



Press release

Warsaw, 6 March 2013

### **Midas will issue bonds and gain PLN 200 million to expand its network**

**Poland's first wholesale Internet supplier in LTE technology has decided to issue bonds from which it will gain PLN 200 million. As a result of this issue, Midas will gain financing for the second phase of expansion of its network for data transfer in ultra-fast LTE/HSPA+ technology, which is to be completed in mid-2014.**

The securities that will be issued are zero-coupon eight-year subordinated bonds. The issue of the bonds is a condition for the release of debt financing in Alior Bank, with which Midas signed a credit agreement on 28 February. Last December, Midas signed a framework agreement concerning cooperation with Sferia. In that agreement, Sferia guaranteed the take-up of the Midas bonds.

*"We are carrying out the plan to expand the telecommunications network according to the previously planned time schedule. We have now reached the point where it is necessary for us to get debt financing. The bonds issue is one of the sources that are to help us carry out the company's development strategy", says Krzysztof Adaszewski, President of the Management Board of Midas S.A.*

In accordance with the decision of the Company's Management Board, Midas will issue up to 600,000 bonds with a par value of PLN 1,000 each. The unit price of the bonds will, after taking a discount into consideration, be PLN 342.77 – which means that Midas will gain about PLN 200 million. The bond issue will be on 29 March 2013 and they will be repurchased on 29 March 2021. The Company will strive to have the bonds introduced to trading on the Catalyst market.

As a result of the funds gained from the series D issue and the debt financing, the Midas Group will by mid-2014 (i.e. at the end of the second phase of network expansion) have a total number of over 44,000 base stations. In the next stage, the Company wants to carry out phase 3 of its expansion of the network. Realising this plan will ensure that 66 per cent of the Polish population is covered by the LTE network and almost 100 per cent by the HSPA+ network.



Midas currently provides data transfer services in a wholesale model. Its customers are Polkomtel and Cyfrowy Polsat, which can offer their customers retail access services to the ultra-fast mobile Internet as a result of the Midas Group's resources and competencies. The listed company is, through its subsidiaries, the only one in Poland to have a unique continual 19.6 MHz band in the 1800 MHz range, which guarantees the highest quality of Internet access provided.

**About the company:**

Midas S.A., listed on the Warsaw Stock Exchange since 1997, heads a Polish telecommunications group controlled by Zygmunt Solorz-Żak. The Midas S.A. Capital Group comprises CenterNet S.A., Mobyland Sp. z o.o. and Aero 2 Sp. z o.o., which was acquired in December 2011. The Group's core business is the creation of a nationwide telecommunications network in HSPA+ and LTE technologies, so that it may engage in the wholesale of Internet access to retail operators with large customer bases.

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