

# Cyfrowy Polsat IR Newsletter

**17 – 26 December 2012**

The press about Cyfrowy Polsat	Date	The press about TMT market in Poland
<p><b>Parkiet: Bulls of the week, or the tempting offers of the Warsaw Stock Exchange</b></p> <p>The layout of lines on the chart of Cyfrowy Polsat share price seems quite optimistic recently. From the beginning of the year, the price has oscillated within the growth channel to finally leave it last week. During the Tuesday's session, the price rose by 6.9% to PLN 17.1, pushing the line of PLN 16.5. The Wednesday's maximum was already PLN 17.67.</p> <p><b>Rzeczpospolita: Increasing competition for consumers of music and movies online</b></p> <p>In February, another music service Spotify will be launched in Poland, however, we should not expect more players on this market - according to Marcin Pery, head of Ipla and Muzo. Their owner - Redefine prepares to compete with YouTube on the online video market.</p> <p>Ipla is to generate increasingly more revenue besides the advertising market (now the advertising revenues account for about 90% of the total), but the service is not supposed to be fully paid. The projects are to combine Ipla packages with Cyfrowy Polsat offer.</p>	<p>17.12</p>	<p><b>Dziennik Gazeta Prawna: Vivendi prepares for the encounter with Cyfrowy Polsat group</b></p> <p>nC + platform, emerged from combined Cyfra+ and 'n' platform, works on the strategy and a joint offer. In the spring offensive it wants to use the partnership with Orange, Play and Netia.</p>
<p><b>Rzeczpospolita: The most efficient television group</b></p> <p>In the annual "Rzeczpospolita" report summarizing the efficiency of the three largest television groups on the Polish market (TVP, Polsat and TVN), Polsat with the results for the year 2011 for the second consecutive year proved to be the most efficient television group. The results achieved by the group were generated by less full-time employees than in TVN or TVP.</p>	<p>18.12</p>	<p><b>Rzeczpospolita: Televisions invest in innovations</b></p> <p>Hybrid offer, more online videos and increasingly sophisticated devices to receive them – that is what the audience is facing next year. Services with online video will grow the fastest. 3D TV and watching online video (including HD) on mobile devices will also become more popular.</p> <p><b>Dziennik Gazeta Prawna: Telecoms block market devaluation</b></p> <p>The Office of Electronic Communications issued a decision lowering the wholesale rates paid by the mobile telephony networks for terminating calls (MTR) from 2013. Networks can gain even half a year without a drop in revenues if they choose to litigate rather than adapting the decision in question.</p>

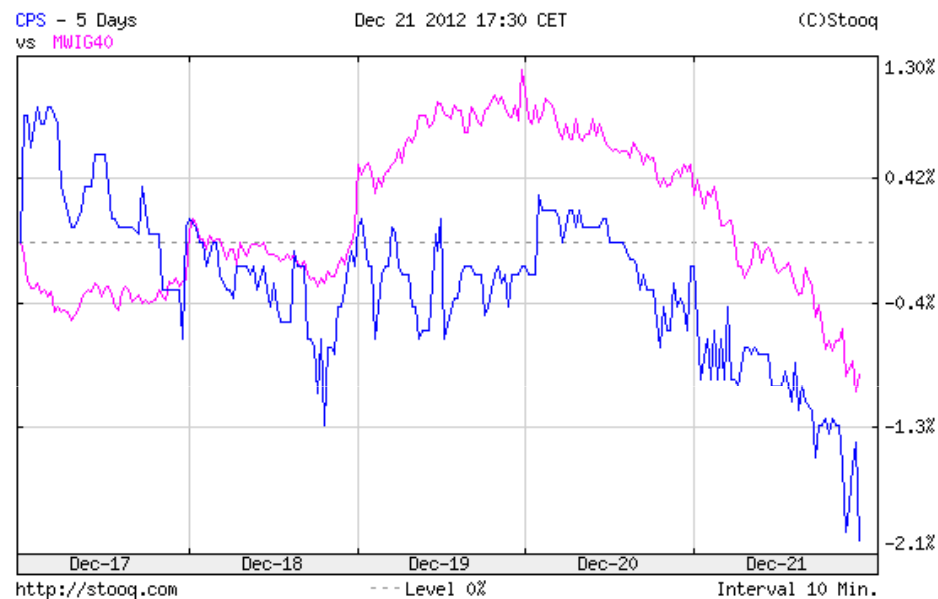
The press about Cyfrowy Polsat	Date	The press about TMT market in Poland
<p><b>Parkiet: We have screened 140 companies and selected the strong eight</b></p> <p>Parkiet presented the companies that in the past year, have been going against the stream and have rapidly increased profits. Four criteria were used to identify companies that definitely stand out in terms of fundamental condition, including sales, profits and cash flows from operating activities. Cyfrowy Polsat is among the eight chosen companies. In all cases enviable financial achievements were rewarded by investors purchasing shares.</p> <p><b>Puls Biznesu: Analysts' sure bets for the first quarter of 2013</b></p> <p>BESI broker analysts selected four companies from the Warsaw Stock Exchange, which are worth to be included in a shares portfolio in the first quarter of 2013 – Cyfrowy Polsat is one of them.</p> <p>- We were looking for companies with strong fundamental upside potential and linked to a specific event that could drive outperformance over the next three months – explains the report entitled "Silver bullets".</p> <p>Comment on Cyfrowy Polsat:</p> <p>Despite the adverse environment in the advertising market and low organic growth in the DTH segment, the company has been able to post record-high results. We believe the company is well protected against market headwinds, thanks to revenue from pay-per-view service and growing ARPU as well as expansion of the TV reach to Vectra CATV platform. The company generates robust cash flows, which can speed up de-leveraging and might encourage the Management Board to pay dividends from 2013.</p>	<p>19.12</p>	<p><b>Dziennik Gazeta Prawna: Telecoms looking for money in the media</b></p> <p>Proceeds of mobile telephony networks decrease as the market is already saturated. Therefore, in the fight for customers operators bet on the latest smartphones and tablets, as well as access to the media.</p> <p><b>Dziennik Gazeta Prawna: T-Mobile wants to make money on selling press online</b></p> <p>The largest mobile operator in Poland works on an application that will enable adding the expenditures on press publishers' content, games and music purchased online to the bill for telephone services. Thus preparing to enter the market of pay content in the Internet.</p> <p><b>Republic: Internet users are reluctant to pay for the web content</b></p> <p>Shows the latest report by the British Ofcom.</p> <p>Poland, although it is one of the world leaders in introducing LTE high-speed Internet access technology, in many aspects, still lags behind other European countries.</p> <p>To be specific, we are ranked the last in terms of the percentage of people using the Internet via mobile devices. Poland is also on the last place in terms of revenue from fees for fixed broadband access per capita. We also have a relatively low 3G network coverage. However, we are at the forefront when it comes to the percentage of households using digital television.</p>

The press about Cyfrowy Polsat	Date	The press about TMT market in Poland
<p><b>Rzeczpospolita, Ranking of the most valuable Polish brands: Stars supported the television tycoon</b></p> <p>This year, the power of all the Polish media brands weakened, but the leaders maintained their positions.</p> <p>This year, Polsat has been promoted to the second position in the ranking of power, which was supported by the increase in the brand recognition. The brand of Zygmunt Solorz-Zak's station profits from the stronger focus on the programming offer in recent years. It is already a real competitor for TVN in terms of expensive entertainment shows, in which the station promotes its own stars.</p> <p>Unlike the competitors Polsat still develops its portfolio of thematic channels. It does not always own them, but makes sure to bind them to its brand.</p>	<p>19.12</p>	<p><b>Parkiet: Rising competition from small broadcasters</b></p> <p>TVN spent this year on losing advertising market share for i.a. the channels of the competitive Polsat group.</p> <p>According to Dominik Niszczyk, analyst at Raiffeisen Centrobank, more of a problem than the competition from Polsat is the dependence of TVN group on its general-entertainment channel – TVN, in the times when the terrestrial broadcasters move from analog to digital signal. This change will cause a lot more channels than ever before in Poland to have nationwide coverage, which in turn may contribute to the further diversification of the advertising market in which the major players are already slowly losing their influence.</p> <p><b>Parkiet: TVN: An interesting and challenging year ahead</b></p> <p>The television group will reorganize after the change in the ownership structure and will continue to fight against the advertising crisis.</p> <p>Although, after the numerous twists, at the end of the year the valuation of TVN shares returned to the level from the first days of January, the investors face a cold shower - analysts believe. The company faces an interesting but difficult year 2013. Both because of the internal situation and the overall condition of the television market.</p>
	<p>20.12</p>	<p><b>Dziennik Gazeta Prawna: Telecoms: Time for the market of pay content</b></p> <p>Not only T-Mobile, but also Play may soon sell newspapers in the Internet.</p> <p>Piano Media, the Slovak platform selling the access to the content of publishers, leads talks on cooperation with Play.</p>

The press about Cyfrowy Polsat	Date	The press about TMT market in Poland
	21.12	<p><b>Puls Biznesu: 2013 will be the year of LTE and „no limits”</b> Telecoms have a big growth potential – claims the operator of Play network. Against the widespread pessimism. <i>-I expect that all operators launch LTE next year. This should increase the volume of data transfer - says Jorgen Bang-Jensen, President of P4.</i> <i>- Next year I expect the expansion of "no limits" formula - he adds.</i></p>

## Cyfrowy Polsat shares

Date	Maximum price (PLN)	Minimum price (PLN)	Closing price (PLN)	Change (%)	Trade value (PLN ths.)
17-12-2012	17.00	16.70	16.85	1.26%	1 009
18-12-2012	16.86	16.52	16.80	-0.30%	9 113
19-12-2012	16.86	16.71	16.80	0.00%	4 583
20-12-2012	16.89	16.63	16.80	0.00%	3 407
21-12-2012	16.80	16.42	16.46	-2.02%	6 585



## Investors' calendar

26 February – 12 March 2013	Closed period prior to the publication of 2012 results
12 March 2013	Publication of annual report and consolidated annual report for 2012