

Cyfrowy Polsat IR Newsletter

19 – 25 November 2012

The press about Cyfrowy Polsat	Date	The press about TMT market in Poland
	19.11	<p>Rzeczpospolita: New houses not only with installations for cable networks</p> <p>Newly constructed buildings will have to be furnished also with community antennas allowing the reception of digital terrestrial television and satellite television. Such changes will be introduced by an amendment to the Minister of Transport regulation regarding technical conditions to be met by buildings and their location.</p>
<p>Rzeczpospolita: Three Viasat channels on the Cyfrowy Polsat platform since November</p> <p>From the new year, also the advertising time of Viasat Explorer, Viasat History and Viasat Nature will be distributed by Polsat Media Advertising Agency. Hence, the channels will be renamed to Polsat Viasat History and so on, respectively. Cooperation between both the companies does not involve equity transactions.</p> <p>Rzeczpospolita: “Buy” Cyfrowy Polsat</p> <p>Societe Generale specialists have upgraded their investment recommendation for Cyfrowy Polsat from “hold” to “buy”. They have evaluated the company’s shares at PLN 16.8 or 13.5% above their current market price (PLN 14.8).</p>	20.11	<p>Rzeczpospolita: Businesses continue to cut their advertising spending</p> <p>Starlink media house has once again cut its full-year forecast for the advertising market. ZenithOptimedia Group is to announce similar changes soon.</p> <p>Starlink’s previous forecast, published in August, said this year the advertising market would decline by 3.5-4.5%. <i>“The ongoing economic slowdown, worsening consumer sentiment and market signals indicate that the fourth quarter may be especially difficult for the market and therefore we have revised our 2012 forecast down to minus 6%,”</i> says Lidia Kacprzycka, Managing Director of Starlink.</p> <p>Rzeczpospolita: End of the fight for Multimedia</p> <p>The cable television has not been taken over by UPC. The company sale transaction was not concluded because of the price.</p> <p>The statement made by Rogowski, Multimedia’s CEO, indicates he had a considerable impact on the final outcome of affairs. Rogowski wants the group to speed up its own acquisitions of other companies in the industry. Competitors may also expect a stronger offensive from Multimedia in the Internet market next year. The CEO plans to increase the number of new customers and new revenues in this segment by 20 – 30%. During the first nine months of this year, Multimedia added 67 thousand users of their services, primarily owing to acquisitions.</p>

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	21.11	<p>Dziennik Gazeta Prawna: TV racing in the Web</p> <p>Internet television is chasing the traditional one. Watching our favourite programs on demand already consumes half as much time as we devote to the traditional programming schedule. All Polsat, TVN and TVP put their bets on development in this segment.</p>
<p>Rzeczpospolita: Polsat TV co-creates a new channel, while Cyfrowy Polsat expands with new stations</p> <p>Polsat Food Network, a new channel on the Polish market which is included in Cyfrowy Polsat's offering, has been created in collaboration with Scripps Networks Interactive. This Culinary & Lifestyle channel will be available even in the Mini HD package, in both Polish and English language version. The channel's commercials will be handled by Polsat Media Advertising Agency. Polsat Food Network will initially broadcast mostly foreign programs from its own library. <i>"We expect the channel to reach its break-even point in a typical period ranging from one to three years,"</i> says Maciej Stec of Polsat Television management.</p> <p>Polsat TV has also announced the launch of its Polsat Film channel delivered in HD. <i>"This will be a simultaneous version of the SD channel that is already broadcast. The introduction of this channel expands the portfolio of Polsat stations to 20, including 4 HD channels,"</i> commented Dominik Libicki, CEO of Cyfrowy Polsat.</p>	22.11	
<p>Rzeczpospolita: Cyfrowy Polsat aims higher</p> <p>The holiday season specials of Cyfrowy Polsat do not provide TV sets or game consoles as the competing Cyfra+ autumn offering. In the best-selling quarter of the year, the platform owned by Zygmunt Solorz-Żak will compete for subscribers by offering enriched programming content. Their portfolio has</p>	23.11	<p>Rzeczpospolita: 1.8 million of terrestrial television viewers still without set-top boxes</p> <p>Around 40% of Poles, who receive terrestrial television only, have not yet decided whether to switch to digital terrestrial broadcasting, or buy a pay-TV package. As shown by the research data of Nielsen Audience Measurement, 1.76 million households in Poland, which receive</p>

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<p>been already expanded with 20 channels, including the brand new Polsat Food. The billionaire’s platform is taking a slightly different approach to the market. It has launched the Family Max HD package for PLN 49.90 featuring 86 channels, which brings the BBC channels back. It costs about PLN 10 more than the average subscription fee paid by the platform users (PLN 39.50). <i>“This new package fills the gap that we’ve managed to spot out,”</i> said Dominik Libicki, CEO of Cyfrowy Polsat. Explaining about the price, he added <i>“PLN 50 is a psychological barrier for TV subscribers that is hard to break. We hope that this and other new packages will help achieve the expected growth in ARPU and improve our EBITDA.”</i></p>		<p>terrestrial television only, still do not have a DTT-enabled TV set or set-top box at home. This corresponds to 40.8% of all households receiving only terrestrial television (having purchased no satellite or cable TV). In total there are 4.32 million such homes in Poland and they represent the bulk (70%) of all households switching to digital terrestrial broadcasting.</p>
	November	<p>TeleKabel: What’s missing in TV measurements? Audience researches are modified following the changing preferences of viewers. Nielsen Audience Measurement Company (NAM) is preparing to run extended screen tests, which will measure watching television on PCs or laptops in first place, and on tablets and smartphones at a later stage. The research results are planned to be incorporated into the nationwide panel. For quite a long time, Nielsen has also examined the time shifted viewing (TSV) of television, but NAM customers decided not to have them included in the official measurements. TSV audience is in fact very small – within 0.4% of the total audience, which translates to about 1 minute a day. The reason behind such a small audience share is low market penetration (18.5%) of set-top boxes equipped with a hard drive, which are the source of this measurement. In addition, these devices are currently used only by 38% of households equipped with PVRs.</p>

Latest events

**Press release,
19 November 2012**

Cyfrowy Polsat launches cooperation with Viasat Broadcasting

Cyfrowy Polsat Group has entered into cooperation with Viasat Broadcasting, a member of international media corporation Moderns Time Group. Still in November, the Family Package HD offered by Cyfrowy Polsat will be enriched with three new channels: Viasat Explorer, Viasat History and Viasat Nature. As of 1 January next year, advertisements aired on these channels will be sold by Polsat Media Advertising Agency. Furthermore in early 2013, the Viasat channels will begin broadcasting in the Polish market under the two brands of “Polsat” and “Viasat”, and shall be named as follows: Polsat Viasat History, Viasat Explorer Polsat and Polsat Viasat Nature. Hence, the Polsat Television’s portfolio will be expanded to 18 channels. (...)

**Press release
– TV Polsat ,
21 November 2012**

Polsat Media named as the best advertising agency among Polish broadcasters

In 2012, Polsat Media has been once again recognized as the best television advertising agency among the largest Polish media groups and nationwide broadcasting stations. Polsat Media outperformed both TVN Media and TVP Advertising Agency. Our advertising agency won the same award in 2007 and 2012.

Laureates of the Report of Media & Marketing Poland are chosen by conducting a survey among employees of media houses and advertising agencies responsible for media. Polsat’s advertising agency has been recognized for the highest standards of customer service and business partner relationships. (...)

**Press release
22 November 2012**

Programming revolution at Cyfrowy Polsat

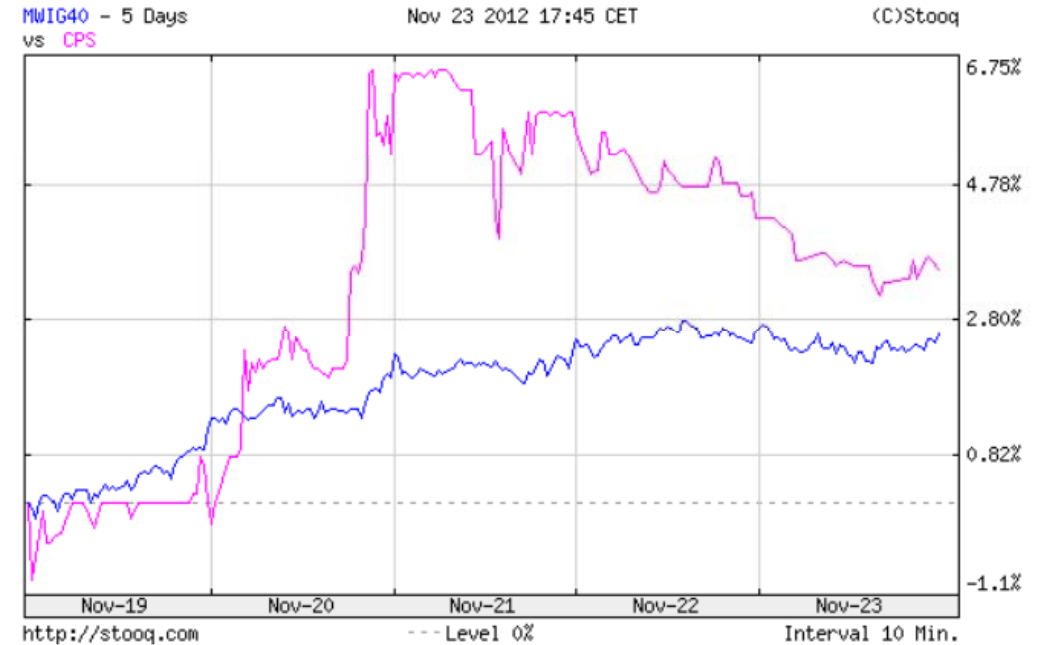
Cyfrowy Polsat has launched 20 new channels, including 4 HD channels, and introduced new TV packages, new online services, new equipment and new promotions.

- 20 new channels from the top international and domestic broadcasters (including two new Polsat Television channels, namely Polsat Food Network and Polsat Film HD)
- New, very attractive package for the whole family – Family Max HD for PLN 49.90
- Easy, intuitive layout of additional TV packages: Film HD (new), Sport HD, HBO HD, Cinemax HD and Entertainment HD
- New services: HBO GO and ipla
- Attractive Premium promotion – full programming package with an HD set-top box for PLN 1 and up to 6 months of free HBO GO and ipla Mix
- A fresh new HD 6000 set-top box
- New specials: “0 loyalty”, Mobile TV and LTE Internet in the price of TV packages

(...)

Cyfrowy Polsat shares

Date	Maximum price (PLN)	Minimum price (PLN)	Closing price (PLN)	Change (%)	Trade value (PLN ths.)
19-11-2012	14.91	14.62	14.80	0.68%	6 859
20-11-2012	15.85	14.75	15.60	5.41%	9 085
21-12-2012	15.80	15.39	15.70	0.64%	4 384
22-11-2012	15.70	15.45	15.45	-1.59%	3 845
23-11-2012	15.55	15.27	15.49	0.26%	1 338



Investors' calendar

4 December 2012	Extraordinary Shareholders Meeting >>more
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