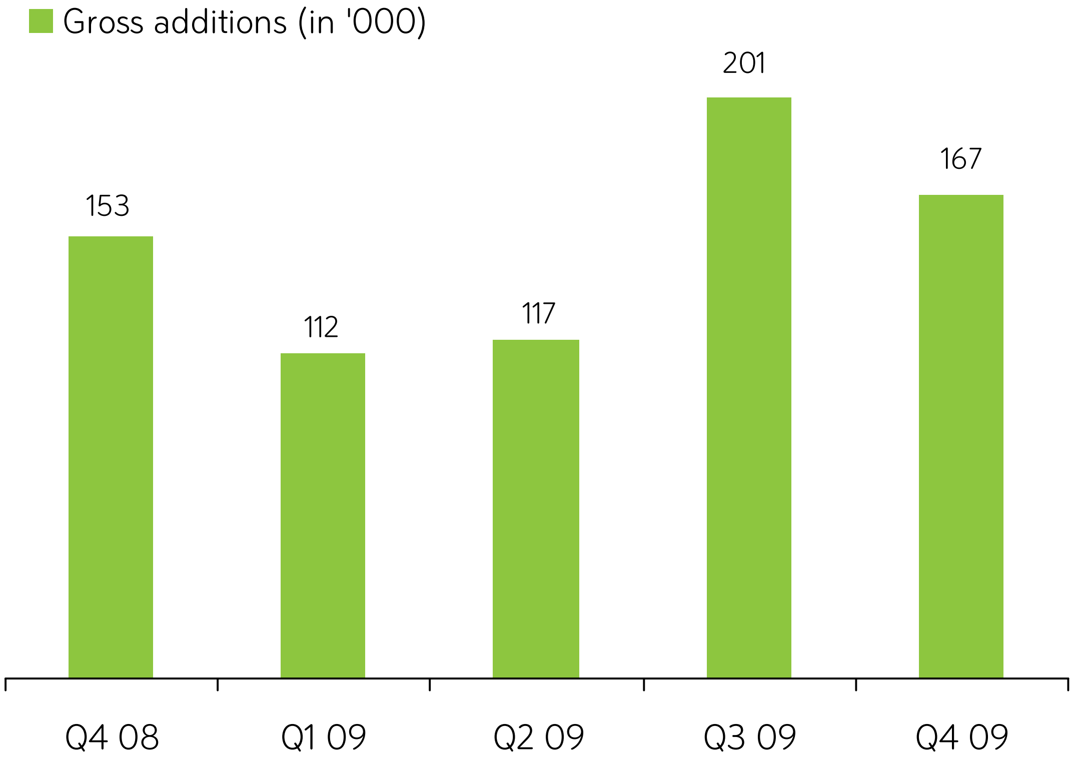
Results Q4 2009

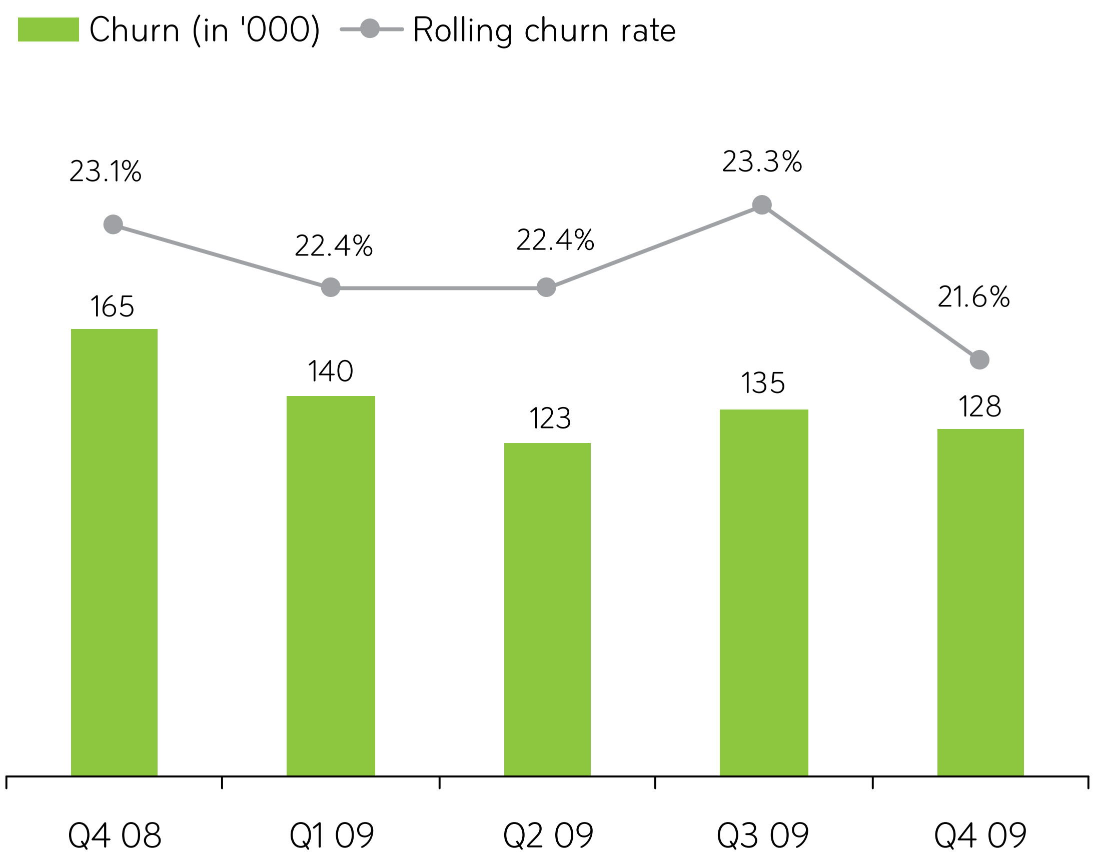
25 February 2010

Subscriber Gross Additions



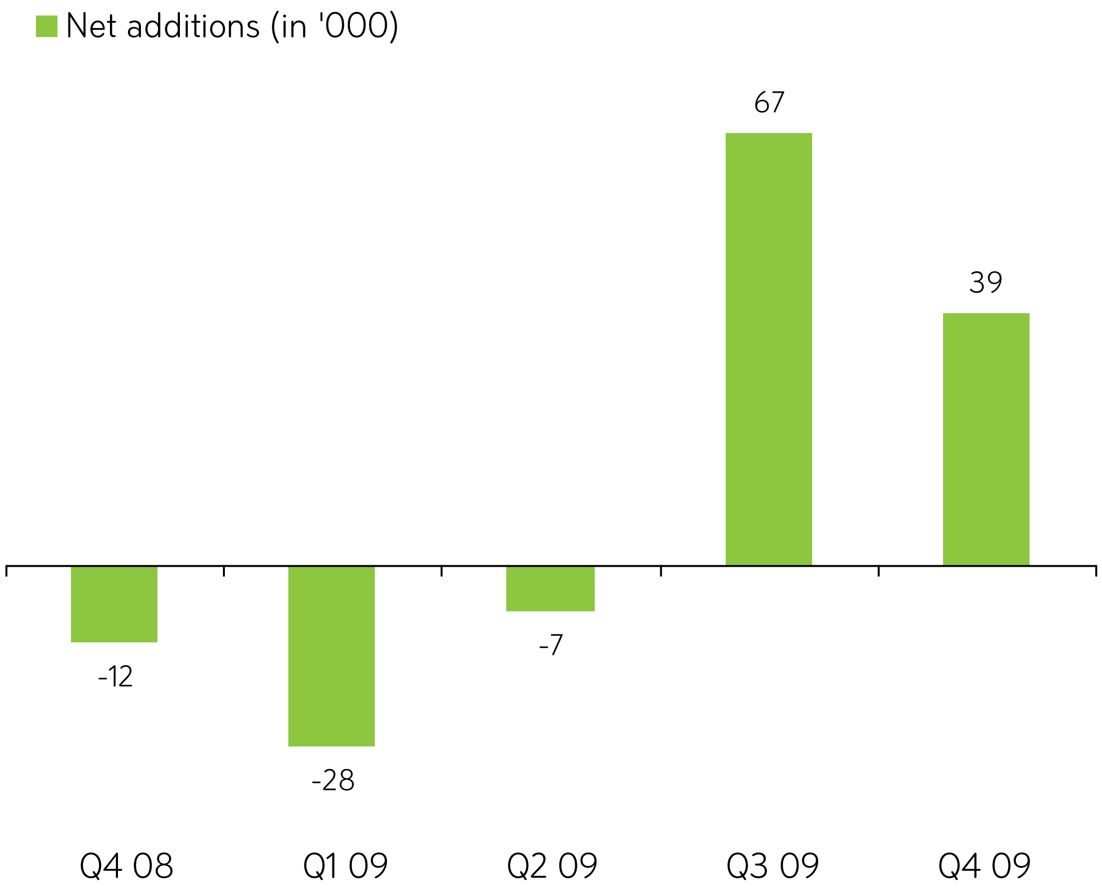
- Since launch of Sky subscriber gross additions amounted to 369k, up 26% compared to 2HY 2008.
- In FY 2009 subscriber gross additions amounted to 597k, up 37% compared to FY 2008.

Subscriber Churn



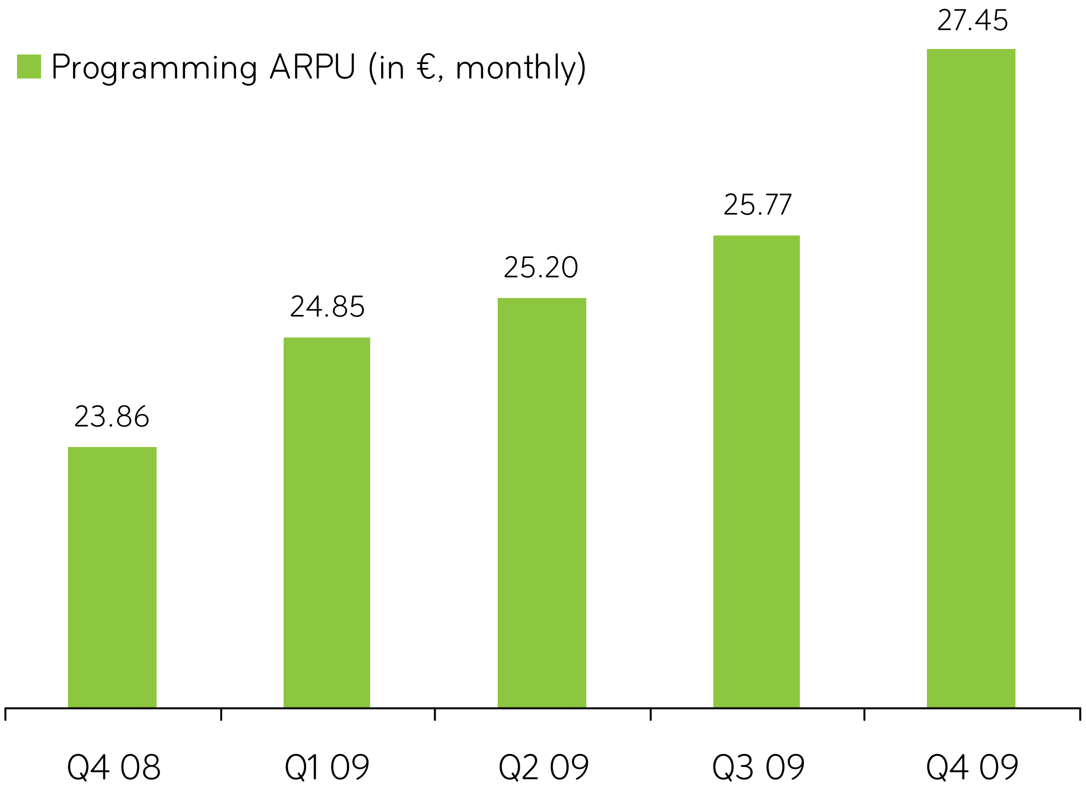
- Rolling churn rate decreased to 21.6% for 2009 compared to 23.1% for 2008.
- Flex subscribers almost phased out.

Subscriber Net Additions



- Net growth of 105k subscribers since launch in second half of 2009.
- Net growth of monthly contract subscribers of 139k was offset by net loss of 34k Flex customers since launch of Sky service.

Programming ARPU



- Continued strong ARPU growth to €27.45 in Q4 2009 from €23.86 in Q4 2008.
- Take-up of the new Sky packages and focus on monthly contract subscribers leading to further strong increase in ARPU.

Subscribers and Key Metrics

'000	Q4 08	Q1 09	Q2 09	Q3 09	Q4 09
Direct subscribers at beginning	2,411	2,399	2,371	2,364	2,431
Gross additions	153	112	117	201	167
Churn	-165	-140	-123	-135	-128
Net additions	-12	-28	-7	67	39
Direct subscribers at end	**2,399**	**2,371**	**2,364**	**2,431**	**2,470**
of which Flex	85	68	38	12	3
Direct programming revenues (in €m)	172.2	177.8	179.0	185.3	201.8
Programming ARPU (in €, monthly)	23.86	24.85	25.20	25.77	27.45
Churn rate (in %, 12 months rolling)	23.1	22.4	22.4	23.3	21.6
Wholesale subscribers at end	691	710	334	140	131

Revenues and Costs

in €m	Q4 09	Q4 08	Change	2009	2008	Change
Revenues						
Programming	206.6	188.8	17.7	788.0	769.8	18.2
Advertising	8.0	8.5	-0.5	20.7	31.0	-10.3
Hardware	7.5	14.7	-7.3	41.3	47.5	-6.3
Other	8.2	24.0	-15.8	52.1	92.8	-40.7
Total	**230.2**	**236.1**	**-5.8**	**902.1**	**941.1**	**-39.1**
Costs (including depreciation)						
Programming	195.0	159.4	35.7	717.0	640.0	77.0
Transmission	32.6	33.5	-0.8	133.9	125.2	8.7
Customer service	13.5	10.8	2.6	51.4	52.0	-0.6
Hardware	14.4	17.2	-2.8	53.0	67.0	-14.0
Selling expenses	53.3	34.8	18.5	175.7	114.3	61.4
General and administrative expenses	16.2	20.8	-4.6	78.5	69.6	8.9
Other operating expenses/(income)	-3.5	16.7	-20.2	-0.1	-19.7	19.6
Total	**321.6**	**293.2**	**28.4**	**1,209.4**	**1,048.4**	**161.0**
Depreciation included	9.8	12.7	-2.8	44.7	50.3	-5.6
Costs (excluding depreciation)	**311.8**	**280.5**	**31.3**	**1,164.8**	**998.1**	**166.7**
EBITDA	**-81.6**	**-44.5**	**-37.1**	**-262.7**	**-57.0**	**-205.7**

Results

in €m	Q4 09	Q4 08	Change	2009	2008	Change
Revenues	230.2	236.1	-5.8	902.1	941.1	-39.1
Operating expenses	311.8	280.5	31.3	1,164.8	998.1	166.7
EBITDA	**-81.6**	**-44.5**	**-37.1**	**-262.7**	**-57.0**	**-205.7**
Depreciation and amortisation	9.8	12.7	-2.8	44.7	50.3	-5.6
Amortisation of subscriber base/trademark	12.3	12.2	0.1	380.6	48.9	331.7
EBIT	**-103.7**	**-69.3**	**-34.4**	**-688.0**	**-156.2**	**-531.8**
Financial result	-8.0	-27.5	19.5	-38.9	-59.5	20.6
Profit/(loss) before taxes	**-111.7**	**-96.8**	**-14.9**	**-726.9**	**-215.7**	**-511.2**
Income taxes	-2.3	-15.5	13.2	50.4	-48.8	99.2
Result from continuing operations	-114.0	-112.4	-1.6	-676.5	-264.5	-412.0
Result from discontinued operations	0.0	-2.0	2.0	0.0	-4.9	4.9
Result for the period	**-114.0**	**-114.3**	**0.3**	**-676.5**	**-269.4**	**-407.2**

Cash Flow and Net Debt

in €m	Q4 09	Q4 08	2009	2008
Cash flow from operating activities	-32.0	-9.8	-158.4	-108.1
Cash flow from investing activities	-20.9	-8.4	-53.3	-7.3
Cash flow from financing activities	53.3	43.9	152.7	67.6
Cash flow	**0.4**	**25.6**	**-59.0**	**-47.9**

in €m	31.12.09	31.12.08
Cash and cash equivalents	8.1	67.2
Net debt	162.4	318.1

Operational Achievements

- Sky brand reached an awareness level over 70 percent by December 2009.
- New packaging and pricing structure established and well accepted.
- Successful take up of HD package.
- All sales channels operating effectively.
- Customer service stabilized and steadily improving.
- Total viewership of Sky significantly increased.
- Successful new Bundesliga offering: average viewership increased by 77 percent (including match day 23).

Summary

- 369k subscriber gross additions in the first six months after the launch of Sky, up 26% compared to 2HY 2008.
- Net growth of monthly contract subscribers of 139k was offset by net loss of 34k Flex customers resulting in net growth of 105k subscribers since launch of Sky service.
- Rolling churn rate decreased to 21.6% in Q4 2009 from 23.3% in Q3 2009; Flex subscribers almost phased out.
- 2,470k monthly contract subscribers as per 31 December 2009.
- Take-up of the new Sky packages and focus on monthly contract subscribers leading to further strong increase in ARPU to €27.45 in Q4 2009 from €25.77 in Q3 2009.
- EBITDA negative €81.6m in Q4 2009 and negative €262.7m for full year 2009, in line with expectations.

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Results Q4 2009
Questions & Answers