



# Cyfrowy Polsat IR Newsletter

October 17 – 23, 2016



Media about us	Date	Media about theTMT market in Poland
	20.10	<p><b>Puls Biznesu: Cable giant bets on Internet access</b> <i>by Magdalena Wierzchowska</i></p> <p>Liberty Global, the owner of UPC, has signed a preliminary agreement of purchase of Multimedia Polska for PLN 3 bn. The merger of UPC and Multimedia will be a milestone in the consolidation of the cable market, already discussed for years. “The acquisition of Multimedia will enable us to invest more effectively in the development and coverage of our services, thus stimulating competition and increasing the quality of products offered,” says Frans-Willem de Kloet, the CEO of UPC Polska. Thanks to the merger, UPC will be able to compete better on the ISP market which will be the main source of Liberty’s revenues in Poland.</p> <p>Multimedia Polska, the no. 3 cable TV operator in Poland, has 1.6 million households within its coverage footprint. UPC is the leader with 3.1 million households. The merger will enable the company to increase the number of households with access to its services to over 4 million. The merged company will have a 40% market share in Poland and will jump to the 5th spot in the electronic communications industry, with 2.2m customers and PLN 2.2 bn in revenue.</p> <p>The sale of Multimedia has not covered the operator’s activities in areas other than telecommunications (e.g. sale of electricity or gas). The transaction should be finalized in 12 months. The anti-monopoly office’s approval will be crucial.</p>

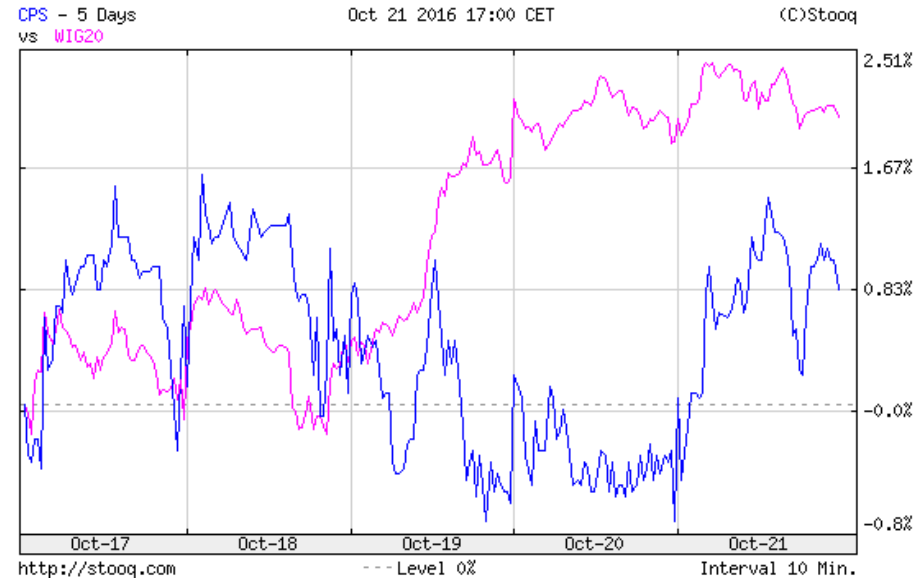
Media about us	Date	Media about the TMT market in Poland
	20.10	<p><b>Rzeczpospolita: "Sell" Orange</b>  <i>by jmys</i></p> <p>Experts from DM BZ WBK brokerage house reduced the target price for Orange Polska shares down to PLN 5.25, from PLN 5.30 earlier. At the same time, they maintained their "sell" recommendation. In the analysts' opinion, Orange will continue to demonstrate a very strong decrease of EBITDA margin in Q3 2016. They expect the margin to decrease by 3 pp., down to only 29%. What is more, the net debt to EBITDA ratio could exceed 2.2x (the official target), thus putting in doubt the company's ability to maintain its (midterm) dividend goal of PLN 0.25 per share.</p> <p><b>Rzeczpospolita: Cellnex is looking at our telecommunication masts</b>  <i>by ziu</i></p> <p>Cellnex Group of Spain, which invests into infrastructure, including in particular telecommunication towers which it purchases from operators, is looking for development opportunities in Poland. Javier Valle, responsible for Cellnex's development abroad, has admitted that as of today potential sellers are not interested. Other entities, including American Tower, Alinda – the owner of Emitel, or Electronic Control Systems, being part of Abris portfolio, are interested in the purchase of mobile masts in Poland. So far none of Polish mobile networks has put its resources up for sale.</p>

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	21.10	<p><b>Rzeczpospolita: Strong decline of prepaid card sales</b> <i>by Urszula Zielińska</i></p> <p>According to Rzeczpospolita daily, sales of prepaid SIM's at newsagents' and other outlets has decreased by 50-70% compared to the time before the introduction of the so-called anti-terrorist law. The third quarter of this year was the first one when the SIM card registration regulations were in force. The effects of the law could be seen in mobile operators' financial statements for the period.</p> <p>The spokesman of Orange Polska stated that the telecom has already registered more than half of its active prepaid SIM's. The data was received with disbelief among competitors, which suggests that they have not achieved such good results. Analysts expect a change in the structure of the prepaid segment, but they rather do not expect a sharp drop of the total number of SIM's at the end of September. Operators have time until the end of January 2017 to register all SIM's.</p>

# Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Trade value (kPLN)
2016-10-17	24.13	23.51	23.92	0.34%	5 983
2016-10-18	24.15	23.70	23.77	-0.63%	6 765
2016-10-19	24.00	23.53	23.58	-0.80%	6 578
2016-10-20	23.84	23.55	23.55	-0.13%	3 433
2016-10-21	24.13	23.62	23.95	1.70%	5 879



# 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
November 10, 2016	Extraordinary General Meeting
December 1 – 2, 2016	WOOD's Winter in Prague

