

CYFROWY POLSAT S.A.

Current report No. 4/2019

Report Date: February 7, 2019

Subject: **Information regarding a letter from the representative of the majority shareholder on dividend policy of Cyfrowy Polsat**

Pursuant to the internal reporting standards, adopted at the level of Cyfrowy Polsat S.A. (the "Company", "Cyfrowy Polsat") and the Company's capital group ("Cyfrowy Polsat Group"), and in order to ensure complete and fair communication with the participants of the capital market, the Management Board of the Company informs that on February 7, 2019 it received a letter from Mr. Zygmunt Solorz, acting on behalf of the majority shareholder of Cyfrowy Polsat, with a request that the Management Board considers changes to the dividend policy of the Company.

Mr. Zygmunt Solorz proposed that the dividends to be paid to the Company's shareholders during the nearest three years would amount to at least approximately PLN 1.8 billion in total.

In particular, the request includes that an annual dividend amount is set at a level of at least 4% of the average capitalization of the Company from December 2018, i.e., approximately PLN 0.93 per share. The nominal annual amount of the new dividend, calculated in such a manner, could be paid by the Company in three consecutive years.

In the opinion of Mr. Zygmunt Solorz, Cyfrowy Polsat Group, which has been built for a number of years by joint effort and with significant support from minority shareholders, has today solid foundations represented by sound assets and recurrent cash flows. Simultaneously, the very good relations with the banks and Cyfrowy Polsat's bondholders, which have been built for many years, grant the Company an access to financing of its further development. Furthermore, Mr. Zygmunt Solorz informed that he has received repeated suggestions from the minority shareholders of Cyfrowy Polsat concerning distribution of the Company's profits, which has been on a relatively low level since the moment of acquiring Polkomtel company back in 2014. According to Mr. Zygmunt Solorz, the dividend based on the above assumptions shall represent a sound compromise between fair and recurrent distributions to the Company's shareholders and its further deleveraging.

The Management Board of the Company informs that, in response to the above mentioned letter, it shall review the plans of Cyfrowy Polsat Group with an aim to evaluate possibilities of allocating the cash resources to accommodate expectations with respect to dividend payments expressed by the representative of the majority shareholder.

After performing the evaluation, the Management Board shall review the existing dividend policy of the Company for its potential modification. The Management Board shall ensure that the new dividend policy does not interrupt the concept of the Company's development. The Management Board estimates, that the verification process shall be completed in March 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/ Aneta Jaskólska

Aneta Jaskólska
Member of the Management Board