



Cyfrowy Polsat IR Newsletter

September 19 – 25, 2016



Media about us	Date	Media about theTMT market in Poland
	19.09	<p>Rzeczpospolita: Pay TV's position unthreatened but on-line video growing faster <i>by Magdalena Lemańska</i></p> <p>PwC forecasts that the value of the on-line video market in Poland will increase from USD 1.77 bn to nearly USD 1.8 bn between 2015 and 2020. A saturated market and the fast growth of digital terrestrial TV will cause a decrease of the number of Polish households with access to pay TV from 10.8m to 10.7m between 2016 and 2020. But saturation with on-line TV services will increase from 70.7% to 72.9%. The number of IPTV service subscribers will grow (average annual growth by 9.7%), as will the digital cable TV subscriber base (average annual growth by 6.2%).</p> <p>On the saturated market in Poland the biggest operators are looking for new ways of attracting new customers and increasing their loyalty. According to PwC, the growth of the home video on-line segment will be faster in Poland than elsewhere in the world, reaching an average annual growth rate of 18.4%. PwC estimates that the revenues from OTT services provided in Poland will increase from USD 66m to USD 152m between 2015 and 2020.</p>
<p>Rzeczpospolita: "Accumulate" Cyfrowy Polsat <i>by jmys</i></p> <p>Experts from DM BDM brokerage house have increased the target price for Cyfrowy Polsat shares to PLN 26.36, from PLN 24.65. Their recommendation continues to be "accumulate." On Tuesday the company's shares traded at</p>	21.09	<p>Rzeczpospolita: Netflix fully in Polish. Starting cooperation with T-Mobile <i>by Magdalena Lemańska</i></p> <p>US-based Netflix started the introduction of its local versions from the Polish market. Netflix also entered into cooperation with T-Mobile. The mobile operator will develop a promotion which will</p>

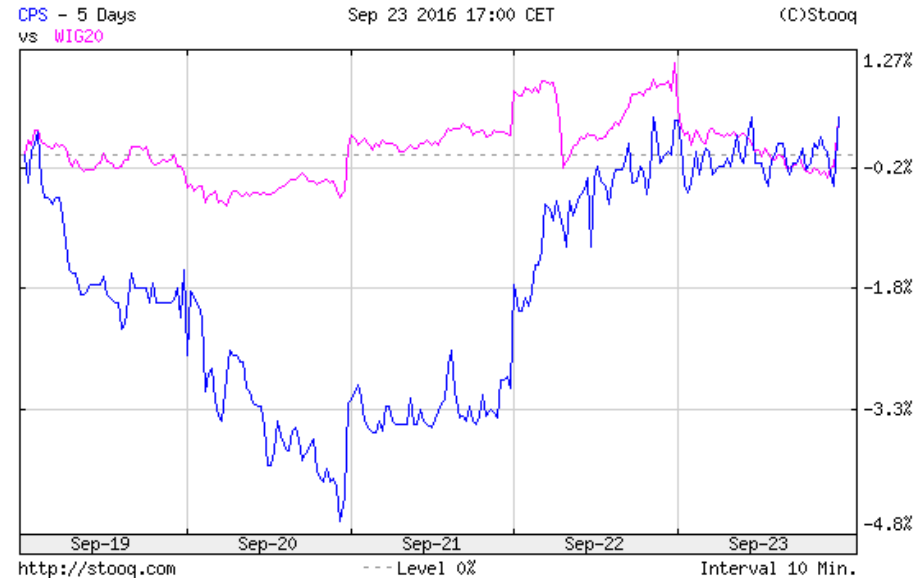
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<p>around PLN 24.30. The reason behind the analysts' positive outlook are the prospects of EBITDA generated by the segment of residential and business customers returning to a growth path as early as 2017. They assume that the factor behind the improvement will be better monetization of customers. The approaching prospect of dividend payments in the coming years is yet another factor speaking in favor of Cyfrowy Polsat.</p>	<p>21.09</p>	<p>enable the fees for Netflix services to be paid together with a phone bill. This is intended to solve the problem of those, who are not credit card holders. The share of the content with Polish subtitles or the Polish-language version is increasing – at present as much as 80% of the content offered by Netflix has a Polish language version. Next year Netflix will start cooperating with UPC Polska. It will become possible to log on to the platform from the STB level and to watch films via one's home cinema system.</p> <p>Reed Hastings, the CEO of Netflix, announced that the programming offer of Netflix will improve with time. Since the launch of Netflix in Poland, the volume of available content doubled but it is still smaller than the US offer (for the same monthly fee). First Polish productions, stand-ups and movies are now available in Netflix. As the survey performed by MEC media house indicates, Netflix has around 500 thousand users in Poland, however the company does not publish any official data.</p>
<p>Dziennik Gazeta Prawna: More TV in our cinemas by <i>Barbara Sowa</i></p> <p>Cyfrowy Polsat has launched a new strategy of investing into cinema productions which is being implemented as an element of Agnieszka Odorowicz's Strefa Twórców (Artists Zone) program. Odorowicz has assured that film production is a long-term project which will offer tangible benefits to Polsat, the artists, the market and the viewers. So far four out of the 250 submitted proposals have been selected. The selected productions which will come to cinemas during the</p>	<p>22.09</p>	<p>Rzeczpospolita: End of roaming surcharges in the EU by <i>Anna Słojewska</i></p> <p>The European Commission's proposal provides for the rates for the calls made while roaming on the territory of the European Union to be equalized with domestic rates. If accepted by the EU Council and Parliament, the new regulation will take effect from June 2017. The details are yet to be finalized in negotiations with other law-making bodies and published as a final decision by December 16, 2016 at the latest.</p> <p>To protect operators against fraud, EU has introduced a fair usage</p>

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<p>next two years include a biopic of actress Anna Przybylska, Lukasz Palikowski's movie "Podwójny ironman" (Double Ironman) and a romantic comedy. Polsat TV and the company's Internet offer will be enriched by a 13-episode cartoon based on a cult comic strip series "Wilq Superbohater" (Wolf Superhero). In the future the TV station will invest not only in co-productions but also in its own projects, as well as in professional distribution and promotion.</p> <p>In the opinion nc+ digital satellite TV platform's director responsible for movie channels, Polish viewers very willingly watch Polish productions, both movies and TV series. The platform wants to support production of 6 to 10 movies per year while from 2018 it will be also producing 2 TV series per year.</p>	22.09	<p>clause. Should excessive roaming activity be discovered, an operator will be entitled to charge additional fees. The European Commission proposes the following fees: 0.04 euro per minute of a voice call, 0.01 euro per SMS and 0.0085 euro per megabyte of data. The clause is intended to prevent a situation where a consumer will be looking for a cheaper carrier irrespective of the place of his residence. There still exist enormous differences between domestic rates in respective EU countries.</p> <p>PAP: Only half of over 20 million prepaid cards could be registered, according to Stempniewicz from OEX <i>by gsu/jtt/</i></p> <p>According to Rafał Stempniewicz, a board member of OEX, the company running the biggest sales network for mobile operators in Poland, only half of the 20 million prepaid SIM cards could be registered. In July and August OEX registered 0.2 million SIM cards, with several percent of customers migrating to postpaid offers.</p> <p>The anti-terrorist law took effect in Poland at the beginning of July. According to the new law, the SIM's purchased before July 25, 2016 which will not be registered by February 1, 2017, will be deactivated by operators. Stempniewicz is of the opinion that the registration duty will result in a "clean up" of the prepaid statistics. He expects gigantic traffic [related to registration] at the end of the year.</p> <p>At the end of Q2 2016 OEX operated 287 stores, including 71 for Plus, 72 for T-Mobile and 144 for Orange. Overall OEX has a 14.4 percent share in the number of T-Mobile, Orange and Plus stores.</p>

Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Trade value (kPLN)
2016-09-19	25.45	24.71	24.91	0.57%	4 700
2016-09-20	24.91	24.02	24.46	-1.81%	10 684
2016-09-21	24.70	24.21	24.51	0.20%	5 437
2016-09-22	25.47	24.70	25.43	3.75%	8 897
2016-09-23	25.59	25.17	25.44	0.04%	8 389



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