

Press release

Warsaw, 6 November 2012

NFI Midas Group puts together financing to expand its telecommunications network

- **The Company will issue bonds with a value of up to PLN 250 million. Zygmunt Solorz-Żak, the main shareholder of the Company, guarantees the subscription of bonds worth about PLN 200 million.**
- **The Group has agreed a term sheet in accordance with which it will receive two bank loans worth over PLN 500 million in all**

The Midas Group has completed the most important stage of the process of arranging financing for the planned investments. Apart from its own resources, obtained from issuing series D shares, the company will issue bonds with a value of up to PLN 250 million and will receive bank debt financing, the term sheet for which has just been agreed. Documents of the "term sheet" type are not, indeed, binding agreements, but they do specify the basic terms on the basis of which financing banks are ready to make debt financing available. The next step in carrying out the transaction will be the signing of detailed credit agreements and other accompanying legal documents, including agreements concerning debt repayment security.

In accordance with the aforementioned documents, Alior Bank agreed to grant the Group investment credit of up to PLN 150 million. The credit is to be made available for 5.5 years and the funds are to be used within 2 years. Bank Zachodni WBK and Banco Santander will grant the Group secured credit of up to PLN 364 million. The credit is to be granted for a period of 7 years, where the period within which the Fund will be able to utilise the allotted amount will be a maximum of 3 years. The credit will be partially insured by Finnish and Swedish export agencies, which should accept these conditions.

The purpose of the credit will be to finance the expansion of a commercial telecommunications network in Poland carried out by the Fund on the basis of framework agreements for the supply, integration and maintenance of access elements of the telecommunications network concluded with Ericsson and Nokia Siemens Networks.

The term sheets form the basis for determining detailed conditions of the agreements which will now be negotiated.

"The negotiations with financial institutions concerning key conditions of financing were long but fruitful, because as a result of these we will receive financing to expand the network on

good terms. After negotiating the detailed terms of agreements, which will take us a while yet, we will be able to concentrate exclusively on expanding the network. We estimate that negotiating the detailed clauses of the agreements will not take a long time, at least as far as financing for Phase II of the network's expansion is concerned", says Krzysztof Adaszewski, Member of the Management Board of NFI Midas.

At the same time, the Management Board of NFI Midas adopted a resolution on commencing the process of issuing ordinary secured bonds with a value of up to PLN 250 million. The bonds will supplement the credit and the company's own resources, as a result of which the Group will dynamically expand its telecommunications network.

The Company's main shareholder and Chairman of the Supervisory Board, Zygmunt Solorz-Żak, stated that he himself or an entity indicated by him would take up the bonds amounting to approximately PLN 200 million.

The financing made available by Alior Bank, together with the bonds and the company's own resources obtained from issuing series D shares, will make it possible to finance Phase II of the network's expansion, and the credit from Banco Santander and BZ WBK will be intended for financing Phase III.

On the basis of its infrastructure, the NFI Midas Group provides services concerning the wholesale transfer of data through LTE technology. According to the latest report from the research firm PMR, the DLISP market (data transmission, line rental and Internet services provision) will be the fastest developing segment of the telecommunications market in 2016 and will amount to PLN 7.9 billion. This means an average annual growth rate of 4.2 per cent - the fastest sub-segment of the DLISP market will be the data transmission segment.

About the company:

NFI Midas S.A., listed on the Warsaw Stock Exchange since 1997, heads a Polish telecommunications group controlled by Zygmunt Solorz-Żak. The NFI 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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