



ProSiebenSat.1 Group

January 1 to September 30, 2014

Quarterly Report Q3 2014

- 2 Q3 2014 AT A GLANCE
 3 SELECTED KEY FIGURES OF THE PROSIEBENSAT.1 GROUP

INTERIM GROUP MANAGEMENT REPORT

- 5 Explanatory Notes on the Report
 6 Q1 - Q3 2014 at a Glance
 8 **Basic Principles of the Group**
 8 **Report on Economic Position**
 8 Business and Industry Environment
 13 TV Highlights Q3 2014
 14 Comparison of Actual and Expected Business Performance
 15 Major Influencing Factors on Financial Position and Performance
 18 Group Earnings
 23 Group Financial Position and Performance
 31 **Segment Reporting**
 34 **Employees**
 36 **The ProSiebenSat.1 Share**
 39 **Other Non-Financial Performance Indicators**
 40 **Events after the Reporting Period**
 41 **Risk Report**
 44 **Outlook**
 44 Opportunity Report
 45 Future Business and Industry Environment
 47 Company Outlook

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

- 49 Income Statement
 50 Statement of Comprehensive Income
 51 Statement of Financial Position
 53 Cash Flow Statement
 55 Statement of Changes in Equity
 56 Notes

ADDITIONAL INFORMATION

- 87 Group Key Figures:
Multi-Year Overview
 88 Segment Key Figures:
Multi-Year Overview
 89 Editorial Information
 90 Financial Calendar

Q3 2014 AT A GLANCE

ProSiebenSat.1 remains on track for success: In the third quarter of 2014, the Group increased its revenues by 10.5 % to EUR 637.5 million (previous year: EUR 576.9 million). All three segments grew profitably; recurring EBITDA accordingly increased by 7.9 % to EUR 162.9 million (previous year: EUR 151.0 million) compared to the same quarter of the previous year. Underlying net income considerably increased by 13.9 % to EUR 74.7 million (previous year: EUR 65.6 million).

OUR TARGETS AT A GLANCE

The ProSiebenSat.1 Group is confirming its positive outlook for the full year. The Group updated its revenue forecast at its Capital Markets Day in mid-October. ProSiebenSat.1 is now forecasting a revenue increase in the high single-digit percentage rate for the full year. Previously, the Company expected revenues to increase by a mid to high single-digit percentage rate. With regard to recurring EBITDA and underlying net income, the Group similarly expects earnings to be higher than in the previous year. In addition, ProSiebenSat.1 plans to achieve the revenue growth target for 2015 – a EUR 800 million increase in consolidated revenues compared to 2010 – already by the end of this year.

PROSIEBENSAT.1 AT A GLANCE

The ProSiebenSat.1 Group was established in 2000. Today, we are one of the leading and most profitable media corporations in Europe, reaching around 42 million TV households with our TV stations in Germany, Austria and Switzerland. Free TV financed by advertising is our core business. Alongside a strong digital and ventures portfolio, the Group also owns an international production network. This means ProSiebenSat.1 has a broad revenue and earnings basis. In the 2013 financial year, we generated revenues of EUR 2.605 billion from continuing operations and recurring EBITDA of EUR 790.3 million. Our headquarters are located in Unterföhring near Munich. ProSiebenSat.1 Media AG is listed in Germany and Luxembourg and employs around 4,000 staff across the Group.

SELECTED KEY FIGURES OF THE PROSIEBENSAT.1 GROUP

EUR m	ProSiebenSat.1 including discontinued operations		Discontinued operations		ProSiebenSat.1 continuing operations	
	Q3 2014	Q3 2013	Q3 2014	Q3 2013	Q3 2014	Q3 2013
Revenues	637.5	592.0	0.0	15.1	637.5	576.9
Operating costs ¹	478.8	447.5	0.0	18.4	478.8	429.1
Total costs	523.2	475.8	3.2	18.8	520.0	456.9
EBIT	122.2	122.0	-3.2	-3.7	125.4	125.7
Recurring EBITDA ²	162.9	147.8	0.0	-3.2	162.9	151.0
EBITDA	153.7	144.6	-3.2	-3.7	156.9	148.4
Consolidated net profit attributable to shareholders of ProSiebenSat.1 Media AG	64.5	60.5	-2.8	-3.3	67.3	63.8
Underlying net income ³	71.9	62.3	-2.8	-3.3	74.7	65.6

EUR m	09/30/2014	12/31/2013	09/30/2013
Programming assets	1,286.4	1,201.6	1,331.4
Shareholders' equity	551.7	584.1	527.9
Equity ratio (in %)	15.3	16.4	15.2
Cash & cash equivalents	176.8	395.7	204.5
Financial liabilities	1,971.6	1,842.0	1,942.0
Leverage ⁴	2.2 ⁵	1.8 ⁶	2.2 ⁶
Net-financial debt	1,794.9	1,446.3 ⁷	1,737.5 ⁷
Employees ⁸	4,418	3,590	3,524

1 Total costs excluding D&A and non-recurring expenses.

2 EBITDA before non-recurring (exceptional) items.

3 Consolidated profit for the period, before the effects of purchase price allocations and additional special items.

4 Ratio net financial debt to recurring EBITDA in the last twelve months.

5 Adjusted for LTM recurring EBITDA contribution from the Eastern European business.

6 After reclassification of cash and cash equivalents from the Eastern European business. Adjusted for LTM recurring EBITDA contribution from the Northern and Eastern European business.

7 After reclassification of cash and cash equivalents from the Eastern European business.

8 Full-time equivalent positions as of reporting date from continuing operations.

Explanation of reporting principles in the third quarter of 2014: The figures for the third quarter of 2014 relate to those for continuing activities reported in accordance with IFRS 5, i.e. not including the contributions to revenues and earnings of the Romanian radio activities sold and deconsolidated in August 2014. The income statement items of the operations in question are grouped together as a single line item, result from discontinued operations, and reported separately until their deconsolidation.

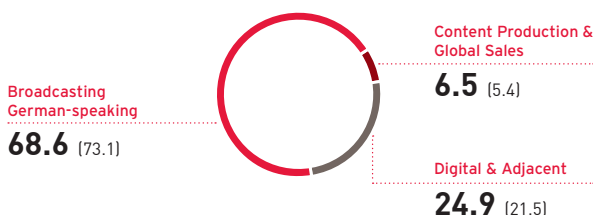
In addition to the earnings generated by the Romanian radio companies before their deconsolidation, the result from discontinued operations shown after taxes for the third quarter of 2014 also includes the deconsolidation result. For the income statement and cash flow statement, the figures for the previous year are presented on a comparable basis.

Due to rounding, it is possible that single figures in these Group financial statements do not exactly add to the totals shown and that the percentage figures given do not

exactly reflect the absolute figures they relate to. Change rates are presented using a business perspective: improvements are shown with a plus (+), declines with a minus (-).

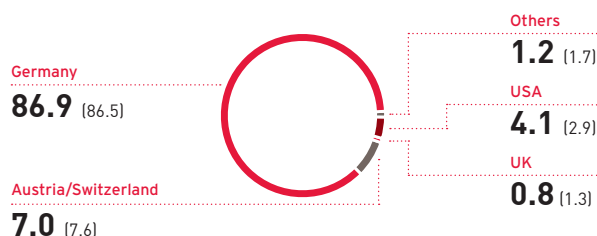
REVENUES BY SEGMENT FROM CONTINUING OPERATIONS

In percent, Q3 2013 figures in parentheses



REVENUES BY REGION FROM CONTINUING OPERATIONS

In percent, Q3 2013 figures in parentheses



INTERIM GROUP MANAGEMENT REPORT

5	Explanatory notes on the report	31	Segment Reporting
6	<u>Q1 - Q3 2014 at a Glance</u>	34	Employees
8	Basic Principles of the Group	36	The ProSiebenSat.1 Share
8	Report on Economic Position	39	Other Non-Financial Performance Indicators
8	Business and Industry Environment	40	Events after the Reporting Period
13	<u>TV Highlights Q3 2014</u>	41	Risk Report
14	Comparison of Actual and Expected Business Performance	44	Outlook
15	Major Influencing Factors on Financial Position and Performance	44	Opportunity Report
18	Group Earnings	45	Future Business and Industry Environment
23	Group Financial Position and Performance	47	Company Outlook

Explanatory Notes on the Report

As part of the Group's strategic development, the ProSiebenSat.1 Group sold its Eastern European TV and radio stations at the end of last year. The Hungarian activities were deconsolidated in February 2014. In April 2014, the disposal of the subsidiaries connected to the Romanian TV station Prima TV was completed with economic and legal effect. Since August 2014, the other Romanian subsidiaries have not been included in the ProSiebenSat.1 Group's consolidated financial statements. Back in December 2012, the ProSiebenSat.1 Group had already sold its Northern European TV and radio portfolio. Since then, the Group has reported in the Broadcasting German-speaking, Digital & Adjacent and Content Production & Global Sales segments.

Unless otherwise indicated, in this financial report the analysis of earnings, financial position and performance is based on continuing operations. This means that the earnings contributions and cash flows of the activities in Eastern Europe disposed of in the course of the year are not included in the individual items of the income statement and the cash flow statement but in line with the provisions of IFRS 5 are recognized as "Result from discontinued operations" and "Cash flow from discontinued operations" respectively. The items for the comparative previous-year periods also include the earnings contributions and deconsolidation result/cash flows of the Northern Europe portfolio which has been sold and which has not been consolidated since April 2013.

In this report the plus/minus signs relating to change rates are presented using a business perspective. Thus improvements are shown with a plus (+), declines with a minus (-). Due to rounding, it is possible that percentage figures given do not exactly reflect the absolute figures to which they relate and that the individual figures do not exactly add to the totals shown.

Our forecasts are based on current assessments of future developments. Examples of risks and uncertainties which can negatively impact this forecast are lower economic dynamics, a decline in advertising investments, increasing costs for program procurement, changes in exchange rates or interest rates, negative rating trends, changes in legislation, regulatory regulations or media policy guidelines. Further uncertain factors are described in the 2013 Annual Report in the Risk Report from page 125 onwards. If one or even more of these imponderables occur or if the assumptions on which the forward-looking statements are made do not materialize, then actual events may deviate materially from the statements made or implicitly expressed.

In the first nine months of 2014, the ProSiebenSat.1 Group continued investing in growth, entered into international partnerships and secured attractive film licenses. This is an overview of the most important events.

Q1-Q3 2014 AT A GLANCE

FEBRUARY...Sale of the Eastern European portfolio. In February 2014, the sale of the ProSiebenSat.1 Group's Hungarian TV and radio stations was closed. The sale of the Romanian operations followed in the second and third quarters.

COMPANY

APRIL...ProSiebenSat.1 Media AG concludes refinancing. In April, the ProSiebenSat.1 Group concluded the placement of seven-year notes in an amount of EUR 600 million. At the same time, the Company entered into new facilities comprising an unsecured term loan of EUR 1.4 billion and an unsecured revolving credit facility (RCF) with an amount of EUR 600 million. Both have a tenor of five years. Thus, the Group not only extended and diversified its maturity profile, but also placed its financing on a broader basis.

JUNE...(a) Annual General Meeting elects new Supervisory Board. At the Annual General Meeting of ProSiebenSat.1 Media AG on June 26, 2014, Dr. Werner Brandt was elected as a new member of the Supervisory Board and then appointed Chairman. Dr. Brandt currently holds other Supervisory Board posts including at Deutsche Lufthansa AG and RWE AG. In addition, the Annual General Meeting resolved a dividend of EUR 1.47 per share. This equates to a payout ratio of 82.5% in terms of adjusted group profit for 2013.



SEPTEMBER...Dr. Gunnar Wiedenfels and Dr. Ralf Schremper appointed to the Executive Board. Dr. Gunnar Wiedenfels and Dr. Ralf Schremper will join the Executive Board of ProSiebenSat.1 Media AG on April 1, 2015. Dr. Gunnar Wiedenfels will become Chief Financial Officer, while Dr. Ralf Schremper will take on the newly created Executive Board department "Corporate Strategy and Investments." CFO Axel Salzmann will leave the Company at his own request on March 31, 2015. On September 30, 2014, also Chief Human Resources Officer Heidi Stopper left the Group.

JULY....Contract with Studiocanal Deutschland extended. Via a new agreement with Studiocanal Deutschland, attractive movies from the US studio Lionsgate will continue to be shown on the ProSiebenSat.1 Group's stations. These include the film version of the first part of the successful young adult book trilogy "Chaos Walking" and the adaptation of the bestselling novel "The Glass Castle." The exclusive rights relate to the production period from 2015 to 2017 and apply to the Group's free TV stations in Germany, Austria and Switzerland. The agreement also includes second-pay-TV and video-on-demand licenses.

BROADCASTING GERMAN-SPEAKING

JULY....ProSiebenSat.1 and Unitymedia KabelBW extend their partnership. With a new agreement, the ProSiebenSat.1 Group secured the long-term SD and HD broadcast of its free and pay TV stations on Unitymedia's network. The partnership also strengthens ProSiebenSat.1's dynamically growing distribution business: The Group receives a share in the technical activation fees that end customers pay to the providers for programs in HD quality. The Group is thus tapping into additional revenue potential and strengthening its independence from the traditional TV advertising business.



SEPTEMBER....(b) Prizes for ProSiebenSat.1. In September, Joko Winterscheidt and Klaas Heufer-Umlauf won the international "Rose d'Or" television prize in the "Entertainment" category for their ProSieben show "Circus HalliGalli." They had already won the "Grimme" prize in March. In addition, the SAT.1 drama "Nichts mehr wie vorher" won the 2014 Robert Geisendörfer prize. The film is based on the true events of the "Lena from Emden" murder. The jury said it was made "into a powerful and stylistically confident television movie without any speculative sensationalism."

MAY....Partnerships with international start-ups. The ProSiebenSat.1 Group is successfully participating in international start-ups and supporting them in their entry to the European market. Following the partnership with the operator of the US shopping app Shopkick in February, ProSiebenSat.1 concluded two further agreements: with the US company Talenthouse and with Dynamic Yield from Israel. Talenthouse operates a dialog platform for artists and companies. Dynamic Yield is a leading provider of automated conversion optimization tools for websites.

DIGITAL & ADJACENT

JULY....ProSiebenSat.1 expands digital commerce business. After the successful establishment of the travel portfolio and the founding of ProSieben Travel GmbH in spring, the ProSiebenSat.1 Group identified additional e-commerce industries that offer the Group attractive growth potential. These include the "Beauty & Accessories" and "Home & Living" sectors. For this reason, SevenVentures, the ProSiebenSat.1 Group's ventures arm, increased its shares in moebel.de and Flaconi. In the German-speaking market, Flaconi is the second largest online store for perfume and cosmetics, while moebel.de is the leading search engine for fittings and living. Both transactions were closed in July.

SEPTEMBER....(c) maxdome with new appearance and more content. Since September, users of Germany's largest video-on-demand platform maxdome have had access to an even wider range of series, feature films and live events. In addition, maxdome now presents its content in three different product areas. There is also a new design and the slogan "Du bestimmst, was läuft" ("You decide what's on"). maxdome offers over 60,000 titles that can be watched on TVs, PCs, laptops and mobile phones.

maxdomec

MAY....Red Arrow produces for Amazon and Sky. The US-based Red Arrow subsidiary Fabrik Entertainment is producing ten episodes of the crime series "Bosch" for Amazon. Since May, Fabrik has also been shooting the series "100 Code," Sky Deutschland's first co-production. Programs like "100 Code" and "Bosch" are particularly relevant for Red Arrow strategically because of the high demand for English-language formats in international distribution.

CONTENT PRODUCTION & GLOBAL SALES



AUGUST....(d) Dream start for "Married at First Sight" in the USA. After the great success of the first season of "Married at First Sight," in August the US station FYI already commissioned the second season of the social experiment. The show is being produced in the USA by the Red Arrow subsidiary Kinetic Content. In "Married at First Sight," three couples get married after seeing each other for the first time at the altar. The format was developed by the subsidiary Snowman Productions and has already been sold to more than 15 countries. "Married at First Sight" will also start on SAT.1 in November.

SEPTEMBER...US station TNT secures "Escape Your Life." In September, Red Arrow International sold its new format "Escape Your Life" to the cable station TNT in the USA. The show, which is developed from production subsidiary Kinetic Content, is thus airing in the world's most important TV market. In "Escape Your Life," couples get the chance to break out of their former lives and make a brand new start.

Basic Principles of the Group

Planned conversion into a European Company (SE). In order to facilitate a stronger international alignment of ProSiebenSat.1 digital business, ProSiebenSat.1 Media AG announced on October 15, 2014, that it intends to change its legal form to a European Company (Societas Europaea/SE). The conversion will not affect the rights of the employees and the shareholders. The company will continue to operate with a dualistic system consisting of the Executive Board and the Supervisory Board. The shareholders' meeting on May 21, 2015, is to decide on a change in legal form to an SE. It is planned that the conversion will take place in the summer of 2015. As a result, shareholders of ProSiebenSat.1 Media AG will automatically become shareholders in the future ProSiebenSat.1 Media SE. The listing of the company's shares will remain unaffected by this measure; the company's registered office will continue to be in Unterföhring near Munich.

There were no other significant changes compared to the basic principles of the Group described on pages 42 to 63 of the 2013 Annual Report.



Overall assessment
of business development
and general conditions –
management view, see
"Q3 2014 at a Glance", page 2.

Report on Economic Position

Business and Industry Environment

Economic Situation

Owing to various influencing factors, the global economy grew more slowly in the first nine months of 2014 than anticipated at the start of the year. Economic development in the US was slowed by, among other things, the unusually harsh winter, while Russia felt the effects of the Ukraine crisis and China also fell short of expectations. In light of this, the International Monetary Fund (IMF) has revised its optimistic spring forecast for 2014 from 3.6 % to currently 3.3 %.

Economic momentum was also lower in the eurozone. After a small expansion in the first quarter (+0.2 % in real terms against the previous quarter), the economy remained mired in the second quarter of 2014. Growth in the eurozone is also not expected to have accelerated notably in the third quarter. The ifo Institute is currently forecasting a rise of 0.2 % as against the previous quarter. Companies show restraint in investments because of the geopolitical uncertainty and modest export and domestic momentum. The consumer climate remains also subdued.

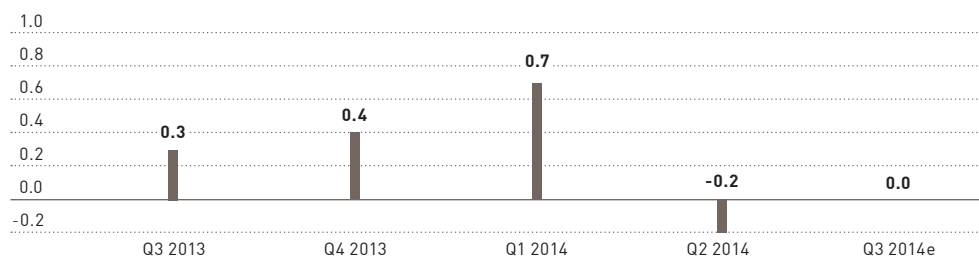
The moderate rate of expansion of the global economy as well as the low momentum in the eurozone also affected the German economy. After a positive – albeit oversubscribed by the construction industry – first quarter (+0.7 % as against the previous quarter), real gross domestic product declined by 0.2 % quarter-on-quarter in the second quarter. Positive growth stimulus was only generated by private consumer spending. The Joint Economic Analysis group is forecasting that the third quarter will close on par with the previous quarter. This phase of weakness is not expected to continue for a protracted period.



Future Business and
Industry Environment
page 45.

Development of gross domestic product in Germany

In percent, change vs. previous quarter



Linked, adjusted for price, seasonal and calendar effects;
e = estimate;

Source: Destatis (Q3 2013 – Q2 2014); Fall 2014 Joint Economic
Analysis project group (Q3 2014e).

Development of the TV and Online Advertising Market

The German TV advertising market has continued to grow in the current year and has benefited from the rising relevance of television as an advertising medium. According to Nielsen Media Research, gross advertising investment increased significantly in the third quarter of 2014 by 7.0% to EUR 2.8 billion (previous year: EUR 2.6 billion). From January to September 2014, gross TV investment rose by 8.1% to EUR 8.7 billion (previous year: EUR 8.1 billion).

Development of TV advertising markets

In percent	Change against previous year	Change against previous year
	Q3 2014	Q1 – Q3 2014
Germany	7.0	8.1
Austria	4.4	9.5
Switzerland	-7.6	-0.5

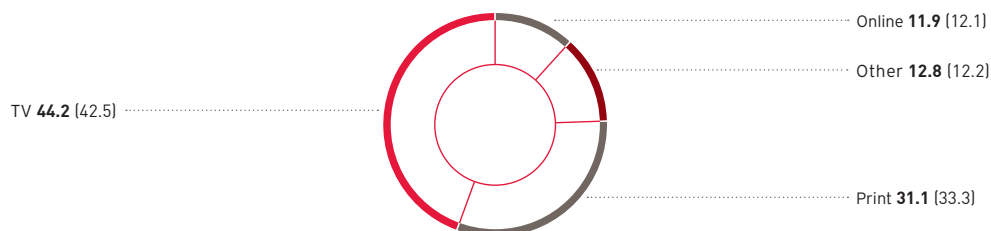
These data are based on gross figures and therefore only allow
limited conclusions as to the relevant net values.

Germany: gross, Nielsen Media Research.
Austria: gross, Media Focus. Switzerland: gross, Media Focus.

The gross market growth in the third quarter was due in particular to higher TV investment in the areas of commerce (+33.5%), telecommunications (+21.3%) and services (+17.0%). At the same time, TV is continuing to gain weight as an advertising medium: In the third quarter of 2014, television rose by 1.7 percentage points to 44.2% in the media mix on a gross basis. Meanwhile print continued to lose ground, falling by 2.1 percentage points to 31.1%. Online media remained virtually stable with a market share of 11.9% (-0.2 percentage points).

Media mix German gross TV advertising market

In percent, Q3 2013 figures in parentheses

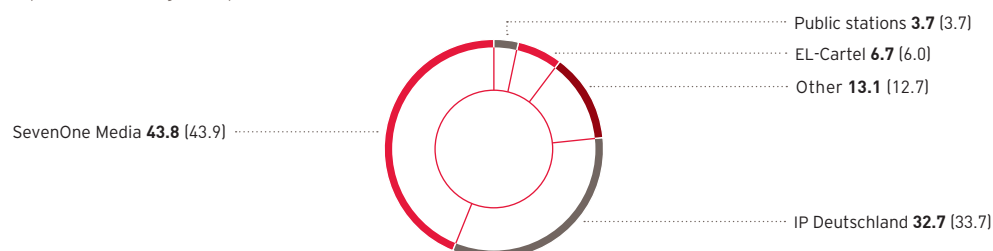


Source: Nielsen Media Research.

In this positive competitive environment, the gross TV advertising revenues of the ProSiebenSat.1 advertising sales company SevenOne Media increased by 6.9% to EUR 1.2 billion in the third quarter of 2014 (previous year: EUR 1.1 billion). With a market share of 43.8%, SevenOne Media held its leading position (-0.1 percentage points). Its competitor IP Deutschland lost 1.0 percentage point over the same period, achieving 32.7% (previous year: 33.7%). Over the first nine months, SevenOne Media generated EUR 3.9 billion (previous year: EUR 3.6 billion), corresponding to a growth of 9.2%. Its market share was therefore up by 0.4 percentage points to 44.4%. Meanwhile its competitor IP Deutschland ceded 1.7 percentage points for a market share of 32.3%.

Market share, German gross TV advertising market

In percent, Q3 2013 figures in parentheses



Source: Nielsen Media Research.

Gross advertising expenditure allows only limited conclusions to be drawn about actual advertising revenues as it does not take into account discounts, self-promotion or agency commission. In addition, the gross figures from Nielsen Media

Research also include TV spots from media-for-revenue-share and media-for-equity deals, which ProSiebenSat.1 does not assign to the Broadcasting German-speaking segment but rather to the Digital & Adjacent segment.

The German online advertising market, which includes video and traditional banners, is growing constantly. Based on gross revenues, the market posted growth of 1.3% to EUR 739.4 million in the third quarter of 2014 (previous year: EUR 730.2 million) and an increase of 3.1% to EUR 2.3 billion in the first nine months (previous year: EUR 2.2 billion). The advertising market for in-stream video ads continued to grow particularly dynamically with a growth rate of 16.3% (July to September 2014) or 23.5% (January to September 2014). Its volume amounted to EUR 89.3 million in the third quarter (previous year: EUR 76.8 million) and EUR 258.7 million (previous year: EUR 209.5 million) in the first nine months of 2014.

For SevenOne Media, the marketing of in-stream videos is a key driver for revenues from the online advertising market. The company generated gross revenues of EUR 45.0 million (+23.6%) from this in the third quarter of 2014. With a share of 50.4% (previous year: 47.4%), SevenOne Media is the market leader in this area. On the online advertising market as a whole, the ProSiebenSat.1 Group generated gross proceeds of EUR 71.3 million (previous year: EUR 66.7 million) by selling ad space on its online network. This corresponds to an increase of 6.9% as against the third quarter of 2013 and a market share of 9.6% (previous year: 9.1%). Over the first nine months of the year, SevenOne Media increased its online advertising revenues by 15.6% to EUR 227.7 million (previous year: EUR 197.0 million), while its gross proceeds from in-stream video ads rose by 27.8% to EUR 125.5 million (previous year: EUR 98.2 million).



Development of the Audience Market

The ProSiebenSat.1 Group expanded its audience market share significantly in the third quarter of 2014. The six free TV stations SAT.1, ProSieben, kabel eins, sixx, SAT.1 Gold, and ProSieben MAXX achieved a combined market share of 29.3% among 14 to 49 year olds and were thus clearly above the previous year (previous year: 28.5%). Despite strong programming competition due to the broadcast of the Winter Olympics and the Soccer World Cup on the public stations, the market share of the ProSiebenSat.1 station portfolio increased to 28.4% in the first nine months (previous year: 27.6%). This development is primarily attributable to the ongoing growth of the new TV stations sixx, SAT.1 Gold and ProSieben MAXX. Thus, the ProSiebenSat.1 stations were the market leaders both in the third quarter and in the first nine months of the year, ahead of the stations marketed by IP (RTL, VOX, n-tv, Super RTL, RTL Nitro): In the third quarter, the gap was 5.7 percentage points; in the first nine months of 2014, the ProSiebenSat.1 Group was 3.8 percentage points ahead of its direct competitor.

ProSieben remains the market leader in the young target group: With a market share of 16.1% (previous year: 16.5%) with the 14 to 39 year olds, the station was 3.2 percentage points ahead of competitor RTL in the third quarter. Among viewers aged 14 to 49, ProSieben achieved a market share of 11.3% (previous year: 11.7%). SAT.1 closed the third quarter of 2014 with a stable market share of 9.2% among 14 to 49 year old viewers (previous year: 9.3%) and with 9.6% (previous year: 9.6%) in the relevant target group of 14 to 59 year olds. In the third quarter, kabel eins achieved a market share of 5.5% among viewers aged between 14 and 49 (previous year: 5.7%).

In recent years, the ProSiebenSat.1 Group has expanded its complementary portfolio with stations that reach new target groups. For example, ProSieben MAXX primarily targets male viewers, while sixx and SAT.1 Gold appeal mainly to a female audience. In the third quarter of 2014, sixx increased its market share among 14 to 49 year olds to 1.4% (previous year: 1.3%). In the relevant target group of women aged 14 to 39, it was 2.5% (previous year: 2.5%). SAT.1 Gold also performed very positively. In the third quarter, the station achieved a market share of 0.7% among viewers aged between 14 and 49 (previous year: 0.4%). In the relevant target group of women aged 40 to 64, SAT.1 Gold more than doubled its market share and reached 1.4% (previous year: 0.6%). The men's channel ProSieben MAXX has continued to grow since its launch in September 2013: In the third quarter, the channel achieved a market share of 1.0% among 14 to 49 year olds and 2.0% in the relevant target group of men aged 14 to 39.

ProSiebenSat.1 PULS 4 is still the strongest private station group in Austria: The stations SAT.1 Österreich, ProSieben Austria, kabel eins austria, sixx Austria, SAT.1 Gold Österreich, ProSieben MAXX Austria and PULS 4 posted a combined market share of 22.1% among viewers aged 12 to 49 in the third quarter of 2014 (previous year: 21.3%). This equates to an increase of 0.8 percentage points year-on-year. PULS 4 made the greatest contribution to this: In the third quarter, the station achieved a market share of 4.3% among viewers aged between 12 and 49 (previous year: 4.0%). PULS 4 has thus consistently increased its market shares quarter by quarter since the start of the year (Q1 2014: 3.7%/Q2 2014: 4.0%). August was particularly successful for PULS 4, with a market share of 4.7% (12-49 year olds) making it the strongest month in the station's history. Over the first nine months of the year, the Austrian station group achieved a combined market share of 21.4% (previous year: 21.2%).

In Switzerland, the stations SAT.1, ProSieben, kabel eins, sixx, SAT.1 Gold, and ProSieben MAXX achieved a combined market share of 17.7% among viewers aged between 15 and 49 in the third quarter of 2014 (previous year: 18.4%). In the first nine months of the year, the combined market share was 16.8% (previous year: 17.9%).

ProSiebenSat.1 Group audience shares by country

In percent	Q3 2014	Q3 2013	Q1 - Q3 2014	Q1 - Q3 2013
Germany	29.3	28.5	28.4	27.6
Austria	22.1	21.3	21.4	21.2
Switzerland	17.7	18.4	16.8	17.9

Figures are based on 24 hours (Mon - Sun). Germany: SAT.1, ProSieben, kabel eins, sixx, SAT.1 Gold (from January 17, 2013), ProSieben MAXX (from September 3, 2013); 14 - 49 year olds; D + EU; source: AGF in cooperation with GfK/TV Scope/SevenOne Media Committees Representation. Austria: SAT.1 Österreich, ProSieben Austria, kabel eins austria, sixx Austria,

SAT.1 Gold Österreich (from July 15, 2014), ProSieben MAXX Austria (from July 15, 2014), PULS 4; 12 - 49 years old; source: AGTT/GfK Fernsehforschung/Evogenius Reporting. Switzerland: SAT.1, ProSieben, kabel eins, sixx, SAT.1 Gold (from January 17, 2013), ProSieben MAXX (from September 3, 2013); 15 - 49 years old; D - CH; source: Mediapulse TV Panel.

Development of User Numbers

ProSiebenSat.1 Network is one of the leading online networks in Germany. Its portfolio includes strong brands like the websites of the TV stations, the internet platform MyVideo and offerings from third parties like sport1 and N24. Video views for the ProSiebenSat.1 online portfolio more than doubled in the third quarter of 2014 (Q3 2014: 1,140 million video views; Q3 2013: 495 million video views). With a reach of 30.0 million unique users per month, SevenOne Media, the advertising sales company of the ProSiebenSat.1 Group, is still ahead of its direct competitor IP Deutschland (27.3 million unique users).

Celebs under observation, a new mystery series and successful show stars: The ProSiebenSat.1 stations again impressed with their TV programme in the third quarter of 2014.

TV HIGHLIGHTS Q3 2014

SUCCESSFUL ENTERTAINERS...In the third quarter, the show stars on ProSieben again ensured good ratings: In September, Stefan Raab returned to his arena and clinched the clear prime-time victory among 14 to 49 year olds with a 22.8% market share for the 48th episode of "Schlag den Raab." Joko & Klaas could also be relied upon: With their "Duell um die Welt," they lured 19.0% of 14 to 49 year olds and 27.1% of 14 to 39 year olds to their televisions.

EXPERIMENT SUCCEEDED...(a) For the show highlight "Promi Big Brother – Das Experiment," twelve celebrities swapped the red carpet for 15 days of constant observation in a villa. Half of them could expect pure luxury on the upper floor, while the others were in for an austere existence in the basement. The daily live shows gained SAT.1 an outstanding series average of 18.8% (14-49 year olds). After midnight, the show went into extra time on sixx: The show "Promi Big Brother late night LIVE" averaged 6.5% among 14 to 49 year olds and helped sixx to a monthly market share of 1.6% in August, its best since the station has launched.



...a

GOOD TASTE...(b) Star chef with excellent ratings: The long-running "Rosins Restaurants – Ein Sternekoch räumt auf" on kabel eins was watched by up to 10.3% of 14 to 49 year olds in the third quarter. Also "Mein Lokal, Dein Lokal" was to the taste of viewers aged 14 to 49 with market shares of up to 9.6%.



...b



...c

EVEN MORE BITE...(c) After the great success of "Vampire Diaries," fans could expect more of the bloodsuckers in the third quarter: Since August, sixx has been showing the spin-off "The Originals" about the original vampire siblings Klaus, Elijah and Rebekah Mikaelson. Up to 2.9% of 14 to 49 year olds and up to 6.4% of sixx's relevant target group of women aged between 14 and 39 tuned into the mystery series.

HAPPY BIRTHDAY...ProSieben MAXX celebrated its first birthday in September. Since its launch, the Group's youngest offshoot has continued to gain viewers and achieved a market share of 1.0% in the third quarter among 14 to 49 year olds and 2.0% in the relevant target group of men aged 14 to 39. The audience's favorites included Mystery Monday with series like "Supernatural" (up to 2.0%, 14-49 years).

GRILL DUELL... Summer and grilling belong together – viewers of SAT.1 Schweiz agree. "Die Promi-Griller – Das Duell," in which celebrities vied with passionate amateur grillers, gained a market share of up to 4.1% of 15 to 49 year olds.

BATTLE OF THE SEXES...(d) "Austria's next Topmodel" began a new era on PULS 4 in September under the slogan "Boys & Girls." In the sixth season, also men are for the first time competing for the "top model" title. The viewers did not want to miss this – especially at this time they can vote on who will ultimately win the talent show. The first episodes were seen by up to 10.1% of viewers aged between 12 and 49.



...d

Comparison of Actual and Expected Business Performance

In the third quarter of 2014, the Group increased its revenues in all segments and generated Group revenues of EUR 637.5 million. This equates to growth of 10.5 % or EUR 60.6 million compared to the third quarter of 2013. The positive revenue performance led to recurring EBITDA growth across all three segments. Overall, the Group's recurring EBITDA grew by 7.9 % to EUR 162.9 million in the third quarter of 2014. At the same time, underlying net income increased by 13.9 % to EUR 74.7 million. Revenues also grew by a considerable 8.2 % over the first nine months of the year. From January to September 2014, ProSiebenSat.1 generated consolidated revenues of EUR 1.910 billion (previous year: EUR 1.765 billion). The income figures recurring EBITDA and underlying net income increased by 7.0 % to EUR 522.2 million and 7.9 % to EUR 238.5 million respectively. The development of revenues and earnings so far has therefore been in line with our expectations.



Company Outlook,
page 47.



Company Outlook,
page 47.

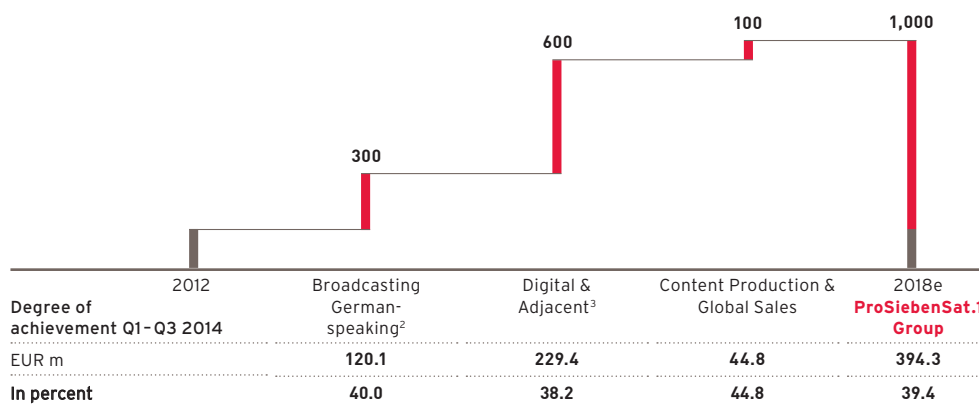


The ProSiebenSat.1
Share, page 36.

The ProSiebenSat.1 Groups publishes its annual targets for all relevant financial indicators and non-financial objectives in the annual report. If necessary, we adapt them during the year. In view of its good revenue performance, the Group updated its annual target for 2014 on its Capital Markets Day in mid-October. We now expect to reach the upper end of the forecast revenue growth by the end of the year and to increase our consolidated revenues by a high single-digit percentage. At the same time, the Company confirmed its medium-term revenue target for 2018: ProSiebenSat.1 is aiming for growth in consolidated revenues of EUR 1 billion compared to the financial year 2012. At the end of the first nine months of the current year, the Group had already achieved 39.4 % (EUR 394.3 million) of its 2018 revenue target.

Revenue growth targets 2018 and degree of achievement

EUR m¹



e = estimate

¹ Growth of external revenues vs. 2012 from continuing operations.

² External revenues including pay TV.

³ External revenues not including pay TV.



Business and Industry
Environment,
page 8.

The Company's objective is to strengthen its leading position in the audience and advertising market and at the same time to grow dynamically in business areas beyond the traditional TV business. This we have again achieved. We have also met our target relating to the ProSiebenSat.1 Group's leverage factor. On September 30, 2014, the ratio of net financial debt to LTM recurring EBITDA was 2.2 (previous year: 2.2). The value is therefore within our target range of 1.5 to 2.5.

Major Influencing Factors on Financial Position and Performance



Group Earnings,
page 18.

Impact of General Conditions on the Business Performance

The ProSiebenSat.1 Group generates the biggest share of its revenues from the sale of traditional TV advertising time. In the third quarter of 2014, the share was 62.2% (previous year: 66.8%). 89.9% of this was attributable to the German television advertising market (previous year: 89.4%). The German station family increased its TV advertising revenues from a high level and adequately capitalized on its market presence. As well as its high reach, the Group benefited from a sound industry environment. The German TV advertising market continued developing positively; the weighting of TV advertising in the media mix increased again: In the third quarter of 2014, 44.2% of the total gross advertising investment was attributable to TV (previous year: 42.5%). Television thus remains the most important advertising medium, while print is continuing to lose relevance in the wake of the digital trend. 11.9% of the gross advertising investment was made for online advertising in the third quarter of 2014 (previous year: 12.1%). However, gross advertising expenditure allows only limited conclusions to be drawn about actual advertising revenues as it does not take into account discounts, self-promotion or agency commission. Moreover, the gross figures from Nielsen Media Research also include TV spots from media-for-revenue-share and media-for-equity deals, which are not attributed to traditional TV advertising revenues. However, the German TV advertising market has also developed positively on a net basis.

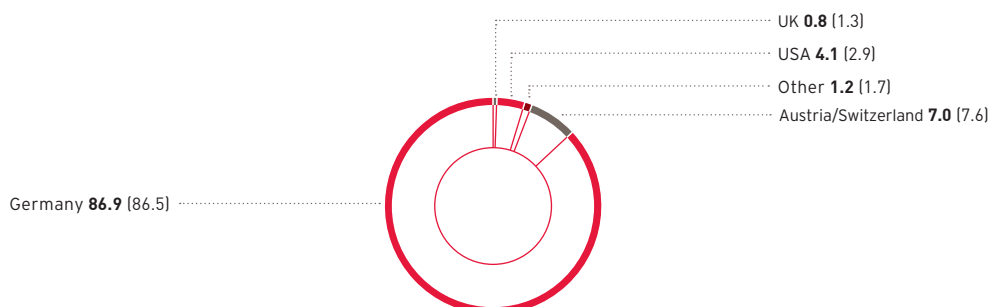


Business and Industry
Environment, page 8.

Owing to its close link to the economic environment, the TV advertising market reacts sensitively and often in a procyclical manner to macroeconomic developments: If the economic outlook is positive, companies and consumers are more willing to invest additional money in advertising or consumption. In contrast, under difficult macroeconomic conditions, advertising budgets often shrink at short notice along with willingness to invest. To optimize its opportunities and risk profile sustainably, the Group is therefore systematically diversifying its business activities. The Group has identified the digital commerce and digital entertainment business, which is benefiting from high growth rates and holds significant synergy potential for ProSiebenSat.1, as being particularly relevant to its strategy. For example, the Group is using its high reach to develop strong brands in the online segment via media-for-revenue-share or media-for-equity collaborations with internet companies. Start-up companies in turn provide ProSiebenSat.1 with a share in their value creation. The ProSiebenSat.1 Group pioneered this business model and again grew dynamically in its digital commerce business in the third quarter of 2014. Increasing digitalization is also giving rise to new growth opportunities for the traditional TV business. For example, cable, satellite and IPTV providers in Germany, Austria and Switzerland have broadcast the ProSiebenSat.1 Group's TV stations not only in standard definition (SD) but also in high definition (HD) for several years now. The ProSiebenSat.1 Group receives a share in the technical activation fees which end customers pay to the providers. HD television is becoming increasingly popular: In the third quarter alone, the number of HD free TV users of the ProSiebenSat.1 stations increased by 30 % to 5.1 million. As a consequence, ProSiebenSat.1's distribution revenues also grew dynamically.

Revenues by region from continuing operations

In percent, Q3 2013 figures in parentheses



Despite its international business activities, currency fluctuations do not have a material impact on the revenue and earnings performance of the ProSiebenSat.1 Group, as the company generates the majority of its revenues in Germany or the euro zone. In the third quarter of 2014, 86.9% was generated in Germany (previous year: 86.5%) and 91.8% in the euro zone (previous year: 92.0%). Furthermore, the Group limits potential exchange rate fluctuations, which could arise from factors such as the purchase of licensed programs in the USA, by using derivative financial instruments.

Apart from currency-related effects, changing interest rates could impact the earnings situation. However, the majority of non-current financial liabilities are secured against interest fluctuations by means of various hedging instruments. Due to the high hedge ratio of approximately 95% (December 31, 2013: approximately 86%), the change in Euribor money market conditions had no material impact on the interest result in the third quarter or in the months from January to September 2014.

Note 9 "Financial instruments", page 74.

Significant Events and Changes in the Scope of Consolidation in the First Nine Months of 2014

Refinancing on the bank and bond market. In mid-April 2014, ProSiebenSat.1 Media AG entered into new facilities comprising an unsecured term loan of EUR 1.400 billion and an also unsecured revolving credit facility (RCF) with an amount of EUR 600.0 million. Both have a tenor of five years. At the same time, the company successfully concluded the placement of seven-year notes in an amount of EUR 600.0 million. The proceeds of the notes and the new term loan were used to refinance and replace the senior secured bullet term debt in the amount of EUR 1.860 billion (with maturity in July 2018). In addition, the new loan is being used for general operating purposes. In this way, the Group is placing its financing on a broader basis, extending and diversifying its maturity profile and making use of attractive conditions.

Borrowings and Financing Structure, page 23.

Portfolio measures for the transformation into a broadcasting, digital entertainment and commerce powerhouse. The sale of the Eastern European portfolio was fully completed with legal and economic effect in August 2014. The Group thus moved away as planned from all television and radio stations outside the German-speaking region. The expansion of the high-growth Digital & Adjacent segment and the integration with the German-speaking TV business offer the Group the greatest potential synergies and revenues in the long term. The aim is to develop the Group into an integrated broadcasting, digital entertainment and commerce powerhouse.

Explanatory Notes on the Report, page 5 and Note 4 "Scope of Consolidation", page 60.

The digital entertainment market in particular offers the ProSiebenSat.1 Group attractive growth prospects. The Company is growing organically in this area, but is also taking opportunities to expand its business volume and strongly benefited from that in the third quarter. In February 2014, the ProSiebenSat.1 Group acquired Aeria Games Europe GmbH, a publisher specializing in online and mobile games, and expanded its existing games business with new target groups. The company has been fully consolidated since the acquisition was closed on April 1, 2014.



Note 4 "Scope of Consolidation", page 60.

The Group sees great growth potential in the digital commerce area, too, and has identified cross-media synergies both between the TV and digital business and within the digital portfolio. In light of this, the ProSiebenSat.1 Group has successively complemented its travel portfolio in recent months and bundled it under ProSieben Travel GmbH. An important step was the complete takeover of COMVEL GmbH, operator of travel websites weg.de and ferien.de. COMVEL has been included in the consolidated financial statements of ProSiebenSat.1 Media AG since January 2014. ProSiebenSat.1 has since covered the entire travel-booking cycle, from flights, hotels, and rental cars to local climate and weather data. The internet travel market is growing dynamically and is simultaneously showing a high level of affinity with TV: Travel is a visually powerful, emotional topic and addresses a broad public. Similarly to the travel business, the ProSiebenSat.1 Group has identified additional e-commerce industries like "Beauty & Accessories," "Home & Living" and "Fashion & Lifestyle," which also offer the Group attractive synergy and revenue potential. For this reason, SevenVentures, the ProSiebenSat.1 Group's ventures arm, increased its shares in moebel.de (50.1%) and Flaconi (47.0%). Both transactions were closed in July 2014.

The Group also expanded its portfolio in the Content Production & Global Sales segment in a targeted manner in the first nine months of 2014, continuing its acquisition strategy in the USA, the most important TV market, by acquiring a majority interest in Half Yard Productions LLC. Half Yard has been fully consolidated since March 2014. In addition, Red Arrow took a minority stake in the US multi-channel network Collective Digital Studio in March, giving it access to US network content. The company is included in the consolidated financial statements of the ProSiebenSat.1 Group as an associated company.

Group Earnings

Revenue and Earnings Performance in the Third Quarter of 2014



Explanatory Notes on
the Report, page 5.

In accordance with IFRS 5, the Eastern European business which has been sold and deconsolidated over the course of the year is reported as discontinued operations. The table below shows a reconciliation for the key figures of the income statement:

Key figures of the ProSiebenSat.1 Group for the third quarter 2014

EUR m	ProSiebenSat.1 including discontinued operations		Discontinued operations		ProSiebenSat.1 continuing operations	
	Q3 2014	Q3 2013	Q3 2014	Q3 2013	Q3 2014	Q3 2013
Revenues	637.5	592.0	0.0	15.1	637.5	576.9
Operating costs ¹	478.8	447.5	0.0	18.4	478.8	429.1
Total costs	523.2	475.8	3.2	18.8	520.0	456.9
Cost of sales	356.7	337.3	0.0	11.5	356.7	325.8
Selling expenses	79.2	63.5	0.0	5.3	79.2	58.2
Administrative expenses	86.2	74.8	2.1	2.0	84.0	72.7
Other operating expenses	1.1	0.2	1.0	0.0	0.0	0.2
EBIT	122.2	122.0	-3.2	-3.7	125.4	125.7
Recurring EBITDA ²	162.9	147.8	0.0	-3.2	162.9	151.0
Non-recurring items ³	-9.2	-3.1	-3.2	-0.5	-6.0	-2.7
EBITDA	153.7	144.6	-3.2	-3.7	156.9	148.4
Consolidated net profit attributable to shareholders of ProSiebenSat.1 Media AG	64.5	60.5	-2.8	-3.3	67.3	63.8
Underlying net income ⁴	71.9	62.3	-2.8	-3.3	74.7	65.6

1 Total costs excl. non-recurring expenses, depreciations and amortisations.

2 EBITDA before non-recurring (exceptional) items.

3 Non-recurring expenses netted against non-recurring income.

4 Consolidated profit for the period after non-controlling interests, before the effects of purchase price allocations and other special items.

Explanation of reporting principles in the third quarter of 2014:
The figures for the third quarter of 2014 relate to those for continuing activities reported in accordance with IFRS 5, i.e. not including the contributions to revenues and earnings of the Romanian radio activities sold and deconsolidated in August 2014. The income statement items of the operations in question are grouped together as a single line item, result from discontinued operations, and reported separately until their deconsolidation.

In addition to the earnings generated by the Romanian radio companies before their deconsolidation, the result from discontinued operations shown after taxes for the third quarter of 2014 also includes the deconsolidation result. For the income statement and cash flow statement, the figures for the previous year are presented on a comparable basis.



Comparison of
Actual and Expected
Business Performance,
page 14.

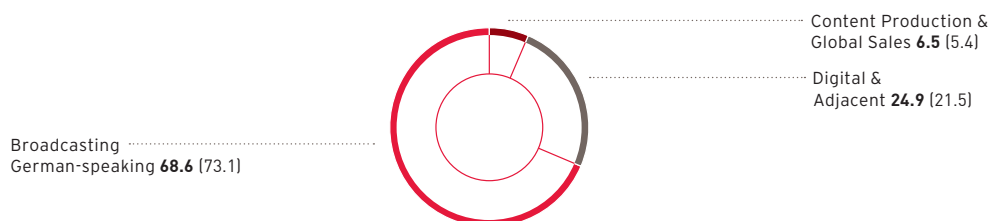
All segments increased their external revenues in the third quarter of 2014. Overall, ProSiebenSat.1 generated Group revenues of EUR 637.5 million. This corresponds to an increase of 10.5% or EUR 60.6 million compared to the third quarter of 2013.

With revenue growth of EUR 34.6 million to EUR 158.7 million, the Digital & Adjacent segment made a major contribution to the Group's revenue increase. In addition to organic growth, the acquisitions of COMVEL and Aeria Games also had a positive impact. The revenue increase in the Content Production & Global Sales segment was driven by the consolidation of Half Yard. In total, the Group generated 31.4% or EUR 199.9 million of its revenues in the two segments Digital & Adjacent and Content Production & Global Sales (previous year: 26.9% or EUR 155.0 million). Thus, the ProSiebenSat.1 Group further increased the share of revenues generated outside its core TV business. The TV business also grew in the third quarter of 2014, both due to an increase

in advertising revenues and due to higher distribution revenues. Overall, the revenues in the Broadcasting German-speaking segment rose by EUR 15.7 million to EUR 437.6 million. This is a share of 68.6 % of Group revenues (previous year: 73.1%).

Group revenue share by segment from continuing operations

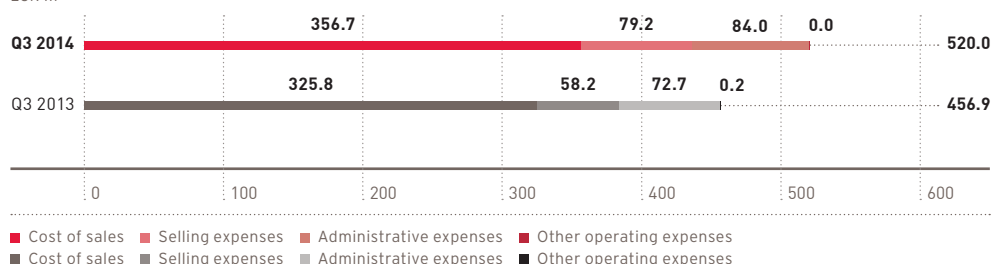
In percent, Q3 2013 figures in parenthesis



Total costs increased primarily due to growth initiatives and amounted to EUR 520.0 million in the third quarter of 2014. This equates to an increase of 13.8 % or EUR 63.1 million compared to the same quarter of the previous year. Total costs comprise cost of sales, selling expenses, administrative expenses and other operating expenses.

Total costs from continuing operations

EUR m



Segment Reporting,
page 31.

The cost of sales increased by 9.5 % or EUR 30.9 million to EUR 356.7 million in line with revenues. This is mainly due to a cost increase in the Digital & Adjacent segment. Among other things, this development is based on the first-time consolidation of Aeria Games Europe GmbH in April 2014 as well as higher programming and material expenses. In the Content Production & Global Sales segment, the consolidation of Half Yard Productions LLC contributed to the increase of the Group's cost of sales from March 2014 onwards.

The increase in selling expenses in particular reflects the greater business volume in the Digital & Adjacent segment. A significant part of the cost increase was attributable to the consolidation of COMVEL since January 2014. In addition, costs relating to video-on-demand grew significantly. Selling expenses also increased along with revenues in the Broadcasting German-speaking segment. Overall, selling expenses rose by 36.2 % or EUR 21.0 million to EUR 79.2 million.

Employees,
page 34.

Administrative expenses amounted to EUR 84.0 million (previous year: EUR 72.7 million). This 15.5 % increase mainly resulted from higher personnel expenses. In total, the personnel expenses included in cost of sales, selling expenses and administrative expenses increased by 34.2 % to EUR 106.0 million (previous year: EUR 79.0 million). The depreciation and amortization reported in total costs amounted to EUR 31.5 million, an increase of 39.2 % or EUR 8.9 million. EUR 4.4 million of this was attributable to intangible assets from purchase price allocations (previous year: EUR 2.6 million).

Reconciliation of operating costs from continuing operations

EUR m	Q3 2014	Q3 2013
Total costs	520.0	456.9
Non-recurring expenses	9.7	5.1
Depreciation and amortization ¹	31.5	22.7
Operating costs	478.8	429.1

¹ Depreciation/amortization and impairment of intangible assets and property, plant and equipment.

Operating costs, i.e. total costs adjusted for non-recurring expenses of EUR 9.7 million (previous year: EUR 5.1 million) and depreciation and amortization of EUR 31.5 million (previous year: EUR 22.7 million), amounted to EUR 478.8 million. This is an 11.6 % or EUR 49.7 million increase compared to the previous year.

In the third quarter of 2014, EBITDA grew to EUR 156.9 million and was thus 5.8 % or EUR 8.6 million higher than in the previous year. This includes non-recurring expenses related to the bundling of games activities in Berlin. Non-recurring personnel expenses were also incurred, primarily due to severance payments. EBITDA adjusted for non-recurring items (recurring EBITDA) grew to EUR 162.9 million, an increase of 7.9 % or EUR 11.9 million. At 25.6 % (previous year: 26.2 %), the recurring EBITDA margin reflected the ProSiebenSat.1 Group's high level of profitability.

Reconciliation of recurring EBITDA from continuing operations

EUR m	Q3 2014	Q3 2013
Profit before income taxes	102.5	90.4
Financial result	-22.9	-35.2
EBIT	125.4	125.7
Depreciation and amortization ¹	31.5	22.7
thereof from purchase price allocations	4.4	2.6
EBITDA	156.9	148.4
Non-recurring items ²	6.0	2.7
Recurring EBITDA	162.9	151.0

¹ Depreciation/amortization and impairment of intangible assets and property, plant and equipment.

² Non-recurring expenses of EUR 9.7 million (previous year: EUR 5.1 million) less non-recurring income of EUR 3.7 million (previous year: EUR 2.4 million).

In the third quarter of 2014, the financial result improved significantly and amounted to minus EUR 22.9 million. The 35.1 % or EUR 12.4 million improvement is primarily attributable to lower interest expenses, which fell by 32.0 % or EUR 10.6 million to EUR 22.5 million. The Group refinanced its loans and borrowings in April 2014, and is consequently benefiting from more favorable conditions.

The developments described resulted in an increase of earnings before taxes of 13.4 % to EUR 102.5 million (previous year: EUR 90.4 million). After taxes and non-controlling interests, the net profit for the period amounted to EUR 67.3 million, an increase of 5.4 % or EUR 3.5 million. Income taxes amounted to EUR 32.8 million, compared to EUR 25.1 million in the third quarter of 2013. Underlying net income grew by 13.9 % to EUR 74.7 million (previous year: EUR 65.6 million), and the basic underlying earnings per share reached EUR 0.35 (previous year: EUR 0.31). Underlying net income was adjusted for the following effects:

Reconciliation of underlying net income from continuing operations

EUR m	Q3 2014	Q3 2013
Consolidated net profit (after non-controlling interests)	67.3	63.8
Amortization from purchase price allocations (after tax) ¹	2.9	1.8
Impairments on financial investments	4.5	-/-
Underlying net income	74.7	65.6

¹ Amortization of purchase price allocations before tax:
EUR 4.4 million (previous year: EUR 2.6 million).

Earnings after taxes from discontinued operations amounted to minus EUR 2.8 million compared to minus EUR 3.3 million in the third quarter of 2013. Earnings from discontinued operations include the operating earnings contributions from subsidiaries relating to KISS TV and the Romanian radio stations up to their deconsolidation in August 2014. In addition, negative effects from the deconsolidation of these subsidiaries dominated the net earnings from discontinued operations in the third quarter of 2014.

Revenue and Earnings Performance in the First Nine Months of 2014

Key figures of the ProSiebenSat.1 Group for the first nine months of 2014

EUR m	ProSiebenSat.1 including discontinued operations		Discontinued operations		ProSiebenSat.1 continuing operations	
	Q1-Q3 2014	Q1-Q3 2013	Q1-Q3 2014	Q1-Q3 2013	Q1-Q3 2014	Q1-Q3 2013
Revenues	1,922.1	1,953.1	12.3	188.6	1,909.7	1,764.5
Operating costs ¹	1,414.6	1,494.8	13.2	206.3	1,401.4	1,288.5
Total costs	1,543.3	1,595.2	28.6	221.3	1,514.8	1,373.9
Cost of sales	1,079.7	1,159.8	10.2	150.3	1,069.5	1,009.5
Selling expenses	216.1	199.9	3.6	40.5	212.4	159.3
Administrative expenses	233.2	229.1	3.5	24.3	229.7	204.8
Other operating expenses	14.3	6.5	11.3	6.2	3.1	0.3
EBIT	396.7	451.1	-16.0	44.4	412.7	406.7
Recurring EBITDA ²	521.6	470.6	-0.6	-17.6	522.2	488.2
Non-recurring items ³	-36.0	55.8	-15.3	74.9	-20.7	-19.1
EBITDA	485.6	526.4	-15.9	57.3	501.5	469.0
Consolidated net profit attributable to shareholders of ProSiebenSat.1 Media AG	196.9	252.7	-8.7	48.2	205.7	204.5
Underlying net income⁴	229.8	274.6	-8.7	53.5	238.5	221.1

¹ Total costs excl. non-recurring expenses, depreciations and amortisations.

² EBITDA before non-recurring (exceptional) items.

³ Non-recurring expenses netted against non-recurring income.

⁴ Consolidated profit for the period after non-controlling interests, before the effects of purchase price allocations and other special items.

Explanation of reporting principles in the first nine months of the year: The figures for the first nine months of 2014 relate to those for continuing activities reported in accordance with IFRS 5, i.e. not including the contributions to revenues and earnings of operations sold and deconsolidated in February 2014 (Hungary) and April/August 2014 (Romania). The income statement items of the operations in question are grouped together as a single line item, result from discontinued operations, and reported separately.

In addition to the earnings generated by the operations in Hungary and Romania by the time of their deconsolidation, the result from discontinued operations shown after taxes for the first nine months of 2014 also includes the respective results of deconsolidation. For the income statement and cash flow statement, the figures for the previous year are presented on a comparable basis.

On a nine-month basis, the Group increased its total revenues by 8.2 % or EUR 145.2 million to EUR 1.910 billion. All segments contributed to this.



Segment Reporting,
page 31.

At the same time, the Group's total costs rose to EUR 1.515 billion. This equates to an increase of 10.3 % or EUR 140.8 million compared to the previous year. Operating costs amounted to EUR 1.401 billion and were therefore 8.8 % or EUR 112.8 million higher than in the previous year. In the Digital & Adjacent segment in particular, costs rose as a result of the growth initiatives compared to the first nine months of 2013. The ProSiebenSat.1 Group is investing in sustainable growth across all segments and strengthening its market position with strategic acquisitions.

In the first nine months of the year, the revenue growth also led to an increase in the operating income figures: EBITDA grew by 6.9 % and amounted to EUR 501.5 million (previous year: EUR 469.0 million). Recurring EBITDA grew at a similar level. It increased by 7.0 % and amounted to EUR 522.2 million (previous year: EUR 488.2 million).

The financial result improved to minus EUR 105.3 million, compared to minus EUR 109.7 million in the first nine months of 2013. Significantly lower interest expenses, which fell by EUR 23.9 million to EUR 76.5 million, also had a positive effect on a nine-month basis. This was offset by changes in the other financial result. It amounted to minus EUR 32.1 million (previous year: EUR -14.6 million) and includes non-recurring expenses related to refinancing financial debt and loan prepayments in April 2014 of EUR 5.4 million plus the associated unwinding of hedges in the amount of EUR 6.3 million. The impairments on financial investments reported in the other financial result amounted to EUR 21.4 million (previous year: EUR 13.7 million). In the reporting period, impairments related to smaller amounts in respect to individual investments.

Against this backdrop, net income after taxes and non-controlling interests was EUR 205.7 million, compared to EUR 204.5 million in the previous year. However, adjusted for amortization from purchase price allocations, impairments on financial investments recognized in the financial result and the release of deferred financing costs, underlying net income increased relatively significantly to EUR 238.5 million. This equates to a year-on-year increase of 7.9 % or EUR 17.4 million. Basic underlying earnings per share increased to EUR 1.12 (previous year: EUR 1.04).



Note 4 "Scope of
Consolidation", page 60.

In terms of discontinued operations, net income amounted to minus EUR 8.7 million. This figure includes the negative earnings contribution from the sold companies and the result of the deconsolidation of the Eastern European portfolio in 2014. For the comparative period, earnings from discontinued operations amounted to EUR 47.9 million. As well as the operating earnings contributions from the Eastern European business, the comparatively high figure for the previous year also includes the activities in Northern Europe. In addition to the operating earnings contributions generated, the result from the deconsolidation of the corresponding Northern European holdings is also reported here.

Group Financial Position and Performance

Borrowings and Financing Structure

As of September 30, 2014, 64.6 % or EUR 1.972 billion of debt capital of the ProSiebenSat.1 Group (according to IFRS) comprised non-current financial liabilities (December 31, 2013: 62.0 %; September 30, 2013: 62.6 %). There were no current financial liabilities; on the previous year's reporting date they amounted to 3.4 % or EUR 100.0 million. The share of debt capital in total assets increased to 84.7 % compared to the end of 2013 (December 31, 2013: 83.6 %; September 30, 2013: 84.8 %).



Significant Events and Changes in the Scope of Consolidation in the First Nine Months of 2014, page 16.

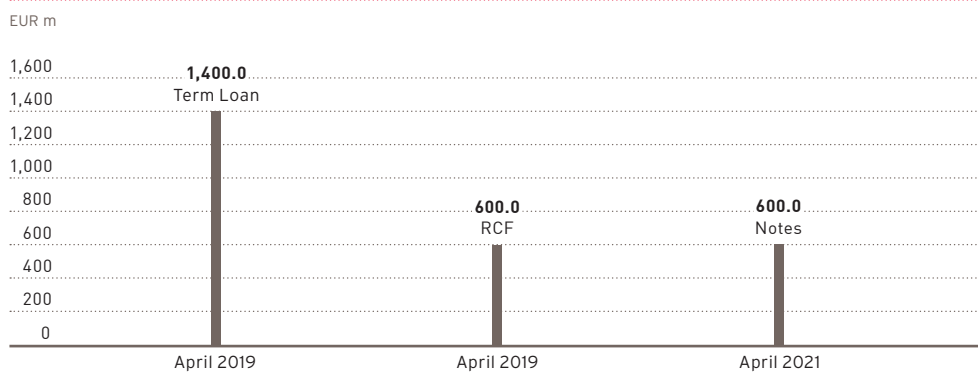
In the second quarter of 2014, the ProSiebenSat.1 Group concluded a comprehensive refinancing of its financial liabilities. This new loan agreement comprises an unsecured term loan of EUR 1.400 billion and an unsecured revolving credit facility (RCF) of EUR 600.0 million, both maturing in April 2019. The new revolving credit facility replaced the undrawn RCF, which also amounted to EUR 600.0 million. ProSiebenSat.1 also issued seven-year unsecured notes in the amount of EUR 600.0 million in the context of refinancing. The notes are listed on the regulated market of the Luxembourg stock exchange (ISIN DE000A11QFA7).

The following graph provides an overview of debt instruments together with amounts and maturities following refinancing:



Rating of the ProSiebenSat.1 Group: Ratings represent an independent assessment of a company's credit quality. The rating agencies do not take the ProSiebenSat.1 Group's facilities agreement or notes into account in their credit ratings.

Debt financing and maturities as of September 30, 2014



- > The nominal amount of the new term loan was EUR 1.400 billion as of September 30, 2014. The previous term loan D totaled EUR 1.860 billion as of December 31, 2013, and as of the previous year's September reporting date.
- > As of the balance sheet date, the new revolving credit facility amounts to EUR 600.0 million. In the previous year, the Group had total available facilities of EUR 590.0 million (September 30, 2013) and EUR 600.0 million (December 31, 2013). No cash drawings were made as of September 30, 2014, or December 31, 2013; on the previous year's September reporting date they amounted to EUR 100.0 million.
- > Maturing in 2021, the notes contribute to the diversification of the maturity profile of ProSiebenSat.1's financial liabilities. They amount to EUR 600.0 million.

Interest payable on the term loan and the amounts drawn under the RCF are variable and are based on Euribor money market rates plus an additional credit margin.



Off-balance sheet financing instruments:

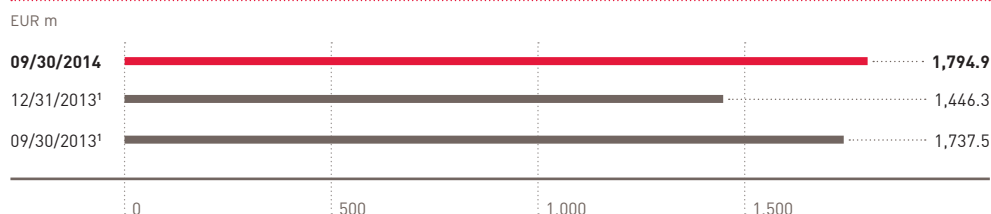
In the reporting period, there were no significant off-balance sheet financing instruments in the ProSiebenSat.1 Group. Information on leasing can be found in the 2013 Annual Report on page 87.

The ProSiebenSat.1 Group hedges risks from the change of variable interest rates with interest rate hedging instruments. The hedge ratio for total loans and borrowings was still high as at September 30, 2014 at approximately 95 % (December 31, 2013 and September 30, 2013: approximately 86 %). This meant that a change in Euribor money market conditions had no material impact. The average fixed-interest swap rate is around 3.12 % per annum (previous year: around 3.86 %). The coupon of the notes is 2.625 % per annum.

Financing Analysis

As of September 30, 2014, **net financial debt** from continuing operations – defined as financial debt minus cash and cash equivalents and certain current financial assets – amounted to EUR 1.795 billion. The increase of 24.1% or EUR 348.6 million compared to December 31, 2013, is mainly due to the dividend payment in June 2014, the Group's acquisition activities and one-time expenses in the context of Group refinancing in April 2014. Net financial debt increased slightly by 3.3 % or EUR 57.4 million compared to the reporting date in September 2013 (EUR 1.738 billion). As in the previous year, the ProSiebenSat.1 Group again expects a reduction of net financial debt at the end of 2014 compared to September 30, 2014, which is typical for the season.

Group net financial debt¹

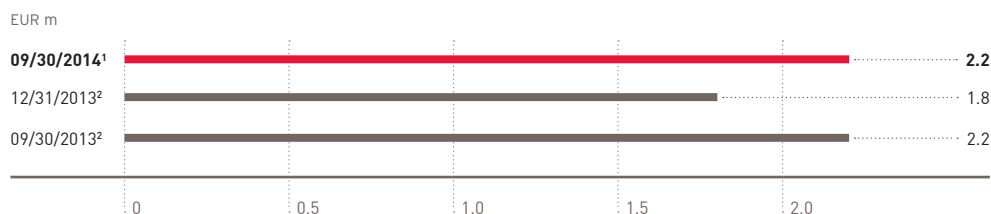


¹ After reclassification of cash and cash equivalents of Eastern European operations. The key figure is calculated as financial liabilities of EUR 1,971.6 million (December 31, 2013:

EUR 1,842.0 million) netted against cash and cash equivalents from continuing operations of EUR 176.8 million (December 31, 2013: EUR 395.7 million).

As a result, the ratio of net financial debt to recurring EBITDA of the last twelve months (LTM recurring EBITDA) was 2.2 times as of September 30, 2014. The **leverage factor** is within the defined target range of 1.5 to 2.5 times. The leverage factor was also 2.2 times as of September 30, 2013, and 1.8 times as of December 31, 2013.

Ratio net financial debt to LTM recurring EBITDA¹



¹ Adjusted for LTM recurring EBITDA contribution from the Eastern European business.

² After reclassification of cash and cash equivalents of Eastern European operations. Adjusted for LTM recurring EBITDA contribution from the Northern and Eastern European business.

The key figure is calculated as the ratio of net financial debt from continuing operations of EUR 1,794.9 million (December 31, 2013: EUR 1,446.3 million) to LTM recurring EBITDA from continuing operations of EUR 824.4 million (December 31, 2013: EUR 790.3 million).

Analysis of Liquidity and Capital Expenditure

The ProSiebenSat.1 Group's cash flow statement shows the generation and use of cash flows. It is broken down into cash flow from operating activities, cash flow from investing activities and cash flow from financing activities. Cash and cash equivalents shown in the cash flow statement correspond to cash and cash equivalents reported in the statement of financial position as of September 30, 2014, and September 30, 2013, respectively.

 Explanatory Notes
on the Report, page 5.

Cash flow statement

EUR m	Q3 2014	Q3 2013	Q1-Q3 2014	Q1-Q3 2013
Profit from continuing operations	69.7	65.4	212.1	207.9
Profit from discontinued operations (net of income taxes)	-2.8	-3.3	-8.7	47.9
Cash flow from continuing operations	337.8	337.4	1,117.5	1,096.4
Cash flow from discontinued operations	-2.2	0.8	-2.3	95.0
Change in working capital	11.9	-16.6	-22.1	-77.7
Dividends received	0.0	0.0	5.6	5.8
Income tax paid	-33.2	-38.6	-122.2	-103.4
Interest paid	-17.0	-34.1	-73.3	-103.3
Interest received	0.1	0.2	0.3	0.8
Cash flow from financing costs derivatives	-/-	-/-	-6.3	-/-
Cash flow from operating activities of continuing operations	299.6	248.4	899.6	818.5
Cash flow from operating activities of discontinued operations	-0.3	-2.8	19.6	49.1
Cash flow from investing activities of continuing operations	-273.5	-212.0	-920.4	-794.9
Cash flow from investing activities of discontinued operations	1.2	-8.9	-22.8	1,198.8
Free cash flow of continuing operations	26.0	36.4	-20.8	23.7
Free cash flow of discontinued operations	0.9	-11.8	-3.1	1,247.9
Free cash flow (total)	26.9	24.6	-24.0	1,271.6
Cash flow from financing activities of continuing operations	0.1	-1,106.9	-205.6	-1,848.2
Cash flow from financing activities of discontinued operations	0.0	0.0	0.0	-2.3
Effect of foreign exchange rate changes of continuing operations on cash and cash equivalents	1.2	-1.0	2.1	-1.5
Effect of foreign exchange rate changes of discontinued operations on cash and cash equivalents	0.0	-0.1	-0.3	-2.1
Change in cash and cash equivalents total	28.2	-1,083.4	-227.7	-582.4
Cash and cash equivalents at beginning of reporting period ¹	148.5	1,293.6	404.5	792.6
Cash and cash equivalents at end of reporting period ¹	176.8	210.2 ¹	176.8	210.2 ¹
Cash and cash equivalents classified under assets held for sale at end of reporting period	-/-	5.7	-/-	5.7
Cash and cash equivalents from continued operations at end of reporting period	176.8	204.5	176.8	204.5

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

In the third quarter of 2014, cash flow from operating activities on the basis of continuing operations was EUR 299.6 million and thus 20.6 % or EUR 51.2 million higher than the previous year's figure. The increase is largely due to positive effects in working capital and lower interest payments. Improved profitability also led to higher operating cash flow. Against this backdrop, there was growth of EUR 81.1 million or 9.9 % to EUR 899.6 million in the first nine months of the year. In the first nine months of 2014, this was offset by higher tax payments.



Group Earnings,
page 18.

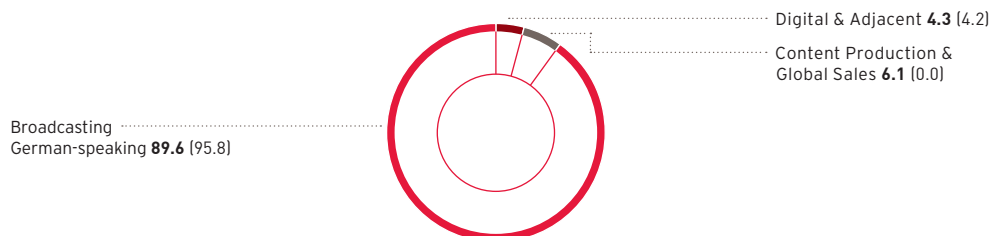
The core area of investing activities within ProSiebenSat.1 is the acquisition of programming rights. Cash outflow for this amounted to EUR 237.6 million in the third quarter after EUR 188.6 million in the comparative period (+26.0%). The programming investments were nearly fully made in the Broadcasting German-speaking segment, almost half for the acquisition of licensed programming and half for commissioned productions. In the first nine months of 2014, cash outflow for the acquisition of programming rights increased from EUR 677.7 million to EUR 706.9 million (+4.3%).

In the third quarter of the current financial year, besides investments in programming assets, EUR 15.1 million were invested in intangible assets. They were close to the previous year's level (-1.2% or EUR -0.2 million year-on-year) and were mainly attributable to the Digital & Adjacent and Broadcasting German-speaking segments at 56.9% and 32.1% respectively. They primarily reflected the acquisition of marketing rights in connection with client businesses and software licenses. Over the first nine months of the year, investments in intangible assets were EUR 6.2 million higher than in the previous year at EUR 45.0 million (+15.9%). The effects described also made an impact here. Investments in property, plant and equipment increased both on a quarterly and a nine-month basis. In the third quarter, cash flow was EUR 9.4 million (+13.5% or EUR +1.1 million year-on-year) and in the first nine months of the year as a whole it was EUR 21.1 million (+4.7% or EUR +1.0 million year-on-year). Investments in property, plant and equipment were attributable almost exclusively to the Broadcasting German-speaking segment and primarily related to technical equipment and advance payments for property, plant and equipment.

In the third quarter of 2014, the following breakdown by segment resulted from the described cash flows from investing activities:

Investments by segment from continuing operations

In percent, Q3 2013 figures in parentheses



Assets resulting from initial consolidations are not reported as segment-specific investments. Funds used for the acquisition of the first-time consolidated companies are shown as cash outflow from additions to the scope of consolidation.

Cash outflows from additions to the scope of consolidation amounted to EUR 2.0 million in the third quarter of 2014, an increase of 35.2% or EUR 0.5 million year-on-year. On a nine-month basis, cash flow nearly doubled and rose to EUR 107.9 million (previous year: EUR 55.7 million). The significant increase reflected the acquisitions in the Digital & Adjacent and Content Production & Global Sales segments.

Against the backdrop of higher investments in programming assets, **cash flow from investing activities** on the basis of continuing operations increased by 29.0% or EUR 61.5 million in the third quarter of 2014 to minus EUR 273.5 million in total. In the first nine months, cash outflow increased by a considerable EUR 125.6 million to minus EUR 920.4 million (previous year: EUR -794.9 million) due to acquisitions.



Note 4
"Scope of Consolidation",
page 60.

There was total cash outflow of EUR 22.8 million from the sale of the Hungarian and Romanian TV operations in the first nine months of 2014. This net cash outflow is reported as cash flow from investing activities of discontinued operations.

Free cash flow from continuing operations amounted to EUR 26.0 million in the third quarter of 2014 (previous year: EUR 36.4 million). The decline is primarily attributable to the higher volume of investment. In the first nine months of the year, free cash flow amounted to minus EUR 20.8 million (previous year: EUR 23.7 million) due to investments.

In the third quarter of the current financial year, the **cash flow from financing activities** was EUR 0.1 million, after cash outflow of EUR 1.107 billion in the previous year. The relatively high cash outflow in the comparative period resulted primarily from the payment of the dividend for the 2012 financial year of EUR 1.201 billion in July 2013. In the first nine months of 2014, cash outflow was EUR 205.6 million compared to EUR 1.848 billion in the comparative period. The distribution of the dividend for the 2013 financial year resulted in cash outflow from financing activities in the months from January to September this year. The dividend was paid out at EUR 313.4 million in June, and thus in the second quarter. This was offset by a net cash inflow of EUR 116.3 million from the refinancing of financial liabilities. The high cash outflow in the previous year reflects not only the dividend payment for 2012 but also the repayment of loans amounting to EUR 730.7 million in the second quarter of 2013.

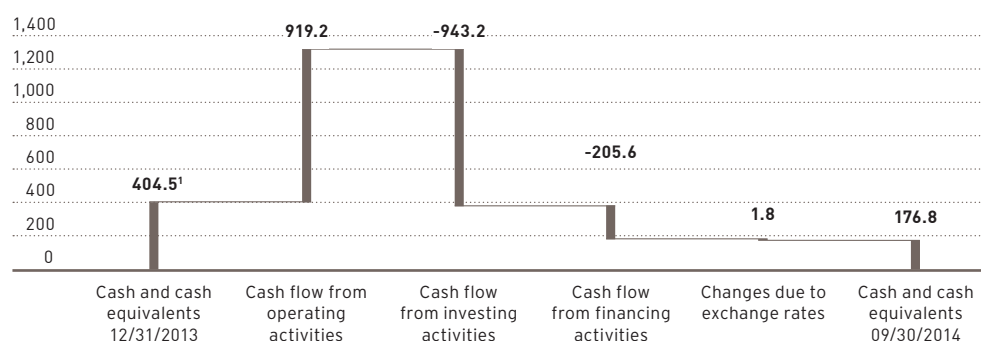


Financing Analysis,
page 24.

The cash flows described led to a decline in **cash and cash equivalents** to EUR 176.8 million compared to September 30, 2013 (EUR 204.5 million). On December 31, 2013, cash and cash equivalents amounted to EUR 395.7 million. The ProSiebenSat.1 Group therefore continues to have a comfortable level of liquidity.

Change in cash and cash equivalents

EUR m



¹ Includes cash and cash equivalents from held for sale entities

Analysis of Assets and Capital Structure

As of September 30, 2014, total assets amounted to EUR 3.603 billion compared to EUR 3.556 billion on December 31, 2013. The 1.3% increase in total assets resulted primarily from higher intangible and financial assets. In contrast, cash and cash equivalents and trade receivables decreased.



Explanatory Notes
on the Report, page 5.

Significant individual value changes to items of the statement of financial position compared to December 31, 2013, are described below.



Note 4
"Scope of Consolidation",
page 60.

As of September 30, 2014, **intangible assets** increased by 12.7% to EUR 1.312 billion (December 31, 2013: EUR 1.165 billion). This was mainly due to the first-time consolidations and purchase price allocations of COMVEL GmbH, Half Yard Productions LLC and Aeria Games Europe GmbH. Accordingly, the share of intangible assets in total assets increased to 36.4% as of September 30, 2014 (December 31, 2013: 32.7%).

Non-current other financial and non-financial assets rose considerably by 141.3% or EUR 91.7 million to EUR 156.6 million. This was the result of positive effects from currency hedges and the addition of financial instruments recognized at fair value in profit or loss.

Non-current and current programming assets also increased compared to December 31, 2013. They increased by 7.1% and amounted to EUR 1.286 billion (December 31, 2013: EUR 1.202 billion). Alongside intangible assets, programming assets are among the most important assets in the ProSiebenSat.1 Group's statement of financial position with a 35.7% share (December 31, 2013: 33.8%).

Trade receivables fell by 12.1% or EUR 39.3 million to EUR 286.9 million. The decline compared to the end of 2013 is attributable to the Broadcasting German-speaking segment, which generates a relatively high proportion of its revenues in the fourth quarter.

Current other financial and non-financial assets rose to EUR 71.9 million (December 31, 2013: EUR 42.2 million). This equates to an increase of 70.3% or EUR 29.7 million, which arose due to positive effects from currency hedges.



Analysis of Liquidity and
Capital Expenditure,
page 25.

Cash and cash equivalents fell to EUR 176.8 million as of the reporting date, a decline of 55.3% or EUR 219.0 million. In particular, this development reflects the dividend payment of EUR 313.4 million on June 27, 2014. The net cash inflow of EUR 116.3 million from the refinancing closed in April 2014 had a contrary effect.

As of the reporting date, the **assets held for sale** were fully deconsolidated as a result of the deconsolidation of the Hungarian and Romanian TV activities. On December 31, 2013, the carrying amount of the assets held for sale was still EUR 68.8 million.

Compared to December 31, 2013, **shareholders' equity** decreased by 5.5% or EUR 32.4 million to EUR 551.7 million. The main reason for this was the dividend payment of EUR 313.4 million. In contrast, a positive impact was made by the consolidated profit of EUR 203.3 million generated in the first nine months of 2014 and the EUR 57.5 million increase in other accumulated equity. The equity ratio was 15.3% (December 31, 2013: 16.4%).

Significant Events and Changes in the Scope of Consolidation in the First Nine Months of 2014, page 16.

Borrowings and Financing Structure, page 23.

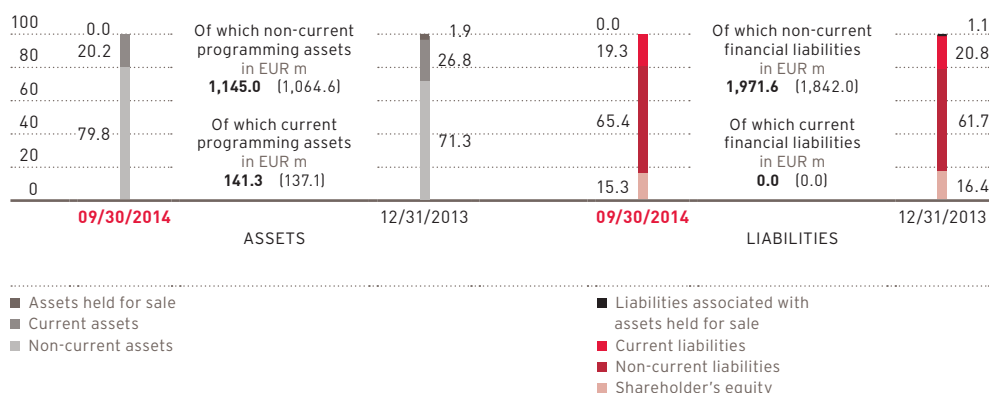
Note 4 "Scope of Consolidation", page 60.

Impact of General Conditions on Business Performance, page 15.

Non-current and current liabilities and provisions totaled EUR 3.051 billion (+2.7 % or EUR 79.5 million year-on-year). The increase on the end of the 2013 financial year is characterized by opposite effects. On the one hand, financial liabilities have increased as a result of refinancing: The previous term loan with a nominal amount of EUR 1.860 billion was repaid in the second quarter of 2014 and, in turn, a new term loan of EUR 1.400 billion was taken out and EUR 600.0 million notes were issued. Against this backdrop, financial debt increased by 7.0 % or EUR 129.6 million to EUR 1.972 billion in total. On the other hand, other current liabilities decreased by 13.4 % or EUR 30.0 million to EUR 193.2 million, primarily due to lower other tax liabilities. Other non-current and current financial liabilities also fell. The EUR 21.9 million decline to EUR 289.5 million (December 31, 2013: EUR 311.4 million) is mainly due to positive effects from currency and interest rate hedges. In addition, the liabilities associated with assets held for sale were fully derecognized in connection with the deconsolidation of the Hungarian and Romanian TV activities in the first nine months of 2014. On December 31, 2013, a carrying amount of EUR 40.2 million was still recognized for liabilities associated with assets held for sale.

Structure of the Statement of Financial Position

In percent



In comparison to the reporting date on September 30 of the previous year, total assets also increased. They amounted to EUR 3.603 billion compared to EUR 3.469 billion on September 30, 2013 (+3.9 %).

One reason for the increase in total assets was higher **intangible assets**. These rose by 12.8 % to EUR 1.312 billion (September 30, 2013: EUR 1.163 billion) as a result of various acquisitions. Accordingly, the share of intangible assets in total assets also increased compared to September 30, 2013, amounting to 36.4 % (September 30, 2013: 33.5 %).

Significant Events and Changes in the Scope of Consolidation in the First Nine Months of 2014, page 16.

At the same time, **non-current other financial and non-financial assets** rose considerably to EUR 156.6 million (September 30, 2013: EUR 59.3 million). The increase of 164.0% or EUR 97.3 million is mainly due to positive effects from currency hedges and the addition of financial instruments recognized at fair value in profit or loss.



Q1-Q3 2014 at a Glance,
page 6.

In contrast, **non-current and current programming assets** decreased by 3.4% to a total of EUR 1.286 billion (September 30, 2013: EUR 1.331 billion). At 35.7% on the reporting date, the share of programming assets in total assets was lower than the previous year's figure as of September 30, 2013 (38.4%).

Compared to September 30, 2013, **cash and cash equivalents** declined by 13.6% or EUR 27.7 million to EUR 176.8 million. The decline was characterized by the payment of the dividend of EUR 313.4 million in the second quarter of 2014.

Despite the dividend payment, **shareholders' equity** rose on the basis of the good earnings position and increase in other accumulated equity to EUR 551.7 million (September 30, 2013: EUR 527.9 million).

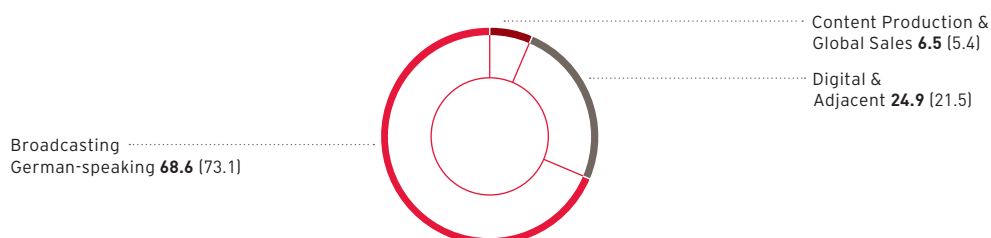
Non-current and current liabilities and provisions increased by 3.8% or EUR 110.7 million to EUR 3.051 billion. This is largely attributable to the higher trade payables, deferred taxes and the refinancing measures described.

There were no other significant value changes to statement of financial position items compared to September 30, 2013.

Segment Reporting

Revenue share by segment from continuing operations

In percent, Q3 2013 figures in parentheses



Segment Broadcasting German-speaking

Revenue and Earnings Performance in the Third Quarter of 2014

The ProSiebenSat.1 station family again increased its revenues from the sale of TV advertising time in the third quarter of 2014. In addition to higher TV advertising revenues – especially in the core market of Germany – dynamically growing revenues from the distribution business also contributed to the revenue increase again. The reason for the increase in distribution revenues is the growing number of users of HD free TV stations. In total, **external segment revenues** increased by 3.7 % or EUR 15.7 million to EUR 437.6 million from June to September 2014.

Along with revenues, costs also increased as a result of growth. Nonetheless, **recurring EBITDA** adjusted for on-off effects improved by 1.9 % to EUR 129.0 million (previous year: EUR 126.6 million). The corresponding **operating margin** amounted to 28.4 % (previous year: 28.9 %) and demonstrated the high level of profitability of the TV business. In contrast, EBITDA fell by 1.0 % and amounted to EUR 122.3 million (previous year: EUR 123.5 million). The decline was primarily the result of non-recurring personnel expenses in the third quarter of 2014.

Revenue and Earnings Performance in the First Nine Months of 2014

On a nine-month basis, **external segment revenues** rose by 3.6 % to EUR 1.398 billion (previous year: EUR 1.350 billion). **Recurring EBITDA** grew to EUR 437.2 million, an increase of 4.1 % or EUR 17.2 million. The **recurring EBITDA margin** was 30.2 % compared to 30.0 % in the previous year. EBITDA grew by 5.6 % or EUR 22.7 million to EUR 425.8 million.

Key figures Broadcasting German-speaking segment

EUR m	Q3 2014	Q3 2013	Q1-Q3 2014	Q1-Q3 2013
Segment revenues	454.3	437.6	1,446.7	1,401.5
External revenues	437.6	421.9	1,398.0	1,349.7
Internal revenues	16.7	15.7	48.7	51.8
Recurring EBITDA	129.0	126.6	437.2	420.0
Recurring EBITDA margin ¹ (in %)	28.4	28.9	30.2	30.0

¹ Based on segment revenues.



Impact of General
Conditions on Business
Performance, page 15.



Significant Events and
Changes in the Scope of
Consolidation in the
First Nine Months of 2014,
page 16.

Segment Digital & Adjacent

Revenue and Earnings Performance in the Third Quarter of 2014

The Digital & Adjacent segment also continued its profitable growth in the third quarter of 2014. The segment's **external revenues** continued to increase from a high level, reaching EUR 158.7 million. This equates to an increase of 27.8 % or EUR 34.6 million compared to the third quarter of 2013. The strongest growth driver in the segment was again the digital commerce business. The travel cluster in particular continued to grow dynamically. In recent months, the Group has substantially reinforced its existing e-commerce portfolio in the travel field with strategic acquisitions. The revenue contributions of the travel provider COMVEL, operator of the tourism portals weg.de and ferien.de, which was consolidated for the first time in January 2014, continued to develop very positively in the third quarter of 2014. Among the Digital Entertainment activities, in addition to games, the video-on-demand portal maxdome had a large share in the revenue increase. Revenues also developed dynamically in the Adjacent vertical in the third quarter of 2014. This includes music offerings and events.

Because of the dynamic revenue development in particular, **recurring EBITDA** also showed double-digit growth rates. It increased by 18.6 % to EUR 32.3 million (previous year: EUR 27.2 million). The **recurring EBITDA margin** was 20.1 % (previous year: 21.8 %). EBITDA increased by 24.5 % to EUR 33.8 million (previous year: EUR 27.2 million).

Revenue and Earnings Performance in the First Nine Months of 2014

The Digital & Adjacent segment also grew significantly on a nine-month basis: **External segment revenues** increased by 24.1 % or EUR 80.5 million to EUR 413.9 million. This was based on the dynamic development in the Digital Commerce and Digital Entertainment business. This is primarily attributable to the first-time consolidation of the travel provider COMVEL as well as the games publisher Aeria Games Europe. Over the first nine months of the year, the online advertising business and the video-on-demand offering showed high organic revenue growth.

Against this backdrop, the segment's **recurring EBITDA** increased by 21.4 % to EUR 86.9 million (previous year: EUR 71.6 million). The recurring EBITDA margin was 20.8 % (previous year: 21.3 %). **EBITDA** increased by 16.4 % to EUR 82.2 million (previous year: EUR 70.6 million).

Key figures Digital & Adjacent segment

EUR m	Q3 2014	Q3 2013	Q1-Q3 2014	Q1-Q3 2013
Segment revenues	160.4	125.0	417.0	335.3
External revenues	158.7	124.1	413.9	333.4
Internal revenues	1.7	0.9	3.1	1.9
Recurring EBITDA	32.3	27.2	86.9	71.6
Recurring EBITDA margin ¹ (in %)	20.1	21.8	20.8	21.3

1 Based on segment revenues.



Significant Events and
Changes in the Scope of
Consolidation in the
First Nine Months of 2014,
page 16.

Segment Content Production & Global Sales

Revenue and Earnings Performance in the Third Quarter of 2014

In the Content Production & Global Sales segment, **external revenues** increased by 33.4% to EUR 41.2 million on a quarterly basis (previous year: EUR 30.9 million). The production business in the USA made the largest contribution to revenues in the third quarter of 2014, whereby the first-time consolidation of Half Yard Productions from March 2014 in particular made a positive impact in addition to organic growth.

Recurring EBITDA improved by EUR 4.3 million to EUR 2.2 million in the third quarter of 2014 (previous year: EUR -2.1 million). Due to the significant increase in revenues, EBITDA also achieved high growth. In the third quarter of 2014, it amounted to EUR 2.1 million (previous year: EUR -1.1 million).

Revenue and Earnings Performance in the First Nine Months of 2014

The segment also grew profitably on a nine-month basis. The **external revenues** in the Content Production & Global Sales segment amounted to EUR 97.8 million. This is an increase of 20.2% or EUR 16.5 million.

Recurring EBITDA rose to EUR 1.0 million (previous year: EUR -0.3 million); EBITDA was EUR 0.1 million (previous year: EUR -0.8 million). Temporary effects had restrained earnings growth in the first half of 2014.

Key figures Content Production & Global Sales segment

EUR m	Q3 2014	Q3 2013	Q1-Q3 2014	Q1-Q3 2013
Segment revenues	47.7	36.3	123.4	111.3
External revenues	41.2	30.9	97.8	81.4
Internal revenues	6.5	5.4	25.5	29.9
Recurring EBITDA	2.2	-2.1	1.0	-0.3
Recurring EBITDA margin ¹ (in %)	4.6	-5.9	0.8	-0.3

1 Based on segment revenues.

Employees



Detailed information on "Employees" can be found in the 2013 Annual Report on pages 98-104.



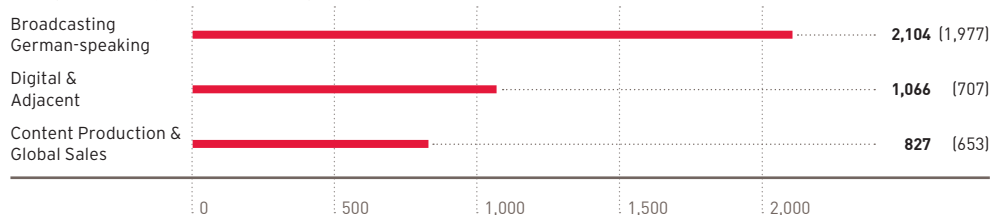
Note 4 "Scope of Consolidation", page 60.

In the first nine months of 2014, the ProSiebenSat.1 Group employed 4,078 staff (full-time equivalents) at Group level in comparison to 3,337 persons in the previous year. This increase of 741 full-time equivalents or 22.2 % is primarily attributable to the expansion and acquisitions in the Digital & Adjacent segment. In this segment, the Group posted an increase in staff of 359 full-time equivalents compared to the first nine months of 2013 (+50.8%). In addition to the acquisition of Aeria Games Europe GmbH, key factors here were the consolidation of mydays Holding GmbH and the full takeover of COMVEL GmbH.

In this context, personnel expenses of the ProSiebenSat.1 Group increased by 23.9% to EUR 279.2 million in the first nine months (previous year: EUR 225.4 million). In the third quarter of the year, personnel expenses totaled EUR 106.0 million (previous year: EUR 79.0 million).

Employees by segment¹

Average full-time equivalents, 9M 2013 figures in parentheses



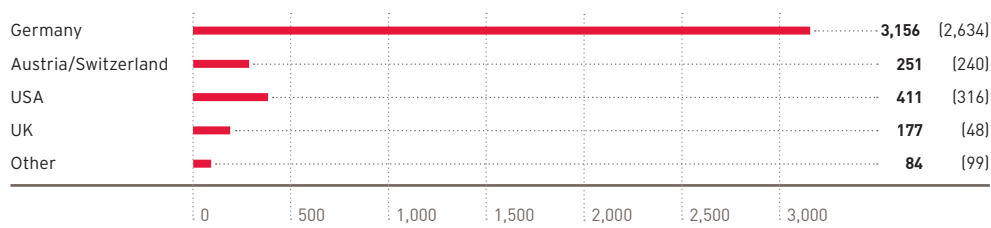
¹ The total amount of 4,078 average full-time equivalents throughout the Group contains 81 employees not allocated to a segment.

As of September 30, 2014, ProSiebenSat.1 employed an average of 3,407 persons in Germany, Austria and Switzerland (previous year: an average of 2,874 full-time equivalents). This is equivalent to an increase of 18.5 % against the previous year and a share of 83.5 % of the Group's total employees (previous year: 86.1%).

In the first nine months of 2014, the breakdown of employees in the ProSiebenSat.1 Group by region was as follows:

Employees by region

Average full-time equivalents, 9M 2013 figures in parentheses



As of September 30, 2014, 46.8% of permanent employees in the ProSiebenSat.1 Group were female (previous year: 47.2%) and 53.2% were male (previous year: 52.8%). In Germany, the ratio of women rose to 46.3% at the end of the third quarter (previous year: 46.1%). In management positions, the ratio of women increased to 30.0% in the ProSiebenSat.1 Group (previous year: 29.7%), while 29.4% of managers in the core market of Germany were female (previous year: 28.3%). The diversity that our employees bring in terms of personal characteristics, talents and abilities is a crucial factor in the success of the ProSiebenSat.1 Group. We continue to focus on this diversity management in the future.

High participation rate and good results in the employee survey. In July 2014, the ProSiebenSat.1 Group carried out an employee survey in Germany, Austria and Switzerland. With a share of 70%, the participation rate in 2014 was again very high (2012: 70%). The results show that there is a high level of satisfaction among employees of the ProSiebenSat.1 Group. Close to 60% of staff are proud to be working at ProSiebenSat.1. This makes us one of the most popular employers in the creative industry. The Company again achieved a very good result in the categories "personal satisfaction at work" and "appeal of the work task". ProSiebenSat.1 Group employees also assessed very positively the corporate culture ("relationship to the direct superior" and "dealing with colleagues"). The ProSiebenSat.1 Group carries out an employee survey every two years in order to obtain a detailed assessment of the mood and to identify potential areas of improvement.

The ProSiebenSat.1 Share

The ProSiebenSat.1 share on the stock market. The first nine months of 2014 were characterized by high volatility on the capital markets. While there were positive effects from the consistently expansive monetary policy of the key central banks, the stock markets were strained down by the Ukraine crisis and conflicts in the Middle East. At the same time, the overall development of the global economy was less dynamic than anticipated. After the geopolitical conflicts had already had a negative impact on indexes at mid-June, the reasons outlined above triggered a downward movement in mid-July. Prices recovered from the middle of August but the market environment remained volatile. At the end of September, price performance was again hampered due in part to concern over further economic developments in Europe.

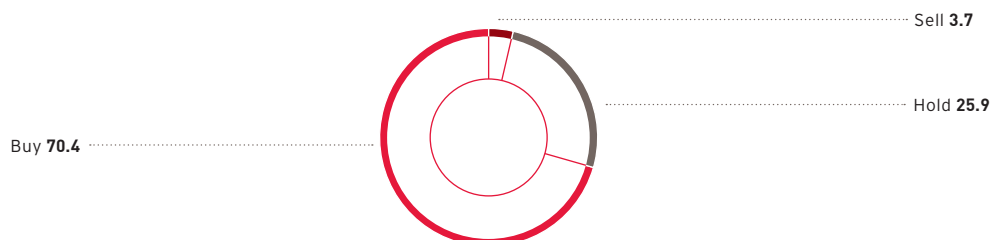
The DAX closed on the last day of trading in September at 9,474.30 points, 0.8 % weaker than at the end of 2013. The MDAX lost 3.5 % in the first nine months and ended the third quarter at 15,994.96 points. The sector index for European media securities, Euro Stoxx Media, closed 1.6 % weaker than at the end of 2013 at 199.14 points.

The performance of the ProSiebenSat.1 share clearly reflects the general market development of the first nine months of 2014. On the last trading day in September they closed at EUR 31.55. The share price was therefore 12.4 % below the closing price on the last day of trading in 2013, which marked its highest price for that year and for the past twelve years at EUR 36.00. After the shares consolidated at a high level leading to mid-May 2014, they profited from temporary rising trends on the stock markets in the months that followed. Additional analyst ratings also had a positive influence on the share price. The shares lost ground again at the end of September in view of the economic uncertainty in the eurozone.

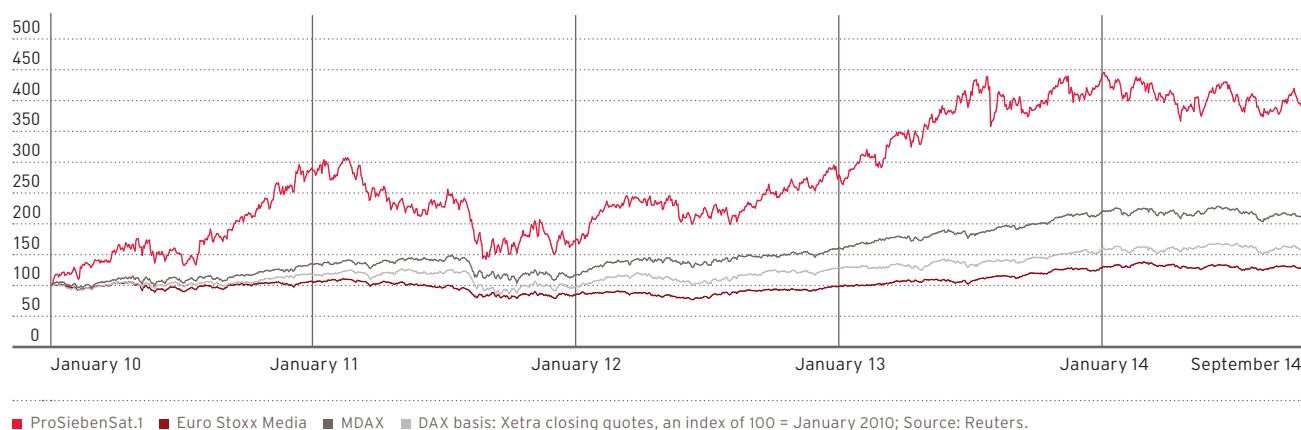
Against the backdrop of good business performance and the positive outlook, analysts raised the price target (median) from EUR 34 to EUR 38 over the course of the first nine months. Around 70 % of the 27 brokerage firms and financial institutions that currently cover ProSiebenSat.1 shares recommended investors to buy the share. In addition, the Redburn brokerage firm, the private bank Hauck & Aufhäuser and Bankhaus Lampe started to cover the ProSiebenSat.1 share.

Analyst recommendations

In percent



Price performance of the ProSiebenSat.1 share



		Jan. 1 – Sept. 30, 2014	Jan. 1 – Sept. 30, 2013	Jan. 1 – Sept. 30, 2012	Jan. 1 – Sept. 30, 2011	Jan. 1 – Sept. 30, 2010
High (XETRA) (EUR)	EUR	35.55	35.44	21.32	20.66	17.61
Low (XETRA) (EUR)	EUR	29.60	21.85	14.19	11.49	8.13
Closing price (XETRA) (EUR)	EUR	31.55	31.40	19.61	13.31	17.43
Free float market capitalization on Sept. 30 (acc. to Deutsche Börse)	EUR m	6,944.54	4,228.03	1,656.19	1,070.5	1,254.0
Earnings per share ¹	EUR	0.92	1.19	0.93	2.38	0.61
Total XETRA trading volume	piece	142,989,780	114,834,110	108,180,571	113,612,787	148,452,627
XETRA trading volume (average daily volume)	piece	748,638	601,226	563,440	951,621	773,191

ProSiebenSat.1 share key data

		Sept. 30, 2014	Dec. 31, 2013	Dec. 31, 2012	Dec. 31, 2011	Dec. 31, 2010
Share capital ² as of end of reporting period	EUR	218,797,200	218,797,200	218,797,200	218,797,200	218,797,200
Number of ordinary shares as of end of reporting period	piece	218,797,200 ³	218,797,200 ³	109,398,600	109,398,600	109,398,600
Number of preference shares as of end of reporting period	piece	-/-	-/-	109,398,600 ³	109,398,600 ³	109,398,600 ³
Dividend per entitled ordinary share	EUR	-/-	1.47	5.63	1.15	1.12
Dividend per entitled preference share	EUR	-/-	-/-	5.65	1.17	1.14
Total dividend	EUR m	-/-	313.4	1,201.4	245.7	241.2

¹ Basic earnings per bearer preference share are shown for the financial years 2010 and 2011. The basic earnings per registered ordinary share have been reported since the consolidation of share classes in the third quarter of 2013.

² The share capital of ProSiebenSat.1 Media AG amounts to EUR 218,797,200 and, since August 16, 2013, has been divided into 218,797,200 registered ordinary shares, each with a notional share of capital of EUR 1.00. As a result of the conversion of 109,398,600 non-voting bearer preference shares into 109,398,600

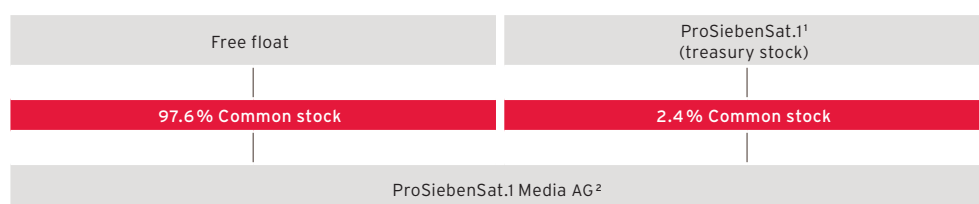
voting registered ordinary shares, all (218,797,200) registered ordinary shares are tradable, i.e. both the formerly unlisted registered ordinary shares and the registered ordinary shares resulting from the conversion of the bearer preference shares. Only the previous bearer preference shares were listed prior to August 16, 2013.

³ Including treasury shares.

Shareholder structure of ProSiebenSat.1 Media AG. The share capital of ProSiebenSat.1 Media AG 100 % comprises registered common shares. As of September 30, 2014, 97.6 % of the shares of ProSiebenSat.1 Media AG were held in free float, whereby the shareholder structure is dominated by institutional investors from the US, the UK and Germany. The remaining 2.4 % are treasury shares held by ProSiebenSat.1 Media AG.

Lavena Holding 1 GmbH was the biggest shareholder in the ProSiebenSat.1 Group until the end of January 2014. On January 21, 2014 Lavena Holding 1 GmbH sold its entire remaining interest in ProSiebenSat.1 Media AG amounting to 36.3 million ordinary shares. As a result, the free float of ProSiebenSat.1 shares, and therefore their weight in the MDAX index, increased significantly.

Shareholder structure of ProSiebenSat.1 Media AG at September 30, 2014



1 Shares are not entitled to vote nor to a dividend.

2 Including 5,317,850 treasury ordinary shares as of September 30, 2014 (September 30, 2013: 5,755,900 treasury preference shares).

Annual General Meeting 2014. The Annual General Meeting of ProSiebenSat.1 Media AG for the financial year 2013 was held at the Event Arena in Munich's Olympiapark on June 26, 2014. Around 350 shareholders, shareholder representatives and guests took part in the meeting. Attendance was around 52 %.

At the Annual General Meeting, the shareholders of ProSiebenSat.1 Media AG elected a new Supervisory Board with a large majority. Following the meeting, Dr. Werner Brandt, CFO of SAP AG until June 30, 2014, was elected as the new Chairman of the Supervisory Board. In addition, the distribution of a dividend of EUR 1.47 per ordinary share was resolved for financial year 2013. This corresponds to a total dividend of EUR 313.4 million and a distribution ratio of 82.5% of adjusted consolidated net income. The Annual General Meeting also approved all other resolutions proposed by the Executive Board and the Supervisory Board with a large majority.

Dialog with the financial market. We regularly and promptly inform capital market participants and other interested parties of all key events and developments at ProSiebenSat.1 to ensure the transparent communication of financial figures and growth prospects. In addition to 17 roadshows, ProSiebenSat.1 was represented at 15 investor conferences in Europe and the US in the first nine months of 2014.

The Group also held its fourth Capital Markets Day for investors and analysts on October 15, 2014. The Executive Board and division heads provided a detailed insight into current business and informed the capital market comprehensively about the medium-term growth strategy. Around 60 analysts, investors and bank representatives attended the event in Unterföhring near Munich.

Again the investor relations activities of the ProSiebenSat.1 Group received an award. The company took the first place in the MDAX category at the 2014 German Investor Relations Awards (previous year: second place). The award is assigned by Thomson Reuters Extel, WirtschaftsWoche and the German Investor Relations Association (DIRK) and honors IR work by top German stock corporations for the eighth time.

Other Non-Financial Performance Indicators



Non-financial performance indicators, which management uses as parameters for achieving profitability and growth targets, are described in the Annual Report under "Intragroup Management System" and are included in the analysis of business performance and the position of the Group in the "Report on Economic Position".

A variety of important assets are not recognized in the ProSiebenSat.1 Group's statement of financial position. Alongside human resources potential, public engagement is also an important criterion that is linked to the long-term success of the Group and is not accounted for financially. On the other hand, we capitalize certain internally generated intangible assets at a low level.

ProSiebenSat.1 takes social responsibility. With its TV stations, the ProSiebenSat.1 Group reaches around 42 million TV households in Germany, Austria and Switzerland every day and thus has influence on public opinion. We are conscious of this social responsibility and use the reach of our media to draw the public's attention to important issues. The "Tolerance Day" is only one example. The station group used the event to campaign for understanding, openness and tolerance toward other cultures and lifestyles. In addition, the ProSiebenSat.1 Group uses its large reach to familiarize young viewers especially with a sustainable and environmentally friendly lifestyle – for example with the annual "Green Seven Week." In the week from May 19 to 25, 2014, ProSieben used TV programs to throw light on how every individual can do their bit to protect the environment.

In addition, ProSiebenSat.1 is championing the next generation of filmmakers with numerous projects and initiatives. The broadcasting group is working on this together with various institutions all over Germany, including the Bayerische Akademie für Fernsehen (Bavarian Academy for Television) and the Hamburg Media School. The goal of this campaign is to provide financial support for young, talented individuals and to make it easier for them to start practicing their craft. Besides, ProSiebenSat.1 is a co-founder of the "FIRST STEPS" award that the German Film Academy awards every year to the best films produced by students graduating from German-language film schools. The "FIRST STEPS" award includes a prize fund totaling EUR 92,000 and is the most renowned prize of its kind in Germany. In September, the prize for young talent was awarded for the 15th time at a ceremony in Berlin. The film "Los Angeles," directed by Damian John Harper with non-professional Mexican actors, won the category "Best Feature-Length Film". In the "NO FEAR" category, which has honored young producers' readiness to take risks since 2012, the drama "Backpack" by Thorsten Wenning came out on top. The film follows a failed German teacher who sets out to tour Asia.

Comprehensive information on other non-financial indicators and their significance for the competitiveness of the ProSiebenSat.1 Group is included in the 2013 Annual Report on pages 110 to 123.

Events after the Interim Reporting Period

No reportable events materially impacting the earnings, financial position and performance of the ProSiebenSat.1 Group or ProSiebenSat.1 Media AG respectively have occurred between October 1, 2014 and October 27, 2014, the date of authorization of this report for publication and forwarding to the Supervisory Board. The report for the third quarter of 2014 financial year will be published on November 6, 2014.

Risk Report

Overall Assessment of the Risk Situation – Management View

Our business is influenced by a number of internal and external factors, which entail risks as well as abundant opportunities. In order to identify risks early on and to systematically counteract them, the ProSiebenSat.1 Group uses effective management and control systems and has defined early warning indicators for all relevant areas.



Opportunities Report,
page 44.

As of the date of the preparation of this interim management report, the Executive Board still views the overall risk situation as limited and manageable. There are currently no discernible risks that, individually or in combination with other risks, could have a material or lasting adverse effect on the result of operations, financial position and net assets of the ProSiebenSat.1 Group. We also do not anticipate any material changes that might pose a threat to the ProSiebenSat.1 Group as a going concern.

Development of Individual Risks

A comprehensive presentation of risk clusters and the Group-wide risk management system can be found in the 2013 annual report from page 125 onwards. There has been no fundamental change in the overall risk situation compared to December 31, 2013. Significant events in the reporting period since the publication of the 2013 annual report included:

External Risks

Economic situation: The business activities of the ProSiebenSat.1 Group are greatly dependent on the overall economic situation and, above all, the development of the markets in which advertising customers operate. A general downturn in the economy, particularly on the core market of Germany, can significantly influence the earnings situation in the main business area of advertising-financed television. The economic prospects for Germany have recently dimmed in view of global uncertainty factors. For this reason, substantial negative effects from the general economic conditions that could directly or indirectly affect our business as well cannot be ruled out entirely or are currently possible. Nevertheless, we still rate this development as a medium risk. Private consumer spending, which has correlated particularly strongly to the TV market in recent years, is expected to continue to develop positively in 2015.

In order to proactively counter possible changes in the economic environment, the Group conducts ongoing market and competitive analyses. Part of its early risk detection also involves the regular measurement of advertising revenue and market share. By comparing projections and actual figures with the corresponding prior-year values, budget deviations can be spotted and countermeasures such as cost adjustments or changes in program planning and price policy can be quickly implemented as well.

Content Risks

License business: The ProSiebenSat.1 Group acquires many of its feature films, TV movies, and series as licensed content from third parties, with a strong focus on the major US studios. In addition to currency risks, the Group is therefore also confronted with the risk of potential price increases. While individual purchases are becoming a more frequent necessity for the growing number of small free TV stations due to their focused target group profiles, price competition for the large program bundles remains limited. Our close, long-term business relationships with licensors and our high purchasing volume secure our strong negotiating position. However, the



Future Business and
Industry Environment,
page 45.

competition for attractive content has intensified recently as a result of growing competition from well-funded international market participants and new digital offers. We therefore consider price risks from license purchasing as possible. Against this backdrop, we cannot completely rule out moderate effects on our revenue and earnings performance. Overall, we rate this risk as a medium risk.

Sales Risks

Audience market: Due to the positive development in recent months, the risk of a potential decline in audience market shares or the reach of programs and advertising spots has decreased slightly. We believe it is unlikely that this risk will materialize. However, a decline in audience market shares could inherently make a substantial impact on our revenue and earnings performance. We therefore classify this as a medium risk. Our station portfolio comprises complementary TV stations that address different core target groups and have specific programming profiles. Possible market share weaknesses or short-term fluctuations at individual TV stations can thus be offset by the others. In the last few months, the comparatively new ProSiebenSat.1 stations have continuously increased both their technical reach and their audience market shares. At the same time, the major stations have performed positively following the soccer World Cup: ProSieben is the market leader in its relevant target group and made significant gains over RTL in the third quarter of 2014. SAT.1 is developing stably and extended its lead over rival VOX. It can be assumed that established station brands like ProSieben and SAT.1 will continue to dominate the market thanks to their name recognition. At the same time, we are now observing the first signs of stagnation, which relates to the fragmentation of the market. In recent years, the barriers to market entry for new competitors have lowered significantly due to falling production and transmission costs in the wake of digitalization. As a result, there has been a certain fragmentation of the market.



Development of the
Audience Market,
page 11.

Compliance Risks

Warranties from the disposal of the Belgian TV activities: By sale and purchase agreement of April 20, 2011, the ProSiebenSat.1 Group sold its Belgian TV operations to De Vijver NV ("DV"). ProSiebenSat.1 Media AG acted to guarantee the disposal. On the basis of alleged infringements of the accounting and rental contract guarantee included in the purchase agreement, DV has asserted claims for damages against the company. The contractually agreed maximum liability from all guarantees totals EUR 19.8 million. On the basis of a further detailed review and the resulting reassessment of the factual and legal situation, we believe this risk is very unlikely to materialize and rate it as an immaterial risk overall. In this respect, it is still unnecessary to recognize a provision. If the risk were nevertheless to materialize contrary to expectations, it would have a one-off negative impact on our results up to the maximum amount of liability stated above.

Claims related to patent law: The Kudelski Group claims that certain business activities of the ProSiebenSat.1 Group infringe its patent rights. The provision recognized for this was reversed in the third quarter of 2014 on the basis of a further detailed review and the resulting reassessment of the factual and legal situation. Therefore, the risk decreased. However, negative effects on our earnings development are possible as the issue unfolds, but the impact would only be minor. Against this backdrop, we rate this issue overall as a low risk.

Other Risks

Incubation business: We conducted a strategic review of our incubation business in Berlin in the reporting period and will integrate selected equity investments into the Group. In this context, ProSiebenSat.1 recognized a provision. Given the implementation of these measures, deviations in earnings from original planning are considered unlikely. At the current time, the ProSiebenSat.1 Group assesses the effects of these deviations and the risk as a whole as low.

Outlook

Opportunity Report

The ProSiebenSat.1 Group's aim is to use the high reach and popularity of its TV stations to expand in the digital business. The potential synergy of TV and digital activities is a basis for growth and simultaneously a competitive advantage for ProSiebenSat.1. In recent years, the Group has systematically gained access to new markets with strong long-term growth prospects and has also increased its independence from the economically sensitive TV advertising market.



Impact of General
Conditions on the
Business Performance,
page 15.

The explanatory notes given on identified growth potential and opportunity management from page 143 of the 2013 Annual Report still apply. Some of these are opportunities whose probability of occurrence we consider so high that we have already included them in our outlook for 2014 and the medium-term targets for 2018. We also report on additional opportunities in the Annual Report, defined as potential future developments or events that could lead to a positive deviation from forecasts or targets for the Company and that have not yet been budgeted for.

Overview of opportunities

	Budgeted growth potential	Additional opportunities
Development of general conditions	<ul style="list-style-type: none"> > TV is the no. 1 medium, the Internet and TV mutually complement each other > Increasing market penetration of pay TV, video-on-demand and HD television 	<ul style="list-style-type: none"> > Economic, regulatory or technological conditions change more rapidly or more favorably than expected
Corporate strategic decisions	<ul style="list-style-type: none"> > Value creation through diversification and especially digitalization 	<ul style="list-style-type: none"> > Expansion of the station portfolio
The Group's economic performance	<ul style="list-style-type: none"> > Adequate price/performance ratio for our ratings > Cost efficiency and potential synergies 	

Future Business and Industry Environment

The momentum of the global economy has lessened somewhat over the course of 2014. The International Monetary Fund (IMF) therefore corrected its global growth forecast to 3.3% in October; in April it had still been 3.6%. The rate of expansion is set to accelerate slightly in the coming year – while still remaining at a modest level – to 3.8%. Within the industrialized nations, significant stimulus is mainly expected from the US economy. The emerging nations are also set to again grow a little more dynamically than in 2014. However, the global economy will remain prone to fluctuation.

The development of the eurozone continues to be a source of uncertainty. After stagnation in the second quarter of 2014, strong growth is also not anticipated in the third or fourth quarters. Geopolitical unrest such as the Ukraine crisis is unsettling companies as well as consumers and slowing the economic upswing. Nevertheless, the current Joint Economic Analysis is projecting moderate real growth of 0.8% for 2014 as a whole. In 2015, however, the economy is expected to accelerate with a real expansion of 1.1% thanks to more investment-friendly financing conditions and a rally in export drive.

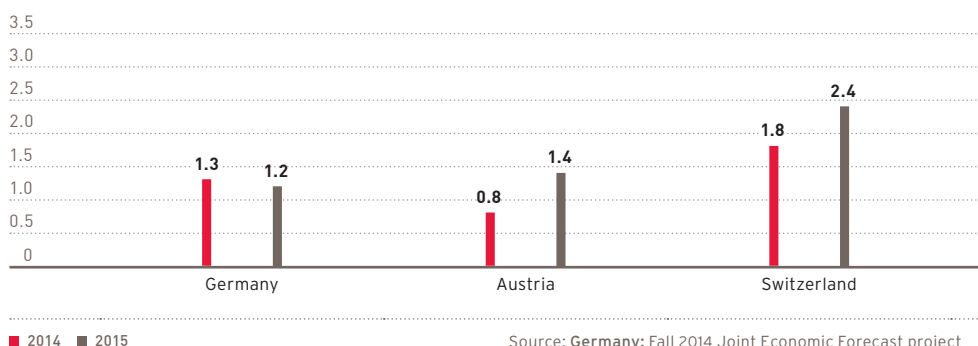
The performance of the German economy has been relatively stable so far. In addition to lower growth impetus from exports, however, the unexpectedly strong investment restraint of companies is having an effect. The uncertainty will presumably remain for the rest of the year, though the general conditions are still favorable, at least for private consumer spending. Against this backdrop, the Joint Economic Analysis group adjusted its more optimistic forecast from the spring downwards by 0.6 percentage points and now anticipates GDP growth of 1.3% in real terms. For 2015 it is forecasting a rise of 1.2%. In particular private consumer spending should stimulate growth (growth contribution: +0.8 percentage points).

Despite a certain cool-down, the general rising trend on the German economy should continue. This would also positively influence the advertising industry. ZenithOptimedia is currently forecasting growth of 3.2% on the German TV advertising market for 2014 as a whole. WARC (World Advertising Research Center) forecasts are also positive at 2.9%. Similarly, the ProSiebenSat.1 Group still anticipates net growth in the low single figures. In addition to supportive economic effects, television is also set to benefit from further structural gains.



Forecasts for real gross domestic product in countries important for ProSiebenSat.1

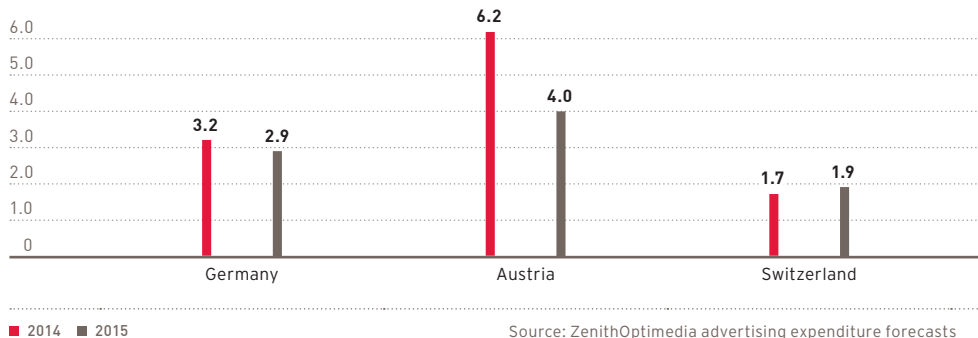
In percent, change vs. previous year



Source: Germany: Fall 2014 Joint Economic Forecast project group, Austria: Fall 2014 Joint Economic Forecast project group, Switzerland: Secretary of State for Economy SECO.

Forecast development of the TV advertising market in countries important for ProSiebenSat.1

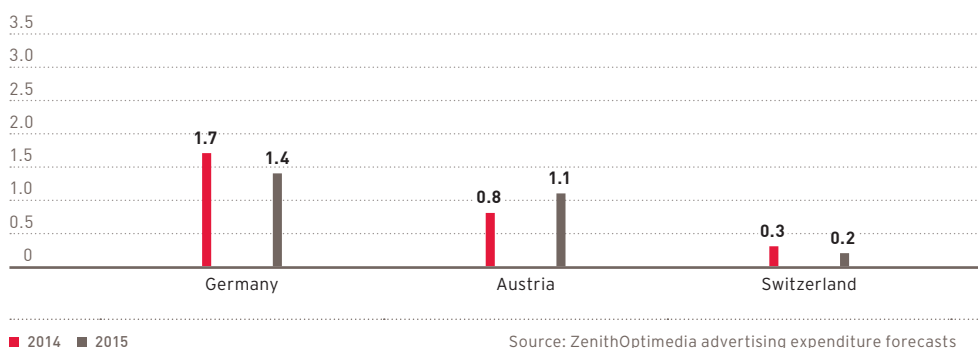
In percent, change vs. previous year



Source: ZenithOptimedia advertising expenditure forecasts September 2014, figures adjusted on a net basis, nonetheless methodological differences between different countries and sources.

Forecast development of the overall advertising market in countries important for ProSiebenSat.1

In percent, change vs. previous year



Source: ZenithOptimedia advertising expenditure forecasts September 2014, figures adjusted on a net basis, nonetheless methodological differences between different countries and sources.

Company Outlook

Given the positive business performance in the third quarter and the good start to the fourth quarter, the Company updated its positive revenue forecast for 2014 on its Capital Markets Day in mid-October: The ProSiebenSat.1 Group is now forecasting an increase in revenues in the high single-digits percentage range for the year as a whole. All segments will contribute to this. Previously, the Company expected consolidated revenues to increase by a mid to high single-digit percentage compared to 2013. In addition, we are confirming our forecast from the 2013 Annual Report: We continue to expect recurring EBITDA to increase by a mid single-digit percentage; for underlying net income, we expect a high single-digit percentage increase over the year as a whole. In addition, we are sticking to the defined target range of 1.5 to 2.5 for the leverage factor.



The ProSiebenSat.1 Group has presented its outlook for the Group and the individual segments in the 2013 Annual Report; we also report on the premises of our planning on pages 151 to 155.

Our revenue target for 2015 – a EUR 800 million increase in consolidated revenues compared to 2010 – is likely to be achieved by the end of this year due to the successful expansion of our growth areas. At the end of the third quarter of 2014, 87.4% of this target had already been achieved. The early achievement of the 2015 growth targets is primarily based on the significant revenue increase in the Digital & Adjacent and Content Production & Global Sales segments. The Broadcasting German-speaking segment is developing as planned and is thus also contributing to the Group's strong performance.



Comparison of Actual and Expected Business Performance, page 14.

The Group also confirmed its medium-term growth targets for 2018 on the Capital Markets Day. By this date, ProSiebenSat.1 is aiming to increase Group revenues by EUR 1 billion compared to 2012. All three segments are ahead of schedule. In future, the Group will also pursue the goal of continuously increasing operating earnings and achieving above-average net profits on the basis of revenue growth. Simultaneously, the ProSiebenSat.1 Group is confirming its profit-oriented dividend policy that foresees an annual distribution of 80% to 90% of underlying net income.

The Company will continue to use its free cash flow also for strategic growth investments. In recent years, the ProSiebenSat.1 Group has expanded its portfolio primarily through smaller acquisitions or media-for-equity respectively media-for-revenue-share partnerships without large cash investments. In future, the Group will also examine opportunities for growth through larger bolt-on acquisitions alone or with partners if they fit from a strategic viewpoint and contribute to the growth of the whole Group. At the same time, the Group is adhering to the above leverage factor range. The ProSiebenSat.1 Group's objective is to participate in the growth of dynamic markets, to establish its own brands there at an early stage and to strengthen the Group's profitability at a high level.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

49	Income Statement
50	Statement of Comprehensive Income
51	Statement of Financial Position
53	Cash Flow Statement
55	Statement of Changes in Equity
56	Notes

Income Statement

Income statement of ProSiebenSat.1 Group

EUR m	Q3 2014	Q3 2013	Q1 – Q3 2014	Q1 – Q3 2013
CONTINUING OPERATIONS				
1. Revenues	637.5	576.9	1,909.7	1,764.5
2. Cost of sales	-356.7	-325.8	-1,069.5	-1,009.5
3. Gross profit	280.8	251.1	840.2	755.0
4. Selling expenses	-79.2	-58.2	-212.4	-159.3
5. Administrative expenses	-84.0	-72.7	-229.7	-204.8
6. Other operating expenses	0.0	-0.2	-3.1	-0.3
7. Other operating income	7.9	5.7	17.7	16.2
8. Operating profit	125.4	125.7	412.7	406.7
9. Interest and similar income	0.4	0.7	1.2	1.7
10. Interest and similar expenses	-22.5	-33.1	-76.5	-100.4
11. Interest result	-22.2	-32.5	-75.3	-98.7
12. Income from investments accounted for using the equity method	0.4	0.7	2.0	3.6
13. Other financial result	-1.1	-3.4	-32.1	-14.6
14. Financial result	-22.9	-35.2	-105.3	-109.7
15. Profit before income taxes	102.5	90.4	307.4	297.0
16. Income taxes	-32.8	-25.1	-95.3	-89.1
17. Profit for the period from continuing operations	69.7	65.4	212.1	207.9
DISCONTINUED OPERATIONS				
18. Result from discontinued operations (net of income taxes)	-2.8	-3.3	-8.7	47.9
PROFIT FOR THE PERIOD	66.9	62.1	203.3	255.9
Attributable to shareholders of ProSiebenSat.1 Media AG	64.5	60.5	196.9	252.7
Non-controlling interests	2.4	1.6	6.4	3.1
EUR				
Earnings per share				
Basic earnings per share	0.30	0.28	0.92	1.19
Diluted earnings per share	0.30	0.28	0.92	1.18
Earnings per share from continuing operations				
Basic earnings per share	0.32	0.30	0.96	0.96
Diluted earnings per share	0.31	0.30	0.96	0.95
Earnings per share from discontinued operations				
Basic earnings per share	-0.01	-0.02	-0.04	0.23
Diluted earnings per share	-0.01	-0.02	-0.04	0.22

Statement of Comprehensive Income

Statement of Comprehensive Income of ProSiebenSat.1 Group

EUR m	Q3 2014	Q3 2013	Q1 – Q3 2014	Q1 – Q3 2013
Profit for the period	66.9	62.1	203.3	255.9
Items subsequently reclassified to profit or loss¹				
Change in foreign currency translation adjustment ²	2.8	-0.3	3.0	-14.9
Changes in fair value of cash flow hedges	64.5	-22.7	74.1	23.2
Deferred tax on other comprehensive income	-18.1	6.4	-20.7	-6.4
Deconsolidation reclassifications	- / -	0.5	16.7	-35.8
Other comprehensive income for the period	49.3	-16.1	73.1	-33.9
Total comprehensive income for the period	116.2	46.0	276.5	221.9
Attributable to Shareholders of ProSiebenSat.1 Media AG	113.7	44.4	270.0	218.7
Non-controlling interests	2.5	1.6	6.4	3.2

- 1 All items recognized in the first nine months of 2014 and in the comparative period will be reclassified to profit or loss in future periods.
2 Includes non-controlling interests from change in foreign currency translation adjustment in Q1–Q3 2014 of 0.0 EUR m (Q1–Q3 2013: 0.1 EUR m) and for Q3 2014

of 0.0 EUR m (Q3 2013: 0.0 EUR m). Furthermore the position includes amounts associated with assets and liabilities held for sale of minus 1.1 EUR m for Q1–Q3 2014 (Q1–Q3 2013: 1.0 EUR m) and 0.0 EUR m for the third quarter 2014 (Q3 2013 -0.3 EUR m).

Statement of Financial Position

Statement of Financial Position of ProSiebenSat.1 Group

EUR m	09/30/2014	12/31/2013	09/30/2013
A. Non-current assets			
I. Intangible assets	1,312.3	1,164.5	1,163.3
II. Property, plant and equipment	210.9	204.8	201.4
III. Investments accounted for using the equity method	36.9	15.9	10.2
IV. Non-current financial assets	150.0	60.9	57.5
V. Programming assets	1,145.0	1,064.6	1,157.3
VI. Non-current tax assets	0.0	0.0	0.0
VII. Other receivables and non-current assets	6.6	4.0	1.8
VIII. Deferred tax assets	12.2	20.7	17.5
	2,873.9	2,535.4	2,609.0
B. Current assets			
I. Programming assets	141.3	137.1	174.1
II. Inventories	1.8	1.3	1.4
III. Current financial assets	42.6	4.8	11.3
IV. Trade receivables	286.9	326.3	253.2
V. Current tax assets	50.4	49.3	51.8
VI. Other receivables and current assets	29.3	37.4	63.0
VII. Cash and cash equivalents	176.8	395.7	204.5
VIII. Assets held for sale	-/-	68.8	100.4
	729.2	1,020.7	859.6
Total assets	3,603.1	3,556.0	3,468.6

Statement of
Financial Position

EUR m	09/30/2014	12/31/2013	09/30/2013
A. Equity			
I. Subscribed capital	218.8	218.8	218.8
II. Capital reserves	589.0	585.7	582.4
III. Consolidated equity generated	-172.2	-55.8	-115.2
IV. Treasury shares	-32.3	-37.6	-38.2
V. Accumulated other comprehensive income from continuing operations	-39.5	-97.0	-88.4
VI. Accumulated other comprehensive income associated with assets and liabilities held for sale	-/-	-15.6	-15.9
VII. Other equity	-27.2	-24.6	-24.2
Total equity attributable to shareholders of ProSiebenSat.1 Media AG	536.6	573.9	519.4
VIII. Non-controlling interests	15.1	10.2	8.5
	551.7	584.1	527.9
B. Non-current liabilities			
I. Non-current financial debt	1,971.6	1,842.0	1,842.0
II. Other non-current financial liabilities	215.5	225.9	239.3
III. Trade payables	18.1	20.6	-/-
IV. Other non-current liabilities	21.1	4.4	8.5
V. Provisions for pensions	17.8	15.5	14.4
VI. Other non-current provisions	4.5	3.8	3.8
VII. Deferred tax liabilities	106.4	81.5	72.5
	2,355.0	2,193.7	2,180.4
C. Current liabilities			
I. Current financial debt	0.0	0.0	100.0
II. Other current financial liabilities	74.1	85.5	75.2
III. Trade payables	366.6	352.5	287.8
IV. Other current liabilities	193.2	223.2	169.4
V. Provisions for taxes	13.5	21.4	18.4
VI. Other current provisions	49.1	55.4	67.0
VII. Liabilities associated with assets held for sale	-/-	40.2	42.6
	696.4	778.3	760.4
Total equity and liabilities	3,603.1	3,556.0	3,468.6

Cash Flow Statement

Cash Flow Statement of ProSiebenSat.1 Group

EUR m	Q3 2014	Q3 2013	Q1 – Q3 2014	Q1 – Q3 2013
Profit from continuing operations	69.7	65.4	212.1	207.9
Profit from discontinued operations (net of income taxes)	-2.8	-3.3	-8.7	47.9
of which gain/loss on the sale of discontinued operations (net of tax)	-3.2	-/-	-14.0	77.0
Profit for the period	66.9	62.1	203.3	255.9
Income taxes	32.8	25.1	95.3	89.1
Financial result	22.9	35.2	105.3	109.7
Depreciation/amortization and impairment of intangible and tangible assets	31.5	22.7	88.8	62.3
Consumption/reversal of impairment of programming assets	183.8	179.6	612.4	602.2
Change in provisions for pensions and other provisions	-2.8	5.3	3.6	32.1
Gain/loss on the sale of assets	-4.3	-2.5	-2.6	-4.8
Other non-cash income/expenses	4.1	6.7	2.6	-2.3
Cash flow from continuing operations	337.8	337.4	1,117.5	1,096.4
Cash flow from discontinued operations	-2.2	0.8	-2.3	95.0
Cash flow total	335.6	338.2	1,115.3	1,191.4
Change in working capital	11.9	-16.6	-22.1	-77.7
Dividends received	0.0	0.0	5.6	5.8
Income tax paid	-33.2	-38.6	-122.2	-103.4
Interest paid	-17.0	-34.1	-73.3	-103.3
Interest received	0.1	0.2	0.3	0.8
Cash flow from financing costs from derivatives	-/-	-/-	-6.3	-/-
Cash flow from operating activities of continuing operations	299.6	248.4	899.6	818.5
Cash flow from operating activities of discontinued operations	-0.3	-2.8	19.6	49.1
Cash flow from operating activities total	299.2	245.5	919.2	867.6
Proceeds from disposal of non-current assets	2.3	3.5	6.3	3.6
Payments for the acquisition of intangible and tangible assets	-24.5	-23.6	-66.1	-59.0
Payments for the acquisition of financial assets	-13.1	-4.4	-44.3	-10.6
Proceeds from disposal of programming assets	1.5	5.3	8.1	9.2
Payments for the acquisition of programming assets	-237.6	-188.6	-706.9	-677.7
Payments for loans to associated companies	0.0	-/-	0.0	-/-
Cash flow from loans to Group companies - not consolidated	-/-	-0.6	-/-	-2.6
Cash flow from loans to other investments	1.0	-0.3	-0.2	-0.3
Cash flow for the issuance of loans to external parties	-1.0	-/-	-5.8	-/-
Cash flows from obtaining control of subsidiaries or other business (net of cash and cash equivalents acquired)	-2.0	-1.5	-107.9	-55.7
Cash flows from losing control of subsidiaries or other business (net of cash and cash equivalents disposed of)	0.0	-1.9	-3.5	-1.8
Cash flow from investing activities of continuing operations	-273.5	-212.0	-920.4	-794.9
Cash flow from investing activities of discontinued operations	1.2	-8.9	-22.8	1,198.8
of which proceeds from disposal of discontinued operation (net of cash disposed of)	4.0	-/-	-6.4	1,312.3
Cash flow from investing activities total	-272.3	-220.9	-943.2	404.0
Free cash flow of continuing operations	26.0	36.4	-20.8	23.7
Free cash flow of discontinued operations	0.9	-11.8	-3.1	1,247.9
Free cash flow	26.9	24.6	-24.0	1,271.6

Cash Flow Statement

Cash Flow Statement of ProSiebenSat.1 Group

EUR m	Q3 2014	Q3 2013	Q1 – Q3 2014	Q1 – Q3 2013
Free Cash flow (amount carried over from page 53)	26.9	24.6	-24.0	1,271.6
Dividends paid	-/-	-1,201.4	-313.4	-1,201.4
Repayment of interest-bearing liabilities	0.0	-200.7	-459.8	-931.5
Proceeds from issuance of interest-bearing liabilities	-/-	300.6	600.0	300.6
Repayment of finance lease liabilities	-2.6	-2.4	-7.4	-7.3
Proceeds from the sale of treasury shares	3.5	0.3	5.3	9.1
Repurchase of treasury shares	-/-	0.0	-/-	-/-
Payments for shares in other entities without change in control	0.0	-0.6	-0.2	-1.4
Proceeds from the issue of share capital from non-controlling interests	0.0	0.0	0.0	0.0
Payments in connection with refinancing measures	0.1	0.0	-23.7	-6.3
Dividend payments to non-controlling interests	-1.0	-2.8	-6.4	-10.0
Cash flow from financing activities of continuing operations	0.1	-1,106.9	-205.6	-1,848.2
Cash flow from financing activities of discontinued operations	0.0	0.0	0.0	-2.3
Cash flow from financing activities total	0.1	-1,106.9	-205.6	-1,850.5
Effect of foreign exchange rate changes of continuing operations on cash and cash equivalents	1.2	-1.0	2.1	-1.5
Effect of foreign exchange rate changes of discontinued operations on cash and cash equivalents	0.0	-0.1	-0.3	-2.1
Change in cash and cash equivalents total	28.2	-1,083.4	-227.7	-582.4
Cash and cash equivalents at beginning of reporting period	148.5 ¹	1,293.6 ¹	404.5 ¹	792.6 ¹
Cash and cash equivalents at end of reporting period	176.8	210.2¹	176.8	210.2¹
Cash and cash equivalents classified under assets held for sale at end of reporting period	-/-	5.7	-/-	5.7
Cash and cash equivalents of continuing operations at end of reporting period (statement of financial position)	176.8	204.5	176.8	204.5

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

Statement of Changes in Equity

Statement of Changes in Equity

Statement of Changes in Equity of ProSiebenSat.1 Group

EUR m	Subscribed capital	Capital reserves	Consolidated equity generated	Treasury shares	Accumulated other comprehensive income					Other equity	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	Valuation of provisions for pensions	De-ferred taxes					
December 31, 2012 - reported	218.8	581.6	829.6	-47.4	36.6	-142.9	-/-	39.9	-20.5	1,495.9	5.0	1,500.9	
Adjustment from the adoption of IAS 19 (2011)	-/-	-/-	3.8	-/-	-/-	-/-	-5.3	1.5	-/-	0.0	-/-	0.0	
December 31, 2012 - adjusted	218.8	581.6	833.4	-47.4	36.6	-142.9	-5.3	41.4	-20.5	1,495.8	5.0	1,500.8	
Profit for the period	-/-	-/-	252.7	-/-	-/-	-/-	-/-	-/-	-/-	252.7	3.1	255.9	
Other comprehensive income¹	-/-	-/-	-/-	-/-	-15.0	23.2	-/-	-6.4	-/-	1.7	0.1	1.8	
Deconsolidation reclassifications	-/-	-/-	-/-	-/-	-36.8	1.4	-/-	-0.4	-/-	-35.8	-/-	-35.8	
Total comprehensive income	-/-	-/-	252.7	-/-	-51.8	24.6	-/-	-6.8	-/-	218.7	3.2	221.9	
Dividends paid	-/-	-/-	-1,201.4	-/-	-/-	-/-	-/-	-/-	-/-	-1,201.4	-10.0	-1,211.3	
Share-based payments	-/-	0.8	-/-	9.1	-/-	-/-	-/-	-/-	-/-	9.9	-/-	9.9	
Other changes	-/-	0.0	0.0	-/-	0.0	-/-	-/-	-/-	-3.7	-3.7	10.2	6.5	
September 30, 2013	218.8	582.4	-115.2	-38.2	-15.2	-118.3	-5.3	34.6	-24.2	519.4	8.5	527.9	

1 Excluding effects from deconsolidation which are shown separately.
Includes amounts associated with assets and liabilities held for sale from foreign currency translation (1.0 EUR m).

Statement of Changes in Equity of ProSiebenSat.1 Group

EUR m	Subscribed capital	Capital reserves	Consolidated equity generated	Treasury shares	Accumulated other comprehensive income					Other equity	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	Valuation of provisions for pensions	De-ferred taxes					
December 31, 2013	218.8	585.7	-55.8	-37.6	-16.9	-126.8	-6.2	37.2	-24.6	573.9	10.2	584.1	
Profit for the period	-/-	-/-	196.9	-/-	-/-	-/-	-/-	-/-	-/-	196.9	6.4	203.3	
Other comprehensive income ¹	-/-	-/-	-/-	-/-	3.0	74.1	-/-	-20.7	-/-	56.4	0.0	56.4	
Deconsolidation reclassifications	-/-	-/-	-/-	-/-	16.7	-/-	-/-	-/-	-/-	16.7	-/-	16.7	
Total comprehensive income	-/-	-/-	196.9	-/-	19.7	74.1	-/-	-20.7	-/-	270.0	6.4	276.5	
Dividends paid	-/-	-/-	-313.4	-/-	-/-	-/-	-/-	-/-	-/-	-313.4	-6.4	-319.8	
Share-based payments	-/-	3.3	-/-	5.3	-/-	-/-	-/-	-/-	-/-	8.6	-/-	8.6	
Other changes	-/-	-/-	0.0	-/-	-/-	-/-	-/-	-/-	-2.5	-2.5	4.8	2.3	
September 30, 2014	218.8	589.0	-172.2	-32.3	2.9	-52.7	-6.2	16.5	-27.2	536.6	15.1	551.7	

1 Excluding effects from deconsolidation which are shown separately.
Includes amounts associated with assets and liabilities held for sale from foreign currency translation (-1.1 EUR m).

Notes

- 1 General information
- 2 Accounting principles

Notes to the Interim Financial Statements of ProSiebenSat.1 Group at September 30, 2014

1**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 Media AG and its subsidiaries (the “Company”, “ProSiebenSat.1 Group”, “Group”) is one of Europe’s leading media companies. Its core business consists of advertising-financed television. Additionally, the portfolio of ProSiebenSat.1 Media AG includes activities in adjacent business areas such as online video, online games, ventures and commerce, travel, music and the development, production and worldwide distribution of programs. Moreover, the Group generates distribution revenues from the sale of its HD and basic Pay TV stations.

2**Accounting principles**

The interim consolidated financial statements of the ProSiebenSat.1 Group as of and for the period ended September 30, 2014, were prepared in accordance with IAS 34 “Interim Financial Reporting”.

The interim consolidated financial statements have been prepared in euros, in accordance with IFRS as endorsed by the EU. Unless specifically indicated otherwise, all amounts are presented in millions of euro (EUR m). The presentation reflects the continuing operations of the ProSiebenSat.1 Group unless specifically stated otherwise. The figures for the previous year were presented on a comparable basis. Due to rounding, it is possible that individual figures presented in these interim consolidated financial statements do not add exactly to the totals shown and that percentage figures presented do not exactly reflect the absolute figures they relate to. Change rates are presented using a business perspective: Improvements are shown with a plus (+), declines with a minus (-). 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 as of and for the financial year ended December 31, 2013, and the associated explanatory notes contained therein, as published by ProSiebenSat.1 Media AG on March 17, 2014.

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 core business is subject to strong seasonal fluctuations. The ProSiebenSat.1 Group usually generates a disproportionately high share of its annual advertising revenues from the TV business in the fourth quarter, because both propensity to spend and television use tend to rise significantly during the Christmas season. The results for the first nine months of the financial year 2014 therefore 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 presentation and measurement of assets and liabilities, income and expenses. In individual cases, the actual values may differ from these assumptions and estimates.

3**Accounting policies**

The accounting policies applied in the interim consolidated financial statements as of and for the period ended September 30, 2014, are the same as for the consolidated financial statements for the financial year 2013, except for the changes outlined below. For further information on the accounting policies applied, please refer to the consolidated financial statements as of and for the financial year ended December 31, 2013 (Annual Report 2013, pages 184-198), which form the basis for these interim financial statements.

ProSiebenSat.1 Group has applied several new accounting standards or amendments to existing accounting standards that are required to be applied from the 2014 financial year. Of these, the “package” of five standards on group accounting published by the IASB in May 2011 had to be primarily considered :

- IFRS 10 “Consolidated Financial Statements”
- IFRS 11 “Joint Arrangements”
- IFRS 12 “Disclosure of Interests in Other Entities”
- Amended IAS 27 “Separate Financial Statements”
- Amended IAS 28 “Investments in Associates and Joint Ventures”

The following standards mandatorily applicable for the first time from the financial year 2014 onwards have also been applied:

- Amendment to IAS 32 “Financial Instruments: Presentation”
- Amendment to IAS 36 “Impairment of Assets”
- Amendment to IAS 39 regarding “Novation of Derivatives and Continuation of Hedge Accounting”
- IFRIC 21 “Levies”

IFRS 10 “Consolidated Financial Statements” replaces those parts of IAS 27 “Consolidated and Separate Financial Statements” relating to consolidated financial statements as well as the interpretation SIC-12 “Consolidation – Special Purpose Entities”. IFRS 10 harmonizes the basis for determining the scope of consolidation by redefining the term “control”. This is based on whether an investor has power over the relevant activities of an investee, is exposed to positive and negative variable returns from the investee and is able to affect the amount of the variable returns on the basis of its power.

Accounting for joint arrangements under joint control of several investors is regulated in **IFRS 11 “Joint Arrangements”**. IFRS 11 replaces IAS 31 “Interests in Joint Ventures”. According to IFRS 11, joint arrangements are to be assessed based on the rights and obligations of the involved parties. In contrast to the previous requirements, there are now only two types of joint arrangements: “joint operations” and “joint ventures”. Under IFRS 11, the latter are generally accounted for using the equity method. The option under IAS 31 to apply proportionate consolidation is eliminated.

IFRS 12 “Disclosure of Interests in Other Entities” contains disclosure requirements related to interests held in subsidiaries, joint arrangements, associates and/or non-consolidated so-called “structured entities” and the risks resulting from such interests. Disclosures prescribed in IFRS 12 are more extensive than under previous standards, in some cases significantly.

Notes

3 Accounting policies

IFRS 10 to 12 were adopted into European law on December 29, 2012, and have to be applied for financial years beginning on or after January 1, 2014.

In June 2012 the IASB issued **changed transition guidance for IFRS 10 to 12**. The changes clarify the transition guidance in IFRS 10 and provide additional relief in all three standards. In particular, this includes limiting the disclosure of adjusted comparative figures to the directly preceding comparative period at initial application. The changed transition guidance was endorsed for use in the European Union on April 5, 2013, and is mandatory for financial years beginning on or after January 1, 2014. Furthermore, the IASB published **limited amendments to IFRS 10, IFRS 12 and IAS 27** for investment entities in October 2012, which were adopted in European law on November 21, 2013, and are also applicable for reporting periods starting on or after January 1, 2014.

The retrospective application of IFRS 10 and IFRS 11 in the current version to January 1, 2013 (reporting date of the comparative 2013 year), had no effect on the Group. Moreover, the application of IFRS 10 did not change the accounting assessment for acquisitions of control in financial year 2013. As ProSiebenSat.1 Group already accounted for investments in joint ventures using the equity method under IAS 31, the first-time application of IFRS 11 had no impact on earnings, financial position and performance of the Group. The provisions of IFRS 12 have no effect on the interim consolidated financial statements as of and for the period ended September 30, 2014. ProSiebenSat.1 Group expects the effects on the consolidated financial statements for the financial year 2014 to be immaterial.

As a result of the publication of IFRS 10 to 12, IAS 27 **“Consolidated and Separate Financial Statements”** and IAS 28 **“Investments in Associates”** were amended so that the requirements therein relate primarily to the accounting for investments in subsidiaries, joint ventures and associates in the IFRS separate financial statements of the investor. This has been emphasized by renaming the standards IAS 27 **“Separate Financial Statements”** and IAS 28 **“Investments in Associates and Joint Ventures”** respectively. The amended IAS 27 and IAS 28 were adopted into European law on December 29, 2012, and have to be applied for financial years beginning on or after January 1, 2014. The initial application had no impact on the earnings, financial position and performance of the Group.

In December 2011, the IASB issued amendments to IAS 32 **“Financial Instruments: Presentation”** regarding the offsetting of financial assets and liabilities. The requirements remain essentially unchanged, only the application guidance has been amended. The amendments were adopted into European law on December 29, 2012, and are applicable for the first time for financial years beginning on or after January 1, 2014. This did not have any impact on the presentation of the earnings, financial position and performance of the Group.

As a result of the amendment to IAS 36 **“Impairment of Assets”** published in May 2013 regarding disclosures on the recoverable amount of non-financial assets, the recoverable amount shall only be disclosed in the future if an impairment or reversal of impairment has occurred in the current period. The amendment was adopted into European law on December 20, 2013, and is applicable for the first time for financial years beginning on or after January 1, 2014. The initial application had no impact on the earnings, financial position and performance of the ProSiebenSat.1 Group.

Notes

3 Accounting policies

In June 2013 the IASB published the amendment to IAS 39 “**Novation of Derivatives and Continuation of Hedge Accounting**”. Due to this amendment to IAS 39, a novation of a hedging instrument to a central counterparty as a consequence of legal requirements does not result in the dissolution of a hedging relationship provided certain criteria are met. The amendment was adopted into European law on December 20, 2013; its first-time application is mandatory for financial years beginning on or after January 1, 2014. This did not have any impact on the earnings, financial position and performance of the Group.

IFRIC 21 “**Levies**” was published by the IASB in May 2013 and includes regulations for accounting for obligations to pay public levies that are not charges as defined by IAS 12 “Income Taxes.” The interpretation was adopted into European law on June 14, 2014, and is applicable at the latest for financial years beginning on or after June 17, 2014; early application is possible on a voluntary basis. The initial application had no impact on the earnings, financial position and performance of the Group.

In addition to the changes outlined above, new or revised accounting standards have been issued by the IASB and the IFRS IC. These have not been applied in the interim consolidated financial statements as of and for the period ended September 30, 2014, as their application is not yet mandatory, they have not yet been endorsed by the European Commission or are not relevant to the ProSiebenSat.1 Group:

- Amendment to IAS 16 “Property, Plant and Equipment” and IAS 38 “Intangible Assets” to clarify acceptable depreciation and amortization methods
- Amendment to IAS 16 “Property, Plant and Equipment” and IAS 41 “Agriculture” relating to accounting for bearer plants
- IAS 19 “Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)”
- IAS 27 “Equity Method in Separate Financial Statements (Amendment to IAS 27)”
- IFRS 9 “Financial Instruments”
- IFRS 10/IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)” to clarify that, in transactions with associates or joint ventures, the extent to which a gain or loss is recognized is dependent on whether the assets sold or contributed constitute a business
- Amendment to IFRS 11 “Joint Arrangements” to clarify accounting for acquisitions of interests in joint operations
- IFRS 14 “Regulatory Deferral Accounts”
- IFRS 15 “Revenue from Contracts with Customers”
- Amendments as part of the “Annual Improvement Project 2010-2012”, the “Annual Improvement Project 2011-2013” and the “Annual Improvement Project 2012-2014”

ProSiebenSat.1 Group currently expects these standards and interpretations, with the exception of IFRS 9 and IFRS 15, to be of subordinate importance to the earnings, financial position and performance of the Group. ProSiebenSat.1 Group is analyzing these standards on an ongoing basis; however, possible impacts cannot be quantified at this stage.

4**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 nine months of the financial year 2014:

Consolidated Subsidiaries

	Germany	Other countries	Total
Included at December 31, 2013	63	73	136
Additions	6	5	11
Disposals	-4	-13	-17
Included at September 30, 2014	65	65	130

ProSiebenSat.1 Media AG directly or indirectly holds a majority of voting rights or can otherwise control the relevant activities of the companies concerned.

17 (December 31, 2013: 19) subsidiaries with suspended or only minor business activities, which both alone and together are only of subordinate importance for presenting a true and fair view of the earnings, financial position and performance as well as cash flow of ProSiebenSat.1 Group, are not included in the scope of consolidation. As no active market exists for these companies and their fair values cannot be reliably measured, they are recognized in the consolidated financial statements at cost, where necessary including impairment.

In addition to the fully consolidated entities, 21 associates (December 31, 2013: 15) and three joint ventures (December 31, 2013: two) were accounted for using the equity method as of September 30, 2014. Associates are entities over which ProSiebenSat.1 Media AG has significant influence, but which are neither subsidiaries nor joint ventures. Joint ventures are entities that are jointly controlled with other entities.

Acquisitions in the first nine months of financial year 2014**Acquisition of COMVEL GmbH**

By contract dated December 4, 2013, and effective as of January 7, 2014, ProSiebenSat.1 Group, via the Group company ProSieben Travel GmbH, Unterföhring, acquired 100.0% of the shares in and thus control over COMVEL GmbH. The company, which is based in Munich, operates the travel websites "weg.de" and "ferien.de" and is one of Germany's most successful online travel agencies. A cash purchase price of EUR 40.8 million was paid for the shares acquired. With this acquisition, ProSiebenSat.1 Group has further expanded its activities in the e-commerce business. The company was allocated to the Digital & Adjacent segment (see Note 6 "Segment Reporting"). For materiality reasons, the company was initially consolidated in March 2014 including its revenues and results from January 2014.

The following table illustrates the provisional financial impact of this business combination on the consolidated financial statements of the ProSiebenSat.1 Group at the acquisition date. In comparison to the values reported as of March 31, 2014, marginal effects have arisen from a retroactive merger of a COMVEL GmbH subsidiary. Only the items of the statement of financial position showing values are presented:

Notes

4 Scope of consolidation

Acquisition COMVEL GmbH

EUR m	Carrying amounts at acquisition	Step Up	Fair value at acquisition
Intangible assets	1.5	31.7	33.2
Property, plant and equipment	0.1	-/-	0.1
Deferred tax assets	1.6	-/-	1.6
Non-current assets	3.2	31.7	34.9
Trade receivables	0.8	-/-	0.8
Other current receivables and other assets	0.2	-/-	0.2
Cash and cash equivalents	1.4	-/-	1.4
Current assets	2.4	-/-	2.4
Deferred tax liabilities	-/-	10.6	10.6
Non-current liabilities and provisions	-/-	10.6	10.6
Trade payables	3.0	-/-	3.0
Other liabilities	1.0	-0.6	0.5
Current liabilities and provisions	4.1	-0.6	3.5
Total net assets	1.5	21.6	23.1
Purchase price per IFRS 3			40.8
Goodwill			17.7

The goodwill identified, which is not deductible for tax purposes, primarily represents strategic synergy and development potential. These mainly relate to synergies of the acquired company's activities with those of the Group's Digital & Adjacent segment (see Note 6 "Segment Reporting").

The intangible assets identified in connection with the purchase price allocation primarily comprise the brand and internet domain "weg.de" with a fair value of EUR 19.7 million and an indefinite useful life. In addition, this item includes advantageous contractual relationships in the field of marketing with a fair value of EUR 7.1 million and a useful life of three years, customer relationships of EUR 3.7 million with a useful life of five years and the order backlog with a fair value of EUR 1.2 million and a useful life of one year. The brand was valued using the relief-from-royalty method. Customer relationships and the order backlog were valued on the basis of the multi-period excess earnings method. The advantageous contract relationships were valued using the incremental income method. Deferred tax liabilities of EUR 10.6 million were recognized relating to the intangible assets recognized separately from goodwill. The intangible assets identified in connection with the purchase price allocation at COMVEL GmbH were measured by independent external appraisers.

The carrying amounts of the receivables and other assets acquired equal their fair values.

Since the initial consolidation at the beginning of January 2014, the company has contributed revenues of EUR 14.7 million, operating expenses of EUR 15.1 million and earnings after taxes of minus EUR 4.1 million to the Group.

Acquisition of Half Yard Productions LLC

By sale and purchase agreement of February 26, 2014, and effective February 27, 2014, ProSiebenSat.1 Group, via the Group company Red Arrow International Inc., Los Angeles, USA, acquired 65.0 % of the shares in and thus control over Half Yard Productions LLC, Bethesda, USA.

Notes

4 Scope of consolidation

The company produces factual entertainment formats (docu-soaps, docu-dramas or real life programs) and is allocated to the Content Production & Global Sales segment (see Note 6 “Segment Reporting”). The acquisition strengthens the Group’s international market position in the area of TV production. The company was initially consolidated in March 2014.

A cash purchase price of USD 25.0 million (EUR 18.1 million) was paid for the shares acquired. Furthermore, the Group agreed a put option for the purchase of the remaining shares with the non-controlling shareholders. This was recognized as a financial liability at the fair value of USD 18.0 million (EUR 13.1 million) as of the acquisition date, as ProSiebenSat.1 Group has an unconditional obligation to meet the terms of the put option on exercise. Because of this assumed present ownership, non-controlling interests have not been recognized in the Group’s financial statements. The carrying amount of this liability was USD 18.6 million (EUR 14.6 million) at the reporting date. In addition, an earn-out payment was agreed with the seller. The fair value of the earn-out component was USD 5.6 million (EUR 4.1 million) at the contract signing date. The carrying amount of this liability was USD 5.8 million (EUR 4.5 million) as of September 30, 2014.

The following table illustrates the provisional financial impact of this business combination on the consolidated financial statements of the ProSiebenSat.1 Group at the acquisition date. It only contains those items of the statement of financial position showing values:

Acquisition Half Yard Productions LLC

EUR m	Carrying amounts at acquisition	Step Up	Fair value at acquisition
Intangible assets	-/-	21.4	21.4
Property, plant and equipment	0.7	-/-	0.7
Non-current assets	0.7	21.4	22.1
Trade receivables	2.5	-/-	2.5
Other current receivables and other assets	0.2	-/-	0.2
Cash and cash equivalents	1.5	-/-	1.5
Current assets	4.2	-/-	4.2
Trade payables	1.7	-/-	1.7
Other liabilities	1.4	-/-	1.4
Current liabilities and provisions	3.1	-/-	3.1
Total net assets	1.8	21.4	23.2
Purchase price per IFRS 3			35.4
Goodwill			12.2

The goodwill identified primarily represents strategic synergy potential in the Content Production & Global Sales segment (see Note 6 “Segment Reporting”), especially the area of program production, and is fully tax deductible. The amortization for tax purposes takes place over a period of 15 years.

The intangible assets identified in connection with the purchase price allocation comprise customer relationships with a fair value of USD 15.1 million (EUR 11.0 million) and a useful life of 15 years, non-compete agreements with a fair value of USD 11.7 million (EUR 8.5 million) and a useful life of nine years, the order backlog with a fair value of USD 1.5 million (EUR 1.1 million) and a useful life of one year and shows currently in production with a fair value of USD 0.9 million (EUR 0.7 million) and a useful life of five years. Customer relationships, the order backlog and the shows in production were valued on the basis of the multi-period excess earnings

method. The non-compete agreements were valued using the incremental income method. The intangible assets identified in connection with the purchase price allocation at Half Yard Productions LLC were measured by independent external appraisers.

The carrying amounts of the receivables and other assets acquired equal their fair values.

The inclusion of the company in the consolidated financial statements from the beginning of the financial year to the initial consolidation in March 2014 would have had the following impact on the earnings, financial position and performance of ProSiebenSat.1 Group: Revenues USD 3.3 million (EUR 2.4 million), operating expenses USD 3.2 million (EUR 2.3 million), profit USD 0.1 million (EUR 0.1 million). Since the initial consolidation, the company has contributed revenues of USD 17.5 million (EUR 12.9 million), operating expenses of USD 15.3 million (EUR 11.3 million) and earnings after taxes of USD 2.0 million (EUR 1.5 million) to the Group.

Acquisition of Aeria Games Europe GmbH

By contract dated February 19, 2014, and effective April 1, 2014, ProSiebenSat.1 Media AG, via the Group company ProSiebenSat.1 Games GmbH, Unterföhring, acquired a 100.0% stake in and thus control of Aeria Games Europe GmbH, Berlin, a subsidiary of Aeria Games & Entertainment, Inc., Santa Clara, USA. Previous to the acquisition, assets which are subject of the contribution agreement between ProSiebenSat.1 Group and Aeria Games & Entertainment, Inc., were transferred into the Aeria Games Europe GmbH, Berlin. The company provides on-line multiplayer and mobile games and is allocated to the Digital & Adjacent segment (see Note 6 "Segment Reporting"). The acquisition strengthens ProSiebenSat.1 Group's Games activities. The cash purchase price was USD 40.0 million (EUR 29.0 million as of the acquisition date), payable in two tranches. The first tranche of USD 20.0 million (EUR 14.5 million) was paid on March 31, 2014. Taking a purchase price adjustment clause into account, the second purchase price tranche of a further USD 20.0 million (EUR 14.5 million as of the acquisition date) had been partially settled in the amount of USD 0.8 million (EUR 0.6 million as of the acquisition date) by July 29, 2014.

In addition, an earn-out payment (in euro) was agreed with the seller. On the date the contract was signed, the fair value of the earn-out component was EUR 7.4 million. The fair value of this liability was EUR 1.0 million as of the reporting date.

The following table illustrates the preliminary financial impact of this business combination on the consolidated financial statements of ProSiebenSat.1 Group. It contains only those items of the statement of financial position showing values:

Notes

4 Scope of consolidation

Acquisition Aeria Games Europe GmbH

EUR m	Carrying amounts at acquisition before contribution	Fair value adjustment in the context of contribution	Step Up	Fair value at acquisition
Intangible assets	4.3	13.3	-/-	17.6
Property, plant and equipment	0.5	-/-	-/-	0.5
Non-current assets	4.8	13.3	-/-	18.1
Trade receivables	1.6	-/-	-/-	1.6
Other current receivables and other assets	0.1	-/-	-/-	0.1
Cash and cash equivalents	0.1	-/-	-/-	0.1
Current assets	1.8	-/-	-/-	1.8
Trade payables	1.5	-/-	-/-	1.5
Other provisions	0.1	-/-	-/-	0.1
Other liabilities	0.7	-/-	-/-	0.7
Current liabilities and provisions	2.4	-/-	-/-	2.4
Total net assets	4.2	13.3	-/-	17.5
Purchase price per IFRS 3				35.9
Goodwill				18.4

In the context of the restated measurement of the assets acquired, there have been changes in intangible assets, purchase price and goodwill compared to the provisional figures reported in previous quarters.

The goodwill identified primarily represents strategic synergy and development potential in the Digital & Adjacent segment and is fully tax-deductible. The amortization for tax purposes takes place over a period of 15 years. The intangible assets identified and adjusted are primarily games licenses with a fair value of EUR 14.4 million and a finite useful life, which are depending on the game, ranges between one and a maximum of six years. Furthermore, in connection with the purchase price allocation, the following intangible assets were identified and measured at fair value: Internally generated software relating to the online gaming portal of EUR 1.6 million with a useful life of three years; the brand respectively the domains "aeria-games.com" and "aeriagames.de" with a fair value of EUR 1.5 million and an assumed useful life of 15 years. License rights for online games and brands are valued using the relief-from-royalty method. A cost-oriented valuation technique was used valuing the online platform. The intangible assets identified in connection with the purchase price allocation at Aeria Games Europe GmbH were measured by independent appraisers.

In the context of the transaction structure, the above fair value step-ups were already recognized in the opening statement of financial position of the acquired company. This is because, on the basis of the contribution agreement, all assets were transferred to the target company at fair value as of the acquisition date. Thus, there were no fair value adjustments.

The carrying amount of trade receivables and other assets acquired equals their fair value.

The inclusion of the company in the consolidated financial statements from the beginning of the financial year to the initial consolidation in April 2014 would have had the following impact on the earnings, financial position and performance of ProSiebenSat.1 Group: Revenues EUR 3.7 million, operating expenses EUR 3.3 million, earnings after taxes EUR 0.3 million. Since the initial consolidation, the company has contributed revenues of EUR 19.2 million, operating expenses of EUR 19.1 million and earnings after taxes of minus EUR 2.8 million to the Group.

Due to the fact that the ProSiebenSat.1 Group, by virtue of its position as majority shareholder, controls the relevant activities of the above companies, is exposed to variable returns and can affect the latter on the basis of its power, these subsidiaries have been included and fully consolidated in the consolidated financial statements since the date control was acquired.

There were no acquisitions of subsidiaries with a material impact on the earnings, financial position and performance of the Group in the first nine months of financial year 2014.

Put option for outstanding shares in wetter.com AG

By contract of March 23, 2012, ProSiebenSat.1 Media AG, via the Group company ProSiebenSat.1 Digital GmbH, Unterföhring, (ProSieben Travel Holding GmbH, Unterföhring, is now the majority shareholder) granted a put option for the remaining 27.0% of shares in its subsidiary wetter.com AG to the non-controlling shareholders. The option had a fair value of EUR 19.1 million as of the contract date and was recognized as a financial liability, as ProSiebenSat.1 Group has an unconditional obligation to meet the terms of the put option on exercise. On the payment date of April 1, 2014, the carrying amount of the put option was EUR 22.5 million. EUR 22.5 million was paid.

Discontinued operations

By signing contracts on December 20 (Hungary) and December 19 and 23, 2013 (Romania), the ProSiebenSat.1 Group sold its Central and Eastern European TV and radio stations. The transactions reflected an aggregate enterprise value of EUR 32.3 million of which an amount of EUR 14.7 million is allocated to the Hungarian companies and the remaining enterprise value is allocated to the Romanian entities. The disposal serves to sharpen the strategic focus on German-speaking television, the international program production and distribution business, and digital and adjacent business activities.

Sale of the Hungarian operations

The Hungarian television stations TV2, FEM 3, PRO4 and Super TV2 were acquired by their management team in a management buyout. The transaction was formally and legally completed on February 25, 2014. The companies sold were deconsolidated as of this date because of the loss of control that occurred as a part of the transaction. The sale had the following impact on the earnings, financial position and performance of the Group:

Notes

4 Scope of consolidation

Impact of deconsolidation on the Group

EUR m	Carrying amounts at the date of sale
Intangible assets	1.2
Property, plant and equipment	3.0
Programming assets	10.2
Other assets, including deferred taxes	9.6
Cash and cash equivalents	10.3
Foreign currency effects recognized in other comprehensive income	16.7
Provisions	-6.6
Other liabilities	-20.9
Net Assets	23.6
Purchase price	14.7
Purchase price (cash)	0.5
Outstanding receivable	14.2
Costs to sell ¹	-0.4
Purchase price less cost to sell	14.3
Purchase price (cash)	0.5
Cash and cash equivalents disposed	-10.3
Net cash outflow on sale	-9.8
Result from deconsolidation	-9.3
1 Costs to sell of EUR 5.7 million have been fully recognized in profit or loss in the financial year 2013.	

The loss on deconsolidation recognized in the result from discontinued operations resulting from the sale of the subsidiaries amounted to EUR 9.3 million. This amount is fully attributable to the shareholders of ProSiebenSat.1 Media AG.

On the deconsolidation date, foreign currency rate effects of EUR 16.7 million attributable to the Hungarian entities were reclassified from other comprehensive income to profit or loss.

In addition to a cash component of EUR 0.5 million already settled in the first quarter of 2014, the purchase price of EUR 14.7 million includes a loan to finance the purchase price with a nominal amount of EUR 15.5 million, maturing on December 31, 2016. The present value of the receivable amounted to EUR 14.2 million as of the deconsolidation date. As of September 30, 2014, the receivable was valued at EUR 14.4 million.

In connection with the sale of the Hungarian subsidiaries, the ProSiebenSat.1 Group agreed a credit facility of EUR 9.0 million with the buyers. The ProSiebenSat.1 Group also guarantees existing license agreements with a total obligation of approximately EUR 36 million.

Sale of Romanian operations

By sale and purchase agreement of December 19, 2013, and effective on April 2, 2014, the Romanian entrepreneur, Cristian Burci, acquired the TV station Prima TV. The following table shows the impact from the disposal of the affected Romanian subsidiaries, SBS Broadcasting

Notes

4 Scope of consolidation

Media S.R.L. and Prime Time Productions S.R.L. The impact from the resulting loss of control on April 2, 2014, on the earnings, financial position and performance of the ProSiebenSat.1 Group is based on the figures on the deconsolidation date:

Impact of deconsolidation on the Group

EUR m	Carrying amounts at the date of sale
Intangible assets	1.2
Property, plant and equipment	0.2
Programming assets	13.0
Other assets, including deferred taxes	4.8
Cash and cash equivalents	0.6
Provisions	-0.4
Deferred tax liabilities	-0.1
Other liabilities	-8.3
Net Assets	11.2
Purchase price	10.2
Thereof outstanding receivable	10.2
Costs to sell ¹	-0.5
Purchase price less cost to sell	9.7
Cash and cash equivalents disposed	-0.6
Net cash outflow on sale	-0.6
Result from deconsolidation	-1.5

1 Costs to sell of EUR 2.1 million have been fully recognized in profit or loss in the financial year 2013.

The deconsolidation impact is reported in the result from discontinued operations and is fully attributable to the shareholders of ProSiebenSat.1 Media AG.

The measurement of the deconsolidation impact includes the purchase price receivable from the sale of Prima TV with a market value of EUR 10.2 million. This is unchanged as of September 30, 2014. The calculation of the fair value is based on an option pricing model (see Note 9 "Financial instruments"). The ProSiebenSat.1 Group agreed an earn-out payment with the buyer. Thus, the Group participates in the potential proceeds from a future disposal of these shares up to December 31, 2020. After this date, feigning a disposal has been agreed contractually so that ProSiebenSat.1 Group then participates in formula-based exit proceeds. These proceeds will reflect the earnings of the company, taking into account fixed minimum value.

Notes

4 Scope of consolidation

Television channel Kiss TV and radio stations Kiss FM, Magic FM, One FM and Rock FM were sold by purchase agreement dated December 23, 2013, and effective August 4, 2014, to the Greek Antenna Group, Southeast Europe's leading media group. The companies sold were deconsolidated as of this date due to the loss of control entailed by the transaction. The sale had the following impact on the earnings, financial position and performance of the Group:

Impact of deconsolidation on the Group

EUR m	Carrying amounts at the date of sale
Intangible assets	0.1
Property, plant and equipment	0.7
Other assets, including deferred taxes	6.5
Cash and cash equivalents	2.0
Non-controlling interest	-0.1
Other liabilities	-1.9
Net Assets	7.2
Purchase price	6.1
Purchase price (cash)	6.1
Costs to sell	-2.0
Purchase price less cost to sell	4.1
Purchase price (cash)	6.1
Cash and cash equivalents disposed	-2.0
Net cash inflow on sale	4.0
Result from deconsolidation	-3.2

The deconsolidation impact is reported in the result from discontinued operations and is fully attributable to the shareholders of ProSiebenSat.1 Media AG.

The purchase price of EUR 6.1 million was received by the ProSiebenSat.1 Group on August 4, 2014.

Presentation of assets held for sale and associated liabilities

After the full deconsolidation of the Hungarian and Romanian TV and radio activities, no further assets of the subsidiaries held for sale or associated liabilities are reported in the consolidated statement of financial position as of September 30, 2014. The comparative figures as of December 31, 2013, were not adjusted in accordance with IFRS 5.40 and, alongside the assets and liabilities of the Romanian operations held for sale at this time or already deconsolidated in the second quarter of 2014, also include the assets and liabilities of the Hungarian subsidiaries sold and deconsolidated in the first quarter of 2014 and of the Romanian radio activities sold and deconsolidated in the third quarter of 2014.

Notes

4 Scope of consolidation

The amounts reported under “Assets held for sale” and “Liabilities associated with assets held for sale” as of December 31, 2013, break down as follows:

Assets held for sale and associated liabilities		
EUR m	09/30/2014	12/31/2013
Intangible assets	-/-	2.6
Property, plant and equipment	-/-	4.0
Programming assets	-/-	21.0
Other assets, including deferred taxes	-/-	32.4
Cash and cash equivalents	-/-	8.8
Total assets held for sale	-/-	68.8
Trade payables	-/-	21.7
Other liabilities and provisions, including deferred taxes ¹	-/-	18.6
Total liabilities associated with assets held for sale	-/-	40.2
Net assets	-/-	28.6

1 Includes per December 31, 2013, liabilities with an amount of EUR 1.9 million relating to the sale of the Northern-European entities.

The subsidiaries disposed of were allocated to the former Broadcasting International segment and constitute “discontinued operations” as defined by IFRS 5 due to their significance for the earnings, financial position and performance of ProSiebenSat.1 Group. As a consequence, the result from discontinued operations is combined and presented separately in the income statement.

Presentation of the result from discontinued operations

The following table below contains the result from discontinued operations for the third quarter and the first nine months of 2014. As well as the TV activities in Hungary deconsolidated as of February 25, 2014, and the Romanian TV companies deconsolidated as of April 2, 2014, this also includes the Romanian radio companies until their deconsolidation on August 4, 2014.

In addition to the operating earnings of the Romanian radio companies, the result of discontinued operations for the third quarter of 2014 also includes the result of the deconsolidation of these companies. By contrast, the result from discontinued operations for the first nine months of 2014 also includes the operating results of the Hungarian operations and the Romanian TV companies and the corresponding deconsolidation results of these subsidiaries deconsolidated in the first and second quarters of 2014 respectively.

Income statement discontinued operations

EUR m	Q3 2014	Q3 2013	Q1 - Q3 2014	Q1 - Q3 2013
1. Revenues	-/-	15.1	12.3	188.6
2. Operating expenses	0.0	-18.8	-14.6	-221.3
3. Operating income	-/-	0.0	0.3	77.1
4. Operating result	0.0	-3.7	-2.0	44.4
5. Financial result	0.5	0.4	0.8	-2.6
6. Operating result before taxes	0.5	-3.3	-1.2	41.8
7. Income Tax	-0.1	0.0	6.4	6.1
8. Operating result, net of income tax	0.4	-3.3	5.2	47.9
9. Result from deconsolidation	-3.2	-/-	-14.0	77.0
10. Income Tax on gain on sale of discontinued operations	-/-	-/-	-/-	-/-
11. Result after tax	-2.8	-3.3	-8.7	124.9

Of the result from discontinued operations, minus EUR 2.8 million (previous year: minus EUR 3.3 million) is attributable to the shareholders of ProSiebenSat.1 Media AG, in the third quarter of 2014 and, in the first nine months of 2014, minus EUR 8.7 million (previous year: EUR 48.2 million).

Other disposals of subsidiaries in the first nine months of 2014

By share purchase and transfer agreement of December 18, 2013, and effective January 1, 2014, Red Arrow Entertainment Group GmbH sold its 74.9% stake in Producers at Work GmbH. The sale price was EUR 1. Contracts were rescinded in connection with the sale, which triggered a termination payment of EUR 1.6 million. In addition, Red Arrow Entertainment Group GmbH had undertaken to contribute EUR 0.4 million to the equity of Producers at Work GmbH by no later than December 31, 2013. As of 1 January 2014, Mr. Christian Popp manages the production company founded for fictional TV entertainment as sole shareholder. With the sale of the entire shareholding in Producers at Work GmbH, 100.0% of the shares in Magic Flight Film GmbH, a subsidiary of Producers at Work GmbH, were also sold. In the future, Magic Flight Film GmbH will likewise be continued as an independent film production company under the umbrella of Producers at Work GmbH. The loss on deconsolidation recognized in other operating expenses amounted to EUR 2.0 million. Both companies sold were allocated to the Content Production & Global Sales segment (see Note 6 "Segment Reporting").

By share purchase and transfer agreement of June 4, 2014, and effective August 1, 2014, ProSiebenSat.1 Media AG sold its 100.0% stake in Magic Internet Music GmbH to Odyssey Music Group S.A. via the Group company Magic Internet Holding GmbH.

The consideration received for the transfer of shares and the contribution of media services includes an option to receive shares in Odyssey Music Group S.A. with a fair value as of the closing date on August 1, 2014, of EUR 20.0 million (see Note 9 "Financial instruments"). The gain on deconsolidation recognized in other operating income amounted to EUR 3.7 million. Magic Internet Musik GmbH was allocated to the Digital & Adjacent segment (see Note 6 "Segment Reporting").

No other disposals of subsidiaries took place in the first nine months of financial year 2014.

Notes

5 Investments accounted for
using the equity method

6 Segment Reporting

5**Investments accounted for using the equity method**

In the first nine months of the financial year 2014, the carrying amount of investments accounted for using the equity method increased by EUR 21.1 million to EUR 36.9 million.

The main reason for this was the acquisition of a 20.0% stake in Collective Digital Studio, LLC, Los Angeles, USA, on March 27, 2014, with an investment carrying amount of EUR 10.9 million. The company operates a multi-channel network, with which the Red Arrow Entertainment Group wants to further expand the Content Production & Global Sales segment by producing online talents, developing new platforms and distributing programs globally.

Furthermore, the interest in Flaconi GmbH was increased effective as of July 9, 2014, by capital increase. As of September 30, 2014, the carrying amount of this equity investment was EUR 8.0 million (December 31, 2013: EUR 1.0 million). Flaconi GmbH operates an online mail order portal for perfumes and cosmetics. The investment is intended as a strategic supplement to the Digital & Adjacent portfolio.

In addition, the carrying amount of investments accounted for using the equity method increased in the first nine months of the financial year 2014 because of earnings recognized at EUR 2.0 million.

6**Segment Reporting**

In accordance with IFRS 8, operating segments must be defined on the basis of the Company's own internal management and reporting. The organizational and reporting structure is based on management by business segment. 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 Broadcasting German-speaking segment bundles the Group's TV stations SAT.1, ProSieben, kabel eins, sixx, SAT.1 Gold and ProSieben MAXX (organized under the umbrella of ProSiebenSat.1 TV Deutschland GmbH), the stations of the subsidiaries in Austria and Switzerland as well as the sales companies SevenOne Media and SevenOne AdFactory as well as ProSiebenSat.1 Produktion. The Group also participates in technical fees that cable network, satellite, and IPTV operators generate from the distribution of ProSiebenSat.1 HD stations. The SAT.1 regional companies and the Pay TV activities are also presented in this segment.

As a TV company, the ProSiebenSat.1 Group holds an extensive stock of premium video content that the Group can use on all media platforms from TV, to mobile, to online, and video-on-demand. Business activities in the digital media area, such as online, video-on-demand or HbbTV are pooled in the Digital & Adjacent segment, as well as the adjacent business activities ventures & commerce, online games and music.

The Content Production & Global Sales segment combines all activities in the areas of development, production and global sales of programming content which are bundled under the umbrella of the Red Arrow Entertainment Group.

The following table contains the segment information relating to the continuing operations of the ProSiebenSat.1 Group:

Notes

6 Segment Reporting

Segment information of ProSiebenSat.1 Group Q3

	Segment Broadcasting German- speaking	Segment Digital & Adjacent	Segment Content Production & Global Sales	Total Segments continuing operations	Eliminations and other reconciling items	Total consolidated financial statements
EUR m	Q3 2014	Q3 2014	Q3 2014	Q3 2014	Q3 2014	Q3 2014
Revenues	454.3	160.4	47.7	662.4	-24.9	637.5
External revenues	437.6	158.7	41.2	637.5	-/-	637.5
Internal revenues	16.7	1.7	6.5	24.9	-24.9	-/-
Recurring EBITDA	129.0	32.3	2.2	163.5	-0.6	162.9

	Segment Broadcasting German- speaking	Segment Digital & Adjacent	Segment Content Production & Global Sales	Total Segments continuing operations	Eliminations and other reconciling items	Total consolidated financial statements
EUR m	Q3 2013	Q3 2013	Q3 2013	Q3 2013	Q3 2013	Q3 2013
Revenues	437.6	125.0	36.3	599.0	-22.1	576.9
External revenues	421.9	124.1	30.9	576.9	-/-	576.9
Internal revenues	15.7	0.9	5.4	22.1	-22.1	-/-
Recurring EBITDA	126.6	27.2	-2.1	151.7	-0.7	151.0

Segment information of ProSiebenSat.1 Group Q1-Q3

	Segment Broadcasting German- speaking	Segment Digital & Adjacent	Segment Content Production & Global Sales	Total Segments continuing operations	Eliminations and other reconciling items	Total consolidated financial statements
EUR m	Q1-Q3 2014	Q1-Q3 2014	Q1-Q3 2014	Q1-Q3 2014	Q1-Q3 2014	Q1-Q3 2014
Revenues	1,446.7	417.0	123.4	1,987.1	-77.3	1,909.7
External revenues	1,398.0	413.9	97.8	1,909.7	-/-	1,909.7
Internal revenues	48.7	3.1	25.5	77.3	-77.3	-/-
Recurring EBITDA	437.2	86.9	1.0	525.1	-2.9	522.2

	Segment Broadcasting German- speaking	Segment Digital & Adjacent	Segment Content Production & Global Sales	Total Segments continuing operations	Eliminations and other reconciling items	Total consolidated financial statements
EUR m	Q1-Q3 2013	Q1-Q3 2013	Q1-Q3 2013	Q1-Q3 2013	Q1-Q3 2013	Q1-Q3 2013
Revenues	1,401.5	335.3	111.3	1,848.0	-83.6	1,764.5
External revenues	1,349.7	333.4	81.4	1,764.5	-/-	1,764.5
Internal revenues	51.8	1.9	29.9	83.6	-83.6	-/-
Recurring EBITDA	420.0	71.6	-0.3	491.2	-3.1	488.2

The reconciliation between the segment values and the consolidated values for continuing operations is shown below:

Reconciliation of segment information

EUR m	Q3 2014	Q3 2013	Q1-Q3 2014	Q1-Q3 2013
RECURRING EBITDA				
Recurring EBITDA of reportable segments	163.5	151.7	525.1	491.2
Eliminations	-0.6	-0.7	-2.9	-3.1
Recurring EBITDA of the Group	162.9	151.0	522.2	488.2
Non-recurring result	-6.0	-2.7	-20.7	-19.1
Financial result	-22.9	-35.2	-105.3	-109.7
Depreciation and amortization	-28.4	-22.0	-82.9	-61.6
Impairment	-3.2	-0.6	-5.9	-0.7
Consolidated profit before taxes	102.5	90.4	307.4	297.0

Notes

7 Income Taxes

8 Equity

Entity-wide disclosures for the ProSiebenSat.1 Group are provided below. These disclosures also relate to the Group's continuing operations:

Entity-wide disclosures

Geographical breakdown	GER		AT/CH		UK		USA		Other		Total consolidated financial statements	
	Q3 2014	Q3 2013	Q3 2014	Q3 2013	Q3 2014	Q3 2013	Q3 2014	Q3 2013	Q3 2014	Q3 2013	Q3 2014	Q3 2013
EUR m												
External Revenues	554.3	499.1	44.3	44.0	5.0	7.6	26.4	16.7	7.5	9.6	637.5	576.9

Geographical breakdown	GER		AT/CH		UK		USA		Other		Total consolidated financial statements	
	Q1-Q3 2014	Q1-Q3 2013	Q1-Q3 2014	Q1-Q3 2013	Q1-Q3 2014	Q1-Q3 2013	Q1-Q3 2014	Q1-Q3 2013	Q1-Q3 2014	Q1-Q3 2013	Q1-Q3 2014	Q1-Q3 2013
EUR m												
External Revenues	1,662.2	1,532.1	150.1	143.4	17.5	22.4	58.1	42.7	21.8	23.8	1,909.7	1,764.5

7**Income Taxes**

The nominal tax rate relevant for the Group is 28.0%. For the calculation of the Group's tax expenses for the first nine months of 2014, the effective Group tax rate expected for the full financial year of 31.0% was used. The difference is primarily attributable to non-deductible operating expenses.

8**Equity**

The subscribed capital of ProSiebenSat.1 Media AG remained unchanged at EUR 218.8 million as of September 30, 2014 (December 31, 2013: EUR 218.8 million). It consists of 218,797,200 registered common shares with one voting right per share.

As of September 30, 2014, capital reserves amount to EUR 589.0 million (December 31, 2013: EUR 585.7 million). In the first nine months of 2014, consolidated equity generated fell from minus EUR 55.8 million to minus EUR 172.2 million. The decline is a result of the dividend payment for the 2013 financial year of EUR 313.4 million on June 27, 2014, which was paid from the distributable profit shown in the annual financial statements of ProSiebenSat.1 Media AG for the financial year 2013 of EUR 1.841 billion (see Note 12 "Dividend payment"). This was countered by the net profit for the period of EUR 196.9 million (previous year: EUR 252.7 million).

The change in treasury shares is attributable to the disposal of common shares due to the exercise of stock options (see Note 11 "Stock options, rights to shares and treasury shares").

Moreover, EUR 3.0 million relating to the translation of subsidiaries' foreign currency financial statements and EUR 74.1 million relating to cash flow hedge accounting, plus deferred taxes totaling minus EUR 20.7 million, were recognized in other comprehensive income in the first nine months of 2014. These items will be reclassified to profit or loss in future periods, either on deconsolidation of the entities concerned or on recognition of the hedged transactions in profit or loss.

In connection with the deconsolidation of the Eastern European subsidiaries, EUR 16.7 million relating to the currency translation of the financial statements of the subsidiaries disposed were recognized in the income statement in the first nine month of 2014.

Based on the developments described, Group equity fell from EUR 584.1 million to EUR 551.7 million in the reporting period. As of the reporting date, the equity ratio was 15.3 % (December 31, 2013: 16.4 %).

9

Financial instruments

ProSiebenSat.1 Group's activities are exposed to a variety of financial risks, such as foreign currency risk, interest rate risk, credit risk and liquidity risk. The Group's financial risk management strategy and the methods to determine the fair value of certain financial instruments have not changed since the end of the financial year 2013. The 2013 Annual Report contains the full financial instrument disclosures (see "Further notes on financial risk management and financial instruments according to IFRS 7", Note 34, pages 240 to 249).

Refinancing on the bond and banking market

For the purposes of refinancing, on April 10, 2014, ProSiebenSat.1 Media AG issued a seven-year unsecured bond for EUR 600 million with a coupon of 2.625 % maturing in April 2021.

In addition, on April 2, 2014, ProSiebenSat.1 concluded a new syndicated loan agreement, also unsecured, for EUR 2.0 billion with a five-year term to April 2019. This new loan agreement comprises an unsecured bullet loan of EUR 1.4 billion and an unsecured revolving credit facility (RCF) with a volume of EUR 600 million. The new revolving credit facility maturing in April 2019 replaced the unutilized RCF maturing in July 2018.

The syndicates for both transactions comprise the same group of partner banks (or their group companies) of ProSiebenSat.1 Media AG.

The refinancing affects the presentation of ProSiebenSat.1 Group's liquidity risks. It results in the following undiscounted payments attributed to the following maturity ranges on the basis of the contractual due dates:

Maturity of financial liabilities

EUR m	1 year or less	1 - 5 years	More than 5 years	Total contractual cash flows
Loan and Bond	39.9	1,561.7	631.5	2,233.1
Non-derivative financial liabilities	39.9	1,561.7	631.5	2,233.1

Offsetting financial instruments

As part of its financial risk management strategy, the Group hedges the risks mentioned above using derivative financial instruments. To hedge its interest rate exposure, the ProSiebenSat.1 Group has purchased interest rate swaps and interest swaptions. Foreign currency risks relating to the purchase of programming rights from US studios are essentially hedged using foreign currency forward transactions. ProSiebenSat.1 Group ensures to diversify the volumes of such transactions as much as possible using counterparties with sufficiently high credit ratings.

Notes

9 Financial instruments

The derivatives contracted by the ProSiebenSat.1 Group are subject to contractual offsetting arrangements which do not, however, meet the criteria of IAS 32 for offsetting in the statement of financial position. They are therefore reported gross in the statement of financial position. There are no contractual regulations regarding the offsetting of other financial assets and liabilities. The table below shows the disclosures required on the offsetting on financial instruments in accordance with IFRS 7. The amounts shown are the fair values calculated without taking into account credit value adjustments:

Offsetting financial instruments

EUR m	Financial Assets (gross presentation)	Financial liabilities offset in the statement of financial position	Financial assets (net presentation)	Amounts subject to netting agreements	Financial assets after offsetting (not reflected in the statement of financial position)
Derivative financial instruments 09/30/2014	49.9	- / -	49.9	-30.6	19.3
Derivative financial instruments 12/31/2013	5.1	- / -	5.1	-3.9	1.2
Derivative financial instruments 09/30/2013	11.3	- / -	11.3	-9.3	2.0

EUR m	Financial liabilities (gross presentation)	Financial assets offset in the statement of financial position	Financial liabilities (net presentation)	Amounts subject to netting agreements	Financial liabilities after offsetting (not reflected in the statement of financial position)
Derivative financial instruments 09/30/2014	95.9	- / -	95.9	-30.6	65.3
Derivative financial instruments 12/31/2013	136.6	- / -	136.6	-3.9	132.7
Derivative financial instruments 09/30/2013	132.2	- / -	132.2	-9.3	122.9

Disclosures on the fair values of financial instruments

The following table shows the carrying amounts and fair values of financial assets and liabilities:

Notes

9 Financial instruments

Carrying amounts and fair values of financial instruments as per September 30, 2014

EUR m	Presented in the Statement of Financial Position as	Carrying amount	Category					Fair Value			
			at fair value through profit and loss	Hedging instru- ments	Loans and receiv- ables	Available- for-sale	Other financial liabilities	Level 1	Level 2	Level 3	Total
Financial assets											
Measured at fair value											
Financial assets designated at fair value¹	Non-current financial assets	16.0	16.0	-/-	-/-	-/-	-/-	16.0	-/-	-/-	16.0
Other equity instruments	Non-current financial assets	18.8	18,8	-/-	-/-	-/-	-/-	-/-	-/-	18.8	18.8
Purchase price receivable	Non-current financial assets	10.2	10.2	-/-	-/-	-/-	-/-	-/-	-/-	10.2	10.2
Derivatives for which hedge accounting is not applied	Current and non-current financial assets	30.4	30.4	-/-	-/-	-/-	-/-	-/-	7.0	23.5	30.4
Hedge derivatives	Current and non-current financial assets	42.5	-/-	42.5	-/-	-/-	-/-	-/-	42.5	-/-	42.5
Not measured at fair value											
Cash and cash equivalents	Cash and cash equivalents	176.8	-/-	-/-	176.8	-/-	-/-				
Loans and receivables	Current financial assets	328.8	-/-	-/-	328.8	-/-	-/-				
Other financial assets at cost²	Current and non-current financial assets	32.9	-/-	-/-	-/-	30.4	-/-				
Total		656.4	75.3	42.5	505.6	30.4	-/-	16.0	49.5	52.4	117.9
Financial Liabilities											
Measured at fair value											
Liabilities from put options and earn outs	Other financial liabilities	57.4	57.4	-/-	-/-	-/-	-/-	-/-	-/-	57.4	57.4
Derivatives for which hedge accounting is not applied	Other financial liabilities	0.0	0.0	-/-	-/-	-/-	-/-	-/-	0.0	-/-	0.0
Hedge derivatives	Other financial liabilities	95.3	-/-	95.3	-/-	-/-	-/-	-/-	95.3	-/-	95.3
Not measured at fair value											
Bank loans	Financial debt	1,378.1	-/-	-/-	-/-	-/-	1,378.1		1,422.8		1,422.8
Bonds	Financial debt	593.5	-/-	-/-	-/-	-/-	593.5	611.0			611.0
Liabilities from finance leases	Other financial liabilities	91.1	-/-	-/-	-/-	-/-	91.1		102.9		102.9
Other financial liabilities at (amortised) cost	Other financial liabilities and trade payables	430.4	-/-	-/-	-/-	-/-	430.4				
Total		2,645.9	57.4	95.3	-/-	-/-	2,493.2	611.0	1,621.0	57.4	2,289.5

1 Position solely includes shares in investment funds.

2 Position also includes shares in affiliated, not consolidated entities measured at cost which are therefore not allocated to any IAS 39 category.

Notes

9 Financial instruments

Carrying amounts and fair values of financial instruments as per December 31, 2013

EUR m	Presented in the Statement of Financial Position as	Carry- ing amount	Category					Fair Value			
			at fair value through profit and loss	Hedging instru- ments	Loans and receiv- ables	Available- for-sale	Other financial liabilities	Level 1	Level 2	Level 3	Total
Financial assets											
Measured at fair value											
Financial assets designated at fair value¹	Non-current financial assets	13.6	13.6	-/-	-/-	-/-	-/-	13.6	-/-	-/-	13.6
Other equity instruments	Non-current financial assets	15.1	15.1	-/-	-/-	-/-	-/-	-/-	-/-	15.1	15.1
Derivatives for which hedge accounting is not applied	Current and non-current financial assets	2.9	2.9	-/-	-/-	-/-	-/-	-/-	2.9	-/-	2.9
Hedge derivatives	Current and non-current financial assets	2.2	-/-	2.2	-/-	-/-	-/-	-/-	2.2	-/-	2.2
Not measured at fair value											
Cash and cash equivalents	Cash and cash equivalents	395.7	-/-	-/-	395.7	-/-	-/-				
Loans and receivables	Current financial assets	326.3	-/-	-/-	326.3	-/-	-/-				
Other financial assets at cost²	Current and non-current financial assets	32.0	-/-	-/-	-/-	30.4	-/-				
Total		787.7	31.6	2.2	722.0	30.4	-/-	13.6	5.1	15.1	33.8
Financial Liabilities											
Measured at fair value											
Liabilities from put options and earn outs	Other financial liabilities	60.2	60.2	-/-	-/-	-/-	-/-	-/-	-/-	60.2	60.2
Derivatives for which hedge accounting is not applied	Other financial liabilities	4.9	4.9	-/-	-/-	-/-	-/-	-/-	4.9	-/-	4.9
Hedge derivatives	Other financial liabilities	129.3	-/-	129.3	-/-	-/-	-/-	-/-	129.3	-/-	129.3
Not measured at fair value											
Bank loans	Financial debt	1,842.0	-/-	-/-	-/-	-/-	1,842.0		1,912.0		1,912.0
Liabilities from finance leases	Other financial liabilities	91.7	-/-	-/-	-/-	-/-	91.7		98.9		98.9
Other financial liabilities at (amortised) cost	Other financial liabilities and trade payables	398.4	-/-	-/-	-/-	-/-	398.4				
Total		2,526.5	65.1	129.3	-/-	-/-	2,332.1	-/-	2,145.2	60.2	2,205.4

1 Position solely includes shares in investment funds.

2 Position also includes shares in affiliated, not consolidated entities measured at cost which are therefore not allocated to any IAS 39 category.

Notes

9 Financial instruments

Carrying amounts and fair values of financial instruments as per September 30, 2013

EUR m	Presented in the Statement of Financial Position as	Carry- ing amount	Category					Fair Value			
			at fair value through profit and loss	Hedging instru- ments	Loans and receiv- ables	Available- for-sale	Other financial liabilities	Level 1	Level 2	Level 3	Total
Financial assets											
Measured at fair value											
Financial assets designated at fair value¹	Non-current financial assets	13.1	13.1	-/-	-/-	-/-	-/-	13.1	-/-	-/-	13.1
Other equity instruments	Non-current financial assets	10.4	10.4	-/-	-/-	-/-	-/-	-/-	-/-	10.4	10.4
Derivatives for which hedge accounting is not applied	Current and non-current financial assets	3.6	3.6	-/-	-/-	-/-	-/-	-/-	3.6	-/-	3.6
Hedge derivatives	Current and non-current financial assets	7.7	-/-	7.7	-/-	-/-	-/-	-/-	7.7	-/-	7.7
Not measured at fair value											
Cash and cash equivalents	Cash and cash equivalents	204.5	-/-	-/-	204.5	-/-	-/-				
Loans and receivables	Current financial assets	272.5	-/-	-/-	272.5	-/-	-/-				
Other financial assets at cost²	Current and non-current financial assets	34.0	-/-	-/-	-/-	30.4	-/-				
Total		545.7	27.1	7.7	477.0	30.4	-/-	13.1	11.2	10.4	34.7
Financial Liabilities											
Measured at fair value											
Liabilities from put options and earn outs	Other financial liabilities	67.4	67.4	-/-	-/-	-/-	-/-	-/-	-/-	67.4	67.4
Derivatives for which hedge accounting is not applied	Other financial liabilities	4.0	4.0	-/-	-/-	-/-	-/-	-/-	4.0	-/-	4.0
Hedge derivatives	Other financial liabilities	125.8	-/-	125.8	-/-	-/-	-/-	-/-	125.8	-/-	125.8
Not measured at fair value											
Bank loans	Financial debt	1,942.0	-/-	-/-	-/-	-/-	1,942.0		1,991.5		1,991.5
Liabilities from finance leases	Other financial liabilities	93.4	-/-	-/-	-/-	-/-	93.4		99.9		99.9
Other financial liabilities at (amortised) cost	Other financial liabilities and trade payables	311.7	-/-	-/-	-/-	-/-	311.7				
Total		2,544.3	71.4	125.8	-/-	-/-	2,347.1	-/-	2,221.3	67.4	2,288.7

1 Position solely includes shares in investment funds.

2 Position also includes shares in affiliated, not consolidated entities measured at cost which are therefore not allocated to any IAS 39 category.

Notes

9 Financial instruments

The financial assets reported at fair value under the fair value option are shares in investment funds that are held to secure pension commitments but which do not qualify as plan assets under IAS 19. The non-controlling interests in other companies that the Group acquires in the context of its “media-for-equity” strategy are reported in other equity instruments. Other financial assets at amortized cost include in particular shares in affiliated, non-consolidated companies and equity investments measured at cost in accordance with IAS 39.46(c).

In addition, the Group holds derivative financial instruments recognized at fair value, primarily for hedging risks. Instruments with positive market values are reported as assets, those with negative market values as liabilities.

Liabilities from put options relate to non-controlling interests in affiliated companies acquired and are recognized at fair value. The fair value is based on significant non-observable input data. In calculating these values, multiplication methods are used on the basis of relevant income figures such as EBITDA and EBIT. The liabilities are classified as level 3 financial instruments.

Bank loans relate to a term loan measured at amortized cost granted in the context of an unsecured, syndicated loan agreement. The lease liabilities relate to the lease agreements entered into by the Group, which are classified as finance leases due to their contractual configuration.

In connection with the sale of the TV station Prima TV in Romania, a purchase price receivable was capitalized at a fair value of EUR 10.2 million (see Note 4 “Scope of consolidation”). This fair value is based on significant, non-observable input data. These have not changed significantly since December 31, 2013, and are presented in the notes to the 2013 consolidated financial statements. An option pricing model based on a Monte Carlo simulation was used to calculate the fair value. There was no significant change in the fair value. The purchase price receivable is classified as a level 3 financial instrument.

In the first half of 2014, through its subsidiary SevenVentures GmbH, Unterföhring, the ProSiebenSat.1 Group acquired a subscription right at EUR 6.7 million for the future acquisition of shares in Shopkick Inc., California, USA. The subscription right includes a financial derivative with a fair value of EUR 3.5 million. By way of agreement dated September 21, 2014, a merger was agreed between Shopkick Inc. and one other company. This activated clauses in the agreement between the ProSiebenSat.1 Group and Shopkick Inc. for the acquisition of the subscription right which resulted in the exercise of the subscription right against cash remuneration. Closing of the agreement was pending as of the reporting date.

Notes

10 Provisions, contingent
liabilities and other financial
obligations

In the second half of 2014, the ProSiebenSat.1 Group concluded a warrant agreement in the amount of EUR 20 million with Odyssey Music Group S.A. via its subsidiary Magic Internet Holding GmbH, Berlin. The warrant agreement constitutes a financial derivative. Its fair value was calculated by way of a two-stage measurement process using a multiplier valuation and a Monte Carlo simulation. The measurement takes into account a discounting in line with market rates. The input parameters used in the valuation are not based on data observable on the market. Hence the financial derivative was classified as level 3 of the hierarchy structure. The changes in the fair value are essentially dependent on the forecast development in revenues at Deezer and the correlation with the forecast development in the market for music streaming services. Given an increase/reduction in the forecast revenue growth of 10%, the fair value would increase by EUR 10.0 million/decrease by EUR 8.0 million. Given an increase/reduction in correlation of 0.05, the fair value would decrease by EUR 2.0 million/increase by EUR 3.0 million. There are non-linear dependencies between the two parameters.

The following table shows the reconciliation of the respective fair values to the end of the reporting period for the items listed, which are regularly measured at fair value and assigned to level 3:

Reconciliation of Level 3 fair values

EUR m	Derivatives, for which hedge accounting is not applied, at fair value through profit and loss	Purchase price receivable at fair value through profit and loss	Liabilities from put options and earn outs at fair value through profit and loss
September 30, 2013	-/-	-/-	67.4
Gains included in other financial result			
Net change in fair value (unrealized)	-/-	-/-	-7.3
Additions from acquisitions	-/-	-/-	0.1
Disposals/Payments	-/-	-/-	0.0
December 31, 2013	-/-	-/-	60.2
Gains included in other financial result			
Net change in fair value (unrealized)	-3.3	-/-	-2.9
Additions from acquisitions	26.8	10.2	25.1
Disposals/Payments	-/-	-/-	-24.9
September 30, 2014	23.5	10.2	57.4

In the first nine months of 2014, and in the financial year 2013, there were no transfers between level 1 and level 2 for the measurement of fair values and no reclassifications to or from level 3.

Notes

10 Provisions, contingent liabilities and other financial obligations

10**Provisions, contingent liabilities and other financial obligations**

At September 30, 2014, there were no material changes to the items presented in the Annual Report 2013, with the exception of the items described below.

Legal action for additional payments to bestseller authors against companies of the ProSiebenSat.1 Group

In the 2013 Annual Report, a potential risk of additional payments to copyright owners and other parties under section 32a of the German Copyright Act (UrhG) was described. ProSiebenSat.1 had developed a model for additional compensation to these individuals under section 32a UrhG and agreed so-called "Common Compensation Rules" with two organizations (directors and actors) under section 36 UrhG. Appropriate compensation rules were also agreed with the Verband Deutscher Drehbuchautoren e.V. (the Screenwriters' Guild of Germany) on June 3, 2014.

As of September 30, 2014, the provision recognized for these matters amounted to EUR 11.4 million (December 31, 2013: EUR 13.8 million). This is based on best estimates considering the current state of negotiations.

Guarantees from the disposal of the Belgian TV activities

By sale and purchase agreement of April 20, 2011, the ProSiebenSat.1 Group sold its Belgian TV operations to De Vijver NV ("DV"). ProSiebenSat.1 Media AG acted to guarantee the disposal. On the basis of alleged infringements of the accounting and rental contract guarantee included in the purchase agreement, DV has asserted claims for damages against the company. The contractually agreed maximum liability from all guarantees totals EUR 19.8 million.

On the basis of a further detailed review and the resulting reassessment of the factual and legal situation, ProSiebenSat.1 Group assesses this risk is very unlikely to materialize. In this respect, no provision was recognized in the third quarter of 2014.

Patent claims of the Kudelski Group against the ProSiebenSat.1 Group

The Kudelski Group claims that certain business activities of the ProSiebenSat.1 Group infringe its patent rights. The provision recognized for this was reversed in the third quarter of 2014 on the basis of a further detailed review and the resulting reassessment of the factual and legal situation.

Incubation business

ProSiebenSat.1 Group conducted a strategic review of its incubation business in Berlin in the reporting period and will integrate selected equity investments into the Group. In this respect, the Group recognized a provision.

Other financial obligations

At September 30, 2014, the Group's other financial obligations amounted to EUR 3.644 billion (December 31, 2013: EUR 3.222 billion). These obligations derive from contractual agreements entered into before the end of the reporting date and pertain to payment obligations due after the reporting date. At the reporting date, the Group has purchase commitments for programming assets of EUR 3.227 billion (December 31, 2013: EUR 2.662 billion). The largest part of these obligations, EUR 1.899 billion (December 31, 2013: EUR 1.760 billion), is due between one and five years. The majority of these contracts were concluded in US dollars. Financial obligations from

Notes

11 Stock options, Rights to
shares and Treasury shares

12 Dividend payment

distribution (satellite rental, obligations under contracts for terrestrial transmission facilities and cable feed charges) amounted to EUR 219.0 million as of September 30, 2014 (December 31, 2013: EUR 308.1 million). Additionally, the Group has lease and rental obligations from vehicle and property leases of EUR 79.2 million (December 31, 2013: EUR 86.2 million). At September 30, 2014, miscellaneous financial obligations of EUR 118.8 million (December 31, 2013: EUR 157.0 million) related to collecting societies and other services. There were no other financial obligations attributable to discontinued operations as of September 30, 2014 (December 31, 2013: EUR 8.7 million).

11**Stock options, Rights to shares and Treasury shares**

In the first nine months of 2014, 324,500 stock options of the 2009 cycle and 550 of the 2008 cycle relating to the LTIP 2008 were exercised. Of these, 193,000 options were settled in cash. 257,500 options of the 2010 cycle relating to the 2010 LTIP were exercised. Treasury shares declined from 5,707,400 at December 31, 2013, to 5,317,850 at September 30, 2014.

Group share plan 2014

In the third quarter of 2014, members of the Executive Board and other selected executives and employees of the ProSiebenSat.1 Group were again granted rights to shares in the form of a new Group Share Plan 2014. The basic structure and mechanisms to exercise these rights largely correspond to those of the Group Share Plans 2012 and 2013. For further information on the subject, we refer to the consolidated financial statements for the financial year ending December 31, 2013 (Annual Report 2013, pages 257 - 258). The share price at the grant date was EUR 31.18.

On September 15, 2014, a total of 384,942 performance share units were issued under the Group Share Plan 2014. The performance target is achieving the targeted EBITDA of the four-year planning period for the financial years 2014 to 2017. The conversion for the Group Share Plan 2014 takes place after the publication of the 2017 Annual Report expected in the second quarter 2018 and after agreement of the respective plan participant. Thus, for the common shares there is a holding period of at least four years from the start of the year in which the allocation was made. The expense from the performance share units granted amounted to EUR 4.0 million as of September 30, 2014, and is recognized under personnel expenses.

12**Dividend payment**

At the Annual General Meeting of ProSiebenSat.1 Media AG on June 26, 2014, the distribution of a dividend of EUR 1.47 per common share was resolved upon for the 2013 financial year. In total, the dividend amounted to EUR 313.4 million. The dividend was paid out on June 27, 2014.

Notes

13 Notes on the statement
of cash flows**13 Notes on the statement of cash flows**

In the first nine months of 2014, cash flow from operating activities of continuing operations was EUR 899.6 million, EUR 81.1 million higher than the previous year's figure of EUR 818.5 million. With almost constant net income from continuing operations of EUR 212.1 million (Q1-Q3 2013: EUR 207.9 million), the increase in operating cash flow from continuing operations is primarily the result of positive effects in the working capital and lower cash outflows for interest obligations.

Cash flow from investing activities of continuing operations of the reporting period amounted to minus EUR 920.4 million (Q1-Q3 2013: EUR -794.9 million). This development mainly resulted from payments for the acquisition of consolidated entities amounting to EUR 107.9 million (Q1-Q3 2013: EUR 55.7 million). These primarily include the business acquisitions of COMVEL GmbH, Half Yard Productions LLC and Aeria Games Europe GmbH (see Note 4 "Scope of consolidation"). The payment for the acquisition of the equity investment in Collective Digital Studio LLC and the increase in the equity investment in Flaconi GmbH also caused a cash outflow for investing activities. Furthermore, higher investments in program assets (Q1-Q3 2014: EUR 706.9 million; Q1-Q3 2013: EUR 677.7 million) resulted in a corresponding development of cash flow from investing activities.

The decrease of free cash flow from continuing operations by EUR 44.5 million in the first nine months of 2014 compared to the same period of the previous year (Q1-Q3 2014: EUR -20.8 million; Q1-Q3 2013: EUR 23.7 million) reflects these developments.

In the first nine months of 2014, cash flow from financing activities amounted to minus EUR 205.6 million (Q1-Q3 2013: EUR -1,848.2 million). The dividend of EUR 313.4 million was paid in the first nine months of the financial year 2014. Taking financing costs of EUR 23.7 million into account, there was also a positive effect from the refinancing the Company's financial liabilities with a net cash inflow of EUR 116.5 million. In the previous year, the net cash outflow for financing activities included the payment of the dividend for the 2012 financial year of EUR 1.201 billion, as well as a net cash outflow of EUR 630.9 million from the repayment of the term loans of EUR 931.5 million and new borrowings of EUR 300.6 million.

For detailed explanations regarding the cash flow statement, please refer to Section "Analysis of Liquidity and Capital Expenditure" in the Interim Management Report.

Notes

14 Earnings per share

15 Related party transactions

14 Earnings per share

In accordance with IAS 33.4A, basic and diluted earnings per share are presented below the income statement (see page 49).

The tables below show the parameters for calculating earnings per share for the third quarter and the first nine months of the reporting year and of the comparative year.

Profit measures included in calculating earnings per share

EUR m	Q3 2014	Q3 2013	Q1 – Q3 2014	Q1 – Q3 2013
Result attributable to the shareholders of ProSiebenSat.1 Media AG	64.5	60.5	196.9	252.7
Thereof from continuing operations	67.3	63.8	205.7	204.5
Thereof from discontinued operations	-2.8	-3.3	-8.7	48.2

Numbers of shares included in calculating earnings per share

Shares	Q3 2014	Q3 2013	Q1 – Q3 2014	Q1 – Q3 2013
Weighted average number of shares outstanding (basic)	213,365,948	213,031,159	213,235,897	212,841,873
Dilution effect based on stock options and rights to shares	1,729,417	1,621,269	1,729,417	1,621,269
Weighted average number of shares outstanding (diluted)	215,095,364	214,652,428	214,965,314	214,463,142

15 Related party transactions

Effective January 21, 2014, Lavena Holding 1 GmbH, Munich, sold all its voting shares in ProSiebenSat.1 Media AG. In addition, new Company's Supervisory Board was appointed at the Annual General Meeting of ProSiebenSat.1 Media AG on June 26, 2014. The Company's Supervisory Board was therefore comprised as follows as of the reporting date:

Dr. Werner Brandt (Chairman),
 Philipp Freise (Deputy Chairman, member of the Supervisory Board since March 7, 2007),
 Lawrence A. Aidem,
 Antoinette P. Aris,
 Adam Cahan,
 Stefan Dziarski (member of the Supervisory Board since May 15, 2012),
 Dr. Marion Helmes,
 Erik Adrianus Hubertus Huggers,
 Prof. Harald Wiedmann (member of the Supervisory Board since March 7, 2007).

As part of the appointment of the new Supervisory Board, one position each was taken by Kohlberg Kravis Roberts & Co. L. P. (KKR) and Permira Holdings Limited (Permira) with Philipp Freise and Stefan Dziarski.

Following the sale of all of its indirectly held shares in ProSiebenSat.1 Media AG, Lavena 3 S.à r.l., ProSiebenSat.1 Media AG's former indirect majority shareholder, made a voluntary one-off special payment to the Executive Board members of ProSiebenSat.1 Media AG and selected employees of the ProSiebenSat.1 Group totaling EUR 76.8 million at the end of June 2014. EUR 59.7 million of the special payment went to the Executive Board members of ProSiebenSat.1 Media AG. This partial amount was attributed to the Executive Board members as follows: Thomas Ebeling EUR 23.4 million, Conrad Albert EUR 8.5 million, Axel Salzmann EUR 12.8 million, Heidi Stopper EUR 4.3 million and Dr. Christian Wegner EUR 10.7 million.

Notes

16 Events after the
interim reporting period

The payment was processed via ProSiebenSat.1 Media AG in order to simplify the withholding and payment of the wage tax incurred. This was not recognized as an expense for ProSiebenSat.1 Media AG or the Group companies, as the special payment was not a payment by the Company or the Group and ProSiebenSat.1 Media AG had been provided with the full gross amount of the special payment by Lavena 3 S.à r.l. for the purposes of processing the payment.

As a result of the sale of the entire shareholding and in connection with the reappointment of the new Supervisory Board, the portfolio companies held by KKR and Permira are no longer related parties as defined by IAS 24 as of September 30, 2014.

The Executive Board of ProSiebenSat.1 Media AG has exercised options totaling EUR 3.9 million, which were settled in cash.

By its press releases of September 10, 2014, and September 19, 2014, the Company announced that two members of the Executive Board will be leaving ProSiebenSat.1 Media AG, Heidi Stopper as of September 30, 2014, and Axel Salzmann as of March 31, 2015. In connection with these leaves, a provision for severance payments with an amount of EUR 2.1 million was recognized in the third quarter of 2014.

There have been no other material changes to the Group's related party transactions in comparison with those described in the notes to the consolidated financial statements as of and for the financial year ended December 31, 2013.

16**Events after the interim reporting period**

No reportable events of material effect on the earnings, financial position and performance of ProSiebenSat.1 Group or ProSiebenSat.1 Media AG respectively occurred between the end of the third quarter of 2014 and October 27, 2014, the date of authorization of this report for publication and forwarding to the Supervisory Board.

October 27, 2014
The Executive Board

ADDITIONAL INFORMATION

- 87 Group Key Figures: Multi-Year Overview
- 88 Segment Key Figures: Multi-Year Overview
- 89 Editorial Information
- 90 Financial Calendar

Multi-Year Overview:
Group Key Figures

Group Key Figures: Multi-Year Overview

EUR m	Q3 2014	Q3 2013	Q3 2012	Q3 2011	Q3 2010	Q3 2009	Q3 2008	Q3 2007	Q3 2006
Revenues	637.5	576.9	506.5	594.5	546.0	559.5	646.5	668.4	431.3
Revenue margin before income taxes (in percent)	16.1	15.7	14.6	3.1	5.1	-3.3	-3.1	-15.5	5.0
Total costs	520.0	456.9	394.1	496.1	452.2	534.1	595.2	730.3	385.0
Operating costs ¹	478.8	429.1	368.0	432.7	412.1	469.3	547.3	548.2	374.5
Consumption of programming assets	184.2	180.5	173.0	220.7	217.2	238.4	247.3	271.4	204.8
Recurring EBITDA ²	162.9	151.0	141.0	163.6	136.9	94.3	103.1	124.8	59.5
Recurring EBITDA margin (in percent)	25.6	26.2	27.8	27.5	25.1	16.9	15.9	18.7	13.8
EBITDA	156.9	148.4	133.1	133.7	126.6	62.3	92.5	0.4	58.7
Non-recurring items ³	-6.0	-2.7	-7.9	-29.9	-10.3	-32.0	-10.6	-124.4	-0.8
EBIT	125.4	125.7	114.8	101.0	96.6	29.8	58.6	-57.2	48.9
Financial result	-22.9	-35.2	-40.9	-82.4	-68.7 ⁹	-48.5	-78.9	-46.5	-27.2
Profit before income taxes	102.5	90.4	74.0	18.6	27.9 ⁹	-18.7	-20.0	-103.7	21.7
Consolidated net profit (after non-controlling interests) ⁴	64.5	60.5	61.3	340.3	32.5 ⁹	-12.7	-10.7	-77.9	13.1
Profit from discontinued operations (net of income taxes)	-2.8	-3.3	11.2	328.9	12.8	-/-	-/-	-/-	-/-
Underlying net income ⁵	74.7	65.6	50.7	22.9	29.1	-16.7	0.6	68.4	14.1
Basic earnings per share (underlying) ⁶	0.35	0.31	-/-	-/-	-/-	-/-	-/-	-/-	-/-
Investments in programming assets	237.6	188.6	202.4	302.8	284.4	301.4	388.9	328.0	234.7
Free cash flow	26.0	36.4	-27.1	-1.4	2.3	-114.1	-126.9	-309.6	-82.0
Cash flow from investing activities	-273.5	-212.0	-241.6	-311.2	-297.6	-347.2	-407.1	-2,359.5	-242.9

EUR m	Q1-Q3 2014	Q1-Q3 2013	Q1-Q3 2012	Q1-Q3 2011	Q1-Q3 2010	Q1-Q3 2009	Q1-Q3 2008	Q1-Q3 2007	Q1-Q3 2006
Revenues	1,909.7	1,764.5	1,566.9	1,882.5	1,772.1	1,880.4	2,177.4	1,721.2	1,447.4
Revenue margin before income taxes (in percent)	16.1	16.8	15.4	9.9	7.4	3.1	2.7	6.2	14.4
Total costs	1,514.8	1,373.9	1,214.7	1,525.5	1,472.8	1,658.9	1,935.2	1,569.6	1,200.8
Operating costs ¹	1,401.4	1,288.5	1,115.1	1,355.3	1,299.8	1,501.3	1,791.5	1,368.0	1,169.4
Consumption of programming assets	612.8	611.6	594.1	756.2	677.7	778.5	919.6	750.2	681.8
Recurring EBITDA ²	522.2	488.2	459.1	532.3	479.0	389.3	395.3	366.0	286.2
Recurring EBITDA margin (in percent)	27.3	27.7	29.3	28.3	27.0	20.7	18.2	21.3	19.8
EBITDA	501.5	469.0	411.1	471.6	400.9	330.0	366.6	241.2	284.1
Non-recurring items ³	-20.7	-19.1	-48.0	-60.7	-78.1	-59.3	-28.6	-124.8	-2.1
EBIT	412.7	406.7	359.5	362.9	306.0	235.9	260.1	163.2	254.9
Financial result	-105.3	-109.7	-118.5	-177.0	-175.2 ⁹	-177.2	-201.6	-55.9	-46.6
Profit before income taxes	307.4	297.0	241.1	185.9	130.8 ⁹	59.1	59.6	107.3	208.3
Consolidated net profit (after non-controlling interests) ⁴	196.9	252.7	196.0	507.6	131.3 ⁹	31.1	40.9	49.9	127.3
Profit from discontinued operations (net of income taxes)	-8.7	47.9	33.5	380.6	43.7	-/-	-/-	-/-	-/-
Underlying net income ⁵	238.5	221.1	191.6	152.1	116.4	47.7	80.4	197.5	130.4
Basic earnings per share (underlying) ⁶	1.12	1.04	-/-	-/-	-/-	-/-	-/-	-/-	-/-
Investments in programming assets	706.9	677.7	659.6	883.9	858.7	959.4	1,067.7	809.8	693.9
Free cash flow	-20.8	23.7	-6.5	4.5	-24.5	-120.5	-206.7	-1,889.3	101.8
Cash flow from investing activities	-920.4	-794.9	-738.3	-931.4	-900.9	-1,027.2	-1,125.9	-2,839.8	-711.6

Multi-Year Overview:
Group Key Figures

Segment Key Figures

Group Key Figures: Multi-Year Overview

EUR m	09/30/2014	09/30/2013	09/30/2012	09/30/2011	09/30/2010	09/30/2009	09/30/2008	09/30/2007	09/30/2006
Programming assets	1,286.4	1,331.4	1,627.0	1,573.0	1,682.5	1,534.6	1,360.7	1,319.0	1,054.4
Equity	551.7	527.9	1,416.6	1,269.1	790.4	466.7	871.8	1,074.0	1,132.0
Equity ratio (in percent)	15.3	15.2	26.8	26.5	12.5	7.8	14.2	18.2	57.7
Cash and cash equivalents	176.8	204.5	506.3	257.3	743.4	508.4	221.5	163.7	29.3
Financial liabilities	1,971.6	1,942.0	2,571.8	2,332.4	4,027.4	4,032.1	4,067.3	3,705.5	341.2
Leverage ⁷	2.2 ¹²	2.2 ¹⁰	2.4	2.5	3.8	5.3	5.5	-/-	-/-
Net financial debt	1,794.9	1,737.5 ¹¹	2,065.5	2,075.0	3,283.8	3,534.4	3,816.7	3,541.5	311.6
Employees ⁸	4,418	3,524	3,061	4,375	4,086	4,916	6,075	5,996	2,999

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 including discontinued operations.

5 Consolidated profit for the period attributable to shareholders of ProSiebenSat.1 Media AG before the effects of purchase price allocations and additional special items.

6 Due to the merger of the share classes in 2013, from this year on the basic earnings per share (underlying) are shown.

7 Ratio net financial debt to recurring EBITDA in the last twelve months.

8 Full-time equivalent positions as of reporting date from continuing operations.

9 After changes in accounting policies according to IAS 8 and corresponding adjustment of previous-year figures. For information regarding the change in accounting policy, please refer to the Annual Report 2010, page 123.

10 After reclassification of cash and cash equivalents of Eastern European operations. Adjusted for LTM recurring EBITDA contribution from the Northern and Eastern European business.

11 After reclassification of cash and cash equivalents of Eastern European operations.

12 Adjusted for LTM recurring EBITDA contribution from the Eastern European business.

Segment Key Figures: Multi-Year Overview

EUR m	Q3 2014	Q3 2013	Q3 2012	Q1-Q3 2014	Q1-Q3 2013	Q1-Q3 2012
Broadcasting German-speaking						
External revenues	437.6	421.9	396.0	1,398.0	1,349.7	1,292.3
Recurring EBITDA ¹	129.0	126.6	124.3	437.2	420.0	411.8
Recurring EBITDA margin (in percent) ²	28.4	28.9	30.2	30.2	30.0	30.7
EBITDA	122.3	123.5	120.5	425.8	403.1	372.3
Digital & Adjacent						
External revenues	158.7	124.1	81.2	413.9	333.4	216.4
Recurring EBITDA ¹	32.3	27.2	20.0	86.9	71.6	55.9
Recurring EBITDA margin (in percent) ²	20.1	21.8	24.5	20.8	21.3	25.7
EBITDA	33.8	27.2	16.8	82.2	70.6	50.9
Content Production & Global Sales						
External revenues	41.2	30.9	29.2	97.8	81.4	58.2
Recurring EBITDA ¹	2.2	-2.1	-1.4	1.0	-0.3	-1.9
Recurring EBITDA margin (in percent) ²	4.6	-5.9	-3.9	0.8	-0.3	-2.3
EBITDA	2.1	-1.1	-2.3	0.1	-0.8	-4.2

1 EBITDA before non-recurring (exceptional) items.

2 Based on total segment revenues, see Note 6 "Segment reporting".

Explanation of reporting principles in the first nine months of 2014 and as of September 30, 2014: The figures for the first nine months of 2014 relate to those for continuing activities reported in accordance with IFRS 5, i.e. not including the contributions to revenues and earnings of operations sold and deconsolidated in February 2014 (Hungary) and April/August 2014 (Romania). The income statement items of the operations in question are grouped together as a single line item, result from discontinued operations, and reported separately. In addition to the earnings generated by the operations in Hungary and Romania by the time of their deconsolidation, the result from discontinued operations shown after taxes for the first nine months of 2014 also includes the respective results of deconsolidation. The figures for the financial years 2013 and 2012 for the income statement and the statement of cash flows have been presented on a comparable basis. In the financial year 2011 the Belgian TV operations and the Dutch TV and print operations were deconsolidated on closing of the respective share purchase agreements in June and July 2011 respectively. The income

statement items for the operations concerned are reported separately as the result from discontinued operations. For 2011 this includes the earnings generated and the gain on disposal, and is shown after taxes. The income statement and statement of cash flow figures for the financial year 2010 were only restated for the figures of the operations sold in the financial year 2011.

The previous year's figures in the statement of financial position were not adjusted.

Since the start of the 2013 financial year, ProSiebenSat.1 Media AG has reported in an amended segment structure. The Pay TV business, which until then was allocated to the Digital & Adjacent segment, is now shown in the Broadcasting German-speaking segment. The figures for the 2012 financial year were adjusted to the new segment structure. The multi-year comparison does not go any further.

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

Financial Calendar

11/06/2014	Publication of the Quarterly Report Q3 2014 Press Release, Conference Call with analysts and investors, Conference Call with journalists, Webcast
02/26/2015	Press Conference/IR Conference on figures 2014 Press Release, Press Conference in Munich, Conference Call with journalists
03/17/2015	Publication of the Annual Report 2014
05/07/2015	Publication of the Quarterly Report Q1 2015 Press Release, Conference Call with analysts and investors, Conference Call with journalists, Webcast
05/21/2015	Annual General Meeting 2015 Press Release, Conference Call with analysts and investors, Conference Call with journalists, Webcast
07/30/2015	Publication of the Quarterly Report Q2 2015 Press Release, Conference Call with analysts and investors, Conference Call with journalists, Webcast
10/29/2015	Publication of the Quarterly Report Q3 2015 Press Release, Conference Call with analysts and investors, Conference Call with journalists, Webcast



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