

# Cyfrowy Polsat IR Newsletter

**13 – 19 April 2015**

The press about us	Date	The press about TMT market in Poland
	14.04	<p><b>Rzeczpospolita: Broadcasting this channel requires a whole multiplex</b> <i>by ele</i></p> <p>SPI International, owner of Kino Polska TV, will launch a channel in 4K resolution this year - the first channel of this type to broadcast regularly in Poland. "Rzeczpospolita" daily reports that in Poland the launch of the channel under the name FunBox UHD is planned in the third or fourth quarter of this year. The company said that it had already secured over 200 hours of content in 4K. The ultraHD library will contain diverse content such as nature documentaries, videos of the San Francisco skyline and computer animations. According to "Rzeczpospolita", decisions regarding the distribution of the new channel have not been made yet. Its creators would like the channel to be available not only in IPTV packages but also on satellite platforms.</p>
	15.04	<p><b>Puls Biznesu: T-Mobile bets on Internet</b> <i>by mzat</i></p> <p>T-Mobile introduced new service packages in its Jump and Heyah tariffs, designed mainly to meet the needs of customers using mobile Internet access. According to Igor Matejov, member of the management board of T-Mobile Polska, a steadily growing group of customers uses the handset chiefly to surf the Internet, not to make phone calls. – <i>During the last year the number of Heyah customers using Internet packages increased thrice, while the average data usage increased 2.5 times. Internet services have become the most important element of the offer and the driver motivating to switch operators – says Matejov.</i></p>

## The press about us

## Date

## The press about TMT market in Poland

15.04

**Puls Biznesu: Hawe is looking for cash in Mediatel***by mzat*

The telecom Hawe sets its goals for 2015: completing the construction of regional broadband networks co-financed by the European Union, acquiring customers in Eastern Europe and slightly improving its results. By the end of the year the company has to repay a loan of several tens of millions of zlotys to the Industrial Development Agency as well as redeem issued bonds. Hawe wants to refinance part of the debt. It plans to acquire funds thanks to a stable improvement of operating results and new contracts for the lease of optical fiber networks. Moreover, Hawe intends to sell up to 30% of shares in its subsidiary Mediatel. The package is valued at PLN 75m. The company expects to close the deal in the second half of the year.

Hawe does not exclude participation in consolidation processes – it was interested in the privatization of TK Telekom. Currently, Netia has exclusive rights to negotiations.

**Rzeczpospolita: T-Mobile's insurance without a license***by eg*

Mobile operator T-Mobile was placed on a public warnings list by the Polish Financial Supervisory Authority (KNF). KNF also filed a notification on suspicion of committing a crime of offering an insurance service "Secure device", protecting customers in case of theft, damage or destruction of the device, without KNF's approval to conduct insurance activities.

The press about us	Date	The press about TMT market in Poland
<p><b>Parkiet: End of lock-up on shares of Cyfrowy Polsat's creators</b>  <i>by Urszula Zielińska</i></p> <p>Nearly 244m Series J shares of Cyfrowy Polsat, which constitute ca. 38% of total shares, will be introduced to trading on the stock exchange on April 20, 2015. According to WSE listing, the value of the shares is ca. PLN 6bn. Last May, the satellite platform used these securities to pay its main owners for shares in Metelem, parent of Polkomtel, Plus network operator.</p>	<p>16.04</p>	
	<p>17.04</p>	<p><b>Parkiet: Telecom wants to speed up its digitization</b>  <i>by ziu</i></p> <p>Orange Polska informed that it will spend PLN 7bn on an image campaign as part of the global project aimed at refreshing the Orange brand image and the accompanying promotion of new service packages. This will not result in an increase in this year's expenditure on marketing of the group. CEO Bruno Duthoit, said that the telecom wants to speed up its digitization by modernizing online customer support tools and introducing them in its points of sale. Concurrently, Orange is gradually reducing the number of shops - this year their number will fall from 850 to ca. 800.</p> <p>In connection with the campaign Orange has prepared new service packages for individual and business customers. It does not compete with prices but rather wants to gain customer loyalty by expanding its portfolio of services.</p>

The press about us	Date	The press about TMT market in Poland
	18-19.04	<p><b>Parkiet: Quarter of falling profit</b>  <i>by ziu</i></p> <p>Analysts surveyed by the daily “Parkiet” forecast that in the first quarter of 2015 Orange Polska’s revenue fell by 2.6%, to PLN 2.92bn, compared with the corresponding period of the previous year. The main reasons are the decrease in prices of services to business customers and the public sector as well as a growing share of businesses using tariffs with unlimited voice calls and short messages. Sales of devices based on installment-plans have a positive impact on revenue.</p> <p>Analysts also forecast that EBITDA fell by 21%, to PLN 916m. The average forecast for Orange’s net profit in the first quarter 2015 is PLN 63m, which means a 77% decrease y-o-y.</p> <p>According to data gathered by the daily “Parkiet”, in the first quarter Orange had a negative balance of number portability of around 38-41 thousand. Plus recorded a net loss of ca. 42 thousand numbers, T-Mobile – of ca. 50 thousand, while P4, Play network operator, gained ca. 130 numbers net.</p>

### Latest events

---

#### Current report 19/2015 April 13, 2015

##### Listing of Series J shares

The Management Board of Cyfrowy Polsat S.A. (the “**Company**”) announces that in the Resolution No. 337/2015 of April 13, 2015 the Management Board of the Warsaw Stock Exchange (the “**WSE**”) decided that 243,932,490 Series J ordinary bearer shares of the Company marked by the National Depository for Securities (the “**NDS**”) with the code PLCFRPT00021 shall be listed on the main market of the WSE as of April 20, 2015 through an ordinary listing process, provided that the NDS assimilates these shares as of April 20, 2015 with the Company’s shares marked with the code PLCFRPT00013.

According to the issue prospectus of the Company approved by the Polish Financial Supervision Authority on April 28, 2014, the Company’s intention was to have the Series J shares listed on the WSE after the rights related to the Series J shares were made uniform with the shares already listed on the WSE. These rights were made uniform as of April 2, 2015 as a result of adoption by the General Meeting of the Company of a resolution regarding the distribution of 2014 net profits.

#### Current report 20/2015 April 14, 2015

##### Decision on the merger of Cyfrowy Polsat S.A. and Redefine Sp. z o.o.

The Management Board of Cyfrowy Polsat S.A. (the “**Company**”, “**Cyfrowy Polsat**” or “**Taking-over Company**”) announces that on April 14, 2015 it resolved to merge the Company with Redefine Sp. z o.o. seated in Warsaw, address: 61A Stanów Zjednoczonych Ave., 04-028 Warsaw, Poland, registered in entrepreneurs register maintained by the District Court for the Capital City of Warsaw in Warsaw, XIII Commercial Department of the National Court Register, under the number KRS 0000287684 (“**Redefine**” or “**Acquired company**”), in which Cyfrowy Polsat S.A. holds 100% of share capital, and approved the merger plan.

Cyfrowy Polsat S.A. is the largest provider of pay TV in Poland and one of the leading satellite platforms in Europe. As its core business it offers a complete package of multimedia services including pay TV via satellite, terrestrial and online broadcasting, and in addition mobile telephony and data transmission services, as well as broadband Internet access in 2G/3G and LTE technologies.

Redefine Sp. z o.o. is the operator of IPLA internet television, the leader on the online video market in Poland both in terms of availability on different devices and content offered. Redefine is responsible for all internet activities of Polsat Group.

The planned merger of the two companies will be effected, in accordance with article 492 §1 item 1 of the Polish Commercial Companies Code (“**CCC**”) (mergers through acquisition), by transferring all the assets of the Acquired Company to the Taking-over Company. As a result of the merger, the Acquired Company will be terminated without liquidation.

## Latest events

### Current report 20/2015 April 14, 2015

At the date of this report, the share capital of the Acquired Company amounts to PLN 537,500 and is divided into 10,750 shares. Cyfrowy Polsat is the sole shareholder of the Acquired Company.

Given that the Taking-over Company holds all the shares of the Acquired Company:

- (i) pursuant to article 515 § 1 of the CCC, the Merger shall be carried out without increasing the share capital of the Taking-over Company;
- (ii) pursuant to article 516 § 5 and in conjunction with article 516 §6 of the CCC, the Merger Plan shall not be audited by any expert appointed by the court of registration;
- (iii) pursuant to article 516 § 5 and in conjunction with article 516 §6 of the CCC, the Reports of Management Boards of Taking-over Company and Acquired Company shall not be issued.

The Merger Plan, prepared in accordance with article 499 § 1 of the CCC is attached to this current report, together with the documents mentioned in the article 499 § 2 of the CCC. Pursuant to article 499 § 4 of the CCC, with regard to the fact that the Taking-over Company is a public listed company and in line with the regulations on public offering and conditions for introducing financial instruments to organized trading system and on public companies, it publishes and presents to shareholders semi-annual financial reports, no declaration has been drafted that would include information on the book value of the Taking-over Company.

The aim of the planned merger is to optimize costs and simplify the organizational structure of Polsat Group in line with the Group's long-term strategy, a significant element of which is the effective management of the cost base of the integrated media and telecommunication group by exploiting its inherent synergies.

Attachment: [Merger Plan with appendices](#) (.pdf)

### Current report 21/2015 April 14, 2015

#### **Notice of intention to merge Cyfrowy Polsat S.A. seated in Warsaw and Redefine Sp. z o.o. seated in Warsaw**

The Management Board of Cyfrowy Polsat S.A. (the "**Company**", "**Cyfrowy Polsat**" or the "**Taking-over Company**"), in accordance with article 504 § 1 and § 2 of the Polish Commercial Companies Code (the "**CCC**"), informs the Shareholders of Cyfrowy Polsat on the planned merger of Cyfrowy Polsat and Redefine Sp. z o.o. seated in Warsaw, address: 61A Stanów Zjednoczonych Ave., 04-028 Warsaw, Poland, registered in the 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 the "**Acquired Company**"), in which Cyfrowy Polsat S.A. holds 100% of share capital.

The merger will be effected by:

- (i) transferring to the Taking-over Company - as the sole shareholder of the Acquired Company - all the assets of the Acquired Company by the way of universal succession, and

### Latest events

---

#### Current report 21/2015 April 14, 2015

(ii) termination of the Acquired Company without liquidation, in accordance with article 492 §1 item 1) of the CCC. As a result of the merger, Cyfrowy Polsat - in accordance with article 494 §1 of the CCC will assume all rights and obligations of Redefine, effective on the date of the merger.

Given that the Taking-over Company holds all the shares of the Acquired Company, and according to article 515 §1 of the CCC, the merger will be effected without increasing the share capital of the 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 § 2<sup>1</sup> of the CCC.

The Management Board of Cyfrowy Polsat also informs, that the following documents:

- Merger Plan,
- Financial Statements and Management Board's Reports on Activities of the merging companies for the last three financial years, together with opinion of the independent auditor and report supplementing the auditor's opinion (if opinion or report was issued),
- Draft resolution of the General Meeting of the Taking-over Company concerning the merger,
- Draft resolution of the Shareholders Meeting of the Acquired Company concerning the merger,
- Valuation of assets and liabilities of the Acquired Company as at March 1, 2015,
- Statement containing information on the accounting condition of the Acquired Company as at March 1, 2015,

(the “**Merger Documents**”) will be available for inspection for Cyfrowy Polsat shareholders from the date of publication of this announcement, that is April 14, 2015, until the date of adoption of the resolution regarding the merger.

Pursuant to article 499 § 4 of the CCC, with regard to the fact that the Taking-over Company is a public listed company and in line with the regulations on public offering and conditions for introducing financial instruments to organized trading system and on public companies, it publishes and presents to shareholders semi-annual financial reports, no declaration has been drafted that would include information on the book value of the Taking-over Company.

The Merger Documents will be available in the head office of Cyfrowy Polsat, at 4A Lubinowa Street in Warsaw, building B1 room 123, from Monday to Friday from 9.00 a.m. to 4.00 p.m.

Cyfrowy Polsat Shareholders may request copies of the Merger Documents free of charge at the head office of Cyfrowy Polsat.

This notice is the first notice.





### Latest events

---

**Current report 22/2015**  
**April 16, 2015**

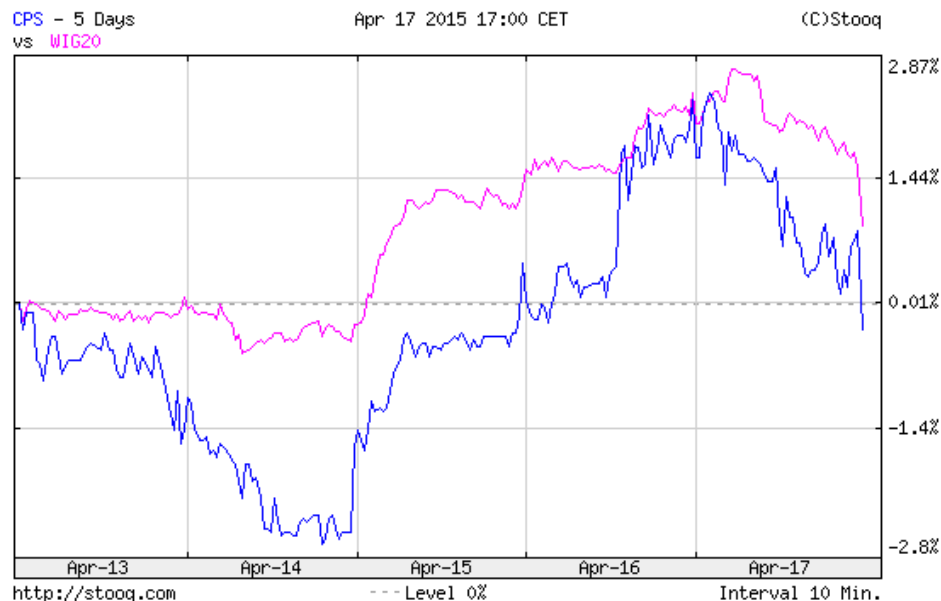
#### **NDS assimilates Series J shares with the Company's listed shares**

With reference to current report No. 19/2015 of April 13, 2015, the Management Board of Cyfrowy Polsat S.A. (the "**Company**") announces, that in its Resolution No. 233/15 of April 16, 2015 the Management Board of the National Depository for Securities (the "**NDS**") decided to assimilate, as of April 20, 2015, 243,932,490 Series J ordinary bearer shares of the Company marked with code PLCFRPT00021 with 216,196,025 shares of the Company marked with code PLCFRPT00013. The assimilated shares were awarded the code PLCFRPT00013.

The above has satisfied a precondition for the listing of the Series J shares on the stock exchange set out in the Resolution of the Management Board of the Warsaw Stock Exchange No. 337/2015 of April 13, 2015 reported by the Company in its current report No. 19/2015 of April 13, 2015.

## Cyfrowy Polsat shares

Date	Maximum price (PLN)	Minimum price (PLN)	Closing price (PLN)	Change (%)	Trade value (PLN ths.)
2015-04-13	24.90	24.46	24.50	-1.53%	2 423
2015-04-14	24.70	24.17	24.45	-0.20%	4 646
2015-04-15	25.00	24.43	25.00	2.25%	10 828
2015-04-16	25.50	24.81	25.50	2.00%	13 571
2015-04-17	25.52	24.80	24.80	-2.75%	19 472



## Investor's calendar

April 30 – May 14, 2015	Closed period prior to the publication of Q1 2015 results
May 14, 2015	Quarterly report for Q1 2015