The Capital Group
Midas Spółka Akcyjna

Interim consolidated report
for the 6-month period ended 30 June 2014

PSr 1/2014

Place and date of publication: Warsaw, 1 September 2014

CONTENT OF THE REPORT:

SELECTED FINANCIAL DATA OF THE MIDAS CAPITAL GROUP

	6-month period ended 30 June 2014	**6-month period ended 30 June 2013**	**6-month period ended 30 June 2014 in EUR '000**	**6-month period ended 30 June 2013 in EUR '000**
Revenues from sales	139,346	92,561	33,349	21,965
Loss on operating activities	(149,486)	(95,859)	(35,776)	(22,748)
Loss before taxation	(163,928)	(98,394)	(39,232)	(23,349)
Net profit on continuing operations attributable to shareholders of the parent	(160,052)	(79,871)	(38,304)	(18,954)
Net cash flow from operating activities	1,685	(97,829)	403	(23,215)
Net cash flow from investing activities	(59,635)	(42,176)	(14,272)	(10,009)
Net cash flow from financing activities	51,063	196,347	12,221	46,594
Average weighted number of shares	1,479,666,750	1,479,663,960	1,479,666,750	1,479,663,960
Basic loss from continuing operations per ordinary share (in PLN)	(0.11)	(0.05)	(0.03)	(0.01)

	As at 30 June 2014	**As at 31 December 2013**	**As at 30 June 2014 in EUR '000**	**As at 31 December 2013 in EUR '000**
Total assets	1,433,699	1,482,769	344,565	357,535
Total liabilities	830,625	719,643	199,626	173,525
Non-current liabilities	552,180	482,565	132,707	116,359
Current liabilities	278,445	237,078	66,919	57,166
Equity attributable to shareholders of the parent	603,074	763,126	144,938	184,010
Share capital	147,967	147,967	35,561	35,679

SELECTED FINANCIAL DATA OF MIDAS S.A.

	6-month period ended 30 June 2014	**6-month period ended 30 June 2013**	**6-month period ended 30 June 2014 in EUR '000**	**6-month period ended 30 June 2013 in EUR '000**
Revenues from core operating activities	23,912	5,896	5,723	1,399
Profit / (loss) on operating activities	3,794	(1,371)	908	(325)
Profit before taxation	4,178	1,392	1,000	330
Net profit on continuing operations attributable to shareholders of the Company	4,178	1,392	1,000	330
Net cash flow from operating activities	(42,554)	(124,235)	(10,184)	(29,482)
Net cash flow from investing activities	17	(142)	4	(34)
Net cash flow from financing activities	(2,832)	171,632	(678)	40,729
Average weighted number of shares	1,479,666,750	1,479,663,960	1,479,666,750	1,479,663,960
Basic profit on continuing operations per ordinary share (in PLN)	0.0028	0.0009	0.00068	0.0002

	As at 30 June 2014	**As at 31 December 2013**	**As at 30 June 2014 in EUR '000**	**As at 31 December 2013 in EUR '000**
Total assets	1,598,464	1,525,742	384,163	367,897
Total liabilities	382,564	313,722	91,943	75,647
Non-current liabilities	380,523	313,123	91,452	75,502
Current liabilities	2,041	599	491	144
Equity attributable to the shareholders of the Issuer	1,215,900	1,212,020	292,220	292,250
Share capital	147,967	147,967	35,561	35,679

Selected items from the interim condensed consolidated and interim condensed non-consolidated statements of financial position presented in EUR were converted using the average EUR exchange rate announced by the National Bank of Poland on 30 June 2014: 4.1609 PLN/EUR, and on 31 December 2013: 4.1472 PLN/EUR.

Selected items from the interim condensed consolidated and interim condensed non-consolidated statement of comprehensive income and from the interim condensed consolidated and the interim condensed non-consolidated statement of cash flow were converted into EUR using the exchange rate announced by the National Bank of Poland, being the arithmetic mean of average EUR exchange rates which were in effect on the last day of each completed month in the 6-month period ended 30 June 2014 and the 6-month period ended 30 June 2013 (4.1784 PLN/EUR and 4.2140 PLN/EUR respectively).

The Capital Group of
MIDAS Spółka Akcyjna

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2014
TOGETHER WITH INDEPENDENT AUDITORS' REPORT

(in PLN '000, except for items otherwise indicated)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the 6-month period ended 30 June 2014

	Note	3-month period ended 30 June 2014 *(unaudited)*	6-month period ended 30 June 2014 *(unaudited)*	3-month period ended 30 June 2013 *(unaudited, restated)*	6-month period ended 30 June 2013 *(unaudited, restated)*
Continuing operations					
Revenue from the sale of goods and services	9	72,452	139,346	49,605	92,561
Depreciation and amortisation	10	(30,403)	(59,392)	(28,122)	(54,121)
Wages and salaries	10	(2,211)	(4,275)	(1,516)	(2,862)
Costs related to the telecommunications network	10	(97,665)	(199,778)	(57,330)	(109,121)
Taxes and charges	10	(7,178)	(13,787)	(6,969)	(14,309)
Other costs by type	10	(7,384)	(13,934)	(4,763)	(8,494)
Other operating income	11	1,379	2,713	1,210	2,333
Other operating expenses	12	(109)	(379)	(743)	(1,846)
Loss on operating activities		**(71,119)**	**(149,486)**	**(48,628)**	**(95,859)**
Finance income	13	1,341	1,899	2,000	3,675
Financial costs	14	(8,421)	(16,341)	(5,795)	(6,210)
Loss on financial activities		**(7,080)**	**(14,442)**	**(3,795)**	**(2,535)**
Loss before taxation		**(78,199)**	**(163,928)**	**(52,423)**	**(98,394)**
Current income tax		-	-	-	-
Deferred tax	15	705	3,876	16,475	18,523
Total income tax		**705**	**3,876**	**16,475**	**18,523**
Net loss on continuing operations		**(77,494)**	**(160,052)**	**(35,948)**	**(79,871)**
Net profit/ (loss) from discontinued operations		**-**	**-**	**-**	**-**
Net loss		**(77,494)**	**(160,052)**	**(35,948)**	**(79,871)**
Other comprehensive income		**-**	**-**	**-**	**-**
COMPREHENSIVE LOSS		**(77,494)**	**(160,052)**	**(35,948)**	**(79,871)**
Attributable to:					
shares of shareholders of the parent		(77,494)	(160,052)	(35,948)	(79,871)
non-controlling interests		-	-	-	-
Average weighted number of ordinary shares		1,479,666,750	1,479,666,750	1,479,666,188	1,479,663,960
Net loss on continuing operations per 1 share attributable to shareholders of the parent (in PLN)		(0.05)	(0.11)	(0.02)	(0.05)

Krzysztof Adaszewski
/President of the Management Board/
/on behalf of SFERIA Spółka Akcyjna/

Maciej Kotlicki

Teresa Rogala
/Vice-President of the Management Board/

(in PLN ‘000, except for items otherwise indicated)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 June 2014

	Note	30 June 2014 *(unaudited)*	31 December 2013
ASSETS			
Non-current assets			
Property, plant and equipment	16	410,024	403,440
Intangible assets	17	741,443	779,239
goodwill of subsidiaries		41,231	41,231
value of frequency reservations		697,326	734,554
other intangible assets		2,886	3,454
Other financial assets	20	48,099	61,860
Non-current receivables	19	33,652	26,262
Other non-financial assets		2,793	2,872
Deferred income tax assets	15	10,417	11,050
Total non-current assets		**1,246,428**	**1,284,723**
Current assets			
Inventories		186	187
Trade and other receivables	19	77,180	95,797
Other financial assets	20	15,397	1,040
Cash and cash equivalents		93,360	100,247
Current settlements		1,148	775
Total current assets		**187,271**	**198,046**
Total assets		**1,433,699**	**1,482,769**

	Note	30 June 2014 *(unaudited)*	31 December 2013
EQUITY AND LIABILITIES			
Equity			
attributable to shareholders of the parent, of which:			
Share capital		147,967	147,967
Supplementary capital		1,140,765	1,140,765
Uncovered losses		(685,658)	(525,606)
Accumulated losses		(525,606)	(319,056)
Net loss for the current period		(160,052)	(206,550)
Total equity		**603,074**	**763,126**
Non-current liabilities			
Loans and borrowings	22	142,361	89,181
Liabilities from issue of bonds	24	281,763	267,543
Deferred income	23	36,159	39,011
Provisions	21	13,188	3,612
Deferred tax liability		78,709	83,218
Total non-current liabilities		**552,180**	**482,565**
Current liabilities			
Trade and other liabilities	28	74,606	132,496
Deferred income	23	202,350	104,451
Loans and borrowings		1,432	68
Provisions for other liabilities		57	63
Total current liabilities		**278,445**	**237,078**
Total equity and liabilities		**1,433,699**	**1,482,769**

Krzysztof Adaszewski — /President of the Management Board/ /on behalf of SFERIA Spółka Akcyjna/

Maciej Kotlicki — /Vice-President of the Management Board/

Teresa Rogala

(in PLN '000, except for items otherwise indicated)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW for the 6-month period ended 30 June 2014

	Note	6-month period ended 30 June 2014 *(unaudited)*	6-month period ended 30 June 2013 *(unaudited)*
Gross loss		**(163,928)**	**(98,394)**
Adjustments of items:			
Depreciation and amortisation of fixed and intangible assets		59,392	54,121
Interest and commission expenses and income		15,739	5,454
Exchange rate differences		-	(17)
(Profit)/ loss from investing activities		231	1,332
Change in the balance of assets and liabilities related to operating activities:			
- Trade and other receivables		11,227	(11,153)
- Inventories		1	(1,200)
- Trade and other liabilities	29.1	(15,174)	2,718
- Deferred income		95,047	(51,254)
- Provisions	21	241	266
- Other prepayments/accruals		(286)	66
Revaluation of embedded derivative		(867)	-
Other adjustments		62	232
Net cash flow from operating activities		**1,685**	**(97,829)**
Proceeds from sale of property, plant and equipment and intangible assets		43	7
Purchase of property, plant and equipment and intangible assets		(59,678)	(42,183)
Net cash flow from investing activities		**(59,635)**	**(42,176)**
Proceeds from sale of treasury shares		-	4
Proceeds from issue of debt securities		-	200,099
Proceeds from loans drawn down	22	55,000	-
Commission and interest paid in connection with bank credit		(3,885)	(3,757)
Other		(52)	1
Net cash flow from financing activities		**51,063**	**196,347**
Net increase/(decrease) in cash and cash equivalents		(6,887)	56,342
Cash at the beginning of the period		**100,247**	**165,889**
Cash at the end of the period	18	**93,360**	**222,231**

Krzysztof Adaszewski /President of the Management Board/ /on behalf of SFERIA Spółka Akcyjna/

Maciej Kotlicki

Teresa Rogala /Vice-President of the Management Board/

(in PLN ‘000, except for items otherwise indicated)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the 6-month period ended 30 June 2014

	Note	Share capital	Supplementary capital	Treasury shares	Uncovered losses	Total	Total equity
As at 1 January 2014		**147,967**	**1,140,765**	**-**	**(525,606)**	**763,126**	**763,126**
Net loss for the period		-	-	-	*(160,052)*	*(160,052)*	*(160,052)*
Total loss for the period		-	-	-	(160,052)	(160,052)	(160,052)
As at 30 June 2014 *(unaudited)*		**147,967**	**1,140,765**	**-**	**(685,658)**	**603,074**	**603,074**

	Note	Share capital	Supplementary capital	Treasury shares	Uncovered losses	Total	Total equity
As at 1 January 2013		**147,967**	**1,140,911**	**(150)**	**(319,056)**	**969,672**	**969,672**
Proceeds from sale of treasury shares		-	(146)	150	-	4	4
Net loss for the period		-	-	-	*(79,871)*	*(79,871)*	*(79,871)*
Total loss for the period		-	-	-	(79,871)	(79,871)	(79,871)
As at 30 June 2013 *(unaudited)*		**147,967**	**1,140,765**	**-**	**(398,927)**	**889,805**	**889,805**

Krzysztof Adaszewski
/President of the Management Board/

Maciej Kotlicki
/Vice-President of the Management Board/

Teresa Rogala
/on behalf of SFERIA Spółka Akcyjna/

(in PLN '000, except for items otherwise indicated)

SUPPLEMENTARY EXPLANATORY NOTES

The interim condensed consolidated financial statements of the Midas S.A. Capital Group (the "Group", the "Midas Group") have been drawn for the 6-month period ended 30 June 2014 and contain comparative data as required by the International Financial Reporting Standards ("IFRS").

The interim condensed consolidated statement of comprehensive income and notes to the interim condensed consolidated statement of comprehensive income include data for the 6-month period ended 30 June 2014, the 3-month period ended 30 June 2014, and comparative data for the 6-month period ended 30 June 2013 and the 3-month period ended 30 June 2013. The data for the 3-month period ended 30 June 2014 and the comparative data for the 3-month period ended 30 June 2013 were not subject to a review or an audit by an independent auditor.

On 1 September 2014, these interim condensed consolidated financial statements of the Group for the 6-month period ended 30 June 2014 were approved for publication by the Management Board.

1. General information

The Midas S.A. Capital Group consists of Midas S.A. (the "parent", the "Company", "Midas") and its subsidiaries. The parent is entered in the Commercial Register of the National Court Register kept by the District Court in Warsaw, Division XII Commercial of the National Court Register, under KRS 0000025704.

The parent holds statistical identification number (REGON) 010974600.

The parent and the entities belonging to the Capital Group are established in perpetuity.

The core business activity of the Group is telecommunications activities conducted on the territory of Poland.

The immediate parent of Midas S.A. is Litenite Limited with its registered office in Nicosia, Cyprus – an entity indirectly controlled by the Deputy Chairman of the Company's Supervisory Board, Mr. Zygmunt Solorz-Żak. As at 30 June 2014, the shareholders of Litenite Ltd. were: Ortholuck Ltd. and LTE Holdings SPV.

The subsidiaries of Midas S.A. which belong to the Group and are subject to full consolidation are:

Entity	Registered office	Scope of activity	The Company's percentage share in equity	
			30 June 2014	31 December 2013
CenterNet S.A. ("CenterNet")	Warsaw, Poland	telecommunications	100%	100%
Mobyland Sp. z o.o. ("Mobyland")	Warsaw, Poland	telecommunications	100%	100%
Conpidon Ltd. ("Conpidon")	Nicosia, Cyprus	holding	-	100%
Aero2 Sp. z o.o. ("Aero2")	Warsaw, Poland	telecommunications	100%	100%

As at 30 June 2014 and as at 31 December 2013, the share in the total number of votes held by the Group in the subsidiaries is equal to the share of the Group in the capital of those entities.

Information on the merger between Conpidon and Midas, which was registered in the first quarter of 2014, is set forth in Note 33 hereto.

Aside from the merger between Conpidon and Midas, during the 6-month period ended 30 June 2014, there were no changes in the composition of the Group compared to 31 December 2013.

The interim financial result may not fully reflect the financial result which can be realised for the financial year.

2. Basis of preparation of the interim condensed consolidated financial statements

These interim condensed consolidated financial statements were prepared in accordance with the International Financial Reporting Standards, as approved by the EU (the "IFRS"), in particular in accordance with International Accounting Standard No. 34.

As at the date of approval of these statements for publication, taking into account the EU process of implementing the IFRS standards and the business conducted by the Group, in the context of the accounting principles applied by the Group, the IFRS accounting principles differ from the EU IFRS.

The EU IFRS comprise standards and interpretations accepted by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC").

These interim condensed consolidated financial statements have been presented in Polish zlotys ("PLN") and all values are given in thousands (PLN '000) except when otherwise indicated.

These interim condensed consolidated financial statements were prepared on the assumption that the business activities of the companies of the Group will continue in the foreseeable future, i.e. in at least the period of twelve months from the balance sheet date. As at the date of approval of these financial statements, no circumstances were identified that would pose a threat to the continued activity of the Group.

The interim condensed consolidated financial statements do not include all the information and disclosures required in annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2013, published on 21 March 2014.

3. Summary of significant accounting policies

The accounting policies adopted in preparing the interim condensed consolidated financial statements are consistent with those adopted in preparing the annual consolidated financial statements of the Company for the year ended 31 December 2013, except for the following new or amended standards and interpretations in force for annual periods beginning on or after 1 January 2014.

- IFRS 9 *Financial Instruments* (published on 24 July 2014) - effective for annual periods beginning on or after 1 January 2018 - not approved by the EU until the date of approval of these financial statements, the process of approval of the standard in the EU as at the date of approval of these financial statements remains on hold,
- IFRIC 21 *Levies* (published on 20 May 2013) - effective for annual periods beginning on or after 1 January 2014 - in the EU, effective at the latest for annual periods beginning on or after 17 June 2014,
- Amendments of IAS 19 *Defined Benefit Plans: Employee* Contributions (published on 21 November 2013) - effective for annual periods beginning on or after 1 July 204 - not approved by the EU until the date of approval of these financial statements,
- *Amendments resulting from an IFRS review 2010-2012* (published on 12 December 2013) - some of the amendments are effective for annual periods beginning on or after 1 July 2014, and some for transactions taking place on or after 1 July 2014 - not approved by the EU until the date of approval of these financial statements,
- *Amendments resulting from an IFRS review 2011-2013* (published on 12 December 2013) - effective for annual periods beginning on or after 1 July 2014 - not approved by the EU until the date of approval of these financial statements,
- IFRS 14 *Regulatory Deferral Accounts* (published on 30 January 2014) - effective for annual periods beginning on or after 1 January 2016 - no decision was made regarding the time frame in which EFRAG will conduct each phase of the works leading to the approval of the standard, not approved by the EU until the date of approval of these financial statements,
- Amendments to IFRS 11 *Accounting for Acquisitions of Interests in Joint Operations* (published on 6 May 2014) - effective for annual periods beginning on or after 1 January 2016 - not approved by the EU until the date of approval of these financial statements,

(in PLN '000, except for items otherwise indicated)

- Amendments to IAS 16 and IAS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation* (published on 12 May 2014) - effective for annual periods beginning on or after 1 January 2016 - not approved by the EU until the date of approval of these financial statements.
- IFRS 15 *Revenue from Contracts with Customers* (published on 28 May 2014) - effective for annual periods beginning on or after 1 January 2017 - not approved by the EU until the date of approval of these financial statements,
- Amendments to IAS 16 and IAS 41 *Agriculture: Bearer Plants* (published on 30 June 2014) - effective for annual periods beginning on or after 1 January 2016 - not approved by the EU until the date of approval of these financial statements.
- Amendments to IAS 27 *Equity Method in Separate Financial Statements* (published on 12 August 2014) - effective for annual periods beginning on or after 1 January 2016 - not approved by the EU until the date of approval of these financial statements.

The Group decided against early application of any standard, interpretation or amendments which have been published but have not entered into force.

4. Significant values based on professional judgement and estimates

In the 6-month period ended 30 June 2014, the Management Board of the Company assessed significant values that affect the carrying amounts of assets and liabilities and evaluated key assumptions about the future in the same areas as those disclosed in Note 5 to the 2013 annual consolidated financial statements.

The Management Board's assessment remained the same as the assessment disclosed in the 2013 consolidated annual financial statements, save for the following areas:

Impairment of assets

On each reporting date, the Group determines whether there is any objective indication of impairment of an asset or a group of assets.

The Group conducted an impairment test of goodwill and of the cash-generating unit attributed to it. This required estimating the recoverable value of the cash-generating unit to which those fixed assets belong. The estimate of the recoverable value was made by determining the fair value of the cash-generating unit reduced by sales costs. For the purpose of the impairment testing, the fair value as at 30 June 2014 is the market capitalization of the Group. The surplus market capitalization above the book value of the cash-generating unit is sufficient to cover potential sales costs.

Provision for dismantling

The estimates used in calculating the provision for dismantling the base stations are set forth in Note 6 hereto.

5. Change in presentation

In order to increase the transparency of its financial reporting, the Group has made a change to the presentation of selected costs by type in the statement of comprehensive income (similarly to the change of data made in the financial statements for the year ended 31 December 2013). The Company converted the comparative data presented in these condensed financial statements for the 3-month and 6-month period ended 30 June 2013. A summary of these is presented below.

Interim condensed consolidated statement of comprehensive income

	6-month period ended 30 June 2013 *(unaudited)*	**Change in presentation**	**6-month period ended 30 June 2013** *(unaudited, restated)*
Continuing operations			
Revenue from the sale of goods and services	92,561	-	92,561
Depreciation and amortisation	(54,121)	-	(54,121)
Wages and salaries	(2,862)	-	(2,862)
Costs related to the telecommunications network	-	(109,121)	(109,121)
Taxes and charges	-	(14,309)	(14,309)
Other costs by type	(131,924)	123,430	(8,494)

(in PLN '000, except for items otherwise indicated)

Other operating income	2,333	-	2,333
Other operating expenses	(1,846)	-	(1,846)
Loss on operating activities	**(95,859)**	**-**	**(95,859)**
Finance income	3,675	-	3,675
Financial costs	(6,210)	-	(6,210)
Loss on financial activities	**(2,535)**	**-**	**(2,535)**
	-	-	-
Loss before taxation	**(98,394)**	**-**	**(98,394)**
Current income tax	-	-	-
Deferred tax	18,523	-	18,523
Total income tax	**18,523**	**-**	**18,523**
Net loss on continuing operations	**(79,871)**	**-**	**(79,871)**
Net loss	**(79,871)**	**-**	**(79,871)**
Other comprehensive income	**-**	**-**	**-**
COMPREHENSIVE LOSS	**(79,871)**	**-**	**(79,871)**

	3-month period ended 30 June 2013 *(unaudited)*	**Change in presentation**	**3-month period ended 30 June 2013** *(unaudited, restated)*
Continuing operations			
Revenue from the sale of goods and services	49,605	-	49,605
Depreciation and amortisation	(28,122)	-	(28,122)
Wages and salaries	(1,516)	-	(1,516)
Costs related to the telecommunications network	-	(57,330)	(57,330)
Taxes and charges	-	(6,969)	(6,969)
Other costs by type	(69,062)	64,299	(4,763)
Other operating income	1,210	-	1,210
Other operating expenses	(743)	-	(743)
Loss on operating activities	**(48,628)**	**-**	**(48,628)**
Finance income	2,000	-	2,000
Financial costs	(5,795)	-	(5,795)
Loss on financial activities	**(3,795)**	**-**	**(3,795)**
Loss before taxation	**(52,423)**	**-**	**(52,423)**
Current income tax	-	-	-
Deferred tax	16,475	-	16,475
Total income tax	**16,475**	**-**	**16,475**
Net loss on continuing operations	**(35,948)**	**-**	**(35,948)**
Net loss	**(35,948)**	**-**	**(35,948)**
Other comprehensive income	**-**	**-**	**-**
COMPREHENSIVE LOSS	**(35,948)**	**-**	**(35,948)**

The changes in presentation described above did not affect the result of the Group as presented in the interim condensed consolidated financial statements for the 6-month period ended 30 June 2013.

6. Changes in estimates

Provision for dismantling

During the 6-month period ended 30 June 2014, there was a change in the estimated values of the Group's provision for dismantling the base stations.

The Management Board of the Company updated the anticipated cost of dismantling the electronic equipment installed on the proprietary base stations and on the structures supported by other operators. The anticipated cost of dismantling the electronic equipment per base station was estimated as PLN 3,000.

(in PLN '000, except for items otherwise indicated)

Note 21 contains a description of the assumptions made for the purpose of calculating the value of the provision for dismantling base stations.

7. Business segments

The activities conducted by the Capital Group are treated by the Management Board as a single coherent operational segment covering telecommunications activity. The Management treats the entire Capital Group as a single operating segment and evaluates the financial results of the Group by analysing financial data derived from the consolidated financial statements.

8. Seasonality of activities

The Group's activities are not seasonal in nature, and so the Group results presented do not show any significant fluctuations during the year.

9. Revenues

	3-month period ended 30 June 2014 *(unaudited)*	**6-month period ended 30 June 2014** *(unaudited)*	**3-month period ended 30 June 2013** *(unaudited, restated)*	**6-month period ended 30 June 2013** *(unaudited, restated)*
Sales of telecommunications services	70,735	136,137	49,589	92,534
Other sales	1,717	3,209	16	27
Total	**72,452**	**139,346**	**49,605**	**92,561**

During the 6-month period ended 30 June 2014, revenues increased by PLN 46,785,000 in comparison to the corresponding period of the previous year. During the 3-month period ended 30 June 2014, revenues increased by PLN 22,847,000 in comparison to the corresponding period of the previous year. This was mainly due to the increasing amount of data transmission services ordered by wholesale customers of the Group resulting from such factors as the growing popularity of LTE technology, and to the consistently expanding coverage of the telecommunications network utilised by the Group. The Management Board of the Company emphasises that revenue in the second quarter of 2014 increased by approximately 8 per cent compared to the revenue achieved in the first quarter of 2014. On 27 March 2014, Polkomtel placed a new order (Order 3 to the agreement to provide telecommunications services on wholesale conditions) for data transmission services with a total volume of 306 million GB and a period of validity of 36 months counting from 1 January 2014. The total value of Order 3 is PLN 1,442.3 million.

10. Costs by type

During the 6-month period ended 30 June 2014, costs by type increased by PLN 102,259,000 in comparison to the corresponding period of the previous year. During the 3-month period ended 30 June 2014, there was an increase in costs by type of PLN 46,141,000. The change results from an increase in depreciation costs and in the costs of maintaining and operating the telecommunications network, which change (increase) as the number of base stations grows.

The Management Board notes that during the 6-month period ended 30 June 2014, one-off expenses were incurred in the amount of PLN 6,800,000, in relation to selling telephones (CenterNet business) and one-off fees for transmission and maintenance services (Aero2 business). During the 6-month period ended 30 June 2013 (corresponding period of the previous year), there were no significant one-off costs.

(in PLN '000, except for items otherwise indicated)

11. Other operating income

During the 6-month period ended 30 June 2014, there were no material changes in other operating income in comparison to the corresponding period of the previous year. This was also the case during the 3-month period ended 30 June 2014 in comparison to the corresponding period of the previous year. For the purposes of the interim condensed consolidated statement of comprehensive income, other operating revenues comprise the following:

	3-month period ended 30 June 2014 *(unaudited)*	**6-month period ended 30 June 2014** *(unaudited)*	**3-month period ended 30 June 2013** *(restated, unaudited)*	**6-month period ended 30 June 2013** *(restated, unaudited)*
Release of provisions	-	-	122	122
Received compensation and similar benefits	2	17	-	-
Dissolution of write-downs of receivables and inventories	-	-	64	64
Subsidies	668	1,354	604	1,198
Postal charges	376	997	406	834
Other	333	345	14	115
Total	**1,379**	**2,713**	**1,210**	**2,333**

12. Other operating expenses

During the 6-month period ended 30 June 2014, other operating expenses decreased by PLN 1,467,000 in comparison to the corresponding period of the previous year. During the 3-month period ended 30 June 2014, other operating expenses decreased by PLN 634,000 in comparison to the corresponding period of the previous year. For the purposes of the interim condensed consolidated statement of comprehensive income, other operating expenses comprise the following:

	3-month period ended 30 June 2014 *(unaudited)*	**6-month period ended 30 June 2014** *(unaudited)*	**3-month period ended 30 June 2013** *(restated, unaudited)*	**6-month period ended 30 June 2013** *(restated, unaudited)*
Donations	-	30	-	-
Loss from disposal/ liquidation of non-financial fixed assets	-	231	11	21
Revaluation write-down of the value of fixed assets and intangible assets	-	-	666	1,332
Write-off of bad debts		-	-	342
Other	109	118	66	151
Total	**109**	**379**	**743**	**1,846**

13. Finance income

During the 6-month period ended 30 June 2014, there was a decrease in the value of finance income of PLN 1,776,000 in comparison to the corresponding period of the previous year. During the 3-month period ended
30 June 2014, finance income decreased by PLN 659,000 in comparison to the corresponding period of the previous year. The changes primarily resulted from the lower value of funds invested and changes in bank deposit interest rates.

14. Financial costs

During the 6-month period ended 30 June 2014, financial costs increased by PLN 10,131,000 in comparison to the corresponding period of the previous year. During the 3-month period ended 30 June 2014, financial costs increased by PLN 2,626,000 in comparison to the corresponding period of the previous year. The changes stem primarily from an increase in the cost of discount on the issued series A bonds and an increase in the cost of the investment credit granted to the Group (credit granted by Alior Bank).

(in PLN '000, except for items otherwise indicated)

For the purposes of the interim condensed consolidated statement of comprehensive income, finance costs comprise the following:

	3-month period ended 30 June 2014 *(unaudited)*	**6-month period ended 30 June 2014** *(unaudited)*	**3-month period ended 30 June 2013** *(restated, unaudited)*	**6-month period ended 30 June 2013** *(restated, unaudited)*
Interest on issued bonds	6,295	12,806	5,644	5,644
Interest on bank credit received	1,594	2,755	-	136
Commission on bank credit received	250	457	-	232
Late-payment interest	1	9	30	67
Negative exchange rate differences	1	1	-	-
Discount on the provision for dismantling base stations	247	247	120	120
Other financial costs	33	66	1	11
Total	**8,421**	**16,341**	**5,795**	**6,210**

15. Income tax

As at 30 June 2014, the Group recognised deferred income tax assets counted as tax losses and negative temporary differences of CenterNet due to the strong likelihood of those assets being attained. As at 30 June 2014, the Group recognised assets of PLN 10,417,000 (PLN 11,050,000 as at 31 December 2013).

16. Property, plant and equipment

16.1. Purchases and disposals

During the 6-month period ended 30 June 2014, the Group acquired items of property, plant and equipment with a value of PLN 18,376,000 (mainly telecommunications infrastructure from Nokia Solutions and Networks and Ericsson).

During the 6-month period ended on 30 June 2013, the Group acquired property, plant and equipment with a value of PLN 45,923,000.

During the 6-month period ended 30 June 2014 and the 6-month period ended 30 June 2013, the Group did not dispose of any items of property, plant and equipment with a significant value.

16.2. Impairment write-downs

During the period ended 30 June 2014, the Group did not make any impairment write-downs. In the corresponding period of the previous year, the Group made impairment write-downs of property, plant and equipment in the amount of PLN 1,332,000.

17. Intangible assets

17.1. Purchases and disposals

During the 6-month period ended on 30 June 2014, the Group acquired intangible assets with a value of PLN 132,000. During the 6-month period ended 30 June 2013, the Group did not acquire any intangible assets with a significant value.

During the 6-month period ended 30 June 2014 and the 6-month period ended 30 June 2013, the Group did not dispose of any intangible assets with a significant value.

(in PLN '000, except for items otherwise indicated)

17.2. Impairment write-downs

During the period ended 30 June 2014 and the corresponding period of the previous year, the Group did not recognise any significant impairment of intangible assets.

Given the type of activity conducted and the fact that there is one coherent operating segment, in the opinion of the Management Board of the parent there exists a single main cash-generating unit (in the meaning of IAS 36 Impairment of Assets) focused on telecommunications activities and wholesale data transfers based on the LTE and HSPA+ technologies, which are a relatively new solution in Poland and worldwide. Due to the above, the goodwill was attributed to one cash-generating unit.

When preparing and approving business plans, the Management Board takes into account changes taking place on the telecommunications market in Poland as well as its own market research and agreements signed or negotiated with telecommunications operators.

On the basis of its best estimates and assumptions, the Management Board of the parent considers at each balance sheet date whether there are indications of a potential impairment of assets. In the 6-month period ended 30 June 2014, the Management Board of the parent updated the Group's long-term financial plans. In accordance with the requirements of IAS 36 Impairment of Assets, the Management Board of the parent conducted impairment testing of goodwill and fixed assets and intangible assets as at 30 June 2014 (details of the impairment testing are set forth in Note 10 to the interim non-consolidated financial statements for the 6-month period ended 30 June 2014). The tests did not reveal a need to make impairment write-downs of assets.

18. Cash and cash equivalents

For the purposes of the interim condensed consolidated statement of cash flows, cash and cash equivalents comprise the following:

	30 June 2014 *(unaudited)*	**30 June 2013** *(unaudited)*
Cash at bank and on hand	35,204	24,926
Short-term bank deposits	58,141	197,074
Interest accrued on bank deposits	15	227
Other	-	4
Cash and cash equivalents	**93,360**	**222,231**

19. Non-current receivables, trade and other receivables

During the 6-month period ended 30 June 2014, non-current receivables of the Group increased by PLN 7,390,000 in comparison to the balance as at 31 December 2013. The change stems primarily from an increase in receivables not settled by Sferia S.A. ("Sferia") towards Aero2 in respect of, among other things, the agreement for joint use of the telecommunications network.

During the 6-month period ended 30 June 2014, current receivables of the Group decreased by PLN 18,617,000 in comparison to the balance as at 31 December 2013. That change results mainly from a decrease in receivables from VAT of the Group.

20. Other financial assets

During the 6-month period ended 30 June 2014, other non-current financial assets of the Group decreased by PLN 13,761,000 in comparison to the balance as at 31 December 2013. The change stems primarily from the recognition of receivables under the loan granted, in accordance with the agreement, as non-current (under other financial assets - PLN 14,628,000, as at 31 December 2013, the loan was recognised as a long-term loan) and the revaluation of the fair value of the embedded derivative (early bond redemption option) - PLN 867,000.

The change in the value of the embedded derivative results from changes in market parameters, including changes in the profitability of bonds with similar maturities.

21. Provisions

As at 30 June 2014, the Group updated the value of the non-current provisions for the cost of anticipated dismantling of base stations forming part of the telecommunications infrastructure. Stations may be erected on land (proprietary tower stations), on roofs or chimneys of existing facilities (proprietary non-tower stations), on existing towers of other operators (third-party tower stations) or on the roofs or chimneys of another operators (third-party non-tower stations). To this end, the Group concludes tenancy and lease agreements with property owners, which stipulate the obligation to restore the property to its original condition after the agreement is terminated. In calculating the amount of the provision for dismantling as at 30 June 2014, the Group used the following anticipated one-off cost of dismantling for:

- proprietary structures erected on the ground - PLN 75,000, including the cost of dismantling electronic equipment on the base station - PLN 3,000,
- proprietary structures erected on building roofs or chimneys - PLN 25,500, including the cost of dismantling electronic equipment - PLN 3,000,
- structures erected on land owned by another operator - PLN 19,500, including the cost of dismantling electronic equipment - PLN 3,000,
- electronic equipment from the structures located on roofs or chimneys - PLN 3,000,
- transmission points - PLN 90,000,
- intermediate points - PLN 7,000.

The consolidated financial statements disclosed provisions for the cost of dismantling stations in the present value, assuming a 22-year useful life of the station structures, a 10-year useful life of the electronic equipment and a discount rate stemming from the risk-free interest rate.

The value of the provision as at 30 June 2014 was PLN 13,188,000 - the increase in the value of the provision compared to its value as at 31 December 2013 results primarily from the change in the estimates of the Management Board, which is discussed in Note 6 hereto. The change in the value of the provision, resulting from a revision of the Management Board's estimate, in the amount of PLN 9,329,000, was recognised in correspondence to the book value of the fixed assets which the dismantling concerns. The change in the provision resulting from revaluation of the discount amounted to PLN 247,000 and was recognised under financial costs.

22. Interest-bearing bank credit

During the 6-month period ended 30 June 2014, the Company drew down other tranches of the investment credit (agreement with Alior Bank on 28 February 2013) in the total amount of PLN 55 million. The funds from the credit were sent directly to the bank account of Aero2, in accordance with the loan agreement concluded between Midas and Aero2 on 13 September 2013. In the statement of financial position, the value shown of liabilities from the credit is based on the effective interest rate, taking account of costs incurred in connection with obtaining the financing.

23. Deferred income

As at 30 June 2014, the Group recognised deferred income of PLN 238,509,000 (PLN 143,462,000 as at 31 December 2013). This amount consists of non-current deferred income of PLN 36,159,000 and the current portion of deferred income of PLN 202,350,000 (as at 31 December 2013: PLN 39,011,000 and PLN 104,451,000, respectively).

In the 6-month period ended 30 June 2014, the growth seen in the value of deferred income results from orders under agreements placed during the above period with Mobyland, on the basis of which Mobyland provides data transmission services on the basis of the LTE and HSPA+ technologies for the benefit of Polkomtel Sp. z o.o. and Cyfrowy Polsat S.A. Each order is payable in instalments (currently, payments are being made in accordance with the schedule published in Current Report No. 4/2014) on the basis of invoices issued by Mobyland, and this is reflected in the value of deferred income. In turn, in line with the usage of the data transmission packets ordered, the statement of comprehensive income, under revenues from sales, shows a result proportional to the number of gigabytes (GB) actually used within a given order. As at 30 June 2014, the value of paid instalments remaining to be settled, resulting from the orders placed under the agreement with Cyfrowy Polsat and Polkomtel amounted to PLN 196,104,000.

(in PLN '000, except for items otherwise indicated)

Furthermore, the amount of deferred income resulting from the agreement with Sferia for mutual utilisation of telecommunications infrastructure, in comparison with the balance as at 31 December 2013, decreased by PLN 1,499,000 and amounted to PLN 16,485,000 as at 30 June 2014.

The remaining amount of deferred income comprises EU grants of PLN 25,343,000 and settlements of sales of telecommunications services (prepaid) of PLN 577,000.

24. Other financial liabilities

During the 6-month period ended 30 June 2014, there was an increase in the value of liabilities under the issue of bonds. The change results from calculating the interest on the series A bonds. The amount of interest increases the existing debt under the series A bonds.

Presented below is information on selected financial indicators as at 30 June 2014:

consolidated financial debt: PLN 425,556,000, consolidated equity: PLN 603,074,000, leverage ratio: 0.414.

consolidated financial debt (less the value of the embedded derivative): PLN 377,677,000, leverage ratio (not including the embedded derivative): 0.385.

25. Goals and principles of financial risk management

During the 6-month period ended 30 June 2014, the Group did not recognise any significant changes in financial risk or in the objectives and policies of managing such risk in relation to those described in the annual consolidated financial statements for 2013.

26. Management of capital

During the 6-month period ended 30 June 2014, the Group did not change its goals, principles or procedures for capital management compared to those disclosed in the 2013 annual consolidated financial statements.

27. Contingent liabilities and contingent assets

In the 6-month period ended 30 June 2014, there were changes in contingent liabilities compared with the data disclosed in Note 31 to the 2013 annual consolidated financial statements.

Presented below is up-to-date information concerning liabilities from bank guarantees granted as security for the performance of trade agreements:

	30 June 2014	**31 December 2013**
Liabilities from bank guarantees granted mainly as security for the performance of trade agreements	468	461
Total contingent liabilities	**468**	**461**

As at 30 June 2014, the contingent debt of the Group was PLN 468,000, of which:

- a bank guarantee of PLN 288,000 of which the beneficiary is IVG Institutional Funds GmbH, granted by mBank S.A. (formerly BRE Bank S.A., hereinafter “mBank”) at the instruction of Aero2 in connection with securing a rental agreement of 11 February 2010 for office premises and parking spaces in the Norway House building located at ul. Lwowska 19 in Warsaw.

(in PLN '000, except for items otherwise indicated)

- a bank guarantee of PLN 32,000 of which the beneficiary is Orange Polska Sp. z o.o. (formerly PTK Centertel Sp. z o.o.), granted by mBank at the instruction of Aero2 in connection with securing Decision of the President of the UKE No. DHRT-WWM-6080-1/10(34) of 9 December 2010.
- a bank guarantee of PLN 147,000 of which the beneficiary is T-Mobile Polska S.A. (formerly Polska Telefonia Cyfrowa Sp. z o.o.), granted by mBank at the instruction of Aero2 in connection with securing Decision of the President of the UKE No. DHRT-WWM-6080-171/09(40) of 9 December 2010.
- a bank guarantee of PLN 600 of which the beneficiary is Orange Polska Sp. z o.o. (formerly PTK Centertel Sp. z o.o.), granted by mBank at the instruction of Aero2 in connection with securing the Framework Agreement for the provision of Telehousing PRO No. POS/K - 9827 concluded on 25 June 2012.

On 8 May 2014, the Supreme Administrative Court ("NSA") issued a judgement in the matter concerning the tender for frequency reservations in the 1800 MHz range, pursuant to which the NSA upheld the judgement of the Province Administrative Court in Warsaw ("WSAW") of 6 July 2012. The judgement of the NSA was issued as a result of dismissal of the cassation appeals submitted by the President of the UKE and subsidiaries of Midas: CenterNet and Mobyland.

On 29 May 2014, the NSA issued a judgement in the matter concerning frequency reservations in the 1800 MHz range, pursuant to which the NSA upheld the judgement of the WSAW of 19 November 2012. The judgement of the NSA was issued as a result of dismissal of the cassation appeal submitted by Polska Telefonia Cyfrowa Sp. z o.o. with its registered office in Warsaw (current name T-Mobile Polska S.A. with its registered office in Warsaw).

Given the status of proceedings concerning frequency reservations pending against the subsidiaries of Midas S.A., the Management Board of the Company is not able to predict the final outcome of this issue, although it is of the opinion that the issue should not have a negative impact on the financial results and position of the Group. The carrying amount of the above concessions granted to CenterNet and Mobyland, disclosed in the consolidated statement of financial position as at 30 June 2014, was PLN 197,413,000.

Other contingent liabilities and assets did not change compared to those disclosed in the annual consolidated financial statements for 2013.

28. Trade and other liabilities

During the 6-month period ended 30 June 2014, liabilities of the Group decreased by PLN 57,890,000 in comparison to the balance as at 31 December 2013. The change results primarily from repayment of the Group's liabilities towards Polkomtel from the provision of telecommunications infrastructure services.

29. The reasons for the differences existing between changes stemming from the statement of financial position and changes stemming from the statement of cash flows

29.1. Change in the balance of liabilities

	1 Jan 2014 - 30 Jun 2014	**1 Jan 2013 - 30 Jun 2013**
Balance sheet change in the balance of current liabilities	(57,890)	862
Exchange rate differences	-	1
Change in the balance of other financial liabilities	-	44
Change in the balance of liabilities arising from the acquisition of property, plant and equipment and investments	(42,716)	(1,901)
Change in liabilities disclosed in the statement of cash flow	**(15,174)**	**2,718**

(in PLN '000, except for items otherwise indicated)

30. Capex liabilities

As at 30 June 2014 and as at 31 December 2013, the Company did not have any current material capex liabilities that have not been disclosed in these financial statements.

31. Related party disclosures

The table below presents the total values of transactions with related parties entered into during the 3- and 6-month periods ended 30 June 2014 and 30 June 2013, respectively, and the balances of receivables and payables as at 30 June 2014 and 31 December 2013:

		Revenues from mutual transactions, of which:	**from sales**	**interest on loans**	**other**
Entities controlled by a person (or members of their immediate family) controlling, jointly controlling or having significant influence over Midas S.A.	**3-month period ended 30 June 2014** *(unaudited)*	72,413	70,379	142	1,892
	6-month period ended 30 June 2014 *(unaudited)*	139,272	136,767	279	2,226
	3-month period ended 30 June 2013 *(unaudited, restated)*	49,389	48,974	157	258
	6-month period ended 30 June 2013 *(unaudited, restated)*	93,143	91,758	332	1,053

		Costs of mutual transactions, of which:	**bonds discount**	**interest on loans**	**other**
Entities controlled by a person (or members of their immediate family) controlling, jointly controlling or having significant influence over Midas S.A.	**3-month period ended 30 June 2014** *(unaudited)*	86,927	-	545	86,382
	6-month period ended 30 June 2014 *(unaudited)*	179,575	-	1,081	178,494
	3-month period ended 30 June 2013 *(unaudited, restated)*	51,151	5,641	698	44,812
	6-month period ended 30 June 2013 *(unaudited, restated)*	90,843	5,641	1,743	83,459

		Receivables from related parties, of which:	**trade**	**loans**	**other**
Entities controlled by a person (or members of their immediate family) controlling, jointly controlling or having significant influence over	**30 June 2014** *(unaudited)*	93,301	75,702	14,907	2,692
	31 December 2013	79,926	62,362	14,628	2,936

(in PLN '000, except for items otherwise indicated)

Midas S.A.					

		Liabilities towards related parties, of which:	**trade**	**loans**	**other**
Entities controlled by a person (or members of their immediate family) controlling, jointly controlling or having significant influence over Midas S.A.	**30 June 2014** *(unaudited)*	300,359	44,170	43,601	212,588*
	31 December 2013	233,541	73,960	43,601	115,980*

**Amounts recognised as deferred income*

32. Remuneration of the senior management staff of the Group

32.1. Remuneration paid or due to members of the Management Board and members of the Supervisory Board of the Group

The table below shows the value of remuneration (together with bonuses) paid or due to members of the Management Board of the Company and members of the Supervisory Board of the Company for the performance of their duties on the governing bodies of the Company.

	3-month period ended 30 June 2014 *(unaudited)*	**6-month period ended 30 June 2014** *(unaudited)*	**3-month period ended 30 June 2013** *(unaudited, restated)*	**6-month period ended 30 June 2013** *(unaudited, restated)*
Management Board of the parent				
Current employee benefits or similar (wages and salaries and bonuses)	717	842	215	477
Supervisory Board of the parent				
Current employee benefits or similar (wages and salaries and bonuses)	48	64	7	14
Total	**765**	**906**	**222**	**491**

32.2. Remuneration paid or due to members of the Management Board and members of the Supervisory Board of the Group

The table below shows the value of remuneration (together with bonuses) paid or due to members of the Management Board of the Company and members of the Supervisory Board of the Company for the performance of their duties on the governing bodies of subsidiaries.

	3-month period ended 30 June 2014 *(unaudited)*	**6-month period ended 30 June 2014** *(unaudited)*	**3-month period ended 30 June 2013** *(unaudited, restated)*	**6-month period ended 30 June 2013** *(unaudited, restated)*
Management Board of the parent				
Current employee benefits (wages and salaries and bonuses)	75	167	79	171
Supervisory Board of the parent				
Current employee benefits (wages and salaries and bonuses)	3	6	3	6
Total	**78**	**173**	**82**	**177**

33. Business combinations

On 21 February 2014, the District Court for the City of Warsaw in Warsaw, Division XII Commercial of the National Court Register, registered the merger of Midas with its registered office in Warsaw (as the Acquiring Company) with the subsidiary Conpidon Limited with its registered office in Nicosia, Cyprus (as the Target Company). As a result of the merger, Midas entered into all the rights and obligations, assets and liabilities of Conpidon, which was dissolved without being liquidated. In view of the fact that all of the shares in the Target

Company were held by the Acquiring Company, the Merger was effected without increasing the share capital of the Acquiring Company.

34. Events occurring after the balance sheet date

Since 1 July 2014, as a result of the signing, on 12 June 2014, of Annex No. 1 to the credit agreement concerning investment credit, concluded on 28 February 2013 between Midas and Alior Bank, the bank's margin has been changed (reduced). The interest rate reduction takes effect after the balance sheet date.

On 10 July 2014, the Company, together with the following of its subsidiaries: Aero2, CenterNet and Mobyland, entered with Bank Polska Kasa Opieki S.A. into an agreement concerning investment credit for up to PLN 200,000,000 for the purpose of expanding the LTE and HSPA+ telecommunications network.

Under the Agreement, the Borrowers may utilise the Credit after the Bank notifies the Borrowers, within the time frame specified in the Agreement, that all of the conditions precedent set forth in the Agreement (and described in more detail below) for the utilisation of the Credit (the "Conditions Precedent") have been satisfied, but no later than one year from the date of entering into the Agreement (the "Availability Period"). The Credit will each time be disbursed upon written instruction from a Borrower (the "Utilisation Request"), prepared in accordance with the Agreement. The credit will be repaid in 48 equal monthly principal instalments (the "Repayment Period"), starting from the month following the month of the last day of the Availability Period, but no later than on the fifth anniversary of executing the Agreement. The interest, calculated on the basis of the 1M WIBOR rate increased by the Bank's margin, will also be repaid in monthly periods. In the case set forth in the Agreement and related to the accounting revenue of Midas Group entities generated until the end of 2015, the Bank will be entitled to shorten the Repayment Period so that it ends on the third anniversary of executing the Agreement, unless the Borrowers provide a solution acceptable to the Bank, which will require the Borrowers to obtain external assistance that will ensure timely debt repayment. For granting the Credit and for its early repayment, the Bank is also entitled to commission, the amount of which has been determined at a market level. The Agreement also defines events ("Events of Default") that will cause the Bank's margin to be increased by the amount specified in the Agreement. The higher margin for the Bank will be in effect until an Event of Default has been remedied by the Borrowers. The list of Events of Default defined in the Agreement is a standard list commonly used in these types of agreements. The Borrowers are jointly and severally liable for any amounts payable to the Bank under the Agreement.

The Conditions Precedent set forth in the Agreement are: (a) providing the Bank with the documents set forth in the Agreement, including copies of the constitutional documents, current excerpts from the KRS, powers of attorney and any required corporate approvals for all of the Borrowers; (b) providing the Bank with legal opinions prepared by the Bank's legal counsel (on the validity and enforceability of the Bank's rights under the Agreement, among other things) and the Borrowers' legal counsel (on the Borrowers' ability to enter into and perform the Agreement and the documents concerning the collateral for the Credit); (c) providing the Bank with the Finance Documents as defined in the Agreement, i.e. in particular: duly executed documents on establishing a collateral for the Credit (the "Security Documents"), proof of payment and filing with competent courts of motions to register collaterals for the Credit, proof of delivery of any notices under the Security Documents, excerpts from the register of pledges and the register of fiscal pledges confirming that no registered pledges (other than as defined in the Agreement) or fiscal pledges have been established over the Company's assets or the assets and shares of the other Borrowers; (d) providing the Bank with any other documents specified in the Agreement. Until the date of publishing these statements, none of the Conditions Precedent had been fulfilled.

The Credit is secured by: (a) a registered pledge for up to PLN 300,000,000 over the shares of CenterNet, Aero2 and Mobyland; (b) a registered pledge for up to PLN 300,000,000 over a pool of assets and rights owned by the Borrowers and treated as a single economic unit; (c) assignment of rights under the insurance policies concluded by Aero2 concerning assets securing the Credit; (d) assignment of receivables under the agreements on wholesale data transfer services concluded by Mobyland with Cyfrowy Polsat S.A. and Polkomtel Sp. z o.o.; (e) subordination of the receivables of an entity outside the Borrower's group (save for Alior Bank SA, Plus Bank

SA and holders of the Company's series A bonds) providing financing for the Borrowers, with respect to the Bank's receivables from the Borrowers under the Finance Documents; (f) conditional powers of attorney authorising the Bank to act on behalf of the Borrowers (save for the Company) before the Polish Office of Electronic Communications; (g) powers of attorney for the Borrowers' bank accounts; (h) a declaration of submission to enforcement for up to PLN 300,000,000 made by the Borrowers in favour of the Bank pursuant to Article 97 of the Banking Law of 29 August 1997; (i) a declaration by Mr. Zygmunt Solorz-Żak on providing, within the scope of rights vested in shareholders of public companies, assistance throughout the term of the Agreement, which, in particular, involves making efforts to ensure that the Borrowers repay any and all of their obligations towards the Bank in a timely manner, remain in sound economic and financial standing and obtain additional financing sufficient to satisfy their obligations towards the Bank in the event of a delay in their repayment. Until the publication of this Report, the Security Documents have not been signed, save for the above declaration by Mr. Zygmunt Solorz-Żak. On 26 August 2014, the Extraordinary General Meeting of the Company adopted a resolution in which it agreed to the establishing of a limited right in rem over the Company's assets. Approval from the General Meeting will allow the Management Board of the Company to successfully establish the registered pledge over the Company's assets referred to in pt. (b) above.

Furthermore, each potential prospective guarantor of the Credit agrees to issue a guarantee to the Bank for up to PLN 300,000,000, as well as other collaterals that may be agreed with the Bank (the obligation is in effect until 30 June 2022). In the Agreement, the Borrowers also agreed to open temporary bank accounts to which payments will be made under agreements on wholesale data transfer services and insurance policies, as well as a DSRA account, in which a balance of no less than 10 per cent of the value of the disbursed Credit will be maintained throughout the term of the Credit. Subject to the terms and in the manner set forth in the Agreement, the Bank may block certain amounts in the above accounts and apply them towards satisfying due and payable obligations of the Borrowers under the Credit. The Company also agrees that, without the Bank's written approval (which approval will not be unreasonably denied by the Bank), it will not exercise its early redemption option with respect to the Company's series A bonds.

The Company has also agreed that, until the lapse of the Repayment Period, it will not disburse dividends or refund contributions or any other compensation or payments on its share capital, except in the event of a possible consolidation of the Company's shares, and that none of the Borrowers will acquire (directly or indirectly) any entity or enterprise, except as provided in the Agreement. The Company also restricts the Borrowers' ability to dispose of their assets and to encumber and divide the Borrowers' assets, save for any exceptions stipulated in the Agreement. The Agreement also contains provisions concerning General Obligations, both by the Borrowers and by the Bank, which do not vary considerably from provisions commonly used in these types of agreements.

On 11 July 2014, the Company drew down another tranche of the investment credit (agreement with Alior Bank of 28 February 2013) in the amount of PLN 10 million. The funds from the credit were sent directly to the bank account of the Company's subsidiary, i.e. Aero2, in accordance with the loan agreement concluded between Midas and Aero2 on 13 September 2013. The loan bears variable interest, calculated on the basis of the cost of capital for Midas increased by a margin.

On 16 July 2014, Mr Jerzy Żurek tendered his resignation as Member of the Supervisory Board without stating the reason.

On 23 July 2014, Midas, acting on the basis of the provisions of the Bond Issue Conditions ("BIC"), announced that it was intending to make use of the right to which it was entitled to change the security ("Change of Security") for the series A bonds issued on 16 April 2013, which would involve deleting the following registered pledges from the register of pledges:

(i) a pledge on 221,000 shares of Aero2 representing 100 per cent of the share capital of that company and giving entitlement to 100 per cent of the votes at the meeting of shareholders of that company, owned by the Issuer;

(ii) a pledge on 4,264,860 shares of CenterNet representing 100 per cent of the share capital of that company and giving entitlement to 100 per cent of the votes at the meeting of shareholders of that company, owned by the Issuer;

(iii) a pledge on 204,200 shares of Mobyland representing 100 per cent of the share capital of that company and giving entitlement to 100 per cent of the votes at the meeting of shareholders of that company, owned by the Issuer.

The decision concerning the intention to make use of the right to change security is the consequence of the agreement concluded by the Company on 10 July 2014 with Bank Polska Kasa Opieki S.A. concerning investment credit for up to PLN 200,000,000 (as described above). Under the provisions of the Agreement, one form of security for the Credit being granted is a registered pledge up to the amount of PLN 300,000,000 on the shares of subsidiaries of the Issuer, i.e. Aero2, CenterNet and Mobyland. Before the date of publishing these statements, the Company filed with the competent court duly paid motions to delete the above registered pledges. On 1 September 2014, the Company received a decision of the court to delete the registered pledges over the shares of Aero2 and CenterNet. Currently, the Company is awaiting consideration of the motion to delete the registered pledge over the shares of Mobyland.

SIGNATURES OF MEMBERS OF THE MANAGEMENT BOARD:

Krzysztof Adaszewski /President of the Management Board/	Maciej Kotlicki /Vice-President of the Management Board/

SIGNATURE OF THE PERSON ENTRUSTED TO MAINTAIN THE BOOKS OF ACCOUNT:

Teresa Rogala
/on behalf of SFERIA
Spółka Akcyjna/

Warsaw, 1 September 2014

MIDAS Spółka Akcyjna

INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE 6-MONTH PERIOD ENDED 30 JUNE 2014
TOGETHER WITH INDEPENDENT AUDITORS' REPORT

(in PLN '000, except for items otherwise indicated)

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

for the 6-month period ended 30 June 2014

	Note	3-month period ended 30 June 2014 *(unaudited)*	6-month period ended 30 June 2014 *(unaudited)*	3-month period ended 30 June 2013 *(unaudited, restated)*	6-month period ended 30 June 2013 *(unaudited, restated)*
Continuing operations					
Revenues from core operating activities	8.1	12,850	23,912	4,102	5,896
Own costs from core operating activities	8.2	(8,481)	(17,138)	(5,650)	(5,987)
Depreciation and amortisation		(7)	(15)	(6)	(10)
Wages and salaries		(909)	(1,215)	(312)	(622)
Other costs by type		(957)	(1,757)	(328)	(648)
Other operating income		2	7	-	-
Profit/ (loss) on operating activities		**2,498**	**3,794**	**(2,194)**	**(1,371)**
Finance income	8.3	145	384	1,534	2,763
Profit on financial activities		**145**	**384**	**1,534**	**2,763**
Profit/ (loss) before taxation		**2,643**	**4,178**	**(660)**	**1,392**
Current income tax		-	-	-	-
Deferred tax		-	-	-	-
Total income tax		-	-	-	-
Net profit/ (loss) for the period from continuing operations		**2,643**	**4,178**	**(660)**	**1,392**
Net profit/ (loss) from discontinued operations		-	-	-	-
Net profit/ (loss)		**2,643**	**4,178**	**(660)**	**1,392**
Other comprehensive income		-	-	-	-
COMPREHENSIVE INCOME (LOSS)		**2,643**	**4,178**	**(660)**	**1,392**
Average weighted number of ordinary shares		1,479,666,750	1,479,666,750	1,479,666,188	1,479,663,960
Net profit/ (loss) on continuing operations per share (in PLN)		0.0018	0.0028	(0.0004)	0.0009

Krzysztof Adaszewski
/President of the Management Board/
/on behalf of SFERIA Spółka Akcyjna/

Maciej Kotlicki

Teresa Rogala
/Vice-President of the Management Board/

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

(in PLN '000, except for items otherwise indicated)

as at 30 June 2014

	Note	30 June 2014 *(unaudited)*	31 December 2013
ASSETS			
Non-current assets			
Property, plant and equipment	9	104	132
Non-current financial assets	10	1,344,812	1,272,981
Total non-current assets		**1,344,916**	**1,273,113**
Current assets			
Loans granted	14	232,813	186,021
Other assets	10	490	1,040
Cash and cash equivalents		20,174	65,543
Other prepayments		71	25
Total current assets		**253,548**	**252,629**
Total assets		**1,598,464**	**1,525,742**

	Note	30 June 2014 *(unaudited)*	31 December 2013
EQUITY AND LIABILITIES			
Equity			
attributable to shareholders of the Company, of which:			
Share capital		147,967	147,967
Supplementary capital		1,140,860	1,140,860
Treasury shares		-	-
Uncovered losses		(72,927)	(76,807)
Accumulated losses	21	(77,105)	(76,892)
Net profit for the current period		4,178	85
Total equity		**1,215,900**	**1,212,020**
Non-current liabilities			
Loans and borrowings	13	98,760	45,580
Liabilities from issue of bonds	13	281,763	267,543
Total non-current liabilities		**380,523**	**313,123**
Current liabilities			
Trade and other liabilities		473	415
Loans and borrowings		1,432	69
Accruals		136	115
Total current liabilities		**2,041**	**599**
Total equity and liabilities		**1,598,464**	**1,525,742**

Krzysztof Adaszewski
/President of the Management Board/
/on behalf of SFERIA Spółka Akcyjna/

Maciej Kotlicki

Teresa Rogala
/Vice-President of the Management Board/

INTERIM CONDENSED STATEMENT OF CASH FLOW

for the 6-month period ended 30 June 2014

(in PLN '000, except for items otherwise indicated)

	Note	6-month period ended 30 June 2014 *(unaudited)*	6-month period ended 30 June 2013 *(unaudited, restated)*
Gross profit		**4,178**	**1,392**
Depreciation and amortisation of fixed and intangible assets		15	10
Interest and commission costs		17,076	5,987
Gain/ (loss) on investing activities		(4)	-
Exchange rate differences		-	(18)
Change in the balance of assets and liabilities related to operating activities:			
– Trade and other receivables		-	9
– Inventories		-	(4)
– Trade and other liabilities		58	(220)
– Accruals		(26)	(53)
Interest income		(23,043)	(5,878)
Revaluation of embedded derivative		(867)	-
Other adjustments		59	-
Adjustments of total gross profit		**(2,554)**	**1,225**
Other cash flows from operating activities			
Loans granted	14	(40,000)	(131,000)
Repayment of loans granted		-	5,000
Interest received		-	540
Other cash flows from operating activities		**(40,000)**	**(125,460)**
Net cash from operating activities		**(42,554)**	**(124,235)**
Purchase of property, plant and equipment and intangible assets		(41)	(142)
Proceeds from sale of property, plant and equipment and intangible assets		58	-
Net cash flow from investing activities		**17**	**(142)**
Proceeds from sale of shares		-	4
Issue of bonds		-	200,099
Expenses related to issuing bonds		(52)	(367)
Repayment of commercial papers issued		-	(22,250)
Interest paid on commercial papers issued		-	(3,984)
Commission and interest paid in connection with bank credit		(2,780)	(1,870)
Net cash flow from financing activities		**(2,832)**	**171,632**
Net (decrease) / increase in cash and cash equivalents		**(45,369)**	**47,255**
Cash and cash equivalents at the beginning of the period		**65,543**	**134,036**
Cash and cash equivalents at the end of the period	11	**20,174**	**181,291**

Krzysztof Adaszewski
/President of the Management Board/
/on behalf of SFERIA Spółka Akcyjna/

Maciej Kotlicki

Teresa Rogala
/Vice-President of the Management Board/

(in PLN '000, except for items otherwise indicated)

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

for the 6-month period ended 30 June 2014

	Note	Share capital	Supplementary capital	Treasury shares	Uncovered losses	Total equity
As at 1 January 2014		**147,967**	**1,140,860**	**-**	**(76,807)**	**1,212,020**
Business combinations	21	-	-	-	(298)	**(298)**
Net loss for the period		-	-	-	*4,178*	*4,178*
Comprehensive income for the period		-	-	-	4,178	4,178
As at 30 June 2014 *(unaudited)*		**147,967**	**1,140,860**	**-**	**(72,927)**	**1,215,900**

	Note	Share capital	Supplementary capital	Treasury shares	Uncovered losses	Total equity
As at 1 January 2013		**147,967**	**1,141,006**	**(150)**	**(76,892)**	**1,211,931**
Proceeds from sale of treasury shares		-	(146)	150	-	4
Net loss for the period		-	-	-	*1,392*	*1,392*
Comprehensive income for the period		-	-	-	1,392	1,392
As at 30 June 2013 (*unaudited*)		**147,967**	**1,140,860**	**-**	**(75,500)**	**1,213,327**

Krzysztof Adaszewski
/President of the Management Board/

Maciej Kotlicki
/Vice-President of the Management Board/

Teresa Rogala
/on behalf of SFERIA Spółka Akcyjna/

SUPPLEMENTARY EXPLANATORY NOTES

The interim condensed financial statements of the Company cover the 6-month period ended 30 June 2014 and contain comparative data as required by the International Financial Reporting Standards ("IFRS").

The interim condensed statement of comprehensive income includes data for the 6-month period ended 30 June 2014, the 3-month period ended 30 June 2014, and comparative data for the 6-month period ended 30 June 2013 and the 3-month period ended 30 June 2013. The data for the 3-month period ended 30 June 2014 and the comparative data for the 3-month period ended 30 June 2013 were not subject to a review or an audit by an independent auditor.

On 1 September 2014, these interim condensed financial statements of Midas S.A. for the 6-month period ended 30 June 2014 were approved for publication by the Management Board of Midas S.A.

The Company Midas S.A. also prepared interim condensed consolidated financial statements for the 6-month period ended on 30 June 2014, which were approved by the Management Board of Midas S.A. for publication on 1 September 2014.

1. General information

MIDAS S.A. (the "Company", "Midas") is a joint-stock company with its registered office in Warsaw at Lwowska 19, whose shares are in public trading.

The Company is entered in the Commercial Register of the National Court Register kept by the District Court in Warsaw, Division XII Commercial of the National Court Register, under KRS 0000025704. The Company was granted statistical number REGON 010974600.

The Company is established in perpetuity.

The main area of the Company's business activities includes:

- Activities of holding companies (64.20.Z)
- Other credit granting (64.92.Z)
- Other financial service activities, except insurance and pension funding not elsewhere classified (64.99.Z)
- Other activities auxiliary to financial services, except insurance and pension funding (66.19.Z)
- Buying and selling of own real estate (68.10.Z)

2. Basis for preparing the interim condensed financial statements

These interim condensed financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") approved by the European Union, in particular in accordance with International Accounting Standard No. 34.

As on the date of approval of these statements for publication, taking into account the EU process of implementing the IFRS standards and the business conducted by the Company, in the context of the accounting policies applied by the Company, the IFRS differ from the EU IFRS.

The EU IFRS comprise standards and interpretations accepted by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC").

These interim condensed financial statements have been presented in Polish zlotys (PLN), and all values are given in thousands (PLN '000) except when otherwise indicated.

These interim condensed financial statements were prepared assuming that the Company would continue as a going concern in the foreseeable future. As at the date of approval of these interim financial statements, no circumstances were identified that would pose a threat to the continued activity of the Company.

The interim condensed financial statements do not include all the information and disclosures required in annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2013, published on 21 March 2014.

The interim financial result may not fully reflect the financial result which can be realised for the financial year.

3. Summary of significant accounting policies

The accounting policies adopted in preparing the interim condensed financial statements are consistent with those adopted in preparing the annual financial statements of the Company for the year ended 31 December 2013, except for the following new or amended standards and interpretations in force for annual periods beginning on or after 1 January 2014.

- IFRS 9 *Financial Instruments* (published on 24 July 2014) - effective for annual periods beginning on or after 1 January 2018 - not approved by the EU until the date of approval of these financial statements, the process of approval of the standard in the EU as at the date of approval of these financial statements remains on hold,
- IFRIC 21 *Levies* (published on 20 May 2013) - effective for annual periods beginning on or after 1 January 2014 - in the EU, effective at the latest for annual periods beginning on or after 17 June 2014,
- Amendments of IAS 19 *Defined Benefit Plans: Employee* Contributions (published on 21 November 2013) - effective for annual periods beginning on or after 1 July 204 - not approved by the EU until the date of approval of these financial statements,
- *Amendments resulting from an IFRS review 2010-2012* (published on 12 December 2013) - some of the amendments are effective for annual periods beginning on or after 1 July 2014, and some for transactions taking place on or after 1 July 2014 - not approved by the EU until the date of approval of these financial statements,
- *Amendments resulting from an IFRS review 2011-2013* (published on 12 December 2013) - effective for annual periods beginning on or after 1 July 2014 - not approved by the EU until the date of approval of these financial statements,
- IFRS 14 *Regulatory Deferral Accounts* (published on 30 January 2014) - effective for annual periods beginning on or after 1 January 2016 - no decision was made regarding the time frame in which EFRAG will conduct each phase of the works leading to the approval of the standard, not approved by the EU until the date of approval of these financial statements,
- Amendments to IFRS 11 *Accounting for Acquisitions of Interests in Joint Operations* (published on 6 May 2014) - effective for annual periods beginning on or after 1 January 2016 - not approved by the EU until the date of approval of these financial statements,
- Amendments to IAS 16 and IAS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation* (published on 12 May 2014) - effective for annual periods beginning on or after 1 January 2016 - not approved by the EU until the date of approval of these financial statements.
- IFRS 15 *Revenue from Contracts with Customers* (published on 28 May 2014) - effective for annual periods beginning on or after 1 January 2017 - not approved by the EU until the date of approval of these financial statements,
- Amendments to IAS 16 and IAS 41 *Agriculture: Bearer Plants* (published on 30 June 2014) - effective for annual periods beginning on or after 1 January 2016 - not approved by the EU until the date of approval of these financial statements.
- Amendments to IAS 27 *Equity Method in Separate Financial Statements* (published on 12 August 2014) - effective for annual periods beginning on or after 1 January 2016 - not approved by the EU until the date of approval of these financial statements.

The Company did not early adopt any standard, interpretation or amendment already issued but not yet effective.

4. Significant values based on professional judgement and estimates

In the 6-month period ended 30 June 2014, the Management Board of the Company assessed significant values that affect the carrying amounts of assets and liabilities and evaluated key assumptions about the future in the same areas as those disclosed in Note 6 to the 2013 annual non-consolidated financial statements.

(in PLN '000, except for items otherwise indicated)

The Management Board's assessment remained the same as the assessment disclosed in the 2013 non-consolidated financial statements.

5. Change in presentation and conversion of comparative data

In connection with the fact that the fundamental type of activity conducted by the Company is holding activity, the Company amended the presentation of income and costs in the statement of comprehensive income and in the statement of cash flow (similarly to the data amendment made in the financial statements for the year ended 31 December 2013). The Company converted the comparative data presented in these interim condensed financial statements for the 3-month and 6-month period ended 30 June 2013. The conversion involved changing the existing presentation of income and financial costs (in the part concerning obtaining financing for subsidiaries) as operating income and operating expenses, respectively. Those changes concern the statement of comprehensive income and the statement of cash flow. A summary of these is presented below.

Interim condensed statement of comprehensive income

	3-month period ended 30 June 2013 *(unaudited)*	**Change in presentation**	**3-month period ended 30 June 2013** *(unaudited, restated)*
Continuing operations			
Revenues from core operating activities	-	4,102	4,102
Own costs from core operating activities	-	(5,650)	(5,650)
Depreciation and amortisation	(6)	-	(6)
Wages and salaries	(312)	-	(312)
Other costs by type	(328)	-	(328)
Loss on operating activities	**(646)**	**(1,548)**	**(2,194)**
Finance income	5,636	(4,102)	1,534
Financial costs	(5,650)	5,650	-
Profit/ (loss) on financial activities	**(14)**	**1,548**	**1,534**
Loss before taxation	**(660)**	**-**	**(660)**
Current income tax	-	-	-
Deferred tax	-	-	-
Total income tax	**-**	**-**	**-**
Net loss on continuing operations	**(660)**	**-**	**(660)**
Net loss	**(660)**	**-**	**(660)**
COMPREHENSIVE LOSS	**(660)**	**-**	**(660)**

	6-month period ended 30 June 2013 *(unaudited)*	**Change in presentation**	**6-month period ended 30 June 2013** *(unaudited, restated)*
Continuing operations			
Revenues from core operating activities	-	5,896	5,896
Own costs from core operating activities	-	(5,987)	(5,987)
Depreciation and amortisation	(10)	-	(10)
Wages and salaries	(622)	-	(622)
Other costs by type	(648)	-	(648)
Profit/ (loss) on operating activities	**(1,280)**	**(91)**	**(1,371)**
Finance income	8,659	(5,896)	2,763
Financial costs	(5,987)	5,987	-
Profit on financial activities	**2,672**	**91**	**2,763**
Profit before taxation	**1,392**	**-**	**1,392**

(in PLN '000, except for items otherwise indicated)

Current income tax	-	-	-
Deferred tax	-	-	-
Total income tax	**-**	**-**	**-**
Net profit on continuing operations	**1,392**	**-**	**1,392**
Net profit	**1,392**	**-**	**1,392**
COMPREHENSIVE INCOME	**1,392**	**-**	**1,392**

Interim condensed statement of cash flow

	6-month period ended 30 June 2013 *(unaudited)*	**Change in presentation**	**6-month period ended 30 June 2013** ***(unaudited, restated)***
Gross profit	**1,392**	**-**	**1,392**
Depreciation and amortisation of fixed and intangible assets	10	-	10
Interest and commission costs	337	5,650	5,987
Exchange rate differences	(18)	-	(18)
Change in the balance of assets and liabilities related to operating activities:			
– Trade and other receivables	9	-	9
– Inventories	(4)	-	(4)
– Trade and other liabilities	(220)	-	(220)
– Accruals	(53)	-	(53)
Interest income	(5,878)	-	(5,878)
Costs of interest on bonds	5,650	(5,650)	-
Adjustments of total gross profit	**1,225**	**-**	**1,225**
Other cash flows from operating activities			
Loans granted	-	(131,000)	(131,000)
Repayment of loans granted	-	5,000	5,000
Interest received	-	540	540
Other cash flows from operating activities	**-**	**(125,460)**	**(125,460)**
Net cash from operating activities	**1,225**	**(125,460)**	**(124,235)**
Purchase of property, plant and equipment and intangible assets	(142)	-	(142)
Loans granted	(131,000)	131,000	-
Repayment of loans granted	5,000	(5,000)	-
Interest received	540	(540)	-
Net cash flow from investing activities	**(125,602)**	**125,460**	**(142)**
Proceeds from sale of treasury shares	4	-	4
Issue of bonds	200,099	-	200,099
Repayment of commercial papers issued	(22,250)	-	(22,250)
Interest paid on commercial papers issued	(3,984)	-	(3,984)
Expenses related to issuing bonds	-	(367)	(367)
Commission and interest paid in connection with bank credit	-	(1,870)	(1,870)
Commission paid (related to issuing bonds and the bank credit)	(2,237)	2,237	-
Net cash flow from financing activities	**171,632**	**-**	**171,632**
Net decrease in cash and cash equivalents	**47,255**	**-**	**47,255**
Cash and cash equivalents at the beginning of the period	**134,036**	**-**	**134,036**
Cash and cash equivalents at the end of the period	**181,291**	**-**	**181,291**

The changes in presentation described above did not affect the result of the Company as presented in the interim condensed financial statements for the 6-month period ended 30 June 2013.

(in PLN '000, except for items otherwise indicated)

6. Business segments

The activities conducted by the Company are treated by the Management Board as a single coherent operating segment that includes supervisory activities in relation to subsidiaries operating in the telecommunications industry. The Management treats the entire Capital Group as a single operating segment and evaluates the financial results of the Group by analysing financial data derived from the consolidated financial statements.

7. Seasonality of activities

The Company's activities are not seasonal in nature. Therefore, the results presented by the Company do not show any significant fluctuations during the year.

8. Revenues and costs

8.1. Revenues from core operating activities

	3-month period ended 30 June 2014 *(unaudited)*	**6-month period ended 30 June 2014** *(unaudited)*	**3-month period ended 30 June 2013** *(unaudited, restated)*	**6-month period ended 30 June 2013** *(unaudited, restated)*
Income from interest on loans granted	11,982	23,043	4,091	5,878
Positive exchange rate differences	-	1	11	18
Revaluation of embedded derivative	868	868	-	-
Total	**12,850**	**23,912**	**4,102**	**5,896**

During the 6-month period ended 30 June 2014, revenues from core operating activities increased by PLN 18,016,000 in comparison to the corresponding period of the previous year. During the 3-month period ended 30 June 2014, revenues from core operating activities increased by PLN 8,748,000 in comparison to the corresponding period of the previous year. The above changes result primarily from the higher value of loans granted to subsidiaries and thus, the increased value of the interest computed on short- and long-term loans granted.

8.2. Own costs from core operating activities

	3-month period ended 30 June 2014 *(unaudited)*	**6-month period ended 30 June 2014** *(unaudited)*	**3-month period ended 30 June 2013** *(unaudited, restated)*	**6-month period ended 30 June 2013** *(unaudited, restated)*
Interest on bonds	6,831	14,203	5,644	5,644
Interest on commercial papers issued to related entities	-	-	-	337
Interest on bank credit received	1,370	2,417	-	-
Commission on bank credit received	251	457	-	-
Other costs	29	61	6	6
Total	**8,481**	**17,138**	**5,650**	**5,987**

During the 6-month period ended 30 June 2014, costs of core operating activities increased by PLN 11,151,000 in comparison to the corresponding period of the previous year. During the 3-month period ended 30 June 2014, costs of core operating activities increased by PLN 2,831,000 in comparison to the corresponding period of the previous year. The above changes result from an increase in costs related to issuing the bonds and servicing the debt under the investment credit obtained from Alior Bank.

(in PLN '000, except for items otherwise indicated)

8.3. Finance income

During the 6-month period ended 30 June 2014, there was a decrease in finance income of PLN 2,379,000 in comparison to the corresponding period of the previous year. During the 3-month period ended
30 June 2014, finance income decreased by PLN 1,389,000 in comparison to the corresponding period of the previous year. The above changes resulted from the lower value of funds invested and changes in bank deposit interest rates.

9. Property, plant and equipment

9.1. Purchases and disposals

During the 6-month period ended 30 June 2014, the Company made investments into property, plant and equipment of PLN 41,000 (during the 6-month period ended 30 June 2014 - PLN 140,000). During the 6-month period ended 30 June 2014, the Company sold items of property, plant and equipment with a value of PLN 52,000 (in the corresponding period of the previous year, the Company did not sell any items of property, plant and equipment).

9.2. Impairment write-downs

During the 6-month period ended 30 June 2014, the Company did not recognise any significant impairment of property, plant and equipment (as was the case in the corresponding period of the previous year).

10. Other non-current and current assets

During the 6-month period ended 30 June 2014, there was a change in the value of other (non-current) financial assets in comparison to the balance as at 31 December 2013. Other non-current financial assets comprise the following items:

	30 June 2014 *(unaudited)*	**31 December 2013**
Shares, of which:		
CenterNet S.A.	238,989	238,989
Mobyland Sp. z o.o.	178,770	178,770
Conpidon Ltd*	-	548,444
Aero2 Sp. z o.o.	548,444	-
Long-term loans granted (including interest)**	330,510	259,546
Embedded derivatives - option of early redemption of bonds	48,099	47,232
Total	**1,344,812**	**1,272,981**

* Information on the merger between Conpidon and Midas is set forth in Note 21

**details concerning long-term loans granted in 2014 are described in Note 14.

<u>*Shares*</u>

During the 6-month period ended 30 June 2014, the Management Board of the Company updated the Group's long-term financial plans. Therefore, for the purpose of preparing the condensed non-consolidated financial statements, the Management Board conducted an impairment test of shares in subsidiaries by estimating the recoverable value of those interests and shares.

The recoverable value of the shares in subsidiaries was estimated as the fair value less any expenses of making sales.

(in PLN '000, except for items otherwise indicated)

The tests did not reveal a need to make impairment write-downs of shares in subsidiaries. The surplus of the recoverable value over the carrying amount is sufficient to cover any expenses of making sales.

Given the type of activity conducted and the fact that there is one coherent operating segment, in the opinion of the Management Board of the Company investments in subsidiaries constitute a single main cash-generating unit (in the meaning of IAS 36 Impairment of assets) focused on telecommunications activities and wholesale data transfers based on the LTE and HSPA+ technologies, which are a relatively new solution in Poland and worldwide. As a result of the above, the impairment test of shares in subsidiaries was conducted on the basis of forecast cash flows to be generated jointly by all subsidiaries constituting the single cash-generating unit. When preparing and approving business plans, the Management Board takes into account changes taking place on the telecommunications market in Poland as well as its own market research and agreements signed or negotiated with telecommunications operators.

The Management Board of the Company based the main assumptions made in order to determine the usable value of the cash-generating unit on expectations with regard to:

- the market value of data transfers,
- the share of subsidiaries of Midas S.A. in the high-speed data transmission market,
- the rate of growth in demand for rapid data transfers in Poland.

Values assigned to each of those parameters reflect the best estimates of the Management Board of the Company as to current and future needs of clients for data transfer services. In the calculations, account was taken of anticipated changes in the scope of the business plan, although these may be subject to the impact of unforeseeable technological, political, economic or legal changes. Consequently, uncertainty exists as at the date of preparing these financial statements as to whether the assumptions made will prove true.

The end growth rate accepted is 0 per cent after the period of the forecast, whereas the pre-tax discount rate is 11.5 per cent (the after-tax discount rate is 10.1 per cent). The period covered by the forecast is 2014-2021.

The Management Board of the Company predicts that the average growth rate in the use of data transfers during the period of the forecast, i.e. 2014-2021, will be approximately 28 per cent annually, with the greatest growth occurring in 2015. Prices for wholesale consumers, however, will drop significantly over the next 5 years. The subsidiaries will mainly incur operating expenses relating to maintaining and using its telecommunications network, and to charges for holding frequencies and radio bands. The Company would have to recognise an impairment write-down with respect to investments in subsidiaries if the after-tax discount rate of 10.1 per cent increased to 12.65 per cent.

Embedded derivative

As at 30 June 2014, the Company revalued the embedded derivative. The change in the value of the embedded derivative results from changes in market parameters, including changes in the profitability of bonds with similar maturities.

Other current assets

The item other current assets is showing a portion of the commission on the bank credit obtained that has not been allocated to the credit tranches drawn down to date.

11. Cash and cash equivalents

For the purpose of the interim condensed statement of cash flow, cash and cash equivalents comprise the following:

	30 June 2014 *(unaudited)*	**30 June 2013** *(unaudited, restated)*
Cash at bank and on hand	18	3,086
Short-term bank deposits	20,141	178,016
Interest accrued on bank deposits	15	189

(in PLN '000, except for items otherwise indicated)

Cash and cash equivalents	**20,174**	**181,291**

12. Provisions

During the 6-month period ended 30 June 2014, there were no movements in the level of provisions created.

13. Interest-bearing bank credit, borrowings and issued papers and bonds

During the 6-month period ended 30 June 2014, the Company drew down other tranches of the investment credit (agreement with Alior Bank of 28 February 2013) in the amount of PLN 55 million. The funds from the credit were sent directly to the bank account of the Company's subsidiary Aero2, in accordance with the loan agreement concluded between Midas and Aero2 on 13 September 2013. In the statement of financial position, the value shown of liabilities from the credit is based on the effective interest rate, taking account of costs incurred in connection with obtaining the financing.

During the 6-month period ended 30 June 2014, there was an increase in the value of liabilities under the issue of bonds. The change results from calculating the discount on the series A bonds. The amount of discount was added to the existing debt under the series A bonds.

14. Trade and other receivables

During the 6-month period ended 30 June 2014, the Company granted loans with a total value of PLN 95,000,000, of which:

- to Aero2 Sp. z o.o., short-term loans in the amount of PLN 10,000,000 and long-term loans in the amount of PLN 55,000,000 (the amount of PLN 55,000,000 was obtained from the credit granted by Alior Bank and was transferred directly to Aero2's account),
- to Mobyland Sp. z o.o., short-term loans in the amount of PLN 30,000,000.

Details on loans granted are presented are shown in the table below:

Company	**Amount of loan**	**Date loan granted**	**Date loan repaid**	**Interest rate and other conditions of the loan**
Mobyland	30,000	15 January 2014	31 December 2014	1M WIBOR plus margin
Aero2	20,000	1 August 2014	30 March 2018	cost of servicing the Alior credit plus margin
Aero2	15,000	12 June 2014	30 March 2018	cost of servicing the Alior credit plus margin
Aero2	10,000	25 March 2014	31 December 2014	1M WIBOR plus margin
Aero2	10,000	4 April 2014	30 March 2018	cost of servicing the Alior credit plus margin
Aero2	10,000	20 May 2014	30 March 2018	cost of servicing the Alior credit plus margin

The above loans were granted for the purpose of financing the expansion and maintenance of the telecommunications network of the Midas Group.

As at 30 June 2014, the total value of short-term loans granted is PLN 231,401,000 (PLN 186,021,000 as at 30 June 2013).

15. Goals and principles of financial risk management

During the 6-month period ended 30 June 2014, the Company did not recognise any significant changes in financial risk or in the objectives and policies of managing such risk compared with those described in the annual non-consolidated financial statements for 2013.

(in PLN '000, except for items otherwise indicated)

16. Management of capital

During the 6-month period ended 30 June 2014, the Company did not change its goals, principles or procedures for capital management compared to those disclosed in the 2013 annual non-consolidated financial statements.

17. Contingent liabilities and contingent assets

In the 6-month period ended 30 June 2014, there were no changes in contingent liabilities or contingent assets compared with the data disclosed in the 2013 annual non-consolidated financial statements.

On 8 May 2014, the Supreme Administrative Court ("NSA") issued a judgement in the matter concerning the tender for frequency reservations in the 1800 MHz range, pursuant to which the NSA upheld the judgement of the Province Administrative Court in Warsaw ("WSAW") of 6 July 2012. The judgement of the NSA was issued as a result of dismissal of the cassation appeals submitted by the President of the UKE and subsidiaries of Midas: CenterNet and Mobyland.

On 29 May 2014, the NSA issued a judgement in the matter concerning frequency reservations in the 1800 MHz range, pursuant to which the NSA upheld the judgement of the WSAW of 19 November 2012. The judgement of the NSA was issued as a result of dismissal of the cassation appeal submitted by Polska Telefonia Cyfrowa Sp. z o.o. with its registered office in Warsaw (current name T-Mobile Polska S.A. with its registered office in Warsaw).

The Management Board of the Company is not able to predict the final outcome of the proceedings concerning frequency reservations pending against the subsidiaries of Midas S.A., but it is of the opinion that the issue should not have a negative impact on the recoverable value of shares in subsidiaries. The value of ownership interests in subsidiaries is presented in Note 10 to these interim non-consolidated condensed financial statements.

18. Capex liabilities

As at 30 June 2014 and as at 31 December 2013, the Company did not incur any capex liabilities that have not been disclosed in these financial statements.

19. Related party disclosures

The table below presents the total values of transactions with related parties entered into during the 3- and 6-month periods ended 30 June 2014 and 30 June 2013, respectively, and the balances of receivables and payables as at 30 June 2014 and 31 December 2013:

		Revenues from mutual transactions, of which:	**interest on loans**	**other**
Subsidiaries	**3-month period ended 30 June 2014** *(unaudited)*	11,984	11,982	2
	6-month period ended 30 June 2014 *(unaudited)*	23,101	23,043	58
	3-month period ended 30 June 2013	4,109	4,091	18

(in PLN '000, except for items otherwise indicated)

	(unaudited, restated)			
	6-month period ended 30 June 2013 *(unaudited, restated)*	5,896	5,878	18
Entities controlled by a person (or members of their family) who controls, jointly controls or has significant influence over Midas S.A.	**3-month period ended 30 June 2014** *(unaudited)*	-	-	-
	6-month period ended 30 June 2014 *(unaudited)*	38	-	38
	3-month period ended 30 June 2013 *(unaudited, restated)*	160	-	160
	6-month period ended 30 June 2013 *(unaudited, restated)*	676	-	676

		Costs of mutual transactions, of which:	interest on commercial papers	bonds discount	other
Subsidiaries	**3-month period ended 30 June 2014** *(unaudited)*	35	-	-	35
	6-month period ended 30 June 2014 *(unaudited)*	70	-	-	70
	3-month period ended 30 June 2013 *(unaudited, restated)*	36	-	-	36
	6-month period ended 30 June 2013 *(unaudited, restated)*	406	337	-	69
Entities controlled by a person (or members of their family) who controls, jointly controls or has significant influence over Midas S.A.	**3-month period ended 30 June 2014** *(unaudited)*	639	-	-	639
	6-month period ended 30 June 2014 *(unaudited)*	1,275	-	-	1,275
	3-month period ended 30 June 2013	5,716	-	5,641	75

(in PLN '000, except for items otherwise indicated)

	(unaudited, restated)				
	6-month period ended 30 June 2013 *(unaudited, restated)*	5,790	-	5,641	149

		Receivables from related parties, of which:	**loans**
Subsidiaries	**30 June 2014** *(unaudited)*	563,323	563,323
	31 December 2013	445,567	445,567

		Liabilities towards related parties, of which:	**trade**
Subsidiaries	**30 June 2014** *(unaudited)*	12	12
	31 December 2013	7	7
Entities controlled by a person (or members of their family) who controls, jointly controls or has significant influence over Midas S.A.	**30 June 2014** *(unaudited)*	211	211
	31 December 2013	233	233

20. Remuneration of the Company's management staff

	3-month period ended 30 June 2014 *(unaudited)*	**6-month period ended 30 June 2014** *(unaudited)*	**3-month period ended 30 June 2013** *(unaudited, restated)*	**6-month period ended 30 June 2013** *(unaudited, restated)*
Management Board of the parent				
Current employee benefits or similar (wages and salaries and bonuses)	717	842	215	477
Supervisory Board of the parent				
Current employee benefits or similar (wages and salaries and bonuses)	48	64	7	14
Total	**765**	**906**	**222**	**491**

21. Business combinations

On 21 February 2014, the District Court for the City of Warsaw in Warsaw, Division XII Commercial of the National Court Register, registered the merger of Midas with its registered office in Warsaw (as the Acquiring Company) with the subsidiary Conpidon Limited with its registered office in Nicosia, Cyprus (as the Target Company). As a result of the merger, Midas entered into all the rights and obligations, assets and liabilities of Conpidon, which was dissolved without being liquidated. In view of the fact that all of the shares in the Target Company were held by the Acquiring Company, the Merger was effected without increasing the share capital of the Acquiring Company.

Result on the merger in the amount of PLN 298,000 is disclosed under uncovered losses.

22. Events occurring after the balance sheet date

Since 1 July 2014, as a result of the signing, on 12 June 2014, of Annex No. 1 to the credit agreement concerning investment credit, concluded on 28 February 2013 between Midas and Alior Bank, the bank's margin has been changed (reduced). The interest rate reduction takes effect after the balance sheet date.

On 10 July 2014, the Company, together with the following of its subsidiaries: Aero2, CenterNet and Mobyland, entered with Bank Polska Kasa Opieki S.A. into an agreement concerning investment credit for up to PLN 200,000,000 for the purpose of expanding the LTE and HSPA+ telecommunications network.

Under the Agreement, the Borrowers may utilise the Credit after the Bank notifies the Borrowers, within the time frame specified in the Agreement, that all of the conditions precedent set forth in the Agreement (and described in more detail below) for the utilisation of the Credit (the "Conditions Precedent") have been satisfied, but no later than one year from the date of entering into the Agreement (the "Availability Period"). The Credit will each time be disbursed upon written instruction from a Borrower (the "Utilisation Request"), prepared in accordance with the Agreement. The credit will be repaid in 48 equal monthly principal instalments (the "Repayment Period"), starting from the month following the month of the last day of the Availability Period, but no later than on the fifth anniversary of executing the Agreement. The interest, calculated on the basis of the 1M WIBOR rate increased by the Bank's margin, will also be repaid in monthly periods. In the case set forth in the Agreement and related to the accounting revenue of Midas Group entities generated until the end of 2015, the Bank will be entitled to shorten the Repayment Period so that it ends on the third anniversary of executing the Agreement, unless the Borrowers provide a solution acceptable to the Bank, which will require the Borrowers to obtain external assistance that will ensure timely debt repayment. For granting the Credit and for its early repayment, the Bank is also entitled to commission, the amount of which has been determined at a market level. The Agreement also defines events ("Events of Default") that will cause the Bank's margin to be increased by the amount specified in the Agreement. The higher margin for the Bank will be in effect until an Event of Default has been remedied by the Borrowers. The list of Events of Default defined in the Agreement is a standard list commonly used in these types of agreements. The Borrowers are jointly and severally liable for any amounts payable to the Bank under the Agreement.

The Conditions Precedent set forth in the Agreement are: (a) providing the Bank with the documents set forth in the Agreement, including copies of the constitutional documents, current excerpts from the KRS, powers of attorney and any required corporate approvals for all of the Borrowers; (b) providing the Bank with legal opinions prepared by the Bank's legal counsel (on the validity and enforceability of the Bank's rights under the Agreement, among other things) and the Borrowers' legal counsel (on the Borrowers' ability to enter into and perform the Agreement and the documents concerning the collateral for the Credit); (c) providing the Bank with the Finance Documents as defined in the Agreement, i.e. in particular: duly executed documents on establishing a collateral for the Credit (the "Security Documents"), proof of payment and filing with competent courts of motions to register collaterals for the Credit, proof of delivery of any notices under the Security Documents, excerpts from the register of pledges and the register of fiscal pledges confirming that no registered pledges (other than as defined in the Agreement) or fiscal pledges have been established over the Company's assets or the assets and shares of the other Borrowers; (d) providing the Bank with any other documents specified in the Agreement. Until the date of publishing these statements, none of the Conditions Precedent had been fulfilled.

The Credit is secured by: (a) a registered pledge for up to PLN 300,000,000 over the shares of CenterNet, Aero2 and Mobyland; (b) a registered pledge for up to PLN 300,000,000 over a pool of assets and rights owned by the Borrowers and treated as a single economic unit; (c) assignment of rights under the insurance policies concluded by Aero2 concerning assets securing the Credit; (d) assignment of receivables under the agreements on wholesale data transfer services concluded by Mobyland with Cyfrowy Polsat S.A. and Polkomtel Sp. z o.o.; (e) subordination of the receivables of an entity outside the Borrower's group (save for Alior Bank SA, Plus Bank SA and holders of the Company's series A bonds) providing financing for the Borrowers, with respect to the Bank's receivables from the Borrowers under the Finance Documents; (f) conditional powers of attorney authorising the Bank to act on behalf of the Borrowers (save for the Company) before the Polish Office of Electronic Communications; (g) powers of attorney for the Borrowers' bank accounts; (h) a declaration of submission to enforcement for up to PLN 300,000,000 made by the Borrowers in favour of the Bank pursuant to Article 97 of the Banking Law of 29 August 1997; (i) a declaration by Mr. Zygmunt Solorz-Żak on providing, within the scope of rights vested in shareholders of public companies, assistance throughout the term of the

Agreement, which, in particular, involves making efforts to ensure that the Borrowers repay any and all of their obligations towards the Bank in a timely manner, remain in sound economic and financial standing and obtain additional financing sufficient to satisfy their obligations towards the Bank in the event of a delay in their repayment. Until the publication of this Report, the Security Documents have not been signed, save for the above declaration by Mr. Zygmunt Solorz-Żak. On 26 August 2014, the Extraordinary General Meeting of the Company adopted a resolution in which it agreed to the establishing of a limited right in rem over the Company's assets. Approval from the General Meeting will allow the Management Board of the Company to successfully establish the registered pledge over the Company's assets referred to in pt. (b) above.

Furthermore, each potential prospective guarantor of the Credit agrees to issue a guarantee to the Bank for up to PLN 300,000,000, as well as other collaterals that may be agreed with the Bank (the obligation is in effect until 30 June 2022). In the Agreement, the Borrowers also agreed to open temporary bank accounts to which payments will be made under agreements on wholesale data transfer services and insurance policies, as well as a DSRA account, in which a balance of no less than 10 per cent of the value of the disbursed Credit will be maintained throughout the term of the Credit. Subject to the terms and in the manner set forth in the Agreement, the Bank may block certain amounts in the above accounts and apply them towards satisfying due and payable obligations of the Borrowers under the Credit. The Company also agrees that, without the Bank's written approval (which approval will not be unreasonably denied by the Bank), it will not exercise its early redemption option with respect to the Company's series A bonds.

The Company has also agreed that, until the lapse of the Repayment Period, it will not disburse dividends or refund contributions or any other compensation or payments on its share capital, except in the event of a possible consolidation of the Company's shares, and that none of the Borrowers will acquire (directly or indirectly) any entity or enterprise, except as provided in the Agreement. The Company also restricts the Borrowers' ability to dispose of their assets and to encumber and divide the Borrowers' assets, save for any exceptions stipulated in the Agreement. The Agreement also contains provisions concerning General Obligations, both by the Borrowers and by the Bank, which do not vary considerably from provisions commonly used in these types of agreements.

On 11 July 2014, the Company drew down another tranche of the investment credit (agreement with Alior Bank of 28 February 2013) in the amount of PLN 10 million. The funds from the credit were sent directly to the bank account of the Company's subsidiary, i.e. Aero2, in accordance with the loan agreement concluded between Midas and Aero2 on 13 September 2013. The loan bears variable interest, calculated on the basis of the cost of capital for Midas increased by a margin.

On 16 July 2014, Mr Jerzy Żurek tendered his resignation as Member of the Supervisory Board without stating the reason.

On 23 July 2014, the Company, acting on the basis of the provisions of the Bond Issue Conditions ("BIC"), announced that it was intending to make use of the right to which it was entitled to change the security ("Change of Security") for the series A bonds issued on 16 April 2013, which would involve deleting the following registered pledges from the register of pledges:

(i) a pledge on 221,000 shares of Aero2 representing 100 per cent of the share capital of that company and giving entitlement to 100 per cent of the votes at the meeting of shareholders of that company, owned by the Issuer;

(ii) a pledge on 4,264,860 shares of CenterNet representing 100 per cent of the share capital of that company and giving entitlement to 100 per cent of the votes at the meeting of shareholders of that company, owned by the Issuer;

(iii) a pledge on 204,200 shares of Mobyland representing 100 per cent of the share capital of that company and giving entitlement to 100 per cent of the votes at the meeting of shareholders of that company, owned by the Issuer.

The decision concerning the intention to make use of the right to change security is the consequence of the agreement concluded by the Company on 10 July 2014 with Bank Polska Kasa Opieki S.A. concerning investment credit for up to PLN 200,000,000 (as described above). Under the provisions of the Agreement, one form of security for the Credit being granted is a registered pledge up to the amount of PLN 300,000,000 on the shares of subsidiaries of the Issuer, i.e. Aero2, CenterNet and Mobyland. Before the date of publishing these statements, the Company filed with the competent court duly paid motions to delete the above registered pledges. On 1 September 2014, the Company received a decision of the court to delete the registered pledges over the shares of Aero2 and CenterNet. Currently, the Company is awaiting consideration of the motion to delete the registered pledge over the shares of Mobyland.

SIGNATURES OF MEMBERS OF THE MANAGEMENT BOARD:

__________________________ __________________________

Krzysztof Adaszewski
/President of the Management Board/

Maciej Kotlicki
/Vice-President of the Management Board/

SIGNATURE OF THE PERSON ENTRUSTED TO MAINTAIN THE BOOKS OF ACCOUNT:

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Teresa Rogala
/on behalf of SFERIA
Spółka Akcyjna/

Warsaw, 1 September 2014