the equity items VI. "Other equity" and VII. "Non-controlling interests" due to a necessary adjustment identified in the first quarter of 2019. Consequently, "Non-controlling interests" declined by EUR 116 million and "Other equity" increased correspondingly by EUR 116 million, compared to amounts previously reported.

CASH FLOW STATEMENT

30 / CASH FLOW STATEMENT OF PROSIEBENSAT.1 GROUP in EUR m

	Q1 2019	Q1 2018
Net result	121	30
Income taxes	57	16
Financial result	-49	35
Depreciation, amortization and impairments of other intangible assets and property, plant and equipment	51	51
Consumption/reversal of impairment of programming assets	232	240
Change in provisions for pensions and other provisions	-3	64
Gain/loss on the sale of assets	0	-2
Other non-cash income/expenses	-1	1
Change in working capital	-77	-43
Dividends received	6	6
Income tax paid	-48	-47
Interest paid	-8	-11
Interest received	1	0
Cash flow from operating activities	282	341
Proceeds from disposal of non-current assets	33	12
Payments for the acquisition of other intangible assets and property, plant and equipment	-43	-33
Payments for the acquisition of financial assets	-15	-19
Proceeds from disposal of programming assets	1	4
Payments for the acquisition of programming assets	-303	-227
Payments for the issuance of loan receivables to external parties	0	-/-
Cash flow from obtaining control of subsidiaries or other businesses (net of cash and cash equivalents acquired)	-10	-25
Cash flow from losing control of subsidiaries or other businesses (net of cash and cash equivalents disposed of)	-/-	2
Cash flow from investing activities	-337	-285
Free cash flow	-54	56
Repayment of interest-bearing liabilities	-3	0
Proceeds from issuance of interest-bearing liabilities	16	1
Repayment of lease liabilities	-10	-10
Payments for shares in other entities without change in control	-1	-21
Proceeds from non-controlling interests	7	-/-
Dividend payments to non-controlling interests	-1	-1
Cash flow from financing activities	8	-32
Effect of foreign exchange rate changes on cash and cash equivalents	4	-8
Change in cash and cash equivalents	-42	17
Cash and cash equivalents at beginning of reporting period	1,031	1,559 ¹
Cash and cash equivalents at end of reporting period	989	1,576¹
Cash and cash equivalents classified under assets held for sale at end of reporting period	-/-	13
Cash and cash equivalents at end of reporting period (statement of financial position)	989	1,562

¹ Includes cash and cash equivalents from held for sale entities.

STATEMENT OF CHANGES IN EQUITY

31 / STATEMENT OF CHANGES IN EQUITY OF PROSIEBENSAT.1 GROUP Q1 2018 in EUR m

	Subscribed capital	Capital reserves	Consolidated equity generated	Treasury shares	Accumulated other comprehensive income					Total equity attributable to shareholders of ProSiebenSat.1 Media SE	Non-controlling interests	Total equity
					Foreign currency translation adjustment	Fair value changes of cash flow hedges	Valuation of provisions for pensions	Defered taxes	Other equity			
December 31, 2017	233	1,055	79	-13	-14	7	-9	1	-113	1,225	26	1,252
Change in reporting standards	-/-	-/-	-5	-/-	-/-	-/-	-/-	-/-	-/-	-5	-/-	-5
January 1, 2018	233	1,055	74	-13	-14	7	-9	1	-113	1,221	26	1,247
Net result	-/-	-/-	27	-/-	-/-	-/-	-/-	-/-	-/-	27	3	30
Other comprehensive income	-/-	-/-	-/-	-/-	-11	-56	-/-	16	-/-	-51	0	-51
Total comprehensive income	-/-	-/-	27	-/-	-11	-56	-/-	16	-/-	-24	3	-21
Dividends	-/-	-/-	-/-	-/-	-/-	-/-	-/-	-/-	-/-	-/-	-1	-1
Other changes	-/-	0	0	-/-	-/-	-/-	-/-	-/-	-1	-1	1	0
March 31, 2018	233	1,056	102	-13	-25	-49	-9	17	-114	1,196	30	1,225

32 / STATEMENT OF CHANGES IN EQUITY OF PROSIEBENSAT.1 GROUP Q1 2019 in EUR m

	Subscribed capital	Capital reserves	Consolidated equity generated	Treasury shares	Accumulated other comprehensive income					Total equity attributable to shareholders of ProSiebenSat.1 Media SE	Non-controlling interests	Total equity
					Foreign currency translation adjustment	Fair value changes of cash flow hedges	Valuation of provisions for pensions	Defered taxes	Other equity			
December 31, 2018 ¹ adjusted	233	1,043	-119	-64	4	54	-10	-13	-246	883	187	1,070
Net result	-/-	-/-	122	-/-	-/-	-/-	-/-	-/-	-/-	122	-1	121
Other comprehensive income	-/-	-/-	-/-	-/-	9	11	-/-	-3	-/-	17	0	17
Total comprehensive income	-/-	-/-	122	-/-	9	11	-/-	-3	-/-	139	-1	138
Other changes	-/-	1	0	-/-	-/-	-/-	-/-	-/-	12	13	50	63
March 31, 2019	233	1,044	3	-64	13	66	-10	-16	-234	1,035	236	1,271

¹ At December 31, 2018, an amount of EUR 116 million relating to the effects of General Atlantic's acquisition of a non-controlling interest in 2018 was reclassified between the equity items "Other equity" and "Non-controlling interests" due to a necessary adjustment identified in the first quarter of 2019. Consequently, "Non-controlling interests" declined by EUR 116 million and "Other equity" increased correspondingly by EUR 116 million, compared to amounts previously reported.

FINANCIAL CALENDAR

Date	Event
05/09/2019	Publication of the Quarterly Statement for the First Quarter of 2019
06/12/2019	Annual General Meeting 2019
08/07/2019	Publication of the Half-Yearly Financial Report of 2019
11/07/2019	Quarterly Statement for the Third Quarter of 2019

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→ www.ProSiebenSat1.com/en

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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.