



# Cyfrowy Polsat IR Newsletter

May 16 – 22, 2016



Media about us	Date	Media about the TMT market in Poland
	16.05	<p><b>Puls Biznesu: Dividends of key important to telecoms</b> <i>by Marcel Zatoński</i></p> <p>Investors expect telecoms to share profits with them. Despite the decrease of the customer base, which occurs regularly for telecom operators, Netia effectively defends its EBITDA. Netia's perception by investors will depend to a large degree on the shareholders' decision regarding the dividend, that is mainly the decision of Zbigniew Jakubas. At the beginning of March, the management board recommended the payment of dividend from last year's profit at the level of PLN 0,2 per share, although finally the General Meeting of Shareholders decided to pay a higher dividend. Cyfrowy Polsat also declared an intention to share profits with investors, although this would happen next year at the earliest. "Returning to the payment of dividend is our most important goal. We need to reduce the debt to EBITDA ratio below 3.2, and also – generate PLN 1.2-1.4 bn cash flows," says Tomasz Szeląg, CFO of Cyfrowy Polsat.</p> <p><b>Rzeczpospolita: First new DVB-T channels in September</b> <i>by ele</i></p> <p>A DVB-T package with new channels should be launched at the end of the year. The Polish Chamber of Electronic Communications has already presented the details of Zoom.tv HD, which intends to focus on local matters. The launch of this channel is planned on September, 15th. At the same time preparations of WP1 – a channel belonging to Wirtualna Polska</p>

# Press review



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	16.05	<p>Holding, are underway. “We are negotiating an agreement with Emitel and investing into employees and a new TV studio,” said Jacek Świdorski, CEO of WPH. The channels should be launched by the end of this year. Metro TV of Agora should also be launched in Q4. CEO of the company states that it will be difficult to generate revenues this year, and the costs should amount to PLN 20-30m during 4-5 years. The channel is supposed to reach a 1% share in viewership and profitability threshold in that time perspective. The launch might be delayed due to the appeal proceedings in the Office of Electronic Communications.</p>
	17.05	<p><b>Puls Biznesu: UKE wants to introduce pro-consumer changes in the prepaid segment</b> <i>by mzat</i></p> <p>In Poland there are over 30 million registered prepaid SIM cards. As a standard among all the telecom operators, the account validity period is not long and once paid, the fee cannot be recovered. The Office of Electronic Communications does not like this.</p> <p>“Some companies use the customers’ fear of losing a possibility of using the phone to exert pressure on them forcing them to more frequent account top-ups. Such behavior deforms the essence of functioning of services on the prepaid services market and should be regarded as unjustified,” claims UKE.</p> <p>Return of the unused portion of the prepaid fee functions, among others, on the German and Slovakian markets. UKE appeals to the operators to introduce pro-consumer changes.</p>



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<p><b>Rzeczpospolita: Euro 2016 without record-breaking results?</b> <i>by Magdalena Lemańska</i></p> <p>Experts estimate that the advertising revenue during Euro 2016 will reach the level of PLN 40-50m. Most of this amount will be received by Polsat. According to SMG Polska experts, the level of revenue might grow, if Poland qualifies to the play-off phase of the championships, as a result of the differentiation of prices for this stage of the championship. Each play-off phase with the participation of our national team may bring an additional PLN 4m to be divided between TVP and Polsat. However, Telewizja Polska will get a smaller portion of this amount, because it will broadcast only 11 matches vs. 24 matches broadcast by Polsat. This is also due to the prices, which differ substantially between these two stations. It is estimated that this year's Euro 2016 Finals will attract a similar audience as the Euro 2012, however this year there will be a possibility of watching it in the Internet and on mobile devices. Cyfrowy Polsat already announced the prices for access to Polsat Sport 2 HD and Polsat Sport 3 HD channels, where all the matches will be shown. The packages cost from PLN 79 to 99. Some CP customers will get free access to this package.</p>	18.05	
	19.05	<p><b>Puls Biznesu: Netia has a problem with TK Telekom</b> <i>by mzat</i></p> <p>Representatives of trade unions in TK Telekom informed about entering into a collective dispute (industrial action) with the employer. Netia informed that they demand PLN 150 salary</p>



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	19.05	<p>increase for each employee and a cease of employment reduction. The headcount in TK Telekom dropped from approx. 500 FTE's at the beginning of 2015 to 316 active FTE's at the end of March 2016.</p> <p>In its statement, the management board of TK Telekom informed that proposals regarding changes of remuneration, which into account the expectations of the trade unions, have been presented, however there are still some discrepancies regarding detailed solutions.</p> <p>In Q1 2016, Netia had PLN 390.5m of revenue, just by 1.5% more than a year before, when its structure did not include TK Telekom. Margins and profits also decreased as compared to the previous year.</p> <p><b>Parkiet: Twice as much time and money</b> <i>by ziu</i></p> <p>The management board of Netia increased the amount, which the company may use for the buyback of its shares from PLN 50m to PLN 100m, while at the same time extending the time during which they may be purchased by nearly a year, until May, 21st 2017. Netia may buy back up to 20% of its own shares at the maximum price of PLN 5.1.</p> <p>So far, Netia has bought back from investors the shares constituting 0.8% of its equity for slightly more than PLN 13.2m.</p>

Press release  
May 17, 2016

## UEFA European Football Championship 2016 in the biggest online television - IPLA

All 51 matches of UEFA EURO 2016 live, without advertisements and in HD quality can be watched in the IPLA EURO 2016 package at the price of PLN 99 on two channels broadcasting 24 hours per day – Polsat Sport 2 and Polsat Sport 3. IPLA users, during 31 days of the UEFA EURO 2016 tournament, will find exclusive contents, live matches, full matches after the match finished, the total of 200 hours of broadcasts and live comments, pre-game studio hosted by the best football journalists and experts and many other sport attractions! It will be possible to watch the tournament both at home and outside it – on the notebook, tablet, smartphone or in Smart TV.

Press release  
May 17, 2016

## Great football on small and big screen in Plus!

Subscribers of Plus network will be able to follow the biggest football event this year with the participation of the Polish national team. Already from May 17<sup>th</sup>, FOOTBALL 2016 in IPLA service will be available in special promotions. The package will include matches of the Football European Championship broadcasted on two channels, which will show all 51 matches live broadcasting 24hours a day, without advertisements and in HD quality– Polsat Sport 2 and Polsat Sport 3. FOOTBALL 2016 in IPLA service will be available to all users of JA+ Subscription and JA+ INTERNET LTE price plans, and for new customers, customers porting numbers and extending contracts it will be available in selected tariffs for free!

Press release  
May 18, 2016

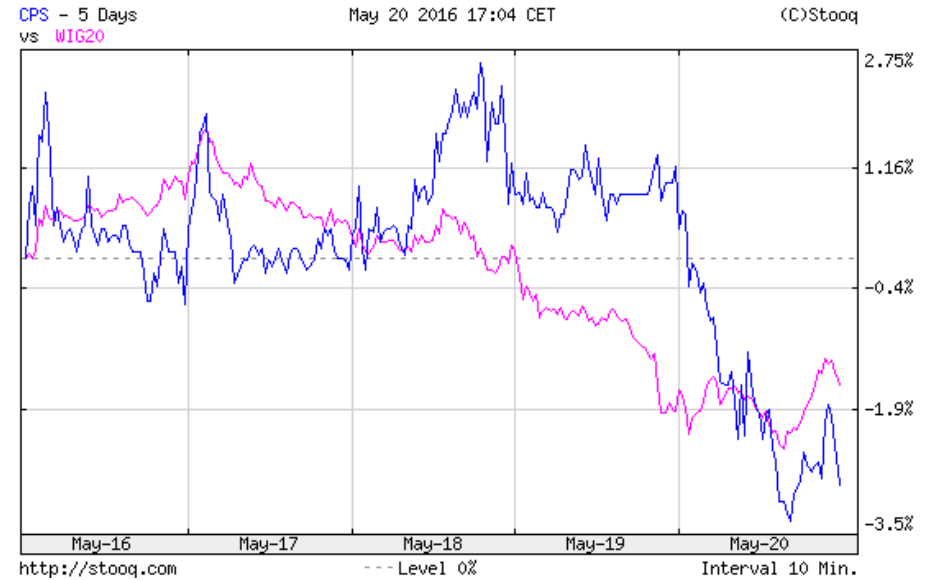
## Plush na Kartę (prepaid offer) – the cheapest prepaid offer on the market for customers porting their numbers!

„No consequences” for PLN 14.50! It is Plush offer for customers porting numbers, including: big data pack up to 10 GB, Facebook for free, that is without any limitations plus unlimited calls and SMSs to mobile numbers! Customers porting their number to Plush will receive 50% discount for the selected package for the first three months of the offer.

# Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Trade value (kPLN)
2016-05-16	23.45	22.75	22.75	0.84%	5 097
2016-05-17	23.37	22.82	22.86	0.48%	5 344
2016-05-18	23.55	22.78	23.20	1.49%	7 681
2016-05-19	23.27	22.96	23.19	-0.04%	5 381
2016-05-20	23.13	22.02	22.19	-4.31%	16 360



# Investor's calendar



August 11 – 25, 2016

Closed period prior to the publication of H1 2016 results

August 25, 2016

Consolidated semi-annual report for the 1st half of 2016  
Closed period prior to the publication of H1 2016 results