
Press Release



ProSiebenSat.1 continues dynamic revenue growth in the third quarter of 2012

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- Consolidated revenues increase by 7.1% to EUR 636.9 million
- Digital & Adjacent segment increases revenues by 49.7% to EUR 85.9 million and is the strongest growth driver
- Recurring EBITDA grows by 2.3% to EUR 167.3 million
- Underlying net income more than doubles to EUR 65.1 million
- Group confirms full-year outlook for 2012

[All statements and figures relate to continuing operations. The sold Belgian and Dutch companies were deconsolidated in June and July 2011 respectively.]

Munich, November 8, 2012. In the third quarter of 2012, the ProSiebenSat.1 Group continued its profitable growth course. The Group increased its total revenues by 7.1% to EUR 636.9 million (previous year: EUR 594.5 million). Recurring EBITDA exceeded the previous-year figure by 2.3%, reaching EUR 167.3 million (previous year: EUR 163.6 million). Underlying net income increased by 184.3% or EUR 42.2 million to EUR 65.1 million and has thus more than doubled.

Thomas Ebeling, CEO of the ProSiebenSat.1 Group: "In the last few years, we have consistently invested in new growth markets. This is paying off today. With a revenue increase of nearly 50%, our Digital & Adjacent activities were the strongest growth driver in the third quarter of 2012 as well. We are developing ProSiebenSat.1 from a traditional TV provider to a digital entertainment powerhouse – and are thus setting the course for a long-term, successful development of the Group."

Broadcasting German-speaking: Development in the core market influenced by strong prior-year quarter – positive start into fourth quarter of 2012

In the Broadcasting German-speaking segment, the ProSiebenSat.1 Group achieved external revenues of EUR 391.4 million in the third quarter of 2012, 3.2% below the previous year's figure (EUR 404.4 million). This development was mainly affected by a strong prior-year quarter. With a growth rate of 5%, the third quarter of 2011 posted the strongest revenue growth in the last financial year. Into the fourth quarter of 2012 the segment made a positive start.

In the German TV audience market, the biggest influence were the Olympic Games, which were broadcast exclusively on the public stations. In the third quarter, the combined market share of SAT.1, ProSieben, kabel eins, and sixx was 26.8%, as expected below the previous year's level (29.4%). The female-

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focused channel sixx, which was only launched in May 2010, considerably increased its audience market share again, by 0.4 percentage points to 1.0%. In Austria, sixx Austria went on air in July 2012 and achieved a market share of as high as 1.1% in the third quarter of 2012. The successful development of new stations shows that the ProSiebenSat.1 Group will have attractive opportunities for growth in the traditional TV business in future as well. For this reason, in the coming year the Group will launch two further free TV stations, SAT.1 Gold and ProSieben MAXX.

In addition, the Group is continuing to diversify its revenue sources consistently also in the core business. The ProSiebenSat.1 Group is represented in the HD packages of all major cable, satellite, and IPTV providers with its four German TV stations. In the third quarter of 2012, HD distribution revenues rose further.

Recurring EBITDA totaled EUR 122.3 million, down 6.6% year on year (previous year: EUR 130.9 million).

Broadcasting International: Higher TV advertising revenues and distribution revenues drive growth in Northern Europe

In the third quarter of 2012, external revenues in the Broadcasting International segment increased by 8.8% to EUR 134.1 million (previous year: EUR 123.2 million). The revenue increase was again supported by the Northern European TV stations. Norway and Denmark in particular increased their TV advertising revenues further and capitalized their growing audience market shares.

The ProSiebenSat.1 Group is benefiting from the growth of new TV stations in the Northern European markets as well. In the last six years, the company has launched eight TV stations in Norway, Sweden, Finland, and Denmark, which are rapidly and continuously gaining additional market shares. These include the Norwegian TV stations MAX and VOX. VOX went on air for the first time in January 2012 and achieved a market share of 1.2% in the third quarter. The men's channel MAX grew by 0.7 percentage points to 3.6%. In total, the audience market shares in Norway rose by 2.4 percentage points to 19.4% in the third quarter of 2012. Moreover, higher distribution revenues – especially in Denmark and Sweden – contributed to the revenue growth in the Broadcasting International segment.

In the third quarter of 2012, the rise in external segment revenues led to a considerable increase of recurring EBITDA, by 42.8% to EUR 24.7 million.

Digital & Adjacent: Revenue increase by nearly 50%

The Digital & Adjacent segment showed a highly dynamic development in the third quarter of 2012. External revenues increased by 49.7% to EUR 85.9 million (previous year: EUR 57.4 million). The sale of online video advertising, the video-on-demand portal maxdome, the Music unit, and the Ventures & Commerce business made a significant contribution to this. The ProSiebenSat.1 Group bases its Ventures & Commerce activities on an innovative business model. The Group provides advertising time on its high-reach TV channels to selected start-up companies in return for a share in



revenues or equity. In this way, since 2010 ProSiebenSat.1 has built up an attractive Ventures portfolio with approximately 50 partnerships and strategic investments.

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In the third quarter of 2012, the ProSiebenSat.1 Group also continued the expansion of its Games business. In order to market its attractive Online Games portfolio internationally, the Group formed sales partnerships with the Turkish TV market leader Dogan Media and the French TV station TF1. At the beginning of the year, ProSiebenSat.1 had secured exclusive European rights to numerous blockbuster online games such as “DC Universe” and “Planetside 2” through partnerships with providers such as Sony Online Entertainment.

The dynamic revenue trend in combination with strict cost management led to a considerable increase of recurring EBITDA by 57.2% to EUR 21.7 million (previous year: EUR 13.8 million).

Content Production & Global Sales: Red Arrow established as international production company

In the third quarter of 2012, external revenues in the Content Production & Global Sales segment, at EUR 25.5 million, were also considerably higher than the previous year (EUR 9.5 million). In August 2012, the Red Arrow Entertainment Group, under whose umbrella the ProSiebenSat.1 Group bundles all its program distribution and production activities, carried out its largest acquisition so far. The company acquired a majority stake in the American production company Left/Right. This was already the fourth majority holding acquired in the key markets of the USA and UK in 2012.

Thus, two-and-a-half years after its foundation, the Red Arrow Entertainment Group has established itself as an international production and sales company and now has 18 participations in nine countries. The company produces TV formats for major television broadcasters such as NBC (“Off Their Rockers”/USA), ABC (“The Taste”/USA), BBC (“Restless”/GB) and ITV1 (“My Man Can”/GB). The new cooking show “The Taste” is the most recent example of how the Red Arrow Entertainment Group participates in the entire TV value chain. The format is an original production of the US subsidiary Kinetic Content, which also produces the format for the US station ABC. The global distribution rights are owned by Red Arrow International. In addition to the USA, the ProSiebenSat.1 programming distribution subsidiary has already brought the TV show to France (M6) and India (Fox International Channels).

Due to start-up costs for the newly acquired production companies, recurring EBITDA in the Content Production & Global Sales segment decreased by EUR 2.7 million year-on-year to minus EUR 1.4 million (previous year: EUR 1.3 million).

ProSiebenSat.1 invests in growth areas

In the third quarter of 2012, too, the ProSiebenSat.1 Group invested consistently in growth areas such as new TV stations, the expansion of the world-wide production portfolio, and the development of the digital business. In



this context, costs rose as expected. Overall in the third quarter of 2012, the ProSiebenSat.1 Group posted operating costs (adjusted for depreciation and amortization as well as non-recurring expenses) totaling EUR 472.3 million (previous year: EUR 432.7 million). The higher operating costs were mainly incurred in the growth areas. In the core TV business, they remained stable.

Positive result for the first nine months of 2012

Due to the continuous increase in revenues and earnings in the first three quarters of 2012, the ProSiebenSat.1 Group grew dynamically also over the nine months. Between January and September 2012, revenues increased by 6.0% or EUR 112.5 million year-on-year to EUR 1,995 billion. Here, too, the growth is due to the dynamic revenues performance in the Digital & Adjacent and Content Production & Global Sales segments as well as the good performance of the Northern European station family. Between January and September 2012, recurring EBITDA rose by 3.8% or EUR 20.1 million to EUR 552.4 million (previous year: EUR 532.3 million). The Group achieved a net result for the period from continuing operations after taxes and non-controlling interests of EUR 196.0 million. This equates to an increase of 54.3% or EUR 69.0 million. The underlying net income increased by 58.5% to EUR 241.1 million and thus also rose considerably in the nine-month period (previous year: EUR 152.1 million).

Solid balance sheet structure with an equity ratio of 26.8%

Driven by profits, equity increased by 11.6% compared to September 30, 2011 to EUR 1.417 billion. The equity ratio rose to 26.8% (previous year: 26.5%).

As of September 30, 2012, net financial debt fell to EUR 2,066 billion. The leverage factor also improved slightly. The ratio of net financial debt to recurring EBITDA of the last twelve months was 2.4 times on September 30, 2012, and was therefore within the defined target range of 1.5 to 2.5 times. As of September 30, 2011, the figure was 2.5 times recurring EBITDA. Due to the important fourth quarter with regard to free cash flow the Group expects the financial leverage to decrease appreciably by the end of the year compared to September 30, 2012.

ProSiebenSat.1 confirms outlook for 2012 financial year

The ProSiebenSat.1 Group started the fourth quarter positively in all segments and confirms its outlook for the full year 2012. The ProSiebenSat.1 Group anticipates overall consolidated revenue growth in the mid-single-digit percentage area. The Group expects to exceed the previous year's recurring EBITDA of EUR 850 million. Moreover, the company expects a further increase of underlying net income, primarily supported by lower interest and financing expenses.



Key Figures of the ProSiebenSat.1 Group

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In EUR m	Q3 2012	Q3 2011	Q1-Q3 2012	Q1-Q3 2011
Revenues	636.9	594.5	1,995.0	1,882.5
Total costs	512.5	496.1	1,593.9	1,525.5
Operating costs	472.3	432.7	1,450.2	1,355.3
Recurring EBITDA	167.3	163.6	552.4	532.3
Recurring EBITDA margin (in %)	26.3	27.5	27.7	28.3
EBITDA	155.1	133.7	499.0	471.6
Non-recurring effects	-12.2	-29.9	-53.4	-60.7
EBIT	127.1	101.0	408.7	362.9
Financial result	-37.0	-82.4	-119.2	-177.0
Net result (consolidated net profit after non-controlling interests)	61.3	11.4	196.0	127.0
Underlying net income	65.1	22.9	241.1	152.1
Basic earnings per share of preferred stock (underlying)	0.31	0.11	1.15	0.72
Free cash flow	-27.8	-1.4	6.1	4.5

In EUR m	September 30, 2012	December 31, 2011	September 30, 2011
Equity	1,416.6	1,441.4	1,269.1
Equity ratio (in percent)	26.8	28.6	26.5
Net financial debt	2,065.5	1,817.8	2,075.0
Leverage	2.4	2.1	2.5



Key Figures by Segments

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In EUR m	Q3 2012	Q3 2011	Q1-Q3 2012	Q1-Q3 2011
Broadcasting German-speaking				
Revenues (external)	391.4	404.4	1,280.3	1,287.3
Recurring EBITDA	122.3	130.9	407.5	402.8
Broadcasting International				
Revenues (external)	134.1	123.2	431.8	403.2
Recurring EBITDA	24.7	17.3	87.4	78.4
Digital & Adjacent				
Revenues (external)	85.9	57.4	228.5	173.6
Recurring EBITDA	21.7	13.8	59.4	43.2
Content Production & Global Sales				
Revenues (external)	25.5	9.5	54.4	18.4
Recurring EBITDA	-1.4	1.3	-1.9	4.6

More key figures can be downloaded from www.ProSiebenSat1.com. There you can also find the financial report and the presentation on the third quarter of 2012.