

CYFROWY POLSAT S.A.

Current report No. 3/2016

Report Date: 29 January 2016

Subject: **Security interests established on assets of significant value**

The Management Board of Cyfrowy Polsat S.A. (the “**Company**”) announces that certain agreements and actions have been executed in relation to establishing security interests in connection with the amendment of the Senior Facilities Agreement concluded by the Company and its subsidiaries with the consortium of financial institutions on 21 September 2015 (the “**Senior Facilities Agreement**”), which was reported by the Company in its Current Report No. 42/2015 (Section 1) of 21 September 2015. Polkomtel Sp. z o.o., an indirect subsidiary (“**Polkomtel**”) and other subsidiaries of the Company have acceded to the Senior Facilities Agreement as a borrower and guarantor. The Senior Facilities Agreement has been amended and Polkomtel with other subsidiaries have acceded thereto pursuant to the Amendment, Restatement and Consolidation Deed of 21 September 2015, which was reported by the Company in its Current Report No. 42/2015 (Section 3) of 21 September 2015.

On 29 January 2016, Polkomtel, other members of the Company’s group referred to below and UniCredit Bank AG, London Branch, executed and signed certain agreements and further documents concerning the following security interests:

- (i) registered pledges over variable collections of movable property and rights comprised in enterprises of Polkomtel and Plus TM Management sp. z o.o., governed by Polish law;
- (ii) financial and registered pledges on shares in Polkomtel (with a total nominal value of PLN 3,510,300,000) and in Plus TM Management sp. z o.o. (with a total nominal value of PLN 106,000), governed by Polish law, together with powers of attorney to exercise corporate rights attached to the shares in the aforementioned companies; the pledged shares represent 100% of the share capital of each company and are held by the Company as long-term capital investments. The Company directly holds 100% of shares in Polkomtel and in Plus TM Management sp. z o.o., representing 100% of votes at shareholders’ meetings of these companies;
- (iii) financial and registered pledges on receivables under bank account agreements of Polkomtel and Plus TM Management sp. z o.o., governed by Polish law;
- (iv) powers of attorney to bank accounts of Polkomtel and Plus TM Management sp. z o.o., governed by Polish law;
- (v) contractual mortgage governed by Polish law on the land property owned by Polkomtel and located in Warsaw, Ursynów district, in the vicinity of Baletowa street, comprising plots of land no. 131/4 and 132/6, subject to the establishment of the Land and Mortgage Register for these plots upon their separation from Land and Mortgage Register No. WA2M/00210976/8;
- (vi) assignment for security of receivables under hedge agreements of Polkomtel, governed by English law;
- (vii) assignment for security of rights under insurance agreements covering the Polkomtel’s property;
- (viii) pledge on shares in Eileme 1 AB (publ) (with a total nominal value of SEK 500,000), governed by Swedish law; the pledged shares represent 100% of the share capital of the company and are held by the Company as a long-term capital investment; the Company

indirectly holds 100% shares in Eileme 1 AB (publ) representing 100% of votes at the shareholders' meeting of the company;

- (ix) pledge on shares in Eileme 2 AB (publ) (with a total nominal value of SEK 500,000), governed by Swedish law; the pledged shares represent 100% of the share capital of the company and are held by the Company as a long-term capital investment; the Company indirectly holds 100% shares in Eileme 2 AB (publ) representing 100% of votes at the shareholders' meeting of the company;
- (x) pledge on shares in Eileme 3 AB (publ) (with a total nominal value of SEK 500,000), governed by Swedish law; the pledged shares represent 100% of the share capital of the company and are held by the Company as a long-term capital investment; the Company indirectly holds 100% shares in Eileme 3 AB (publ) representing 100% of votes at the shareholders' meeting of the company;
- (xi) pledge on shares in Eileme 4 AB (publ) (with a total nominal value of SEK 500,000), governed by Swedish law; the pledged shares represent 100% of the share capital of the company and are held by the Company as a long-term capital investment; the Company indirectly holds 100% shares in Eileme 4 AB (publ) representing 100% of votes at the shareholders' meeting of the company;
- (xii) statements of Polkomtel and Plus TM Management sp. z o.o. on the submission to enforcement on the basis of a notarial deed, governed by Polish law.

The registered pledges will be effective upon their registration in the Register of Pledges. The mortgage will be effective upon its registration in the relevant Land and Mortgage Register. The security interests have been established in favor of Unicredit Bank AG, London Branch, acting as a security agent.

The aggregate book value of the assets encumbered with the security interests, as disclosed in the books of account of the Company's subsidiaries, is PLN 18,382 million.

There are no relations between the Company or persons who manage or supervise the Company and Unicredit Bank AG, London Branch, or persons who manage or supervise Unicredit Bank AG, London Branch.

The encumbered assets are deemed material because their aggregate value exceeds 10% of revenues of the Company's capital group for the last four financial quarters.

Legal basis: Article 56 Section 1 Clauses 1 and 2 of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies in conjunction with § 5 Section 1 Clause 1 of the Ordinance of the Minister of Finance of 19 February 2009 on current and periodic information provided by issuers of securities and on conditions under which information required by legal regulations of a third country may be recognized as equivalent.

Signed by:

/s/ Tobias Solorz

Tobias Solorz
President of the Management Board