



Cyfrowy Polsat IR Newsletter

May 23 – 29, 2016



Media about us	Date	Media about the TMT market in Poland
	23.05	<p>Rzeczpospolita: Fixed-line networks are interesting <i>by Urszula Zielińska</i></p> <p><i>Interview with Jean François Fallacher, CEO of Orange Polska.</i></p> <p>The recently appointed President of the Management Board of Orange Polska, Jean François Fallacher is a supporter of convergence (sale of different services in a bundle), therefore the operator will continue developing different segments of mobile and fixed-line services. He assured that investments will maintain the current pace. “Today over 800 thousand Polish households are within the coverage of Orange’s FTTH network and by the end of this year the figure will grow to approx. 1.5 million, and in 2018 there will be even as many as 3.5 million,” he announced.</p> <p>He denied rumors about ending cooperation with T-Mobile, stating that it is a great business model, which ensures many savings and allows the company to offer lower prices of services. In Fallacher’s opinion, pay-TV will contribute to the growth of revenues of the operator. He did not comment on the LTE auction. When asked about possible acquisitions on the market, he assured that “we would keep our eyes open”.</p>
	25.05	<p>Rzeczpospolita: Play is not fleeing its competitors anymore <i>by Urszula Zielińska</i></p> <p>Play informed that it serviced 14.42m active SIM cards as at the end of March, i.e. by 13.7% more year on year. However, with the market share exceeding 25%, it lost the leading position in</p>

Press review



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	25.05	<p>terms of SIM card acquisition in favor of Orange Polska. Play has grown thanks to the activation of postpaid cards (contract) – it acquired 270K such cards in the first quarter of 2016. Play’s CEO informed that the company would continue to grow in the forthcoming years, although it would also focus on developing the highest possible profit for shareholders.</p> <p><i>“We always try to add a slogan to the announcement of our results. This time, I would say: we had a good and stable quarter,”</i> he said. Bang-Jensen emphasized the word “stable” for the first time and that “money is what really counts,” and not SIM cards. These new accents for Play are an indication that in the next quarters the company will grow at a slower rate.</p> <p>The operator’s revenue in Q1 amounted to PLN 1.44bn, that is by 17% more year on year. Recurring EBITDA reached the level of PLN 437m (growth by 35% year on year, but only 2.8% quarter on quarter). Play informed that it plans to cover 95% of population with LTE network by the end of this year (from 81.5% currently)</p>
<p>Parkiet: Cash instead of shares on May 31 <i>by ziu</i></p> <p>Following Polkomtel’s announcement regarding the squeeze-out of Midas shares, the WSE suspended trading and annulled all placed orders. The squeeze-out procedure of Midas shares began on May 25 and will continue until May 31. As in the</p>	27.05	

Press review



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<p>tender offer, Polkomtel will pay PLN 0.81 per share in the squeeze-out. It will thus pay a total of over PLN 81m for this phase of the acquisition, while the total sum paid for shares belonging to stock exchange investors amounted to ca. PLN 410m.</p>	<p>27.05</p>	

Current report no. 13
May 23, 2016

Security established on assets of significant value

The Management Board of Cyfrowy Polsat S.A. (the “**Company**”) announces that its subsidiaries: Litenite Limited with its registered office in Cyprus (“**Litenite**”) and Midas S.A. (“**Midas**” and jointly with Litenite: the “**Subsidiaries**”) concluded certain agreements and executed certain actions to establish related security. On May 23, 2016 the Subsidiaries concluded Accession Deeds whereby: (i) Midas shall accede as an Additional Borrower and Additional Guarantor and Litenite shall accede as an Additional Guarantor to the Senior Facilities Agreement of September 21, 2015 (as amended), an agreement to which the Company and certain other group companies are parties (the “**Facilities Agreement**”) (ii) each of the Subsidiaries shall accede to the Intercreditor Agreement (the “**Intercreditor Agreement**”) as a Debtor. The accession of the Subsidiaries to the Facilities Agreement and the Intercreditor Agreement will become effective when the Subsidiaries satisfy certain conditions precedent set out in the Facilities Agreement.

On May 23, 2016 the Subsidiaries, Polkomtel sp. z o.o., a direct subsidiary of the Company, and UniCredit Bank AG, Branch in London, concluded and executed certain agreements and other documents envisaging the establishment of the following security:

- (i) registered pledge on a collection of movables and rights of varying composition, constituting parts of the Midas enterprise;
- (ii) financial pledges and registered pledges on Midas shares (with the nominal value of PLN 137,959,713.90), with powers of attorney to exercise corporate rights attached to the Company’s shares; the shares so encumbered represent 93.237% of the total number of votes and share capital of Midas; the Company holds indirectly 93.237% of the total number of votes and share capital of Midas;
- (iii) financial pledge and registered pledge on receivables under a bank account agreement of Midas governed by Polish law;
- (iv) power of attorney to Midas’ bank accounts governed by Polish law;
- (v) assignment of rights for security concerning rights under Midas property insurance agreements;
- (vi) Midas statement of submission to enforcement on the basis of a notarial deed executed under Polish law;

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- (vii) Litenite statement of submission to enforcement on the basis of a notarial deed executed under the Polish law (concerning all property of Litenite located in Poland or governed by Polish law);
- (viii) pledge on Litenite shares (with the total nominal value of EUR 1,800) under Cypriot law; the shares encumbered with the pledge represent 100% of the share capital of Litenite; the Company holds indirectly 100% of shares in Litenite, representing 100% of votes at the shareholders' meeting of this company; and
- (ix) pledge on receivables under bank account agreements of Litenite governed by Swiss law.

The registered pledges will become effective as of the moment of their registration in the Pledge Register. The security have been established in favor of Unicredit Bank AG, Branch in London as the security agent.

The total carrying value of the assets encumbered with these security interests in the books of account of the Company's subsidiaries is PLN 1,627.4 million.

There are no relations between the Company, its management and supervisory officers and Unicredit Bank AG, Branch in London or the management of Unicredit Bank AG, Branch in London.

The assets encumbered with these security are considered to be of significant value because their aggregate value exceeds 10% of the Company group's revenues for the last four financial quarters.

Current report no. 14 May 25, 2016

Announcement of the squeeze-out of shares in Midas S.A. by an indirect subsidiary of the Company

The Management Board of Cyfrowy Polsat S.A. (the "Company") hereby gives notice that Polkomtel sp. z o.o. ("Polkomtel"), an indirect subsidiary of the Company, which directly and indirectly holds 1,379,597,139 shares in Midas S.A. ("Midas"), constituting 93.237% of the Midas share capital, on 25 May 2016 announced a squeeze-out of the shares in Midas held by all the remaining shareholders of that company (the "Squeeze-Out").

The squeeze-out date was set for 31 May 2016, and the squeeze-out price is PLN 0.81 (eighty one grosz) per one share in Midas.

The detailed terms of acquiring the Midas shares under the Squeeze-Out are laid out in the publicly disclosed Information about the intention to acquire Midas shares by way of the Squeeze-Out, prepared by Polkomtel in accordance with the requirements defined in the Ordinance of the Minister of Finance of 14 November 2005 on the acquisition of shares in a public company by way of a squeeze-out (Dz. U. of 2005, No. 229, item 1948).

Current report no. 15
May 27, 2016

Accession of subsidiaries to the Facilities Agreement

The Management Board of Cyfrowy Polsat S.A. (the “**Company**” or “**Cyfrowy Polsat**”) hereby announces that on 27 May 2016 its subsidiaries Litenite Limited with its registered office in Cyprus (“**Litenite**”) and Midas S.A. (“**Midas**”, together with Litenite: the “**Subsidiaries**”) acceded to the Senior Facilities Agreement of 21 September 2015 (as amended), the parties to which are, among others, Cyfrowy Polsat, Polkomtel sp. z o.o., a subsidiary of Cyfrowy Polsat, and other members of the group to which the Company belongs (the “**Facilities Agreement**”) and to the related Intercreditor Agreement (“**Intercreditor Agreement**”). The Company already notified of the Facilities Agreement in its Current Reports No. 42/2015 of 21 September 2015 and No. 3/2016 of 29 January 2016.

Midas has acceded to the Facilities Agreement as an Additional Borrower and Additional Guarantor and to the Intercreditor Agreement as a Debtor, while Litenite has acceded to the Facilities Agreement as an Additional Guarantor and to the Intercreditor Agreement as a Debtor.

The Subsidiaries have acceded to the Facilities Agreement and the Intercreditor Agreement based on the Accession Deeds executed on 23 May 2016. The accession became effective on 27 May 2016 when certain conditions provided for in the Facilities Agreement were satisfied by the Subsidiaries.

In connection with the accession of the Subsidiaries to the Facilities Agreement and the Intercreditor Agreement, the Company has established security over the Company’s assets of a significant value as the Company has announced in its Current Report No. 13/2016 of 23 May 2016.

The Facilities Agreement is deemed material because its value exceeds 10% of the Company group’s consolidated revenues for the last four accounting quarters.

Press release
May 23 , 2016

Novelty in smartDOM: „Guarantee of the lowest price”!

A novelty appeared in the smartDOM program “second product half off, third product for PLN 1” – “Guarantee of the lowest price” for selected bundles of services. Customers who buy all three subscription services under the program: satellite TV, mobile Internet and mobile telephony from Cyfrowy Polsat and Plus, may use this option. If the customer finds an offer of comparable parameters from another operator and if such an offer is cheaper, then Plus and Cyfrowy Polsat guarantee a reduction of the fee to the level indicated by the customer.

Press release
May 25, 2016

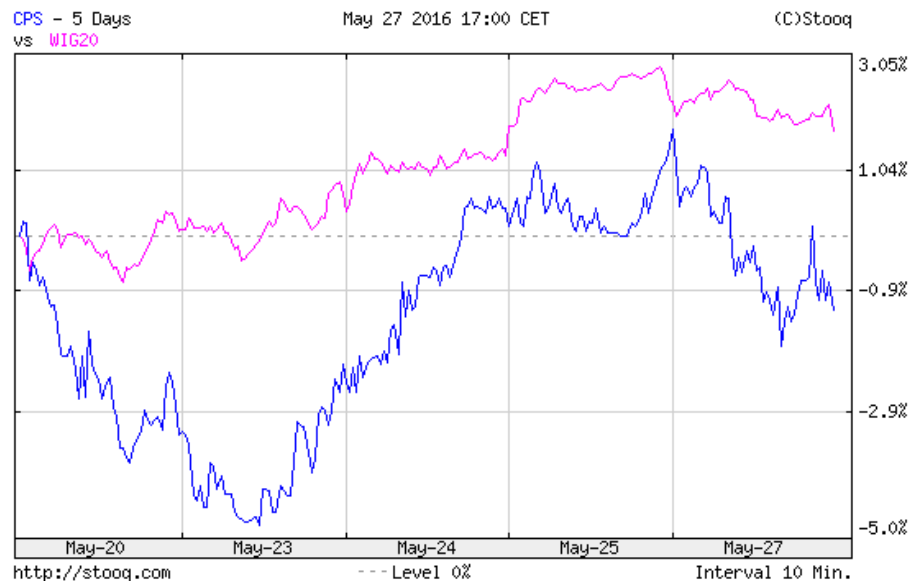
Even more sport video content from Polsat Group in Onet-RASP Group services

Cyfrowy Polsat, the biggest media and telecom group in Poland, Polsat Sport channel and Onet-RAS Polska Grup prolonged and extended the cooperation regarding the distribution of exclusive sport video content, produced by Polsat Television sport channels and IPLA Internet TV, on Onet portal and in sport services of Onet-RAS Polska Group. As a result of the cooperation with Cyfrowy Polsat Group, the users of Onet portal and przegladSPORTOWY.PL service will receive, via IPLA, free access to exceptional video content related to the UEFA EURO 2016, prepared by Polsat Television sport channels. Onet-RAS services will offer a possibility of watching highlights of the matches, exclusive interviews with football players or renowned experts. During the UEFA EURO 2016 and after its end, users of Onet portal and sport services of Onet-RAS Polska Group will be able to watch other exciting content, among others related to the most important volleyball or tennis tournaments, professional boxing galas, speedway races and many other sport events.

Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Trade value (kPLN)
2016-05-23	22.49	21.81	22.47	1.26%	8 774
2016-05-24	23.19	22.31	23.10	2.80%	6 067
2016-05-25	23.36	22.96	23.36	1.13%	4 697
2016-05-26	-	-	-	-	-
2016-05-27	23.49	22.53	22.69	-2.87%	7 892



Investor's calendar



August 11 – 25, 2016

Closed period prior to the publication of H1 2016 results

August 25, 2016

Consolidated semi-annual report for the 1st half of 2016
Closed period prior to the publication of H1 2016 results