



Cyfrowy Polsat IR Newsletter

18 – 24 September 2017



Polska Agencja Prasowa
19 September 2017

UKE granted Orange Polska an access deficit payment in the amount of PLN 92.6m for the years 2006-2007
by kuc/asa/

The Office of Electronic Communications (UKE) issued a decision about granting an access deficit payment for the years 2006 and 2007 related to the costs of provision by Orange Polska of services included in the so-called universal service. UKE added that the need to reconsider the case resulted from the final rulings of the Voivodship Administrative Court.

The President of UKE decided that the company is entitled to an access deficit payment to services provided within the universal service, including the service of providing information about phone numbers and directory services (almost PLN 20m) as well as the public payphone service (almost PLN 73).

As stated in UKE's announcement the "*decisions are final and constitute the basis for determining access deficit payment amounts for individual telecommunication companies in the next decisions issued by the President of UKE.*"

Rzeczpospolita
20 September 2017

Television will lose against Internet
by Magdalena Lemańska

Latest forecasts of PwC indicate that at the end of this year the Polish media and entertainment market will be worth nearly USD 10.1bn, and in 2021 its value will reach nearly USD 11.5bn. The market should grow each year by 3.3% on average (slower than the global market with an estimated growth rate at the level of 4.2%). However, growth will not be driven by the biggest medium, which is still television, for which the estimates of advertising growth are very modest (an average annual growth rate of 0.8% between 2017 and 2021).

In 2016, the television advertising market in Poland was valued at USD 896m, and in 2021 the entire segment will reach the value of USD 932m. At the same time, a double-digit growth rate of the Internet advertising market will increase its value from USD 838m in 2017 to USD 1.5bn in 2021. Due to the aforementioned trends, PwC forecasts that the value of advertising in the Internet in Poland will exceed the value of the television advertising already this year or next year at the latest. This will also be driven by the growing number of online television channels.

In the opinion of PwC experts, online TV offered by the biggest broadcasters and IPTV will record the fastest growth. The market of online video services in Poland will grow at the average rate of 12.2% per annum between the years 2017 and 2021, thanks to which it will increase its value from ca. USD 90m to USD 160m. In the opinion of PwC experts, traditional pay TV and online services will be rather complementary to each other than competitive.

Parkiet
23 September 2017

New partnership will ensure new customers

by ele

P4 and UPC Polska have signed an agreement concerning cooperation in the area of provision of telecommunication services. "Under this cooperation, Play will act as an infrastructure operator (MNO) to UPC that will be able to provide mobile services as a mobile virtual network operator," as stated in the report. *"Cooperation with UPC means the continuation of Play's strategy of effective reaching to new customer segments through the cooperation with virtual network operators, in particular cable TV operators, for whom mobile services are a natural complement to their to-date bundled offers,"* commented Play's CEO, Jorgen Bang-Jensen in the press release.

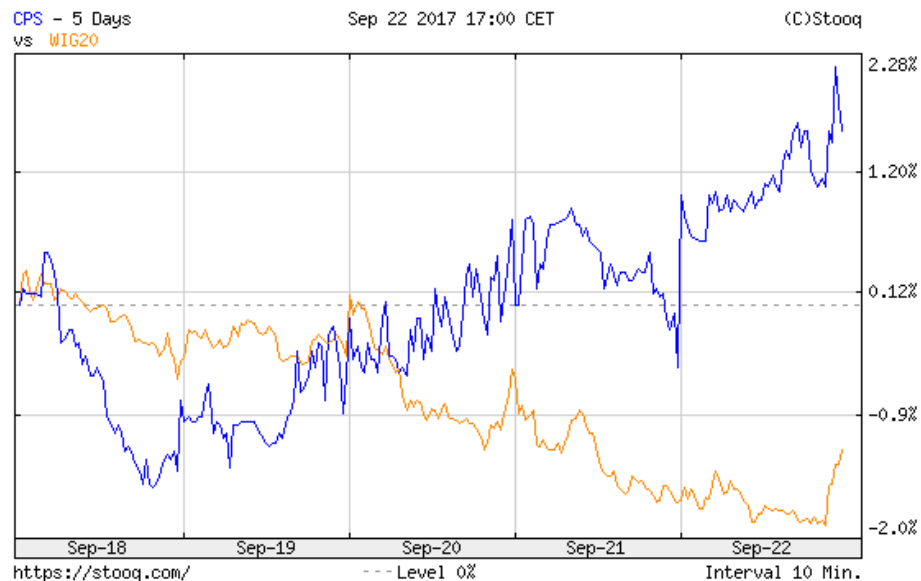
According to Konrad Książopolski, head of the CEE Equity Research team at Haitong Bank, the decision is beneficial to both operators, due to the fact that currently they are not direct competitors. Cooperation with Play enables UPC to expand its bundled offer and upsell mobile services to its current customers in order to support ARPU and increase customers' loyalty. For Play this cooperation opens the possibility to extend its customer base – Książopolski emphasizes that a positive impact on further growth of Play's SIM card base will depend on, among others, the number of those UPC customers who use Play's services and those who have services with other operators.

In the opinion of Książopolski, the cooperation between UPC and Play will pose a threat to Orange Polska and T-Mobile due to the fact that the mobile offer of the latter two operators is over-represented in bigger cities.

Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Turnover (mPLN)
2017-09-18	26.08	25.31	25.54	0.00	9.08
2017-09-19	25.76	25.35	25.60	0.23	6.38
2017-09-20	25.98	25.60	25.98	1.48	5.39
2017-09-21	26.04	25.62	25.62	-1.39	3.62
2017-09-22	26.36	25.78	26.20	2.26	4.68



Investor's calendar



11 October 2017	Erste Group Investor Conference 2017 in Stegersbach
16 October – 9 November 2017	Closed period prior to the publication of Q3 2017 results
9 November 2017	Publication of the quarterly report for Q3 2017

