



Cyfrowy Polsat IR Newsletter

May 2 – 8, 2016



Media about us	Date	Media about the TMT market in Poland
	4.05	<p>Rzeczpospolita: T-Mobile tests competitors <i>by Urszula Zielińska</i></p> <p>Tests, after which the customer can change the tariff and the smartphone and resign from the mobile internet, are the leitmotiv of communication of mobile networks this year. T-Mobile wants – with one move – to improve its number portability statistics and start a new era of building the company’s image. It offers a package of unlimited services for 4 months with an option of termination at any moment against PLN 10.</p> <p>If other telecoms follow on this, we may see a short-term devaluation of a relatively small but important part of the market. Adam Sawicki, CEO of T-Mobile Polska, assures that he does not want to start another price war.</p> <p>Parkiet: Duthoit handed over the reins to Fallacher <i>by ziu</i></p> <p>Since 1 May 2016 Orange Polska has a new CEO. Brun Duthoit was replaced by 49-year-old Jean-François Fallacher, former CEO of Orange Romania. The time of Duthoit’s presidency at Orange Polska was a time of peace in relations with the biggest alternative operator – Netia, releasing the telecom from various regulations, the LTE auction, in which the telecom has won 2 blocks in the 800 MHz band and paid a total of PLN 3.17bn, as well as the decision on investing PLN 2.4bn in the fiber-optic network.</p>

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	4.05	<p>It can be assumed that Fallacher will introduce changes in the Polish company that would make it similar to a „challenger”. Konrad Książopolski, analyst at Haitong Bank, believes that this should be related to the area of marketing, which is extremely important in Poland.</p> <p>While presiding over Orange Romania, Fallacher emphasized the quality of the mobile Internet network and intended to introduce a convergent offer, that is an offer combining the mobile and fixed technology. In Poland he will be able to implement his ideas, the more so as Orange Polska already has 766k subscribers of the convergent offer.</p> <p>Rzeczpospolita: New DVB-T multiplex still without an official launch date <i>by ele</i></p> <p>There is still no information about the launch date of the 8th multiplex (MUX-8) of digital terrestrial television DVB-T, or the final composition of the package of new channels (TVP has not announced officially which channels will be broadcast in the new package of digital channels). Furthermore, it is not yet clear whether Emitel will remain the technical operator of this multiplex, because the appeal proceedings in this respect are currently taking place at the Office of Electronic Communications (UKE), initiated by a competitor of Emitel in the MUX-8 tender – Polski Operator Telewizyjny (POT). POT representatives explain that they would like the market of operators to be diversified, whereas currently we deal with the monopoly on this market.</p>

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	4.05	<p>The granted license obliges Emitel to launch its service within the specific deadline (it expires in December 2016), therefore the company already invests millions of zloty into the infrastructure required for broadcasting the channels of the new multiplex. In July 2016 the multiplex should cover 60% of the country and at the turn of 2016/2017 – 95%. According to the license requirements, Emitel intends to enable the broadcasters of the new multiplex to include video on demand content free of charge.</p>
	5.05	<p>Parkiet: T-Mobile versus Play, Cyfrowy Polsat versus Orange <i>by ziu</i></p> <p>At the end of Q1 2016 T-Mobile Polska reported 11.82m of active SIM cards, i.e. 235K less than in December 2015 and 3.97 less than a year ago. This is the lowest result as compared to the remaining three mobile operators active in Poland. Orange remains number one in terms of active SIM cards, with 16.26m SIM cards after Q1 2016 (358K more than in December 2015).</p> <p>T-Mobile lost both contract activations (down by 59K to the level of 6.518m), as well as prepaid cards (down by 184K to the level of 5.3m). T-Mobile revenue increased by 2.9%, to nearly PLN 1.65bn, but thanks to slightly higher revenue from fixed-line services, sale of smartphones and wholesale services. EBITDA margin decreased to 31.7%. Growing statistics of the fixed-line service users are visible, although the customer base remains small. However, Adam Sawicki, CEO of T-Mobile, believes that convergence as the way of stopping the reduction of revenue of</p>

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	5.05	<p>mobile operators in Poland will not bear fruits fast, because a mobile operator, in order to build a proper bundle, would have to carry out numerous acquisitions first.</p> <p>Rzeczpospolita: Owner of nc+ with new ideas <i>Interview with Manuel Rougeron, CEO of the nc+ satellite platform by Magdalena Lemańska</i></p> <p>Manuel Rougeron revealed that already 200K customers uses the nc+ GO service, launched in January 2016 (ca. 10% of nc+ subscribers) and that this figure is growing fast. Rougeron added that the Polish viewer uses the service differently than the company had expected – viewers prefer streaming traditional TV channels than on-demand content. He also admitted that launching of the nc+ GO service has had a positive impact on the churn rate.</p> <p>Rougeron confirmed the plans of launching a video on demand service, independent from nc+, which would be addressed mainly to younger users and the so-called cord cutters. The service will operate under a new brand and its launch is planned in Q4 2016 or Q1 2017.</p> <p>At the same time, Rougeron emphasized that unlike its competitors, the platform does not intend to develop business in areas which are not related to its core activities. Nevertheless, it is planned to launch the service of broadband Internet access - nc+ Internet, based on Play's network and combined with the premium TV offer. The strategic partnership with Orange is still maintained.</p>

Press review



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<p>Parkiet: Forced buy-out <i>by ziu</i></p> <p>Polkomtel, the operator of Plus mobile network belonging to Cyfrowy Polsat, revealed its intentions towards Midas. After buying back from the main shareholder and stock exchange players a total of over 93% of shares, the company intends to carry out a forced buyout of the remaining shareholders and withdraw Midas from the Warsaw Stock Exchange. There is still no announcement specifying exactly the time of the so-called „squeeze out” of minority shareholders. According to the Act on Public Offering, the entity which exceeded the threshold of 90% in the equity of a listed company has three months to undertake appropriate steps. The price of shares in the forced buyout cannot be lower than in the last tender offer for shares.</p>	6.05	



Current report no. 11
May 5, 2016

Information on the intention to acquire Midas S.A. shares as a result of the mandatory squeeze-out

The Management Board of Cyfrowy Polsat S.A. (the “**Company**”) announces that on 5 May 2016 the Management Board of Polkomtel sp. z o.o. (“**Polkomtel**”), an indirect subsidiary of the Company, adopted a resolution to acquire up to 100% of shares in Midas S.A. (“**Midas**”) (the “**Resolution**”). According to the Resolution, Polkomtel will take actions aimed at announcing and conducting a mandatory squeeze-out of Midas shares, including the establishment of a statutory collateral, as well as actions aimed at reversing the dematerialization of Midas shares and delisting Midas shares from the regulated market.

Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Trade value (kPLN)
2016-05-02	24.60	24,4	24.49	0.86%	3 430
2016-05-03	-	-	-	-	-
2016-05-04	24.45	23.66	23.92	-2.33%	9 464
2016-05-05	23.90	23.11	23.23	-2.88%	5 173
2016-05-06	23.64	23.13	23.52	1.25%	4 761



Investor's calendar



April 28 – May 12, 2016	Closed period prior to the publication of Q1 2016 results
May 12, 2016	<p>Publication of Q1 2015 results</p> <p><i>Schedule of publication:</i></p> <p>7:00 a.m. Publication of the annual reports in ESPI (WSE publishing system)</p> <p>8:00 a.m. Publication of the annual reports on our website http://www.grupapolsat.pl/en/arc/results</p> <p>10:00 a.m. Meeting with investors and analysts (Radisson Blu Centrum Hotel, conference room Polonia 3, 1st floor, 24 Grzybowska Street, 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: May 12, 2016</p> <p>Time: 4:00 p.m. (Warsaw), 3:00 p.m. (London), 10:00 a.m. (New York)</p> <p>Phone numbers: +44 203 043 2440 (international); +48 22 295 35 28 (Poland)</p> <p>Conference ID: 96421126#</p> <p>In order to view our investor presentation during the conference call via a dedicated platform, please click on this link and then log in as a participant by providing your name.</p> <p>https://cyfrowypolsat.anywhereconference.com/?UserAudioMode=DATA&Name=&Conference=135301092&PIN=96421126</p>
May 16, 2016	Ipopema/WSE/Auerbach Grayson: Poland Capital Markets Day, NY