

CYFROWY POLSAT S.A.

Current report No. **24/2019**

Report Date: **July 31, 2019**

Subject: **Information regarding estimated consolidated financial results for the second quarter of 2019**

Pursuant to the internal reporting standards, adopted at the level of Cyfrowy Polsat S.A. (the “**Company**”) and the Company’s capital group (“**Cyfrowy Polsat Group**”, the “**Capital 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 will have a one-off negative impact on the consolidated financial results of Cyfrowy Polsat Group in the second quarter of 2019.

In connection with a possibility resulting from the regulations introduced by the Journal of Laws No. 2018.2193 dated November 23, 2018 and binding since January 1, 2019, introducing amendments to the Personal Income Tax Act, the Corporate Income Tax Act, the Tax Ordinance Act and certain other acts (the “**Amended Tax Acts**”), the Company’s Management Board informs that it resolved to choose and pay within the statutory deadline a flat-rate tax on the interest and discount due on:

- bonds issued by the Company on May 20, 2011 and repurchased in 2014 with a total nominal value of EUR 350.0 million.

At the same time, the Management Board of the Company hereby informs that on July 31, 2019 it obtained information about a decision made by the Management Board of Polkomtel Sp. z o.o. (“**Polkomtel**”), a subsidiary of the Company, which resolved to choose and pay within the statutory deadline a flat-rate tax on the interest and discount due on:

- bonds issued by Spartan Capital Holding sp. z o.o. („**Spartan**”), a company whose legal successor, following the merger conducted in 2013, is Polkomtel, on January 26, 2012 and repurchased in 2016 with a total nominal value of EUR 542.5 million;
- bonds issued by Spartan on January 26, 2012 and repurchased in 2016 with a total nominal value of USD 500.0 million;
- bonds issued by Spartan on January 26, 2012 and repurchased in 2016 with a total nominal value of USD 201.0 million.

The choice of a flat rate taxation in the amount of 3% of the tax base shall apply to the relevant interest periods of the above mentioned bonds and shall be charged as a one-off item to the “Finance costs, net” line of the consolidated income statement of the Cyfrowy Polsat Group in the total amount of PLN 70.1 million, thus decreasing the consolidated net profit for the second quarter of 2019. Simultaneously, in accordance with the requirements of the Amended Tax Acts, the Company and Polkomtel intend to effect payments making up the above mentioned total amount to the benefit of the Second Mazovian Tax Office in Warsaw by July 31, 2019.

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/ Katarzyna Ostap-Tomann

Katarzyna Ostap-Tomann
Member of the Management Board

/s/ Tomasz Gillner-Gorywoda

Tomasz Gillner-Gorywoda
Proxy