

CYFROWY POLSAT S.A.

Current report No. **12/2017**

Report Date: **May 29, 2017**

Subject: **Reception of the decision of the Head of the Mazovian Tax Office in Warsaw**

The Management Board of Cyfrowy Polsat S.A. (the "**Company**") hereby informs that on May 29, 2017 it was notified that the Company's plenipotentiary received a decision of the Head of the Mazovian Tax Office in Warsaw ("**Tax Office**") dated May 25, 2017, determining the value of tax obligation in relation to corporate income tax for the year 2011 at a higher level than the declared value, by PLN 40.6 million plus accrued penalty.

In the issued decision the Tax Office contested the Company's right to charge into tax deductible expenses certain expenditures incurred in 2011. The decision was issued in spite of the Company having presented a number of arguments stipulating that the findings of the Tax Office were incorrect and had no legal basis. In particular, the Tax Office disregarded that the Company received an individual tax interpretation confirming the correctness of the Company's operations in the scope covered by the current findings of the Tax Office.

The decision in question is neither final nor enforceable. The Company will appeal against the decision of the Tax Office to the head of the Treasury Administration Chamber in Warsaw.

At present the Company does not intend to create any provisions encumbering its financial results.

Legal basis: Article 17 Section 1 of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.

Signed by:

/s/ Tobias Solorz

Tobias Solorz
President of the Management Board