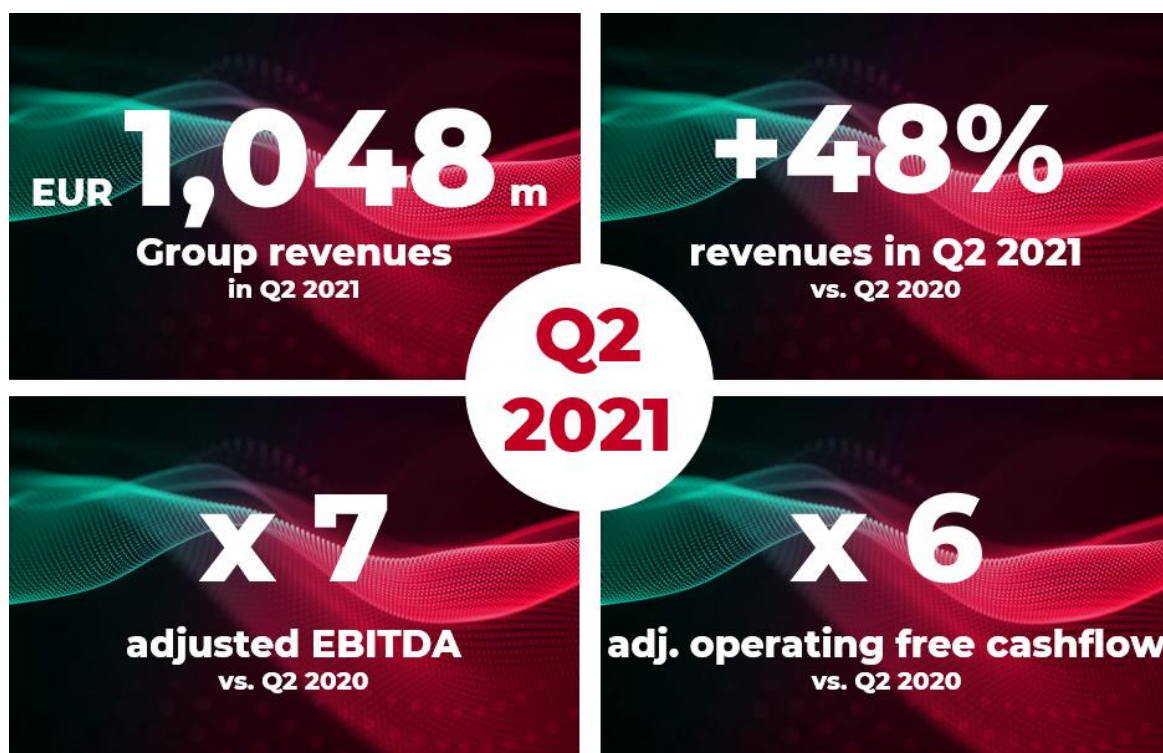

Press release



ProSiebenSat.1 posts record revenues in Q2 2021, adjusted EBITDA increases more than sevenfold

- The Group is confirming its preliminary results for the second quarter of 2021 published in advance on July 19, 2021: revenue growth of 48% to EUR 1,048 million, adjusted EBITDA increases more than sevenfold to EUR 166 million
- Significant growth in advertising revenues as main driver for the extremely strong recovery compared to the pandemic-impacted previous year's quarter; at the same time, the Group's diversification strategy is continuing to pay off
- Clear improvement of profitability, cash flow, and debt, also thanks to consistent management on the basis of these figures
- Growth of adjusted net income from minus EUR 52 million to EUR 63 million; adjusted operating free cash flow increases more than sixfold to EUR 87 million
- Reduction of net financial debt by EUR 197 million despite dividend payment; leverage ratio decreases from 3.6x to 2.6x
- As announced, further increase of full-year outlook: growth of revenues to between EUR 4.400 billion and EUR 4.500 billion (previously: EUR 4.250 billion to EUR 4.450 billion) and of adjusted EBITDA to around EUR 820 million with a variance of plus/minus EUR 20 million (previously: EUR 750 million to EUR 800 million)
- As consequence, improvement of adjusted operating free cash flow for 2021 in an at least mid-double-digit million euro range compared to the previous year expected (previously: in a mid-double-digit million euro range around the previous year's figure of EUR 424 million)



Unterföhring, August 5, 2021. ProSiebenSat.1 Media SE is continuing to drive forward its sustainable strategy and this operational progress is also reflected in the Group's financial performance: ProSiebenSat.1 Group recorded a dynamic recovery in its portfolio in the second quarter of 2021 compared to the pandemic-impacted previous year's quarter, and is confirming the figures published in advance on July 19, 2021. The Group generated record revenues with an increase of 48% to EUR 1,048 million (previous year: EUR 709 million) – the highest figure ever achieved by ProSiebenSat.1 in a second quarter. Main driver was the very strong growth in the advertising business, which has recovered even more strongly than expected from the impact of the COVID-19 pandemic. At the same time, the significant revenue increase was also carried by other areas that had also still been impacted by the COVID-19 pandemic in the previous quarters. Thus, in the Entertainment segment the content production business also posted strong revenue growth again, while there were likewise clear signs of recovery in the Commerce & Ventures segment. In the Dating segment, the live video business remains an important growth driver with the integration of The Meet Group.

After the effects of the COVID-19 pandemic had still been noticeable in the Group's first quarter of 2021, the strong second quarter now also characterized the half-year period: In the months between January and June 2021, ProSiebenSat.1 increased its revenues by 22% to EUR 1,986 million (previous year: EUR 1,634 million). At the same time, ProSiebenSat.1's successful diversification strategy is also reflected in the composition of Group revenues: In the first half of 2021, the share of Entertainment advertising revenues from the region of Germany, Austria and Switzerland accounted for only 44% (previous year: 47%) of the Group's total revenues.

Rainer Beaujean, Chairman of the Executive Board of ProSiebenSat.1 Media SE: "In addition to the recovery in advertising business, we also saw positive developments in our Dating and Commerce & Ventures business in the second quarter. This shows that our diversification strategy is paying off and that we are on the right track in our development to a digital group. We are convinced that we will close 2021 very positively in terms of both revenues and earnings and have therefore further increased our full-year targets, as already announced. All three segments are creating value for the entire Group and, with this increasingly synergistic, focused, and profitable set-up, ProSiebenSat.1 is performing better than pure, traditional media companies. At the same time, we are focusing on the key figures of profitability, cash flow, and debt as well as our P7S1 ROCE and are continuing to work on improving them significantly and sustainably."

Operating performance

External revenues in the **Entertainment** segment rose dynamically by 55% to EUR 736 million in the second quarter of 2021 (previous year: EUR 476 million). In the previous year's quarter, the segment had been particularly impacted by the effects of the pandemic. As a result of now lower COVID-19 infections and the associated easing of restrictions in private and public life, especially in the German-speaking region, the advertising market is picking up again significantly. In this context, advertising revenues in the Entertainment segment saw a clear recovery with an increase of 55%. Also the content production business recovered from the effects of COVID-19 in the second quarter, with revenues from program production and program sales more than doubling in comparison to the previous year. At the same time, distribution revenues rose by 9% due to further increasing HD user numbers. On a half-year basis, the segment's external revenues grew by 18% to EUR 1,346 million (previous year: EUR 1,139 million) thanks to the strong development in the second quarter.

In the second quarter of 2021, the **Dating** segment generated external revenues of EUR 139 million and thus EUR 81 million more than in the previous-year quarter (previous year: EUR 58 million). This increase is characterized by the acquisition of The Meet Group, which has been complementing the Dating portfolio synergistically since September 2020 and is developing very dynamically in the live video area. Organically⁽¹⁾, revenues in the Dating segment were almost stable compared to the same period last year. This period had benefited from strong demand for matchmaking offerings at the beginning of the pandemic

in spring 2020. On a pro forma basis, i.e. including the revenues of The Meet Group for the second quarter of 2020, revenues grew by 5%, with The Meet Group also recording particularly high user numbers at the beginning of the pandemic. On a half-year basis, segment revenues more than doubled to EUR 280 million (previous year: EUR 117 million). On a pro forma basis, revenues grew by 19% in the first half of the year, with the live video area in particular developing very dynamically.

In the **Commerce & Ventures** segment, external revenues were at the previous year's level at EUR 172 million (previous year: EUR 176 million) due to the disposal and deconsolidation of the OTC provider WindStar Medical in December 2020. Organically, the segment's revenues grew however significantly by 18%. This was particularly due to the online beauty provider Flaconi, which further continued its growth also in the second quarter of 2021. Overall, the Commerce & Ventures portfolio is now again characterized by an upturn following the easing of COVID-19 restrictions. Significant growth rates were recorded, for example, by the rental car comparison portal Billiger Mietwagen (Silvertours), and also the media-for-equity and media-for-revenue business of SevenVentures developed very positively. These developments characterized the segment revenues in the first half of 2021, which were down 5% year-on-year at EUR 360 million (previous year: EUR 378 million). This is especially due to the sale of WindStar Medical in the previous year. Organically, however, revenues clearly increased by 13% (previous year: EUR 318 million).

As a result of the dynamic revenue growth, the Group's **adjusted EBITDA** also improved significantly, increasing more than sevenfold to EUR 166 million on a quarterly basis (previous year: EUR 23 million). In particular, revenue growth in the high-margin advertising business had a very positive impact on the Group's profitability. In the first half of the year, adjusted EBITDA grew by 71% to EUR 308 million (previous year: EUR 180 million) in line with the revenue increase. Based on this very positive development, **net income** rose significantly from minus EUR 61 million in the previous year to plus EUR 114 million in the second quarter of 2021. As a result, net income grew very dynamically on a half-year basis to EUR 180 million (previous year: -EUR 30 million). Also **adjusted net income** increased significantly in the second quarter of 2021 and grew by EUR 114 million to EUR 63 million (previous year: -EUR 52 million); in the first half of the year, it rose by EUR 93 million to EUR 100 million. This growth largely reflects the very strong development of adjusted EBITDA.

The Group's **adjusted operating free cash flow** increased more than sixfold to EUR 87 million in the second quarter of 2021 (previous year: EUR 14 million). In the first half of 2021, adjusted operating free cash flow also grew significantly to EUR 169 million (previous year: EUR 33 million). This positive development is largely due to the strong earnings growth of the Group in the second quarter.

Despite the dividend payment in June 2021, the Group's **net financial debt** decreased by EUR 197 million year-on-year to EUR 2,156 million as of the end of the second quarter of 2021 (June 30, 2020: EUR 2,353 million). The payment of the dividend of EUR 111 million was at the same time the main reason for the increase in comparison to the end of 2020 (December 31, 2020: EUR 1,968 million). In this context, the **leverage ratio** (the ratio of the Group's net financial debt to its LTM adjusted EBITDA) improved significantly, decreasing to a factor of 2.6x as of the end of the reporting period (December 31, 2020: 2.8x; June 30, 2020: 3.6x). This reflects the lower net financial debt as well as the positive development of adjusted EBITDA in the last twelve months.

Outlook

Against the backdrop of the very strong performance in the second quarter of 2021, ProSiebenSat.1 Group has decided, as communicated on July 19, 2021, to further increase its target ranges for revenues and adjusted EBITDA in full-year 2021 compared to the outlook published on May 12, 2021 on the occasion of the Q1 2021 Quarterly Statement.

In total, the Group is now targeting for full-year 2021 – without further portfolio changes – revenues of EUR 4.400 billion (previously: EUR 4.250 billion) as the lower end and revenues of EUR 4.500 billion (previously:

EUR 4.450 billion) as the upper end of the target range (previous-year figure adjusted for currency and portfolio effects: EUR 4.055 billion⁽²⁾). In financial year 2021, Group revenue growth would thus be in a range between 9% and 11% compared to the previous year (previously: 5% to 10%). The range of the revenue target figures continues to depend particularly on the development of advertising revenues in the region of Germany, Austria and Switzerland in the context of the further course of the COVID-19 pandemic. Following the strong development in the second quarter, the Group now assumes a growth of 3% in advertising revenues in the region of Germany, Austria and Switzerland compared to the previous year for the lower end of the revenue target range (previously: -2%), an increase of 7% (previously: 4%) is now the basis for the upper end.

Based on these revenue assumptions, for the full-year of 2021 ProSiebenSat.1 now anticipates a Group adjusted EBITDA – without further portfolio changes – of around EUR 820 million with a variance of plus/minus EUR 20 million (previously: target range of EUR 750 million to EUR 800 million; previous-year figure adjusted for currency and portfolio effects: EUR 708 million⁽³⁾). This corresponds for the mid-point to a year-on-year increase of 16%.

The adjusted operating free cash flow is amongst others based on the development of the adjusted EBITDA. Reaching a midpoint of the now targeted adjusted EBITDA target range as well as after the very positive cash flow development in the first half of the year 2021, the Group now assumes that the adjusted operating free cash flow for the full-year – for reasons of comparability corrected for the change of investments in relation to the construction of the new campus at the premises in Unterföhring – should improve in an at least mid-double-digit million euro range compared to the previous year (previous year: EUR 424 million; previously: development in a mid-double-digit million euro range around the previous year's figure of EUR 424 million).

In this context, ProSiebenSat.1 Group also assumes a lower than originally expected leverage ratio at the end of the year. Thanks to the consistent management and the associated improvement of relevant key earnings figures, the Group now anticipates already for the year-end 2021 – depending on business performance and not including any portfolio changes – a leverage ratio at the upper end of the corridor between 1.5x and 2.5x which the Group targets in the mid-term. Previously, ProSiebenSat.1 assumed for 2021 a leverage ratio slightly above or at the upper end of the target corridor (previous year: 2.8x).

The increase of the revenue and adjusted EBITDA target ranges also has a positive effect on the Group's other most important financial performance indicators:

The adjusted net income of the Group continues to be mainly determined by the development of the adjusted EBITDA. As before, this key figure is furthermore influenced by the financial result, which includes among others the at-equity investment in the streaming platform Joyn, and by income taxes. On this basis and without further portfolio changes, the Group thus continues to expect that the adjusted net income for the full-year 2021 should be above the previous year's figure of EUR 221 million. Accordingly, the dividend payment to the shareholders of the Group, which is based on this key figure, would also increase (general dividend policy: pay-out of around 50% of adjusted net income).

ProSiebenSat.1 Group measures the mid-term financial success of the company on the basis of P7S1 ROCE (return on capital employed). The Group introduced this key financial indicator as a key figure for the entire Group in 2020. In financial year 2021, we continue to target a P7S1 ROCE of more than 10% (previous year: 10%). For the Group as a whole, this key figure is expected to exceed 15% in the mid-term.

(1) Organic = adjusted for portfolio and currency effects.

(2) Based on revenues in financial year 2020 translated at the exchange rates used for planning purposes in financial year 2021 (EUR/USD exchange rate of around USD 1.22) less revenues of the companies deconsolidated in 2020 – WindStar Medical at EUR

114 million and myLoc at EUR 10 million – plus pro forma revenues for The Meet Group between January and August 2020 of EUR 173 million, also translated at the exchange rate used for planning purposes in financial year 2021 (EUR/USD exchange rate of around USD 1.22).

(3) Based on adjusted EBITDA in financial year 2020 translated at the exchange rates used for planning purposes in financial year 2021 (EUR/USD exchange rate of around USD 1.22) less adjusted EBITDA of the companies deconsolidated in 2020 – WindStar Medical at EUR 23 million and myLoc at EUR 3 million – plus the pro forma adjusted EBITDA contributions for The Meet Group between January and August 2020 of EUR 33 million, also translated at the exchange rate used for planning purposes in financial year 2021 (EUR/USD exchange rate of around USD 1.22).

Further key figures can be found on our Group website at www.ProSiebenSat1.com. The presentation and the Half-Yearly Financial Report 2021 will also be available here from 7:30 a.m. on August 5, 2021.

Key figures of ProSiebenSat.1 Group

in EUR m

| | Q2 2021 | Q2 2020 | Change in % | H1 2021 | H1 2020 | Change in % |
|---|---------|---------|-------------|---------|---------|-------------|
| Revenues | 1,048 | 709 | 48% | 1,986 | 1,634 | 22% |
| Adjusted EBITDA ⁽¹⁾ | 166 | 23 | >+100% | 308 | 180 | 71% |
| Adjusted EBITDA-margin (in %) | 15.8% | 3.3% | 12.5 %pp | 15.5% | 11.0% | 4.5 %pp |
| EBITDA | 151 | 21 | >+100% | 289 | 166 | 74% |
| Reconciling items | -15 | -2 | >+100% | -19 | -14 | 41% |
| Operating result (EBIT) | 83 | -35 | ~ | 163 | 45 | >+100% |
| Financial result | 54 | -33 | ~ | 46 | -70 | ~ |
| Consolidated net profit | 114 | -61 | ~ | 180 | -30 | ~ |
| Attributable to shareholders of ProSiebenSat.1 Media SE | 123 | -54 | ~ | 189 | -17 | ~ |
| Non-controlling interests | -9 | -7 | 33% | -9 | -13 | -34% |
| Adjusted net income ⁽²⁾ | 63 | -52 | ~ | 100 | 7 | >+100% |
| Adjusted earnings per share (in EUR) | 0.28 | -0.23 | | 0.44 | 0.03 | |
| Adjusted operating free cash flow ⁽³⁾ | 87 | 14 | >+100% | 169 | 33 | >+100% |
| Free cash flow ⁽⁴⁾ | -11 | -41 | -73% | -36 | -91 | -60% |
| Cash flow from operating activities | 269 | 228 | 18% | 500 | 514 | -3% |

Key figures of ProSiebenSat.1 Group

in EUR m

| | June 30, 2021 | Dec. 31, 2020 | June 30, 2020 |
|-----------------------------------|---------------|---------------|---------------|
| Equity | 1,776 | 1,687 | 1,270 |
| Equity ratio (in %) | 27.9% | 23.8% | 18.7% |
| Cash and cash equivalents | 438 | 1,224 | 1,190 |
| Net financial debt ⁽⁵⁾ | 2,156 | 1,968 | 2,353 |
| Leverage ratio ⁽⁶⁾ | 2.6x | 2.8x | 3.6x |

Segment key figures of ProSiebenSat.1 Group

in EUR m

| | Q2 2021 | Q2 2020 | Change in % | H1 2021 | H1 2020 | Change in % |
|--------------------------------|---------|---------|-------------|---------|---------|-------------|
| Entertainment | | | | | | |
| Revenues | 760 | 496 | 53% | 1,394 | 1,186 | 18% |
| External revenues | 736 | 476 | 55% | 1,346 | 1,139 | 18% |
| Adjusted EBITDA ⁽¹⁾ | 142 | 3 | >+100% | 239 | 145 | 65% |
| Dating | | | | | | |
| Revenues | 139 | 58 | >+100% | 280 | 117 | >+100% |
| External revenues | 139 | 58 | >+100% | 280 | 117 | >+100% |
| Adjusted EBITDA ⁽¹⁾ | 28 | 16 | 81% | 61 | 31 | 95% |
| Commerce & Ventures | | | | | | |
| Revenues | 173 | 179 | -3% | 361 | 387 | -7% |
| External revenues | 172 | 176 | -2% | 360 | 378 | -5% |
| Adjusted EBITDA ⁽¹⁾ | 2 | 9 | -71% | 19 | 15 | 31% |

| Reconciliation (Holding & other) | | | | | | |
|---|----|----|--------|-----|-----|-----|
| Adjusted EBITDA ⁽¹⁾ | -7 | -3 | >+100% | -11 | -12 | -1% |

(1) EBITDA before reconciling items. (2) Net income attributable to shareholders of ProSiebenSat.1 Media SE before the amortization and impairments from purchase price allocations, adjusted for the reconciling items. These include valuation effects recognized in other financial result, valuation effects of put-options and earn-out liabilities, valuation effects from interest rate hedging transactions as well as other material one-time items. Moreover, the tax effects resulting from such adjustments are also adjusted. (3) For a definition of the adjusted operating free cash flow please refer to the Annual Report 2020, page 81. (4) Total cash and cash equivalents generated in operating business less the balance of cash used and generated in the context of investing activities. (5) As of June 30, 2021, the definition of ProSiebenSat.1 Group's net financial debt does not include lease liabilities according to IFRS 16 of EUR 228 million (December 31, 2020: EUR 228 million; June 30, 2020: EUR 218 million) and real estate liabilities of EUR 77 million (December 31, 2020: EUR 71 million; June 30, 2020: EUR 58 million). (6) Ratio of net financial debt to adjusted EBITDA in the last twelve months.

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About ProSiebenSat.1

As a digital group, ProSiebenSat.1 combines leading Entertainment brands with a with a strong Dating and Commerce & Ventures portfolio under one roof. We are consistently digitizing our TV business and at the same time using our entertainment strength to further expand our digital business areas. With this Group set-up, the company is continuously driving forward its diversification using its own strength.

We offer the best entertainment – whenever, wherever and on any device. From campfire formats like "The Masked Singer" to successful in-house productions like "Germany's next Topmodel - by Heidi Klum". We can address over 45 million TV households in Germany, Austria and Switzerland with our 15 free and pay TV channels. In addition, we reach around 33 million unique users every month with online offerings marketed by ProSiebenSat.1.

At the same time, we use our expertise in brand building for our two other business segments: With ParshipMeet Group, we have created a leading global player in the dating segment, that will significantly support our future growth. With our investment and commerce activities, we build digital consumer brands using our TV reach and advertising power and turn them into market leaders in their respective industries. We are a strong growth partner for digital companies.

Behind ProSiebenSat.1 are more than 8,200 employees, who entertain and delight our audience and customers with great passion every day.