
Press release



ProSiebenSat.1 with revenue and earnings growth in the first nine months of 2024

- **Group revenues increase by 3% and reflect market environment:** Over the nine-month period, Group revenues increased by 3% to EUR 2,656 million. In the third quarter of 2024, Group revenues were on previous-year's figure at EUR 882 million, reflecting the highly competitive and increasingly challenging market environment.
- **Significant growth at Joyn:** Joyn is growing dynamically with AVoD revenues up 28% in the first nine months and 15% in the third quarter respectively. TV advertising revenues, however, clearly show the close correlation between consumer restraint and cautious investments of TV advertisers.
- **Adjusted EBITDA increases by 10%:** ProSiebenSat.1 recorded an increase of 10% in adjusted EBITDA to EUR 267 million in the first nine months, while the figure for the third quarter was below the previous year. The growth in the nine-month period was based on both higher Entertainment revenues and an increase in revenues in the Commerce & Ventures segment.
- **ProSiebenSat.1 confirms full-year outlook:** The Group continues to confirm its full-year revenue and adjusted EBITDA target ranges. Due to the increasingly deteriorating development in the TV advertising market, ProSiebenSat.1 currently expects an adjusted EBITDA below EUR 575 million.

Unterföhring, November 14, 2024. In the first nine months, ProSiebenSat.1 Group generated Group revenues of EUR 2,656 million (previous year: EUR 2,571 million). This is an increase of 3% reflecting higher Digital & Smart advertising revenues in the German-speaking region as well as significant growth in the Commerce & Ventures segment. Organic growth – i.e. adjusted for portfolio changes and currency effects – amounted to 4%.

The revenue development is therefore in line with the full-year outlook, even though Group revenues in the third quarter were slightly below the previous year's figure: It amounted to EUR 882 million, corresponding to a minus of 1% (previous year: EUR 888 million). This development reflects the close correlation between consumer restraint and the cautious investments in TV advertising in the third quarter of 2024. In addition, revenues in the Dating & Video segment declined significantly in a highly competitive environment. In organic terms, revenues remained at the previous year's level.

Martin Mildner, Group CFO of ProSiebenSat.1 Media SE: "Private consumption, which is decisive for our TV advertising business, has not developed as positively as we expected at the beginning of the year. Nevertheless, we closed the first nine months in line with our expectations for 2024. Despite the difficult economic environment, we are making good progress in implementing our strategy and practicing consistent cost management. Furthermore, we are particularly pleased with the growth rates in both Digital & Smart advertising revenues and in the Commerce & Ventures segment. They contrast with the figures for the overall economic development in Germany."

Operational development

The economy in Germany and in particular private consumption, which is relevant for the TV advertising business, did not develop as positively over the course of the year as the economic research institutes had originally forecast. In addition, the European Football Championship and the Summer Olympics had the expected impact on market share development. This applies in particular to the third quarter: While TV advertising revenues were below the previous year against this backdrop, Digital & Smart advertising revenues in the German-speaking region recorded an increase.

The increase in Digital & Smart advertising revenues is mainly due to the growth at Joyn: Over the nine-month period, Joyn achieved an increase of 28% in AVoD (advertising video on demand) revenues in Germany (Q3: +15%). The number of monthly video users increased by 53% to 6.8 million, while the total viewing time increased to 27.9 billion minutes (+34% year-on-year). Overall, revenues from Digital & Smart advertising offerings in the German-speaking region increased by 7% in the nine-month period. Total advertising revenues remained stable at the previous year's level. This development confirms our strategic focus on Joyn as an ad-funded streaming model and the expansion of our digital Entertainment portfolio.

In addition to Digital & Smart advertising revenues, Distribution revenues also recorded significant growth: they increased by 11% in the nine-month period, partly due to cooperation agreements, for example with Deutsche Telekom and Sky Deutschland, as well as higher HD usage. As a result, **external revenues** in the **Entertainment segment** increased by 2% to EUR 1,744 million (previous year: EUR 1,717 million) in the first nine months of the year. In the third quarter, segment revenues were 3% below the previous year at EUR 579 million (previous year: EUR 598 million) due to lower advertising revenues.

In the **Commerce & Ventures segment**, double-digit revenue growth continued: **External revenues** increased by 19% to EUR 622 million (previous year: EUR 522 million) in the first nine months, while organic growth amounted to 22%. In the third quarter of 2024, segment revenues increased by 20% to EUR 218 million (previous year: EUR 182 million), or by 22% in organic terms. The most important revenue driver, both over the nine-month period and in the third quarter, was the Beauty & Lifestyle business with flaconi, which grew dynamically despite general consumer restraint. In addition, the online comparison portal Verivox (Consumer Advice) is continually growing in a stable market environment. The media-for-revenue and media-for-equity business of SevenVentures also developed very positively. The portfolio of SevenVentures is strategically relevant because the Group uses synergies with its core Entertainment business and invests advertising time in digital business models.

External revenues in the **Dating & Video segment** amounted to EUR 290 million in the first nine months of the year. This corresponds to a decline of 13% or EUR 42 million. Revenues in the Dating business decreased by 15%, while Video revenues declined by 9%. This development is due to the challenging and highly competitive market environment. Against this backdrop, segment revenues also declined significantly in the third quarter of 2024, decreasing by 21% or EUR 22 million to EUR 85 million.

ProSiebenSat.1 Group increased its **adjusted EBITDA** for the first nine months: Despite higher programming expenses, the figures increased by 10% to EUR 267 million (previous year: EUR

243 million). This positive earnings performance is due to the Group's revenue growth in large parts of its portfolio on the one hand and to consistent cost management and, in particular, the cost program implemented in the previous year on the other. While adjusted EBITDA increased over the nine-month period, the Group recorded a decline in the third quarter: At EUR 104 million, adjusted EBITDA was down 6% year-on-year (previous year: EUR 110 million). In addition to lower revenues in the high-margin TV advertising business, the decline in the Dating & Video segment also had an impact.

On a nine-month basis, **adjusted net income** increased by EUR 51 million to EUR 63 million (previous year: EUR 12 million). In the third quarter, it amounted to EUR 31 million (previous year: EUR 23 million).

The efficiency-enhancing measures that have been implemented strengthen ProSiebenSat.1 Group's profitability and at the same time enable the stringent implementation of the programming strategy, which includes expanding the offering of local and live content. At the same time, the Group aims to improve the leverage ratio through consistent cash flow management: The Group's **net financial debt** decreased by 9% to EUR 1,609 million compared to the end of the previous year's quarter (December 31, 2023: EUR 1,546 million; September 30, 2023: EUR 1,775 million). The **leverage ratio** also improved significantly compared to September 30, 2023: It amounted to 2.7x and was thus within the target range of 2.5x to 3.0x forecast for the end of 2024 (December 31, 2023: 2.7x; September 30, 2023: 3.3x).

Outlook

ProSiebenSat.1 Group closed the first nine months in line with its targets for the 2024 financial year, even though the TV advertising market declined in the third quarter. ProSiebenSat.1 continues to aim for a slight year-on-year increase in Group revenues of around EUR 3.95 billion in 2024 with a variance of plus/minus EUR 150 million (previous year: EUR 3.85 billion). The Company thus confirms its outlook for Group revenues and expects Entertainment advertising revenues in the German-speaking region in financial year 2024 to be below the previous year's level by a low single-digit percentage. At the same time, ProSiebenSat.1 expects the revenue momentum in the Commerce & Ventures segment to continue even in a difficult economic environment.

In addition, the Group also confirms the target range for adjusted EBITDA forecast at the beginning of the year, with a variance of plus/minus EUR 50 million in relation to a target value of EUR 575 million (previous year: EUR 578 million). Due to the decline in revenues in the high-margin TV advertising business in the third quarter and the downturn in the TV advertising market in the fourth quarter to date, however, the Group currently expects earnings below the target of EUR 575 million. The outlook takes into account the expenses associated with the programming offensive, which – despite the offsetting savings from efficiency measures – will have a negative impact on adjusted EBITDA but will sustainably strengthen growth in the Entertainment business. At the same time, the Group continues to focus on a lean cost structure across all three segments in the fourth quarter.

ProSiebenSat.1 also continues to pursue active portfolio management with the aim of realizing synergies within the Group. As a result of the strategic focus on the Entertainment business, the Group is reviewing the disposal of non-strategic investments, including in particular flaconi

and Verivox. ProSiebenSat.1 is progressing in the discussions with interested parties in this regard and will update the market as soon as possible.

Key figures of ProSiebenSat.1 Group

in EUR m

	Q3 2024	Q3 2023	Absolute change	Change in %	Q1-Q3 2024	Q1-Q3 2023	Absolute change	Change in %
Revenues	882	888	-5	-0.6	2,656	2,571	85	3.3
Adjusted EBITDA ⁽¹⁾	104	110	-6	-5.6	267	243	24	9.9
Adjusted net income ⁽²⁾	31	23	8	32.6	63	12	51	~
Adjusted operating free cash flow ⁽³⁾	25	61	-36	-58.7	129	4	125	~

Key figures of ProSiebenSat.1 Group

in EUR m

	Sept. 30, 2024	Dec. 31, 2023	Sept. 30, 2023
Employees ⁽⁴⁾	6,952	7,188	7,274
Programming assets	815	864	1,040
Cash and cash equivalents	511	573	343
Net financial debt ⁽⁵⁾	1,609	1,546	1,775
Leverage ratio ⁽⁶⁾	2.7x	2.7x	3.3x

(1) EBITDA before reconciling items. The composition and definition of reconciling items is unchanged from the previous year; a detailed overview can be found in the section on the Group earnings in the tables "Reconciliation of adjusted EBITDA to net income" and "Presentation of reconciling items within adjusted EBITDA" in the quarterly statement for the third quarter of 2024. (2) 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 option liabilities, valuation effects from interest rate hedging transactions as well as other material one-time items. Moreover, the tax effects resulting from such adjustments are also adjusted. See Annual Report 2023, chapter "Planning and Management". (3) For a definition of the adjusted operating free cash flow, please refer to the Annual Report 2023, chapter "Planning and Management". (4) Full-time equivalent positions. (5) The definition of ProSiebenSat.1 Group's net financial debt as of September 30, 2024 did not include lease liabilities of EUR 154 million (December 31, 2023: EUR 165 million; September 30, 2023: EUR 169 million) or real estate liabilities of EUR 178 million (December 31, 2023: EUR 167 million; September 30, 2023: EUR 154 million). (6) Ratio net financial debt to adjusted EBITDA in the last twelve months.

Further key figures can be found on our Group website at www.ProSiebenSat1.com. The Quarterly Statement for the Third Quarter of 2024 as well as the presentation can also be found there.

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