



Cyfrowy Polsat IR Newsletter

8 – 14 January 2018



Rzeczpospolita
9 January 2018

Number porting boom

by Urszula Zielińska

In excess of 2.1 million mobile phone numbers (MSISDNs) were ported between networks in 2017, according to estimates published by "Rzeczpospolita" daily. That is nearly 22% more than in 2016, when mobile operators were focused on retaining as many active prepaid users as possible in their networks and were adjusting their information policies and systems to the new regulations imposed by the so-called "anti-terrorist" act which enforced the registration of prepaid SIMs.

In 2017, telecoms put stress on rebuilding their user bases which previously shrank. Based on "Rzeczpospolita" daily's calculations, once again Play recorded the best MNP balance (a gain of 111 thousand SIMs). However, this result was much weaker compared to previous years. Among big operators improvement could be seen in the case of Cyfrowy Polsat Group and T-Mobile, with T-Mobile's all-year balance being slightly positive for the first time in many years. The past year was in turn much weaker for Orange Polska. Orange, who recorded a positive number porting balance in 2016, lost around 130 thousand MSISDNs in 2017.

Mobile virtual network operators were doing much better, though the picture is mixed in their case. E.g. Premium Mobile and nc+ satellite TV platform did much better in Q4 2017 than most of the big players, but Virgin Mobile, one of the two biggest virtual networks, saw a negative MNP balance.

rp.pl
10 January 2018

Media industry: Stable but not without changes

by Magdalena Lemańska

Zenith advertising agency expects market growth by 1.9% next year while Starcom forecasts growth by 2.5%. What is certain is that online advertising will grow the fastest. In the opinion of Zenith, the online advertising market will grow by 10.9% next year while PwC estimates that online advertising expenditures will even surpass amounts spent on TV advertising in Poland.

It is a broader trend, which can be already seen in many other markets, among other due to a weakening position of TV. Lower TV advertising expenditures in Poland result from a decrease in the popularity of this medium. According to experts from Zenith, the average time of watching TV is decreasing, which in practice translates to smaller advertising resources

and consequently, in spite of high demand for TV air-time, to a reduction of advertising budgets and migration of part of these budgets to the Internet. In their report Starcom experts point to high interest in TV advertising and suggest that advertisers would be willing to spend more if advertising resources were available on the market.

The new year will also bring interesting ownership changes on the market. Cyfrowy Polsat will take over the TV channels of ZPR Media Group. *“The channels are certainly a complementary portfolio to Cyfrowy Polsat’s current offer. So far Polsat has had no music channels in its offer. The acquisition will enable the broadcaster to strengthen its position among the youngest viewers,”* judges Magda Kolenkiewicz, Starcom’s General Director. However, as she adds, what is most important for Polsat is the added viewership, which can be monetized. The agency estimates that the acquired channels will give Polsat additional 2% of advertising revenue share but the overall growth within the broadcaster’s extensive portfolio of programs could even be higher if the market is in a way forced to buy the new channels as elements of available packages.

In Q1 2018 Discovery Networks will be able to acquire Scripps Networks Interactive, the owner of TVN. In January, Kino Polska TV will acquire the remaining shares in Zoom TV terrestrial station for PLN 10 million.

telko.in
11 January 2018

Play introduces a new device for homes

by Łukasz Dec

P4, the operator of Play, has introduced a new device to its mobile broadband Internet access service designed for homes. Play is becoming more involved in the mobile operators’ battle for fixed-line customers.

A set, called the Netbox, includes an external LTE modem with a WiFi router (solution provide by Huawei). The outdoor module enables signal to be captured in areas where network coverage is poor, and is generally designed for house owners.

Orange and Cyfrowy Polsat with Polkomtel, offer similar devices but with a possibility of using a parabolic antenna. The home router, which T-Mobile has introduced into its offer last year, has no outdoor module but features, as an option, the possibility of connecting an antenna.

Play offers the new device together with a 24-month contract and a monthly fee of PLN 69.99 monthly (incl. VAT). In addition, a customer has to pay a one-off installation fee of PLN 69. The operator offers a 30-day try&buy period (which is a general practice in mobile Internet access services).

Mobile Internet access services have been among the fastest growing market segments in recent years. Last year, mobile Internet access for homes saw a strong revival. Play is preparing to launch services of this type in the 3.6-3.8 GHz frequency band.

Rzeczpospolita
12 January 2018

TVN will not face a record penalty

by Magdalena Lemańska

The Chairperson of the National Broadcasting Council (KRRiT) withdrew from charging the penalty to TVN. The code of best practice for media will be created.

The Chairperson's decision was preceded by a month of meetings between the National Broadcasting Council, the representatives of TVN as well as organizations representing the media. Also politicians and foreign organizations were involved in the discussions. Helsinki Foundation of Human Rights (HFHR), Reporters Without Borders, Grand Press jurors were among parties who protested against the penalty for TVN since they considered this penalty as a means of intimidating the broadcaster. Other parties included the US Chamber of Commerce and the US Department of State, since TVN is owned by Scripps Networks Interactive, an American company, which in turn is now in the process of being acquired by another American media corporation, i.e. Discovery Networks.

KRRiT imposed a fine of PLN 1.48 million on TVN, arguing that the news coverage presented by TVN 24 channel *"propagated acts which are contradictory to the law and which foster behavior posing a threat to security"* (the coverage concerned events and protests which took place before the Polish Parliament in December 2016). TVN responded with an objection and stated that it would appeal against the decision to court.

During the negotiations it was determined that a Media Round Table will be established at KRRiT which will gather representatives of journalists, scholars and broadcasters. The round table's purpose will be to develop a code of best practices in the media, that TVN has already committed itself to work on.

Current report no. 1/2018
9 January 2018

Resolutions adopted by the Extraordinary General Meeting convened on January 9, 2018

The Management Board of Cyfrowy Polsat S.A. (the “**Company**”) hereby publishes the resolutions adopted by the Extraordinary General Meeting of the Company on January 9, 2018, attached hereto.

Attachments: [Resolutions adopted](#) by the Extraordinary General Meeting of the Company on January 9, 2018 (.pdf)

Current report no. 2/2018
9 January 2018

List of shareholders authorized to at least 5% of votes at the Extraordinary General Meeting convened for January 9, 2018

The Management Board of Cyfrowy Polsat S.A. (the “**Company**”) hereby publishes the list of shareholders authorized to at least 5% of votes at the Extraordinary General Meeting of the Company convened for January 9, 2018, attached hereto.

There were 583,404,788 votes, which constitute 71.24% of the total number of votes in the Company, represented at the Extraordinary General Meeting of the Company convened for January 9, 2018. Pursuant to the Company’s Articles of Association the Series A, B and C shares as well as 166,917,501 Series D shares are preferred shares, i.e. each share carries two votes.

Attachment: [List of shareholders authorized to at least 5% of votes at the Extraordinary General Meeting of the Company convened for January 9, 2018](#) (.pdf)

Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Turnover (mPLN)
2018-01-08	24.40	23.66	23.88	-0.91%	25.22
2018-01-09	24.00	23.68	23.80	-0.34%	11.59
2018-01-10	23.94	23.58	23.58	-0.92%	11.71
2018-01-11	23.82	23.50	23.76	0.76%	13.11
2018-01-12	24.06	23.74	23.94	0.76%	8.86



Investor's calendar



8 – 22 March 2018

Closed period prior to the publication of 2017 results

22 March 2018

Annual report and consolidated annual report for 2017