

CYFROWY POLSAT S.A.

Current report No. **6/2017**

Report Date: **April 12, 2017**

Subject: **Recommendation of the Management Board concerning the distribution of the profit for the year ended December 31, 2016**

The Management Board of Cyfrowy Polsat S.A. (the "**Company**") hereby informs that on April 12, 2017 it adopted a resolution thereby deciding to submit a motion to the Supervisory Board of the Company on the assessment of the distribution of profit earned in 2016. The Management Board recommends the following distribution of the net profit earned by the Company in the year ended December 31, 2016, amounting to PLN 577,955,495.16 (say: five hundred seventy seven million nine hundred fifty five thousand four hundred and ninety five zlotys sixteen grosze):

- (i) PLN 204,654,725.12 (say: two hundred and four million six hundred fifty four thousand seven hundred twenty five zlotys and twelve grosze), that is PLN 0.32 (say: thirty two grosze) per share, to be distributed as dividends to the shareholders of the Company,
- (ii) PLN 373,300,770.04 (say: three hundred seventy three million three hundred thousand seven hundred and seventy zlotys and four grosze) to be allocated to the reserve capital.

Furthermore, the Management Board of the Company recommends, in accordance with the provisions of article 348 § 4 of the Commercial Companies Code, that the dividend day be scheduled for July 20, 2017, and the dividend payment day for August 3, 2017.

The proposed profit distribution is consistent with the dividend policy of Cyfrowy Polsat S.A. capital group (the "**Group**") adopted in November 2016, which assumes a dividend payout in the range between PLN 200 million and PLN 400 million, if the ratio of the Group's net debt to consolidated EBITDA is comprised in the interval between 2.5x and 3.2x. The Management Board also takes into consideration the Group's financial standing, liquidity and development prospects, as well as its strategic goal to consistently reduce the net debt/EBITDA ratio of the Group below the level of 1.75x.

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 in connection with § 38 Section 1 Clause 11 of the Ordinance of the Minister of Finance of February 19, 2009 on current and periodic reports published by the issuers of securities and the conditions of recognizing as equal the information required by the laws of non-member states.

Signed by:

/s/ Tobias Solorz

Tobias Solorz
President of the Management Board