

Cyfrowy Polsat IR Newsletter

10 – 16 September 2012

The press about Cyfrowy Polsat	Date	The press about TMT market in Poland
<p>Parkiet: Cyfrowy Polsat As the users of the TV platform watch increasingly more digital channels, including HD that requires more technological resources, the TV platform extended the cooperation with Eutelsat, provider of Hot Bird satellite transponders. As a result it uses already six transponders.</p> <p>Parkiet, Results of listed companies: Before the storm? Cyfrowy Polsat showed an interesting results' dynamics consolidating for the first time the full half year of TV Polsat results. Here, the mix of advertising, subscription and telecommunications businesses and the fighting competent Management Board generate results that are in line with expectations.</p>	<p>10.09</p>	<p>Parkiet, Results of listed companies: Agora and TVN get weaker In operational terms, the situation in the industry does not seem too bad. EBIT margin remained on fairly stable and historically quite high level. Unfortunately, the net results are much worse. Recent quarters showed profits oscillating around zero. In the last quarter, the results were again in the red.</p>
	<p>11.09</p>	<p>Rzeczpospolita: TVP returns to talks After the turmoil around the match of the Polish national team with Montenegro in the qualifiers for the World Cup in Brazil in 2014, the Polish National Broadcasting Council (KRRiT) decided to investigate the issue. Today, it will discuss whether the pay-TV operators acted in accordance with law, showing the transmission of this event in pay-per-view service. Despite a variety of legal questions, KRRiT will rather not punish anyone, as it simply does not have the grounds. Both Sportfive, the company trading the broadcasting rights to World Cup qualifiers, and TVP have already announced, however, that they return to negotiations. <i>- Talks are in progress. TVP is constantly ready to sign an agreement concerning the purchase of broadcasting rights to matches of the Polish National Team on reasonable terms - says Joanna Stempień-Rogalińska, TVP spokesperson.</i></p>

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	12.09	<p>Audytel: Telecoms - less positive In the latest report, Audytel has decreased its forecasted value of the telecommunications market in Poland. Previously it estimated an increase of PLN 2.2bn in 2012, after the adjustment it expects a growth by PLN 1.6bn, or 3.4%, to PLN 48.58bn. The 2012 will be a record year anyway, and will not be repeated any soon.</p> <p>Puls Biznesu: TVN channel does not want to be a dinosaur Historically minimal TVN stock valuation on WSE has the other side. The management of the media tycoon once again takes firm measures to improve the profitability. Now, the TV station tightens the belt even stronger and wants to defend the psychological barrier of 30% margin. Piotr Walter argues that the company does not only cut. It prepares an offensive on mobile phones and tablets.</p>
	13.09	<p>Rzeczpospolita: Media and technologies The Ministry of Administration and Digitalization requested a budgetary provision for improvements of DTT in mountains regions and suggested a faster transfer of TVP to the third multiplex in some regions. <i>-Thanks to that at the final switch-off of the analogue signal in July 2013, another one million households will have access to digital television – said Minister Michal Boni.</i></p> <p>Rzeczpospolita: Not enough money for movies on the network In order to make the online video, that now constitutes only 1% of the entire advertising market, grow as in other countries, we need to create a new tracking system, the reports of which could encourage advertisers to invest in such advertising, and the content producers to increase spending on online content. According to the media industry, that would not only stimulate the ad market, but also boost the demand for smart TVs for instance.</p>

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	14.09	<p>Gazeta Wyborcza: Aspiro aspires to Poland This year a new music service will be launched in Poland. Gunnar Sellag, CEO of Aspiro, confirms this information, though he does not reveal when the service is to be launched in Poland. In order to attract customers, Aspiro establishes alliances with telecommunications operators, digital platforms, cable TV operators and Internet providers. In comparison with Western Europe, our digital music market is in an initial stage, but the Poles get increasingly wider choice. The first was Polkomtel, now owned by Zygmunt Solorz-Zak, with its own service Muzodajnia, then this spring, Cyforwy Polsat, also controlled by Solorz-Żak, after the acquisition of Redefine became the owner of Muzo.pl, music service that offers 1 million tracks available for free or within a pay subscription without advertising. Since May, the competitive Cyfra+ offers its subscribers Mood music service, which is also offered by Vectra cable TV. In August, Orange has established a cooperation with Deezer, French music service run in Poland since a few months.</p>
<p>Rzeczpospolita: Cyfrowy Polsat will track internet piracy The company has established cooperation with Irdeto specializing in monitoring the Internet network to find sources of illegal distribution of television signal. It will be based on Irdeto Intelligence service. Cyfrowy Polsat is a member of Association of TV Channels’ Distributors - Signal, that chases TV signal piracy.</p>	15.09	<p>Rzeczpospolita: ITI and Canal+ with the consent of the antimonopoly office The antimonopoly office gave a consent for the acquisition of 40% shares in N-Vision (majority shareholder of TVN) from ITI by Canal+ for EUR 230 million and for the merger of Cyfra+ digital platform, owned by Canal+ group, and competitive “n” platform, owned by TVN. The merger will result in a digital platform of 2.5 million customers. In the joint venture, based on combined “n” and Cyfra+ platforms, Canal+ will own 51% stake, TVN:3%, and UPC will have 17% stake. EBITDA (profit before tax, amortization and depreciation) of the new company, now called “nC+”, is supposed to exceed PLN 550 million.</p>

Latest events

**Press release,
September 14, 2012**

Cyfrowy Polsat says "NO" to Internet pirates

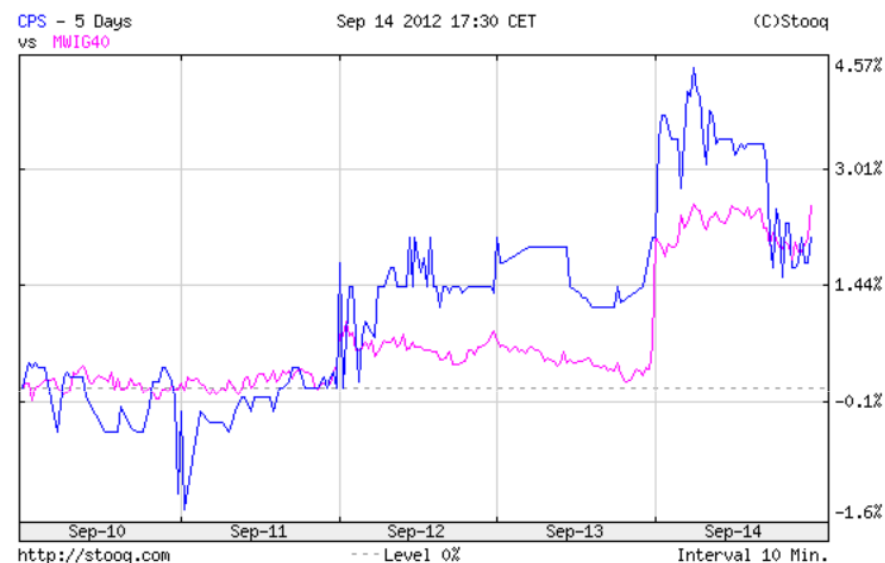
Cyfrowy Polsat has established a cooperation with Irdeto, one of the world leaders in security software, regarding the use of Irdeto Intelligence service. This solution is used to monitor the Internet for preventing and combating illegal distribution of television signal in the network.

The subject of the agreement is a specialized and comprehensive Internet monitoring system enabling the collection and analysis of actions that might violate the copyrights of Cyfrowy Polsat Group's entities. Irdeto Intelligence is a unique, highly effective and widely recognized solution to support content distributors in the fight against Internet piracy.

(...)

Cyfrowy Polsat shares

Date	Maximum price (PLN)	Minimum price (PLN)	Closing price (PLN)	Change (%)	Trade value (PLN ths.)
10-09-2012	14.25	13.99	13.99	-0.07%	1 672
11-09-2012	14.24	13.96	14.20	1.50%	3 455
12-09-2012	14.50	14.20	14.39	1.34%	5 967
13-09-2012	14.50	14.36	14.50	0.76%	425
14-09-2012	14.85	14.41	14.50	0.00%	6 670



Investors' calendar

31 October – 14 November 2012	Closed period prior to the publication of Q3 2012 results
14 November 2012	Publication of report for Q3 2012