

## **CYFROWY POLSAT S.A.**

Current Report No.: 38/2011

Date of Report: June 11, 2011

### **Re: Termination of the security interest agreement and creation of security interest**

The Management Board of Cyfrowy Polsat S.A. (the “**Company**”), in relation to Current Report No. 34/2011 dated May 20, 2011, hereby announces the creation of security interest on assets of significant value by the Company’s subsidiary and the termination of the agreement regarding the creation of security interest on assets of significant value.

On June 10, 2011, Cyfrowy Polsat Finance AB (publ) with its registered office in Stockholm (“**CP Finance**”), in which Company holds 100% of shares, concluded a pledge agreement with Citicorp Trustee Company Limited with its registered office in London (“**Citicorp**”) under which CP Finance established in favor of Citicorp, subject to the completion of registration proceedings and satisfaction of other legal requirements, a registered pledge and a financial pledge over 10 registered Series A bonds numbered 01 through 10 governed by Polish law and issued by the Company on May 20, 2011 with the nominal value of EUR 35,000,000 each (interest rate 8.16% p.a. on the nominal value of the bonds) and the total nominal value of EUR 350,000,000 maturing in 2018 (the “**Bonds**”); the issue of the Bonds was disclosed by the Company in its Current Report No. 34/2011 dated May 20, 2011. The aforementioned pledges secure the senior secured bonds with the total nominal value of EUR 350,000,000 maturing in 2018, issued by CP Finance as disclosed by the Company in its Current Report No. 34/2011 dated May 20, 2011 as well as liabilities of the Company and other debtors under the loan agreements disclosed by the Company in its Current Report No. 11/2011 dated March 31, 2011.

In addition, on June 10, 2011, the security assignment agreement of May 20, 2011 between CP Finance as the assignor and Citicorp as the assignee (acting as a security agent), under which the CP Finance assigned conditionally to the Citicorp its rights under the Bonds, was terminated; the execution of the agreement was disclosed by the Company in its Current Report No. 34/2011 dated May 20, 2011.

The Bonds are considered to be assets of significant value because their value exceeds the PLN equivalent of EUR 1.00 million converted based on the average exchange rate announced by the National Bank of Poland and prevailing on the date on which obligation to make this disclosure arose.

There are no relations between the Company and persons who manage and supervise the Company and Citicorp and persons who manage Citicorp. In addition, Citicorp is not a related party of the Company. The pledged assets represent a long-term investment of CP Finance.

Legal basis: Article 56 Section 1 item 2 of the Act of July 29, 2005 on Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies in connection with the Ordinance of the Minister of Finance of February 19, 2009 regarding current and periodic information to be submitted by issuers of securities and terms of acknowledging the equivalence of information required under the laws of non-member states.