

CYFROWY POLSAT S.A.

Current report No. **44/2015**

Report Date: **September 21, 2015**

Subject: **Initial information regarding the consolidated financial results for the third quarter of 2015**

In order to ensure uniform and thorough communication with all the participants of the capital market, the Management Board of Cyfrowy Polsat S.A. (the "**Company**") hereby publishes information regarding decisions which have a material impact on the results of the Company's capital group ("**Polsat Group**") in the third quarter of 2015.

In connection with the senior facilities agreement concluded on September 21, 2015, of which the Company informed in current report no. 42/2015 dated September 21, 2015, the Management Board decided that the acquired funds shall be used to repay indebtedness under the following agreements:

- (i) the senior facilities agreement (the "**CP SFA**") of April 11, 2014, of which the Company informed in current report no. 26/2014 dated April 11, 2014;
- (ii) the senior facilities agreement concluded on June 17, 2013 between Polkomtel sp. z o.o., Eileme 2 AB (publ), Eileme 3 AB (publ), and Eileme 4 AB (publ) and a consortium of Polish and international banks and financial institutions (the "**PLK SFA**");
- (iii) the indenture regarding the issue of senior notes by Eileme 2 AB (publ) for a total nominal amount of EUR 542.5 million and USD 500.0 million, maturing in 2020 (the "**PLK Senior Notes**") concluded on January 26, 2012 between on one side: Eileme 2 AB (publ), Eileme 3 AB (publ), Eileme 4 AB (publ), Spartan Capital Holdings sp. z o.o. (whose legal successor is Polkomtel sp. z o.o.) and Ortholuck Limited, and on the other side: Citibank, N.A., London Branch, Citibank, N.A., New York Branch and Citigroup Global Markets Deutschland AG.

As a consequence of the Management Board's decision described above and in accordance with the IFRS, expected future cash flows will change, which will in turn impact the valuation of loans and borrowings and issued bonds in the consolidated financial statements of Polsat Group for the third quarter of 2015. The abovementioned change will result in:

- (i) a write-off of a significant part of the surplus on the fair valuation of the PLK Senior Notes over their nominal value, as at the date of acquisition of Metelem Holding Company Limited, in the amount of ca. PLN 780 million;
- (ii) a write-off of the costs of acquisition of financing under the CP SFA and PLK SFA in the amount of ca. PLN 66 million;
- (iii) the recognition of a provision for the premium for the premature redemption of the PLK Senior Notes in the amount of ca. PLN 242 million.

The operations described above will have an overall positive effect on the gross consolidated financial result of Polsat Group for the third quarter of 2015 in the amount of ca. PLN 472 million.

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 third quarter of 2015, may differ from values provided hereinabove.

Concurrently, the Management Board of the Company emphasizes that the event described above is of a one-off, non-cash nature and will not impact the operations of Polsat Group.

Legal basis: Article 56 Section 1 Clause 1 of the Act of July 29, 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies

Signed by:

/s/ Tomasz Gillner-Gorywoda

Tomasz Gillner-Gorywoda
President of the Management Board