

# CYFROWY POLSAT S.A.

Current report: **16/2009**

Date of report: **15 April 2009**

**Subject: Initiation of antimonopoly proceedings by the Office of Competition and Customer Protection**

The Management Board of Cyfrowy Polsat S.A. („the Company”) informs that on 14 April 2009 it received a note about ex-officio initiation of antimonopoly proceedings against the Company due to abuse of the dominant position on the domestic market of sale of rights for public broadcasting of Euro2008 event involving imposing onerous agreement conditions, resulting in unjustified benefits through dependence of sale of rights to public broadcast of Euro 2008 event on the purchase of a set-top box and technical support, which, according to the Office of Competition and Customer Protection („UOKiK”) may constitute a breach of art. 9 section 2 point 6 of the Law of 16 February 2007 on competition and customer protection.

Within the Euro2008 promotional activities, aimed exclusively at entrepreneurs, such as bars, pubs, and restaurants, the sale of rights to public broadcasting of signal from Euro2008 event was never made dependent on the purchase of a set-top box and the technical support.

Cyfrowy Polsat S.A., upon conclusion of agreements within the Euro2008 event, acted as a proxy of the entity holding the rights to public broadcasting of Euro2008 event only. The Company never held rights to sell rights to public broadcasting of Euro2008 event, as it was not the owner of copyrights, or related rights, nor it was a holder of a license.

Due to the aforementioned reasons, the Company believes that the initiated proceedings are baseless and it intends to submit their opinion on that matter before UOKiK soon.

Pursuant to art. 106 of the competition and customer protection, the President of the Office of Competition and Customer Protection may impose a cash penalty on an entrepreneur, at a level not exceeding 10% of the revenue of the previous fiscal year, prior to the year of the penalty administration. The period, the severity, the circumstances, and also previous cases of breach of the provisions of law are all considered upon determination of the cash penalty level.

The number of set-top boxes sold within the Euro2008 offer constituted mere 0.16% of gross acquisitions in 2008 and practically undetectable share in the revenues of the company.

Legal grounds: Paragraph 5 section 1 point 8 of the Decree of the Finance Minister of 19 February 2009 on ongoing and periodical information submitted by issuers of securities, and conditions of their acceptance as equivalent, required by the laws of a country not being a member state.

Signed by:

/p/ Dominik Libicki

Dominik Libicki, President of the Management Board