TELEWIZJA INTERNET TELEFON

Results for Q1 2011

16 May 2011

Disclaimer

This presentation includes 'forward-looking statements'. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our products and services) are forward looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which g we will operate in the future. These forward-looking statements speak only as at the date of this presentation. We expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. We caution you that forward-looking statements are not guarantees of future performance and that our actual financial position, business strategy, plans and objectives of management for future operations may differ materially from those made in or suggested by the forward-looking statements contained in this presentation. In addition, even if our financial position, business strategy, plans and objectives of management for future operations are consistent with the forward-looking statements contained in this presentation, those results or developments may not be indicative of results or developments in future periods. We do not undertake any obligation to review or to confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise after the date of this presentation.

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Introduction

Summary

- Number of DTH subscribers increased by 230 ths. (y-o-y) to 3,469,696
- Number of MVNO users increased by 91 ths. (y-o-y) to 120 ths. (97% in post-paid)
- Number of Internet users increased by 30 ths. (y-o-y) to 36 ths.
- Family Package ARPU increased by 3.8% to PLN 43.6 and Mini Package ARPU increased by 7.5% to PLN 11.4 to Q1 2010 respectively
- Stable and low churn rate of 9.6%
- Very good financial results

Development of integrated services

- Enrichment of programming offer from the beginning of the year by 15 new channels, including 7 HD
- Conclusion of significant agreements with TVN Group concerning distribution of TVN Group channels on Cyfrowy Polsat platform and distribution of Telewizja Polsat channels on „n” platform
- Launch of new service - CatchUp TV
- Extension of the number of base stations in HSPA+ Internet network
- Launch of consumer tests of LTE Internet

Completion of the acquisition of Telewizja Polsat

- Completion of acquisition of 100% shares of Telewizja Polsat
- Increase in share capital of the Company by issuing 80 million series H shares
- High ratings from Standard & Poor’s (BB-) and Moody’s (Ba3), both with stable outlook
- Completion of bonds issue process to refinance the bridge loan
- Establishment of special purpose company Cyfrowy Polsat Finance AB (seated in Sweden)

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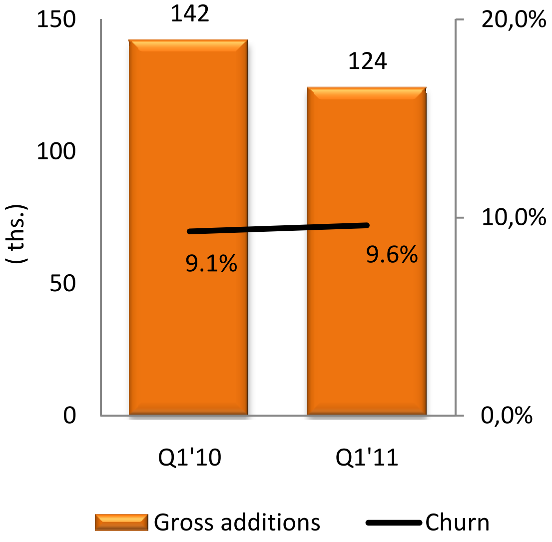
Operational results

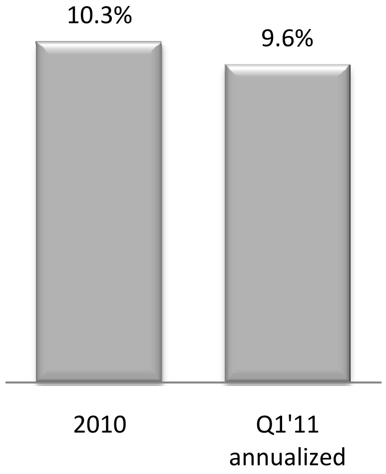
High sales and stabile churn

- 124 ths. gross additions in Q1 2011
- Stable churn in Q1 2011 due to:
  - High level of consumer satisfaction
  - Efficient retention programs

Gross additions and churn rate



Churn rate

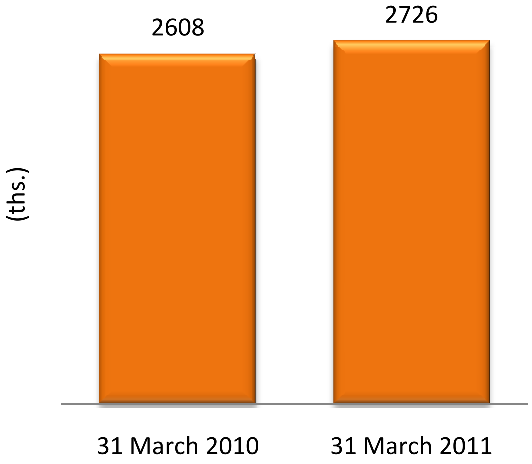


Note: We define ‘‘churn rate’’ as the ratio of the number of contracts terminated during a 12-month period to the average number of contracts during such 12-month period. The number of terminated contracts is net of churning subscribers entering into a new contract with us no later than the end of the same 12-month period.

Increase in subscriber base

- On annual basis our subscriber base increased by 230 ths. to **3.47 million** as of 31 March 2011

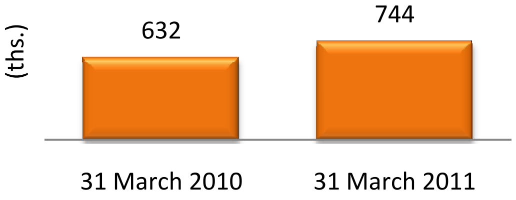
Subscribers — Family/Premium



Churn rate (%) (12 months)

10.4% 11.0%

Subscribers — Mini Package



Churn rate (%) (12 months)

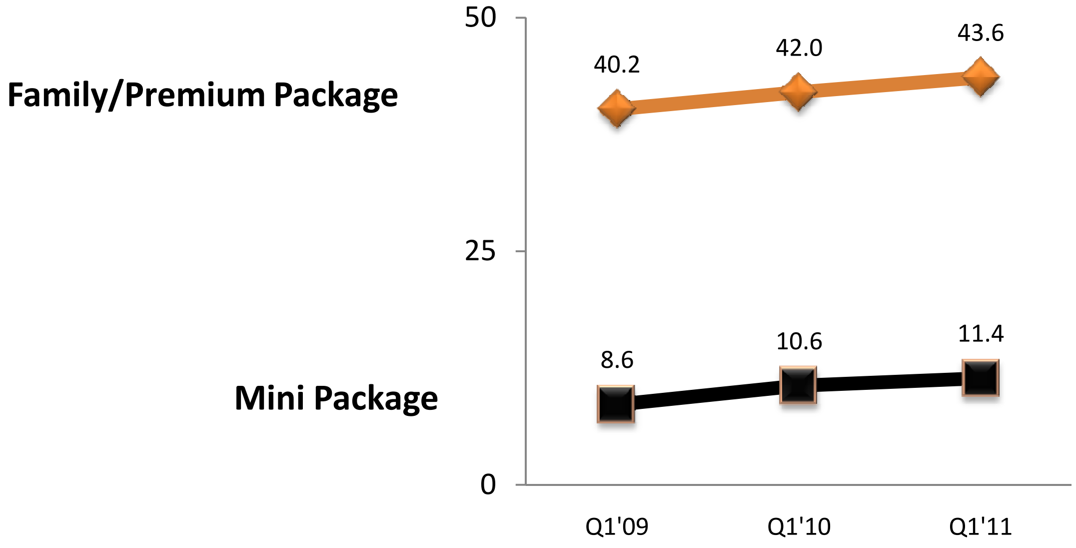
3.7% 7.8%

Note: We define ''churn rate'' as the ratio of the number of contracts terminated during a 12-month period to the average number of contracts during such 12-month period. The number of terminated contracts is net of churning subscribers entering into a new contract with us no later than the end of the same 12-month period.

Stable increase in ARPU

- Family Package ARPU increased by 3.8% (y-o-y) in Q1 to PLN 43.6
- Mini Package ARPU increased by 7.5% (y-o-y) in Q1 to PLN 11.4

ARPU (PLN)



Very good financial results

PLN million	Q1 2011	Change
Revenues	⇧ 411	⇧ 9%
EBITDA	⇧ 124	⇧ 1%
EBITDA margin	⇧ 30.7%	⇩ 2.2pp
Net Profit	⇩ 76	⇩ 11%

- Strong fundamentals based on the organic growth
- The growth rate of revenues distorted by one off revenues booked in Q1'10
- EBITDA and EBITDA margin include costs of mPunkt and launch of Internet business, which were not included in Q1'10
- Net profit decrease due to higher costs of amortization of set-top boxes leased to our customers

Source: Interim condensed consolidated financial statements for the 3 month period ended 31 March 2011 and internal analysis
Note: Financial results for 2011 include results of M.Punkt Holdings Ltd., which are not included in financial results for 2010

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Financial results

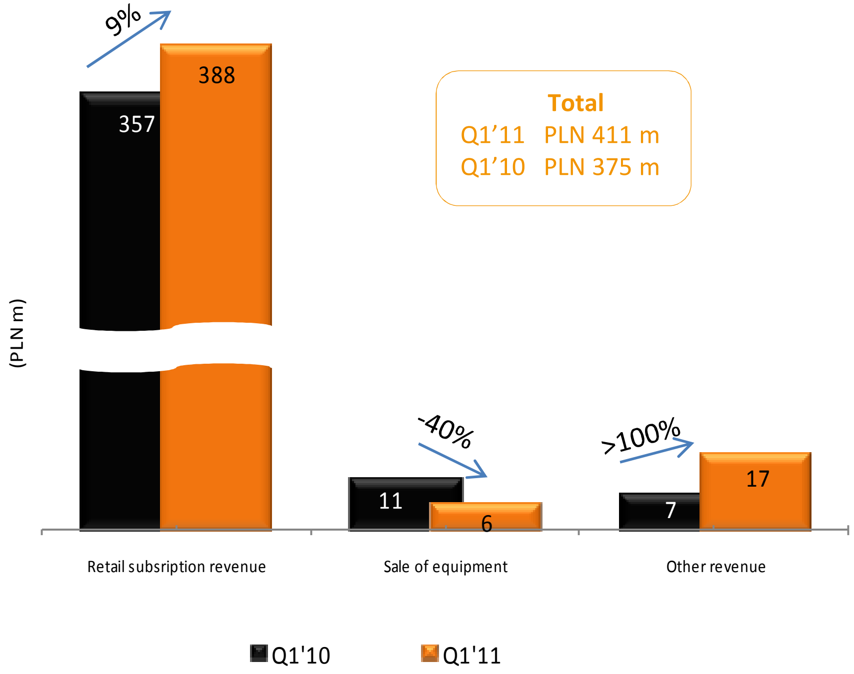
Profit and loss in Q1 2011

	Q1'11	Q1'10	Change	Reasons
Revenues (PLN m)	**411**	**375**	**36**	• 6.6% increase in average number of subscribers • 3.8% increase in Family Package ARPU • 7.5% increase in Mini Package ARPU • Increase in telecommunication revenues
Costs (1) (PLN m)	**287**	**252**	**35**	• Increase in distribution, marketing, customer relation management and retention costs and programming costs related to 6.6% increase in average number of subscribers • Increase in salaries related to acquisition of mPunkt as well as our organic growth and introduction of Internet service • Costs of mPunkt restructuring • Bad debt provision and receivables written off
EBITDA (PLN m) *margin%*	**124** *30.7%*	**123** *32.9%*	**1** *-2.2pp*	
Net profit (PLN m) *margin%*	**76** *19.0%*	**86** *23.0%*	**-10** *-4.0 pp*	

Source: Interim condensed consolidated financial statements for the 3 month period ended 31 March 2011 and internal analysis
Note: (1) Costs do not include depreciation and amortization

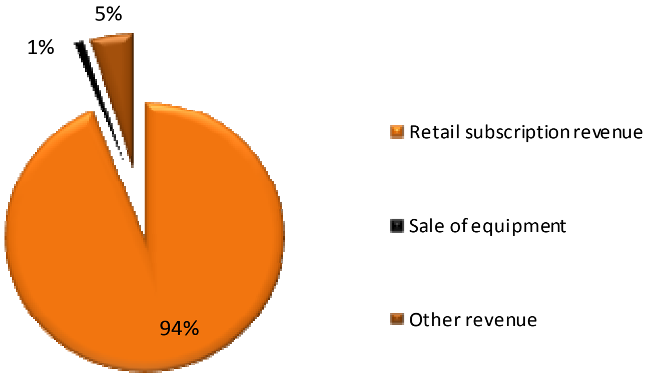
Revenues stucture in Q1 2011

Revenues in Q1’11 vs. Q1’10



Total
Q1’11 PLN 411 m
Q1’10 PLN 375 m

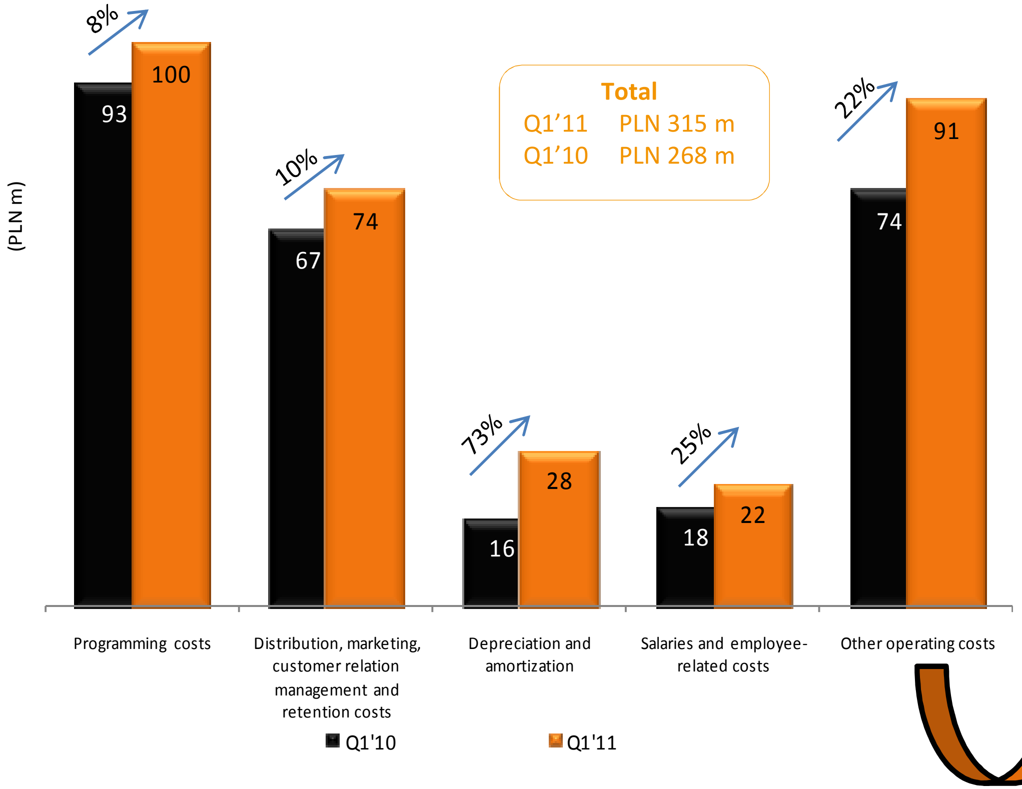
Revenues breakdown in Q1’11 (%)



Source: Interim condensed consolidated financial statements for the 3 month period ended 31 March 2011 and internal analysis

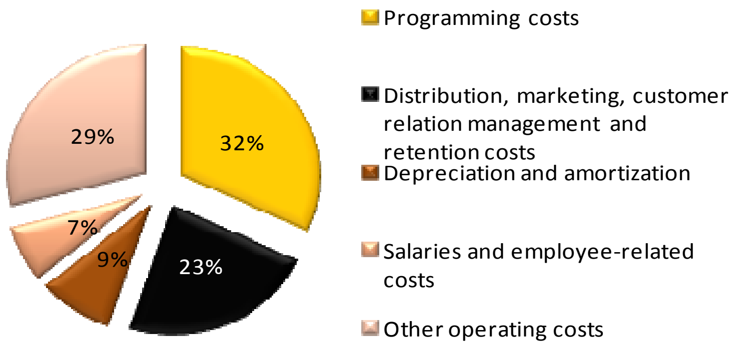
Costs structure in Q1 2011

Operating costs in Q1'11 vs. Q1'10



Total
Q1'11 PLN 315 m
Q1'10 PLN 268 m

Q1'11 Operating costs breakdown (%)



including:

Broadcasting and signal transmission costs

Cost of equipment sold

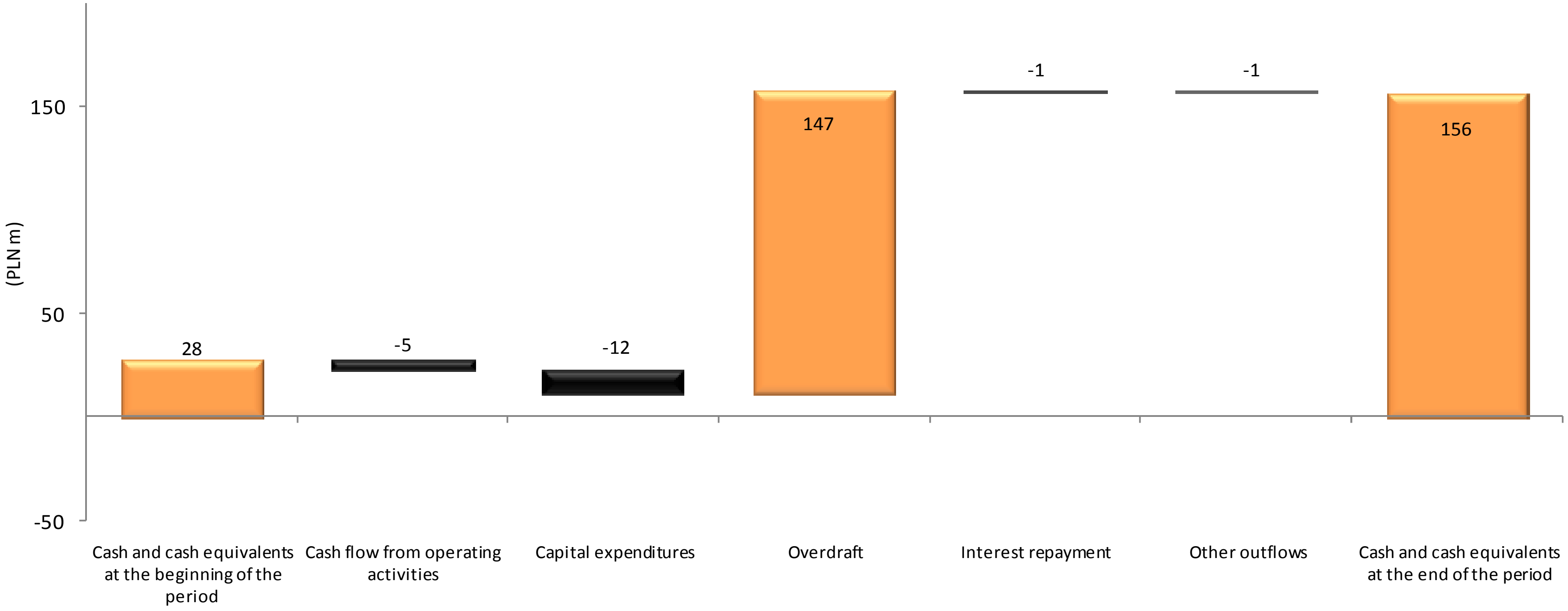
Bad debt provision and receivables written-off

Other operating cost

Source: Interim condensed consolidated financial statements for the 3 month period ended 31 March 2011 and internal analysis

Cash flow in Q1 2011

Net cash flow, cash position and debt – Q1'11



- Loans and borrowings at the end of the period amounted to PLN (165) million

Source: Interim condensed consolidated financial statements for the 3 month period ended 31 March 2011 and internal analysis
Note: Capital expenditures do not include expenditures concerning production of set-top boxes

Financing

Bank loan

Borrower	Cyfrowy Polsat
Amount	Term loan: PLN 1.4bn Revolving credit: PLN 0.2 bn
Maturity date	31 December 2015
Margin mechanism	Margin depends on the ratio of consolidated net debt/EBITDA

Issue of bonds

Issuer	Cyfrowy Polsat Finance AB (publ)
Amount	EUR 350 million
Interest	7.125% (annual)
Issue	Senior Secured Notes
Rating	Moody’s (Ba3) / S&P (BB-)
Maturity date	20 May 2018
Use of proceeds	Refinancing of bridge loan

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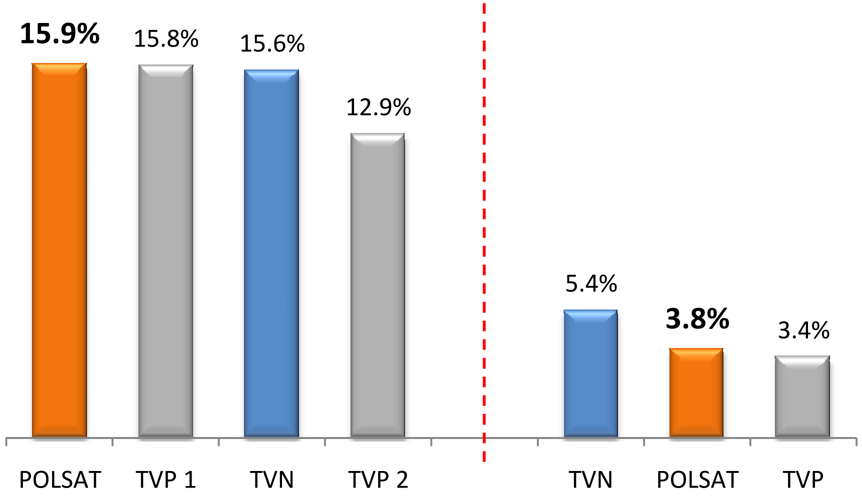
TV Polsat

Growth in audience share

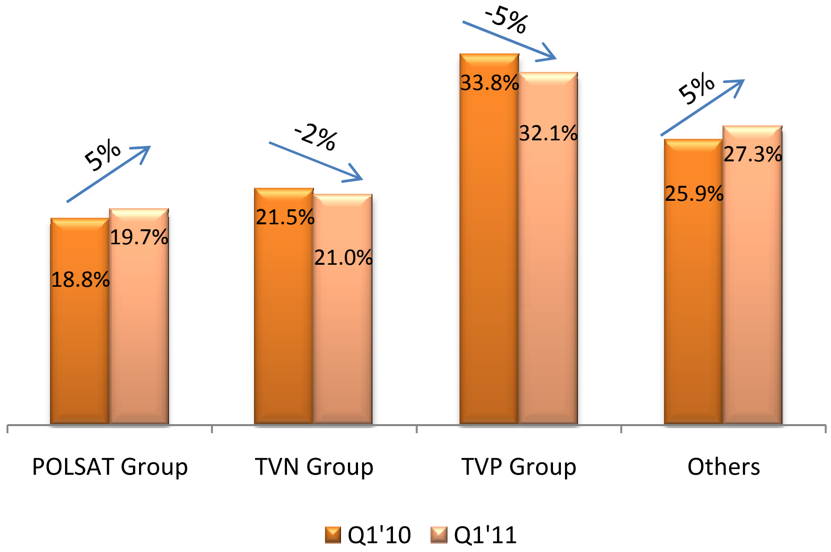
- TV Polsat, as the only one among 3 leading broadcasters, increased its audience share
  - Audience share in Q1 2011 increased by 5% (y-o-y) to 19.7%
  - Polsat channel was the leader in terms of audience with 15.9% audience share
  - Audience of Polsat thematic channels increased by 34% compared to Q1 2010

Audience share of main channels

Audience share of thematic channels



Dynamics of audience results

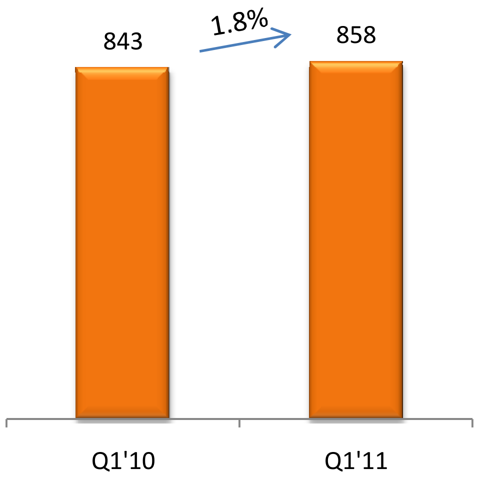


Source: NAM, All 16-49, all day; internal analysis

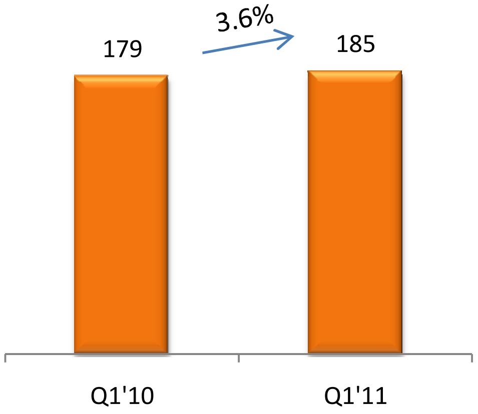
Growing TV advertising market

- TV advertising and sponsoring market grew y-o-y by 1.8%
- Revenues from advertising and sponsoring of TV Polsat Group outperformed the market by 2x (3.6%), and its market share at the end of Q1 2011 was 21.6%

Expenditures on TV advertising and sponsoring (PLN m)



Revenues from advertising and sponsoring of TV Polsat Group (PLN m)

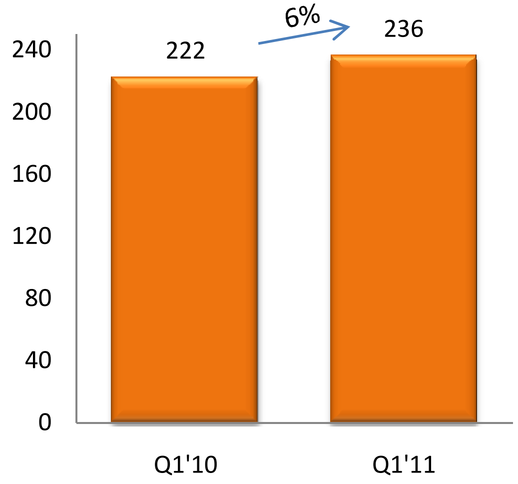


Źródło: Starlink; TV Polsat; internal analysis

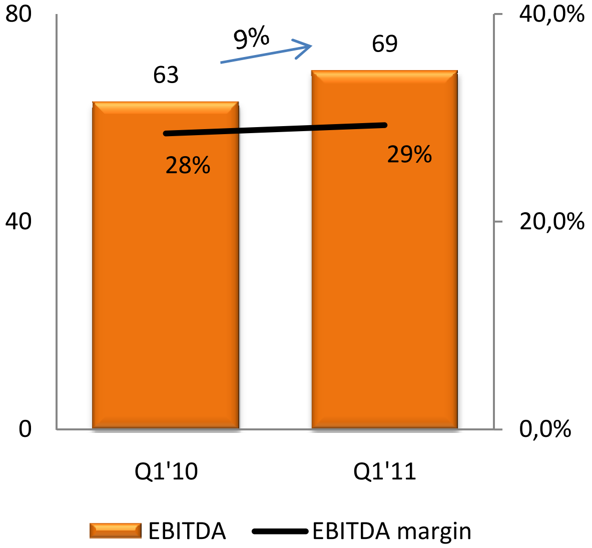
Strong financial standing of TV Polsat

- Revenues and EBITDA of TV Polsat increased by 6% and 9% respectivelly
- Dynamic increase in revenues from wholesale subscription, due to extended distribution of our thematic channels by subscribers of Cyfra+ and Multimedia cable operator

Revenues (PLN m)



EBITDA and EBITDA margin (PLN m)



Source: TV Polsat; unaudited data; internal analysis

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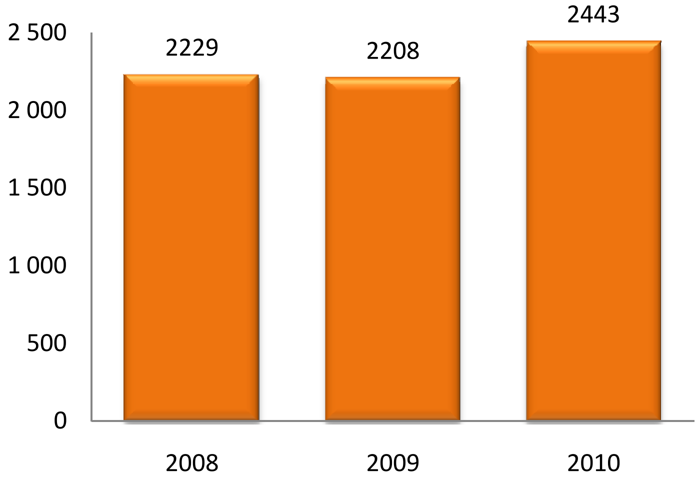
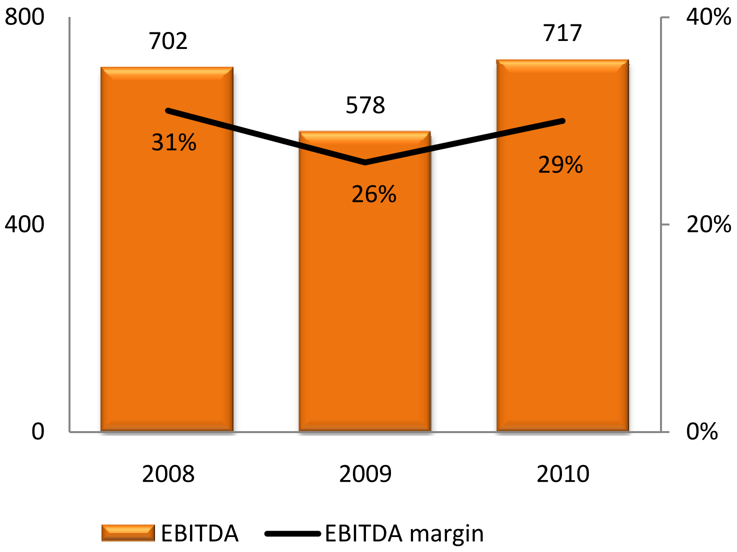
Cyfrowy Polsat Group

High revenues and strong EBIDTA margin

Revenues pro forma (PLN m)



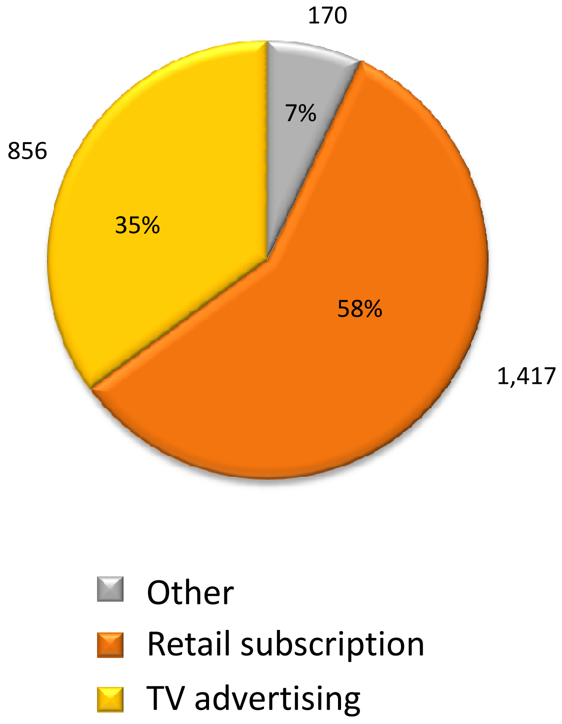
EBITDA and EBITDA margin pro forma (PLN m)



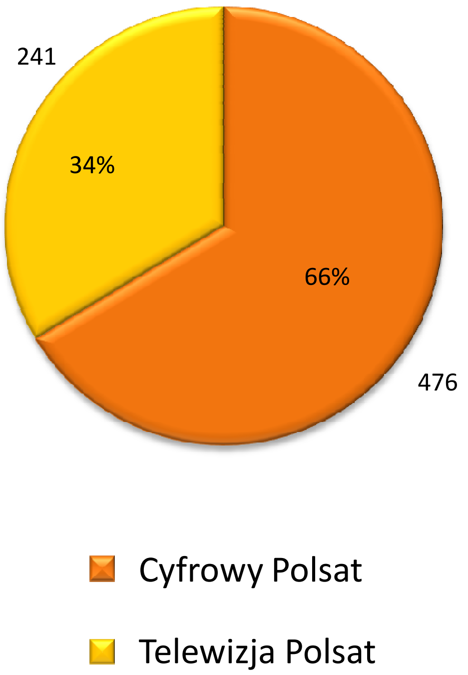
Source: Cyfrowy Polsat; TV Polsat; internal analysis

Diversified pro forma income mix in 2010

Revenues structure pro forma (PLN m)



EBITDA structure pro forma (PLN m)



Source: Cyfrowy Polsat; TV Polsat; internal analysis

Cyfrowy Polsat Group strategy

- Cyfrowy Polsat - continue to grow our multi-play business
  - Increase subscribers
  - Increase ARPU
  - Maintain customer loyalty

- Telewizja Polsat - strengthen our position in the broadcasting market
  - Maintain our strong position in audience and advertising market share
  - Increase technical reach and subscriber revenues through our pay TV thematic channels
  - Increase the profile of the viewer

- Optimize Group revenue and cost synergies

- Continue to focus on the Group’s cash flow generation to deleverage our business below 2.0x of Net Debt to EBITDA

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Q&A

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