



Cyfrowy Polsat IR Newsletter

October 19 – 25, 2015



Media about us	Date	Media about the TMT market in Poland
	19.10	<p>Rzeczpospolita: Huge Internet competition coming up <i>by ziu</i></p> <p>According to information obtained by “Rzeczpospolita” daily, a second competition for funding of investments in access networks under the Programme “Digital Poland”, worth EUR 1bn, will take place in 2016 and its value will most likely reach PLN 3bn. Interest in the competition is considerable, both on the part of small and medium Internet service providers, as well as the biggest ones – such as Orange Polska.</p> <p>“Digital Poland” Operational Programme is designed to support the deployment of high-speed Internet (the so-called NGA) with data transfer speed from 30 Mb/s up.</p>
	20.10	<p>Rzeczpospolita: Orange happy with the auction <i>by Urszula Zielińska</i></p> <p>Orange Polska obtained two out of five blocks of 800 MHz and three blocks in 2600 MHz frequency band in the LTE auction. In total the company will pay nearly PLN 3.17bn for the reservation of frequencies for the next 15 years. The management of the company believes that the results of the auction are good news for the telecom. So far, Orange has been the only operator in Poland without frequencies necessary to provide high-speed mobile Internet in LTE technology.</p> <p>P4 (Play network), T-Mobile and NetNet (associated with Cyfrowy Polsat Group) acquired one 800MHz block each. P4 will pay a total of PLN 1.72bn for the frequencies, T-Mobile – PLN</p>

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	20.10	<p>2.14bn, NetNet – PLN 2.04bn, and Polkomtel – nearly PLN 156m. T-Mobile and P4 reserved in issued statements a possibility of initiating legal steps in connection with the doubts related to the regulation adopted by the Minister of Administration and Digitization which finalized this auction. In the opinion of Magdalena Gaj, President of the Office of Electronic Communications (UKE), legal disputes will not interfere with the rollout of the network on the new frequencies. Orange and the head of UKE anticipate that the operators will pay for the reservation of spectrum at the end of this year or at the beginning of the next year. Opinions vary as to whether high prices in the auction will lead to an increase of prices for mobile Internet access.</p>
<p>Rzeczpospolita: „Buy” Cyfrowy Polsat <i>by jmys</i></p> <p>Trigon Brokerage House issued a “buy” recommendation for Cyfrowy Polsat, setting the target price at PLN 28.3. On Wednesday the shares of the company traded on the Stock Exchange at PLN 24.45.</p>	22.10	<p>Puls Biznesu: LTE frequencies conveniently distributed <i>by MZAT</i></p> <p>The Office of Electronic Communications (UKE), responsible for the distribution of the auctioned blocks of frequency, informed that after consultations with market players it determined the scheme of frequency spectrum distribution. Adjacent blocks can be combined, thus increase the throughput capacity of LTE, and as a result improve the quality for the users of mobile Internet. According to UKE’s decision, two first blocks in 800 MHz band will be allocated to Orange. The adjacent block will be allocated to T-Mobile, with which Orange cooperates already using other frequencies, the next block will be allocated to P4 (operator of Play network), and the next one – to NetNet. Sferia already has</p>

Press review



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	22.10	the last block. In the 2600 MHz band the situation is similar: the first free blocks were allocated to Orange, the next three – to T-Mobile, and then four blocks each to P4 and Polkomtel.
	23.10	<p>Puls Biznesu: Low dividend from Orange <i>by MZAT</i></p> <p>The expenditure exceeding PLN 3.1bn, related to the purchase of LTE frequencies, will increase the debt level of the telecom. The management board of the company anticipates that at the end of 2015, the ratio of net debt to EBITDA will equal to ca. 1.9-2.0, thus exceeding the assumed level of 1.5. At the same time the management board will recommend a dividend payment in 2016 in the amount of PLN 0.25 per share. This year Orange paid a dividend of PLN 0.5 per share. The company announced that a medium-term strategy will be presented in February 2016.</p> <p>In Q3 2015, Orange Polska had PLN 2.97bn of revenue, less by 2.4% compared to the previous year, mainly due to the shrinking of the fixed-line business. Revenue from mobile services remained at the similar level, which is the effect of, among others, a significant growth of the number of customers (growth by over 100k up to 15.69m) and additional revenues from the sale of equipment. EBITDA profit decreased by 140m, to PLN 0.93bn, and the margin decreased by 3.8 percentage points, to 31.3%.</p>

Press release
October 19, 2015

IPLA extends cooperation with VIACOM International Media Networks

Users of the largest online TV IPLA received even more channels, kids shows and entertainment programs. Without any price change, 11 TV channels were added to the offer, including as many as 8 channels from the VIACOM International Media Networks (VIMN) portfolio. Furthermore, users of IPLA, as the first viewers in Poland, acquired access to the contents of Comedy Central Extra – a new VIMN brand on the Polish market.

Muzo.tv, Disco Polo Music, Polsat 2 and 8 new channels from the offer of VIACOM International Media Networks: Nickelodeon, Nickelodeon HD, Nick Jr., MTV Polska, MTV Live HD, VH1, MTV Hits and MTV Dance, appeared in the IPLA offer. That is not all – IPLA also extended its portfolio with new seasons of most popular programs, kids shows and series, including for the first time in Poland – content from the Comedy Central Extra portfolio.

Press release
October 19, 2015

Channels of Telewizja Polsat on MUX 8 planned as fully adjusted for people with seeing and hearing disabilities

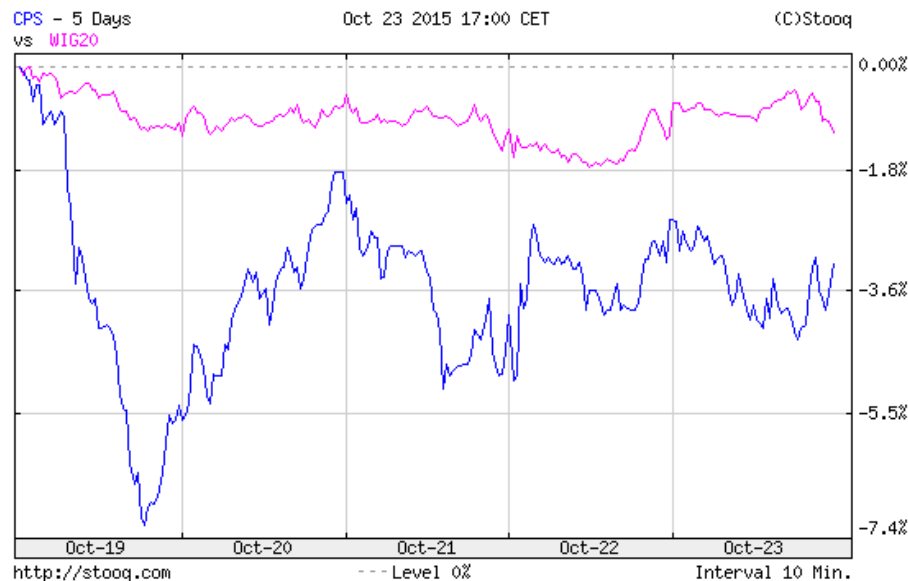
Telewizja Polsat in its applications submitted to the National Broadcasting Council (KRRiT) for Polsat Show, Polsat Vita and Polsat Evo channels for MUX 8 of digital terrestrial television committed itself to prepare all the broadcasted content in a manner enabling their reception for people with seeing and hearing disabilities. This means that as the first and only broadcaster in Poland, Telewizja Polsat is making commitments going far beyond the legal requirements of the European Union and Poland.

Telewizja Polsat also declared in its applications a very high share of Polish and European programs and full program variety (several programming categories) in the contest for MUX8.

Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Trade value (kPLN)
2015-10-19	25.65	23.74	24.23	-4.98%	15 771
2015-10-20	25.30	24.05	25.20	4.00%	35 565
2015-10-21	25.15	24.25	24.45	-2.98%	18 715
2015-10-22	25.00	24.27	25.00	2.25%	12 771
2015-10-23	25.02	24.50	24.81	-0.76%	11 087



Investor's calendar



October 29 – November 12, 2015	Closed period prior to the publication of Q3 2015 results
November 12, 2015	Publication of the consolidated quarterly report for Q3 2015