



Cyfrowy Polsat IR Newsletter

February 20 – 26, 2017



Media about us	Date	Media about the TMT market in Poland
	20.02	<p>Rzeczpospolita: Mobile giants have not reached out for EU billions for Internet access <i>by Urszula Zielińska</i></p> <p>57 companies who want to roll out fiber-optic networks have applied for funding in the amount of PLN 3.2 bn offered in the second contest for EU funding from axis no. 1 of the operational programme Digital Poland. The majority of the participants are small and medium-sized enterprises. Applications have also been filed by Orange Polska, who has decided to roll-out a fiber-optic network instead of a radio network, and also by Netia. Mobile operators have not entered the contest.</p> <p>Puls Biznesu: UPC wants to chase Orange <i>by Magdalena Wierzchowska</i></p> <p><i>“Consolidation of the fragmented cable network sector will continue. The acquisition of Multimedia is a symptom of Liberty’s increased interest in Poland, as well as in Central and Eastern Europe. We are analyzing various possibilities. We are always open to partnerships, also in the area of mobile telephony. Potential further transactions will enable us to reduce the huge gap that currently separates us from Orange,”</i> says Frans-Willem de Kloet, the CEO of UPC Polska.</p> <p>UPC is winning the battle for customers in cities with its biggest competitor, Orange, thanks to the wider array of TV services offered, as well as the Horizon Go service. It also wants to launch the Replay TV service. The company has a clearly defined strategy, which differentiates it from Orange, as its focuses on telecommunication and media services. A relaunch of the mobile offer is planned by the</p>

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	20.02	<p>end of the year but it will still continue to be a supplementary service added to the package.</p> <p>Growing competition in the area of infrastructure is aligned with the growing supply from content providers. Showmax VOD service has just taken off on the Polish market. UPC has an agreement with the competing Netflix. De Kloet is of the opinion that it is an opportunity for UPC because customers will need an aggregator of content provided by VOD services.</p> <p>A fierce struggle for customers, combined with increased capital expenditures, is putting greater pressure on operators' margins. That is why the industry is sending increasingly frequent signals suggesting possible price increases.</p> <p>At the end of 2016 UPC had 1.44m customers (down by 3K during the year) who were using 2.95m services (+106K RGUs during the year). The company's revenue was PLN 1.543 bn, compared to PLN 1.502 bn in 2015.</p>
	22.02	<p>Pap: Orange won't withdraw from offering traditional voice services in the near future</p> <p><i>by Jakub Kaczmarczyk</i></p> <p>"Orange Polska has no set future date for discontinuing traditional voice services. Traditional fixed-line phones and public branch exchanges will continue to disappear successively but total migration to an all-IP network will not occur during the next five years," the company's CEO, Jean-François Fallacher, informed PAP Polish Press Agency.</p>

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	22.02	<p>At the end of 2016 Orange Polska had 3.93m customers using fixed-line voice services, including 3.27m using POTS, ISDN and WLL, and 0.66m using VoIP technology.</p> <p>Rzeczpospolita: Another year of decline in fixed-line Internet access <i>by Urszula Zielińska</i></p> <p>In spite of investments made by Orange Polska, UPC Polska and Netia, the number of fixed-line Internet access services in Poland declined in 2016 once again. According to Orange's estimates, in December 2016 the service was used by 7.21m households, i.e. 30K fewer than in December 2015. Traditional telephone operators have continued to lose customers in favor of cable networks, as well as cellular networks offering mobile LTE access.</p> <p>In 2017 fixed-line services will continue to feel the pressure from both cable networks, and mobile networks. This year UPC will offer Internet access with a transfer rate of up to 500 Mbps to its residential customers, while Orange offers up to 300 Mbps on its fiber-optic lines. There are no indications that mobile operators might increase the prices for their mobile Internet access packages offered for homes, which are currently cheaper than fixed-line access. However, fixed-line operators will be losing customers at a much slower pace thanks to upgrade of their networks and increased coverage footprint.</p> <p>Audytel advisory firm estimates that the entire fixed-line Internet access market (including B2B) was worth PLN 5.5 bn in 2016 and expect4ed that this value will increase to PLN 6.35 bn in 2023. During</p>

Press review



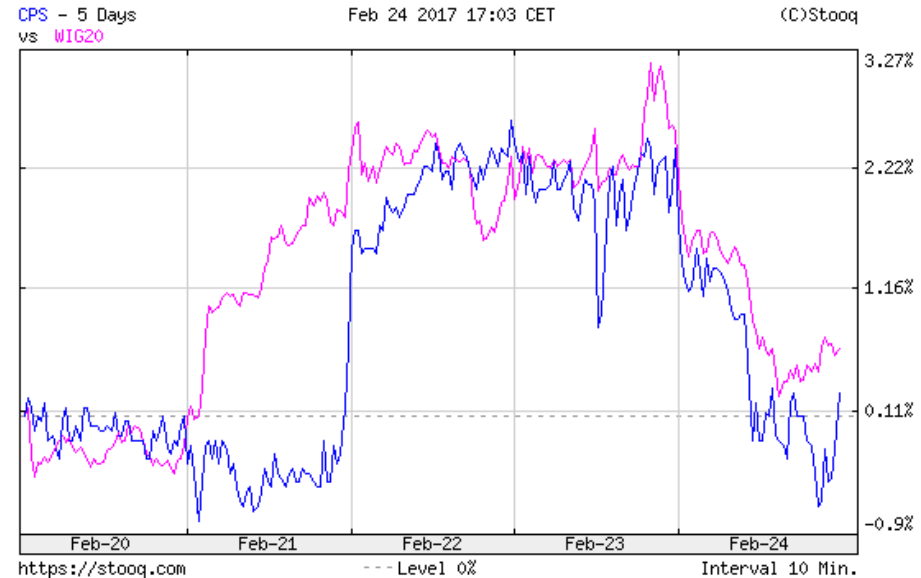
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	22.02	<p>this period the number of fixed-line Internet access services will grow from 8.37m to 9.75m, with the biggest growth seen in the fiber-optic technology (from 420K in 2016 to 3.1m in 2023).</p> <p>According to forecasts, prices of fixed-line Internet access may decrease from PLN 55.9 monthly in 2016 to PLN 54.7 in 2023.</p>



Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Trade value (kPLN)
2017-02-20	23.56	23.35	23.45	0.86%	17 093
2017-02-21	23.60	23.21	23.60	0.64%	27 810
2017-02-22	24.09	23.70	24.09	2.08%	13 024
2017-02-23	24.10	23.64	24.03	-0.25%	10 166
2017-02-24	24.00	23.22	23.50	-2.21%	8 644



Investor's calendar



March 2 - 16, 2017

Closed period prior to the publication of 2016 results

March 16, 2017

Annual report and consolidated annual report for 2016