



Results for the second quarter and first half of 2009

20 August 2009



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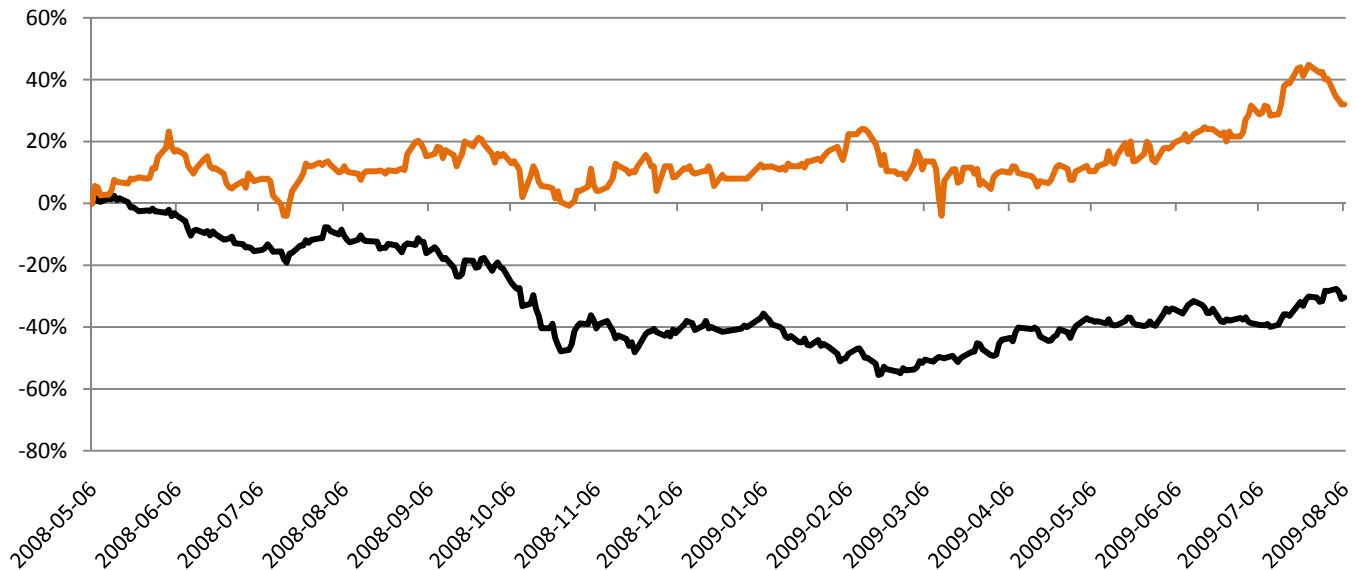
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A year on WSE

Our shares delivered a total shareholder return of 30% over the last 12 months, which is one of the top reading in EMEA telecom and media

CP vs. WIG 20



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Highlights



Highlights of Q2'09 & H1'09

🌐 Operating results improved

- Our subscriber base grew by 24% to 2,844 ths. from 2,288 ths. in June 2008; the total number of users of our set-top boxes amounted to 3,332 ths.
- We had 55 ths. MVNO users as at 30 June 2009
- 62% of newly concluded agreements in Q2 2009 are based on the leased equipment

🌐 Financial results impacted by weakened Zloty

	Q2'09 vs Q2'08	H1'09 vs H1'08
Revenues	up by 16% to PLN 323m	up by 25% to PLN 660m
EBITDA	down by 24% to PLN 78m	down by 10% to PLN 171m
Adjusted EBITDA ⁽¹⁾	up by 2% to PLN 105m	up by 19% to PLN 227m
Net profit	down by 29% to PLN 56m	down by 10% to PLN 129m
Adjusted net profit ⁽¹⁾	down by 2% to PLN 78m	up by 21% to PLN 173

⁽¹⁾ Adjusted for impact of weaker PLN on programming costs and signal transmission services cost



Main events of Q2 2009

- We were ranked second in Newsweek Polska '100 Polish most valuable companies' among Polish media companies
- Our equipment offer was extended by a new set-top box EchoStar DSB-7200 HD – HD set-top box
- Mr Tomasz Szeląg became our new Chief Financial Officer
- The 2008 dividend was set at PLN 0.75 per share at the AGM on 14 May 2009 and totals PLN 201m. PLN 134m paid on 16 June 2009 and PLN 67m to be paid on 21 October 2009
- Since May 2009 we have been renting the new transponder for the purpose of new DTH services which should have a positive effect on our financial results, especially ARPU

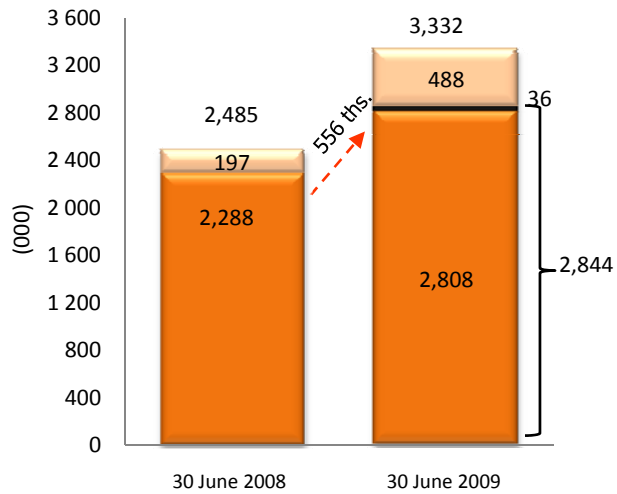
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Operating results



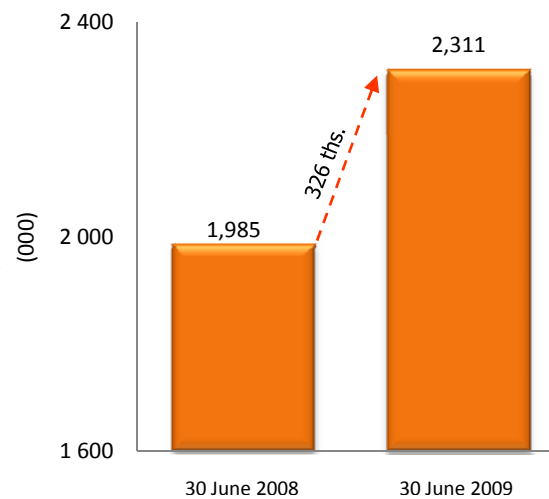
Our subscriber base grew by 24%

Subscribers



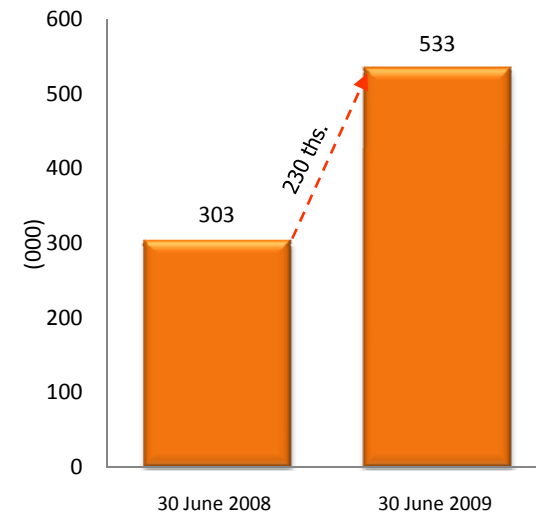
- Number of subscribers with agreements
- Number of FTA⁽¹⁾ users with pay programming packages
- Number of FTA⁽¹⁾ users

Subscribers – Family/Premium Package



81% of subscriber base

Subscribers – Mini Package



19% of subscriber base

Annualized churn rate(%)



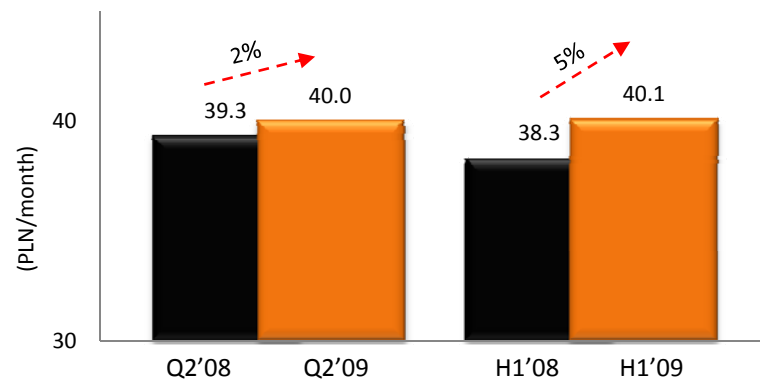
⁽¹⁾ FTA users are users who possess our set-top box enabling them to receive not coded free to air channels and after a payment also the pay programming packages



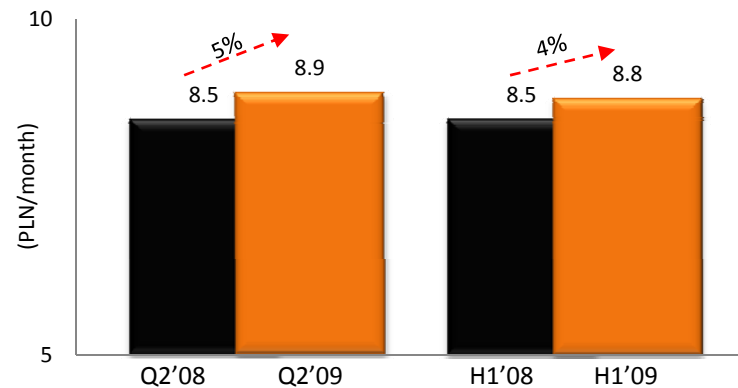
Family Package ARPU up

In Q2 our Family Package ARPU increased by 1.8% and in H1 2009 it increased by 4.7%, as a result of (i) an increase in the number of premium packages subscribers, (ii) an increase in the number of subscribers to HD channels and (iii) an increase in Family Package subscription fee in January 2008

ARPU ⁽¹⁾ — Family/Premium Package



ARPU ⁽¹⁾ — Mini Package



⁽¹⁾ ARPU – Revenues from subscription fees and from activation fees accounted for in the period divided by the average number of subscribers in such period and the number of months in the period.

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Financial overview



Q2'09 Financial highlights

	Q2'09 m PLN	Q2'08 m PLN	Change PLN/%	REASONS
Revenues	323	278	45 16%	<ul style="list-style-type: none"> • 27% increase in average number of subscribers ↑ • increase in stock of STB's ↑ • increase in the number of leased STB's (62% of new contracts) ↓ • no Nagravision contribution ↓
<i>Exchange rates</i>				
EUR/PLN	4.45	3.41	30%	
USD/PLN	3.27	2.18	50%	
Operating costs	255	180	75 42%	<ul style="list-style-type: none"> • 28m from weaker Zloty • adjusted operating costs of PLN 227m (up by 26%) • increase in subscriber base • new programming • increase in the number of leased set-top boxes • increase in call center and retention costs
EBITDA	78	102	(24)	<ul style="list-style-type: none"> • adjusted EBITDA up by 2% to PLN 105m • adjusted EBITDA margin - 32.5%
<i>margin %</i>	24.1%	36.8%	-24%	
Net income	56	79	(23)	<ul style="list-style-type: none"> • adjusted net income - PLN 78m • adjusted net income margin - 24.2%
<i>margin %</i>	17.4%	28.4%	-29%	



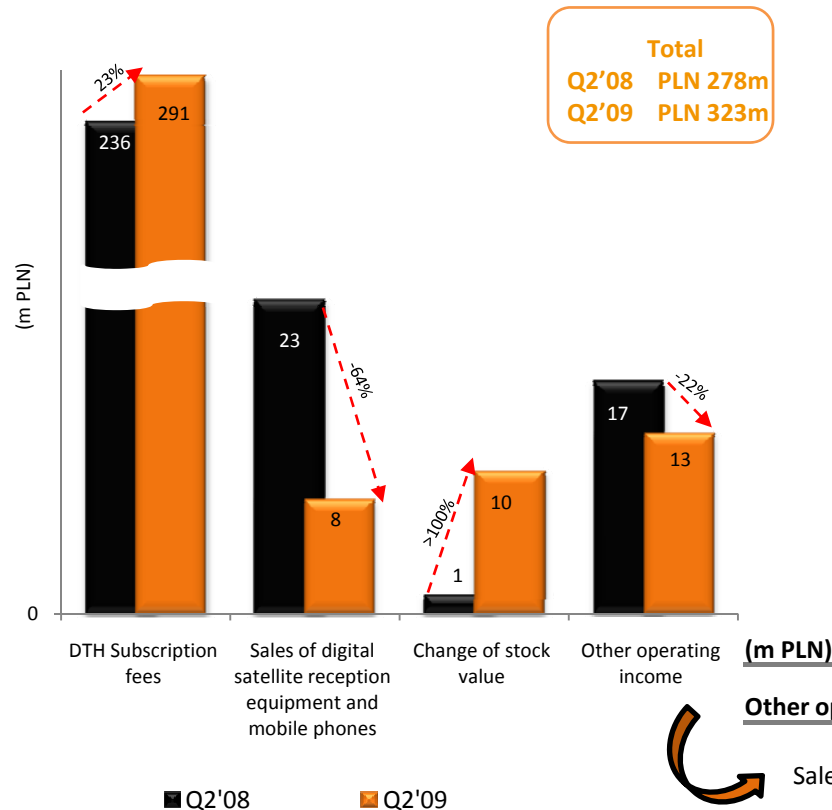
H1'09 Financial highlights

	H1'09 m PLN	H1'08 m PLN	Change PLN/%	REASONS
Revenues	660	526	133 25%	<ul style="list-style-type: none"> • 28% increase in average number of subscribers ↑ • increase in stock of STB's ↑ • increase in the number of leased STB's (57% of new contracts) ↓ • decrease in Nagravision contribution ↓
<i>Exchange rates</i>				
<i>EUR/PLN</i>	4.47	3.49	28%	
<i>USD/PLN</i>	3.36	2.28	47%	
Operating costs	506	345	161 47%	<ul style="list-style-type: none"> • 57m from weaker Zloty • adjusted operating costs of PLN 449m (up by 30%) • increase in subscriber base • new programming • increase in the number of leased set-top boxes • increase in call center and retention costs
EBITDA	171	191	(19)	<ul style="list-style-type: none"> • adjusted EBITDA up by 19% to PLN 227m • adjusted EBITDA margin – 34.4%
<i>margin %</i>	26.0%	36.2%	-10%	
Net income	129	143	(14)	<ul style="list-style-type: none"> • adjusted net income up by 21% to PLN 173m • adjusted net income margin – 26.4%
<i>margin %</i>	19.5%	27.2%	-10%	

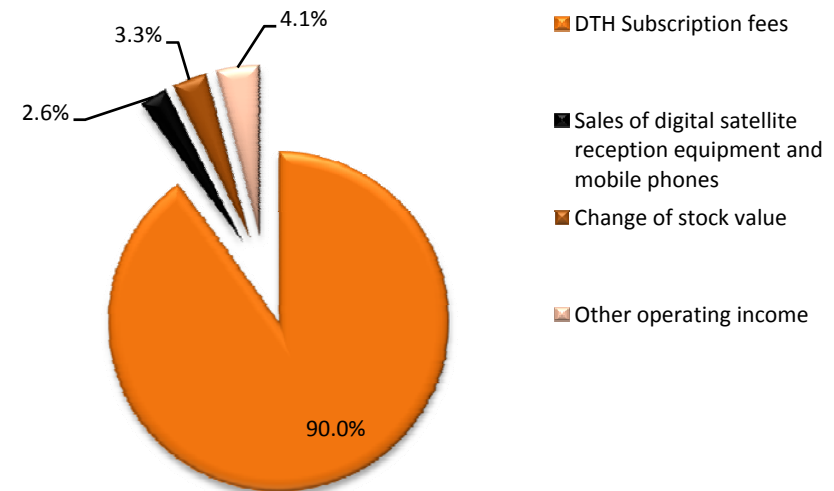


Q2'09 16% higher revenues due to an increase in subscription fees and change of stock value

Revenues Q2'08 vs. Q2'09



Q2'09 revenues breakdown(%)

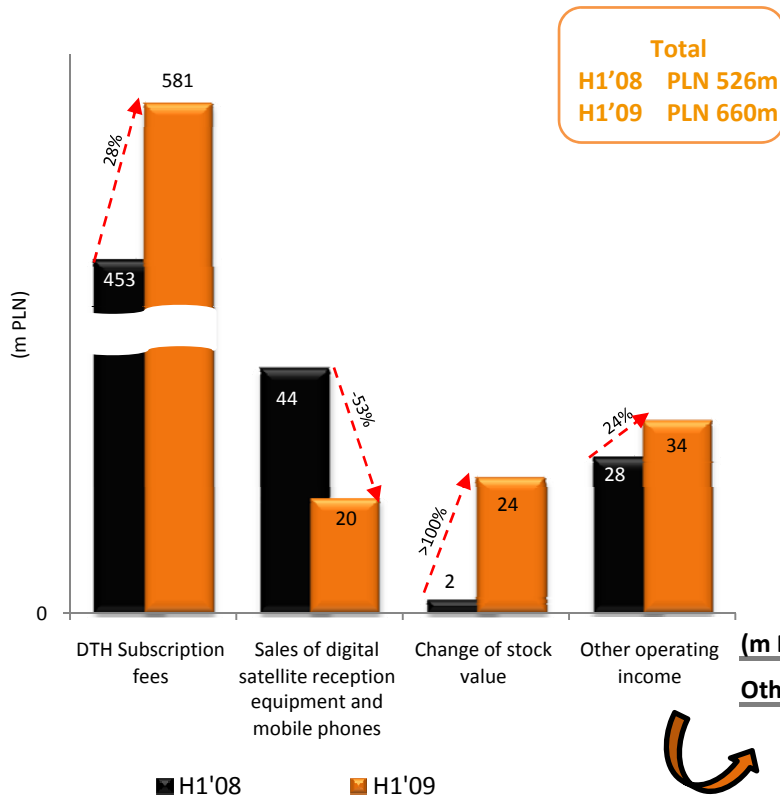


	Q2'09	Q2'08	Change
Other operating revenues, of which:	13	17	-22%
Sale of broadcasting and transmission services	5	2	99%
Revenues from the rental of property and equipment	3	0	n/a
Other operating revenues	5	15	-60%

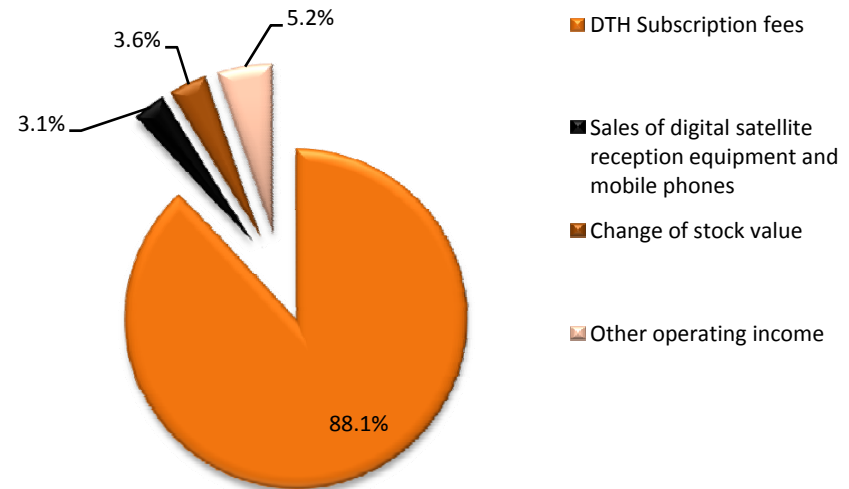


H1'09 25% higher revenues due to an increase in subscription fees and change of stock value

Revenues H1'08 vs. H1'09



H1'09 revenues breakdown(%)

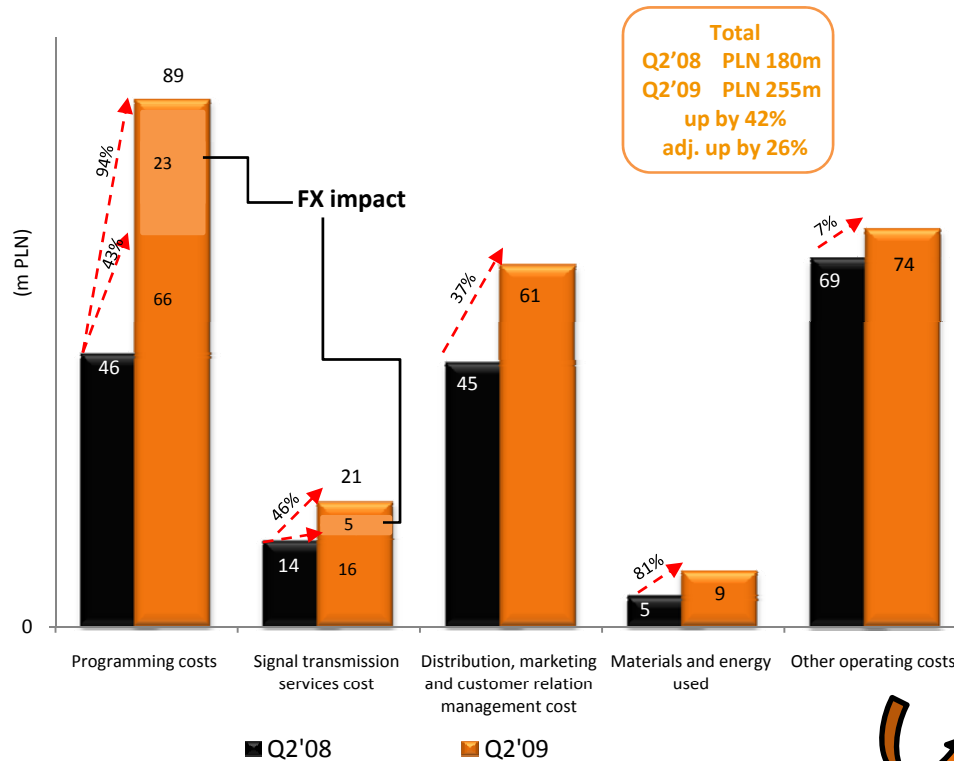


	H1'09	H1'08	Change
Other operating revenues, of which:	34	28	24%
Sale of broadcasting and transmission services	9	5	101%
Nagravision contribution	8	10	-20%
Revenues from the rental of property and equipment	6	0	n/a
Other operating revenues	11	13	-14%



Q2'09 Operating costs impacted by weaker PLN

Operating costs Q2'08 vs. Q2'09

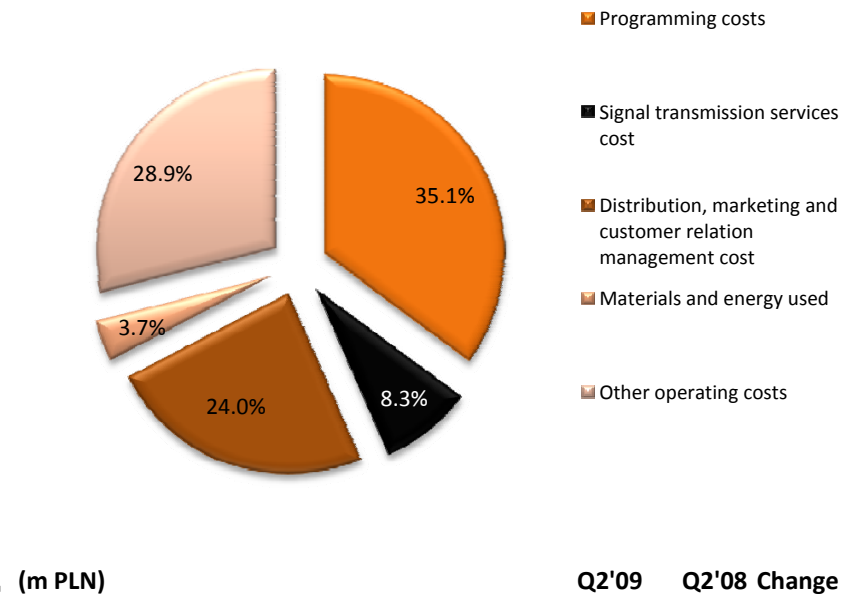


PLN 28m of costs from f/x fluctuations

- PLN 23m impact on programing costs

- PLN 5m impact on signal transmission costs

Q2'09 costs breakdown(%)



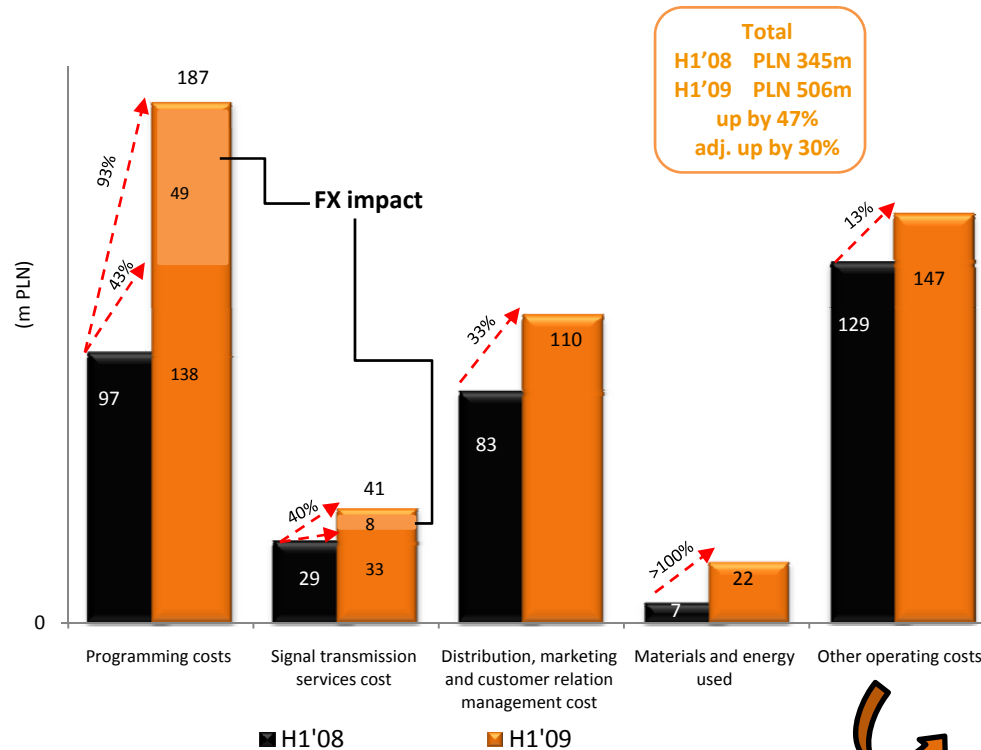
Other operating costs, of which:

	Q2'09	Q2'08	Change
Other operating costs	74	69	7%
Costs of satellite television receiving equipment and mobile phones sold	17	32	-47%
Salaries and employee-related expenses	15	12	26%
Amortisation	10	4	132%
Bad debt provision	9	5	101%
IT services	7	5	47%
Other operating costs	16	11	36%



H1'09 Operating costs impacted by weaker PLN

Operating costs H1'08 vs. H1'09

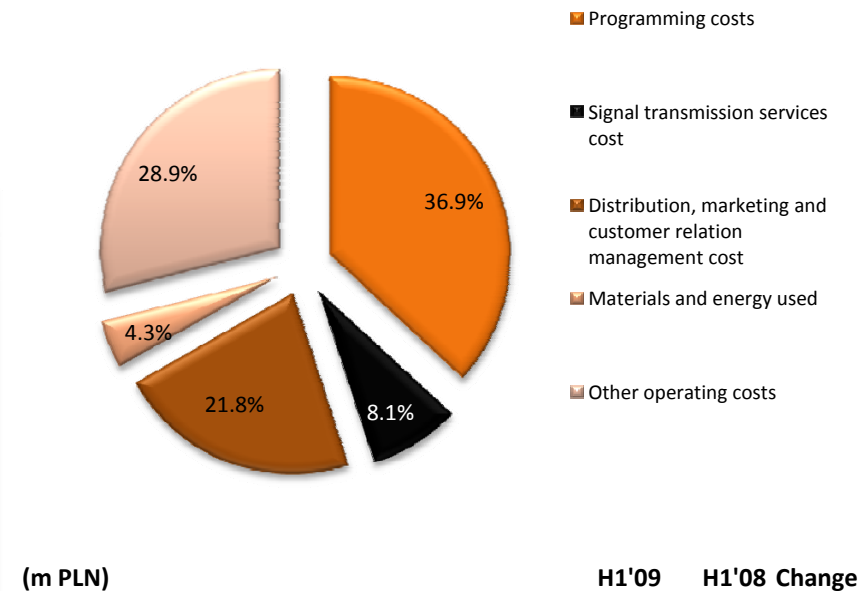


PLN 57m of costs from f/x fluctuations

- PLN 49m impact on programming costs

- PLN 8m impact on signal transmission costs

H1'09 costs breakdown(%)



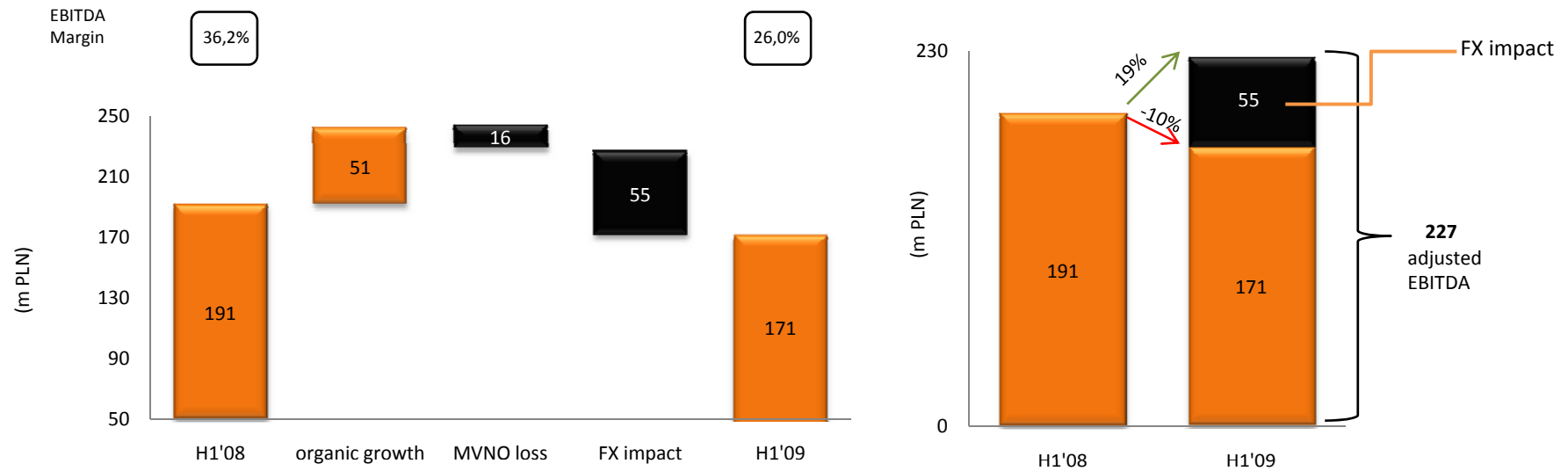
(m PLN)	H1'09	H1'08	Change
Other operating costs, of which:	147	129	13%
Costs of satellite television receiving equipment and mobile phones sold	35	64	-46%
Salaries and employee-related expenses	32	23	41%
Amortisation	18	9	93%
IT services	15	7	115%
Bad debt provision	14	6	139%
Other operating costs	33	20	61%



H1'09 adjusted EBITDA up

- Adjusted EBITDA in H1 2009 up by 19% to PLN 227m and adjusted EBITDA margin was 34.4%
- MVNO EBITDA loss was 7.9% of DTH EBITDA in H1'09

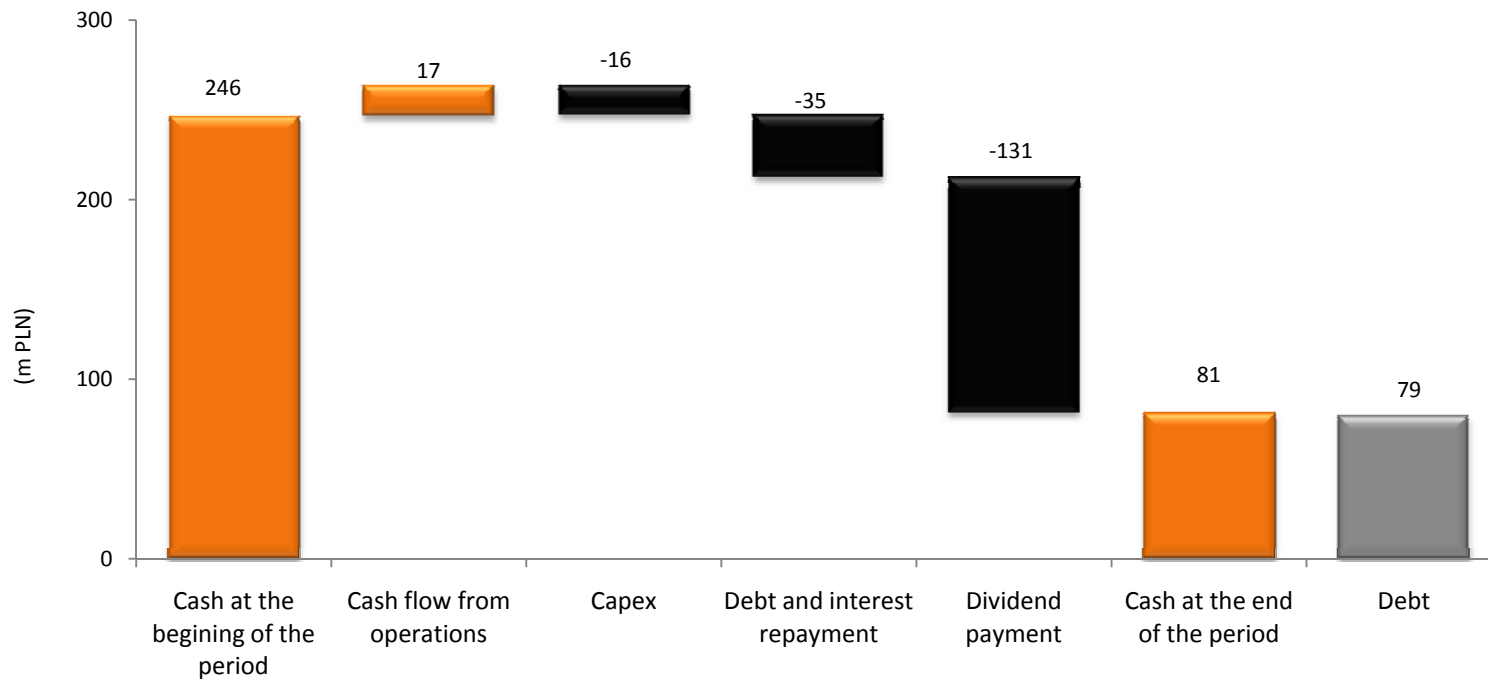
EBITDA, adjusted EBITDA and EBITDA margin





PLN 81m on hand after paying PLN 131m of dividend

Net cash flow, cash position and debt – H1 2009





Factors which will affect our results

- We expect decrease in annualized churn rate
- PLN strengthening towards USD about 9 % and towards EUR about 5 % will have a positive effect on our results comparing quarter to quarter
- We will introduce new promotional offers
- We are planning to expand the programme offer in 2010 without extra costs
- 2010 higher ARPU from subscribers beyond initial period of the agreement



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