

REPORTS FROM THE EXECUTIVE AND SUPERVISORY BOARD

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INTERVIEW WITH CEO THOMAS EBELING



Thomas Ebeling (CEO)
CEO
since March 1, 2009

2012 was another record year for the ProSiebenSat.1 Group. The Company made decisive progress on the way to becoming a digital entertainment & e-commerce powerhouse. CEO Thomas Ebeling looks back on the successful financial year.

Mr. Ebeling, what were your highlights in the year 2012?

Thomas Ebeling...I am very satisfied with the 2012 financial year. We grew dynamically and achieved a new record level of revenues and earnings. Moreover, we made very good progress with our digital business. We successfully continued our expansion into the digital world and increased revenues in the Digital & Adjacent segment by almost 40%. We also achieved important targets in our core business of free TV: We significantly increased our HD distribution revenues and successfully established new free TV stations in Germany and Austria. This puts us in an excellent position for the future.

2.356

EUR BN

... revenues were generated
by the ProSiebenSat.1 Group
in the financial year 2012.
This is an increase of 7.1 %.

5.65

EUR

... per preference share and
EUR 5.63 per common share
is the dividend proposal to the
Annual General Meeting.

In 2012, ProSiebenSat.1 sold the Northern European station portfolio to Discovery Communications. How does the exit from the international TV business fit into your growth strategy?

Thomas Ebeling...Our Northern European TV and radio portfolio was actually a very good business and we are proud that we developed it so successfully in the last few years. At the same time, we had taken the Scandinavian TV business to a point where there were only limited opportunities for further growth. We are convinced that the key to a successful future for the Group is the interaction between our German-speaking TV business and the Digital division. The market was willing to pay us a highly attractive price of EUR 1.325 billion. The valuation multiple was approximately 10 times recurring EBITDA and thus considerably above the valuation of the ProSiebenSat.1 Group as a whole. Therefore, we created considerable added value for all shareholders. We intend to use the proceeds in an amount of EUR 500 million for partial prepayment of term debt and for the rest for reinvestments in the operational business. Hence, the operating cash flow will be available for other purposes in a greater extent. Against this background, we will propose to the Annual General Meeting a dividend of EUR 5.65 per preference share and EUR 5.63 per common share for the year 2012.

Following the sale of the Northern European business, the ProSiebenSat.1 strategy is based on three segments: Broadcasting German-speaking, Digital & Adjacent and Content Production & Global Sales. Wherein lies the strength of this strategy?

Thomas Ebeling...Television makes us unique. It is the core of our company and our strategy. There is a simple reason for this: We reach more than 41 million TV households with our stations. At the same time, TV is the most effective advertising medium. With Online Video, Online Games and the Ventures business, we have opened up for ourselves new business areas in the last few years that are growing strongly and that go well with our TV business. We can also advertise our own products from these sectors via commercials on our stations and develop them into successful brands. Linking up our TV business with our Digital and Ventures activities is the basis for the dynamic and long-term growth of the ProSiebenSat.1 Group.

You already touched upon the fact that revenues in the Digital & Adjacent segment grew by almost 40% in 2012. What was key to this success?

Thomas Ebeling...We have four business units in the Digital & Adjacent segment and all achieved at least double-digit growth, with the Ventures business even achieving three-digit growth. We are Germany's leading seller of video content and reach more than 25 million unique users per month with our online network. We operate maxdome, Germany's biggest video-on-demand portal, and offer users more than 50,000 titles on demand. In 2012, we expanded MyVideo into an online TV station. We also grew significantly with our Online Games business in 2012. We hold exclusive Europe-wide rights to attractive blockbuster games from Sony Online Entertainment, which we sell internationally. Revenues performed extremely well at our music label Starwatch Entertainment, too. We have successful artists under contract there, such as Lenny Kravitz, Die Fantastischen Vier and Heino.

And the Ventures business?

Thomas Ebeling...The Ventures business made the greatest contribution to the growth of the Digital & Adjacent segment in 2012, with a three-digit revenues growth rate. We provide selected start-up companies with idle advertising time in return for a share in revenue and/or equity. In this way, we have built up a Ventures portfolio with more than 50 partnerships and strategic investments since 2009. In selecting start-up companies, we focus on companies from the areas of travel, sports, beauty, health, fashion, home & living and market places. As a Group, we receive a double benefit – we make efficient use of idle advertising inventory and gain attractive investments and partnerships at the same time.

38.1

PERCENT

... to EUR 351.2 million was the
increase of external revenues in
the Digital & Adjacent segment.
Thus, it was the strongest
growth driver.

95.4

EUR M

... after EUR 37.7 million in the previous year: In 2012, external revenues of the Content Production & Global Sales segment posted a three-digit growth rate.

You are active in the production and sale of TV programs with the Content Production & Global Sales segment. How did things go there in 2012?

Thomas Ebeling...In this segment, too, we made crucial progress in 2012. Our biggest objective was to establish ourselves in the English-speaking TV markets of the USA and Great Britain. These countries are where the highest margins are achieved. At the same time, they send out strong signals. If a show is successful in the USA or Great Britain, it sells throughout the world. In the last financial year, we acquired majority interests in production companies in both markets. Moreover, we opened a sales office in Hong Kong. In total, Red Arrow is now represented with 18 companies in nine countries. Three years after it was founded, the group is already one of the top 10 most successful independent production companies in the world. In 2012, we sold TV programs in more than 150 countries.

The growth areas are performing very dynamically. What about the traditional TV business – does TV actually have a future in the digital world?

Thomas Ebeling...Absolutely! 10 to 15 years ago, no one could really judge how new media would impact on the TV and print industries. Some already predicted the certain death of television. The opposite has happened. With more than three hours of use per day, TV is still the most widely used medium. Why is that the case? Television has a campfire effect. It brings people together, family, friends – people like watching things together. In the case of shows like “The Voice of Germany”, five million viewers gather in front of the TV set at the same time. No other medium can do that. People want big emotions on a big screen in top quality. And portable devices such as cell phones and tablets are advancing TV use further. This shows that no other medium is benefiting as much from digitalization as TV!

Why is that the case?

Thomas Ebeling...The internet and TV have a natural affinity. Moving images are the fuel of both media. Therefore, they light each other. Let me give you some examples: Today, 60% of TV viewers use a second screen, that is, they use the internet with a laptop, a cell phone or a tablet while they watch TV. In many cases – namely, in the case of almost 70% of parallel users – TV sets the impetus to occupy oneself in greater detail with TV-related content online. Therefore, we design our programs in such a way that we can offer our viewers a complementary experience on the second screen. For example, with a show like “The Voice”, users can exchange views about the show with friends online and participate in voting via the social TV platform “Connect”. This increases loyalty to our TV programs. Hence, we do not see the internet as competition, but as a tool to strengthen the connection to our shows.

Can this be capitalized on?

Thomas Ebeling...Yes. Interesting opportunities open up to us in sales in particular. The second screen is becoming ever more a transaction medium. We broadcast a TV spot and extend it onto the internet, where viewers can then order it directly. Advertising concepts that involve other media channels as well as the traditional TV spot are especially effective. For this reason, our sales subsidiary SevenOne AdFactory develops individual, cross-media marketing concepts for advertising customers. In 2012, it again made a valuable contribution to revenues from new customers.

Digitalization offers a media corporation such as ProSiebenSat.1 many opportunities. Where do you see challenges?

Thomas Ebeling...The fragmentation of the market is certainly a challenge. Today, basically everyone can operate their own station and create content via the internet. However, the requirements are not the same for everyone. Think of Google, for example. Is Google a distri-

1.910

EUR BN

... or 81.0 % was the contribution of the Broadcasting German-speaking segment to consolidated external revenues in 2012.



“Linking up our TV business with our Digital and Ventures activities is the basis for the dynamic and long-term growth of the ProSiebenSat.1 Group.”

tribution platform or a content provider? If it is a content provider, why does Google not have to meet the same requirements in Germany as a private TV company? Considerably higher requirements are set for us – requirements that are right –, for example with regard to the protection of young people or to news production. At the same time, international players such as Google and Facebook, to whom the strict regulations do not apply, are stepping into the German market. Therefore, we need new media structures. It will be a challenge for politicians to find the right answers.

You have already talked about how ProSiebenSat.1 reaches many millions of people with its media services every day. This brings with it a certain responsibility. How do you fulfill this responsibility?

Thomas Ebeling...The very fact that we reach so many people means that we can and want to convey messages. It is our goal to acquaint youths and young viewers more heavily with socially relevant topics. We are committed to traditional charity campaigns such as “RED NOSE DAY”. Moreover, we also raise young people’s awareness of social concerns with initiatives such as “Tolerance Day”. In 2012, we launched Stefan Raab’s political talk show “Absolute Mehrheit”, a highly innovative format. With his first show, Stefan Raab reached as many young viewers as seven talk shows of public stations in one full week put together. This shows that there is a need, and we are happy to assume this responsibility. Furthermore, we will continue to devote ourselves to the topics of ecology and integration. It is important to approach it in such a way that it is fun for young people and that they develop a desire to get involved.

To conclude, let us take a look into the future. If ProSiebenSat.1 is to become an entertainment powerhouse, where do you see the major growth areas in the medium term?

Thomas Ebeling...Without any doubt, in our Digital & Adjacent segment. In the next few years, we will register high growth rates in this area, through organic growth but also through strategic acquisitions. Enormous potential is opening up to us in German-speaking free TV, our core business, due to the spread of HD-compatible television sets. Moreover, in the next few years we will establish further TV stations, thus gaining new target groups in the audience and advertising markets. I am very optimistic about the future. The ProSiebenSat.1 Group is optimally positioned in order to benefit from the transformation of the media landscape. We have an extremely committed and creative team. I am impressed by the ingenuity and passion with which our employees develop new ideas and products. Both strategically and in terms of personnel, we are outstandingly positioned to continue the growth story of the ProSiebenSat.1 Group.

>600

EUR M

... is the revenue potential for the Group until 2015 in comparison to the year 2010 (on the basis of continuing operations).

MEMBERS OF THE EXECUTIVE BOARD



Conrad Albert

Management segments:
 Legal, Distribution & Regulatory Affairs,
 Legal Affairs Operational Business,
 Corporate Law, Mergers & Acquisitions,
 Shareholder & Boards Management
 and International Free TV CEE
 Member of the Executive Board since
 October 1, 2011



Heidi Stopper

Management segments:
 Human Resources, Compensation &
 Benefits,
 HR People Development,
 HR Processes & Controlling,
 Labour Law & Freelance Management
 Member of the Executive Board
 since October 1, 2012

Dr. Christian Wegner

Management segments:
 Digital & Diversification, New Media, German Pay-TV, Video on Demand,
 Music & Commerce and Merchandising
 Member of the Executive Board since October 1, 2011



Member of the Executive Board
until February 29, 2012:
Andreas Bartl
Management segments:
TV Germany (SAT.1, ProSieben,
kabel eins, sixx)

Thomas Ebeling (CEO)

Management segments:

TV Germany (SAT.1, ProSieben, kabel eins, sixx, SAT.1 Gold), Group Content, International Free TV Scandinavia, Radio, Sales & Marketing, Strategy & Operations and Corporate Communications
Member of the Executive Board (CEO) since March 1, 2009

Axel Salzmänn (CFO)

Management segments:

Group Operations & IT, Group Controlling, Group Finance & Investor Relations, Accounting & Taxes, Internal Audit and Administration
Member of the Executive Board since May 1, 2008, CFO since July 2008

REPORT OF THE SUPERVISORY BOARD



Götz Mäuser

Chairman of the Supervisory Board:
Partner at Permira
Beteiligungsberatung GmbH (Permira)

Dear Shareholders,

Once again in 2012, the Supervisory Board of ProSiebenSat.1 Media AG performed the duties incumbent upon it under the law, the articles of incorporation, and its own rules of procedure, also taking into consideration the recommendations of the German Corporate Governance Code. The Supervisory Board supervised the management of the Executive Board and assisted it with advice.

Cooperation between the Executive Board and Supervisory Board

In the last financial year, the Supervisory Board regularly advised the Executive Board on the management of the company in close, trusting cooperation and carefully and continuously supervised its conduct of business. It dealt in depth with the development of the Group's operations and strategy. The Supervisory Board was regularly, promptly and fully informed about all issues relevant to the Company concerning strategy, planning, business performance, the risk situation, risk management and compliance. When trading performance deviated from plans, the Executive Board explained the details to the Supervisory Board and discussed with it. In this way it was directly involved at an early stage in all decisions of fundamental importance to the Company. Supervisory Board meetings were characterized by intensive and open exchange between the Executive Board and the Supervisory Board. In addition, in the framework of Supervisory Board meetings, so-called "Executive Sessions" took place, in which members of the Supervisory Board have the opportunity to discuss topics without the Executive Board.

Where the law, the articles of incorporation, or the rules of procedure demanded the approval of the Supervisory Board or a committee for individual measures, a corresponding resolution was passed. Members of the Supervisory Board prepared for resolutions on Executive Board measures requiring their consent with the regular aid of documentation provided in advance by the Executive Board. Here, they were supported by the competent committees in each case, if applicable, and discussed plans on which decisions were pending with the Executive Board. All matters requiring its consent were submitted to the Supervisory Board promptly for review.

In addition to reporting in the Supervisory Board meetings, the Executive Board regularly advised the Supervisory Board of the most important financial figures – through written monthly reports – and submitted the interim and annual financial reports to it. The Executive Board also informed the Supervisory Board immediately of particular events between meetings and in objectively justified cases asked it to pass resolutions in writing in consultation with the Chairman of the Supervisory Board. The Chairman of the Supervisory Board also maintained a close personal dialog with the CEO on an ongoing basis even outside meetings.

On the basis of the Executive Board's regular reports, the Supervisory Board was always promptly and thoroughly informed about the Company's condition and pending decisions and was able to perform its tasks in their entirety. There was therefore no need for the Supervisory Board to examine the Company's books and other records for the purposes of Section 111 (2) of the German Stock Corporation Act – apart from the documentation provided to the Supervisory Board in the course of the Executive Board's reporting activities.

Changes in the membership of the Executive and Supervisory Boards

Andreas Bartl resigned his Executive Board position effective at the end of February 29, 2012, in consultation with the Supervisory Board. Effective October 1, 2012, Heidi Stopper, previously Executive Vice President Human Resources, was appointed as an additional member of the Executive Board. She is in charge of the newly created "Human Resources" Executive Board department.

There were the following changes to the Supervisory Board in the 2012 financial year: Herman van Campenhout and Robin Bell-Jones resigned their positions as members of the Supervisory Board effective at the end of the Annual General Meeting on May 15, 2012. The Annual General Meeting of May 15, 2012 elected Drs. Fred Th. J. Arp, CFO of Telegraaf Media Groep N.V., and Stefan Dziarski, investment professional at Permira Beteiligungsberatung GmbH, as new members of the Supervisory Board in a by-election. They were both appointed to the Supervisory Board for the remainder of the terms of office of the departing Supervisory Board members. Therefore, their terms of office end with the conclusion of the Annual General Meeting that decides on discharge for the 2013 financial year.

Points of emphasis of the Supervisory Board's advisory and monitoring activities

In total, four ordinary meetings of the Supervisory Board took place in 2012 as well as two extraordinary meetings in the form of teleconferences. More than half of these meetings were attended by all members of the Supervisory Board. Outside personal meetings, the Supervisory Board made nine decisions by written correspondence.

Once again in the 2012 financial year, the Supervisory Board dealt with the business and financial situation, fundamental questions of corporate policy and strategy, the personnel situation and investment projects. The following topics were points of emphasis of the Supervisory Board's advisory and monitoring activities:

- In a vote by correspondence of February 15, 2012, the Supervisory Board approved the takeover of Austria 9 TV GmbH and the subsequent station relaunch as sixx Austria.
- In an extraordinary Supervisory Board meeting on February 22, 2012, the Supervisory Board acknowledged and approved Andreas Bartl's resignation from the Executive Board effective at the end of February 29, 2012 and decided upon a corresponding termination agreement. It also approved the conclusion of a consulting contract with Mr. Bartl on the recommendation of the Compensation Committee.
- On March 5, 2012, the Supervisory Board approved the acquisition of a controlling interest in the British TV and film production company Endor Productions Ltd. via the Red Arrow Entertainment Group GmbH.
- In its ordinary meeting of March 27, 2012, the Supervisory Board adopted the documents of the annual financial statements, the Corporate Governance Report and the Declaration of Compliance for the financial year 2011. In addition, the Supervisory Board considered the Executive Board's profit allocation proposal and approved the proposed resolutions on the agenda of the 2012 Annual General Meeting including the resolution proposed to the Annual General Meeting that Drs. Th. J. Fred Arp be elected as a new member of the Supervisory Board. As well as passing the budget for the 2012 financial year, the Supervisory Board approved the consolidation of programming licenses. The annual review of Executive Board compensation was also a topic of discussion. In this respect, the Supervisory Board addressed

the appropriateness of Executive Board compensation in detail and approved the bonus payments for the 2011 financial year and the target agreements for members of the Executive Board for the 2012 financial year. In the Executive Board's absence, the Supervisory Board carried out a review of the efficiency of its working procedures in terms of Item 5.6 of the German Corporate Governance Code.

- › In addition to the proposed resolutions on the agenda of the 2012 Annual General Meeting already adopted, on April 2, 2012 the Supervisory Board approved the resolution proposed to the Annual General Meeting that Mr. Stefan Dziarski be elected as a new member of the Supervisory Board by correspondence.
- › In a vote by correspondence on May 7, 2012, the Supervisory Board approved the acquisition of a majority interest in the Israeli production firm July August Communications and Productions Ltd.
- › The Annual General Meeting on May 15, 2012 elected Drs. Fred Th. J. Arp and Mr. Stefan Dziarski to the Supervisory Board. In a subsequent ordinary meeting of the Supervisory Board, Drs. Fred Th. J. Arp was elected to the Compensation Committee and Mr. Stefan Dziarski to the Presiding Committee and the Audit and Finance Committee. In this meeting, the Supervisory Board also addressed strategic issues and the Company's financial position.
- › In a vote by correspondence on June 13, 2012, the Supervisory Board approved the implementation of a new share-based compensation plan (Group Share Plan). This replaces the Long Term Incentive Plan, which was last renewed in 2011. In addition to Executive Board members, the Group Share Plan benefits selected managers and other selected employees of the ProSiebenSat.1 Group.
- › On July 27, 2012, the Supervisory Board approved a controlling interest in the US production company Left/Right Holdings, LLC via the Red Arrow Entertainment Group GmbH.
- › In another vote by correspondence on August 21, 2012, the Supervisory Board approved the foundation of a new free TV station, "SAT.1 Gold", which went on air on January 17, 2013. The channel is aimed at affluent older, primarily female viewers – a target group of increasing relevance to advertising customers.
- › In a vote by correspondence on September 11, 2012, the Supervisory Board approved a consensual settlement of the two pending Federal Cartel Office proceedings. The cases are based on the accusation of anti-competitive collusion between the two TV station groups ProSiebenSat.1 and RTL with regard to the encryption of their digital free TV programs.
- › In its ordinary meeting on September 27, 2012, the Supervisory Board appointed Heidi Stopper to the Executive Board as an additional member. On October 1, 2012, Heidi Stopper took on the newly created "Human Resources" Executive Board department. Other subjects of the meeting were various operational and strategic issues such as expected offers from various parties interested in purchasing the ProSiebenSat.1 Group's Northern European TV and radio interests.
- › At its last ordinary meeting of the 2012 financial year, on November 28, 2012, the Supervisory Board approved the budget for the 2013 financial year. Another topic was the development of the proportion of women in management positions in the ProSiebenSat.1 Group.

- › In an extraordinary meeting held by teleconference on December 13, 2012, the Supervisory Board approved the sale of the ProSiebenSat.1 Group's TV and radio interests in the Northern European countries (Norway, Sweden, Finland and Denmark) to Discovery Communications. In this meeting, the Supervisory Board also addressed the planned dividend proposal and the planned conversion of preference shares into common stock.
- › In another vote by correspondence on December 17, 2012, the Supervisory Board approved the acquisition of a stake of 10% of the share capital of KüchenQuelle GmbH by Seven-Ventures GmbH.

Report on the committees' work

The work of the ProSiebenSat.1 Media AG Supervisory Board is supported by the committees it has set up. Once again in 2012, the Supervisory Board had three committees at its disposal so as to conduct its work efficiently – the Presiding Committee, the Compensation Committee and the Audit and Finance Committee.

- › The **Presiding Committee** prepares meetings of the Supervisory Board and approves matters of particular business significance such as the purchase of programming rights. This committee furthermore acts as a nominating committee under the German Corporate Governance Code, suggesting suitable Supervisory Board candidates to the full Supervisory Board for nomination at the Annual General Meeting. In 2012, the Presiding Committee adopted seven resolutions by correspondence; there was one meeting in person.
- › The **Compensation Committee** makes preparations for various resolutions for plenary sessions of the Supervisory Board on personnel-related Executive Board issues. For example, this includes the annual review of the Executive Board members' compensation by the full Supervisory Board. In 2012, the Compensation Committee held four ordinary meetings; one extraordinary meeting took place via telephone. One resolution was passed by correspondence.
- › In accordance with Section 107 (3) Sentence 2 of the German Stock Corporation Act and Item 5.3.2 of the German Corporate Governance Code, the **Audit and Finance Committee** is concerned with monitoring the financial reporting process and the effectiveness of the internal controlling system, the risk management system, compliance and the internal auditing system. In particular, the Audit and Finance Committee prepares the Supervisory Board's resolutions on the annual and consolidated financial statements and agreements with the auditor (specifically the audit assignment, determination of the focal points of the audit and the fee agreement); it also takes appropriate steps to verify and monitor the auditor's independence. Finally, it prepares the Supervisory Board's decision for the Supervisory Board's proposal to the Annual General Meeting on the selection of the auditor and submits a recommendation on this issue to the Supervisory Board. The Audit and Finance Committee also decides in place of the Supervisory Board on certain measures requiring approval referred to the Committee. The Audit and Finance Committee met five times in 2012 and adopted one resolution by correspondence.

At its plenary sessions the Supervisory Board was informed about the Committees' work regularly and in full.

Audit of the annual and consolidated financial statements 2012

The 2012 financial statements of ProSiebenSat.1 Media AG and the consolidated financial statements of the Group, together with the management reports for ProSiebenSat.1 Media AG and the Group, were audited in accordance with the regulations by the Munich office of KPMG AG Wirtschaftsprüfungsgesellschaft (KPMG), which issued an unqualified audit opinion in both cases. The audit paid particular attention to impairment testing of goodwill and other intangible assets under IAS 36, impairment of assets, measurement of programming assets, recognition and measurement of deferred taxes for the Group in compliance with IAS 12, income taxes, determination of revenues in conformity with the requirements of IAS 18, revenues, recognition and measurement of financial instruments, and testing of plausibility of information in the Group management report.

The Supervisory Board extensively reviewed these documents. All documents relating to the financial statements, as well as the KPMG audit reports, were made available to the members of the Supervisory Board in good time. These documents were discussed in detail, in the presence of the auditor, first within the Audit and Finance Committee and then at the review meeting of the full Supervisory Board. Here, the auditor reported on the material results of the audit. No weaknesses were identified in the internal control and risk management systems in relation to the reporting process. There were no circumstances that could cause partiality on the part of the auditor. The auditor performed services in addition to the auditing services amounting to EUR 1.3 million. The Notes to the consolidated financial statements include details of the auditor's services and the level of compensation, reproduced on page 248 of this Annual Report.

The Supervisory Board noted with approval the results of the auditor's examination of the financial statements, and for its own part, following its own examination, also found no cause for objection. The Supervisory Board approved the parent company financial statements and the consolidated financial statements prepared by the Executive Board and audited by the auditor, as well as the management reports for both the parent company and the consolidated Group. The annual financial statements are thereby adopted. Finally, the Supervisory Board also reviewed the Executive Board's proposal for the allocation of profits, and concurred in that proposal.

In its capacity as auditor of the financial statements, KPMG also reviewed the report of the Executive Board on relationships with affiliated enterprises during the 2012 financial year. The auditor's examination revealed no cause for objection. The auditor issued the following unqualified opinion: "Based on the results of our audit, performed in accordance with our professional duties, we confirm that

1. the factual information in the report is accurate,
2. in the legal transactions mentioned in the report, the consideration paid by the Company was not disproportionately high, or else any disadvantage was compensated."

The Supervisory Board's own review of the report on relationships with affiliated companies likewise revealed no cause for objection. The Supervisory Board therefore concurred in the results of the auditor's review. In accordance with the final results of its own examination, the Supervisory Board had no objections to the declaration of the Executive Board at the conclusion of the report on relationships with affiliated businesses.

Conflicts of interest

No conflicts of interest occurred in the Supervisory Board in the year under review.

Corporate governance

The Executive Board and Supervisory Board have compiled a separate report on corporate governance. This and the Management Declaration in accordance with Section 289a of the German Commercial Code can be found online at <http://en.prosiebensat1.com/en/company/corporate-governance/management-declaration> and in the Annual Report on page 27.

Thank you from the Supervisory Board

On behalf of the Supervisory Board, I would like to formally thank the members of the Executive Board as well as all employees for their great commitment and successful work in the 2012 financial year. Because of the particular dedication of the Executive Board members and the employees, the ProSiebenSat.1 Group closed the 2012 financial year with success. I also thank Mr. van Campenhout and und Mr. Bell-Jones for their activity in the ProSiebenSat.1 Supervisory Board.

Unterföhring, March 2013

On behalf of the Supervisory Board



Götz Mäuser,
Chairman

Proposed Allocation of Profits

Management Declaration and
Corporate Governance Report

MEMBERS OF THE SUPERVISORY BOARD OF PROSIEBENSAT.1 MEDIA AG AS OF DECEMBER 31, 2012 (Fig. 1)

Götz Mäuser, Chairman	Permira Beteiligungsberatung GmbH (Partner)	Member of the Supervisory Board since: March 7, 2007
Johannes P. Huth, Vice Chairman	Kohlberg Kravis Roberts & Co. Ltd. (Member of the Investment Committee)	Member of the Supervisory Board since: March 7, 2007
Drs. Fred Th. J. Arp	Telegraaf Media Groep N.V. (CFO)	Member of the Supervisory Board since: May 15, 2012 ¹
Gregory Dyke	Ambassador Theatre Group (Company Chairman)	Member of the Supervisory Board since: May 7, 2004
Stefan Dziarski	Permira Beteiligungsberatung GmbH (Investment Adviser)	Member of the Supervisory Board since: May 15, 2012 ²
Philipp Freise	Kohlberg Kravis Roberts & Co. Ltd. (Investment Executive)	Member of the Supervisory Board since: March 7, 2007
Lord Clive Hollick	Retired	Member of the Supervisory Board since: March 7, 2007
Dr. Jörg Rockenhäuser	Permira Beteiligungsberatung GmbH (Managing Partner)	Member of the Supervisory Board since: June 4, 2009
Prof. Dr. Harald Wiedmann	Gleiss Lutz Hootz Hirsch Partnerschaftsgesellschaft von Rechtsanwälten und Steuerberatern (German Certified Public Accountant, Tax Adviser, Attorney at Law)	Member of the Supervisory Board since: March 7, 2007

¹ Drs. Fred Th. J. Arp succeeds Herman van Campenhout, Telegraaf Media Groep N.V. (CEO).

² Stefan Dziarski succeeds Robin Bell-Jones, Permira Advisers LLP (Partner).

Proposed Allocation of Profits

Subject to the successful consummation of the sale of the Northern European TV and radio activities, the ProSiebenSat.1 Media AG Executive Board intends to propose to the Annual General Meeting the payment of a dividend of EUR 5.65 (previous year: EUR 1.17) per no-par value preference share with dividend entitlement for the 2012 financial year. With respect to the registered common shares, under the proposal for the allocation of profits, a dividend of EUR 5.63 (previous year: EUR 1.15) is allotted per registered common share. This represents a total payout of approximately EUR 1.2 billion (previous year: EUR 245.7 million).

Management Declaration and Corporate Governance Report

Management Declaration

The Executive Board and Supervisory Board report on management in the Management Declaration pursuant to Section 289a of the German Commercial Code. Alongside the annual Declaration of Compliance under Section 161 of the German Stock Corporation Act, it also provides relevant information about management practices and other aspects of management such as in particular a description of the working procedures of the Executive Board and Supervisory Board.

Declaration of Compliance by the Executive Board and Supervisory Board of ProSiebenSat.1 Media AG in accordance with Section 161 of the German Stock Corporation Act (AktG) regarding the "German Corporate Governance Code"

The Executive Board and Supervisory Board of ProSiebenSat.1 Media AG declare that the recommendations of the "Government Commission on the German Corporate Governance Code" as amended on May 15, 2012 and published in the official part of the Federal Gazette on June 15, 2012, have in principle been complied with since their publication. Only the following recommendations of the Code have not been and will not be applied:

- › The Executive Board of the Company has not appointed a proxy to exercise the shareholders' voting rights at the Annual General Meeting in accordance with instructions (item 2.3.3 of the German Corporate Governance Code). There is no need for such a proxy at present because of the current shareholder structure and the limited number of shareholders entitled to vote at the Annual General Meeting.
- › The D&O insurance policies the Company has taken out for the members of the Executive Board and the Supervisory Board provide for a deductible for insured members of the Executive Board in compliance with the framework provided for by law (section 93 (2) Sentence 3 of the German Stock Corporation Act in conjunction with section 23 (1) of the Introductory Act to the German Stock Corporation Act) and by the employment contracts. However, neither the Executive Board nor the Supervisory Board regards a deductible as an effective way of enhancing board members' motivation or sense of responsibility. Therefore, contrary to the recommendation in item 3.8 of the German Corporate Governance Code, currently no deductible is agreed for Supervisory Board members.
- › The stock option plan ("Long Term Incentive Plan") first approved by the Annual General Meeting in May 2005, as part of the authorization to acquire treasury stock, and lastly renewed by resolution of the Annual General Meeting in June 2010, provides only for performance targets relating to the stock price of the Company. Additional comparison parameters relating to corporate key figures (item 4.2.3 of the German Corporate Governance Code) were not included, since, due to the particular conditions of the German TV advertising market, no comparable German or foreign companies can be identified at present. On the basis of the Long Term Incentive Plan, stock options were issued to members of the Executive Board lastly in 2009. The share-based compensation plan ("Group Share Plan") which was newly launched in 2012 and which shall replace the Long Term Incentive Plan, now also provides for performance targets relating to corporate key figures.
- › The Company's Executive Board contracts for the Executive Board members who were appointed in or after the fiscal year 2011 provide for a so-called severance pay cap. Also in the future, when the Company will conclude new Executive Board contracts, or amend existing Executive Board contracts, the Company will take care to ensure that payments made to an Executive Board member on premature termination of that member's employment without serious cause, including fringe benefits, do not exceed the value of two years' compensation (severance pay cap) and compensate no more than the remaining term of the employment contract. Solely the Executive Board contracts that were concluded before the fiscal year 2011 did not provide for a so-called severance pay cap (item 4.2.3 of the German Corporate Governance Code), as the Company did not consider this appropriate at that time. As per the date of the execution of this declaration of compliance, the contracts of all acting Executive Board members provide a severance pay cap.

- › The Supervisory Board of the Company has abstained from complying with the recommendations of Item 5.4.1 para. 2 and 3 of the German Corporate Governance Code. Pursuant to Item 5.4.1 para. 2 and 3 of the German Corporate Governance Code, the Supervisory Board shall specify concrete objectives regarding its composition which, whilst considering the specifics of the enterprise, take into account the international activities of the enterprise, potential conflicts of interest, the number of independent Supervisory Board members within the meaning of Item 5.4.2 of the German Corporate Governance Code, an age limit to be specified for members of the Supervisory Board and diversity. These concrete objectives shall, in particular, stipulate an appropriate degree of female representation. Proposals by the Supervisory Board to the competent election bodies shall take these objectives into account. The concrete objectives of the Supervisory Board and the status of implementation shall be published in the Corporate Governance Report.

The Supervisory Board is of the opinion that such formalized targets regarding its composition are not necessary, in particular not in order to ensure compliance with the criteria with respect to the composition of the Supervisory Board as set out by the German Corporate Governance Code. In fact, the Supervisory Board is of the opinion that also absent such formalized targets, the composition of the Supervisory Board will be implemented in a way that is in the best interests of the Company.

Subject to the exceptions stated above, ProSiebenSat.1 Media AG intends to continue complying with the recommendations of the Government Commission on the German Corporate Governance Code as amended on May 15, 2012 and published in the official part of the Federal Gazette on June 15, 2012 also in the future.

The Executive Board and Supervisory Board of ProSiebenSat.1 Media AG further declare that, with respect to the time period since the last Declaration of Compliance of March 2012 until the publication of the recommendations of the Government Commission on the German Corporate Governance Code, as amended on May 15, 2012, in the Federal Gazette on June 15, 2012, the Company complied with the recommendations of the Government Commission on the German Corporate Governance Code as amended on May 26, 2010 and published in the Federal Gazette on July 2, 2010, subject to the above-mentioned exceptions as well as the following exception:

- › The members of the Supervisory Board receive only a fixed compensation. No additional performance-related variable component (Item 5.4.6 of the German Corporate Governance Code) is provided. The Company believes a fair fixed compensation is more suitable in order to take account for the control function of the Supervisory Board which is to be fulfilled irrespective of the performance of the Company.

March 2013

The Executive Board and Supervisory Board of
ProSiebenSat.1 Media AG

Significant Disclosures about Management Practices

The ProSiebenSat.1 Group ensures compliance with rules of conduct, laws and guidelines with a code of conduct that applies throughout the Group. This Code of Compliance lays down fundamental principles and the most important guidelines and courses of action for conduct in business life. It is intended to provide valuable assistance to employees and executives of the ProSiebenSat.1 Group, especially in situations of business, legal or ethical conflict. Adherence to the Code of Compliance is carefully monitored. The Group-wide implementation of the Code of Compliance is monitored by the Compliance Officer in close cooperation with the Human Resources, Group Controlling, and Legal Affairs departments. The Code of Compliance can be downloaded at www.prosiebensat1.com/en/company/corporate-governance/declaration-of-compliance.

Composition of the Executive Board and Supervisory Board

According to the provisions of the articles of incorporation, the Executive Board has one or more members. The number of Executive Board members is determined by the Supervisory Board. As of December 31, 2012, the ProSiebenSat.1 Media AG Executive Board consisted of five members. The Supervisory Board has nine members in accordance with the articles of incorporation, which must all be elected by the Annual General Meeting. As a company that primarily serves purposes of reporting or expressing opinions (so called "Tendenzunternehmen"), the company is not subject to co-determination.

Working Procedures of the Executive Board and Supervisory Board

Each member is responsible for his own area of responsibility and keeps his colleagues on the Board continuously up-to-date on events in that area. The cooperation and areas of authority of the Executive Board members are governed by established rules of procedure, which the Supervisory Board enacted for the Executive Board. As a rule, the full Executive Board meets weekly. The meetings are chaired by the CEO. These meetings discuss such matters as resolutions about measures and transactions that require the consent of the full Board under the Board's rules of procedure. For resolutions to be valid, at least half of the members of the Executive Board must participate in the vote. Resolutions of the full Executive Board are adopted by simple majority vote. In the event of a tie, the vote of the CEO decides. When important events occur, any member of the Executive Board may call an extraordinary meeting of the full Executive Board; the Supervisory Board may likewise call such meetings. The Executive Board may also adopt resolutions outside meetings, via an oral, telephone or written vote and by vote in text form. Written minutes are prepared of every meeting of the full Executive Board and of every resolution adopted outside a meeting. The minutes are presented to the full Executive Board for approval at the next meeting and signed by the CEO. In addition to the regular Executive Board meetings, a strategy workshop is held at least once a year. At workshops of this kind, strategic objectives are prioritized for the whole Group and the strategy for the current financial year is developed in cooperation with managing executives from various corporate units.

Further details on the working procedures of the Executive Board are governed by the rules of procedure for the Executive Board defined by the Supervisory Board, which also govern the schedule of responsibilities and the matters reserved for the full Executive Board.

The Executive Board promptly and fully informs the Supervisory Board in writing, and also at the Supervisory Board's quarterly meetings, about planning, business performance and the condition of the Company including risk management and about compliance issues. Where indicated, an extraordinary meeting of the Supervisory Board is called to address important events. The Supervisory Board is involved by the Executive Board in the Company's strategy and planning, as well as in all matters of fundamental importance to the Company. For

significant business decisions, the rules of procedure for the Executive Board involve requirements to obtain the consent of the Supervisory Board. For example, adopting the annual budget, major acquisitions, or investments in programming licenses require the consent of the Supervisory Board. More detailed information on the cooperation between the Executive Board and the Supervisory Board and important issues discussed in the 2012 financial year can be found in the Supervisory Board's report on pages 21 to 24.

The Supervisory Board holds at least two meetings per half of the calendar year. The Supervisory Board has adopted rules of procedure in addition to the provisions of the articles of incorporation to govern its work. These rules stipulate that the Chairman of the Supervisory Board coordinates the work of the Supervisory Board, chairs its meetings, and also represents the Board's concerns to outside parties. As a rule, the Supervisory Board adopts its resolutions at meetings. However, by decision of the Chairman of the Supervisory Board, resolutions may also be adopted in conference calls or in videoconferencing sessions, or outside a meeting. Equally permissible is the adoption of resolutions by a combination of voting at meetings and voting via other forms.

Resolutions of the Supervisory Board are valid if at least half of its members participate in the vote. Resolutions by the Supervisory Board are normally adopted by simple majority of the votes cast, except where a different majority is prescribed by law. In the event of a tie, the vote of the Chairman of the Supervisory Board decides. If the Chairman does not participate, the vote of the Vice Chairman decides.

Minutes are kept of the meetings of the Supervisory Board, and are signed by its Chairman. Resolutions adopted outside meetings are also recorded in writing. A copy of the minutes, or of resolutions adopted outside a meeting, is promptly sent to all members of the Supervisory Board. The Board members who participated at the meeting or in the resolution may file written objections against the minutes with the Chairman of the Supervisory Board within one month after the minutes are sent out. Otherwise the minutes, or the resolution, are deemed approved.

Prof. Dr. Harald Wiedmann, who is also Chairman of the Audit and Finance Committee, meets the requirements of Sections 100 (5), 107 (4) of the German Stock Corporation Act and Item 5.3.2 Sentences 2 and 3 of the German Corporate Governance Code as an independent and expert member.

Every Supervisory Board member must report conflicts of interest immediately to the Supervisory Board's Presiding Committee, particularly those that could arise from an advisory or executive function for customers, suppliers, creditors or other business partners.

In keeping with the recommendation of Item 5.6 of the German Corporate Governance Code, the Supervisory Board conducts regular efficiency reviews. The major points of examination include the Supervisory Board's view of its own mission, the organization of its activities, the independence of its members, the handling of potential conflicts of interest, and the composition of its committees. The Supervisory Board arrived at a positive conclusion.

Committees' Composition and Working Procedures

The Executive Board did not set up any committees, while the Supervisory Board appointed three in the 2012 financial year. Members of the Supervisory Board Committees come from the Supervisory Board. In choosing committee members, Board members' potential conflicts of interest are taken into account, as are their professional qualifications. The following shows more details on the members of the Supervisory Board Committees.

INFORMATION ON COMMITTEE MEMBERS (Fig. 2)

Götz Mäuser	has been a Partner at Permira Beteiligungsberatung GmbH (Permira) since 1997. During his work at Permira, his activities have included establishing the Media Team and accompanying various transactions including Cognis, debitel, Jet Aviation and ProSiebenSat.1. Götz Mäuser began his career as a consultant at McKinsey & Co., working in Germany and Brazil for six years. Götz Mäuser holds the German business degree of Diplom-Kaufmann. He studied business administration in Hamburg and Cologne, and attained a Master of Business Administration at New York University, Stern School of Business in addition to his German degree.
Johannes P. Huth	is Partner at Kohlberg Kravis Roberts & Co. Ltd. (KKR) and is responsible for the operating business in Europe, the Middle East and Africa. Before joining KKR, he was a member of the Investcorp Group Management Committee. From 1986 to 1991, he was Vice President in the M&A departments of Salomon Brothers in London and New York. Johannes P. Huth accompanied various transactions, including Wincor Nixdorf, MTU Aero Engines, Kion Group and ProSiebenSat.1. He completed his bachelor studies at the London School of Economics with honors and attained a Master of Business Administration at the University of Chicago.
Drs. Fred Th. J. Arp	has been CFO of Telegraaf Media Groep N.V. since 2005. Previously, he was a partner at Deloitte & Touch and Director of N.V. Holdingmaatschappij De Telegraaf. Drs. Fred Th. J. Arp studied at the Erasmus University in Rotterdam and is a certified public accountant. He holds positions at Wereldhave N.V., Stichting-Telegraafpensioensfonds 1959 and Stichting Africa Interactive Media.
Gregory Dyke	has filled management positions in various organizations, including CEO of Pearson Television and London Weekend Television and General Director of the BBC. He is now a freelance media consultant. Gregory Dyke is also Chancellor of the University of York and holds offices at HIT Entertainment Ltd. (Chairman), Brentford FC (Non-Executive Chairman) and the British Film Institute (Chairman). He studied political science at the University of York in England.
Stefan Dziarski	has worked at Permira Beteiligungsberatung GmbH in Frankfurt since 2007 and concentrates on the Industrials and TMT sectors. Stefan Dziarski previously worked for four years in investment banking for Salomon Smith Barney/Citigroup in New York and Hong Kong. There, he was involved in many M&A and capital market transactions in the TMT sector. Stefan Dziarski holds the German business degree of Diplom-Kaufmann from the European Business School, Oestrich-Winkel. He also spent semesters abroad at the Thunderbird School of Global Management, Arizona/USA and at the National University of Singapore, Singapore.
Philipp Freise	leads the pan-European media business of KKR, where he has worked since 2001, as Partner. He began his career as a consultant at McKinsey & Co. in Frankfurt am Main and New York. Philipp Freise completed his studies at the WHU, Otto Beisheim School of Management in Koblenz. He holds the degree of Diplom-Kaufmann as well as a Master of Business Administration from the McCombs School of Business at the University of Texas.
Lord Clive Hollick	has been a member of the House of Lords since 1991 and is the founder of the Institute for Public Policy Research. He has performed various management duties, including heading operations at United Business Media as CEO from 1996 to 2005. From 2005 to 2010, he worked at KKR, most recently as Senior Advisor. Lord Clive Hollick has also held positions on the Supervisory Boards of various companies, including as Chairman at SBS Broadcasting Group and the South Bank Centre. He currently holds offices at Diageo Plc (Non-Executive Senior Director), BMG Music Rights Management GmbH (Non-Executive Director) and Honeywell International Inc. (Non-Executive Director). He holds a doctorate from Nottingham University in England.
Dr. Jörg Rockenhäuser	heads the German office of Permira Beteiligungsberatung GmbH in Frankfurt, where he is a member of the international Board and the Investment Committee. Jörg Rockenhäuser studied business administration at the University of Munster and holds a PhD from the University of Bochum. Before joining Permira in 2001, he was a Principal at A.T. Kearney. He is also a member of the Netatim Board of Directors, the Board of the American Chamber of Commerce in Germany e.V. and the Advisory Board of the Off Road Kids Foundation.
Prof. Dr. Harald Wiedmann	is of counsel at the law and tax advisory firm Gleiss Lutz Hootz Hirsch Partnergesellschaft von Rechtsanwälten, Steuerberatern. He is also Honorary Professor of International Accounting and Auditing at Berlin Technical University and at Johann Wolfgang Goethe University in Frankfurt am Main. Formerly Chairman of KPMG AG Wirtschaftsprüfungsgesellschaft and KPMG Europe; until 2007 he was President of the Accounting Standards Committee of Germany. Prof. Dr. Harald Wiedmann studied law at the Universities of Tübingen and Munich, and holds official certifications as an attorney, tax advisor and German certified public accountant.

The committees of the Supervisory Board normally meet quarterly. To the extent permitted by law, the committees have been entrusted with making resolutions concerning various tasks of the Supervisory Board, especially approving certain management measures. A committee's resolutions are valid if at least half – and in no case less than three – of its members participate in the vote. Committee resolutions are normally adopted by a simple majority vote; in the event of a tie, the vote of the committee Chairman decides. Written minutes are prepared of each committee meeting and are signed by the committee Chairman. Resolutions outside meetings are also recorded in writing. Minutes and resolutions are sent to all members of the committee concerned. They are deemed approved if no committee member who was present at the meeting, or who took part in the resolution, objects to the content within one week after delivery. The committee Chairmen report to the meetings of the Supervisory Board on the committees' work.

The CFO and the independent auditor regularly participate in the meetings of the Audit and Finance Committee. Additionally, the Chairman of the Audit and Finance Committee invites in particular executives from finance and reporting units to provide information at meetings if required. The Audit and Finance Committee meets without the presence of Executive Board members at least once a year. The Supervisory Board has adopted rules of procedure to govern the work of the Audit and Finance Committee.

Further information on the tasks
of the individual committees,
page 24.

COMMITTEE MEMBERS AS OF DECEMBER 31, 2012 (Fig. 3)

Presiding Committee	Götz Mäuser (Co-Chairman), Johannes P. Huth (Co-Chairman), Stefan Dziarski ¹ , Philipp Freise, Lord Clive Hollick, Dr. Jörg Rockenhäuser
Audit and Finance Committee	Prof. Dr. Harald Wiedmann (Chairman and independent financial expert according to Sections 100 (5), 107 (4) of the German Stock Corporation Act and Item 5.3.2 Sentences 2 and 3 of the German Corporate Governance Code), Götz Mäuser, Johannes P. Huth, Stefan Dziarski ¹ , Philipp Freise
Compensation Committee	Götz Mäuser (Chairman), Johannes P. Huth, Gregory Dyke, Drs. Fred Th. J. Arp ²

¹ He succeeds Robin Bell-Jones, Partner at Permira Advisers LLP.

² He succeeds Herman van Campenhout, CEO of Telegraaf Media Groep N.V..

Corporate Governance Report

The Executive Board and Supervisory Board see good corporate governance as an essential component of responsible, transparent management and control oriented to long-term value creation.

The German Corporate Governance Code establishes a standard for transparent control and management of companies, which is particularly aligned to the interests of the shareholders. Many of the principles contained in the German Corporate Governance Code have already been practiced at ProSiebenSat.1 for a long time. Individual topics relating to corporate governance at ProSiebenSat.1 Media AG are described in more detail in the Management Declaration pursuant to Section 289a of the German Commercial Code; this includes in particular the annual Declaration of Compliance, relevant information on management practices and a description of the working procedures of the Executive Board and Supervisory Board. Additional details can be found in the following Corporate Governance Report in accordance with Item 3.10 of the German Corporate Governance Code.

Fundamentals Relating to Corporate Governance

ProSiebenSat.1 Media AG is a listed stock corporation, and is based in Germany. As well as from the German Corporate Governance Code, the formal structure for Corporate Governance is therefore derived from German law, in particular the law governing stock corporations and the capital market, as well as from the articles of incorporation of ProSiebenSat.1 Media AG.

The compliance officer of ProSiebenSat.1 Media AG is in charge of implementing the principles of corporate governance, monitoring compliance with the requirements of law and documenting these processes. The officer's duties also include keeping up to date on changes in the laws, and tracking the relevant public discussions.

The Company's Governing Bodies

As a German stock corporation, ProSiebenSat.1 Media AG has three governing bodies: the Annual General Meeting, the Supervisory Board and the Executive Board. Their tasks and powers emerge from the German Stock Corporation Act and the articles of incorporation of ProSiebenSat.1 Media AG.

German corporate law provides for a clear separation of personnel between management and controlling bodies. The managing body is the Executive Board, which is overseen and advised by the Supervisory Board with regard to management. All transactions and decisions that are of fundamental importance to the Corporation are handled in close coordination between the Executive Board and the Supervisory Board. Here open communication and close cooperation between bodies is of particular importance. The Management Declaration in accordance with Section 289a of the German Commercial Code reports on the working procedures of the Executive Board and Supervisory Board and their cooperation. It can be accessed online at <http://en.prosiebensat1.com/en/company/corporate-governance/management-declaration> and is reproduced in the Annual Report on page 27. The compensation of members of the Executive and Supervisory Boards is explained in the Compensation Report, which is part of the Group management report (see page 52 in the Annual Report).

The shareholders exercise their rights of joint administration and oversight at the Annual General Meeting. Each share of common stock confers one vote at the Annual General Meeting. Preference shares – except where prescribed by law – carry no voting rights. However, under

Article 19 of the articles of incorporation of ProSiebenSat.1 Media AG, preference shares carry preferential rights in any distribution of profits, and therefore an entitlement to a higher dividend. The invitation to the Annual General Meeting notifies the Company's shareholders in a timely manner about the various agenda items and the resolutions that the Executive Board and Supervisory Board will be submitting for approval.

Communication with the Capital Market and Reporting Principles

› **Transparency:** We aim to strengthen trust among shareholders and lenders, as well as the interested public, through openness and transparency. For that reason, ProSiebenSat.1 Media AG reports regularly on important business developments and changes in the Group. In general, the company provides this information simultaneously to all shareholders, media representatives and the interested public. The information is also published in English, considering the international nature of the interested groups.

To ensure fair communication and prompt disclosure both in Germany and in other countries, the Company particularly makes use of the internet as a channel for communication. All relevant corporate information is published on our website, www.prosiebensat1.com. Annual reports, interim reports, current stock price charts, and company presentations are available for download there any time. The group provides information about organizational and legal matters concerning all aspects of the Annual General Meeting on special pages for the event. As well as the agenda itself, the speech of the CEO and the results of votes can also be downloaded from the site following the meeting. Under the Corporate Governance heading, ProSiebenSat.1 Media AG also publishes the current Management Declaration according to Section 289a of the German Commercial Code, the annual Corporate Governance Report, the Declaration of Compliance with the German Corporate Governance Code in accordance with Section 161 of the German Stock Corporation Act, including an archive with previous Declarations of Compliance and the company's articles of incorporation.

- › **Regular reporting and ad hoc disclosures:** Four times a year, as part of the Company's annual and interim financial reporting, the ProSiebenSat.1 Group's business performance, its financial position and its current results of operations are explained. In keeping with the requirements of law, matters that could significantly influence the stock market price are promptly publicized also outside of scheduled reporting in ad hoc disclosures, and are made available immediately on the internet.
- › **Financial Calendar:** The financial calendar publishes the release dates of financial reports well in advance, along with other important dates, such as the date of the Annual General Meeting. The calendar is available at the ProSiebenSat.1 website, and is also reproduced in this Annual Report.
- › **Reports of equity holdings and directors' dealings disclosures:** Reports of equity holdings under Sections 21 et seq. of Germany's Securities Trading Act (WpHG) are released as soon as they are received. Recent information is available at www.prosiebensat1.com/de/investorrelations/publikationen/jaehrliches-dokument.

Directors' dealings disclosures under Section 15a of the German Securities Trading Act are also published on the internet immediately after receipt. During the financial year 2012 and after the end of the reporting period until February 27, 2013, the following transactions in Company stock and/or financial instruments relating to Company stock were reported to ProSiebenSat.1 by

management personnel or parties related to them, in compliance with Section 15a of the German Securities Trading Act.

DIRECTORS' DEALINGS DISCLOSURES (Fig. 4)

Last name, first name	Reason for notification	Name of financial instrument	Purchase/ Sale	Date/place	Shares	Price in EUR	Total amount of transaction in EUR
Ebeling, Thomas	Own management duties	ProSiebenSat.1 preference share	Sale	March 2, 2012/ OTC	105,000	19.35	2,031,750
Salzmann, Axel	Own management duties	ProSiebenSat.1 preference share	Sale	March 2, 2012/ OTC	60,000	19.35	1,161,000
Albert, Conrad	Own management duties	ProSiebenSat.1 preference share	Sale	March 2, 2012/ OTC	42,000	19.35	812,700
Dr. Wegner, Christian	Own management duties	ProSiebenSat.1 preference share	Sale	March 2, 2012/ OTC	42,000	19.35	812,700
Ebeling, Thomas	Own management duties	ProSiebenSat.1 preference share	Sale	March 5, 2012/ Xetra, Frankfurt	418	19.56	8,176.08
Ebeling, Thomas	Own management duties	ProSiebenSat.1 preference share	Sale	March 8, 2012/ Xetra, Frankfurt	100,000	19.300006	1,930,000.60
Ebeling, Thomas	Own management duties	ProSiebenSat.1 preference share	Sale	March 8, 2012/ Xetra, Frankfurt	40,804	19.500025	795,679.02
Ebeling, Thomas	Own management duties	ProSiebenSat.1 preference share	Sale	March 9, 2012/ Xetra, Frankfurt	29,582	19.77026	584,843.83
Ebeling, Thomas	Own management duties	ProSiebenSat.1 preference share	Sale	March 9, 2012/ Xetra, Frankfurt	59,196	19.502489	1,154,469.34
Ebeling, Thomas	Own management duties	ProSiebenSat.1 preference share	Sale	March 14, 2012/ Xetra, Frankfurt	203	19.95	4,049.85
Ebeling, Thomas	Own management duties	ProSiebenSat.1 preference share	Sale	March 16, 2012/ Xetra, Frankfurt	50,000	19.500448	975,022.40
Ebeling, Thomas	Own management duties	ProSiebenSat.1 preference share	Sale	March 26, 2012/ Xetra, Frankfurt	33,476	19.44286	650,869.18
Ebeling, Thomas	Own management duties	ProSiebenSat.1 preference share	Sale	March 27, 2012/ Xetra, Frankfurt	16,321	19.40	316,627.40
Ebeling, Thomas	Own management duties	ProSiebenSat.1 preference share	Sale	January 30, 2013/ Xetra, Frankfurt	300,000	25.1232	7,536,960.00
Albert, Conrad	Own management duties	ProSiebenSat.1 preference share	Sale	January 31, 2013/ Xetra, Frankfurt	4,180	25.27	105,628.60

- **Shareholdings of the Executive Board and Supervisory Board:** As of December 31, 2012, members of the Executive Board held a total of 464,510 preference shares of ProSiebenSat.1 Media AG, and a total of 571,000 options under the ProSiebenSat.1 Media AG stock option plan. Stock options from the Long-Term Incentive Plan (LTIP) confer the right to purchase one preference share of ProSiebenSat.1 Media AG if the exercise conditions are satisfied. As of December, 2012, members of the Supervisory Board held 96,000 preference shares in ProSiebenSat.1 Media AG.
- **Reporting principles:** The ProSiebenSat.1 Group's financial reporting conforms to IFRS (International Financial Reporting Standards) as adopted by the European Union. The annual financial statements of ProSiebenSat.1 Media AG, as the Group's parent company, are prepared under the accounting principles of the German Commercial Code (HGB). Both sets of financial statements are audited and certified by an independent accounting and auditing firm. The single-entity financial statements of ProSiebenSat.1 Media AG are available – separate from the Consolidated Financial Statements – at www.prosiebensat1.com.
- **Information on stock option plans and similar securities-based incentive schemes:** The Notes to the consolidated financial statements include information about the ProSiebenSat.1 Media AG new share-based compensation plan (Group Share Plan) and the former stock option plan (Long Term Incentive Plan) on page 237.