

Current Report No. 8/2014

Drawn up on: 8 May 2014

Subject: Updating information concerning the judgement of the Supreme Administrative Court concerning a tender for frequency reservations.

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

With respect to Current Report No. 7/2014 of 8 May 2014 on the issuance of a judgement of the Supreme Administrative Court ("NSA") concerning a tender for two frequency reservations in the 1710-1730 MHz and the 1805-1825 MHz ranges (the "Tender"), 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 an assessment of the influence of the NSA judgement on the situation and operations of the Midas Capital Group. The aforementioned judgement of the NSA is final.

It follows from the information received from the attorney ad litem of the subsidiaries of Midas – CenterNet S.A and Mobyland Sp. z o.o. (hereinafter "CenterNet" and "Mobyland" respectively) – that in the oral motives of today's judgement, the NSA indicated that in its assessment the previous judgement of the NSA issued in this case (judgement of 3 February 2011, case file No. II GSK 88/10) had determined that the President of the UKE should have invalidated the tender in its entirety. The NSA pointed out that in the judgement of 3 February 2011, for the need to issue an opposing decision to the one to date, and considering the fact that Article 118d par. 1 of the Telecommunications Law ("TL") did not permit the possibility of a partial invalidation of the tender, the above meant that the President of the UKE should have invalidated the tender in its entirety. Also, the NSA did not share the argument of the last-resort appeals brought by subsidiaries of Midas, indicating the possibility of a partial invalidation of the tender on the basis of Article 118d par. 1 of the Telecommunications Law. In the assessment of the NSA, this provision does not permit such a possibility. But even if it were possible, partial invalidation would not be able to take place with reference to one of the entities taking part in the tender (as had happened in this case in 2011). Any partial invalidation of the tender might at best refer to the subject, not the participants.

On the basis of the information received so far, the Management Board of the Company believes that today's NSA judgement will have no influence on the possibility of continuing the existing operations of CenterNet and Mobyland. This means that these companies can still make full use of the frequencies granted to them, and can therefore still carry out the objectives assumed in the operations of the Midas Capital Group. At the same time, the Management Board of the Company is not currently able to foresee the direction or scope of further actions in this case being taken in the future by those participating in these proceedings. The Company, CenterNet and Mobyland are currently awaiting the service of the copy of the NSA judgement with its justification, and on the basis of its analysis a decision will be made regarding further steps to be taken in this case.