



sky

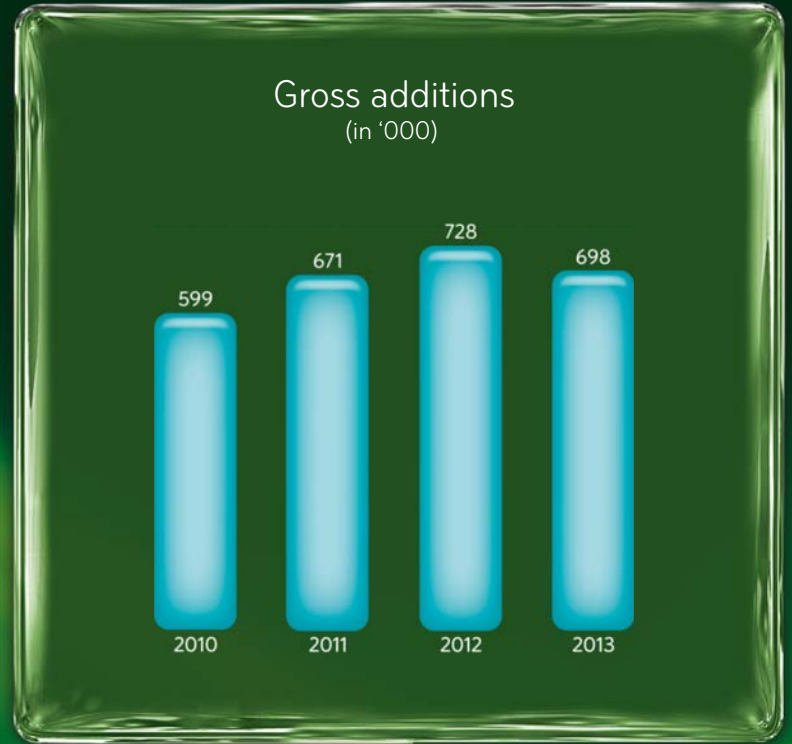
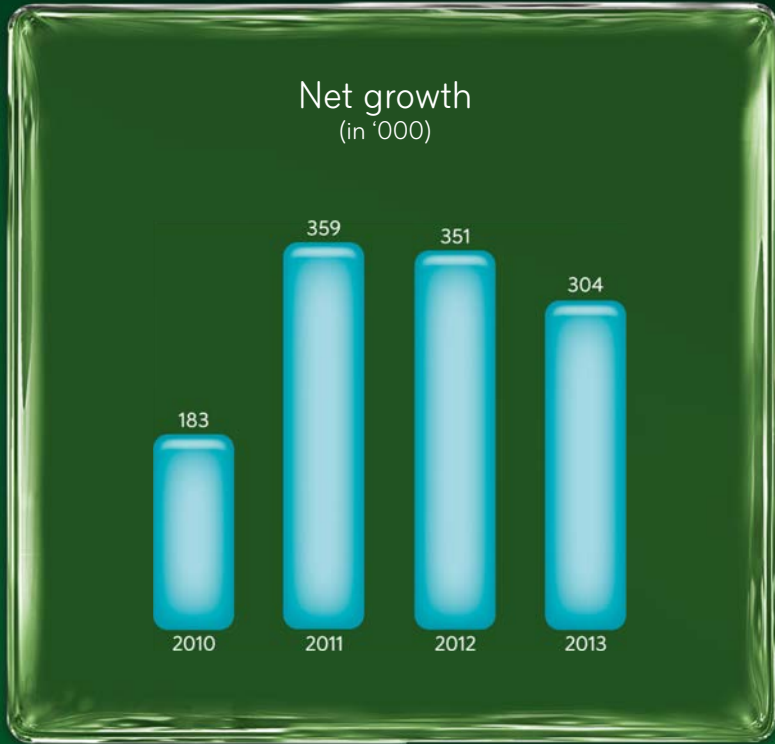
Sky Deutschland  
Preliminary Q4 and FY 2013 Results  
6 February 2014

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# Strong customer growth



# Direct customer development





# Increasing quality

## Churn

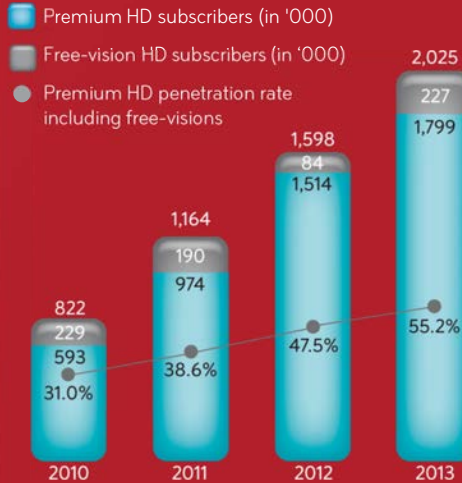


## ARPU (in €, monthly)

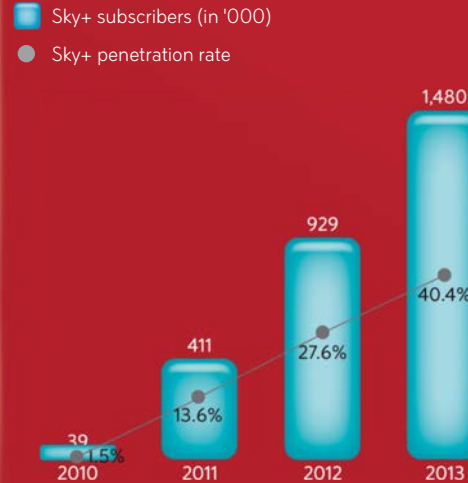


# HD, Sky+ and Sky Zweitkarte

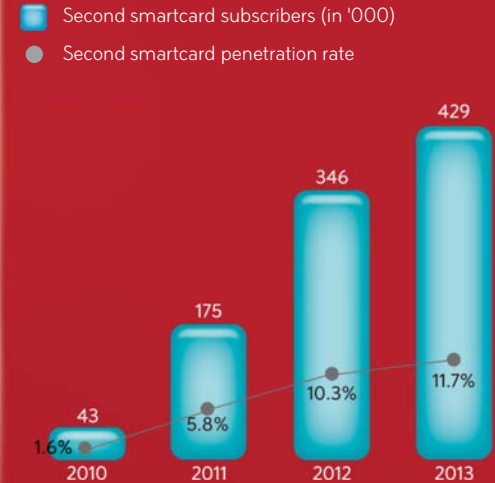
## HD subscribers (at end of period)



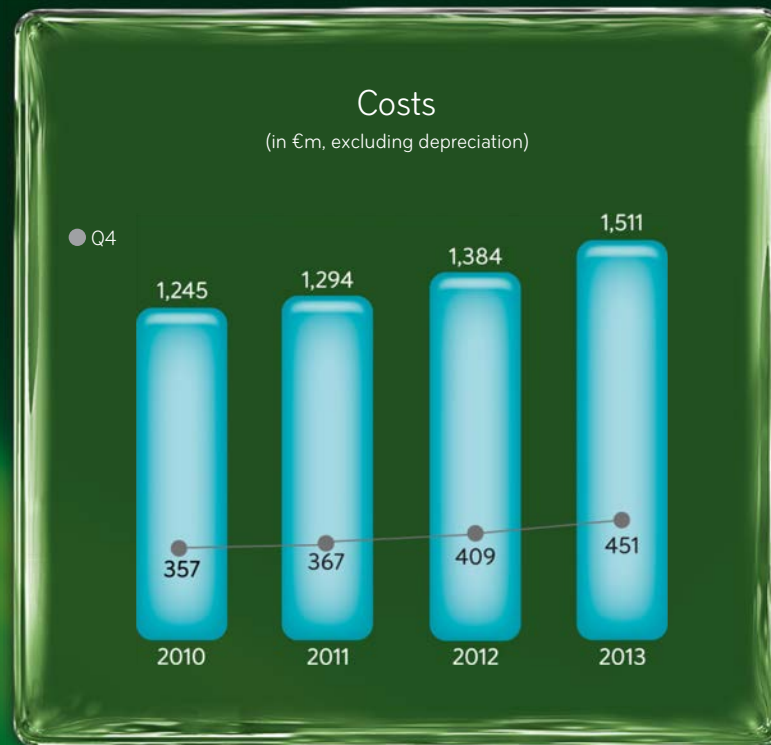
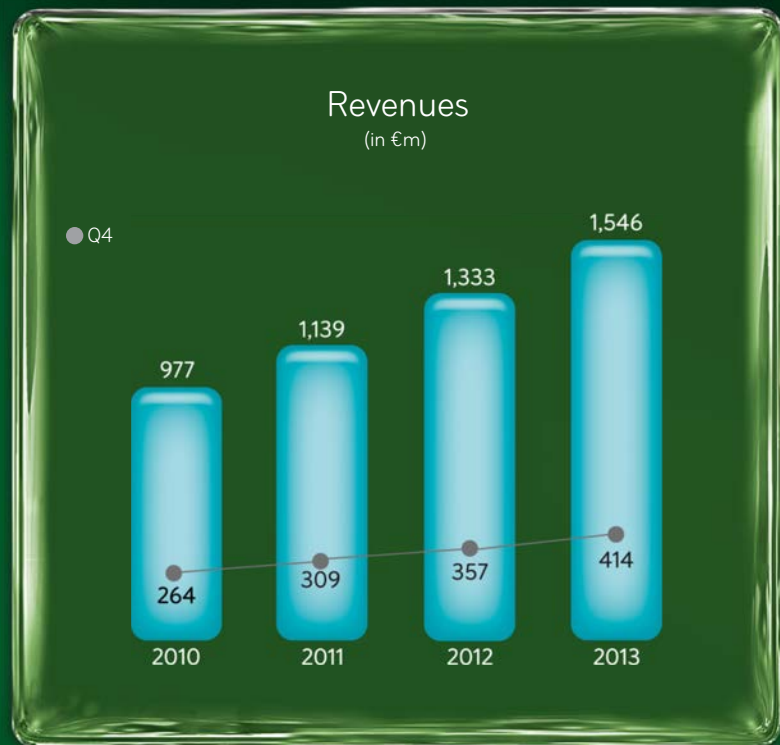
## Sky+ subscribers (at end of period)



## Second Smartcard subscribers (at end of period)

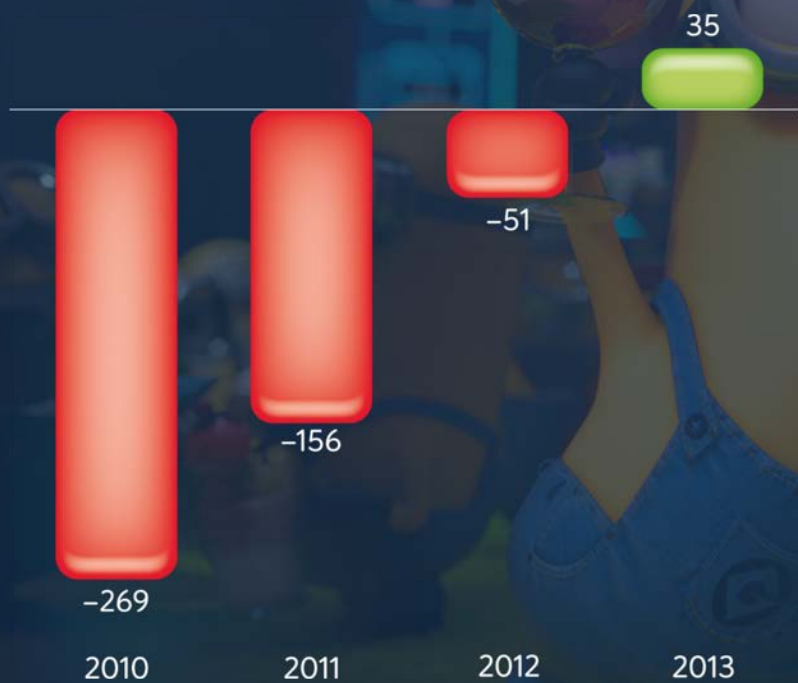


# Revenues and costs



# EBITDA

(in €m)





# Cash Flow

- Cash flow 2013: €193m
  - €92m cash from operating activities
  - €142m cash used for investing activities
  - €243m cash from financing activities
- Net debt €355m\*
- Liquidity headroom of €270m\*

\* As of 31 December 2013





# Sky Go – Continued strong growth



- Germany and Austria's largest OTT pay-TV service
- 70 million customer sessions in 2013
- Over 15,000 hours of amazing content
- Unique and exclusive content portfolio with
  - more than 600+ blockbuster films,
  - more than 90+ complete series box sets containing over 1,000 episodes,
  - over 700+ children's programs and
  - more than 3,000+ live sport events in 2013



# Sky Home

- Introduced in January 2014
- Delivers a next generation experience to all customers with a Sky receiver
- Interactive and customizable home screen - across all Sky channels, as well as on-demand (Sky Anytime) and archived titles
- Combines easy one-button access to the best programs with recommendations from the Sky editorial team







# UEFA Champions League through 2017/18

# “Home of Disney”

- Multi-year extension
- Significant expansion
- Securing all pay-TV, on-demand and mobile rights
- Including DisneyPixar, Marvel Studios and LucasFilm, including their highly anticipated Star Wars episode 7





# Acquisition of Plazamedia





# Outlook 2014

For 2014 Sky expects:

- Accelerating subscriber net growth of 400k to 450k
- Full-year EBITDA in the range of €70m to €90m
- Continued strong increase in total revenues







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Appendix

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# Subscribers and key metrics – quarterly (preliminary)

'000	Q4 13	Q3 13	Q2 13	Q1 12	Q4 12
Direct subscribers at beginning	3,529	3,453	3,405	3,363	3,212
Gross additions	244	185	131	137	260
Churn	-106	-109	-84	-95	-109
Net growth	138	76	48	42	151
<b>Direct subscribers at end</b>	<b>3,667</b>	<b>3,529</b>	<b>3,453</b>	<b>3,405</b>	<b>3,363</b>
HD Welt subscribers at end of period	2,713	2,572	2,477	2,403	2,249
Premium HD subscribers at end of period	1,799	1,752	1,697	1,613	1,514
Premium HD penetration rate (in %)	49.1	49.6	49.1	47.4	45.0
Premium HD subscribers including HD free-visions at end of period	2,025	1,869	1,760	1,680	1,598
Premium HD penetration rate including HD free-visions (in %)	55.2	53.0	51.0	49.3	47.5
Sky+ subscribers at end of period	1,480	1,296	1,171	1,065	929
Sky+ penetration rate (in %)	40.4	36.7	33.9	31.3	27.6
Second smartcard subscribers	429	410	393	375	346
Second smartcard penetration rate (in %)	11.7	11.6	11.4	11.0	10.3
Subscription ARPU (in €, monthly)	34.56	34.07	33.74	33.15	32.77
Churn rate (in %, quarterly annualized)	11.8	12.5	9.7	11.3	13.3
Churn rate (in %, 12 month rolling)	11.2	11.8	12.0	12.0	11.8
Wholesale subscribers at end	268	280	124	125	125

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



# Subscribers and key metrics – year-on-year (preliminary)

'000	Q4 13	Q4 12	Change (absolute)	Change (in %)	2013	2012	Change (absolute)	Change (in %)
Direct subscribers at beginning	3,529	3,212	317	9.9	3,363	3,012	351	11.6
Gross additions	244	260	-17	-6.3	698	728	-30	-4.1
Churn	-106	-109	3	3.0	-394	-377	-17	-4.6
Net growth	138	151	-13	-8.7	304	351	-47	-13.4
<b>Direct subscribers at end</b>	<b>3,667</b>	<b>3,363</b>	<b>304</b>	<b>9.0</b>	<b>3,667</b>	<b>3,363</b>	<b>304</b>	<b>9.0</b>
HD Welt subscribers at end of period	2,713	2,249	464	20.6	2,713	2,249	464	20.6
Premium HD subscribers at end of period	1,799	1,514	285	18.8	1,799	1,514	285	18.8
Premium HD penetration rate (in %)	49.1	45.0	4.0	-	49.1	45.0	4	-
Premium HD subscribers including HD free-visions at end of period	2,025	1,598	427	26.7	2,025	1,598	427	26.7
Premium HD penetration rate including HD free-visions (in %)	55.2	47.5	7.7	-	55.2	47.5	7.7	-
Sky+ subscribers at end of period	1,480	929	551	59.4	1,480	929	551	59.4
Sky+ penetration rate (in %)	40.4	27.6	12.7	-	40.4	27.6	12.7	-
Second smartcard subscribers	429	346	83	23.9	429	346	83	23.9
Second smartcard penetration rate (in %)	11.7	10.3	1.4	-	11.7	10.3	1.4	-
Subscription ARPU (in €, monthly)	34.56	32.77	1.79	5.5	33.51	31.90	1.61	5.0
Churn rate (in %, quarterly annualized)	11.8	13.3	-1.5	-	11.2	11.8	-0.6	-
Churn rate (in %, 12 month rolling)	11.2	11.8	-0.6	-	11.2	11.8	-0.6	-
Wholesale subscribers at end	268	125	143	>100	268	125	143	-

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

# Revenues and costs (preliminary)

in €m	Q4 13	Q4 12	Change (absolute)	Change (in %)	2013	2012	Change (absolute)	Change (in %)
<b>Revenues</b>								
Subscription	373.0	323.2	49.8	15.4	1,413.4	1,220.2	193.2	15.8
Hardware	7.8	10.1	-2.3	-22.6	32.9	42.9	-9.9	-23.2
Wholesale	7.0	3.4	3.6	>100	20.8	13.3	7.4	55.8
Advertising	14.1	11.8	2.3	19.4	41.3	29.7	11.6	39.0
Other	12.4	8.4	4.0	48.0	38.1	27.1	11.0	40.5
<b>Total</b>	<b>414.3</b>	<b>356.8</b>	<b>57.5</b>	<b>16.1</b>	<b>1,546.4</b>	<b>1,333.2</b>	<b>213.2</b>	<b>16.0</b>
<b>Costs (including depreciation)</b>								
Program	269.8	236.7	33.1	14.0	883.1	795.6	87.6	11.0
Technology	46.2	44.6	1.6	3.6	170.1	169.4	0.7	0.4
Hardware	22.6	23.5	-1.0	-4.1	85.6	68.7	16.9	24.7
Customer service and other cost of sales	26.2	24.4	1.8	7.4	95.3	86.1	9.2	10.6
Selling expenses	70.1	67.8	2.3	3.4	234.5	230.3	4.2	1.8
General and administrative expenses	40.3	34.4	5.9	17.3	138.1	114.1	24.0	21.1
Other operating expenses/income	-1.3	-0.8	-0.6	-72.4	-8.2	-7.5	-0.8	-10.1
<b>Total</b>	<b>473.8</b>	<b>430.7</b>	<b>43.2</b>	<b>10.0</b>	<b>1,598.5</b>	<b>1,456.6</b>	<b>141.9</b>	<b>9.7</b>
Depreciation included	22.6	21.7	0.9	4.1	86.9	72.3	14.6	20.2
<b>Costs (excluding depreciation)</b>	<b>451.3</b>	<b>409.0</b>	<b>42.3</b>	<b>10.3</b>	<b>1,511.7</b>	<b>1,384.3</b>	<b>127.3</b>	<b>9.2</b>
<b>EBITDA</b>	<b>-37.0</b>	<b>-52.1</b>	<b>15.2</b>	<b>29.1</b>	<b>34.8</b>	<b>-51.1</b>	<b>85.9</b>	<b>&gt;100</b>

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

# Results (preliminary)

in €m	Q4 13	Q4 12	Change (absolut)	Change (in %)	2013	2012	Change (absolut)	Change (in %)
Revenues	414.3	356.8	57.5	16.1	1,546.4	1,333.2	213.2	16.0
Operating expenses	451.3	409.0	42.3	10.3	1,511.7	1,384.3	127.3	9.2
<b>EBITDA</b>	<b>-37.0</b>	<b>-52.1</b>	<b>15.2</b>	<b>29.1</b>	<b>34.8</b>	<b>-51.1</b>	<b>85.9</b>	<b>&gt;100</b>
Depreciation and amortisation	22.6	21.7	0.9	4.1	86.9	72.3	14.6	20.2
Amortisation of subscriber base	0.3	0.3	0.0	0.0	1.4	1.4	0.0	-0.2
<b>EBIT</b>	<b>-59.9</b>	<b>-74.2</b>	<b>14.3</b>	<b>19.3</b>	<b>-53.5</b>	<b>-124.8</b>	<b>71.3</b>	<b>57.2</b>
Financial result	-18.8	-14.5	-4.3	-29.7	-73.6	-65.4	-8.2	-12.6
<b>Result before taxes</b>	<b>-78.7</b>	<b>-88.7</b>	<b>10.0</b>	<b>11.3</b>	<b>-127.1</b>	<b>-190.1</b>	<b>63.1</b>	<b>33.2</b>
Income taxes	-1.6	-3.2	1.6	50.5	-6.0	-5.1	-0.9	-18.5
<b>Net Income</b>	<b>-80.3</b>	<b>-91.9</b>	<b>11.6</b>	<b>12.6</b>	<b>-133.0</b>	<b>-195.2</b>	<b>62.2</b>	<b>31.9</b>

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



# Cash flow and net debt (preliminary)

in €m	Q4 13	Q4 12	2013	2012
Cash flow from operating activities	44.2	-7.7	92.0	-30.6
Cash flow from investing activities	-24.5	-33.6	-142.2	-136.4
Cash flow from financing activities	34.9	41.4	242.8	116.5
<b>Cash flow</b>	<b>54.6</b>	<b>0.1</b>	<b>192.6</b>	<b>-50.5</b>

in €m	31.12.2013	31.12.2012
Cash and cash equivalents	196.9	4.3
Net debt	354.7	611.0

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