



Sky Deutschland

Q3 2013 Results

5 November 2013

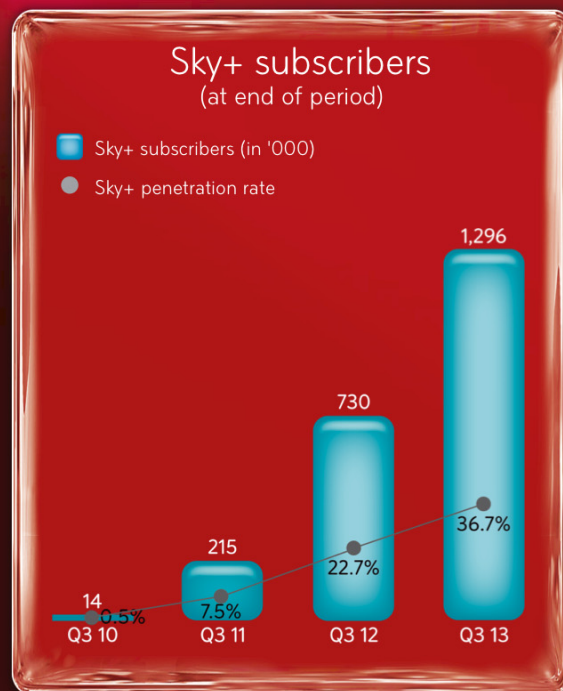
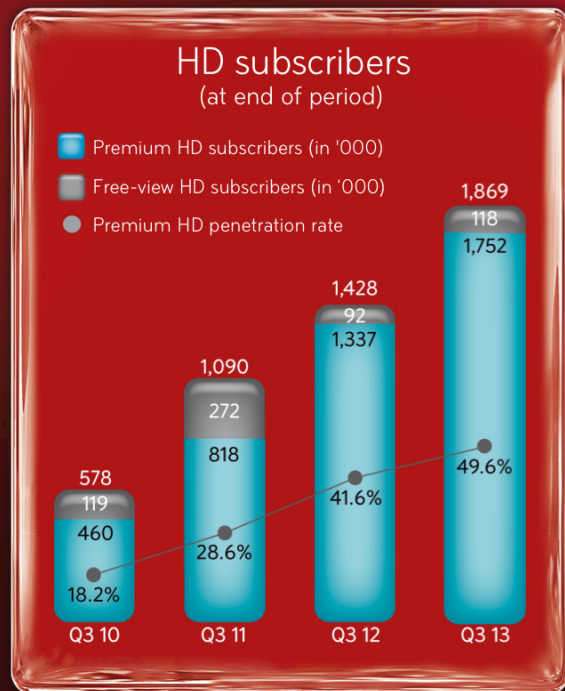
Strong customer growth



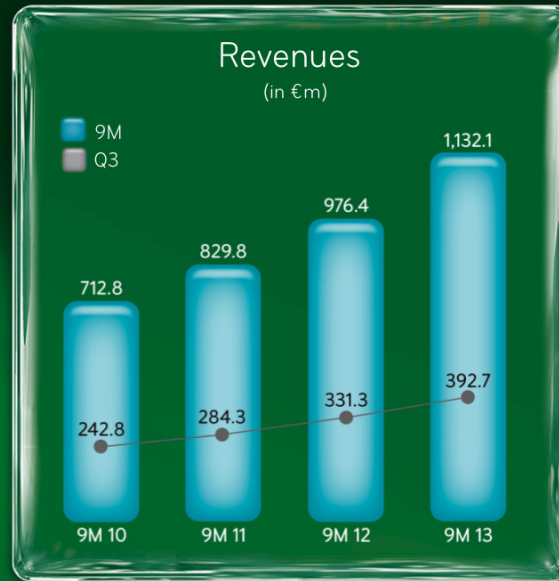
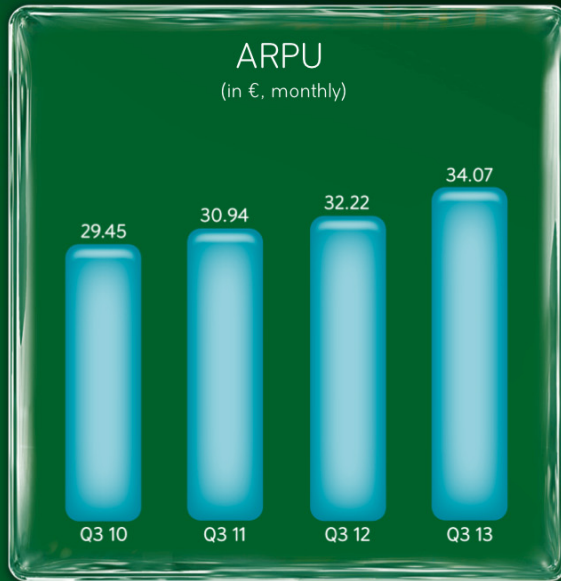
Direct subscriber development



HD, Sky+ and Sky Zweitkarte

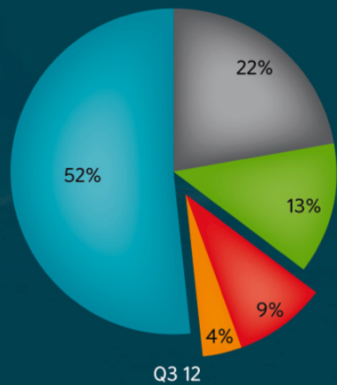


ARPU, revenues and costs



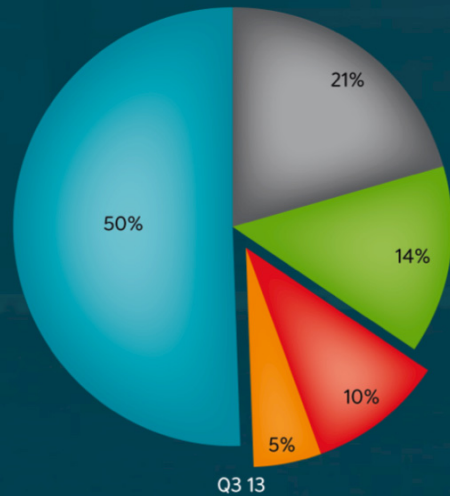
Continued ARPU improvement

Total subs: 3,212m
ARPU: €32.22



Q3 12

Total subs: 3,529m
ARPU: €34.07



Q3 13

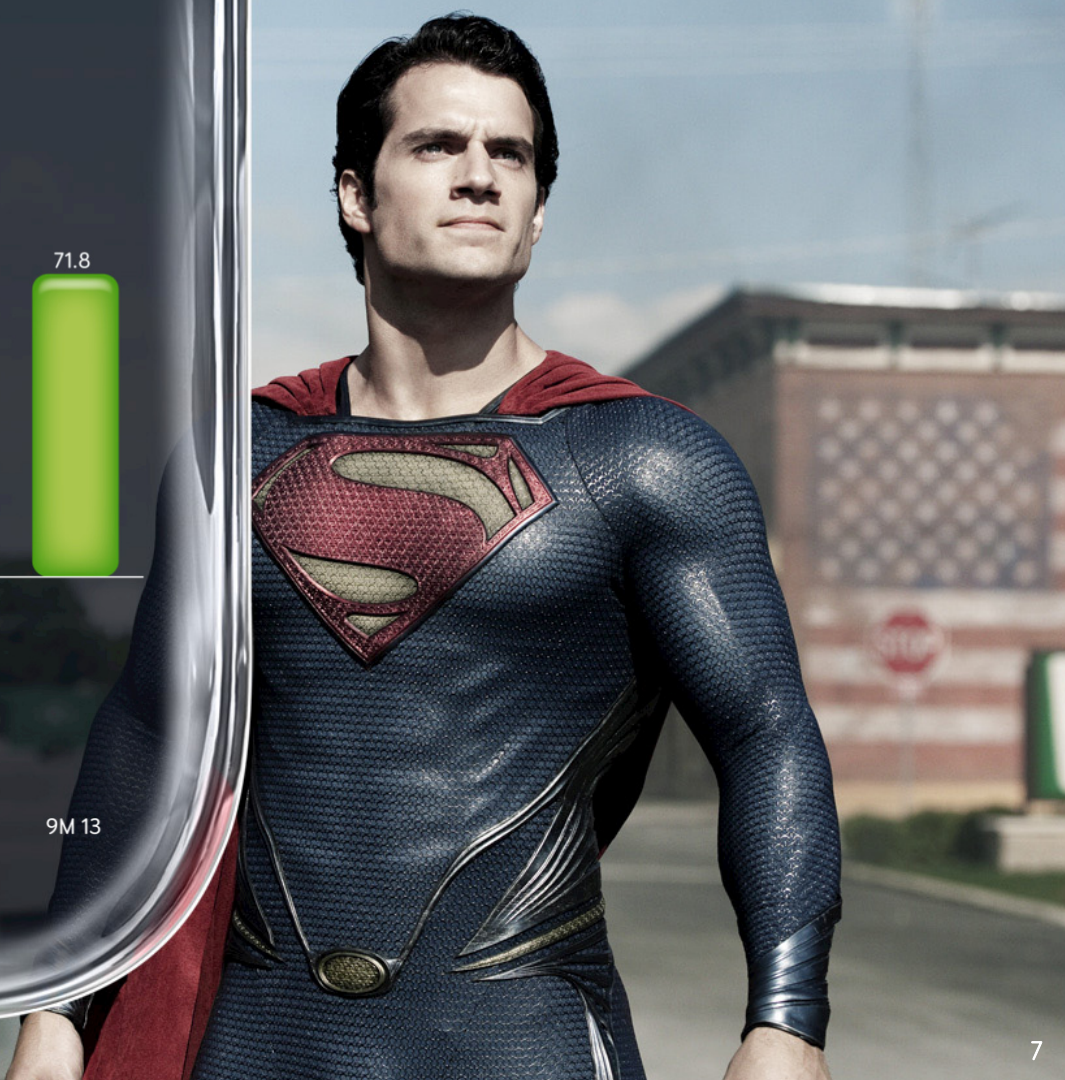
Legend for ARPU ranges:

- <€30 (Cyan)
- €30-€40 (Grey)
- €40-€50 (Green)
- €50-€60 (Red)
- >€60 (Orange)



EBITDA

(in €m)



Cash Flow

- Cash flow Q3 2013: €-37.8m
 - €0.1m cash from operating activities
 - €22.3m cash used for investing activities
 - €15.6m cash used for financing activities
- Net debt €350.4m*
- Liquidity headroom of €263.0m*

* As of 30 September 2013

Entering a new season

- Outstanding Bundesliga kick-off weekend with 3.3m viewers
- Enhanced Bundesliga rights
- All games, all goals, all HD
- New HD Multifeed service
- Sky HD Fan Zone
- Bundesliga now also on Sky Go via 3G/4G



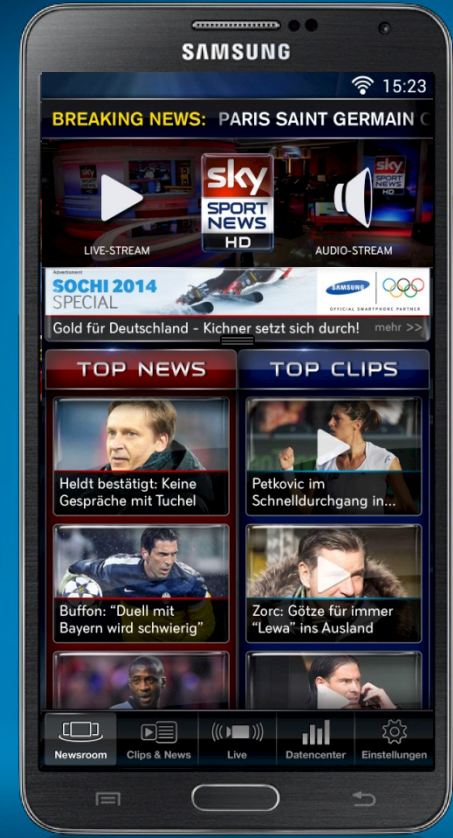
Sky Go delivering record performance



- Germany and Austria's largest OTT pay-TV service
- 18.1 million customer sessions in Q3 2013
- Unique and exclusive content portfolio with
 - more than 800 top blockbuster films,
 - over 1,000 series episodes including more than 90 complete season box sets,
 - over 700 children's programs and
 - more than 3,000 live sport events in 2013

Sky Sport News HD app on Android devices

- Our outstanding sports news channel now available to the huge world of Android
- Co-operation with Samsung
- Special section for breaking news and stories from the upcoming Winter Olympics



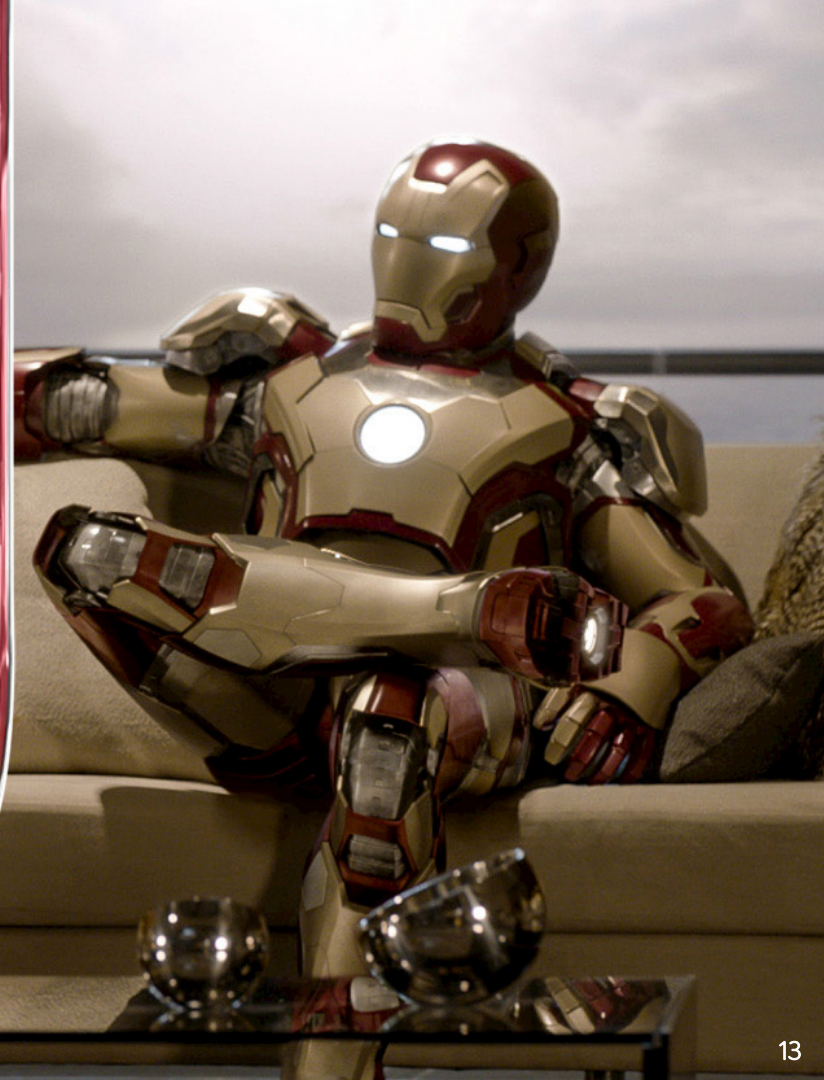
Sky Home



- Giving more control to viewers
- Program suggestions
- Helping to select favorite programs
- Allows customization by individual interests and viewing preferences

Always in the front row of great entertainment

- New multi-year and multi-platform contract with DreamWorks Animation and Tele München Group
- Co-production of original scripted content “100 Code” in a partnership with Red Arrow Entertainment and with Oscar Award winner, writer and producer Bobby Moresco as show-runner through this series



Pioneering Ultra-HD



by sky



Great platform for growth



SLAY

Appendix

Subscribers and key metrics – quarterly

'000	Q3 13	Q2 13	Q1 13	Q4 12	Q3 12
Direct subscribers at beginning	3,453	3,405	3,363	3,212	3,132
Gross additions	185	131	137	260	188
Churn	-109	-84	-95	-109	-108
Net growth	76	48	42	151	80
Direct subscribers at end	3,529	3,453	3,405	3,363	3,212
HD Welt subscribers at end of period	2,572	2,477	2,403	2,249	2,055
Premium HD subscribers at end of period	1,752	1,697	1,613	1,514	1,337
Premium HD penetration rate (in %)	49.6	49.1	47.4	45.0	41.6
Sky+ subscribers at end of period	1,296	1,171	1,065	929	730
Sky+ penetration rate (in %)	36.7	33.9	31.3	27.6	22.7
Second smartcard subscribers	410	393	375	346	293
Second smartcard penetration rate (in %)	11.6	11.4	11.0	10.3	9.1
Subscription ARPU (in €, monthly)	34.07	33.74	33.15	32.77	32.22
Churn rate (in %, quarterly annualized)	12.5	9.7	11.3	13.3	13.7
Churn rate (in %, 12 month rolling)	11.8	12.0	12.0	11.8	11.8
Wholesale subscribers at end	280	124	125	125	126

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

Subscribers and key metrics – year-on-year

'000	Q3 13	Q3 12	Change (absolute)	Change (in %)	9M 2013	9M 2012	Change (absolute)	Change (in %)
Direct subscribers at beginning	3,453	3,132	321	10.2	3,363	3,012	351	11.6
Gross additions	185	188	-3	-1.6	454	467	-13	-2.8
Churn	-109	-108	-1	-0.9	-288	-267	-21	-7.7
Net growth	76	80	-4	-5.0	166	200	-34	-16.9
Direct subscribers at end	3,529	3,212	317	9.9	3,529	3,212	317	9.9
HD Welt subscribers at end of period	2,572	2,055	518	25.2	2,572	2,055	518	25.2
Premium HD subscribers at end of period	1,752	1,337	415	31.0	1,752	1,337	415	31.0
Premium HD penetration rate (in %)	49.6	41.6	8.0	-	49.6	41.6	8.0	-
Sky+ subscribers at end of period	1,296	730	566	77.6	1,296	730	566	77.6
Sky+ penetration rate (in %)	36.7	22.7	14.0	-	36.7	22.7	14.0	-
Second smartcard subscribers	410	293	117	39.9	410	293	117	39.9
Second smartcard penetration rate (in %)	11.6	9.1	2.5	-	11.6	9.1	2.5	-
Subscription ARPU (in €, monthly)	34.07	32.22	1.85	5.7	33.54	32.03	1.52	4.7
Churn rate (in %, quarterly annualized)	12.5	13.7	-1.1	-	11.1	11.5	-0.3	-
Churn rate (in %, 12 month rolling)	11.8	11.8	0.0	-	11.8	11.8	0.0	-
Wholesale subscribers at end	280	126	154	>100	280	126	154	>100

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

Revenues and costs

in €m	Q3 13	Q3 12	Change (absolute)	Change (in %)	9M 2013	9M 2012	Change (absolute)	Change (in %)
Revenues								
Subscription	356.8	306.6	50.2	16.4	1,040.3	897.0	143.4	16.0
Hardware	7.9	10.9	-3.0	-27.2	25.2	32.8	-7.7	-23.4
Wholesale	7.5	3.2	4.3	>100	13.7	9.9	3.8	38.7
Advertising	9.7	5.6	4.1	72.2	27.2	17.9	9.3	52.0
Other	10.8	5.0	5.8	>100	25.7	18.7	7.0	37.1
Total	392.7	331.3	61.4	18.5	1,132.1	976.4	155.8	16.0
Costs (including depreciation)								
Program	205.4	169.1	36.3	21.5	613.4	558.8	54.5	9.8
Technology	40.8	43.8	-3.0	-6.9	124.0	124.8	-0.9	-0.7
Hardware	22.1	16.3	5.8	35.6	63.0	45.1	17.9	39.7
Customer service and other cost of sales	25.7	21.7	4.0	18.4	69.1	61.7	7.4	11.9
Selling expenses	61.1	56.1	5.0	8.9	164.4	162.5	1.9	1.2
General and administrative expenses	34.9	26.3	8.6	32.5	97.8	79.7	18.1	22.7
Other operating expenses/income	-3.9	-2.5	-1.4	-55.5	-6.9	-6.7	-0.2	-2.9
Total	386.1	330.9	55.3	16.7	1,124.7	1,025.9	98.7	9.6
Depreciation included	22.6	18.1	4.4	24.4	64.3	50.6	13.7	27.1
Costs (excluding depreciation)	363.5	312.7	50.8	16.3	1,060.4	975.3	85.0	8.7
EBITDA	29.2	18.6	10.6	57.1	71.8	1.0	70.7	>100

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

Results

in €m	Q3 13	Q3 12	Change (absolut)	Change (in %)	9M 2013	9M 2012	Change (absolut)	Change (in %)
Revenues	392.7	331.3	61.4	18.5	1,132.1	976.4	155.8	16.0
Operating expenses	363.5	312.7	50.8	16.3	1,060.4	975.3	85.0	8.7
EBITDA	29.2	18.6	10.6	57.1	71.8	1.0	70.7	>100
Depreciation and amortisation	22.6	18.1	4.4	24.4	64.3	50.6	13.7	27.1
Amortisation of subscriber base	0.3	0.3	0.0	0.0	1.0	1.0	0.0	-0.3
EBIT	6.3	0.1	6.2	>100	6.4	-50.6	57.0	>100
Financial result	-18.8	-15.3	-3.5	-22.6	-54.7	-50.8	-3.9	-7.7
Result before taxes	-12.5	-15.3	2.7	18.0	-48.3	-101.4	53.2	52.4
Income taxes	-1.7	-1.2	-0.5	-38.3	-4.4	-1.9	-2.5	>-100
Net Income	-14.2	-16.5	2.3	14.0	-52.7	-103.3	50.6	48.9

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

Cash flow and net debt

in €m	Q3 13	Q3 12	9M 2013	9M 2012
Cash flow from operating activities	0.1	4.2	47.8	-22.9
Cash flow from investing activities	-22.3	-47.5	-117.8	-102.8
Cash flow from financing activities	-15.6	34.2	207.9	75.1
Cash flow	-37.8	-9.1	138.0	-50.6

in €m	30.09.2013	31.12.2012
Cash and cash equivalents	142.3	4.3
Net debt	350.4	611.0

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