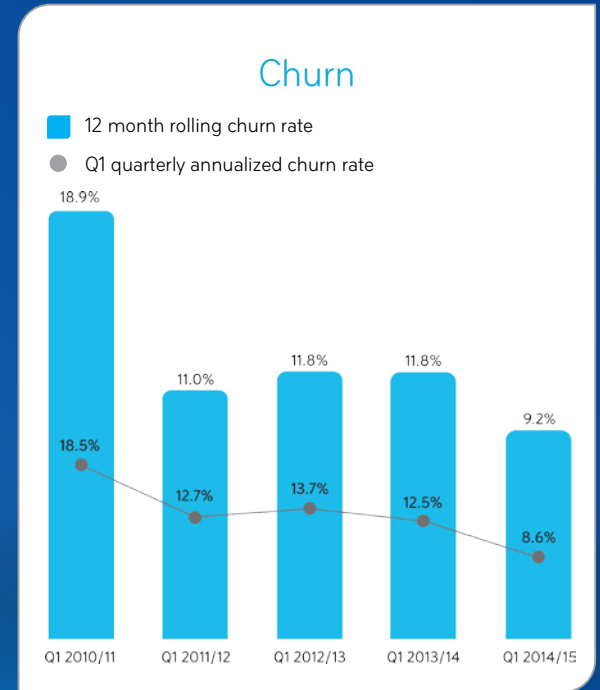
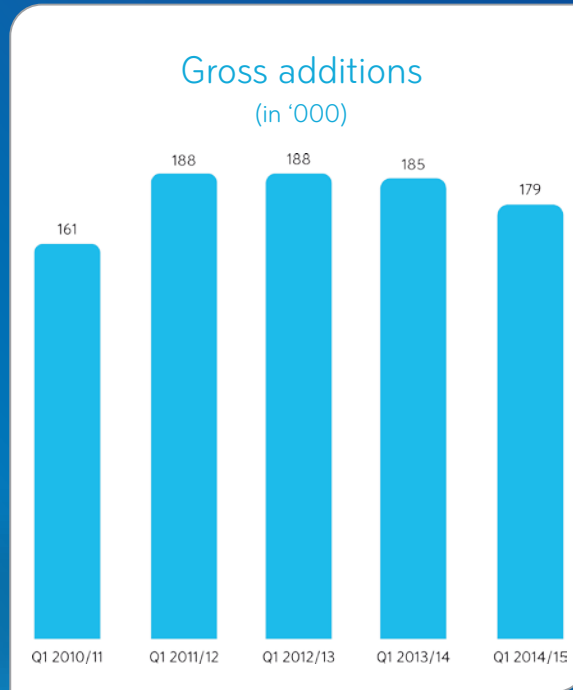




sky

Sky Deutschland
Preliminary Q1 2014/15 Results
3 November 2014

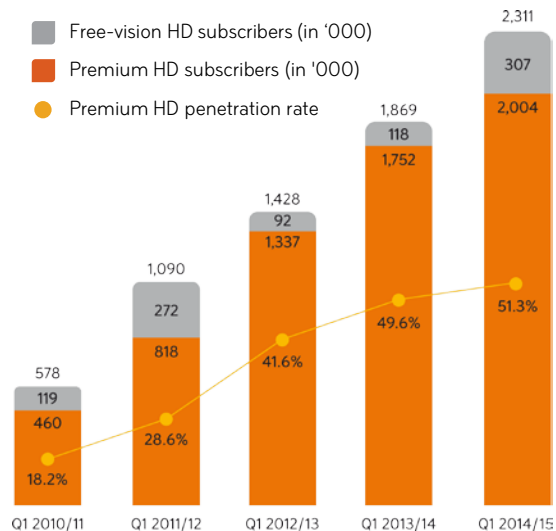
Strong customer growth, record retention



HD, Sky+ and Sky Zweitkarte

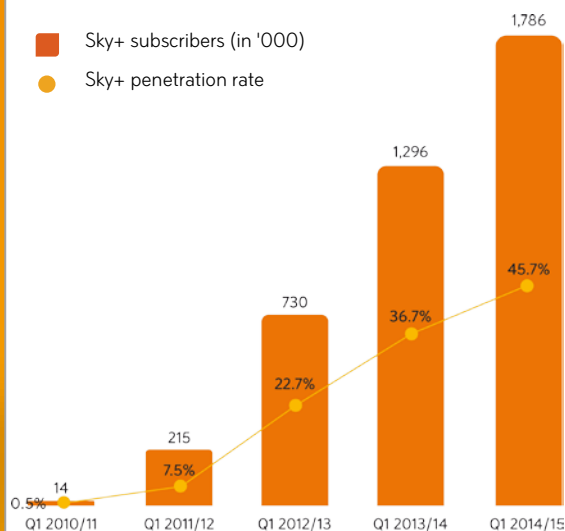
HD subscribers

(at end of period)



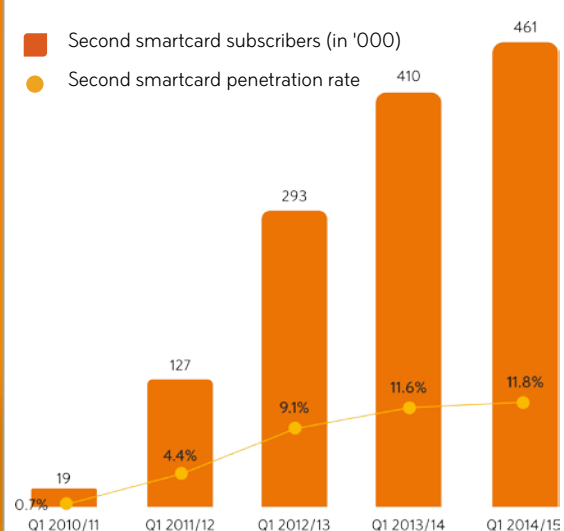
Sky+ subscribers

(at end of period)

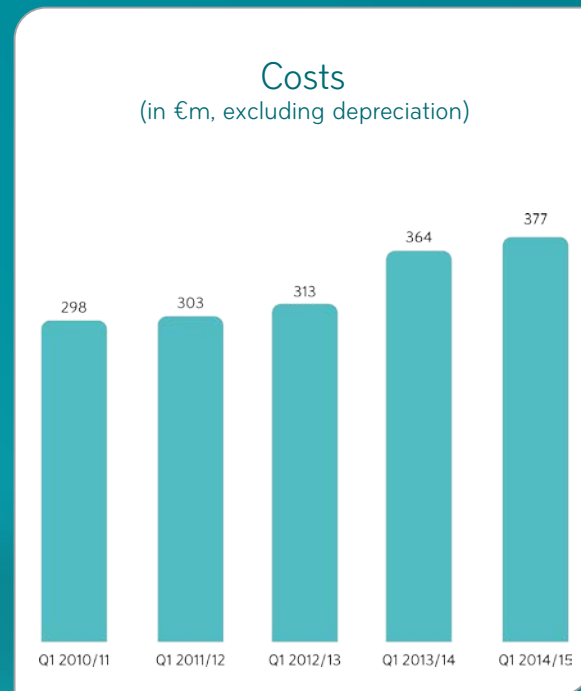
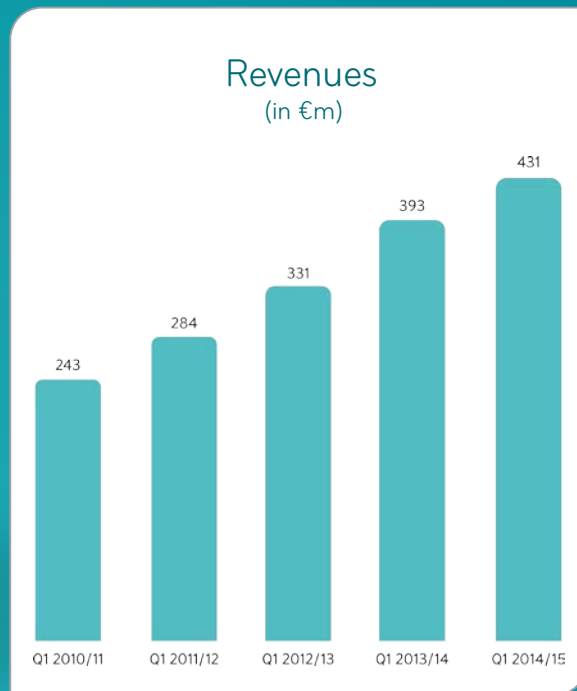
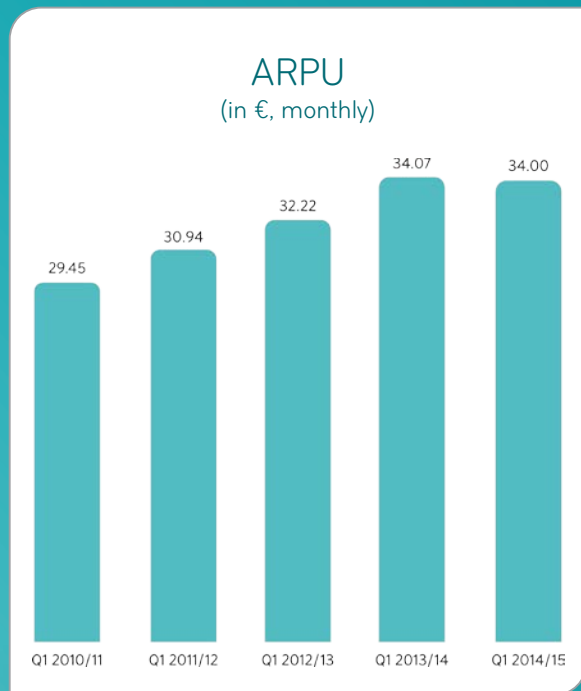


Second Smartcard subscribers

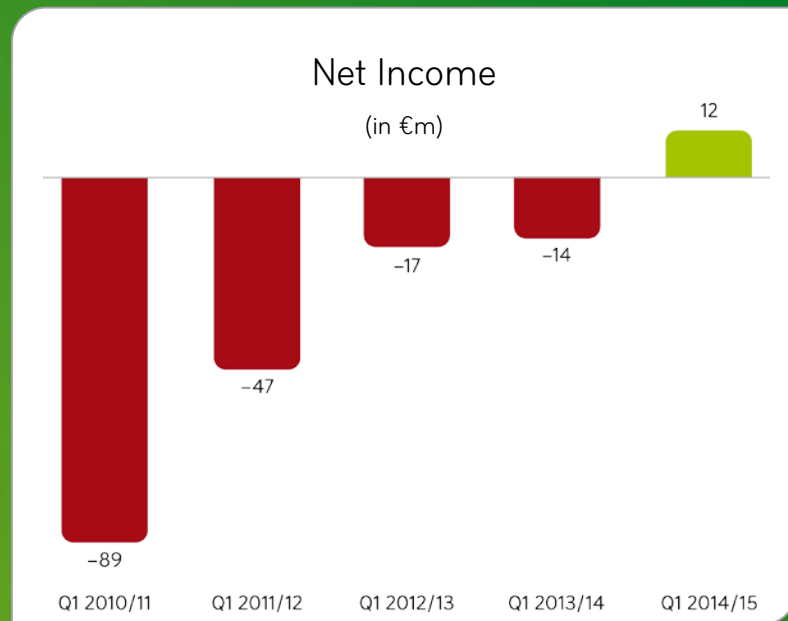
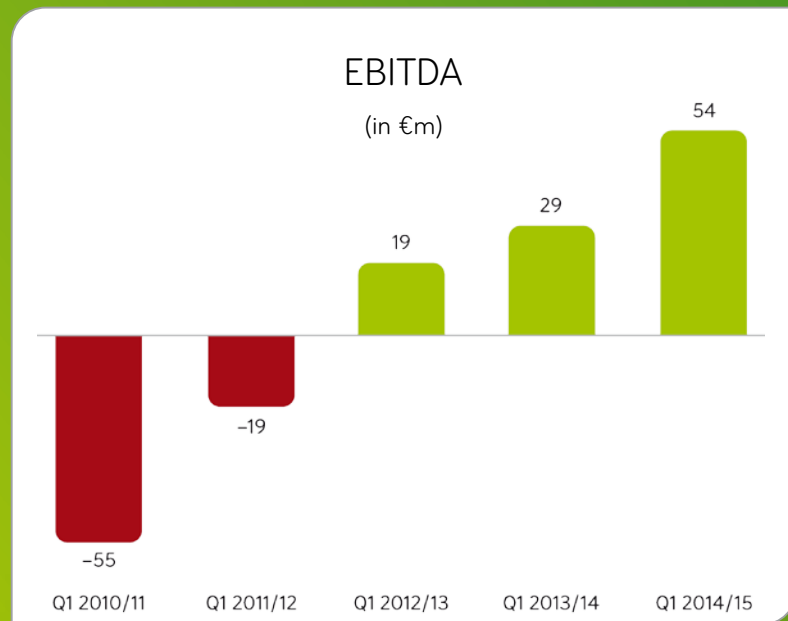
(at end of period)



ARPU, Revenues and Costs



EBITDA, Net Income and Outlook



For the 2014/2015 financial year, Sky expects subscriber net growth of 400k to 450k, and full year EBITDA in the range of €80m to €110m, which will be supported by a continued strong increase in total revenues.

Cash Flow

- Cash flow Q1 2014/15: €-44m
 - €19m cash used for operating activities
 - €19m cash used for investing activities
 - €7m cash used for financing activities
- Net debt €484m* (still includes €163m related to the convertible bond, which was converted on 29 October)
- Liquidity headroom of €151m*

* As of 30 September 2014

Continuous Innovation

2013

07/13



New Sky Guide on Sky Go with Mobile Record

07/13

Bundesliga also on Sky Go via 3G/4G



10/13

Sky Sport News HD App for Android



Sky Home Introduction of a customizable home screen

01/14



Snap on the iPhone



Sky Go/Snap
Bookmarking function
Recently Watched function

05/14

Successful end-to-end Ultra HD live broadcast test of a football match



08/14

Launch



Sky Online



Sky On Demand

Launch

12/14



Sky+ 2 TB

03/13

Introduction of the Sky HD Fan Zone



08/13

Sky Sport News HD App



snap by sky

The new online videothek from Sky

12/13

2014



Snap on Android

03/14

Sky Go for free for all customers

04/14

Integration Snap in SkyGo

06/14



Sky Go

Sky Go redesign

More to come

Up to 90 HD channels



Sky HD

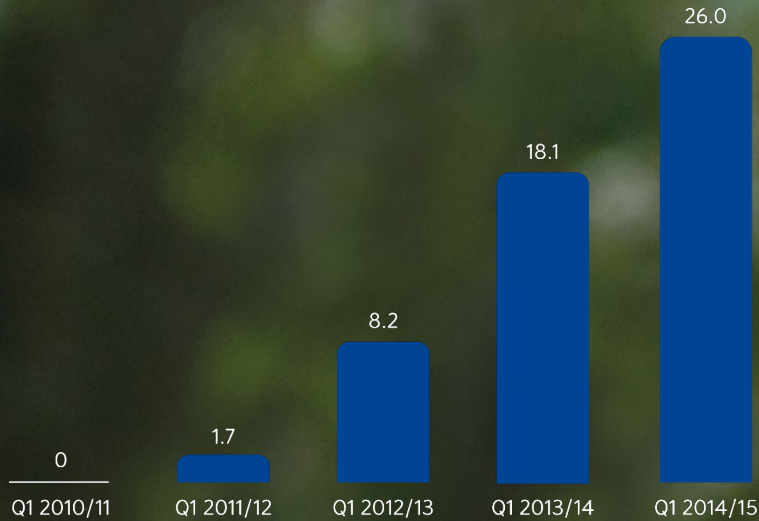
11/14



Sky Go

Sky Go Customer Sessions*

(in m)



* Service started in April 2011

Sky On Demand



Sky On Demand



Sky Online – Easy, flexible and instant access to Sky

- Available via the web, iOS and Smart TVs
- Sky Online Starter: €9.99/month includes 9 great channels, Sky Sport News HD and full access to Snap
- Sky Online Film: €19.99/month delivers the year's biggest films and series of Sky Cinema, Sky Atlantic and Disney Cinemagic – all at least 12 months before free-to-air and other online TV services
- Sky Online Supersport Day ticket: €19.99, one day unlimited access to the full range of Sky's exclusive football and sport offering
- Total flexibility: monthly contract duration



Snap by Sky



- Since August available for only €3.99 per month for both stand-alone and existing Sky customers
- Snap Extra option with download functionality and access on two different devices for €6.99 per month
- Snap currently offers more than 5,000 library titles, including complete box-sets and exclusive hits from HBO



Key Exclusive Content

- Multi-year extension of existing contract with HBO - All premium new productions first and exclusive on Sky Atlantic HD, as well as on Sky Go and Sky Anytime
- Warner Bros: early extension of our exclusive cooperation
- Turner Broadcasting and Tele München Gruppe: extension of long-term cooperation's



Ground-breaking partnership

- Sky Deutschland, X Filme, ARD and Beta Film join forces to launch German original high-end crime series “Babylon Berlin”
- Sky Deutschland, BSkyB and Canal+ cooperate in producing “The Last Panthers”
- Continuing our engagement on original productions which started with “100 Code” and “Diabolik”





How to train your dragon 2 © 2014 DreamWorks Animation, L.L.C. All rights reserved.

Building on ever growing popularity



Appendix

Disclaimer

This presentation contains forward-looking statements based on the currently held beliefs and assumptions of the management of Sky Deutschland AG, which are expressed in good faith and, in their opinion, reasonable. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance, or achievements of Sky Deutschland AG, or media industry results, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements. Given these risks, uncertainties and other factors, recipients of this document are cautioned not to place undue reliance on these forward-looking statements. Sky Deutschland AG disclaims any obligation to update these forward-looking statements to reflect future events or developments.

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Aggregated annual subscriber metrics and results:

The full year results are aggregated quarterly results which have neither been audited nor reviewed by our external auditors. Their sole purpose is to enable sufficient comparability to previous business periods in connection with the change of the fiscal year of Sky Deutschland AG.

Subscribers and Key Metrics – quarterly

'000	Q1 2014/15	Q4 2013/14	Q3 2013/14	Q2 2013/14	Q1 2013/14
Direct subscribers at beginning	3,813	3,731	3,667	3,529	3,453
Gross additions	179	154	145	244	185
Churn	-83	-72	-81	-106	-109
Net growth	96	82	64	138	76
Direct subscribers at end	3,908	3,813	3,731	3,667	3,529
HD Welt subscribers at end	3,106	2,974	2,834	2,713	2,572
Premium HD subscribers at end	2,004	1,900	1,851	1,799	1,752
Premium HD penetration rate (in %)	51.3	49.8	49.6	49.1	49.6
Premium HD subscribers incl. free-visions at end	2,311	2,236	2,106	2,025	1,869
Premium HD pen. rate incl. free-visions (in %)	59.1	58.6	56.4	55.2	53.0
Sky+ subscribers at end	1,786	1,681	1,576	1,480	1,296
Sky+ penetration rate (in %)	45.7	44.1	42.2	40.4	36.7
Second smartcard subscribers at end	461	451	443	429	410
Second smartcard penetration rate (in %)	11.8	11.8	11.9	11.7	11.6
Subscription ARPU (in €, monthly)	34.00	34.59	34.58	34.56	34.07
Churn rate (in %, quarterly annualized)	8.6	7.7	8.8	11.8	12.5
Churn rate (in %, 12 month rolling)	9.2	10.1	10.6	11.2	11.8
Wholesale subscribers at end	155	213	258	268	280

Subscribers and Key Metrics

'000	Q1 2014/15	Q1 2013/14	Change (abs.)	Change (in %)	FY ⁽¹⁾ 2013/14	FY ⁽¹⁾ 2012/13	Change (abs.)	Change (in %)
Direct subscribers at beginning	3,813	3,453	360	10.4	3,453	3,132	321	10.2
Gross additions	179	185	-6	-3.1	728	717	11	1.5
Churn	-83	-109	26	23.6	-368	-396	28	7.0
Net growth	96	76	20	26.2	360	321	39	12.0
Direct subscribers at end	3,908	3,529	379	10.8	3,813	3,453	360	10.4
HD Welt subscribers at end	3,106	2,572	533	20.7	2,974	2,477	497	20.1
Premium HD subscribers at end	2,004	1,752	252	14.4	1,900	1,697	203	12.0
Premium HD penetration rate (in %)	51.3	49.6	1.6	-	49.8	49.1	0.7	-
Premium HD subscribers incl. free-visions at end	2,311	1,869	442	23.6	2,236	1,760	475	27.0
Premium HD pen. rate incl. free-visions (in %)	59.1	53.0	6.2	-	58.6	51.0	7.7	-
Sky+ subscribers at end	1,786	1,296	490	37.8	1,681	1,171	511	43.6
Sky+ penetration rate (in %)	45.7	36.7	9.0	-	44.1	33.9	10.2	-
Second smartcard subscribers at end	461	410	50	12.3	451	393	58	14.9
Second smartcard penetration rate (in %)	11.8	11.6	0.2	-	11.8	11.4	0.5	-
Subscription ARPU (in €, monthly)	34.00	34.07	-0.07	-0.2	34.52	33.24	1.28	3.9
Churn rate (in %, quarterly annualized)	8.6	12.5	-3.9	-	10.1	12.0	-1.9	-
Churn rate (in %, 12 month rolling)	9.2	11.8	-2.6	-	10.1	12.0	-1.9	-
Wholesale subscribers at end	155	280	-125	-44.5	213	124	88	71.0

Due to rounding differences of individual items, sums may not always add up.

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Revenues and Costs

in €m	Q1 2014/15	Q1 2013/14	Change (abs.)	Change (in %)	FY ⁽¹⁾ 2013/14	FY ⁽¹⁾ 2012/13	Change (abs.)	Change (in %)
Revenues								
Subscription	393.7	356.8	37.0	10.4	1504.9	1313.4	191.5	14.6
Hardware	7.7	7.9	-0.3	-3.5	32.4	38.2	-5.7	-15.0
Wholesale	3.5	7.5	-4.1	-54.1	28.0	12.8	15.1	>100
Advertising	11.3	9.7	1.6	16.3	45.6	34.9	10.7	30.6
Other	15.2	10.8	4.4	40.7	44.4	28.3	16.2	57.2
Total	431.3	392.7	38.6	9.8	1,655.3	1,427.5	227.8	16.0
Costs (including depreciation)								
Program	212.3	205.4	6.9	3.3	965.8	813.8	152.0	18.7
Technology	47.9	40.8	7.1	17.3	181.4	171.5	9.8	5.7
Hardware	24.4	22.1	2.3	10.4	91.5	80.7	10.7	13.3
Customer service and other cost of sales	27.2	25.7	1.5	5.7	100.9	89.5	11.4	12.8
Selling expenses	61.4	61.1	0.2	0.4	252.7	227.2	25.5	11.2
General and administrative expenses	32.9	34.9	-2.0	-5.8	141.3	119.9	21.4	17.8
Other operating expenses/income	-3.5	-3.9	0.5	12.1	-10.2	-6.3	-4.0	-63.9
Total	402.5	386.1	16.4	4.2	1,723.3	1,496.4	226.9	15.2
Depreciation included	25.6	22.6	3.0	13.2	96.8	81.6	15.3	18.7
Costs (excluding depreciation)	376.9	363.5	13.4	3.7	1,626.5	1,414.9	211.6	15.0
EBITDA	54.4	29.2	25.2	86.3	28.8	12.7	16.2	>100

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Results

in €m	Q1 2014/15	Q1 2013/14	Change (abs.)	Change (in %)	FY ⁽¹⁾ 2013/14	FY ⁽¹⁾ 2012/13	Change (abs.)	Change (in %)
Revenues	431.3	392.7	38.6	9.8	1,655.3	1,427.5	227.8	16.0
Operating expenses	376.9	363.5	13.4	3.7	1,626.5	1,414.9	211.6	15.0
EBITDA	54.4	29.2	25.2	86.3	28.8	12.7	16.2	>100
Depreciation and amortization	25.6	22.6	3.0	13.2	96.8	81.6	15.3	18.7
Amortization of subscriber base	0.3	0.3	0.0	0.0	1.4	1.4	0.0	0.0
EBIT	28.5	6.3	22.2	>100	-69.4	-70.3	0.9	1.3
Financial result	-15.2	-18.8	3.6	19.0	-73.9	-65.8	-8.0	-12.2
Result before taxes	13.2	-12.5	25.8	>100	-143.2	-136.1	-7.1	-5.2
Income taxes	-0.9	-1.7	0.8	46.2	-7.3	-8.1	0.9	10.6
Net Income	12.3	-14.2	26.6	>100	-150.5	-144.2	-6.2	-4.3

Due to rounding differences of individual items, sums may not always add up.

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Cash Flow and Net Debt

in €m	Q1 2014/15	Q1 2013/14	FY ⁽¹⁾ 2013/14	FY ⁽¹⁾ 2012/13
Cash flow from operating activities	-18.6	0.1	71.9	44.3
Cash flow from investing activities	-18.5	-22.3	-108.3	-176.5
Cash flow from financing activities	-7.3	-15.6	-20.5	299.1
Cash flow	-44.4	-37.8	-56.9	166.9

in €m	30.09.2014	30.09.2013	30.06.2014	30.06.2013
Cash and cash equivalents	78.7	142.3	123.2	180.1
Net debt	483.5	350.4	425.4	303.1

Due to rounding differences of individual items, sums may not always add up.

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