



# Cyfrowy Polsat IR Newsletter

June 22 – 28, 2015



Media about us	Date	Media about the TMT market in Poland
	22.06	<p><b>Rzeczpospolita: The Big Four win the cartel case with Polish antitrust watchdog</b> <i>by Urszula Zielińska</i></p> <p>The Court of Competition and Consumer Protection (SOKiK) repealed in full the decision of the Office of Competition and Consumer Protection (UOKiK) issued in 2011 imposing financial penalties in the total amount of PLN 113m on four telecommunication firms.</p> <p>In November 2011 UOKiK imposed a penalty on Polkomtel, Centertel (currently part of Orange), PTC (currently T-Mobile) and P4. UOKiK argued that due to a collusion between these operators, the company INFO-TV-FM, owner of frequency reservations and a business plan based on those reservations, could not provide mobile TV services in the DVB-H technology. SOKiK concluded that the DVB-H technology was not implemented for objective reasons.</p> <p><b>Rzeczpospolita: Migration of viewers towards the Internet continues</b> <i>by Magdalena Lemańska</i></p> <p>PwC estimated that revenue of services offering online video in Poland will increase from USD 11m in 2014 to USD 29m in 2019. Revenue from video on demand services, provided by operators of traditional television, will also grow dynamically – from USD 149m in 2014 to USD 211m in 2019. According to PwC, the</p>

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	22.06	average annual growth rate of streaming and peer-to-peer services in Poland will reach 20.9%. This growth is fueled by the growing number of tablets used in Poland – from 3.7m by the end of 2014 to the estimated 13.9m in 2019.
	24.06	<p><b>Puls Biznesu: Another CEO says goodbye to Netia</b> by <i>mzat</i></p> <p>Paweł Szymański, who held the position of CEO at Netia since April this year, was dismissed on June 22 by the supervisory board. Reasons behind the dismissal were not disclosed.</p> <p>Szymański will be replaced by Bogusława Matuszewska, member of the supervisory board. She was delegated to perform the duties of CEO for a term not longer than 3 months, effective from July 6. Matuszewska has experience in the industry. She worked at Siemens for many years, she was a management board member at Polkomtel from 2009 until 2011, where she was responsible for sales and IT and later held the position of vice-president of the management board at PGE.</p> <p>Szymański acted as CEO since April 2015, when he replaced Adam Sawicki, who managed the company since June 2014.</p> <p><b>Parkiet: Scripps’s new plans for TVN</b> by Magdalena Lemańska</p> <p>The American group Scripps Networks Interactive will finalize the transaction of acquisition of TVN after the Irish antimonopoly office issues its approval (Southbank, the acquiring party, is a</p>

# Press review



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	24.06	<p>British company operating in Ireland). Scripps wants to acquire all 100% of TVN shares in one tender offer. – We already know the price that we intend to offer and if investors don't accept it, we will acquire as many shares as possible and decide what to do next – says Joseph NeCastro, CDO at SNI. He declined to confirm the tender offer price at PLN 20.</p> <p>In an interview for the daily "Parkiet", NeCastro said that SNI plans to immediately repay only part of Polish Television Holding debt (EUR 300m notes). The repayment of the whole debt would require payment of high premiums.</p> <p>Although Scripps does not plan to launch its own channels, well known from other markets, it intends to introduce its programs and formats to TVN channels. There are no plans to replace TVN brands with Scripps brands. Despite being a company specializing in lifestyle media, Scripps will not interfere with nor will it limit TVN's journalistic programs.</p>
	25.06	<p><b>Rzeczpospolita: Orange tempts with cheaper Internet offers</b> <i>by ziu</i></p> <p>Operator of fixed-line Internet, Orange, introduces lower prices of services nationwide, thus leveling prices across Poland with those marketed in deregulated areas.</p> <p>Under the terms of the promotional offer, Neostrada (broadband internet access) will cost PLN 39 per month under a two year contract. The telecom is defending itself against competitors by offering discounts on mobile subscriptions in</p>



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	25.06	<p>bundles. The fall in retail prices translates into lower by ca. 25% wholesales prices for access to Orange’s infrastructure by its competitors.</p> <p><b>Puls Biznesu: 800/2600 MHz auction: time to say “stop”</b>  <i>by Łukasz Dec</i></p> <p>The frequency auction in Germany was finalized within three weeks. In Poland it is in progress for over 140 days and bids total to almost PLN 4.4bn. Each of the five 800 MHz blocks put up for sale is worth ca. PLN 780m. The rules of the auction are such that no one can force the operators to pay so the auction can continue for a long time. The Office of Electronic Communications does not foresee cancelling the auction.</p> <p><b>Parkiet: Jakubas: Netia needs a strategic leader</b>  <i>by Urszula Zielińska</i></p> <p>Zbigniew Jakubas, chairman of the supervisory board and main shareholder of Netia, said that the telecom’s CEO should be a person from the market familiar with the industry, who will present a vision of the company’s development. He emphasized that he wants to develop the company also through acquisitions. Jakubas assured that the acquisition of TK Telekom by Netia is near closing, the company is waiting for the antitrust watchdog’s approval. At the same time he added that Netia’s short-term, predictable outlook does not include a capital marriage with P4.</p>

# Recent events



**Current report no. 30**  
**June 25, 2015**

## **Cyfrowy Polsat S.A. commences negotiations to obtain refinancing**

The Management Board of Cyfrowy Polsat S.A. (the “**Company**”) announces that on June 25, 2015 the Company and a group of financial institutions commenced negotiations that are intended to provide the Company with financial resources which will enable refinancing of the outstanding indebtedness of the Company and its subsidiaries, including, in particular, under the Senior Facilities Agreement of April 11, 2014 executed, among others, by the Company, under the Senior Facilities Agreement dated June 17, 2013, executed, among others, by Polkomtel sp. z o.o. and under the Senior Notes due 2020, issued by Eileme 2 AB (publ) in accordance with the Indenture dated January 26, 2012.

The composition of the group of financial institutions engaged in the efforts to provide the Company with the said refinancing was not finally established on the date of commencement of the negotiations.

**Press release**  
**June 22, 2015**

## **Record high weekly viewership results of Polsat’s sports channels**

The previous week was the best for Polsat Sport, Polsat Sport Extra and Polsat Sport News in terms of viewership this year. Polsat’s sports channels gathered 75% of the audience of all sports channels broadcasting in Poland.

Polsat Sport recorded weekly audience shares of 1.4% SHR and Polsat Sport Extra – 0.4% SHR. Polsat Sport News also had a growing audience share of 1.4% SHR in the entire surveyed population.

Polsat’s sports channels also outdistanced competition in the commercial group establishing record high weekly audience shares this year. The average audience shares of Polsat Sport, Polsat Sport Extra and Polsat Sport News were 1.2%, 0.4% and 1.1% SHR, respectively.

**Press release**  
**June 25, 2015**

## **IPLA for people with hearing impairment**

In order to accommodate the needs of people suffering from hearing loss or impairment, the largest Polish online television IPLA is developing subtitle accessibility and expanding its library of content with subtitles by adding new positions from the offer of Telewizja Polsat. Currently, IPLA offers close to 500 positions with subtitles, all marked with a special icon facilitating their identification, and this number will continue grow in the future.



# Recent events



**Press release**  
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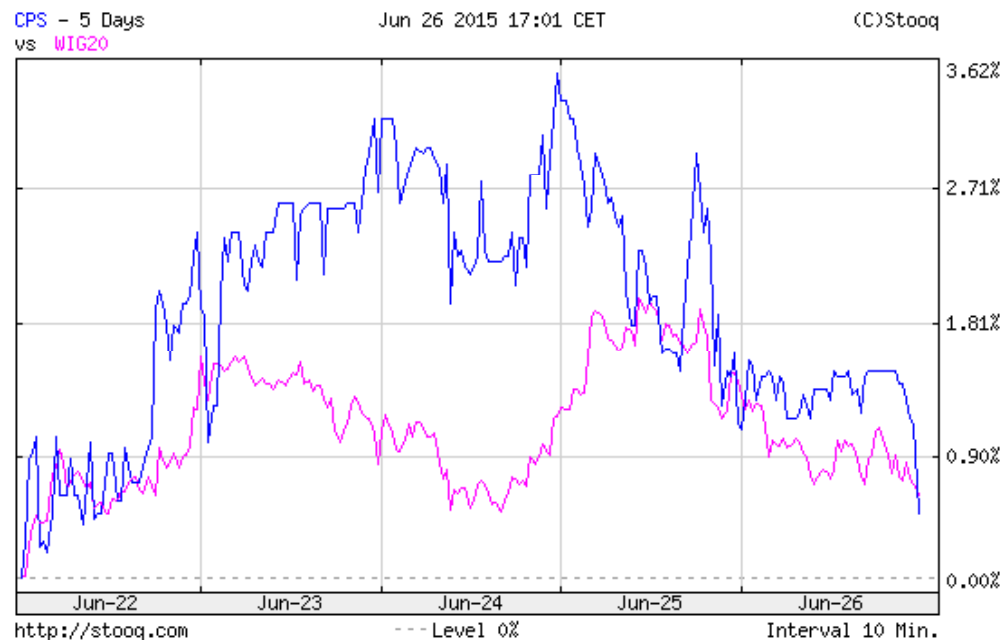
## Over 200 hours of Wimbledon coverage only on Polsat's sports channels

Polsat Sport, Polsat Sport Extra and Polsat Sport News will broadcast over 200 hours of Wimbledon coverage. From June 26 until July 12, Polsat's sports channels will broadcast from 3 to 8 hours of coverage daily. Polsat Sport will broadcast the most important matches played on the central and no. 1 courts, as well as all the matches of Polish players. Polsat Sport Extra will present "The Wimbledon Chronicle", a daily review of the most important events of the tournament of the previous day.

# Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Trade value (kPLN)
2015-06-22	24.60	24.01	24.60	2.84%	2 363
2015-06-23	24.85	24.24	24.67	0.28%	9 187
2015-06-24	24.88	24.41	24.88	0.85%	6 211
2015-06-25	24.84	24.27	24.27	-2.45%	13 297
2015-06-26	24.40	24.10	24.12	-0.62%	6 531





# Investor's calendar



August 12 – 26, 2015	Closed period prior to the publication of H1 2015 results
August 26, 2015	Publication of the consolidated semi-annual report for the 1st half of 2015