

# CYFROWY POLSAT S.A.

Current report No. **52/2015**

Report Date: **December 28, 2015**

Subject: **Decision regarding investments in further network development**

The Management Board of Cyfrowy Polsat S.A. (the "**Company**") hereby informs that on December 28, 2015 it became aware of resolutions adopted by the Management Board and Supervisory Board of Polkomtel Sp. z o.o. ("**Polkomtel**"), a wholly owned subsidiary of the Company, regarding further network development, pursuant to which Polkomtel will invest in further development of its network based on frequencies currently owned and utilized by Polkomtel. Based on internal analyses, the Management Board of Polkomtel decided that potential cooperation with entities, who won 800 MHz frequency blocks in the auction for frequency licenses in the 800 MHz and 2600 MHz bands, announced by the President of the Office of Electronic Communications on October 10, 2014, would be financially inviable and irrational, both for the Company's Capital Group as well as for its customers.

The Management Board of Polkomtel expects that investments in the 1800 MHz network rollout relaying on the state-of-the-art ODU-IDU technology (Outdoor Unit Indoor Unit) will allow for achieving network coverage similar to that of the 800 MHz frequency band. Refarming of the 900 MHz and 2100 MHz spectrum constitutes another important solution. As a result, higher quality of Internet access services than in the case of 800 MHz network is expected at significantly lower capital expenditures. Ultimately, this may translate into more attractive services and prices for customers than in the case of a network rollout based on the 800 MHz frequency band. In view of the above, Polkomtel is developing a network rollout model based on 900 MHz, 1800 MHz, 2100 MHz and 2600 MHz frequency bands.

*Legal basis: Article 56 section 1 item 2 of the Act on public offering and the terms for introduction of financial instruments to organized trading and on public companies, dated 29 July 2005*

Signed by:

/s/ Tobias Solorz

Tobias Solorz

President of the Management Board