



# Cyfrowy Polsat IR Newsletter

May 8 – 14, 2017



# Press review



Media about us	Date	Media about theTMT market in Poland
	9.05	<p><b>Dziennik Gazeta Prawna: We do not want to pay for watching public television</b></p> <p><i>by Barbara Sowa</i></p> <p>65% of Poles are already aware of the planned reform of the TV license fee. However, based on the Kantar Millward Brown survey, performed at the request of the Polish Chamber of Electronic Communications bringing together cable TV operators, most of them do not support forthcoming changes. 66% of viewers are convinced that the obligation of providing personal data of subscribers by pay TV providers to the Polish Post in order to enforce payment of the TV license fee, would violate their privacy rights. Nearly half of pay TV customers claims that if a relevant act in this respect is passed, they would consider resigning from pay TV services.</p> <p>Many customers of pay TV subscribe the cheapest packages with a monthly fee which is lower than the current TV license fee (PLN 22.7). This group, trying to avoid additional charges, may escape to the DVB-T standard which is not affected by the planned changes. The system will be sealed only with respect to the customers of cable TV and satellite platforms.</p>
<p><b>wirtualnemedi.pl: More and more Poles believe that the public Polish TV (TVP) is not trustworthy. Polsat's channels are most neutral</b></p> <p><i>by pap / pr / pee</i></p> <p>According to the CBOS survey, television remains the most popular source of information. Television news are followed by 64% of respondents. In the opinion of respondents, as</p>	10.05	

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<p>compared to 2012, news and current affairs programs of the biggest TV stations lost in terms of credibility and are less trustworthy.</p> <p>When asked about TV channels in which they watch the news and current affairs programs, a total of 71% of respondents mentioned TVN and TVN24, 69% - TVP1, TVP2 and TVP Info, and 66% - Polsat and Polsat News.</p> <p>In the opinion of 32% of respondents, news and current affairs programs aired in public television are not credible and are not trustworthy. 23% of respondents do not consider news and current affairs programs broadcasted by TVN as a credible source of information, whereas in the case of Polsat and Polsat News, this percentage amounted to only 17%. News and current affairs programs in Polsat and Polsat News are most frequently quoted as impartial and neutral – this view is shared by 46% of respondents.</p>	<p>10.05</p>	
	<p>11.05</p>	<p><b>telko.in: T-Mobile acquired a loan from EIB</b>  <i>by Tomasz Świderek</i></p> <p>T-Mobile Polska acquired a EUR 275m loan from the European Investment Bank (EIB). The funds will be allocated to the roll-out of 4G network in the years 2017-2019. The EIB has neither revealed the period for which the loan had been granted, nor the actual interest on the loan. In the past, the EIB granted loans for 4G network roll-out to Orange Polska (EUR 190m in 2015) and T-Mobile Polska (EUR 200m in 2013). Polish telecommunication companies have received nearly EUR 1.1bn in total in the form of loans from EIB since 1990.</p>



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	11.05	<p><b>Puls Biznesu: Antimonopoly watchdog is watching television</b> <i>by Karol Jedliński</i></p> <p>Polish public television – TVP, has filed a notice with the Office of Competition and Consumer Protection (UOKiK) questioning the structure of television audience measurements Nielsen Audience Measurement (NAM). NAM, which has been performed in Poland for years by the global holding AGB Nielsen Media Research, is a market standard. The UOKiK initiated explanatory proceedings in order to determine whether the NAM rules give any grounds for initiating an antimonopoly proceedings against Nielsen. According to information obtained by “Puls Biznesu” daily , the UOKiK sent a request for information to a few dozen companies from the advertising and marketing markets.</p> <p><i>“We perform similar measurements on over 100 markets. I am not aware of a single case, except Poland, that we have been accused of monopolistic practices. We are currently in good talks with TVP in the context of digital services”,</i> said Mikołaj Piotrowski from Nielsen. He also emphasized that the NAM methodology had not changed recently and there were no signs that it should change soon.</p> <p>According to information obtained by “Puls Biznesu” daily, conclusions from the UOKiK examination will be revealed in the summer at the earliest. If then the office decides to initiate antimonopoly proceedings, Nielsen may face a penalty in the amount of 10% of annual turnover.</p>

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<p><b>Parkiet: Cyfrowy Polsat maintained its goals for 2017</b> by Urszula Zielińska</p> <p>The share price of Cyfrowy Polsat was increasing even by over 7%, to PLN 26.84 on Thursday, after the publication of the company's results for Q1 2017 which turned out to be better than analysts' expectations.</p> <p>Revenue of Cyfrowy Polsat Group increased by 1% year-on-year, up to PLN 2.39bn and EBITDA increased by nearly 10%, to PLN 929.5m. <i>"We have signaled that we would be pleased, if we maintained last year's EBITDA, adjusted by the profits from EURO 2016, and we still adhere to this goal"</i>, said Katarzyna Ostap-Tomann, responsible for finances in the Management Board.</p> <p>Tobias Solorz, President of Cyfrowy Polsat, upheld his opinion that deleveraging remained the group's priority.</p> <p>The growth of revenue in Q1 was driven, among others, by better results of the satellite platform and Polsat's channels, which – despite a slight decrease in viewership figures – record higher advertising revenue growth rates compared to the entire market which is stalling this year.</p>	<p>12.05</p>	<p><b>PAP: Revenues of T-Mobile Polska in Q1 2017 decreased by 4.6% YoY</b> by gsu/ osz/</p> <p>EBITDA recorded by T-Mobile Polska amounted to PLN 431m and was lower by 17.2% YoY. EBITDA margin reached the level of 27.4%.</p> <p>The results of Q1 2016 were affected by a one-off item related to the settlement of wholesale sales of roaming services in the amount of PLN 58m. Without the effects of this event, total revenue of the company in Q1 2017 would have been lower by 1.2%, and EBITDA by 7.1% as compared to the results in the previous year.</p> <p>After Q1 2017, T-Mobile Polska serviced a base of 10.229m customers – 6.696m in the contract segment and 3.533m in the prepaid segment. As compared to the previous quarter, the contract customer base increased by 84 thousand customers, and by 178 thousand YoY.</p> <p>In Q1 2017 the company continues investments into improvement of LTE access in Poland, focusing on cities and communication routes. 900 new base stations supporting LTE were launched in that period. The company also accelerated investments related to offering of the Carrier Aggregation (CA) technology which ensures higher data transfers and bigger network capacity.</p>

Press release  
May 11, 2017

## Cyfrowy Polsat sums up its results for Q1 2017 - The Group recorded an increase in the number of contract services, as well as revenue and EBITDA

Cyfrowy Polsat Group has just published very good operational and financial results for Q1 2017. As a consequence of the consistent pursuit of its long-term development strategy, the group has recorded growth of both its operating and financial results, which exceeded analysts' expectations. The Group's revenue reached nearly PLN 2.4 billion, EBITDA was PLN 929 million, while EBITDA margin increased to 39%. In the course of its efforts aimed at regular deleveraging of the Group, Cyfrowy Polsat decided to go forward with the early redemption of all Litenite Notes for the amount of PLN 945 million. At the same time, while anticipating that free cash flow generation will continue at a high level also in 2017, the Management Board presented a recommendation concerning dividend payment for 2016 in the amount of PLN 0.32 per share.

*"Similarly as in the past years, in 2017 we continued the consistent and effective implementation of our development strategy, resulting in the stable growth of the saturation of our contract customer base with integrated services, growth of average revenue per customer and a very low churn ratio, which demonstrates increasing satisfaction of customers with the services that we provide,"* says Tobias Solorz, the CEO of Cyfrowy Polsat S.A. and Polkomtel Sp. z o.o. *"Also the viewership results of Polsat Group's TV channels are in line with our long-term strategy, while the Group's revenue once again grew faster than the TV advertising market. Very good operational results of the two segments led to a dynamic growth of the Group's revenue and a very high EBITDA margin."*

*"Effective implementation of our multiplay strategy and very good operating results of both our business segments were very well reflected in the entire Group's very good financial performance –revenue growing by over 4%, EBITDA higher by 7% and very strong EBITDA margin of 39%. Stable and very high free cash flows enable the continuation of the successive deleveraging of the Group. Apart from repayments of regular installments, we decided to carry out the early redemption of all Litenite Notes for the total amount of PLN 945 million, which includes the early redemption premium. Moreover, the stable and very good financial condition of our Group has enabled us, the Management Board, to make the decision to recommend a dividend payment for 2016 in the amount of PLN 0.32 per share,"* sums up Katarzyna Ostap-Tomann, the CFO of Cyfrowy Polsat S.A., Polkomtel Sp. z o.o. and Telewizja Polsat Sp. z o.o.

[More>>http://www.grupapolsat.pl/en/archive/cyfrowy-polsat-sums-its-results-q1-2017-group-recorded-increase-number-contract-services](http://www.grupapolsat.pl/en/archive/cyfrowy-polsat-sums-its-results-q1-2017-group-recorded-increase-number-contract-services)

# Recent events



Press release  
May 12, 2017

## **Polsat Group and Eurosport present the first premium product in Poland addressed to tennis fans**

As a result of the cooperation between Polsat Group and Eurosport, the TENIS PREMIUM product will see its debut soon. It will ensure access, 24 hours a day, without commercials and in HD quality, to the entire season of Grand Slam tennis tournaments: French Open (Roland Garros) 2017, Wimbledon 2017, US Open 2017 and Australian Open 2018. This product, consisting of two channels: Tenis Premium 1 and Tenis Premium 2, has been created especially for Polish tennis fans and will be activated only during the four prestige tournaments, under the „season pass” package.

# Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Trade value (kPLN)
2017-05-08	24.88	24.59	24.72	0.04%	5 229
2017-05-09	25.15	24.50	24.99	1.09%	18 412
2017-05-10	25.45	24.98	25.03	0.16%	17 677
2017-05-11	26.84	25.39	25.90	3.48%	65 745
2017-05-12	26.50	26.03	26.25	1.35%	22 793





# Investor's calendar



June 27 – 29, 2017	UBS LATEMEA One-on-One Conference
August 10 – 24, 2017	Closed period prior to the publication of H1 2017 results
August 24, 2017	Publication of the semi-annual report for H1 2017
September 11-12, 2017	14th Emerging Europe Investment Conference - Pekao Investment Banking

