ProSiebenSat.1 Media SE

Quarterly Statement for the First Quarter of 2018

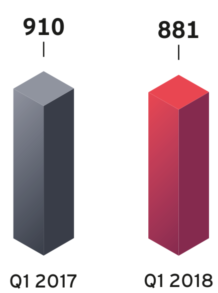
THE CORE OF OUR STRATEGY

ABOUT PROSIEBENSAT.1 GROUP

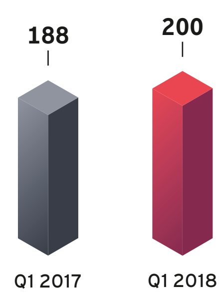
ProSiebenSat.1 Group is one of the most successful independent entertainment and commerce companies in Europe. We are growing steadily and dynamically as we are systematically pushing ahead with the cross-linking of our segments. Our entertainment business comprises eleven free TV stations, four pay TV stations and the video-on-demand portal maxdome. Red Arrow Studios adds to our profile as an international production and distribution portfolio. The third segment is commerce: Under the umbrella of NuCom Group, ProSiebenSat.1 bundles the commerce business from ten leading, mainly digital companies. ProSiebenSat.1 thus has a broadly diversified revenue and earnings base.

Revenue and earnings development is in line with our expectations in the first quarter of 2018: While consolidated revenue decreased by 3 % to EUR 881 million in the first quarter, mainly due to deconsolidation effects, adjusted EBITDA and adjusted net income posted growth in the mid single-digit percentage range to EUR 200 million and EUR 93 million respectively. This is also reflected in the Group's operating profitability. The commerce business was once again the biggest growth driver, making a significant contribution to the expansion of digital revenue sources. ProSiebenSat.1 employed 6,357 people throughout the Group as of March 31, 2018. The most important revenue market is Germany.

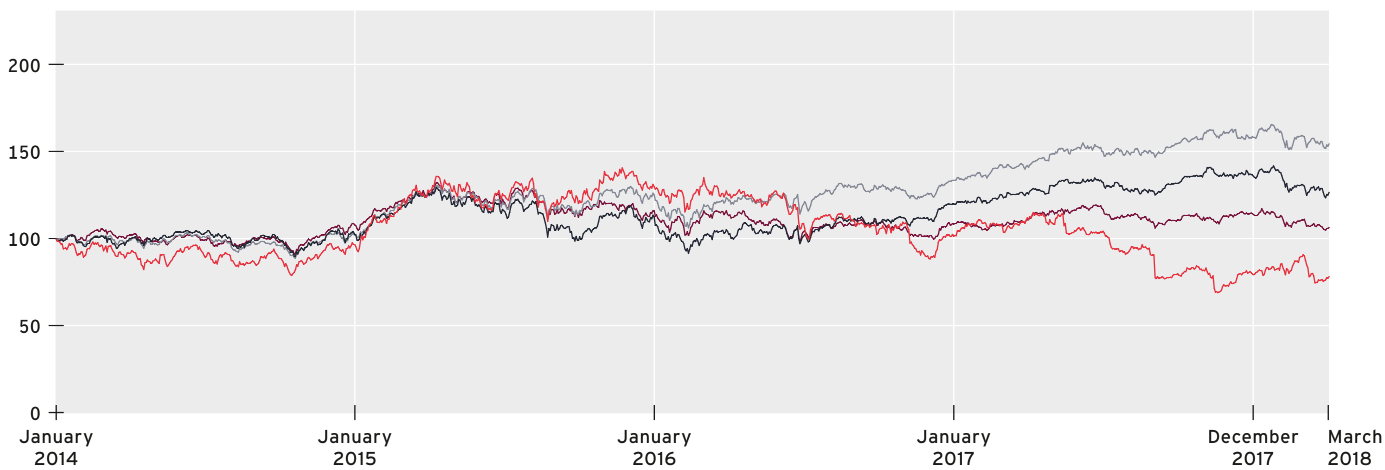
REVENUES
in EUR m



ADJUSTED EBITDA
in EUR m



PRICE PERFORMANCE OF THE PROSIEBENSAT.1 SHARE



— ProSiebenSat.1 — Euro Stoxx Media — MDAX — DAX / Basis: Xetra closing quotes, an index of 100 = last trading day 2013; Source: Reuters.

All information relates to continuing operations.

A / GROUP INTERIM MANAGEMENT REPORT

OUR GROUP: BASIC PRINCIPLES

ProSiebenSat.1 Group is pushing ahead with the digital transformation and has bundled its portfolio in the three pillars of Entertainment, Content Production & Global Sales, and Commerce since the beginning of 2018 → Fig. 01. In this way, the Group is reacting to the dynamic corporate environment and is improving its positioning for further profitable growth.

The Entertainment segment bundles the TV Broadcasting, TV and Online Marketing, Distribution, Advertising Platform Solutions (AdTech), SevenVentures and Digital Platforms (e.g. maxdome, 7TV App) businesses. The Content Production & Global Sales segment includes the TV production and distribution business under the name Red Arrow Studios and the digital studio Studio71. The Group operates in the Commerce business with NuCom Group, which unites a portfolio of leading, largely digital commerce platforms. → Changes in the Scope of Consolidation, page 6 → Notes, Note 3 "Segment reporting," page 27

The Group has defined specific performance indicators for each segment and has updated its management system accordingly as part of the migration to a three-pillar structure. Since the first quarter of 2018, ProSiebenSat.1 has been reporting on the Company's development and objectives based on this new segment structure.

There have been no other material changes in the first quarter of 2018 compared to the basic principles of the Group described on → pages 102 to 112 of the Annual Report 2017.

01 / NEW SEGMENT STRUCTURE SINCE JANUARY 1, 2018

REPORT ON THE ECONOMIC POSITION: Q1 2018

BUSINESS AND INDUSTRY ENVIRONMENT

Development of Audience Shares and User Numbers

ProSiebenSat.1 Group operates advertising-financed free TV stations in Germany, Austria and Switzerland and offers these in both SD and HD quality. In the core market Germany, ProSiebenSat.1 Group is the market leader with its seven free TV stations.

02 / AUDIENCE SHARES OF PROSIEBENSAT.1 GROUP in %

	Q1 2018	Q1 2017
Germany	**26.8**	26.8
Austria	**28.2**	22.0
Switzerland	**17.5**	17.0

Figures are based on 24 hours (Mon – Sun).
Germany: SAT.1, ProSieben, kabel eins, sixx, SAT.1 Gold, ProSieben MAXX, kabel eins Doku; advertising-relevant target group adults 14 – 49. Source: AGF in cooperation with GfK/TV Scope 6.1/SevenOne Media Committees Representation.
Austria: Adults 12 – 49; SAT.1 Österreich, ProSieben Austria, kabel eins Austria, PULS 4, sixx Austria, ProSieben MAXX Austria, SAT.1 Gold Österreich, kabel eins Doku Austria, ATV + ATV2 (since April 7, 2017, at ProSiebenSat.1 PULS 4, previously an independent group). Source: AGTT/GfK TELETEST; Evogenius Reporting; January 1, 2017 – March 31, 2018; weighted for number of people; including VOSDAL/time-shift; standard.
Switzerland: SAT.1 Schweiz, ProSieben Schweiz, kabel eins Schweiz, sixx Schweiz, SAT.1 Gold Schweiz, ProSieben MAXX Schweiz, Puls 8; advertising-relevant target group adults 15 – 49; market shares relate to the German-speaking part of Switzerland D – CH; total signal. Source: Mediapulse TV Panel.

As expected, the competitive environment in the German free TV market has intensified: ProSieben and SAT.1 still count among the stations with the greatest reach. However, numerous new special-interest stations have emerged in recent years. In the first quarter of 2018, the combined market share of the broadcasting group was nevertheless stable and on a par with the previous year at 26.8 % among viewers aged between 14 and 49 years (previous year: 26.8 %). The stations marketed by IP Deutschland (RTL, VOX, n-tv, Super RTL, NITRO and RTLplus) had a market share of 25.7 % (previous year: 26.6 %). As expected, the development of market shares was shaped by the Winter Olympic Games as a major sports event. These were broadcast primarily by public TV stations. → Development of Economy and Advertising Market, page 5

03 / AUDIENCE SHARES OF PROSIEBENSAT.1 STATIONS IN GERMANY in percent

Target group 14 – 49 years	Q1 2018	Q1 2017
SAT.1	**8.0**	8.5
ProSieben	**9.1**	9.8
kabel eins	**4.7**	4.8
sixx	**1.4**	1.1
SAT.1 Gold	**1.6**	1.3
ProSieben MAXX	**1.4**	1.2
kabel eins Doku	**0.5**	0.2
Relevant target groups	**Q1 2018**	**Q1 2017**
SAT.1: Adults 14 to 59 years old	**7.8**	8.4
ProSieben: Adults 14 to 39 years old	**11.7**	13.0
kabel eins: Adults 14 to 49 years old	**4.7**	4.8
sixx: Women 14 to 39 years old	**1.9**	1.7
SAT.1 Gold: Women 40 to 64 years old	**2.6**	2.2
ProSieben MAXX: Men 14 to 39 years old	**2.4**	2.3
kabel eins Doku: Men 40 to 64 years old	**0.6**	0.3

Figures are based on 24 hours (Mon – Sun). SAT.1, ProSieben, kabel eins, sixx, SAT.1 Gold, ProSieben MAXX, kabel eins Doku; source: AGF in cooperation with GfK/TV Scope 6.1/SevenOne Media Committees Representation.

In April 2017, ProSiebenSat.1 Group acquired ATV, an Austrian broadcasting group. Against this backdrop, ProSiebenSat.1 PULS 4 in Austria increased its combined audience share among 12- to 49-year-olds to 28.2 % (previous year: 22.0 %). The ATV and ATV2 stations accounted for a combined market share of 5.3 %. ProSiebenSat.1's stations in Switzerland increased their combined market share among viewers aged between 15 and 49 years to 17.5 % in the first quarter of 2018 (previous year: 17.0 %).

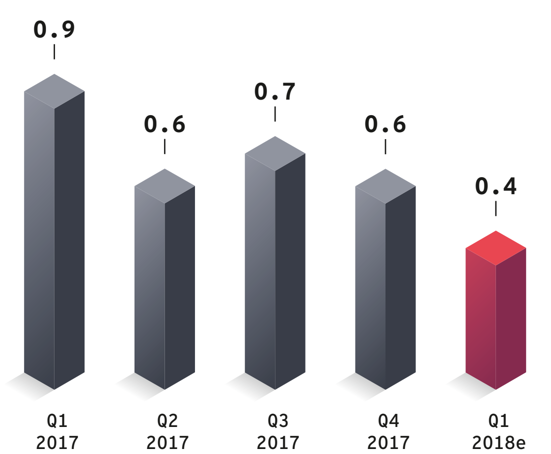
ProSiebenSat.1 pursues a complementary multi-station strategy. With this multi-channel approach, the Group gains new audiences and at the same time provides the advertising industry additional environments for addressing target groups. As well as expanding the TV offering, the Group has established a successful portfolio of digital platforms that it links more closely with its TV business under the new segment structure. Based on the most recent data published by Arbeitsgemeinschaft Online Forschung (AGOF) in March 2018, the websites managed by SevenOne Media, a ProSiebenSat.1 advertising sales company, reached around 38 million unique users in Germany (previous month: around 36 million). The digital studio Studio71 was one of the largest MCNs in the world with around 24 billion video views in the first quarter of 2018 (previous year: around 19 billion).

Due to cross-media marketing models on TV and digital platforms, the Group strengthens audience loyalty and extends its reach. At the same time, digitalization is also enabling additional revenue models. For instance, in the free TV business, ProSiebenSat.1 participates in the technical service fees that end customers pay to the respective providers for programs in HD quality. The number of HD users has been increasing continuously since 2012 and amounted to 8.9 million users in the first quarter of 2018 (previous year: 7.4 million). The pay-video-on-demand (PayVoD) portal maxdome also generates revenues from subscriptions (SVoD) and pay-per-view. In the first quarter of 2018, maxdome reached more than 1 million SVoD users and ranked among the top three providers in Germany. With over 50,000 titles, maxdome offers one of the most extensive ranges of VoD content on the German market.

Development of Economy and Advertising Market

In 2017, the German economy grew by 2.2 % in real terms. In the final quarter, gross domestic product (GDP) rose by 0.6 % compared to the previous quarter. For the first quarter of 2018, the Joint Economic Analysis Group anticipates real growth in GDP of 0.4 % compared to the fourth quarter of 2017 → Fig. 04. The German economy is likely to benefit from a persistently good consumer climate. For example, the German Federal Statistical Office estimates that retail revenues from January until February grew by 1.9 % year-on-year in real terms; retail accounts for almost a third of private consumption. The online and mail order business is likely to have grown by 2.3 % in real terms. For the euro zone, the ifo Institute expects growth of 0.6 % compared to the previous quarter and thus a stable continuation of the uptrend. Here, private consumption is likely to provide growth stimuli, too. → Future Business and Industry Environment, page 14

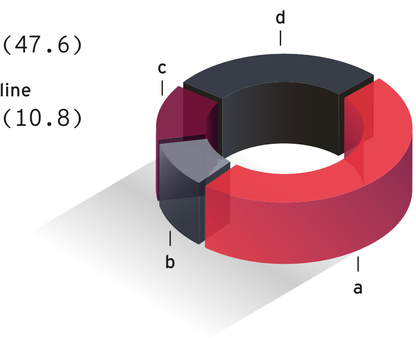
04 / DEVELOPMENT OF GROSS DOMESTIC PRODUCT IN GERMANY in %, change vs. previous quarter



Interlinked, adjusted for price, seasonal and calendar effects.
Source: Joint Economic Analysis Group, Spring 2018 / **e:** estimate

According to Nielsen Media Research, gross TV advertising investment in Germany rose by 5.2 % to EUR 3.606 billion in the first quarter of 2018 (previous year: EUR 3.427 billion). In comparison to other media, TV has the greatest relevance. In the reporting period, 48.6 % of gross advertising investment went on TV advertising (previous year: 47.6 %).

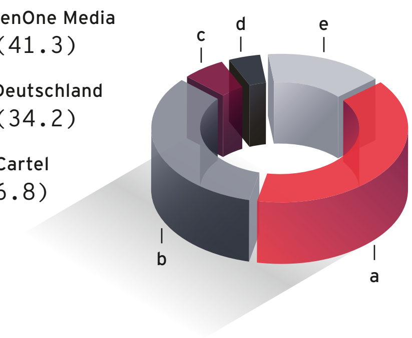
05 / MEDIA MIX GERMAN GROSS ADVERTISING MARKET in %, Q1 2017 figures in parentheses



Source: Nielsen Media Research.

Advertising market data from Nielsen Media Research are important indicators for assessing the advertising market's development. However, the data are collected on a gross revenue basis, meaning that they do not take account of discounts, self-promotion or agency commission. In addition, the figures also include TV spots from media-for-revenue-share and media-for-equity transactions. Furthermore, major digital players from the US (e.g. Google, Facebook) are not reflected in the Nielsen figures and therefore they do not represent the entire market. On a net basis, the advertising market developed in line with our expectations in the first quarter of 2018. → Future Business and Industry Environment, page 14

06 / MARKET SHARES GERMAN GROSS TV ADVERTISING MARKET in %, Q1 2017 figures in parentheses



Source: Nielsen Media Research.

According to Nielsen, ProSiebenSat.1 is the market leader in the German TV advertising market and generated gross TV advertising revenues of EUR 1.423 billion in the first quarter of 2018 (previous year: EUR 1.416 billion). This resulted in a market share of 39.5 % for the reporting period (previous year: 41.3 %) → Fig. 06 → Fig. 07. The year-on-year decline in the market share is partly due to the

emergence of new market participants. As of the start of 2018, Nielsen Media Research added numerous channels of the pay-TV broadcaster Sky to its analysis, as well as kabel eins Doku, RTLplus, MTV, and Servus TV. → Development of Audience Shares and User Numbers, page 4
→ Business Development of the Segments, page 9

07 / TV ADVERTISING MARKETS IN GERMANY, AUSTRIA AND SWITZERLAND ON A GROSS BASIS
in %

	Development of the TV advertising market in Q1 2018 (Change against previous year)	Market shares ProSiebenSat.1 Q1 2018	Market shares ProSiebenSat.1 Q1 2017
Germany	**+5.2**	**39.5**	41.3
Austria	**+1.3**	**43.3**	36.0
Switzerland	**+3.3**	**29.5**	27.6

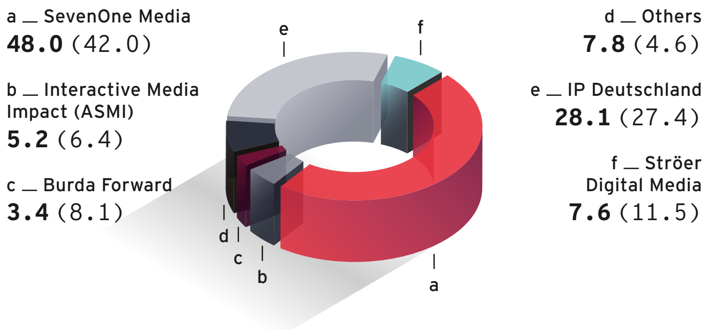
Germany: January–March, gross, Nielsen Media.
Austria: January–March, gross, Media Focus.
Switzerland: January–March, the market shares relate to the German-speaking part of Switzerland, gross, Media Focus.

According to Nielsen, the advertising budgets for in-stream video ads in Germany declined to a gross market volume of EUR 125.1 million in the first quarter of 2018 (previous year: EUR 137.8 million). By selling in-stream video ads, ProSiebenSat.1 generated gross revenues of EUR 60.0 million in the first quarter of 2018 (previous year: EUR 57.9 million). This corresponds to a year-on-year increase of 3.6% and a market share of 48.0% (previous year: 42.0%) → Fig. 08. In total, in Germany investments in online forms of advertising rose by 2.7% to EUR 796.6 million (previous year: EUR 775.4 million). In addition to in-stream videos, the online advertising market also includes display ads such as traditional banners and buttons.

i Nielsen Media Research designates gross figures for the online advertising market in Germany. They do not comprise data from Google/YouTube and Facebook, among others, and therefore they do not represent the entire market.

ProSiebenSat.1 Group is consistently pursuing a digital entertainment strategy. With this, we are diversifying our TV-related offerings and are exploiting program content across different media. With this positioning, we can offer integrated 360-degree services and strengthen our market position in the linear and digital TV business worldwide. We thereby offer our viewers and users content which they can consume in both linear and non-linear form irrespective of the platform.

08 / MARKET SHARES GERMAN GROSS ONLINE ADVERTISING MARKET FOR IN-STREAM VIDEO ADS
in %, Q1 2017 figures in parentheses



Source: Nielsen Media Research.

MAJOR INFLUENCING FACTORS ON FINANCIAL POSITION AND PERFORMANCE

Changes in the Scope of Consolidation

ProSiebenSat.1 Group regularly analyzes its portfolio and assesses possible growth and synergy potential. Company disposals are also part of this M&A strategy. In this context, the Group sold parts of its travel portfolio (Etraveli, COMVEL) in the past year and restructured the commerce portfolio under the umbrella of NuCom Group. The aim is to establish a leading European omnichannel network for consumer services and lifestyle brands. One important step in this is the partnership with General Atlantic that ProSiebenSat.1 agreed for NuCom Group in February 2018 and implemented in April. In NuCom Group, ProSiebenSat.1 bundles strategic investments in largely digital commerce platforms, including Verivox, Parship, Elite Partner, Jochen Schweizer, and mydays. General Atlantic is one of the world's leading growth capital investors and holds a 25.1% stake in the portfolio of NuCom Group. The transaction was based on an enterprise value of EUR 1.8 billion.

In a first joint transaction, NuCom Group acquired additional shares in Verivox and PARSHIP ELITE Group in April 2018, which increased its shareholding to around 98% and around 94% respectively. In addition, NuCom Group acquired the remaining minority shares in SilverTours GmbH (billiger-mietwagen.de) and now owns 100% of the company. Another change in the commerce portfolio resulted from the acquisition of Aboalarm GmbH, which offers an online cancellation service.

As well as expanding the commerce portfolio, the Group also strengthened its ad-tech activities in the first quarter of 2018, including with its investment in Kairion (100%). Ad-tech forms the basis for automated and individualized buying and selling of advertising space and for real-time adjustment of it. The investments and activities in this area are consolidated in the Entertainment segment. The aim is to develop an ecosystem of leading technology providers and platforms in order to offer advertisers, agencies, and publishers an independent alternative to global players and thereby generate additional revenues. → Notes, Note 4 "Acquisitions, disposals and other transactions in connection with subsidiaries," page 29 → Notes, Note 11 "Events after the interim reporting period," page 39

Due to rounding, it is possible that individual figures in this Quarterly Statement do not add exactly to the totals shown and that the percentage figures presented do not reflect exactly the absolute figures they relate to.

GROUP EARNINGS

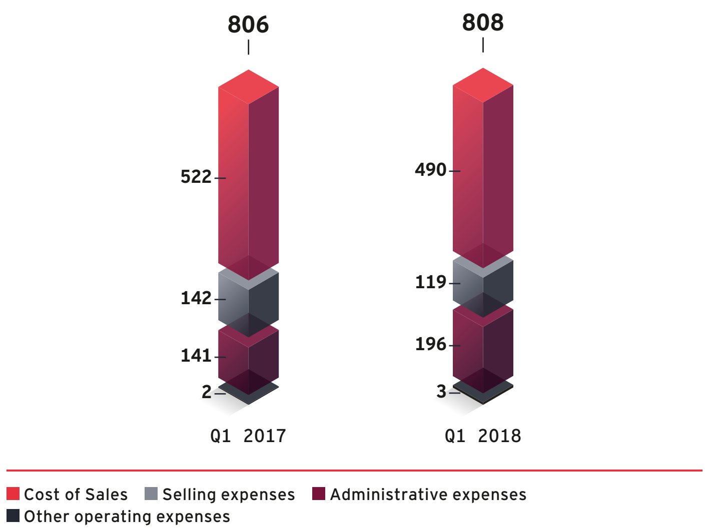
09 / RECONCILIATION OF THE INCOME STATEMENT
in EUR m

	Q1 2018 IFRS	Adjustments	Q1 2018 Adjusted
Revenues	881	-/-	881
Total costs	-808	-83	-725
thereof operating costs	-689	-/-	-689
thereof depreciation and amortization	-51	-15	-36
Other operating income	8	-/-	8
Operating profit (EBIT)	**81**	**-83**	**164**
Financial result	-35	-11	-24
Result before income taxes	46	-94	140
Income taxes	-16	26	-42
CONSOLIDATED NET PROFIT OF CONTINUING OPERATIONS	**30**	**-68**	**98**
Attributable to shareholders of ProSiebenSat.1 Media SE	27	-66	93[1]
Non-controlling interests	3	-2	4
Result before income taxes	46	-94	140
Financial result	-35	-11	-24
Operating profit (EBIT)	**81**	**-83**	**164**
Depreciation, amortization and impairments	-51	-15	-36
thereof from purchase price allocations	-12	-12	-/-
EBITDA	**133**	**-68**	**200[2]**

ProSiebenSat.1 Group also uses non-IFRS figures in the form of adjusted net income (1) and adjusted EBITDA (2). At the beginning of financial year 2017, ProSiebenSat.1 published a full income statement adjusted for certain influencing factors. This publication takes into account the development of reporting practices for non-IFRS figures and more stringent regulatory transparency requirements in this area.

In the first quarter of 2018, ProSiebenSat.1 Group's consolidated revenues amounted to EUR 881 million. They thus decreased by 3 % or EUR 28 million compared to the previous year, despite higher revenues in the Entertainment segment. There was a negative effect from the revenue development in the Commerce segment, where revenues declined year-on-year due to deconsolidations in the travel business. In addition, currency effects had a negative impact on the revenue development of the Group. Adjusted for consolidation effects and currency effects, revenues were slightly above previous year's level (+ 1 %). → Business Development of the Segments, page 9

10 / TOTAL COSTS in EUR m



11 / RECONCILIATION OF OPERATING COSTS
in EUR m

	Q1 2018	Q1 2017
Total costs	808	806
Expense adjustments	68	25
Depreciation, amortization and impairments[1]	51	54
Total costs	**689**	**727**

[1] Depreciation, amortization and impairment of other intangible assets and property, plant and equipment.

The Group's total costs were almost unchanged at EUR 808 million (previous year: EUR 806 million). Operating costs decreased by 5 % or EUR 39 million to EUR 689 million, partly due to consolidation effects. → Fig. 10 → Fig. 11

Due to lower operating costs, adjusted EBITDA increased by 7 % or EUR 13 million to EUR 200 million. The corresponding adjusted EBITDA margin improved to 22.7 % (previous year: 20.6 %). This development primarily reflects a positive margin effect in advertising revenues and higher distribution revenues with efficient cost management in the Entertainment segment. In addition, there was also a positive effect from the initial application of IFRS 16. → Business Development of the Segments, page 9

12 / CHANGES IN REPORTING STANDARDS

IFRS 16 is initially effective for the financial years commencing on or after January 1, 2019. ProSiebenSat.1 Group has exercised the option to early-adopt the standard and has initially applied IFRS 16 at January 1, 2018, using the modified retrospective transition approach. At ProSiebenSat.1 Group, the initial application primarily affects those leases classified as operating leases to this date. Further information is available in the → Annual Report 2017 starting on page 258 and in the → Notes, Note 2 "Changes in reporting standards," page 21.

Group EBITDA declined by 18 % year-on-year at EUR 133 million (previous year: EUR 163 million) and was characterized by reconciling items totaling minus EUR 68 million (previous year: EUR – 25 million). The relevant reconciling items were as follows → Fig. 13: Expenses of EUR 61 million (previous year: EUR 16 million) resulted from reorganizations. These were mainly attributable to restructuring measures to implement the three-pillar strategy and the associated bundling of resources in the Group, which are shown in the Entertainment segment. Costs in the amount of EUR 4 million (previous year: EUR 4 million) also resulted from M&A projects, which were mainly attributable to the Entertainment segment. Other EBITDA effects amounted to minus EUR 3 million (previous year: EUR – 5 million) and included valuation effects on cash-settled share-based payments (Group Share Plan) of minus EUR 2 million (previous year: EUR – 4 million). → Notes, Note 7 "Provisions, contingent liabilities and other financial obligations," page 35

13 / RECONCILIATION OF ADJUSTED EBITDA

in EUR m

	Q1 2018	Q1 2017
Result before income taxes	46	98
Financial result	– 35	– 11
Operating profit (EBIT)	**81**	**109**
Depreciation, amortization and impairments[1]	– 51	– 54
thereof from purchase price allocations	– 12	– 14
EBITDA	**133**	**163**
Reconciling items (net)[2]	– 68	– 25
Adjusted EBITDA	**200**	**188**

[1] Depreciation, amortization and impairment of other intangible assets and property, plant and equipment.
[2] Expense adjustments of EUR 68 million (previous year: EUR 25 million) less income adjustments of EUR 0 million (previous year: EUR 0 million).

The financial result amounted to minus EUR 35 million (previous year: EUR -11 million) and was characterized by opposite developments in the other financial result item. The other financial result amounted to minus EUR 10 million (previous year: EUR 13 million) and included impairments and reversals of impairment on financial assets of minus EUR 9 million (net) for the first quarter of 2018 (previous year: EUR 14 million). The largest individual effect was the impairment of shares in Vitafy (EUR 4 million). In the previous year, impairments on financial investments amounted to minus EUR 2 million. In addition, there were higher valuation adjustments of put option liabilities of minus EUR 9 million (previous year: EUR 6 million) in the first quarter of 2018. While the other financial result deteriorated for the reasons mentioned above, the interest result remained almost stable at minus EUR 23 million (previous year: EUR -22 million). As in the previous year, the result from investments accounted for using the equity method came to minus EUR 2 million (previous year: EUR -2 million). → Changes in the Scope of Consolidation, page 6

The developments described above resulted in pre-tax profit of EUR 46 million, representing a decrease of 53 % or EUR 52 million compared to the previous year. Income tax expenses amounted to EUR 16 million (previous year: EUR 31 million) with a tax rate of 34.5 % (previous year: 32 %). Consolidated net profit of continuing operations declined by 55 % to EUR 30 million (previous year: EUR 67 million) and consolidated net profit after non-controlling interests of continuing operations fell to EUR 27 million (previous year: EUR 64 million). → Notes, Note 5 "Income taxes," page 34

Reconciling items can influence or even overshadow operating performance; figures adjusted for such items therefore offer supplementary information for the assessment of the Company's operating performance. Net income adjusted for reconciling items (adjusted net income) rose by 6 % to EUR 93 million (previous year: EUR 88 million). Basic underlying earnings per share rose by 6 % to EUR 0.41 (previous year: EUR 0.39). In addition to valuation effects on financial investments, put options, and earn-out liabilities recognized in the other financial result item, the adjusted reconciling items also include expenses from reorganizations as well as valuation effects on the Group Share Plans. The reconciliation breaks down as follows: → Fig. 14 → Notes, Note 6 "Earnings per share," page 34

14 / RECONCILIATION OF ADJUSTED NET INCOME

in EUR m

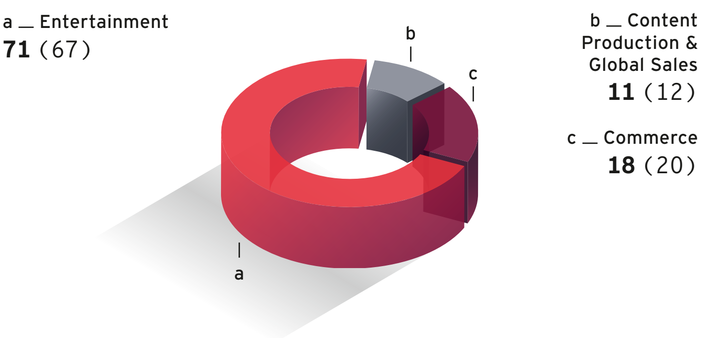
	Q1 2018	Q1 2017
Consolidated net profit after non-controlling interests	27	64
Other EBITDA adjustments	68	25
Amortization from purchase price allocations[1]	11	15
Impairments on other financial investments	6	2
Put options/earn-outs	6	– 7
Valuation effects from financial derivatives	0	– 1
Reassessment of tax risks	6	3
Other effects	– 2	– 1
Tax effects	– 26	– 9
Minority interests	– 2	– 2
Adjusted net income	**93**	**88**

[1] Including effects on associates consolidated using the equity method.

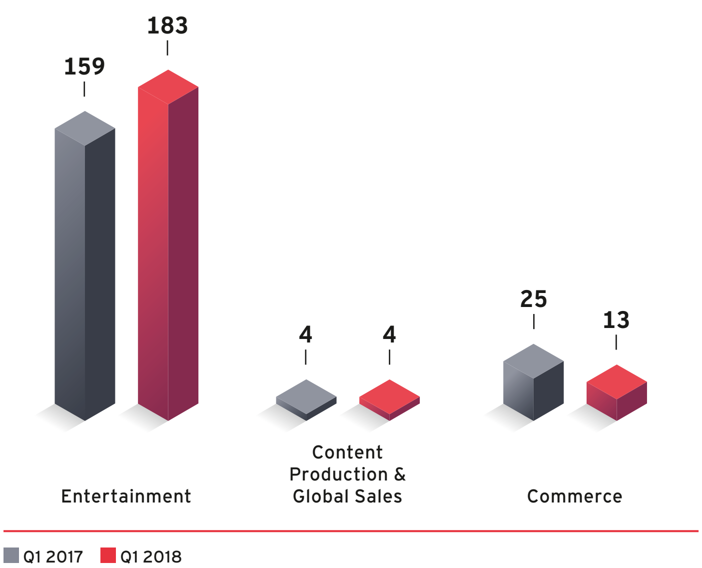
BUSINESS DEVELOPMENT OF THE SEGMENTS

15 / GROUP REVENUE SHARE BY SEGMENT

in %; 2017 figures in parentheses



16 / ADJUSTED EBITDA BY SEGMENT in EUR m



Entertainment Segment

External revenues in the Entertainment segment rose by 2 % and amounted to EUR 624 million in the first quarter of 2018 (previous year: EUR 612 million). The revenue growth is characterized by different effects and on the one hand reflects increased TV advertising revenues in the core market of Germany and in Austria. In total, revenues from the advertising business were stable at the previous year's level. On the other hand, distribution revenues increased. In addition, the ad-tech portfolio made a positive contribution to growth. → Notes, Note 3 "Segment reporting," page 27

Adjusted EBITDA increased by 15 % or EUR 24 million to EUR 183 million. The earnings performance was supported by a positive margin effect in advertising revenues and higher distribution revenues with efficient cost management, while the initial application of IFRS 16 also had a positive effect. In this context, the **adjusted EBITDA margin** also improved to 28.6 % (previous year: 25.3 %). In contrast, **EBITDA** decreased as a result of reconciling items and amounted to EUR 117 million (previous year: EUR 138 million). Reconciling expenses arose in connection with restructuring measures in the first quarter of 2018. → Group Earnings, page 7

17 / KEY FIGURES ENTERTAINMENT SEGMENT

in EUR m

	Q1 2018	Q1 2017
Segment revenues	**642**	628
External revenues	**624**	612
Internal revenues	**18**	15
EBITDA	**117**	138
Adjusted EBITDA	**183**	159
Adjusted EBITDA margin[1] (in %)	**28.6**	25.3

[1] Based on segment revenues.

Content Production & Global Sales Segment

The Content Production & Global Sales segment saw a decline in **external revenues** by 13 % to EUR 97 million in the first quarter of 2018 (previous year: EUR 112 million). This was firstly due to currency effects that had a negative impact on the revenues of the US portfolio. Secondly, a continuing demanding environment in the US production market led to a decline in segment revenues compared to the same period of the previous year. By contrast, global sales business developed positively, with the initial consolidation of the US film distributor Gravitas Ventures since November 2017 having a positive impact. → Notes, Note 3 "Segment reporting," page 27

Adjusted EBITDA was on a par with the previous year at EUR 4 million, with a corresponding **adjusted EBITDA margin** of 3.7 % (previous year: 3.3 %). As a result of lower M&A costs, **EBITDA** posted an increase of EUR 2 million and also amounted to EUR 4 million.

18 / KEY FIGURES CONTENT PRODUCTION & GLOBAL SALES SEGMENT in EUR m

	Q1 2018	Q1 2017
Segment revenues	**110**	133
External revenues	**97**	112
Internal revenues	**12**	21
EBITDA	**4**	2
Adjusted EBITDA	**4**	4
Adjusted EBITDA margin[1] (in %)	**3.7**	3.3

[1] Based on segment revenues.

Commerce Segment

External revenues in the Commerce segment decreased by 14 % at EUR 159 million in the first quarter of 2018 (previous year: EUR 185 million). The revenue development particularly reflects the deconsolidation of the online travel agency Etraveli in the third quarter of 2017 and the sale of COMVEL in the fourth quarter of 2017. By contrast, the initial consolidation of Jochen Schweizer had a positive impact, albeit on a considerably smaller scale. The Lifestyle Commerce assets Flaconi and Amorelie and the online dating platforms Parship and ElitePartner also made substantial contributions to organic growth. → Notes, Note 3 "Segment reporting," page 27

Adjusted EBITDA decreased to EUR 13 million (previous year: EUR 25 million) while the **adjusted EBITDA margin** amounted to 8.2 % (previous year: 13.2 %). **EBITDA** also fell by 46 % or EUR 10 million to EUR 12 million. In addition to the deconsolidation of Etraveli, the earnings development was also attributable to higher costs.

19 / KEY FIGURES COMMERCE SEGMENT in EUR m

	Q1 2018	Q1 2017
Segment revenues	**159**	186
External revenues	**159**	185
Internal revenues	**0**	0
EBITDA	**12**	23
Adjusted EBITDA	**13**	25
Adjusted EBITDA margin[1] (in %)	**8.2**	13.2

[1] Based on segment revenues.

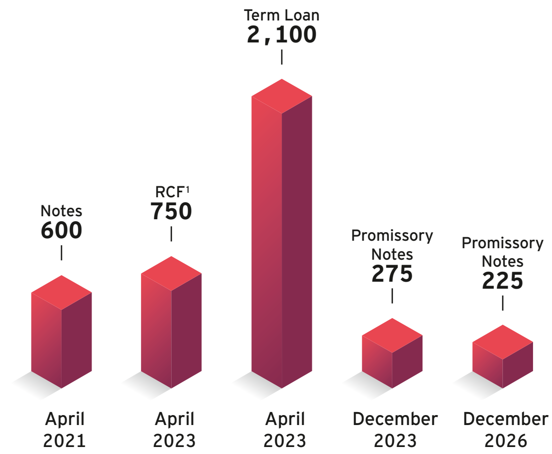
GROUP FINANCIAL POSITION AND PERFORMANCE

Borrowings and Financing Structure

ProSiebenSat.1 Group uses various financing instruments and practices active financial management. As of March 31, 2018, debt accounted for 81 % of total equity and liabilities (December 31, 2017: 81 %). The majority of this was attributable to current and non-current financial liabilities. As of March 31, 2018, they amounted to EUR 3,183 million or 59 % (December 31, 2017: 60 %).

The Group continuously monitors and assesses developments on the money and capital markets. In March 2018, ProSiebenSat.1 extended the duration of the syndicated term loan and the syndicated revolving credit facility (RCF) by one year at a time. → Fig. 20 → Further information on the financing instruments can be found on pages 142–143 of the Annual Report 2017

20 / DEBT FINANCING INSTRUMENTS AND MATURITIES AS OF MARCH 31, 2018 in EUR m



[1] Not drawn.

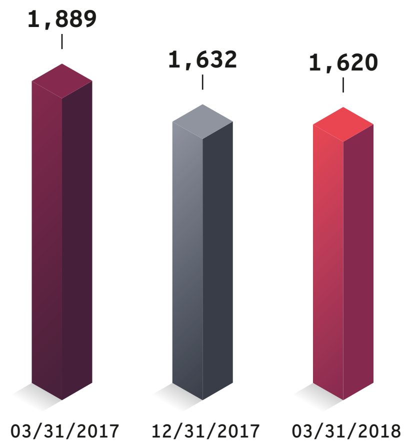
Rating agencies do not take ProSiebenSat.1 Group's loan agreement or notes into account in their credit ratings. For this reason, no corresponding statements are made here.

Interest payable on the term loan and the RCF is variable and based on Euribor money market rates plus an additional credit margin. The Group uses derivative financial instruments in the form of interest rate swaps and interest rate options to hedge against interest rate changes caused by the market. The proportion of fixed interest was approximately 98 % of the entire long-term financing portfolio as of March 31, 2018 (December 31, 2017: approx. 98 %; March 31, 2017: 98 %). The average fixed rate of the interest rate swaps was 1.9 % per annum as of March 31, 2018. The average interest rate ceiling of the interest rate caps was 0.0 % per annum. → Analysis of Assets and Capital Structure, page 12

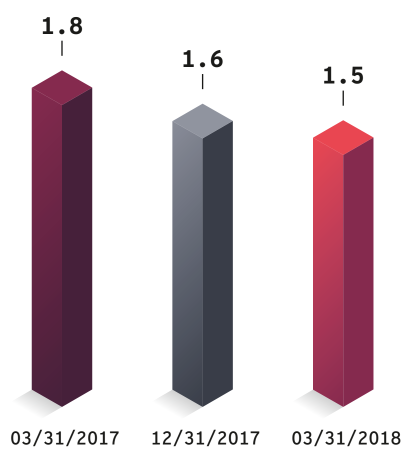
As of March 31, 2018, net financial debt fell to EUR 1,620 million (December 31, 2017: EUR 1,632 million; March 31, 2017: EUR 1,889 million). The leverage ratio was thus at the lower end of the target range at 1.5 (December 31, 2017: 1.6; March 31, 2017: 1.8). → Fig. 21 → Fig. 22 → Analysis of Liquidity and Capital Expenditure, page 11

As of March 31, 2018, the definition of ProSiebenSat.1's net financial debt does not include lease liabilities according to IFRS 16 in the amount of EUR 167 million.

21 / **NET FINANCIAL DEBT**[1] in EUR m



22 / **LEVERAGE FACTOR**[1] in EUR m



[1] After reclassification of cash and cash equivalents of companies held for sale due to portfolio adjustment. Net financial debt is defined as total borrowings minus cash and cash equivalents and certain current financial assets. The leverage ratio is derived by calculating the ratio of net financial debt to adjusted EBITDA of the last twelve months (LTM adjusted EBITDA).

The leverage ratio is a key indicator for Group-wide financial and investment planning. It reflects the ratio of net debt to adjusted EBITDA over the last twelve months (LTM adjusted EBITDA). The target is a ratio between 1.5 and 2.5 at the end of the relevant year. The target range may be exceeded for a short period of time as a result of fluctuations during the year.

Analysis of Liquidity and Capital Expenditure

23 / **STATEMENT OF CASH FLOWS** in EUR m

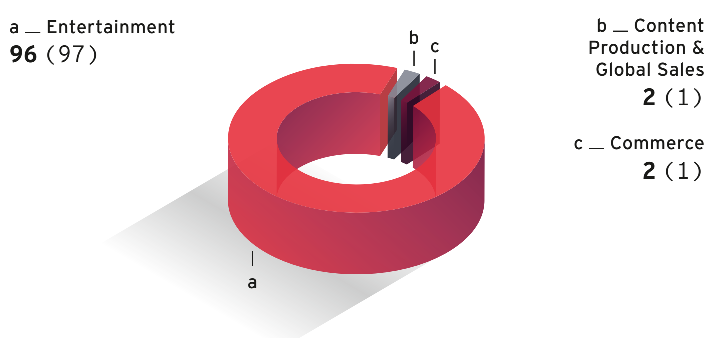
	Q1 2018	Q1 2017
Result from continuing operations	**30**	**67**
Cash flow from operating activities of continuing operations	**341**	**303**
Cash flow from investing activities of continuing operations	**-285**	**-320**
Free cash flow of continuing operations	**56**	**-17**
Cash flow from financing activities of continuing operations	**-32**	**43**
Effect of foreign exchange rate changes on cash and cash equivalents	-8	-2
Change in cash and cash equivalents total	17	24
Cash and cash equivalents at the beginning of reporting period	1,559[1]	1,271
Cash and cash equivalents available for sale at the end of the reporting period	13	-/-
Cash and cash equivalents at the end of reporting period[2]	**1,562**	1,296

[1] Includes the cash and cash equivalents of the companies held for sale.
[2] Cash and cash equivalents shown in the statement of cash flows correspond to the cash and cash equivalents reported on the statement of financial position as of the respective closing date.

In the first quarter of 2018, ProSiebenSat.1 Group generated **cash flow from operating activities** of EUR 341 million (previous year: EUR 303 million). This increase primarily resulted from the development of working capital. The main reasons for this were a higher reduction of receivable portfolios and changes in liabilities. In addition, lower tax payments had a positive impact on the operating cash flow.

24 / **INVESTMENTS BY SEGMENT**[1]

in %, previous year's figures in parentheses



[1] Investments by segment before M&A activities.

Investing activities resulted in a cash outflow of EUR 285 million for the first quarter of 2018 (previous year: EUR -320 million), representing a decrease of 11%. The **cash flow from investing activities** was influenced by the following developments:

- Cash outflow from additions to the scope of consolidation amounted to EUR 25 million (previous year: EUR 36 million). In the first quarter of 2018, this included purchase price payments for the online cancellation service Aboalarm and the e-commerce marketer Kairion and deferred purchase price payments for the US production companies Fabrik and Kinetic. The previous year's figure particularly included the purchase price payment for the acquisition of the Austrian broadcasting group ATV in the amount of EUR 28 million.

- The cash outflow for the acquisition of programming rights amounted to EUR 227 million. This equates to a decrease of 9% or EUR 24 million. The programming investments were made in the Entertainment segment again, with 55% being used for licensed programming (previous year: 61%) and 44% for commissioned productions (previous year: 38%).

- Investments in property, plant and equipment amounted to EUR 8 million and thus remained at the previous year's level (previous year: EUR 8 million). Most of this was attributable to the Entertainment segment (2018: 86%, previous year: 67%) and was related to technical facilities and leasehold improvements at the Unterföhring site. In the first quarter of 2018, a total of EUR 26 million went on other intangible assets (+15% or EUR 3 million year-on-year). The Group invested in other intangible assets primarily in the Entertainment segment (2018: 67%, previous year: 77%).

The **free cash flow** for the first quarter of 2018 increased by EUR 73 million to EUR 56 million. The main reasons for this increase are the development of working capital, lower investments in programming assets and a year-on-year decrease in the cash outflow from additions to the scope of consolidation. In this context, the free cash flow before M&A measures also increased significantly to EUR 87 million (previous year: EUR 30 million).

Cash flow from financing activities amounted to minus EUR 32 million and was caused by opposing effects: The purchase price payment for further shares in Sonoma Internet GmbH led to a cash outflow of EUR 21 million. Payments for lease liabilities increased by EUR 7 million to EUR 10 million. This development is attributable to the initial application of IFRS 16 and the associated change in the classification of lease payments. For the previous year, the Group reported a cash inflow of EUR 43 million. At the beginning of 2017, the Group added two partners, TF1 Group and Mediaset, for Studio71 and thereby generated a cash inflow of EUR 52 million. → Notes, Note 2 "Changes in reporting standards," page 21

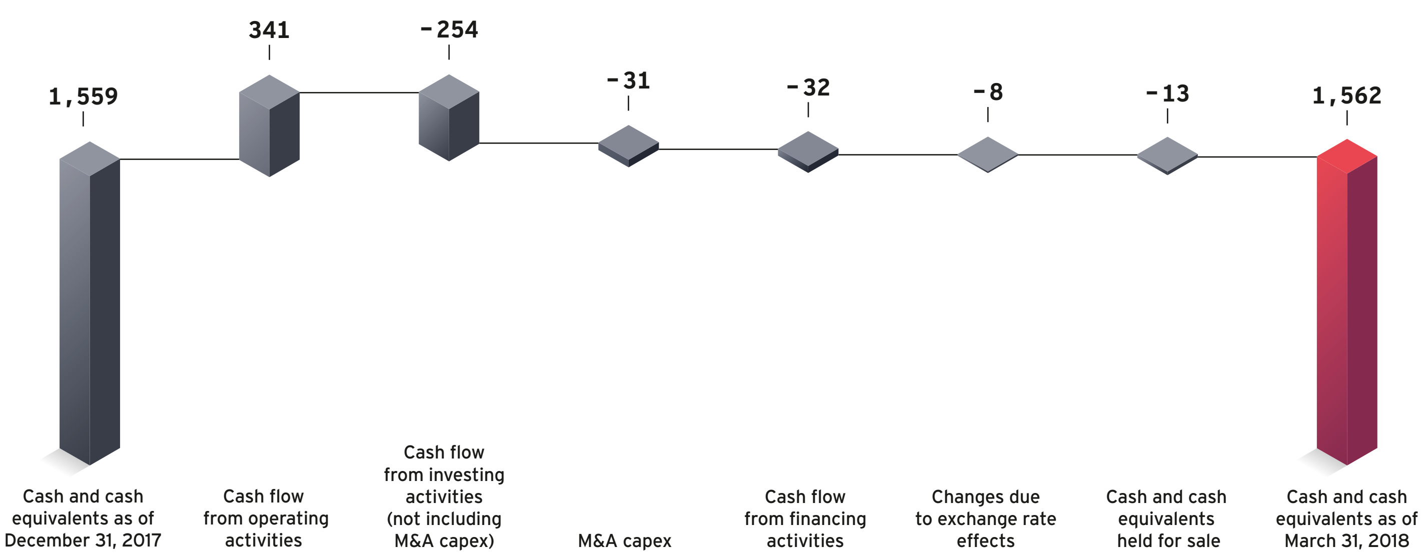
The cash flows described resulted in an increase in **cash and cash equivalents** of 21% or EUR 267 million year-on-year to EUR 1,562 million. The Group thus has a comfortable level of liquidity. → Fig. 25

Analysis of Assets and Capital Structure

With an equity ratio of 19%, ProSiebenSat.1 Group still has a solid asset and capital structure (December 31, 2017: 19%). **Total assets** amounted to EUR 6,619 million as of March 31, 2018 (+1% or EUR 50 million). The key items in the statement of financial position are described below: → Fig. 26

i In accordance with IFRS 5, assets and liabilities held for sale due to portfolio adjustments are reported separately in the statement of financial position.

25 / **CHANGE IN CASH AND CASH EQUIVALENTS** in EUR m



- **Current and non-current assets:** Goodwill amounted to EUR 1,839 million (December 31, 2017: EUR 1,831 million). Its share in total assets remained unchanged at 28 %. Other intangible assets also recorded a stable development, amounting to EUR 749 million (December 31, 2017: EUR 745 million). This figure is influenced by the initial consolidation of Kairion GmbH and Aboalarm GmbH. By contrast, property, plant and equipment saw a significant increase. It rose by 48 % or EUR 98 million to EUR 303 million. This was due to the capitalization of leased property, plant and equipment as a result of applying the new reporting standard IFRS 16 for the first time as of January 2018.

  Other non-current financial and non-financial assets fell by 4 % to EUR 171 million (December 31, 2017: EUR 179 million). This decrease was primarily due to valuation effects from currency hedging instruments, which were partly offset by new media-for-equity and fund investments. Other current financial and non-financial assets came to EUR 108 million (December 31, 2017: EUR 105 million). While other financial and non-financial assets increased in total, current trade receivables fell by 14 % or EUR 69 million to EUR 432 million.

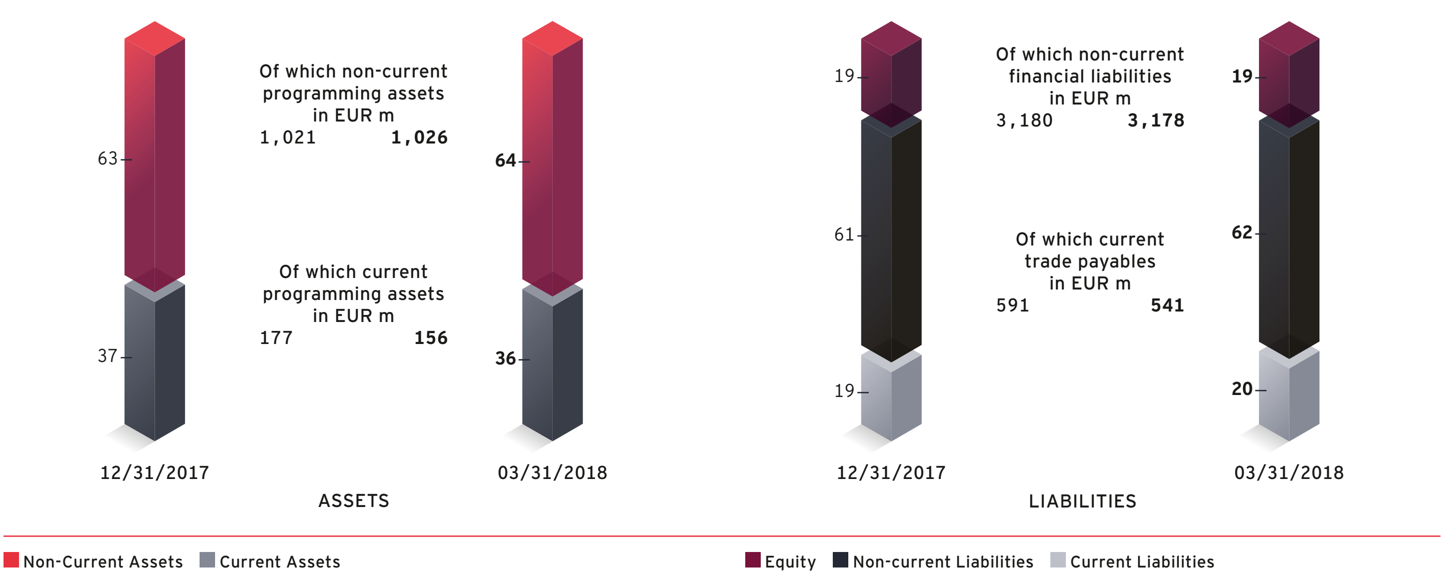
  In addition to goodwill, programming assets are among ProSiebenSat.1's most important assets and comprise non-current and current programming assets. They amounted to EUR 1,183 million (December 31, 2017: EUR 1,198 million), corresponding to an unchanged share of total assets of 18 % (December 31, 2017: 18 %).

  Cash and cash equivalents remained stable compared to the end of the year. They amounted to EUR 1,562 million (previous year: EUR 1,552 million) and reflect the development of cash flow.

- **Equity:** The equity ratio came to 19 % (December 31, 2017: 19 %), with equity of EUR 1,225 million (previous year: EUR 1,252 million). This development was due to the decrease in currency hedging effects recognized outside profit or loss, while the positive consolidated net profit strengthened the equity base.

- **Current and non-current liabilities:** Debt increased by 1 % to EUR 5,394 million compared to the closing date in 2017 (December 31, 2017: EUR 5,317 million). The main reason for the increase is the rise in other current provisions by EUR 54 million to EUR 161 million (December 31, 2017: EUR 107 million). This was attributable to restructuring measures to implement the three-pillar strategy and the associated bundling of resources in the Group, which are shown in the Entertainment segment. The rise in lease liabilities as a result of applying IFRS 16 for the first time is offset by a decrease in trade payables. Non-current and current financial liabilities reported in debt totaled EUR 3,183 million (December 31, 2017: EUR 3,185 million).

26 / STRUCTURE OF THE STATEMENT OF FINANCIAL POSITION in percent



RISK AND OPPORTUNITY REPORT

We estimate that there are currently no risks that, individually or in combination with other risks, could have a material or lasting adverse effect on the earnings, financial position and performance. The identified risks pose no threat to the Company as a going concern, even looking into the future. The overall risk situation remains limited, although there was a change in one risk in the first quarter of 2018 compared to December 31, 2017. In this context, the Group's overall risk situation has not changed significantly compared to the end of 2017. This same applies to the opportunity situation.

General compliance: Targeted advertising online, on mobile apps and in HbbTV is based on tracking technology and a legal situation that may be prejudiced by the General Data Protection Regulation that will come into force on May 25, 2018. The effects of the General Data Protection Regulation are still being hotly debated as regards the issue of the extent to which users' explicit consent must be obtained for the profiling performed by tracking technologies and how this must be arranged, particularly in light of the announcements by Google in March 2018 and an announced statement by the Data Protection Conference for 2018. However, ProSiebenSat.1 has taken early measures to minimize the risk.

In March 2018, we established our Log-in Alliance netID in order to create the infrastructure for potentially expanded permissions management in accordance with the General Data Protection Regulation, as well as in accordance with a future ePrivacy Regulation for targeted advertising. We are continuing to monitor the current developments closely, in particular with regard to the General Data Protection Regulation, and are preparing to be able to react optimally and immediately to expected and unexpected conditions in order to minimize the financial risk. However, we cannot completely rule out a high negative impact on the Group's earnings performance in this context. We now consider the occurrence of the compliance risk to be possible (previously: unlikely) and classify the risk as slightly increased. We still classify the overall risk as a medium risk.

The risks and opportunities identified as significant are described in the Annual Report 2017 from page 162. The organizational requirements for risk and opportunity management are also explained here. The Annual Report was published on March 15, 2018, and is available at → http://www.prosiebensat1.com/en/investor-relations/publications/results.

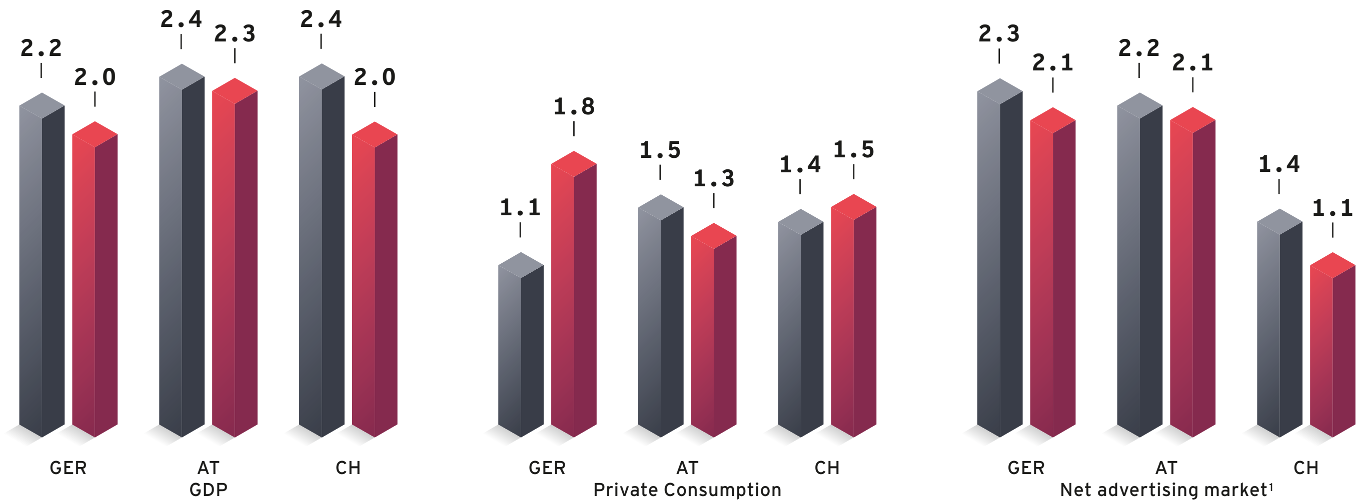
OUTLOOK

FUTURE BUSINESS AND INDUSTRY ENVIRONMENT

The leading German research institutes expect the German economy to continue its robust upward trend over the rest of 2018. The economic research institutes of the Joint Economic Analysis Group anticipate growth in GDP of 2.2 % (previously 2.2 %); growth expectations for private consumption are 1.1 %. Retail revenues are expected to see a nominal increase of 2.0 % (German Retail Federation, HDE). The growth rates that have been forecast for 2019 are similarly high. For the eurozone, the International Monetary Fund (IMF) anticipates growth of 2.4 % for 2018 (previous year: 2.3 %); the global economy is likely to expand by 3.9 % (previous year: 3.8 %). However, institutes see considerable forecast risks, especially in the external economic environment. → Development of Economy and Advertising Market, page 5

The German net TV advertising market drew less benefit from the positive macroeconomic data in 2017. This was due to sector-specific developments, whose duration and impact cannot yet be conclusively assessed. However, the slowdown did not affect the TV advertising market in Germany alone, but the entire European advertising market. Against this backdrop, research institutes now forecast net TV market growth of between 1.0 % and 3.5 % in the 2018 year of sport (WARC: 3.5 %, ZenithOptimedia: 2.8 %, Magna Global: 1.0 %). For 2018, the institutes anticipate net growth of the German overall advertising market of between 1.7 % and 2.3 % (WARC: 2.3 %, ZenithOptimedia: +2.3 %,

27 / **FORECAST FOR GDP, PRIVATE CONSUMPTION AND NET ADVERTISING MARKET IN COUNTRIES IMPORTANT FOR PROSIEBENSAT.1** in %, change vs. previous year



2018 2019

Source: **GER:** : Joint Economic Analysis Group, Spring 2018. / **AT:** European Commission, European Economic Forecast, Autumn 2017.
CH: SECO Economic Forecast March 2018.
[1] ZenithOptimedia, advertising expenditure forecast March 2018, figures adjusted on a net basis, nonetheless methodological differences between different countries and sources.

Magna Global: 1.7 %). In-stream video advertising is likely to develop dynamically and drive growth on the online advertising market. The research insitutes expect the online advertising market in Germany to record net growth of around 7 % (WARC: 6.1 %, ZenithOptimedia: 8.0 %, Magna Global: 8.7 %). → Development of Economy and Advertising Market, page 5

COMPANY OUTLOOK

ProSiebenSat.1 is confirming its financial targets for the full-year, which the Group published at the Annual Press Conference on February 22, 2018, and in the Annual Report 2017 on March 15, 2018. The Company continues to expect an increase of its revenues by a low to mid single-digit percentage in 2018. The adjusted EBITDA margin is expected to stay in the mid-20 percent range and thus at the previous year's level. Due to the consolidation effects from transactions since the start of 2017 and a deviating seasonality of program costs, ProSiebenSat.1 Group expects a decline in adjusted EBITDA in the second and third quarter of 2018 compared to the respective previous year's quarter together with a counter-balancing positive earnings effect in the fourth quarter. With regard to adjusted net income in the full year, ProSiebenSat.1 continues to anticipate a conversion rate of adjusted EBITDA to adjusted net income of around 50 %. Additional contributions from acquisitions that may take place this year are not yet included in this financial outlook.

The company has published detailed explanatory notes on the forecast and the anticipated Group and segment key figures on → pages 168 and 169 of the Annual Report 2017.

28 / **PREDICTIVE STATEMENTS**

Forecasts are based on current assessments of future developments. In this context, we draw on our budget planning and comprehensive market and competitive analyses. The forecasted values are cal-cu-lated in accordance with the reporting principles used in the financial statements and are consistent with the adjustments described in the Management Report. However, forecasts naturally entail some uncer-tainties that could lead to positive or negative deviations from planning. If imponderables occur or if the assumptions on which the predictive statements are made no longer apply, actual results may deviate materially from the statements made or the results implicitly expressed. Developments that could nega-tively impact this forecast include, for example, lower economic momentum than expected at the time this report was prepared. These and other factors are explained in detail in the Risk- and Opportunity Report. There we also report on additional growth potential; opportunities that we have not yet or not fully budgeted for could arise from corporate strategy decisions, for example. Potential risks are ac-counted for regularly and systematically as part of the Group-wide risk management process. Significant events after the end of the reporting period are explained in the → Notes, Note 11 "Events after the interim reporting period", page 39. The publication date of the Quarterly Statement for the first quarter of 2018 is May 9, 2018.

B / INTERIM CONSOLIDATED FINANCIAL STATEMENTS

INCOME STATEMENT

29 / INCOME STATEMENT OF PROSIEBENSAT.1 GROUP in EUR m

	Q1 2018	Q1 2017
CONTINUING OPERATIONS		
1. Revenues	881	910
2. Cost of sales	- 490	- 522
3. Gross profit	**392**	**388**
4. Selling expenses	- 119	- 142
5. Administrative expenses	- 196	- 141
6. Other operating expenses	- 3	- 2
7. Other operating income	8	5
8. Operating result	**81**	**109**
9. Interest and similar income	1	0
10. Interest and similar expenses	- 23	- 22
11. Interest result	- 23	- 22
12. Result from investments accounted for using the equity method	- 2	- 2
13. Other financial result	- 10	13
14. Financial result	**- 35**	**- 11**
15. Result before income taxes	**46**	**98**
16. Income taxes	-16	-31
RESULT FOR THE PERIOD FROM CONTINUING OPERATIONS	**30**	**67**
Attributable to shareholders of ProSiebenSat.1 Media SE	27	64
Non-controlling interests	3	2
in EUR		
Earnings per share from continuing operations		
Basic earnings per share	0.12	0.28
Diluted earnings per share	0.11	0.28

STATEMENT OF COMPREHENSIVE INCOME

30 / STATEMENT OF COMPREHENSIVE INCOME OF PROSIEBENSAT.1 GROUP in EUR m

	Q1 2018	Q1 2017
Result for the period	**30**	**67**
Items subsequently reclassified to profit or loss		
Change in foreign currency translation adjustment	– 11	– 6
Changes in fair value of cash flow hedges	– 56	– 38
Deferred tax on other comprehensive income	16	11
Other comprehensive income for the period	**– 51**	**– 33**
Total comprehensive income for the period	**– 21**	**33**
Attributable to Shareholders of ProSiebenSat.1 Media SE	– 24	31
Non-controlling interests	3	2

STATEMENT OF FINANCIAL POSITION

31 / STATEMENT OF FINANCIAL POSITION OF PROSIEBENSAT.1 GROUP in EUR m

		03/31/2018	12/31/2017
A.	**Non-current assets**		
I.	Goodwill	1,839	1,831
II.	Other intangible assets	749	745
III.	Property, plant and equipment	303	205
IV.	Investments accounted for using the equity method	97	108
V.	Non-current financial assets	168	175
VI.	Programming assets	1,026	1,021
VII.	Other receivables and non-current assets	3	4
VIII.	Deferred tax assets	43	34
		4,228	**4,123**
B.	**Current assets**		
I.	Programming assets	156	177
II.	Inventories	37	39
III.	Current financial assets	42	52
IV.	Trade receivables	432	501
V.	Current tax assets	61	41
VI.	Other receivables and current assets	66	53
VII.	Cash and cash equivalents	1,562	1,552
VIII.	Assets held for sale	34	32
		2,391	**2,446**
	Total assets	**6,619**	**6,569**

		03/31/2018	12/31/2017
A.	**Equity**		
I.	Subscribed capital	233	233
II.	Capital reserves	1,056	1,055
III.	Consolidated equity generated	102	79
IV.	Treasury shares	-13	-13
V.	Accumulated other comprehensive income	-67	-16
VI.	Other equity	-114	-113
	Total equity attributable to shareholders of ProSiebenSat.1 Media SE	1,196	1,225
VII.	Non-controlling interests	30	26
		1,225	**1,252**
B.	**Non-current liabilities**		
I.	Non-current financial debt	3,178	3,180
II.	Other non-current financial liabilities	547	473
III.	Trade payables	44	50
IV.	Other non-current liabilities	9	7
V.	Provisions for pensions	29	27
VI.	Other non-current provisions	50	46
VII.	Deferred tax liabilities	246	253
		4,102	**4,036**
C.	**Current liabilities**		
I.	Current financial debt	5	4
II.	Other current financial liabilities	182	145
III.	Trade payables	497	541
IV.	Other current liabilities	317	357
V.	Provisions for taxes	109	120
VI.	Other current provisions	161	107
VII.	Liabilities associated with assets held for sale	22	6
		1,292	**1,281**
	Total equity and liabilities	**6,619**	**6,569**

CASH FLOW STATEMENT

32 / CASH FLOW STATEMENT OF PROSIEBENSAT.1 GROUP in EUR m

	Q1 2018	Q1 2017
Result from continuing operations	**30**	**67**
Income taxes	16	31
Financial result	35	11
Depreciation/amortization and impairment of other intangible and tangible assets	51	54
Consumption/reversal of impairment of programming assets	240	262
Change in provisions for pensions and other provisions	64	3
Gain/loss on the sale of assets	– 2	– 1
Other non-cash income/expenses	1	1
Change in working capital	– 43	– 69
Dividends received	6	7
Income tax paid	– 47	– 51
Interest paid	– 11	– 11
Interest received	0	0
Cash flow from operating activities of continuing operations	**341**	**303**
Proceeds from disposal of non-current assets	12	0
Payments for the acquisition of other intangible and tangible assets	– 33	– 30
Payments for the acquisition of financial assets	– 19	– 10
Proceeds from disposal of programming assets	4	8
Payments for the acquisition of programming assets	– 227	– 251
Cash flows from obtaining control of subsidiaries and other businesses (net of cash and cash equivalents acquired)	– 25	– 36
Cash flows from losing control of subsidiaries and other businesses (net of cash and cash equivalents disposed of)	2	0
Cash flow from investing activities of continuing operations	**– 285**	**– 320**
Free cash flow of continuing operations	**56**	**– 17**
Repayment of interest-bearing liabilities	0	– 7
Proceeds from issuance of interest-bearing liabilities	1	5
Repayment of lease liabilities	– 10	– 4
Proceeds from the sale of treasury shares	–/–	0
Proceeds from the sale of shares in other entities without change in control	–/–	54
Payments for shares in other entities without change in control	– 21	0
Dividend payments to non-controlling interests	– 1	– 5
Cash flow from financing activities of continuing operations	**– 32**	**43**
Effects of foreign exchange rate changes on cash and cash equivalents	– 8	– 2
Change in cash and cash equivalents total	**17**	**24**
Cash and cash equivalents at beginning of reporting period	1,559 [1]	1,271
Cash and cash equivalents at end of reporting period	**1,576 [1]**	**1,296**
Cash and cash equivalents classified under assets held for sale at end of reporting period	13	–/–
Cash and cash equivalents of continuing operations at end of reporting period (statement of financial position)	**1,562**	**1,296**

[1] Includes cash and cash equivalents from held for sale entities.

STATEMENT OF CHANGES IN EQUITY

33 / STATEMENT OF CHANGES IN EQUITY OF PROSIEBENSAT.1 GROUP Q1 2017 in EUR m

					Accumulated other comprehensive income							
	Subscribed capital	Capital reserves	Consolidated equity generated	Treasury shares	Foreign currency translation adjustment	Fair value changes of cash flow hedges	Valuation of provisions for pensions	Deferred taxes	Other equity	Total equity attributable to shareholders of ProSiebenSat.1 Media SE	Non-controlling interests	Total equity
December 31, 2016	233	1,054	42	-14	18	221	-9	-59	-79	1,408	24	1,432
Result for the period	-/-	-/-	64	-/-	-/-	-/-	-/-	-/-	-/-	64	2	67
Other comprehensive income	-/-	-/-	-/-	-/-	-5	-38	-/-	11	-/-	-33	0	-33
Total comprehensive income	**-/-**	**-/-**	**64**	**-/-**	**-5**	**-38**	**-/-**	**11**	**-/-**	**31**	**2**	**33**
Dividends	-/-	-/-	-/-	-/-	-/-	-/-	-/-	-/-	-/-	-/-	-5	-5
Share-based payments	-/-	0	-/-	0	-/-	-/-	-/-	-/-	-/-	1	-/-	1
Other changes	-/-	0	0	-/-	-/-	-/-	-/-	-/-	4	4	4	8
March 31, 2017	**233**	**1,054**	**107**	**-14**	**13**	**183**	**-9**	**-49**	**-75**	**1,444**	**25**	**1,469**

34 / STATEMENT OF CHANGES IN EQUITY OF PROSIEBENSAT.1 GROUP Q1 2018 in EUR m

					Accumulated other comprehensive income							
	Subscribed capital	Capital reserves	Consolidated equity generated	Treasury shares	Foreign currency translation adjustment	Fair value changes of cash flow hedges	Valuation of provisions for pensions	Deferred taxes	Other equity	Total equity attributable to shareholders of ProSiebenSat.1 Media SE	Non-controlling interests	Total equity
December 31, 2017	233	1,055	79	-13	-14	7	-9	1	-113	1,225	26	1,252
Change in reporting standards	-/-	-/-	-5	-/-	-/-	-/-	-/-	-/-	-/-	-5	-/-	-5
January 1, 2018	**233**	**1,055**	**74**	**-13**	**-14**	**7**	**-9**	**1**	**-113**	**1,221**	**26**	**1,247**
Result for the period	-/-	-/-	27	-/-	-/-	-/-	-/-	-/-	-/-	27	3	30
Other comprehensive income	-/-	-/-	-/-	-/-	-11	-56	-/-	16	-/-	-51	0	-51
Total comprehensive income	**-/-**	**-/-**	**27**	**-/-**	**-11**	**-56**	**-/-**	**16**	**-/-**	**-24**	**3**	**-21**
Dividends	-/-	-/-	-/-	-/-	-/-	-/-	-/-	-/-	-/-	-/-	-1	-1
Other changes	-/-	0	0	-/-	-/-	-/-	-/-	-/-	-1	-1	1	0
March 31, 2018	**233**	**1,056**	**102**	**-13**	**-25**	**-49**	**-9**	**17**	**-114**	**1,196**	**30**	**1,225**

NOTES TO THE INTERIM FINANCIAL STATEMENT OF PROSIEBENSAT.1 GROUP AT MARCH 31, 2018

1 / General principles

The interim consolidated financial statements of ProSiebenSat.1 Media SE and its subsidiaries (together "the Company," "the Group" or "ProSiebenSat.1 Group") as of March 31, 2018, were prepared in accordance with the IFRS applicable to interim reporting as published by the IASB and applicable in the EU and should be read in conjunction with the consolidated financial statements as of December 31, 2017.

The accounting principles applied to the interim consolidated financial statements as of March 31, 2018, except for the first-time application of IFRS 9 "Financial Instruments", IFRS 15 "Revenue from Contracts with Customers", and IFRS 16 "Leases" described in → Note 2 "Changes in reporting standards", are the same as for the consolidated financial statements for the financial year 2017.

The Group's core business is subject to significant seasonal fluctuations. The results for the first three months of the financial year 2018 therefore do not necessarily permit predictions as to future business performance.

As announced in the consolidated financial statements as of December 31, 2017, ProSiebenSat.1 Group adjusted its segment structure as of January 1, 2018 → see Note 2 "Segment Reporting" in the Notes to the consolidated financial statements as of December 31, 2017. The comparative information for the first quarter 2017 was adjusted accordingly. → see Note 3 "Segment reporting" in the Notes to these interim consolidated financial statements

Due to a change in estimate for the determination of regular consumption for certain programming asset rights, the Group expects additional expenditure in the low double-digit millions for the entire financial year 2018 for these rights, based on current programming. However, the Group also expects counter-effects from programming adjustments.

Due to rounding, it is possible that individual figures in these interim consolidated financial statements do not add exactly to the totals shown and that the percentage figures presented do not reflect exactly the absolute figures they relate to.

2 / Changes in reporting standards

Since January 1, 2018, ProSiebenSat.1 Group is applying the following standards, as adopted by the IASB and transposed into European law, for the first time:

- IFRS 9 "Financial Instruments"
- IFRS 15 "Revenue from Contracts with Customers"
- IFRS 16 "Leases"

The effects of the first-time application of these provisions on the consolidated financial statements of ProSiebenSat.1 Group are presented below.

IFRS 9 "FINANCIAL INSTRUMENTS"

The IASB published the final version of IFRS 9 "Financial Instruments" in July 2014. This version replaces the previous standard IAS 39 "Financial Instruments: Recognition and Measurement" as well as all previous versions of IFRS 9 and was adopted into European law on November 29, 2016.

IFRS 9 is mandatorily applicable for financial years commencing on or after January 1, 2018. There has been no early application. The Group applies IFRS 9 prospectively and therefore for the first time as of January 1, 2018.

With IFRS 9 entering into force, additional disclosures pursuant to IFRS 7 "Financial Instruments: Disclosures" are required as well. They relate in particular to disclosures on impairments of financial instruments and hedge accounting. The Group will report these additional disclosures in their entirety for the first time in the consolidated financial statements as of December 31, 2018.

Classification and measurement of financial instruments

ProSiebenSat.1 Group has been prospectively applying the provisions of IFRS 9 regarding the classification and measurement of financial instruments and impairment of financial assets since the date of initial adoption on January 1, 2018. The first-time application of these provisions has not had any significant effects on the earnings, financial position and performance of the Group. Applying the relief provisions of the standard, the figures for the previous year have not been adjusted.

Financial assets are initially classified as assets "to be measured at fair value" and "to be measured at amortized cost", depending on the business model and the contractually stipulated cash flows of the respective financial instruments. Regarding the business model, allocation to said categories takes place at a portfolio level and with regard to the cash flow criterion, at the individual instrument level.

Financial assets are subsequently measured at amortized cost or fair value, depending on their classification. Changes in the fair value must be reported in the Income Statement or in accumulated other comprehensive income.

The provisions for the derecognition of financial assets and liabilities as well as for the general accounting for financial liabilities have been largely carried over from IAS 39, with the exception of the provisions regarding modifications of financial liabilities, the effects of which are now recognized in profit or loss. Alterations in the classification of financial instruments result in changes for the ProSiebenSat.1 Group as of the date of first-time application (January 1, 2018), as shown in the following table:

35 / FINANCIAL ASSETS in EUR m

		Category		Carrying amount		
		Original (IAS 39)	New (IFRS 9)	Original	New	Difference
	Presented in the Statement of Financial Position as					
Financial Assets designated at fair value	Non-current financial assets	Fair value through profit or loss	Fair Value through profit or loss	23	23	0
Other equity instruments	Non-current financial assets	Fair value through profit or loss	Fair Value through profit or loss	88	88	0
Derivatives for which hedge accounting is not applied	Current and non-current financial assets	Fair value through profit or loss	Fair Value through profit or loss	11	11	0
Hedge derivates[1]	Current and non-current financial assets	n/a[1]	n/a[1]	68	68	0
Cash and cash equivalents	Cash and cash equivalents	Loans and receivables	Amortized cost	1,552	1,552	0
Loans and receivables	Current and non-current financial assets	Loans and receivables	Amortized cost	532	532	0

[1] Hedge derivatives are accounted for using the hedge accounting provisions of IAS 39 and hence are not assigned to any category of IFRS 9.

The financial assets to be recognized at fair value through profit or loss under IAS 39 in the context of the so-called fair value option are fund units that the Group holds to finance the Group's pension obligations, but which are not plan assets as defined by IAS 19 "Employee Benefits" and are therefore reported as separate assets. Due to the amended provisions of IFRS 9, from January 1, 2018, such assets are now recognized mandatorily at fair value through profit or loss. This reclassification did not have any impact on the measurement.

The categorization on the equity and liabilities side of the Statement of Financial Position has not changed compared to the previous accounting under IAS 39.

- **Impairment of financial assets**
  The provisions regarding the recognition of impairments on financial assets, which under IFRS 9 are based on a model of expected losses (the so-called "expected credit loss model") are fundamentally new and involve significant judgements regarding the question as to what extent expected credit losses are affected by changes in economic factors. Unlike under IAS 39, financial assets have to be allocated to different risk categories taking into account historical and future expected default probabilities, and risk allowances must be recognized already prior to incurred credit losses.

  To determine the expected credit losses, the Group applies the simplified impairment model of IFRS 9 and recognizes lifetime expected credit losses on trade receivables and positive balances from contract production under IFRS 15. To determine the expected credit losses, ProSiebenSat.1 uses different impairment matrices based on customer groups and entities. The maturity-specific impairment factors are based on historical and forward-looking information.

  The new impairment model of IFRS 9 has the effect that impairments of financial assets, in particular trade receivables and positive balances from contract production, are brought forward. The Group continues to record the resulting expenses in cost of sales. For materiality reasons, the impairments recognized in the period are not presented separately in the Income Statement as would be required under IAS 1.82(ba).

  Upon the first-time adoption of IFRS 9, the Group recognized a valuation allowance as of January 1, 2018 as a revaluation effect on loans and receivables in the amount of EUR 1 million. For cash and cash equivalents, an insignificant amount was determined.

- **Hedge accounting**
  The Group has not applied the hedge accounting provisions of IFRS 9 from January 1, 2018, but has instead made use of the option to continue hedge accounting under IAS 39.

IFRS 15 "REVENUE FROM CONTRACTS WITH CUSTOMERS"

With the publication of IFRS 15 "Revenue from Contracts with Customers" in May 2014, the IASB provides new requirements as to when and to what extent revenues are to be recognized in the future. The standard replaces the previous provisions of IAS 18 "Revenue", IAS 11 "Construction Contracts" as well a number of revenue-related interpretations. The scope of IFRS 15 excludes leases, financial instruments and insurance contracts.

Under IFRS 15, the recognition of revenues should reflect the transfer of promised goods or services to the customer in the amount corresponding to the consideration that the entity expects to receive in exchange for such goods or services. Revenues are realized once the customer obtains control of the goods or services.

In April 2016, the IASB published clarifying amendments to IFRS 15, which are also to be applied for financial years commencing on or after January 1, 2018. In addition to clarifying various provisions of the standard, the amendments also include further transitional relief. The clarifying amendments to IFRS 15 were implemented into European law on November 9, 2017.

The standard bases revenue recognition on a "five-step model", under which an entity must initially identify whether or not a contract with a customer as defined by the standard exists. The entity's performance obligations, which have been defined explicitly or implicitly in the contract, have to be identified separately and the transaction price to be received from the customer has to be allocated to these performance obligations. Upon the transfer of control, revenues have to be recognized either at a point in time or over a period of time.

The provisions of IFRS 15 are applied as of January 1, 2018 using the modified retrospective approach. The previous-year figures are not adjusted in line with the standard's transitional provisions. ProSiebenSat.1 Group uses the exemption under IFRS 15.C7 and does not reevaluate any contracts that were completed prior to the date of first-time application (January 1, 2018).

ProSiebenSat.1 Group has analyzed the impact of the first-time application of IFRS 15 in a Group-wide project, including existing processes, systems and contracts. The initial application of IFRS 15 as of January 1, 2018 and March 31, 2018 has led to an increase of contract liabilities by EUR 5 million (thereof EUR 3 million non-current) and deferred tax assets by EUR 1 millon and a corresponding decrease of consolidated equity by EUR 4 million at the date of initial application January 1, 2018, due to the recognition of certain license revenues over time. The consolidated net profit for the first quarter of 2018 increased by EUR 1 million compared to the previous accounting under IAS 18. The contract liabilities are reported as other liabilities in the Statement of Financial Position. Beyond this, the first-time application of IFRS 15 has not had any significant effects on the earnings, financial position and performance of the Group.

IFRS 16 "LEASES"

In January 2016, the IASB published the financial reporting standard IFRS 16 "Leases", which was adopted into European law on November 9, 2017. The standard replaces the existing guidance on leases, including IAS 17 "Leases", IFRIC 4 "Determining whether an Arrangement contains a Lease", SIC-15 "Operating Leases – Incentives" and SIC-27 "Evaluating the Substance of Transactions in the Legal Form of a Lease".

IFRS 16 stipulates that all leases and the associated contractual rights and obligations should generally be recognized in the lessee's Statement of Financial Position, unless the term is 12 months or less or the lease is for a low-value asset. Thus, the classification required under IAS 17 into operating or finance leases is eliminated for lessees. For each lease, the lessee recognizes a liability for lease obligations incurred in the future. Correspondingly, a right to use the leased asset is capitalized, which is generally equivalent to the present value of the future lease payments plus directly attributable costs and which is amortized over the useful life.

IFRS 16 is mandatorily applicable initially for financial years commencing on or after January 1, 2019. ProSiebenSat.1 Group has exercised the option of early adoption of the standard and has applied IFRS 16 for the first time as of January 1, 2018, using the modified retrospective approach. First-time application at ProSiebenSat.1 Group has affected leases that previously had been classified as operating leases. Short-term leases with a term not exceeding 12 months (and no purchase option) as well as leases where the underlying asset is of low value, are not recognized using to the option under IFRS 16.5. ProSiebenSat.1 Group is using the option under IFRS 16.15 and recognizes all lease and non-lease components under IFRS 16. Moreover, the Group has applied the relief provisions of IFRS 16.C3(b) when transitioning to IFRS 16, and has not reviewed contracts under the definition of a lease in IFRS 16, which were not classified as leases under IAS 17 "Leases" in conjunction with IFRIC 4 "Determining whether an Arrangement contains a Lease".

During the first-time application of IFRS 16 to operating leases, the right to use the leased asset was generally measured at the amount of the lease liability, using the interest rate at the time of the first-time application (IFRS 16.C8(b)(i)). The average interest rate as of January 1, 2018 was approximately 2%. In case of current lease liabilities, the right-of-use was adjusted by the relevant amount under IFRS 16.C8 (b)(ii). For the measurement of the right-of-use at the time of first-time application, initial direct costs were not taken into account, in accordance with IFRS 16.C10(d). The financial information for the financial year 2017 will not be adjusted in the financial year 2018 pursuant to IFRS 16.C7.

ProSiebenSat.1 Group has analyzed the impact of the first-time application of IFRS 16 in a Group-wide project, including existing processes, systems and contracts. The following categories of leases were identified, where as a consequence of the change to IFRS 16 as of January 1, 2018, contracts that previously had been recognized as operating leases, now qualify as leases as defined by the new standard: real estate, technical equipment, vehicles and other leased assets. The first-time application resulted in recording rights-of-use in the amount of EUR 109 million and lease liabilities in the amount of EUR 111 million in the consolidated Statement of Financial Position as of January 1, 2018; the difference in the amount of EUR 2 million between the two items relates to the adjustment of current lease liabilities pursuant to IFRS 16.C8 (b) (ii).

The off-balance lease obligations as of December 31, 2017 are reconciled as follows to the recognized lease liabilities as of January 1, 2018:

36 / RECONCILIATION OF LEASE LIABILITIES in EUR m

	01/01/2018
Off-balance lease obligation as of 12/31/2017	**107**
Current leases with a lease term of 12 months or less (short-term leases)	– 1
Leases of low-value-assets (low-value leases)	0
Variable lease payments	– 14
Operating lease obligations as of 01/01/2018 (gross, without discounting)	**91**
Operating lease obligations as of 01/01/2018 (net, discounted)	**86**
Reasonably certain extension or termination options	24
Residual value guarantees	0
Non-lease components	1
Lease liabilities due to initial application of IFRS 16 as of 01/01/2018	**111**
Lease liabilities from finance leases as of 01/01/2018	65
Total lease liabilities as of 01/01/2018	**176**

The quantitative impact of the first-time application of said standards as of December 31, 2017/January 1, 2018 is shown in the following table:

37 / STATEMENT OF FINANCIAL POSITION in EUR m

		Prospective application		Modified retrospective application		
	12/31/2017 before application of new IFRS	Adjustments IFRS 9 (Class. & Meas.)	Adjustments IFRS 9 (Impairment)	Adjustments IFRS 15	Adjustments IFRS 16	01/01/2018 after application of new IFRS
Property, plant and equipment	205	0	0	0	109	314
Deferred tax assets	34	0	0	1	0	35
Trade receivables	501	0	– 1	0	0	500
Other financial liabilities (current and non-current)	618	0	0	0	111	729
Accrued lease liabilities	2	0	0	0	– 2	0
Contract liabilities	0	0	0	5	0	5
Consolidated equity generated	79	0	– 1	– 4	0	74

The impact of the application of the new IFRS standards on the Income Statement in the first quarter of 2018 is illustrated below:

38 / INCOME STATEMENT in EUR m

	Q1 2018 before application of new IFRS	Adjustments IFRS 9	Adjustments IFRS 15	Adjustments IFRS 16	Q1 2018 after application of new IFRS
Revenues	880	0	1	0	881
Cost of sales	– 490	0	0	0	– 490
Operating costs[1]	– 317	0	0	7	– 310
Adjusted EBITDA	193	0	0	7	200
EBITDA	126	0	0	7	133
Financial Result	– 39	4	0	0	– 35
Income Taxes	– 15	– 1	0	0	– 16
Adjusted net income	93	0	0	0	93
Result for the period from continuing operations	26	3	1	0	30

[1]Operating costs contain selling expenses, administrative expenses, other operating expenses and other operating income.

The adjustments from the initial application of IFRS 9 to other financial result of EUR 4 million and income taxes of EUR –1 million reflect the effects from the extension of non-current financial liabilities in March 2018, which have to be recognized in profit or loss in accordance with IFRS 9.B5.4.5 et seqq → see also Note 8 "Financial instruments". By contrast, the effects of the initial application of the new impairment model of IFRS 9 during the first quarter of 2018 were immaterial. Due to the recognition of certain license revenues over time, revenues and profit for the period increased by EUR 1 million in the first quarter of 2018. Moreover, the depreciation of rights-of-use and the interest expense from the compounding of lease liabilities for leases categorized as operating leases until 2017 increased the adjusted EBITDA and EBITDA by EUR 7 million respectively.

The impact of the application of the new IFRS standards on the Statement of Financial Position as of March 31, 2018 is illustrated below:

39 / STATEMENT OF FINANCIAL POSITION in EUR m

		Prospective application		Modified retrospective application		
	03/31/2018 before application of new IFRS	Adjustments IFRS 9 (Class. & Meas.)	Adjustments IFRS 9 (Impairment)	Adjustments IFRS 15	Adjustments IFRS 16	03/31/2018 after application of new IFRS
Property, plant and equipment	200	0	0	0	103	303
Deferred tax assets	43	0	0	0	0	43
Trade receivables	432	0	0	0	0	432
Non-current financial debt	3,181	– 4	0	0	0	3,178
Other financial liabilities (current and non-current)	623	0	0	0	106	729
Provisions for taxes	108	1	0	0	0	109
Accrued lease liabilities	2	0	0	0	- 2	0
Contract liabilities[1]	5	0	0	- 1	0	4
Consolidated equity generated	98	3	0	1	0	102

[1]The value of the contract liabilities as of March 31 prior to the application of new IFRS represents the amount recognized at the date of the first-time adoption of IFRS 15 (January 1, 2018). In the first quarter of 2018, EUR 1 million was recognized as revenues pursuant to IFRS 15.

The adjustments from the initial application of the classification and measurement guidance of IFRS 9 result from the extension of the syndicated loan arrangement in March 2018 of EUR 2.100 billion, presented as non-current financial debt, by one year until April 2023. In accordance with IFRS 9.B5.4.5 et seqq., the effects of such transactions are recognized in profit or loss. The corresponding entry was to other financial result. The initial application of IFRS 9 had no other material effects on the earnings, financial position and performance of the Group. The recognition of certain license revenues over time under IFRS 15 led to a decrease of contract liabilities by EUR 1 million and a corresponding increase of consolidated equity generated. The increase of property, plant and equipment and other financial liabilities reflects the initial application of IFRS 16 to leases classified as operating leases under previous standards.

In the Cash Flow Statement, the consolidated profit, used as the basis for determining the cash flow from operating activities under the indirect method, has changed by EUR 4 million in the first quarter of 2018 due to the initial application of IFRS 9, 15 and 16. The repayment of lease liabilities, presented as part of the cash flow from financing activities, has increased by EUR 6 million as a consequence of implementing IFRS 16. There have been no material effects on the earnings, financial position and performance of the Group from the implementation of the new IFRS standards beyond those described.

3 / Segment reporting

Since January 1, 2018, the Group has been divided into the three reporting segments "Entertainment", "Content Production & Global Sales" and "Commerce".

The new segment Entertainment primarily includes the previous segment Broadcasting German-speaking segment, i.e. the German Free TV stations SAT.1, ProSieben, kabel eins, sixx, SAT.1 Gold, ProSieben MAXX and Free TV station kabel eins Doku are brought together under the umbrella of ProSiebenSat.1 TV Deutschland GmbH, as are the stations of our group subsidiaries in Austria and Switzerland, the marketing companies SevenOne Media and SevenOne AdFactory as well as ProSiebenSat.1 Produktion GmbH.

This segment furthermore participates in the technical connection fees generated by cable, satellite and IPTV providers from distributing the ProSiebenSat.1 HD stations. The SAT.1 regional companies as well as the Pay TV area are also reported in this segment.

Finally, the segment Entertainment includes the video-on-demand business, ad-tech and online advertising, music, event and athlete marketing, and the Group's fund activities.

The Content Production & Global Sales segment includes all activities in the production area and the global sales of programming content brought together under the umbrella of Red Arrow Studios.

The segment Commerce mainly comprises the Home Service & Mobility, Leisure & Relationship, Health & Beauty and Style, which previously had been allocated to the Digital Ventures & Commerce segment.

The following table contains the segment information of ProSiebenSat.1 Group. The previous-year figures have been adjusted according to the new segmentation. The figures for the reporting period include the effects of the first-time application of IFRS 9 "Financial Instruments", IFRS 15 "Revenue from Contracts with Customers" and IFRS 16 "Leases". The previous-year data were not adjusted in line with the transitional provisions of said standards:

40 / SEGMENT INFORMATION OF PROSIEBENSAT.1 GROUP Q1 2018 in EUR m

	Segment Entertainment	Segment Content Production & Global Sales	Segment Commerce	Total Segments	Other/ Eliminations	Total consolidated interim financial statements
Revenues	642	110	159	911	-30	881
External revenues	624	97	159	881	-/-	881
Internal revenues	18	12	0	30	-30	-/-
EBITDA[1]	117	4	12	133	0	133
Adjusted EBITDA	183	4	13	201	0	200

[1]This information is provided on a voluntary basis as part of segment reporting.

41 / SEGMENT INFORMATION OF PROSIEBENSAT.1 GROUP Q1 2017 in EUR m

	Segment Entertainment	Segment Content Production & Global Sales	Segment Commerce	Total Segments	Other/ Eliminations	Total consolidated interim financial statements
Revenues	628	133	186	946	– 36	910
External revenues	612	112	185	910	–/–	910
Internal revenues	15	21	0	36	– 36	–/–
EBITDA[1]	138	2	23	163	–/–	163
Adjusted EBITDA	159	4	25	188	–/–	188

[1] This information is provided on a voluntary basis as part of segment reporting.

The Executive Board as chief operating decision maker measures the segment results against a segment profit measure, which in internal control and reporting is called "adjusted EBITDA".

The transition from segment values to the corresponding group values is shown below:

42 / RECONCILIATION OF SEGMENT INFORMATION in EUR m

	Q1 2018	Q1 2017
Adjusted EBITDA of reportable segments	201	188
Other/Eliminations	0	–/–
Adjusted EBITDA of the Group	**200**	**188**
Reconciling items (net)	– 68	– 25
Financial result	– 35	– 11
Depreciation and amortization	– 49	– 51
Impairment	– 2	– 3
Result before income taxes	**46**	**98**

The reconciling items adjusted in the adjusted EBITDA are distributed among the following categories:

43 / PRESENTATION OF THE RECONCILING ITEMS in EUR m

	Q1 2018	Q1 2017
Income from changes in scope of consolidation	–/–	0
Income - other one off items	0	–/–
External income	**0**	**0**
M&A related costs	– 4	– 4
Reorganization	– 61	– 16
Legal claims	0	0
Cash-settled share-based payments	– 2	– 4
Other EBITDA effects	– 1	– 1
External EBITDA expenses	**– 68**	**– 25**
Reconciling items (net)	**– 68**	**– 25**

Entity-wide disclosures for ProSiebenSat.1 Group are provided below:

44 / ENTITY-WIDE DISCLOSURES in EUR m

Geographical breakdown	GER		US		AT/CH		Scandinavia		UK		Other		Total consolidated interim financial statements	
	Q1 2018	Q1 2017	Q1 2018	Q1 2017	Q1 2018	Q1 2017	Q1 2018	Q1 2017	Q1 2018	Q1 2017	Q1 2018	Q1 2017	Q1 2018	Q1 2017
External Revenues	742	717	69	82	61	59	1	46	5	3	4	3	**881**	**910**

In the first quarter of financial year 2018, the revenues pursuant to IFRS 15 are broken down as follows by segments:

45 / REVENUES ACCORDING TO IFRS 15 in EUR m

	Q1 2018			
	Segment Entertainment	Segment Content Production & Global Sales	Segment Commerce	Total
Advertising revenues	526	-/-	-/-	526
Digital Services	-/-	-/-	104	104
Revenues from the sales of physical products	-/-	-/-	49	49
Production revenues	-/-	43	-/-	43
Distribution revenues	34	-/-	-/-	34
International program sales	-/-	21	-/-	21
Others	64	33	7	104
Total	**624**	**97**	**159**	**881**
Timing of revenue				
Point in time	575	54	140	770
Over time	49	43	19	111
Total	**624**	**97**	**159**	**881**

Since previous-year figures have not been adjusted in line with the transitional provisions of IFRS 15, these figures are not stated. With the exception of the revenue recognition for specific licenses, which is now recognized over time, the first-time application of IFRS 15 did not have any impact on the revenue recognition in terms of timing. Regarding the recognition dates and periods, we refer to → Note 5 "Revenues" on p. 196 in the Annual Report of the ProSiebenSat.1 Group for the financial year 2017. The quantitative effects of the first-time application of IFRS 15 are shown in → Note 2 "Changes in reporting standards" in this Interim Group Report.

4 / Acquisitions, disposals and other transactions in connection with subsidiaries

A) ACQUISITIONS

The following acquisitions with significance for the Consolidated Financial Statements were completed in the first quarter of "the financial year 2018":

46 / SIGNIFICANT ACQUISITIONS Q1 2018

Company	Purpose of the company	Voting equity interest acquired	Acquisition of control
Aboalarm GmbH	Online cancellation service provider	100,0%	01/02/2018
Kairion GmbH	E-Commerce marketer for media campaigns	100,0%	01/09/2018
InQpharm Ltd/ Zaluvida Corporate AG	Extension of OTC product portfolio in the area Commerce Health & Beauty	Asset Deal	03/28/2018

Acquisition of 100 percent of the shares in Aboalarm GmbH

By agreement and with economic effect of January 2, 2018, ProSiebenSat.1 Group has acquired 100.0 percent of the shares in Aboalarm GmbH, Munich, thereby gaining control. Aboalarm is an online cancellation service provider for consumer contracts in the areas of internet, mobile, insurance, dating and fitness. The company is allocated to the segment Commerce. → see Note 3 "Segment reporting"

The purchase price per IFRS 3 amounts to EUR 10 million and is comprised of a cash purchase price in the amount of EUR 10 million and a contractually agreed earn-out component in the amount of less than EUR 0.5 million.

47 / ABOALARM – PURCHASE PRICE IFRS 3 in EUR m

Cash purchase price	10
Variable purchase price component – Earn-out	0
Purchase price per IFRS 3	**10**

The following table shows the fair values of the identified acquired assets and of the assumed liabilities in connection with the acquisition, each as of the time of acquisition. As purchase price negotiations are still ongoing as of the reporting date, the following amounts were provisionally assessed until a full independent purchase price allocation by an auditing firm has been completed:

48 / ACQUISITION ABOALARM in EUR m

	Fair value at acquisition
Other intangible assets	5
Thereof identified in the purchase price allocation	5
Property, plant and equipment	0
Non-current assets	**5**
Trade receivables	0
Other current receivables and other assets	0
Cash and cash equivalents	0
Current assets	**1**
Deferred tax liabilities	2
Non-current liabilities and provisions	**2**
Trade payables	0
Other provisions	0
Other liabilities	0
Current liabilities and provisions	**0**
Total net assets	**4**
Purchase price per IFRS 3	10
Goodwill	**7**

The identified goodwill almost exclusively represents strategic synergies and development potential in the Commerce segment and hence is allocated to the cash-generating unit Commerce. The goodwill is not tax-deductible and is reported in the functional currency EUR.

49 / PURCHASE PRICE ALLOCATION ABOALARM

Assets	Fair Value at acquisition in EUR m	Expected useful life in years
Brand	2	15
Customer relationships	1	8
Others	1	5 – 8

In the context of the provisional purchase price allocation, a brand with a definite useful life of 15 years and a fair value of EUR 2 million, a customer base with a definite useful life of 8 years and a fair value of EUR 1 million and two types of technology (software) with definite useful lives of 8 and 5 years, respectively, and a fair value of EUR 1 million, were recognized separately from the goodwill.

Between the initial consolidation and March 31, 2018, the company has contributed revenues of EUR 1 million and earnings after taxes in the amount of EUR 0 million to the consolidated net profit.

Acquisition of 100 percent of the shares in Kairion GmbH

By agreement and with economic effect of January 9, 2018, ProSiebenSat.1 Group has acquired 100.0 percent of the shares in Kairion GmbH, Frankfurt/Main, thereby gaining control. The company specializes in media marketing in the e-commerce sector. The Company is allocated to the segment Entertainment. → see Note 3 "Segment reporting"

The purchase price per IFRS 3 amounts to EUR 10 million and is comprised of a cash purchase price in the amount of EUR 6 million, a contractually agreed earn-out component in the amount of EUR 2 million, payable in four tranches between 2018 and 2021, and a second variable purchase price adjustment in the amount of EUR 2 million, depending on the "ePrivacy Regulation" (Regulation on Privacy and Electronic Communications). If the legal framework of the European Union – which has yet to enter into force – would not have a negative impact on the future operating business of Kairion, ProSiebenSat.1 Group will be obligated to pay the former shareholders in 2020 a subsequent purchase price payment in the amount of EUR 2 million. The management of ProsiebenSat.1 Group currently does not expect any future negative impact by the ePrivacy Regulation on the operating business of Kairion GmbH.

50 / KAIRION – PURCHASE PRICE IFRS 3 in EUR m

Cash purchase price	6
Variable purchase price component – Earn-out	2
Variable purchase price component – ePrivacy	2
Purchase price per IFRS 3	**10**

The following table shows the fair values of the identified acquired assets and of the assumed liabilities in connection with the acquisition, each as of the time of acquisition. As purchase price negotiations are still ongoing as of the reporting date, the following amounts were provisionally assessed until a full independent purchase price allocation by an auditing firm has been completed:

51 / ACQUISITION KAIRION in EUR m

	Fair value at acquisition
Other intangible assets	3
Thereof identified in the purchase price allocation	0
Property, plant and equipment	0
Non-current assets	**3**
Trade receivables	1
Other current receivables and other assets	0
Cash and cash equivalents	0
Current assets	**1**
Deferred tax liabilities	0
Non-current liabilities and provisions	**0**
Trade payables	4
Other liabilities	0
Current liabilities and provisions	**4**
Total net assets	**0**
Purchase price per IFRS 3	10
Goodwill	**9**

The identified goodwill nearly exclusively represents strategic synergies and development potential in the Entertainment segment and hence is allocated to the cash-generating unit Entertainment. The goodwill is not tax-deductible and is reported the functional currency EUR.

52 / PURCHASE PRICE ALLOCATION KAIRION

Assets	Fair Value at acquisition in EUR m	Expected useful life in years
Customer relationships	0	8
Others	3	5

In the context of the preliminary purchase price allocation, a customer relationship with a useful life of 8 years and a fair value of less than EUR 1 million was applied separately from the goodwill. Moreover, software in the amount of EUR 3 million, of which EUR 3 million were recognized in the Statement of Financial Position already as of the valuation date, was recognized separate from the goodwill.

Between the initial consolidation and March 31, 2018, the Company has contributed revenues of EUR 0 million and earnings after taxes in the amount of minus EUR 0 million to the consolidated net profit.

Acquisition of intangible assets from InQpharm Group (Zaluvida Holdings PTE Ltd.)

By agreement and with economic effect as from March 28, 2018, ProsiebenSat.1 Group has acquired selected intangible assets through the NuCom Group from InQpharm Group Sdn Bhd, Kuala Lumpur, Malaysia. The InQpharm Group is a subsidiary of Zaluvida Holdings PTE Ltd., Singapore, a global life sciences company focused on bioactive compounds with pharmacological action in treatment, allergies and technologies in the area of obesity, antibiotic resistance and greenhouse gas emissions. The subject matter of the acquisition is the acquisition of six certified medical products in the field of allergy and gastrointestinal diseases, consisting of know-how, patents, trademarks and the associated supplier, production, distribution and customer relations. A research project was acquired as well. The intangible assets are acquired by WindStar Medical GmbH and allocated to the segment Commerce. → see Note 3 “Segment reporting”

The provisional purchase price per IFRS 3 amounts to EUR 5 million and is comprised of a cash purchase price in the amount of EUR 3 million and a contractually agreed earn-out component in an amount of EUR 2 million, with a payment date of 2020. As of March 31, 2018, the purchase price allocation of the acquired intangible assets has yet to be finalized. The reason for this is the short period of time between signing of the agreement and the quarterly financial statements.

B) OTHER TRANSACTIONS

Acquisition of 22.82 percent in Sonoma Internet GmbH (Amorelie)

By agreement and with economic effect of March 19, 2018, ProsiebenSat.1 Group has acquired the minority shares in Sonoma Internet GmbH, Berlin, through the NuCom Group and by exercising a call option. The company operates an online lifestyle shop for love lives via the Internet portal "amorelie.de". The shareholding of NuCom Group in Sonoma Internet GmbH now is 97.8%. In January 2014, ProsiebenSat.1 Group had invested in the company for the first time (23.2 percent) and in March 2015 increased its stake by 51.8 percent to 75.0 percent. The purchase price for the acquired shares amounts to EUR 21 million. The acquisition was accounted for as an equity transaction pursuant to IFRS 10.

Completed purchase price allocation – Acquisition of 62.5 percent of the shares in Gravitas Ventures, LLC

The preliminary purchase price allocation of Gravitas Ventures, LLC as of December 31, 2017, as defined by IFRS 3.45 et seqq. has been completed as of March 31, 2018. A variable purchase price adjustment in the amount of US$ 3 million (EUR 2 million) results in a final purchase price per IFRS 3 in the amount of US$ 62 million (EUR 52 million) and a goodwill in the amount of US$ 39 million (EUR 33 million).

C) DISPOSAL OF SUBSIDIARIES

Assets and liabilities held for sale

Non-current assets held for sale (or groups of assets and liabilities held for sale) are assets which can be sold in their current state, and where a sale is highly probable within the coming year. They are valued at the lower value of the carrying amount or the fair value, minus costs of disposal, unless IFRS 5 does not apply to measurement. In line with IFRS 5.40, the previous year's Statement of Financial Position figures are not adjusted.

The portfolio adjustment of ProsiebenSat.1 Group that was started in 2017 has been largely completed. The remaining company in the context of the portfolio adjustment is Tropo GmbH, which is assigned to the Commerce segment. In accordance with IFRS 5, additional assets and associated liabilities were reported separately in the Statement of Financial Position, together with those assets and liabililities already reclassified as of June 30, 2017, reflecting the disposal of minority shareholdings, which were predominantly measured under IAS 39, to a private equity fund. After the partial completion of the latter transaction and the associated disposal of the relevant investments, the economic completion of the remaining part is expected to take place in the second quarter 2018 at a carrying amount of EUR 1 million. Moreover, investments in funds held by ProsiebenSat.1 Group as of December 31, 2017 were reclassified as assets and liabilities held for sale. All investments in funds, except for Lakestar, which were reclassified as investments in funds held as assets and liabilities held for sale as of December 31, 2017, were sold in the first quarter of 2018. The sold investments in funds are E.Ventures Growth I, E.Ventures Growth II, Lerer Hippeau Ventures, Magma and Raine Ventures.

As of the reporting date, the assets held for sale / the associated liabilities are distributed among the following main items:

53 / ASSETS AND LIABILITIES HELD FOR SALE in EUR m

	March 31, 2018
Other intangible assets	1
Property, plant and equipment	0
Non-current financial assets	13
Other assets (incl. deferred taxes)	7
Cash and cash equivalents	13
Total assets held for sale	**34**
Trade payables	13
Other liabilities and provisions (incl. deferred taxes)	10
Total liabilities associated with assets held for sale	**22**
Net assets	**12**

5 / Income taxes

The Group's relevant nominal tax rate remains unchanged at 28.0 percent. For the calculation of the Group's tax expenses for the first three months of 2018, the effective Group tax rate expected for the full financial year of 34.5 percent (previous year: 32.0%) was used. The difference from the nominal tax rate is largely attributable to non-deductible operating expenses and the recognition of taxes for previous assessment periods.

6 / Earnings per share

The following tables set out the underlying parameters when calculating earnings per share:

54 / PROFIT MEASURES INCLUDED IN CALCULATING EARNINGS PER SHARE in EUR m

	Q1 2018	Q1 2017
Result attributable to the shareholders of ProSiebenSat.1 Media SE (basic)	27	64
Valuation effects of share-based payments after taxes	-1	0
Result attributable to the shareholders of ProSiebenSat.1 Media SE (diluted)	26	64

55 / NUMBERS OF SHARES INCLUDED IN CALCULATING EARNINGS PER SHARE Shares

	Q1 2018	Q1 2017
Weighted average number of shares outstanding (basic)	228,949,482	228,814,180
Dilution effect based on stock options and rights to shares	885,832	70,174
Weighted average number of shares outstanding (diluted)	**229,835,314**	**228,884,354**

Regarding the type of settlement, the Group share plans → see Note 9 "Share-based payment" include an option for ProSiebenSat.1 Media SE to settle them either by way of shares or cash. In accordance with IAS 33.58, these plans are treated as if they were settled in common shares for the calculation of earnings per share during this reporting period, due to the resulting dilution effect in the first quarter of 2018. This treatment is in contrast to IFRS 2. The previous year is not affected.

7 / Provisions, contingent liabilities and other financial obligations

RESTRUCTURING MEASURES

In the fourth quarter of the financial year 2017, ProSiebenSat.1 Group announced an extensive cost-saving program. In March 2018, negotiations began with the employee representatives. As of March 31, 2018, a provision of EUR 60 million was recorded for the planned reorganization measures, particularly personnel.

CONTINGENT LIABILITIES

Furthermore, there were no material changes in contingent liabilities as of March 31, 2018, compared to those disclosed in the consolidated financial statements as of December 31, 2017.

OTHER FINANCIAL OBLIGATIONS

The other financial obligations are comprised as follows as of the reporting date and December 31, 2017:

56 / **OTHER FINANCIAL OBLIGATIONS** in EUR m

	March 31, 2018	December 31, 2017
Purchase commitments for programming assets	2,624	2,787
Distribution	213	227
Leasing and rental commitments	13	107
Other financial obligations	267	281
Total	**3,117**	**3,402**

The decline in off-balance sheet leasing and rental obligations from EUR 107 million to EUR 13 million reflects the first-time application of IFRS 16 "Leases". The distinction made in the previous standard IAS 17 between recognized finance leases and non-recognized operating leases was eliminated under IFRS 16. With the exception of low-value and short-term leases as well as variable lease payments, right-of-use assets and corresponding lease liabilities for all leases now must be recognized on the Statement of Financial Position. In accordance with the transition requirements, the Group applies IFRS 16 for the first time for the financial year 2018; the previous-year figures have not been restated. The rental and lease obligations presented as of March 31, 2018 therefore include future obligations for short-term and low-value leases as well as variable lease payments. With regard to the presentation of the impact of the first-time application of IFRS 16, we refer to → Note 2 "Changes in reporting standards".

8 / Financial instruments

ProSiebenSat.1 Group is applying IFRS 9 "Financial Instruments" for the first time in the financial year 2018. Hence, the date of first application is January 1, 2018. In line with the transitional provisions, previous-year figures are not adjusted. The quantitative effects of the first-time application as of January 1, 2018 are described in → Note 2 "Changes in reporting standards".

Impairment losses on financial assets in the scope of the expected credit loss model of IFRS 9 were immaterial in the first quarter of 2018. As of March 31, 2018, the balance of the corresponding credit allowance accounts is EUR 9 million. This includes lump-sum credit allowances on a portfolio basis in the amount of EUR 8 million.

The following table shows the carrying amounts and the fair values of all IFRS 9 categories of financial assets and financial liabilities of ProSiebenSat.1 Group and allocates the financial assets and financial liabilities, which have been measured at fair value, to the fair value hierarchy levels. Hedge accounting continues to be carried out in accordance with IAS 39.

57 / CARRYING AMOUNTS AND FAIR VALUES OF FINANCIAL INSTRUMENTS AS OF MARCH 31, 2018 in EUR m

			Categories under IFRS 9				Fair Value			
	Presented in the Statement of Financial Position as	Carry-ing amount	At fair value through profit and loss	Hedging instru-ments	Assets measured at amor-tized cost	Liabilities measured at amor-tized cost	Level 1	Level 2	Level 3	Total
Financial assets										
Measured at fair value										
Fund units to finance pension obligations	Non-current financial assets	**24**	24	-/-	-/-	-/-	24	-/-	-/-	**24**
Other equity instruments	Non-current financial assets	**98**	98	-/-	-/-	-/-	-/-	-/-	98	**98**
Derivatives for which hedge accounting is not applied	Current and non-current financial assets	**13**	13	-/-	-/-	-/-	-/-	0	13	**13**
Hedge derivatives	Current and non-current financial assets	**38**	-/-	38	-/-	-/-	-/-	38	-/-	**38**
Not measured at fair value										
Cash and cash equivalents[1]	Cash and cash equivalents	**1,562**	-/-	-/-	1,562	-/-				
Loans and receivables[1]	Current and non-current financial assets	**461**	-/-	-/-	461	-/-				
Other Financial assets at cost	Current and non-current financial assets	**8**	-/-	-/-	8	-/-				
Total		**2,205**	**135**	**38**	**2,031**	**-/-**	**24**	**38**	**110**	**173**
Financial liabilities										
Measured at fair value										
Liabilities from put options and earn-outs	Other financial liabilities	**426**	426	-/-	-/-	-/-	-/-	-/-	426	**426**
Derivatives for which hedge accounting is not applied	Other financial liabilities	**10**	10	-/-	-/-	-/-	-/-	10	-/-	**10**
Hedge derivatives	Other financial liabilities	**85**	-/-	85	-/-	-/-	-/-	85	-/-	**85**
Not measured at fair value										
Term Loan and other borrowings	Financial debt	**2,087**	-/-	-/-	-/-	2.087	-/-	2.079	-/-	**2,079**
Notes	Financial debt	**597**	-/-	-/-	-/-	597	621	-/-	-/-	**621**
Promissory note	Financial debt	**498**	-/-	-/-	-/-	498	-/-	492	-/-	**492**
Liabilities from finance leases	Other financial liabilities	**167**	-/-	-/-	-/-	167	-/-	3	-/-	**3**
Other Financial liabilities at (amortised) cost[1]	Other financial liabilities and trade payables	**580**	-/-	-/-	-/-	580				
Total		**4,451**	**436**	**85**	**-/-**	**3,930**	**621**	**2,668**	**426**	**3,715**

[1] The carrying amount is an appropriate approximator for fair value.

58 / CARRYING AMOUNTS AND FAIR VALUES OF FINANCIAL INSTRUMENTS AS OF DECEMBER 31, 2017 in EUR m

			Category under IAS 39					Fair Value			
	Presented in the Statement of Financial Position as	Carry-ing amount	At fair value through profit and loss	Hedging instru-ments	Loans and receiv-ables	Avail-able for sale	Other financial liabilities	Level 1	Level 2	Level 3	Total
Financial assets											
Measured at fair value											
Financial assets designated at fair value	Non-current financial assets	**23**	23	-/-	-/-	-/-	-/-	23	-/-	-/-	**23**
Other equity instruments	Non-current financial assets	**88**	88	-/-	-/-	-/-	-/-	-/-	-/-	88	**88**
Derivatives for which hedge accounting is not applied	Current and non-current financial assets	**11**	11	-/-	-/-	-/-	-/-	-/-	0	10	**11**
Hedge derivatives	Current and non-current financial assets	**68**	-/-	68		-/-	-/-	-/-	68	-/-	**68**
Not measured at fair value											
Cash and cash equivalents[1]	Cash and cash equivalents	**1.552**	-/-	-/-	1.552	-/-	-/-				
Loans and receivables	Current and non-current financial assets	**532**	-/-	-/-	532	-/-	-/-				
Other Financial assets at cost	Current and non-current financial assets	**7**	-/-	-/-	7	-/-	-/-				
Total		**2,280**	**121**	**68**	**2,091**	**-/-**	**-/-**	**23**	**68**	**98**	**189**
Financial liabilities											
Measured at fair value											
Liabilities from put options and earn-outs	Other financial liabilities	**448**	448	-/-	-/-	-/-	-/-	-/-	-/-	448	**448**
Derivatives for which hedge accounting is not applied	Other financial liabilities	**19**	19	-/-	-/-	-/-	-/-	-/-	19	-/-	**19**
Hedge derivatives	Other financial liabilities	**53**	-/-	53	-/-	-/-	-/-	-/-	53	-/-	**53**
Not measured at fair value											
Term Loan and other borrowings	Financial debt	**2,090**	-/-	-/-	-/-	-/-	2,090	-/-	2,104	-/-	**2,104**
Notes	Financial debt	**597**	-/-	-/-	-/-	-/-	597	630	-/-	-/-	**630**
Promissory note	Financial debt	**498**	-/-	-/-	-/-	-/-	498	-/-	498	-/-	**498**
Liabilities from finance leases	Other financial liabilities	**65**	-/-	-/-	-/-	-/-	65	-/-	68	-/-	**68**
Other Financial liabilities at (amortised) cost[1]	Other financial liabilities and trade payables	**624**	-/-	-/-	-/-	-/-	624				
Total		**4,394**	**467**	**53**	**-/-**	**-/-**	**3,874**	**630**	**2,742**	**448**	**3,820**

[1] The carrying amount is an appropriate approximator for fair value.

The following table shows the reconciliation of the items regularly measured at fair value and assigned to Level 3 as of the closing date:

59 / RECONCILIATION OF LEVEL 3 FAIR VALUES in EUR m

	Other equity instruments	Derivatives, for which hedge accounting is not applied	Liabilities from put options and earn-outs
January 1, 2018	**88**	**11**	**448**
Results included in income statement as well as in other comprehensive income (unrealized)[1]	– 2	–/–	4
Additions from acquisitions	14	–/–	7
Disposals/Payments	– 10	–/–	– 33
Other changes	8	2	1
March 31, 2018	**98**	**13**	**426**

[1] This item includes compounding effects and further valuation adjustments.

The position "Other changes" essentially comprises effects from share changes.

ProSiebenSat.1 Group pursues an active financial management and exploited the attractive environment on the financial markets. For example in March 2018, the Group extended the maturity of the syndicated credit agreement – consisting of a term loan of EUR 2.100 billion and a revolving credit facility – by one year until April 2023. Under IFRS 9.B5.4.5 et seqq., the effects of such transactions are recognized in profit and loss. Hence, non-current financial liablilities declined by EUR 4 million with the respective income being recognized in other financial result.

9 / Share-based payments

The Group Share Plan 2014, which expired at the end of the financial year 2017, will be fully paid out in the second quarter of 2018 in the amount of EUR 10.1 million. The plan conditions for the Group Share Plans remain unchanged and continue to be in line with the information shown in the Consolidated Notes and in the Combined Group Management Report as of December 31, 2017.

Of the performance share units issued under the other Group Share Plans, 21,220 units of the Group Share Plan 2015, 32,095 units of the Group Share Plan 2016 and 2,813 units of the Group Share Plan 2017 expired in the first three months of the financial year 2018.

10 / Related Parties

Thomas Ebeling, the Chief Executive Officer (CEO) of ProSiebenSat.1 Media SE, left the Executive Board of ProSiebenSat.1 Media SE as of February 22, 2018. His service contract, which would have originally ended on June 30, 2019, also terminated on February 22, 2018. A severance payment of EUR 7.1 million was agreed in the termination agreement, which was paid after the termination date or in the case of contractual pension contributions, continues to be provided.

During the first three months of financial year 2018, deliveries and services in a total amount of EUR 30 million (previous year: EUR 31 million) were rendered to related entities. As of March 31, 2018, the receivables due from the respective entities amounted to EUR 26 million (previous year: EUR 26 million).

In the first three months of the financial year 2018, the Group received deliveries and services from its related entities, for which it recorded expenses in the amount of EUR 7 million (previous year: EUR 6 million). The amounts payable to said entities as of March 31, 2017 totaled EUR 9 million (previous year: EUR 7 million).

In the first three months of financial year 2018, the Supervisory Board members acquired 3,505 shares in the Company.

In the context of the master agreement with Heilpflanzenwohl AG, Pfaffikon, Switzerland → see Note 33 "Related parties" in the Notes to the Consolidated Financial Statements as of December 31, 2017, advertising services with a gross media volume of EUR 4 million (previous year: EUR 3 million) were rendered in the reporting period.

There have been no other major changes or transactions in the first quarter of financial year 2018 compared to the facts regarding related parties as reported in the Notes to the Consolidated Financial Statements for financial year 2017.

11 / Events after the interim reporting period

ACQUISITION OF THE BUSINESS UNDER THE BRAND ZIRKULIN

By agreement of December 29, 2017 and with economic effect of April 16, 2018, ProSiebenSat.1 Group acquired selected intangible assets from roha arzneimittel GmbH, Bremen, a manufacturer of natural pharmaceutical and nutritional supplements. Subject matter of the acquisition is the acquisition of all intangible assets related to the "Zirkulin" health brand. These include the active Zirkulin business, including the associated customer base, industrial property rights, drug approvals, the product portfolio as well as other technical, regulatory and commercial know-how. In addition to the transfer of the Zirkulin business, both parties intend to enter into a supply agreement for the purpose of continuing production. The acquired intangible assets of the Zirkulin brand are assigned to the "Commerce" segment, → see Note 3 "Segment reporting". The purchase price per IFRS 3 consists of a cash purchase price in the amount of EUR 32 million.

SALE OF 25.1 PERCENT OF THE SHARES IN THE NUCOM GROUP TO GENERAL ATLANTIC

By agreement of February 21, 2018 and with economic effect of April 4, 2018, General Atlantic PD GmbH, Munich, acquired a 25.1 percent stake in NCG – NUCOM GROUP SE for a purchase price of EUR 286 million. ProSiebenSat.1 currently pools ten strategic investments in predominantly digital commerce platforms in the NuCom Group, which was founded on January 01, 2018, including especially Verivox, Parship Elite Group and Jochen Schweizer mydays Group. The companies benefit from the considerable TV reach of the parent company and of mutual synergies, for example in the areas of data and technology, and continue to grow on this basis. With General Atlantic as its partner, ProSiebenSat.1 Group is setting the course for the further development of NuCom Group to become one of Europe's leading omni-channel platforms for consumer services and lifestyle brands. General Atlantic is a leading global growth investor, providing capital and strategic support to companies with high growth potential. Established in 1980, the company combines a collaborative global approach, industry-specific expertise, a long-term investment horizon, a deep understanding of growth drivers, and the partnership with outstanding management teams to create exceptional business models worldwide. The first joint transactions and the acquisition of the remaining minority investments in Amorelie, SilverTours, Verivox and Parship Elite Group already show the strategic direction for the years to come: Ownership and control structures should be simplified and the earnings base consolidated. Another goal is to use the particular strength of ProSiebenSat.1 Group even more intensively to develop brands through the interplay of reach, own data, collaborations and diverse sales channels.

ACQUISITION OF THE REMAINING 25.1 PERCENT IN SILVERTOURS GMBH

By agreement of February 19, 2018 and with economic effect of April 6, 2018, ProSiebenSat.1 Group acquired 25.1 percent of the remaining shares in SilverTours GmbH, Freiburg, Germany, via NuCom Group, for a purchase price of EUR 59 million. SilverTours GmbH was established in 2003 and operates product comparison platforms for hire cars (e.g. www.billiger-mietwagen.de). In June 2013, ProSiebenSat.1 Group had invested initially in the company (74.9 percent) and has acquired the remaining shares in the company with the current transaction. NuCom Group now owns 100% of the shares in SilverTours GmbH. The acquisition is accounted for as an equity transaction under IFRS 10.

ACQUISITION OF 20.0 PERCENT OF THE SHARES IN VERIVOX HOLDING GMBH

By agreement of February 21, 2018 and with economic effect of April 5, 2018, ProSiebenSat.1 Group acquired 20.0 percent of the shares in Verivox Holding GmbH, Unterföhring, Germany, via NuCom Group, for a purchase price of EUR 112 million. The company operates the largest independent consumer portal for energy in Germany and also offers comparisons in the areas of telecommunications, insurance, finance, vehicles and commission-free real estate. In June 2015, ProSiebenSat.1 Group had initially invested in the company (80.0 percent). NuCom Group now owns 100 percent of the shares in Verivox Holding GmbH. The acquisition is accounted for as an equity transaction under IFRS 10. With expected economic effect in the second quarter 2018 the NuCom Group shares in Verivox Holding GmbH will decrease from 100% to 98.7% due to the issue of a new management equity program over 1.3% of the shares.

ACQUISITION OF 44.2 PERCENT IN THE SHARES IN 7LOVE HOLDING GMBH (PARSHIP ELITE GROUP)

By agreement of February 21, 2018 and with economic effect of April 5, 2018, ProSiebenSat.1 Group acquired 44.2% of the shares in 7Love GmbH, Heidelberg, Germany, via NuCom Group, for a purchase price of EUR 162 million. Parship Elite Group operates an online dating service primarily in German-speaking countries. In October 2016, ProSiebenSat.1 Group had initially invested in the company (50.0 percent). NuCom Group now owns 94.2% of the shares in 7Love Holding GmbH. The acquisition is accounted for as an equity transaction under IFRS 10.

ACQUISITION OF 90.0 PERCENT OF THE SHARES IN ESOME ADVERTISING TECHNOLOGIES GMBH

By agreement of December 1, 2017 and with economic effect of April 26, 2018, ProSiebenSat.1 Group has acquired a share of 90.0 percent in esome advertising technologies GmbH, Hamburg, the leading social advertising provider in the DACH region. The company combines technology and management of social media campaigns across all social networks, especially Facebook, for advertisers. In the future, this technology should also be used for the KPI-based optimization of display, video and subsequently also for addressable TV. The company complements the portfolio of the AdTech investments, which ProSiebenSat.1 has bundled in the Advertising Platform Solutions. The company is allocated to the segment Entertainment → see Note 3 “Segment reporting“. The purchase price per IFRS 3 is comprised of a cash purchase price in the amount of EUR 25 million as well two contractually agreed earn-out components. In addition, a call/put option was agreed with the existing shareholders regarding the acquisition of a further 10.0 percent of the shares, with the earliest possible maturity in 2019.

7NXT GMBH – RECLASSIFIED AS ASSETS HELD FOR SALE

As a consequence of the portfolio adjustment started already in 2017 and by resolution dated April 24, 2018, ProSiebenSat.1 Group puts 7NXT GmbH up for sale under IFRS 5. A sale within the next quarters is probable.

MAX CONZE NEW CHAIRMAN OF THE EXECUTIVE BOARD OF PROSIEBENSAT.1 MEDIA SE

At its meeting on February 21, 2018 and effective as of June 1, 2018, the Supervisory Board of ProSiebenSat.1 Media SE appointed Max Conze as Chairman of the Executive Board of ProSiebenSat.1 Media SE. He succeeds long-time ProSiebenSat.1 CEO Thomas Ebeling (59), who left the Company on February 22, 2018. Until Max Conze takes office, Conrad Albert (50), Deputy Chairman of the Executive Board of ProSiebenSat.1 Media SE, will temporarily assume the position of CEO from February 23 until May 31, 2018.

OTHER EVENTS AFTER THE CLOSING DATE

Between the end of the first quarter 2018 and May 2, 2018 – the release date of this Quarterly Statement for publication and submission to the Supervisory Board – no other reportable events occurred which are of material significance for the earnings, financial position and performance of ProSiebenSat.1 Group or of ProSiebenSat.1 Media SE.

May 2, 2018
The Executive Board

FINANCIAL CALENDAR

Date	Event
02/22/2018	**Press Conference/IR Conference on figures 2017** Press Release, Press Conference in Munich, Conference Call with analysts and investors
03/15/2018	**Publication of the Annual Report 2017**
05/09/2018	**Publication of the Quarterly Statement for the First Quarter of 2018** Press Release, Conference Call with analysts and investors, Conference Call with journalists
05/16/2018	**Annual General Meeting 2018**
05/22/2018	**Dividend Payment**
08/02/2018	**Publication of the Half-Yearly Financial Report of 2018** Press Release, Conference Call with analysts and investors, Conference Call with journalists
11/08/2018	**Publication of the Quarterly Statement for the Third Quarter of 2018** Press Release, Conference Call with analysts and investors, Conference Call with journalists

EDITORIAL INFORMATION

PRESS
ProSiebenSat.1 Media SE
Corporate Communications
Medienallee 7
85774 Unterföhring, Germany
Phone: +49 [89] 95 07 – 11 45
Fax: +49 [89] 95 07 – 11 59
E-Mail: info@prosiebensat1.com

INVESTOR RELATIONS
ProSiebenSat.1 Media SE
Investor Relations
Medienallee 7
85774 Unterföhring, Germany
Phone: +49 [89] 95 07 – 15 02
Fax: +49 [89] 95 07 – 15 21
E-Mail: aktie@prosiebensat1.com

PUBLISHED BY
ProSiebenSat.1 Media SE
Medienallee 7
85774 Unterföhring, Germany
Phone: +49 [89] 95 07 – 10
Fax: +49 [89] 95 07 – 11 21
www.ProSiebenSat1.com
HRB 219 439 AG München

CONTENT & DESIGN
ProSiebenSat.1 Media SE
Corporate Communications

Strichpunkt Design,
Stuttgart/Berlin

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FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements regarding ProSiebenSat.1 Media SE and ProSiebenSat.1 Group. Such statements may be identified by the use of such terms as "expects," "intends," "plans," "assumes," "pursues the goal," and similar wording. Various factors, many of which are outside the control of ProSiebenSat.1 Media SE, could affect the Company's business activities, success, business strategy and results. Forward-looking statements are not historical facts, and therefore incorporate known and unknown risks, uncertainties and other important factors that might cause actual results to differ from expectations. These forward-looking statements are based on current plans, goals, estimates and projections, and take account of knowledge only up to and including the date of preparation of this report. Given these risks, uncertainties and other important factors, ProSiebenSat.1 Media SE undertakes no obligation, and has no intent, to revise such forward-looking statements or update them to reflect future events and developments. Although every effort has been made to ensure that the provided information and facts are correct, and that the opinions and expectations reflected here are reasonable, ProSiebenSat.1 Media SE assumes no liability and offers no warranty as to the completeness, correctness, adequacy and/or accuracy of any information or opinions contained herein.