

# CYFROWY POLSAT S.A.

Current report No. **10/2017**

Report Date: **March 5, 2017**

Subject: **Information regarding estimated consolidated financial results for the fourth quarter of 2017**

Pursuant to the internal reporting standards, adopted at the level of Cyfrowy Polsat S.A. (the “**Company**”) and the Company’s capital group (“**Polsat Group**”), and in order to ensure complete and fair communication with the participants of the capital market, the Management Board of the Company hereby publishes information regarding an event that had a one-off negative impact on the financial results of Polsat Group in the fourth quarter of 2017.

The Company has analyzed the effect of changes in legislation on corporate income tax, applicable from January 1, 2018, on the value of deferred income tax assets and liabilities recognized in the consolidated balance sheet of Polsat Group as at December 31, 2017.

In accordance with the International Financial Reporting Standards deferred income tax assets and liabilities are recognized in the consolidated balance sheet of Polsat Group in relation to the carrying and tax values relating to individual elements of Polsat Group’s net assets.

The analysis resulted in the necessity to increase the value of the item “Deferred income tax liabilities” in the consolidated balance sheet of Polsat Group as at December 31, 2017 by the amount of ca. PLN 144 million. The abovedescribed change in the balance of deferred income tax liabilities is of non-cash nature and is included in the “Income tax” item in Polsat Group’s consolidated income statement and decreased the consolidated net profit in the fourth quarter of 2017. The above change in the deferred income tax liability is a consequence of enacted limitations on tax-deductible expenses in the following years but relating to assets recognised in the consolidated balance sheet as at December 31, 2017.

The values and information provided hereinabove represent estimates. The final values, which will be published in the consolidated financial statements of Polsat Group for the fourth quarter of 2016, may differ from values provided hereinabove.

*Legal basis: Article 17 Section 1 of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.*

Signed by:

/s/ Tobias Solorz

Tobias Solorz  
President of the Management Board