

# Cyfrowy Polsat IR Newsletter

**23 – 29 March 2015**

The press about us	Date	The press about TMT market in Poland
	23.03	<p><b>Rzeczpospolita: Already 4 candidates to manage digital television</b> <i>by Magdalena Lemańska</i></p> <p>Candidates for the function of operator of the new package of digital terrestrial television channels (the so called multiplex 8) can submit their offers to the Office of Electronic Communications until April 29. Among the most interested in the contest are Emitel (operator of the three already functioning multiplexes) and Polski Operator Telewizyjny, owned by Polsat and TVN.</p> <p>According to 'Rzeczpospolita' daily, ZPR Media Group (whose subsidiaries broadcast the channels Polo TV, Fokus TV and Eska TV in DTT) and TVP (who holds reservation to 3 slots in standard resolution or 2 if it decides that one of them will be in HD resolution on the new multiplex) are also considering participation in the contest.</p>
	24.03	<p><b>Parkiet: On the LTE auction</b> <b>by ziu</b></p> <p>Orange Polska announced in a press release that it withdraws from the competition for a block in the 2600 MHz band (one out of four). 'According to the company, this will allow to conduct the auction for the 800 MHz and 2600 MHz frequencies in a more adequate manner and finish it more quickly, which will be advantageous to all its participants' – Orange explains the motives behind the decision.</p> <p>According to Konrad Księżopolski, analyst at BESI, Orange is giving a signal that it does not intend to fight for frequencies at all costs. He also added that if the bidding continues at the current rate, the operators will have to increase their deposits (minimum 25% of the value of the offers) in about a week's time. In his opinion, this could be an important moment in the auction.</p>

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	24.03	<p><b>Dziennik Gazeta Prawna: Transfer from Netia to T-Mobile</b>  <i>by Piotr Dziubak</i></p> <p>Adam Sawicki, current CEO at Netia, will take up the position of president of the management board at T-Mobile Polska effective on June 1 this year. He will report directly to Claudia Nemat from the management board of Deutsche Telekom, owner of the T-Mobile brand. Sawicki will replace Zacharias Piperidis, who temporarily managed the telecom's operations since November 1, 2014.</p>
	25.03	<p><b>Rzeczpospolita: Giants getting stronger in the net</b>  <i>by Urszula Zielińska</i></p> <p>According to data by 'Rzeczpospolita' daily, the number of users of mobile internet in Poland increased by almost 1 million over the last year, while the number of subscribers of fixed-line services increased by 50-100 thousand, depending on the source of estimates. According to 'Rzeczpospolita' daily, given the increasing coverage and improving quality of mobile internet, it can be expected that mobile operators will continue to strengthen their position in this field. Wojciech Pytel, member of the management board at Polkomtel, believes that mobile LTE internet is a substitute of fixed-line access.</p> <p>'Rzeczpospolita' daily estimates show that cable TV operators achieved the best results in building their position in the fixed-line broadband access. The three largest cable operators had almost 2 million users at the end of the year, gaining a total of ca. 150 thousand. On the one hand, this is the effect of service bundling, on the other – of acquisition of smaller operators.</p> <p>According to estimates by Orange, there were 7.3m subscribers of fixed-line internet access in 2014, according to Netia – 6.8m. By comparison, there are about 5.9m users of mobile internet. Cyfrowy Polsat group had the highest rate of customer acquisition (increase by 380 thousand), followed by Orange, who had 310 thousand additions.</p>

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	26.03	<p><b>Parkiet: Industries – results of listed companies</b></p> <p>'Parkiet' daily informs that in Q4 2014 revenue of companies operating in the media industry increased by almost 2% to over PLN 10bn. Compared to Q3 2014, operating profit of the sector increased by 17.5% while net profit fell by over 27%.</p> <p>Revenue of telecommunication companies increased slightly, by 0.3%. In Q4 operating profits of telecoms increased by 36.6% and net profit by 134.1% compared to Q3 2014.</p> <p><b>Dziennik Gazeta Prawna: Video only on demand</b> <i>by Piotr Dziubak</i></p> <p>According Video-Track, research conducted by the media house MEC, 73% of Polish internet users use VoD services. MEC CEO, Izabela Albrychiewicz, believes the internet is probably the main source of video content for a group of users, which does not imply that they have given up TV.</p> <p>The propensity to pay for movies in the internet is still low, but 28.5% of e-viewers admit that they sometimes pay. A majority of persons surveyed spend up to PLN 10 per month. A MEC expert explains that subscription fees are still not a popular form of payment, because internet users attach more importance to finding a chosen movie or series than to the brand of the service they use.</p> <p>If Netflix enters the Polish market with a wide offer of attractive content, it could change the attitude of viewers.</p>



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	26.03	<p><b>Parkiet: The telecom can afford acquisitions up to PLN 1.5 – 2bn</b>  <i>by Urszula Zielińska</i></p> <p>In an interview for 'Parkiet' daily Adam Sawicki, the resigning CEO of Netia declared that the company is in good condition and it can afford acquisitions worth ca. PLN 1.5-2bn. He thinks that the company should continue projects related to data centers, services in the cloud and convergent services. He added that Home.pl, currently on sale, is an interesting asset.</p> <p>Sawicki assesses the market for fixed-line services as highly competitive but says that the time of aggressive offers is over. He does not expect a further decline in prices.</p> <p>Sawicki thinks that there is room for three large telecommunication groups on the Polish market. In his opinion the merger of Netia and Play is an interesting concept and convergence – a chance for both companies.</p>

### Latest events

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**Press release**  
**March 24, 2015**

#### **Plus and Cyfrowy Polsat: Over 90% of Poland's population lives within the coverage footprint of the superfast LTE Internet access service**

The fastest mobile LTE Internet access service, offered by Plus and Cyfrowy Polsat, already covers an area inhabited by over 90% of Poles. Customers have gained the possibility of using a network which operates in the new 800 MHz frequency band, thanks to which broadband Internet access will now be available not only to the inhabitants of big cities but also to those living outside these cities. This means that it will be also the inhabitants of smaller towns as well as villages who will be able to enjoy the most modern mobile Internet access technology.

Due to population density and the high number of people living in small towns and places, Poland is a country where mobile technology is the only real solution for ensuring efficient Internet access. The 800 MHz frequency band offers an ideal tool for ensuring nationwide coverage and broadband Internet access for all of the country's inhabitants.

LTE800 MHz network is being rolled out by Midas Group who has announced that while bearing in mind the most optimum LTE800 network coverage it can build and put on-air over 5000 stations in total.

**More>>**<http://www.grupapolsat.pl/en/archive/plus-and-cyfrowy-polsat-over-90-polands-population-lives-within-coverage-footprint-superfast>

**Press release**  
**March 26, 2015**

#### **Cyfrowy Polsat receives an award for the Best Investor Relations in the 2014 Listed Company of the Year ranking**

It is the fifth time that Cyfrowy Polsat has been presented an award in the prestigious Listed Company of the Year ranking organized by 'Puls Biznesu' daily. The company took the first place in the Investor Relations category and was seventh overall.

The Listed Company of the Year ranking covered the companies making up the WIG20, mWIG40 and sWIG80 indices at the end of 2014. Over 100 respondents participated in the dedicated telephone survey which was run by TNS Polska public opinion polling agency. The respondents included the representatives of brokerage houses and offices, insurance companies, pension and investment funds as well as capital investments departments of banks. The listed companies were evaluated on a 7-point scale in 5 categories: competence of the management, success in 2014, development prospects, investor relations, quality of products and services. The awards were presented in each of the above categories and also in the general ranking developed on the basis of the sum of the scores that individual participants obtained in all categories.

**More>>**<http://www.grupapolsat.pl/en/archive/cyfrowy-polsat-receives-award-best-investor-relations-2014-listed-company-year-ranking-0>

### Cyfrowy Polsat shares

Date	Maximum price (PLN)	Minimum price (PLN)	Closing price (PLN)	Change (%)	Trade value (PLN ths.)
2015-03-23	24.94	24.61	24.75	0.69%	8 187
2015-03-24	25.20	24.65	24.88	0.53%	10 461
2015-03-25	25.07	24.75	24.80	-0.32%	10 866
2015-03-26	24.80	24.24	24.44	-1.45%	10 854
2015-03-27	24.65	23.80	23.80	-2.62%	10 079



### Investor's calendar

April 2, 2015	Annual General Meeting
April 30 – May 14, 2015	Closed period prior to the publication of Q1 2015 results
May 14, 2015	Quarterly report for Q1 2015