

# REPORT OF THE SUPERVISORY BOARD

Dear Shareholders,

ProSiebenSat.1 Group posted another record year in 2017. The Company increased its revenues to EUR 4,078 million and generated roughly half of its revenues outside the traditional TV business. The diversification strategy was systematically implemented and also enhanced. In August 2017, the Executive Board thus announced a new three-pillar strategy. We on the Supervisory Board explicitly support this strategy and are convinced that it forms the basis for further sustainable growth in the Company's value. → [Strategy and Management System, page xx](#)

A few years ago, ProSiebenSat.1 was still a TV group. Today it is a broadly diversified, international entertainment and commerce company. The media industry is constantly changing. It is therefore essential to keep realigning the Group structure to the current challenges. The three-pillar strategy will strengthen ProSiebenSat.1's competitiveness and accelerate the digital transformation.

## COOPERATION BETWEEN THE EXECUTIVE BOARD AND THE SUPERVISORY BOARD

We, the Supervisory Board of ProSiebenSat.1 Media SE, provide the Executive Board with comprehensive advice and ongoing support. In financial year 2017, the Supervisory Board again performed the tasks required of it by law, the Company's Articles of Incorporation, and the rules of procedure, taking into account the recommendations of the German Corporate Governance Code (Deutscher Corporate Governance Kodex – DCGK).

In financial year 2017, the Supervisory Board regularly advised the Executive Board on its management of the Company in a spirit of close and trusting cooperation, and diligently and continuously oversaw the Board in conducting the Company's business. Our work included a detailed examination of the Group's operating and strategic performance. The Supervisory Board received regular, prompt, and comprehensive information from the Executive Board regarding all issues relevant to the Company's strategy, planning, business performance, risk situation, risk management, and compliance, both at the Supervisory Board meetings and outside of meetings. The Executive Board explained to the Supervisory Board all deviations from the projected figures in detail and consulted with the Supervisory Board in that regard. We were therefore directly involved in all decisions of fundamental importance to the Company at an early stage.

The Supervisory Board meetings were characterized by an open, in-depth exchange between the Supervisory and Executive Boards. Closed sessions, in which the members of the Supervisory Board meet without the Executive Board being present, are also an integral part of the meetings. Wherever specific actions required the consent of the Supervisory Board or one of its committees pursuant to the law, the Articles of Incorporation, or the rules of procedure, we consulted on the matter and adopted the requisite resolution. We were kept consistently and comprehensively informed of all matters requiring our approval, and the associated draft resolutions were promptly submitted for review by the Executive Board. The Supervisory Board was supported in this process by the competent Board committees, and it also discussed the proposals with the Executive Board.

In addition to the reports it presented at Supervisory Board meetings, the Executive Board kept us updated on the Company's key financial indicators in written monthly reports and also provided us with both financial information set up during the financial year and annual financial information and reports. Information on events of significance was provided without delay also outside of meetings and the regular reporting process and, where necessary, we were asked to adopt resolutions by circular vote in consultation with the chairman

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of the Supervisory Board. In addition, I maintained an ongoing and close one-on-one dialog with Thomas Ebeling, the Company's CEO, in my capacity as Supervisory Board chairman and, where necessary, also with the other Executive Board members.

Based on the reports submitted by the Executive Board, the Supervisory Board stayed up to date on the Company's situation at all times, was directly involved in upcoming decisions at an early stage, and was therefore able to perform its tasks in their entirety. There was hence no need for the Supervisory Board to examine the Company's books and other records beyond the documentation provided to us in the course of the Executive Board's reporting activities.

### **FOCAL POINTS OF THE SUPERVISORY BOARD'S ADVISORY AND MONITORING ACTIVITIES**

In financial year 2017, the Supervisory Board once again dealt with the Company's business and financial situation, fundamental questions of corporate policy and strategy, the general personnel situation, and specific investment projects. → [Members of the Supervisory Board, page xx](#) → [Corporate Governance Report, page xx](#)

The course was set with regard to significant strategic aspects in 2017: The announced three-pillar strategy is an important milestone in the diversification and digital transformation of the Company. We are hereby strengthening the Group for further growth and creating added value for employees and shareholders. The ProSiebenSat.1 management team came to an agreement with the Supervisory Board regarding the three-pillar strategy. In addition, the Supervisory Board dealt intensively throughout the year with succession planning for the longstanding chairman of the Executive Board Thomas Ebeling. The Supervisory Board discussed the required profile and possible candidates in depth at its meeting on March 1, 2017, after the strategy meeting on June 28, 2017, and on September 7, 2017 as well as in numerous teleconferences. In November and December of the past financial year, corresponding candidates were interviewed by the members of the Supervisory Board. In Max Conze, we have found a CEO for ProSiebenSat.1 with effect from June 1, 2018, who has extensive international management experience in different sectors, most recently successfully implementing the digital transformation of the British technology company Dyson.

All in all, the Supervisory Board of ProSiebenSat.1 Media SE held six regular, in-person meetings, five extraordinary teleconferences, and one full-day session. All members of the Supervisory Board, except one, attended all meetings. An individual breakdown of meeting attendance is presented in the Corporate Governance Report, which can be found online at → [www.prosiebensat1.de/en/investor-relations/corporate-governance/corporate-governance-report](http://www.prosiebensat1.de/en/investor-relations/corporate-governance/corporate-governance-report) and in the Annual Report starting on → [page XX](#).

- At an extraordinary meeting on March 1, 2017, the Supervisory Board dealt in depth with possible succession planning for Thomas Ebeling. Thomas Ebeling had announced in November 2016 that he would step down as CEO of ProSiebenSat.1 Media SE in 2019 at the latest.
- At another extraordinary meeting on March 12, 2017, the Executive Board involved us in its strategic considerations with regard to restructuring the commerce portfolio.
- At the financial statements meeting held on March 13, 2017, the Supervisory Board approved the Annual and Consolidated Financial Statements, the Combined Company and Group Management Report, and the Corporate Governance Report for financial year 2016 as well as the 2016 Declaration of Compliance. The Board reviewed and concurred with the proposal of the Executive Board for the allocation of profits. This also applies to the Audit and Finance Committee's proposal for the appointment of the auditor for financial year 2017. We also approved the agenda for the Annual General Meeting on May 12, 2017, with the corresponding proposed resolutions. The Supervisory Board followed the recommendations of the Compensation Committee and approved topics relating to Executive Board remuneration, i.e. payment of a performance bonus for financial year 2016 as well as settlement of the 2013 Group Share Plan and the amounts of the related cash disbursements. We also extensively discussed and approved the individual targets for the Executive Board members for the financial year. In addition, we approved another Supervisory Board mandate for Thomas Ebeling at GfK SE, after having previously discussed the topic at length with regard to a potential conflict of interests. At the financial statements meeting, we were moreover



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DR. WERNER BRANDT  
CHAIRMAN OF THE SUPERVISORY BOARD

supplied with a detailed overview of the Company's current performance and were informed about possible transactions in the M&A area.

- At an extraordinary meeting held by teleconference on April 25, 2017, the Supervisory Board dealt with succession planning for the Mergers & Acquisitions executive department. Dr. Ralf Schremper left the Company at his own request on July 31, 2017. Since then, M&A has come under the area of responsibility of the Chief Financial Officer. In Dr. Jan Kemper, we gained a new Chief Financial Officer (CFO) with effect from June 1, 2017, who feels at home in a dynamic market environment. Dr. Jan Kemper took over from Dr. Gunnar Wiedenfels, who left the Company at the end of March 2017. In the transitional phase, the finance division was managed by Ralf Peter Glerig, who has since been acting as Deputy CFO. Dr. Jan Kemper will push ahead ProSiebenSat.1's digital transformation with his focus on M&A and his financial expertise. In this way, continuity in the Group is ensured.
- A regular plenary meeting was held on May 12, 2017, after the Annual General Meeting. At this meeting, we discussed the matter of transforming the Group structure into a three-pillar structure with the Executive

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- Board. In this context, we were thoroughly informed about the development in the individual business areas and possible M&A transactions. The Executive Board informed us about the strategic review of the online travel agency Etraveli and a possible investment in Jochen Schweizer GmbH. The Supervisory Board members Antoinette Aris and Angelika Gifford took the precaution of leaving the meeting before these two topics were discussed due to possible conflicts of interest. Another topic of the Supervisory Board meeting was setting targets for the proportion of women on the Executive Board and the Supervisory Board. In addition, we agreed on a modification to the rules of procedure for the Executive Board, the Supervisory Board, and the Audit and Finance Committee in order to make these bodies' work even more targeted and efficient.
- On June 19, 2017, an extraordinary meeting was held by teleconference. In this teleconference, the Supervisory Board approved the purchase of Jochen Schweizer GmbH and the sale of Etraveli. Antoinette Aris and Angelika Gifford did not take part in the vote. At the same meeting, we also approved the sale of several Investments from the SevenVentures GmbH fund.
  - The Company's annual strategy meeting was held on June 28, 2017. Here we were provided with a comprehensive report on the possible restructuring on the basis of a three-pillar strategy. This strategy aims to align the Group to the dynamically changing market environment and generate additional synergies, particularly by combining linear TV business with the digital entertainment segment. → [Opportunity Report, page xx](#)
  - In a teleconference on August 16, 2017, the Supervisory Board dealt with the review of its efficiency. We also discussed succession planning for the Executive Board once again.
  - On September 6 and 7, 2017, another regular Supervisory Board meeting was held, where we discussed the three-pillar strategy with the Executive Board again. In addition, the Executive Board informed us about planned M&A transactions and the Company's operational and financial performance. We were also given detailed insight into strategically relevant growth areas such as addressable TV, HbbTV, data, and AdTech. Another topic was the media policy attempt for a reorganization of the dual broadcasting system in Germany. With "Media Regulations 4.0", ProSiebenSat.1 advocated for public funding not to be restricted to public institutions any more, but instead to be granted based on content. Private providers do not currently receive any public funding, but their programs contribute to basic provision of media, particularly among young viewers.
  - An extraordinary meeting of the Supervisory Board was called on November 19, 2017. At this meeting, the committee dealt in depth with the early departure of the Executive Board chairman Thomas Ebeling. We mutually agreed with Thomas Ebeling to terminate his contract as of February 22, 2018. Conrad Albert, previously the Executive Board member for External Affairs & Industry Relations and the Company's General Counsel, was appointed as vice chairman of the Executive Board with immediate effect. He has been supporting the Group's development for years and worked closely with Thomas Ebeling at the top management level in both operational and strategic business. Conrad Albert has our full confidence.
  - Another Supervisory Board meeting was held by teleconference on November 27, 2017. The purpose of this meeting was to prepare for the Capital Markets Day on December 6, 2017.
  - At the regular Supervisory Board meeting on December 11, 2017, the provisional budget for ProSiebenSat.1 Group for 2018 was presented to us. In addition, we were provided with extensive reports on the performance of our key business areas. Other items on the agenda concerned security at the Company, notably IT security. The Board was given a detailed report on the current status and was notified of measures to be implemented in the future.

In addition, the Supervisory Board adopted five resolutions by way of written circular vote following extensive discussions in the regular Supervisory Board meetings, including resolutions on the following topics: In January, the Supervisory Board approved the 100% acquisition of the ATV Group by ProSiebenSat.1 Puls4 GmbH in Austria, in October the Supervisory Board granted its approval for the acquisition of a majority interest (62.5%) in the US film distributor Gravitas Ventures via the Red Arrow Entertainment Group, and in November we approved the majority interest in esome Advertising Technologies GmbH by P7S1 Advertising

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Platform Solutions GmbH. In December, the Supervisory Board approved by way of written circular vote the terms and conditions of the 2017 Group Share Plan as well as the distribution of Performance Share Units (PSUs) to Executive Board members in line with the recommendation of the Compensation Committee.

## **REPORT ON THE WORK OF THE COMMITTEES**

The Supervisory Board of the Company has formed various committees to support it in its work. In 2017, the Board had four committees to ensure efficient execution of its duties: The Presiding and Nominating Committee, the Compensation Committee, the Audit and Finance Committee, and the Capital Markets Committee. The committees reported to the Supervisory Board regularly and comprehensively on their activities in its plenary sessions. The main emphases of the committees' work are described below. An individual breakdown of attendance at meetings of the Supervisory Board's committees is provided in the Corporate Governance Report, which can be found on our website at [www.prosiebensat1.de/en/investor-relations/corporate-governance/corporate-governance-report](http://www.prosiebensat1.de/en/investor-relations/corporate-governance/corporate-governance-report) as well as starting on [page XX](#) of the Annual Report.

The **Presiding and Nominating Committee** met three times in person in 2017 and once by teleconference. It passed a total of nine resolutions by way of circular vote. This committee coordinates the work of the Supervisory Board and prepares its meetings. In addition, it is responsible for the tasks of a nominating committee in accordance with the German Corporate Governance Code and adopts resolutions that have been delegated to it under the Supervisory Board's rules of procedure. This includes examining license agreements, distribution agreements, and marketing agreements. For example, the committee granted its approval for the extension of output deals with Constantin Film Verleih GmbH and a major US studio and for the extension of the news production agreement with N24 in 2017.

One focus area of the discussions in the Presiding and Nominating Committee was the ongoing development of the Group strategy: At an extraordinary meeting in person on March 1, 2017, the committee discussed a possible realignment of the Entertainment and Commerce segment with the Executive Board. The structuring of the Group on the basis of a three-pillar strategy was the subject matter of an extraordinary meeting on May 11, 2017, and another extraordinary meeting on November 14, 2017. Prof. Dr. Rolf Nonnenmacher attended all meetings as an independent financial expert.

On October 31, 2017, the committee held a teleconference that was also attended by the Supervisory Board member Prof. Dr. Rolf Nonnenmacher. Here, the committee was informed about the Group's financial performance. ProSiebenSat.1 Media SE adjusted its financial outlook for the full-year 2017 on November 8, 2017.

The **compensation committee** prepares resolutions on personnel-related Executive Board matters for plenary sessions of the Supervisory Board. This committee held one regular meeting in person and one additional meeting by teleconference in 2017. At an extraordinary meeting on March 1, 2017, the committee also dealt in detail with the performance bonus targets for the individual Board members for financial year 2017 and agreed on a corresponding recommendation to the full Supervisory Board. In view of the Annual General Meeting's vote against the agenda item relating to the compensation system, the Compensation Committee fundamentally revised the compensation system at several meetings. [→ Compensation Report, page XX](#)

In addition, eight resolutions were adopted by circular vote: In February 2017, the committee agreed on the Executive Board's target attainment in relation to the performance bonus for financial year 2016 and made a corresponding recommendation to the full Supervisory Board. In the same circular vote, the Compensation Committee approved the cash settlement of the 2013 Group Share Plan and the amount of the related payouts to the Executive Board for a corresponding recommendation to the full Supervisory Board. In June, the Committee agreed to the continuation of the MyShares employee stock option plan. In December 2017, the Compensation Committee communicated by way of a circular vote its recommendation to the Supervisory Board to adopt the terms and conditions of the 2017 Group Share Plan and the distribution of Performance Share Units (PSUs) to the individual Executive Board members. The terms and conditions of the Group Share Plan contained no significant changes compared with the prior year. The Compensation Committee also approved the distribution of PSUs from the 2017 Group Share Plan to selected Company executives.



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The Audit and Finance Committee held five meetings in the reporting year, which were also attended by the CFO and the auditor. It reviewed the Annual Financial Statements and the Consolidated Financial Statements, the Combined Management Report, and the proposal for the allocation of profits in preparation for the Supervisory Board, discussing the audit report and the auditor's verbal report on the main findings of the audit in particular depth. The Audit and Finance Committee did not find any grounds for objections in its reviews. In addition, the Audit and Finance Committee discussed the interim reports and the half-year financial report with the Executive Board prior to their publication, taking account of the auditor's report on the audit review.

In the year under review, monitoring of the financial reporting particularly focused on the potential impairment of goodwill and other intangible assets, the measurement of plan assets, accounting for acquisitions of companies and shareholdings, revenue recognition, hedge accounting, accounting for financial liabilities, and income taxes.

The Audit and Finance Committee monitored the accounting process and the effectiveness of the internal control system and the risk management system, also referring to the corresponding reports by the head of Internal Audit and the auditor. No significant weaknesses in the internal control system for the accounting process or in the early risk detection system were identified by the auditor.

In addition, the Audit and Finance Committee handled the preparation of the Supervisory Board's proposal for the appointment of the auditor by the Annual General Meeting, the engagement of the auditor, and the fee agreement with the auditor. It monitored the effectiveness of the audit of the financial statements and the independence of the auditor, as well as the services performed by the auditor in addition to auditing services.

The Audit and Finance Committee continuously engaged in dialog with the auditor regarding the main audit risks and the required focus of the audit of the financial statements. It established an internal regulation on services by the auditor that are not related to the audit of the financial statements and ensured that the auditor and the Executive Board informed it at each meeting about corresponding contracts and the fees incurred in this context.

In addition, the Audit and Finance Committee was regularly informed about the further development of the compliance management system, the handling of suspected compliance incidents, legal and regulatory risks, and the risk situation, risk identification, and risk monitoring at the Company. There were also regular reports on the risk assessment by the Internal Audit department, its resources, and audit planning.

The Executive Board regularly informed the Audit and Finance Committee of the status of various activities to finance and secure liquidity for the Company.

The heads of the responsible departments also attended the Audit and Finance Committee's meetings for selected items of the agenda, providing reports and answering questions. In addition, the chairman of the Audit and Finance Committee held discussions on important individual topics between the meetings, particularly with the chairman of the Supervisory Board, the Chief Financial Officer, and the auditor. The main results of these discussions were regularly reported to the Audit and Finance Committee, as well as to the Supervisory Board where necessary.

One new task of the Audit and Finance Committee was to prepare the Supervisory Board's review of the Company's non-financial reporting, which was required for the first time in financial year 2017. The task of possibly commissioning an external auditor to audit the content of this reporting was also delegated to the Audit and Finance Committee. The Audit and Finance Committee dealt with the issues that arose in this context. In consultation with the Audit and Finance Committee, the Executive Board decided to expand the Management Report with a non-financial declaration. The Audit and Finance Committee decided to commission KPMG with the audit review of the content of the non-financial declaration with the aim of an assessment with limited assurance and awarded the contact for this.

The Capital Markets Committee is authorized to decide in lieu of the full Supervisory Board on whether to approve the use of the Company's Authorized Capital as well as on the associated measures. No Capital Markets Committee meetings were held in financial year 2017.



## **AUDIT OF THE ANNUAL AND CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2017**

The Annual and Consolidated Financial Statements of ProSiebenSat.1 Media SE and the Combined Management Report for financial year 2017 were audited by the Munich office of KPMG AG Wirtschaftsprüfungsgesellschaft (KPMG) in accordance with generally accepted accounting principles and were issued an unqualified audit report on February 21, 2018.

All documents relating to the financial statements, the Risk Report, and the KPMG audit reports were made available to the members of the Supervisory Board in due time and were subjected to a thorough review by us. Another subject of the discussions was the Non-Financial Group Declaration in accordance with Sections 289c and 315c (1) HGB. The documents were discussed in detail in the presence of the auditors, first at a meeting of the Audit and Finance Committee and then at a meeting of the Supervisory Board. At those meetings, the auditor reported on its significant audit findings. No accounting-related deficiencies were identified in either the internal control system or the risk management system, nor did any circumstances arise that could give cause for concern about the independence of the auditors.

In addition to auditing services, the auditors performed other attestation services amounting to EUR 0.5 million (previous year: EUR 0.2 million), tax advisory services amounting to EUR 0.1 million (previous year: EUR 0.2 million), and other services amounting to EUR 0.3 million (previous year: EUR 1.1 million). Details of the services provided by the auditors and the amounts remunerated are presented in Note 34 of the Notes to the Consolidated Financial Statements.

The Supervisory Board acknowledged and approved the auditor's findings and, after completing its own examination, found no cause for objection on its part either. The Supervisory Board also approved the Annual and Consolidated Financial Statements prepared by the Executive Board and audited by the auditor as well as the Combined Management Report. The Annual Financial Statements are thus adopted. Finally, the Supervisory Board reviewed and concurred with the Executive Board's proposal for the allocation of profits.

KPMG issued an unqualified audit opinion on the Non-Financial Group Declaration. This means that, based on the audit activities performed and the audit evidence obtained, no matters were identified that could lead to the conclusion that the Non-Financial Group Declaration was not prepared in compliance with Sections 315b and 315c in conjunction with Sections 289c to 289e HGB in all material respects. Based on its own review, the Audit and Finance Committee's report on its preparatory review and its recommendation, and the review of KPMG's report and its audit opinion, the Supervisory Board likewise did not identify any reasons to doubt the correctness and appropriateness of the Non-Financial Group Declaration.

## **CONFLICTS OF INTEREST**

The members of the Supervisory Board are required to disclose to the Presiding and Nominating Committee possible conflicts of interest without delay. In financial year 2017, the following indications of conflicts of interest were determined due to certain members of the Supervisory Board simultaneously having seats on corporate bodies of competitors or business partners of ProSiebenSat.1 Media SE:

- Antoinette (Annet) P. Aris is on the Supervisory Board of Thomas Cook PLC. As a precautionary measure, she therefore absented herself from the Company's Supervisory Board meetings before any discussion of the travel portfolio took place. Ms. Aris rejoined the meetings only after the discussions had been completed or the relevant resolutions adopted.
- The same applies to Angelika Gifford, who has held a seat on the Supervisory Board of TUI AG since February 2016. She also took the precaution of leaving the Supervisory Board meetings of ProSiebenSat.1 Media SE before any discussion of that topic. Ms. Aris rejoined the meetings only after the discussions had been completed or the relevant resolutions adopted.

Otherwise, there were no indications of any conflicts of interest.

## **CORPORATE GOVERNANCE**

The Executive Board and the Supervisory Board have compiled a separate report on corporate governance. The Corporate Governance Report and the Management Declaration pursuant to Sections 289f and 315d of the German Commercial Code can be found on our website at → [www.ProSiebenSat1.com](http://www.ProSiebenSat1.com) and starting on → [page XX](#) of the Annual Report.

### **CHANGES IN THE COMPOSITION OF THE EXECUTIVE BOARD AND THE SUPERVISORY BOARD**

The longstanding chairman of the Executive Board of ProSiebenSat.1 Media SE, Thomas Ebeling, left the Company with effect from the end of February 22, 2018. The chairman of the Executive Board and the Company's Supervisory Board mutually agreed to this on November 19, 2017. Thomas Ebeling had a contract lasting until mid-2019. When his contract was last extended, however, he already stated that he would no longer be available for another extension afterwards.

Conrad Albert, who has been at the Company since 2005 and is currently the Executive Board member for External Affairs & Industry Relations and the Company's General Counsel, was appointed as vice chairman of the Executive Board with immediate effect as of November 19, 2017. The aim is to ensure continuity at the Company and guarantee the implementation of the strategy.

During 2017, the following changes also occurred in the Group's Executive Board:

- Dr. Jan Kemper took up the position of Chief Financial Officer of ProSiebenSat.1 Media SE as of June 1, 2017. He took over from Dr. Gunnar Wiedenfels, who left the Company at his own request as of March 31, 2017. To ensure a smooth transition, Ralf Peter Glerig, Executive Vice President for Group Finance & Investor Relations, had taken on the role of Deputy Group CFO alongside his existing duties.
- The Supervisory Board appointed Sabine Eckhardt to the Executive Board of ProSiebenSat.1 Media SE as Chief Commercial Officer, effective January 1, 2017. Sabine Eckhardt is a long-time executive at the Company and the founder and managing director of SevenOne AdFactory GmbH. In her role as Executive Board member, she handles marketing issues and works to leverage synergies and implement innovations within the Group. As of January 1, 2017, Christof Wahl additionally took on Executive Board responsibility for the digital commerce verticals Online Price Comparison, Online Dating, Online Travel, and Stylight.

On February 21, 2018, we appointed Max Conze as the new chairman of the Executive Board of ProSiebenSat.1 Media SE. He will take over from Thomas Ebeling as of June 1, 2018. Until he takes office, Conrad Albert will assume the role of Executive Board chairman on an interim basis. Max Conze was most recently Chief Executive Officer at Dyson. With his innovativeness and marketing expertise, he expanded the company into a dynamically growing global technology group. The Supervisory Board wishes Max Conze every success in his role and looks forward to working with him.

The composition of the Company's Supervisory Board did not change in financial year 2017.



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**THANK YOU FROM THE SUPERVISORY BOARD**

On behalf of the Supervisory Board, I would like to wholeheartedly thank the members of the Executive Board. Our special thanks go to Thomas Ebeling for his outstanding performance. He has managed the Company as chairman of the Executive Board since 2009, recently taking it into the DAX. Thomas Ebeling is an outstanding businessman in the media industry. I wish him all the best for the future. In addition, I would like to thank Conrad Albert for managing the Company until the summer and particularly pressing ahead with the realignment of ProSiebenSat.1 in line with the three-pillar strategy during that period.

I would also like to take this opportunity to explicitly thank all employees for their great commitment in financial year 2017. Their work forms the cornerstone for the success of the ProSiebenSat.1 Group. In conclusion, I would like to convey my thanks to you, our esteemed shareholders, for your confidence in the Company and in the company stock of ProSiebenSat.1.

Unterföhring, March 2018

On behalf of the Supervisory Board



**DR. WERNER BRANDT  
CHAIRMAN**