



Cyfrowy Polsat IR Newsletter

December 7 – 13, 2015



Media about us	Date	Media about the TMT market in Poland
	7.12	<p>Rzeczpospolita: Tomasz Szopa named Netia's CEO <i>by ziu</i></p> <p>On December 3, 2015, Tomasz Szopa was appointed the CEO of Netia by the company's Supervisory Board. For two months he was the acting CEO. As a board member he was formally responsible for the residential market.</p> <p>Zbigniew Jakubas, the chairman of Netia's Supervisory Board, informed that several days earlier the company adopted a business plan and the budget for 2016. The Supervisory Board expects the management board to present the company's strategy for the years 2016-2020 in January.</p> <p>Rzeczpospolita: In Europe online ads beat TV ads <i>by Magdalena Lemańska</i></p> <p>According to the estimates of IAB Europe, the online advertising market, worth nearly EUR 31bn in 2014, will most probably get ahead of the TV advertising market this year (worth EUR 33.5bn in 2014) and will be the leader on the advertising market in Europe in 2016.</p> <p>In the opinion of Anna Lembas, a media analyst at SMG Poland, a similar scenario is unrealistic in Poland in the coming years due to the fact, that TV remains the largest medium, holding half the ad market, while the Internet is responsible for a quarter of the market. Even if the latter continues to grow at a two-digit pace, it still has half the value of TV advertising to catch up on.</p>

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	7.12	<p>In Poland online, as opposed to TV, advertising expenditure continues to grow at a much faster pace than the overall market growth rate. According to IAB Polska and PWC, the online advertising expenditure increased by 15.7% and reached PLN 1.45bn after the first half of the year. According to Włodzimierz Schmidt, the CEO of IAB Polska, growth dynamics of 10-20% will be maintained during the whole year. <i>"(...) the Internet stopped being just an additional advertising channel. The level of advertising expenditure is so high that it has become an advertising channel which needs to be recognized in companies' advertising strategies,"</i> stresses Schmidt.</p>
<p>Parkiet: Tobias Solorz takes the helm at the board</p> <p>On December 8, 2015, Tobias Solorz, the 35-year-old son of Zygmunt Solorz-Żak, took the helm at Cyfrowy Polsat's management board. Analysts do not expect any change of the course taken by the company. Cyfrowy Polsat spokesperson, Olga Zomer, commented that the change had the purpose of making the management within the group more uniform and consistent.</p> <p>The company announced that Agnieszka Odorowicz, the long-standing director of the Polish Film Institute, an economist and a cultural manager will be appointed to Cyfrowy Polsat's management board from March 2016.</p>	10.12	<p>Rzeczpospolita: The market is becoming more digital <i>by Anna Słojewska</i></p> <p>The European Commission proposed a regulation regarding the possibility of cross-border access to online content services. It is the beginning of the harmonization of the online market in the EU.</p> <p>To begin with, the EU wants to allow transfer of rights, i.e. to unblock access during short stays abroad to the content which was legally purchased domestically. The time frame when such access is available will be determined by the service provider, who will be allowed to charge additional fees for such a service.</p> <p>The EU commissioner for digital economy and society has announced further legislative proposals in 2016. The commission plans to abolish geo-blocking, i.e. the territorial clause, not only</p>

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	10.12	for digital content but also for standard products and services sold online. In the presented proposal for the common digital market, the EU is also planning to facilitate online sales, both for digital content and goods.
	11.12	<p>Rzeczpospolita: Rapid growth of the Internet <i>by Magdalena Lemańska</i></p> <p>IAB Polska and PwC assume three scenarios in their report on the development prospects of online advertising in Poland. In all three, next year at the latest online ad spending in Poland will exceed PLN 3bn for the first time.</p> <p>The pessimistic scenario assumes that the online ad market will grow at a rate of 6.9-8.4% this year, the value of online advertising will exceed PLN 2.85bn in 2015, and PLN 3.07bn in 2016. In the base scenario, the value of the online ad market in 2015 will be PLN 2.9bn, and in 2016 it will grow to PLN 3.23bn. In the optimistic version, the online ad market will exceed PLN3bn this year and will reach PLN 3.54bn next year.</p> <p>Experts at Zenith Optimedia Group also forecast a rapid growth of online advertising. In their opinion, this year companies will spend by 10.7% more on online ads compared to the previous year, and in 2016 this rate of growth should be sustained. The drivers behind the growth of the online segment will include not only increasing advertising budgets but also a price increase.</p>

Current report no. 50 December 9, 2015

Changes in the composition of the Management Board of Cyfrowy Polsat S.A.

The Management Board of Cyfrowy Polsat S.A. (the "**Company**") hereby informs that during its meeting on December 8, 2015 the Supervisory Board adopted resolutions concerning the following changes in the composition of the Management Board of the Company:

1. Appointment of Mr. Tobiasz Solorz, the hitherto Vice-President of the Management Board, to the position of President of the Management Board as of the date of adoption of the resolution,
2. Appointment of Mr. Tomasz Gillner-Gorywoda, the hitherto President of the Management Board, to the position of Member of the Management Board as of the date of adoption of the resolution.

Furthermore, on December 8, 2015 the Supervisory Board adopted a resolution appointing Ms. Agnieszka Odorowicz to the position of Member of the Management Board as of March 1, 2016.

Ms. Agnieszka Odorowicz is a graduate of the Cracow University of Economics, an economist and cultural manager. From 2001 until 2009 she was an academic staff member at the Department of Trade and Market Institutions at the Cracow Academy of Economics and the author of publications on cultural management and economics as well as the promotion of regions. In the years 2002-2004 the authorities of the Academy appointed her to the position of director of the Development and Promotion Center of the Cracow Academy of Economics. In the years 2003-2004 she acted as deputy Minister of Culture for structural funds, responsible for negotiations with the European Commission regarding the use of EU funds for the development of cultural infrastructure. During the years 1997-2003 she was the artistic director of the International Competition of Contemporary Chamber Music and producer of several programmes for public television. In the years 2004-2005 she held the position of Secretary of State at the Ministry of Culture, where she was responsible for the legal and economic departments as well as cooperation with the Parliament. During this period she was the Chairwoman of the inter-ministerial group for the media policy of the State. In the years 2005-2015 she was the first director of the Polish Film Institute. Re-elected as director in a competition in 2010, she managed the Polish Film Institute until October 2015. Moreover, she is a member of numerous international industry organizations, a community activist, a signatory of the Pact for Culture and a member of the group for the Pact for Culture at the Chancellery of the

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Prime Minister as well as a member of the programme board of the Congress of Women. She is a winner of many industry awards and designations. In 2011 she was awarded the Officer's Cross of the Order of Rebirth of Poland for achievements in the field of national culture.

Ms. Agnieszka Odorowicz does not run a business competitive to the business of Cyfrowy Polsat S.A. and is not entered into the Registry of insolvent Debtors held by the Registry Court.

Current report no. 51 December 11, 2015

Sale of intra-group bonds between subsidiaries of Cyfrowy Polsat S.A.

The Management Board of Cyfrowy Polsat S.A. (the "**Company**") hereby informs that on December 10, 2015 bonds sale transactions ("**Sale Transactions**") were concluded between indirect subsidiaries of the Company - Plus TM Group spółka z ograniczoną odpowiedzialnością ("**Plus TM Group**") and TM Rental spółka z ograniczoną odpowiedzialnością ("**TM Rental**").

As a result of the Sale Transactions, TM Rental sold to Plus TM Group, and Plus TM Group acquired bonds for the total amount of PLN 1,445.1 million. The terms of the transaction do not deviate from the standard market terms for transactions of this type.

The Sale Transactions concerned:

- (i) 15 unsecured series 1/2015 registered bonds with the nominal value of PLN 50.0 million each, the total nominal value of PLN 750.0 million and the total accounting value of PLN 750.8 million, with the maturity date of December 31, 2025, issued by Plus TM Management spółka z ograniczoną odpowiedzialnością ("**Plus TM Management**"). The interest on the bonds is calculated on the basis of the interest rate being the total of WIBOR 1M and margin,
- (ii) 14 unsecured series 2/2015 registered bonds with the nominal value of PLN 20.0 million each, the total nominal value of PLN 280.0 million and the total accounting value of PLN 280.3 million, with the maturity date of December 31, 2025, issued by Plus TM Management. The interest on the bonds is calculated on the basis of the interest rate being the total of WIBOR 1M and margin,

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- (iii) 10 unsecured series 3/2015 registered bonds with the nominal value of PLN 10.0 million each, the total nominal value of PLN 100.0 million and the total accounting value of PLN 100.1 million, with the maturity date of December 31, 2025, issued by Plus TM Management. The total interest on the bonds is calculated on the basis of the interest rate being the total of WIBOR 1M and margin,
- (iv) 20 unsecured series 4/2015 registered bonds with the nominal value of PLN 1.0 million each and the total nominal value of PLN 20.0 million, with the maturity date of December 31, 2025, issued by Plus TM Management. The interest on the bonds is calculated on the basis of the interest rate being the total of WIBOR 1M and margin,
- (v) 29 unsecured series 1/2014 registered bonds with the nominal value of PLN 10.0 million each and the total nominal value of PLN 290.0 million, with the maturity date of December 31, 2020, issued by Polkomtel spółka z ograniczoną odpowiedzialnością ("Polkomtel"). The interest on the bonds is calculated on the basis of the interest rate being the total of WIBOR 6M and margin,

hereinafter jointly the "Bonds".

As a result of a separate agreement, concluded on December 10, 2015, Plus TM Group and TM Rental settled the above Sale Transactions by offsetting the receivables on account of payment for the Bonds against the receivables due to Plus TM Group on account of redemption of TM Rental's treasury shares.

The Company owns indirectly, through its subsidiary, Metelem Holding Company Limited 100% shares of Plus TM Group and TM Rental. There are no other connections between the Company, Plus TM Group and TM Rental.

Plus TM Group owns 100% shares of TM Rental. There are no other connections between Plus TM Group and TM Rental.

The Bonds and the Sale Transactions have been recognized as material since their total value exceeds 10% of the revenue of the Company's capital group for the last four financial quarters.

Press release
December 7, 2015

7.2 million viewers of the 12th St. Nicholas' Day Commercial Block

The St. Nicholas' Day Commercial Block for charity, aired on December 6, attracted 41.7% of viewers from the 16-49 age group (based on Nielsen Audience Measurement). Thanks to such a big audience, according to the preliminary estimates we have been able to collect PLN 1,567,572.70, that is PLN 67 thousand more than last year. This is a big success of the action carried out by Polsat TV and Polsat Media. The entire amount will be used for medical treatment and rehabilitation of the children registered with POLSAT Foundation. This year was yet another year when St. Nicholas' Day Commercial Block could also be watched in the Internet thanks to online TV IPLA at www.ipla.tv, via applications for computers, tablets and smartphones, and also on selected smart TVs.

During the twelve editions of St. Nicholas' Day Commercial Block which have taken place to-date, the amount of PLN 15 million was collected for the benefit of the patients who are taken care of by POLSAT Foundation. The amount was fully transferred for the needs of medical treatment and rehabilitation. POLSAT Foundation's has so far provided support to 26 657 children.

Press release
December 10, 2015

Cyfrowy Polsat and Plus's new media house

Following a tender, Cyfrowy Polsat and Plus selected a new media house, Vizeum Poland. Starting from January 2016 the new media house will be responsible for the media strategy, planning and purchase of media for the needs of the two companies' advertising campaigns.

Vizeum Polska will be responsible for the comprehensive strategy of operation of the two companies in all media, both in the off-line media, namely TV, the press, radio, cinemas, outdoor, as well as in the on-line and social media.

Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Trade value (kPLN)
2015-12-07	24.30	24.03	24.15	1.00%	5 169
2015-12-08	24.37	23.75	23.83	-1.33%	8 618
2015-12-09	23.96	22.87	22.95	-3.69%	23 293
2015-12-10	23.18	22.11	22.12	-3.62%	16 914
2015-12-11	22.55	20.30	20.43	-7.64%	25 820



Investor's calendar



January 20 – 21, 2016	dbAccess CEEMEA Conference, London
February 15 – 29, 2016	Closed period prior to the publication of 2015 results
February 29, 2016	Publication of the annual report and consolidated annual report for 2015