



# Cyfrowy Polsat IR Newsletter

January 16 - 22, 2017



Media about us	Date	Media about the TMT market in Poland
	17.01	<p><b>Rzeczpospolita: Virgin Mobile introduces a contract offer</b> <i>by gb</i></p> <p>The mobile operator, Virgin Mobile introduces a postpaid offer on January 27, 2017. Grażyna Piotrowska-Oliwa, CEO of the telecom, would like the majority of the offer to be based on postpaid tariffs within a few years. At the same time she emphasized that it was a natural direction of development and was not related to the decreasing sales on the market after the introduction of the Anti-terrorist Act with the mandatory registration of prepaid SIMs. Piotrowska-Oliwa described the previous year as very difficult.</p>
	18.01	<p><b>Rzeczpospolita: Orange failed to convince UKE</b> <i>by ziu</i></p> <p>On January 13, 2017, Orange received the 450 MHz band reservation decision from the Office for Electronic Communications (UKE). Orange has 14 days to decide about its course of action.</p> <p>Orange applied for the extension of the reservation expiring in December 2016. According to “Rzeczpospolita” daily, UKE has not reduced the price of PLN 115m recommended in the draft decision. Orange has disputed this price since the very beginning.</p> <p>27K subscribers (60% less than a year before) had Internet access in the CDMA technology in September 2016. Although the reservation of this frequency band had expired, the telecom provides services based on the temporary permits for radio transmitters.</p>

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<p><b>Parkiet: EBOR sold half of the shares of Cyfrowy Polsat</b> by Urszula Zielińska</p> <p>On Wednesday, under the accelerated book-building procedure (the so-called ABB), the European Bank for Reconstruction and Development has placed slightly over 16m shares of Cyfrowy Polsat for PLN 24.25 per share, on average. The exit price is by approx. 14% higher than the price at which the bank took up the shares of Cyfrowy Polsat in 2014.</p> <p>EBOR has not informed about its plans towards the remaining shares of the Company. It informed that it had committed itself not to sell the shares within 90 days.</p> <p>The presence of EBOR in the shareholding structure of Cyfrowy Polsat is the result of support provided by the bank to Zygmunt Solorz in 2011, when a billionaire purchased Polkomtel. At that time, EBOR took up a block of 16% of shares of Plus network for approx. PLN 1bn. After the acquisition of Polkomtel by Cyfrowy Polsat in 2014, EBOR had become the holder of nearly 7.4% of the shares of the satellite platform. Bank has also taken up the bonds issued by Cyfrowy Polsat.</p> <p>At the close of Wednesday's session, the Company's share price dropped below the price in the ABB. In the opinion of Konrad Księżopolski, head of analysts at Haitong Bank, it is too early for investors to interpret the move made by EBOR</p>	<p>19.01</p>	<p><b>Puls Biznesu: Fiber optics are the future</b> Interview with Jean-François Fallacher, CEO of Orange Polska, conducted by Marcel Zatoński</p> <p><i>"Prepaid registration and changes in roaming regulations will be neutral to the market. It is time to focus on investments in infrastructure",</i> said the CEO of Orange Polska.</p> <p>In the opinion of Fallacher, fiber optics is the future of fixed-line Internet access and Orange will consistently invest into the roll-out of its FTTH network in 2017. The plan for 2016 with respect to households connected with such links has been accomplished – there are nearly 1.5m of such households.</p> <p>He believes that the sales trends of the fiber access service are positive. In Q3 2016 alone, over 70% of customers who started using the Orange Fiber, migrated from competitors that is mainly from CATV operators. According to Fallacher, Orange can efficiently compete in big cities. He also emphasized that the support for investments from EU funds under the Digital Poland Operational Program constitutes a great opportunity.</p> <p>The CEO of Orange assesses that operators will not need the 700 MHz band before the years 2020-24.</p> <p>In the opinion of Fallacher, despite big investments of telecoms, there is no room for an increase of prices. <i>"We have a very competitive market both in the mobile and fixed-line telephony segment. However, I don't believe that operators will fight for</i></p>

# Press review



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<p>as a decision based on fundamental premises, e.g. expectation of an increase of interest rates and decrease of the attractiveness of dividend payments by companies listed on the stock exchange. Economists believe that interest rates in Poland will grow in 2018 at the earliest. Książopolski recommended buying shares of Cyfrowy Polsat setting a target price of one share at PLN 27.1.</p>	<p><b>19.01</b></p>	<p><i>customers with prices. Now the operators will rather focus on improving the quality of offered services and customer care, thus – on improving customer loyalty”, said Fallacher.</i></p> <p>Fallacher stated that the reduction of roaming prices was a challenge for the entire sector in Europe. However, he emphasized that there was no indication that users were buying SIM cards, on a mass scale, from operators in the countries where prices are lower.</p>



Press release  
January 18, 2017

## E-sport in TV Polsat's channels

TV Polsat and FRENZY, a company well known to e-sports fans, are expanding cooperation. Fans of virtual competitions will be able to follow live broadcasts of prestigious e-sport tournaments on Polsat Group's sports channels much more frequently. Starting from Thursday, January 19, Polsat Sport News will broadcast matches of the LCS League of Legends and starting from Sunday, January 22, fans will be able to watch the ELEAGUE Counter-Strike: Global Offensive.

Press release  
January 19, 2017

## Over 15 million Poles can use LTE Plus Advanced Internet

LTE Plus Advanced Internet Access Service offered by Cyfrowy Polsat Group is currently reaching over 15 million Poles, with the LTE technology being available to practically all inhabitants of Poland. In Q4 2016 the customers of Plus and Cyfrowy Polsat transferred 152 PB of data, that is 23% more than in Q3 and 63% more than a year earlier. As much as 514 PB of data was transferred during the entire 2016, i.e. 80% more than in 2015.

The coverage footprint of LTE Plus Advanced Internet access service extends over a territory inhabited by over 40% of the country's population, which means that over 15.370 million Poles can use the latest technology. LTE Internet access service offered by Plus and Cyfrowy Polsat is currently available to 99% of Poland's population.

LTE Advanced service from Cyfrowy Polsat Group is provided in two options. The first one involves the aggregation of two 20 MHz carriers in LTE FDD standard which operate in the 1800 and 2600 MHz frequency bands. The second one, in turn, involves the aggregation of the 20 MHz carrier in the 1800 MHz frequency band and 5 MHz carrier in the 800 MHz frequency band.

[More>><http://www.grupapolsat.pl/en/archive/over-15-million-poles-can-enjoy-lte-plus-advanced-internet-access-service>](http://www.grupapolsat.pl/en/archive/over-15-million-poles-can-enjoy-lte-plus-advanced-internet-access-service)

# Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Trade value (kPLN)
2017-01-16	25.80	25.31	25.66	1.02%	8 293
2017-01-17	25.73	25.39	25.65	-0.04%	4 162
2017-01-18	24.87	24.05	24.15	-5.85%	89 081
2017-01-19	24.52	24.20	24.40	1.04%	21 482
2017-01-20	24.52	24.25	24.25	-0.61%	14 279



# Investor's calendar



January 23, 2017	Extraordinary General Meeting
February 21 – March 7, 2017	Closed period prior to the publication of 2016 results
March 7, 2017	Annual report and consolidated annual report for 2016