

Cyfrowy Polsat Newsletter

16 – 22 May 2011

The press about Cyfrowy Polsat	Date	The press about TMT market in Poland
	16.05	<p>Dziennik Gazeta Prawna: Access to the Internet will be like electricity and water. It will change the society.</p> <p>In ten years, it will be hard to imagine to live without access to the network, claim the experts of global companies, specializing in infrastructure development. By the End of 2013, every Pole should have access to broadband Internet. Mobile Internet becomes a big competitor of the cable operators. According to Beata Bialkowska, Marketing Director at Cyfrowy Polsat, LTE technology will revolutionize the Polish Internet market.</p>
<p>Rzeczpospolita: Competition between Polsat and TVN rises again</p> <p>The first quarter results show that financially Polsat is doing increasingly better. TVN will defend its position but it can cost a lot. According to KBC Securities analyst, later in the year it will be Polsat who will be ahead of the competition when it comes to trends concerning the results.</p> <p>Puls Biznesu: Costs of debt service will lower the profit of Cyfrowy Polsat</p> <p>According to Tomasz Szelaq, member of the Management Board of CP, the costs will affect the results below EBITDA level. This will be particularly noticeable in the second quarter. Dominik Libicki, President of CP, expects the Group's EBITDA margin to stabilize at 30% throughout the year. The increase in EBITDA of Telewizja Polsat will balance the expenditure on the development of telecommunication services.</p>	17.05	

The press about Cyfrowy Polsat	Date	The press about TMT market in Poland
<p>Parkiet: Cyfrowy Polsat: the debt will lower the net results This is a negative side of the debt of the company. The positive side – according to the President - is that the group is prepared for different scenarios, including acquisitions. Libicki, emphasized that the Group managed to place its bonds under more attractive terms than the competition. - Demand for Cyfrowy Polsat bonds was several times higher than supply. We came into the international market, we were well perceived and we are prepared for any eventuality: whether to raise capital or issue debt or perform acquisitions – said Dominik Libicki.</p>	17.05	
	19.05	<p>Rzeczpospolita: NFI Midas does not give up the construction of next-generation network The owner of Centernet and Mobyland wants to raise PLN 104 mln from issue of shares and leads talks with "foreign entities" on investments in LTE.</p>
<p>Parkiet: Ranking of the most valuable companies. Pearls of Polish Stock Exchange Cyfrowy Polsat was listed 8th in new technologies sector subranking and 18th according to the largest results increase and capitalization.</p>	20.05	
<p>Parkiet: Cyfrowy Polsat Trigon Brokerage raised the target price for the issuer's shares by 2% to PLN 19 (from PLN 18.6). It held a recommendation "buy". The valuation takes into account the acquisition of Polsat and its consolidation into the group results from the second quarter of 2011. The report was issued on May 18 with shares price of PLN 16.25.</p>	21.05	<p>Parkiet: Are there already only two investors for Plus? According to two independent sources, there are only two offers for Polkomtel that are taken into consideration by the owners of the company. Zygmunt Solorz-Zak, the owner of Cyfrowy Polsat group, and Swedish TeliaSonera are believed to have entered to the final stage of the game.</p>

Latest events

Press release
16 May 2011

Cyfrowy Polsat financial results for 1st quarter 2011

Cyfrowy Polsat presents an increase in operational results and very good financial results.

The number of subscribers to all three services of the platform increased – to 3.47 million subscribers of pay digital satellite TV, 120 thousand MVNO users and 36 thousand HSPA+ Internet users. The Company recorded a several percent increase in revenues and ARPU, and remained a stable churn rate of 9.6%.

Most important facts of 1Q 2011 compared to 1Q 2010:

- Number of DTH subscribers increased by 230 ths. y-o-y to 3.47 million;
- Gross additions amounted to 124 ths.;
- Revenues increased by 9% to PLN 411m;
- EBITDA increased by 1% to PLN 124m;
- EBITDA margin amounted to 30,7%;
- Net profit amounted to PLN 76m;
- Further growth of average revenue per user - Family Package ARPU increased by 3.8% to PLN 43.6, and Mini Package ARPU by 7.5% to PLN 11.4;
- Stable and low churn rate of 9.6% for the last 12 months;
- Number of mobile telephony users increased by 91 ths. to 120 ths., out of which 97% used post-paid service;
- Number of Internet access service amounted to 36 ths.

- We began the year with a very intensive efforts aiming at finalization of the acquisition of Telewizja Polsat, development of television and telecommunication services and the introduction of LTE technology. Despite leading multiple projects simultaneously in different business areas, we increased operating results and we achieved very good financial results, which constitute solid foundations for the business based on organic growth. That satisfies us a lot and once again shows to the market that Cyfrowy Polsat does not slow down and has many good ideas for the development - said Dominik Libicki, President of the Management Board, Cyfrowy Polsat SA.

Latest events

Current report no 31 20 May 2011

List of shareholders holding not less than 5% of the votes on Annual General Meeting of Cyfrowy Polsat S.A. convened on 19 May 2011

The Management Board of Cyfrowy Polsat S.A. ("Company"), hereby announces the list of shareholders that exercised voting rights attached to shares representing not less than 5% at the Annual General Meeting held on 19 May 2011.

Shareholder	Number of votes	Share of votes in the total share of votes represented on the AGM held on 19 May 2011	Share of votes in the total number of votes
Zygmunt Solorz-Żak	21,207,500	5.32%	4.02%
Polaris Finance B.V	333,885,002	83.78%	63.26%
Total	355,092,502	89.10%	67.28%

On the Annual General Meeting held on 19 May 2011 398,530,235 votes were represented, which constitute 75.51% of the total number of votes on General Meeting. According to the Company's Articles of Association, Series A, B, C and 166,917,501 D shares carry two votes.

Current report no 32 20 May 2011

Content of resolutions approved by the Annual General Meeting of Cyfrowy Polsat S.A. held on 19 May 2011

The Management Board of Cyfrowy Polsat S.A. ("Company") hereby publishes the content of resolutions approved by the Annual General Meeting held on 19 May 2011.

Current report no 33 20 May 2011

Registration by the court of change in the amount of the issuer's share capital

The Management Board of Cyfrowy Polsat S.A. (the "Company") hereby informs that on May 19, 2011 it received the decision issued on May 13, 2011 by the District Court for the city of Warsaw, XIII Economic Division of the National Court Register, on the basis of which a new amount of the Company's share capital was entered into the register. The increase in the Company's share capital, in accordance with Article 452 § 1 of the Commercial Companies Code, was carried out on April 20, 2011 when the Management Board issued share certificates. Following the increase, the company's share capital is of PLN 13,934,133.44. The total number of votes at the General Meeting is currently of 527,770,337.

Latest events

Press release
20 May 2011

Cyfrowy Polsat issues bonds of a value of 350 million euros

On May 20, 2011, a subsidiary of Cyfrowy Polsat S.A. - Cyfrowy Polsat Finance AB has issued senior secured notes of a total nominal value of EUR 350 million maturing in 2018. Ratings Ba3 and BB- were assigned to the notes by Moody's Investor Service Inc. and Standard & Poor's Rating Services respectively.

The offering of the notes issued by Cyfrowy Polsat Finance AB was conducted from 3 to 6 May 2011. The notes were sold to investors at a purchase price equal to 100.0% of the principal amount, bear interest semi-annually at a rate of 7.125% per year, interest payments shall be done on May 20 and November 20, beginning November 20, 2011. The notes were issued at nominal values being a multiple of EUR 1,000 and minimum of EUR 100,000 each.

Cyfrowy Polsat intends to use the net proceeds of the Senior Notes, together, if necessary, with cash on hand, to repay in full indebtedness outstanding under its senior secured bridge facility, the proceeds of which were used to pay a portion of the consideration for the Cyfrowy Polsat's acquisition of shares of Telewizja Polsat S.A. The acquisition was completed on April 20, 2011.

Cyfrowy Polsat shares

Date	Maximum price (PLN)	Minimum price (PLN)	Closing price (PLN)	Change (%)	Volume (PLN ths.)
16-05-2011	16.90	16.55	16.84	-0.36%	972
17-05-2011	16.89	16.26	16.31	-3.43%	4 203
18-05-2011	16.67	16.40	16.53	1.72%	1 853
19-05-2011	16.72	16.57	16.72	1.15%	1 619
20-05-2011	16.90	16.65	16.80	0.60%	2 430

