



**ProSiebenSat.1**  
Media SE

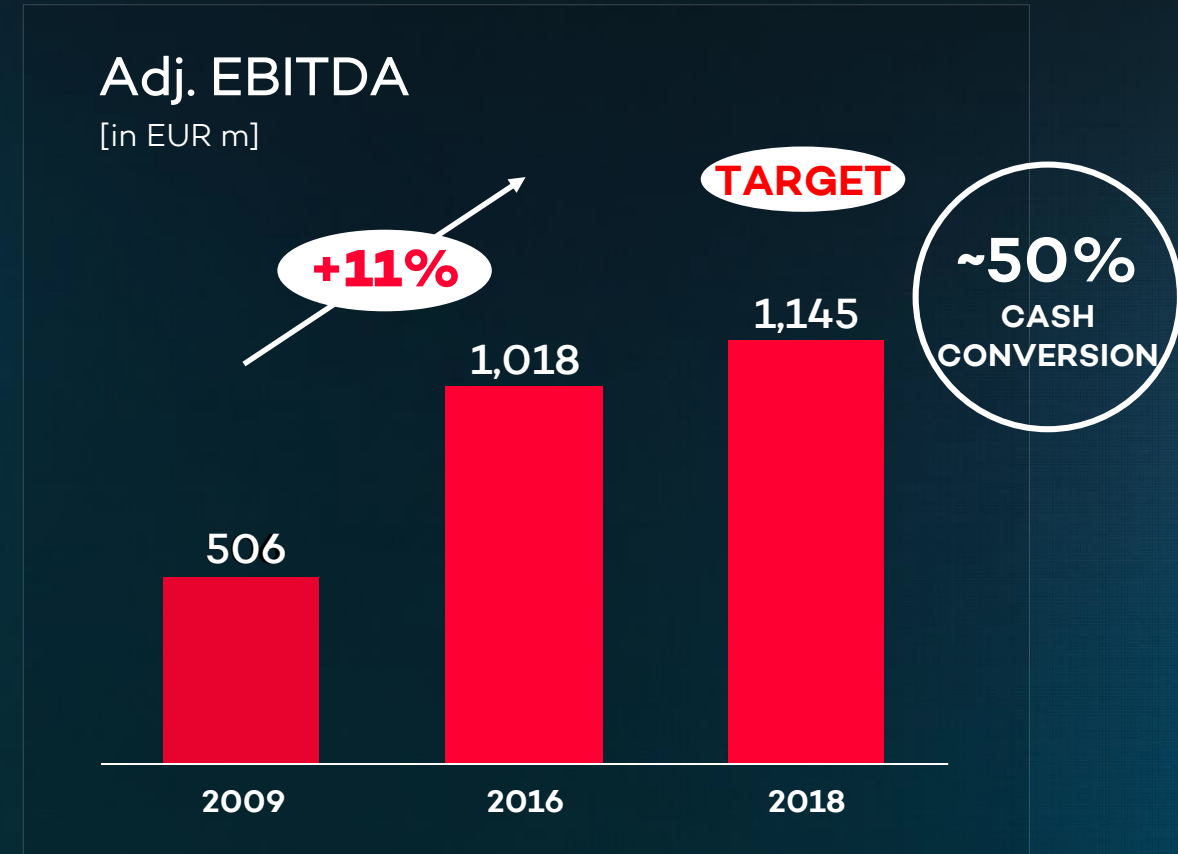
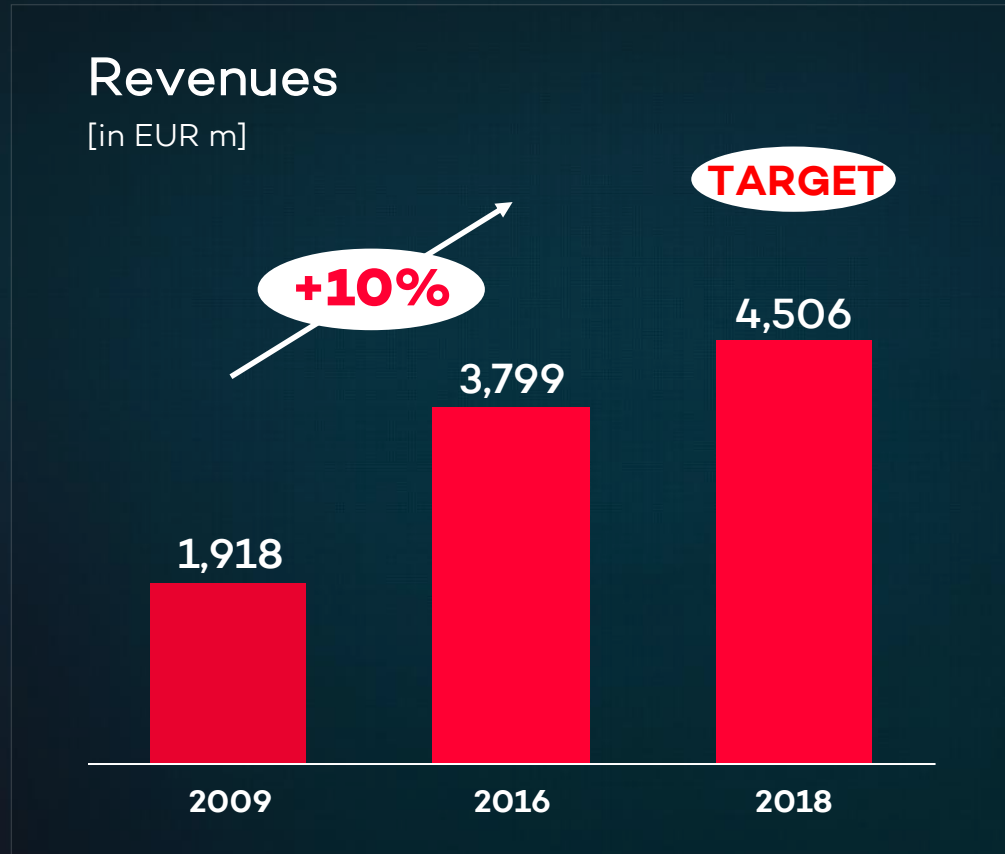
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AN OMNICHANNEL  
ENTERTAINMENT & COMMERCE  
BRAND POWERHOUSE

Investor Presentation

September 2017

# WE DELIVER GROWTH



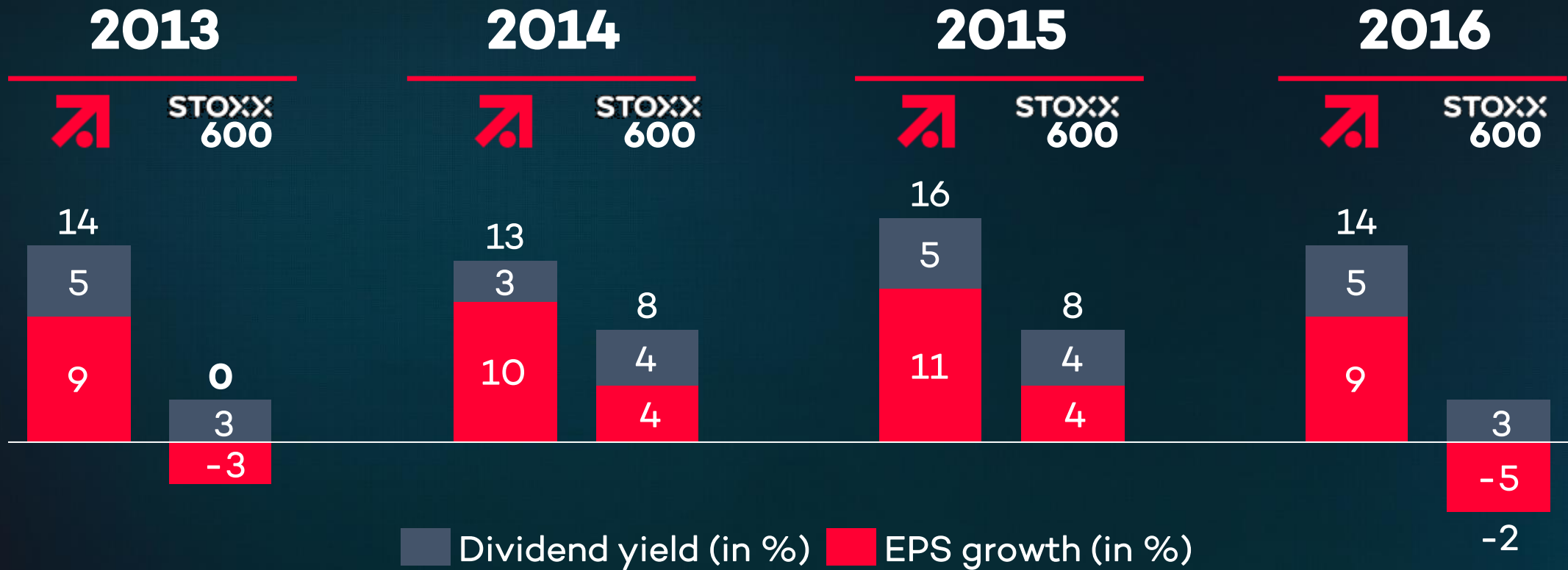
# PROSIEBENSAT.1 AT A GLANCE



	2009	2016	CAGR (2009-2016)
Ext. revenues <sup>1</sup>	1,918m	3,799m	+10%
Adjusted EBITDA <sup>1</sup>	506m	1,018m	+11%
Adjusted net income	187m	513m	+16%
Revenue share of TV adv.	89%	53%	-36%pts
Enterprise value	4,842m	10,339m	+11%
Share price	8.06	36.61	+24%
EV/EBITDA multiple	9.6x	10.2x	+0.6x
Leverage ratio	4.7x	1.9x	-2.8x

1) Excluding International TV and Diversification (SBS Group, Radio, Print and Cmore)

# DIVIDEND & EPS GROWTH



# ON TRACK FOR CMD TARGETS 2018

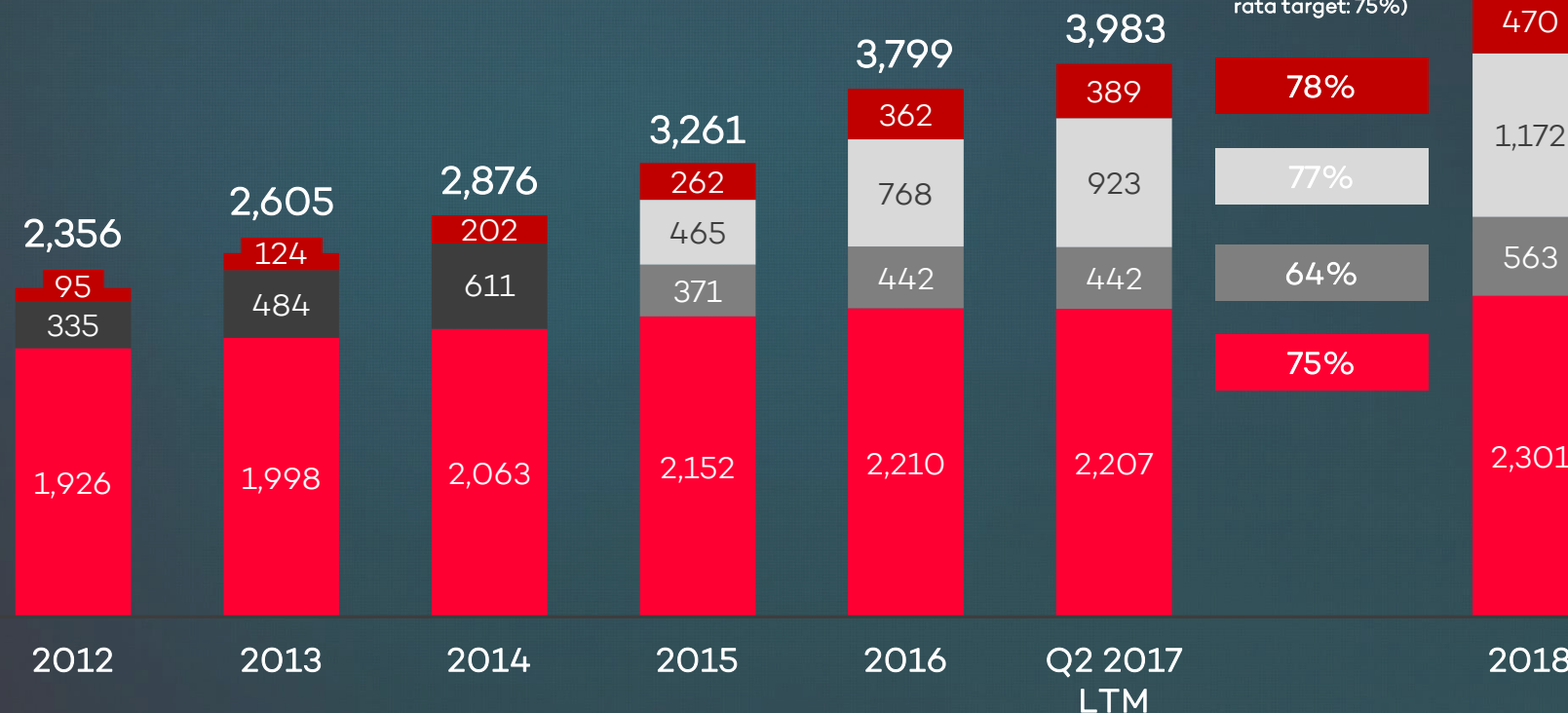


Ext. segment and Group revenues  
[in EUR m; FY 2012-Q2 2017 (LTM); 2018 target]

Degree of achievement<sup>1)</sup>

Target  
2018:  
EUR 4,506m

76%  
(required pro-rata target: 75%)



- Content Production & Global Sales
- Digital Ventures & Commerce (since 2015)
- Digital Entertainment (since 2015)
- Broadcasting German-speaking
- Digital & Adjacent (until 2014)

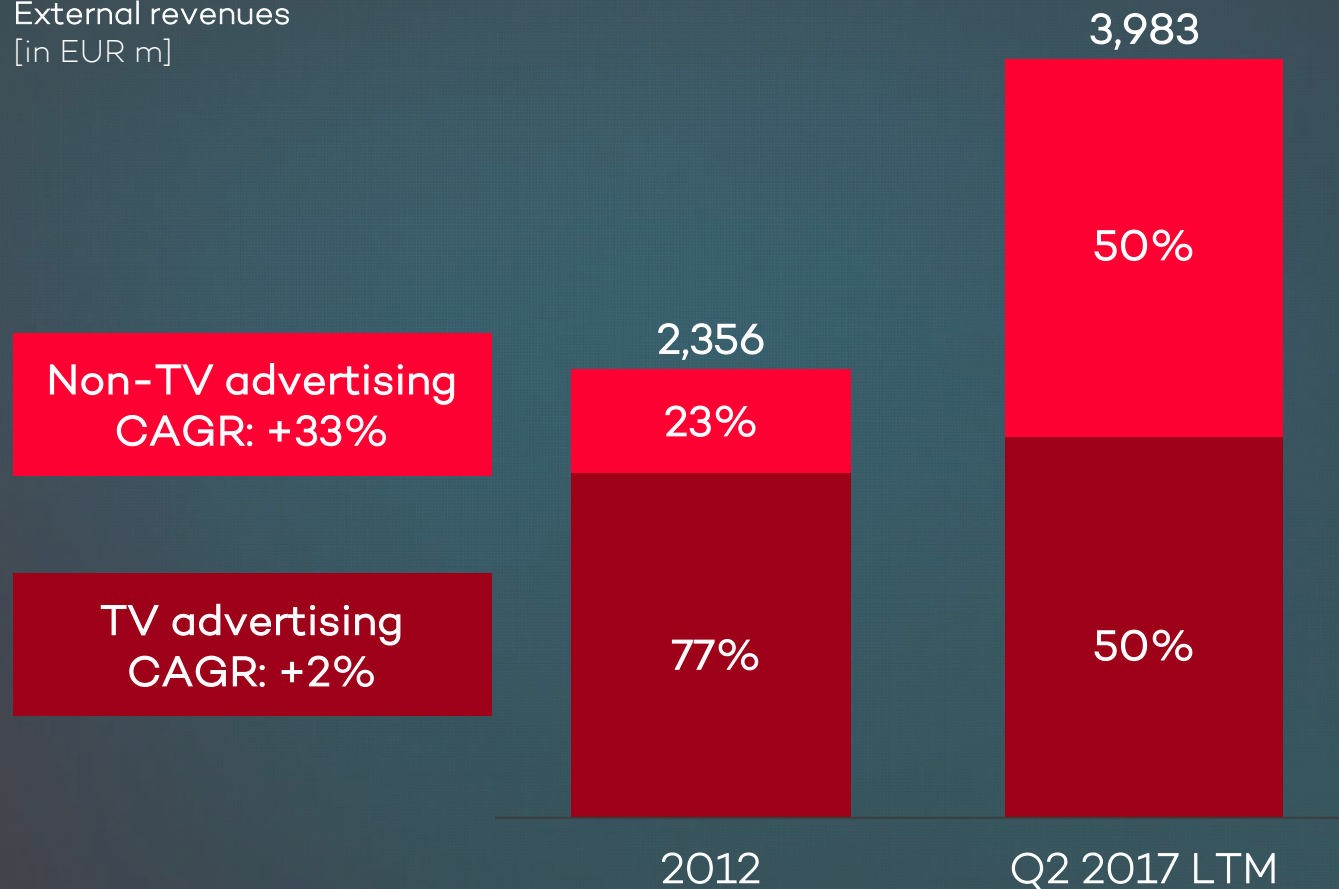
Latest portfolio measures  
not yet reflected in 2018 CMD targets



# 50% OF REVENUES OUTSIDE TV ADVERTISING



External revenues  
[in EUR m]

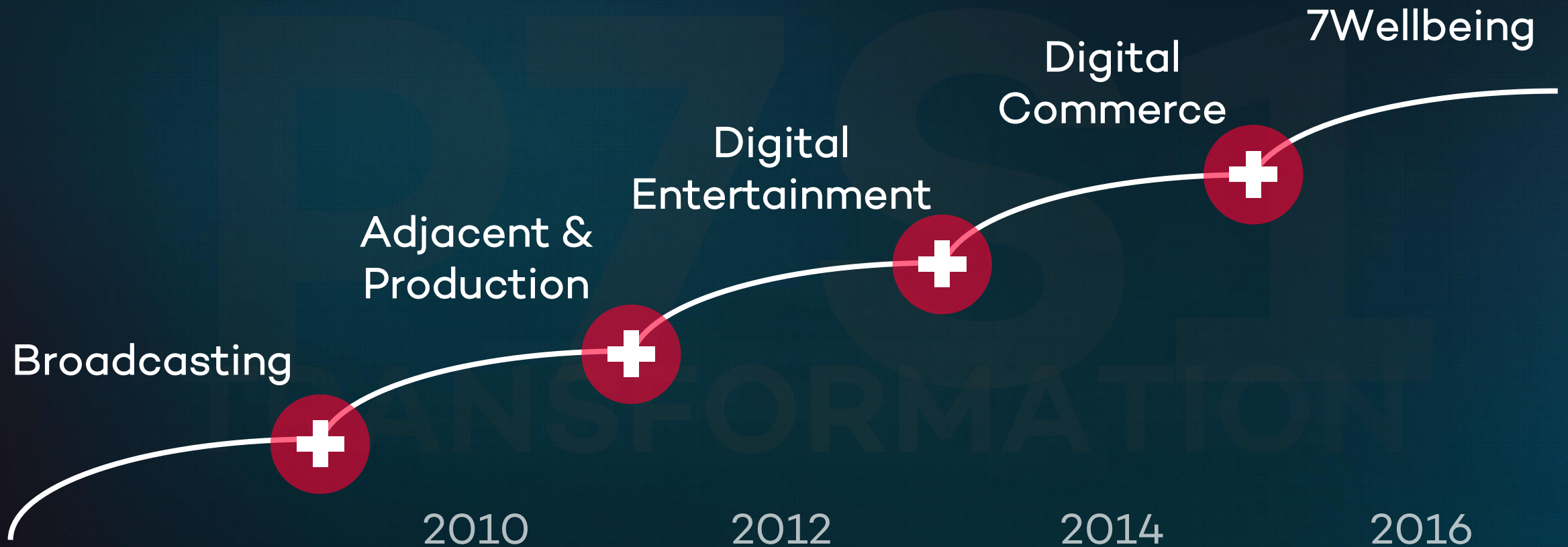


Non-TV advertising  
CAGR: +33%

TV advertising  
CAGR: +2%

CMD target achieved:  
**50%**  
of Group revenues generated  
outside of traditional  
TV advertising business

# FROM **CONTENT AGGREGATOR** TO **CONTENT, ENTERTAINMENT AND COMMERCE OMNICHANNEL PLATFORM**





# LEADING MARKET POSITIONS



## Broadcasting German-speaking



TV ad revenues account for ~50% of total group revenues

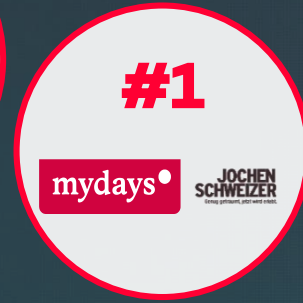
## Digital Entertainment



## Content Production & Global Sales



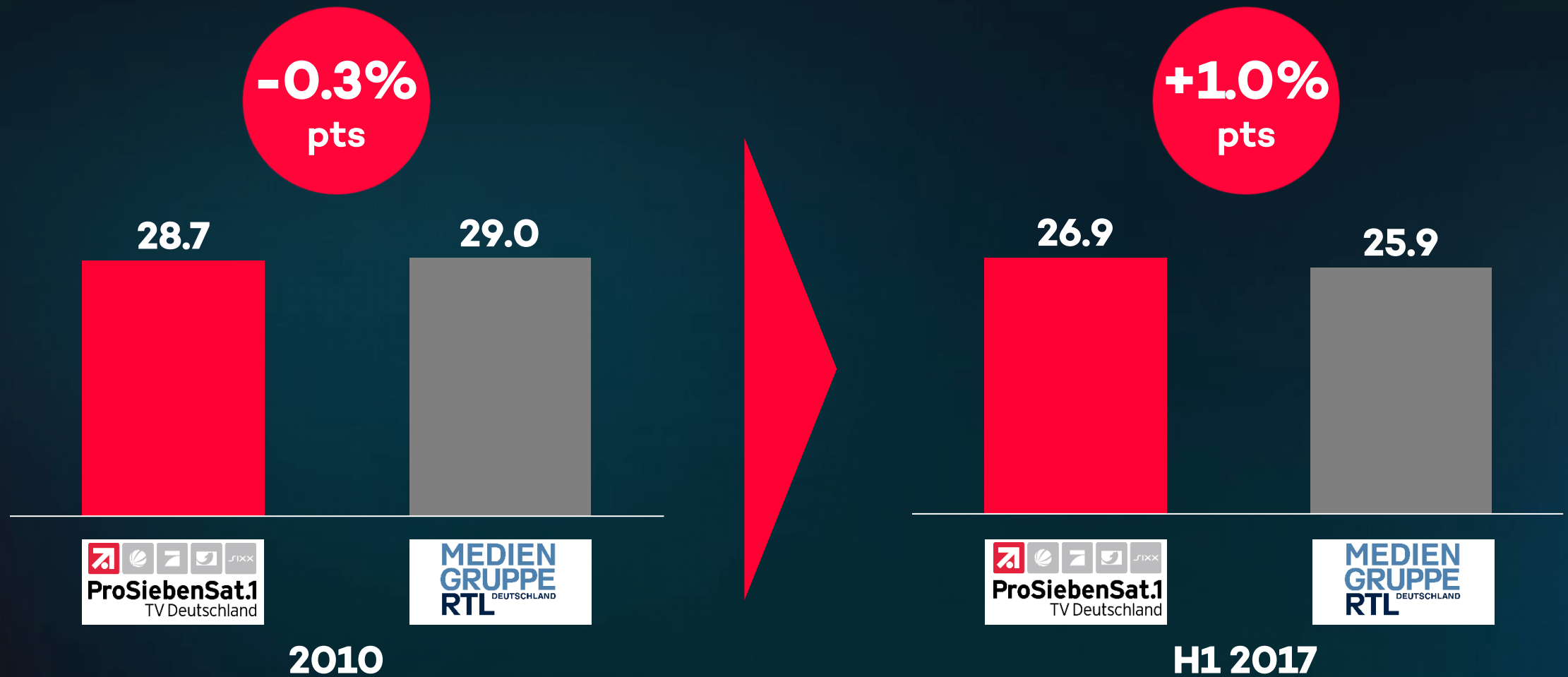
## Digital Ventures & Commerce



Selected companies only. Note: Jochen Schweizer acquisition subject to clearance by the responsible cartel authorities, closing envisaged in Q4 2017. Ext. Revenue growth H1 2017 vs. H1 2016 in %. Pro forma view for Parship Elite Group. 1) Revenue growth for mydays.



# WE ARE THE LEADING GERMAN TV GROUP



Basis: all German TV households (German-speaking), A 14-49, Mon-Sun, 3-3 h, continued channels only; RTL Mediengruppe since June 2016 incl. RTLplus, w/o RTL II minority.

Source: AGF in cooperation with GfK/TV Scope/ProSiebenSat.1 TV Deutschland.

# LAUNCHED 4 NEW TV CHANNELS WITHIN 6 YEARS



# BUILT **SIZEABLE PRODUCTION BUSINESS** WITHIN 5 YEARS



**19 production companies in 7 countries**



US<sup>1)</sup> accounts for  
**73%**  
of external revenues

**USA**

**Canada**

**UK**

**Denmark / Norway**

**Germany**

**Israel**

1) Share of external revenues generated by US production entities, Q2 2017 LTM.



# LEADING GLOBAL MULTI-CHANNEL NETWORK



**Top3**  
Global MCN

**7bn**  
Video views  
per Month

**1,200**  
Global  
creators



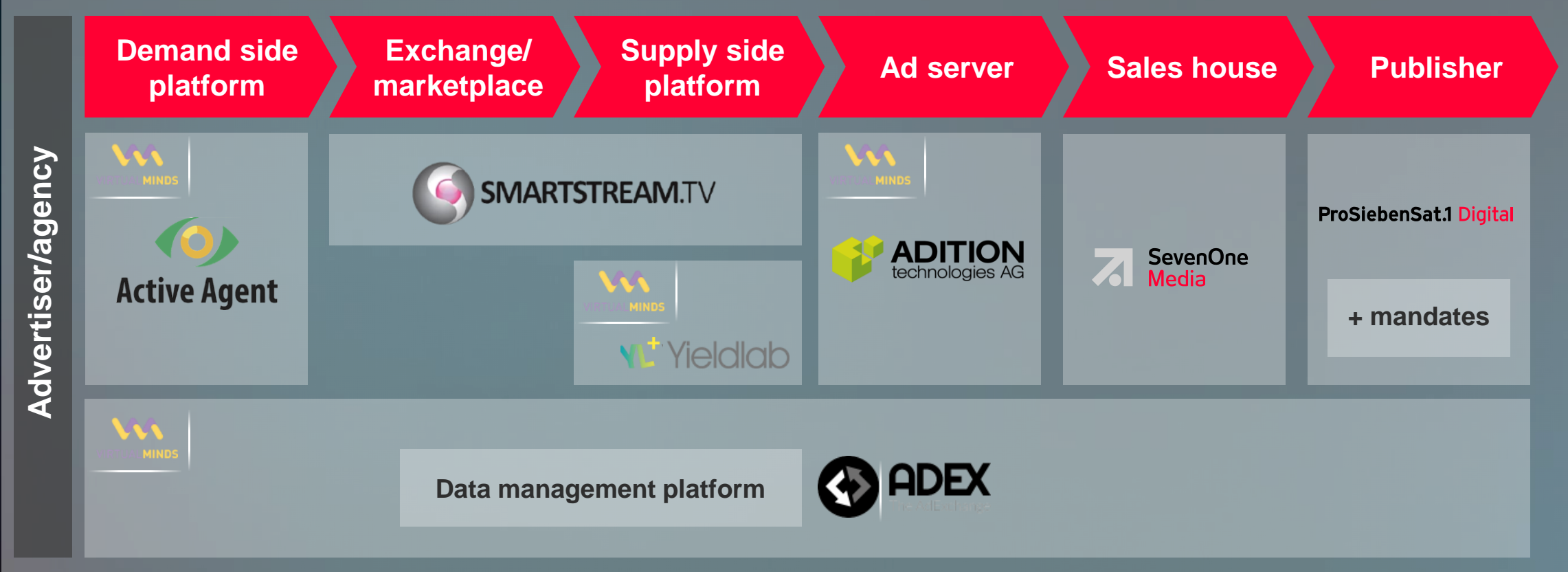


# CREATED LEADING DCOM BUSINESS WITHIN 4 YEARS



Selected companies only. Note: Jochen Schweizer acquisition subject to clearance by the responsible cartel authorities, closing envisaged in Q4 2017.

# BUILD AN OWN ADTECH STACK WITHIN 2 YEARS



# WE ESTABLISHED POWERFUL PARTNERSHIPS



## European Media Alliance cooperations

### Programmatic Sales House (EBX)



### Studio71 co-investment



## US entertainment cooperations

### Joint online video platform



### Thematic TV windows



## German data cooperation

### Log-in partner alliance



First  
partner



ProSiebenSat.1  
founded the

# MEDIA ALLIANCE

>200m  
household reach





# OUR UNIQUE ADVANTAGE VS. FANGA: **CROSS-FERTILIZATION**



**TV  
advertising**

**Content**

**Data**

**Technology**

**Omni-  
channel  
distribution**

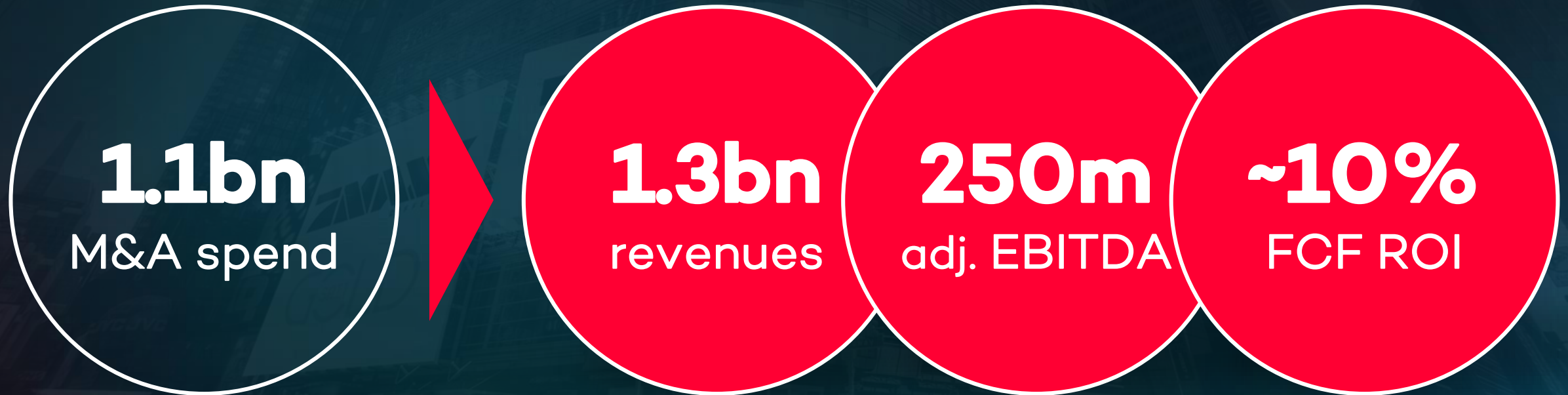
Local market know-how

Deep Vertical experience

Inter-vertical synergies

Creation of offline products

# EFFICIENT CREATION OF A DIGITAL BUSINESS IN 5 YEARS





# OUR ENTERTAINMENT BUSINESSES

**Broadcasting  
German-speaking**

**Digital  
Entertainment**





# GERMAN MARKET DIFFERENTIATORS vs. US



**High Free TV  
content quality**

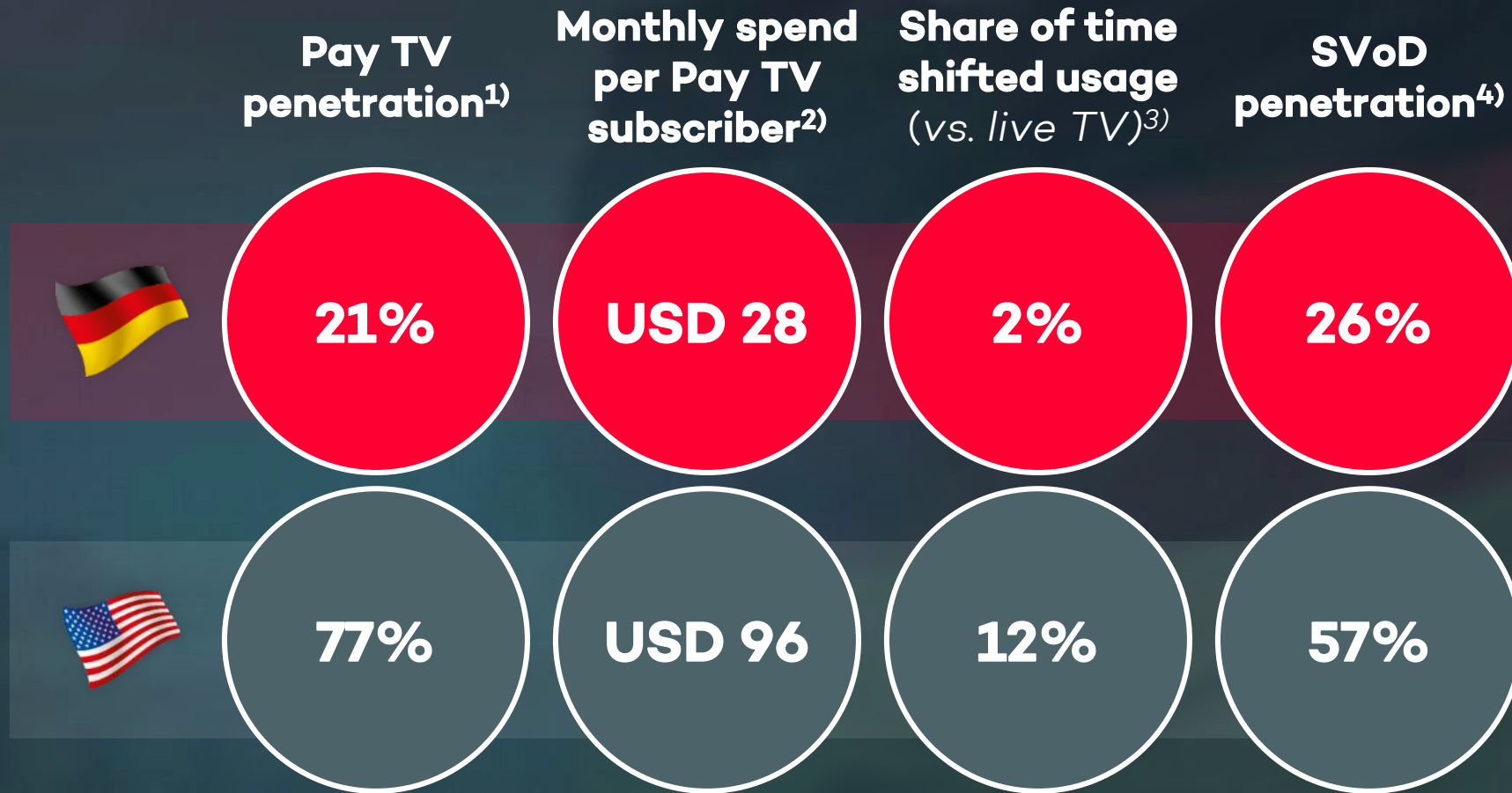
**Strong  
lighthouse  
channels**

**Low ad break  
intensity  
(12 min/hour)**

**Language:  
Dubbed  
versions  
preferred**

**Free TV widely  
protected from  
windowing**





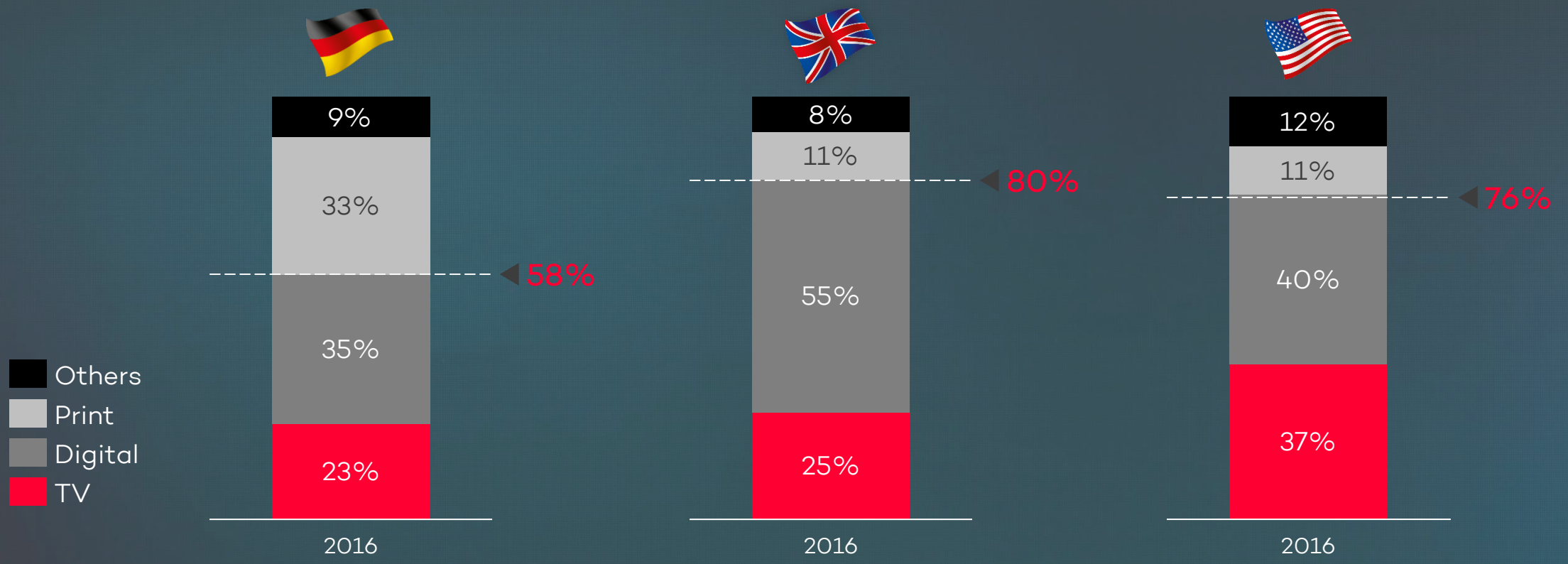
# STRONG LINEAR FREE TV

1) GER: VPRT Pay TV in Germany (2017); USA: SNL Kagan (2017); UK: ofcom international CMR 2016 (2015); Nordics: Digital TV research as cited by Statista, w/o FIN 2) GER: VPRT Pay TV in Germany (2017); USA: SNL Kagan (2017); UK: ofcom international CMR 2016 (2015); Nordics: (SWE only) ofcom international CMR 2016 (2015) 3) GER: AGF TV Scope (Q1 2015); USA: Nielsen (Q1 2017); UK: Thinkbox annual review 2016 (2016); Nordics: FIN Finnpanel Oy, TAM 2014 (2014); NOR TNS Gallup TV-meterpanel (2014) 4) GER: ViewTime Report, Q2/2017, SevenOne Media, forsa; USA: Nielsen (Q1 2017) UK: BARB UK Television Landscape Report Q4 2016 (2016), SWE SNL Kagan Consumer Insights 2017

# INTERNATIONAL ADVERTISING MEDIA MIX COMPARISON



[2016, media mix of net advertising market, in %]



Note: Overall media mix not 100% for UK due to roundings  
 Source: Magna Global forecast (June 2017), Digital including Google and Facebook  
 Excluding POS budgets, GER TV = Broadcast TV

# VALUE CREATION OPPORTUNITIES



vs. the US

New ad revenues

Participation  
in shift away from print

Individualized advertising via  
Addressable TV

Regional advertising

Red Button Portal / HbbTV

Other new revenues

Growth in distribution revenues

Digital pay offering

Participation in public funding  
for selected content

Advertising ban  
on public channels

Synergies & cost reductions

Intra-ad market consolidation

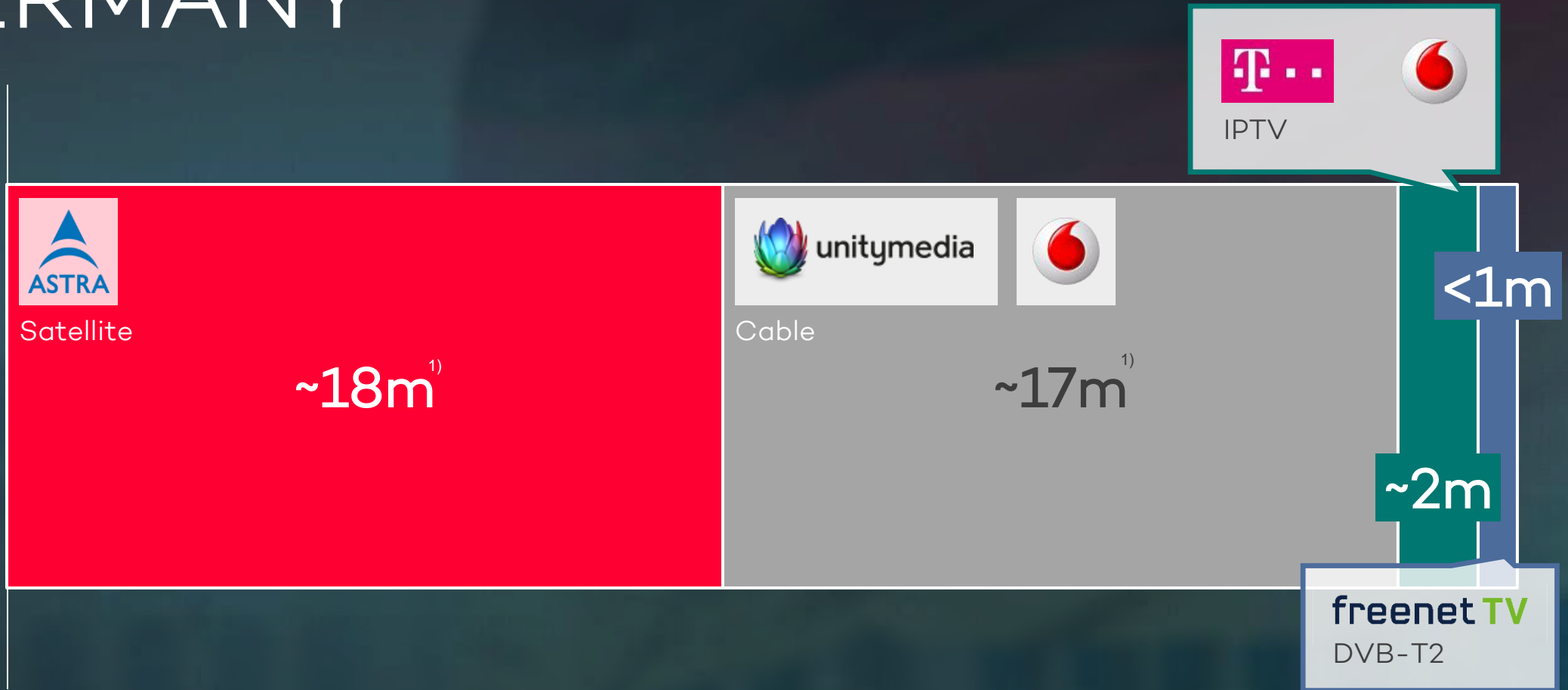
European broadcasting  
consolidation

Commerce synergies

# DISTRIBUTION LANDSCAPE IN GERMANY



# of  
households  
(in mio.)

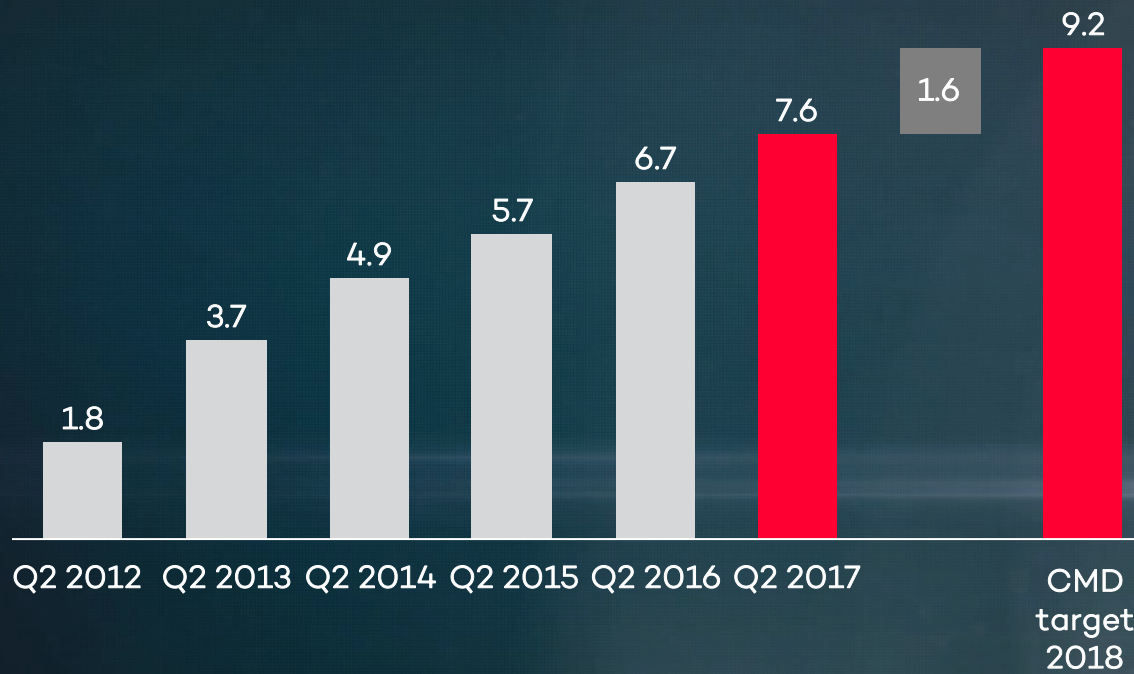


Note: HH = households 1) Astra Monitor report 2016 published 04/2017 (adjusted data base on new official population statistics), Telekom publications and P7S1 assumptions 2) Total IPTV customers of DTAG (IP and Satellite via hybrid STBs): 2.96m, Source: DTAG Quarterly Report Q1/2017 3) Abandonment of DVB-T service on March 29, 2017; Launch of DVB-T2 on March 30, 2017.



# HD SUBSCRIBERS

HD FTA subscriber development  
[in m]



+0.9m  
vs.  
Q2 2016

+13%

HD  
penetration<sup>1)</sup>

4.5%   9.3%   12.4%   14.4%   16.9%   19.2%   23.2%

1) HD penetration based on total TV households in Germany (39.6m); source: Astra TV Monitor; note: HD Free-to-air subscribers Germany shown, paying subscriber figures as reported by platform partners (EoP; subject to subsequent adjustments by platform partners).

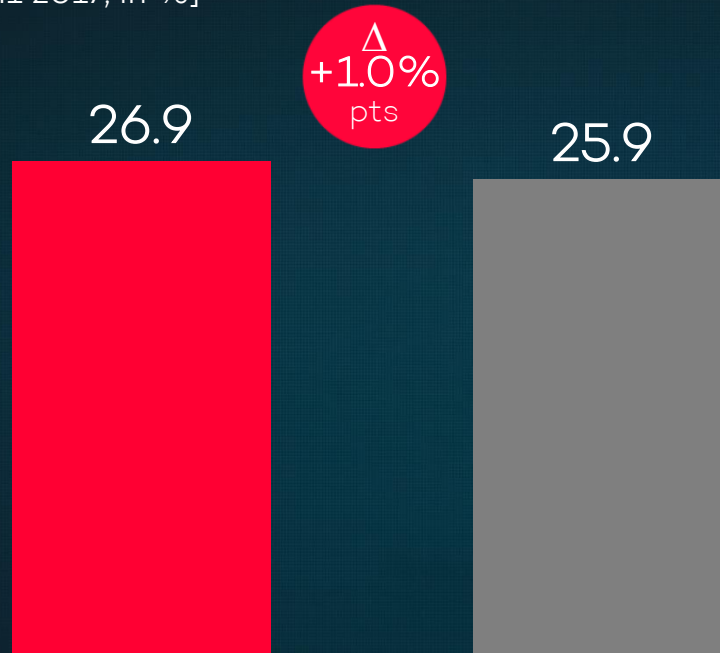


# LEADING GERMAN TV GROUP



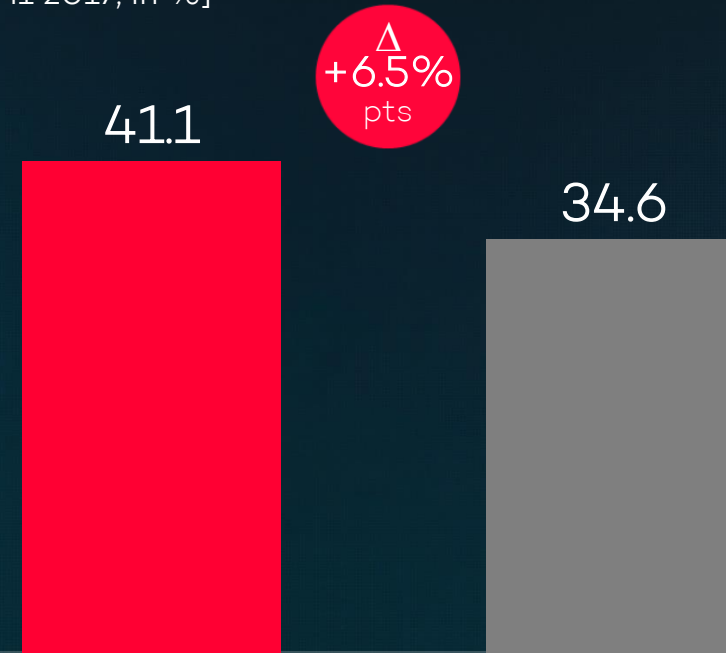
## Audience share (A 14-49)

[H1 2017; in %]



## Share of advertising (SoA)

[H1 2017; in %]



Audience share: Basis: all German TV households (German-speaking), A 14-49, Mon-Sun, 3-3 h, RTL Mediengruppe since June 2016 incl. RTLplus, w/o RTL II minority; source: AGF in cooperation with GfK/TV Scope/ProSiebenSat.1 TV Deutschland. Share of advertising: Gross values; source: Nielsen Media Research/SevenOne Media, Sales Steering & Market Insights.

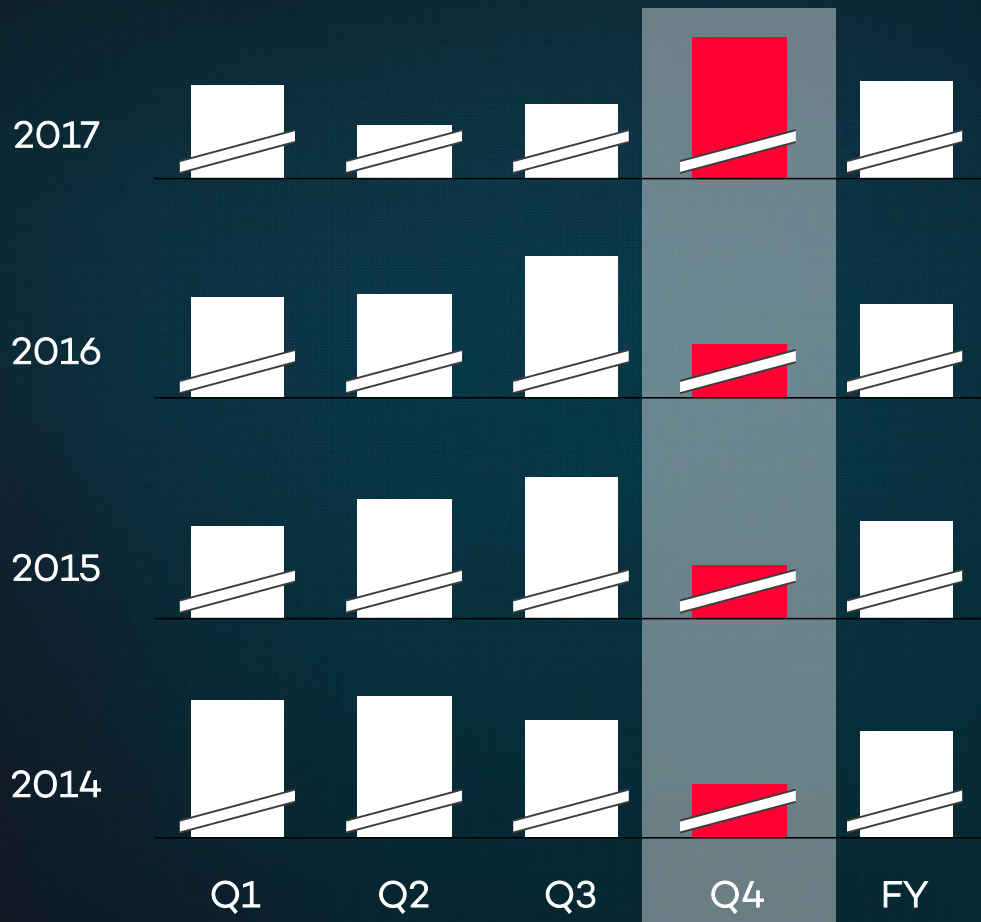


# Q4: THE “AGENCY REBALANCING QUARTER”



ILLUSTRATIVE

SevenOne Media  
Net SoA

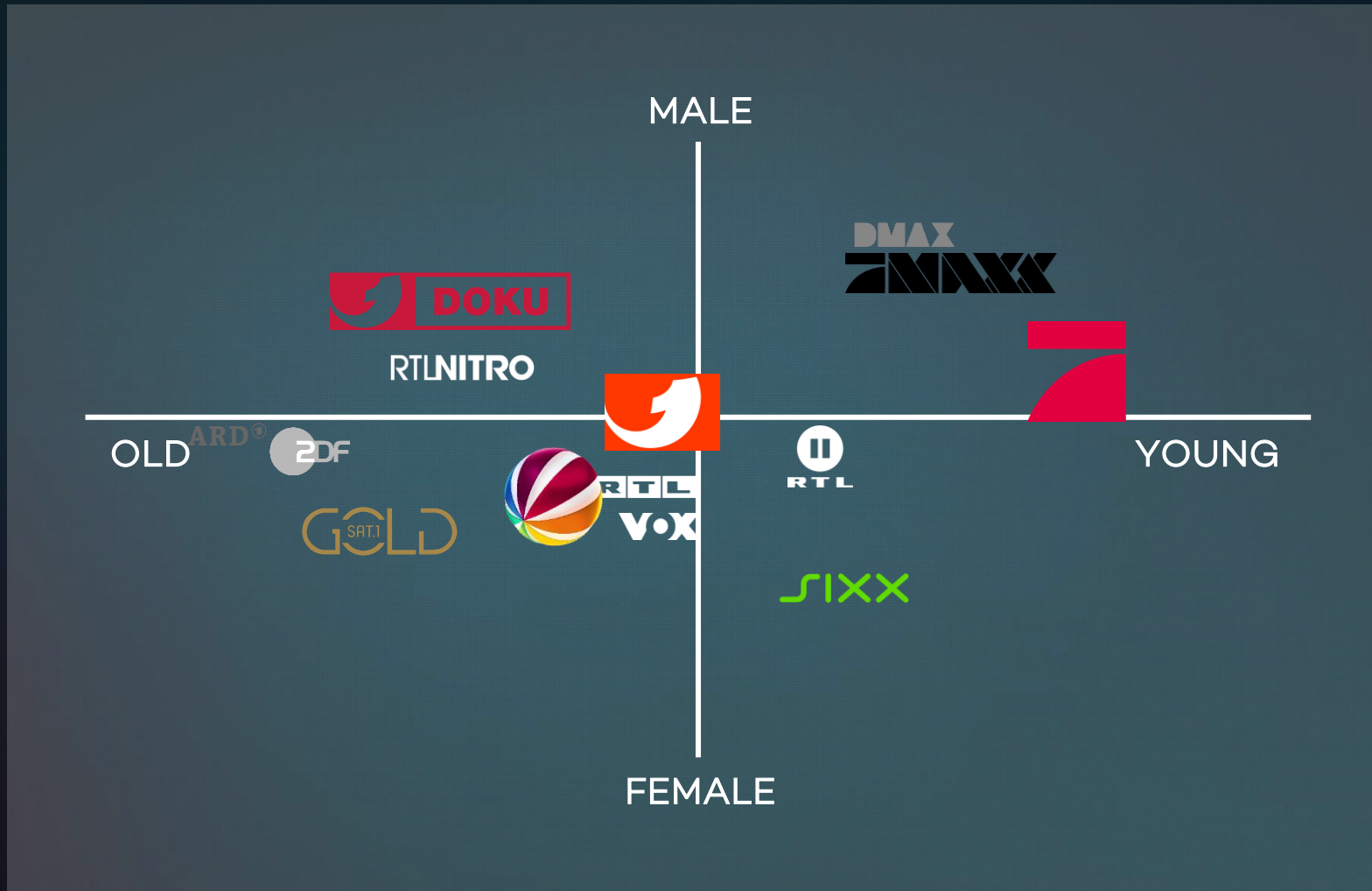









IP Deutschland  
Net SoA



Source: SevenOne Media analysis; estimates for Q4 and FY 2017

# OUR COMPLEMENTARY TV CHANNELS



Key target groups		Market shares H1 2017
	A 14-59	8.4%
	A 14-39	12.9%
	A 14-49	4.8%
	F 14-39	1.7%
	F 40-64	2.3%
	M 14-39	2.5%
	M 40-64	0.4% <sup>1)</sup>
$\Sigma$ (A 14-49)		26.9%

Base: All German TV households (German-speaking), Mon-Sun, 3-3 h Source: AGF in cooperation with GfK/TV Scope/ProSiebenSat.1 TV Deutschland

1) Since launch September 22, 2016



# COMPREHENSIVE PROGRAM MIX



- Commissioned content
- Licensed content
- Others

**News, Magazines & Sports**

- #1 breakfast television (SAT.1 Frühstücksfernsehen)
- Leading boulevard & lifestyle shows (taff, red!)
- #1 science show (Galileo)

**Reality**

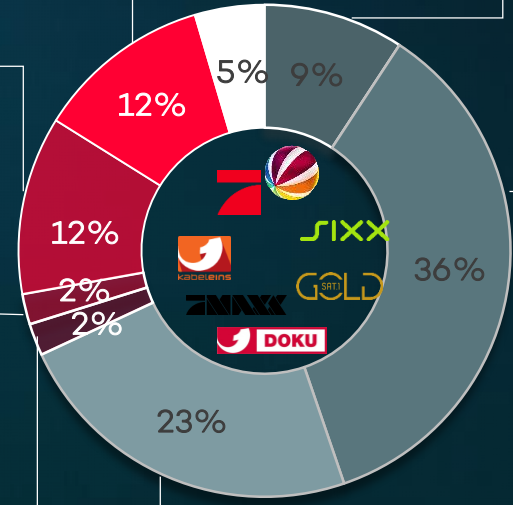
- Reality Blockbuster (e.g. Rosins Restaurants, Biggest Loser, Das grosse Backen - Promispezial)

**Entertainment**

- Top casting shows (GNTM, The Voice Kids)
- #1 competition show (Schlag den Star, Global Gladiators)

**Film & Series National**

- Talk of town formats (e.g. Für Emma und ewig, Nackt. Das Netz vergisst nie., Who am I)



**Film International**

- Deals with major studios Warner, 20th Century Fox, Disney, Paramount, Constantin

**Series International & Animation**

- Top crime series (Navy CIS, Criminal Minds, Leathal Weapon)
- Leading in sitcoms (Big Bang Theory, Two & a Half Men)
- Long-running cult series (e.g. Simpsons)

**Licensed non-fiction**

- sixx: e.g. Fixer Upper, Crazy Clips, Tattoo Fixers on holiday
- ProSieben MAXX: e.g. Jagdfieber, Special Forces Bootcamp
- kabel eins Doku: e.g. Ungeklärt – Mord verjährt nicht, Katastrophale Konstruktionen

1) Notes: 1.HY 2017: film international & series international incl. international coproduction; licensed non-fiction incl. documentaries & international ready made 2) 1.5% other program hours especially driven by infomercials

# AGEING OF CORE TARGET GROUPS



Daily TV consumption

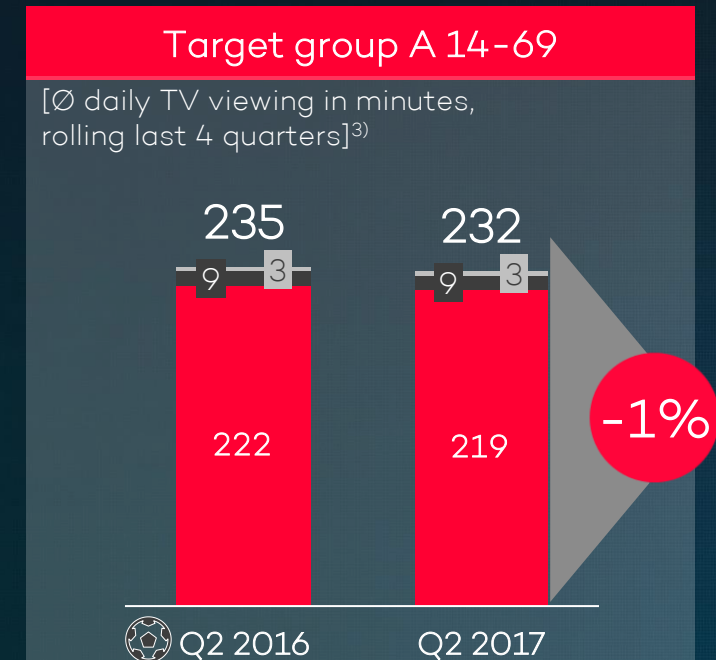
TV classic TV alternative<sup>3)</sup> TV catch-up



German population share <sup>1)</sup> :	18%
TV net reach <sup>2)</sup> :	~6m



German population share <sup>1)</sup> :	44%
TV net reach <sup>2)</sup> :	~20m



German population share <sup>1)</sup> :	72%
TV net reach <sup>2)</sup> :	~37m

1) Source: German Federal Statistical Office ("Statistisches Bundesamt") 2015. 2) TV net reach Q2 2017 LTM. Source: AGF in cooperation with GfK.

3) Source: Viewtime Report, SevenOne Media/forsa 2015-2017. TV alternative: linear TV viewing on PC, laptop, tablet or smartphone via online stream, recording or broadcast signal.

# INCREASING RELEVANCE OF 50+



## Growing share of total population<sup>1)</sup>

[Germany; 2015; 50+ years]

44%

+4%pts  
until 2030

## High available income per month<sup>2)</sup>

Available income after fix costs such as rent and groceries  
[Germany; 2016; 65-85 years]

628  
EUR

+20%  
vs. 2012

## High daily TV usage<sup>3)</sup>

Daily TV consumption  
[Germany; Q1 2017; 50+ years]

349  
minutes

+160min  
vs. 14-49

Effectiveness of TV advertising for brand awareness building and advertising recall in target group 50+ comparable to target group 14-49<sup>4)</sup>

1) 50+; source: Statistisches Bundesamt (Destatis). 2) Generali Altersstudie 2017/IfD Allensbach; n=4.133. 3) Media Activity Guide 2017, SevenOne Media/forsa. 4) SevenOne Media market research.



# WHY WE ARE PROTECTED EVEN IF REACH OF TV IN TARGET GROUP 14-49 DECLINES



**Key segments are not affected by reach 14-49 discussions:  
How we could use our ad inventory in 2022**





# TV CONTINUES TO DOMINATE



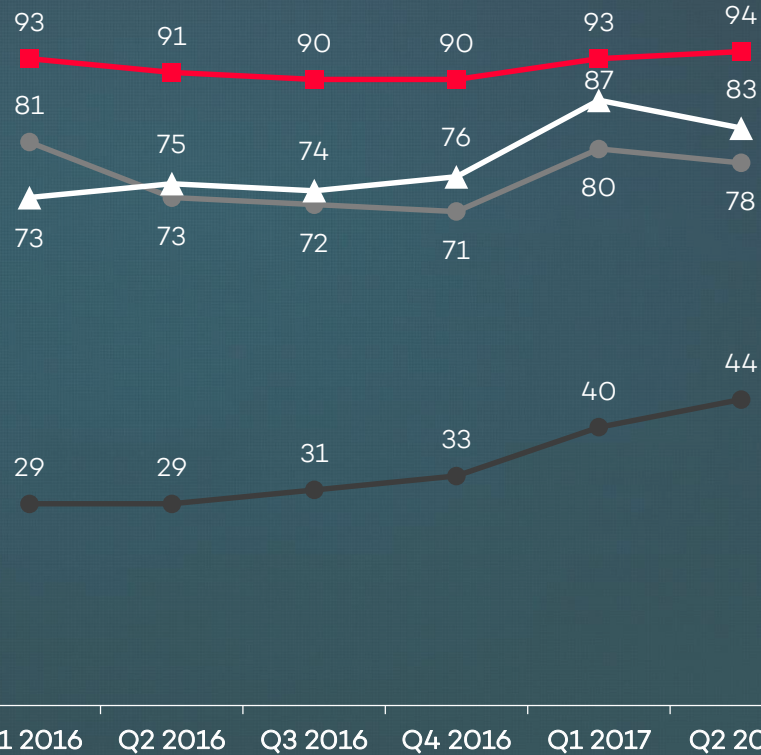
TV consumption stable despite increasing broadest user universe of other video services

- TV (incl. catch-up)
- DVD/Blu-ray
- ▲ Free online video (excl. catch-up)
- PayVoD

44% PayVoD penetration only translates to ~5% share of daily video consumption

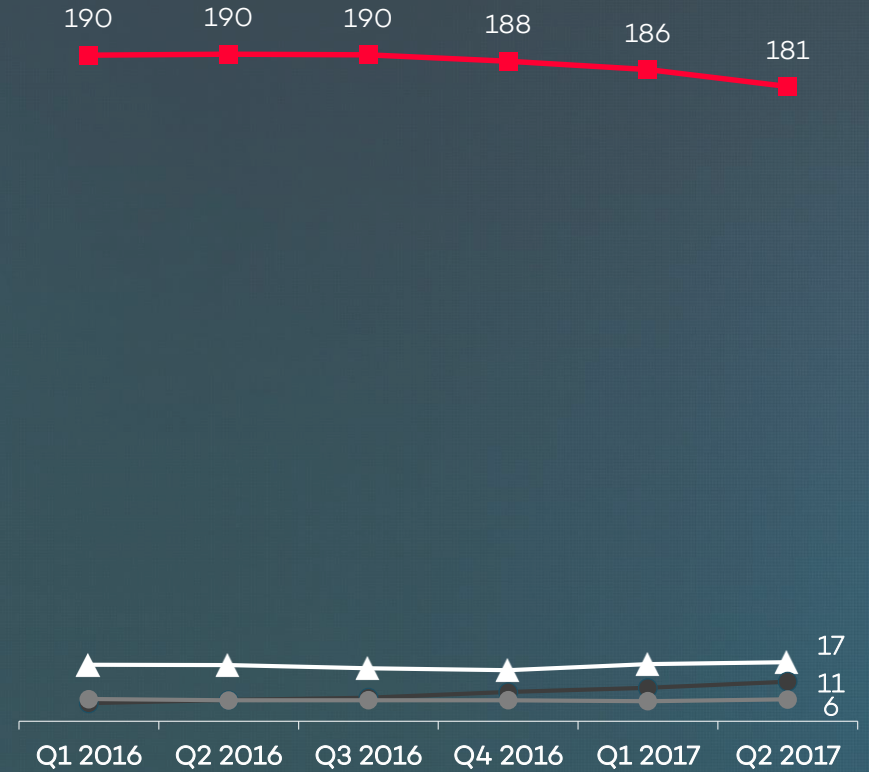
## Broadest user universe (A 14-49)

[in %; usage at least rarely or more often]



## Video consumption (A 14-49)

[Ø daily TV viewing in minutes, rolling last 4 quarters]

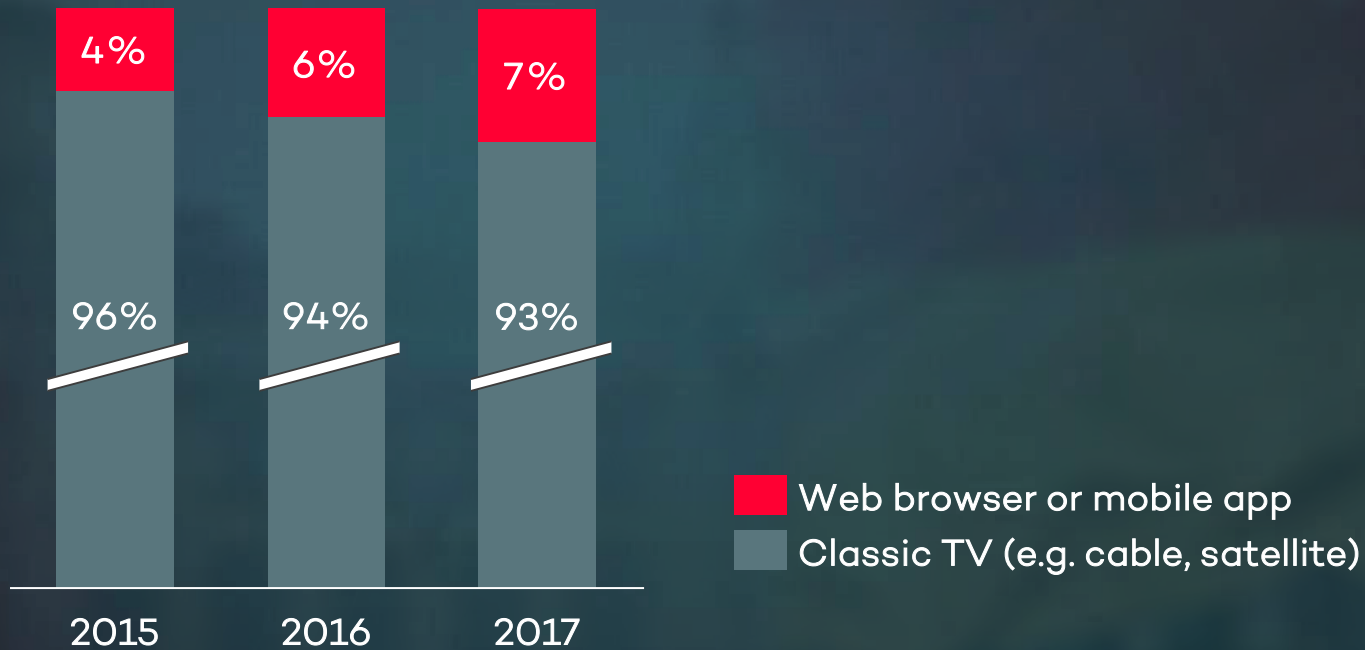


Basis: A 14-49; source: Viewtime Report SevenOne Media/forsa; 2015-2017.

# STRONG ONLINE TV VIEWING



Percentage of linear TV viewing time per device (A 14-49)



Usage via web browser or mobile app not included in TV measurement so far

Source: Viewtime Report Q1 2015, Q1 2016 and Q1 2017; SevenOne Media/forsa.

# DIGITAL TV OFFERINGS



## Linear TV offering

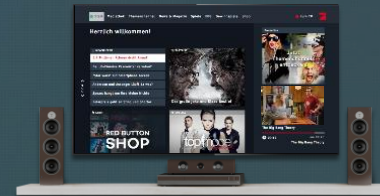


## Digital extension of 12<sup>th</sup> season GNTM

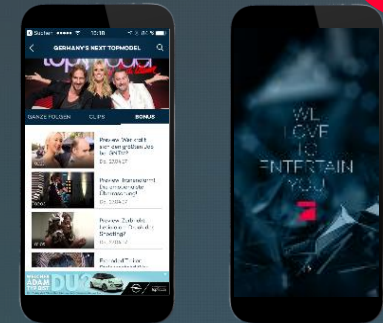
### ProSieben.de



### HbbTV



### ProSieben App



+47%  
reach vs.  
TV only<sup>1)</sup>

Offering includes live viewing, catch-up and bonus material (e.g., interviews, short clips)

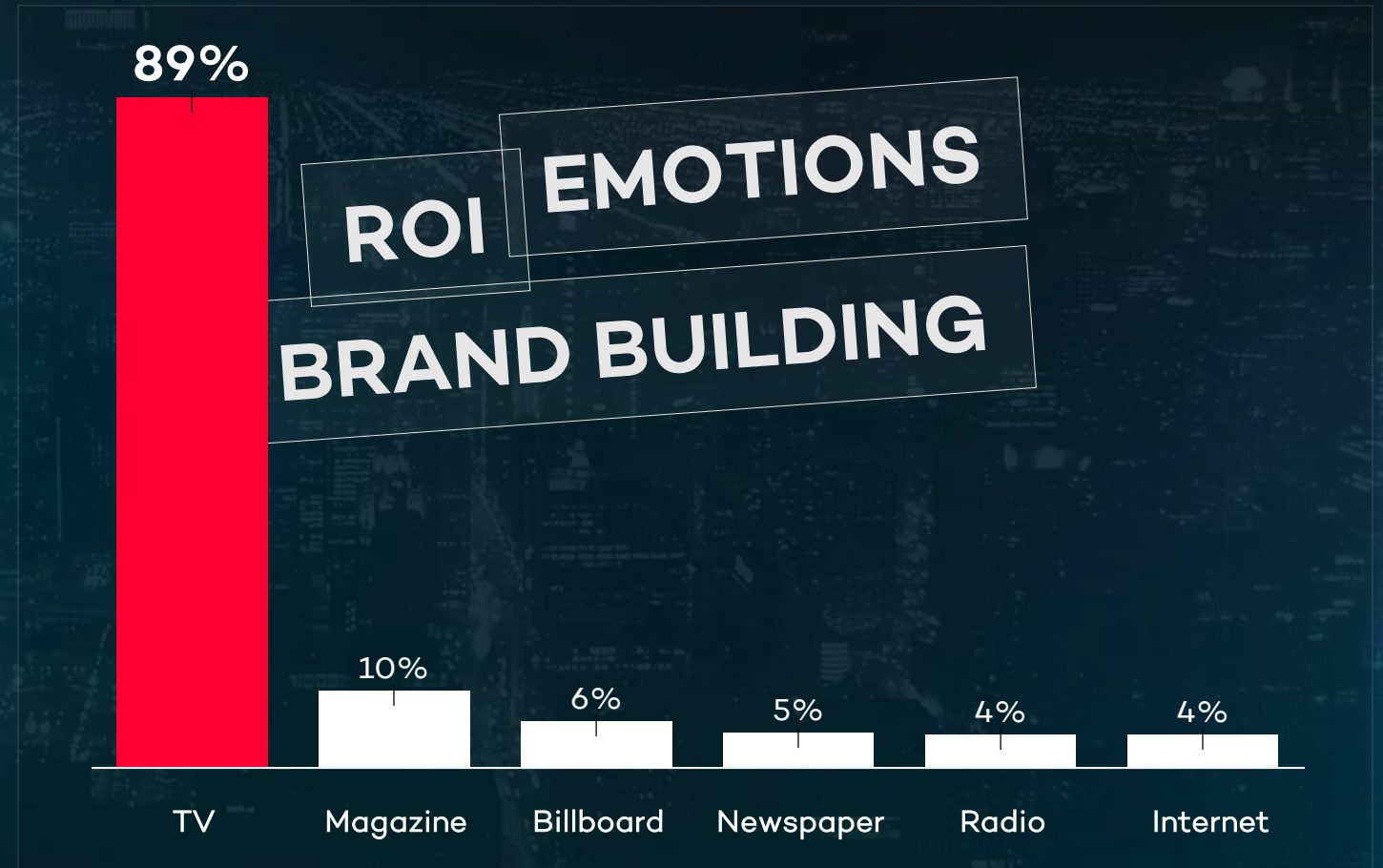
1) Incremental reach (based on not unique views) through digital offerings (incl. ProSieben.de, ProSieben app, 7TV web & app, HbbTV, SmartTV, syndication), TV basis: Z 3+, "TV contacts" with >1 min. of viewing, multiple views per user possible; source: AGF in cooperation with GfK/TV Scope/P7S1 TV Deutschland/Google Analytics/Webtrekk.



# TV IS #1 BRAND BUILDER



„Which **product** or **service advertisement** which you have seen, read or heard recently can you **remember**?“





# NOT OUR PROBLEM: DIGITAL PAIN POINTS



Brand safety	~10% of digital video advertising in environments with risks to brands <sup>1)</sup>
Ad Fraud	Up to 70% of video impressions of programmatic video fraudulent due to robot traffic <sup>2)</sup>
Viewability	60% of digital video advertising not viewable <sup>1)</sup>
Autoplay	More than one third of digital videos not started by consumer <sup>1)</sup>
Ad Clutter	Digital advertising not effective due to ad clutter <sup>1)</sup>
Ad Blocker	~30% ad block usage in Germany <sup>3)</sup>
Engagement	Lasting impact of digital engagement doubtful

Source: 1) Integral Ad Science Report on Media Quality (H1 2016, Q1 2016). 2) ANA & WHITE OPS 2015 Bot Baseline Report - Fraud in Digital Advertising. 3) PageFair 2017 Global Adblock Report.

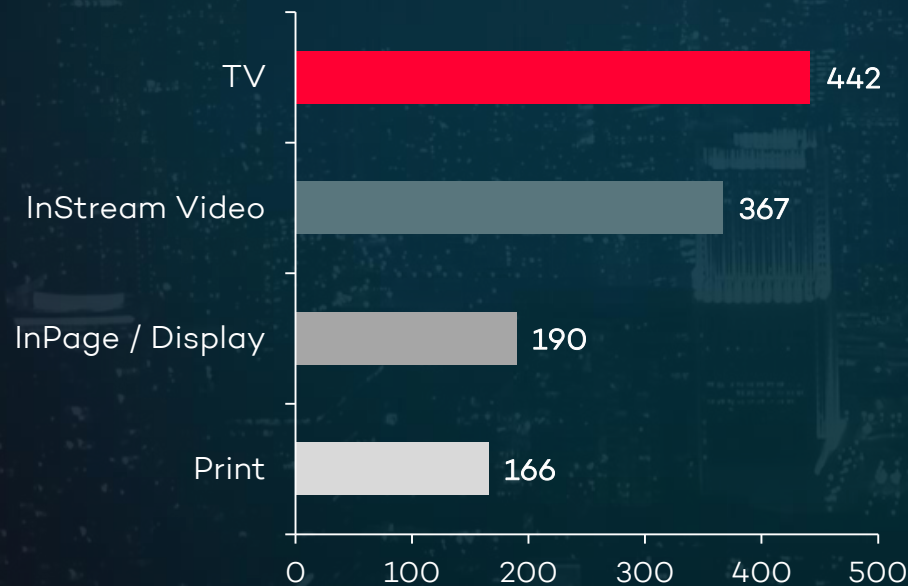
# TV IS THE MOST EFFECTIVE AND EFFICIENT MEDIUM



## Highest effectiveness

### Advertising effectiveness<sup>1)</sup>

[aided advertising recall, index 100 = without contact]

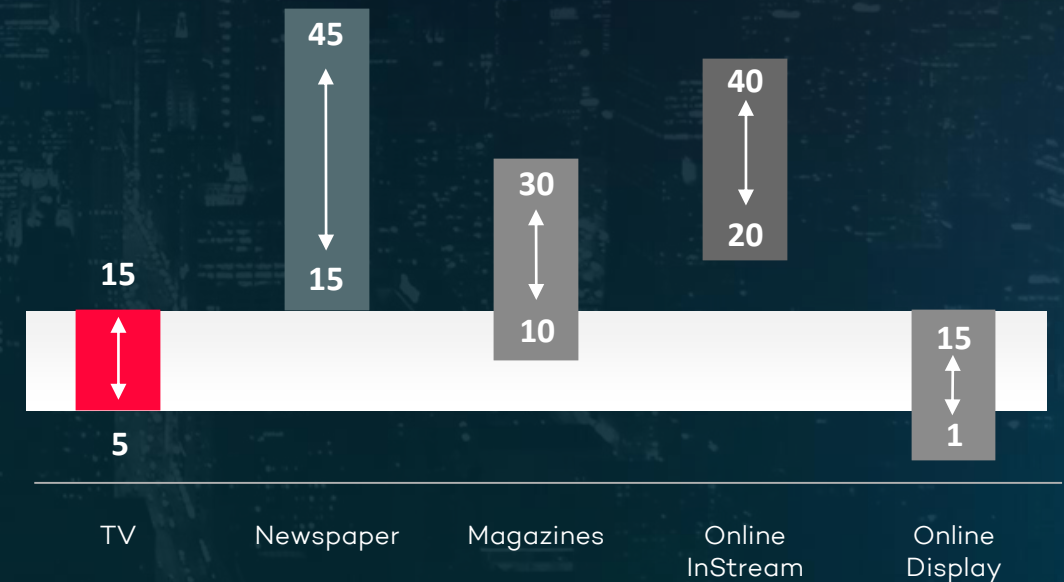


**2.65x**  
average  
long-term  
ROI

## Attractive pricing

### Net CPT ranges<sup>2)</sup>

[in EUR]



1) Eye Square 2012, basis: n = 200, 14-64 years; 4 tested advertising campaigns per medium

2) A 14-49 / MA Presse / AGOF / AGF in cooperation with GfK / own calculations



# PERFORMANCE MARKETING LIMITATIONS



## MOBILE SHIFT

makes performance marketing more expensive (e.g., search)

## VOICE

recognition will drive need for brand building

## BRAND BUILDING

required to make performance mktg. more efficient

## LEAD GEN

platform importance will diminish

# LEADING BRANDS ARE TURNING AWAY FROM DIGITAL



**JAN HUCKFELD**  
(CMO, MOTOROLA)



**“If you want to build a brand, you need to drive reach.** Instead of investing in an overload of frequency, you should rather look into driving as much reach and continuity as possible. (...) I think **the majority of our dollars will be rather spent in TV** in places like the U.S. because that is still the biggest reach media that is available. I actually think we are not the only brand realizing that maybe **this hype around digital and social is a bit of an exaggeration.**”

07/2017

**JON MOELLER**  
(CFO, P&G)



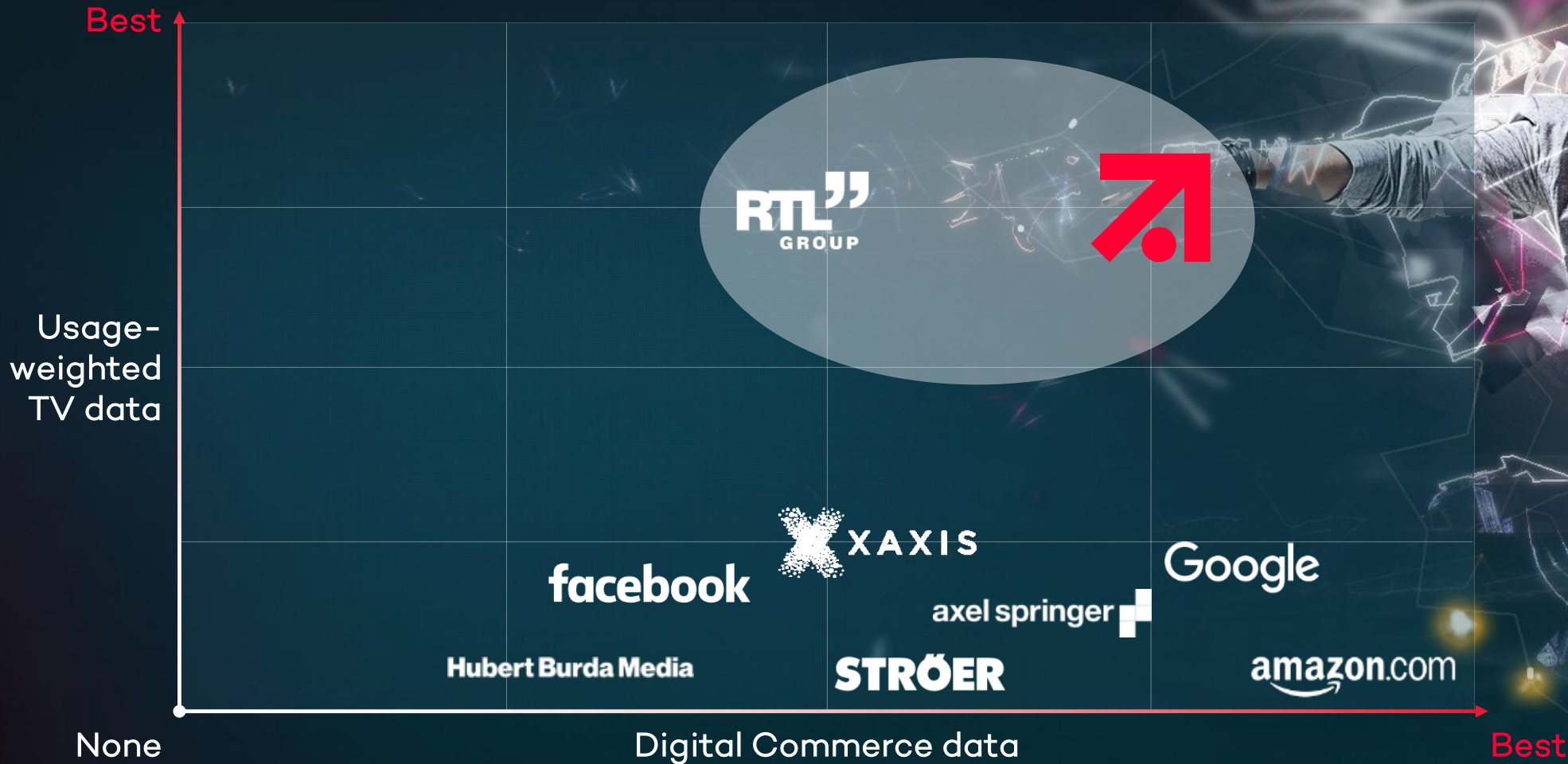
**“Clearly we don't need to be spending money that is seen by a bot** and not a person. Clearly we don't need to be spending money on ads that are placed in inappropriate places, and **that's why you see a significant reduction.**”

*Statement of CFO Jon Moeller after Chief Brand Officer Marc Pritchard announced a 140m USD cut in digital ad spendings*

07/2017



# OUR UNIQUE POSITION IN DATA



# REACH AND DEPTH OF OUR DATA POOL



Platforms & Brands <sup>1)</sup>	Total unique profiles <sup>2)</sup>	Thereof in-depth commerce profiles <sup>3)</sup>
<p>Desktop Web</p>	21m+	8m+
<p>Mobile Web<sup>4)</sup></p>	40m+	5m+
<p>HbbTV<sup>4)</sup></p>	10m+	New products in pipeline

1) Selected examples 2) Based on unique cookies active per months 3) Based on accumulated unique visits across commerce portfolio

4) Excl. app reach



# OUR DATA POOL COVERS SEGMENTS AND PERSONAS ADDRESSING ADVERTISER NEEDS



## We cover key SEGMENTS relevant for advertisers

<b>Automotive</b>	12AutoGroup, Autoplenum, Verivox
<b>Food &amp; Beverage</b>	TV.de (content)
<b>Finance &amp; Insurance</b>	Verivox, TopTarif, Tarife
<b>Body Care &amp; Beauty</b>	Flaconi, fem, Sixx, Stylight
<b>Telco</b>	Preis24, Verivox, TopTarif
<b>Fashion</b>	Stylight, fem, Amorelie, Sixx
<b>Consumer Electronics</b>	Preis24, Gaming Sites, TV.de (content)
<b>Home &amp; Living</b>	Moebel.de, TV.de (content), Verivox
<b>Travel</b>	Tropo, Weg, Wetter, TV.de (content)
<b>Pharma</b>	TV.de (content)
<b>Energy</b>	Verivox, Lifestrom, Tarife, TopTarif
<b>Leisure</b>	TV.de, Maxdome, Gaming

## We cover key PERSONAS relevant for advertisers

<b>Bargain hunter</b>	Billiger Telefonieren, Verivox
<b>Entry-level</b>	TopTarife, Preis24, Verivox
<b>Luxury shopper</b>	Amorelie, MyDays, Weg, 12Auto
<b>Family</b>	Maxdome, Moebel, Autoplenum
<b>Online-shopper</b>	7Commerce, Verivox, Preis24
<b>Frequent shopper</b>	7Commerce, Verivox, Preis24
<b>Trendsetter</b>	Flaconi, Stylight, Preis24
<b>Socially conscious</b>	Autoplenum, Verivox, Tv.de
<b>Educated buyer</b>	Galileo, Tarife, Verivox
<b>Rural customer</b>	User not in top 25 cities
<b>Urban shopper</b>	User in top 25 cities



# WE WILL EXPAND OUR **ADTECH/DATA PORTFOLIO** AND ENTER FURTHER **SALES ADJACENCIES**



**Tracking/  
Data**

**Cross-Device linking  
(Digital & TV)**

**Performance-based  
Planning & Modelling**

**Digital  
Out-of-Home  
(DOOH)**

**Influencer  
Marketing**

**Native  
advertising**

# GERMAN LOG-IN ALLIANCE



## One login

 angemeldet bleiben

LOGIN

First  
partner



## KEY FACTS

**45** million enabled users

Compliant with EU regulation (opt-in)

Maximum convenience for users

Note: Initiative based on joint foundation – subject to approval of anti-trust authorities.

1) Estimated user base at launch.



We include performance elements  
in TV ads:

# Addressable TV Call-to-Action



# Addressable TV: INDIVIDUALIZED ADS



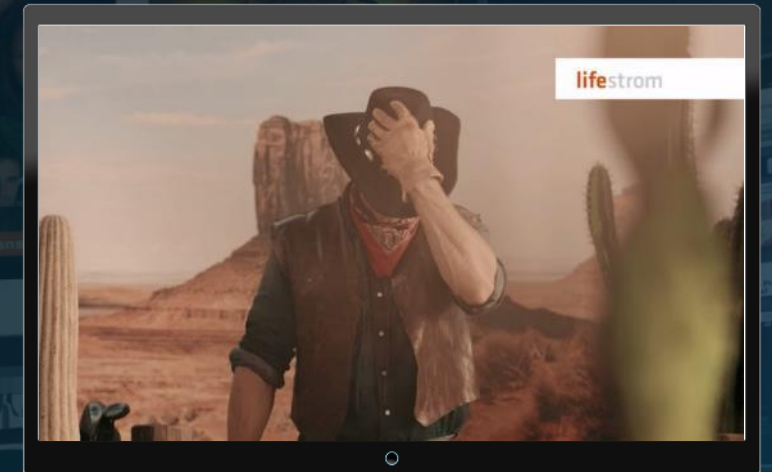
SWITCH-IN



SWITCH-IN XXL



SPOT FULLSCREEN OVERLAY



CLOSING THE GAP TO DIGITAL PLATFORMS

# ADDRESSABLE TV MARKET LEADER



## Addressable TV



1:1 communication and targeting

Interaction and online features

Adserver connection provided via own AdTech stack

## Example for successful Switch-In campaigns

### Deutsche Bahn

Jetzt **red button** drücken Datenschutz

ANZEIGE

Endlich wieder da:  
**Der Sparpreis.**  
Ab 19 Euro.  
Mit 1 Mio. Extra-Tickets.

### WWF

Jetzt **red button** drücken Datenschutz

ANZEIGE

#STOPPWILDEREI

### Eurowings

Jetzt **red button** drücken Datenschutz

ANZEIGE

**FAST SCHON ZU UNTERHALTSAM!**  
Erleben Sie hier den „Nörgler“.

Eurowings

### Sony

Jetzt **red button** drücken Datenschutz

ANZEIGE

JAKE GYLLENHAAL REBECCA FERGUSON RYAN REYNOLDS

**LIFE**

AB 23.3. IM KINO

### Columbia

Jetzt **red button** drücken Datenschutz

ANZEIGE

**HIKE&RUN - DEINE OUTDOOR-CHALLENGE. SEI DABEI!**

Columbia

### Heineken

Jetzt **red button** drücken Datenschutz

Mediathek Startseite Datenschutz

ANZEIGE

**STRONGBOW**  
APPLE CIDER

JOIN WWW.STRONGBOW.COM

**JETZT MIT TOLLEN PREISEN DEN SOMMER EROBERN!**

**JETZT MITMACHEN** f

### Paramount

Jetzt **red button** drücken Datenschutz

ANZEIGE

KEINE SORGE  
**DER SOMMER KOMMT BESTIMMT**  
**BAYWATCH**  
AB 1. JUNI IM KINO  
BRANDHEISSE INFOS

### Kia

Jetzt **red button** drücken Datenschutz

ANZEIGE

**Der neue Kia Rio.**  
Dein Leben. Deine Regeln.

Ihr Kia Vertragspartner in Ihrer Nähe:  
Autohaus Putzlacher  
71106 Magstadt, Hutwiesenstraße 19

KIA

### Weight Watchers

Jetzt **red button** drücken Datenschutz

ANZEIGE

**8x mehr abnehmen als allein!**

weight watchers

93 campaigns  
67 clients  
H1 2017

34 campaigns  
24 clients  
H1 2016



# HBBTV: ENABLER OF TARGETED TV ADS

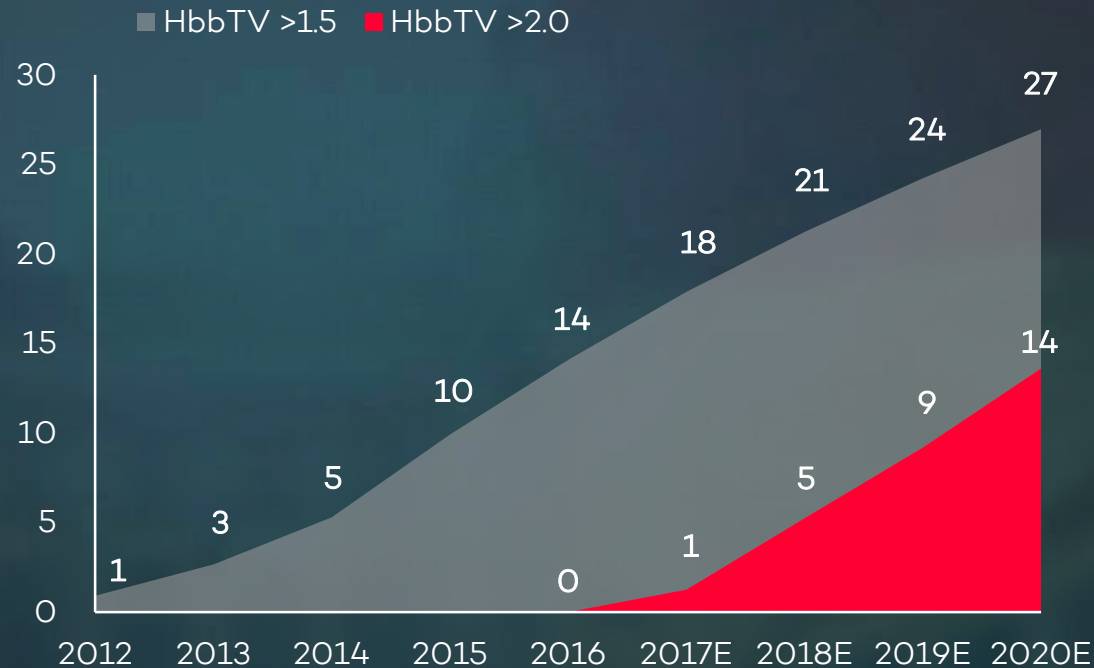


## User base of HbbTV devices

## Description

Spot  
Fullscreen  
Overlay

Number of devices supporting HbbTV in Germany<sup>1)</sup>  
[in m]



- With HbbTV version 2.0 a **frame accurate and fullscreen overlay** of spots within a spot block becomes possible
- P7S1 **overlay of selected own ads by spots** of commercial customers
- Enhanced targeting possibilities with **data enrichment**

1) Supporting minimum HbbTV standard 1.5 Source: P7S1 internal estimates



# ADDRESSABLE HBBTV HOUSEHOLDS

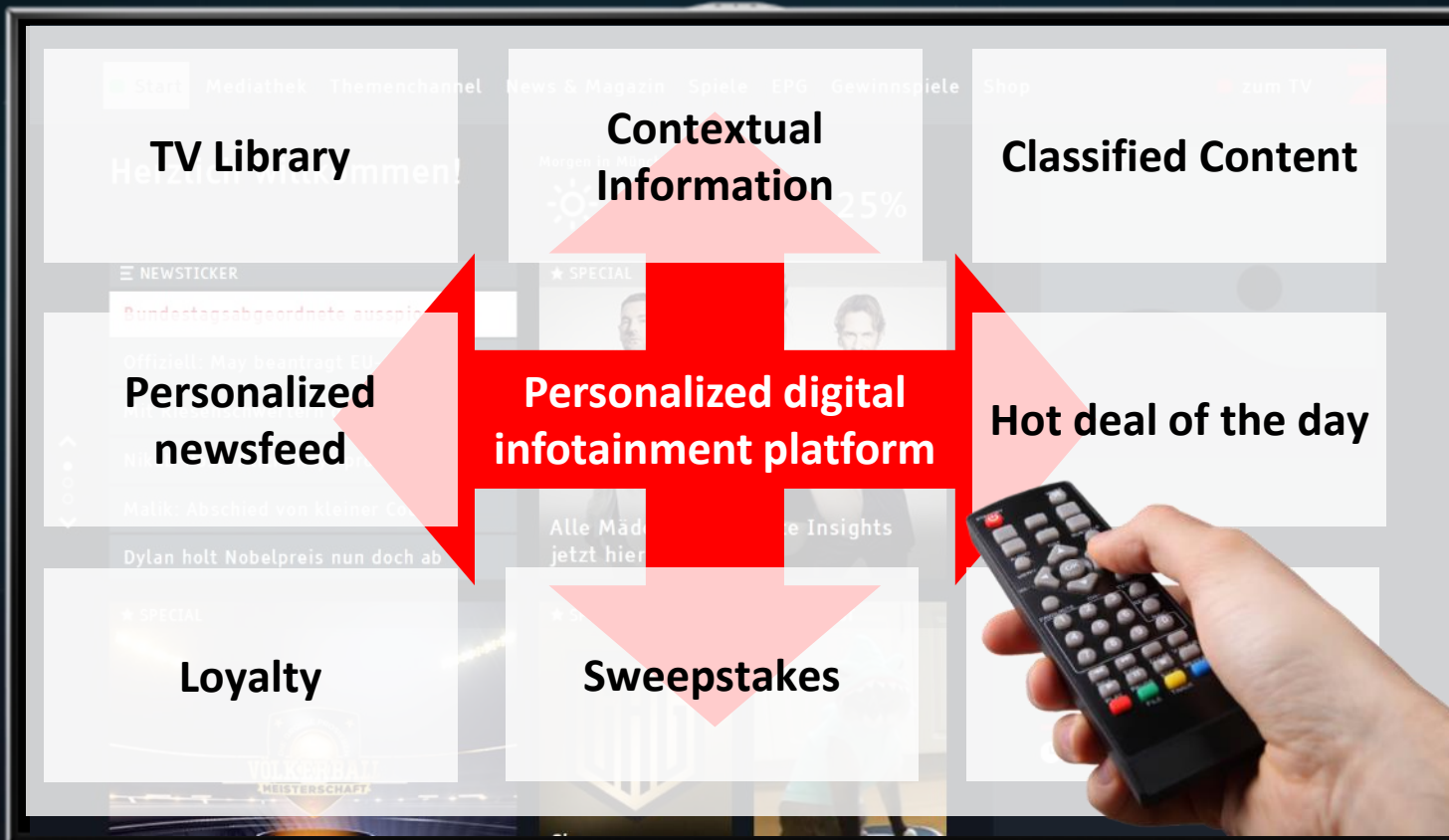


Linear TV distribution channels Germany [2016, TV households in m]	Total potential <sup>1)</sup>	Smart TV	Independent STB	Incumbent STB	Pay TV STB
Satellite	18	26%	11%	-	9%
Cable	17	20% <sup>1)</sup>	4%	16%	2%
DVB-T	2	4%	1%	-	-
IPTV	2	-	-	7%	-
OTT	<1	-	-	-	-
$\Sigma$	<b>&gt;39</b>	HbbTV potential without cooperations <b>66%</b>		Additional HbbTV potential through cooperations <b>34%</b>	

1) Including 3.3m analog households to be shifted to digital; Source: Astra Monitor report 2015 published 03/2016 (adjusted data base on new official population statistics), Telekom publications and P7S1 assumptions

Source: TV market model based on Astra, Destatis, SNL, Statista, gfu, Goldmedia, BLM, operator data, TNS

# RED BUTTON AS A NEW MEDIA PLATFORM



NEW DIGITAL  
ENTERTAINMENT  
WORLD

INCREASE  
TV  
STICKINESS

PERSONALIZATION



Key drivers to ensure attractive future for TV:

**Addressable TV**

**Red Button portal / HbbTV**

**Value benefits for viewer**

**Elderly target group**

**Convergence with commerce**

**Internal commerce customers**

**Consolidation, low costs, efficient operations**

**Modern sales operation setup**





# NEW BENEFITS FOR TV VIEWERS

- ✓ **ADD ACTUALITY COMPONENT** (*e.g. news inserts into programming*)
- ✓ **LEVERAGE RED BUTTON PRODUCT**
- ✓ **OFFER INSTANT “WATCH-CLICK-BUY”**
- ✓ **MAKE TV MORE INTERACTIVE**
- ✓ **CREATE EXCITING LOYALTY PROGRAMS**
- ✓ **FURTHER EXPLOIT SECOND SCREEN INTERACTION MODELS**
- ✓ **BUILD UNIQUE AND ATTRACTIVE FORMATS**  
(*which can not be copied by global giants*)
- ✓ **DELIVER DEEP COVERAGE AND EXPERTISE**
- ✓ **PROVIDE INDIVIDUALIZED PLAYLIST**

# TV AD MARKET **GROWTH CONTINUES**



Market drivers		Net market growth potential 2020 vs. 2016 [in EUR m]
1	Basic market growth/net price increase	~170
2	National print cannibalization	~340
3	TV/mobile offer for freesheet market	~110
4	New ad segments (e.g., POS)	~160
5	Shift to digital video	-280
6	Shift to performance-oriented advertising	-100
7	Addressable TV (incl. performance market entry)	~135
<b>Overall growth potential</b>		<b>∑ ~535 (CAGR 3.0%)</b>

Note: estimate based on Magna Global (December 2016), SevenOne Media own estimate.

1) Addressable TV potential calculated on top of Magna basic market growth.

# FAIR VIEW ON TV AD SALES MARKET



Net TV ad market Germany

Estimate  
FY 2017 vs. PY

Classic TV Ad Sales Market



+

Adjustments for internalization (e.g., Parship)

Underlying TV Ad Sales Market



+

Media investment business models  
(e.g., SevenVentures, internal customers and others)

Total Paid TV Ad Sales Market







# OUR PRODUCTION BUSINESSES

**Content Production  
& Global Sales**



# LEADING IN **CONTENT, TALENT & IP**

**Content  
Production**

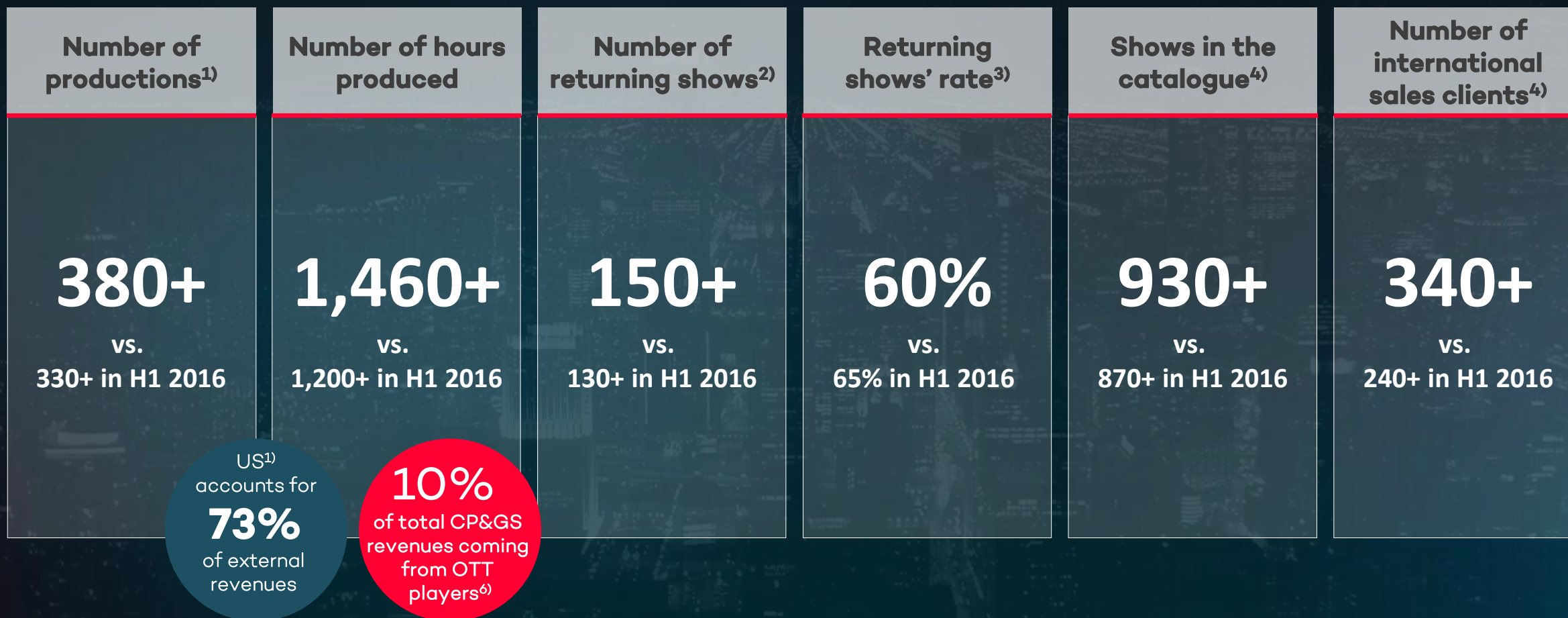
**Talent  
Management**

**O&O Channels/  
Platforms**

**Distribution &  
Sales**

**Generated and owned IP assets**

# RED ARROW's KPIs



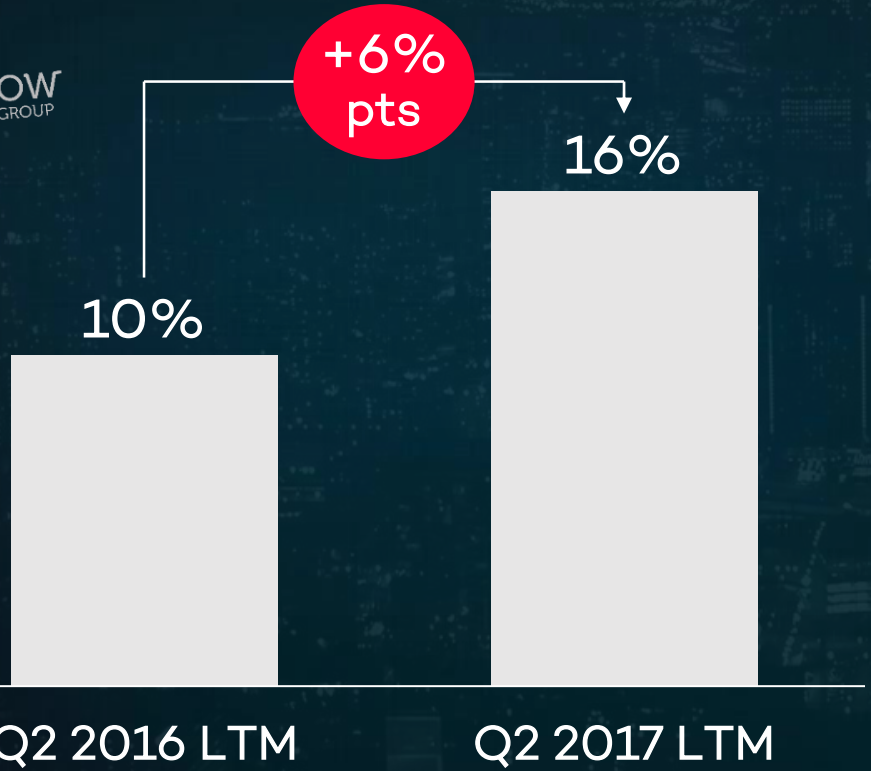
1) Incl. pilots, new and returning productions, multiple seasons counted as separate productions. 2) Returning shows with revenues booked in 2017. 3) % returning shows as of revenues. 4) Cumulative 2010 to Q2 2017. 5) Share of external revenues generated by US production entities, Q2 2017 LTM. 6) Q2 2017 LTM, global production revenues Amazon & Netflix only.



# RED ARROW'S SHARE OF OUR GRID

Push our "own your grid" strategy

Red Arrow share of BCGS's commissioned content spending  
[Q2 2017 LTM; in %]<sup>1)</sup>



Red Arrow ratings outperforming slot averages

Ratings Red Arrow formats  
[H1 2017; A 14-49]<sup>2)</sup>

<p>Kiss Bang Love February-March 2017</p>  <p>Up to 15.4%</p>	<p>Hochzeit auf den ersten Blick: Tatsächlich Liebe?! April 2017</p>  <p>Up to 10.3%</p>
<p>Knallerkerle April-May 2017</p>  <p>Up to 19.0%</p>	<p>111 Verrückte Viecher February 2017</p>  <p>Up to 11.2%</p>

1) As % of spendings in EUR; w/o non-fictional license, adjusted for timing effects. 2) Basis: all German TV households (German-speaking), A 14-49 years; source: AGF in cooperation with GfK/TV Scope/ProSiebenSat.1 TV Deutschland.

# PRODUCTION AND CUSTOMER PORTFOLIO



## Diversified slate of new and returning shows in all genres ...

FICTION	<b>BOSCH</b>	Season 4 greenlighted
REAL REALITY	<i>Kiss Bang Love</i>	Sold to 10+ territories
SOCIAL EXPERIMENTS	<b>MARRIED AT FIRST SIGHT</b>	Sold to 24+ territories
FACTUAL	<b>Galileo</b>	Produced in 30+ countries



## ... catering to leaders broadcasters and platforms worldwide


Our formats are produced in **>35** territories

Format ready-mades are sold into **>130** territories

Ø **8-10** new format launches per year

**Build-up strong IP assets and create new blockbuster formats for long-term sustainable value**

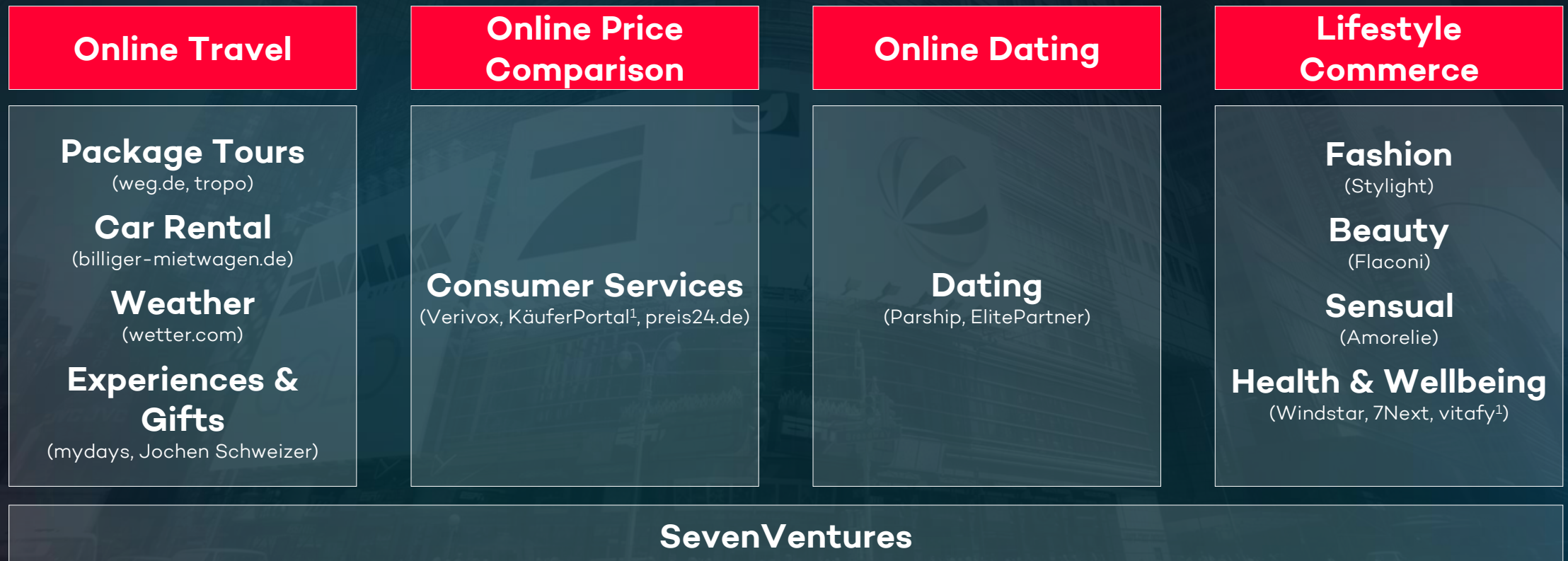


# OUR COMMERCE BUSINESSES

Digital Ventures  
& Commerce



# A LEADING DIGITAL CONSUMER SERVICES AND LIFESTYLE PORTFOLIO



1) Strategic minority

Note: Jochen Schweizer acquisition subject to clearance by the responsible cartel authorities, closing envisaged in Q4 2017

# ACTIVE PORTFOLIO MANAGEMENT



## Where we invest

High TV responsiveness

Significant synergies

High omnichannel potential

Local hero potential

Asset-light business model

Jochen Schweizer



ParshipElite Group



WindStar Medical



## Where we divest

Not best owner anymore

Significant value creation opportunity

etraveli sale



SevenVentures M4E portfolio exit



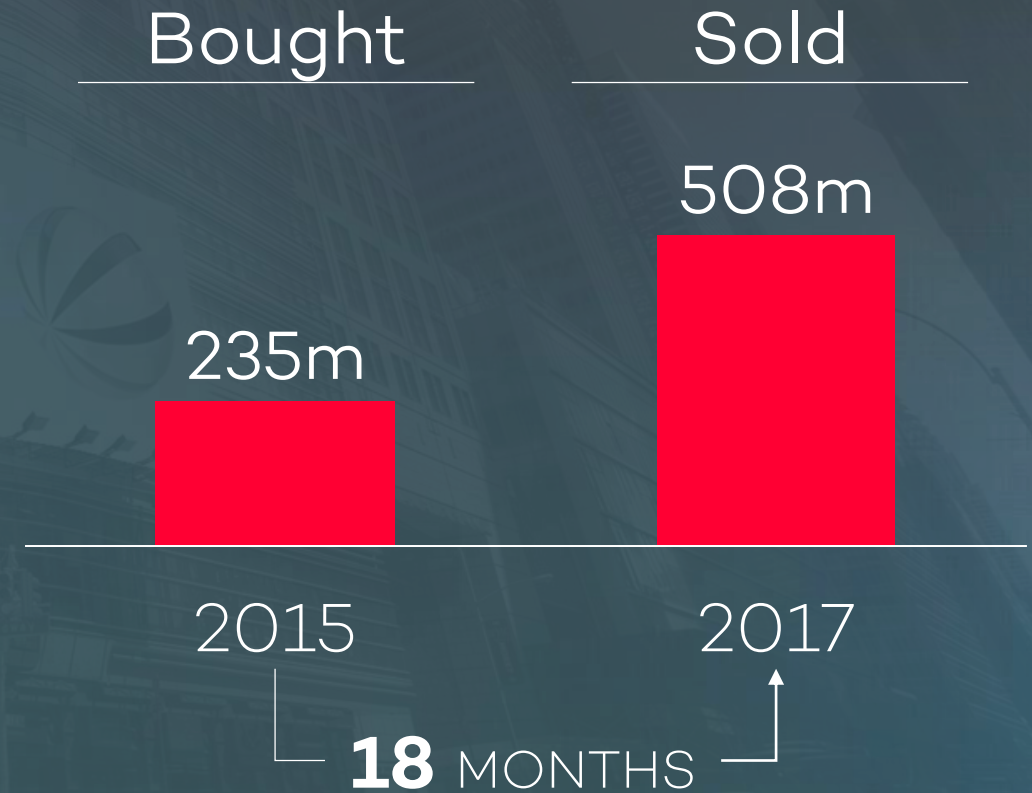
Online Travel strategic review



Note: Jochen Schweizer acquisition subject to clearance by the responsible cartel authorities, closing envisaged in Q4 2017; etraveli closed on August 3rd 2017, deconsolidation envisaged in Q3 2017; exit of selected assets of SevenVentures M4E portfolio only: deal closed in July 2017.



# ENTERPRISE VALUE MORE THAN DOUBLED WITHIN 18 MONTHS



Note: Firm value in EUR; etraveli closed on August 3rd 2017, deconsolidation envisaged in Q3 2017



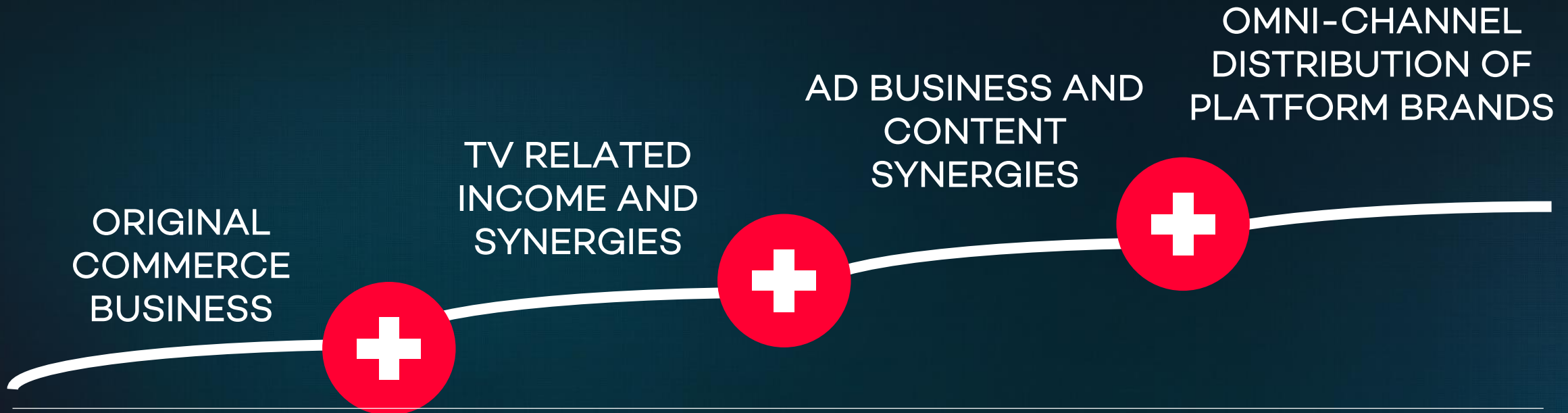
# CREATING A LEADING ONLINE EXPERIENCE PLATFORM



Note: Jochen Schweizer acquisition subject to clearance by the responsible cartel authorities, closing envisaged in Q4 2017.

OUR UNIQUE

# COMMERCE PLAYBOOK



Avoid competition with Amazon, Google & Co.

- Local opportunities / market know-how important
- Deep vertical experience
- Non-millennial
- Synergistic with TV
- Brand building & content are differentiator



# WE BUILD **UNIQUE** AND **SYNERGISTIC** **OMNICHANNEL ECOSYSTEMS**



**TV**



**LEAD GEN &  
ENGAGEMENT**



**DCOM**



**RETAIL**



**HOMESHOPPING**



**DIRECT SALES**





Data  
driven  
revenues

TV  
ROI

Ad coop  
income

Offline  
sales

Media  
buying  
power

Exit  
value  
creation

Knowledge  
sharing  
benefits

European  
expansion

---

OUR **VALUE** PROPOSITION  
TO OUR PARTNERS



# PHYSICAL PRODUCTS WE LIKE

- ✓ **High margin**
- ✓ **Growth** supported by long-term trends
- ✓ **Defensive categories**  
(low disruption likelihood and protection against buzz)
- ✓ **Special interest**  
(less Amazon dependent)
- ✓ **Omnichannel** potential
- ✓ **Great brands** for elderly/families  
or buzz brands with longevity potential
- ✓ **German/European** focus
- ✓ Digital Commerce and TV **synergies**



# ELDERLY

SEGMENTS WE LIKE



STRONG SYNERGY POTENTIALS





# 2018

**4.5**

billion EUR  
revenue

**1.15**

billion EUR  
adj. EBITDA

**>50%**

revenues outside  
TV advertising

**>75%**

target achieved  
as of Q2 LTM



# Backup



# Q2/H1 2017 GROUP KEY METRICS



[in EUR m]	Q2 2017	Q2 2016	Δ	H1 2017	H1 2016	Δ
Revenues	962	886	+9%	1,872	1,688	+11%
Adjusted EBITDA	270	254	+6%	458	424	+8%
Reconciling items <sup>1)</sup>	-12	4	>100%	-37	-5	>100%
EBITDA	258	258	+0%	421	420	+0%
Depreciation and amortization	-53	-47	+14%	-107	-86	+24%
Thereof PPA <sup>1)</sup>	-13	-15	-11%	-27	-25	+8%
Operating result (EBIT)	205	211	-3%	314	333	-6%
Financial result	-26	-10	n/a	-37	-34	+10%
Thereof interest result	-14	-23	-40%	-36	-46	-22%
Thereof valuation effects <sup>1)</sup>	-13	17	n/a	1	15	-93%
Earnings before tax (EBT)	179	201	-11%	276	299	-8%
Net income <sup>2)</sup>	117	136	-14%	181	203	-11%
Adjusted net income <sup>3)</sup>	144	133	+9%	233	213	+9%
Net financial debt <sup>4)</sup>	-2,425	-2,005	+21%	-2,425	-2,005	+21%
Financial leverage <sup>4)</sup>	2.3x	2.1x	+0.2x	2.3x	2.1x	+0.2x

1) Adjusted in adjusted net income. 2) Result for the period attributable to shareholders of ProSiebenSat.1 Media SE.

3) Adjusted for reconciling items. 4) After reclassification of cash and cash equivalents of eTRAVELi AB.



# INVESTOR RELATIONS



## ProSiebenSat. 1 Media SE Share

<b>Share Capital</b>	EUR 233,000,000
<b>Type of Stock</b>	Common shares
<b>Stock Exchanges</b>	Frankfurt/Luxembourg
<b>ISIN</b>	DE000PSM7770
<b>WKN</b>	PSM777
<b>Common Code</b>	095725104
<b>SEDOL</b>	BCZM1B2
<b>Bloomberg</b>	PSM GY
<b>Reuters</b>	PSMGn.DE

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