



Cyfrowy Polsat IR Newsletter

10 – 16 September 2018



Parkiet

11 September 2018 r.

Orange increases its FTTH coverage thanks to the agreement with Nexera

by Urszula Zielińska

Orange Polska signed an agreement with Nexera regarding use of the fiber-optic network which Nexera is rolling out as part of the Digital Poland Operational Program. Main recipients of the services will include households in detached houses located in suburban and rural areas in several thousand towns and places in four provinces (Łódź, Kujawsko-Pomorskie (Bydgoszcz-Torun), Świętokrzyskie (Kielce) and Warmińsko-Mazurskie (Olsztyn)).

The agreement covers network roll-out and the cooperation between the telecoms will expand as the network develops. Orange will be only paying for the infrastructure it will use, with the cost depending on the number of subscribers.

Orange expects that thanks to its cooperation with Nexera some 30 thousand households (+1%) will come within the FTTH network coverage footprint by year-end. The significance of the cooperation will be much bigger as by 2020 Nexera plans to expand its network's coverage to 450 thousand households, mainly in rural and suburban areas.

Orange will not be the only user of the infrastructure rolled-out by Nexera – the company is open to cooperation with other telecoms.

Gazetaprawna.pl
12 September 2018 r.

Prepaid phones still remain attractive for customers

by Elżbieta Rutkowska

Rapid decline of the number of prepaid phones on the Polish telecommunication market started back in 2016 when the obligation of prepaid SIM registration was introduced, with all unregistered SIMs having been deactivated in February 2017.

Orange, in whose case the number of prepaid SIMs shrank by 21% in Q1 2018 vs. the past year, recorded decreased of prepaid SIMs by less than 6% in Q2 2018. Cyfrowy Polsat noted that *“following several quarters of distinct pressure due legal regulations which obligated customers of all networks to register their prepaid service SIMs”*, it now observes *“stabilization in terms of the number of provided services”*. Plus network, which is owned by Cyfrowy Polsat, lost only 2.7% prepaid SIMs in Q2.

Cyfrowy Polsat CEO does not expect that the trend will turn around. In his opinion the trend of moving away from prepaid services is fostered by the currently occurring equalization of the prices between prepaid and contract services. That is why erosion of prepaid will continue. *“We are not interested in statistics but in revenue and that is why it is the growth of ARPU, i.e. the Average Revenue per User, that is most important for us”*, adds Tobias Solorz.

During the first half of 2018 ARPU per prepaid service increased by 3% in Cyfrowy Polsat.

Telko.in

13 September 2018 r.

The market reviews the plans for 5G in Poland

by Łukasz Dec

The Office of Electronic Communications (UKE) has just published the opinions it received from operators as regards the principles of management of radio spectrum intended for 5G networks. The main frequency bands at stake are the 3400-3600 MHz and 3600-3800 MHz, i.e. the frequency bands which will be key for launching the 5G network in Poland. UKE President wants to regain the possession of these frequency bands and reallocate them again in a new selection process.

The operators who hold nationwide spectrum reservations for the spectrum from 3600-3800 MHz band (Play, T-Mobile, Netia) disagree with the regulator's decision, while Orange not only supports it, but has also proposed that the validity periods of the issued reservations be shortened in return for the compensation paid to operators.

The matter of the 700 MHz band, designed for coverage enhancement, raises no major controversies. Only 30 MHz of spectrum is available in this band for all the operators whereas the higher bands offer the possibility of allocating 100-200 MHz per operator.

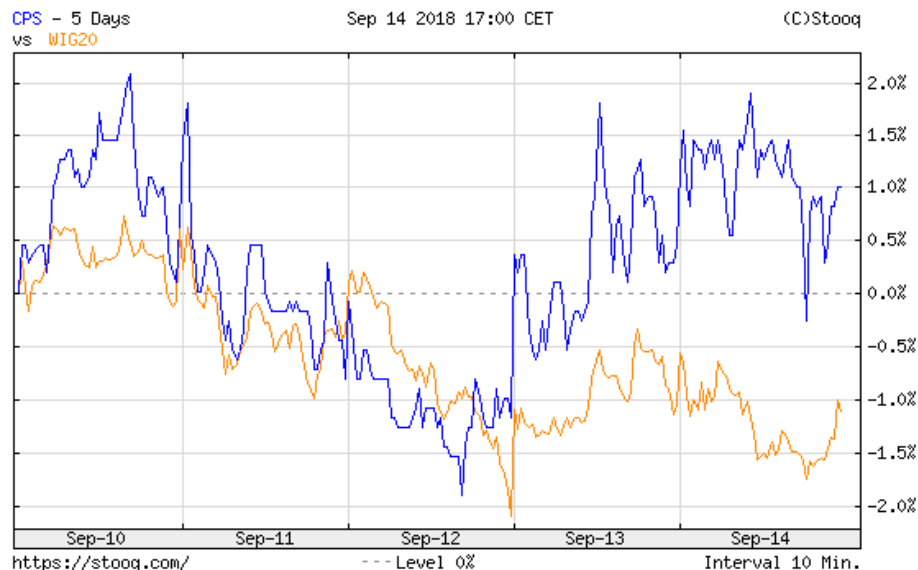
Polkomtel supports one, nationwide 5G network, to be built with the state's substantial support. The remaining three operators see no reason for a single 5G network in Poland, especially if such a project was to be regulated by the state administration. They point to the possibility of employing the existing infrastructure and the necessity of coordinating the operation of the 5G network with the operation of other access networks.

Exatel and Emitel, in turn, favor roll-out of one 5G network.

Cyfrowy Polsat shares



Data	Maximum price (PLN)	Minimum price (PLN)	Closing price (PLN)	Change (%)	Turnover (mPLN)
2018-09-10	22.70	22.16	22.32	0.54	3.77
2018-09-11	22.58	22.00	22.00	-1.43	9.54
2018-09-12	22.28	21.76	21.92	-0.36	19.6
2018-09-13	22.58	21.92	22.28	1.64	9.11
2018-09-14	22.60	22.12	22.40	0.54	7.31



Investor's calendar



25 October – 8 November 2018	Closed period prior to the publication of Q3 2018 results
8 November 2018	Quarterly report for Q3 2018
12 – 13 November 2018	Goldman Sachs Tenth Annual CEEMEA One-on-One Conference, London
27 – 28 November 2018	UBS, Global Emerging Markets One-on-One Conference, New York
4 – 5 December 2018	WOOD's Winter Wonderland – EME Conference in Prague

