



**KINO POLSKA TV SA CAPITAL GROUP
ACTIVITIES AND FINANCIAL RESULTS**

H1 2017

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AGENDA

- ▶ Key facts H1 2017
- ▶ FilmBox Premium / Basic / Extended Basic
- ▶ Number of active subs
- ▶ Kino Polska channels
- ▶ Market share
- ▶ Zoom TV
- ▶ Stopklatka TV
- ▶ Financial Results
- ▶ Q&A

Kino Polska TV Group

Key data



400
Pay TV Operators



25
Countries



8th position at
Polish TV market



8,5 mln
Subs



3 mln
Subs



12,5 mln
Subs



12,5 mln
Households



9,1 mln
Households

Strategic Goals

- ▶ To strengthen the programming offer and marketing activities in order to increase revenues from broadcasting premium TV channels in Poland.
 - ▶ To generate higher advertising revenues by increasing viewing results on the channels featuring commercial breaks. Also, to extend the terrestrial channel portfolio with Zoom TV.
 - ▶ To implement commercial breaks and generate ad revenue on TV channels in other markets.
 - ▶ To increase revenues from broadcasting Pay TV channels in foreign markets by growing household reach and selling more FilmBox Premium subscriptions while expanding the distribution footprint onto new territories.
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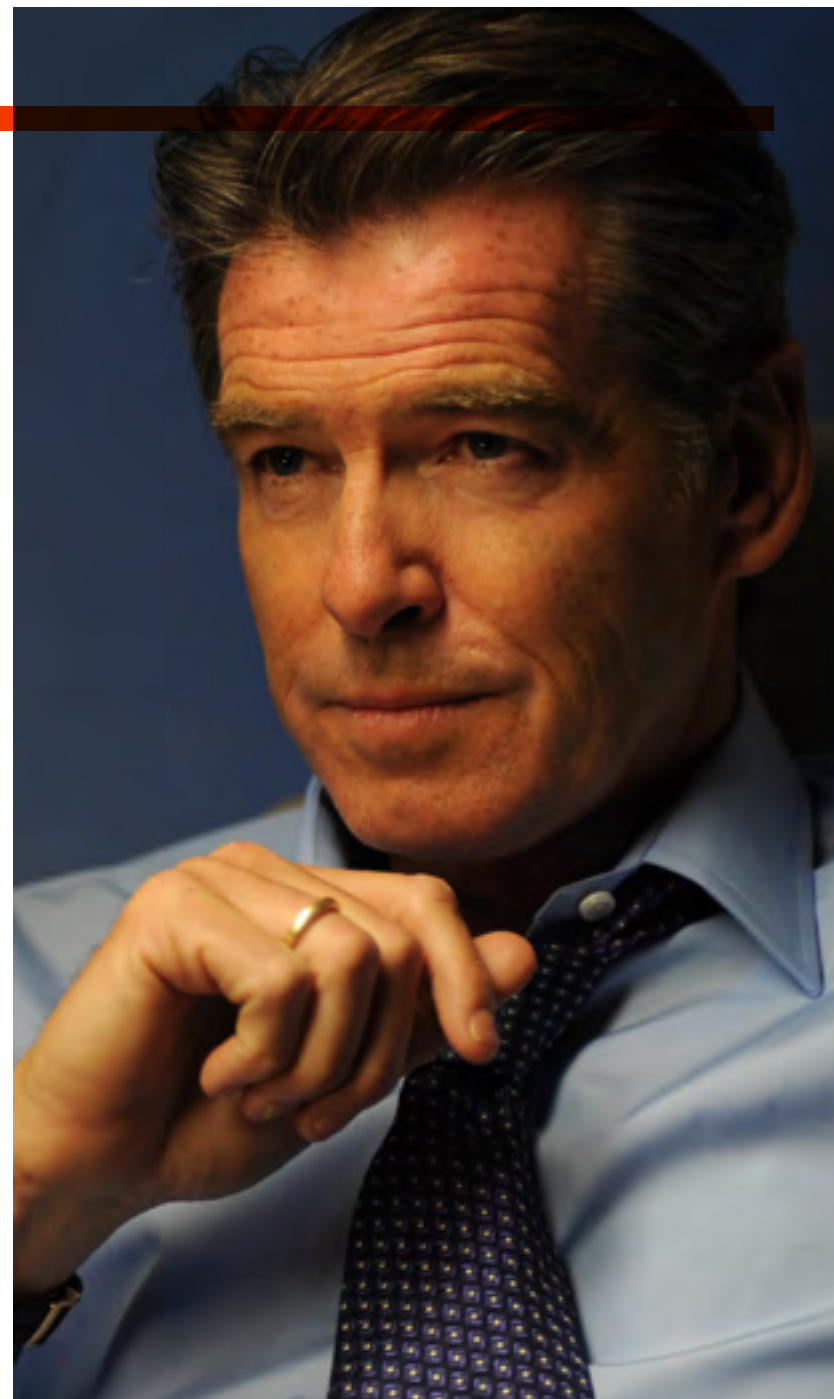




Key facts H1 2017

Key facts

- ▶ **Divident payout** in the gross amount of PLN 1.13 per share. **1st pay out installment for 2016** in the gross amount of **PLN 0.57** per share has been completed. The date of the pay out of the 2nd installment set for October 3rd, 2017.
 - ▶ **Record high revenues reported in H1 2017.**
 - ▶ **Dynamic viewing rates increase** for **Zoom TV channel** in the commercial group (16-49) from July 2017 - **the top ranking channel** among the recently added networks on MUX8.
 - ▶ Maintaining stable ad sales revenue by **Stopklatka TV** (H1 2017 vs H1 2016).
 - ▶ Nearly **8%** revenue increase generated from broadcasting FilmBox and thematic channels (highest growth in the **Czech Rep., Slovakia, Romania, Bulgaria** and **ex-Yugo**).
 - ▶ Revenue increase reported from emerging markets (**Baltics, Ukraine, Turkey and Middle East**) - according to projections.
-



Key facts

- ▶ Started distribution cooperation with **Orion Express** in **Russia** in order to expand distribution of FilmBox Baltics and FilmBox Arthouse.
- ▶ Strengthening programming offer on the **FilmBox channels** in **CEE, Turkey and the Middle East** with content acquisitions from **Freeman Distribution, A+E** and **FreemantleMedia International**.
- ▶ Making the programming offer on the Kino Polska channel more attractive by acquiring TV rights for **200 films** from the **Kino Świat** portfolio.
- ▶ Launching **FilmBox Middle East** (September 2017) in order to grow revenue in the region.
- ▶ "Best Fireworks Ever" - a short film produced with the support from **Kino Polska** received the Canal+ **Award and Rail d'Or prize in Cannes** as part of the prestigious 56. Semaine de la Critique. Official selection in the short film competition at the upcoming Polish Film Festival in Gdynia.



KINO ŚWIAT



A+E
NETWORKS



Key facts

- ▶ **Rebranding of FilmBox channels in Poland** (effective September 12th, 2017)



- ▶ Fall 2017 advertising campaigns (print, radio, online) to promote **Kino TV** and **Kino Polska** channels in Poland.
 - ▶ Commercial breaks start to air on the FilmBox channel in the **Czech Republic** (effective **September 1st, 2017**)
-





FilmBox Premium / Basic / Extended Basic



FilmBox Premium

- ▶ Strengthening of the programming offer on the **FilmBox channels in CEE, Turkey and the Middle East** with content acquisitions from **Freeman Distribution, A+E** and **FreemantleMedia International**.
- ▶ Hot new movie premieres: *La La Land*, *Hacksaw Ridge*, *The Foreigner*, *Office Christmas Party* and acclaimed TV series: *The Young Pope*, *Apple Tree Yard*, *Modus* - - to attract new subscribers.
- ▶ **Rebranding** of the FilmBox and FilmBox Premium channels in Poland (effective September 12th, 2017) in order to increase number of subs of the FilmBox Premium package.



FilmBox Basic & Extended Basic

- ▶ Rebranding of the FilmBox channel in Poland effective September 12th, 2017)



- ▶ Fall 2017 advertising campaign for **Kino TV** in Poland (print, radio, online) - September 2017.
- ▶ Commercial breaks - on-air advertising introduced on the **FilmBox** channel in the **Czech Rep.** as of September 1st, 2017 - started cooperation with **AtMedia** which handles commercial air time sales.
- ▶ Launch of the **FilmBox Middle East** on September 1st, 2017 - in order to increase revenues in the region.



FilmBox Basic & Extended Basic

- ▶ Launching basic tier FilmBox channels with the following operators:

Turksat/Kablo TV (Turcja)  TURKSAT

Kalejdo Bredband AB (Sweden)  kalejdo

Sling (USA)  sling

E-Vision (UAE)  e-vision

K3 Telecom (Liberia)  K3Tele.com

Swecom (Cameroon)  SWECOM

Play – ex-Consat (Nigeria)  play

- ▶ Adding new language versions to FilmBox Arthouse for the **Middle East and Africa: Russian, French, Arabic, Turkish, Spanish, Portuguese** - to increase revenue.
- ▶ Signing a distribution agreement with **Ethnic Channels Group (ECG)** to distribute the FilmBox Arthouse channel in **Canada**.





NUMBER OF ACTIVE SUBS AND OPERATORS

Number

of active subscribers / operators

NUMBER OF SUBS	2015	2016	2017
KINO POLSKA	8 265	8 387	8 533
FILMBOX	8 786	9 452	12 559

(in thousands)

NUMBER OF ACTIVE OPERATORS	2015	2016	2017
KINO POLSKA	294	280	270
FILMBOX	337	357	423



Kino Polska Channels



Kanały Kino Polska

- ▶ Programming refreshment:
 - ▶ TV rights acquired to 200 films from the Kino Świat portfolio.
 - ▶ Strengthening of the programming team - new hires.
 - ▶ "Best Fireworks Ever" - a short film produced with the support from Kino Polska received the Canal+ Award and Rail d'Or prize in Cannes as part of the prestigious 56. Semaine de la Critique. Official selection in the short film competition at the upcoming Polish Film Festival in Gdynia
 - ▶ „Program obowiązkowy” – an in-house production nominated to the prestigious Polish Film Institute Award.
 - ▶ Fall 2017 advertising campaign - Kino Polska in November (print, radio, online) - Polish premiere of the Russian TV series „Insomnia” starring Maciej Stuhr.
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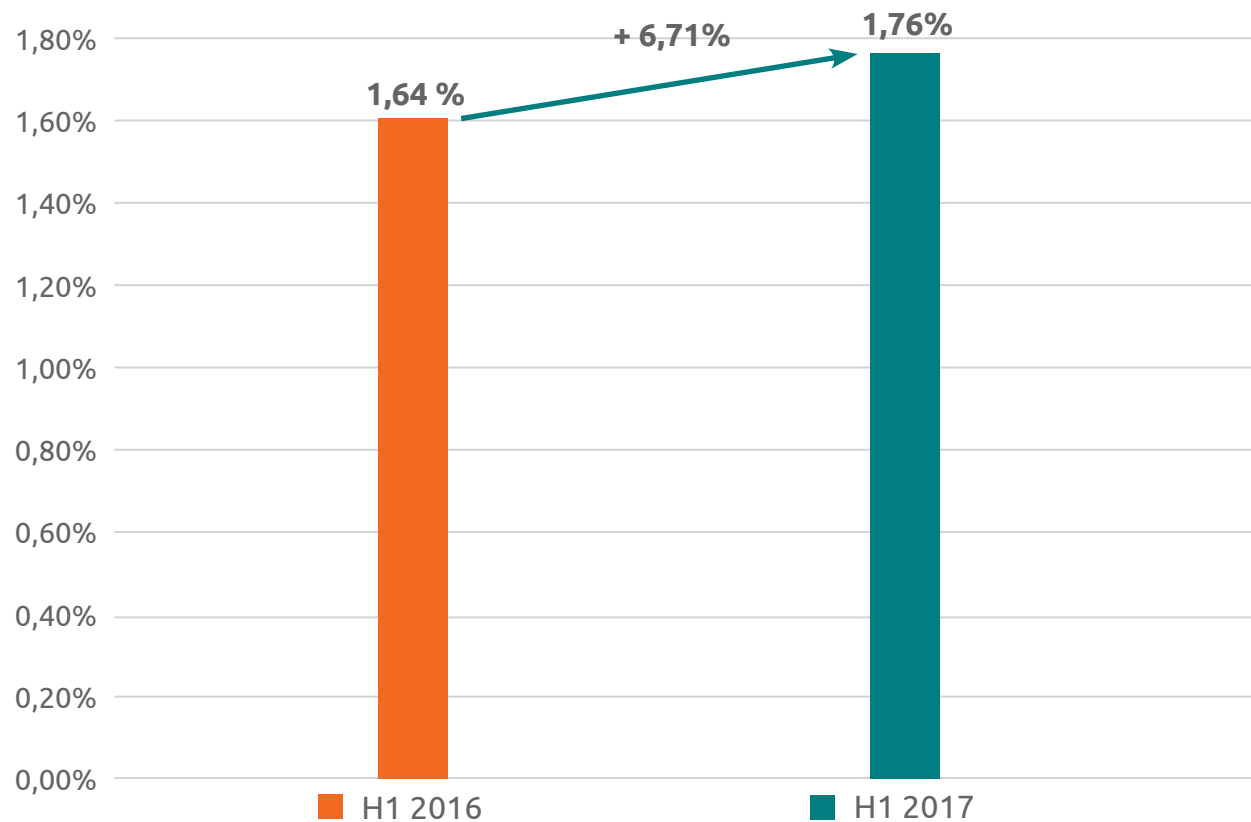


Market share – TV channels



Kino Polska TV SA Group - Stopklatka TV

Market share - TV channels - Poland - age group 16-49



Source:
NAM, 01.01.-30.06.2016, 01.01.-30.06.2017, SHR 16-49



Zoom TV

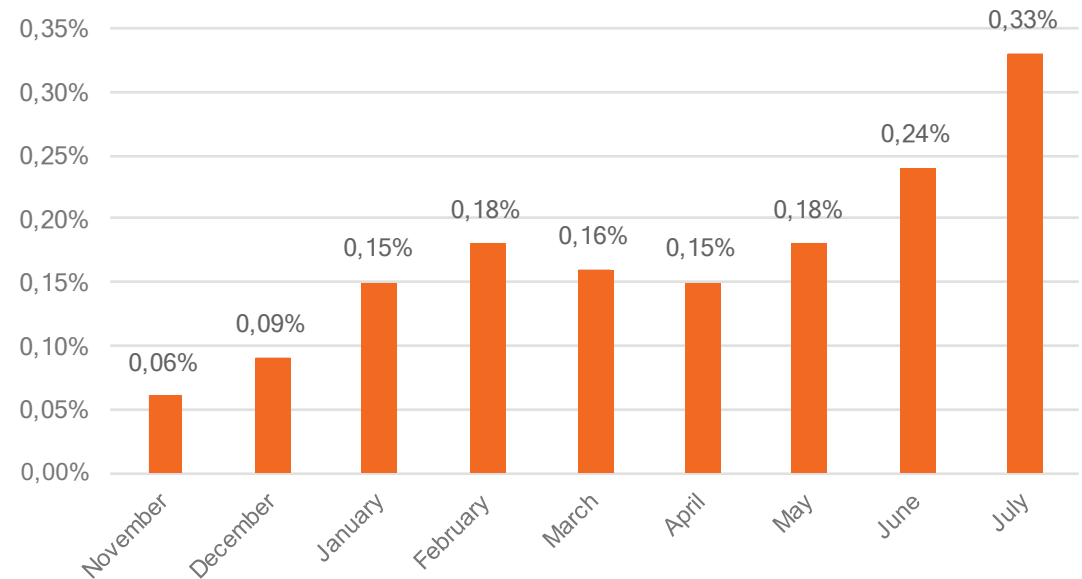
zoomtv
BLIŻEJ LUDZI

Zoom TV

second terrestrial network from Kino Polska TV Group

- ▶ Zoom TV is now available on nc+ digital platform (from June 30) and on Vectra cable network (from March 7). Zoom TV is available nationwide as part of the free terrestrial TV (MUX8) as well as through **all major satellite platforms and cable operators.**
- ▶ **Zoom TV's SHR results** in June 2017 (16-49) increased by **50%** comparing to the previous month.
- ▶ **Record high daily SHR reported by Zoom TV on August 22nd, 2017 - 0.65% (SHR 16-49).**

Zoom TV -SHR (monthly) - 16-49 commercial group



Source:
NAM, 01.11.2016-31.07.2017, SHR 16-49

Agora, 21.10 godz. 11.00 © Mod Producciones S.L./Himenóptero S.L./Telechco Cinema S.A.U.



Stopklatka TV

STOPKLATKA^{tv}

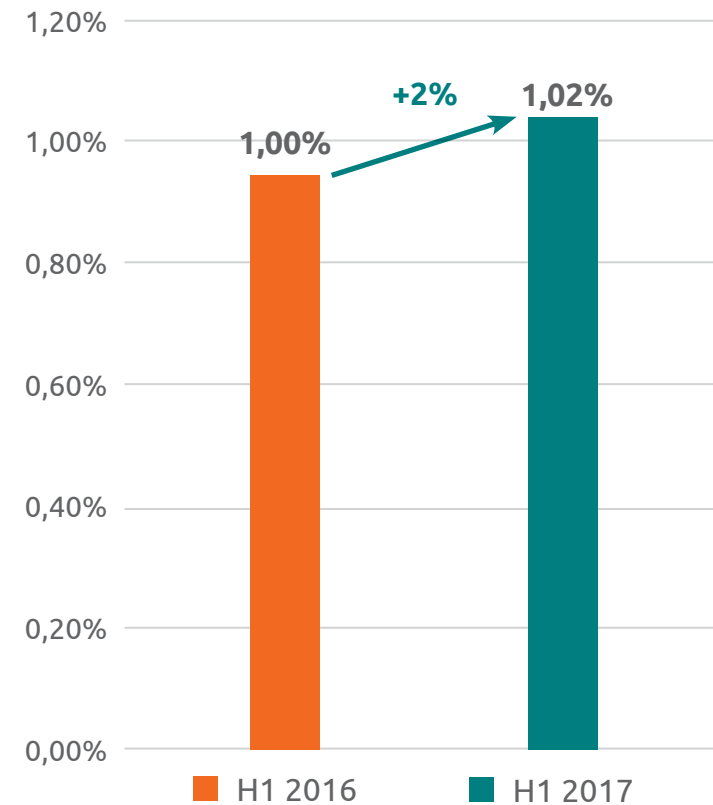
Stopklatka TV

#2 top movie/TV series channel in Poland

- ▶ Maintaining satisfactory level of ad sales revenues (H1 2017 vs H1 2016).
- ▶ Increased spending to acquire new content for further channel development.
- ▶ New on-air ident and new logo introduced on April 14th, 2017.



Stopklatka TV - share
in commercial group.
H1 2017 vs H1 2016



Source:
NAM, 01.01.-30.06.2016, 01.01.-30.06.2017, SHR 16-49



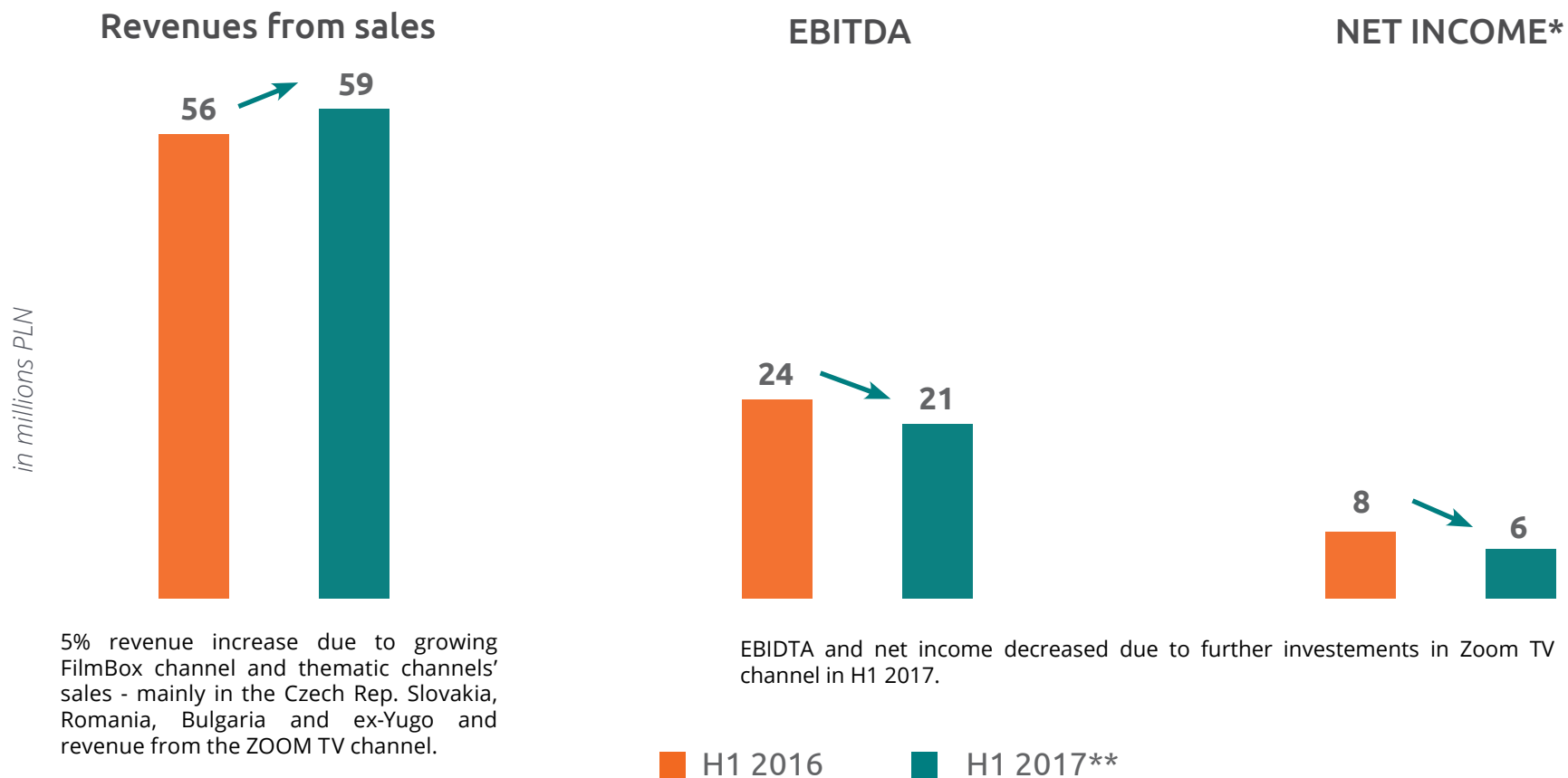
Financial results

Financial results summary

- ▶ Revenue increase in H1 2017
- ▶ Further development and investment into Zoom TV.
- ▶ In 1H2017 Kino Polska TV S.A. reported profit while making continuous investments into new operations and further development of the ongoing business.



Basic financial data



* net profit from continuing operations

** data includes results of CTN&P (Zoom TV)



Basic financial data

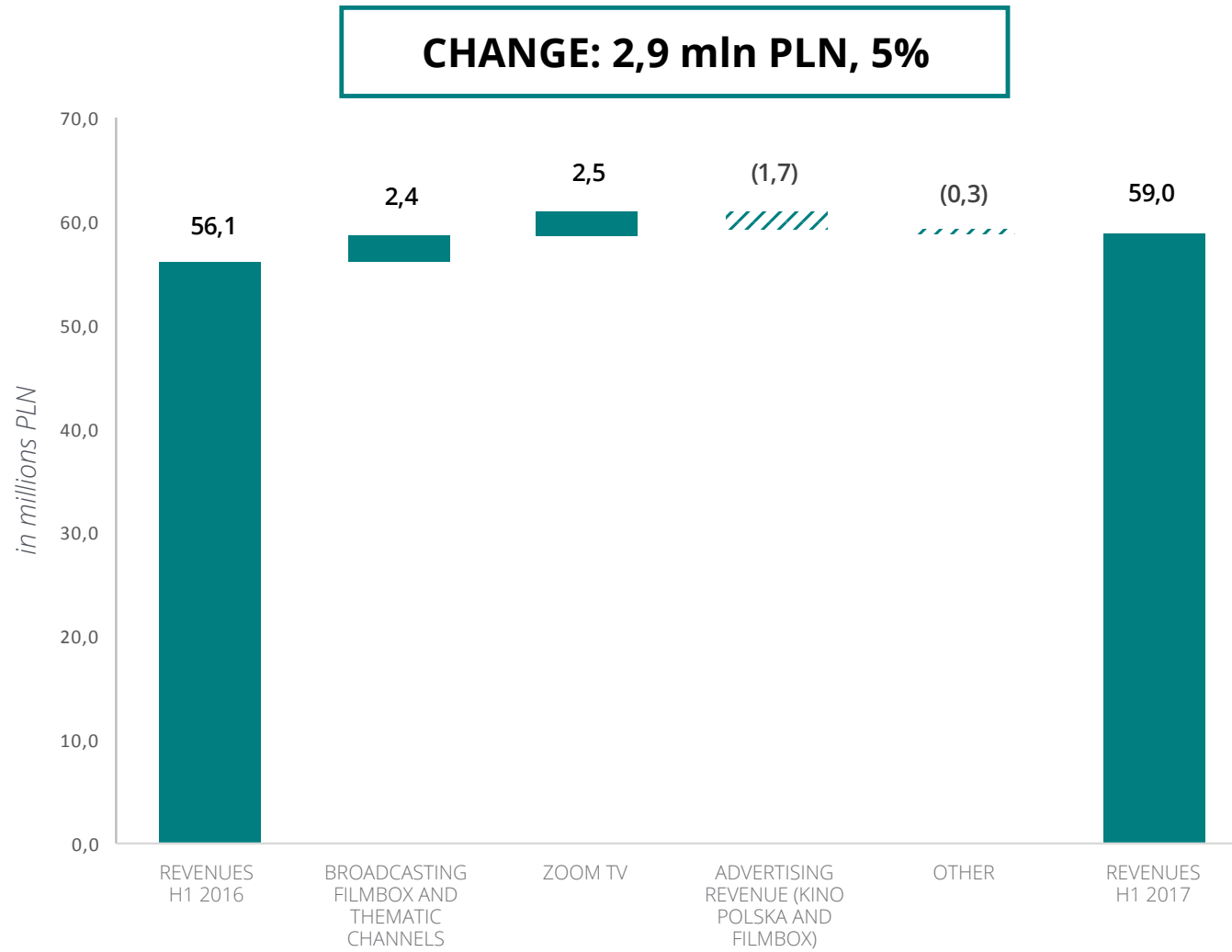
	H1 2016	H1 2017	CHANGE	%
SALES REVENUES	56,1	59,0	2,9	5%
EBITDA	24,4	21,3	-3,1	-13%
EBIDTA MARGIN	44%	36%	-8 P.P.	-17%
NET PROFIT FROM CONTINUING OPERATIONS	7,9	6,2	-1,7	-21%
CASH *	16,2	5,0	-11,2	-69%

in millions PLN

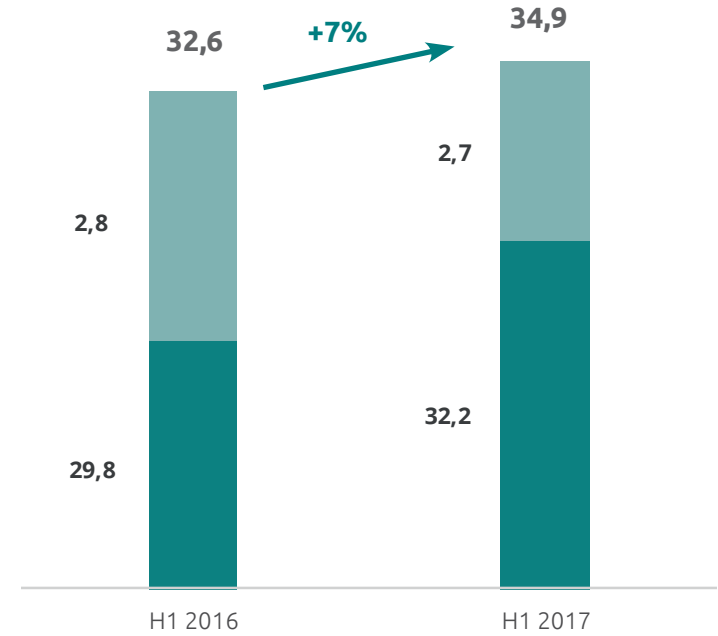
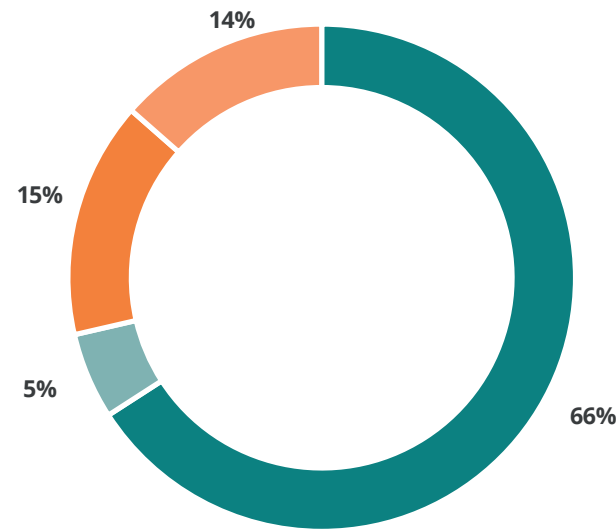
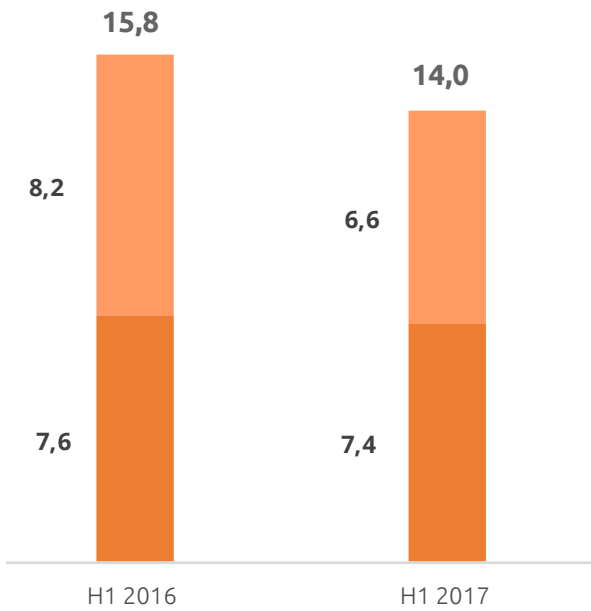
* Cash decreased due to direct investment into Zoom TV.



Revenues



Revenues from broadcast and advertising



■ Ad sales - Kino Polska channels
 ■ Broadcast - Kino Polska channels

■ Ad sales - Kino Polska channels
 ■ Broadcast - Kino Polska channels
 ■ Broadcast - FilmBox and thematic channels
 ■ Ad sales - FilmBox

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 ■ Broadcast - FilmBox and thematic channels

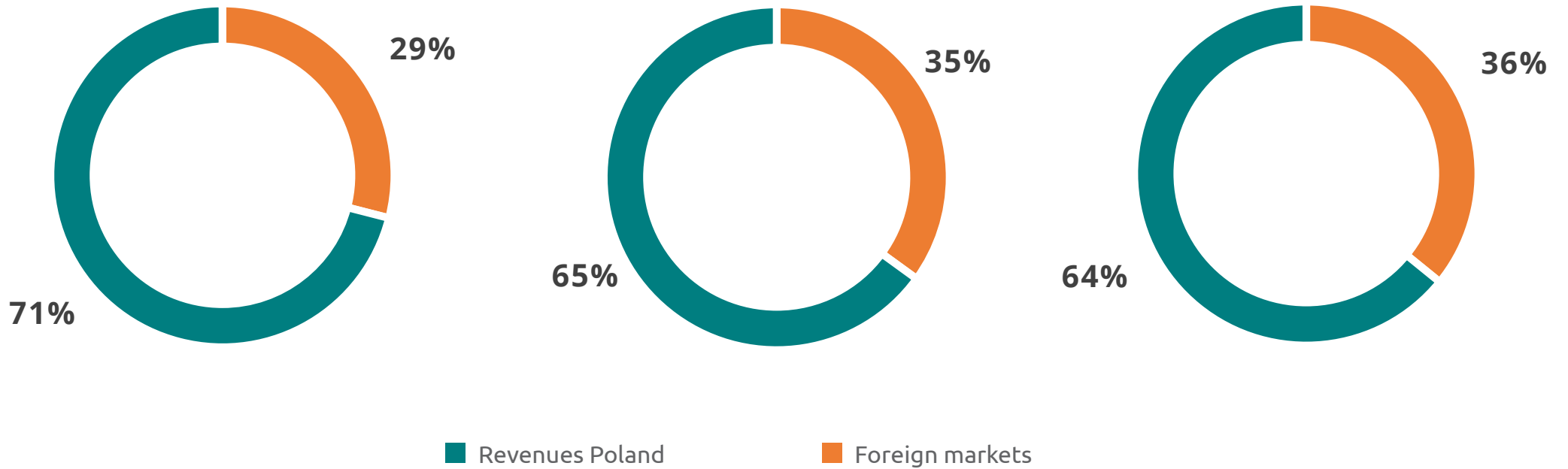


Revenues by territory

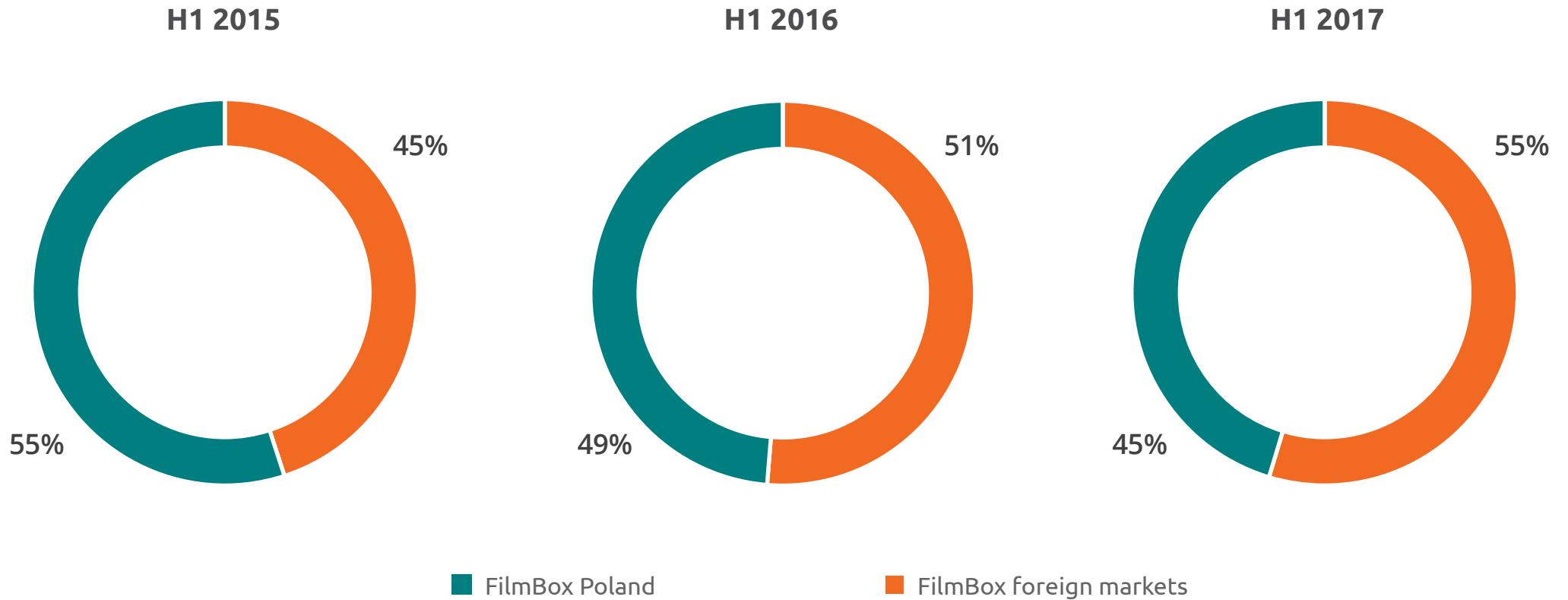
H1 2015

H1 2016

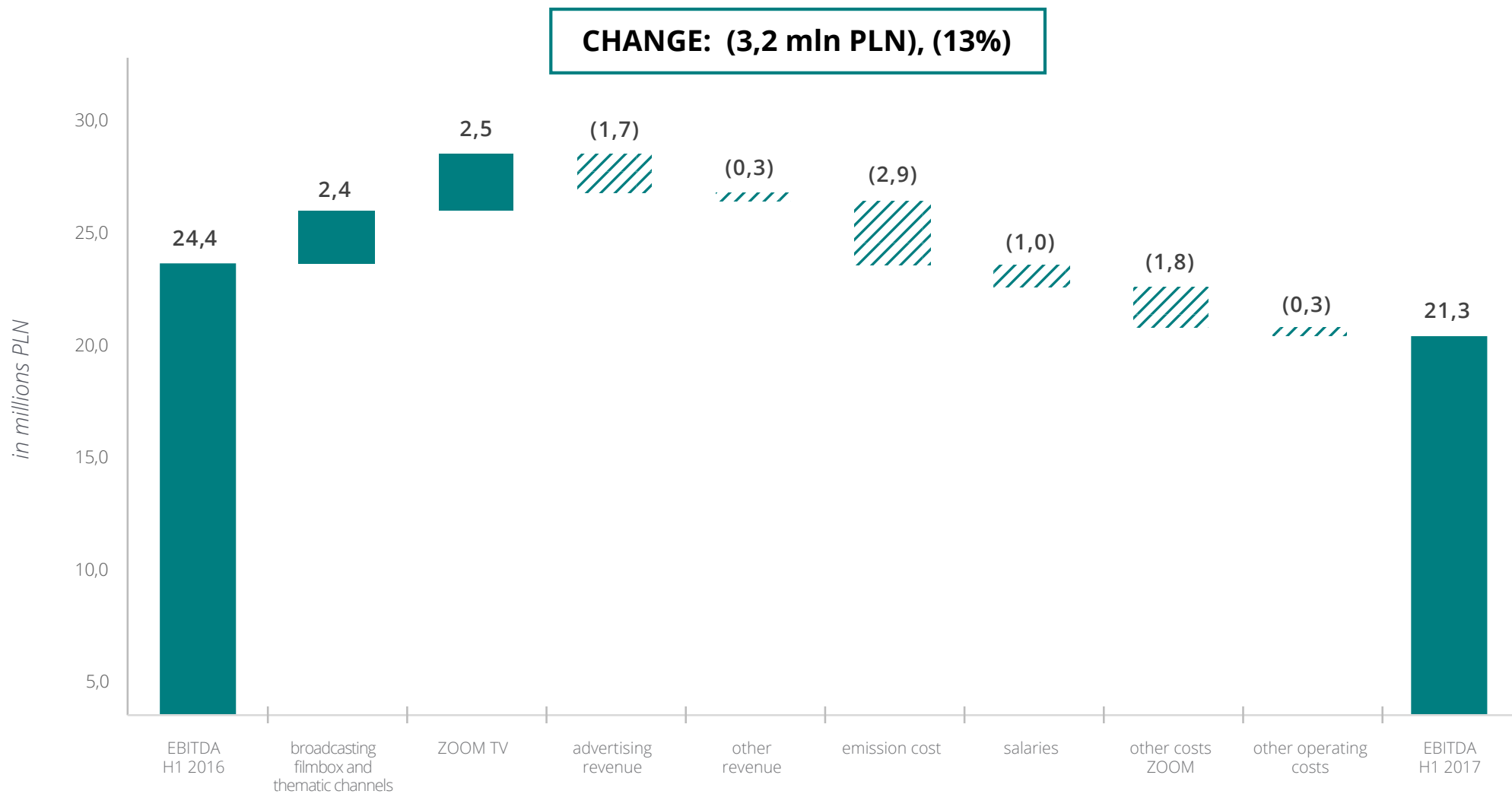
H1 2017



Revenue from broadcasting – Filmbox channels by territory

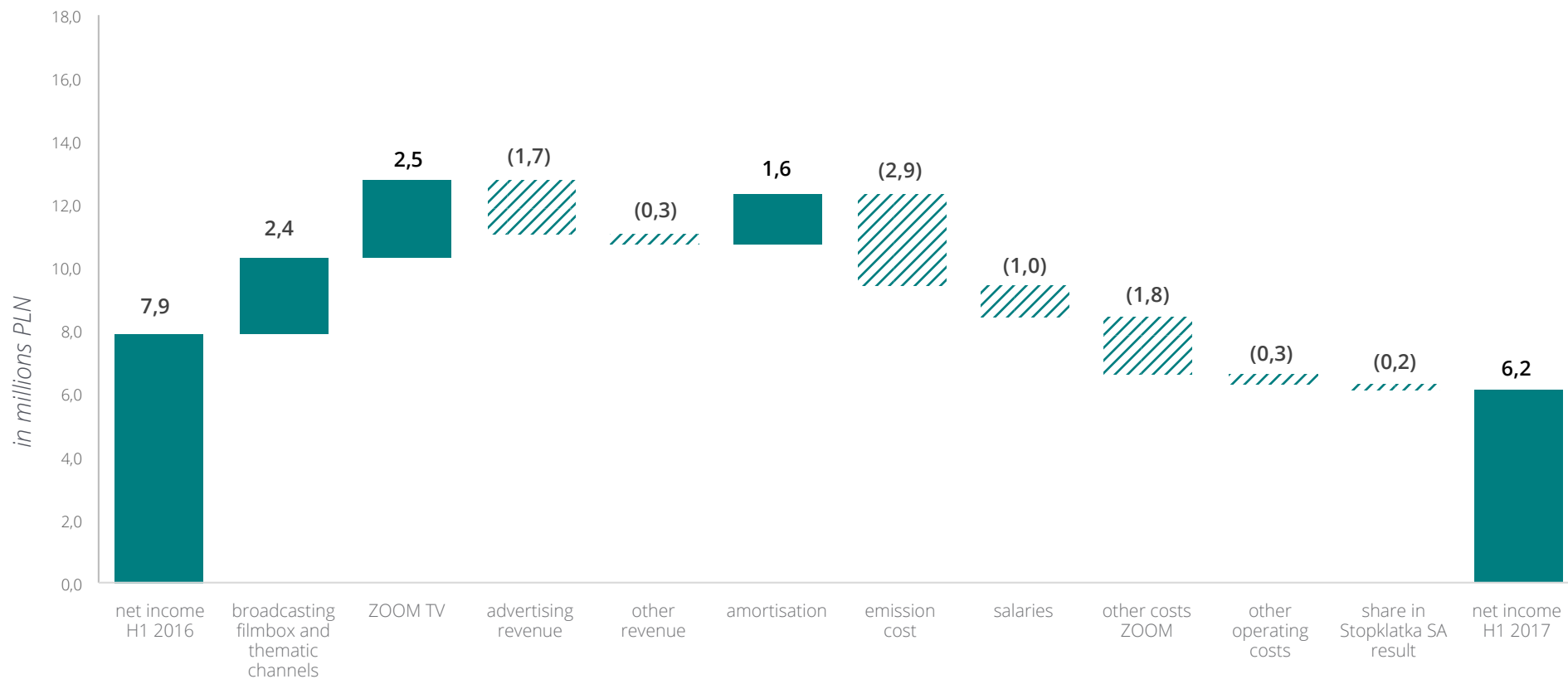


EBITDA H1 2017



NET INCOME H1 2017

CHANGE: (1,7 mln PLN), (21%)



Dividend - payout period

PERIOD FOR DIVIDEND PAYOUT	VALUE PER SHARE	NUMBER OF SHARES	VALUE OF DIVIDEND
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II installment 2016	0,56 zł	19 821 404	11 099 986 zł*
I installment 2016	0,57 zł	19 821 404	11 298 200 zł**
Year 2015	1,00 zł	19 821 404	19 821 404 zł
Year 2014	1,00 zł	19 821 404	19 821 404 zł
Year 2013	0,45 zł	13 821 404	6 219 632 zł
Year 2012	1,00 zł	13 821 404	13 821 404 zł
Year 2011	1,00 zł	13 859 000	13 859 000 zł

* tentative dividend payout date
October 3rd, 2017

** paid July 18th, 2017

84 841 044 zł

95 941 031 zł





Q&A



KINO **POLSKA** TV S.A.

THANK YOU!