

CYFROWY POLSAT S.A.

Current report No. 47/2014

Report Date: May 21, 2014

Subject: Information on change of the share in the total number of votes at the General Meeting of Cyfrowy Polsat S.A. and on the indirect acquisition of shares in Cyfrowy Polsat S.A.

The Management Board of Cyfrowy Polsat S.A. (the “**Company**”) gives notice that on 20 May 2014 the Company received a notification from Mr. Zygmunt Solorz-Żak, the President of the Company’s Supervisory Board, made pursuant to Article 69 of the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies (the “**Polish Offering Act**”) and pursuant to Article 160 of the Act of 29 July 2005 on Trading in Financial Instruments (the “**Trading Act**”) and notifications, made pursuant to Article 69 of the Polish Offering Act, from Karswell Limited, with its registered office in Nicosia, Cyprus (“**Karswell**”) and Argumenol Investment Company Limited, with its registered office in Nicosia, Cyprus (“**Argumenol**”), direct subsidiaries of Mr. Zygmunt Solorz-Żak, from Pola Investments Ltd., with its registered office in Nicosia, Cyprus (“**Pola**”), an indirect subsidiary of Mr. Zygmunt Solorz-Żak, the direct parent entity of which is a direct subsidiary of Mr. Zygmunt Solorz-Żak, i.e. TiVi Foundation with its registered office in Vaduz, Liechtenstein (“**TiVi Foundation**”), and from Reddev Investments Limited, with its registered office in Nicosia, Cyprus (“**Reddev**”), an indirect subsidiary of Mr. Zygmunt Solorz-Żak and TiVi Foundation, the direct parent entity of which is Pola.

The received notifications refer to: (i) the change of the share in the total number of votes held by Mr. Zygmunt Solorz-Żak (indirectly), Karswell (directly) and Argumenol (directly) in the total number of votes at the General Meeting of the Company and the indirect acquisition of shares in the Company by Mr. Zygmunt Solorz-Żak, resulting from the issuance of 291,193,180 new shares in the Company to the shareholders of Metelem Holding Company Limited (“**Metelem**”), out of which Karswell and Argumenol, acquired outside the regulated market, 157,988,268 and 58,063,948, respectively, series J ordinary bearer shares in the Company, with a nominal value PLN 0.04 each, which have been paid up with a non-cash contribution in the form of 1,085,286 and 398,865, respectively, shares (*udziały*) in Metelem held by Karswell and Argumenol, respectively (the issue price of one share paid up in such a manner was PLN 21.12) (the “**Issue of New Shares**”); (ii) the change of the share held (directly) by Pola in the total number of votes at the General Meeting of the Company, resulting from the Issue of New Shares and from the transfer of 154,204,296 shares in the Company, in the form of a non-cash contribution to Reddev, effected on 20 May 2014; and (iii) the indirect acquisition by Pola of shares in the Company and a change of the share in the total number of votes at the General Meeting of the Company held by Reddev (directly), as a result of Reddev’s acquisition of 154,204,296 shares in the Company from Pola in the form of a non-cash contribution on 20 May 2014.

1. Pola

According to Pola’s notification made on 20 May 2014, pursuant to Article 69 of the Polish Offering Act, prior to the Issue of New Shares, Pola, an indirect subsidiary of Mr. Zygmunt Solorz-Żak, in relation to which a direct parent entity is a direct subsidiary of Mr. Zygmunt Solorz-Żak, i.e. TiVi Foundation, had directly held a total of 154,204,296 shares in the Company constituting 44.27% of the Company’s share capital, carrying the right to 306,709,172 votes at the General Meeting of the Company, which constituted 58.11% of the total number of votes at the General Meeting of the Company, comprising:

- (a) 152,504,876 registered preferred shares, constituting 43.78% of the Company’s share capital, carrying the right to 305,009,752 votes at the General Meeting of the Company, which constituted 57.79% of the total number of votes at the General Meeting of the Company; and

- (b) 1,699,420 ordinary bearer shares, constituting 0.49% of the Company's share capital, carrying the right to 1,699,420 votes at the General Meeting of the Company, which constituted 0.32% of the total number of votes at the General Meeting of the Company.

According to Pola's notification, following the Issue of New Shares, Pola held directly a total of 154,204,296 shares in the Company, constituting 24.11% of the Company's share capital, carrying the right to 306,709,172 votes at the General Meeting of the Company, which constituted 37.45% of the total number of votes at the General Meeting of the Company, comprising:

- (a) 152,504,876 registered preferred shares, constituting 23.85% of the Company's share capital, carrying the right to 305,009,752 votes at the General Meeting of the Company, which constitute 37.24% of the total number of votes at the General Meeting of the Company; and
- (b) 1,699,420 ordinary bearer shares, constituting 0.27% of the Company's share capital, carrying the right to 1,699,420 votes at the General Meeting of the Company, which constitute 0.21% of the total number of votes at the General Meeting of the Company.

2. Karswell

According to Karswell's notification made on 20 May 2014, pursuant to Article 69 of the Polish Offering Act, prior to the Issue of New Shares Karswell, a direct subsidiary of Mr. Zygmunt Solorz-Żak, had not held any shares in the Company.

According to Karswell's notification, following the Issue of New Shares, Karswell holds 157,988,268 ordinary bearer shares in the Company, constituting 24.70% of the Company's share capital, carrying the right to 157,988,268 votes at the General Meeting of the Company, which constitute 19.29% of the total number of votes at the General Meeting of the Company.

According to Karswell's notification, there are no subsidiaries of Karswell which hold shares in the Company and Karswell is not a party to any agreements on the transfer of right to exercise voting rights attached to the Company's shares within the meaning of Article 87 Section 1 Item 3 letter c of the Polish Offering Act and for 12 months from the day of filing the notification, that is as of 20 May 2014, Karswell does not intend to further increase its share in the total number of votes in the Company.

3. Argumenol

According to Argumenol's notification made on 20 May 2014, pursuant to Article 69 of the Polish Offering Act, prior to the Issue of New Shares Argumenol, a direct subsidiary of Mr. Zygmunt Solorz-Żak, had not held any shares in the Company.

According to Argumenol's notification, following the Issue of New Shares, Argumenol holds 58,063,948 ordinary bearer shares in the Company, constituting 9.08% of the Company's share capital, carrying the right to 58,063,948 votes at the General Meeting of the Company, which constitute 7.09% of the total number of votes at the General Meeting of the Company.

According to Argumenol's notification, there are no subsidiaries of Argumenol which hold shares in the Company and Argumenol is not a party to any agreements on the transfer of right to exercise voting rights attached to the Company's shares within the meaning of Article 87 Section 1 Item 3 letter c of the Polish Offering Act.

4. Mr. Zygmunt Solorz-Żak

According to the notification filed by Mr. Zygmunt Solorz-Żak on 20 May 2014, pursuant to Article 69 of the Polish Offering Act and Article 160 of the Trading Act, prior to the Issue of New Shares, Pola, an indirect subsidiary of Mr. Zygmunt Solorz-Żak, in relation to which a direct parent entity is a direct subsidiary of Mr. Zygmunt Solorz-Żak, i.e. TiVi Foundation, had held a total of 154,204,296 in the Company constituting 44.27% of the Company's share capital, carrying the right to 306,709,172 votes at the General Meeting of the Company, which constituted 58.11% of the total number of votes at the General Meeting of the Company, comprising:

- (a) 152,504,876 registered preferred shares, constituting 43.78% of the Company's share capital and carrying the right to 305,009,752 votes at the General Meeting of the Company, which constitute 57.79% of the total number of votes at the General Meeting of the Company, and
- (b) 1,699,420 ordinary bearer shares, constituting 0.49% of the Company's share capital and carrying the right to 1,699,420 votes at the General Meeting of the Company, which constitute 0.32% of the total number of votes at the General Meeting of the Company.

According to the notification filed by Mr. Zygmunt Solorz-Żak, following the Issue of New Shares, Pola holds, a total of 154,204,296 shares in the Company, constituting 24.11% of the Company's share capital, carrying the right to 306,709,172 votes at the General Meeting of the Company, which constitute 37.45% of the total number of votes at the General Meeting of the Company, comprising:

- (a) 152,504,876 registered preferred shares, constituting 23.85% of the Company's share capital and representing 305,009,752 votes at the General Meeting of the Company, which constitute 37.24% of the total number of votes at the General Meeting of the Company, and
- (b) 1,699,420 ordinary bearer shares, constituting 0.27% of the Company's share capital and representing 1,699,420 votes at the General Meeting of the Company, which constitute 0.21% of the total number of votes at the General Meeting of the Company

Additionally, according to the notification filed by Mr. Zygmunt Solorz-Żak, following the Issue of New Shares, Mr. Zygmunt Solorz-Żak holds, via Karswell and Argumenol, a total of 216,052,216 shares in the Company, constituting 33.78% of the Company's share capital, carrying the right to 216,052,216 votes at the General Meeting of the Company, which constitute 26.38% of the total number of votes at the General Meeting of the Company, comprising:

- (a) 157,988,268 ordinary bearer shares held by Karswell, constituting 24.70% of the Company's share capital, carrying the right to 157,988,268 votes at the General Meeting of the Company, which constitute 19.29% of the total number of votes at the General Meeting of the Company; and
- (b) 58,063,948 ordinary bearer shares held by Argumenol, constituting 9.08% of the Company's share capital, carrying the right to 58,063,948 votes at the General Meeting of the Company, which constitute 7.09% of the total number of votes at the General Meeting of the Company

According to the notification filed by Mr. Zygmunt Solorz-Żak, following the Issue of New Shares, the above mentioned entities hold a total of 370,256,512 Company's shares constituting 57.89% of the Company's share capital, carrying the right to 522,716,388 votes at the General Meeting of the Company, which constitute 63.83% of the total number of votes at the General Meeting of the Company.

According to the notification filed by Mr. Zygmunt Solorz-Żak, other than the entities listed above, no subsidiaries of Mr. Zygmunt Solorz-Żak hold any shares in the Company, nor is Mr. Zygmunt Solorz-Żak a party to any agreement on the transfer of right to exercise voting rights attached to the Company's shares within the meaning of Article 87 Section 1 Item 3 letter c of the Polish Offering Act.

5. Pola – Reddev

On 20 May 2014, in a notification made pursuant to Article 69 of the Polish Offering Act, Pola informed the Company of transferring of 154,204,296 shares in the Company to Reddev, a direct subsidiary of Pola, in the form of a non-cash contribution on 20 May 2014 (the "**Transfer**").

According to the notification filed by Pola on 20 May 2014, pursuant to Article 69 of the Polish Offering Act, prior to the Transfer, Pola held directly a total of 154,204,296 share in the Company, constituting 24.11% of the Company's share capital, carrying the right to 306,709,172 votes at the General Meeting of the Company, which represented 37.45% of the total number of votes at the General Meeting of the Company, comprising:

- (a) 152,504,876 registered preferred shares, constituting 23.85% of the Company's share capital, carrying the right to 305,009,752 votes at the General Meeting of the Company, representing 37.24% of the total number of votes at the General Meeting of the Company; and

- (b) 1,699,420 ordinary bearer shares constituting 0.27% of the Company's share capital, carrying the right to 1,699,420 votes at the General Meeting of the Company, representing 0.21% of the total number of votes at the General Meeting of the Company.

Based on Pola's notification, following the Transfer, Pola does not directly hold any shares in the Company.

On 20 May 2014, in a notification made pursuant to Article 69 of the Polish Offering Act, Reddev informed the Company of acquiring from Pola 154,204,296 shares in the Company in the form of a non-cash contribution on 20 May 2014 (the "**Acquisition**").

According to the notification filed by Reddev on 20 May 2014, pursuant to Article 69 of the Polish Offering Act, following the Acquisition Reddev holds directly a total of 154,204,296 shares in the Company, constituting 24.11% of the Company's share capital, carrying the right to 306,709,172 votes at the General Meeting of the Company, which represent 37.45% of the total number of votes at the General Meeting of the Company, comprising:

- (a) 152,504,876 registered preferred shares, constituting 23.85% of the Company's share capital, carrying the right to 305,009,752 votes at the General Meeting of the Company, representing 37.24% of the total number of votes at the General Meeting of the Company, and
- (b) 1,699,420 ordinary bearer shares constituting 0.27% of the Company's share capital, carrying the right to 1,699,420 votes at the General Meeting of the Company, representing 0.21% of the total number of votes at the General Meeting of the Company.

Based on Reddev's notification, prior to the Acquisition, Reddev had not held any shares in the Company.

According to Reddev's notification, Reddev has no subsidiaries that hold any shares in the Company, and Reddev is not a party to any agreements on the transfer of right to exercise voting rights attached to the Company's shares within the meaning of Article 87 Section 1 Item 3 letter c of the Polish Offering Act and for 12 months from the day of filing the notification, that is as of 20 May 2014, Reddev does not intend to further increase its share in the total number of votes in the Company.

On 20 May 2014, in another notification made pursuant to Article 69 of the Polish Offering Act, Pola informed the Company of an indirect acquisition, as a result of the acquisition by Pola's direct subsidiary, i.e. Reddev on 20 May 2014 of 154,204,296 shares in the Company, in the form of a non-cash contribution (the "**Indirect Acquisition**").

Based on the subsequent Pola's notification, prior to the Indirect Acquisition, Pola had directly held 154,204,296 shares in the Company, constituting 24.11% of the Company's share capital, carrying the right to 306,709,172 votes at the General Meeting of the Company, which represent 37.45% of the total number of votes at the General Meeting of the Company, comprising:

- (a) 152,504,876 registered preferred shares, constituting 23.85% of the Company's share capital, carrying the right to 305,009,752 votes at the General Meeting of the Company, representing 37.24% of the total number of votes at the General Meeting of the Company, and
- (b) 1,699,420 ordinary bearer shares constituting 0.27% of the Company's share capital, carrying the right to 1,699,420 votes at the General Meeting of the Company, representing 0.21% of the total number of votes at the General Meeting of the Company.

According to the subsequent Pola's notification, following the Indirect Acquisition, Pola holds, through Reddev, its direct subsidiary, 154,204,296 shares in the Company, constituting 24.11% of the Company's share capital, carrying the right to 306,709,172 votes at the General Meeting of the Company, which represent 37.45% of the total number of votes at the General Meeting of the Company, comprising:

- (a) 152,504,876 registered preferred shares held by Reddev, constituting 23.85% of the Company's share capital, carrying the right to 305,009,752 votes at the General Meeting of the Company, representing 37.24% of the total number of votes at the General Meeting of the Company, and

- (b) 1,699,420 ordinary bearer shares held by Reddev, constituting 0.27% of the Company's share capital, carrying the right to 1,699,420 votes at the General Meeting of the Company, representing 0.21% of the total number of votes at the General Meeting of the Company.

According to the subsequent Pola's notification, other than Reddev there are no subsidiaries of Pola which hold any shares in the Company and Pola is not a party to any agreements on the transfer of right to exercise voting rights attached to the Company's shares within the meaning of Article 87 Section 1 Item 3 letter c of the Polish Offering Act, and for 12 months from the day of filing the notification, that is as of 20 May 2014, Pola does not intend to further increase its share in the total number of votes in the Company.

Legal basis: Article 70 Item 1 of the Act of 29 July 2005 on the Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies and Article 160 Section 4 of the Act of 29 July 2005 on Trading in Financial Instruments

Signed by:

/s/ Dominik Libicki

Dominik Libicki
President of the Management Board