



# Cyfrowy Polsat IR Newsletter

September 12 – 18, 2016



Media about us	Date	Media about the TMT market in Poland
	12.09	<p><b>Puls Biznesu: EU roaming to be corrected</b> <i>by Marcel Zatoński</i></p> <p>On September 6th, the European Commission presented a draft regulation regarding roaming fees which, instead of the complete liquidation of roaming, envisaged exempting mobile users from roaming fees for 90 days in a year. For the rest of the year, the operator would collect small additional fees for services used while travelling abroad, but on the territory of the European Union. According to the announcement of the European Commission, based on initial opinions the President of the European Commission decided to withdraw this draft and start work on a new proposal.</p> <p>The final version of new regulation is to be agreed between the representatives of EU states and national telecommunication regulators. The European Commission should adopt the proposal by the middle of December.</p>
	13.09	<p><b>Rzeczpospolita: Broadcasters in a clash with Emitel</b> <i>by Magdalena Lemańska</i></p> <p>New DVB-T channels will not be launched within the previously announced dates, because their broadcasters are still negotiating with Emitel, the multiplex operator, the terms of cooperation in the area of sending the signal of these stations. They already announced that they would not agree to pay PLN 6m per year to Emitel and are counting on the discount for the new package of</p>

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	13.09	<p>channels due to the fact that its multiplex offers smaller coverage and its use creates technical complications.</p> <p>The broadcasters assume that new channels will be launched this year. Meetings are held regarding a joint campaign introducing new channels to the market, which should start in October. TVP does not have an agreement with Emitel yet, and has not announced what content it would broadcast within the three slots granted to this station in the new multiplex package.</p>
<p><b>Parkiet: Cyfrowy Polsat</b></p> <p>DM mBank's analysts downgraded the recommendation for Cyfrowy Polsat to "reduce" from "hold". The target price was set at the level of PLN 21.8. On Tuesday, in the afternoon, the share price on the stock exchange fell by 1.4%, to PLN 23.9.</p>	14.09	<p><b>Puls Biznesu: T-Mobile intends to be simpler</b> <i>by MZAT</i></p> <p>The operator, who is losing the most customers on the market, is simplifying tariffs and focusing on individual customization of the offer. The new subscription offer of the operator is limited to three price plans. Telecom wants to attract new customers, among others, with big Internet data packs and while removing data transfer caps from selected applications such as Facebook or Twitter.</p>
	15.09	<p><b>Rzeczpospolita: Cichy to replace Gaj as UKE President</b> <i>by hubs, ziu</i></p> <p>Marcin Cichy will be the new President of the Office of Electronic Communications (UKE). Cichy was recommended to this position by Prime Minister Beata Szydło. The new President already has experience at working at UKE, as well as its predecessor: the Telecommunication and Post Regulatory Office. He was employed there in the years 2005 – 2013 and, among others,</p>

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	15.09	<p>was a telecommunication market analyst. In the years 2013-2016 he worked for UPC Polska.</p> <p>He will replace Magdalena Gaj on the position of the President.</p>
	16.09	<p><b>Parkiet: Telecoms must invest. What about dividends?</b> <i>by Katarzyna Kucharczyk</i></p> <p>Since January the WIG-Telecommunication index has lost nearly 8%. Prices of shares of the companies who have the highest weight in this index have a limited growth potential. They have to carry out big investments, which affects their results and dividend levels.</p> <p>Orange Polska has a share of over 76% in this index. Quite recently this company has been perceived as a certain payer of dividend. However, this year it paid only PLN 0.25 per share and in experts' opinions one should not expect a substantial growth of the dividend within the forthcoming years. At the same time, the continuing reduction of share price for this company seems to be unjustified. Orange is investing in the FTTX technology, which should allow for effective competition with cable TV networks in big cities.</p> <p>Netia also invests, while simultaneously carrying out a big share buyback program. In view of the above, analysts expect a dividend at the level of PLN 0.3 in 2017, as compared with PLN 0.4 in 2016. For a long time Netia has been mentioned as an entity for acquisition.</p>

# Press review



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	16.09	<p>Cyfrowy Polsat is the analysts' favorite in the telecom sector. This year the company already experienced a 16% increase in share price, but it is not helping the WIG-Telecommunication index, because it is part of the WIG-Media index (78% share). In the opinion of Konrad Książopolski from Haitong Bank, a unique business model, consisting of the telco and television arms, is an advantage of this company. He also adds that thanks to exerting control over the value chain, the group deals with pressure on results and revenues much better. On top of that, with the business model based on the mobile segment, its capital intensity is half that of Orange. Cyfrowy Polsat plans to return to regular dividend payments starting from 2017.</p> <p>Dominik Niszczyński, analyst at Raiffeisen Brokers, points to the need of implementing the 5G mobile technology, using also new frequencies in the band above 3 GHz, which in turn will force adjustment of transceivers and purchase of new frequencies. He believes that expenditures in the sector will remain high, and increasing margins without consolidation in the sector might be difficult.</p>

Press release  
September 13, 2016

## Big European football until 2022 only in TV Polsat TV

The channel will show the European Qualifiers to the UEFA Euro 2020 and 2022 FIFA World Cup, and two editions of the new UEFA Nations League in the years 2018/2019 and 2020/2021. In total, by 2022 the channel will have broadcast nearly one thousand meetings in both qualifiers and the Nations League. In June 2017, Polsat will broadcast the UEFA European Under-21 Championship 2017, which will take place in Poland.

The purchased package of European Qualifiers covers all fields of use, including the Internet and mobile telephony. Until 2022 sports fans will watch the UEFA Euro 2020 and 2022 FIFA World Cup qualifying games with the participation of 54 national teams on our channels. This will include nearly 300 matches in each qualifying cycle, always in HD quality.

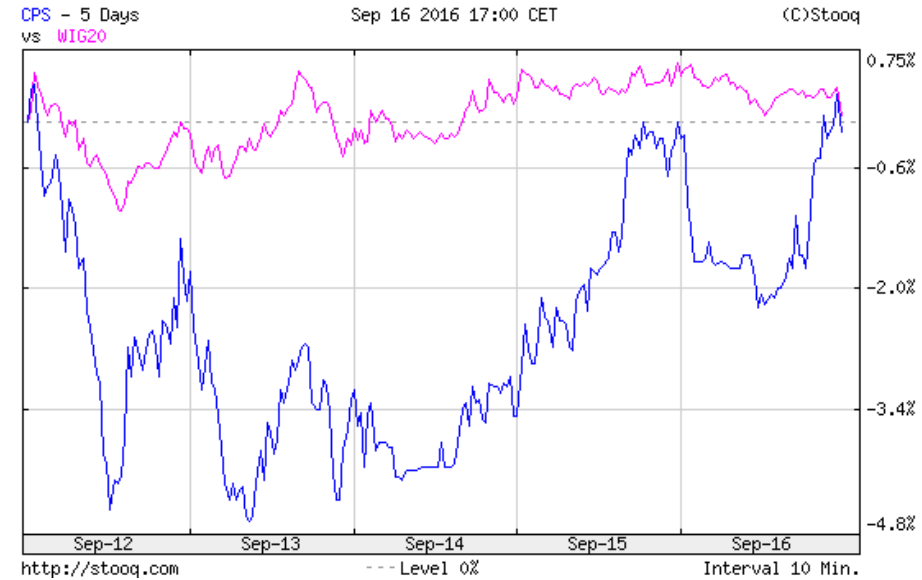
Polsat and the group's sport channels will show two editions of the Nations League in the years 2018/19 and 2020/21, including the Final Four tournament with four best teams from the A level.

Striving to make the portfolio of acquired sport rights even more attractive, TV Polsat will also show the European Under-21 Championship 2017. UEFA selected Poland as the host of this Championship and it will be the second biggest sporting event, after Euro 2012, in our country. TV Polsat will be the official broadcaster of the tournament and the producer of the TV signal to all countries which will broadcast the Championship. Our channels will show all the games of this prestigious sporting event.

# Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Trade value (kPLN)
2016-09-12	25.00	23.56	24.25	-3.77%	12 792
2016-09-13	24.54	23.56	23.95	-1.24%	9 771
2016-09-14	24.09	23.67	23.90	-0.21%	3 383
2016-09-15	24.94	23.89	24.80	3.77%	6 554
2016-09-16	24.96	24.23	24.77	-0.12%	13 436



# Investor's calendar



October 26 – November 9, 2016	Closed period prior to the publication of Q3 2016 results
November 9, 2016	Quarterly report for Q3 2016