

Interim Report as of June 30, 2003



**ProSiebenSat.1-Group
Doubles Pre-tax
income for Q2 2003**

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ProSiebenSat.1 Group

Business Areas	Activities	Key Subsidiaries
Television	Commercial Television	Sat.1 [100%]
	Foreign Advertising Windows	ProSieben [100%]
	Television Advertising Sales	Kabel 1 [100%]
	Transaction Television	N24 [100%]
	Internet, Teletext	SevenOne Media [100%]
		Euvía Media [48,4%]
		SevenOne Intermedia [100%]
Merchandising	Merchandising	MM Merchandising Media [100%]
	Viewers Club	ArtMerchandising & Media [86,5%]
	E-Commerce	
	Dialog-, Direct- and Crossmarketing	
Services	Creative Design	SevenSenses [100%]
	Production, Broadcasting Services Technology	SZM Studios [100%]
	IT-Development	ProSieben Information Service [100%]

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Q2 2003: Key Figures of the ProSiebenSat.1 Group

ProSiebenSat.1 Group			Q2 2003	Q2 2002	Change
	Revenues	(EUR m)	467	496	-6%
	Pre-tax profit	(EUR m)	33	17	94%
	Net profit for the period	(EUR m)	32	10	220%
	Other operating income	(EUR m)	10	24	-58%
	Ebit	(EUR m)	53	29	83%
	Ebitda	(EUR m)	62	42	48%
	Cash-flow in accordance with DVFA/SG	(EUR m)	300	301	0%
	Personnel expenses	(EUR m)	51	54	-6%
	Employees *		2,897	3,006	-4%
Business Areas			Q2 2003	Q2 2002	Change
TV	External revenues	(EUR m)	454	479	-5%
	Total revenues	(EUR m)	458	481	-5%
	Operating profit	(EUR m)	36	6	500%
	Employees *		1,800	1,759	2%
Sat.1	Total revenues	(EUR m)	196	208	-6%
	Pre-tax profit/loss	(EUR m)	8	-32	125%
	Employees *		229	187	22%
ProSieben	Total revenues	(EUR m)	186	204	-9%
	Pre-tax profit	(EUR m)	47	59	-20%
	Employees *		283	302	-6%
Kabel 1	Total revenues	(EUR m)	48	49	-2%
	Pre-tax profit	(EUR m)	4	4	0%
	Employees *		48	51	-6%
N24	Total revenues	(EUR m)	18	22	-18%
	Pre-tax loss	(EUR m)	-6	-8	25%
	Employees *		174	267	-35%
Merchandising	External revenues	(EUR m)	11	13	-15%
	Total revenues	(EUR m)	13	15	-13%
	Operating profit	(EUR m)	2	3	-33%
	Employees *		112	112	0%
Services	External revenues	(EUR m)	2	4	-50%
	Total revenues	(EUR m)	34	41	-17%
	Operating profit	(EUR m)	1	1	0%
	Employees *		985	1,135	-13%

*Full-time equivalent jobs as of June 30

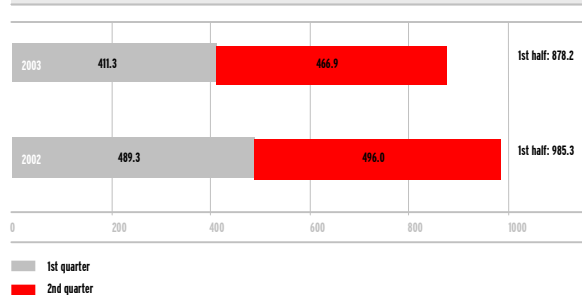
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Pre-tax income doubles for Q2 2003

Despite the ongoing advertising crisis, the ProSiebenSat.1 Group nearly doubled its pre-tax income in the second quarter of fiscal 2003. Although Group revenues were down 6 percent against the comparable quarter of the previous year, to EUR 466.9 million, the television corporation boosted its pre-tax income from EUR 16.8 million to EUR 33.2 million against the same period of 2002. All the Group's full-service channels showed a profit on the second quarter. Station Sat.1 was back in the black for the first time since 2000. News channel N24 improved its pre-tax income by 29 percent. The television corporation's gratifying earnings performance resulted from extensive cost-cutting and optimization measures that significantly reduced the Group's total expenses and substantially improved its organizational efficiency.

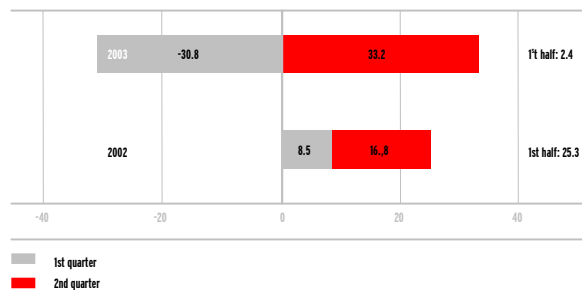
ProSiebenSat.1 Group: Consolidated Revenue [EUR m]



The ProSiebenSat.1 Group: Revenue and income

The sharp earnings increase between April and June means that in all, the ProSiebenSat.1 Group earned a profit in the first half of 2003. Group pre-tax income, at EUR 2.5 million, was well above the first-quarter loss of EUR -30.8 million. In the first half of 2002, the ProSiebenSat.1 Group generated pre-tax income of EUR 25.3 million. Group revenues for the first six months of the current year were EUR 878.2 million, down 11 percent from the same period last year. EBITDA for the period reached EUR 58.1 million, following EUR 85.2 million the previous year. EBIT, at EUR 39.0 million, was down EUR 20.0 million from the first six months of 2002. Cash flow calculated by DVFA/SG methods amounted to EUR 533.8 million, and DVFA/SG earnings per share were EUR -0.01, following EUR 0.08. The Group's business performance for the first half of 2003 significantly felt the impact of the severe slump in the television advertising market in the first quarter. Although the market recovered slightly between April and June, it still remained below the level from the same period last year.

ProSiebenSat.1 Group: Consolidated pre-tax-income [EUR m]



The Group's performance in the second quarter was better than expected. The cost-cutting measures it initiated are taking hold, and the four stations' performance has improved significantly in the past twelve months. At the same time, the programming supply was reinforced with attractive Hollywood feature films and series. Thus ProSiebenSat.1 Media AG has everything it needs to sustainably expand its market position in the second half of 2003.

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Programming supply

Best supply of feature films and series in the Company's history

In the past nine months, the ProSiebenSat.1 Group has inked a large number of programming agreements with nearly every major US studio. Today it has the best supply of high-quality Hollywood feature films and series in its history. Among the Company's programming suppliers are Disney, Touchstone, Miramax, Dimension, Lucasfilm and Paramount Pictures from the US, and Senator, Epsilon, Highlight, Constantin and Tobis from Europe. In July 2003, the ProSiebenSat.1 Group signed an exclusive agreement for the entire feature film output of Sony Pictures Entertainment from 2001 to 2003. This Hollywood corporation, which owns such studios as Columbia Pictures, is among the world's largest and best-known makers of blockbuster films. The new contract with Sony Pictures Television International also covers the exclusive Free TV broadcast rights for productions from Revolution Studios ("Black Hawk Down"), which has been furnishing outstanding feature films to Sony Pictures Television for the past year and a half. The package includes more than 80 feature films, including the blockbuster "Spider-Man" with Tobey Maguire, and all feature films from 2002, the most successful film output in the history of the major Hollywood studios. The package also includes several TV movies and television series. The contract with Sony Pictures Television International completes the broadcasting group's schedule with high-quality feature films, and will further strengthen the Group's position as Germany's leading provider of great Hollywood cinema.

Among the package's innumerable other highlights are the star-studded blockbusters "Men in Black 2" with Will Smith and Tommy Lee Jones, "Charlie's Angels: Full Throttle" with Cameron Diaz, Drew Barrymore and Lucy Liu, and "Terminator 3" with Arnold Schwarzenegger. Additional blockbusters include "I Spy" with Eddie Murphy, "Tears of the Sun" with Bruce Willis, "Anger Management" with Adam Sandler and Jack Nicholson, and "Maid in Manhattan" with Jennifer Lopez. The contract also covers future releases like "Mona Lisa Smile" with Julia Roberts, and German hits like "Anatomie 2" and "Was tun, wenn's brennt." The two US hit series "The Shield" - a hard-hitting drama about a corrupt Los Angeles cop - and "The Guardian," about an attorney who represents children in court for no fee, are also likely to appear on ProSiebenSat.1 Group stations as early as fall 2003. New US series like "Stephen King's Kingdom Hospital" and "Joan of Arcadia" with Joe Mantegna and Mary Steenburgen are also included in the contract.

Additionally, the Group signed a ten-year volume deal with KirchMedia for 2,015 high-quality feature films and around 130 series from the KirchMedia film library. Among the deal's highlights are "Air Force One," "American Pie," "Armageddon," and "The Rock." At the same time, the Company obtained the Free TV rights for the UEFA Champions League. Starting with the 2003-2004 soccer season, station Sat.1 will broadcast the season's 13 best live games, plus 30 shows of highlights from Europe's top soccer class.

The advertising market

TV advertising market still below previous year's level in first half

The development of the German television advertising market in the first half of 2003 was dominated by the severe slump in the first quarter. The market hit bottom in March, with a 9.3 percent drop in gross TV advertising investments, immediately before and after the war in Iraq broke out. Gross advertising spending is calculated by multiplying the number of spots placed times the list prices. Thus the figure includes both agency commissions and client discounts.

Although the market recovered slightly between April and June, it still remained below the level from the same period last year. In the first six months of 2003, the TV advertising market showed a total drop of 0.3 percent. According to Nielsen Media Research, gross advertising revenues for April were up 11.2 percent from the same month last year, and those for May were up 4.1 percent. The June figure was down 2.2 percent.

All in all, the TV advertising market showed a net gain of 4.8 percent for the second quarter. But it should be noted that changes in gross advertising spending are not directly indicative of net spending on television advertising.

Net worth, financial position and operating results

Cost base cut back sharply in second quarter

In the past two years ProSiebenSat.1 Media AG has responded to the recession in the advertising market with strict cost cuts. Rigorous cost management improved expenses at the Group level again in the second quarter of 2003. Programming and material costs were down EUR 44.7 million, or 12.5 percent, from the comparable period last year, to EUR 314.1 million. Other operating expenses were likewise down, by EUR 15.5 million, to EUR 50.0 million. This is equivalent to savings of around 24 percent. Other operating earnings were EUR 10.4 million, off EUR 13.6 million from the comparable period last year. This drop is largely the consequence of the deconsolidation of CM Community Media in the first half of 2002.

In all, programming and material costs were down approximately 11 percent in the first half of 2003, to EUR 631.0 million. Savings on other operating expenses amounted to EUR 18.4 million against the first half of last year. Other operating expenses were EUR 106.2 million, following on EUR 124.6 million for the equivalent period last year. The decrease was mainly the result of smaller single-item write-downs and less spending on advertising and equipment leasing.

Total assets grow slightly

The total assets of the ProSiebenSat.1 Group as of June 30, 2003, were EUR 1.812 billion - down from the previous year's EUR 1.941 billion. Fixed assets grew EUR 12.2 million, to EUR 383.5 million. Intangible assets grew from EUR 30.5 million as of June 30, 2002, to EUR 60.4

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million as of June 30, 2003. The gain is essentially a result of the first consolidation of Kirch Intermedia Betriebs GmbH, a subsidiary of SevenOne Intermedia GmbH. There was also a lower charge for amortization of goodwill.

Current assets were down 9 percent, to EUR 1.392 billion. The decline in this figure is attributable to lower receivables outstanding and a reduction in credit deposits with banks. Receivables and other current assets, at EUR 170.5 million, were down 35.9 percent from the figure for the first half of 2002. This is primarily a consequence of a reduction of EUR 58.1 million in tax demands. Only the receivables from entities in which the Company is linked through interests of 20 percent or more were up, due to amounts receivable in connection with the commercial use of neighboring rights associated with copyrights. Bank deposits dropped by EUR 59.9 million from the first half of 2002, to EUR 35.8 million.

Programming assets match last year's level

Programming assets, at EUR 1.179 billion, roughly matched last year's EUR 1.168 billion. With a share of 65 percent of total assets, programming is the ProSiebenSat.1 Group's most important asset item. Scheduled depreciation, at EUR 485.7 million, was down 7 percent from last year's comparable figure.

To ensure a long-term supply of attractive feature films and series, in the first half of 2003 the ProSiebenSat.1 Group signed a number of important programming agreements. These increased programming investments for the first half of 2003 by 24.4 percent against the same period last year, from EUR 520.8 million to EUR 648.0 million.

Net financial debt down 10 percent

On the equity and liabilities side, shareholder equity as of June 30, 2003, was EUR 613.7 million, down 5.4 percent from last year's EUR 648.9 million. Last year's equity figure still included EUR 29.2 million in dividend payments that were not distributed until the second half of 2002. After adjustment for these dividend payments, equity as of June 30, 2003, was at about the same level as the year before. Accruals were down by EUR 16.8 million from the previous year's figure, to EUR 83.6 million. The change is mainly the result of drawing on tax accruals of EUR 7.1 million, and a reduction of EUR 9.9 million in accruals for outstanding invoices.

The ProSiebenSat.1 Group reduced its net financial debt from EUR 909.3 million to EUR 815.9 million in the first half of 2003. Thus the figure is 10 percent below the first half of 2002. A high-yield bond issue in July 2002 and the retirement of Eurobonds produced a 26 percent net increase in bonds, to EUR 665.9 million. At the same time, bank debt was reduced 61 percent, to EUR 185.8 million. The previous year's equivalent figure was still EUR 477.2 million. Largely because of a reduction in tax liabilities, other debt was down by a total of EUR 6.0 million, to EUR 45.2 million. In all, the ProSiebenSat.1 Group's liabilities, at EUR 1.113 billion, were down 6 percent from the previous year's EUR 1.189 billion. The equity ratio was approximately 34 percent.

Capital increase permits further reduction of net financial debt

ProSiebenSat.1 Media AG is planning for a capital injection of up to EUR 280 million. It is to take place before the year is out, if possible, but might be deferred until the first quarter of next fiscal year. The groundwork was laid in June 2003 when the shareholders' meeting approved the necessary authorized capital.

The current majority shareholder, KirchMedia, has undertaken to contribute EUR 140 million to a capital increase. The four banks which finance KirchMedia have also agreed to provide up to EUR 140 million as part of a capital increase, should the shareholders decide not to exercise their subscription rights. The consortium headed by U.S. media entrepreneur Haim Saban submitted a new offer to acquire KirchMedia's shares in ProSiebenSat.1 Media AG on the 5th of August 2003, and is planning to underwrite a similar EUR 280 million capital increase, provided the purchase agreement is completed.

Additionally, various provisions of ProSiebenSat.1 Media AG's syndicated Euro loan were amended in June 2003 to reflect current developments. In particular, financial covenants were redefined, and the facility amount was reduced from EUR 425 million to EUR 380 million as of the end of June. Once the capital increase is consummated, the facility amount will be reduced further to EUR 320 million. Even after the reduction of the facility amount, the ProSiebenSat.1 Group will have secure funding and adequate liquidity at all times.

The funds from the capital increase will be used to reinforce the Group's capital structure and reduce its debt. Additionally, the increase will enhance the Group's maneuverability against the competition, and thus enable new growth.

Personnel expenses down 4 percent

As part of its cost-cutting measures, the ProSiebenSat.1 Group has generally foregone any salary increases for 2003. In the first six months of fiscal 2003, personnel expenses totaled EUR 104.7 million, compared to EUR 108.9 million for the same period last year - a 4 percent drop. Excluding the takeover of SevenOne Intermedia GmbH and its employees as of September 1, 2002, personnel expenses would have been down 9 percent.

As of June 30, 2003, the ProSiebenSat.1 Group had 2,897 employees in all - 109 fewer than

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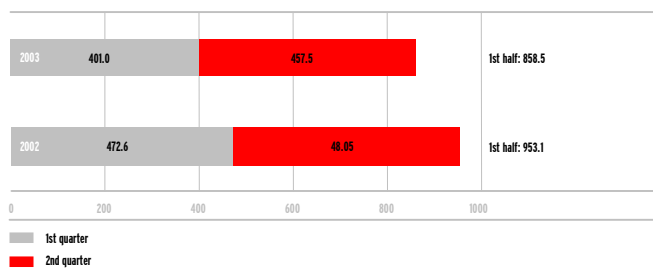


at the end of the first half of 2002, and 175 fewer than at the end of 2002. This represents a decrease of 4 percent compared to June 30, 2002. The staff has decreased 6 percent since December 31, 2002. Without the integration of SevenOne Intermedia, the number of employees would have been down by 251 compared to the equivalent date the year before, or 8 percent. The average age of all employees was 34.

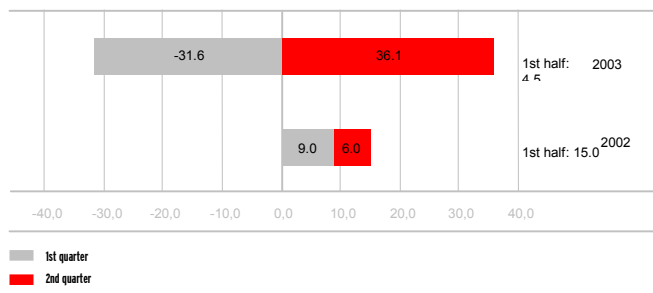
With 1,800 full-time-equivalent positions as of June 30, 2003, most of the ProSiebenSat.1 Group's employees work in the Television segment, which comprises the four stations Sat.1, ProSieben, Kabel 1 and N24, as well as multimedia activities. This was a 2 percent gain from the previous year. The change is essentially a result of the takeover of SevenOne Intermedia. By contrast, the number of employees in the Services segment decreased 13 percent to 985. The Merchandising segment, with 112 employees, remained at exactly the same level as on June 30, 2002.

Television: Revenue and income

Revenue [EUR m]



Operating profit [EUR m]



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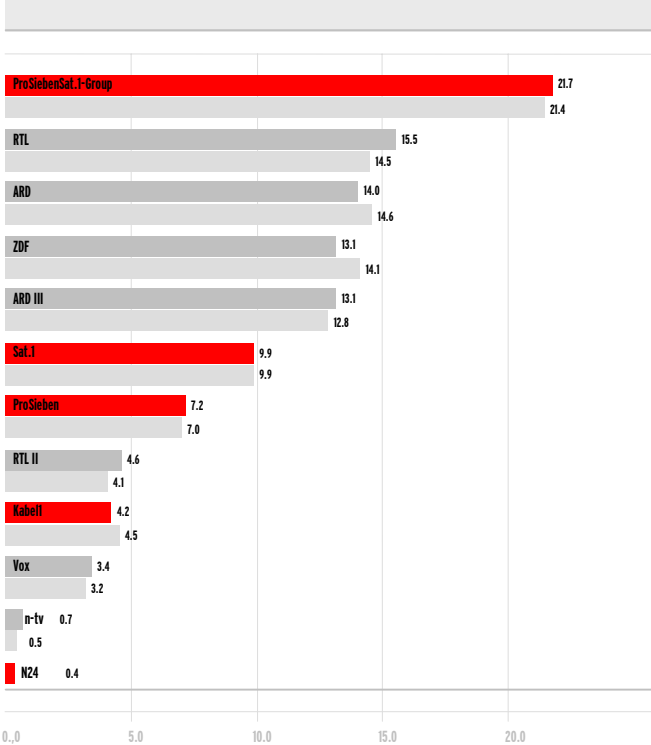
Television, the core business

ProSiebenSat.1 Group improves audience share

In the first half of 2003, the ProSiebenSat.1 Group stations managed to increase their combined share of the commercially decisive target audience of 14-to-49 year olds by 0.7 percentage points against the first half of 2002, to 28.9 percent. The improvement from the second half of 2002 was as much as 1.1 percentage points.

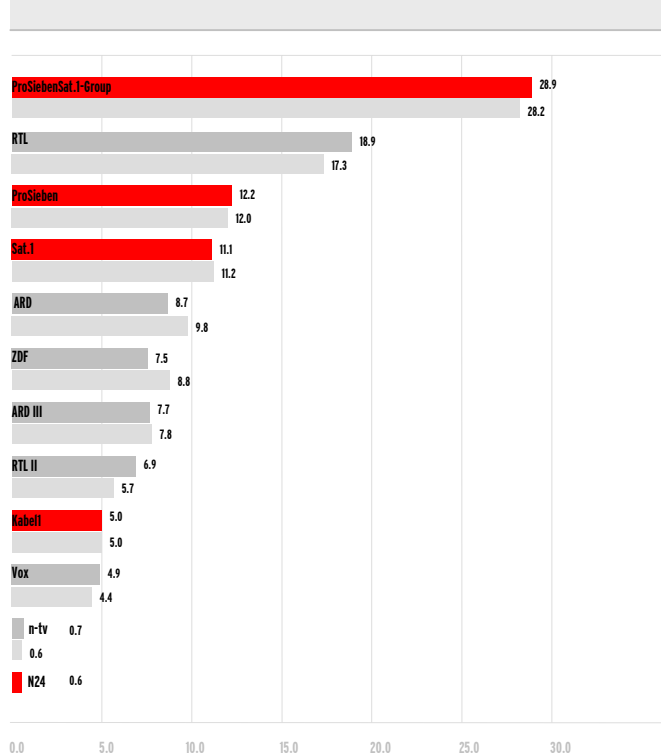
The trend for the first six months of 2003 also pointed upward among all viewers over the age of three. In this target audience, the Group achieved a combined audience share of 21.7 percent, 0.3 percentage points above the comparable figures from 2002.

Market share: All viewers (percent)



■ Jan. 1 - June 30, 2003
■ Jan. 1 - June 30, 2002

Market share: All viewers aged 14 to 49 (percent)



■ Jan. 1 - June 30, 2003
■ Jan. 1 - June 30, 2002

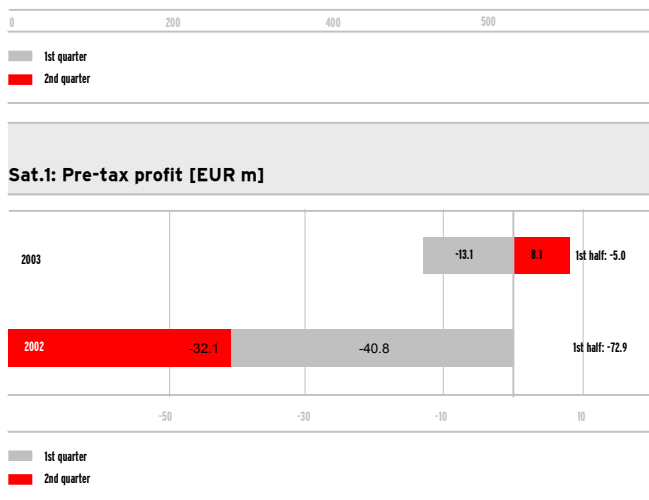
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Earnings leap in second quarter

Revenue performance in the Television segment continued to be pulled down by the still-weak advertising market. In its core segment, the ProSiebenSat.1 Group generated revenues of EUR 457.5 million in the second quarter of 2003. Compared to the second quarter of 2002, this represents a decline of 5 percent, or EUR 23.0 million. Externally generated revenues were EUR 453.7 million. But systematic cost savings at all Group stations significantly improved the Television segment's earnings position. With operating earnings of EUR 36.1 million, following EUR 6.0 million from the second quarter of 2002, the core segment Television enjoyed an earnings leap of more than 500 percent.

Overall, the Group's Television segment generated revenues of EUR 858.5 million in the first six months of 2003. This is equivalent to a decline of 10 percent from the same period last year. Externally generated revenues were EUR 850.4 million. Operating earnings amounted to EUR 4.5 million, following on EUR 15.0 million for the first half of 2002.



Sat.1 achieves profit of EUR 8.1 million on the quarter

Sat.1 generated second-quarter 2003 revenues of EUR 196.1 million, following EUR 208.0 million the year before. This is equivalent to a reduction of 5.7 percent. But the station was able to more than make up for the lower revenues through rigorous cost management. Pre-tax income improved substantially from EUR -32.1 million to EUR 8.1 million, a 125 percent gain. Thus Sat.1 has shown a pre-tax profit on the quarter for the first time since 2000.

In all, Sat. 1 achieved total revenues of EUR 373.2 million in the first half of 2003. Revenues for the same period last year were EUR 403.9 million. Pre-tax income was EUR -5.0 million, following EUR -72.9 million for the first six months of 2002. This positive earnings performance is in part the result of eliminating the high cost of the soccer World Cup, which represented a charge of EUR 35 million in Sat.1's programming expenses (after adjustment for the cost of normal alternative programming) in the first six months of 2002.

Sat.1: Revenue and income

Sat.1 : Revenue [EUR m]



ProSieben achieves first-half profit of EUR 62.5 million

ProSieben's performance also suffered from the ongoing weakness of the advertising market. The station booked revenues of EUR 186.1 million for the second quarter, following on EUR 204.1 million for the same period of 2002. The drop of EUR 18.0 million in revenues was thus much less than the revenue decline of EUR 53.2 million in the first quarter of 2003. Pre-tax income declined from EUR 58.7 million to EUR 47.4 million.

ProSieben was the last of the major private stations to feel the full impact of the advertising crisis last year. The station withstood the recession into the first quarter of 2002. This made the revenue losses in the first quarter of 2003 all the more conspicuous. But business performance improved again in the second quarter of 2003, compared to the first three months of the year. In all, ProSieben generated first-half revenues of EUR 341.3 million, following EUR 412.5 million for the same period last year. Pre-tax income declined from EUR

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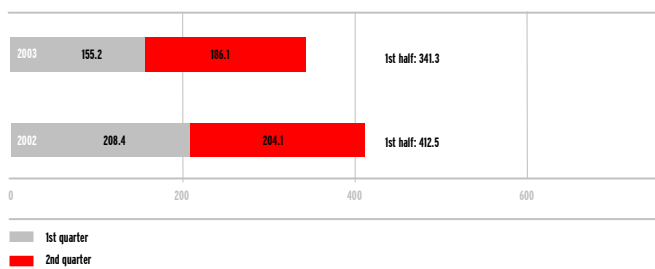
127.4 million to EUR 62.5 million. Thus some of the revenue loss was compensated by cost cuts.

Kabel 1 improves first-half earnings despite revenue drop

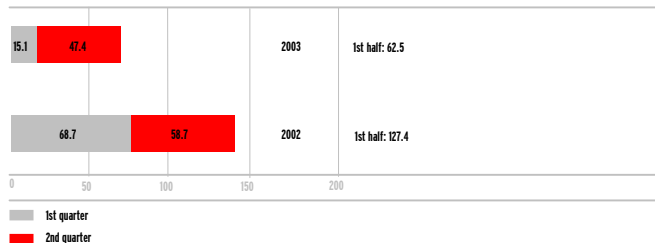
Station Kabel 1 generated revenues of EUR 47.9 million in the second quarter of 2003 - down EUR 1.3 million from the year before. Yet pre-tax income was up 8 percent, to EUR 4.0 million. In the first six months of 2003, Kabel 1 generated revenues of EUR 94.3 million, compared to EUR 102.5 million last year. Despite the revenue drop of EUR 8.2 million, the station improved its pre-tax income for the first half of 2003 from EUR 6.2 million to EUR 6.3 million.

ProSieben: Revenue and income

Revenue [EUR m]

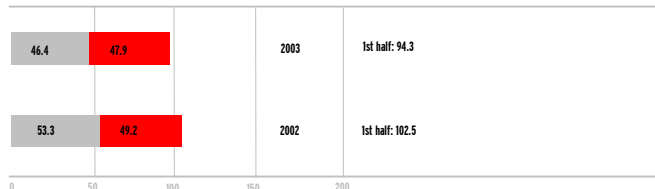


ProSieben: Pre-tax profit [EUR m]



Kabel 1: Revenue and income

Kabel 1: Revenue [EUR m]



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N24 performing as projected

News channel N24, whose ratings have been reported since January 1, 2003, earned a share of 0.6 percent among the 14-to-49 target audience in the first six months of this year. Thus the ProSiebenSat.1 Group's central news service provider is almost even with its main competitor: n-tv earned a share of 0.7 percent of the commercially decisive target audience.

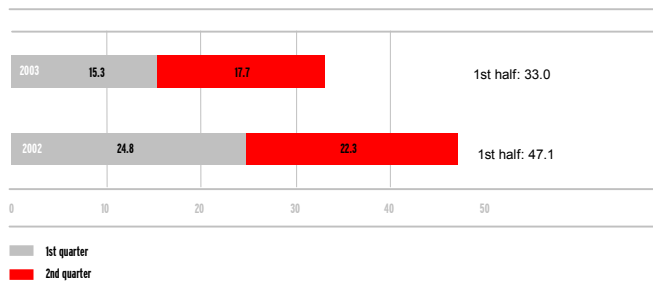
N24 revenues for the second quarter of 2003 totaled EUR 17.7 million, following EUR 22.3 million for the same quarter the year before. Pre-tax income for the second quarter was EUR -5.5 million, following the previous year's EUR -7.8 million. This is equivalent to an improvement of 29 percent in income. In the first six months of 2003, N24 generated revenues of EUR 33.0 million, compared to EUR 47.1 million in the first half of 2002. The decline in revenues for the entire reporting period resulted from considerable cost cuts throughout the ProSiebenSat.1 Group's news operations, which resulted in lower internally generated revenues at N24. Despite the lower revenues, pre-tax income improved 10 percent. In the first half of 2003, N24 showed a pre-tax result of EUR -13.2 million. In the first half of 2002, the figure was still EUR -14.7 million.

Transaction television: Revenues and earnings grow

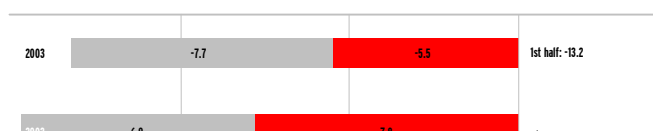
Since May 2001, ProSiebenSat.1 Media AG has held 48.4 percent of Euvia Media AG & Co. KG, which operates the Neun Live station and the travel shopping channel sonnenklar TV. The Euvia Media interest enabled ProSiebenSat.1 Media AG to profitably expand its portfolio of holdings in advertising-independent transaction television. In the first half of 2003, Euvia Media generated consolidated revenues of EUR 46.9 million - EUR 24.2 million more than in the equivalent period of 2002. EBITDA climbed from EUR -8.4 million to EUR 12.1 million in the same period.

N24: Revenue and income

N24: Revenue [EUR m]



N24: Pre-tax profit [EUR m]



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Merchandising

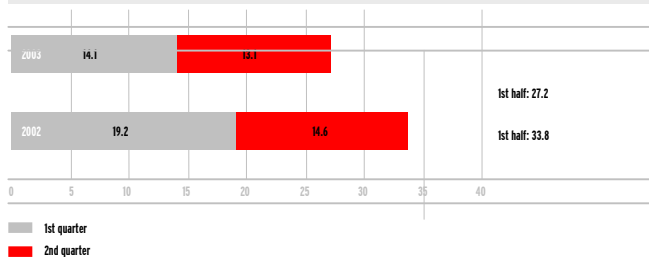
New Merchandising unit generates revenues of EUR 27.2 million

MM MerchandisingMedia - built by combining SevenOne Club & Shop GmbH and MM Merchandising München GmbH - is the new merchandising unit of the ProSiebenSat.1 Group. MM MerchandisingMedia covers the full value chain in merchandising - from acquiring ancillary licensing rights to selling products and services. It also acts as an independent licensing and service agency. The operations of MM MerchandisingMedia GmbH are closely linked to the ProSiebenSat.1 Group's stations - Sat.1, ProSieben, Kabel 1 and N24.

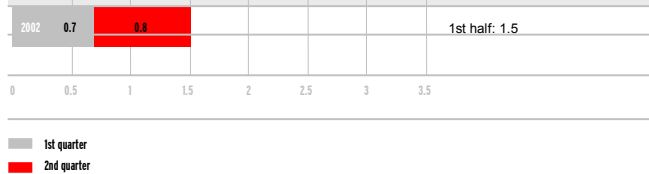
In the first six months of the year, the Merchandising unit of the ProSiebenSat.1 Group generated total revenues of EUR 27.2 million, following EUR 33.8 million in the same period last year. Externally generated revenues were EUR 23.8 million. Operating earnings were down from EUR 10.6 million to EUR 4.5 million in the same period. This decline was mainly due to drops in revenues from cooperative media arrangements, and to shifts among periods in operations. In response to the poor economy, for example, the German music industry has drastically reduced its total cooperative media arrangements with MM MerchandisingMedia. But revenues and income in this line of business are expected to grow continuously in 2003.

Merchandising: Revenue and income

Total revenues [EUR m]



Operating profit [EUR m]



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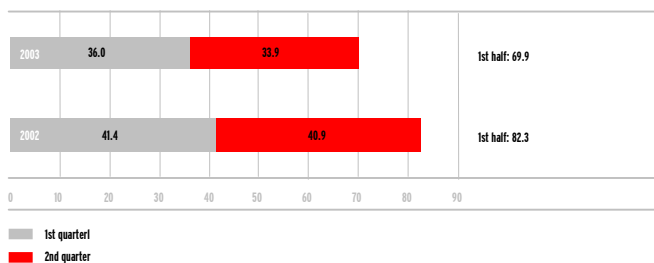
Services

Earnings improve to EUR 3.2 million

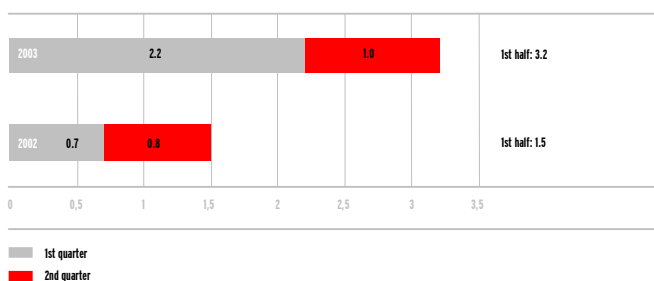
The Services unit comprises SevenSenses and SZM Studios, and the IT company ProSieben Information Service. These three subsidiaries serve primarily as in-house service providers for the ProSiebenSat.1 Group. Around 94 percent of the Services segment's total revenues are generated within the Group. In the first half of 2003, the Services segment of the ProSiebenSat.1 Group generated total revenues of EUR 69.9 million, following EUR 82.3 million in the comparable period last year - a drop of 15 percent that was a consequence of the significant cost savings within the Group. In the same period, operating earnings improved from EUR 1.5 million to EUR 3.2 million.

Services: Revenue and income

Services: Total revenue [EUR m]



Services: Operating profit [EUR m]



ProSiebenSat.1 Share

Stock price performance: Downtrend halted

After the third weak year in a row, the capital markets recovered in the first half of 2003. During the first three months, the exchanges were still held down by the poor economy and especially the looming military conflict in Iraq. When war seemed inevitable, the DAX German stock index slid to 2188 on March 12, the lowest point since the beginning of 1996. But the

markets recovered when the Iraq war began, buoyed by the hope of a rapid end to the conflict and declining oil prices. The DAX climbed more than 50 percent between March 12, 2003, and the beginning of May. In May the sharp devaluation of the dollar, the economic consequences of the lung disease SARS, and worries about deflation temporarily halted growth, but cuts in key lending rates in both the United States and Europe boosted the DAX again at the end of the month. Overall, the DAX gained 3.7 percent from January to June. The MDAX index of mid-cap stocks was up around 13.5 percent for the same period.

ProSiebenSat.1 stock has likewise recouped its losses since the beginning of the year. Up to May 30, 2003 - as a consequence of the ongoing weakness of the advertising market and uncertainty about ownership structure - the stock dropped to a new all-time low of EUR 4.03. On June 16, 2003, the Company's annual general meeting approved the creation of new authorized capital and thus set the course for a projected capital increase of up to EUR 280 million. The capital injection was guaranteed by commitments from the principal shareholder, KirchMedia, and the four banks that finance it. The capital market welcomed the news. Additionally, KirchMedia announced it was not opposed to the idea of converting nonvoting preferred stock to voting common stock as part of the planned capital increase, further improving investors' attitude toward the stock. The stock then rebounded by about 40 percent in June. On the last trading day of the first half, June 28, 2003, the stock closed at EUR 5.80. Thus it had picked up 38 percent in the first half.

ProSiebenSat.1 stock also outperformed the average for the European sector as a whole. Up to June 2003, comparable media stocks did not perform as well. The European industry indicator, the MSCI Europe Media index, was down around 7 percent. TF1 stock was up 24 percent; Mediaset was trading up around 21 percent.

Changes in the Supervisory Board

The annual general meeting of the shareholders of ProSiebenSat.1 Media AG, held on June 16 in Munich, elected eight members to the Supervisory Board: Wolfgang van Betteray, a tax consultant; Dr. Gerhard Gribkowsky, a member of the Executive Board of Bayerische Landesbank; Wolfgang Hartmann, a member of the Executive Board of Commerzbank AG; Dr. Michael Jaffé, an attorney and the insolvency administrator of KirchMedia GmbH & Co. KGaA; Prof. Dr. Hans-Joachim Mertens, of Johann Wolfgang Goethe University in Frankfurt; Thomas Welte, a certified public accountant and tax consultant; Dr. Oliver Wilken, an attorney; and Hans-Joachim Ziems, a corporate consultant. Dr. Matthias Döpfner, chairman of the Executive Board of Axel Springer AG, continues to be a member of the Supervisory Board of ProSiebenSat.1 Media AG. The supplementary elections to the Supervisory Board became necessary after eight former members resigned their posts as of the end of the annual general meeting. Norbert Deigner, Fred Kogel, Alfred Lehner, Hans Reischl and Gisela Schmitt have left the Board permanently. Mr. van Betteray, Mr. Hartmann und Prof. Dr. Mertens were reelected after their resignations.

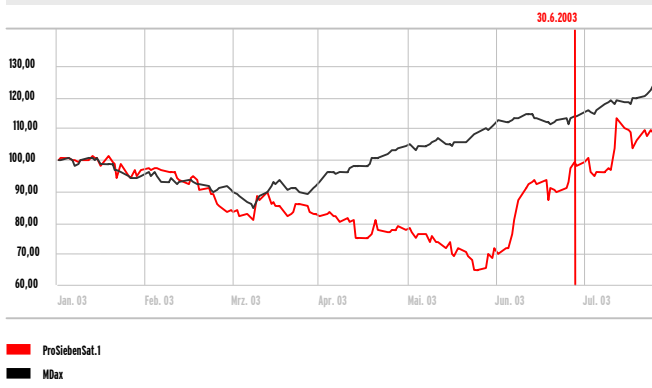
At its first meeting, on June 16, 2003, the Supervisory Board of ProSiebenSat.1 Media AG elected Dr. Michael Jaffé as Chair, and Wolfgang Hartmann as Vice-Chair.

Interim Report as of June 30, 2003



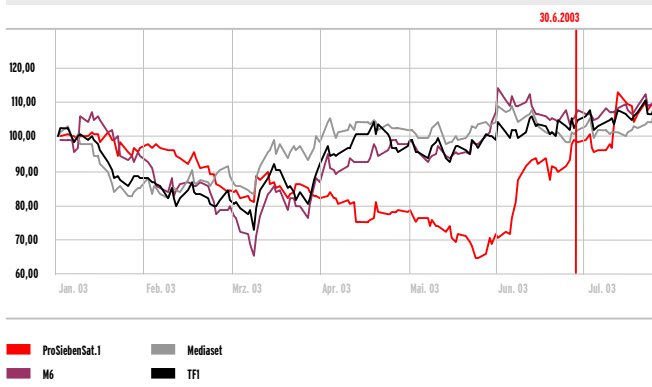
ProSiebenSat.1-Aktie:

Kursentwicklung im 1. Halbjahr 2002



ProSiebenSat.1-Aktie:

Performancevergleich im 1. Halbjahr 2003



Interim Report as of June 30, 2003



Outlook

Uptrend in the TV advertising market in July and August

There is still no sign of a sustained economic turnaround in Germany in 2003. Leading German economic institutes, including Munich's Institut für Wirtschaftsforschung (ifo), Kiel's Institut für Weltwirtschaft and Hamburg's Welt-Wirtschafts-Archiv, no longer expect the economy to grow in 2003. In fact the Deutsche Institut für Wirtschaftsforschung even assumes German economic output will decline 0.1 percent. But there are still signs that the business mood is gradually improving. The monthly ifo business climate index has been pointing upward since May. The latest interest-rate cut by the European Central Bank, more stability in the stock markets, and the German government's announcement that it would move the 2005 tax reform ahead to 2004, are likely to improve the chances of an economic revival. The latest projections from the ifo institute now assume that gross domestic product will grow 1.7 percent in 2004. Here the economic researchers assume that economic growth will begin as early as the third quarter of 2003.

In July, for the first time in two years, the ProSiebenSat.1 Group reported that television advertising revenues had risen against the same month of the previous year. This trend will presumably continue in August. But visibility remains as unclear as ever, and no farther-reaching conclusions are possible. The Company still expects the market to be down by another 5 to 10 percent for 2003 as a whole. Only if the market continues its upward trend throughout July and August will the Company be able to revise its projections.

The ProSiebenSat.1 Group is still holding to its tough policy on costs. At the same time, the stations' performance is to be improved further. The Company's goal is for all four stations to achieve a combined audience share of 29.5 percent among viewers age 14 to 49 before the year is out.

Even if TV advertising revenues drop 10 percent, the ProSiebenSat.1 Group anticipates an EBITDA in the triple-digit millions in 2003. Because of the extremely seasonal nature of the television business, the Company will end the traditionally weak third quarter with losses. But the fourth quarter will be crucial in determining total earnings for the year.

Interim Report as of June 30, 2003**Notes to the 2003 Interim Report of ProSiebenSat.1 Media AG**

The consolidated financial statements of ProSiebenSat.1 Media AG as of December 31, 2002, were prepared in compliance with the requirements of the German Commercial Code and the German Corporations Act. The Company will convert to International Financial Reporting Standards (IFRS) no later than 2004. The Interim Report as of June 30, 2003, was drawn up using the same accounting and valuation methods as in the consolidated financial statements for fiscal 2002 and for the comparable period, the first half of 2003. The Interim Report also complies with German Accounting Standard No. 6 (DRS 6) - Interim Financial Reporting - issued by the German Accounting Standards Committee (DRSC). Further information about specific accounting and valuation policies is provided in the consolidated financial statements of ProSiebenSat.1 Media AG as of December 31, 2002.

This report contains forward-looking statements that reflect the current views of the management of ProSiebenSat.1 Media AG regarding future events. These forward-looking statements include any statement in this report that reproduces or is founded upon intentions, expectations or predictions (as well as the underlying assumptions) of the Company. These statements are based on plans, estimates and projections currently available to the management of ProSiebenSat.1 Media AG. They therefore refer only to the date on which they are made. Forward-looking statements are inherently subject to risks and uncertainties (for example, owing to future developments in the German advertising market) that may cause actual outcomes to differ materially from such forward-looking statements or the results they imply. ProSiebenSat.1 Media AG assumes no obligation to update such statements to reflect new information or future events, nor does it intend to provide such updates.

Interim Report as of June 30, 2003



1st half 2003: Key Figures of the ProSiebenSat.1 Group

ProSiebenSat.1 Group		1st half 2003	1st half 2002	Change
	Revenues (EUR m)	878	985	-11%
	Pre-tax profit (EUR m)	2	25	-92%
	Net loss/profit for the period (EUR m)	-1	16	-106%
	Other operating income (EUR m)	22	39	-44%
	EBIT (EUR m)	39	59	-34%
	EBITDA (EUR m)	58	85	-32%
	Liabilities (EUR m)	1,113	1,189	-6%
	Net financial debt (incl. bond) (EUR m)	816	909	-10%
	Cash-flow in accordance with DVFA/SG (EUR m)	534	596	-10%
	Personnel expenses (EUR m)	105	109	-4%
	Employees *	2,897	3,006	-4%
Business Areas		1st half 2003	1st half 2002	Change
TV	External revenues (EUR m)	850	947	-10%
	Total revenues (EUR m)	858	953	-10%
	Operating profit (EUR m)	5	15	-67%
	Employees*	1,800	1,759	2%
Sat.1	Total revenues (EUR m)	373	404	-8%
	Pre-tax loss (EUR m)	-5	-73	93%
	Employees*	229	187	22%
ProSieben	Total revenues (EUR m)	341	413	-17%
	Pre-tax profit (EUR m)	63	127	-50%
	Employees*	283	302	-6%
Kabel 1	Total revenues (EUR m)	94	103	-9%
	Pre-tax profit (EUR m)	6	6	0%
	Employees*	48	51	-6%
N24	Total revenues (EUR m)	33	47	-30%
	Pre-tax loss (EUR m)	-13	-15	13%
	Employees*	174	267	-35%
Merchandising	External revenues (EUR m)	24	31	-23%
	Total revenues (EUR m)	27	34	-21%
	Operating profit (EUR m)	5	11	-55%
	Employees*	112	112	0%
Services	External revenues (EUR m)	4	7	-43%
	Total revenues (EUR m)	70	82	-15%
	Operating profit (EUR m)	3	1	200%
	Employees*	985	1,135	-13%

*Full-time equivalent jobs as of June 30

Interim Report as of June 30, 2003



Q2 2003: Consolidated Statement of Income for ProSiebenSat.1 Media AG

	Q2 2003 EUR k	Q2 2002 EUR k	Change EUR k	Change in Percent
1. Revenues	466,886	496,016	-29,130	-6%
2. Other operating income	10,359	23,938	-13,579	-57%
3. Total	477,245	519,954	-42,709	-8%
4. Programming and material costs	-314,096	-358,754	-44,658	-12%
5. Personnel expenses	-51,088	-53,772	-2,684	-5%
6. Depreciation and amortization	-9,332	-12,526	-3,194	-25%
7. Other operating expenses	-49,998	-65,529	-15,531	-24%
8. Net operating profit	52,731	29,373	23,358	80%
9. Income from equity interests	-/-	6	-6	-100%
10. Income from loans and financial fixed assets	981	1,109	-128	-12%
11. Income from associated companies	510	-1,093	1,603	147%
12. Write downs of financial assets and marketable securities	-254	-103	151	147%
13. Net interest result	-15,412	-12,484	-2,928	-23%
14. Financial loss	-14,175	-12,565	-1,610	-13%
15. Profit from ordinary business activities	38,556	16,808	21,748	129%
16. Extraordinary result	-5,336	-/-	-5,336	-/-
17. Pre-tax profit	33,220	16,808	16,412	98%
18. Income taxes	-1,308	-6,380	-5,072	-79%
19. Other taxes	-209	-7	202	2,886%
20. Net profit for the period	31,703	10,421	21,282	204%
21. Amount attributable to minority interests	273	-515	788	153%
22. Consolidated net profit for the period	31,976	9,906	22,070	223%
23. Accumulated profit brought forward from prior year	-2,181	-20,515	18,334	89%
24. Balance sheet profit/loss	29,795	-10,609	40,404	381%

Interim Report as of June 30, 2003



1st half 2003: Consolidated Statement of Income for ProSiebenSat.1 Media AG

	Jan.-June 2003 EUR k	Jan.-June 2002 EUR k	Change EUR k	Change in Percent
1. Revenues	878,163	985,287	-107,124	-11%
2. Other operating income	21,891	39,428	-17,537	-44%
3. Total	900,054	1,024,715	-124,661	-12%
4. Programming and material costs	-630,970	-706,005	-75,035	-11%
5. Personnel expenses	-104,729	-108,860	-4,131	-4%
6. Depreciation and amortization	-18,567	-24,927	-6,360	-26%
7. Other operating expenses	-106,210	-124,634	-18,424	-15%
8. Net operating profit	39,578	60,289	-20,711	-34%
9. Income from equity interests	50	6	44	733%
10. Income from loans of financial fixed assets	2,090	2,207	-117	-5%
11. Income from associated companies	424	-2,181	2,605	119%
12. Write downs of financial assets and marketable securities	-548	-1,356	-808	-60%
13. Net interest result	-32,290	-25,619	-6,671	-26%
14. Financial loss	-30,274	-26,943	-3,331	-12%
15. Profit from ordinary business activities	9,304	33,346	-24,042	-72%
16. Extraordinary result	-6,854	-8,051	1,197	15%
17. Pre-tax profit	2,450	25,295	-22,845	-90%
18. Income taxes	-3,315	-9,550	-6,235	-65%
19. Other taxes	-224	-62	162	261%
20. Net loss / profit for the period	-1,089	15,683	-16,772	-107%
21. Amount attributable to minority interests	315	-108	423	392%
22. Consolidated net loss / profit for the period	-774	15,575	-16,349	-105%
23. Accumulated profit brought forward from prior year	26,115	52,228	-26,113	-50%
24. Balance sheet profit	25,341	67,803	-42,462	-63%

Interim Report as of June 30, 2003



Quarter Comparison: Financial Highlights of the ProSiebenSat.1-Group

		June 30, 2003	Mar. 31, 2003	Dec. 31, 2002	Sept. 30, 2002	June 30, 2002	Mar. 31, 2002
Balance sheet figures							
Balance sheet total	(EUR m)	1,812	1,923	1,756	1,920	1,941	1,999
Shareholders' equity	(EUR m)	614	584	617	572	649	655
Liabilities	(EUR m)	1,113	1,242	1,056	1,210	1,189	1,229
Equity ratio		34%	30%	35%	30%	33%	33%
Pre-tax return on equity		0%	-5%	3%	-5%	4%	1%
Programming assets	(EUR m)	1,179	1,225	1,060	1,138	1,168	1,259
Programming assets / Balance sheet total		65%	64%	60%	59%	60%	63%
Programming investment	(EUR m)	648	434	926	720	521	325
Net financial debt	(EUR m)	816	908	754	947	910	1,023
		Q2 2003	Q1 2003	Q4 2002	Q3 2002	Q2 2002	Q1 2002
Earnings							
Revenues	(EUR m)	467	411	559	351	496	489
Pre-tax profit/ loss	(EUR m)	33	-31	50	-54	17	8
Net income / loss	(EUR m)	32	-33	49	-49	10	6
Other operating income	(EUR m)	10	12	38	38	24	15
Pre-tax profit/ loss margin		7%	-8%	9%	-15%	3%	2%
		Q2 2003	Q1 2003	Q4 2002	Q3 2002	Q2 2002	Q1 2002
Key figures							
EBITDA	(EUR m)	62	-4	97	-12	42	43
EBIT	(EUR m)	53	-13	75	-25	29	30
Cash-flow in accordance with DVFA/SG	(EUR m)	300	234	373	178	301	295
Earnings per share in accordance with DVFA/SG		0.12	-0.13	0.43	-0.43	0.05	0.03
Employees *		2,897	3,023	3,072	3,175	3,006	3,047

*Full-time equivalent jobs as of March 31, June 30, September 30, December 31

Interim Report as of June 30, 2003



Quarter Comparison: Consolidated Statement of Income for the ProSiebenSat.1 Media AG

	Q2 2003 EUR k	Q1 2003 EUR k	Q4 2002 EUR k	Q3 2002 EUR k	Q2 2002 EUR k	Q1 2002 EUR k
1. Revenues	466,886	411,277	558,734	351,072	496,016	489,271
2. Changes in inventory	-/-	-/-	-11	-/-	-/-	-/-
3. Other operating income	10,359	11,532	38,415	37,864	23,938	15,490
4. Total	477,245	422,809	597,138	388,936	519,954	504,761
5. Programming and material costs	-314,096	-316,874	-386,168	-286,188	-358,754	-347,251
6. Personnel expenses	-51,088	-53,641	-53,720	-53,346	-53,772	-55,088
7. Depreciation and amortization	-9,332	-9,235	-24,295	-12,691	-12,526	-12,401
8. Other operating expenses	-49,998	-56,212	-60,143	-61,328	-65,529	-59,105
9. Net operating profit	52,731	-13,153	72,812	-24,617	29,373	30,916
10. Income from equity interests	-/-	50	-/-	34	6	-/-
11. Income from loans of financial fixed assets	981	1,109	1,082	1,121	1,109	1,098
12. Income from associated companies	510	-86	448	-571	-1,093	-1,088
13. Write downs of financial assets and marketable securities	-254	-294	910	446	-103	-1,253
14. Net interest result	-15,412	-16,878	-14,937	-12,702	-12,484	-13,135
15. Financial loss	-14,175	-16,099	-12,497	-11,672	-12,565	-14,378
16. Profit/ loss from ordinary business activities	38,556	-29,252	60,315	-36,289	16,808	16,538
17. Extraordinary result	-5,336	-1,518	-10,614	-17,286	-/-	-8,051
18. Pre-tax profit/ loss	33,220	-30,770	49,701	-53,575	16,808	8,487
19. Income taxes	-1,308	-2,007	-2,780	4,284	-6,380	-3,170
20. Other taxes	-209	-15	-716	-13	-7	-55
21. Net profit/loss for the period	31,703	-32,792	46,205	-49,304	10,421	5,262
22. Amount attributable to minority interests	273	42	2,559	-34	-515	407
23. Consolidated net profit/loss	31,976	-32,750	48,764	-49,338	9,906	5,669
24. Accumulated profit brought from prior year	-2,181	28,296	95	-48,770	-20,515	72,743
25. Withdrawal from revenues reserves	-/-	-/-	10,000	-/-	-/-	-/-
26. Balance sheet profit/ loss	29,795	-4,454	58,859	-98,108	-10,609	78,412

Interim Report as of June 30, 2003



Statement of changes in shareholders' equity of the ProSiebenSat.1 Group

Statement of Changes in Shareholders' Equity of the ProSiebenSat.1 Group for the 1st half of 2002

	Subscribed capital		Capital reserves	Group equity generated	Accumulated other Group net income		Shareholders' equity	Minority interests	Group equity
	Shares of common stock	Shares of preferred stock			Foreign currency translation adjustment	Other Transactions with no effect			
	EUR k	EUR k	EUR k	EUR k	EUR k	EUR k	EUR k	EUR k	EUR k
Dec 31, 2001	97,243	97,243	322,319	135,719	89	219	652,832	-3,074	649,758
Dividends paid	-/-	-/-	-/-	-/-	-/-	-/-	-/-	-/-	-/-
Changes in scope of consolidation	-/-	-/-	-/-	-19,696	-/-	-/-	-19,696	4,712	-14,984
Other changes	-/-	-/-	-/-	-/-	-455	-539	-994	-628	-1,622
Consolidated profit/loss for the year	-/-	-/-	-/-	15,683	-/-	-/-	15,683	108	15,791
June 30, 2002	97,243	97,243	322,319	131,706	-366	-320	647,825	1,118	648,943

Statement of Changes in Shareholders' Equity of the ProSiebenSat.1 Group for the 1st half of 2003

	Subscribed capital		Capital reserves	Group equity generated	Accumulated other Group net income		Shareholders' equity	Minority interests	Group equity
	Shares of common stock	Shares of preferred stock			Foreign currency translation adjustment	Other Transactions with no effect			
	EUR k	EUR k	EUR k	EUR k	EUR k	EUR k	EUR k	EUR k	EUR k
Dec. 31, 2002	97,243	97,243	322,319	101,851	-42	218	618,832	-1,399	617,433
Dividends paid	-/-	-/-	-/-	-1,945	-/-	-/-	-1,945	-/-	-1,945
Changes in scope of consolidation	-/-	-/-	-/-	-/-	-/-	-/-	-/-	-/-	-/-
Other changes	-/-	-/-	-/-	-/-	-470	90	-380	-/-	-380
Consolidated profit/loss for the year	-/-	-/-	-/-	-1,089	-/-	-/-	-1,089	-315	-1,404
June 30, 2003	97,243	97,243	322,319	98,817	-512	308	615,418	-1,714	613,704

Interim Report as of June 30, 2003



Quarter Comparison: Consolidated Balance Sheet of the ProSiebenSat.1 Group

ASSETS	June 30, 2003 EUR k	Mar. 31, 2003 EUR k	Dec. 31, 2002 EUR k	Sep. 30, 2002 EUR k	June 30, 2002 EUR k	Mar. 31, 2002 EUR k
A. Fixed assets						
I. Intangible assets	60,436	62,843	65,232	60,164	30,535	35,257
II. Tangible assets	132,131	138,320	143,982	154,010	156,444	163,553
III. Financial assets	190,960	190,744	193,091	184,046	184,350	185,877
	383,527	391,907	402,305	398,220	371,329	384,687
B. Current assets						
I. Programming assets	1,178,807	1,224,916	1,059,866	1,138,339	1,168,459	1,259,027
II. Inventories	5,665	5,073	4,958	4,826	4,798	4,885
III. Receivables and other current assets	170,527	169,524	198,109	268,566	265,868	303,089
IV. Securities	939	983	828	202	20	369
V. Cash, credit balances and banks	35,798	88,480	67,291	65,057	95,661	15,522
	1,391,736	1,488,976	1,331,052	1,476,990	1,534,806	1,582,892
C. Prepaid and deferred items	27,919	32,839	12,735	32,849	23,051	18,708
D. Deferred taxes	8,797	9,634	10,050	11,479	11,843	12,874
Total assets	1,811,979	1,923,356	1,756,142	1,919,538	1,941,029	1,999,161

LIABILITIES AND SHAREHOLDERS' EQUITY	June 30, 2003 EUR k	Mar. 31, 2003 EUR k	Dec. 31, 2002 EUR k	Sep. 30, 2002 EUR k	June 30, 2002 EUR k	Mar. 31, 2002 EUR k
A. Shareholders' equity						
I. Subscribed capital	194,486	194,486	194,486	194,486	194,486	194,486
II. Capital reserves	322,319	322,319	322,319	322,319	322,319	322,319
III. Revenue reserves	73,044	73,240	73,245	84,181	63,217	63,322
IV. Retained earnings	228	228	228	-/-	-/-	-/-
V. Consolidated net income for the year	25,341	-4,454	28,554	-30,305	67,803	78,412
VI. Minority Interests	-1,714	-1,441	-1,399	1,153	1,118	-4,001
	613,704	584,378	617,433	571,834	648,943	654,538
B. Accruals	83,632	95,721	81,681	136,346	100,440	113,328
C. Liabilities	1,112,744	1,241,680	1,056,210	1,209,667	1,189,060	1,229,474
D. Deferred liabilities	1,899	1,577	818	1,691	2,586	1,821
Total liabilities and equity	1,811,979	1,923,356	1,756,142	1,919,538	1,941,029	1,999,161

Interim Report as of June 30, 2003



1st half 2003: ProSiebenSat.1 Group Cash Flow Statement

	1st half 2003 EUR k	1st half 2002 EUR k
Income for the period before extraordinary items	5,765	23,626
Depreciation and amortization / Appreciation of fixed assets	19,239	24,986
Depreciation of programming assets, including appreciations	513,620	548,937
Change in accruals for anticipated losses on programming assets	-4,844	-1,391
Cash flow calculated according to DVFA / SG	533,700	596,158
Gain on disposal of fixed assets	-/-	-276
Gain on disposal of programming assets	-129	-85
Loss on disposal of fixed assets	347	63
Loss on disposal of programming assets	952	854
Disposal of programming assets not affecting payments	4,820	1,392
Changes in other accruals	6,795	-3,256
Increase/decrease in inventories, accounts receivable and other assets not associated with investing or financing activities	12,833	14,757
Increase/decrease in accounts payable and other liabilities not associated with investing or financing activities	27,708	-81,530
Expenditures for extraordinary items	-6,854	-8,051
Cash flow from operating activities	500,252	520,026
Proceeds from disposal of intangible assets	302	593
Proceeds from disposal of tangible assets	544	2,038
Proceeds from disposal of financial assets	2,039	17,741
Proceeds from disposal of programming assets	9,793	7,493
Expenditures for intangible assets	-639	-1,418
Expenditures for tangible assets	-3,113	-6,063
Expenditures for programming assets	-647,997	-520,846
Effects of changes in scope of consolidation	-/-	-30,814
Expenditures for purchase of equity interests	-636	-123
Cash flow from investing activities	-639,707	-531,399
Proceeds from loans taken out and repayments of financial debt [net] and repayments of financial debt [net]	29,907	-26
Dividend	-1,945	-/-
Cash flow from financing activities	27,962	-26
Change in cash and cash equivalents not affecting payments	-31,493	-11,399
Cash and cash equivalents at beginning of year	67,291	107,060
Cash and cash equivalents as of June 30, 2003	35,798	95,661