

Cyfrowy Polsat IR Newsletter

30 June – 06 July 2014

The press about us

Rzeczpospolita: Cyfrowy Polsat stock upgraded

In their latest report, Unicredit analysts raised the target price for Cyfrowy Polsat shares from PLN 24.5 to PLN 26. Analysts also upheld their „buy” recommendation. On Monday, the company's stock traded at PLN 22.35 on the Warsaw Stock Exchange.

Rzeczpospolita: UBS on television broadcasters

UBS analysts have changed their recommendation on Cyfrowy Polsat stock from „neutral” to „buy”, and from „neutral” to „sell” for TVN shares. At the most recent session, Cyfrowy Polsat shares traded at PLN 22.29, while TVN stock closed at PLN 15.02.

Date

01.07

02.07

The press about TMT market in Poland

Rzeczpospolita: Cheaper holiday calls

Data by the Polish Office of Electronic Communications (UKE) have shown that 2013 was another consecutive year with lower revenue from mobile roaming services (calls, messages and Internet access abroad) for Polish telecoms, a result of further decline of both retail and wholesale prices. Lower revenue was partially offset by rising usage of the services. UKE reports that in 2013 the total volume of call time minutes used was up 45%, while roaming data usage increased by 150%. Operators say that although the trend is visible, the increase in volumes is not high enough to compensate for the revenue decline.

– Roaming traffic has indeed been on the rise over the recent years, but this has not been enough to keep the revenue from going down. However, we should bear in mind that costs have also decreased in that period. The regulation has even proved beneficial in the case of certain services, such as short message services – says Arkadiusz Majewski of the Polkomtel press office.

The press about us

Date

The press about TMT market in Poland

03.07

Rzeczpospolita: Operator drops consolidation plans

Orange has backed out of talks over possible consolidation with other French operators. Crushing hopes of an end to the market's harmful competitive environment, the move has seen the company's shares drop as much as 4.5% and has had a similar effect on other players in the industry. The need for consolidation has been debated in France ever since the country's mobile telephony market gained its fourth operator, Free of the Iliad group, in January 2012. Arnaud Montebourg, the minister of economy, has recently revealed that the French government, which holds a 27% interest in Orange, is planning to reduce the number of operators to three.

Rzeczpospolita: Vectra looking to invest in Netia

Vectra, a Gdańsk-based cable television company controlled by Tomasz Węgrzyński, has announced that it is looking to purchase 33% of shares in Netia, Poland's largest alternative fixed-line operator, paying a total of PLN 609m (PLN 5.31 per share) to the company's investors. Although Tomasz Żurański, the CEO of Vectra, has left no doubt about the investment's purely financial character, saying that Vectra is only interested in Netia's dividend, analysts believe that Vectra should offer more for the shares. They also think that Vectra's true intentions are different, suggesting that the company has some ulterior motive in the deal.

The press about us

Date

The press about TMT market in Poland

03.07

Dziennik Gazeta Prawna: Everyone has a smartphone. Or two.

The number of smartphones in Europe will increase to 765 million by the end of 2019, almost doubling today's figures, Ericsson predicts. This means that the market's saturation will exceed 100%. The trend is also evident in Poland, where smartphone sales have been growing at a rate of several dozen percent annually. According to the Association of Electronic Equipment Importers and Manufacturers, the number of smartphones in Poland will reach 6.58m this year, representing an increase from 5.35 million in 2013. - *Last year in May, smartphones accounted for 55% of all handsets sold on the Polish market. Today this share has risen to 67%* - explains Jerzy Łabuda of Samsung Electronics, adding that the sales of Samsung smartphones have been growing at an average rate of 20–30% annually. The latest survey by TNS Global has shown that 44% of Poles own a smartphone, which represents an increase from 25% in 2012. And so, in terms of market penetration, we have already reached the European average.



Latest events

Press release
July 1, 2014

smartDOM offers even more benefits

smartDOM – the joint offer of Plus, Cyfrowy Polsat and PlusBank – was expanded to include benefits for those taking a cash loan at PlusBank. For every PLN 5,000 of loan clients receive either a 10% discount on a chosen subscription fee or 10% more when recharging in the prepaid system, applicable every month for the entire period of repayment of the loan.

The new bonus related to cash loans can be combined with hitherto benefits enjoyed by those, who use the Plus Account within the smartDOM framework. Cash loans from PlusBank are ranked number 1 in surveys prepared ia. by analysts at portals eBroker.pl or Bankier.pl.

Cyfrowy Polsat shares

Date	Maximum price (PLN)	Minimum price (PLN)	Closing price (PLN)	Change (%)	Trade value (PLN ths.)
30-06-2014	22.50	22.17	22.35	-0.58%	5 264
01-07-2014	22.60	22.21	22.29	-0.27%	7 347
02-07-2014	22.35	21.77	22.00	-1.30%	3 842
03-07-2014	22.20	21.15	21.75	-1.14%	5 752
04-07-2014	21.83	21.46	21.78	0.14%	5 858



Investor's calendar

August 14 - 28, 2014	Closed period prior to the publication of H1 2014 results
August 28, 2014	Publication of the semi-annual report for H1 2014