

Cyfrowy Polsat IR Newsletter

29 December 2014 – 4 January 2015

The press about us	Date	The press about TMT market in Poland
	31.12	<p>Parkiet: Netia – Unjustly paid tax for 2003 will be repaid to the company</p> <p>Upon having reviewed the case once again, the Director of a Tax Chamber in Warsaw changed the earlier decision regarding Netia’s tax liabilities for 2003. In 2010 the Tax Chamber Director determined Netia’s tax liabilities at PLN 34.2 mill. plus interest, in the amount of PLN 25.3 mill. In spite of disagreeing with the above decision, Netia paid the tax. The company did not specify how much would be repaid to it but the estimates put the amount at around PLN 80 mill.</p>
<p>Parkiet: Analysts’ favorites for the stock portfolio for 2015</p> <p>According to analysts, the dividend rate as well as the prospects of a given business will remain the key criteria of stock attractiveness in 2015. <i>“One should be definitely more selective when choosing companies,”</i> convinces Jarosław Niedzialewski, the director responsible for investments at TFI Investors investment fund management company. According to the analysts, it the companies who pay dividend that are the surest option for 2015. According to the experts, the companies which should be popular among investors are the ones which have the biggest chances of benefiting from the expected economic upturn. Cyfrowy Polsat is among the companies picked by the experts in the “Media and IT” industry.</p>	31.12	
	31.12	<p>Puls Biznesu: The Polish-French duo sells TVN</p> <p>The 51-percent stake of TVN shares has been officially put for sale. Preparations for the transaction are well advanced while the top media players from around the world already know about this valuable asset. At present the controlling stakes at TVN are held by N-Vision, a company in which ITI holds a 60-percent stake. The remaining part of the shares are held by the Canal+ Group.</p>

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		<p>The current setup is the result of an agreement signed 2 years ago when the French investor brought about the merger of “n” and “Cyfra” digital media platforms. At that time Canal+ paid EUR 277 mill. for a 40-percent stake of N-Vision, with valuation of PLN 20 per share (which included the relevant portion of the company’s debt). The French firm acquired further 9 percent of N-Vision’s shares at the beginning of 2014, at a similar price per share. Unofficially there is only one major candidate for the remaining stake. It is the US firm Time Warner, the third biggest media-and-entertainment firm in the world, the owner of such brands HBO, CNN or Warner Bros. The value of Time Warner’s shares is equal to the total value of publicly-traded companies in Poland. One of the members of Time Warner’s board of directors is Mathias Dopfner, the CEO of Axel Springer publishing house, and the New York-based firm sells its content to Vivendi.</p>
<p>DGP: The only Bank with a Plus PLUS BANK S.A. aspires to the 2014 QUALITY title in banking. It is the first bank on the market to offer to its clients an attractive package of media, telecommunication and financial services, branded as KONTO PLUS. <i>Each customer opening a KONTO PLUS account is offered a MasterCard™ PayPass debit card which is accepted worldwide. The card is at the same time a Benefits Card in PASZPORT KORZYŚCI loyalty scheme. The card has been developed specifically for the customers of Plus Bank, Cyfrowy Polsat pay-TV and Plus mobile operator. It is their pass to a world of discounts and prizes offered by the program’s partners, says Michał Przybylski, the Director of the Quality and Complaints Office at PLUS BANK S.A. As he stresses, Thanks to our cooperation with Master Card in this project, we are able to implement state-of-the-art, secure tools which enhance the quality and the security of transactions and payments supported by PlusBank.</i></p>	31.12	

Latest events

Press release
December 22, 2014

Plus introduced HD Voice and is working on VoLTE

Plus introduced the HD Voice technology for its customers, which will enhance the quality of connections and improve the comfort of calls. In the first stage the HD Voice service was introduced in Warsaw and part of the Mazovian voivodship as well as the Lublin and Podlaskie voivodships in Eastern Poland. In the first quarter of 2015 the service will be available on the territory of the entire country.

‘The HD Voice service is the next benefit introduced to enhance the comfort of our customers’, says Beata Białkowska, Managing Director of Marketing in Plus and Cyfrowy Polsat. – ‘It is also one of the stages in the preparation to expand Plus’s offer by introducing voice services based on LTE technology – VoLTE. We have already conducted successful tests of this innovative solution’.

VoLTE (Voice over LTE) allows to connect voice calls over the LTE network, which makes it the next leap in quality after HD Voice.

Plus, as the first operator in Poland, together with Cyfrowy Polsat introduced commercial Internet access services in the LTE technology offering transfer speed of 150 Mb/s. What is more, also as the first operator in Poland, Plus demonstrated the possibilities of LTE-Advanced in the 800 MHz band and successfully conducted tests of transferring data with the speed of 300 Mb/s using the LTE-Advanced technology thanks to combining frequencies in the 800 MHz and 2600 MHz bands. It also presented the first in Poland and the first in Europe, on such a large scale, demonstration of video broadcast via wireless network in LTE Broadcast technology (eMBMS).

Latest events

Current report no. 76
December 30, 2014

Dates of publication of periodic reports and information on submitting consolidated periodic reports of Cyfrowy Polsat S.A. in the financial year 2015

The Management Board of Cyfrowy Polsat S.A. (the "Company"), hereby announces the publication dates of periodic reports in 2015.

1. Consolidated quarterly reports:

Quarterly report for Q1 2015 - May 14, 2015

Quarterly report for Q3 2015 - November 12, 2015

2. Consolidated semi-annual report for the 1st half of 2015 - August 26, 2015

3. Annual reports:

Annual report for 2014 - March 4 2015

Consolidated annual report for 2014 - March 4, 2015

In addition, pursuant to the provisions of § 83 sec. 1 and 3 of the Ordinance of the Minister of Finance of February 19, 2009 regarding current and periodic information to be submitted by issuers of securities, and the conditions for recognizing equivalence of information required under non-member states regulations (the "Ordinance"), the Company will not publish stand alone quarterly or semi-annual reports. The Company informs that it is its intention to present in the consolidated quarterly reports in 2015 condensed stand alone financial statements as referred to in § 83 sec. 1 of the Ordinance as well as to present the consolidated semi-annual report for the first half of 2015 including condensed stand alone financial statements for the six months ended June 30, 2015 as referred to § 83 sec. 3 of the Ordinance.

The company also announces that it will not publish a consolidated quarterly report for 4Q 2014 nor a consolidated quarterly report for 2Q 2015 pursuant to the provisions of § 102 sec. 1 and § 101 sec. 2 of the Ordinance.

Legal basis: Article 56 Section 1 item 2 of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies in conjunction with § 103 Section 1 of the Ordinance of the Minister of Finance of February 19, 2009 regarding current and periodic information to be submitted by issuers of securities, and the conditions for recognizing equivalence of information required under non-member states regulations (Dziennik Ustaw from 2009, No. 33, item 259, as amended).

Latest events

Current report no. 77
December 31, 2014

Information on indirect acquisition of shares in Cyfrowy Polsat S.A.

The Management Board of Cyfrowy Polsat S.A. (the "Company") hereby announces that on December 30, 2014, the Company received from Mr. Heronim Ruta and from EVO Foundation, seated in Vadus, Liechtenstein ("the Foundation") and from its subsidiary, EVO Holding Ltd., seated in Road Town, Tortola, British Virgin Islands ("EVO"), the information provided under article 69 of the Act dated July 29, 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies (for consolidated text, see Journal of Law no. 185 of 2009, item 1439 with subsequent amendments) (the "Act on Public Offering"), regarding indirect acquisition of shares in the Company by the Foundation on 23 December 2014.

On December 23, 2014, Sensor Overseas Limited, seated in Nicosia, Cyprus ("Sensor") - the Company's shareholder - issued new shares (representing ca. 76% of Sensor's capital following its increase) which have been taken up by EVO, being a subsidiary of the Foundation, which resulted in Sensor becoming an indirect subsidiary of the Foundation.

Prior to the above mentioned share issue by Sensor, the Foundation did not hold any shares in the Company, either directly or indirectly.

Following the above mentioned share issue by Sensor, the Foundation holds, via Sensor, for which EVO, a subsidiary of the Foundation, is a directly dominant entity, 54,921,546 shares in the Company, constituting 8.59% of the Company's share capital which represent 81,662,921 votes at the general meeting of the Company, which constitutes 9.97% of the total number of votes in the Company, including:

- (a) 26,741,375 privileged registered shares constituting 4.18% of the Company's share capital, representing 53,482,750 votes at the general meeting of the Company, which constitutes 6.53% of the total number of votes in the Company, and
- (b) 28,180,171 bearer shares constituting 4.41% of the Company's share capital, representing 28,180,171 votes at the general meeting of the Company, which constitutes 3.44% of the total number of votes in the Company.

There exist no subsidiaries of the Foundation, other than EVO and Sensor, which hold shares in the Company, either indirectly or directly.

Moreover, the above mentioned issue of shares resulted in loss by Mr. Heronim Ruta of his status of a dominant entity to Sensor.

Prior to the above mentioned share issue by Sensor, Mr. Heronim Ruta held, via Sensor, 54,921,546 shares in the Company, constituting 8.59% of the Company's share capital which represented 81,662,921 at the general meeting of the Company, constituting 9.97% of the total number of votes in the Company, including:

Latest events

(a) 26,741,375 privileged registered shares constituting 4.18% of the Company's share capital, representing 53,482,750 votes at the general meeting of the Company, which constitutes 6.53% of the total number of votes in the Company, and

(b) 28,180,171 bearer shares constituting 4.41% of the Company's share capital, representing 28,180,171 votes at the general meeting of the Company, which constitutes 3.44% of the total number of votes in the Company.

There exist no subsidiaries of Mr. Heronim Ruta which hold shares in the Company.

Legal basis: Article 70 item 1 of the Act of July 29, 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies.

Current report no. 1 January 1, 2015

Information of change of the share in the total number of votes at the general meeting of Cyfrowy Polsat S.A.

The Management Board of Cyfrowy Polsat S.A. (the "Company") hereby announces that on 31 December 2014 it received from Argumenol Investment Company Limited, seated in Nicosia, Cyprus ("Argumenol"), the information provided under article 69 of the Act dated July 29, 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies (for consolidated text, see Journal of Law no. 185 of 2009, item 1439 with subsequent amendments) (the "Act on Public Offering") regarding disposal of the Company's shares on 30 December 2014.

On 30 December 2014 Argumenol disposed to Embud Sp. z o.o. 29,648,775 ordinary series J bearer shares of the Company.

As a result of the above mentioned transaction, Argumenol currently holds 28,415,173 shares of the Company, constituting 4.44 % of the Company's share capital, representing 28,415,173 votes at the general meeting of the Company, which constitutes 3.47 % of the total number of votes in the Company.

Before the above mentioned transaction, Argumenol held 58,063,948 shares of the Company, constituting 9.08 % of the Company's share capital, representing 58,063,948 votes at the general meeting of the Company, which constituted 7.09 % of the total number of votes in the Company.

There exist no subsidiaries of Argumenol which hold shares in the Company and Argumenol is not a party to any agreements whose scope includes transfer of voting rights based on the Company's shares, as defined by Art. 87, section 1, point 3 c of the Act on Public Offering.

Legal basis: Art. 70, point 1 of the Act dated July 29, 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies.

Latest events

Current report no. 2 January 1, 2015

Information of change of the share in the total number of votes at the general meeting of Cyfrowy Polsat S.A.

The Management Board of Cyfrowy Polsat S.A. (the "Company") hereby announces that on 31 December 2014 it received from Embud Sp. z o.o., seated in Warsaw ("Embud"), the information provided under article 69 of the Act dated July 29, 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies (for consolidated text, see Journal of Law no. 185 of 2009, item 1439 with subsequent amendments) (the "Act on Public Offering") regarding acquisition of the Company's shares by Embud on 30 December 2014.

On 30 December 2014 Embud acquired from Argumenol Investment Company Limited, seated in Nicosia, Cyprus ("Argumenol"), 29,648,775 ordinary series J bearer shares of the Company. The transaction was recorded in the securities account on 30 December 2014.

As a result of the above mentioned transaction, Embud currently holds 29,648,775 shares of the Company, constituting 4.64 % of the Company's share capital, representing 29,648,775 votes at the general meeting of the Company, which constitutes 3.62 % of the total number of votes in the Company.

Moreover, on 31 December Embud sent a lock-up letter to the Company, regarding the aforementioned shares, resulting from restriction of sale of the shares by which Argumenol is bound.

On 22 January 2014, Argumenol, in connection with the intended acquisition of 58,063,948 new-issue shares of the Company (the "New-Issue Shares"), made a representation regarding lock-up of these shares ("Lock-Up Letters Argumenol"). The content of the Lock-Up Letters Argumenol was disclosed by the Company in its current report no. 8/2014 of 22 January 2014.

On 30 December 2014 Embud, being a member of the same capital group as Argumenol, acquired from Argumenol 29,648,775 New-Issue Shares covered by the Lock-u Letters Argumenol (the "Acquired Shares").

Bearing in mind Argumenol's obligation to assure that Embud makes a representation to the Company with substantially the same content as the Lock-Up Letter Argumenol, covering the period from the date of acquisition of the Acquired Shares by Embud to a date falling 360 days after the submission of the representation on the acquisition of the Acquired Shares by Argumenol (i.e. since 7 May 2014), Embud made the following representation to the Company:

"Over the period of 360 days since the date of submission of the representation on the acquisition of the Acquired Shares by Argumenol (i.e. since 7 May 2014), Embud shall not offer or sell any Acquired Shares or securities convertible or exchangeable into Acquired Shares or enabling the acquisition of the same through the exercise of rights attached to such securities, nor other rights that enable it to acquire the Acquired Shares, nor other securities or financial instruments valued directly or indirectly with reference to the price of the Acquired Shares being their underlying instruments, including share swaps, futures and options, and shall not enter into any other transaction that may result in an offer or sale of the Acquired

Latest events

Shares, except for transfer to the entities from the same capital group as Embud or entities established by the entities from the same capital group as Embud, provided that prior to the transfer to the entities referred to above, Embud will ensure that such an entity makes a representation to the Company with substantially the same content as this representation, covering the period from the date of acquisition of the Acquired Shares by such an entity to a date falling 360 days after the submission of the representation on acquisition of the New-Issue Shares by Argumenol.

For the avoidance of doubt, the restrictions referred to in the preceding paragraph do not exclude the right of Embud to encumber with any right in rem all, part or any of the Acquired Shares, or any other security interest, including, without limitation, pledge (in any form whatsoever) on all, part or any of the Acquired Shares."

Embud did not hold any shares in the Company prior to the above mentioned acquisition of the Company's shares.

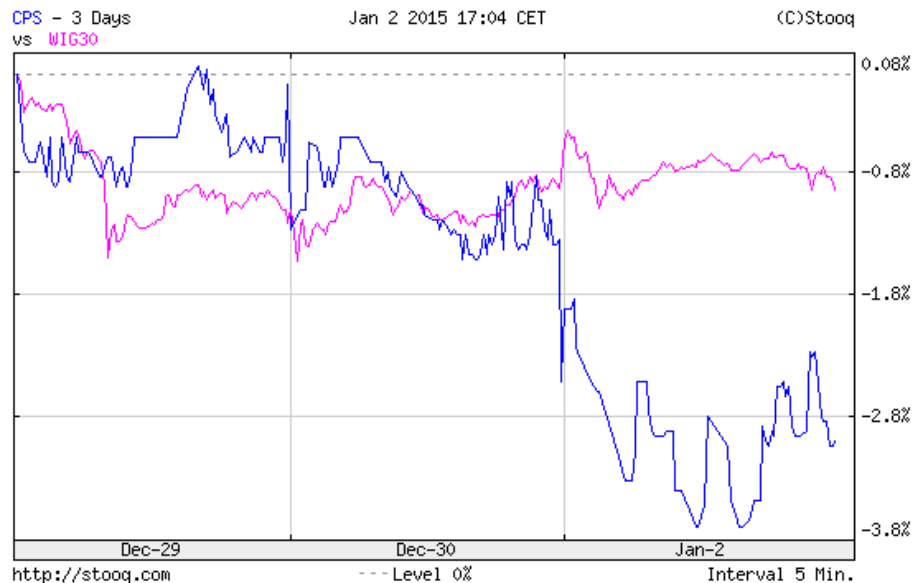
Embud intends to increase the share in the total number of votes at the general meeting of the Company over a period of 12 months since submitting this information.

There exist no subsidiaries of Embud which hold shares in the Company and Embud is not a party to any agreements whose scope includes transfer of voting rights based on the Company's shares, as defined by Art. 87, section 1, point 3 c of the Act on Public Offering.

Legal basis: Art. 70, point 1 of the Act dated July 29, 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies.

Cyfrowy Polsat shares

Date	Maximum price (PLN)	Minimum price (PLN)	Closing price (PLN)	Change (%)	Trade value (PLN ths.)
29-12-2014	24.15	23.84	24.11	-0.21	7129.53
30-12-2014	24	23.5	23.5	-2.53	9972.44
31-12-2014					
01-01-2015					
02-01-2015	23.67	23.2	23.38	-0.51	3623.85



Investor's calendar

January 16, 2015	Extraordinary General Meeting of the Company
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