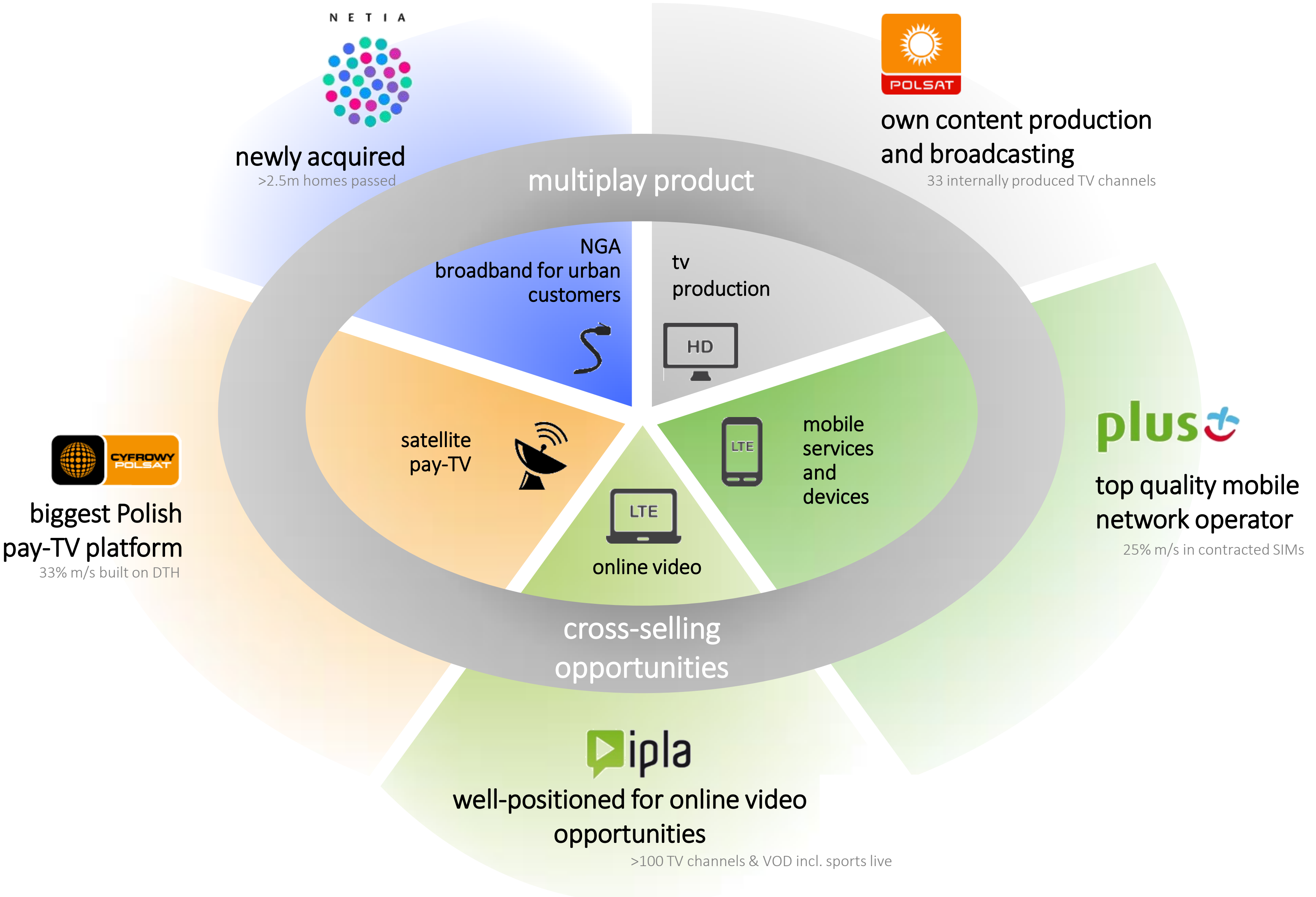
Equity story
2018 results
Investor Presentation

April 2019

Cyfrowy Polsat S.A. Capital Group

1. Polsat Group: unique composition of media and telco assets

Unique market strategy based on complementary business pillars



We head towards creating a fully convergent TV and telco operator

1990 | 1995 | 2000 | 2005 | 2010 | 2014 | 2018 | 2019

FTA TV
POLSAT broadcasting launch 1992
POLSAT joined the group 2011

pay TV
CYFROWY POLSAT 2003: pay-TV launch
2008: IPO

LTE strategy
aero² 2007: frequencies acquired
2010: LTE 1800 launched
aero² joined the group 2016

mobile telco
plus 2011: acquired by major shareholder
2014: joined the group

video online
ipla joined the group 2012

NGA fixed broadband
NETIA joined the group 2018

content streaming
IPTV IPTV/OTT box 2019

Polsat Group today
POLSAT
CYFROWY POLSAT
aero²
plus
ipla
NETIA
IPTV

Control over key assets is essential for executing our long-term strategy

Content production

- ad sales and brokerage house
- loyal viewers
- diversified distribution
- well-established brand
- no1 player in sports
- unique local content
- TV production studios
- broadcasting licenses

Pay-TV & mobile broadband

- multiplay offer based on own products
- contracted customers
- well-established brand
- own sales channels
- customer equipment factory
- satellite broadcasting infrastructure
- IPTV technology

Mobile voice & broadband

- multiplay offer based on own products
- contracted customers
- well-established brand
- own sales channels
- countrywide mobile infrastructure, incl. towers
- unique portfolio of frequencies

Online video

- potential for upselling to pay-TV and mobile customers
- distribution through fixed and mobile technologies
- additional window for monetizing sports content
- key local content on exclusivity basis
- internally developed online platform

Fixed-line broadband

- contracted customers
- strong position on B2B market – key office buildings already wired
- well-established brand
- countrywide backbone network
- >2.5 million HPs in own fixed access network (B2C)

Unique convergent offer among media and telco providers

		nc+	upc	T-Mobile	orange	PLAY	plus / NETIA / CYFROWY POLSAT / ipla
Key content		✓	✗	✗	✗	✗	✓
Mobile devices		✗	✗	✓	✓	✓	✓
Pay-TV / video	satellite	✓	✗	✗	✓	✗	✓
	cable	✗	✓	✗	✓	✗	✓
Broadband	mobile	MVNO (limited scale)	MVNO (planned)	✓	✓	✓	✓
	fixed	✗	✓	B2B – yes B2C – planned1	✓	✗	✓
Voice	mobile	MVNO (limited scale)	MVNO (planned)	✓	✓	✓	✓
	fixed	✗	✓	B2B – yes B2C – decadent[1]	✓	✗	✓

Source: web pages of operators, UKE.
Note: (1) In 2018 T-Mobile signed wholesale agreements and plans to offer fixed broadband based on third party infrastructure.

2. Merging our customer bases provides us with opportunities

Our market strategy focuses on cross-selling services within our joint customer base

Source: Company data

SmartDOM is our key proposition for the underdeveloped Polish multiplay market

reliable mobile services

NGA broadband for urban customers

the best LTE Internet for home and mobile usage

other products for households

banking products,
electricity,
insurance,
security
and many others

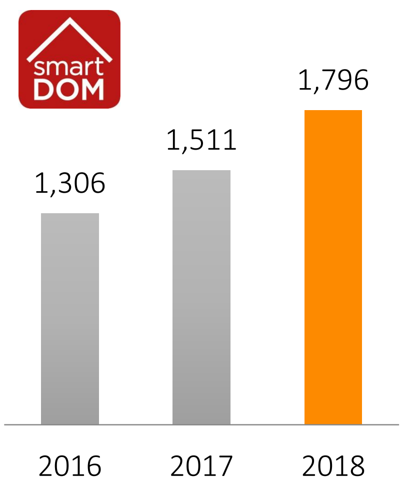
production and aggregation of attractive content

smart DOM

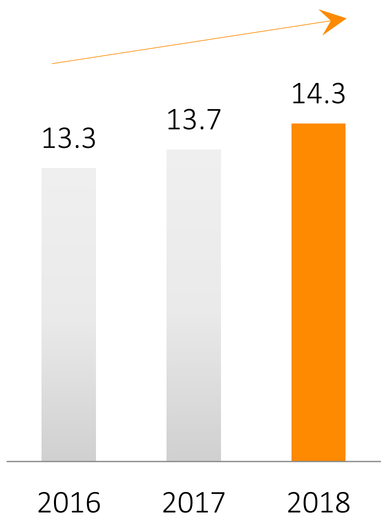
extensive portfolio of end-user devices

Our multiplay strategy results in ARPU growth and strong customer loyalty

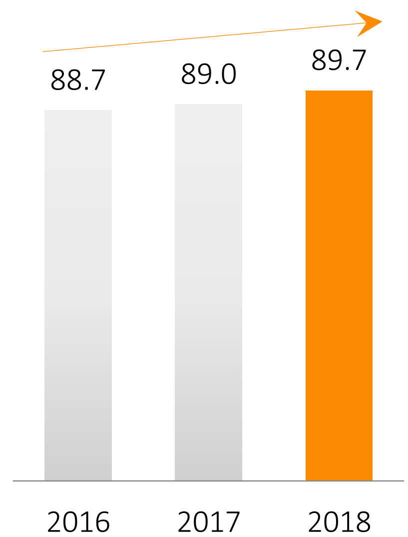
Constantly growing base of multiplay customers



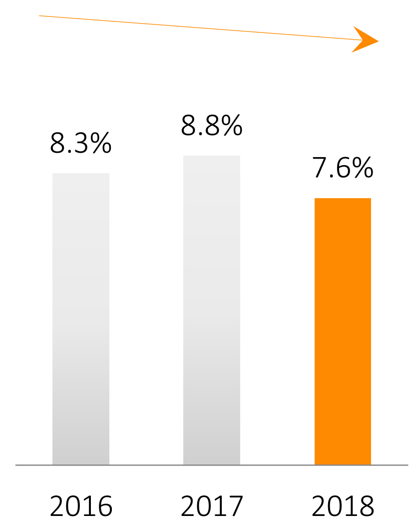
Higher number of contracted RGUs



ARPU per contracted customer up[1]



Record low churn



Note: (1) contract ARPU based on previously applicable IAS 18 standard

3. Monetization of newly acquired football content

Our investments in premium sports providing additional fuel for incremental revenue

NEW PREMIUM SPORTS CHANNELS

STATE-OF-THE-ART TV STUDIO

- The most modern sports studio in Poland
- 700 m^2 of space
- 4x4K resolution
- 24-meter LED wall
- Augmented reality
- Interactive game analysis

retail offers

- PSP pay TV packages upsold on top of basic pay-TV subscriptions
- Open OTT distribution via IPLA platform
- Mobile VAS offered with mobile voice and broadband
- Netia among very few fixed line operators offering PSP

wholesale offers

- PSP channels offered to cab/sat operators
- nc+ and UPC promoting PSP channels among their customers
- ESN channels widely distributed in cab/sat offers and OTT platforms

sublicenses

- Re-sale of selected matches to FTA channels of the public broadcaster
- Sale of rights for public broadcasting of our sports channels to pubs, hotels, etc.

Sports constitute only a part of our broad portfolio of internally produced TV channels

General interest

Sports

Movie

Music

News

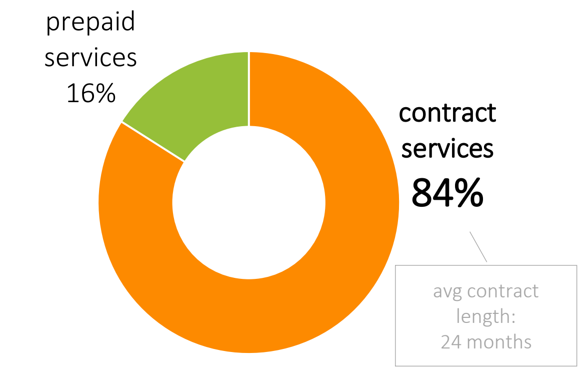
Lifestyle

Cooperations

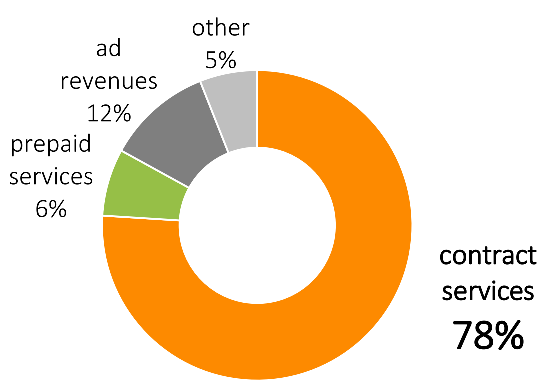
4. Resilient business model alowing for atractive shareholder renumeration

Focus on contracted services and customer loyalty provides a stable and resilient business model

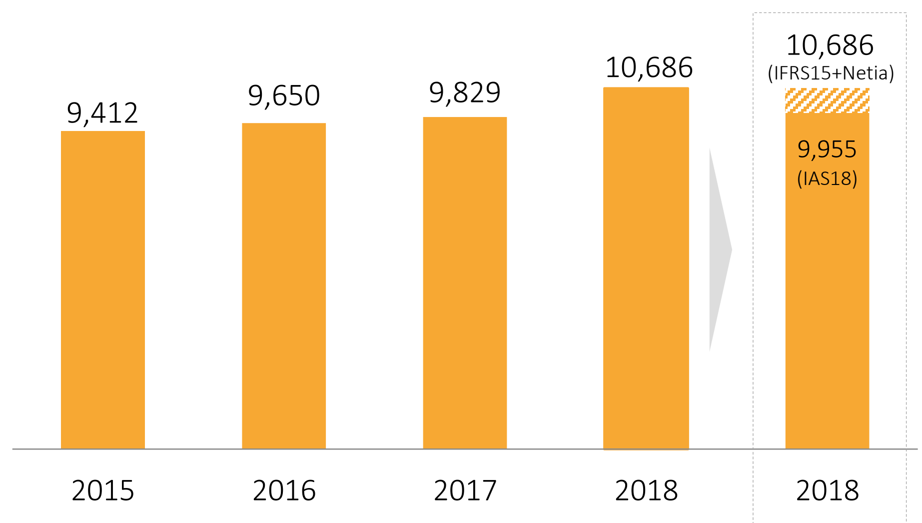
RGU structure



revenue decomposition



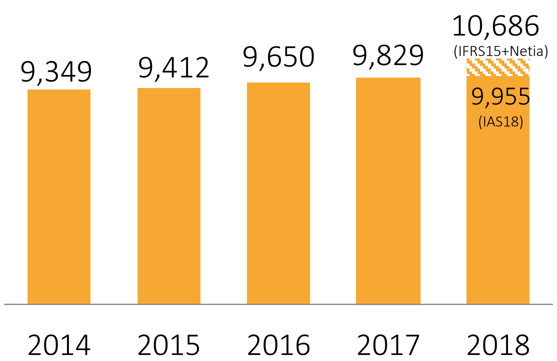
total revenue



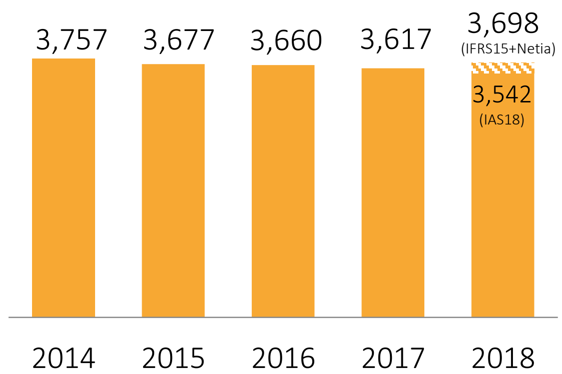
Source: Company data, pro forma for Aero2 acquisition; 2018 - based on currently applicable IFRS 15 standard and incl. Netia Group's results

Stable EBITDA combined with low CAPEX needs yields strong FCF

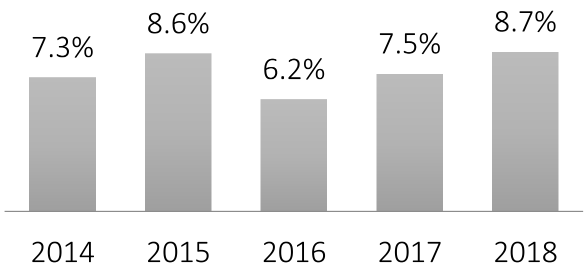
total revenue



EBITDA

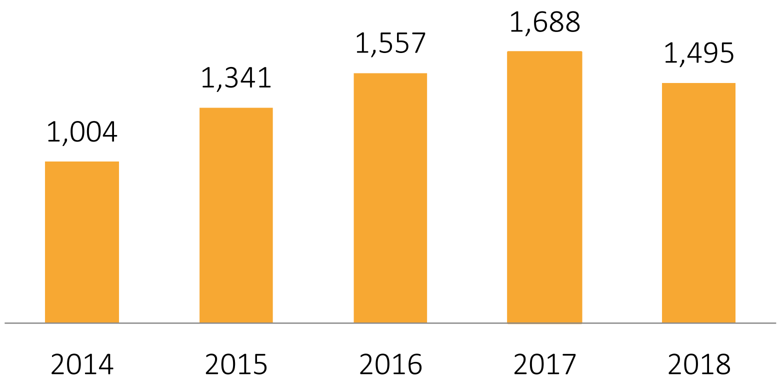


CAPEX intensity



+ continued deleveraging and successful refinancing

adjusted recurring free cash flow



Source: Company data, 2014-2016 pro forma for Aero2 acquisition;
2018 based on currently applicable IFRS 15 standard and incl. Netia results

Major assumptions underlying the management of capital resources

Main goal

Stable dividend payouts to the Company's shareholders

- Guaranteeing for the Company's shareholders of attractive, foreseeable return on capital employed
- The level of return will be shaped with reference to the forms of secure investment of funds that are universally available on Polish market, especially by referencing to the level of interest offered by bank deposits while simultaneously including the premium for the risk associated with share pricing dynamics

Additional goal

Continuation of reduction of Polsat Group's debt to the level of net debt/EBITDA <1.75x

- Assuming organic growth of the business, the target is achievable in the mid-term

Proposed dividend payouts in the years 2019-2021

Dividend per share	Payout date
at least **0.93 PLN**	2019
at least **0.93 PLN**	2020
at least **0.93 PLN**	2021

Dividend payout in the amount of PLN 0.93 per share generates a return rate of around 4.1% annually, based on Cyfrowy Polsat's average capitalization level in Q4'18

5. Strong track record

Successful decade of Polsat Group on WSE

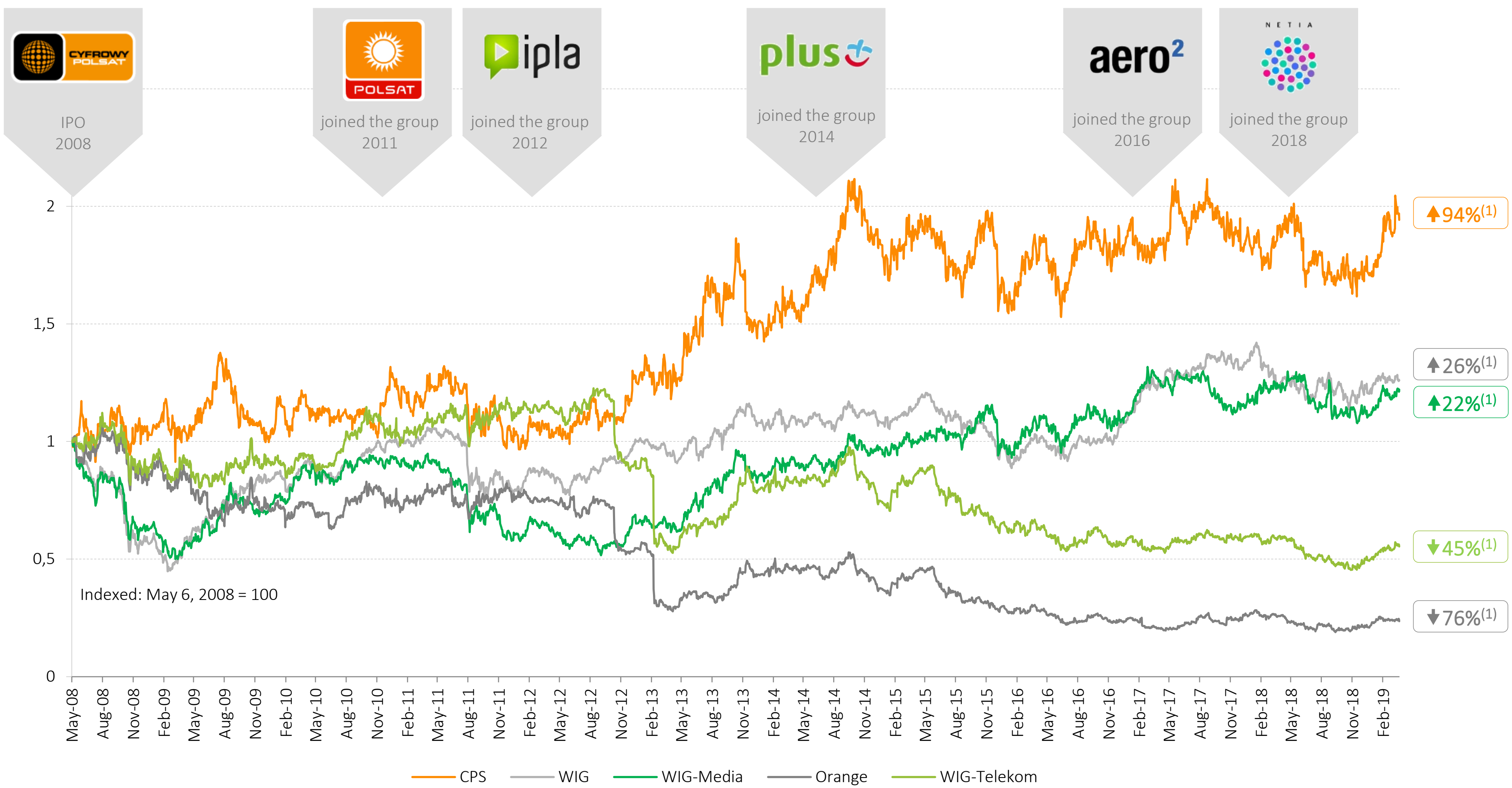
spółka notowana na GPW

	Market cap	Revenue	EBITDA
2018	PLN 16.5 bn	PLN 10.7 bn	PLN 3.7 bn
	4.6x	10x	11x
2008 IPO	PLN 3.6 bn	PLN 1.1 bn	PLN 348 m

Note: Market cap as of March 25th 2019

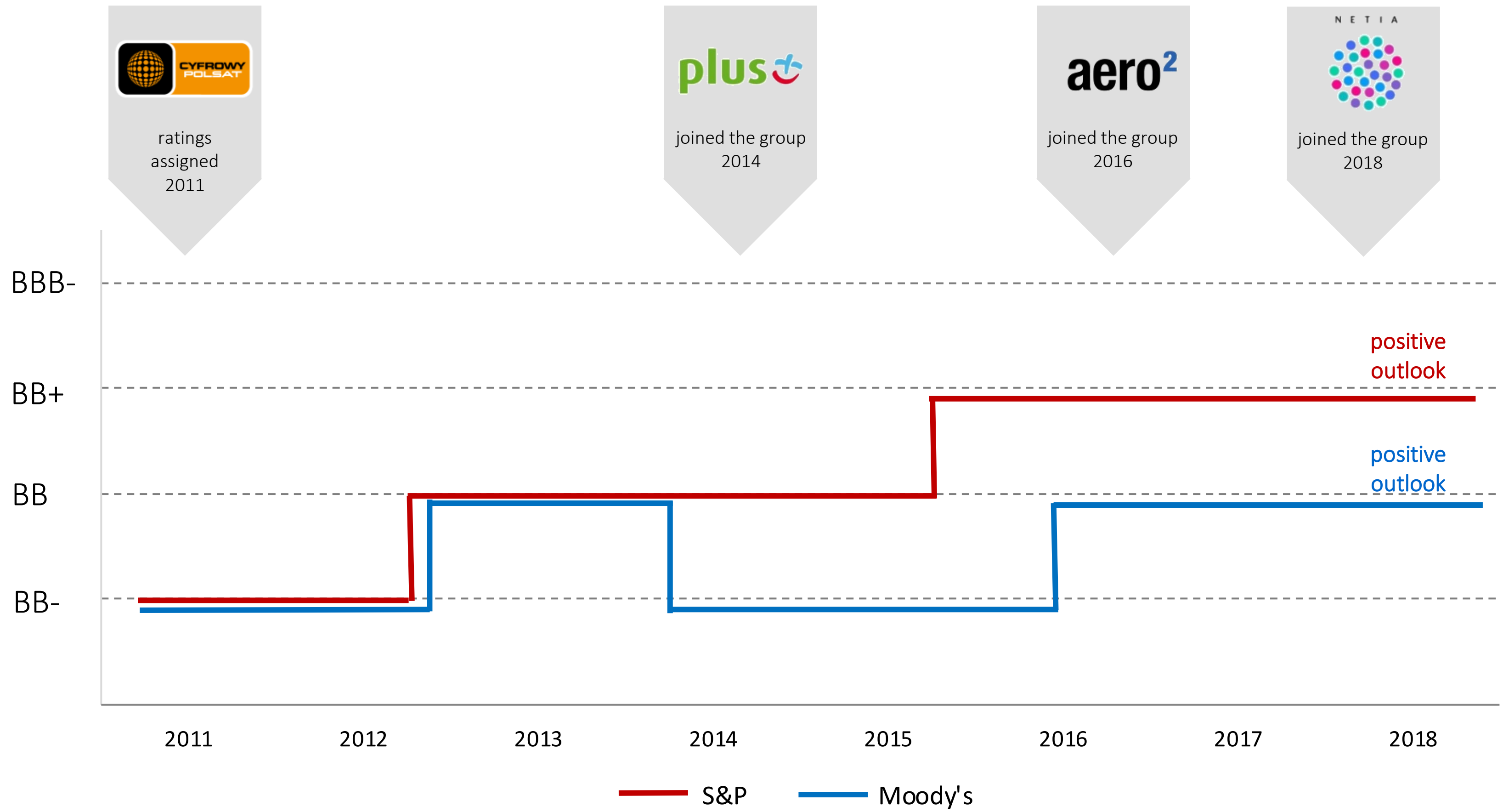
Our strategic investments positively impacted the value of Polsat Group

CPS stock performance since IPO compared to WSE indexes



Note: (1) Growth between May 6, 2008 and March 27, 2019

Our debtholders' comfort is equally important to us



We communicate transparently

Open dialogue with investors and brokers

14 brokers actively covering Polsat Group

2014-2018 avg variance of the previews consensus vs actuals:

- revenue: 0.9%
- EBITDA: 2.4%

Management Board and IR team welcome interactions with investors

Our IR activity in numbers:

- ca. 20 national & international conferences and roadshows annually
- ca. 270 meetings with investors annually
- regular visits to London, NY, Boston, Paris, Frankfurt, Prague, Stockholm, etc.
- quarterly result calls conducted in English

We were frequently awarded for our communication

Listed Company of the Year
Top Investor Relations

CEE Capital Markets Awards
"Distinguishing top public companies listed in Central Eastern Europe"

Best IR dept of a listed company – Poland

2018 All-Europe Executive Team

Institutional Investor

- Best IR Program
- Best CFO
- Best IR Professional

(MEDIA sector, in the poll of sell-side representatives)

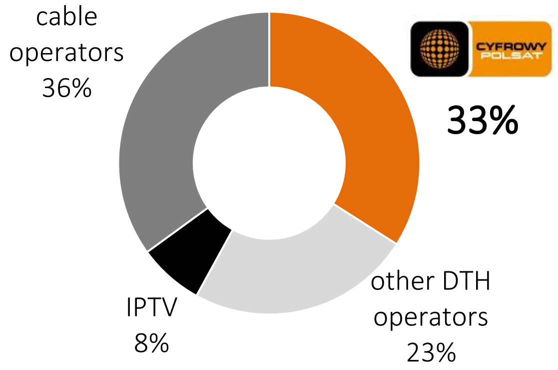
6. Appendix

Current market position on individual markets

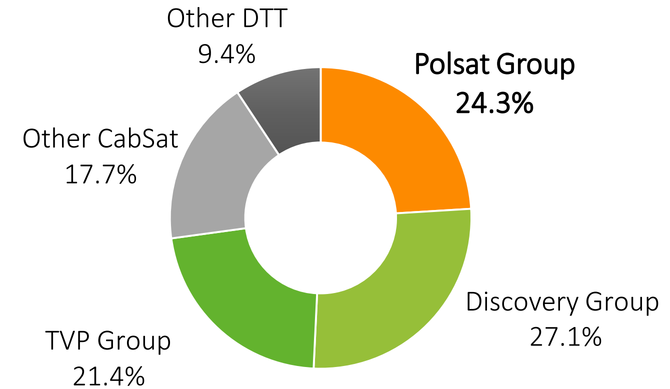
Competitive environment

Pay-TV market in Poland

% share in the total number of paying subscribers(1)

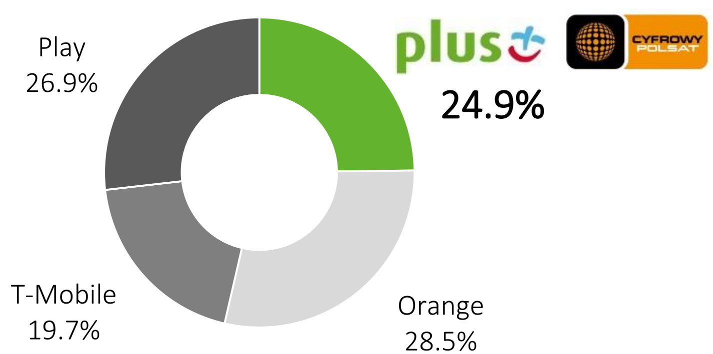


Audience share



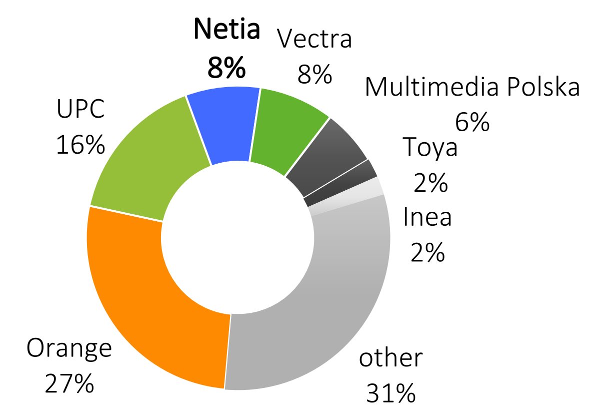
Mobile market in Poland

share of contracted SIM cards(2)



Broadband access market in Poland

share in the number of subscribers (3)



Source: NAM, All 16-49, all day, SHR%, 2018, including Live+2, internal analysis

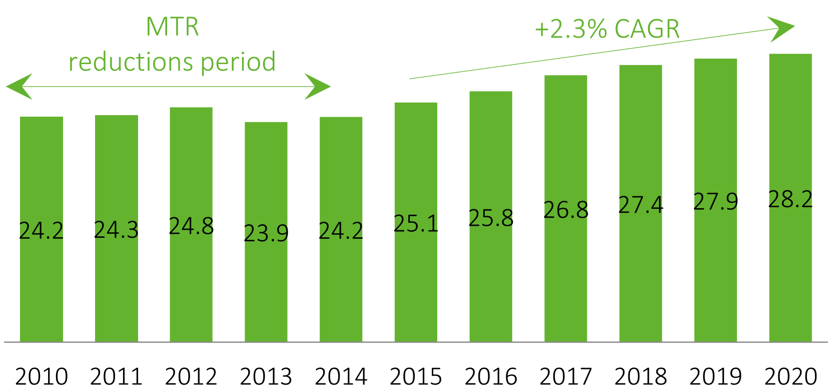
Note: (1) As at 2018, based on own estimates, sector data and PMR estimates

(2) As at 2018, own estimates based on data published by other operators

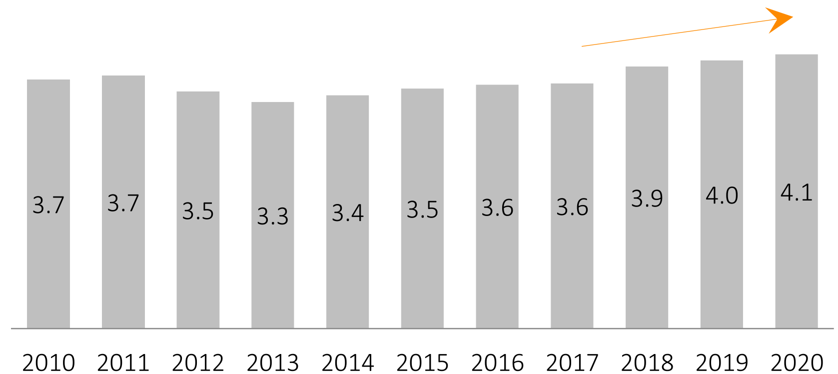
(3) own estimates based on UKE („Report on the telecommunications market in Poland in 2017")

Market development and forecasts

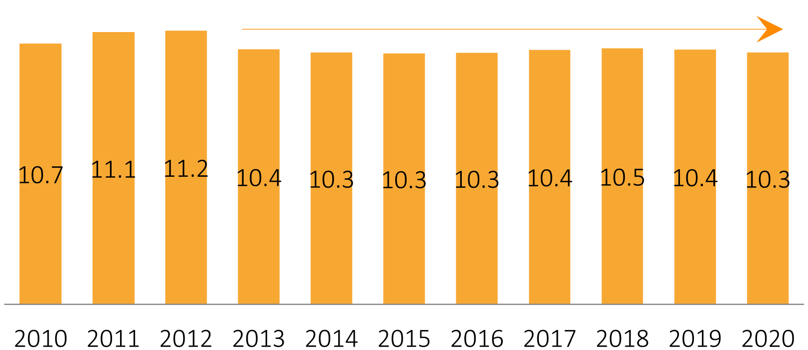
Total Polish mobile market value (bn PLN)



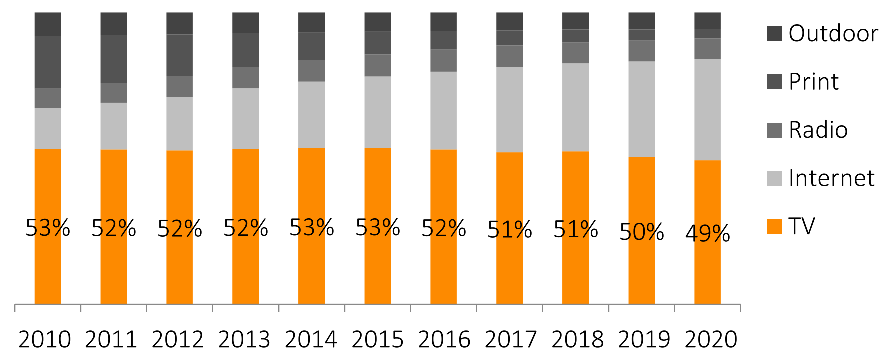
Total Polish TV ad market value (bn PLN)



Total number of pay-TV customers in Poland (million)



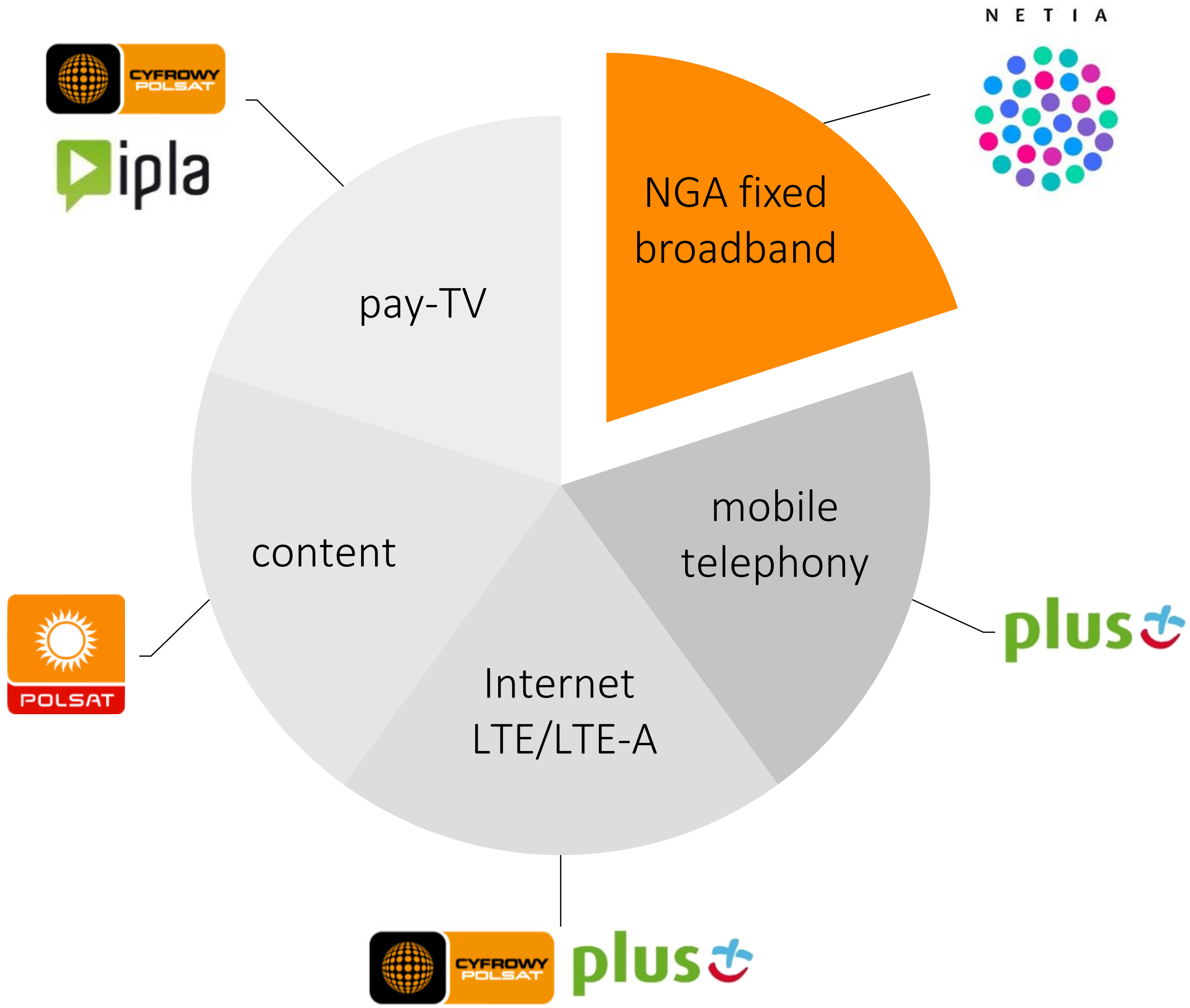
Polish ad market structure



Source: PMR; Zenith, "Advertising Expenditure Forecasts – March 2019"

Strategic context
of the investment in Netia

Netia perfectly fits into Polsat Group's mission, vision and strategic goals



Why did we buy Netia?

Valuable infrastructure

Complementary broadband technology, extensive backbone provides higher flexibility in further development of telecommunication network

Attractive customer base

Potential for upselling products on the B2C market, significant strengthening of competitive position on the B2B market

Completely new market

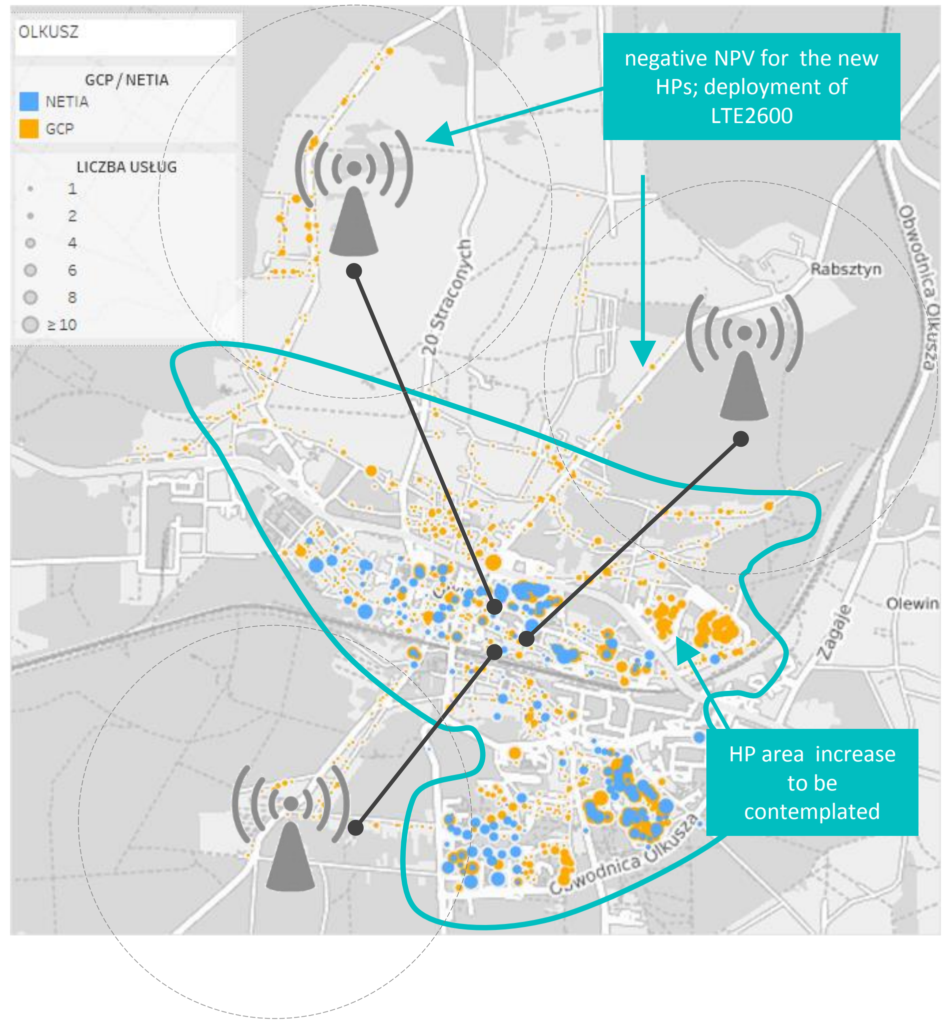
Existing wireline access network already reaching several dozen of the biggest cities in Poland

plus POLSAT ipla NETIA

Cost-efficient combining of wireline and wireless technologies

- Netia's extensive fiber network allows for selective connecting of new households but also for cost-efficient expansion of transmission capabilities of our mobile technologies
- The final decision regarding the technologies to be employed locally depends in each case on the potential of a given market and its competitive situation, as well as the cost analysis

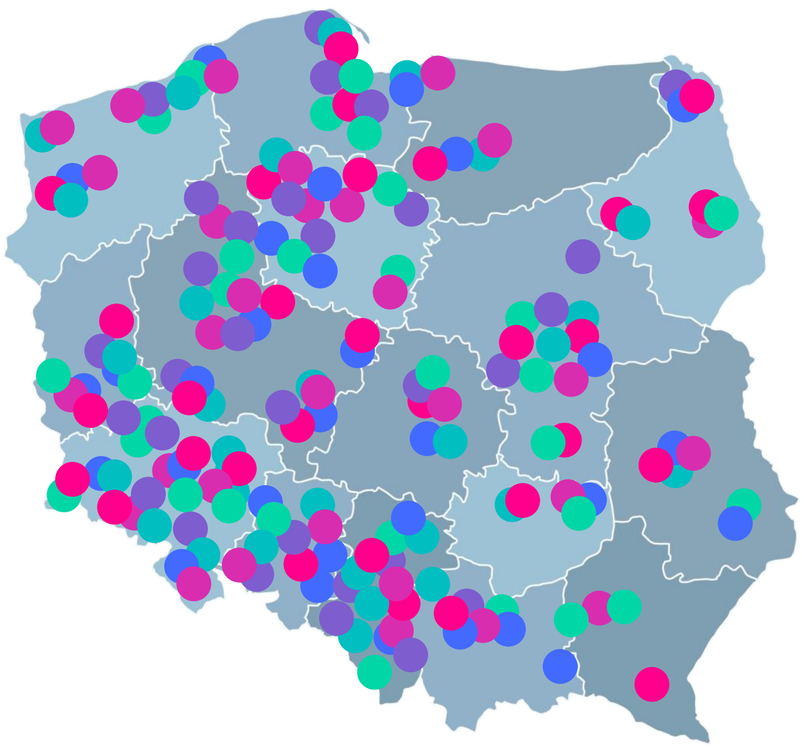
Olkusz (36 k inhabitants, 8.5k homes passed)



Netia's access network reaches ca. 180 cities in Poland

- With >2.5 million homes passed, Netia's access network reaches a quarter of towns and cities in Poland
- Current level of commercialization of Netia's B2C broadband infrastructure is only 15%[2], while selected cable operators reach 50%
- The challenges that Netia faced in the past was its relatively small distribution network (ca. 40 POS's, only in big cities) as well as very limited marketing activity

Netia's existing access network infrastructure[1]

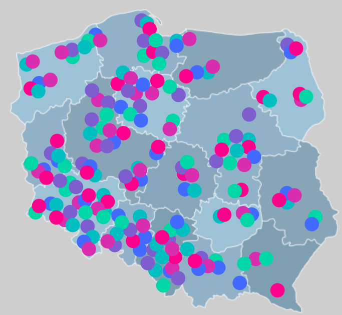


Source: Netia
Note: (1) Includes towns and places where Netia's own access infrastructure reaches at least 100 locations (Homes Passed).
(2) The ratio of broadband Internet access services offered on the basis of own infrastructure to the number of Homes Passed.

Polsat’s extensive distribution and advertising potential helps in better monetization of Netia’s network

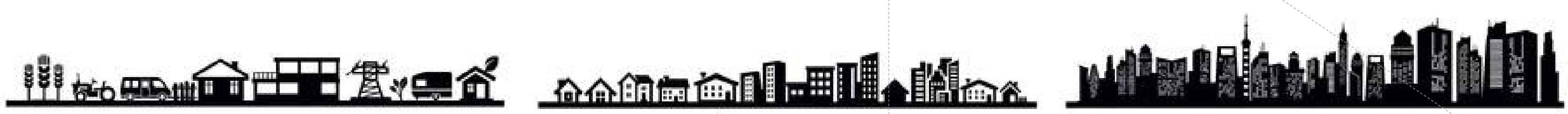
Extensive sales network

Nationwide advertising campaign



Netia’s access Infrastructure

Netia’s infrastructure provides us with access to a completely new market



rural and suburban areas

small cities

medium-sized cities

big cities and agglomerations

satellite TV (DTH)

cable TV (IPTV)

LTE home Internet

NGA fixed-line broadband

mobile telephony

video online

Source: company’s data

We have identified nearly 100 detailed initiatives

CP Group team

Netia team

Steering Committee

97 identified initiatives

74 initiatives have been verified and priced

23 initiatives have been submitted → analysis and verification of their potential is in progress

responsibilities have been assigned

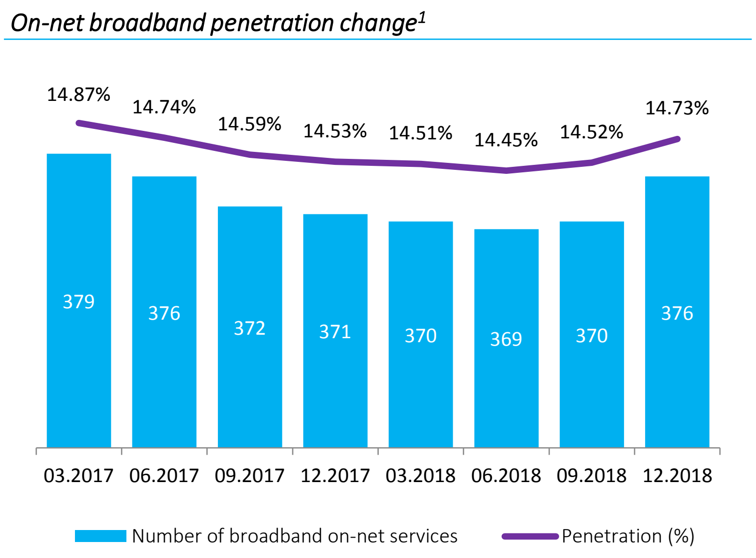
CP Group employees

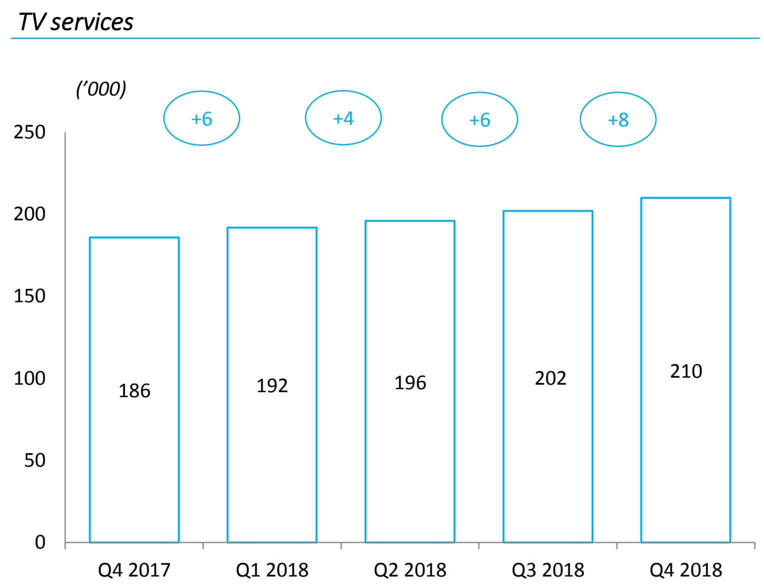
Netia employees

Program Office

⇒ regular monitoring

First positive effects of synergy effects already visible in Netia's KPI's





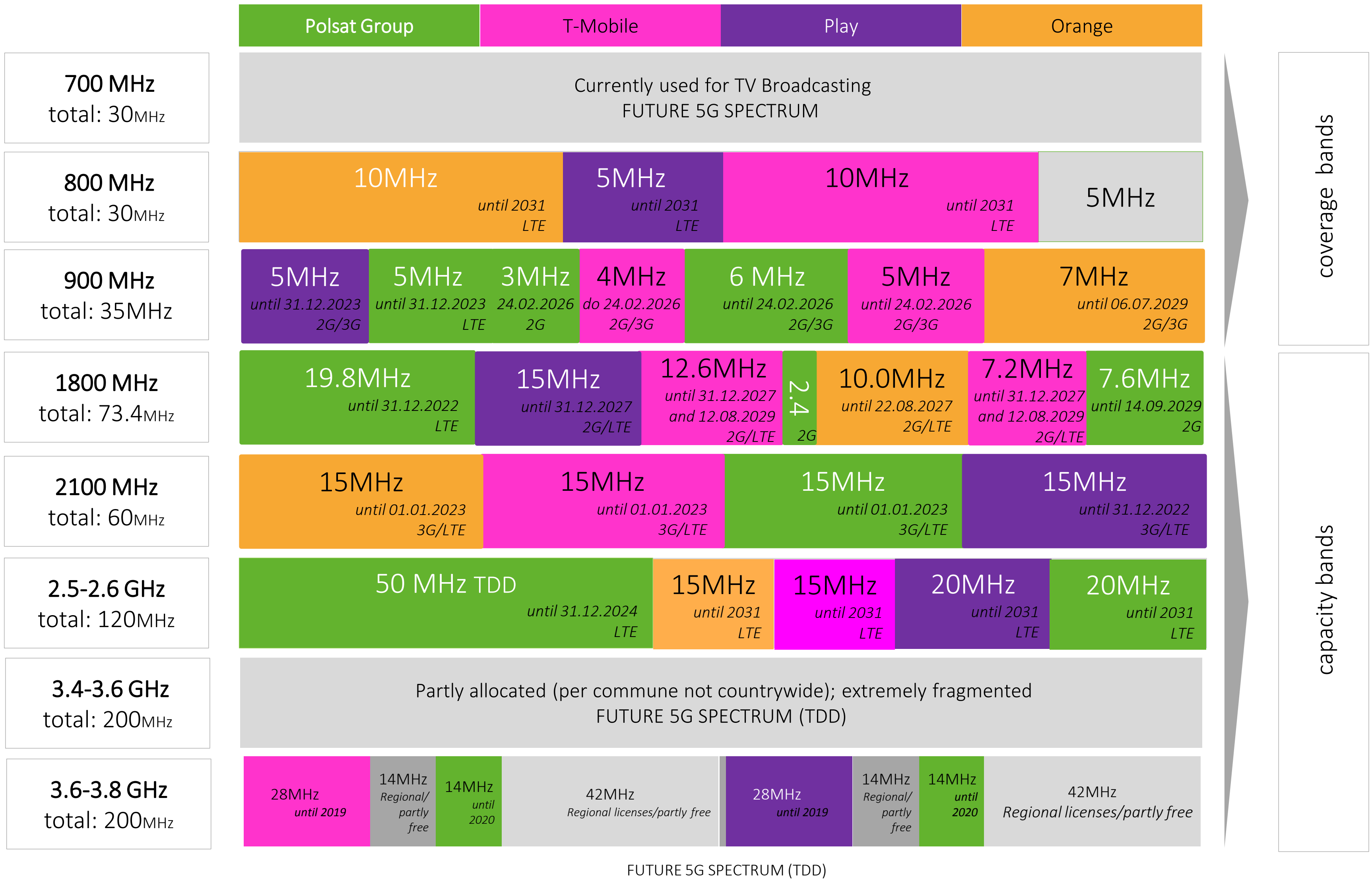
Source: Netia
Note: (1) Based on 2.55m HP in range that Netia communicated at the moment of „21 Century Network Project" start

We confirm the potential synergies in the amount of PLN 800 million (2018-2023)

		Original estimates	Revised estimates
Revenue	• Extension of smartDOM offer to include FTTH/DOCSIS • Mutual upselling of products and services to B2C and B2B bases • Improved efficiency of Netia's sales by exploiting CP POS network • VAS and new products offered by the Group, e.g. IPTV	Synergies at EBITDA level of ca. PLN 550m	Synergies at EBITDA level of ca. PLN 600m
Operating expenses	• Taking advantage of the economies of scale to optimize the content costs • Higher efficiency of marketing activities • Optimization of sales, customer care and customer retention costs • Reduction of the number of POS's (overlap) • Reduction of technical costs, including the cost of wholesale access to external infrastructure and MVNO-related costs • Integration of technical and IT departments • Other, including back office		
CAPEX	• Own production of set-top boxes, modems and routers • Exploiting the negotiating power of the two companies • Efficient investments into further development of the telecommunication network	CAPEX synergies min PLN 250m	CAPEX synergies of ca. PLN 200m

Our frequencies and CAPEX profile

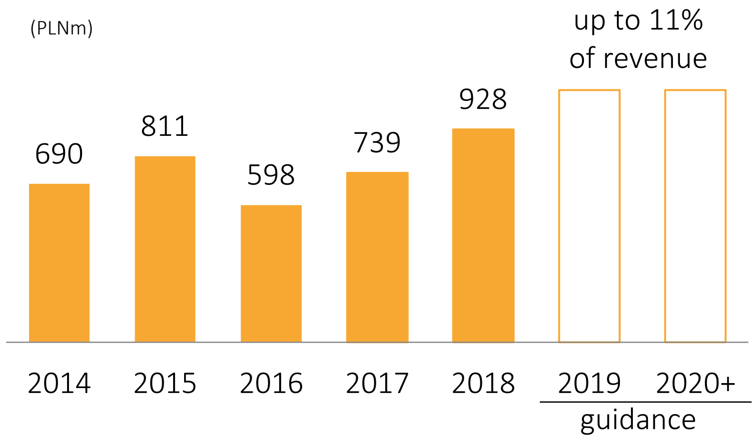
Stable, favorable competitive position



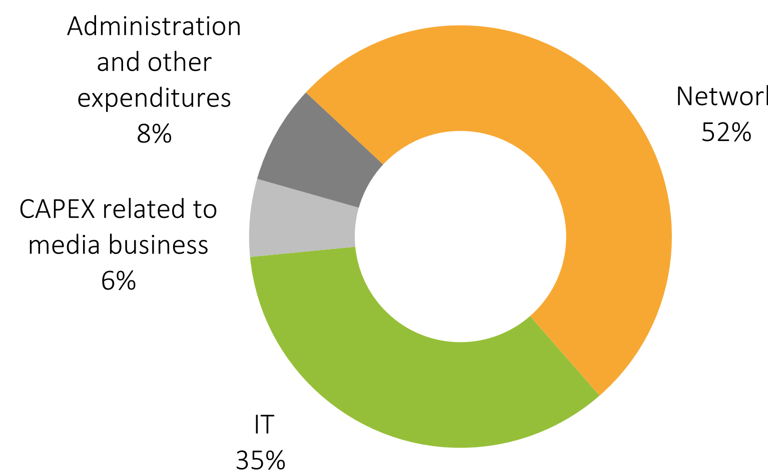
Source: UKE, own expertise
Only main frequencies are presented (excluding: Polkomtel's 2.5MHz 420MHz, each of the 4 biggest MNO's 5MHz 2100MHz TDD)

Capex potentially to go up to 11% of revenue in 2019 onwards

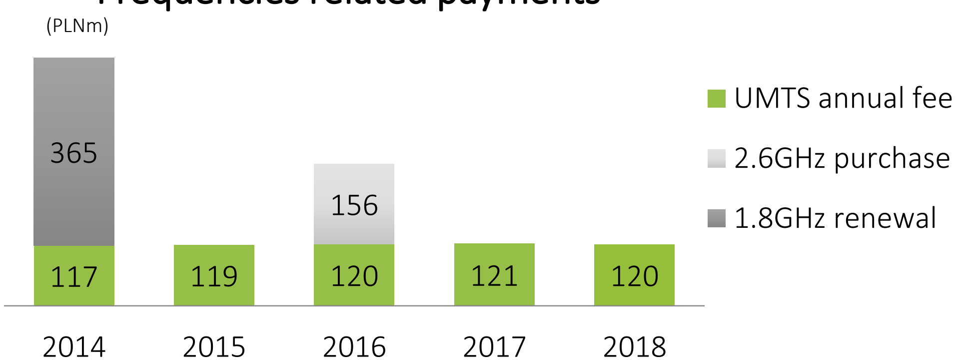
Cash CAPEX and guidance



CAPEX decomposition in 2018



Frequencies related payments



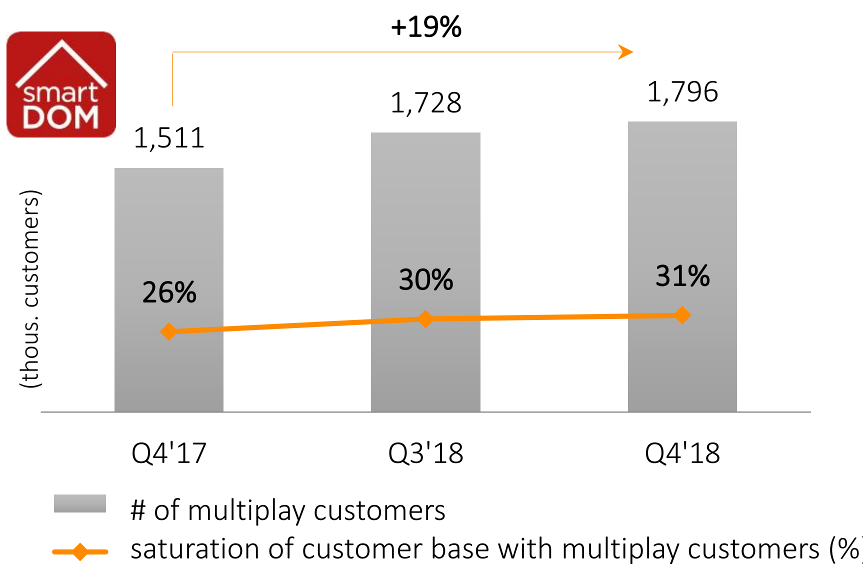
Source: 2014-2016 pro forma with Aero2

Long-term business performance trends

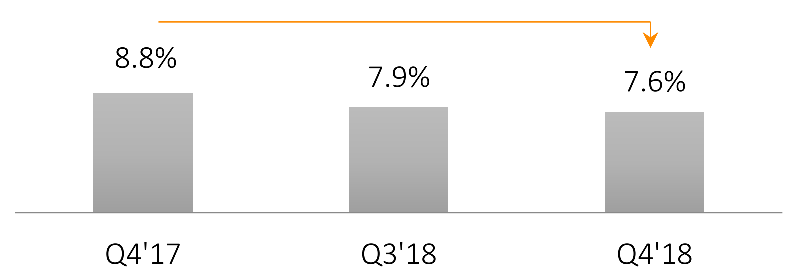
More than 30% of our customers use multiplay offers, which translates to further churn ratio decrease

- Consistent implementation of our multiplay strategy results in a stable increase in the number of bundled services customers by 285K YoY
- The number of RGUs owned by these customers increased to 5.38m
- A record low churn level – mainly due to our multiplay strategy

Number of multiplay customers

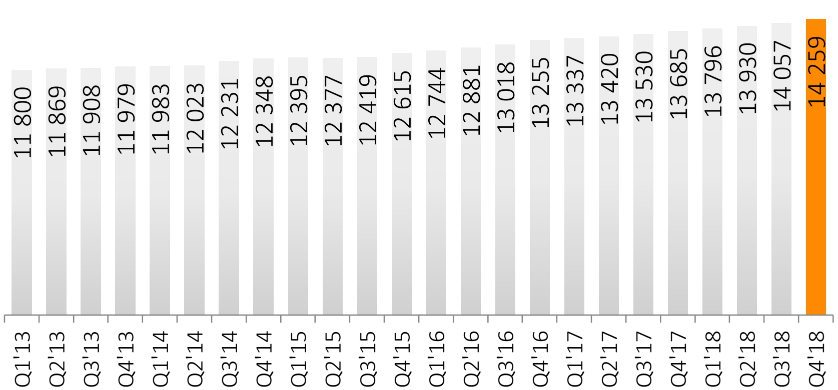


Churn

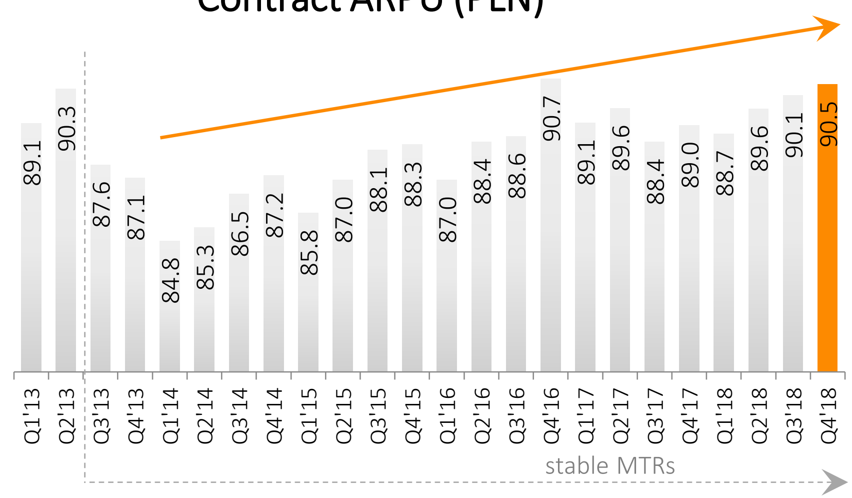


Multiplay supports the continuous growth of the number of services and ARPU

Contract RGUs EOP



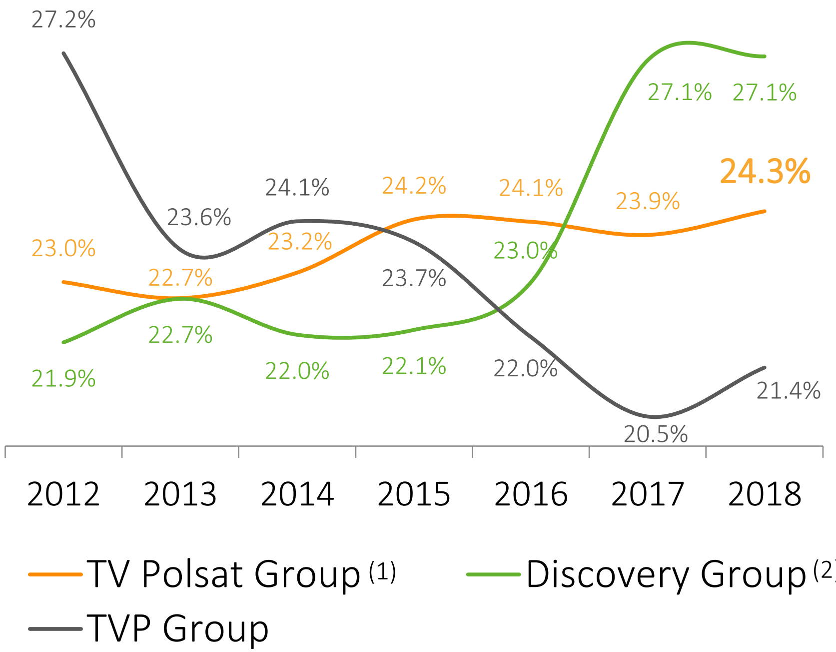
Contract ARPU (PLN)



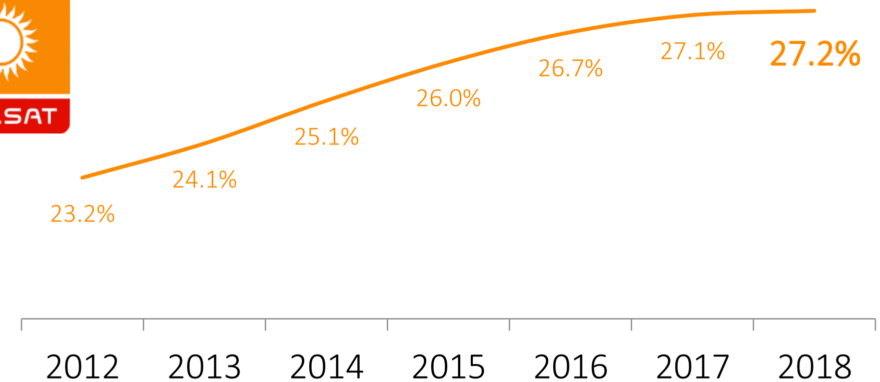
Nota: (1) ARPU calculated according to applicable accounting standard IAS 18

TV Polsat successfully monetizes its strong viewership results

Audience shares



TV ad market shares



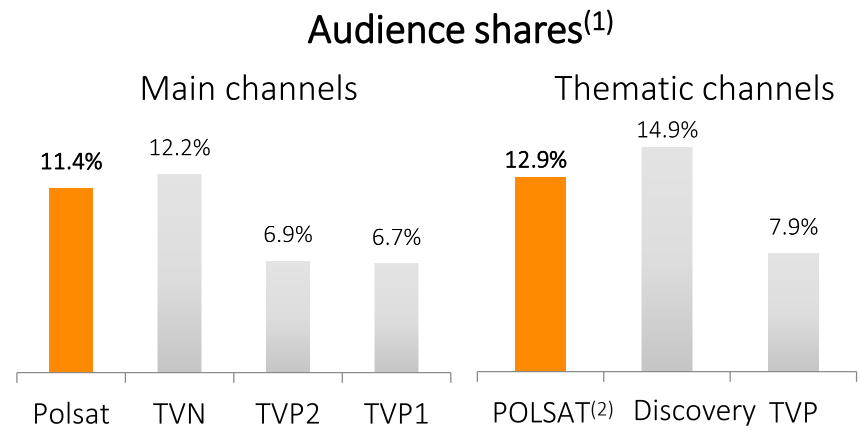
Source: audience share: NAM, All 16-49, all day, SHR%; ad market share: revenue from advertising and sponsoring of TV Polsat Group according to Starcom's definition; internal analysis
Note: (1) excluding partnership channels: Polsat Viasat Explore, Polsat Viasat Nature, Polsat Viasat History, JimJam, CI Polsat
(2) 2017-2018 - pro forma, TVN Group channels and Discovery Networks Europe; 2012-2016 – TVN Group

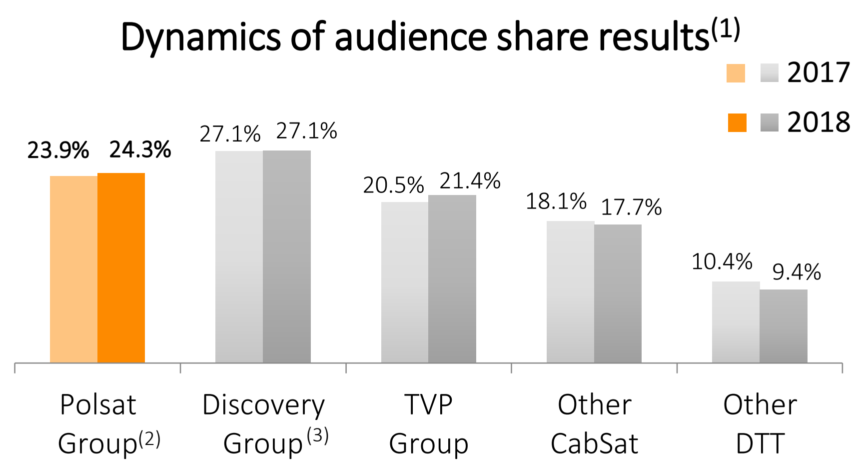
2018 operational performance

a. Broadcasting and TV production

Viewership of our channels in 2018

- Polsat Group's viewership in line with its long-term strategy





Source: NAM, All 16-49, all day, SHR%, including Live+2[1], internal analysis

Note: (1) Audience shares include both live broadcasting and broadcasting during 2 consecutive days (i.e. Time Shifted Viewing)

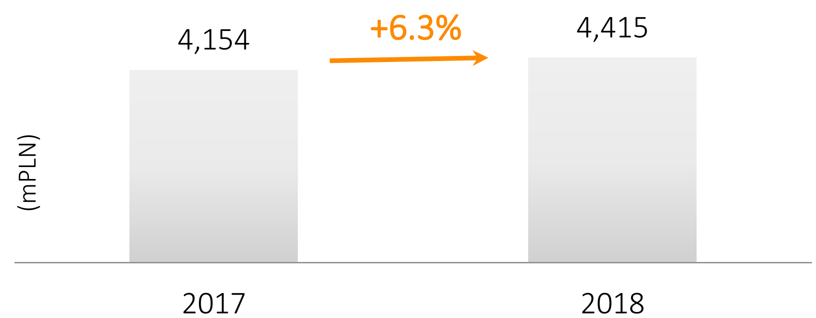
(2) Including Eleven channels and Superstacja (from June 2018), excluding partnership channels: Polsat Viasat Explore, Polsat Viasat Nature, Polsat Viasat History, JimJam, CI Polsat

(3) Pro forma, TVN Group channels and Discovery Networks Europe

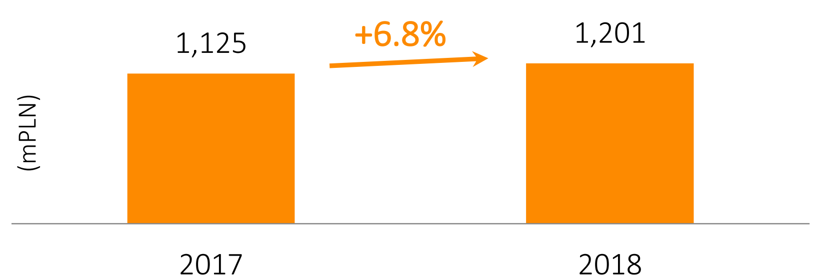
Position on the advertising market in 2018

- Revenue from TV advertising and sponsorship generated by Polsat Group grew in line with the television advertising and sponsorship market
- As a result, our share in the TV advertising and sponsorship market reached 27.2%

Market expenditures on TV advertising and sponsorship



Revenue from advertising and sponsorship of TV Polsat Group(1)



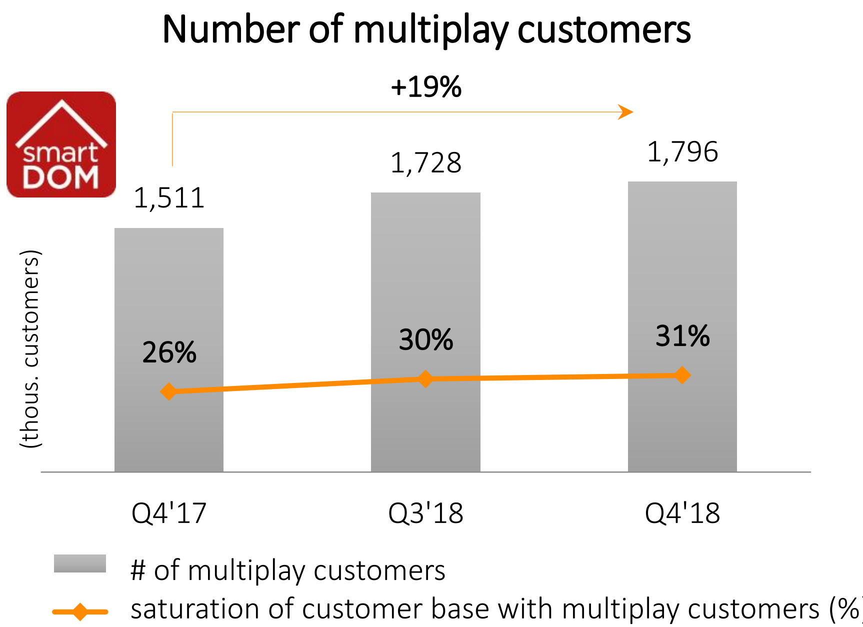
Source: Starcom, spot advertising and sponsorship; TV Polsat; internal analysis
Note: (1) Revenue from advertising and sponsorship of TV Polsat Group according to Starcom's definition

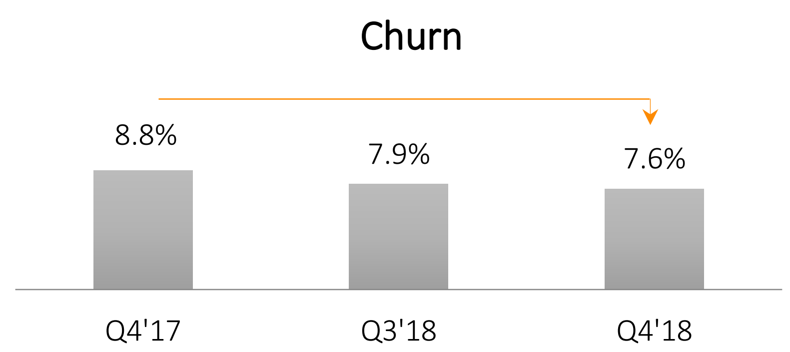
2018 operational performance

b. Services to individual and business customers

More than 30% of our customers use multiplay offers, which translates to further churn ratio decrease

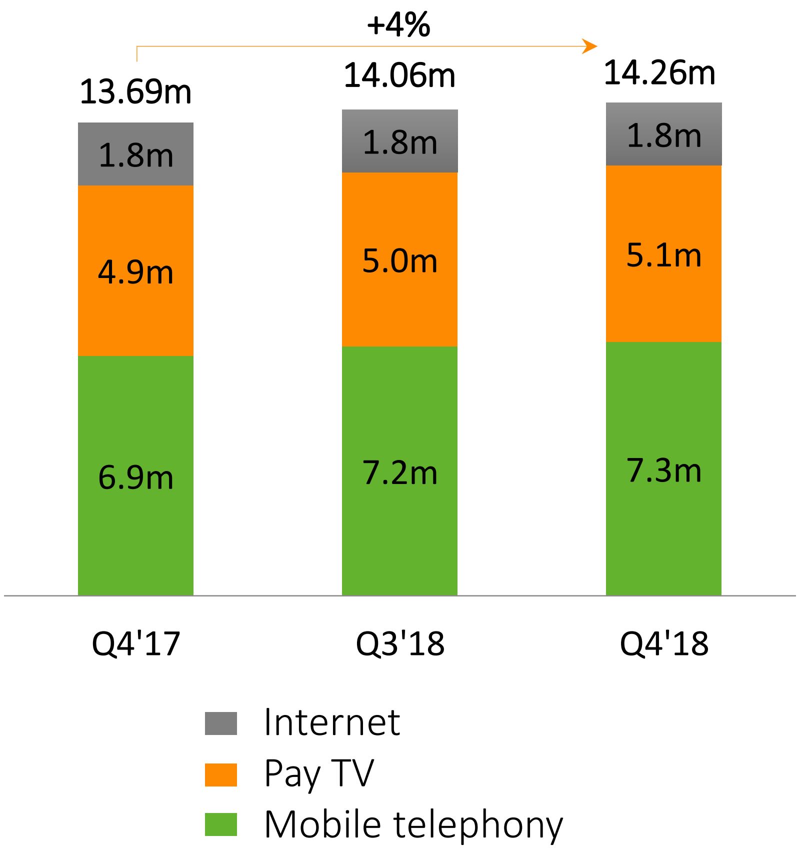
- Consistent implementation of our multiplay strategy results in a stable increase in the number of bundled services customers by 285K YoY
- The number of RGUs owned by these customers increased to 5.38m
- A record low churn level – mainly due to our multiplay strategy





The number of contract services increased by over 200K in Q4'18 alone

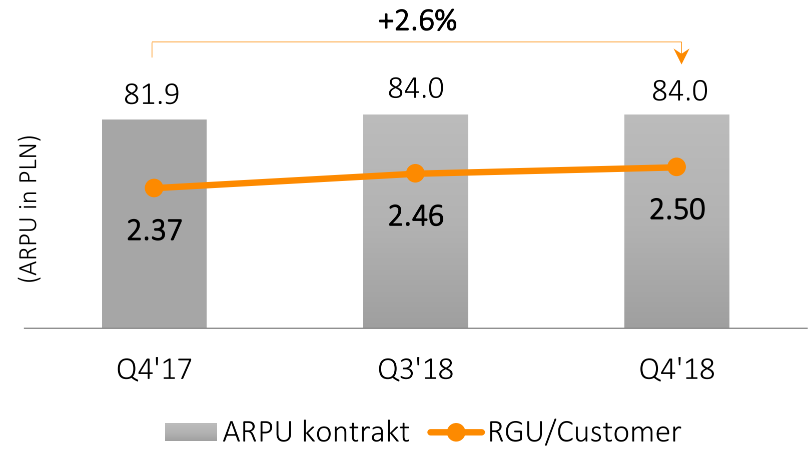
- An increase in the number of contract services by 574K YoY
- 413K additional voice services RGUs YoY as a result of positive impact of our multiplay strategy and the new simple Plus tariffs which were launched in February 2018, supported by good sales in the B2B segment (m2m)
- Pay TV RGUs increased by 156K YoY (multiroom and paid OTT effect)
- Stable base of mobile Internet services



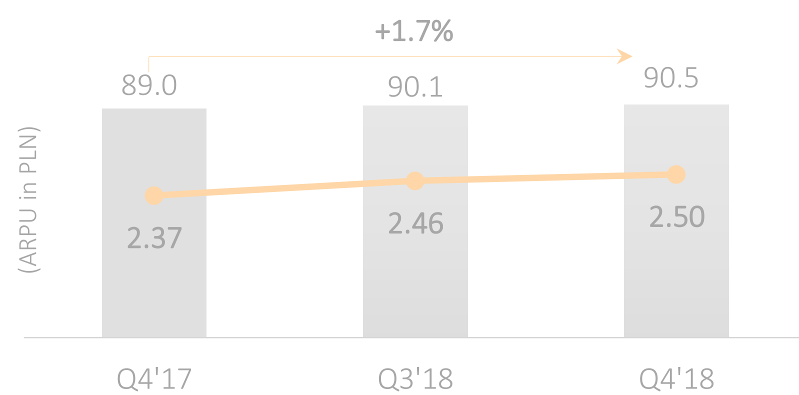
Strong growth of ARPU thanks to the consistent implementation of the multiplay strategy

- ARPU increase by 2.6% YoY(1)
- Effective upselling of products under our multiplay strategy continues to be reflected in the growing RGU saturation per customer ratio

Contract ARPU according to IFRS 15



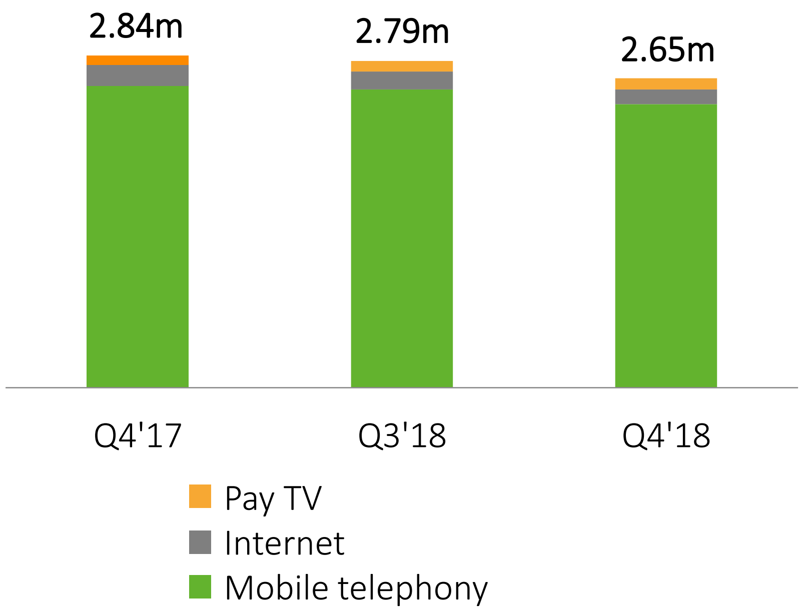
Contract ARPU according to IAS 18

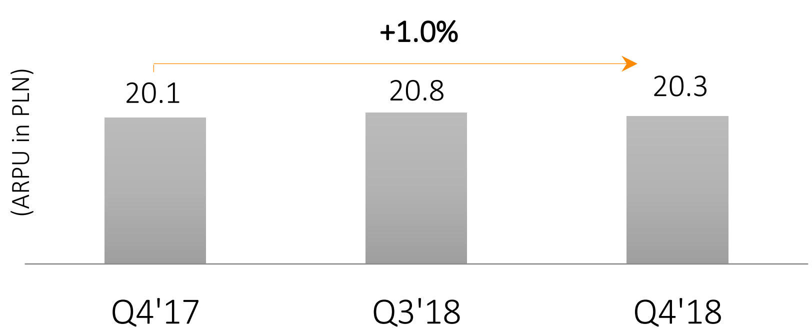


Nota: (1) ARPU calculated according to applicable accounting standard IFRS 15

High, stable prepaid ARPU

- The base of prepaid services remained under the influence of seasonal factors and the decision to sell the a2mobile brand
- a2mobile customers continue using Polkomtel’s network and generate wholesale revenues (not included in the reported KPIs)
- High and stable ARPU level

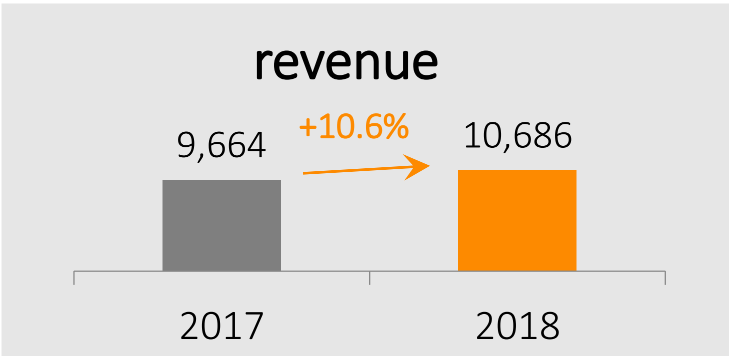


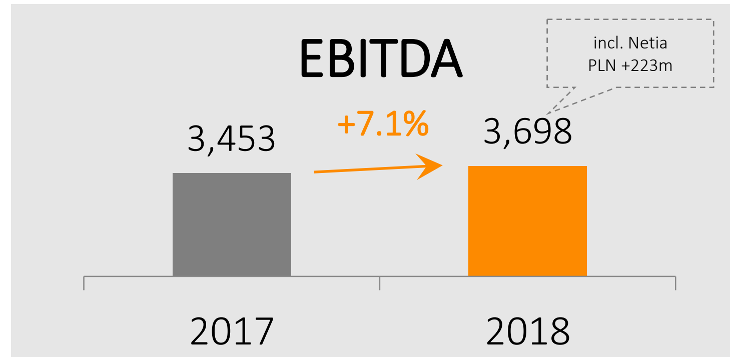


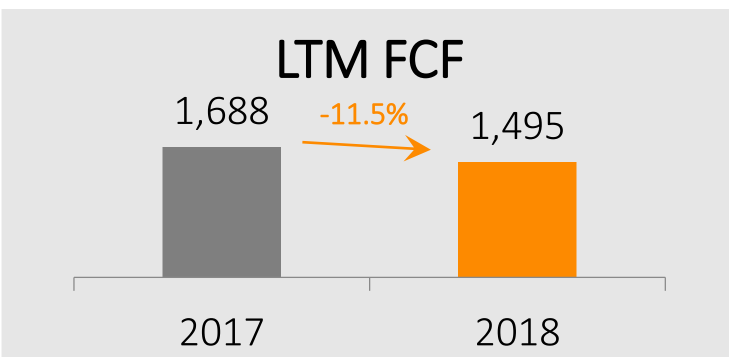
2018 financial results

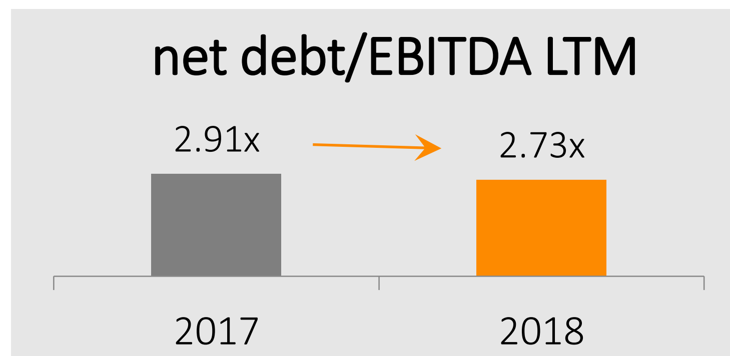
Results of the Group in 2018

Based on currently applicable IFRS 15 standard and incl. Netia Group's results







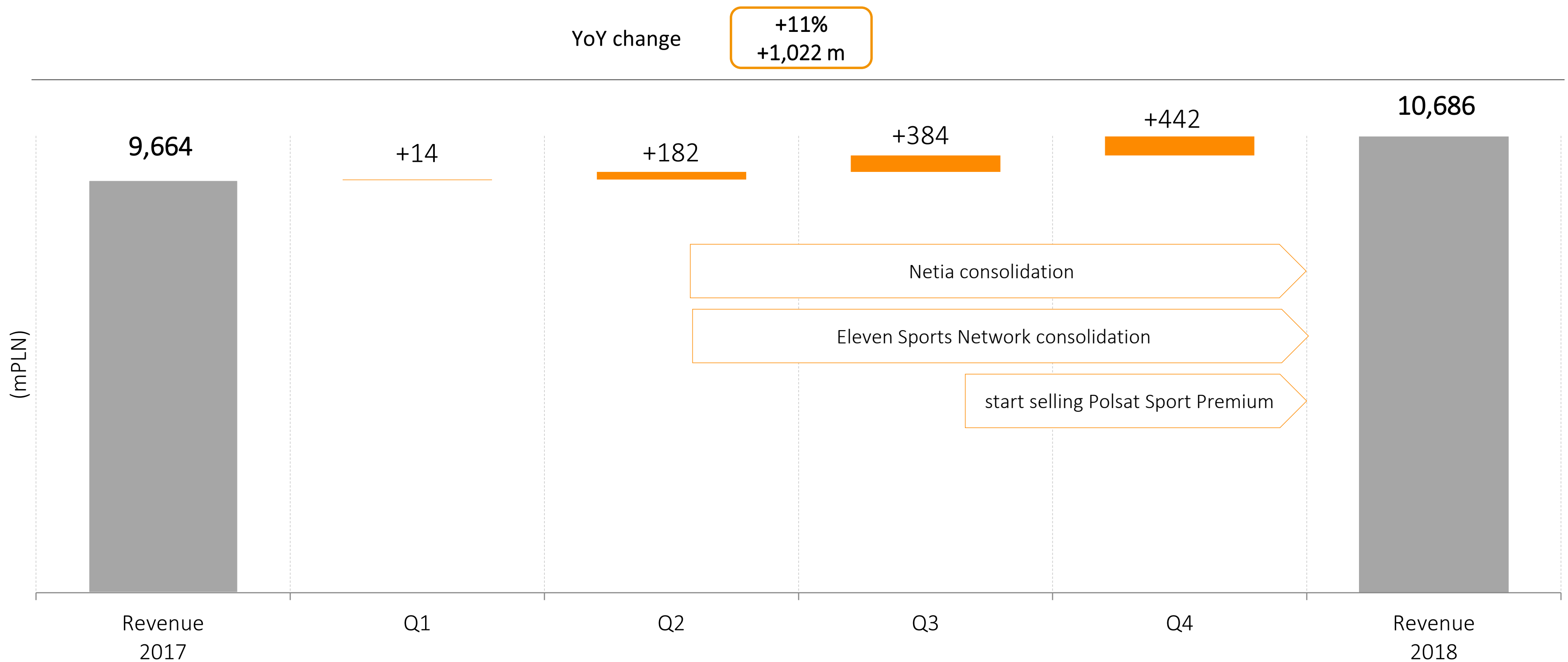


Source: Consolidated financial statements for the year ended December 31, 2018 and own estimates relating to 2017
Note: Netia S.A. consolidated as of May 22, 2018

Dynamic development of the revenue stream

Based on currently applicable IFRS 15 standard and incl. Netia Group's results

Revenue

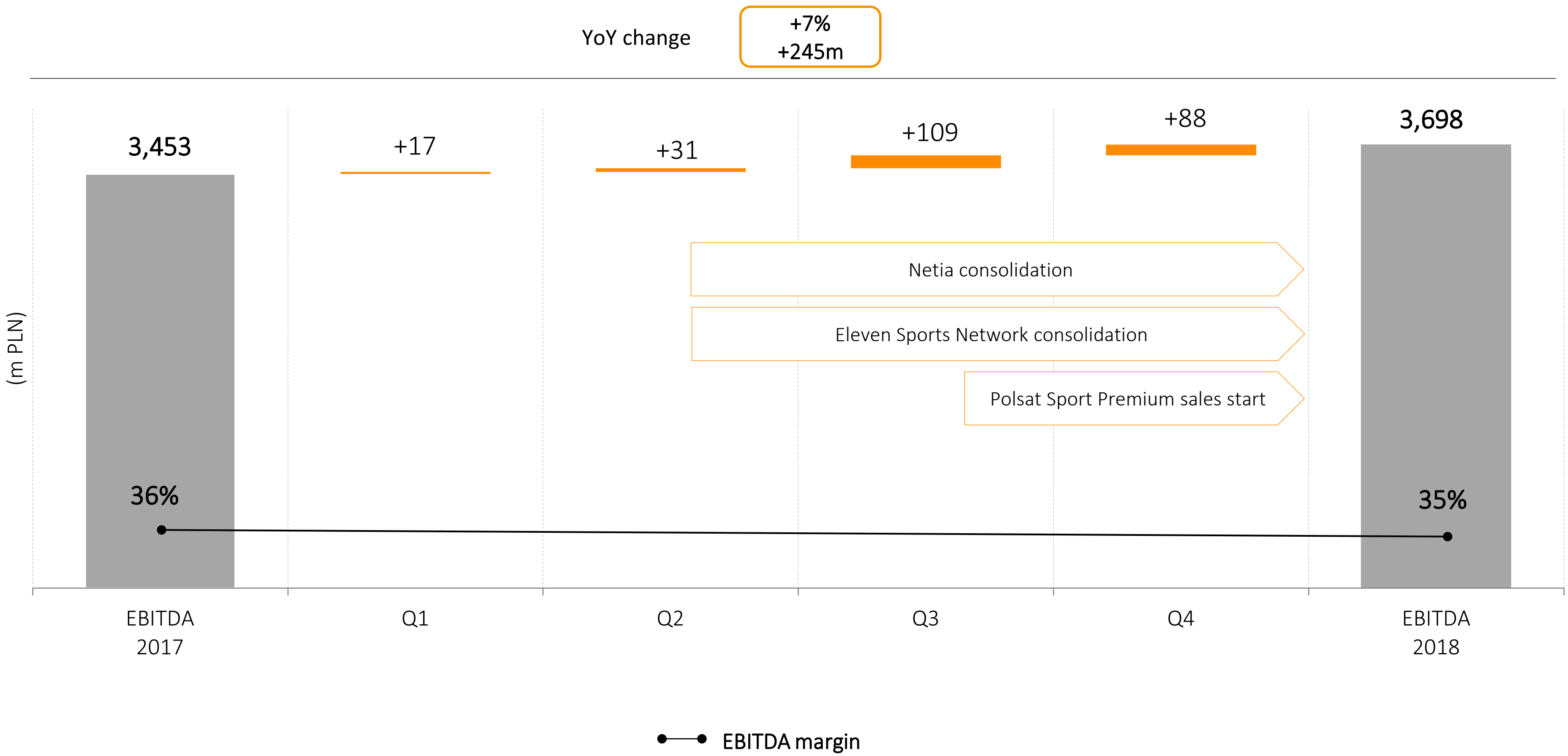


Source: Consolidated financial statements for the year ended December 31, 2018 and internal analysis

EBITDA built as a result of organic growth and positive contribution from acquisition projects

Based on currently applicable IFRS 15 standard and incl. Netia Group's results

EBITDA

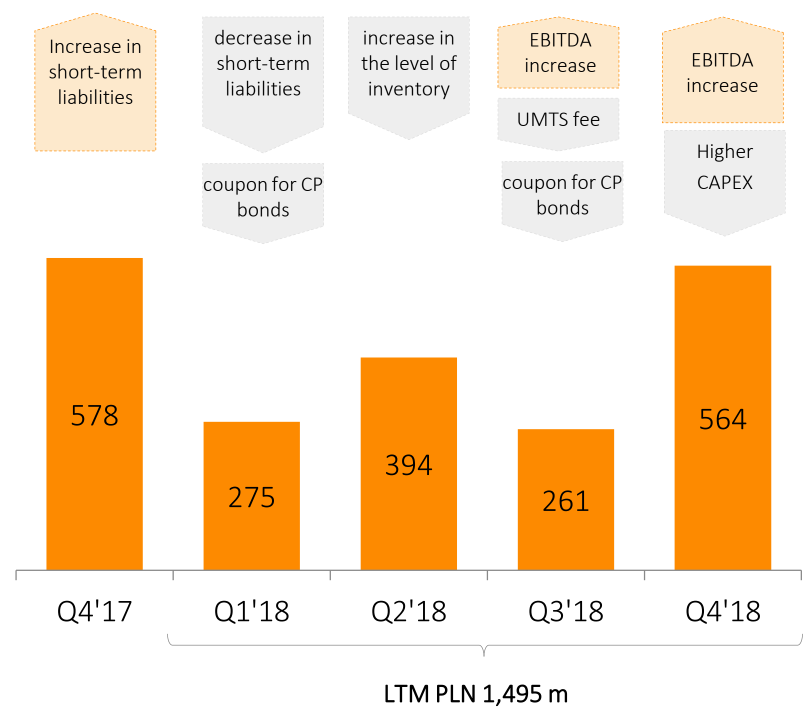


Source: Consolidated financial statements for the year ended December 31, 2018 and internal analysis

Stable, strong cash flow generated in Q4'18

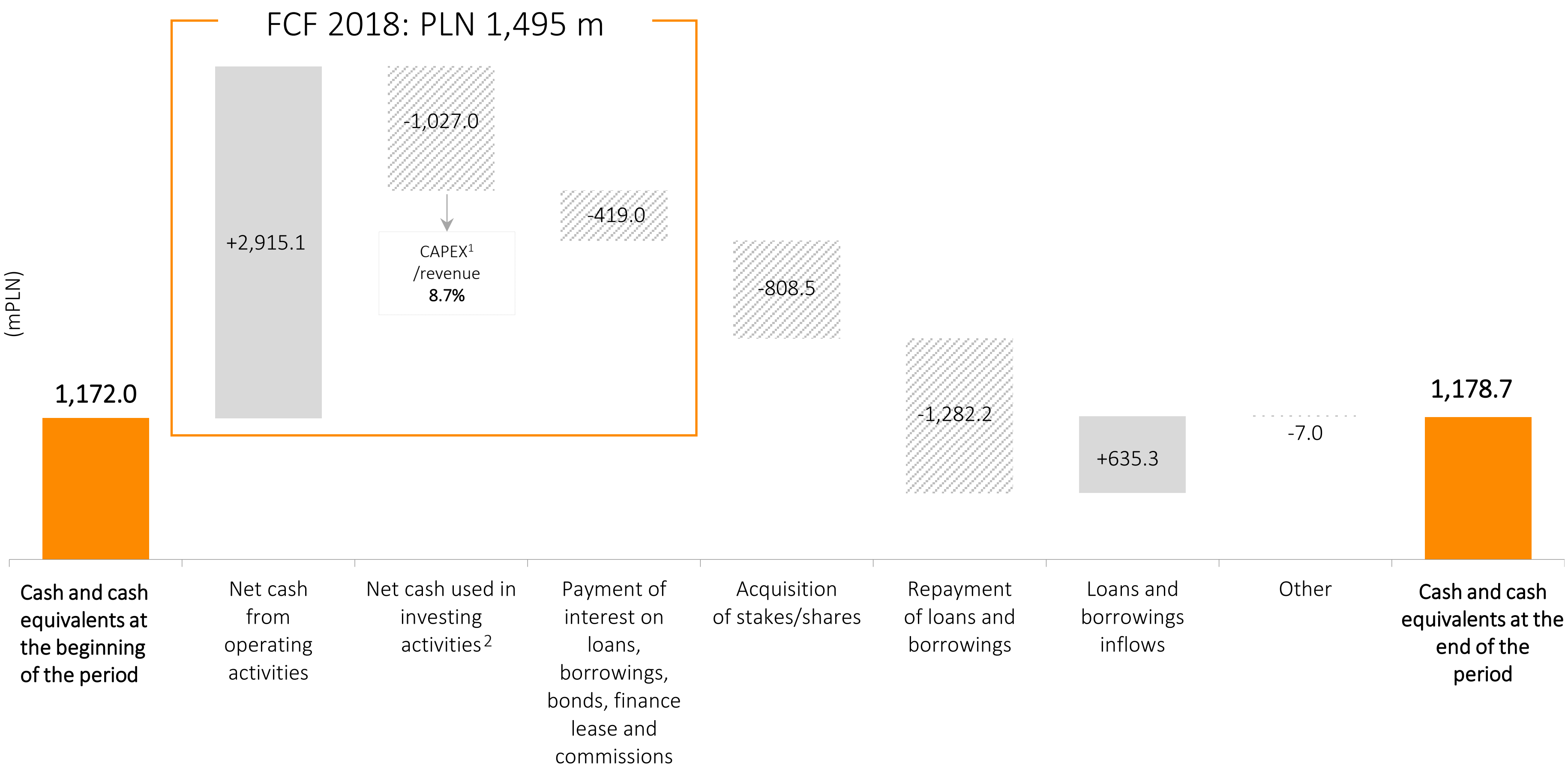
mPLN	Q4'18	2018
Net cash from operating activities	939	2,915
Net cash used in investing activities	-638	-1,836
Payment of interest on loans, borrowings, bonds, finance lease and commissions	-76	-419
FCF after interest	**225**	**660**
Acquisition of stakes/shares	339	809
One-off financing costs	-	26
Adjusted FCF after interest	**564**	**1,495**

Adjusted FCF after interest



Source: Consolidated financial statements for the year ended December 31, 2018 and internal analysis

Stable cash resources despite intensive investments and acquisitions



Source: Consolidated financial statements for the year ended December 31, 2018 and internal analysis

Note: (1) Expenses on the acquisition of property, plant and equipment and intangible assets
(2) Exluding „Acquisition of stakes/shares"

The Group's debt

mPLN	Carrying amount as at 31 December 2018
Combined Term Facility	9,599
Revolving Facility Loan	600
Series A Notes	1,018
Leasing and other	42
Gross debt	**11,259**
Cash and cash equivalents[1]	(1,179)
Net debt	**10,080**
EBITDA LTM[2]	3,698
Total net debt / EBITDA LTM	**2.73x**
Weighted average interest cost[3]	3.3%

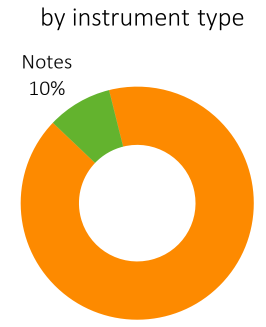
[1] This item comprises cash and cash equivalents, including restricted cash, as well as short-term deposits.

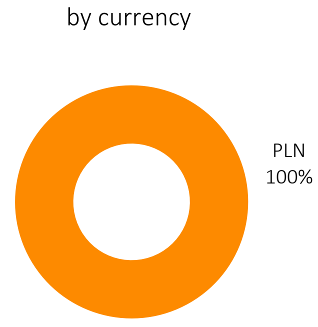
[2] In accordance with the requirements of the Combined SFA, EBITDA LTM includes the EBITDA figures calculated according to IFRS 15. In parallel, the definition adopted under the Combined SFA excludes the impact of the introduction of IFRS 16, which will become binding starting from January 1, 2019. The above exclusion concerns both the calculation of EBITDA LTM and the calculation of debt.

[3] Prospective average weighted interest cost of the Combined SFA (including the Revolving Facility Loan) and the Series A Notes, excluding hedging instruments, as at December 31, 2018 assuming WIBOR 1M of 1.64% and WIBOR 6M of 1.79%.

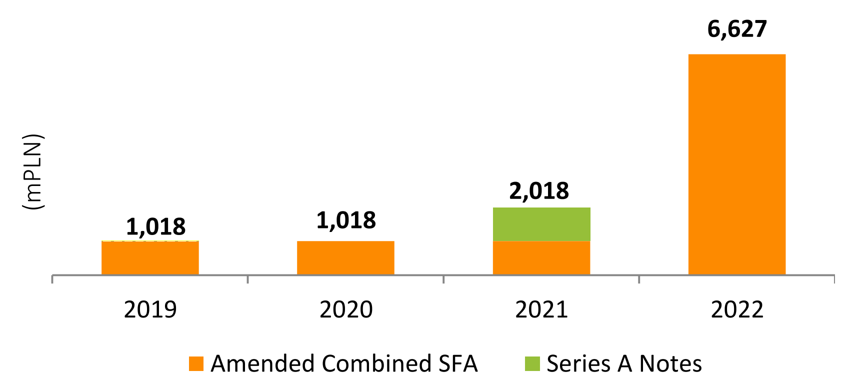
[4] Nominal value of the indebtedness as at December 31, 2018 (excluding the Revolving Facility Loan and leasing).

Debt structure[4]





Debt maturing profile[4]



Source: Consolidated financial statements for the year ended December 31, 2018 and internal analysis

Additional information

Shareholding structure

Shareholder	Number of shares	*% of shares*	Number of votes	*% of votes*
Zygmunt Solorz, through	366,720,780	*57.34%*	540,267,031	*65.97%*
Reddev Investments Limited	*298,656,832*	*46.70%*	*472,203,153*	*57.66%*
Embud2 Sp. z o.o. Sp. K.A.	*58,000,000*	*9.07%*	*58,000,000*	*7.08%*
Karswell Limited	*10,000,000*	*1.56%*	*10,000,000*	*1.22%*
Argumenol Investment Company Limited	*63,948*	*0.01%*	*63,948*	*0.01%*
Others	272,825,236	*42.66%*	278,696,486	*34.03%*
Total	639,546,016	*100.00%*	818,963,517	*100.00%*

Note: As at April 26, 2018

KPIs – retail customer services

SEGMENT OF SERVICES TO INDIVIDUAL AND BUSINESS CUSTOMERS[1]	2016				2016	2017				2017	2018				2018
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4	
Total number of RGUs[2] (contract + prepaid)	16,531,833	16,711,541	16,545,653	16,524,936	16,524,936	16,216,128	16,273,840	16,410,325	16,522,597	16,522,597	16,579,337	16,698,622	16,851,153	16,906,133	16,906,133
CONTRACT SERVICES															
Total number of RGUs, including:	12,744,166	2,880,725	13,017,749	13,254,598	13,254,598	13,337,038	13,419,539	13,530,164	13,685,044	13,685,044	13,796,153	13,929,804	14,057,045	14,259,264	14,259,264
Pay TV, including:	4,560,267	4,632,246	4,679,114	4,766,429	4,766,429	4,785,947	4,835,534	4,882,505	4,942,640	4,942,640	4,984,391	5,027,520	5,038,210	5,098,917	5,098,917
Multiroom	*957,952*	*972,771*	*982,068*	*1,021,720*	*1,021,720*	*1,031,294*	*1,058,982*	*1,072,513*	*1,099,582*	*1,099,582*	*1,114,833*	*1,127,285*	*1,141,820*	*1,160,353*	*1,160,353*
Mobile telephony	6,536,366	6,559,223	6,616,579	6,730,427	6,730,427	6,785,002	6,810,999	6,864,787	6,932,676	6,932,676	6,997,850	7,098,239	7,209,240	7,345,213	7,345,213
Internet	1,647,533	1,689,256	1,722,056	1,757,742	1,757,742	1,766,089	1,773,006	1,782,872	1,809,728	1,809,728	1,813,912	1,804,045	1,809,595	1,815,134	1,815,134
Number of customers	5,893,225	5,862,310	5,860,884	5,882,804	5,882,804	5,847,401	5,819,386	5,791,841	5,776,598	5,776,598	5,743,832	5,724,492	5,712,151	5,706,147	5,706,147
ARPU per customer[3] acc. to IFRS 15 [PLN]						80.3	81.2	80.5	81.9	81.9	81.9	82.9	84.0	84.0	83.2
ARPU per customer[3] acc. to IAS 18 [PLN]	87.0	88.4	88.6	90.7	88.7	89.1	89.6	88.4	89.0	89.0	88.7	89.6	90.1	90.5	89.7
Churn per customer[4]	9.8%	9.0%	8.5%	8.3%	8.3%	8.5%	8.6%	8.8%	8.8%	8.8%	8.5%	8.3%	7.9%	7.6%	7.6%
RGU saturation per one cusotmer	2.16	2.20	2.22	2.25	2.25	2.28	2.31	2.34	2.37	2.37	2.40	2.43	2.46	2.50	2.50
PREPAID SERVICES															
Total number of RGUs, including:	3,787,667	3,830,816	3,527,904	3,270,338	3,270,338	2,879,090	2,854,301	2,880,161	2,837,553	2,837,553	2,783,184	2,768,818	2,794,108	2,646,869	2,646,869
Pay TV	35,754	73,544	44,913	79,306	79,306	48,224	57,183	63,627	79,561	79,561	75,159	59,722	91,261	95,685	95,685
Mobile telephony	3,495,733	3,473,228	3,223,224	2,972,443	2,972,443	2,646,477	2,616,592	2,623,950	2,579,613	2,579,613	2,539,402	2,545,749	2,550,355	2,423,774	2,423,774
Internet	256,180	284,044	259,767	218,589	218,589	184,389	180,526	192,584	178,379	178,379	168,623	163,347	152,492	127,410	127,410
ARPU per total prepaid RGU[5] [PLN]	17.7	18.9	18.7	19.2	18.6	18.7	20.5	20.2	20.1	19.9	20.1	20.4	20.8	20.3	20.4

1) Customer - natural person, legal entity or an organizational unit without legal personality who has at least one active service provided in a contract model.
2) RGU (revenue generating unit) - single, active service of pay TV, Interneet Access or mobile telephony provided in contract or prepaid model.
3) ARPU per customer - average monthly revenue per customer generated in a given settlement period (including interconnect revenue).
4) Churn - termination of the contract with Customer by means of the termination notice, collections or other activities resulting in the situation that after termination of the contract the Customer does not have any active service provided in the contract model. Churn rate presents the relation of the number of customers for whom the last service has been deactivated (by means of the termination notice as well as deactivation as a result of collection activities or other reasons) within the last 12 months to the annual average number of customers in this 12-month period.
5) ARPU per total prepaid RGU - average monthly revenue per prepaid RGU generated in a given settlement period (including interconnect revenue)

Key financial data

mPLN	2017				2017	2018[1] IAS 18 basis, excl. consolidation of Netia Group				2018	2018[1] IFRS 15 basis, Netia Group consolidated as of May 22, 2018				2018
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4	
Revenue	2,388.6	2,469.9	2,390.9	2,579.2	9,828.6	2,360.7	2,476.9	2,435.4	2,682.0	9,955.0	2,345.9	2,603.2	2,735.0	3,002.0	10,686.1
Retail revenue	1,542.7	1,533.3	1,494.0	1,497.9	6,067.9	1,470.2	1,483.8	1,481.7	1,484.8	5,920.5	1,352.2	1,482.1	1,630.5	1,627.8	6,092.6
Wholesale revenue	562.1	652.3	588.4	735.8	2,538.6	635.9	708.5	677.7	860.1	2,882.2	635.9	738.5	741.6	927.8	3,043.8
Sale of equipment	248.6	243.3	264.5	298.8	1,055.2	208.6	239.0	237.6	286.2	971.4	317.5	341.7	328.6	398.2	1,386.0
Other revenue	35.2	41.0	44.0	46.7	166.9	46.0	45.6	38.4	50.9	180.9	40.3	40.9	34.3	48.2	163.7
Operating costs	-1,938.2	-1,962.8	-1,975.7	-2,139.2	-8,015.9	-1,903.1	-1,986.5	-2,044.0	-2,266.0	-8,199.6	-1,917.1	-2,127.0	-2,345.8	-2,588.9	-8,978.8
Technical costs and cost of settlements with telecommunication operators	-468.2	-483.5	-528.5	-533.8	-2,014.0	-504,5	-521.1	-550.3	-560.1	-2,136.0	-504.5	-578.5	-674.8	-691.1	-2,448.9
Depreciation, amortization, impairment and liquidation	-472.3	-446.7	-429.2	-434.8	-1,783.0	-454,5	-439.1	-452.5	-430.6	-1,776.7	-454.5	-470.8	-523.5	-521.9	-1,970.7
Cost of equipment sold	-323.6	-318.8	-323.3	-357.9	-1,323.6	-258,5	-275.2	-277.3	-331.7	-1,142.7	-272.5	-282.5	-281.1	-338.1	-1,174.2
Content costs	-264.3	-298.4	-269.7	-321.2	-1,1536	-269,4	-316.8	-323.5	-406.8	-1,316.5	-269.4	-323.0	-338.9	-424.0	-1,355.3
Distribution, marketing, customer relation management and retention costs	-211.1	-215.9	-224.0	-243.3	-894.3	-205,2	-214.9	-217.1	-265.6	-902.8	-205.2	-223.5	-236.5	-268.7	-933.9
Salaries and employee-related costs	-127.8	-133.7	-127.4	-164.2	-553.1	-143,8	-146.0	-137.0	-184.2	-611.0	-143.8	-169.3	-187.1	-238.7	-738.9
Cost of debt collection services and bad debt allowance and receivables written off	-19.3	-16.3	-21.3	-10.5	-67.4	-11,9	-18.2	-32.9	-19.0	-82.0	-11.9	-17.6	-34.8	-19.6	-83.9
Other costs	-51.6	-49.5	-52.3	-73.5	-226.9	-55,3	-55.2	-53.4	-68.0	-231.9	-55.3	-61.8	-69.1	-86.8	-273.0
Other operating income.,net	6.8	9.9	6.7	-2.1	-21.3	6.7	-1.9	4.6	0.0	9.4	6.7	-0.6	7.3	6.3	19.7
Profit from operating activities	457.2	517.0	421,9	437,9	1,834.0	435.5	488.5	396.0	416.0	1,764.8	435.5	475.6	396.5	419.4	1,727.0
Gain/loss on investment activities, net	30.5	-14.4	-28.0	19.1	7.2	-3.4	-34.4	12.7	4.7	-20.4	-3.4	-45.9	11.7	4.6	-33.0
Finance costs	-185.5	-113.3	-104.8	-105.4	-509.0	-72.6	-98.8	-100.9	-113.3	-385.6	-72.6	-98.9	-101.6	-113.6	-386.7
Share of the profit of associates accounted for using the equity method				2.8	2.8	5.2	-0.1	-3.5	-2.8	-1.2	5.2	-0.1	-3.5	-2.8	-1.2
Gross profit for the period	302.2	389.3	289,1	354,4	1,335.0	393.5	355.2	304.3	304.6	1,357.6	364.7	330.7	303.1	307.6	1,306.1
Income tax	-30.8	-107.6	-54.2	-197.2	-389.8	-78.0	-102.1	-77.3	-246.7	-504.1	-72.5	-99.3	-76	-242.2	-490.0
Net profit for the period	271.4	281.7	234.9	157.2	945.2	315.5	253.1	227.0	57.9	853.5	292.2	231.4	227.1	65.4	816.1
EBITDA	929.5	963.7	851.1	872.7	3.617.0	918.8	927.6	848.5	846.6	3,541.5	890.0	946.4	920.0	941.3	3,697.7
EBITDA margin	38.9%	39.0%	35.6%	33.8%	36.8%	38.9%	37.5%	34.8%	31.6%	35.6%	37.9%	36.4%	33.6%	31.4%	34.6%

Note: 1) Data presented in accordance with IAS 18 standard - they do not include the impact of the standards IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers, applicable from January 1, 2018

Glossary

RGU (Revenue Generating Unit)	Single, active service of pay TV, Internet Access or mobile telephony provided in contract or prepaid model.
Customer	Natural person, legal entity or an organizational unit without legal personality who has at least one active service provided in a **contract model**.
Contract ARPU	Average monthly revenue per **Customer** generated in a given settlement period (including interconnect revenue).
Prepaid ARPU	Average monthly revenue per **prepaid RGU** generated in a given settlement period (including interconnect revenue).
Churn	Termination of the contract with **Customer** by means of the termination notice, collections or other activities resulting in the situation that after termination of the contract the Customer does not have any active service provided in the contract model. Churn rate presents the relation of the number of customers for whom the last service has been deactivated (by means of the termination notice as well as deactivation as a result of collection activities or other reasons) within the last 12 months to the annual average number of customers in this 12-month period.
Usage definition (90-day for prepaid RGU)	Number of reported RGUs of prepaid services of mobile telephony and Internet access refers to the number of SIM cards which received or answered calls, sent or received SMS/MMS or used data transmission services within the last 90 days. In the case of free of charge Internet access services provided by Aero 2, the Internet prepaid RGUs were calculated based on only those SIM cards, which used data transmission services under paid packages within the last 90 days.

Contact

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