

CYFROWY POLSAT S.A.

Current report No. **50/2014**

Report Date: **May 23, 2014**

Subject: Acquisition of assets carrying a significant value by Cyfrowy Polsat S.A (share capital increase in a subsidiary of Cyfrowy Polsat S.A. - Metelem Holding Company Limited)

The Management Board of Cyfrowy Polsat S.A. (the “**Company**”) hereby announces that the Company acquired 212,000 new ordinary shares (the “**New Shares**”) in the increased share capital of its subsidiary - Metelem Holding Company Limited (“**Metelem**”), with the nominal value of EUR 1 (i.e. approx. PLN 4.15 at the average exchange rate of the Polish National Bank as at 23 May 2014) per share and the issue price of EUR 1,000 (i.e. approx. PLN 4,152 at the average exchange rate of the Polish National Bank as at 23 May 2014) per share. The total issue price for the New Shares amounts to EUR 212,000,000 (i.e. approx. PLN 880,308,800 at the average exchange rate of the Polish National Bank as at 23 May 2014). The total book value of the New Shares amounts to PLN 883,515,437.80.

The New Shares represent approx. 9.6% of the share capital of Metelem and carry approx. 9.6% of the voting rights at the Shareholders’ Meeting of Metelem.

Prior to the share capital increase in Metelem, the Company held 2,000,325 shares in Metelem with the nominal value of EUR 1 per share and the total nominal value of EUR 2,000,325 (i.e. approx. PLN 8,306,149.53 at the average exchange rate of the Polish National Bank as at 23 May 2014), representing 100% of the share capital of Metelem. Currently, the Company holds 2,212,325 shares in Metelem with the nominal value of EUR 1 per share and the total nominal value of EUR 2,212,325 (i.e. approx. PLN 9,186,458.33 at the average exchange rate of the Polish National Bank as at 23 May 2014), which still represent 100% of the share capital of Metelem.

The New Shares are held by the Company as a long-term capital investment. The acquisition of the New Shares was financed from the Company’s own funds and the funds from the term facility and the revolving facility granted to the Company pursuant to the Senior Facilities Agreement of 11 April 2014 of which the Company gave notice in its current report No. 26/2014 of 11 April 2014.

The Company is the sole shareholder of Metelem. There are no other links between the Company, the persons managing or supervising the Company and Metelem as well as persons managing Metelem.

The New Shares are deemed to constitute assets carrying a significant value since their aggregate value exceeds 10% of the revenues of the Company’s capital group for the last four financial quarters.

The share capital increase in Metelem is one of the actions aimed at changing the structure of the indebtedness of Metelem group by way of the repayment by Eileme 1 AB (publ), Metelem subsidiary, of its indebtedness under PIK Notes due in 2020, bearing interest at 14.25%, of which the Company gave notice in its current report No. 34/2014 of 30 April 2014.

Legal basis: Art. 56 Section 1 Clause 2 of the Act of 29 July 2005 on Public Offering and the Conditions of Introducing Financial Instruments to an Organized Trading and on Public Companies in connection with § 5 Section 1 Clause 1 of the Ordinance of the Minister of Finance of 19 February 2009 on current and periodic information releases by the issuers of securities and the conditions of accepting as equivalent of information required by the laws of a non-member state.

Signed by:

/s/ Dominik Libicki

Dominik Libicki
President of the Management Board