ProSiebenSat.1 Group
The power of television

Quarterly Report Q2 2010

January 1, 2010 to June 30, 2010

Key Figures

Key Figures for the ProSiebenSat.1 Group

EURm	Q2 2010	Q2 2009	Q2 2008	Q2 2007 [7]	Q2 2006
Revenue	760.6	693.9	801.9	551.6	550.9
Total costs	594.6	547.2	657.2	407.1	408.7
Recurring costs[1]	498.1	495.7	601.5	395.5	397.9
Consumption of programming assets	245.1	261.9	318.5	230.8	235.7
Recurring EBITDA[2]	263.8	201.2	203.7	159.1	- / -
Recurring EBITDA margin (in percent)	34.7	29.0	25.4	28.8	- / -
EBITDA	205.4	177.3	189.3	158.8	154.8
Non-recurring items[3]	-58.4	-23.9	-14.4	-0.3	- / -
EBIT	167.4	147.1	151.6	148.6	144.9
Financial result	-56.9	-62.5	-64.3	-5.0	-8.4
Profit before income taxes	110.6	84.8	88.1	143.6	136.5
Consolidated net profit (after non-controlling interests)[4]	74.5	45.5	59.5	87.2	83.4
Underlying net income[5]	85.1	52.8	73.6	88.2	- / -
Expenditure for programming assets	247.2	278.0	327.2	211.8	210.0

EURm	H1 2010	H1 2009	H1 2008	H1 2007 [7]	H1 2006
Revenue	1,419.0	1,320.9	1,530.9	1,052.8	1,016.1
Total costs	1,168.8	1,124.8	1,340.0	839.4	815.7
Recurring costs[1]	1,030.3	1,032.0	1,245.7	817.5	794.9
Consumption of programming assets	523.5	540.1	672.3	478.7	477.0
Recurring EBITDA[2]	392.4	295.0	292.2	241.2	- / -
Recurring EBITDA margin (in percent)	27.7	22.3	19.1	22.9	- / -
EBITDA	324.6	267.7	274.1	240.8	225.4
Non-recurring items[3]	-67.8	-27.3	-18.1	-0.4	- / -
EBIT	254.0	206.1	201.5	220.4	206.0
Financial result	-112.3	-128.7	-122.8	-9.3	-19.4
Profit before income taxes	141.8	77.8	79.5	211.1	186.6
Consolidated net profit (after non-controlling interests)[4]	95.7	43.8	51.6	127.8	114.2
Underlying net income[5]	116.9	64.4	79.6	129.9	- / -
Expenditure for programming assets	645.0	658.0	678.8	481.7	459.1

EURm	06/30/2010	06/30/2009	06/30/2008	06/30/2007 [7]	06/30/2006
Programming assets	1,622.5	1,472.8	1,282.3	1,042.9	1,027.2
Equity	730.1	465.0	893.9	1,375.4	1,291.1
Equity ratio (in percent)	11.6	7.8	15.0	64.6	59.3
Cash and cash equivalents	750.3	599.1	632.9	213.9	338.6
Net financial debt	3,275.1	3,427.3	3,689.1	-26.9	47.2
Employees[6]	4,504	5,195	5,915	3,062	2,914

[1] Total costs excl. D&A and non-recurring expenses. [2] EBITDA before non-recurring (exceptional) items. [3] Non-recurring expenses netted against non-recurring income. [4] Consolidated net profit attributable to Shareholders of ProSiebenSat.1 Media AG. [5] Consolidated profit for the period, before the effects of purchase price allocations and non-cash currency valuation effects. [6] Full-time equivalent positions as of reporting date. [7] Consolidation of SBS Broadcasting Group in July 2007.

› **The second quarter of 2010.** The ProSiebenSat.1 Group continued its positive first-quarter performance with substantial growth in revenues and earnings: In the second quarter of 2010 consolidated revenues rose by 9.6 percent to EUR 760.6 million, and recurring EBITDA rose by 31.1 percent against the prior year figure to reach EUR 263.8 million, while costs almost remained flat. The ProSiebenSat.1 Group increased its revenues in nearly all TV markets. Furthermore, the revenues generated in the Diversification Segment, which – among other business activities – includes online advertising also exhibited a very positive development. The sale of news channel N24 in June 2010 represented another important step in terms of cost optimization and efficiency enhancement for the Group.

› **Our goals for 2010.** We started well into the third quarter and are optimistic about the further development of the business. We will continue to push our strategic goals in the future. These are: the development of strong TV programming, the initiation of new growth models, and the efficient and cost-effective management of our business.

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The Group and its Environment

MAJOR EVENTS IN H1 2010

› January

ProSiebenSat.1 launches HD programming. Since January 31, 2010 SAT.1, ProSieben and kabel eins are broadcast in high definition (HD+), in addition to standard resolution. The technical side of the broadcasting is being handled by SES Astra's new HD+ service.

Successful start for FEM3. FEM3, Hungary's first station for women, went on air at the beginning of the year. Just half a year later, FEM3 was already reaching more than a million Hungarian TV households. By founding new stations, the ProSiebenSat.1 Group can make better use of its programming resources, generate additional income, and reach target audiences even more accurately.

› March

A step into artist management with tma. Since March 2010 the ProSiebenSat.1 Group has pooled all its artist marketing activities at its new talent management agency (tma). In addition to actors, musicians and media hosts like Michael Mittermeier, the new agency also has well-known ProSiebenSat.1 personalities under contract. tma is a strategic cooperation project between Starwatch and the communications agency PerformancePlus.

› April

Red Arrow expands internationally. Since January of this year, the ProSiebenSat.1 Group's programming production, development and distribution activities have all been pooled in the Red Arrow Entertainment Group. In April 2010, Red Arrow agreed on a multi-year partnership with programming concept developer Omri Marcus, and acquired a 51 percent majority interest in Belgian production company Sultan Sushi BVBA. Since June 2010, Red Arrow has been represented through Sultan Sushi in the Netherlands as well, one of the most important international TV markets. The Dutch office is a wholly-owned subsidiary of Red Arrow. The activities of Red Arrow Entertainment Group, which is headquartered in Munich, are consolidated in the German Free TV segment.

› May

New Media has new Executive Board member. Daniel Marks was appointed to the Executive Board of ProSiebenSat.1 Media AG on May 1, 2010 taking over the duties of Dr. Marcus Englert. As Chief New Media Officer, Marks will be responsible for further developing digital strategy, and for managing operations in the online, pay TV, and video-on-demand business.

A new German station for women: "sixx." German female station "sixx. Das will ich auch!" went on air on May 7, 2010. The station can be received via satellite and digital cable, and was already reaching 43 percent of German households using TV just two months after its launch. The station's marketing concept is particularly directed to companies that have not advertised on TV before.

› June

Starwatch Entertainment goes double platinum. Lena, winner of "Unser Star für Oslo" and the Eurovision Song Contest, achieved double platinum with her single "Satellite" and her album "My Cassette Player." "Satellite" is now the most successful Starwatch single of all time. Starwatch artists Jamie Cullum and Marit Larsen also received gold, each selling more than 100,000 copies. In addition to the Scorpions, Kim Wilde and Katherine Jenkins, the music label also signed veteran master Joe Cocker in the second quarter. His album will be released in October of this year.

SevenOne International sells international success formats. ProSiebenSat.1's programming sales company, SevenOne International, sold production rights for the Belgian success show "Benidorm Bastards" to more than 20 countries in June, including Germany, France, Spain, Greece and Australia.

Bidder consortium takes over news station N24. On June 16, 2010 ProSiebenSat.1 Media AG signed a share purchase agreement for N24 and production company MAZ & More with a bidder consortium headed by Dr. Torsten Rossmann and Stefan Aust. The contract was closed on June 30, 2010 and is thus in effect. N24 will continue to produce all news programming for stations ProSieben, SAT.1 and kabel eins until the end of 2016.

Shareholders' Meeting approves dividend distribution. The Annual General Meeting for the financial year 2009 was held on June 29, 2010. All resolutions proposed by management were carried out unanimously. Among the decisions approved by the holders of common shares was a dividend distribution of EUR 0.02 per preferred share.

ECONOMIC AND INDUSTRY ENVIRONMENT

Economic Environment

Due to an expansive monetary policy, government recovery measures and robust impetus for growth from Asia, the global economy recovered faster in the first half of 2010 than experts had expected at the beginning of the year. Consequently, the International Monetary Fund raised its growth forecast for the full year from 4.2 percent to 4.6 percent in July 2010. In the euro zone sentiment has also improved over the past few months. However, economic dynamism has been slowed by the debt and confidence crisis in some Member States. The Ifo institute estimates that the European economy grew 0.5 percent in the second quarter.

Future business conditions, page 26.

The economic recovery in Germany picked up substantial momentum in spring. It is being driven primarily by exports, and for that reason is especially benefiting from the strong upswing in world trade. Key economic indicators like new orders, production and exports indicate that growth accelerated in the second quarter of 2010. The Handelsblatt-Barclays indicator currently predicts economic growth of 1.3 percent since the first quarter of 2010, and DIW predicts a 0.9 percent increase.

Development of the advertising market

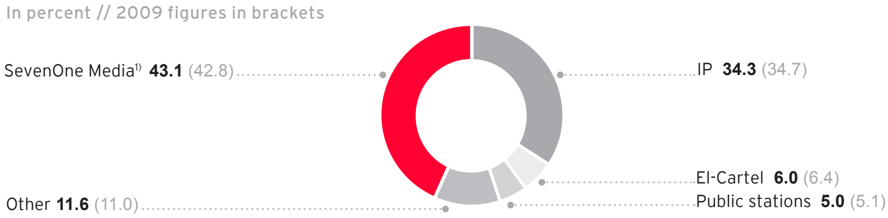
Economic improvement in Germany was more dynamic than expected in the first half of the year 2010, and especially in the second quarter of 2010. The performance of the German TV advertising market also reflects this situation. According to the gross figures for the German market released by Nielsen Media Research, TV advertising investments increased a substantial EUR 314.4 million, or 13.8 percent, in Q2 2010 from the prior-year figure, to EUR 2.59 billion. Gross TV advertising investments for the first half year came to EUR 4.95 billion – a dynamic increase of EUR 646.4 million, or 15.0 percent, in comparison to January through June 2009.

The ProSiebenSat.1 Group further expanded its leading competitive position in Germany, its most important market for revenue. SevenOne Media GmbH, the ProSiebenSat.1 Group's sales company for the German market, had gross advertising revenues of EUR 1.11 billion in the second quarter of 2010 – an increase of 14.6 percent from last year's equivalent figure of EUR 0.97 billion. This outperformed the average for the market. The ProSiebenSat.1 Group's gross share of the TV advertising market consequently grew 0.3 percentage points, to 43.1 percent. For the first half of the year, the Group's gross share of the TV advertising market increased 0.4 percentage points to 43.6 percent, while gross TV advertising investments gained 16.0 percent, to EUR 2.16 billion (previous year: EUR

1.86 billion). The ProSiebenSat.1 Group recorded a similar success in the German online advertising market. Here the Group's first-half gross advertising investments grew 22.0 percent, to EUR 59.7 million (previous year: EUR 49.0 million). Online advertising investments grew dynamically in the second quarter of 2010, by 33.8 percent, to EUR 35.0 million (previous year: EUR 26.2 million). The online advertising market grew 35.7 percent in the second quarter of 2010, to EUR 554.4 million gross (previous year: EUR 408.5 million). Gross spendings on online advertising grew a total of 27.7 percent in the first half of 2010, to EUR 998.4 million (previous year: EUR 782.1 million).

German Gross TV advertising market share, Q2 2010

In percent // 2009 figures in brackets



Source: Nielsen Media Research. [1] N24 contributed 1.1 percentage points to SevenOne Media's share of the advertising market in the second quarter. The figure for Q2 2009 was 0.9 percentage points.

The advertising market environment also improved in most of the ProSiebenSat.1 Group's international TV markets. Net advertising spendings especially grew in the Scandinavian countries and the Netherlands. Because of the ongoing recessive economic conditions in Hungary and Romania, however, bookings were behind the prior year.

An overview of the performance of the advertising markets in the first two quarters is shown below. However, it should be considered that some of the data is based on gross figures, and therefore gives only a limited idea of what the associated net figures will prove to be.

Development of the TV advertising market in the ProSiebenSat.1 Group's important TV markets

	Q2 2010 Change from Q2 2009 in percent	H1 2010 Change from H1 2009 in percent
Germany	**13.8**	**15.0**
Austria	**6.5**	**8.7**
Switzerland	**6.6**	**15.7**
Netherlands	**14.5**	**8.8**
Belgium	**9.1**	**6.2**
Norway	**14.2**	**7.8**
Sweden	**18.4**	**15.9**
Denmark	**21.3**	**6.5**
Finland	**8.5**	**5.6**
Hungary	**-5.0**	**-2.8**
Romania	**-11.1**	**-12.1**

Germany: gross, Nielsen Media Research. **Austria:** gross, Media Focus. **Switzerland:** gross, Media Focus. **Netherlands:** net, SPOT organization. **Belgium:** net, CIM MDB, June 2010 based on expectations. **Norway:** net, IRM, Q2 2010 based on expectations. **Sweden:** net, IRM, June 2010 based on expectations. **Denmark:** net, DRRB, June 2010 based on expectations. **Finland:** net, TNS Media Intelligence. **Hungary:** net, own calculations. **Romania:** net, own calculations.

Development of audience shares

In a competitive first half year that included competing stations' coverage of the Winter Olympics at the beginning of the year and the soccer World Cup in June, 2010 the ProSiebenSat.1 Group's stations held their own audience shares quite well.

The combined share of the key demographic between the ages of 14 and 49 for German stations SAT.1, ProSieben, kabel eins and N24 lost only 0.2 percentage points in the first half year, to 29.5 percent (previous year: 29.7 percent) – a relatively stable result for a World Cup year. Four years ago, the German stations' share decreased 1.3 percentage points for the first half year due to the soccer World Cup in June and July 2006, to 29.2 percent, and by 2.7 percentage points for the second quarter, to 28.2 percent. The stations' combined share for the second quarter this year was 1.1 percentage points below the same quarter last year, at 29.4 percent (previous year: 30.5 percent). Competitors' coverage of the major sports events also made an impact on the stations' ratings in the Netherlands. There, the audience share decreased by 2.6 percentage points in the first half of 2010, to 24.4 percent (previous year: 27.0 percent), and by 3.5 percentage points in the second quarter of the year, to 24.2 percent (previous year: 27.7 percent).

Some ProSiebenSat.1 Group stations were able to expand their audience shares in the first half year. In Denmark, for example, audience share increased 1.4 percentage points, to 16.9 percent (previous year: 15.5 percent), and in Austria it increased 1.3 percentage points, to 18.4 percent (previous year: 17.1 percent). The effects of the "Multi-Station-Strategy" can also be seen here: launching new stations enables ProSiebenSat.1 to reach additional target groups. In Denmark, station 6'eren, founded in 2009, targets the male audience between ages 15 and 50. Kanal 5 thrills the whole family, and Kanal 4 is primarily aimed at women. In Austria, PULS 4 has been a valuable addition to the group of stations since 2007.

The ProSiebenSat.1 Group is now reaching out to a broader audience in Hungary as well. In January 2010 female station FEM3 went on air, and is already reaching more than a million Hungarian TV households. The new station's audience share had already grown to 0.2 percent in the first half of 2010. But in spite of the successful launch of FEM3, the combined audience shares of the Group's stations in Hungary (TV2, FEM3) decreased 2.3 percentage points in the first half of 2010, to 20.9 percent (previous year: 23.2 percent). High market fragmentation, with more small stations coming into the market, especially led to smaller audience shares at ProSiebenSat.1 station TV2 – Hungary's second-largest TV station – and its principal competitor, RTL Klub.

Audience shares of the ProSiebenSat.1 Group by country

In percent	**Q2 2010**	Q2 2009	**H1 2010**	H1 2009
Germany[1]	**29.4**	30.5	**29.5**	29.7
Austria	**19.2**	18.0	**18.4**	17.1
Switzerland	**16.7**	16.6[2]	**16.8**	16.4[2]
Netherlands	**24.2**	27.7	**24.4**	27.0
Belgium	**16.6**	17.1	**16.4**	15.9
Norway	**14.5**	12.5	**13.7**	12.2
Sweden	**15.8**	17.0	**14.4**	15.4
Denmark	**17.4**	15.9	**16.9**	15.5
Finland	**3.1**	2.6	**2.8**	2.2
Hungary	**20.6**	22.9	**20.9**	23.2
Romania	**7.2**	7.7	**7.4**	7.6

Figures for Germany, Austria and Switzerland are based on 24 hours (Mon-Sun). Audience shares in the other countries are based on extended prime time (NL, RO, FI: 6 pm-midnight / BE, SE, NO, DK, HU: 5 pm-midnight). **Germany:** SAT.1, ProSieben, kabel eins, N24; key demographic age 14-49. **Austria:** SAT.1 Österreich, ProSieben Austria, kabel eins Austria, PULS 4; key demographic age 12-49. **Switzerland:** SAT.1 Schweiz, ProSieben Schweiz, kabel eins Schweiz; key demographic age 15-49. **Netherlands:** SBS6, Net5, Veronica; key demographic age 20-49. **Belgium:** VT4, VIJFtv; key demographic age 15-44. Belgian figures refer to the region of Flanders. **Norway:** TVNorge, FEM, The Voice; key demographic age 12-44. **Sweden:** Kanal 5, Kanal 9; key demographic age 15-44. **Denmark:** Kanal 4, Kanal 5, 6'eren, The Voice; key demographic age 15-50; based on 14 commercial TV stations. **Finland:** The Voice / TV Viisi; key demographic age 15-44. **Hungary:** TV2, FEM3 since January 2010; key demographic age 18-49. **Romania:** Prima TV, Kiss TV; key demographic age 15-44. Romanian figures are based on the urban population. [1] N24 contributed 1.2 percentage points to the ProSiebenSat.1 Group's audience share in the first half of 2010, and 1.2 percentage points in the second quarter. The 2009 figures were 1.3 percentage points for the first half and 1.3 percentage points for the second quarter. [2] **Switzerland:** Audience figures to December 31, 2009 are based on the "substitution method" of measurement; all data since January 1, 2010, have been based on the internationally used "daily weighting." Because of additional revisions of the Telecontrol Panel as of January 2010, audience figures for 2010 cannot be compared with data from previous years, according to Publica Data AG.

TV Highlights in Q2 2010

A good combination. Thanks to the broadcast premiere of the movie co-production **"Keinohrhasen"** (31.1%), new German hit series like "Danni Lowinski" (up to 17.7%) and "Der letzte Bulle" (up to 14.8%), as well as exciting evening soccer matches such as "ran UEFA Champions League Viertelfinale" (31.4%), April was the best ratings month for SAT.1 in two years, with an audience share of 11.7 percent.

Highlights in series. The Swedish TV station Kanal 5 convinced viewers in the second quarter, with U.S. series like **"Grey's Anatomy"** (up to 26.9%), "Desperate Housewives" (up to 27.2%) and "Cougar Town" (up to 31.1%).

Österreich Austria

PULS 4

Successful morning. With viewer ratings of up to 29.0 percent, **"Café PULS,"** which appears on the TV channels PULS 4, ProSieben Austria and SAT.1 Österreich, is the most successful daily show in Austrian private television. The breakfast show celebrates its fifth birthday in August. With a viewer market share of up to 19.5 percent, SAT.1 has the most successful breakfast show in German TV. First airing in 1987, "SAT.1 Frühstücksfernsehen" was the first-ever German breakfast show.

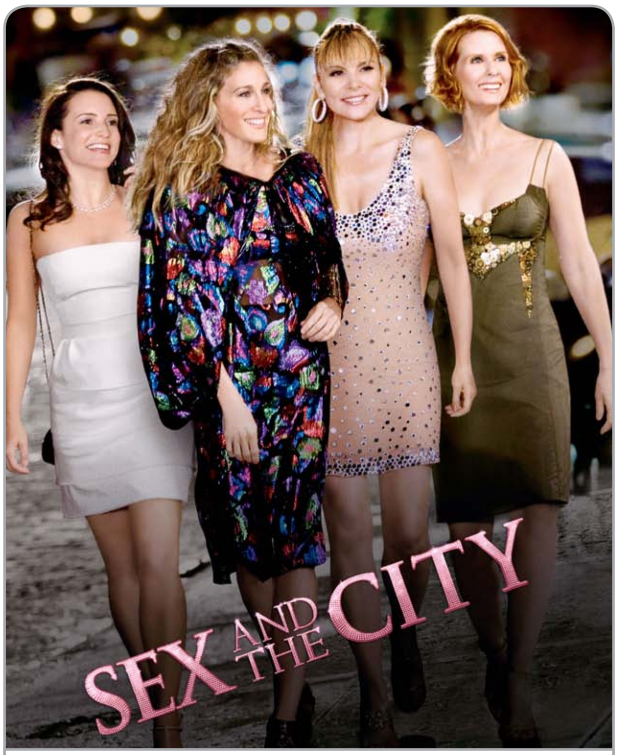
PRIMATV TVNORGE KANAL 5

Cooking class. The ProSiebenSat.1 Group broadcasts successful TV show formats in several countries at the same time. One example is the hit cooking show **"Fish on the Cake,"** which appears in Romania (audience share of up to 11.7% on Prima TV), Denmark (audience share of up to 11.1% on Kanal 5) and Norway (audience share of up to 22.0% on TVNorge).

kabeleins

Comedy cult. On "Comedy Tuesdays," ProSieben's prime-time broadcasts of the U.S. series **"Two and a Half Men"** and "The Simpsons" brought laughter to up to 22.3 percent and 17.3 percent, respectively, of the key demographic group. On kabel eins, previous episodes of "Two and a Half Men" broadcast in the afternoon and early evening entertained up to 19.4 percent of viewers.

Soccer fascination. In Hungary, the **"UEFA Champions League Finale"** captivated 30.9 percent of viewers, making the TV station TV2 the ratings winner of the day. In Germany, SAT.1 broadcast the highest-rated show of the day, with an audience share of up to 45.6 percent. In Austria, SAT.1 Österreich scored successfully with the UEFA Europe League - the final match reached up to 15.9 percent of the target demographic.



Successful movies. With the TV premiere of **"Sex and the City – The Movie,"** the ProSiebenSat.1 Group scored successfully in the Netherlands, with an audience share of 16.3 percent on Net5, and in Belgium, with 13.6 percent on VIJFtv. In Germany, the free-TV pre-view of this blockbuster movie was the first-ever broadcast of the new women's channel sixx. On ProSieben, 16.1 percent of viewers in the key demographic group accompanied the four New York women.

Culture shock. Up to 39.7 percent of viewers tuned in to TVNorge to watch ten Americans become acquainted with their Norwegian roots. At the end of the show **"Culture Shock Norway,"** the most Norwegian American won a meeting with his Norwegian relatives, who were previously unknown to him.

Powerful shows. Up to 27.2 percent of viewers in the key demographic group were thrilled by the show **"Schlag den Raab"** on ProSieben. The final installment of "Germany's Next Top Model – by Heidi Klum" attracted 23.5 percent of viewers in the key demographic group. On the Swedish TV station Kanal 5, event shows like "Wipeout" and "Djävulsrallyt" garnered audience shares of 23.9 percent and 23.8 percent, respectively.

Local matador. Belgian viewers of VT4 were attracted to local TV station productions such as **"Komen Eten"** (up to 30.4 percent) in the early evening, and "Rekening in het Rood" (up to 30.2 percent) and "Vermist" (up to 30.6 percent) in prime time, vindicating the TV station's strategy of relying on strong Flemish programs.

Group Financial Performance and Position

REPORTING PRINCIPLES AND SIGNIFICANT CHANGES IN THE SCOPE OF CONSOLIDATION.

In June 2010, the ProSiebenSat.1 Group sold its news station N24 and the production company MAZ & More. Closing of the share purchase agreement took place on June 30, 2010. The two companies' contributions to revenues and earnings, and their cash flows, appear in the ProSiebenSat.1 Group's income statement and cash flow statement up until the date of deconsolidation on June 30 of this year. Additional information can be found in the Notes to the Interim Financial Statements on page 33.

The ProSiebenSat.1 Group at a glance: The ProSiebenSat.1 Group is a leading European media company. The Group's core business is free TV, financed through advertising. In Germany, its family of stations – with the brands SAT.1, ProSieben and kabel eins – is number one in the TV advertising market. The Group also has strong market positions in free TV in the Netherlands with the channels SBS 6, Net5 and Veronica, in Hungary with TV 2 and FEM3, and in Sweden with Kanal 5 and Kanal 9. Beyond its core business of free TV, the company owns numerous Internet brands, has stakes in radio stations, print and new media companies, and works in related business areas such as music business, live event and artist management. The ProSiebenSat.1 Media AG preference shares are listed on the Frankfurt stock exchange. ProSiebenSat.1 is based in Munich/Unterföhring.

GROUP FINANCIAL PERFORMANCE

Key Figures for the ProSiebenSat.1 Group

EURm	Q2 2010	Q2 2009	H1 2010	H1 2009
Consolidated revenue	760.6	693.9	1,419.0	1,320.9
Total costs	594.6	547.2	1,168.8	1,124.8
Cost of sales	375.5	385.0	789.5	792.8
Selling expenses	95.5	89.8	186.3	192.6
Administrative expenses	123.6	72.4	193.0	139.4
Recurring costs	498.1	495.7	1,030.3	1,032.0
Consumption of programming assets	245.1	261.9	523.5	540.1
Recurring EBITDA (1)	263.8	201.2	392.4	295.0
Non-recurring items (net) (2)	-58.4	-23.9	-67.8	-27.3
EBITDA	205.4	177.3	324,6	267.7
Consolidated net profit (after non-controlling interests)	74.5	45.5	95.7	43.8
Underlying net income	85.1	52.8	116.9	64.4

(1) Recurring EBITDA: EBITDA before non-recurring items. (2) Non-recurring expenses netted against non-recurring income.

REVENUE AND EARNINGS PERFORMANCE IN THE SECOND QUARTER 2010

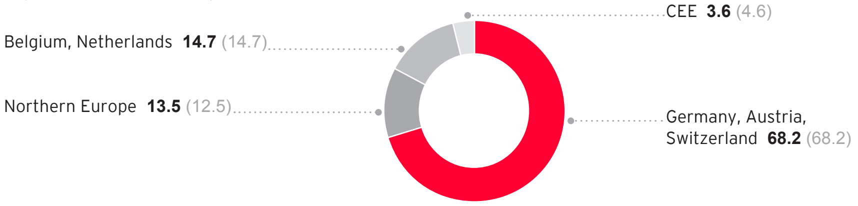
Segments and markets: The ProSiebenSat.1 Group reports in three segments, all of which are strategically and economically closely linked: The Group's four German stations SAT.1, ProSieben, kabel eins and sixx are consolidated in the Free TV German-speaking segment. This segment also includes the sales company SevenOne Media, ProSiebenSat.1 Produktion, the SAT.1 regional companies, the Red Arrow Entertainment Group, and the ProSiebenSat.1 Group's subsidiaries in Austria and Switzerland. The commercial TV stations in the Benelux countries (Netherlands, Belgium), Northern Europe (Denmark, Finland, Norway, Sweden) and the CEE region (Hungary, Romania) constitute the Free TV International segment. Diversification activities – meaning all revenue models not directly dependent on the TV advertising market, such as online, basic pay TV, call TV, video on demand, music, licensing/merchandising, radio and print – are combined in the Diversification segment.

Consolidated revenues. The ProSiebenSat.1 Group continued its revenue growth in Q2 2010. At EUR 760.6 million, consolidated revenues were a substantial 9.6 percent above a year ago (EUR 693.9 million).

- **Revenues by segment and region.** The economic recovery continued in the second quarter of 2010. This situation is reflected in the revenue growth in nearly all TV markets of the ProSiebenSat.1 Group. Due to higher TV advertising revenues, the Group grew revenues especially in Germany, the Scandinavian und Benelux countries. The company also received an appreciably positive contribution to revenues from the Diversification segment, which includes all business activities outside the core business of advertising financed free TV.

Revenues by region

In percent // Q2 2009 figures in brackets



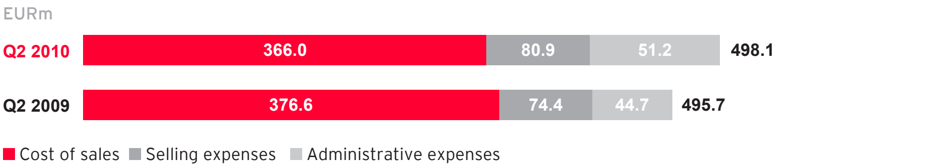
The proportion of revenue sources (the Free TV German-speaking and Free TV International segments, on the one hand, and the Diversification segment, on the other) has not changed significantly since a year ago. The ProSiebenSat.1 Group generated most of its revenues in the free TV business, at 87.4 percent of total revenues (previous year: 87.9 percent). The breakdown of revenues remained unchanged in regional terms as well. The share of revenues from operations in German-speaking Europe, which includes not only Germany but also the Austrian and Swiss markets, came to 68.2 percent, just as it did a year ago. The Netherlands and Belgium are once again the second-largest region for revenues. The Group generated 14.7 percent of its revenues in these countries (previous year: 14.7 percent).

Other operating income. Other operating income came to EUR 1.5 million, compared to EUR 0.6 million in the second quarter of 2009.

Total costs. Cost of sales includes consumption of programming assets, usually the Group's largest expense item, which came to EUR 245.1 million (previous year: EUR 261.9 million). Consequently, even though revenues increased, the cost of sales decreased EUR 9.5 million, to EUR 375.5 million (–2.5 percent from the previous year). However, the higher revenues resulted in a slight increase of EUR 5.7 million in selling expenses, to EUR 95.5 million (+6.3 percent from the previous year). Administrative expenses increased EUR 51.2 million from Q2 2009, to EUR 123.6 million (+70.7 percent). The higher administrative expenses were the result of expenses of EUR 54.9 million connected to the sale of N24. Of that amount, EUR 41.3 million resulted from taking over non-recurring expenses for restructuring measures of the sold companies, and EUR 13.6 million from impairments of non-current assets and other charges.

After adjustment for total non-recurring expenses of EUR 58.6 million (previous year: EUR 21.5 million) and depreciation and amortization of EUR 37.9 million (previous year: EUR 30.0 million), total recurring costs came to EUR 498.1 million. Thus the ProSiebenSat.1 Group was able to keep its operating costs at the same level as a year ago, at EUR 495.7 million (+0.5 percent). Last year the Group took extensive steps to cut costs and organize its processes more efficiently. In Germany especially, recurring costs were saved by moving large parts of the Group's Berlin offices to Munich, and by introducing a cross-function matrix organization in Free TV operations. These steps sustainably improved the Group's cost structure.

Recurring costs[1]



[1] Adjusted for non-recurring expenses and depreciation and amortization incl. impairment.

Recurring EBITDA. Continued improvement of the operating profit is the result of revenue growth (EUR +66.7 million) combined with efficient cost control. Recurring EBITDA increased by EUR 62.6 million, or 31.1 percent, to EUR 263.8 million. The increase in recurring EBITDA involved a 5.7 percentage-point improvement in recurring operating margin, to 34.7 percent. EBITDA – earnings before interest, taxes, depreciation and amortization, including non-recurring items, was EUR 205.4 million. EBITDA increased substantially as well, by EUR 28.1 million, or 15.8 percent, despite the non-recurring expenses in connection with the N24 transaction.

The following table shows a reconciliation of EBITDA before and after non-recurring items.

Reconciliation of recurring EBITDA

EURm	Q2 2010	Q2 2009
Profit before income taxes	110.6	84.8
Financial result	56.9	62.5
Operating profit	**167.5**	**147.3**
Depreciation and amortization [1]	37.9	30.0
(thereof: from purchase price allocations)	13.5	13.9
EBITDA	**205.4**	**177.3**
Non-recurring items (net) [2]	58.4	23.9
Recurring EBITDA	**263.8**	**201.2**

[1] Amortization of intangible assets and depreciation of property, plant and equipment, including impairment of EUR 4.9 million, relating to N24 sale. [2] Non-recurring expenses of EUR 58.6 million (previous year: EUR 21.5 million) less non-recurring income of EUR 0.2 million (previous year: EUR -2.4 million).

Financial result. The financial result comprises the net interest result, the other financial result and the share of profit or loss of investments accounted at equity. It came to EUR minus 56.9 million for Q2 2010 – an improvement of EUR 5.6 million, or 9.0 percent, from the same quarter a year ago. One major reason for the positive development in the financial result was lower interest expenses. The net interest result improved EUR 3.3 million from last year, to EUR –54.1 million (+5.7 percent).

Consolidated profit attributable to shareholders of ProSiebenSat.1 Media AG. The pretax profit also showed a very positive development, growing 30.4 percent to EUR 110.6 million (previous year: EUR 84.8 million). Net income after taxes and non-controlling interests grew by a double-digit 63.7 percent, to EUR 74.5 million (previous year: EUR 45.5 million). Consequently earnings per preference share came to EUR 0.35 (previous year: EUR 0.22) and earnings per share of common stock were EUR 0.35 (previous year: EUR 0.20). The underlying net income for the period grew to EUR 85.1 million (previous year: EUR 52.8 million).

Reconciliation of underlying net income

EURm	Q2 2010	Q2 2009
Consolidated net profit after non-controlling interests	74.5	45.5
Amortization of purchase price allocations (after taxes) [1]	10.6	10.8
Non-cash foreign currency translation effects	- / -	-3.5
Underlying net income	**85.1**	**52.8**

[1] Amortization of purchase price allocations before taxes: EUR 13.5 million (previous year EUR 13.9 million)

REVENUE AND EARNINGS PERFORMANCE IN THE FIRST HALF OF 2010

The ProSiebenSat.1 Group also achieved higher revenues and a dynamic earnings growth in the first half of 2010. Consolidated revenues grew to EUR 1.419 billion, an increase of EUR 98.1 million, or 7.4 percent, compared to the first half of 2009. Growth resulted primarily from higher TV advertising revenues in Germany, the Group's most important single market for revenues. Total costs came to EUR 1.169 billion, an increase of EUR 44.0 million, or 3.9 percent, from H1 2009, because of the non-recurring expenses of the N24 transaction. Total costs less non-recurring expenses, depreciation and amortization came to EUR 1.030 billion; recurring expenses for the same period last year were EUR 1.032 billion.

Recurring EBITDA rose EUR 97.4 million, to EUR 392.4 million (+33.0 percent); EBITDA, at EUR 324.6 million, was EUR 56.9 million higher than a year ago (+21.3 percent). The recurring EBITDA margin thus improved to 27.7 percent (previous year: 22.3 percent). The ProSiebenSat.1 Group reported a consolidated net income after taxes and non-controlling interests of EUR 95.7 million – more than twice the figure of EUR 43.8 million from a year ago despite the one-off charges of the N24 transaction. The rapid earnings growth for the first half of 2010 primarily reflects higher revenues combined with almost flat costs.

GROUP FINANCIAL POSITION

FINANCIAL INDEBTEDNESS AND FINANCING STRUCTURE

The principles and objectives of financial management are explained on pages 71 and 72 of the ProSiebenSat.1 Annual Report for 2009.

At the reporting date, the ProSiebenSat.1 Group's financial debt comprised 63.3 percent non-current loans and borrowings (December 31, 2009: 63.2 percent; June 30, 2009: 64.5 percent) and 8.9 percent current loans and borrowings (December 31, 2009: 8.9 percent; June 30, 2009: 9.1 percent).

Rating of the ProSiebenSat.1 Group: Credit ratings represent an independent assessment of a company's creditworthiness. However, the rating agencies do not take the ProSiebenSat.1 Group's term loans into account in their credit ratings. Consequently there are no official ratings at present.

Secured syndicated facilities agreement. An essential part of the ProSiebenSat.1 Group's funding comprises various secured term loans with maturities in July 2014 (Term Loan B) and July 2015 (Term Loan C). The ProSiebenSat.1 Group entered into the secured syndicated credit arrangement for an original total of EUR 4.200 billion (now EUR 4.160 billion) in connection with the financing of the SBS acquisition in June 2007.

- In the fourth quarter of 2009, a portion of Term Loan B had been redenominated from Swedish Kronas to Euros, thus permanently reducing Term Loan B from the original EUR 1.800 billion to EUR 1.771 billion. This amount was further reduced by a EUR 5.4 million partial repayment in the second quarter of 2010 to EUR 1.765 billion.

- Term Loan C was reduced by a EUR 5.5 million partial repayment in the second quarter of 2010, to EUR 1.795 billion.

Additionally, the secured syndicated facilities agreement includes a revolving credit facility with a facility amount of EUR 600.0 million and a maturity in July 2014. The default of certain lenders due to the financial crisis reduced the available facility amount of the revolving credit facility to EUR 594.7 million as of the fall of 2008.

78 percent of the variable-interest liabilities of the term loans are hedged by a variety of interest-rate swaps. The amounts drawn under the RCF are also at variable interest rates, and are not hedged with interest-rate swaps. Including the utilization of bank guarantees totaling EUR 46.6 million, EUR 543.8 million of the revolving credit facility had been drawn on June 30, 2010. The figure on December 31, 2009, was EUR 528.0 million (including the utilization of bank guarantees of EUR 30.8 million); on June 30, 2009, the figure was EUR 536.3 million (including the utilization of bank guarantees of EUR 39.1 million).

Off-balance-sheet financial instruments: The ProSiebenSat.1 Group had no significant off-balance-sheet financial instruments during the reporting period. Information about leasing appears on page 74 of the 2009 Annual Report.

GROUP-WIDE FINANCING

The secured syndicated facilities agreement for Term Loans B and C and for the revolving credit facility requires the ProSiebenSat.1 Group to comply with certain financial key ratios ("financial covenants"). Further details can be found on page 74 of the 2009 Annual Report.

The ProSiebenSat.1 Group continued to comply with the terms of the agreement also in Q2 and H1 2010. Non-compliance with the contractual financial ratios would give cause for early termination. However, the ProSiebenSat.1 Group's facilities agreement also allows the Group to prevent impending breaches of the key financial requirements, or to cure existing ones, by contributing equity or equity-like funds in the form of subordinated loans within certain periods. For the purposes of such an "equity cure" of the financial ratios, the majority shareholders (through an affiliated company) of ProSiebenSat.1 Media AG committed on April 1, 2010, to make available a loan facility which is subordinated to the syndicated facilities agreement, should this be required for purposes of an "equity cure". In such a case, the ProSiebenSat.1 Group would be able to draw on subordinated loans for up to EUR 150 million until September 2011. The Group will thus be able to respond flexibly to changes in business conditions. However, there is no contractual obligation to make use of the subordinated credit facility.

Cash and cash equivalents, page 15.

Net financial debt. Net financial debt – defined as total loans and borrowings minus cash and cash equivalents and current financial assets – decreased EUR 152.2 million compared to last year's reporting date, to EUR 3.275 billion. The decrease in net financial debt reflects the Group's sound liquidity position. Net financial debt also improved further in comparison to December 31, 2009 (EUR 3.295 billion), because of higher cash and cash equivalents.

Net financial debt

EUR bn

(1) In June 2007, the ProSiebenSat.1 Group carried out the acquisition of SBS – the largest acquisition in its history. The transaction was financed entirely by a secured syndicated credit facility, which originally totaled EUR 4.2 bn.

Leverage. The Group's leverage (ratio of net financial debt to recurring EBITDA for the last twelve months) had improved to a factor of 4.1 at the end of H1 2010. The figure a year earlier was 5.1 times recurring EBITDA. The figure improved in part because of the lower net financial debt compared to H1 2009, and in part because of the Group's high earnings growth. For these reasons, the leverage also clearly improved in comparison to December 31, 2009 (4.7x).

ANALYSIS OF LIQUIDITY AND CAPITAL EXPENDITURE

Cash flow statement

Cash flow statement

EURm	Q2 2010	Q2 2009	H1 2010	H1 2009
Profit for the period	76.8	50.9	99.3	46.7
Cashflow	499.6	450.1	891.7	804.2
Change in working capital	13.3	33.0	-14.3	61.4
Dividends received	2.5	2.8	2.5	2.8
Income tax paid	-32.0	-8.8	-79.3	-44.9
Interest paid	-54.0	-57.1	-110.1	-126.1
Interest received	0.4	1.0	1.0	3.2
Cash flow from operating activities	**429.8**	**421.0**	**691.5**	**700.6**
Cash flow from investing activities	**-275.5**	**-306.7**	**-676.2**	**-689.7**
Free cash flow	**154.3**	**114.3**	**15.3**	**10.9**
Cash flow from financing activities	**-21,3**	**-25.1**	**-23.4**	**-45.6**
Effect of foreign exchange rate changes on cash and cash equivalents	13.2	0.9	21.0	0.9
Change in cash and cash equivalents	146.2	90.1	12.9	-33.8
Cash and cash equivalents at beginning of reporting period	604.1	509.0	737.4	632.9
Cash and cash equivalents at end of reporting period	**750.3**	**599.1**	**750.3**	**599.1**

Cash flow from operating activities. Operating cash flow for the second quarter came to EUR 429.8 million, and was thus EUR 8.8 million, or 2.1 percent, higher than for the same period last year. In January through June of this year, however, the cash flow from operating activities decreased EUR 9.1 million, or 1.3 percent, to EUR 691.5 million. This slight decrease from the first half of 2009 resulted from two offsetting effects:

- The good business performance in almost all markets caused a significant improvement in the net profit for the period in comparison to a year ago, with a positive impact on the cash flow from operating activities. Moreover, this higher net profit already includes non-recurring costs and impairment in total of EUR 54.9 million that were incurred in connection with the sale of N24 and will be recognized in cash in the upcoming months.

- These positive effects were partially compensated by changes in working capital, which came to EUR –14.3 million as of the end of the first half of 2010 (previous year: EUR +61.4 million). The larger amount of cash tied up in working capital in the first half of 2010 is primarily the consequence of lower non-interest-bearing liabilities (EUR –70.5 million).

Investments in programming, page 16.

Cash flow from investing activities. Cash used in investing activities decreased EUR 31.2 million, or 10.2 percent, to EUR 275.5 million in the second quarter of 2010. Cash used for investing activities for January through June of 2010 decreased EUR 13.5 million, or 2.0 percent, to EUR 676.2 million.

The slightly lower amount of cash used in comparison to the first half of 2009 was in part the result of lower investments in intangible assets and in property, plant and equipment (EUR –16.4 million, or –33.9 percent). Additionally, investments in programming assets also decreased slightly from a year ago, by EUR 13.0 million or 2.0 percent, to EUR 645.0 million. Another reason was the deconsolidation of N24 and MAZ & More on June 30, 2010, which resulted in a disposal of cash and cash equivalents by the sold companies in the amount of EUR 12.0 million.

Term Loans, page 13.

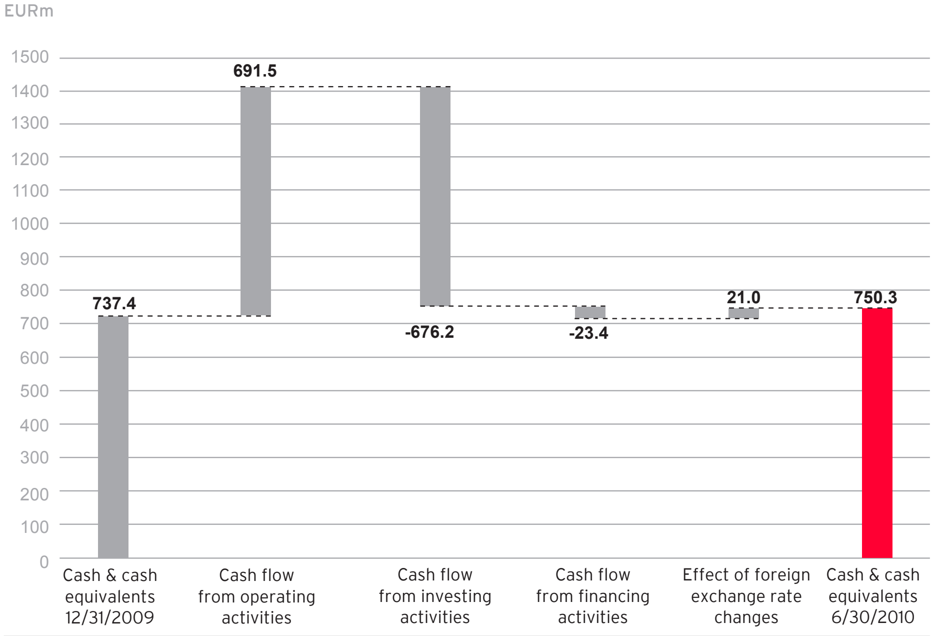
Free cash flow, one of the most important performance indicators for the ProSiebenSat.1 Group's financial strength, improved EUR 40.0 million, or 35.0 percent, to EUR 154.3 million in the second quarter of 2010. The substantial increase in free cash flow during the second quarter is in part a consequence of the Group's better earnings situation. Free cash flow for the first half of 2010 was EUR 15.3 million, 40.4 percent higher than the figure of EUR 10.9 million for the same period last year.

Cash flow from financing activities. The cash flow from financing activities for the second quarter of the year came to minus EUR 21.3 million, compared to minus EUR 25.1 million for the second quarter of 2009. Primarily the cash used for partial repayments on the existing term loans amounted to a total cash outflow of EUR 11.4 million. Cash used for the dividend payment in June 2010 came to EUR 2.1 million, same as in 2009.

Cash used in financing activities came to EUR 23.4 million in the first two quarters of 2010, compared to EUR 45.6 million a year ago. The comparatively larger amount of cash used last year was in part the result of a repurchase of treasury shares for EUR 15.4 million. Additionally, during the first half of last year the ProSiebenSat.1 Group repaid EUR 18.9 million of a mortgage loan. The mortgage loan, totaling EUR 30.5 million, was redeemed in full in connection with SAT.1's move to Munich in 2009.

Cash and cash equivalents. The cash flows above resulted in an increase of EUR 12.9 million, or 1.7 percent, in cash and cash equivalents as of June 30, 2010, compared to December 31, 2009, to EUR 750.3 million. In addition, positive currency exchange rate developments contributed to higher cash and cash equivalents in comparison to December 31, 2009.

Change in cash and cash equivalents



Investments in programming

Total costs, page 11.

The ProSiebenSat.1 Group's investing activities focus primarily on acquiring programming content by purchasing licenses and investing in commissioned and third-party productions. They are included in the cash flow from investing activities. Expenses for in-house productions are mostly included in the Group's total costs.

Programming investments for H1 2010 came to EUR 645.0 million, a slight decrease of EUR 13.0 million, or 2.0 percent, from the first half of 2009. The German-speaking region accounted for EUR 486.0 million, or 75.3 percent, of total programming investments (previous year: 71.6 percent). The ProSiebenSat.1 Group invests more than a billion Euros in programming assets each year.

Cooperation with programming suppliers expanded, new license packages acquired. In H1 2010, the Group signed a multi-year license agreement with Constantin Film for the Group's German-language stations. At the international level as well, the ProSiebenSat.1 Group invested in high-quality new programming, including the rights for the Group's Danish stations to carry live coverage of matches from England's Premier League through 2013, and the rights to cover the Dutch Soccer Cup, likewise for three years. License agreements with Warner Brothers International for the Group's Belgian stations, and with Regency subsidiary Monarchy Enterprises for the Dutch stations, expanded the Group's repertoire of exclusive Hollywood programming.

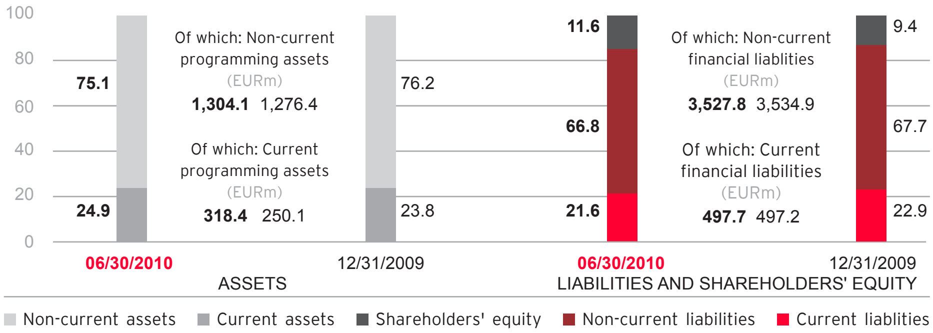
Investments in commissioned and third-party productions serve as a complement to licensed rights. Own productions strengthen station brand recognition, because they are specially designed for individual stations. In further developing the Group-wide content strategy, the Red Arrow Entertainment Group acquired the Sultan Sushi production company in Belgium in H1 2010, and entered into a multi-year cooperation agreement with programming concept developer Omri Marcus.

ANALYSIS OF ASSETS AND CAPITAL STRUCTURE

The consolidated statement of financial position underwent no material structural changes compared to June 30, 2009, or December 31, 2009. No major changes to assets and capital structure resulted from the sale of N24 and MAZ & More.

Balance sheet ratio

In percent



Total assets rose by EUR 129.5 million in comparison to December 31, 2009, to EUR 6.304 billion. Total assets were higher by EUR 365.9 million than on June 30, 2009.

Cash and cash equivalents, page 15.

Current and non-current assets. Higher programming assets in particular resulted in an increase in total assets. Programming assets, which account for 25.7 percent of total assets, are one of the most important items on the Group's statement of financial position. At the reporting date, they increased to EUR 1.623 billion (EUR +96.0 million compared to December 31, 2009, and EUR +149.7 million compared to June 30, 2009). Another reason for the increase in total assets as of June 30, 2010 were higher amounts in receivables and other assets of EUR 207.9 million (EUR +81.5 million compared to December 31, 2009, and EUR +68.3 million compared to June 30, 2009). Most of the difference resulted from positive changes in the market value of currency hedges. Additionally, cash and cash equivalents had increased to EUR 750.3 million at the reporting date – equivalent to an increase of EUR 12.9 million from December 31, 2009, and EUR 151.2 million from June 30, 2009.

Intangible assets: Further information appears in the section on "Non-financial performance indicators," page 23.

Intangible assets – which together with current and non-current programming assets represent the Group's most important assets – were roughly on last year's level, at EUR 3.021 billion (December 31, 2009: EUR 3.015 billion; June 30, 2009: EUR 3.011 billion). The intangible assets particularly include the goodwill capitalized as part of the SBS acquisition, as well as the intangible assets of SBS – including licenses and brands – recognized by way of purchase price allocations or in revaluation.

Equity. Equity increased from EUR 580.8 million as of December 31, 2009, to EUR 730.1 million (+25.7 percent). Equity was also significantly higher than at June 30, 2009 (EUR +265.1 million, or 57.0 percent). The equity ratio consequently increased to 11.6 percent (December 31, 2009: 9.4 percent; June 30, 2009: 7.8 percent). The improvement in the Group's financial performance strengthened the equity base. In addition, positive foreign currency translation effects from the conversion of financial statements in foreign currencies to the Group's reporting currency, as well as effects recognized in other comprehensive income resulting from the valuation of cashflow hedges, led to a stronger equity base.

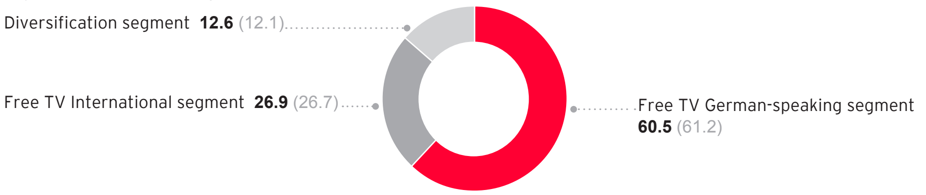
Current and non-current liabilities. Current and non-current loans and borrowings remained roughly on last year's level, and came to EUR 4.026 billion as of June 30, 2010. This figure includes non-current financial liabilities of EUR 3.528 billion, which were thus also at the same level as last year (December 31, 2009: EUR 3.535 billion; June 30, 2009: EUR 3.529 billion).

Other current and non-current financial liabilities however increased EUR 22.8 million in comparison to December 31 of last year, to EUR 473.3 million, because of valuation effects from hedging instruments. The increase from the reporting date in June of last year was EUR 17.0 million. Other current and non-current provisions also increased, reaching EUR 110.9 million as of June 30, 2010 (December 31, 2009: EUR 93.6 million; June 30, 2009: EUR 78.6 million). Provisions were recognized during the period especially for obligations associated with the sale of N24 (EUR 30.7 million).

Segment Reporting

Revenues by segment

In percent // Q2 2009 figures in brackets



FREE TV GERMAN-SPEAKING SEGMENT

Changes in audience shares and advertising market shares, page 5.

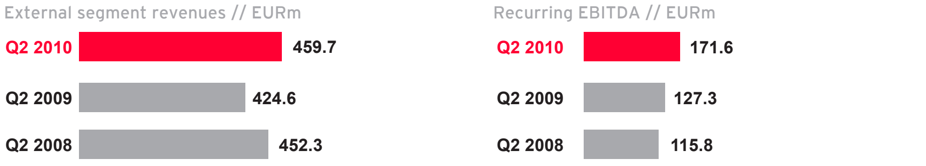
Revenue and earnings performance in the second quarter 2010. The ProSiebenSat.1 Group continued to grow during the second quarter of 2010 in its core market, Germany, as well as in the Austrian and Swiss TV markets. The Group's Free TV German-speaking segment increased external revenues by 8.3 percent in comparison to the same quarter last year, to EUR 459.7 million (previous year: EUR 424.6 million). The TV group benefited from the continuing economic upswing, and built on its good audience ratings which the Group capitalized on well despite the soccer World Cup month of June.

The ProSiebenSat.1 Group sold news station N24 in June 2010. See page 5 for further information.

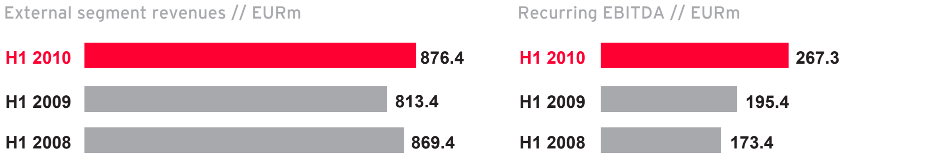
The segment's recurring EBITDA grew significantly, by EUR 44.3 million or 34.8 percent, to EUR 171.6 million. EBITDA before adjustment for non-recurring effects came to EUR 113.0 million, and was thus EUR 2.5 million, or 2.3 percent, higher than a year ago. The figure for the second quarter of 2010 is dominated by non-recurring expenses of EUR 58.8 million (previous year: EUR 16.8 million), primarily from the N24 transaction. Total non-recurring items came to EUR 58.6 million (previous year: EUR 16.8 million).

Revenue and earnings performance in the first half year. The segment's external revenues for the first half of 2010 increased EUR 63.0 million, or 7.7 percent, to EUR 876.4 million. Positive revenue performance produced a substantial increase of EUR 71.9 million, or 36.8 percent, in recurring EBITDA, to EUR 267.3 million. In spite of these non-recurring expenses, EBITDA for Q2 2010 increased 19.0 percent to EUR 203.9 million (EUR +32.5 million from a year ago).

Key figures: Free TV German-speaking segment



Key figures: Free TV German-speaking segment



As part of the first-time consolidation of SBS in June of 2007, the ProSiebenSat.1 Group's segment reporting was revised to better address the Group's expanded international business operations. The former Free TV segment has been renamed the Free TV German-speaking segment. Hence, we provide no multi-year comparison taking account of the years before SBS was consolidated.

FREE TV INTERNATIONAL SEGMENT

Revenue and earnings performance in the second quarter 2010. Revenues in the Free TV International segment also showed a very good revenue development. In total, external revenues of the Free TV International segment increased 10.7 percent to EUR 204.8 million (previous year: EUR 185.0 million).

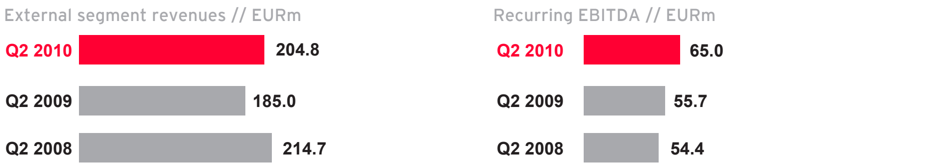
In most of the ProSiebenSat.1 Group's international markets – in contrast to Germany, for example – distributors like cable operators do not merely provide technical distribution for programming. They also put together individual programming packages for viewers. Consequently, in addition to advertising revenues, TV stations get earnings from distribution royalties.

- In Q2 2010, TV advertising revenues at ProSiebenSat.1 stations especially grew in comparison to the same quarter last year in Sweden, the Netherlands, Norway and Belgium. The increase in advertising revenues in a large share of the European TV advertising markets was associated with an increase in positive foreign currency effects resulting especially from the foreign currency translation of the Swedish Krona to Euro. Furthermore, especially in Denmark, distribution revenues increased significantly, while TV advertising revenues in Hungary and Romania were behind last year's figure due to the persistently challenging economic situation.

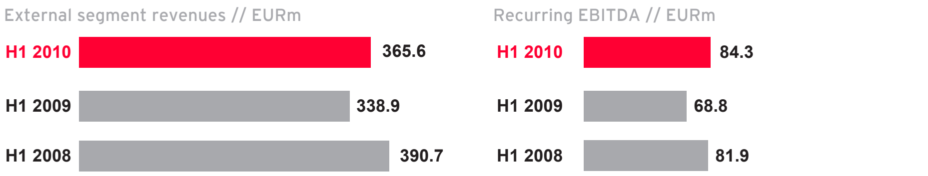
The segment's earnings also grew by double digits in comparison to the same quarter last year. Recurring EBITDA increased 16.7 percent to EUR 65.0 million (previous year: EUR 55.7 million), and EBITDA grew 22.0 percent to EUR 65.5 million (previous year: EUR 53.7 million).

Revenue and earnings performance in the first half year. External revenues of the Free TV International segment for the first half year increased EUR 26.7 million, or 7.9 percent, in comparison to the first half of 2009, to EUR 365.6 million. Recurring EBITDA rose by EUR 15.5 million, or 22.5 percent, to EUR 84.3 million. EBITDA had a comparable increase to EUR 83.1 million (previous year: EUR 66.0 million).

Key figures: Free TV International segment



Key figures: Free TV International segment



As part of the first-time consolidation of SBS in June of 2007, the ProSiebenSat.1 Group's segment reporting was revised to better address the Group's expanded international business operations. Hence, we provide no multi-year comparison taking account of the years before SBS was consolidated. The acquisition of the SBS Broadcasting Group brought the Group a number of free TV stations in Northern and Eastern Europe and in the Netherlands and Belgium, which are combined as the Free TV International segment.

DIVERSIFICATION SEGMENT

Revenue and earnings performance in the second quarter 2010. External revenues at the Diversification segment came to EUR 96.1 million for the second quarter of 2010. Thus diversification revenues were EUR 11.8 million, or 14.0 percent, above the level from the same period last year.

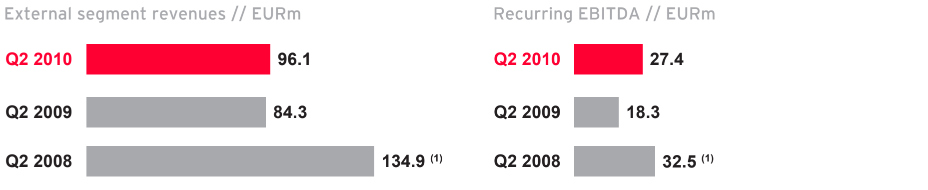
Starwatch gets into artist and event management, page 4.

- The ProSiebenSat.1 Group especially generated substantial growth rates in video advertising and in the classic online business of banner advertising. In addition to the online business, the music business also continued its revenue growth. The ProSiebenSat.1 Group takes advantage of its brand awareness, reach and programming capacity to gradually extend its value chain into adjacent lines of business, and to develop new revenue models. Growth impetus for the second quarter of 2010 came from the sale of advertising time under the "media for revenue share" business model, and from the Group's entry in artist and live event management. However, the revenue performance of quiz station 9Live, which is financed from caller charges, were behind the figures from a year ago.

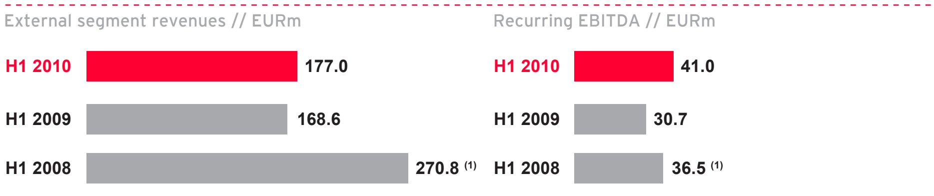
The segment's recurring EBITDA grew EUR 9.1 million, or 49.7 percent, compared to the second quarter of 2009, to EUR 27.4 million. EBITDA, at EUR 27.1 million, was a substantially EUR 12.9 million higher than a year ago (+90.8 percent compared to Q2 2009). The strong earnings increase resulted from organic revenue growth and cost efficiency.

Revenue and earnings performance in the first half year. The revenue increase in the second quarter of 2010 also led to dynamic earnings growth for the first half of 2010. The segment's external revenues grew EUR 8.4 million, or 5.0 percent, to EUR 177.0 million. Recurring EBITDA improved 33.6 percent in comparison to the first half of 2009, to EUR 41.0 million (previous year: EUR 30.7 million), and EBITDA grew 21.2 percent to EUR 37.8 million (previous year: EUR 31.2 million).

Key figures Diversification segment



Key figures Diversification segment



As part of the first-time consolidation of SBS in June of 2007, the ProSiebenSat.1 Group's segment reporting was revised to better address the Group's expanded international business operations. The diversification activities (especially radio and print) brought in with SBS are shown together with diversification operations that existed previously. The former Transaction TV (call TV) and Other Diversification (including online, basic pay TV, merchandising/licensing and music) segments were also incorporated into the new Diversification segment. We provide no multi-year comparison taking account of the years before SBS was consolidated. [1] Including the pay TV unit CMore that was deconsolidated in November of 2008.

Employees

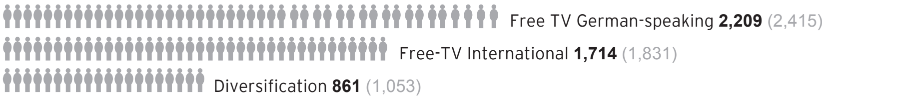
Key figures on employment. The number of employees decreased slightly in the first half of 2010. Because of the sale of news station N24 and production company MAZ & More, 299 full-time equivalents are no longer included in the ProSiebenSat.1 Group as of June 30, 2010. At that date, the Group had 4,504 employees (previous year: 5,195) throughout Europe (average full-time equivalents). Of these, 2,203 (previous year: 2,813), equivalent to 48.9 percent of the entire Group employees (previous year: 54.1% percent), worked in Germany, Austria and Switzerland. The average number of employees in the first half of 2010 was 4,784 full-time equivalents (previous year: 5,299). In the first half of 2010 the personnel expense decreased by 4.4 percent or EUR 8.5 million compared to the previous year, to EUR 186.2 million.

Employees by region

Figures for H1 2009 in brackets

Employees by segment

Figures for H1 2009 in brackets



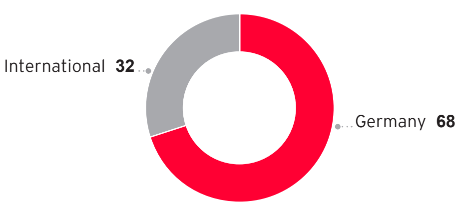
P7S1 ACADEMY

In-house program for further training expanded. In May 2010, the Group launched a new employee training campaign, the "P7S1 Academy". The courses especially utilize the know-how of experts from within the Group. For example, important departments regularly present new Group projects. Selected guest speakers present current developments in the industry. A second component are classic fundamental skills like languages and IT, as well as company specific trainings. The aim is to continue strengthening the Group's competitiveness and maintain ProSiebenSat.1's position as an attractive employer.

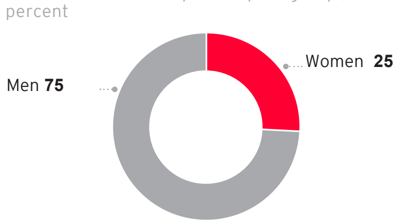
New performance management model. ProSiebenSat.1 rewards top performances among its employees. In addition to the performance-based compensation system that was already in place, at the beginning of 2010 the Group introduced its "Performance Development" program. The goal of the program is to improve staff members' contribution to performance throughout the Company, and to make those contributions more transparent. For that purpose, the measurement criteria for the existing bonus systems – achievement of personal goals and corporate results – were expanded to include important aspects of successful management work. The new incentive system permits a one-time payment of up to 200 percent of the individual target bonus. Thus the program combines performance assessment with encouragement of talent. This will make it possible to fill key positions within the Company even better in the future. The program was initiated at the beginning of the year with a pilot group of 185 senior executives.

"Performance Development" pilot group

Participants in the "Performance Development" pilot group in Germany and internationally // In percent



Percentage of men and women in the "Performance Development" pilot group // In percent



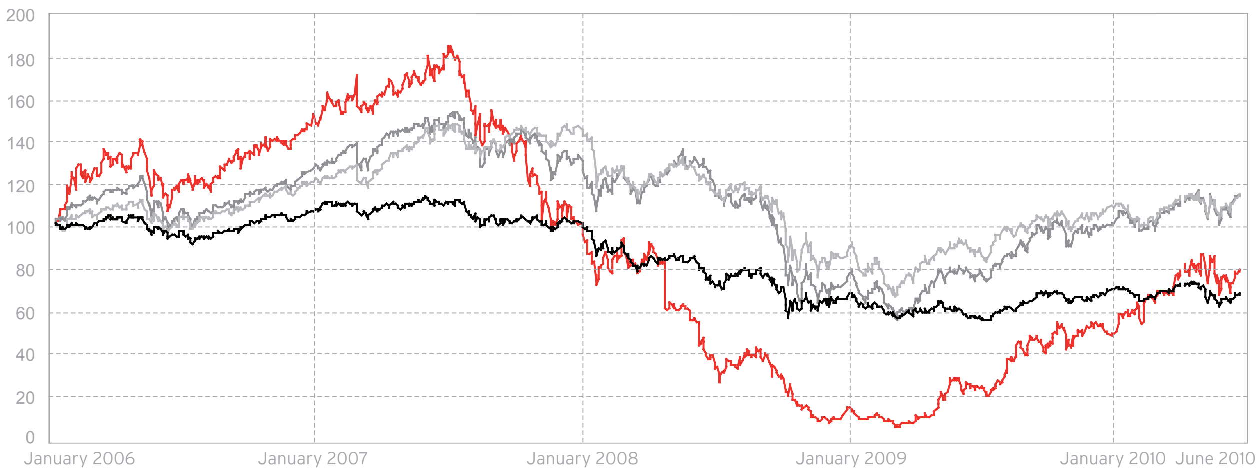
The ProSiebenSat.1 Share

The upward trend of the ProSiebenSat.1 share, which is included in the German MDAX share index, continued at the start of the second quarter of 2010. At the close of trading on April 30, 2010, the share reached its year to date high of EUR 14.20. In the further course of the quarter, however, the share price development was moderated by various factors. In particular, the sense of uncertainty in the stock markets provoked by the sovereign debt crisis of some EU member states and the subsequent decline in the value of the euro, as well as discussions regarding the consequential effects of possible fiscal austerity programs of European governments, adversely affected the value of the ProSiebenSat.1 share.

Current information on the ProSiebenSat.1 share can be found on our website at http://en.prosiebensat1.com/investor_relations/aktie_kursinformationen/

At the close of trading on June 30, 2010, the ProSiebenSat.1 share was at EUR 12.12, nearly 50 percent higher than the closing price of EUR 8.13 at the beginning of the year. Thus, it performed better than relevant comparison indexes. At the close of trading on June 30, for example, the DAX was 1.4 percent lower, and the MDAX was 4.3 percent higher, than their respective levels at the beginning of the year. The Euro Stoxx Media index, which tracks European media stocks, ended the first half of 2010 with a loss of 9.6 percent.

The ProSiebenSat.1 share: Price performance



ProSiebenSat.1 ■ Euro Stoxx Media ■ MDAX ■ DAX // Basis: Xetra closing quotes. An index of 100 = January 2006. Source: Reuters

The ProSiebenSat.1 share: Key data

		01/02-06/30/2010	01/02/-06/30/2009	01/02-06/30/2008	01/02-06/30/2007	01/02/-06/30/2006
Highest closing price XETRA	EUR	14.20	4.65	16.62	29.50	22.96
Lowest closing price XETRA	EUR	8.13	0.90	6.06	24.00	16.02
Closing price XETRA per 06/30	EUR	12.12	3.92	6.37	29.28	19.53
Total XETRA trading volume	Units	110,761,919	138,132,325	151,348,884	88,056,550	78,019,434
Xetra trading volume (average daily volume)	Units	879,063	1,105,059	1,201,182	704,452	614,326

		2010	**2009**	**2008**	**2007**	**2006**
Share capital at reporting date	Units	218,797,200	218,797,200	218,797,200	218,797,200	218,797,200
Number of preferred shares at reporting date [1]	Units	109,398,600	109,398,600	109,398,600	109,398,600	109,398,600
Number of common shares at reporting date (unlisted)	Units	109,398,600	109,398,600	109,398,600	109,398,600	109,398,600
Dividend per preferred share	EUR	- / -	0.02	0.02	1.25	0.89
Total dividend	EURm	- / -	2.1	2.1	269.9	192.5

[1] Before deduction of 6,027,500 treasury shares.

Annual general meeting for the financial year 2009. The Annual General Meeting of shareholders of ProSiebenSat.1 Media AG for the financial year 2009 was held at the Alte Kongresshalle in Munich's Bavariapark on June 29, 2010. Some 300 shareholders and guests attended the meeting.

For more information on the annual shareholders' meeting and voting results, please visit http://en.prosiebensat1.com/investor_relations/hauptversammlung/1/

All proposed resolutions presented were unanimously adopted. Inter alia, the Annual General Meeting granted formal approval of the activities of the members of the Executive Board and of the Supervisory Board for the financial year 2009. Furthermore the proposed resolution on the use of distributable net income for the financial year 2009 was adopted and – as in the previous year – a dividend distribution of EUR 0.02 per bearer share of preferred stock was resolved upon. No dividend was paid on common shares. The total dividend distribution will thus come to approx. EUR 2.1 million, matching last year's amount. The dividend was paid on June 30, 2010.

Non-Financial Performance Indicators

Multi-channel strategy, page 7.

Employees, page 21.

Various important assets are not recognized in the statement of financial position of the ProSiebenSat.1 Group: for example, the value of certain TV station brands, the high reach and the quality of ProSiebenSat.1's programs, and organizational advantages that result from the complementary programming of the TV station family. Employee potential is another important success factor that is not quantified financially.

Research and development: The ProSiebenSat.1 Group conducts extensive market research in every area in which it does business and in every area where it forsees growth potential. However, market research activities do not fit the definition of research and development under IAS 38.8, and therefore these figures are omitted from the management report.

http://www.sevenonemedia.de/home/

- **Strong brands.** The values of the brands brought in as part of the SBS acquisition in 2007 are recognized as intangible assets in the consolidated statement of financial position. However, SAT.1 and ProSieben, as the Group's "own brands," are not recognized there. For that reason, they are among the Group's most important non-financial performance indicators. For several years now, these two brands have stood for Germany's most popular and successful TV stations.

  The value of the Group's brands has been confirmed by numerous prestigious awards. Recent studies have again affirmed the strong appeal of established TV brands. For example, the recent study "Relevant Set: TV Station Diversity and Usage" found that even among multi-channel households (meaning households in Germany that can receive more than 150 TV channels), 80 percent of daily television usage is still concentrated among only six channels. The "relevant set" is mainly composed of major TV station brands, including SAT.1, ProSieben, and kabel eins.

- **High reach.** The Group's TV stations continue to enjoy a high technical reach. SAT.1 currently reaches 35.0 million households in Germany, corresponding to 98.8 percent of all German households (previous year: 34.7 million households); ProSieben and kabel eins are each received by 34.9 million households in Germany (previous year: ProSieben 34.6 million households, kabel eins: 34.5 million households). The wide-area receivability of its TV stations is a fundamental prerequisite for the Group's success among advertising customers. The ProSiebenSat.1 Group enjoys a high level of awareness not only in TV, but also online: Through its websites, the Group reaches 25.4 million unique users, which corresponds to more than one out of every two Internet users in Germany. MyVideo and ProSieben.de are among the top 20 websites with the widest reach in Germany.

- **First-class programming content and public value.** With a reach of more than 78 million TV households, ProSiebenSat.1 is the second-largest TV group in Europe. Aside from business responsibilities, that status also entails a high degree of social responsibility. The credibility of programming content is an important success factor for any company engaged in journalism. Therefore, the ProSiebenSat.1 Group is committed to journalistic and media policy guidelines; moreover, it strives to provide independent and well-founded information through its programs and to make a responsible contribution to public opinion through the professional quality of its programming content. And that applies not just to the news programs of the ProSiebenSat.1 Group, but also to its knowledge magazine shows, light entertainment shows, advice programs and talent shows.

In the "GreenSevenDay" program of documentaries, movies and TV series in March 2010, ProSieben utilized its reach in Germany to raise the awareness of its viewers for the importance of the sustainable protection of our environment. The TV Group exercises responsibility in its international operations as well. In May of this year, for example, the awareness campaign based on news stories of the Romanian TV station Prima TV, "Stop the Indifference: Together We Can Find the Missing Children," was honored as the "Best News Report" at the APTR Gala of the Romanian Association of TV Professionals. In June 2010, Prima TV again demonstrated its commitment to social responsibility by providing aid to poor children in a campaign entitled "Stop the Indifference! Give them Wings!"

Besides exercising social responsibility through its programs, the ProSiebenSat.1 Group also supports various social welfare campaigns. In Germany, for example, the Group has supported a nationwide contest organized by the registered association startsocial e.V. for years now. Under the auspices of German Federal Chancellor Angela Merkel, this initiative supports 100 social welfare programs annually by donating the business expertise of qualified experts. Together with other prestigious companies, the ProSiebenSat.1 Group co-founded this association in 2001 and regularly supports the initiative with an extensive TV campaign.

Public value - Current examples for the broad social commitment of the ProSiebenSat.1 Group

Social Responsibility

Hope for Haiti
Kanal 5,
Sweden

Barrier-free television
ProSiebenSat.1 TV
Deutschland,
Germany

startsocial
ProSiebenSat.1 Group,
Germany

Stop indiferentei
Prima TV,
Romania

Environment

GreenSeven Day
ProSieben,
Germany

Culture

Unser Star für Oslo
ProSieben,
Germany

For more information on non-financial performance indicators and their importance for the competitive strength of the ProSiebenSat.1 Group, see pages 88-92 of the 2009 Annual Report.

Events after the Reporting Period

From the end of the second quarter of 2010 to August 4, 2010, the date when this report was released for publication and forwarded to the Supervisory Board, no reportable events occurred that are of material significance for the financial performance and position of the ProSiebenSat.1 Group or ProSiebenSat.1 Media AG.

Risk and Opportunity Report

Risk management at ProSiebenSat.1: The ProSiebenSat.1 Group analyzes and manages its overall risk situation by means of a Group-wide risk management system. The assessment of the overall risk situation is based on a detailed analysis of the most significant individual risks and an aggregate analysis of the Group's principal risk groups (external risks, content, technology risks, sales, organizational and financial risks, compliance). The 2009 Annual Report provides a detailed discussion of risk categories, as well as a description of the risk management system, on pages 93 through 102.

The expectations for the business performance of the ProSiebenSat.1 Group are based on the opportunities and risks associated with the market and competition conditions that are expected to prevail for the remainder of this year. These expectations are reflected in the budget for 2010 to the extent possible. For information on existing opportunities and risks, please refer to our comments on page 97 and following of the 2009 Annual Report and to the outlook at the end of this management report.

Important topics in the first half of 2010. Based on our current assessment, so far the market risks for the core revenue market of Germany and for most of our international markets have diminished over the course of the year. Especially in Germany, the economic recovery has appreciably gained momentum; key economic indicators such as new orders, production and exports point to accelerated growth in the second and third quarters. The labor market appears also to be robust. Towards the end of this year, however, the economic recovery trend could possibly be affected by various factors, such as the sovereign debt crisis, a decrease in global demand following the expiration of economic stimulus programs or necessary fiscal consolidation measures. Furthermore, consumer spending is not expected to pick up in 2010. It is not possible, therefore, to completely rule out the possibility of adverse effects on the advertising market or a slower recovery of general macro-economic conditions in the second half of this year. That applies both for Germany and for our international markets, most of which have likewise experienced more dynamic economic growth in the last few months. We will continue to analyze the general economic conditions and the advertising market environment in connection with our Groupwide risk management system.

Another matter in the second quarter of 2010 was the German Federal Cartel Office's search of the offices of ProSiebenSat.1 Media AG in May 2010. The search was based on the allegation that ProSiebenSat.1 Media AG and the RTL Group are colluding in setting up strategies, under which programs of the competing TV groups that could previously be received free of charge would be encrypted, bundled and only made accessible against payment of a fee in the future. At this stage, the outcome of the investigation, including any subsequent decision by the Federal Cartel Office as to whether it will launch further proceedings against the company, cannot be reliably predicted. As a consequence, no provision was recorded at the reporting date.

The pending investigation of individual persons by the Munich Public Prosecutor's Office, subsequent to the cartel proceedings concluded in 2007, was terminated in the fourth quarter of 2009 without the imposition of restrictions or fines against the affected persons or the company. In this regard, the residual risk mentioned in the 2009 Risk Report, that certain business expenses claimed in the past could possibly be reclassified as non-deductible expenses for tax purposes, has since been cleared.

Overall assessment of the Group's risk situation – Management's view. There has been no fundamental change in the risk situation compared to December 31, 2009. As of the date of the preparation of this management report, in the Executive Board's opinion the overall risk situation has remained limited and manageable. At that date, no risks were evident which, individually or in combination with other risks, would have a material adverse effect on the ProSiebenSat.1 Group's financial performance or position. Based on our planning knowledge, we also do not anticipate material changes that might pose a threat to the ability of the ProSiebenSat.1 Group to continue as a going concern.

Outlook

FUTURE BUSINESS CONDITIONS

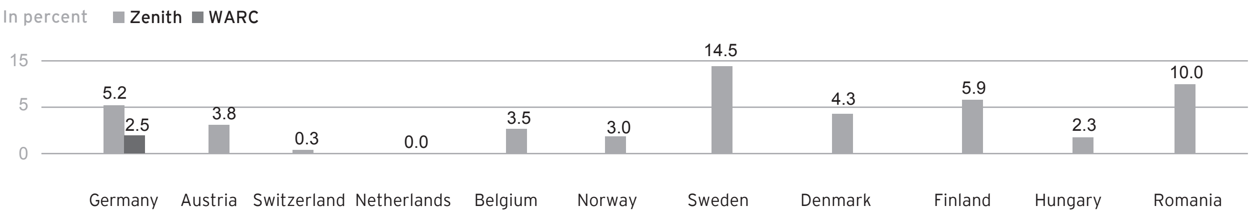
From today's perspective, the majority of available indicators points to a continuation of the economic recovery that began in large parts of Europe in the second half of 2009 and revived advertisers' budget spendings in the past few months. The International Monetary Fund calculates that the European economy will grow one percent for 2010 as a whole. An increase of 4.6 percent is expected for the global economy.

The export-oriented German economy may well continue to hold its own in the third quarter, against the backdrop of the global expansion. But towards year's end, the uptrend may lose some of its strength. Stimulus for expansion from the global economy is likely to slow down, once the inventory buildup cycle is over and economic support packages run out. Efforts at consolidation in financial policy, especially in the euro zone, might further slow down economic growth. Nor can domestic private or state consumption be expected to provide any noteworthy stimulus after the economic support packages lapse, especially with the prospect of a slight rise in inflation this year. On the whole, the leading research institutions currently expect real growth of about 2 percent in the German economy for 2010 (e.g., Ifo: +2.1 percent; RWI: +1.9 percent).

The performance of the advertising markets is closely related to general economic conditions, and in some cases reflects gains and losses in such factors as GDP after a time lag. Zenith has made a substantial upward correction in its forecast regarding the German net TV advertising market, and currently expects growth of 5.2 percent net. Expectations by WARC (+2.5 percent net) for the German TV advertising market are likewise substantially more optimistic than they were just a few months ago. However, Nielsen Media Research says a so-called basic effect can be expected in the second half of the year. The market recovery is thus likely to slow down somewhat by year's end, in comparison to the good fourth quarter of 2009.

Internationally, predictions for the TV advertising markets where the ProSiebenSat.1 Group operates are likewise mostly in positive territory. The following chart summarizes the forecasts of major research institutions for the ProSiebenSat.1 Group's advertising markets:

Development of TV advertising markets in ProSiebenSat.1's major TV markets, change 2010 compared to 2009



Source: World Advertising Research Center (7/2010), ZenithOptimedia (7/2010), figures extensively harmonized on a net basis, but methodological differences between different countries and sources persist.

OUTLOOK FOR THE COMPANY

Most of the economic indicators available today point to a continuation of the generally positive advertising environment. Still, it cannot be predicted with certainty whether and to what extent the fiscal austerity programs announced by various European governments will reduce advertising demand in the upcoming months. At the moment, however, there are no such indications. If contrary to expectations, revenues cannot be increased in the second half of this year as a result of worsening economic conditions, a slight reduction of operating costs would be possible. In addition, further efficiency improvements will be achieved by the outsourcing of the news production. The sale of the news channel N24 can be expected to increase recurring EBITDA by more than EUR 25 million per year, starting in 2011.

Aside from strict cost management, the Group intends to generate sustainable profitable business growth by capitalizing on its performance in the viewer market through appropriate pricing and by further diversifying revenue sources beyond the traditional TV advertising revenue model. To that end, the ProSiebenSat.1 Group has adopted a comprehensive plan of action in the last few months: It has launched new TV channels, taken steps to expand production and programming distribution and established additional revenue sources, including the new business model under which the Group barters "media for revenue share." These strategic initiatives are expected to make a significant contribution to increasing the Group's revenues and profits in the medium-term future.

Based on the good business performance in the first two quarters of 2010, ProSiebenSat.1 gives a positive outlook for the full year 2010. But the development of revenues in the second half of 2010 cannot be predicted with certainty, due to the limited visibility in this business, the importance of the fourth quarter for the TV business and the more challenging figures from the second half of 2009. In any case, however, the company expects to generate clearly higher growth of the recurring EBITDA on a full year basis, compared to the previous year.

Income statement for ProSiebenSat.1 Group

EURm

		Q2 2010	Q2 2009	H1 2010	H1 2009
1.	Revenue	760.6	693.9	1,419.0	1,320.9
2.	Cost of sales	-375.5	-385.0	-789.5	-792.8
3.	**Gross profit**	**385.1**	**308.9**	**629.5**	**528.1**
4.	Selling expenses	-95.5	-89.8	-186.3	-192.6
5.	Administrative expenses	-123.6	-72.4	-193.0	-139.4
6.	Other operating income	1.5	0.6	3.9	10.4
7.	**Operating profit**	**167.5**	**147.3**	**254.1**	**206.5**
8.	Income from investments accounted for using the equity method	-2.4	1.9	-2.8	1.0
9.	Interest and similar income	1.1	1.5	2.3	4.1
10.	Interest and similar expenses	-55.2	-58.9	-110.9	-122.1
11.	Interest result	-54.1	-57.4	-108.6	-118.0
12.	Other financial result	-0.4	-7.0	-0.9	-11.7
13.	**Financial result**	**-56.9**	**-62.5**	**-112.3**	**-128.7**
14.	**Profit before income taxes**	**110.6**	**84.8**	**141.8**	**77.8**
15.	Income taxes	-33.8	-33.9	-42.5	-31.1
16.	**Profit for the period**	**76.8**	**50.9**	**99.3**	**46.7**
	attributable to				
	Shareholders of ProSiebenSat.1 Media AG	74.5	45.5	95.7	43.8
	Non-controlling interests	2.3	5.4	3.6	2.9
EUR					
	Basic earnings per share of common stock	0.35	0.20	0.44	0.19
	Basic earnings per share of preferred stock	0.35	0.22	0.45	0.21

Statement of comprehensive income of ProSiebenSat.1 Group

EURm

	Q2 2010	Q2 2009	H1 2010	H1 2009
Profit/loss for the period	**76.8**	**50.9**	**99.3**	**46.7**
Change in foreign currency translation adjustment *	0.5	20.5	35.5	2.7
Changes in fair value of cash flow hedges	38.2	3.3	25.2	-52.1
Deferred tax on other comprehensive income	-10.7	0.2	-7.2	15.5
Other comprehensive income for the period	**28.0**	**24.0**	**53.5**	**-33.9**
Total comprehensive income for the period	**104.8**	**74.9**	**152.8**	**12.8**
attributable to				
Shareholders of ProSiebenSat.1 Media AG	102.5	70.5	149.1	12.3
Non-controlling interests	2.3	4.4	3.7	0.5

* Includes non-controlling interests from change in foreign currency translation adjustment in H1 2010 of 0.1 EURm (H1 2009: -2.4 EURm) and in Q2 of 0.0 EURm (Q2 2009: -1.0 EURm)

Statement of financial position of ProSiebenSat.1 Group

EURm		06/30/10	12/31/09	06/30/09
A.	**Non-current assets**			
I.	Intangible assets	3,020.9	3,015.1	3,010.6
II.	Property, plant and equipment	231.2	256.6	249.3
III.	Investments accounted for using the equity method	1.9	2.1	4.2
IV.	Non-current financial assets	61.6	61.0	59.8
V.	Programming assets	1,304.1	1,276.4	1,193.1
VI.	Trade receivables	1.8	1.0	1.4
VII.	Non-current tax assets	2.2	- / -	- / -
VIII.	Other receivables and non-current assets	5.3	5.0	6.6
IX.	Deferred tax assets	106.0	90.1	103.0
		4,735.0	**4,707.3**	**4,628.0**
B.	**Current assets**			
I.	Programming assets	318.4	250.1	279.7
II.	Inventories	2.7	2.3	7.3
III.	Current financial assets	0.2	0.1	0.2
IV.	Trade receivables	252.7	310.9	240.9
V.	Current tax assets	42.3	45.2	50.1
VI.	Other receivables and current assets	202.6	121.4	133.0
VII.	Cash and cash equivalents	750.3	737.4	599.1
		1,569.2	**1,467.4**	**1,310.3**
Total assets		**6,304.2**	**6,174.7**	**5,938.3**

EURm		06/30/10	12/31/09	06/30/09
A.	**Equity**			
I.	Subscribed capital	218.8	218.8	218.8
II.	Capital reserves	553.5	552.5	547.1
III.	Retained earnings	171.2	75.5	-12.6
IV.	Treasury shares	-30.5	-30.5	-30.5
V.	Accumulated other comprehensive income	-189.8	-243.2	-265.6
	Total equity attributable to shareholders of ProSiebenSat.1 Media AG	723.2	573.1	457.2
VI.	Non-controlling interests	6.9	7.7	7.8
		730.1	**580.8**	**465.0**
B.	**Non-current liabilities**			
I.	Non-current loans and borrowings	3,527.8	3,534.9	3,528.8
II.	Other non-current financial liabilities	427.8	406.0	400.1
III.	Trade payables	44.8	49.2	34.8
IV.	Other non-current liabilities	1.4	1.8	2.5
V.	Provision for pensions	8.3	8.0	7.2
VI.	Other non-current provisions	15.1	12.3	0.6
VII.	Deferred tax liabilities	187.8	167.1	193.3
		4,213.0	**4,179.3**	**4,167.3**
C.	**Current liabilities**			
I.	Current loans and borrowings	497.7	497.2	497.8
II.	Other current financial liabilities	45.5	44.5	56.2
III.	Trade payables	425.6	432.1	408.1
IV.	Other current liabilities	237.0	265.6	207.9
V.	Provision for taxes	59.5	93.9	58.0
VI.	Other current provisions	95.8	81.3	78.0
		1,361.1	**1,414.6**	**1,306.0**
Total equity and liabilities		**6,304.2**	**6,174.7**	**5,938.3**

Cash flow statement of ProSiebenSat. 1 Group

EURm	Q2 2010	Q2 2009	H1 2010	H1 2009
Profit for the period	**76.8**	**50.9**	**99.3**	**46.7**
Income taxes	33.8	33.9	42.5	31.1
Financial result	56.9	62.5	112.3	128.7
Depreciation/amortization and impairment of intangible and tangible assets	37.9	29.9	70.5	61.1
Consumption/reversal of impairment of programming assets	245.8	259.6	518.9	537.8
Change in provisions for pensions and other provisions	5.0	-3.0	12.3	-1.0
Profit/loss on the sale of assets	46.8	2.7	41.3	-4.0
Other noncash income/expenses	-3.4	13.6	-5.4	3.8
Cash flow	**499.6**	**450.1**	**891.7**	**804.2**
Change in working capital	13.3	33.0	-14.3	61.4
Dividends recieved	2.5	2.8	2.5	2.8
Income tax paid	-32.0	-8.8	-79.3	-44.9
Interest paid	-54.0	-57.1	-110.1	-126.1
Interest received	0.4	1.0	1.0	3.2
Cash flow from operating activities	**429.8**	**421.0**	**691.5**	**700.6**
Proceeds from disposal of non-current assets	0.2	-0.5	0.6	1.9
Payments for the acquisition of intangible and tangible assets	-16.4	-32.1	-32.0	-48.4
Payments for the acquisition of financial assets	-0.1	- / -	-0.5	-1.2
Proceeds from disposal of programming assets	4.7	3.5	19.6	11.4
Payments for the acquisition of programming assets	-247.2	-278.0	-645.0	-658.0
Payments for loans to associated companies	-1.9	-0.3	-1.9	-0.3
Cash flows from obtaining control of subsidiaries or other business	-1.6	1.4	-3.8	0.1
Cash flows from losing control of subsidiaries or other business	-13.2	-0.7	-13.2	4.8
Cash flow from investing activities	**-275.5**	**-306.7**	**-676.2**	**-689.7**
Free Cash flow	**154.3**	**114.3**	**15.3**	**10.9**
Dividends paid	-2.1	-2.1	-2.1	-2.1
Repayment of interest-bearing liabilities	-11.4	-0.2	-11.4	-19.2
Proceeds from issuance of interest-bearing liabilities	0.1	- / -	0.6	- / -
Repayment of finance lease liabilities	-2.6	-1.7	-5.2	-3.2
Repurchase of treasury shares	- / -	-15.4	- / -	-15.4
Dividend payments to non-controlling interests	-5.3	-5.7	-5.3	-5.7
Cash flow from financing activities	**-21.3**	**-25.1**	**-23.4**	**-45.6**
Effect of foreign exchange rate changes on cash and cash equivalents	13.2	0.9	21.0	0.9
Change in cash and cash equivalents	**146.2**	**90.1**	**12.9**	**-33.8**
Cash and cash equivalents at beginning of reporting period	604.1	509.0	737.4	632.9
Cash and cash equivalents at end of reporting period	**750.3**	**599.1**	**750.3**	**599.1**

Statement of changes in equity of ProSiebenSat.1 Group in first half of 2009

EURm	Subscribed capital	Capital reserves	Retained earnings	Treasury shares	Accumulated other comprehensive income			Total equity attributable to shareholders of ProSiebenSat.1 Media AG	Non-controlling interests	Total equity
					Foreign currency translation adjustment	Fair value changes of Cash Flow Hedges	Deferred taxes			
December 31, 2008	**218.8**	**547.1**	**-56.4**	**-15.1**	**-96.6**	**-185.2**	**47.7**	**460.3**	**18.6**	**478.9**
Profit for the period	- / -	- / -	43.8	- / -	- / -	- / -	- / -	43.8	2.9	46.7
Other comprehensive income/loss	- / -	- / -	- / -	- / -	5.1	-52.1	15.5	-31.5	-2.4	-33.9
Total comprehensive income	**- / -**	**- / -**	**43.8**	**- / -**	**5.1**	**-52.1**	**15.5**	**12.3**	**0.5**	**12.8**
Dividends paid	- / -	- / -	- / -	- / -	- / -	- / -	- / -	- / -	-5.7	-5.7
Repurchase of treasury stock	- / -	- / -	- / -	-15.4	- / -	- / -	- / -	-15.4	- / -	-15.4
Other changes	- / -	- / -	- / -	- / -	- / -	- / -	- / -	- / -	-5.6	-5.6
June 30, 2009	**218.8**	**547.1**	**-12.6**	**-30.5**	**-91.5**	**-237.3**	**63.2**	**457.2**	**7.8**	**465.0**

Statement of changes in equity of ProSiebenSat.1 Group in first half of 2010

EURm	Subscribed capital	Capital reserves	Retained earnings	Treasury shares	Accumulated other comprehensive income			Total equity attributable to shareholders of ProSiebenSat.1 Media AG	Non-controlling interests	Total equity
					Foreign currency translation adjustment	Fair value changes of Cash Flow Hedges	Deferred taxes			
December 31, 2009	**218.8**	**552.5**	**75.5**	**-30.5**	**-71.4**	**-235.9**	**64.1**	**573.1**	**7.7**	**580.8**
Profit for the period	- / -	- / -	95.7	- / -	- / -	- / -	- / -	95.7	3.6	99.3
Other comprehensive income/loss	- / -	- / -	- / -	- / -	35.4	25.2	-7.2	53.4	0.1	53.5
Total comprehensive income	**- / -**	**- / -**	**95.7**	**- / -**	**35.4**	**25.2**	**-7.2**	**149.1**	**3.7**	**152.8**
Dividends paid	- / -	- / -	- / -	- / -	- / -	- / -	- / -	- / -	-5.3	-5.3
Stock option plan	- / -	1.0	- / -	- / -	- / -	- / -	- / -	1.0	- / -	1.0
Other changes	- / -	- / -	- / -	- / -	- / -	- / -	- / -	- / -	0.8	0.8
June 30, 2010	**218.8**	**553.5**	**171.2**	**-30.5**	**-36.0**	**-210.7**	**56.9**	**723.2**	**6.9**	**730.1**

Notes to the Interim Financial Statements of ProSiebenSat.1 Group

GENERAL INFORMATION

ProSiebenSat.1 Media AG, the ultimate parent company of the Group, is registered under the name ProSiebenSat.1 Media AG with the Munich District Court, Germany (HRB 124 169). Its registered head office is in Unterföhring. Its address is: ProSiebenSat.1 Media AG, Medienallee 7, 85774 Unterföhring, Germany.

ProSiebenSat.1 Group is one of Europe's leading media companies. Beyond its core business of television, the portfolio of the Group includes numerous Internet brands, equity interests in radio stations, print and new media companies, as well as activities in the music business, live events and artist management.

ACCOUNTING PRINCIPLES

The interim consolidated financial statements of ProSiebenSat. 1 Media AG and its subsidiaries (the "Company", "ProSiebenSat.1 Group", "Group") at June 30, 2010, were prepared in accordance with IAS 34 "Interim Financial Reporting".

The interim consolidated financial statements have been prepared in euros, in accordance with International Financial Reporting Standards for interim financial reports, as adopted by the European Union. Unless specifically indicated otherwise, all amounts are in millions of euros (EUR m). The income statement is presented using the cost of sales method.

The interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements under IFRS at December 31, 2009, and the associated explanatory notes, as published by ProSiebenSat.1 Media AG on March 30, 2010.

Management believes that the interim consolidated financial statements include all customary and current adjustments required to present a true and fair view of the Company's performance during the reporting period. The results for the first half of financial year 2010 do not necessarily permit predictions as to future business performance.

In preparing the interim consolidated financial statements, it was necessary to make assumptions and estimates that affect the recognition of assets and liabilities, income and expenses. In some cases, the actual values may differ from these assumptions and estimates.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in the interim consolidated financial statements for the period ended June 30, 2010, are generally based on the same accounting policies as the consolidated financial statements for financial year 2009. For further information on the accounting policies applied, we refer to the consolidated annual report at December 31, 2009 (pages 121 – 127), which forms the basis for the present interim financial statements.

ProSiebenSat.1 Group has applied the following new accounting standards or changes to existing accounting standards issued by the IASB that were required to be applied from financial year 2010 onwards:

- Amendments to IFRS 2 ("Share-based Payment")
- Amendments to IFRS 3 ("Business Combinations")
- Amendments to IAS 27 ("Consolidated and Separate Financial Statements")
- IFRIC 17 ("Distributions of Non-Cash Assets to Owners")
- IFRIC 18 ("Transfer of Assets from Customers")

The application of new or revised accounting standards, as well as changes resulting from the "Annual Improvement Project", which are to be applied for the first time in financial year 2010, had no material impact on the interim financial statements of the ProSiebenSat.1 Group.

In addition to the changes mentioned above, new or revised accounting standards have been issued by the IASB and IFRIC. These have not been applied in the interim financial statements at June 30, 2010, as they are either not yet mandatory or have not yet been adopted by the European Commission:

- IFRS 9 ("Financial Instruments")
- Revised IAS 24 ("Related Party Disclosures")
- Amendment to IFRIC 14 ("Prepayments of a Minimum Funding Requirement")
- IFRIC 19 (" Extinguishing Financial Liabilities wit Equity Instruments")

The effect of these accounting standards which have not yet been applied on the presentation of the financial position and performance of the ProSiebenSat.1 Group is not expected to be significant overall.

SCOPE OF CONSOLIDATION

The number of subsidiaries included in the consolidated financial statements on the basis of full consolidation changed as follows in the first half of financial year 2010:

	Germany	Other countries	Total
Included at 12/31/2009	55	101	156
Additions	2	2	4
Disposals	-2	-1	-3
Included at **06/30/2010**	**55**	**102**	**157**

ProSiebenSat.1 Media AG directly or indirectly holds a majority of voting rights of these entities or can otherwise control them. In addition to the fully consolidated entities, 17 (at December 31, 2009: 15) associates and joint ventures were consolidated using the equity method. Associates are companies over which ProSiebenSat.1 Media AG has significant influence, but which are neither subsidiaries nor joint ventures. Joint ventures are companies that are jointly managed with other entities.

Acquisition of Sultan Sushi BVBA

On March 4, 2010, the ProSiebenSat.1 Group acquired 51 percent of the Belgian production company Sultan Sushi BVBA through Red Arrow Entertainment Group for a purchase price of EUR 1.0 million. The acquisition of Sultan Sushi BVBA and the resulting purchase price allocation had no material effect on the financial position and performance of the ProSiebenSat.1 Group.

Disposal of N24 Gesellschaft für Nachrichten und Zeitgeschehen mbH

By purchase agreement of June 16, 2010, ProSiebenSat.1 Media AG sold its subsidiaries N24 Gesellschaft für Nachrichten und Zeitgeschehen mbH, Berlin and MAZ & More TV-Produktion GmbH, Berlin to the newly formed company N24 Media GmbH, Berlin. In connection with the disposal process, non-recurring expenses and impairments of EUR 54.9 million were incurred in the second quarter of financial year 2010, which are recognized in the line item of administrative expenses. Of that amount, EUR 41.3 million resulted from the assumption of costs for restructuring measures for the sold companies, and EUR 13.6 million resulted from impairments of non-current assets and other charges. Most of the liquidity effects of these non-recurring expenses will appear in the coming 12 months.

The transaction was formally and legally finalized ("closing") on June 30, 2010. The sold companies have been deconsolidated because the Group no longer has control over these companies. The purchase price amounted to the share capital of the sold company N24 Gesellschaft für Nachrichten und Zeitgeschehen mbH. As a result of the deconsolidation, cash and cash equivalents of the sold companies amounting to EUR 12.0 million were removed from the consolidated statement of financial position.

The other assets and liabilities that were deconsolidated in connection with this disposal are immaterial from the Group's perspective.

In addition, the Group signed a supply contract for all news formats of the TV channels SAT.1, ProSieben and kabel eins. Under this supply contract, the term of which runs to the end of 2016, the ProSiebenSat.1 Group incurs financial commitments of up to around EUR 25 million per year.

No other significant acquisitions or disposals occurred in the first half of 2010.

SEGMENT REPORTING

In accordance with IFRS 8, operating segments must be defined on the basis of the Company's internal management system. The organizational and reporting structure is based on management by business segments. On the basis of this reporting system, the Executive Board as the chief operating decision maker evaluates the performance of the various segments and the allocation of resources.

The ProSiebenSat.1 Group reports in three operating segments: Free TV German-speaking, Free TV International and Diversification.

The Free TV German-speaking segment mainly comprises the Group's TV stations SAT.1, ProSieben, kabel eins, sixx and the at June 30, 2010, deconsolidated N24, as well as the SAT.1 regional companies, the sales company SevenOne Media and the Group's subsidiaries in Austria and Switzerland.

The Free TV International segment comprises advertiser-funded TV stations in the Benelux countries (Netherlands and Belgium), in Northern Europe (Denmark, Finland, Norway and Sweden) and in the Central- and Eastern European region (Romania, Bulgaria and Hungary).

The Diversification segment comprises activities in the areas of video on demand, call TV, multimedia and merchandising. These activities are presented together with international radio and print operations.

Segment information ProSiebenSat.1 Group Q2 2010

EURm	Segment Free TV German-speaking	Segment Free TV International	Segment Diversification	Subtotal Segments	Eliminations	Group Q2 2010
Revenue	477.2	205.5	97.0	779.7	-19.1	**760.6**
External revenue	459.7	204.8	96.1	760.6	- / -	**760.6**
Internal revenue	17.5	0.7	0.9	19.1	-19.1	**- / -**
Recurring EBITDA	171.6	65.0	27.4	264.0	-0.2	**263.8**

Segment information ProSiebenSat.1 Group Q2 2009

EURm	Segment Free TV German-speaking	Segment Free TV International	Segment Diversification	Subtotal Segments	Eliminations	Group Q2 2009
Revenue	439.4	185.3	87.5	712.2	-18.3	**693.9**
External revenue	424.6	185.0	84.3	693.9	- / -	**693.9**
Internal revenue	14.8	0.3	3.2	18.3	-18.3	**- / -**
Recurring EBITDA	127.3	55.7	18.3	201.3	-0.1	**201.2**

Segment information ProSiebenSat.1 Group H1 2010

EURm	Segment Free TV German-speaking	Segment Free TV International	Segment Diversification	Subtotal Segments	Eliminations	Group H1 2010
Revenue	909.2	367.0	178.8	1,455.0	-36.0	**1,419.0**
External revenue	876.4	365.6	177.0	1,419.0	- / -	**1,419.0**
Internal revenue	32.8	1.4	1.8	36.0	-36.0	**- / -**
Recurring EBITDA	267.3	84.3	41.0	392.6	-0.2	**392.4**

Segment information ProSiebenSat.1 Group H1 2009

EURm	Segment Free TV German-speaking	Segment Free TV International	Segment Diversification	Subtotal Segments	Eliminations	Group H1 2009
Revenue	839.9	339.9	175.0	1,354.8	-33.9	**1,320.9**
External revenue	813.4	338.9	168.6	1,320.9	- / -	**1,320.9**
Internal revenue	26.5	1.0	6.4	33.9	-33.9	**- / -**
Recurring EBITDA	195.4	68.8	30.7	294.9	0.1	**295.0**

The reconciliation from the segment values to the values presented in the consolidated financial statements is shown below:

Reconciliation of segment information

EURm	Q2 2010	Q2 2009
Recurring EBITDA		
Recurring EBITDA of reportable segments	264.0	201.3
Eliminations	-0.2	-0.1
Group recurring EBITDA	**263.8**	**201.2**
Non-recurring result	-58.4	-23.9
Financial result	-56.9	-62.5
Depreciation and amortization	-33.0	-30.0
Impairment	-4.9	0.0
Consolidated profit/loss before taxes	**110.6**	**84.8**

Reconciliation of segment information

EURm	H1 2010	H1 2009
Recurring EBITDA		
Recurring EBITDA of reportable segments	392.6	294.9
Eliminations	-0.2	0.1
Group recurring EBITDA	**392.4**	**295.0**
Non-recurring result	-67.8	-27.3
Financial result	-112.3	-128.7
Depreciation and amortization	-65.4	-61.2
Impairment	-5.1	0.0
Consolidated profit/loss before taxes	**141.8**	**77.8**

Entity-wide disclosures for the ProSiebenSat.1 Group are provided below. This information is broken down by different categories: the German-speaking region (Germany, Austria, Switzerland), B/NL (Belgium and Netherlands), Nordic (Denmark, Finland, Norway and Sweden) and CEE (Bulgaria, Greece, Romania and Hungary).

Entity-wide disclosures

Geographical breakdown EURm	German-speaking		B/NL		Nordic		CEE		Total Group	
	Q2 2010	Q2 2009	**Q2 2010**	Q2 2009	**Q2 2010**	Q2 2009	**Q2 2010**	Q2 2009	**Q2 2010**	Q2 2009
External revenue	**518.3**	472.8	**112.0**	102.2	**102.8**	86.8	**27.5**	32.1	**760.6**	693.9

Entity-wide disclosures

Geographical breakdown EURm	German-speaking		B/NL		Nordic		CEE		Total Group	
	H1 2010	H1 2009	**H1 2010**	H1 2009	**H1 2010**	H1 2009	**H1 2010**	H1 2009	**H1 2010**	H1 2009
External revenue	**984.3**	914.4	**196.1**	185.3	**189.0**	165.1	**49.6**	56.1	**1,419.0**	1,320.9

CONTINGENT LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

Apart from the news supply agreement becoming effective from July 1, 2010 onwards, no material changes occurred in the first six months of financial year 2010 regarding the ProSiebenSat.1 Group's contingent liabilities or other financial obligations compared to the presentation in the 2009 Annual Report.

RELATED PARTY TRANSACTIONS

The related party transactions described in the notes to the consolidated financial statements for financial year 2009 still apply without changes. In the normal course of business, all transactions with companies which were not fully consolidated were conducted on the basis of prevailing market terms and conditions, such as are also customary with third parties unrelated to the Group.

DIVIDEND DISTRIBUTION

The annual shareholders' meeting of June 29, 2010 resolved to distribute a dividend of EUR 0.02 per preferred share for the 2009 financial year. Accordingly, a total dividend of EUR 2.1 million was distributed on June 30, 2010.

IMPORTANT EVENTS AFTER THE INTERIM REPORTING PERIOD

From the end of the second quarter 2010 to August 4, 2010, the date when this report was released for publication and forwarded to the Supervisory Board, no reportable events occured that are of material significance for the financial position and performance of the ProSiebenSat.1 Group.

August 4, 2010

The Executive Board

Responsibility Statement by Management

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the group includes a fair review of the Group's financial performance and position, together with a description of the principal opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

Unterföhring, August 4, 2010

The Executive Board

THOMAS EBELING (CEO)

AXEL SALZMANN (CFO)

ANDREAS BARTL (GERMAN FREE TV)

DANIEL MARKS (NEW MEDIA)

Auditors' Review Report

TO PROSIEBENSAT.1 MEDIA AG, UNTERFÖHRING

We have reviewed the condensed interim consolidated financial statements - comprising the income statement, the statement of comprehensive income, the statement of financial position, the cash flow statement, the statement of changes in equity and selected explanatory notes - together with the interim group management report of ProSiebenSat.1 Media AG, Unterföhring, for the period from January 1, 2010 to June 30, 2010 that are part of the semiannual financial report according to § 37 w WpHG ["Wertpapierhandelsgesetz": "German Securities Trading Act"]. The preparation of the condensed interim consolidated financial statements in accordance with those IFRS applicable to interim financial reporting as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the Company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We performed our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW) under additional consideration of International Standards on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material aspects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, and that the interim group management report has not been prepared, in material aspects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor's report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Munich, August 4, 2010

KPMG AG
Wirtschaftsprüfungsgesellschaft

KOZIKOWSKI (WIRTSCHAFTSPRÜFER)

DR. DAUNER (WIRTSCHAFTSPRÜFER)

Financial Calendar 2010

March 4, 2010	Annual Press conference / IR conference on preliminary figures for 2009
March 30, 2010	2009 Annual Report
May 6, 2010	Quarterly Report for Q1 2010
June 29, 2010	Annual Shareholders' Meeting
August 5, 2010	Half-year Report 2010
November 11, 2010	Quarterly Report for Q3 2010

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ProSiebenSat.1 Group

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