

Multimedia Polska S.A. 2009 fourth quarter results



> 1 March 2010

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Full Year 2009 Highlights



1

EBITDA

- Our 12M 2009 EBITDA* was PLN 265.1m increased by ca. 12% year-on-year
- We continue to enjoy high EBITDA margin of 50.4%

2

Subscribers and RGUs

- We increased the number of RGUs to 1,235,000; up 9.4% year-on-year
- We added ca. 29,000 DTV subscribers year-on-year
- We increased RGU/unique customer ratio to 1.83

3

Opex per RGU

- Excluding one-off events, we maintained operating expenses per RGU per month at PLN 17.6

(*) Adjusted: operating profit plus depreciation and amortisation less one-off non-cash items

Fourth Quarter 2009 Highlights



- > **We added 27,100 net RGUs**
 - 10,400 video RGUs
 - 11,800 broadband RGUs
 - 4,900 telephony RGUs
- > **We had 673,100 unique customers**
 - 370,300 single play subscribers
 - 213,600 double play subscribers
 - 89,200 triple play subscribers
- > **RGU/subscriber rate was**
 - 1.80 in Q3 2009
 - 1.83 in Q4 2009
- > **Blended ARPU per subscriber**
 - PLN 63.70 in Q3 2009
 - PLN 65.93 in Q4 2009
- > **Blended ARPU per RGU**
 - PLN 34.60 in Q3 2009
 - PLN 34.98 in Q4 2009

RGU Growth Highlights



- > The dynamic growth of our data segment continues (16% y-o-y)
- > We have been able to sustain double-digit growth in the voice segment (10% y-o-y)
- > Our video segment also grew thanks to our digital offering

Quarter-on-quarter ('000)	Q3 2009	Q4 2009	% change	new adds
video	686	696	2%	10
voice	211	216	2%	5
data	311	323	4%	12
Total	1 208	1 235	2%	27

Year-on-year ('000)	Q4 2008	Q4 2009	% change	new adds
video	655	696	6%	42
voice	196	216	10%	20
data	279	323	16%	45
Total	1 129	1 235	9%	106

business review



Our subscriber base — 31 December 2009



Our Market	1,139,200 marketable homes	673,100 unique subscribers	1,235,100 total RGUs
Our Services	696,300 video RGUs*	323,200 broadband RGUs	215,600 voice RGUs**
Multiplay	370,300 1-play subscribers	213,600 2-play subscribers	89,200 3-play subscribers

(*) Include 30,900 premium channel RGUs, 7,000 IPTV RGUs and 99,300 DTV RGUs

(**) Include 13,700 indirect voice RGUs and approximately 700 payphones

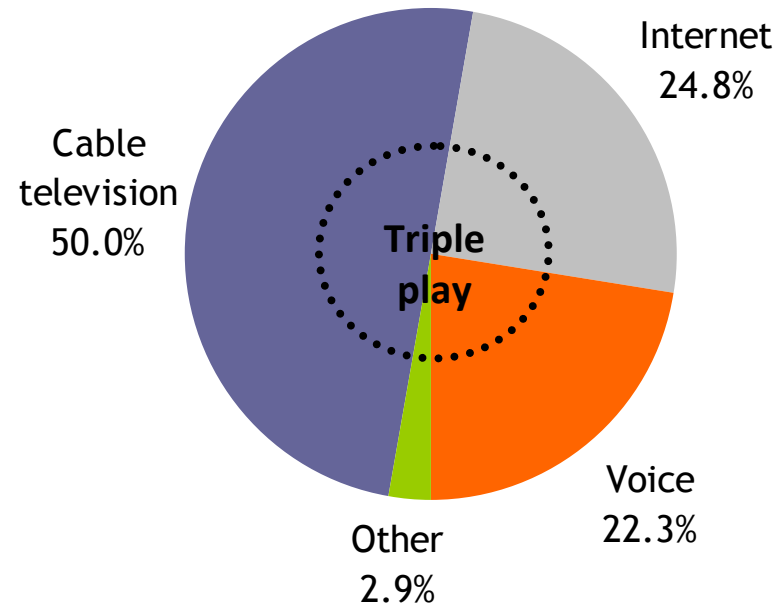
Our products today



Product offering

- > We have a fully-developed up-to-date and innovative product offering which continues to be expanded in line with technological advance
- > Our products comprise primarily:
 - CATV (analog TV, IPTV, DTV, premium channels, VoD)
 - Internet (broadband, broadband DSL, Wi-Fi, Wi-Max, mobile)
 - Telephony (VoIP, PSTN – also digital, new hybrid WiFi/GSM mobile service, NDS/CPS, value-added services)
- > We have already achieved our target revenue structure and continue to expand each segment

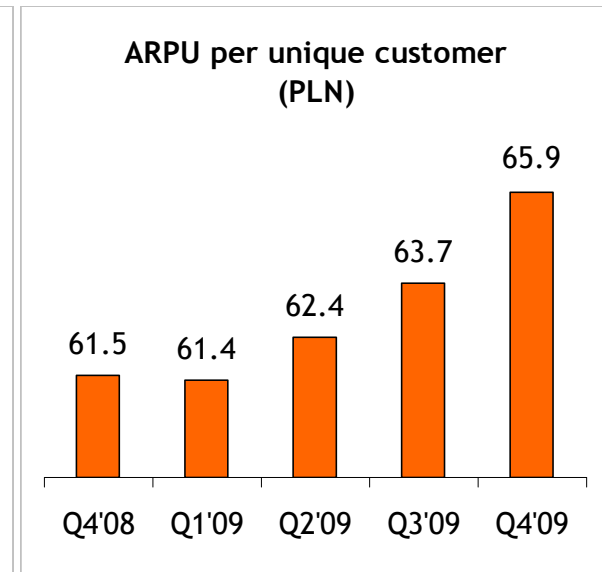
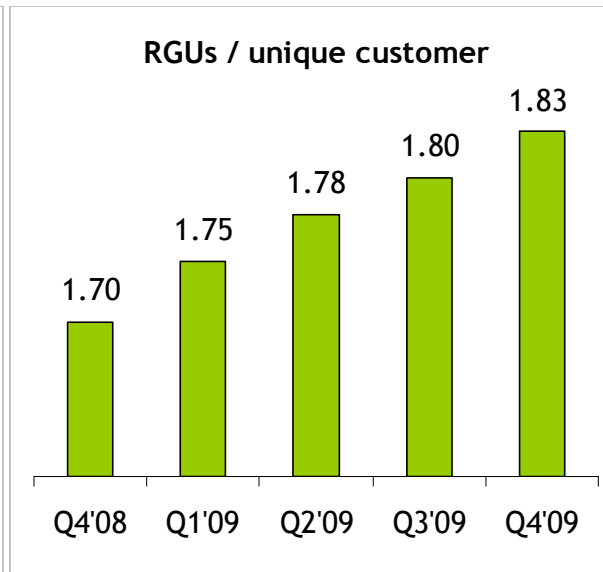
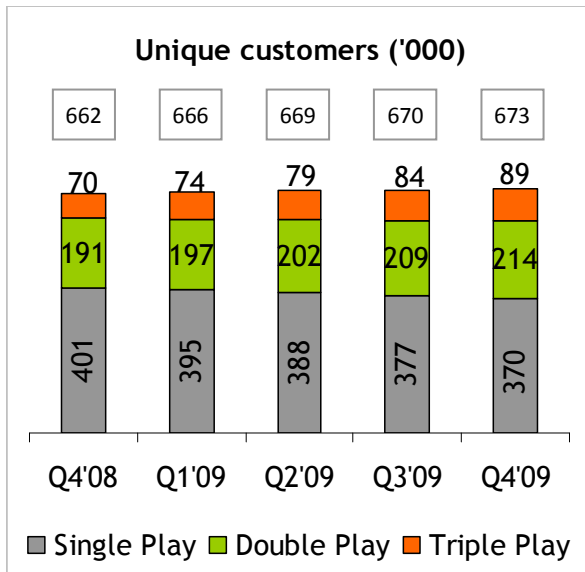
2009 FY revenue breakdown



Subscribers and ARPU



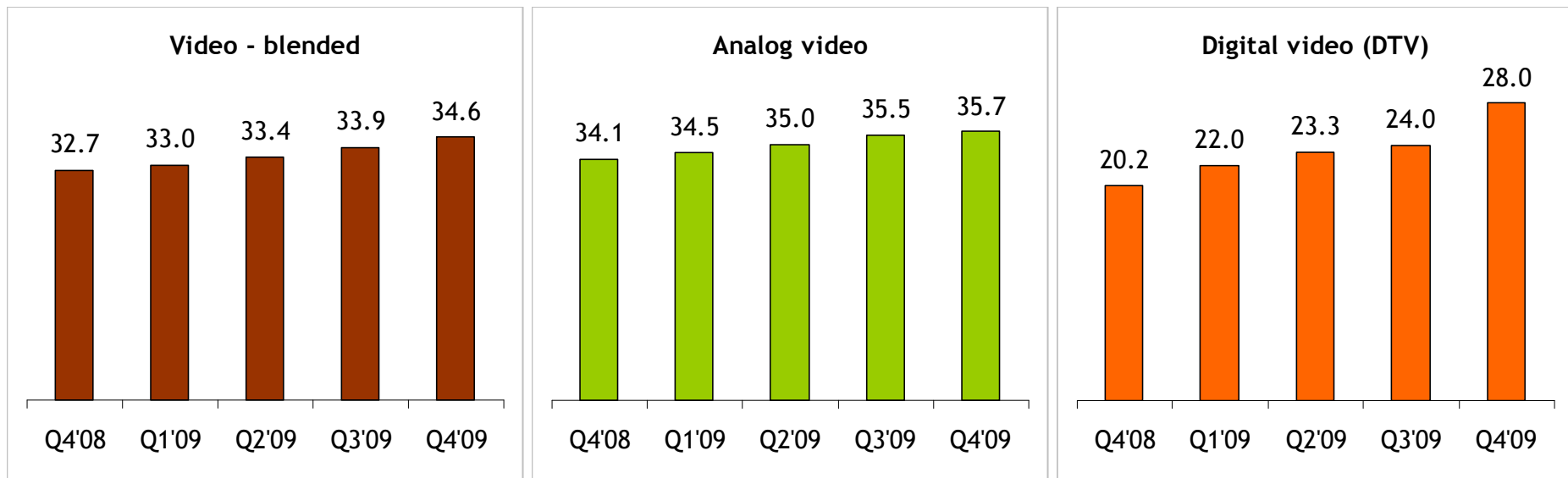
- > Due to successful bundling of services, we continue to grow our ARPU per unique customer
- > RGU per unique customer increased from 1.80 in Q3 2009 to 1.83 in Q4 2009



ARPU per RGU —video services



- > Digital cable TV is quickly becoming an established and growing element of our business
- > In the DTV segment, we grow both the number of RGUs and our ARPU on the service

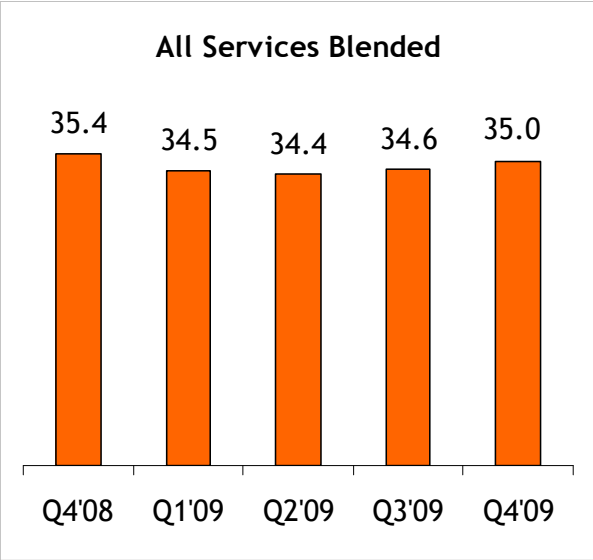
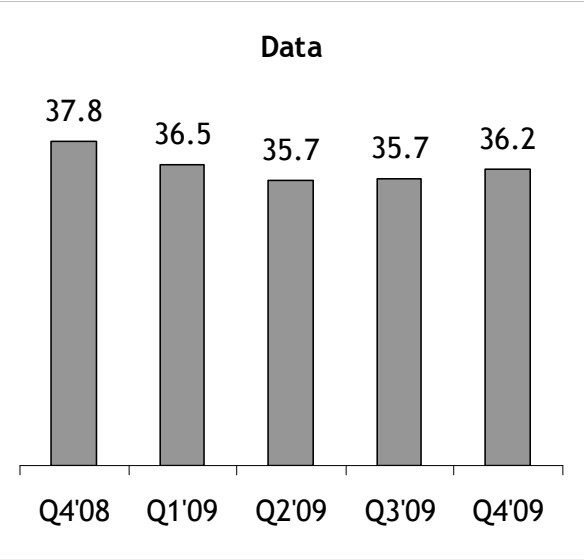
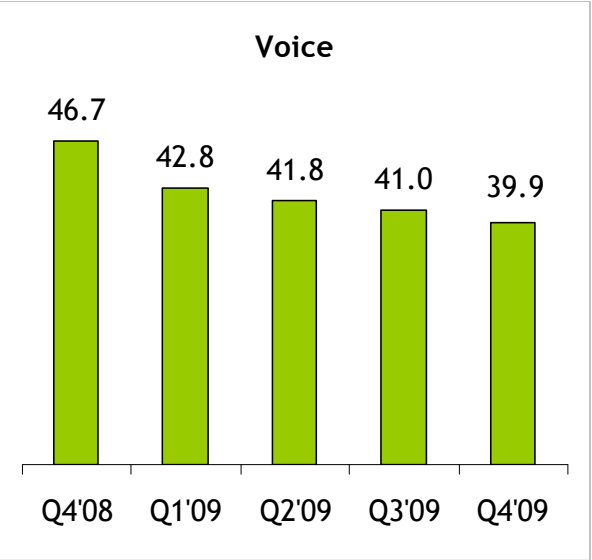


Note: In 2008 significant discounts were offered to promote DTV

ARPU per RGU —voice and data



- > **VoIP:** the drop in ARPU was offset by vibrant additions of VoIP users, our VoIP revenues were up from Q3 2009
- > **PSTN:** like other market players we are seeing a decline in PSTN customers and ARPU
- > **Broadband:** ARPU is currently stable and vibrant additions of broadband users translate into solid revenue growth

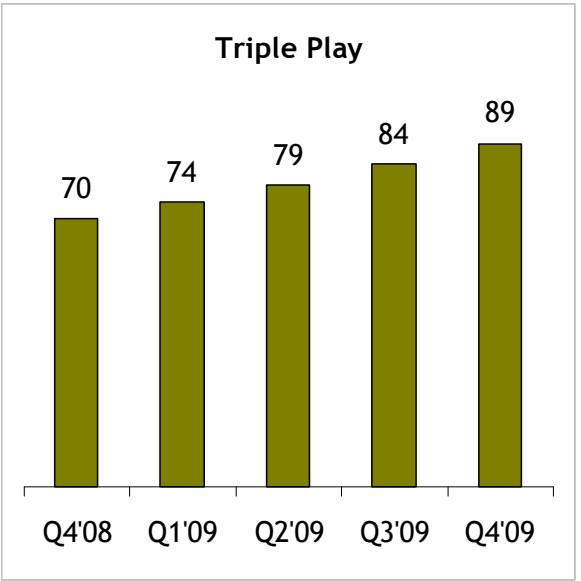
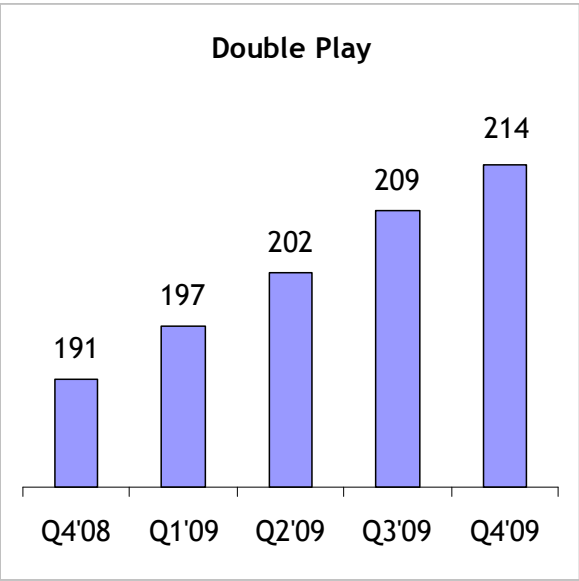
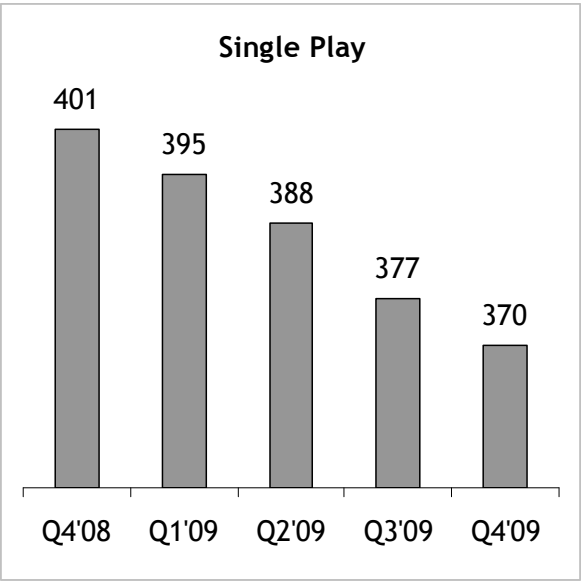


All data in PLN

Customer Base Structure



- > In line with our strategy, we have been moving away from single play and towards double and triple play and we fully expect this trend to continue going forward

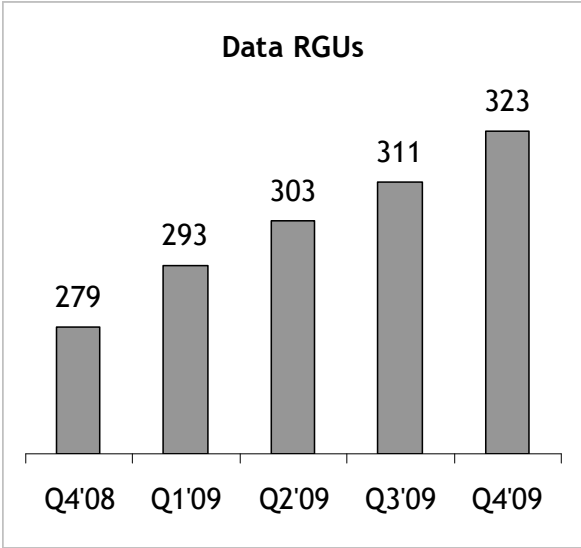
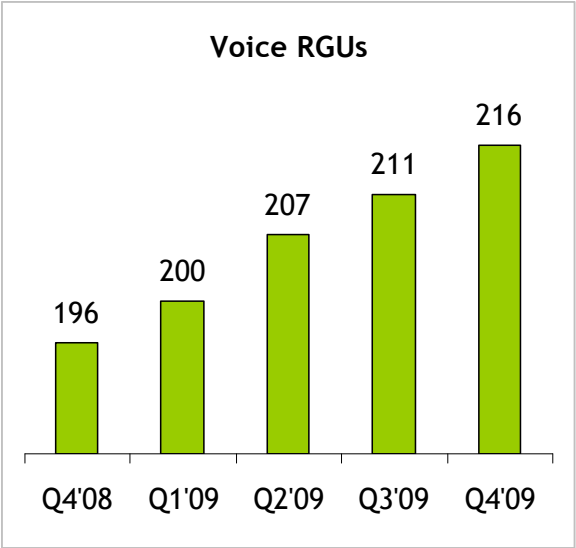
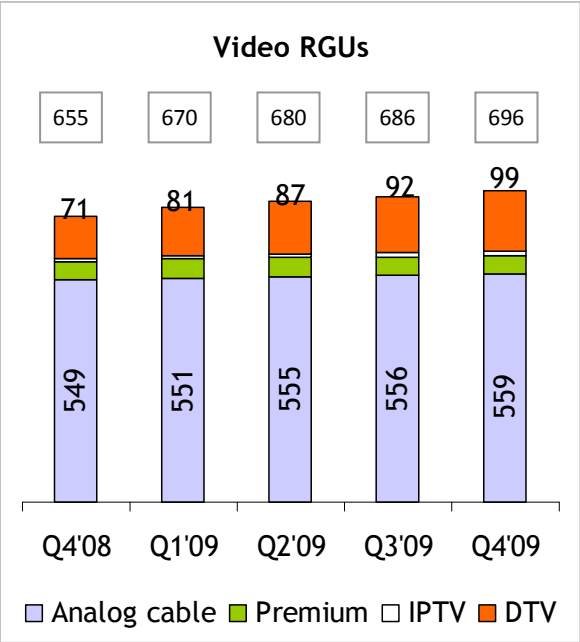


All data in thousands

Growth of Customer Base

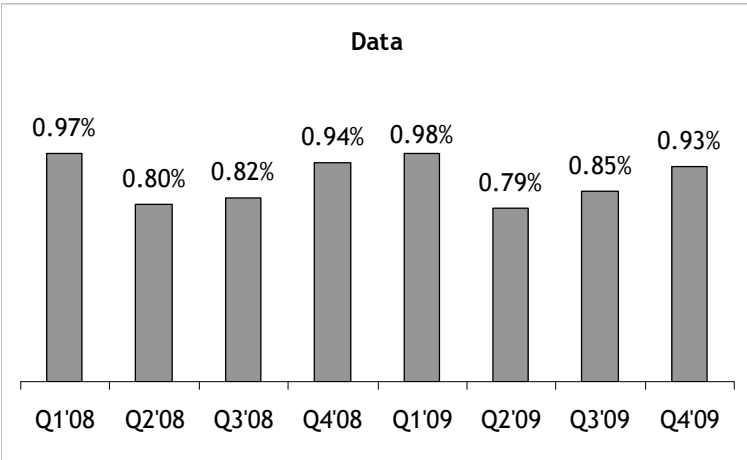
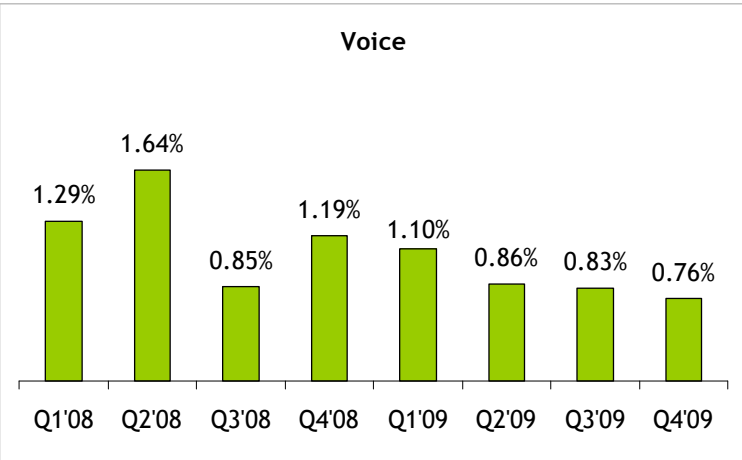
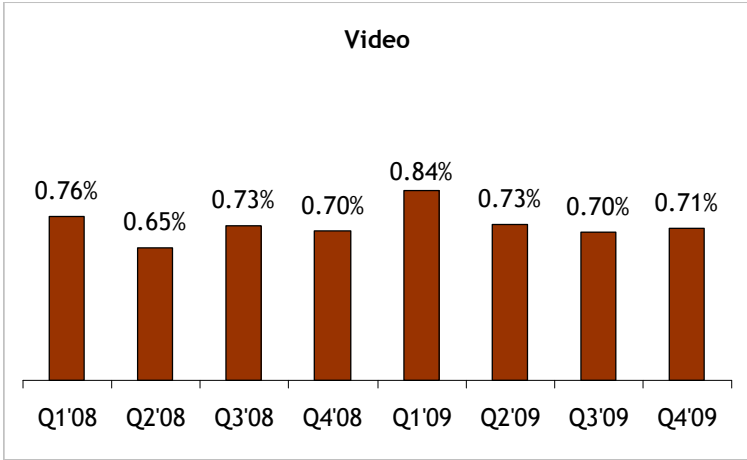
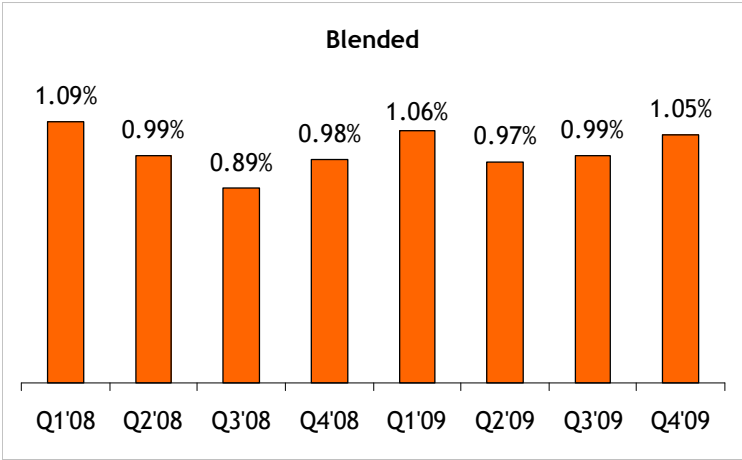


> Stable and solid growth of Revenue Generating Units quarter on quarter in all service groups



All data in thousands

Churn – under control due to service bundling



Monthly average in a given quarter

financial review



Revenue Structure Quarterly



- > CATV revenues increased due to RGU additions
- > Vibrant growth of our DTV revenues continues
- > The impact of dynamic growth of Internet RGUs on revenues is partly offset by price discounts

Revenues (PLN '000)	Q4 2008	Q3 2009	Q4 2009	y-o-y % change	q-o-q % change
basic CATV	55 817	59 184	59 769	7%	1%
premium CATV	787	413	345	-56%	-16%
DTV & IPTV	4 290	7 057	8 703	103%	23%
internet	30 536	32 905	34 491	13%	5%
telephony	30 450	29 567	29 965	-2%	1%
other revenues	3 343	3 521	4 646	39%	32%
Total Revenues	125 222	132 647	137 918	10%	4%

Operating Expenses Quarterly

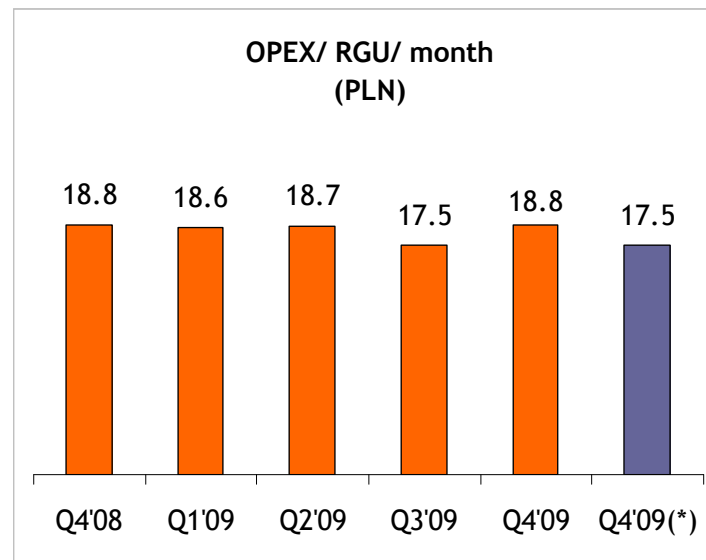


Expenses (PLN '000)	Q4 2008	Q3 2009	Q4 2009	y-o-y % change	q-o-q % change
programming and copyrights	13 687	15 924	15 489	13%	-3%
bandwidth	2 571	1 835	1 874	-27%	2%
interconnect	5 206	4 301	5 307	2%	23%
network costs	10 606	11 181	11 368	7%	2%
sales and marketing	4 676	3 245	4 671	0%	44%
payroll and benefits	16 175	14 882	19 720	22%	33%
taxes and charges	3 244	2 859	2 884	-11%	1%
professional services	990	730	980	-1%	34%
energy and materials	4 009	4 477	5 101	27%	14%
other expenses	2 640	4 084	2 374	-10%	-42%
Total Expenses	63 804	63 519	69 767	9%	10%
OPEX/ RGU /month	18.8	17.5	18.8	0%	7%

Operating Expenses Quarterly



- > Our operating expenses in Q4 2009 were impacted by one-off events: tranche II of our Share Option Plan and creation of an employee benefits allowance
- > Without the one-offs, our Q4 2009 OPEX/ RGU/ month would have been at PLN 17.5 instead of PLN 18.8 and would have remained unchanged from Q3 2009



(*) Excluding one-off events

Income Statement Quarterly



Income Statement (PLN '000)	Q4 2008*	Q3 2009	Q4 2009	y-o-y % change	q-o-q % change
Revenues	125 222	132 647	137 918	10%	4%
Expenses (excl. D&A)	63 804	63 519	69 767	9%	10%
Adjusted EBITDA	62 473	68 634	72 164	16%	5%
<i>margin</i>	49.9%	51.7%	52.3%	-	-
Operating profit	23 896	26 380	29 883	25%	13%
Net interest	(6 631)	(3 551)	(5 633)	-15%	59%
Pretax profit	17 266	22 829	24 250	40%	6%
Tax	8 429	7 077	1 980	-	-
Net income	8 837	15 752	22 270	152%	41%

(*) Please note that Q4 2008 is compliant with the restated data presented in the financial statements for 3 and 12 months 2009. For details of the restatement see notes 1 and 8 to the financial statements.

Revenue Structure Year-on-Year



Revenues (PLN '000)	FY 2008	FY 2009	% change
basic CATV	217 084	233 752	8%
premium CATV	4 156	1 824	-56%
DTV & IPTV	10 964	27 725	153%
internet	115 034	130 542	13%
telephony	118 217	117 295	-1%
other revenues	9 988	15 180	52%
Total Revenues	475 442	526 318	11%

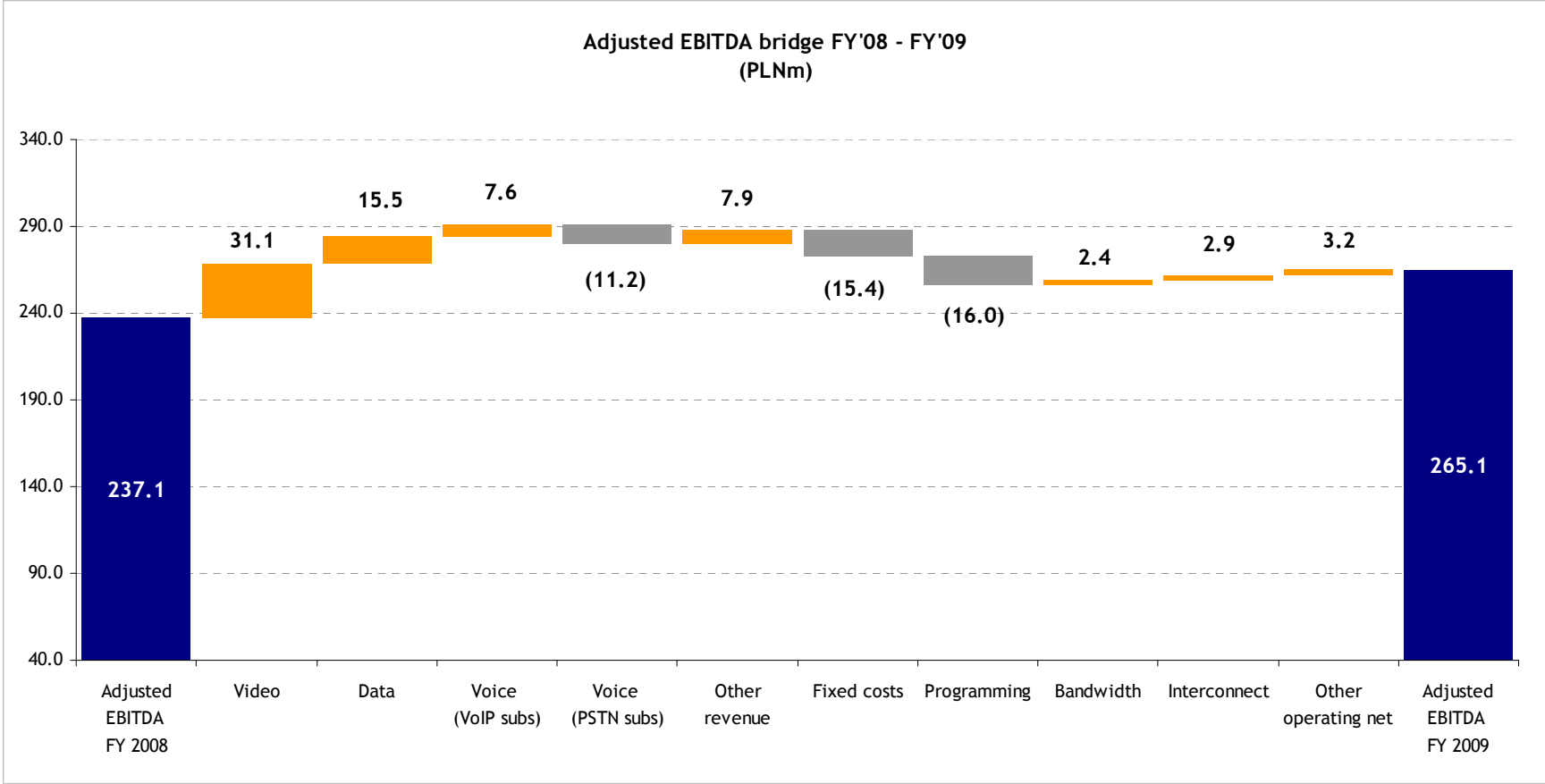
Operating Expenses Year-on-Year



- > Our programming expenses were impacted by depreciation of the zloty in H1 2009.
- > Excluding the F/X impact programming would be PLN 11.3m lower in FY 2009 and our total operating expenses would only rise by 6% y-o-y

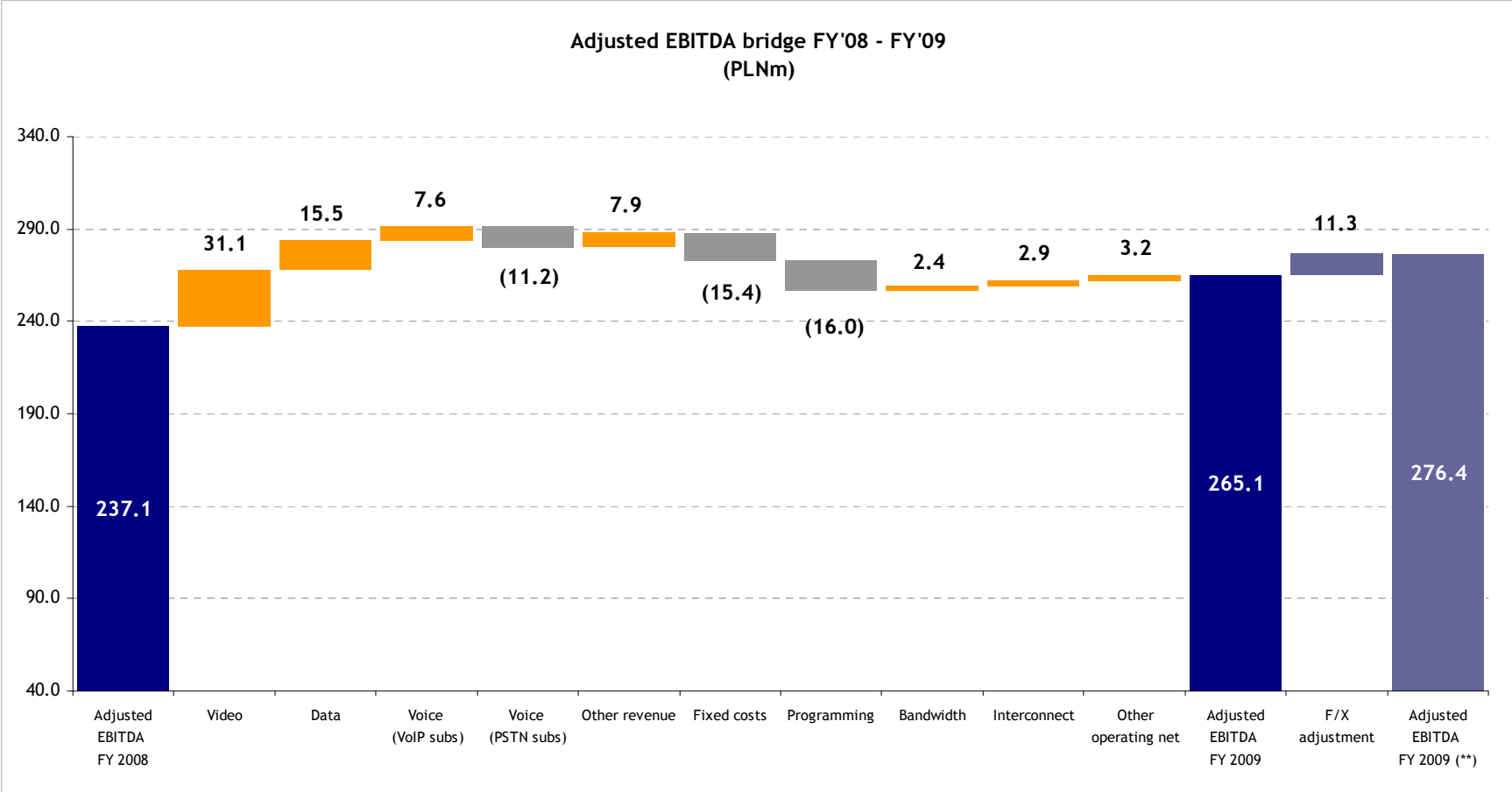
Expenses (PLN '000)	FY 2008	FY 2009	% change
programming and copyrights	49 044	65 093	33%
bandwidth	11 186	8 805	-21%
interconnect	21 540	18 605	-14%
network costs	38 684	44 470	15%
sales and marketing	15 064	14 862	-1%
payroll and benefits	63 337	68 488	8%
taxes and charges	11 518	11 513	0%
professional services	3 371	3 260	-3%
energy and materials	13 780	17 107	24%
other expenses	11 136	12 626	13%
Total Expenses	238 660	264 829	11%
OPEX/ RGU /month	17.6	17.9	1%

EBITDA Bridge*



(*) Adjusted: operating profit plus depreciation and amortisation less one-off non-cash items

EBITDA Bridge — F/X impact



(**) Excluding extraordinary F/X effect

Income Statement Year-on-Year



Income Statement (PLN '000)	FY 2008	FY 2009	% change
Revenues	475 442	526 318	11%
Expenses (excl. D&A)	238 660	264 829	11%
Adjusted EBITDA	237 148	265 096	12%
<i>margin</i>	<i>49.9%</i>	<i>50.4%</i>	-
Operating profit	91 747	102 472	12%
Net interest	(22 318)	(20 669)	-7%
Pretax profit	69 429	81 803	18%
Tax	19 156	17 675	-
Net income	50 273	64 128	28%

Balance Sheet



Balance Sheet (PLN '000)	31-12-08	31-12-09	% change
Assets			
non-current	933 494	1 097 707	18%
current	88 973	63 733	40%
incl. cash & equivalents	24 862	4 802	-81%
Total assets	1 022 467	1 161 440	14%
Equity			
	571 996	633 946	11%
Liabilities			
non-current	236 633	360 939	53%
current	213 838	166 555	-22%
Total equity & liabilities	1 022 467	1 161 440	14%

Capital Expenditures



- > We spent ca. PLN 61.6 m on capital expenditure in Q4 2009
- > Our Q4 2009 growth CAPEX accounted for 91% of total organic CAPEX

CAPEX (PLN '000)	Q1 2009	Q2 2009	Q3 2009	Q4 2009	FY 2009
growth	51 300	31 700	34 400	56 000	173 400
other	7 300	7 500	4 800	5 600	25 200
acquisitions	-	-	-	-	-
Total CAPEX	58 600	39 200	39 200	61 600	198 600

recent events & outlook



Recent Events



We signed a **credit facility agreement** for PLN 400m with Bank Polska Kasa Opieki S.A., Bank Millennium S.A., and WestLB AG London Branch on 7 December 2009

We finalised **tranche II** of our **share option plan** on 27 January 2010 allocating 290,000 shares to 32 key employees at the total cost of PLN 1,261,500

We added **mobile internet** to our offering under the brand name mobilNET in November 2009

We launched a unique two-system WiFi / GSM mobile phone service under the name **mobilFON** in December 2009

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14 May 2010