

Cyfrowy Polsat IR Newsletter

16 – 22 February 2015

The press about us	Date	The press about TMT market in Poland
	16.02	<p>Puls Biznesu: Generous Orange has recovered <i>by mzat</i></p> <p>The shares of Orange Polska gained more than 10% following the publication of Q4 results. It has been above all a reaction to the board's recommendation of payment of a dividend of PLN 0.5 per share. The market feared that the dividend could be reduced in the face of the expenditures related to the LTE spectrum auction. In Q4 Orange generated EBITDA of PLN 894m with revenue of PLN 3.087bn. For the current year the operator forecasts cash flow of PLN 900m and investments in fiber-optic lines (FTTH) at the level of PLN 450m (with the total CAPEX for the year planned at PLN 2bn.). Orange's CEO announced that the company intended to feed the FTTH network to 650 thousand households (today the company has 2.6 thousand customers using FTTH services).</p>
	18.02	<p>Rzeczpospolita: Bright future of pay TV <i>by ele</i></p> <p>ABI Research estimates that at the end of 2014 pay TV services had 924.4m customers worldwide, or 5% more than a year earlier. According to ABI Research analysts, IPTV was the fastest growing segment (up by 14%), followed by satellite platforms, seeing growth of 7%, and cable TVs (ca. 3%). On the one hand, the pay TV businesses are affected by Internet services, such as Netflix or Hulu, which take way customers from them. On other hand, packaging of services as well as new technology-driven functionalities, e.g. premium packages which offer sports or HD channels, slow down customer outflow from satellite platforms or enable them to maintain existing ARPU levels in spite of shrinking customer bases.</p>

The press about us	Date	The press about TMT market in Poland
	19.02	<p>Rzeczpospolita: Continued decline of tablet sales <i>by Magdalena Lemańska</i></p> <p>According to IDC Poland data, 2014 saw a 5% decline in the number of tablets sold, which was to a great extent the outcome of market saturation and competition from attractive, in terms of pricing, and much more functional notebooks. In the opinion of an IDC analyst, in spite of further decline of tablet prices sales slowdown is expected to continue.</p> <p>According to Gartner, sales of tablets are slowing down because it is cannibalized by big screen smartphones which many users consider sufficient, e.g. for Internet browsing.</p>
	20.02	<p>Rzeczpospolita: TV Puls invests in production <i>by Magdalena Lemańska</i></p> <p>Puls TV, whose viewership has been increasing, has started investing more in programs, including its own productions. Dariusz Dąbski, CEO of Puls TV, informed that this year's investments in the development of programs will be more than twice last year's figure of PLN 50m. The revenue of the company, which broadcasts Puls and Puls 2 channels, is expected to surpass PLN 200m.</p> <p>The company has not ruled out its participation in the contest for the new package of digital terrestrial TV channels. It is aiming at achieving an audience share of 7%.</p>

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	20.02	<p>Parkiet: Netia – no official forecasts for 2015 <i>by Urszula Zielińska</i></p> <p>In 2014 Netia's revenue decreased by 11%, down to PLN 1.67bn, while the EBITDA margin (adjusted for one-time events) was 29.5%. The company announced that this year it will spend 12-13% of the 2015 revenue on investments, which means that in nominal terms its CAPEX spending will be lower than in 2014. The company has abandoned the practice of publishing forecasts.</p> <p>The management board upheld the dividend policy which assumed payout of PLN 0.42 per share but has not presented any official recommendation so far.</p> <p>The group's net profit for 2014 was PLN 174.8m, compared to PLN 46.3m last year, and it chiefly resulted from one-time events, including the settlement with Orange Polska and the repayment of unjustly paid tax. Netia's strengths include low debt (net debt at the level of PLN 93.2m and the net debt to adjusted EBIDTA ratio of 0.19).</p>

Latest events

Press release
February 16, 2015

European Volleyball Championship in 2015 and 2017 in Polsat TV

Polsat TV will show the men's and women's European Volleyball Championship in the years 2015 and 2017. Polsat TV has acquired the exclusive rights to showing the championship tournaments in all fields of use, i.e. on TV, Internet and mobile devices. The 2017 Men's European Championship tournament will take place in Poland.

The nearest women's European Championship will be organized in the Netherlands and Belgium in the autumn of 2015, while the men's tournaments will be played in Italy and Bulgaria. Poland will host the men's tournament in 2017 while the ladies will play for the championship title in Azerbaijan.

The matches of both of our national teams in the European and World Championships, World League and World Grand Prix, as well as the Plus Liga and OrlenLiga matches and the Men's and Women's Champions Leagues, the CEV Cup and the FIVB Volleyball Club World Championship matches can be all watched in Polsat Sport, Polsat Sport Extra and Polsat Sport News channels.

Press release
February 16, 2015

Change your home Internet to Plus!

A new release of 'Change your home Internet to Plus' campaign is taking off. Plus's LTE Internet service for homes is faster than Neostroda or the Internet access services offered by other mobile operators in Poland. Home Internet from Plus is a perfect solution for majority of Poles as already 8 out of 10 inhabitants of Poland live within the coverage footprint of Plus's and Cyfrowy Polsat's LTE networks.

- According to speed rankings conducted by independent web services, based on tests made by actual users, Plus's Internet access service is faster than Neostroda and it also beats the offers of Orange, Play and T-Mobile.
- Customers can choose from among five subscriptions, from PLN 29.90 to PLN 99.90 monthly.
- Basic packages offer 5 GB, 15 GB, 20 GB, 25 GB, 30 GB for use across all technologies.
- A 20 GB basic package is offered in the smartDOM offer for as little PLN 29.95 monthly.
- No usage cap for LTE transmission.
- No monthly access fee for 3 months for customers who move their Internet access services to Plus while choosing an offer with a modem or a router.
- Possibility of testing LTE Internet access for 7 days for free.
- IPLA PLUS packages offered for free for all until March 31.
- Each package includes Internet Protection from a Plus Cloud 5 GB Internet security service which is offered for free during the first month (PLN 9 monthly afterwards).
- 8 out of 10 Poles live within the coverage footprint of Plus's and Cyfrowy Polsat's LTE network - as of January 31, 2015 Plus and Cyfrowy Polsat LTE networks covered a territory inhabited by nearly 80% of Poland's population.



Latest events

Press release
February 20, 2015

Plus and Cyfrowy Polsat receive three “Golden Bell” awards at the 2014 Mobility Trends Gala

Customers and the Mobility Trends Awards Chapter decided, by casting their votes, that Plus and Cyfrowy Polsat received the prestigious “Golden Bell” awards at the 2014 Mobility Trends Gala in the following categories: “Offer of the Year for Residential Customers,” “Mobile Internet Service of the Year,” and “Operator of the Year.”

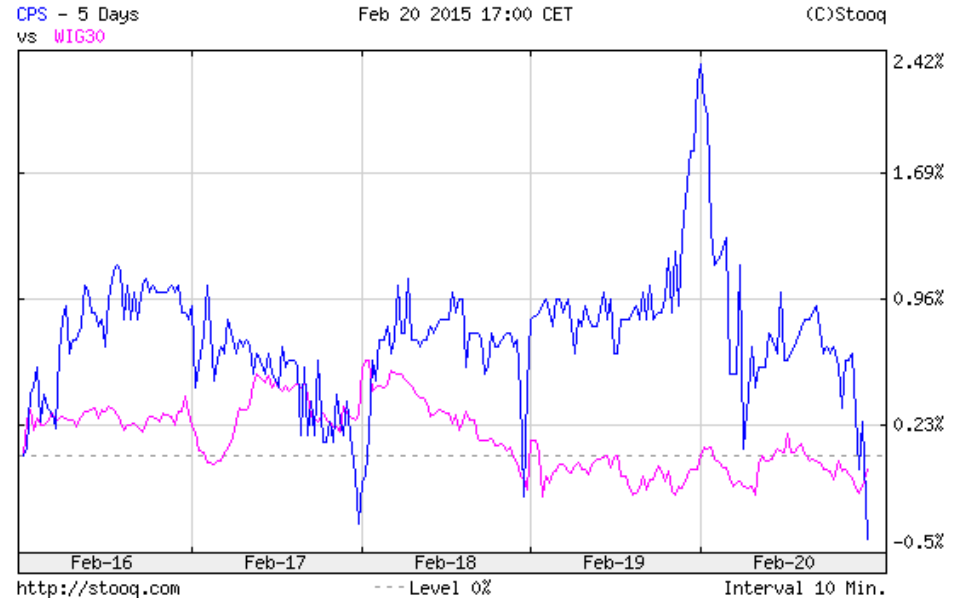
smartDOM, the pioneer project of Plus and Cyfrowy Polsat, was recognized as the Offer of the Year for Residential Customers. The program, which enables customers to combine several services in one package, was launched in February 2014. It offers the possibility of enjoying a system of rebates for mobile services provided by Plus, satellite TV from Cyfrowy Polsat, mobile Internet offered by both companies as well as electrical power supply and banking services. The program has been recognized due to its innovative nature, attractiveness and transparency.

Customers voted for Plus in the category “Mobile Internet Service of the Year” for its Power LTE service which features Internet access without any usage cap. The offer, launched by Plus and Cyfrowy Polsat, is the first of this type on the Polish market. It is a breakthrough in the area of mobile Internet access and it has met with very high interest among customers, which is reflected by the presented award.

The “Golden Bell” in the category “Operator of the Year” was awarded to Plus in recognition of state-of-the-art offer solutions that the company proposed last year. The award’s chapter pointed to the dynamic roll out of Plus network thanks to which as many as 80% of Poland’s inhabitants live within the coverage footprint of LTE mobile Internet service.

Cyfrowy Polsat shares

Date	Maximum price (PLN)	Minimum price (PLN)	Closing price (PLN)	Change (%)	Trade value (PLN ths.)
16-02-2015	24.18	23.84	24.10	1.43%	4 686
17-02-2015	24.15	23.80	23.80	-1.24%	4 137
18-02-2015	24.17	23.82	24.00	0.84%	6 512
19-02-2015	24.45	24.02	24.45	1.88%	4 030
20-02-2015	24.48	23.78	23.78	-2.74%	2 226



Investor's calendar

February 18 – March 4, 2015	Closed period prior to the publication of results for 2014
March 4, 2015	<p>Publication of results for 2014</p> <p>Schedule of publication:</p> <p>7:00 a.m. Publication of the annual report in ESPI (WSE publishing system)</p> <p>8:00 a.m. Publication of the annual report on our website</p> <p>www. cyfrowypolsat.pl/investor-relations:</p> <p>10:00 a.m. Meeting with investors and analysts (Radisson Blu Centrum Hotel, conference room: Polonia 3, 1st floor, Grzybowksa 24, Warsaw</p> <p>12:00 p.m. Meeting with journalists</p> <p>4:00 p.m. (CET) Conference call with investors and analysts</p> <p>Conference call details:</p> <p>Date: March 4, 2015</p> <p>Time: 4:00 p.m. (Warsaw), 3:00 p.m. (London), 10:00 a.m. (New York)</p> <p>Phone numbers: +44 203 043 2440 (international); 22 295 35 28 (Poland)</p> <p>Conference ID: 108330#</p> <p>In order to view our investors' presentation during the teleconference via a dedicated platform please click on this link and then log in as a participant by providing your name.</p> <p>https://cyfrowypolsat.anywhereconference.com/?UserAudioMode=DATA&Name=&Conference=135292460&PIN=108330</p>