



KINO POLSKA TV S.A.

KINO POLSKA TV S.A. CAPITAL GROUP BUSINESS ACTIVITY & FINANCIAL RESULTS

2016

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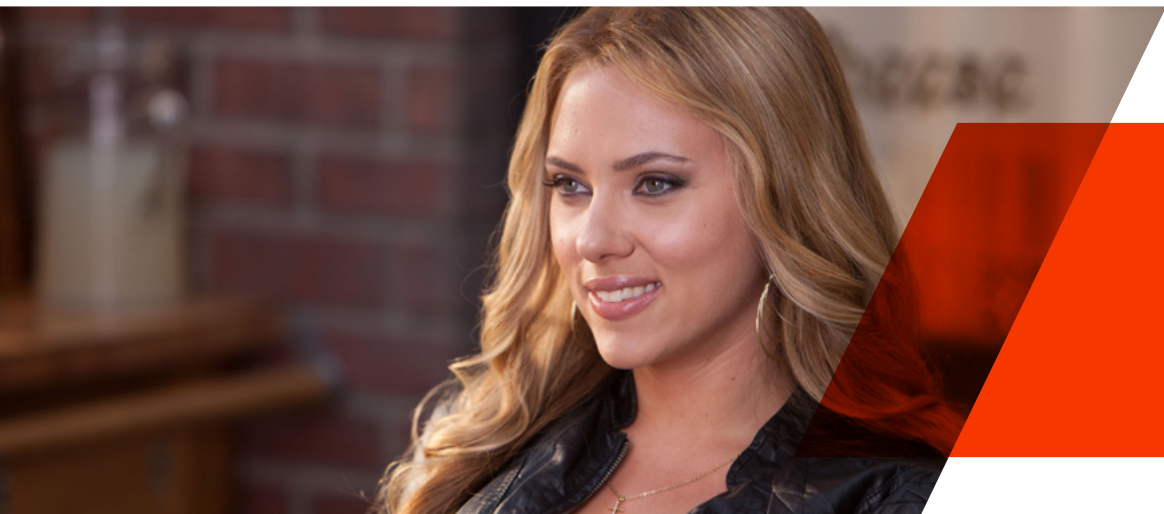
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The only reliable source on the financial results of Kino Polska TV S.A. Capital Group are current and periodic reports, submitted by the companies of Kino Polska TV S.A Capital Group in performing its information obligations arising under relevant Polish laws.

AGENDA

- ▶ Key facts
- ▶ FilmBox Premium
- ▶ FilmBox Basic & Extended Basic
- ▶ Number of active subscribers
- ▶ Kino Polska channels
- ▶ Channels Market Share
- ▶ Zoom TV
- ▶ Stopklatka TV
- ▶ Financial results
- ▶ Dividend
- ▶ Goals for year 2017
- ▶ Q&A





Key facts

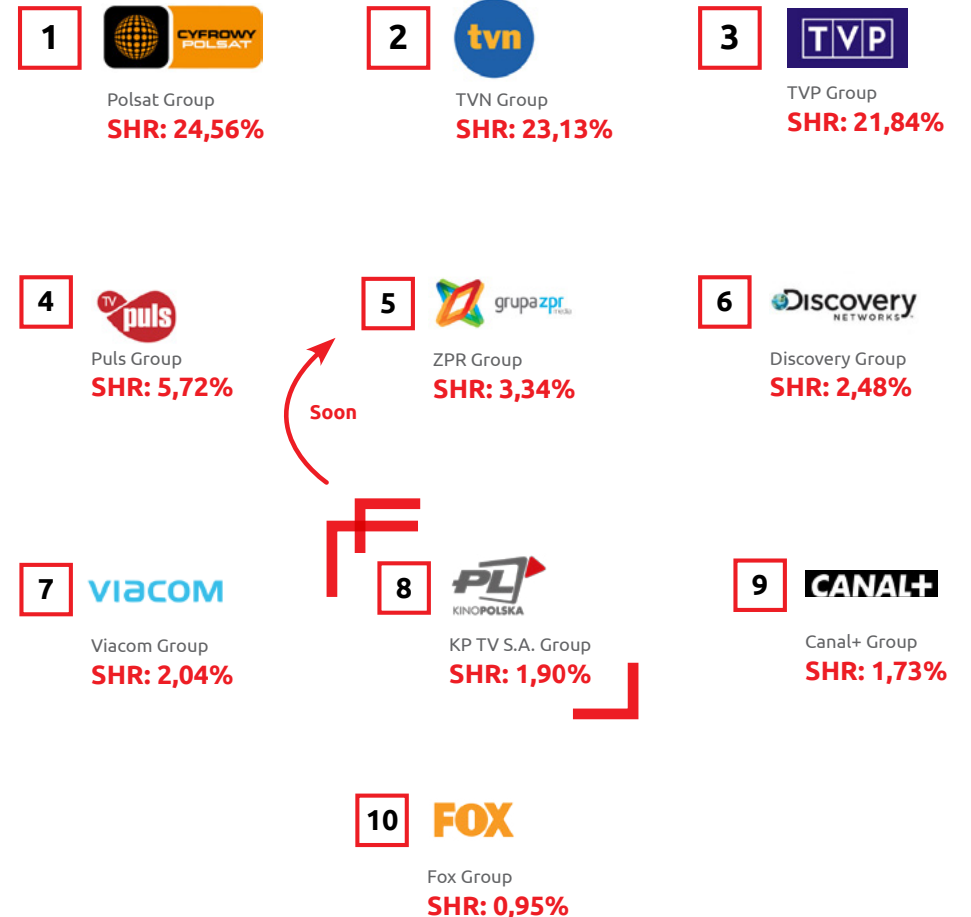
Key facts

- ▶ **Dividend paid for 2015 at 1 PLN gross per share.**
 - ▶ Management Board's proposal for **dividend payout for 2016 at the amount of 1.13 PLN gross per share.**
 - ▶ **Start of new terrestrial channel - Zoom TV - October 2016.**
 - ▶ **Record high revenues in 2016.**
 - ▶ Over **15%** increase in revenue from broadcasting FilmBox and thematic channels (highest increase in the **Czech Rep. Hungary, ex-Yugo countries and Bulgaria**)
 - ▶ Increase of revenue from emerging markets (**Baltic countries, Ukraine, Turkey, Africa and the Middle East**) according to forecast.
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Key facts

- ▶ Kino Polska media group ranked as the **eighth largest TV group** in Poland in terms of market share (SHR 16-49). A plan to advance to the fifth place within the next 2-3 years.
- ▶ Enhancing programming offer of **FilmBox channels** in **CEE, Turkey, Africa and the Middle East** by acquiring content from BBC.
- ▶ Enriching FilmBox channels in the **Middle East and Africa** with new language versions: **French, Arabic, Turkish, Spanish and Portuguese**.
- ▶ Beginning of cooperation on channel distribution with **Orion Express in Russia** - to increase distribution of **FilmBox Baltic** and **FilmBox Arthouse**.



Source: AGB Nielsen, 16-49 group, December 2016



FilmBox Premium



FilmBox Premium

- ▶ **Launch of the FilmBox Premium pack by additional operators:**

Slovak Telekom (Slovakia) 

Digi Slovakia (Slovakia) 

Vivacom (Bulgaria) 

Bulsatcom (Bulgaria) 

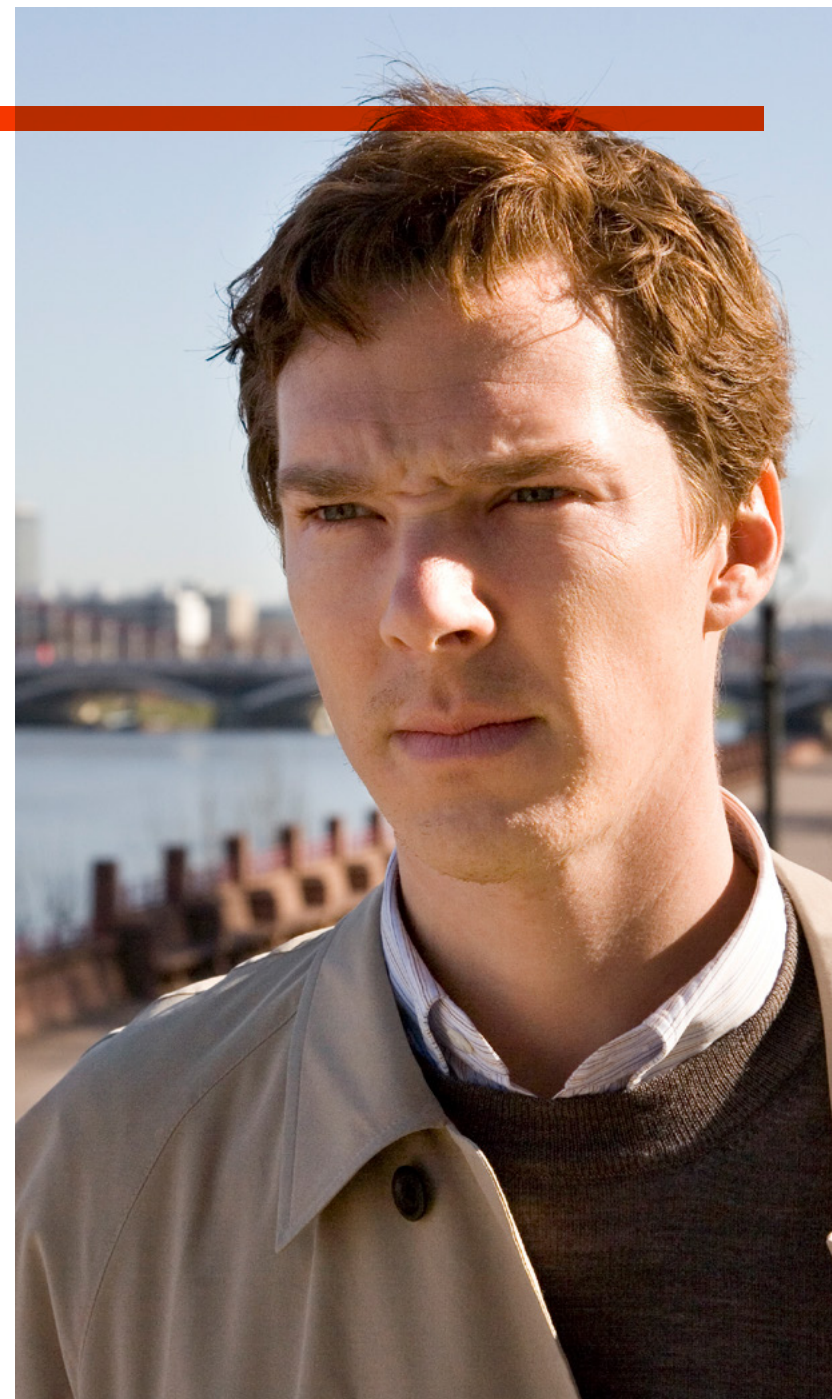
Telekom Srbija (Serbia) 

MTL Montenegro

MTL Bosnia & Herzegovina



- ▶ **Launch of the FilmBox Premium channel in HD version in the Czech Republic and Slovakia.**
 - ▶ **Inclusion of the FilmBox Extra HD to the offer of UPC DTH in the CEE region (the Czech Rep., Slovakia, Hungary, Romania).**
 - ▶ **Intensification of cross-promotion between the FilmBox Basic and FilmBox Premium channels across CEE markets.**
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FilmBox

Basic & Extended Basic



FilmBox Basic & Extended Basic

- ▶ Inclusion of **FilmBox Arthouse** to television offer of the biggest Polish cable/satellite operators: **Vectra, TOYA and NC +.**

- ▶ Launch of basic pack of Filmbox channels with the following operators:


Sling (USA) 

Slovak Telekom (Slovakia) 

Digi Slovakia (Slovakia) 

D-Smart (Turkey) 

Turkcell (Turkey) 

Turksat/Kablo TV (Turkey) 

Telekom Srbija (Serbia) 

MTL Montenegro

MTL Bosnia & Herzegovina

Vivacom (Bulgaria) 

Bulsatcom (Bulgaria) 

Baltcom (Latvia) 




Netplus (Szwitzerland) 

Flip TV (Australia) 

Du (UAE) 

My-HD (UAE) 

Digitune Media (Nigeria)

Sahara Media Group (Tanzania) 

Push Mobile Media (Tanzania) 


TNT Sat Africa (Mali) 

Miabox (Ivory Coast)



Zip TV (Ghana) 

K3 (Liberia) 

Swecom (Cameroon) 

- ▶ Enriching **FilmBox channels** in the **Middle East and Africa** with new language versions: **French, Arabic, Turkish, Spanish and Portuguese.**

- ▶ Intensification of cross-promotion between Kino Polska and FilmBox channels in Poland.



NUMBER OF ACTIVE SUBSCRIBERS

NUMBER OF ACTIVE SUBSCRIBERS

Poland 

CHANNEL	DIFFERENCE	Number of subs. as of 31.12.2016	Number of subs. as of 31.12.2015
KINO POLSKA	↑ 2%	8 387	8 251
KINO POLSKA MUZYKA	↑ 23%	8 332	6 792
FILMBOX	↑ 4%	5 887	5 668
FILMBOX PREMIUM	↑ 6%	2 063	1 946
FILMBOX EXTRA HD	↑ 10%	2 099	1 907
FILMBOX FAMILY	↑ 3%	2 315	2 247
FILMBOX ACTION	↑ 8%	1 886	1 742
FILMBOX ARTHOUSE	↑ 17%	1 663	1 417

(in thousands)

NUMBER OF ACTIVE SUBSCRIBERS

Czech Republic 

CHANNEL	DIFFERENCE	Number of subs. as of 31.12.2016	Number of subs. as of 31.12.2015
FILMBOX BASIC	↑ 27%	1 075	844
FILMBOX PLUS	↑ 48%	748	505
FILMBOX EXTRA HD	↑ 59%	645	406
FILMBOX FAMILY	↑ 67%	182	109
FILMBOX PREMIUM	↑ 38%	106	77

(in thousands)

NUMBER OF ACTIVE SUBSCRIBERS

Slovakia 

CHANNEL	DIFFERENCE	Number of subs. as of 31.12.2016	Number of subs. as of 31.12.2015
FILMBOX BASIC	↑ 14%	477	420
FILMBOX PLUS	↑ 57%	44	28
FILMBOX EXTRA HD	↑ 50%	12	8
FILMBOX FAMILY	↑ 71%	12	7
FILMBOX PREMIUM	↑ 50%	12	8

(in thousands)

NUMBER OF ACTIVE SUBSCRIBERS

Hungary 

CHANNEL	DIFFERENCE	Number of subs. as of 31.12.2016	Number of subs. as of 31.12.2015
FILMBOX BASIC	↑ 4%	818	786
FILMBOX PLUS	↑ 65%	185	112
FILMBOX EXTRA HD	↑ 184%	162	57
FILMBOX FAMILY	↑ 75%	180	103
FILMBOX PREMIUM	↑ 80%	184	102

(in thousands)

NUMBER OF ACTIVE SUBSCRIBERS

Romania 

CHANNEL	DIFFERENCE	Number of subs. as of 31.12.2016	Number of subs. as of 31.12.2015
FILMBOX BASIC	↑ 5%	1 058	1 005
FILMBOX PLUS	↑ 9%	239	220
FILMBOX EXTRA HD	↑ 28%	226	176
FILMBOX FAMILY	↑ 24%	83	67
FILMBOX PREMIUM	↑ 44%	92	64

(in thousands)



Kino Polska Channels



Kino Polska Channels

- ▶ Production of a short film „**The Best Fireworks Ever**” - based on the winning script from the Script Competition coorganized by Kino Polska TV S.A, along with Studio TOR, Studio Munka and the Polish Audiovisual Producers Chamber of Commerce (KIPA).
 - ▶ Development of a special **anniversary edition of the DVD box** with **Andrzej Wajda’s films**. The box premiered at the **Gdynia Film Festival**.
 - ▶ **Funding of the Audience Award for „The Last Family”** at the **Gdynia Film Festival**.
 - ▶ Enhancing Kino Polska channel programming offer by acquiring 4-5 year-long broadcast rights to **200 films** from the **Kino Świat** portfolio.
 - ▶ Increase of reach and growth of distribution of the **Kino Polska Muzyka** channel - the channel is currently available to **all nc+ and Orange customers**.
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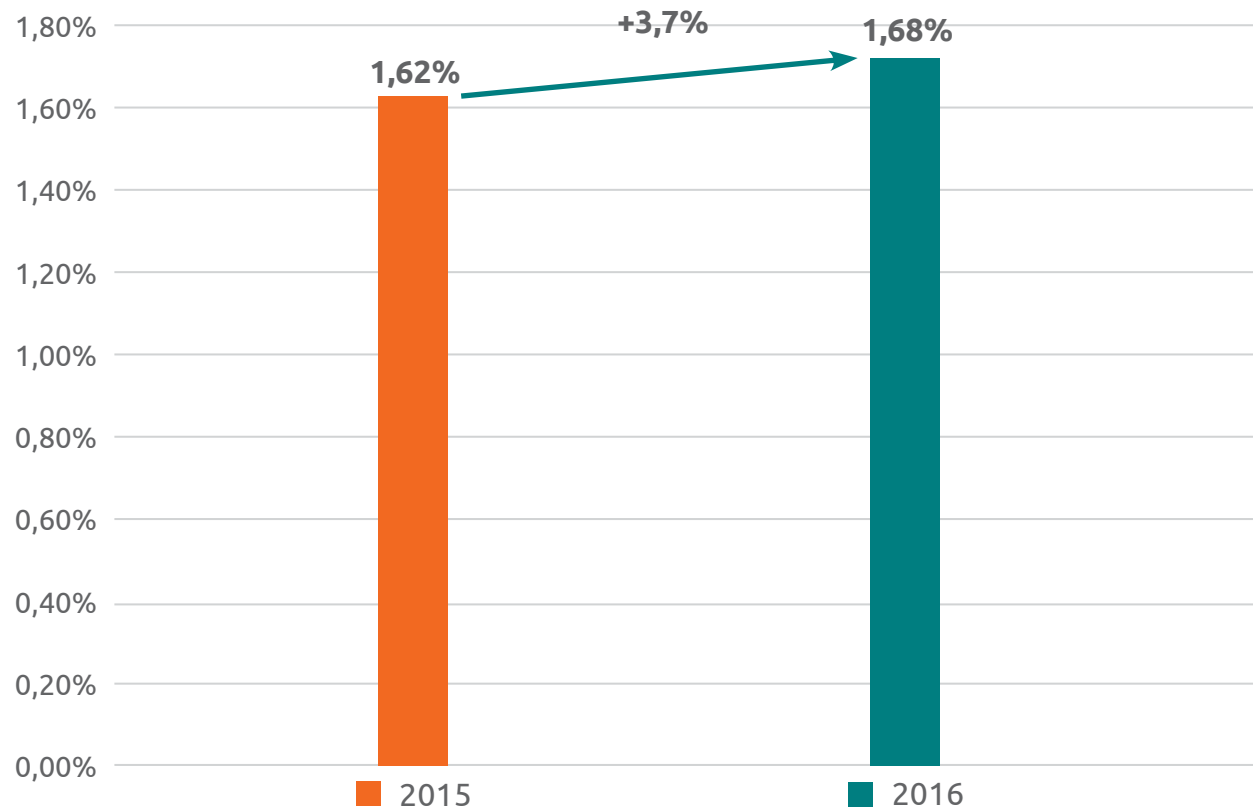


Channels Market Share



Kino Polska TV S.A. Group + Stopklatka TV

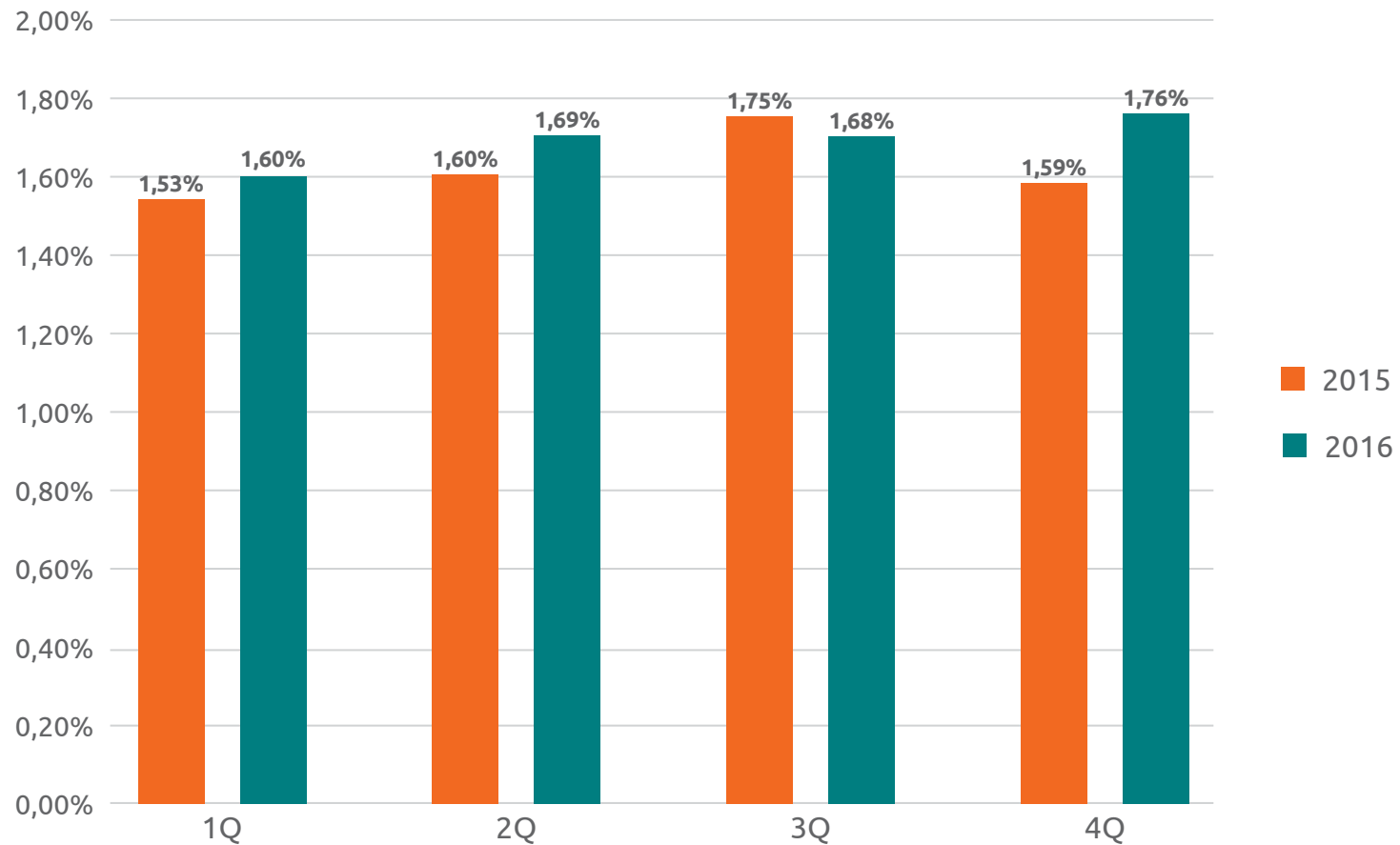
Market share - TV channels - Poland - commercial group 2015/2016



Source:
NAM, 01.01.-31.12.2015, 01.01.-31.12.2016, SHR 16-49

Kino Polska TV S.A. Group + Stopklatka TV

Market share - TV channels - Poland - commercial group - quarterly



Source:
NAM, 01.01.-31.12.2015, 01.01.-31.12.2016, SHR 16-49



Zoom TV

zoomtv
BLIŻEJ LUDZI

Zoom TV

KP's second terrestrial channel

- ▶ **Start of new terrestrial channel - Zoom TV - October 2016.**
- ▶ Channel availability:
 - ▶ as part of the digital terrestrial television - MUX 8 (70% reach of Polish households)
 - ▶ in the offer of multiple cab/sat operators: **Cyfrowy Polsat, UPC Polska, Vectra, Multimedia Polska, TOYA and INEA.**
- ▶ **Viewing results** for December 2016 **50% higher** than in preceding month.
- ▶ Production of in-house programs with **Piotr Najstüb („Mito/ść”)** and **Teo Vafidis („Filozofia Smaku”)**.
- ▶ Enhancing the programming offer thanks to cooperation with Grupa Onet.pl (programs hosted by **Jarostaw Kuźniar** and **Marcin Cejrowski**).





Stopklatka TV

stopklatka tv

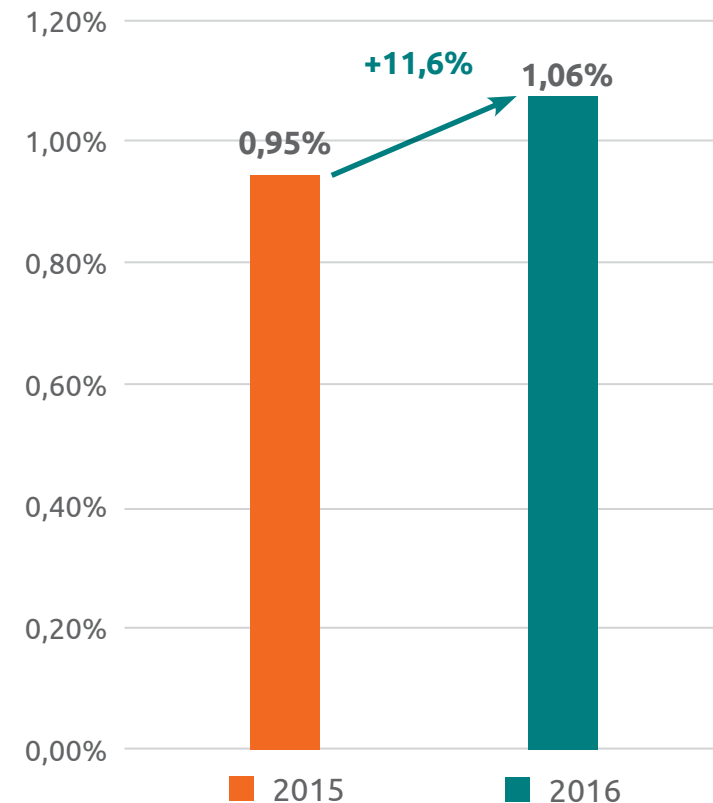
Stopklatka TV

second top movie/tv series channel in Poland

- ▶ Net profitability reached on a yearly basis.
- ▶ 16% revenue increase in 2016 vs 2015.
- ▶ Enriching the programming grid with a higher number of documentaries and entertainment programs, what make it more diverse and attractive to the viewers.
- ▶ Transformation of the movie portal stopklatka.pl into the official Stopklatka TV website, as per a strategy aiming at increasing synergy between TV and Internet.



Stopklatka TV
- share in commercial group



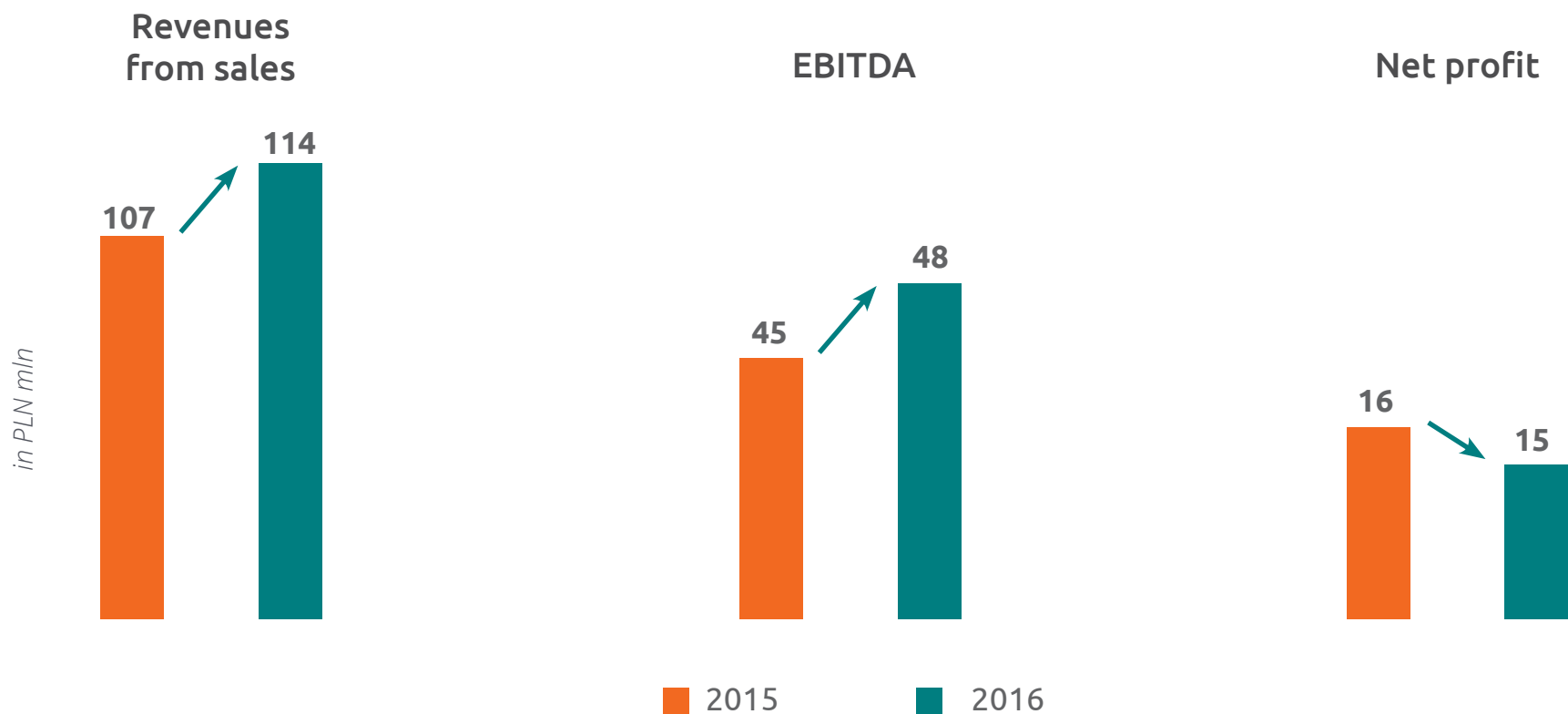
Source:
NAM, 01.01.2015-31.12.2015, 01.01.2016-31.12.2016, SHR 16-49



Financial results

Basic

financial data



Basic

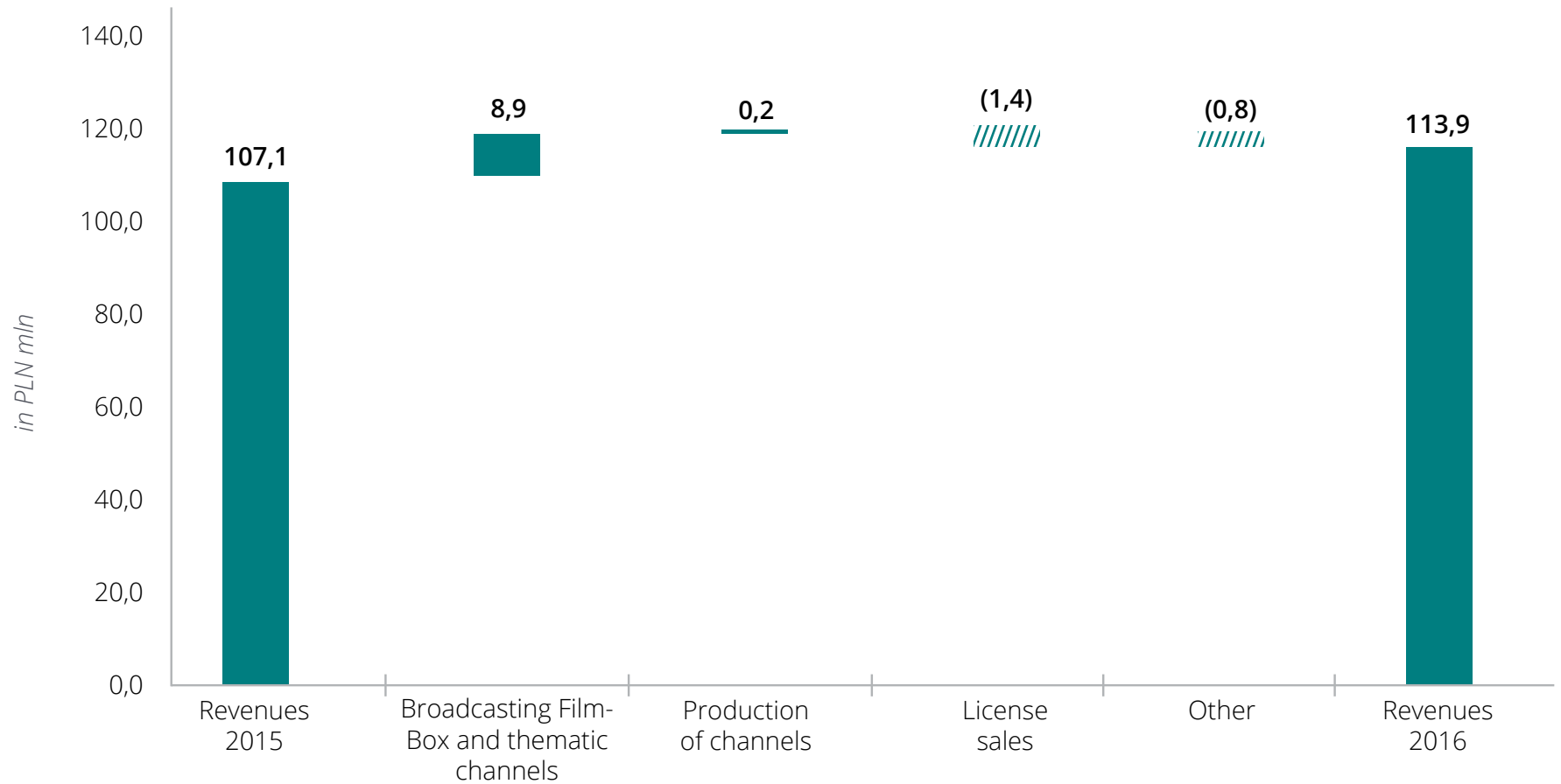
financial data

	2015	2016	DIFFERENCE	%	
Revenues from sales	107	114	7	6%	↑
EBITDA	45	48	3	7%	↑
EBITDA MARGIN	42%	42%	-	-	-
Net profit	16	15	(1)	(4%)	↓
Cash/funds at end of period	7	9	2	26%	↑

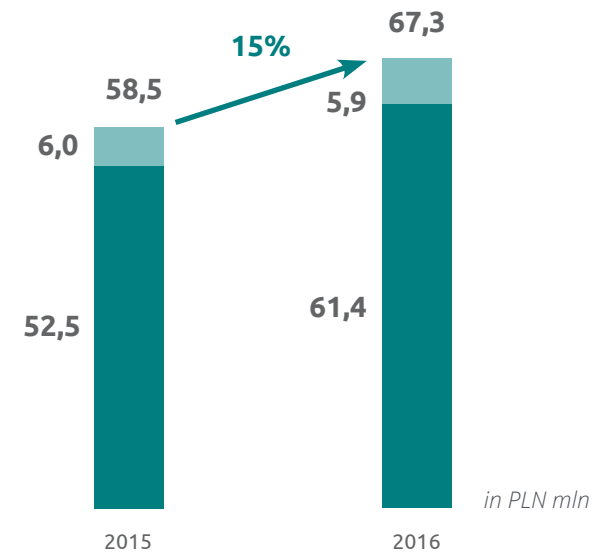
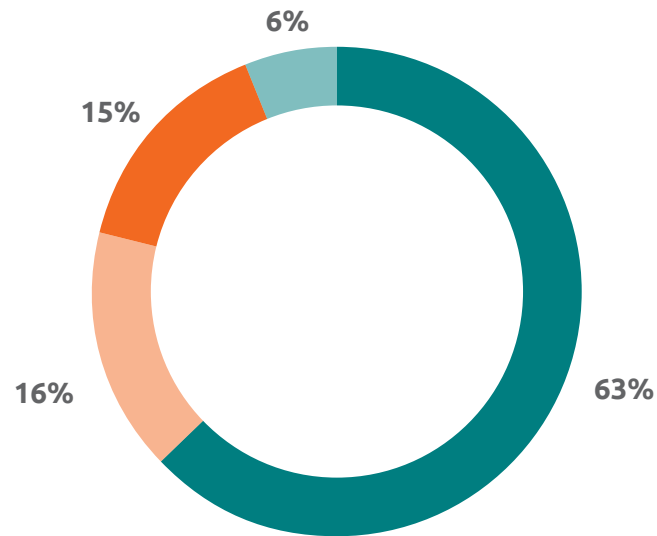
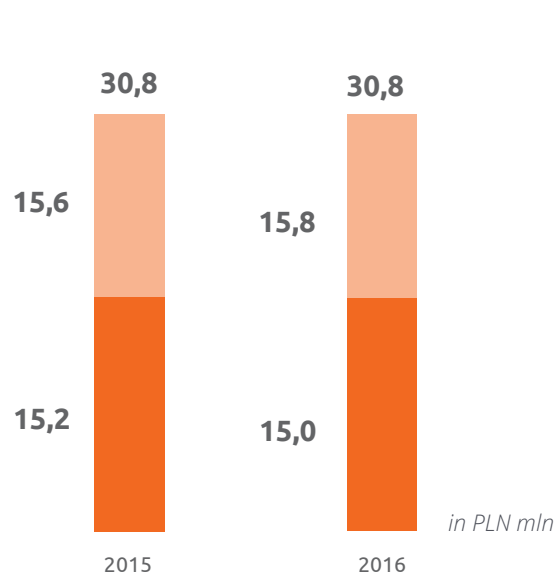
in PLN mln

Revenues

Difference: 6,8 mln PLN, 6%



Broadcasting and advertising revenues



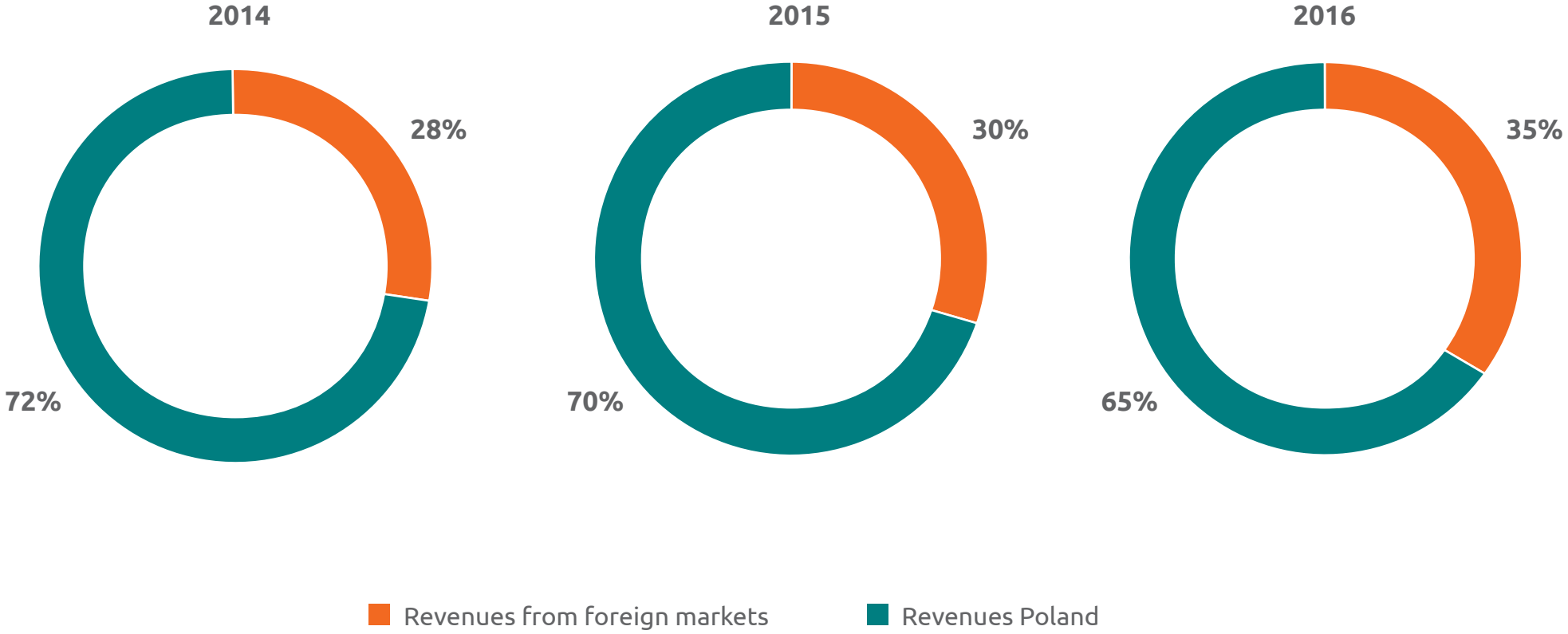
- Revenues from advertising - Kino Polska channels
- Revenues from broadcasting - Kino Polska channels

- Ad revenues - Kino Polska
- Broadcasting revenues - Kino Polska
- Ad revenues - FilmBox
- Broadcasting revenues - FilmBox and thematic channels

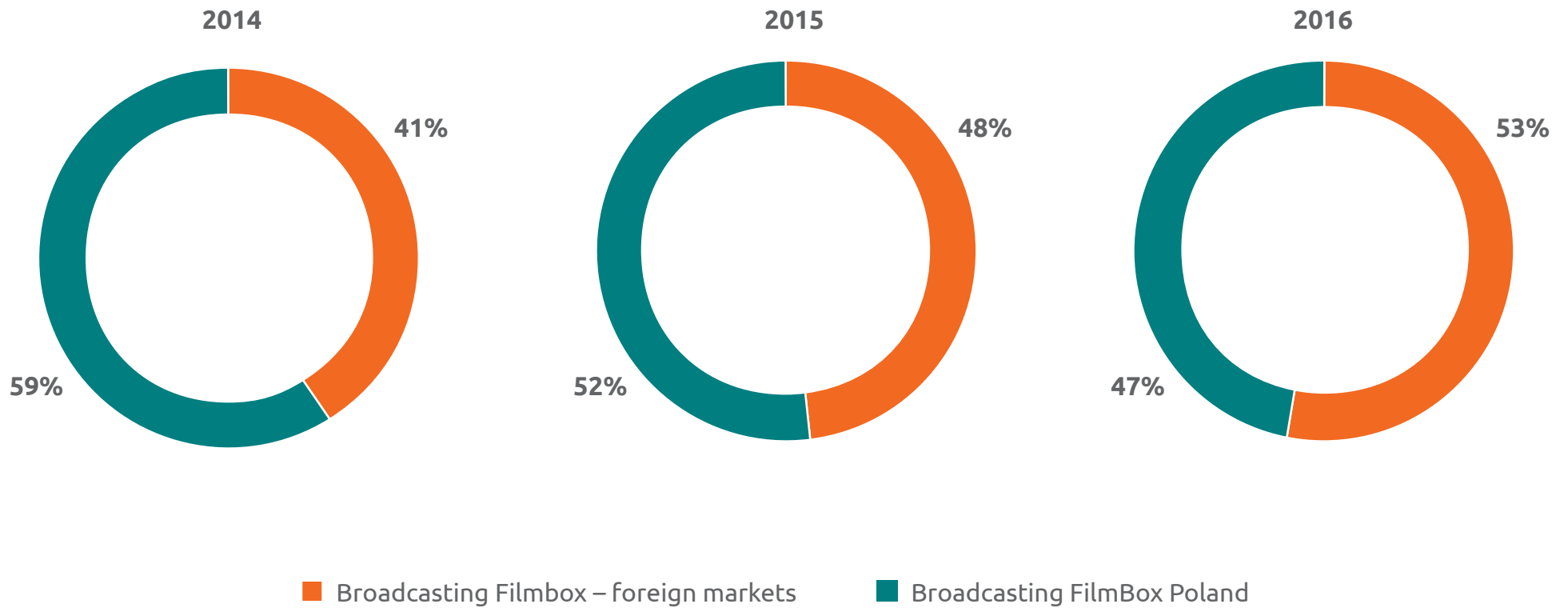
- Revenues from advertising - FilmBox
- Revenues from broadcasting FilmBox and thematic channels



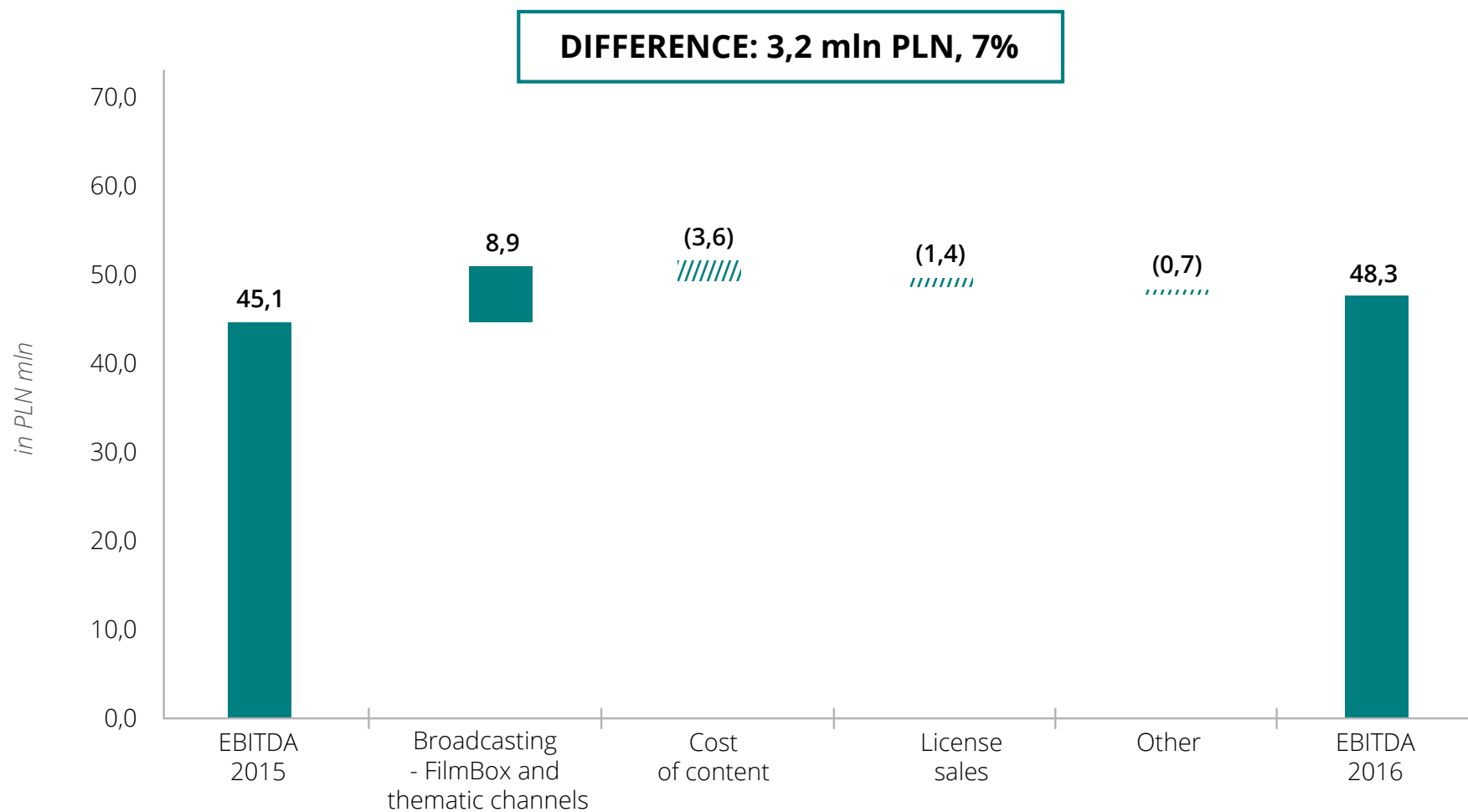
Revenues by territory



Broadcasting revenues by territory

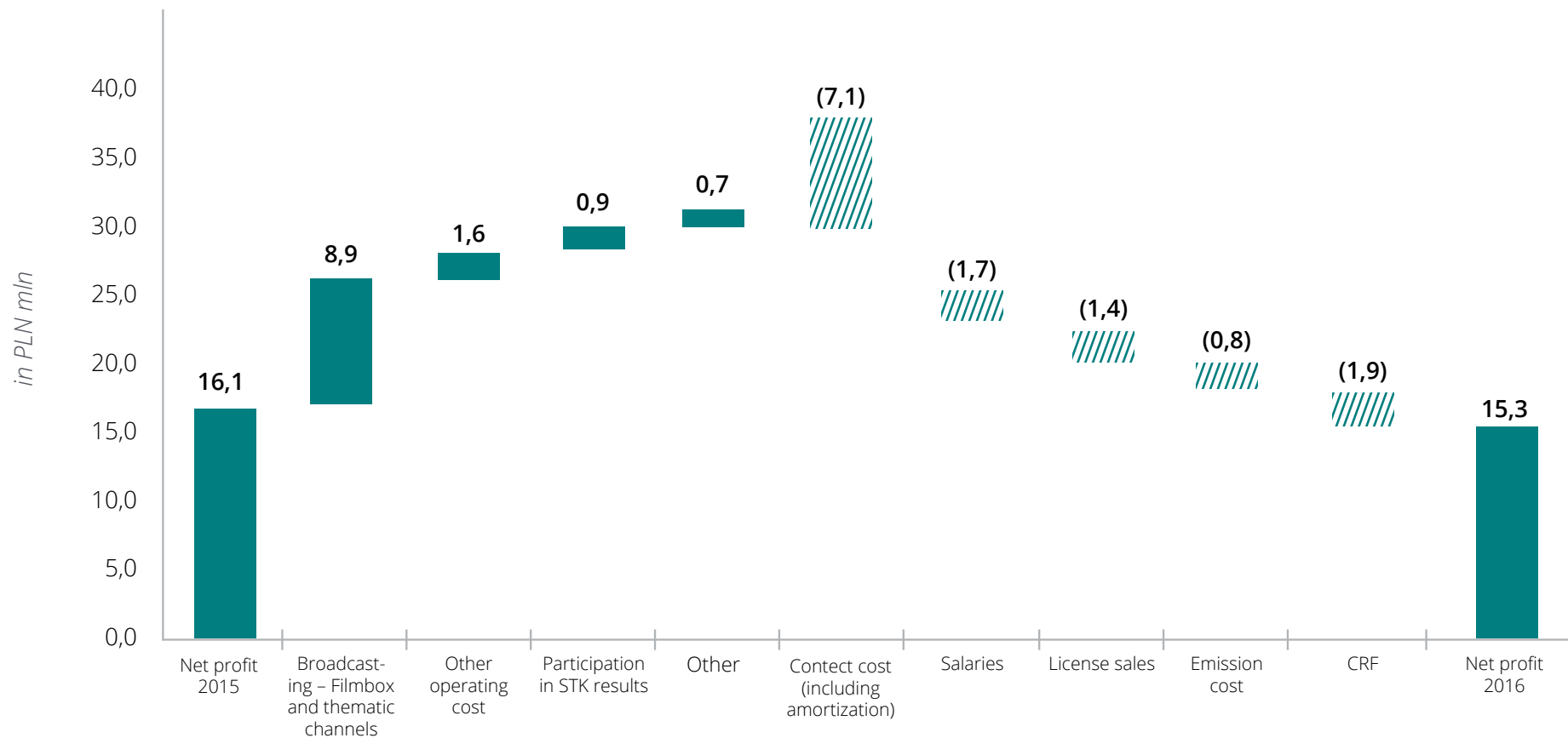


EBITDA 2016



Net profit 2016

Difference: (0,8 mln PLN), (5%)





DIVIDEND

DIVIDEND

PERIOD FOR DIVIDEND PAYOUT	DIVIDEND VALUE PER 1 SHARE	NUMBER OF SHARES COVERED BY DIVIDEND	DIVIDEND AMOUNT
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2016	1,13 PLN	19 821 404	22 398 187 PLN
2015	1,00 PLN	19 821 404	19 821 404 PLN
2014	1,00 PLN	19 821 404	19 821 404 PLN
2013	0,45 PLN	13 821 404	6 219 632 PLN
2012	1,00 PLN	13 821 404	13 821 404 PLN
2011	1,00 PLN	13 859 000	13 859 000 PLN

Recommended by the Management Board of Kino Polska TV S.A.

73 542 844 PLN

95 941 031 PLN





GOALS FOR YEAR 2017

GOALS FOR YEAR 2017

- ▶ Further involvement in ZOOM TV project.
 - ▶ Content attractiveness improvement.
 - ▶ High profit margin per product to continue.
 - ▶ Market share increase -> higher advertising revenues.
 - ▶ Increase of subscriber number in foreign markets.
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Q&A



KINO **POLSKA** TV S.A.

Thank You!