



Cyfrowy Polsat IR Newsletter

May 30 – June 5, 2016



Media about us	Date	Media about the TMT market in Poland
	01.06	<p>Puls Biznesu: Netia will fight for viewers <i>by mzat</i></p> <p>The telecom is starting its summer marketing attack targeted at TV viewers. The intention is to improve the company's results. The advertising campaign will be longer than last year and has a higher budget. The operator recorded slight growth of revenue, by 1.5% i.e. to the level of PLN 390.5m. Its profit and margin fell, and so did the number of services provided in the fixed-line telephony segment. Right now the defense of EBITDA is the key target for the company and this could be done by selling profitable TV packages. Netia also needs to solve the problems with the trade unions in the acquired TK Telekom. Trade union members, who are demanding pay rises, have entered into a dispute with the employer and any agreement between the two parties seems far away.</p>
	02.06	<p>Rzeczpospolita: Customers will learn about radiation <i>by Urszula Zielińska</i></p> <p>Work has started on the additional laws protecting health against the impact of wireless networks. The first meeting, attended by mobile operators, was organized by the Ministry of Digitization and concerned the assumptions of the new draft act regarding the influence of electromagnetic field (EMF) generated by telecommunication towers on human health. The participants of the meeting have until June 21 to submit their comments. The Ministry of Digitization proposed more extensive rights for the</p>

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	02.06	<p>President of UKE as regards controlling and penalizing for non-compliance with the regulations. Providers of telecommunication equipment will be obligated to provide information about the presence of WiFi transmitters in buildings, on public transport, or in urban space.</p> <p>Puls Biznesu: Virgin presents very attractive results <i>by Karol Jedliński</i></p> <p>The CEO of Virgin Mobile Polska, Grażyna Oliwa-Piotrowska, has maintained her declaration of a million active SIM's in three years, i.e. by mid-2018. Currently Virgin has 400K active cards compared to 150K a year earlier. Moreover, it has the highest ARPU of PLN 20 per month. The operator's sales network is developing and Virgin's brand recognition level is growing, exceeding that of e.g. NJU Mobile. In autumn the operator plans to launch a technological platform worth EUR 10m, which is to be a strong argument in the 1 million goal, as Virgin is planning to introduce a contract offer in autumn. Virgin Mobile intends to implement the model and technology developed in Poland in other countries of the region.</p> <p>According to Oliwa-Piotrowska Virgin is growing dynamically. "In 2014 our revenue was PLN 8m while in 2015 we generated as much as PLN 40m. Network traffic or SMS statistics changed even faster," she claims. This year's plan calls for over PLN 80m in revenue.</p>

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	03.06	<p>Rzeczpospolita: “Dead souls” in mobile operators’ customer bases <i>by Urszula Zielińska</i></p> <p>According to the most recent data published by the Office of Electronic Communications (UKE), there were 56.6 million mobile SIM’s in Poland in December 2015, however only 47 million were in use. UKE estimated that from among 27.6 million prepaid SIM’s only around 18.8 million are actively used. Basing on the experience of other countries, it can be expected that once the anti-terrorist law is implemented in 2017, the prepaid services market will shrink by 9 million cards which are not in use, the so-called “dead souls,” since it will only be the people actively using their cards who will decide to go through the registration process required by the law.</p> <p>Compared to the previous UKE survey from 2012, the number of inactive prepaid SIM’s basically remained at a similar level (8.6 million in 2012). However, it is worth noting that in December 2015 T-Mobile deleted 3.8 million inactive SIM’s from its base.</p> <p>In the opinion of an Audytel analyst, the actual figures will show the true picture of the market, i.e. the amounts actually paid by a customer, a customer’s purchasing power, and the true demand for the service. Today’s ARPU figures presented by telecoms are heavily understated.</p>

Current report no. 16 June 2, 2016

Recommendation of the Management Board concerning the distribution of the profit for the year ended December 31, 2015

The Management Board of Cyfrowy Polsat S.A. (the "**Company**") hereby informs that on June 2, 2016 the Supervisory Board of the Company issued a positive opinion on the motion submitted by the Management Board of the Company regarding the distribution of profit generated by the Company in the financial year ended December 31, 2015.

Considering the relatively high level of the current indebtedness of the capital group of the Company, the Management Board of the Company consistently aims for its reduction. In accordance with the adopted assumptions, the strategic goal of the capital resources management policy is the reduction of the total net indebtedness ratio of the Company's capital group, i.e. net debt to EBITDA, below the level of 1.75 as fast as possible. The rapid achievement of the goal would allow for a revision of the dividend policy and the return to regular payouts of part of the generated profit starting from the year 2017.

In light of the above, the Management Board of the Company recommends to the General Shareholders' Meeting not to pay dividends to shareholders and to allocate the total net profit for the financial year 2015 in the amount of PLN 446,146,891.55 to the reserve capital.

Upon the request of the Management Board of the Company, the Supervisory Board requested the General Shareholders' Meeting to adopt the resolution on the distribution of profit for the financial year 2015 as proposed and recommended by the Management Board.

Current report no. 17 June 2, 2016

Appointment of the Members of the Management Board of Cyfrowy Polsat S.A. for a new term

The Management Board of Cyfrowy Polsat S.A. (the "**Company**", "**Cyfrowy Polsat**") hereby informs that the Supervisory Board of the Company, based on the resolutions adopted on June 2, 2016 decided to nominate Tobiasz Solorz for the function of the President of the Management Board of Cyfrowy Polsat and Dariusz Działkowski, Tomasz Gillner-Gorywoda, Aneta Jaskólska, Agnieszka Odorowicz, Maciej Stec and Tomasz Szelaąg for the functions of Members of the Management Board of Cyfrowy Polsat. The Members of the Management Board were appointed for a common three-year term beginning as of the date of the Annual General Meeting approving the financial statements of the Company for the financial year 2015.

[More>> Full content of current report no. 17/2016](#)

Current report no. 18 June 2, 2016

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

The Management Board of Cyfrowy Polsat S.A. (the “**Company**”) announces that the Annual General Meeting of Cyfrowy Polsat S.A. was convened for June 29, 2016 at 2:00 p.m. at the Company’s headquarters in Warsaw, at Łubinowa 4a Street.

Agenda of the Annual General Meeting:

1. Opening of the Annual General Meeting.
2. Appointment of the Chairman of the Annual General Meeting.
3. Validation of correctness of convening the Annual General Meeting and its ability to adopt binding resolutions.
4. Appointment of the Ballot Committee.
5. Adoption of the agenda.
6. Management Board’s presentation of:
 - a) the Management Board’s Report on the Company’s activities in the financial year 2015 and the Company’s financial statements for the financial year 2015,
 - b) the Management Board’s Report on the activities of the capital group of the Company in the financial year 2015 and the consolidated financial statements of the capital group of the Company for the financial year 2015,
 - c) the report on the activities of Redefine Sp. z o.o. (company merged with Cyfrowy Polsat S.A. on June 30, 2015) for the period from January 1, 2015 to June 30, 2015 and the financial statements of Redefine Sp. z o.o. for the period from January 1, 2015 to June 30, 2015.
7. The Supervisory Board’s presentation of its statement concerning the evaluation of the Management Board’s Report on the Company’s activities in the financial year 2015 and the Company’s financial statements for the financial year 2015, as well as the Management Board’s motion regarding the distribution of the Company’s profit generated in the financial year 2015.

Recent events



Current report no. 18 June 2, 2016

8. The Supervisory Board's presentation of the evaluation of the Company's standing and the Management Board's activities.
9. Consideration and adoption of a resolution approving the Management Board's Report on the Company's activities in the financial year 2015.
10. Consideration and adoption of a resolution approving the Company's annual financial statements for the financial year 2015.
11. Consideration and adoption of a resolution approving the Management Board's Report on activities of the capital group of the Company in the financial year 2015.
12. Consideration and adoption of a resolution approving the consolidated annual financial statements of the capital group of the Company for the financial year 2015.
13. Consideration and adoption of a resolution approving the Management Board's Report on the activities of Redefine Sp. z o.o. in the period from January 1, 2015 to June 30, 2015.
14. Consideration and adoption of a resolution approving the annual financial statements of Redefine Sp. z o.o. in the period from January 1, 2015 to June 30, 2015.
15. Consideration and adoption of a resolution approving the Supervisory Board's Report for the financial year 2015.
16. Adoption of resolutions granting a vote of approval to the members of the Management Board for the performance of their duties in the year 2015.
17. Adoption of resolutions granting a vote of approval to the members of the Supervisory Board for the performance of their duties in the year 2015.
18. Adoption of resolutions granting a vote of approval to the members of the Management Board of Redefine Sp. z o.o. for the performance of their duties in the period from January 1, 2015 to June 30, 2015.
19. Adoption of a resolution on the distribution of the Company's profit for the financial year 2015.
20. Adoption of a resolution on the distribution of profit of Redefine Sp. z o.o. for the financial year 2015.

Recent events



Current report no. 18 June 2, 2016

21. Adoption of a resolution on the determination of remuneration of Members of the Supervisory Board.
22. Closing of the Annual General Meeting.

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

1. the [notice](#) on convening the Annual General Meeting for June 29, 2016, prepared pursuant to Article 402(2) of the Code of Commercial Companies;
2. [draft resolutions](#) to be adopted at the Annual General Meeting convened for June 29, 2016.

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

Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Trade value (kPLN)
2016-05-30	23.28	22.66	23.08	1.72%	3 168
2016-05-31	23.32	22.40	22.40	-2.95%	15 946
2016-06-01	22.73	21.50	21.50	-4.02%	19 069
2016-06-02	21.60	21.15	21.30	-0.93%	9 637
2016-06-03	21.96	21.40	21.53	1.08%	3 918



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

