



Cyfrowy Polsat IR Newsletter

June 29 – July 05, 2015



Press review



Media about us	Date	Media about the TMT market in Poland
<p>Parkiet: Ten candidates for market rebound <i>by Jacek Mysior</i></p> <p>According to Dominik Niszczyński, a DM Raiffeissen broker house analyst, the continuing correction on the WSE has not spared Cyfrowy Polsat, though the company's situation is improving thanks to systematic debt reduction. Its share prices can improve thanks to the finalization of the refinancing process, expected over the next few days, which should enable the company to save several hundred million zloty annually. Moreover the dragging LTE auction helps the group maintain its competitive edge in the access to the radio spectrum which can be used for offering mobile Internet access. Another factor which may have positive impact on the company's perception is the upcoming finalization of the debt restructuring process. According to the company's recent estimates, this factor can bring even as much as ca. PLN 300 million of yearly savings.</p>	30.06	
	01.07	<p>Parkiet: Mobile roaming will get much cheaper <i>by Urszula Zielińska</i></p> <p>In accordance with the agreement concluded by the European Commission, the European Parliament and the EU Council on 15 July 2017, the prices of telecommunication services offered to roaming customers will be equalized with the prices offered on the local markets in the European Union. From April next year the telecoms will have to reduce the prices of the roaming</p>



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		<p>services they offer to the level which will not be higher than the sum of the domestic price and the maximum margin permitted by Brussels. "The operators will be permitted to charge only small surcharges on top of the domestic prices: up to EUR 0.5 per-minute for mobile originated voice calls, EUR 0.02 per mobile-originated SMS and EUR 0.05 per 1 MB of data transfer (excl. VAT)," stated the European Commission.</p>
	02.07	<p>Puls Biznesu: Voice is declining as Internet is growing <i>by MZAT</i></p> <p>Last year the telecommunication market in Poland was worth PLN 39.21 bn. It is by 2.6 percent less than a year earlier. According UKE mobile services accounted for nearly 45 percent of the market's value. In spite of growth of the number of customers, the operators' revenues decreased by nearly 5 percent. Another year of strong decline was recorded by fixed-line companies. The number of fixed-line subscribers decreased by 8.4%, down to 6.2 million. The revenues of fixed-line operators decreased even more – by as much as 12.7 percent – to PLN 3.8 bn. At the same time the revenues from Internet access leaped by as much as 11.5%, even in spite of decrease of the average revenue per customer. The main reason was the rapidly growing mobile Internet segment. Over 80 percent of Poland's population has mobile Internet access versus the European average of 66.7%.</p>

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	03.07	<p>Gazeta Wyborcza: Revolution in TVN but the viewers won't be affected yet <i>by Martin Stysiak</i></p> <p>Scripps Networks Interactive finalized the acquisition of the controlling stake of TVN. The company's supervisory board underwent truly revolutionary changes. Piotr Walter, Aldona Wejchert and Bruno Valsangiacomo are among those who left the supervisory board. Scripps Networks Interactive intends to withdraw TVN from Warsaw Stock Exchange. At present Scripps Networks Interactive owns 52.7 percent of the shares and must announce a tender offer for shares lasting three months. Unofficial information indicates that this could happen in August. Kenneth W. Lowe, the CEO of Scripps Networks Interactive, has informed that his company will not interfere with TVN's programming.</p>



Current report 31/2015
June 29, 2015

Conclusion of the Framework Agreement with the European Bank for Reconstruction and Development

The Management Board of Cyfrowy Polsat S.A. (the “Company”) announces the conclusion on June 29, 2015 of the Framework Agreement with the European Bank for Reconstruction and Development (“EBRD”).

The conclusion of the Framework Agreement is connected with consideration by EBRD of acquisition of bonds issued by the Company.

The conclusion of the Framework Agreement does not impose any contractual obligation on EBRD to acquire any Company’s bonds.

In the Framework Agreement the Company undertook to act in compliance with EBRD’s Designated Performance Requirements and anti-corruption guidelines. The Framework Agreement sets out certain obligations of the Company, in particular with respect to the environment’s protection. The Framework Agreement may expire on the terms and conditions set forth therein, if EBRD will not acquire any Company’s bonds. It may also expire if the stake of the Company’s bonds held by the EBRD will decrease below the value set forth in the Framework Agreement.

Current report 32/2015
July 01, 2015

Registration of merger of Cyfrowy Polsat S.A. with Redefine Sp. z o.o.

The Management Board of Cyfrowy Polsat S.A. (“Company”, “Cyfrowy Polsat” or “Taking-over Company”) announces that on June 30, 2015 the District Court for the Capital City of Warsaw in Warsaw, XIII Business Division for the National Court Register registered the merger of the Company with Redefine Sp. z o.o. seated in Warsaw, address: 61A Stanów Zjednoczonych Ave., 04-028 Warsaw, Poland, registered in entrepreneurs register kept by the District Court for the Capital City of Warsaw in Warsaw, XIII Business Division of the National Court Register, under the number KRS 0000287684 (“Redefine” or “Acquired Company”).

The merger was effected by:

- transferring to Taking-over Company - as the sole shareholder of Acquired Company - all the assets of Acquired Company by the way of universal succession, and
- termination of Acquired Company without liquidation,

in accordance with article 492 §1 item 1) CCC.

As a result of the merger, Cyfrowy Polsat - in accordance with article 494 §1 CCC assumed all rights and obligations

of Redefine, effective on the date of the merger.

Given that Taking-over Company held all the shares of Acquired Company, and according to article 515 §1 CCC, the merger was effected without increasing the share capital of Taking-over Company.

The detailed terms of the merger are specified in the Merger Plan prepared on April 14, 2015 and made publicly available, free of charge, on the website of the Taking-over Company, in accordance with article 500 § 2¹ of the CCC.

Current report 33/2015 July 02, 2015

Commencement of an offering of bonds of Cyfrowy Polsat S.A.

The Management Board of Cyfrowy Polsat S.A. (the “Company”) announces that on 2 July 2015 it adopted a resolution on the issuance of no more than 1,000,000 unsecured series A bearer bonds with a nominal value of PLN 1,000 each and a total nominal value of no more than PLN 1,000,000,000 (the “Bonds”). The Bonds shall be issued by way of a public offering conducted pursuant to Article 33 item 1 of the Act on Bonds of 15 January 2015 (the “Bonds Act”). It is the Company’s intention to apply for 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.

On 2 July 2015 the Company commenced the issuance of the Bonds by directing Bonds purchase offers to at least 150 identified addressees. Since the issuance and the public offering of the Bonds shall be conducted pursuant to Article 33 item 1 in connection with Article 34 Section 2 of the Bonds Act and Article 7 Section 4 item 2 of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of 29 July 2005, i.e. by way of a public offering of the Bonds addressed solely to investors who acquire Bonds for a total consideration, calculated as the Bonds’ issue price as at the date of its determination, of at least EUR 100,000 per investor (the “Offering”), neither a prospectus nor any other offering document subject to approval by the Polish Financial Supervision Authority (Komisja Nadzoru Finansowego) or any other public authority is required nor will it be drawn up or published.

Recent events



Press release
July 1, 2015

Polsat Sport – the absolute leader among sports TV's in H1 2015

Polsat's sports channels have achieved the strongest position in history among Polish sports channels.

Polsat Sport was the most readily watched sports TV station in H1 2015! The station recorded overall market share growth by 0.6% and gained 0.5% in the commercial group during the above mentioned period, definitely leaving behind (for both audience groups) all other sports channels, including Eurosport (0.3% SHR A16-49 and 0.51% in A4+). For several years now Polsat Sport has been the best sports TV while being the leader in the commercial viewer group since 2007. June was a record month for Polsat Sport News. The station had 1.1% market share among all viewers and nearly 1% in the commercial group..

Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Trade value (kPLN)
2015-06-29	23.91	21.52	23.71	-1.70%	4 916
2015-06-30	23.75	23.31	23.65	-0.25%	8 256
2015-07-01	23.89	23.61	23.80	0.63%	7 984
2015-07-02	24.37	23.80	24.20	1.68%	6 367
2015-07-03	24.50	23.61	24.30	0.41%	4 653



Investor's calendar



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