



Cyfrowy Polsat IR Newsletter

22 – 28 January 2018



Dziennik Gazeta Prawna
23 January 2018

Twenty five years with a frequency - new EU concept

by Elżbieta Rutkowska

During work on the “European Electronic Communications Code,” the European Parliament and European Commission recommended, among others, introducing a minimum validity period frequency reservations. It would amount to 25 years, that is 10 years more than the maximum reservation period currently valid in Poland, as provided for in the Telecommunication Law. Operators like this idea, but the Polish market regulator, the Office of Electronic Communication (UKE) believes that it is too long and that it should not be determined at the EU level at all.

President of UKE, Marcin Cichy stated, among others, that the specific nature of the telecommunication market, which is constantly shifting, supports shorter reservation periods. In his opinion, shorter license periods, regulated at the national level, ensure a possibility for more effective frequency resource management.

Telecoms present a different view. They claim that the extension of the frequency utilization period to 25 years would constitute a stable basis for investments in infrastructure and the implementation of new solutions, and would also be more cost-effective. They point out that the 15-year validity period in Poland is sometimes shorter than the time required for the return on investment in frequencies, which is extremely important in light of expenditures on the implementation of the new 5G standard facing the telecoms in the near future.

Parkiet
24 January 2018

Orange will pay for employees

by MZAT

During the negotiations with trade unions regarding the new social agreement, defining the scale of voluntary redundancies at Orange Polska, it was agreed that in the years 2018-2019, a maximum of 2680 employees will leave the company. Orange informed that the EBITDA result for Q4 2017 will be lower by PLN 196m due to the costs of the new social agreement and the final settlement of the old one. The company explains that the amount of PLN 196m will be booked below the adjusted EBITDA profit and will not affect the annual forecast of this result, which amounts to ca. PLN 3bn.

At the end of Q3 2017, Orange had 14.8 thousand employees.

Parkiet
25 January 2018

Analysts: Play and Cyfrowy Polsat without write-offs

by Urszula Zielińska

In connection with the forthcoming period of publications of results for Q4 and the entire 2017, listed companies have started informing about extraordinary events, which will have a material impact on these results and which the market may not expect or may estimate incorrectly.

The management board of Netia expects that the standalone result of the company would be reduced by nearly PLN 151m of impairment on non-financial assets. The fixed-line operator informed, among others, that goodwill impairment testing was in progress, and that – to the market’s surprise – the method of its valuation had been changed. Previously, the assets were valued based on forecasted cash-flows, while now Netia’s capitalization at the end of 2017 is taken into account and adjusted by among others, the value of debt.

Analysts expected some impairments, although at a lower value. They emphasize that the company has not made impairments for a long time, and its infrastructure is built in different technologies, including obsolete ones. According to experts, neither Play Communications nor Cyfrowy Polsat will surprise the market with information about impairments. They also do not see any threats for the dividend payout in the amount of PLN 650m announced by Play for this year.

Recent events



Current report no. 3
23 January 2018

Appointment of an auditing firm for the audit of financial statements of the Company and Cyfrowy Polsat S.A. Group in the years 2018-2019

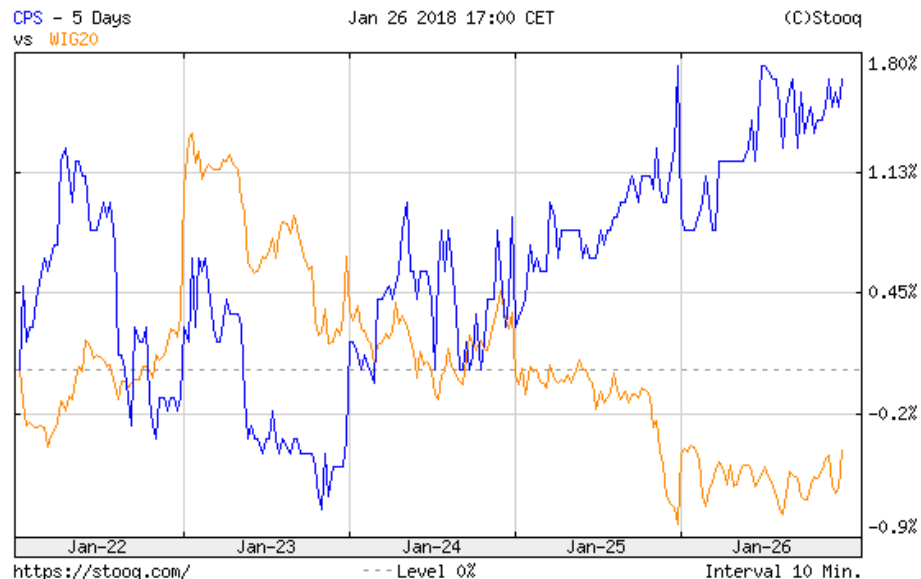
The Management Board of Cyfrowy Polsat S.A. (the "**Company**") hereby informs that on 23 January 2018 the Supervisory Board of the Company, pursuant to Article 66 sec. 4 of the Accounting Act dated 29 September 1994 and in accordance with article 19 sec. 2 letter h) of the Company's Articles of Association, resolved to appoint Ernst & Young Audyt Polska Spółka z ograniczoną odpowiedzialnością Sp. k., seated in Warsaw, registered in the register of auditing firms under the number 130, for the audit of the financial statements of the Company and the consolidated financial statements of the capital group of the Company for the years 2018-2019.

In the years 2012-2017, the Company commissioned the services of PricewaterhouseCoopers Sp. z o.o.

Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Turnover (mPLN)
2018-01-22	24.72	24.24	24.30	-0.08%	5.78
2018-01-23	24.58	24.10	24.24	-0.25%	9.02
2018-01-24	24.58	24.18	24.56	1.32%	6.98
2018-01-25	24.78	24.40	24.78	0.90%	9.08
2018-01-26	24.80	24.52	24.76	-0.08%	4.87



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