

CYFROWY POLSAT S.A.

Current report No. **24/2017**

Report Date: **4 December 2017**

Subject: **Disclosure of delayed inside information regarding the acceptance of the proposals to sell shares of Netia S.A. by its significant shareholders**

Pursuant to Article 17 Section 1 and 4 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 ("**MAR**"), further to the current report of Cyfrowy Polsat S.A. (the "**Company**") No. 23/2017 of 4 December 2017, wherein the Company disclosed delayed inside information of 29 November 2017, the Company announces that on 30 November 2017 Mennica Polska S.A. and the closed-end investment fund FIP 11 Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych, shareholders of Netia S.A., accepted the Company's proposals to acquire their shares in Netia S.A. which will combine into one block of shares representing 33% of the total number of votes at the General Meeting of Netia less one (1) share (assuming that Netia S.A. redeems its treasury shares) (the "**Inside Information**").

The disclosure of the Inside Information was delayed on 1 December 2017 pursuant to Article 17 Section 4 of MAR.

Content of the delayed Inside Information:

"The Company announces that on 30 November 2017 Mennica Polska S.A. and FIP 11 Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych (the "**Significant Shareholders**") accepted proposals to acquire their shares in Netia S.A. ("**Netia**") which will combine into one block of shares representing 33% of the total number of votes at the General Meeting of Netia less one (1) share (assuming that Netia S.A. redeems its treasury shares).

The Significant Shareholders' acceptance of the Company's proposals to acquire the Netia shares is tantamount to the conclusion of preliminary agreements (*umowy zobowiązujące*) regarding the sale of: (i) 63,407,500 (say: sixty three million four hundred and seven thousand five hundred) Netia shares by Mennica Polska S.A. and (ii) 47,294,941 (say: forty seven million two hundred ninety four thousand nine hundred forty one) Netia shares by FIP 11 Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych (the "**Preliminary Agreements**") and to the conclusion of a preliminary agreement whereby FIP 11 Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych undertook to place a subscription to sell all remaining shares in Netia held by FIP 11 Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych under the tender offer for shares in Netia to be announced by the Company, aimed at reaching a threshold of 66% of the total number of votes at the General Meeting of Netia.

The completion of the acquisition of the Netia shares is contingent on the satisfaction of the following conditions precedent: (i) obtaining the consent of the Supervisory Board of Mennica Polska S.A. for the transaction and corporate consents of FIP 11 Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych; (ii) release of all security interests encumbering the Netia shares subject to the transaction; and (iii) obtaining the consent of the Supervisory Board of the Company for the transaction.

The Company shall announce the satisfaction of these conditions precedent in a separate current report.

The conclusion of the Preliminary Agreements is part of a protracted process in which the Company aims to acquire a block of Netia shares representing no more than 66% of the total number of votes at the General Meeting of Netia."

CYFROWY POLSAT S.A.

Rationale for delayed disclosure of the Inside Information:

In the opinion of the Management Board, the delay in the disclosure of the Inside Information complied, at the time the decision on the delay was taken, with the conditions set out in the MAR and the guidelines of the European Securities and Markets Authority concerning delayed disclosure of inside information of 20 October 2016.

In the opinion of the Management Board of the Company, immediate disclosure of the Inside Information could have prejudiced the Company's legitimate interests. The Significant Shareholders' acceptance of the proposals to acquire their shares in Netia resulted in the conclusion of the Preliminary Agreements under a number of conditions precedent which involved uncertain future events. Consequently, at the time of the acceptance of the proposals by the Significant Shareholders the implementation of the transaction and the acquisition of the Netia shares by the Company were still uncertain and hinged on a number of preconditions. The disclosure of the Inside Information to the public at that time, that is before the conditions precedent were satisfied, might have distorted the assessment of this information and resulted in improper assessment of the impact of the Inside Information on the valuation of the Company.

In the opinion of the Management Board of the Company, there were no premises indicating that a delayed disclosure of the Inside Information could mislead the public, in particular since the Company had not made any prior public announcements on the subject matter of the Inside Information.

The Management Board of the Company also resolved that the confidentiality of the delayed information was assured, in particular through internal information circulation and protection procedures implemented in the Company's capital group and through non-disclosure agreements signed with the Significant Shareholders.

In accordance with Article 17 Section 4 of MAR, immediately following the publication of this Report, the Company shall inform the Polish Financial Supervision Authority about the delayed disclosure of the Inside Information, indicating that the premises for such delay were satisfied.

Legal basis: Article 17 Sections 1 and 4 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