



Cyfrowy Polsat IR Newsletter

14– 20 October 2019



N E T I A

Telko.in

14 October 2019

Netia introduces a mobile device security service

by Stefan Kaczmarczyk

Netia (Cyfrowy Polsat Group) has extended its offer of ICT solutions for business clients to include a cloud solution for management and security of mobile devices used for business purposes – the “Netia Endpoint Management”.

The solution secures the applications and the data on a mobile devices and also enables separation of company data from private data.

Cyfrowa.rp.pl

16 October 2019

UKE President opposes the European Commission on new FTR rates

The President of the Office of Electronic Communications opposed the European Union who demanded that the Fixed-Termination Rates (FTRs), i.e. the settlements between fixed-line operators, be set in Poland in the same way as in other EU countries, i.e. based on the costs incurred by the so-called effective operator.

The regulator’s decision is a consequence of the discussions with the domestic operators and of agreeing with the arguments presented by the telecoms who protested against setting a uniform FTR rate for the entire market (originally UKE President intended to reduce the FTRs from the average rate of PLN 0.02 to PLN 0.0032 (0.32 grosz). The new decisions issued by UKE President do not contain the FTR rates, as these rates are to be determined separately in the future, in the so-called administrative decision.

Such an approach was criticized by the European Commission who involved BEREC, a body of European regulators, in the discussions on FTRs.

In the Commission’s opinion the approach demonstrated by UKE President will result in differences in the settlements since the rates valid in Poland will be much higher (0.481 eurocents) from the rates applied by other EU operators who use cost-based rates (0.086 eurocents). Moreover the Commission is of the opinion that significant differences between FTR rates in the EU disrupt and restrict market competition, and that they also have harmful influence on the creation of the internal market.

In the opinion of domestic operators, the lower FTR rates in Poland would restrain the development of the telecommunication sector, have negative influence on the competitive power of Polish telecommunication companies while at the same time not having any positive influence on the retail market. Polish market differs from the markets in other EU member states since there are several hundred of small and medium-sized operators operating on the market, and for such operators the termination rates account for a substantial share of their revenues.

The Commission issued a recommendation that UKE should withdraw its decision or modify it. The Commission gave UKE time till the end of the month for preparing a proposal of the transition period rates for Polish fixed-line operators. The Polish regulator handed the documents over for review and opinion to the Office of Competition and Consumer Protection.

The amount of revenue retained by fixed-line operators as a result of preservation of the current FTR rates is around PLN 220 million annually.

By 21 December 2020 Poland is expected to implement the regulations of the European Electronic Communications Code which reduce the FTR rates. The amounts of the new rates based on these regulations are not known yet.

Puls Biznesu
18 October 2019

UKE President opposes the European Commission on new FTR rates

by JK

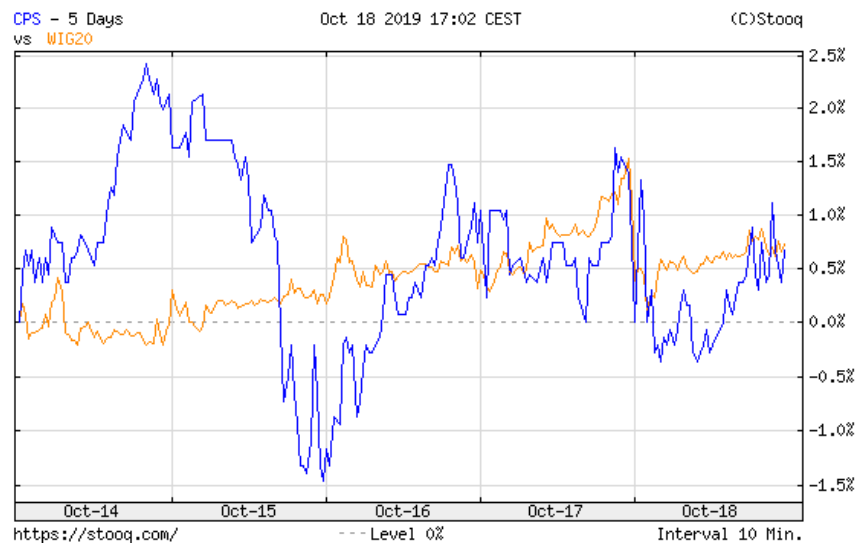
The Supreme Court repealed the appeal that the Office of Competition and Consumer Protection (UOKiK) filed against a court sentence and ruled that the amount of the penalty charged by the Office of Competition and Consumer Protection President to Orange Polska in 2012 will be PLN 3.9 million instead of PLN 16.3 million that the Office originally claimed. The ruling is final and binding.

The dispute concerned collective interests of consumers in the scope related to the procedures of signing of agreements with customers. UOKiK claimed that Orange restricted the customers' ability to acquaint themselves with the content of the contracts delivered by couriers before signing these contracts, and that it prevented withdrawal from these contracts by customers when returning the handsets in a state which was less than "untapped."

Cyfrowy Polsat shares



Data	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Turnover (mPLN)
2019-10-14	27.96	26.92	27.82	1.68	6.12
2019-10-15	27.82	26.78	26.84	- 3.52	7.36
2019-10-16	27.66	26.84	27.44	2.24	8.08
2019-10-17	27.86	27.20	27.44	0.00	7.46
2019-10-18	27.62	27.08	27.42	- 0.07	11.23



Investor's calendar



24 October – 7 November 2019	Closed period prior to the publication of Q3 2019 results
7 November 2019	Quarterly report for Q3 2019
11 - 12 November 2019	Goldman Sachs Eleventh Annual CEEMEA One-on-One Conference, London

