

Current report No. 2/2017

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

Prepared on: 20 January 2017

Subject: **Information on the write-off of a subsidiary**

Legal basis: Article 17, clause 1 of the MAR - inside information

Contents of the report:

The Management Board of Kino Polska TV S.A. („the Company”, „the Issuer”) hereby informs about a recognition of the need to establish an impairment of the Issuer’s subsidiary – Cyfrowe Repozytorium Filmowe Sp. z o.o. (“the CRF”).

The need to establish an impairment results from the information which has been received by the Management Board today, i.e. 20 January 2017, on fact that Centrum Projektów Polska Cyfrowa negatively rated an application filed under Program Operacyjny Polska Cyfrowa (“the Program”) which indirect beneficiary was to be the CRF.

The above-mentioned Program was included in the business plan of the CRF. Participation in the Program was supposed to bring CRF a growth of revenue and EBIT margin from 2017 for the segment digitization and archiving.

Indicated impairment, according to the estimation of the Management Board on the date of this report, will reduce the financial result in the consolidated financial statements of the Issuer’s Capital Group for 2016 by the amount of PLN 1 934 thousand (write-off concerns the value of the company and selected intangible assets). It will also reduce the financial result in the separate financial statements of the Company for the year 2016 by PLN 3 922 thousand (the write-off concerns the value of shares of the Issuer and loan granted to this company along with accrued interest).

Signed by:

Bogusław Kisielewski – President of the Management Board

Marcin Kowalski – Member of the Management Board