



Świat Najlepszych Telewizji

Cyfrowy Polsat S.A.

Poland's No 1 DTH platform

Polish Equity Conference

2-3 April 2009, London



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Cyfrowy Polsat on the WSE



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Cyfrowy Polsat shares on WSE

- We debut on the WSE on 6 May 2008. Since that day the WIG index decreased by over 40% and our share price increased by 4%
- Our shares entered **MSCI EME** Index on 25 November 2008
- Our shares entered **WIG 20** Index as of 20 March 2009

CPS vs. WIG





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Introduction to Cyfrowy Polsat



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Cyfrowy Polsat highlights

Largest DTH operator in Poland, 5th largest in Europe

Attractive, unconsolidated market with significant growth potential

Experienced senior management team



Extensive, high-quality programming offer at competitive prices

Strong financial profile

Upfront payment subscription and STB sale business model with low churn rates

Strong brand name and high customer satisfaction



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Cyfrowy Polsat today

- Largest provider of DTH services in Poland with 2.7 million subscribers¹
- Comprehensive programming offering, with 74 Polish language channels and over 500 FTA foreign language channels
- First DTH operator to launch DVR, in November 2006
- HDTV available since November 2007
- Launched MVNO services on 8 September 2008 (pre-paid and post-paid)

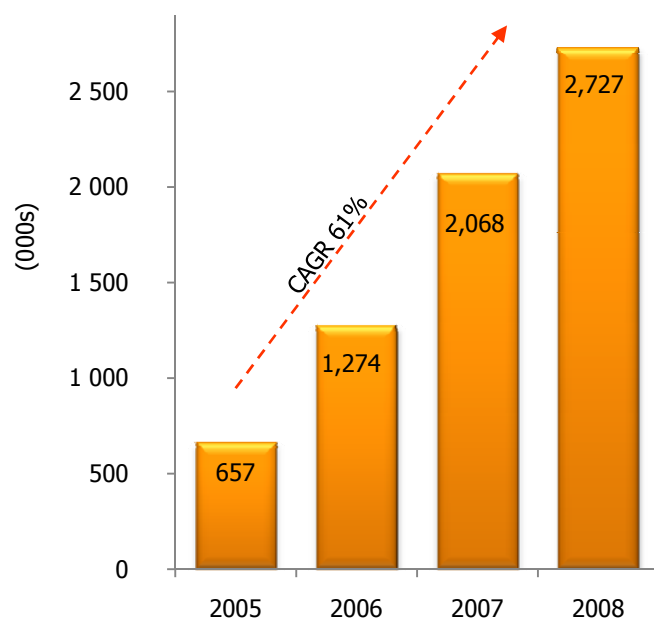
Note:

1 As at 31 December 2008

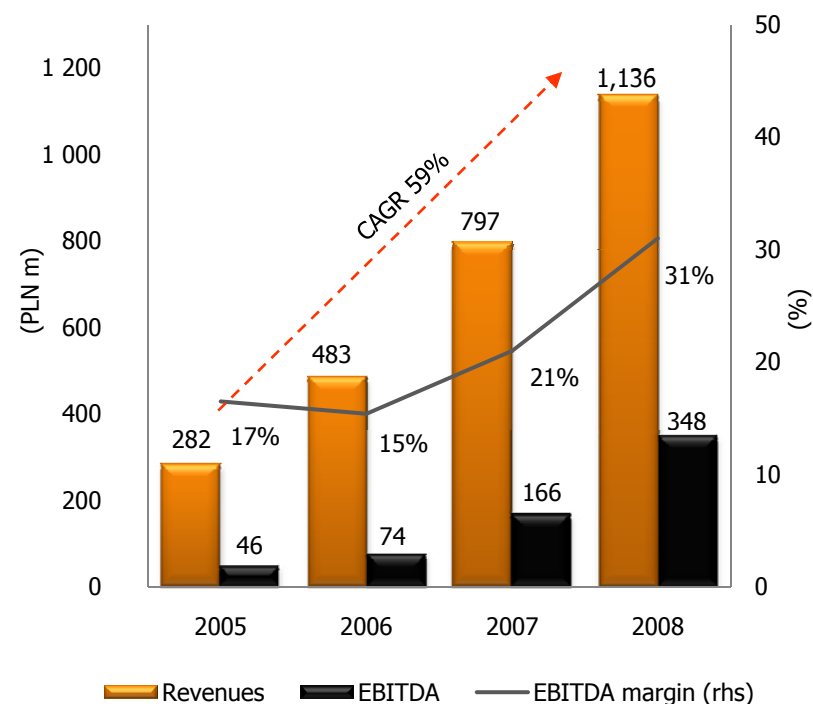
Dynamic growth

Significant subscriber and revenue growth

Subscribers



Revenues and EBITDA



Source: Calculated based on Grupa Cyfrowy Polsat S.A. audited IFRS financial statements for 2004–2008,

Notes:

- 1 Year end subscriber numbers for 2004–2008
- 2 2006 financials are reclassified to conform with FY 2007 results; results from the subsidiary EMARKET, sold on 31 August 2007 are presented under "net profit/(loss) from discontinued operations"

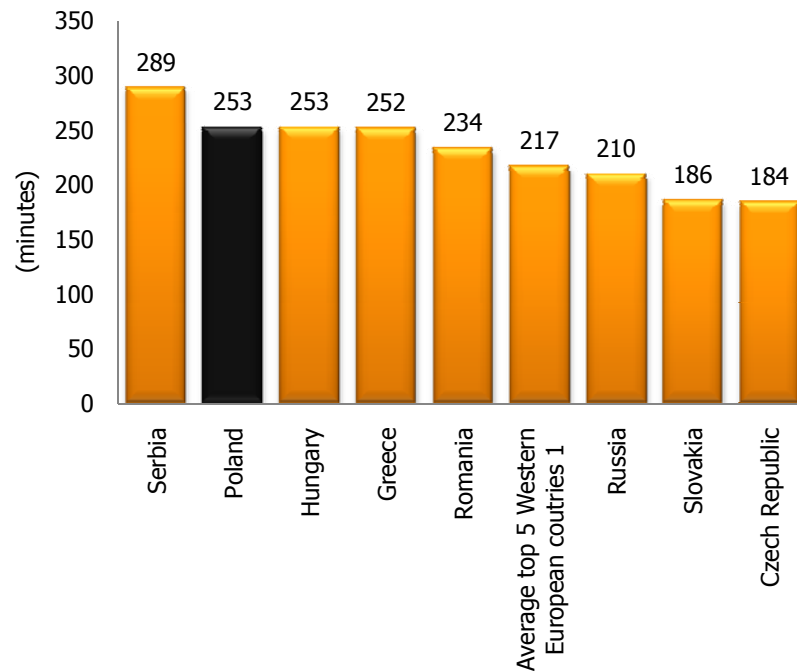


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Polish Pay TV market

TV viewing time

Average daily TV viewing minutes per adult (2007)



- Poland has one of the highest average daily TV viewing minutes
- Watching Pay TV is a common and generally cheap form of entertainment

Activity	Illustrative cost (PLN)
Mini Package monthly	10
Menu McDonald	12
Mini Max Package monthly	20
Movie ticket	22-27
Family Package monthly	38
½h of bowling	45

Source: WARC (World Advertising Research Center) 2007

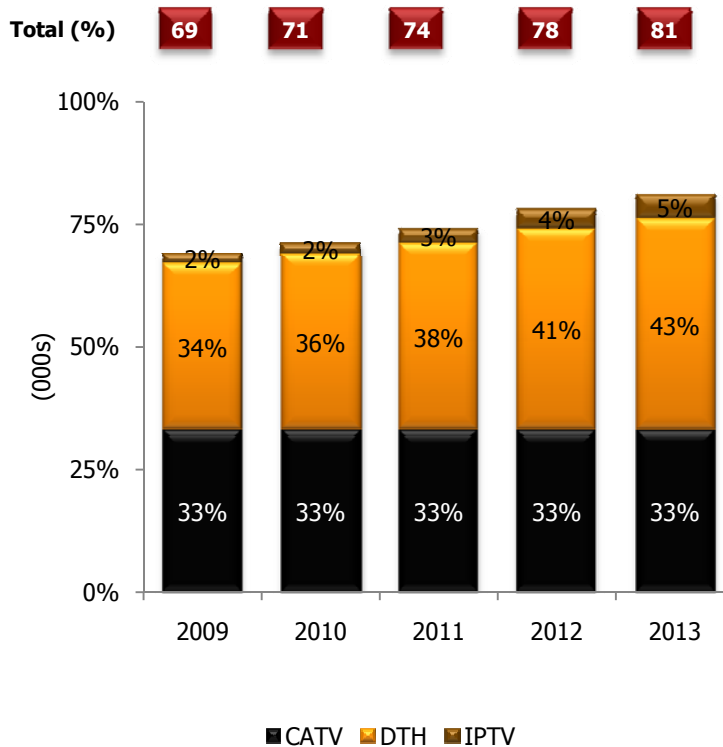
Note:

1 Includes Italy, Germany, France, UK and Spain

The Polish DTH market

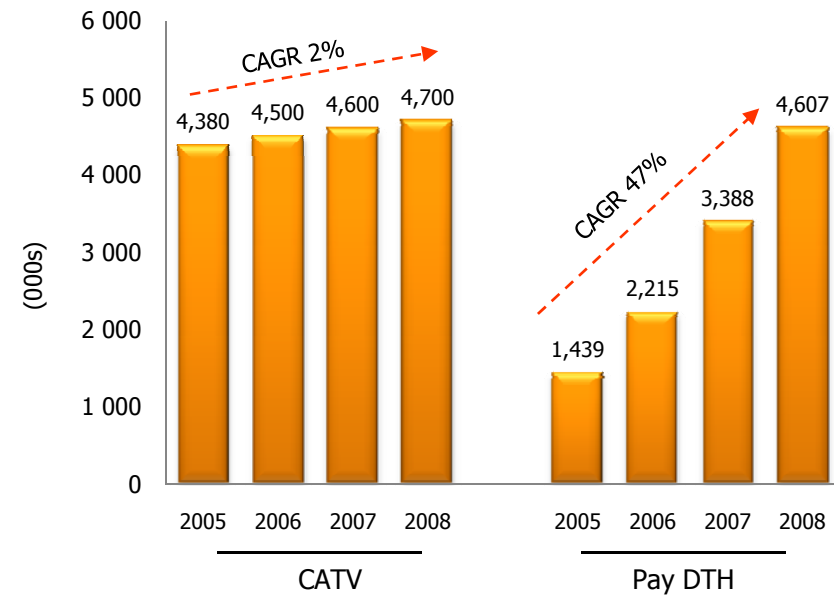
Poland is one of the largest DTH markets in Europe, with significant room for growth

Polish pay TV market penetration forecast



Source: Informa, Eastern European TV 12th Edition (cable penetration adjusted for the homes passed)

Increase in CATV/DTH subscribers in Poland



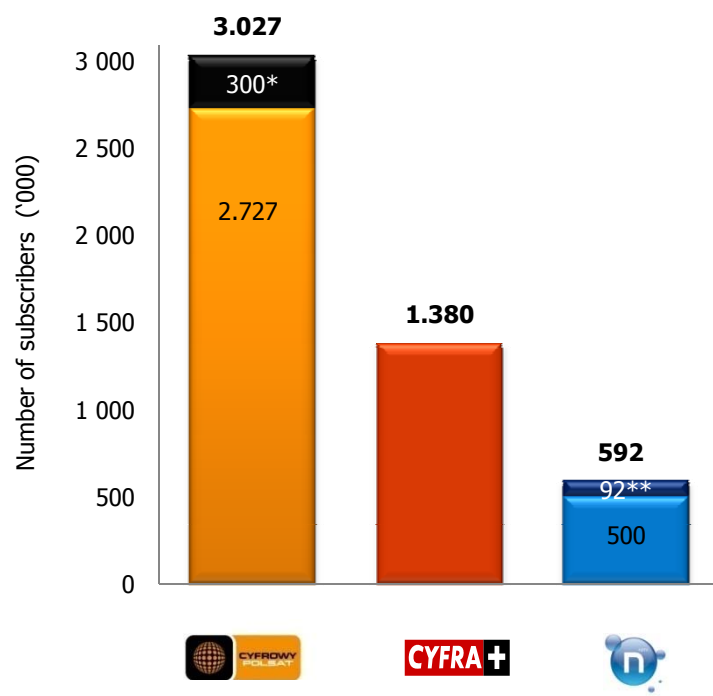
Source: GUS, KRRiTV, PIKE, Informa, own estimates



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Poland's fastest growing DTH player

DTH operators in Poland - December 2008



Source: Press, Company information

*Users having the set-top box with the coding system and being able to get the pay television immediately after paying a subscription fee

** Users of Telewizja na kartę

Cyfrowy Polsat's share of DTH growth

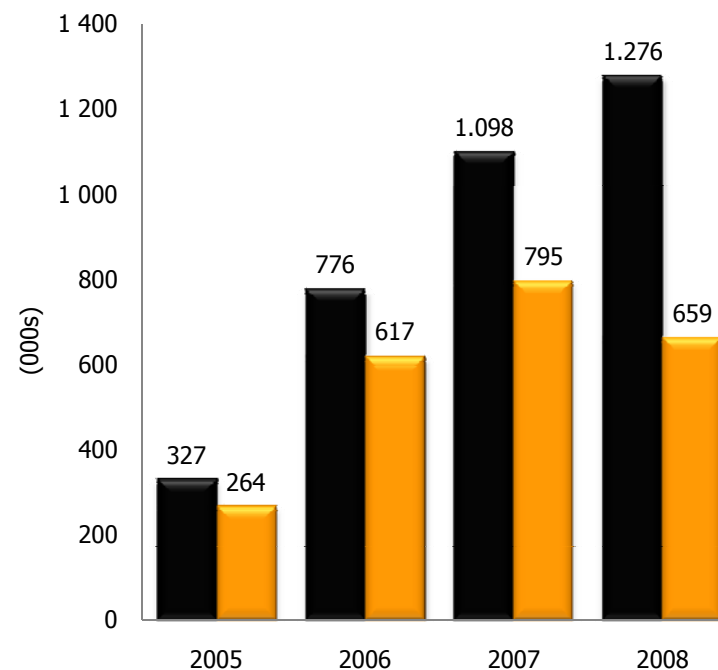
Our market share of net adds

75%

80%

72%

52%



■ Total pay DTH net additions ■ Cyfrowy Polsat net additions

Source: Press publications, TVN Group Annual Report



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Our product



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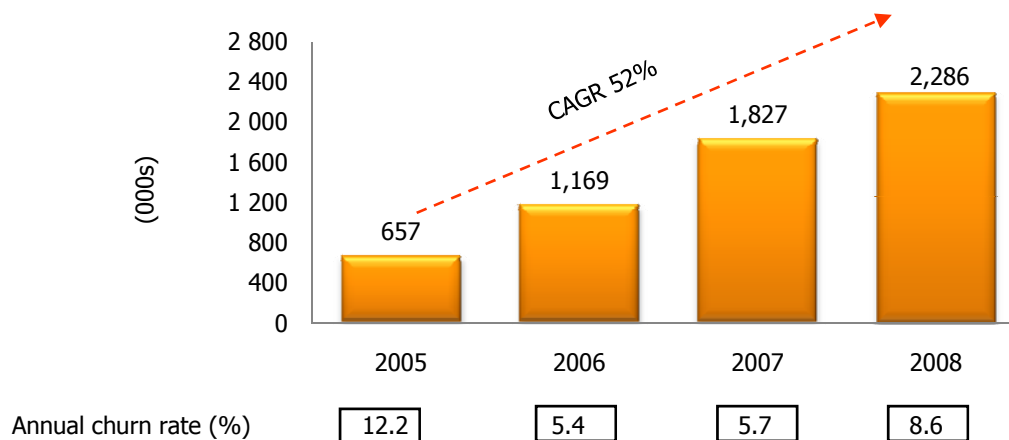
Our packages

Over 500 TV channels and 9 Polish radio channels

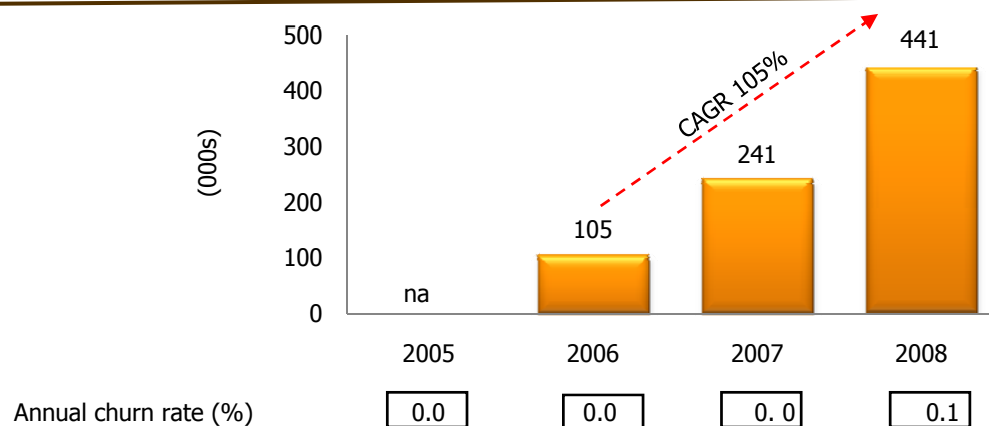
		Subscribers (000s)	No. of Channels	Price (PLN)
Family (Basic)		2,286	47	37.90
Relax Mix		Upgrade from Family Package	63	Family + 19.90
Relax Mix + HBO	<p>Relax Mix as above</p>	Upgrade from Family Package	66	Family + 39.90
Super Film package	<p>Relax Mix as above</p>	Upgrade from Family Package	68	Family + 49.90
HD		A la carte	5	Family /HBO + 6.00 per channel
Mini		441	19	9.90
Mini Max			23	19.90

Subscriber performance

Subscribers¹ —Family Package – 84% of our subscriber base



Subscribers¹ —Mini Package – 16% of our subscriber base

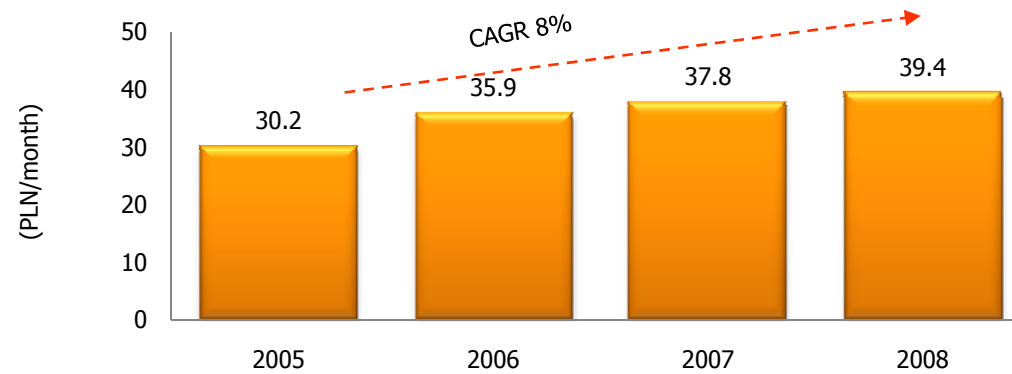


Notes:

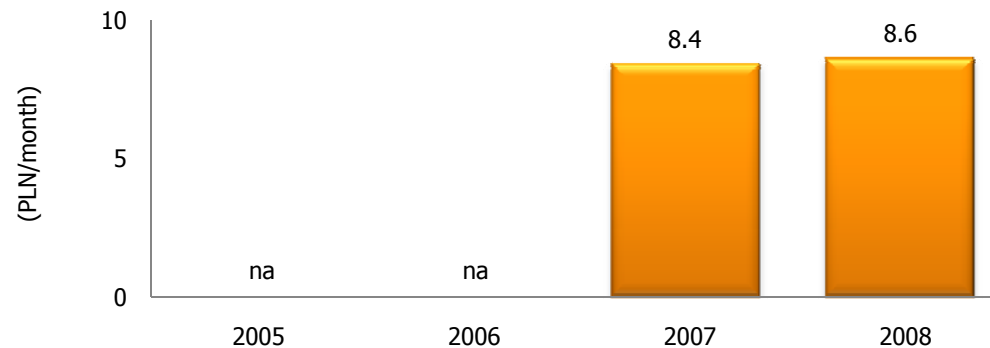
1 Year end subscriber numbers for 2005–2008

ARPU performance

ARPU¹ —Family Package



ARPU¹ —Mini Package



Source: Calculated based on Grupa Cyfrowy Polsat S.A. audited IFRS financial statements for 2004–2008 and Company

Notes:

1 ARPU is calculated as subscription revenues divided by average number of subscribers (based on the monthly average)



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Poland's DTH players comparison

Cyfrowy Polsat maintains competitive prices while offering high quality services



Launch date	<ul style="list-style-type: none"> December 1999 	<ul style="list-style-type: none"> November 1998 	<ul style="list-style-type: none"> October 2006
Subscribers¹	<ul style="list-style-type: none"> 2,726,993 	<ul style="list-style-type: none"> c. 1,380,000 	<ul style="list-style-type: none"> c. 500,000
Channels	<ul style="list-style-type: none"> 74 Polish TV Access to over 500 FTA channels via HotBird 	<ul style="list-style-type: none"> 72 Polish TV Access to FTA channels via HotBird 	<ul style="list-style-type: none"> 77 Polish TV Access to FTA channels via HotBird
Content	<ul style="list-style-type: none"> Key content: 2 exclusive sports channels; 15 movie channels incl. HBO Polsat and all key TVN, TVP channels 	<ul style="list-style-type: none"> Key content: 2 exclusive sports channels; 20 movie channels incl. CANAL + and HBO Key TVN, TVP but no Polsat channels 	<ul style="list-style-type: none"> Key content: 1 exclusive sports channel; 20 movie channels incl. HBO Key TVN, TVP channels but no Polsat channels
Packages (monthly fees)	<ul style="list-style-type: none"> Entry: PLN 10/€2.4 Full: PLN 112/€26.8 	<ul style="list-style-type: none"> Entry: PLN 19/€4.6 Full: PLN 147/€35.2 	<ul style="list-style-type: none"> Entry: PLN 32/€7.7 Full: PLN 190/€45.5
New services (launch date)	<ul style="list-style-type: none"> HDTV (November 2007) DVR (November 2006) MVNO (September 2008) 	<ul style="list-style-type: none"> HDTV (Q4 2006) IPTV in co-operation with TPSA (2006) DVR (2008) 	<ul style="list-style-type: none"> HDTV (Q4 2006) VoD (September 2007) DVR (December 2006)

Source: Company information, Press

Notes:

1 As at 31 December 2008



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Our strategy



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Strategy: highlights

Continue to build value of our DTH business with key targets to:

- Increase penetration of pay DTH satellite broadcasting services
- Increase ARPU through creation of new packages, launch of new products and possible increases of subscription prices
- Continue to manage existing operations cost-effectively and efficiently (e.g. improve profitability through in-house production of STBs)

Leverage brand name and existing subscriber base to launch bundled services

- MVNO services launched on 8 September 2008
- Consider offering broadband and fixed-line telephony in the future

The MVNO opportunity

Strategically valuable option

- Combination of DTH and MVNO can serve as the basis for a potential future multiple-play offering
- Large addressable market beyond DTH customer base

Controllable costs

- Limited incremental investment
- Numerous operational synergies (sales, customer care, marketing, etc.)
- Access to mobile content from current business partners

Limited risk

- Leverages brand equity and sales network of 1,296 PoS
- Phased investment
- Early entrant in a fast-growing market

High potential return

- New business generating incremental profits
- Maintain DTH customer loyalty and reduce churn
- Cross-promotion and cross-selling

The MVNO provides attractive upside potential



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Financial highlights

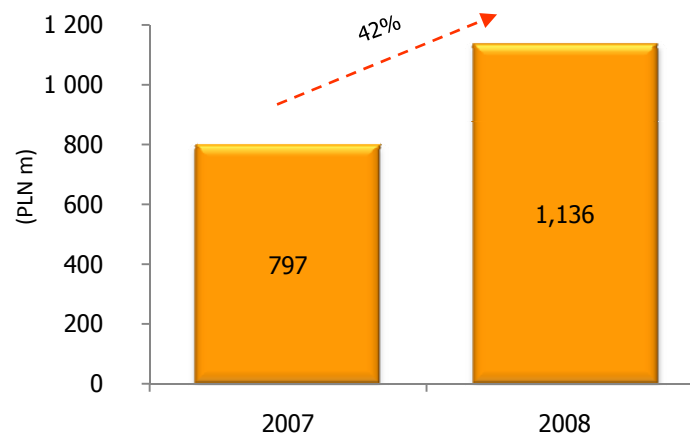


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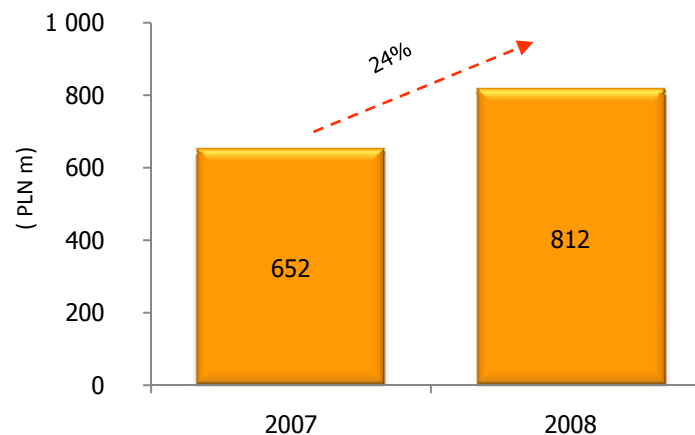
Impressing revenue growth

Much slower growth in the operating costs

Revenues



Operating costs

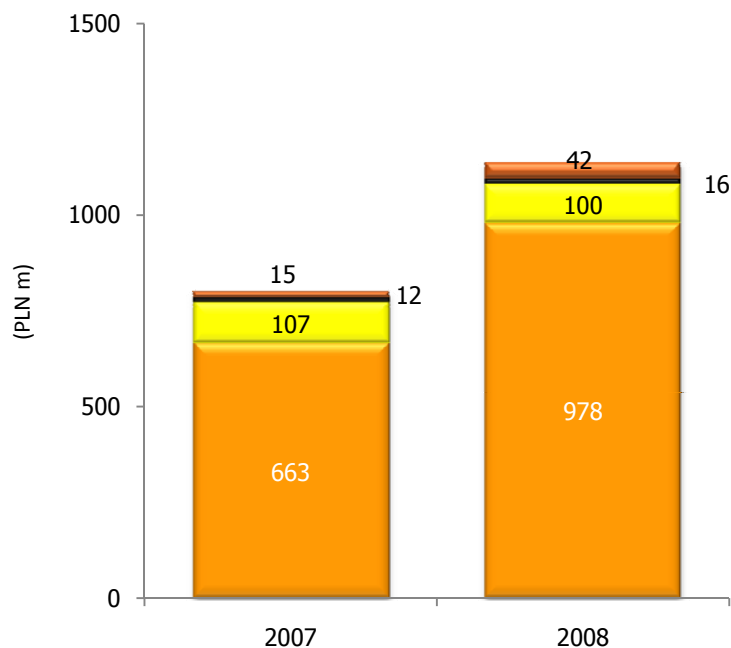




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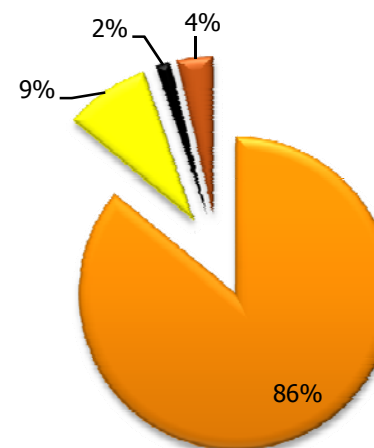
Revenues up by 42% due to an increase in subscription fees

Revenues



- Subscription fees
- Sales of satellite television receiving equipment
- Sales of signal transmission services
- Other operating revenues

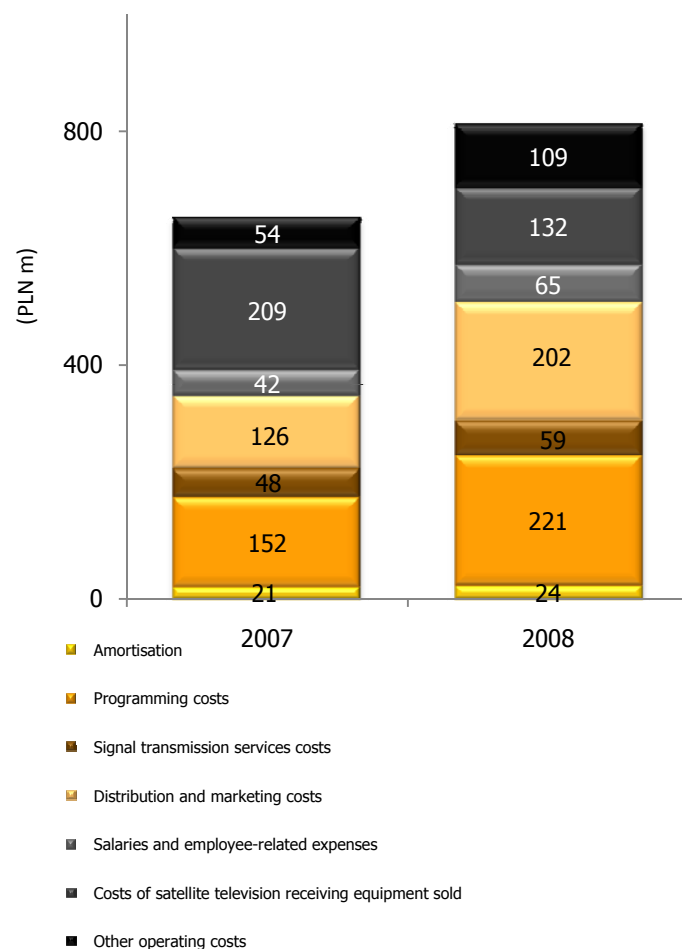
2008 revenues breakdown (%)



(^000 PLN)	2008	2007	Change
Revenues, of which:	1,136,281	796,669	42%
Subscription fees	977,678	662,521	48%
Sales of satellite television receiving equipment	100,180	107,205	(7%)
Sales of signal transmission services	16,440	11,602	42%
Other operating revenues	41,987	15,341	174%

Operating costs grew slower than revenues

Operating costs (m PLN)

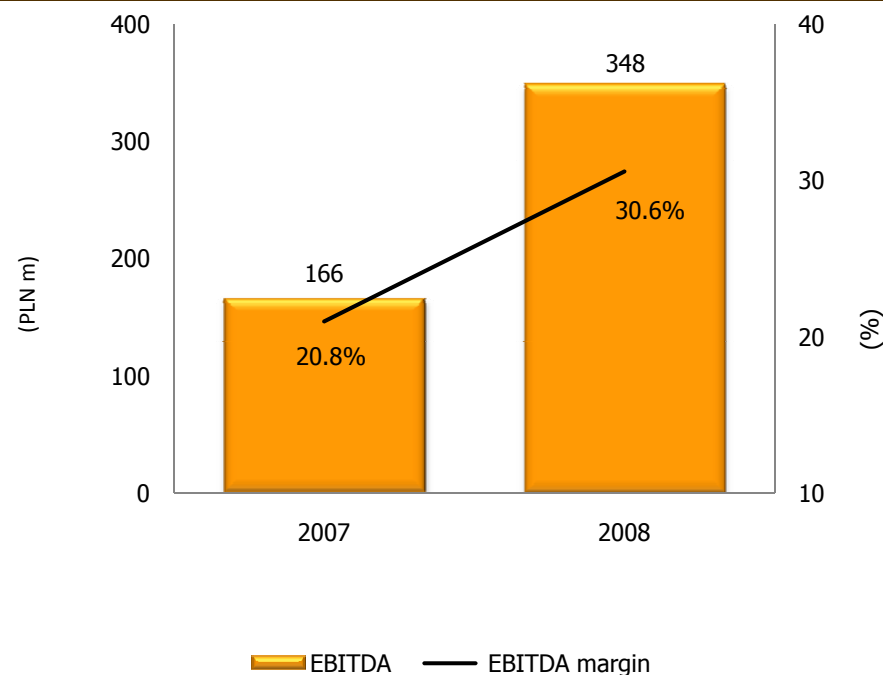


(‘000 PLN)	2008	2007	Change
Operating costs, of which:	811,987	651,522	25%
Amortisation	23,547	20,777	13%
Programming costs	221,443	152,031	46%
Signal transmission services costs	59,006	48,402	22%
Distribution, marketing and customer care costs	202,465	125,919	61%
Salaries and employee-related expenses	64,589	41,701	55%
Costs of satellite television receiving equipment sold	132,122	209,028	(37%)
Other operating costs	108,815	53,664	103%

Significant in the profitability

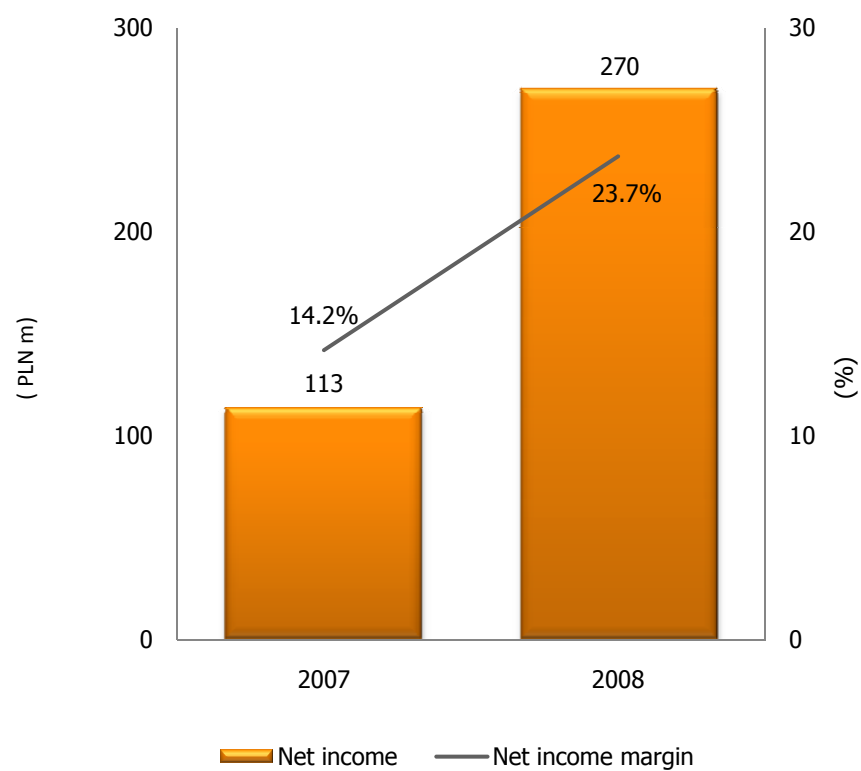
- EBITDA increased to PLN 348m in 2008 from PLN 166m in 2007
- EBITDA margin increased to 20.8% in 2007 and to 30.6% in 2008

EBITDA and EBITDA margin



Net income more than doubled

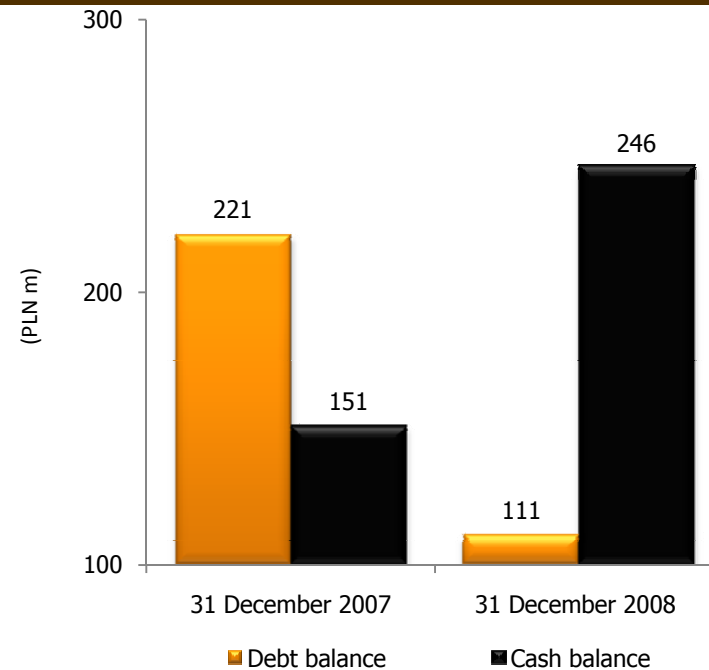
Net income



Safe debt level

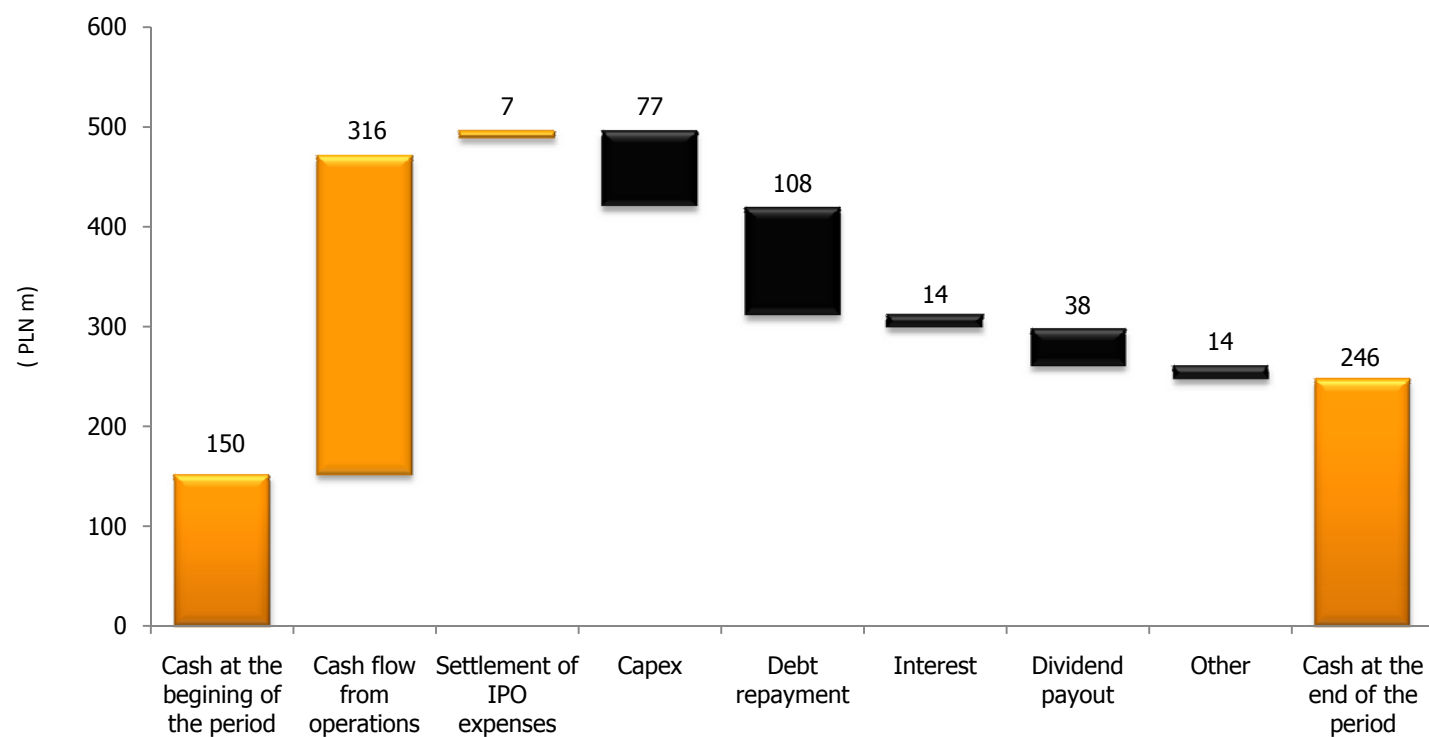
- As of 31 December 2008 our cash balance was higher than our debt balance by PLN 136m
- In 2008 we repaid PLN 108m under our loan agreements
- Entire debt denominated in the foreign currencies was repaid; debt under current loan agreement is only in PLN

Debt balance vs. cash balance



Our cash balance increased by PLN 96 m (64%)

Net cash flow – 2008





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Currency risk and hedging arrangements

Following categories of costs are dependent on fluctuations of exchange rates:

- ✿ Approx. 44% of our programming costs is denominated in Euro and approx. 55% in USD
- ✿ 100% of our signal transmission services costs is denominated in Euro

Fluctuations of exchange rates also influence our costs of satellite television receiving equipment :

- ✿ Approx. 20% of our costs of satellite television receiving equipment and telephones sold is denominated in Euro and approx. 60% in USD

Our costs of satellite television receiving equipment are based on historical exchange rates – PLN weakening will not be visible in the results of Q4 2008

Hedging arrangements

- ✿ Forward transactions for the purchase of the USD 2 m monthly at the rate of PLN 2.3180/USD until September 2009
- ✿ Forward transactions for the purchase of Euro 1.5 m monthly at the rate of PLN 3.4590/Euro until March 2009

We hedge approximate 66% of our foreign currency denominated costs in USD until September 2009 and approx. 55 % of our foreign currency denominated costs in Euro until March 2009

Our Q4 2008 operating costs increased by PLN 12 m as a result of PLN weakening in Q4 2008 (including forward transactions)

In 2008 we recognized the gain on realized forwards and gain on the revaluation of unrealized forwards of PLN 18 m.



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Outlook for 2009



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Outlook for 2009

- Sale in January 2009 higher than in the corresponding period 2008
- An increased in proportion of the leased receiving equipment will have positive impact on EBITDA
- New promotional offers – starting from February 2009 – offering 1, 3 and 6 months without subscription payments
- We consider introduction of new packages (DTH)
- We limit our costs on the MVNO project – sale of MVNO services only to our new and existing DTH subscribers
- As a result of the change in the MVNO strategy the number of MVNO subscribers will grow slower than initially anticipated
- Change of the mobile termination rates – 21.6 gr/min until 30 June 2009, 16.8 gr/min starting from 1 July 2009



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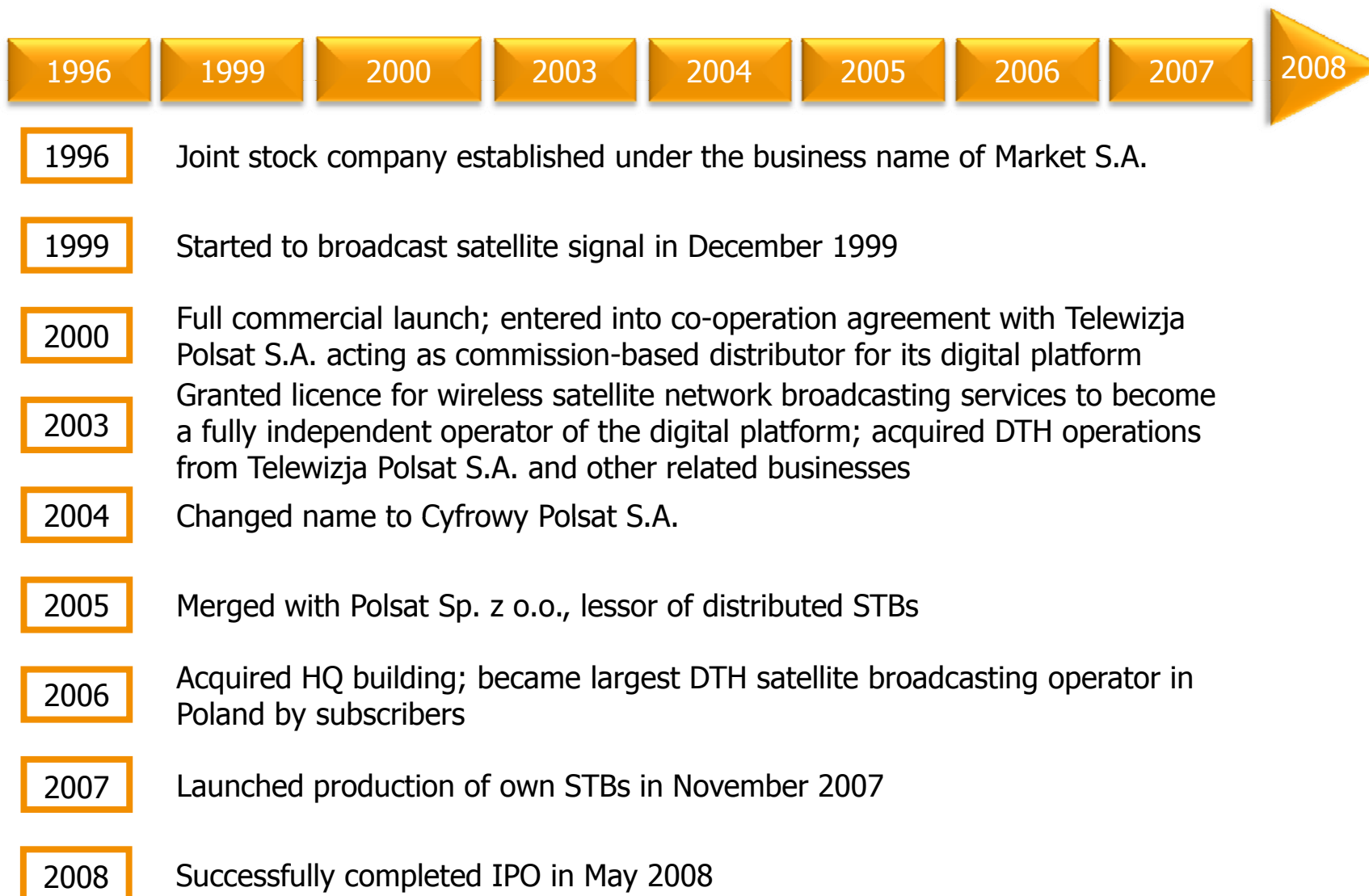
Additional information

Appendix



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Milestones in our history





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Corporate governance

Supervisory Board

Zygmunt Solorz-Żak

Chairman

Robert Gwiazdowski

Member

Andrzej Papis

Member

Leszek Rekxa

Member

Heronim Ruta

Member

Management Board

Dominik Libicki

Chief Executive Officer and the
President of the Management Board

Maciej Gruber

Chief Financial Officer

Andrzej Matuszyński

Chief Marketing Officer

Dariusz Działkowski

Chief Technology Officer

Shareholder structure

	Shareholder	Number of shares	% of shares	Number of votes	% of votes
1	Polaris Finance B.V.	162.943.750	60,73%	317.968.750	69,76%
2	Zygmunt Solorz-Zak	30.603.750	11,41%	61.207.500	13,43%
3	Others	74.777.500	27,86%	76.648.750	16,81%
	Total	268.325.000	100,00%	455.825.000	100,00%



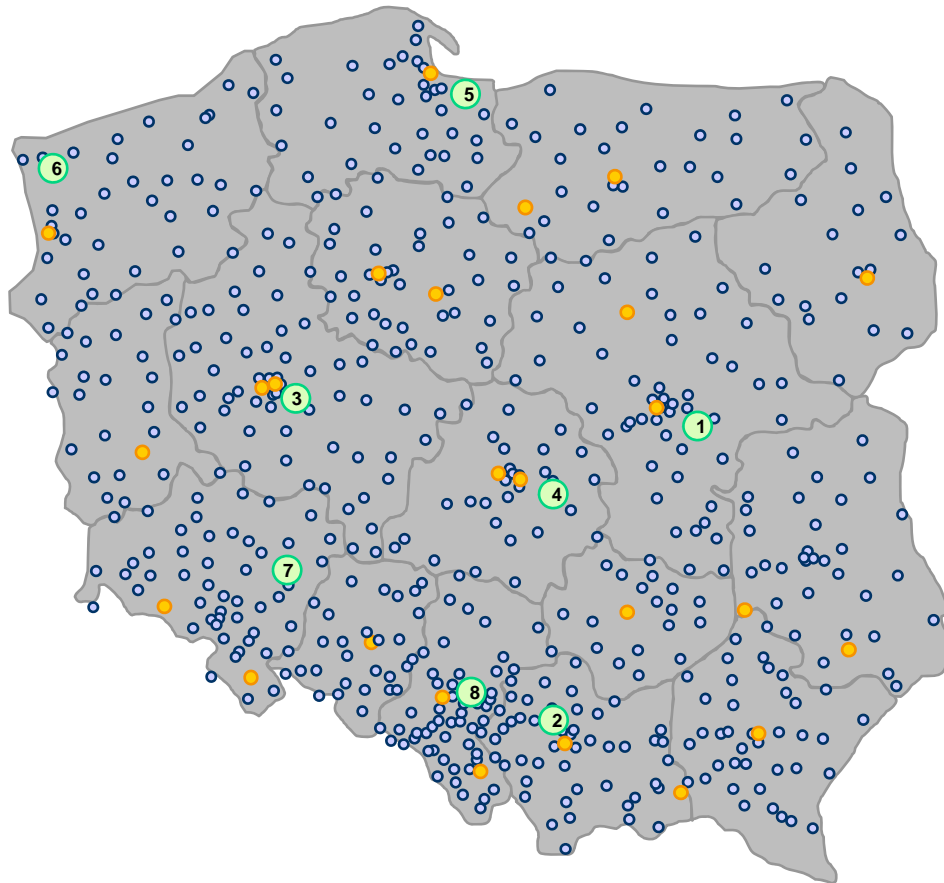
Notes:

- 1 85% of shares belongs to Mr Zygmunt Solorz-Żak and 15% of shares belongs to Mr Heronim Ruta
- 2 13.43% of shares belongs to Mr Zygmunt Solorz-Żak , 0.70 % of shares belongs to Mr Heronim Ruta and 0.24% shares belongs to the members of the Management Board



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Our DTH satellite distribution network



KEY:

● = Cyfrowy Polsat's 27 wholesale distributors

● = Cyfrowy Polsat's 1,296 PoS

- | | |
|----------|------------|
| ① Warsaw | ⑤ Gdańsk |
| ② Kraków | ⑥ Szczecin |
| ③ Poznań | ⑦ Wrocław |
| ④ Łódź | ⑧ Katowice |

Specialised DTH network