

Current Report no 11/2014

From: **Kino Polska TV S.A.**

Issued on: March 14, 2014

Subject: **Conclusion of a material agreement by a subsidiary**

Legal basis: Art. 56 sec.1 point 2 of the Act on Public Offering - current and periodic information

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The Management Board of Kino Polska TV S.A. (the "Issuer") announces that it received information on the conclusion between Kino Polska Program Sp. z o.o. SKA (a subsidiary of the Issuer), ITI Neovision S.A. and Canal + Cyfrowy S.A. of a tripartite Agreement (the „Agreement”) as of March 13, 2014.

This Agreement was concluded, inter alia, in connection with the merger of the platform "n" and "Cyfra +" and is a continuation of previously existing separate agreements with ITI Neovision S.A. and Canal + Cyfrowy S.A., concerning the distribution of the channel Kino Polska.

Under this Agreement, Kino Polska Program Sp. z o.o. SKA (the “Licensor”) grants to ITI Neovision S.A. and Canal + Cyfrowy S.A. a paid and non-exclusive license, including, among others, the right to include the TV program under the name "Kino Polska" (the "Program") to the programming offer of these entities, provided both via the prepaid access cards and on the basis of subscription agreements, and also the right to broadcasting of the Program on the territory of Poland, on the platform "nc + ", " n "and" Cyfra + ", via analogue, digital system; by means of satellite (DTH), cable way and via IPTV systems. The Licensor hereby agrees to include "Kino Polska" to a package of TV programs offered on the territory of Poland by Cyfrowy Dom Sp. z o.o.

In exchange for the above-mentioned rights, the Licensor is entitled to a monthly salary based on the market conditions, depending on the number of subscribers to the Program, gained in accordance with the Agreement

In addition, under this Agreement, Canal + Cyfrowy S.A. shall undertake to carry out of technical services necessary for the satellite signal distribution of the Program in exchange for a monthly flat rate fee, not departing from common reasonable market rates.

The Agreement was concluded for a fixed term until December 31, 2016. At the end of this period, the Agreement shall be automatically extended for successive annual periods - under the same conditions – unless either party fails to submit to the other party of the termination of this Agreement, not later than 3 (three) months before the first 3-year term of the Agreement, in the case of its extension - before the end of the next annual periods of the Agreement.

The hereinafter agreement does not provide for a condition or term or contractual penalties that may exceed the maximum amount of 10% of the agreement's value or the equivalent of EUR 200 000.

The criterion for considering this agreement is significant is the fact that the total value of the expected duration exceeds 10% of the equity of the Issuer.

Legal basis:

§ 5 sec. 1 point 3 and §9 of the Ordinance of the Minister of Finance as of February 19, 2009 on current and periodic information published by issuers of securities and conditions for recognizing as equivalent information required by the law of a non-member state (Journal of Laws of 2009 No. 33, item 259 with later amendment).

Signed by:

Piotr Reisch, President of the Management Board  
Bogusław Kisielewski, Member of the Management Board