



# Cyfrowy Polsat IR Newsletter

September 21 – 27, 2015



Media about us	Date	Media about the TMT market in Poland
<p><b>Puls Biznesu: Cyfrowy Polsat with a new debt</b> <i>by MZAT</i></p> <p>Cyfrowy Polsat informed that it had concluded a facilities agreement with a consortium of banks granting a term facility of PLN 11.5 billion and a revolving facility up to PLN 1 billion. Together with the bonds with the nominal value of PLN 1 billion, issued in July, the funds will be used to refinance the current debt and significantly reduce debt service costs. Tomasz Szelaąg, CFO at Cyfrowy Polsat, said that the group gained not only interest savings of PLN 380 million per annum, but also greater flexibility and security of operations as well as a simplified debt structure. He emphasized that both the credit facility and the bond issue attracted a lot of interest. The consortium, which granted the term facility to Cyfrowy Polsat, was headed by PKO BP, BZ WBK, ING Bank Śląski and Société Générale.</p> <p>The company will close the refinancing process in January, when it redeems Polkomtel's bonds with the nominal value of PLN 4.16 billion, denominated in EUR and USD. The refinancing will result in the reduction of average interest costs from 6.6% to 3.6%.</p>	<p>23.09</p>	<p><b>Rzeczpospolita: LTE auctions subject to arbitration?</b> <i>by Michał Duszczyk</i></p> <p>Olympia, the Greek entity controlling the major stake of P4, operator of Play network, informed about its dispute with the Polish government in connection with the planned change of the rules governing the ongoing LTE auction. According to Olympia, the draft amendment to the resolution of the Ministry of Administration and Digitization will result in irreversible infringement of interests of P4 and tangible damages up to EUR 500 million (the planned amendment allows to terminate the auction after 115 days). The co-owner of P4 also requested for an amicable settlement under the Bilateral Treaty between Poland and Greece for the Promotion and Reciprocal Protection of Investment. However, if solutions implemented by the Polish government violate P4's rights, the case shall be presented to an international arbitration court. Olympia will also be entitled to seek compensation.</p> <p><b>Gazeta Wyborcza: Four new TV channels</b> <i>by Martin Stysiak</i></p> <p>"Gazeta Wyborcza" daily reported that until now nine broadcasters submitted applications to broadcast on the eight multiplex of digital terrestrial television, among them Telewizja Polsat, Agora, Discovery Networks, Telewizja Puls, Grupa ZPR, Wirtualna Polska, Kino Polska TV, Polska Izba Komunikacji Elektronicznej and Superstacja. Many of them submitted applications to broadcast on several channels simultaneously.</p>

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	23.09	<p>According to the guidelines of the National Broadcasting Council all new channels are to be universal, but have to include programs of a given profile in their programming schedule. The first channel will broadcast films and series, the second is to promote a healthy lifestyle, the third will air programs dedicated to social, economic and cultural development, while the last channel will focus on current affairs of various regions of Poland.</p>
	24.09	<p><b>Puls Biznesu: Experts looking for a way out of the auction stalemate</b>  <i>by Marcel Zatoński</i></p> <p>Given that almost the entire industry sharply criticized the draft resolution of the Ministry of Administration and Digitization, which allows the termination of the ongoing auction after the 115th bidding day, experts from the Digitization Council presented three alternative proposals.</p> <p>The first assumes the termination of the auction after the 115th day without resolving it. In this case the Office of Electronic Communications would get a chance to prepare the procedure anew. According to the second version the available frequency blocks would be divided equally among the bidding parties, which means that Orange, T-Mobile, P4 and NetNet would all get one block from the 800 MHz spectrum and the most determined telecoms would fight for the fifth available block. The third proposal assumes the annulment of part of the last bidding rounds in order to reduce prices to a reasonable level and then</p>

# Press review



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	24.09	continue the process according to currently applicable rules but based on the participants' commitment to submit binding bids under the rigor of losing the paid in deposit.
	25.09	<b>Rzeczpospolita: Telecommunication</b> <i>by pap, ele</i> The Ministry of Administration and Digitization will force its draft resolution changing the rules of termination of the LTE auction. <i>„I have accepted the resolution in our version, it will come into force on October 1,”</i> said minister Andrzej Halicki during the seating of the parliamentary Administration and Digitization Commission.

# Recent events



**Current report no. 42**  
September 21, 2015

**Conclusion of material financial agreements**

More>><http://www.grupapolsat.pl/en/archive/conclusion-material-financial-agreements>

**Current report no. 43**  
September 21, 2015

**Prepayment of credit facilities extended to Cyfrowy Polsat S.A. and Polkomtel sp. z o.o.**

More>><http://www.grupapolsat.pl/en/archive/prepayment-credit-facilities-extended-cyfrowy-polsat-sa-and-polkomtel-sp-z-oo>

**Current report no. 44**  
September 21, 2015

**Initial information regarding the consolidated financial results for the third quarter of 2015**

More>><http://www.grupapolsat.pl/en/archive/initial-information-regarding-consolidated-financial-results-third-quarter-2015>

**Current report no. 45**  
September 25, 2015

**Upgrade of ratings for Cyfrowy Polsat group companies**

More>><http://www.grupapolsat.pl/en/archive/upgrade-ratings-cyfrowy-polsat-group-companies>

**Press release**  
September 22, 2015

**Cyfrowy Polsat Group is refinancing its current indebtedness**

Cyfrowy Polsat Group entered into a facility agreement with a consortium of Polish and foreign financial institutions comprising a term facility of up to PLN 11.5 billion and a revolving facility of up to PLN 1 billion, which, together with Series A unsecured bearer bonds with the total nominal value of PLN 1 billion, issued in July of this year, will be used to refinance the whole Group indebtedness. Both the corporate loan, which is the largest loan in PLN to date, and the bonds issue, substantial in size for the Polish market, will provide the Group with interest savings of PLN 380 million annually.

The executed facility agreement will be utilized in particular in the repayment of the entire indebtedness arising from the senior facility agreement of Cyfrowy Polsat of 11 April 2014, and the repayment of the whole indebtedness arising from the senior facility agreement of Polkomtel of 17 June 2013, repayment of the whole indebtedness under the senior notes issued by Eileme 2 AB (publ), as well as to finance the general corporate needs of the Capital Group.

Press release  
September 22, 2015

The Group's new credit facilities will bear interest at a variable rate equal to WIBOR for the relevant interest period plus the margin. The margin depends on the ratio of the net consolidated indebtedness/consolidated EBITDA and will decrease along with the decrease in the ratio itself. The period of the facility is 5 years from the date of execution of the facility agreement and the final repayment date for each of the facilities is 18 September 2020.

Major benefits arising from the completed refinancing process of the Group are as follows:

- decrease in average interest expenses by approximately 3 percentage points, i.e. to approximately 3.6%;
- significant interest savings of PLN 380 million annually;
- positive change in the currency structure: PLN only;
- diversified sources of financing: banks and Polish bondholders;
- standardized covenants of Cyfrowy Polsat and Polkomtel;
- limited and consolidated collaterals, which may be released when the debt ratio falls below 1.75x;
- increased business and financial flexibility of the Group: lack of constraints on cash flow improves liquidity management,
- greater flexibility with respect to future investments;
- potential positive impact on the Group's rating: increased flexibility and a decrease in interest expenses expected to support perspective of ratings.

More>><http://www.grupapolsat.pl/en/archive/cyfrowy-polsat-group-refinancing-its-current-indebtedness>

# Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Trade value (kPLN)
2015-09-21	23.16	22.72	23.07	0.87%	9 306
2015-09-22	23.48	22.81	23.00	-0.30%	8 506
2015-09-23	23.13	22.83	22.83	-0.74%	8 780
2015-09-24	23.42	22.80	23.15	1.40%	13 831
2015-09-25	23.45	23.17	23.45	1.30%	6 510



# 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