

Current Report No. 11/2014

Drawn up on: 29 May 2014

Subject: Updating information concerning the judgement of the Supreme Administrative Court regarding frequency reservations.

Legal basis: Article 56 par. 5 of the Public Offering Act - update of information

With respect to Current Report No. 9/2014 of 29 May 2014 on the issuance of a judgement of the Supreme Administrative Court ("NSA") concerning frequency reservations in the 1710-1730 MHz and the 1805-1825 MHz ranges, issued for the companies CenterNet S.A. with its registered office in Warsaw ("CenterNet") and Mobyland Sp. z o.o. with its registered office in Warsaw ("Mobyland"), the Management Board of Midas S.A. (the "Company" or "Midas") provides information concerning the main motives for an oral justification of today's NSA decision together with the standpoint of the Management Board concerning the influence of the NSA judgement on the situation and operations of the Midas Capital Group. The aforementioned judgement of the NSA is final.

The Management Board of the Company hereby wishes to again point out that the judgement of the Province Administrative Court in Warsaw ("WSAW") of 19 November 2012 (described in Current Report No. 53/2012), which was upheld as a result of today's NSA decision, concerned the dismissal of the merits of the case involving the complaint by Polska Telefonia Cyfrowa Sp. z o.o. (currently T-Mobile Polska S.A., hereinafter "T-Mobile") against the decision of the President of the Office of Electronic Communications ("President of the UKE") in the matter of frequency reservations from the 1710-1730 MHz and 1805-1825 MHz ranges. In the aforementioned decision, the President of the UKE granted this reservation to CenterNet and Mobyland and refused to grant the reservation to T-Mobile, among others.

In the oral motives for today's decision, the NSA did not share the objection of T-Mobile's last-resort appeal against the WSAW judgement of 19 November 2012, concerning invalidity of the proceedings, based on the assertion that T-Mobile's attorney had been incorrectly notified about the hearing before the WSAW. In the NSA's assessment, calling into question the manner of delivering judicial correspondence necessitated carrying out complaint proceedings against Poczta Polska (the Polish Mail) in advance. Only conducting such proceedings made it possible to effectively overturn the supposition of a correct delivery, and, as the NSA pointed out, T-Mobile did not make such a complaint. The NSA also referred to the objections of T-Mobile concerning a breach of Article 114 par. 3 of the Telecommunications Law, holding – like the WSAW – that they were unjustified. In the NSA's assessment, the frequency reservation was made correctly by the President of the UKE in 2007. The NSA also pointed out that the NSA's judgement of 8 May 2014 concerning a tender for a frequency reservation was of no importance in deciding this case.

On the basis of the information obtained so far, the Management Board of the Company considers that today's NSA judgement, after almost seven years since granting frequency reservations to CenterNet and Mobyland, has finally and with legal validity ended the dispute concerning the aforementioned reservations and confirmed the correctness of the reservation proceedings conducted by the President of the UKE in 2007. In the assessment of the Management Board of Midas, the companies CenterNet and Mobyland can therefore continue to make full use of the frequencies granted to them until 2022, and can therefore still carry out the objectives assumed in the operations of the Midas Capital Group.