
Press release



ProSiebenSat.1 closes 2021 with revenue growth of 11%; adjusted EBITDA increases by a considerable 19%

2021 results

- New record revenues with growth of 11% to EUR 4,494 million
- Full-year advertising revenues again above pre-crisis 2019 level despite ongoing pandemic and weak Q1 2021
- Significant increase in adjusted EBITDA of 19% to EUR 840 million and in adjusted net income of 64% to EUR 362 million
- P7S1 ROCE clearly increased to 14.1%; leverage ratio reduced to 2.2x
- Executive Board and Supervisory Board accordingly propose higher dividend of EUR 0.80 per share; increase of 63% compared to the previous year

2022 outlook

- Full-year outlook: ProSiebenSat.1 aims for revenue growth to around EUR 4.6 billion with a variance of plus/minus EUR 100 million (previous-year figure adjusted for currency and portfolio effects: EUR 4.413 billion) and adjusted EBITDA of EUR 840 million with a variance of plus/minus EUR 25 million (previous-year figure adjusted for currency and portfolio effects: EUR 825 million)
- In the medium- to long-term, the Group has the ambition to grow revenues organically by on average +4% - 5% per year



Unterföhring, March 3, 2022. ProSiebenSat.1 Group grew dynamically in 2021: Group revenues increased by 11% year-on-year to EUR 4,494 million (previous year: EUR 4,047 million); organically¹, Group revenues also grew with a clear plus of 10%. The biggest growth driver was the Entertainment segment, with significantly higher advertising revenues than expected at the beginning of the financial year. At the same time, the broad set-up and cross-divisional cooperation within the Group, which ProSiebenSat.1 is driving forward in all segments, paid off. Part of this strategy was also the acquisition of the US online dating provider The Meet Group in September 2020, which has since strengthened the Dating & Video segment and had a very positive impact on Group revenues.

Rainer Beaujean, Group CEO of ProSiebenSat.1 Media SE: “Despite the ongoing COVID-19 pandemic, 2021 was a record year for ProSiebenSat.1. We again demonstrated the success and resilience of our business model, raising our outlook three times during the year and finally achieving all financial targets in full. The main driver was our advertising business, which grew faster and more significantly than initially expected – thus enabling us to clearly strengthen our market leadership. At the same time, our robust positioning in three strong segments paid off again. We therefore not only grew profitably but can also propose to our shareholders a 63% higher dividend than in the previous year.”

Operating performance

The **Entertainment** segment's external revenues increased by 12% to EUR 3,098 million in the financial year 2021 (previous year: EUR 2,768 million). The organic¹ growth of the segment's revenues was 13%. This increase reflects the momentum of the advertising business, which has recovered significantly – and better than expected at the beginning of the year – from the impact of the pandemic. In the full-year, the segment's advertising revenues grew 11%, thus 2% above the pre-pandemic level of 2019. In this context, ProSiebenSat.1 remained the number one in the German TV market in the full-year. The Group leads the German TV advertising market with a share of 37.6%; in the TV audience market (14- to 49-year-olds), ProSiebenSat.1 is also market leader with a share of 25.6%. At the same time, revenues from program production and sales performed strongly in 2021, growing 25% year-on-year. In addition, distribution revenues grew by 6%.

In the **Dating & Video** segment, external revenues amounted to EUR 542 million for the full-year, up 63% on the previous year's figure (previous year: EUR 333 million). This significant increase was driven by the acquisition of The Meet Group in September 2020. The Dating business contributed 51% to the segment's external revenues, with the US matchmaking service eharmony generating strong organic growth. In the Video business, government stimulus programs in the US fueled private consumption in 2021 and had a positive impact on the revenues of this business. Organic¹ revenues in the Dating & Video segment were about at the level of the previous year. The high previous-year figure had an impact here: In 2020, ParshipMeet Group had strongly benefited from the restrictions on public life resulting from the pandemic and increased its revenues dynamically accordingly. Adjusted for currency effects and on a pro forma basis, i.e. taking into account The Meet Group's revenues for the full-year 2020, the segment recorded a revenue increase of around 7% in 2021.

External revenues in the **Commerce & Ventures** segment amounted to EUR 854 million in 2021 (previous year: EUR 945 million) and thus 10% below the previous year's figure, particularly due to deconsolidation. This development mainly reflects the disposal of the OTC provider WindStar Medical in December 2020. In contrast, the segment's organic¹ revenues increased by 3%: The online beauty provider Flaconi made a particular contribution to this. Strong growth rates were also recorded by the car rental comparison portal Billiger Mietwagen (SilverTours), although not yet at pre-pandemic levels. At the same time, the investment vehicle SevenGrowth and SevenVentures, with its media-for-equity and media-for-revenue business, increased their revenues. The increasingly tense situation in the energy market however had a negative impact on the Verivox comparison portal. In addition, the experience and leisure business of Jochen Schweizer mydays was affected by a renewed rise in infection rates, especially in the fourth quarter.

ProSiebenSat.1 Group's **adjusted EBITDA** increased significantly by 19% to EUR 840 million in the full-year (previous year: EUR 706 million), reflecting the strong growth in revenues and particularly the recovery of the advertising market. As already announced at the beginning of the year, the Group is taking advantage of the positive advertising market environment to strengthen the reach and market share of its entertainment offerings in the medium- and long-term by focusing on local and live content. **Adjusted net income** grew by 64% to EUR 362 million (previous year: EUR 221 million) due to the significant improvement of operating profitability. This development forms the basis for the Company's dividend proposal.

Since the financial year 2018, ProSiebenSat.1 Media SE has pursued a dividend policy of distributing around 50% of adjusted net income to the Group's shareholders as a **dividend**. Accordingly, the Executive Board and the Supervisory Board are proposing a dividend of EUR 0.80 per share to the Annual General Meeting for the financial year 2021. This corresponds to a significant increase of 63% year-on-year (previous year: EUR 0.49) and a dividend yield of 5.7% (previous year: 3.6%) based on the closing price of the ProSiebenSat.1 share of EUR 14.01 at the end of 2021.

ProSiebenSat.1 measures the medium-term financial success of the Company on the basis of **P7S1 ROCE (return on capital employed)**. Against the background of the improved operating performance and the consistent sustainable management of the Group, P7S1 ROCE improved significantly to 14.1% in 2021 (previous year: 10.5%). At the same time, our consistent cash flow management is taking effect. Despite the dividend payment, the Group's **net financial debt** decreased by EUR 117 million compared with the end of 2020 to EUR 1,852 million. Accordingly, the **leverage ratio** improved to 2.2x as of the end of 2021 (December 31, 2020: 2.8x). As a result, it is clearly and earlier than expected back within the target range of 1.5x to 2.5x. In 2021, ProSiebenSat.1 furthermore took advantage of the favorable conditions on the debt market and extended the average maturity of the Group's financing instruments and diversified its maturity profile by way of refinancing via the issue of promissory notes.

Rainer Beaujean, Group CEO of ProSiebenSat.1 Media SE: "We want to continue this success story in 2022: We are fully focused on creating even more value via cooperation between our business areas. Our reach is the strong foundation for this. We are producing local, relevant content – increasingly in-house – and broadcasting it live and on-demand across all platforms. The streaming platform Joyn is the key element of our digital offering. With this digital focus, we are strengthening our total reach and our opportunities to market this profitably and with innovative advertising technologies. Our goal is to be one of the leading digital first infotainment and entertainment providers in the German-speaking region and to use our reach to establish and expand global, synergistic digital consumer platforms. These could even become an own growth pillar for the Group, such as most recently ParshipMeet Group. On the basis of this strategy, we have set ourselves the ambition to generate profitable, organic revenue growth averaging 4% to 5% per year in the medium- to long-term."

Ralf Peter Gierig, Member of the Executive Board & Group CFO of ProSiebenSat.1 Media SE: "We have consistently aligned the management of our Company towards organic revenue growth and a clear focus on cash flow. In this way, we already significantly increased our key performance indicator P7S1 ROCE from 10% to over 14% in 2021. In the medium-term, we aim to improve our P7S1 ROCE to over 15% and thus create even more value for our shareholders. The fact that we are succeeding in this is already reflected in the increase of our dividend from EUR 0.49 to EUR 0.80 per share, that we as the Executive Board together with the Supervisory Board will propose to the Annual General Meeting for the financial year 2021."

Outlook

ProSiebenSat.1 Group pursues a clear strategy aiming at sustainable and profitable growth. As the macroeconomic development in ProSiebenSat.1 Group's core markets remains uncertain also in financial year 2022 amongst others due to the ongoing COVID-19 pandemic, the Group has decided to provide a midpoint with a plus/minus variance for its revenue and adjusted EBITDA outlook respectively that take this

environment into account. The Group has considered in its outlook adverse effects on the business that are foreseeable amongst others as a result of the current course of the COVID-19 pandemic up until the preparation of the 2021 Annual Report on March 1, 2022. Further impacts on ProSiebenSat.1 Group's business beyond that, for example also due to negative effects of the Russia/Ukraine war on the Group's core markets, are not reflected in this forecast².

Overall, the Group targets further revenue growth for the full-year 2022 on this basis. Without further portfolio changes, the Group expects **revenues** in 2022 of around EUR 4.6 billion, with a variance of plus/minus EUR 100 million, compared with a previous-year figure adjusted for currency and portfolio effects of EUR 4.413 billion³. This translates into a Group revenue growth range in financial year 2022 of at least 2% to around 6%.

The range of the revenue target depends particularly on the development of advertising revenues in the German-speaking region (Germany, Austria, Switzerland). For the lower end of the variance, the Group assumes stable advertising revenues in the German-speaking region compared with the previous year as well as growth of 3% for the upper end of the variance.

Based on these revenue assumptions and excluding further portfolio changes, ProSiebenSat.1 expects Group **adjusted EBITDA** for the full-year 2022 – further mainly supported by the Entertainment segment – of around EUR 840 million with a variance of plus/minus EUR 25 million (previous-year figure adjusted for currency and portfolio effects: EUR 825 million⁴). The Entertainment programming costs will be in total at the previous year's level (previous year: EUR 1.054 billion), with the main part of total programming costs being attributed to local content and with a possibility of being varied in the amount of around EUR 50 million depending on the development of the advertising market. The Group is taking advantage of the success of its local programming strategy to expand its reach across all platforms. In the past financial year, the Group was thus ahead of its main competitor RTL Deutschland's stations marketed by Ad Alliance in prime time in every quarter (market shares target group 14-49 years) and further extended its market leadership, especially in the important fourth quarter.

The **adjusted net income** of the Group is mainly determined by the development of the adjusted EBITDA. Furthermore, this key figure is influenced by the financial result, which includes the at-equity investment in the streaming platform Joyn, and by income taxes. On this basis and without further portfolio changes, the Group expects the adjusted net income for the full-year 2022 to be at or slightly above the previous year's level of EUR 362 million.

The **adjusted operating free cash flow** is the Group's relevant cash flow management indicator and is based on the development of adjusted EBITDA. Reaching a midpoint of the adjusted EBITDA target range, ProSiebenSat.1 assumes that the adjusted operating free cash flow for the full-year 2022 – for reasons of comparability adjusted for the change of investments in relation to the construction of the new campus at the premises in Unterföhring – should develop at or slightly above the previous year's figure of EUR 599 million.

ProSiebenSat.1 Group measures the medium-term financial success of the company on the basis of the key figure **P7S1 ROCE** (return on capital employed). In the financial year 2022, the Group expects P7S1 ROCE to be slightly above the level of the previous year of 14.1%.

At the end of 2022, the Group anticipates – depending on business performance and excluding any portfolio changes – a **leverage ratio** (the ratio of the Group's net financial debt to its LTM adjusted EBITDA) at or slightly below the previous year's level (previous year: 2.2x).

Furthermore, ProSiebenSat.1 Group has set the following **medium- and long-term targets** for the entire Group:

- With its strong strategy based on three complementary segments, ProSiebenSat.1 Group intends to remain attractive for all stakeholders also in the medium- and long-term and to grow profitably in all three segments with a clear focus on earnings.
- In this context, ProSiebenSat.1 has set itself the target of further diversifying revenues and thus continuously expanding the share of revenues outside TV advertising in the German-speaking region (Germany, Austria, Switzerland).
- The focus is on consistent value creation. In the medium-term, the Group intends to achieve a return on capital employed, i.e. P7S1 ROCE, of over 15%. Expansion and new investments will therefore pay back within three years and generate a return of at least 18%. Strategic projects are usually expected to pay off within five years.
- ProSiebenSat.1 Group also continues to aim for a leverage ratio in a range between 1.5x and 2.5x in the medium-term.
- All these targets reflect the strategy that ProSiebenSat.1 Group will be one of the leading digital first infotainment and entertainment providers in the German-speaking region (Germany, Austria, Switzerland) and will use this strength to establish and expand global synergistic digital consumer platforms.
- The Group also wants to maintain its dividend policy of distributing around 50% of adjusted net income as dividends in order to allow shareholders to participate in the sustainable success of the corporate strategy on an annual basis.

(1) Organic = Adjusted for currency and portfolio effects

(2) For ProSiebenSat.1 Group, the main currency apart from the euro is the US dollar. The Group anticipates a US dollar share in Group revenues for 2022 of approximately 20% and for adjusted EBITDA of approximately 15%. An average strengthening or weakening of the US dollar in relation to the euro by 1 cent over the entire financial year impacts Group revenues by approximately EUR 8 million and adjusted EBITDA by approximately EUR 1 million. For the outlook regarding the following figures, the Group uses a EUR/USD exchange rate of USD 1.15 to the euro in financial year 2022.

(3) Based on revenues in financial year 2021 translated at the exchange rates used for planning purposes in financial year 2022 less in particular revenues of the companies deconsolidated in 2021, Sonoma Internet GmbH (Amorelie), moebel.de Einrichten & Wohnen AG and Gravitas Ventures LLC, at in total EUR 101 million.

(4) Based on adjusted EBITDA in financial year 2021 translated at the exchange rates used for planning purposes in financial year 2022 less in particular the adjusted EBITDA of the companies deconsolidated in 2021, Sonoma Internet GmbH (Amorelie), moebel.de Einrichten & Wohnen AG and Gravitas Ventures LLC, at in total EUR 17 million.

Further key figures as well as the Annual Report 2021 will be available on our Group website at www.ProSiebenSat1.com from 7:30 a.m. CET on March 3, 2022.

Key figures of ProSiebenSat.1 Group

in EUR m

	2021	2020	Change
Revenues	4,494	4,047	11%
Adjusted EBITDA ⁽¹⁾	840	706	19%
Adjusted EBITDA margin	18.7%	17.4%	1.3 pp
EBITDA	804	801	0%
Reconciling items	-36	95	~
Operating result (EBIT)	553	553	0%
Financial Result	54	-183	~
Net income	442	252	75%
Attributable to shareholders of ProSiebenSat.1 Media SE	449	267	68%
Non-controlling interests	-7	-15	-50%
Adjusted net income ⁽²⁾	362	221	64%
Adjusted earnings per share (in EUR)	1.60	0.98	
Adjusted operating free cash flow ⁽³⁾	599	424	41%
Free cash flow ⁽⁴⁾	289	120	~
Cash flow from operating activities	1,539	1,511	2%

Key figures of ProSiebenSat.1 Group

in EUR m

	12/31/2021	12/31/2020
Equity	2,099	1,687
Equity ratio	31.9%	23.8%
Cash and cash equivalents	594	1,224
Net financial debt ⁽⁵⁾	1,852	1,968
Leverage ratio ⁽⁶⁾	2.2x	2.8x

Segment key figures of ProSiebenSat.1 Group

in EUR m

	2021	2020	Change
Entertainment			
Revenues	3,218	2,893	11%
External revenues	3,098	2,768	12%
Adjusted EBITDA ⁽¹⁾	698	561	24%
Dating & Video			
Revenues	542	333	63%
External revenues	542	333	63%
Adjusted EBITDA ⁽¹⁾	119	80	49%
Commerce & Ventures			
Revenues	857	963	-11%
External revenues	854	945	-10%
Adjusted EBITDA ⁽¹⁾	50	84	-41%
Reconciliation (Holding & other)			
Adjusted EBITDA ⁽¹⁾	-26	-19	-39%

(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) A definition of adjusted operating free cash flow can be found in the Group Management Report 2021, section "Planning and Management". (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 December 31, 2021, the definition of ProSiebenSat.1 Group's net financial debt does not include lease liabilities in accordance with IFRS 16 of EUR 220 million (previous year: EUR 228 million) and real estate liabilities of EUR 97 million (December 31, 2020: EUR 71 million). (6) Ratio of net financial debt to adjusted EBITDA in the last twelve months.

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About ProSiebenSat.1 Group:

As a digital group, ProSiebenSat.1 combines leading Entertainment brands with a with a strong Dating & Video 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 address different target groups with our 15 free and pay TV channels in Germany, Austria and Switzerland and reach over 60 million people per month in our core market Germany. In addition, there are around 11 million unique users via our online channels. 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 globally operating player in the dating segment. 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. Because we are a strong growth partner for digital companies. Behind ProSiebenSat.1 are around 8,000 employees, who delight our audience and customers with great passion every day.