



Świat Najlepszych Telewizji

# Cyfrowy Polsat S.A.

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**Results for the second quarter ended  
30 June 2008**

**13 August 2008**



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# Polish DTH market overview

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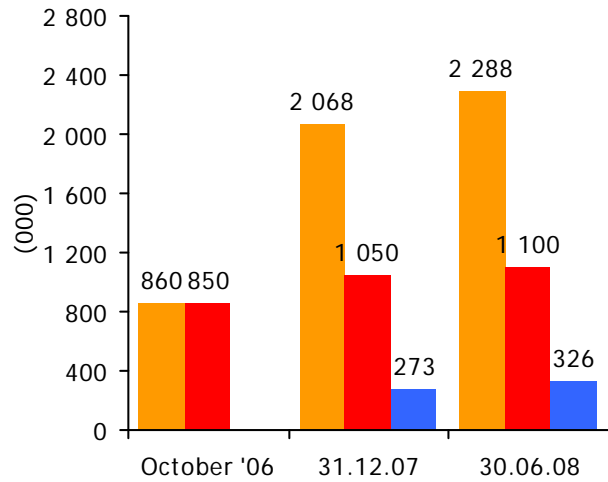
**Dominik Libicki, CEO**



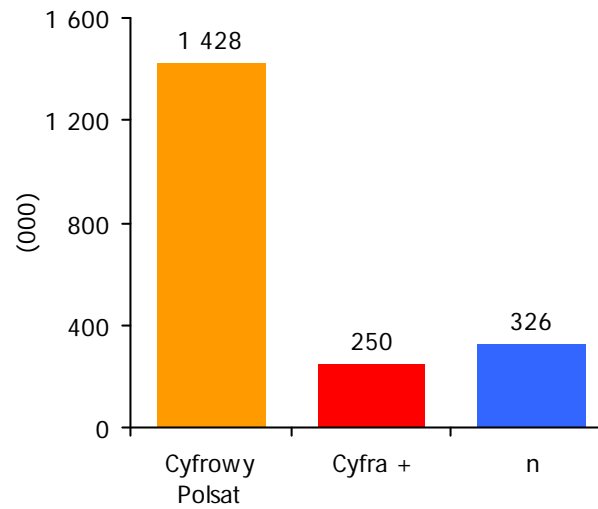
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# DTH market in Poland

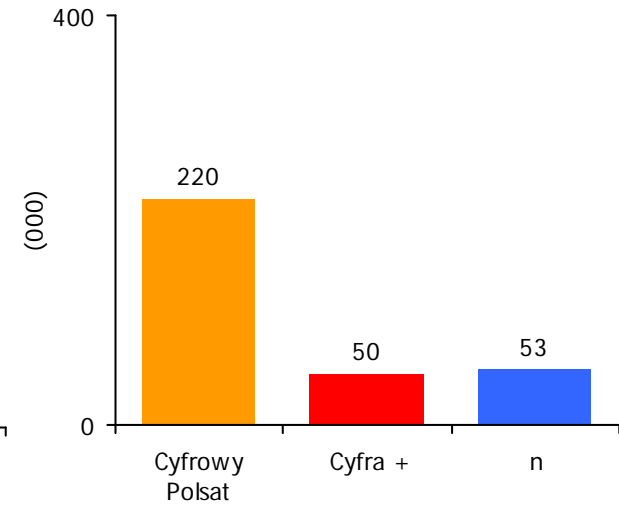
Subscribers



Net adds - October '06 - June'08



Net adds - 2008



■ Cyfrowy Polsat    ■ Cyfra +    ■ n

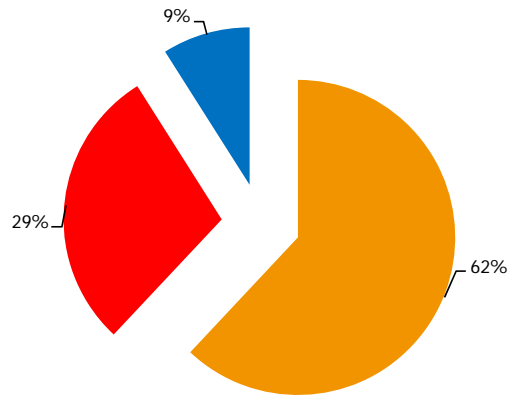
Source: Rzeczpospolita 12 March 2008, Rzeczpospolita 20 May 2008, Wirtualne Media, N press release, own data



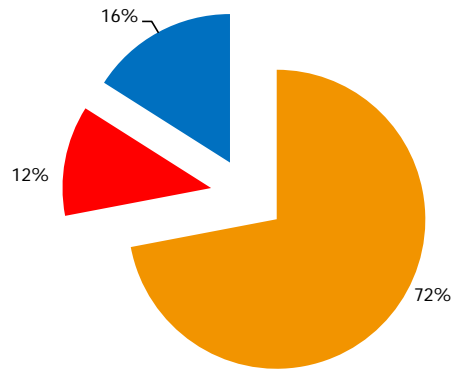
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# Cyfrowy Polsat's leading position on the DTH market

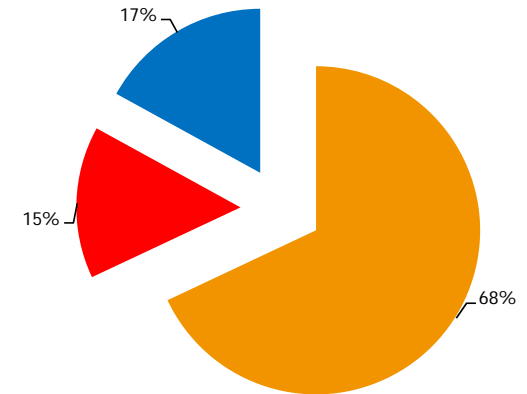
Market share – as at 30 June 2008



Share of net adds - 2006-2008 <sup>(1)</sup>



Share of net adds - 2008



■ Cyfrowy Polsat   ■ Cyfra +   ■ n

Note: <sup>(1)</sup> for the period between October 2006 and 30 June 2008

Source: Rzeczpospolita 12 March 2008, Rzeczpospolita 20 May 2008, Wirtualne Media, N press release, own data



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# Second quarter 2008 highlights

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**Dominik Libicki, CEO**



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# Dynamic growth year-on-year

Number of subscribers increased by 47% to 2,287,656 as at 30 June 2008

ARPU for Family Package subscribers up by 5% to PLN 39.3 from PLN 37.6 in Q2'07

Revenues up by 60% to PLN 277 mln from PLN 173 mln in Q2'07

EBITDA up by 75% to PLN 104 mln, and EBITDA margin up to 37.5% compared to 34.2% in Q2'07

Net income up by 68% to PLN 80 mln, and net income margin reached 29% as compared to 27% in Q2'07

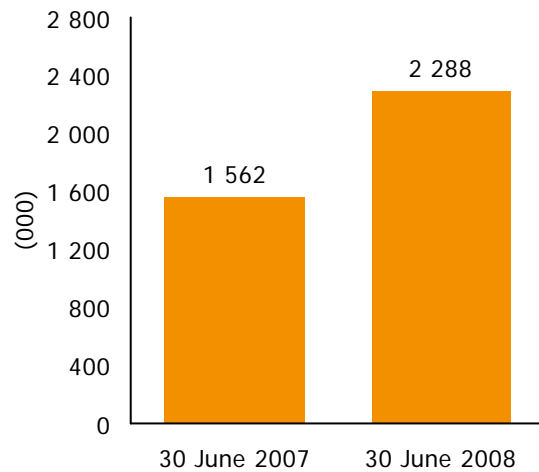


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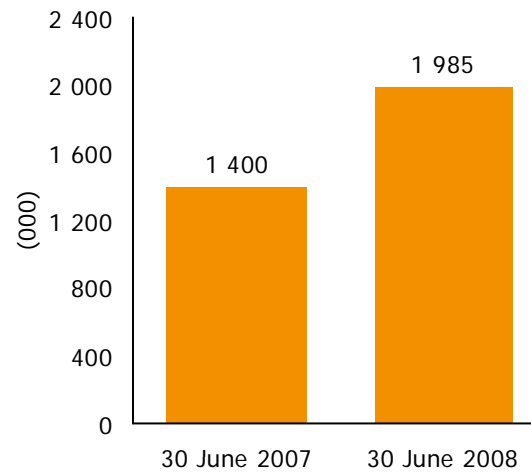
# Dynamic growth year-on-year Subscribers

During the last 12 months we grew our subscriber base by 47%, and ...

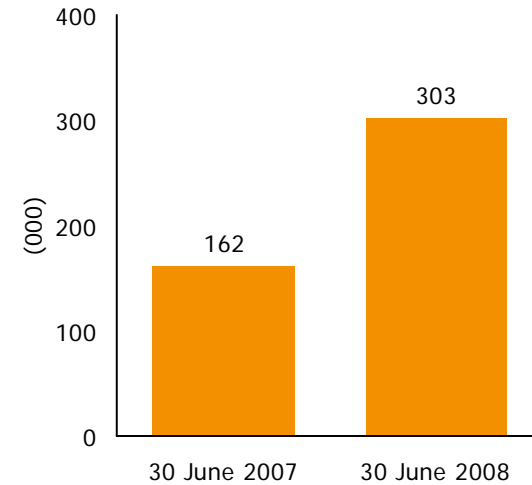
### Subscribers



### Subscribers— Family Package



### Subscribers—Mini Package



81% of net adds

19% of net adds

Annualized churn rate (%)

3,85%

7,10%

4,15%

8,06%

0,01%

0,1%



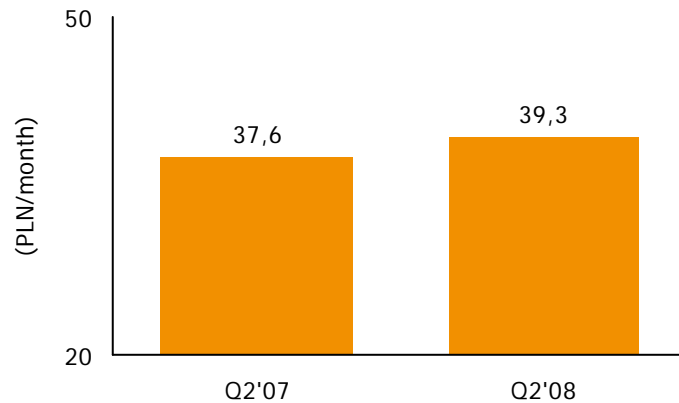


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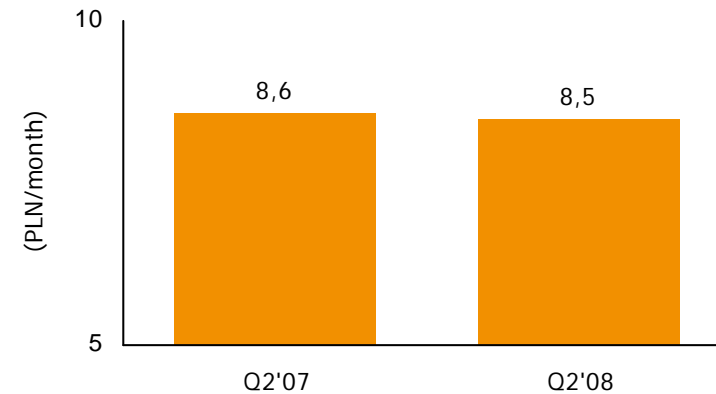
# Dynamic growth year-on-year ARPU

... Family Package ARPU increased by 5% as a result of (i) an increase of the number of premium packages subscribers including HBO and (ii) an increase of Family Package subscription fee.

ARPU <sup>(1)</sup> — Family Package



ARPU <sup>(1)</sup> — Mini Package



Both factors contributed to a 49% increase in subscription revenues to PLN 236 mln

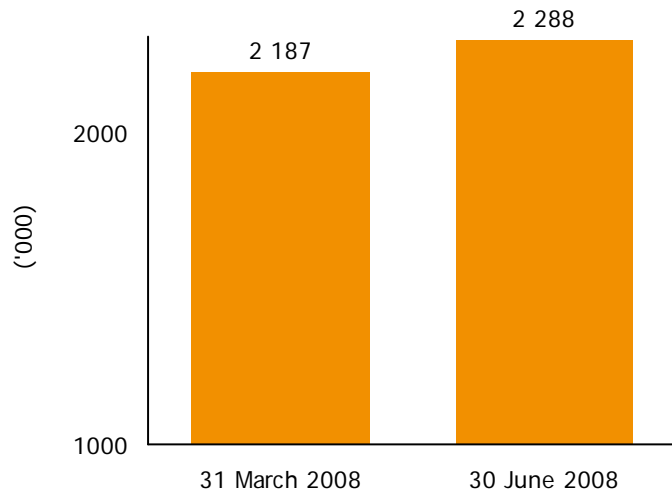
Note: <sup>(1)</sup> ARPU is calculated as subscription revenues divided by average subscribers (based on the monthly averages)



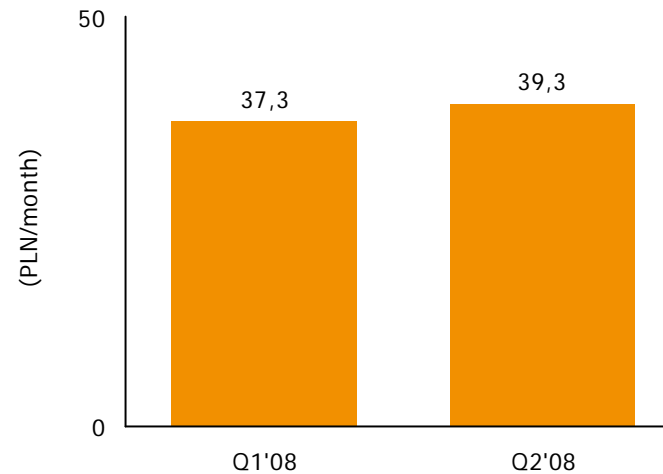
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# Dynamic growth quarter-on-quarter Operating results

## Subscribers



## ARPU – Family Package



Subscriber base and ARPU grew by 5% over Q1'08

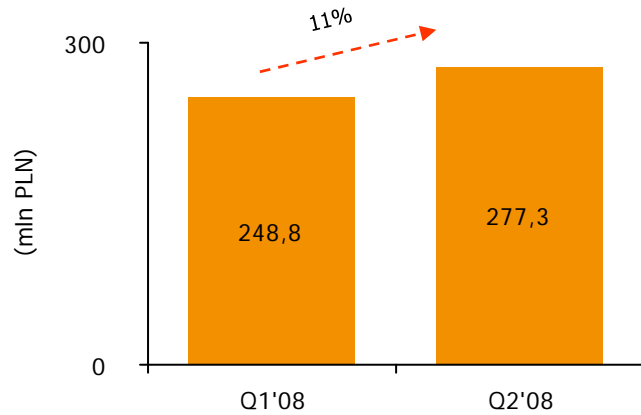


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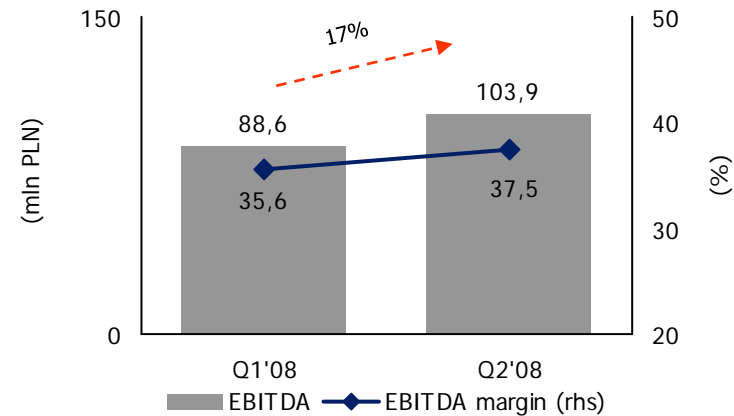
# Dynamic growth quarter-on-quarter

## Financial results

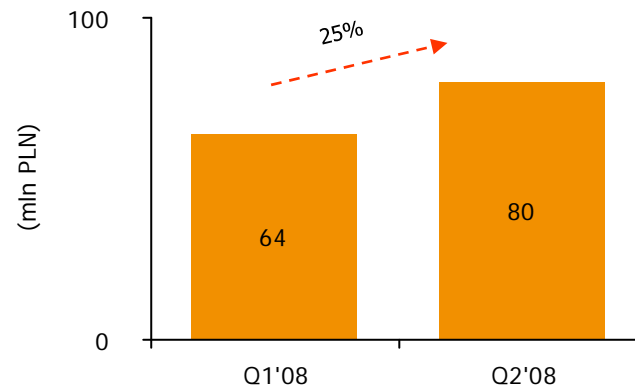
### Revenues



### EBITDA and EBITDA margin



### Net income





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# Business achievements

We strengthen our position on the Polish DTH market by adding another 100 thousand subscribers in Q2'08

We concluded a new agreement with PTC setting more favorable national roaming conditions

We launched pre-paid MVNO services

We entered into an agreement with SFP, setting out terms of payment for copyright and related rights, exhausting all claims of SFP

We partially repaid bank credit in the amount of PLN 50 mln

In Q2'08 we sold 42 thousand of in house produced set-top boxes



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# Financial overview

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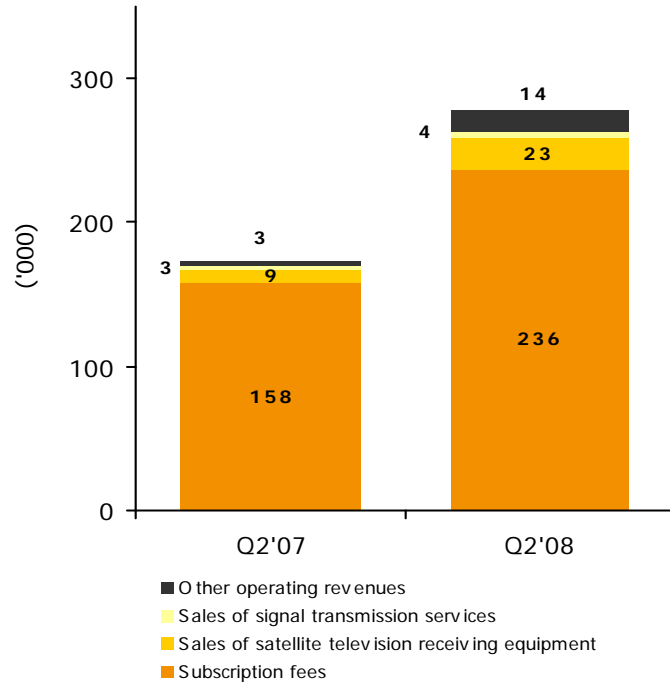
**Maciej Gruber, CFO**



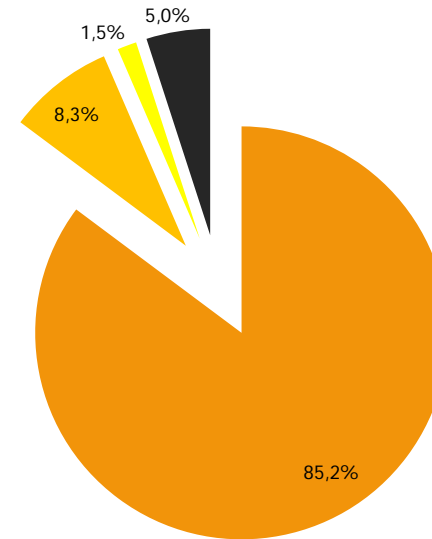
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# Revenues up by 60% due to an increase in subscription fees

Revenues (mln PLN)



Q2'08 revenues breakdown (%)



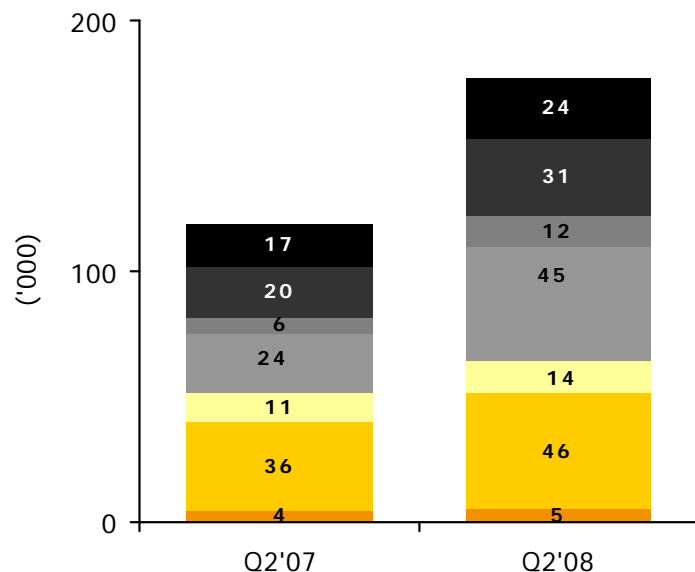
(mln PLN)	Q2'07	Q2'08	Change
Operating revenues	173.1	277.3	60%
<i>Subscription fees</i>	<i>158.1</i>	<i>236.2</i>	<i>49%</i>
<i>Sales of satellite television receiving equipment</i>	<i>9.2</i>	<i>23.0</i>	<i>150%</i>
<i>Sales of signal transmission services</i>	<i>3.1</i>	<i>4.3</i>	<i>37%</i>
<i>Other operating revenues</i>	<i>2.6</i>	<i>13.7</i>	<i>&gt;100%</i>



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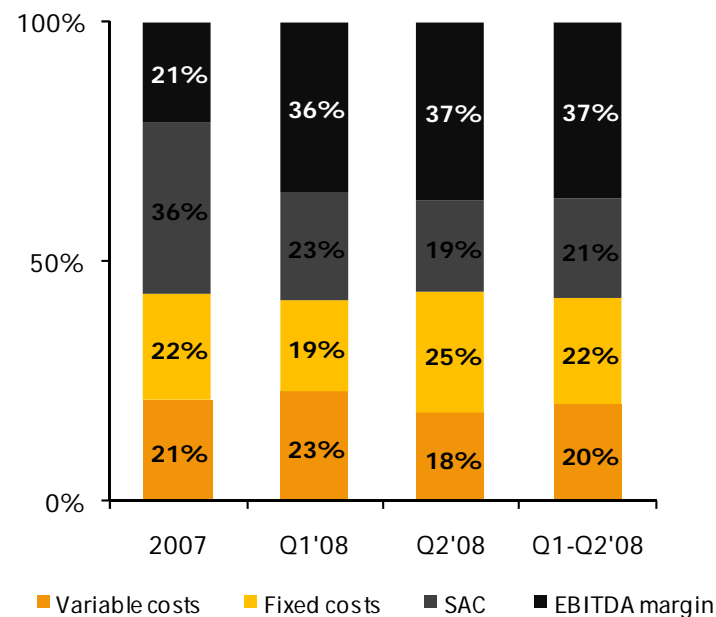
# Operating costs grew slower than revenues

Operating costs (mln PLN)



- Other operating costs
- Costs of satellite television receiving equipment sold
- Salaries and employee-related expenses
- Distribution and marketing costs
- Signal transmission services costs
- Programming costs
- Amortisation

Share on variable/fixed/SAC costs in revenues (%)



(mln PLN)	Q2'07	Q2'08	Change
Operating costs	118.3	177.9	50%
<i>Amortisation</i>	4.4	4.5	2%
<i>Programming costs</i>	35.6	46.1	29%
<i>Signal transmission services costs</i>	10.9	14.1	30%
<i>Distribution and marketing costs</i>	24.3	45.1	86%
<i>Salaries and employee-related expenses</i>	6.2	12.1	96%
<i>Costs of satellite television receiving equipment sold</i>	20.1	31.6	57%
<i>Other operating costs</i>	16.8	24.3	45%

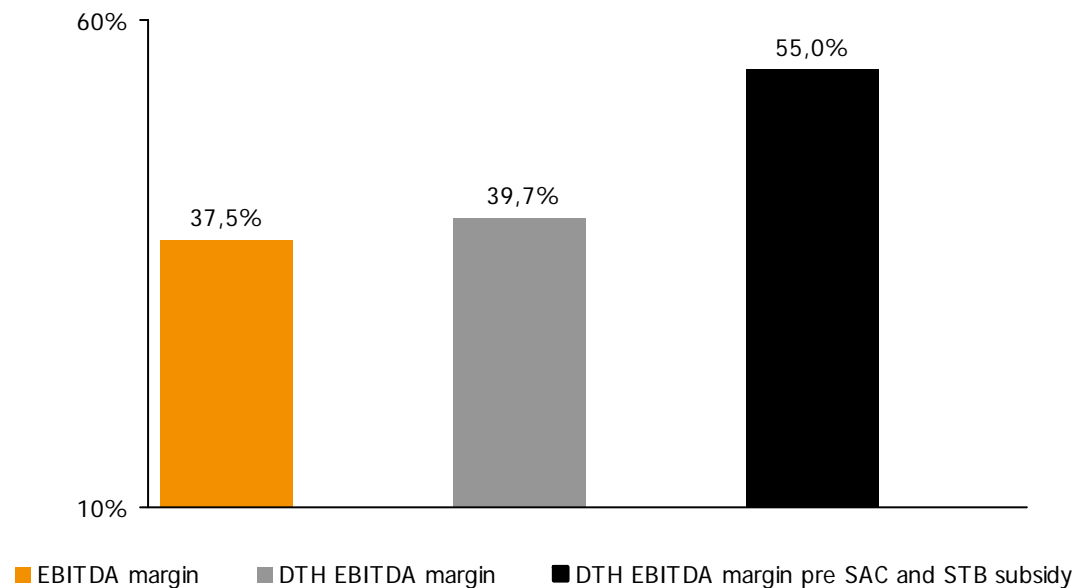


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# EBITDA margin pre SAC and STB subsidy was 55%

An increase in subscription fees and a decrease in SACs positively impact EBITDA margin

EBITDA margin, DTH EBITDA margin and DTH EBITDA margin pre SAC and STB subsidy

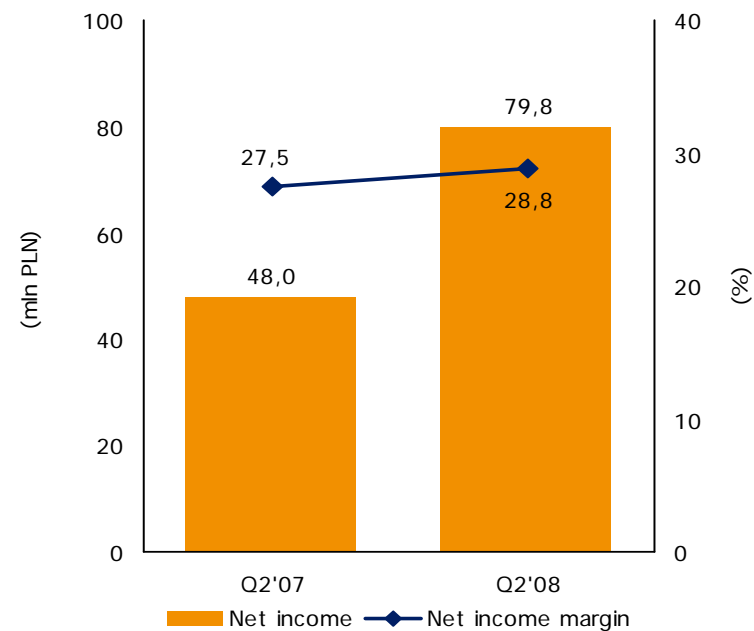


EBITDA margin pre SAC and STB subsidy increased to 55% from 52% in Q2'07



# Net income increased by 69%

Net income (mln PLN )



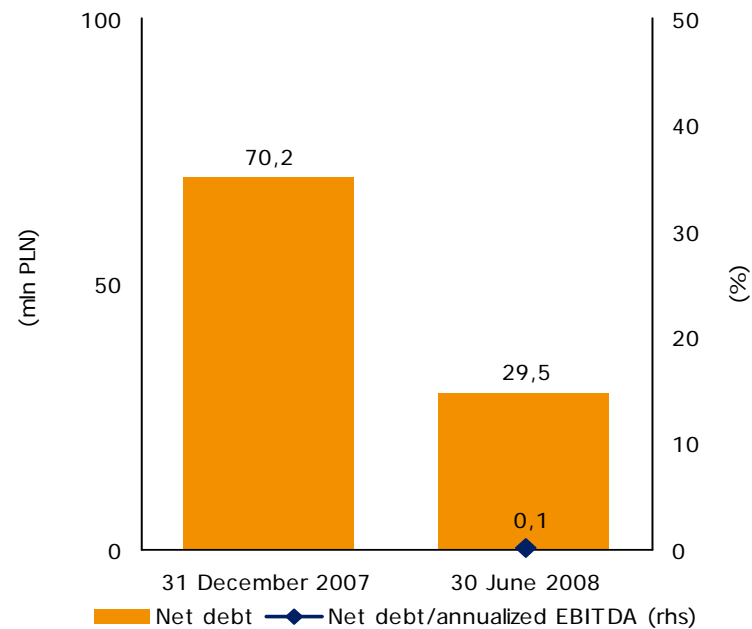
We paid dividend of PLN 0,14 per share from 2007 profits

We adopted a dividend policy

# Net debt ratio

Net debt decrease due to the partial repayment of bank debt of PLN 50 mln

Net debt (mln PLN )



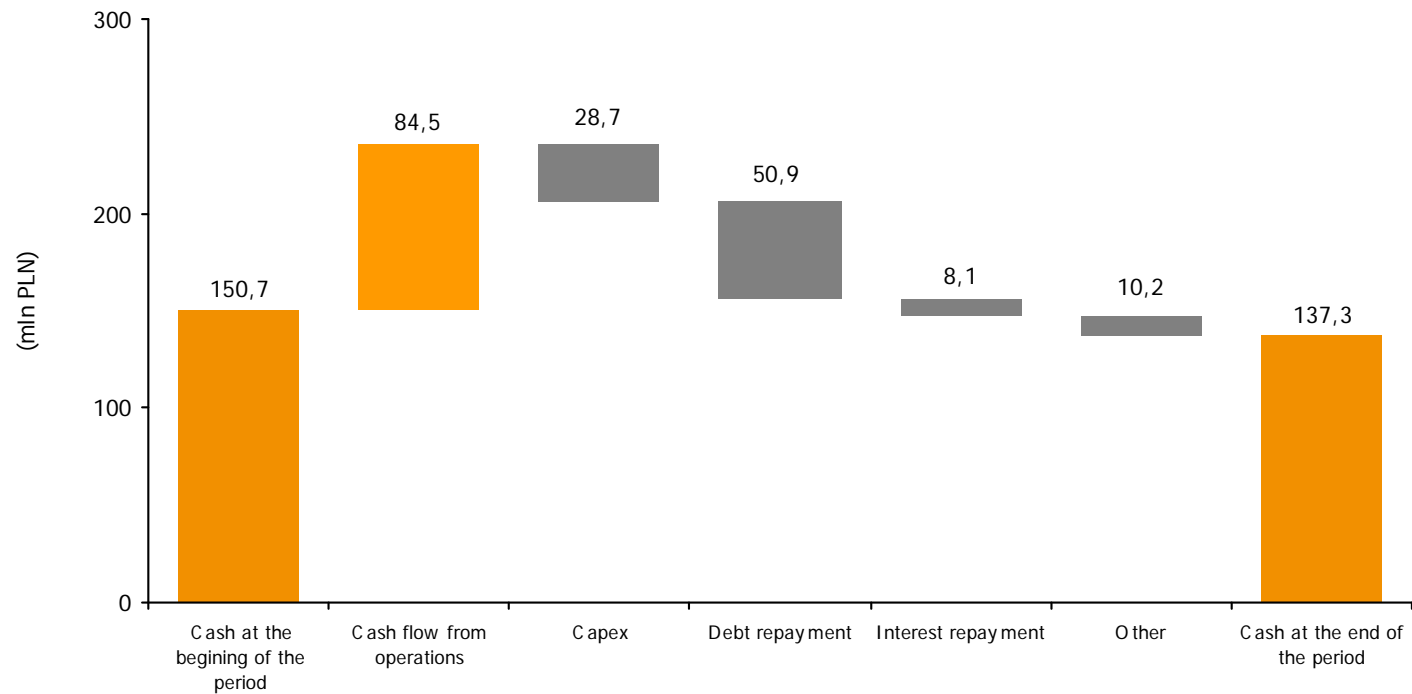
Net debt to annualized EBITDA decreased to 0.1x



# Cash flow

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## Net cash flow (mln PLN )





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# Q&A

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