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ProSiebenSat.1 Media SE
Quarterly Statement for the Third Quarter of 2020

KEY FIGURES OF PROSIEBENSAT.1 GROUP

in EUR m

	Q1-Q3 2020	Q1-Q3 2019	**Q3 2020**	Q3 2019
Revenues	**2,555**	2,786	**921**	926
Revenue margin before income taxes (in %)	**2.9**	12.8	**10.9**	5.2
Total costs	**2,449**	2,474	**845**	870
Operating costs [1]	**2,245**	2,277	**776**	802
Consumption of programming assets	**645**	654	**198**	204
Adjusted EBITDA [2]	**328**	534	**149**	131
Adjusted EBITDA margin (in %)	**12.9**	19.2	**16.1**	14.2
EBITDA	**340**	506	**174**	122
Reconciling items [3]	**12**	-28	**25**	-9
Operating result (EBIT)	**159**	337	**114**	64
Adjusted EBIT	**191**	404	**103**	86
Financial result	**-84**	20	**-13**	-16
Result before income taxes	**75**	357	**100**	48
Adjusted net income [4]	**36**	224	**29**	46
Net income	**39**	248	**69**	33
Net income attributable to shareholders of ProSiebenSat.1 Media SE	**52**	249	**69**	34
Net income attributable to non-controlling interests	**-13**	-1	**0**	0
Adjusted earnings per share (in EUR)	**0.16**	0.99	**0.13**	0.20
Payments for the acquisition of programming assets	**745**	806	**263**	219
Free Cashflow	**-429**	-150	**-337**	-71
Cash flow from investing activities	**-1,252**	-1,045	**-647**	-283
Free cash flow before M&A	**-55**	-36	**0**	-51
Audience share (in %) [5]	**27.5**	28.3	**27.6**	28.6
Total Video Viewtime (in billion minutes) [6]	**803**	793	**245**	253
Total daily TV consumption (AGF) (in minutes) [7]	**207**	199	**184**	184

	09/30/2020	12/31/2019	09/30/2019
HD subscribers (in m) [8]	**10.4**	**10.0**	**9.9**
Employees [9]	**7,408**	7,253	7,416
Programming assets	**1,244**	1,204	1,222
Equity	**1,554**	1,288	1,165
Equity ratio (in %)	**21.6**	19.5	18.2
Cash and cash equivalents	**1,056**	950	609
Financial debt	**3,544**	3,195	3,197
Leverage ratio [10]	**3.7**	2.6	2.8
Net financial debt	**2,488**	2,245	2,588

1 Total costs excl. expense adjustments, depreciation, amortization, and impairments.
2 EBITDA before reconciling items.
3 Expense adjustments less income adjustments.
4 Net income 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 2019, page 88.
5 ProSiebenSat.1 Group; AGF in cooperation with GfK; market standard: TV; VideoScope 1,3; January 1, 2020-September 30, 2020/Target group: 14-49.
6 Total video view time represents the total number of minutes viewed across ProSiebenSat.1 Group's linear and non-linear platforms (TV-Websites, mobile apps, SmartTV, HbbTV), inclusive Studio71 Germany (TV Content) and Joyn of ProSiebenSat.1 Group.
7 Total TV Market; Target group: 14-69.
8 HD FTA subscribers, Germany.
9 Full-time equivalent positions as of reporting date.
10 Ratio net financial debt to adjusted EBITDA in the last twelve months.

AT A GLANCE

- Recovery of revenue and earnings figures in the third quarter of 2020 compared to the COVID-19 influenced previous quarter
- Group revenues decrease by only 1% in the third quarter and by 8% in the first nine months of the year to EUR 2,555 million
- COVID-19 influence on the revenues of Seven.One Entertainment Group and Red Arrow Studios; NuCom Group and ParshipMeet Group, meanwhile, see stable growth in the first nine months of the year
- Adjusted EBITDA grows by 13% to EUR 149 million in the third quarter, but declines from EUR 534 million to EUR 328 million in the nine-month period
- Strict cost and cash flow management pays off; liquidity position remains good with EUR 1,056 million in cash as of September 30, 2020

ProSiebenSat.1 Group is driving the digital transformation forward emphatically and uniting leading entertainment brands with a globally successful production and distribution business as well as a strong commerce and online dating portfolio under one roof. The Group takes advantage of diverse synergies within the Group by bringing the business areas even closer together. For example, local programs for Seven.One Entertainment Group's business are increasingly being produced by Red Arrow Studios, while Seven.One Entertainment Group, NuCom Group and ParshipMeet Group each benefit from the reach, the attractive programming and advertising environment and the data portfolio of the other business area. The Group's revenue base is therefore widely diversified.

At the same time, ProSiebenSat.1 Group is returning the primary focus of its operating business to the entertainment sector in the GAS region (Germany, Austria and Switzerland). Here, the main emphasis – for example in cooperation with Red Arrow Studios and the digital studio Studio71 – is on local and live formats. The Group's digital reach is also to be further extended, including via the streaming platform Joyn. NuCom Group remains an important pillar of the Group in synergistic terms. By merging Parship Group's portfolio companies with the newly acquired The Meet Group to create ParshipMeet Group, ProSiebenSat.1 has established a strong fourth pillar in a highly profitable and rapidly growing market. ProSiebenSat.1 Group regularly analyzes its portfolio and assesses possible growth and synergy potential. This strategy includes media-for-equity and media-for-revenue deals in order to continue generating the best possible synergies with the core entertainment business. The single companies, which benefit from advertising on the Group's entertainment platforms, continue to be developed to generate value and, if the Group is not or is no longer the right owner, sold in due course under an active portfolio policy. ➡ Significant Events

In connection with an economic brightening in the core markets of Germany, Austria and Switzerland, ProSiebenSat.1 Group posted a recovery in its revenue and earnings figures in the third quarter of 2020 compared to the COVID-19 influenced second quarter. However, this did not compensate for the revenue and earnings performance in the nine-month period. The Group closed the first nine months of 2020 with revenues of EUR 2,555 million (previous year: EUR 2,786 million), down 8% year-on-year. External revenues in the Seven.One Entertainment Group and Red Arrow Studios segments decreased by 14% and 13%, respectively, in this period. This development was mainly due to the decline in advertising revenues in the COVID-19 environment, with the decline having slowed down considerably since July. In contrast, the ParshipMeet Group and NuCom Group segments saw increases of 6% and 29%, respectively, in the nine-month period. The Group's adjusted EBITDA decreased by 38% year-on-year to EUR 328 million (previous year: EUR 534 million) in the first nine months of 2020, but grew by 13% in the third quarter. Adjusted net income reflected this development and therefore was down to EUR 36 million in the first nine months of the year (previous year: EUR 224 million).

The Group's success is decisively shaped by its employees. As of September 30, 2020, ProSiebenSat.1 Group had 7,408 employees (previous year: 7,416), calculated on the basis of full-time equivalents.

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. On March 5, 2020, ProSiebenSat.1 Group and General Atlantic PD GmbH ("General Atlantic") signed an agreement for the complete takeover of the US online dating and social entertainment enterprise The Meet Group, Inc., New Hope, Pennsylvania, USA ("The Meet Group"), via their common entity NUCOM GROUP SE ("NuCom Group"). The acquisition agreement stipulated a purchase price of USD 6.30 per share in The Meet Group, which equates to an enterprise value of around USD 500 million. The approval of all necessary authorities was obtained on September 4, 2020, so the acquisition of The Meet Group has now taken effect economically at the above conditions.

The merging of Parship Group's portfolio companies and The Meet Group forms ParshipMeet Group, a leading global player in the online dating market. ParshipMeet Group offers a full suite of services, from social dating and entertainment to online matchmaking. ProSiebenSat.1 Group holds a stake of 53% (plus preferred equity of EUR 350 million) in the newly formed combined entity and General Atlantic's share amounts to 43%; the remainder is held by the management. By carving out Parship Group from NuCom Group, ProSiebenSat.1 forms a strong fourth pillar in a highly profitable and fast-growing segment. Thus, ProSiebenSat.1 creates various upside opportunities and synergies within the Group and secures a stronger presence in Europe and North America. NuCom Group remains an important pillar of the Group in synergistic terms: Single companies that benefit from advertising on the entertainment platforms will continue to be developed to generate value and, if the Group is not or is no longer the right owner, sold in due course under an active portfolio policy.

i After Parship Group was carved out of NuCom Group following the acquisition of The Meet Group, ProSiebenSat.1 Group restructured its segment reporting. Its reporting segments are now Seven.One Entertainment Group, Red Arrow Studios, NuCom Group and ParshipMeet Group. The Holding continues to be reported in the reconciliation column (Holding & Other). Previous year figures have been adjusted accordingly. In the first quarter of 2020, ProSiebenSat.1 Group had renamed the Seven.One Entertainment Group (formerly Entertainment), Red Arrow Studios (formerly Content Production & Global Sales) and NuCom Group (formerly Commerce) segments. → 2019 Annual Report, Organization and Group Structure, from page 83 → Group Earnings

ProSiebenSat.1 will continue to pursue the successful path of media-for-equity and media-for-revenues participations: By using media services, ProSiebenSat.1 can build up new brands or accelerate the growth of companies according to the principle "reach meets business idea". Frequently, the media group also uses its vehicles – SevenVentures GmbH ("SevenVentures") or the NuCom Group – to initially acquire a minority stake in companies, which can then develop into majority stakes. ParshipMeet Group was also formed through this buy and build strategy: in 2012, the Group invested in Parship via a media-for-revenues participation, strengthened brand awareness and acquired a majority stake in the following years. With ParshipMeet Group, ProSiebenSat.1 Group supports the diversification of its results and generates added value for the entire Group in a highly profitable market environment. An IPO for ParshipMeet Group, whereby ProSiebenSat.1 would continue to hold a majority stake, is under consideration for 2022.

On October 22, 2020, and thus within the subsequent period for this Quarterly Statement[1], ProSiebenSat.1 subsidiary NuCom Group, in which General Atlantic is a minority investor with a 28.4% stake, has sold its entire stake of 92% in the OTC provider WSM Holding GmbH ("WindStar") to Oakley Capital Limited, London, United Kingdom ("Oakley Capital"). The financial investor has also acquired the remaining 8% held by minority shareholders. The disposal of the OTC provider WindStar is further proof of ProSiebenSat.1's successful strategy to establish market leaders in the B2C sector by leveraging media capabilities and thus create value for the Group. The enterprise value of WindStar underlying the transaction is at EUR 280 million with expected 2020 revenues of EUR 127 million and an adjusted EBITDA of EUR 21 million. This corresponds to an adjusted EBITDA multiple of 13.6x. The enterprise value of WindStar has increased by 2.4x within four years, clearly demonstrating the added value that ProSiebenSat.1 can generate through synergies with the entertainment business. The sale of WindStar Medical is subject to the approval of relevant antitrust authorities. Closing of the transaction as well as the subsequent deconsolidation are expected for the fourth quarter of 2020.

On September 30, 2020, ProSiebenSat.1 Group sold its Virtual Minds AG ("Virtual Minds") subsidiary, myLoc managed IT AG ("myLoc"), to the Italian cloud provider WIIT S.p.A., Milan, Italy ("WIIT"). MyLoc focuses on hosting solutions. ProSiebenSat.1 is thus pursuing its strategy of focusing on areas that synergize with the core business, entertainment. The infrastructure provider MyLoc is thus being carved out of the Virtual Minds technology holding, which will now focus even more strongly on its core AdTech expertise. Virtual Minds offers advertisers a comprehensive technology range for booking and playing advertising. The sales proceeds amounted to EUR 51 million.

In March 2020, ProSiebenSat.1 Group had already concluded the strategic review process for Red Arrow Studios' international production business and decided that it would remain part of the Group, as various options that were being examined were no longer feasible in the context of the COVID-19 crisis.

Other significant events were personnel changes in the composition of the Supervisory Board and Executive Board: Dr. Antonella Mei-Pochtler was appointed as a member of the Supervisory Board of ProSiebenSat.1 Media SE by court order with effect from April 13, 2020. A clear majority of the shareholders then elected her as a new Supervisory Board member at the Annual General Meeting on June 10, 2020. She succeeds Angelika Gifford, who had resigned on January 13, 2020. Dr. Antonella Mei-Pochtler is an independent entrepreneur as well as senior advisor at the Boston Consulting Group and special advisor to the Austrian Chancellor. She has extensive expertise as well as a global network in the areas of strategy, media and digital transformation.

[1] The subsequent period for this Quarterly Statement ended on October 29, 2020.

On March 13, 2020, the company announced that Conrad Albert, Deputy CEO of ProSiebenSat.1 Media SE, would resign his Executive Board post by mutual agreement at the end of April 30, 2020, and leave the company on this date. In addition, the Supervisory Board of ProSiebenSat.1 Media SE resolved on March 26, 2020, that CFO Rainer Beaujean would also take on the role of Chairman of the Executive Board and CEO Max Conze would leave the company with immediate effect. Additionally, Wolfgang Link and Christine Scheffler were newly appointed to the Executive Board. In the reorganized Executive Board, Rainer Beaujean is responsible for Strategy & M&A, the operating segments Red Arrow Studios, NuCom Group and the newly created ParshipMeet Group as well as all financial functions and the holding divisions IT, Communications, Investor Relations, Legal, Media Policy and Group Security. Wolfgang Link is in charge of the core business, entertainment, which comprises all areas from content and digital to sales and the streaming business with the platform Joyn. Christine Scheffler heads the Human Resources, Compliance, Sustainability and Organizational Development & Operational Excellence departments. ➡ https://www.prosiebensat1.com/en/about-prosiebensat-1/who-we-are/executive-board

The new lineup of the Executive Board is accompanied by an altered strategic focus. ProSiebenSat.1 Group has returned the primary focus of its operating business to the entertainment sector in the GAS region (Germany, Austria and Switzerland). The aim is to bring the content, digital and marketing businesses even closer together and thus to offer viewers content across all platforms and media. The main emphasis is on local and live formats, for example in close cooperation with Red Arrow Studios and the digital studio Studio71. The digital reach is to be further expanded, among others also via the Joyn streaming platform. Since October 1, 2020, all of ProSiebenSat.1 Media SE's entertainment activities have therefore also been bundled under the umbrella brand of Seven.One Entertainment Group GmbH ("Seven.One Entertainment Group").

In this strategic context, ProSiebenSat.1 Group acquired broadcasting rights for Bundesliga soccer starting with the 2021/22 season for its station SAT.1 in June 2020. The exclusive live free TV package comprises nine live matches per season, including the Supercup, the opening Bundesliga game, the matches before and after the winter break, the opening game of Bundesliga 2, and the Bundesliga and Bundesliga 2 play-offs. The rights package is valid for four seasons in total. The live matches will be broadcast on SAT.1 and in parallel on the platforms ran.de and sat1.de, on the ran and SAT.1 apps, and in the SAT.1 live stream on Joyn.

The health and safety of employees are ProSiebenSat.1 Group's top priority. In light of the COVID-19 crisis, most of the employees at the Unterföhring site have been working remotely from home since mid-March. In addition to the employees who are absolutely necessary in order to continue broadcasting, since September 7 around 20% of the employees who had worked exclusively out-of-office since March have been regularly in Unterföhring again. With rising infection rates, the Group again strengthened its out-of-office regulation in October.

In April 2020, the Group drew down a portion of EUR 350 million of its revolving credit facility (RCF). The utilization was made in response to an environment characterized by COVID-19 and aims at ensuring continuous access to the Group's liquidity reserves. ➡ Borrowings and Financing Structure ➡ Analysis of Liquidity and Capital Expenditure

i Due to rounding, it is possible that individual figures do not add up exactly to the totals shown.

BUSINESS PERFORMANCE OF PROSIEBENSAT.1 GROUP

GROUP ENVIRONMENT

Economic Development

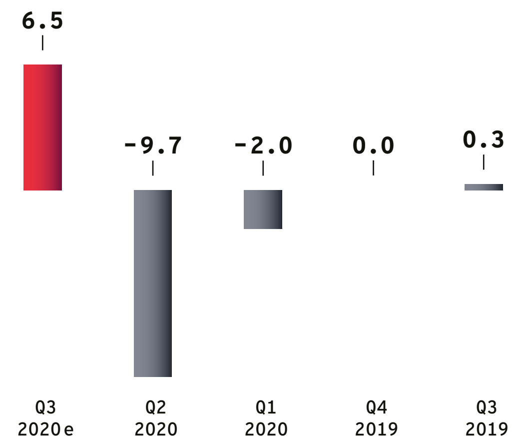
The spread of the coronavirus disease (COVID-19) is confronting society all over the world with major challenges. In Germany, the first cases of infection with the new coronavirus emerged at the end of January 2020. From mid-March to early May, the rapid rise in case numbers led to a phase of strict lockdown measures with considerable restrictions to public and private life. To cope with the impact of COVID-19, the German government adopted an extensive stimulus package, which included a temporary reduction of the VAT rate and interim assistance for small and medium-sized enterprises. In addition, far-reaching short-time work arrangements were put in place.

Against the backdrop of these political measures, the first phase of the COVID-19 pandemic was comparatively mild in Germany, as well as in Austria and Switzerland, and thus in ProSiebenSat.1 Group's core markets. Nevertheless, the impact was profound: Germany's gross domestic product fell by 2.0% year-on-year in the first quarter of 2020, and by as much as 9.7% in the second quarter. This is due firstly to the dependence on the performance of the global economy, which according to the International Monetary Fund will contract by 4.4% in 2020 as a result of COVID-19. Secondly, the strict protection measures hit private consumption in particular, which has been a key pillar of the German economy in previous years (Q1: –2.5%, Q2: –10.9%, both vs. previous quarter).

With the end of the rigid lockdown rules and stable or falling case numbers in Germany, the surrounding countries as well as in China, there was a rapid and unexpectedly significant recovery in economic activity in Germany in the third quarter of 2020. Important indicators such as incoming orders, exports, the ifo Business Climate Index and the GfK Consumer Climate Index recovered relatively swiftly. Thanks to higher e-commerce revenues from January to August, German retail actually saw real growth of 2.9% compared to the same period of the previous year. For the third quarter of 2020, the latest Joint Economic Forecast projects a substantial quarter-on-quarter rise in economic output of 6.5% in real terms. Private consumer spending is also expected to grow considerably with an increase of likewise 6.5%.

However, there is a fear that the economic recovery will not continue at this rate, as uncertainty is growing again. Local outbreaks and rapidly rising infection rates show how unstable the situation remains. Key sectors such as tourism, transport, restaurants and parts of the industry continue to be severely affected by the crisis. Despite the interim recovery, the fall report by researchers from the leading economic research institutes forecasts a 5.4% drop in German gross domestic product in real terms for full year 2020. ➡ Future Business and Industry Environment

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



Adjusted for price, seasonal and calendar effects.
Source: Destatis, Joint Economic Forecast Autumn 2020.
e: Estimate.

Sector-Specific Development

ProSiebenSat.1 Group aims to promote digital transformation. Part of this strategy is to extend total reach in order to cover the changes in media usage. The lines between the individual types of media are increasingly blurring. Identical content is more often being consumed via various channels on different end devices. In the future, the resulting overlaps between forms of usage are to be presented in a cross-media reach metric. As the next step, this reach is to be made addressable – so that advertising can be tailored even more precisely to the respective viewers.

In order to offer advertising customers targeting products such as addressable TV appropriate for their target groups, the marketer Seven.One Media has recently taken numerous measures in the areas of "data" and "technology". These include cooperations with partners such as OS Data Solutions GmbH & Co. KG ("OS Data Solutions"), the data joint venture of Otto GmbH & Co KG ("Otto Group") and Ströer SE & Co. KGaA ("Ströer"), as well as the implementation of the registration service 7Pass for all of the Group's digital offerings. In addition, the Group has founded the joint venture d-force GmbH ("d-force") together with Mediengruppe RTL Deutschland GmbH ("Mediengruppe RTL Deutschland"). As a cross-marketer booking interface, d-force focuses on reaching advertising customers easily and via standardized technology.

Development of the Advertising Market

With the outbreak of the COVID-19 pandemic the uncertainty over further macroeconomic developments considerably increased. This also shaped advertising customers' investment behavior, especially in the second quarter of 2020. The consequences tended to be palpable for the entire industry around the world.

According to Nielsen Media Research, gross TV advertising investment in Germany declined by 6.2% to EUR 10.14 billion in the first nine months of 2020 (previous year: EUR 10.81 billion); the effects of the COVID-19 pandemic were particularly noticable in the second quarter (–18.1%). In the third quarter of 2020, gross TV advertising investment decreased by 2.0% to EUR 3.45 billion (previous year: EUR 3.52 billion). At the same time, TV has the greatest relevance in comparison to other media: 43.8 percent of gross advertising investments were made in TV advertising in the first nine months (previous year: 43.5%), and in the months July to September the share was 44.3% (previous year: 43.5%). Online advertising accounted for 11.6% in the first nine months (previous year: 10.5%) and 11.7% in the third quarter (previous year: 10.7%), according to Nielsen Media Research.

Data from Nielsen Media Research are important indicators for assessing the advertising market's development. However, they are collected on a gross revenue basis, meaning that they do not take account of neither discounts, self-promotion nor agency commission. In addition, the figures also include TV spots from media-for-revenue-share and media-for-equity transactions. Furthermore, the advertising revenues of major digital businesses from the US such as Google LLC ("Google") and Facebook Inc. ("Facebook") are not reflected in the Nielsen figures and therefore do not represent the entire gross advertising market. This also results in deviations from the development of the TV advertising market on a net basis.

On a net revenue basis, the German Advertising Federation ("Zentralverband der deutschen Werbewirtschaft – ZAW") reported declines in revenues of between 30% and 80% – depending on the advertising medium and segment – for March 2020. In April, advertising across all media declined by at least around 40% net compared to the equivalent month in the previous year. ➜ Future Business and Industry Environment

ProSiebenSat.1 Group confirms this trend: On a net basis, the TV advertising market developed below the previous year's level in both the nine-month period and the third quarter of 2020. From ProSiebenSat.1 Group's perspective, however, the net TV advertising market benefited from the economic recovery in the summer and, in the third quarter, registered a slight upward trend compared to the previous quarter. The TV advertising market developed particularly negatively from April to June 2020. The online advertising market saw similar development.

ProSiebenSat.1 Group is the market leader in the German TV advertising market and generated, according to Nielsen Media Research, gross TV advertising revenues of EUR 3.77 billion in the first nine months of 2020 (previous year: EUR 4.19 billion). This resulted in a market share of 37.2% for the months from January to September (previous year: 38.7%). In the third quarter, TV advertising revenues amounted to EUR 1.32 billion (previous year: EUR 1.41 billion). The Group therefore achieved a market share of 38.4% in the months from July to September 2020 (previous year: 40.1%).

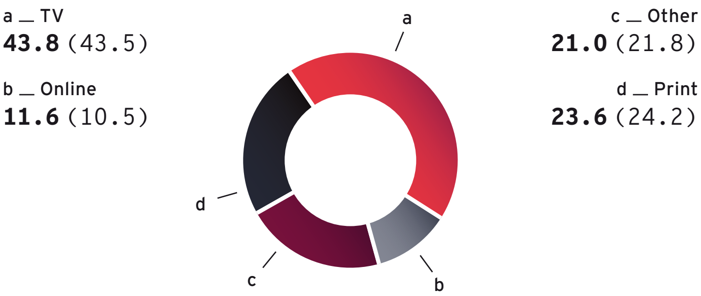
By selling in-stream video ads, which are shown online before, after or during a video stream, ProSiebenSat.1 Group generated gross revenues of EUR 160.2 million in the first nine months of 2020 (previous year: EUR 194.6 million). This corresponds to a decline of 17.7% year-on-year. In the third quarter, the Group's gross revenues declined by 15.2% to EUR 55.0 million (previous year: EUR 64.8 million), resulting in a market share of 32.9% (previous year: 37.6%). The gross market volume for advertising budgets for in-stream video ads in Germany decreased by 5.6% to EUR 461.5 million in the nine-month period (previous year: EUR 489.2 million) and amounted to EUR 167.1 million in the third quarter (previous year: EUR 172.4 million).

Overall, gross investments in online advertising forms increased by 2.1% to EUR 2.68 billion in the first nine months of 2020 (previous year: EUR 2.62 billion). With these investments, the Group generated gross revenues of EUR 207.4 million (EUR 250.6 million) in the nine-month period. In the months from July to September 2020, gross investments amounted to EUR 911.3 million (previous year: EUR 867.3 million). In the third quarter, ProSiebenSat.1 Group posted gross revenues of EUR 71.3 million (previous year: EUR 86.4 million). Besides in-stream videos, the online advertising market also includes display ads such as traditional banners and buttons.

i Nielsen Media Research designates gross figures for the online advertising market in Germany. They do not comprise data from Google/YouTube and Facebook, among others, and therefore they do not represent the entire market. For the overall online video market, it can be assumed that it has grown.

MEDIA MIX GERMAN GROSS ADVERTISING MARKET

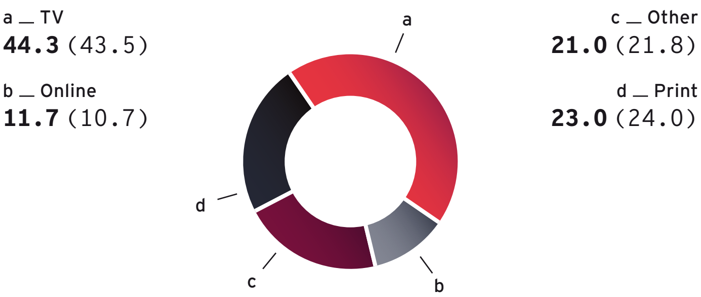
in %, Q1 – Q3 2019 figures in parentheses



Source: Nielsen Media Research.

MEDIA MIX GERMAN GROSS ADVERTISING MARKET

in %, Q3 2019 figures in parentheses



Source: Nielsen Media Research.

MARKET SHARES GERMAN GROSS TV ADVERTISING MARKET in %, Q1 – Q3 2019 figures in parentheses

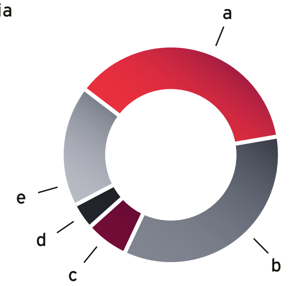
a — Seven.One Media
37.2 (38.7)

b — IP Deutschland
34.6 (33.0)

c — EL-Cartel
6.5 (6.7)

d — Public Stations
3.7 (3.7)

e — Other
18.0 (17.9)



Source: Nielsen Media Research.

MARKET SHARES GERMAN GROSS TV ADVERTISING MARKET in %, Q3 2019 figures in parentheses

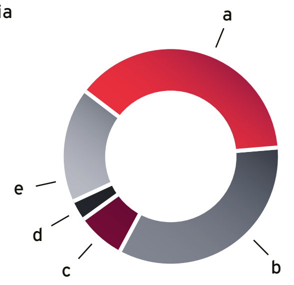
a — Seven.One Media
38.4 (40.1)

b — IP Deutschland
34.3 (32.0)

c — EL-Cartel
7.2 (7.3)

d — Public Stations
3.0 (2.8)

e — Other
17.2 (17.8)



Source: Nielsen Media Research.

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

	Development of the TV advertising market Q1 – Q3 2020 (Change against previous year)
Germany	-6.2
Austria	-8.5
Switzerland	-14.2

	Market shares of ProSiebenSat.1 Group Q1 – Q3 2020	Market shares of ProSiebenSat.1 Group Q1 – Q3 2019
Germany	37.2	38.7
Austria	34.2	37.4
Switzerland	27.8	27.9

Germany: Nielsen Media Research, gross, January – September.
Austria: Media Focus, gross, January – August.
Switzerland: Media Focus, gross, January – September/the market shares relate to the German-speaking part of Switzerland.

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

	Development of the TV advertising market Q3 2020 (Change against previous year)
Germany	-2.0
Austria	3.0
Switzerland	-12.2

	Market shares of ProSiebenSat.1 Group Q3 2020	Market shares of ProSiebenSat.1 Group Q3 2019
Germany	38.4	40.1
Austria	33.9	37.5
Switzerland	25.1	28.2

Germany: Nielsen Media Research, gross, July – September.
Austria: Media Focus, gross, July – August.
Switzerland: Media Focus, gross, July – September/the market shares relate to the German-speaking part of Switzerland.

Development of Audience Shares and User Numbers

ProSiebenSat.1 Group has seven channel brands in its principal revenue market, which complement each other synergistically and address different viewer groups. In addition, it has a complementary profile with advertising-financed free TV stations in Austria and Switzerland.

In Germany, the ProSiebenSat.1 station family achieved a combined audience share among 14- to 49-year-olds of 27.5% in the first nine months of 2020 (previous year: 28.3%); in the third quarter, this share was 27.6% (previous year: 28.6%). The stations marketed by IP Deutschland (RTL, VOX, n-tv, Super RTL, NITRO, RTLplus and VOXup) had a combined audience share of 25.6% in the months from January to September (previous year: 25.9%); in the third quarter of 2020, this decreased to 24.8% (previous year: 26.0%). The development of audience shares reflects the impact of the Germany-wide lockdown in spring 2020 and the increased provision of information during the COVID-19 crisis, especially on the public stations.

As a systemically important media company, ProSiebenSat.1 has a great responsibility: ProSiebenSat.1 makes an important contribution to the diversity of information and handles current issues relevant to society, for example with shows such as "Joko & Klaas Live: A Short Story of Moria" or the documentary series "ProSieben Spezial", in an appropriate manner for the target group. In "ProSieben Spezial: Rechts. Deutsch. Radikal." the Group examined the right and the far-right scene in Germany. The program achieved a market share of 20.4% among young viewers aged 14 to 39 on TV, as well as a peak value of 500,000 video views on the Group's digital channels. At the same time, the broadcasting group uses entertainment shows such as "FameMaker," "The Masked Singer" and "Joko & Klaas vs. ProSieben" to fulfill the public's need for diversion and light relief. Against this backdrop, the station family's prime-time market share grew by 0.7 percentage points compared to the first nine months of 2019 (viewers aged 14-49). Prime time, the key advertising period from 8:15 p.m. until 11:00 p.m., is particularly relevant for the advertising industry due to its high reach.

In the first nine months of 2020, daily TV usage among 14- to 69-year-old viewers increased to 207 minutes (previous year: 199 minutes). In the third quarter of 2020, TV usage was back at the previous year's level at 184 minutes. The trend in usage time reveals the significance of television, especially in times of crisis. The same applies to ProSiebenSat.1's linear and non-linear offerings: In the first nine months of the year, the Group achieved Total Video Viewtime of 803,409 million minutes (previous year: 793,044 million minutes); in the third quarter of 2020, the Group counted 245,494 million minutes (previous year: 253,068 million minutes). Total Video Viewtime represents the total number of minutes viewed across ProSiebenSat.1 Group's linear and non-linear platforms.

AUDIENCE SHARES OF PROSIEBENSAT.1 GROUP

in %

	Q1-Q3 2020	Q1-Q3 2019	Q3 2020	Q3 2019
Germany	27.5	28.3	27.6	28.6
Austria	28.2	28.2	28.5	29.8
Switzerland	15.9	17.9	15.3	17.8

Germany: ProSiebenSat.1 Group: SAT.1, ProSieben, Kabel Eins, sixx, SAT.1 GOLD, ProSieben MAXX, Kabel Eins Doku/AGF in cooperation with GfK/market standard: TV/VideoScope 1.3/January 1, 2019 - September 30, 2020/target group: 14-49.
Austria: SAT.1 Österreich, ProSieben Austria, Kabel Eins Austria, PULS 4, sixx Austria, ProSieben MAXX Austria, SAT.1 Gold Österreich, Kabel Eins Doku Österreich, ATV + ATV 2, PULS 24 (seit 01.09.2019)/AGTT/GfK TELETEST/Evogenius Reporting/January 1, 2019 - September 30, 2020/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/market share %/D - CH/total signal/overnight+7/Mediapulse TV Panel/January 1, 2019 - September 30, 2020/target group: 15-49/ALL platforms/October 8, 2020 11:35.

Advancing digitalization is changing the media industry and offers opportunities to address target groups even more precisely. This provides new revenue models for the TV business beyond financing via advertising. Examples include the distribution of programs in HD quality via various transmission channels: Under this business model, ProSiebenSat.1 Group participates in the technical service fees that end customers pay to the respective providers for programs in HD quality. In Germany, ProSiebenSat.1 Group's HD stations had 10.4 million users in the cumulative reporting period, 5% more than in the previous year. In addition, more shows were broadcast in the new ultra-high definition (UHD) standard.

Partnerships emphasize the Group's strategic objective of offering programs via as many distribution channels as possible and expanding reach across different media types. In this strategic context, ProSiebenSat.1 Group founded the streaming platform Joyn GmbH ("Joyn") as a joint venture with Discovery Communications Europe Ltd. ("Discovery") and launched it in June 2019. The streaming service offers viewers livestreams of over 60 channels and an extensive on-demand offering of local series produced in-house, shows, and exclusive previews. The paid Joyn PLUS+ service with exclusive content, originals, pay TV stations, and HD content was added to the offering in November 2019. According to measurements by AGOF (Arbeitsgemeinschaft Onlineforschung e. V.), the free streaming service Joyn reached 3.11 million unique users in Germany in September 2020.

i The standardized reach currency "unique users" is the number of people that had at least one contact with an advertising medium in a defined period. Among other things, the unique user figure is the basis for calculating the reach and structures of online advertising media.

Besides Joyn, a further essential component of the digital portfolio is the digital studio Studio71, which distributes the broadcasting group's digital content via social media platforms and collaborates with many of the social influencers with the highest reach in Germany, the US, Canada, the UK, France and Italy. In the first nine months of 2020, Studio71 achieved about 11.5 billion video views a month on the platform YouTube alone (previous year: 10.5 billion video views).

GROUP EARNINGS

SELECTED KEY FIGURES OF PROSIEBENSAT.1 GROUP

in EUR m

	Q1-Q3 2020	Q1-Q3 2019	Absolute change	Change in %
Revenues	2,555	2,786	-231	-8.3
Total costs	2,449	2,474	-25	-1.0
Operating costs	2,245	2,277	-32	-1.4
Operating result (EBIT)	159	337	-178	-52.9
Adjusted EBIT	191	404	-214	-52.8
Adjusted EBITDA	328	534	-205	-38.5
Reconciling items	12	-28	40	~
EBITDA	340	506	-166	-32.8
Financial result	-84	20	-104	~
Result before income taxes	75	357	-282	-79.0
Income taxes	-36	-109	73	-67.2
Net income	39	248	-209	-84.2
Net income attributable to shareholders of ProSiebenSat.1 Media SE	52	249	-197	-79.0
Adjusted net income	36	224	-188	-83.9

	Q3 2020	Q3 2019	Absolute change	Change in %
Revenues	921	926	-5	-0.5
Total costs	845	870	-24	-2.8
Operating costs	776	802	-26	-3.3
Operating result (EBIT)	114	64	50	78.7
Adjusted EBIT	103	86	17	19.6
Adjusted EBITDA	149	131	18	13.4
Reconciling items	25	-9	35	~
EBITDA	174	122	52	42.7
Financial result	-13	-16	3	-16.0
Result before income taxes	100	48	53	~
Income taxes	-31	-15	-17	~
Net income	69	33	36	~
Net income attributable to shareholders of ProSiebenSat.1 Media SE	69	34	35	~
Adjusted net income	29	46	-16	-35.8

Revenue Development

ProSiebenSat.1 Group's **revenues** fell by 8% to EUR 2,555 million in the months from January to September 2020 (previous year: EUR 2,786 million). Adjusted for consolidation and currency effects, the decrease in revenues amounted to 10%. The revenue share from initial consolidations totaled EUR 41 million in the first nine months of 2020. This is attributable to the acquisition of the US online dating and social entertainment enterprise The Meet Group and the be Around Holding GmbH ("be Around"), an online broker for products and services. The deconsolidation of myLoc did not take place until September 30, 2020.

The decline in revenues in the nine-month period reflects the impact of the COVID-19 pandemic, which influenced the second quarter in particular as a result of the severe restrictions in public and economic life in spring 2020. The development of advertising revenues and international production business were particularly affected in this period. The effects of the pandemic also continued to influence the revenue situation in the third quarter; overall, however, Group revenues were about stable at EUR 921 million. The decline on the previous year amounts to 1% or EUR 5 million. Adjusted for consolidation and currency effects, the decline in the third quarter of 2020 amounted to 4%.

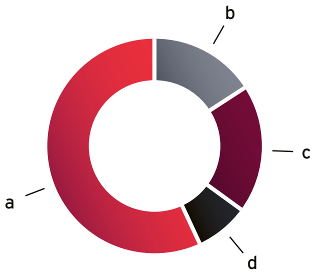
The non-advertising business' share in Group revenues increased to 52% in the nine-month period (previous year: 47%); this is primarily attributable to the decline in advertising bookings as a result of COVID-19.

Revenues by Segment

REVENUE SHARE BY SEGMENT

in %, Q1–Q3 2019 figures in parentheses

a — Seven.One Entertainment Group
57 (61)



b — Red Arrow Studios
16 (17)

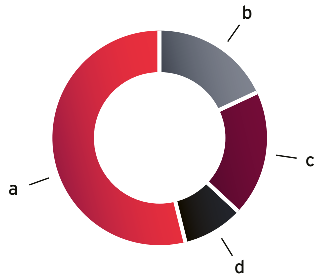
c — NuCom Group
19 (17)

d — ParshipMeet Group
8 (6)

REVENUE SHARE BY SEGMENT

in %, Q3 2019 figures in parentheses

a — Seven.One Entertainment Group
54 (57)



b — Red Arrow Studios
18 (19)

c — NuCom Group
19 (18)

d — ParshipMeet Group
9 (6)

The individual segments' contributions to Group revenues developed as follows in the months from January to September 2020:

External revenues in the **Seven.One Entertainment Group** segment amounted to EUR 1,460 million (previous year: EUR 1,705 million), down 14% year-on-year. Lower advertising bookings reflect the weaker general market and economic trend as a result of COVID-19. Adjusted for consolidation and currency effects, the decline in segment revenues amounted to 15%. After the first effects of the pandemic on the advertising market were already visible in mid-March, this development intensified significantly in the second quarter. In the third quarter, however, an initial recovery was observed, supported by an economic revival. This resulted in a decline in advertising revenues that, at 6%, was smaller than in the previous quarter. The decline in the first nine months of the year amounted to 17%. In the reporting period, the AdTech sector's advertising revenues with the programmatic trading of advertising time developed positively. With a slight year-on-year decline of 1%, other revenues were almost stable in the months from January to September and likewise strongly influenced by the second quarter. Sport and Starwatch Entertainment were affected most, as the pandemic meant that no events could take place. Although distribution revenues grew due to the further increase in the number of HD users in the first nine months of the year, they were unable to fully compensate for this decline. Against the backdrop of the developments described, the segment's external revenues decreased by 5% overall to EUR 499 million in the third quarter of 2020 (previous year: EUR 525 million). ➔ Group Environment

In the months from January to September 2020, **external revenues** in the **Red Arrow Studios** segment decreased by 13% to EUR 402 million (previous year: EUR 461 million). Adjusted for currency effects, revenues were likewise down 13% on the previous year. The effects of the government's COVID-19 restrictions also had a high impact here, with the international production business being especially affected. After content productions, primarily in the US, mostly had to be shut down or delayed in mid-March already, there were still significant restrictions there in the third quarter, while production business in Germany and the UK saw a slight improvement again. In the third quarter of 2020, external revenues amounted to EUR 166 million (previous year: EUR 178 million), down 7% year-on-year. Here, the growth in program distribution compensated for part of the decline in the production business. ➔ Group Environment

In the **NuCom Group** segment, on the other hand, **external revenues** continued to grow in the months from January to September 2020 and increased by 6% to EUR 492 million (previous year: EUR 463 million). Adjusted for consolidation and currency effects, the increase in revenues amounted to 3%. Despite the COVID-19 restrictions, online-beauty provider Flaconi GmbH ("Flaconi") and the OTC provider WindStar in particular continued their revenue growth with considerable gains. However, the restrictions on public life since March 2020 had negative effects on the travel and transport business as well as the leisure industry; this has significantly impacted the business of the portfolio companies SilverTours GmbH ("Silvertours") and Jochen Schweizer mydays Holding GmbH ("Jochen Schweizer mydays"), although there was a recovery in the third quarter, at least in the leisure industry. The declines there restrained NuCom Group's growth in the nine-month period accordingly. In the third quarter of 2020, external revenues increased slightly by 1% to EUR 172 million (previous year: EUR 170 million). Parship Group was carved out of the NuCom Group segment following the acquisition of The Meet Group and has been part of the new fourth segment (ParshipMeet Group) since the third quarter. ➡ Significant Events ➡ Group Environment

In the first nine months of the year, **external revenues** in the ParshipMeet Group segment rose by 29% to EUR 201 million (previous year: EUR 156 million), influenced by the acquisition of The Meet Group in September. In the third quarter of 2020, external revenues amounted to EUR 84 million (previous year: EUR 52 million). Adjusted for consolidation and currency effects, the increase amounted to 11%. Besides the initial consolidation effects, the former companies of Parship Group therefore continued to develop very positively; this underscores the increasing importance of online dating even in the COVID-19 environment. ➡ Significant Events ➡ Group Environment

REVENUES BY SEGMENT in EUR m

	Q1-Q3 2020	Q1-Q3 2019	Absolute change	Change in %
Seven.One Entertainment Group	1,460	1,705	-245	-14.4
Red Arrow Studios	402	461	-60	-12.9
NuCom Group	492	463	29	6.2
ParshipMeet Group	201	156	45	28.8
Revenues	**2,555**	**2,786**	**-231**	**-8.3**

	Q3 2020	Q3 2019	Absolute change	Change in %
Seven.One Entertainment Group	499	525	-26	-5.0
Red Arrow Studios	166	178	-12	-6.9
NuCom Group	172	170	2	0.9
ParshipMeet Group	84	52	32	61.7
Revenues	**921**	**926**	**-5**	**-0.5**

Cost Development

TOTAL COSTS in EUR m

	Q1-Q3 2020	In % of revenues	Q1-Q3 2019	In % of revenues
Total costs	2,449	95.9	2,474	88.8
Cost of sales	1,617	63.3	1,628	58.4
Selling expenses	450	17.6	435	15.6
Administrative expenses	373	14.6	404	14.5
Other operating expenses	10	0.4	7	0.3

	Q3 2020	In % of revenues	Q3 2019	In % of revenues
Total costs	845	91.8	870	94.0
Cost of sales	566	61.5	571	61.7
Selling expenses	150	16.3	143	15.5
Administrative expenses	126	13.7	153	16.5
Other operating expenses	2	0.3	3	0.3

In the months from January to September 2020, the Group's **total costs** were down 1% on the previous year at EUR 2,449 million (previous year: EUR 2,474 million). The **cost of sales** amounted to EUR 1,617 million; this is likewise a 1% decline (previous year: EUR 1,628 million). The development in cost of sales resulted in particular from lower personnel expenses, which fell by 6% to EUR 226 million (previous year: EUR 242 million). As a result of the COVID-19 pandemic, productions at Red Arrow Studios were shut down or delayed, and in the second quarter the Group introduced short-time work at NuCom Group's particularly affected portfolio companies, among others. In the third quarter, total costs declined by EUR 24 million or 3% to EUR 845 million. This was due – in addition to the impact of the COVID-19 crisis – to the corresponding cost measures introduced across all segments in the spring and continuous, active cost management.

The largest share of the cost of sales is attributable to the operating expenses, which saw a slight increase of 1% or EUR 8 million to EUR 535 million in the nine-month period. This was mainly due to the increase in merchandise used in connection with the revenue growth in the NuCom Group segment. In contrast, production costs in the Red Arrow Studios segment declined. In the months from January to September 2020, consumption of programming assets also decreased to EUR 645 million (previous year: EUR 654 million). In the third quarter, the cost of sales amounted to EUR 566 million, down EUR 5 million on the previous year; here, too, the consumption of programming assets decreased to EUR 198 million (previous year: EUR 204 million). The Group realized a portion of the announced reduction in program costs totaling EUR 50 million for financial year 2020 in the third quarter of 2020.

The Group's **selling expenses** rose by 3% year-on-year to EUR 450 million (previous year: EUR 435 million). This was in particular due to increased marketing and marketing-related expenses of EUR 241 million (previous year: EUR 221 million). This development is attributable on the one hand to a growth-driven increase in marketing activities by the portfolio companies eHarmony and Flaconi and on the other hand to the initial consolidation of The Meet Group. Selling expenses in the third quarter of 2020 amounted to EUR 150 million, up EUR 7 million or 5% year-on-year.

Administrative expenses decreased to EUR 373 million in the nine-month period (previous year: EUR 404 million). This 8% decline is influenced by the reorganization of the Entertainment segment as Seven.One Entertainment Group, which started last year, and for which the expenses were recognized in the third quarter of the previous year. Administrative expenses also decreased due to lower travel and hospitality expenses. In contrast, the personnel expenses include severance payments for the members of the Executive Board Max Conze and Conrad Albert amounting to around EUR 7 million in total. In the third quarter of 2020, administrative expenses amounted to EUR 126 million (previous year: EUR 153 million). They were therefore 17% lower than the previous year's figure, which also reflects the Group's consequent cost management.
➡ Significant Events

RECONCILIATION OF OPERATING COSTS

in EUR m

	Q1-Q3 2020	Q1-Q3 2019	Absolute change	Change in %
Total costs	2,449	2,474	-25	-1.0
Expense adjustments	-23	-29	6	-20.2
Depreciation, amortization and impairments[1]	-181	-169	-13	7.5
Operating costs	**2,245**	**2,277**	**-32**	**-1.4**

[1] Of other intangible assets and property, plant, and equipment.

RECONCILIATION OF OPERATING COSTS

in EUR m

	Q3 2020	Q3 2019	Absolute change	Change in %
Total costs	845	870	-24	-2.8
Expense adjustments	-9	-9	0	0.0
Depreciation, amortization and impairments[1]	-60	-58	-2	3.5
Operating costs	**776**	**802**	**-26**	**-3.3**

[1] Of other intangible assets and property, plant, and equipment.

Operating costs amounted to EUR 2,245 million and were thus 1% lower than in the previous year (previous year: EUR 2,277 million). While costs in the NuCom Group segment rose, driven by revenues, production costs in the Red Arrow Studios segment declined. Cost measures also had an effect in Seven.One Entertainment Group.

Adjusted EBITDA

Adjusted EBITDA fell by 38% or EUR 205 million to EUR 328 million in the months from January to September 2020. Around EUR 190 million and thus 92% of this decline was attributable to the second quarter, which was hit hardest by COVID-19.

As expected, earnings and margin development has been influenced by the impact of COVID-19 since the second quarter – especially in the Seven.One Entertainment Group segment. Against this background, the high-margin advertising business saw a decline that had a negative effect on the Group's profitability. The **adjusted EBITDA** margin was therefore 12.9% (previous year: 19.2%). In contrast, **adjusted EBITDA** grew in the third quarter of 2020, rising by 13% or EUR 18 million to EUR 149 million. The **adjusted EBITDA margin** improved to 16.1% (previous year: 14.2%). Significant growth momentum came from the Red Arrow Studios segment and the acquisition of The Meet Group in September. The results of the third quarter also reflect the general economic recovery of the market environment at the same time as strict cost management.

ADJUSTED EBITDA BY SEGMENT in EUR m

	Q1-Q3 2020	Q1-Q3 2019	Absolute change	Change in %	Adjusted EBITDA margin Q1-Q3 2020 (in %)[1]	Adjusted EBITDA margin Q1-Q3 2019 (in %)[1]
Seven.One Entertainment Group	268	496	-228	-45.9	17.8	28.3
Red Arrow Studios	24	26	-2	-6.6	5.4	5.1
NuCom Group	1	21	-20	-94.5	0.2	4.5
ParshipMeet Group	51	30	21	71.1	25.1	18.9
Reconciliation (Holding & other)	-16	-39	23	-60.0		
Total adjusted EBITDA	**328**	**534**	**-205**	**-38.5**		

	Q3 2020	Q3 2019	Absolute change	Change in %	Adjusted EBITDA margin Q3 2020 (in %)[1]	Adjusted EBITDA margin Q3 2019 (in %)[1]
Seven.One Entertainment Group	114	121	-7	-6.2	22.2	22.3
Red Arrow Studios	15	9	7	79.8	8.4	4.5
NuCom Group	5	4	1	26.0	2.7	2.2
ParshipMeet Group	19	11	8	72.5	22.7	21.3
Reconciliation (Holding & other)	-4	-13	9	-68.6		
Total adjusted EBITDA	**149**	**131**	**18**	**13.4**		

[1] Based on total segment revenues.

The **Seven.One Entertainment Group** segment's **adjusted EBITDA** declined by 46% or EUR 228 million to EUR 268 million compared to the same period of the previous year. This is especially attributable to the decline in high-margin advertising revenues as a result of COVID-19, which was mitigated somewhat with targeted cost measures. The **adjusted EBITDA margin** therefore decreased to 17.8% (previous year: 28.3%). In the third quarter of 2020, **adjusted EBITDA** amounted to EUR 114 million, down 6% year-on-year (previous year: EUR 121 million). The **adjusted EBITDA margin** remained stable thanks to effective cost measures and amounted to 22.2% (previous year: 22.3%).

In the **Red Arrow Studios** segment **adjusted EBITDA** was 7% lower than in the previous year at EUR 24 million (previous year: EUR 26 million). The **adjusted EBITDA margin** was 5.4% (previous year: 5.1%). In the third quarter, however, **adjusted EBITDA** increased by 80% to EUR 15 million, while the **adjusted EBITDA margin** improved to 8.4% (previous year: 4.5%). On the one hand, this development reflects the slow recovery from the restrictions in response to COVID-19. On the other hand, effective cost measures and growth in program distribution boosted profitability.

In the first nine months of 2020, the **NuCom Group** segment generated **adjusted EBITDA** of EUR 1 million and was thus 95% lower than the previous year's figure of EUR 21 million. The **adjusted EBITDA margin** was 0.2% (previous year: 4.5%). The change is due in particular to the decline in the high-margin revenues of the rental car provider Silvertours and Jochen Schweizer mydays in connection with lower bookings due to COVID-19. In addition, earnings were influenced by the different margin structures of the individual business models. **Adjusted EBITDA** increased considerably by 26% or EUR 1 million to EUR 5 million in the third quarter (previous year: EUR 4 million). The **adjusted EBITDA margin** was 2.7% (previous year: 2.2%). The positive earnings performance in the third quarter of 2020 is based primarily on strict cost measures by various portfolio companies, as well as an improvement in the earnings contributions from Flaconi and Windstar.

Adjusted EBITDA in the **ParshipMeet Group** segment amounted to EUR 51 million (previous year: EUR 30 million), influenced by the strong operating growth and the acquisition of The Meet Group. The online dating and social entertainment enterprise has been fully consolidated since September. The **adjusted EBITDA margin** was 25.1% (previous year: 18.9%). In the third quarter, **adjusted EBITDA** increased by 73% to EUR 19 million (previous year: EUR 11 million); the corresponding **adjusted EBITDA margin** amounted to 22.7% (previous year: 21.3%). ➡ Significant Events

The following table shows the reconciliation of adjusted EBITDA to net income:

RECONCILIATION OF ADJUSTED EBITDA TO NET INCOME in EUR m

	Q1-Q3 2020	Q1-Q3 2019	Absolute change	Change in %
Adjusted EBITDA	**328**	**534**	**-205**	**-38.5**
Reconciling items	12	-28	40	~
EBITDA	**340**	**506**	**-166**	**-32.8**
Depreciation, amortization and impairment	-181	-169	-13	7.5
thereof from purchase price allocations	-40	-37	-3	7.2
Operating result (EBIT)	**159**	**337**	**-178**	**-52.9**
Interest result	-51	-39	-12	30.0
Result from investments accounted for using the equity method	-43	-25	-18	74.2
Other financial result	11	84	-73	-87.3
Financial result	**-84**	**20**	**-104**	**~**
Income taxes	-36	-109	73	-67.2
Net income	**39**	**248**	**-209**	**-84.2**

	Q3 2020	Q3 2019	Absolute change	Change in %
Adjusted EBITDA	**149**	**131**	**18**	**13.4**
Reconciling items	25	-9	35	~
EBITDA	**174**	**122**	**52**	**42.7**
Depreciation, amortization and impairment	-60	-58	-2	3.5
thereof from purchase price allocations	-13	-12	-1	5.0
Operating result (EBIT)	**114**	**64**	**50**	**78.7**
Interest result	-19	-16	-3	21.8
Result from investments accounted for using the equity method	-15	-4	-11	~
Other financial result	21	4	17	~
Financial result	**-13**	**-16**	**3**	**-16.0**
Income taxes	-31	-15	-17	~
Net income	**69**	**33**	**36**	**~**

In the months from January to September 2020, the Group's **EBITDA** decreased by 33% or EUR 166 million and amounted to EUR 340 million. In the third quarter of 2020, EBITDA increased by 43% to EUR 174 million (previous year: EUR 122 million). In the nine month-period, EBITDA included reconciling items of EUR 12 million compared to minus EUR 28 million in the previous year, which in the period under review mostly arose in the third quarter of 2020. They break down as follows:

In the first nine months of 2020, costs in the amount of EUR 17 million resulted from M&A projects (previous year: EUR 5 million), which mainly related to the The Meet Group transaction. Reorganization expenses amounted to EUR 5 million (previous year: EUR 47 million). In the months from January to September 2020, expenses for other one-time items amounted to EUR 5 million (previous year: EUR 3 million); they mainly include the described expenses for changes in the Executive Board as well as earnings from the reversal of a provision for onerous contracts created in 2017. Fair value adjustments of share-based payments of EUR 3 million (previous year: EUR 4 million), positive effects from the sale of myLoc of EUR 35 million (previous year: EUR 0 million) and valuation effects relating to strategic realignments of business units from 2018 of EUR 2 million (previous year: EUR 22 million) had an opposite effect. ➡ Significant Events

Depreciation, amortization and impairments rose by 7% to EUR 181 million in the first nine months of 2020 (previous year: EUR 169 million). This development is mainly based on higher amortization of intangible assets, in particular due to an increase in internally generated intangible assets compared to the previous year.

Financial Result

In the first nine months of 2020, the **financial result** amounted to minus EUR 84 million (previous year: EUR 20 million). Meanwhile, the **interest result** included in the financial result amounted to minus EUR 51 million (previous year: EUR –39 million). The comparatively low previous year's figure is due among other things to a successful agreement with the tax audit in connection with the tax deduction of one-off fees for the syndicated loan from 2007 (interest effect: EUR 5 million). The **result from investments accounted for using the equity method,** also recognized in the financial result, amounted to minus EUR 43 million (previous year: EUR –25 million) and primarily includes the Group's share of Joyn's profit or loss.

The **other financial result** amounted to EUR 11 million in the months from January to September (previous year: EUR 84 million) and mainly comprises the following: Firstly, it includes effects from fair value adjustments of other equity instruments amounting to EUR 10 million (previous year: EUR –14 million), which comprise several individual items. Secondly, the other financial result includes effects from the valuation of put option liabilities of EUR 18 million (previous year: EUR 41 million), which were particularly attributable to the Red Arrow Studios segment. The results of currency conversion of minus EUR 15 million (previous year: EUR –10 million) had an opposite effect. Financing costs amounted to minus EUR 5 million (previous year: EUR –9 million). Compared to this reporting period, the other financial result in the first nine months of the previous year, 2019, was also influenced by material transactions such as the sale of shares in the global video service Pluto Inc. ("Pluto") in the amount of EUR 22 million, the reassessment of the shares, accounted for using the equity method, in Marketplace GmbH ("Marketplace") in connection with the increase in the share and full consolidation of the newly founded be Around in the amount of EUR 27 million, and valuation effects from earn-out liabilities in the amount of EUR 20 million.

Because of the developments described, the **result before income taxes** fell to EUR 75 million in the first nine months of 2020 (previous year: EUR 357 million), while it rose by EUR 53 million to EUR 100 million (previous year: EUR 48 million) in the third quarter of 2020. **Income taxes** amounted to EUR 36 million in the months from January to September (previous year: EUR 109 million) and to EUR 31 million in the third quarter of 2020 (previous year: EUR 15 million).

Net Income and Adjusted Net Income

Net income decreased by EUR 209 million to EUR 39 million in the first nine months of 2020, which is mainly due to the mentioned negative EBITDA developments and the positive valuation adjustments in the previous year's financial result. The net income attributable to shareholders of ProSiebenSat.1 Media SE accordingly decreased by EUR 197 million to EUR 52 million in the months from January to September 2020. In the third quarter of 2020, net income was considerably higher than in the previous year at EUR 69 million (previous year: EUR 33 million). This was the effect of EBITDA being much more positive than in the same quarter of the previous year. This also results in an increase in the net income attributable to shareholders of ProSiebenSat.1, which more than doubled and amounted to EUR 69 million (previous year: EUR 34 million).

RECONCILIATION OF ADJUSTED NET INCOME in EUR m

	Q1–Q3 2020	Q1–Q3 2019	Absolute change	Change in %
Net income	**39**	**248**	**–209**	**–84.2**
Reconciling items	–12	28	–40	~
Depreciation, amortization and impairments from purchase price allocations	40	38[1]	2	4.1
Valuation effects in other financial result	–10	–41	31	–76.8
Valuation effects of put-options and earn-out liabilities	–15	–56	40	–72.2
Valuation effects from interest rate hedging transactions	–1	–2	1	–71.5
Other effects	13	7	6	81.0
Tax effects on adjustments	–15	1	–15	~
Total Group	**40**	**224**	**–184**	**–82.0**
Net income attributable to non-controlling interests	13	1	12	~
Adjustments attributable to non-controlling interests	–17	–1	–17	~
Net income attributable to adjusted non-controlling interests	–4	0	–4	~
Adjusted net income	**36**	**224**	**–188**	**–83.9**
Adjusted earnings per share (in EUR)	**0.16**	**0.99**		

[1] Including effects on associates consolidated using the equity method in the amount of EUR 1 million.

RECONCILIATION OF ADJUSTED NET INCOME in EUR m

	Q3 2020	Q3 2019	Absolute change	Change in %
Net income	**69**	**33**	**36**	**~**
Reconciling items	-25	9	-35	~
Depreciation, amortization and impairments from purchase price allocations	13	12[1]	0	3.8
Valuation effects in other financial result	-34	0	-33	~
Other effects	14	-2	16	~
Tax effects on adjustments	-3	-7	5	-63.8
Total Group	**35**	**46**	**-11**	**-24.1**
Net income attributable to non-controlling interests	0	0	-1	~
Adjustments attributable to non-controlling interests	-5	0	-5	~
Net income attributable to adjusted non-controlling interests	-5	0	-5	~
Adjusted net income	**29**	**46**	**-16**	**-35.8**
Adjusted earnings per share (in EUR)	**0.13**	**0.20**		

[1] Including effects on associates consolidated using the equity method in the amount of EUR 0 million.

Adjusted net income was down 84% year-on-year in the first nine months of 2020 and amounted to EUR 36 million (previous year: EUR 224 million). In the third quarter of 2020, it amounted to EUR 29 million (previous year: EUR 46 million). This primarily reflects the development of adjusted EBITDA. The relevant reconciling items are presented in the reconciliation table. They include valuation effects recognized in other financial result as well as effects of foreign currency valuation in connection with the acquisition of The Meet Group. These are recognized in the reconciliation table under other effects. Basic adjusted earnings per share amounted to EUR 0.16 in the nine-month period (previous year: EUR 0.99).

RECONCILIATION OF THE INCOME STATEMENT in EUR m

	Q1-Q3 2020 IFRS	Adjustments	Q1-Q3 2020 adjusted
Revenues	2,555	-/-	2,555
Total costs	-2,449	-67	-2,383
Other operating income	53	35	19
Operating result (EBIT)	**159**	**-32**	**191**
Depreciation, amortization and impairment	181	44	138
EBITDA	**340**	**12**	**328**
Depreciation, amortization and impairment	-181	-44	-138
Financial result	-84	16	-100
Result before income taxes	**75**	**-16**	**91**
Income taxes	-36	15	-50
Net income	**39**	**-1**	**40**
Net income attributable to shareholders of ProSiebenSat.1 Media SE	52	16	36
Net income attributable to non-controlling interests	-13	-17	4

	Q3 2020 IFRS	Adjustments	Q3 2020 adjusted
Revenues	921	-/-	921
Total costs	-845	-23	-822
Other operating income	38	35	4
Operating result (EBIT)	**114**	**11**	**103**
Depreciation, amortization and impairment	60	14	46
EBITDA	**174**	**25**	**149**
Depreciation, amortization and impairment	-60	-14	-46
Financial result	-13	21	-34
Result before income taxes	**100**	**32**	**68**
Income taxes	-31	3	-34
Net income	**69**	**35**	**35**
Net income attributable to shareholders of ProSiebenSat.1 Media SE	69	39	29
Net income attributable to non-controlling interests	0	-5	5

GROUP FINANCIAL POSITION AND PERFORMANCE

Analysis of Liquidity and Capital Expenditure

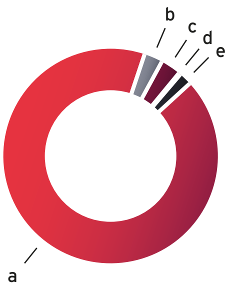
CASH FLOW STATEMENT in EUR m

	Q1-Q3 2020	Q1-Q3 2019[1]	Q3 2020	Q3 2019[1]
Net income	**39**	**248**	**69**	**33**
Cash flow from operating activities	**824**	**895**	**310**	**212**
Cash flow from investing activities	**-1,252**	**-1,045**	**-647**	**-283**
thereof: acquisition of The Meet Group	-368	-/-	-368	-/-
Free cash flow	**-429**	**-150**	**-337**	**-71**
Cash flow from financing activities	**562**	**-286**	**227**	**-16**
Effect of foreign exchange rate changes on cash and cash equivalents	-28	14	-23	12
Change in cash and cash equivalents	106	-422	-134	-76
Cash and cash equivalents at beginning of reporting period	950	1,031	1,190	685
Cash and cash equivalents at end of reporting period	**1,056**	**609**	**1,056**	**609**

In the first nine months of 2020, ProSiebenSat.1 Group generated a **cash flow from operating activities** of EUR 824 million (previous year: EUR 895 million). The decline results from a reduction in operating earnings and opposite effects due to lower tax payments and active working capital management.

INVESTMENTS BY SEGMENT[1]

in %, previous year's figures in parentheses



[1] Investments by segment before M&A activities.

ProSiebenSat.1 Group reports **cash flow from investing activities** of minus EUR 1,252 million for the first nine months of 2020 (previous year: EUR -1,045 million). The increase in cash outflow of EUR 207 million particularly reflects the acquisition of The Meet Group. At the same time, lower payments for the acquisition of programming assets and the cash inflow from the sale of myLoc also had an effect. Investments in other intangible assets and property, plant, and equipment were on the previous year's level.

- The cash outflow for the acquisition of programming rights amounted to EUR 745 million in the nine-month period (previous year: EUR -806 million). This is a decrease of EUR 60 million compared to the previous year. As in the previous year, the programming investments were made in the Seven.One Entertainment Group segment.

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.

- In the first nine months of 2020, the cash outflow for additions to the scope of consolidation amounted to EUR 397 million (previous year: EUR 100 million). This primarily includes the acquisition of The Meet Group in the amount of EUR 418 million less the cash thus acquired of EUR 49 million. In addition, the mentioned cash outflow includes deferred purchase price payments for US production companies, among other things. The previous year's figure includes purchase price payments for the acquisition of be Around, the provider or booking software for leisure activities Regiondo GmbH ("Regiondo"), and deferred purchase price payments for Virtual Minds and Studio71.

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 proceeds from disposal of consolidated entities, after deduction of the cash disposed of, amounted to EUR 48 million in the first nine months of 2020 (previous year: EUR 5 million); the cash inflow results from the disposal of shares in myLoc.

- Between January and September 2020, EUR 106 million went on other intangible assets (previous year: EUR 108 million). These primarily comprise development costs, licenses for marketing digital offerings, software, and industrial property rights. Investments in property, plant, and equipment amounted to EUR 43 million in the nine-month period (previous year: EUR 38 million). Besides technical facilities and leasehold improvements, they included the new campus at the Unterföhring site.

The developments described resulted in a **free cash flow** of minus EUR 429 million for the first nine months of 2020 (previous year: EUR -150 million).

M&A cash flow amounted to minus EUR 374 million in the first nine months of 2020, after minus EUR 114 million in the previous year. This development is due to higher cash outflows for additions to the scope of consolidation compared to the previous year. Higher proceeds from company disposals had the opposite effect; they are attributable to the sale of myLoc at EUR 48 million.

Free cash flow before M&A amounted to minus EUR 55 million in the first nine months of 2020 (previous year: EUR -36 million). The change reflects the decrease in operating earnings as a result of the impact of COVID-19 and, with the opposite effect, lower payments for programming investments and taxes. The moderate decline in free

RECONCILIATION OF FREE CASH FLOW BEFORE M&A MEASURES Q1 – Q3 2020 in EUR m

	Total cash flow	M&A cash flow	Cash flow before M&A
Cash flow from operating activities	**824**	**-/-**	**824**
Proceeds from disposal of non-current assets	35	35	0
Payments for the acquisition of other intangible and tangible assets	-149	-/-	-149
Payments for investments accounted for using the equity method and financial assets	-60	-60	0
Proceeds from disposal of programming assets	15	-/-	15
Payments for the acquisition of programming assets	-745	-/-	-745
Proceeds from the repayment of loan receivables	1	-/-	1
Cash flow from obtaining control of subsidiaries or other businesses (net of cash and cash equivalents acquired)	-397	-397	-/-
Cash flow from losing control of subsidiaries or other businesses (net of cash and cash equivalents disposed of)	48	48	-/-
Cash flow from investing activities	**-1,252**	**-374**	**-879**
Free cash flow	**-429**	**-374**	**-55**

cash flow before M&A compared to the decrease in earnings underscores the Group's measures to strengthen liquidity in the long term in the uncertain environment created by the pandemic.

i Free cash flow represents the 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 is defined as 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 material investments with the exception of media-for-equity investments.

Cash flow from financing activities amounted to EUR 562 million in the first nine months of 2020 (previous year: EUR –286 million). This development reflects the cash inflow from the EUR 350 million drawn part from the revolving credit facility (RCF) as well as proceeds from the minority shareholder General Atlantic in connection with the acquisition of The Meet Group of EUR 259 million. In the previous year, there was cash outflow of EUR 269 million for the dividend payment for financial year 2018; the dividend payment for financial year 2019 was suspended in the reporting period 2020. The repayment of interest-bearing liabilities of EUR 34 million (previous year: EUR –12 million) primarily reflects the repayment of a bank loan of The Meet Group.

The Group thus continues to have a comfortable level of liquidity. The cash flows described resulted in an increase in cash and cash equivalents. These amounted to EUR 1,056 million at the end of the nine-month period (September 30, 2019: EUR 609 million; December 31, 2019: EUR 950 million).

Analysis of Assets and Capital Structure

Total assets increased by 9%, amounting to EUR 7,204 million as of September 30, 2020 (December 31, 2019: EUR 6,618 million). The most important items in the statement of financial position are described in more detail below:

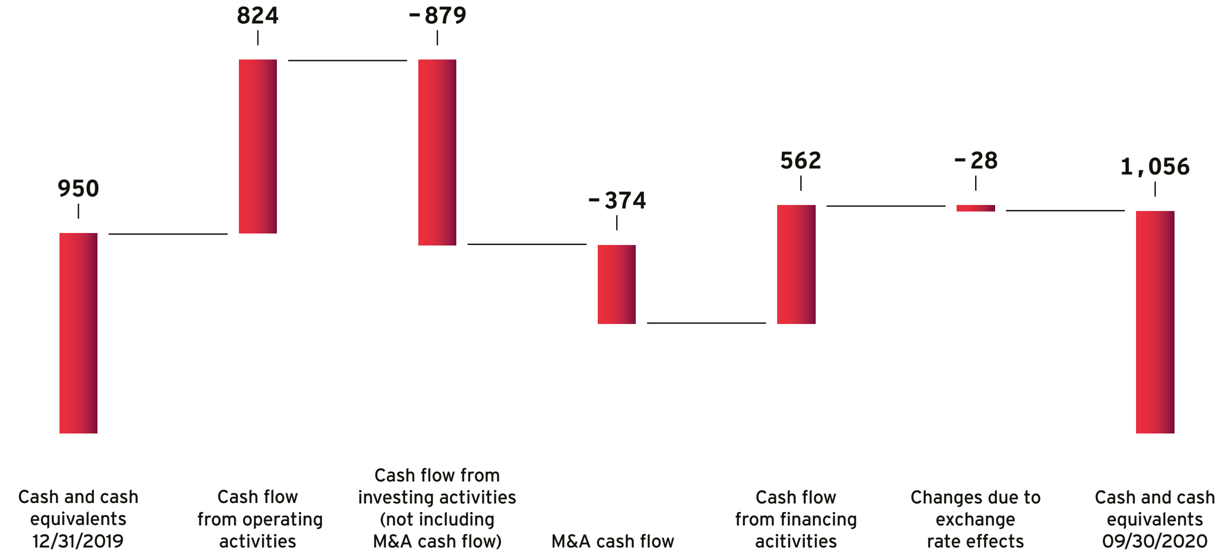
- **Current and non-current assets:** As of September 30, 2020, goodwill increased to EUR 2,327 million (December 31, 2019: EUR 2,109 million); its share in total assets was unchanged at 32% (December 31, 2019: 32%). Other intangible assets increased by 20% to EUR 999 million (December 31, 2019: EUR 835 million). The increase in both items is shaped by the initial consolidation of The Meet Group at the beginning of September 2020. Property, plant, and equipment increased by 15% to EUR 403 million (December 31, 2019: EUR 351 million). This is mainly attributable to rented office space in Germany and the US.

  Other non-current financial and non-financial assets decreased by 5% to EUR 305 million (December 31, 2019: EUR 320 million). Their decline was mainly attributable to the value performance of long-term foreign currency hedges. The positive valuation effects from other equity instruments partially compensated for this. In contrast, current other financial and non-financial assets increased. Their 5% increase to EUR 118 million (December 31, 2019: EUR 113 million) predominantly resulted from higher advance payments to copyright collecting societies.

  In addition, current trade receivables increased by 4% to EUR 548 million (December 31, 2019: EUR 530 million); this development was primarily driven by acquisitions.

  Programming assets increased by 3% year-on-year and amounted to EUR 1,244 million (December 31, 2019: EUR 1,204 million). Programming assets therefore accounted for 17% of total assets (December 31, 2019: 18%).

CHANGE IN CASH AND CASH EQUIVALENTS in EUR m



The table below shows the development of programming assets:

STATEMENT OF CHANGES IN PROGRAMMING ASSETS in EUR m

	Q1-Q3 2020	Q1-Q3 2019
Carrying amount 01/01	**1,204**	**1,113**
Additions[1]	727	865
thereof Seven.One Entertainment Group segment	727	856
thereof Red Arrow Studios segment Disposals	-/-	9
Disposals	- 10	- 10
Consumption	- 678	- 744
thereof Seven.One Entertainment Group segment	- 676	- 745
thereof Red Arrow Studios segment	- 1	0
Other change	- 1	- 1
Carrying amount 09/30	**1,244**	**1,222**
Change in programming assets compared to previous year	+ 39	+ 109

[1] EUR 33 million of the additions in financial year 2020 have already been recognized in profit or loss through provisions for onerous contracts recognized in financial year 2018 (previous year: EUR 39 million).

This results in the earnings effects from programming assets shown in the following table, which are primarily attributable to the Seven.One Entertainment Group segment:

EARNINGS EFFECTS OF PROGRAMMING ASSETS in EUR m

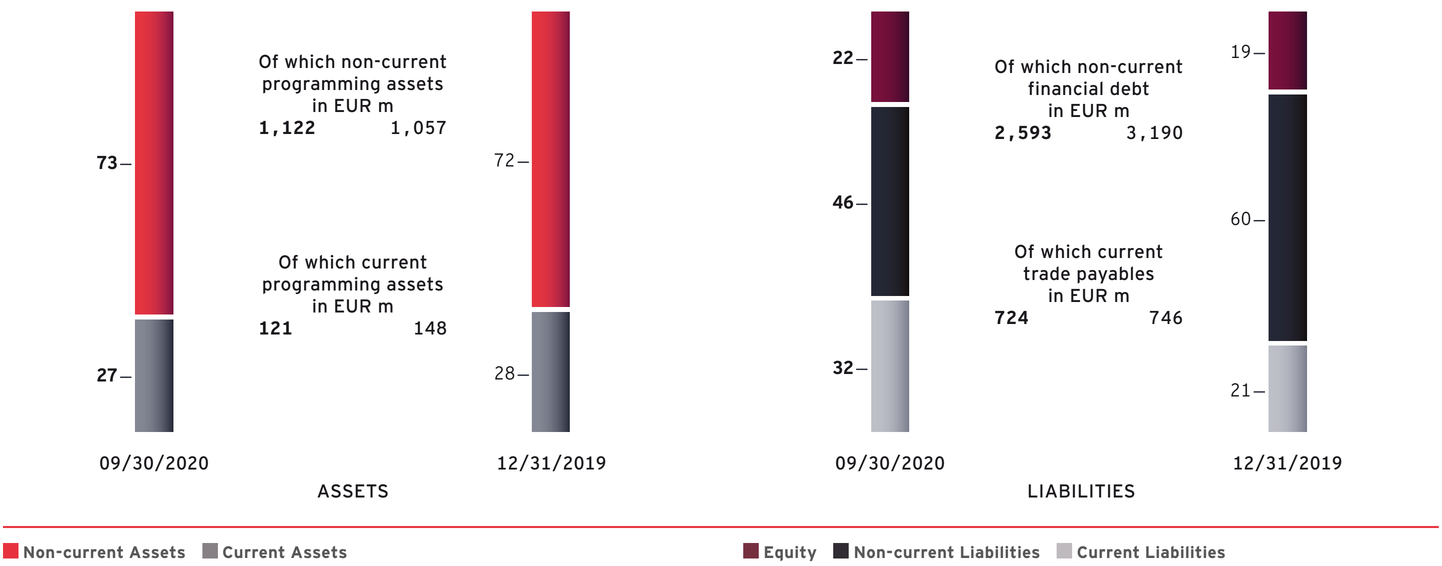
	Q1-Q3 2020	Q1-Q3 2019
Consumption	678	744
Change in provision for onerous contracts	- 33	- 91
Consumption incl. change in provision for onerous contracts	**645**	**654**

Cash and cash equivalents amounted to EUR 1,056 million. This equates to an increase of 11% or EUR 106 million compared to December 31, 2019, and reflects the development of cash flows.
➡ Analysis of Liquidity and Capital Expenditure

- **Equity:** Equity increased by 21% or EUR 266 million to EUR 1,554 million. The corresponding equity ratio was 21.6% (December 31, 2019: 19.5%). The equity base was significantly strengthened by the acquisition of The Meet Group made together with General Atlantic and the associated increase in the stake in the newly created ParshipMeet Group.

- **Current and non-current liabilities:** Debt increased by 6% to EUR 5,650 million compared to the closing date in 2019 (December 31, 2019: EUR 5,330 million). Non-current and current financial debt reported in debt totaled EUR 3,544 million (December 31, 2019: EUR 3,195 million). The increase is primarily attributable to the current financial debt and is based on the drawing of the EUR 350 million part from the revolving credit facility (RCF) at the beginning of the second quarter of 2020. The bond maturing in April 2021 with a carrying amount of EUR 600 million was also reclassified from non-current to current financial debt. This was countered mainly by the decline in trade payables, other liabilities and other provisions (primarily provisions for onerous contracts).

STRUCTURE OF THE STATEMENT OF FINANCIAL POSITION in %



The **net working capital** of ProSiebenSat.1 Group was minus EUR 80 million as of September 30, 2020 (December 31, 2019: EUR -156 million).

NET WORKING CAPITAL in EUR m

	09/30/2020	12/31/2019
Inventories	79	48
Receivables	564	541
Trade payables	724	746
Net working capital	**-80**	**-156**

Trade payables are subject to seasonal fluctuations and therefore declined by EUR 22 million compared to December 31, 2019. The ratio of average net working capital to revenues of the past twelve months was minus 2.1% as of September 30, 2020 (December 31, 2019: -3.8%).

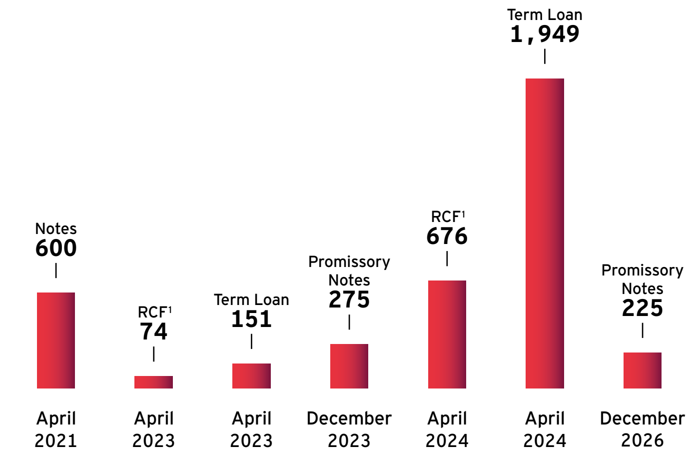
Borrowings and Financing Structure

ProSiebenSat.1 Group uses various financing instruments and practices active financial management. As of September 30, 2020, debt accounted for a 78% share of total equity and liabilities (December 31, 2019: 81%; September 30, 2019: 82%). The majority of this, at EUR 3,544 million or 63% (December 31, 2019: 60%; September 30, 2019: 61%), was attributable to current and non-current financial debt. ➞ Analysis of Assets and Capital Structure

Most of the syndicated term loan and the syndicated revolving credit facility (RCF) matures in April 2024. In addition, ProSiebenSat.1 Group has notes from a seven-year bond issued in April 2014 with a volume of EUR 600 million. The notes are listed on the regulated market of the Luxembourg stock exchange (ISIN DE000A11QFA7); the coupon of the notes is 2.625% per annum. Since 2016, the Group's portfolio has also included three syndicated promissory notes totaling EUR 500 million with maturities of seven years (EUR 225 million at a fixed interest rate and EUR 50 million at a variable interest rate) and ten years (EUR 225 million at a fixed interest rate).

The Group continuously monitors and assesses developments on the money and capital markets. In April 2020, the Group has drawn down a portion of EUR 350 million of its RCF. The utilization was made in response to an environment characterized by COVID-19 and aims at ensuring continuous access to the Group's liquidity reserves. The Group's financing instruments are not subject to financial covenants. As of September 30, 2020, the Group's cash and cash equivalents amounted to EUR 1,056 million. ➞ Significant Events

DEBT FINANCING INSTRUMENTS AND MATURITIES AS OF SEPTEMBER 30, 2020 in EUR m



[1] EUR 350 million was drawn from the RCF.

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, whereby the contract provides for a floor of 0 for the base rate. The Group uses derivative financial instruments in the form of interest rate swaps and interest rate options to hedge against market-related interest rate changes caused by the market. As of September 30, 2020, the proportion of fixed interest was approximately 95% of the entire long-term financing portfolio (December 31, 2019, and September 30, 2019: approx. 98%). As of September 30, 2020, the average interest cap was 0% per annum for the period up to 2024. ➡ Analysis of Assets and Capital Structure

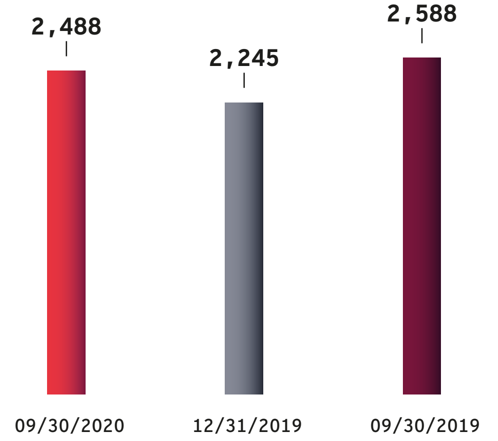
FINANCING ANALYSIS

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 general target is a ratio between 1.5 and 2.5 at the end of the relevant year. Due to the decline in adjusted EBITDA as a result of COVID-19, the leverage ratio will be above the target range at the end of 2020.

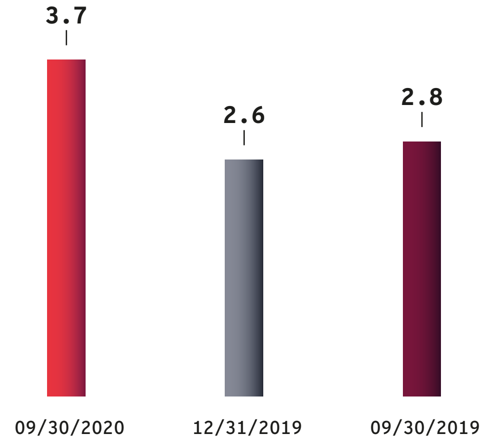
As of September 30, 2020, the leverage ratio was 3.7 (December 31, 2019: 2.6; September 30, 2019: 2.8) with net financial debt of EUR 2,488 million (December 31, 2019: EUR 2,245 million; September 30, 2019: EUR 2,588 million). The significant increase is primarily due to the decline in adjusted EBITDA of the last twelve months as a result of COVID-19 and a higher net financial debt, which reflects the development of the cash flows shown in the cash flow statement. In particular, the acquisition of The Meet Group had a negative effect on net financial debt as of September 30, 2020. Furthermore, the calculation of the leverage ratio takes into account The Meet Group's adjusted EBITDA contribution for one month only. The pro-forma leverage ratio based on the last twelve months, which includes the earnings contributions of The Meet Group for twelve months, was 3.5.
➡ Analysis of Liquidity and Capital Expenditure

i As of September 30, 2020, the definition of ProSiebenSat.1 Group's net financial debt does not include lease liabilities according to IFRS 16 of EUR 212 million (December 31, 2019: EUR 171 million; September 30, 2019: EUR 165 million) and real estate liabilities of EUR 64 million (December 31, 2019: EUR 48 million; September 30, 2019: EUR 42 million).

NET FINANCIAL DEBT[1] in EUR m



LEVERAGE RATIO[1]



[1] Net financial debt is defined as financial debt minus cash and cash equivalents. The leverage ratio is derived by calculating the ratio of net financial debt to adjusted EBITDA of the last twelve months (LTM adjusted EBITDA).

RISK AND OPPORTUNITY REPORT

The COVID-19 pandemic had a significant impact on ProSiebenSat.1 Group's business and risk situation over the year so far and will continue to do so. Because of the ongoing uncertainty, its effects, and the resulting consequences for the economy and businesses, the pandemic is the main driver of those risks which are persistently elevated compared to the end of last year. A second lockdown or other economic restrictions due to the COVID-19 pandemic would further influence ProSiebenSat.1 Group's business and the risk situation.
➡ Company Outlook

i Risk is defined in this report as a potential future development or event that could significantly influence our business situation and result in a negative deviation from targets or forecasts. The risk indicators that we have already taken into account in our financial planning or in the Consolidated Financial Statements as of September 30, 2020, therefore do not come under this definition and are consequently not explained in this Risk Report.

Risk categories that, against this backdrop, continue to be classified as elevated compared with the end of the previous year are the general sector risks and sales risks of Red Arrow Studios and NuCom Group, the general sector risks of ParshipMeet Group, which are listed separately for the first time this quarter, and impairment risks of asset values.

However, risk category assessments have also decreased in this quarter, as some risks have already been taken into account in the updated outlook, so that they are no longer relevant as risks compared with the previous quarter. Therefore, general sector risks of Seven.One Entertainment Group, macroeconomic risks as well as counterparty risks have been given a lower overall assessment. The sales risks of Seven.One Entertainment Group have also decreased, but remain at an overall high risk assessment.

The identified risks pose no threat to the Company as a going concern, even looking into the future. Against this backdrop, 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 ProSiebenSat.1 Group's assessment of the relevant and significant potentials identified in the Opportunities Report 2019 for the planning period through 2024 has not changed fundamentally compared to the end of 2019.

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 risks identified as part of the risk management process; however, this Risk Report focuses only on changes in those risks whose impact could be high or very high overall.

The risks with a potentially high or very high impact and significant opportunities are described in the Annual Report 2019 from page 111. The organizational requirements for risk and opportunity management are also explained here. The Annual Report was published on March 5, 2020, and is available at ➡ https://www.prosiebensat1.com/en/investor-relations/publications/annual-reports

OUTLOOK

FUTURE BUSINESS AND INDUSTRY ENVIRONMENT

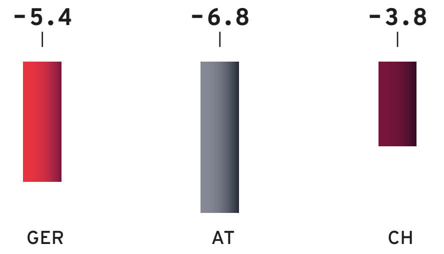
After the International Monetary Fund (IMF) had already lowered its global growth forecast for 2020 as a result of the COVID-19 pandemic to minus 3.0% in real terms in April and to minus 4.9% in real terms in June, the October forecast contains the first small signs of alleviation. For 2020, the experts now expect a slightly smaller decline in global economic output of 4.4%. An economic slump of 8.3% is forecast for the eurozone (June forecast: –10.2%). Positive signals have recently come from China, where a small amount of growth ought to be generated at the end of the year thanks to stringent COVID-19 measures. The International Monetary Fund anticipates a rapid recovery (global growth of +5.2%) in 2021 due to catch-up effects – but starting from the low level of the previous year. However, the forecasts are subject to considerable risks, depending on the further course of the pandemic and political uncertainties.

According to the Joint Economic Forecast, German economic output is likely to drop by –5.4% in real terms in 2020. Contributions to growth are expected only from government spending and construction investments. The German economy is expected to grow again in 2021, but the forecast growth of 4.7% means that the pre-crisis level would not be reached before the end of 2021. Moreover, this is contingent on severe lockdown measures as seen in the spring of 2020 being avoided. With infection rates currently rising sharply again, this remains uncertain. The adverse development of the pandemic is also by far the greatest risk internationally. In addition, the situation regarding the UK's withdrawal from the EU remains unclear, and further escalations in the US trade war with China are possible at any time. The result of the American presidential election in early November could also have far-reaching consequences.

At the same time, an unexpectedly quick breakthrough in the development of a vaccine might not only significantly ease the global situation. The availability of a vaccine would also boost the willingness of the currently rather cautious – partly under compulsion – domestic consumers to spend.

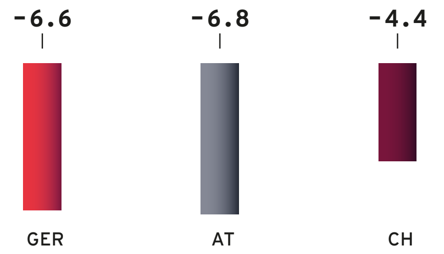
In light of the temporary economic restrictions due to COVID-19, the German Advertising Federation ("Zentralverband der deutschen Werbewirtschaft – ZAW") announced a decline in advertising investment of 7% in its fall forecast. In the summer, the industry still expected a decline of between 10% and 20%. However, the more favorable scenario would require the COVID-19 pandemic to be largely under control in the fourth quarter of 2020. In addition, the growth in the digital advertising market is softening the updated forecast. In their forecasts published in June and July, the media agencies Magna Global and ZenithOptimedia expect total net adverting spending to decline by 10.5% and 12.3%, respectively, in the fully-year 2020. Investments in TV advertising are expected to fall by 15.5% and 10.0%, respectively.

FORECAST FOR GDP IN COUNTRIES IMPORTANT FOR PROSIEBENSAT.1 GROUP in %, change vs. previous year



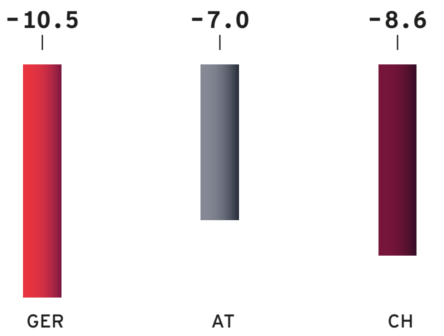
2020e (Estimate).
Quellen: GER: Joint Economic Forecast Fall 2020 / **AT:** Austrian Institute for Economic Research (WiFo): Economic Outlook for 2020, October 2020 /
CH: SECO Economic Forecast by Federal Government's Expert Group, October 2020.

FORECAST FOR PRIVATE CONSUMPTION IN COUNTRIES IMPORTANT FOR PROSIEBENSAT.1 GROUP
in %, change vs. previous year



2020e (Estimate).
Quellen: GER: Joint Economic Forecast Fall 2020 / **AT:** Austrian Institute for Economic Research (WiFo): Economic Outlook for 2020, October 2020 /
CH: SECO Economic Forecast by Federal Government's Expert Group, October 2020.

FORECAST FOR NET ADVERTISING MARKES[1] IN COUNTRIES IMPORTANT FOR PROSIEBENSAT.1 GROUP
in %, change vs. previous year



2020e (Estimate).
[1] **Sources:** Magna Global, Ad Forecasts June 2020, figures adjusted on a net basis, nonetheless methodological differences between different countries and sources.

COMPANY OUTLOOK

Against the backdrop of the global COVID-19 pandemic and the related economic uncertainty – also with regard to the possible extent of the negative business impact – on April 22, 2020, ProSiebenSat.1 Group withdrew its financial outlook regarding all the key financial performance indicators for financial year 2020, which had been published at the beginning of March 2020. After ProSiebenSat.1 Group's business performance was considerably affected by the consequences of the COVID-19 pandemic in the second quarter of 2020, economic conditions in Germany brightened in the third quarter of 2020. In conjunction with the Group's cost and cash flow management measures already introduced in April 2020, this had a comparatively positive effect on the Group's revenue and earnings figures in the third quarter of 2020. Since October, however, social and economic uncertainty in Germany and worldwide has been growing again due to the return of rising COVID-19 infection rates.

The Group has based its full-year outlook on the following assumptions: The economic environment will remain about stable compared to the third quarter of 2020 and there will be no further substantial restrictions in the fourth quarter beyond the measures announced in Germany at the end of October. This particularly applies to the important Christmas business of our advertising customers. On the basis of these assumptions, the Group expects advertising revenues to decline by a single-digit-percentage rate in the fourth quarter, among others due to the current loss of single industries like tourism and events as advertising customers as a result of COVID-19. Under the assumptions made, the Group is targeting – on the basis of constant exchange rates[1] and without further portfolio changes – Group revenues of between EUR 3.85 billion and EUR 3.95 billion (previous year: EUR 4.13 billion) and adjusted EBITDA of between EUR 600 million and EUR 650 million (previous year: EUR 872 million) in full-year 2020. This means that all of the Group's key financial figures in the full-year will be influenced by the currently strong one-time impact of COVID-19 and lockdown on the Group's business, especially in the second quarter. As a result of the impact of COVID-19, the Group posted a decline in adjusted EBITDA of EUR 190 million in the second quarter of 2020 compared to the previous year quarter, which cannot be made up for over the full-year.

Mid-term Financial Targets and Financial Policy

The Group is intensifying its focus on continued value increase and continues to target, as communicated at the start of the year, a return-on-capital-employed for the Group of at least 15% in the mid-term, based on the ProSiebenSat.1 definition of the ratio (P7S1 ROCE). To achieve this target, expansion and new investments will have to be amortized within three years and generate a return of at least 18%. Strategic projects are usually expected to be amortized within five years.

In addition, ProSiebenSat.1 Group is confirming its general financial policy with regard to leverage ratio and dividend. Accordingly, ProSiebenSat.1 continues to aim for a leverage ratio (the ratio of the Group's net financial debt to its LTM adjusted EBITDA) ranging between 1.5 and 2.5. The Group's general dividend policy of distributing 50% of adjusted net income as a dividend also remains in place.

Strategic Focus

ProSiebenSat.1 Group is focusing its entertainment business on the German-speaking region with Germany, Austria and Switzerland as core markets, also in close cooperation with Red Arrow Studios and the digital studio Studio71. In total, the Group will continue to invest around EUR 1 billion per year in content here, with more than half being spent on local formats. The Group thus strengthens one of its major USPs in the German-speaking entertainment market.

In addition to supporting the development of brands and their market positioning via the Group's own advertising space, a profitable entertainment business provides a foundation for ProSiebenSat.1 in order to enable other segments like ParshipMeet Group or NuCom Group. In these areas, ProSiebenSat.1 is concentrating on investments that have clear synergies with the core business. The Group's focus generally is on a considerably stronger earning orientation, in order to improve its cash flow, ability to pay dividends, and leverage in a sustainable manner.

[1] The main currency besides the euro remains the US dollar. The average annual EUR/USD exchange rate is around USD 1.1349 to the euro. This corresponds to a USD exchange rate of 1.1660 USD/EUR in the fourth quarter.

INCOME STATEMENT

INCOME STATEMENT OF PROSIEBENSAT.1 GROUP in EUR m

		Q1-Q3 2020	Q1-Q3 2019	Q3 2020	Q3 2019
1.	Revenues	2,555	2,786	921	926
2.	Cost of sales	-1,617	-1,628	-566	-571
3.	**Gross profit**	**938**	**1,158**	**354**	**355**
4.	Selling expenses	-450	-435	-150	-143
5.	Administrative expenses	-373	-404	-126	-153
6.	Other operating expenses	-10	-7	-2	-3
7.	Other operating income	53	26	38	8
8.	**Operating result**	**159**	**337**	**114**	**64**
9.	Interest and similar income	2	1	0	0
10.	Interest and similar expenses	-53	-41	-19	-16
11.	Interest result	-51	-39	-19	-16
12.	Result from investments accounted for using the equity method	-43	-25	-15	-4
13.	Other financial result	11	84	21	4
14.	**Financial result**	**-84**	**20**	**-13**	**-16**
15.	**Result before income taxes**	**75**	**357**	**100**	**48**
16.	Income taxes	-36	-109	-31	-15
NET INCOME		**39**	**248**	**69**	**33**
	Net income attributable to shareholders of ProSiebenSat.1 Media SE	52	249	69	34
	Net income attributable to non-controlling interests	-13	-1	0	0
in EUR					
	Earnings per share				
	Basic earnings per share	0.23	1.10	0.30	0.15
	Diluted earnings per share	0.22	1.09	0.30	0.14

STATEMENT OF COMPREHENSIVE INCOME

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

	Q1-Q3 2020	Q1-Q3 2019	Q3 2020	Q3 2019
Net income	**39**	**248**	**69**	**33**
Items subsequently reclassified to profit or loss				
Change in foreign currency translation adjustment[1]	-12	24	-12	20
Changes in fair value of cash flow hedges	-22	45	-42	46
Deferred tax on other comprehensive income	6	-13	12	-13
Other comprehensive income	**-28**	**57**	**-42**	**53**
Total comprehensive income	**11**	**305**	**27**	**86**
Total comprehensive income attributable to shareholders of ProSiebenSat.1 Media SE	22	305	24	86
Total comprehensive income attributable to non-controlling interests	-11	-1	3	0

[1] Includes non-controlling interests from change in foreign currency translation adjustment in Q1-Q3 2020 of EUR 2 million (Q1-Q3 2019: EUR 0 million) and in Q3 2020 of EUR 2 million (Q3 2019: EUR 0 million).

STATEMENT OF FINANCIAL POSITION

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

		09/30/2020	12/31/2019
A.	**Non-current assets**		
I.	Goodwill	2,327	2,109
II.	Other intangible assets	999	835
III.	Property, plant and equipment	403	351
IV.	Investments accounted for using the equity method	31	27
V.	Non-current financial assets	303	316
VI.	Programming assets	1,122	1,057
VII.	Other receivables and non-current assets	3	4
VIII.	Deferred tax assets	65	66
		5,252	**4,764**
B.	**Current assets**		
I.	Programming assets	121	148
II.	Inventories	79	48
III.	Current financial assets	57	67
IV.	Trade receivables	548	530
V.	Current tax assets	29	48
VI.	Other receivables and current assets	61	46
VII.	Cash and cash equivalents	1,056	950
VIII.	Assets held for sale	-/-	17
		1,952	**1,853**
	Total assets	**7,204**	**6,618**

		09/30/2020	12/31/2019
A.	**Equity**		
I.	Subscribed capital	233	233
II.	Capital reserves	1,046	1,045
III.	Consolidated equity generated	76	25
IV.	Treasury shares	-63	-63
V.	Accumulated other comprehensive income	25	55
VI.	Other equity	-118	-236
	Total equity attributable to shareholders of ProSiebenSat.1 Media SE	1,199	1,059
VII.	Non-controlling interests	356	229
		1,554	**1,288**
B.	**Non-current liabilities**		
I.	Non-current financial debt	2,593	3,190
II.	Other non-current financial liabilities	367	329
III.	Trade payables	70	79
IV.	Other non-current liabilities	6	15
V.	Provisions for pensions	31	31
VI.	Other non-current provisions	32	55
VII.	Deferred tax liabilities	266	236
		3,364	**3,934**
C.	**Current liabilities**		
I.	Current financial debt	951	5
II.	Other current financial liabilities	108	116
III.	Trade payables	654	667
IV.	Other current liabilities	329	357
V.	Current tax liabilities	106	110
VI.	Other current provisions	137	140
		2,286	**1,395**
	Total equity and liabilities	**7,204**	**6,618**

CASH FLOW STATEMENT

CASH FLOW STATEMENT OF PROSIEBENSAT.1 GROUP in EUR m

	Q1-Q3 2020	Q1-Q3 2019	Q3 2020	Q3 2019
Net income	**39**	**248**	**69**	**33**
Income taxes	36	109	31	15
Financial result	84	-20	13	16
Depreciation, amortization and impairments of other intangible and tangible assets	181	169	60	58
Consumption of programming assets incl. change in provisions for onerous contracts	645	653	198	204
Change in provisions	-2	3	11	23
Gain/loss on the sale of assets	-38	-3	-35	-1
Other non-cash income/expenses	-3	-4	-1	-1
Change in working capital	-70	-135	-28	-84
Dividends received	7	7	0	0
Income tax paid	-16	-98	-3	-45
Interest paid	-45	-38	-10	-8
Interest received	6	3	4	1
Cash flow from operating activities	**824**	**895**	**310**	**212**
Proceeds from disposal of non-current assets	35	37	7	3
Payments for the acquisition of other intangible and tangible assets	-149	-146	-50	-44
Payments for investments including investments accounted for using the equity method	-60	-55	-18	-21
Proceeds from disposal of programming assets	15	20	3	1
Payments for the acquisition of programming assets	-745	-806	-263	-219
Payments for the issuance of loan receivables	-/-	-1	-/-	0
Proceeds from the repayment of loan receivables	1	0	0	0
Cash flow from obtaining control of subsidiaries or other businesses (net of cash and cash equivalents acquired)	-397	-100	-373	-6
Cash flow from losing control of subsidiaries or other businesses (net of cash and cash equivalents disposed of)	48	5	48	3
Cash flow from investing activities	**-1,252**	**-1,045**	**-647**	**-283**
Dividend paid	-/-	-269	-/-	-/-
Repayment of interest-bearing liabilities	-34	-12	-29	-7
Proceeds from issuance of interest-bearing liabilities	368	24	7	3
Repayment of lease liabilities	-28	-31	-10	-11
Payments for shares in other entities without change in control	-1	-2	-1	0
Proceeds from non-controlling interests	261	7	261	-/-
Dividend payments to non-controlling interests	-4	-3	-1	-1
Cash flow from financing activities	**562**	**-286**	**227**	**-16**
Effect of foreign exchange rate changes on cash and cash equivalents	-28	14	-23	12
Change in cash and cash equivalents	**106**	**-422**	**-134**	**-76**
Cash and cash equivalents at beginning of reporting period	950	1,031	1,190	685
Cash and cash equivalents at end of reporting period	**1,056**	**609**	**1,056**	**609**

STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY OF PROSIEBENSAT.1 GROUP Q1-Q3 2019 in EUR m

					Accumulated other comprehensive income							
	Subscribed capital	Capital reserves	Consolidated equity generated	Treasury shares	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 SE	Non-controlling interests	Total equity
December 31, 2018	233	1,043	-119	-64	4	54	-10	-13	-246	883	187	1,070
Net income	-/-	-/-	249	-/-	-/-	-/-	-/-	-/-	-/-	249	-1	248
Other comprehensive income	-/-	-/-	-/-	-/-	24	45	-/-	-13	-/-	56	0	57
Total comprehensive income	**-/-**	**-/-**	**249**	**-/-**	**24**	**45**	**-/-**	**-13**	**-/-**	**305**	**-1**	**305**
Dividends	-/-	-/-	-269	-/-	-/-	-/-	-/-	-/-	-/-	-269	-3	-272
Other changes	-/-	1	0	0	-/-	-/-	-/-	-/-	16	17	45	62
September 30, 2019	**233**	**1,044**	**-139**	**-64**	**27**	**100**	**-10**	**-25**	**-230**	**937**	**228**	**1,165**

STATEMENT OF CHANGES IN EQUITY OF PROSIEBENSAT.1 GROUP Q1-Q3 2020 in EUR m

					Accumulated other comprehensive income							
	Subscribed capital	Capital reserves	Consolidated equity generated	Treasury shares	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 SE	Non-controlling interests	Total equity
December 31, 2019	233	1,045	25	-63	15	70	-14	-16	-236	1,059	229	1,288
Net income	-/-	-/-	52	-/-	-/-	-/-	-/-	-/-	-/-	52	-13	39
Other comprehensive income	-/-	-/-	-/-	-/-	-15	-22	-/-	6	-/-	-30	2	-28
Total comprehensive income	**-/-**	**-/-**	**52**	**-/-**	**-15**	**-22**	**-/-**	**6**	**-/-**	**22**	**-11**	**11**
Dividends	-/-	-/-	-/-	-/-	-/-	-/-	-/-	-/-	-/-	-/-	-4	-4
Other changes	-/-	0	-1	-/-	-/-	-/-	-/-	-/-	118	117	141	258
September 30, 2020	**233**	**1,046**	**76**	**-63**	**1**	**48**	**-14**	**-10**	**-118**	**1,199**	**356**	**1,554**

FINANCIAL CALENDAR

PRESENTATIONS & EVENTS 2020/2021

Date	Event
11/05/2020	Publication of the Quarterly Statement for the Third Quarter of 2020
03/04/2021	Publication of the Annual Report 2020
03/04/2021	Press Conference/IR Conference on Figures 2020
05/12/2021	Publication of the Quarterly Statement for the First Quarter of 2021
06/01/2021	Annual General Meeting 2021
08/05/2021	Publication of the Half-Yearly Financial Report of 2021
11/04/2021	Publication of the Quarterly Statement for the Third Quarter of 2021

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➡ www.ProSiebenSat1.com/en

FORWARD-LOOKING STATEMENTS

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