



Cyfrowy Polsat IR Newsletter

July 20 - 26, 2015



Media about us	Date	Media about the TMT market in Poland
	20.07	<p>Puls Biznesu: Rising concerns about Orange’s dividend <i>by KZ</i></p> <p>Last Thursday BESI analysts issued a “sell” recommendation for Orange Polska shares reducing the target price from PLN 8.3 to PLN 7.1, noting that in the face of higher expenditures, especially for LTE and FTTX, the company could be forced to reduce dividend payments for the years 2015-2016. Analysts estimate that the payout for this period will be PLN 0.3 per share.</p> <p>Similar concerns regarding dividend were signaled by experts from Wood, who estimated that over the next two years the dividend will be PLN 0.25 per share. The latest recommendation issued by Wood is “sell” while the target price fell from PLN 9 to PLN 7.6.</p> <p>The price of Orange shares was also reduced to PLN 7.7 by the analysts from DM BOŚ brokerage house, with a “hold” recommendation.</p>
	21.07	<p>Parkiet: What is the potential of the operators’ flagship service <i>by ziu</i></p> <p>Based on the “Report on the condition of the telecommunication market in Poland in 2014,” published by the Office for Electronic Communications (UKE), the value of the Internet access market grew by 11.5% last year as compared to 2013, reaching ca. PLN 5.1 bn. More than half of the amount was generated by fixed-line Internet access which is used by 7.2m households. Revenue</p>

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	21.07	<p>from mobile access offered by the four biggest mobile networks also increased, however, UKE data covers only services designed for laptops and home Wi-Fi routers. According to UKE, this type of services were used by 5.79m users while the telecoms' revenues generated by these services amounted to PLN 1.62 bn last year, up by over 32% compared to 2013. Based on the operators' financial statements, "Parkiet" daily has estimated that the total revenue from the mobile Internet service is actually twice that amount.</p> <p>Jakub Viscardi, analyst from DM BOŚ brokerage house, commented for daily "Parkiet" that he expected a continuation of the growth trends in mobile Internet over the next 2-3 years, both in the areas of data usage and operators' revenues.</p> <p>In the opinion of Hanna Kędziora, a Trigon brokerage house analyst, the operators' Internet-related strategies have so far not resulted in slowing down the revenue decline. She expects that the telecoms' revenues from mobile Internet access service will continue to grow at a two digit pace, though the growth will be slower than in recent years. According to Kędziora, it is unclear whether and at what pace revenue from fixed-line Internet access will grow.</p>

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<p>Puls Biznesu: Low-cost bond issue by Cyfrowy Polsat <i>by Marcel Zatoński</i></p> <p>The biggest unsecured bond issue by a Polish private company outside the banking sector and the second largest in history has ended with a success. The issue of 6-year bonds of Cyfrowy Polsat, with the nominal value of PLN 1 bn, was taken up by institutional investors with a margin of 2.5 pp. According to experts, the terms obtained by Cyfrowy Polsat are very good.</p> <p>The bonds have been taken up by 52 investors, including investment and pension funds as well as the European Bank for Reconstruction and Development. Tomasz Szelaḡ, the board member responsible for financial matters at Cyfrowy Polsat, stressed that thanks to the bond issue the company will be able to effectively diversify its sources of financing, thus gaining even greater flexibility in doing business.</p>	22.07	<p>Parkiet: TK Telekom has been taken over <i>by ziu</i></p> <p>Netia has finalized the takeover of TK Telekom for nearly PLN 222m. Following the acquisition, Netia Group will increase both revenue and profit. TK Telekom has ca. PLN 200m in revenue and ca. PLN 40m in EBITDA annually. Netia’s Management Board announced that the plan of integration of TK Telekom will be presented before the end of the year.</p>

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July 21, 2015

Issuance of bonds of Cyfrowy Polsat S.A.

The Management Board of Cyfrowy Polsat S.A. (the “**Company**”), in connection with the registration on July 21, 2015 of 1,000,000 unsecured series A bearer bonds with a nominal value of PLN 1,000 each and a total nominal value of PLN 1,000,000,000 (the “**Bonds**”) in the securities depository maintained by the National Depository for Securities (*Krajowy Depozyt Papierów Wartościowych S.A.*) (the “**NDS**”), hereby announces the following information regarding the issuance of the Bonds:

1) Purpose of the issuance, if specified:

Not applicable. The purpose of the Bonds’ issuance was not specified.

2) Type of bonds issued:

The Bonds are book-entry form, coupon-bearing, unsecured and unsubordinated bearer bonds. The Bonds were dematerialized pursuant to Article 8 Section 5 of the Act on Bonds of January 15, 2015 in connection with Article 5a Section 1 of the Act on Trading in Financial Instruments of July 29, 2005, i.e. registered in the securities depository maintained by the NDS.

3) Size of the issue:

The Company issued 1,000,000 (say: one million) Bonds with a total nominal value of PLN 1,000,000,000 (say: one billion zloty).

4) Nominal value and issue price or method for its determination:

The nominal value of one Bond amounts to PLN 1,000 (say: one thousand zloty). The issue price of one Bond was equal to its nominal value and amounted to PLN 1,000 (say: one thousand zloty).

5) Terms of redemption and payment of interest:

The Bonds mature in 6 years. The redemption date for the Bonds is July 21, 2021.

The interest rate is floating and is based on the WIBOR 6M rate, increased by a margin whose value depends on the value of the Leverage Ratio (defined in the terms and conditions of the Bonds’ issuance): (i) the margin

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amounts to 250 bps if the Leverage Ratio in the given period is less than or equal to 3.5:1; (ii) the margin amounts to 250 bps + 25 bps if the Leverage Ratio in the given period is greater than 3.5:1 but less than or equal to 4.0:1; (iii) the margin amounts to 250 bps + 75 bps if the Leverage Ratio in the given period is greater than 4.0:1. The coupon is paid biannually.

The full text of the terms and conditions of the Bonds' issuance (which specify in detail the terms of redemption and payment of interest) shall be made available to the general public following the introduction of the Bonds to trading in the alternative trading system organized by the Warsaw Stock Exchange (*Giełda Papierów Wartościowych w Warszawie S.A.*) within the Catalyst market.

6) Security interests attached to the bonds and the grantor of security:

Not applicable. The Bonds are unsecured.

7) Value of liabilities as at the last day of the quarter preceding the sending of purchase offers, and a projection of liabilities until the redemption of all of the bonds:

The estimated value of the Company's liabilities as at March 31, 2015 amounted to PLN 3,225.4 million. The projections of the Company's liabilities until the redemption of all of the Bonds should be evaluated based on the declarations and information made available by the Company when discharging its disclosure obligations resulting from the provisions of law.

8) Information allowing the potential buyers of the bonds to ascertain the effects of the undertaking to be funded from the proceeds, and the issuer's ability to discharge its obligations arising out of the bonds, if the undertaking is specified:

Not applicable. No undertaking was specified.

9) The rules for converting the value of benefits in kind into cash:

Not applicable. The Bonds do not provide for any benefits in kind.

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10) In case of establishing any form of pledges or mortgages to secure the payments arising out of the Bonds – the valuation of the pledged or mortgaged asset prepared by an authorized expert:

Not applicable. The Bonds are unsecured.

11) In case of issuance of convertible bonds – additionally: a) the number of votes at the issuer’s general meeting vesting in the shares which would be taken up in the case of converting all of the bonds into shares, b) the total number of votes at the issuer’s general meeting in the case of converting all of the bonds into shares:

Not applicable. The Bonds are not convertible bonds.

12) In case of issuance of bonds incorporating pre-emption rights – additionally: a) the number of shares per each bond, b) the issue price of shares or the method for its determination, c) the dates of vesting and expiration of the bondholders’ rights to acquire those shares:

Not applicable. The Bonds do not incorporate pre-emption rights.

Current report no. 36/2015
July 22, 2015

Information on convening the Extraordinary General Meeting of Cyfrowy Polsat S.A and the content of draft resolutions for the Extraordinary General Meeting of Cyfrowy Polsat S.A.

The Management Board of Cyfrowy Polsat S.A. (the “**Company**”) announces that the Extraordinary General Meeting of Cyfrowy Polsat S.A. has been convened for August 18, 2015 at 11.00 a.m. at the Company’s headquarters in Warsaw, at Łubinowa 4A Street.

Agenda of the Extraordinary General Meeting:

1. Opening of the Extraordinary General Meeting.
2. Appointment of the Chairman of the Extraordinary General Meeting.
3. Drawing up an attendance list, confirming that the Extraordinary General Meeting has been properly convened and is able to adopt valid resolutions.
4. Appointment of the Ballot Counting Committee.

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5. Adoption of the agenda of the Extraordinary General Meeting.
6. Adoption of the resolution regarding consent to conclude a pledge agreement and to establish registered pledge (registered pledges) on collection of movables and rights constituting the organized entirety with variable composition, being the part of the Company's enterprise (*zbiór rzeczy i praw stanowiących organizacyjną całość o zmiennym składzie wchodzących w skład przedsiębiorstwa Spółki*), to secure the receivables resulting from the facilities agreements.
7. Closing of the Extraordinary General Meeting.

The Management Board of the Company attaches to this current report:

1. the [notice](#) on convening the Extraordinary General Meeting for August 18, 2015 prepared pursuant to Article 402(2) of the Code of Commercial Companies;
2. [draft resolutions](#) to be adopted at the Extraordinary General Meeting convened for August 18, 2015.

All information concerning the Extraordinary General Meeting is available on the website of the Company at <http://www.grupapolsat.pl/> in section Corporate Governance, tab General Meetings – Materials.

Current report no. 37/2015 July 22, 2015

Appointment of a certified auditor for the audit of financial statements of the Company and Cyfrowy Polsat S.A. Group for the year 2015

The Management Board of Cyfrowy Polsat S.A. (the "**Company**") hereby informs that on July 22, 2015 it was notified that the Supervisory Board of the Company, pursuant to Article 66 sec. 4 of the Accounting Act dated September 29, 1994 and in accordance with article 19 sec. 2 letter h) of the Company's Articles of Association, resolved on July 22, 2015, using remote means of direct communication, to appoint PricewaterhouseCoopers Sp. z o.o., seated in Warsaw, address: 14 Armii Ludowej Street, registered in the register of statutory auditors under the number 144, as a certified auditor for the audit of the financial statements of the Company and the consolidated financial statements of the capital group of the Company for the year 2015.

In the previous year the Company also used the services of PricewaterhouseCoopers Sp. z o.o.

Current report no. 38/2015
July 22, 2015

Early prepayment of a part of the term loan by Cyfrowy Polsat S.A.

The Management Board of Cyfrowy Polsat S.A. (the "**Company**") informs that on July 22, 2015 the Company submitted to the SFA Agent an instruction for initiating the procedure of early prepayment of a part of the term loan under the Senior Facilities Agreement, of which the Company informed in current report no. 26/2014 dated April 11, 2014. The prepayment in the amount of PLN 1 billion is to be effected on July 29, 2015.

Press release
July 21, 2015

Cyfrowy Polsat diversifies its sources of financing: corporate bond issue worth 1 billion zloty

Cyfrowy Polsat S.A. has successfully issued corporate unsecured series A bearer bonds having with the nominal value of PLN 1 billion. The bonds have been registered in the National Depository for Securities and will be listed in the ASO Catalyst Alternative Trading System.

Following the public offer, which commenced on July 2, 2015 and was addressed to at least 150 designated addressees, on July 10 the bonds were allocated to 52 investors who included numerous investment and pension funds as well as the European Bank for Reconstruction and Development (EBRD).

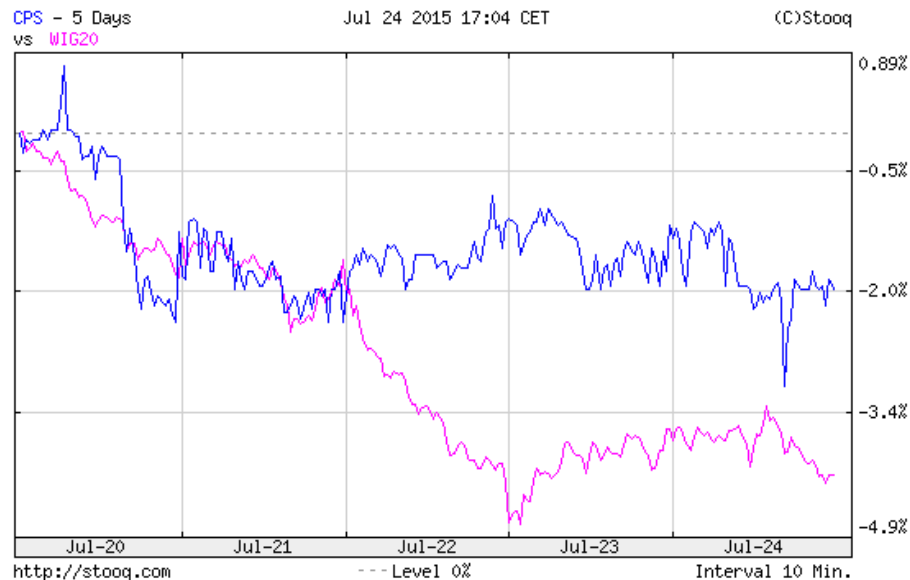
"The bond issue was carried out in relatively difficult market conditions, which makes our success even bigger and which confirms that our Group has very good development prospects. The bond issue enjoyed high interest among investors, which gives us a reason to be very satisfied, especially in light of recent unfavorable developments on financial markets and also in the face of the Greek crisis. By floating the bonds on the Catalyst market we offered investors yet another instrument for making attractive and stable investments into Cyfrowy Polsat Group," sums up Tomasz Szelaż, CFO, Cyfrowy Polsat S.A. and Polkomtel Sp. z o.o.

[More>>http://www.grupapolsat.pl/en/archive/cyfrowy-polsat-diversifies-its-sources-financing-corporate-bond-issue-worth-1-billion-zloty](http://www.grupapolsat.pl/en/archive/cyfrowy-polsat-diversifies-its-sources-financing-corporate-bond-issue-worth-1-billion-zloty)

Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Trade value (kPLN)
2015-07-20	23.73	22.88	23.17	-0.64%	5 576
2015-07-21	23.32	22.89	22.90	-1.17%	7 282
2015-07-22	23.28	22.90	23.20	1.31%	8 398
2015-07-23	23.45	23.00	23.19	-0.04%	6 827
2015-07-24	23.26	22.66	23.00	-0.82%	6 366



Investor's calendar



August 18, 2015	Extraordinary General Meeting
August 12 – 26, 2015	Closed period prior to the publication of H1 2015 results
August 26, 2015	Publication of the consolidated semi-annual report for the 1st half of 2015