



Cyfrowy Polsat IR Newsletter

12 – 18 March 2018



www.parkiet.com
10 March 2018

Netia: The operator's advertising budget will go to Polsat

by Urszula Zielińska

Last Friday Netia, the second largest fixed-line telecom operator in Poland (following Orange Polska) listed on Warsaw Stock Exchange, presented its new offer for residential customers.

According to a statement made by the company's management, the offer will be supported by a nationwide advertising campaign and Netia's commercials are returning to TV.

The latest campaign will be shown in Polsat TV's main channel as well as in the station's thematic channels. Polsat will be supporting Netia in the process of media buying. This fact is worth noting since Cyfrowy Polsat, the owner of Polsat TV, has been a significant Netia shareholder since December and it is now waiting for the approval of the acquisition by UOKiK (Office of Competition and Consumer Protection).

The actual amount that Netia will spend on commercials in Polsat has not been disclosed, but the company's management board sustained its earlier statement that the company's marketing budget for this year will be similar to last year's budget (ca. PLN 25 million). The management board did not rule out however the possibility that this year the telecom will run more than one nationwide campaign as it has been able to negotiate better terms of cooperation with media houses.

Rzeczpospolita
12 March 2018

UKE officially starts regulating cable TV operators

by Urszula Zielińska

Draft regulatory decisions concerning cable TV operators, which were earlier announced by Marcin Cichy, the President of the Office of Electronic Communications, have already been published. Consultations of the presented draft decisions to be issued by the regulator have started. UKE presented the draft decisions for six parties and embarked on official consultations with the market. The consultations will continue till April 8.

UKE wants to issue regulatory decisions for six parties: Orange Polska, Netia, UPC, Vectra, Multimedia, Inea and Toya. The regulator published the standard forms of documents (letters) as well as the amounts of the fees to be collected by infrastructure owners for access to their ductwork and to the installations located inside buildings. The cost of installing a cable in the ductwork is the lowest in the case Orange and Inea (PLN 0.13-PLN 1.32 per meter of a cable, depending on

a cable's cross-section). In case of UPC and Netia the cost ranges from PLN 0.17 to PLN 1.72, while for Vectra, Multimedia and Toya it is from PLN 0.19 to PLN 1.94.

Telecoms are analyzing UKE's proposal. Small players are the parties who are the most satisfied with the proposal as it will be the first time when they are able to demand anything from cable TV operators.

rpkom.pl
14 March 2018

Srini Gopalan: Deutsche Telekom wants to continue acquisitions in Poland

by Urszula Zielińska

In an interview for Rzeczpospolita daily, at the Mobile World Congress 2018, Srini Gopalan, a Deutsche Telekom management board member responsible for European markets and who is also the Supervisory Board Chairman of T-Mobile Polska, declined to comment on the acquisition of Netia by Cyfrowy Polsat. He pointed, however, to the fact that T-Mobile had guaranteed for itself the possibility of development of a convergent offer thanks to the agreement with Orange which gave it access to 2.6 million households in Poland.

In Gopalan's opinion, acquisition of GTS was a good move since it enabled T-Mobile to enter the market of big corporate clients, gain competence in the field of data centers and also, last year, in the field of ICT.

Gopalan denied that T-Mobile's business in Poland was for sale. *"We are the buyer, not the seller. We want to remain an important player in Poland"*. He added that last year T-Mobile Polska made very big progress. In his opinion, the main challenge on the Polish market is to stimulate consumers' need for improved mobile experience.

www.telko.in
15 March 2018

The partners of Networks! increase the bandwidth allocated to LTE

by Tomasz Świderek

Orange Polska and T-Mobile Polska have started the process of increasing the amount of spectrum they will use for LTE. As it seems right now each of them will allocate at least 2x45 MHz of spectrum for LTE, instead of the present 2x40 MHz, and that in the field of LTE-A both players will offer aggregation of four carrier bands. Tests are underway.

Orange has recently declared that it wishes to optimize use of the spectrum it owns and that it wants to allocate more bandwidth to LTE services by, among others, allocating to 4G some of the spectrum resources that it currently uses for 3G.

The information on T-Mobile's plans to launch LTE2100 on the basis of a 2x10 MHz spectrum blocks came at the end of February from Andreas Maierhofer, the CEO of T-Mobile Polska.

Neither of the two companies have indicated any specific dates of full reconfiguration of the spectrum but work is already in progress. During the past dozen or so days, users of net monitor applications could notice changes in the configuration of the frequency bands used by Orange and T-Mobile.

www.telko.in
16 March 2018

Orange has a plan for launching 5G in Poland but it needs the 3.4-3.8 GHz frequency band

by Marek Jaślan

Orange Polska has announced that first 5G trials will take place in 2019, while the implementation will follow in the years 2020-2021. The operator will be cooperating with Nokia.

According Jean-François Fallacher, the CEO of Orange Polska, availability of relevant spectrum resources will be of key importance for the project. He particularly pointed to the 3.4–3.8 GHz frequency band which in a short time could be used for developing the next generation network. However today these spectrum resources are very fragmented and owned by various nationwide and regional operators. In contrast with its competitors, Orange holds no spectrum resources in this frequency band.

Meanwhile, thanks to acquisition of Netia, Cyfrowy Polsat could acquire substantial resources in this frequency band. Netia has owned a spectrum block in this frequency band since 2005 and is currently leasing part of these resources to third parties. The spectrum from this frequency band is also used by numerous local authorities who e.g. rolled-out local networks by using the funding from EU projects. Nationwide spectrum reservations from this band are also held by T-Mobile Polska and Play.

Jean-François Fallacher stressed that the 5G program presented by Orange Polska had synergies with the roll out of the company's fiber-optic network.

Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Turnover (mPLN)
2018-03-12	24.28	23.96	24.28	1.51%	9.44
2018-03-13	24.58	24.22	24.50	0.91%	10.32
2018-03-14	24.74	24.30	24.40	-0.41%	15.50
2018-03-15	25.04	24.34	24.60	0.82%	8.95
2018-03-16	24.76	23.80	23.96	-2.60%	33.22



Investor's calendar



8 – 22 March 2018	Closed period prior to the publication of 2017 results
22 March 2018	<p>Publication of the annual report for 2017</p> <p><i>Schedule of publication:</i></p> <p>6:00 a.m. Publication of the annual report for 2017 in ESPI (WSE publishing system)</p> <p>7:00 a.m. Publication of the annual report for 2017 and of additional materials on our website http://www.grupapolsat.pl/en/arc/results</p> <p>10:00 a.m. Meeting with investors and analysts (Radisson Blue Centrum Hotel, conference room Polonia 3, 1st floor, 24 Grzybowska str., Warsaw)</p> <p>12:00 p.m. Meeting with journalists</p> <p>4:00 p.m. (CET) Conference call with investors and analysts</p> <p><i>Conference call details:</i></p> <p>Date: March 22, 2018</p> <p>Time: 4:00 p.m. (Warsaw), 3:00 p.m. (London), 11:00 a.m. (New York)</p> <p>Phone numbers: +44 203 043 2440 (international); +48 22 295 35 28 (Poland)</p> <p>Conference ID: 31394920#</p> <p>In order to view our investor presentation during the conference call via a dedicated platform, please click HERE and then log in as a participant by providing your name.</p>