



Dear Shareholders,

On behalf of the Management Board of Midas S.A., I provide you with the 2015 annual report of Midas S.A. This document summarises the financial performance and major events concerning Midas S.A. in 2015.

The year 2015 was a subsequent year of the implementation of the strategy involving an intensive expansion of coverage and capacity in the LTE and HSPA+ network. As at the end of 2015 our LTE network covered almost 97% of the population of Poland. A dynamic increase in coverage as well as a high quality of services provided were reflected in the results of the network quality tests carried out by the OEC. Such outstanding quality of services provided is particularly important for our wholesale client as it allows the same to attract new users of mobile data transmission broadband services. This in turn leads to increased data consumption volumes and has a beneficial effect on the financial results of the Company and the entire Midas Group.

In 2015, business as well as market environments of the Midas Group were significantly changing. There was a noticeable growth in the consumption of telecommunications services based on broadband data transmission, the auction of 800 MHz range frequencies conducted by the President of the OEC was finished, and competition between operators as to Internet access services intensified.

In this context, I consider it very important for another order for data transmission services to be accepted from Polkomtel which, due to its volume, permits the Midas Group to finance its current operations and further development, and secures the financial liquidity of the Midas Group.

In March 2015, Midas Group companies entered into the Supply Agreement and the Wholesale Agreement with Sferia, and thus the Midas Capital Group initiated the development of the LTE800 network, and was able to offer its clients additional network capacity generated in the 800 MHz range and to extend the coverage of LTE technology-based services.

The acquisition of the majority block of shares in Sferia allowed the Group to access 800 MHz frequencies, which will enable the highest level of services rendered to companies from the Cyfrowy Polsat Capital Group to be maintained during the validity of the order for wholesale data supply.

Consequently, Midas' offer will permit our clients to strengthen the leading position on the mobile Internet market. Also, the Midas Group will be able to continue to build value for the Shareholders.

On behalf of the Management Board of Midas S.A., I would like to express my sincere thanks for your trust, and I encourage you to read the financial statements and the management report on Midas' operations for 2015.

Yours respectfully,

Krzysztof Adaszewski

President of the Management Board