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This document is an English translation of the annex no. 2 to the Polish prospectus (the “Prospectus”) prepared by Cyfrowy Polsat S.A. with its registered office in Warsaw (the “Company”), which was approved by the Polish Financial Supervision Authority (*Komisja Nadzoru Finansowego*) on 8 May 2014 in the Polish language version (the “Annex”). The Polish language version is the only official and legally binding version of the Annex. This translation of the Annex into English has been prepared solely for the convenience of investors and has no legal effect. Although every effort was made to ensure the accuracy of the English translation of the Annex, the Company, its advisors and persons acting on behalf of the Company as well as its other agents assume no liability for any errors, omissions or inaccuracies in the English translation of the Annex. Any investment decision should be made solely on the basis of the original Polish language versions of the Prospectus and the annexes thereto.



Cyfrowy Polsat S.A.

(joint stock company with registered office at ul. Lubinowa 4A, Warsaw, entered in the register of entrepreneurs of the National Court Register under No. 0000010078)

**Annex No. 2
to the Prospectus of Cyfrowy Polsat S.A.
approved on 28 April 2014 by a decision of the Polish Financial Supervision Authority
(the “Prospectus”)**

This Annex No. 2 to the Prospectus (the “Annex”) was prepared pursuant to Article 51 Section 1 of the Act on Public Offering. Capitalized terms used in this Annex shall have the meaning assigned to them in the Prospectus, unless otherwise defined herein.

Satisfaction of the conditions to closing the Transaction

The final Closing Conditions were fulfilled on 7 May 2014. Their satisfaction was a precondition to the obligations of the parties to the Investment Agreements to proceed with the finalization of the Transaction. In particular, on 7 May 2014, the entire debt under the Senior Facilities Agreement and the Senior Notes Indenture has been repaid. The funds for the repayment of the debt originated from the New Term Facility Loan provided to the Company based on the New Senior Facilities Agreement of 11 April 2014. In order to secure the repayment of the claims under the New Senior Facilities Agreement, on 7 May 2014 entities from the Group entered into agreements and performed other actions to create encumbrance in favor of the New Security Agent on the assets comprising the Group’s property, described in detail in Section “Business Overview of Polsat Group – Material agreements – Refinancing agreements – Security”. Furthermore, on 7 May 2014, the Company entered into a framework agreement with EBRD whereby it agreed, among others, to act in compliance with the EBRD Designated Performance Requirements, in particular with respect to the environmental protection, and the EBRD Anti-Corruption Guidelines. On 7 May 2014 the EBRD received a legal opinion concerning certain matters of the Polish law in the context of the Transaction, in a wording agreed in the Investment Agreement II.

In relation to the foregoing, the following amendments have been made to the Prospectus:

The sixth paragraph in “*Transaction – Transaction Overview*” shall read as follows:

On 7 May 2014 all indebtedness under or referred to in the Facilities Agreement or the Senior Notes Indenture was repaid. Funds for the said repayment have been procured from the New Term Facility granted to the Company pursuant to the New Facilities Agreement of 11 April 2014.

As the seventh paragraph in “*Transaction – Transaction Overview*” the following is added:

On 7 May 2014 the Company executed with the EBRD a framework agreement, in which the Company undertook, among others, to act in compliance with EBRD Designated Performance Requirements, in particular with respect to the environmental protection, and EBRD Anti-Corruption Guidelines. The framework agreement sets out certain obligations of the Company related to an EBRD’s acquisition of Company’ shares in consideration for in-kind contribution in the form of Metelem shares. The framework agreement will remain in force as long as the EBRD holds no less than 67.6% of the block of the Company shares acquired by the EBRD in the Transaction. The framework agreement has been concluded under the English law and any disputes related to it are to be resolved by arbitration before the London Court of International Arbitration or before English courts. On 7 May 2014 the EBRD received a legal opinion concerning certain matters of the Polish law in the context of the Transaction, in a wording agreed in the Investment Agreement II.

The third paragraph in “*Transaction – Refinancing*” shall read as follows:

The amounts made available under the New Senior Facilities Agreement, to be allocated to the repayment of the above-mentioned debt, were disbursed on 6 May 2014. On 7 May 2014, the Company's entire debt under the Senior Facilities Agreement was repaid and CP Finance's obligation to pay the amounts due under the Senior Notes was satisfied. Therefore, the repayment of the existing debts to being a precondition for the closing of the Transaction concerning the Refinancing, was made on 7 May 2014. As at February 28th 2014, the Company's debt under the Senior Facilities Agreement and the Senior Notes was PLN 493.4m and PLN 1,460.6m, respectively.

The fourth paragraph in “*Transaction – Refinancing*” shall read as follows:

In connection with the Refinancing, on 7 May 2014 the company acting as the security agent under the Senior Facilities Agreement and the Senior Notes Indenture executed relevant documents concerning the release of all security interests securing the repayment of all dues under the Senior Facilities Agreement and Senior Notes (these security interests are described in "Business overview of Polsat Group—Material agreements—Financing agreements—Security"). On the date on which the documents concerning the release of security were executed, that is on 7 May 2014, the Company and relevant Group companies executed agreements and took other actions in order to secure the debt under the New Senior Facilities Agreement (see "Business overview of Polsat Group—Material agreements—Refinancing agreements—Security"). No later than on the day following the signing of the documents concerning the release of security under the Senior Facilities Agreement and the Senior Notes and the execution of the security agreements under the New Senior Facilities Agreement, that is no later than on 8 May 2014, the Company and relevant Group companies shall file with competent courts and patent office applications requesting: (i) deletion of pledges and registered pledges and mortgages established as security for the Senior Facilities Agreement and the Senior Notes, and (ii) entry of pledges and registered pledges and mortgages as security for the New Senior Facilities Agreement.

The last sentence in the second paragraph of “*Operating and financial review of Polsat Group – Indebtedness – Financial indebtedness*” shall read as follows:

On 7 May 2014 all indebtedness under or referred to in the Senior Facilities Agreement or the Senior Notes Indenture was repaid. Funds for the said repayment have been procured from the New Term Facility granted to the Company pursuant to the New Facilities Agreement of 11 April 2014.

Information on Transaction closing

With all preconditions set out in the Investment Agreements having been satisfied, on 7 May 2014 the parties to the Investment Agreements proceeded to closing the Transaction.

As part of the Transaction closing process, on 7 May 2014 the Company concluded subscription agreements concerning the acquisition of subscription warrants individually with all of Metelem's shareholders, that is the EBRD, Karswell Limited, Sensor Overseas Limited and Argumenol Investment Company Limited. In these agreements the Company offered registered Subscription Warrants to the Metelem Shareholders and each of them accepted the offer in such way that: (a) the EBRD acquired 47,260,690 Series I Warrants; (b) Karswell Limited acquired 157,988,268 Series J Warrants; (c) Sensor Overseas Limited acquired 27,880,274 Series J Warrants; and (d) Argumenol Investment Company Limited acquired 58,063,948 Series J Warrants.

In executing the rights attached to the Subscription Warrants, as a result of statements made by the shareholders of Metelem on the acquisition of Series I and Series J shares, respectively, and paying up the New Shares with in-kind contribution in the form of Metelem shares, the Company acquired the ownership of 2,000,325 shares of Metelem, representing 100% of the capital and votes in that company.

In consideration for the in-kind contribution in the form of Metelem shares the Company issued 291,193,180 ordinary bearer shares with the nominal value of PLN 0,04 each, including: (i) 47,260,690 Series I shares acquired by the EBRD and (ii) in aggregate 243,932,490 Series J shares acquired by Karswell Limited (157,988,268 Series J shares), Sensor Overseas Limited (27,880,274 Series J shares) and Argumenol Investment Company Limited (58,063,948 Series J shares), respectively. The Series I Shares and Series J Shares will be deemed released to the respective shareholders of Metelem upon the registration of the shares acquired by those shareholder on their securities accounts.

In relation to the foregoing, the following amendments have been made to the Prospectus:

The seventh paragraph in „*Transaction – Transaction Overview*” shall read as follows:

With all preconditions set out in the Investment Agreements having been satisfied, on 7 May 2014 the parties to the Investment Agreements proceeded to closing the Transaction. As part of the Transaction closing process, on 7 May 2014 the Company concluded subscription agreements concerning the acquisition of subscription warrants individually with all of Metelem’s shareholders, that is the EBRD, Karswell Limited (“**Karswell**”), Sensor Overseas Limited (“**Sensor**”) and Argumenol Investment Company Limited (“**Argumenol**”). In these agreements the Company offered subscription warrants to the Metelem Shareholders and each of them accepted the offer in such way that: (a) the EBRD acquired 47,260,690 Series I Warrants; (b) Karswell acquired 157,988,268 Series J Warrants; (c) Sensor acquired 27,880,274 Series J Warrants; and (d) Argumenol acquired 58,063,948 Series J Warrants. In executing the rights attached to the Subscription Warrants, as a result of statements made by the shareholders of Metelem on the acquisition of Series I and Series J shares, respectively, and paying up the new shares with in-kind contribution in the form of Metelem shares, the Company acquired the ownership of 2,000,325 shares of Metelem, representing 100% of the capital and votes in that company. In consideration for the in-kind contribution in the form of Metelem shares the Company issued 291,193,180 ordinary bearer shares with the nominal value of PLN 0,04 each, including: (i) 47,260,690 Series I shares acquired by the EBRD and (ii) in aggregate 243,932,490 Series J shares acquired by Karswell (157,988,268 Series J shares), Sensor (27,880,274 Series J shares) and Argumenol (58,063,948 Series J shares), respectively. The Series I and Series J shares will be deemed released to the respective shareholders of Metelem upon the registration of the shares acquired by those shareholder on their securities accounts.

The sixth paragraph in „*Transaction – Refinancing*” shall read as follows:

In relation to the Refinancing the Company and the other parties to the Investment Agreements proceeded to closing the Transaction, as described in “*Transaction Overview*” above.

A new fifth paragraph is added in “*Operating and financial review of Polsat Group – Trends and significant events subsequent to the reporting date – Significant events subsequent to the reporting date*” including the following information:

On 7 May 2014 the last Conditions Precedent were satisfied, triggering an obligation of the parties to the Investment Agreements to perform the Transaction. In particular, all indebtedness under or referred to in the Senior Facilities Agreement or the Senior Notes Indenture was repaid. Funds for the said repayment have been procured from the New Term Facility granted to the Company pursuant to the New Facilities Agreement of April 11th 2014 (see “*Transaction—Refinancing*”). As part of the Transaction closing process, in executing the rights attached to the Subscription Warrants, as a result of statements made by the shareholders of Metelem on the acquisition of Series I and Series J shares, respectively, and paying up the new shares with in-kind contribution in the form of Metelem shares, the Company acquired the ownership of 2,000,325 shares of Metelem, representing 100% of the capital and votes in that company. In consideration for the in-kind contribution in the form of Metelem shares the Company issued 291,193,180 ordinary bearer shares with the nominal value of PLN 0,04 each, including: (i) 47,260,690 Series I shares acquired by the EBRD and (ii) in aggregate 243,932,490 Series J shares acquired by Karswell (157,988,268 Series J shares), Sensor (27,880,274 Series J shares) and Argumenol (58,063,948 Series J shares), respectively. In connection with the Refinancing, on 7 May 2014 the company acting as the security agent under the Senior Facilities Agreement and the Senior Notes Indenture executed relevant documents concerning the release of all security interests securing the repayment of all dues under the Senior Facilities Agreement and Senior Notes (these security interests are described in "Business overview of Polsat Group—Material agreements—Financing agreements—Security"). On the date on which the documents concerning the release of security were executed, that is on 7 May 2014, the Company and relevant Group companies executed agreements and took other actions in order to secure the debt under the New Senior Facilities Agreement (see "Business overview of Polsat Group—Material agreements—Refinancing agreements—Security").

The fourth paragraph of the “*First cover*” and the second, third and fourth paragraph of “*Admission of Securities to Trading – Overview of New Shares*” shall read as follows:

On 7 May 2014, in consideration for the in-kind contribution in the form of Metelem shares, the Company issued 291,193,180 ordinary bearer shares with the nominal value of PLN 0,04 each, including: (i) 47,260,690 Series I shares acquired by the EBRD and (ii) in aggregate 243,932,490 Series J shares acquired by Karswell

(157,988,268 Series J shares), Sensor (27,880,274 Series J shares) and Argumenol (58,063,948 Series J shares), respectively. The Series I and Series J shares will be deemed released to the respective shareholders of Metelem upon the registration of the shares acquired by those shareholder on their securities accounts.

Information on forward transactions concluded by the Company

In relation to the contemplated refinancing of the Metelem Group indebtedness, after its take-over by the Company by way of repayment Eileme 1's repayment of indebtedness under PIK PLK Notes, the Company concluded a number of forward transactions. Therefore, the following amendments have been made to the Prospectus:

The last paragraph was added to "*Operating and financial review of Polsat Group – Trends and significant events subsequent to the reporting date – Significant events subsequent to the reporting date*" including the following information:

In relation to the contemplated refinancing of the Metelem Group indebtedness, after its take-over by the Company by way of repayment Eileme 1's repayment of indebtedness under PIK PLK Notes, on 7 May 2014 the Company concluded a number of forward transactions with ING Bank Śląski S.A., Powszechna Kasa Oszczędności Bank Polski S.A. and Société Générale Spółka Akcyjna, Oddział w Polsce, with a total value of USD 290m (PLN 877.2m). The transaction settlement date has been scheduled for 23 May 2014 and the average exchange rate at 3.0247 PLN/USD.